BRITISH COUNCIL

UK International Education beyond 2020

The Winding Path to Recovery

As we approach the end of a tumultuous 2020, how is the outlook for international education evolving? While the timeline for a resolution to Covid-19 remains uncertain, there are some clear trends emerging that will shape the industry over the next few years.

Forecasts

- Demand for international education has already been significantly disrupted in 2020/21 and the effects of the pandemic are likely to spill over into the 2021/22 cycle. At minimum we expect prospective students for the autumn 2021 start to delay their decisions much later than usual.
- Demand from the major East Asia markets will not recover until the risks of the virus approach zero. Based on the current vaccine distribution plans, this likely pushes the timeline until well into 2021.
- But a recovery will come once the risk has been suppressed. All signs point to continued demand from the major student recruitment markets, particularly China and India, which will remain the pillars of the international education industry.
- The recovery will nevertheless follow a winding path, with challenges arising from the prolonged financial impact of the crisis, geopolitical tensions and a vast restructuring of the airline industry that will make travel more complicated and costly.

Risks along the journey

- **Failure to manage student experience**
  Universities and students will have to rely on online and hybrid learning for longer than either expected. Online was never warmly embraced by our international students and managing expectations will be increasingly challenging to manage as the crisis wears on. In key East Asia markets, where the virus is largely suppressed, best practice will include providing opportunities for students to interact with classmates and alumni face to face.
- **A weaker-than-expected response to the Graduate Route**
  Prior to the pandemic the UK was prepared for a boom in student demand thanks to the return of a post-study work pathway. This will help to soften the blow from Covid-19, but the appeal of post-study work may not hold up well in a prolonged financial downturn. The experience from Australia also suggests that the quality of post-study work placements is extremely important and there remains work to be done in linking students to industry.
- **The competition strikes back**
  The UK has thus far weathered the storm better than its major competitor study destinations thanks to border restrictions and policy settings. Yet all of these advantages for the UK are transitory and could rapidly shift in the opposite direction as policy responses and geopolitics change.
- **More expensive air travel**
  The pandemic will lead to an unprecedented shake up in the airline industry. In the near term, prices will swing wildly between discount and premium, but over the longer term, decreased business travel and industry consolidation will likely lead to higher ticket costs. The rise may weigh on the decisions of price-sensitive students.

Key Trends

01

A more local touch

Institutions will invest more in localisation of websites, content and digital media channels in key markets such as China and India, ensuring both the language and non-language aspects are relevant to each audience. The trend towards localisation was already underway before Covid-19 struck but will accelerate due to limitations on face-to-face engagement.

Institutions would be expected to not just understand which social media dominates in which markets – but to work within localised communities and influencer networks who will play a bigger role in delivering an 'authentic voice' to a generation immersed in digital marketing.

02

Rapid response

Prospective students face a maze of obstacles and uncertainties in making overseas study decisions, churning up a tide of enquiries about everything from campus safety protocol to travel and visa logistics. With heightened coemption for international students, universities will need to be even more responsive to these enquiries than they have been in the past.

Successful institutions will measure response times in minutes rather than hours or days. Solutions may include setting up frontline response teams in key markets to provide high quality and reliable services to support both students and agents on the ground.

03

More reliance on local reps

Pressure to recover international enrolments coupled with tighter budgets and continued travel disruptions will push many international offices to rely more on commercial partners and in-country representation. Outsourcing a larger proportion of international student recruitment activities will help many universities weather challenges over the next few years, but it will often require them to accept higher acquisition costs per student. On-the-ground representation will allow institutions to more efficiently manage local stake-holder relations, respond to opportunities and evolving market sentiments.

04

A shift towards short-term forecasting

Compared to the steady growth we've seen in international education over the past three decades, the next few years will be characterized by uncertainty and volatility. Heightened competition, geopolitics, economic volatility and innovation in HE delivery will lead to rapid changes in market demand. Universities will invest more time and resources in planning on shorter time scales to stay ahead of the changes.

05

Rationalisation of overseas delivery

Before the pandemic the UK was arguably the most active player in transnational education. Over the past few decades universities have rushed to build out global footprints, with investments ranging from branch campuses to joint degree programmes delivered in partnership with local partners. These ventures have proved costly to set up and maintain and the payoffs have often proved slighter than expected.

A rationalisation of overseas delivery was already in the offing, but financial austerity in the aftermath of the crisis will hasten the process. Investment in overseas partnerships is not dead, but it will look very different after the pandemic, with a shift in focus to models that allow for a lighter footprint.

The upshot

Demand for quality education and overseas study experience will remain strong beyond 2020, but there will be a maze of challenges to navigate on the path back to something close to normal. Institutions that can be agile and innovative in their response to these challenges will be positioned to thrive.