

New study reveals students' relationship with money, online, green retailers

According to the Student Brands' 'Students and Their Money' Poll 2017, transactions in the student space are primarily driven by cash, with 94% of transactions either taking place with cash or debit card. With 62% of the base holding accounts with financial institutions, there is room to provide credit based on the scores that are held with the credit bureaus for these individuals.



The research also found that students exhibit different loyalty behaviour based on how they access funds for spending sprees.

Store account holders are more driven by the personality of the brand, while cash spenders and debit cardholders are more concerned with affordability of their purchase whereas credit card holders have more focus on the quality of the products for the money they spend.

Overall students are less concerned of the level of service that they receive and are more concerned about either how to make their money stretch further how to get more for what they spend. "South African students have savvy perspectives when it comes to their money and how they spend it," says Daryl Bartkunsy, CEO of Student Brands.

Proudly South African not a top requirement

While 81% of the respondents indicated that they would try to purchase Proudly South African, only 28% of them said that they would only purchase South African goods.

Store account holders buck the trend in terms of being proudly South African, with 60% of the respondents saying that they would look for locally produced goods. Debit cardholders tend to be swayed more by price than where the goods are made.

Students are split 50/50 as to whether loyalty to a specific retailer provides them with better bang for their buck rather than hunting for the best price. Over 80% of the respondents indicated that they preferred to shop in malls, while only 11% indicating that they would utilise online shopping.

Rewards programmes, budgets

Only 37% of students said that they did not know what rewards programmes entailed or that they did not belong to a rewards programme, with over 60% of the students indicated that they belonged to a loyalty programme and were actively redeeming points earned on their purchases.

Living on student budget is not an easy ride. Over 90% of the respondents indicated that they had their own source of income and were responsible for making their own purchases; students indicated that they were spending on average R3000 per month on goods and services. Taking the average student population of 940,000 this indicates that they contribute R33 billion to the local economy per annum.

Millennials go green, with 81% of the respondents indicating it mattered to them if stores they were shopping from had a green policy in place and were taking active measures to manage their carbon footprint or affect the environment. Students are aware that they will be responsible for cleaning up problems that have been created for them by their forefathers. They are inclined to support a retailer that is aware of this and taking active steps to make a difference to their future.

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