

Teach Your Child How and Why to Save Money



Learning how to save money is a crucial skill for achieving financial success. It is best to instill this habit from an early age, so parents should start teaching their children about saving money as early as possible. These lessons should be taught frequently and adjusted as the child grows and acquires more responsibilities. Although children may not be enthusiastic about learning these lessons, the instruction doesn't have to be boring.

Here are five entertaining ways to teach children about the importance of money and how to save it.

01 | CREATE WAYS FOR THEM TO EARN MONEY

It's important for your child to have a source of income before they can start saving money. One of the best ways to help them generate income is by giving them an allowance. According to a 2025 Wells Fargo study, 71% of parents give their children an allowance.¹ Children can earn their allowance by doing chores around the house, such as yard work, shoveling snow, or cleaning up in the kitchen.

By providing a financial incentive, your children may become more motivated to help around the house. This not only teaches them responsibility in the household but also helps them understand that money is earned through hard work.

02 | USE A PIGGY BANK OR OPEN A SAVINGS ACCOUNT

As children, we all had a fascination with dropping coins and dollars into our piggy bank and watching our money grow. Using a piggy bank is still a practical way for children to save their money. It allows your child to easily store away their allowance, loose change, or money from their grandparents. You can also set rules for when your child can open the piggy bank to spend the saved money.

Another way to save money for your child is by opening a savings account. As the world has gradually become cashless, it makes sense to have your child's earnings stored in a bank. By opening a savings account, you and your child can easily track the progress of their savings through the bank's app or printed statements. If a checking account is also linked to the account, you can also monitor their spending.



03 | SET UP A SHADOW DAY

A great way for your child to understand money and saving is by watching you in action. You can start by involving them in your grocery shopping routine. Make a list of the food and other items you need and set a budget for the trip. When you get to the store, you can explain to your child how you make decisions based on the prices, quality, and quantity of different brands, while staying within the budget.

As you teach them your shopping habits, you can even let them pick out a small treat to buy with their own money. This way, your child will learn practical money-saving skills while also enjoying a fun and educational shopping trip with you.

04 | OFFER INCENTIVES

If you want to encourage your children to save money, you can match their savings balances as a reward. You can do this by setting savings goals for your children, such as saving a certain amount of money. For instance, you may decide to match your child's savings once they reach \$50 by putting an additional \$50 in their account.

You can also motivate your child to save money for a specific item or an event, like a school book fair or a family trip. This strategy will give your child something exciting to look forward to while they work hard to grow their savings.

05 | READ CHILDREN'S BOOKS AND PLAY MONEY-RELATED GAMES

Children can learn how to save money beyond what they are taught by their parents. You can take them to the local library to find age-appropriate books on money and saving. Additionally, you can encourage them to play games that involve money, such as Life or Monopoly. These options provide an enjoyable way to teach your child the importance of budgeting and saving.



CONCLUSION

Teaching children the importance of saving money can be challenging; however, certain interactive and enjoyable activities can effectively impart money management skills and instill a positive attitude towards saving. These experiences not only set the groundwork for responsible financial habits but also help children develop a sense of independence and empowerment as they navigate their financial journey into adulthood.



FOOTNOTES

¹ New Wells Fargo study shows parents give their kids an average weekly allowance of \$37. (2025, July 2). <https://newsroom.wf.com/news-releases/news-details/2025/New-Wells-Fargo-Study-Shows-Parents-Give-Their-Kids-an-Average-Weekly-Allowance-of-37/default.aspx>



DISCLOSURES

6 Meridian is a group comprised of investment professionals registered with Hightower Advisors, LLC, an SEC registered investment adviser. Registration as an investment advisor does not imply a certain level of skill or training. Some investment professionals may also be registered with Hightower Securities, LLC, member FINRA and SIPC. Advisory services are offered through Hightower Advisors, LLC. Securities are offered through Hightower Securities, LLC. All information referenced herein is from sources believed to be reliable. 6 Meridian and Hightower Advisors, LLC have not independently verified the accuracy or completeness of the information contained in this document. 6 Meridian and Hightower Advisors, LLC or any of its affiliates make no representations or warranties, express or implied, as to the accuracy or completeness of the information or for statements or errors or omissions, or results obtained from the use of this information. 6 Meridian and Hightower Advisors, LLC or any of its affiliates assume no liability for any action made or taken in reliance on or relating in any way to the information. This document and the materials contained herein were created for informational purposes only; the opinions expressed are solely those of the author(s), and do not represent those of Hightower Advisors, LLC or any of its affiliates. 6 Meridian and Hightower Advisors, LLC or any of its affiliates do not provide tax or legal advice. This material was not intended or written to be used or presented to any entity as tax or legal advice. Clients are urged to consult their tax and/or legal advisor for related questions.