

Affordability and Demand for UK Higher Education in East Asia

Part 2 - Country/Territory Profiles

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Authorship and acknowledgements

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Part Two

Country/ Territory profiles

The following country/territory profiles build on the regional analysis presented in part one of the report by examining the economic and behavioural context within individual East Asian countries/territories. While the regional analysis provides a useful overview of affordability dynamics across East Asia, the economic conditions shaping households' ability to finance overseas study differ significantly across individual countries/territories. These profiles therefore examine these dynamics in greater detail, focusing on macroeconomic trends, exchange rate movements and household financial behaviour in each jurisdiction.

Each profile combines macroeconomic indicators with insights from the survey evidence to provide a more detailed picture of how affordability conditions differ across countries/territories, and how these dynamics shape both the decision to study abroad and the attractiveness of destinations such as the UK relative to other options. To make the basis of each finding clear, the profiles distinguish explicitly between macroeconomic analysis and survey evidence. The macroeconomic material, drawing on national statistical sources, supports country-wide conclusions about the financial environment in which households make study decisions. The survey evidence, which reflects the perceptions and stated preferences of surveyed students, parents and education agencies in each country/ territory, is used to complement and illustrate the macroeconomic picture rather than to establish country/ territory-wide behaviour in itself. Survey findings are therefore reported as indicative of how households perceive and respond to the conditions identified, rather than as representative measures of the population at large.

China

Macroeconomic and structural affordability

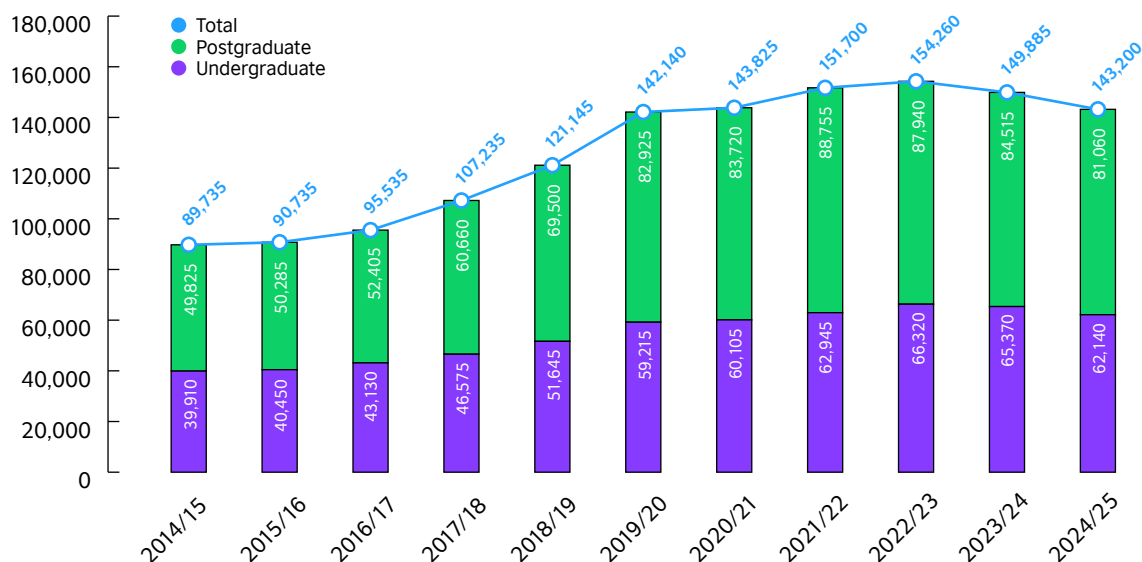
- By far the UK's largest international student market: 143,200 students enrolled in 2024/25, having grown from 89,700 in 2014/15, though numbers have eased from a 154,000 peak in 2022/23. Growth has been led by postgraduate study, with enrolments rising from 49,800 to over 81,100 over the decade.
- UK study is a major financial commitment: the annual cost represents approximately 292% of average household disposable income at undergraduate level and 290% at postgraduate level.
- Real tuition costs have risen by 9% (undergraduate) and 12% (postgraduate) in renminbi terms over the period, exceeding the 6% and 9% real increases measured within the UK itself, due to renminbi depreciation against sterling since 2022.
- Despite a structural economic slowdown and a prolonged property downturn, real household disposable income has continued to rise (+26% in real terms in the decade to 2025) and characteristically high savings rates underpin continued investment in education, which accounts for around 12% of household disposable income.
- The share of households able to afford UK study has more than doubled over the past decade, from an estimated 1.1% in 2016/17 to 2.3% in 2023/24, equivalent to a rise of 7.6 million households. The expansion has been driven primarily by rising real incomes, despite a higher local-currency cost of UK study.

Survey-based perspectives

- Appetite for overseas study is exceptionally high: only 9% of students did not consider or are not considering studying abroad, the lowest proportion across the ten East Asian countries/territories surveyed.
- Cost is the primary barrier to participation: among those who did not pursue overseas study, cost factors were the most frequently cited reason. However, once study abroad is financially feasible, education quality and career outcomes dominate destination choice.
- Survey respondents most frequently identified the UK as their preferred international study destination, with respondents valuing its safety, post-study work opportunities, and competitive tuition fees. 77% of students would consider studying in the UK, including 57% who acknowledge it is expensive but would still pursue study there. This sentiment is strongest among undergraduates (64%).
- Areas where Chinese respondents indicate the UK could improve its competitive position centre on post-study work opportunities, safety and wellbeing, and the availability of financial support.

Chinese students in the UK

Figure 23: Temporal trend of Chinese university students in the UK, by degree type and total



Source: Higher Education Statistics Agency (HESA)

Mainland China remains by far the largest source of international students in the UK. In the 2024/25 academic year, 143,200 Chinese students were enrolled in UK higher education, accounting for a substantial share of the international student population. Over the past decade, total enrolment rose from around 89,700 students in 2014/15 to a peak of over 154,000 in 2022/23, before moderating slightly in the most recent academic year.

This growth has been driven particularly by postgraduate study. Chinese postgraduate

enrolments increased from around 49,800 in 2014/15 to more than 81,100 in 2024/25, reflecting strong demand for one-year master's programmes offered by UK universities. Undergraduate enrolments also expanded, rising from roughly 39,900 to around 62,100 over the same period. Despite this sustained growth, enrolments have shown some signs of stabilisation in recent years, with total Chinese enrolments falling slightly between 2022/23 and 2024/25.

Economic context and general household financial capacity for international study

Mainland China's economic growth has slowed structurally over the past decade, declining from double-digit rates in the early 2010s to around 5% in recent years, with downward pressure being exerted by pandemic-associated shocks and a years-long property downturn. In this period inflation has remained low, implying that recent pressures on households more reflect weakening earnings growth than price instability. Indeed, real earnings growth has fallen to low single digits

post 2022, from double digit growth in the years to 2015.

Despite this moderation, real household disposable income has continued to trend upwards in the post-pandemic period, although the pace of growth has slowed compared with the stronger gains observed in the pre-pandemic era.

Survey evidence suggests that Chinese households continue to rely heavily on accumulated savings when financing education. 69% of surveyed parents of university-age children reported that personal savings would be used to finance the cost of higher education. A similar reading was reflected in the survey of education agencies.

On a macro level, household savings rates declined steadily up to 2019 but rebounded in 2020 and have remained elevated relative to 2018 and 2019 levels since. Chinese savings ratios are characteristically high, which assists in affording international study. Indeed, **93% of surveyed parents who are funding education through savings reported that savings conditions have not been significantly impacted by the pandemic**, implying that finances in the nation have remained resilient despite the property downturn and its associated wealth effect.

When it comes to preferences for education, Chinese households appear to be willing to invest heavily for better educational outcomes, aided by a war chest of savings, although this

may be more reflective of the sample demographics, of which the vast majority are earners in the top two income quintiles. Among parents of international students (destination agnostic due to sample size constraints) a 53% majority cited the destination country's quality of education as a reason for sending their child there opposed to other overseas destinations, greater than the combined total citing tuition (14%) or maintenance costs (8%). Similarly, 47% of parents funding education through personal savings stated that although costs are higher, their ability to save has remained broadly unchanged since the pandemic and they still intend to send their child overseas for education.

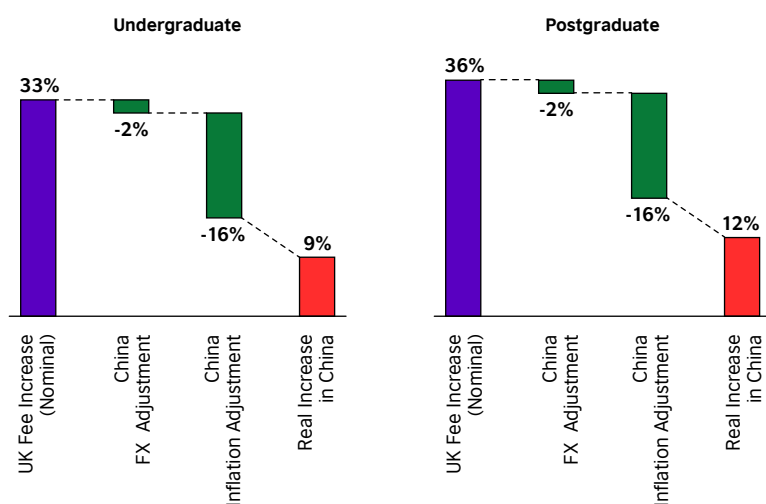
These findings are consistent with broader expenditure trends. **Real household spending on education has increased over time, aside from a temporary decline in 2020, and currently represents around 12% of household disposable income.** While growth in education spending has slowed more recently alongside broader income dynamics, education continues to represent a priority expenditure category for Chinese households.

Affordability dynamics for overseas study

The affordability of studying in the UK for Chinese households is shaped by the interaction of UK tuition fee increases, exchange rate movements and domestic price dynamics. Over the past decade, the renminbi has experienced periods of both appreciation and depreciation against sterling. The currency

appreciated during the mid-2010s, improving the affordability of overseas education. More recently, however, the exchange rate has become more volatile, with the renminbi weakening against sterling after 2022, increasing the local currency cost of tuition and living expenses in the UK.

Figure 24 & 25: Decomposition of UK tuition affordability for Chinese households by degree type¹⁹



19. 'Real increase in mainland China' reflects the change in the cost of UK study for a typical Chinese household after accounting for exchange rate movements and domestic inflation over 2016 to 2023. In simple terms, it shows the true change in affordability rather than just the headline increases in UK fees.

Over the period considered, nominal UK tuition fees increased by approximately 33% for undergraduate programmes and 36% for postgraduate programmes. Exchange rate movements partially offset these increases, reducing the effective growth in study costs when expressed in renminbi terms by around 2%. Domestic inflation in mainland China further moderated the increase in costs when assessed relative to household purchasing

power. **After accounting for both factors, the real cost of studying in the UK for Chinese households rose by approximately 9% for undergraduates and 12% for postgraduates in local currency terms.** In comparison, the real increase in tuition costs measured within the UK itself was smaller, at approximately 6% for undergraduates and 9% for postgraduates.

Appetite for international education

Figure 26: Group breakdown for student survey in mainland China

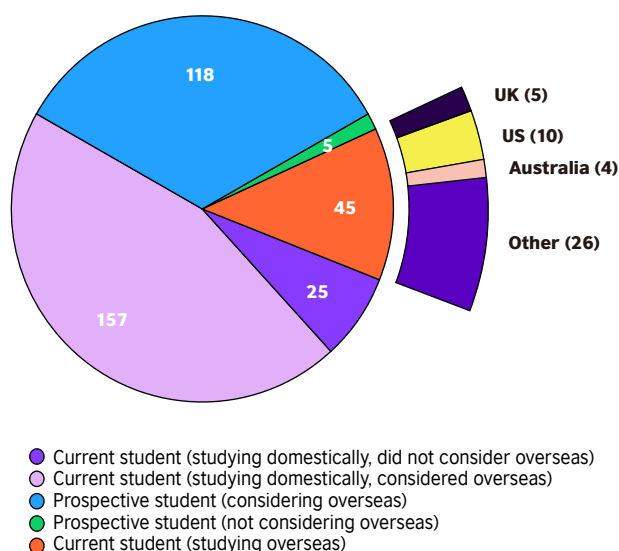
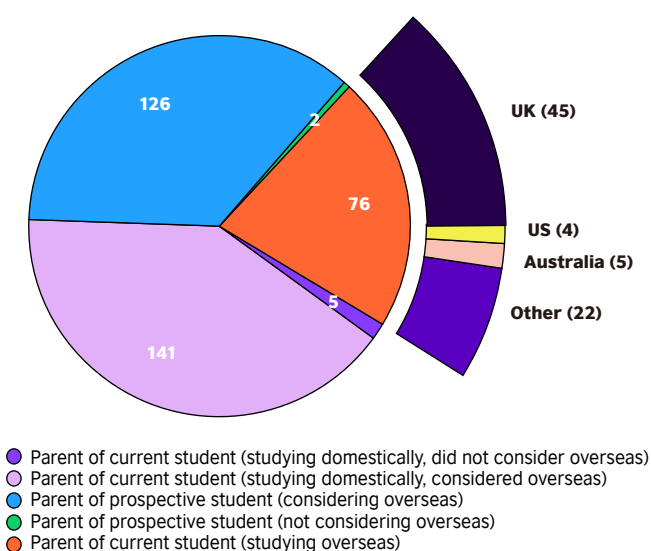


Figure 27: Group breakdown for parent survey in mainland China



Source: 3Gem survey, Cebr analysis

Despite these affordability pressures, survey results indicate that international study is a consideration for a large proportion of university-age students and their parents in mainland China. **Only 9% of current or prospective students did not consider or are not considering studying abroad, the lowest proportion across the East Asian countries/territories surveyed.** Notably, mainland China was not identified as a popular study destination among respondents from other countries and territories. No parents reported that their child was studying in mainland China, while only 3% of students studying overseas indicated that they were doing so, placing mainland China behind destinations such as South Korea, Singapore, and Japan.

The majority of study agencies in mainland China report that demand for international education is broadly the same as in previous years, although far more reported that it had increased compared to those that reported it falling: 32% compared to 6%. A further 84% of agencies expected demand to grow in the future, citing increasing household financial capacity and the perceived value of overseas education as the primary drivers of this expected growth.

The first factor suggests that higher-income households continue to expand their financial capacity for education spending, despite broader economic pressures associated with the property downturn. One possible explanation is that low deposit rates and bond

yields have reduced the returns on traditional savings instruments, encouraging greater participation in retail investment markets and supporting wealth accumulation among higher-income households. This financial capacity has allowed these households to pursue international educational opportunities that they believe offer strong long-term value.

At the same time, a clear divide is visible among Chinese households. **For those that considered studying abroad but ultimately did not, cost factors were the most**

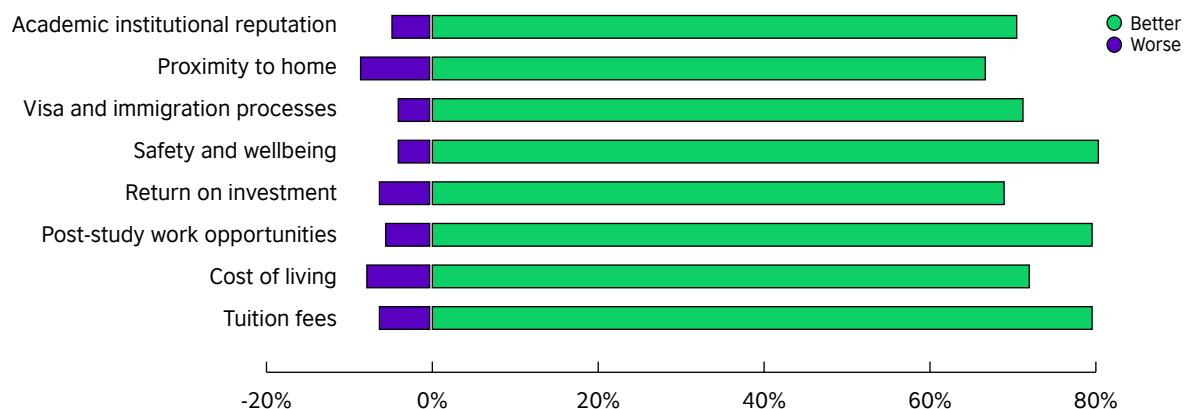
frequently cited reasons. Among those who did not consider or are not considering studying abroad, cost was again the most popular response. This reinforces the broader pattern identified in the regional analysis: expensive international study presents a barrier to participation, but for those that can afford to look abroad, the decision of where to study is predominantly made on the basis of education quality and expected career outcomes.

The UK and other destinations

The UK was the most frequently chosen international study destination among Chinese survey respondents, ahead of other Anglophone destinations. Survey

responses indicate that perceptions of the UK are closely linked to the quality and reputation of its higher education system.

Figure 28: Assessment of how the UK compares to the US across key metrics for students from mainland China

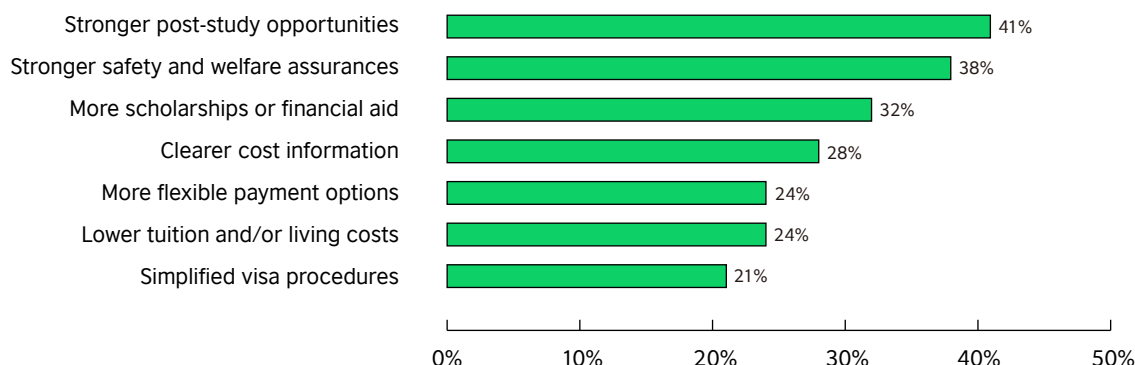


Source: 3Gem survey, Cebr analysis

A comparison against the next-most popular destination, the US, reveals some of the UK's key relative strengths and weaknesses. Firstly, it is notable that those Chinese students who considered or are considering both the UK and the US overwhelmingly preferred the UK as a study destination across all metrics. That said, there were areas where this distinction was particularly pronounced. **The UK's strongest points of comparison were safety and wellbeing, post-study work opportunities, and competitive tuition fees, viewed as better by 80% of respondents.** On the other

hand, 8% of respondents believed that the UK's was a worse study destination on the basis of living costs and proximity to home.

Figure 29: Perceived areas to improve for the UK for parents in mainland China

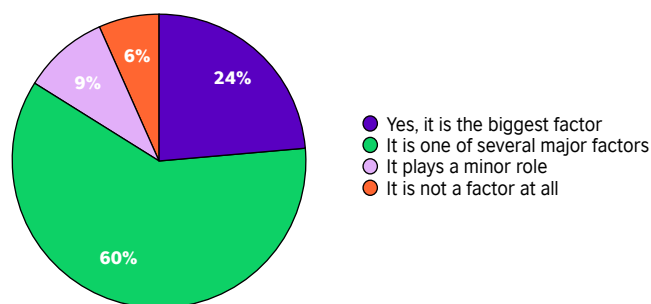


Source: 3Gem survey, Cebr analysis

Evaluating perceptions of the UK specifically, the full sample of parents was asked what they believed to be the key areas that the UK should improve in order to make it a more attractive study destination. **Parents most often stated that stronger post-study work opportunities would make the UK a more attractive study destination, as chosen by 41% of respondents.** This is likely a comment on the UK's weak hiring prospects for graduates. Other popular options were stronger safety and welfare assurances and greater expansion of scholarships or financial aid. Interestingly, the proportion of parents stating that lower tuition or living costs would make the UK more attractive was the second lowest. While this seems counterintuitive, a potential explanation is that parents in mainland China believe that while education in the UK is expensive for international students, this high price is justified, or even necessary, given the quality of the educational offering.

At the same time, affordability remains an important consideration. **While 58% of all parents viewed education in the UK as somewhat affordable relative to other countries, 60% also indicated that affordability represented one of several major factors deterring them from pursuing study in the UK.** Among students, 85% were at least somewhat confident that UK education offered a strong return on investment, and many cited affordability as a primary factor in the decision on whether or not to study in the UK.

Figure 30: Parents' consideration of affordability as a deterrent to studying in the UK (mainland China)



Source: 3Gem survey, Cebr analysis

On financial support, 76% of parents believed that financial aid availability in the UK was at least somewhat sufficient, although many (44%) indicated that the decisive factor in sending their child to the UK was admission to a programme that closely matched the student's academic interests.

Overall, **77% of students reported that they would consider studying in the UK, including 57% who stated that they view the UK as expensive but would still pursue study there.** This sentiment was particularly strong among undergraduate students, 64% of whom indicated they would like to study in the UK despite the higher cost, compared with 45% of current or prospective postgraduate students.

Hong Kong

Macroeconomic and structural affordability

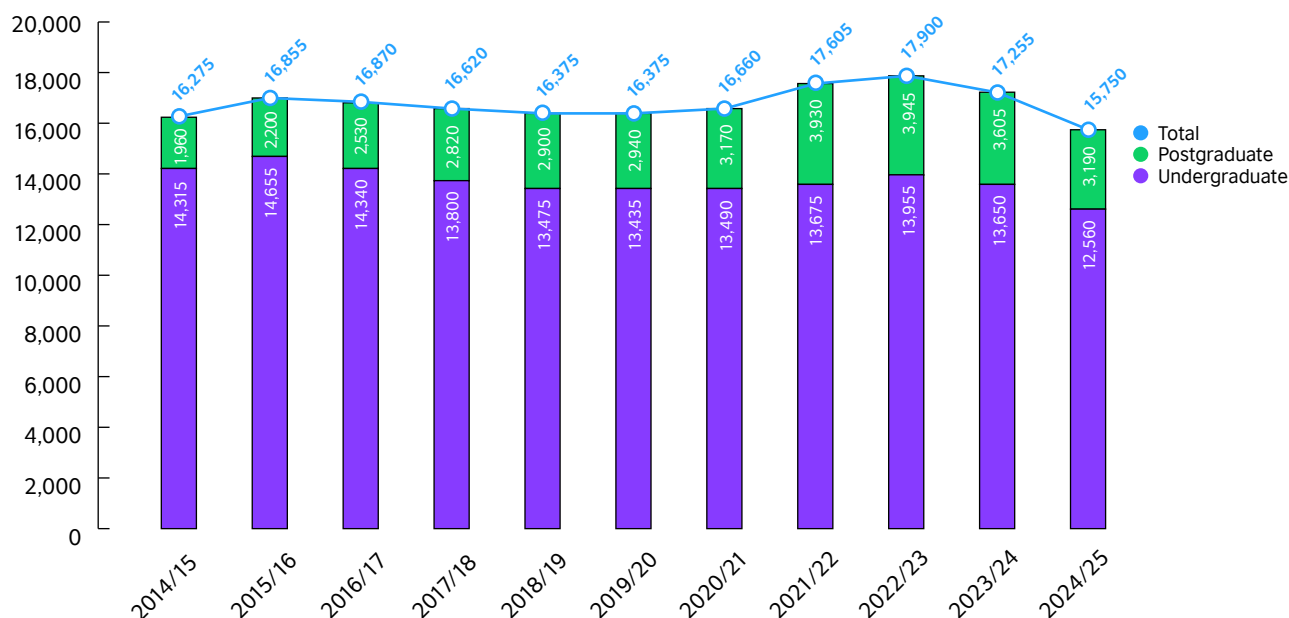
- A predominantly undergraduate market: approximately 15,800 students enrolled in 2024/25, fluctuating within a narrow range over the past decade. Unlike most East Asian source countries/territories, the Hong Kong student population in the UK remains around 80% undergraduate. Postgraduate enrolments have nearly doubled however, rising from around 2,000 in 2014/15 to a peak of nearly 4,000 in 2022/23, representing a growing but still secondary segment.
- UK study is relatively manageable by regional standards: the annual cost represents approximately 55% of average household disposable income at both undergraduate and postgraduate levels, placing Hong Kong among the more affordable origin countries/territories for Anglophone study.
- Exchange rate movements have worked in Hong Kong's favour, with the Hong Kong dollar appreciating modestly against sterling over the period and reducing the effective rise in tuition costs by around 7%. After adjusting for domestic inflation, real costs rose by just 4% (undergraduate) and 7% (postgraduate) in local currency terms, below the UK-measured increases.
- Real household disposable income has risen modestly over the past decade, but households have built substantial financial buffers in response to economic and political uncertainty. Savings rates rose from around 25% in 2018 to close to 30% by 2024, providing households with significant accumulated resources to draw on for major expenditures such as international education.
- The share of households able to afford UK study has expanded from an estimated 10.7% in 2016/17 to 15.0% in 2023/24, equivalent to a rise of 138,000 households. The expansion has been driven by favourable exchange rate movements, rather than by strong earnings growth.

Survey-based perspectives

- Appetite for overseas study is strong among surveyed students and parents: only 24% of students did not consider overseas study. Education agencies report robust and growing demand, with 56% say it is higher than the previous year, and 60% expect further increases.
- The UK is the most frequently identified preferred destination among Hong Kong respondents, with institutional reputation, historical ties and expected return on investment cited as its strongest attributes. Among surveyed parents financing study through savings, 94% indicated that sending their child to the UK is worth the cost.
- Political uncertainty is a distinctive driver of demand in Hong Kong: 50% of agencies cite safety and political stability considerations as a factor behind growing interest in overseas study, well above the East Asian average. Post-study employment opportunities in the UK are correspondingly important to Hong Kong parents (19%), likely reflecting interest in emigration pathways.
- Cost remains a relevant consideration despite Hong Kong's comparatively favourable affordability position, particularly at postgraduate level: 81% of surveyed students cite cost as at least one major factor in their decision, and 43% of postgraduate respondents identify it as the primary barrier. However, only 16% of surveyed parents view available financial support as inadequate.

Hong Kong students in the UK

Figure 31: Temporal trend of Hong Kong-domiciled university students in the UK, by degree type and total



Source: Higher Education Statistics Agency (HESA), Cebr analysis

Hong Kong remains an important source of international students in the UK, though the number of students from Hong Kong has dropped significantly in the most recent academic year. In the 2024/25 academic year, approximately 15,800 students from Hong Kong were enrolled in UK higher education institutions, much lower than the 2014/15 figure of 16,300.

Unlike several other East Asian countries/territories where postgraduate study has driven much of the growth in overseas enrolment, the Hong Kong student population

in the UK remains predominantly undergraduate-led. Undergraduate enrolments have remained broadly stable over the period, with the exception of 2024/25.

Postgraduate enrolments have increased more noticeably, rising from around 2,000 students in 2014/15 to a peak of nearly 4,000 in 2022/23, before easing slightly to around 3,200 in 2024/25. Despite this growth, postgraduate students continue to represent a smaller share of the overall Hong Kong student population in the UK.

Economic context and general household financial capacity for international study

Hong Kong's economic trajectory over the past decade has been volatile, reflecting the country's exposure to mainland China's broader slowdown, domestic political disruptions and pandemic-related border restrictions.

Output contracted sharply in 2019 and 2020,

followed by a partial rebound in 2021 and renewed weakness in 2022, before returning to modest growth thereafter. Inflation has remained moderate throughout this period, with particularly low inflation during the pandemic years. As a result, pressure on households has stemmed more from income dynamics rather than price instability.

Although nominal incomes have increased steadily since the early 2010s, real income growth has been relatively limited, meaning that purchasing power has improved only modestly over the past decade.

At the same time, elevated uncertainty in recent years has led households to increase precautionary savings. **Household savings rates rose from around 25% in 2018 to close to 30% by 2024, reflecting both political uncertainty and the economic effects of the pandemic.**

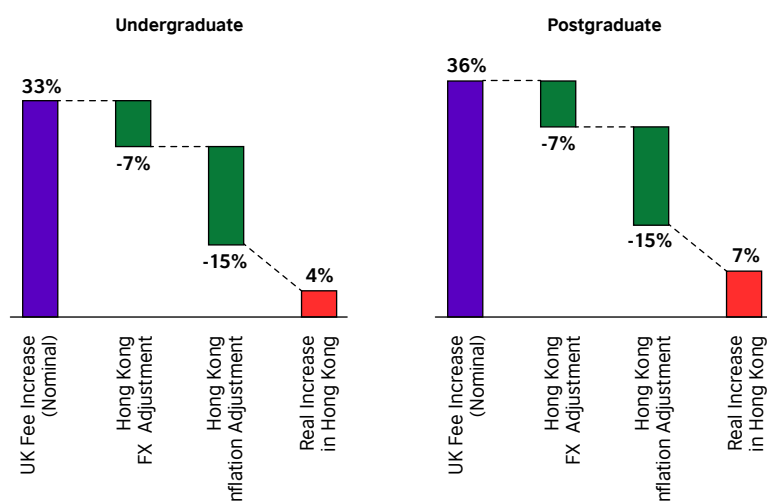
These elevated savings levels provide households with an important financial buffer when financing large expenditures such as international education. **Indeed, 73% of surveyed parents reported that they intend to finance higher education using personal savings, while 82% indicated that their ability to save has remained broadly unchanged compared with before the pandemic.**

Affordability of UK study

Exchange rate movements and domestic price trends have played an important role in shaping the effective cost of studying in the UK for Hong Kong households. Following a period of appreciation against sterling between 2016 and

2019, the Hong Kong dollar has experienced greater volatility in recent years, including episodes of depreciation that have the potential to increase the local currency cost of UK tuition and maintenance expenses.

Figure 32 & 33: Decomposition of UK tuition affordability for Hong Kong households by degree type²⁰



20. 'Real increase in Hong Kong' reflects the change in the cost of UK study for a typical household in Hong Kong after accounting for exchange rate movements and domestic inflation over 2016 to 2023. In simple terms, it shows the true change in affordability rather than just the headline increases in UK fees.

Source: Higher Education Statistics Agency (HESA), Cebr analysis

Over the period considered, nominal tuition fees for UK undergraduate programmes increased by approximately 33%. Exchange rate movements partially offset this increase, with the Hong Kong dollar appreciating modestly against sterling during parts of the period and reducing the effective rise in tuition costs in local currency terms by around 7%. **After accounting for domestic inflation, the real cost of studying for an undergraduate degree in the UK for Hong Kong households increased by approximately 4% in local**

currency terms, compared with a real increase of around 6% when measured within the UK itself.

A similar pattern is observed for postgraduate programmes. Nominal UK postgraduate tuition fees increased by approximately 36%, while exchange rate movements again mitigated part of this increase, reducing the effective rise in tuition costs in Hong Kong dollar terms by around 7%. After accounting for domestic inflation, **the real cost of postgraduate study**

in the UK increased by approximately 7% in local currency terms, compared with around 9% in the UK.

Broader household financial conditions provide additional context. Real household expenditure on education in Hong Kong remained broadly stable between 2010 and 2019, before falling sharply during the pandemic and only partially recovering since, suggesting that education spending has been constrained in real terms

despite rising nominal outlays. Subdued nominal earnings growth limits the ability of households to absorb rising overseas education costs without drawing down savings. In an environment characterised by geopolitical uncertainty and elevated savings ratios, such behaviour likely reflects precautionary motives rather than stronger underlying affordability. Nevertheless, 39% of parents reported that they would still seek to send their child abroad despite worsening affordability conditions.

Appetite for international education

International education is a prominent consideration for Hong Kong's university-age population. Only 24% of current or prospective students reported that they have not considered studying abroad. Survey responses indicate that overseas education is widely considered among households, even if it is not

always pursued in practice: the largest group of student respondents consists of those currently studying domestically who had previously considered studying overseas (163 respondents), followed by prospective students actively considering international study (69 respondents).

Figure 34: Group breakdown for student survey in Hong Kong

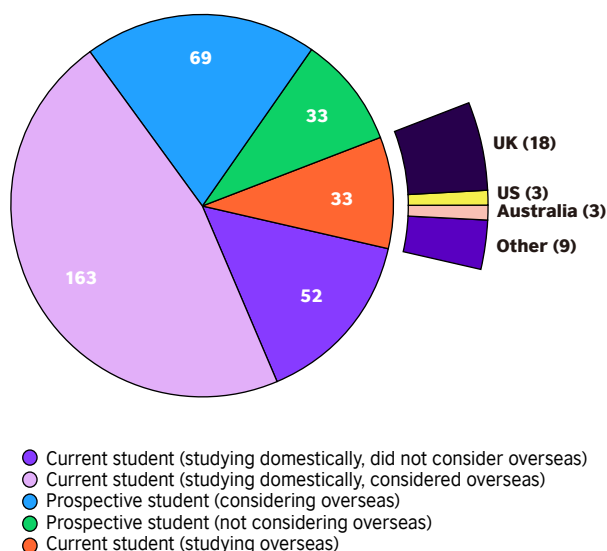
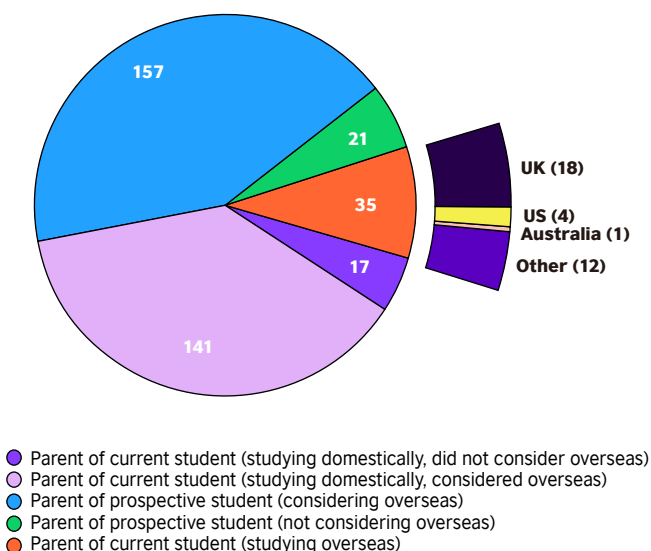


Figure 35: Group breakdown for parent survey in mainland China



Source: 3Gem survey, Cebr analysis

Education agencies in Hong Kong report growing momentum in demand for overseas study. 56% of agencies reported that demand was higher relative to the previous year, compared to only 8% that reported it being lower. Looking ahead, 60% of agencies expect demand to rise in the future.

When asked about the drivers behind this trend, agencies most frequently cited the perceived value of overseas education (57%). **Notably, safety and political stability considerations were also frequently mentioned, with 50% of agencies identifying this factor, far above the average across the wider East Asian**

sample. This reflects the particular context of Hong Kong, where recent political developments and broader uncertainty have

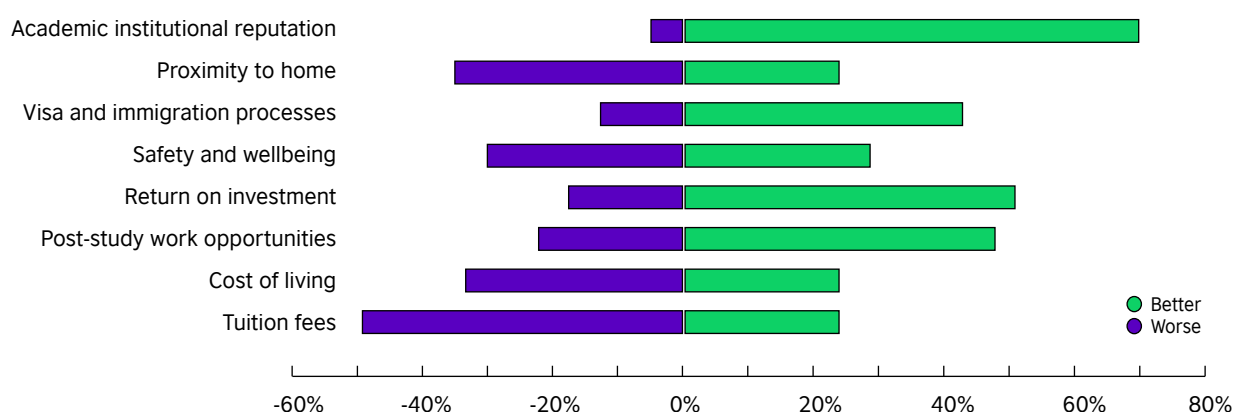
heightened the perceived value of overseas educational pathways.

The UK and other destinations

The UK continues to hold a strong reputation as an overseas study destination among households in Hong Kong. It was the most popular destination among current international students interviewed as part of the survey, and the most frequently considered

destination among both domestic and prospective students included within the sample. Hong Kong's historical connections with the UK likely play an important role in shaping these perceptions.

Figure 36: Assessment of how the UK compares to Australia across key metrics for students from Hong Kong

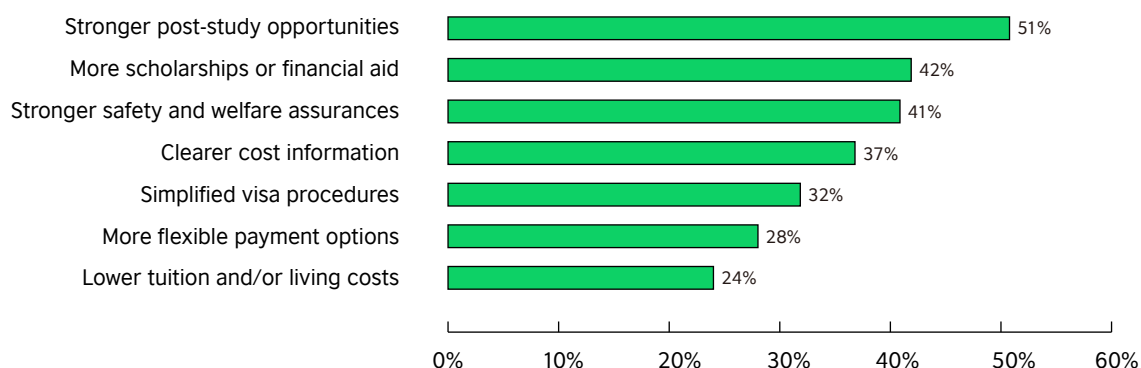


Source: 3Gem survey, Cebr analysis

The country most often considered as a study destination alongside the UK was Australia. Comparisons between the two follow a clear pattern: **the UK is perceived as offering stronger return on investment as well as a far superior academic institutional**

reputation, achieving a net balance of 33% and 65%, respectively. The UK's draws much less favourable comparisons on cost, safety and proximity to home. Most notably, 49% of respondents stated tuition fees in the UK were worse than in Australia, a net balance of -25%.

Figure 37: Perceived areas to improve for the UK for parents in Hong Kong



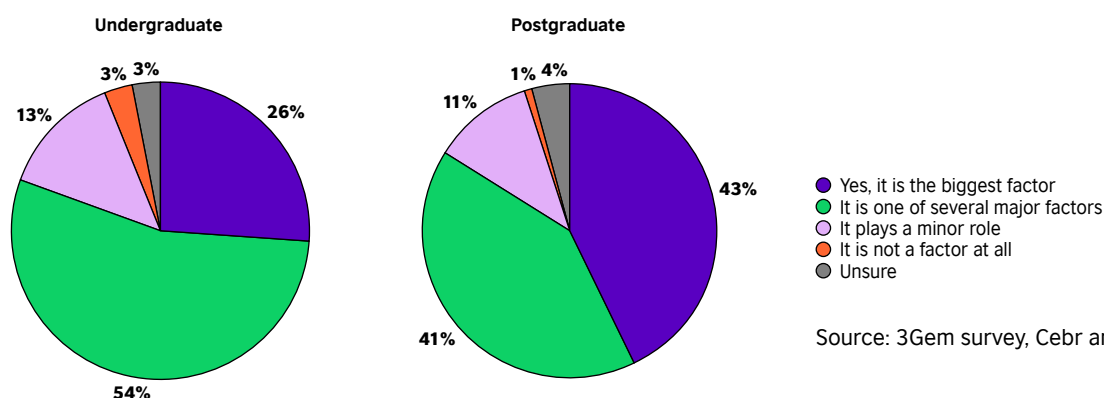
Source: 3Gem survey, Cebr analysis

Hong Kong displays similar patterns to mainland China when reflecting on the **UK's major deficiencies as a study destination**. The most popularly chosen categories are the same, with stronger post-study work opportunities cited by the largest share, at 51%, followed by and more scholarships or financial aid at 42% and stronger safety and welfare assurances at 41%. This indicates that perceptions of the UK between the Mainland and the special administrative region are similar; **the UK's major weakness as a study destination is the weakness of its graduate job market, while safety and cost concerns serve as other important deterrents**. That said, the low proportion citing lower tuition or

living costs would indicate that parents believe UK higher education is priced fairly, just with the desire that greater means-tested support be available.

Affordability nonetheless exerts a meaningful influence on decision-making. 81% of students stated that cost is at least one of several major factors in deterring study in the UK, with 30% stating it is the biggest factor. This concern is particularly pronounced among postgraduate students, 43% of whom identified cost as the primary deterrent, reflecting in part the larger real increase in postgraduate tuition fees when denominated in Hong Kong dollars.

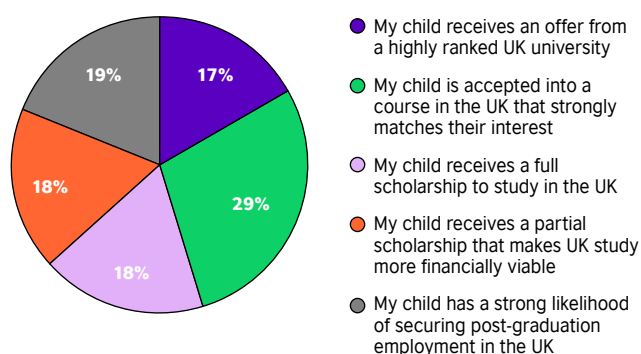
Figure 38: Undergraduate and postgraduate student perceptions on the role of affordability in deterring UK study (Hong Kong)



Despite this, the majority of parents believe that financial support is sufficient, with only 16% considering it inadequate. For parents, **the decisive factor in sending their child to the UK remains admission to a course that closely matches the student's academic interests, cited by 29% of respondents. The second most frequently cited factor is the likelihood of securing employment in the UK after graduation (19%).** The prominence of post-study employment may be explained by Hong Kong's historical connections to the UK, and an increased desire amongst parents that their children emigrate to escape political unrest in the special administrative region.

This emphasis on long-term outcomes is also reflected in attitudes towards the value of UK education. Among parents who intend to fund overseas study using personal savings, 94% stated that they believe sending their child to the UK is worth the

Figure 39: What would be the decisive factor for parents to choose UK higher education (Hong Kong)



cost. Overall, while the UK is widely recognised as an expensive study destination, households in Hong Kong continue to perceive UK education as offering strong long-term value.

Indonesia

Macroeconomic and structural affordability

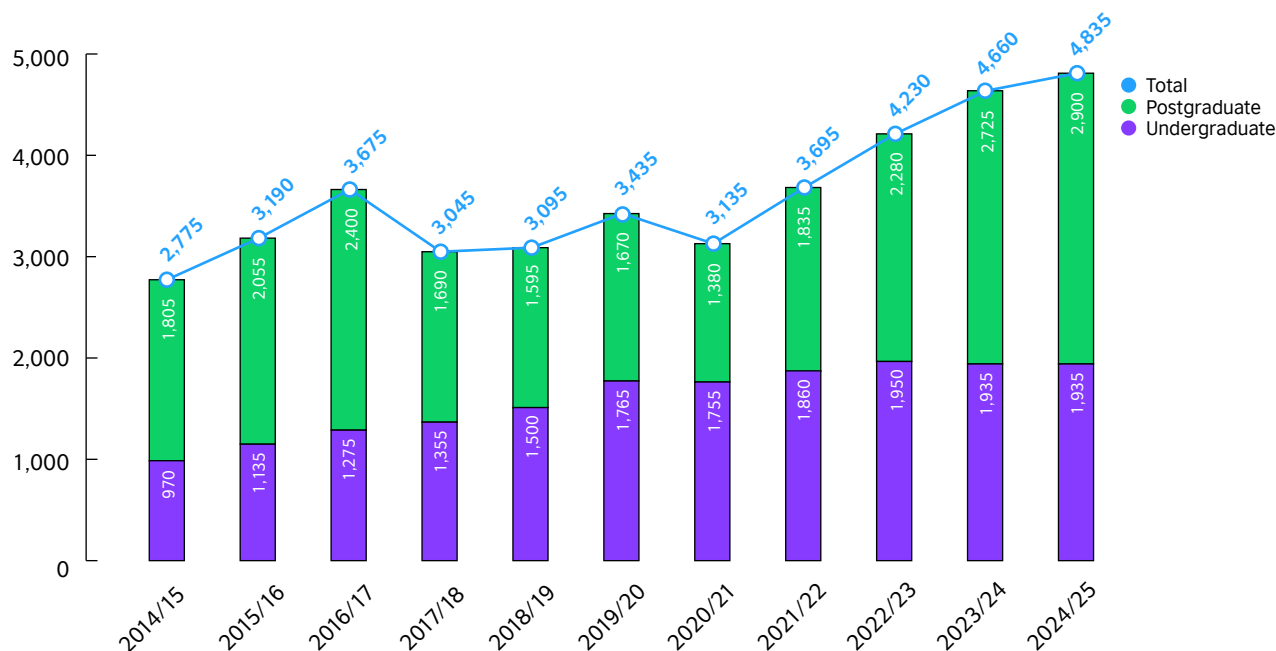
- One of the fastest-growing markets in this report: approximately 4,800 students enrolled in 2024/25, up from around 2,800 in 2014/15, a 74% increase over the period and the strongest growth trajectory of any country examined. Both undergraduate and postgraduate segments have grown, with undergraduates roughly doubling (970 to 1,900) and postgraduates rebounding strongly since 2021/22 to reach approximately 2,900 in 2024/25.
- UK study is structurally very expensive: the annual cost represents approximately 416% of average household disposable income at undergraduate level and 414% at postgraduate level, placing Indonesia in the high-cost tier alongside Thailand.
- However, the real cost trajectory has been relatively favourable. Despite rupiah depreciation adding around 5% to nominal increases, higher domestic inflation has broadly offset the rise, leaving real undergraduate costs flat and postgraduate costs up only approximately 2% in local currency terms.
- Household financial buffers are nonetheless under pressure: savings rates rose during the pandemic but have since declined, and real earnings growth has been close to zero or negative in several recent years, suggesting that recent inflationary episodes have damaged the buffers that support major expenditures such as overseas study.
- The share of households able to afford UK study has edged down over the period, from an estimated 1.0% in 2016/17 to 0.8% in 2023/24, equivalent to a fall of roughly 100,000 households. This contraction in the affordable base sits in marked contrast to the rapid growth in actual student numbers, indicating that recent UK enrolment growth has been concentrated among a narrow and relatively affluent segment of households rather than reflecting a broadening of affordability.

Survey-based perspectives

- Appetite for overseas study is exceptionally high among surveyed students, with only 22% not having considered it, and agency sentiment is the most unanimously positive in this report: no surveyed agency reported demand as lower than in previous years, 78% reported growth, and 92% expect further increases. Among students who ruled out overseas study, cost was the leading reason (53%).
- The gap between aspiration and uptake is unusually wide. While the overwhelming majority consider overseas study, only a very small number of surveyed students are currently studying abroad, reflecting the binding nature of affordability constraints. Reflecting pressure on household buffers, 49% of surveyed parents expect to rely on scholarships or bursaries to fund study.
- Affordability perceptions are paradoxically positive: 54% of parents view the UK as affordable – more favourable than in much richer Singapore – though this likely reflects sample composition (73% top income quintile) or incomplete knowledge of true costs. Nevertheless, 92% cite affordability as at least one major deterrent.
- Destination preferences are unusually dispersed across the UK, Australia, the EU, Singapore and Japan, suggesting lower language-barrier sensitivity than elsewhere. Among Indonesian respondents the UK is regarded most strongly for institutional reputation and post-study work opportunities. 90% of students are confident a UK education offers strong return on investment, the highest of any nation, and stronger post-study work opportunities (62%) is the single most-cited improvement, also the highest recorded for that factor.

Indonesian students in the UK

Figure 96: Temporal trend of Indonesian university students in the UK, by degree type and total



Source: Higher Education Statistics Agency (HESA), Cebr analysis

Indonesia represents one of the fastest-growing source countries for international students in the UK. In the 2024/25 academic year, approximately 4,800 Indonesian students were enrolled in UK higher education institutions, up from roughly 2,800 in 2014/15. Growth has not been linear: numbers rose to around 3,700 in 2016/17, dipped to approximately 3,000 in 2017/18, and fell slightly during the pandemic. The overall trajectory has been strongly upward however, with enrolments reaching their highest level in the most recent academic year.

Both segments have contributed to this growth. Undergraduate enrolments have roughly doubled, increasing from around 970 in 2014/15 to approximately 1,900 in 2024/25, with particularly strong growth through the late 2010s. Postgraduate enrolments have been more volatile but have driven much of the recent expansion, rebounding strongly from roughly 1,800 in 2021/22 to around 2,900 in 2024/25.

Economic context and general household financial capacity for international study

Indonesia's economic growth has been relatively stable over the past decade, averaging around 5% prior to the pandemic, with a steady recovery following the Covid contraction that has broadly returned growth to its pre-pandemic trend. Inflation has been structurally higher than in more advanced East

Asian economies, particularly in the mid-2010s, although it has moderated in more recent years. Inflationary spikes in 2022 and 2023 did erode purchasing power, however.

Real household disposable incomes declined sharply in 2020, followed by a gradual recovery

that reached pre-pandemic levels only in 2024. Nominal earnings growth has been volatile, with periods of strong growth prior to 2018, contractions during the pandemic, and modest growth thereafter. **Inflationary pressures have meant that real earnings growth has been close to zero and even negative in several recent years. This has weighed on household savings rates, which increased during the pandemic but have since declined,** suggesting that recent inflationary periods have damaged household financial buffers.

Survey evidence reflects these constraints. **A larger share of Indonesian parents expect to rely on monthly income (72%) to finance**

higher education costs, compared with 59% expecting to draw on personal savings.

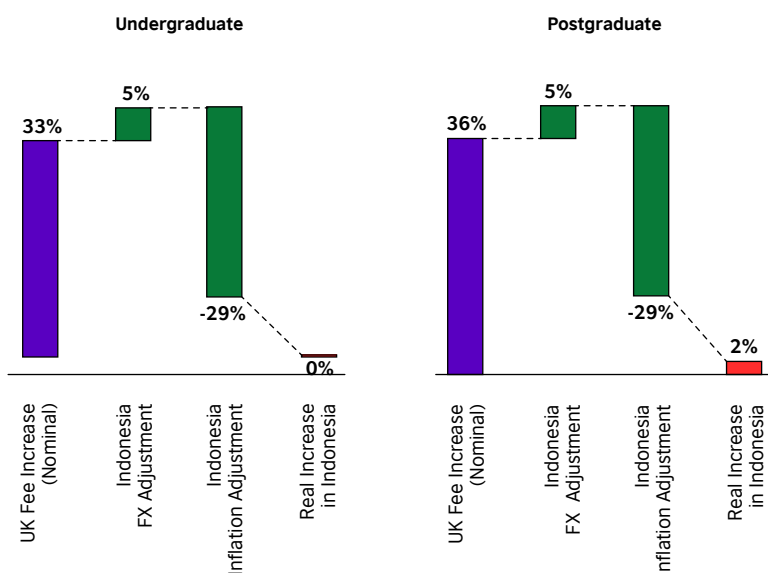
Meanwhile 49% anticipate relying on scholarships or bursaries, suggesting greater dependence on external funding mechanisms. Despite these pressures, 91% of parents report that saving conditions remain broadly similar to those experienced during the pandemic, and 54% state that international education remains at least somewhat affordable. However, this perception may partly reflect the income distribution of the survey sample, as 73% of respondents fall within the top income quintile.

Affordability dynamics for overseas study

The Indonesian rupiah has remained structurally weak against sterling since 2015, with further depreciation after 2022, increasing the local currency cost of UK tuition and living expenses. However, Indonesia's

higher domestic inflation has acted as a counterweight, moderating the real cost increase relative to household purchasing power.

Figure 97 & 98: Decomposition of UK tuition affordability for Singaporean households by degree type²⁸



28 . 'Real increase in Indonesia' reflects the change in the cost of UK study for a typical Indonesian household after accounting for exchange rate movements and domestic inflation over 2016 to 2023. In simple terms, it shows the true change in affordability rather than just the headline increases in UK fees.

Source: Higher Education Statistics Agency (HESA), Cebtr analysis

Over the period considered, nominal UK undergraduate tuition fees increased by approximately 33%. Rupiah depreciation amplified this by around 5% in local currency terms. However, after accounting for domestic

inflation, the real cost of UK undergraduate study for Indonesian households has remained broadly flat, compared with a 6% real increase within the UK. **For postgraduate programmes, nominal fees rose by**

approximately 36%, with exchange rate movements again adding roughly 5%. **After adjusting for domestic inflation, the real cost increased by only approximately 2% in rupiah terms**, compared with 9% within the UK.

This relatively modest real cost trajectory likely explains why only 9% of parents explicitly cite exchange rate movements as a factor in their decision-making. In addition, the survey sample is likely skewed towards higher-income households with greater capacity to absorb currency fluctuations, which may further reduce the salience of exchange rate movements in reported decision-making. Nevertheless, survey evidence indicates that

financial constraints remain a major barrier overall: among parents who considered overseas study but decided against it, cost concerns and the lack of scholarships or financial aid were by far the most frequently cited reasons.

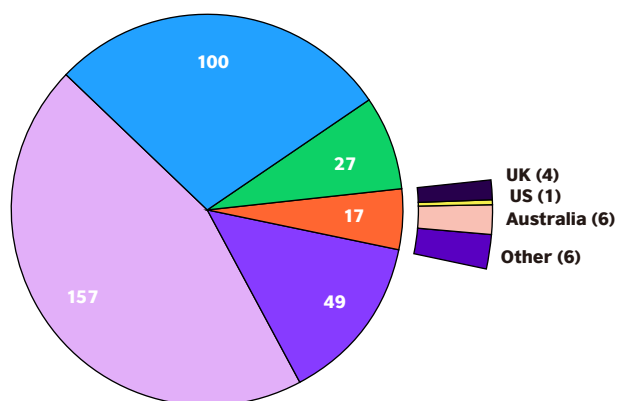
Overall, modest real income growth combined with currency depreciation limits the pool of households able to finance overseas education without significant financial trade-offs, making affordability highly sensitive to both exchange rate movements and changes in total study costs.

Appetite for international education

Appetite for international education among Indonesian students is high: only 22% reported that they did not consider or are not considering studying overseas. Among those who ruled it out, 53% cited cost as the primary reason, compared to just 12% citing language or academic requirements. This gap between

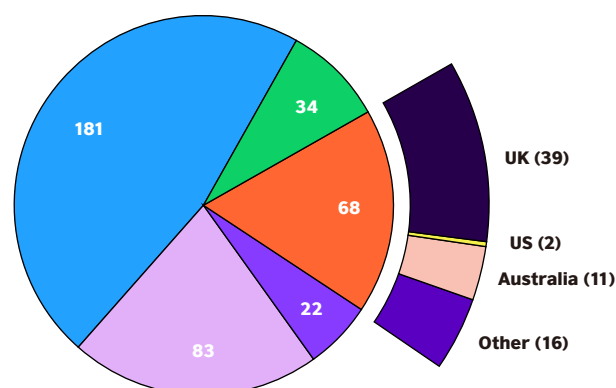
aspiration and uptake is wider in Indonesia than in most other countries/territories: while the overwhelming majority consider overseas study, only a small pool of 17 students in the sample are currently studying abroad, reflecting the binding nature of affordability constraints.

Figure 99: Group breakdown for student survey in Indonesia



- Current student (studying domestically, did not consider overseas)
- Current student (studying domestically, considered overseas)
- Prospective student (considering overseas)
- Prospective student (not considering overseas)
- Current student (studying overseas)

Figure 100: Group breakdown for parent survey in Indonesia



- Parent of current student (studying domestically, did not consider overseas)
- Parent of current student (studying domestically, considered overseas)
- Parent of prospective student (considering overseas)
- Parent of prospective student (not considering overseas)
- Parent of current student (studying overseas)

Source: 3Gem survey, Cebr analysis

Agency sentiment is the most unanimously positive in this report. Not a single surveyed agency reported that demand is lower relative

to previous years, while 78% reported that it has grown. Looking ahead, 92% expect further growth. The most commonly cited drivers are

the availability of scholarships or financial support and the perceived value of overseas education.

These trends have broader structural implications. As Indonesia's economy continues to develop, demand for higher-skilled labour is expected to increase, potentially encouraging

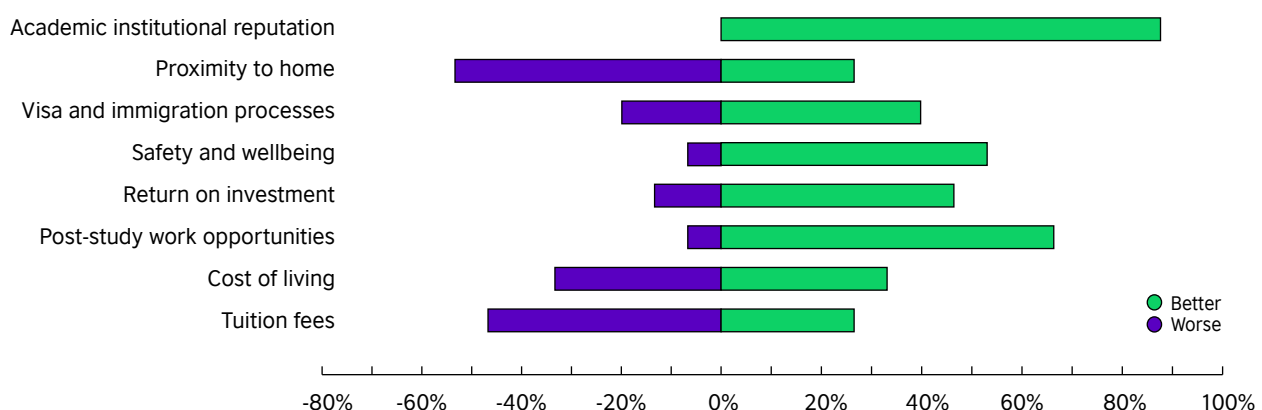
more students to pursue international qualifications from established universities abroad. The combination of very high aspiration, strong agency momentum and binding financial constraints suggests that scholarship and financial support provision will be the primary determinant of whether this latent demand converts into actual enrolments.

The UK and other destinations

Within the sample only, Indonesian students' destination preferences are unusually dispersed, split reasonably evenly across the UK, Australia, the EU, Singapore and Japan. This broader range of options may imply that

language concerns are of lower priority compared to other countries/territories, where destination considerations tend to cluster around common languages.

Figure 101: Assessment of how the UK compares to Singapore across key metrics for students from Indonesia



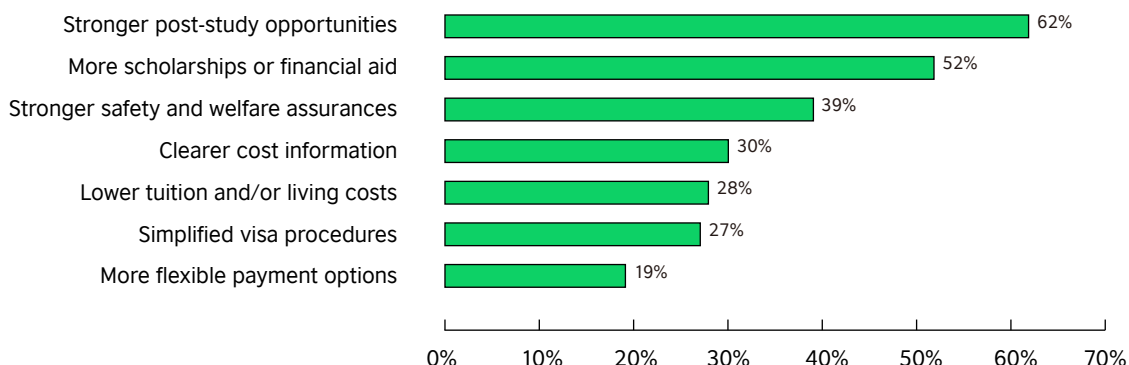
Source: 3Gem survey, Cebr analysis

The country most often considered alongside the UK was Singapore. This invited interesting comparisons. **The UK's academic institutional reputation was considered to be superior by 93% of students that considered or are considering both countries,** with none believing that Singapore's was better. Other advantages for the UK include post-study work opportunities, with a net balance of 60%, and, perhaps surprisingly, safety and wellbeing, with a net balance of 46%. Singapore's cost of living, tuition fees, and proximity to home were viewed more favourably, by contrast.

the UK is affordable relative to other destinations, compared to only 19% saying it is unaffordable, a more positive assessment than in much richer countries like Singapore. However, **92% stated that affordability is at least one of several major factors serving as a deterrent from studying in the UK.** This conflicting picture may be explained by the sample composition, with 73% of parent respondents falling within the top income quintile, or it may indicate incomplete knowledge of the true costs of UK education among households that have not yet experienced them directly.

Affordability perceptions among Indonesian parents present a paradox. **54% stated that**

Figure 102 : Perceived areas to improve for the UK for parents in Indonesia



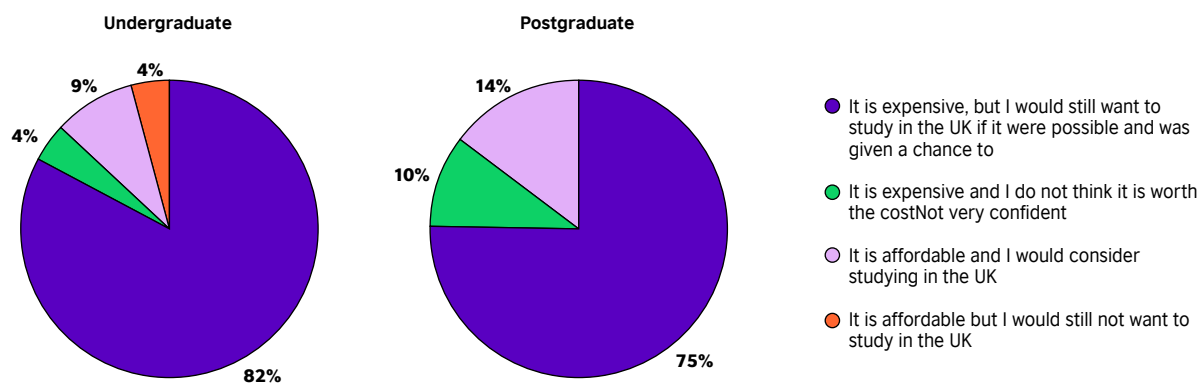
Source: 3Gem survey, Cebr analysis

When evaluating what would make the UK more attractive, parents cited stronger post-study work opportunities most frequently at 62% – the highest proportion for this factor of any country surveyed – with more scholarships or financial aid the second-most cited improvement (52%). Parents in general viewed financial support in the UK as sufficient, as reported by 67%. When asked what the decisive factor would be in sending their child to the UK, an identical proportion cited receipt of a full scholarship as the proportion citing acceptance into a course that strongly matches their child's interests (both 24%).

stated they would want to study in the UK despite it being expensive. The latter was made up of 83% of undergraduates and 75% of postgraduates. Indonesia therefore represents one of the highest-potential growth markets for UK higher education, combining the strongest growth trajectory of any country in this report with near-unanimous agency expectations of continued expansion. The binding constraint is the gap between aspiration and financial capacity: a gap that scholarship provision, post-study employment pathways and continued economic development are each positioned to help narrow.

Views on return on investment were overwhelmingly positive: **90% of students stated they were confident that UK education offers a strong ROI, and 81%**

Figure 103: Indonesian student perceptions of the affordability and desirability of UK study



Source: 3Gem survey, Cebr analysis

Japan

Macroeconomic and structural affordability

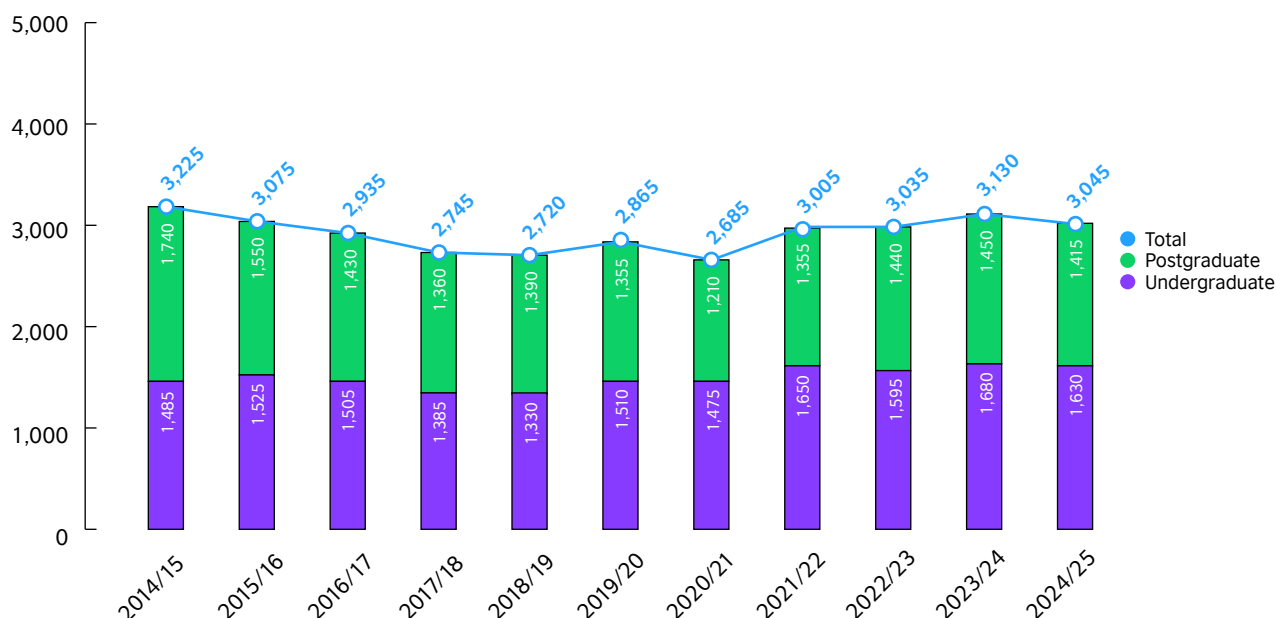
- A small and broadly flat market: approximately 3,000 students enrolled in 2024/25, slightly below the 3,200 observed in 2014/15. Composition is relatively balanced between undergraduate and postgraduate study, with a gradual shift towards undergraduate enrolments in recent years.
- Japan faces the sharpest affordability squeeze of any country in this report. Significant Yen depreciation against sterling has amplified nominal tuition increases by around 19%, producing a real cost increase of approximately 49% (undergraduate) and 52% (postgraduate) in local currency terms, far exceeding the 6% and 9% increases measured within the UK itself.
- The annual cost of UK study represents approximately 127% (undergraduate) and 126% (postgraduate) of average household disposable income, placing Japan in the intermediate affordability tier alongside South Korea and Taiwan. The trajectory, however, is notably worse than peers.
- Contractions in real household disposable income, weak real earnings growth, declining real household expenditure on education and low (and at times, negative) savings rates compound these pressures, leaving households with limited buffers to absorb higher overseas study costs and indicating an active reprioritisation away from education spending within household budgets.
- The share of households able to afford UK study has roughly halved over the past decade, from an estimated 18.1% in 2016/17 to 8.5% in 2023/24, equivalent to a fall of around 5.1 million households. Japan is the one major East Asian market in which UK study has become materially less attainable, with the decline reflecting the combined effect of yen depreciation, stagnant real incomes and limited savings buffers rather than any single factor.

Survey-based perspectives

- Japan has the lowest appetite for overseas study in the region: 61% of students did not consider or are not considering studying abroad. Cost is the leading barrier (28%), and 47% also report that domestic universities offer better value for money, reflecting the strength of Japan's own higher education sector alongside the affordability squeeze.
- Agency sentiment is muted but net positive: 30% report higher demand versus 18% lower, with 38% expecting future increases. Cost factors, including tuition fees (46%), scholarships (32%), and living costs (30%), dominate the factors agencies consider most influential in destination choice.
- Despite affordability pressures, surveyed respondents most frequently identified the UK as a considered study destination, ahead of the US and Australia. Institutional reputation, immigration processes and post-study work opportunities are cited as its strongest assets, and 45% of students stated they would want to study in the UK if given the chance, indicating that the UK's academic pull is retained even in a highly cost-constrained environment.
- However, the UK faces its most challenging affordability perceptions in Japan: only 22% of parents consider it affordable, 46% view it as unaffordable, and 26% say financial support is insufficient. 28% of students say it is expensive and not worth the cost. Lowering costs and expanding scholarships are the most cited improvements.

Japanese students in the UK

Figure 48: Temporal trend of Japanese university students in the UK, by degree type and total



Source: Higher Education Statistics Agency (HESA), Cebr analysis

Japan remains a relatively small but consistent source of international students in the UK. In the 2024/25 academic year, approximately 3,000 Japanese students were enrolled in UK higher education institutions. Over the past decade, total numbers have fluctuated modestly, with an overall decline in the first half of the period, from around 3,200 in 2014/15 to a low of approximately 2,700 in 2018/19, followed by a gradual recovery. Numbers declined again during the pandemic before stabilising in the range of 3,000 to 3,100 in recent years, remaining slightly below the level observed at the beginning of the period.

The composition of Japanese students in the UK is relatively balanced between undergraduate and postgraduate study, though recent trends suggest a gradual shift towards undergraduate enrolments. Undergraduate numbers have risen modestly from around 1,500 in 2014/15 to approximately 1,600 in 2024/25, reaching their highest level in the most recent year. Postgraduate enrolments, by contrast, have declined from around 1,700 to approximately 1,400 over the same period, remaining below their starting point despite a partial post-pandemic recovery.

Economic context and general household financial capacity for international study

Japan is the world's third-largest economy, but growth has been persistently weak over the past decade, characterised by low trend growth and repeated cyclical slowdowns. Following a sharp contraction during the pandemic, the post-Covid recovery has been modest, with growth remaining close to

stagnation in recent years. **Periods of high inflation in 2022 and 2023 marked a significant shift from Japan's long struggles with deflation over the 2010s, but placed new pressures on household purchasing power,** preventing the more recent uptick in nominal wage growth from translating into

improved living standards.

Real household disposable income has trended downward over time and remains below the peak caused by a temporary pandemic-related uplift in 2020. Weak or negative growth in purchasing power has also put pressure on savings rates. **While an uptick in savings during the pandemic reflected heightened uncertainty, rates have since fallen back sharply and are now among the lowest in East Asia, hovering around zero and turning marginally negative in some recent years. This indicates that households**

have very limited financial buffers to draw on, and at times have been drawing down savings rather than accumulating them.

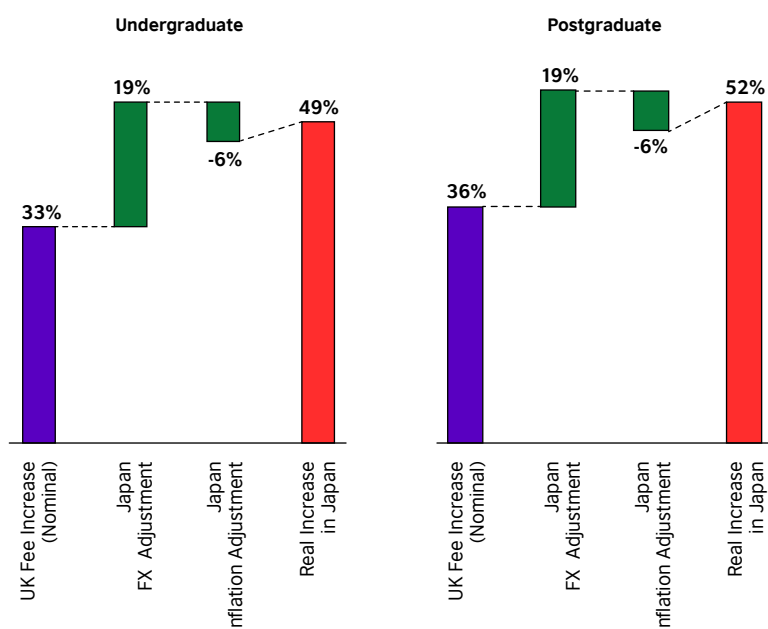
Survey evidence underscores these constraints. **While 75% of parents anticipate using monthly incomes to fund higher education, only 38% anticipated doing so through personal savings, underscoring Japan's low savings rates in general.** Although 68% of parents stated that their ability to save was not overly affected by the pandemic, this proportion is lower than in other East Asian countries/territories surveyed.

Affordability dynamics for overseas study

Exchange rate movements have been the dominant driver of affordability pressures for Japanese households, more so than in any other country examined in this report. The Japanese yen depreciated significantly against

sterling over the period, amplifying the effective cost of UK tuition fees by around 19% on top of nominal fee increases.

Figure 49 & 50: Decomposition of UK tuition affordability for Taiwanese households by degree type²²



22. 'Real increase in Japan' reflects the change in the cost of UK study for a typical Japanese household after accounting for exchange rate movements and domestic inflation over 2016 to 2023. In simple terms, it shows the true change in affordability rather than just the headline increases in UK fees.

Source: Higher Education Statistics Agency (HESA), Cebr analysis

Over the period considered, nominal UK undergraduate tuition fees increased by approximately 33%. Currency depreciation added a further 19% to the effective increase in local currency terms. Domestic inflation in Japan partially offset this effect, but after accounting for both exchange rate movements

and domestic price dynamics, **the real cost of studying in the UK at undergraduate level for Japanese households increased by approximately 49% in local currency terms.** By comparison, the real increase measured within the UK itself was around 6%. **For postgraduate programmes, the pattern is**

similar: nominal fees rose by 36%, yen depreciation again added around 19%, and **the resulting real cost increase was approximately 52% in yen terms**, compared with 9% within the UK.

These figures represent by far the largest affordability deterioration across the ten East Asian countries/territories examined. The scale of the increase is consistent with the relatively subdued growth in Japanese student numbers in the UK over the past decade. Unfavourable exchange rates were cited by 20% of students who considered international study as a reason not to look abroad: the fourth most-cited concern, behind safety, lack of scholarship opportunities, and high tuition or maintenance costs.

The rising costs of studying in the UK add important context to trends in real household expenditure on education, which has declined steadily over the past decade, indicating a sustained reprioritisation away from education spending within household budgets. Weak real income growth, combined with declining real education expenditure and limited savings suggests limited capacity for households to absorb higher overseas education costs. While nominal wages have risen more recently and inflation has eased significantly, the scars from elevated inflation from 2022-2024 as well as currency weakness continue to constrain affordability in local currency terms.

Appetite for international education

Figure 51: Group breakdown for student survey in Japan

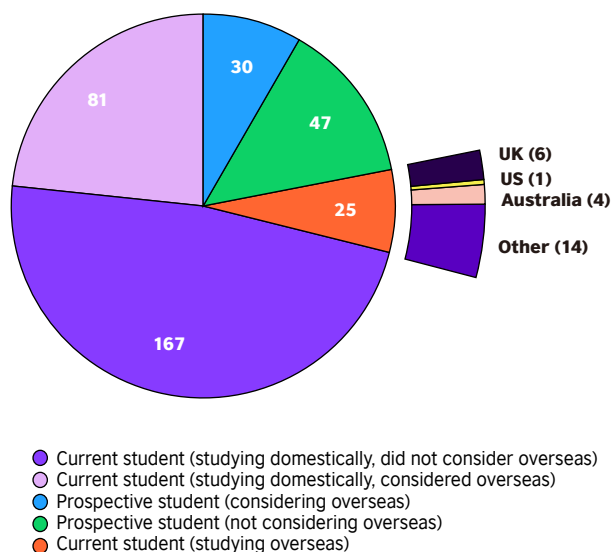
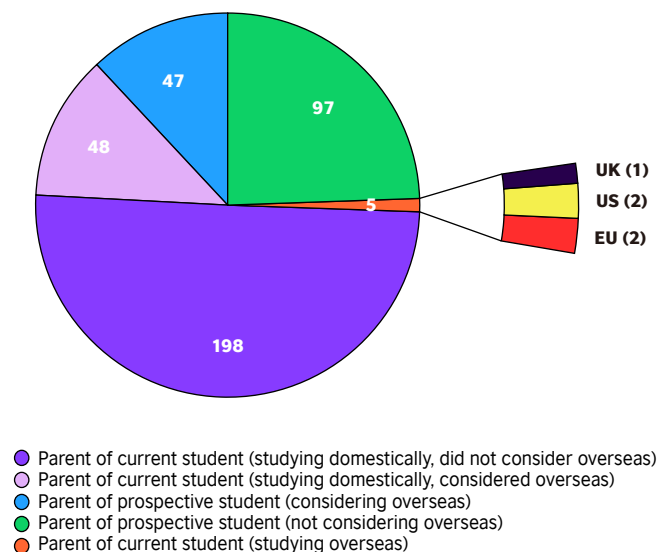


Figure 52: Group breakdown for parent survey in Japan



Source: 3Gem survey, Cebr analysis

Japan stands out as having the lowest appetite for overseas study of any country in this report. 61% of current or prospective students either did not consider or are not considering studying abroad, far above the regional average. The survey base of students actually studying overseas is correspondingly small, limiting the scope for destination-specific analysis.

Agency sentiment is muted but net positive. **30% of agencies stated that demand was higher relative to previous years, compared to 18% reporting that it was lower, while 52% stated that it was about the same.** This demonstrates significantly muted sentiment relative to other East Asian countries/territories. Expectations for the future were relatively more optimistic, with 38% expecting demand to rise compared to 22% expecting it to fall.

Cost factors dominate both the decision of whether to study abroad and the choice of destination. **Agencies reported that tuition fees (46%), scholarships and financial support (32%), and living costs (30%) were the most influential factors in destination choice. Among students who did not consider studying abroad, 28% cited cost as the main reason**, with 17% citing a lack of overseas options and 16% stating they would prefer to stay near family.

An important structural factor distinguishes Japan from other countries/territories in this report. **While real income levels in Japan remain among the highest of the surveyed**

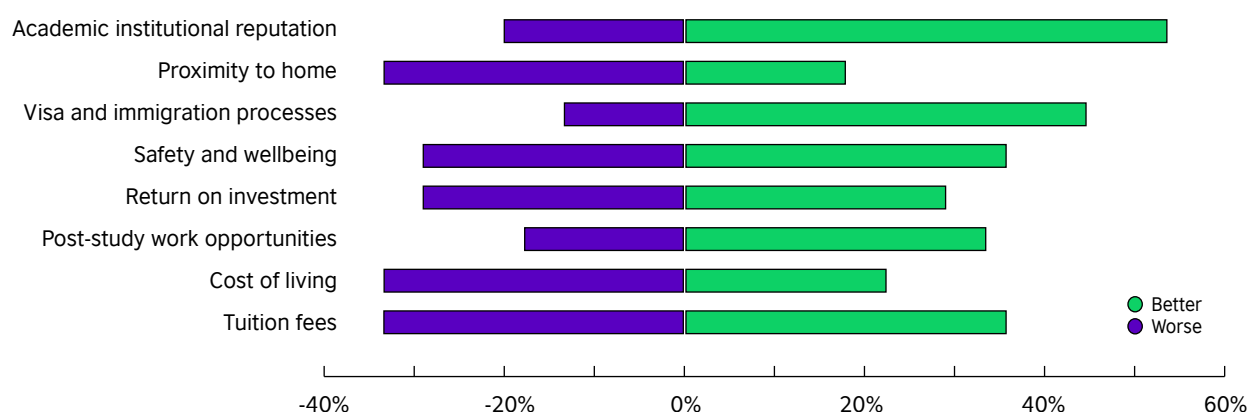
countries/territories, it is the poor growth rates in these variables that constrain overseas study demand. Households in Japan likely avoid overseas education due to low confidence that their income growth will outpace the growth in associated costs, whereas countries such as Vietnam, with lower absolute income levels but faster growth, do not face the same dynamic. The quality of Japan's domestic higher education sector reinforces this: **47% of students reported that studying at home offers better value for money, suggesting that the perceived marginal benefit of overseas study is lower than in countries with weaker domestic alternatives.**

The UK and other destinations

Despite these affordability pressures, the UK was the most popularly considered study destination among surveyed current and prospective students, ahead of the US and Australia. As previously stated, the proportion of surveyed Japanese students that either considered or are considering international

study is very low, to the extent that the total sample size is too small to analyse. Instead, the UK is compared against the two destinations most considered alongside, those being Australia and the US.

Figure 45: Assessment of how the UK compares to the US and Australia (combined) across key metrics for students from Japan

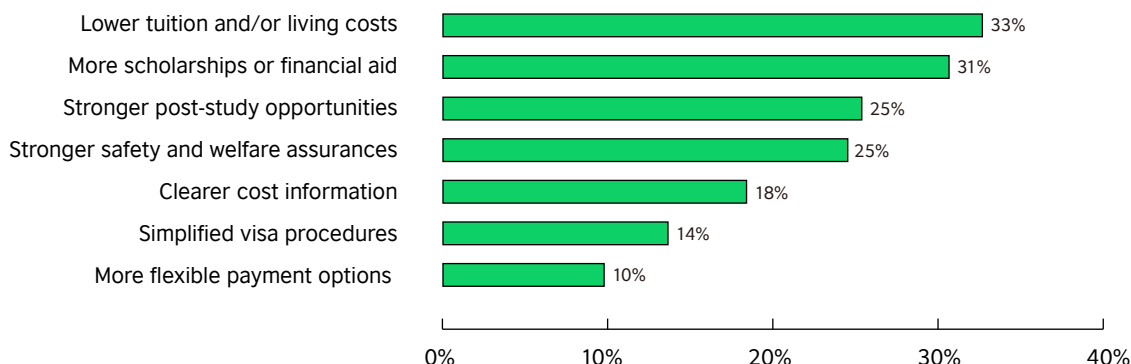


Source: 3Gem survey, Cebir analysis

When compared against both the US and Australia, the UK's most favourably viewed features were its visa and immigration processes, with a net balance of 31%, and its academic institutional reputation, with a net balance of 33%, supporting the narrative that the UK's primary drawing power comes from

the prestige of its universities. Post-study work opportunities also were viewed more favourably in the UK than in the US and Australia. On average, the other two destinations saw more favourable comparisons based on cost factors, and proximity to home.

Figure 54 : Perceived areas to improve for the UK for parents in Japan

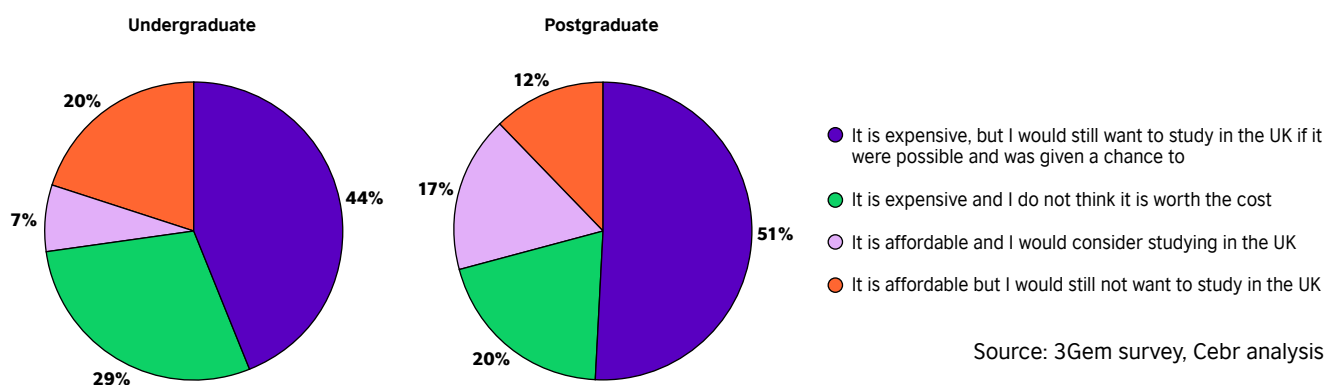


Source: 3Gem survey, Cebr analysis

Affordability perceptions in Japan are among the most challenging of any country in this report. The two most cited factors for what the UK could do to make studying there more attractive were both cost-reducing measures: lowering tuition and living costs and expanding scholarships and financial aid. On the latter, 26% of parents stated that financial support in the UK is insufficient. **Only 22% of parents stated that the UK was affordable compared to other countries, while 46% said it was unaffordable.** Regarding other perceived areas for improvement for UK study, Japanese parents also cited stronger post-study work opportunities (25%) and stronger safety and welfare assurances (25%) frequently, but perceptions were dominated overall by cost factors.

This cost sensitivity was shared among students, with 28% stating that studying in the UK is expensive and not worth the cost. That said, the quality of the UK's educational offering retains meaningful pull: 45% of students, 44% of undergraduates and 51% of postgraduates, stated that they would want to study in the UK if given the chance, indicating that institutional reputation continues to sustain interest even in a highly cost-constrained environment.

Figure 55: Japanese student perceptions on the affordability and attractiveness of UK study



Source: 3Gem survey, Cebr analysis

South Korea

Macroeconomic and structural affordability

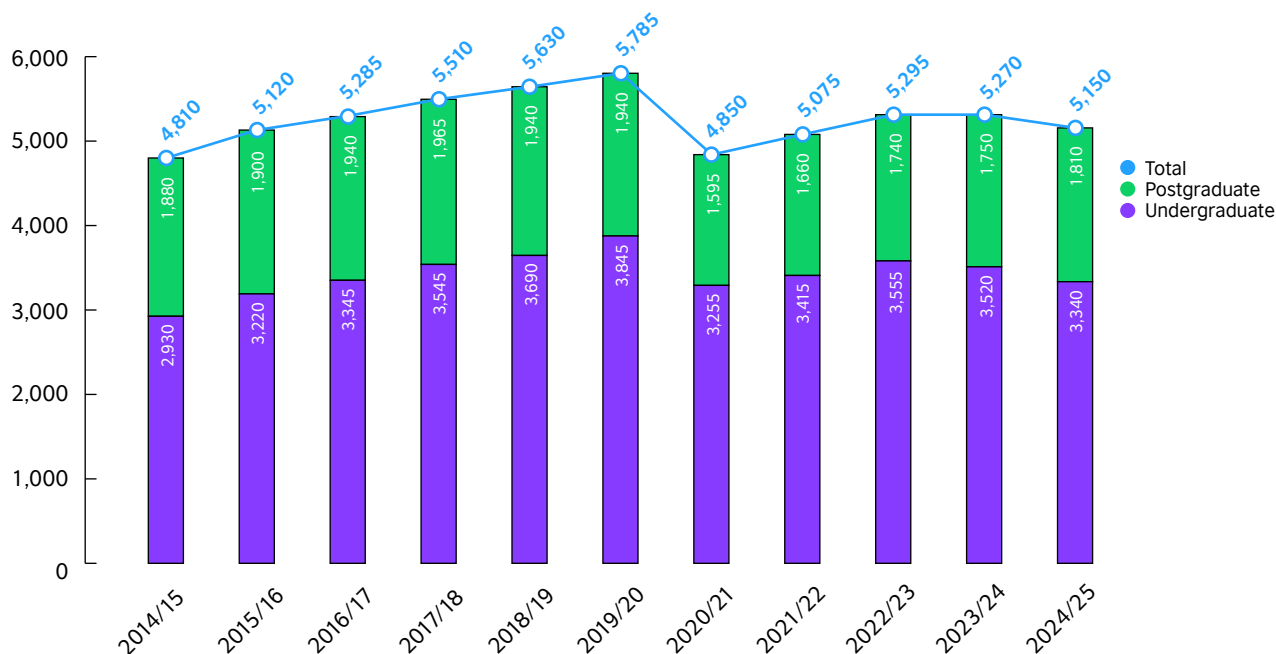
- A stable, undergraduate-weighted market: approximately 5,200 students enrolled in 2024/25, fluctuating narrowly around the 5,000 level over the past decade. Around two-thirds are undergraduates.
- UK study sits at the threshold of affordability: the annual cost represents approximately 100% of average household disposable income at undergraduate level and 99% at postgraduate level, meaning a single year of study consumes an entire year's income for a typical household.
- Won depreciation has modestly amplified costs, adding around 3% to nominal tuition increases. Real costs have risen by approximately 23% (undergraduate) and 25% (postgraduate) in local currency terms, significantly above the 6% and 9% increases within the UK, and among the steepest rises in the region after Japan.
- Sluggish real income growth, periods of negative real wage growth, and volatile real education expenditure constrain household capacity. Savings rates are modest by regional standards, leaving households with weaker financial buffers than most regional peers to draw on for major expenditures such as overseas study.
- The share of households able to afford UK study has been broadly stable over the past decade, edging from an estimated 12.0% in 2016/17 to 12.2% in 2023/24, equivalent to an increase of roughly 400,000 households. The steep rise in real local-currency costs has been broadly offset by modest income growth, leaving the affordable share little changed in proportional terms even as the number of households has risen with population.

Survey-based perspectives

- Appetite for overseas study is comparatively muted among surveyed students: around half have not considered or are not considering studying abroad, below Japan but above most other countries in the region. Among those who ruled it out, cost was the most-cited reason (39%), by far the largest share. Reflecting the region's low savings rates, an unusually high 85% of surveyed parents intend to fund study from monthly income rather than personal savings.
- South Korean households appear to be discerning adjusters: surveyed agencies report that scholarships and financial support (32%) and exchange rate fluctuations (26%) rank among the most influential factors in destination choice, while headline tuition fees and living costs fall outside the top five, suggesting price sensitivity operates through the availability of offsets rather than headline costs.
- The UK faces its most negative affordability perceptions in South Korea: only 9% of surveyed parents consider it affordable (the lowest of any market surveyed), 62% view it as unaffordable, and 42% say financial support is insufficient, the highest share recorded. Among students, 59% view UK study as expensive and 27% say it is not worth the cost.
- The decisive factors for parents are receipt of a full scholarship and strong prospects of post-graduation employment (25% and 27%, respectively). There are tentative signs of a generational shift: while current students most commonly considered the US, prospective students favour the UK, potentially reflecting changing attitudes towards American institutions, though small sample sizes warrant caution.

South Korean students in the UK

Figure 56: Temporal trend of South Korean university students in the UK, by degree type and total



Source: Higher Education Statistics Agency (HESA), Cebr analysis

South Korea represents a stable source of international students in the UK. In the 2024/25 academic year, approximately 5,200 South Korean students were enrolled in UK higher education institutions. Over the past decade, total numbers have increased moderately, rising from roughly 4,800 in 2014/15 to a peak of around 5,800 in 2019/20 before declining during the pandemic to approximately 4,900 in 2020/21. Numbers have since recovered to around 5,300, though a slight drop-off has been observed in the most recent years.

The composition is weighted towards undergraduate study, which accounts for around two-thirds of enrolments. Undergraduate numbers rose from roughly 2,900 in 2014/15 to around 3,800 in 2019/20 before falling to approximately 3,300 during the pandemic, a level at which they have broadly stabilised. Postgraduate enrolments have remained comparatively stable throughout the period, hovering around 1,800 to 2,000 students.

Economic context and general household financial capacity for international study

Economic growth in South Korea has moderated steadily over the past decade, slowing from above 7% in 2010 to around 2% in recent years. The economy experienced a mild contraction in 2020 followed by a rebound in 2021, but growth has since slowed amid weak global demand conditions. A sharp

rise in inflation in 2022, reflecting global price pressures, eased in 2023 and 2024, though the inflationary episode placed new pressures on household purchasing power and real income gains.

Real household disposable income has been growing only modestly since 2015 and has been broadly flat in recent years. Nominal earnings growth has been moderate, but real earnings growth has suffered following the period of elevated inflation, including periods of negative real wage growth. Pandemic uncertainty brought about a sharp change in precautionary savings behaviour, and household savings rates have remained above pre-pandemic levels since. Between 2022 and 2024, savings rates averaged approximately 7%, though this is low relative to other East Asian economies.

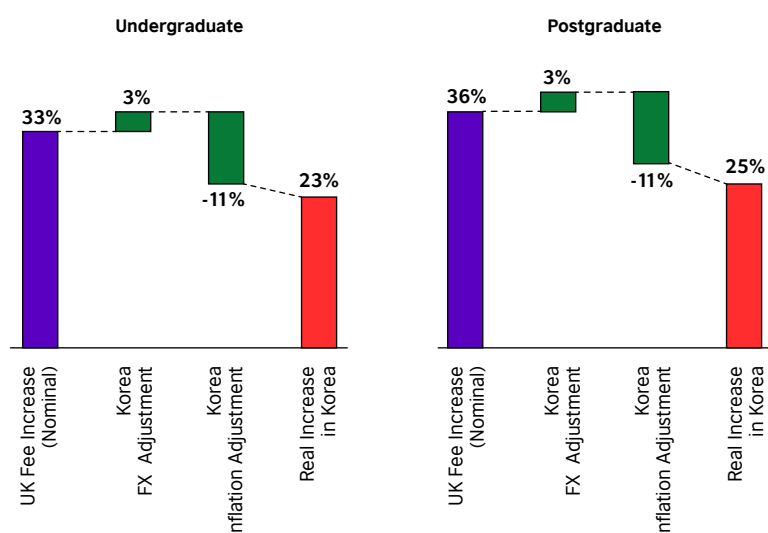
Survey evidence reveals a distinctive financing pattern similar to Japan. **An unusually high 85% of parents intend to finance study costs through monthly income, while only 29% plan to use personal savings, a much lower reliance on savings amidst low savings rates in South Korea generally.** The vast majority (84%) stated that the ability to save has not been overly affected by the pandemic.

Affordability dynamics for overseas study

Exchange rate movements have modestly amplified the cost of UK study for Korean households. The Korean won depreciated

against sterling over the period, adding around 3% to the effective rise in study costs in local currency terms on top of nominal fee increases.

Figure 57 & 58: Decomposition of UK tuition affordability for South Korean households by degree type²³



22. 'Real increase in South Korea' reflects the change in the cost of UK study for a typical South Korean household after accounting for exchange rate movements and domestic inflation over 2016 to 2023. In simple terms, it shows the true change in affordability rather than just the headline increases in UK fees.

Source: Higher Education Statistics Agency (HESA), Cebir analysis

Over the period considered, nominal UK undergraduate tuition fees increased by approximately 33%. **After accounting for exchange rate movements and domestic inflation, the real cost of studying in the UK at undergraduate level for South Korean households increased by approximately 23% in local currency terms**, compared with a real increase of around 6% within the UK. **For postgraduate programmes**, the pattern is similar: nominal fees rose by 36%, and the **resulting real cost increase was**

approximately 25% in won terms, compared with 9% within the UK.

While exchange rate pressures have clearly added to the growth in costs of studying in the UK, unfavourable exchange rates were one of the least-cited reasons among students who considered international study for not going abroad. This suggests that while currency movements shape the objective cost environment, they do not feature prominently in households' subjective decision-making.

More broadly, the low proportion of South Korean students abroad reflects a challenging cost environment and what appears to be increased constraints on real household education expenditure, which has been volatile and has only partially recovered following a sharp decline in 2020. Sluggish real income growth, combined with weaker real earnings momentum since the pandemic, has limited

households' capacity to absorb recent rises in overseas education costs. Relatively modest household savings rates may further constrain households' ability to finance overseas study, particularly given the limited use of savings implied by the survey results, while declining real education expenditure points to continued sensitivity to education costs.

Appetite for international education

International education is a consideration for a relatively smaller proportion of South Korean students compared to most other East Asian countries/territories. Roughly half

of current or prospective students reported that they either did not consider or are not considering overseas study.

Figure 59: Group breakdown for student survey in South Korea

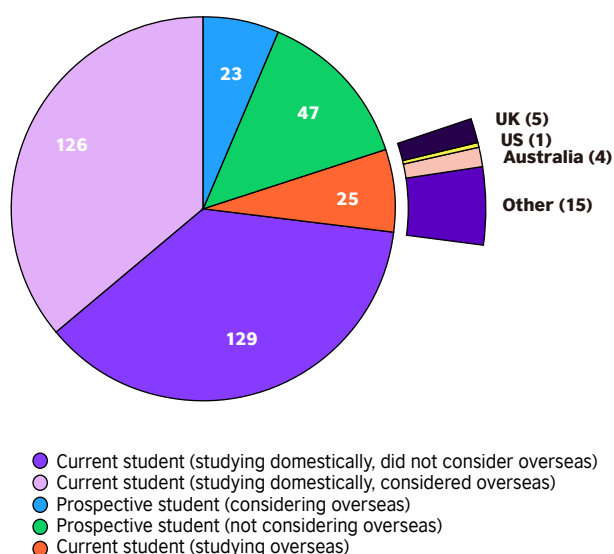
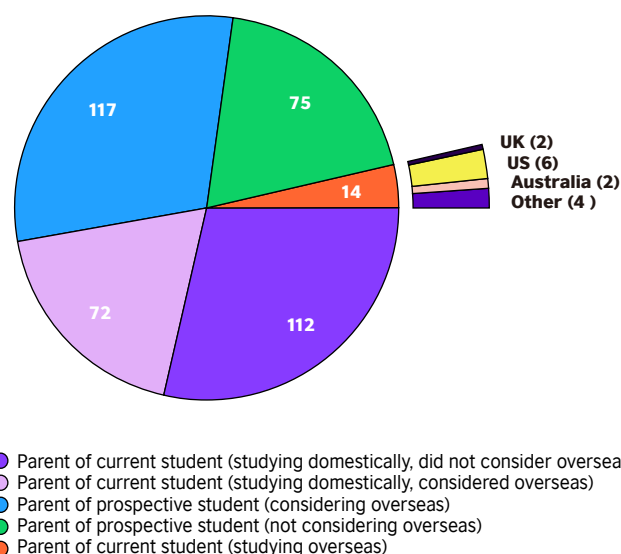


Figure 52: Group breakdown for parent survey in Japan



Source: 3Gem survey, Cebr analysis

Among those who ruled it out, 39% cited cost as the main reason, by far the largest share, reinforcing the broader pattern that cost acts as the primary gatekeeper for participation in international education.

Agency sentiment is stable but cautious. The majority (50%) reported that demand is about the same as in previous years, although a greater proportion reported that it had risen than those reporting it had fallen. Looking ahead, agencies were slightly more optimistic, with 42% expecting demand to

rise compared to only 14% expecting it to fall.

An interesting nuance emerges in how South Korean households respond to cost pressures. Among agencies, the most influential factors in destination choice were scholarships and financial support (32%), exchange rate fluctuations (26%), and post-study work opportunities (26%). Tuition fees and living costs fell outside the top five. This suggests that South Korean households, while sensitive to cost changes and willing to adjust accordingly, view overseas study with

sufficient value to shoulder the additional cost burdens, particularly when financial offsets such as scholarships are available. Once

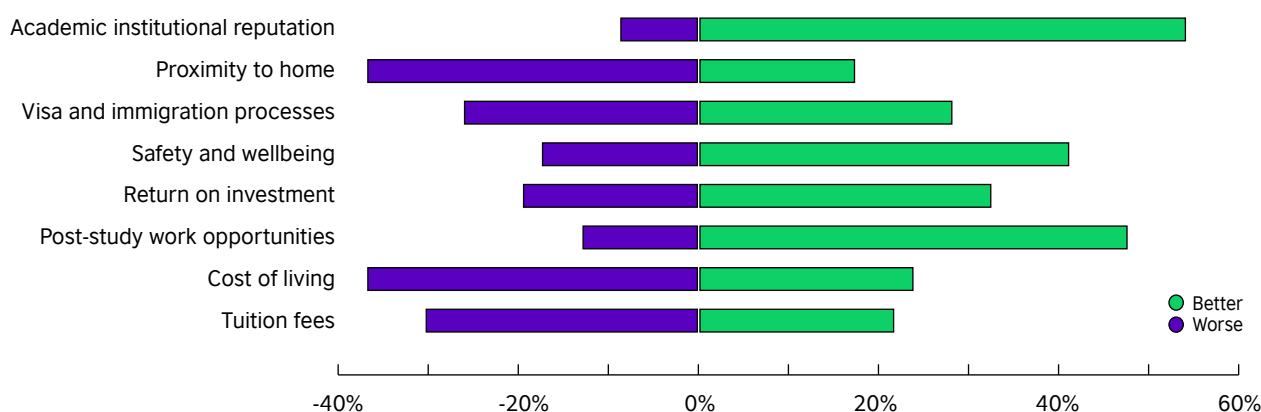
international education is financially feasible, cost falls down the priority list when choosing a destination.

The UK and other destinations

Survey evidence hints at tentative signs of a generational shift in destination preferences among South Korean students. **For current university students within the sample, the most popularly considered destination for overseas study was the US. For prospective students, however, the UK has overtaken it,** potentially reflecting changing attitudes towards study in American institutions, although given the small sample sizes this inference should be treated with caution.

Similar to Japan, sample sizes dictate that when comparing perceptions across current and prospective students that considered / are considering the UK against other countries, the top two alternative destinations must be combined. Again, these are the US and Australia.

Figure 61: Assessment of how the UK compares to the US and Australia (combined) across key metrics for students from South Korea

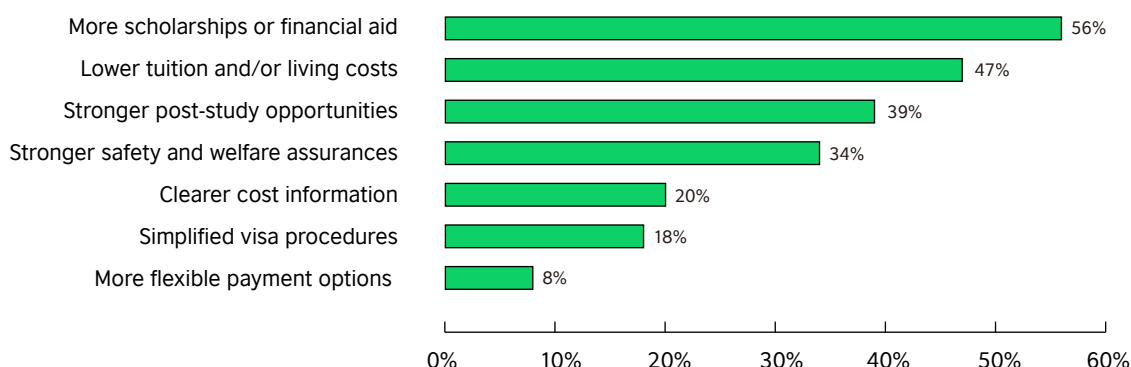


Source: 3Gem survey, Cebr analysis

When compared against these two alternative study destinations, student perceptions display similar trends to Japan. **The UK leads on academic institutional reputation, with a net balance of 45%, and post-study work opportunities, with a net balance of 35%.** Other notable advantages include safety and wellbeing, at 24% and return on investment, at 13%. Proximity to home, as well as the cost of living and tuition fees were generally seen to be better on average across the US and Australia when compared to the UK, with net balances of 13% and 8%, respectively. South Korea's relative distance from Australia in particular also meant that the net balance of

favourability for proximity to home was firmly with Australia and the US, at 20%.

Figure 62 : Perceived areas to improve for the UK for parents in South Korea



Source: 3Gem survey, Cebr analysis

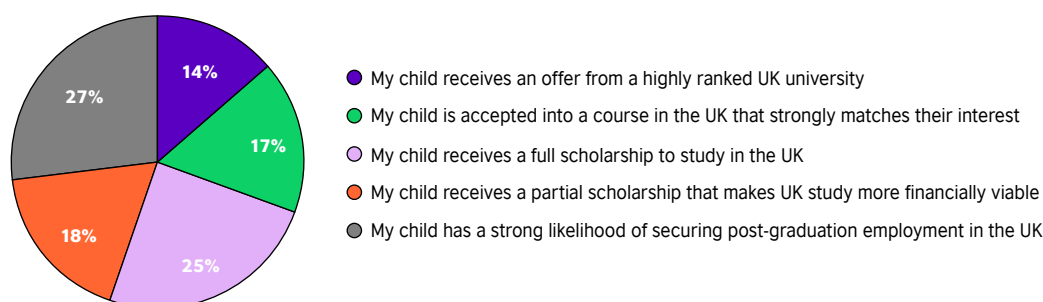
South Korea stands out as the country where the UK faces its most negative affordability perceptions. Financial factors were the most cited areas where the UK could improve: lower tuition or living costs, and greater financial support and scholarships, as cited by 47% and 56% of parents, respectively. These were both higher than stronger post-study work opportunities (39%) and stronger safety and welfare assurances (34%).

Only 9% of parents stated that the UK was affordable compared to other countries – the lowest proportion of any country surveyed – while 62% stated that it was

unaffordable. 42% of parents stated that they believe financial support in the UK is insufficient, the highest proportion of any country in the survey.

When asked what the decisive factor would be in whether to send their child to the UK, parents most often cited receiving a full scholarship and having a strong likelihood of securing post-graduation employment, at 25% and 27%, respectively. This sentiment was reflected among students, with 59% stating that they believe UK education is expensive rather than affordable, and 27% adding that they did not think it is worth the cost.

Figure 63: What would be the decisive factor for parents to choose UK higher education (South Korea)



Source: 3Gem survey, Cebr analysis

Overall, while the cost of UK education plays a significant role in shrinking the pool of potential South Korean international students, the strong educational quality and post-study employability associated with UK institutions ensures that potential demand remains. The UK's most effective lever in this market would

be expanded scholarship provision and financial support, which directly addresses the mechanism through which South Korean households appear to manage cost sensitivity.

Malaysia

Macroeconomic and structural affordability

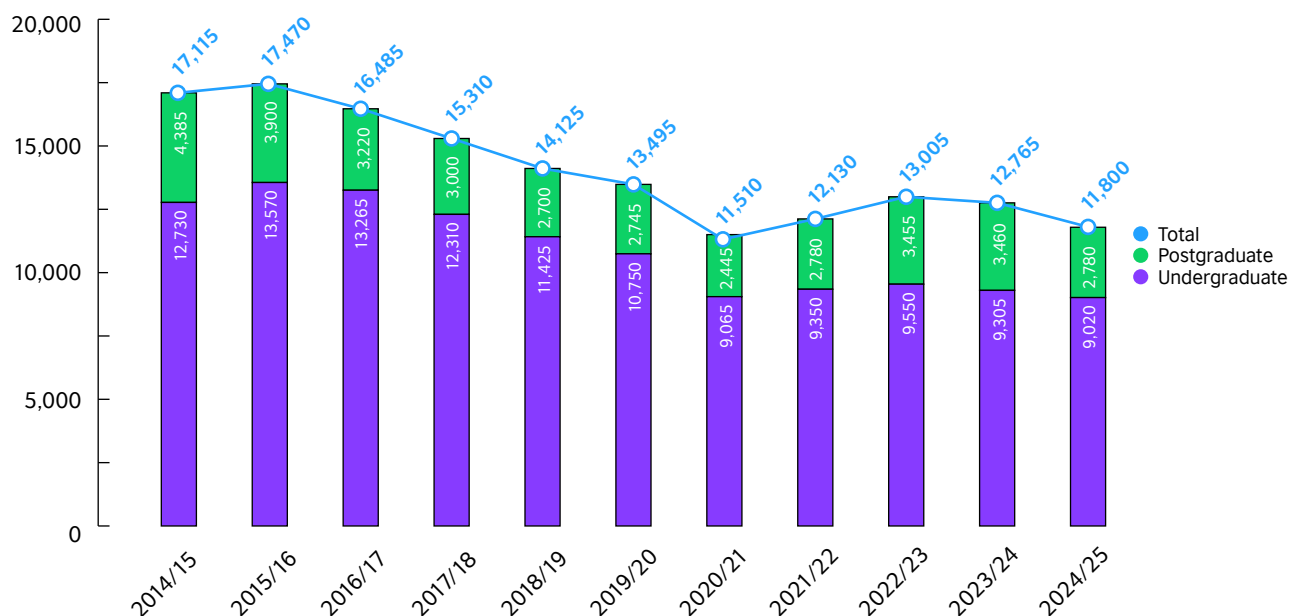
- One of the UK's larger East Asian origin nations, but one that has experienced a significant decline: approximately 12,000 Malaysian students enrolled in UK higher education in 2024/25, down from around 17,000 in 2014/15, one of the sharpest drops of any country in this report. The composition is strongly undergraduate led (around 78% on average), with undergraduate numbers bearing the brunt of the decline.
- UK study represents a heavy financial burden: the annual cost is approximately 181% of average household disposable income at undergraduate level and 180% at postgraduate level.
- Persistent ringgit weakness has added modestly to costs (+1%), and real increases of approximately 16% (undergraduate) and 18% (postgraduate) in local currency terms substantially exceed the 6% and 9% increases within the UK.
- Household financial buffers have weakened markedly, with savings rates having fallen sharply in the post-pandemic period, among the steepest declines in the region. This erosion of accumulated buffers sits in tension with otherwise solid real earnings growth over the decade, potentially explaining why households increasingly rely on formal financing mechanisms to fund overseas study.
- The share of households able to afford UK study has contracted over the past decade, consistent with the fall in savings, from an estimated 16.0% in 2016/17 to 10.9% in 2023/24, equivalent to a fall of roughly 200,000 households.

Survey-based perspectives

- Appetite for overseas study is strong among surveyed students, with only 26% not having considered it, and agency sentiment is robust: 66% of surveyed agencies report demand has increased and 84% expect it to rise further. Among students who ruled out overseas study, cost was the most-cited reason (58%), the highest share recorded for this question across all countries.
- Malaysian households rely on a distinctively broad financing mix: 59% personal savings, 46% scholarships or bursaries, and 43% education loans, indicating much heavier reliance on formal financing mechanisms than most other East Asian countries/territories amidst a stark decline in savings in the post-Covid era. This also aligns with the erosion of household savings buffers evident in the macroeconomic picture. Among parents who considered overseas study but chose not to pursue it, 62% cited cost of living as a barrier, the highest proportion of any country surveyed.
- Scholarships and financial support are by far the most influential factor in destination choice among agencies (52%), well above living costs (36%) and graduate work opportunities (32%). The availability of scholarships is also the most cited driver of expected future demand growth.
- The UK is the most frequently considered destination and the joint-most preferred alongside Australia among Malaysian respondents. It performs most strongly on perceptions of institutional reputation and post-study work opportunities, while tuition fees and cost of living are viewed least favourably relative to competing destinations. 81% of students are at least somewhat confident a UK education offers strong return on investment, and a full scholarship would be the decisive factor for 35% of parents.

Malaysian students in the UK

Figure 80: Temporal trend of Malaysian university students in the UK, by degree type and total



Source: Higher Education Statistics Agency (HESA), Cebr analysis

Malaysia remains one of the larger source countries for international students in the UK, but enrolment has declined significantly over the past decade. In the 2024/25 academic year, approximately 12,000 Malaysian students were enrolled in UK higher education institutions, down from around 17,000 in 2014/15. Numbers peaked at roughly 17,500 in 2015/16 before falling steadily, reaching a low of approximately 12,000 during the pandemic in 2020/21 and stabilising at broadly that level since.

The composition is strongly undergraduate-led, with undergraduates consistently accounting for the majority of Malaysian enrolments. Undergraduate numbers have borne the brunt of the decline, falling from around 13,500 in 2015/16 to slightly above 9,000 in recent years. Postgraduate enrolments declined through the late 2010s but have shown more volatility in recent years, recovering from around 2,400 in 2020/21 to approximately 3,500 in 2022/23 and 2023/24, before dropping sharply to 2,800 in 2024/25.

Economic context and general household financial capacity for international study

Malaysia's economy has shown relative resilience over the past decade, with broadly solid growth and a robust recovery since the pandemic. Inflationary pressures have largely been contained over the long run, with a brief episode of deflation in 2020 before external cost pressures saw inflation rise sharply in 2022, temporarily eroding real household incomes. Real household disposable income

grew steadily between 2016 and 2019 but has only partially recovered from a pandemic-induced contraction. **By 2023, real incomes remained below their 2019 peak, indicating incomplete recovery in household purchasing power.**

While nominal earnings growth resumed following the pandemic, real wage growth

remained subdued in 2021 and 2022, reflecting inflationary pressures. Annual growth in real wages is modest by historical standards. **The household savings rate has suffered since 2022, likely as a result of inflation outpacing earnings in those years.**

Survey evidence reveals a distinctively broad financing mix among Malaysian households. **While 59% of parents intend to finance higher education through personal savings, a notable 46% expect to rely on scholarships or bursaries, and 43% anticipate taking out an education loan.** This indicates both greater reliance on formal financing mechanisms and a stronger role for

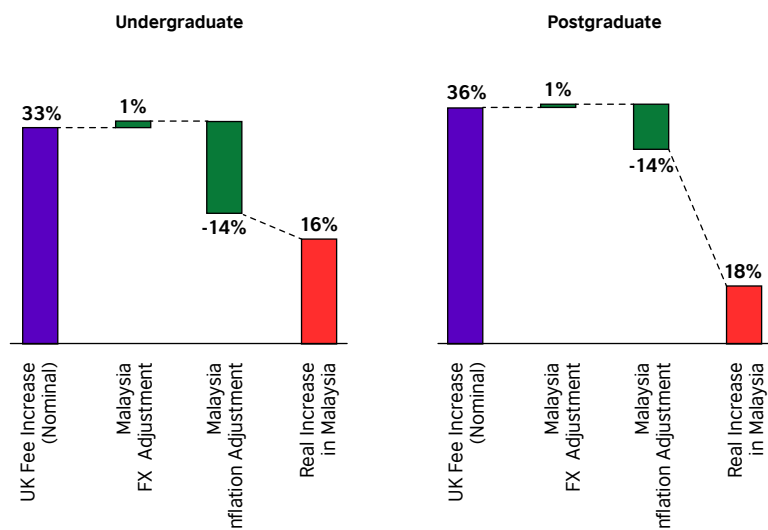
scholarship programmes relative to several other East Asian countries/territories examined in the report. The breadth of this financing mix suggests that overseas study is often a stretch for Malaysian households, requiring multiple funding sources to be viable.

Affordability dynamics for overseas study

Persistent weakness of the Malaysian ringgit against sterling has raised the local currency cost of UK tuition and living expenses, compounding nominal fee increases. Over the

period considered, ringgit depreciation added around 1% to the effective rise in study costs in local currency terms.

Figure 81 & 82: Decomposition of UK tuition affordability for Malaysian households by degree type²⁶



26. 'Real increase in Malaysia' reflects the change in the cost of UK study for a typical Malaysian household after accounting for exchange rate movements and domestic inflation over 2016 to 2023. In simple terms, it shows the true change in affordability rather than just the headline increases in UK fees.

Source: Higher Education Statistics Agency (HESA), Cebir analysis

After accounting for exchange rate movements and domestic inflation, **the real cost of studying in the UK for Malaysian households increased by approximately 16% at undergraduate level and 18% at postgraduate level in local currency terms**, compared with real increases of 6% and 9% within the UK. The materially higher real

increase faced by Malaysian households reinforces the affordability pressures evident across the broader analysis.

Household spending patterns provide additional context. Real expenditure on education increased gradually between 2014 and 2019 before declining during the pandemic

and recovering only moderately in subsequent years. **Survey responses underscore the severity of cost constraints: among parents who considered overseas education but ultimately decided against it, 62% cited the cost of living as a reason not to study abroad, the highest proportion of any country surveyed.** Combined with the

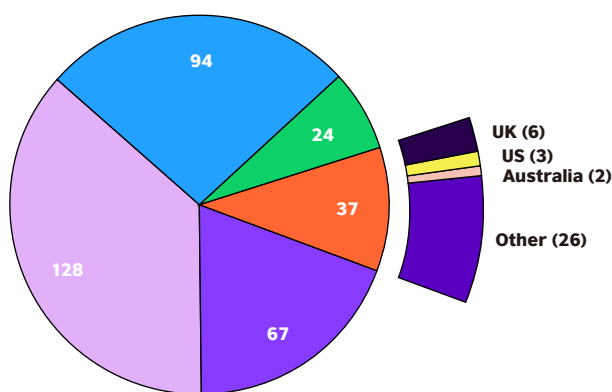
incomplete recovery in real incomes and the erosion of savings since 2022, these findings suggest that many Malaysian households face growing constraints in absorbing the rising cost of international education.

Appetite for international education

Despite worsening affordability conditions, appetite for international study remains high. **Only 26% of surveyed students reported**

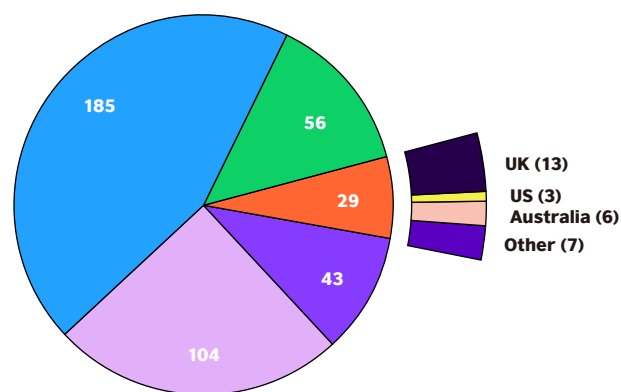
that they did not consider or are not considering overseas study.

Figure 83: Group breakdown for student survey in Malaysia



- Current student (studying domestically, did not consider overseas)
- Current student (studying domestically, considered overseas)
- Prospective student (considering overseas)
- Prospective student (not considering overseas)
- Current student (studying overseas)

Figure 76: Group breakdown for parent survey in Malaysia



- Parent of current student (studying domestically, did not consider overseas)
- Parent of current student (studying domestically, considered overseas)
- Parent of prospective student (considering overseas)
- Parent of prospective student (not considering overseas)
- Parent of current student (studying overseas)

Source: 3Gem survey, Cebr analysis

Among those who ruled it out, 58% cited the cost of studying abroad as the reason, the highest share of any country for this question, with the desire to stay near family a distant second at only 10%.

Study agencies report strong momentum. 66% reported that demand has increased relative to previous years, compared to only 6% who believe it has fallen. Looking ahead, 84% expect demand to rise, with the most cited reason being the availability of scholarships or financial support.

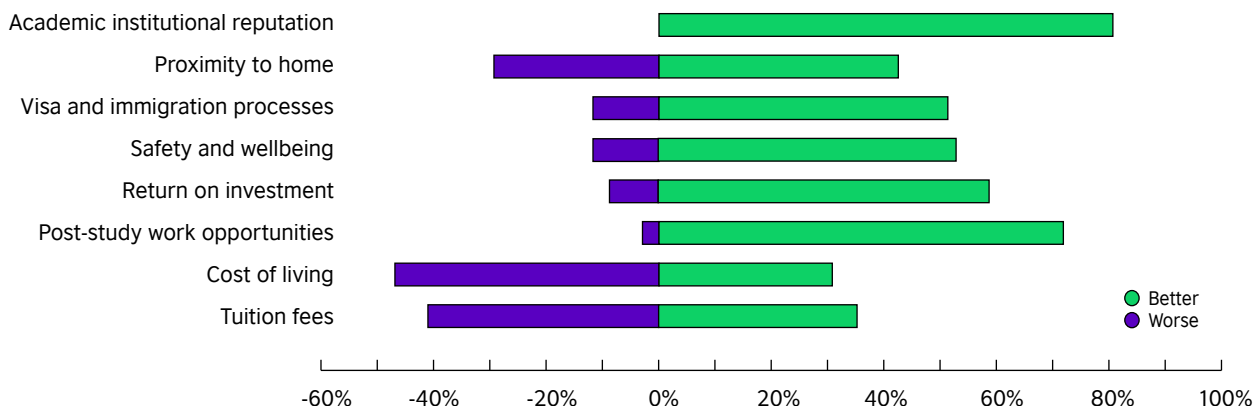
The centrality of financial support in the Malaysian market is also visible when agencies assess the most influential factors shaping destination choice. **Scholarships and financial support were cited by 52% of agencies, well above living costs (36%) and graduate work opportunities (32%).** This reinforces the importance of financial support mechanisms in expanding access to international education for Malaysian students.

The UK and other destinations

The UK is the most popularly considered destination for both current and prospective Malaysian students surveyed and is the

joint-most popular study destination among those already abroad within the sample.

Figure 85: Assessment of how the UK compares to the Australia across key metrics for students from Malaysia

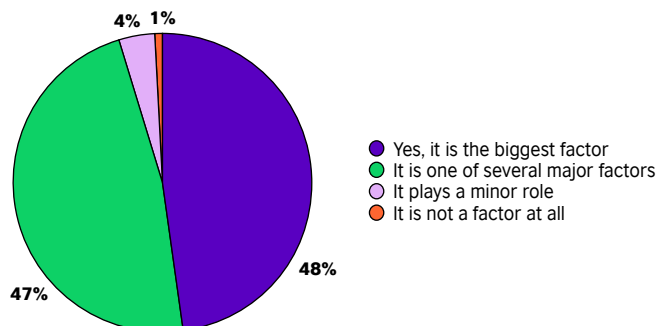


Source: 3Gem survey, Cebr analysis

Australia is the destination most often considered alongside the UK. Comparisons between the two follow a familiar pattern: **the UK is viewed as stronger on academic institutional reputation, with a net balance of 81% viewing that this was better than in Australia.** Post-study work opportunities may reflect the employment-enhancing effects of a

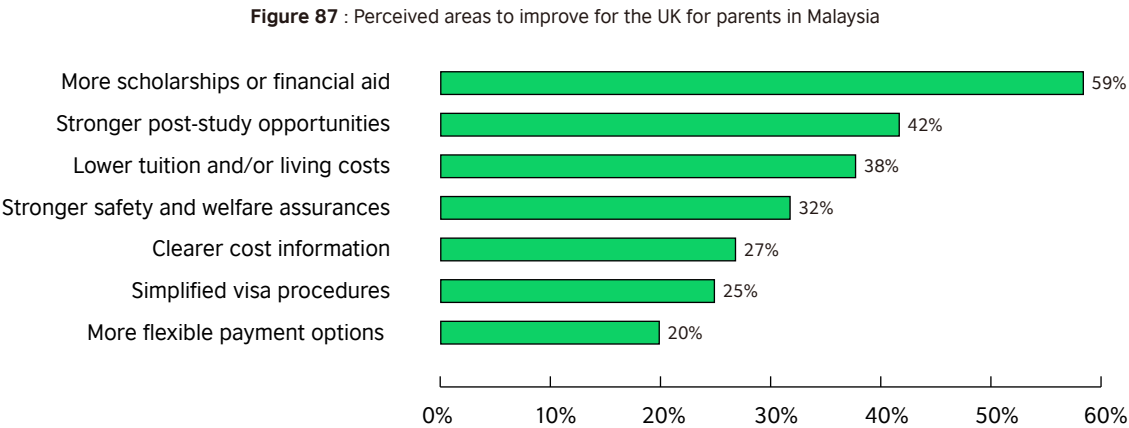
degree from the UK, or the opportunity to get a job in the UK following graduation. Evidence from the survey suggests that Malaysian students interpreted it as the former, given the relative weakness of graduate opportunities in the UK. This helps to explain the high net balance that cited this category was better than in Australia. On the other hand, Australia was favoured for cheaper tuition fees and living costs, with net balances of 6% and 16%, respectively.

Figure 86: Parents' consideration of affordability as a deterrent to studying in the UK (Malaysia)



Source: 3Gem survey, Cebr analysis

Affordability perceptions are relatively balanced: 46% of parents view the UK as affordable relative to other destinations, while 35% consider it unaffordable. However, 48% of parents and 43% of students cite affordability as the biggest factor deterring study in the UK, with a further 47% of each group stating it is one of several major factors.



Source: 3Gem survey, Cebr analysis

Scholarships and financial aid emerge as the most frequently suggested improvement to make UK study more attractive, cited by 59% of parents. Stronger post-study work opportunities were the second most frequently cited factor among parents (42%). Perceptions of the UK’s educational offering remain highly positive: 81% of students report being at least somewhat confident that a UK education provides strong return on investment.

Among parents, 51% stated that they believe financial support in the UK is sufficient, compared to 26% who thought the opposite. This finding likely reflects expectations about the UK’s duty to provide support, rather than a

genuine assessment of whether available funding is adequate to make study feasible, as it sits at odds with many of the other affordability responses in the survey. A full scholarship would be the single most decisive factor for 35% of parents in sending their child to the UK.

Singapore

Macroeconomic and structural affordability

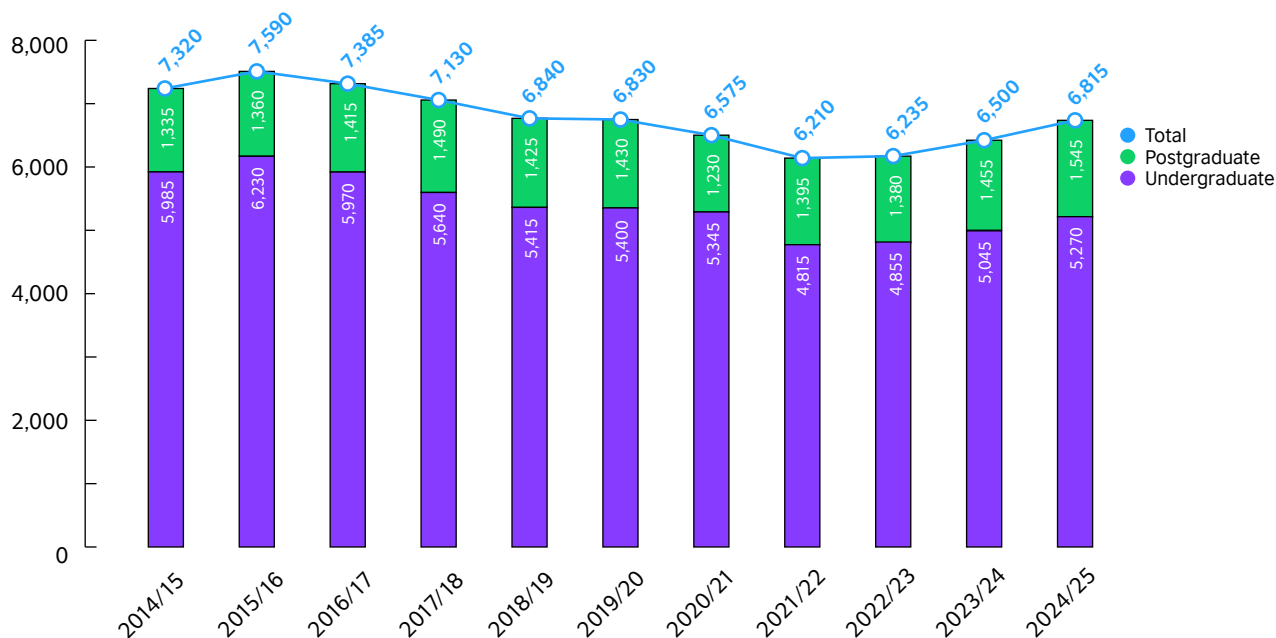
- A stable, undergraduate-dominated market that has declined modestly: approximately 6,800 students enrolled in 2024/25, down from around 7,300 in 2014/15. Around 79% are undergraduates.
- Singapore is unique in this report: it is the only country where the real cost of UK study has declined, falling by approximately 11% (undergraduate) and 9% (postgraduate) in local currency terms, driven by Singapore dollar appreciation against sterling and relatively lower domestic inflation.
- It is also the country where UK study is by far the most affordable: the annual cost of UK study represents approximately 26% (undergraduate) and 25% (postgraduate) of average household disposable income. Robust earnings growth, high savings rates and favourable exchange rate dynamics mean affordability constraints are structurally less binding than elsewhere.
- Household financial capacity is the strongest in the region: real household disposable income has risen steadily and is back above pre-pandemic levels, while savings rates remain high by international standards, providing substantial buffers to support major expenditures such as overseas education.
- Correspondingly, the share of households able to afford UK study has risen from an estimated 23.5% in 2016/17 to 29.1% in 2023/24, the highest share of any nation in this report, and equivalent to a rise of around 120,000 households.

Survey-based perspectives

- Despite the most favourable affordability conditions in the region, perceptions are strikingly cautious: 50% of surveyed parents view the UK as unaffordable and 94% cite affordability as a major deterrent. This points to cost perceptions being shaped by the high quality of domestic alternatives and value-for-money expectations rather than by genuine financial constraint, the clearest divergence between objective affordability and perception of any country in this report.
- Appetite is correspondingly measured: 28% of surveyed students have not considered overseas study, a higher proportion than in neighbouring Malaysia, and 12% cite the strength of domestic universities as the reason, reflecting the competitiveness of Singapore's own tertiary sector. Agency sentiment is stable, with 48% reporting unchanged demand, 44% an increase and 52% expecting future growth.
- Reflecting strong household financial capacity, 65% of surveyed parents expect to finance study through personal savings, more than the 54% relying on monthly income. Tuition fees and living costs are jointly the most influential destination-choice factors (both 40%), with institutional reputation ranking third (32%). The latter is higher than the regional average, reflecting the need for overseas options to outcompete strong domestic alternatives.
- The UK is the most frequently preferred destination among Singaporean respondents, ahead of Australia and well ahead of the US. While Australia is viewed more favourably on practical considerations such as tuition fees, living costs and proximity, the UK's stronger institutional reputation gives it greater overall appeal. 78% of students are confident a UK education offers strong return on investment, and 55% would still want to study in the UK despite recognising it is expensive, though 40% view financial support as insufficient.

Singaporean students in the UK

Figure 88: Temporal trend of Singapore-domiciled university students in the UK, by degree type and total



Source: Higher Education Statistics Agency (HESA), Cebr analysis

Singapore represents a relatively stable source of international students in the UK. In the 2024/25 academic year, approximately 6,800 Singaporean students were enrolled in UK higher education institutions. Over the past decade, total numbers have declined modestly, from around 7,300 in 2014/15 to a peak of roughly 7,600 in 2015/16 before falling gradually to around 6,800 by 2019/20. Numbers declined further during the pandemic to approximately 6,200 in 2021/22, and have since stabilised and recovered slightly.

The composition is strongly undergraduate-led, with undergraduates consistently accounting for around 79% of Singaporean enrolments. Undergraduate numbers peaked at around 6,200 in 2015/16 before declining to approximately 4,800 in 2021/22 and recovering to roughly 5,300 in 2024/25. Postgraduate enrolments have remained comparatively stable throughout the period, hovering around 1,300 to 1,500 students.

Economic context and general household financial capacity for international study

Singapore has long established itself as a highly competitive and globally integrated economy, supported by strong institutions, an open trade environment and a well-developed financial sector. After robust growth in the early 2010s, expansion has moderated. A sharp Covid-related contraction in 2020 was followed by a strong rebound in 2021, with a moderate

growth trajectory achieved thereafter. Inflation was very low or negative for much of the 2010s before a sharp rise in 2022 and 2023 reflected the global inflationary spike, with inflation easing in 2024.

Real household disposable income has risen steadily, aside from two years of contraction in

2021 and 2022 due to elevated inflation. It is now back above pre-pandemic levels in real terms, driven by strong labour market fundamentals. **Real earnings growth has been more modest but has remained positive over the long term. Household savings rates are high by international standards and rose significantly during the pandemic.** Although they have declined slightly in recent years, they remain elevated, indicating substantial financial buffers.

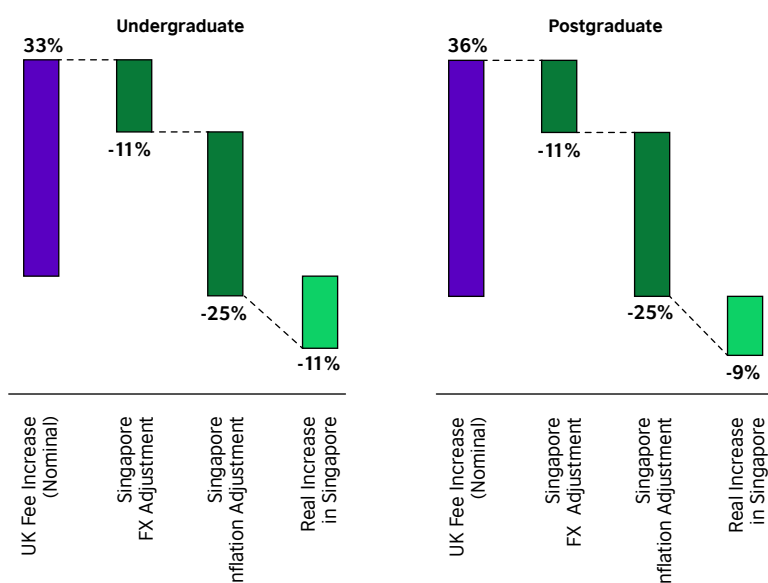
Survey evidence reflects this financial capacity. **65% of parents expect to finance higher education through personal savings, compared with 54% who plan to rely on monthly income.** 81% report that saving conditions are broadly unchanged relative to the pre-pandemic period, although 42% acknowledge that education costs, particularly for international study, have increased.

Affordability dynamics for overseas study

Singapore occupies a unique position in this report's affordability analysis. **It is the only East Asian country examined where the real cost of studying in the UK has declined when assessed relative to domestic purchasing power.** The Singapore dollar

appreciated against sterling over the period, particularly between 2016 and 2019, and while many neighbouring currencies have depreciated significantly against sterling since then, movements in the Singapore dollar have been more moderate.

Figure 89 & 90: Decomposition of UK tuition affordability for Singaporean households by degree type²⁷



27. 'Real increase in Singapore' reflects the change in the cost of UK study for a typical Singaporean household after accounting for exchange rate movements and domestic inflation over 2016 to 2023. In simple terms, it shows the true change in affordability rather than just the headline increases in UK fees.

Source: Higher Education Statistics Agency (HESA), Cebir analysis

Over the period considered, nominal UK undergraduate tuition fees increased by approximately 33%. However, exchange rate appreciation reduced the effective rise in study costs in local currency terms by around 11%, and domestic inflation further moderated the increase relative to household purchasing power. **After accounting for both factors, the real cost of UK undergraduate study for Singaporean households declined by approximately 11%, compared with a 6% real**

increase within the UK itself. **For postgraduate programmes, a similar pattern produced a real cost decline of approximately 9% in Singapore dollar terms, compared with a 9% real increase within the UK.**

Household expenditure patterns support this finding. Real household spending on education has increased steadily over the long term, recovering quickly after a modest dip during the pandemic. Among parents of domestic

students who considered overseas study but ultimately chose not to pursue it, only 11% cited unfavourable exchange rates as a contributing factor, compared with 50% citing general cost of living concerns. **Strong income growth and**

high savings rates provide Singaporean households with greater capacity to absorb overseas education costs relative to most other East Asian countries/territories.

Appetite for international education

A somewhat larger share of Singaporean students report not considering overseas study compared with several neighbouring countries/territories. 28% stated that they

either did not consider or are not considering studying abroad, a higher proportion than in many neighbours including Malaysia.

Figure 91: Group breakdown for student survey in Singapore

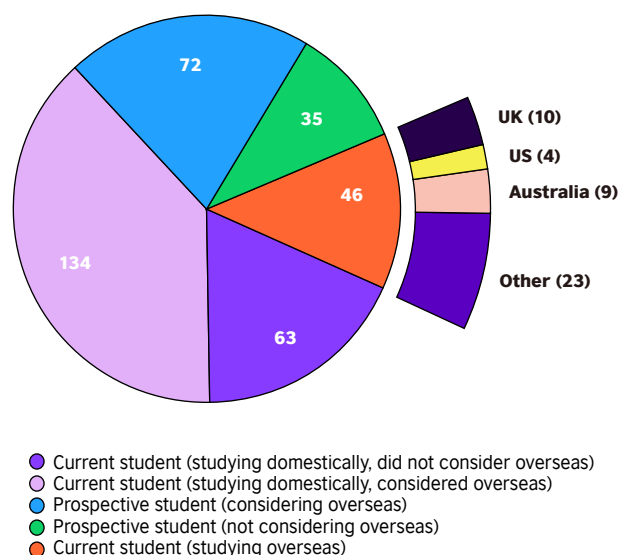
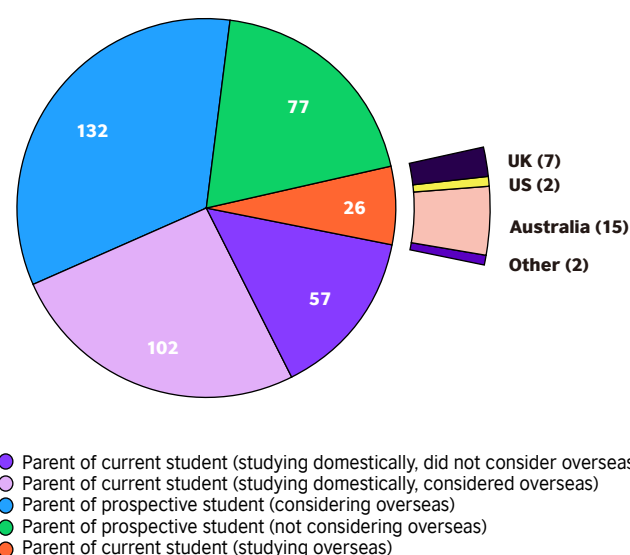


Figure 76: Group breakdown for parent survey in Malaysia



Source: 3Gem survey, Cebr analysis

Among these students, **cost remains the most frequently cited factor at 54%. However, 10% cite the desire to remain close to family, and 12% report that domestic universities already provide sufficiently strong educational options.**

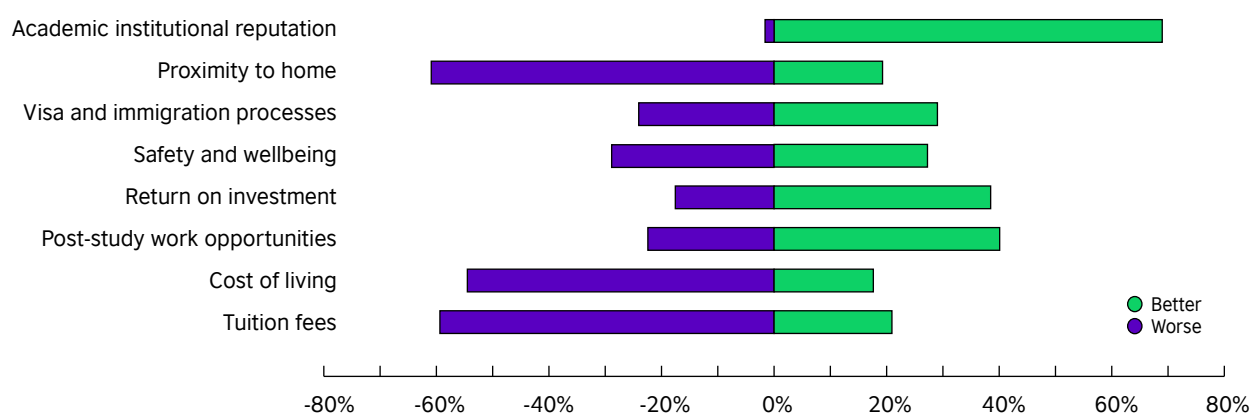
The latter finding is significant. It likely reflects **the high quality and global competitiveness of Singapore's domestic higher education sector, which reduces the perceived need for overseas study relative to other East Asian countries/territories.** This means that overseas options must clear a higher bar to justify the additional cost, a dynamic that shapes how Singaporean households evaluate international destinations.

Agency sentiment is broadly stable. 48% report that demand is about the same as in previous years, while 44% report an increase. Looking ahead, 52% expect demand to rise. Agencies reported that tuition fees and living costs were jointly the most influential factors in choosing a destination (both 40%), with academic institutional reputation third at 32%. The prominence of institutional reputation is notable, it exceeds the regional average of 30%, consistent with the view that Singapore's strong domestic sector means overseas options must offer clearly superior prestige to justify the cost.

The UK and other destinations

Based on survey evidence, the UK was the most popularly considered destination for both current and prospective students, as well as the most popular study destination among those already abroad. Australia placed second across each of those metrics, significantly outperforming the US.

Figure 93: Assessment of how the UK compares to the Australia across key metrics for students from Singapore



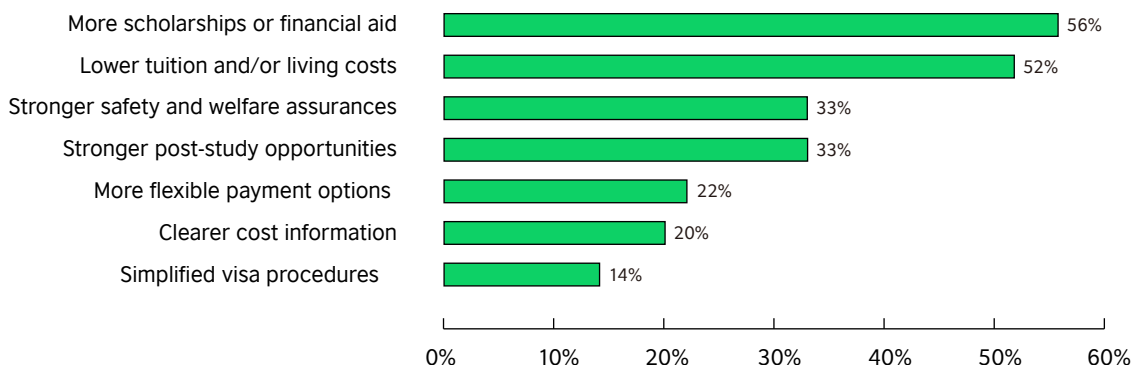
Source: 3Gem survey, Cebr analysis

Comparisons between the UK and Australia highlight the trade-offs that Singaporean students weigh when evaluating destinations. **The UK is widely viewed as stronger in terms of academic institutional reputation, preferred by a net balance of 67%. Return on investment (21%) and post-study work opportunities (17%) were also perceived as advantages.** Australia, by contrast, is seen as stronger across a broad range of practical considerations, including tuition fees (39%), living costs (37%), safety and wellbeing (2%), and proximity to home (42%). Despite Australia's advantages on this wider set of metrics, the UK's institutional reputation gives it stronger overall pulling power, a particularly telling finding given Singaporean students' higher bar for overseas study quality – a consequence of especially strong domestic institutions.

Despite the objectively favourable affordability position, cost perceptions remain a significant factor. 50% of parents stated that they believe the UK is

unaffordable, and 94% stated that affordability is a major factor in deterring them from sending their child to study in the UK. A further 40% stated that financial support in the UK is insufficient. For the largest share of parents (39%), the decisive factor in sending their child to the UK would be the receipt of a full scholarship.

Figure 94 : Perceived areas to improve for the UK for parents in Singapore



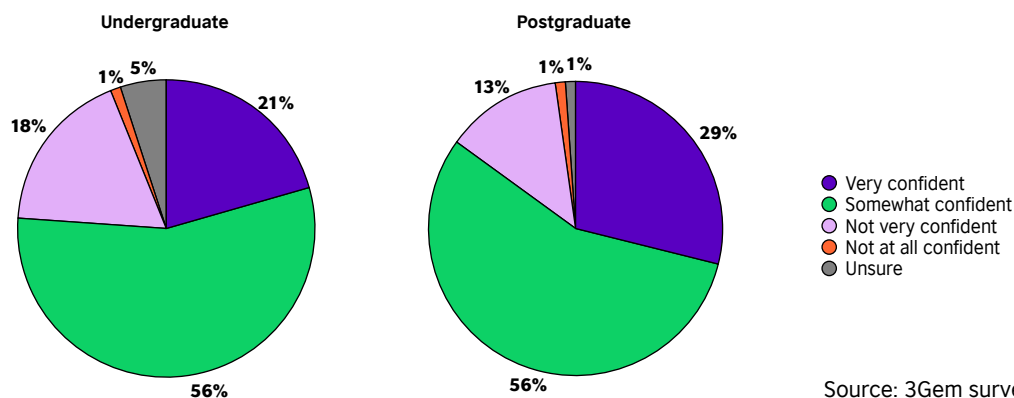
Source: 3Gem survey, Cebr analysis

More scholarships or financial aid was the most popularly cited improvement, reported by 56% of parents. This was followed by lower tuition fees or living costs, cited by 52%. Cost factors were cited significantly more than other categories, likely reflecting a higher degree of cost sensitivity among Singaporean parents. **Out of the considered East Asian countries and territories, Singapore faces by far the lowest affordability pressures, indicating that this higher cost sensitivity is driven more by stronger domestic offerings rather than financial constraints.**

postgraduate students were at least somewhat confident that a UK education offers a strong return on investment, and 55% stated that even though they recognise it is expensive, they would still want to study in the UK. The apparent tension between objectively low affordability ratios and subjectively high cost perceptions likely reflects the competitive domestic alternative: Singaporean households are not asking whether they can afford UK study in absolute terms, but whether the premium over their own strong domestic universities is justified.

These cost perceptions sit alongside strong confidence in the value of UK education. 77% of undergraduate students and 85% of

Figure 95: Singaporean student perceptions on return on investment from higher education in the UK



Source: 3Gem survey, Cebr analysis

Taiwan

Macroeconomic and structural affordability

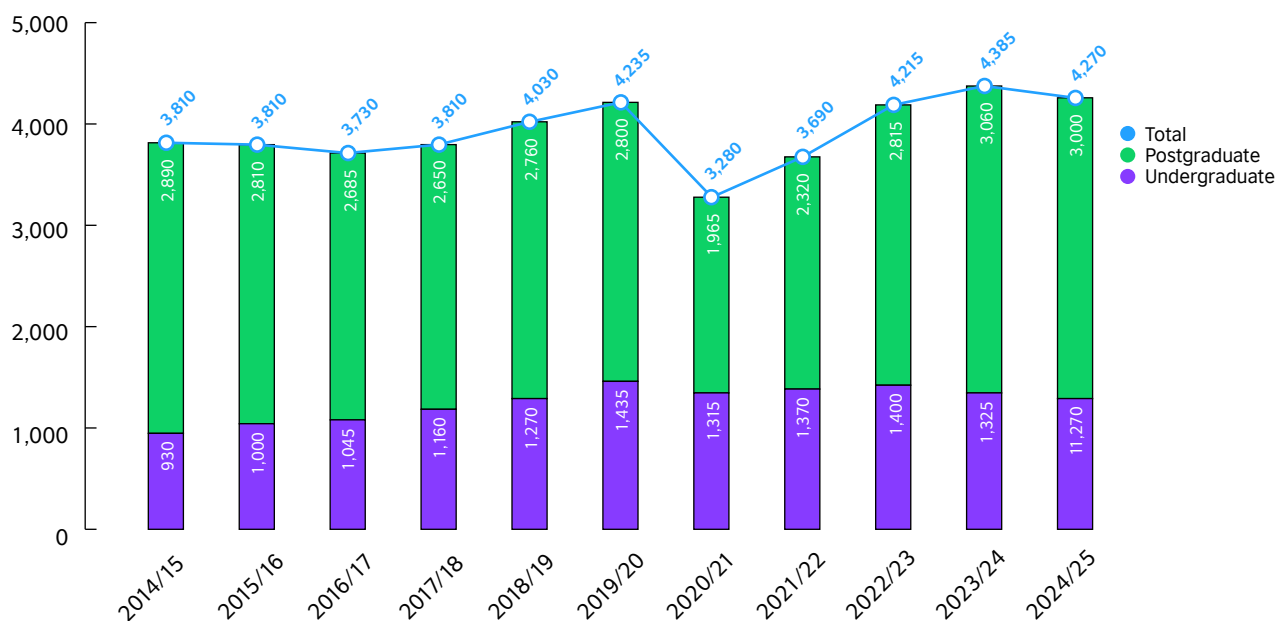
- A smaller but growing market: approximately 4,300 students enrolled in 2024/25, up from around 3,800 in 2014/15, having recovered from a pandemic low of 3,300 to reach the highest level in the period. Around 3,000 of the 4,300 are postgraduates, making Taiwan one of the most postgraduate-weighted source nations in the region.
- UK study represents a substantial financial commitment by regional standards: the annual cost equates to approximately 125% of average household disposable income at undergraduate level and 124% at postgraduate level, placing Taiwan in the intermediate affordability tier alongside Japan and South Korea.
- Exchange rate movements have worked in households' favour, with the New Taiwan dollar appreciating against sterling and offsetting around 11% of nominal tuition fee increases. However, real costs have still risen by 10% (undergraduate) and 13% (postgraduate) in local currency terms, exceeding the increases of 6% and 9% measured within the UK itself, as the nominal fee rises outpaced the currency gain.
- Real household income has grown only modestly over the past decade and real wage growth turned negative in 2023, limiting households' capacity to absorb rising costs. Precautionary savings remain high amid geopolitical uncertainty and provide a financial buffer, but real household expenditure on education has been falling, signalling growing cost sensitivity.
- The share of households able to afford UK study has expanded modestly, from an estimated 11.8% in 2016/17 to 13.0% in 2023/24, equivalent to a rise of just under 200,000 households. The limited expansion reflects the tension between favourable exchange rate movements on one side and constrained real income growth alongside rising real local-currency costs on the other.

Survey-based perspectives

- Appetite for overseas study among surveyed students and parents is meaningful but not dominant: only 29% of student respondents have not considered studying abroad. Education agencies report net positive momentum, with 50% indicating demand is higher than in previous years (against 22% reporting lower) and 52% expecting further increases.
- Graduate work opportunities are the most influential factor in destination choice (44%), ahead of scholarships and financial support (40%). Among those who did not consider overseas study, cost was the most cited reason (37%), followed by a desire to stay near family (19%).
- The US is the most frequently considered destination among Taiwanese respondents, ahead of the UK. The UK performs most strongly on perceptions of safety and wellbeing and institutional reputation, but tuition fees and cost of living are viewed least favourably relative to competitor destinations, consistent with the underlying cost-sensitivity evident in the macroeconomic picture.
- Postgraduate respondents are notably more cost-sensitive than undergraduates, more frequently citing tuition fees and limited financial aid as barriers. 51% of surveyed parents view the UK as somewhat or very affordable relative to other destinations, and 70% of those funding through savings believe studying in the UK is worth the cost, though greater scholarships (63%) and lower costs (55%) are the most frequently cited improvements that would make the UK more attractive.

Taiwanese students in the UK

Figure 40: Temporal trend of Taiwanese university students in the UK, by degree type and total



Source: Higher Education Statistics Agency (HESA), Cebr analysis

Taiwan represents a smaller but stable source jurisdiction for international students in the UK. In the 2024/25 academic year, approximately 4,300 students from Taiwan were enrolled in UK higher education institutions.

Over the past decade, the total number of Taiwanese students studying in the UK has increased moderately, rising from around 3,800 students. Growth has not been linear over this period. Enrolments initially declined slightly between 2014/15 and 2016/17 before beginning a steady expansion through to 2019/20, when total enrolments reached around 4,200 students. As with many international student countries/territories, numbers fell during the pandemic period, with total enrolments dropping to approximately 3,300 in 2020/21. Since then, student numbers have recovered steadily, reaching their highest level in the most recent academic year.

The composition of Taiwanese students in the UK is heavily skewed towards postgraduate study. Throughout the period considered, postgraduate enrolments have consistently accounted for the majority of Taiwanese students in the UK. In 2014/15 there were

approximately 2,900 Taiwanese postgraduate students, compared with around 930 undergraduates. Postgraduate numbers declined slightly in the middle of the decade before increasing again in recent years, rising to 3,000 students in 2024/25.

Undergraduate enrolments have also grown over time, though at a slower pace and with greater stability. Numbers increased from around 900 students in 2014/15 to a peak of approximately 1,400 in 2019/20, before falling slightly during the pandemic years and stabilising at around 1,300 in 2024/25.

Economic context and general household financial capacity for international study

Taiwanese economic growth has shown strong cyclical trends over the past decade, with a post-pandemic rebound in 2021 driven by external demand for technology exports following the lifting of Covid controls world-wide. This has since been dampened by global demand headwinds in 2022 and 2023 as worldwide price pressures pushed down on consumer confidence. Inflation in Taiwan has been relatively low and stable over the analysis horizon, rising temporarily in 2022 and 2023 but still contained relative to many advanced economies.

Real household income increased gradually between 2010 and 2019, though it has shown limited growth since 2021. Real wage growth was negative in 2023, reflecting constraints in wage formation. Taiwan's precarious political situation has driven high levels of uncertainty and precautionary behaviour. Household savings rates have remained consistently high, indicating a degree of financial resilience in the face of rising international education costs.

Survey evidence reflects this mixed picture. 52% of Taiwanese parents intend to finance higher education through personal savings,

with 85% stating that their ability to save has not been significantly altered since the pandemic.

At the same time, the survey sample suggests that overseas study forms part of the decision set for a meaningful share of students and parents, though a large proportion ultimately pursue domestic education. The largest group of student respondents consists of those currently studying domestically who had previously considered studying overseas (168 respondents), while among parents the largest group consists of those considering overseas education for their child (142 respondents).

Figure 41: Group breakdown for student survey in Taiwan

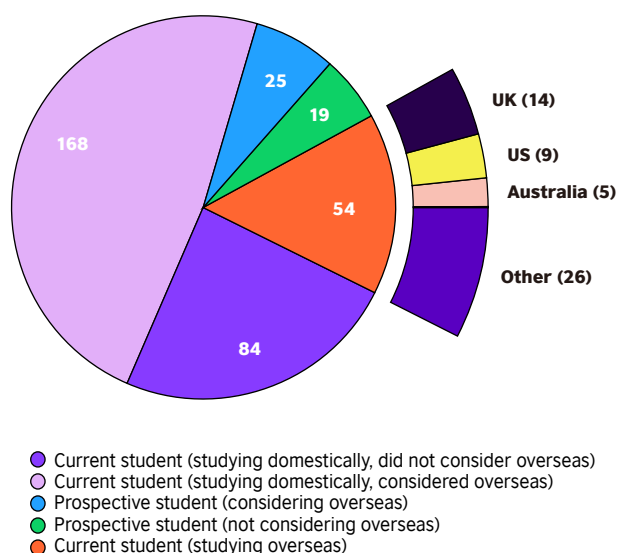
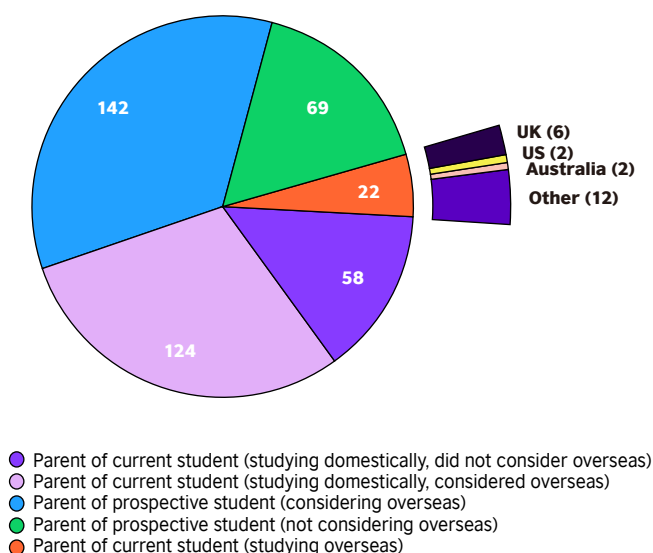


Figure 42: Group breakdown for parent survey in Taiwan

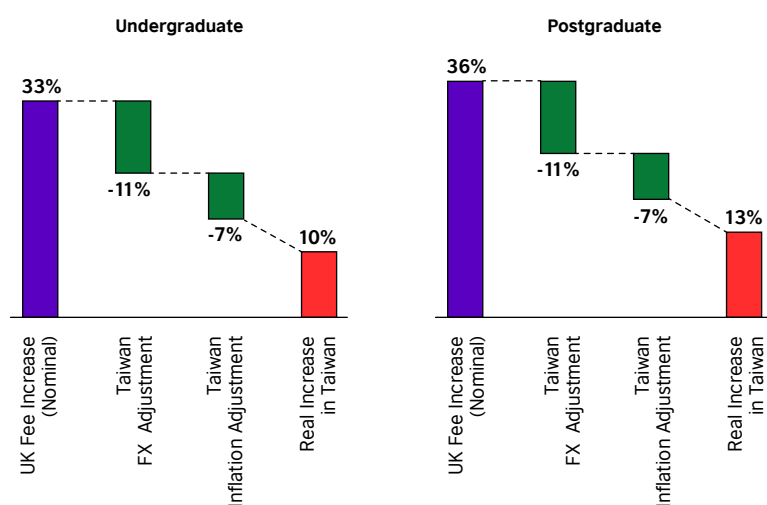


Affordability of UK study

Exchange rate movements and domestic price dynamics play an important role in shaping the affordability of studying in the UK for Taiwanese households. Over the period considered, nominal tuition fees for UK

undergraduate programmes increased by approximately 33%. However, the New Taiwan dollar appreciated against sterling over the period, reducing the effective increase in study costs in local currency terms by around 11%.

Figure 43 & 44: Decomposition of UK tuition affordability for Taiwanese households by degree type²¹



21. 'Real increase in Taiwan' reflects the change in the cost of UK study for a typical Taiwanese household after accounting for exchange rate movements and domestic inflation over 2016 to 2023. In simple terms, it shows the true change in affordability rather than just the headline increases in UK fees.

Source: Higher Education Statistics Agency (HESA),
Cebr analysis

After accounting for both exchange rate movements and domestic inflation, **the real cost of studying in the UK for Taiwanese households increased by approximately 10% in local currency terms for undergraduates**. By comparison, the real increase measured within the UK itself was around 6% over the same period. A similar pattern is observed for postgraduate programmes: nominal fees increased by approximately 36%, exchange rate movements mitigated around 11% of this increase, **and the real cost rose by approximately 13% in local currency terms**, compared with around 9% within the UK.

More broadly, rising costs have been accompanied by falling real household expenditure on education, despite rising nominal incomes. While volatile exchange rates are likely to have contributed to this, exchange rates were only cited as a reason not to go overseas by 2% of respondents who had considered studying abroad. Modest real income growth has limited households' ability to absorb higher overseas education costs without drawing down on savings, something that is arguably less likely given precautionary sentiment in Taiwan. Declining real education expenditure indicates greater sensitivity to the associated costs of overseas study.

Appetite for international education

International study is a consideration for a large proportion of university-age students in Taiwan, with only 29% of current or prospective students reporting that they either did not or are not considering

studying abroad. Among those who did not consider international study, the **most popular reason was cost, with a 37% share**, followed by a desire to stay near family at 19%.

Agencies have largely reported that demand for overseas study has increased, with 50% reporting that it is higher than in previous years, compared to 22% reporting that it is lower. Looking ahead, 52% expect demand to rise compared to 24% that expect it to fall. A far lower proportion expect or report demand staying the same, potentially reflecting greater volatility and uncertainty surrounding outcomes for potential international students in Taiwan.

Agencies reported that the most influential factor in choosing a destination was graduate work opportunities, cited by 44%, ahead of scholarships and financial support

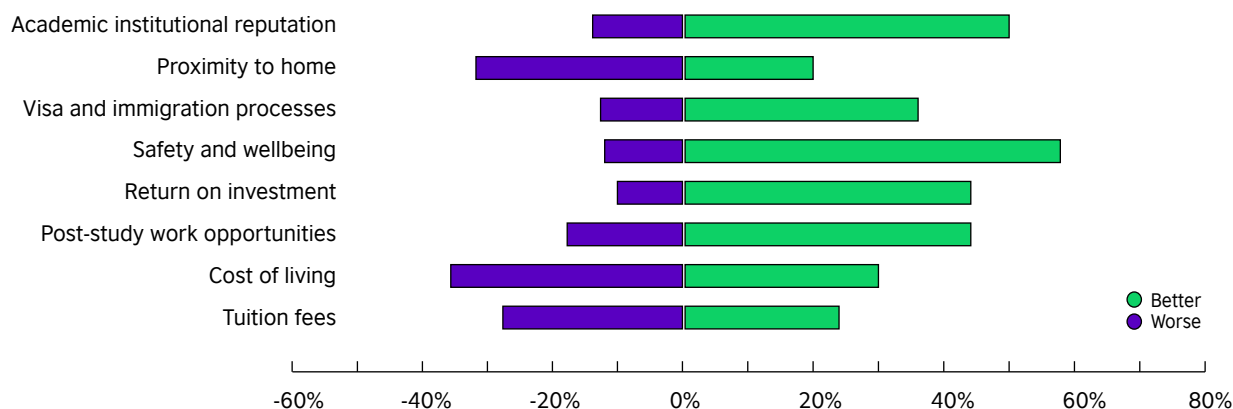
at 40%. An important distinction emerges between undergraduate and **postgraduate students**: the latter **are more likely to cite tuition fees and the limited availability of financial aid as barriers to studying abroad**, while the proportion citing maintenance costs is constant between the two groups. This implies that cost sensitivities are broadly similar, but postgraduate tuition fees and financial support are more restrictive for international students at that level.

The UK and other destinations

Across Taiwanese students interviewed, the US emerges as the most commonly considered destination, followed by the UK. Perhaps unsurprisingly, the comparison between the

two destinations is more balanced than what was demonstrated by students from mainland China.

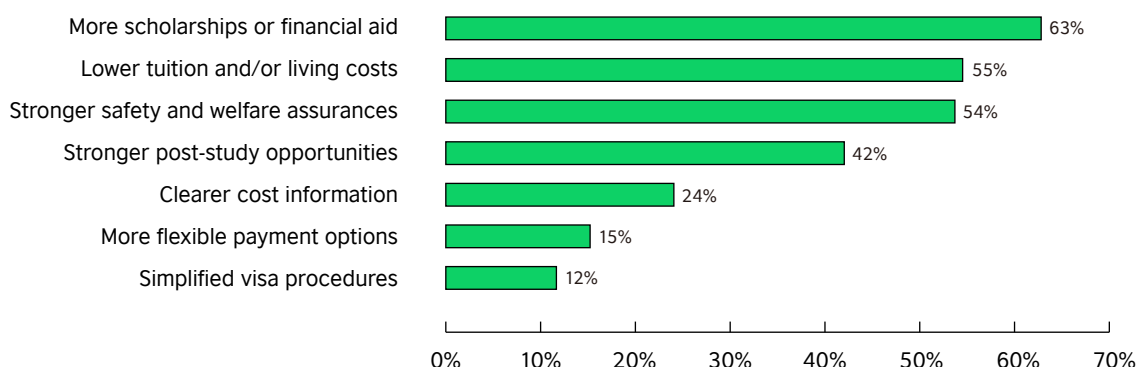
Figure 45: Assessment of how the UK compares to the US across key metrics for students from Taiwan



Source: 3Gem survey, Cebr analysis

The UK's key relative strengths against the US demonstrate patterns that are increasingly familiar for UK education. **Key strengths relative to the US are its safety and wellbeing, as cited by a net balance of 48%, while its academic institutional reputation and the ease of visa and immigration processes were also key strengths.** Taiwanese students that considered both the UK and the US viewed affordability far more

evenly, although in general believed that the US was preferable for both tuition fees and the cost of living. This may reflect Taiwan's higher relative proportion of postgraduates in the UK; findings earlier in this report showed that costs in the UK were higher than the US for postgraduates but lower for undergraduate students.

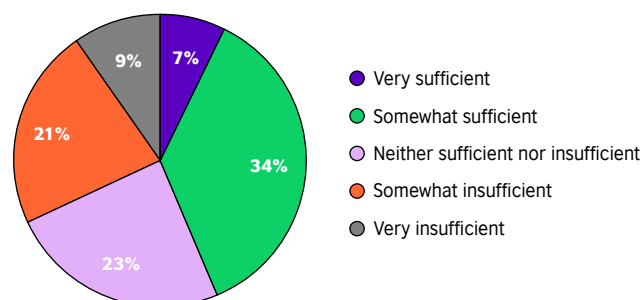
Figure 46: Perceived areas to improve for the UK for parents in Taiwan

Source: 3Gem survey, Cebr analysis

Taiwanese parents again identified affordability-related factors as key areas for improvement in the UK's higher education offering. More scholarships or financial aid was the most commonly cited measure, selected by 63% of parents, while lower tuition fees and/or living costs were cited by 55%. Stronger safety and welfare assurances were also prominent, at 54%, while stronger post-study work opportunities were cited by 42% of respondents. This reinforces the narrative that, while affordability remains a major constraint for many households in East Asia, respondents may be more focused on improving access to financial support and reducing financial risk than on materially lowering costs alone.

Indeed, while **cost concerns are still the UK's least favourable comparison with other countries**, 51% of parents stated that they viewed the UK as either somewhat or very affordable relative to other countries. When asked what would make the UK more attractive, greater scholarship opportunities were selected by 63% of parents and lower costs by 55%, slightly higher than stronger safety and welfare assurances.

That said, 41% of parents stated that they believe financial support is sufficient. Of those funding education through personal savings who want to send their children abroad, **70% stated that they believe sending their children to the UK is worth the cost.**

Figure 47: Perceptions on whether UK financial support is sufficient for parents in Taiwan

Source: 3Gem survey, Cebr analysis

Thailand

Macroeconomic and structural affordability

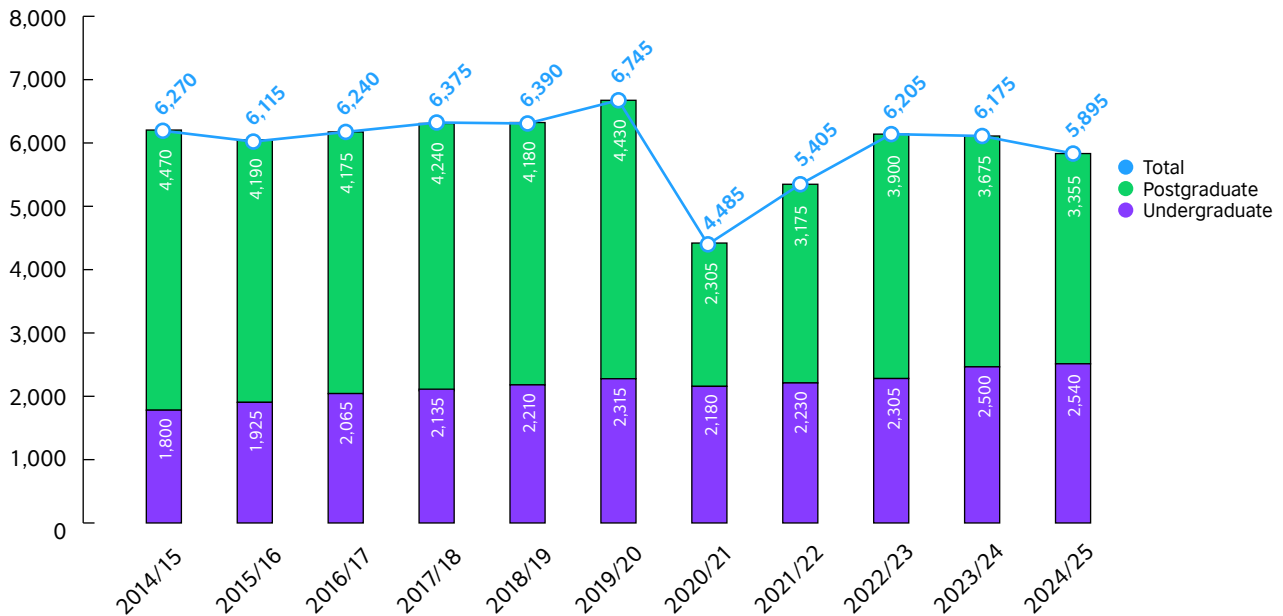
- A mid-sized, postgraduate-heavy market still recovering from the pandemic: approximately 5,900 students enrolled in 2024/25, down from a pre-pandemic peak of around 6,700. The composition is strongly skewed towards postgraduate study, though undergraduate enrolments have grown steadily and reached their highest-ever level.
- UK study represents a very substantial financial burden: the annual cost is approximately 435% of average household disposable income at undergraduate level and 433% at postgraduate level, placing Thailand in the high-cost tier alongside Indonesia.
- Baht appreciation offset around 10% of nominal tuition increases, producing relatively modest real cost rises of approximately 7% (undergraduate) and 10% (postgraduate) in local currency terms. However, recent baht depreciation since 2019 threatens to erode these gains.
- Thailand's tourism-dependent economy suffered a severe pandemic contraction, and real household incomes remain close to levels observed a decade earlier. Crucially, savings rates have fallen sharply since 2022, the opposite of most other East Asian countries/territories, eroding the financial buffers that support education spending.
- The share of households able to afford UK study has been broadly stable over the past decade, edging from an estimated 2.0% in 2016/17 to 1.8% in 2023/24, with the number of affordable households broadly unchanged, at just above 500,000. Stagnant real incomes and eroding savings buffers have left the affordable base essentially flat, despite the relatively modest rise in real local-currency costs.

Survey-based perspectives

- Appetite for overseas study is solid among surveyed students, with only 35% not having considered it, and agency sentiment is very strong: 80% of surveyed agencies report higher demand and 96% expect it to rise further. Among students who ruled out overseas study, 43% cited cost.
- Scholarships and graduate work opportunities are jointly the most influential destination choice factors (both 44%). A notably high 40% of parents expect to fund education through a university scholarship or bursary, signalling heavy reliance on institutional financial support, consistent with the eroding household savings buffers evident in the macroeconomic picture.
- The US is the most frequently considered destination among Thai respondents, with the UK ranking second. The UK's institutional reputation is cited as its strongest asset, while tuition fees are its least favourable comparison against competing destinations.
- Affordability perceptions are more evenly split than in most nations: 40% of surveyed parents view the UK as affordable against 34% who view it as unaffordable. Nonetheless, 47% of parents and 49% of students cite affordability as the biggest deterrent to UK study, and stronger post-study work opportunities rank unusually high (45%), alongside scholarships (55%), among the improvements that would make the UK more attractive.

Thai students in the UK

Figure 72: Temporal trend of Vietnamese university students in the UK, by degree type and total



Source: Higher Education Statistics Agency (HESA), Cebr analysis

Thailand represents a relatively stable source of international students in the UK. In the 2024/25 academic year, approximately 5,900 Thai students were enrolled in UK higher education institutions. Over the past decade, total numbers fluctuated around the 6,000 level, standing at roughly 6,300 in 2014/15 and reaching a peak of around 6,700 in 2019/20 before declining sharply during the pandemic to approximately 4,500 in 2020/21. Enrolments have since recovered, albeit only partially.

The composition is strongly skewed towards postgraduate study, which has consistently accounted for the majority of Thai enrolments. Postgraduate numbers fell from roughly 4,500 in 2014/15 to approximately 2,300 during the pandemic before partially recovering to around 3,400 in 2024/25. Undergraduate enrolments, by contrast, have followed a steadier upward trend, increasing from around 1,800 in 2014/15 to roughly 2,500 in 2024/25, the highest level observed over the period.

Economic context and general household financial capacity for international study

While many of its neighbours have experienced strong growth, Thailand's economy has experienced relatively higher levels of volatility over the past decade, reflecting political uncertainty, external shocks and a heavy reliance on tourism.

The tourism sector's collapse during the pandemic led to a severe contraction in economic activity. The subsequent recovery

has been gradual, and the rebound in household incomes has been uneven.

Inflation surged sharply in 2022, reflecting global price pressures following the onset of the war in Ukraine and the post-pandemic boom in demand. As a result, real household incomes remain close to the levels observed a decade earlier, indicating limited cumulative improvements in purchasing power.

This weak income growth has likely constrained the affordability of overseas education, particularly in Anglophone destinations where international tuition fees have risen in both nominal and real terms.

Weaker growth in both nominal and real wages has seen Thai households increasingly dip into their stored financial buffers to maintain living standards. Savings rates rose steadily through the 2010s and during the pandemic but have fallen sharply since 2022.

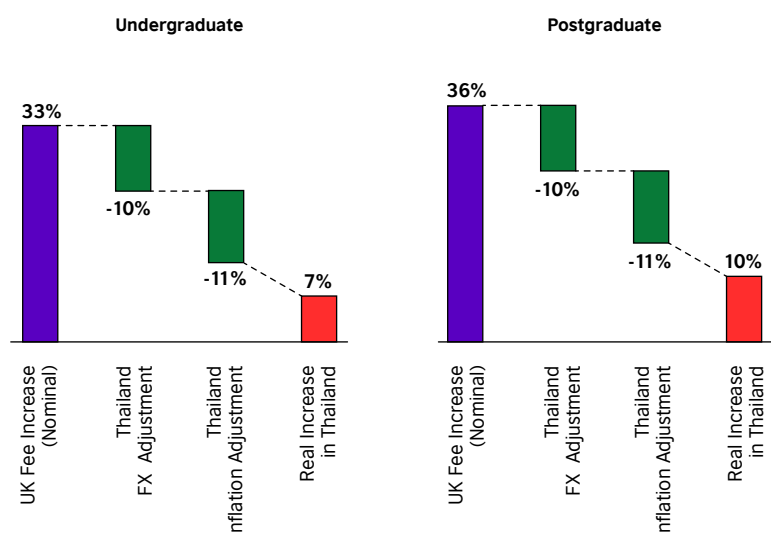
Survey evidence reflects these financial dynamics. 61% of parents expect to fund their child's education through personal savings, compared to 72% funding through monthly income, with a relatively high 40% expecting to fund it through a university scholarship or bursary. In addition, 17% of parents reported that saving has become more difficult since Covid, aligning with the decline in savings since COVID-19 and reinforcing the view that household finances have become more constrained in recent years.

Affordability dynamics for overseas study

Exchange rate movements have provided some relief for Thai households, though recent currency weakness threatens to reverse these gains. Over the broader period, the Thai baht appreciated modestly against sterling,

reducing the effective rise in tuition costs by around 10%. However, recent depreciations of the baht since 2019 put further downward pressure on households' ability to afford study in the UK.

Figure 73 & 74: Decomposition of UK tuition affordability for Thai households by degree type²⁵



25. 'Real increase in Thailand' reflects the change in the cost of UK study for a typical Thai household after accounting for exchange rate movements and domestic inflation over 2016 to 2023. In simple terms, it shows the true change in affordability rather than just the headline increases in UK fees.

Source: Higher Education Statistics Agency (HESA), Cebr analysis

Over the period considered, nominal UK undergraduate tuition fees increased by approximately 33%. After accounting for exchange rate movements and domestic inflation, **the real cost of undergraduate study in the UK for Thai households increased by approximately 7% in local currency terms, compared with around 6% within the UK. For postgraduate programmes, nominal fees rose by**

approximately 36%, **with the real cost increasing by approximately 10% in baht terms, compared with 9% within the UK.**

Despite these relatively moderate real cost increases, broader household financial pressures have constrained education spending. **Real household expenditure on education has remained broadly flat over the past decade and declined in real terms**

after 2020. Survey results illustrate the impact: among parents who considered sending their child abroad but ultimately chose not to do so, 45% cited high tuition fees as a key reason, while 41% cited high living costs. When combined with weak real

income growth and falling savings rates since 2022, these factors suggest that affordability constraints remain a significant barrier to overseas study for many Thai households.

Appetite for international education

Despite these financial constraints, international education remains widely considered among Thai students. Only 35%

of current or prospective students did not consider or are not considering studying abroad.

Figure 75: Group breakdown for student survey in Thailand

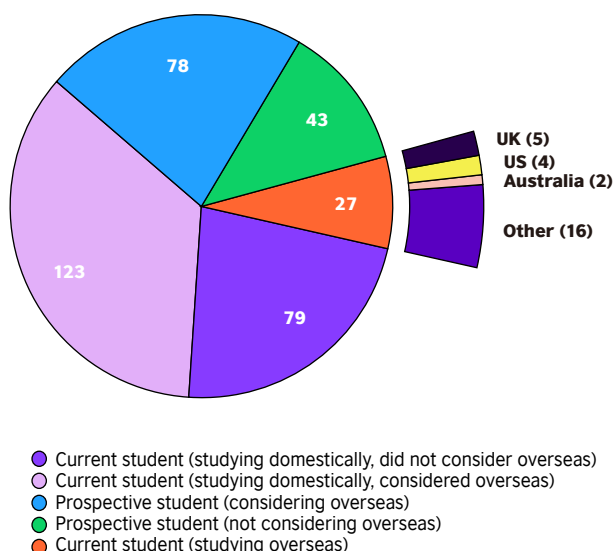
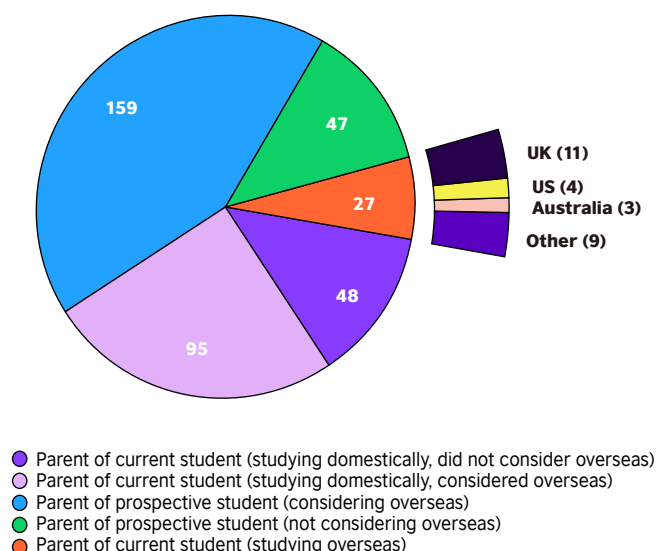


Figure 76: Group breakdown for parent survey in Thailand



Source: 3Gem survey, Cebr analysis

Among those who ruled it out, cost was the dominant reason at 43%, with the desire to stay near family a distant second at 16%.

Agency sentiment is very strong, second only to Vietnam. 80% of agencies reported that demand is higher relative to previous years, and 96% expect it to rise in the future. Agencies attribute this expected growth primarily to labour market demand for internationally educated graduates and the perceived value of overseas education. These trends may reflect broader structural changes in the Thai economy: as the economy diversifies into higher-value sectors, households may increasingly view international

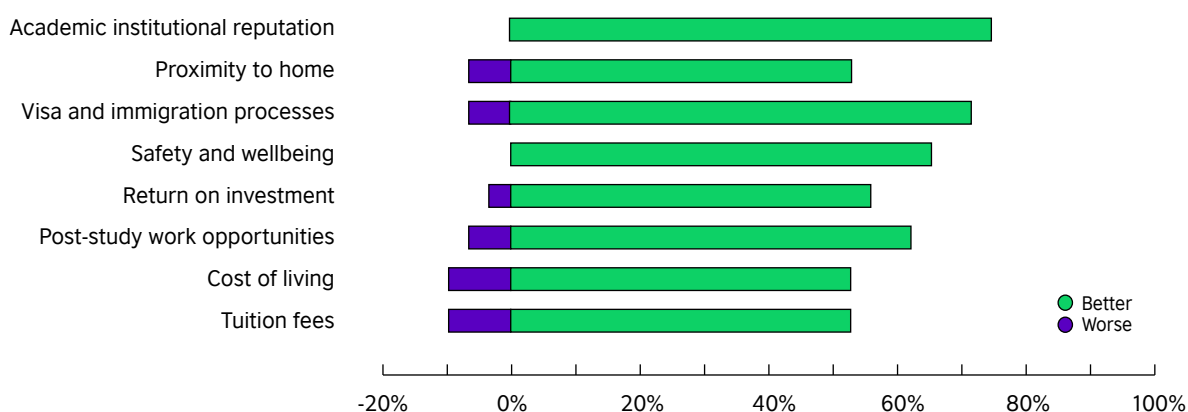
education as a way to equip graduates with skills that improve their competitiveness in the labour market.

When assessing the most influential factors in choosing a destination, scholarships and financial support ranked level with graduate work opportunities as the most often reported factors, both at 44%. Safety and wellbeing was the third most often cited at 28%. The joint prominence of scholarships and employment outcomes is consistent with the picture of Thai households as financially constrained but aspirational: willing to pursue overseas study but heavily dependent on institutional support to do so.

The UK and other destinations

While the UK is viewed positively in Thailand, it is not the most frequently chosen destination among students within the sample that considered or are considering overseas education, with a larger share reporting consideration for the US.

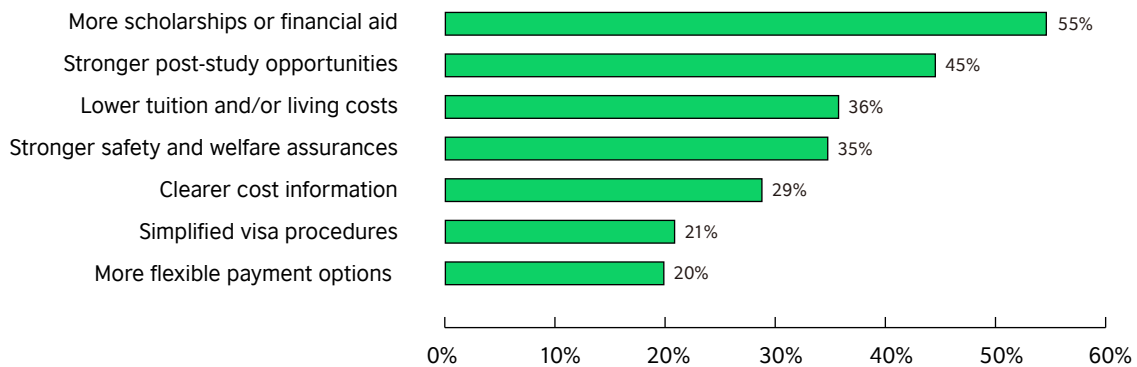
Figure 77: Assessment of how the UK compares to the US across key metrics for students from Thailand



Source: 3Gem survey, Cebr analysis

However, **the UK's strengths remain apparent: its institutional reputation was the most cited advantage when compared to the US amongst students who considered or are considering both, with a net balance of 75% in favour of the UK, and notably no students stating that this is better in the US.** Perceptions show that the UK is overwhelmingly preferred to the US over the given categories, however, there are areas where the comparison is less uniformly positive, those being the cost of living and tuition fees, both with the lowest net balances at 44%. While the skew towards the UK may be again attributable to the small sample size that considered or are considering both countries, the relative weakness of tuition fees and the cost of living relative to other categories aligns with broader regional trends.

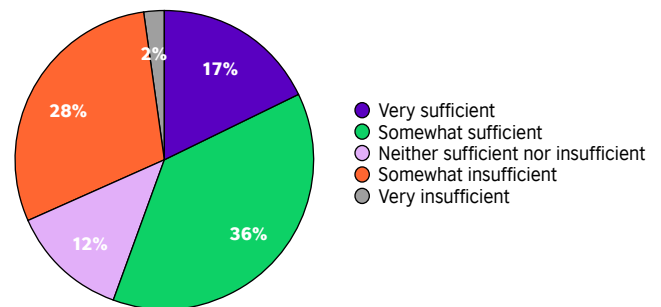
Affordability perceptions among Thai parents are more evenly split than in most countries/territories surveyed. **40% believed that the UK was affordable compared to other countries, while 34% argued it was unaffordable. Nevertheless, affordability was cited as the biggest factor deterring study in the UK by 47% of parents and 49% of students, with a further 49% in the former group stating it was one of several major factors.**

Figure 78 : Perceived areas to improve for the UK for parents in Thailand

Source: 3Gem survey, Cebr analysis

Financial factors dominated the suggestions for what the UK could do to make studying there more attractive. **55% of parents suggested more scholarships or financial aid, and 36% argued for lower tuition or living costs. Notably, stronger post-study work opportunities were also popularly cited at 45%**, suggesting demand for strengthening the link between universities and employment, either through increasing employer-university engagement within the UK, or by scaling up the number of available graduate roles. This was largely reflected in the student survey, indicating alignment between parents and students on the barriers to studying abroad.

A combined 53% of Thai parents believed that financial support in the UK is sufficient, compared to 30% who thought the opposite. When asked what the decisive factor would be in sending their child to the UK, the most popular choice was their child being accepted into a course that strongly matches their interests (29%), slightly above receipt of a full scholarship (28%). **Among students, 71% stated that study in the UK is expensive, with 20% saying it was expensive enough to not be worth the cost.** A further 20% believed it was affordable and would want to study in the UK.

Figure 79: Parents' consideration of affordability as a deterrent to studying in the UK (Thailand)

Source: 3Gem survey, Cebr analysis

Thailand therefore presents a nation where strong and growing demand for international education coexists with tightening household financial conditions. The UK's institutional reputation sustains interest, but the combination of falling savings rates, stagnant real incomes and high reliance on scholarship funding means that the availability of financial support is likely to be a more decisive factor in this territory than in other wealthier East Asian territories.

Vietnam

Macroeconomic and structural affordability

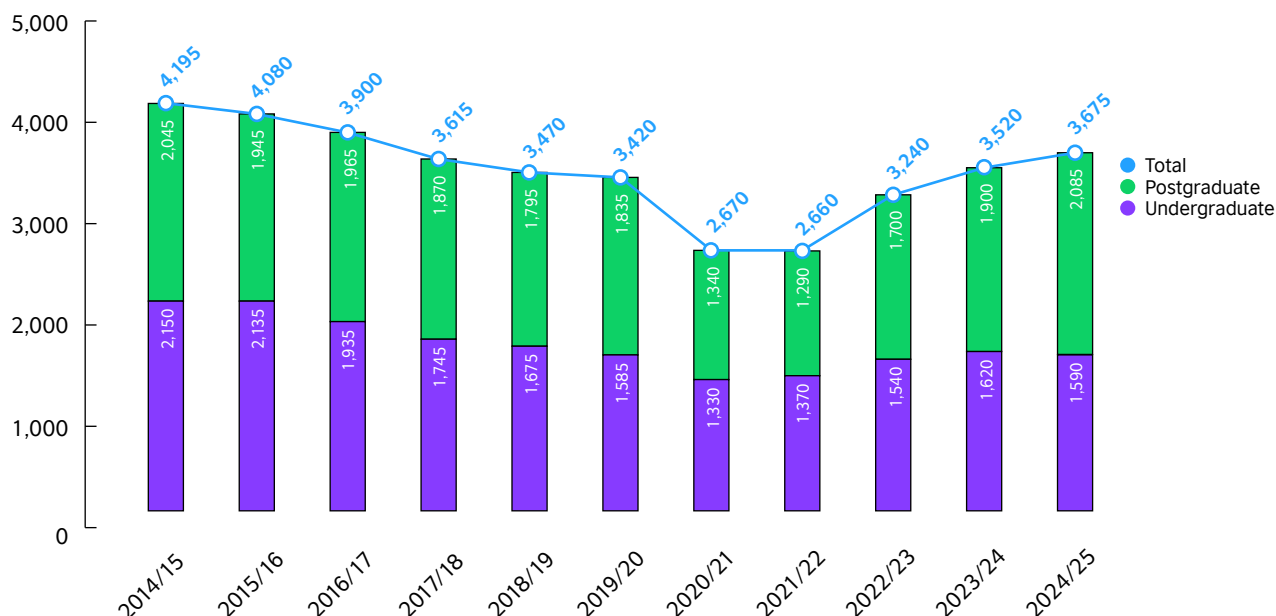
- A mid-sized market that has declined overall despite strong economic growth: approximately 3,700 students enrolled in 2024/25, down from around 4,200 in 2014/15, though numbers have been recovering since a pandemic low of 2,700. Composition is relatively balanced, with postgraduate enrolments recovering more strongly in recent years (reaching approximately 2,100 in 2024/25) than undergraduate numbers (around 1,600).
- Vietnam faces the most extreme affordability ratios in this report: the annual cost of UK study represents approximately 917% of average household disposable income at undergraduate level and 913% at postgraduate level. Anglophone study is structurally out of reach for the vast majority of households.
- The real cost trajectory, however, is among the most favourable in the region. Exchange rate movements and domestic inflation have almost entirely offset nominal fee increases, leaving the real cost of UK undergraduate study broadly flat in dong terms and postgraduate costs up by only around 3%. A renewed depreciation of the dong against sterling since 2022 represents a risk to these favourable dynamics if sustained.
- Strong and sustained nominal earnings growth – well above 6% prior to the pandemic – is gradually expanding the pool of households able to consider overseas study, even from a low absolute base. This is in effect the mirror image of Japan: Vietnam combines low income levels with fast growth, where Japan combines high income levels with stagnation. High estimated household savings rates and rising real education expenditure since 2018 further support this gradual expansion.
- The share of households able to afford UK study has been broadly stable over the past decade, at an estimated 0.8% in 2016/17 and 0.6% in 2023/24, with the number of affordable households remained broadly stable, at just under 200,000.

Survey-based perspectives

- Vietnam has the strongest demand momentum of any country in this report: 78% of agencies report demand is higher than in previous years, and 66% expect it to increase significantly in the future, the highest amongst all countries, citing rising household financial capacity and labour market demand for overseas graduates. Among surveyed students, only 32% have not considered studying abroad.
- Affordability is the dominant barrier among those who step back: among surveyed parents who considered sending their child abroad but ultimately did not, 44% cited high living costs as the primary barrier, and 66% cite affordability as the single biggest factor deterring UK study, the highest proportion of any market surveyed. Reflecting Vietnam's relatively high estimated savings rates, 85% of surveyed parents intend to finance study through personal savings.
- The UK is highly regarded for academic reputation and post-study work opportunities, but Australia is the more commonly considered destination. Among students comparing the two, a net balance of 81% viewed the UK's institutional reputation more favourably.
- Despite the affordability barrier, 54% of surveyed students say the UK is expensive but that they would still pursue study there if given the opportunity. The decisive factor for parents is receiving an offer from a highly ranked UK university, while safety (43%) and stronger post-study opportunities (41%) are the most frequently cited improvements that would make the UK more attractive.

Vietnamese students in the UK

Figure 64: Temporal trend of Vietnamese university students in the UK, by degree type and total



Source: Higher Education Statistics Agency (HESA), Cebr analysis

Vietnam represents a mid-sized source of international students in the UK. In the 2024/25 academic year, approximately 3,700 Vietnamese students were enrolled in UK higher education institutions. Despite Vietnam's strong economic growth over the past decade, student numbers have declined overall, falling from roughly 4,200 in 2014/15 to a pandemic low of approximately 2,700 in 2020/21 and 2021/22. Enrolments have since been recovering, though they remain below pre-2015 levels.

The composition is relatively balanced between undergraduate and postgraduate study. Both segments declined through the late 2010s and pandemic period, but postgraduate enrolments have recovered more strongly in recent years, rebounding from around 1,300 in 2021/22 to approximately 2,100 in 2024/25. Undergraduate numbers have recovered more modestly, stabilising at around 1,600.

Economic context and general household financial capacity for international study

Vietnam's economy has been both strong and resilient over the past decade, with growth averaging well above 6% prior to the pandemic. The post-pandemic recovery has been robust, supported by export-oriented manufacturing and strong domestic demand. While Vietnam has experienced a greater degree of price volatility than some neighbouring countries/territories, inflationary

pressures have largely been stable at moderate levels since 2015, ensuring that prices have not been the primary constraint on household budgets.

Nominal and real earnings growth have both been strong, despite moderating after a sharp pandemic-related contraction and recovery. Real household disposable

incomes have followed a similar trajectory, although the level in absolute terms falls short of many of Vietnam's neighbours. This is the mirror image of the dynamic observed in Japan: Vietnam has lower income levels but faster growth, meaning that the pool of households able to consider overseas education is expanding, whereas in Japan high income levels are offset by stagnant growth.

Vietnamese households maintain relatively high savings rates by international

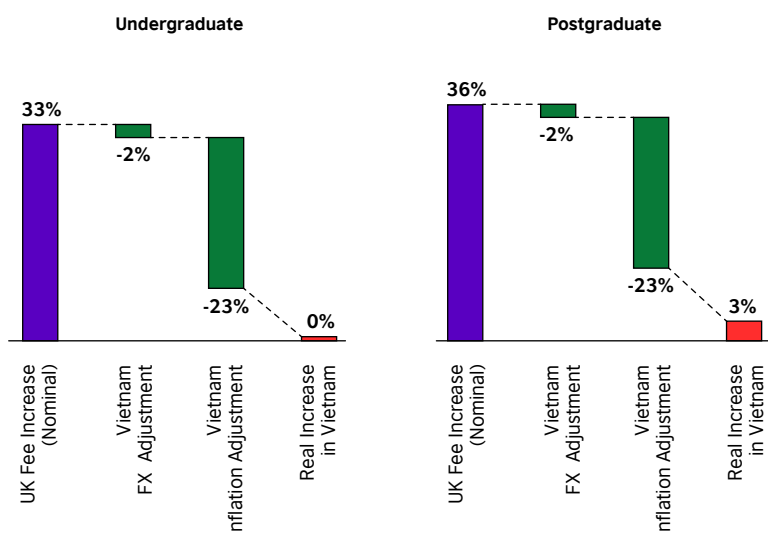
standards, providing an important financial buffer when financing major expenditures such as education. **Education spending has been rising in real terms since 2018, aside from a modest decline during the pandemic period. Survey results reinforce this pattern, with 85% of parents indicating that they intend to finance further education using personal savings.**

Affordability dynamics for overseas study

Vietnam occupies a unique position in this report's affordability analysis. It faces the highest cost-to-income ratios of any country examined – the annual cost of UK study represents approximately 917% of average

household disposable income at undergraduate level – yet the real cost trajectory has been among the most favourable, with exchange rate movements and domestic inflation almost entirely offsetting nominal fee increases.

Figure 65 & 66: Decomposition of UK tuition affordability for Vietnamese households by degree type²⁴



24. 'Real increase in Vietnam' reflects the change in the cost of UK study for a typical Vietnamese household after accounting for exchange rate movements and domestic inflation over 2016 to 2023. In simple terms, it shows the true change in affordability rather than just the headline increases in UK fees.

Source: Higher Education Statistics Agency (HESA), Cebr analysis

Over the period considered, nominal UK undergraduate tuition fees increased by approximately 33%. The Vietnamese dong appreciated modestly against sterling, reducing the effective rise in tuition costs in local currency terms by around 2%. **After accounting for domestic inflation, the real cost of UK undergraduate study for Vietnamese households has remained broadly flat. For postgraduate programmes, nominal fees rose by approximately 36%, with**

exchange rate movements again offsetting around 2%. After adjusting for domestic inflation, **the real cost increased by only approximately 3% in dong terms.**

That said, the Vietnamese dong has experienced renewed depreciation against sterling since 2022, which if sustained would begin to erode the favourable cost dynamics observed over the broader period. Real household education expenditure data suggest

that education has become an increasingly important priority for Vietnamese households in recent years. However, for many families, income levels remain insufficient to sustain the costs associated with more expensive international study destinations.

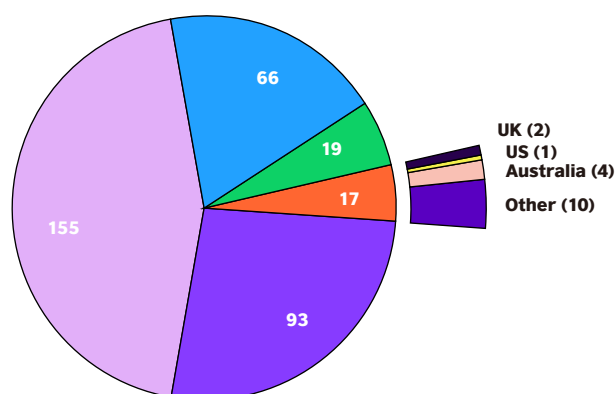
Survey results reflect these constraints. Among parents who considered sending their child abroad but ultimately did not do so, financial considerations were the most frequently cited reason, with 44% identifying high living costs as a barrier.

Appetite for international education

Vietnam stands out as the country with the strongest demand momentum in this report, based on responses to the agent survey. Only 32% of current or prospective

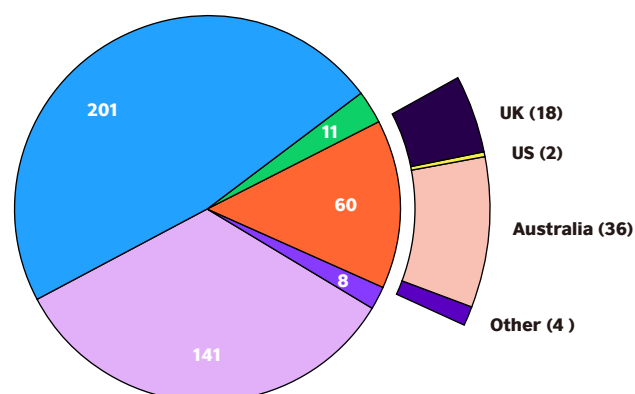
students reported that they have not considered or are not considering studying abroad.

Figure 67: Group breakdown for student survey in Vietnam



- Current student (studying domestically, did not consider overseas)
- Current student (studying domestically, considered overseas)
- Prospective student (considering overseas)
- Prospective student (not considering overseas)
- Current student (studying overseas)

Figure 68: Group breakdown for parent survey in Vietnam



- Parent of current student (studying domestically, did not consider overseas)
- Parent of current student (studying domestically, considered overseas)
- Parent of prospective student (considering overseas)
- Parent of prospective student (not considering overseas)
- Parent of current student (studying overseas)

Source: 3Gem survey, Cebr analysis

Among study agencies, 78% reported that demand is now much higher relative to previous years, and 66% expect it to increase significantly in the future. Both figures are materially above the regional average, with the latter the highest reading across all countries.

When asked about the drivers behind this expected growth, agencies most frequently cited household financial capacity and labour market demand for overseas graduates. These developments have broader structural implications for Vietnam's economy. As incomes

continue to rise and the economy becomes more technologically sophisticated, demand for higher-skilled professions is increasing. Overseas education is often perceived as providing access to qualifications and training opportunities that may not yet be widely available domestically.

At the same time, **affordability remains an important consideration when selecting a destination. The availability of scholarships and financial support was the most frequently cited factor influencing destination choice among agencies (30%),** indicating that financial support mechanisms

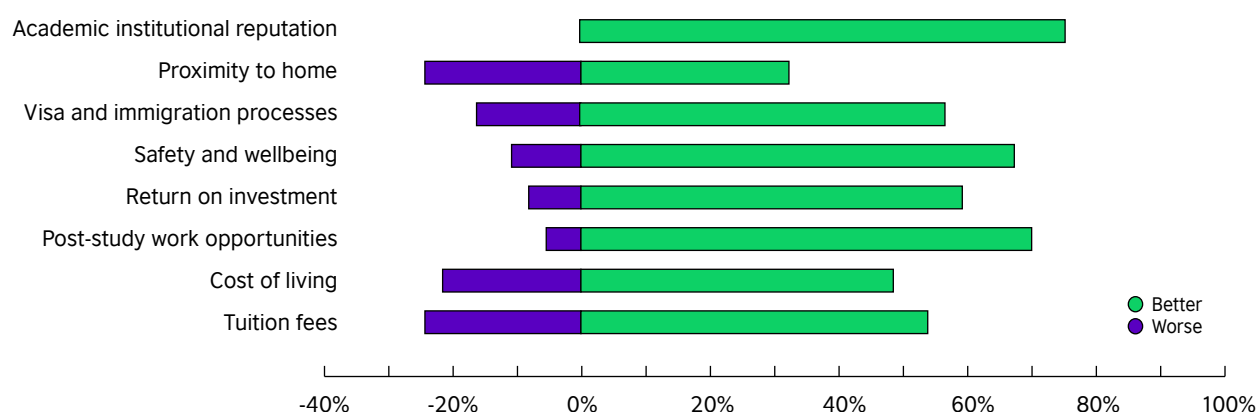
play an important role in enabling Vietnamese students to pursue overseas education.

The UK and other destinations

The UK was not the most commonly considered destination among students

surveyed, as a larger proportion considered Australia.

Figure 69: Assessment of how the UK compares to Australia across key metrics for students from Vietnam

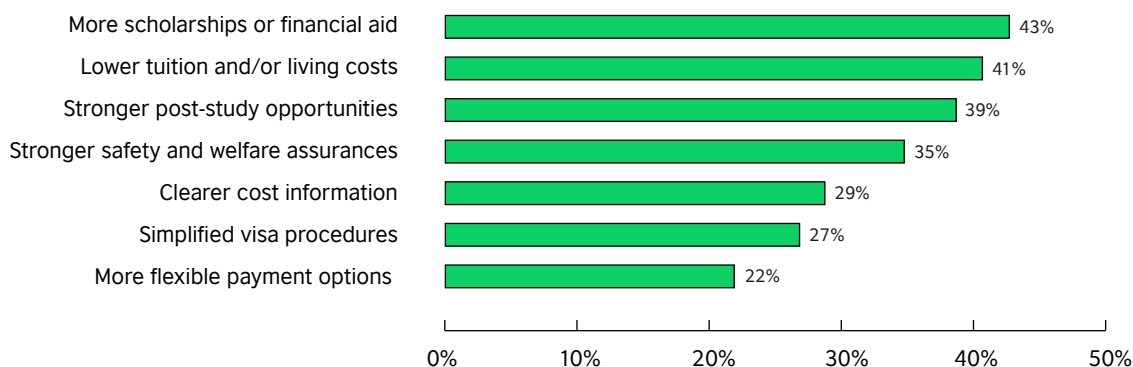


Source: 3Gem survey, Cebr analysis

However, when comparing perceptions of the two countries amongst those who are considering or who considered studying in both, **the UK is viewed more favourably across most categories. Its largest advantage was in academic institutional reputation, with a net balance of 81% viewing the UK more favourably, while post-study work opportunities (65%), return on investment (51%), and safety and wellbeing (57%) were also viewed more**

favourably. The UK was viewed more favourably in general, even across proximity to home and cost factors. A potential cause may be that the UK and Australia were not considered together as often as in other East Asian countries/territories, with Australia often considered alongside East Asian destinations such as Japan and Singapore. The reduced sample size may be the cause of this slightly unintuitive result.

Figure 70 : Perceived areas to improve for the UK for parents in Vietnam



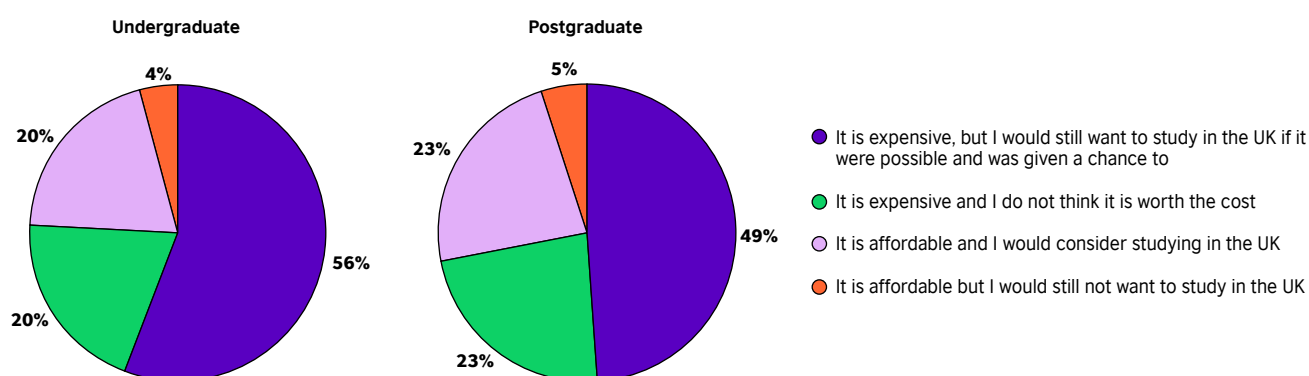
Source: 3Gem survey, Cebr analysis

When parents were asked what the key categories were the UK should improve to make it a more attractive study destination, safety and welfare assurances was the most popularly chosen category chosen by 43% of parents. 41% cited stronger post-study work opportunities. Affordability factors were also significant, with 39% citing more scholarships or financial aid as a key improvement, and 35% citing lower tuition or living costs.

That said, other evidence from the parents' survey suggests that affordability is the dominant barrier to UK study in Vietnam. 66% reported that affordability is the single biggest factor deterring them from sending their child to study in the UK, the highest proportion of any country surveyed. Among students, 54% stated that they view studying in the UK as expensive but would still pursue it if given the opportunity. By comparison, 21% believed it is expensive and not worth the cost, while another 21% considered it affordable. The proportion of postgraduate students who believed UK study was not worth the cost was slightly higher than among undergraduates (23% compared with 20%), reflecting the higher cost of postgraduate programmes.

Vietnam represents one of the highest-potential growth markets for UK higher education in East Asia, combining the strongest demand momentum with a real cost trajectory that has been broadly flat. The binding constraint is absolute income levels rather than cost dynamics, meaning that as Vietnamese incomes continue to rise, the addressable market for UK institutions should expand steadily, provided scholarship and financial support mechanisms are in place to bridge the gap for households on the margin of affordability.

Figure 71: Vietnamese student perceptions of the affordability and attractiveness of UK study



Source: 3Gem survey, Cebr analysis



**Questions
or
Comments?**

Please contact

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