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Tourism Management 26 (2005) 797–806
TOURISM MANAGEMENT
www.elsevier.com/locate/tourman

Poverty, debt, and conspicuous consumption: university students tourism experiences

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Received 16 December 2003; accepted 2 June 2004

Abstract

According to the media and student unions the student population in the UK is living in a state of poverty where it is difficult for them to afford basic needs. Consequently, students claim they have been forced to seek employment during university term-time and vacations. It may be hypothesized that the financial problems facing students place fiscal constraints on their holiday experiences. To assess the validity of this hypothesis the results of a survey and a series of in-depth interviews conducted with students at the University of Hertfordshire are studied in this paper.

On average, students took almost two holidays, which lasted 16.7 days, during a 12-month period in 1999/2000. The students paid for these vacations by using a combination of personal savings, money from their parents, and bank/student loans. The study shows that spending by students on vacations represents a significant proportion of their income. Overall, the data indicates that despite the deteriorating financial position of students, students are very active in tourism pursuits.

Keywords: University students; Poverty; Holidays

1. Introduction

Despite the fact that the majority of university students may be chronologically defined as belonging to the youth population they are actually a distinct population with different age, socio-cultural, educational, and economic characteristics (Davies & Lea, 1995). In addition, Pritchard and Morgan (1996) have claimed there is a distinction between the holiday patterns of students and those of young people in full-time employment. As such, it is not possible to directly compare the youth and student populations. However, due to the overlap that does exist between the student and youth populations it is possible to utilise theories developed from research on the latter group to begin to conceptualise ideas about the holiday behaviour of university students.

An individual's access to holiday experiences is the product of a variety of facilitators/opportunities and inhibitors/constraints. These constraints and opportunities are linked to the personal characteristics and circumstances of the individual and his/her motivations. Discretionary income, free time, and personal desire are three of the prime influences that determine whether an individual takes vacations (Shaw & Williams, 1994). Traditionally, the young adult population has been identified with a preoccupation for socialisation, partying, and travel/holidays (Gibson, 1996; Kale, McIntyre, & Weir, 1987). The former two characteristics of young people's holidays have led to the creation of a link between this population and hedonistic behaviour that has been relatively widely examined (e.g., Mewhinney, Herold, & Maticka–Tyndale, 1995; Hobson & Josiam, 1992, 1995; Clark & Clift, 1994; Smeaton, Josiam, & Dietrich, 1998; Clarke, 1992; Pritchard & Morgan, 1996). In contrast, the desire to travel has been linked with the image of the backpacker as a young adult on a

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0261-5177/$ - see front matter
doi:10.1016/j.tourman.2004.06.014

journey of internalised and externalised exploration which has also been studied by a variety of authors (e.g., Vogt, 1976; Desforges, 1997; Loker–Murphy & Pearce, 1995; Hartmann, 1988). Although young adults tend to be constrained by relatively low levels of disposable income, the fact that they have few commitments, such as children and dependent spouses, and a relatively high amount of free time has allowed them a relatively high travel propensity (Pritchard & Morgan, 1996). In order to satisfy their curiosity with new places and their desire to explore the world and get away from their home environment young people tend to use budget types of transport and accommodation (Wheatcroft & Seekings, 1995), although upscale tourism has been successfully marketed to segments of the youth population (Carr, 1998a).

The economic and temporal circumstances, and motivations associated with young people tend to be even more pronounced within the university student population. Full-time employment is rare amongst students and income tends to be correspondingly low (Davies & Lea, 1995). However, they generally have few external commitments and have over 20 weeks of free time outside of the university term-time each year. The university environment also encourages students to travel and take holidays (Smeaton et al., 1998). This situation is developed through the presence of travel agencies catering specifically to university students. The tourism behaviour of university students is further encouraged by society's view of the student lifestyle, peer pressure to conform to the travel-oriented image of students, and parental expectations of student travel/holiday behaviour (Christie & Munro, 2001). Despite the traditionally low incomes of students in the early 1990s 20% of all international travellers were identified as students, making the university student tourism market a multibillion dollar industry (Bywater, 1993). Work conducted in the United States also indicates the relatively high travel propensity of university students (Kale et al., 1987; Sirakaya & McLellan, 1997). Indeed, it has been argued that the university student population should be regarded as a significant market for the tourism industry, both now and in the future as the number of students continues to expand (Carr, 2003a).

It may be hypothesised that the travel-oriented lifestyle of university students is becoming increasingly difficult for students in England and Wales to sustain as they come under increasing financial pressure that is forcing them to utilise more of their free time in formal employment. Support for this hypothesis is provided by Josiam, Clements, and Hobson (1994) whose study of American students found that the two main reasons given by their sample for not going on a holiday during Spring Break were work commitments and a lack of money. Josiam et al. (1994, p. 325) stated these results may "reflect a change in the way college education is financed in the USA [where] a growing number of students are required to work to support themselves through college."

The degradation of students' financial position in England and Wales can be traced back to 1990 when the British government abolished the means-tested grant system for students going to university in England and Wales and launched a new student loan system. Within this system students are expected to pay back loans awarded to them during their time at university once they have graduated and found full-time employment (Christie & Munro, 2001). In addition, universities in the UK now impose tuition fees of approximately £1000 on all but the poorest students and the British parliament continues to debate increasing this fee to as much as £3000 by 2006 (Ford, 2003). At the same time as these changes in the funding of universities and students have occurred, there has also been a large increase in the number of students entering universities, especially amongst the lower economic classes, from approximately 10% of the general population in the 1960s to over 30% by the end of the 20th century (Scott, Lewis, & Lea, 2001). One result of the increasing number of lower income people going to university combined with increasing fees and the end of the grant system is that student debt has been rising since the early 1990s. Indeed, in 2002 it was estimated by that the average student owed £10,997 when he/she graduated (Ford, 2003) to a combination of the Student Loan Company, their banks, credit cards, and parents, compared to an average debt of £2745 in 1997 (Jones & Copley, 1997). The result is that "abject poverty appears to be an inevitable consequence of student living" (Watt, 2000; Callender & Kemp, 2000). The suggestion that "there is widespread concern among educators, policy makers, and students [in the USA] that the current generation of college graduates is being unduly burdened with debt" (Monks, 2001, p. 545) indicates that the British position is not unique. To help combat their rising debt students are spending an increasing amount of time working during their university careers. Indeed, it has been estimated that 70% students now work throughout the summer vacation and 50% continue doing so throughout term-time (Knight, 2000).

While the increase in student debt has been clearly identified with the declining health of students' finances, there is also evidence to suggest that students often view their student loans and overdrafts as their own money rather than a form of debt. Even where they recognise these financial sources as forms of debt students tend to legitimise it by indicating their current financial circumstances are only temporary and that after graduation they can look forward to long term employment in relatively well paid jobs (Christie & Munro, 2001). This perspective may fit the traditional life cycle hypothesis

(LCH), which is based on the concept of 'rational economic man', developed by Modigliani and Brumberg in 1954. The LCH suggests that when people are young they will borrow to fund their consumption levels based on a rational analysis of their future earning potentials. The permanent income hypothesis developed by Friedman in 1957 broadly supports the concepts that underpin the LCH (Scott et al., 2001). Based on both of these hypotheses any increase in the cost of studying at university should result in a decrease in student spending on non-essentials such as travel, unless the amount of money they can expect to earn after graduation also increases. Indeed, Morgan, Roberts, and Powdrill (2001, 34) have noted that "according to the LCH students are behaving rationally, borrowing during a temporary period of low income that will be more than compensated for by their future earnings." Consequently, it may be argued, as Monks (2001) reported in a study in the USA of students' post-graduate education intentions that student debt does not appear to influence behaviour.

The LCH is based on the twin assumptions that studying at university is an investment that is likely to lead to above average salaries in later life, a concept that dates back at least 30 years according to Scott et al. (2001), and that individuals are economically rational, both of which are "contentious issues" (Scott et al. 2001, p. 6). In contrast to the LCH and permanent income hypothesis, the behavioural life-cycle hypothesis (BLCH) created by Shefrin and Thaler in 1988 recognises that rather than being economically rational, people tend to be impatient and often lack self-control, in terms of their spending habits (Scott et al. 2001). Within this context Scott et al. (2001, p. 10) has suggested "it may not be possible for individuals [e.g., students] to change their behaviour (say, reduce their borrowings), so instead, they modify their attitude to become more tolerant towards credit and debt". It has even been suggested that students may deliberately decide not to recognise their state of debt. For example, in a study of students at the University of Exeter, UK, by Lea, Webley, and Bellamy (2001) only 5% of those students who reported having taken out a student loan (38% of the sample) identified this as a form of debt. In addition to being irrational about their spending and borrowing, it has been claimed that "students are somewhat short-sighted in terms of their expenditure" (Morgan et al., 2001, p. 34). An increase within the student population of the acceptability of credit and debt has also been identified as part of a process that may be leading to the legitimisation of student borrowing (Scott & Lewis, 2001). Based on this concept it is possible to suggest that students are currently rationalising the economically irrational state of debt, potentially still attempting to conform to the LCH, but in a manner that is ultimately likely to be unsustainable, being founded on high levels of personal debt and the creation of a debt culture.

Based on the potentially flawed assumptions of the LCH and the idea of non-rational economic behaviour forwarded by the BLCH it is possible to predict that the current increases in the cost of higher education being put upon students and the lack of any guarantees of high paying employment upon graduation may not necessarily lead to decreases in spending on travel and tourism experiences by university students. Rather, it is possible to predict that students will continue to engage in this type of consumption, if necessary, going into debt in order to do so. Whilst the result may appear to be the same as in the case of the LCH, the BLCH result differs in that it recognises that the future earning potential of students may not cover the debt they are incurring whilst at university.

Given the changing nature of student finances the aim of this paper is to assess the nature of the holiday experiences of the university student population in England and Wales within the context of their financial position. In particular, the paper provides an assessment of whether students' tourism experiences are constrained by their apparent lack of income. Within this context, the paper will examine whether students conform to the rational economic man of the LCH or the impatient non-rational consumer of the BLCH.

2. Methodology

The data used in this paper is based on a study of the holiday behaviour of students enrolled in the business faculty at the University of Hertfordshire, UK. This university is generally labelled as one of the 'new' British universities, as distinct from the traditional universities, such as those at Oxford, Bristol, Durham, and St. Andrews. To an extent it may be argued that as such the sample on which this study is based is not fully representative of the British university systems' student body. However, the distinction between the traditional and new universities is not clear cut with a number of universities from both groups sharing many similarities in the entry qualifications, state and private school education mix, and geographical spread and socio-economic background of their students, as well as the types of courses they offer. This suggests that students from the University of Hertfordshire may, to an extent reflect the nature and, potentially, the practises of the broader population of students in tertiary education in the UK. Of course, in order to be truly representative of the student body research needs to be conducted based on a random sample of all students studying in the UK. However, the collection of such a sample was beyond the means of the current study. Consequently, the study is based on data collected from one institution, a situation that is not uncommon in previous studies of universities students' tourism behaviour (e.g., Carr, 2003b; Field, 1999; Hsu & Sung, 1997) and financial management (e.g., Davies & Lea, 1995; Lea et al., 2001).

A multi-method approach to data collection that included the use of a questionnaire survey and a series of in-depth interviews was used in this study. The former data collection method provided quantifiable generalisations whilst the latter supplied qualitative data that was utilised to provide a more detailed understanding of issues than is possible with only the use of questionnaire surveys (Deem, 1986; Carr, 1998b). The use of a questionnaire and interview based multi-method approach to data collection is not without precedence (i.e., Woodward, Green, & Hebron 1988, Sabo, Miller, Farrell, Melnik, & Barner, 1999; Bradby & Williams, 1999) and provides a more detailed understanding of students holiday experiences and spending habits than would have been possible if only one method of data collection had been used.

The questionnaire survey was distributed to a convenience sample of 662 undergraduate students during the 1999/2000 academic year in the classroom environment prior to the beginning of lectures. Questionnaires completed by non-British students were filtered out of the database to provide a more homogenous population for the purpose of this study. Combined with the removal of incomplete questionnaires from the database this left a sample of 505 students for data analysis. As part of the survey, the students were asked to state the date, location, and duration of their five most recent vacations, and identify the sources of funding they had used to pay for their most recent holiday. In addition, in-depth interviews were held with a convenience sample of 35 undergraduate students, drawn from the survey sample. Each interview lasted approximately one hour and gathered qualitative data about students' holiday and leisure experiences. As in the case of the survey, interviews with non-British students have been filtered out for the purpose of this study, leaving a sample of 31 interviews for analysis purposes. The interviews included discussions about the students' spending on holiday experiences, and their general financial situation.

As shown in Table 1 the majority of both the surveys and interviews were undertaken with students under 25 years old. The data in Table 1 also shows that there is a higher percentage of females than males in both samples, the difference between the two genders being most marked in the interview sample. In addition, the majority of the students who took part in the survey were in their second year of academic study at university, although first and final year students are also well represented in the survey sample. In the case of the interview sample the number of first, second, and final year undergraduate students was almost identical.

Table 1
Characteristics of the survey and interview samples (% in brackets)

	Survey sample	Interview sample
Under 25 years old	480 (95.05)	26 (83.87)
Over 24 years old	25 (4.95)	5 (16.13)
Male	226 (44.78)	10 (32.26)
Female	279 (55.22)	21 (67.74)
First Year	107 (23.46)	9 (30.00)
Second Year	298 (65.35)	11 (36.66)
Final Year	51 (11.18)	10 (33.33)

To assess the nature of any differences between the students who took part in the survey, in terms of whether they had been on holiday, the destination of their vacations, and the sources of money they utilised to fund their holidays, a series of X^2 tests was carried out. A series of ANOVA tests was also conducted to assess the nature of any differences amongst the students in relation to the length of the holidays they reported having taken. The significance level used for all these tests was 0.05%. The interview data was analysed using an interpretative approach that attempted to provide a holistic analysis of the variety of the students' tourism experiences and their interpretation by the subjects rather than attempt to reduce them to a 'norm' (Glesne, 1999).

3. Data analysis

Of the 505 British students who took part in the questionnaire survey, 435 (86.1%) had been on at least one vacation during a 12-month period in 1999/2000. Those students who had been on vacation during this time reported having taken a total of 827 vacations, which means that on average each student took 1.9 holidays. There was no significant difference, between the students when they were divided by age ($\chi^2 = 0.757$, $\rho = 0.384$) or gender ($\chi^2 = 2.149$, $\rho = 0.143$), in terms of whether they had been on a vacation during the 12-month period. In contrast, a significant difference was recorded when the students were divided according to which year of their degree they were in ($\chi^2 = 9.050$, $\rho = 0.011$). The data shows that whilst the majority of all the students had been on at least one vacation in the 12 month period in 1999/2000, a higher percentage of final year students had done so (98.0%) compared to the first (87.6%) or second year students (82.6%). The average length of each of the holidays taken by the Hertfordshire students was 16.7 days. The results of a series of ANOVA tests show that there is no significant difference between the length of the holidays reported by the students when they were divided by age ($F = 0.20$, $\rho = 0.657$) or gender ($F = 0.21$, $\rho = 0.645$). In contrast, there is a significant difference when the sample is

Table 2
Destination and length of students' vacations

Destination	Number of holidays	Percentage of holidays	Average Length of holidays (days)
Domestic	286	35.48	5.1
Europe	340	42.18	12.0
Rest of the World	180	22.34	16.8

Table 3
Destination of holidays taken by first, second, and final year undergraduate students (% in brackets)

Destination	First year	Second year	Final year
Domestic	61 (38.61)	190 (40.00)	21 (22.58)
Europe	59 (37.34)	185 (38.95)	49 (52.69)
Rest of the World	38 (24.05)	100 (21.05)	23 (24.73)

divided according to their year of study ($F = 2.65$, $\rho = 0.071$), with the final year students taking the longest holidays (average of 13.16 days) whilst the first and second year students took holidays of a similar average length (8.74 and 9.86 days, respectively).

The results shown in Table 2 indicate that the majority of the holidays taken were of an international nature and that Europe was the most popular destination for the students. The domestic vacations were, on average, of a relatively short nature, compared to the European and rest of the world holidays that were over double and triple the duration of the domestic ones, respectively. The results of a series of χ^2 tests show there is no significant difference between the students, in terms of their holiday destinations, when the sample is divided by age ($\chi^2 = 3.681$, $\rho = 0.159$) or gender ($\chi^2 = 1.809$, $\rho = 0.405$). However, a significant difference was recorded when the sample was divided according to the year of study of the students ($\chi^2 = 11.257$, $\rho = 0.024$). The data in Table 3 suggests that the final year students went on domestic holidays less and were more likely to have taken a vacation within Europe than students in either the first or second year of their degrees. The results illustrated in Table 3 also show that the percentage of students taking a holiday outside of Europe (i.e., Rest of the World) is fairly consistent across the year groups.

The higher percentage of final year students taking vacations, the longer length of their vacations, and the fact that they were more likely to holiday in Europe could all represent an acknowledgement by these students of the approaching end of the freedom to travel offered to university students before they enter full time employment. Indeed, Clare (final year undergraduate, 37 years old) recognised that "If I get a standard traditional job [after graduation]. Then there'll be much less time [for travelling]. That will restrict me, horribly." As a result of this restriction final year students appear to show a strong desire to travel while they can, indeed, Sharon (final year undergraduate, 23 years old) stated that she was willing to go into debt for a holiday "Because I know when I get a full time job I'm not going to have the opportunity to just go away on holidays as much or go and see friends as much because I'm going to have more responsibilities. So I might as well enjoy it while I can." In addition, based on the LCH it may be suggested that the final year students will tend to spend more heavily on non-essential items such as holidays in the expectation that they will be entering employment at a level capable of paying off their debts after graduation and the recognition of the proximity of this time. For example, Eleanor (final year undergraduate, 21 years old) stated "when I leave here [university] then I'm just going to get a job wherever it pays okay money especially if I can work over time or something. I don't know call centre or something, just get over time. So not really bad pay for that kind of work and just work hard, also well I need to clear my overdraft off as well."

The destination and length of the holidays taken by the interview sample was similar to that shown by the questionnaire sample, with only one male and one female interviewee stating they had not been on a vacation during the previous 12 months. On average, each of the students interviewed had spent £946 on the holidays they had taken during the 12-month period being studied. Aside from the travel and accommodation costs, the main sources of spending while on vacation appears to have been partying, sightseeing, and non-essential shopping. For example, when Louise (1st year undergraduate, 20 years old) was asked how much she had spent on her vacation to Turkey in the previous year she stated,

I'd say that last year we [Louise and her boyfriend] spent at least £2000. The holiday was about £1100, I wanted to be in a hotel where there was air-conditioning, and good facilities and services. I wanted somebody to make me breakfast, to pick up afterwards when we got back to the apartment. So we paid a lot more for that. And then we kind of went wild on the excursions. We went with Thomson's [one of the largest British tour operators] rather than looking around so that added to the price…. In the markets I bought a leather jacket and a ring, and I also bought things like purses and bags…. Also, they've got no copyright laws out there so they copy all the clothes. So we came back with loads and loads of shirts and jumpers and things…. I'm one for shopping anyway so when I went out and saw all these, you know, Levis' and jumpers for a tenner [£10] you kind of think, Yeah!

In contrast to students like Louise who tended to stay in hotels, others conformed to Wheatcroft and Seekings (1995) suggestion that young people tend to be budget travellers by attempting to minimise the cost of accommodation while on holiday by either staying with friends/relatives or in hostels. Booking the travel arrangements themselves instead of relying on a tour operator was another common method employed by the students to keep the cost of their vacations down. For example, when asked how much he had spent on his vacation to Australia Toby (2nd year undergraduate, 21 years old) replied, "Oh it's really bad isn't it. I spent £450 on the return flights to Sydney in the summer and 1000 and something dollars while I was there, but a couple of hundred is sitting in the bank somewhere. I didn't pay accommodation cause I was living with friends and family. I think I spent about 800 pounds plus all the money that I earned."

Accurately assessing the income of the students was extremely difficult as some included student loans, grants, and parental gifts in their income, whilst others did not. This finding supports Lea et al.'s (2001) claim that some students do not recognise loans as a form of debt. Despite the problem of accurately assessing students' income, the majority of those who were interviewed appear to have an annual income of less than £5000, which is similar to the income for British student reported by Callender and Kemp (2000). Therefore, it is not surprising to find that leisure and holiday spending accounts for a high proportion of the students income. Indeed, Paul (2nd year undergraduate, 20 years old) stated that leisure was a high spending priority for him because "I don't have much else to spend it [his money] on apart from running my car." Similarly, Tracy (final year undergraduate, 31 years old), when asked about her holiday spending habits, stated, "I've left myself short [for after the holiday]... I've probably used my last… you know, left myself with ten pounds in the bank for when I come back. But, to me, it's worth it." This confirms the view that the student population has relatively few financial commitments (Pritchard & Morgan, 1996).

Chadee and Cutler (1996) found that personal savings was the most commonly used source of holiday funding amongst the American students they surveyed. Furthermore, only 8% and 9% of Chadee and Cutler's sample reported having used money from their parents or bank/student loans to pay for their vacations, respectively. In comparison, as Table 4 illustrates, the students at the University of Hertfordshire used a variety of sources to pay for their vacations, with personal savings and parents the two most commonly used sources. Almost 22% of the sample also demonstrated a willingness to use bank and/or student loans to finance their vacations. This provides support for the suggestion that students are becoming increasingly accustomed to borrowing money (Davies & Lea, 1995).

While there is no significant difference between the genders, in terms of their use of any of the sources listed in Table 4, there is a significant difference in the use of parents and partners as sources of holiday funding when the sample is divided by age. In terms of the use of parents as a source of holiday funding, only 16% of those over 24 years of age stated they had used this source, compared to 67.5% of those students under 25 years old. Of those surveyed who were under 25 years old only 0.8% had used money from a partner to fund their holidays, whilst 16% of those over this age had used this source of funding. As the results in Table 4 indicate, a significant difference was also found when the sample was divided according to their year of study, in terms of their use of parents and bank/student loans as source of holiday funding. In the case of the latter amongst the first year students only 9.35% stated they had used this source to fund their vacations. In contrast, approximately one quarter of the second and third year respondents (26.17% and 23.53%, respectively) reported having used bank/student loans to fund their holidays. This result may be indicative either of an increasing state of debt amongst students and/or an increasing emersion in a debt culture that legitimises borrowing (Scott & Lewis, 2001) as they progress through their university careers. In addition, the increase in the use of loans may be linked to the decline in the number of students who gain financial support for their vacations from parents as they near the end of their undergraduate degrees, from over two thirds in the case of first and second year students (68.22% and 70.81%,

Table 4
Sources used by students to fund their vacations

Sources	Number of students	Percentage of students	Gender difference		Age difference		Year of Study difference	
			χ^2	ρ	χ^2	ρ	χ^2	ρ
Personal savings	381	76.51	0.117	0.732	3.538	0.060	0.605	0.739
Parents	324	65.06	0.340	0.560	27.685	0.000	13.134	0.001
Bank/student loans	109	21.89	1.820	0.177	1.686	0.194	13.109	0.001
Boy/girlfriend	44	8.84	0.292	0.589	0.734	0.391	2.167	0.338
Partner	8	1.61	1.273	0.259	34.980	0.000	1.509	Invalid

respectively) to less than half of the final year students (45.10%). The loss of financial support from parents may have encouraged students to utilise loans to continue to fund their holiday desires. This may be indicative of the suggestion by Scott et al. (2001) that rather than changing their behaviour students may prefer to modify their attitude to debt and, consequently, their use of financial loans.

The results from the in-depth interviews confirm that personal savings, parents, and student/bank loans are the three most common ways employed by students to finance their holidays. In addition, some students demonstrated a willingness to extend their overdrafts and use credit cards to finance their vacations. Indeed, when asked how she funded her vacations Megan (2nd year undergraduate, 20 years old) replied, "Normally with my overdraft and my credit cards. Sometimes delve into my savings but I prefer not to because I want to save it for more important things." Rather than using just one source of funding for a holiday the students tended to gain money from several sources. For example, when asked how she financed her vacations Louise said, "savings, just working throughout the year, student loan this year. I put it aside and tried to scrimp and save, and I'm using that this year and then my boyfriend contributes or my mum." Similarly, in response to the same question Karen (2nd year undergraduate, 20 years old) replied, "start savings, save up my money. Sometimes I use my overdraft if I get a bit stuck." The level of parental contributions to holiday funds varied widely, from those students who went on holidays with their parents and contributed nothing to the cost of the holiday to those who received nothing from their parents. The mature and young students who took part in the interviews both used a variety of sources to pay for their holidays, although the latter group, as in the case of the data highlighted in Table 4, showed less dependency on parental contributions and a higher use of funds from partners compared to the young students.

Some students relied solely on their personal savings to fund their holidays and refused to go into debt. It is interesting to note that these students do not conform to either the LCH or BLCH, both of which suggest that students will borrow money to fund non-essential items. Instead, these students viewed their vacations as luxury items and felt that going into debt to pay for them would reduce the enjoyment of the holiday. For example, when asked why he would not go into debt to pay for a vacation Paul replied, "I don't believe in debt really. I've been brought up that you know if you can afford something you can buy it. Not to spend too much money and that sort of thing. So I think holidays are a luxury item. So it's only something you do if you could, you know. It's not a necessity." The mature students appeared to be less willing to go into debt to pay for a holiday than their younger counterparts. For example, when asked if she would go into debt to pay for a holiday Betty (final year undergraduate, 29 years old) replied, "No I hate debt. No I would never take a loan for a holiday, ever. I hate debt. Before I was a student I never had been in debt in my life. And I hate the fact that I'm in debt now. And the first thing I shall do when I start working is clear it. I cannot live in debt. I'd rather save for it." This did not prevent the mature students using credit cards to pay for their vacations, a trend that appears to have been more prominent amongst the mature students than the young ones. The apparent tendency not to use of overdrafts or loans amongst the mature students appears to be related to the fact that most of these students either had a partner in full-time work or were working part-time themselves. However, the majority of the students who took part in the interviews admitted to taking on some form of debt to help pay for their vacations.

In common with the British students surveyed by Lea et al. (2001), Davies and Lea (1995), and Christie and Munro (2001) the students interviewed in Hertfordshire who had gone into debt did not generally view the use of interest free loans, such as the student loan and bank overdrafts, as a form of debt. For example, when asked if he would ever consider going into debt to pay for a holiday, Stephen (1st year undergraduate, 20 years old) replied "I'm using the student loan to go to Australia in December. But then, it sounds awful but you don't really see that as debt at the time do you?" When asked to explain this, he stated "It's sort of because you don't have to pay it back initially, and the way you have to pay it back you don't see it as sort of being this debt. And the way it's called, I think the way it looks and the image it has is not of a loan." Stephen explained his willingness to spend his student loan on a holiday by stating "Because I think I'd spend it anyway, because if I know I'm specifically saving it for a holiday I'd sort of make sure that my other leisure activities you know, I don't go out so much. Whereas I think if I wasn't saving it for a holiday and had it anyway, it'd go, because of the hole in your pocket syndrome. Cause I spend it on [pleasure] shopping." Another explanation for the use of student loans to pay for holidays was provided by Sharon (final year undergraduate, 23 years old) who stated she was willing to do this "Because it's the only money I have at the moment and I don't want to just spend all the money I have on book and food and boring things like that. I want to have a little bit of enjoyment out of it." Similarly, Megan stated she was willing to go into debt in order to take a holiday because, "I just want to enjoy myself really. I mean my overdraft is like..., I know I don't have to pay any interest on it. So I just, might as well use it if it's there and have a good time. And have an experience to remember rather than spend it on petrol and things like that." These results may be indicative of the preoccupation of young people with socialising, partying, and travelling noted by Gibson (1996) and Kale et al. (1987). Keith (2nd year undergraduate, 20 years old) also explained his willingness to go into debt to pay for a vacation by stating, "I'm in that much debt anyway with the student loans. I wouldn't think about it much. Think about that later. Because that's what my friends are doing; they've gone into their student loans, credit cards, anything." This explanation for the use of loans to pay for vacations supports the claim of the development of a debt culture and the legitimisation of borrowing by students (Scott & Lewis, 2001).

Those students who used at least part of their overdraft and/or student loan to go on vacation demonstrated a high degree of optimism that they would be able to repay the money either during the summer vacation or at some later, unspecified date. Indeed, Tina (1st year undergraduate, 19 years old) stated she was willing to go into debt to pay for her holiday "Because I haven't got the money right now but I know that I can earn it afterwards." This positive outlook on the state of the students' finances was epitomised by Sally (2nd year undergraduate, 20 years old) who stated she was willing to go into debt to pay for a holiday "Because I tend to be quite a forward looking person you know. So if I work at the moment I'll be still working in the future. So if I'm incurring so much debt I'll be able to pay it off and I think its well worth paying for going away." Eleanor (final year undergraduate, 21 years old) even stated that she would go into debt even if she couldn't pay it back. These results confirm the suggestion forward by both the LCH and BLCH that students' view their debt as a short-term issue that will be solved by future employment.

Cause I know I'll be able to pay it back if I didn't think that I could pay it back then I… actually I probably would [still go into debt]. I just really like going on holiday I get really excited… it's not just because you're going on holiday, girls especially have to go shopping beforehand and buy new outfits for holiday and think about what they're sort of going to buy and take their friends shopping with them. And so there's really also an excuse for a big shopping trip too. But you get something to look forward to cause a lot of time there's nothing really that great to look forward to.

These results support Christie and Munro's (2001, p. 367) claim that "although many [British] students earn additional income…. this was more often used to repay debt accumulated in the previous year and was only occasionally saved up for term-time."

4. Conclusion

The university students studied in this paper demonstrated a relatively high travel propensity and a strong desire to engage in tourism experiences. They also tended to have relatively low income levels. As a result, the students tended to spend a high proportion of their available finances on tourism. These results support the findings of a recent study by Callender that found despite a high percentage of students in England and Wales living on low income or poverty budgets the student population in these countries in 2002 was spending more on holidays than ever before (Curtis, 2003). The use of loans, overdrafts, and credit cards by students to fund their holiday experiences seems to be associated with younger rather than mature students. However, it is likely that rather than being a consequence of age this situation is due to the fact that the latter group are more likely than the young students to be financially supported by their working partners during their degree, thus reducing their need to go into debt to pay for their vacation experiences.

Overall, the results highlighted in this paper tend to confirm the growing concerns being voiced in the academic and popular press concerning the state of student debt and how this population views debt as a normal part of life. However, the apparent financial and temporal constraints imposed on the students by a combination of a lack of funds and the consequent requirement to work do not appear to have prevented the majority of students from taking vacations. Rather, it appears that the strength of students' desire to take holidays means that they are willing to overcome these constraints by whatever means possible, including often going into debt. From the students point of view the future debt of overdrafts and student loans is a worthwhile burden to bear as it allows them to engage in activities they do not feel they will be able to later in life when other priorities such as full-time employment and families may intrude on their free time and discretionary income. Student's apparent willingness to go into debt to pay for their tourism experiences is the result of a combination of the ease of access to loans and overdrafts, and their apparently generous interest-free terms and the financial behaviour of peers, as well as the strength of the individual students' desire to engage in tourism irrespective of apparent financial constraints.

The results highlighted in this paper indicate that, in financial terms, two types of university students may exist within England and Wales. The first of these types, whilst relatively poor, tend to avoid going into debt to pay for holidays that they view as luxury items. In contrast, the other type of student, who may also be relatively poor, views holidays and travel as a necessary part of their life and are very willing to go into debt to enable them to take vacations. These two groups of students are comparable to the groups identified by Riddell (2003), the first of which is too poor to afford basic food necessities, whilst the latter, who may also be poor but willing to take on a debt burden, is associated with conspicuous consumption, wearing designer clothing and spending relatively large amounts on alcohol and mobile phones. It is important to recognise that these are not necessarily fully distinctive groups and that students may move from one to the other depending on the product under discussion for purchase. It is also important to recognise that which group a student may be identified with is, as the results highlighted in this paper suggest, likely to change as the individual progresses through his/her undergraduate career. Consequently, identifying the characteristics of each group is a complex process that although potentially worthwhile, is beyond the scope of this paper.

The data presented in this study suggests that the majority of the students conform to either the LCH or BCLH by actively engaging in a culture of debt and spending relatively high levels of money on non-essential items. Those students who may be linked with the LCH tend to take out loans in the expectation that they will gain a job after graduation that has a salary that is capable of paying off debts incurred while at university. In addition, the students associated with the BCLH do not recognise their bank/student loans as a form of debt. Both of these types of student continue to base their financial behaviour while at university on unfounded expectations of future employment opportunities. While it is only a small segment of the sample, a third type of student exists that appears to refuse to live in a state of debt and shows a degree of scepticism about the ability of job opportunities after graduation to fund debt repayments. As such, this segment of the student population does not conform to either the LCH or BCLH. More research is undoubtedly required to assess the extent of this third student body and to determine if the financial behaviour they display can survive in a climate where the illusion of highly paid jobs for graduates continues to exist and a debt culture is evolving both within universities and society in general.

Within the context of the tourism industry, the results shown in this paper indicate that the student population is still a significant market, both in terms of its scale and spending habits, and as such is worthy of specific product development and marketing strategies. This situation is likely to remain for the foreseeable future despite the rising costs of tertiary education in England and Wales. This conclusion is based on the evidence that the majority of students are comfortable with the idea of living in debt in order to help fund their tourism experiences. However, encouraging students to take vacations often funded through credit mechanisms may have negative consequences in the long term for the tourism industry. This is because the debt burden after graduation may lead to a decline in the level of money spent by graduates on tourism experiences as they have to adjust to coping with debts amassed during their time at university. Consequently, the tourism industry may need to help to discourage the currently emerging debt culture where paying for items and experiences on credit is becoming a way of life. This will require the careful and selective marketing of tourism experiences to students that takes a longer term and more sustainable perspective to corporate and market development. The result of such an approach will be a financially healthy market during the university students' time at university and after their graduation.

While the results of this research are based on data collected from domestic students studying at an English university the similarities in the financial position of students across the globe suggests the findings in this paper could be replicated elsewhere. Consequently, the conclusions presented in this paper should be of relevance to the global university student population and the tourism industry catering to them. In order to test the validity of this hypothesis there is a need to expand the work illustrated in this paper to create a multinational analysis of the spending on tourism experiences of students. As part of this future research there is a need to develop more detailed quantitative measures to provide an accurate illustration of students' income, debts, and spending on vacations. Longitudinal research that assesses income, debt levels and holiday spending before students go to university, throughout their university careers, and after graduation is also required. This would help to understand the changing nature of students' outlay on tourism and situate the university experience within the rest of the lifecycle. This research could also help to assess the impact that student spending and debt habits during their time at university has on their spending desires and abilities, in relation to tourism, once they are in full-time employment after graduation.

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