

INDIA

TURNING A STICKY WICKET INTO A GOOD BATTING TRACK

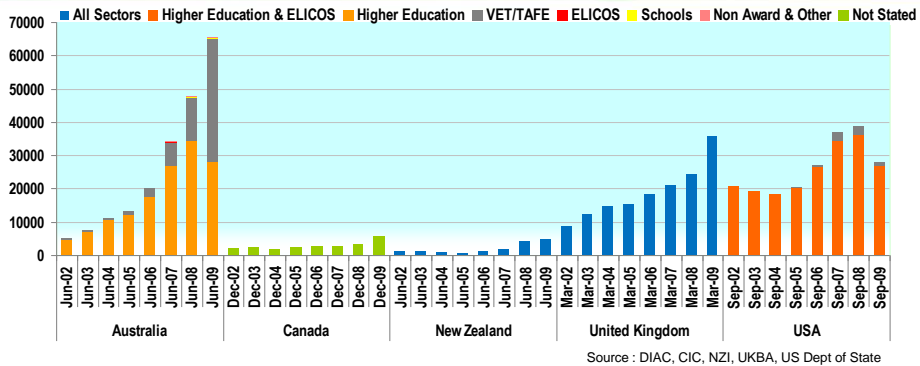


Overview

- Environment Analysis
 - Trends and Characteristics
 - MESD Competitors
- Market Demand Drivers
 - Positioning and Performance of Australia
- Recommendations
 - Gaps and Strategies for Future



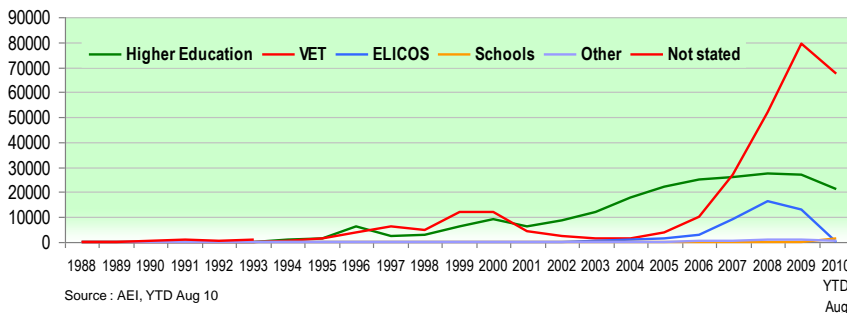
Visa grants students from India



- India is a significant market for international students , only second to China.
- Predominately a higher education market – Australia being the only exception
- The majority of the 103,260 Indian students in US study at the graduate level
15.1%-undergraduate & 68.8%- graduate students



Indian students' enrolments by sector in Australia



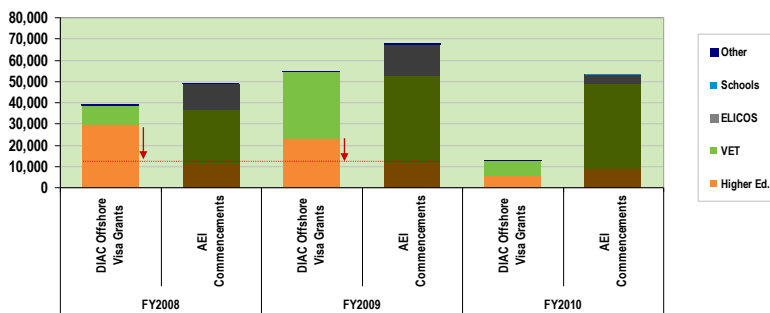
- Unprecedented growth in VET sector – influenced by student visa and skilled migration policy changes.
- Higher education enrolments decline for the first time in 10 years
- Overall Indian student enrolment stands at 90,753



Sources : Open Doors Nov 2009, AEI YTD Aug 2010



Onshore commencements and offshore visa grants

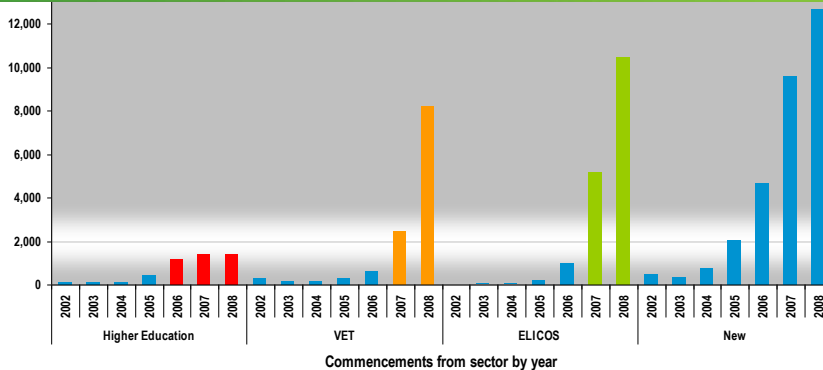


- India had a free fall of 77% in offshore visa grants (from 54,574 in FY09)
- Packaging inflates higher education visa statistics with VET students – genuine higher education students camouflaged.
- Visa grants onshore (17,238) continues to grow and outstrips offshore grants (12,483) –majority VET sector

www.idp.com



Commencement pathways of Indian students into VET



- Comparatively, VET students require more English Language preparation and support
- Small movement from Higher Education to VET

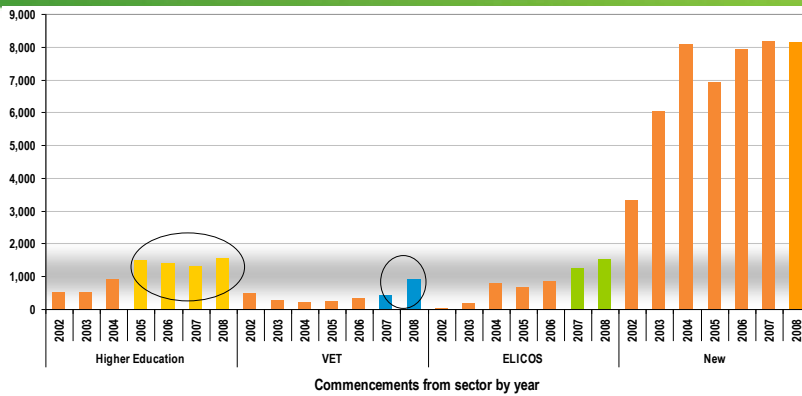
www.idp.com

Source : AEI, Mar 09



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Indian commencements into Higher Education



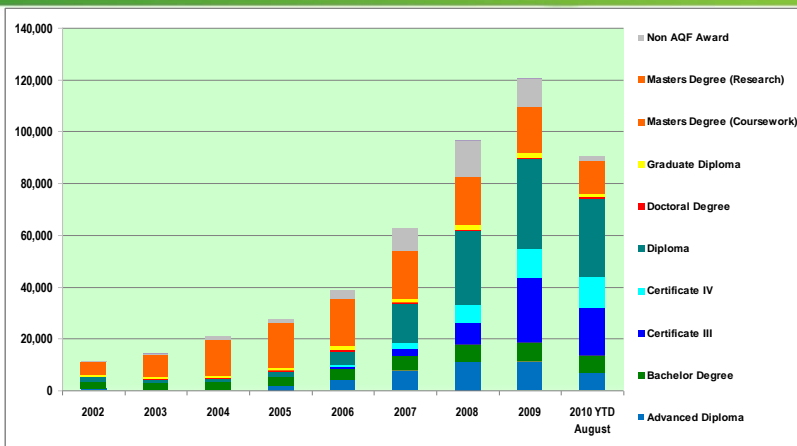
- Majority commencing are direct, not via pathways.
- Limited dependency on pipeline – ELICOS, Diploma

www.idp.com

Source : AEI, Mar 09



Enrolments by level of study

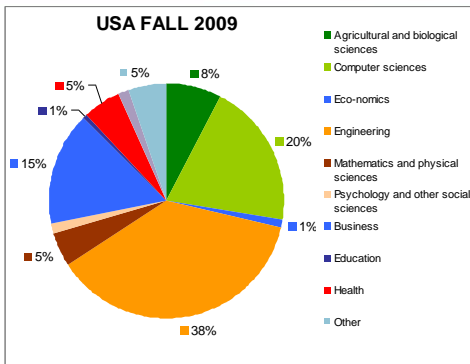


Source : AEI, YTD Aug 10

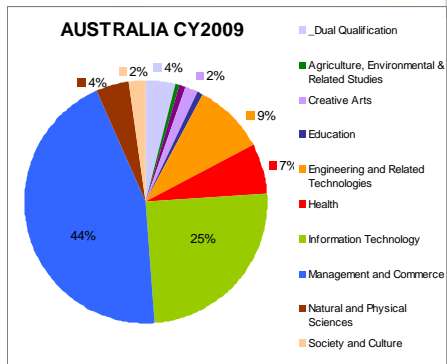
- Numbers for Higher Education (UG and PG) relatively stable
- Despite recent plummet in VET enrolments, sector continues to contain the largest proportion of student base in 2010.



Comparative analysis of enrolments by discipline



Source : US NFS

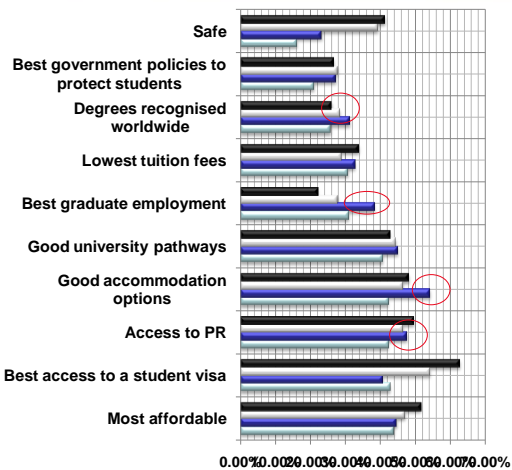


Source : AEI, Aug 10

- More than half the Higher Education Indian students in USA are enrolled in IT and Engineering courses
- However, Australia has majority of its Higher Education enrolments in Business courses



Highest rated attributes : Indian students



- Managing expectations
- Pre departure Information

- Graduated from Australia
- Studying in Australia
- Prospect with offer
- Prospect no offer

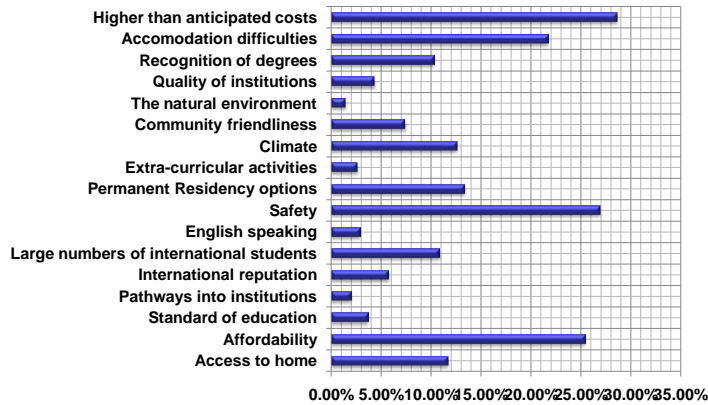
- Alumni engagement -Offshore and onshore
- US Alumni Endowments and contributions

Source : IDP Buyer Behaviour, Sep 2009

Total sample : 6173 – India 1156



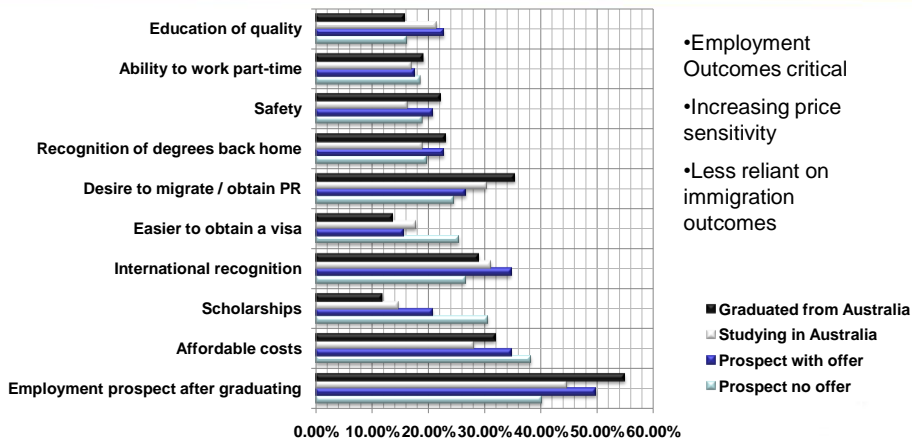
Two greatest weaknesses of Australia



- Australian dollar parity : Value Proposition?
- Single source of truth, consistency in message matrix, effective communication with all stakeholder groups
- Risk monitoring and management



Most important factors when choosing country



- Employment Outcomes critical
- Increasing price sensitivity
- Less reliant on immigration outcomes

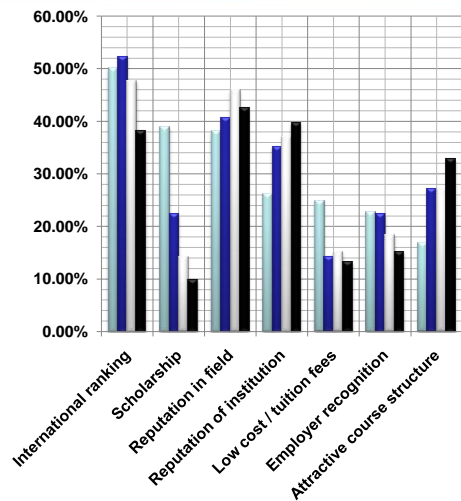
- Courses linked to labour market demand globally - mobility
- Professional and Employer recognition – portability



Source : IDP Buyer Behaviour, Sep 2009



Most important factors when choosing institution



Quality Indicators

- Ranking
- Recognition
- Recommendation

Scholarships

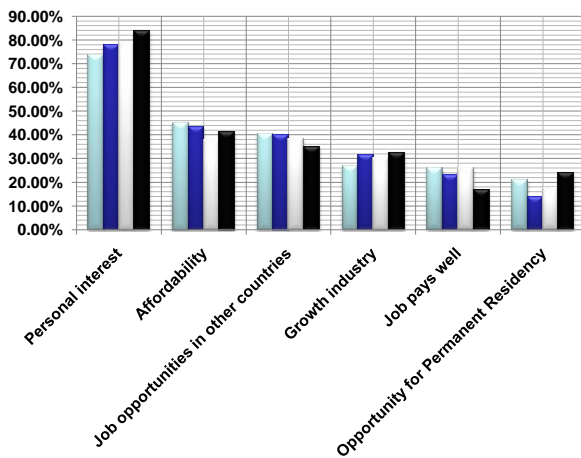
- Branding
- Attract brightest and best students
- Enhance affordability



Source : IDP Buyer Behaviour, Sep 2009



Most important factor when choosing course



- PR not the key demand driver in course selection
- Choice aligned to interest and affordability

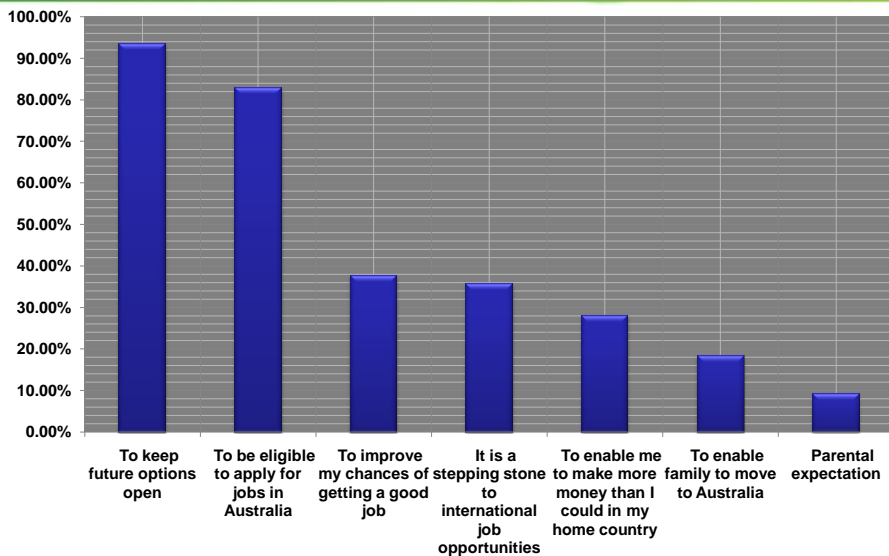
- Career coaching at start of course
- Job preparedness
- Challenges in facilitating employment for overseas students



Source : IDP Buyer Behaviour, Sep 2009



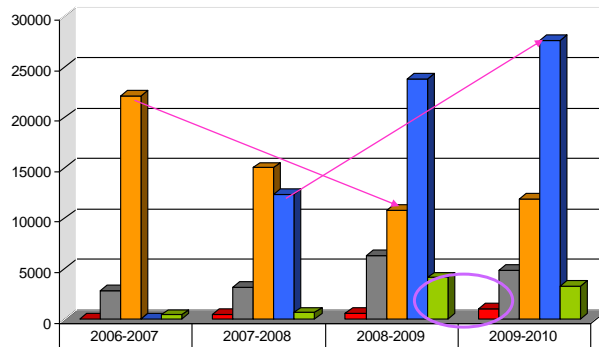
Why apply for Australian Permanent Residency



Post study visa situation onshore

•Attitudes and practices of Australian employers towards international student and immigration status?

•Jobs commensurate to study ?



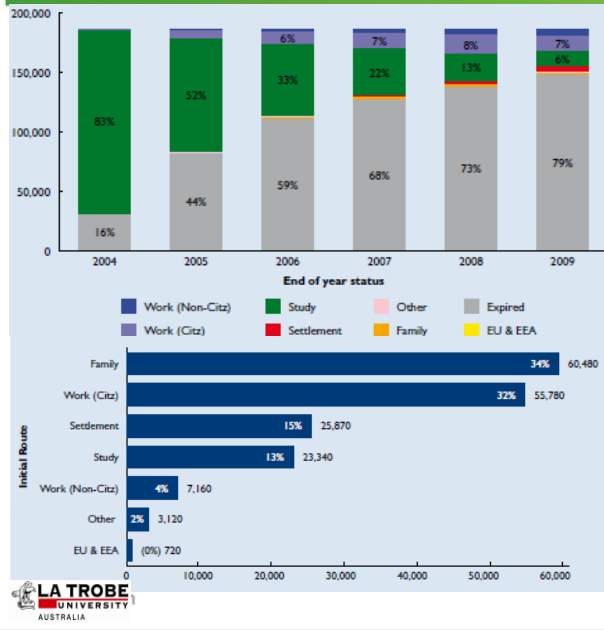
Employer Sponsored	0	468	597	1080
Skilled Australian Sponsored	2863	3203	6342	4827
Skilled Independent	22087	14996	10811	11944
Skilled Graduate (Temporary visa)	0	12386	23829	27637
State/Territory Sponsored Visa Classes	414	652	4129	3269

Source : DIAC

* 2009-2010 FY numbers up to 31st May only.



Study-Employment-Migration pathway : UK



- UK Brand associated with quality
- Student confidence in recognition of qualifications internationally

Change of status to PR takes at least 5 years

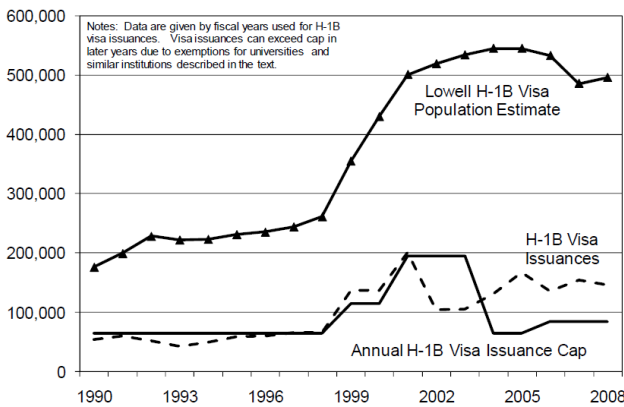
UK PMI2 initiatives
-Employability

-Local employer recognition of UK degrees

Source : UK Home Office, 2010



Study-Migration pathway : USA



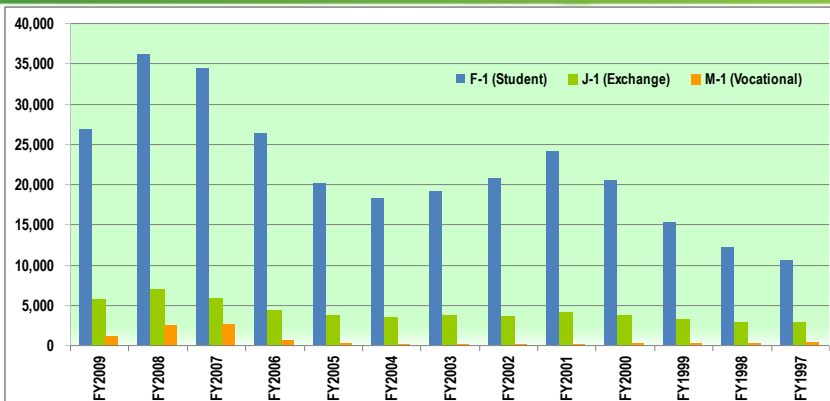
- 48% of these skilled workers were born in India
- Concentration in IT and Engineering

Source : US Immigration Policy on Permanent Admissions

- Since 1990, a cap of 65,000 H1-B visas set for each fiscal year.
- From 2004, the first 20,000 H1-B petitions filed on behalf of those with US Master's or higher degrees are exempt from the cap
- Estimated that 25% of H1B visa holders transitioned from foreign student status (Lowell, 2000)



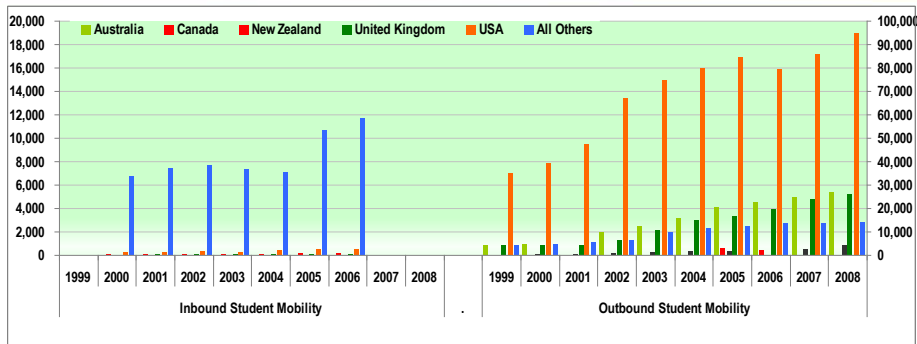
Student mobility : India to US



- Sizeable proportion of scholars on exchange programs when compared to full degree students from India
- Fulbright scholarship funding enhancement with matching contribution (USD 3.3 million) from Government of India



India : inbound and outbound movement of students



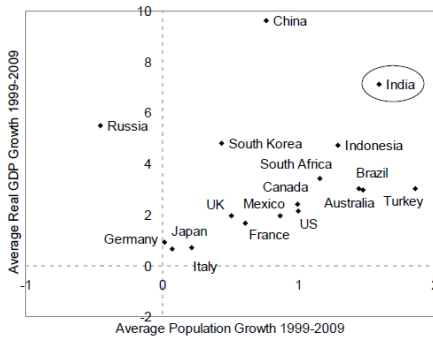
- Number of Indians going abroad to study has not decreased, but Australia's share has
- India is building capacity of its education system, but the gap still exists between demand for high quality education and supply
- The pending Foreign Educational Institutions Bill not expected to dampen demand for overseas study
- India as a study destination is not a competitor as yet.



India : market attractiveness

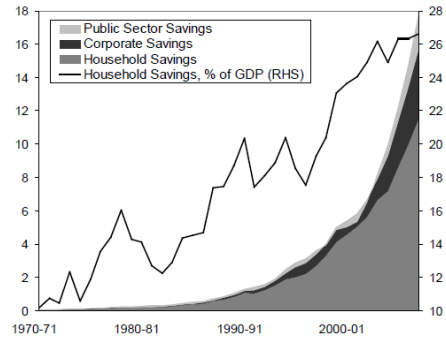
Young population, growing middle class and disposable wealth, robust economy -

The World's 'Back Office'
Population Versus Real GDP Growth, %



*Working Age Is 16-65. Source: BMI, UN Population Prospects

High Savings Equals High Investment
Total Savings By Category, INRtrm



Source: BMI, RBI



Gaps in meeting market needs

- Product
 - High Technology courses
 - Internships
 - Nice and emerging areas
 - Scholarships
- Brand
 - Quality
 - Outcomes
- Marketing
 - India Strategy : whole of government, industry
 - Implementation
 - Timelines and Funding commitments
 - Measures of success



Future strategy considerations for education providers

- Reciprocal recognition of professional qualifications in India
- Global recruitment success
 - Alumni engagement (AAA)
 - Actively engage with industry groups viz AIBC, FICCI, IACC, Austrade
- Attracting and retaining bonafide students
- Segmentation : growing pool of graduate IT, Engineering, Science students
- Agent management – monitoring quality of information and service provision
- Two way mobility : students and staff
- Knowledge partnerships : offshore teaching, research collaborations
- Long term scholarships
- Building brand – differentiation and focus on unique strengths



Thank You



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