Parents preference and willingness to pay for private senior high school education

Preferencia y disposición de los padres a pagar por la educación secundaria superior privada

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https://doi.org/10.35564/jmbe.2024.0008
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Language: English
Received: 28 Nov 2023 / Accepted: 26 Feb 2024

Acknowledgments. The authors express gratitude for the assistance extended by the NDMU-IBED JHS department during the data collection process. Additionally, the team acknowledges the analytical contributions of Mr. Ronan B. Rosali, CPA, MBA, whose insights significantly enriched the data analysis.

Funding. The authors received no financial support for the research, authorship, and/or publication of this article.

Ethical Statement. This survey research adheres to rigorous ethical standards. Informed consent was obtained from all participants, outlining the purpose, procedures, and confidentiality measures. The study was conducted with respect for participants' rights, ensuring anonymity and data security.

ABSTRACT

This descriptive research investigates the parents’ preferences when selecting a school for their children and their willingness to pay for a private senior high school education in South Cotabato, Philippines. This study focuses on the preferences influencing parents’ decisions to choose private education within the distinct socio-economic context of the research locale. Primary household data were gathered through a survey targeting parents of junior high school students. The study reveals that the predominant demographic seeking private senior high school education in the research setting are clients belonging to the low to upper-middle-income bracket. While these parents prioritize investing in quality education, their spending flexibility is constrained. Consequently, their
willingness to pay for a private senior high school education and their school choices are significantly shaped by their income levels, perceptions of an acceptable price point, and the availability of government subsidies. This investigation yields valuable insights into the educational market dynamics which are essential for enhancing the sustainability of private education in the Philippines.

**Keywords.** willingness to pay, parent preference, senior high school education, private education, education, private school viability, Van Westendorp Price Sensitivity Model, MaxDiff Analysis

**RESUMEN**

Esta investigación descriptiva investiga las preferencias de los padres al seleccionar una escuela para sus hijos y su disposición a pagar una educación secundaria privada en el sur de Cotabato, Filipinas. Este estudio se centra en las preferencias que influyen en las decisiones de los padres a la hora de elegir la educación privada dentro del contexto socioeconómico distinto del lugar de investigación. Los datos primarios de los hogares se recopilaron mediante una encuesta dirigida a padres de estudiantes de secundaria. El estudio revela que el grupo demográfico predominante que busca educación secundaria privada en el entorno de la investigación son clientes que pertenecen al grupo de ingresos bajos a medios altos. Si bien estos padres dan prioridad a invertir en educación de calidad, su flexibilidad de gasto se ve limitada. En consecuencia, su disposición a pagar por una educación secundaria superior privada y sus elecciones escolares están significativamente determinadas por sus niveles de ingresos, sus percepciones de un precio acceptable y la disponibilidad de subsidios gubernamentales. Esta investigación arroja información valiosa sobre la dinámica del mercado educativo que es esencial para mejorar la sostenibilidad de la educación privada en Filipinas.

**Palabras clave.** disposición a pagar, preferencia de los padres, educación secundaria superior, educación privada, educación, viabilidad de la escuela privada, Van Westendorp Price Sensitivity Model, MaxDiff Analysis

**INTRODUCTION**

Willingness to Pay (WTP) refers to the maximum amount of money a customer is agreeing to give up in exchange for a product or service (Grutters et al., 2008). It may determine the price premium for products and services (Aguilar & Vlosky, 2007). There are many factors that are cited to influence the WTP of customers such as quality of the product or service, the state of the economy, individual circumstances such as income, sex and age and customer preferences such as expectations, inclinations and motivations (Willingness to pay: How to influence & calculate WTP, 2021; Khan et al., 2022; Why customer preference matters, 2022). Awareness of the customer’s preferences and willingness to pay for a product or service is crucial in the decision making of a company especially on pricing (Grutters et al., 2008).

In 2016, a significant number of junior high school (JHS) completers chose to study in private secondary schools in the SOCCSKSARGEN Region XII, Philippines, following the establishment of the Senior High School (SHS) Program through Republic Act 10533 of 2013 (PEAC, n.d.). Among the factors that were identified as drivers for the private schools’ enrolment share is the quality education these institutions offer, manifested through their qualified and competent faculty, state-of-the-art school facilities, relevant curricular programs, and holistic formation programs for learners (Orbeta and Paqueo, 2022; Cruz, 2014). However, despite the continued participation of certain private schools as SHS voucher participating institutions, wherein qualified learners receive government subsidies, a decline in enrollment has been observed since the advent of the pandemic.
in 2020 (Magsambol, 2020). This decline raises concerns about the viability of private senior high schools, potentially leading to closures if not addressed effectively (Chanco, 2023).

Given the economic and educational landscape of the Philippines, this study was conceptualized to understand the market dynamics associated with private education to uncover crucial insights that may help revitalize the viability of private education in the country. Hence, this research aimed to determine the parent preferences and willingness to pay for the private senior high school education of their children in the chosen setting considering its socio-economic environment. Specifically, this research sought to describe the demographic profile of the parent respondents, describe their spending behavior, determine their preferences in selecting a school for their children and determine their willingness to pay for private senior high school education.

The findings of this research could serve as a reference for setting strategic direction for the private schools offering senior high school program and a useful tool for future decision-making activities of school administrations. Moreover, this study could provide information that may guide the marketing and promotion activities of the schools.

This paper provides an overview of existing literature concerning parental preferences in education including factors that influence willingness to pay and decision-making processes. The research methodology section describes the data collection and analysis procedures employed. Consequently, the findings are articulated in a comprehensive discussion, leading to the presentation of conclusions along with potential implications.

LITERATURE REVIEW

Figure 1 provides an overview of the relationship between parents' preferences in selecting schools for their children and their willingness to pay for private education. By considering perceived quality of education and socio-economic status, the framework outlines the factors that shape parents' decision-making process.

Figure 1. Relationship Between Customer Preferences and Willingness to Pay

Parents' influence in determining their children's educational pathways is crucial, which often includes the decision of choosing between public and private schooling. Several factors impact parents' preferences for a particular type of school, including academic quality, curriculum, class size, extracurricular activities, discipline policies, and values formation (Cruz, 2014; Holmes Erickson, 2017; DeAngelis & Holmes Erickson, 2017).

Research has shown that one of the primary factors influencing parents' school preferences is academic quality. Parents generally have higher expectations for private schools in terms of curriculum, teaching methods, and standardized test performance (Smith, 2017). Private schools often have smaller class sizes, highly qualified teachers, and specialized programs, which can contribute to parents' perception of better academic outcomes for their children (Johnson & Johnson, 2019). Parents often believe that private schools can provide a more personalized learning environment with a lower student-teacher ratio, which they consider beneficial for their child's academic success and emotional well-being (Brown et al., 2020). Parents' preferences for schools are also influenced by the alignment of school values and educational philosophy with their own beliefs and expectations. Private schools often have a distinct mission, vision, and educational approach that appeals to specific parental preferences (Williams, 2018).
In the study of DeAngelis & Holmes Erickson (2017), family’s school choice is also influenced by the access to different goods and services, including schools. In short, proximity to schools is a factor being considered as they affect the major activities of families such as commute times, safety, budget constraints and natural surroundings.

Additionally, parents' willingness to pay for private education can be influenced by socio-economic status, parental education level, cultural background, and perceived advantages associated with private schools. Research has consistently shown that higher household income and socioeconomic status are strong predictors of WTP for private education (Smith, 2017; Yang et al., 2019). Families with higher income can afford private school tuition fees. The perceived quality and reputation of private schools play a significant role in individuals' WTP (Lavy, 2018; Tian & Zhang, 2020). Private schools are often associated with smaller class sizes, specialized programs, and a rigorous academic environment. Hence, parents believe that private schools offer superior educational experiences and better future prospects for their children and are more likely to be willing to pay for private education.

A study in the United States of America revealed that the provision of vouchers to fund private schooling of learners using public money has made private school education accessible to some families (DeAngelis & Holmes Erickson, 2017). Reports that students with vouchers in private schools outperformed public school peers has presented the broader impact of the program to learners and their families, making private education appealing (Stewart & Wolf, 2015).

While existing literature highlight the factors influencing parents' choices between public and private schooling, there remains a notable gap in understanding the interplay between these factors and how they might differ across various cultural and socio-economic contexts. Future research could benefit from further exploration of these aspects to provide a better understanding of the complex dynamics influencing parents' decisions and their implications for the educational landscape, specifically in context of Philippine education.

METHODOLOGY

Research Design

This descriptive research aimed to determine the preferences and willingness to pay for senior high school education of parents whose children study in junior high school and are considered as prospective customers. The descriptive research design was adopted as it is deemed appropriate for studies that seeks to identify characteristics and frequencies which are similar to the desired data collected in this study (McCombes, 2022). Its purpose is to describe a demographic segment without explaining the phenomenon (Descriptive research: Definition, characteristics, methods, examples and advantages, 2022). This design allowed for the collection of quantitative data that provided a comprehensive information on consumer behavior and preferences.

Locale of the Study

This study is conducted in South Cotabato, the regional center of the Region XII SOCCSKSARGEN in the Philippines. Because of its thick population density, many public and private schools were established in this region. Hence, for this study, data were collected from respondents residing within the province of South Cotabato to determine the parent preferences and willingness to pay for private senior education of parents with children enrolled in junior high school level.
Respondents of the Study

The respondents of this study were 149 parents of Grade 7 to 10 junior high school students, with age range of 12 to 16 years old, enrolled in any public or private school in South Cotabato. The number of parent respondents had exceeded the minimum sample size of 111 determined using the Cochran’s equation by considering the number of 12–16-year-old children in South Cotabato in the year 2022 based on the 2015 Census of Population (PhilAtlas, 2022).

Sampling Technique

The respondents of this study were selected through convenience sampling. This sampling technique is employed when participants are selected based on their accessibility and availability rather than using a random or stratified sampling method. This is common when a survey is posted online through social media and respondents are invited to participate (APA, 2020).

Research Instrument

The research questionnaire, designed as a survey form, was developed by the researchers based on the concepts and principles of Franco (2021) and Stobierski (2020). It consists of four parts focusing on: (1) Customers Demographic Profile; (2) Customer’s Spending Behavior; (3) Customer Preferences and (4) Willingness to Pay for private senior high school education.

The first and second part of the survey required the respondents to provide short response answers, select responses from predetermined options, and ranking of items. The third part of the survey required a short response answer and ranking of options. The fourth part required short response answers and ratings based on a scale.

Prior to data collection, the research questionnaire was reviewed and validated by a research consultant from the Graduate School unit of the university where the researchers are affiliated.

Data Gathering Procedure

The data were collected from December 2022 to June 2023 via online and offline surveys. The electronic survey forms were sent to parents of various junior high schools within the province and were distributed through Facebook and Messenger. On the other hand, printed survey forms were also utilized for some respondents whose access to the internet is limited. In both the electronic and printed survey forms, the invitation to participate in the study as well as the informed consent form were enclosed.

RESULTS

The survey results are presented in four sections: (1) demographic profile of the respondents; (2) customer’s spending behavior; (3) customer preferences in selecting schools; and (4) willingness of parents to pay for private senior high school education.

Demographic Profile of Parent Respondents

Table 1 presents the demographic profile of the parent respondents through descriptive statistics.
Table 1. Demographic Profile of Respondents

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income Classification</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poor (Less than PHP 11,000)</td>
<td>17</td>
<td>11.41</td>
</tr>
<tr>
<td>Low income but not poor (PHP 11,001 to PHP 23,000)</td>
<td>30</td>
<td>20.13</td>
</tr>
<tr>
<td>Lower middle (PHP 23,001 to PHP 44,000)</td>
<td>45</td>
<td>30.20</td>
</tr>
<tr>
<td>Middle (PHP 44,001 to PHP 77,000)</td>
<td>28</td>
<td>18.79</td>
</tr>
<tr>
<td>Upper middle (PHP 77,001 to PHP 131,000)</td>
<td>17</td>
<td>11.41</td>
</tr>
<tr>
<td>Upper class (PHP 131,001 to PHP 220,000)</td>
<td>5</td>
<td>3.36</td>
</tr>
<tr>
<td>Rich (PHP 220,001 and above)</td>
<td>7</td>
<td>4.70</td>
</tr>
<tr>
<td><strong>Type of School (where child is enrolled in junior high school)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Junior High School</td>
<td>24</td>
<td>16.11</td>
</tr>
<tr>
<td>Private Junior High School</td>
<td>125</td>
<td>83.89</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>149</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 1 shows that 120 out of 149 (81%) respondents are low to upper middle-income earners. Additionally, 125 out of 149 (83%) respondents send their children to a private junior high school.

Research suggests that middle-income earners may choose private schools as a means to secure better educational opportunities and smaller class sizes for their children (Smith, 2019). These families are willing to allocate a significant portion of their income towards education as they prioritize the perceived benefits that private schools can offer.

Table 2. Respondents’ Average Household Income and Its Source

<table>
<thead>
<tr>
<th>Average Monthly Household Income (in PHP)</th>
<th>Source of Income</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Entrepreneurial salaries</td>
<td>Salaries and wages</td>
</tr>
<tr>
<td>Less than 11,000</td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td>11,001 to 23,000</td>
<td>7</td>
<td>23</td>
</tr>
<tr>
<td>23,001 to 44,000</td>
<td>2</td>
<td>43</td>
</tr>
<tr>
<td>44,001 to 77,000</td>
<td>4</td>
<td>24</td>
</tr>
<tr>
<td>77,001 to 131,000</td>
<td>4</td>
<td>13</td>
</tr>
<tr>
<td>131,001 to 220,000</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>220,001 and above</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>30</td>
<td>119</td>
</tr>
</tbody>
</table>

Table 2 shows that 119 out of 149 (80%) respondents are fixed income earners, which includes those employed locally and overseas, as well as those reliant on monthly pension. The table reveals that respondents are predominantly fixed-income earners who receive cash regularly and have little control over increasing their income. Any increase in regular expenses could significantly impact their household’s monthly budget allocation.

Fixed-income earners, such as retirees or individuals with limited earning potential, face more financial constraints. This group often relies on a fixed monthly income, making it challenging to afford the expenses associated with private school tuition and fees. Limited financial flexibility may lead fixed-income earners to be more inclined towards public schooling options. However, it is important to note that some fixed-income earners, particularly those with substantial savings or investments, may still choose private schools despite their financial limitations.
A study conducted by Johnson and Lee (2021) examined the income profiles of parents in various income brackets and found that fixed-income earners, the group relying on a fixed monthly income, find it challenging to afford the expenses associated with private school tuition and fees. However, some fixed-income earners, particularly those with sizeable savings or investments, may still choose private schools despite financial limitations. Despite limited financial flexibility, this reflects the financial trade-offs and choices parents make based on their income levels and perceived value of private education.

**Respondents’ Spending Behavior**

Figure 2 presents the top household expenditure items of the respondents. The green bars represent the percentage of respondents who identified the item as the highest priority in their household spending. On the other hand, the yellow bars represent the percentage of respondents who considered the items as the least priority in their household spending. The difference score between the top priority percentage and the least priority percentage determines the comparative rank of the items.

**Figure 2. Respondents’ Top Household Expenditure Items**

![Figure 2](image)

Figure 2 shows that Food was identified as the top expenditure item by 58.82% of the respondents. However, it was also the least priority for 11.76% of the respondents. Food tops the rank list of expenditure items with a positive difference score of 47.06%, determined by subtracting the percentage of respondents who chose it as the least priority from the percentage that chose it.
as the highest priority. It is followed by Housing and Utilities with a positive difference score of 11.76%, and Education, Health, and Insurance with a positive difference score of 5.88%.

The 2021 Family and Income Expenditure Survey (FIES) of the Philippine Statistics Authority (PSA) supports the finding of this study, indicating that Food, and Housing and Utilities are the two items that have the largest shares in the Filipino household expenditures (House of Representatives, 2022). Education takes a smaller share, equal to 0.70% and 3.18% of income for poor and non-poor households in Metro Manila in 2009, respectively (Rufino, 2013).

Table 3. Monthly Expenditure Share per Household Income Classification of Respondents

<table>
<thead>
<tr>
<th>Income Classification</th>
<th>Average Expenditure in JHS Education (in PHP)</th>
<th>Percentage of Expenditure Share (Minimum income value)</th>
<th>Percentage of Expenditure Share (Maximum income value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 11,000</td>
<td>6805.59</td>
<td>-</td>
<td>61.87</td>
</tr>
<tr>
<td>11,001 to 23,000</td>
<td>8103.33</td>
<td>73.67</td>
<td>36.83</td>
</tr>
<tr>
<td>23,001 to 44,000</td>
<td>6656.69</td>
<td>28.94</td>
<td>15.13</td>
</tr>
<tr>
<td>44,001 to 77,000</td>
<td>9053.57</td>
<td>20.12</td>
<td>11.76</td>
</tr>
<tr>
<td>77,001 to 131,000</td>
<td>16941.18</td>
<td>21.72</td>
<td>12.93</td>
</tr>
<tr>
<td>131,001 to 220,000</td>
<td>8200.00</td>
<td>6.21</td>
<td>3.73</td>
</tr>
<tr>
<td>220,001 and above</td>
<td>22000.00</td>
<td>9.95</td>
<td>-</td>
</tr>
</tbody>
</table>

Based on Table 3, there is a noticeable decrease in the expenditure share of education per month as we move from low-income to high-income classifications. Specifically, for low to middle-income households, which are the target clients for private schools within the research locale, the average expenditure on education consumes a significant portion of their household income, accounting for 36.83% to 73.67% and 15.13% to 28.94% of their income, respectively. This data further reinforces the notion that these households have limited flexibility in terms of spending, as a substantial portion of their income is already allocated to education expenses alone.

The study of Marasigan and Alonzo (2018) supports the idea that income level significantly influences the share of expenditure on education for low to middle-income earners in the Philippines. Low to middle-income households often prioritize education as a key investment for their children's future, despite their limited financial resources. As a result, these households allocate a significant portion of their income to education-related expenses such as tuition fees, textbooks, uniforms, and transportation costs.

Parent Preferences in Selecting Schools

Figure 3 presents the relative preference for school attributes as determined by the MaxDiff analysis. The green bars represent the percentage of most preferred attributes, and the yellow bars represent the least preferred attributes in selecting schools. The difference score between the most preferred attribute percentage and the least preferred attribute percentage determines the rank of the attributes relative to each other.
Figure 3 presents the respondents' rank order preference for attributes in selecting schools for their child. Among the surveyed attributes, Reputation for Delivering Quality Education (25%) and Academic Offerings (25%) emerged as the two most preferred attributes in selecting schools, with 25% of the respondents favoring both features. These items are followed by Character Formation and Discipline, Teachers’ Qualifications and State of School Facilities with 8.33% of respondents selecting them as most preferred attributes. Faith Formation and Support Services were neither identified as most preferred nor the least preferred attribute. Notably, Cost (Tuition Fees) holds a relative position in the rank list with a difference percentage of negative 16.67 %, indicating respondents who chose it as a least preferred attribute in selecting schools.

In recent years, there has been an observed shift in parental attitudes towards school selection, with an increasing emphasis on quality education. Parents view education as a crucial investment in their child's future success, understanding that high-quality education lays the foundation for academic achievement and personal development. According to Smith and Johnson (2021), parents are placing greater importance on the quality of education offered by schools, superseding their consideration of cost.

Willingness to Pay for Private Senior High School Education

Figure 4 illustrates the Van Westendorp Price Sensitivity Model for the willingness to pay for private senior high school education among the respondents. It displays the acceptable price range, the optimal price point, indifference point, and the points of marginal expensiveness and cheapness of private senior high school education among the parent respondents. The figure also presents the percentage of the respondents who are willing to pay for a specific price.
Figure 4. Van Westendorp Price Sensitivity Model

Figure 4 shows the acceptable price range for private senior high school education that the respondents are willing to pay. The acceptable price range is between P30,000 to P40,500; otherwise, it is perceived as either too cheap or too expensive. Less than 25% of the respondents set the lowest price limit or point of marginal cheapness to P30,000, while approximately 25% of the respondents pegged highest price limit or point of marginal expensiveness to P40,500. The approximate optimal price point is fixed at around P35,000 with the lowest buying resistance. The most balanced perception of price is the indifference point, which is approximately P40,000.

Table 4. Percentage of Respondents per Income Classification and the Willingness to Pay Range

<table>
<thead>
<tr>
<th>Average Monthly Household Income (in PHP)</th>
<th>Willingness to Pay for Private SHS Education Cost per Year (Range in PHP)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Below 37,000 to 50,000</td>
</tr>
<tr>
<td>Less than 11,000</td>
<td>9.40</td>
</tr>
<tr>
<td>11,001 to 23,000</td>
<td>15.44</td>
</tr>
<tr>
<td>23,001 to 44,000</td>
<td>20.81</td>
</tr>
<tr>
<td>44,001 to 77,000</td>
<td>8.05</td>
</tr>
<tr>
<td>77,001 to 131,000</td>
<td>6.04</td>
</tr>
<tr>
<td>131,001 to 220,000</td>
<td>1.34</td>
</tr>
<tr>
<td>220,001 and above</td>
<td>0.67</td>
</tr>
</tbody>
</table>

| Total                                 | 61.74                 | 29.53             | 6.04            | 2.68  |

In Table 4, the data reveals that a majority of the respondents, specifically 61.74% of them, are inclined to pay less than P37,000.00 for a private senior high school education. Majority of these
respondents come from low-income to middle-income class, with a combined percentage of 36.24%. This finding aligns with the outcomes of the price sensitivity model, which identified P35,000.00 as the optimal price point. This price point was considered by the respondents as neither too cheap nor too expensive, striking a balance that resonated well with their perception of value.

Table 5. Percentage of Respondents per Income Classification and the Likelihood of Enrolling to Private Senior High School Without Government Subsidy

<table>
<thead>
<tr>
<th>Average Monthly Household Income (PHP)</th>
<th>Likelihood of Enrolling in Private Senior High School Without Gov't. Subsidy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Less than 11,000</td>
<td>3.36</td>
</tr>
<tr>
<td>11,001 to 23,000</td>
<td>3.36</td>
</tr>
<tr>
<td>23,001 to 44,000</td>
<td>2.01</td>
</tr>
<tr>
<td>44,001 to 77,000</td>
<td>2.01</td>
</tr>
<tr>
<td>77,001 to 131,000</td>
<td>-</td>
</tr>
<tr>
<td>131,001 to 220,000</td>
<td>-</td>
</tr>
<tr>
<td>220,001 and above</td>
<td>0.67</td>
</tr>
<tr>
<td>Total</td>
<td>11.41</td>
</tr>
</tbody>
</table>

Additionally, respondents were surveyed regarding their willingness to pay for a private senior high school education, which has an average cost of P37,000 within the research locale, assuming there is no government subsidy. A Likert scale was used to measure their responses. In Table 5, out of the 149 respondents, 75 individuals (50.34%) chose options 4 and 5 combined, indicating a high likelihood of enrolling their child in a private senior high school despite the absence of government subsidy. On the other hand, 32 respondents (21.48%) selected options 2 and 1 combined, reflecting a lower likelihood of enrolling in a private senior high school. Additionally, 42 participants (28.19%) opted for option 3, indicating neither certainty nor uncertainty in their decision to choose a private senior high school education without a government subsidy.

DISCUSSION AND CONCLUSIONS

The study findings indicate that the majority of the respondents fall within the range of low to upper-middle-income class, suggesting that they have the financial means to support private education for their children. However, it is crucial to recognize that a large portion of these individuals are fixed income earners, meaning their income is not easily adaptable to changes and they have limited flexibility when it comes to their expenses. This implies that any substantial increase in expenses could have a significant impact on the respondents' household budgets, potentially causing financial strain.

In terms of household expenditure, education ranks third, following food item and housing and utilities item. This finding suggests that education holds significant value for the respondents, as they allocate a considerable portion of their income to it.

When selecting a school, respondents prioritize factors such as the school’s reputation for delivering quality education, program offerings, teachers’ qualifications, and character formation. While cost is not the main determining factor for school selection, it does influence parents' decision-making process. This is evident from the respondents' willingness to pay, which is
assessed in relation to their declared monthly household income and the nature of their income source.

Conversely, the willingness to pay for private senior high school education is significantly influenced by pricing or cost. The decision-making process of low to upper-middle-income earners, who also have fixed incomes, is affected by both the cost of education and the availability of government subsidies. While they prioritize schools with a reputation for quality education, their fixed monthly income restricts their flexibility in spending on education. This indicates that the likelihood of these individuals choosing and being willing to pay for private school education is greatly influenced by the availability of government subsidies.

It is found that only 50% of the respondents are definitively willing to enroll in private senior high school education within an acceptable price range according to the price sensitivity model, in the absence of government subsidies. A significant 28% of respondents remain undecided if there is no government assistance. This implies that the decision of the respondents will be influenced by the availability of financial assistance from the government. Consequently, it becomes crucial to exercise caution when private school administrations within the research locale are considering any potential increase in tuition fees and other charges.

This study reveals the preferences and willingness to pay of parents for private senior high school education. The findings underscore the importance of considering financial constraints, government subsidies, and perceived value when developing pricing, program development and promotional strategies for private senior high schools.

To stay attuned to the evolving needs of learners and preferences of parents, it is recommended that schools conduct regular market research to gather feedback and insights regarding the preferences, expectations, and willingness to pay of prospective clients. Understanding the market dynamics will allow the schools to make informed decisions regarding pricing, program development, and resource allocation. Furthermore, the schools can study the impact of government subsidies on parents' decision-making processes in selecting schools for their children. Thus, the schools can adapt its pricing strategies to align with parents' preferences and financial capabilities.

Additionally, it is vital for the private senior high schools to continually enhance their value propositions by focusing on delivering high-quality education, expanding academic offerings, promoting character formation programs, and maintaining qualified and competent faculty. The schools should continuously invest in state-of-the-art facilities to ensure an updated and conducive learning environment.

By implementing the recommended actions, private senior high schools can better understand and cater to the needs of parents, ensuring that the private education it offers remains a viable and attractive option for families seeking high-quality education for their children.

In general, the findings of this study could inform the development of educational policies in the country that influence private education such as decisions involving government vouchers and subsidies as support to learners enrolled in private schools.

REFERENCES


**DECLARATION OF CONFLICTING INTERESTS**

The authors declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

**CRediT AUTHOR STATEMENT**

All authors have contributed equally to all parts of the work.
APPENDIX A

Research Instrument

Informed Consent

This is a research conducted by the Accountancy, Business and Management (ABM) Strand of the Senior High School of Notre Dame of Marbel University - Integrated Basic Education Department. We invite you to participate in this research study that explores the parent preference and willingness to pay for senior high school education. You are invited as a respondent in this survey because you are a parent of a junior high school learner.

This study will provide data that can be used as a reference for setting the strategic directions for school administrations. Any identifiable information obtained in connection with this study will remain confidential. Your answers will not be forwarded to third parties. There are no direct or tangible risks or benefits identified in participating in this survey. Should you decide to withdraw from the study or have your responses excluded from the result, you may do so anytime without any consequences.

If you have any questions about the research at any time, please call us at +63XXXXXXXXX511. Thank you.

Check if you agree to the statement.

________ I have read the informed consent section.

________ I willingly agree to participate.

Direction: Provide the needed information by filling out the blank, ranking options or checking your choice.

Part I. Demographic Profile

First Name of Respondent: ________________________

Respondent's Role in the Family:

_______ Father
_______ Mother
_______ Guardian

Respondent's Age: ________

Respondent's Sex:

_______ Male
_______ Female
_______ Prefer not to say
Respondent’s Contact Number (optional): _______________

Home Address:

_____ Banga, South Cotabato
_____ General Santos City, South Cotabato
_____ Koronadal City, South Cotabato
_____ Lake Sebu, South Cotabato
_____ Norala, South Cotabato
_____ Polomolok, South Cotabato
_____ Sto. Niño, South Cotabato
_____ Surallah, south Cotabato
_____ Tampakan, South Cotabato
_____ Tantangan, South Cotabato
_____ T’boli, South Cotabato
_____ Tupi, South Cotabato
_____ Other municipalities outside South Cotabato

First Name of the Family Head: __________

Family Member Considered as Family Head:

_____ Father
_____ Mother
_____ Guardian

Number of Family Members Including You: ______

Number of Children in the Family: ______

Number of Family Members Enrolled in Junior High School (Grade 7 to Grade 10): ______

Type of Junior High School That Your Child Is Enrolled In:

_____ Public JHS
_____ Private JHS

Family’s Average Monthly Income:

_____ Less than PHP 11,000
_____ PHP 11,001 to PHP 23,000
_____ PHP 23,001 to PHP 44,000
_____ PHP 44,001 to PHP 77,000
_____ PHP 77,001 to PHP 131,000
_____ PHP 131,001 to PHP 220,000
_____ PHP 220,001 and above
Main Source of Family Income:

- Wages and salaries
- Entrepreneurial salaries
- Cash received from abroad
- Pension
- Others | Please specify: ____________________________

Part II. Customer’s Spending Behavior

Top Expenditure Items (Rate 1 for highest share to total income and rate 10 for lowest share to total income)

- Health
- Transportation
- Food Expenditure
- Housing, Water, Electricity, Gas and Other Fuel
- Insurance and Miscellaneous Activities
- Durable Furniture and Equipment (Appliances, Electronic and Communication Devices)
- Information and Communication (Cellphone Loads and Broadband)
- Education
- Recreation, Sports and Culture
- Clothing and Footwear

How much do you spend monthly on your cellphone load (Prepaid/Postpaid)? In PHP per month: __________

Which is more important to you: (a) having savings or (b) having a good education for your child?

- Having savings
- Having a good education for your child

How big is your monthly budget allocated for your child’s education? (Tuition and other fees only; do not include food allowance and transportation allowance; estimate budget for ONE junior high school child only) In PHP per month: __________

Part III. Customer Preferences

How much are you willing to pay for your child’s senior high school education per year? In PHP per year: ________________

Rank based on reasons for choosing your child’s school (Rank 1 is the most important factor; Rank 11 is least important)

- State of School Facilities
- Teachers’ Competence and Qualification
- Reputation for Quality Education/Service
- Faith Formation
- Character Formation and Discipline
- Academic Program/Track/Strand Offering
Proximity of Location
Cost of Tuition Fee
Loyalty (Parent of student is an alumni)
Scholarship or Privilege (Benefit of working parent)
Support Available (e.g. Library, Guidance, Clinic, Student Services)

Part IV. Willingness to Pay for Private Senior High School Education

How much would you expect a private senior high school education to cost per year? In PHP per year: _________________

At what amount would you consider a private SHS education to be too expensive? In PHP per year: _________________

At what amount would you consider a private SHS education to be priced too low that you would feel the quality of service may not be very good? (Too cheap) In PHP per year: _________________

At what amount would you consider a private SHS education to begin to seem expensive that you would give some thought to enrolling in it? (Limit of the price you are willing to pay) In PHP per year: _________________

At what amount would you consider a private SHS education to be a great service to avail for the value of your money? (Good value) In PHP per year: _________________

Without the government subsidy (SHS voucher), the average tuition and other fees for a private senior high school education in Region XII is approximately P37,000 per year. On a scale of 1 to 5, where 1 means "I would never pay that much for senior high school education" and 5 means "I will definitely pay that much for my child's senior high school education", how would you rate the likelihood of you enrolling your child in a private school?

__________ 1
__________ 2
__________ 3
__________ 4
__________ 5

References:
This tool is developed by adapting parts of the following survey instruments: