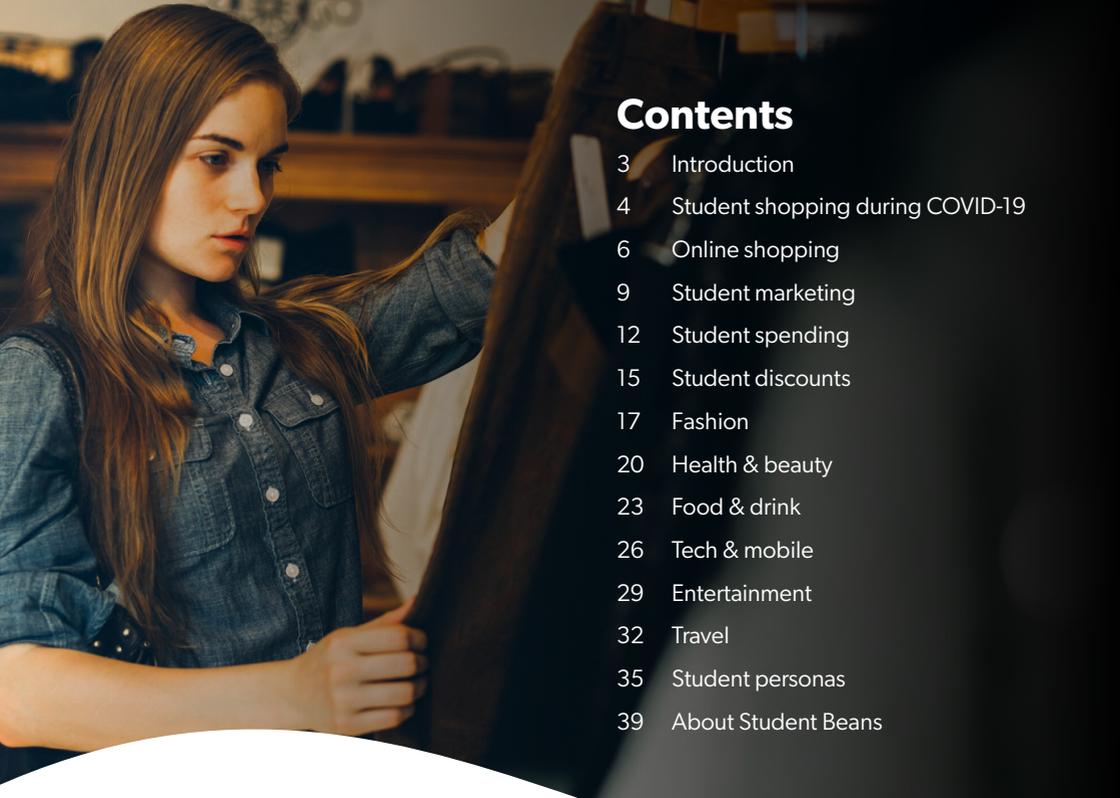




StudentBeans

STUDENT SHOPPING REPORT

US edition



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Methodology

The research for this report consisted of two parts: a survey and a series of student interviews.

Our survey was written and built by our Student Beans insights team, and distributed to a panel of over 1500 students via market research platform Cint in August 2020. The respondents ranged in age between 16 and 24. The survey was distributed to a nationally representative group, based on census data regarding location, age and gender. All participants were enrolled in college or high school education in the US.

We interviewed nine undergraduate and graduate students enrolled at universities across the US, seven of whom were Student Beans users, and two were not. The interviews were conducted via video call during August and September 2020.

Introduction

Welcome to the Student Shopping Report from Student Beans. In this report you'll hear directly from students about their shopping and spending habits, and the lifestyles surrounding them, giving you a deep and genuine understanding of what it's really like to be one of today's 37 million US college and high school students. You'll also receive the top tips and greatest learnings we've gained from Student Beans' 15 years of marketing to students.

We'll begin by sharing our insights on the distinctive ways that students approach online shopping, before highlighting the marketing techniques that are proving most successful for Student Beans and the leading global brands that we partner with, which range from ASOS to Google. You'll then learn about the key income sources and monthly spending of today's students, and how exclusive discounts can help your brand to attract and retain this discerning demographic.

Whether your business is fashion or tech, travel or entertainment, food and drink, or health and beauty, you'll find a chapter

dedicated to your industry, packed with the latest student insights. However, we don't recommend you skip past the other sectors - after all, cross-sector learning and collaboration are key to staying ahead of the competition and remaining relevant to young people, who expect brands to be constantly innovating and improving.

Finally, we'll share with you one of the secrets to our success: the three student personas that guide our student marketing strategy and inform our business decisions, ensuring that the student consumer always remains front of mind.

We hope you enjoy the report, and please get in touch with any questions about Student Beans and our student research.



Jessica Pinkett

Head of Youth Insights
Student Beans



Student shopping during COVID-19

COVID-19 has had an immeasurable impact on the lives of students, from their education and social lives to job prospects and health (both mental and physical). Of course, its effects are not over and won't be for a while yet, especially as different states peak in cases at different times. This slow trajectory has meant the student experience of 2020 has varied widely. Some students have been barely affected, while others have rarely left their homes, and witnessed the health and financial impact on their families directly.

As of writing, most colleges have opened their campuses for the new semester, but some have deemed this too risky. For example, 20-year-old Gabriel from California told us: "Right now the only people that are on campus are student athletes, so I'm actually living at home. Hopefully by spring semester they're going to open it back up." Even when campuses are open, students have much less contact time with teachers and classmates, so no-one is having a completely traditional college experience this year.



"I don't even want to risk going out, so I've been doing a lot more online shopping, including places that I never thought that I would have to regularly buy from online, such as beauty, clothing, and grocery shopping."

Taylor

With students' lives so dramatically changed by the pandemic, their shopping habits have naturally been altered too. The most common change has been to move their in-store spending online, with 45% saying they're now buying things online that they would have bought in-store. 35% are looking for discounts more often, while 33% are making fewer impulse purchases, taking more time to find the best product and price available.

How have your shopping habits changed during the pandemic?



In our student survey, we looked not just at how the pandemic has affected students' spending, but how it could shape their behavior going forward. Like all of us, COVID-19 has given students time to reflect on their shopping habits and consider how they might like to spend their money differently in the future. For each behavioral change that we asked students about, the majority plan to stick with their new habit. For example, 86% of those who have started supporting more small businesses plan to continue this, and 77% of those who are looking for discounts more often will keep doing so.

It's important to mention, of course, that COVID-19 has not been the only defining moment of 2020. The Black Lives Matter movement has also shaped this year for many young people, and our survey shows it has had a significant impact on their purchasing decisions, just like the pandemic. In total, 71% of students have changed their shopping habits due to Black Lives Matter. 44% want to support more Black-owned businesses, 40% want to buy from brands who support the movement, and 40% will try not to buy from brands that have been linked to racism in the future.

When planning your student strategy for 2021, it's vital to inform your marketing decisions with the latest insights on student shopping and spending habits. As our research has shown, this demographic is not aspiring to return to life as it was pre-COVID. This report will help guide you as you reenvision your student marketing for what many have called "the new normal."





Online Shopping

Making purchases online is not a novelty to today's students, who have grown up with the convenience and unlimited choice offered by online shopping. This has created a demographic with high expectations from the products they buy and the retailers they buy from. They're a discerning consumer group, but considering their growing spending power and influence, the challenge of winning them over is undeniably worthwhile.

Unlike older generations, uptake of online shopping among Gen Z students is almost universal. 97% of college students shop online, an increase from 92% in 2018. Online shopping can be just as much a part of their social lives as taking a group trip to the mall. New York student Julia told us: "My friends and I, over the quarantine when we couldn't actually be together, we would FaceTime or video chat, we'd all shop and show each other what we want to get. I actually think I shop more online with my friends than I would in person."

Browsing online stores, thinking about what they'll buy in the future, is a pastime for many young consumers. It's a way to pass the time when they're bored - the digital equivalent of window shopping. This is why they're so knowledgeable about what's available at which stores and how much they should pay for it, including how to get the best discounts and deals. To ensure browsers turn into shoppers, try techniques such as retargeted ads, event-triggered emails, or a wish list

Where do you go when you know you want to buy something?



feature that notifies customers when an item they've been coveting goes on sale.

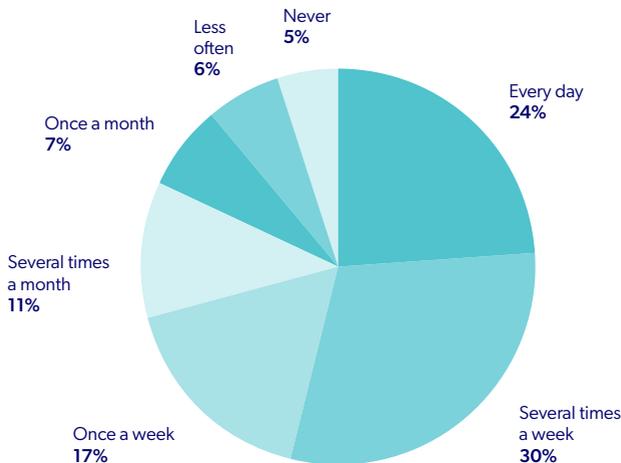
According to our student survey, a significant 24% of 16- to 24-year-old students browse online stores at least once a day, and 71% do so at least once a week, with that number increasing to 75% when you look at college students alone. While they don't buy something every time, students are frequent online shoppers nonetheless, with 37% making a purchase online at least once a week, and 76% at least once a month. This has risen considerably since 2018 when we found that only 69% made a purchase at least once a month.

We know that students love to browse, but where do they go when they know they want to buy something? Looking for as comprehensive a selection as possible, 49% head for a website that sells a variety of brands. However, 48% say they would go directly to the brand's own website.

Shopping in-app is still a relatively new feature that not all retailers offer, but a significant 44% would open an app when they're ready to buy. This suggests that app commerce is likely to overtake website purchases for younger consumers within the next year or two, demonstrating how important it is for every brand targeting the student audience to adopt this technology as soon as possible.

Another growth area within ecommerce is social shopping, and it's notable that 21% of students head to the social media profile of a brand or retailer when they're ready to make a purchase. For many members of Gen Z, social media is their digital home, so completing the entire customer journey in-app would be ideal. Rather than check out a product listing on your website, they'd rather browse what's available on your Instagram page, where it's often easy to make purchases through the Instagram Shopping service. As more brands implement these

How often do you browse online stores?



new tools, we expect the percentage of students using social media as a one-stop-shop will only increase.

While students are very comfortable shopping online, they are a risk-averse generation, and trust is still a big factor in determining where they shop. They have a strong fear of being scammed online, perhaps drummed into them by warnings from parents and teachers to be careful on the internet. Leon, who's studying cybersecurity, explained: "We were raised in such a way where it's like, you can't trust anything on the internet. I would check the domain, but I feel like a lot of people don't necessarily understand the ins and outs of how the internet works, so they'd still think it might be a fake website."

How can ecommerce brands gain trust with anxious young shoppers? Our survey found that while there are many technological ways to determine if a store is trustworthy, nothing works better than human recommendations. 54% said that recommendations from family or friends would convince them an online store was trustworthy, while 53% said they'd be reassured by positive customer reviews. These factors ranked higher than a well-designed website (40%), high Google ranking (32%), or spotting the lock symbol in the URL bar (26%). This demonstrates the value of including content such as reviews and testimonials from real customers on your site and social media, as beloved brands from Amazon to Glossier have exemplified.

What would convince you that an online store is a trustworthy place to shop?



Key takeaways

- Allow customers to add products to a wishlist so they can come back and make a purchase when they're ready.
- Adapt to the growing trends of social shopping and app commerce to retain this digital native audience.
- Human recommendations are key to earning the trust of risk-averse young consumers.



Student Marketing

At an age where they're making purchasing decisions in many categories for the first time, students are open to discovering new products and brands, which makes them an ideal target for marketers. Starting college often means moving to a new city or state, meeting new people, and embracing the opportunity to explore their identity and express their individuality. Their brand loyalty is up for grabs, but with so many options at their fingertips, marketers need to understand their unique characteristics in order to cut through the competition.

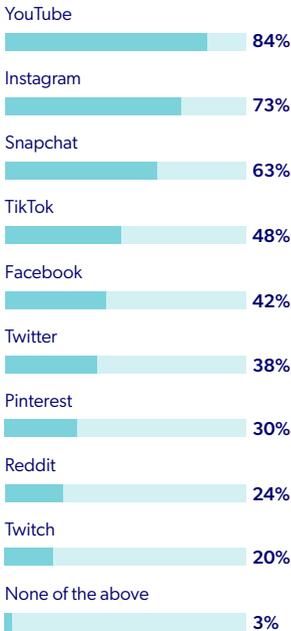
Recommendations from family and friends are the most common ways that students discover new brands, ranked far above celebrities and influencers according to our survey. While influencers may have the power to promote your brand to a vast audience, Gen Z understands that they are incentivized to promote products and their endorsement may not be genuine, so once again trust is the key factor here. Viral marketing techniques, from sampling to micro-influencer collaborations, could be more effective with these savvy young consumers.

Friends and family may help them discover new brands, but it's social media that 65% of students head to when they need ideas of things to buy. As we revealed in the previous chapter, 71% of students browse online stores at least once a week. They use social media in a similar way, keeping up with the

How do you get ideas of things to buy?



Which social media platforms do you use at least once a month?



latest products from their favorite brands so they can make an educated choice when they're ready to spend.

97% of students use social media, with the most popular platforms being YouTube (84% use this at least once a month), Instagram (73%), and Snapchat (63%). However, Instagram is the platform used by the most students (69%) for shopping inspiration, followed by YouTube (55%) and fast-growing competitor TikTok (36%). Fashion-loving student Taylor told us: "I follow the brands that I constantly shop from because I want to keep up with what they're doing. I follow a lot of small brands too, like small designers, just because they have really good stuff and I like to support small brands. That's probably why I'm always shopping, because I follow them!"

There are many ways to engage with brands on social media, so we wanted to understand how today's students are using it to inspire purchases. 64% said they get ideas of things to buy from social media ads, 54% via posts from friends, and 53% from posts by brands. Gen Z is very accustomed to seeing ads and are happy to click on them if they are interested in the brand or product being promoted, demonstrating the power of audience targeting. Living their lives online means social media ads are to Gen Z what TV and billboard ads were to older generations - the most effective way for brands to insert their products into consumer consciousness.



"Sometimes when brands market to college students they'll try too hard to be funky or colorful, and most college students don't actually like that. They just want to be treated like adults."

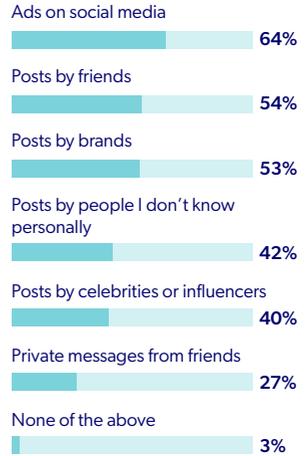
Julia

Social media advertising has a strong advantage over more traditional channels, as customers are already in a space where they can make purchases. They can follow links and buy your product within minutes on their laptop or phone, or switch tabs to do their own external research before returning to make their payment. Often, they already have their card

details stored in their browser or device, so payment is quick and easy. While other channels can help raise awareness, only social media offers such a simple and effective way to convert Gen Z customers.

Aside from social media, how can brands boost their presence in students' daily lives? We were surprised to learn how few brands are taking advantage of on-campus marketing opportunities. Shockingly, 31% of college students say they've never seen a brand promoted on their campus. Only 35% have seen posters, 33% have seen brands sponsoring college events, 32% have seen flyers, and 27% have seen brands giving out freebies on campus. These low numbers suggest a huge missed opportunity for marketers: an omnichannel campaign, combining digital and physical elements, will be key to raising brand awareness, creating familiarity and trust with this smart consumer group.

Where on social media do you get ideas of things to buy?



Key takeaways

- Focus on word-of-mouth marketing over big-name influencer campaigns to build trust with young consumers.
- Optimize your audience targeting to impress a demographic who are happy to click on ads, as long as they're relevant.
- Don't miss the opportunity to reach students where they spend their daily lives as college campuses reopen.

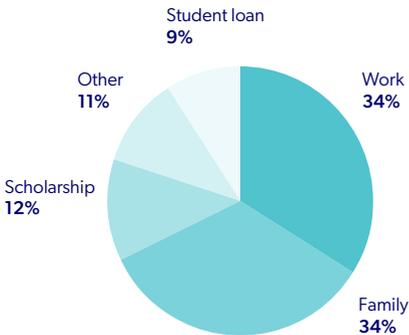




Student Spending

How does shopping and spending fit into the lives of today's students? We looked into the financial status of students, including the range of income sources they benefit from and how their spending is typically distributed.

Incomes sources for an average student:



Students in the US usually rely on multiple sources of income, which vary depending on factors including age, where they live, and where they study. Among high school students, 75% get money from their family, while 43% have had a job within the past year. Due to the high tuition fees at many

colleges, the majority of college students (72%) still cite family as one of their monthly income sources, while 69% have earned money from work in the past year. Some college students also benefit from student finance, with 48% receiving a scholarship and 41% taking out a student loan. As of 2019, the average scholarship was worth \$9,520, according to a report by the College Board, while undergraduates can borrow up to \$12,500 and graduate students up to \$20,500 per year from FAFSA.

Of the students who have worked in the past year, 22% have worked full time, 70% part-time, and 8% have had both full and part-time employment during that time. The most common types of work differ for younger and older students. Food service came out top for both high school and college students, but this was followed by childcare and manual labor for high schoolers, compared to retail and customer service for those in college. Of those students who work, 30% are still living with their family, which leaves them with more money to spend on the things they want and need.

The distribution of student spending varies based on multiple factors including the age, level of study, and even the gender of students. Across all student demographics, rent and bills account for the largest portion of spending for the average student at 21%. The next biggest spending category is groceries, representing 19% of a student's monthly outgoings on average. You may be surprised to learn that it's not only those living away from home who buy groceries: 82% of high schoolers and college students living at their family home allocate at least some of their budget to this each month, suggesting that this sector should keep their student marketing broad and inclusive.

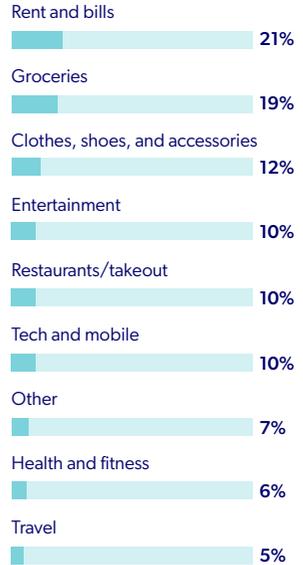


"It's really expensive to live in New York and go to college, so everyone usually has some type of job or internship."

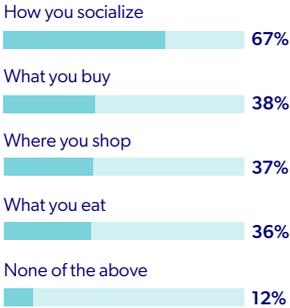
Julia

The remaining 60% of a typical student's monthly spending is designated to non-essential items. Fashion makes up 12%, followed by entertainment, restaurants/takeout, and tech/mobile, each receiving 10% of the average student's spend. A smaller 6% is spent on health/fitness, 5% on travel, and the remainder allocated to other items not listed as options

Monthly spending for an average student:



Does being part of Greek life influence the following?



in our survey. We noticed some interesting demographic differences, with a larger percentage of female students (83%) allocating funds to fashion, while males were more likely to include entertainment (80%) and tech/mobile (77%) in their monthly budget.

Lifestyle is another key factor that impacts student spending. Many of the students we interviewed noted the strong influence that Greek life has on the students who participate in it. According to Leon, a student based in Maryland: “Everyone in Greek life wears exactly the same clothes. The guys are very much on Vineyard Vines, J Crew, Polo Ralph Lauren - classic, like all Americana, and the girls are the same way. It’s Brandy Melville, there’s definitely some Urban Outfitters shoppers, but it’s very much conforming to the mold of sorority girl and frat guy.”

19% of the college students we surveyed belong to a sorority or fraternity, with that number rising slightly in the west and midwest compared to the northeast and south. Of that group, 57% live in a sorority or fraternity house (63% of males, vs 53% of females). As for the areas that Greek life impacts most, 67% said it influences how they socialize, 38% what they buy, 37% where they shop, and 36% what they eat. Sororities and fraternities are powerful, close-knit communities within colleges, so don’t forget to include an outreach strategy for Greek letter organizations in your student marketing plan.

Key takeaways

- Don’t count out high schoolers: they are already making their own spending decisions in surprising brand categories.
- As spending breakdown varies based on many factors, targeted marketing will outperform a one-size-fits-all student campaign.
- Sororities and fraternities can make or break your brand on campus, so don’t forget to include them in your student strategy.



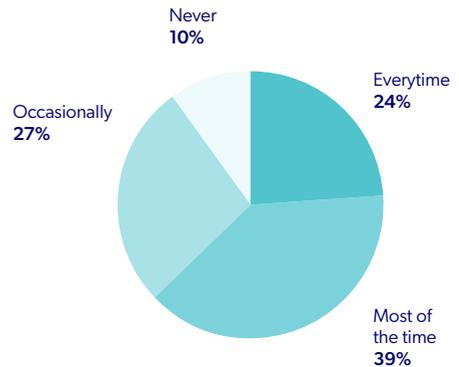
Student Discounts

To understand the spending habits of Gen Z, you have to consider the era they grew up in. They spent their childhoods watching the impact of the 2008 recession on the adults in their lives, and now they're reaching adulthood themselves, they're personally feeling the effects of another financial crisis caused by COVID-19. However, rather than feeling hopeless, this resilient generation is finding ways to ensure they can still enjoy the lifestyles they aspire to and achieve their dreams.

Gen Z is a financially-savvy group, who expect good quality products for an affordable price. Their pastime of browsing online stores makes them hyper-aware of the best deals available for whatever they want to buy, and this of course includes student discounts. Taylor, 21, told us: "I always check Student Beans before anything because I hate paying full price. Even if I'm spending \$100, I still got a discount, so I feel better about it."

63% of high school students and 90% of college students check for student discounts

How often college students check for a student discount:



before making a purchase. They have come to expect retailers across all sectors to offer a student-specific deal, as leading Gen Z brands are increasingly setting an example of how to show loyalty to your student customers. Indeed, 40 of the top 100 brands according to our latest Youth 100 US poll have a special offer for students.

Once you've launched your student discount, raising awareness with your

target audience is the next important step. The students we surveyed were happy to hear about discounts across all promotional channels, particularly in-store, via email, and on brands' websites. At Student Beans, we help our brand partners spread the word about their student loyalty program by providing in-store stickers and targeted solus emails to our database of student consumers. We recommend that brands promote their discount in their website header, as this significantly increases conversion rate.



“When I shop in stores I ask, “Do you have a student discount?” And most of the stores, if they’re focused on teens or young adults, they do.”

Marlene

Students have several different tactics for seeking out student discounts, with 46% taking to Google, 39% heading directly to the brand's website, 37% asking in-store, and 33% checking a student discount website or app. These stats show that they prefer to do their own research over reaching out to a brand. Through partnering with Student Beans, brands are able to meet students at all touchpoints, ensuring that whatever customer journey they take, you won't lose potential student sales along the way.

How students look for a student discount on a particular brand:



Key takeaways

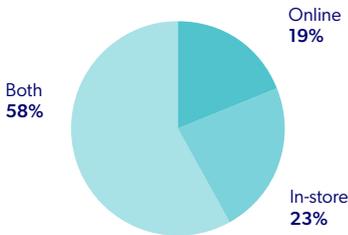
- Offering a student discount is a powerful way to show loyalty to a valuable consumer group with high expectations from brands.
- After launching your discount, use email, SEO, web, and in-store promotions to ensure the news reaches your target audience.
- Collaborate with Student Beans to grow your student customer base and secure repeat purchases from existing customers.



FASHION

For today's students, fashion is the biggest discretionary spending category - the average student only spends more on rent, bills, and groceries. This young consumer group sees fashion as a means of expressing their personality, while also finding their place in society, trying out different styles to see which fashion tribe is a fit. College is a time of experimentation and discovery, which means students are open to trying new brands, making them an ideal target market for this sector.

Where do you shop for fashion?



Fashion is one sector where the appeal of physical stores has remained strong. 95% of the students we surveyed spend money on clothes, shoes, and accessories, and of those, 77% say they conduct this shopping online, but 81% continue to shop in-store. Fashion is closely linked with the social side of shopping, and also offers the benefit of being able to try on items before buying, which is important to this group of smart spenders.

It's these unique advantages of in-store shopping which fashion ecommerce brands have been looking to recreate to drive growth in online retail. For example, many retailers now offer free returns and 'buy now, pay later' plans, which encourage shoppers to feel more comfortable making a purchase without seeing the item in person. Similarly, same-day delivery satisfies shoppers who need an outfit for a last-minute occasion, when they would have normally headed in-store. Fashion brands with a strong ecommerce proposition have been able to better weather the effects of the pandemic, and we predict it will be those who have adapted most effectively to this sudden accelerated shift to an online-first model who will survive the financial impact of COVID-19.

When shopping for fashion, students are weighing up two key priorities: price vs quality. Both factors are more important to the average student than a cool-looking product, although 45% say they do take that into account. It's important to remember that students are not just slaves to fashion - while they do aspire to look stylish and on-trend, they also expect value for money and quality products that will last. Within the student demographic, there is a gender divide in fashion spending: 83% of females allocate some of their monthly budget to clothes,



shoes, and accessories, compared to 77% of males.

On campus, students tend to opt for casual clothing, but this doesn't mean they aren't making a statement with their clothes or following Gen Z fashion trends. Students we spoke to highlighted the popularity of brands like Brandy Melville and Urban Outfitters on campus, while the classic preppy style remains popular with students in Greek life - 38% of whom say their sorority or fraternity influences their shopping habits.



“When I try new brands, I just order one thing so I can see the quality and how the sizes work.”

Marlenne

College location is also an important influence on fashion spending, with different styles suiting different weather conditions and student lifestyles. As Jordan explains: “If I was going to school in Texas, I would definitely want crop tops and shorts, but I’m moving up to Michigan, so I’m only buying winter clothes right now. I’m looking for a winter coat, winter boots, scarves, gloves, all of that.” While there may be certain brands and trends that you’ll spot on every campus, remember that the wardrobe of a student in a coastal city will be very different from someone living in a cozy college town.

What is your top priority when shopping for fashion?



Key takeaways

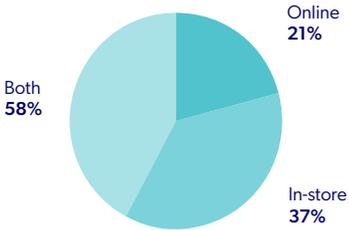
- Recreating the benefits of the in-store experience will help ecommerce brands win over skeptical student shoppers.
- Balancing price and quality will earn brand loyalty with this group, even ahead of offering the latest trending styles.
- Remember to consider location when targeting students: seasons require very different clothes in California vs. Vermont.



HEALTH & BEAUTY

From managing their diet to going to the gym and keeping check on their mental wellbeing, Gen Z is growing up to be the most health-conscious generation in America. The internet has empowered them with information on how to optimize their mental and physical health, while their risk-averse nature means they see the value of thinking long-term and making smart lifestyle choices.

Where do you shop for health & beauty?



59% of students spend money on health and fitness every month, with some interesting demographic differences. The number for high school students is slightly lower at 57%, suggesting students become more conscious of their health and fitness when they head to college. Male students also show greater interest in this sector, with 64% of them including it in their monthly budget, compared to 54% of females.

As for the beauty sector, it's no surprise that we see a larger percentage of female students spending money here than males, although the male grooming industry is growing, particularly with younger consumers who aren't as tied to traditional gender expectations. Beauty is a huge spending category for Gen Z, experiencing a boost in recent years thanks to the rise of social media beauty influencers. Through word of mouth marketing and curating a distinctive Instagram aesthetic, beauty brands such as Milk Makeup and Morphe have built up a cult following with young, highly engaged consumers.

These brands have achieved success with Gen Z by promoting a message of diversity and body positivity, which resonates with a generation who are rejecting outdated marketing campaigns that pressure consumers to look a certain way. This coincides with the rise in popularity of skincare, with a focus on taking care of yourself and striving for a healthy, natural look.

Health and beauty is one of the few sectors where quality comes above price, with more students saying they consider the former



What is your top priority when shopping for health & beauty?



(63%) than the latter (57%) in their purchasing decisions. Young people want to know products are safe and effective, and they see their health as a worthwhile investment. They are looking to buy products that are kind to the environment as well as their own bodies, so make sure to include clear labeling, and if your products are vegan and cruelty-free, celebrate this in your marketing. Taylor explains: “I have sensitive skin so I have to watch out for things that are harsh. Usually I prefer products that are vegan and cruelty free, which is an added bonus because I love animals.”



“With skincare I want to see a clear ingredients list, and I’m big on reviews.”

Jordan

Health and beauty products are typically viewed as an in-store purchase, but the rise of DTC brands like Deciem and ColourPop have helped to make consumers more comfortable buying beauty products online. 63% of students who spend money on this category shop for health and beauty online, while 79% of them make in-store purchases. As the pandemic makes online shopping a more popular option than ever, brands that offer innovative ecommerce features such as AR try-on tools and virtual beauty consultations will stand out from the crowd.

Key takeaways

- College freshmen are a prime target market for brands in this sector as they seek help in maintaining their health and fitness.
- Don’t forget the growing male beauty market: a new audience demographic is emerging as Gen Z spending power grows.
- Focus on positive, inclusive messaging to resonate with an audience who reject outdated marketing in the beauty industry.



FOOD & DRINK

Food and drink is one of the industries most impacted by the coronavirus pandemic, with certain brands thriving and others struggling as consumers have been forced to change their usual spending habits. Within the student demographic in particular, we saw a significant shift towards home cooking and takeout when restaurants were closed during lockdown. However, dining out is one of the activities students are most excited to resume as businesses reopen, and we predict many of the new habits formed during the pandemic will also continue.



“I’m not really nervous about eating out after COVID. I’m just happy that places are open again.”

Tanya

Gen Z is often linked to healthy and ethical food trends, such as veganism, so you may be surprised to hear that fast food remains a big part of student life. 94% of students eat fast food, with a substantial 44% doing so at least once a week. This doesn’t mean that they wouldn’t prefer to eat more healthily or ethically, but considering students’ busy lives and need to make the most of their money, it makes sense that they often end up relying on cheap and widely available fast food. Brands such as Burger King, which doesn’t just offer one veggie burger but a whole vegan menu, are earning the respect of Gen Z by providing ethical options that are also affordable and accessible.

Getting takeout is also a staple of student life, with 94% of students doing this at least occasionally. Prior to the pandemic, their preference was to collect food from the restaurant, but delivery services saw a significant boost during lockdown, with 31% of students stating that they were getting takeout delivered more often. Trying out new local restaurants was a fun way to break up the boredom, as 21-year-old Taylor explains: “I have a whole list of restaurants I want to try saved in my phone. But now, I’ve been doing a lot of Postmates and just ordering from random restaurants, so I’m still discovering new places.”



What is your top priority when shopping for food & drink?



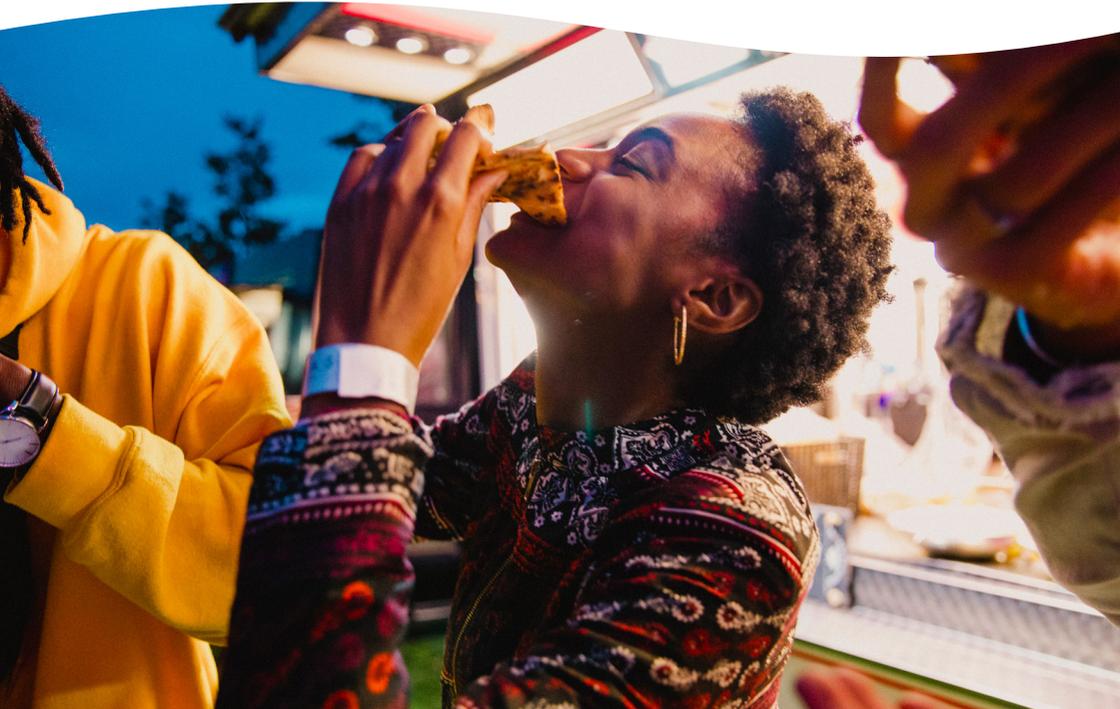
Lockdown also saw many students giving meal kits such as Home Chef and online grocery delivery services like Instacart a try for the first time, as 58% cooked at home more often than usual. These fast-growing businesses help to make home cooking easier and more convenient for students, and appeal to their desire for a healthy yet affordable option. “If you’re stuck in a dorm and can’t go home, and you don’t have access to a grocery store, Instacart is really going to come through for you,” says Jordan, 23.

When deciding where to shop for food and drink, there are two main factors students care about: 63% consider price, while 60% look for quality. Today’s young consumers are a discerning group who expect value for money, but their love of trying new things, and their influence over friends and family members, makes them an ideal target audience for a brand looking to grow

their customer base. Our research shows that spending on restaurants and takeout increases as students head to college, so offering a student discount is a great way to welcome them to their new hometown and make your pitch to be their new favorite place to eat.

Key takeaways

- Appeal to students who want to eat ethically by making vegetarian and vegan options more affordable and accessible.
- Help students cook from home by offering services such as grocery delivery and simple, healthy meal kits.
- Engage college students arriving in a new city or state with targeted offers to win loyal, influential new customers.

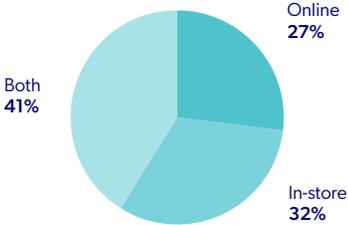




TECH & MOBILE

Technology has always been deeply integrated into the lives of Gen Z, but during the COVID-19 pandemic, they have come to rely on it more than ever. It has played a vital role in their education, socializing, entertainment, shopping and more, as in-person options are suddenly unavailable. Luckily, as digital natives, this generation is better equipped than anyone else to adapt to this dramatic cultural shift, and they've found many innovative ways to make life as normal as possible during these very unusual times.

Where do you shop for tech & mobile?



As many colleges have chosen to either continue with remote learning for the new school year, or a hybrid of online and in-person, students are realizing that this situation will not be over as quickly as they expected. Many are now reassessing their tech setup and as a result, choosing to upgrade their devices or buy new products to suit a digital-first student lifestyle. Leon,

21, told us: "I'm spending more on tech, because I'm at home more. I've bought a nice microphone and webcam for Zoom. I'm a big gamer so I've been pouring a bunch of money into my computer just because I've been locked in a house and it's been the most fun I can have."

Technology is one of the few sectors where students prioritize quality over price when making purchasing decisions: 64% say quality is important, while affordability is a priority for 58%. They want products that are high-powered and durable, and they are willing to spend more to ensure that the devices they buy will last for years to come. They are cautious about buying from new brands, which means building trust is vital for the technology sector: it was ranked higher as a determining factor in tech purchases than in any other sector.

Laptops and phones are often the first big investments students make with their own money, so they will take their time to make an informed decision. San Diego student Marlenne said: "During quarantine, I got the MacBook Pro, and I've been thinking about getting the iPad Pro because I heard it's really good for note-taking. But I'm still thinking about it because it literally costs the same as a laptop, so it'll be a big investment."



The student tech market is dominated by Apple, whose products are ubiquitous on college campuses. They combine the key criteria of quality and brand trust with a cool-looking product. While their devices are among the most expensive on the market, by offering student discounts they reassure students that they are getting good value for money. However, in recent years they've had to face increasingly tough competition from rivals such as the Google Pixel and Microsoft Surface, which also tick those boxes of quality, trust, and style. Apple will need to keep innovating to continue winning the loyalty of new cohorts of students as they become tech consumers in future.

What is your top priority when shopping for food & drink?



“I like to buy new tech products a week or two before school starts so I have time to get them set up.”

Gabriel

One surprising fact that emerged from our survey is that students still prefer to purchase tech products in-store, with 73% of students shopping for tech in-store vs. 68% doing so online. It may not seem entirely necessary to check out such products in person, but for students cautiously making their first big investments in tech, it's worthwhile. For student shoppers not able to make it to the store during the pandemic, providing in-depth information and comprehensive images will help give them the confidence to click the 'buy' button.

Key takeaways

- Students' tech needs are changing due to the pandemic, widening the market for products like second screens and webcams.
- Focus on the factors students care about when selling them tech products: quality, price, and brand trust.
- Provide all the tech specs and product pics a student could need to make them feel comfortable buying high-value items online new customers.



ENTERTAINMENT

For Gen Z, entertainment is about community: coming together around shared interests and connecting with friends through online and offline meetups and events. Checking out the latest movies, music and games gives them cultural capital, enabling them to join in with trending memes and social media discussions. These touchpoints have helped them to feel connected to the world outside their bedroom during lockdown, and they've used the downtime to discover new favorite shows, artists, podcasts, and more. It's no wonder, therefore, that our research consistently finds that entertainment giants such as Netflix, YouTube, and Spotify are Gen Z's favorite brands.

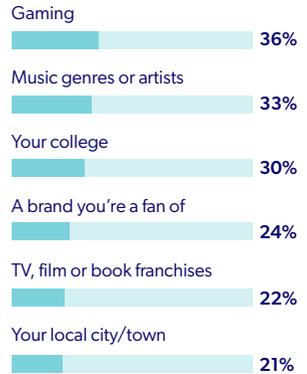


“When I’m socializing with my college friends, we usually go to restaurants, the movie theaters, or mini-golf.”
Amanda

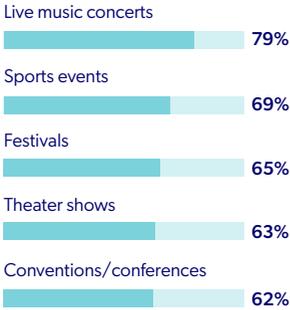
It’s well known that gaming is a major trend among this audience, but you may not realize just how popular it is. 75% of 16- to 24-year-old students play a mobile, console or computer game at least once a month - higher than the number who use a music streaming service, a video streaming service, or watch cable TV. Of those who play games, 83% play on their phone, while 77% play on a console or computer, showing that mobile gaming is an important growth area in this industry. Many of the biggest gaming franchises, from Call of Duty to The Sims, have released free-to-play mobile versions in order to attract these casual gamers. The mobile gaming market has also welcomed more females into the gaming community - while console/computer gaming skews male, mobile is evenly split between genders.

Gaming has thrived more than any other entertainment category during the pandemic: 55% of students say they’ve been mobile gaming more than usual, and 50% have been playing console or computer games more often. Video streaming and music streaming have also seen a welcome boost, with 52% and 49% of students spending more time on them respectively.

Do you belong to online communities related to the following?



Which of these events do you attend?



Entertainment brings students together not only with their existing friends, but also helps them to find likeminded people online. 64% of those we surveyed belong to at least one online community related to their cultural interests, including gaming (36%), music genres/artists (33%), favorite brands (24%), and film/TV/book franchises (22%). While certain types of brands, such as fashion, beauty and fitness, are able to build their own communities around their brand, this doesn't suit every industry. In those cases, focus instead on tapping into communities centered around cultural interests that would appeal to your ideal audience persona. Sponsoring events or collaborating with relevant celebrities are smart ways to infiltrate online communities where your target customer spends their time.

Large in-person events may not be on the agenda for the next few months, but when they do resume, there will be great demand from Gen Z. 79% of students attend live music concerts, 69% attend sports events, and 65% attend festivals. These types of events are more popular with today's 16-24s than going to a bar, pub, or nightclub, as socializing for this new generation of young people centers more around entertainment than alcohol. As for on-campus events, 49% of students take part or attend college sports and 26% enjoy student theater, while only 24% attend tailgate parties, again suggesting that the party culture associated with colleges in the past is not so relevant for Gen Z. Instead, community and experiences are the key factors that will attract students to an event, whether it's on or off-campus.

Key takeaways

- Don't underestimate the size of the gaming community, and remember that female gamers are an increasingly powerful demographic.
- Engaging with online communities centered around cultural interests is a great way to raise brand awareness with a relevant audience.
- Gen Z are eager to return to events post-COVID - just make sure you can offer them a safe yet entertaining and sociable experience.



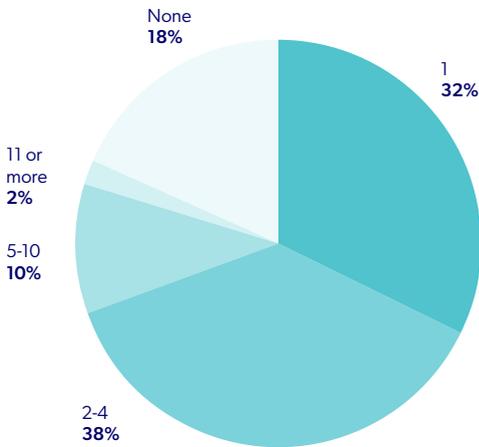
TRAVEL

From summer road trips to once-in-a-lifetime adventures, travel is a passion for Gen Z, a group who live for unique, memorable experiences and shareable moments. 82% of students take at least one vacation per year and the average student takes between 2 to 4. Both budget providers and more high-end travel companies should include students in their target audience. While there's a group who want to travel on the cheap, looking to options such as backpacking and road trips, others are happy to splash out on an unforgettable experience: 23% will spend over \$1000 on a vacation and 10% over \$1500.

The late teens and early twenties is an exciting time of new adventures, as students go on their first vacations without their families. For many, the long summer break from college represents the ideal opportunity to explore the world and express a newfound sense of independence. Leon told us: "Every summer I go to Canada with my friends, and we just go bar hopping up there because they have the lower drinking age. I think that will probably be our next vacation."

College students are more likely than high school students to take a trip with friends (42% do this), with their partner (21%), or even by themselves (13%). However, 79% of them

How many vacations would you normally take per year?



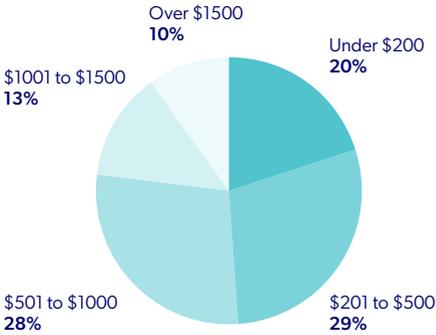
"I turned 21 last month, and I was supposed to go to Vegas with my whole family. Hopefully we can revisit that next year."

Taylor



also continue taking vacations with their family, and while they may not be funding those trips themselves, they'll certainly have a major influence on decisions about where they go, how they get there, and which providers they book with.

How much would you spend per vacation?



College represents the first time many students are booking travel for themselves, and since this will be one of the most expensive purchases they've made in their lives so far, they'll want as much guidance from trusted sources as possible. Their main source of inspiration for travel is social media, with 49% turning to apps like Instagram for ideas of where to visit. Travel sites and blogs (38%) are also influential to this digital native demographic, while 22% are still picking up a good old-fashioned travel guide book.

When it comes to making a purchase, they want to spend their money wisely, so 45% check comparison sites and apps to ensure they're getting the best deal available. However, trust is also a factor in deciding which brand to book with, so 41% of students

will head straight to the websites or apps of travel companies they're already familiar with to see what's on offer there.

Aside from vacations, many students also find themselves needing to arrange travel back and forth between their family home and dorm room when they start college. 51% of students move away from home for college, and of those, more than half move to a new city or state. The most common way to travel home is by car, with 71% of students taking this mode of transport between college and home, however 32% take a flight, 13% a bus and 11% a train to make these important journeys. Therefore, whether or not they're taking a vacation, many students will be making their first long-haul travel bookings during college, so it's an important time for the travel industry to offer them support, advice and, of course, student discounts to attract their brand loyalty.

Key takeaways

- Luxury travel businesses shouldn't exclude students from their target market or underestimate their spending power.
- Students may be nervous making their first big travel bookings, so provide as much advice and information as possible.
- Good value and brand familiarity are key to earning Gen Z's travel budget: combine the two and you're onto a winner.



Student Personas

At Student Beans, we believe in putting the student consumer at the heart of our business, which means we consider what our users would think before making important decisions about our marketing, product and brand. We created a set of audience personas to represent three types of student that we regularly meet, and we're sharing them here to help you ensure that your student marketing strategy is also guided by the wants and needs of your target audience. So next time you're launching a student campaign, don't forget to ask: what would Kayla, Nicole and Jacob think?

Kayla

Age - 20

College - Florida State, Tallahassee

Favorite brands - Brandy Melville, VS Pink, Lululemon, Chipotle, Starbucks, Apple

Characteristics

- A sweet, fun-loving Southern sorority girl
- Shops online because she lives in a small college town without many stores
- Savvy about discounts and when her favorite stores have sales
- Follows relatable influencers who she aspires to be more like
- A typical vacation would be a festival or beach trip with friends within the US
- Spends weekends going for lunch with friends, studying, and shopping





Nicole

Age - 19

College - New York University, NYC

Favorite brands - Urban Outfitters, Zara, Depop, Whole Foods, Ben & Jerry's, Glossier

Characteristics

- Creative and politically engaged, considers herself a feminist
- Likes to support independent and ethical brands, and tries to eat vegan
- Her Instagram is filled with travel, art, and fashion
- Prefers to try somewhere new when she eats out
- Would like to attend more interesting events and try new activities locally
- More interested in experiences than possessions

Jacob

Age - 18

College - University of Pennsylvania, Philadelphia

Favorite brands - Vans, Nike, Netflix, Google, Playstation, Five Guys

Characteristics

- A smart, driven, and ambitious computer science major
- Loves gaming but sees it as a social activity, playing remotely with friends
- Would love to work in a cool tech startup
- Goes to the gym a few times a week, often with friends
- Makes purchases based on thorough research, balancing quality and cost
- When he finds a brand he likes, he's a loyal customer and brand advocate



About Student Beans



We bring together student verification technology, student marketing solutions, and student research to help brands better attract, convert, and retain more 18- to 24-year-old customers.

Student Verification

Our award-winning student verification technology enables brands to run their own gated student offer programs.

Student Marketing

Our market-leading student marketing solutions enable brands to reach and engage a global youth audience.

Student Research

Our unique access to students enables us to identify key trends and empower brands to better engage with Gen Z.



Our story

Student Beans was founded in 2005 in Birmingham, UK, by James and Michael Eder. As young university graduates themselves, the brothers saw a gap in the market for a digital student loyalty platform that would give students exclusive discounts on the brands they love, and connect retailers to this key consumer demographic.

Quickly becoming a part of everyday student life, Student Beans revolutionized the concept of the student ID for the digital age. We launched our award-winning verification technology, enabling brands to ensure their student discounts are only available to verified students. Today, we partner with thousands of the world's biggest brands across fashion, technology, food, entertainment, and more, and power a global network of students in over 100 countries.

 Student Beans

Find out more about our [Student Verification](#), [Student Marketing](#) and [Student Research](#) today.