



## Technology trends cost kids £383 a year

Children spend £383 a year on technology to maintain their lifestyle in the entertainment age, according to new research from Halifax. This includes computer games and equipment, mobile phones and music downloads.

### Key findings:

- Children spend £383 on technology each year
- Children in London spend the most on technology; double that of Wales, East Anglia, East Midlands and the South West
- Computer games or equipment are the most expensive purchases at £140.92 a year
- Two-fifths (40%) of children download music at a cost of £137.97 per year
- Three quarters of children own a mobile phone (74%), with bills averaging £104.04 per year
- Children require an additional £1.13 per week on top of pocket money to cover their annual technology expenditure

### High tech spenders live in London

Children in London are the highest spenders on technology at £602 per year, more than double that of Wales (£237), East Anglia (£240), East Midlands (£287) and the South West (£294.). Children in London also receive more than double the annual pocket money (£561.08) of those in East Anglia (£255.32), East Midlands (£262.08) and South West (£234). Wales is the exception at £288.60.

### The gaming generation

More than nine-tenths of children (91%) own a games console, with ownership increasing to 95% amongst boys, compared to only 87% of girls.

Children spend £2.71 per week equating to £140.92 a year on computer games or equipment, dominating the pocket money purse strings. This figure increases to £3.77 amongst boys, compared to just £1.47 with girls. Children in London are the highest spenders at £4.72 per week, compared to only £1.17 in East Anglia.

### The download era

Almost three quarters of children (70%) own an iPod or MP3 player, up slightly on 68% last year. This figure increases to four-fifths of 12-15 year olds (79%), compared to just over three-fifths (61%) of 8-11 year olds.

Two-fifths of children (40%) also download music from the internet although this is much more popular amongst the older children aged 12-15 years (51%) than with the 8-11 (29%) year olds.

The average number of tracks downloaded per week has dropped over the last year from four to three (2.68), equating to a weekly spend of £2.65 weekly or £137.97 annually. Children in London download the most music at a cost of £4.37 per week, followed by the South East at £3.59. Those in Wales spend the least at £0.99 per week.

### **Mobile phone usage**

Three quarters of children (74%) own a mobile phone with this figure increasing to a nine in ten (92%) children aged 12-15, compared to just over half (55%) of 8-11 year olds. The average phone bill is £8.67 a month, £0.29 more than last year (£8.38) and equating to £104.04 per year.

Phone bills are highest amongst 12-15 year olds at £9.85 per month and lowest for those aged 8-11 at £6.41. On a regional basis mobile phone bills are higher in London at £10.77, followed by the North West at £9.40, but are lower in the South West at £6.51 and Scotland at £7.43.

However, when it comes to footing the bill, less than a fifth (17%) take responsibility for mobile phone spends themselves with the majority (74%) leaving their parents or guardians to fit the bill.

### **Pocket an extra £1 a week**

If children are expected to pay for their own technology expenditure, then current pocket money levels at £6.24 a week fall some way behind. Children would require an additional £1.13 per week just to cover the short fall of £58.52.

However, one in three children (29%) are currently saving up their pocket money to buy a technology-related item.

### **Flavia Palacios Umana, Senior Manager, Halifax savings products, said:**

“Many parents will be footing the portable entertainment bill directly or indirectly through additional pocket money contributions. However, it is very pleasing to see that some children are getting into the savings habit at an early age by saving up their pocket money to buy the latest ‘must-have’ technology items.”

### **Note to Editors'**

Research carried on by tns from 30<sup>th</sup> October to 6<sup>th</sup> November 2009. 1202 children across Great Britain aged 8 to 15 were interviewed.

Music download cost of £0.99 is based on Top 40 singles price on iTunes.

### **Halifax Children's Regular Saver**

Halifax Children's Regular Saver is available for adults saving on behalf of children under 16, with one account per adult on behalf of each child allowed. Earning a rate of **6.00% AER/gross p.a.** fixed for one year, you can save between £10 and £100 each month, for 12 months. Once the twelve month term is up, the money saved and the interest earned will be automatically transferred into your nominated account, or a Halifax save4it account.

### **Save4it**

Save4it is a passbook pocket money savings account designed especially for children up to 16 year olds. Accounts can be opened with as little as £1 and the maximum balance is £5,000. Interest is payable annually on any chosen day (e.g. birthday) and the child can choose the name of the account, e.g. 'Sarah's Account' or 'First Bike Account'. The current interest rate is **1.05% AER/gross p.a.**

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