Research on the Risk of College Students' Campus Loan under the Internet Finance

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Abstract. The main purpose of this research is to study the consumption patterns of contemporary college students, analyze the risks of the campus loan platform, and then give countermeasures to reduce the risk of campus loans. The thesis focuses on some theories of behavioral finance, consumer psychology and internet finance. The research method adopted is online questionnaire survey, and statistical analysis of data is carried out by spss software. Finally, this thesis gives recommendations for rationally reducing the risk of campus loans from four dimensions, namely colleges, law, family and individuals.

Keywords: behavioral finance; consumer psychology; Internet finance; campus loan risk.

1. Research Background

In 2013, with the rise of Internet finance and P2P lending platforms, "campus loan" platforms for college students began to spring up, including Qufenqi, Fenqile, etc. As the number of platforms that offer campus loans increases sharply, some of unregulated chaos of campus lending have begun to grow. Firstly, some usury institutions mix into the university campus under the banner of campus loan, while the high interest rate brings heavy repayment pressure to college students. Secondly, naked IOUs lending disrupts the campus market. Usually, naked IOUs lending institutions require borrowers to hold ID Cards, taking a nude photo or video of themselves through WeChat, QQ and other channels, and use it as collateral materials. Once overdue, the borrowers will be threatened by the naked IOUs lending institutions for disclosing their privacy. [1] The third one is about violent collection. Most college students do not have a fixed source of income, and their repayment ability is low. They are prone to result in impulsive consumption and overdue repayment. Meanwhile, some campus loans use violent collection methods to the borrowers, which brings heavy physical and mental pressure to the parties themselves and their families. Therefore, in the context of Internet finance, it is necessary to study the risks of the form of campus loans.

Based on the investigation of college students in some colleges and universities, this thesis analyzes the emerging factors of campus loan and the consumer psychological activities of students who borrow money, so as to explore the risks of campus loan products and give some reasonable suggestions on how to avoid risks.

2. Literature Review

2.1 Campus Loans in the Context of Internet Finance

China's economic development has entered a new normal, and consumption has become the core driving force for economic growth. College students grow up in the era of rapid development of the Internet, and their consumption and entertainment are obviously marked by the Internet. In 2018, there were more than 37 million students in China. The annual consumption of college students reached 424.055 billion yuan, and the per capita daily disposable amount was 1405 yuan/month. Understanding college students' consumption characteristics and grasping the market rules are the foundation for the development of campus loan platform. Strictly speaking, China's university student market is far from being fully developed, and there are many profitable points that can be excavated. In order to create demands in the uncultivated market and achieve rapid growth in profits, companies tend to use the blue ocean strategy.

In 2009, the China Banking Regulatory Commission (CBRC) suspended issuing the credit card to college students, and clearly pointed out that financial institutions should judge whether to issue credit cards based on students' past credit records, income and expenditure, etc., which made it difficult to popularize credit cards among college students.

Despite the forced withdrawal of credit cards, Internet financial institutions have long been ready to face such huge consumer groups and loan demands. It is in this context that online lending and online amortization platforms have begun to enter the campus, and many e-commerce companies, including Ali and JD, have started to vigorously lay out the blue ocean market of college students' campus loan. That is to say, campus loan is a model for Internet financial institutions to use the blue ocean strategy to open the market.

2.2 Viewing Campus Loan from the Perspective of Behavioral Finance

Behavioral finance is an emerging branch of finance that covers psychology and sociology. It deeply reflects on modern financial theory, explains market changes based on human behavior, and fully considers the role of market participants' psychological factors, which is of stronger practical significance and applicability. Specific to the analysis of campus loans, the mental account theory, inconsistent time preferences, and the effect of sheep flock in behavioral finance can explain this phenomenon. [3]

2.2.1 Mental Account Theory

The concept of "mental account" was first proposed by Richard Thaler, a distinguished behavioral finance and behavioral economist at the University of Chicago. It is actually a cognitive illusion. People tend to make a "gain and loss" assessment of these properties when they spend and receive a certain amount of money. These incomes and expenditures are then classified by category, but often these categories are based on the maximal satisfaction of emotion while ignoring the utility maximization of rational cognition.

There are three circumstances of mental accounts. One is to divide the income of each period or the income of different ways into different accounts, which cannot be filled by each other; second, the income from different sources will be made different consumption tendencies; the third case is to treat different amounts of income with different attitudes. [4] Concrete to the campus loan, for college students, the tuition fees given by the parents in each semester, the money from their work-study program and the money borrowed through the campus loan platform belong to different mental accounts. The former is from parents who exchange labor for money to let the students carefully complete the school, whereas the latter may be a "windfall" that is easily obtained through an ID card verification. Most college students are not inclined to use their tuition or salary to conduct impulse purchases, that is, to buy some luxuries to satisfy their vanity. However, for the money borrowed from the campus loan platform, students tend to underestimate its value due to its source and approach, so they make some unrestrained impulse consumption, such as spending a big sum of money lavishly.

2.2.2 Inconsistent Time Preferences

"Time preference" is interpreted as a phenomenon in which the subject prefers the present more than the future. [5] Since the 1980s, behavioral economists have found that people's preferences for future periods (i.e., discount rates) are not equal, showing a tendency to decline over time.

Combined with campus loans, college students tend to consider that the current consumption utility is stronger than the future consumption utility. Therefore, when their purchases are experiencing financial difficulties, some students do not lag behind their own consumption impulses, but choose campus loans, of which the lending platform will overdraw their future disposable income, including living expenses from parents and money from work-study program. With the rapid development of the consumer finance and service supply, the "advanced consumption mode" characterized by consumer credit has spread among the college students. Comparing unrealistically and pursuing new commodity are two main characteristics of college students' consumption culture. Faced with huge temptation of consumption, students tend to underestimate the time value of wealth. Only a small number of students choose financial management or savings. This huge current consumer demand has brought a broad market to the merchants, and the campus loan platform came into being.

2.2.3 The Effect of Sheep Flock

The Effect of sheep flock, also known as conformist mentality, describes the psychology of economic individuals following the herd. It is impossible to spread the campus loan among students in one move. There must be some students who play the role of “leader”. These students use the borrowed money to satisfy their vanity and cause another students’ jealousy and bandwagon. More and more students join in, which greatly stimulates the prosperity of the campus loan platform.

2.3 Consumer Psychology in Campus Loans

The characteristics of young consumers’ consumption psychology are mainly as follows.

The pursuit of fashion and novelty

Contemporary college students are characterized by their touch of new things, innovative thinking and adventurous spirit. In terms of consumption activities, college students tend to pursue innovative products and experience new life patterns. Many start-ups often capture the college students’ curiosity and achieve success in their careers.

Enhancing the sense of independence and the pursuit of independence

When entering the college, many college students hope to get rid of the constraint of their parents and strive for material and ideological independence. However, due to the limited approaches of creating wealth and the burden of coursework, some students will take risks to choose the consumption mode of campus loans to show their wealth management level in front of their relatives and friends. However, behind the seemingly great success lies a huge repayment pressure and ideological burden.

Liable to impulse, sense over reason

Young people’s ability to analyze and judge things is not fully mature. Their thoughts, values, and outlook on life are also unstable. Therefore, when faced with reality, they tend to be emotional and even impulsive. Their psychological characteristics are reflected in consumer behavior, that is, impulsive purchases are prone to occur. Emotional factors play a leading role in the selection of goods. Whether they can satisfy their emotional desires often determines whether they are fond of this kind of goods. As long as they like the consumer goods, they will try their best to make purchasing decisions quickly.

3. Methodology

This study uses online questionnaire survey method and conducts statistical analysis of data via spss software. A total of 131 questionnaires were distributed in this survey, of which 131 were collected, and 131 were valid. The questionnaire is divided into three parts. The first part is used for demographic characteristics analysis. The second part is used to determine the psychology of college students. The third part is used for the investigation of college students’ awareness of campus loan risk. According to the Reliability Statistics, the Cronbach’s Alpha is 0.921, and this value is far higher than the minimum value of 0.6.

4. Statistics of Survey Results

4.1 Respondents' Personal Data as Well as Income and Expenditure Situation

Table 1. Overview of respondents

1. Gender:

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	56	42.7	42.7	42.7
	Female	75	57.3	57.3	100.0
	Total	131	100.0	100.0	

2. Grade

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Freshman	32	24.4	24.4	24.4
	Sophomore	27	20.6	20.6	45.0
	Junior	31	23.7	23.7	68.7
	Senior	41	31.3	31.3	100.0
	Total	131	100.0	100.0	

3. Main source of living expenses

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Parents	103	78.6	78.6	78.6
	Part-time job	12	9.2	9.2	87.8
	Scholarship and grants	11	8.4	8.4	96.2
	Self entrepreneurial income	5	3.8	3.8	100.0
	Total	131	100.0	100.0	

4. Average monthly living expenses

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 1000 yuan	11	8.4	8.4	8.4
	1000 yuan—2000 yuan (including 1000)	78	59.5	59.5	67.9
	200 yuan—3000 yuan (including 2000)	19	14.5	14.5	82.4
	3000 yuan—4000 yuan (including 3000)	10	7.6	7.6	90.1
	4000 yuan—5000 yuan (including 4000)	10	7.6	7.6	97.7
	5000 yuan—6000 yuan (including 5000)	2	1.5	1.5	99.2
	6000 yuan and above	1	.8	.8	100.0
	Total	131	100.0	100.0	

Before elaborating on the consumption situation of college students and the risks of campus loans, it is important to clarify the personal data of the respondents. Table 1 gives an overview of the respondents, including their gender, grade, main sources of living expenses and average monthly living expenses. The majority of respondents are women, accounting for 57.3 %. Respondents range from freshmen to seniors, with 24.4% of students being freshmen and seniors accounting for 31.3%.

Sophomores and juniors account for 20.6% and 23.7% of the total number of students surveyed. In addition, the majority of college students' primary living expenses are from their parents, accounting for 78.6% of the total number, and the proportion of their self-entrepreneurial income is the lowest, only 3.8%. The proportion of students who have part-time jobs, school scholarships and grants as the main source of living expenses is 9.2 % and 8.4% respectively. Meanwhile, the research results show that 59.5% of respondents' monthly living expenses are maintained at the levels of 1000 yuan to 2000 yuan. It is followed by the living expenses from 2000 to 3000 yuan per month, with students accounting for 14.5%. The proportion of students whose monthly living expenses are below 1000 yuan is similar to that of students whose monthly living expenses are between 3000 yuan and 4000 yuan as well as between 4000 yuan and 5000 yuan, which is basically around 8%. The number of students with above 5,000 yuan living expenses is very small, accounting for only 2.3%.

4.2 Data Analysis based on Behavioral Finance

Table 2. Daily expenditure distribution of college students

		Responses N	Responses Percent	Percent of Cases
Daily expenses [a]	5 (daily expenses(catering,consumption,transportation,etc))	123	30.8%	93.9%
	5 (tourist spending)	61	15.3%	46.6%
	5(purchasing clothing, cosmetics and other consumption)	63	15.8%	48.1%
	5 (books, learning and other consumption)	59	14.8%	45.0%
	5(consumption of digital products)	48	12.0%	36.6%
	5 (purchasing gifts for boyfriend (girlfriend))	27	6.8%	20.6%
	5 (entrepreneurship spending)	3	0.8%	2.3%
	5 (purchasing stocks, funds or other wealth management products)	8	2.0%	6.1%
	5 (others)	7	1.8%	5.3%
Total		399	100.0%	304.6%

a. Dichotomy group tabulated at value 1.

As can be seen from Table 2, the vast majority of the college students' daily costs are mainly concentrated on daily expenses, including catering, consumption, transportation, etc., accounting for up to 30.8%. The proportion of consumption such as clothing and cosmetics, tourist spending and book purchase is similar, which is 15.8%, 15.3% and 14.8% respectively. Digital purchases make up 12%, followed by gifts for boyfriends or girlfriends. The proportion of students with entrepreneurial and financial expenses is very low, 0.8% and 2% respectively.

Table 3. What would you do when you are short of money for your favorite product?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Borrowing money from family or friends	15	11.5	11.5	11.5
	Choosing the campus loan	51	38.9	38.9	50.4
	Holding off on buying	65	49.6	49.6	100.0
	Total	131	100.0	100.0	

The table 3 shows that when faced with the shortage of funds, almost half of the respondents choose not to buy their favorite product, but it is worth noting that 38.9% of students choose campus loans, which is close to the 40% of the respondents' , reflecting the fact that our research on campus loans is very essential and urgent.

Table 4. The Survey Results

1. Gender:		8. When you go shopping, you will choose the brand that everyone buys.	9. Compared with ordinary consumption, when you meet shopping festival like Double Eleven, your consumption will increase
Male	Mean	3.25	2.98
	N	56	56
	Std. Deviation	1.505	1.446
Female	Mean	3.35	3.15
	N	75	75
	Std. Deviation	1.581	1.468
Total	Mean	3.31	3.08
	N	131	131
	Std. Deviation	1.544	1.455

The survey results in Table 4 demonstrate that most of the students surveyed, regardless of gender, will have conformist mentality and buy everyone's passionate products. When encountering a shopping festival like Double Eleven, female respondents are more inclined to increase spending than male respondents, but in general, on the day of the Double Eleven, the consumption of respondents generally increases. These two surveys show that the students surveyed are easily influenced by the surrounding students or the environment during consumption, thus blindly following the crowd and generating unnecessary consumption.

Table 5. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
19. Situation A: Suppose you are going to see a movie tonight, and the fare is 50 yuan. When you are about to leave, you find that you have lost your meal card with a total value of 50 yuan. You are still willing to see this movie.	131	2	5	4.47	.705
20. Situation B: Suppose you are going to see a movie tonight, and the fare is 50 yuan. When you are about to leave, you find that you have lost the movie ticket that you bought yesterday, so if you If you want to see the movie, you can only pay another 50 yuan. You are still willing to see this movie.	131	1	5	2.73	1.436
Valid N (listwise)	131				

According to the survey results in Table 5, when confronted with scenario A, that is, the lost 50-yuan meal card is not directly related to the 50-yuan movie ticket, the vast majority of respondents are still willing to go to the cinema. But in scenario B, only few students are still willing to go to see the movie when the movie ticket worth 50 yuan has been lost. On the whole, the "mental account" theory is rather applicable to the students interviewed, who have completely contradictory behaviors towards the loss of the same value in different approaches. When it comes to campus loans, college students may underestimate the value of the money they borrow on campus loans due to the existence of "mental accounts", thus resulting in some impulsive consumption. College students may not be inclined to spend excessively with the money given by their parents or the students' grants.

4.3 Factor Analysis based on Consumer Psychology

Table 6. Rotated Component Matri[xa,b]

	Component		
	The pursuit of fashion and novelty	Enhancing the sense of independence and the pursuit of independence	Liable to impulse, sense over reason
10. When I consume, I tend to experience innovative products and the latest technology	.693		
11. When I consume, I often buy products that show my personality	.731		
12. Popularity and fashion are the factors I regard as important in shopping	.602		
13. I don't ask my parents for advice when I spend money		.696	
14. I will not immediately ask for help from my parents when my living expenses are about to overdraw		.725	
15. In college life, I tend to make my own decisions		.511	
16. I often make impulse purchases on impulse on a whim			.686
17. When I consume, I often run out of money			.734
18. When I am in a bad mood, I will use unplanned consumption as part of my catharsis			.692

According to the consumption mode of college students, the factors affecting the consumption psychology of college students are determined. As is shown in Table 6, the value of Bartlett's Test of Sphericity is significant ($p < .000$), as well as the value of KMO is 0.702, and this value is higher than the minimum value of 0.6. The research puts forward three main factors. The first one is the pursuit of fashion and novelty; the second is the enhancement of sense of independence and the pursuit of independence; the third is liable to impulse as well as sense over reason. These factors are college students' consumption preferences.

4.4 Campus Loan Risk Awareness Survey

Table 7. Have you ever used campus loans? [if not, skip questions 28, 29]

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	67	51.1	51.1	51.1
	No	64	48.9	48.9	100.0
	Total	131	100.0	100.0	

Table 7 illustrates that 51.1% of the students surveyed have used campus loans, while 48.9% have not.

4.4.1 Survey on the Reasons for the Rise of Campus Loan from the Viewpoint of College Students

Table 8. What do you think are the advantages of campus loans Frequencies

		Responses N	Responses Percent	Percent of Cases
What do you think are the advantages of campus loans [a]	21(low credit threshold)	92	45.1%	70.2%
	21(simple loan procedure and low review conditions)	40	19.6%	30.5%
	21(low installment rate)	57	27.9%	43.5%
	21(0 down payment and high loan amount)	15	7.4%	11.5%
Total		204	100.0%	155.7%

a. Dichotomy group tabulated at value 1.

Table 9. Why do college students choose campus loans Frequencies

		Responses N	Responses Percent	Percent of Cases
Why do college students choose campus loans [a]	22(mind of rivalry and vanity)	67	24.7%	51.1%
	22(Unnecessary overspending)	88	32.5%	67.2%
	22(Helping students borrow money)	67	24.7%	51.1%
	22(Necessary life and education consumption exceeds their own consumption abilities)	49	18.1%	37.4%
Total		271	100.0%	206.9%

a. Dichotomy group tabulated at value 1.

As can be seen from Table 8, students surveyed regard the low credit threshold as the most significant advantage of the campus loans, accounting for 45.1%. 27.9% of students believe that the low installment rate is its advantage. As for why college students choose campus loans, according to Table 9, unnecessary consumption takes up the highest proportion, reaching 32.5%. The ratio of mind of rivalry and vanity as well as helping students borrow money are the same, namely 24.7%. The students who choose the necessary living and education expenses beyond their own consumption ability are the least, accounting for 18.1%, indicating that the living expenses given by parents can meet the necessary living and education expenses of the students surveyed.

4.4.2 A Survey on College Students' Views on Campus Loan Risk

Table 10. Descriptive Statistics

	N	Mean	Std. Deviation
28. You have carefully read the relevant contracts and documents of campus loans (such as liquidated damages, dunning methods and operating procedures, etc.) [Enter 1 (completely non-conforming) to 5 (fully conforming) figures]	67	2.30	.969
Valid N (listwise)	67		

Table 11. If you use campus loan, but if the expense is tight when you are close to the repayment. What kind of circumstance will you choose to repay on schedule?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Borrowing from other platforms	28	21.4	41.8	41.8
	Borrowing money from friends	18	13.7	26.9	68.7
	Family help	14	10.7	20.9	89.6
	Others	7	5.3	10.4	100.0
	Total	67	51.1	100.0	
Missing		64	48.9		
Total		131	100.0		

As is indicated from table 10, among the 67 students interviewed who have used campus loan, the vast majority of them have not carefully read the relevant contracts and documents of campus loan. At the same time, 41.8% of the students choose to use the method of borrowing money from other platforms to make the payment on schedule, if the expense is tight when they are close to the repayment. Undoubtedly, although this method that robs Peter to pay Paul moves the risk backward, it may increase the risk. Once the capital chain is broken, the consequences would be more than severe.

Table 12. What do you think are the effects of campus loans on college students Frequencies

		Responses N	Responses Percent	Percent of Cases
What do you think are the effects of campus loans on college students [a]	23(generating the wrong view on money)	102	50.0%	77.9%
	23(influence on physical and mental health)	50	24.5%	38.2%
	23(receiving the charge of creditor)	50	24.5%	38.2%
	23(no influence on their study and life)	2	1.0%	1.5%
Total		204	100.0%	155.7%

a. Dichotomy group tabulated at value 1.

Table 13. What do you think are the risks of the campus loan platform Frequencies

		Responses N	Responses Percent	Percent of Cases
What do you think are the risks of the campus loan platform [a]	24(Some loan platforms are cheating)	72	22.0%	55.0%
	24(lack of necessary supervision from supervising subjects)	58	17.7%	44.3%
	24(lack of risk control awareness and mechanisms)	51	15.6%	38.9%
	24(usury trap)	99	30.3%	75.6%
	24(inducing college students to keep taking out loans)	31	9.5%	23.7%
	24(others)	16	4.9%	12.2%
Total		327	100.0%	249.6%

a. Dichotomy group tabulated at value 1.

According to the research results, the effects of campus loans on college students can be demonstrated from Table 12. 50% of the students surveyed point out that they may generate the wrong view on money. The percentage of students who think their physical and mental health would be affected is the same as the percentage of students who argue that they would suffer from the charge of creditor, both at 24.5%. The number of students who are convinced that it has no influence on their study and life is the least, accounting for only 1% of the total number of respondents. Such being the case, the vast majority of students believe that campus loans will have more or less negative effects on individual students.

As for the risks of campus loan platforms, usury trap is the most popular choice among respondents, accounting for 30.3%. The second and third choices are that some loan platforms are cheating and lack necessary supervision from supervising subjects, accounting for 22% and 17.7% respectively. Excluding other students choosing "others", the students who choose the option of inducing college students to keep taking out loans are the least, accounting for 9.5%.

4.4.3 The Investigation of Campus Loan Risk Precautionary Measures

Table 14. Does the university carry out educational activities related to campus loans?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	12	9.2	9.2	9.2
	No	93	71.0	71.0	80.2
	Paying no attention	26	19.8	19.8	100.0
	Total	131	100.0	100.0	

Table15. What do you think should be done to prevent students from using non-performing campus loans

Frequencies		Responses N	Responses Percent	Percent of Cases
What do you think should be done to prevent students from using non-performing campus loans [a]	26(establishing a correct view of consumption and carrying out moderate consumption)	89	26.1%	67.9%
	26(School should strengthen students' education of financial intelligence quotient)	77	22.6%	58.8%
	26(Understanding the law and knowing more about relevant knowledge)	32	9.4%	24.4%
	26(Choosing the patterns of loan carefully and choosing the right loan forms)	43	12.6%	32.8%
	26(The government should formulate relevant policies to restrict the development of campus loans.)	34	10.0%	26.0%
	26(Families should strengthen the home-school connection and pay attention to the education of children's consumption view.)	66	19.4%	50.4%
Total		341	100.0%	260.3%

a. Dichotomy group tabulated at value 1.

According to the survey results in Table 14, among the students surveyed, 71% of their universities have not carried out any educational activities. 19.8 % of students do not pay any attention, with only 9.2% of universities implementing such activities.

In terms of how to prevent students from using non-performing campus loans, the students surveyed mainly consider the problems from the perspectives of students, schools and families. 26.1%

of the students believe that it is necessary to establish a correct view of consumption and carry out moderate consumption. 22.6% of the students are convinced that schools should strengthen students' education of financial intelligence quotient, and 19.4% of the students think that families should strengthen the home-school connection and pay attention to the education of children's consumption view. Only 10% of students hold the view that the government should formulate relevant policies to restrict the development of campus loans.

5. Analysis of Survey Results

5.1 Analysis of Consumption Patterns

According to the survey data, the total monthly living expenses of college students are not high. The main expenses are centered on daily expenses, including catering, consumption, transportation, purchase of cosmetics and other consumption, books, and tourism expenses, which have become a more common consumption of college students. Purchase of digital products and gifts for boy (girl) friends also accounts for a certain proportion. At the same time, the data suggests that the vast majority of students' living expenses are from parents, and there are very few students who hold a part-time job or start their own businesses. The college students have strong consumer demand and consumption potential. Besides, not ample living expenses often lead to the difficulty of satisfying the consumption needs of college students, thus breeding the burgeoning of campus loans.

More than half of the respondents have the urge on excessive consumption, and these students are more inclined to choose campus loans than to ask for help from their families and friends. Although nearly half of the students plan to invest and manage money matters with their abundant living expenses, more than half of the respondents still choose consumer spending. It is obvious that the students surveyed have a "time preference", and they are more inclined to adopt the pattern of excessive consumption and early overdraft.

Meanwhile, the consumption of college students is easily affected by the surrounding classmates, friends and even the Internet media. Bandwagon appeal plays a significant role. Students tend to buy products that are generally popular, and female college students are more likely to increase their consumption on online shopping carnival, such as "Double Eleven". In addition, "mental account" influences the behavior of college students, who may underestimate the value of money borrowed from campus loans and make some unreasonable consumption.

From the factor analysis based on consumer psychology, college students have the characteristics of the pursuit of fashion and novelty, the enhancement of sense of independence and the pursuit of independence, liable to impulse, and sense over reason when making shopping consumption. For instance, in the selection of shopping, popularity and individuality are important parts for contemporary college students. Although the main source of living expenses is their parents, college students are not inclined to get advice on shopping from parents. Unplanned consumption and impulsive consumption often reflect the irrationality of college students.

5.2 Risk Analysis of Campus Loans

Campus loan has the advantages of low credit threshold, simple loan procedure, low interest rate on installment and high loan amount. Most students choose it because of their unnecessary excessive consumption, unrealistic comparing and vanity.

According to the survey, only a small number of students who use campus loans have carefully read the relevant contracts and documents related to campus loans (such as liquidated damages, dunning methods and operating procedures, etc.). Many vicious campus loan events, such as usury and "naked loans", make use of the information asymmetry targeted at college students, thus cheating them into borrowing money on their platforms.

At the same time, facing the situation of repayment tension, most students choose to borrow money from other platforms to repay. There are very few people who choose to borrow money from friends and family, which shows that college students have a weak sense of self-protection and financial security. They believe excessively in advertising, and are easily blinded by some illusions, thus becoming a new target of usury. It also indicates that college students are "guilty" and unwilling to reveal their current situation to their family and friends after choosing campus loans, which just aggravates the rampage of campus loans.

Currently, the institutions engaged in Internet campus consumer loans are mainly non-bank institutions. As the Internet laws and regulations system have not yet been fully established, some campus lending platforms are inevitably in the "grey zone" that lacks of law, supervision, and self-discipline.

6. Countermeasures and Suggestions

6.1. Strengthening Students' Education of Financial Intelligence Quotient and Related Mechanisms in Colleges and Universities

Internet financial consumption behavior is a kind of consumption behavior dominated by the concept of "credit consumption". Colleges and universities should strengthen students' ideological education and consumption view education. On the basis of respecting college students' individual needs and choices, and pursuing high-quality living requirements, they should guide students to become a reasonable consumer, establish a "rational debt" concept, abandon hedonism, and form a healthy consumption view. Colleges and universities ought to include the training of "financial intelligence quotient" as the goal of quality education for college students, and set up some financial management elective courses and extracurricular activities, so that college students are able to master financial management knowledge and skills, develop financial planning management capabilities and credit literacy, get familiar with industry rules, and use credit products in a rational way. College students should possess the actions and abilities of money management, enhance their sense of responsibility and contract spirit, standardize their own consumption behaviors, and become the transaction subjects of honesty and credibility. [6]

At the same time, it is essential to strengthen the emergency response mechanism for campus loans. Once the phenomenon of campus loans is discovered, parents should be contacted at the first time. Relevant departments should be reported, and emergency disposal should be done to eliminate early hazards. Firstly, colleges and universities should get in close contact with parents to form a long-term interactive contact mechanism. Many students who participate in campus loans are afraid to tell their parents about their loan situation, because it has exceeded their repayment ability, so they can only repay through "rolling interest", which leads to more and more debts. In this case, the university counselors must first get to know the student loan situation, including the loan platform, funds, interest, and so on. While informing parents, and they should report to the relevant departments, taking legal measures to prevent the situation from further deteriorating.

6.2 Establishing Strict Supervision Operating Mechanism

First of all, campus loan operators should also have a sound operation mechanism and strong risk tolerance. Perfect risk review mechanism can accurately assess risks and reduce non-performing loans. They also need to pay more attention to reputation and avoid improper collection [7] Staff members are prohibited from contacting borrowers through channels other than those provided by this website. As for the network loan platform campus loan lender audit, it is strictly prohibited for them to contact borrowers through QQ, WeChat and other means and use websites to issue loans. Once found, their use of the platform qualification would be permanently forbidden. False and misleading propaganda shall be strictly prohibited in online publicity, and campus loan business shall not be publicized by means of E-mail, phone call or text message.

In terms of rates, all fees added should not exceed the interest rate stipulated by national laws, and the items and amount of charge prices should be published on the website for customers to choose, and no fees other than the published items should be charged in any name.

Secondly, when the overdue occurs, the borrower must first be informed and given a certain grace period. The grace period is at least three days. If the grace period is over and the payment has not been made, the overdue fee will be calculated, and the collector may start the collection. The China

Banking Regulatory Commission has clearly adopted a method of suspending business for campus loan operators who collect loans in a violent manner. The management method should clearly stipulate that in the case that the borrower is unable to repay the loan, it can be resolved via negotiation or legal channels and other legitimate means. It cannot be collected by illegal or soft violence and interferes with the normal life of a third party.

In terms of credit line, it can be assessed according to the borrower's historical transaction records, loan purpose and relevant materials provided, and the credit line could be matched in time.

6.3 Establishing a Sound Credit System

The access suitable for the campus loan platform is Sesame Credit and Tencent Credit. Information sources of Sesame credit are mainly Taobao and Tmall' s shopping and Alipay payment information. Tencent's information source is active QQ users and WeChat users, which is the server of college students' information. The information of the two credit platforms can better assess the credit status of college students. Considering that college students use fewer financial institutions and have no relevant information such as housing purchase and social security, personal credit information is mainly consumption records of e-commerce websites, third-party payment records, social software information, Internet search and consumption records of taxi-hailing app. Personal credit agency can cooperate with the education department to obtain and properly preserve relevant information about the performance of college students in school, so as to better determine their credit status.

6.4 Parents Strengthen their Education on Children'S Financial Awareness

Foreign parents deliberately cultivate their children's financial awareness and ability after they reach a certain age. Because our parents lack awareness in this area, they generally only pay attention to their children's academic record, thus making their children basically have no concept of money. In addition, due to the large number of the only child among current college students, their families tend to spoil them, and they will not set too many restrictions on money. Therefore, it is not conducive to the establishment of their view on money. As a result, when many college students are just exposed to online lending, they are easy to fall into the temptation of online lending due to the lack of knowledge in this aspect. Therefore, parents should pay attention to children's consumer psychology and money awareness in advance, strengthen communication with children and with colleges and universities, reasonably guide students to adopt consumption patterns consistent with their own situation. Students should be educated to refuse blind comparison, establish correct consumption views, and form good consumption habits such as economy and temperance.

6.5 Students Strengthen Personal Awareness of Financial Planning and Management

As a college student whose earning capacity is not very strong, students can increase their income through formal channels such as part-time job in their spare time, and at the same time cultivate reasonable financial planning and management awareness, which is no less important for their future development than textbook knowledge. On the basis of solving the problem of living expenses, if there is any surplus, college students can find suitable channels for financial management, such as money funds and other investment methods with relatively less operational difficulty. At the same time, whether it is a formal rural financial institution or a bank loan, college students need to clarify the responsibility of the borrower. They are supposed to bear in mind not to overdue the repayment and make personal credits on the black list, which in turn affects their personal future prospects. [8]

7. Conclusion

To sum up, the main purpose of this research is to study the consumption patterns of contemporary college students, analyze the risks of the campus loan platform, and then give countermeasures to reduce the risk of campus loans. Theoretically, this thesis mainly adopts the theory of behavioral finance and consumer psychology as well as some Internet finance. The main findings of this study indicate that the college students' consumer demand is diverse and biased, and it is easily influenced by conformist mentality and different mental accounts. In addition, this study provides a factor analysis based on consumer psychology. The results suggest that there are some consumption characteristics of college students, namely the pursuit of fashion and novelty, the enhancement of sense of independence and the pursuit of independence, and sense over reason, etc. Meanwhile, it also investigates college students' understanding of the risk and impact of campus loans, and the results shows that most students are weak in risk awareness. The risk education activities of campus loans in colleges and universities need to be strengthened. In addition, this study provides reasonable suggestions to reduce the risk of campus loan from the four dimensions, namely university, law, family and individuals. Only when the three sectors interact with each other and carry out centralized management can the Internet financial environment become more and more orderly.

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