The analysis of the consumption habit of university students 1. introduction

Education, University

The Analysis Of The Consumption Habit Of University Students 1. Introduction Consumption is an important part of the daily life. University students, as a special consumer group, have irreplaceable effects on leading the consumption trend and improving the consumption structure. Also, their characteristics of consumption and consumption status also reflect the student's value orientation. In order to explore the consumption habit of university students, I conducted a survey among the students in the SEGI University, and performed a deep and through analysis on the data collected. In my report, I use the data and the collected result to explain the university's student's consumption status and trend in three aspect: expense intention, consumption ideology and consumer psychology. 2. Survey Method And Source Of The Data In my survey about the consumption habit among university students, I chose to use questionnaire as the main approach to collect data, and I conducted the research among the students in SEGI University. Below is the basic structure of my investigation sample. | Number of people | Percentage | Gender | Male | 15 | 50% | | Female | 15 | 50% | Total | 30 | 100% | 3. Basic Information Among this survey, I sent 32 questionnaires out and 30 of them are effectively answered and retrieved, thus I got a near 93. 75% effective rate of retrieve. According to the gender distribution of the respondents, there are 15 male and 15 female, thus male respondents takes the same percentage with the female respondents, both are 50%. And among all the students took the survey, the majority of them are sophomore, and only a few freshman and juniors. Statistically, there are 24 sophomores, which accounts to 80% of the total sample, 3 freshman, which accounts to 10% of the total sample, and 3 juniors, which accounts to

10%of the total sample. 4. Analysis on the data gathered From the retrieved questionnaire, I gathered a set of data and according to the analysis on the data, I came up with the following basic understanding about the university student's consumption habit. First of all, let us look into the distribution of the range of the total monthly expenditure. There are 1 people with monthly expenditure below 500RM, which accounts to 3. 3% of the total sample. There are 9 people with monthly expenditure between 500 to 1000 RM, which accounts to 30% of the total sample. There are 13 people with monthly expenditure between 1000 to 1500 RM, which accounts to 43. 3% of the total sample. There are 5 people with monthly expenditure between 1500 to 2000 RM, which accounts to 16. 7% of the total sample. And there are 2 people with monthly expenditure above 2000 RM, which accounts to 6. 7% of the total sample. From the data, most of the students' monthly expenditure fall into the range from 500 to 1500 RM, which is reasonable under the pricing level today. I also processed the monthly expenditure data statistically through both Excel and hand-calculating, and end up with same results. The mean of the monthly expenditure is 1323. 33, the median is 1300, the mode is 1500, and the standard deviation is 464. 005. Secondly, I analyzed the source of the students' monthly expenditure, and found the following. From the distribution, I can conclude that most of our university students do not have the economic independence and their mainly depend on parents to support their daily expenses. Thirdly, from the data, I summarized the consumption structure of the university students. There are several main expenditures that make up the students' monthly spending: food, transportation and communication, shopping (clothes, accessories),

study, entertainment and social. And each part takes a different percentage. From the graph above, I can see that the SEGI University students' expenses mainly focus on three part: food, which accounts for 40% of the total expenditure; shopping, which accounts for 28% of the total expenditure; and entertainment, which accounts for 12% of the total expenditure. There are several points that can be drew from the data above: 1. The expenditure of students is mainly used to satisfy the basic survival needs (food) the material consumption (shopping for clothes, cosmetics, and accessories)ï¼Œspirit consumption (entertainment). 2. The structure of consumption of students tend to have a multi-level tendency. According to the total amount of student's accessible monthly living expenses, there are 3. 3% of students have monthly expenditure below 500 RM (low-income consumer group), 30% of students have monthly expenditure between 500-1000RM (mid-income consumer group), 43. 3% of students have monthly expenditure between 1000 to 1500RM (higher-income consumer group), 16. 7% students have monthly expenditure between 1500 to 2000 RM(high-income consumer group), and 6. 7% of student have monthly expenditure above 2000RM (rich). From the almost same percentage share of the low-consumption students group and the high-consumption students group, it also can reflect the polarization of wealth in the society. Actually, the students nowadays are tend to spend more money on the aspect beyond food, even among the expense spent on food, I believe that it is more than just feed themselves. It may also include the expense on snacks, dining with friends in restaurants… Among the respondents, 45% of students contribute about 40% of their monthly expenditure on food, and 25% of students

contribute about 50% of their expenditure on food, 30% of students contribute about only 20% to 30% percent of their monthly expenditure on food. In particular, the students with higher total monthly expenses tend to spend less percentage of their expenses on food, and instead they generally have higher expenses on shopping for clothes, cosmetics and accessories (especially for female students). It is worth noting that how different the consumption structure will be among the students with different level of total monthly expenditure. Below are several graphs that show the percentage share of the six basic consumption elements for students with different level of monthly expenses. From the chart, people can clearly see the different composition and weights of the six basic consumption elements take in groups with different consumption level. The higher monthly accessible expenses the students have, the more they spend on entertainment and shopping to make themselves more charming and adorable, the less relatively they spend on food. 5. The Analysis Of The Consumption Habit Of University Students From the charts, graph and data analysis on the structure and composition of the monthly consumption of University students, I analyzed some main characteristics as below: 1. Price, Demand and Brand are the three main elements that affect students' purchasing decision During the investigation, I found out that even though some students are affected by the materialism and comparing phenomenon in the society, most of the students are still consuming rationally and smart. When asked what is the priority they considered when they make purchasing decision, 35% of the students selected the " cheap and discount (price)" as their priority, 10% of the students selected the " need without considering

price" as their priority, 35% of the students selected the " need and price considered (demand but cost efficient)" as their priority, 15% of the students selected " well-known brand or luxury brand" as their priority, and only 5% of the students selected the " impulse shopping". From the distribution, it is clear that price, demand and brand are the three main elements that influence students' purchasing choices. This result is reasonable and understandable. Most of the students depend totally on parents for their monthly expenditure, and do not have economic independence, thus most of students need to have a budget and a rough plan about how much they should spend in mind. This is the main reason that most of students care about price and cost-efficiency the most, the limited budget forces the students to spend rationally and make comparisons when they make purchasing. However, as we can see, there are certain percentage of the students who come from mid-class family, their families are able to support them with higher monthly expenses (above 1500RM). Thus the higher-income student groups consider less about the price but more about their needs and even the brand when they shop. They also generally spend much more on shopping high-end products: luxury brand, electronic devices, expensive clothes...and entertainment than other students. (The student with more than 1500 RM to spend per month averagely spend 55% of their monthly expenditure on shopping and entertainment, while the students with less than 1000 RM per month to spend averagely spending only 35% of their monthly expenditure on shopping and entertainment. Also, among the students who choose " well-known brand or luxury brand" as their shopping's prior concern, the students with a more than 1500RM monthly expenditure

takes over 90 %.) 2. Some of the university students are lack of the sense of economic independence According to the survey, the university students of this generation are used to depending everything on parents. From the data gathered, most of the students, which is over 80% of the students get their monthly expenses directly from their parents, and only 10% of students have the part-time job experience, that enables them to earn part of their cost of living by themselves. Because of the certain amount of living expenses can be accessed from parent stably, some university students develop a psychological dependency, and they are lack of the ability to make detailed budget plan to well organize their spending. After the survey, when I talked to the students personally, and asked them whether they have any money left in the end of the month, 66. 7% of the students admitted that they have more than once experiences of over budgeting and need to borrow money from friends or ask parents to send them more money, and 20% of the students said that they are always short of money approaching the end of the month. As a result, I think the university students should learn more about how to manage money matters and develop the skill to set the budget plan and stick with it. 3. Some university student are lack the conservation awareness According to the survey, there are still certain part of students do not have the sense of saving, and tend to spend money more casually. The data shows that 10% of the students selected the " need without considering price" as their priority, 15% of the students selected " well-known brand or luxury brand" as their priority, and 5% of the students selected the " impulse shopping". This is not a small percentage and it is caused by not only the easy access to money from family but also the materialism in the society,

which has a bad impact on students and cause them to compare with each other and pursue the luxury brand. Also, some students have the problem about buying things that they don't actually need. This phenomenon is especially common among female university students. From the data, the female students on average spend about more than 10% of their total monthly expenditure on shopping for clothes, cosmetics, shoes, bags... than the male students with the same monthly spending level. Maybe women just enjoy shopping and cannot help not to buy the fashion clothes and fancy accessories, and most of the female students said that they sometimes easier to be attracted and purchase without thinking than males, and some of the clothes they purchased have never even been wore. This is actually a wasting of money and is worth noticing by everyone. 6. Executive Summary And Suggestions For Students Based on the analysis about the characteristics and consumption structure of the university students' monthly consumption I summarized above, I have several suggestions to offer for the university students. 1. The students should develop some economic independence and should not depend all on family. The students can begin to earn a certain amount of monthly spending by themselves through part-time jobs, so that they will more treasure the money. 2. Students should learn more about money management and develop the skill to make a clear and detailed budget plan to keep track with every spending. 3. Students should learn how to consume rationally, they need to understand themselves' demand and be able to compare among the products and choose the most cost-efficient one. 4. Students should develop the sense of

saving, and purchase the needed products, and do not waste money on the luxuries and the products that they do not need.