Thriving in a hyper competitive world

Results from the inaugural Global Survey of International Education Leaders

nous | navitas

About the survey

Nous Group and Navitas have partnered to undertake the inaugural Global Survey of International Education Leaders to understand the challenges and opportunities facing the university sector across Australia, Canada and the UK.

The inaugural Navitas-Nous Group online survey was sent to senior operational and strategic leaders with responsibilities for international education and global engagement between August and November 2022.

Typical respondent roles included Deputy Vice Chancellor (International), Pro Vice Chancellor (International), Vice President (International) and Director (International). Survey results were supplemented by additional commentary and insight from Navitas and Nous Group consultants.

This report was made possible thanks to over 100 leaders from across Australia, Canada and the UK. We are extremely grateful for the time and expertise that was so willingly provided.

As this annual survey evolves, we look forward to broadening its reach and exploring trends as they emerge.

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Introduction

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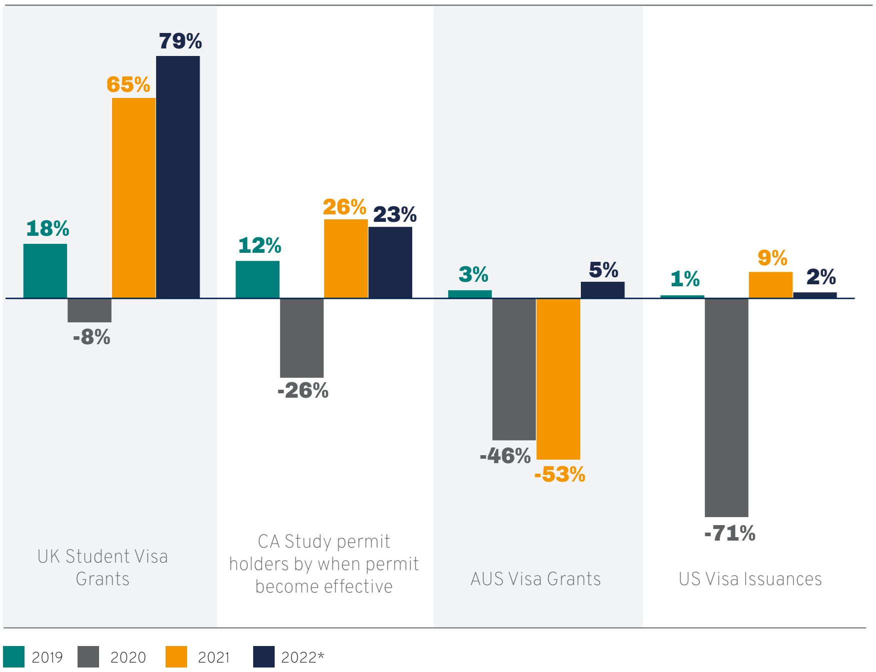
The impact of the pandemic on international education differed by country. Recruitment of international students fell across the board in 2020. In the UK and Canada, numbers started to pick up in 2021, however, in Australia numbers continued to drop throughout that year.

FIGURE 1

CUMULATIVE CHANGE IN ANNUAL (OCTOBER TO SEPTEMBER) NEW STUDENT VISAS COMPARED TO 2018 NUMBERS BY COUNTRY (SOURCE: NAVITAS VISA CUBE DRAWING ON UK'S HOME OFFICE, CANADA'S IRCC, AUSTRALIA'S DEPT OF HOME AFFAIRS AND USA'S DEPT OF STATE.)



Data is from government reporting with varying inclusions for each country, and volumes are therefore not directly comparable

The second half of 2021 signaled a shift from crisis management to recovery. Reopening of borders across the world has seen a renewed flow of international students – slowly at first, but now in earnest.

This brings internationalisation to the forefront of strategic priorities for universities across the world. The pandemic has accelerated several trends in global education delivery, offering new opportunities but requiring new capabilities to capture them. At the same time, international leaders have been forced to face historical over-reliance on Chinese or South Asian students. There is a need to balance profitability and right-size considerations with diversification and emphasis on student outcomes.

Recognising these challenges, Nous Group and Navitas reached out to senior operational and strategic leaders with responsibilities for international education and global engagement from 189 universities across Australia, the UK and Canada to understand their internationalisation agendas, priorities and sense of the opportunities ahead. This report presents the total responses received from 102 of those leaders. For information on survey methodology, please refer to the appendix.

Our findings are distilled into six key themes:

THE INTERNATIONALISATION AGENDA

Internationalisation is a top priority for universities and a strategic imperative for leaders, but confidence in ability to successfully deliver is less certain.

STUDENT RECRUITMENT

International student recruitment remains at the heart of the international agenda, but new global delivery models are emerging among fierce competition.

BALANCING PRIORITIES

Leaders feel the pressure to return cashflows to pre-pandemic levels while balancing revenue and volume with quality and diversity.

RECRUITMENT LEVERS

The pandemic necessitated significant change to strategic positioning, while heralding rapid digital change. This provides new opportunities to leverage different recruitment mechanisms.

RISKS ABOUND

Intensifying competition, rapidly shifting markets and changing international dynamics present risks for universities globally.

OPTIMISM REMAINS

University leaders remain confident in their own strengths and in underlying demand for international education.

These themes are discussed in the following sections.

THEME 1

Internationalisation remains a top priority for universities

Internationalisation is a strategic imperative for leaders...

The recovery of international education post-pandemic is well underway. Studyportals prospective student demand data shows interest in global international education increased by over 20% between 2021 to January 2023. Australia particularly has seen a significant bounce-back since its borders reopened in late 2021: a recent Navitas survey shows that Australia is once again a leading contender for international students. Key study destinations like the UK and Canada, which started their recovery earlier, also saw continued interest throughout 2022.

Accordingly, internationalisation is back at the forefront of the strategic agenda. More than 90% of international education leaders in our survey agreed that internationalisation is a high priority for their university – in fact no respondents disagreed. Further, more than three-quarters of surveyed leaders agreed that there is good support for internationalisation from their senior university leadership.

...but ability to deliver is less certain

Despite consensus on the importance of the internationalisation agenda, our survey found that not all international leaders are confident their strategic ambitions can be achieved. Less than half of respondents believe their university has adequate resourcing to deliver on its internationalisation aspirations.

Figure 2 shows survey responses on these questions.

In all three surveyed countries, about half of respondents agreed or strongly agreed that their university has the skills and capabilities. However, the proportion who disagreed was somewhat higher in the UK and Australia than in Canada (see Figure 3).

These findings are of some concern for international leaders, but they are not surprising. Before the pandemic, universities benefited from increasing globalisation and interest in outbound study without requiring as much investment in internationalisation. This was particularly true of Canada, which has benefited from favourable migration policies driving interest in it as a study destination. Now faced with intense global competition and emerging international student markets, destination countries and universities need to compete actively and in a far more sophisticated manner, rather than being passive recipients.

Universities in Australia and the UK, which have taken a more active and strategic approach to internationalisation, appear to have a higher appreciation of what is required, but this does not necessarily translate into institutional readiness. To ensure they can deliver on their institutional strategy, international leaders must present a vision that takes into account the university's constrained resources and the competing agendas of diverse stakeholders.

FIGURE 2

LEVEL OF AGREEMENT WITH STATEMENTS CONCERNING THE IMPORTANCE OF INTERNATIONALISATION, THE LEVEL OF SUPPORT FOR INTERNATIONALISATION, AND ADEQUATE RESOURCING FOR INTERNATIONALISATION STRATEGIES

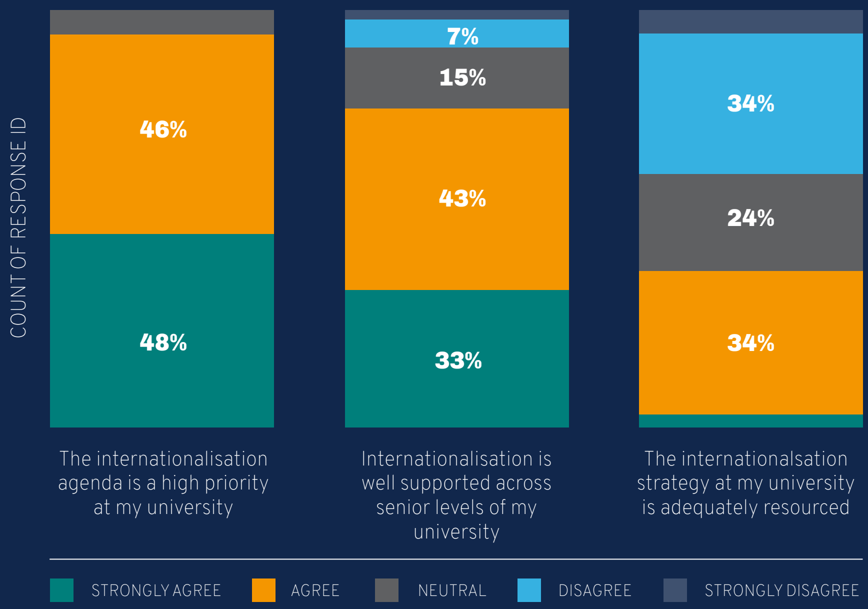
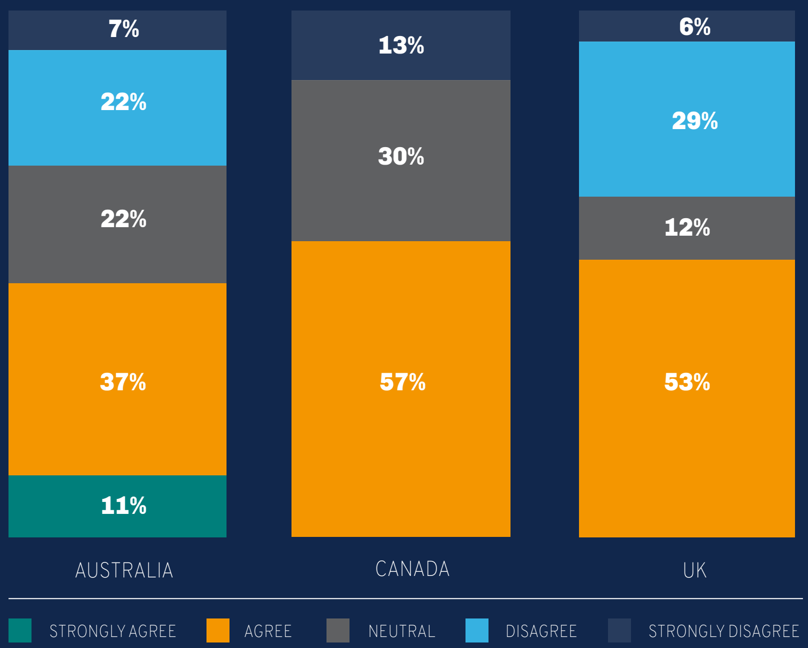


FIGURE 3

MY UNIVERSITY HAS THE SKILLS AND CAPABILITIES TO SUCCESSFULLY EXECUTE IN NEW FOCUS AREAS.



International student recruitment remains the most important area of focus for international leaders.

THEME 2

For most, internationalisation is synonymous with international student recruitment

Internationalisation spans many domains. International recruitment and study abroad are well-established strategies, but the pandemic accelerated several global trends as universities looked for education delivery models that could overcome closed borders and campuses. These trends include affiliations and partnerships, transnational education (TNE) and offshore branch campuses.

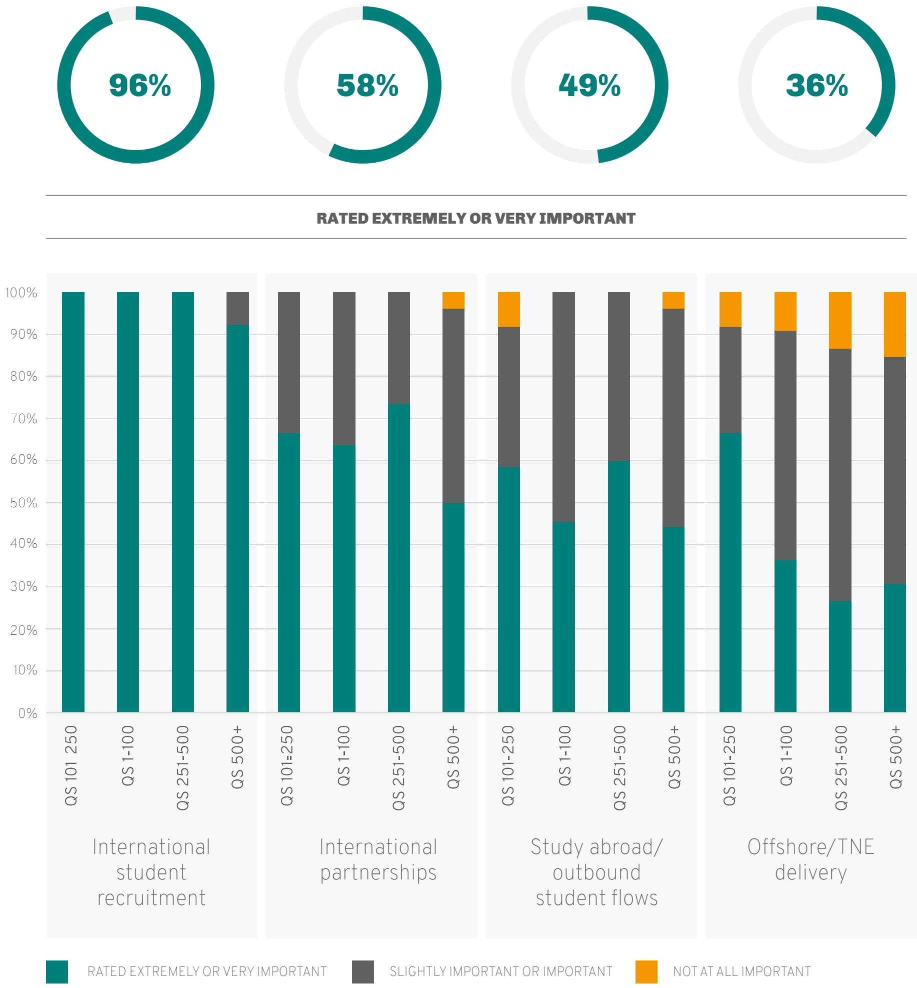
Despite the renewed interest across these areas, international student recruitment remains the most important area of focus for international leaders (see Figure 4). This responds to the need to reinstate healthy revenue flows from international students to support financial recovery and stability post-pandemic.

Priority areas of focus were generally similar in the three surveyed countries taken as a whole (except that Canadian respondents gave much lower importance to offshore/TNE delivery).

However, responses differed between leaders in universities in different global ranking ranges.

FIGURE 4

HOW WOULD YOU RATE THE LEVEL OF IMPORTANCE OF THE FOLLOWING AREAS TO YOUR UNIVERSITY'S INTERNATIONALISATION STRATEGY?



HIGHER -RANKED UNIVERSITIES placed more emphasis on partnerships, TNE delivery and outbound study experiences.

UNIVERSITIES RANKED 250-500 placed more emphasis on international partnerships and study abroad.

UNIVERSITIES RANKED 100-250 indicated offshore/TNE delivery was especially important.

New approaches to internationalisation are gaining importance

The increasing importance of partnerships and new education delivery models reflects shifting market dynamics in international student recruitment. In a 2022 Nous Group survey, 72% of respondents attributed their decision to work with private providers to "increased competition".

Key drivers of this decision were challenges in recruiting from China, increase in volume and complexity of study applications, and a need to address capability gaps and improve the environmental sustainability of operations. Competition is highest in middle and lower bands of major global rankings, but higher-ranked universities are also having to fight harder and adopt new strategies to attract students.

The challenge for international leaders is to find the right usage of private providers for international student recruitment to balance strategic goals with tolerance for risk.

THEME 3

Student recruitment is a balancing act, but revenue and volume still trump diversity and quality

There is a tension between providing accessible high-quality programs and the undeniable role that international student fees play in a university's financial performance. Our survey found that when international leaders were forced to rank their priorities in managing international recruitment, about half of respondents gave top priority to increasing revenue, and about one-third gave top priority to increasing volume (see Figure 5).

FIGURE 5

HOW WOULD YOU RATE THE LEVEL OF IMPORTANCE OF THE FOLLOWING AREAS [OUTCOMES] TO YOUR UNIVERSITY'S INTERNATIONAL STUDENT RECRUITMENT STRATEGY?

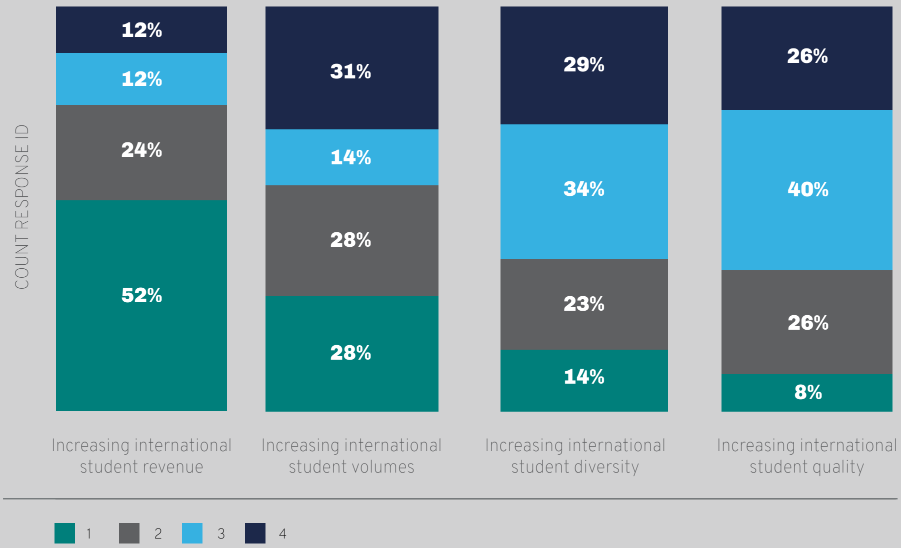


FIGURE 6

CHANGE IN SHARE OF ALL HE OVERSEAS STUDENTS, MAJOR DESTINATIONS, 2015 TO 2019, NAVITAS SUBMISSION TO GOV ON INTERNATIONAL STUDENT DIVERSITY IN AUSTRALIA.

	CHINA	SOUTH ASIA (India, Nepal, Pakistan, Sri Lanka and Bangladesh)	OTHER COUNTRIES
AUSTRALIA	+2%	+10%	-13%
UNITED KINGDOM	+3%	+11%	-14%
CANADA	-6%	+10%	-4%
USA	+4%	+2%	-6%

There are two possible explanations for this. The first is that universities feel they have already achieved appropriate levels of diversity and quality and they can therefore give priority to increasing revenue, volume or both. However, this is unlikely to be true. The data shows that diversity of international students in the UK, Canada and Australia has reduced in recent years while the proportion of higher education overseas students from China and South Asia has increased (see Figure 6).

The more likely explanation is that diversity and quality remain important, but not at the expense of volume and revenue. There are thus very few universities that are planning to achieve quality and diversity by turning students away or substantially raising acquisition costs per student. There are a range of possible drivers for this:

- Some universities may feel the need to recover quickly from the impact of the pandemic, especially those in Australia. Many universities that have endured a period of budget cuts will be looking for ways to avoid future rounds of redundancies.
- Other universities may be contending with financial pressures of declining public funding or rising costs and are looking to the surpluses from international tuition fees to fill the gap.
- The slow recovery in student flows from China has left a significant shortfall in university budgets. As the largest and most high-value market takes time to unwind out of a zero-COVID stance, universities will have to put more effort into recruiting from other markets to compensate.

It is interesting to note differences between the countries. Figure 5, the focus on revenue was higher in the UK, whereas Canadian universities tended to prioritise volume. This may reflect the increasing sophistication in international recruitment in the UK as compared to Canada, where demand has been driven largely by immigration policies rather than by strategic recruitment activity.

There are two key risks for leaders to consider in light of these results:

1

Universities must find the right balance of volume versus revenue: In a hyper-competitive environment, there is a risk that the cost of recruiting students rises substantially, leading to increased volume without the revenue returns.

2

Universities must ensure appropriate focus across volume, revenue, quality and diversity. There are real risks to retention, student experience and student outcomes when volume and revenue come at the expense of student quality and diversity.

Operational objectives, recognise the importance of student quality, experience and outcomes

International leaders are still alive to the importance of quality, experience and outcomes. In fact, almost all agree they are important to some extent (see Figure 7).

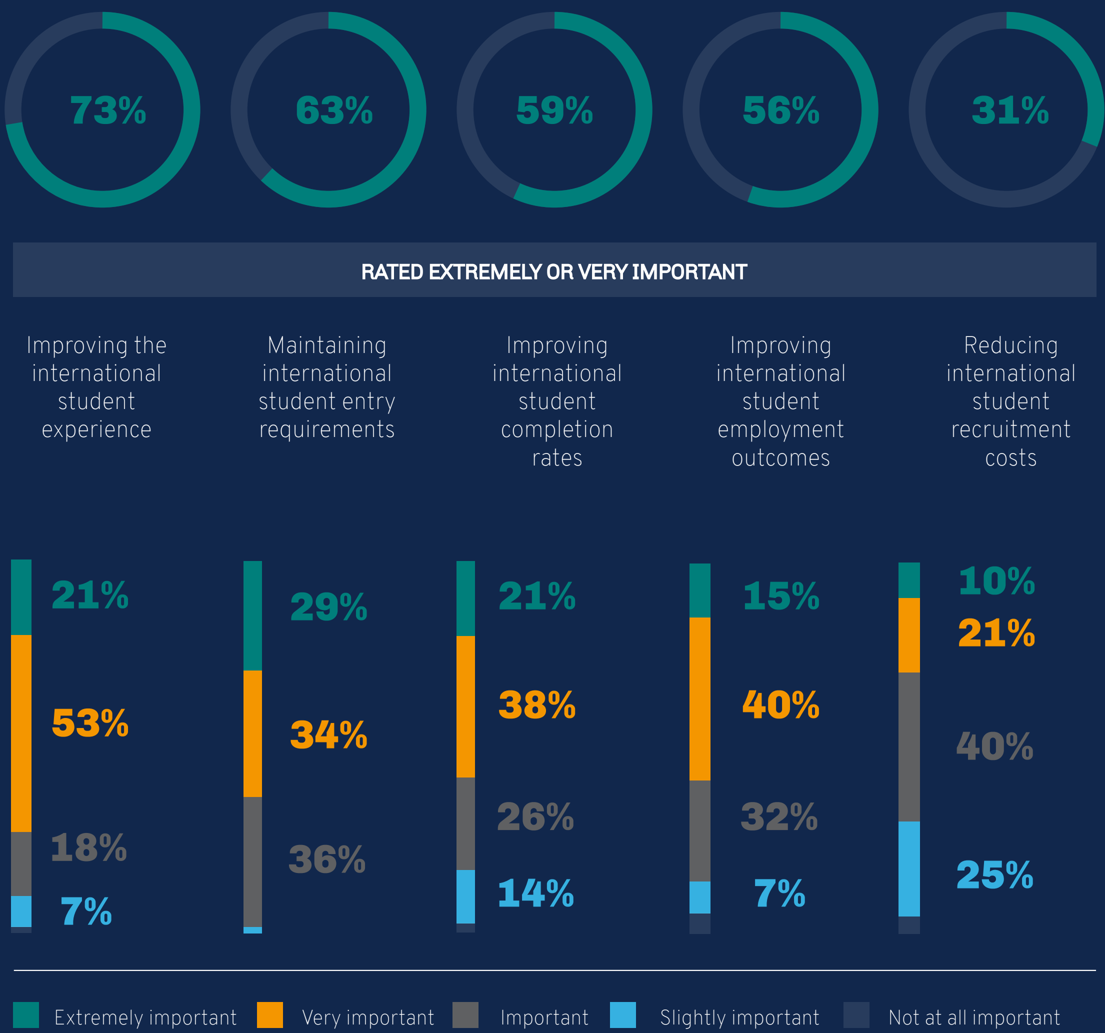
A significant focus on improving the international student experience is unsurprising, given the increasing importance of student wellbeing, belonging and outcomes. A recent Salesforce student survey found that over 60% of students do not have a great university experience, and that students need more wellbeing resources, more in-person events and activities and better preparation for the future of work[1]. Yet, a recent study by Nous Group on student services found that 90% of universities believe they provide effective student services across the board. Universities must ensure their investment in student services is truly student centred to meet diverse student needs and to offer personalised experiences, otherwise there is a risk of unrealised outcomes for students.

Figure 7 shows that leaders also place academic standards and outcomes, as well as post-study outcomes, as having high importance. Respondents from Australia placed greater emphasis on these areas than those from the UK and Canada. In this regard, it is noteworthy that employability services for international students emerged as a theme in a 2022 Nous Group report on the role of private providers in international education. In that survey, respondents and interviewees showed low satisfaction with the options available.

By contrast, respondents placed comparatively low emphasis on reducing international student recruitment costs. As the primary lever for revenue growth at most universities, international offices are rarely scrutinised for cost efficiencies. This could change if student acquisition costs rise in a highly competitive market.

FIGURE 7

HOW WOULD YOU RATE THE LEVEL OF IMPORTANCE OF THE FOLLOWING AREAS [OBJECTIVES] TO YOUR UNIVERSITY'S INTERNATIONAL STUDENT RECRUITMENT STRATEGY?



1. https://www.salesforce.com/news/stories/higher-education-statistics-trends-2022/

THEME 4

Student recruitment relies on a number of levers working in unison

Available levers for recruitment differ, but need for investment is certain

International offices are employing a number of levers to drive recruitment efforts. But regardless of approach, leaders signal that significant overall investment is necessary to achieve recruitment targets. The available levers include:

- Fees and scholarships
- Marketing and recruitment staff
- Marketing and recruitment activities
- Education agent commissions and incentives
- Agent aggregators and digital platforms
- Entry requirements

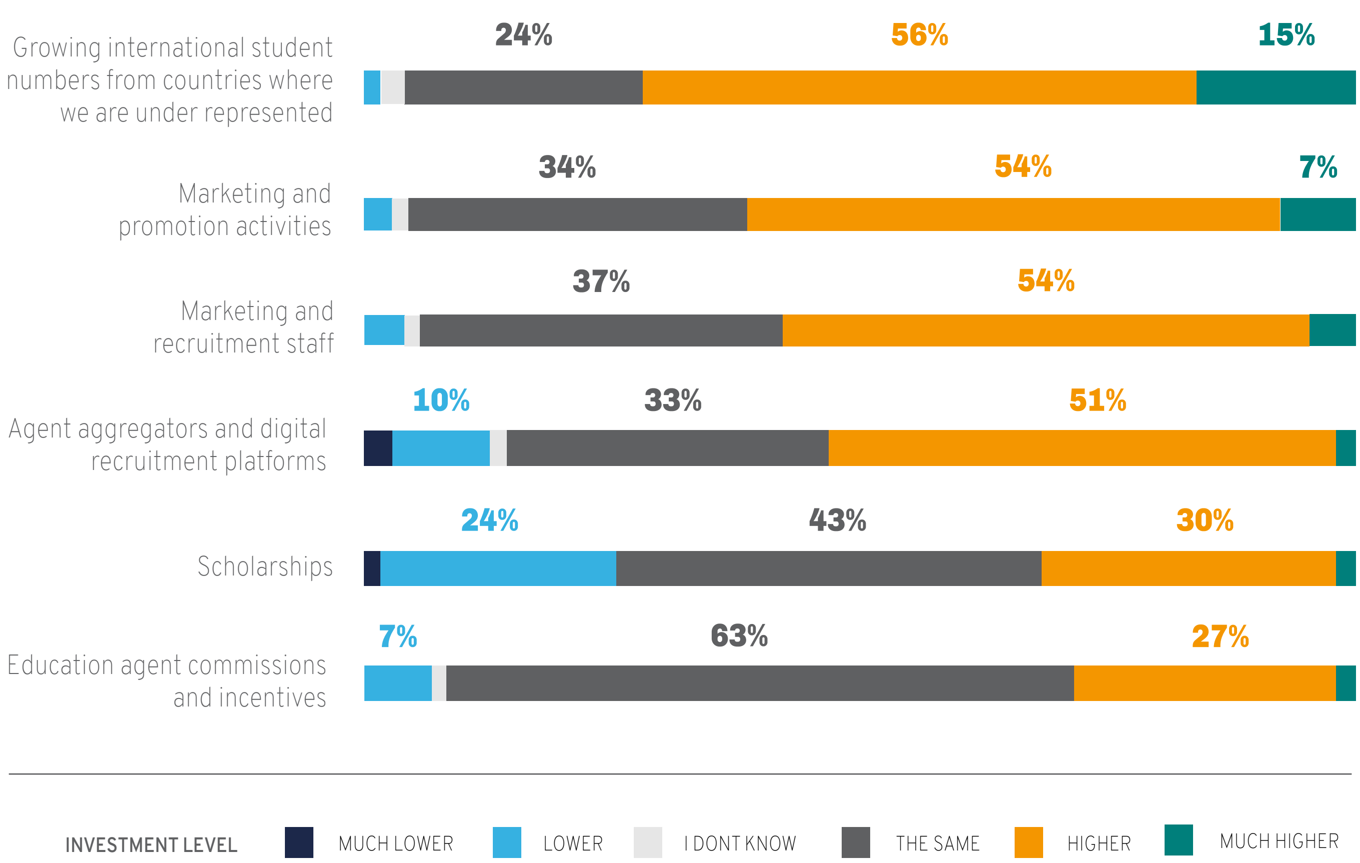
The greatest emphasis for leaders is on diversifying international student enrolments from historically underrepresented countries. This has become necessary because of the weak recovery of China post-pandemic. What's more, the sector becomes increasingly competitive, more sophisticated approaches and correspondingly higher investment will be needed to capture new markets. Many universities have seen recent strong growth and increasing reliance on a small number of countries occurring simultaneously.

Planned investment in other levers varies, particularly between countries and ranking bands. These differences are explored in the following sections.

> Investment allocations reflect a strong growth, quality, and diversity agenda.

FIGURE 8

HOW WOULD YOU RATE THE LEVEL OF IMPORTANCE OF THE FOLLOWING AREAS [OBJECTIVES] TO YOUR UNIVERSITY'S INTERNATIONAL STUDENT RECRUITMENT STRATEGY?



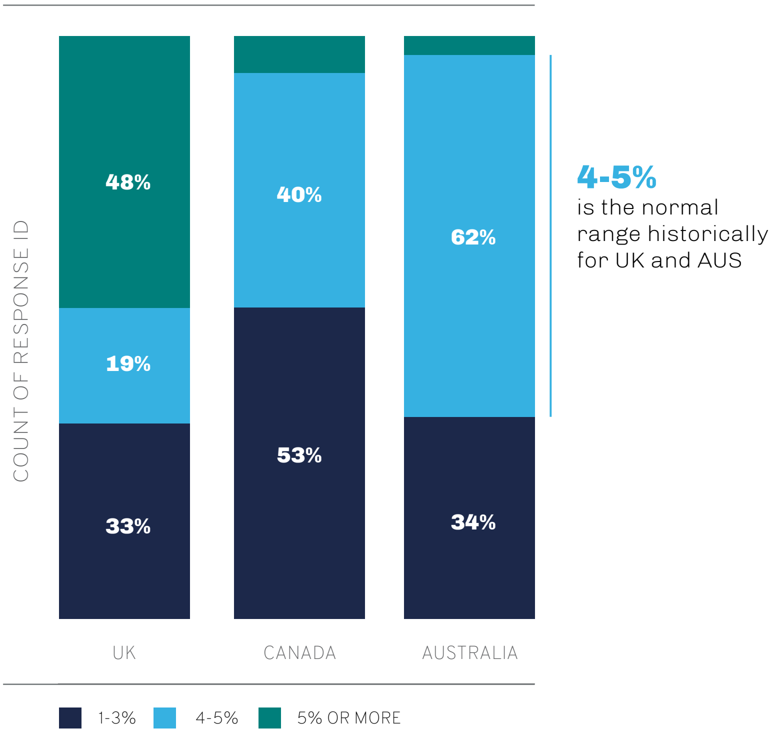
Analysis of pricing data across Australia, the UK and Canada reveals that willingness to pay is generally correlated with a university's ranking.

Planned fee increases vary by country but not by rank

Coming into 2023, international education leaders are reporting an expected return to pre-pandemic international student fee increases over the next one to two years. This follows a period of suppressed or negligible fee increases between 2020 and 2022. This suggests that leaders are optimistic in raising international student fees to make up pandemic losses, given the recovery of demand for outbound study.

FIGURE 9

PLANNED FEE INCREASES



However, respondents differ in how much they expect fees to increase. Nearly half of university leaders in the UK anticipate annual fee increases of 5% or more – above pre-pandemic levels. These increases come with recent calls from UK universities to increase domestic tuition fees, which have long been subject to a cap, to maintain university revenues. On the other hand, Canadian leaders expect a more modest increase in fees, with just over half of respondents planning annual increases of 1% to 3%.

In all three countries, the extent to which respondents expect fees to increase did not vary according to the university's ranking. That said, Our analysis of pricing data across Australia, the UK and Canada reveals that willingness to pay is generally correlated with a university's ranking. Tuition fees in Australia have a very high correlation with ranking according to Studymove, but Canadian universities mostly have lower prices than their peers of similar rank, indicating pricing misalignment.

At a time when competition for international students is at an all-time high, universities will have to ensure their pricing strategy is appropriate to balance revenue, volume and market diversity considerations.

Higher-ranked universities plan to invest more in scholarships

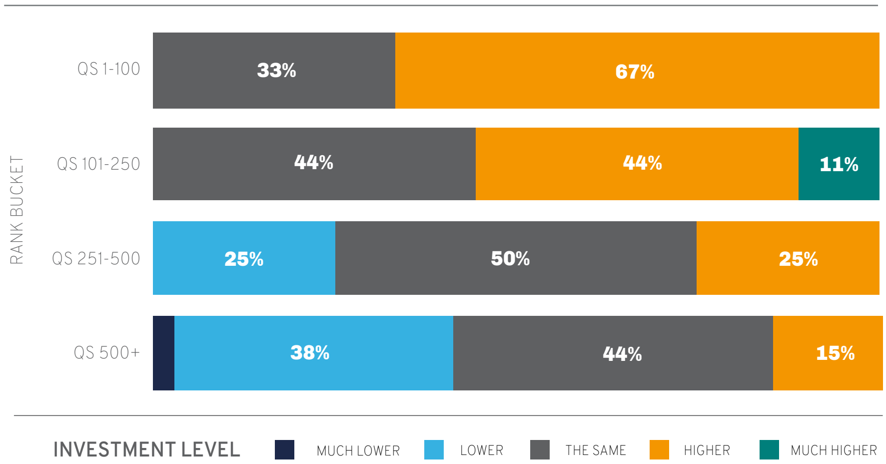
Universities will need to develop not only sophisticated pricing strategies but also sophisticated scholarships strategies. Our survey found little difference between planned investment in scholarships between the UK, Canada and Australia; but in all three countries higher-ranking universities plan higher investment in scholarships.

This is likely due in part to changing student profiles given increasing diversity of recruitment markets and increased focus on improving access to education. Whereas Chinese students have typically had a lesser need for scholarships to fund international study, new core and emerging markets like India and Nigeria are far more price sensitive. Given that higher-ranked universities have higher sticker prices, they will need to invest more in scholarships to compete on price.

Conversely, a lower ranking correlates with an intention to reduce investment in scholarships. Some lower-ranked universities will already be at a price point where discounting won't result in increased volumes, but these universities will face more competitive pressure given higher-ranked universities will be discounting. Others may have over provisioned on scholarships in an undiscriminating way. Universities are now discovering they can apply different discounts in different markets, targeting discounting strategies where they will add most value. For example, universities in Australia offer discipline- and country-specific scholarships that influence their ability to achieve recruitment and diversity aspirations for programs.

FIGURE 10

PLANNED FUTURE INVESTMENT IN SCHOLARSHIPS BY RANKING



> Some lower-ranked universities will already be at a price point where discounting won't result in increased volumes, but these universities will face more competitive pressure given higher-ranked universities will be discounting.

Marketing and engagement will be key levers for universities

Both marketing and promotion activities and marketing and recruitment staff will see increased investment in the coming years (see Figure 12).

About half of the survey respondents in Canada and Australia and nearly 80% of those in the UK plan to hire more marketing and recruitment staff. This is an expected post-pandemic response – many universities significantly reduced international recruitment staff during COVID and now need to rebuild their practices. The planned level of investment in the short term may not even restore staffing numbers to pre-pandemic levels.

Most leaders agree that spend on marketing and promotional activities will be higher than pre-pandemic levels. Market intelligence from ICEF Monitor indicates we should expect to see increased emphasis on digital recruitment channels, which were first necessitated by the pandemic but continue to add value today. However, investment in traditional in-person marketing and engagement is expected to be more balanced than in previous years, to develop student and partner relationships. International recruitment offices will need to remain adaptable and agile in their marketing and recruitment activities in responding to changing market conditions.

FIGURE 11

PLANNED FUTURE INVESTMENT IN MARKETING AND PROMOTION STAFF

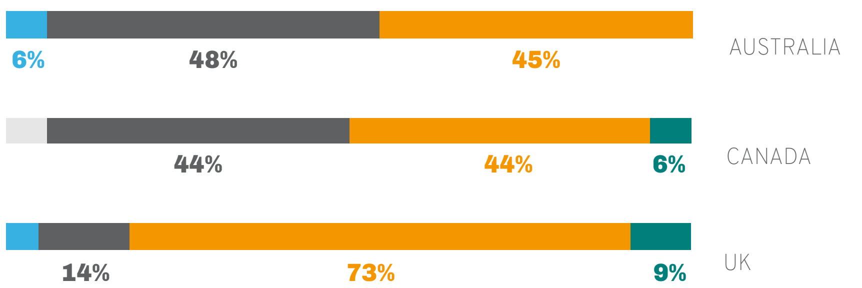
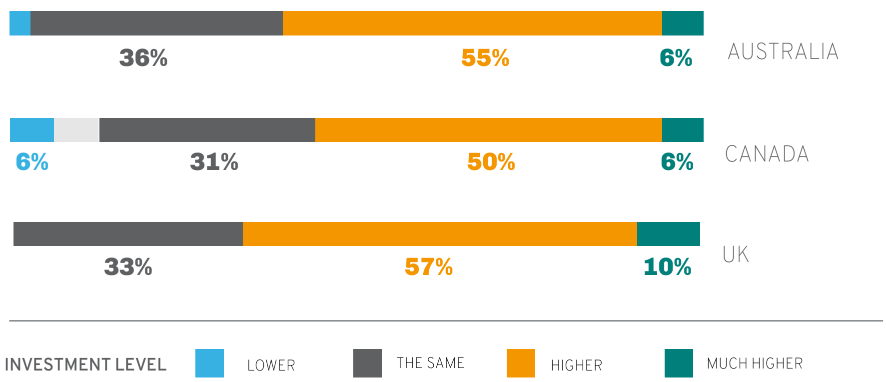


FIGURE 12

PLANNED FUTURE INVESTMENT IN MARKETING AND RECRUITMENT ACTIVITIES



Investment in agent commissions and incentives has mostly stabilised.

Reliance on traditional agents increased during the pandemic to compensate for travel restrictions that prevented recruitment staff from making face-to-face visits to key markets. Agents continue to be a core strategic relationship for many universities seeking to increase international enrolments, particularly to support entry into new markets and meet growth targets in the face of increased competition. Now, corresponding investment in education agent commissions and incentives appears to have mostly stabilised. Only one-quarter of survey respondents plan to increase their investment in this area; in the UK one-fifth of respondents plan to reduce investment in this area (see Figure 13).

The stabilisation of expenditure on agent commissions and incentives may be due to the recent establishment of quality assurance frameworks for education agents in the UK and Australia, as well as a general push towards professionalising the role of agents in international education to increase transparency and effectiveness. Going forward, universities are more likely to focus on best practice in agent management rather than using commission rates as a blunt instrument to drive enrolment growth.

Aggregators and platforms are still a new phenomenon, but some universities are already planning to pull back

Agent aggregators and digital recruitment platforms are a burgeoning part of the edtech sector. Services range from end-to-end AI-powered recruitment pipeline to management of select underperforming agents. In all cases technology has been used to achieve networks of thousands of agents and recruitment partners in only two short years.

Controversy about the use of aggregators has risen just as fast.

A Nous Group joint report with Universities UK International and Oxford International Education Group in October 2022 found that satisfaction with agent aggregators was mixed. A perceived lack of transparency and oversight was viewed less positively, whereas those who gave favourable reviews tended to use aggregator services for more targeted purposes. Despite concerns, respondents indicated that this was the area in which they were most considering expanding their private sector partnerships.

The findings of this inaugural Global Survey of International Education Leaders align with those sentiments. Some leaders are planning to pull back investment in aggregators, particularly in Canada and the UK, which have seen higher uptake so far compared to Australia. On the other hand, about half of survey respondents in Australia and Canada, and about 60% in the UK, see agent aggregators and digital recruitment platforms as an area of increasing investment (see Figure 14).

As we see agent aggregators become a more important feature in student recruitment, leaders will need to assess whether use of aggregators is appropriate given the risks involved balanced against the potential for increased volumes and access to new markets.

FIGURE 13

PLANNED FUTURE INVESTMENT IN EDUCATION AGENT COMMISSIONS AND INCENTIVES

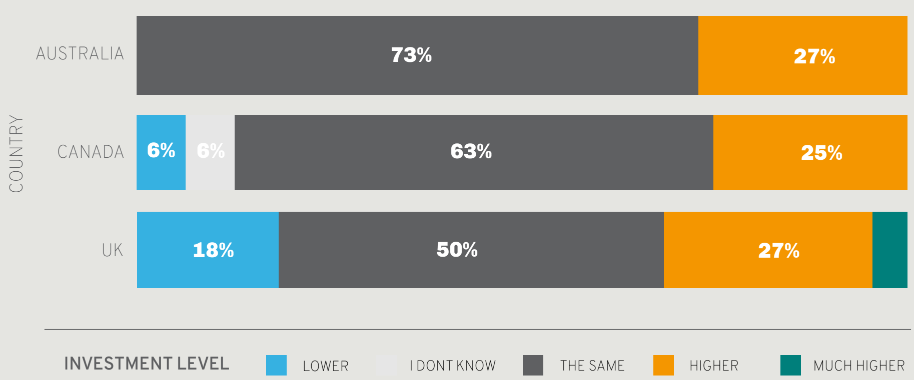
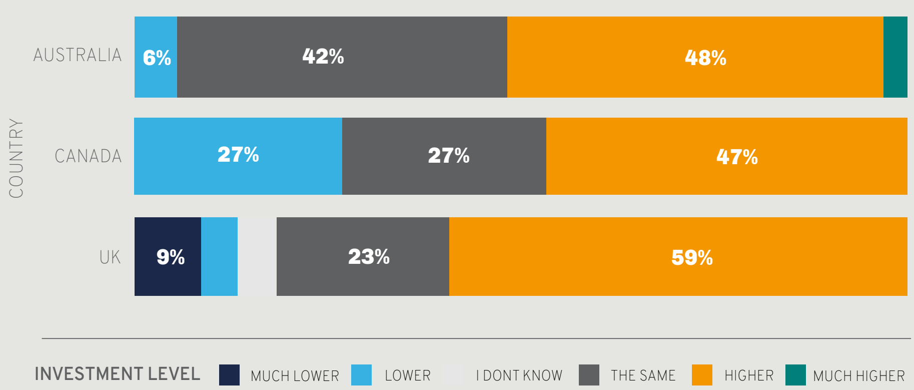
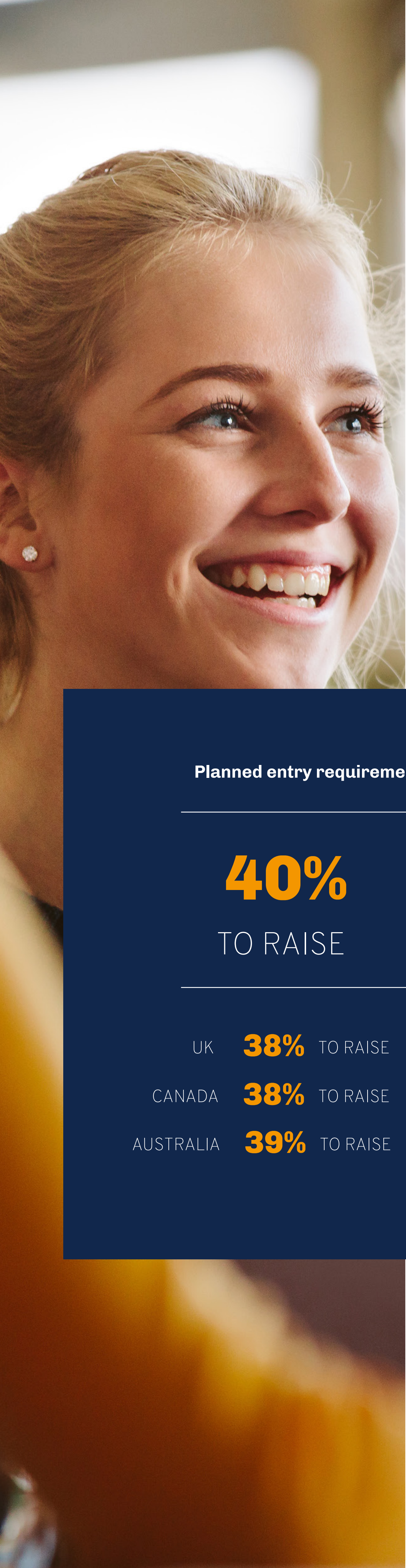


FIGURE 14

PLANNED FUTURE INVESTMENT IN AGENT AGGREGATORS AND DIGITAL RECRUITMENT PLATFORMS





Many leaders plan to raise entry requirements, but some will lower them

About 40% of survey respondents plan to raise entry requirements in the coming years. A further 40% plan to keep entry requirements the same, while about 20% plan to lower them. These results are largely uniform across the UK, Canada and Australia.

During COVID many universities had to modify their approach to entry requirements, as many governments at the time were unable to properly standardise assessments. As well, universities are becoming more sophisticated with their contextualisation of entry requirements to drive better diversity and access to education.

Given the global challenges of pandemic learning loss and unfinished learning, accepting a wider range of students will require increased academic, social and wellbeing support to ensure student outcomes are maintained. Many universities have started to provide new forms of support for international students, including:

- providing more direct support for work experience, as international students don't have their own local social networks, enabled by leveraging digital platforms
- expanding student welfare support beyond topics requiring professional support, such as the home living environment and interpersonal relationships.

Planned entry requirements

40%	40%	20%
TO RAISE	THE SAME	TO LOWER

UK	38% TO RAISE	42% THE SAME	20% TO LOWER
CANADA	38% TO RAISE	41% THE SAME	22% TO LOWER
AUSTRALIA	39% TO RAISE	44% THE SAME	17% TO LOWER

Pandemic learning loss

An estimated 1.6 billion school children globally faced some degree of disruption to their schooling in the two years after COVID-19 hit … In India, schools were fully or partially closed for 82 weeks in the two years of the pandemic and access to remote learning was limited…

Accounting for school holidays, students in both South Asia and Latin America managed to experience normal in-person schooling for less than 5% of the academic calendar in two years according to McKinsey…

There is a burgeoning literature on learning loss, unfinished learning and forgotten and forgone learning. McKinsey estimates that these disruptions have resulted in learning delays of 6 months in East Asia, Middle East and North Africa, and Sub-Saharan Africa, and 12 months in Latin America and South Asia.

These initial estimates on the academic impact of the disruption of schooling are just scratching the surface. We are yet to see more systematic evidence of the impacts on the pandemic accounting for increased absenteeism, serious mental health issues, developmental and social delays, and the exacerbation of stressors on the teaching profession, including teacher shortages…

Most international students come from more privileged backgrounds and may not be facing the average 6 to 12 months of learning delay. But international students are a diverse cohort with varied socio-economic and educational backgrounds. No doubt there will be many who find the transition to studying in Australia much harder than it would otherwise have been.

*Extracts from an opinion piece written by Scott Jones (Group CEO, Navitas) and Jon Chew (Global Head of Insights & Analytics, Navitas) published in the Australian Financial Review on 7 November 2022

1.6 billion school children globally faced some degree of disruption to their schooling in the two years after COVID-19 hit.

THEME 5

There are risks from increasing competition and external pressures

International education has been through a period of immense upheaval through the pandemic years. Although things have rapidly returned to normal, challenges loom large in the minds of international education leaders.

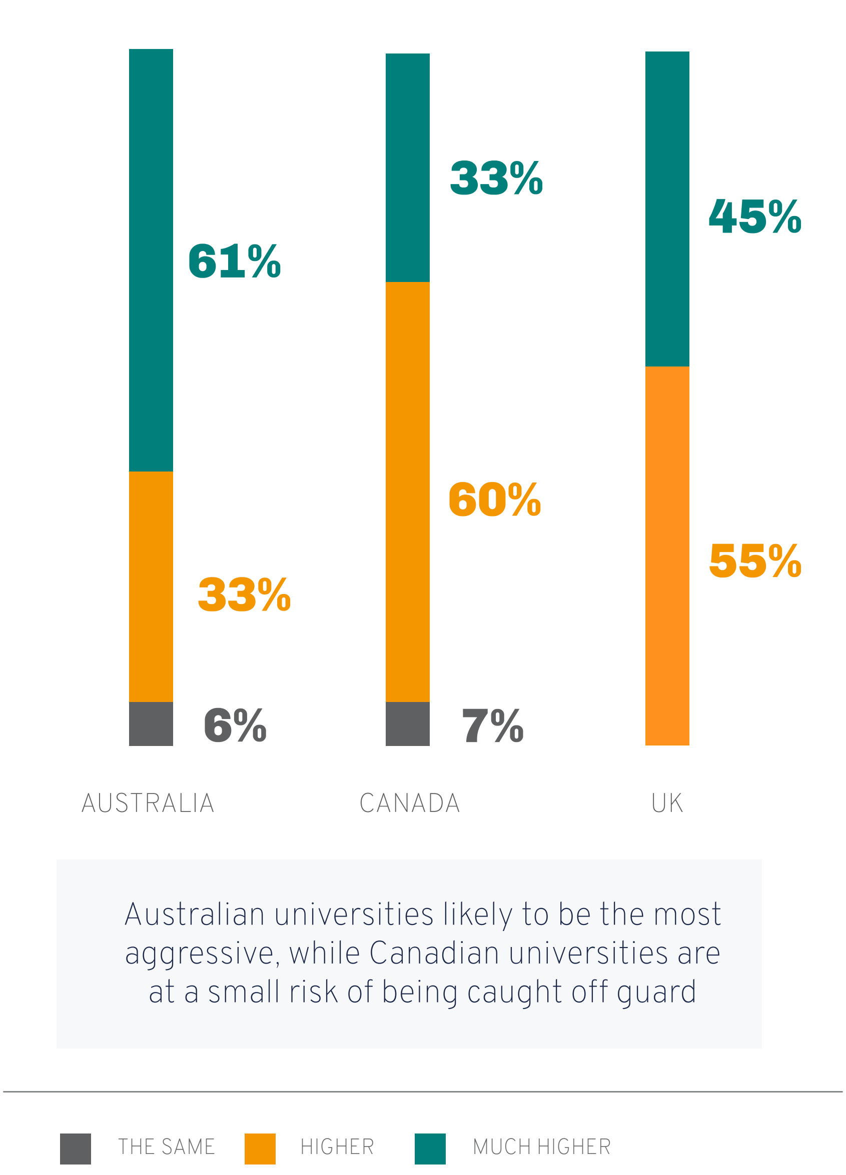
We are entering a period of hyper-competition

Nearly all survey respondents believed that we are entering a more competitive period in international education student recruitment. Australian university leaders expect 'much higher' competition somewhat more than UK and Canadian leaders (see Figure 15). Canadian respondents were least likely to expect much higher competition.

This suggests that they may be caught off guard by the extent of competition in future.

FIGURE 15

"I ANTICIPATE THAT IN THE NEXT THREE YEARS COMPETITION IN THE RECRUITMENT OF INTERNATIONAL STUDENTS WILL BE AT A LEVEL THAT (COMPARED TO PRE-PANDEMIC) IS":



External risks present issues, but the sector is out of crisis mode.

Survey respondents believed that the key risks facing them are a deteriorating macroeconomic climate and rising geopolitical tensions. Respondents in Australia and the UK to a larger extent, and in Canada to a lesser extent, also noted risks that rising anti-immigration sentiment and concerns over academic integrity may drive overly broad policy changes that could impede international student recruitment (see Figure 16).

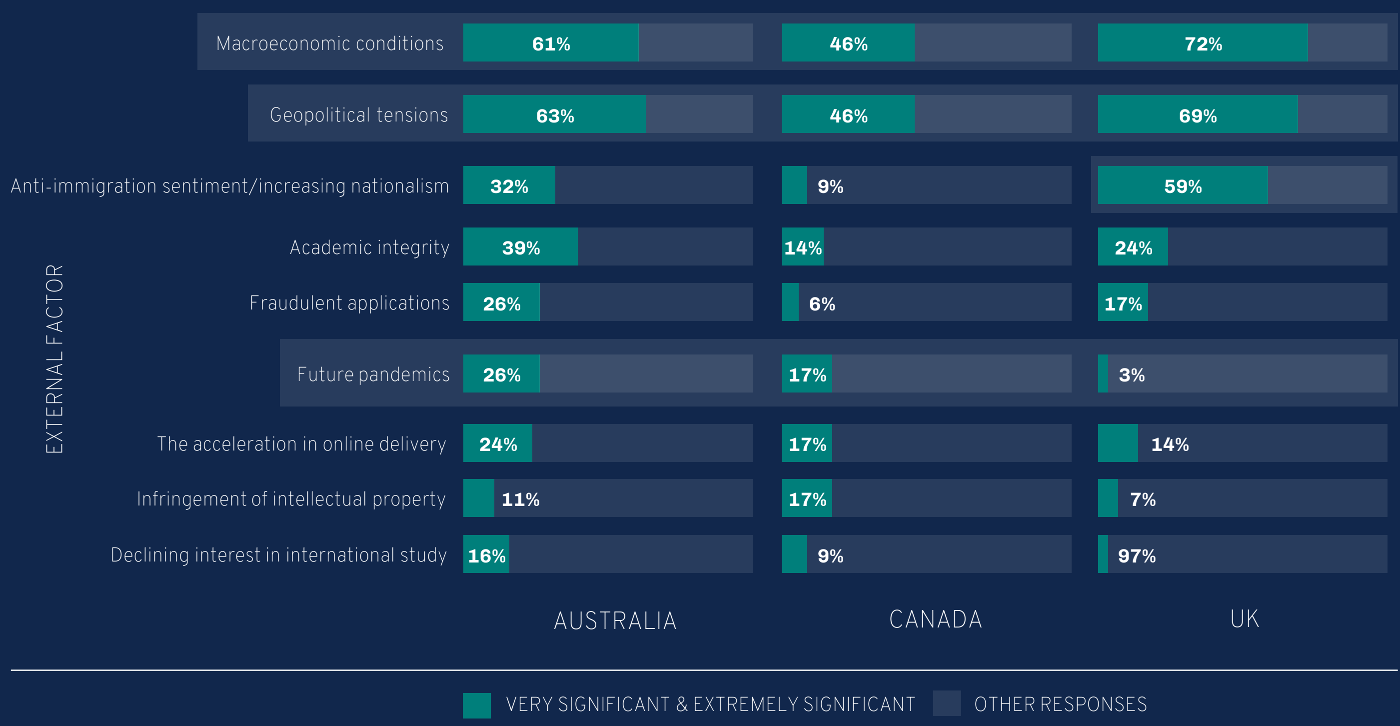
Encouragingly, leaders see little risk of declining interest in international study, and they have little concern about the risk of future pandemics.

Although risks will always abound, in many ways leaders feel the market is back to business as usual, or at least a new way of doing business as usual, rather than the crisis mode necessitated by the pandemic. Issues identified, however, are real and need to be addressed. The sector should be active in public discourse about these issues. We know that migration is important. Universities do need to think carefully about integrity and put in the right systems and supports to manage it carefully. For example, educators are being forced to adopt new academic integrity measures in light of advances in artificial intelligence technology.

> Appetite for international study has followed demographic and tertiary participation trends for twenty years. I don't see this being reversed in most markets.

FIGURE 16

HOW WOULD YOU RATE THE SIGNIFICANCE OF THE FOLLOWING RISKS FOR YOUR UNIVERSITY'S INTERNATIONALISATION AGENDA?



THEME 6

The future of international education is optimistic

Most international education leaders are optimistic about the global outlook, reflecting broad confidence in the fundamental demand for international education.

> Broadly, many cultures will continue to value a good university education internationally, so the demand in the long-term is still there.

Leaders are optimistic but cautious about market characteristics

The surveyed international education leaders tend to report very high levels of optimism for their own university. This likely reflects a belief in the transformative nature of the experience they offer, as well as increased control over institutional strategies.

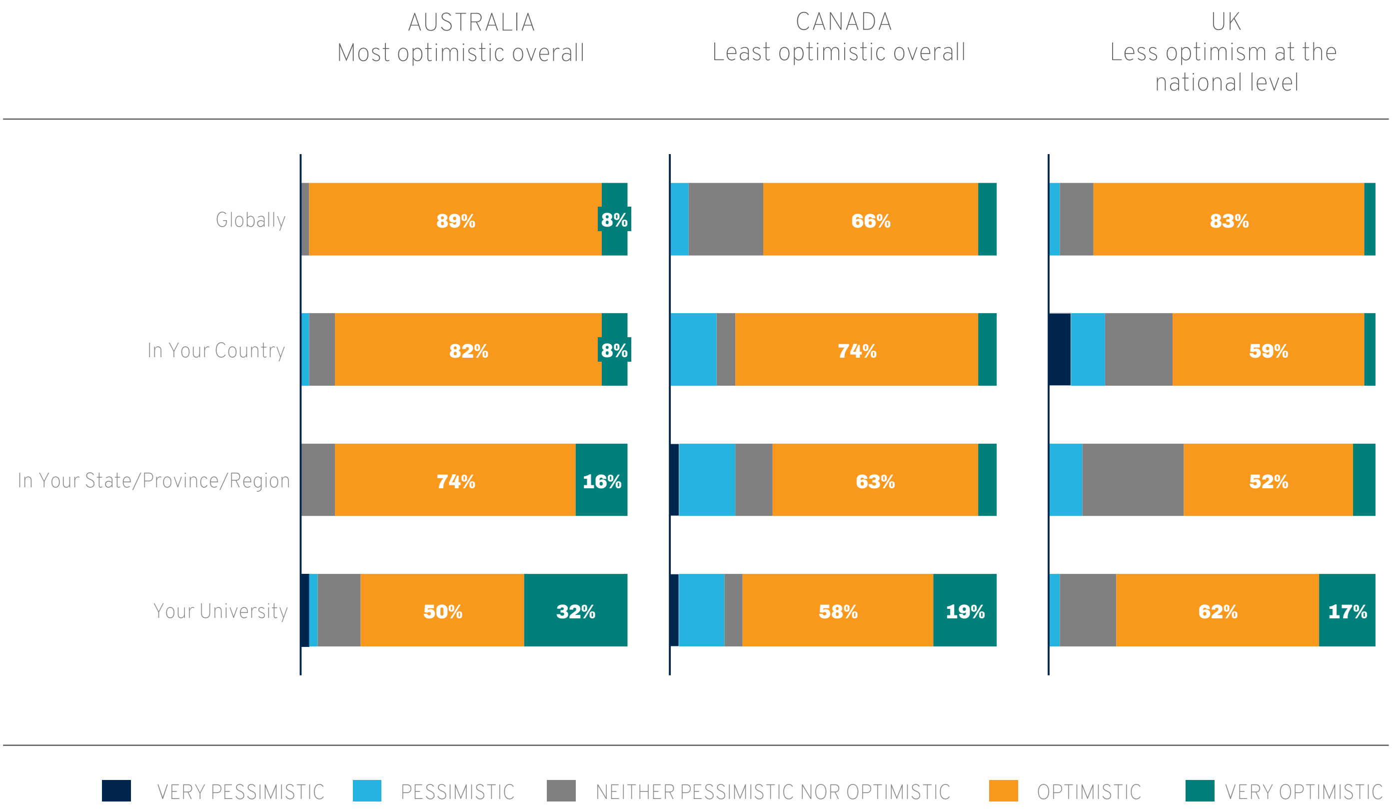
Optimism about the national and regional outlook is still strong, though less so than at the 'your university' level. This likely reflects concerns around national and regional sentiment and the potential for adverse policy decisions. Concern about the national outlook was especially significant in the UK, coinciding with leadership turmoil and increasing social discord, with record high levels of immigration post-pandemic.

Optimism was lower in Canada than in the UK and Australia, and in Canada concern about the outlook at the provincial level was especially pronounced. This reflects the key role that provincial governments play in international education policy setting, as well as the concentration of challenges associated with international education. There are concerns about international student experience and wellbeing in the college sector in Ontario, for example, as raised in a recent report by the Higher Education Quality Council of Ontario.

> There will be a continued desire for students to study overseas and enjoy an immersive experience.

FIGURE 17

PERCEPTIONS ON THE FUTURE OF THE INTERNATIONAL EDUCATION SECTOR



Conclusion

As universities rebuild and expand international student pipelines, internationalisation is playing an increasingly important role in university strategy globally.

We have worked with university and international education leaders across the globe. We have seen the intensifying competition and resulting pressure on universities to develop and execute increasingly sophisticated internationalisation strategies. From our global experience, we find the critical success factors for the higher education internationalisation agenda are:

- clear and transparent internal and external governance
- a willingness to invest in new skills, capabilities and levers
- data-driven planning and performance management.

Global education provider Navitas delivers pathway programs and managed campuses for 34 university partners around the world. It has seen universities increasingly pursue multi-faceted strategic partner relationships to help realise their internationalisation ambitions.

As international student flows continue to increase, it will be essential for university leaders to take a proactive and strategic approach to meeting their internationalisation aspirations so they can thrive in a hyper-competitive market and meet growing student needs. International education leaders will need to design and implement:

- resourcing and capability planning to successfully execute their internationalisation agendas
- new digital education delivery models to tap into new markets and adapt to hyper-competition in recruitment
- clear strategic recruitment priorities that balance revenue, right-size, diversity and quality considerations
- strategic but targeted recruitment planning that considers the required investment in different recruitment levers to suit diverse market needs
- a proactive approach to risk management involving public discourse and regulatory engagement.

University leaders in international education portfolios are savvy and focussed on the multifaceted definitions of success within their complex environments. The coming years will surely test their mettle, but the outlook is bright.

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APPENDIX A

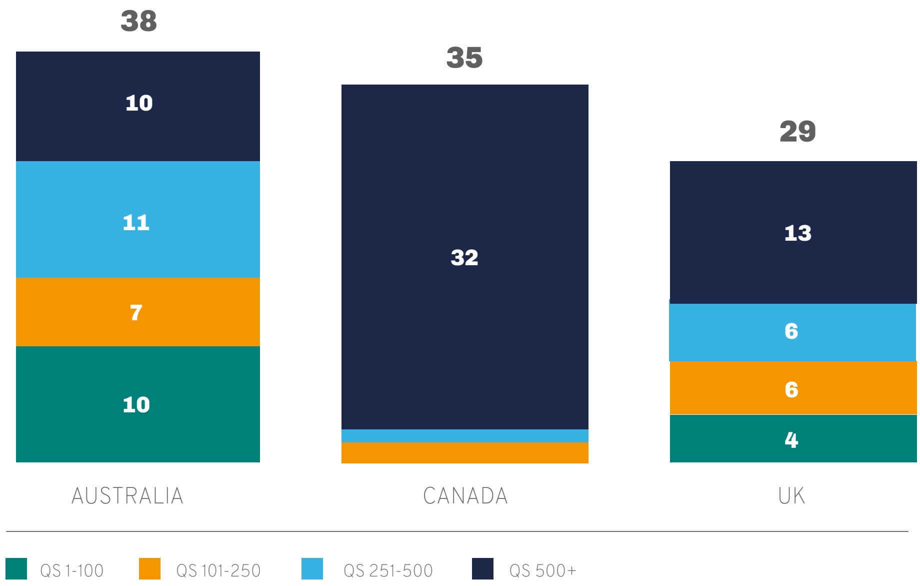
About the survey participants

This survey was sent to senior operational and strategic leaders with responsibilities for international education and global engagement working in institutions across Australia, Canada, and the UK between August and November 2022. Leaders were identified through publicly available data, and for the institutions included, we contacted the specialist leaders of their international portfolios.

The subsection of institutions contacted for the survey included every institution ranked within the QS top 500 in those three areas. For the institutions contacted from outside the QS top 500 these were selected based on our targeting larger public universities with some engagement in international education, which had specialist leaders for international portfolios.

FIGURE 18

BREAKDOWN OF SURVEY RESPONDENTS BY LOCATION AND BY RANKING OF THEIR UNIVERSITIES



As shown in the two figures below, the sample of university responses within the survey is approximately representative of the rankings of universities within the same location.

FIGURE 19

NUMBER OF UNIVERSITY RESPONSES BY RANK AND COUNTRY

Region:	# of QS 1-100 Unis	QS 101-250	QS 251-500	QS 500+	Total # of Responses
AUS	10 (26%)	8 (21%)	11 (28%)	10 (26%)	39
CAN	0 (0%)	2 (6%)	1 (3%)	32 (91%)	35
UK	4 (12%)	6 (18%)	6 (18%)	13 (39%)	33
Total	14 (14%)	16 (16%)	17 (17%)	55 (54%)	102

FIGURE 20

NUMBER OF UNIVERSITIES BY RANK AND COUNTRY

Region:	# of QS 1-100 Unis	QS 101-250	QS 251-500	QS 500+	Total #of universities contacted
AUS	7 (16%)	8 (18%)	9 (21%)	19 (44%)	43
CAN	3 (3%)	7 (7%)	6 (6%)	81 (84%)	97
UK	17 (12%)	13 (9%)	15 (11%)	95 (68%)	140
Total	27 (10%)	28 (10%)	30 (11%)	195 (70%)	280