



Promotank HQA

Readiness to pay for high quality western style education in Bishkek market

To find out the tuition levels that the Bishkek market is ready to pay for high quality western-style education, provided by AUCA

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SUMMARY

It was discovered during the survey that AUCA is still the most preferred University among Bishkek parents, although it shares the same position with Slavonic University. People have positive associations in general with AUCA when asked open-ended question: most people associate AUCA with “quality education” and “prestige”. No one associated AUCA with corruption, while other Universities all received some level of association with corruption. At the same time AUCA is perceived as most expensive University, with average price perception being \$2000.

HOW MUCH ARE PARENTS READY TO PAY FOR HIGH QUALITY WESTERN STYLE EDUCATION?

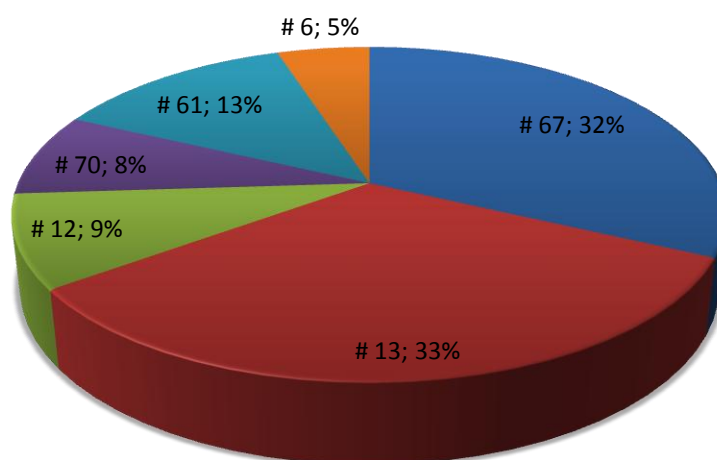
Parents are also ready on average pay more for AUCA education, about \$1100, which is twice as higher than the next in the line – Slavonic University. 11% of respondents are able to pay more than \$2000 for high quality western style education of their children in Kyrgyzstan, if the child would study in US or Europe, people are willing to pay much more – 52% are ready to pay \$4000 and more for education in USA.

14% of respondents have gross monthly household income of more than \$1000, majority (51%) have income levels between \$500-1000.

32% of respondents are ready to spend from 30 to 40% of family income for the higher education of their children. 31% of respondents answered that ready to spend from 50 to 60% of income.

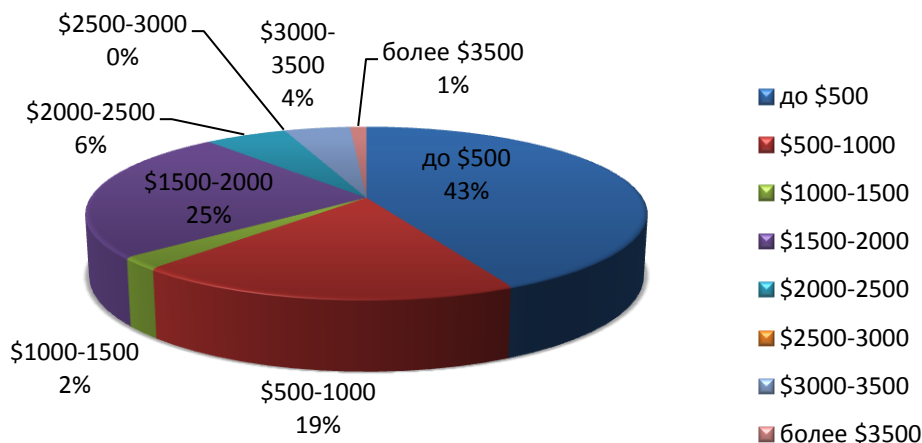
Most people are educating or planning to educate 1 or two children at the University in the nearest 2 years.

Respondents: Parents of potential students, last year pupils of Bishkek secondary schools. Respondent pool was sampled from the schools, traditional suppliers of AUCA students: ## 61, 67, 13, 6, 12, and 70. Bishkek schools were chosen because mainly Bishkek citizens are able to pay full tuition. Total of 92 respondents were surveyed.



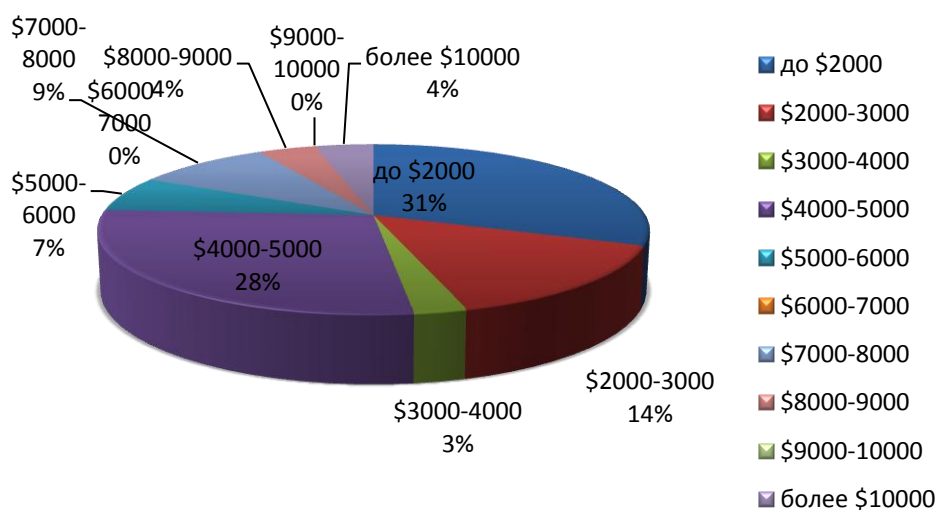
According to analysis of the first question, which asks: “How much are you ready and able to pay for high quality Western education of your children in Kyrgyzstan, the USA, and Europe?”, we observe the following outcomes:

IN KYRGYZSTAN



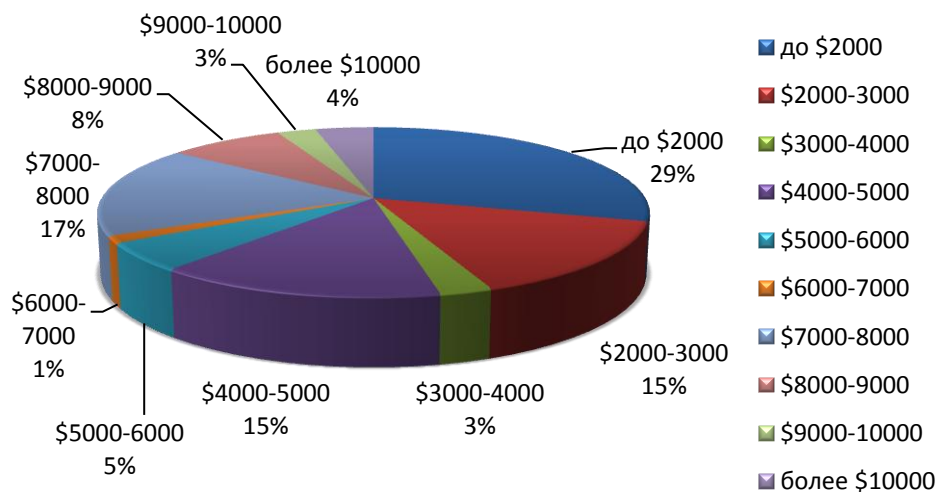
Majority of respondents (43%) are ready and able to pay for high quality Western education of their children in Kyrgyzstan no more than \$500; 25% of the interviewed – from \$1500 to \$2000; 19% are ready and able to pay from \$500 till \$1000.

IN THE USA



Almost one third of respondents are ready and able to pay for high quality Western education in the USA up to \$2000 (not including expenditures for meal, lodging, books etc.). 28% is ready and able to pay \$4000-5000.

IN EUROPE



Concerning the cost of education in Europe almost one third of questioned parents are ready and able to spend up to \$2000, 15% of respondents – from \$2000 till \$3000, the same percentage – from \$4000 till \$5000.

HOW MUCH DOES EDUCATION COST IN SELECTED UNIVERSITIES?

The answers to the question 2: “In your opinion, how much education costs in the following universities?” is as follows:

	Ala-Too	AUCA	IIMOP KNU	KRSU	IUK
Average	628	1673	577	807	551
Mode	200	2000	500	500	500
Median	500	1950	585	800	500
Max	2000	3000	1000	2570	1700
Min	200	200	50	100	80

Mode, frequency	10	25	14	15	10
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The research shows, that the respondents think that the minimum cost for education in the given universities is the following:

Ala- Too	\$200
AUCA	\$200
IIMOP KNU	\$50
KRSU	\$100
IUK	\$80

Respondents answered that the maximum cost for education in the given universities is the following:

Ala- Too	\$2 000
AUCA	\$3 000
IIMOP KNU	\$1 000
KRSU	\$2 570
IUK	\$1 700

The research shows that the mode cost for education (mode shows the most frequent answer given by respondents) is the following:

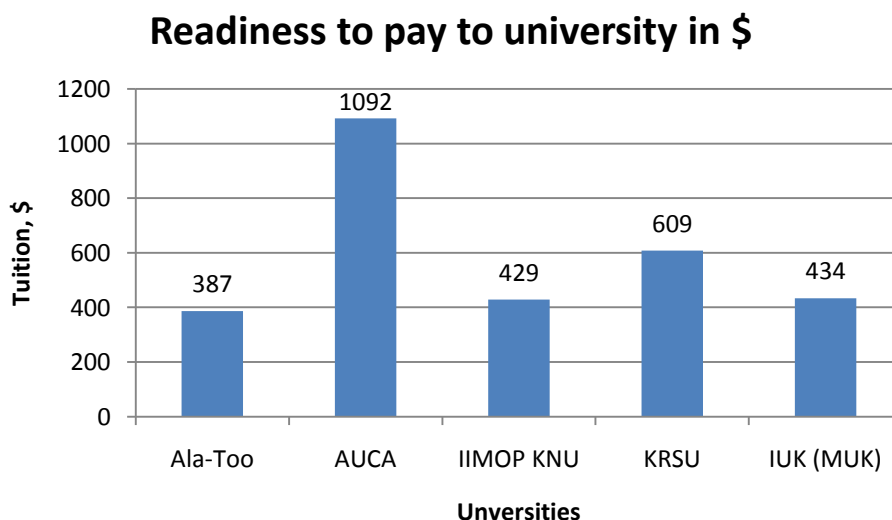
Ala- Too	\$200
AUCA	\$2 000
IIMOP KNU	\$500
KRSU	\$500
IUK	\$500

HOW MUCH ARE PARENTS READY TO PAY FOR EDUCATION FOR THEIR CHILD

On question 3: “How much are you ready to pay for education for your child in the following universities” the answers were as follows:

Ala-Too Turkish University - 49 out of 92 average sum is \$387 (43 people didn't responded to the question). AUCA – 83 people are able to pay \$1093 on average (9 people didn't respond). National University – average - \$430. Kyrgyz Slavic University -, average sum that they are able to pay is \$608 (16 didn't respond). IUK (International University) - average sum that they are able to pay is \$433 (45 didn't respond to the question).

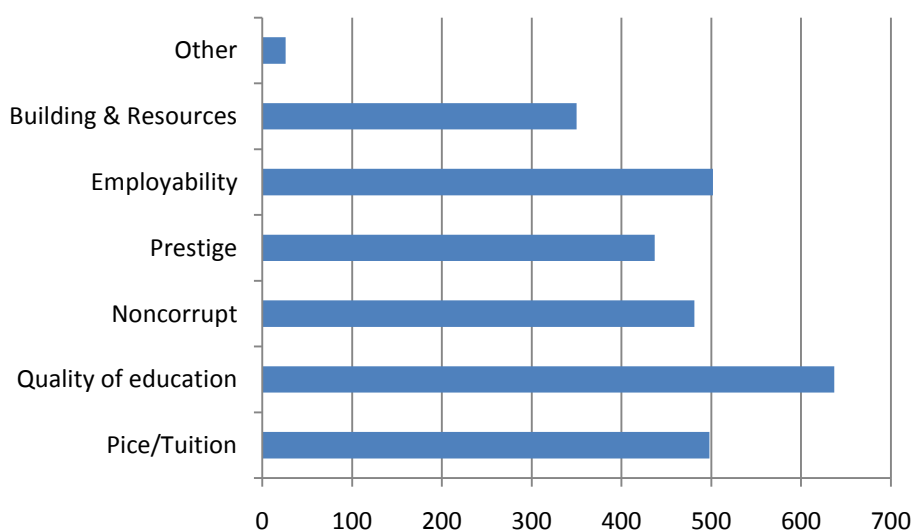
No answers may be interpreted as respondent not being interested or aware in particular university. Thus, the least interesting or well-known university among the universities is IUK, then National University, and Slavic university. AUCA looks like the most popular and interesting judging from the number of “blanks”.



CRITICAL FACTORS IN CHOOSING THE UNIVERSITY

Question 4 was regarding the critical factors in choosing the University (Which criteria are most important for you when choosing a University for your child. Please rank the following criteria from 1 to 8, 1 being the most important criteria for you, 2 – less important and so on). Criteria listed were Price, Quality of education, Lack of corruption, Prestige, Employment Opportunity after graduation, Building and Resources, Other.

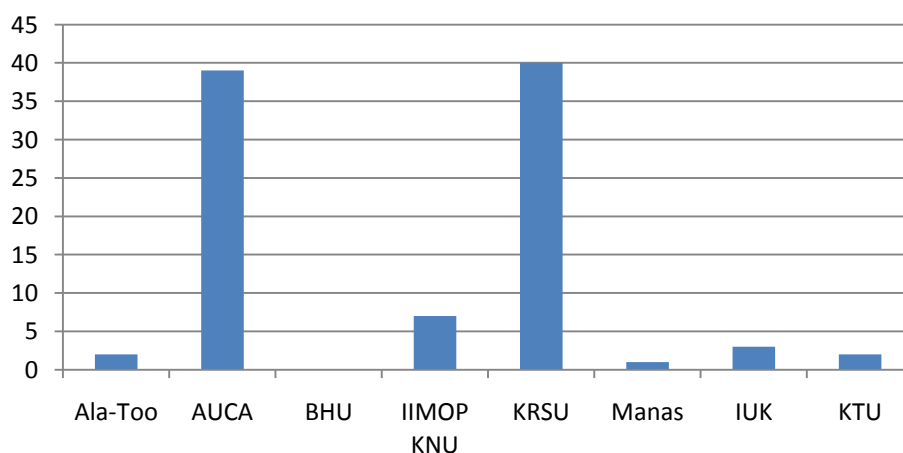
As the total values given to each criteria were summed up it turned out that respondents in general give biggest importance to Quality of education. Price and Employability come second.



UNIVERSITY RANKING BY PREFERENCE

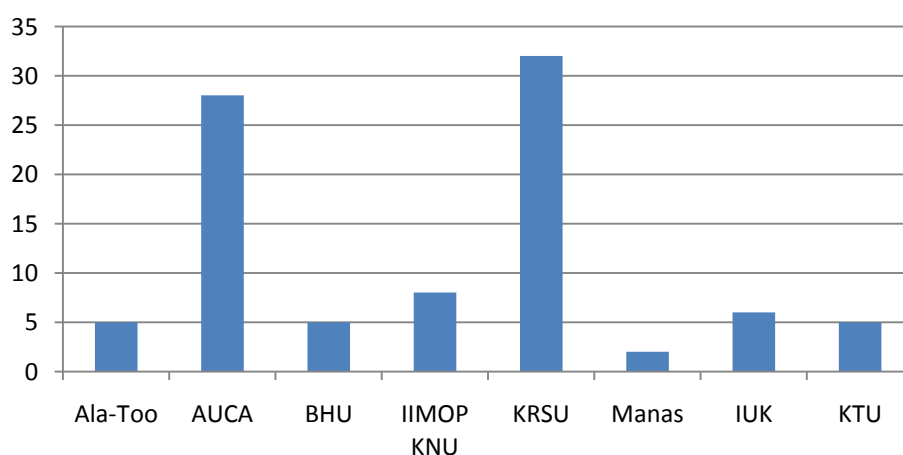
When parents were asked to scale the following universities from 1 to 9 (1-being as the most and 9 the least preferred for their children) around 42% of the respondents (39 parents out of 92) scaled the AUCA as N1. About the same percentage approximately 43% of respondents scaled (40 parents) KRSU as the most preferred. In short, the KRSU and the AUCA equally share the position of the most preferred university among the parents.

The most preferred university



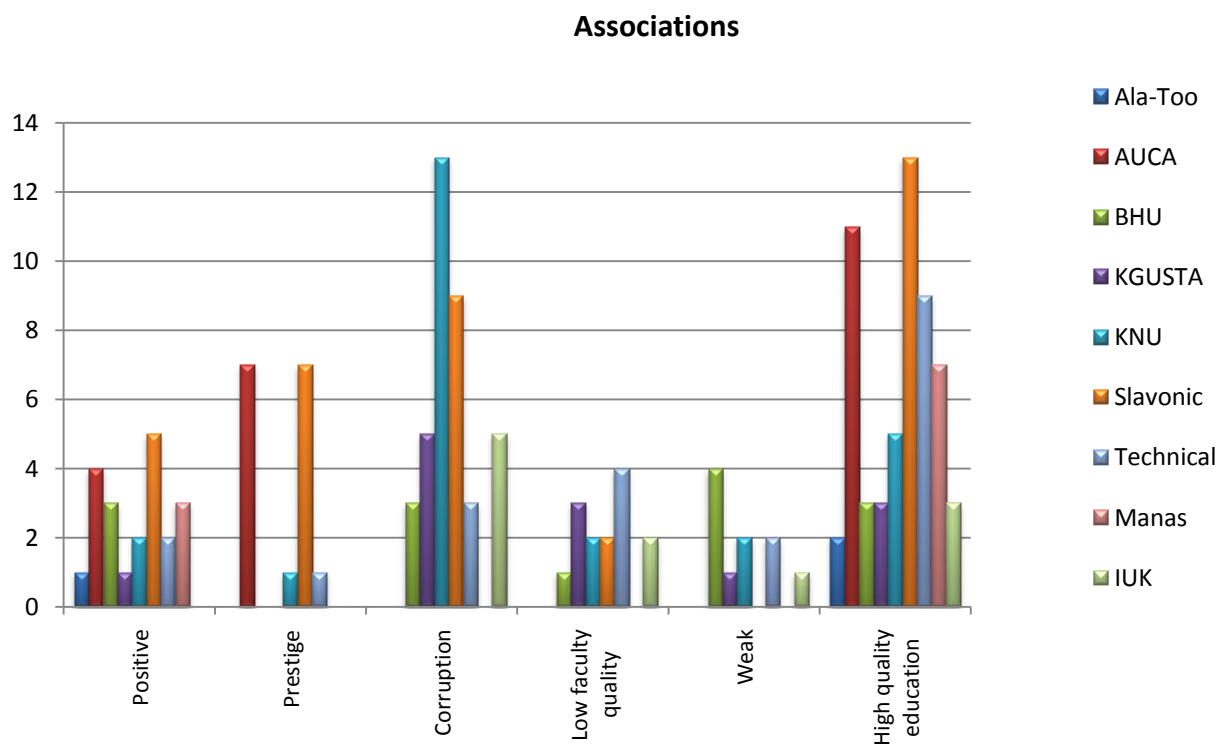
The AUCA has been scaled as N2 University by 30% of the respondents (28 parents out of 92) while the KRSU has been scaled as N2 University by 34% of the respondents that's 32 parents. Thus, on the bases of the responses we could see that the same two universities, which are the KRSU and the AUCA, less firmly but dominantly, hold N2 position.

2nd most preferred university



SPECIFIC ASSOCIATION WITH UNIVERSITIES

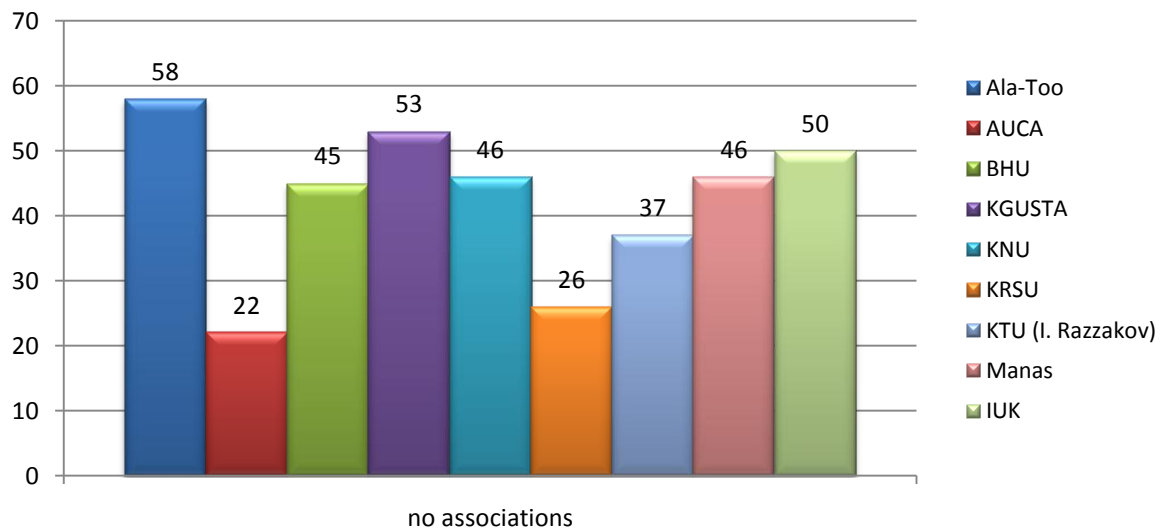
Question 6 asked about the specific associations that respondents have when exposed to the names of the following Universities?



According to the responses to the open ended question on associations, 4 people said they have positive attitude towards AUCA, which is one less than for Slavonic Univ. 7 people said that AUCA is good or excellent University, 8 for Slavonic. 7 people associate AUCA with prestige.

AUCA, as well as Turkish universities are not associated with corruption. All other universities are associated with corruption. Slavonic university had 9 people associating it with corruption,

AUCA is not mentioned with regards to the problem of the poor quality of faculty as well. 11 people associate AUCA with quality education, which second to Slavonic with 13 people associating it with high quality education. Probably this relates to the fact that majority of people still trust Russian education for quality. Respondents think that AUCA is the expensive university – 9 people. Other universities are not associated with this attribute. 13 people associate AUCA with English language. The next nearest is Ala-Too Turkish University with 2 people. Humanitarian University is associated with Chinese language. Turkish Universities naturally associated with Turkish language.



Many people didn't have any associations with particular Universities. For example Ala-Too – 58 didn't have any associations, AUCA has the lowest number of people who didn't have any associations with it – 22. It shows that majority of people are aware about AUCA, and have some associations, mostly positive.

RESPONDENTS' MONTHLY INCOME LEVEL

Question 7 asked the monthly income levels of respondents. The following answers were received:

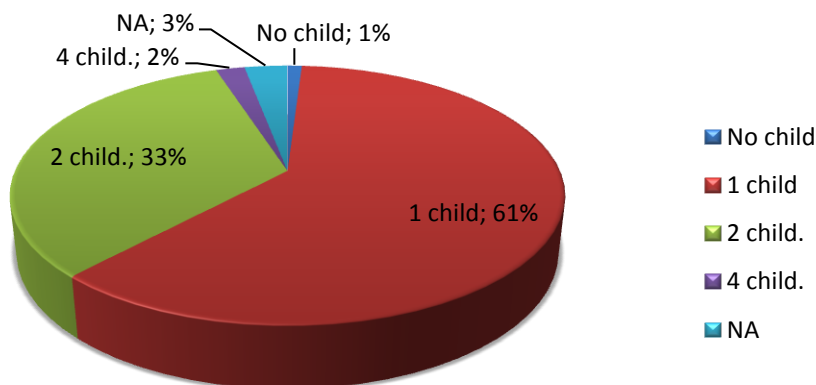
Out 84 respondents, 27 (32%) pointed out that their gross monthly household income is \$ 500 - 700. 21 respondent (25%) has monthly income of \$300-500. 19% of respondents have incomes of \$700-1000. 14% have incomes higher than \$1000

Gross monthly household income	# of respondents	% %
\$0-201	6	7%
\$300-500	21	25%
\$500-700	27	32%
\$700-1000	16	19%
\$1000-1500	9	11%
\$1500-2500	2	3%
\$2500-5000	2	3%
\$5000 - higher	1	1%
Total	84	100%

NUMBER OF CHILDREN PLANNING TO STUDY IN A UNIVERSITY

It was also discovered that 56 of all respondents plan to educate (or are educating) 1 child in the nearest 2 years. 30 families plan to educate (or are educating) 2 children. 2 families will educate 4 children. 0 children will be educated in 1 family-respondent, and 3 respondents didn't answer the questionnaire.

How many children are you educating/planning to educate in the nearest 2 years?



PART OF THE FAMILY INCOME PLANNED TO BE SPEND FOR THE HIGHER EDUCATION

To the last question: "What part (in %) of the family income are you ready to spend for the higher education of your children?" interviewed people answered in the following way:

Number of respondents	Number of respondents	Part of income
4%	4	10%
1%	1	15%
15%	14	20%
3%	3	25%
17%	16	30%
9%	8	40%
24%	22	50%
4%	4	60%
3%	3	70%
1%	1	75%
4%	4	80%
1%	1	90%
2%	2	100%
1%	1	Partial amount
2%	2	Required amount
1%	1	More than 50%
5%	5	Did not answer
100%	92	Total

The diagram below shows that 32% of respondents are ready to spend from 30 to 40% of family income for the higher education of their children. 31% of respondents answered that ready to spend from 50 to 60% of income and 23% of interviewed people are ready to spend from 10 to 20% of their income for the higher education.

The number of respondents that is ready to spend a specific part of family income on a higher education of their children

