

A MISSED OPPORTUNITY: A STRATEGIC PLAN TO ATTRACT INTERNATIONAL STUDENTS

Massoud Saghafi, San Diego State University
Lindsey Lopez Valdez, San Diego State University

A December 28th, 2011 Bloomberg report: “Lure of Chinese Tuition Pushes out Asian-Americans (Staley 2011)” argued that the recent growth in Chinese middle-class incomes, and the subsequent increase in Chinese student demand for a US university education, has directly contributed to the decrease in Asian-American admittance into the University of California (UC) system. Citing the California State budget cuts to UC campus, such as UC San Diego’s from \$301 billion in the 2007/08 academic year to \$227 billion in the 2011/12 academic year, the authors suggested that “revenue chasing” rather than diversity initiatives that might be primary impetus for the UC system to increase its admittance of foreign students over domestic students. Foreign and domestic non-resident students, who pay on average \$9,644 more in annual tuition at UC San Diego, currently account for 6.6% of all undergraduate students in the UC system. With plans to increase foreign student numbers to 10%, UCLA provost plainly remarked, “If we’re going to give California residents the education they want and deserve, we need non-Californians to help pay for it” (2011).

In the academic year of 2010/11, there were a total of 157,558 Chinese students in higher education in the US while only 13,910 US students, studied in China with many clearly favoring other destinations for international education such as the UK, Italy, Spain and France (IIE 2012). With a total of 723,277 new international student enrollments of students from all over the world during the US AY (academic year) 2010/11 the US higher educational system is undoubtedly a formidable asset, deserving of attention as a viable international product with further growth potential and long-term implications for not only state-funded higher educational institutions like UCSD and UCLA, but private institutions and economies at the state and federal-level.

The US higher educational system remains a global market leader in international higher education, with 20% market share of all international students in higher education globally in 2009. It has seen a 28% growth in new international student enrollments from the AYs 2005/06 to 2010/11 (Douglass and Edelstein, 2009; IIE 2012). Meanwhile, the demographic profiles of international students in the US have continually shifted due to internal factors within their country of origin, as well as external factors in host countries like the US (Becker and Kolster 2012). Although some of the top countries of origin have continually been India, China, South Korea, Japan and Taiwan over the last decade, the recent growth in student enrollments from other countries, particularly from several emerging markets, has been nothing short of monumental (IIE 2012). For instance, from AY 2005/06 to the AY 2010/11, Saudi Arabian student enrollment in the US increased by 558.5%. Student numbers from other countries have also grown during this same period, with the Vietnamese student surge by 223.9% and, less dramatically, a Brazilian student increase of 25.44%. In addition, the Chinese student population in US institutions continues to grow, with a 223.9% increase from AY 2005/06 TO 2010/11 (IIE 2012). US university recruiters are confident that this growth will continue (McMurtrie 2011). Meanwhile, formerly robust student markets have begun to decline, with Japanese and Taiwanese student populations down 45% and 11% over the same period, respectively (IIE 2012). Given the dynamic and rapidly shifting nature of international student markets, identifying the factors which create the impetus for students to either remain in their country of origin or migrate abroad for higher education is more pertinent than ever.

International Student Market Research

The continual rise of students numbers in the US from emerging markets like China, Saudi Arabia, Vietnam and Brazil, coupled with the AY 2005/06 -2010/11 decline of students from countries like Japan and Taiwan, suggests that there might be factors within countries of origin that influence, shape and

constrain stages of the decision-making process of international students when choosing to pursue a higher education abroad. Academic research on international student markets has, thus far, been relatively limited. Nevertheless, focused studies on international student decision processes and migratory factors have been published by McMahon (1992) Mazzarol and Hosie (1997) Mazzarol and Soutar (2002), Boyd and Grieco (2003) Mazzarol, Kemp and Savery (2007), Chen (2007) Kolster (2010) and Becker and Kolster (2012).

Much of the academic literature, however, has identified only those factors that influence, shape and constrain decision processes *after* international students have already made the initial decision to migrate abroad. After this initial stage, in which the decision is made to migrate, students must search, select and apply to higher educational institutions, whereby several other decisions must be made. These final choices in the overall decision process, however, are highly influenced by the marketing and program development activities of host countries and their higher educational institutions. The dearth in academic discourse on this initial stage, the migratory phase, in the decision process inevitably leaves the question “What factors within the student markets make student migrate abroad?” unanswered. Furthermore, none of the literature cited above has exclusively researched the extrinsic factors, also known as institutional and environmental contexts operating within the country of origin, which *predispose* a student to make the decision to study abroad *prior* to making other decisions during the decision process, much of which involve influencing factors such as institutional marketing, commission-based recruitment agents, etc.

Meanwhile, US institutions, both statewide and institution-wide, have developed international marketing and recruitment strategies to attract international student enrollment, focusing primarily on promotional and customer relationship management (CRM) activities targeted at the second and third stage of the decision process (Douglass and Edelstein, 2009). The US government has yet to establish a nation-wide, federally funded international student recruitment strategy, backed by international student market research (McMurtrie 2011; Becker and Kolster 2012). Given this lack of national support, funding and research into international student markets and recruitment, several state-wide educational recruitment consortiums of selected universities and colleges, like Study Mississippi and Study California, have emerged to share recruitment costs, best practices, resources and strategies (Fisher 2011).

Competing international student recruitment countries such as Australia, Germany, UK and Netherlands, on the other hand, not only have cohesive federally-funded international student recruitment strategies backed by student market research but also have listed priority international student markets for recruitment (Douglass and Edelstein 2009; Becker and Kolster 2012). For instance, the Dutch government has prioritized 10 target market countries based on push-pull extrinsic (institutional and environmental) factors which they anticipate will contribute to student mobility and have established the Nuffic Netherlands Educational Support Offices and Desks in each of these countries to support their recruitment effort (2012). The countries that the Netherlands currently prioritizes and allocates recruitment resource to are the following: Brazil, China, India, Indonesia, Mexico, Russia, South Korea, Taiwan, Thailand and Vietnam (2012).

While the US does not have an established international student recruitment strategy as sophisticated as that of the Netherlands, it does have a presence abroad. In 2011 there were a total of 400 federally funded Education USA student advisement centers, located in 170 countries, which were supported by the US Bureau of Education. These centers have been criticized for their lack of availability to potential students and their locations in US embassies and consulates (Zhang 2011). In addition to maintaining these centers, the Obama Administration has slowly begun to place priority on developing educational partnerships with select emerging student markets. In 2009, the Administration introduced the “100,000 Strong” initiative, which seeks to increase US student in enrollment in Chinese universities, as well as initiatives to increase Vietnamese and Indonesian student enrollment (McMurtrie 2011; Becker and Kolster January 2012). While these new efforts to develop educational partnerships with Indonesia, China

and Vietnam are well-intentioned and have followed several recommendations by the US National Association of International Educators to increase the US international recruitment activity, most of these initiatives either lack federal funding entirely or heavily rely on private funding (McMurtrie 2011; Becker and Kolster January 2012).

Research Question

Given that the US educational system has yet to foment a research-based comprehensive international student recruitment strategy, coupled with a prevailing myth that high-growth markets will continue to grow into the future, the need for US higher educational institutions to develop and/or adopt international student market research tools are more important than ever (Douglass and Edelstein 2009). And while universities both in the US and abroad are beginning to develop more extensive marketing and promotional strategies, the focus of international student market research has been on attracting students *after* they have made the decision to migrate abroad for higher educational attainment. As international student markets are unique in that consumption takes place outside of the markets' country of origin (i.e. a Brazilian student must migrate to enroll in a US university), distinctive components must be clearly understood in order to conduct any international student market research: the factors which contribute to whether or not international students are likely to migrate abroad to study *prior* to any contact and communication with the host countries' institution, educational agents, representatives etc.

These factors will help US universities assess each international student market's needs (educational *needs* within the countries of origin) and the potential for students within the market to migrate abroad for study, all of which exist regardless of universities recruitment, marketing activities and/or the overall attractiveness of host countries and their institutions. Expressed differently, the exploration of these extrinsic factors (also called "mapping institutional and environmental contexts") will illustrate what Khanna, Palepu, Sinha (2005) have termed "institutional voids" which often exist in emerging student markets and can predispose a student to migrate abroad for higher education study rather than study within their countries of origin. Originating in what is termed the "predisposition stage" in the Chen's Synstudy Model of Push-Pull international student decision-making process, these factors influence, shape and constrain the decision to migrate for international study, and precede all other factors in the decisions process to study abroad.

Leading the way in international student choice theory, Chen's Synthetic Model combines the Hossler and Gallagher Model (1987), the Neice and Braun Model (1977) and the Mazzarol and Soutar (2002) push-pull model to form a 3-step decision process, which is influenced by what he terms students' individual characteristics, push-pull external factors and significant others (familial/social ties) (Chen 2007). In the first step, the predisposition stage, the student makes the choice to whether to study abroad or study locally, prior to any contact or communication between the host country, institution or city, based primarily on external push factors, students' individual characteristics and significant others. In the second step, the search, selection and application stage, the student explores (via online, an educational agent or otherwise), options within the host country they are predisposed to such as the city and institution. This decision is based on the influencing factors, including the additional detailed external push-pull factors developed by Mazzarol and Soutour (2002). In the third and final step, the choice stage, the student has been already accepted into a higher educational program that they've applied to, is influenced by push-pull factors, and therefore makes the final choice on a host institution (Becker and Kolster 2012) (Chen 2007).

Despite the importance of identifying these factors in the each phase of the decision process, Chen's Model and others that have followed such as McMahon (1992), Mazzarol and Soutour (2002) Boyd and Grieco (2003) Kolster (2010) and Becker and Kolster (2012), curiously fail to distinguish which factors constrain, influence and shape at each stage of the decision process, thus necessitating additional research.

As investments into universities' recruitment activities would be better served if there were a clearer understanding of what institutional and environmental contexts drive international students to make the decision to migrate, identifying these extrinsic migratory factors is essential to summarizing international student markets (Chen 2007).

Purpose of Study

The purpose of this study is to develop an international student market research instrument, composed of a series of questions, in order to map student extrinsic migratory factors (institutional and environmental contexts) in the predisposition stage that influence, shape and constrain international students' decision to study abroad (Khanna, Palepu, Sinha 2005). Administered through a market research instrument, these strategic research questions will be applied to five international student markets with the highest growth in student numbers in the US from AY 2005/06 to AY 2010/11 in order to demonstrate the conditions necessary to predispose students to migrate abroad for study. Of these five high-growth student markets, I have chosen three which have the predominant conditions necessary for migration. By giving evidence that specific factors within a student's country of origin contribute to student migration, I argue that US higher educational marketers and recruiters will be able to apply these questions to future student markets in order to anticipate potential growth.

In integrating Chen's Synstudy Model with push-pull concepts developed by McMahon (1992), Mazzarol and Soutour (2002) Boyd and Grieco (2003) Kolster (2010) and Becker and Kolster (2012), this study is based on the theoretical foundation set forth by the preceding literature on students' choice in the first stage of the decision process whether to migrate (predisposition phase-stage one) abroad for study. It assumes that international students' decisions to leave their country of origin to study at a higher educational institution abroad are directly influenced, shaped and constrained by institutional and environmental contexts, (otherwise known as extrinsic factors), significant others (family and spouses), and students' individual characteristics which push students *from* their country of origin toward host countries and pull student *toward* host countries away from their country of origin (2007). As much of prevailing international student recruitment literature has focused primarily on host countries and their institutions' pull factors in the second and third stages of the decision process, and has given little attention to the push factors which create the impetus to migrate, it is only the push factors in the predisposition stage for which research questions will be developed.

Nevertheless, understanding how push *and* pull factors influence, shape and constrain international student choice and how they operate through all three steps of the decision process is essential to conceptualizing push factors in the initial step of whether to migrate. Therefore, this chapter will briefly outline the push-pull process, which I will discuss in more detail in Chapter Three. Developed in Lee's 1966 study *A Theory of Migration*, push-pull migration occurs when push factors, such as the lack of work/study opportunities in a host region, create the catalyst for migration. Meanwhile, pull factors attract the migrant to a specific region. Given the limited discourse in push-pull theory application to international students in migration decisions, scholars have not yet explored several factors of migration such as those which unequally affect women. Therefore, by addressing these factors within the research questions can help describe how these push factors influence, shape and constrain students each high-growth international student market uniquely in the first stage of the decision process (predisposition phase of whether to migrate), I argue here that international higher educational institutions can better anticipate which high-growth student markets will continue to migrate abroad for study, regardless of US and other competing host countries' and institutions' pull factors, such as marketing activities, program development, tuition costs, environmental attractiveness, etc.

I develop a series of research questions, inspired by the research design found in Khanna, Palepu, Sinha's (2005) Mapping Institutional Contexts in *Strategies that Fit Emerging Markets*, which can be utilized in

order to spot institutional and environmental voids (extrinsic factors) within emerging markets, the series of research questions will be developed. All of the research questions in the series will seek to answer two unifying study questions below.

Research Questions
<ol style="list-style-type: none">1. How do extrinsic push migratory factors in Stage 1, <i>prior</i> to other factors in Stage 2 and 3 in the decision process, <i>predispose</i> high-growth international student markets to make the decision whether or not to study abroad?2. Based on these factors which influence, shape and constrain the student decision in stage 1, which 3 international student markets most predominantly demonstrate conditions necessary to <i>continue</i> to predispose its' students to migrate abroad for higher education?