

Building an International Student Market: Educational-Balanced Scorecard Solutions for Regional Australian Cities

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There is an international student market suitable for regional Australia, but each region is different. Hence, each region must determine, target and niche market to its best potential international student customer base. For international education there remains scant, relevant, data for regional Australia, hence complete regional approaches to international education must be developed.

The Cairns region has developed an international education student model for regional Australia. This approach delineates ideas, pitfalls, structures, strategic directions, dos and don'ts, and future strategies for a region.

A balanced scorecard approach ensures that both financial rewards and visionary strategies are coordinated. This approach also offers a vital pathway to delivering regional strategies, and to mapping, measuring and quantifying their results. It produces a spiral knowledge-growth, learning model that can deliver rapid and continuous development of educationally related ideas. Moreover, this approach is a pathway to continuous improvement, and a further move towards maintaining a competitive position in the dynamic global marketplace of international education.

International students, marketing, international education, balanced scorecard, strategy,
education, regional Australia

INTRODUCTION

Most international students studying in Australia are involved in university undergraduate programs, in Vocational Education and Training (VET) or in English Language Intensive Courses for Overseas Students (ELICOS) sectors. These international students are heavily concentrated in business-related and information technology courses (Nelson, 2003). Currently in Australia, 65 per cent of international students reside in the major state capital cities of Sydney or Melbourne.

In 2003, a 16.5 per cent increase in the number of overseas college students (to approximately 167,000) was recorded in Australia. Selected markets grew rapidly. The Chinese market grew by 20 per cent to approximately 32,000 students. Large growth in markets from India (27% increase) and South Korea (19% increase) was also experienced (Bollag, 2004). The strong growth in the Australian international student population has been driven by tighter American visa restrictions since the United States Twin Towers terrorist attack of September 11, 2001. Currently, United States universities are suffering steep declines in international student applications, especially in the areas of sciences (Anonymous, 2004). However, over the past 15 years, Australia has maintained a steady, strong annual growth in overseas student numbers. This trend is expected to

continue, maintaining at least a 15 to 20 per cent per annum annual growth in the near future (Schroff, 2003).

A 2002 IPD Education Australia analysis places education as the third largest service industry after tourism and transportation. The Australian Bureau of Statistics currently values this service industry at around \$4.12B (AUD) per annum.

Education and training remain essential contributors to driving world development, and new approaches to establishing international education solutions are required. The Australian Federal Minister of Education has recently stated that, “The world is at a turning-point in the internationalisation of education and training. With population increases and rising incomes, participation in education and training is expected to accelerate” (Nelson, 2003).

Figure 1 displays the growth in international education across Australian. The school education, international student market has not mirrored that of the Australian universities, but recent growth trends have been similar. April 2004 AEI data shows international student enrolments in Australia grew eight per cent over 2003 figures, with strongest growth in the universities sector (13%). Vocational Education showed a weak one per cent growth in enrolments. Schools (4%), ELICOS (4%) and foundation/non-award (2%) sectors showed moderate growth rates (Anonymous, 2004b). Although Education Queensland International (EQI), a state government school education provider, projects international student growth rates in excess of 20 per cent, the growth in the Australia-wide, school-level, international student market has been somewhat patchy.

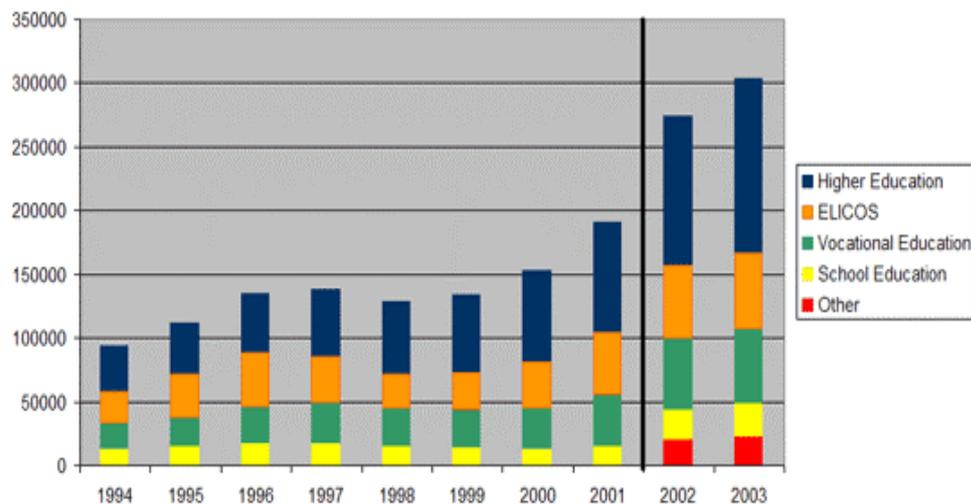


Figure 1. International student enrolment statistics (AEI, 2004)

One approach discussed in this paper, the balanced scorecard approach (Kaplan and Norton, 1996), is to track and evaluate international education and training. Here, the educational provider targets delivering outcomes that generate both numerical and financial rewards.

MARKETING

Considering universities, nearly one Australian student in every five students is a foreigner. Many of these international students come from east and south-east Asia, and pay full tuition fees (Marginson, 2002). Enrolments of foreign students have experienced a decade of continuous growth, averaging 15 per cent per annum (Blight, 1995). Australia has also moved its educational delivery skills offshore, and has become one of the largest foreign providers of higher education in Singapore. It is also a key player in the emerging Chinese market (Marginson, 2002).

The international student market remains highly competitive, and Australia ranks third behind the United States in its acceptance of international students. In Australia, the school sector

international students are heavily concentrated in and around Australian capital cities, particularly in private, non-government schools. Since the early 1980s there has also been a steady growth in international student numbers within the government school systems.

Australian school international student educators have many avenues to capture increased numbers of international students. They can focus on the uniqueness of their respective, regional, and niche markets (Hitt, Ireland and Hoskisson, 1999; Khu, 1998). In targeted regional destinations of Australia, differentiated course approaches; targeted high level learning environments; specific regional advantages; safe, secure, friendly, community supported approaches; and the like, may be adopted. These strategic advantages should focus on a so-called 'whole-of-government' approach to frame and develop long-term positioning strategies. Such strategies align with key elements of the Federal Government's international education policy framework, 'quality' and 'diversity' (Nelson, 2003). These strategies can deliver great benefits, especially for regional Australia. In addition, these initiatives showcase Australia's regional capabilities to the world, broaden the country's international appeal, deliver expanded educational offerings, and additional revenue streams.

Students from countries such as Brunei and Australia are well versed in their understanding of education and educational options (Fien et al, 2002). Students in many overseas countries are increasingly aware of their global education choices. Recognising this maturity of the overseas client base has become a significant imperative. Universities have developed competitive marketing divisions and have become significantly more astute in positioning themselves in the world marketplace. For example, overseas students may be targeted by biasing promotional appeal towards gender specific preferences (Unterhalter et al, 2003), and by promoting the four most important determinants of university preference selection: course suitability, academic reputation, job prospects and teaching quality (Soutar and Turner, 2002). For instance, institutions looking for quality students in reading-focused subjects, may preferentially target female students (Hoffman, 2002).

At the school level, international students tend to mirror their university counterparts. They prefer schools:

- a) providing strong academic reputations;
- b) offering very good teaching quality;
- c) offering courses with clear, recognised study pathways;
- d) providing course options that meet their choice expectations;
- e) delivering good job prospects; and
- f) delivering stimulating educational campus life.

Hence, they tend to select schools with a definite view to the future, and articulated, convenient university pathways.

Throughout the Australian international education framework, providers need to remain focused, and not be driven by the economic imperative of the revenue stream, but rather be the drivers of educational reforms (Pickering, 2001). Creative ideas like Professor Messel's 'International Science Schools' may be utilised. Professor Messel's International Science Schools program brings top students into direct contact with expert lecturers, in cutting-edge learning situations (Anonymous, 2003). Such a model may be developed for other areas of education, for example, a bio-tech, business-orientated project base learning model, enmeshed with practical implementation, or commercialisation strategies.

Marketing Regional Australia

When the schools sector is considered, regional Australia should develop unique international student marketing strategies. These targeted strategies need to reflect specific, and identifiable, aspects of that destination – those that offer appeal to particular overseas markets. For example, the Great Barrier Reef is a specific attraction that has appeal to sectors of the European student market. Students from Asia may prefer a total education pathways package with no water theme. They may prefer to analyse ELICOS, schools, VET and university pathways, combined with family-based accommodation packages. Such mixes, embedded in a personalised approach, and blended with high quality targeted educational offerings can influence new international students to opt for a regional educational venue.

There remains a real capacity to increase the number of international students studying in regional areas, and smaller capital cities. Wider marketing of well-planned regional programs and packages may raise international student market awareness of such exciting regional opportunities, deliver additional choice and ensure the overall Australian educational product is driven to higher standards of quality and excellence.

When schools in regional Australia work collaboratively in their regional area to pursue differentiation strategies from their capital city counterparts, they may deliver stimulating learning options. Many institutions, for example the United States based international university-preparatory high school, Leysin American School (LAS), deliver high quality international programs at the school level. Such institutions often concentrate on language mastery; academic excellence; a stable, caring balanced learning environment; developing responsible citizens who can think creatively, reason critically, and communicate effectively; motivating and inspiring all students. They build their operation around efficient management and continuous improvement models that respect peoples of other cultures (Anonymous, 2004a.). Regional Australian schools may emulate this model. By capturing the appeal of the region through unique diversification strategies, regional centres may add stimulating new dimensions to their educational offerings.

Both the Australian and the Queensland State Governments have policies that encourage diversification of educational products. Some of these include:

- a) widening the mix of overseas students by recruiting more intensely from Europe and the Americas (while continuing growth in Asia);
- b) extending international students' fields of study beyond business and information technology; and
- c) attracting more international students to the schools sector (Nelson, 2003).

The application of these governmental policies delivered through regionally focused strategies, such as those applied in the Cairns region, may offer a mechanism to deliver real growth in international student numbers in regional areas, and especially in appropriately located smaller regional cities. The broadening of the marketing framework beyond state capital cities to include strategic regional programs is likely, in time, to raise international students' awareness of the range of Australian educational opportunities, thereby broadening their perspectives and influencing their choice of destination (Anonymous, 2003a).

The Cairns Region of Queensland, Australia has developed a unique and highly innovative model to win international students. This model, the Regional International Education Model has been trialled across 31 regional primary and secondary schools throughout 2003 and 2004. This model encapsulates the latest educational and marketing initiatives and is regionally focused. It is now delivering substantial numbers of international students and study tours and meeting its three-year Cairns Region Strategic Business Plan targets (Forbes, 2003).

THE REGIONAL INTERNATIONAL EDUCATION MODEL

History of International Education in the Cairns Region

The World Competitiveness Yearbook (Garelli, 2003) rates Australia number one (95%) for its quality of life, and number one (95.7%) as a safe, politically stable destination. Cairns has been voted Australia's most liveable city. The Cairns region of Northern Australia is a vibrant, expanding, economically diverse area representing over 240,000 people. It has the fifth busiest international airport in Australia, and a large international seaport, and in 2003 had a GRP of \$6.2B AUD.

Educationally, over the past decade, the ELICOS sector has experienced strong growth in international student numbers. Non-government high schools have maintained significant international enrolments, especially from Papua New Guinea and Japan. Government schools are also involved in the international student market. Cairns State High School has participated in this international market for approximately ten years, drawing international students from countries including Japan, Germany, Brazil, United Kingdom, Thailand, Philippines, United States, Scandinavia, China and Italy. Two additional government high schools, Smithfield and Trinity Bay State High Schools have now joined this program, each with three year marketing plans targeting approximately 50 international students. The regional institutions, James Cook University (JCU), and Tropical North Queensland (TNQ) TAFE, provide English language centres for international students, and continue to build their international student and marketing infrastructure. Cairns remains a very popular destination for Japanese school study tour visits. Schools from Canada, Singapore, Hong Kong and Korea are other key study tour participants. In order to win more international students, and drive the region as an educational centre of choice, a new model was devised.

The Cairns Region's Strategic Reference Group

In October 2002, the North Queensland (NQ) office of EQI was established to operationalise the Queensland State Government's agenda of growing the international student market in Cairns and the NQ region.

A cross-sectoral approach was adopted. The community was asked to develop a framework. In order to coordinate views and develop strategies a 'Regional Strategic Reference Group' was established.

The Strategic Reference Group maintained what they called a 'whole-of-government', 'whole-of-community', positive, proactive, energetic, approach. Its participant framework is displayed in Figure 2. It operated dynamically, drawing regional education offerings and support infrastructures together in a cohesive, productive and focused manner. Those in positions of regional power constitute this dynamic group. Members include: the Pro Vice Chancellor of JCU, the TNQ TAFE Director of Business, the Regional Executive Director Schools, the Executive Officer of the Chamber of Commerce, the Chief Executive Officer of Advance Cairns, key school Principals, Senior Officers of Regional State Government Departments, and the Queensland General Manager of EQI.

The Regional Strategic Reference Group delivered latest regional strategies and developed Cairns as an international education destination of choice.

Today schools are:

- a) collaborating,
- b) developing high levels of excellence,
- c) differentiating their products,

- d) chasing international accreditation, and
- e) cross promoting their competitors' skills.

In addition, regional higher and vocational education participants are assisting with:

- a) pathways developments,
- b) subject credits,
- c) cross-sector joint planning,
- d) secondary schools' marketing, and
- e) fast-track transitions.

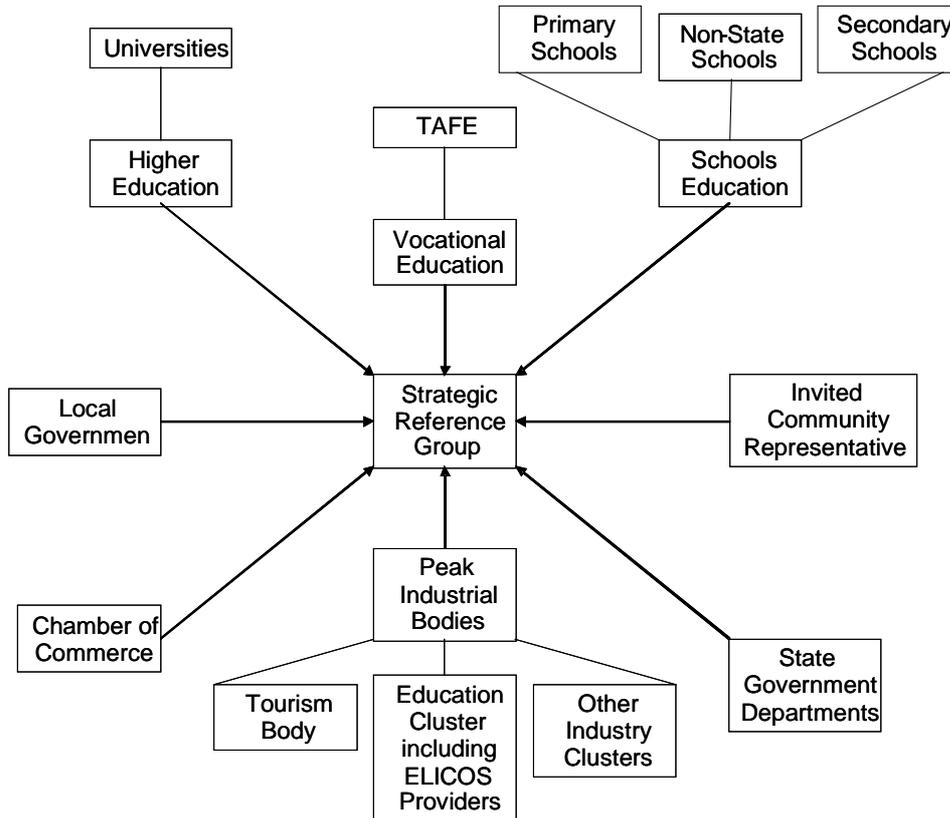


Figure 2. The strategic reference group model (Forbes and Hamilton, 2004)

In 2002, EQI funded a manager's position. The Premier's Department of the State Government through Queensland Education and Training International (QETI), the local tourism industry and local businesses funded cross-sectoral education agents' visits promoting the region, and driving new networks for the region. The Cairns City Council, Advance Cairns (the peak regional economic development agency), and the Cairns Chamber of Commerce continue to promote regional education initiatives into Hong Kong, China, Guam, Taiwan, Japan and Korea. These peak bodies are driving a united regional international agenda for education across all sectors.

Schools generate additional revenue streams by including international students, and international student programs into their activities. This, in turn, creates an additional pipeline of international students into the vocational and university education sectors. The Cairns region schools sector captures over 28 per cent of international student visits to Queensland, and generates over 15 per cent of the study tours revenue for Queensland. International students generate many additional economic benefits to the region including tuition fees, accommodation, living, entertainment, tours, family visits, multiplier effects, and the like.

The Importance of a Management Structure

Regional coordination requires high-level, strategic, managerial and educational expertise. The manager must have a diverse range of skills including: an excellent understanding of education; experience in management, accounting and interpersonal relationships; and a sound knowledge of the region. This person needs to initiate, develop and deliver productive, quality partnerships across all education sectors in the region. Many disparate groups must be drawn into a sharing, cooperative relationship, and must then pursue benefits for all members of the educational sector and its wider support community.

The regional manager must work harmoniously across all sectors and must drive a dynamic region education focus. Schools participating in international programs must differentiate, and meet rigorous quality assurance standards. They must agree to regional strategies, targets, and objectives and must deliver a business plan that forms part of the regional strategic business plan. They then must perform and deliver their educational products and initiatives, on-time and in-budget.

Key roles of the regional manager are displayed in Figure 3. The Regional International Education Manager must be a visionary, capable of setting and driving micro and macro agendas. For example, how can a school differentiate itself from another?

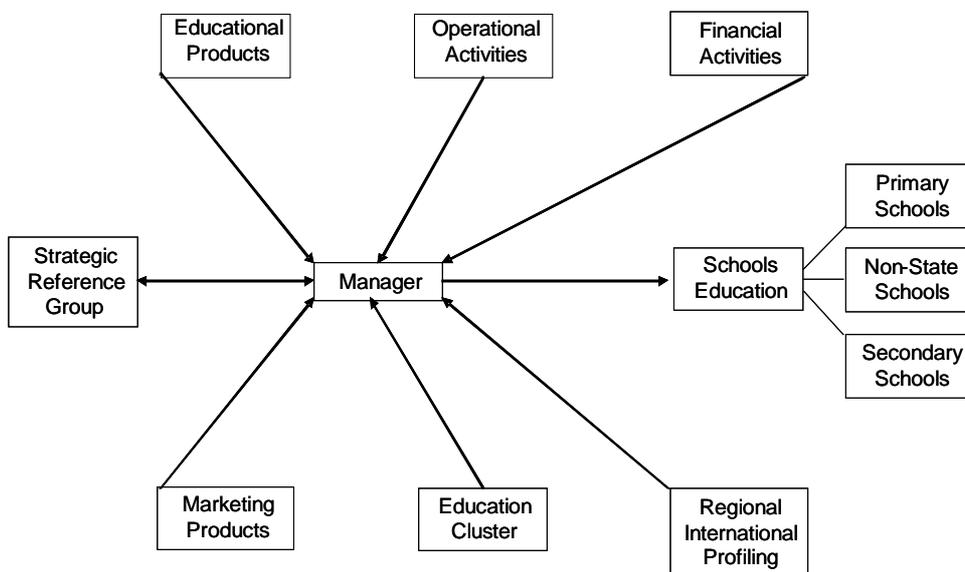


Figure 3. The international education regional strategic manager model (Forbes and Hamilton, 2004)

The Regional Marketing Strategies Approach

The difficulties involved in drawing international students to regional Australia are considerable. Some regional impediments that must be overcome include knowledge and understanding of regional Australia; the regional educational status (compared to that of a capital city); regional accessibility; perceived regional educational standards; and the like. Recognising such difficulties, the Cairns region adopted a targeted market approach as its strategic, international student, regional marketing approach (Lovelock and Wirtz, 2001). Markets displaying preferences for quality of life, education, tropical climate, safety, and outdoor activities were targeted. Australian universities' experiences in strategic markets were also considered. This marketing model is displayed in Figure 4.

The Cairns Region selected China, Japan, Brazil, Taiwan, Hong Kong, Germany and Korea as a focus for its international education marketing. Key agents within these localities were sourced, and contacted. Visits to Hong Kong, China, Japan, Korea and Guam were undertaken to enhance relationships, and offshore education agent delegations from China, Taiwan, Singapore, Japan, Mexico, Brazil, Germany and others were received. Extensive international networks were established and promoted.

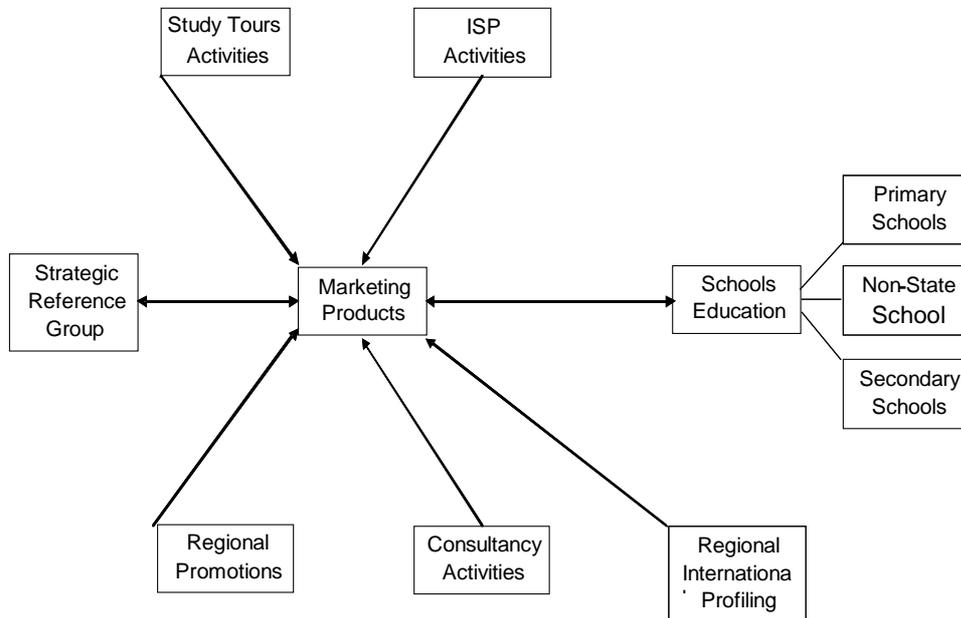


Figure 4. The international education regional strategic marketing approach (Forbes and Hamilton, 2004)

Research from key Australian bodies including EQI, Australian Education International (AEI), IDP (Australia), Queensland's Department of State Development, QETI and Study Cairns was sourced. National, State and Regional marketing strategies were developed, and modified as new initiatives arose.

A regional EQI marketing strategy was developed with EQI's General Managers and Marketing Manager. The EQI marketing and sales team provided quality marketing feedback to the Cairns region regarding promotions, activities, and future strategies.

QETI assisted the Cairns region by funding a cross-sectorial regional education showcase. International educational agents were brought to Cairns. These agents met individually with representatives from each regional education institution, and assessed synergies. A promotional brochure for the International Student Program (ISP) schools, TAFE, the University and EQI was developed, circulated widely to agents, to overseas State Development offices, and to visitors. This brochure promoted the region's differentiated educational offerings. In conjunction with the so-called 'whole-of-region' strategy, the Regional manager became a focal point to sell Cairns educational products. New products for the schools sector continue to be developed.

Marketing briefs and promotional information have been developed and incorporated into 'on-line', and regional publications for peak regional bodies including, Advance Cairns; the Cairns Chamber of Commerce; Study Cairns; the Cairns City Council; Tourism Tropical North Queensland; and others. Schools' promotional packs are forwarded to potential ISP students, targeted education agents and others. Innovative education curriculum products are being developed. International educational accreditation, global information technology solutions research with major corporations including: Microsoft; HP; and NEC, have commenced. Multimedia, biomechanics and robotics solutions have also been developed. Schools sector

training programs including, what are called, 'export planning and preparation workshops' have been developed. All education sectors share information freely, and the whole region is benefiting.

This collaborative approach has reduced the negativity often created by competition. It has delivered a highly streamlined, cohesive approach to winning a larger international market. The Cairns region, and its targeted education agents, have found this collaborative centralised contact point approach to be a successful international student model. The cohesive matching of agent requirements with regional education and business solutions has delivered a greatly increased market share, especially in the schools and ELICOS sectors.

Marketing remains the key driver of the success of this program. A united, team-based, collegiate approach is delivering highly successful outcomes for all – students, schools, agents, English Language Colleges, vocational and university institutions, government, industry, and the region.

The Cairns Regions' Strategic Educational Strategies

The regions' educational strategies are summarised in Figure 5. The region is well known internationally as a top tourist destination. Tourism Tropical North Queensland (2003) reported Cairns as second only to Sydney as the top international tourist destination in Australia. Daily international flights from Japan to Cairns have delivered a new school sector market – Japanese study tour visits. Over 4000 school sector educational study tour visitors are projected for 2004, and the market will continue to grow.

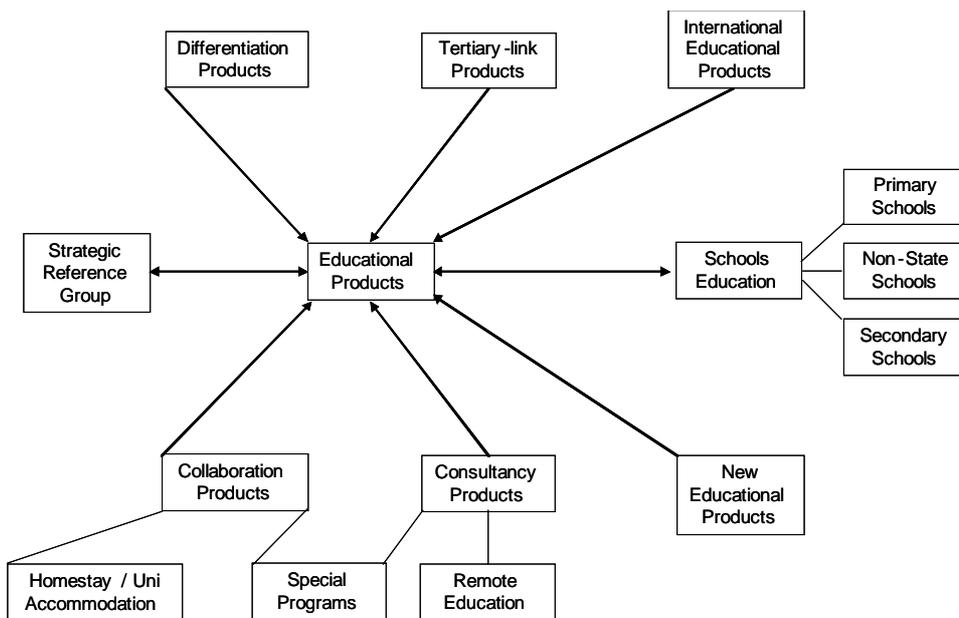


Figure 5. The international education regional strategic educational products model, (Forbes and Hamilton, 2004)

Study tours range from half-day to full-day visits, and some may extend for several weeks and include home-stay accommodation. Visiting students participate in a range of activities including home-stay or farm-stay accommodation; schools visits; English language classes; so-called 'buddy' programs in local schools (with age appropriate student peers); excursions to popular tourist destinations; and special activities (for example, camp fires, rafting, rainforest hikes, and indigenous cultural activities), that showcase the local culture. This educational market continues to grow, with large Japanese student groups (up to 350 students per group) regularly visiting North Queensland on 96-hour school excursions. School excursion groups typically require half-day and full-day school visits, including the popular, so-called 'buddy' experience, and

participation in local classroom activities. To date, EQI has accredited 31 Cairns schools as hosts for specialist study tours. This process ensures that the accredited officers in each host school are trained to deliver quality study tour programs for all visiting international students.

Regionally-based full-time international students, and their agents, now recognise the quality of the schools in the region, and are beginning to promote the region's worth. In the international education industry, so-called 'word-of-mouth' recommendations are powerful marketing tools. One government school (Cairns State High School) is up-skilling all its programs and staff. It is pursuing full International Schools Accreditation. Its entire school community is working to achieve this high, internationally recognised status. There are approximately 200 schools world wide with this high level international recognition. This school maintains the top youth orchestra in Queensland. It has an extensive history delivering academic excellence, an outstanding performing arts department, and an innovative senior school program. It offers additional student initiatives including an array of work experience, industry qualifications, SCUBA and marine certificates, VET programs, and subject-specific extension tutorials.

Two additional schools in the Cairns International Student Program have also differentiated both their educational programs and their products. This second school sector education provider (Trinity Bay State High School) delivers outstanding science programs, and its bi-yearly 'Science Expo' has won Queensland Government's 'Showcase Awards for Excellence'. This school partners with the local TAFE, and complements its senior studies programs with VET offerings. The third school (Smithfield State High School) is the Queensland 'Centre of Excellence for Maths, Science and Information Technology', offering robotics, multimedia, high level programming, biomechanics, and the like. This school has special articulation agreements with the local university. Its high-performance students receive exemptions for some university subjects. Regional quality independent schools also differentiate themselves on religious grounds; on their academic performance; on gifted and talented programs; on unique centre of excellence programs like 'excellence in sport', or 'excellence in music'.

The sharing of information, resources and ideas between education providers has improved regional academic performances. In 2003, when measured against the Queensland-wide final-year high school assessment system, the region produced its best academic results. This is, in-part, due to the collegiate approach adopted by schools to sharing ideas and improving their educational packages. Those schools targeting international students enhanced their educational outcomes, and their learning focuses.

To drive international education awareness of the Cairns region, the regional manager promoted the education offerings of the region in Indonesia and Hong Kong. Peak local bodies did likewise in Guam, Hong Kong, China, Japan, and Korea. The University and TNQ TAFE regularly promote the region during their offshore visits. EQI's Marketing Team, in their offshore marketing programs, aggressively promoted the government schools sector and the Cairns initiative. The region has actively promoted their educational products to the global marketplace building new links. Schools have developed self-promotional materials and many new educational initiatives. Some innovations (biomechanics, HP-Microsoft PDA initiative, NEC learning and research laboratory, university and TAFE programs at high school, centres of excellence, on-line learning and research sharing) are underway. Two areas are currently undergoing comprehensive development.

- 1) **Offshore programs:** where local schools partner with an offshore school to deliver the Queensland Year 10 curriculum - for overseas students' articulation into senior studies in Cairns (Advance Cairns, Cairns City Council and EQI are pursuing this area).
- 2) **International projects and consultancies:** where excellent programs developed, and in use in Cairns, are showcased to visiting professional groups. In some projects, aid is

provided to overseas educational groups, seeking appropriate professional development and training.

Operationalising the Regional International Education Model

The initial vehicle to operationalise Queensland State Government's agenda for growing the international student market across the regions was provided by EQI (in October 2002) and the local Government Schools District. There was an agreement to fund, and support, a managerial position for up to three years in North Queensland. The regional manager's task was to draw the disparate educational providers together under a united, vision setting regional approach. The Cairns Region's Strategic Reference Group developed the latest regional strategies appropriate to the building of an international education region of excellence in North Queensland. International education business plans for the region were developed, shared, logged and instigated.

International Student Program (ISP) targets for each school were shared. A differentiated school strategy was selected to maximise regional appeal. Because the tertiary sector is a key focus for international students when they consider their choices of locality for overseas study, University and TAFE offerings were heavily promoted to all school-aged international students. Agents were sourced and pursued to deliver study tours. This strategy spread the revenue base to a wider range of schools. It increased the interest in the so-called 'whole-of-region' push for international education recognition, and it delivered new initiatives and options. A mix of study tours (Half-day and Full-day visits, EQ Model and TO Model) was achieved. The choice of study tour (size and duration) matching the regional schools' preference (cultural outcomes), capacity and availability at the requested time of visit was delivered. Three schools are jointly pursuing the establishment of an offshore program.

EQI's International Project Team collaborated with schools and training organisations in the region, to provide curriculum development programs including a Laotian Education Fellows Professional Group visit. This area remains a future regional focus. New so-called 'value-add' differentiation products such as the tertiary certification in Multimedia, Radio Broadcasting Programs and Certification, Marine Studies and SCUBA certificates, and studies in Bio-Science have been developed by schools. The development of IT and Business focused e-Learning programs are nearing completion. The use of local and specialist Education Queensland facilities such as the Environmental Education Centres have been incorporated.

Quality assurance and articulation programs have been shared across the region with the tertiary sector recognising prior learning in areas such as Multimedia, IT, Journalism, Science and Business, and creating flexible senior studies options for excellent high school students.

ELICOS providers have expanded their capacity to absorb additional students in preparation for high school and tertiary courses. International students under 18 years of age are required to live in family (or home-stay) environments. Specialist 'home-stay' providers have emerged. They now recruit, evaluate and manage home-stay families, delivering quality assured Australian family living experiences for international students.

Agents' visits have been organised to promote the region as a destination of choice for international students. This has been achieved by effective, collaborative partnerships operating between the local tourism authority (Tourism Tropical North Queensland), State Government Departments (Premiers - QETI, State Development and EQI) and Education providers (JCU, TNQ TAFE, English Language Colleges and non-government and government schools). These visits have generated greater regional interest and higher levels of market intelligence. Sharing of Education Agents has meant that Agents now communicate cross-sectorially, knowing their information will be shared, and benefit their international student clients.

Funding and sustainable sources of venture capital remain a concern. At present, EQ, and the government schools pay the manager's salary, on-costs and other expenses. Ways to fund this area include – study tours, new products, sale of expertise (consultancies), and grants. Investment required to initiate such a program is approximately \$150,000 AUD per annum, and a three-year financial plan outlined in a Strategic Regional Business Plan is required. The international market is a challenging one to capture, especially at the school level. Establishing credibility, ensuring quality and comparability, forging valuable relationship links, generating trust, differentiating products, and driving dynamic programs all take significant developmental time.

Major hurdles for regional Australia focus on overcoming traditional international educational approaches. In the past, international students have moved from their home city to a large overseas city. Outside capital cities, overseas knowledge of Australia, and its education systems, especially at the high school level, is limited. This situation may be addressed using a raft of approaches. For example the region may target:

- a) raising agents' awareness (most education agents, usually based in cities, have a mind-set that traditionally targets city placement, not regional placement. Hence a regional education process for agents combined with excellent, open communication channels is essential.);
- b) producing informative marketing collateral, brochures and websites (promoting the region);
- c) publicising great achievements and successful pathways of past students (showcasing the educational and regional winners);
- d) providing quality regional contacts and response and feedback systems (delivering instantaneous, cooperative, collaborative communications);
- e) gathering market intelligence, researching, and then targeting markets that, onbalance, offer the best chances of success (for example, the Cairns region targets wealthy areas seeking educational advancement, high-tech and science focused areas, sports focused areas, lifestyle areas and quality home family support areas); and
- f) overcoming the reluctance of overseas families to send their high-school-aged students to Australia for their education (a safe, secure, quality destination with great future opportunities is required).

Many other support ideas like quality home-stay coordination, international student support meetings, structured social activities and guidance services complement the comfort zone for international students.

We now present our summary of the so-called 'Dos and Don'ts' for establishing a credible, quality regional destination for international students, and then add to this the special challenge of promoting the schools sector. We argue this sector is the most difficult to sell, but if delivered correctly it can be one that delivers great benefits and new revenue streams to the region and its community.

THE DOS AND DON'TS

The Dos

In developing internationally appealing education products that draw international students to regional Australian study destinations, in conjunction with the strategies and models above the following 'dos' apply.

Do:

- Remain future focused and develop region specific markets. Scant quantifiable statistical information exists relating to regional international education, so develop real destination specific market intelligence, not hearsay market unintelligence.
- Gain an intimate understanding of the regional educational products to be offered, and present these in an award-winning salesperson's approach.
- Network extensively and draw all regional education players into a united, participatory, support infrastructure.
- Listen to and utilise all the regional marketing expertise. Have an energetic, enthusiastic and even more tenacious approach to marketing, and develop accurate local databases of the regions' statistics, local trends, and analyse all international student feedback.
- Actively seek out and build relationships with other Australian regional areas, and with selected target regions within chosen overseas (country) markets.
- Develop relationships with relevant agents and countries and provide like-minded educational philosophies to match student expectations. For example, school age students provided with:
 - excellent care, strong family, school and community relationships, quality unique regional, small city experiences;
 - higher exposure to English language embedded in quality education programs, leading to accelerated rate of English language acquisition, proficiency and learning;
 - safer, friendlier environments;
 - higher levels of personal tracking;
 - opportunities to quickly develop closer cross-cultural relationships.
- Encourage exposure of the region to other countries in a range of differentiated ways (summer camps, study tours, teacher professional development visits, consultancies, offshore education visits).
- Develop extensive knowledge of educational pathways for all students throughout Australia, and not just in the region.
- Offer expertise in educational counselling for study pathways into top institutions.

The Don'ts

The development of internationally appealing regional education products in Australia has many pit-falls. Destinations, strategies and the models discussed above provide some insight into the extensive degree of planning required to create a successful mix, In general, the following 'don'ts' and explanations or suggestions apply.

Don't:

- Import knowledge and just apply it (Instead, research well and develop a region specific model).
- React to empirical statistics, trends and patterns of market demand (Instead, adopt a proactive approach).
- Listen to the platitudes of the past (past international marketing experience in Australia is limited largely to the successful marketing experiences of universities in key large internationally profiled cities in Australia). (These marketing experiences cannot be

generalised and projected into marketing strategies for regional Australia. Regional Australia needs unique marketing strategies.)

- Assume the limited market intelligence presents an accurate picture. Market intelligence is influenced by:
 - word-of-mouth (for example, individual student experiences to date);
 - current perceptions of quality Australian education only being available in inner city Sydney and Melbourne;
 - reactionary models. (Instead, understand the international education industry in regional Australia is an imprecise, fragmented, differentiated, immature, niche market.)
- Assume aggressive marketing delivers the winning solution. (Instead, marketing should be inquisitive, flexible, agile, intelligent, and responsive to the demands of the international market.)
- Make assumptions about a market. For example, all students and families from certain markets will seize the opportunity of accelerated pathways to Australian Universities through Foundation Programs. (Within a particular overseas country market there will parts of that market that will reject the model – this sector is not the target market.)
- Make generalisations from a few, limited, marketing experience schools examples. (Instead, gather your own market intelligence and learn from the activities of others.)
- Shape and develop your regional marketing strategy from:
 - Marketing plans of the past;
 - Marketing experiences of the past; and
 - Marketing knowledge of the past; (Instead, recognise that for regional Australia, there is very little past experience in international education.)
- Expect that overseas country markets have knowledge of and exposure to the relevant Australian destination. (It is important to build a regional international recognition profile.)
- Ignore the importance and value of location, time zones and closeness to the market with efficient flight connections.

THE STRATEGIC MODEL CHECKLIST: THE BALANCED SCORECARD APPROACH

The above models, when drawn together, deliver a unique, balanced scorecard approach to regionalising international education. This analytic framework is being used to translate the Cairns regional business's model vision, and its high-level strategies into specific, quantifiable goals. It provides a mechanism to move forward and to monitor performance against these goals (Kaplan and Norton, 1996; Rohm, 2002). The customers who are international students must receive their expected outcomes, the region must develop its skills and knowledge base, and provide improved solutions. The internal processes must meet all legislative and business specific requirements (like home-stay provisions). Finally, a set of financial outcomes must be delivered. These financial outcomes, if correctly established, pursued and delivered allow the region to develop as a viable secondary school international education provider. Such regional educational strategy subsets are broken down into objectives, measurements, targets and initiatives, as displayed in Figure 6, and their effect on overall vision and strategy is monitored. If necessary subset objective may also be further teased down into objective components, and even finer sets of measures may be developed.

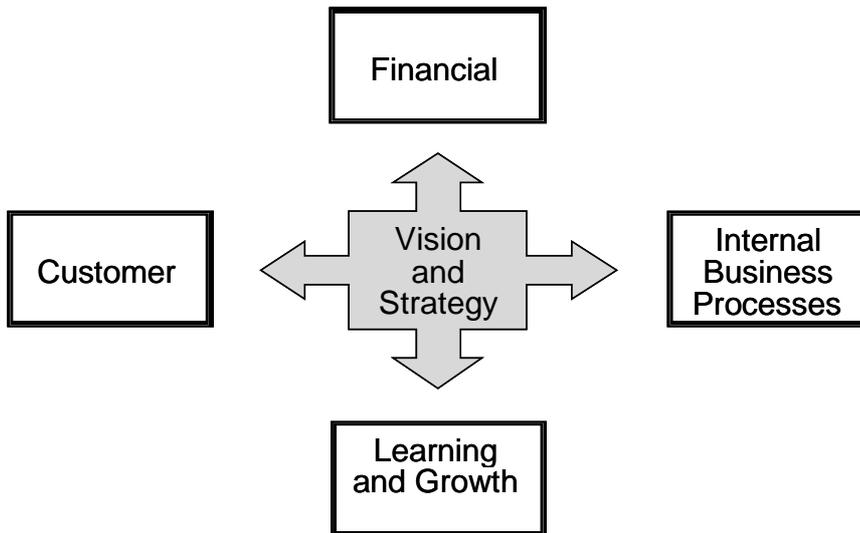


Figure 6. The balanced scorecard model, (Kaplan and Norton, 1996)

To date, the Cairns regional educational model has delivered high growth rates, differentiated competitive advantage, and has delivered considerable financial rewards. This regional school education business has grown from a handful of schools, with very small numbers of international students, to one involving 31 regional primary and secondary schools. Revenue drawn into Australia is approaching \$1.5M (delivering a net economic benefit of approximately \$5M). Projected growth rates in 2005 are estimated to be well above the national average.

The region has used a balanced scorecard approach incorporating a nine-step strategy development cycle to construct and advance its schools sector international student programs. This model is displayed in Figure 7. It begins with the development of a visionary strategy and a regional school sector international education perspective. This visionary strategy is refined and developed, through a business plan, a vision or mission top-down approach and researching other models. A set of strategic objectives (focusing on delivering customer outcomes) is developed. These strategic objectives are then strategically mapped.



Figure 7. The balanced scorecard nine-step strategy development Cycle Model (Rohm, 2002)

Using a learning curve with a position, movement and knowledge approach, strategic objectives are quantified into performance-based measures. These measures, in-turn, are tapped to deliver new initiatives, such as: targeting different countries; delivering different educational products; increasing the product relevance; and the like. The selected educational product mixes (to be marketed) are automated by incorporating a systems approach that allowed the efficient delivery of the internal processes (in a cascading series of process requirements). This ultimately delivers efficient, productive outcomes. Such business related outcomes provide relevant financial results including: increased student numbers and new revenue streams; greater cultural understanding and improved community involvement; up-skilling of teachers and the school; enhanced international school curriculum; and the like.

When balanced scorecard measures are assessed against previous strategies, new strategic improvements may be generated. For example, joint cluster marketing, and sharing of international students, incremental improvements in processes, disruptive (total new pathways) improvements in target marketing, and approaches used, and new funding mechanisms may be operationalised.

A strategic nine-step learning spiral and growth pattern emerges from the balanced scorecard nine-step model. The second learning cycle builds on the first learning cycle, and over-time, more complex, better targeted, multifaceted approaches to international education emerge. This growth and learning cycle is modelled in Figure 8.

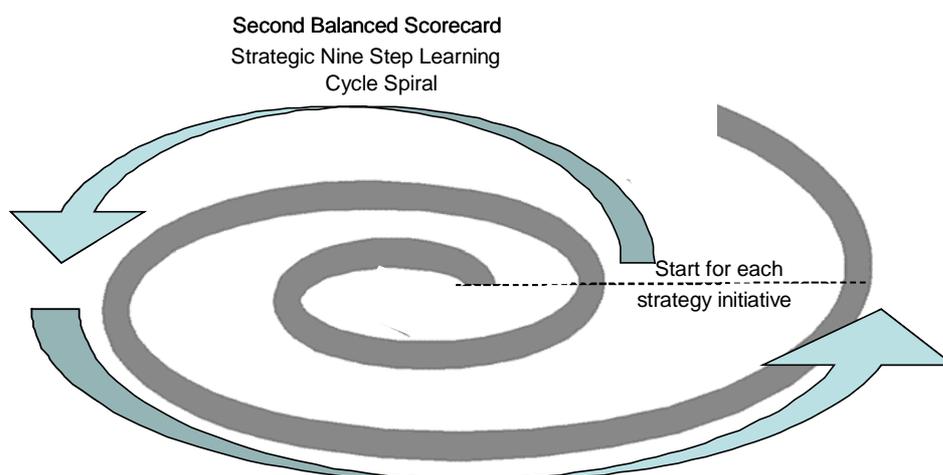


Figure 8. The balanced scorecard nine-step strategic learning spiral

The strategic components delivering the balanced scorecard outcome are displayed in Figure 9. Here specific performance measures may be identified and then tracked. For example, if the objective is to broaden the school revenue mix, all inputs related to this objective are drawn together into the required common process blocks that deliver this desired outcome. The relevant measures are then determined, delivered, and monitored.

Figure 10 considers the four balanced scorecard sectors as displayed in Figure 6 and links them within one scorecard. Using a procedure such as that outlined for Figure 7, and considering the relevant measures as developed through a Figure 9 approach, a series of achievable, measurable, targeted cost related initiatives can be developed to deliver this specific part of the international education strategy for the region.

THE FUTURE

For international education there is scant relevant data for regional Australia, hence regional approaches to international education should look to the future. A strategic, well constructed, suitably funded and located green-fields approach based on the above model offers an avenue to

success. It should be noted that there is an international student market for regional Australia, but each region is different, and each region will appeal to different markets. Hence, each region must determine and target its niche, and its best potential international student customer base.

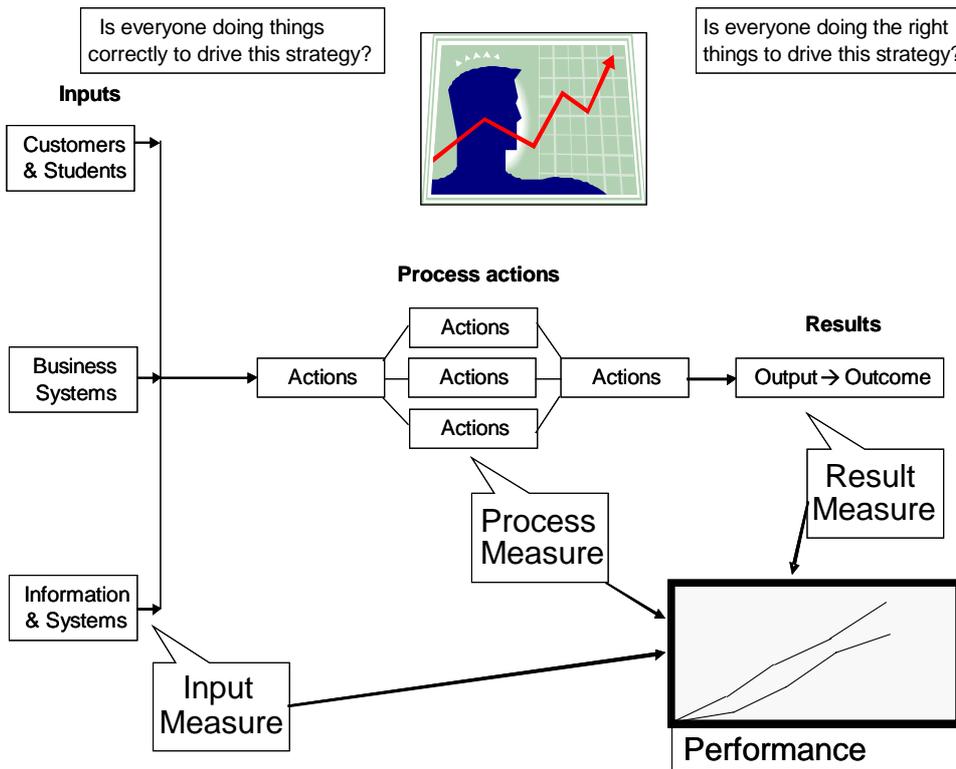


Figure 9. The balanced scorecard strategic services components (Forbes and Hamilton, 2004)

A smart avenue to tap the international school market is via study tours. Once outstanding curriculum offerings are present, and the region has sufficient products to 'sell' a high quality ISP program may be pursued.

The Cairns region's international student market focus was primarily in parts of Europe (Germany and Italy) and Latin America (Mexico, Brazil and Chile), the United States, Korea and Japan. This market will grow and additional markets under investigation include Hong Kong, Southern and Northern China, and Taiwan. The regions' diversification strategy has delivered students and this strategy will continue. The Cairns Region is continuing to build its offshore and educational agent relationships, and to enhance its targeted markets. It is developing a preferred international student destination status in some of its targeted markets.

The balanced scorecard model is a highly useful tool that can assist with the focusing, targeting and delivery of optimised growth approaches for international education. It can deliver strategies, and ensure necessary financial rewards are targeted.

CONCLUSIONS AND RECOMMENDATIONS

Education and training is essential to driving world development. The Cairns region delivers the showcase international student model for regional Australia. This model is a working solution to international educational solutions. It delineates whole-of-region ideas, pitfalls, structures, strategic directions, dos and don'ts, and a balanced scorecard model to deliver strategies and maintain financial results. The Cairns region's models approach, incorporating structures, strategic marketing, a region-unique product mix, and the operational strategy constitute a framework model for other regions.

	Strategy to be achieved, and how?	How success measured and traced?	Performance expectation	Key action program required to achieve objectives
	Objective	Measure	Target	Initiatives
Financial	Broaden the revenue mix	Revenue mix	40% ISP 40% Study tours 4% Teacher training 15% Study abroad 1% Virtual programs	Targeting countries Channel marketing O'seas visits Regional staff overseas familiarisations
Customer (Int. Students)	Customer recognition Customer satisfaction	Int. student evaluations Niche growth	'03/'04 – 200% '04/'05 – 300% '05/'06 – 300%	Language support Student support Knowledge and learning pathways Int. language brochures Agents visits, tours, visitor familiarisations
Internal Business	New educational products Differentiation	% revenue from new ed. products % uptake % approval	'03/'04 – integrated regional approach, lead schools '05 – double schools involved	R&D sourcing markets Website Targeted mailing of agents and other feed sourced Direct marketing
Learning and Growth	New strategic skills Learning curve	Training delivered Understanding & knowledge growth	100% to all participation schools Well informed - all participants and leadership (100%)	Student ed. & training Student living structures Student uni pathways Regional knowledge library

Figure 10. An international educational scorecard (Forbes and Hamilton, 2004)

To ensure that visionary strategies are delivered, and financial rewards emerge, a balanced scorecard approach is recommended. The balanced scorecard approach, offers a vital pathway to delivering a regional strategy and to mapping, measuring and quantifying results. It produces a spiral growth-learning model that can deliver rapid and continuous development of educationally related ideas. This approach is a pathway to delivering continuous improvement, and a further move towards maintaining a competitive position in the dynamic global marketplace of international education.

Today, there remains considerable capacity for growth in selected regional areas. However, the value of location, time zones, and closeness to the international market (through efficient flight connections) should not be overlooked. The Cairns region's models approach provides wide ranging, and highly creative marketing of unique, differentiated, well-targeted, regional programs. It offers real options and pathways to international students.

When a whole-of-region strategic international student focus is adopted, from both an educational and non-educational perspective, the awareness of the regions' educational opportunities becomes apparent. Thus, the likelihood of international students replacing their traditional Australian capital cities destinations with regional educational solutions is enhanced. This is especially true when a region develops a broad, leading edge, product mix. This product mix must also deliver the requirements of the targeted prospective international student.

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