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Strategies and policies for Hong Kong’s higher education in Asian markets
Lessons from the United Kingdom, Australia, and Singapore

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Abstract
Purpose – The main purpose of the present paper is twofold: to examine and compare the current strategies and policies that are employed by the UK, Australia and Singapore and to recommend appropriate strategies and policies to higher education institutions and the Hong Kong government and elsewhere that are interested in expanding their efforts in recruiting the growing number of students from other countries who are planning to study overseas.

Design/methodology/approach – The data for this project were obtained primarily from documents and in-depth interviews. Documents include government reports, policy addresses, official statistics, etc. The in-depth interviews were conducted in Hong Kong as well as in the four studied cities – Mumbai, New Delhi, Jakarta, and Kuala Lumpur. Interviewees included government officials, academics, higher education institutions’ representatives, consultant generals, and officials from policy bodies.

Findings – It is clear from the findings of this present study that a set of favorable policies and strategies at the national level was behind the success of these competitors. Such policies are not confined to educational policies but are extended to population and employment policies.

Research limitations/implications – Though the study examined policies and strategies employed by three countries, findings from the study may generate useful information to countries that may be interested in exporting their higher education to Asian markets.

Practical implications – The paper suggests that if Hong Kong is to attain success in becoming an international exporter of education services, it may need to adopt favorable policies at institute and system level, and in so doing it can definitely benefit by carefully studying the strategies and policies employed by these three competitors.

Originality/value – Few studies have examined and compared strategies and policies employed by these three key major players of higher education services. This study provides some useful strategies and policy recommendation to education decision makers in Hong Kong and elsewhere that may be interested in entering Asian markets.

Keywords Hong Kong, Higher education, Government policy, Educational policy, Cross-cultural studies

Paper type Research paper

Introduction
The international trade in education services has become a multi-billion dollars business and a major source of income in many developed countries. In Australia, education services sector has become the third largest exporter in 2007, generating approximately
US$11 billion annually to the economy. In the USA, the sector is the fifth largest exporter, contributing $13.5 billion per year. It is estimated that international students in UK bring in approximately US$20 billion revenue each year to the economy (Access Economics Pty Limited, 2009; Obst, 2008). Many countries have been stepping up their efforts to recruit the growing number of international students from overseas. For example, the government of Malaysia has set a goal to double their international student enrollment to 100,000 by 2010, up from 45,000 in 2005. Singapore and China are planning to attract 150,000 and 300,000 international students by 2015 and 2020 respectively. Japan has about 120,000 international students in their country and they are hoping to host about one million students by 2025 (Obst, 2008). In addition to setting recruitment goals, many governments have become increasingly involved in developing favorable policies and strategies to support the expansion of educational services to international students (Beaver, 2009; Carrington et al., 2007; Obst, 2008).

Like many countries, Hong Kong has been actively seeking ways to attract more international students since 2000. In 2002, the Hong Kong government published a report on Hong Kong higher education in which it proposed that Hong Kong possessed the capacity to export higher education services and become an education hub in the region. Again in 2007 the Hong Kong government has released its Action Agenda on China’s 11th Five-Year Plan and the Development of Hong Kong, recommending the exploration of way to attract more non-local students to study in Hong Kong and to develop Hong Kong into a regional education hub (The Hong Kong Government, 2007). In addition to the Mainland China market, the Hong Kong government is also increasingly interested in promoting their higher education services to other Asian regions. The objective of this present study is twofold:

(1) to examine and compare the current strategies and policies that are employed by these three countries; and

(2) to recommend appropriate strategies and policies to higher education institutions and the government in Hong Kong and elsewhere that are interested in expanding their efforts in recruiting the growing number of students from other countries who are planning to study overseas.

Literature review
Internationalization of higher education can be seen as a response by academic institutions to a globalized world (Altbach and Knight, 2007). It is a response to a new age marked by globalization, competition, and marketization. Higher education institutions are now acting across borders in almost all countries (OECD, 2004).

Internationalization of higher education can take many directions (Knight, 2006; Knight and De Wit, 1997; Yang, 2002) and even different ideologies (Stier, 2004) but at present one of the most important forms is the exporting of own higher education service through recruiting overseas students. There has in fact been an enormous growth of international students in the past decades. Statistics published by Institute of International Education (2009) suggest that the UK and Australia had 376,190 and 202,448 non-local undergraduate and graduate students studying in 2007, accounting for 16 per cent and 21 per cent of the total higher education enrollment in the two countries respectively. Singapore is relatively new entrant but the number of international students has been increasing rapidly in the past two decades, reaching 86,000 in 2007 (EDB Singapore, 2009).
The international trade of education services is in fact becoming increasingly important for the exporting countries. In Singapore, education has been considered as an important “knowledge industry” and accounts for more than 3 per cent of the GDP (Yonezawa, 2007). Exporting education service, as mentioned earlier, has already become Australia’s third largest export (Luke, 2005). Its share in cross-border degree study market rose quickly from 1 per cent to 9 per cent from 1990 to 2003 (Marginson, 2007). Yonezawa (2007) described that education is becoming a global, market-oriented and private industry and that international mobility of the students is currently an important concern of higher education institutions.

The drive to export education service, particularly tertiary education service, has often involved an active supportive role of the government. The role of the government can be manifold. It can be in the form of funding or in the development of favorable education, population and employment policies that favor foreign students. The government can also set up central agencies to facilitate the exporting of education service through providing collective research, promotion, and student services. On the other hand, it can be the reforming of university governance. Mok (2008) for example explained how the Singaporean and Malaysian government in the past decade has worked toward the ideal of becoming a regional hub of education by reforming the national universities through the strategies of corporation and incorporation. The change in university governance in return will encourage the universities to become more autonomous and entrepreneurial. Lee (2008) argued that universities in Singapore now enjoy a higher degree of institutional autonomy within a framework of public accountability.

The Hong Kong government has realized the value of education service export and has identified it as one of the major areas of growth for its economy (Task Force on Economic Challenges, n.d.). Exporting education service is now an industry driven by careful marketing analysis and research. In fact, there is an increasing amount of research and studies in this direction (Gibbs and Knapp, 2002; Kehm and Teichler, 2007; Marginson, 2006). If Hong Kong is to attain success in becoming an international exporter of educational services, it may need to adopt favorable policies at institute and system level (Cheng et al., 2009), and in so doing it can definitely benefit by carefully studying the strategies and policies employed by competitors.

The UK, Australia, and Singapore are of great reference value for Hong Kong as a new participant in the education service market. These countries not only have history and successful experience in exporting and promoting their higher education, but more importantly, their successes are based on sound planning and unique strategies. Marginson (2007) explained how Australia attained its success through careful global positioning and position taking, particularly through posing herself as a less costly alternative to the USA and the UK in the Asian pacific region where there is a high demand for cross-border degree courses taught in English. The UK has long been a desired place of study to many overseas students due to colonial tradition and prestige of some of its famous institutions. The Dearing Report, published in 1997, called for steering the country’s higher education service toward greater engagement with the global economy (Sidhu, 2006). There has been a stronger emphasis on entrepreneurial spirit for universities as the country is attracting an enormous amount of overseas students. Ayubi and Al-Habaibeh (2006) also recognized that UK universities are becoming increasingly business driven with continuous development in international collaboration and partnership.
Like Hong Kong, Singapore has also pursued an ambitious policy to build itself up as an international hub of education since the adoption of the Global School-house policy (Economic Development Board, 2003). Foreign institutes have been invited to offer programs in Singapore and the establishment of private tertiary institutes is being encouraged. Yonezawa (2007) explained that the Singaporean approach is marked by intertwining of education and industrial policies, as marked by the direct involvement of the Economic Development Board (EDB) in higher education. While decentralization has been stepped up to allow universities higher autonomy (Mok, 2003), central agencies under the EDB actively promote the international trade of Singapore’s higher education through research, collective promotion, and providing services to international students (Education Singapore, www.singaporeedu.gov.sg/htm/abo/abo01.htm). Given the long traditional rivalry history, and economical, cultural, and political similarities between Singapore and Hong Kong, examining policies and strategies employed by this city-state may generate insights into how Hong Kong could strengthen her position to attract more international students from overseas.

While Hong Kong has made progress in attracting mainland students, the number of international students has remained very small. There were about 9,000 non-local students studying in Hong Kong in 2007-2008 (University Grant Committee, 2007), but up to 90 per cent of them are actually students from Mainland China. This has meant that there is much room for Hong Kong to improve in attracting overseas students, particularly from the booming market of Asia-Pacific. Hong Kong in fact has her unique strengths and weaknesses in joining the exporting of higher educational services in the Asian markets (Cheung et al., 2008). Hong Kong’s road to development as a regional hub of higher education can be unique if it can match her strength and weaknesses against the lesson she can learn from key players in the region. Perhaps at the end Hong Kong’s own positioning and strategies can again be reference to countries that are heading in the same direction.

Methods
The present study, which is a part of a larger study on the development of Hong Kong as a regional education hub (Cheng et al., 2009), focused on examining strategies and policies employed by key competitors of Hong Kong and generating recommendations to further promote Hong Kong’s higher education to other Asian countries.

The data for this project were obtained primarily from documents and in-depth interviews. Documents included government reports, policy addresses, official statistics, and other documents that are relevant to the research questions. The in-depth interviews were conducted in Hong Kong as well as in the four studied cities – Mumbai, New Delhi, Jakarta, and Kuala Lumpur between April 2007 to January 2008. Interviewees included government officials, academics, HEI’s representatives, consultant generals, and officials from policy bodies. For document analyses, the research team searched, collected, reviewed and analyzed all relevant documents related to policies and strategies used by these three countries via the Internet or provided by respective government officials or academics.

Some of the findings presented in this paper were generated from the data collected for the larger study. In the larger study, the research team collected 1,370 questionnaires and conducted a total of 121 individual and focus group interviews in the previously mentioned cities. Respondents included prospective students, school
principals, university professors, local higher education service providers, and key policy makers of these cities. The questionnaire survey consisted of a total of 28 questions covering the five key areas:

(1) reasons for pursuing higher education overseas, including types of degrees and overseas countries preferred;
(2) types of educational services;
(3) facilitating and hindering factors affecting the decisions to study in Hong Kong;
(4) knowledge of promotional activities of Hong Kong’s higher education; and
(5) personal demographic information.

In addition, the interview guide was comprised of 12 open-ended follow-up questions covering all major areas stated in the questionnaire survey (see Cheng et al., 2009 for details).

Findings

Policies and strategies at the national level

As mentioned previously, international students generate billions of dollars yearly for the economy of the exporting countries and have become one of their important income sources. Other than economic benefits generated from exporting higher education services, the quest for people with talents and skills in these countries is also keen (Duhamel, 2004; Harman, 2004). Previous research has indicated that the national government has a critical role to play in providing effective policies and various forms of measures and supports to facilitate the promotion of their higher education (Beaver, 2009; Carrington et al., 2007; Obst, 2008). The following section will be examining some of the key policies and strategies used by the UK, Australia, and Singapore at the national level in three key areas: education, population, and immigration.

Education policies

In the past few decades, these three countries have implemented various education policies to strengthen their position in the market and to attract more overseas students to their countries. The five key educational policies to be discussed are:

(1) investing on higher education and research and development;
(2) providing scholarships and financial aid to international students;
(3) engaging in international agreement and policy dialogues with other governments and their higher education institutes (hereafter HEIs);
(4) encouraging higher education export by granting special funds and award to HEIs; and
(5) participating in promotional activities and marketing research.

The following segment will review these pertinent educational policies of these three countries.

Investing in higher education and research and development. First, the governments of Singapore, the UK and Australia all make substantial investment in their higher education with the view that it improves human resources and the well being of the country. In 2007, Singapore put more than USD 1.7 billion into universities,
polytechnics, and technical institutes (Singapore Budget, 2007). The UK, in its 2007-2008 plan, puts more than USD 17 billion on higher education (Department for Education and Skills, 2007). On the other hand, Australia (under the Higher Education Endowment Fund) put USD 4.36 billion on higher education for capital work and research facilities alone in 2007 (Australian Government, 2007).

In addition to hefty investment by the government, Singapore has worked assiduously to expand the subsidized university admission. For instance, 23.5 per cent of the student cohort was offered first degree admission in the three universities in 2007. This represented significant increase in enrollment over the 20.8 per cent achieved in 2000 and the 15 per cent achieved in 1990. It also compared favorably with Hong Kong’s 18 per cent. The target of Singapore at the time of this writing is 25 per cent but in a speech given on 19th August, 2007, Prime Minister Mr Lee Hsien Loong further explained that the aim can be further raised to 30 per cent by 2015 (Ministry of Education Singapore, 2008). Singapore has also encouraged her polytechnics to link up with foreign specialized institutions to offer degree programs in niche disciplines. An example is Ngee Ann Polytechnic’s joint venture with Wheelock College from the USA to offer a degree program in early childhood education. Like Singapore, Australia has also tried to increase the number of university places in recent years. At the time of this writing, no information was obtained in this area for the UK. The increase in university places can enhance both the general educational level of the society and the capacity of the HEIs. These can be helpful in attracting non-local students.

Furthermore, the Singapore Economic Development Board (EDB) has played an important role in fostering the partnership of local Singaporean universities and foreign prestigious universities. It was the EDB that launched the “World Class University” program which attracted a dozen prestigious universities, such as Johns Hopkins University, Duke, Cornell, Chicago, and Carnegie Mellon, to establish joint programs and research centers with local Singaporean universities since 1986 (Olds, 2007).

Expenditures on research and development (R&D) of a country can also have positive impact on both its technological advancement and its higher education sector. The three competitors differ in the amount they invest in R&D but on the whole they are investing a higher percentage share of their GDP on R&D than Hong Kong. As indicated in Table I, while Hong Kong spent about 0.79 per cent of her GDP on R&D in 2005, the comparative figures for Singapore, Australia and the UK are 2.36 per cent, 1.76 per cent and 1.76 per cent, respectively.

Providing scholarships and financial aid to international students. Scholarships and financial aid are important factors for students choosing to study overseas. Students and parents interviewed in Mumbai, New Delhi, Jakarta and Kuala Lumpur expressed that financial assistance had a great influence for choice of country for overseas study (Cheung et al., 2008). In order to promote their higher education, the three competitors concerned provide scholarships, grants, loans, and permission to do part-time work to students so as to make the cost of study more affordable to international students.

For example, Australia offers scholarships to international students on a competitive basis. The Australian government has recently brought several major scholarships under the one umbrella called the Endeavour Program, which is an internationally competitive, merit-based scholarship program. The program is designed to attract and recruit outstanding international students, researchers, and developing leaders to undertake study, research, and professional development in
Australia. The scholarship provides up to A$20,000 per individual. In 2007, the Australian awarded a total of over US$15 million to 300 individuals (Hayton, 2009).

Like Australia, the British government also offers a number of scholarships and schemes for international students. Most of the scholarships are provided to postgraduate students and only a few of them are for undergraduate students. Competition for scholarships is keen.

While the Australian and the UK government hand out scholarships and grants on a competitive and selective basis; the Singaporean government offers a comprehensive package of financial aids to non-local students. The Singaporean government offers scholarships to non-local students through the Singapore Scholarship. Besides scholarships, non-local students can also apply for Tuition Fee Grant if they are willing to sign a deed that requires them to work in a Singapore-registered company for three years on completion of study. The Tuition Fee Grant administered by the Ministry of Education (MOE) subsidizes up to 80 per cent (Singapore Education, 2007) of tuition fees and is available to all students. Bursaries, which are administered by the universities, are also available based on financial needs, and usually do not exceed S$1,500 per academic year. Besides, student loans, payable on graduation or completion of the program, are often available at favorable interest rates. The scholarships Singapore offer can be important in attracting non-local students. In a focus group interview with Indian students conducted in Mumbai in April 2007, for example, the students explained specifically that they prefer to study in Singapore because Singapore offers attractive scholarship and financial aid to overseas students.

International agreement and policy dialogues. In addition to investments in higher education and financial assistances, these three governments also actively seek international agreements and enter into dialogues with other countries which are their target markets. Each of Hong Kong’s key competitors has strategically built relationships with other countries to fortify their higher education industry. Cooperation between nations helps institutions create more opportunities to exchange ideas on promoting higher education and share knowledge from their research findings.

### Table I.
R&D expenditure as percentage of GDP (2005)

<table>
<thead>
<tr>
<th>Economic systems</th>
<th>Research and expenditure expenses as percentage of GDP</th>
</tr>
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<tbody>
<tr>
<td>1. Japan</td>
<td>3.53</td>
</tr>
<tr>
<td>2. USA</td>
<td>2.68</td>
</tr>
<tr>
<td>3. Korea</td>
<td>2.63</td>
</tr>
<tr>
<td>4. Switzerland</td>
<td>2.57</td>
</tr>
<tr>
<td>5. Taiwan</td>
<td>2.52</td>
</tr>
<tr>
<td>6. Singapore</td>
<td>2.36</td>
</tr>
<tr>
<td>7. Australia</td>
<td>1.76</td>
</tr>
<tr>
<td>8. UK</td>
<td>1.76</td>
</tr>
<tr>
<td>9. Chinese mainland</td>
<td>1.34</td>
</tr>
<tr>
<td>10. Ireland</td>
<td>1.33</td>
</tr>
<tr>
<td>11. New Zealand</td>
<td>1.17</td>
</tr>
<tr>
<td>12. Hong Kong</td>
<td>0.79</td>
</tr>
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**Sources:** Legislative Council (2008). Finance Committee Discussion Paper. The UK data are retrieved from Office for National Statistics (2007)
Supporting Australian’s regard for higher education is one of the key exporting industries in the country. Indeed the Australian government leaders have taken an active role in securing international agreement with other governments to further promote their higher education. The Australian government officials have visited many developing countries such as India, Indonesia, China, Pakistan, and Malaysia to discuss higher education collaboration. The Australian government has also facilitated dialogues between governments on educational matters (Hayton, 2009).

Like Australia, the UK government has also established an effective communication channel and strengthened her relationship with countries which are interested in the UK’s tertiary education services. The UK government has conducted a number of high level symposia as part of the Prime Minister Initiative (PMI). Each symposium focuses on a specific area and brings together policy makers, senior managers and practitioners from the UK and overseas. For example, dialogues were held with Vietnam, Malaysia and Indonesia in 2007 to promote partnership, knowledge sharing and common agenda (Beaver, 2009).

Singapore is no exception in this regard. The Singaporean government has worked together with different countries to pursue her goal of becoming a regional hub of education. The government of Singapore and Johns Hopkins Medicine reached an agreement in 1998 to develop the first private medical facility which combined research and teaching with clinical services in Singapore. The Singaporean government also signed a Memorandum of Understanding (MOU) with other Asian countries like Vietnam and Malaysia for strengthening each other’s different subjects’ knowledge such as sciences and mathematics, information and communication technology, school leadership and educational administration (Ministry of Education Singapore, 2008). It should be noted that Singapore has been active in reaching agreement and attracting renowned overseas universities to set up campuses in Singapore and this also spearheads Singapore’s drive to become a regional hub of education. Apart from Johns Hopkins Singapore, examples comprise the University of New South Wales and the Chicago Graduate School of Business.

Granting special funds and awards. To further encourage higher education export, the governments of Australia and the UK encourage their institutions to promote their higher education by providing special funds. Funding is provided to HEIs that can come up with high-quality strategies in promoting their higher education.

The Australian government increases funding for institutions in the areas such as education, science and training courses without any condition in order to reform the university landscape and improve their quality. The government provides greater investments to universities that can improve flexibility for students’ enrollment, course design, or can prove their needs for structure reform etc. (Australian Government Department of Education Employment and Workplace Relations, 2008).

The UK government also provides funds to encourage universities to promote their own higher education and to build up alliances and partnerships with overseas institutions. Funds are provided for research co-operation that aims at facilitating high quality research co-operation between the UK and other countries, and collaborative program delivery that aims at facilitating the development of joint/dual awards programs etc. (British Council, 2007a).

Like Australia and the UK, the Singaporean government has launched the Singapore Education Awards to motivate more industry collaboration and exchange of
best practices and ideas. The awards are managed by the Singapore Tourism Board. The awards encourage members to strive for higher levels of professionalism in the promotion of Singapore education to overseas students. The awards cover a wide range of areas. Examples of such awards include “Best media coverage for Singapore Education”, “Best international marketing effort”, “Best host for international students studying in Singapore”, “Best educational event organized by a public educational institution and friend of international students” (Singapore Tourism Board, 2007).

Promotional activities and marketing research. Furthermore, these three governments are active in participating in promotional activities and marketing research to facilitate their export of educational services. Central agencies, web sites, offshore offices are commonly used by these three exporting countries. Besides, their governments are also very active in education fairs in their target markets. Marketing research is also used to spearhead such promotional activities:

- Central agencies. All three countries have central agencies, either government units or public bodies supported by public funds, to facilitate their export of educational services.

  The central agency that works to promote higher education in Australia is Australian Education International (AEI). AEI is a part of the Department of Education, Employment and Workplace Relations (DEEWR) (formerly known as the Department of Education, Science and Training or DEST). Its purpose is to promote Australian higher education strategically based on the needs of the national interest. AEI helps establish government relations by developing MOUs and facilitating dialogue on education issues with governments around the world. Its international staffs work to enhance Australia’s profile by working with international gatekeepers and students. It also reports on market information to the sectors involved and carries out research on the markets. It promotes Australian education overseas by brand positioning and by making use of web site (Study in Australia), promotional events, and in-country promotional campaigns. Other activities include industry regulating through protecting international students’ tuition fees and ensuring that HEIs follow the national code of practice. AEI also provides assessment services and offer advice on recognition of educational and professional qualifications from around the world (Australian Education International, 2005-2006).

  In the UK, the British Council (BC) is sponsored by the British government and manages the Education UK Brand to promote British higher education. It conducts various kinds of conferences, events and activities to encourage international students to study in the UK. Furthermore, after students have selected an institution, a number of pre-departure briefings will be offered by the Council (British Council, 2007a). In an interview with the Director of Education Services of the British Council in Hong Kong, it was pointed out that the BC offers a range of services to enhance the student’s journey to study in the UK, such as exhibitions for parents and students. It should also be noted that the British Council is helping not just the promotion of the UK’s education overseas. It is helping with a broader mission of encouraging cultural interflow the UK has with countries around the world. To facilitate this, the British Council is promoting to the outside world British culture which comprises art, science, society and governance etc. Education is only a part of such a culture.
In Singapore, Singapore Education is a multi-government agency initiative launched by the Singaporean government in 2003 to promote Singapore as a regional education hub. The government agencies discussed here are actually statutory boards or semi-independent agencies that specialize in carrying out plans and policies of the Ministry of Trade and Industry (MTI). Singapore Education is led by the Singapore Economic Development Board. Under this initiative, different government agencies work together to facilitate the export of Singapore’s education services. Singapore Economic Development Board works to attract internationally renowned educational institutions to set up campuses in Singapore.

The Singapore Tourism Board (STB) runs an Education Services Division with specific aim of promoting Singapore as a premier education hub and help international students to make informed decision to study in Singapore. STB helps increase brand awareness and reach out to the target markets. Apart from participating in overseas education fairs, it organizes different promotional activities. Such activities comprise international conferences and road show events. Recent examples of international academic conferences held in Singapore comprise the 5th Asia Pacific Medical Education Conference held in January of 2008.

In fact the Education Services Division comprises three units, each with its specific terms of reference. The Education Market Development (EMD) works with the organization of education exhibition and seminars, training of education counselors, and cultivation of international media. Education Strategic Marketing (ESM) helps with brand advertising and publicity, competitive analysis and research, and industry capability development. Finally, Student Services (SSD) looks after services for students who have gone to Singapore for study on areas such as education counseling, orientation programs and student feedback.

Apart from the Singapore Economic Development Board and the Singapore Tourism Board, there are other government agencies that help to promote the export of education services of Singapore. International Enterprise Singapore helps quality schools in Singapore to develop their businesses and set up campuses overseas. Spring Singapore, on the other hand, administers accreditation for private education organizations in Singapore.

The central agencies of Australia, the UK and Singapore discussed above are active in supporting the export of higher education services of their countries. Often the central agencies work hand in hand with individual higher educational institutions in approaching the target markets. In the education expo study we conducted in Kuala Lumpur for example, it was observed that the STB had its set up next to those of individual Singaporean institutes at the Star Expo held in January, 2008. A division of labor thus was formed that the STB could handle general questions about study in Singapore, inclusive of immigration policies and scholarship application etc., while the individual institutes promoted their own programs. At the same expo, the British Council had its presence while individual UK institutes were also represented.

- Official web site. Based on survey questionnaires conducted in the four studied cities in the larger study, regarding the preferred channels to obtain information of studying overseas, the majority of respondents (75 per cent) first considered internet. Then, approximately 30 per cent of the respondents specified
exhibitions; 20 per cent newspaper; 18 per cent TV, and 18 per cent friends and relatives were their preferred channels. The finding highlighted the importance of providing useful information online is of great importance when recruiting international students (Cheung et al., 2008).

Australia, the UK and Singapore all make web site an important tool to promote higher education. Both the Australian government and Singaporean government directly run their web sites (AEI and Singapore Education) while the UK government provides information to prospective students through the British Council, a body it sponsors. Through such web sites, international students can find a lot of useful information such as institutions/universities, living expenses, classes, scholarship and the application procedures etc. More than that, those web sites are often available in different languages to suit the need of their prospective international students: English, Japanese, Korean, Thai, Indonesian, Vietnamese, Spanish, Portuguese, Arabic, Russian and both traditional and simplified Chinese. In the case of Australian and the UK government, their strategic plans on education export are also provided.

- **Overseas offices.** Overseas offices can always provide instant personal services. It helps answer concerns of international students, solve their questions so that they can make their informed decisions. All of the three countries run overseas offices in places such as Asia, Europe, Oceania and The Americas. Australia has overseas offices in 20 countries. The UK’s British Council operates in 109 countries and Singapore runs overseas offices in 18 countries (Singapore Education, 2008). Most of these overseas offices provide the services of student counseling, student visa, public examination enquiry, and higher education promotion such as fairs, exhibitions and conference etc. While conducting field works in the four studied cities, the research team also noticed the presence of these offshore offices in the areas. It is also worth mentioning that other market leaders such as USA and Canada have established promotional centers in selected target markets (Mazzarol, 1998).

- **Training and awarding agents.** Previous studies have showed that the use of recruitment agents could be effective when promoting international education in Asian markets (Edwards and Browne, 1991; Harris and Rhall, 1993; Smart and Ang, 1992). The use of agents or education specialists has been common in these three countries. Australia provided training to the agents to promote Australian education overseas. In April 2006, the Education Agents Training Course online was launched. Also, the written reply from Australian consulate in Hong Kong (Education Department) stated that AEI China offers training to their approved agencies throughout China. The UK government does not use any agents in promoting their higher education. Singapore has set up a Best Singapore Education (SE) Specialist award to outstanding agents who have proved to be efficient, reliable and trustworthy to spearhead Singapore’s drive to export her educational services. The award recognizes the agent who possesses deep knowledge of the education options in Singapore, and provides effective education counseling based on students’ aspiration. The research team also observed that there was a strong presence of local agents working on behalf of foreign institutions in these countries. The Hong Kong government may consider using agent to further promote their international education. However, special
attention needs to be paid to ensure the quality of these agents in order to avoid unethical practices.

- **Marketing research.** Marketing research also plays an important role in providing vital information to the government and their HEIs in competitive markets. Australia, the UK and Singapore invest into research heavily to promote their higher education overseas. For example, AEI has collected the latest market intelligence through planned research projects. AEI also has researched the stakeholders/providers and regularly provides information like latest economic, social and demographic figures. AEI is in close touch with industries to conduct research activities which help the industry move forward and meets the international market’s needs (Australian Education International, 2005-2006).

  The British Council also studies the markets for British education services and produces information such as the market overview, characteristics and opportunities (British Council, 2007a). Our interview with the British Council of Hong Kong also pointed out that the British Council is augmenting its work with keen research efforts both in locating needs of other countries and in finding the way to cater to the specific demands for the UK’s educational services by overseas students.

  In Singapore, Education Strategic Marketing (ESM) helps promote the higher education of Singapore by carrying out research to analyze the education industry and the overall educational trend (Singapore Education, 2007). The intelligence is shared with different stakeholders to facilitate the exporting of Singapore’s education services overseas.

*Population policy*

In addition to educational policies, population and immigration policies such as employment and citizenship also play an important role in exporting higher education to other countries.

*Employment.* Full-time and part-time work opportunities are offered to all undergraduate and graduate students in each competing country and all of them require students to have a work permit in order to work in their country. In our education expo study, it is found that such work opportunities are desired by students not just for money motive but also for gaining exposure to the culture of the host country.

  Most students interviewed expressed great interest in working opportunities both on and off campus. One student group summarized the general perception by saying that the university should also offer on-campus job or assistantships to international students because it will not only help pay school and living expenses, but more importantly, it will expand their education and practical learning opportunities:

  - **Full-time.** The Australian government offices vigorously developed Memoranda of Understanding and promoted qualification recognitions within Australia and abroad. This offers more working opportunities to international students. Students can also seek advice from government offices about employment and further study opportunity in Australia (Study in Australia, 2007).

    In the UK, students who are from non-European Economic Area and hold a bachelor or a higher degree from a recognized the UK institution can apply for a work permit in the UK for a year. Moreover, if students graduate from a Scottish
institution with a Higher National Diploma (HND), degree or postgraduate course, they can apply for two more years of work after graduation (British Council, 2007a).

The Singaporean government requires students who apply for Tuition Fee Grant to sign a contract of working in a Singapore-registered company for three years on their graduation. This policy is favorable to students from developing countries, and yet may create burden for some who are not willing to work in Singapore after graduation.

• Part-time. In Australia, international students can apply for permission to work once the teaching periods have started. Under student visa regulations, students are entitled to work up to 20 hours per week in part-time employment and unlimited hours during semester breaks (Study in Australia, 2008).

In Britain, international students are allowed to work in the UK if their passport comes with a stamp or visa sticker. Students are not allowed to be self-employed and to run their own business. In addition, students cannot work over 20 hours a week and their work must be related to their course. Last of all, student may be granted internships with a company for up to three months (British Council, 2007b).

Singapore has a part-time employment policy for full-time undergraduates of universities and polytechnics including a condition that they cannot work more than 16 hours a week. During the school holidays, they are allowed to work full-time (Singapore Education, n.d.). However, compared to other competitors like Australia and the UK, employment opportunities for foreign students are more limited in Singapore (Kau, 2005).

The interviews we conducted in the target markets suggest that potential students for overseas study regard employment opportunities in the overseas country they study as important, not just for financial motives, but also for exposure that is so important for their overseas study.

Citizenship. Becoming a citizen of Australia, the UK and Singapore can be a reason for international students to choose a particular study destination (Harman, 2004). As attracting talented and skilled people can promote the well being of the economies, Australia, the UK and Singapore grant citizenships to immigrants who are highly desirable.

Australia is facing the problem of aging population and skills shortages. Due to the increasing need for skilled migrants to replace the young Australians who go overseas, the Australian government has put emphasis on attracting immigrants with skills. In addition, the government also introduced temporary skilled migration programs to assist certain industries. Similar migration programs were introduced in the UK. At the beginning of 2008, the UK government will adopt new points-based immigration system that also favors people with high skill level. The Singaporean government has been active in implementing policies that would attract different kinds of talents from all over the world. The immigration policies focus on:

• increasing the number of primary and secondary school students’ immigration and of their family;
• allowing foreigners with recognized and marketable skills to apply for a work permit;
• allowing university graduate to apply for their immigration visa within one to two months after they got a work in Singapore (Singapore FIS Education Centre reposted the zaobao news of April 2007).

Other than that, Singapore government also prepared the whole society for the future changes. Housing estate, public transportation, basic facilities and environment are the things prepared for attracting foreign talents to settle in Singapore (Singapore FIS Education Centre, 2007). It should be noted that English language proficiency and passing the citizenship test are usually required to attain citizenship.

Discussion
It has been clear from the findings of this present study that a set of favorable policies and strategies at the national level was behind the success of these competitors enabling them to attract a sizable number of international students. Such policies are not confined to educational policies but are extended to population and employment policies. The experiences of our competitors highlight a significant role for the government in supporting the promotion of their higher education services. In addition, the findings also indicate that concerted efforts needed to be made both by the government, HEIs, and other concerned stakeholders in the development of overall marketing strategies and policies.

To position itself to become an education hub in the region, the Hong Kong government has recently introduced several key measures to further promote its higher education. For example, the government has raised the additional ceiling for non-local students from 10 per cent to 20 per cent beginning in 2008-2009 academic year. The Hong Kong government has also increased funding to provide more scholarships and assistantships to non-local students. In addition, existing restrictive immigration regulations have been relaxed. According to the newly revised immigration laws, international students are allowed to work off campus during summer holidays and are allowed to stay up to one year after graduation to look for a job (Cheung et al., 2008). All these measures will definitely make Hong Kong a more attractive study destination for international students.

Our research, however, indicates that Hong Kong is still lagging behind competing nations in several areas. This study has identified several effective policies and strategies that may appear important to Hong Kong and may reference to develop its own policies to promote higher education to students aboard.

First, the findings of this study highlight the importance of investing in higher education and research and development. As compared with these three competitors, the efforts made by the Hong Kong government lags behind in terms of its level of research funding as a share of GDP. Inadequate funding for higher education and research and development could have an adverse effect on the international perception of the quality of HEIs. Previous studies have found that reputation of a university is a factor that that international students weigh heavily when choosing their destination for overseas study (Mazzarol et al., 2001; Mullins et al., 1995). To enable education service to be internationally competitive, an increase in investment on higher education is necessary. The recent HK$18 billion dollars injected to the higher education sector will no doubt enhance the quality of research work and boost the international academic standing of HEIs in Hong Kong as a whole. However, the Hong Kong
government should continue to make investment on higher education and research and development key priorities in making of their future policy to enhance the international competitiveness of its higher education.

Second, the expansion of subsidized university admission quotas in Singapore and its strategic move in recruiting overseas students emphasizes the importance of providing access to higher education to a significant portion of the local student population, incorporating a proper mix of non-local students in HEIs. There seems to be a need for the Hong Kong government to review the current policy that 18 per cent of the local student population at the relevant age-group gets access to 14,500 publicly-funded first-year undergraduate admission quotas. An increase of the undergraduate enrolment rate is highly beneficial. The increase in public funding for higher education at the undergraduate level and the development of private universities are ways to raise the undergraduate enrolment rate.

The recent increase in admission quota of non-local students from 10 per cent to 20 per cent of the approved student numbers for publicly funded program from the 2008-2009 academic year is an important step forward to expand the non-local student population size. It is recommended that a further increase in the admission of non-local students (if appropriate at all) could be done by increasing the total number of government funded places while keeping the admission quote of no-local students at the 20 per cent level.

Third, in terms of providing scholarships and assistantships, Hong Kong is on par with these three key competitors. The Hong Kong government has recently established additional funds to provide more attractive scholarships to all students (Cheung et al., 2008). In addition to scholarships, low interest loans are commonly available in these target markets. The Hong Kong government should explore the possibility of offering low interest loan to selected international students. The Hong Kong government could also work with local banks that offer loans to prospective students who are planning to study in a recognizable and qualified university to make sure universities in Hong Kong are on their qualified list.

Fourth, our findings clearly suggest that these three governments have been actively collaborating with other governments to promote their higher education. While interviewing representatives from various HEIs in Hong Kong, one of the recommendations was that the Hong Kong government should take a more active role in initiating communications and conversations with other governments to discuss issues such as credit transfers, recognition of degrees, and joint programs to further promote their higher education in these Asian markets. It is recommended that the government enters into policy dialogues and international agreements regarding these aforesaid issues in the form of a Memorandum of Understanding with the Ministry of Education of selected Asian countries at the Government-to-Government level. The Hong Kong government should continue to expand its network to other potential countries by tapping into existing economic and political relationships with countries throughout the world.

Fifth, the findings of the study support the notion that establishing a central agency could benefit Hong Kong. As mentioned, all three countries have a central agency to coordinate the implementation of policies and measures related to the development of higher education exportation. The creation of a designated agency like the British Council, Australia Education International and Singapore Tourism Board with a
formal and central role should be considered to facilitate the goal of exporting Hong Kong higher education. This agency could be supported by all interested parties such as Hong Kong Trade Development Council, Hong Kong Tourism Board, and Hong Kong HEIs, the Hong Kong Education Bureau, and the industry. The major responsibilities of this agency may include undertaking generic promotion abroad, collaborating with other institutions and organizations, establishing a quality database, engaging in research and strategic development, and developing a formal performance management framework.

Sixth, considerations should be giving to establishing overseas offices to provide and disseminate important educational information to prospective students and their parents in selected Asian markets. Parents and students interviewed in these four target cities indicated that local information center is extremely helpful to prospective students and their parents when choosing their study destination. In addition to providing general educational information, other basic related information such as employment and immigration should also be offered. The Hong Kong government could further explore and examine the feasibility of providing one-stop service to prospective students in these overseas offices. Using existing overseas offices run by other agencies (e.g. Hong Kong Trade Development Council) to serve as an information center for international students could be cost-effective because it does not incur heavy investment.

Seventh, the use of recruitment agents could be another effective means to recruit international students. Some HEI’s representatives interviewed supported the ideas of using of agents to recruit international students to their campuses. However, they expressed the concern that with keen competitions, some agents may engage in unethical practices and giving out false information to prospective parents and students in order to the business. To avoid unethical practices and unhealthy competitions, special attention needs to be paid to monitor recruitment efforts by these agents. In addition, the Hong Kong government or the designated agency could explore and examine the possibility of providing in-house training to agents to ensure the quality of their service rendered and awarding outstanding agents in the field.

Eighth, it is also imperative that the Hong Kong government and HEIs should equip themselves with the necessary marketing information and intelligence to position itself in this increasingly intensified market. This may mean a substantial investment in conducting systematic marketing research in the selected markets. Few empirical studies have been conducted in these Asian markets. Further research is needed to fully understand the needs of prospective students. Of benefit would be an examination of the critical factors that may influence the decisions of their study choice of prospective students in the selected markets.

Lastly, our findings suggest that population and immigration policies are a central factor when students choose their choice of study destination. According to a study by the British Council (2007b), ease of immigration procedures and ease of finding employment during and after the study were two important factors that influence student selection of a host country. In the past, Hong Kong had restrictive population and immigration policies, which made it hard for international students to apply for work visas or to stay in Hong Kong to look for job after graduation. However, the recent revised policies allow international students to work up to 20 hours a week on campus during school in session and off campus job in summer. In addition,
international students are now allowed to stay up for one year to look for suitable job after their graduation (Cheung et al., 2008). These new policies will definitely make Hong Kong’s higher education more attractive to international students in the selected markets. Furthermore, the possibility of their study leading to employment or citizenship could be an important factor when international students choose their destination for their overseas study. The Hong Kong government may want to consider relaxing the population policy further by lowering the qualifications and requirements of the admission schemes for skilled labors and talents. Providing further supporting measures could also be beneficial to make Hong Kong a much more attractive place for study and work for international students.

Conclusions
In their study, Cheung et al. (2008) identified several key competitive advantages of Hong Kong over its competitors in relation to their potential of being a regional education hub in Asia: international world-class city, excellent marketing infrastructure, high-quality education with affordable costs, and well-established quality assurance mechanism. In addition to these competitive advantages, the recent measures initiated by the Hong Kong government have added much needed strengths to their overall competitiveness. The competition of international education will continue to be intensified as more countries enter the race. As suggested, more wide-ranging and coherent policies are likely to be needed by the Hong Kong government in order to compete with other key competitors. The implementation of these policies not only requires additional investment, but more importantly, it requires more careful policy planning and concerted efforts by the Hong Kong government, HEIs, other bureaus, and the support by the general public as a whole.

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