Indonesia’s market access models

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Business models and approaches used by education providers to access Indonesia’s market

Findings: Three-tiered commercial pathway models:

1. General Partnerships
   New entrants use as a soft-landing, low-risk market entry strategy

2. Strategic Partnerships
   Higher risk strategy aimed at broader market with local partner and deep relationships playing an important role

3. Joint-Venture
   Higher-risk, more complex with current regulatory limitations

Three underpinning elements contribute to success:

- Relationships & networks
- Right partner
- Institutional strategy alignment

Approach: 41 interviews, 18 case studies - higher education, VET, ELICOS, schools & EdTech
Some education providers commonly use general partnerships as a soft-landing, low-risk market entry strategy.

**1. General Partnerships**

- **Low risk market entry**
- **Non-award programs / credit transfer**
- **B2B delivery**
- **Student recruitment pathways**

<table>
<thead>
<tr>
<th>Short commercial contracts</th>
<th>Collaborative Coursework</th>
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**Top countries with higher education double / dual degree arrangements in Indonesia - 2017**

- **Business, Management & Accounting**: 36
- **Engineering & IT**: 14
- **Medicine, Health & Nursing**: 7
- **Science**: 6
- **Social Sciences & Law**: 4
- **Digital Media & Communications**: 3
- **Education**: 2

Other countries: 1 (South Korea, New Zealand, US, Finland, Norway, Sweden, Switzerland, Netherlands, China, Japan, Thailand, Brazil).
Strategic partnership is the second most common form, higher risk, aimed at broader market, local partner and deep relationships becomes more important.

1. General Partnerships

- Low risk market entry
  - Non-award programs / credit transfer
  - B2B delivery
  - Student recruitment pathways

  - Short commercial contracts
  - Collaborative Coursework
  - Responds to capacity building needs
    - Funded by government, business or aid
      - eg. Australia Awards
    - Courses specialised, flexible, responsive
  - Credit transfer
    - Double / Dual degrees

2. Strategic Partnerships

- Medium to high-risk
  - B2C delivery
  - local public or private partner
  - Local partner navigates regulations

- Licensing
  - Contract to deliver program in-market
    - eg. Diploma, English Language, Foundation

- Joint Programs
  - Attractive, affordable, international degree
  - Co-leverage local partner program, facilities, student support
  - Fly-in-Fly-out Teaching
Joint-venture partnership is higher-risk, more complex with current regulatory limitations

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<td>Fly-in-Fly-out Teaching</td>
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<td>Local education partner</td>
<td>Prioritise employment of local lecturers</td>
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3. Joint-Venture

High-risk and complex
Partially owned by a foreign providers
Commercial or non-commercial partners
Credential or certification awarded by foreign provider

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