

From Pocket Money to Future Planning: Enhancing Financial Literacy and Saving Awareness among Elementary School Students through Interactive Financial Education

Putri Salsha Ghifania¹, Suriani Suriani¹, Ade Septia Muhta¹,
Khairan Asyifa¹, Rani Indriaska Bela¹, Sri Rosmiati Sani²

¹Fakultas Ekonomi dan Bisnis, Universitas Syiah Kuala, Banda Aceh, Indonesia

²Fakultas Ekonomi dan Bisnis, Universitas Teuku Umar, Meulaboh, Indonesia

Corresponding Email: suriani@usk.ac.id

Received: 05-05-2026	Revised: 11-05-2026	Accepted: 12-05-2026

Abstract

Financial literacy is an understanding of finance that needs to be developed from an early age to help children make responsible financial decisions and build positive financial habits. Many elementary school students still have a limited understanding of money management and the importance of saving. This community service activity aims to increase financial literacy and savings awareness among students of SD Negeri 63 Banda Aceh through an interactive financial education program. This activity uses a participatory learning approach that involves presentations, educational games, discussions, question-and-answer sessions, and buy-and-sell simulations using toy money and simple learning media for 28 students who participated in this program. The results showed an increase in students' understanding of basic financial concepts, including the difference between needs and wants, the importance of saving, and simple money management practices. Students are actively engaged in learning activities and show greater awareness of responsible spending and saving. The use of interactive and experiential learning methods allows participants to apply financial concepts in practical situations, making the learning process more meaningful and interesting. The findings show that interactive financial education can improve financial literacy and foster a positive attitude towards saving among elementary school students.

Keywords: financial literacy; saving awareness; financial education; elementary school students; interactive learning.

INTRODUCTION

The ability to manage finances is an increasingly important life skill amid rapid economic and technological developments. Changes in people's consumption patterns, the ease of access to various products and services, and the increasing use of digital transactions require that every individual have a good understanding of financial management from an early age. In this context, financial literacy is understood not only as the ability to recognize money and its functions but also as the knowledge, skills, motivation, and beliefs that enable sound financial decisions to achieve future prosperity (OECD,

2020; Lusardi, 2019). Rapid technological and digital developments have transformed how financial transactions are conducted, making financial education increasingly important for preparing younger generations to manage money wisely in an evolving economic environment.

Financial education for elementary school-age children is increasingly relevant because, at this stage, children begin to interact directly with money by receiving pocket money and engaging in simple transactions. This experience is the initial foundation in shaping future financial behavior. Te'eni-Harari (2016) explained that children's involvement in saving activities from an early age contributes to increased financial understanding and the formation of a more responsible attitude toward managing money. Thus, the introduction of financial concepts at an elementary school age not only aims to increase knowledge but also to build positive habits that can last into adulthood.

Financial literacy has become a concern for various countries and international institutions. The OECD (2020) defines financial literacy as the combination of knowledge, skills, attitudes, and behaviors necessary to make effective financial decisions. Financial education plays a crucial role in improving financial literacy and shaping responsible financial behavior. Mardayanti and Suriani (2024) found that financial learning significantly enhances financial literacy, while Balqis et al. (2026) emphasized that financial literacy and financial planning contribute to more rational financial decision-making. In addition, the rapid development of digital financial transactions, as highlighted by Zulfa et al. (2025), underscores the growing importance of equipping younger generations with adequate financial knowledge and skills to navigate an increasingly complex financial environment.

Various studies show that financial education provided from an early age has a positive impact on children's financial knowledge and behavior. Batty et al. (2015) found that financial education programs in elementary schools can increase students' understanding of financial concepts and foster a positive attitude towards saving. Similar findings were reported by Kalwij et al. (2019), who showed that financial education interventions among elementary school students improved financial literacy and saving behavior. In addition, Sherraden et al. (2011) emphasized that children's participation in financial education programs, coupled with savings practices, can significantly improve financial literacy.

One important aspect of children's financial education is motivation to save. Saving is not just about accumulating money; it also reflects an individual's ability to self-control, plan for the future, and prioritize needs. Children's motivation to save is influenced by various factors, such as family environment, school education, personal experience, and understanding of the benefits of saving (Te'eni-Harari, 2016). Children who are motivated to save tend to manage their pocket money more wisely than those who are unaware of the importance of saving. In practice, teaching financial literacy to children requires methods that align with students' developmental characteristics. An interactive learning approach through educational games, transaction simulations, group discussions, and hands-on practice is considered more effective than conventional lecture methods (Amagir et al., 2018). Through this approach, abstract concepts of money, expenses, needs, wants, and savings can be understood more concretely by elementary school students.

Research has shown that school-based financial education and savings-related activities can help children develop positive financial habits, strengthen their understanding of money management, and encourage responsible financial behavior from an early age (OECD, 2024). These results are consistent with the findings of Frisncho (2020), who reported that financial education for children positively impacts economic decision-making skills and long-term financial behavior. In fact, Cannistrà et al. (2022) found that a good level of financial literacy correlates with a higher tendency to save and plan for the rational use of money. Recent evidence indicates that many elementary school students still demonstrate limited financial knowledge and inconsistent saving behavior, highlighting the importance of integrating financial education into both school and family environments (Rahman et al., 2025).

Schools, as formal educational environments, play a strategic role in supporting this process by providing opportunities for learning and habituating positive financial behavior.

METHOD

This activity was carried out using an interactive socialization method, in which students, as implementers of the village development program, actively conducted socialization on money management and saving from an early age for students in IV Class at SD Negeri 63 Banda Aceh. This community service activity employed a participatory educational approach, actively involving students in the learning process. The approach was designed to encourage direct interaction between facilitators and participants, allowing students to gain practical experiences and develop a better understanding of financial concepts through active engagement rather than passive learning.

The implementation method begins with the observation stage, which involves coordinating with the school regarding licensing, timing, location, and the technical implementation of activities. After that, students compile socialization materials that include definitions of money and its functions, the importance of saving, how to manage pocket money properly, and the difference between needs and wants. To support the delivery of the material, students also prepared digital presentation media, educational images, toy money, snacks, and piggy banks for use in buying-and-selling simulation activities. The use of various learning media was intended to create an engaging learning environment and to simplify abstract financial concepts for young learners. Interactive media and simulation-based activities were expected to improve participants' comprehension and encourage active participation throughout the program.

The participants of this activity consisted of 28 fourth-grade students of SD Negeri 63 Banda Aceh. Fourth-grade students were selected because they had already begun managing pocket money independently and were considered capable of understanding basic financial concepts such as saving, spending, needs, and wants. The activity continued with a socialization on May 21, 2026, at the Hall of SD Negeri 63 Banda Aceh.

The activity began with the delivery of material using simple language so that it was easy for elementary school students to understand. During the activity, students were invited to participate through discussions, questions, and answers, as well as educational games involving guessing pictures of needs and desires to increase understanding of the material presented. Furthermore, students carried out a buying and selling simulation using toy money, snacks, and piggy banks as media, so that students could practice allocating money wisely and get used to setting aside some money to save.

Evaluation was conducted using observation and question-and-answer techniques. Students' understanding was assessed by their ability to explain key financial concepts, distinguish between needs and wants, answer questions about money management, and demonstrate appropriate decision-making during the buying-and-selling simulation.

The last stage is the evaluation and closure of activities. Evaluation was conducted through a question-and-answer session with students to assess students' understanding of the material delivered. The entire series of activities was conducted interactively, with active student participation. This method aims to increase students' understanding of money management and the importance of saving early, and to foster the habit of using money wisely in daily life. The program's success was indicated by students' active participation in activities, their ability to correctly answer evaluation questions, improved understanding of financial literacy concepts, and increased awareness of the importance of saving, as reflected in their responses during the evaluation session.

RESULTS AND DISCUSSION

The implementation of Village Development activities uses an interactive socialization method, in which students serve as facilitators and implementers, conveying information to peers. This method was chosen because it enables two-way communication among students, making the material easier to understand. Through an interactive approach, students not only passively receive information but also actively participate in discussions, question-and-answer sessions, and simulations that deepen their understanding of money management and the importance of saving early. The implementation of activities is carried out in several stages: field observation, activity planning, socialization, and activity evaluation.

The first stage began with field observation activities conducted by the student team, who coordinated and communicated directly with the school. This activity aims to gather information on school conditions, determine activity targets, and ensure readiness at the program implementation location. At this stage, students met with the Principal of SD Negeri 63 Banda Aceh to explain the purpose, form of activity, material to be delivered, and the need for facilities and infrastructure for the socialization. In addition, coordination is carried out for licensing, determining the implementation time, the number of participants to be involved, and the location to be used for the activity.

The principal welcomed the socialization activity focused on money management and saving habits from an early age, as it was considered relevant to the needs of elementary school students. Based on the coordination results, the student team obtained permission to conduct activities for fourth-grade students at SD Negeri 63 Banda Aceh. In addition, the school provides the Hall of SD Negeri 63 Banda Aceh as a venue for activities and offers supporting facilities, such as digital boards, to help deliver material in a more interesting and interactive manner. The results of this observation form the basis for preparing an activity plan to ensure the program is implemented effectively and in accordance with school conditions.



Figure 1. Implementation of Socialization of Money Management and Saving from an Early Age

The findings are in line with previous studies highlighting the effectiveness of financial education programs for elementary school students. Batty et al. (2015) reported that financial education interventions can improve children's understanding of financial concepts and promote positive attitudes toward saving. Similarly, Kalwij et al. (2019) found that financial education improves financial literacy and encourages more responsible financial behavior among young learners. These similarities suggest that interactive financial education can be an effective strategy for strengthening financial awareness and decision-making skills among elementary school students.

The second stage is the planning of activities, which are carried out after the observation and coordination process with the school is completed. At this stage, students prepare socialization materials for delivery to other students. The material prepared includes definitions of money and its functions, the importance of saving early, how to manage pocket money wisely, and the difference between needs and wants. In addition to compiling materials, students prepare learning media, including digital presentations, educational images, toy money, snacks, and piggy banks, for use during the activity. The selection of media is adjusted to the characteristics of elementary school students so that the material can be delivered more interestingly and easily to understand. At this stage, tasks are also divided among team members to ensure that each series of activities runs smoothly according to the prepared plan.

The third stage is the socialization, which will be held on May 21, 2026, at the Hall of SD Negeri 63 Banda Aceh and will be attended by 28 grade IV students. The activity began with the delivery of material in simple language that was easy for students to understand, as described by Prasetyo and Yulianto (2021). During the socialization process, students showed high enthusiasm by actively listening to explanations and answering the questions given. To increase participants' understanding, the activity was also interspersed with discussions and educational games, such as guessing pictures of needs and desires. Through these activities, students are invited to understand the importance of setting money priorities. Most students are able to distinguish between needs and wants after being given simple explanations and examples.



Figure 2. Games in Spending Money on Transactions

Furthermore, the activity continued with a simulation of buying and selling, using toy money and snacks as learning materials. At the beginning of the activity, students distributed a certain amount of toy money to all students as capital to conduct a buying and selling simulation. Students then take turns purchasing snacks according to their respective desires and needs. During the simulation, students gave directions to students to use money wisely and reminded them of the importance of setting aside some of their money. Through this activity, students learn to manage money, prioritize expenses, and distinguish between needs and wants.

After the simulation is over, students ask the rest of the students to show the money they still have. Students who still have money left over are then given piggy banks as a form of appreciation and as motivation to get used to saving from an early age. Based on the results of the buying and selling simulation, all students who participated in the activity still had money left over after making the

purchase transaction, so all participants got piggy banks. This shows that students have understood the importance of setting aside some money and not spending all the money they have.



Figure 3. Evaluation of Activities with Students

The buying and selling simulation provided students with an opportunity to apply financial concepts in a practical setting. Experiential learning activities, such as simulations, allow children to connect theoretical knowledge to real life situations, thereby improving comprehension and retention of financial concepts. This practical experience is particularly important for elementary school students, who generally learn more effectively through direct involvement and hands-on activities.

CONCLUSION

The Village Development activity carried out at SD Negeri 63 Banda Aceh shows that education on money management and the importance of saving from an early age can be an effective means of improving the financial literacy of elementary school students. Through the delivery of material, interactive discussions, and simple simulations, students gain a better understanding of the function of money, the difference between needs and wants, and the importance of setting aside some pocket money for savings. The practical learning experiences provided through discussions, educational games, and buying-and-selling simulations enabled students to better understand financial concepts and apply them in simple decision-making situations. This indicates that financial literacy education is more effective when it combines theoretical knowledge with interactive learning activities that encourage active student participation.

The active participation and enthusiasm of students during the activity show that a learning approach suited to the characteristics of the child can help students understand financial concepts more effectively. In addition to increasing knowledge, this activity fosters awareness and positive financial management habits from an early age. Beyond improving students' knowledge, the program also fostered positive attitudes toward saving and responsible money management. These early

experiences are expected to lay the foundation for sound financial habits that support students' financial well-being in the future.

To maximize the long-term impact of the program, similar activities should be conducted regularly and integrated into school learning programs. Continuous reinforcement of financial concepts can help students maintain saving habits and strengthen their financial awareness as they grow older. Thus, financial literacy education programs need to continue to be developed and implemented sustainably through collaboration among schools, families, and universities. These efforts are expected to support the formation of a generation that is wiser, more independent, and responsible in managing finances in the future.

ACKNOWLEDGMENTS

Thank you to Syiah Kuala University as an institution that has facilitated and supported the implementation of the Village Development Program as a form of implementation of the Tri Dharma of Higher Education, especially in the field of community service. The highest appreciation was also conveyed to Prof. Dr. Suriani, S.E., M.Si., as a supervisor who has provided direction, input, and assistance throughout the planning process for implementing the activities. Gratitude was also conveyed to the Leadership of the Faculty of Economics and Business, Syiah Kuala University, who have provided support and opportunities to students to carry out community service activities through the Village Development Program. The authors also sincerely appreciate the enthusiasm, active participation, and cooperation demonstrated by the students throughout the program. Their engagement contributed significantly to the successful implementation of the activities and the achievement of the intended learning outcomes.

REFERENCE

- Amagir, A., Groot, W., van den Brink, H. M., & Wilschut, A. (2018). A review of financial-literacy education programs for children and adolescents. *Citizenship, Social and Economics Education*, 17(1), 56–80. <https://doi.org/10.1177/2047173417719555>
- Batty, M., Collins, J. M., O'Rourke, C., & Odders-White, E. (2015). Experimental evidence on the effects of financial education on elementary school students' knowledge, behavior, and attitudes. *Journal of Consumer Affairs*, 49(1), 69–96. <https://doi.org/10.1111/joca.12058>
- Balqis, S., Suriani, S., & Afandi, F. (2026). Determinasi Perilaku Konsumtif Islami pada Mahasiswa : Peran Literasi Keuangan , Financial Planning , dan Lingkungan Sosial. *Jurnal Ilmiah Mahasiswa Ekonomi Islam (JIMEKI)*, 8(1), 116–126. <https://doi.org/10.24815/jimeki.v8i1.1853>
- Cannistrà, M., Cappa, F., Marino, V., & Mori, L. (2022). *Financial literacy and saving behavior: Evidence from young consumers*. *International Journal of Bank Marketing*, 40(7), 1465–1484.
- Frisancho, V. (2020). The impact of financial education for youth. *Economics of Education Review*, 78, Article 101918. <https://doi.org/10.1016/j.econedurev.2020.101918>
- Kalwij, A., Alessie, R., Dinkova, M., Schonewille, G., van der Schors, A., & van der Werf, M. (2019). The effects of financial education on financial literacy and saving behavior: Evidence from primary school students.
- Lusardi, A. (2019). Financial literacy and the need for financial education: Evidence and implications. *Swiss Journal of Economics and Statistics*, 155(1), 1–8. <https://doi.org/10.1186/s41937-019-0027-5>
- Mardayanti, U., & Suriani. (2024). *The Influence of Gender, Grade Point Average, Learning and Financial Education on Sharia Financial Literacy*. *Jurnal Ekonomi Islam*, 15(2), 129–148.

- OECD. (2020). *OECD/INFE 2020 international survey of adult financial literacy*. OECD Publishing. <https://www.oecd.org/financial/education>
- OECD. (2024). *Student financial literacy*. Organisation for Economic Co-operation and Development. <https://www.oecd-ilibrary.org/en/topics/student-financial-literacy.html>
- Prasetyo, B. S., & Yulianto, A. (2021). The influence of financial literacy and parents' income on saving behavior based on parents' education and school
- Rahman, A., et al. (2025). *Financial Literacy of Elementary Students: A Preliminary Study on Early Financial Knowledge and Attitudes in Jakarta and Bekasi*. International Journal of Education and Learning Studies.
- Sherraden, M. S., Johnson, L., Guo, B., & Elliott, W. (2011). Financial capability in children: Effects of participation in a school-based financial education and savings program. *Journal of Family and Economic Issues*, 32(3), 385–399. <https://doi.org/10.1007/s10834-010-9220-5>
- Te'eni-Harari, T. (2016). Financial literacy among children: The role of involvement in saving money. *Young Consumers*, 17(2), 197–208. <https://doi.org/10.1108/YC-01-2016-00579>
- Zulfa, D., Syahnur, S., & Suriani, S. (2023). The Impact of E-Money Multiplier on Economic Growth in Indonesia. *2023 International Conference on Decision Aid Sciences and Applications, DASA 2023, henceforward MM*, 421–425. <https://doi.org/10.1109/DASA59624.2023.10286776>