



**International Student Mobility  
in East Asia:  
Executive Summary**

**Prepared by**



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## 1. Introduction

In October 2007, the British Council (BC) commissioned a market research study to identify patterns and measurements of international student mobility within East Asia.

To provide further context for this work, one of the aims of the PMI2 is to strengthen strategic collaboration at the policy and institutional level in the East Asia region. To move this agenda forward the BC is holding a series of high-level dialogues in East Asia during 2007 and 2008 to explore the following:

1. the role of education in developing workforces for the 21st century;
2. how to strengthen TNE delivery between the UK and East Asian partners to meet the challenges of increased global student mobility;
3. collaboration to build world-class education systems and institutions; and
4. international student mobility in East Asia.

This project coincides with the 4th dialogue in the series: International Student Mobility in East Asia, scheduled for 4-5 February 2008 in Bangkok.

## 2. Methodology

### Components of Project

Three pieces of work were completed as part of this project: desk research; higher education case studies; and qualitative research conducted in Singapore and Malaysia. The research addressed the major East Asian markets including China, Hong Kong, Indonesia, Japan, Malaysia, the Philippines, Singapore, South Korea, Taiwan, Thailand, and Vietnam. An overview of each component of the research follows.

#### ***Desk Research***

Desk research was conducted in order to identify patterns and measure international student mobility within East Asia. Specific issues explored included:

- detecting patterns and trends in international student mobility;
- identifying the contribution of the private sector and of TNE to international student mobility in East Asia, if any;
- verifying whether increasing mobility within East Asia has happened at the expense of mobility to traditional destinations; and
- determining the degree of influence language plays - to what extent delivery in English is a major pull factor.

The final report reviewed desk research related to student mobility in the major East Asian markets identified above, with the exception of Indonesia, due to data inaccessibility from that country.

### ***Higher Education Case Studies in East Asia***

This component of the project involved distributing questionnaires to leading higher education institutions in major East Asian markets. While one objective of this analysis was to ascertain trends and demand for short-term, credit-bearing courses in East Asia, the research also probed a range of topics related to East Asian student mobility generally, and about the importance of international student mobility to these institutions.

Questionnaires were completed by a total of 76 institutions (institutions identified as key players in each of the major East Asian markets listed earlier by local British Council offices and/or by JWT Education). Institutions participating in this research were almost evenly split between the public and private sectors and were mostly universities.

### ***Qualitative Focus Groups in Singapore and Malaysia***

Qualitative research was also undertaken as part of this project with four focus groups conducted with third country English language students. This research investigated key factors influencing study decisions, motivations, information sources and outcomes for students travelling to a third country, in this instance, Singapore and Malaysia, for English language education.

Twenty students of varying nationalities, mainly Asian, most of whom were Chinese, participated in two focus groups in Singapore; and seventeen students of varying Asian and Middle Eastern nationalities were interviewed within two focus groups in Malaysia.

### **3. Key Findings**

#### **3.1 Patterns and Trends in International Student Mobility**

The research suggests that international student preferences and destinations are changing. While the majority of students will still want to travel overseas for their entire education qualification, increasing numbers of students are satisfied with partial international study, obtaining only part of their degree overseas.

It also suggests that:

- some students may consider pursuing a foreign qualification at home locally through TNE and joint local-foreign provider arrangements. However, in some East Asian markets career-related considerations, such as whether or not employers prefer internationally-educated graduates, may prevail in a student's decision to undertake their studies in a traditional overseas destination country;
- traditional source countries are looking to bolster domestic provision of higher education, to enhance their status as educators and to strengthen their country's economic and demographic positions; and
- international student mobility has been traditionally focussed towards the Major English Speaking Destination Countries (MESDCs) such as the US, the UK and Australia. Whilst still dominant providers of education for international students, these countries have experienced some declines or moderations in their international enrolments in the latter half of this decade. Additionally, increased student mobility within East Asia also indicates a shift towards a stronger Asian influence in global international education student flows.

#### **3.2 International Student Mobility within East Asia**

Previous research into international student mobility has traditionally had a strong focus on the flows into the MESDCs, and/or TNE programmes offered by the MESDCs. This is the first major research project to undertake an in-depth analysis of the students flows within East Asian as an independent region, revealing some interesting and surprising results.

The secondary desk research and the primary case studies indicate that increasing student mobility in East Asia is being driven, encouraged or impacted by a range of factors, including:

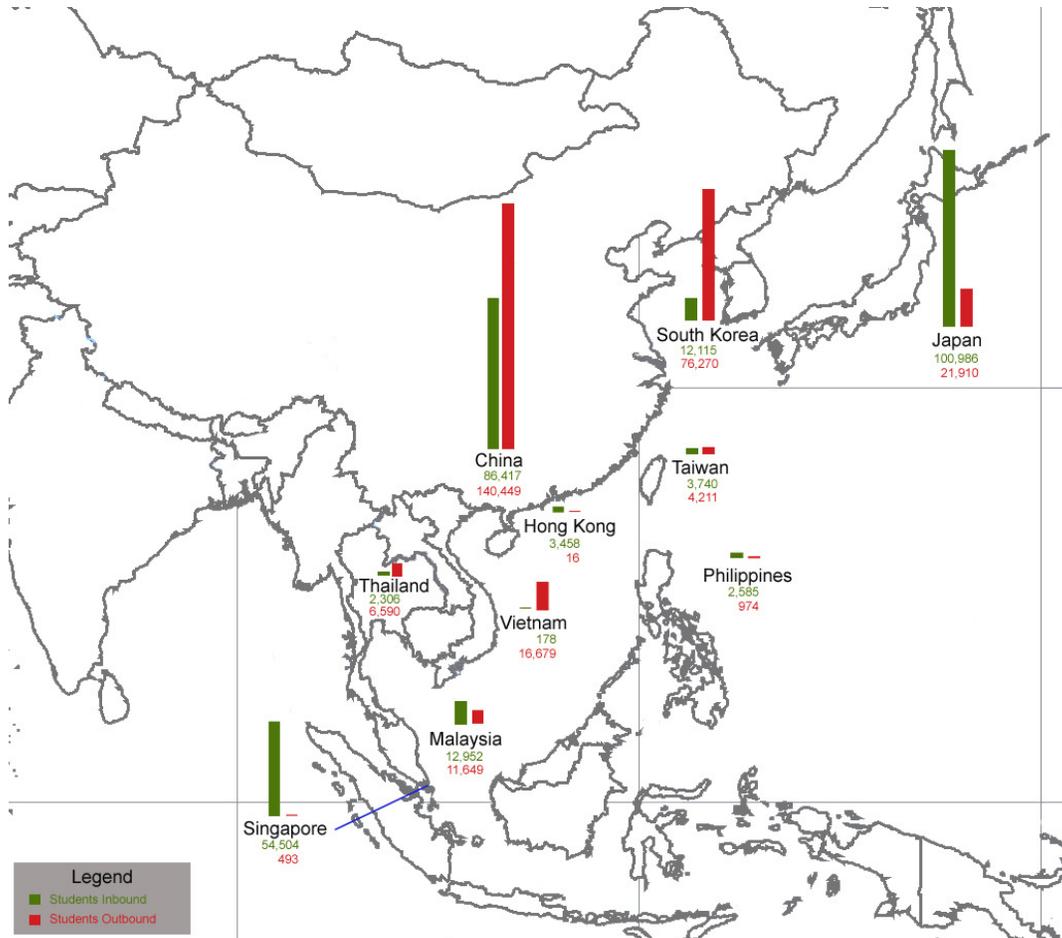
- Strong and/or strengthening East Asian economies; and growing disposable income levels in some East Asian markets which have helped to increase expenditure on education by governments and consumers.

- The high value placed on higher education and international education by students and parents in East Asian markets due to perceived enhanced career prospects and/or dissatisfaction with the quality of local provision.
- The need to supplement local capacity to cater for unmet and increased local demand for higher education in some markets, leading some East Asian governments to allow increased local provision by private and foreign providers.
- Government policy placing education as a key part of national success or development, leading to the creation of targets to increase participation by citizens in higher education, and to Government reforms in many East Asian nations, focused on improving education delivery and outcomes.
- Governments' desired positioning within the international education arena – for example, Singapore and Malaysia both seek to position themselves as regional education hubs. In part, this means targeting greater numbers of students from the East Asian Region – thereby increasing student mobility within the Region. Along with China, these markets are also examples of some traditional source markets becoming active recruiters of international students/suppliers to the international education market.
- A need or desire on the part of institutions to internationalise the institution/campus and produce skilled graduates who can contribute to international society; and facilitate international exchange and understanding.
- A need or desire on the part of institutions to improve the quality of teaching and research and enhance their international reputation and student bases.
- Increased recruiting efforts from universities in the Region.

### **3.3 Global Student Mobility to and from East Asia**

The Report's review of student data shows that throughout the major part of the first half of this decade most East Asian markets experienced growth to varying extents in student numbers from their East Asian neighbours – thereby demonstrating increased student mobility in the Region.

The diagram on the following page shows student inflows and outflows by country.



One manifestation of the trend towards increased student mobility within the East Asian Region is seen on campuses in China, Japan and South Korea, where between half to three quarters of foreign students come from the other two neighbouring countries.<sup>1</sup>

The primary case study analysis also found positive current and **projected** growth in international East Asian student enrolments among participating institutions.

The majority of institutions who participated in this study reported experiencing moderate growth in international student enrolments from East Asia and more than one-quarter said that such enrolments were growing very fast. Furthermore, approximately forty percent projected either modest or significant growth in student enrolments from the Region over the next five years.

In line with many of their MEDSC counterparts, China was most commonly rated the number one source of East Asian students for institutions participating

<sup>1</sup> Disney, M. (Education Quarterly) and Craig, J., (Testtakers Singapore) ISE-030: Student Mobility Trends in South East Asia

in this research. South Korea was most commonly ranked their number two source of East Asian students.

In terms of course options:

- the most popular programmes for international students from East Asia at these institutions were undergraduate or postgraduate degrees, with the most popular level of study being the undergraduate bachelor degree programme.
- other programmes, especially short-term credit bearing courses, were less pursued; however, this may be a reflection of the case study sample – which comprised mainly of universities.
- the vast majority (87%) of respondents reported at least moderate growth in full time undergraduate and postgraduate degrees, and 82% reported similar growth in exchange/study abroad programmes; and
- nearly half of the participants reported at least moderate growth in TNE programs and intensive language programmes. Although 20% and 29% respectively reported that they experienced no growth in such programmes. Reported growth rates for short-term credit bearing courses were not as strong.
- the most popular field of study among East Asian international students at participating institutions was business and commerce with nearly two thirds (60%) of students pursuing courses in these disciplines.

Just under eighty percent of the participating institutions described themselves as “significantly” or “very active” in recruiting international students from East Asia. Only 8% stated that they do very little in terms of international recruitment.

The most common recruitment tools used by these institutions were exhibitions and inter-institutional arrangements. However, East Asian institutions also employed the more sophisticated methods of marketing often used by their MESDC counterparts, such as using local in-country agents and online marketing.

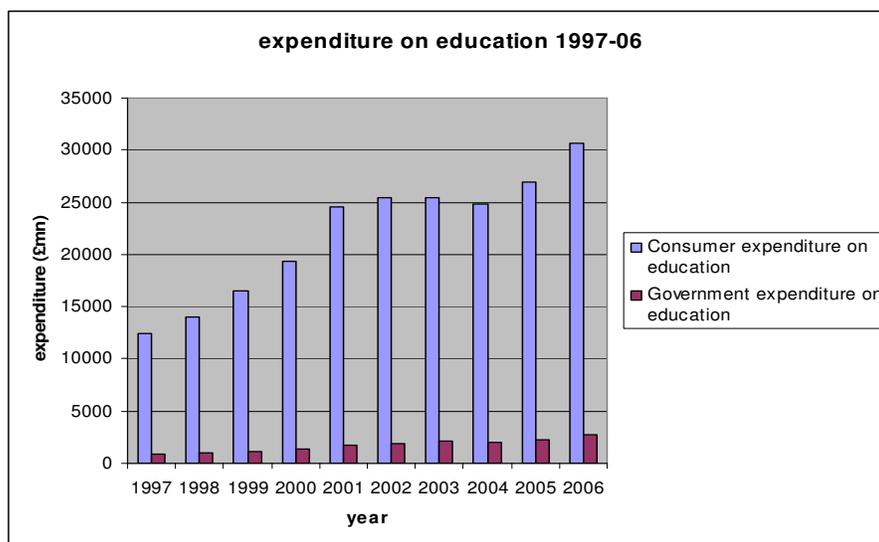
The primary research also indicated that over three quarters of institutions surveyed currently enrol significant numbers of students from European and other Asian countries, only one-fifth report that they are “very active” in recruiting students from outside East Asia and just over half projected modest growth rates in the number of international students they would receive from outside East Asia over the next five years.

Nearly all participating institutions reported sending students to other countries – mostly to Europe, North America or East Asia. And the vast majority had credit transfers with institutions in Europe and East Asia, with two-thirds having them in place with institutions in North America and the Australia/Pacific region.

### 3.4 The Dominance of China

Unsurprisingly, the research reveals that China is the dominant player in terms of East Asian student mobility, both as a provider and consumer of education with 140, 449 outbound and 86, 417 inbound students in the East Asian region alone. (See table on page 6)

As a result of China's spectacular economic growth over the last two decades, there has been a 250% increase in both government and consumer spending on education in China over the period 1997 – 2006, with consumer spending far outstripping that of the government.



Source: British Council China Country Profile

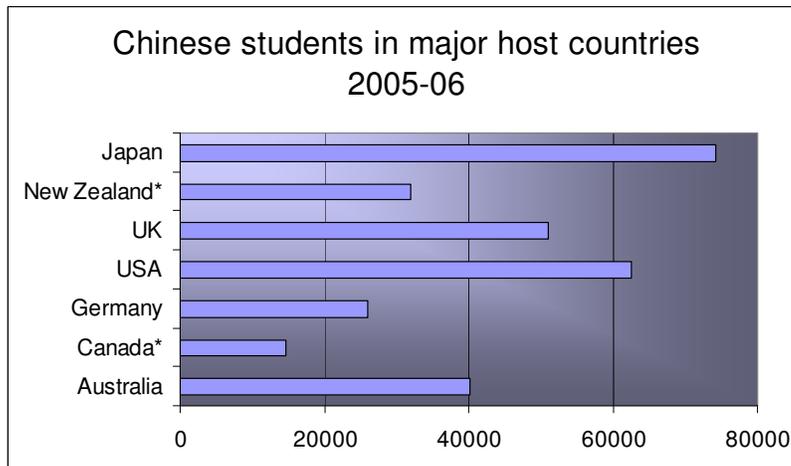
These high levels of consumer spending are indicative of a Chinese cultural imperative to provide the best possible education for children (note single child families) and a philosophy that individuals/families should be responsible for education.

Strongly influenced by international factors, including recent participation in the WTO, China's higher education sector has seen radical changes in recent years, including a greater emphasis on quality, efficiency and accountability of higher education institutions, and the privatisation of the public sector. Increasing numbers of high school graduates and sustained high levels of unemployment have also prompted rapid further expansion of the higher education sector.

For several years, China has progressively opened its doors to co-operation between local and foreign providers in the delivery of programmes. A strong focus of the Chinese government's education policy is to develop a few selected internationally recognised, well-funded public universities and also to enhance the quality of teaching and research activities by merging institutions and undertaking transnational education. It is making efforts to stimulate the

massification of higher education, principally through increasing enrolments in the existing public sector, supplemented by encouraging growth in the non-government sector and institutions in cooperation with foreign partners.

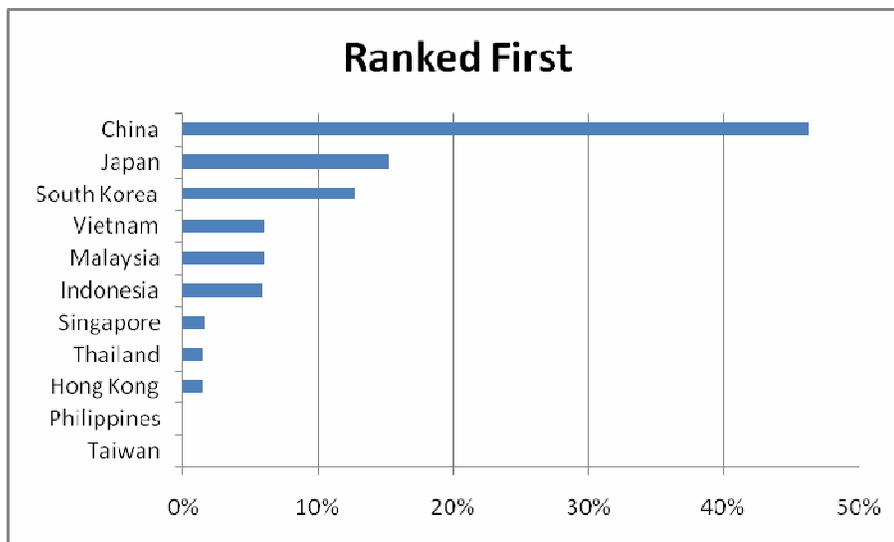
British Council figures indicate that in 2005, over 350,000 Chinese were studying abroad at the tertiary level alone. Japan currently heads the list of overseas destinations for Chinese students, followed closely by the US, the UK and Australia.



Source: British Council Country Profile

The MESDCs have seen some slowing of growth in enrolments from China in very recent years, and it seems likely that they will continue to see increasing competition from East Asian countries, particularly Singapore and Malaysia. Indeed, 46% of East Asian institutions participating in the primary case studies component of the research ranked China the number one East Asian country from which they receive the greatest number of students. China's dominance as a source market is evident in the table below which shows that Japan, the next most stated primary source of East Asian international students for institutions, was only cited by 15% of participating providers.

Table x: Primary sources of international students from East Asia at surveyed institutions, by leading source country



### 3.5 The Impact of Increasing East Asian Mobility on Traditional Destinations

In the absence of data specifically tracking student flows it is difficult to gauge the direct impact of increasing East Asian mobility on the Major English Speaking Destination Countries and other traditional markets.

However, the research reveals that, as East Asian markets have been experiencing increasing enrolments from other East Asian countries throughout this decade, some traditional destinations have experienced noticeable declines in enrolments from some major East Asian markets or a flattening of demand.

With nearly 80% of East Asian institutions who participated in the primary research indicating that they were either “significantly” or “very active” in recruiting international students from East Asia, it seems likely that intra-regional student mobility in East Asia will continue to increase at a rapid rate, foreshadowing a stronger negative impact on international enrolment figures in the traditional MESDCs in the medium-long term future.

### 3.6 The Contribution of the Private Sector and of TNE on International Student Mobility in East Asia

The research shows that the role of the private sector has increased in many East Asian markets; contributing to increasing student capacity (more places), and giving the potential for greater mobility, within many East Asian markets. Of the institutions who participated in the primary case study component of the research, an equal number of private and public institutions was recorded.

While some markets have very high proportions of private sector institutions in their higher education sectors, such as Malaysia, South Korea, and Japan, China records comparatively low private sector provision in terms of both institutions and student enrolments. Interestingly, however, while 92% of

Malaysia's higher education institutions belong to the private sector, only 39% of student enrolments are in the private sector. In South Korea despite high enrolments the research reported low quality private provision.

Nonetheless, the private sector has been increasingly encouraged by the governments of China, Singapore, and Vietnam – principally in the face of earlier-mentioned unmet local demand, and as governments have sought to boost their national capacity and international education standing.

The extent of the impact of the provision of transnational education (TNE) on student mobility in East Asia is difficult to gauge due to data limitations, however the research conveys the impression that there has been an increase in TNE programmes in many East Asian markets, growth which is expected to continue – in part, to address unmet local demand. For example, in Singapore and Malaysia TNE provision has grown extensively, and in China, there has been a large increase in the delivery of in-country programmes by foreign providers, and joint foreign-local programmes.

But the research reports that “Japan is quiet on TNE;” and that TNE is not yet significant in Vietnam or Thailand. While IDP predicts that demand for TNE may become bigger than the demand for an overseas campus experience as early as 2010, JWT believes that for a variety of reasons it will not replace traditional modes of study. That said, it seems probable that global demand for TNE programmes for British and Australian providers will exceed demand for traditional onshore delivery for at least these two countries within the next decade.

### **3.7 Factors Impacting on Students' Decision Making Processes**

Many surveys conducted which analyse the factors contributing to students' decision-making criteria for international higher education show the desire by students to improve their English language skills is a reasonably strong motivation in their choice of study destinations.

Primary research conducted with third-country English language students in Singapore and Malaysia also indicated that they had chosen to study English in these two countries to better enable them to pursue their chosen further education/degree course of study in English, either in Singapore or Malaysia, or in another destination, most likely a traditional MESDC.

Also interesting to note was that many students participating in the focus groups indicated that they had not chosen a more recognised and established English speaking destination because the Asian/Muslim cultures in Singapore and Malaysia were considered by them to be more similar to their own and perceived to be less discriminatory, assisting them to settle in more easily. Another important component influencing their decision to choose either Singapore or Malaysia was the cost and the fact that these two destinations were cheaper than the major English-speaking destinations. These factors are likely to continue to impact on East Asian student flows to traditional MESDCs.