

# The Case for International Student Attraction

## BENEFITS TO THE STATE

International students enrolled in English language programs, high schools and colleges contribute roughly \$185 million to our state's economy. The industry generates nearly \$26.2 million in state tax revenue, for a per-student contribution of \$2,542, and 4,623 jobs created. According to the Department of Homeland Security's Immigration statistics last year, there were 10,298 international students (high school and college) who were enrolled in Hawaii.

## DESIRABLE INDUSTRY

Although Hawaii's economy has been diversifying, we have a long way to go in building a viable export sector that can complement tourism's contribution. We need to look at clusters of industries that are large enough to make an appreciable difference. **Education and Knowledge** is one of those clusters and the international sector is the bright spot within this cluster.

- ✓ It is a low impact industry;
- ✓ It is fast-growing;
- ✓ In addition to the economic benefits, international students provide our state global bridges, acclimate our citizens to other cultures and attract investment capital;
- ✓ And, Hawaii is well- positioned to be competitive, especially for the Asian market:
  - It is a desirable place to live;
  - Our cultures are complimentary;
  - We have long-standing relationships in the region.

## THE MARKET

NOTE: the following figures include only college level students, as researched and published by Open Doors Report on International Educational Exchange.

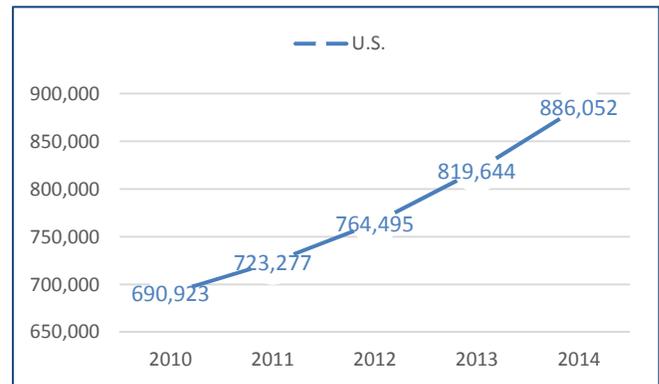
The number of international students in the U.S. is at



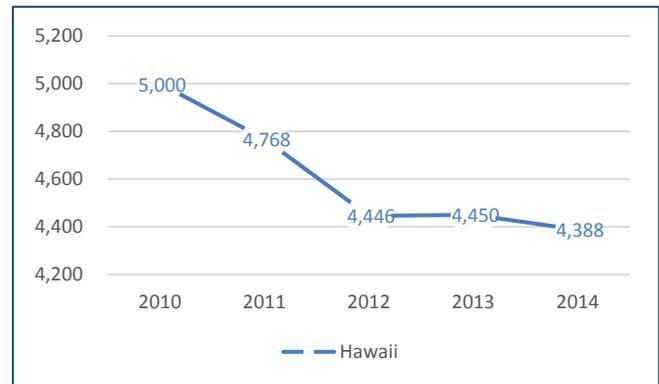
a record high reaching nearly 890,000 students in 2013/14. Demand has been growing at 7 - 8% for the past 5 years, and it will accelerate over the next 10 years. Business and management are the most popular fields of study, selected by 21% of students with engineering a close second at 19%.

## OUR SITUATION

Unfortunately, while the rest of the U.S. continues experiencing strong growth (6.41% over past 5 years),



Hawaii's enrollment has steadily declined (-3.21% over the past 5 years).



There are many reasons why we are falling behind, but the most obvious is our failure to penetrate new markets. We continue to focus on the Japan market, which is not growing.

Leading Places of Origin for Students in Hawaii, 2014		
Rank	Place	%
1	Japan	22.6
2	South Korea	13.0
3	China	8.6
4	Norway	5.2
5	Germany	4.0

Institutions with Highest Foreign Student Numbers, 2014		
Institution	City	Total
UH - Manoa	Honolulu	1,276
BYU - Hawaii	Laie	1,046
HPU	Honolulu	866
KCC	Honolulu	721
UH – Hilo	Hilo	178

**OPPORTUNITY BECKONS**

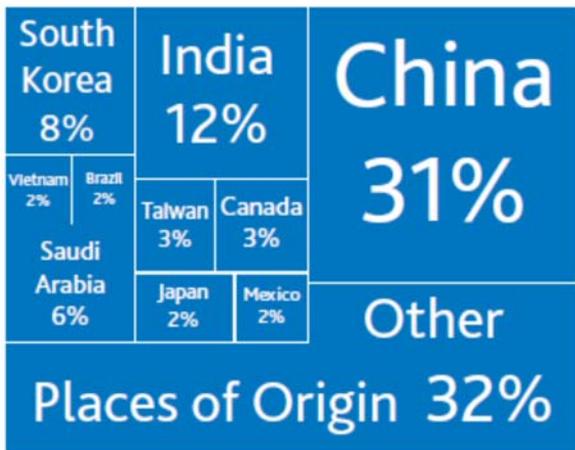
Asia will continue to dominate the global demand for international higher education. According to the IDP,

Growth Rate of Students from China		
Year	Total # Chinese Students	% Change
2013/14	274,439	16.5
2012/13	235,597	21.4
2011/12	194,029	23.1
2010/11	157,558	23.5
2009/10	127,628	29.9
2008/09	98,235	21.1

one of the world’s largest international student placement organizations, by 2025, Asia will represent 70 percent of total global demand. Within Asia, China and India will represent the key growth drivers - generating over half of the global demand by 2025.

**SOLUTION**

As a state, we need to shift our focus to China.



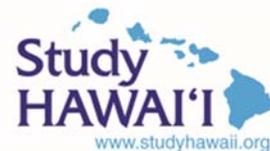
50% of international students come from China, India and South Korea.

China currently represents 31% (274,439) of the national market. Next is India with 12% (102,673) followed by Korea with 8% (68,047). Taiwan's share of the market is 2.4% (21,266), while Japanese students make up 2.2% (19,334). Despite our large ethnic Chinese population and strong ties with China, Hawaii ranks 37<sup>th</sup> in the nation in attracting Chinese students.

**INTERNATIONAL STUDENT ATTRACTION ACTION PLAN**

- ✓ Work with a consortium of public and private schools on a concerted effort to market and brand Hawaii as a location for study.
- ✓ Focus the state’s Taiwan and Beijing offices to support the greater China targeted effort, and establish Education Resource Centers within each office.
- ✓ Participate in Student and Education Expos in both Taipei and Beijing.
- ✓ Develop web-sites in both Chinese and English marketing the consortium of Hawaii schools who are actively seeking more international students.
- ✓ Host the NAFSA: Association of International Educators Western Regional Conference in 2015 at the Hawaii Convention Center, as means of branding the state as a serious location for study.

**The Role of DBEDT: Coordinate and Convene**



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| <ul style="list-style-type: none"> <li>Chaminade University of Honolulu</li> <li>ELS Language Centers Honolulu</li> <li>Global Village Hawaii</li> <li>Hanalani Schools</li> <li>Hawai'i Pacific University</li> <li>Hawai'i Preparatory Academy</li> <li>Hawai'i Tokai International College</li> <li>Intercultural Communications College</li> <li>La Pietra Hawaii School for Girls</li> <li>Mid-Pacific Institute</li> <li>University of Hawai'i at Hilo</li> </ul> | <ul style="list-style-type: none"> <li>University of Hawai'i at Manoa – Admissions</li> <li>University of Hawai'i at Manoa – HELP</li> <li>University of Hawai'i at Manoa – Outreach</li> <li>University of Hawai'i System Office</li> <li>UH Hawai'i Community College</li> <li>UH Kapi'olani Community College</li> <li>UH Kaua'i Community College</li> <li>UH Leeward Community College</li> <li>UH Maui Language Institute</li> </ul> |
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Source: Institute of International Education. (2014). Open Doors Report on International Educational Exchange. Retrieved from <http://www.iie.org/opendoors>