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Class of 2014 Lands on Campus in Greater Numbers with More Purchasing Power and Free Time than Ever Before

The 2011 re:fuel College Explorer survey offers view of current college life - student spending remains strong, but consumers showing more careful consideration as optimism about the state of the economy fades.

(NEW YORK, NY) October 3, 2011 – College is now in session and campus life is in full swing for the more than 20 million students who just began the fall semester. **re:fuel** (formerly the media division of Alloy Media + Marketing) today released findings from its 11th annual *College Explorer* survey, powered by Crux Research. The study shows this student body wields a record and massive \$417 billion dollars in spending power – that’s a 14% jump from last year’s study. However, the reality of rising tuition costs facing the current student class appears to be fueling much of that spending growth and with higher education costs, students are showing more care when it comes to opening their wallets. This year, overall discretionary spending figures hold at a steady - but hefty - \$76 billion. The overall increase in school expenses is also driving students’ need to seek supplementary funding for education. The dollar amount typically footed by an individual student or family has seen a decrease of 14% over the last 10 years, while funds received through scholarships, financial aid or loans has jumped 15%.

While the *College Explorer* study reported significant discretionary spending growth in recent years, the ongoing challenged economy and persistent headlines underscoring the nation's troubled financial state appear to have caused this typically optimistic group to tread carefully when it comes to “extracurricular” spending pursuits. This year’s college class continues to prove their consumer savvy when it comes to preserving their college experience as well as the weight in their wallets; they are researching prices, taking full advantage of special offers and increasingly, participating in collective buying programs in order to stretch their budgets.

“With more than a decade’s worth of College Explorer data, we are able to track exactly how college life has changed for students in 2011,” noted John Geraci, President of Crux Research. “College students comprise an increasingly important sector of the economy. Though recent tuition increases have hit this current class harder than in years past, today’s students are still spending, but they are tapping resources and leveraging their free time to make wise purchasing decisions.”

One spending category proving to be recession-proof among this audience is food. College students are clearly not sacrificing when it comes to one of their favorite past times. In fact, discretionary spending on food increased by 39% since last year’s study and accounts for almost half (46%) of college students’ total discretionary budget. Of the \$35.2 billion reported towards food spending - \$20 billion is being spent on groceries, \$12 billion in restaurants and \$3 billion in convenience stores. Other categories topping the spending chart: Automotive, Cell/Smart Phones and Clothing & Shoes. It appears mobility, connectivity, and looking good remain top priorities for this highly social class.

The Quad Angle

College students boast more free time than during almost any other life stage. Students this year posted an average 11.4 hours per day of discretionary time after hours spent at work (1.8 hours), class (1.9 hours), studying (2.0 hours) and sleeping (6.9 hours). Much of that time is spent on campus – the hub of their daily life. On weekdays, students clock an impressive 10.6 hours per day on campus, and on weekends, they report visiting campus for 5.8 hours each day.

Campus is clearly central to today's student life, but these consumers are also making time to venture off-campus for leisure activities such as shopping and eating. Nearly all students (90%) report visiting a grocery store in a typical month, and they do so more than once per week (4.7 times a month). Food spending proves that eating is a favorite pastime of students, so it's no surprise that 86% of them visit dining establishments an average of 5.2 times a month. Shopping at off-campus retail stores also proves popular with 85% of students reporting doing so an average of 3.9 times per month.

“The college campus isn't just the focal point of college life, it's a coveted and communal environment where students are experiencing independence for the first time and laying plans for the future,” commented Tammy Nelson, VP Marketing & Research at **re:fuel**. “Marketers have an opportunity to positively contribute to the college experience and make a lasting impression with these influential consumers. For this current class, brands that enhance their college experience will be remembered long past graduation day.”

SMART-er Than Ever

Today's students thrive on technology. For this group, constant connection is vital. They now own six digital devices on average and spend a cumulative 11.4 hours per day using technology. And how are they spending this tech time? According to the survey, respondents are spending 5.9 hours on their computers, 2.3 hours watching television and 2.3 hours engaged with their cell phone or smart phone. And, much of this reported usage is occurring at the same time – multi-tasking is a skill college students have clearly mastered.

When it comes to technology, the smart phone is most definitely the next big thing on campus. In fact, cell phone ownership shows a sharp decline since last year. In 2010, 84% of students reported ownership and now just over half (55%) say they do. Meanwhile, smart phone ownership is soaring - jumping more than 61% in the last year alone. In 2010, just one quarter of students (26%) reported owning a smart phone device. Today, that figure rises to a significant 42% who say they carry one. The smart phone also lands on many students “must have” lists this year, with a full 20% of students expecting to purchase one in the year ahead. This places it ahead of other coveted items like laptops (17%) and tablet computers (11%). For this budget-conscious set, innovations in smartphone technology and ease of use appear to be the preference on campus, while pricier tablets are not making the grade, just yet. As students place a premium on connectivity, mobility and multi-functional capabilities, it appears handheld devices will reign supreme.

Don't Brand Me

While social networking continues to be important for this group, the 2011 study noted declines in brand interactions occurring online. A full 88% of students are Facebook users and 25% use Twitter, a slightly higher engagement over last year. However, just 53% have followed or “liked” a brand on Facebook, and



only 16% have done so on Twitter. Moreover, the number of students who say they “friended” a brand in order to be the first to know about company news dropped from 48% last year to 40% in the current survey. The percentage of students participating in other brand activities remained stagnant. Forty-eight percent (48%) of students have followed a brand’s social networking page to take advantage of special offers and just 22% regularly read a brand’s page for updates. Of note, more than 44% of students reported actively avoiding ads on social media sites, placing them among the most avoided media types.

Is The Future Still Bright?

Last year, the overall sentiment among this crowd towards the nation’s financial recovery appeared sunnier than the opinion of their older counterparts. This year, when asked if they feel the economy will improve in the coming year, 18-34 year old students’ confidence shows a decline from last year. However, among 18-24 year olds, the outlook is somewhat more optimistic than their older counterparts. Interestingly, the decline in hopes for the future of the nation’s economy does not appear to have had an effect on students’ feelings about their own financial state. When asked how they feel about their financial security compared to last year, responses stayed on par with last year’s figures. As these students prepare to enter the work force, they do appear cautious when it comes to their personal salary expectations. According to the survey, most four-year college students expect to land a job for \$46,000 a year after graduation, a figure much lower than the national average of \$50,000 being offered to new Bachelors in 2011. (Source: National Association of Colleges and Employers)

When it comes to students’ top areas of concern, the economy dominates the list. Sixty-nine percent worry about grades, the same percentage is concerned about having enough money and 62% fear they won’t be able to find a job. This is in stark contrast to the fears that were more prevalent among students in the 2002 *College Explorer* fielded just five months after 9/11. Students in that study ranked terrorism, war and nuclear threats among their greatest concerns.

Despite economic concerns, worries and the stresses of daily life, college students still retain the faith and enthusiasm of youth. It seems when the going gets tough, these citizens remain confident, and decidedly more so, with their ability to make positive changes in the world. When asked who has the greatest ability to make positive changes in the world, a full 43% of students responded “People my age” - a significant 27% jump from last year’s survey and the largest percentage ever to do so.

Nelson concluded, “While optimism towards the economy improving in the near term shrinks among this group, college students have retained a hopeful outlook. They have faith in their ability to make a difference in the world and continue to express a confidence that has defined this particular group of consumers over the last decade.”

About re:fuel

re:fuel, a former division of Alloy Media + Marketing, is a leading marketing firm connecting a wide range of brands, including half of the Fortune 100, with niche and thriving consumer segments through scalable and impactful media and promotional solutions. With decades of expertise serving youth, multicultural, military, and local audiences, **re:fuel** deploys brand campaigns that speak to these consumers in their world, throughout their day. **re:fuel** has locations nationwide, with headquarters in New York City, and offices in Chicago, Los Angeles, Santa Barbara, CA, Harrisburg, PA, and Cranbury, NJ.



About Crux Research Inc.

Crux Research is a market research firm that partners with clients to develop winning products and services, build powerful brands, create engaging marketing strategies, enhance customer satisfaction and loyalty, improve products and services, and get the most out of their advertising.

Using quantitative and qualitative methods, Crux connects organizations with their customers in a wide range of industries, including education, consumer goods, media and advertising, technology, retail, business-to-business, and non-profit.

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