

Effective Business Development and Student Recruitment in International Markets

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FE and International Markets
Conference, 7th June 2011

Successful international recruitment for FE

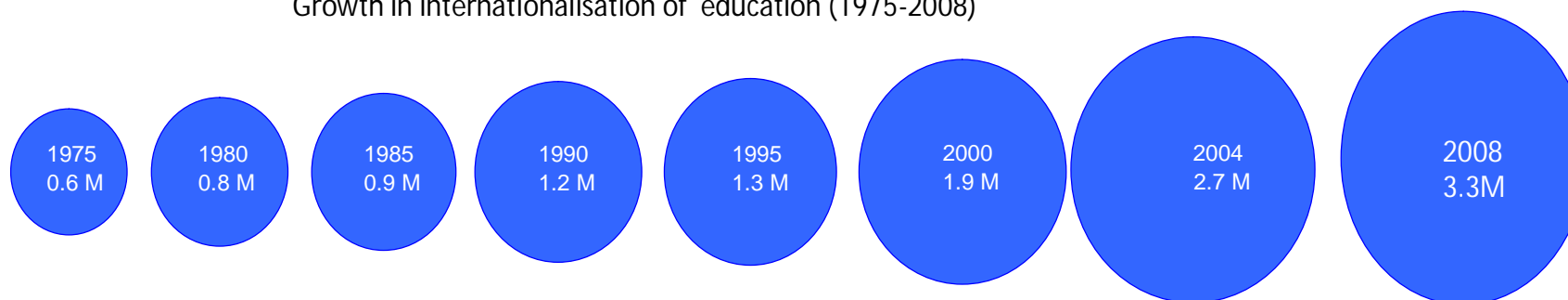
- International student markets have grown exponentially since the mid 70's;
- FE can leverage changes in UK HE legislation to position for international success;
- Investment in marketing and international infrastructure is essential;



Market Size and Potential

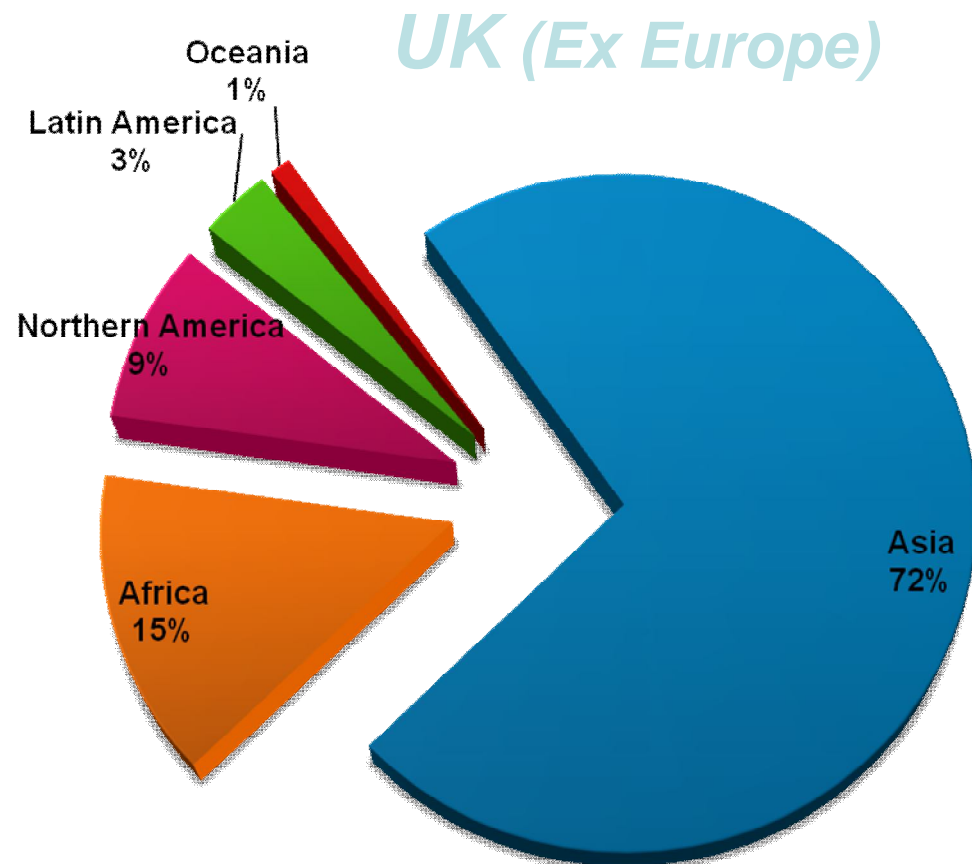
Global trends in student mobility: Rising global demand

Growth in internationalisation of education (1975-2008)



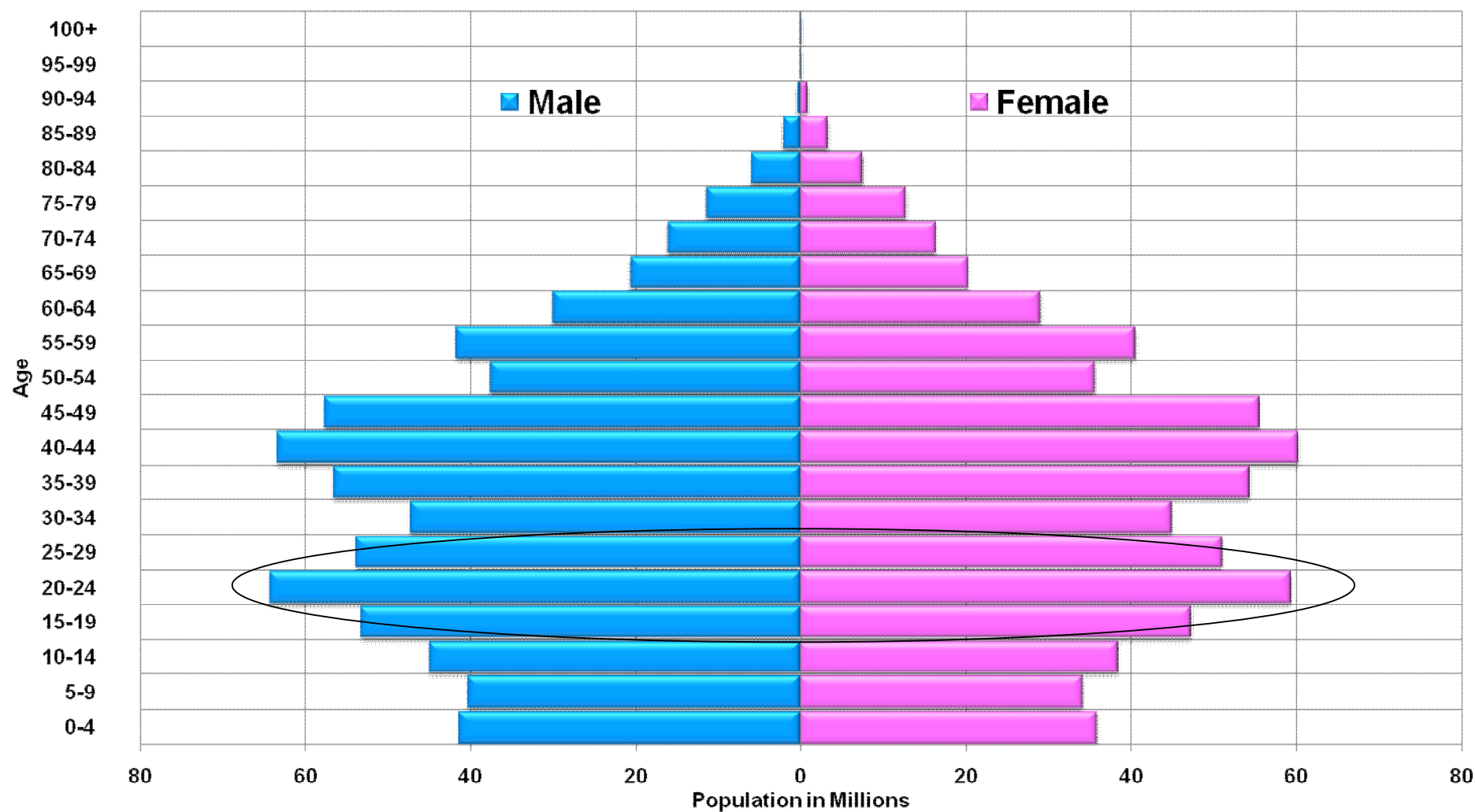
- 3.3 million students are studying abroad – 57% increase since 2000
- 8 million projected by 2025

Key Markets* :

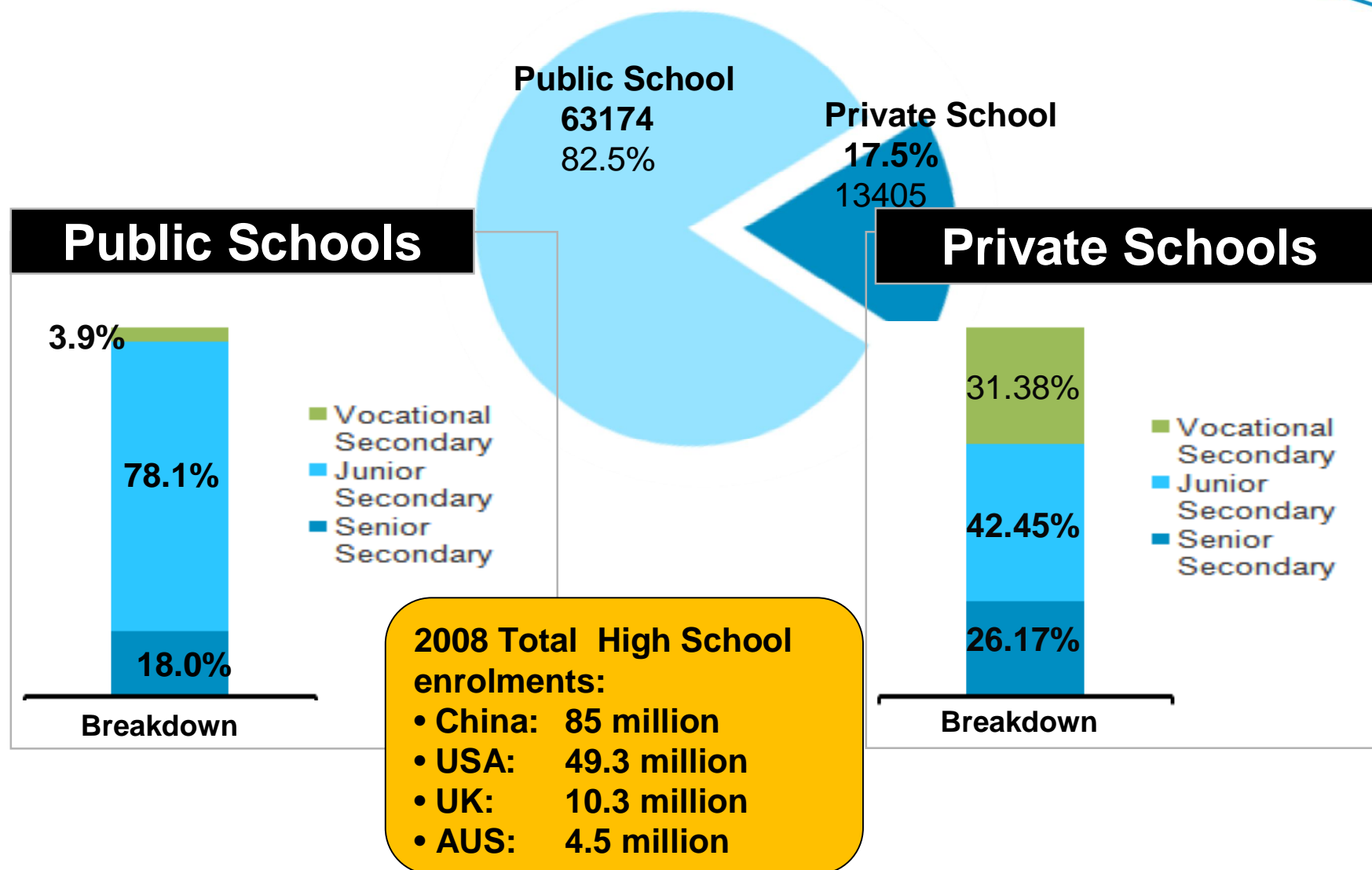


- Asia the key driver of growth
- More than 50% of Asian growth will come from China and India
- Asia should be the core priority when allocating marketing spend

Demographic 2011 - China

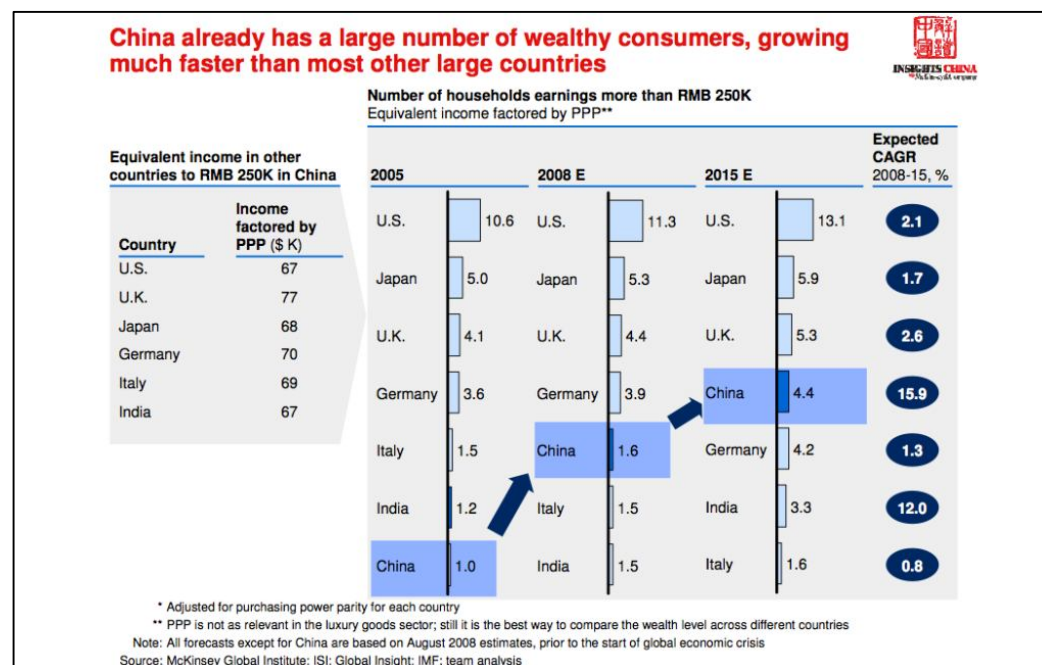


China's FE and HE can't cope with demand

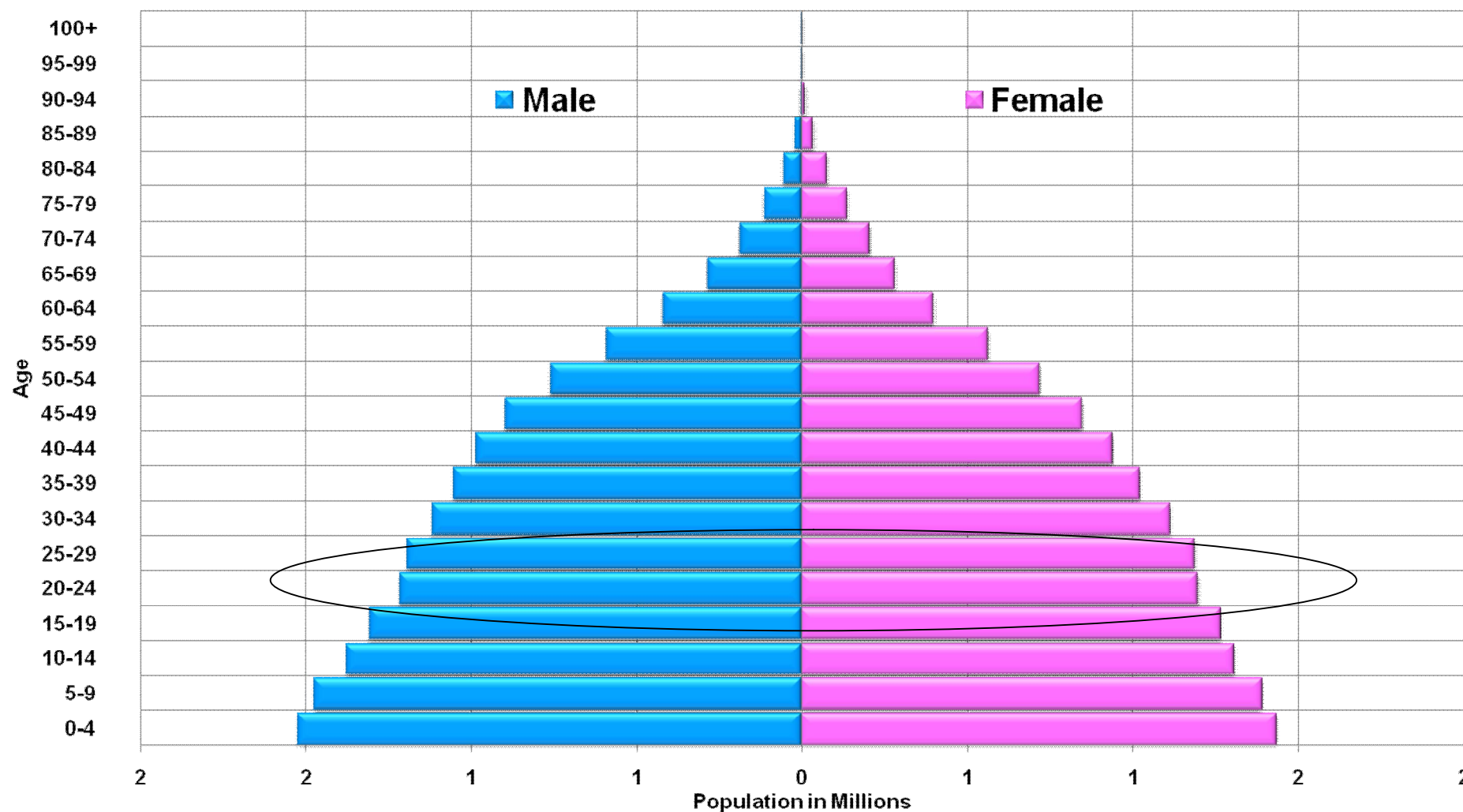


Growing number of middle class consumers driving student recruitment opportunities

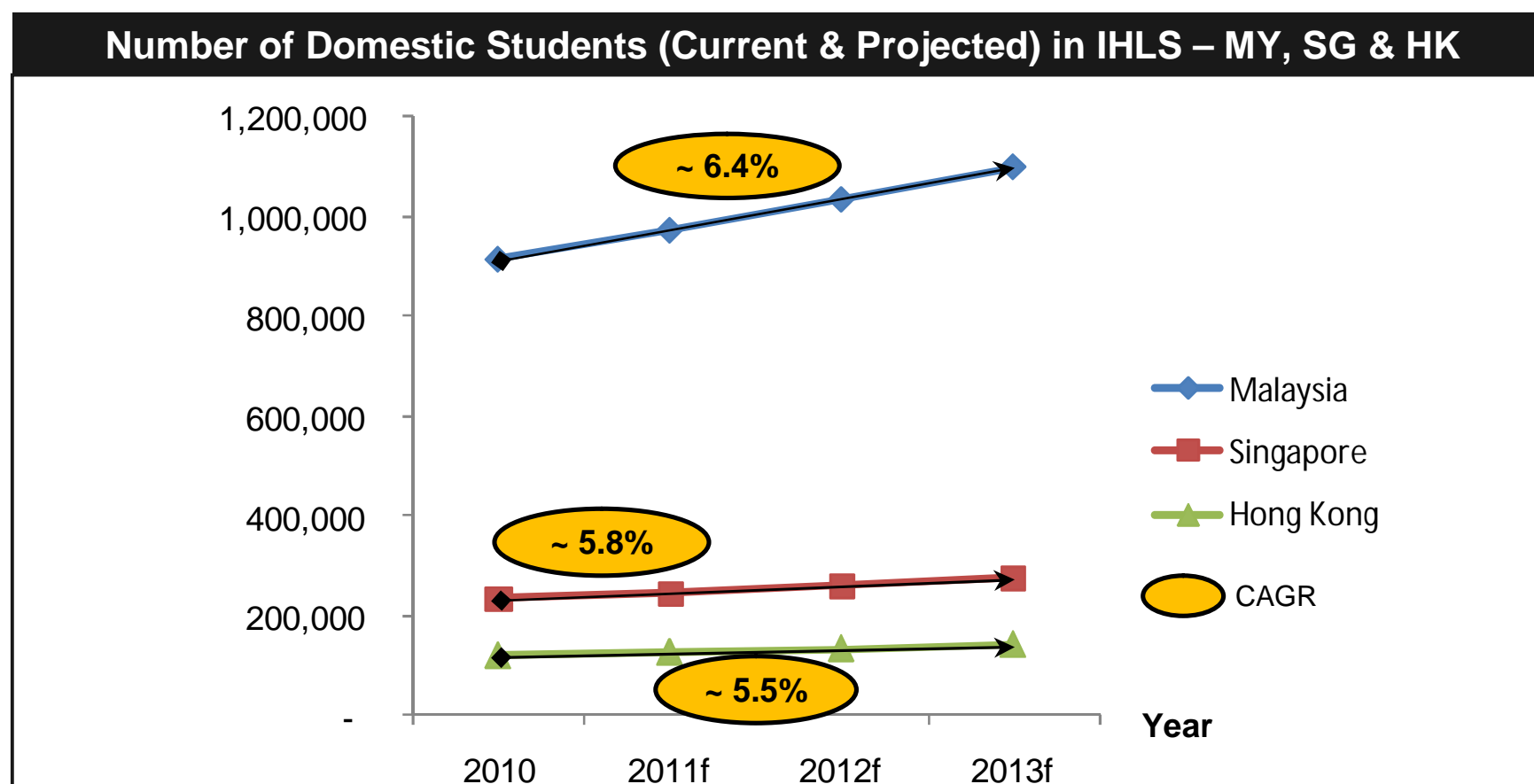
- Growing numbers of households in China and India who can afford an overseas education;
- Domestic capacity building can't cope with demand;
- Competitive pricing attractive



Population Demographic 2011 - Malaysia

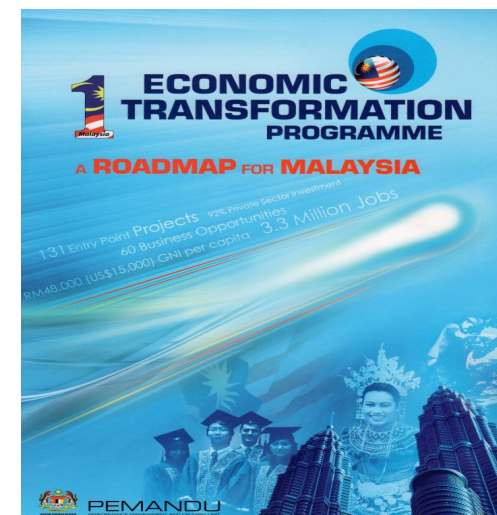


Malaysia provides a significant opportunity



Malaysia – not just about direct recruitment

- 80% of the workforce only has school-level qualifications;
- 4% of Malaysia's GNI is generated by Malaysia's private universities and colleges;
- Government wants the private sector to establish a further 74,000 private school places in the Kuala Lumpur area alone by 2020;
- Significant opportunity for government-funded capacity-building/ consultancy in vocational-related area;



Positioning

Competition is creating a market shift

- Education institutions now have to “compete” for the best students;



- Switch from “supply” to “customer” orientation;



**STUDY
IN DENMARK**



- Marketing & recruitment increasingly important;



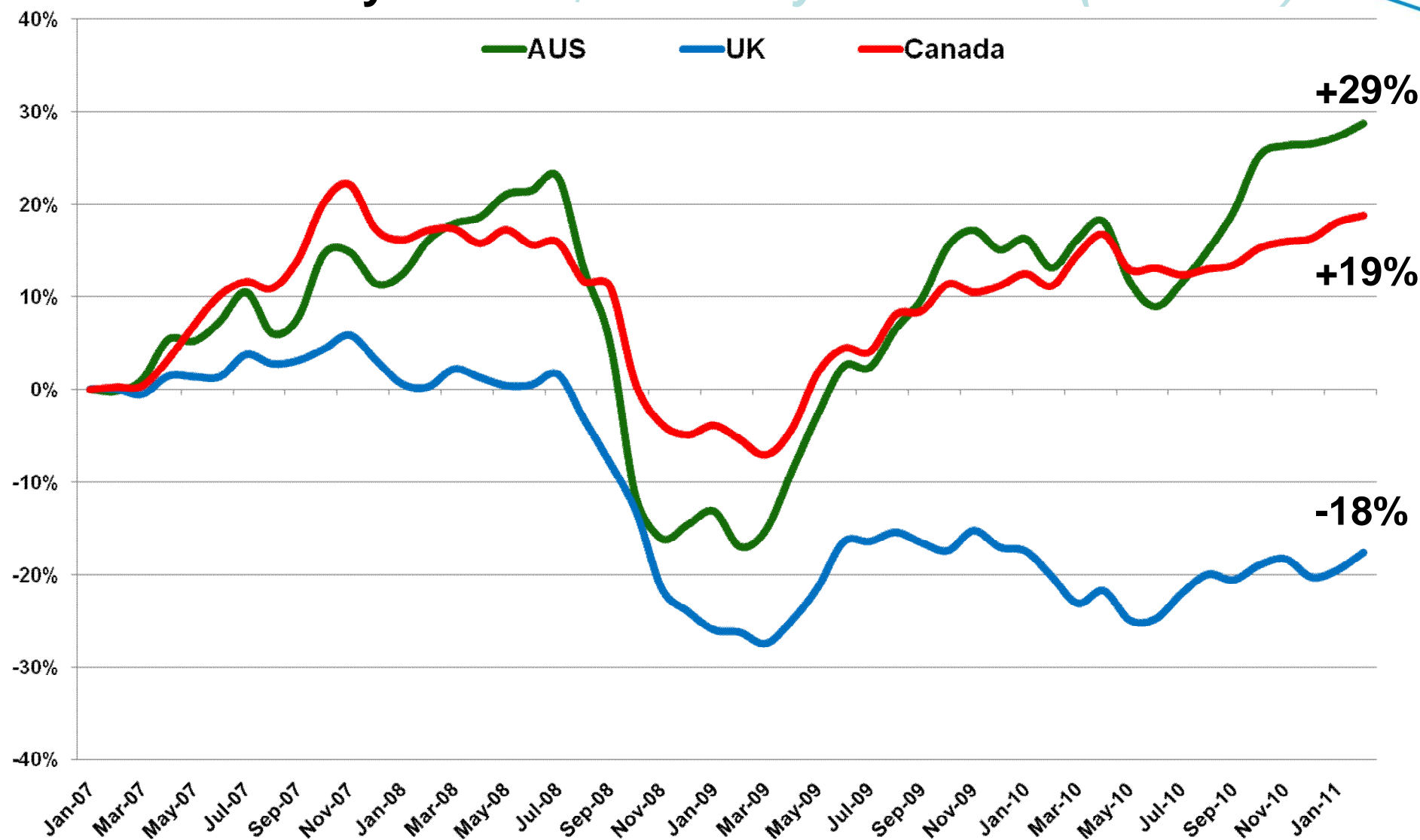
Deutscher Akademischer Austausch Dienst
German Academic Exchange Service



- FE positioning for international success?

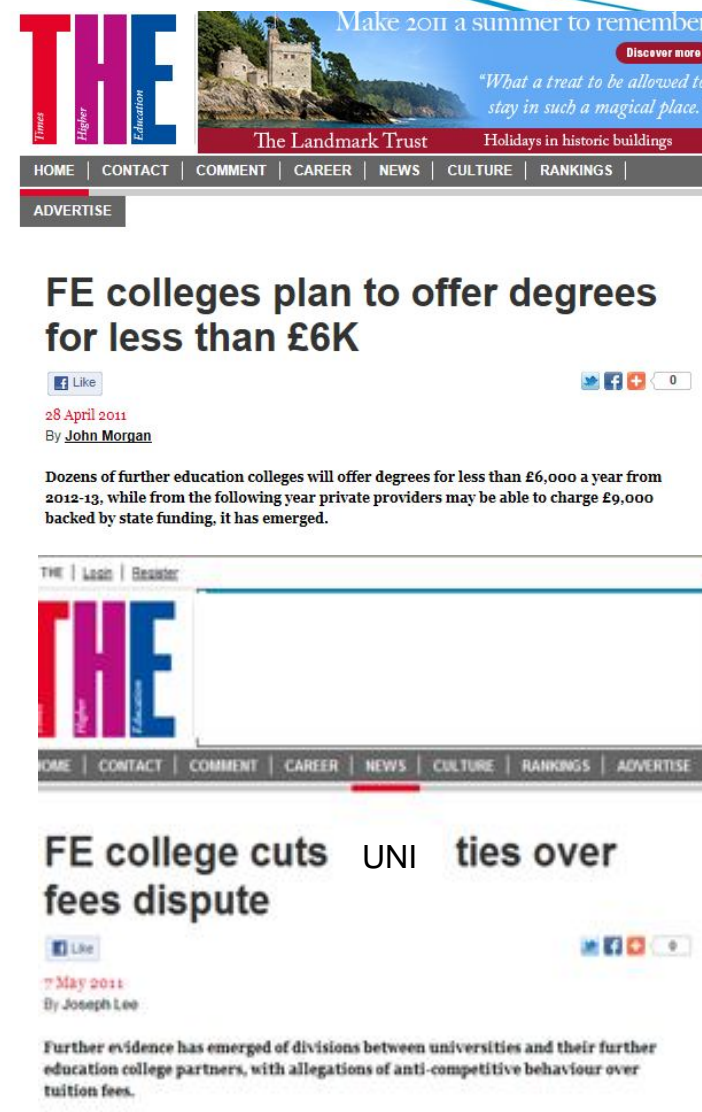


Hobsons Analysis: *US \$ Currency Variations (01/01/07)*



UK university funding changes

- In terms of positioning, FE can compete internationally on price
- Average domestic UG fee:
 - ✓ 11/12 = 3,375
 - ✓ 12/13 = 8,700
- Average international UG fee:
 - ✓ 11/12 = 11,435
 - ✓ 12/13 = ???



The screenshot shows the homepage of The Times Higher Education website. At the top, there is a banner for 'The Landmark Trust' with the text 'Make 2011 a summer to remember' and 'Discover more'. Below the banner is a navigation bar with links: HOME, CONTACT, COMMENT, CAREER, NEWS, CULTURE, RANKINGS. A 'Like' button and a social media share icon are visible. The main content area features two news articles. The first article is titled 'FE colleges plan to offer degrees for less than £6K' and is dated 28 April 2011 by John Morgan. The second article is titled 'FE college cuts UNI ties over fees dispute' and is dated 7 May 2011 by Joseph Lee. Both articles have a 'Like' button and social media share icons.

FE colleges plan to offer degrees for less than £6K

28 April 2011
By John Morgan

Dozens of further education colleges will offer degrees for less than £6,000 a year from 2012-13, while from the following year private providers may be able to charge £9,000 backed by state funding, it has emerged.

FE college cuts UNI ties over fees dispute

7 May 2011
By Joseph Lee

Further evidence has emerged of divisions between universities and their further education college partners, with allegations of anti-competitive behaviour over tuition fees.

Marketing and Communications

Enrolment Management Services

UK

- 1,960,000 million individual enquiries
- 9,850,000 individual communications



Australia

- 37 university partners worldwide
- Unparalleled access to student decision-making insight



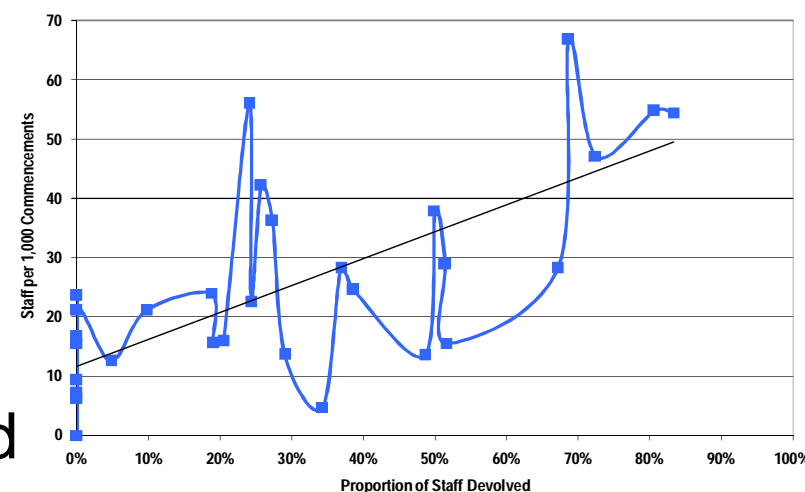
Students are in the driving seat, you need to work hard to recruit them...

- Consider **2.7** countries as a study destination
- Lodge **4.6** applications
- Receive **3.4** Offers
- Accept the first offer they receive only in **27 %** of cases

74% of all offers issued are rejected

International Office Benchmarking Research – Alan Olsen & Hobsons 2006/7

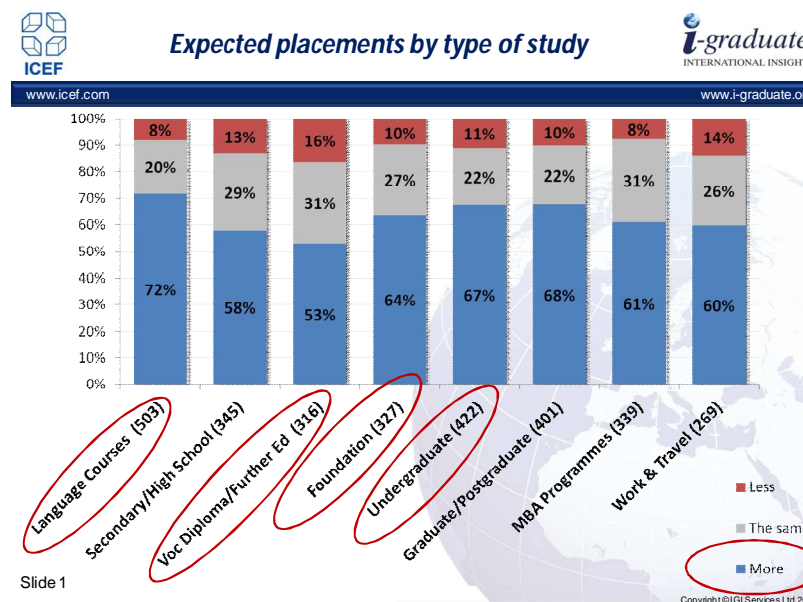
- Commissioned to better understand best practice in running international operations;
- Aims to analyse and benchmark participants' spend on marketing and recruitment for international student recruitment;
- Devolution and (in)efficiency – importance of well-resourced, central, International Office



This graph shows that devolved international operations result in inefficiencies, and a higher cost of acquisition per student

Agent Channel Significant Potential for FE

- Recent agent survey suggests significant potential for FE
- Agent role in referral significant, especially in China and India
- Should be part of the international strategy
- Requires International Office resource (account management, overseas visits etc)






Key International Office Success Factors

✓ The international recruitment operation needs to be underpinned by sound processes:

- Data collection
- Management information
- CRM and marketing campaigns
- Agent management
- Enquiry and admissions management



In Summary

- Asia will continue to dominate as the key provider of students for the UK
 - ✓ Malaysia/India 
 - ✓ China 
 - ✓ Japan/Korea 
- International students are price sensitive which provides a significant opportunity for FE
- *But* investment is required