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Bridging the Gap: Insights on Cost and Value of a College Degree





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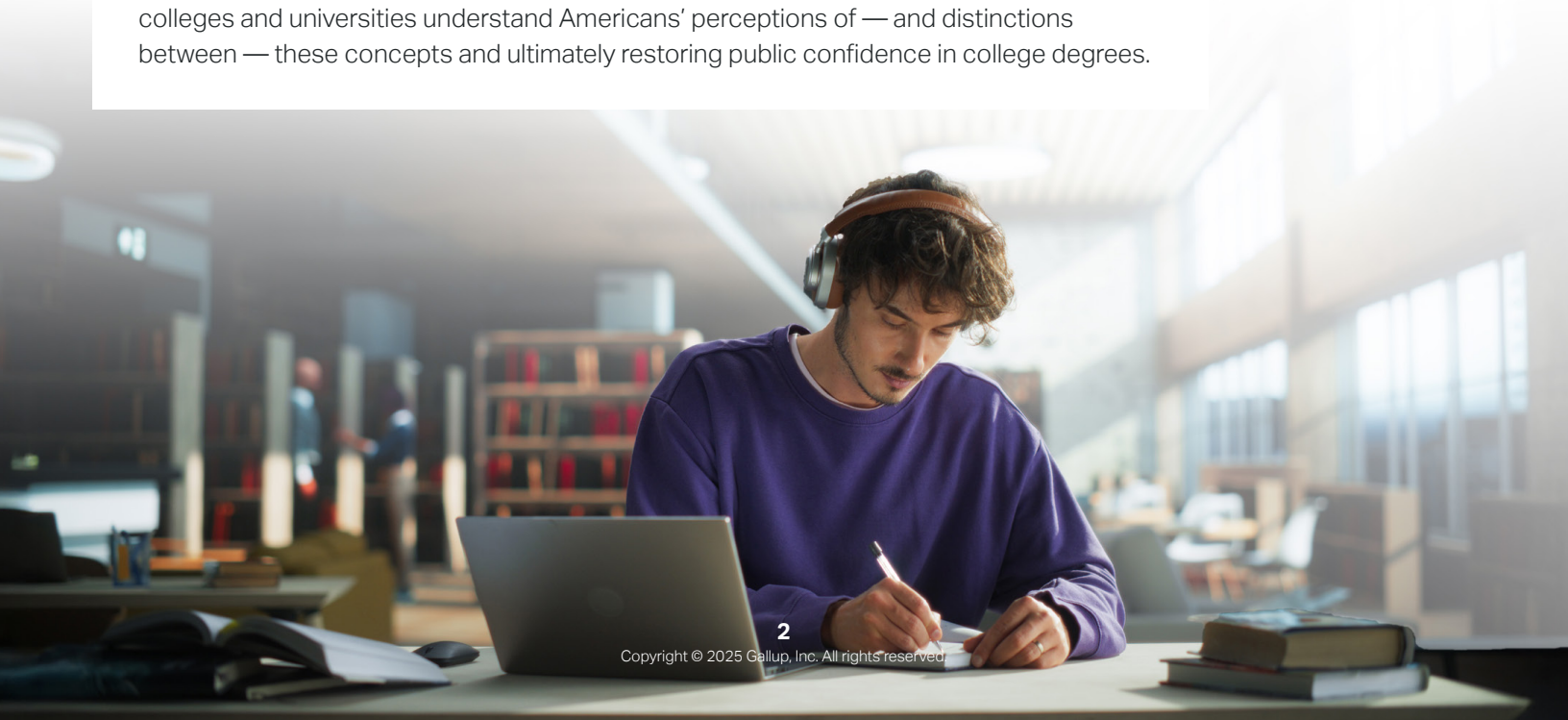
Executive Summary

Since 2020, Lumina Foundation and Gallup have partnered to conduct the Lumina Foundation-Gallup State of Higher Education study, a research effort designed to quantify the experiences and attitudes of U.S. adults who do not have a college degree. The findings shed light on the challenges these adults face in completing or enrolling in a degree, certificate or certification program and provide administrators and policymakers with the insights they need to help current and prospective students overcome these barriers.

One of the most common problems critics of higher education point to is the rising cost of tuition, particularly at four-year universities. On average, the cost of a bachelor's degree tuition at a public institution is just under \$10,000 per year; at private, not-for-profit universities, the annual cost of tuition averages just under \$41,000. The State of Higher Education data reveal that current and prospective students question the fairness of these costs and that cost is one of the most pervasive barriers to pursuing higher education.

However, while the public believes the cost of a college degree is too high or unfair, most Americans still see value in having a degree. The 2025 State of Higher Education survey finds that most adults without a college degree believe higher education is valuable, particularly for career success.

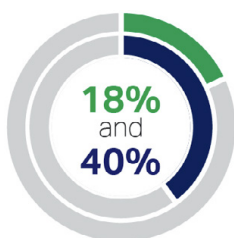
Disentangling the seeming paradox of cost versus value is an important step in helping colleges and universities understand Americans' perceptions of — and distinctions between — these concepts and ultimately restoring public confidence in college degrees.



Key findings from this year's survey include:



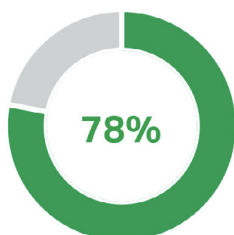
More than half of adults without a college degree say bachelor's degrees (70%) and associate degrees (55%) **are "extremely" or "very" valuable**. Three-quarters of these adults say at least one college degree is valuable.



Just 18% of U.S. adults without a college degree believe **the cost four-year colleges charge for tuition is fair**, while 40% say the same of two-year colleges. However, 42% of current bachelor's degree students and 61% of associate degree students believe **their school is doing an "excellent" or "good" job of keeping costs down**.



While most current students say the investment they are making in college is worth it, this is also true of those who have never enrolled: 63% of **adults who have never pursued a college degree believe investing in a bachelor's degree would be worth it for them**, and 72% say the same of an associate degree. Additionally, 58% of adults without a degree think investment in college pays off within five years, and 86% believe it pays off within 10 years.



Career outcomes are closely tied to students' perceptions of program quality and value: 78% of college students who say **the quality of their program overall is "excellent"** also say **their courses are "very well aligned" with post-graduation jobs**. Conversely, less than half of students who say the quality of their program is "very good," "good," "fair" or "poor" believe their program is very well aligned with their career goals.

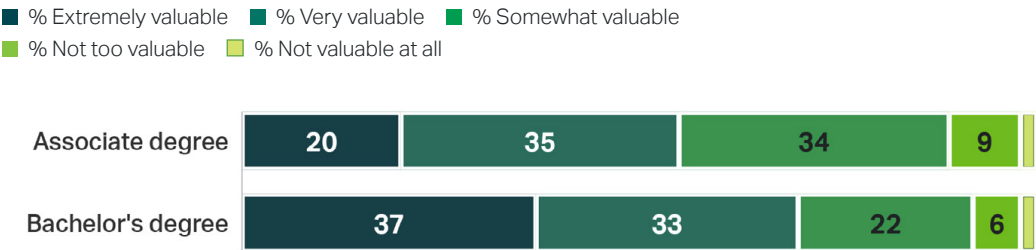
Detailed Findings

Majority of U.S. adults without a degree believe a college education is valuable.

Despite recent declines in confidence in higher education, majorities of non-degree-holding adults believe associate degrees and bachelor’s degrees are “extremely” or “very” valuable. However, they are more likely to say that bachelor’s degrees (70%) are extremely or very valuable than to say the same of associate degrees (55%).

CHART 1
Perceived Value of a College Degree
Among adults without a college degree

In general, how valuable are each of the following types of degrees and credentials?



Note: Numerical values shown when 5% or higher.

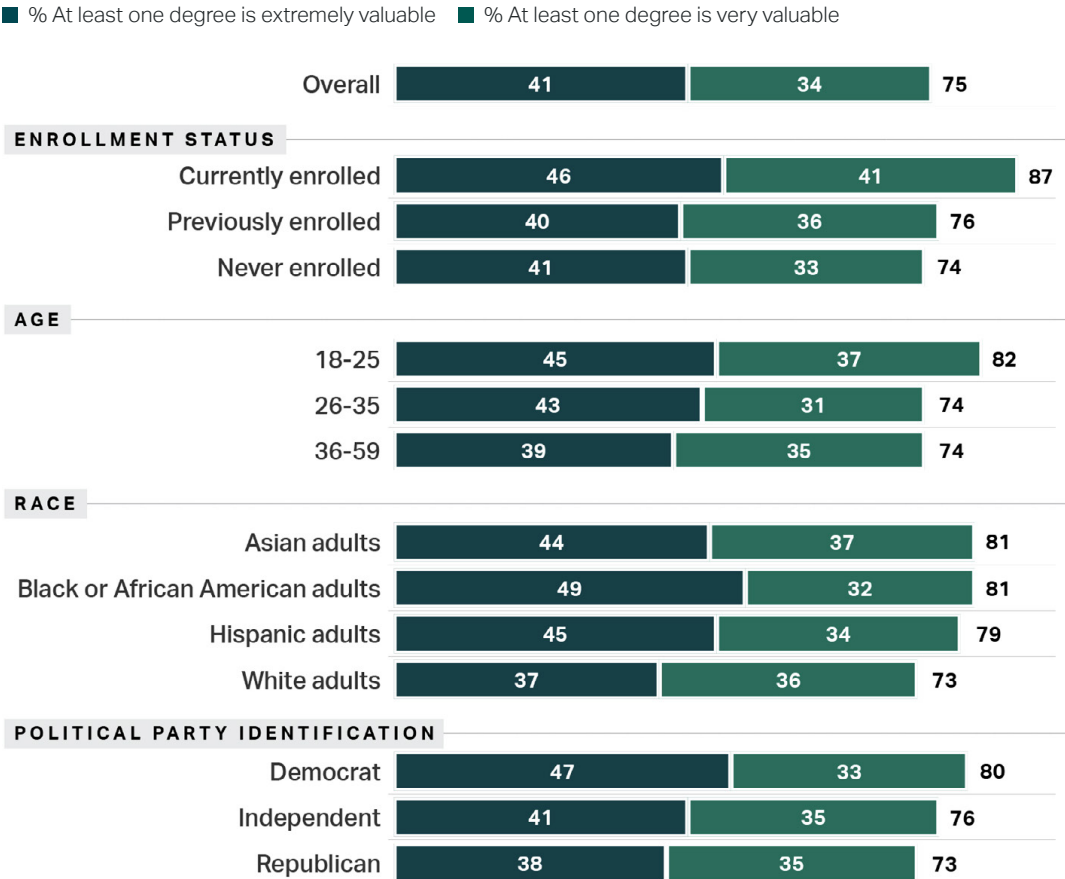
Across non-degree-holding adults of all ages, races and political affiliations, between 73% and 87% say at least one degree is extremely or very valuable. Moreover, while they have not personally engaged with college, three-quarters of adults who have never enrolled in a degree program still believe that at least one type of college degree is valuable.

CHART 2

Perceived Value of Having at Least One College Degree by Enrollment Status and Demographic Groups

Among adults without a college degree

In general, how valuable are each of the following types of degrees and credentials?



Note: Due to rounding, percentages may sum to $\pm 1\%$.

Overall perceptions of the value of associate and bachelor’s degrees among those without a college degree each dropped by roughly five points over the past year. These declines were primarily driven by the opinions of Asian adults (with a 13-point drop in their view of the value of an associate degree and a 10-point drop regarding bachelor’s degrees) and White adults (9- and 8-point drops, respectively). Changes in Black and Hispanic adults’ views ranged from a two-point decrease to a one-point increase. Meanwhile, there were no notable differences by age or political preference, as adults across these groups reported similar four- to seven-point decreases in perceived value.

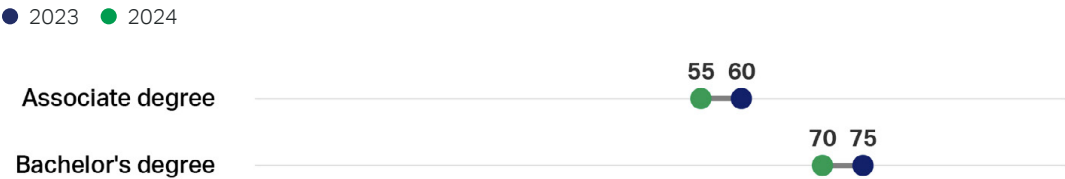
CHART 3

Change in Perceived Value of a College Degree (2023-2024)

Among adults without a college degree

In general, how valuable are each of the following types of degrees and credentials

(% Extremely valuable + % Very valuable)



Note: Due to rounding, percentage-point differences may vary by 1 pct. pt.

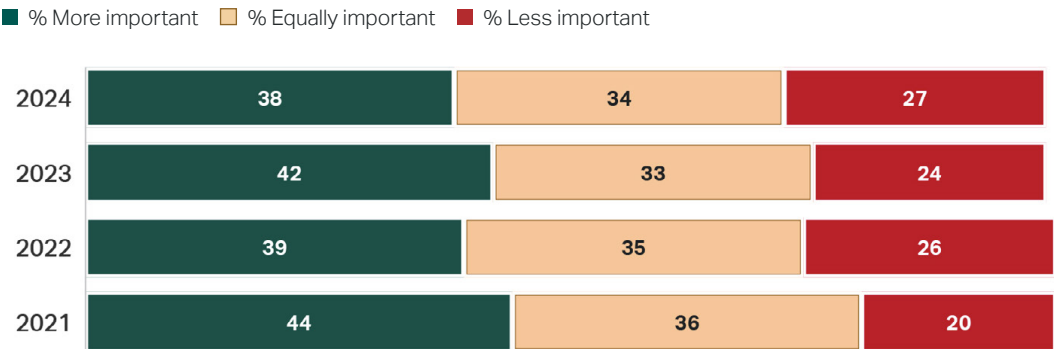
Notwithstanding these decreases, the fact that three-quarters of U.S. adults without a degree continue to value some form of college education is likely related to the influence degrees have on career outcomes. Although it is the lowest level recorded since 2021, more than seven in 10 say a two- or four-year degree has become more important (38%) to career success over the past 20 years or remained just as important (34%).

CHART 4

Views on the Importance of a College Degree Now Compared to 20 Years Ago (2021-2024)

Among adults without a college degree

Compared to 20 years ago, how important is it for people today to have a two-year or four-year college degree in order for them to have a successful career?



Note: Due to rounding, percentages may sum to 100% ±1%.

Economic projections support public sentiment on the subject. According to a 2024 report from Georgetown University, by 2031, about two-thirds of “good jobs” — defined as those that pay a family-sustaining wage — will require a bachelor’s degree, and a further 19% will require an associate degree, certificate or certification.¹ These data suggest that within the next decade, just 15% of good jobs will be available to adults without some type of college degree or credential.

1 Stohl, J., Gulish, A., & Morris, C. (2024). *The future of good jobs: Projections through 2031*. Georgetown University Center on Education and the Workforce. cew.georgetown.edu/goodjobsprojections2031

Few current or prospective students believe four-year college tuition costs are fair, though current students are slightly more favorable toward their institutions.

While non-degree-holding adults agree that education after high school is valuable, the State of Higher Education study has consistently found that cost and finances remain significant barriers to enrollment. More than half of these adults (59%) say four-year colleges do not charge fair prices for their degrees — about three times the percentage who believe prices are fair (18%). Two-year colleges, which on average **charge significantly less for tuition** than their four-year peers,² fare slightly better: About as many U.S. adults without a degree believe community colleges charge fair prices (40%) as do not (36%).

CHART 5
Perceived Fairness of the Cost of a Degree Program
Among adults without a college degree

Do you think _____ charge fair prices for what they offer students and graduates?

■ % Yes ■ % No ■ % Unsure



Note: Due to rounding, percentages may sum to 100% ±1%.

“

There’s a lot of opportunities in higher education that you wouldn’t otherwise be exposed to in law enforcement ... The minimum is to get either an associate degree or a high school education, but having a bachelor’s degree actually gives you an open door to higher levels, higher positions in an organization, meaning you get a bigger voice in determining what policies go out, you can have a bigger impact on the community around you and advocate for [others].

— Hispanic female, 22, Community college student

2 Fast facts: Tuition costs of college and universities. (n.d.). National Center for Education Statistics. Retrieved Jan. 28, 2024, from <https://nces.ed.gov/fastfacts/display.asp?id=76>

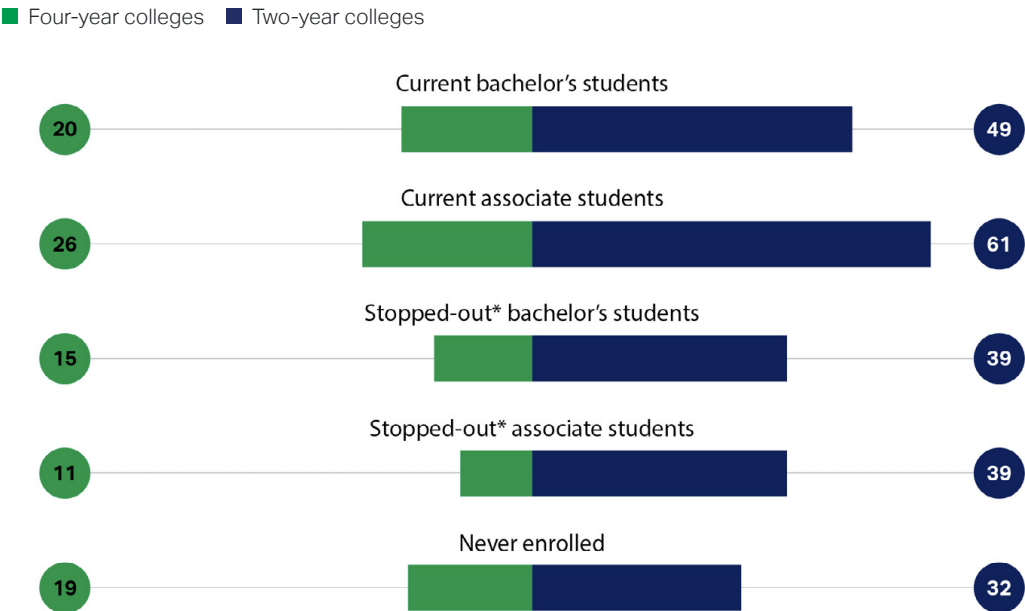


Perceived fairness of the cost of a four-year degree does not vary notably based on whether adults are currently enrolled or previously stopped out of a bachelor’s degree program; however, enrollment status does influence whether adults believe two-year colleges charge fair prices. Sixty-one percent of current associate degree students feel community colleges charge its students fair prices, compared to 39% of stopped-out associate degree students — i.e., those who enrolled in an associate degree program but did not complete it — and 32% of adults who have never enrolled in higher education.

CHART 6
Perceived Fairness of the Cost of a Degree Program by Enrollment Status
Among adults without a college degree

Do you think _____ charge fair prices for what they offer students and graduates?

% Yes

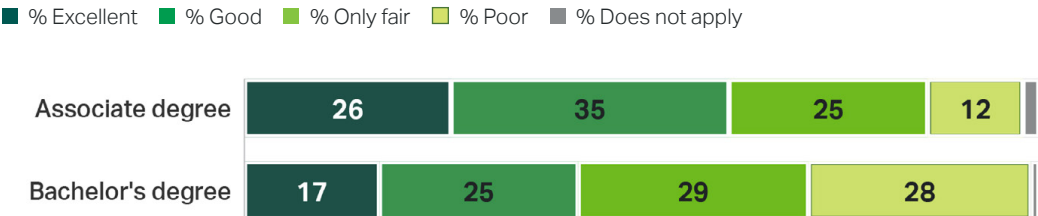


*Stopped-out students refer to those students who enrolled in a program, but stopped attending the program before completing it.

While adults overall believe that universities generally do not charge fair prices for their degrees, students are somewhat more favorable toward their own school’s efforts to control costs — particularly those pursuing a four-year degree. About six in 10 currently enrolled associate degree students say their school does an “excellent” or “good” job of keeping costs down, and 42% of currently enrolled bachelor’s degree students say the same of their own universities.

CHART 7
Current Students' Ratings of Their Institution's Efforts to Control Costs
Among currently enrolled students

How would you rate your institution in each of the following areas:
Keeping college costs down



Note: Numerical values shown when 5% or higher.

Though the tuition cost of a bachelor's degree at a private, not-for-profit university is roughly four times that of a public university,³ there is no such gap in students' assessments of their colleges: 40% of bachelor's degree students at public universities say their school does a "good" or "excellent" job of keeping costs down, compared to 35% of those at private, not-for-profit universities.

“

When I graduate, I'll be making over six figures in five years, which is not a figure I would have ever thought I would earn in my lifetime ... I had a great-paying job prior to this — I was making significantly more — but talking with my coworkers who had worked there 10, 15, even 20 years, they were only making a little bit more than I did when I started. And I realized the room for growth just wasn't there.

— White male, 23,
Community college student



3 Ibid.

Most U.S. adults without a degree say college is worth the investment and pays off within five years.

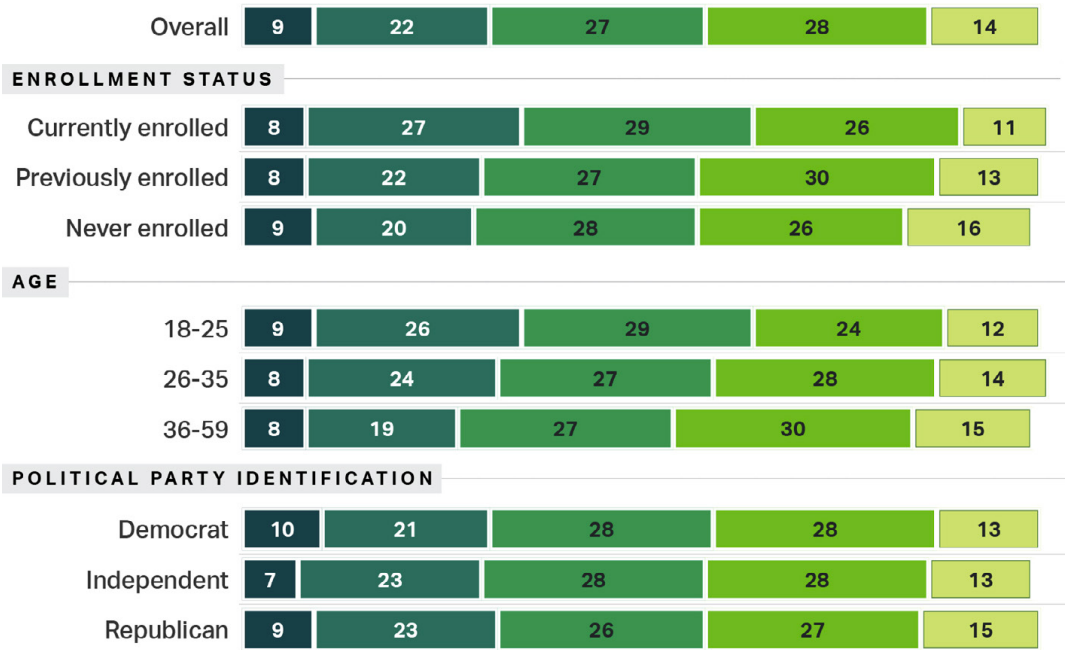
Whether due to the career benefits that come with a college degree or something else, most Americans believe the investment a person makes in a college degree pays off in relatively short order. Nearly six in 10 non-degree-holding adults (58%) say a college degree pays off within five years, and 86% believe it pays off in 10 years or fewer. While these figures are highest among those currently pursuing higher education, 58% of adults who have never enrolled in any degree program believe a college degree pays off within five years.

CHART 8
Estimated Time for Investment in College to Pay Off

Among adults without a college degree

About how much time, in years, do you think it takes for a college graduate’s investment in college to pay off once they leave college?

1 year or less 2 to 3 years 4 to 5 years 6 to 10 years More than 10 years



Note: Due to rounding, percentages may sum to 100% ±1%.

While Republicans express far less confidence in higher education than Democrats and independents, 57% of Republicans believe a college degree pays off within five years – about the same percentage as Democrats (59%) and independents (59%).

Ninety percent of currently enrolled associate and bachelor’s degree students say the investment they are making in college is worth it — a percentage that does not vary meaningfully based on whether they are attending a two- or four-year institution or whether that school is a public or private, not-for-profit university. Interestingly, whether students have borrowed loans to complete their program has no impact on whether they feel their investment is worth the cost.

Moreover, the majority of unenrolled adults believe a college degree is worth the investment. Among those who have never enrolled, 72% believe an associate degree would be worthwhile, and 63% say the same of a bachelor’s degree. Meanwhile, 64% of adults who stopped out of a degree program before completing it still believe a four-year degree would be worth the investment, and 81% say the same of two-year degrees, suggesting that many — if not most — of those who stop out of college do so despite the value they believe a degree would provide.

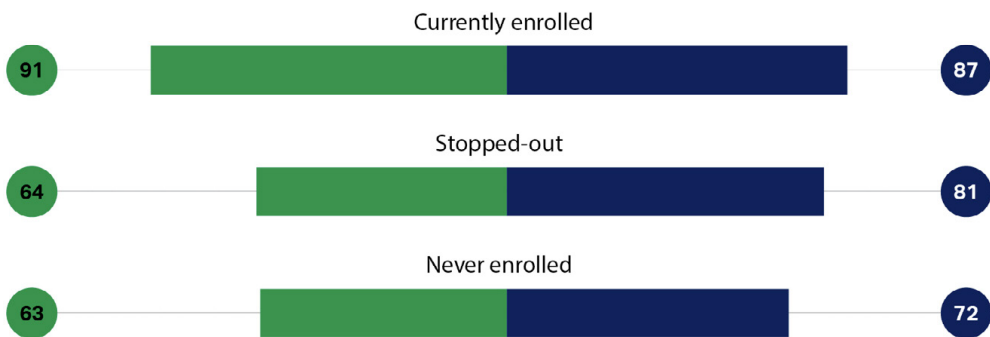
CHART 9
Views on the Worth of Investing in a Degree Program

Among adults without a college degree

Generally speaking, do you think the investment you _____ [is/would be] worth it for you?

% Yes, worth it

■ [Are making/Could make] in a **four-year** education ■ [Are making/Could make] in a **two-year** education



Students rate their programs positively regarding overall quality and career alignment.

In general, students pursuing a college degree believe their program is providing them with a high-quality experience. About two-thirds of associate degree students (65%) and nearly three-quarters of bachelor’s degree students (72%) say the quality of education they are receiving is “excellent” or “very good.” Relatively few students in either type of program say they are receiving a “fair” or “poor” education.

CHART 10
How Current Students Rate the Quality of Their Education

Among currently enrolled students

Which of the following best describes the quality of the education you are currently receiving in your program?

% Excellent % Very good % Good % Fair or poor



Note: Due to rounding, percentages may sum to 100% ±1%.

Previous iterations of the *State of Higher Education Report* have consistently found that career outcomes are the primary motivation for pursuing additional education after high school. It is perhaps unsurprising, then, that program quality is closely related to the extent to which a student's coursework aligns with their post-graduation career goals. Among associate and bachelor's degree students who say the quality of their education is "excellent," 78% say the program is "very well aligned" with the type of job they want after graduation. Among students who say the quality of their program is "very good," far fewer say it is very well aligned with their preferred post-graduation job (46%). Among students who rate their program as "good," "fair" or "poor," fewer than one in four say the program is very well aligned with their career goals.

While 41% of bachelor's degree students who are currently enrolled or stopped out before completing their program say their program is or was very well aligned with the job they want after graduation, this varies somewhat by the program's area of focus. About half of students in engineering (53%) and healthcare programs (49%) say their program is very well aligned; by comparison, fewer than four in 10 students in business (35%), natural sciences (37%) and technology programs (39%) say the same.

“

I do believe there's a lot of value in obtaining a bachelor's degree. It not only widens your knowledge, but it also exposes you to the many different types of communities that you would not otherwise be exposed to ... Community college, even though it's smaller than a four-year university, it's still broadened my view of the world and how to interact with other people, and it also exposed certain issues within the community that I otherwise wouldn't have known about.

*— Hispanic female, 22,
Community college student*

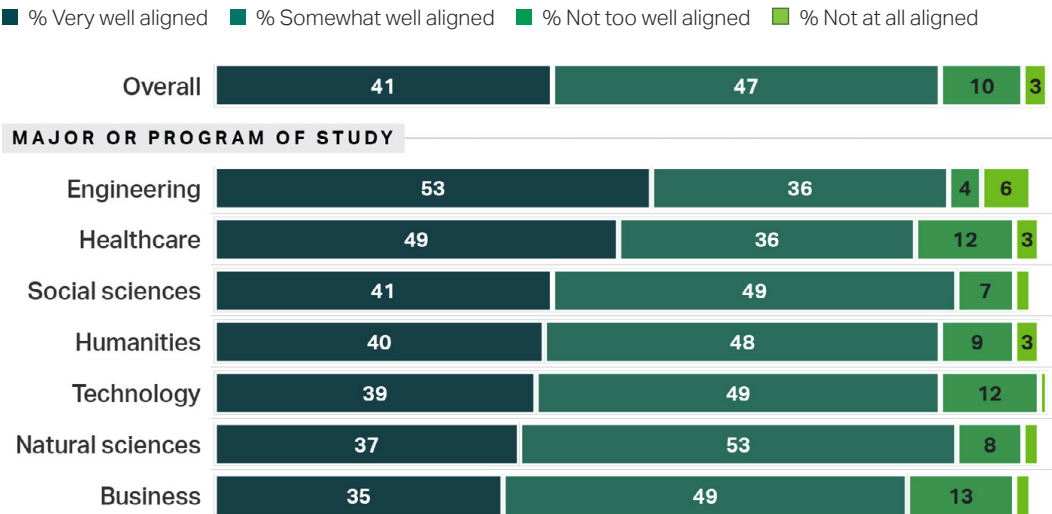


CHART 11

How Current Students Rate the Quality of Their Education by Major or Program of Study

Among currently enrolled and stopped-out bachelor's degree students

How well do you think the courses you [are taking/took] at [Institution] [are/were] aligned with the type of job you [want/wanted] when you [finish/finished] college/your certificate program?



Note: Due to rounding, percentages may sum to 100% ±1%.

Importantly, students generally believe their credentials will earn them *good* jobs: About half of students are “very confident” that the degree or credential will teach them job-related skills (47%) and will get them a job they love doing (44%). Slightly fewer are very confident their degree will help them earn enough money to live comfortably (39%). Between 85% and 91% of students are at least somewhat confident that their degree will lead to all three of these outcomes.

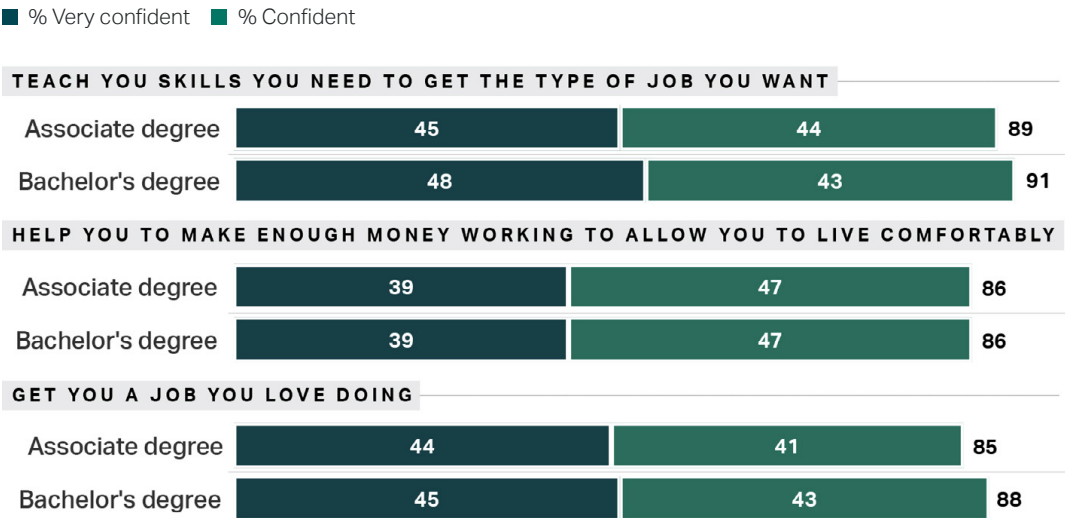


CHART 12

Confidence That a Degree or Credential Will Help Earn a “Good” Job

Among currently enrolled students

How confident are you that the degree or credential you are working towards will:



Note: Due to rounding, percentages may sum to ±1.

These sentiments vary only slightly depending on whether the student is pursuing a two- or four-year degree. However, students in social sciences and natural sciences are less confident than average that they will earn enough to live comfortably and find a job they love.

“

When you get a college degree, it makes you value yourself. It makes you feel like ... I can get the best job I want to. I can find a career in everything that I've always wanted to do. I feel like when I get my degree, I'm going to be on top of the world.

— Black female, 23,
Community college student



Implications

A July 2024 Lumina Foundation-Gallup survey found that nearly as many Americans say they have “very little” or “no” confidence in higher education (32%) as say they have “a great deal” or “quite a lot” (36%) of confidence. Perhaps even more concerning for college advocates is the 68% of adults who believe higher education is headed in the wrong direction.

Among those who lack confidence in higher education, 37% say college does not teach relevant skills or that a degree does not mean much after graduation. However, this narrative appears to be somewhat contradicted by the experience of actual students: Only about one in 10 currently enrolled students say their coursework is not well aligned with the job they hope to get after graduation. More than 80% of associate and bachelor’s degree students are confident their degree will secure them a job that not only pays enough to live comfortably but will also be something they are passionate about.

In addition to a belief that college is not preparing students for work and life, more than one in four adults who lack confidence in higher education say it is because college is too expensive. The State of Higher Education study has consistently found that the cost of tuition is one of, if not the most pervasive barrier to those who want to pursue a college degree, which may be a contributing factor to the roughly 10% decline in college enrollment between 2013 and 2023.

However, despite widespread concerns about whether college costs are fair, 91% of bachelor’s degree students and 87% of associate degree students say the investment they are making at their current college is worth the cost. Additionally, nearly nine in 10 current or prospective students believe a degree pays off within 10 years.

Separate analyses conducted by Lumina and Gallup suggest that economically, the payoff comes even sooner than that: If a student enrolls in college at age 18, the additional income they earn compared to workers with a high school diploma surpasses the cost of their degree after about eight years. This also does not account for college graduates’ increased workplace engagement — which, in turn, is related to improved wellbeing and life satisfaction — compared to workers without a degree. For some graduates, this may be an important component of the perceived “pay-off” of a college education.

The results of the 2025 State of Higher Education survey suggest that while the public agrees there is room for improvement in the cost of a degree, they have not wavered in the belief that a college education is valuable. This is especially true of current students, who are highly confident that their investment will pay off. The results also provide a road map for college administrators seeking to rehabilitate their flagging reputation with the American public, particularly by ensuring that the degrees they offer align with the industries and careers their students will graduate into.



Methodology

Results for the Lumina-Gallup study are based on web surveys conducted from Oct. 2-31, 2024, with samples of 6,000 students who are currently enrolled in a higher education program (certificate, associate or bachelor's degree), 4,931 adults who were previously enrolled in a higher education program but had not completed an associate or bachelor's degree, and 3,002 adults who had never enrolled in a higher education program.

Of the currently enrolled students, 2,327 say they are pursuing a bachelor's degree, 1,473 are pursuing an associate degree, 1,355 are pursuing a certificate, and 845 are pursuing an industry certification.

All respondents were between the ages of 18 and 59 and had a high school diploma or equivalent but not an associate or bachelor's degree. Respondents were interviewed via Dynata's non-probability web-based panel.

The data are weighted to match national demographics of gender, age, race, Hispanic ethnicity, education and region for the population of U.S. adults aged 18 to 59 with a high school diploma but without a college degree. Demographic weighting targets are based on the most recent American Community Survey figures.

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