ABSTRACT

This research investigates what the ideal bank for adolescents (10 – 16 years) looks like. The research was initiated by the ‘Stichting Jongeren en Geld’, who want to improve money consciousness among children and adolescents. Focus groups were held with young adolescents (10-12 years) and qualitative questionnaires were handed out to middle adolescents (14-16 years) to collect data. The main findings showed matching as well as contradicting ideas of the two age groups. The main recommendation is therefore to address the two groups separately with two different websites. Detailed findings and more recommendations are discussed in this paper.
1. INTRODUCTION

The development of economic competence by children and adolescents is a growing concern in the Netherlands. The number of young people in financial depth is growing every year (Nibud Scholierenonderzoek, 2010-2011).

‘Stichting Jongeren en Geld’ has recognized this problem. In order to counteract this development they want to create a bank for children and adolescents (0-18 years). Their main aim is to increase the financial consciousness among this age group. In the framework of this goal, the foundation approached us to gain first impressions of how an ideal bank looks like for adolescents. This leads to the following research question:

To answer this research question the following sub questions will be answered:

1. What does the income-, spending pattern and saving behavior of adolescents look like?
2. Which demands and ideas do adolescents have about their ideal bank?
3. Do adolescents prefer cash or digital money?
4. Which of the existing ideas of ‘Stichting Jongeren en Geld’ are according to adolescents most suitable for them?
5. Where do adolescents go for advice about money matters?

What does the ideal bank for adolescents (10 – 16 years) look like?
2. METHOD

Within this research, data was collected through focus groups and a questionnaire with open questions.

We held two focus groups with nine participants between ten and thirteen years of age. Thirteen adolescents between fourteen and sixteen years of age filled in the questionnaire.

In sum, twenty-two adolescents participated, of which six boys and sixteen girls. The total number of participants is not a representative sample of the population.

This research gives a first impression about what the ideal bank for adolescents looks like.
3. RESULTS

YOUNG ADOLESCENTS (10 – 13 YEARS OLD)

Income- & spending pattern and saving behavior
All adolescents received pocket money on a weekly or monthly basis. Besides, they received money as birthday gifts or for doing small chores. They spent this money on candy, drinks, clothing and doing fun activities with friends. All adolescents had a saving goal varying from a Wii to laptops to sporting goods.

Cash vs. digital money
Almost all adolescents preferred digital money over cash. Reason for that was that digital money is more secure and easier to handle. Cash could easily be lost or stolen. Negative aspects of digital money were that it is easier spent and that it is more difficult to see how much money you have.

Demands and ideas
The most important demand these adolescents had about their ideal bank is that it must be secure. They had different ideas about security; using fingerprints, three different codes to access their money, bodyguards and a bank, which is build underground. Ideas about the ideal bank included; happy and colorful elements, trustworthy people with an official appearance and individual banking services. Examples of these services were private chambers inside of the bank where they can store their money and personal ATM machines at their homes.

Evaluation of existing ideas
The ‘Stichting Jongeren en Geld’ has several ideas about interactive elements for the ideal bank for adolescents. These include an application for cell phones, saving communities, and games to increase money consciousness.

Adolescents were not enthusiastic about the application for cell phones. Even though they thought it is useful to receive a text message about their balance, they did not feel comfortable about mobile banking. In their opinion cell phones were not secure enough.
Also, social media did not appeal to most of them as an appropriate platform for banking.

Adolescents were enthusiastic about saving communities. However, they mentioned some limitations. For example, good rules must be made about the amount and regularity of saving.

The idea to increase money consciousness with games was considered a good idea. All adolescents were enthusiastic and suggested adventurous games with sport elements or animals.

**Asking for advice**

Talking about money was not very common among young adolescents. Only a few talk with their parents or friends about it. If they are looking for information about money they would go to their parents or to someone they know that works at a bank. In any case they preferred personal contact with someone they trust, over anonymous website.

"Als je met een zak geld loopt, kan het snel gestolen worden. En als je met een pinpas loopt, en je hebt een code, dan kan er geen geld van de bank worden gehaald."

Floris (11 years)

“Ik zou het niet fijn vinden als er geen gebouwen meer bestonden van de bank.”

Thomas (10 years)
“Je moet wel op papier hebben hoeveel iemand gespaard heeft.”

Roos (11 years)

“Gezellig sparen en een keer per week afspreken om het geld op de rekening te storten.”

Rachel (11 years)

“Als je jouw pinpas kwijtraakt, maakt het niet zoveel uit omdat mensen jouw pincode niet weten.”

Myrthe (11 years)

“Ik vind Hyves en Facebook aan de ene kant niet zo te vertrouwen, want ze kunnen gehackt worden en dan weten ze alles over je.”

Emma (12 years)
MIDDLE ADOLESCENTS (14 – 16 YEARS OLD)

Income- & spending pattern and saving behavior
All adolescents had money of their own, mostly because they receive pocket money. Some of the adolescents had a job and therefore earned their own money. They spent their money on food, clothing, presents, cell phones, sporting goods, computer games, or memberships. Not all adolescents were saving. Eleven adolescents were saving with a saving goal; two adolescents spent all their money. The saving goals of this group contained mostly expensive items like cell phones, a saxophone, vacations, their first car, or a house.

Demands and ideas
Adolescents thought security is an important issue. They appreciated the feeling that they can trust their bank, that the bank will treat them honestly, and that they can approach their bank with questions. According to adolescents, the ideal bank should be a real building and there should work friendly people who give information in an understandable way. Besides, the bank should ask for the opinion of the members and offer advice on money matters. For example, they would like to be educated about their future money matters. Middle adolescents were more positive about online banking than young adolescents. They already used online banking themselves and therefore had more experience.

Cash vs. digital money
Most adolescents preferred digital money over cash, because they had the feeling that it is more secure and easier to handle. Others preferred digital money because they do not spend as much as when they have cash. According to adolescents, problems with digital money were less clarity on their debit and the possibility of getting skimmed. Two respondents preferred cash, one because it limits parents’ controllability over spending, the other because it prevents her to spent all her money at once.

Evaluation of existing ideas
About the ideas of the ‘Stichting Jongeren en Geld’ adolescents were divided in their opinion. The application for a cell phone was considered a good idea. They thought this application can help them become more aware of their debit. They could also secure money easier and learn about financial planning.
Adolescents did not think that being updated through social media about bank matters is a good idea. They were afraid that it is not save and private enough and therefore not suitable for something personal like money matters.

Saving communities could be a good idea, but there must be good agreements between the bank and the savers. Adolescents had different opinions regarding saving communities. Some liked the idea because it would stimulate their saving behavior and they saw the opportunity of getting discounts. Others did not like the idea and preferred to save by themselves.

Games that inform about money matters were not considered a good idea. Adolescents preferred to go to their parents, a bank, or search for information on the Internet.

**Asking for advice**

Most adolescents went to their parents or older siblings for information about money. They would also appreciate the opportunity to approach their bank if they have questions. They did not distinguish offline and online ways. They could imagine to contact their bank through a website, directly at a bank counter, via email or over the phone.

“Ik heb liever contant geld. Dan heb ik door wat ik uitgeef. Als ik mijn pinpas gebruik, merk ik minder goed hoeveel ik uitgeef.”

Isa (15 years)

“Een mooi gebouw met een bank waar je rustig kan zitten en wachten tot je aan de beurt bent.”

Suzanne (14 years)
“Ik heb liever contant geld, ik pin ook altijd geld van de bank, omdat mijn ouders via internetbankieren als ik pin kunnen zien waar ik dat doe en voor hoeveel. Dit vind ik niet echt nodig, ik heb alles goed op orde.”

Rik (15 years)

“Een app voor mijn telefoon vind ik heel handig! Dan geef je denk ik minder snel geld uit en pas je beter op wanneer je geld uit geeft.”

Lisanne (16 years)

“Een leuke bank waar ze je proberen te helpen en je makkelijk je saldo kunt bekijken. Waar het moeilijk is te veel geld uit te geven en waar je natuurlijk veel rente over je geld krijgt!”

Isa (15 years)

“Mijn ideale bank moet mijn geld goed bewaren. Ook vind ik het heel handig als je kan internetbankieren.”

Lisanne (16 years)

“Nee, samen sparen zie ik niet zo zitten, ik wil op mijn eigen manier sparen en niet met al mijn vriendjes.”

Hayet (16 years)
4. RECOMMENDATIONS

Our results show a big difference in the demands and ideas between the two age groups. We therefore recommend two age specific websites.

YOUNG ADOLESCENTS (10 – 13 YEARS OLD)

Young adolescents must get the idea that they are in a real bank building, because they prefer a bank building over a website. This can be realized through building a website with interactive elements, such as walking through the bank (through mouse- and keyboard-use) and trustworthy bank-characters who are talking personally to the adolescents.

They need to get the feeling that they are in a secure environment. Young adolescents do not prefer Internet banking. But if they must do so, security plays an important role. Using different security elements can provide this secure environment. The adolescents suggest having access to their money through using their fingerprint or entering several security-codes.

Communication between a bank and adolescents has to be personal. They prefer traditional ways to communicate with their bank, such as going to the bank and ask their questions directly to someone who is working at the bank.

Saving communities with possibilities of making good rules. Saving communities has to be accessible, simple and attractive to use for this age group. Every adolescent who wants to join the saving community must have a special code to access his or her saving community. They want to see at a glance how much everybody has saved and everybody has to save an equal amount of money to join the saving community.

Layout must be colorful, child friendly and happy. The layout of the Website must contain lost of colors and may look like the bank in the movies of Harry Potter. The bank of Harry Potter provides a private room for every member of the bank, which is in line with the demand of the young adolescents.

“Ik wil dat de bank vriendelijk is en dat iedereen welkom is. Als je een vraag hebt dat je een goed en duidelijk antwoord krijgt.”

Emma (12 years)
MIDDLE ADOLESCENTS (14 – 16 YEARS OLD)

Middle adolescents need to get the feeling that the bank is highly secured. They are aware of all the dangers like skimming and hacking, so the website for this age group has to be highly secured by using professional security elements. Security elements that can be used for this age group are pin codes and personal passwords.

The possibility of getting information about their balance through a cell phone application. Most adolescents use their cell phone every day and it is easy to get information through an application. The application has to be simple, secured, and easily accessible. Besides the application must provide the possibility to make monthly or weekly budgets, which helps the adolescents to make a financial planning.

Communication of their banking information must come from trustworthy people on the Internet. Adolescents are likely to search on the Website of the bank for information. A possibility to chat with bank personal on the website is for this age group a good idea.

Prevent the usage of social media for banking. Adolescents see social media as a strictly personal matter and they are afraid that everyone will see what their money matters are about if it goes through social media.

Instead of playing a game to increase money consciousness, lessons about money management for adult life must be implemented for the adolescents. Middle adolescents are not interested to learn about money and banking business through a game. Instead these adolescents want to be educated for the future when they rent or own their first house or they need to loan money for their study.

Saving communities have to be clear and specified for this age group. They do not have full faith in saving communities. This idea has to be clear and more specified before this age group will use this possibility.

Layout must be simple and professional. The website must contain a clear overview of the most important features.
5. IN SUM...

... all adolescents were very enthusiastic about the idea of the ‘Kinderbank’. We therefore think it is a valuable concept and an important supplement to the current bank system in the Netherlands.
6. REFERENCE


7. RECOMMENDED LITERATURE


