

The International market in a changing context

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Summary

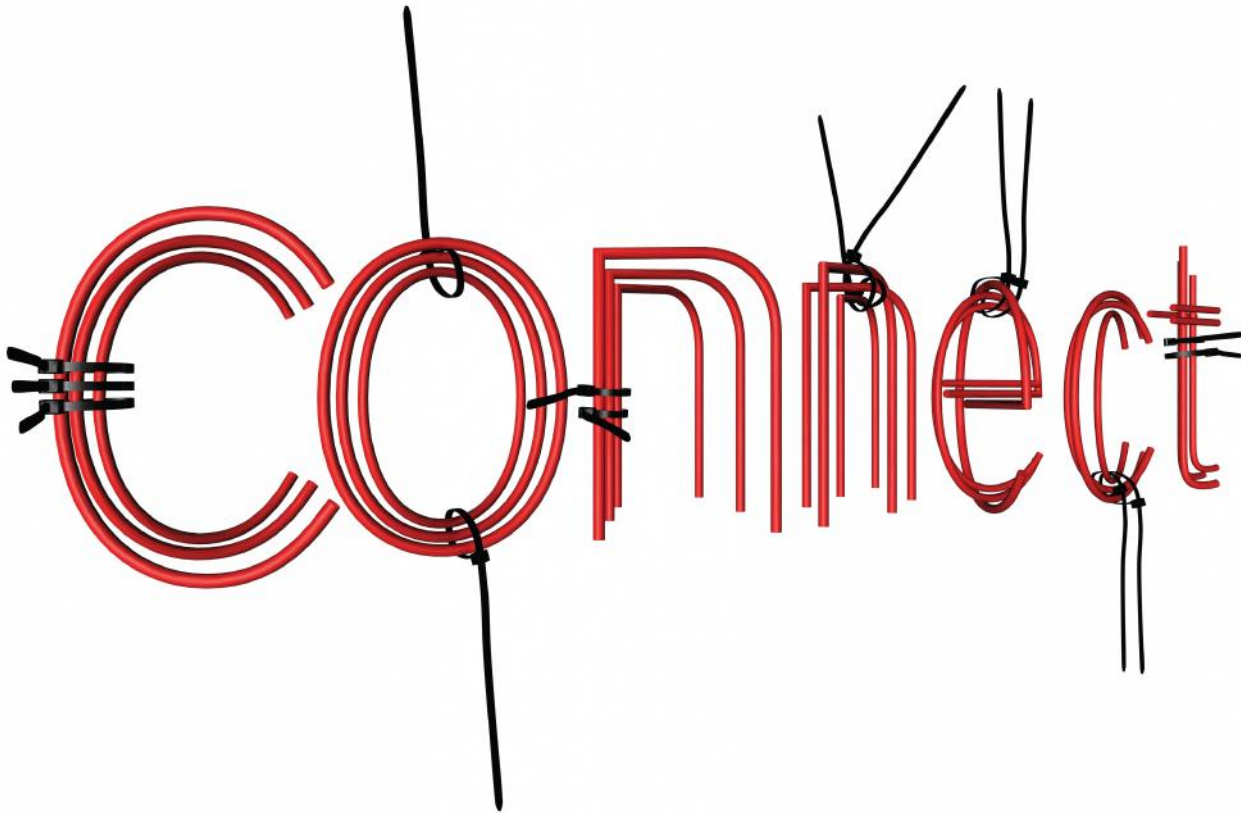
- The International Context
- Market share and trends
- Analysis by subject and level
- What does the future hold?
- The British Council's strategy to support International HE

International Context

- The emergence of new economic power centres, notably China and India, but also others, is transforming the way we see the world.
- While these developments are played out worldwide in the political and economic arena, we also need to see how this is reflected in the education sector.
- New patterns of mobility are emerging as countries in Asia are becoming net importers of international students and faculty.
- China and India, in particular, have far-reaching, long-term ambitions for the development of world-class research and teaching in their domestic higher education systems.

Context continued

- Against this background, the internationalisation of all core areas of higher education has become a political priority for governments worldwide
- As for international student mobility, the focus of the debate is shifting towards the wider perspectives demanded by true internationalisation, away from a focus on the inward flow of students.



Market Share and UK trends

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Top level analysis of 2009/10 HESA data

Good news as student numbers continue to rise...

- The 2009–10 HESA data reveals that there were a total of 454,980 non-UK domiciled students in UK HE institutions in 2009–10.
- This represents an increase of 9.5 per cent on the previous year and a growth of 51 per cent since 2002–03.
- The number of non-EU domiciled students has topped 300,000 and stands at 308,710 (growth of 11.1 per cent on 08/09).

Top 10 sending countries to UK 2009-10

Country	2008-09	2009-10	% growth
China	50,460	60,660	20.2
India	36,105	40,350	11.8
USA	21,815	23,700	8.6
Nigeria	15,105	17,405	15.2
Malaysia	13,335	14,820	11
Hong Kong	10,080	10,405	3.2
Pakistan	10,190	10,400	2.1
Saudi Arabia	5,640	8,770	55.5
Canada	6,475	6,720	3.8
Thailand	5,160	6,030	16.9

What the data tells us

- China remains the major sending country to the UK and following only modest growth last year and three years of decline prior to that, the number of Chinese students in the UK has now passed the high point of 2004–05 to reach 60,660. This represents a growth of over 20 per cent compared to 2008–09 figures.
- India continues to grow strongly although the increase of 11.8 per cent appears modest compared to last year's numbers.
- India and China together make up nearly one third of all non-EU students in the UK HE system (32.7 per cent)

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- USA and Hong Kong have turned around the slight declines experienced last year and have grown by 8.7 per cent and 3.3 per cent respectively.
 - Saudi Arabia continues to grow at an astonishing rate with a growth of 55.6 per cent building on last year's growth of 45 per cent. The number of students from Saudi Arabia has grown 126 per cent in two years and now stands at 8,775.
 - Taiwan has dropped out of the top ten non-EU sending countries to the UK, and is replaced by Thailand who experienced nearly 17 per cent growth.

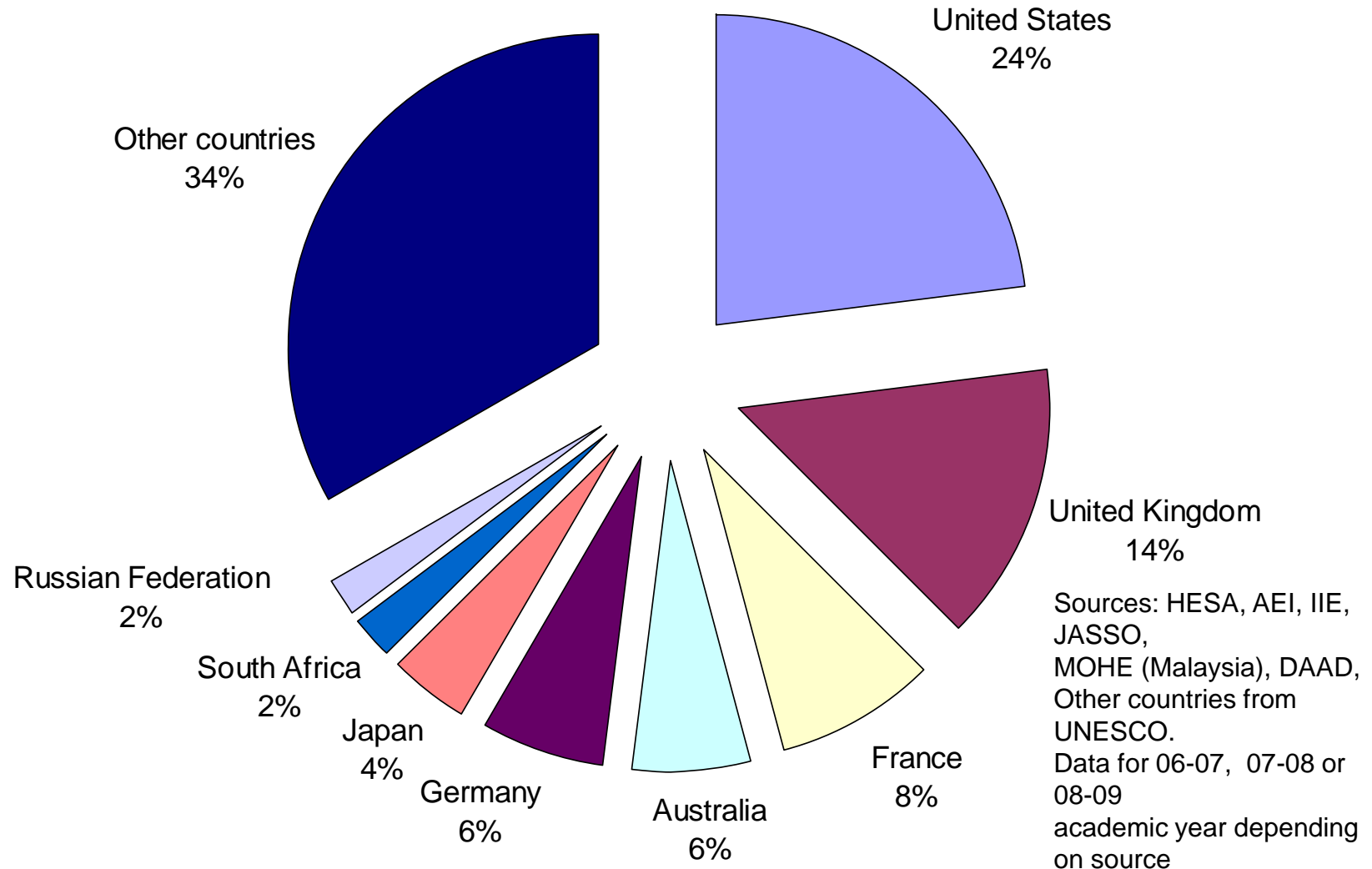
BUT: increased dependency on fewer markets for UK

Countries sourcing 50% of the non-EU population in 1998 and 2008

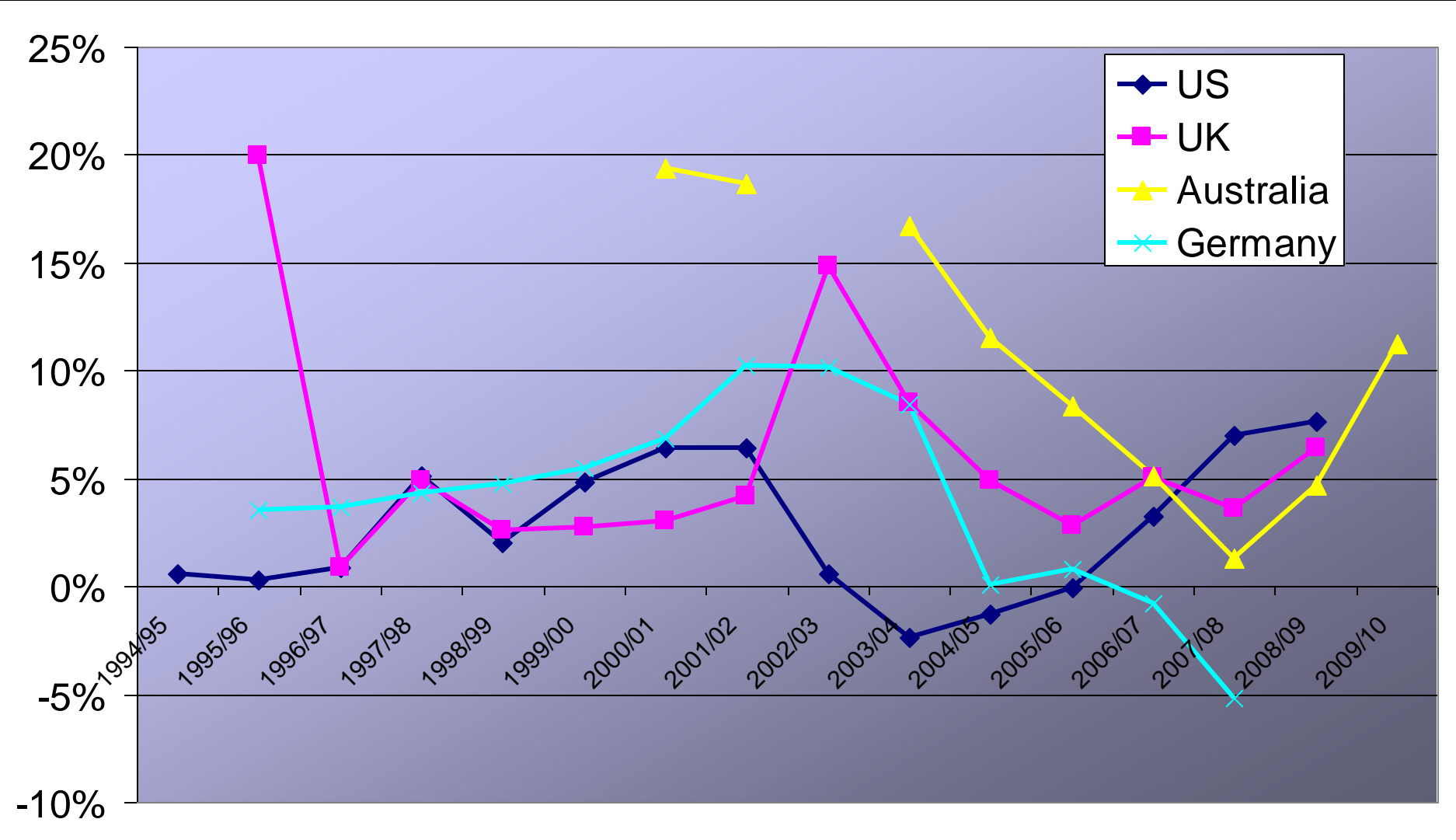
Country	1998/99	Country	2008/09
Malaysia	12632	China	50460
United States	10981	India	36105
Hong Kong	8289	United States	21815
Singapore	6016	Nigeria	15105
Japan	5686	Malaysia	13335
Norway	4055		
China	4017		
Taiwan	3570		
India	3498		
Total 1998/99	117290	Total non-EU 2008/09	277800

Source: HESA
Student Record

UK share of global market 2008-09



Annual growth rates in US, UK and Germany



British Council analysis. Data sources: HESA (01 Dec. population, 2010); IIE, Opendoors (2010); AEI (2010); DAAD foreign student numbers (2010).

Host countries in changing context

- Major host countries' growth rates have slowed down
- Diversity of different mode of delivery: increasing importance of trans-national education
- The length of time students study in UK is decreasing with increased popularity of postgraduate courses (up to 1 year)
- Rise of non-English Speaking Countries as education hosts - expanding usage of English as language of instruction beyond the main English speaking countries
- Increased and improved in country provision of education
- Distinction between sending and hosting countries becoming more blurred: increasingly traditional sending countries are becoming host countries: e.g. China, Japan, Malaysia, Singapore

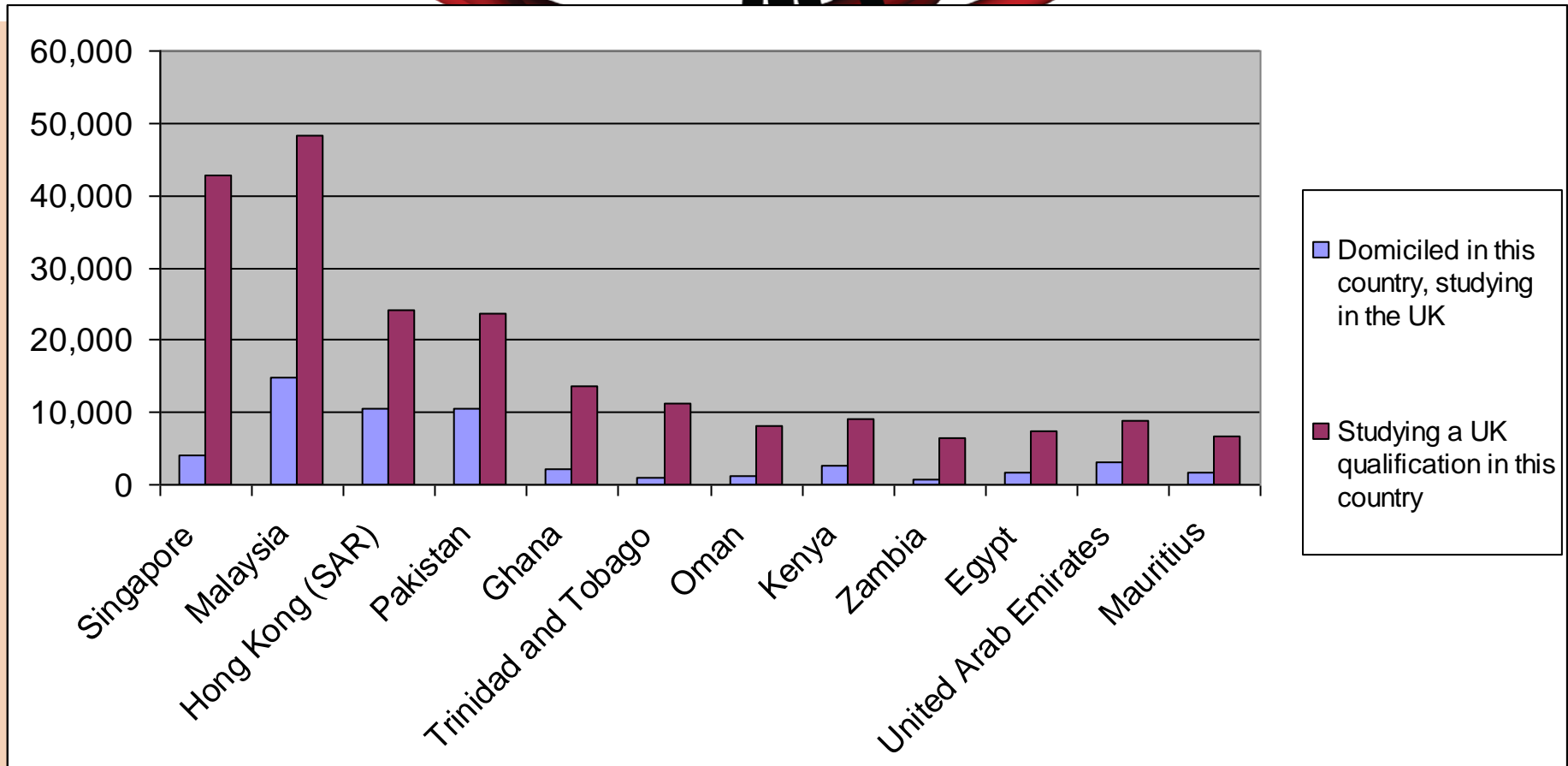
Implications for UK

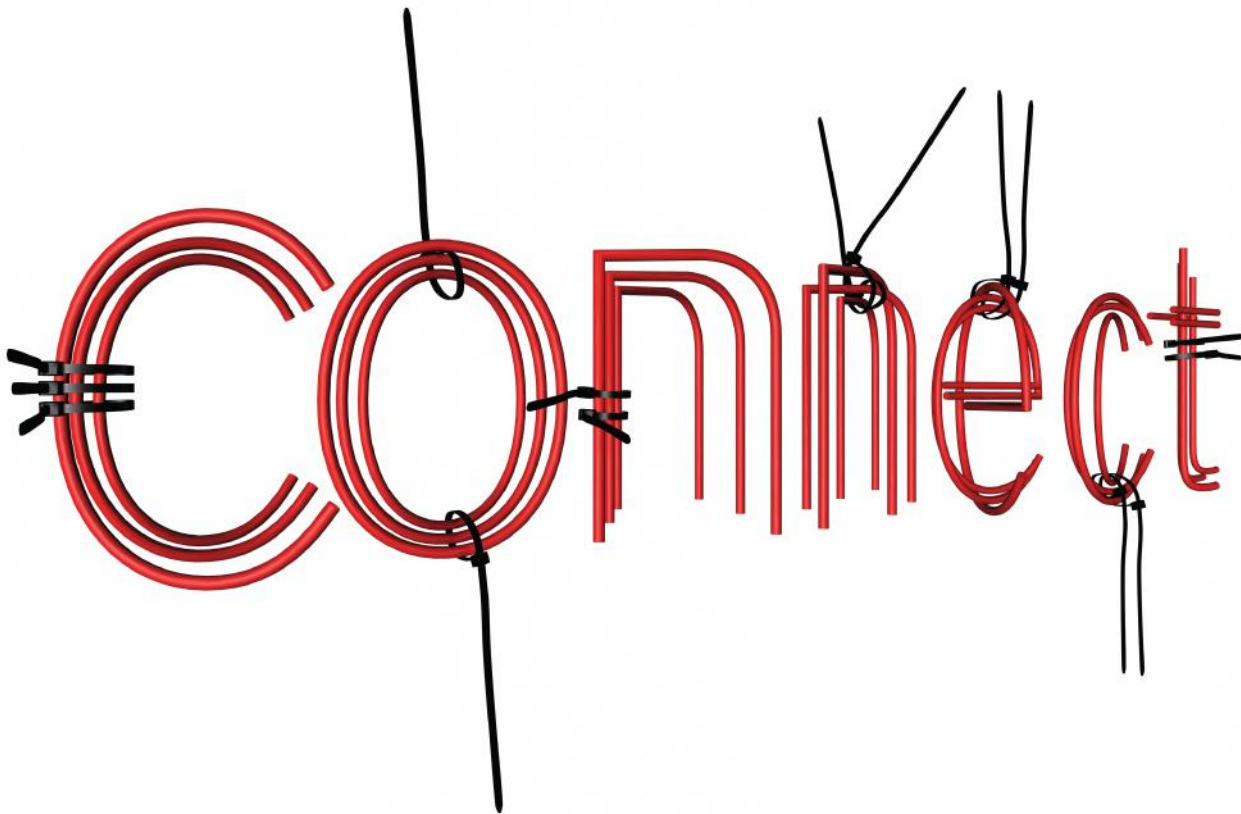
- Increasingly students are coming to the UK for shorter courses, i.e. PGT degrees (55% of the non-EU students are PG)
- Majority of the students in PG studies are from overseas
 - Dependency of wide range of subjects at postgraduate level on overseas students (so threat on the vitality of these subjects if demand contracts); highest risk for subjects like Engineering and Technology, Business related subjects, Computer and Mathematical sciences, etc.
- Increased effort and cost of recruitment: currently 54% of the total students have to be recruited on annual basis (202,000+ students each year) in order to maintain 0% growth

Transnational Education

- the number of students studying their entire UK qualification outside of the UK has increased 5.3% in the last year from 388,135 in 08-09 to 408,685 in 09-10.
- UK qualifications are now delivered in 223 countries outside of the UK
- There are now 78 countries where at least as many students study a UK HE qualification *in that country* compared to the number of students travelling to the UK for their education
- There are 12 countries where the difference between students studying a UK qualification in country and those studying in the UK is greater than 5,000:

Study in UK vs TNE



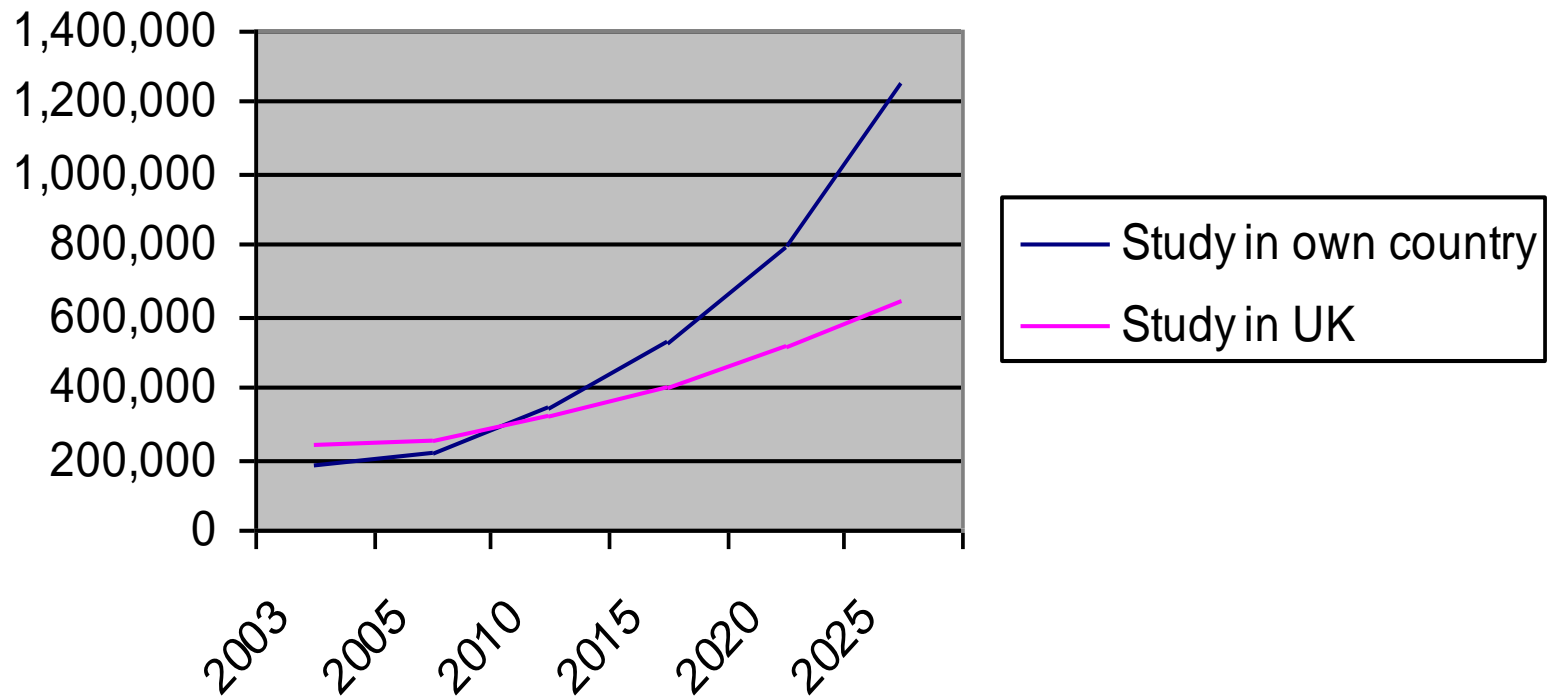


What does the
future hold?

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Vision 2020 – the first prediction

Global demand for UK Higher Education



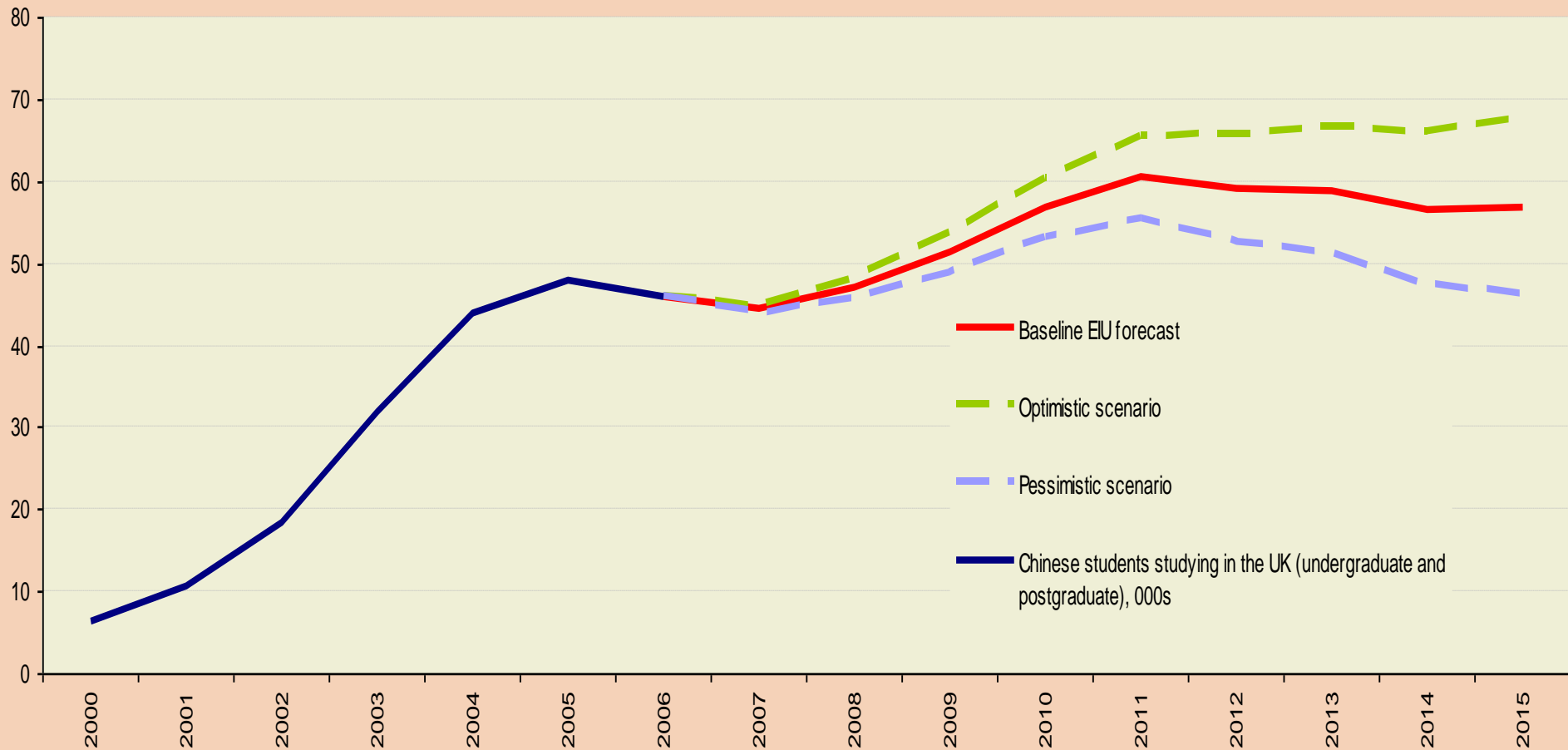
Forecasting the International Student Mobility (2010)

British Council & the Economist Intelligence Unit

- Forecasting tool which will produce predictions on international student demand for education in the UK
- Predictions are:
 - country specific (vs. predictions for 140 countries)
 - Short-term to mid-term (vs. long-term)
- Model prototype developed for China and currently being replicated in other key countries
- Includes calculation of price elasticity and other country specific parameters
- Will allow the user to use the model independently, change parameters and produce scenarios

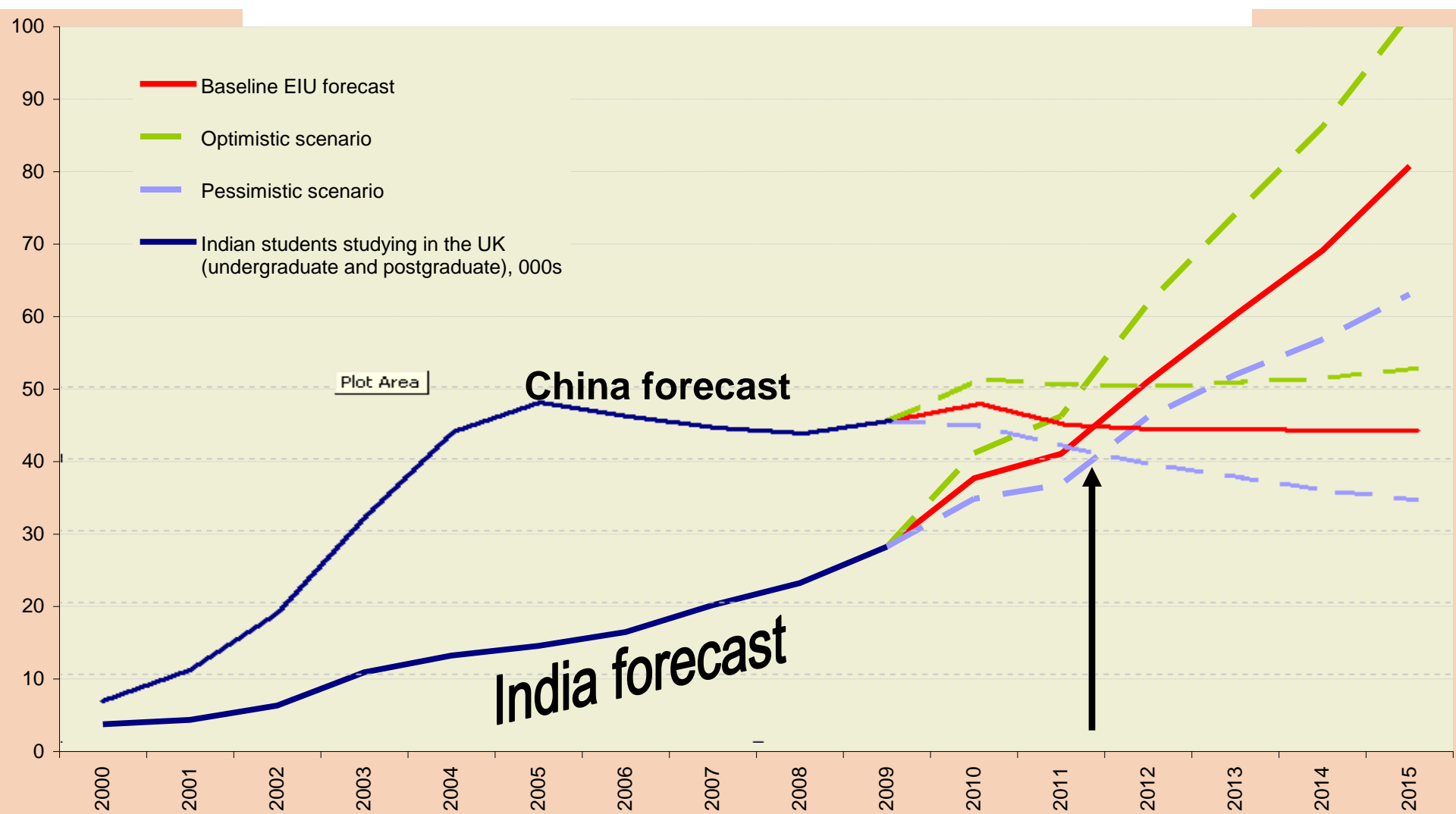
Forecasting model - China

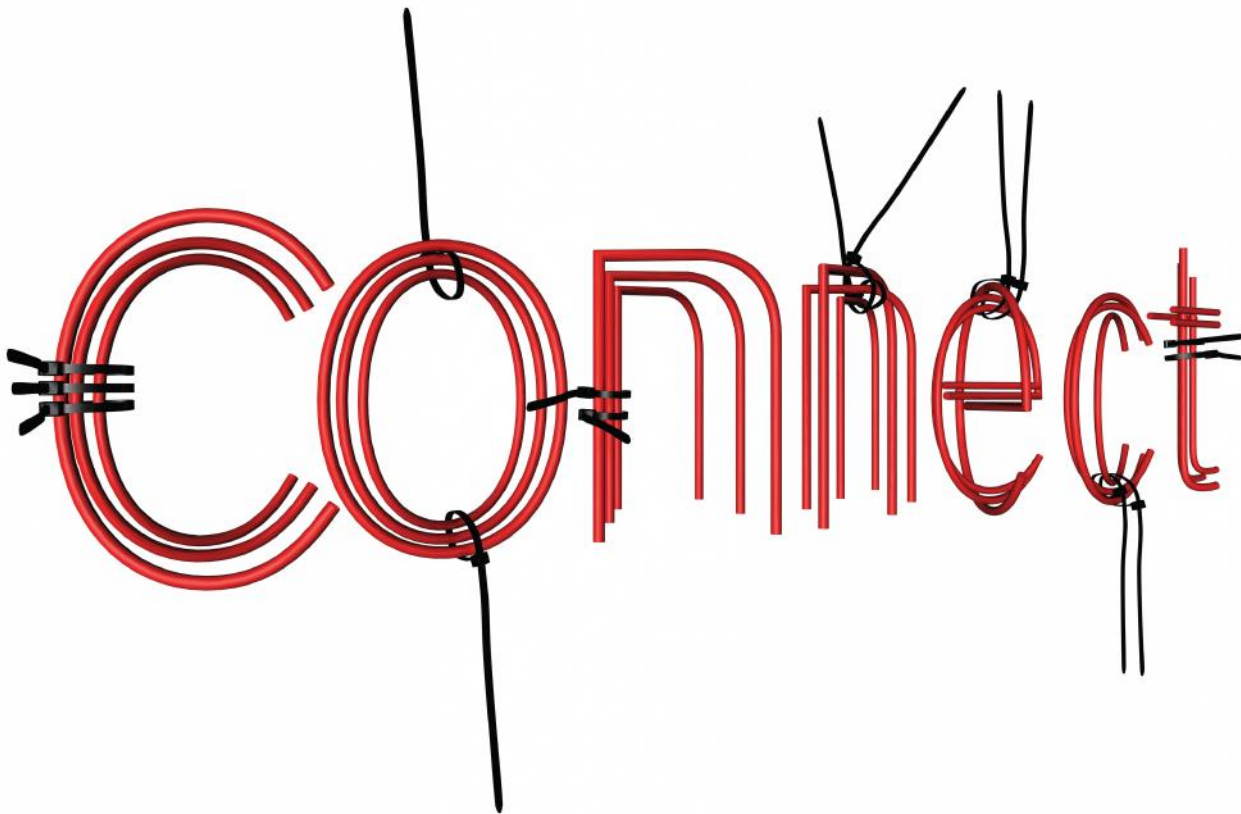
Estimated number of Chinese tertiary level students in UK, '000s



Main findings so far - China

- Demographics not good for China potential pool in future: call for different engagement with China in longer term
- Noticeable flat-lining in recent years in total outward students not caused by income or demographics from China
- Domestic provision in China is increasing rapidly in both capacity and quality, and we think this is contributing strongly to this drag
- But the total amount of Chinese international students set to continue increasing if at a decelerating rate (the leakage rate declines slowly)
- Our competitor model suggests Chinese students do seek value and are price conscious
- UK's market share appears to depend mostly on its relative share in bilateral trade growth, the number of existing Chinese students in the UK and tuition fees
- **Full report available at:**
- <http://www.britishcouncil.org/eumd-information-forecasting-student-mobility.htm>





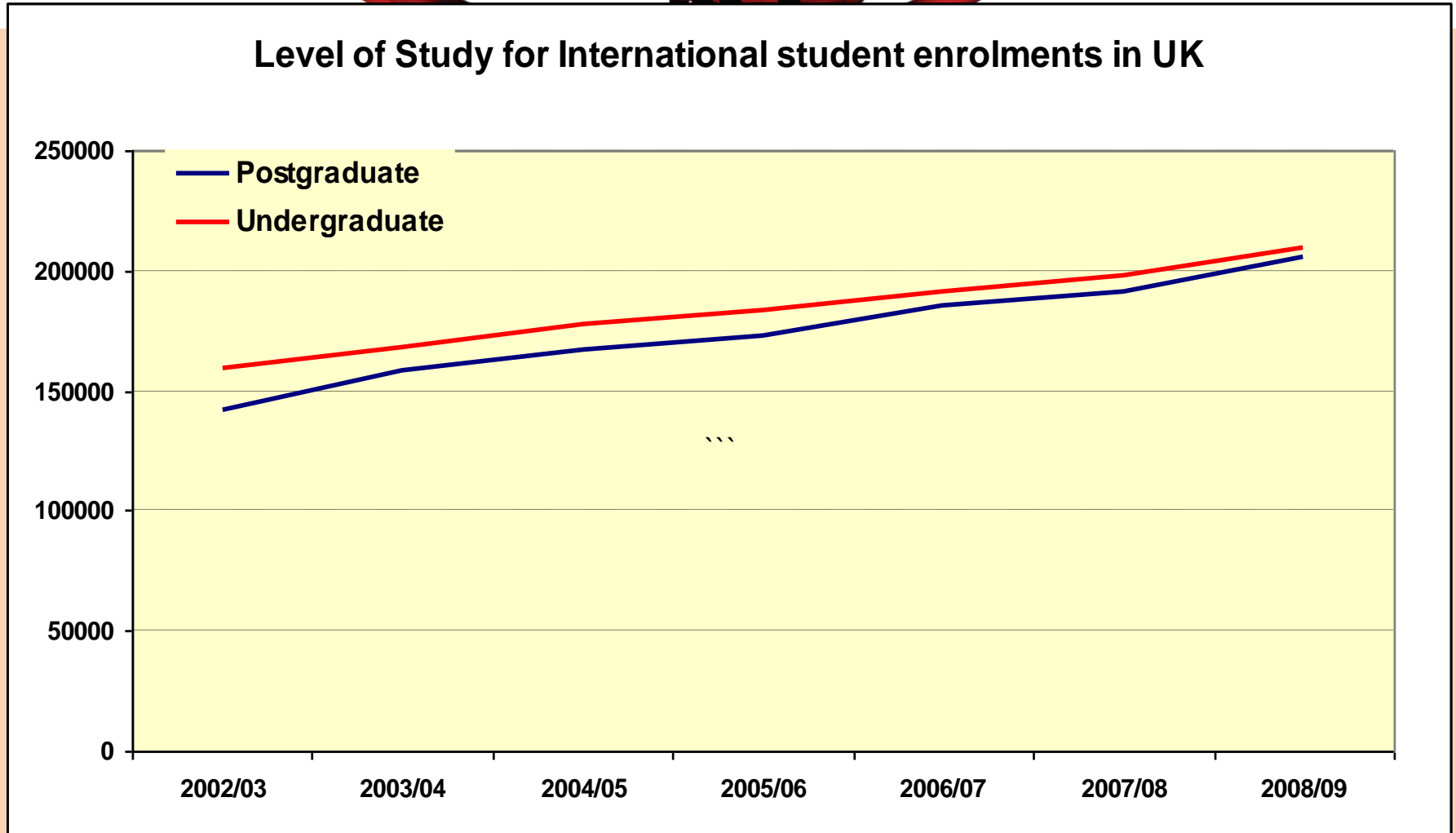
Subject and level analysis

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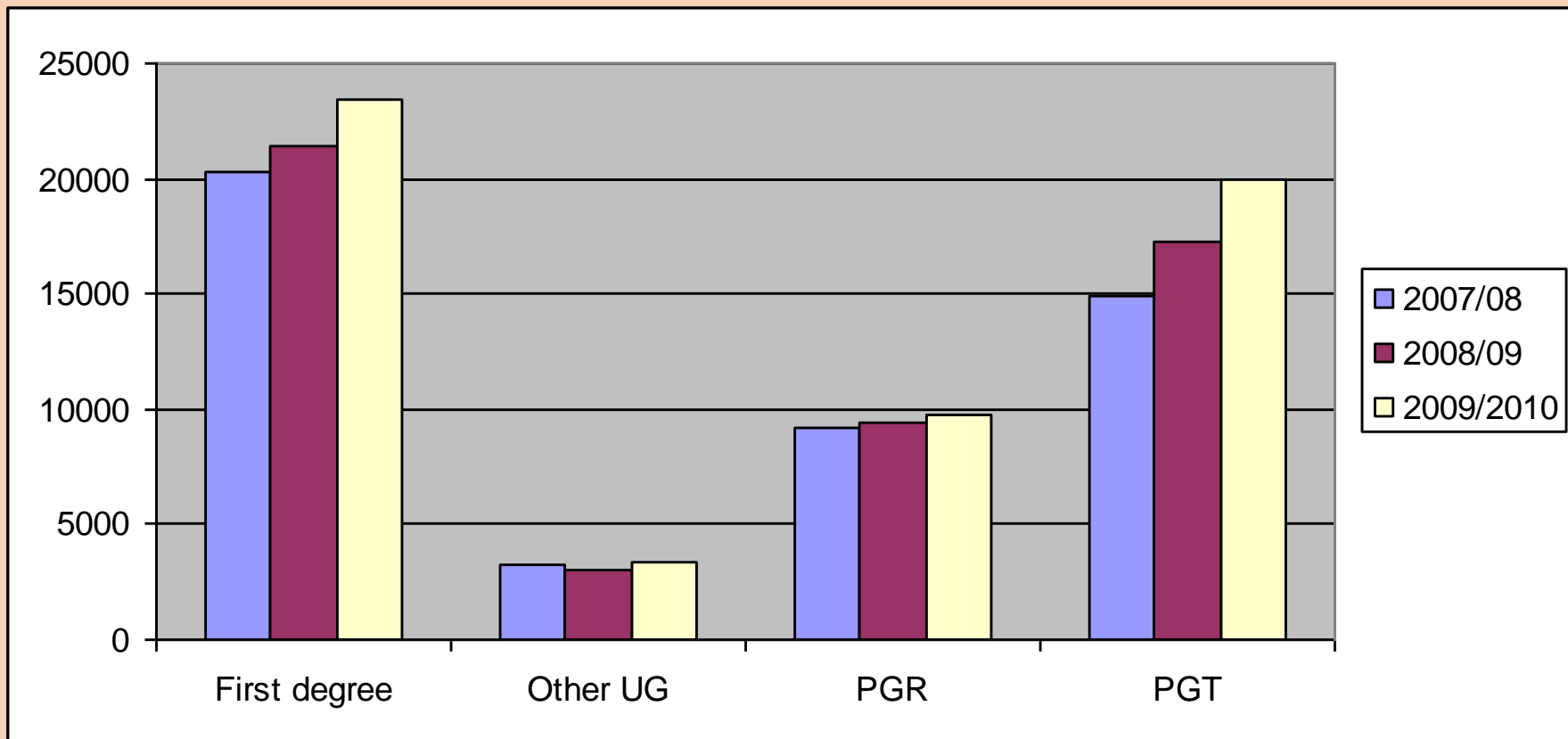
Students from China on 1st Year Postgraduate Taught Degrees in the UK

Subject Area	PGT	PGT	Growth	Absolute growth
	2008/09	2009/10	(%)	
Business & administrative studies	7720	9635	25	1915
Engineering & technology	1425	1840	29	415
Mass communications and documentation	450	820	81	370
Social studies	1115	1375	24	260
Creative arts & design	415	640	54	225
Computer science	575	710	24	135
Languages	450	565	25	115
Architecture, building & planning	330	440	35	110
Education	405	510	26	105
Total	14200	18085	27	3885

Narrowing gap between undergraduate and postgraduate enrolments



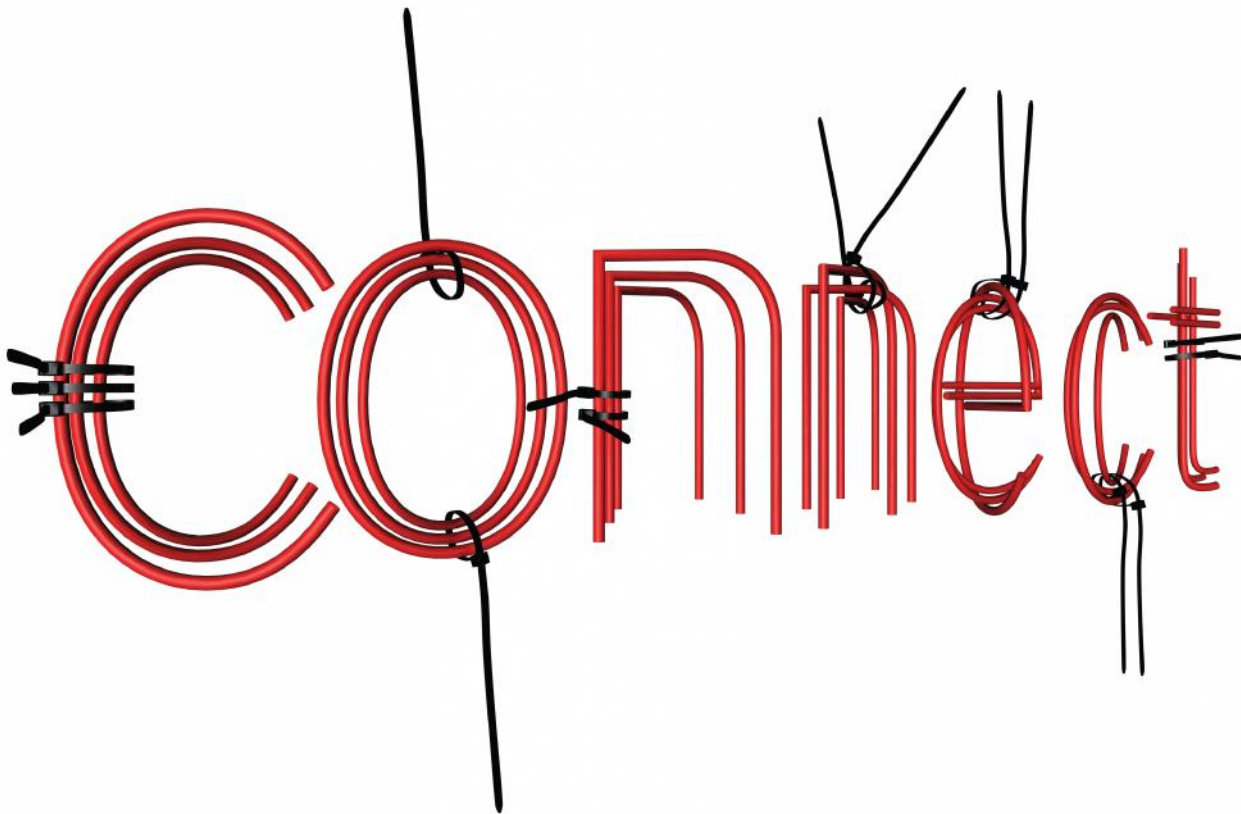
All int. student Engineering enrolments by level of study



Taking stock of the global environment



- Changing patterns of mobility
- New competitors
- Internationalization of all core areas of HE has become a political priority for all governments worldwide
- As for international student mobility, the focus of the debate is shifting towards a wider perspective demanded by internationalisation away from a focus on inward flow of students
- Partnerships as a driver?



British Council Internationalising Higher Education Strategy

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a new strategy for international education

- Global Policy Dialogue
- Global Market Intelligence
- Knowledge Economy Partnerships
University to University
Sector to sector
Academic community collaboration
- Internationalising the student Experience.
facilitating and supporting international mobility and experience for students,

Global Mobility and experience



- Strand 1 Promoting Mobility: UK Students
- Strand 2 Promoting Mobility: International Students
- Strand 3 Building International Student Experience
- Strand 4 Connecting Alumni

Global Policy Dialogues

- Through Global Policy Dialogues, the BC works to shape the agenda by connecting people together to debate the challenges and opportunities facing international higher education.
- International dialogues can vary in scale, complexity and reach, depending upon the focus of the debate and the nature of the target audience. For example, they may take the form of a policy roundtable for 20 thought leaders and senior policy makers, looking at a major piece of HE reform, or it might be a large scale conference, pushing the debate forward across a range of HE challenges, such as ‘Going Global’.

Nigeria – a short case study

- In March 2009 the Federal Ministry of Education launched the Education Roadmap which outlined the problems in the Education sector and potential solutions to them.
- Initially through the Prime Ministers Initiative for International Education, British Council partnered with the National Universities Commission and the National Board of Technical Education to contribute to two of them – improving access and staff capacity

Improving access to HE

- Helping in the strengthening and expansion of Open and Distance learning in Nigeria. This is important for two reasons. Nigeria's current tertiary infrastructure cannot meet demand so ODL is a great way of increasing supply.
Despite Nigeria's ability to meet demand the provision of foreign degrees in Nigeria is prohibited
Based on this we have agreed to support a development pilot in 7 institutions in Nigeria which will focus on staff training, capacity building and quality assurance.
- Cross border workshop – contributing to guidelines for providers of off-shore degrees and the lifting of the current ban of off-shore degrees in Nigeria. This presents a significant opportunity for UK institutions.

Staff capacity

- The National Board of Technical Education (NBTE) is working the the polytechnics being able to award B.Tech degrees, and it has identified 6 Nigerian institutions to be a part of the pilot process. The NBTE is keen for these institutions to partner with UK institutions that made the shift from Polytechnic to University.. In the future this could lead to the issuing of joint degree programmes/staff exchanges etc.
- Staff Capacity – The Education Roadmap recognises the need for more staff training as a means to encourage development, increased staff motivation/retention and improved quality standards. PMI2 activity supports staff mobility and the development of split PHDs as they are a cost effective way of achieving the above aims.

Summary

- This signifies a **shift in our focus** from student recruitment for the UK to positioning the UK as a leader and innovator in global student mobility and experience.
- The building of cultural relations is core to that experience.

Promoting mobility will engage with:

- *UK students* - encourage them to undertake international study as part of their HE experience
- *International students* - encourage them undertake studies with UK institutions as part of their HE experience
- *UK institutions* - support them in promoting mobility for UK and international students

Establishing Connections

Thank you

<http://www.britishcouncil.org/eumd-information-research.htm>

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