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Understanding financial literacy in children aged 4-6 years through the Eid Al-Fitr THR tradition

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Abstract

Purpose – This study aims to explore the understanding of children aged 4-6 years regarding Lebaran holiday allowance (THR) money and its value, to analyze their understanding of how to spend, save, and share THR, and to interpret their simple financial decision-making processes through the Eid al-Fitr traditions in Tanggir Hamlet, Tuban Regency.
Design/methods/approach – This study employs a qualitative approach with an educational ethnography design. The primary informants consisted of six children aged 4-6 years in Tanggir Hamlet who received THR, selected via purposive sampling, alongside six parents or guardians as supporting informants. Data were gathered through participatory observation, semi-structured interviews, documentation, and the researcher's reflective journals, and then analyzed simultaneously using Braun & Clarke's thematic analysis model.
Findings – The thematic analysis revealed three core themes: (1) Children recognize THR money as a financial symbol via Eid envelopes, associating banknote colors (e.g., red vs. blue) with real-world purchasing power, though this cognitive boundary is age-dependent. (2) Children understand the basic function of money as a medium of exchange, exhibiting high self-control by saving THR in piggy banks or wallets, and demonstrating prosocial responsibility by sharing or allocating funds for family and charity. (3) Children's simple decision-making processes display logical reasoning rather than impulsivity, heavily relying on protective parental guidance and family economic upbringing.
Research implications/limitations – This study theoretically expands the literature by integrating Jean Piaget's cognitive development theory with an ethnopedagogical framework to capture early financial schemas. However, it is methodologically limited by its small sample size (six participants) and specific socio-cultural boundaries in Tanggir Hamlet, which limits the immediate transferability of the findings across broader demographic cohorts.
Practical implications – The findings indicate that families, early childhood educators, and PAUD practitioners should transition from treating the annual THR tradition as a passive cultural inheritance. Instead, it should be intentionally utilized as a contextual, meaningful, and authentic learning resource to introduce financial responsibility, cultivate early self-regulation, and instill altruistic behavior.
Originality/value – This study offers key novelty by bridging the gap between culture-based learning and early childhood financial literacy using an educational ethnographic approach, documenting the exact real-life mechanisms through which young children build their very first operational financial schemas within an authentic Indonesian cultural setting.

Keywords: early childhood, ethnopedagogy, financial literacy, *THR* tradition

Paper type – Research paper

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Introduction

The tradition of giving holiday allowances (THR) to children during Eid al-Fitr is a phenomenon that remains alive and has been passed down from generation to generation in Indonesian society, particularly in rural areas. This phenomenon is also still observed in the community of Tanggir Hamlet, Tuban Regency, which upholds the tradition of giving THR as an integral part of the Eid al-Fitr celebrations. Based on the researcher's initial observations, children aged 4-6 years demonstrated varying levels of understanding regarding the THR they received. Some children were already able to recognize the function of money as a means to purchase desired items; others chose to save their money for future use. While a few still judged the value of the money based on the number of bills, their physical size, or their color rather than their face value. These variations in understanding indicate that the experience of receiving THR is not merely an activity of receiving money, but also serves as children's initial exposure to the concept of money, its value, and how to use it in daily life. This phenomenon is particularly interesting to study because it illustrates how financial literacy begins to take shape through the real-life experiences children encounter within their cultural context.

The tradition of giving THR in Tanggir Hamlet is not only economically significant but also embodies social, cultural, and moral values passed down from one generation to the next. During the Eid al-Fitr celebrations, children have the opportunity to visit extended family members and neighbors, receive THR from various sources, express their gratitude, and learn to appreciate the gifts they receive. This experience introduces children to the values of gratitude and appreciation for gifts, while also strengthening family bonds (Isti, 2023). On the other hand, the THR tradition also embodies the value of sharing, which is an important dimension of financial literacy; thus, children not only learn to spend and save money but also understand the importance of sharing with others (Sa'ida & Kurniawati, 2023). Learning that stems from cultural experiences such as this is considered capable of creating learning experiences that are more relevant, meaningful, and closely tied to children's daily lives (Djoehaeni et al., 2026). Therefore, the THR tradition can be viewed as a form of learning based on local wisdom or ethnopedagogy that has the potential to support the development of financial literacy among early childhood students.

This phenomenon also stems from the researcher's reflective experience as a member of a community who, from childhood, grew up in an environment with a tradition of giving THR every Eid al-Fitr. This experience shows that receiving THR is one of the first financial experiences children have before they receive formal instruction on money management at school. Children begin to learn to recognize the form and value of money, decide what items they want to buy, set aside some money for savings, and share with siblings or others under their parents' guidance. These simple experiences occur naturally within the family and community and, without realizing it, have become a learning process that shapes children's way of thinking about money. However, this moment is often viewed merely as an annual tradition, so its educational potential in building financial literacy has not been fully utilized by families or the surrounding community.

This phenomenon indicates that the experience of receiving a year-end bonus is one of the concrete experiences that enables children to begin developing their understanding of money. According to Jean Piaget's theory of cognitive development, children aged 4-6 years are in the preoperational stage, a stage in which children begin to use symbols, represent objects, and construct understanding based on the real-life experiences they encounter (Piaget, 1952). At this stage, children's thinking processes develop through active interaction with their surroundings, so everyday experiences play a crucial role in shaping the structure of their knowledge (Nadhlifah et al., 2022). Piaget explains that knowledge is constructed through the processes of assimilation and accommodation in response to new experiences children gain (Thahir, 2018). Therefore, the experience of receiving, using, saving, or sharing THR money enables children to construct an initial

schema regarding the concept of money based on their direct experiences. Learning rooted in concrete experiences is also considered more appropriate for the cognitive developmental characteristics of young children compared to abstract learning (Pramestiningsih et al., 2023). Thus, the THR tradition can be viewed as an authentic experience that enables children to construct their understanding of financial literacy through real-world interactions with their social and cultural environment.

Financial literacy is a capability that is not only related to knowledge about money but also encompasses the skills, attitudes, and beliefs necessary to make wise financial decisions. The Organization for Economic Co-operation and Development (OECD) defines financial literacy as knowledge and understanding of financial concepts and risks, accompanied by the skills, motivation, and confidence to apply that knowledge in making effective financial decisions that enhance the well-being of both individuals and society (Segara, 2021). This view is reinforced by Huston (2010), who states that financial literacy consists of two main dimensions: financial knowledge and the ability to apply that knowledge in real-life situations. In line with this, Chen & Volpe (1998) explain that financial literacy is an individual's ability to understand financial concepts and apply them in daily life through sound decision-making. In Indonesia, the Financial Services Authority (OJK) explains that financial literacy encompasses the knowledge, skills, and beliefs that shape an individual's attitudes and behaviors in managing finances responsibly (Keuangan & Statistika, 2024). Thus, financial literacy is not solely focused on cognitive aspects but also involves the development of attitudes and behaviors that emerge through daily life experiences.

In the context of early childhood education, the cultivation of financial literacy must begin in childhood, as this period is a critical phase in shaping children's habits and character. Research by Nurfatmawati et al. (2023) shows that introducing financial literacy from an early age contributes to the development of better financial behavior in the future. Sari & Sa'ida (2022) also emphasize that early financial education is a strategic step in fostering healthy economic behavior. In line with this, the Ministry of Education, Culture, Research, and Technology (2024) stipulates that financial literacy competencies in the foundational phase of early childhood education (PAUD) include the ability to recognize the symbols and functions of money, understand the difference between needs and wants, grasp the concept of ownership, and develop the habit of sharing. Based on these competencies, this study focuses its examination of financial literacy on six dimensions relevant to children's experiences when receiving Eid al-Fitr THR, namely understanding THR money and the value of the money received, spending, saving, sharing, and making simple decisions regarding the use of money. These six dimensions were selected because they correspond to the concrete financial experiences children have during the THR tradition and align with the cognitive developmental stages of children aged 4-6 years.

Various previous studies have shown that financial literacy needs to be introduced from an early age because it plays a role in shaping children's future financial habits and behaviors. Nurfatmawati et al. (2023) explain that introducing financial literacy from an early age contributes to the development of better financial behaviors in adulthood. In line with this, Sari & Sa'ida 2022) emphasize that financial education for young children is a strategic step toward fostering healthy economic behavior while instilling positive character traits through the practice of managing money. Ganesa et al. (2017) also note that introducing the concept of money at an early age helps children understand the function of money and its use in daily life. These studies make an important contribution to the development of financial literacy education for young children, but they still focus primarily on the importance of introducing financial literacy and shaping children's financial behavior in general.

On the other hand, research on culture-based learning indicates that cultural experiences can serve as a meaningful source of learning for young children. Sugara & Sugito (2022) Explain that

ethnopedagogy utilizes local cultural values as both a source and a medium of learning that is closely tied to students' lives. Kristanto et al. (2025) add that learning rooted in local culture can connect children's real-life experiences with the learning process, thereby making learning more contextual. These findings are supported by Andini et al. (2024), who demonstrate that culture-based activities can develop children's cognitive, social, and emotional skills. Furthermore, Djoehaeni et al. (2026) state that learning that integrates local wisdom can create more relevant and meaningful learning experiences because it aligns with children's daily lives. Nevertheless, these studies still position local culture as a general medium for learning and have not specifically linked it to the development of financial literacy among early childhood students.

Based on a review of these two research groups, it is evident that studies on financial literacy and those on culture-based learning are still developing along their respective paths. Research on financial literacy primarily focuses on introducing the concept of money, saving behaviors, and the development of children's financial behaviors, whereas ethnopedagogical research emphasizes the use of local culture as a learning medium to foster various aspects of children's development. To date, there has been little research integrating these two perspectives by examining how cultural practices that children genuinely experience in their daily lives shape their understanding of financial literacy. Yet, authentic cultural experiences hold great potential to serve as a learning context that allows children to build their understanding naturally, in line with their cognitive developmental stages.

One cultural experience that has not been extensively studied in this context is the tradition of receiving the Eid al-Fitr (THR) during Eid al-Fitr. This tradition not only exposes children to the experience of receiving money but also provides them with the opportunity to choose how to use it, set aside a portion for savings, share with others, and make simple decisions regarding the money they receive. All of these experiences take place in real life within the family and community, making them children's first financial experiences closely tied to their daily lives. Therefore, the THR tradition has the potential to serve as an ethnopedagogical medium that not only passes down cultural values but also facilitates the development of financial literacy through the concrete experiences children undergo.

Addressing this gap, this study offers novelty in three aspects. First, this study integrates financial literacy research with an ethnopedagogical approach through the tradition of giving Eid THR, which has not been extensively studied as a financial experience for young children. Second, this study is not focused on measuring levels of financial literacy or the effectiveness of a learning program; rather, it explores how children aged 4-6 years develop an understanding of Eid allowance, the value of money, spending, saving, sharing, and making simple decisions based on the cultural experiences they directly encounter. Third, this study employs an ethnographic approach, thereby providing a more in-depth understanding of the relationship between local culture, children's daily experiences, and the process by which financial literacy develops within the context of the Tanggir hamlet community.

Based on the above description, this study aims to explore the understanding of children aged 4-6 years regarding THR money and the value of the money they receive during Eid al-Fitr, to analyze children's understanding of how to spend, save, and share THR money, and to interpret children's simple decision-making processes in utilizing THR money through Eid al-Fitr traditions in Tanggir Hamlet. This study is expected to contribute to the development of Early Childhood Education research, particularly regarding financial literacy based on local culture, while also expanding the implementation of ethnopedagogy through the utilization of community traditions as contextual and meaningful learning resources.

Methods

This study employs a qualitative approach with an educational ethnography design to conduct an in-depth examination of the financial literacy of children aged 4-6 years through the tradition of giving Eid al-Fitr holiday allowances (THR). A qualitative approach was chosen because this study seeks to understand the meanings, experiences, and social processes that develop naturally in community life without manipulating the situations under study (Sugiyono, 2023). The ethnographic design was chosen because the research focuses not only on children's individual experiences but also on the cultural practices alive within the community and how those cultures shape children's learning processes. According to Kurniasih (2022), ethnography aims to deeply understand a group's behavioral patterns, values, beliefs, and cultural practices through the researcher's involvement in the participants' lives. Shirly et al. (2026) also explain that educational ethnography is used to uncover the relationship between community culture and the naturally occurring educational process. Therefore, the ethnographic design is considered the most appropriate because this study seeks to understand the tradition of giving THR as a cultural practice that shapes children's understanding of financial literacy within the context of community life in Dusun Tanggir, rather than merely describing each child's personal experiences.

The research was conducted in Tanggir Hamlet, Patihan Village, Tuban Regency, from March to April 2026, coinciding with the series of Eid al-Fitr celebrations. This location was selected purposefully because the community still upholds the tradition of giving THR as part of the Eid al-Fitr culture passed down through generations, thereby providing a rich context for examining the development of children's financial literacy. In ethnographic research, the researcher serves as the primary instrument (human instrument), playing a direct role in all stages of the research, from building relationships with the community, conducting observations, carrying out interviews, collecting documentation, to interpreting the research data (Sugiyono, 2023). While in the field, the researcher engaged in participatory observation while maintaining the role of an observer, ensuring that the data collected reflected the natural conditions of community life.

Research subjects were selected using purposive sampling, which involves selecting participants based on specific criteria relevant to the research objectives (Sugiyono, 2023). The primary informants consisted of six children aged 4-6 years who reside in Tanggir Hamlet, received THR during the Eid al-Fitr celebration, were able to communicate verbally, and had obtained permission from their parents or guardians to participate in the study. The supporting informants consisted of six parents or guardians of each child who provided information regarding the children's habits, experiences, and guidance in receiving and using their THR money. Parents were selected as supporting informants because they possess sufficient knowledge of their children's financial behavior within the family environment, thereby strengthening the results of observations and interviews conducted with the children.

This study adhered to research ethics principles regarding the involvement of children as a vulnerable participant group. Before the study began, the researcher explained the objectives, procedures, benefits, and nature of participant involvement to the parents or guardians. Children's participation was permitted only after their parents or guardians provided written informed consent. Additionally, the researcher obtained verbal assent from the children using language appropriate to their developmental stage. The identities of all participants were kept confidential through the use of codes P1-P6 for children and OT1-OT6 for parents or guardians, and all research data were used solely for academic purposes. Throughout the research process, the researcher ensured that both observation and interview activities took place naturally, did not disrupt the children's activities, and posed no physical or psychological risks to the participants.

Research data were collected through participatory observation, semi-structured interviews, documentation, and the researcher's reflective journal. Participatory observation was conducted to

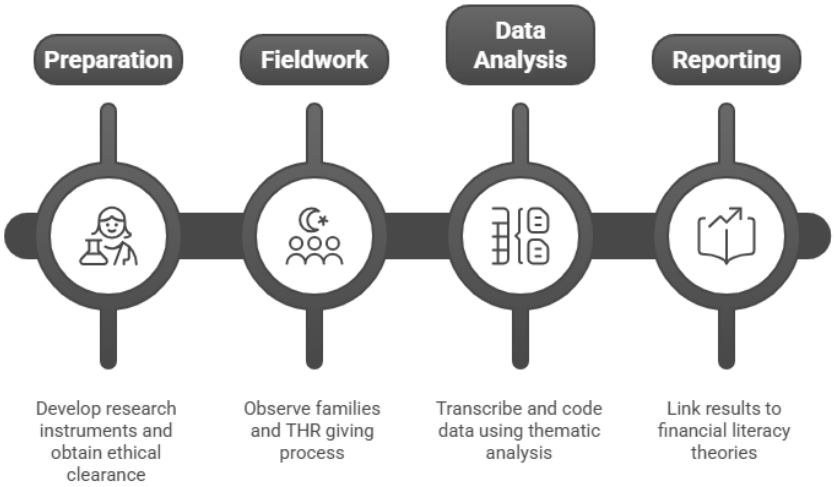
observe children's behavior when receiving, recognizing, using, saving, and sharing their THR money in natural, everyday situations. Semi-structured interviews were used because they provided the researcher with the flexibility to explore the children's understanding, experiences, and the reasons underlying their behavior, while also obtaining supporting information from parents regarding THR giving practices within the family. Documentation in the form of activity photos, field notes, and supporting documents was used to reinforce the results of observations and interviews, while reflective journals were used to record the researcher's experiences, reflections, and interpretations during fieldwork. Observation and interview guidelines were developed based on the research focus, which included children's understanding of THR money and the value of money, spending, saving, sharing, and making simple decisions regarding the use of THR money, drawing on Piaget's theory of cognitive development and concepts of early childhood financial literacy.

Data analysis was conducted simultaneously throughout the data collection process using thematic analysis developed by Braun & Clarke (2023). The analysis stages included a familiarization process with the data through repeated readings of the observation results, interviews, documentation, and reflective journals, followed by coding, grouping codes into themes with similar meanings, reexamining the alignment of themes with the overall data, naming the themes, and formulating interpretations of the research findings. The resulting themes were then interpreted using Piaget's theory of cognitive development and the concept of financial literacy to explain how children's understanding of THR money develops through the cultural experiences they undergo.

Data validity was ensured through credibility testing by applying source triangulation and methodological triangulation, as suggested by Sugiyono (2023). Source triangulation was conducted by comparing information obtained from the children as the primary informants with information provided by parents or guardians as supporting informants. Meanwhile, methodological triangulation was conducted by comparing the results of observations, interviews, documentation, and reflective journals regarding the same phenomena. In addition, the researcher held regular discussions with the supervising professor during the analysis process to ensure that data interpretation remained consistent with field findings. The application of these various techniques aimed to enhance the credibility of the research results so that the findings truly represent the financial literacy of children aged 4-6 years through the Eid al-Fitr THR tradition within the cultural context of the Tanggir hamlet community.

Figure 1.

Research process



Result

The research findings indicate that the Eid THR tradition not only embodies social and cultural values deeply rooted in community life, but also serves as a natural learning environment for children aged 4-6 to recognize money, understand its use, storage, and sharing, and make simple decisions regarding how to use the THR they receive in their daily lives. Table 1 shows the matrix of Children's financial literacy through THR tradition findings, covering three themes, with each theme having specific indicators.

Table 1.

Matrix of Findings on Children's Financial Literacy Through the THR Tradition

Theme	Indicators/Aspects	Data Evidence / Code (*see Appendix)*
Understanding THR and Value of Money	Understanding money as a symbol (naming the THR envelope and time of receipt)	P1, P2, P3, P4, P5, P6
	Recognizing the shape, color, and denomination of THR money	P1, P4, P5, P6 (Understanding nominal of the money by its colors, such us red > blue)
		P2 (Does not yet understand numerical money)
Understanding the Use (Spend), Saving (Save), and Sharing (Share) THR Money	Basic financial knowledge (the function of money as a medium of exchange)	P1, P2, P3, P4, P5, P6
	Simple money management (habits of saving/setting aside THR money)	P1, P2, P3, P4, P6 (Saving in a piggy bank/wallet)
	Responsible use of money (purchasing goods/services, saving/setting aside, and giving alms)	P4, P5, P6 (Spending on snacks/toys)
		P1, P2, P5 (Sharing/Zakat/Buying Mom)
Simple Decision-Making Using THR Funds	Simple financial decision-making (children's choices regarding spending and reasoning)	P1 (Saving up to build a house in Tasikmadu; my dad is building a two-story house with a tree on the property.) P2 (Wants to save money so he can buy whatever he wants). P3 (Saving money so he'll have money for future needs.) P4 (Saved so it won't get lost, then used to buy toys and snacks because it's their own money, meaning "it's mine.") P5 (Wants to buy snacks, toys, and a bike. The reason is that it's his own money. So sometimes he says, "I want to buy this; it's my money, after all.") P6 (Saves part of it, and uses the rest to buy his favorite items or food. Since he already understands his needs, like, in school terms, he probably needs to buy a backpack and shoes; he already knows what his money is for and understands it.)

Understanding THR Money and the Value of Money

The research findings show that children aged 4-6 years were found to be able to recognize money as a symbol through the intermediary medium of Eid envelopes. Indicators of recognizing the

shape, color, and denomination of THR money were evident in the subjects' ability to identify the visual stimuli they received. The children spontaneously used consistent terms such as "holiday envelope," "THR envelope," or "Eid envelope" (P1, P2, P3, P4, P5, P6), and were able to identify the specific time they received it, namely, during the family visitation or "greeting" ceremony with extended family. Regarding nominal awareness, the children began to associate the color characteristics of money with its purchasing power in the real world. Most participants (P1, P4, P5, P6) understood that red money has significantly greater purchasing power for buying toys compared to blue money or money of other colors. The children were also able to describe the visual diversity of the envelopes that interested them, such as the presence of images of mosques, the moon, stars, and illustrations of the annual homecoming journey. However, this understanding is influenced by age; a subject who had just turned 4 years old (P2) was observed to be unable to distinguish these differences in face value and tended to answer "I don't know," indicating that the child's financial cognitive functions are still in the early transitional stage.

Understanding How to Spend, Save, and Share THR Money

Under this management theme, three key indicators were explored to measure the extent of children's functional financial understanding:

1. Basic financial knowledge: All participants accurately understood the basic function of money as a valid medium of exchange for transactions at stores, such as buying ice cream or toys.
2. Simple money management: This indicator is demonstrated through the habit of saving their THR money. The majority of children showed good self-control by choosing to immediately put their money into a piggy bank at home or a personal wallet kept in a closet to keep it safe and out of easy reach (P2, P3, P4). The reasons for saving were highly varied, even touching on concrete aspects of future planning, such as the desire to save every day to help their father build a multi-story house (P1).
3. Responsible use of money: Children allocated their spending to meet recreational needs, such as buying their favourite snacks or toys (P4, P5, P6). Meanwhile, the concept of sharing is reflected in the children's moral willingness to use part of their THR for the benefit of others. The children expressed their willingness to give snacks to friends who didn't bring a lunch, pay zakat al-fitr, buy rice for the poor, and even the pride they felt when they were able to buy food for their mothers (P1, P2, P5).

Simple Decision Making Regarding the Use of THR Money

This simple indicator of financial decision-making highlights how children weigh their options and prioritize how they use the money they have. When faced with the dilemma of choosing between an envelope containing money and one containing candy, children rationally choose money, arguing that candy can damage teeth (leading to tooth loss) and that money has broader utility because it can be saved or exchanged for other desired items (P2, P3). Additionally, the way children choose how to use their THR money reveals the dynamics of their self-control. Rather than acting impulsively and spending their money immediately when they see an attractive item in a store, children tend to exercise self-restraint and ask their parents for permission first. This pattern confirms that young children's financial decision-making does not occur in isolation but is shaped by the family's economic upbringing, including intervention, guidance, and protective oversight.

Discussion

The findings indicate that children aged 4–6 years have begun to develop an initial understanding of THR money through their direct participation in the Eid al-Fitr tradition. Children were able to recognize THR money through Eid envelopes, identify different banknote colors, and associate certain denominations with purchasing power. These findings suggest that children's understanding of money develops through concrete experiences embedded in everyday cultural practices rather than through abstract explanations alone. Thus, the THR tradition serves not only as a cultural practice but also as an authentic learning context that introduces children to the basic concepts of financial literacy from an early age.

From Piaget's cognitive development perspective, these findings reflect the characteristics of children in the preoperational stage, in which knowledge is constructed through direct interaction with concrete objects and symbolic representations (Piaget, 1952). Receiving, observing, and comparing THR money enables children to assimilate new financial experiences into their existing cognitive structures while gradually accommodating new understandings of money through repeated experiences (Thahir, 2018). The finding that younger children still experienced difficulty distinguishing monetary denominations further illustrates that children's financial understanding develops progressively according to their cognitive readiness (Dra. Nadlifah et al., 2022).

These findings are consistent with the concept of financial literacy proposed by Huston (2010) and Chen & Volpe (1998), who argue that financial literacy begins with understanding basic financial concepts before individuals are able to apply them in everyday decision-making. Likewise, the competencies outlined by the Ministry of Education, Culture, Research, and Technology (2024) emphasize that early childhood should begin recognizing money symbols and their functions through meaningful experiences. In this study, the THR tradition naturally provided opportunities for children to recognize money, understand its function, and relate it to everyday purchasing activities, demonstrating that financial literacy can emerge through authentic cultural experiences.

Furthermore, these findings extend previous studies that have highlighted the educational value of local culture in early childhood learning (Sugara & Sugito, 2022). Unlike previous studies that primarily viewed local culture as a general learning resource, this study demonstrates that the Eid al-Fitr THR tradition specifically functions as an ethnopedagogical context for introducing financial literacy. Therefore, the THR tradition not only preserves cultural values but also provides meaningful opportunities for children to construct their earliest understanding of money within the social and cultural environment in which they live.

The findings show that children's understanding of financial literacy extends beyond recognizing money to include how they spend, save, and share their THR money. Most children demonstrated the ability to use money according to their own purposes, such as saving it in a piggy bank, buying snacks or toys, and sharing it with others through simple acts such as buying food for their parents or giving to those in need. These behaviors indicate that children are beginning to understand that money has different functions and can be managed in various ways depending on individual goals and social values.

These findings support the concept of financial literacy proposed by the OECD, which emphasizes that financial literacy involves not only financial knowledge but also the skills and attitudes required to make appropriate financial decisions (Segara, 2021). Similarly, Huston (2010) explains that financial literacy consists of understanding financial concepts and applying them in everyday life. The children's habits of saving, spending, and sharing their THR money demonstrate

the early application of financial literacy through concrete experiences that are closely related to their daily lives.

In addition, the children's willingness to save and share reflects that financial literacy in early childhood is closely connected with character development and family guidance. This finding is consistent with the financial literacy competencies for early childhood established by the Ministry of Education, Culture, Research, and Technology (2024), which include recognizing ownership, distinguishing needs from wants, and developing the habit of sharing. Therefore, the THR tradition not only introduces children to financial management but also provides opportunities to develop responsibility, self-control, and prosocial values through meaningful cultural experiences.

The findings indicate that children aged 4-6 years have begun to demonstrate simple financial decision-making when using their THR money. Rather than making impulsive choices, many children were able to explain the reasons behind their preferences, such as choosing money instead of candy because it could be saved or used to buy other desired items. In addition, most children sought permission from their parents before spending their THR, indicating that financial decision-making at this age develops through the interaction between children's emerging autonomy and parental guidance.

From Piaget's perspective, these findings illustrate that children in the preoperational stage are beginning to construct logical reasoning based on concrete experiences, even though their thinking remains closely tied to real situations (Piaget, 1952). The experience of receiving, managing, and deciding how to use THR money provides opportunities for children to develop simple reasoning about choice, consequences, and future goals through the processes of assimilation and accommodation (Thahir, 2018). These experiences gradually support the development of children's financial understanding in ways that are appropriate to their cognitive stage.

These findings also reinforce previous studies emphasizing that authentic experiences play an important role in developing children's financial literacy from an early age (Development, 2020). Unlike formal financial instruction, the THR tradition allows children to practice making simple financial decisions within a familiar cultural setting. Therefore, this tradition functions not only as a cultural inheritance but also as an ethnopedagogical context that supports the development of children's financial decision-making through meaningful experiences in family and community life.

Research Contribution

This study contributes theoretically by expanding the discussion of early childhood financial literacy through the integration of financial literacy concepts, Piaget's cognitive development theory, and an ethnopedagogical perspective. Unlike previous studies that primarily focused on formal financial education or general financial behavior, this study demonstrates that the Eid al-Fitr THR tradition functions as an authentic cultural experience through which children naturally develop an understanding of money, spending, saving, sharing, and simple financial decision-making. Methodologically, the use of an educational ethnographic approach provides a deeper understanding of how financial literacy develops within children's everyday cultural experiences. Practically, the findings offer valuable insights for parents, educators, and early childhood education practitioners to utilize local cultural traditions as meaningful contexts for introducing financial literacy from an early age.

Limitations

This study has several limitations that should be considered when interpreting the findings. First, the study involved only six children aged 4-6 years from a single community in Tanggir Hamlet, Tuban Regency, limiting the transferability of the findings to other cultural settings. Second, the research focused specifically on children's financial literacy through the Eid al-Fitr THR tradition

and did not examine other forms of children's financial experiences, such as pocket money or birthday gifts. Finally, because this study employed a qualitative ethnographic design, the findings provide an in-depth understanding of children's experiences rather than measuring the level of financial literacy or testing causal relationships.

Recommendations and Implications

Future studies are encouraged to explore children's financial literacy in different cultural contexts or local traditions to gain a broader understanding of how cultural experiences influence financial learning during early childhood. Studies involving more diverse participants or combining qualitative and quantitative approaches may also provide more comprehensive evidence regarding children's financial literacy development. Practically, the findings imply that parents and early childhood educators can utilize everyday cultural practices, such as the Eid al-Fitr THR tradition, as contextual learning opportunities to introduce basic financial concepts, encourage responsible financial behavior, and foster positive values such as saving, sharing, and wise decision-making from an early age.

Conclusion

This study concludes that the Eid al-Fitr holiday allowance (THR) tradition is not merely an annual cultural celebration, but serves as a vital ethnopedagogical medium for fostering early financial literacy in children aged 4-6 years. Through direct participation in this tradition, young children are naturally exposed to essential financial components, including recognizing monetary symbols and face value, understanding the concepts of spending, saving, and sharing, as well as engaging in basic financial decision-making under family guidance. Viewed through Jean Piaget's cognitive development theory, the concrete experiences derived from the THR tradition enable preoperational children to assimilate and accommodate initial financial schemas through real-world interactions rather than abstract instructions.

The practical implication of these findings suggests that parents, early childhood educators, and PAUD practitioners should move away from treating the THR tradition as a passive cultural inheritance. Instead, it should be deliberately utilized as a contextual, meaningful, and authentic learning resource to introduce financial responsibility, cultivate self-control through saving, and instill prosocial values through the practice of sharing.

However, this study is limited by its specific cultural setting in Tanggir Hamlet, Tuban Regency, and its focus solely on six participants within the Eid al-Fitr context. Consequently, future research is recommended to expand this ethnographic inquiry into diverse cultural traditions, examine different age cohorts, or employ mixed methods approaches to provide a more comprehensive framework for culture-based financial education in early childhood.

Declarations

Author contribution statement

All authors contributed significantly to the development of this study. The first author (Vera Faiqotul Himmah) was responsible for conceptualizing the research, designing the educational ethnography layout, coordinating the fieldwork processes, conducting data collection through participatory observation and interviews, performing thematic analysis, and preparing the initial draft of the manuscript. The coauthors (Suharti, Mallevi Agustin Ningrum, and Dhian Gowinda Luh Safitri) contributed to the development of the theoretical framework regarding early childhood financial literacy and Piaget's theory of cognitive development, supported the data triangulation process, and conducted the literature review. All authors actively participated in data interpretation, thematic discussion of findings, critical revisions of the manuscript to strengthen the academic arguments,

and provided final approval for the version to be published.

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Data availability statement

The qualitative data, including interview transcripts, field notes, and documentation supporting the findings of this study, are not publicly available to ensure the confidentiality of the children's identities and to comply with ethical considerations regarding research involving young children as a vulnerable participant group. However, these data may be made available by the corresponding author (verafaiqotul.23172@mhs.unesa.ac.id) upon reasonable and objective request for academic purposes.

Declaration of interest's statement

The authors declare that they have no known competing financial interests, commercial affiliations, or personal relationships that could influence, or be perceived to influence, the objectivity of the research work reported in this paper.

Declaration of using AI (Artificial Intelligence)

During the preparation of this manuscript, the authors used Artificial Intelligence (AI) tools, specifically Gemini, DeepL Translator, and Grammarly, in a limited capacity to assist with language editing (English/Indonesian), improve sentence structure clarity, and refine minor text organization to meet academic journal formatting standards. The authors maintain full responsibility for the originality, data interpretation, core ideas, and the entirety of the content presented within this manuscript.

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Appendix

	*P1* *Safely kept the THR money independently. Upon returning home, the money was taken out and then saved in a piggy bank.*
	*P2* *Receiving the THR envelope and kept it safely.*
	*P3* *Keeping the THR money inside the bag carried during the Eid celebration.*
	*P4* *Keeping the money independently and later used it to buy snacks.*

	*P5* *Immediately opened the THR envelope out of a desire to buy snacks.*
	*P6* *Saving a portion of the money and spent the remaining portion on a favorite food.*