

PRESS RELEASE

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FORGET AVOCADO ON TOAST AND SPECIALITY COFFEE, ONE IN THREE STUDENTS ARE SAVING FOR PROPERTY AND PENSIONS

www.thestudentroom.co.uk

<https://www.circle.com/en-gb/edunation>

A third of students are saving their university loans to put the money towards property deposits, travel, and even pensions according to new research* released today.

The survey of over 1,000 students was conducted by The Student Room, the world's largest online student community, in partnership with money transfer app Circle, to find out how financially responsible students are in 2018.

The results highlighted how students are financially shrewder than they are often given credit for. Over half (54%) revealed they never need to borrow money from friends or family, whilst 80% don't rely on interest-free overdrafts on their student bank accounts.

In addition, a third (32%) of students admitted to saving their student loans, with trips abroad (49%) and clothes (38%) high on the list.

The results also revealed that almost half (46%) plan on using their student loans to get on the property ladder, whilst a fifth of students are saving to cover expenses for unpaid internships during term holidays. Most surprisingly, nine percent of respondents claimed to be putting the money towards a pension.

The research also highlighted the creative and extreme ways that students save money. Almost a third (32%) create strict weekly or monthly budgets, whilst 14% cut down on seeing friends and family to increase their savings. Anecdotally, students also claimed to have saved money by reusing tea bags, charging electrical devices on campus, trading Bitcoin and even heating up food on laptop chargers.

The release of the research coincides with Circle's '[Education or Every Nation' competition](#), which will see one student win £30,000 to either pay their university fees or fund a trip around the world.

Even when faced with such a substantial cash prize, most students chose a responsible option. When asked what they would do with £30,000, 38% said they would put the money in a high interest saving account, and a fifth said they'd use it for a property deposit.

All this caution could be down to concerns around an uncertain financial future, with almost two-thirds (62%) of students admitting to being worried about their career earning potential.

Anxiety around property ownership (59%), the freedom to travel (40%) and living costs in cities where they'd like to work (37%) also topped the list of money worries amongst students.

Mhairi Underwood, Head of Community at The Student Room, said: "University is an expensive experience so it's great to see that students are being responsible with their finances whilst they are living away from home.

"While it's encouraging to see that students are budgeting their money, it's also important that they enjoy their time at university. It's concerning that some students feel enough financial pressure to sacrifice seeing friends and family to save money. University life can be stressful, and everybody needs contact and support from the people closest to them.

"For any students who are worried about saving money for their future, there are several free advice services available, including our [money and finance forum](#) on The Student Room website."

Jack Collier from Circle, said: "Often life presents us with situations which require us to make difficult financial choices. Our competition reflects this, by asking students to decide what they would do with £30,000. For many, paying off university fees is the more responsible choice. There's a lot of uncertainty with the current economic climate, so perhaps students are being more cautious than previous generations when it comes to their finances."

Circle's ['Education or Every Nation'](#) competition is open until 31 March 2018.

**The Student Room polled 1,115 students from 13 December 2017 to 2 January 2018*

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ABOUT THE STUDENT ROOM

Founded in 2001, The Student Room is the world's largest online student community and the UK's no.1 education website according to ComScore data. The Student Room has over 3 million registered members, primarily aged between 14-24 and attracts over 8 million visitors a month. It provides student-to-student advice on studying, educational career choice and lifestyle issues. The Student Room works directly with most UK universities as well as a wide range of leading brands and companies.

ABOUT CIRCLE

Circle is on a mission to change the global economy, leveraging new technologies such as blockchain, AI and machine learning to transform the world economy with secure, simple and less costly technology for storing and using money. In 2017, Circle Pay, the company's

flagship peer-to-peer social payments app, handled over \$1B in transactions. Circle is backed by \$140m in investment from leading VCs and strategic investors.

RESEARCH FACT SHEET

- When asked if students considered themselves to be financially responsible:
 - 26% said yes, all the time
 - 54% said most of the time
 - 15% said sometimes
 - 5% said they did not consider themselves financially responsible
- 54% of students say they never need to borrow money from friends or family members to make ends meet; 34% say they sometimes need to borrow money; 12% say they regularly need to borrow money
- 32% of students put their student loan into savings, 68% say they don't
- Students are saving for:
 - Trips abroad (49%)
 - House deposit (to buy) (46%)
 - Clothes (38%)
 - Travel to see family (32%)
 - Textbooks (29%)
 - Latest tech (e.g. iPhone, games console) (27%)
 - Car/scooter or personal transport (26%)
 - Expenses for unpaid internships during term holidays (20%)
 - Pension (9%)
- 34% of students say they don't use a student bank account overdraft; 28% say they don't have an overdraft on their student bank account; 18% say they rarely use their overdraft. In comparison 11% of students say they regularly dip in to their overdraft; 9% say their bank account is never out of their overdraft.
- When asked what they would do with £30,000:
 - 38% of students say they would put it in a high interest savings account
 - 20% would put it towards a house deposit
 - 13% say they would travel the world
 - 12% would pay off student loan
 - 4% would give it to friends and family
 - 2% would go on a big shopping spree
 - 1% would take a gap year
 - 0.7% would donate it to charity
- List of student money worries for future:

- Not being able to earn a decent living in my chosen career (62%)
- Not being able to afford a deposit for a house (59%)
- Not being able to afford to travel abroad (40%)
- Not being able to afford to live in the city that I want to work (37%)
- Not being able to pay off my student loan (28%)
- Not being able to afford to undertake unpaid internships/work experience, which I need for my CV (26%)
- Not being able to save for a pension (21%)

- I don't have money worries for the future (10%)
- Not being able to pay off my overdraft (8%)
- Other (please specify) (7%)