

HOLIDAY REPORT 2022

GEN Z'S SPENDING PLANS
THIS HOLIDAY SEASON



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The 2022 holiday period is fast approaching and with it come the most important retail occasions of the year.

But do you know what students' spending plans are for this holiday period? The only way to really know is to *ask*. So we surveyed students from Australia and New Zealand, the UK and America.

Almost 6000 students shared their 2022 holiday spending plans. They told

us how much money they plan to spend (and why), the alternative gift routes piquing their interest plus much more. Our 2022 holiday report shares this exclusive insight to help you make smarter decisions about your holiday season retail strategies.

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- A photograph of a young man and woman in a close embrace. The woman, on the right, has long dark hair and is wearing a black leather jacket. She is smiling and holding a large, wrapped gift box with gold and red ribbons. The man, on the left, has short dark hair and is wearing a dark grey shirt. He is also smiling and looking towards the woman. The background is dark and out of focus.
- 1** Fashion and tech sectors are likely to attract the most student holiday purchases
 - 2** Quality is the most important buying factor across all categories
 - 3** Sustainability as a priority is low on the agenda
 - 4** Gen Z crave a seamless crossover between a digital and physical shopping world
 - 5** There's an appetite for deal occasions (such as Black Friday and Cyber Monday) so long as they are backed with steep discounts

KEY TAKEAWAYS

STUDENT SPENDING

Students will be buying gifts this holiday period, but budgets vary. Here is the 2022 student holiday spending outlook:

REGION	£0-100 (\$0-115)	£101-200 (\$116-231)	£201-300 (\$232-347)	£300+ (\$347+)
UK	45%	32%	13%	11%
ANZ	23%	33%	21%	22%
US	23%	31%	24%	22%



Around a third of students (the biggest share on average) across the three markets plan to spend between £101 (\$116) and £200 (\$231) on gifts. US and ANZ students have similar budgets planned, with equal estimates for the lowest and highest spend. What stands out is the UK estimated spend.

UK students intend to spend less on holiday gifts than ANZ and US students. Half of UK students (51%) say they're spending less because "their utility bills are rising". Soaring utility bills are also a big concern for 41% of ANZ students.

In the UK, Prime Minister Liz Truss' [energy bill](#)

freeze could help somewhat. But 69% of UK students are also feeling the strain of less expendable income. As are other markets: 74% of US students and 69% of ANZ students cite having less expendable income as a reason for reducing their spend in 2022.

88% of US students intend to use discounts for gifts, standing at 86% for ANZ students and 84% for UK students. A big share of students will only purchase gifts when discount codes are available to them:

54%

of UK students

60%

of ANZ students

58%

of US students

DEAL BREAKERS





This tallies with other research – a [RetailMeNot survey](#) shows millennials and young adults are the most affected by promotions-based marketing:

53%

of adults aged 18 to 34
say they always search
for a deal before making
a purchase online

69%

say they can't complete
a purchase without first
searching for a deal or
offer

88%

say that finding an offer
for a brand or retailer
that's new to them
would encourage a
first-time purchase



That doesn't mean
students are choosing
price over quality,
however.



NOT COMPROMISING ON QUALITY

Our research shows the majority of students prefer to use discounts rather than buy cheap gifts.

This echoes our [Back to Campus Report](#) findings: most students cited quality as their most important buying factor across all categories, including tech, beauty and fashion.

Students seeking discounted but more expensive gifts:

65%

of UK students

78%

of ANZ students

69%

of US students

Students seeking cheap gifts at full price:

35%

of UK students

22%

of ANZ students

31%

of US students





WHAT CAN YOU DO?

Weaving messaging about quality into holiday comms will capture students' attention, especially when paired with discounts. If you can back it up, tell students how long a product will last - this should be years not months - or that it will "see them through their university years".

Highlight reviews that specifically mention quality, offer a guarantee (again this should be for years rather than months), and consider comparison tables that demonstrate how your product outshines the competition against key quality indicators.

HOW ELSE WILL STUDENTS FUND THEIR HOLIDAY SHOPPING?

Most students will work part-time jobs to fund gifts:

56%

of UK students

Your audience will be working and studying over the holiday season. Empathise with their hard graft in your messaging to build stronger connections with students.

Student loans will be used more frequently in

62%

of ANZ students

the UK. Whereas credit card usage will be more prominent in the US – 48% of US students say they'll purchase gifts using credit cards, dropping to 21% for ANZ and 22% for UK students.

58% of students across the three markets are

55%

of US students

also likely to seek financial help this holiday period. Less disposable income, the rising cost of living and studying expenses are the top drivers for this.

Empathy should be the basis for any marketing messaging and sales strategy this holiday period. Consider how you can truly be there for your audience.

As detailed in our [Back to Campus Report](#), Gen Z students respond particularly well to education around financial literacy. Connect students to financial advice to help them manage their

expenses and become more money savvy.

Making customers feel appreciated without them having to buy from you wins loyalty long term. Offer rewards for students who write

product reviews or share your content on social media. Give them positive feels about your brand and when they can spend freely, you'll be front of mind.

WHAT CAN BRANDS DO?



AN APPETITE FOR GREENER GIFTS?

A third of students are interested in second-hand gifting across all markets. 40% say they'd consider gift swaps to reduce waste. Despite this, sustainability as a priority is low on the agenda.

Students who feel indifferent about prioritising sustainability for holiday purchases:

60%

of UK students

60%

of ANZ students

55%

of US students

Students willing to pay more for sustainable gifts:

23%

of UK students

29%

of ANZ students

24%

of US students





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This generation is looking to retailers to take responsibility for products being environmentally and socially sound.

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What's driving students' indifference towards sustainable gifts? Affordability is probably a huge factor.

We know most students are worried about the rising cost of living, and sustainable products are, by nature, expensive. Ethical buys might be preferred, but money is the barrier holding the majority back. This might be why around one in four (29% of UK, 26% of ANZ and 30% of US students) aren't willing to pay more for sustainable gifts ... because they literally can't afford it.

We've seen this among Gen Zs who say they want to shop sustainably, but their buying behaviours don't translate: this generation is looking to retailers to take responsibility for products being environmentally and socially sound. It's possible student sentiment captured in this survey echoes that notion — that it's not up to them to change the world by spending more money on sustainable gifts.



INDIFFERENCE INTO INTRIGUE

When it comes to the preloved buys or gift exchanges, demand clearly exists. Retailers exploring this market could increase students' appetites with messaging around waste reduction and cost savings. Try A/B testing campaigns with different messages to see what resonates.


Discounting products (or offering better discounts) could help sustainable businesses capture more sales this season. But it's a sticky solution. Sustainable practices (e.g. getting the right certifications, paying fair wages and sourcing sustainable materials) tend to be expensive. Tight margins could mean discounts jeopardise profitability.

WHERE, HOW, AND WHEN OF STUDENT HOLIDAY SHOPPING

What are students planning to purchase this holiday period? Clothes and technology are the most desirable gifts. Beauty products are popular too.



REGION	TECH	FASHION	BEAUTY	FOOD & DRINK	HEALTH & FITNESS	TRAVEL
UK	54%	60%	40%	32%	23%	23%
ANZ	71%	62%	42%	35%	38%	31%
US	52%	69%	49%	29%	29%	26%



The UK shows the highest proportion of reduced spend across every sector. For example, 32% of UK students expect to spend less on tech in 2022 vs. 2021. This drops to 26% for ANZ students and 27% for US students.

This isn't surprising when we remember that half of UK students say they're spending less because their utility bills are rising.

But many students expect to spend more in 2022 vs. 2021 across the UK, US and ANZ. What's driving this expectation in light of universal

concerns around money?

Perhaps students are anticipating gifts will be more expensive this holiday period due to inflation. Or they might simply have more reasons to make a purchase (e.g. more people to buy gifts for). Whatever the cause,

tech and fashion businesses should make the most out of this opportunity to responsibly build relationships with students ahead of key deal occasions.

The percentage of students planning to make a holiday purchase when they see a good deal is:

47%

of UK students

Remember: to many students "a good deal" is a quality, expensive item deliciously discounted.

So, deals are a major trigger for purchase. But *when* will students seek out deals?

26% of US students plan to shop the Black Friday and Cyber Week deals compared to 15% of UK students and 17% of ANZ students. This might be

48%

of ANZ students

because there are stronger traditional ties to these shopping events in the US, as one Reddit user [puts it](#): "After Thanksgiving dinner, the Christmas shopping plan would start to form. Aunts and cousins pour over ads and plan where to go the next day: Friday."

But 26% is still a small share of US students, especially when we

42%

of US students

compare it to previous findings. For example, 60% of UNiDAYS US members said they were planning to do their holiday shopping over Cyber Weekend in 2020.

Yet a third of all students strongly believe retailers should mark Black Friday. However, only around 1 in 5 think Black Friday and similar sale events are worth it.

ARE SALE EVENTS STILL EN VOGUE?



THE WHY BEHIND THE APATHY

So, students aren't digging key sales events. It might be because modern consumers are savvy shoppers anyway. In a [Hawk Incentives](#) survey, 92% of respondents said they are "always" looking for deals when shopping. Perhaps students feel they can get just as good a deal no matter when they shop.

Or maybe students are simply jaded by Black Friday and all the other

deal occasions across the year. Tired of being inundated with marketing emails which aren't sensitive to their financial concerns. Worried about the impact of sales events on retail workers and [delivery drivers](#).

But students have made it clear they don't want to see events like Black Friday disappear into a black hole. What can brands do to reignite their enthusiasm?

Perhaps retailers need to rethink their approach to key holiday sales events. Better deals than ever before (but not if it's at the expense of staff). And maybe more focus should be put on the overall shopping experience: Gen Zs in particular love their [unique shopping experiences](#).

[More recent research](#) also found that Gen Zs increasingly favour offline, in-store shopping. For example, Australian

students said they prefer to shop in-store for most tech categories. In the US, at least 30% of US students choose to shop both online and in-store. And since 2020, there's been a 12% boost in TVs purchased in-store by UK students, while 6% shopped for cameras both online and in-store.

This echoes students' holiday shopping preferences – 32% of UK, 35% of ANZ and 44% of US students will carry out their holiday shopping

across online and offline channels.

Online purchase channels will be most common for students overall. But in-store will still play a meaningful role, especially for Gen Zs. Sales events like Black Friday might be more successful if retailers can enhance their in-store shopping experiences. Think memorable themes, personalisation, greater convenience and targeted deals.

BLACK FRIDAY, BUT BETTER



GOOD VIBES ALL AROUND



There is a way to tackle the holiday season so everybody wins. Retailers need to appreciate that the majority of students are worried about affording gifts this year. They should adjust their messaging and sales strategies to reflect this. At the same time, offering better deals is a must, especially on high-value items.

Fashion and tech sectors are the most likely to attract unique student holiday purchases. But all industries will benefit from enhancing the shopping experience online and offline. Alongside more compelling deals, it should help them build enthusiasm around sales events like Black Friday and Cyber Monday.

UNiDAYS is the world's largest Student Affinity Network. With over 24 million verified members across 115 markets, we take 800 of the biggest brands into the hearts and minds of tomorrow's professionals. UNiDAYS supports, enables and inspires young people to be their best selves, powering next-gen learning, earning and retail experiences. UNiDAYS works with all the top brands including Apple, Amazon, Samsung, Nike, Adidas, Microsoft, JD Sports, Forever 21, FARFETCH, SHEIN, M&S, Disney and ASOS. Our student and graduate members have spent more than \$5bn through the network since 2018.

Ready to connect with Gen Z?
Talk to UNiDAYS

ABOUT UNiDAYS



APPENDIX

1 [VIEW SOURCE](#)

Guardian, 2022, Liz Truss to freeze energy bills at £2,500 a year average, funded by borrowing

2 [VIEW SOURCE](#)

Cision, 2018, RetailMeNot Survey: Deals and Promotional Offers Drive Incremental Purchases Online, Especially Among Millennial Buyers

3 [VIEW SOURCE](#)

UNiDAYS, 2022, Back to Campus Report

4 [VIEW SOURCE](#)

Reddit, Ask an American, 2018, What is the deal with Black Friday?

5 [VIEW SOURCE](#)

Blackhawk Network, 2017, Hawk Incentives Research: Deal Seeking on the Rise; Shoppers Report These Behaviors Make Them Feel Smarter

6 [VIEW SOURCE](#)

Guardian, Fatigued Black Friday delivery drivers 'could pose road safety risk'

7 [VIEW SOURCE](#)

UNiDAYS, 2022, This Black Friday, Gen Z values shift toward tradition and safety

8 [VIEW SOURCE](#)

UNiDAYS, 2022, Tech Report