Children, money and the path to independence

The Swiss pocket money study
by PostFinance

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Preface

Do you remember your first pocket money? That special feeling of deciding for yourself whether to invest your cash in sweets and a scrapbook – or if it should go into your piggy bank? This is where the journey to financial independence begins, in the middle of everyday family life.

Money management has to be learned. In an age when TikTok, Instagram and so on are bombarding our children every day with content urging them to buy new stuff, this is more important than ever. Financial knowledge isn't some boring side issue, it's an essential life skill.

But how do parents in Switzerland approach this issue? How do they teach the value of money? When is the right time for the first money of your own? How do we talk about money at home? To look into these issues of money in parenting, PostFinance commissioned the Sotomo research institute to conduct a representative study.

The findings are encouraging:

Parents talk about money – there are no taboos. More than 95 percent of parents believe that talking openly about money is an important part of preparing their children for the consumer world.

Financial literacy is a tool for life. Many parents see a conscious approach to managing money as an important grounding for their children.

From piggy bank to banking app. Most parents still focus consciously on cash to begin with, before going on to introduce their children to digital forms of payment, clearly feeling that the tangible experience of counting coins and handing over notes creates a better understanding of the value of money.

Here at PostFinance, we know that financial knowledge starts in the family. That's why we support families with appropriate banking solutions for children and young people – and help parents with practical tips on ensuring that their children are confident and well prepared going into their financial future.

Enjoy reading.

Sandra Lienhart, Chief Business Unit Officer Retail Banking

Contents

1 In brief

1.1 About this study

Financial literacy is not on the school curriculum – but it is a key qualification for life. In Swiss families, it is taught at an early age, often in conversations about money over the kitchen table, when children make their own first purchase or when they start getting regular pocket money. Parents set great store by teaching their children to manage money responsibly. What starts while still young with a fiver for sweets becomes preparation for an increasingly complex financial world as they get older.

The process of financial education takes place in stages. To begin with, children learn how money works from having their own cash. By the time children reach their teenage years, digital payment methods such as debit cards and TWINT come into focus. The pocket money study takes a look at how this process evolves, going beyond the simple question of pocket money to provide a detailed account of how parents in Switzerland teach their children financial literacy, from what age and how often they give pocket money, what happens to the money – and how the relationship to cash, digital payment methods and saving changes over the course of childhood.

Between 12 and 25 February 2025, on behalf of PostFinance, the Sotomo research institute surveyed 1,429 parents in German-speaking and French-speaking Switzerland with at least one child between the ages of 5 and 18. The results are representative of the linguistically integrated resident population of this target group.

1.2 Overview of key findings

Consumer behaviour is a key concern for parents
Many parents worry about what children spend their money on. Almost half have concerns about their children's unnecessary consumption, while a third see the greatest danger in them being swayed by external factors such as advertising, influencers or their friends (fig. 1). Conflicts within the family also often center around consumption – especially when there are external influences involved (fig. 4). As children grow up, parents develop a growing and critical understanding of the influence of social media on their spending habits (fig. 3).

Financial literacy: an important life skill taught at an early age
Financial literacy is a key educational goal for parents in Switzerland: 94 percent rate the topic as (very) important – comparable to values such as resilience or perseverance (fig. 5). Money is therefore discussed at an early age – nine out of ten parents of children between the ages of 5 and 8 have already broached the subject (fig. 8). Parents

emphasize in particular that money is not something to be taken for granted, and must instead be earned (fig. 7). Financial education is not just about imparting knowledge, it is also about teaching values: children are expected to learn to live within their means and to understand the value of money, but without overestimating it.

Step by step: financial literacy starts with cash and is consolidated by exposure to digital payment methods

During younger childhood, parents clearly prefer cash as the way to give their children an understanding of managing money. 73 percent see this as most suitable (fig. 10). From the age of 12, this picture changes significantly: digital payment methods gain in importance and augment young people's financial independence (fig. 13). This gradual evolution shows that, rather than happening all at once, financial education is a cumulative process that adapts to children's everyday lives as they get older.

Pocket money as a way of teaching money management

Pocket money is the key means of providing financial education in Swiss families. Most children are given regular pocket money by the time they start school: starting at five francs as a child and going up to 150 francs as a teenager (fig. 18, 19). There are clear tendencies between the language regions: German-speaking Swiss parents give more pocket money than their French-speaking counterparts – around 70 francs more per month at the age of 17 to 18 (fig. 21). While pocket money is used by younger children mainly to fulfil small wishes, teenagers increasingly take responsibility for everyday expenses such as clothing, public transport or food (fig. 26). It is also clear that parents focus on trust rather than control. Two thirds do not attach conditions such as chores or performance at school to pocket money – their goal is rather to give children financial freedom of choice and the ability to learn from experience (fig. 27). In this sense, pocket money becomes a practical tool for learning: a small amount that can have a big impact.

Saving: a Swiss virtue that is passed on to children

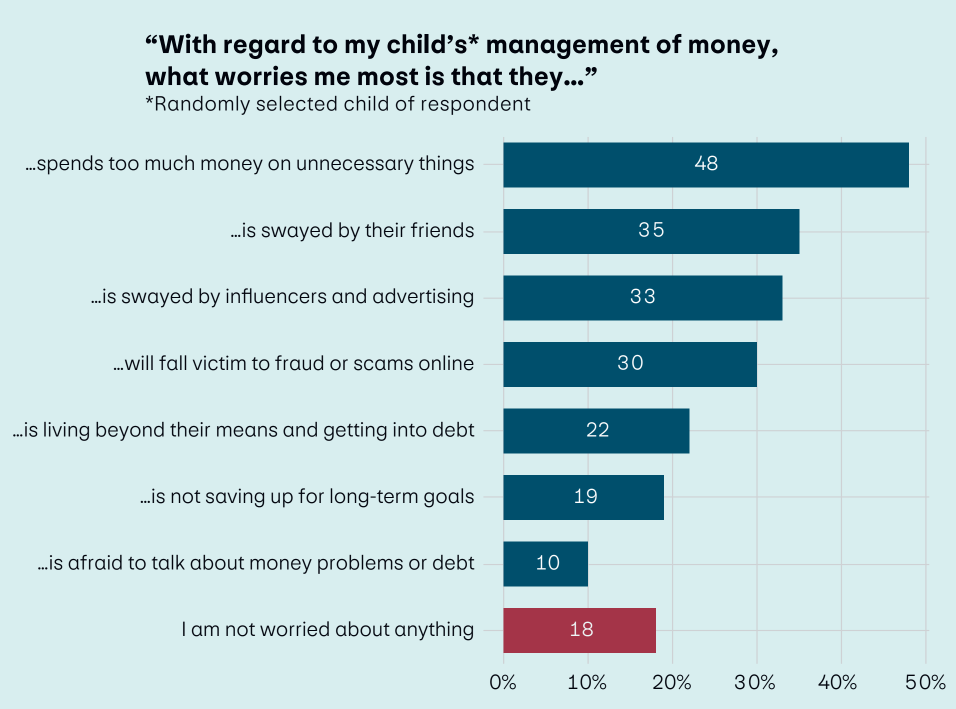
Saving is deeply rooted in Switzerland – and is already practised in childhood. More than four in five children save at least some of their pocket money, regardless of age or gender (fig. 30). Parents also play a key role in this, with three quarters putting money aside for their children, usually in the form of a traditional savings account (fig. 33). Children's savings goals are varied: while some children save for specific things like bicycles or electronics, others focus on long-term goals such as holidays or education (fig. 31). These findings show that saving in Switzerland is understood not only as an individual decision, but also as a culturally shaped practice that is passed down through the generations.

2 Financial education: what matters to parents

Parents in Switzerland consider financial literacy to be an important life skill. Money is discussed with children from an early age, with a view to passing on financial values and self-reliance. Starting in adolescence, the use of digital payment methods also plays an increasingly important role. However, learning how to manage money also comes with worries and conflicts. What values do parents want to pass on to their children with respect to money and finances? What guiding principles do they follow in imparting their knowledge? And what are parents' biggest concerns regarding financial issues?

2.1 Consumer behaviour is a key concern

The most common worry among parents in terms of how their children spend their money is unnecessary consumption. Around half express concerns that their children spend money on things they don't need (fig. 1). Another key aspect of parental concern relates to external influences: a third of parents worry that their children are being swayed by friends or by advertising and influencers – an understandable concern in today's world, where social media and online marketing are ubiquitous and the age that children have access to this world is becoming younger and younger. Overall, however, the findings suggest that many parents are relatively relaxed about how their children manage their money, with 18 percent of respondents saying they have no concerns at all in this regard.

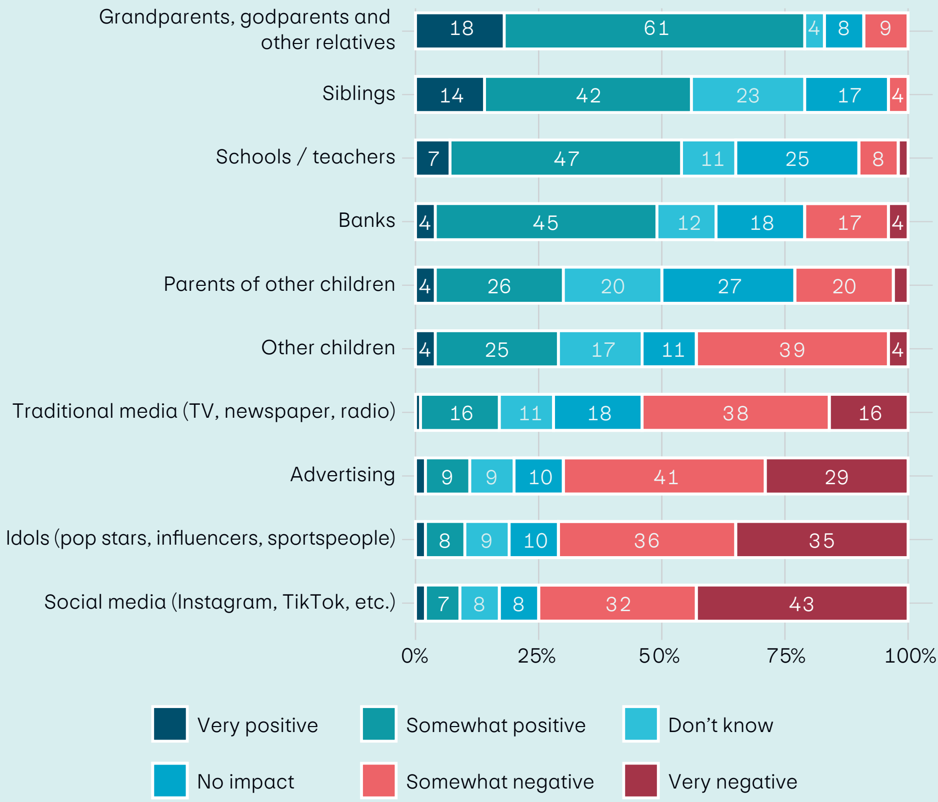


Worries about managing money (fig. 1)

How do parents rate the influence of various people and institutions on their children's management of money? The influence from family receives a particularly positive rating: overall, eight out of ten parents see grandparents, godparents and other relatives as a positive influence, of which two in ten rate it as very positive (fig. 2).

This shows that when it comes to financial education, the family is an important point of reference for many children. Schools and banks are also largely viewed as helpful institutions – more than half of parents see a positive influence from schools, while the figure for banks is just under half.

“In your case, how would you rate the influence of the following people and institutions on your child’s/children’s management of money?”

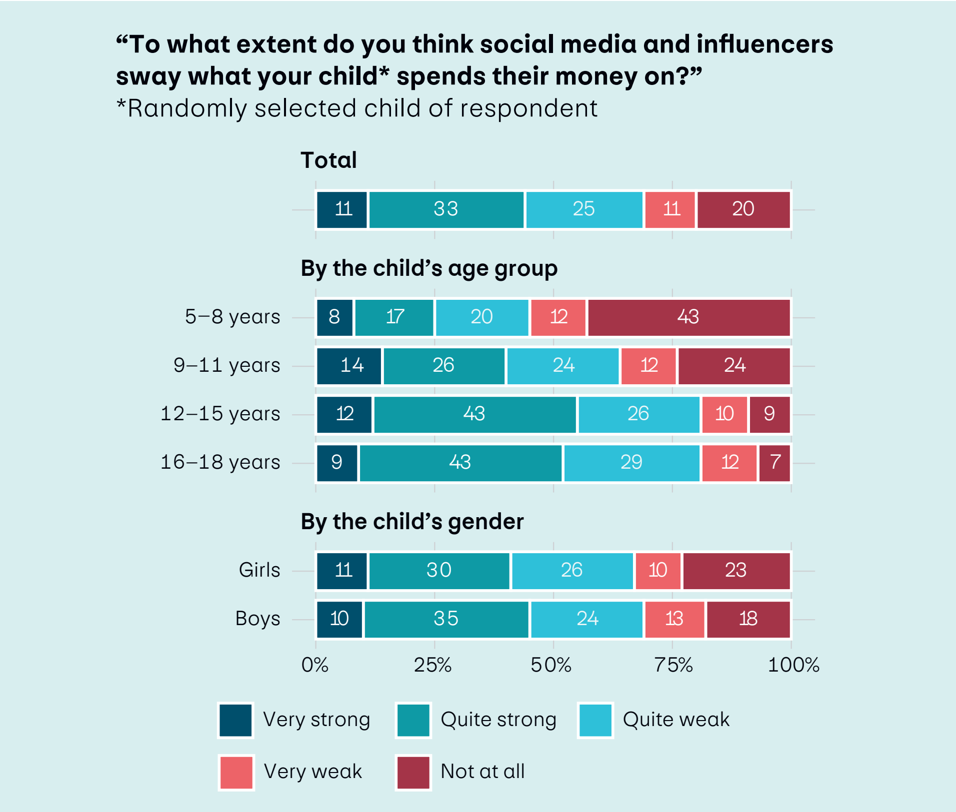


Influence of various actors on money management (fig. 2)

While the family, school and banks tend to be seen as supportive, other influencing factors are criticized. In particular, social media and idols such as pop stars and influencers are viewed with scepticism, with three quarters of parents seeing their influence as negative (fig. 2).

“Parents worry about their children spending money on things they don’t need”

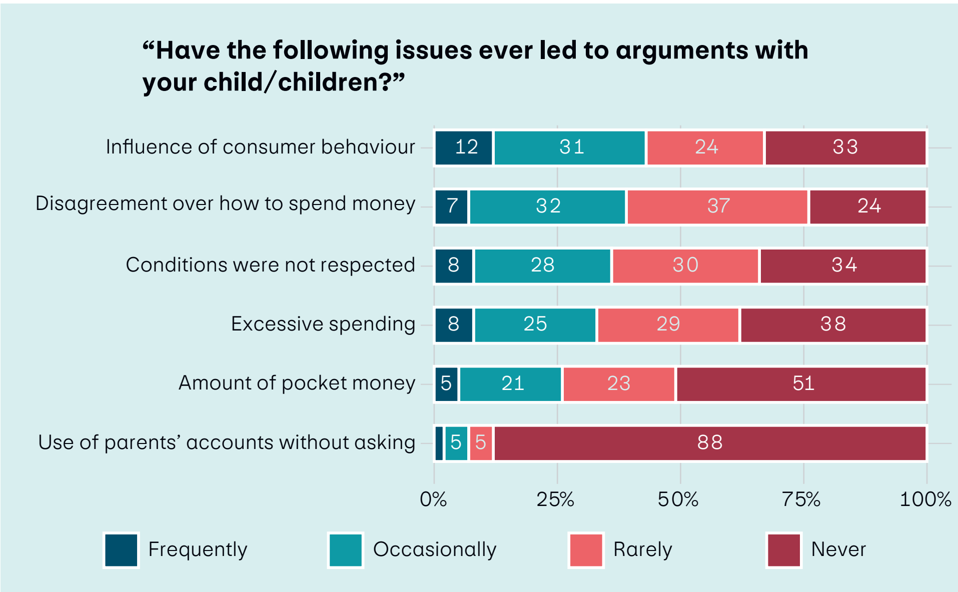
When parents are asked directly about the influence of social media on their children's spending habits, it is clear that perceptions differ (fig. 3). The decisive factor is age: while only 25 percent of parents of 5- to 8-year-olds see a strong influence from social media on their children's spending habits, the figure of 52 percent for 16- to 18-year-olds is more than twice as high. The influence on boys tends to be seen as slightly higher than for girls.



Influence of social media on children's spending (fig. 3)

While parents for the most part rate their own family environment and schools as positive influences, they tend to be critical of the influence of media and peers. Financial education therefore depends not only on imparting knowledge directly, it is also strongly informed by social and media influences. This underlines the importance of talking about money, consumption and values at an early age, so that children and young people learn to make conscious financial decisions rather than allowing themselves to be swayed without thinking.

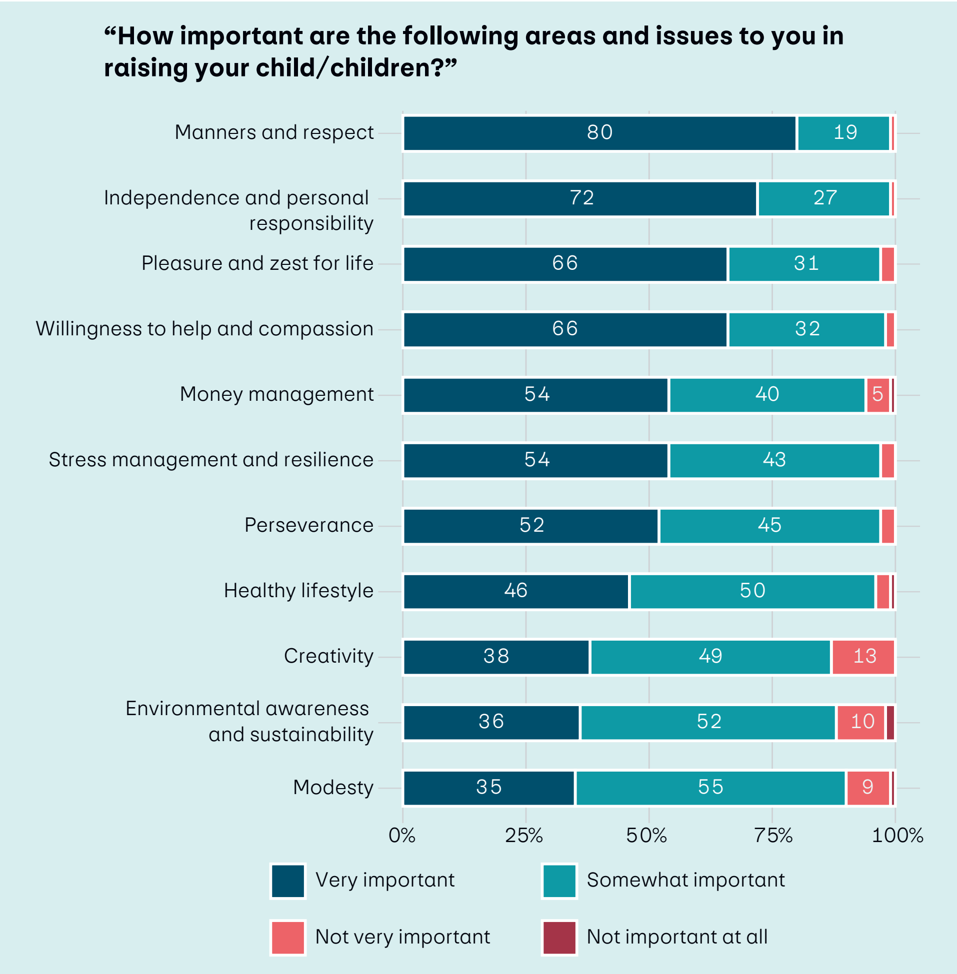
These concerns are directly reflected in past conflicts that parents have experienced with their children (fig. 4). External influences play an important role: overall, 43 percent of parents say that at least occasionally, the influence of friends or social media on their children's consumer behaviour has led to arguments. This highlights the fact that children are not only shaped by their parents' values, but also by their environment, posing an additional challenge for financial education. Another frequent trigger for conflict is use of money.



Contentious issues with children (fig. 4)

2.2 Financial literacy as a life skill

"Money management" is an important educational goal among parents in Switzerland. 54 percent of parents surveyed rate this goal as very important, while another 40 percent rate it as somewhat important (fig. 5). This means that financial education is accorded a similar relevance to the educational goals of "Stress management and resilience" and "Perseverance".

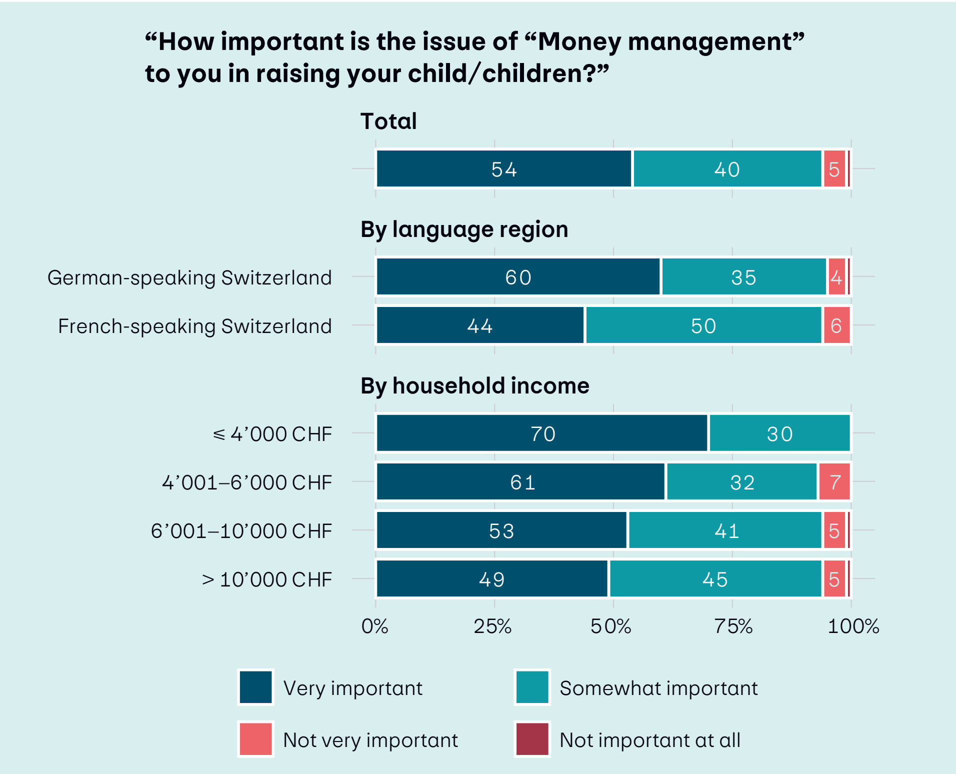


Parenting priorities (fig. 5)

A comparison with the 2017 pocket money study[1] shows that the ratings for key educational goals have remained relatively constant over the years. “Manners and respect”, “Independence and personal responsibility,” and “Willingness to help and compassion” top the list of parents’ educational goals.

A comparison of the educational goal of “Learning to manage money” shows clear differences among parents in different population groups (fig. 6).

“Parents rate money management as an important educational priority”



Money management – by language region and income (fig. 6)

[1]Sotomo, Swiss Pocket Money Study, Credit Suisse, p. 11 (2017)

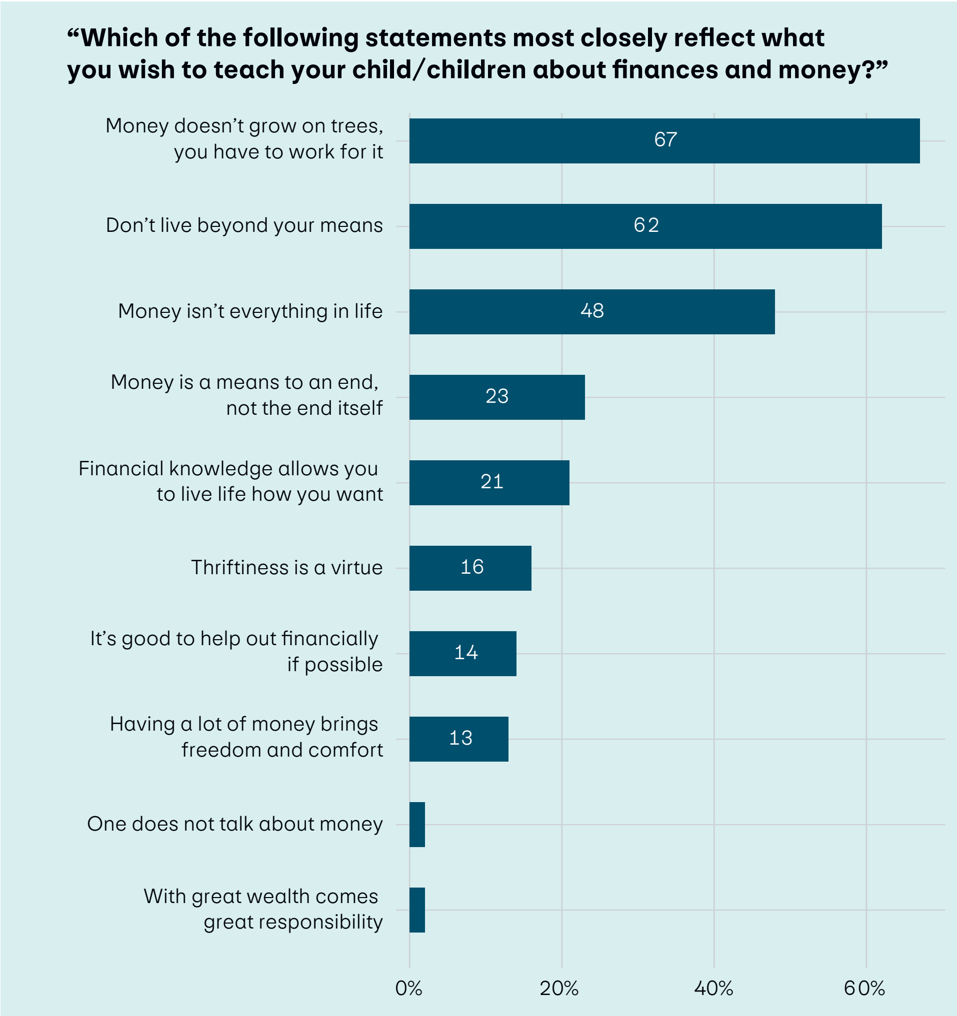
It is clear that parents in German-speaking Switzerland rate this goal as very important significantly more often than parents in French-speaking Switzerland. But the findings also reveal an income-dependent trend: the lower the household income, the more important financial education is for parents. For parents who have less financial leeway, there is clearly a stronger focus on managing money than among parents who enjoy greater financial security. This suggests that families with limited budgets in particular focus on financial education, in an effort perhaps to teach the importance of managing money responsibly at an early age.

“Money doesn’t grow on trees, you have to work for it”

What are the guiding principles that parents follow when it comes to teaching their children how to manage money? What do these principles say about their attitude towards financial education? Respondents were presented with ten statements on the subject of finances and money, from which they were asked to choose three they consider most relevant to them personally. Three guiding principles of financial education stand out in particular. First place goes to “Money doesn’t grow on trees, you have to work for it”, with a full two thirds of parents considering this principle to be essential (fig. 7).

This is closely followed by “Don’t live beyond your means,” a principle that emphasizes financial responsibility and conscious consumption. Almost half of parents also believe that money isn’t everything in life, suggesting that material values should not be at the center of parenting.

It is striking to note that the idea of traditional, conservative financial wisdom finds little endorsement: less than 5 percent of parents believe that “One does not talk about money” or that “With great wealth comes great responsibility”. This shows that transparency and a conscious approach to managing money play a central role in today’s financial education.



Financial education of children (fig. 7)

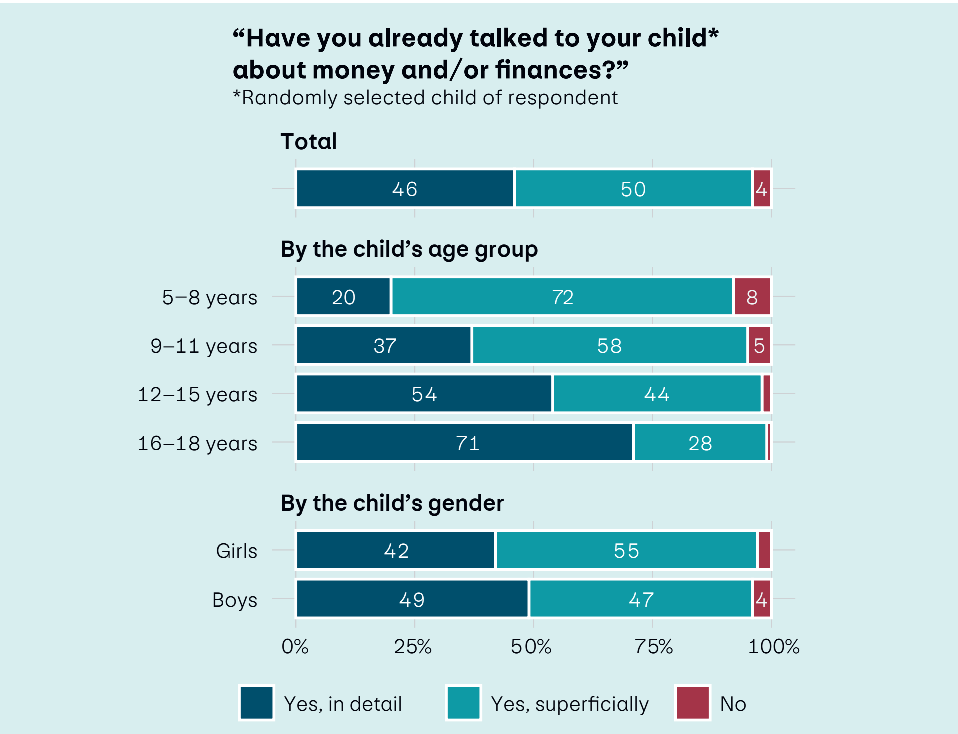
Three basic principles can be inferred from the most frequently cited guiding principles:

- Money is linked to effort. Children should learn early on that money is not something to be taken for granted, and is instead earned through work.
- Money sets limits. One's lifestyle should be adapted to one's financial means in order to avoid debt and pressure to consume.
- Money is not the most important value in life. Despite its importance, it should not become life's be all and end all.

These values serve parents as a compass for financial education – with the goal of raising their children to become responsible and independent adults.

When do parents actually start passing these values on to their children? While discussions about money from an early age are very common, the extent to which such matters are discussed depends largely on the child's age (fig. 8). The topic of money and finances is discussed at least superficially with children in all age groups. Nine out of ten parents of 5- to 8-year-old children say that they have already broached the subject. As children get older, the topic continues to gain in importance. 20 percent of parents talk about finances in some detail with their 5- to 8-year-olds, while for young people between 16 and 18 years of age, the figure is 71 percent, indicating that the process of financial education often only really gains traction as the child grows up.

> "Over 90 percent of parents already talk about money with their youngest children"



Talking about money (fig. 8)

There are also differences between boys and girls: parents tend to talk in detail about finances with boys (49 percent) more often than with girls (42 percent). At the same time, the subject is often explained only superficially to girls (55 percent vs 47 percent for boys). These differences raise the question of whether financial matters are explained differently to girls and boys consciously or unconsciously.

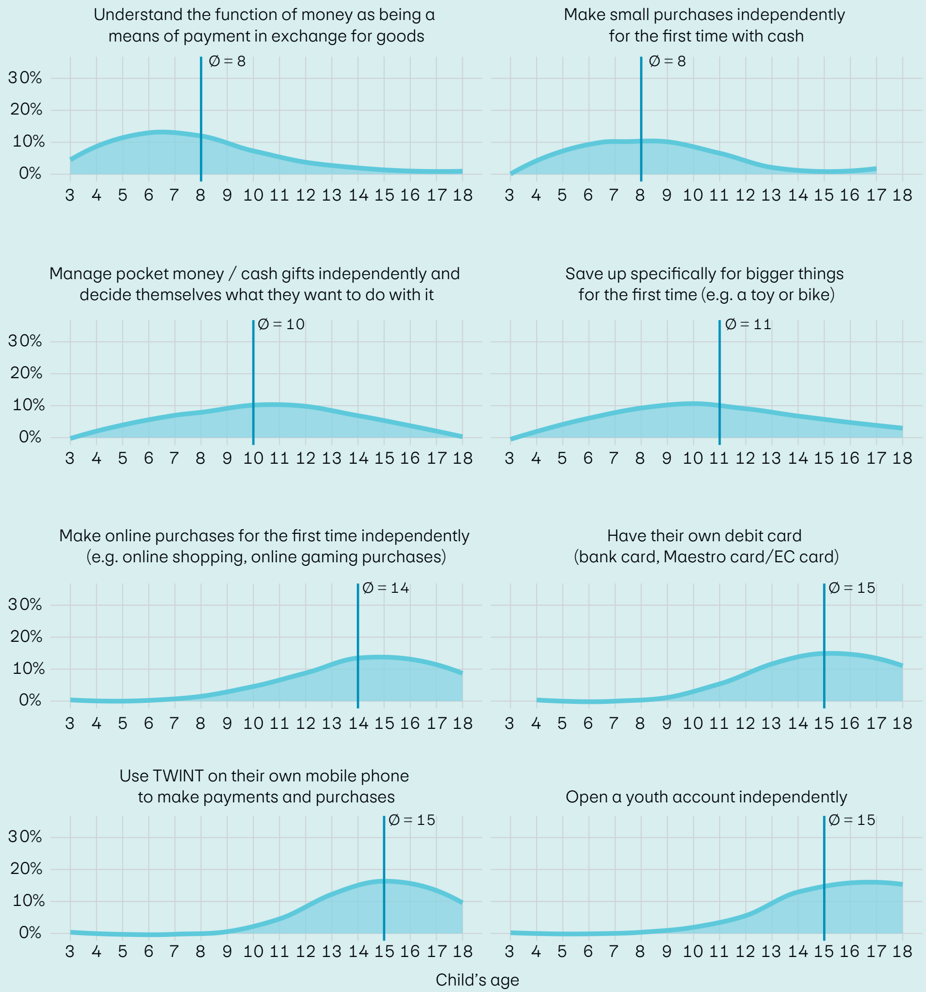
2.3 Step by step to financial literacy

In parents' assessment of their children's ability to manage money, three steps can be identified (fig. 9):

- From around the age of 8, parents believe their children to be capable of understanding money as a means of payment and of making small purchases on their own.
- From the age of 10 to 11, there are then more complex matters, such as children doing as they see fit with pocket money and saving systematically – although parents' opinions differ more widely in this respect. While some parents consider their children mature enough at an earlier age, others do not see this step as sensible until later.
- Digital payments (e.g. online shopping, debit card, TWINT, youth account) are considered reasonable from the age of 15 on average, with broader acceptance from the age of 12.

“Understanding, planning, paying digitally – how children learn to manage money”

“For many steps in learning to manage money, children must be of a certain age. From what age would you say children can…”
– Presentation by age of children and average age



Managing money from a particular age (fig. 9)

This gradual process of learning financial literacy explains why discussions about money with 5- to 8-year-old children tend to be superficial, while more detailed discussions only come later when they are older (see fig. 7).

3 Managing money in the digital age

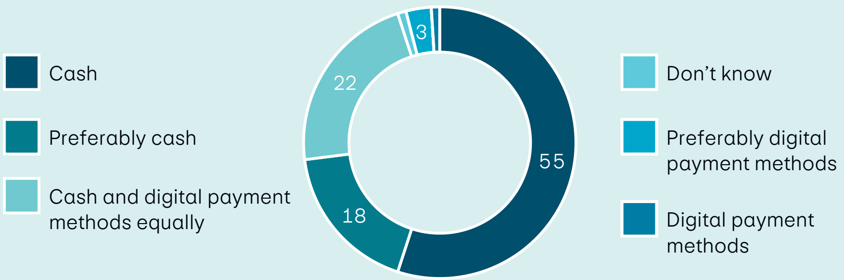
For many parents, teaching financial literacy is a central part of raising their children. The question of how financial values and independence can be taught in concrete terms is part of everyday life.

A key way in which children become financially literate is by managing money on their own – with cash to begin with, and later increasingly with digital payment methods. Cash serves as a tangible basis for children's first experiences in learning to manage money. As they get older, digital forms of payment become more important and help to consolidate their skills. How do children learn to manage money in the digital age? What do parents see as advantages of digital payment methods?

3.1 Cash as the basis for financial education

The majority of respondents consider cash to be the most suitable means of payment for children to learn how to manage money (fig. 10). Overall, 73 percent of parents (tend to) prefer cash, while 22 percent consider cash and digital means of payment to be of equal value. Only a small minority prefer digital payment methods.

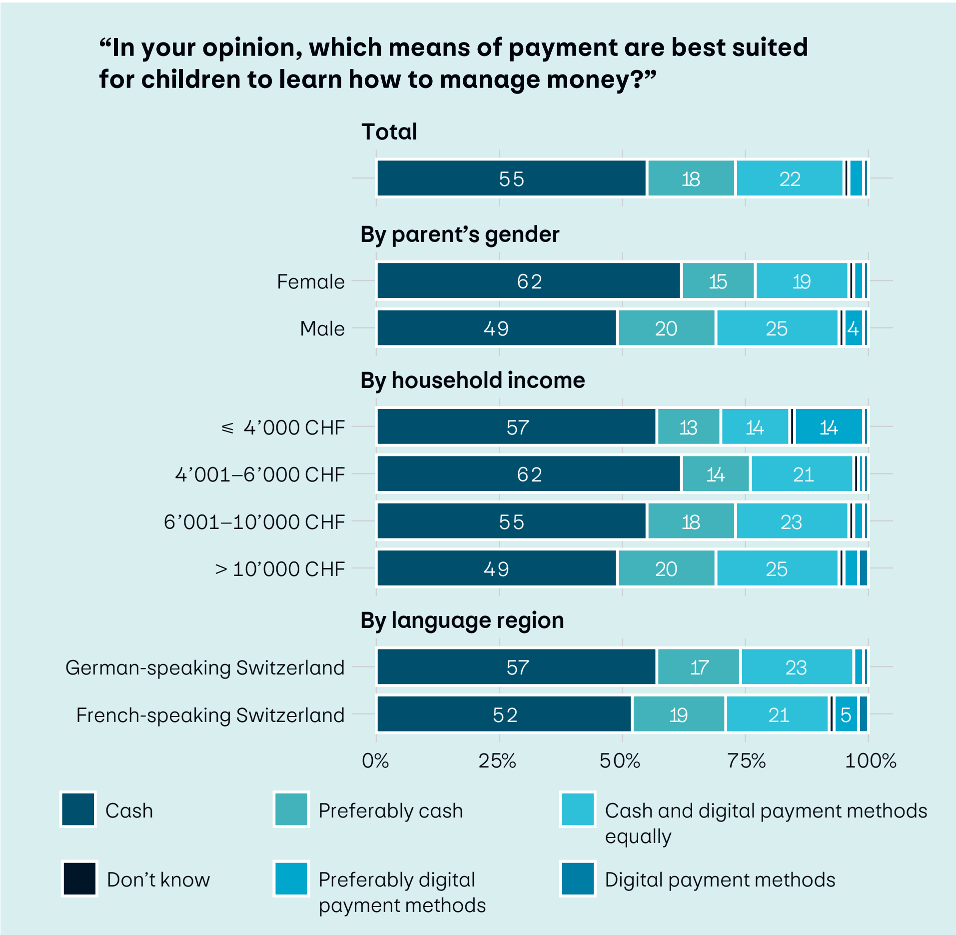
"In your opinion, which means of payment are best suited for children to learn how to manage money?"



Means of payment for children (fig. 10)

The breakdown by parents' gender shows that fathers are more open to their children using digital payment methods than mothers (fig. 11).

While 25 percent of male respondents say they consider cash and digital means of payment to be equally suitable, only 19 percent of female respondents say the same. With regard to income, an interesting trend emerges: as income increases, there is growing openness to the use of cash and digital means of payment equally. At the same time, it appears that at 14 percent, the proportion of people with an income of less than 4'000 francs who prefer digital means of payment is relatively high. This may indicate that lower-income households think it more sensible to get used to digital payment methods early on – for example, because they are considered more practical or more secure. However, there is little in the way of regional differences.

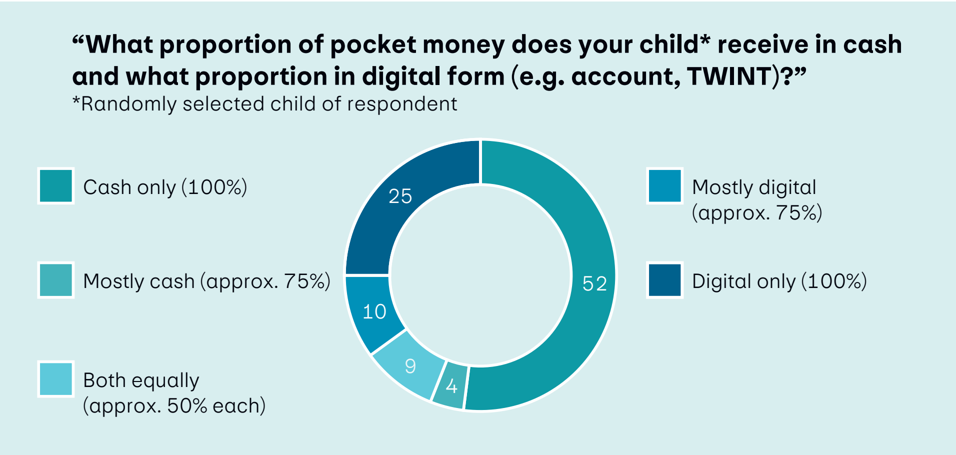


Means of payment for children (fig. 11)

3.2 Pocket money 2.0: digital payment

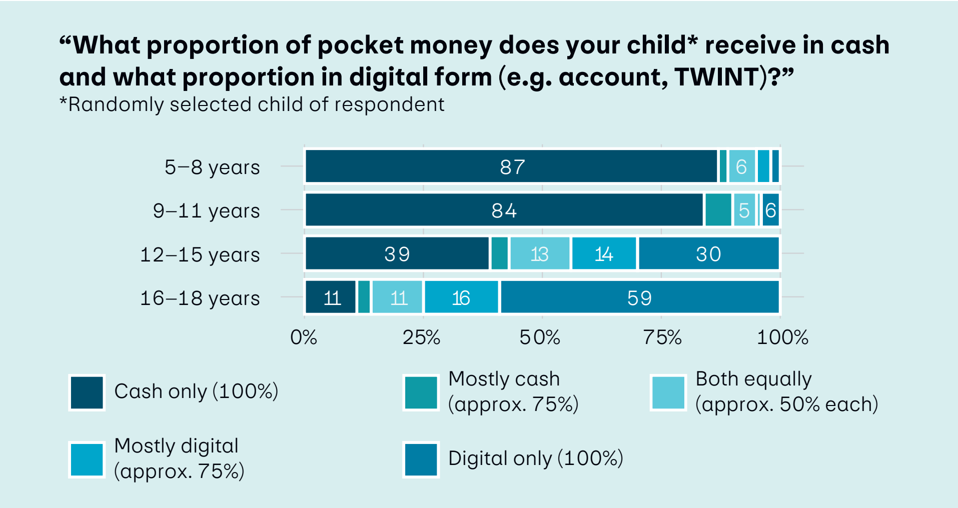
More than half of the children receive their pocket money exclusively in cash (fig. 12). A quarter of respondents say that they pay their children's pocket money entirely digitally, while the remaining parents choose a mixed form of payment.

"From the age of 16, pocket money is mainly paid digitally"



Distribution of pocket money: cash vs digital (fig. 12)

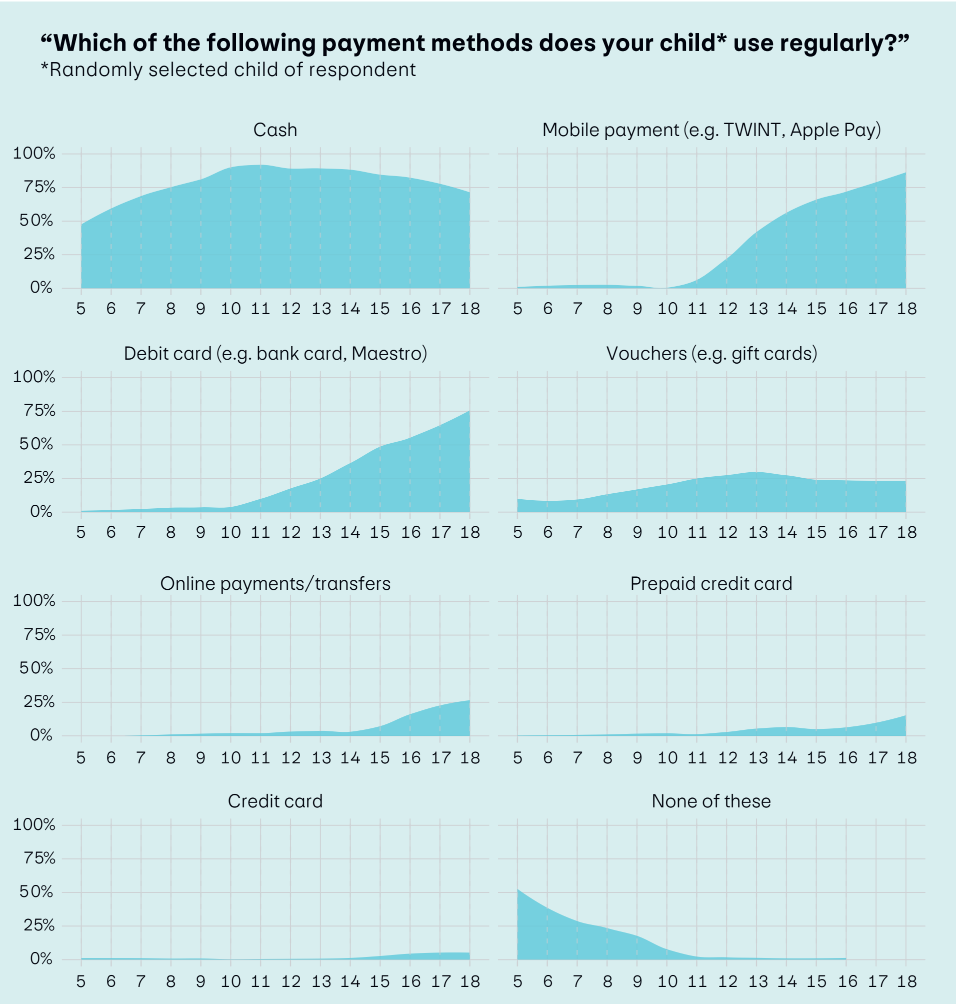
A closer look at the age groups shows a clear change as children get older (fig. 13). Between the ages of 5 and 11, over 80 percent of children receive their pocket money exclusively in cash – a phase that serves to teach children how to manage money. From the age of 12, this picture begins to change. In the 12 to 15 age group, almost a third now receive their pocket money in digital form only, while 39 percent continue to receive only cash. This trend continues in the oldest group (16- to 18-year-olds), where more than half receive their pocket money entirely digitally, while only one in ten adolescents receives only cash.



Distribution of pocket money: cash vs digital – by child's age group (fig. 13)

There are therefore two stages to be seen here: during childhood (5 to 11 years), cash serves as a central means of learning how to manage money. On starting secondary school at the age of 12, a new stage of life begins – digital means of payment become more important, and many parents increasingly trust their children to manage them independently.

Despite this shift in the way pocket money is paid, cash remains the most frequently used means of payment for children and young people, with shares between 65 and 89 percent (fig. 14). Even among 16- to 18-year-olds, parents believe that cash is just as important as mobile payment methods (78 percent).

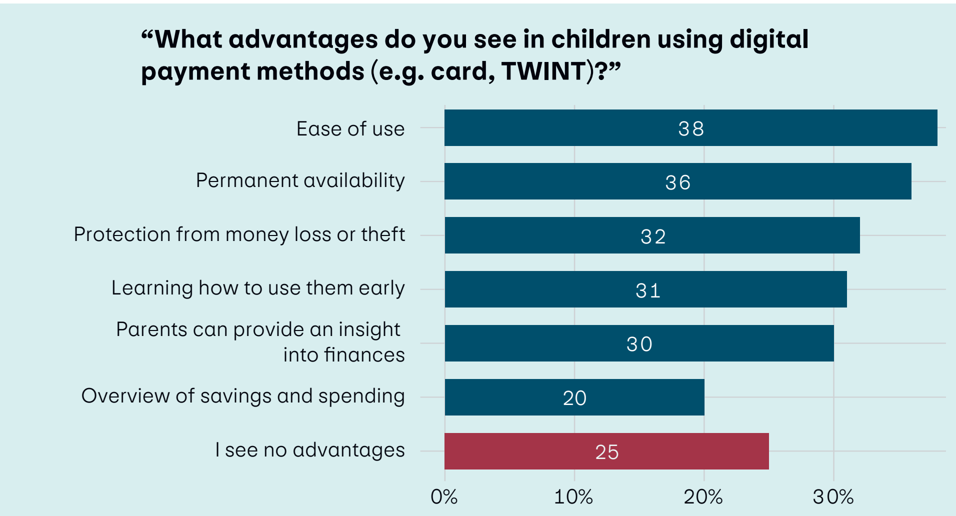


Regularly used payment methods (fig. 14)

Digital payment methods gain in importance from the age of 12 in particular – as children become more independent, receive more pocket money and change their daily routine (e.g. eat out for lunch, own smartphone). Prepaid and credit cards, on the other hand, play little role until children reach the age of 18.

> “Digital payment methods gain in importance for children aged 12 and over”

Parents see many advantages in their children using digital payment methods. For most, ease of use is the main benefit (fig. 15) – digital payments are quick and easy. In addition, more than a third of parents also value permanent availability, especially in emergencies, as children can access their money at any time. Other important aspects, in each case appreciated by around a third of parents, are protection against losing money, learning to manage it early and being able to see their children’s finances.



Advantages of digital means of payment for children (fig. 15)

Nevertheless, there are also critical voices: 25 percent of parents see no advantages at all in children using digital payment methods, perhaps indicating that many parents continue to value the traditional use of cash and believe digital payments for children to be unnecessary or even risky.

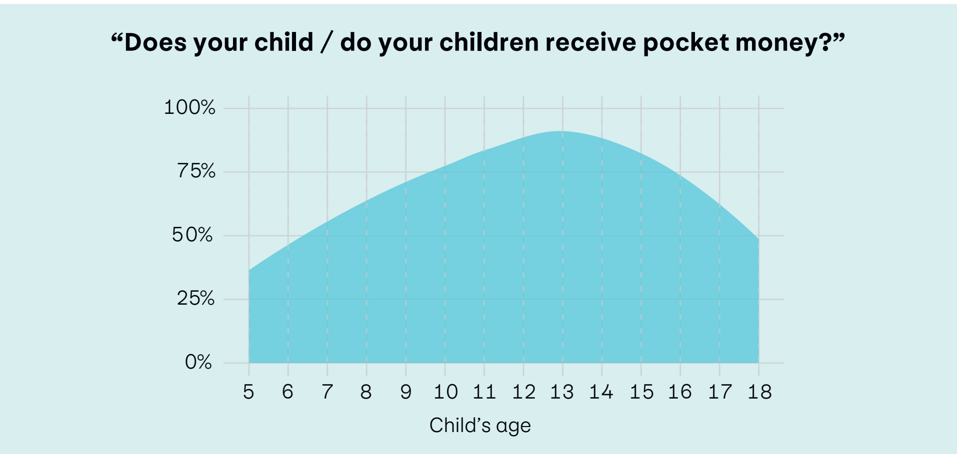
4 Pocket money as the key to financial education

Pocket money is a key aspect of financial education. It allows children to learn how to manage money responsibly at an early age.

When do children receive pocket money for the first time? How does the amount they receive change as they get older, and also the way they use it? And what do parents do if the pocket money they give is not enough? The majority of parents in Switzerland give their children regular pocket money to use as they see fit as a way of teaching them financial responsibility. Most children are given pocket money by the time they start school. There are not only clear regional differences, there are also some differences between girls and boys.

4.1 Pocket money: why, starting when, how much?

Whether children receive pocket money depends primarily on their age (fig. 16). Of the children who are given pocket money, almost a third receive it for the first time at the age of 5 or 6. When they start school between the ages of 7 and 8, the proportion of children who are given pocket money increases. The peak is reached between the ages of 12 and 14, after which the amount of pocket money given falls again as children become more financially independent.

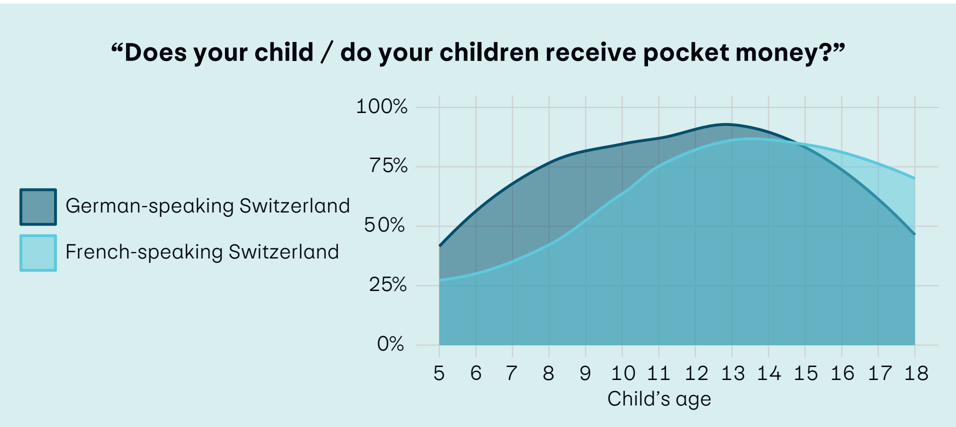


Pocket money for children – by age (fig. 16)

“The majority of children are given pocket money by the time they start school”

Although it has been shown that parents talk about money in greater detail more frequently with boys than with girls (fig. 8), there is little difference in the way they are treated financially in practice – with the exception that during their teenage years, girls tend to be given pocket money for longer, which may be related to the higher proportion of girls completing their secondary education.[2]

There are greater differences in the “starting age” for pocket money between the language regions (fig. 17): parents in French-speaking Switzerland do not give their children pocket money until they are older. While 75 percent of 7- to 8-year-old children in German-speaking Switzerland already receive pocket money, the figure in French-speaking Switzerland is only about 40 percent.



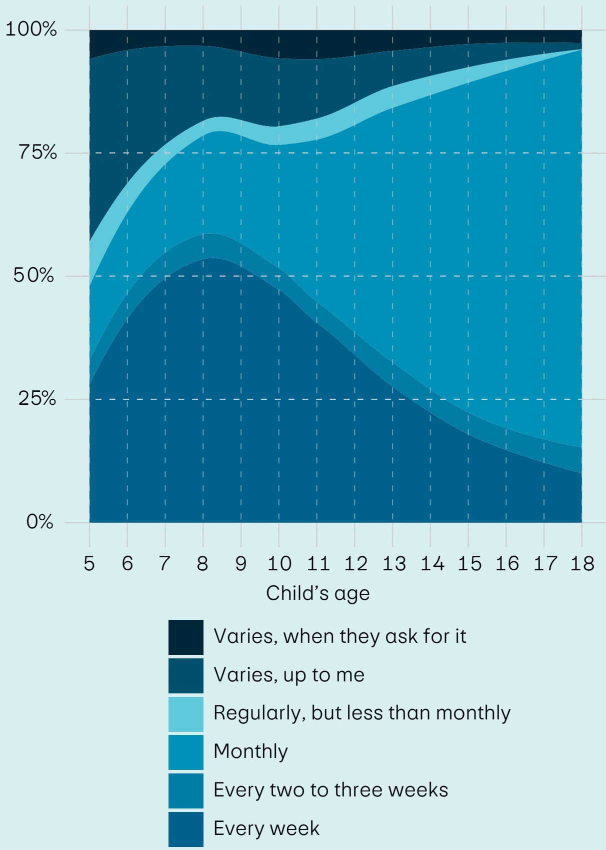
Pocket money for children – by age and language region (fig. 17)

[2]SFSO – LABB, Sekundarstufe II: Maturitätsquote (2024)

Most children receive their pocket money regularly, although the frequency of payment depends on their age (fig. 18). Two basic phases can be identified: until around the age of 8, pocket money is usually given irregularly or weekly to allow children to gain initial experience with small amounts of money. From the age of 9, a regular interval is established, with its frequency declining as children get older. At the age of 13, monthly payment of pocket money becomes predominant, with a view to encouraging the management of larger amounts of money over a longer period of time – an important skill for financial independence.

> “Most children receive pocket money regularly”

“How often does your child / do your children receive pocket money?”

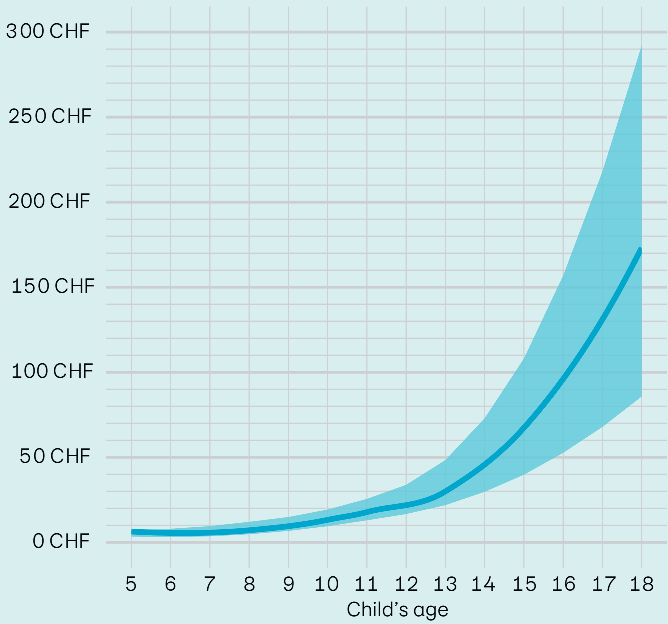


Regularity of giving pocket money (fig. 18)

How much pocket money is usual – and how does the amount change with age? Between the ages of 5 and 10, the amount of pocket money increases from approximately 5 to 15 francs per month and there is little difference between the amounts (fig. 19). These small amounts make it clear that, in most cases, pocket money is an extra. The focus is less on financial support and more on learning basic financial skills and managing money responsibly.

> “The first pocket money: 5 francs at 5 years old”

“How much pocket money does your child / do your children receive on average per month?” – The median and the range containing the middle 50 percent of values are shown. Question put only to respondents who said that their child/children receive pocket money.



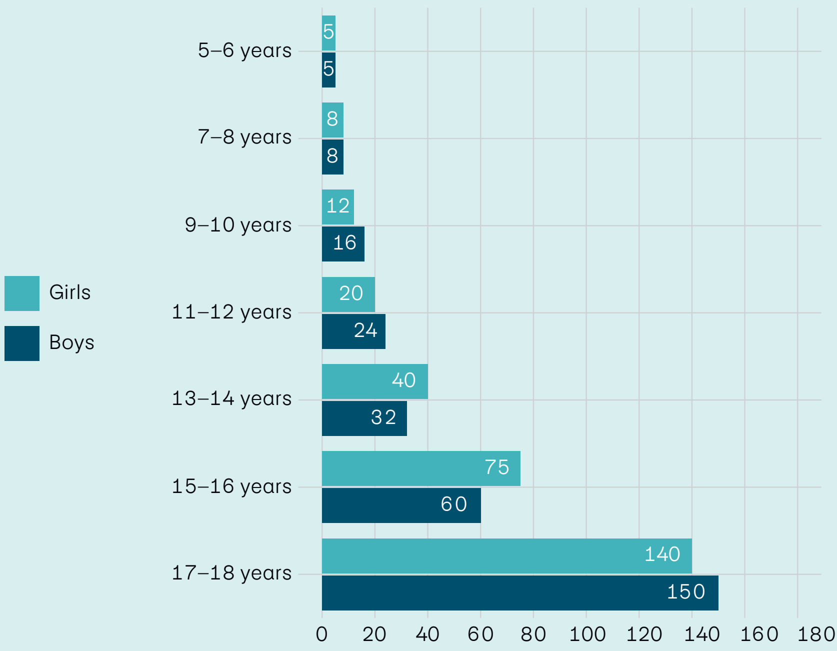
Average monthly pocket money (fig. 19)

From around the age of 12, the amount of pocket money increases significantly. At the age of 14, the average child receives 40 francs per month, rising to 90 francs at the age of 16 – more than twice as much. This sharp increase shows that children's financial needs become greater as they get older and that they take more responsibility for their own finances.

The range of amounts also increases with age. While 12-year-olds usually receive between 20 and 35 francs, the amount for 16-year-olds ranges between 50 and 150 francs. The reason for this growing difference may be that as the realities of young people's lives continue to diverge, they give rise to a variety of needs that affect the amount of pocket money.

In terms of the amount of pocket money given, there are some differences between the genders (fig. 20). In early childhood (5 to 8 years), girls and boys receive the same amount of pocket money (5 to 8 francs), while during adolescence, girls temporarily receive more pocket money than boys.

"How much pocket money does your child / do your children receive on average per month?" – The median is shown. Question put only to respondents who said that their child/children receive pocket money.



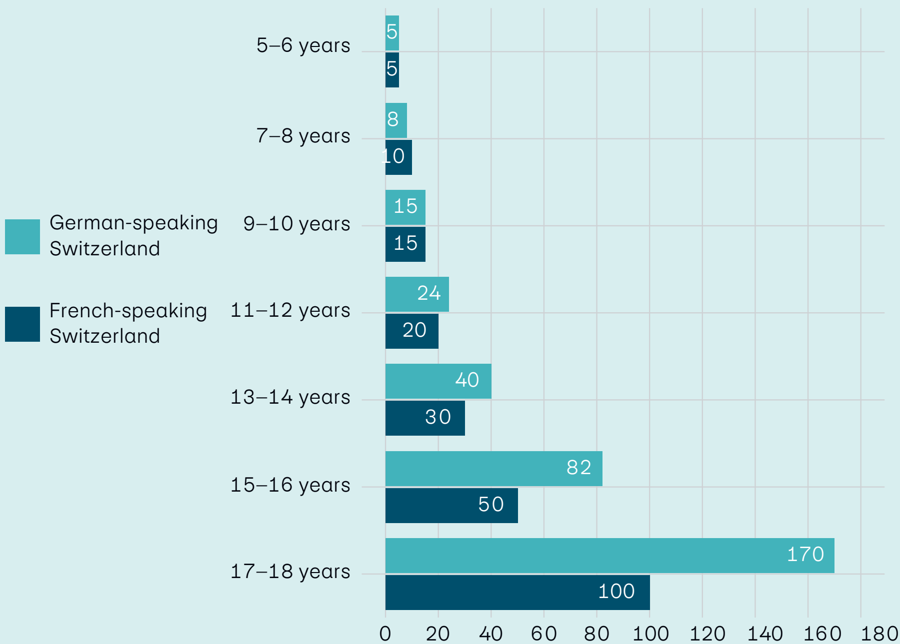
Average monthly pocket money – by gender (fig. 20)

The difference is most pronounced between the ages of 15 and 16: girls receive 75 francs, whereas boys are given 60 francs per month (fig. 20). This may be because it is slightly more likely girls at this age pursue an academic path (for example, by completing their secondary education), making them dependent on financial support from their parents for longer.

There are clear differences in trends between the language regions: while the amounts are similar up to the age of 12, the differences then become more pronounced. Parents in German-speaking Switzerland give their children higher amounts than parents in French-speaking Switzerland (fig. 21).

The difference is most pronounced between the ages of 17 and 18: young people in German-speaking Switzerland receive an average of 170 francs, while those in French-speaking Switzerland are given 100 francs. The differences in the amounts reflect a trend that was already visible: parents in German-speaking Switzerland see money management and the role of pocket money as more important than parents in French-speaking Switzerland. One thing is clear: giving pocket money is not only a matter of age – but also of region.

"How much pocket money does your child / do your children receive on average per month?" – The median is shown. Question put only to respondents who said that their child/children receive pocket money.

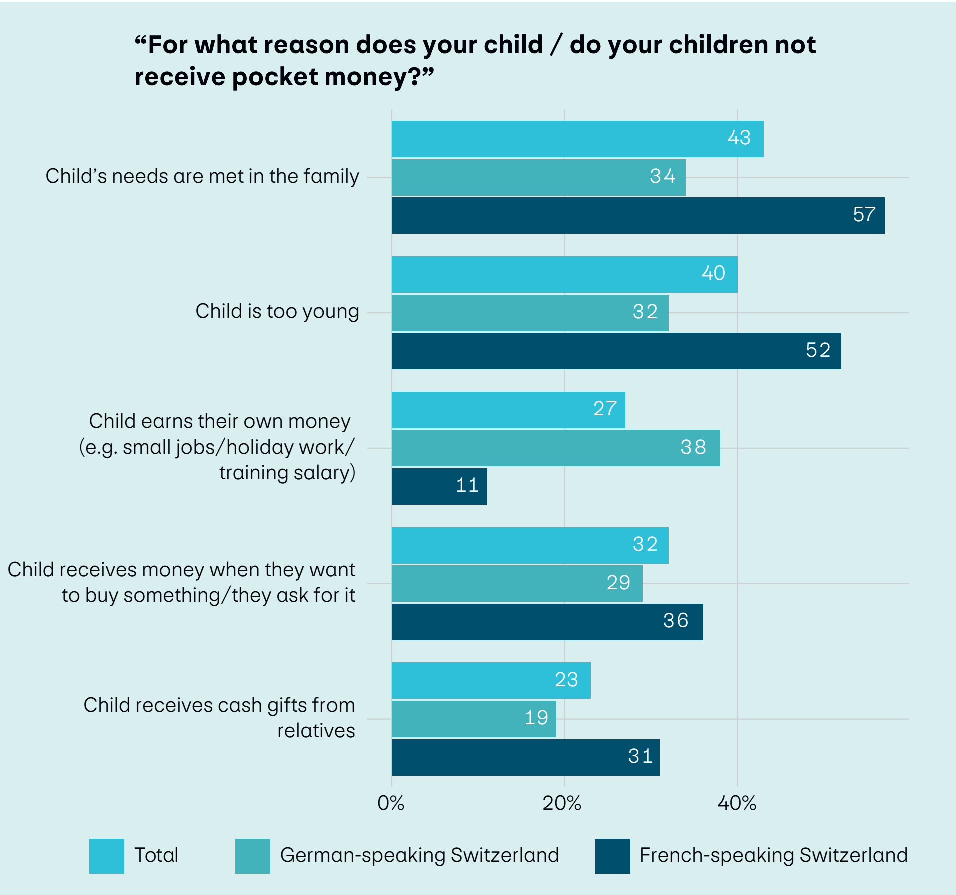


Average monthly pocket money – by language region (fig. 21)

The importance of age is also reflected in the arguments against pocket money: 40 percent of parents who do not give their children pocket money say that this is because their children are still too young for it (fig. 22). It is striking to note that this reason is given by more than half of parents in French-speaking Switzerland and by only around one third in German-speaking Switzerland.

The most common reason cited by parents for not giving pocket money is that the child's needs are met within the family. This reason is also given more frequently by parents in French-speaking Switzerland (57 percent) than by parents in German-speaking Switzerland (34 percent).

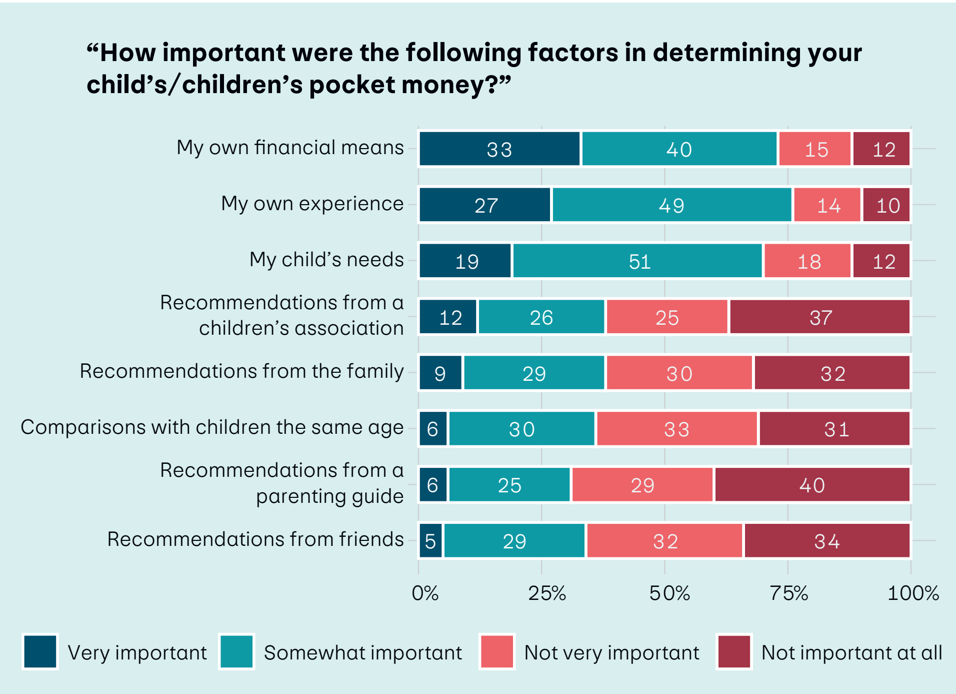
Around a third of parents give their children money as needed. This gives parents more control over spending – an approach that is more widespread in French-speaking Switzerland than in German-speaking Switzerland.



Arguments against pocket money (fig. 22)

4.2 Factors for the determination of pocket money

So far, various factors used to determine the amount and regularity of pocket money have been identified. The most decisive of these factors is clearly the age of the child receiving the pocket money. Another aspect is the language region in which the family lives, which points to cultural differences between the language regions. But which factors do parents themselves see as decisive in determining the amount of pocket money?



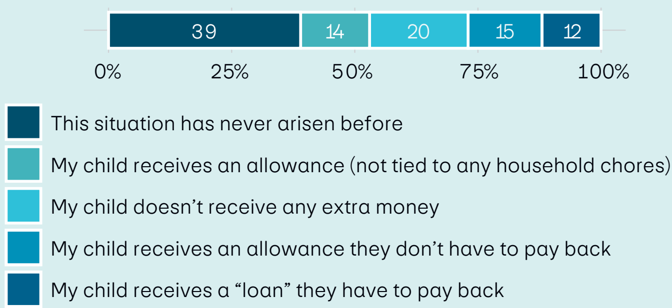
Factors used to determine pocket money (fig. 23)

According to what parents themselves say, their own experience plays the biggest role in determining pocket money (76 percent rate this as important) (fig. 23). The second most frequently cited factor is their own financial resources – 73 percent of parents rate this as important. By comparison with the 2017 study[3], this reason is now considered much more important. This may be related to the increased cost of living in recent years, which could constitute an additional financial burden for parents today. Another important reference point for parents in determining pocket money is the needs of the child, which 70 percent consider to be (rather) important.

4.3 When children ask for more pocket money

If pocket money is not enough, parents react very differently (fig. 24). Over a third of the parents surveyed say that this has never happened. 20 percent refuse to give extra money on principle, while 15 percent give their children something extra without conditions. A smaller proportion of parents make any financial support given dependent on work around the house or give money in the form of a loan that the children have to pay back later. These results show that parents pursue a variety of strategies – from financial responsibility to supportive or educational approaches.

"If your child's* pocket money for a particular period of time is not enough, what do you usually do?"
*Randomly selected child of respondent



Approach to insufficient pocket money (fig. 24)

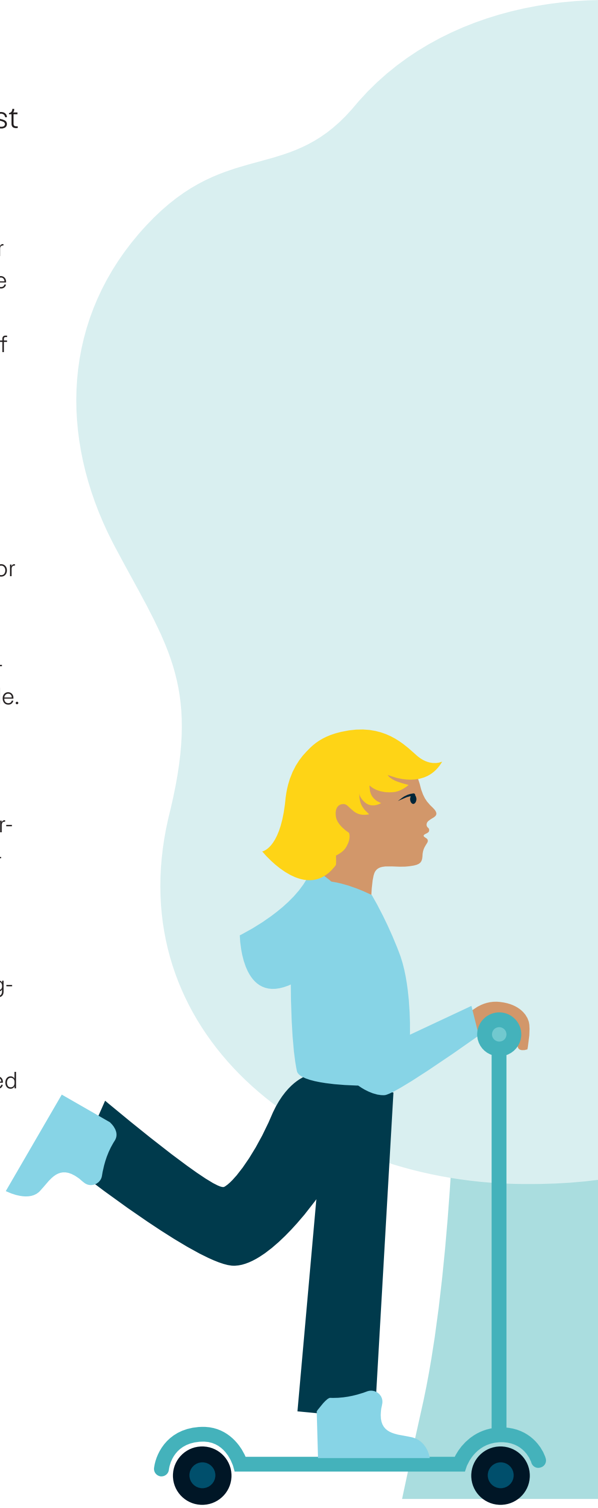
[3]Sotomo, Swiss Pocket Money Study, Credit Suisse, p. 27 (2017)

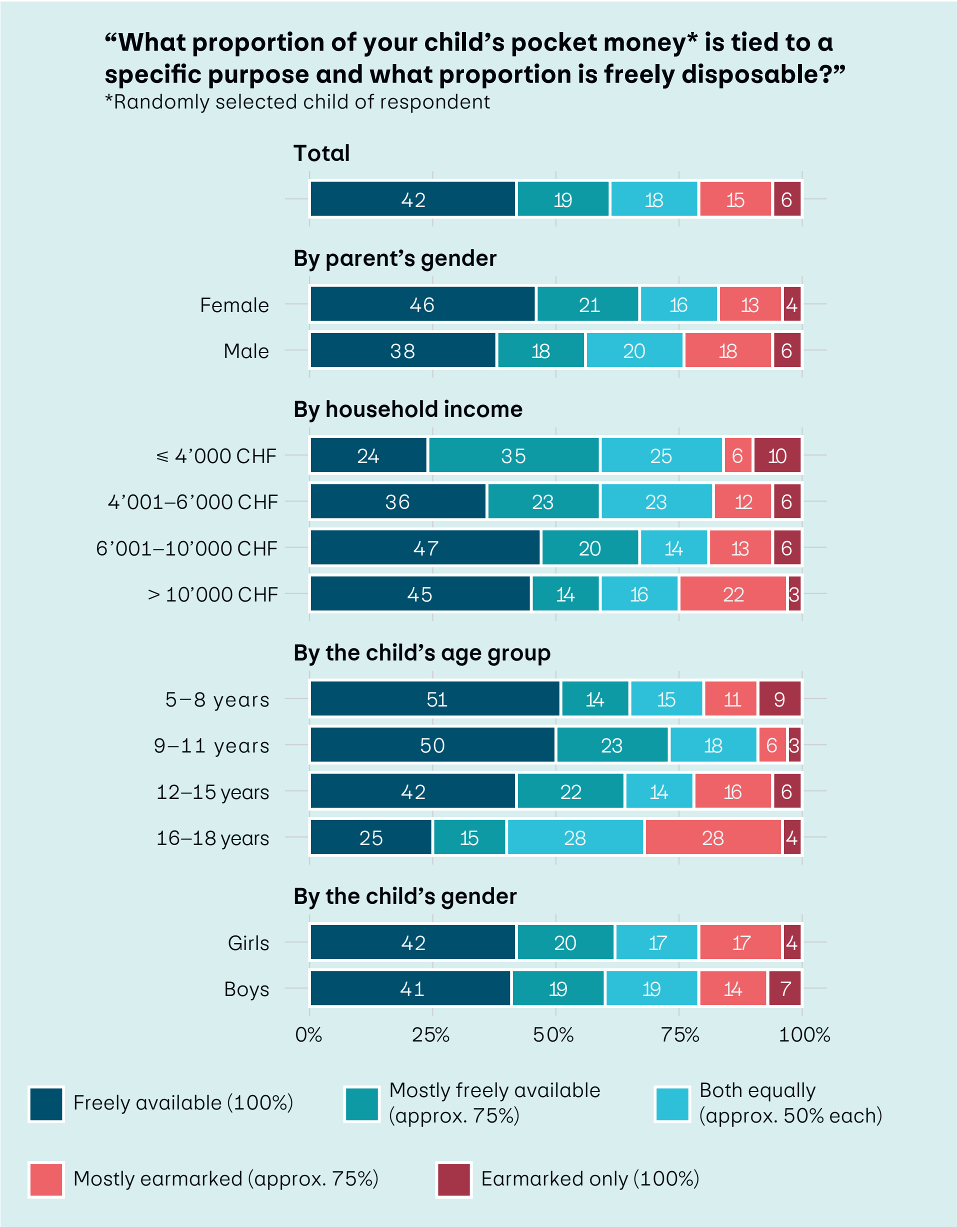
4.4 Pocket money: between trust and conditions

To what extent is pocket money tied to a specific purpose or freely disposable? Four out of ten parents say that their children are free to spend their pocket money as they please (fig. 25). In contrast, a small group of 6 percent have their pocket money earmarked for a specific purpose.

Here again, age plays an important role. While half of 5- to 11-year-olds are free to choose how they use most of their pocket money, this proportion falls to 42 percent for 12- to 15-year-olds and to 25 percent for 16- to 18-year-olds. At the same time, the proportion of pocket money given for a specific purpose increases among young people.

The decline in freely disposable pocket money and the increase in the proportion tied to a specific purpose suggests that parents want greater control over their adolescent children's spending or wish to encourage specific spending (for example, on school materials or mobility) – perhaps in part because the amounts involved are larger. At the same time, young people are expected to take on more responsibility and learn that some of their money must be used for necessary expenses.



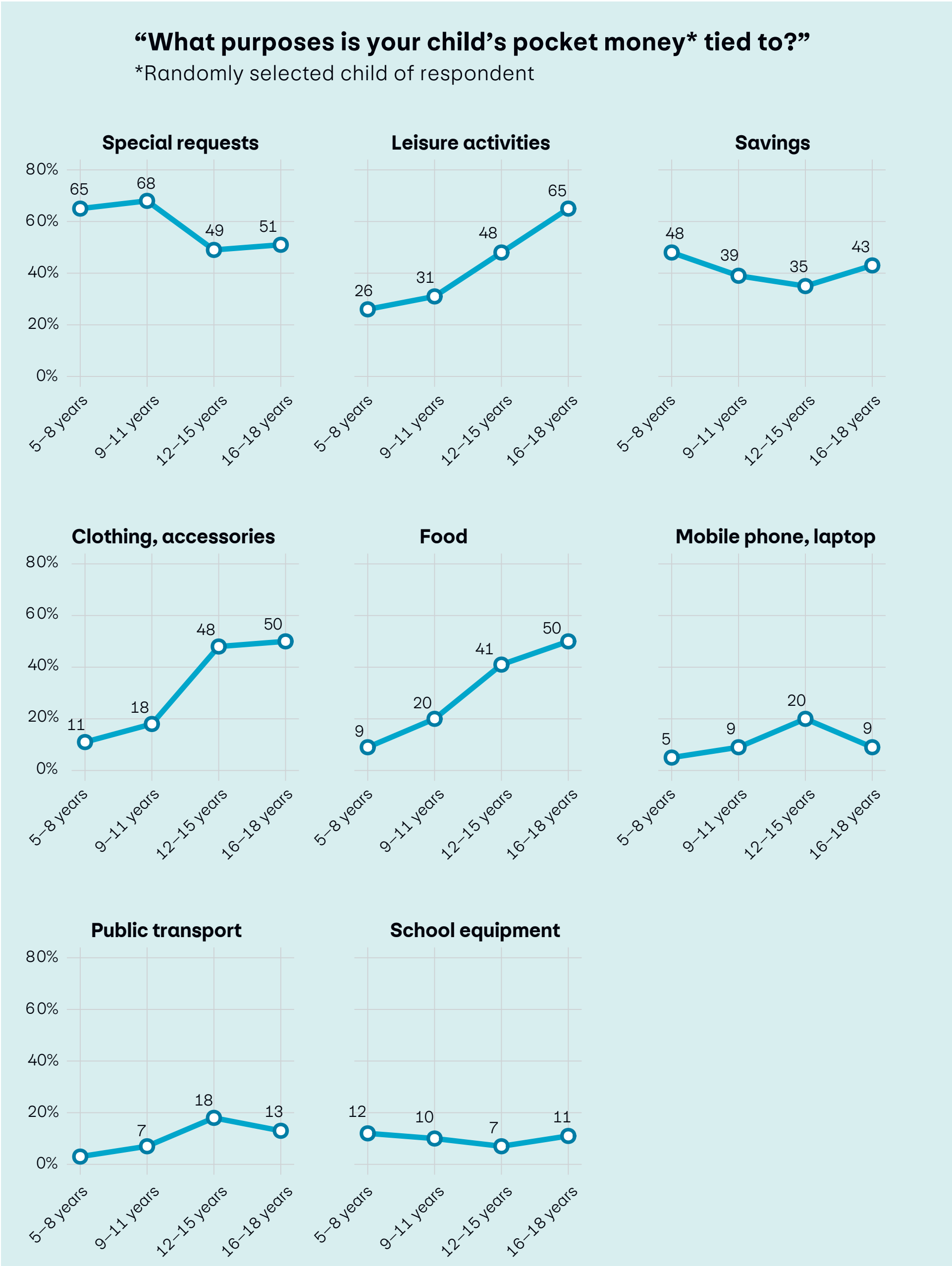


Pocket money: tied to a specific purpose or freely disposable (fig. 25)

There is little difference between girls and boys – in contrast to the difference between mothers and fathers: 46 percent of mothers as compared to only 38 percent of fathers give their children complete freedom of choice. Household income also plays a role. For families with a household income of over 6'000 francs, the proportion of freely disposable pocket money is 46 percent – for lower incomes, the figure is only 30 percent. Financial security therefore tends to encourage parents to allow their children more personal responsibility.

When parents say that some or all pocket money is tied to a specific purpose, what is the purpose? The most common purpose of pocket money is the fulfilment of particular wishes (fig. 26). However, this becomes less important from the age of 12. Other important uses include leisure activities, travel and going out, and saving. Saving in particular remains relevant across all age groups – a typically Swiss virtue that is passed on from parents to their children.

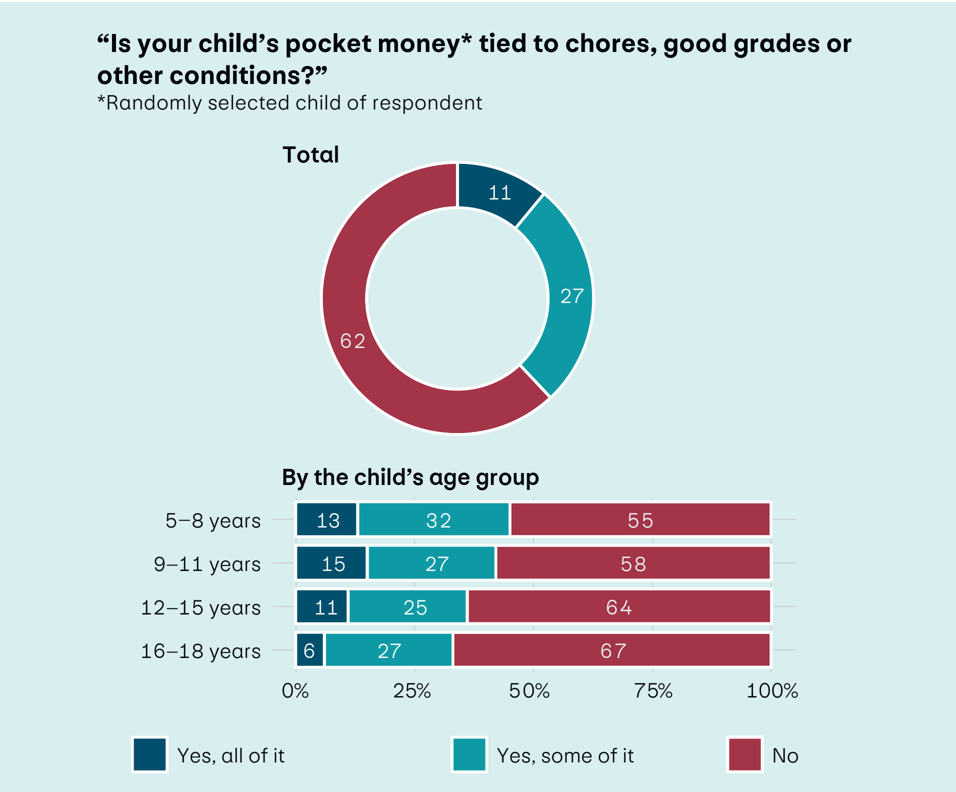
As children get older, necessary expenses become more important: clothing, public transport and food are increasingly cited as purposes. These trends show that the function of pocket money changes as children grow up and become young adults – from a means of fulfilling personal wishes to an important contribution to managing day-to-day expenses.



Purpose of pocket money (fig. 26)

“Money doesn’t grow on trees, you have to work for it” This principle of financial education is one held by many parents – but is it also reflected in the pocket money they give? Around two thirds of parents say that their children’s pocket money is not tied to conditions (fig. 27) – in other words, it is given regardless of any particular expectations or achievements.

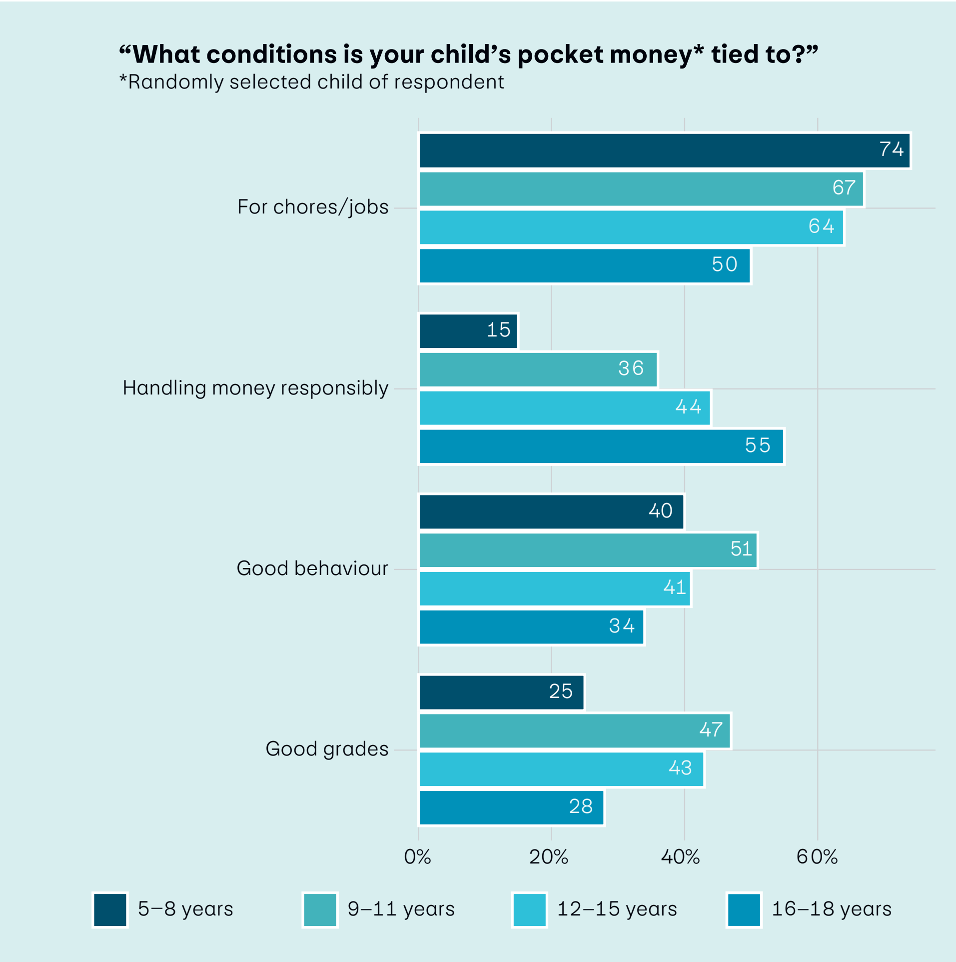
At the same time, a relevant minority takes a different approach: 27 percent of parents make some of the pocket money they give dependent on certain conditions, while 11 percent do so for the entire amount. The practice of attaching conditions decreases as children get older.



Conditions for pocket money (fig. 27)

This suggests that parents tend to teach younger children the value of money through direct rules, while older children are given more personal responsibility. It shows that pocket money serves primarily as a practical way of learning how to manage money – not necessarily as a tool for teaching the principle of benefiting and doing something in return.

What conditions do parents attach to the pocket money they give? This question was put to parents who said that pocket money was at least partly tied to expectations (fig. 28).



Conditions for pocket money (fig. 28)

For younger children (5 to 8 years old), doing chores (74 percent) is the predominant condition, followed by good behaviour (40 percent) and good grades (25 percent). As children get older, chores become less important, while responsible money management gains in relevance – particularly among 16- to 18-year-olds (55 percent). Chores usually involve children helping around the house (85 percent) or tidying up their room (45 percent).

However, despite these conditions, the findings show that it is not the spirit of the market economy that prevails within most families. Although parents do expect children to help around the house, their help in most cases is not directly “rewarded” with pocket money. What is reflected here is rather an educational philosophy that focuses on community spirit and personal responsibility: pocket money serves primarily as a practical way of learning how to manage money – not as a reward for any particular effort.

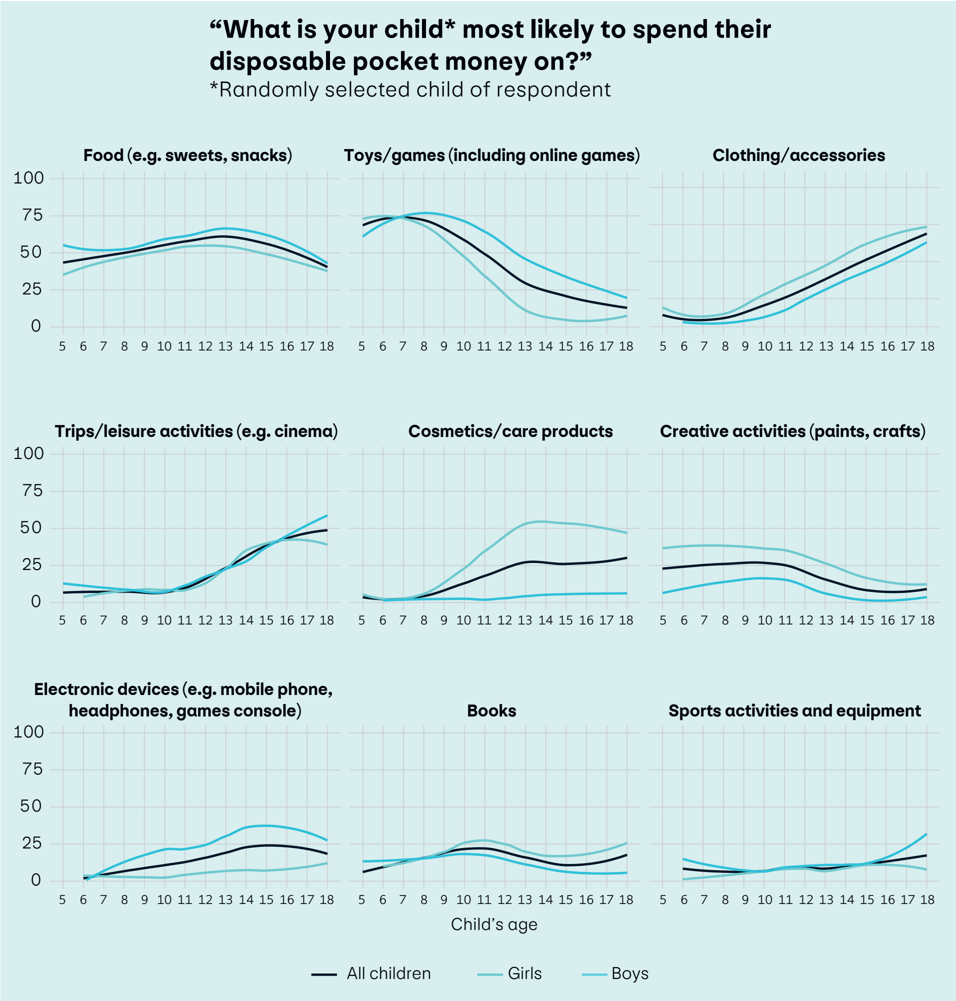
5 Saving and spending: what children do with their money

Save or spend – how do children in Switzerland manage money?

Saving is deeply rooted in Switzerland – four out of five children put aside at least some of their pocket money. Parents also play an important role: three quarters set money aside for their children, preferably in a savings account. Saving is therefore a virtue that is deeply rooted in Switzerland. But how does saving behaviour differ between the language regions? And how does children's spending change as they grow up?

5.1 From toys to shopping

The spending habits of children in Switzerland reflect the world they live in, which keeps changing as they grow up. Spending on food and snacks is popular with children of all ages: this is where between 50 and 60 percent spend their pocket money (fig. 29). However, most spending depends very much on the age of the child. From around the age of eight, pocket money is spent less on toys and games, while interest in clothing and accessories grows. For girls, this shift in spending occurs somewhat earlier than for boys.

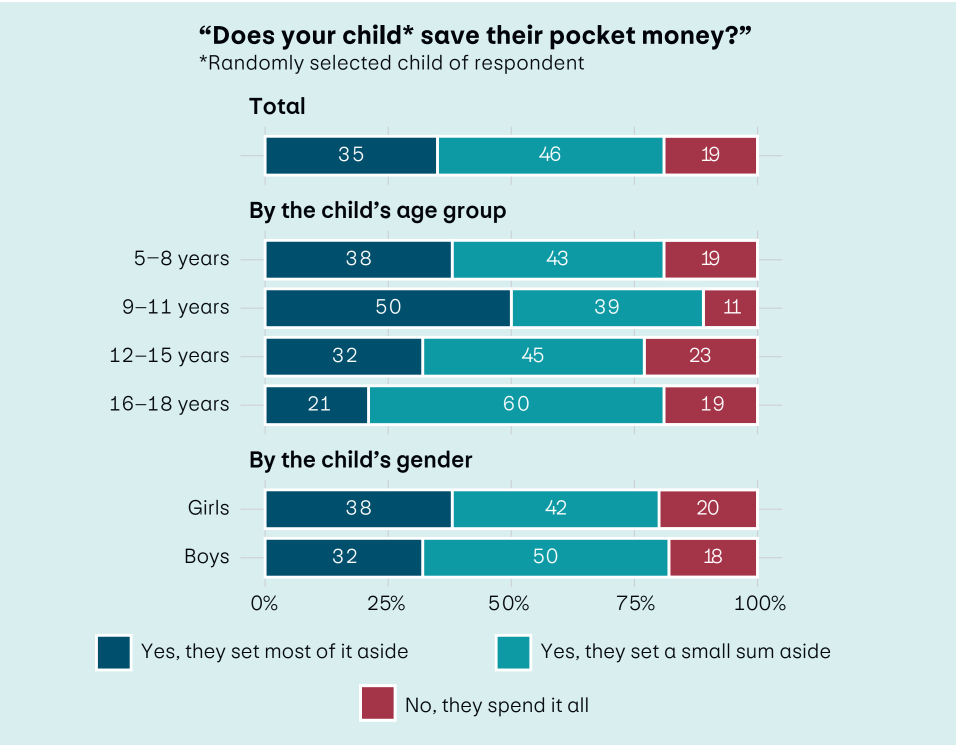


Pocket money spending – by gender and age (fig. 29)

Another significant step in development can be seen from the age of 11: at this age, spending on outings and leisure activities increases, while less pocket money is spent on creative endeavours. Enthusiasm for books also declines in the short term, perhaps related to the onset of puberty – as spending on this interest increases again slightly from the age of 15.

5.2 Saving behaviour: practice makes perfect

Four out of five children in Switzerland put at least some of their pocket money aside – and therefore practise a typical Swiss value (fig. 30). This proportion is fairly constant across the different age groups and for both girls and boys. There is one small shift: between the ages of 9 and 11, 50 percent of children put most of their pocket money aside. This is the age at which fewer toys are bought and there is as yet little spending on shopping and leisure activities. As children get older, they spend more money and save only a smaller amount.



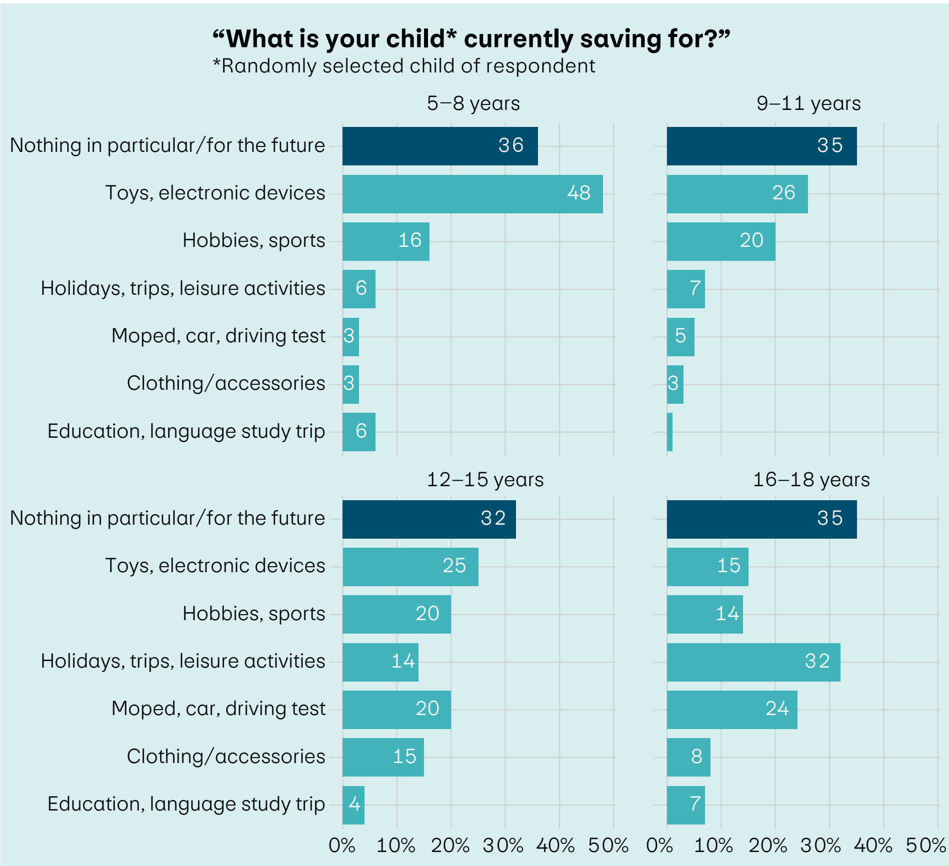
Saving behaviour of children (fig. 30)

[4]Schmoker, A., Europameister im Sparen, Finanz und Wirtschaft (2023)

“80 percent of children save some of their pocket money – regardless of age”

But what do the children save their money for? According to parents, one third of children do not save their money for anything specific, or save it for the future (fig. 31).

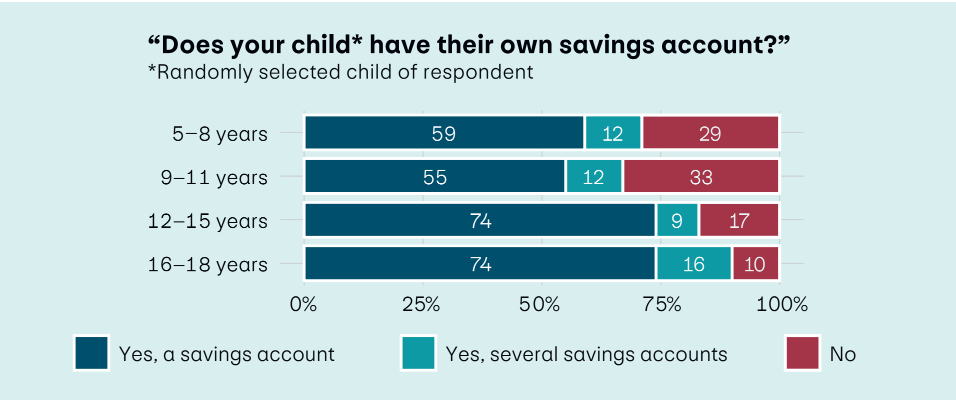
However, most children do also save with a specific wish in mind. The picture here is similar to the picture for spending (see fig. 29): younger children save for toys, older children save for leisure activities. Among 16- to 18-year-olds, a quarter also put money aside to be independently mobile with a moped or car. Saving for education is hardly relevant. This aspect of financial preparation tends to be undertaken by parents rather than by children themselves.



Children and their savings goals (fig. 31)

5.3 The savings account as a generational project

Two out of three children between the ages of 5 and 8 already have at least one savings account (fig. 32). This shows that it is common practice in Switzerland to create financial reserves for children at an early age. Between the ages of 12 and 15, this proportion increases by almost 15 percent again to 83 percent. One possible reason for this increase is that children of this age can open a savings account independently, giving them the opportunity to learn how to manage money responsibly at an early age and make financial decisions independently. This trend also continues, as can be seen in the oldest age group: among 16- to 18-year-olds, only 10 percent do not have their own savings account.

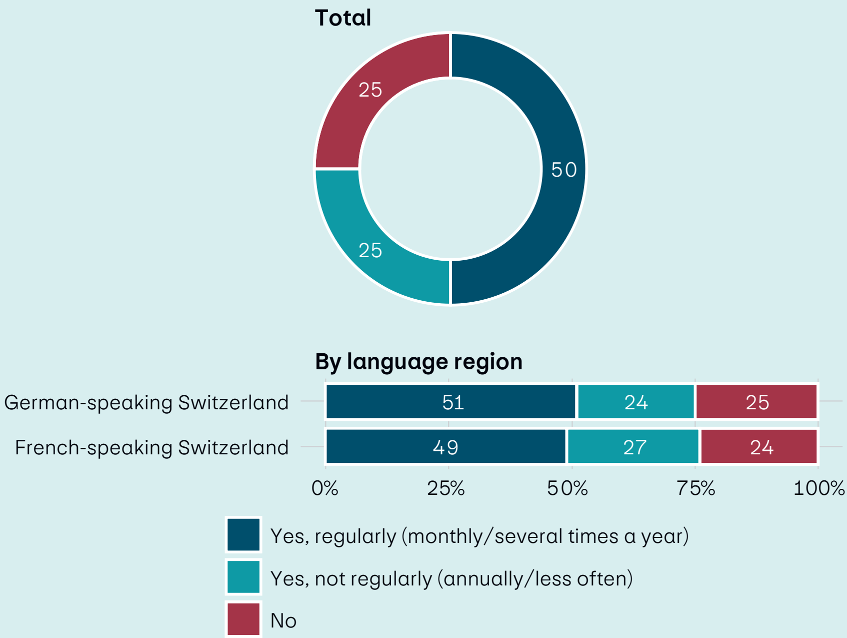


Savings account for children (fig. 32)

It is not only children themselves who put some of their pocket money aside, the majority of parents also save specifically for their children (fig. 33). Three quarters of parents do so with the aim of giving these savings to their children at some point in the future (for example, when they reach the age of 18) or using them for the child's education. This underscores the strongly rooted mentality of saving in Switzerland, which is passed on from generation to generation. It is also striking that this saving behaviour is widespread irrespective of language region. It is a phenomenon seen throughout the whole of Switzerland.

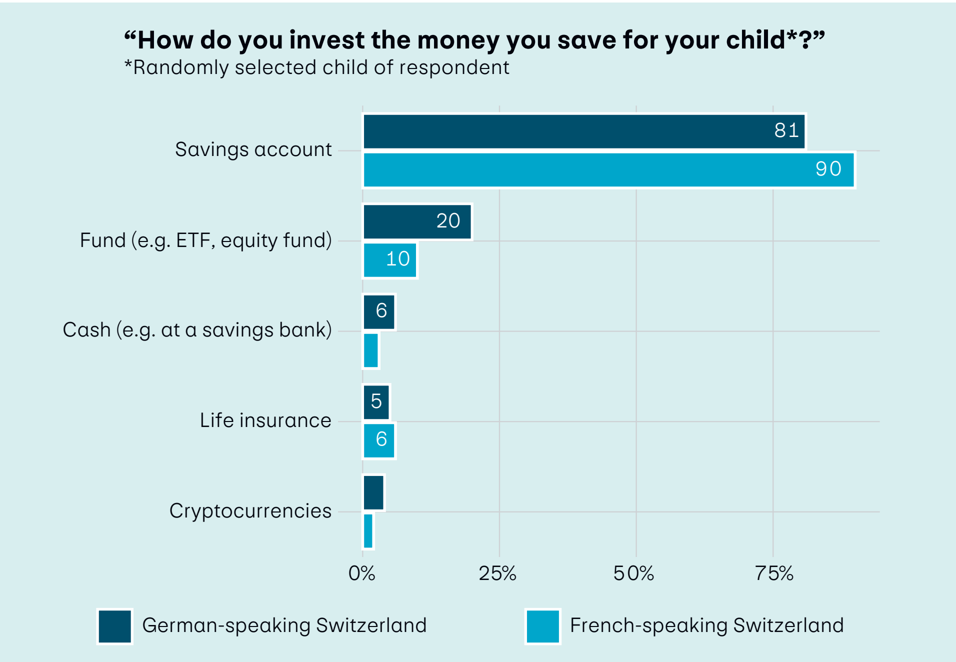
> "Three out of four parents save for their children – preferably in a savings account"

“Do you set money aside for your child* that you will give them at some point in the future (for example, on reaching 18) or will use for their education?”
*Randomly selected child of respondent



Investing money for children (fig. 33)

When parents are asked how they save for their children, the savings account is by far the most popular form of investment (fig. 34). Eight out of ten parents in German-speaking Switzerland and nine out of ten in French-speaking Switzerland invest their money this way. German-speaking parents also invest somewhat more frequently in funds (20 percent) than their French-speaking counterparts (10 percent). Other forms of investment, however, play only a secondary role and are used only by a minority. When saving for their children, parents in Switzerland rely primarily on traditional and secure forms of investment.



Form of investment: how parents save for children (fig. 34)

6 Data collection and methodology

The data was collected between 12 February and 25 February 2025. The survey population is the resident population of German-speaking and French-speaking Switzerland who are integrated linguistically and have at least one child aged between 5 and 18 years. Polling was by means of an online panel survey conducted by Sotomo and Bilendi. After cleaning up and reviewing the data, the information provided by 1,429 people was used for the analysis. As the participants recruit themselves (by opting in to the survey), bias in the composition of the sample is possible. Statistical weightings are therefore used to ensure that the sample is in line with the key sociodemographic characteristics of the population. The characteristics of the weightings include gender, age, education, political views, language region and number of children. This approach ensures a high degree of representativeness of the target group. For this overall sample, the 95 percent confidence interval (for a 50 percent share) is +/–2.6 percentage points.

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