

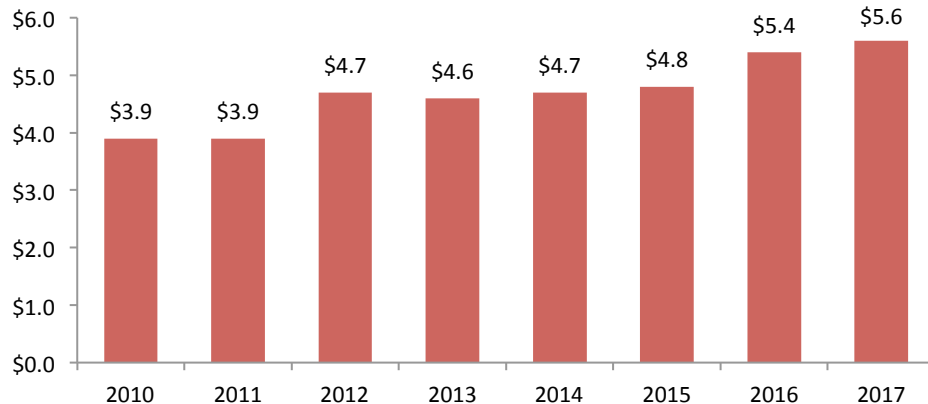
Graduation Spending to Reach a Record-High \$5.6 Billion in 2017



- 1) Based on its annual *Graduation Spending Survey* conducted by Prosper Insights & Analytics, the National Retail Federation (NRF) forecasts that total spending on graduates in the US this year will reach \$5.6 billion, a record high.
- 2) Some 53% of survey respondents said they would most likely present cash as a gift to graduates. Other popular gift items include cards and gift cards.
- 3) People aged 18–24 are most likely to spend money on graduates, but they also have the smallest budget, at \$78.4. People aged 45–54 have the biggest budget, at \$119.8, while those aged 65 or above have a budget of \$112.3.

With the arrival of graduation season—when students are leaving high school or college and starting a new chapter in their lives—both friends and family are ready to spend money to celebrate this momentous occasion in their loved ones’ lives. In fact, spending on graduation season is forecast to reach \$5.6 billion this year, a record high for the survey conducted by Prosper Insights & Analytics and the NRF.

Figure 1. US Consumers' Planned Graduation Spending Forecast (USD Bil.)

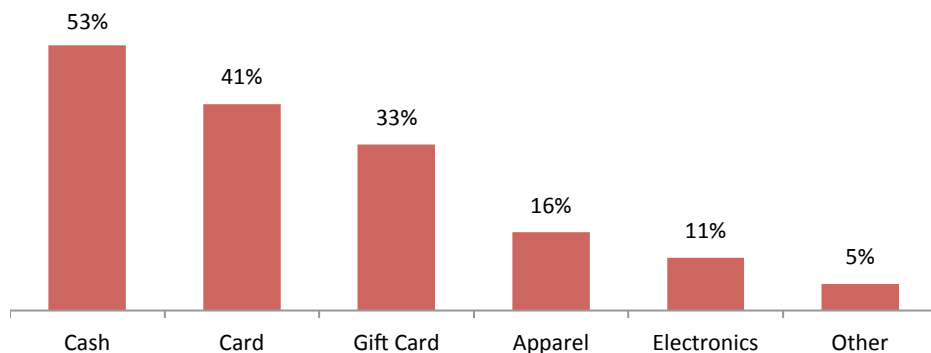


Source: NRF/Prosper Insights & Analytics

Of the 7,335 US consumers surveyed, 36% of respondents said they plan to spend money on graduates this year, bringing total graduation spending to a record-high \$5.6 billion, up from last year's 34% and total spending of \$5.4 billion.

Cash was the most popular gift, with 53% saying they planned to gift their graduate with cash. The practice of giving cash is not uncommon, as friends and family try to help graduates cope with the costly transition that often accompanies graduation, particularly from college. However, the percentage of respondents who said they would gift with cash dropped to a survey low this year. Cards are the second-most-popular gift, at 41%, followed by gift cards at 33%, apparel at 16% and electronics at 11%.

Figure 2. US Consumers' Planned Gift Purchases for Graduation



Source: NRF/Prosper Insights & Analytics

NRF President and CEO Matthew Shay commented that more millennials are giving gifts to their peers, as supported by Prosper's data, which indicates that 48% of millennials plan to do so, up from 42% last year.

In terms of age group, people aged 18–24 are the most willing to give a graduation gift, yet, at the same time, have the smallest budget, at \$78.4. People aged 45–54 have a budget of \$119.8, while those aged 65 or above have plans to spend an average of \$112.3.



FLASH REPORT

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