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Mature Markets – Emerging Challenges and Opportunities

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Mature Markets

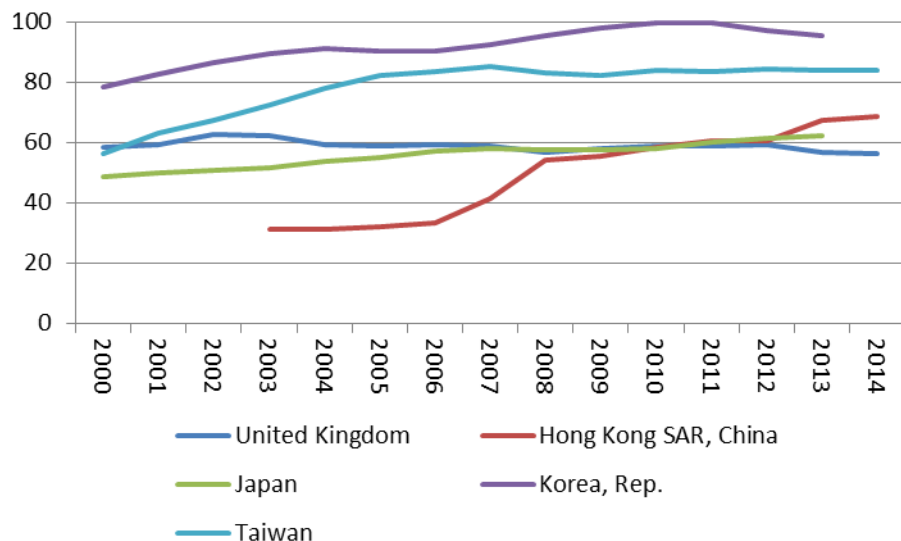
- Quality students
- Competitors are battle tested
- Strong domestic competition
- Savvy consumers
- Need effective positioning
- Share of voice in busy communication channels
- Issues around Social Mobility

Marketing Success Factors

- Understand consumers
- Sustained competitive advantage
- Customer satisfaction and loyalty
- Creative marketing programmes (channels and content)

Tertiary Enrolment Rate

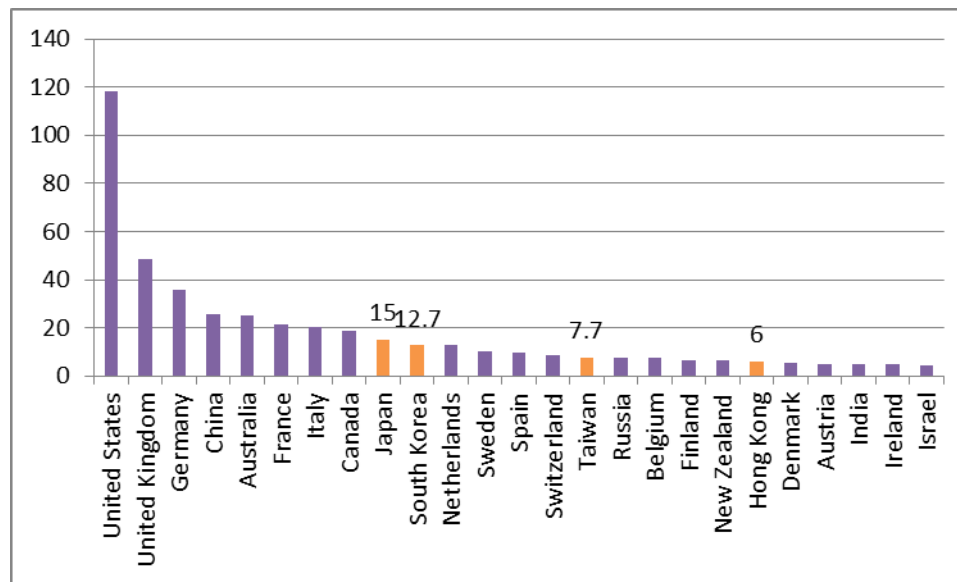
Gross enrolment ratio, tertiary, both sexes (%)



Source: UNESCO Institute for Statistics via World Bank website + Ministry of Education (Taiwan)

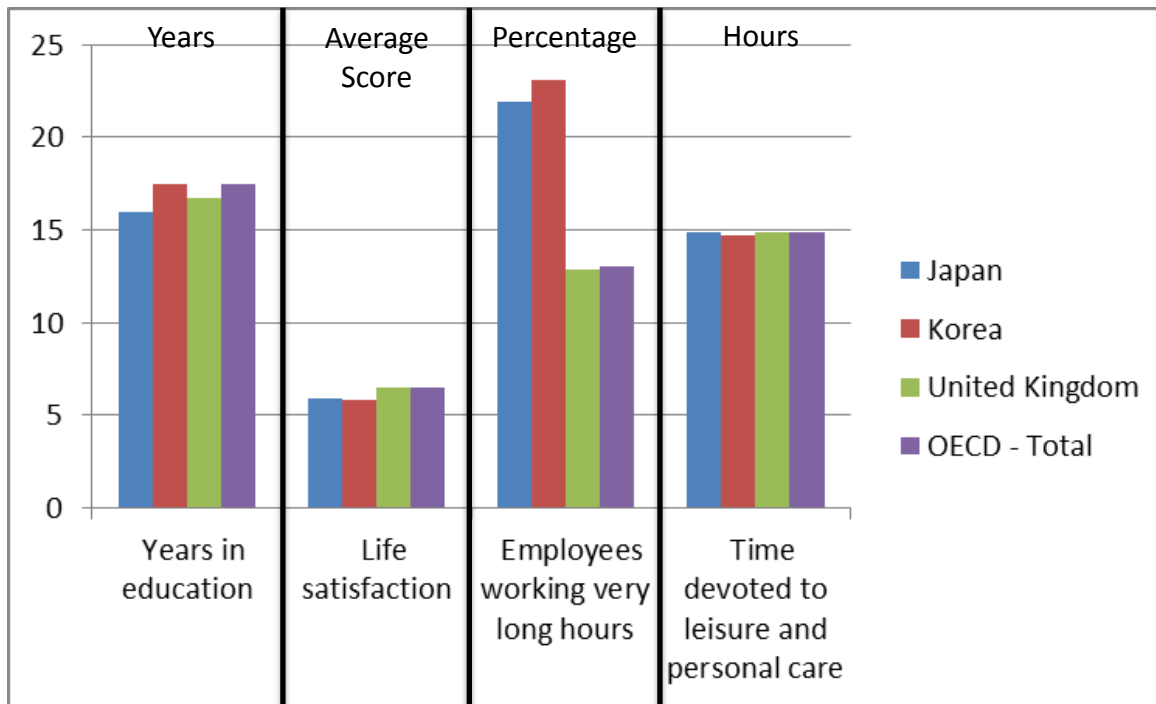
Top 500 universities

Number of universities in world top 500 by country



Source: QS, Times Higher Education and Shanghai Jiaotong world university rankings

Life satisfaction



Source: OECD Better Life Index

Tier 4 student visa issuance

Data to Q3 each year

Q3 visa data should be available before the conference

UK Market share of major English speaking destinations, 2015

HK 44.8%

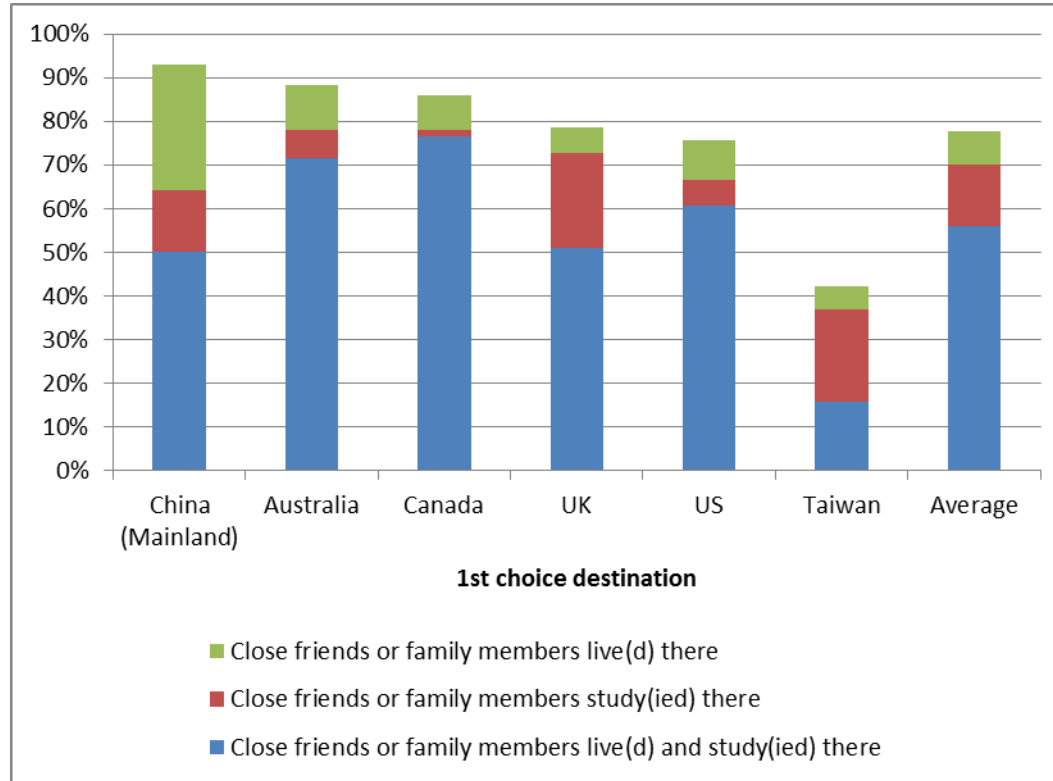
TW 14.2%

JPN 8.3%

KOR 6.1%

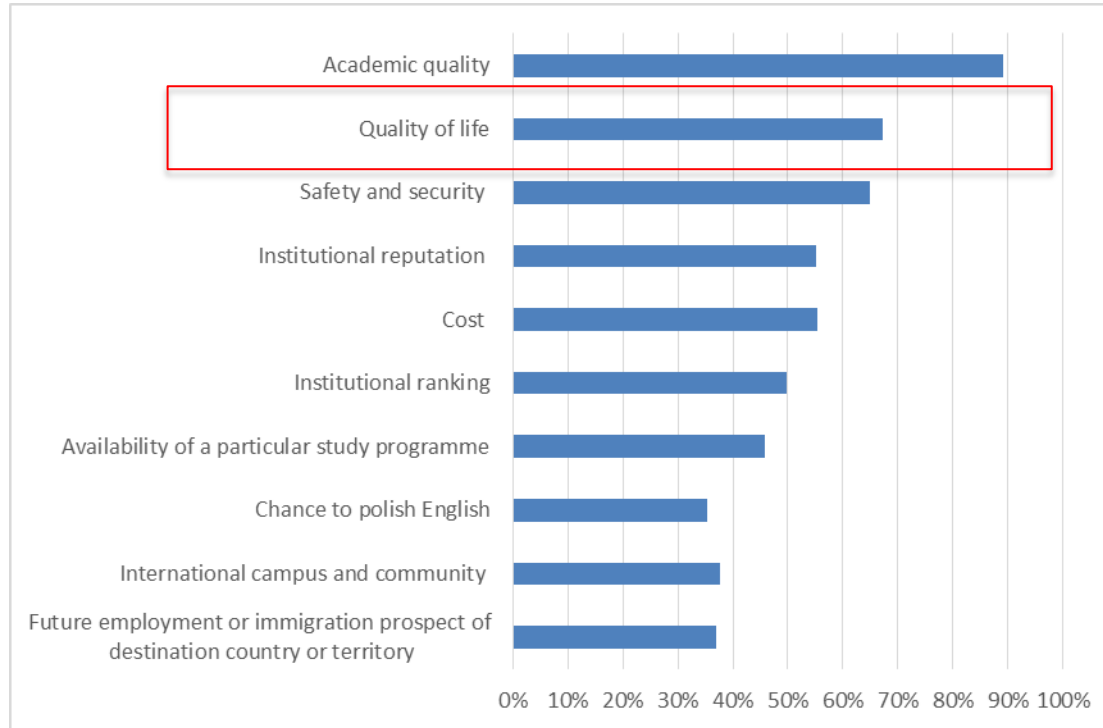
Sources: Home Office, US Department of State, Government of Canada, Australian Government department of immigration

Familiarity



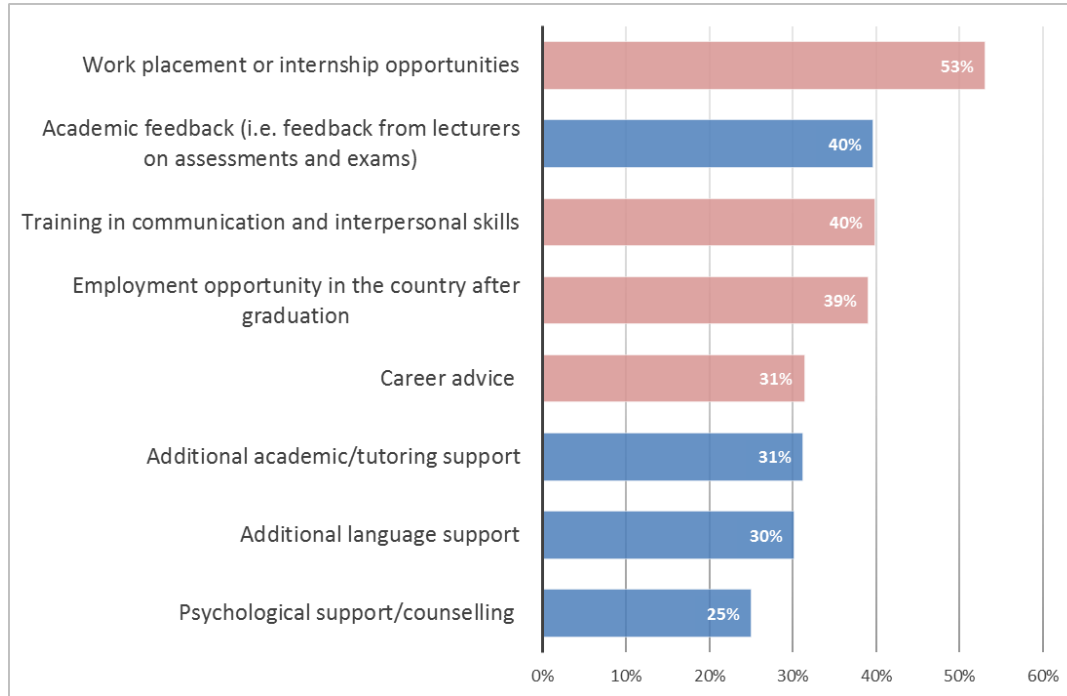
Source: Hong Kong parent and student research, British Council.

Decision Making Factors



Source: Hong Kong parent and student research, British Council.

Support Needed



Source: Hong Kong parent and student research, British Council.

Employability



Mature vs Stagnating

- All mature markets aren't the same.
- Still growing? Plateaued? Declining? Is it the same for all?
- What are the migration stats to all countries, not just UK?
- Are the levers of control in our hands?
- Conceding defeat and moving on to greener pastures IS an option!

Where is the growth going to come from?

Figuring out the competition is key to giving context to communications

If competition is local:

- Is there a capacity issue?
- What's our advantage?
- Is overseas even an option?

If competition is overseas:

- What's our advantage?
- Is it important to the prospect?
- Why aren't we winning?

We must answer the fundamental question for all consumers:

What's in it for me?

Where is the growth going to come from?

- South Korea very US focussed.
- More growth likely to come from stealing share than trying to persuade new entrants into market.
- Therefore we work together to communicate our strengths over the US system.

UK vs US

1. We're faster
 - 3 years vs 4 years (UG)
 - 1 year vs 2 years (PG)
2. We're cheaper (and not just because we're faster)
3. Visa? PSW?
3. Brexit is still better than Trump
 - We still have a Tunnel, they're building a wall!

Employability is everything

No-one spends 1000's of pounds on a degree without some hope of a competitive advantage at the end of it.

Other countries now offering better PSW options.

- Do they work?
- Are students going to those countries proving to be more employable once they return home?

Given that we know the direction of travel under the current government, how do we enhance tangible employability benefits given PSW restrictions?

Great is great but Better is better

New focus needed on why UK is a BETTER option for overseas study.

Everyone says they're good.

“Open for business” is not enough.

UK needs to be clear on what it is best at.

Employability as a decisive factor for Japanese students

How Japanese Students Select Institutions

- Student Insight: Japan 2016
- Quality of the course (22.1%) is the most important factor when selecting institutions.
- Whether it will enhance employability (11.1%) more important than in 2007.
- Importance of institution reputation significantly lower in 2016 (9%) than in 2007 (18.3%) - 'brand' or 'name' are important, but not a decisive factor

What are Their Views on Employability – UG and PG

- A quarter of respondents valued the experience of working with people from other cultures or backgrounds
- Employment in the country of study after graduation was the second priority
- Also important was developing language skills and networking and making contact with other experts in the field

Environment – Evolving Job Market in Japan

- Lifetime employment at one organisation was common in Japan.
- Job market began to evolve in 1990s and young Japanese are much less likely to take a job for life.
- With more firms expecting staff to move on, less training is being delivered by employers and more employability skills are expected to be provided by universities so new graduates need to be better equipped for the workplace.

Training Sector Example: Tourism and Hospitality

5 Areas in Need of Graduate Workforce

Welfare

Elderly Care (310,000)

IT/Information Services

(370,000)

Content Creation

Web contents
production / Animation
(20,000)

Hospitality

Tourism/Hotel
industries
(220,000)

Business Administrations

Sales/Finance/HR
(400,000)

Challenges Facing Tourism and Hospitality Education

- Inadequacy in HE education for graduates with skills required by business and industry
 - Previously dominated by academic studies related to Humanities and Social Sciences
 - Lack of teaching from business and management points of view
 - Weak links between university and industry

Demands identified by Japan Tourism Agency

MBA for 'Top'
Leaders

HE Courses to
Develop Skills
Required by
Industry

Practical Training
for Highly
Professional Staff

Heritage
Management

Partnership Opportunities – HE Institutions

- 49 courses in 42 universities in Japan (4,708 students in 2015)
- New MBA and other HE courses have started partnering with overseas universities for education and research collaboration
- Collaboration with business/management related schools and departments in demand
- Case Studies
 - Kyoto University and the University of Central Florida
 - Wakayama University and University of Surrey

Partnership Opportunities – Professional Training Colleges

- 105 colleges (249 courses) offering Tourism and Hospitality courses in 2015
- Number of students on the increase (16,960 in 2015, 24% increase against 2012)
- Types of international partnerships: short-term English language programmes, English plus programmes (with practical training/work experiences) and “sandwich” programmes

Recommendations for UK Institutions

Be prepared to offer programmes enhancing employability

Reform in action for HEIs in Tourism and Hospitality, hence more possibilities for new partnerships

Institutions are also looking for partnerships that can offer practical (“work” related) training for students

Key Points

- Appeal to students career/social mobility frustrations
- Need to provide better value than local universities
- The experience is perhaps just as important as the qualification
- Provide employment skills
- Provide solutions to local labour market needs/skills gaps