Press Release

How America Values College

College is an investment worth making according to American families.

Washington, DC, August 17, 2018 — The clear majority of families believe higher education is well-worth the investment, and most students and parents are willing to stretch themselves financially to make it happen, according to "How America Values College 2018," the national study from Sallie Mae, the nation's saving, planning, and paying for college company, and Ipsos, an independent global market research company.

Sixty-six percent of college-going families believe they are getting a good value for the price they're paying for college: 36 percent report they are paying a fair price, 10 percent say they're getting somewhat of a bargain, and 20 percent believe the education is worth every penny.

About the Study

Ipsos conducted the How America Pays for College survey by online between Friday, April 20, 2018 and Friday May 25, 2018. Ipsos interviewed 2,000 individuals: 1,000 parents of 18 to 24-year-old undergraduate students, and 1,000 18 to 24-year-old undergraduate students.

Sample Design

The sample for this study was randomly drawn from Ipsos' online panel, partner online panel sources, and "river" sampling and does not rely on a population frame in the traditional sense. Ipsos uses fixed sample targets, unique to the study, in drawing sample. This sample design was a disproportionate stratified sample of parents of college students and college students. The sample was designed to over-represent African Americans and Hispanics, with a minimum of 150 responses from each group. After a sample has been obtained, Ipsos calibrates respondent characteristics to be representative of the U.S. Population using standard procedures such as raking-ratio adjustments. The source of these population targets is 2013 American Community Survey data. The sample was stratified by additional variables, such as region and student enrollment status.

Weighting

To correct for the disproportionate stratified sample, both samples were weighted using a statistical technique called raking, in which all the population marginal profiles of interest are replicated in the sample. The sample of parents was weighted by gender, age, race/ethnicity, region, education and by college information (region, size and type). The sample of students was weighted by gender, age, race/ethnicity, region, and by college information (region, size and type). All the demographic profiles used for both parents and students in the weights were sourced from the Current Population Survey (CPS). The National Center for Educational Statistics provided additional data for the college information weights.

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Bayesian Credibility Intervals

The calculation of credibility intervals assumes that Y has a binomial distribution conditioned on the parameter θ\, i.e., Y|θ~Bin(n,θ), where n is the size of our sample. In this setting, Y counts the number of "yes", or "1", observed in the sample, so that the sample mean ($\bar{y}$) is a natural estimate of the true population proportion θ. This model is often called the likelihood function, and it is a standard concept in both the Bayesian and the Classical framework. The Bayesian 1 statistics combines both the prior distribution and the likelihood function to create a posterior distribution. The posterior distribution represents our opinion about which are the plausible values for θ adjusted after observing the sample data. In reality, the posterior distribution is one's knowledge base updated using the latest survey information. For the prior and likelihood functions specified here, the posterior distribution is also a beta distribution (π(θ/y)~β(y+a,n-y+b)), but with updated hyper-parameters.

Our credibility interval for θ is based on this posterior distribution. As mentioned above, these intervals represent our belief about which are the most plausible values for θ given our updated knowledge base. There are different ways to calculate these intervals based on π(θ/y). Since we want only one measure of precision for all variables in the survey, analogous to what is done within the Classical framework, we will compute the largest possible credibility interval for any observed sample. The worst case occurs when we assume that a=1 and b=1 and y=n/2. Using a simple approximation of the posterior by the normal distribution, the 95% credibility interval is given by, approximately 2.5.

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About Ipsos

Ipsos is an independent market research company controlled and managed by research professionals. Founded in France in 1975, Ipsos has grown into a worldwide research group with a strong presence in all key markets. Ipsos ranks fourth in the global research industry.

With offices in 89 countries, Ipsos delivers insightful expertise across five research specializations: brand, advertising and media; customer loyalty; marketing; public affairs research; and survey management.

Ipsos researchers assess market potential and interpret market trends. They develop and build brands. They help clients build long-term relationships with their customers. They test advertising and study audience responses to various media and they measure public opinion around the globe.

Ipsos has been listed on the Paris Stock Exchange since 1999 and generated global revenues of €1,780.5 million in 2017

GAME CHANGERS

« Game Changers » is the Ipsos signature.

At Ipsos we are passionately curious about people, markets, brands and society.
We make our changing world easier and faster to navigate and inspire clients to make smarter decisions.
We deliver with security, speed, simplicity and substance. We are Game Changers.

Ipsos is listed on Euronext Paris.
The company is part of the CAC Mid & Small index
and is eligible for the Deferred Settlement Service (SRD).

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