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# THE IMPACT OF INFLATION ON INTERNATIONAL STUDENTS' HOUSING COST IN KUOPIO

AUTHOR/S Harriet Manjo

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Author Harriet Manjo	
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<p>The aim of the thesis was to examine how inflation has affected international students' housing costs in Kuopio. It explored the key challenges students face as living expenses increase and considered the broader implications for student well-being and the attractiveness of Kuopio as a study destination.</p> <p>The study followed a qualitative research approach, combining interviews with international students, desk research, and analysis of secondary data. The participants represented a range of nationalities, housing types, and lengths of stay, offering a broad perspective on the housing situation.</p> <p>Through thematic analysis, the study identified key issues such as rising rental prices, limited availability of affordable housing, and increased financial stress. Proposed solutions included expanding low-cost housing options, improving financial support systems, and offering better guidance to help students navigate the local housing market.</p> <p>The research concluded that addressing housing-related challenges is essential to improve students' living conditions and ensure Kuopio remains welcoming to international learners. The findings provide useful insights for universities, housing providers, and decision-makers to develop strategies that support both student welfare and sustainable development.</p>	
Keywords Inflation, International Students, Housing Costs, Kuopio, Student Welfare, Affordable Housing	

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## 1 INTRODUCTION

Relocating to a new country for educational purposes brings both excitement and challenges. One of the most pressing concerns for international students is the rising cost of living, particularly housing. Many students struggle to secure affordable accommodation, and in recent years, inflation has further aggravated this issue. Although some student housing providers have announced no rent increases for 2025, broader economic conditions suggest that housing costs may still rise due to inflationary pressures.

Finland has seen a surge in international student applications, nearly doubling from 32,000 in 2022 to 61,000 in 2023. According to the Finnish Association of Student Housing Organizations (SOA), this increase has placed significant pressure on the availability of student housing. Some cities are already experiencing shortages, with rising living costs and a growing number of students intensifying competition for affordable accommodation (GSL Global & Colbran 2023). As a result, many students face financial strain, forcing them to either pay high rents or compromise on housing quality.

Housing affordability plays a crucial role in students' financial stability and overall well-being. International students often face unique challenges when adjusting to a foreign economy, including limited access to financial aid and difficulties securing part-time jobs. Inflation has exacerbated these difficulties by increasing rent, utility bills, and general living expenses. Kuopio, a city known for its high-quality education and relatively small population, is no exception to these trends. The rising cost of living in the city raises concerns about accessibility to adequate and reasonably priced housing.

This study examines the impact of inflation on housing costs for international students in Kuopio, with a particular focus on tuition-paying students. The research explores key factors driving housing expenses, how students adapt to financial pressures, and the broader implications for their academic and personal lives. Through interviews with students and an analysis of data from student housing providers, this study aims to provide valuable insights that can inform policy decisions, university housing strategies, and student financial support programs.

## 2 INFLATION

Inflation refers to the sustained increase in the general price level of goods and services in an economy over time, which reduces the purchasing power of money. Economists often distinguish between two main causes of inflation: demand-pull inflation, which occurs when aggregate demand exceeds the economy's ability to produce goods and services, and cost-push inflation, which results from rising production costs, such as wages or raw materials. Both types of inflation can lead to higher prices across various sectors, ultimately making money less valuable and impacting consumers' ability to buy goods and services (Blanchard 2020, 45.)

From the perspective of a consumer, inflation is typically noticed through the rising prices of everyday necessities like food, gas, and housing. As the cost-of-living increases, households feel the impact on their budgets, particularly those with limited income. Inflation is commonly measured using the Consumer Price Index (CPI), a tool that tracks the price changes of a specific basket of goods and services over time. This index provides a snapshot of how inflation affects different segments of the economy, allowing policymakers to monitor price trends and assess their impact on various demographics. For instance, when the price of food rises, low-income households, which spend a higher proportion of their income on food, are more significantly affected, leading to increased economic inequality (Mankiw 2017, 76.)

While moderate inflation can be a sign of a healthy, growing economy, where rising demand drives economic expansion, high or unpredictable inflation can be harmful. It leads to uncertainty in the market, discourages investment, and erodes savings. Inflation that is too high or persistent can cause widespread economic instability. In extreme cases, countries may experience hyperinflation, where prices increase at an uncontrollable rate, destabilizing both the economy and society (Friedman 1963,130.)

Inflation also varies across different sectors. For example, housing inflation, caused by rising construction costs or limited supply, can create significant challenges for consumers looking to buy or rent property. Similarly, sectors like healthcare and education have seen rising inflation in recent years, further increasing the financial strain on households. As inflation persists, it gradually erodes purchasing power, meaning consumers need more money to buy the same goods and services. Over time, this can alter spending behavior as people begin to prioritize essentials over discretionary spending (International Monetary Fund 2024.)

For policymakers, managing inflation is crucial. Central banks adjust interest rates to influence inflation, raising rates when inflation is high to cool down the economy or lowering them to stimulate growth when inflation is low. The effectiveness of these policies depends on understanding the underlying causes of inflation, as different types of inflation may require different approaches. The task of balancing inflation and economic growth remains one of the key challenges for economic policymakers.

## 2.1 Inflation and Its Macroeconomic Impact

Inflation is a sustained rise in the general price level of goods and services and is considered one of the most critical indicators of macroeconomic stability. While moderate inflation is typical in a growing economy, excessive inflation reduces the purchasing power of money and can lead to economic distortions. For international students, inflation can significantly increase the cost of living, particularly in the housing sector, where rising rent, utility costs, and loan interest rates make it harder to secure affordable accommodation. This situation is worsened by the fact that most students operate on fixed budgets, and unlike local residents, they may not benefit from state support or subsidies.

Macroeconomically, inflation is shaped by a range of factors including monetary and fiscal policy, global commodity prices, labor market pressures, and consumer expectations. Central banks play a key role in controlling inflation through adjustments to interest rates, regulation of money supply, and market operations (Mishkin 2016, 20–22.) For example, increasing interest rates generally helps slow inflation by discouraging borrowing and reducing consumption. However, these same interest rate hikes tend to make mortgage loans more expensive and may also reduce housing supply as developers hesitate to build during uncertain market conditions.

There are two broad categories of inflation commonly discussed in economic literature: demand-pull and cost-push inflation. Demand-pull inflation occurs when aggregate demand exceeds aggregate supply, causing upward pressure on prices. This may result from increases in household income, tax cuts, or low interest rates that stimulate consumer spending (Mankiw 2018, 522–524.) In such scenarios, economic growth and inflation typically move in the same direction, which explains why central banks monitor demand-driven booms closely.

In contrast, cost-push inflation arises when production costs increase, forcing firms to raise prices to maintain profit margins. These cost pressures can stem from wage hikes, rising energy and raw material costs, or currency depreciation, which makes imports more expensive (Blanchard & Johnson 2017, 138–140.) The energy crisis following the war in Ukraine and earlier disruptions from the COVID-19 pandemic are both recent examples of supply-side shocks that led to significant cost-push inflation across global markets.

Another critical factor influencing inflation is the role of expectations. When households and firms expect prices to continue rising in the future, they adjust their behavior accordingly, workers demand higher wages, and firms raise prices preemptively. This process can initiate a self-reinforcing loop known as the wage-price spiral, where each round of wage increases is followed by price hikes and vice versa (Taylor 2017, 387.) If not carefully managed, this dynamic can entrench inflation and make it more difficult for monetary authorities to restore stability.

For international students, inflation reduces their real income and increases the difficulty of affording decent accommodation. Many rely on part-time work, scholarships, or financial support from home countries, none of which may adjust quickly to match inflation. As inflation rises, students often face higher rents due to increased construction costs, property maintenance expenses, and interest rates, which limit investment in new housing developments. Moreover, when central banks raise interest rates to combat inflation, the rental market often tightens due to reduced investment in housing con-

struction, worsening the supply-demand imbalance. Consequently, students must compete in increasingly competitive rental markets, driving up the cost of accommodation and reducing their overall quality of life.

Addressing the effects of inflation on vulnerable populations requires well-informed policy interventions. Subsidized housing, rent controls, and inflation-indexed student allowances are examples of targeted measures that can help mitigate the negative impact of rising prices on international students. At a broader level, effective communication from central banks and consistent policy implementation are essential to anchor inflation expectations and promote long-term economic stability (Mishkin 2016, 22; Taylor 2017, 390; Blanchard & Johnson 2017, 142.)

## 2.2 Built-in Inflation and Its Effects

Built-in inflation refers to a self-sustaining cycle of rising prices and wages, driven primarily by inflationary expectations and labor market dynamics. This form of inflation becomes embedded in an economy when workers demand higher wages to cope with increased living costs, and businesses in turn raise prices to offset rising labor costs. The result is a wage-price spiral that can be difficult to reverse once it takes hold. Built-in inflation differs from demand-pull or cost-push inflation in that it is not necessarily triggered by short-term shocks but by structural expectations and behavioral responses within the economy (Mankiw 2018, 531–532).

The cycle typically begins when the prices of essential goods and services rise. In response, workers negotiate for wage increases to maintain their standard of living. In sectors where unions are active, such negotiations often lead to cost-of-living adjustments (COLAs), which link wage increases directly to inflation rates. While these adjustments protect workers in the short term, they also raise production costs for firms. To sustain profitability, businesses pass these increased costs on to consumers, thereby driving prices even higher. When such wage and price increases become anticipated and routine, inflation expectations solidify, and inflation becomes built into the economic system (Blanchard & Johnson 2017, 146–147.)

A central concern with built-in inflation is its persistence. Unlike demand-pull inflation, which can sometimes be corrected through short-term policy adjustments, built-in inflation tends to linger unless decisive action is taken. According to Mishkin (2016, 410–412), inflation expectations are a key factor that central banks aim to manage through credible policy and communication. When the public believes that inflation will continue to rise, their behavior, such as frontloading purchases or increasing wage demands, can reinforce that outcome.

In an environment dominated by built-in inflation, both businesses and consumers face heightened uncertainty. Firms may delay long-term investments due to the unpredictability of input costs, while consumers may reduce discretionary spending and struggle with financial planning. These effects can compound the slowdown in economic activity, leading to lower growth and rising unemployment (Taylor 2017, 392–393). Additionally, once inflation becomes embedded, reversing it often requires aggressive monetary tightening, such as steep interest rate hikes, which can further reduce access to affordable housing and credit markets.

Policymakers often try to counter built-in inflation through monetary restraint and fiscal discipline. Strategies include raising interest rates to discourage spending and signaling a firm commitment to

inflation targets. In some cases, wage guidelines or price controls are implemented, though these often have limited success if not supported by strong institutional credibility and coordination (Blanchard & Johnson 2017, 149–150). A long-term solution involves improving productivity, reducing structural bottlenecks, and promoting innovation measures that can help break the inflationary cycle without suppressing growth.

Ultimately, understanding the mechanisms and effects of built-in inflation is essential for managing its impact on vulnerable groups such as international students. Preventive measures, like stabilizing inflation expectations and maintaining transparent central bank communication, are vital in safeguarding housing affordability and economic stability in the long run (Mishkin 2016, 412; Mankiw 2018, 533.)

### 2.3 Measuring Inflation and Its Role in Economic Analysis

Inflation is measured by observing changes in the general price level of goods and services over time. This is typically done using price indices, which serve as statistical tools for capturing the average movement of prices across a defined basket of consumer and producer goods. These measurements are vital for understanding macroeconomic trends, setting monetary policy, and making adjustments to wages, taxes, and social benefits.

The most widely used measure of inflation is the Consumer Price Index (CPI). It reflects the average price change of a standardized basket of goods and services purchased by households, including categories such as food, housing, healthcare, transport, and education. CPI is calculated by comparing the cost of the basket in a given period to that of a designated base year, which is assigned an index value of 100. The percentage change in the index represents the rate of inflation (Mankiw 2018, 244–245.)

Governments and central banks rely on CPI data to guide policy decisions and maintain price stability. For instance, adjustments to pensions, student aid, and tax thresholds are often indexed to inflation to preserve real income levels. However, CPI has certain limitations. It may not fully account for changes in consumer behavior such as substituting cheaper alternatives or for improvements in product quality. It also does not reflect inflation experiences across different demographic groups, as consumption patterns can vary significantly (Taylor 2017, 286–287.)

Another important measure is the Producer Price Index (PPI), which captures the average change in prices received by domestic producers for their output. Unlike CPI, which focuses on final consumer prices, PPI examines price movements at earlier stages of production, making it a useful indicator of upstream cost pressures. It is divided into crude, intermediate, and final goods categories, offering policymakers and businesses early warnings of inflationary trends (Mishkin 2016, 430; Mankiw 2018, 310.)

While PPI does not include import prices or reflect final consumer costs directly, it remains a key tool in understanding cost-push inflation. Rising producer prices, especially in energy and raw materials, often lead to higher retail prices later in the supply chain. By tracking both CPI and PPI, economists can assess the breadth and origin of inflationary pressures across the economy (Blanchard & Johnson 2017, 151–152.)

Accurate inflation measurement is not only essential for macroeconomic management but also for understanding its real-world implications. For international students, inflation indices help explain rising costs in housing, tuition, transportation, and daily expenses. When CPI rises but their financial aid or income remains static, their real purchasing power declines. Similarly, landlords may link rent increases to CPI, meaning students may face automatic annual hikes even when their earnings or stipends are unchanged.

In summary, CPI and PPI are critical tools for gauging inflation and designing responsive economic policies. While no single index can capture all aspects of inflation, the combined use of these measures offers a comprehensive view of price trends and their potential impact on households, businesses, and the broader economy (Taylor 2017, 287; Mishkin 2016, 431; Blanchard & Johnson 2017, 153.)

## 2.4 The Broader Economic and Housing Effects of Inflation

Inflation affects various sectors of the economy, influencing consumer behavior, business strategy, financial markets, and especially housing. While moderate inflation is generally seen as a sign of healthy economic activity, persistent or high inflation can create significant uncertainty and strain, particularly for low- and middle-income households and financially vulnerable populations such as international students.

One of the most immediate and visible effects of inflation is the erosion of purchasing power. As prices increase, the real value of money declines, meaning individuals can buy fewer goods and services with the same income. This disproportionately affects households that spend a larger portion of their income on essentials such as food, transportation, and housing. If wages do not keep pace with inflation, the result is a decline in real income and a reduced standard of living (Mankiw 2018, 225.) In addition to shrinking purchasing power, inflation introduces uncertainty about future price levels, which often causes consumers to delay non-essential purchases and shift their spending toward immediate needs (Blanchard & Johnson 2017, 340.)

Inflation also has a considerable impact on wages and savings. If wage growth lags behind inflation, households may struggle to maintain their consumption levels. Moreover, savings held in low-interest accounts or fixed-income investments lose value in real terms when the inflation rate exceeds the interest earned. This discourages saving and may instead encourage speculative behavior in assets such as real estate, stocks, or cryptocurrencies (Mishkin 2016, 415). Retirees or others on fixed incomes are particularly at risk, as they typically do not benefit from wage adjustments linked to inflation (Taylor 2017, 312.)

The housing market is among the sectors most sensitive to inflation. As inflation rises, so do construction and maintenance costs due to increases in wages, raw materials like steel and concrete, and land prices. These higher costs are often transferred to end-users, resulting in increased house prices and rents. Additionally, real estate is commonly viewed as a hedge against inflation, attracting more investment and driving up prices further (Glaeser 2018, 278.)

Monetary policy responses to inflation also influence housing affordability. When central banks raise interest rates to counteract inflation, borrowing costs increase, making mortgages more expensive

and discouraging home purchases. Consequently, the demand for rental housing grows, further pushing up rental prices. In this way, interest rate hikes designed to curb inflation can inadvertently worsen housing access and affordability (Case & Shiller 2015, 145.)

Several macroeconomic factors influence housing costs during inflationary periods. A growing population due to migration, urbanization, or rising incomes can increase demand for housing. When supply fails to keep pace, prices rise, resulting in a classic supply-demand imbalance. Rising construction costs caused by inflation further limit the speed at which new housing can be built, deepening the shortage. Moreover, high interest rates can reduce developer investment in new construction projects, thereby constraining future housing supply (Mankiw 2018, 531–533.)

Recent trends in countries such as the United Kingdom have shown that even when inflation appears to ease, housing-related costs often continue to rise for many households. This suggests that while headline inflation may subside, its effects on sectors like housing can linger due to structural constraints and lagged responses in supply chains and pricing strategies (Blanchard & Johnson 2017, 352–353.)

Understanding these factors is crucial for policymakers seeking to manage inflation without undermining housing affordability. Coordinated measures such as interest rate moderation, investment in affordable housing, and construction subsidies can help mitigate the long-term impact of inflation on housing costs.

## 2.5 Inflation in Finland

### 2.5.1 A Brief Review of Finland's Inflation Trends in Recent Years

Finland, like many other countries, has experienced significant fluctuations in inflation over recent years. These changes have had a profound impact on various sectors, including housing, thereby affecting affordability for both residents and newcomers. In December 2022, Finland recorded a peak inflation rate of 9.13%. This surge was primarily driven by rising energy prices and supply chain disruptions. Such high inflation rates significantly influenced the cost of living, particularly in the housing sector, where affordability became a pressing issue. However, by September 2024, the year-on-year change in consumer prices had moderated to 2.48%. This reduction indicates stability of price levels, suggesting that the economic pressures driving inflation have eased. The moderation in inflation rates has likely contributed to a more stable housing market, improving affordability for many individuals (Statista 2024.)

The decline in inflation during 2024 can be attributed to several factors, including falling energy prices and modest economic growth. Lower energy prices have reduced the cost of living and production, easing inflationary pressures. Additionally, modest economic growth has helped stabilize prices by balancing supply and demand. Projections suggest that inflation will remain below 2% in the years ahead. This low inflation rate is expected to support consumers' purchasing power and actual earnings, contributing to overall economic stability (Bank Of Finland Bulletin 2024.)

### 2.5.2 Economic Policies Affecting Inflation and Housing in Finland

The Finnish government and central bank have implemented policies to manage inflation and stabilize the housing market. These measures aim to balance economic growth with the need to keep living costs manageable for all residents (Reuters 2024.) These measures are:

**Interest Rate Adjustments:** The Bank of Finland, working with the European Central Bank (ECB), has adjusted interest rates to control inflation. For example, in 2022, the ECB raised key interest rates several times to help curb rising inflation. This made borrowing more expensive, which helped to reduce excessive demand (Valtioneuvosto 2021).

**Housing Subsidies and Support:** The government introduced various housing subsidies to make housing more affordable. One key initiative is the development program for housing policy, running from 2021 to 2028, which aims to provide good and affordable housing for everyone. This includes subsidies for low-income households and support for building affordable homes (Valtioneuvosto 2021).

**Agreements on Land Use, Housing, and Transport (MAL)** The government has also made agreements with the largest urban regions to coordinate land use, housing, and transport planning. These agreements help ensure a balanced supply of housing and infrastructure development, which stabilizes the housing market and manages urban growth.

**Macroprudential Policies:** The Bank of Finland has implemented policies to strengthen the financial system's resilience. This includes measures like capital buffer requirements for banks to ensure they can handle economic shocks. These policies help maintain financial stability and prevent disruptions in the housing market (Bank Of Finland Bulletin 2024.)

Finland's housing sector faces unique challenges because of the high number of variable interest rate mortgages. This setup makes both the housing market and the broader economy more sensitive to changes in interest rates. For example, during recent rate cycles, the interest rates on housing loans in Finland went up by about 3.3%, while the average increase in the euro area was only 0.9 %. This significant pass-through effect highlights the importance of making careful monetary policy decisions to avoid putting too much stress on homeowners and the housing market (Bank of Finland 2024.)

## 3 RESEARCH METHOD

### 3.1 Research Design

To gain an in-depth understanding of the effects of housing costs on international students in Kuopio, this study employs a qualitative research approach. This method is particularly suited for exploring complex social issues, such as housing affordability, as it allows researchers to capture lived experiences, perceptions, and challenges that may not be effectively represented through quantitative data alone. By focusing on subjective and contextual factors, qualitative research provides a holistic perspective on how rising housing costs impact international students' financial well-being, academic performance, and overall quality of life (Creswell & Poth 2018, 45).

Qualitative research is exploratory in nature and emphasizes non-numerical data collection methods, such as semi-structured interviews, focus groups, and participant observations. These methods enable researchers to identify patterns, interpret behaviors, and analyze social dynamics in greater depth. In the context of housing affordability, qualitative inquiry allows for the investigation of factors such as rental experiences, landlord-tenant relationships, financial constraints, and emotional stress associated with high living costs (Silverman 2019, 65). Moreover, qualitative methods facilitate the exploration of cultural and institutional barriers that international students may face when securing affordable accommodation, providing insights that quantitative surveys alone may fail to capture (Bryman 2016, 120).

Given the rising cost of living in Kuopio, this qualitative approach is essential for uncovering the personal narratives and coping strategies of international students navigating the local housing market. By engaging directly with participants, this study seeks to contribute to a richer understanding of housing challenges and inform potential policy recommendations aimed at improving student accommodation availability and affordability.

International students often face distinct and multifaceted challenges when securing housing in a foreign country. These challenges stem from factors such as navigating unfamiliar rental markets, dealing with language and cultural barriers, facing financial constraints, and adjusting to different housing policies and regulations. Unlike domestic students, international students may have limited knowledge of local housing options, making it difficult to identify affordable and accessible accommodation. Additionally, many landlords require local guarantors, high-security deposits, or long-term rental contracts, which can pose significant obstacles for students who are new to the country and may not have established financial credibility (Du Toit, Fourie, Botha & Goodall 2022.)

Language barriers and cultural differences further complicate the housing search process. International students may struggle to understand lease agreements, negotiate rental terms, or communicate effectively with landlords and housing agencies. Misunderstandings in rental contracts can lead to exploitation, unexpected costs, or unfair eviction practices, especially when legal protections and tenant rights are not well understood. Furthermore, international students may not be familiar with tenant protections, dispute resolution mechanisms, or government support programs, leaving them more vulnerable to housing insecurity and unfavorable living conditions (Du Toit et al. 2022.)

Financial constraints represent another critical challenge. Many international students rely on personal savings, family support, or part-time employment to cover their living expenses. However, fluctuations in exchange rates, rising living costs, and inflation can significantly impact their ability to afford suitable housing. As inflation drives up rental prices, students may be forced to live in overcrowded conditions, accept lower-quality housing, or relocate frequently due to financial instability. This can have broader implications for their academic performance, mental well-being, and overall integration into student life (Blanchard 2020, 280.)

This study aims to provide rich, detailed insights into their experiences in the local housing market by conducting in-depth interviews and focus groups with international students in Kuopio. Understanding how inflation, housing shortages, and economic policies affect their ability to secure and afford housing will contribute to policy discussions on improving student housing conditions, rental affordability, and support services. Such insights can inform university housing policies, municipal planning, and private rental market regulations, ultimately enhancing the student experience in Kuopio and similar academic cities.

### 3.2 Qualitative Approach

Understanding the perceptions of international students in Kuopio regarding housing costs is essential. This includes their views on the affordability, availability, and quality of housing options. Additionally, exploring the challenges they face, such as rising rents and increased living expenses, will provide a clearer picture of the impact of inflation. Qualitative methods allow us to capture these perceptions and challenges in the student's own words, providing a more authentic and nuanced understanding (International Consultants for Education and Fairs Monitor 2023.)

One of the strengths of qualitative research is its ability to capture the subtleties and complexities of social issues. For instance, while quantitative data might show an increase in average rent prices, qualitative data can reveal how this increase affects students' daily lives, stress levels, and overall well-being. This deeper understanding is crucial for developing effective policies and interventions to support international students (City of Kuopio 2025.)

Housing affordability is a multifaceted issue influenced by various factors, including economic conditions, government policies, and market dynamics. By focusing on the qualitative aspects, this study aims to uncover the lived experiences of international students, providing valuable insights that can inform policy decisions and support services. This approach is particularly relevant in the context of rising housing costs, where understanding the human impact is as important as analyzing the economic data (Kuopio Student Housing Company Kuopas 2024.)

The sampling process will include the following steps to ensure a diverse and representative sample of international students. Purposive sampling will be used to select international, tuition-paying students from various parts of the world currently studying and living in Kuopio. This approach helps ensure a diverse mix of nationalities, study levels, and housing situations, such as student housing and private rentals. Including students who have recently arrived in Kuopio and those who have been here for a longer time will allow us to gather a wide range of experiences. Purposive sampling is particularly effective in qualitative research for selecting participants who can provide rich, relevant data.

Secondary data will be chosen based on its relevance and credibility. Priority will be given to sources like municipal housing reports, statistical analysis, and Kuopas publications. These sources provide reliable data on housing trends, affordability, and market dynamics in Kuopio. For example, the Housing Needs Assessment tool by Local Housing Solutions offers detailed reports on housing demographics and affordability (Hiltunen & Kettunen 2021, 24.)

### 3.3 Analysis Approach

The analysis of the collected data will involve several key methods to ensure a comprehensive understanding of how inflation impacts international students' housing costs in Kuopio. This includes thematic analysis to identify recurring themes and patterns in students' responses. The analysis focused on key issues such as rising rent costs, affordability challenges, financial coping strategies, and expectations for future housing costs. While some quantitative elements (such as frequency counts and percentage distributions) were included for context, the primary focus remained on qualitative insights. These figures serve to highlight key trends but do not define the study's core analytical framework. The themes identified were compared against existing literature on student housing affordability and inflation to provide a broader perspective on the issue. The qualitative approach ensures that the voices of international students are at the forefront, making the study more experiential than numerical. This approach will help us identify common challenges faced by students and the strategies they use to cope with housing costs (Appinio 2023).

Comparative analysis will be used to compare secondary data and findings from desk research with the interview results. This method involves systematically evaluating and comparing two or more sets of data to identify similarities, differences, and patterns. By doing so, we can validate our primary data and provide a comprehensive understanding of the research problem. Comparative analysis helps in identifying consistency or discrepancies between different data sources, which can enhance the reliability and validity of our findings (Scribbr 2023).

The findings will be interpreted within the broader context of Kuopio's housing market and inflation trends. Contextual interpretation ensures that our analysis aligns with the study's objectives by considering the specific economic and social environment in which the research is conducted. This involves examining how local housing policies, market dynamics, and inflation rates influence housing affordability and availability for international students. For instance, recent reports from Statistics Finland provide insights into how inflation and rising interest rates have stressed households, which can be contextualized to understand the specific challenges faced by international students in Kuopio. Additionally, understanding the broader trends in the Finnish housing market, such as those outlined in the CBRE Finland Real Estate Market Outlook, can provide valuable context for our findings (Coldwell Banker Richard Ellis 2023).

## 4 CONTEXT OF KUOPIO AND INTERNATIONAL STUDENTS

### 4.1 Overview of Kuopio's Housing Market

Kuopio, located in the North Savo region of Finland, is a dynamic city renowned for its high quality of life, natural beauty, and strong focus on education, research, and healthcare. As home to the University of Eastern Finland (UEF) and Savonia University of Applied Sciences, the city attracts a diverse population, including a growing number of international students and professionals. With its expanding student population, housing availability and affordability have become critical concerns in recent years, particularly as the demand for student accommodation has outpaced supply (Hiltunen et al. 2021, 28).

The housing market in Kuopio consists of a combination of private rental properties, student housing, and owner-occupied homes. While student housing organizations, such as Kuopion Opiskelijasunnot Oy (Kuopas) and Tekman Tuki ry, play a vital role in providing affordable accommodation options for students, the demand for these units often exceeds supply particularly at the beginning of academic terms when new students relocate to the city. The limited availability of student apartments has resulted in longer waiting lists, compelling many students to seek alternatives in the private rental market (Kuopio 2025).

The private rental sector in Kuopio, though an alternative for students, presents several challenges. Rental prices tend to be higher than those of student-specific housing, with costs varying depending on location, apartment size, and amenities. Private apartments often cater to the general population rather than students, meaning they may not offer affordable pricing structures, furnished options, or student-friendly lease terms. Additionally, international students may face difficulties in securing rental agreements, as some landlords require Finnish guarantors or long-term rental commitments. These factors contribute to the increasing difficulty of finding affordable and convenient student housing in Kuopio (Kuopio Student Housing Company Kuopas 2024.)

Beyond students, housing affordability in Kuopio is also influenced by broader economic factors such as inflation, rising construction costs, and shifts in real estate market trends. As housing prices continue to increase, access to affordable accommodation becomes a greater concern, not only for students but also for low-income residents and young professionals. Inflation contributes to rising construction costs, leading to increased housing prices. In 2024, property management costs for housing companies in Finland rose by an average of 4.4%, with significant increases in land property taxes and district heating costs. Additionally, the Finnish Real Estate Federation reported that municipal property costs increased by an average of 4.4% from the previous year, with significant variations across different municipalities (Helsinki Times, 2024).

Government policies and university-supported initiatives play a crucial role in addressing these housing challenges, with efforts focusing on expanding student housing availability, increasing rental subsidies, and promoting more affordable housing development. In Kuopio, the city-owned Niiralan Kulma Oy manages approximately 6,000 rental apartments, offering both state-subsidized and freely financed options. State-subsidized apartments generally have more affordable rent levels due to government support, with rents determined by authorities to ensure affordability. Furthermore, Kuopas, the Kuopio Student Housing Company, provides around 3,000 student apartments, aiming to

make student living affordable and convenient throughout one's studies (City of Kuopio, 2023; Kuopion Opiskelija-asunnot, 2023.)

Despite these challenges, Kuopio remains an attractive destination for students due to its strong educational infrastructure, well-connected public transportation system, and high standard of living. Continuous investment in housing development and urban planning will be necessary to ensure that Kuopio maintains its reputation as a student-friendly city with adequate housing options.

#### 4.2 Specific Challenges Faced by International Students in Kuopio

The demand for housing in Kuopio is driven by several factors, including the city's growing population and its reputation as an educational hub. International students significantly contribute to this demand, as they often look for affordable, short-term accommodation near their universities.

On the supply side, organizations like Kuopas play a crucial role in providing housing solutions. However, the construction of new housing units hasn't been kept up with the rising demand. Additionally, private landlords may prefer long-term tenants over students, which further limits the options available for the latter. Seasonal fluctuations, such as the influx of new students each semester, create temporary surges in demand, putting additional strain on the already limited housing supply (Kuopio Student Housing Company Kuopas 2025.)

#### 4.3 Cost of Living for International Students in Kuopio

Living in Kuopio, while moderate by Finnish standards, can be challenging for international students who often have limited budgets. Housing costs make up a significant part of their expenses, with monthly rents for student apartments ranging from about €250 to €450, depending on the location and size. Private rentals are usually more expensive, starting at around €500 for a one-bedroom apartment (Kuopio Student Housing Company Kuopas 2024.)

Additional costs like utilities, the internet, and transportation add to the financial burden. For students who have to live further from campus due to housing shortages, transportation costs can become a substantial part of their budget.

International students also have to manage other living expenses, including food, healthcare, and leisure activities, all of which contribute to the overall cost of living. The rising inflation rate has further impacted on these costs, making it increasingly difficult for students to balance their budgets.

## 5 DATA ANALYSIS AND FINDINGS

In this chapter, we explore the analysis of data and highlight the key findings from our research on how inflation affects the housing costs for international students in Kuopio. This analysis combines qualitative insights from interviews with secondary data from housing reports and economic indicators. We've organized the findings into themes, using figures and tables to clearly show trends and provide deeper insights.

### 5.1 Nationalities of international students

As shown in Figure 1 below, a total of 10 respondents participated in this study, representing a diverse range of nationalities, which highlights the multicultural composition of the international student community in Kuopio. The majority of respondents are from African countries, with Cameroonian, Kenyan, and Nigerian students each constituting 20% of the sample. Additionally, students from Bangladesh, Ghana, and Uganda each make up 10% of the total respondents.

This distribution suggests that the perspectives captured in this study primarily reflect the experiences of students from African and South Asian backgrounds. Given that many of these students come from regions with varying economic conditions compared to Finland, their responses provide valuable insights into how inflation impacts international student housing. Factors such as currency exchange rates, financial support from home countries, and job opportunities in Finland likely play a significant role in shaping their housing affordability, rent adjustments, and overall budgeting strategies. The predominance of African students in the sample further emphasizes the importance of understanding how economic differences influence their adaptation to Finland's housing market.

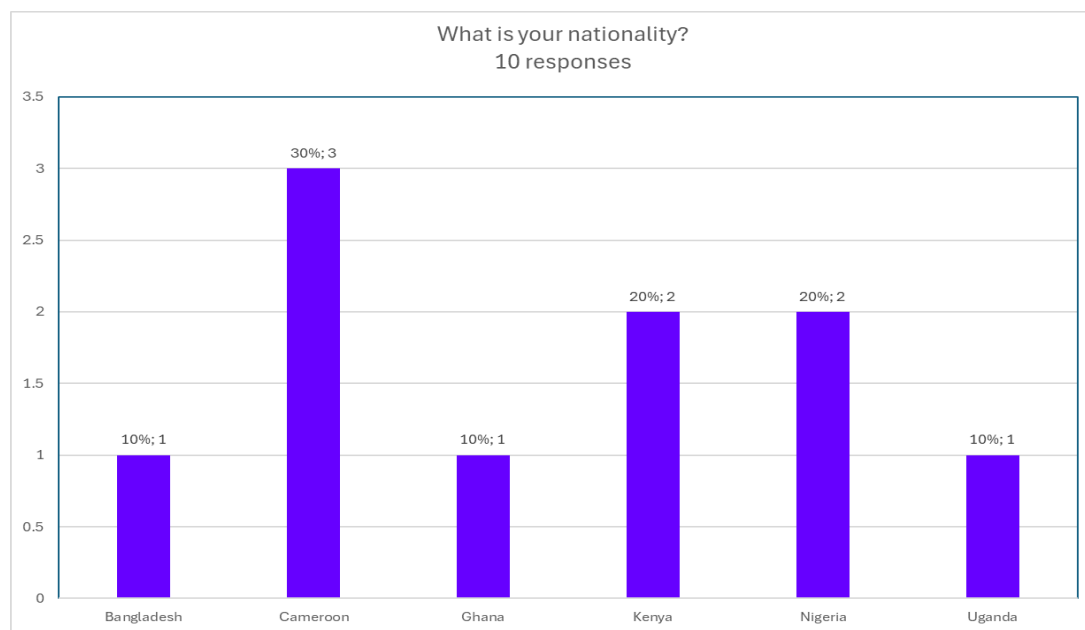


Figure 1. Nationalities of Respondents (n= 10)

### 5.1.1 Age distribution

The age distribution of respondents (see Figure 2 below) highlights that the majority of international students who participated in this study are in the 31–35 age group (41.7%) or 36 and above (41.7%). Only a small proportion, 16.7%, fall within the 25–30 age range, and notably, none of the respondents are between 18–24 years old.

This age composition suggests that many international students in Kuopio are mature students who may have additional financial responsibilities, such as supporting families or managing work alongside their studies. As a result, their housing choices are likely influenced by a need for stability and affordability. Older students may prefer private apartments or family-friendly housing arrangements, while younger students, typically more flexible, may opt for shared housing or student dormitories to minimize costs.

Age plays a critical role in how students experience inflation in the housing market. Mature students might prioritize long-term housing solutions with stable rental agreements, whereas younger students might be more adaptable, choosing short-term or shared housing to cope with fluctuating expenses. This distinction highlights the importance of considering student demographics when addressing housing affordability concerns, as different age groups have varying financial priorities and accommodation preferences.

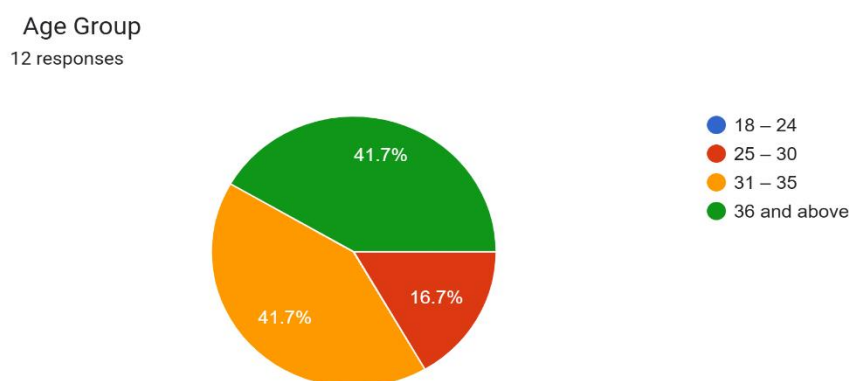


Figure 2. Age of Respondents (n=12)

### 5.1.2 Gender groups

The study results in Figure 3 below indicate that female students (58.3%) outnumber male students (41.7%) among the respondents. This gender distribution may influence certain housing trends and financial concerns among international students in Kuopio.

Some respondents noted that housing priorities can vary based on gender, with factors such as safety, location, and affordability playing key roles in decision-making. Female students, who make up the majority in this study, expressed a stronger preference for secure and stable housing options, prioritizing locations closer to campus or in safer neighborhoods. While affordability remains a concern, they often prioritize a stable living environment over cheaper but uncertain housing choices.

On the other hand, some male students indicated greater flexibility in their housing choices, with a willingness to opt for shared apartments or lower-cost rentals to reduce expenses. Many stated that cutting housing costs allowed them to allocate funds to other essentials such as food and transportation.

While financial constraints impact all students, these insights suggest that housing preferences and priorities vary based on personal circumstances. The findings highlight the need for a diverse range of student housing options that cater to different needs, ensuring that all international students in Kuopio can secure affordable and suitable accommodation.

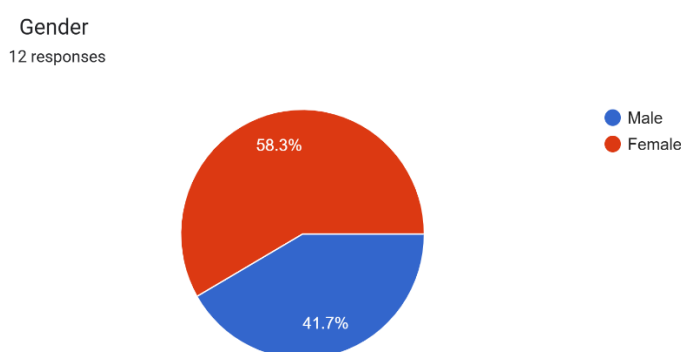


Figure 3. Gender of Respondents (n=12)

### 5.1.3 Current level of studies

The study findings in Figure 4 reveal that all respondents (100%) are bachelor's degree students, meaning the insights gathered reflect the housing experiences of undergraduate students in Kuopio. Since housing challenges often vary by study level, this focus on bachelor's students provides a clear picture of how inflation impacts students who may have more limited financial resources compared to postgraduate students.

Bachelor's students typically rely on personal savings, family support, or part-time jobs to cover their living expenses. As a result, they may be more vulnerable to rising housing costs compared to postgraduates, who might have access to research funding, scholarships, or stable employment. This makes affordability a major concern, likely influencing their housing choices many may opt for shared accommodation or housing further from campus to reduce costs.

While this study does not include postgraduate perspectives, it offers focused insights into the financial constraints faced by undergraduate students. The findings highlight the need for affordable student housing solutions that cater specifically to bachelor's students, ensuring they have access to cost-effective and stable accommodation options despite inflationary pressures.

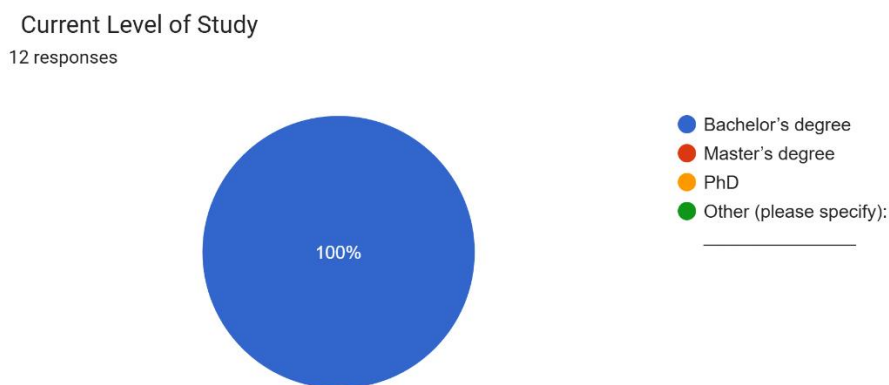


Figure 4. Level of Study (n=12)

#### 5.1.4 Duration of stay in Kuopio

The study as shown in Figure 5, reveals a wide range of durations among students living in Kuopio, affecting their perspectives on housing challenges. A majority (58.3%) have lived in Kuopio for more than two years, making them more familiar with housing market changes and steady rent increases over time. Another 25% have been in the city for 1–2 years, while 16.6% (8.3% for less than six months and 8.3% for 6 months–1 year) are relatively new to the city.

Long-term students (more than two years) often reported that rent increases had gradually made housing less affordable, forcing them to adjust their living situations by moving into smaller apartments or shared accommodations or cutting back on other expenses. They emphasized that inflation has had a direct impact on student housing affordability, with rent increases becoming more noticeable over time.

Students who have been in Kuopio for 1–2 years also acknowledged rising costs, although their experiences varied depending on when they secured their housing contracts. Some were able to lock in lower rents earlier, while others faced higher costs upon arrival.

Newer students (less than a year in Kuopio) expressed that finding affordable housing was already a challenge upon their arrival, suggesting that inflation had already impacted housing availability and pricing before they moved. Many stated that the limited availability of student housing left them with no choice but to rent in the private market at higher costs, adding to their financial burden from the start.

This range of experiences highlights both long-term housing trends and the immediate challenges faced by international students in Kuopio. Those who have lived in the city longer provide insight into how inflation has gradually increased rent over time, while newer students reflect on the growing difficulty of securing affordable accommodation from the outset. These findings emphasize the need for policy considerations that address both rent stabilization for long-term students and more affordable housing solutions for newcomers.

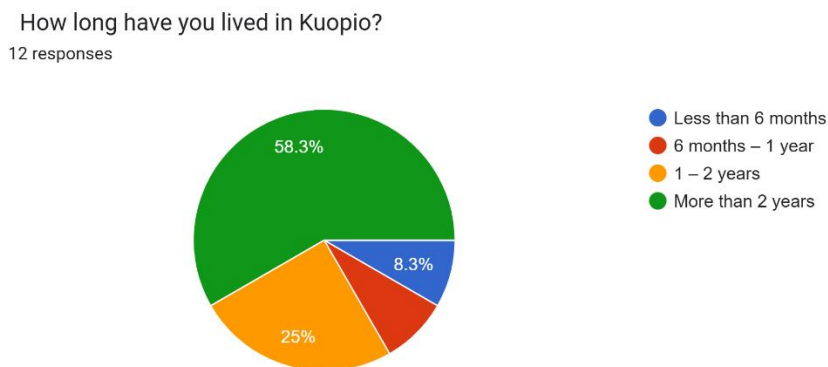


Figure 5. Duration of Stay in Kuopio (n=12)

### 5.1.5 Current accommodation type

Looking at Figure 6, the majority of students (58.3%) live in student housing, as it is widely regarded as the most affordable and stable option. However, many students expressed that limited availability in student housing often leaves them with no choice but to seek private rentals, where rent and other costs are significantly higher.

A substantial portion (33.3%) of students reside in private rental apartments, and their experiences reflect the financial pressures associated with renting in the private market. Many reported struggles with high security deposits, unpredictable utility costs, and increasing rent prices, have worsened with inflation. Some mentioned that affording rent in private housing has forced them to cut back on other essential expenses, such as food and transportation, while others chose private rentals due to personal preferences, the need for more space, or family considerations.

A smaller group of 8.3% live in shared apartments or other accommodation types, with some highlighting that sharing housing helps reduce individual financial burdens. However, they also noted challenges such as compatibility with roommates and the difficulty of finding suitable shared spaces.

For those in student housing (58.3%), affordability remains a key benefit, yet some students raised concerns about occasional rent increases and the difficulty of securing a room, especially upon arrival in Kuopio. A few noted that while student housing offers more predictable and subsidized rent, availability is a major issue, making it difficult for all students to access these options.

These findings indicate that students' accommodation choices are shaped by financial capability, availability, and personal circumstances. Those in student housing benefit from relatively stable rent, while students in private rentals face greater financial uncertainty and exposure to inflation-driven cost increases. The diversity in accommodation experiences underscores the need for more affordable and accessible housing options to support the growing international student population in Kuopio.

What type of accommodation do you currently live in?  
12 responses

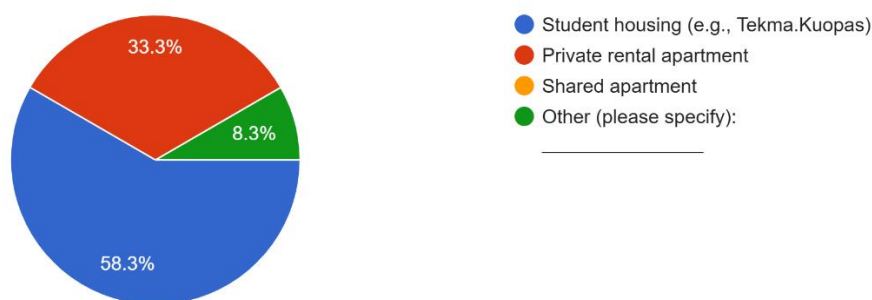


Figure 6. Accommodation Type (n=12)

### 5.1.6 Monthly Rent Costs

Students reported a wide range of rent payments in Figure 7, influenced by their accommodation type, financial situation, and availability of housing options. The majority of respondents either pay between 250€–400€ (41.7%) or more than 600€ per month (41.7%), highlighting a significant divide in affordability. A smaller group (16.7%) pays between 400€ to 600€, reflecting the varied costs of different rental options in Kuopio.

Many students shared that student housing is the preferred option due to its affordability and stability, particularly among those paying 250€–400€ per month. They described student housing as cost-effective, predictable, and easier to manage financially. However, several students emphasized the high demand and limited availability, making it difficult to secure a place in these accommodations. Those who managed to obtain student housing found that it helped them balance their expenses without excessive financial strain.

On the other hand, students paying more than 600€ per month often live in private rental apartments, where they struggle with higher costs, utility bills, and security deposits. Many shared that private rentals are more unpredictable, with rent prices fluctuating due to inflation and landlord pricing decisions. Some students expressed frustration over the difficulty of affording rent, leading them to cut back on essential expenses like food, transportation, and social activities. A few reported that they had to increase their working hours or rely on financial assistance to manage housing costs.

For those paying 400€–600€, their experiences varied depending on their housing arrangement. Some lived in shared apartments, which helped reduce individual costs, while others rented smaller private apartments to maintain some level of privacy. While this middle-range rent bracket still posed financial challenges, students in this category generally found ways to adjust their budgets to accommodate housing expenses.

Overall, students' experiences indicate that housing costs significantly shape their financial well-being and lifestyle choices. Those in student housing generally feel more financially secure, while students in private rentals experience greater financial pressure due to higher rent and additional costs. Many students emphasized that the limited availability of student housing forces some into expensive private

rentals, making affordability a key challenge. Expanding student accommodation options would help reduce financial stress and improve the overall living conditions for international students in Kuopio.

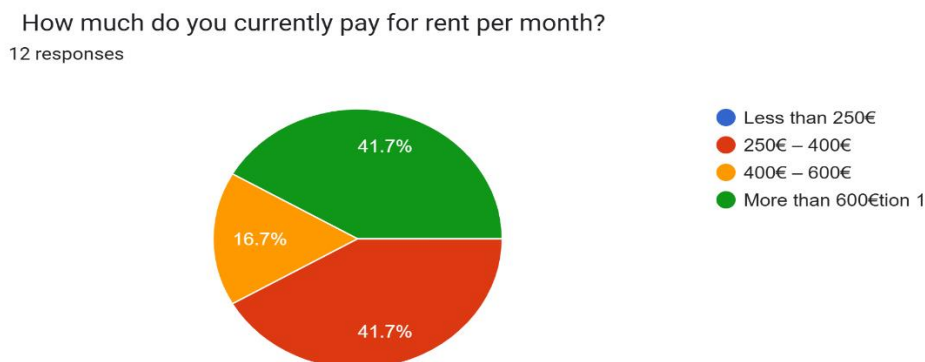


Figure 7. Monthly Rent Costs (n=12)

## 5.2 Rent Increases Since Arrival in Kuopio

As can be seen in Figure 8 below many students shared that they have experienced rent increases since arriving in Kuopio, with 41.7% reporting a slight increase (1–10%) and 25% experiencing a significant rise (more than 10%). Meanwhile, 33.3% stated that their rent has remained the same, but notably, no students reported a decrease in rent.

When discussing the reasons behind these rising costs, students overwhelmingly pointed to inflation as the primary factor. Several also noted that higher utility costs, particularly in private rentals, have made housing more expensive, as tenants must cover electricity, heating, and water expenses. Some students shared that the increased demand for housing has further contributed to rent hikes, with landlords adjusting prices to reflect market trends.

For many students, higher rent has led to significant financial adjustments, with some reporting reduced disposable income and having to cut back on essential expenses such as food, transportation, and leisure activities. Others described having to work extra hours or seek financial aid to keep up with rent payments. Those in private rentals often face even greater financial strain, as rent increases are compounded by fluctuating utility costs and deposit requirements.

These findings highlight the growing affordability challenges faced by international students in Kuopio. Many emphasized the need for intervention to ensure access to affordable student housing, including rent control measures, increased financial support, or the expansion of subsidized housing options. Without such measures, students fear that rising costs could make it increasingly difficult for international students to sustain themselves in Kuopio.

Has your rent increased since your arrival in Kuopio?

12 responses

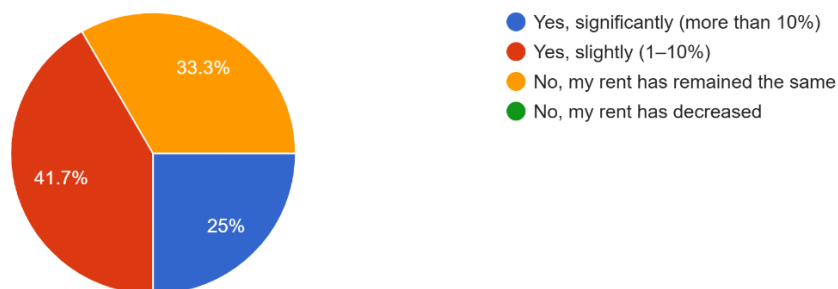


Figure 8. Rent Increases Over Time (n=12)

### 5.2.1 Reasons for Rent Increases

For most students, inflation and rising costs were the primary reasons for rent increases, with 66.7% of respondents citing this as the main factor (see Figure 9). Many shared that their landlords or housing providers pointed to higher operational costs, increased property maintenance expenses, and general economic conditions as justification for the rent hikes.

In addition to inflation, 25% of students noted that utility costs, particularly electricity, water, and heating, had increased significantly, significantly impacting their monthly expenses. Those in private rentals expressed that these costs were a major financial burden, as landlords often passed the rising utility rates directly onto tenants, making rent payments even more difficult to manage.

A smaller but notable group (16.7%) mentioned that increased demand for housing contributed to price increases. Some students observed that as more students move to Kuopio, competition for affordable housing has intensified, giving landlords greater leverage to adjust rental prices. This has made securing reasonably priced accommodation more challenging, particularly for newcomers.

Additionally, 33.3% of students cited other reasons for their rent increases, including renovations, changes in rental policies, and fluctuations in the real estate market. Some students mentioned that landlords used property upgrades or new regulations as a justification for charging higher rents, while others believed that market trends played a role in shaping rental prices.

These findings suggest that while inflation remains the dominant factor driving rent increases, utility cost surges, market demand, and property-related expenses further compound the issue. As a result, many students are feeling heightened financial pressure and struggling to find stable, affordable housing in Kuopio. Expanding student housing availability and exploring rent regulations could help mitigate these financial challenges.

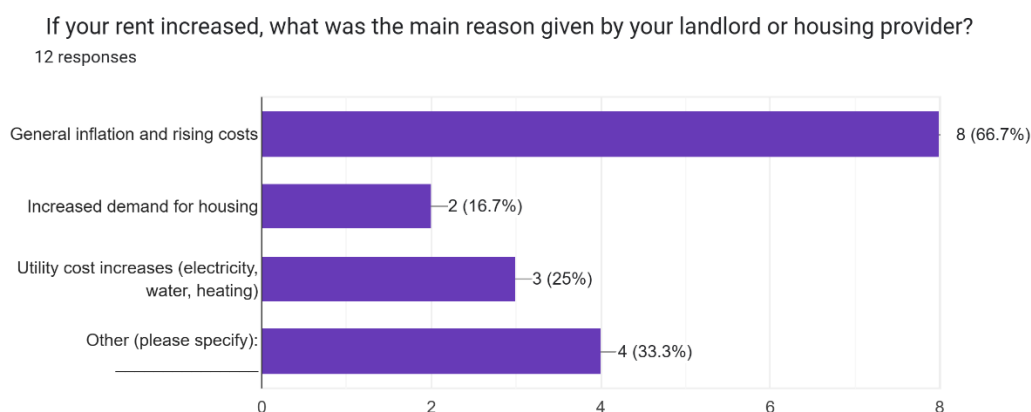


Figure 9. Reasons for Rent Increases (n=12)

### 5.2.2 Impact of Rent Increases on Students' Finances

The rising cost of rent has forced many students to make difficult financial adjustments. Looking at Figure 10 below, 66.7% of respondents reported that they had to cut expenses on necessities such as food, transportation, and social activities to prioritize housing costs. Many shared that the increased financial strain has made it challenging to maintain a balanced lifestyle, requiring them to sacrifice other basic needs to ensure they can keep up with rent payments.

For some students, finding a cheaper place to live became the only option, with 25% stating they had to relocate to more affordable housing, even if it meant sacrificing comfort, location, or quality of living. Several students emphasized that moving to a less expensive home often involved compromises, such as longer commuting distances, smaller living spaces, or sharing accommodations with more people.

Additionally, 25% of students needed additional financial support, whether through scholarships, loans, or taking on extra work hours to cover rent. Many students noted that finding stable employment is crucial for affording rent, but balancing work with academic responsibilities is demanding. Some shared that the limited availability of student-friendly jobs adds to their financial burden, making it difficult to secure consistent income while studying.

However, 33.3% of respondents stated that rent increases had not significantly impacted them. These students either had stable financial resources, lived in housing with fixed rent agreements, or had already budgeted for potential increases. Some also mentioned that careful financial planning helped them navigate rent adjustments without major sacrifices.

When discussing how they fund their housing, most international students reported relying on part-time jobs to cover their expenses. Many students juggle work and studies, emphasizing that maintaining employment is essential for financial stability. A few students depend on personal savings they had set aside before relocating to Kuopio, while others seek external support when necessary. Notably, none of the respondents reported receiving regular financial assistance from family or scholarships, reinforcing the idea that international students must be largely self-sufficient when managing their living expenses.

Many students expressed that increasing access to job opportunities and financial aid would significantly help them cope with rising housing costs. Ensuring that students have affordable housing options and employment opportunities would alleviate financial stress, making it easier for them to focus on their studies without constant worry over rent and living expenses.

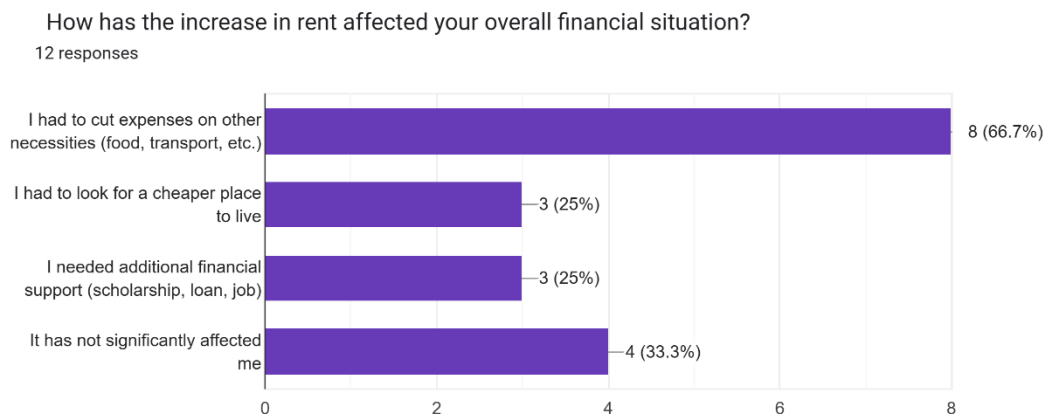


Figure 10. Financial Impact of Rent Increases (n=12)

### 5.2.3 Sources of Housing Funding

Many international students in Kuopio depend on part-time jobs to afford housing while balancing their studies. Some students shared that securing employment was necessary soon after their arrival, as they had no other financial support. Others relied on personal savings they had set aside before moving, allowing them to cover rent and other essential expenses (see Figure 11).

A few students mentioned receiving support from sponsors or other financial sources, though this was not common. Notably, none of the respondents reported receiving regular financial assistance from parents or guardians, highlighting their financial independence and the responsibility they carry in managing their expenses. The only scholarship available to students is the 50% tuition fee reduction offered by universities if specific credit requirements are met, but this does not directly cover housing costs.

With housing costs rising, students expressed concerns about how continued inflation might affect their ability to sustain themselves. For many, the need to work while studying adds extra pressure, yet it remains one of the few ways they can afford rent. These findings reflect the financial realities of international students in Kuopio, where limited external support makes them more vulnerable to changes in living costs.

How do you cover your housing expenses?  
12 responses

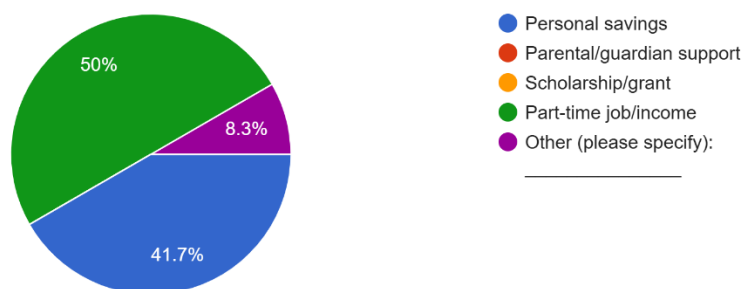


Figure 11. Housing expenses (n=12)

#### 5.2.4 Biggest Challenges in Housing Costs

The rising cost of rent remains the most significant financial burden for students in Kuopio as clearly shown in Figure 12, with 33.3% of respondents identifying it as their biggest housing challenge. Many shared that rent increases have forced them to reconsider their housing choices, with some moving to smaller apartments or shared accommodations to reduce costs. Others expressed concerns about how rent hikes limit their ability to manage other essential expenses, such as food and transportation.

Beyond rent, students reported other major financial pressures related to housing. 25% of respondents cited difficulty finding affordable housing, explaining that cost-effective options are becoming increasingly scarce. Several students noted that the high demand for student housing makes it difficult to secure a place, often leaving them with no choice but to rent privately at much higher costs.

Additionally, 16.7% of students pointed to the high cost of utilities as a key challenge. Those in private rentals are particularly affected, as they bear full responsibility for electricity, water, and heating expenses, which fluctuate based on energy prices. Some shared that utility costs have risen significantly, adding unexpected financial strain on top of already expensive rent.

Another 16.7% of students highlighted the limited availability of student housing as a major challenge. Many explained that securing a spot in student accommodations is highly competitive, leaving some students in a constant search for affordable alternatives. A few respondents also mentioned other housing-related concerns, such as strict lease conditions, unexpected fees, and inconvenient housing locations, which further complicate their ability to find stable accommodation.

These insights reinforce that while rent inflation is the biggest concern, other factors such as housing accessibility and rising utility costs also contribute to students' financial struggles. Many emphasized the need for more affordable student housing options, as well as policies that regulate housing costs, to ensure that international students in Kuopio can secure stable and reasonably priced accommodation.

What is the biggest challenge you face regarding housing costs?

12 responses

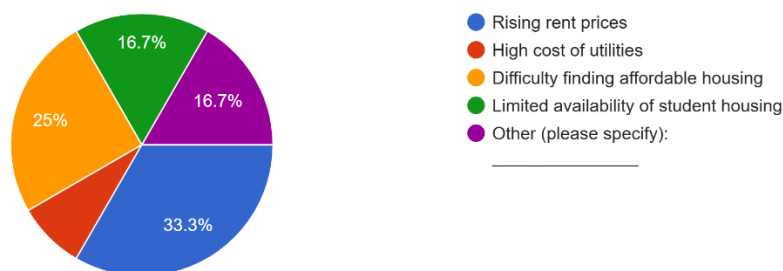


Figure 12. Biggest Housing Challenges (n=12)

### 5.3 Suggested Solutions for Managing Housing Costs

In Figure 13, Students highlighted several key strategies that could help international students better manage housing costs in Kuopio. The most commonly suggested solution was increasing the availability of affordable student housing, with 33.3% of respondents emphasizing that expanding low-cost housing options would help ease financial pressure and provide more stability. Many students shared that high demand for student housing makes it difficult to secure a place, forcing them into more expensive private rentals that significantly strain their finances.

Rent control policies were also a widely supported suggestion, with 25% of students believing that regulating rent prices would help prevent landlords from increasing prices beyond students' financial capacity. Some students noted that private rental rates fluctuate frequently, and without rent controls, many international students struggle to maintain stable housing costs throughout their studies.

Another 25% of students supported the idea of financial aid specifically for international students. They expressed that direct financial assistance such as housing grants, rental subsidies, or student allowances could make it easier to afford rent while allowing them to focus on their studies instead of working excessive hours to meet housing expenses.

Expanding part-time job opportunities was another major recommendation, with 16.7% of respondents stating that increased access to student-friendly jobs would help them remain financially stable. Many students rely on work to cover rent and other living costs, but they noted that finding jobs that accommodate student schedules is not always easy. Improving employment opportunities could help students manage their financial responsibilities more effectively.

A few students proposed alternative solutions, such as subsidizing utility costs or offering more flexible lease agreements, which could make housing more manageable. Some suggested that reducing upfront costs, such as security deposits or advance rent payments, would ease the financial burden for students when securing housing.

Overall, students emphasized that a combination of affordable housing options, rent regulation, financial aid, and job opportunities would provide the best support for managing rising housing costs in Kuopio. Addressing these issues holistically could significantly improve international students' ability

to secure stable and affordable accommodation while continuing their studies without excessive financial stress.

In your opinion, what should be done to help international students manage housing costs?

12 responses

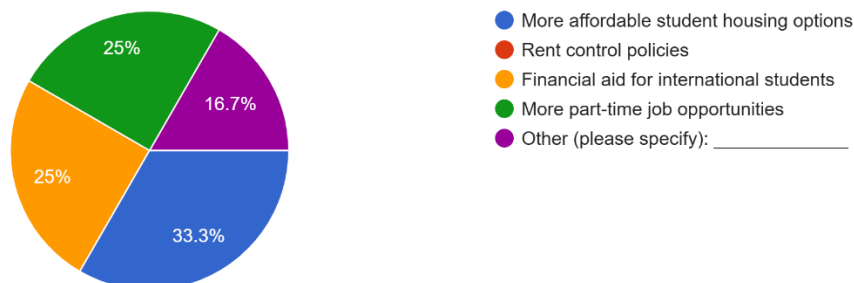


Figure 13. Suggested solutions (n=12)

#### 5.4 Expected Changes in Housing Costs

Most international students expect housing costs to continue rising, with 58.3% believing that rent will increase significantly and 16.7% anticipating a slight increase (See Figure 14). Many students expressed concerns that ongoing inflation and rising living expenses will lead to further rent hikes, making it increasingly difficult to afford stable accommodation. Several students noted that they have already experienced gradual rent increases over time and fear that this trend will persist in the coming year.

A smaller portion of respondents had a more optimistic outlook. 16.7% of students expect rent prices to decrease, while 8.3% believe that housing costs will remain the same. Some students hoped that policy interventions or an increased availability of student housing could help slow down price increases. Others mentioned that their current rental agreements provide some stability, giving them confidence that they would not face immediate price hikes.

How do you expect housing costs to change in the next year?

12 responses

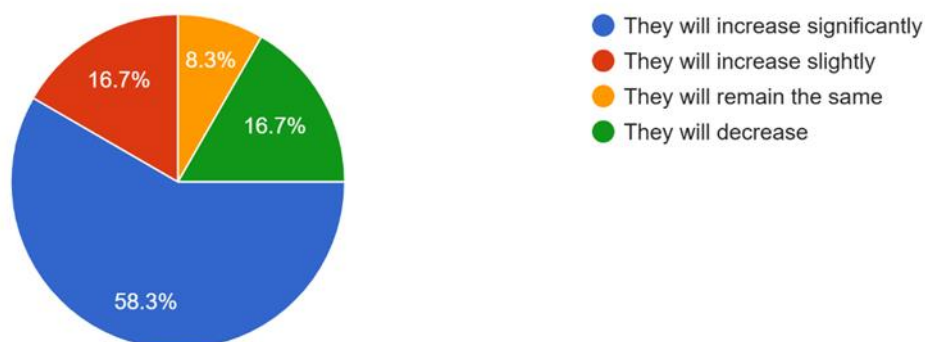


Figure 14. Expected Changes in Housing Costs (n=12)

Despite these differing views, most students remain concerned about affordability and the long-term impact of rent increases on their ability to manage expenses. Many emphasized the need for long-term solutions, such as better housing policies, financial support, and expanded student housing options, to help mitigate the growing financial burden on international students in Kuopio.

These responses also highlight two key concerns: high rent costs and limited job opportunities, both of which make it challenging for students to sustain their living expenses. One student specifically noted that high rent is a disadvantage of living in Kuopio, reinforcing the findings from previous data that rising costs are a major concern for students. Another respondent suggested that more part-time job opportunities would be beneficial, aligning with earlier findings that many students rely on part-time work to cover rent.

While only a few students provided additional comments, their feedback supports the broader trend that rent affordability and job availability are key challenges for international students in Kuopio. Addressing these issues through affordable housing initiatives and improved employment opportunities could significantly ease financial stress and ensure that students can continue their studies without excessive financial strain.

## 6 CONCLUSION

This study aimed to explore the impact of inflation on international students' housing costs in Kuopio. The findings reveal that inflation has significantly affected students' ability to secure affordable housing, with rising rents, increased utility costs, and financial strain being the most pressing concerns. Many students struggle to balance housing expenses with other essential costs, leading to financial stress and the need for additional income sources.

For international students, the implications of built-in inflation can be especially challenging. As general price levels continue to rise, universities may increase tuition fees and housing providers may adjust rents annually to account for inflation. In economies where wage growth is tied to inflation, international students, who typically do not benefit from such wage indexing, find it increasingly difficult to keep up. Moreover, inflation-linked rent increases can make it nearly impossible for students on fixed scholarships or remittances to remain financially stable.

A key takeaway from the study is that access to affordable student housing remains a major challenge. Limited availability of student accommodation has forced many students into the private rental market, where prices are higher and rent increases are frequent. Additionally, inflationary pressures have exacerbated these challenges, making it difficult for students to maintain stable living conditions.

The study highlights the importance of policy interventions to support international students in securing affordable housing. Suggested measures include expanding student housing options, implementing rent control policies, increasing financial aid for students, and improving access to part-time employment opportunities.

While this research provides valuable insights into the housing struggles of international students in Kuopio, further studies with a broader geographic scope and larger sample size would strengthen the understanding of inflation's effects on student housing. Additionally, incorporating quantitative analysis alongside qualitative findings could provide a more comprehensive perspective on this issue.

Overall, this study underscores the need for continued efforts to ensure that international students in Kuopio and other academic cities have access to stable, affordable, and quality housing. Addressing these challenges will not only improve students' living conditions but also enhance Kuopio's appeal as a welcoming destination for higher education.

## 7 DISCUSSION

The process of conducting this research on the impact of inflation on international students' housing costs in Kuopio was both enriching and challenging. The study began with a thorough review of existing literature on inflation and student housing, followed by data collection through interviews and secondary sources. Thematic and comparative analyses were employed to examine the key issues affecting international students

Several challenges arose during the research process. The first major challenge was securing a sufficient number of participants willing to share their housing experiences. Given the financial strain many international students face, some were hesitant to discuss their economic situations. To mitigate this, an emphasis was placed on maintaining confidentiality and ensuring that responses were used strictly for academic purposes.

Another challenge was the availability of up-to-date secondary data on inflation in Finland and its specific impact on student housing. While national economic reports provided valuable insights, there was limited information focusing solely on international students in Kuopio. As a result, the study relied heavily on direct student experiences and qualitative analysis to fill these gaps.

Balancing the demands of data collection, analysis, and thesis writing with other academic and personal responsibilities proved difficult. Time constraints were particularly challenging when arranging interviews with students who had varying schedules.

### Limitations and Reliability of the Research

Like any research study, this thesis has limitations. One key limitation is the relatively small sample size of interview participants. While the study aimed to achieve diversity in nationality, study level, and housing type, a larger sample could have provided even more comprehensive insights.

Additionally, the study primarily focused on Kuopio, limiting the generalizability of the findings to other cities in Finland or other countries facing similar issues. Since housing costs and inflation rates vary by region, the results may not fully apply to cities with different economic conditions.

The reliability of the research findings was enhanced through the use of multiple data sources, including student interviews, secondary reports, and comparative analysis. Cross-referencing interview responses with available statistical data helped ensure the validity of the conclusions drawn. However, given the qualitative nature of the study, there is an element of subjectivity in how students perceive housing costs and inflation.

### Research Tools and Methods

The research relied primarily on qualitative data collection and analysis, ensuring that the findings were based on students' lived experiences rather than automated processes. The study was conducted manually through interviews and literature reviews, with a focus on understanding the real challenges students face in securing affordable housing.

Artificial Intelligence (AI) was used in a limited and supportive role to improve workflow efficiency. Google Forms was used to collect and organize interview responses. AI tools also assisted with grammar checks and refining language clarity. However, all core research activities, including data analysis,

thematic interpretation, and conclusion development, were conducted manually to ensure the authenticity and depth of qualitative findings.

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## APPENDIX

## 1: QUESTIONNAIRE

# The Impact of Inflation on International Student Housing Costs in Kuopio.

---

**B** *I* U  

Hello,

I am conducting a study on how inflation affects international student housing costs in Kuopio. Your responses will remain anonymous and will help provide insights into this issue. Thank you for your time!



What is your nationality?

Short answer text

---

Age Group \*

- 18 – 24
- 25 – 30
- 31 – 35
- 36 and above

Gender \*

- Male
- Female



Current Level of Study \*

- Bachelor's degree
- Master's degree
- PhD
- Other (please specify): \_\_\_\_\_

How long have you lived in Kuopio? \*

- Less than 6 months
- 6 months – 1 year
- 1 – 2 years
- More than 2 years
- 

⋮

What type of accommodation do you currently live in? \*

- Student housing (e.g., Tekma.Kuopas)
- Private rental apartment
- Shared apartment
- Other (please specify): \_\_\_\_\_
- 

⋮

Has your rent increased since your arrival in Kuopio? \*

- Yes, significantly (more than 10%)
- Yes, slightly (1–10%)
- No, my rent has remained the same
- No, my rent has decreased

⋮

How much do you currently pay for rent per month? \*

- Less than 250€
- 250€ – 400€
- 400€ – 600€
- More than 600€

Has your rent increased since your arrival in Kuopio? \*

- Yes, significantly (more than 10%)
- Yes, slightly (1–10%)
- No, my rent has remained the same
- No, my rent has decreased

If your rent increased, what was the main reason given by your landlord or housing provider? \*

- General inflation and rising costs
- Increased demand for housing
- Utility cost increases (electricity, water, heating)
- Other (please specify): \_\_\_\_\_

How has the increase in rent affected your overall financial situation? \*

- I had to cut expenses on other necessities (food, transport, etc.)
- I had to look for a cheaper place to live
- I needed additional financial support (scholarship, loan, job)
- It has not significantly affected me

How do you cover your housing expenses? \*

- Personal savings
- Parental/guardian support
- Scholarship/grant
- Part-time job/income
- Other (please specify): \_\_\_\_\_



What is the biggest challenge you face regarding housing costs? \*

- Rising rent prices
- High cost of utilities
- Difficulty finding affordable housing
- Limited availability of student housing
- Other (please specify): \_\_\_\_\_

In your opinion, what should be done to help international students manage housing costs? \*

- More affordable student housing options
- Rent control policies
- Financial aid for international students
- More part-time job opportunities
- Other (please specify): \_\_\_\_\_



How do you expect housing costs to change in the next year?

- They will increase significantly
- They will increase slightly
- They will remain the same
- They will decrease

Any additional comments or personal experiences regarding housing costs in Kuopio?

Short answer text

## 2: RESPONSES

12 responses

[Link to Sheets](#)

Summary

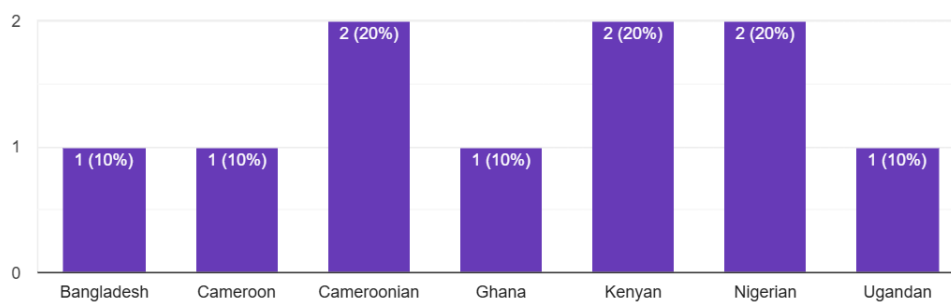
Question

Individual

What is your nationality?

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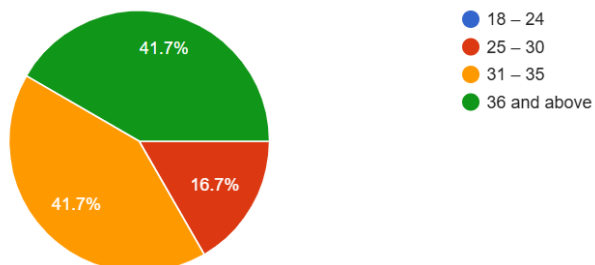
10 responses



Age Group

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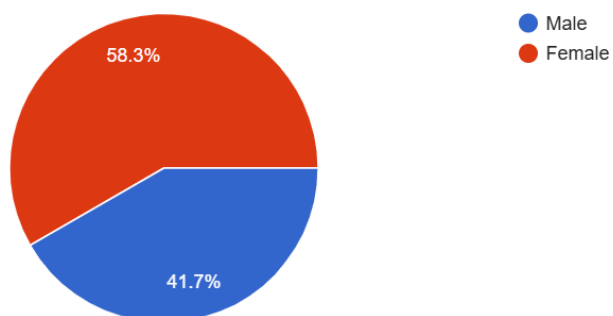
12 responses



Gender

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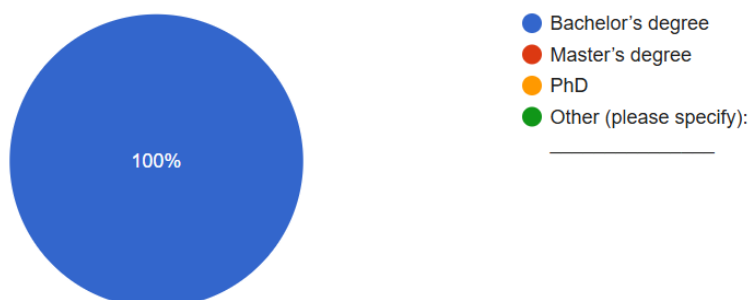
12 responses



## Current Level of Study

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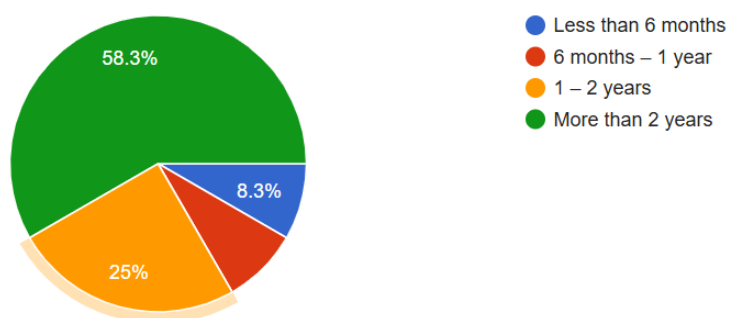
12 responses



## How long have you lived in Kuopio?

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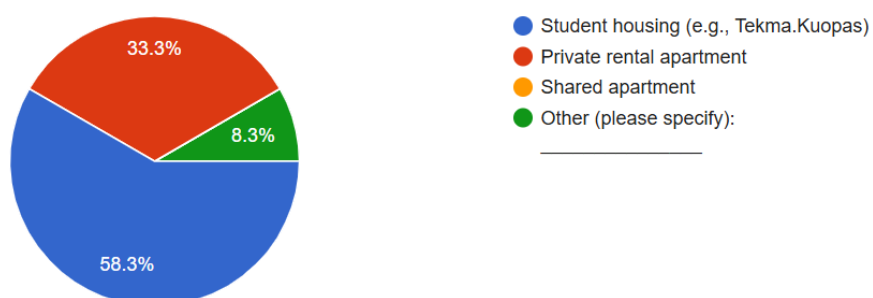
12 responses



## What type of accommodation do you currently live in?

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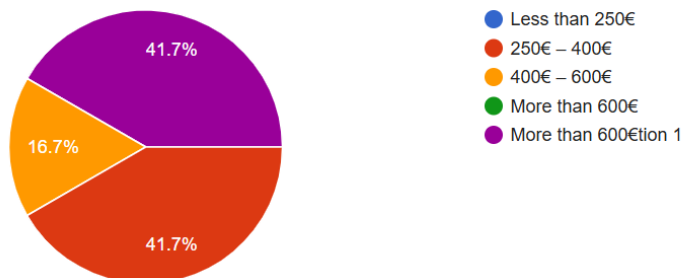
12 responses



## How much do you currently pay for rent per month?

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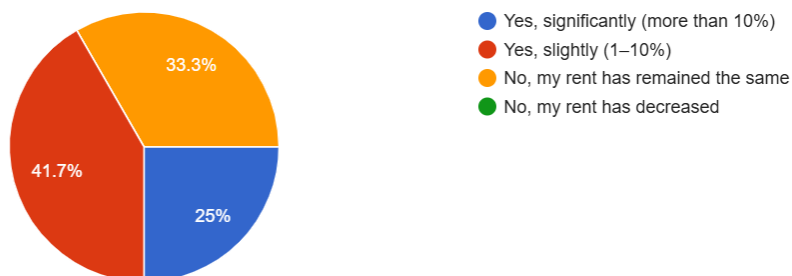
12 responses



## Has your rent increased since your arrival in Kuopio?

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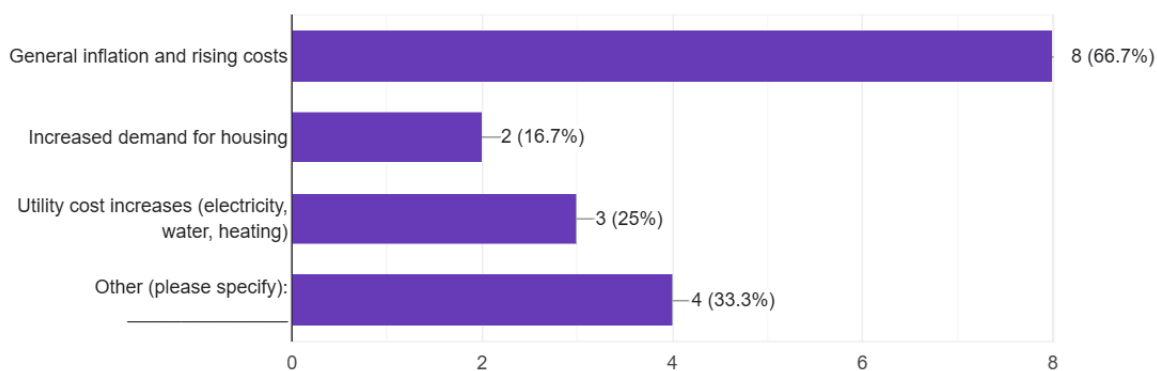
12 responses



## If your rent increased, what was the main reason given by your landlord or housing provider?

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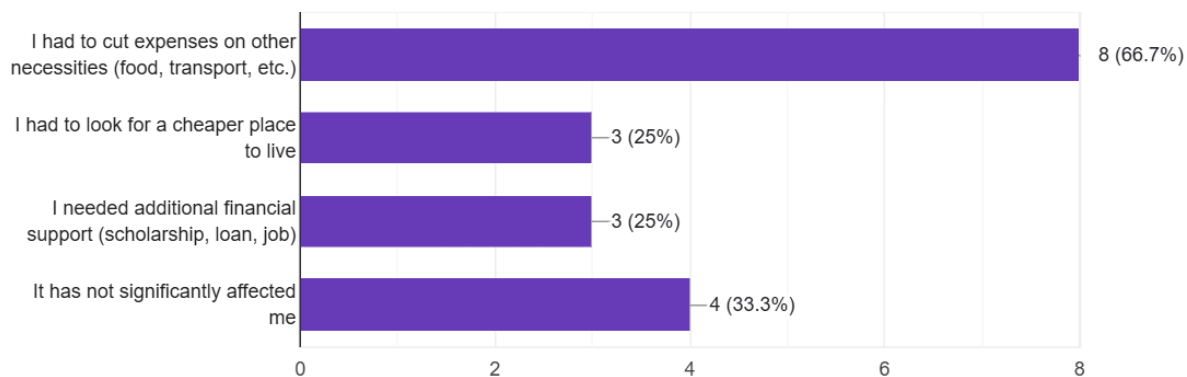
12 responses



### How has the increase in rent affected your overall financial situation?

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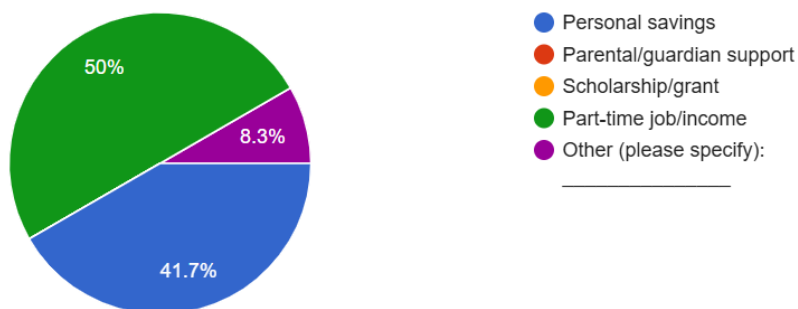
12 responses



### How do you cover your housing expenses?

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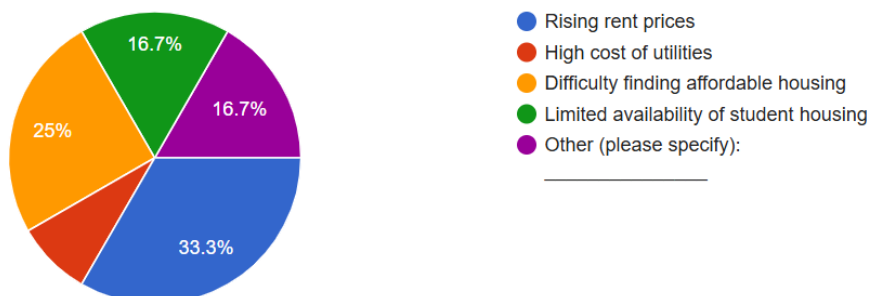
12 responses



### What is the biggest challenge you face regarding housing costs?

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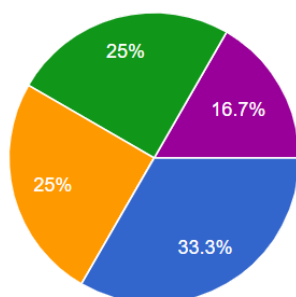
12 responses



In your opinion, what should be done to help international students manage housing costs?

[Copy chart](#)

12 responses

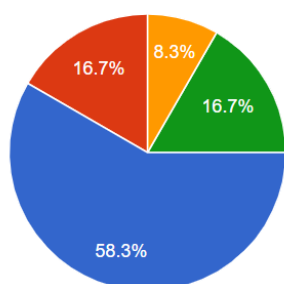


- More affordable student housing options
- Rent control policies
- Financial aid for international students
- More part-time job opportunities
- Other (please specify): \_\_\_\_\_

How do you expect housing costs to change in the next year?

[Copy chart](#)

12 responses



- They will increase significantly
- They will increase slightly
- They will remain the same
- They will decrease

Any additional comments or personal experiences regarding housing costs in Kuopio?

3 responses

No additional comment

High rent costs and unavailability of job opportunities is a disadvantage of living here

More part time jobs will be a plus for students