Competing Globally

Understanding the decision making processes of prospective international students

Hobsons

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Introduction

The Situation

The competition for international students is becoming increasingly complex and is under the spotlight like never before.

There is a perceived threat to the UK from courses in English in non-English speaking countries and government initiatives in Canada and Australia to attract more international students.

The income to the UK from international student tuition fees is estimated to be worth over £4 billion alone, whilst the total value of all UK education and training exports to the UK economy has been estimated at £14 billion, with a projection that it could rise as high as £26 billion by 2025.¹

What is without doubt is that these valuable prospective international students now have more choices than ever before. Until this survey there has been little research, and therefore poor data, on prospective international student behavior and decision making.

The Research

Hobsons work with over 40 universities in the UK providing technology and services that support their marketing and communications. For many of these universities we provide an additional enquiry and offer conversion service. Working with these universities we were able to mobilise a unique data set of prospective international students.

In March 2013 we asked over 70,000 prospective international students who had enquired to UK universities within the last two years about their perceptions and expectations of study in the UK.

The size of the data set along with the number and quality of responses has enabled both a very robust student segmentation based on behavioral characteristics along with a group of very clear findings about the perceptions and expectations of international students about what studying in the UK will be like.

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Student segments

The analysis identified seven distinctive types of students looking to study in the UK as follows:

- Aspirational Returners
- Value Hunters
- Emigrants
- Want It All
- Rich Returners
- Premium Value Seekers
- Care Free

Example: ‘The Aspirational Returner’

The Aspirational Returner wants to come and study at a university in the UK for the specific purpose of improving their job prospects in their home country post-study. Accordingly they will look for universities with high graduate employment rates and links with employers.

In terms of their academic ability they are good, but not excellent, students with 37% self-classifying as grade ‘A’ students. The Aspirational Returner is not an affluent student, so for them costs and ability to fund study is a major consideration. They also make up the lowest income grouping with 77% self-declaring a household income below $50,000. Unlike some of the other student types; the Aspirational Returner plans to return home immediately post study.
How students make their decisions

While there are some similarities between the seven segments, the responses from students clearly showed that the different groups weighted information they have about both the country and the university in different ways.

Example: The Aspirational Returner

For the Aspirational Returner, not surprisingly, job prospects in their home country and international recognition of the qualification came top. When they looked at the university itself, information about scholarships and teaching quality came out on top.
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Student hopes and fears

A useful framework for building a marketing or conversion strategy, is one based on the simple concept of understanding the nature and balance of students’ hopes and fears. This survey gives us a much deeper understanding of what constitutes each side of this balance.

- Students hope for academic quality and increased job prospects
- Students are commonly concerned about costs and visa regulations
- There are also factors that students are simultaneously hopeful and fearful of, for example safety, culture and post study options.

How they make their decision – course or country?

When designing the survey we set out with the aim of establishing whether it was the course or the country that was most important in the decision making process. To understand the international student decision making process we must understand where they begin.

- Interestingly for conversion efforts 72% of students told us they decided where to go to university after they applied.

Contrary to previous beliefs students overwhelmingly told us that they selected the subject that they wanted to study first.
Once we know how a prospective student journey begins we then need to know how they go about sourcing the information that will help them make their decision; we asked students about where they go to get this information.

Direct email or phone conversation was more than twice as important as social media.

If we know how they source information the next step is who or what in influences their decision making.

Parents are the most important influencers in the student decision making process, however when it comes to the factors that really influence the student it is clear that the ease of getting a visa to study is far more important than the ability to get permanent residency after study.

88% of respondents told us that they may switch destination country if visa regulations are tightened.
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Do they want to settle here?

The primary motivation for students wanting to study in the UK was to improve job prospects in their home country. Only 6% indicated that they wanted to move to their study destination permanently.

Who is our competition?

We know where the journey begins, how it develops and what influences it—what then of the competition? We asked students which other countries they were considering besides the UK.

- 32% also considering the US
- 20% also considering Australia
- 20% also considering Canada

It’s all about focus: knowing the competition is key. The most popular ‘other’ European country students considered was Germany with 0.5%, followed by France with 0.3%.

The question is for how long will this remain the case given each countries approach to international education?
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Considerations and conclusions

So...should we be concerned?

What was clear from responses is that visa regulations are the main area that UK universities should be concerned about. So no surprise there then. The question is now though what we can all do to influence this?

Students who choose not to come to the UK did so largely because of their perceptions of visa restrictions including post-study work options (24%), ease of obtaining a visa (24%) and ability to work whilst studying.

Australia, Canada and the US are popular choices with excellent reputations. With such a significant number of students saying that they will switch university if visa regulations are tightened, the UK could be under serious threat if either UK visa regulations are restricted further or if student immigration is further liberalised in the US, Canada or Australia.

The exciting bit: there are opportunities universities should be thinking about

The student responses suggested two major opportunities for all UK universities.

- Communication and segmentation
- Course offering

Communication and segmentation

The importance of student friendly information on a university website coupled with ongoing communication, either by phone or email was clear. The seven categories of student that emerged each ranked factors relating to the country and university differently. Making the investment and taking the time to better understand your prospective international students and the journey they take to get to your university could pay significant dividends in the changing world of international student recruitment.

Course offering

Cost is a key consideration for many students; nearly three quarters of the students in the survey indicated some form of concern over costs and funding their education. When we asked students who did choose a university in another country why they did, primarily it was related to affordability. We would suggest there is a major opportunity to provide a lower cost alternative (accelerated courses or blended learning in the student’s home country).

Conclusion

Student experience is no longer just what happens on campus, it starts long before then. It starts with a student’s very first interaction with our universities. Of most importance is how institutions show they understand their prospective students and therefore how they communicate and interact.

The international student recruitment market is one of fine margins and anything that we can do to better understand student decision making, allay their fears and encourage their hopes will be beneficial for our own institution and the UK as a whole.
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Key considerations for UK international recruiters

- Do you have a clear idea of what type of prospective international students you are attracting?
- What information do you collect at the outset and how does this help you understand your prospective international student?
- Do you have a clear idea about the factors that international students consider and the weighting they give them?
- Are you doing enough active follow up, either after an enquiry or at offer stage?
- Do you understand which prospective students are converting from enquiry to application and offer to enrolment at the highest rates?
- Who would you say your main competitors were? How do students measure your institution against them?
- Do you have appropriate tracking and reporting in place to measure the success of any of your processes and technology that is in place for managing offer conversion activity?
- Do you run a decliners survey to understand why students didn’t choose your university, what they did instead and the reasons why?

Hobsons Enrolment Management Services

Enrolment Management Services focuses on responding to and managing relationships with all a university’s prospective students at enquiry and offer stage whether home, EU, international or online. We support institutions to convert more students into qualified applicants and ultimately enrolled students.

Institutions that use Hobsons’ enquiry and offer conversion service saw their non-EU students increase over 2011-2012 at an average of 4.5%. Institutions working with Hobsons saw growth rates for their non-EU student numbers four times higher than institutions that don’t.

For more information or to discuss how we may be able to help you better understand international student decision making or support your enquiry or offer conversion activity please contact +44 2072506653.