

STUDENT SPENDING HABITS

THE PURCHASES THEY
MAKE IN PREPARATION
FOR UNIVERSITY



TSR

INVESTIGATING STUDENT SPENDING HABITS

Millions of young people visit The Student Room every month and participate in our forums looking for peer-to-peer advice, information and support. These conversations give us an authentic window into the life of students, how they think, feel and act, allowing us to share unique insights into the youth and student market.

We surveyed over 1,100 students to explore insights and trends into the spending habits and money management of current students and prospective undergraduates. The findings share influences on spending behaviour, purchase trends in preparation for university and market-leading brands for the following sectors: finance, telecoms, technology and retail.



MANAGING MONEY

We found most students at university rely on student loans as their main source of income, which mostly goes towards food & drink and going out.

TOP THREE MAIN SOURCES OF INCOME FOR STUDENTS AT UNIVERSITY

STUDENT LOAN	56%
MONEY FROM PARENTS	23%
PART-TIME WORK	12%

STUDENTS SPEND THEIR MONEY ON...

FOOD & DRINK	76%
GOING OUT	41%
SAVING MONEY	39%
FASHION & BEAUTY	35%
BILLS	23%
TRAVEL	19%

UNIVERSITY STUDENTS AVERAGE DISPOSABLE INCOME PER MONTH

The majority of undergraduate students have a monthly disposable income of £100-£300, however we found only 38% have a part-time job.

INCOME	LESS THAN £50	25%
	£50 - £100	29%
	£100 - £300	31%

Although only 12% of students rely on part-time work as their main source of income, 38% have a part-time job.

We also found students tend to be more considered with their spending, with 44% planning their purchases and 20% taking up to a day to decide what they want to buy.



INFLUENCES ON SPENDING

We asked students to rank ten factors that influence their spending the most, we're sharing the top six which revealed friends or peers and online reviews as the highest.

1. FRIENDS OR PEERS

2. ONLINE REVIEWS

3. SOCIAL MEDIA

4. ONLINE INFLUENCERS

5. BRAND LOYALTY

6. ADVERTISING

The Student Room is the natural destination for students to seek peer-to-peer advice and ask for reviews on the purchases or experiences they are considering now and in the future. Here's a snapshot of the recent on-site discussions:

"Anyone bought from boohoo.com before?"

"Backpacking Europe - Where to go?"

"Laptop recommendations for uni?"

"Android or iPhone?"

"Should I set up a student bank account?"

"Am I being spoilt or do I really need a new phone?"

STUDENT BANKING AND INSURANCE

TOP FOUR TYPES OF INSURANCE COVER FOR STUDENTS

The majority of respondents had never taken out insurance before (36%). But of those that did have insurance, mobile phone insurance was the most popular (29%) followed by car insurance (24%).

MOBILE PHONE INSURANCE	29%
CAR INSURANCE	24%
TRAVEL INSURANCE	22%
LIFE INSURANCE	14%

TOP FIVE STUDENT BANKS

To investigate UK market share, we asked current and prospective undergraduate students who they bank with or are looking to bank with when they open a student bank account.

SANTANDER	21%
HSBC	13%
LLOYDS	10%
NATWEST	10%
NATIONWIDE	10%

75% OF STUDENTS SAID THEY DID OR WILL OPEN A BANK ACCOUNT IN PREPARATION FOR UNIVERSITY

Current Year 13 students mostly have one bank account (49%) and current undergraduates mostly have two (41%). Therefore it makes sense that 75% of all respondents stated they did or will open a new student bank account before starting university.

With only 20% of current undergraduate students using a credit card, we can assume the bank account opened in preparation for university will be a current or savings account.

The main reason for choosing a bank account was if their parents or guardian banks with them (45%), followed by incentives (23%) and recommendations (12%).

TOP FACTORS PERSUADING STUDENTS TO SWITCH BANK ACCOUNTS

INTEREST RATE	22%
DISCOUNTS SUCH AS RAILCARD	22%
ADVICE FROM PARENTS	16%
FREE GIFT	11%



TELECOMS

TOP MOBILE NETWORKS FOR STUDENTS

To investigate UK market share, we asked all respondents what mobile network they currently use.

EE	23%
VODAFONE	17%
3	14%
O2	12%

TOP PHONES FOR STUDENTS

IPHONE	60%
SAMSUNG	20%
HUAWEI	4%

Although the iPhone was the most popular handset for students (60%), students stated when buying a new phone they value the functionality (45%) of the phone over the brand (26%).

ORDER OF IMPORTANCE WHEN PURCHASING A NEW MOBILE PHONE

FUNCTIONALITY	PRICE	BRAND
45%	29%	26%

BEHAVIOUR WITH MOBILE PHONES

29% of Year 13 students are very likely or likely to upgrade their phone before going to university

46% of students are on a phone contract with the phone included

49% of students are open to switching brands when they next upgrade

60% of students still have their parents pay their phone bill

82% of students will remain with the same operating system when they upgrade eg. android and iOS



TECHNOLOGY

TECH PURCHASED IN PREPARATION FOR UNIVERSITY

We asked students to select the technology they purchased in preparation for university and found a huge 58% of respondents bought or planned to buy a new laptop before starting university.

LAPTOP	58%
HEADPHONES	27%
SPEAKERS	10%
WEARABLE TECHNOLOGY	8%
GAMING/ENTERTAINMENT	5%

TOP TECHNOLOGY BRANDS

Apple was the most popular technology brand for students (51%), followed by HP (28%) and Microsoft (22%).

APPLE	51%
HP	28%
MICROSOFT	22%
SAMSUNG	21%

TOP RETAILERS FOR TECHNOLOGY

To investigate UK market share, we asked all respondents where they would likely purchase or did purchase new technology.

CURRYS PC WORLD	37%
AMAZON	28%
ONLINE RETAILER	21%

ORDER OF IMPORTANCE WHEN PURCHASING A NEW LAPTOP

Although Apple was the most popular technology brand, students stated when buying a new laptop they value the functionality over the brand.

FUNCTIONALITY	PRICE	BRAND
63%	21%	16%

WHO MADE THESE TECHNOLOGY PURCHASES?

29% of students' parents made their technology purchases

37% paid for their technology purchases themselves

RETAIL

RETAIL ITEMS PURCHASED IN PREPARATION FOR UNIVERSITY

We asked students to select what retail purchases they would make or did make before attending university for the first time. We found stationary was the most popular purchase (78%) followed closely by homeware (74%).

STATIONARY	78%
HOMEWARE	74%
FOOD	68%
KITCHENWARE	68%
BATHROOM	68%
CLOTHES	66%

TOP RETAIL BRANDS

To investigate UK market share we asked students where they would most likely purchase these items.

AMAZON	66%
TESCO	49%
WILKOS	45%
ARGOS	35%

BEHAVIOUR WHEN MAKING RETAIL PURCHASES

28% paid for their retail purchases themselves

28% of students' parents made their retail purchases

40% of students will make these purchases 1-4 weeks before starting university

88% of students said even if someone else paid for the purchases they made the decisions



WANT TO FIND OUT MORE?

This report showcases the top answers from the data collected, if you'd like to explore the full findings please get in touch using the contact details below.



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ABOUT THE STUDENT ROOM

The Student Room is the largest, most useful and best-loved online student community in the UK. With over 10 million monthly users, students turn to us first for information, advice and support on their educational journey and life around learning.

That means we're uniquely privileged to connect brands to switched-on young people actively seeking answers and meaningful connections.