

Affordability and Demand for UK Higher Education in East Asia

Part 1

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Authorship and acknowledgements

This research was commissioned by the British Council and carried out by Cebr, an independent economic consultancy specialising in economic forecasting and analysis.

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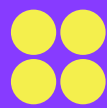
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Executive Summary



While the cost of studying in the UK has increased over the past decade, its affordability has not deteriorated uniformly across East Asia, and for most of the region, UK study remains attainable only for a small minority of households concentrated towards the top of the income distribution.

This report examines the affordability of UK higher education across ten East Asian countries/territories: Mainland China, Hong Kong SAR, Taiwan, Japan, South Korea, Vietnam, Thailand, Malaysia, Singapore and Indonesia.¹ It draws principally on macroeconomic analysis via a comparative cost-to-income metric, decade-long trends in household incomes, savings and exchange rates, and an estimate of the share of households able to afford UK study at two points a decade apart. This is complemented by a survey of over 3,500 students, 3,500 parents and 500 education agencies, used to illustrate how households perceive affordability and choose between destinations.

1. For the rest of the report, mainland China may be referred to as “China,” and Hong Kong SAR as “Hong Kong” for brevity.

A decade of divergence

- **In real, local-currency terms², the cost of UK study has diverged sharply across the region, driven less by UK fee levels than by exchange rate movements and domestic inflation in each market.** Japanese households have seen the real cost of UK postgraduate study rise by over 50%, while Singaporean households have seen real costs fall.

Table 1: Percentage change in the real cost of studying the UK between 2016/17 and 2023/24, by country/territory and by degree type, in local currency terms

Origin country/ Territories	Change in the real cost of UK study	
	Undergraduate	Postgraduate
China	9%	12%
Hong Kong	4%	7%
Indonesia	0%	2%
Japan	49%	52%
Malaysia	16%	18%
Singapore	-11%	-9%
South Korea	23%	25%
Taiwan	10%	13%
Thailand	7%	10%
Vietnam	0%	3%

2. Real increases in each country/territory reflects the change in the cost of UK study for a typical household in that country/territory after accounting for exchange rate movements and domestic inflation from 2016 to 2023.

- **UK fees themselves rose only modestly in real terms, by around 6% to 9% after inflation, with average tuition fees lower in real terms in 2023/24 than in 2019/20.** The substantial nominal increases of 33% to 36% therefore largely reflect general inflation rather than a real rise in the underlying cost of UK study. The divergence in what households actually face is overwhelmingly a story of conditions in the origin country, not of UK pricing.
- **The picture is one of divergence rather than uniform decline.** In half of the countries studied, rising real incomes have modestly expanded the share of households able to afford UK study over the past decade, most strikingly in **Singapore** where the share of households able to afford UK study rose by more than 5 percentage points to almost 30%, in **Hong Kong** where the share also rose substantially, and in mainland **China**, where the share more than doubled. **Taiwan** and **Korea's** increase in shares were more marginal.
- **Japan is the clear exception:** the share of households able to afford UK study roughly halved over the decade, as stagnant real incomes, minimal savings and yen depreciation combined to push UK study out of reach for a substantial segment of households. It is the one major East Asian market in which UK study has become materially less attainable.
- **Thailand, Vietnam and Indonesia were broadly flat with a downward tilt**, while **Malaysia's** affordable share contracted from 16% to 11%, consistent with the sharp fall in savings post-pandemic. Notably, Indonesia's affordable base narrowed even as its UK enrolments grew rapidly, indicating that recent growth has been concentrated among a narrow, affluent segment rather than reflecting a broadening of affordability.

There is a widening base of households able to afford UK study in Singapore and most Northeast Asian countries/territories, but a sharp reversal in Japan and to a lesser extent, Malaysia

Table 2: Estimated share of households able to afford UK study, 2016/17 and 2023/24, by East Asian country/territory³

Origin country/ Territories	2016/17			2023/24		
	share	Threshold (multiple of median income)	Affordable group	share	Threshold (multiple of median income)	Affordable group
China	1.10%	5.46	Upper	2.30%	3.83	Upper
Hong Kong	10.70%	2.51	Upper	15.00%	2.23	Upper
Indonesia	1.00%	4.97	Upper	0.80%	6.94	Upper
Japan	18.10%	1.9	Upper-middle	8.50%	2.75	Upper
South Korea	12.00%	2.17	Upper	12.20%	2.18	Upper
Malaysia	16.00%	2.51	Upper	10.90%	2.47	Upper
Singapore	23.50%	1.86	Upper-middle	29.10%	1.63	Upper-middle
Taiwan	11.80%	2.25	Upper	13.00%	2.16	Upper
Thailand	2.00%	5.99	Upper	1.80%	5.38	Upper
Vietnam	0.80%	10.73	Upper	0.60%	9.79	Upper

UK study likely remains the preserve of the affluent

- **Even where the affordable share has grown, the income threshold remains very high.** Outside Singapore, the only market where UK study is attainable for upper-middle income households, the affordable group sits firmly within the OECD 'upper' income bracket, comprising households earning more than twice the national median. In Indonesia, Japan and Korea, the threshold income has generally risen between 2016/17 to 2023/24, meaning households now need to sit further up the income distribution to afford UK study than they did a decade ago. And although the remaining markets have seen the threshold fall, this reflects mainly a rise in household income across lower and middle-income families. At the 3-10x of median income range, and household shares of 1-3%, UK study remains the preserve of the affluent and concentrated at the very top of the income distribution.

3. For each East Asian country/territory, the share of households able to afford UK study refers to share of households in a population who are willing to commit to UK study as a major one-off investment and for whom studying in the UK is feasible through a combination of current income, accumulated savings and family contributions. The threshold income is the level of annual household income at which the full cost of year of UK study can be met from the share of household financial resources and is country/territory specific. Income groups follow the OECD classification, under which 'lower income' households have incomes below 75% of national median income, 'middle income' households between 75% and 200%, and 'upper income' households above 200% of median income. The 'middle income' band is further sub-divided into 'lower-middle' (75% to 100% of median), 'mid-middle' (100% to 150% of median) and 'upper-middle' (100% to 200% of median).

- **UK study is accessible to a broad middle class only in Singapore and Hong Kong.** Using a constructed affordability metric for the year 2023/24, UK education is most affordable in Singapore, and least affordable in Vietnam with costs ranging from 25% of average household income for a Singaporean undergraduate to 917% for a Vietnamese undergraduate in the UK.
- **For the wider East Asian population, regional study destinations are significantly more cost effective and affordable compared to studying in the UK.** Amongst Anglophone destination countries such as the UK, US, Canada and Australia, the annual cost of studying in the UK the second highest (after the US) for undergraduate study and the highest for postgraduate study across most East Asia origin countries. But the cost of studying in most regional destinations (with the exception of Singapore and Hong Kong) come up to only a fraction of the cost of studying in the UK, with much lower cost-to-income ratios. A Vietnamese postgraduate student in South Korea, for example, would incur annual study costs of 275% of household disposable income compared to over 900% if studying in the UK.

Origin country/ Territories	Cost of UK study	Cost of US study	Cost of AUS study	Cost of study within NEA ⁴	Cost of study within SEA ⁵
	UG	UG	UG	UG	UG
China	292%	311%	259%	47-253%	49-294%
Hong Kong	55%	59%	49%	13-29%	9-56%
Indonesia	416%	446%	370%	93-363%	39-420%
Japan	127%	136%	112%	29-110%	22-128%
South Korea	100%	107%	88%	22-87%	17-100%
Malaysia	181%	194%	161%	41-158%	17-183%
Singapore	26%	27%	23%	6-22%	4-10%
Taiwan	125%	134%	111%	27-106%	21-126%
Thailand	435%	466%	386%	97-379%	41-438%
Vietnam	917%	983%	815%	205-799%	87-924%

Table 3:
Annual cost of UK study in 2023/24 (as a percentage of average household disposable income), by origin country, undergraduate

Origin country/ Territories	Cost of UK study	Cost of US study	Cost of AUS study	Cost of study within NEA	Cost of study within SEA
	PG	PG	PG	PG	PG
China	290%	245%	264%	50-208%	50-290%
Hong Kong	55%	47%	50%	13-29%	10-55%
Indonesia	414%	352%	377%	98-298%	54-414%
Japan	126%	107%	115%	29-91%	22-126%
South Korea	99%	84%	90%	23-71%	17-99%
Malaysia	180%	153%	164%	42-130%	23-180%
Singapore	25%	22%	23%	6-18%	4-10%
Taiwan	124%	106%	113%	27-87%	22-124%
Thailand	433%	367%	393%	104-311%	56-432%
Vietnam	913%	775%	830%	215-656%	118-911%

Table 4:
Annual cost of UK study in 2023/24 (as a percentage of average household disposable income), by origin country, postgraduate

4. NEA refers to Northeast Asia with mainland China, Hong Kong, Taiwan, Japan and South Korea as the main study destinations. At the high end of this range is the cost of studying in Hong Kong.

5. SEA refers to Southeast Asia with Malaysia and Singapore as the main study destinations. At the high end of this range, is the cost of studying in Singapore.

- The scope to broaden accessibility to UK study will depend less on UK fee levels than on continued income growth in origin countries and on financial support to bridge the gap for households at the margin of affordability.

How households perceive the trade-off

- The survey evidence, which reflects the perceptions and stated preferences of surveyed respondents rather than country-wide behaviour, reinforces this picture. Affordability operates as a two-stage filter:
 1. **it is the dominant consideration in whether to study abroad at all** (40% of those who never considered overseas study cited cost as the primary reason),
 2. but once study is judged feasible, other factors, including **education quality, post-study work opportunities and return on investment dominate the choice of destination.**
- Within that choice, the UK competes on reputation rather than price. Education quality is the most-cited reason for choosing the UK, and it consistently outperforms competing destinations on institutional reputation while underperforming on cost. Around half of both students and parents identified expanded scholarships and financial support as the single most important factor that would make the UK more attractive.

Table 5: Top and bottom factors influencing final destination choice among students currently studying in the UK and their parents

	Students	Parents
Key factors influencing choice of the UK	<ul style="list-style-type: none"> ◦ High quality of education ◦ High perceived return-on-investment ◦ Better post-study work opportunities 	<ul style="list-style-type: none"> ◦ High quality of education ◦ Better post-study work opportunities ◦ High perceived return-on-investment
Factors least influencing choice of the UK	<ul style="list-style-type: none"> ◦ Relatively lower tuition fees ◦ Relatively lower living costs ◦ Proximity to home 	<ul style="list-style-type: none"> ◦ Family or friends residing there ◦ Relatively lower living costs ◦ Proximity to home

- Perceptions do not always track underlying affordability, however. Surveyed parents in Vietnam, for example, view UK study more favourably than those in wealthier Japan or South Korea, reflecting differences in income growth, the strength of domestic alternatives, and the destinations against which the UK is implicitly compared.

Combined quantitative and survey evidence suggest that affordability and appetite do not move together with countries that fare better on affordability often showing lower appetite for overseas study.

- For example, Singapore, the most affordable market, has a higher share of students not considering overseas study than less affordable Indonesia or Malaysia, while Vietnam combines relatively low affordability with strong appetite.
- **That said, the scope for the UK to broaden its market depends less on UK pricing than on origin-market conditions.** Across most of East Asia, the affordable population is structurally concentrated at the top of the income distribution, and even where it has expanded, the gains have been modest. As such, the most direct routes to widening the UK's reach are therefore continued income growth in origin markets, which lies outside the UK's control, and targeted financial support to bring households at the margin of affordability into reach.
- **Recruitment strategies should therefore be tailored to each market's dominant constraint, whether that is affordability, appetite, or both.**

Country-specific findings are presented in the individual profiles in the second half of this report.

Part One

Introduction

This report has been produced by the Centre for Economics and Business Research (Cebr) on behalf of the British Council. It examines the affordability and demand landscape for UK higher education across ten East Asian source countries and territories: Mainland China, Hong Kong, Taiwan, Japan, South Korea, Vietnam, Thailand, Malaysia, Singapore and Indonesia.

The research addresses three core objectives.

- 1 it assesses how the cost of studying in the UK has evolved over the past decade, both in absolute terms and relative to other major Anglophone study destinations.
- 2 it examines how these costs translate into affordability pressures for households across East Asia, taking into account differences in household income levels, exchange rate movements and domestic price dynamics.
- 3 it investigates how affordability considerations interact with other factors, including perceptions of education quality, career outcomes and institutional reputation, in shaping demand for UK higher education across the region.

The analysis draws on three main evidence bases:

- 1 administrative data on student enrolments, tuition fees and macroeconomic indicators;
- 2 a comparative affordability metric constructed for this research; and
- 3 a large-scale survey conducted across the ten East Asian jurisdictions, covering students, parents and education agencies. The survey was conducted by 3Gem between December 2025 and January 2026, with samples of 350 students, 350 parents and 50 education agencies in each country.

The report is structured as follows. The opening sections establish the landscape for East Asian students in the UK, including trends in student numbers, tuition fees, maintenance costs and international comparisons with other Anglophone destinations. This is followed by an analysis of structural affordability and the change in affordability over time as well as the role of affordability in shaping both the decision to study abroad and the choice of destination, drawing on the survey evidence.

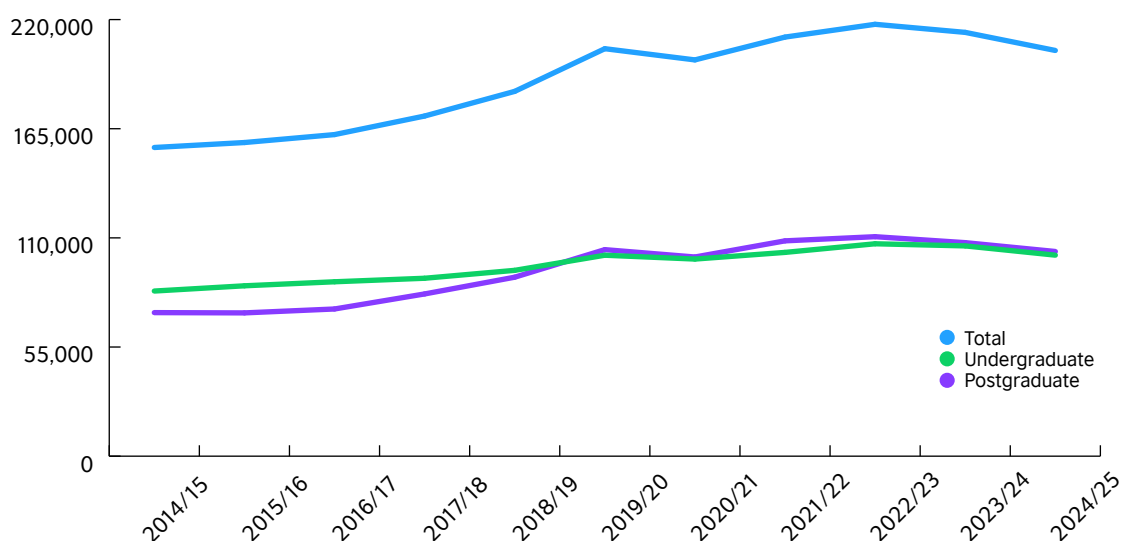
The second half of the report presents individual country profiles for each of the ten East Asian jurisdictions, combining macroeconomic analysis, affordability decompositions and survey findings to examine the specific dynamics shaping demand in each country. Each profile opens with a country snapshot summarising the key findings for that jurisdiction.

The landscape for East Asian students

This section provides contextual information on key trends in the international East Asian student landscape in the UK and other popular Anglophone study destinations, namely Australia, Canada and the US.

Trends in East Asian student populations in the UK

Figure 1: East Asian tertiary education student population in the UK, by type of tertiary education and combined



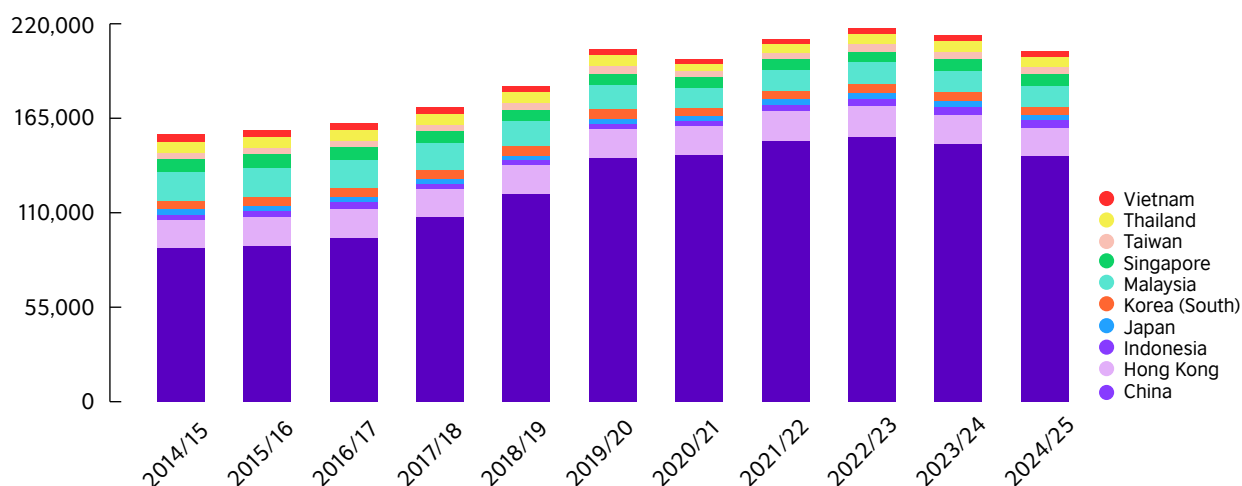
Source: Higher Education Statistics Agency (HESA)

There was a sustained rise in the number of East Asian students enrolled in UK higher education between 2014/15 and 2022/23.⁶ As shown in Figure 1, total East Asian enrolments increased from around 155,000 in 2014/15 to a peak of just over 215,000 in 2022/23. That said, modest falls have been seen in 2023/24 and 2024/25.

This expansion has been structurally skewed towards postgraduate study. Postgraduate enrolments rose from roughly 70,000 in 2014/15 to over 110,000 by 2022/23,

overtaking undergraduate numbers in 2019/20. Undergraduate enrolments also increased over the period, but at a materially slower rate, rising from around 85,000 to just above 105,000. That said, after an expected fall in the total international student population over the pandemic, growth has been more muted for both undergraduates and postgraduates, with total student numbers falling for both in 2023/24 and 2024/25.

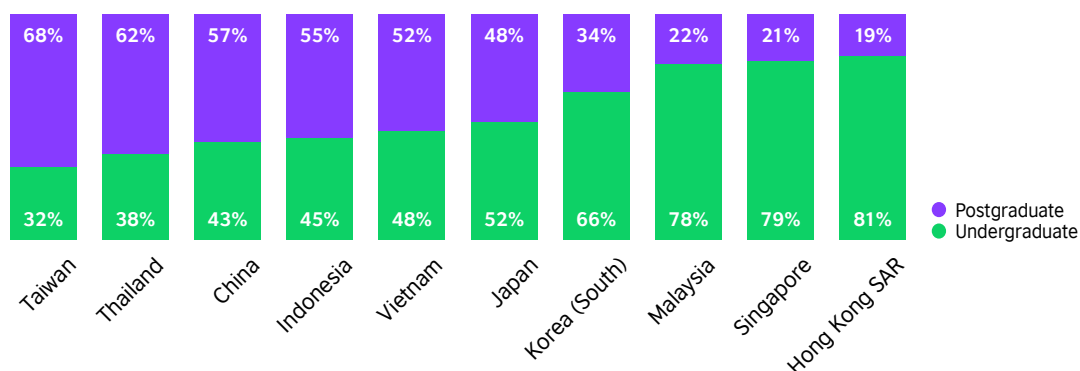
6. Our analysis of East Asian countries/territories covers mainland China, Hong Kong SAR, Taiwan, Japan, South Korea, Vietnam, Thailand, Malaysia, Singapore and Indonesia.

Figure 2: Total East Asian international student population in the UK, by country/territory of origin

Source: Higher Education Statistics Agency (HESA)

Mainland China accounts for the majority of East Asian international students in the UK, with numbers growing consistently across the ten-year period, before downticks in 2023/24 and 2024/25. More broadly, the UK had fewer students from Hong Kong, Japan, Singapore,

Malaysia, Thailand, and Vietnam in 2024/25 than in 2015/16, with the most significant shortfall coming from the roughly 6,000 fewer Malaysian students at the end of the period compared to the beginning.

Figure 3: Undergraduate and postgraduate composition of East Asian students in the UK by country/territory of origin (average – 2015/16 to 2024/25)

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

The composition of East Asian student flows to the UK varies materially by source jurisdiction, with a clear split between postgraduate-led and undergraduate-led systems.

Countries/territories such as Taiwan (68% postgraduate), Thailand (62%), mainland China (57%), and Indonesia (55%) are structurally postgraduate-heavy. In contrast, Hong Kong (81% undergraduate), Singapore (79%), Malaysia (78%), and South Korea (66%) are predominantly undergraduate countries/territories, reflecting stronger pipelines into UK bachelor's programmes.

Japan (52% undergraduate) and Vietnam (52% postgraduate) sit closer to a balanced distribution.

Over time, there is evidence of a shift towards undergraduate study in certain countries/territories, particularly Indonesia and Thailand, where the postgraduate share declined during the pandemic period as the undergraduate share increased, before partially reversing in more recent years. That said, the aggregate East Asian profile is relatively balanced (49% postgraduate, 51% undergraduate).

Trends in tuition fees in the UK

International students in the UK face materially higher tuition charges than domestic students, making changes in tuition and living costs a central component of the financial environment they encounter. Within the context of this research, **a key question is whether increases in the cost of studying in the UK have outpaced household income and wealth in East Asia, and how this may have affected affordability and the UK's competitiveness relative to other destinations.**

This section focuses specifically on trends in UK tuition fees over time, establishing the cost baseline against which affordability and cross-country comparisons are assessed in subsequent sections.

Average tuition fees are estimated by dividing total tuition fee income by the number of relevant international enrolments, using HESA finance and student data. To ensure consistency over time, the analysis focuses on Russell Group universities, where fee reporting remains sufficiently comparable across the period despite changes in classification following Brexit.⁷ In particular, while some institutions transitioned from reporting 'non-EU' to 'non-UK' fee income from 2022/23 onwards, Russell Group institutions were assessed individually to ensure alignment between fee income and the corresponding student populations.

Focusing on this subset of institutions also helps to control for compositional shifts in the international student population and across the higher education sector more broadly, particularly in response to the UK leaving the EU. As such, the resulting estimates provide a more consistent measure of underlying fee trends over time, rather than reflecting changes in the mix of institutions or students captured in the aggregate data.⁸

Undergraduate estimates are restricted to full-time students, while postgraduate estimates include both full-time and part-time provision, as part-time study is permitted on a UK student visa for a course leading to a

qualification that is above degree level (RQF level 7 or above).⁹ This approach provides a more consistent measure of underlying fee trends over time, while reducing distortions arising from changes in sector composition or reporting practices.¹⁰

Current prices (also referred to as nominal prices) reflect the actual tuition fees charged to students in each year, expressed in pounds at the time of payment. These figures show the cash cost faced by students and are most relevant for understanding the immediate financial burden of studying in the UK. However, they do not account for changes in the general price level over time, meaning that increases in current prices may partly reflect inflation rather than a genuine rise in the cost of education.

To address this, tuition fees are also expressed in real/constant terms, where values are adjusted to a constant price level (in this case, 2023 prices). This removes the effect of inflation and allows for a more meaningful comparison of how the cost of education has changed over time. In the context of this project, examining both measures is important. Current prices capture the actual out-of-pocket cost faced by international

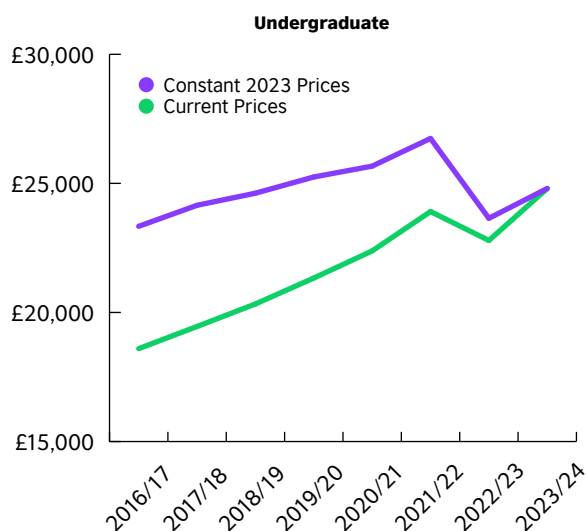
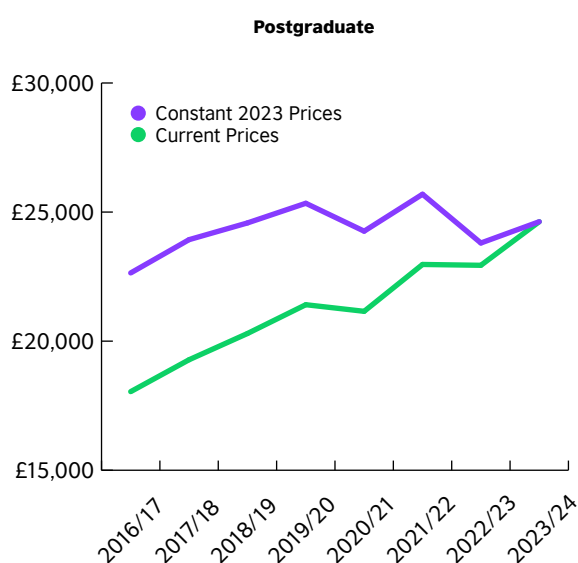
7. The Russell Group universities included in this analysis are: the University of Birmingham, the University of Bristol, Queen's University Belfast, the University of Cambridge, Cardiff University, University of Durham, the University of Edinburgh, the University of Exeter, the University of Glasgow, Imperial College of Science, Technology and Medicine, King's College London, the University of Leeds, London School of Economics and Political Science, the University of Manchester, Newcastle University, University of Nottingham, the University of Oxford, Queen Mary University of London, the University of Sheffield, the University of Southampton, University College London, the University of Warwick, and the University of York.

8. International student demographics have changed over time in the UK for reasons including leaving the EU and the expansion of student visas post-Covid. Differing cultural and socioeconomic backgrounds have meant that international students are studying at different institutions in different quantities and therefore spending different amounts on tuition regardless of changes in prices. Analysis of aggregated international student spending would not differentiate between genuine price changes or demographic-driven shifts, so focusing on one category of institution finds a suitable compromise between the accuracy of the estimated trend and applicability to university education on a national level.

9. Gov.UK – Student visa

10. Distortion refers to inaccuracies in the estimate of trends in tuition fees. These are driven in part by demographic factors influencing the composition of students across institutions, and by the fact that some institutions changed their reporting of international students from 'non-EU' to 'non-UK', two categories which are not comparable.

Figure 4&5 : Estimates for constant (2023 prices) and current average single-year tuition fee costs for East Asian international students in the UK



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

students, while real prices provide a clearer view of whether studying in the UK has become more expensive in purchasing power terms, which is more directly relevant for assessing changes in affordability over time. This distinction will be constantly employed throughout the report.

The dynamics of tuition fees for international students differ between undergraduate and postgraduate provision, though both show a

clear upward trend in nominal terms over the period. For undergraduates, average annual tuition fees increased from around £18,600 in 2016/17 to approximately £24,800 in 2023/24 in current prices. In real terms (2023 prices), fees rose to a peak of just under £27,000 in 2021/22 before moderating slightly thereafter.

For postgraduate students, average fees are slightly lower on a nominal basis, rising from around £18,000 in 2016/17 to approximately £24,600 by 2023/24. In real terms, fees exhibit some variation over time rather than a clear directional trend. Importantly, the modest declines observed in certain years across both nominal and real series should not be interpreted as reductions in underlying tuition prices. Instead, they are more likely to reflect compositional effects within the data, such as a shift in enrolments towards institutions with relatively lower fee levels.

Even within a consistent subset of institutions, changes in the mix of students across courses and programmes can affect the calculated average fee. In particular, an expansion in the variety of programmes (likely with relatively lower fees), not least due to broader efforts by universities to attract students in a more competitive and financially constrained environment, may place downward pressure on average fee estimates.¹¹ As such, movements in the real and nominal series should be interpreted as reflecting changes in the composition of provision and enrolment, rather than changes in headline tuition fee levels for individual courses, which are generally observed to increase over time, at least in nominal terms. Bearing this in mind, average tuition fees for both undergraduate and postgraduate international students are estimated to have peaked in real terms in 2021/22, with a more consistent rise in nominal terms over the eight-year analysis period. Importantly, these reflect only trends in tuition fees on the UK-side, and do not account for exchange rate fluctuations. A more comprehensive analysis of affordability for students from East Asia is provided later in the report.

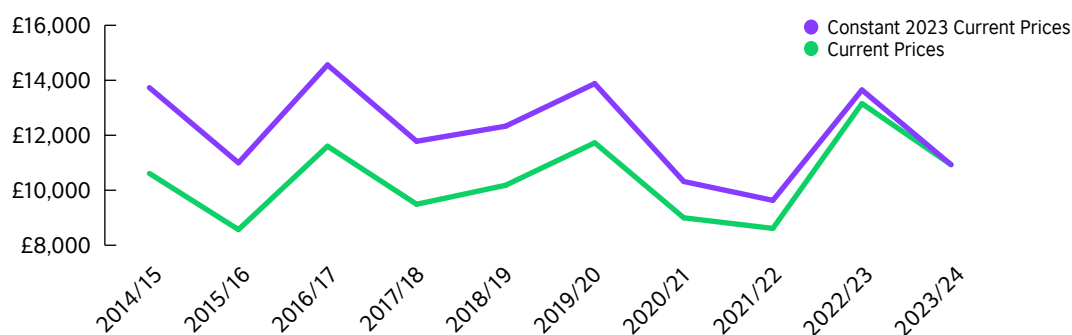
11. The Times – The Russell Group universities with plenty of clearing places

Trends in maintenance costs in the UK

Maintenance costs form the second key component of the overall cost of studying in the UK, capturing the day-to-day expenses incurred by students beyond tuition fees. To measure non-tuition costs, maintenance expenditure is initially proxied using the Office for National Statistics' Family Expenditure Workbook, which provides a consistent time series of spending by student households. This

captures trends in accommodation, food, transport and other day-to-day living costs faced by students in the UK. While this offers a useful starting point for analysing changes in maintenance costs, there are important limitations in interpreting these trends, which are discussed further in the accompanying commentary.

Figure 6: Estimates for constant (2023 prices) and current annual non-tuition fee costs for East Asian international students in the UK



Source: Office for National Statistics (ONS), Cebr analysis

The evolution of maintenance spending in the UK, as shown in Figure 6, broadly aligns with changes in the wider economic environment in the UK. This includes a downturn in spending during the COVID-19 affected years of 2020/21 and 2021/22, followed by a rise in expenses during the cost-of-living crisis of 2022/23, driven by considerable supply shocks from the beginning of the Russia-Ukraine conflict. More recent data show that the non-tuition fee burden eased in 2023/24, reflecting a more permissive price environment for both domestic and international students. This would be expected both to expand the population for which UK study is attainable and provide higher attainable living standards for those international students already in the UK.

However, these trends should be interpreted with caution. The ONS dataset is observational in nature and reflects realised consumer spending, meaning it captures both changes in underlying price levels and behavioural adjustments in consumption. As such, movements in real maintenance spending reflect a combination of rising costs and

students adapting their spending patterns, rather than providing a clean measure of changes in the cost of living. This is particularly important in the current context, where cumulative inflation has risen materially, by around 34% between 2014/15 and 2023/24, indicating substantial upward pressure on living costs despite more muted expenditure trends.

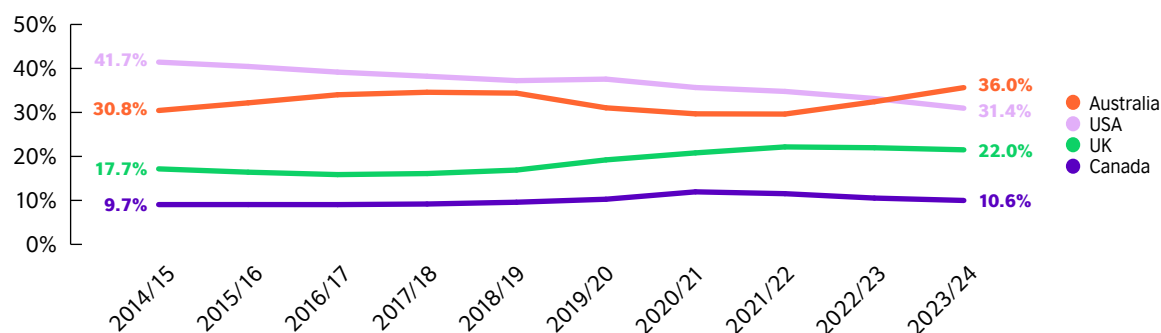
Given these limitations, the ONS expenditure data is retained as the primary measure of maintenance costs for East Asian students in the UK, reflecting observed spending behaviour. That said, to provide a more complete view of underlying cost pressures, particularly in a cross-country context, the analysis in subsequent sections supplements this with cumulative inflation. This allows for a clearer interpretation of how living costs have evolved over time, independent of changes in consumption patterns, and supports a more robust assessment of affordability across countries/territories, especially given constraints in obtaining similar data for other countries.

International comparisons^z

Comparing the UK with other major Anglophone study destinations helps to distinguish UK-specific trends in both international student demand and the cost environment. As shown in Figure 7, the distribution of East Asian students across the UK, the US, Canada and Australia has shifted materially over the past decade. In recent years, it is evident that East Asian students have increasingly started to look outside the US, with 2023/24 marking the first year in which Australia hosted a larger share of East Asian international students compared to the US.

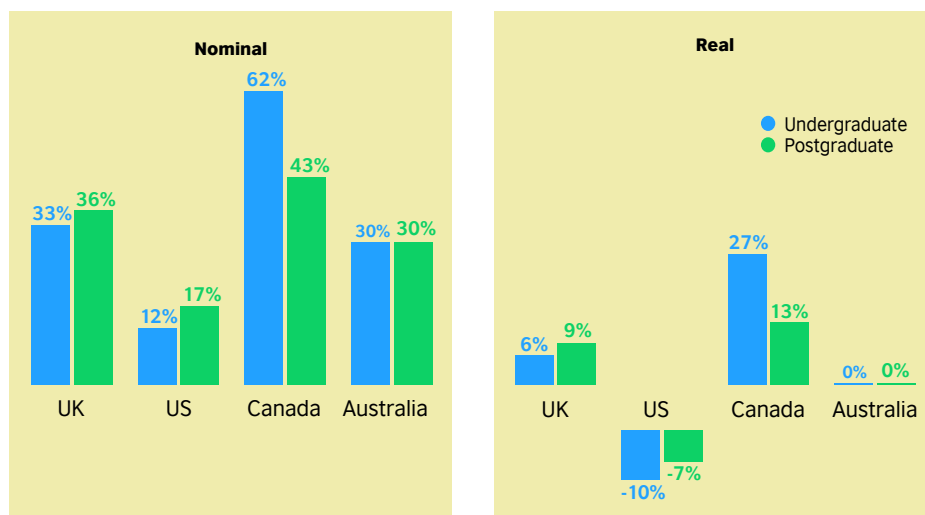
This rebalancing reflects a sustained decline in the US's share of East Asian students over time, with the US having commanded the highest share of East Asian students historically. Against this backdrop, the UK's position has strengthened, with its share of East Asian international students rising from roughly 18% to 22% over the past decade. This indicates that, despite competition among Anglophone destinations, the UK has increased its relative attractiveness to East Asian students within this peer group.

Figure 7: Share of East Asian international students by destination across the UK, Canada, the US and Australia (note: shares represent each country's proportion of the total East Asian student population across the four destinations)



Source: Various, Cebr analysis

Figure 8: Nominal and real growth in tuition fees by jurisdiction (note: tuition fees are shown separately for undergraduate and postgraduate study and reflect growth from 2016/17 to 2023/24)¹²



12. UK tuition fee data were obtained from the HESA. US tuition fee data were sourced from the U.S. Department of Education's National Center for Education Statistics, using the Integrated Postsecondary Education Data System (IPEDS). Canadian tuition fee data were retrieved from Statistics Canada. Comparable official time series for Australian international tuition fees are not readily available; therefore, estimates are based on publicly available annual tuition fee assessments published by Studymove.

Source: Various, Cebr analysis

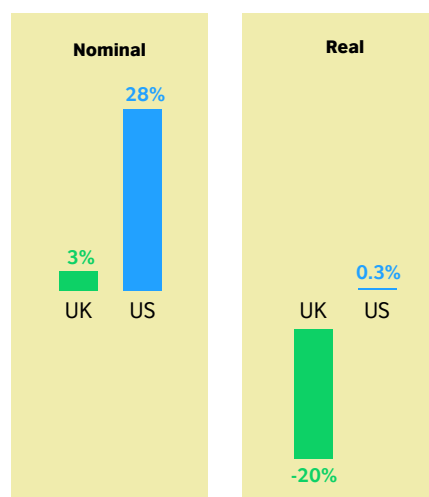
The evolution of tuition fees across major Anglophone destinations shows a mixed picture. In nominal local-currency terms, tuition fees have increased across most countries over the period considered, though the scale of growth differs substantially between countries. Canada experienced the strongest nominal growth, with undergraduate fees rising by around 62% and postgraduate fees by roughly 43%. The UK also recorded notable increases, with nominal tuition rising by approximately 33% for undergraduates and 36% for postgraduates. Australia saw more moderate nominal growth of around 30% at both levels, while the US experienced comparatively smaller nominal increases.

When expressed in real terms, however, the pattern diverges more clearly across destinations. In the UK, real undergraduate tuition increased by around 6%, with postgraduate fees rising by approximately 9%. Canada recorded substantial real growth, particularly for undergraduate provision, where fees increased by roughly 27%. By contrast,

Australia experienced broadly flat real tuition fee growth over the period.

The US stands out as the only destination where real tuition fees declined, falling by approximately 10% for undergraduate study and around 7% for postgraduate programmes. This may appear counterintuitive given the high headline cost of US higher education, especially in the context of the affordability metric introduced later in the report. That said, recent research suggests that real tuition growth in the US has slowed significantly and, in some cases, reversed. Evidence from the Brookings Institution indicates that once inflation is considered, real prices have fallen across most types of institutions and student groups in recent years. In part, this reflects the impact of the COVID-19 period and subsequent inflation, which meant that tuition fees increased more slowly than overall price levels. As a result, real tuition costs have either stabilised or declined in several segments of the US higher education jurisdiction, though from a high base.¹³

Figure 9: Nominal and real growth in maintenance costs by jurisdiction (note: percentages reflect growth from 2016/17 to 2023/24)¹⁴



Source: Various, Cebr analysis

Looking at student spending on living expenses, time series data allow a comparison of how observed student living costs have evolved over the period considered for the UK and US only. Comparable long run time series for international student maintenance costs were not available for Australia and Canada.

In nominal terms, maintenance costs appear to have increased only modestly in the UK, rising

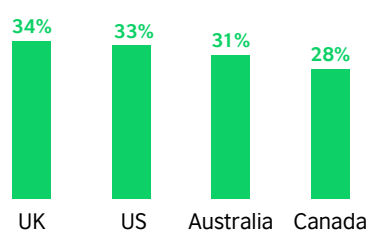
by around 3%, compared with a much larger increase of approximately 28% in the US. When adjusted for inflation, the UK series shows a decline of roughly 20% in real terms, while the US remains broadly flat.

13. Brookings Institute – College prices are falling for everyone (almost)

14. US maintenance cost data were sourced from the U.S. Department of Education's National Center for Education Statistics, using the Integrated Postsecondary Education Data System (IPEDS).

As noted earlier, however, these figures should be interpreted with caution. Both maintenance series are derived from observational expenditure data, which reflects not only price changes but also shifts in student consumption behaviour and broader spending patterns. As such, movements in the series may partly capture behavioural adjustments rather than purely underlying cost pressures. To provide context across the major study destinations, cumulative consumer price inflation can therefore be used as a broad proxy for changes in the general cost of living.

Figure 10: Cumulative inflation across the period spanning 2014/15 to 2023/24



Source: Various, Cebr analysis

Over the period from 2014/15 to 2023/24, cumulative inflation has been relatively similar across the four Anglophone destinations, rising by approximately 34% in the UK, 33% in the US, 31% in Australia and 28% in Canada. Taken together, these results suggest that the general cost of living environment faced by international students has evolved in broadly similar ways across the main Anglophone study destinations.

That said, cumulative inflation has been marginally higher in the UK than in the other Anglophone countries considered, suggesting that the cost of living associated with studying in the UK has become somewhat more expensive over time relative to other popular study destinations. This also aligns with the decline observed in the UK's real maintenance spending series, reflecting behavioural adjustments by students in response to rising living costs, with reductions in discretionary spending offsetting broader price pressures rather than indicating a genuine fall in the underlying cost of living.

Key Takeaways

Nominal fees in the UK have risen 33% to 36% between 2016/17 and 2023/24. Much of this increase reflects broader inflation over the period, however. In real terms (i.e., after adjusting for inflation), tuition fees have risen by a more modest 6% to 9%. Average tuition fees for both undergraduate and postgraduate students were also lower in real terms in 2023/24 than in 2019/20. This suggests that a large share of the nominal increase in fees over the period reflects inflationary effects rather than substantial real growth in tuition fee levels, although trends in subject mix and enrolment patterns may also have influenced average fees.

Nominal maintenance costs in the UK fluctuated between 2016/17 and 2023/24, but increased only modestly overall, by around 3%. In real terms, maintenance costs declined during this time. This suggests that the effective cost burden faced by international students did not increase substantially in real terms, though this could in part reflect students' ability to adapt to rising prices through changes in consumption patterns, including substitution towards lower-cost goods and services.

Compared to other Anglophone study destinations, the UK recorded the second highest increase in both nominal and real fees, after Canada, which might substantially affect perceptions of UK's affordability as a study destination, especially when pitched against close competitors. The US, in contrast, saw modest increases in nominal fees and a decline in real fees, while Australia had lower increases in nominal fees and marginal changes in real fees.

Understanding affordability in East Asia

While the cost of studying in major international education destinations is largely determined by tuition fees and living expenses within those countries, the affordability of overseas education is ultimately shaped by economic conditions in students' home countries/territories. Household income levels, savings behaviour, exchange rate movements and broader macroeconomic developments all influence the extent to which families are able to finance international study.

East Asia represents a diverse group of source countries/territories for global higher education. The region includes high-income financial centres such as Singapore and Hong Kong, advanced industrial economies including Japan and South Korea, and rapidly developing economies such as Vietnam and Indonesia. These economies differ substantially in terms of household income levels, savings behaviour, currency dynamics and spending priorities. As a result, the financial feasibility of overseas education varies significantly across the region.

It is useful to recognise that the decision to study abroad typically occurs in two stages.

First, households determine whether international education is financially feasible at all, a question governed principally by the cost of study relative to household income and wealth. Second, conditional on deciding to pursue overseas study, they choose between alternative destinations on the basis of a broader set of factors, including institutional reputation, perceived education quality, career prospects and the expected return on investment.

This chapter is concerned with the first of these stages: the structural affordability of UK and overseas study across East Asia. It assesses affordability in three steps. First, it establishes a comparative measure of financial burden by relating the cost of study to household income in each origin country/territory. Second, it examines how affordability has evolved over time, estimating how the share of households able to finance UK study specifically has changed over the past decade. Third, it situates these findings within the broader macroeconomic context of each nation that determines the size and trajectory of the affordable population.

Structural affordability across East Asia

To assess the affordability of overseas study across East Asia, this research constructs a comparative affordability metric that relates the cost of studying abroad to household financial capacity in each origin country/territory.

The metric is calculated as the sum of annual tuition fees and estimated maintenance costs in the destination country, converted into the local currency of the origin country/territory,

divided by average household disposable income in that country/territory. In effect, the measure estimates the share of typical household income required to finance one year of study in a given destination.

By expressing study costs in local currency terms, this cost-to-income ratio captures the combined influence of three key drivers of affordability:

- tuition and living costs in destination countries,
- movements in exchange rates, and
- household income dynamics in origin countries/territories.

The metric is calculated for each East Asian country/territory of origin across the main study destinations considered in this research, allowing for consistent comparison of the relative financial burden of overseas education and the UK's position relative to competing jurisdictions.

Several limitations should be noted. The use of average household disposable income masks differences across the income distribution and may understate affordability for higher-income households, who are more likely to send children abroad and typically possess wealth over and above their household income. This is particularly relevant in countries/territories with relatively high-income inequality, such as Thailand, Vietnam and Malaysia, as well as in countries/territories with large geographic areas where income levels can vary substantially across regions. Maintenance cost estimates are necessarily approximate and may vary depending on location within each destination and individual spending patterns. The metric also measures the affordability of one year of study rather than the full cost of a degree, which

may differ across countries/territories due to variations in programme length. Despite these limitations, the measure provides a useful benchmark for comparing the relative financial burden of overseas education across countries and territories.

Table 6 and Table 7 (below) present the affordability metric described in the previous section. The values represent the share of average annual household disposable income required to finance one year of study in each destination, including both tuition and maintenance costs. These estimates are calculated as point-in-time estimates for the 2023/24 academic year, reflecting the prevailing tuition fee levels, maintenance cost estimates, exchange rates and household income data for that period.

A value of 100% therefore indicates that the annual cost of study is equivalent to the average annual disposable income of a household in the origin country. As such, higher percentages indicate a greater financial burden and lower affordability, as the cost of study exceeds what a typical household earns in a year. Conversely, lower percentages indicate greater affordability, as the cost represents a smaller share of household income and is therefore more financially manageable.

Table 6: Annual cost of study as a share of average household disposable income by East Asian origin country/territory and destination, 2023/24 (undergraduate)

		Destination										
		UK	US	Canada	Australia	Japan	China	S.Korea	Hong Kong	Singapore	Malaysia	Taiwan
Origin	China	292%	311%	291%	259%	86%	47%	83%	253%	294%	49%	75%
	Singapore	26%	27%	25%	23%	8%	6%	7%	22%	10%	4%	6%
	Japan	127%	136%	126%	112%	37%	29%	36%	110%	128%	22%	31%
	South Korea	100%	107%	99%	88%	29%	22%	28%	87%	100%	17%	25%
	Hong Kong	55%	59%	55%	49%	16%	13%	16%	29%	56%	9%	14%
	Taiwan	125%	134%	125%	111%	37%	28%	35%	106%	126%	21%	27%
	Malaysia	181%	194%	181%	161%	53%	41%	51%	158%	183%	17%	46%
	Thailand	435%	466%	433%	386%	128%	97%	123%	379%	438%	41%	112%
	Indonesia	416%	446%	415%	370%	123%	93%	117%	363%	420%	39%	105%
	Vietnam	917%	983%	914%	815%	271%	205%	259%	799%	924%	87%	231%

Note: Cells highlighted in green indicate the destination with the lowest estimated annual study cost relative to household disposable income for students from the respective origin country/territory (excluding the domestic option). Cells highlighted in red indicate the highest cost destination relative to household income. Cells highlighted in yellow denote the domestic study option, where the origin and destination country/territory are the same, and the student is paying domestic fees rather than international fees. All values represent the estimated annual cost of study (tuition fees plus maintenance costs) as a share of average household disposable income in the origin country/territory for the 2023/24 academic year.

Table 7: Annual cost of study as a share of average household disposable income by East Asian origin country/territory and destination, 2023/24 (postgraduate)

		Destination										
		UK	US	Canada	Australia	Japan	China	S.Korea	Hong Kong	Singapore	Malaysia	Taiwan
Origin	China	290%	245%	213%	264%	86%	50%	88%	208%	290%	50%	70%
	Singapore	25%	22%	19%	23%	8%	7%	8%	18%	10%	4%	6%
	Japan	126%	107%	92%	115%	37%	34%	38%	91%	126%	22%	29%
	South Korea	99%	84%	73%	90%	29%	27%	30%	71%	99%	17%	23%
	Hong Kong	55%	47%	40%	50%	16%	15%	17%	29%	55%	10%	13%
	Taiwan	124%	106%	91%	113%	37%	33%	37%	87%	124%	22%	27%
	Malaysia	180%	153%	132%	164%	53%	49%	54%	130%	180%	23%	42%
	Thailand	433%	367%	318%	393%	128%	116%	130%	311%	432%	56%	104%
	Indonesia	414%	352%	304%	377%	123%	111%	125%	298%	414%	54%	98%
	Vietnam	913%	775%	670%	830%	271%	244%	275%	656%	911%	118%	215%

Note: Cells highlighted in green indicate the destination with the lowest estimated annual study cost relative to household disposable income for students from the respective origin country/territory (excluding the domestic option). Cells highlighted in red indicate the highest cost destination relative to household income. Cells highlighted in yellow denote the domestic study option, where the origin and destination country/territory are the same, and the student is paying domestic fees rather than international fees. All values represent the estimated annual cost of study (tuition fees plus maintenance costs) as a share of average household disposable income in the origin country/territory for the 2023/24 academic year.

The results reveal a clear stratification across East Asian countries/territories in terms of the financial burden associated with overseas study. In high-income financial centres such as Singapore and Hong Kong the cost of studying in most destinations represents a manageable share of household income (under 25% for Singapore and under 55% for Hong Kong) for a large portion of the population. Advanced industrial economies such as Japan, South Korea and Taiwan sit in an intermediate position, where the one-year cost of studying abroad in Anglophone destinations typically corresponds to around one year of average household disposable income. In contrast, middle-income economies including Malaysia, Thailand, Indonesia and Vietnam face substantially higher cost-to-income ratios, with the annual cost of studying in Anglophone destinations often exceeding multiple years of average household income.

The results therefore imply that affordability constraints differ materially across East Asian source countries/territories. In higher-income countries/territories such as Singapore and Hong Kong, affordability is unlikely to act as a binding constraint for a large proportion of households. In contrast, in middle income countries/territories such as

Malaysia and Thailand, and especially in lower-income countries/territories such as Vietnam and Indonesia, overseas study represents a significantly larger financial commitment relative to household income. In these countries/territories, changes in tuition costs, exchange rates, or financial support mechanisms can have a much larger impact on the pool of households able to consider overseas education.

Looking across destinations, a second pattern becomes evident. While Anglophone destination countries such as the UK, US, Canada and Australia tend to cluster relatively closely in affordability terms, the US emerges as the most expensive destination at the undergraduate level. Importantly, these estimates reflect the cost of a single year of study and therefore do not capture differences in programme duration. In practice, the typical four-year structure of undergraduate degrees in the US implies an even larger total cost differential relative to the three-year degree structure that is standard in the UK.

In contrast, at the postgraduate level the UK tends to be the most expensive destination across several origin countries,

with affordability ratios exceeding those observed for other Anglophone destinations. For the UK, this reflects the relatively high tuition fees charged for postgraduate programmes – although in this case the UK's one-year master's programmes mean that total course fees may be lower than those in the US.

Alongside these Anglophone destinations, several regional education hubs appear significantly more cost effective for students across East Asia. In particular, destinations such as Malaysia and Taiwan consistently display much lower cost-to-income ratios across most origin countries/territories. Malaysian universities frequently represent the lowest cost overseas destination for many East Asian students, often requiring a fraction of the household income share associated with study in Anglophone

countries. Taiwan similarly emerges as a relatively affordable option across several origin countries/territories. This reflects a combination of comparatively lower tuition fees and lower living costs in these destinations. Singapore is a notable exception, with the cost of study for international students being very similar to studying in the UK.

As such, Anglophone destinations are in general a far larger financial commitment for East Asian households than regional or domestic alternatives. This is driven by domestic earnings growth, inflation, and exchange rates. In turn, any targeted policy for attracting international students must reconcile cost levels against average incomes, as well as the relative affordability of alternatives both in East Asia and from a more global perspective.

Affordability over time

The cost-to-income ratios presented above offer a point-in-time view of affordability for the 2023/24 academic year. Yet, as noted, affordability is shaped by factors that move continuously. A snapshot therefore captures the current position but not the trajectory of whether UK study has become more or less attainable for East Asian households over time, and for how many of them.

To address this, the analysis extends the affordability assessment to two reference points a decade apart – 2016/17 and 2023/24 – and estimates, for each country/territory, the share of households able to finance a year of UK study. This share is derived by combining national household income distributions with the annual cost of UK study, expressed in local currency. For each East Asian country/territory, an income threshold is established, defined as the level of annual household income at which the full cost of a year of UK study can be met from the share of household financial resources that surveyed parents in that market indicated they would commit annually to fund a university education. The proportion of households with incomes above that threshold is read from the fitted income distribution.¹⁵

The parameter is therefore market-specific rather than fixed across the region, and should be understood as a willingness-to-commit measure on a major one-off investment in higher education, benchmarked against income as a consistent yardstick across markets, not as the share of income that households spend on education in any given year. In practice, households meet this commitment from a combination of current income, accumulated savings and family contributions. In mainland China, for example, the threshold equates to approximately four times median household income, underscoring that UK study is attainable only towards the upper end of the income distribution.

The results reveal that affordability has not moved uniformly across the region. The clearest gains were in countries with strong

15. The share of households is estimated by fitting a log-normal distribution to country/territory-specific income data and identifying the share with incomes above the affordability threshold. The threshold is set at the income level at which a year of UK study can be financed from the share of household financial resources that surveyed parents in each market indicated they would commit annually to fund a university education. This share is therefore market-specific, derived from country/territory-level survey responses, and reflects willingness to commit to a major one-off investment rather than the share of income directed to ongoing education spending.

real income growth. In mainland China, the share of households able to afford UK study more than doubled, from around 1.1% to 2.3%, as real household disposable incomes rose by over a quarter over the period. Singapore,

Hong Kong, and Taiwan likewise saw the affordable share widen, supported by rising real incomes and, in the high-income financial centres, substantial household savings buffers.

Table 8: Estimated share of households able to afford UK study, 2016/17 and 2023/24, by East Asian country/territory

Origin country/ Territories	2016/17			2023/24		
	share	Threshold (multiple of median income)	Affordable group	share	Threshold (multiple of median income)	Affordable group
China	1.1%	5.46	Upper	2.3%	3.83	Upper
Hong Kong	10.7%	2.51	Upper	15.0%	2.23	Upper
Indonesia	1.0%	4.97	Upper	0.8%	6.94	Upper
Japan	18.1%	1.9	Upper-middle	8.5%	2.75	Upper
South Korea	12.0%	2.17	Upper	12.2%	2.18	Upper
Malaysia	16.0%	2.51	Upper	10.9%	2.47	Upper
Singapore	23.5%	1.86	Upper-middle	29.1%	1.63	Upper-middle
Taiwan	11.8%	2.25	Upper	13.0%	2.16	Upper
Thailand	2.0%	5.99	Upper	1.8%	5.38	Upper
Vietnam	0.8%	10.73	Upper	0.6%	9.79	Upper

The notable exception is Japan, where the share of households able to afford UK study roughly halved over the decade, from around 18% to below 9%, standing apart from the regional pattern. Japanese real household disposable income fell over the period, real earnings were broadly flat to negative, and the yen depreciated substantially against sterling. The combined effect was to raise the local-currency cost of UK study while real incomes stagnated, pushing a meaningful segment of households below the affordability threshold. Japan is also the one country in which the affordable group moved between OECD income brackets, shifting from upper-middle to upper income households over the period, reflecting the depth of the deterioration.¹⁶

Malaysia presents a related but distinct pattern, with the share contracting from 16% to 11%. The threshold here, however remained close to 2.5x median income in both periods, indicating that the contraction reflected a tightening of the income distribution at the

upper end rather than a shift in the income tier from which UK study is feasible. In South Korea, the share of the population for whom UK study is feasible increased marginally, while in the remaining markets, Thailand, Vietnam and Indonesia, it declined marginally, although these changes were small enough to be treated as stable rather than directional.

On balance, these findings point to a more divergent picture than a uniform regional trend would suggest. In all markets other than Singapore, where UK study is attainable for upper-middle income households, the affordable group sits within the OECD 'upper' income category, underscoring that overseas study remains the preserve of the affluent across most of the region. In mainland China, Hong Kong, Taiwan, and South Korea, rising

16. Income groups follow the OECD classification, under which 'lower income' households have incomes below 75% of national median income, 'middle income' households between 75% and 200%, and 'upper income' households above 200% of median income. The 'middle income' band is further sub-divided into 'lower-middle' (75% to 100% of median), 'mid-middle' (100% to 150% of median) and 'upper-middle' (100% to 200% of median).

real incomes have modestly expanded the population for whom UK study is financially feasible, even as that population remains a small minority concentrated towards the top of the income distribution.

Where affordability has deteriorated, the picture is multifaceted: while the cost of UK study has risen in nominal terms across all markets, the effect on households has been compounded, most acutely in Japan, by stagnant real incomes and currency weakness. For Malaysia, Thailand, Vietnam and Indonesia, the share of the population for whom UK study has generally declined between 2016/17 and 2023/24, and even if the threshold income in 2023/24 was lower than in 2016/17, they remain well within the upper income and affluent segment at 2.5-10x median income.

The relative contribution of these forces varies considerably from market to market and is examined in detail through the cost decomposition presented in each of the country/territory profiles that follow. The wider

conclusion from this chapter reinforces a central theme of this report: that affordability outcomes are determined as much by economic conditions in origin countries as by fee levels in the UK.

Key Takeaways

The financial burden of overseas study varies markedly across East Asia, ranging from a manageable share of household income in high-income financial centres such as Singapore and Hong Kong to several years of average household income in middle-income economies such as Vietnam and Indonesia.

The change in the affordability of UK study has not moved uniformly across the region over the past decade. In most North-east Asian countries/territories, rising real incomes have modestly expanded the population for whom UK study is financially feasible, although in Japan stagnant real incomes and currency weakness have moved in the opposite direction. In Southeast Asia, Singapore showed the strongest improvement in affordability while Malaysia experienced a clear deterioration.

Affordability outcomes are therefore shaped as much by economic conditions in origin countries as by fee levels in the UK, with implications for which countries/territories are likely to see growth in UK-bound demand by fee levels in the UK.

Perceptions and decision-making in East Asia: evidence from the survey

The preceding chapter examined the structural affordability of UK and overseas study across East Asia, drawing on macroeconomic data on study costs, household incomes and exchange rates. The picture that emerges is one of marked stratification across the region, with affordability acting as a binding constraint for households in some countries and a much weaker constraint in others.

How households perceive these costs, however, and how they weigh affordability against other considerations when deciding where, or more importantly whether to study abroad, is a separate question. Macroeconomic indicators establish what is financially feasible for a typical household, but they do not capture how families themselves assess that feasibility, how their decisions are shaped by reference to alternative destinations, or how non-financial factors such as institutional reputation, career prospects and cultural appeal enter the decision. This chapter turns to those questions, drawing on dedicated survey research conducted across the region.

The analysis draws on survey research conducted across ten East Asian countries/territories covering three respondent groups: current and prospective students, parents of university age students, and education agencies operating within each country/territory. In each country/territory, the sample included 350 students, 350 parents and 50 education agencies, allowing the research to capture multiple perspectives on international study decisions and the factors shaping demand for overseas education.¹⁷

It is important to be explicit about how the survey evidence is used in what follows. Survey responses provide a direct read on how households perceive affordability, weigh competing destinations and explain their decisions. They are not, however, representative of national populations in a statistical sense, and the figures reported should be interpreted as perceptions and stated preferences among the surveyed sample rather than as country-wide behaviour. Throughout this report, the survey evidence is therefore presented as complementary to the macroeconomic analysis in the preceding chapter, illustrating how households respond to the affordability environment macroeconomic data establishes. It does not however, on its own support country-wide conclusions about that environment.

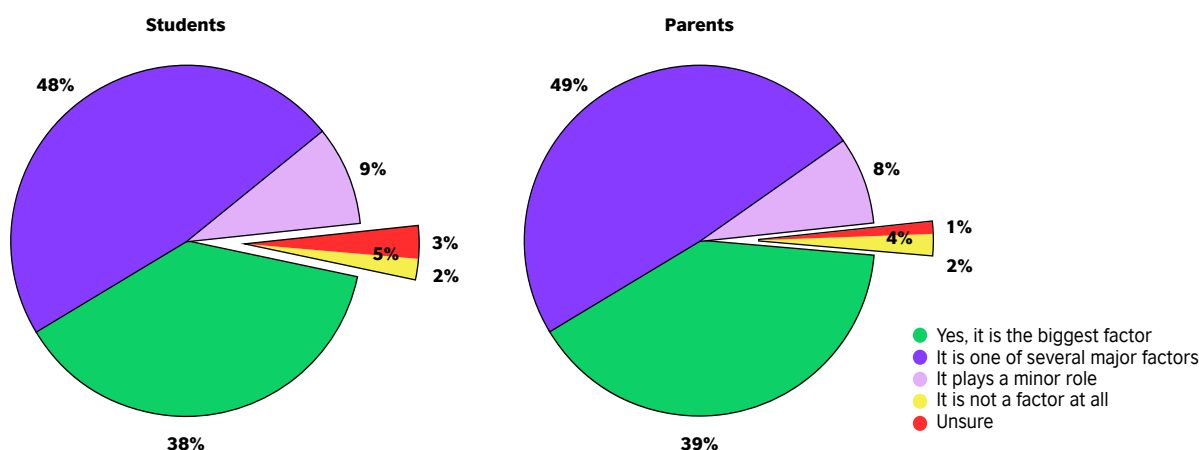
17. Survey conducted by 3Gem on behalf of Cebr and the British Council between 19th December 2025 and 16th January 2026. The research comprised a series of structured online quantitative surveys covering three respondent groups: education professionals, parents of students aged 16 to 21, and students aged 16 to 26. The questionnaires captured perspectives on education choices, international study intentions, and affordability considerations, with samples drawn across relevant countries/territories and merged for analysis where appropriate.

The role of affordability in the decision to study abroad

Examining the wider survey sample confirms that affordability plays a significant role when households assess the feasibility of studying abroad. Both students and parents were asked whether the affordability of studying in the UK was the biggest factor deterring students from pursuing further study in the UK. A large majority indicated that cost was a relevant

factor. Among students, affordability was cited as the most important factor by 38% of respondents and as one of several important considerations by a further 48%. Parents expressed a similar view, with 39% identifying affordability as the most important factor and 49% identifying it as one of several major considerations.

Figure 11: The role of affordability in deterring UK study for students and parents in East Asia

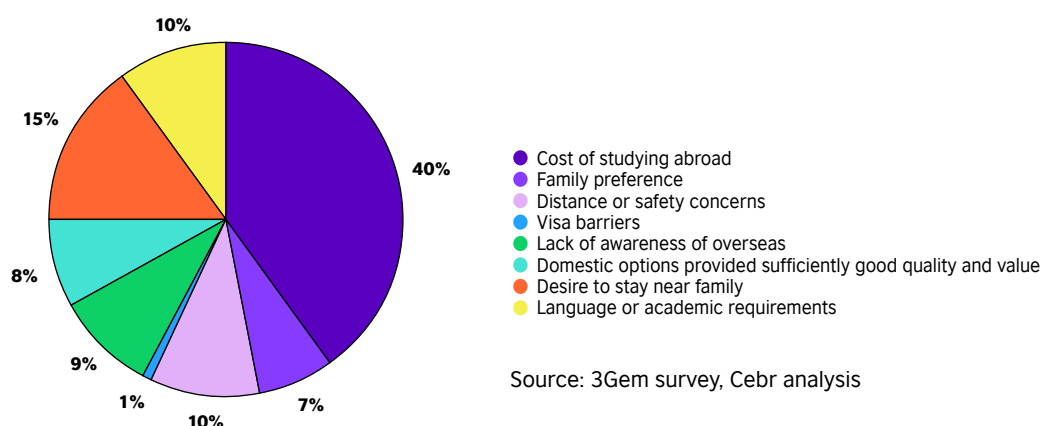


Source: 3Gem survey, Cebr analysis

The importance of affordability becomes even more pronounced when examining respondents who have not pursued overseas education. Among students currently studying domestically who never considered overseas options, as well as prospective students who are not considering

international study, the cost of studying abroad (40%) is the most frequently cited reason for not considering overseas destinations at all. The next most common reason, the desire to remain close to family, is cited by only 15% of respondents.

Figure 12: Reasons for not considering overseas education amongst students in East Asia



Source: 3Gem survey, Cebr analysis

These results suggest that financial constraints represent the single largest barrier preventing some students from considering overseas education. In other words, affordability plays a particularly important role in determining whether households pursue international study at all. The affordability metric provides a structural explanation for these responses. In several East Asian countries/territories, the annual cost of studying in Anglophone destinations represents multiple years of average household income, meaning that overseas study remains feasible only for a relatively small segment of households.

At the same time, cost considerations rarely operate in isolation. Evidence from education agencies is consistent with this interpretation. Around 69% of agencies state that they expect demand for overseas education to increase over the next two to three years. When asked why, 42% cite the perceived value of overseas education, followed by the availability of scholarships and financial support at 38%, and the relative quality of domestic education at 31%. This reinforces the view that affordability constrains participation, but that perceived value continues to motivate demand among those households that are able to afford international study.

Determinants of destination choice

Once households determine that overseas education is financially feasible, the nature of the decision changes. Rather than deciding whether to study abroad at all, households must choose between alternative destinations. **At this stage affordability becomes only one component of a broader assessment of value**, with perceptions of education quality, career prospects and long-term returns playing a larger role.

The survey sample provides useful context on the composition of respondents. Among students, the largest group in the sample consists of individuals currently studying domestically who did not consider overseas education. A further group consists of respondents studying domestically who had considered studying abroad, while another sizeable group of prospective students indicate that they are currently considering overseas education. A smaller subset is currently studying overseas. A similar segmentation is applied within the parent survey. This distinction matters because perceptions of affordability, financing expectations and information needs differ significantly depending on whether households are still evaluating overseas study or have already made the decision to pursue it. Among respondents currently studying overseas, the UK is the most frequently represented destination within the survey sample.

Figure13: Group breakdown for student survey

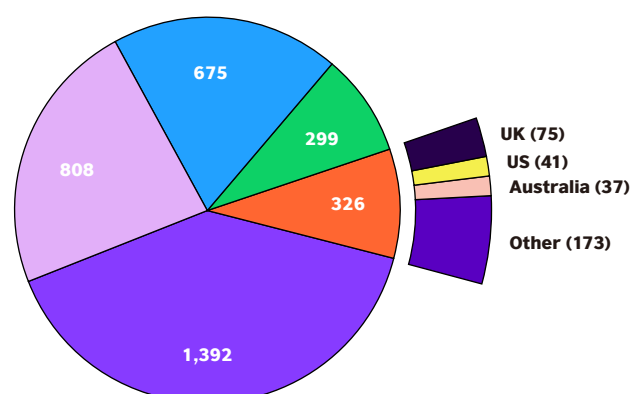
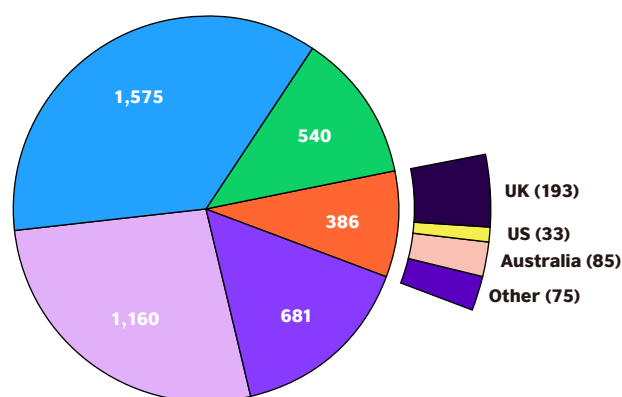


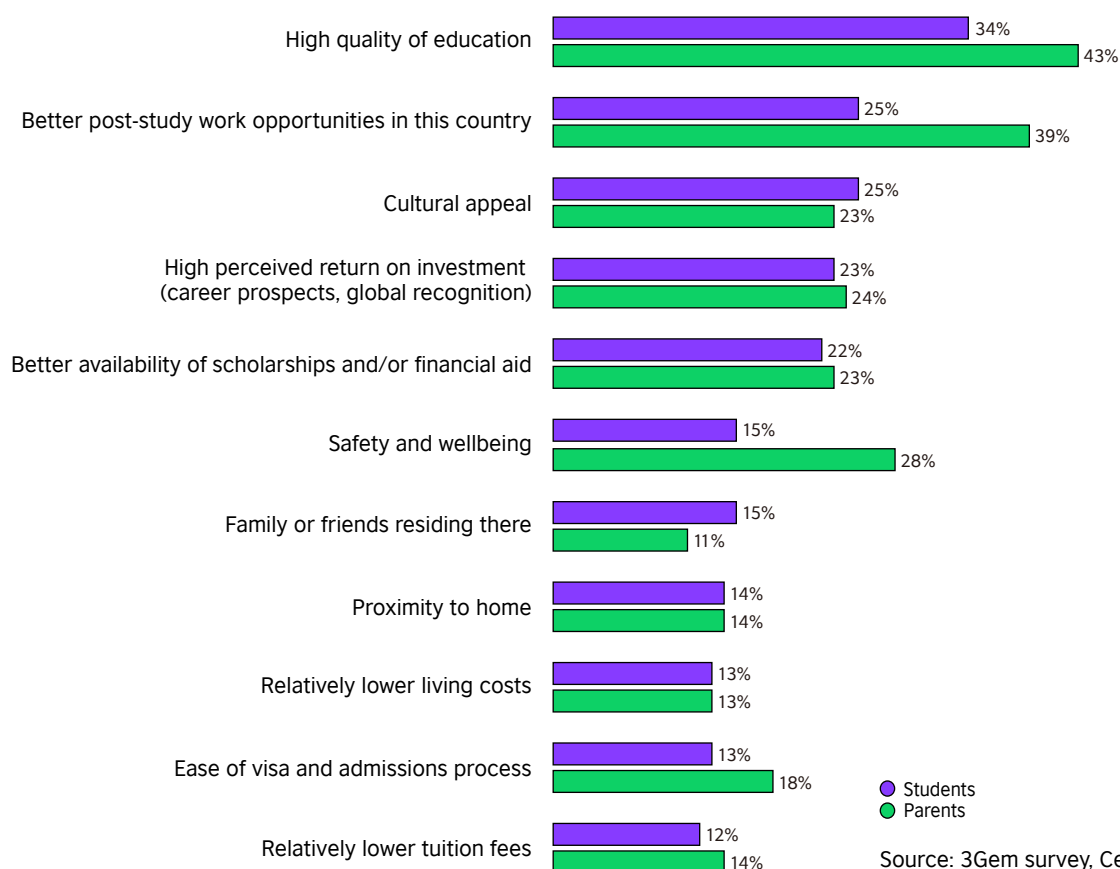
Figure14: Group breakdown for parent survey



- 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)

Source: 3Gem survey, Cebr analysis

Figure 15: Key drivers of international study destination choice among students currently studying overseas and parents of students currently studying overseas



Source: 3Gem survey, Cebr analysis

Analysis of this subgroup indicates that destination choice among students already studying overseas is shaped primarily by perceptions of education quality and long-term career outcomes. Among students currently studying abroad, the most frequently cited driver of destination choice is the quality of education offered by the host country (34%). This is followed by post-study work opportunities (25%), cultural appeal (25%) and the perceived return on investment associated with overseas education (23%).

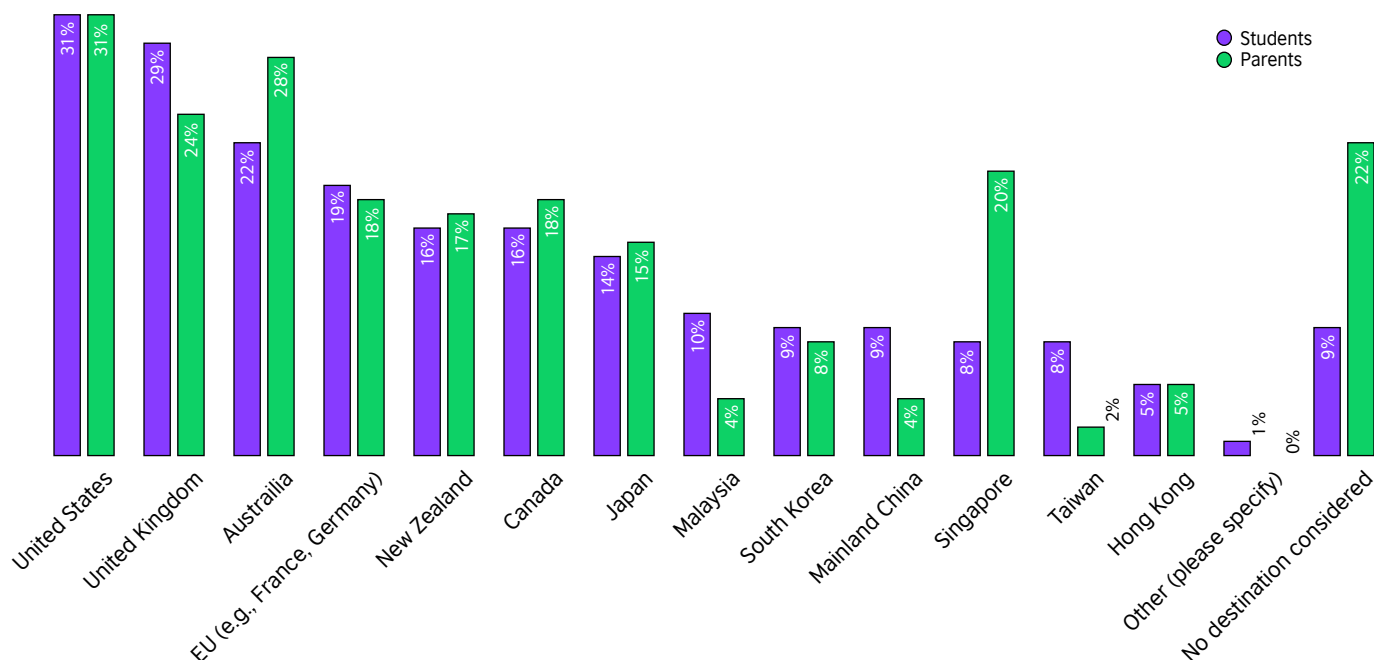
Cost-related factors appear further down the ranking of priorities. While considerations such as tuition fees (12%), living costs (13%) and the availability of scholarships (22%) remain relevant, they are cited less frequently than education quality and long-term career outcomes. Importantly, the framing of these responses suggests that households broadly recognise that overseas study typically involves higher costs than domestic education and therefore imposes a significant financial commitment. In this

context, decisions about studying abroad appear to be made within a wider decision set, where affordability is weighed alongside the expected benefits of international education, including academic quality, global exposure and future career opportunities.

Parents report a broadly similar hierarchy of considerations, with education quality (43%) and post-study work opportunities (39%) emerging as the most frequently cited drivers, alongside safety considerations and perceived return on investment.

The results indicate that destination choice among households who pursue overseas study tends to be shaped primarily by perceptions of educational quality and long-term career outcomes, with affordability considerations forming part of a broader assessment of value rather than acting as the sole determinant of destination choice.

Figure 16: Destinations considered for overseas study among students currently studying overseas and parents of students currently studying overseas

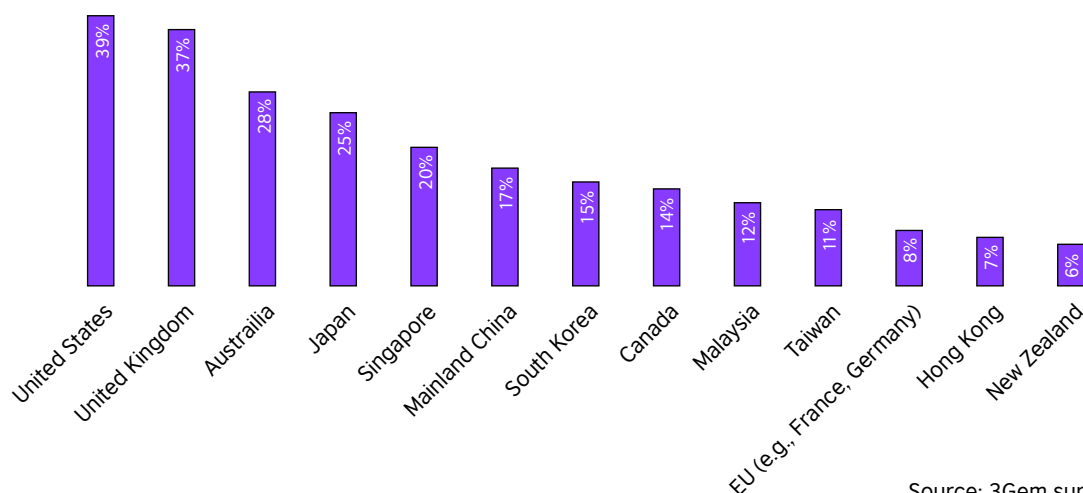


Source: 3Gem survey, Cebr analysis

The survey results also provide insight into the range of destinations considered by students and parents when evaluating overseas study options. **Among students currently studying abroad, the US emerges as the most frequently considered alternative destination, selected by approximately 31% of respondents.** The UK follows closely, cited by around 29% of students, indicating that it remains one of the most prominent destinations within the international study consideration set. Australia represents the next most commonly considered destination, selected by around 22% of respondents.

Parents report a broadly similar pattern of destination consideration. The US again appears among the most commonly considered alternatives, followed by Australia and the UK. A somewhat larger share of parents also report considering Singapore as a potential destination. This likely reflects Singapore's geographic proximity to many East Asian countries and its comparatively lower living costs relative to major Anglophone study destinations, alongside the country's increasingly strong global rankings and rising reputation for high-quality education.

Figure 17: Most popular study destinations under consideration over the last 12 months, from the perspective of education agencies



Source: 3Gem survey, Cebr analysis

Evidence from education agents further reinforces this pattern. Survey responses from agencies reporting on the most popular study destinations over the past year show a similar concentration around the main Anglophone countries. **The US (39%), the UK (37%) and Australia (28%) emerge as the three most frequently selected destinations**, closely mirroring the destinations most commonly considered by students and parents in the primary survey. Other destinations, including Japan (25%), Singapore (20%) and Malaysia (12%), appear within the broader set of options but attract a smaller share of interest relative to the three leading Anglophone countries.

Taken together, these findings suggest that the competitive landscape for international

education across East Asia remains centred around a relatively small group of established destinations. The UK, US and Australia form the core of this competitive set, consistently appearing as the most prominent options across students, parents and education agents. Regional education hubs such as Singapore, Japan and Malaysia are present within the wider consideration set but tend to be selected by a smaller share of respondents. This indicates that while regional alternatives may offer cost advantages for some students, as highlighted by the affordability metric, they do not yet compete directly with the main Anglophone destinations across the full range of decision factors, including institutional reputation, employment opportunities and the international recognition of qualifications.

The UK's competitive position

Viewed across the survey evidence, the UK appears to occupy a distinctive position as an international study destination. Although studying in the UK represents a significant financial commitment for many East Asian

households, **the survey results suggest that the UK's competitiveness is primarily driven by perceived academic quality and long-term career outcomes rather than by price.**

Table 9: Top and bottom factors influencing final destination choice among students currently studying overseas and their parents (UK, US and Australia)

	UK		US		US	
	Students	Parents	Students	Parents	Students	Parents
Key factors influencing destination choice	<ul style="list-style-type: none"> • High quality of education • High perceived return-on-investment • Better post-study work opportunities 	<ul style="list-style-type: none"> • High quality of education • Better post-study work opportunities • High perceived return-on-investment 	<ul style="list-style-type: none"> • High quality of education • Availability of scholarships and/or financial aid • Better post-study work opportunities 	<ul style="list-style-type: none"> • Availability of scholarships and/or financial aid • Better post-study work opportunities • High quality of education 	<ul style="list-style-type: none"> • High quality of education • Better post-study work opportunities • Availability of scholarships and/or financial aid 	<ul style="list-style-type: none"> • High quality of education • Better post-study work opportunities • Proximity to home
Factors least influencing destination choice	<ul style="list-style-type: none"> • Relatively lower tuition fees • Relatively lower living costs • Proximity to home 	<ul style="list-style-type: none"> • Family or friends residing there • Relatively lower living costs • Proximity to home 	<ul style="list-style-type: none"> • Relatively lower tuition fees • Ease of visa and admissions process • Safety and wellbeing 	<ul style="list-style-type: none"> • Relatively lower tuition fees • Ease of visa and admissions process • Proximity to home 	<ul style="list-style-type: none"> • Proximity to home • Relatively lower living costs • Family or friends residing there 	<ul style="list-style-type: none"> • Ease of visa and admissions process • Availability of scholarships and/or financial aid • Family or friends residing there

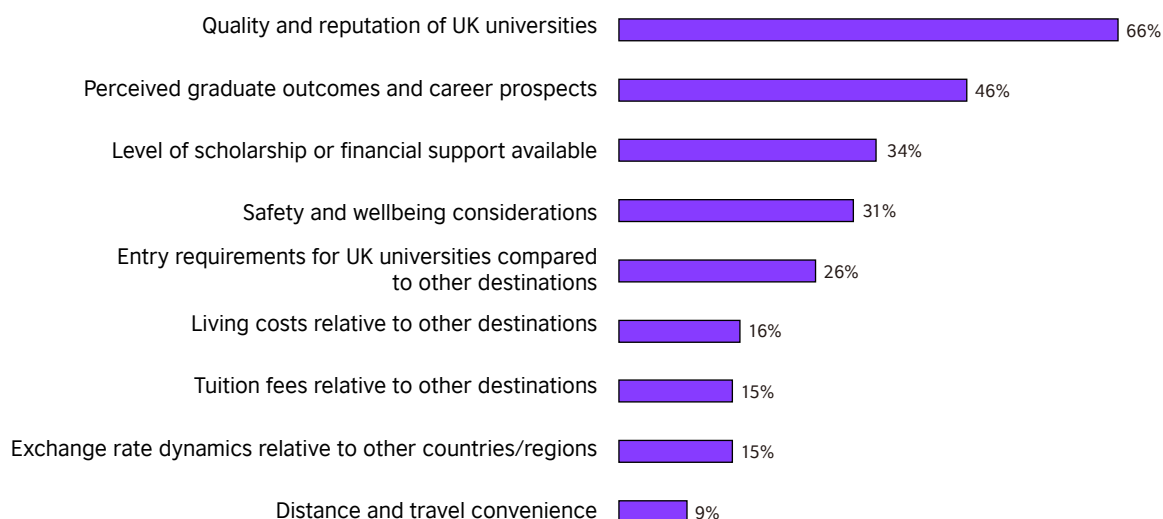
Source: 3Gem survey, Cebr analysis

This pattern is corroborated by survey evidence examining the most and least frequently cited factors influencing the final choice of destination among students currently studying in the UK, the US and Australia and the parents of such students. **Across all three destinations, the quality of education consistently emerges as the most cited driver of destination choice.** Other frequently cited factors include post-study work opportunities and the perceived return on investment associated with overseas education.

For the UK in particular, this reinforces its position as a destination valued primarily for the academic quality of its institutions and the career prospects associated with its degrees. Evidence from education agencies strongly supports this interpretation. **Four-fifths (80%) of agencies believed that the UK was at least somewhat more attractive as a study destination relative to other destinations they advised on.** When asked why, almost two-thirds (66%) cited the quality and

reputation of UK universities, while close to half (46%) pointed to the perceived graduate outcomes and career prospects associated with a UK degree. Similar perceptions emerge among agencies that specifically advise on the UK as a study destination, where academic reputation (61%) and the quality of teaching and research (58%) are among the most frequently cited positive factors when recommending the UK to families.

Figure 18: Reasons for the UK being seen as more attractive than other destinations

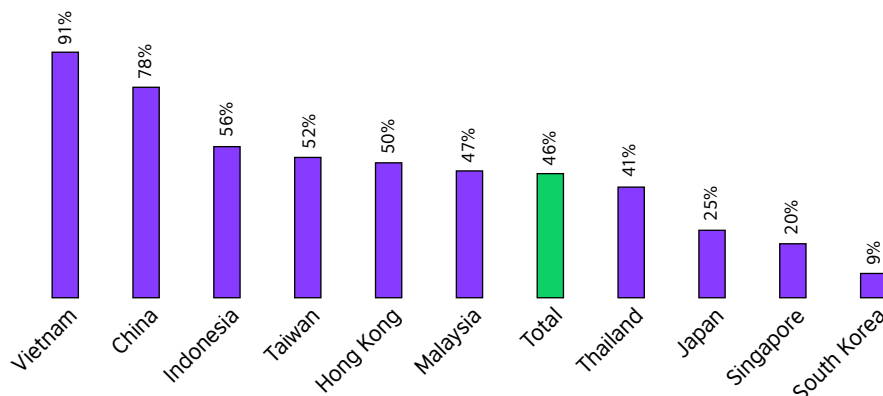


Source: 3Gem survey, Cebr analysis

At the same time, the survey highlights an important competitive constraint for the UK. **Compared with the US and Australia, the availability of scholarships and financial aid appears less prominent as a reason for choosing the UK.** This suggests that while the UK performs strongly on academic reputation and long-term career outcomes, it may be

perceived as offering fewer financial incentives relative to competing destinations.

Figure 19: Percentage of parents that viewed overseas education in the UK as affordable relative to other overseas destinations



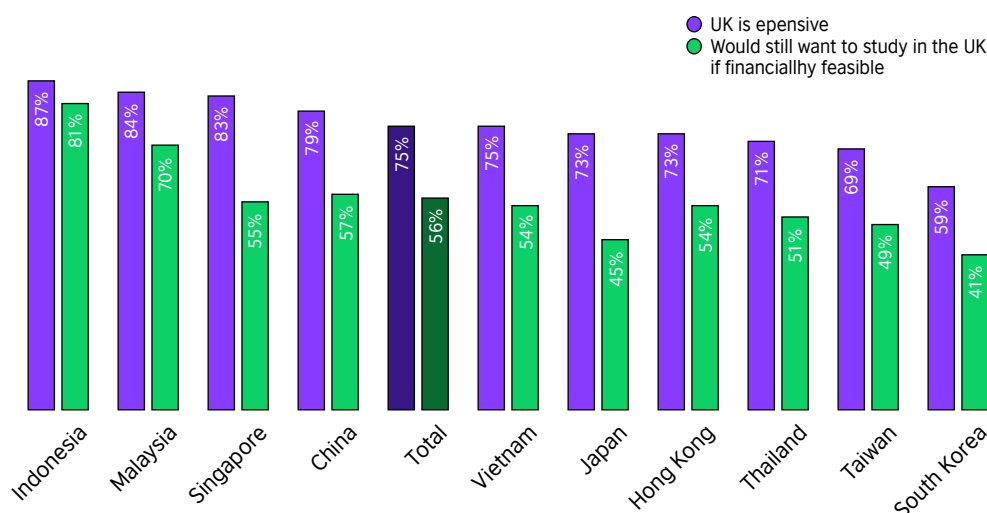
Source: 3Gem survey, Cebr analysis

Perceptions of the affordability of UK study exhibit substantial variation between countries/territories. On average, only 47% of parents viewed the UK as affordable relative to other destinations. Answers were particularly severe in Japan and South Korea, whose shares of parents believing the UK was affordable were only 25% and 9%, respectively. These were also the two countries to show the largest real terms rise in the cost of UK study. **The two countries where UK affordability was viewed most positively were Singapore, with 77%, and, surprisingly Vietnam, with 91%.** Considering that the costs of UK study are estimated to make up over 900% of Vietnamese average income, this result may point to strong

aspirational interest in the UK, rather than a practical or financially viable intention to study there.

Despite the relatively high cost burden, perceptions of value remain strong. When asked more directly about the affordability of studying in the UK, a large majority (75%) of students acknowledge that the UK is relatively expensive. Despite this, **more than half (56%) indicated that they would still consider studying in the UK if it were financially feasible.**

Figure 20: Regional variation in perceptions of UK study amongst students in East Asian countries/territories



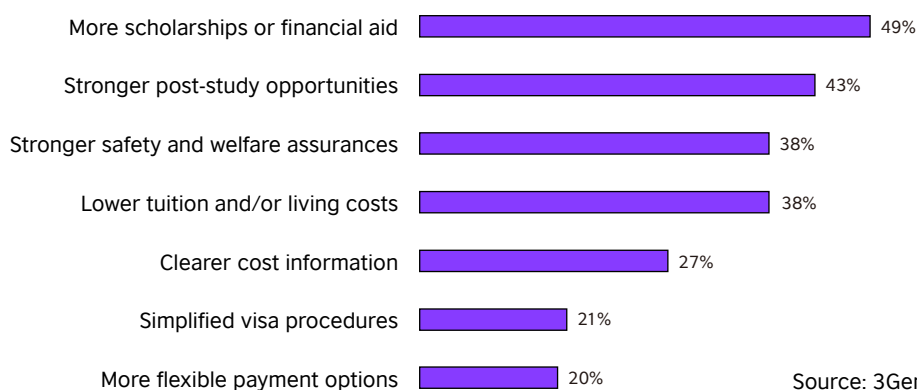
Source: 3Gem survey, Cebr analysis

There also appears to be strong confidence in the value of UK education. 74% of students report that they are at least somewhat confident that studying in the UK would deliver a good return on investment relative to other overseas destinations. Parents express a similar perspective, with 85% stating that a UK education is worth the cost because it provides stronger long-term opportunities or financial returns.

However, the survey results indicate that additional financial support could materially improve the UK's attractiveness as an international study destination. Across the full sample of students and parents, not only those currently studying overseas, improved scholarships and financial aid emerge as the

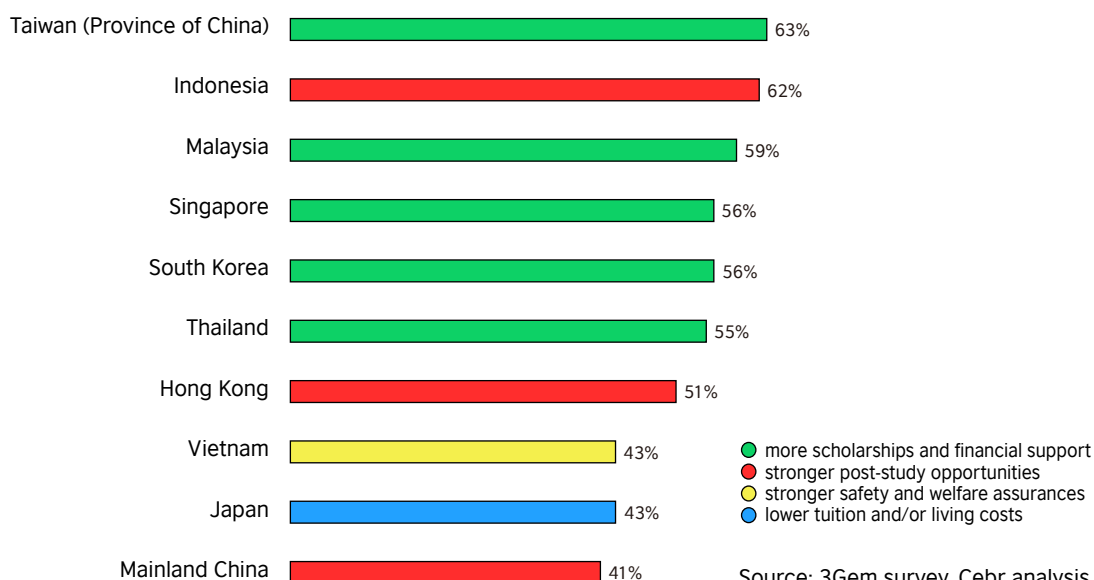
most frequently cited factor that would make the UK a more attractive study destination. Around half of parents (49%) and half of students (50%) indicate that greater financial support would increase the UK's attractiveness. This ranks above other potential improvements such as enhanced post-study work opportunities, lower tuition costs or simplified visa procedures.

Figure 21: Regional average of parents' perceived areas to improve for UK study



Source: 3Gem survey, Cebr analysis

Figure 22: Most-cited area to improve for UK study from the parents' survey, by country/territory¹⁸



Source: 3Gem survey, Cebr analysis

Education agencies express a similar view.

More than half of agencies who advise on UK study (52%) state that more scholarship and or fee reduction options would help improve the attractiveness of the UK among East Asian origin countries/territories.

Among agencies that do not currently advise on the UK, 46% highlight that they would consider advising on the UK in the future if more generous scholarships or financial support were available.

These findings suggest that the UK competes primarily on perceived quality and long-term value rather than on affordability. Regional education hubs may offer lower tuition fees and lower living costs, but they do not appear to compete directly with the UK on institutional reputation or employment returns. Instead, the UK's main competitive set remains the other major Anglophone destinations, particularly the US and Australia for now

Within this competitive set, however, financial support appears to represent a key area where the UK could strengthen its position. While the UK's academic reputation

and perceived return on investment continue to attract students from across East Asia, the survey evidence suggests that additional scholarships or financial assistance could help offset the relatively high cost of study identified in the affordability analysis and expand the pool of households able to consider the UK as a viable destination.

These perceptions are consistent with the affordability analysis presented earlier in the chapter, which shows that studying in the UK represents a substantial share of household income across most East Asian countries/territories.

Key Takeaways

Across surveyed students and parents, affordability is the dominant factor cited when households consider whether to pursue overseas study at all.

Once that decision has been made, however, perceptions of education quality, career prospects and return on investment carry greater weight in shaping the final destination choice.

For these reasons the UK remains highly competitive within the international study landscape, though respondents indicate that its ability to attract students from East Asia depends not only on the reputation of its institutions, but also on the extent to which financial support mechanisms help mitigate the high costs associated with studying in the UK.

Conclusion

This report has examined the affordability of UK higher education across ten East Asian source countries/territories and the role that cost considerations play in shaping demand for overseas study. Four principal findings emerge.

First, **affordability acts as the primary gatekeeper for international education.** The affordability ratios constructed for this research confirm that studying in Anglophone destinations represents a substantial financial commitment for the majority of East Asian households. However, the severity of this constraint varies widely across the region, from Singapore, where annual UK study costs represent around a quarter of average household income, to Vietnam, where they exceed nine times that level.

Second, **real affordability dynamics differ markedly across origin countries and territories, driven largely by exchange rate movements and domestic inflation rather than by UK fee levels.** Japanese households have experienced the sharpest deterioration, with real UK study costs rising by approximately 49% to 52% in yen terms over the period, while Singaporean households have seen real costs decline. These divergent trajectories mean that recruitment strategies need to be formulated on a country-to-country basis, and the financial case for UK study looks fundamentally different depending on the origin country.

Third, **the share of households able to afford UK study has moved in different directions across the region over the past decade, and this is where the divergence is most consequential for the UK.** In most nations, rising real incomes have modestly expanded the affordable base, most strikingly in mainland China, where the share more than doubled. Japan is the clear exception, with the affordable share roughly halving as stagnant

incomes, low savings and yen depreciation eroded household capacity. Yet even where the base has grown, it remains a small minority of households likely concentrated towards the top of the income distribution. **As such, outside of Singapore and Hong Kong, UK study remains the preserve of the affluent. The practical implication is that the scope to grow UK-bound demand rests less on UK pricing than on income growth in origin countries and on financial support to reach households at the margin of affordability.**

Survey results point to a pattern whereby, once the decision to study abroad has been made, the UK competes primarily on quality rather than price. Education quality, institutional reputation and post-study work opportunities consistently emerge as the dominant drivers of destination choice, with cost-related factors ranking lower in the hierarchy of considerations. The UK is the most frequently considered or chosen destination in the majority of countries/territories surveyed, and confidence in the return on investment of a UK education remains high across the region.

The most consistently cited lever for strengthening the UK's position is the expansion of scholarships and financial aid, identified by around half of both students and parents as the single most important factor that would make the UK more attractive. Given that the affordable population is concentrated at the top of the income distribution, and that the UK competes on reputation rather than cost, financial support is the most direct means of widening the pool of households for whom UK study is feasible. **Ultimately, UK-bound demand across East Asia will be determined less by UK fee levels than by income growth in origin countries and the UK's willingness to bridge the affordability gap at the margin.**



**Questions
or
Comments?**

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