

Online money management tips to support young people

Top tips to help children and young people build good online money management habits



1. Get familiar with in-app purchases available in the platforms and apps children use

Familiarise yourself with the games, apps and platforms that your children are using.

You don't need to be an expert but try to understand some of the basics. Many of these will provide parental controls that will help you to set up a safer online experience for your children and manage in-app purchases.

If your child is a gamer, it's likely that they may want to spend money on the games and platforms they use. Playing alongside them (at least once or twice) is a good strategy to familiarise yourself with the platforms to offer them the right support. We are good at taking an interest in the offline aspects of our children's lives and we should take the same interest in what they are doing online.

2. Make use of parental controls on apps and platforms to manage in-app purchases

Look to see what sort of parental controls are available – these will mean that you can have some oversight as to who your child can communicate with, whether they are able to make purchases and how to manage other aspects of online interactions.

Remember that there will be built-in controls that you can set on their devices or consoles and also within the games and apps themselves. With social networking sites there may be options for you to manage the ability to spend money or to send gifts (for example TikTok states that only users over 18 can purchase coins or virtual gifts, but of course this relies on users having been honest about their age when signing up).

To help you set these up we've created a range of how-to-guides, from popular games like Roblox to social networking sites like TikTok.

[Visit our guides here](#)



3. Agree ground rules on how they should spend money in platforms and apps

Consider creating a family agreement to manage expectations on how children should be spending money in the apps and platforms they use. This will help limit the chance of making unintentional purchases online.

[Use our family agreement template to get started.](#)



4. Help children understand the value of money online

[Findings from Barclaycard](#) showed that 88.6% of 'eligible payments' made in the UK were contactless in 2020 meaning that contactless and card payments are becoming the norm. We are more likely to spend more when not physically handing over cash and it is **important to help children and young people to understand the value of money within a game or an app.**

A good way to do this can be to give them a specific allowance (see below) and to spend time explaining what something costs by comparing it to something else that children are familiar with such as items of clothing or toys/books etc. Discuss what they are actually getting for their money, what they have to show for it.



5. Consider giving children a budget to build their skills around money management

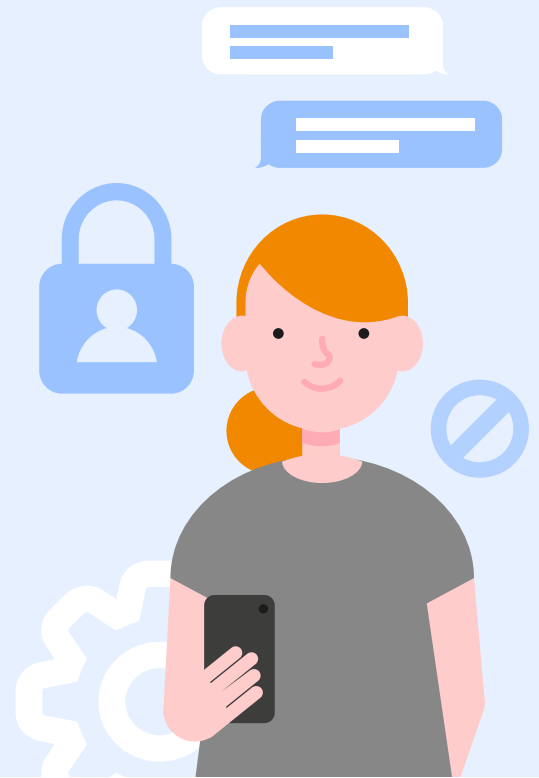
Syncing up your credit/debit card isn't a good idea – you should consider giving them a weekly or monthly allowance that they could manage for themselves and if they spend it all on the first day then they will need to wait until next month. On many of the gaming consoles and some platforms it is possible to prevent in-app purchases or to be notified when your child wants to buy something on the platform within a game.



6. Talk about the importance of data privacy and security:

Emphasise the importance of not sharing too much private information. Having a conversation with someone you haven't met before will not necessarily lead to harm but being careful about the information that you share online is crucial. Remind your children that if something doesn't feel quite right, if someone is saying or doing something that makes them feel uncomfortable they should tell you.

Ensure that your children know how they can block/mute or report others within a game, app or social networking site and talk about when they might need to do this. Most platforms will have robust reporting mechanisms and it is important that children know about these and how to use them.



7. Talk about what online scams are and how to spot them

Talk about scams – explain that these are not always easy to spot but highlight some of the main things to look out for. (e.g. if something seems too good to be true then it probably is). Talk about the importance of not clicking on links in adverts and of not putting personal information into online forms. Remind them that they should only be putting their password into a game when logging in – if they are asked to enter it elsewhere they should come and tell you. Make use of our [fake news and misinformation hub](#) for more support.



8. Discuss potential concerns around loot boxes and other in-game purchases

Talk with your children about the potential challenges when gaming – make clear that they should come to you if they have a problem and that you will listen to them and support them. (Don't overreact – if they come to you for help it is because they want some sort of support and guidance, getting cross is not the best approach).

- **For example, talk to them about loot boxes**, explain why they can be addictive (the buzz of opening the box and the chance that it might contain something of value) and the likelihood of getting something worthwhile.
- **Many games have their own virtual currency (e.g. robux, apex coins or v-bucks)** which can be gained by completing particular tasks or levels within a game or can be purchased with real money. Players will often spend money on items which do not improve their ability to succeed within the game, they simply enhance their appearance. Spend some time with your child looking to see how virtual currency can be earned and spent and what options there are to set limits.

9. Have an open door policy to allow children to speak up when things go wrong online

Remember that most of the time our children won't be doing anything that they shouldn't. It may well be others who aren't behaving in the right way towards our children and of course we want to know about this if it happens. Children are unlikely to come and talk about any problems if they think it will result in them not being able to play a particular game any longer – this is especially true if they haven't done anything wrong! Dialogue and discussion are the most important aspect of this.

Where money is concerned emotions can often run high but it can be easy to make unintended purchases or to be scammed - this happens to adults as much as to children and young people. As parents and carers we have to take some responsibility for limiting the likelihood of things going wrong and using some of the suggestions above can help with this. Taking opportunities to discuss these issues when there are stories in the media can be a helpful approach. A more general conversation will not feel quite so personal whilst still providing opportunities for a conversation where some key messages can be shared.



10. Make use of educational apps and tools to help children become more financially literate

There are a number of apps that can be used to help children and young people to manage their money. These allow parents to help their children to manage money with increasing independence as they get older. Accounts are linked for a parent and a child and whilst children get their own debit card, parents are able to monitor what they are doing and intervene where necessary. Most importantly – this encourages dialogue and discussion around money and how to manage it from an early age. As children are only able to spend money that is on the card there is no risk of running up a huge bill or becoming overdrawn. You can do a simple internet search to find ones that suit your family's needs.

These tips are for guidance only and do not constitute legal, financial or tax advice.

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