



To market, to market: But where to from here? Re-examining the TNE potential for Australia

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# Agenda

- ▶ A snapshot of TNE: statistics and major trading countries
- ▶ Case study: The TNE activities through the lens of Boston Consulting Group (BCG) Matrix
- ▶ Factors affecting the TNE activities
- ▶ Conclusion

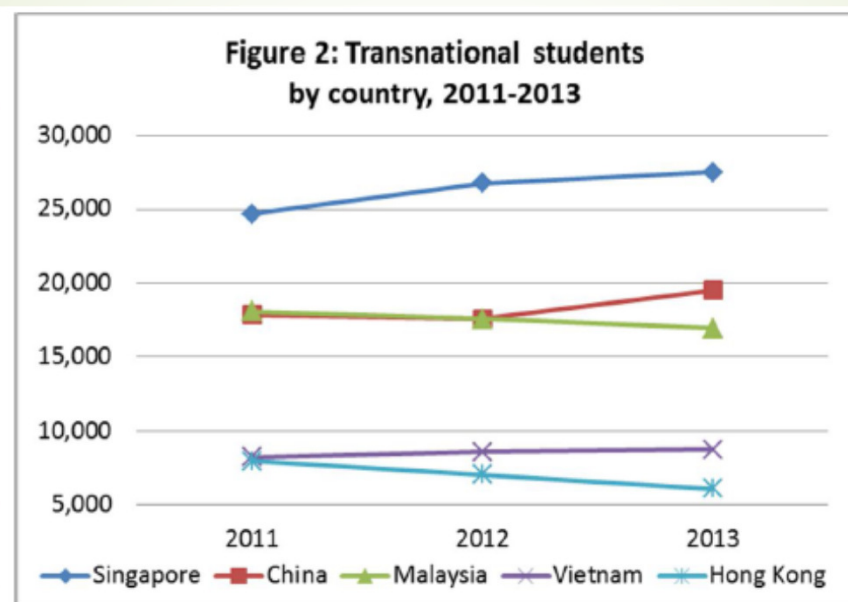


## Total offshore students by year

| Year | Total offshore student | Percentage increase from previous year |
|------|------------------------|--|
| 2000 | 34905                  |  |
| 2001 | 42802                  | 23%                                    |
| 2002 | 59311                  | 39%                                    |
| 2003 | 56,261                 | -5%                                    |
| 2004 | 64,020                 | 14%                                    |
| 2005 | 63,906                 | 0%                                     |
| 2006 | 68,175                 | 7%                                     |
| 2007 | 70,651                 | 4%                                     |
| 2008 | 70,655                 | 0%                                     |
| 2009 | 75,377                 | 7%                                     |
| 2010 | 76,446                 | 1%                                     |
| 2011 | 80,458                 | 5%                                     |
| 2012 | 80,468                 | 0%                                     |
| 2013 | 84,785                 | 5%                                     |

Source: Department of Education and Training, Selected Higher Education Statistics, 2003 to 2014  
2002 stats, Harman, 2004  
2000 stats, AVCC (2000)  
2001 stats, AEI (2001)

## Australian Top 5 TNE countries



Department of Education, AEI 2014



## The top 5 countries classification by British Council's report (Opportunity Matrix)

| Group 1<br>Well above average | Group 2<br>Above average | Group 3<br>Average | Group 4<br>Below average | Group 5<br>Well below average |
|-------------------------------|--------------------------|--------------------|--------------------------|-------------------------------|
| Hong Kong                     | Qatar                    | Botswana           | Brazil                   | Nepal                         |
| Malaysia                      | South Korea              | Bahrain            | Indonesia                | Sri Lanka                     |
| Singapore                     |                          | China              | Mexico                   |                               |
| UAE                           |                          | India              | Nigeria                  |                               |
|                               |                          | Mauritius          | Pakistan                 |                               |
|                               |                          | Oman               | Poland                   |                               |
|                               |                          | Spain              | Russia                   |                               |
|                               |                          | Thailand           | Turkey                   |                               |
|                               |                          | Vietnam            |                          |                               |





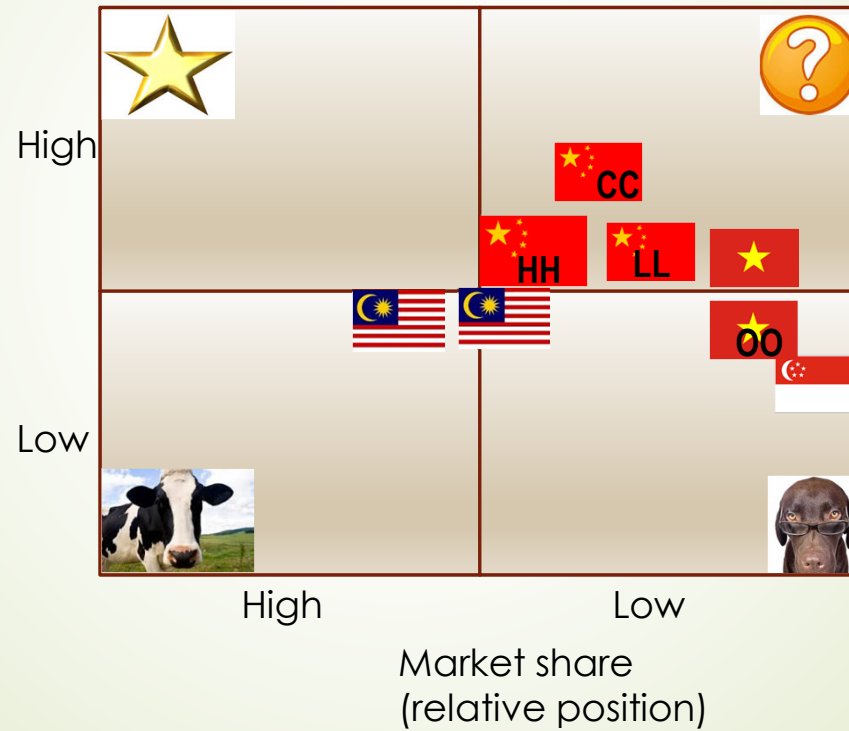
# Re-examining these five countries through the BCG matrix

## Case study

### Australian University


- ▶ Suburban University (mid-range in sized with a young age as a university)
- ▶ One of the major exporters of Australian qualifications (TNE)
- ▶ 8 existing TNE partners (franchised mode with partner doing most of the teaching except for one in Vietnam OO)
  - ▶ 3 in China – HH (tier 2 city), LL (tier 2 city), CC (tier 1 city) – Business programs
  - ▶ 2 in Malaysia – JJ and KK – Business programs
  - ▶ 1 in Singapore – SS – business (niche discipline)
  - ▶ 2 in Vietnam – both in the capital cities, OO (non-business, niche) and VV (business programs)

# BCG Matrix



How many of the Aus Uni in similar situation





## If a university is looking for an expansion- should it really get into these countries?

- ▶ Changing demographics on the major countries
- ▶ Changes in legislation (new QA initiatives)
- ▶ Changes in government driven initiative (control over private education market and policy change)
- ▶ Changes in online learning (cheaper to access top universities, MOOCS open up for 'café-style' degree)

Increased competition in the major countries





## Sustainability of the growth of TNE ?

Looking inward on capabilities and outward on potential

- ▶ Internal
  - ▶ Managing risk and quality
  - ▶ Managing resources
  - ▶ Clarity of strategy and targets
  - ▶ Unique selling proposition of your brands/program offerings

Thinking outside the box!



# Examples

- ▶ Cirque Du Soleil
- ▶ Youtube



# Conclusion

► Where to from here?

***“know thyself know thy enemy hundred battles hundred victory “***

***-Sun Tze Art of War***



Thank you

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