



The Value of Education

Higher and higher

Malaysia Report

HSBC 



Foreword



Key findings

Going the extra mile

International horizons

Digital campus



Practical steps



The research

Foreword



Charlie Nunn
Group Head of Wealth Management,
HSBC



With the rise of the information economy and a challenging job market for young people, education has never been more important than it is today. Parents know this and they are willing to go to great lengths to secure the right educational opportunities for their children.

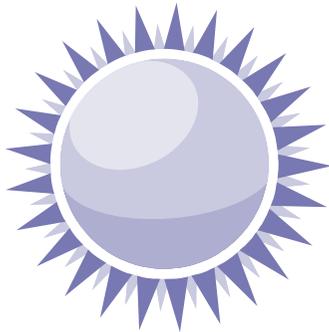
Our latest report in The Value of Education series, *Higher and higher*, looks at parents' ambitions for their children, their views on the costs and benefits of education, and the sacrifices they are prepared to make to ensure their children can fulfil their potential. It also explores parents' perceptions of digital learning and the importance of international studies in our globalised world.

At HSBC, we recognise that education is key to human development and prosperity. Every year, we help parents and students around the world to make their education plans a reality, and we support access to education for disadvantaged young people through the HSBC Education Programme.

I hope the insights in this report will help parents appreciate the long-term costs of education and put practical measures in place to ensure their children have the best start in life.



Key findings



82%

of parents are confident their child will have a bright future



89%

of parents are ready to make personal sacrifices for their child to succeed



USD25,479

is the average amount parents say they spend on their child's primary, secondary and tertiary education



95%

of parents would consider a postgraduate education for their child

[Read more](#)



Key findings



72%

of parents are funding their child's education from day-to-day income



51%

of parents would consider university abroad for their child, yet **31%** of them do not know how much it would cost



Australia

is the most likely destination for parents considering university abroad for their child



69%

of parents would consider a university degree that is either completely or partly online

Interesting fact





Going the extra mile



Expert view



Professor Colin B. Grant

BA, PhD, FHEA, FRSA
Vice President (International), University of Southampton
Member of Universities UK International Strategic Advisory Board
Member of the British Council Education Advisory Group
Chair, Russell Group International Forum



Parents are aware of the need to enhance their children’s life chances through higher education, and the trend towards market-relevant STEM and business / finance subjects across different regions, especially in Asia, is clear.”



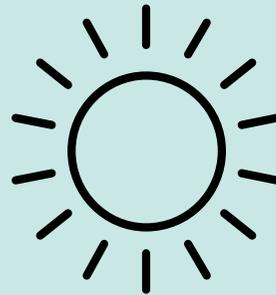
High aspirations

Parents in Malaysia are optimistic their children will reach their full potential and be successful in the future.

Over four fifths (**82%**) of parents are confident their child will have a bright future, while **75%** are confident their child will get a great job and **62%** are confident their child will get top grades in their exams.

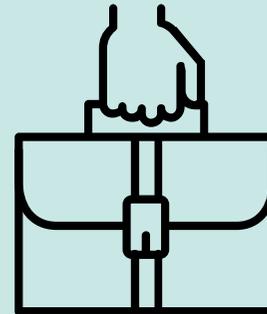
Parents who are considering a university education abroad for their child are more likely to be confident that their child will have a bright future (**86%**) than those who would not (**78%**).

Parents are optimistic about their child's future



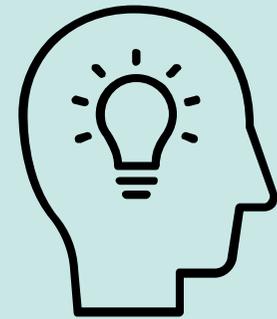
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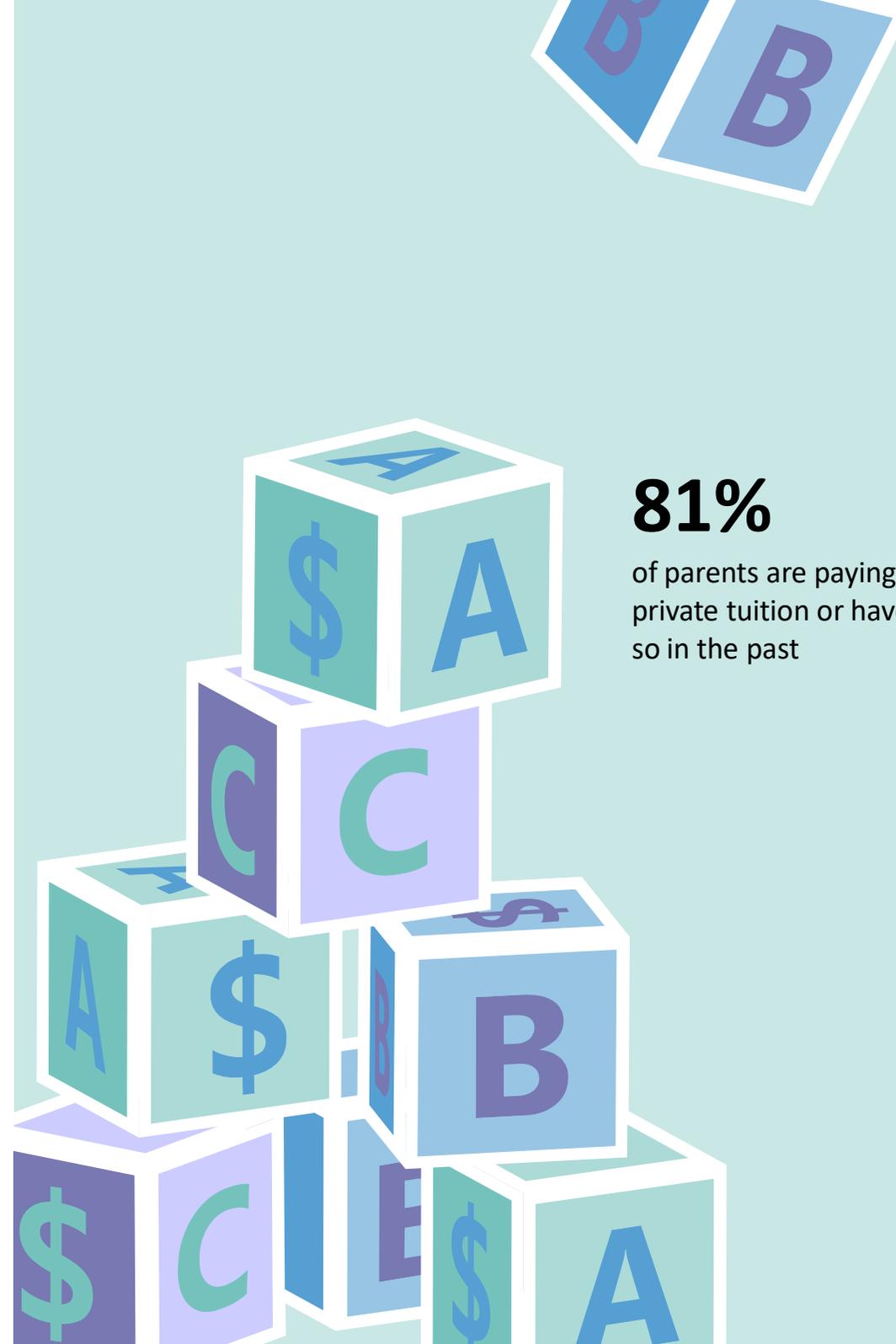


On the starting blocks

Parents are going the extra mile to ensure their children have a good start in life.

The majority of parents (**73%**) started making plans for their child's education, and **68%** started making funding decisions, before their child had begun primary education.

Around eight parents out of ten (**81%**) are paying for private tuition or have done so in the past. Parents with a child in tertiary education are more likely to be paying for private tuition or having so in the past (**89%**) than those with a child in primary education (**67%**).



81%

of parents are paying for private tuition or have done so in the past

Making sacrifices

Apart from financial commitments, most (**89%**) parents are ready to make personal sacrifices for their child to succeed.

To support their child's education, over two in five (**42%**) parents have forfeited 'me time' and/or given up hobbies, and **25%** have either drastically reduced or completely stopped leisure activities and holidays.

Parents whose child is in primary education are more likely to have forfeited 'me time' and/or given up hobbies (**60%**) than those whose child is in secondary (**36%**) or tertiary (**32%**) education.

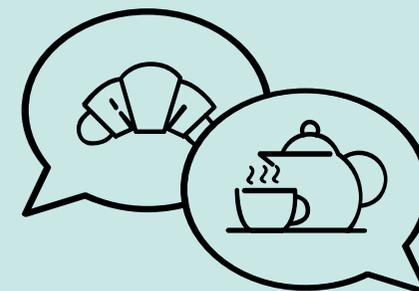
Despite making these sacrifices, parents are still not sure they are doing enough. Nearly three-quarters (**74%**) worry that they are not doing the best for their children.

Personal sacrifices parents are making to support their child's education



42%

Forfeited 'me-time' and/or given up hobbies



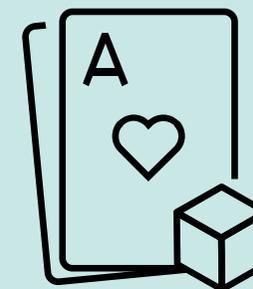
27%

Developed different social circles



25%

Changed working style



25%

Drastically reduced or completely stopped leisure activities and holidays

Q. Which, if any, of the following have you/your partner done or are currently doing to support your child's education? (Base: All parents)



Spending on education

Parents an essential investment in their future but it can be costly. From buying school uniforms to paying university fees, parents fund many expenses for their children’s education.

On average, parents say they spend **USD25,479** (USD37,821 if paid-for, USD14,274 if state-funded/ free) on their child’s primary, secondary and tertiary education up to undergraduate level*.

Education level	Average spend (USD)*
Primary school	5,052
Secondary school	7,962
University/college (undergraduate)	12,465

*Methodology in The research, Definitions

Parents planning for their child to complete a postgraduate degree or see their children’s education as attend university abroad can expect significant additional costs.



USD25,479

average total spend on child’s education



Gateway to employment

Nearly all (**97%**) parents would consider a university education for their child, with **95%** considering postgraduate studies.

Over four in five (**86%**) parents see completing a postgraduate degree as an important gateway for their child to get into full-time employment in their chosen occupation.

Medicine (**16%**) is parents' most preferred university course for their child to study, with engineering (**14%**), business, management and finance (**12%**), computer and information sciences (**8%**) and education (**5%**) making up the top five most favoured courses.

95%

of parents would consider a postgraduate education for their child



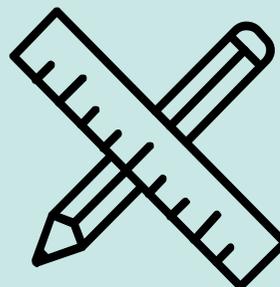
Unwavering support

Most parents (**93%**) with a child in college or university education are contributing to their funding, and of parents considering postgraduate education for their child, **80%** expect to contribute towards funding that too.

In hindsight, almost two thirds (**64%**) of parents wish they had started saving earlier, while **53%** wish they had put more money aside for their child's education.

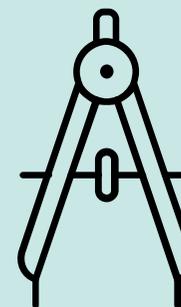
Millennial parents are more likely to wish they had started saving earlier (**72%**) than Generation X (**62%**) and Baby Boomer (**56%**) parents.

Most parents are helping to fund their child's current stage of education



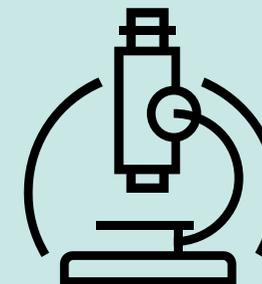
97%

Primary



97%

Secondary



93%

Tertiary



Planning ahead

Almost three-quarters (**72%**) of parents are funding their child's education from day-to-day income, while almost two in five (**38%**) are using general savings, investments or insurance.

Over a quarter (**27%**) of parents are funding their child's education through a specific education savings or investment plan.

Baby Boomer parents (**65%**) are more likely to be funding their child's education using general savings, investments or insurance than Millennial parents (**32%**).

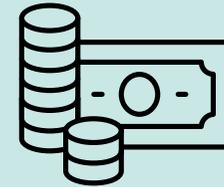
Parents are making or have made a range of financial sacrifices to help fund their child's education. Almost three in five (**58%**) parents have reduced their expenditure on leisure activities, **32%** have taken on a job and/or second job and **31%** have worked extra hours in their existing job.

How parents fund their child's education



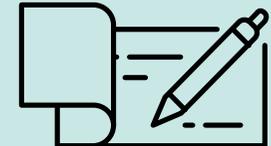
72%

Day-to-day income



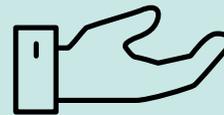
38%

General savings/
investments/
insurance



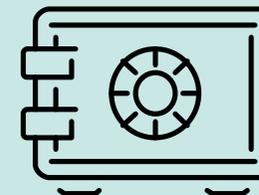
27%

Specific education
savings/ investment
plan



5%

General
borrowing



3%

Inheritance/
other lump sum



A landscape photograph featuring two hot air balloons floating in the sky. The balloon on the left is white with blue and purple stripes, while the one on the right is yellow with orange and red stripes. The sun is low on the horizon, creating a warm, golden glow over a valley filled with a thick layer of white clouds. In the background, there are rolling hills and mountains under a clear blue sky. A red vertical bar is on the far left, and a purple semi-transparent box contains the text.

International horizons



Expert view



Rajika Bhandari
Head of Research, Policy and Practice, Institute of International Education, Inc.



More than four million students around the world enroll in higher education outside of their home countries, seeking to gain international skills that will prepare them to work in the global economy.

An increasing number of students are choosing education abroad as an investment in their future, as employers are increasingly looking for workers who have international experience, cross-cultural competence and language skills.”



Essential experience

Studying at university abroad challenges students at a personal level, but can also have a positive impact on their academic and employment career. In today's globalised world, a university education in a different country is a real option.

Over half (**51%**) of parents would consider a university education abroad for their child, and they are more likely to consider a postgraduate education (**47%**) than an undergraduate education (**35%**) abroad.

OECD data shows that **53%** of all foreign students enrolled in tertiary education worldwide come from Asian countries¹.

Parents with a postgraduate education are more likely to consider a university education abroad (**56%**) than parents educated up to secondary level (**41%**).

¹OECD Education Indicators in Focus 14, July 2013



51%

of parents would consider a university education abroad for their child

Top destinations

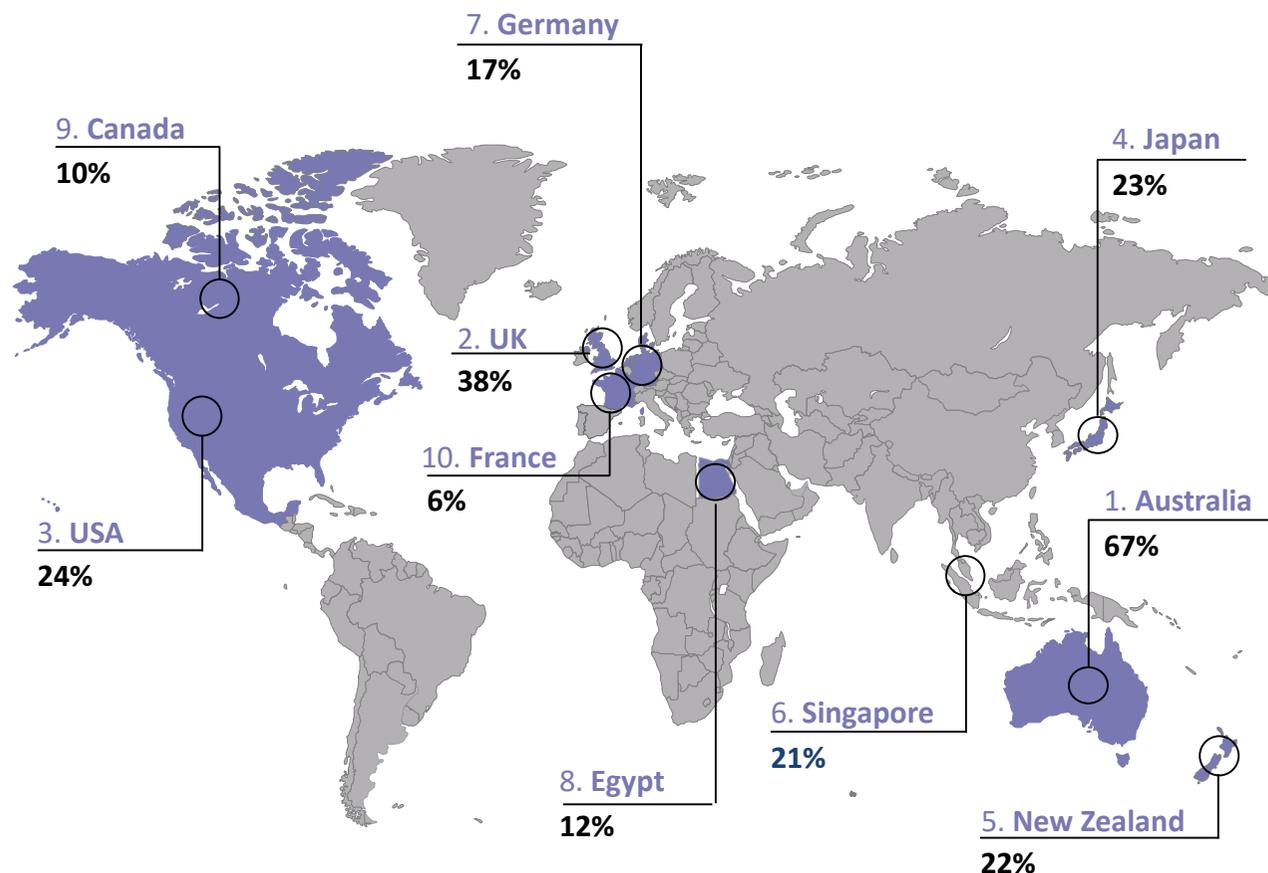
Of parents in Malaysia who would consider university education abroad for their child, many have a preferred country in mind where they would like their child to study.

Australia is their most popular choice: **67%** would consider sending their child to university there. The UK (**38%**) is the second most popular choice, followed by the USA (**24%**).

Parents with a postgraduate education (**79%**) are more likely to consider Australia as a destination, than parents educated up to secondary level (**57%**).

Baby Boomer parents are more likely to consider the USA (**43%**) than Generation X (**25%**) and Millennial (**14%**) parents.

Top 10 destinations for university abroad



Q. Which countries or territories, different to the one where you reside, would you be most likely to consider?
 (Base: Parents who would consider university education abroad for their child)



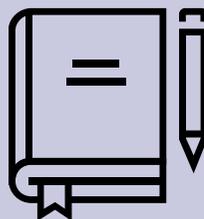
Selecting a university abroad

Many parents considering university education abroad for their child have specific universities in mind that they would like their child to attend. Over three-quarters (**78%**) have particular universities in mind, with parents educated up to postgraduate level (**86%**) more likely than those educated up to secondary level (**70%**).

The quality of teaching on offer (**67%**), the courses the university offers (**61%**) and the prestige associated with the university (**55%**) are the top three criteria when considering particular universities abroad.

Yet almost a third (**31%**) of parents do not know how much it would cost for their child to study abroad.

Main reasons why parents have specific universities in mind



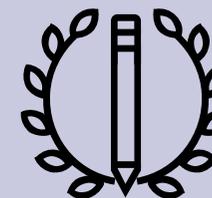
67%

Quality of teaching on offer



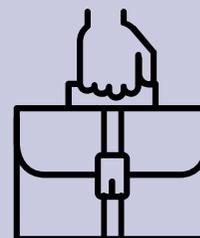
61%

The courses the university offers



55%

Prestige associated with university



54%

Will open up more job opportunities for my child



51%

Ranked highly overall in university league table

Q. Which, if any, of the following reasons explain why you are considering a specific university? (Base: Parents who have specific university/universities they would like their child to attend, in a different country to where they reside)



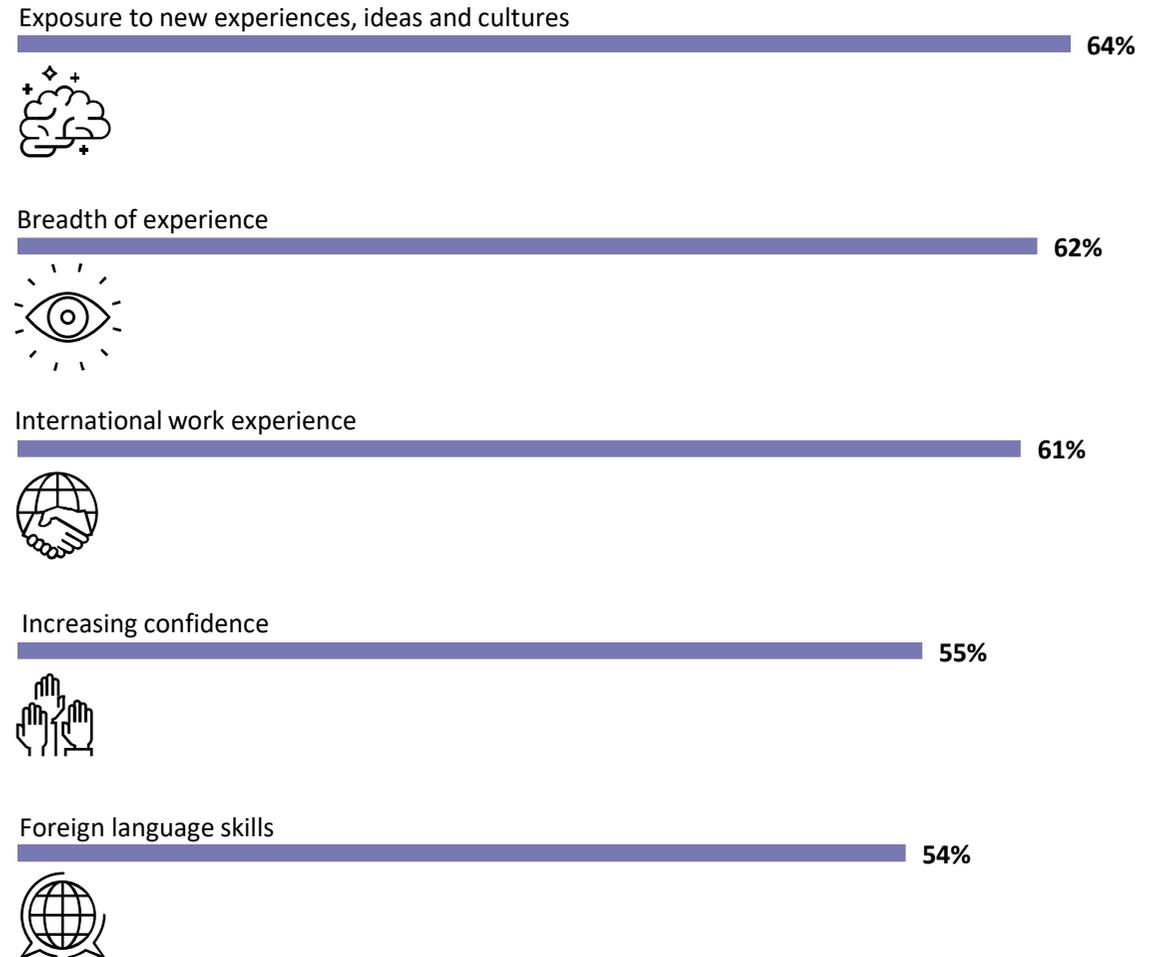
Powerful enabler

From developing soft skills to widening core abilities, parents see a range of benefits to completing a university education in a different country.

According to parents considering university abroad for their child, exposure to new experiences, ideas and cultures (64%), breadth of experience (62%) and international work experience (61%) are the main benefits.

Parents from earlier generations are more likely to see exposure to new experiences, ideas and cultures (69%) as the biggest benefit of a university education abroad, compared to Millennial parents (55%).

Main benefits of a university education abroad



Q. Which, if any, of the following do you see as the main benefits of completing a university education in a different country to the one where you reside? (Base: Parents who would consider university abroad for their child)



New challenges

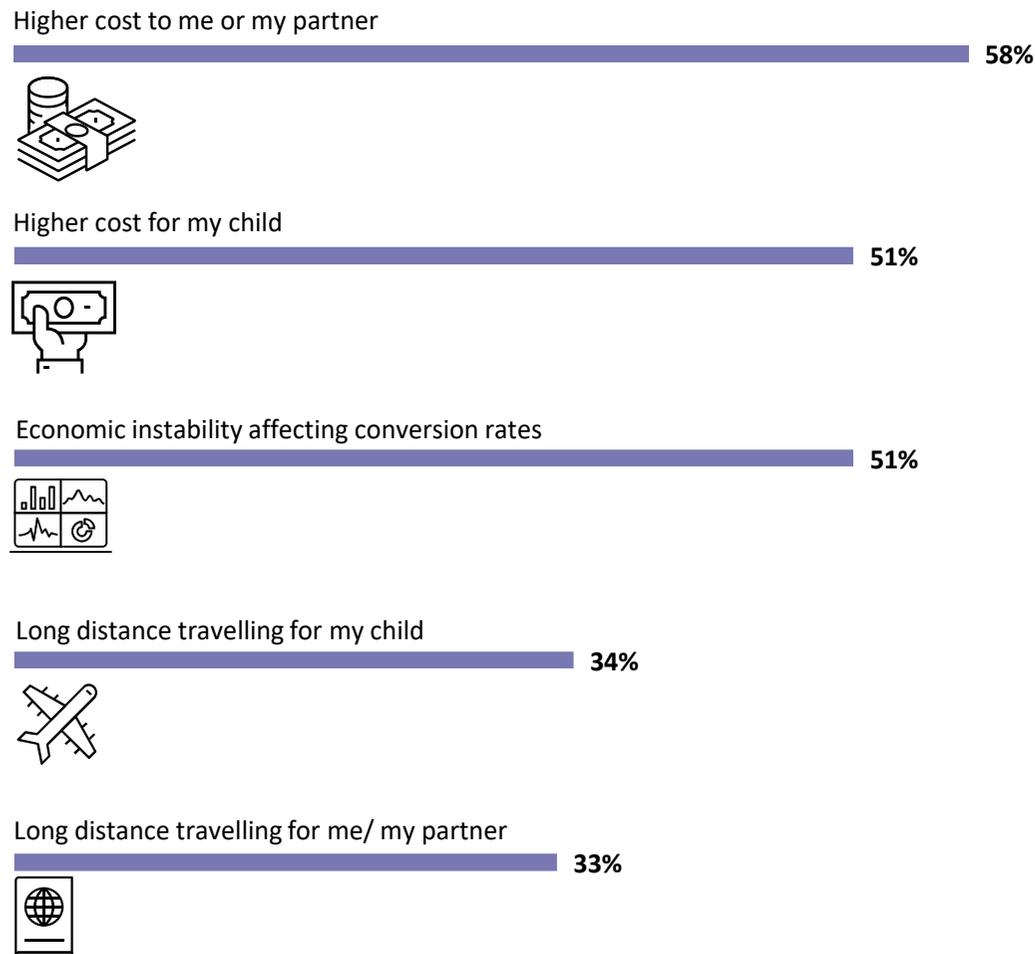
While there are many benefits to studying abroad, children being away from home can be a big challenge for all the family.

Parents see financial factors as the main barriers, with **58%** being concerned about the higher cost to them or their partner and **51%** worrying about the higher cost for their child

Of parents considering university abroad for their child, over a third (**34%**) say the long distance travelling for their child is a potential barrier. Parents also see the long distance travelling for themselves or their partner as a barrier (**33%**).

Nearly two thirds (**65%**) of Generation X say that the higher cost to them or their partner is a barrier, compared to around half (**51%**) of Millennial parents.

Main barriers to a university education abroad



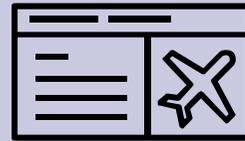
Q. Which, if any, of the following do you see as potential barriers to completing a university education in a different country to the one where you reside? (Base: Parents who would consider university abroad for their child)

Other international experiences

University education abroad is not the only international experience that parents value for their child: around half (52%) would consider a study abroad programme, and more than two in five (41%) would consider a work placement in another country.

Baby Boomer parents are more likely to consider a study abroad programme (67%) and a work placement (56%) than Millennial (46% and 36% respectively) and Generation X (51% and 40%) parents.

Experiences parents would consider for their child abroad



52%

Study abroad programme



41%

Work placement



31%

Living in another country with a host family



24%

School exchange programme



21%

Living in another country with close friends

Q. Would you consider any of these experiences for your child in another country or territory? (Base: All parents)





Digital campus



Expert view



Professor Timothy Quine
Deputy Vice-Chancellor (Education), University of Exeter



The digital campus offers online education that is flexible and catered to fit around differing work and life demands, enabling students to work, earn and learn in some of the world's best institutions without having to move home, leave their job or sacrifice their career."



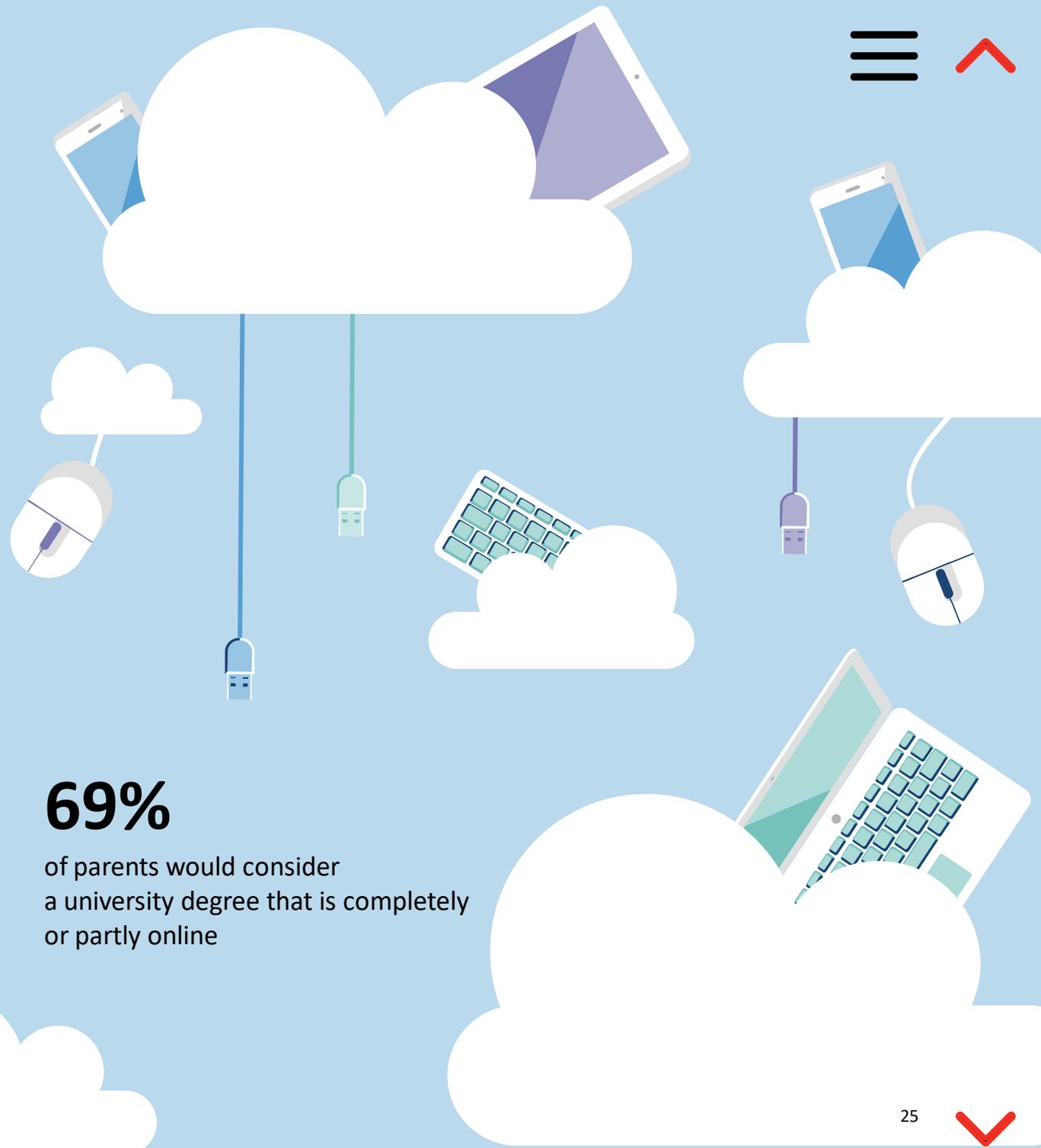
Digital learning

Over four in five (**82%**) parents agree that new technology means everyone has more access to good education.

The majority (**80%**) of parents in Malaysia are aware of these online degrees and over two in three (**69%**) would consider a university degree for their child that is either completely online or incorporates some online courses/modules, with a third (**33%**) saying they would consider a degree that is completely online.

In contrast, parents across the other countries surveyed are less aware of online degrees (**73%**) and less likely to consider a degree that is completely or partly online (**60%**).

Millennial parents (**75%**) are more likely to consider an online degree for their child than Baby Boomer parents (**59%**).



Benefits and drawbacks

Many parents appreciate the financial advantages of online degrees compared to traditional campus-based degrees. A reduction in travel/living costs (**66%**) and a reduction in university costs (**61%**) are seen as the main benefits.

Parents also recognise lifestyle advantages, with a number citing a more comfortable/flexible learning environment (**50%**) and increased ease of gaining work experience whilst studying (**28%**) as main benefits.

However, parents also see drawbacks with online degrees, such as a less close relationship with lecturers and tutors (**58%**), fewer opportunities to interact with peers (**47%**) and not enough interaction during the course (**47%**).

Parents from earlier generations (**65%**) are more likely than Millennial parents (**38%**) to see not enough interaction during the course as a potential drawback.

Benefits of online degrees



66%

Reduces travel/living costs as no need to attend university in person



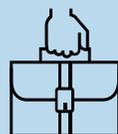
61%

Reduces university costs as tuition fees are cheaper



50%

A more comfortable/flexible learning environment



43%

Develops my child's technology skills



34%

Wider variety of courses

Drawbacks of online degrees



58%

Less of a relationship with lecturers and personal tutors



47%

Fewer opportunities to interact with peers



47%

Not enough interaction during the course



46%

Not suitable for all subjects



42%

Quality of teaching is not the same

Q. What do you think are the benefits/drawbacks of completing an online degree, compared to a traditional degree? (Base: Parents who would consider a university degree for their child that is either completely or partly online)



The influence of cost

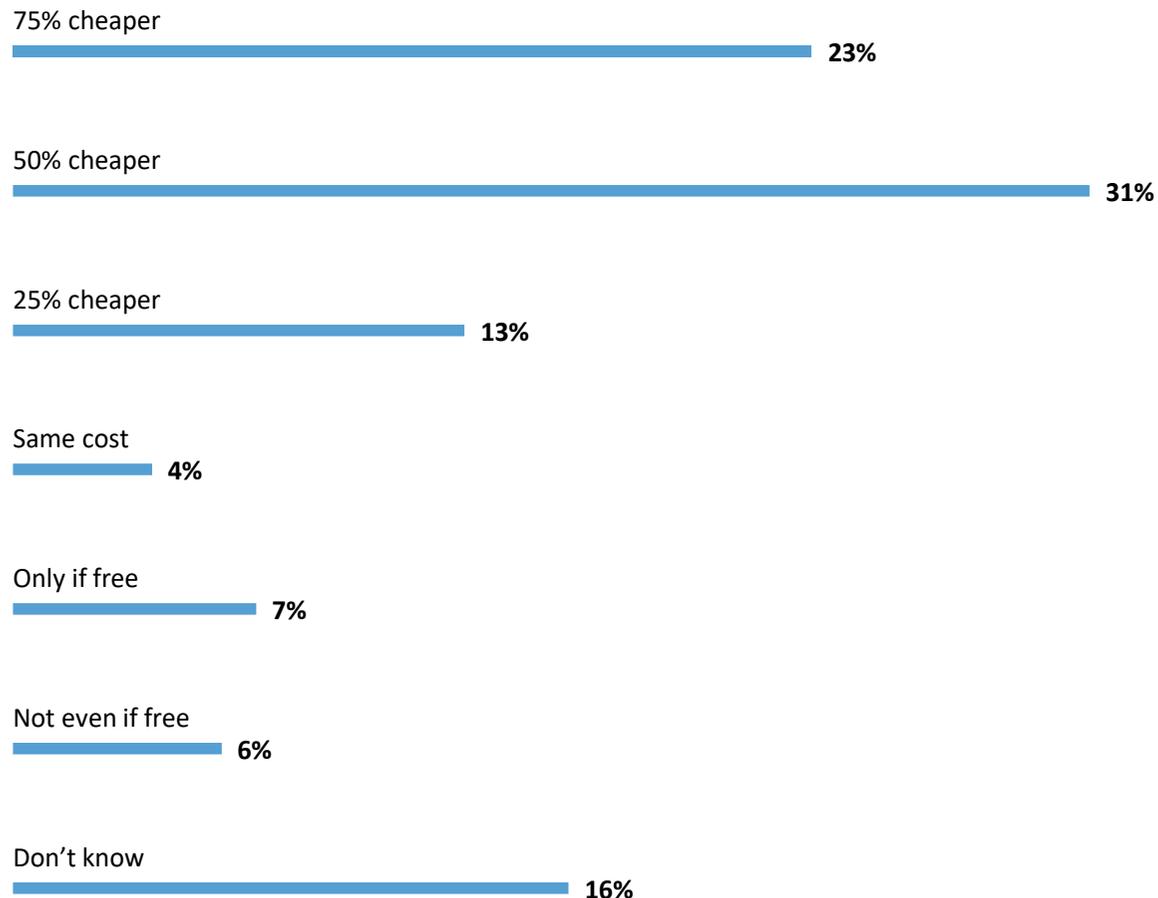
Over two thirds (**67%**) of parents would consider an online degree for their child if it was cheaper than the cost of a traditional campus-based degree.

Almost a third (**31%**) of parents say an online degree would need to be 50% cheaper for them to consider, while for **23%** it would need to be 75% cheaper.

Around one in 20 parents (**6%**) would not consider an online degree even if it was free.

The overall cost of an online degree can be 25% to 50% cheaper than a traditional degree, as a result of reduced accommodation expenses, study materials and tuition fees.

Most parents would consider an online degree if cheaper than a traditional degree

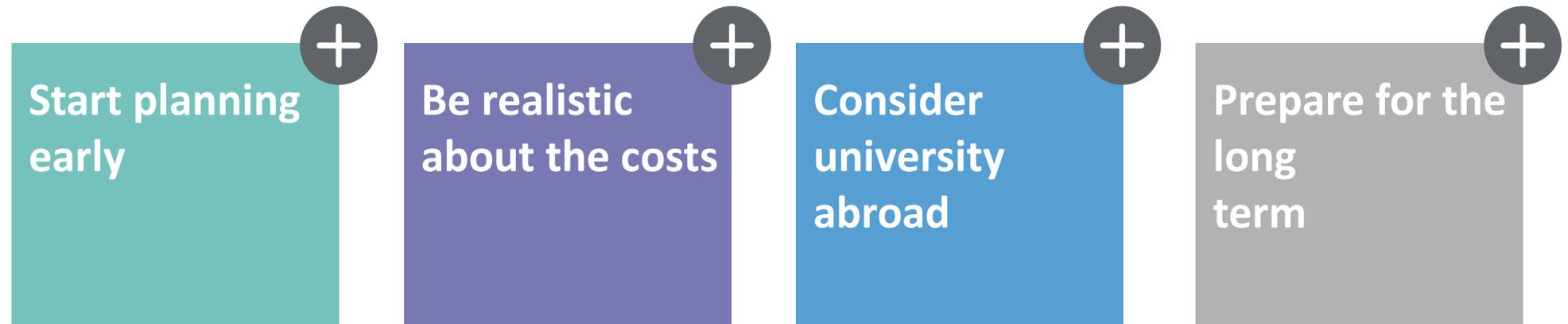


Q. How much cheaper than a traditional degree would an online degree need to be, for you to consider it for your child? (Base: All parents)



Practical steps

Here are some important insights and practical actions drawn from the research findings, for parents to consider when planning for their children's education.



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64%

of parents wish they had started saving earlier, and 53% wish they had put more money aside for their child's education

Early planning and saving for education can help your children fulfil their potential and limit the strain on family finances. Seeking professional advice can help you plan and make better informed choices



Be realistic about the costs



Consider university abroad



Prepare for the long term



Practical steps

Here are some important insights and practical actions drawn from the research findings, for parents to consider when planning for their children's education.



Start planning early 

USD25,479 
is the average amount parents say they spend on their child's primary, secondary and tertiary education

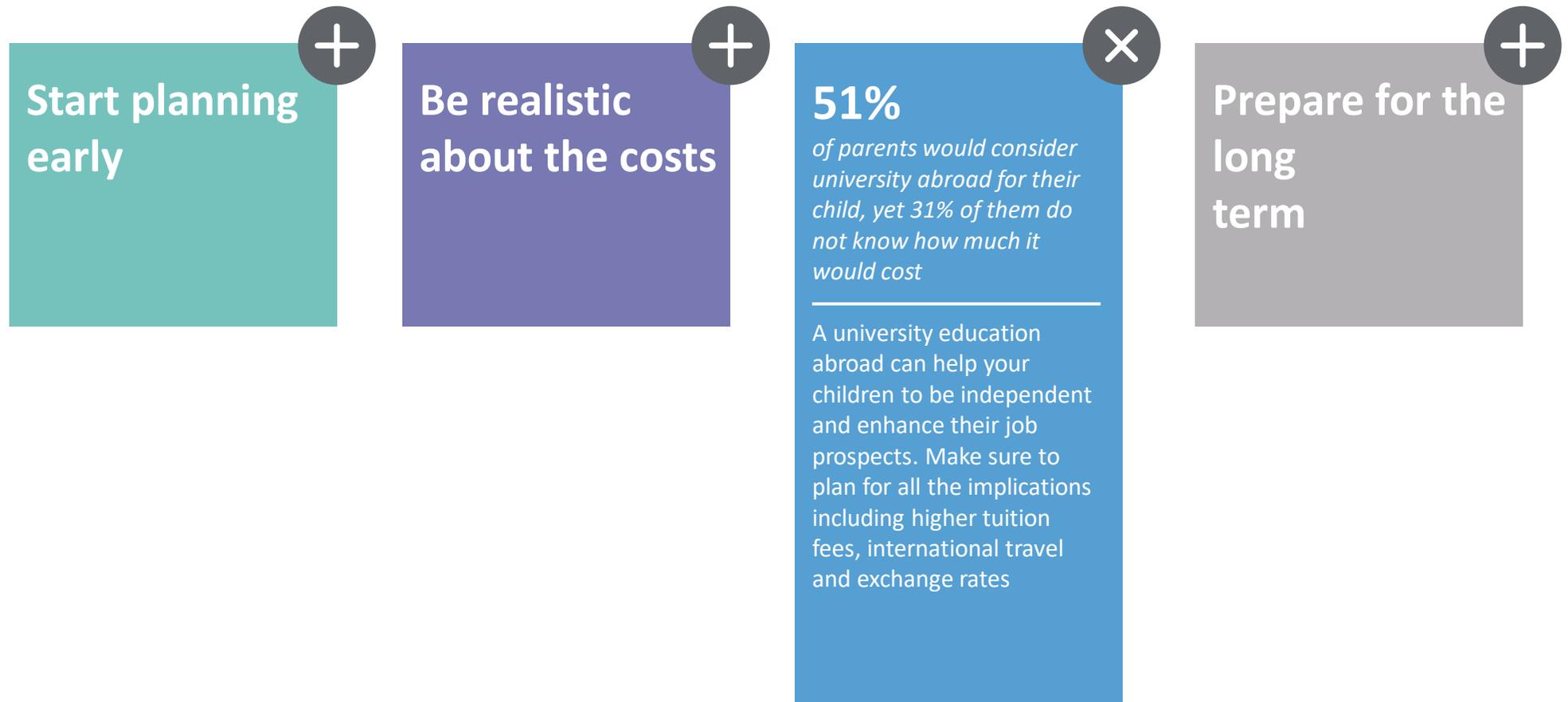
The costs of educating your children from school to university can be very expensive. Be sure to allocate enough money to support their development and attainment through all stages of their education

Consider university abroad 

Prepare for the long term 

Practical steps

Here are some important insights and practical actions drawn from the research findings, for parents to consider when planning for their children's education.



Start planning early

Be realistic about the costs

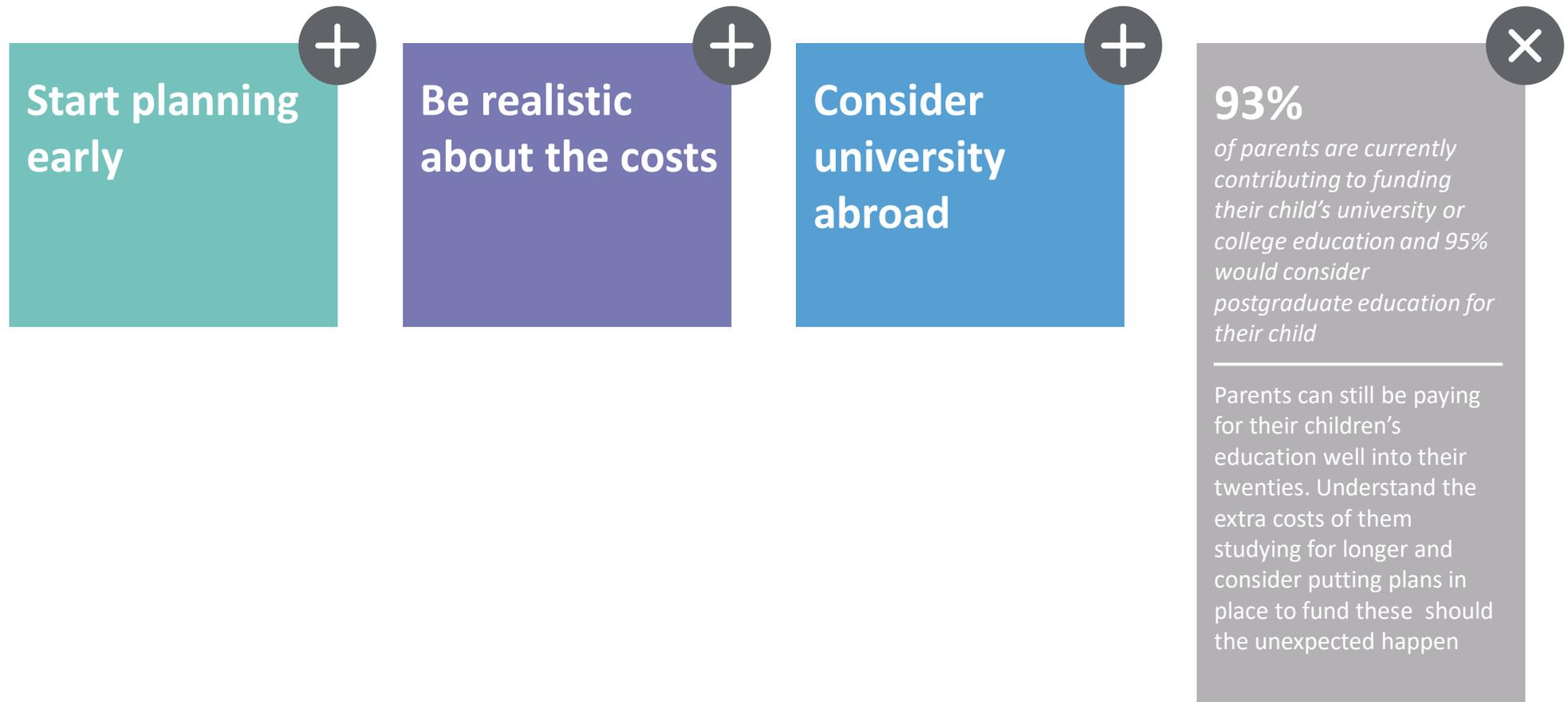
51%
of parents would consider university abroad for their child, yet 31% of them do not know how much it would cost

A university education abroad can help your children to be independent and enhance their job prospects. Make sure to plan for all the implications including higher tuition fees, international travel and exchange rates

Prepare for the long term

Practical steps

Here are some important insights and practical actions drawn from the research findings, for parents to consider when planning for their children's education.



Start planning early

Be realistic about the costs

Consider university abroad

93%
of parents are currently contributing to funding their child's university or college education and 95% would consider postgraduate education for their child

Parents can still be paying for their children's education well into their twenties. Understand the extra costs of them studying for longer and consider putting plans in place to fund these should the unexpected happen

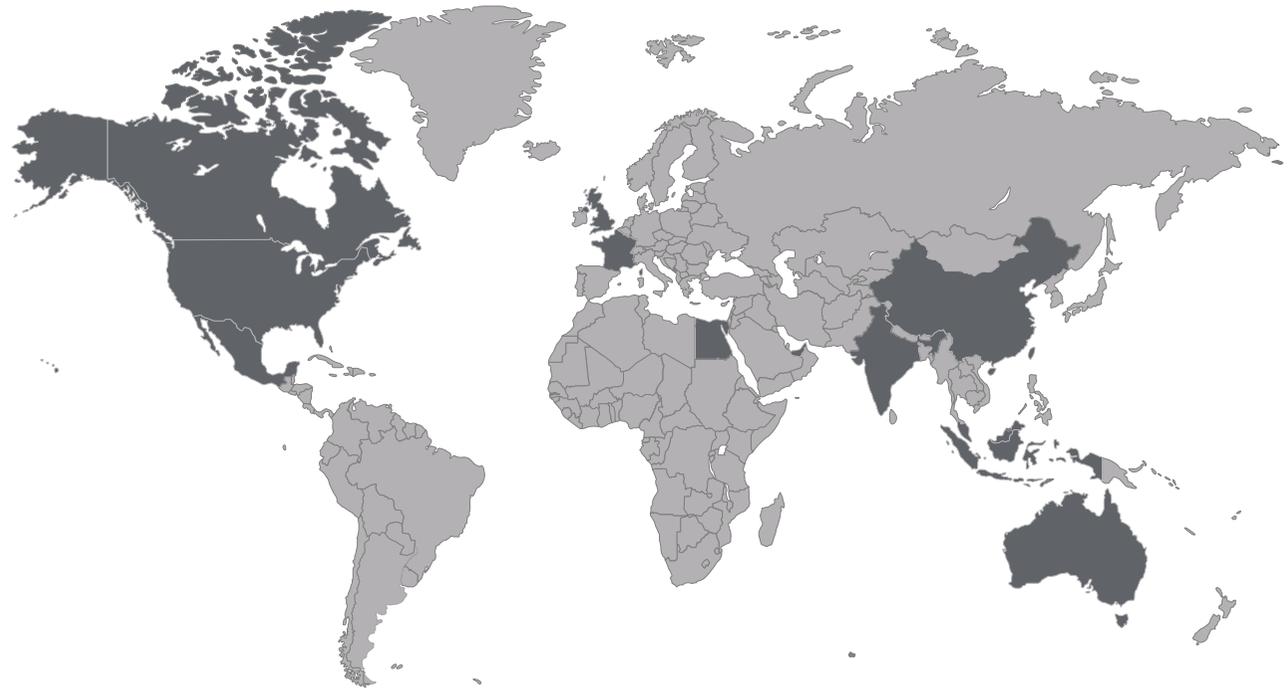


The research

The Value of Education is an independent consumer research study into global education trends, commissioned by HSBC. It provides authoritative insights into parents' attitudes and behaviour towards their children's education around the world.

This report, *Higher and higher*, is the fourth in the series and represents the views of 8,481 parents in 15 countries and territories.

Since The Value of Education programme began in 2014, more than 24,000 parents have been surveyed



[Survey](#)

[Definitions](#)

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The findings are based on a sample of parents with at least one child aged 23 or younger currently (or soon to be) in education, drawn from nationally representative online panels in each country or territory.

Over 500 parents (including at least 150 with a child at university or college) were surveyed in all countries.

Figures have been rounded to the nearest whole number.

The research was conducted online by Ipsos MORI in February 2017, with interviews in Egypt conducted face-to-face.

The 15 countries and territories are:

- Australia
- Canada
- China
- Egypt
- France
- Hong Kong
- India
- Indonesia
- Malaysia
- Mexico
- Singapore
- Taiwan
- United Arab Emirates
- United Kingdom
- United States

This country report represents the views of 500 parents in Malaysia.

Survey

The research

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Primary education - Also known as primary or elementary school.

Secondary education - Also known as secondary or high school.

Tertiary education - Also known as college or university.

College - Also known as trade, technical, career or vocational college.

University - Also known as further education, higher education or college

Millennial parents: Born between 1980 and 1997

Generation X parents: Born between 1966 and 1979.

Baby Boomer parents: Born between 1945 and 1965.

*Spending on education (methodology)

To calculate spending on education, parents who are currently contributing to funding any aspects (e.g. school/university tuition fees, educational books, transport, accommodation) of their child's primary, secondary and tertiary education (up to undergraduate level) were asked approximately how much they contribute each year.

The average yearly amount spent by parents on each stage of education in each country was multiplied by the typical length of each educational stage in that country, to derive the total amount spent on a child's education.

The exchange rates used are based on the NZForex 2016 average yearly rate

Definitions

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HSBC Holdings plc

HSBC Holding plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from approximately 4,000 offices in 70 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of \$2,416bn at 31 March 2017, HSBC is one of the world's largest banking and financial services organisations.

HSBC Education Programme

HSBC's Education Programme aims to spark young ambition. Along with a wide range of education projects in regions and countries, HSBC has two global flagship education programmes: the HSBC Youth Opportunities Programme which helps the most at-risk young people access education and skills training, and JA More than Money which helps 7- to 11-year-olds to learn about money management and the skills necessary to succeed in the workplace.

About HSBC

The research

The Value of Education is an independent consumer research study into global education trends, commissioned by HSBC. It provides authoritative insights into parents' attitudes and behaviour towards their children's education around the world.

This report, *Higher and higher*, is the fourth in the series and represents the views of 8,481 parents in 15 countries and territories.

Since The Value of Education programme began in 2014, more than 24,000 parents have been surveyed



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