Outline

- Part I:
  - Project Overview
  - Observations
  - Implications
  - Discussion

- Part II:
  - Working Together to Promote US Higher Education to International Students
Project Overview
Core Project Team

- APLU
- INTO
- NAFSA: Association of International Educators

*Additional partners invited to join this project
Data Sources (2007-2019)

- ARWU
- Carnegie Classification
- Consular Affairs
- Gallup State Party
- IPEDS

- Pathway Announcements
- QS World
- SEVP
- US News
Observations
# Overview of US International Student Market: March 2018 – March 2019

## National Trends

<table>
<thead>
<tr>
<th></th>
<th>Enrollment</th>
<th>IEP Contraction</th>
<th>Visas</th>
<th>Pathways</th>
<th>Competition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total enrollment showed continued decline of 2.7% in the most recent SEVIS data</td>
<td>Total enrollment are flat with 415,206 students enrolled and 8.8% int’l of total student population</td>
<td>Mostly follow national trends with exception of highly ranked schools</td>
<td>Data not available at institutional level</td>
<td>43 APLU members offer pathways and have a partnership with 3rd party</td>
<td>Since slowdown in the market, growth appears to come from higher ranked universities</td>
</tr>
<tr>
<td>Increasing in-country IEP provision particularly in China and long term declines from Saudi Arabia and others</td>
<td></td>
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</tr>
<tr>
<td>Volume of visa applications from top 10 countries declining while denial rate appears to have increased since 2015</td>
<td></td>
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</tr>
<tr>
<td>US partnerships tripled in five years and more universities undertaking DIY pathways, totalling 111 pathways in US</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global options for students alongside intensified domestic competition</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

## APLU Only Trends

Source: SEVIS data release, March 2019
WEAKER DEMAND FOR ALMOST ALL LEVELS DRIVING OVERALL DECLINE

<table>
<thead>
<tr>
<th>Level</th>
<th>March 2018</th>
<th>March 2019</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>BACHELOR’S</td>
<td>1,202K</td>
<td>1,169K</td>
<td>-2.7%</td>
</tr>
<tr>
<td>MASTER’S</td>
<td>396.6K</td>
<td>374.2K</td>
<td>-1.4%</td>
</tr>
<tr>
<td>DOCTORATE</td>
<td>153.2K</td>
<td></td>
<td>2.8%</td>
</tr>
<tr>
<td>ASSOCIATE</td>
<td>76.5K</td>
<td></td>
<td>-9.8%</td>
</tr>
<tr>
<td>LANGUAGE TRAINING</td>
<td>62.8K</td>
<td></td>
<td>-9.4%</td>
</tr>
</tbody>
</table>

Source: SEVIS, March 2019

Overall eight percent growth, dragged down by declines in language and associate programs

Students in language programs accounted for 11% of the total population in fall 2014. In 2018, they accounted for just 6% of that total.

Source: SEVIS, 2014-2018
OF THE TOP TEN SOURCE COUNTRIES, ONLY ONE EXPERIENCED GROWTH IN PAST YEAR

<table>
<thead>
<tr>
<th>Country</th>
<th>Students</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>369.3K</td>
<td>-2.0%</td>
</tr>
<tr>
<td>India</td>
<td>209.0K</td>
<td>-1.2%</td>
</tr>
<tr>
<td>South Korea</td>
<td>62.2K</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>39.5K</td>
<td>-17.1%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>30.6K</td>
<td>-2.9%</td>
</tr>
<tr>
<td>Canada</td>
<td>29.2K</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Brazil</td>
<td>28.1K</td>
<td>13.1%</td>
</tr>
<tr>
<td>Taiwan</td>
<td>23.7K</td>
<td>-0.2%</td>
</tr>
<tr>
<td>Japan</td>
<td>22.3K</td>
<td>-5.6%</td>
</tr>
<tr>
<td>Nigeria</td>
<td>15.8K</td>
<td>-0.2%</td>
</tr>
</tbody>
</table>

Source: SEVIS, March 2018 and March 2019
NEARLY EVERY STATE EXPERIENCED DECLINE IN OVERALL NUMBERS

YOY% changes and distribution by state

- **California**: 186.9K (-4.3%)
- **New York**: 136.9K (-1.3%)
- **Texas**: 81.4K (-5.4%)
- **Massachusetts**: 75.6K (2.4%)
- **Florida**: 59.3K (-0.6%)
- **Pennsylvania**: 55.1K (-1.5%)
- **Illinois**: 54.3K (-3.7%)
- **Ohio**: 35.4K (-4.9%)
- **Michigan**: 32.4K (-7.7%)

Source: SEVIS, March 2019

APLU vs non-APLU – STRENGTH IN MEMBERSHIP

![Graph showing average CAGR for APLU and non-APLU institutions between 2007-2015 and 2015-2018]

Source: IPEDS
Top source markets show shifting trends:

- While top 4 markets continue to be represented by China, India, Saudi Arabia and South Korea, there are considerable shifts in ranking for other top countries of origin:
  - Vietnam moved from top #8 to the top #5 surpassing Canada and Japan
  - Brazil moved from top #10 to top #7 and surpassed Taiwan, Japan and Mexico

Changes in ranks in top 10 source countries, 2014-2018

Source: SEVIS, 2014-2018
Especially significant for India

- Latest SEVIS indicates 1.2% decline in Indian students
- Excluding OPT, that rises to 6%
VISA CHALLENGES
MARKET CONTEXT: Visa Issues

- F-1 visa applications declining and denial rate increasing
  - New F-1 visas issued down 8% in FY2018
  - China down 12%, although this is in part due to 2014 change from 1- to 5-year visa terms
  - Visa issuances in countries outside China are down 6%

Source: U.S. Department of State – Bureau of Consular Service
MARKET CONTEXT: Visa Issues

- **Most recent F-1 visa statistics shows continued reduction in new visas in select source markets**

  **F-1 visas issued by country with % YOY change**
  (Rolling Year 2017 to 2018)

<table>
<thead>
<tr>
<th>Country</th>
<th>RY 18 Visas Issued</th>
<th>RY 17 Visas Issued</th>
<th>% YOY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>China (mainland)</td>
<td></td>
<td></td>
<td>-5.2%</td>
</tr>
<tr>
<td>India</td>
<td></td>
<td></td>
<td>11.3%</td>
</tr>
<tr>
<td>South Korea</td>
<td></td>
<td></td>
<td>-4.1%</td>
</tr>
<tr>
<td>Vietnam</td>
<td></td>
<td></td>
<td>4.2%</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td></td>
<td></td>
<td>-4.3%</td>
</tr>
<tr>
<td>Taiwan</td>
<td></td>
<td></td>
<td>-2.2%</td>
</tr>
<tr>
<td>Nigeria</td>
<td></td>
<td></td>
<td>-27.1%</td>
</tr>
<tr>
<td>Brazil</td>
<td></td>
<td></td>
<td>-1.2%</td>
</tr>
</tbody>
</table>

- New F-1 visas issued in China down 5.2% vs RY 2017
- India visa issuances are up 11.3%
- Other countries show varied decline - between 1.2 and 27%
- Vietnam shows considerable growth with 4.2% increase compared to prior year in new visas issued

Source: U.S. Department of State – Bureau of Consular Service
EVOLUTION OF PATHWAY PARTNERSHIPS IN THE US

- Completely greenfield market
- Little or no competition

Number of third party pathway providers - 2008
INCREASINGLY COMPETITIVE MARKET

• 64 nationally-ranked pathway providing universities in 2018
• Most launched since 2012

Estimated 111 Pathway Programs - 2018
(100 commercial partnerships & 11 DIY)
KEY INFLUENCERS ANALYSIS
Main Factors Influencing Enrollment Growth

Developed analysis of the international enrollment trends among 4-year institutions:

• Data from IPEDS, Carnegie classification, US News, QS World and ARWU ranking systems, pathway announcements, Gallup state party identification

• Data covering 2007 to 2017; Consular Affairs and SEVP data up to 2019

• Tested multiple hypotheses

Variables used in the analysis:

• APLU Membership
• Carnegie Classification
• Control Type: Public/Private
• Economic Region
• Graduation Rate of Int’l Students
• Non-resident Tuition
• Pathway Partnerships
• Selectivity
• Size
• State
• State Political Party Identification
• Urban or Rural Status
• US News Ranking
Main Factors Influencing Enrollment Growth: 2007 - 2015

What influences Grow-Loss Before to be Grow?

When...

- Has a Pathway Partnership: 1.07x
- APLU Membership is APLU: 1.07x
- Student Population is 5,000-9,999: 1.06x
- Control Type is Public: 1.05x
- Student Population is 20,000 and above: 1.05x
- Economic Region is Far west: 1.05x
- Economic Region is Mid east: 1.05x

...the likelihood of Grow-Loss Before being Grow increases by

Grow-Loss Before is more likely to be Grow when Has a Pathway Partnership than otherwise (on average)

Average (excluding selected) 92.23%

% Grow-Loss Before is Grow

Has a Pathway Partnership

Yes No
Main Factors Influencing Enrollment Growth: 2015 - 2017

What influences Grow-Loss After to be Grow?

When...

- International Student Population is more than 2,500: 1.98x
- US News Ranking Grouping is Top 100: 1.96x
- Selectivity: Percent Admitted is 0%-34%: 1.77x
- Has a Pathway Partnership: 1.73x
- Int’l Graduation Rate is more than 63%: 1.39x
- APLU Membership is APLU: 1.26x

... the likelihood of Grow-Loss After being Grow increases by

Grow-Loss After is more likely to be Grow when International Student Population is more than 2,500 than otherwise (on average)

Average (excluding selected) 43.15%

% Grow-Loss After is Grow

International Student Population:
- 1,000 or less
- 1,000 - 2,500
- More than 2,500
How important are the following factors to you and your organization?

- Response to enquiries
  - Very important: 81%
  - Important: 18%
  - Does not affect: 1%
  - Unimportant: 0%

- Response to application
  - Very important: 74%
  - Important: 24%
  - Does not affect: 2%
  - Unimportant: 0%

- Close relationship with partner university
  - Very important: 53%
  - Important: 38%
  - Does not affect: 9%
  - Unimportant: 1%

- Student feedback
  - Very important: 52%
  - Important: 42%
  - Does not affect: 6%
  - Unimportant: 0%

- Incentive package
  - Very important: 54%
  - Important: 36%
  - Does not affect: 9%
  - Unimportant: 1%

- Choice of degree programs
  - Very important: 51%
  - Important: 43%
  - Does not affect: 6%
  - Unimportant: 0%

- University ranking
  - Very important: 51%
  - Important: 43%
  - Does not affect: 6%
  - Unimportant: 0%

- Close relationship with staff in market
  - Very important: 50%
  - Important: 38%
  - Does not affect: 11%
  - Unimportant: 1%

- Quality of teaching
  - Very important: 41%
  - Important: 47%
  - Does not affect: 11%
  - Unimportant: 1%

- Scholarships
  - Very important: 47%
  - Important: 33%
  - Does not affect: 17%
  - Unimportant: 1%

- Training programs
  - Very important: 39%
  - Important: 45%
  - Does not affect: 14%
  - Unimportant: 2%
IMPLICATIONS
RESPONSIVENESS

Spring 2018
- Supplies: $126.77
- Investment: 6 hours of staff time

Fall 2018
- New Int’l UG Enrollment: >40% increase
- Financial Return: >$1 mil in tuition revenue

Fall 2019
- Confirmations: >60% increase
FINANCIAL MODEL

If known, approximately how much does your institution spend each year on international recruitment travel?
Which of the following best describes your institution's international enrollment management plan?

- No Plan and Not Working on It: 11%
- No Plan, but Working on It: 27%
- Departmental Level: 29%
- Campus Level: 18%
- System Level: 11%
- Other: 4%
**RANKINGS**

• “The 16th edition of the *QS World University Rankings* revealed that 53.5% of ranked US universities fell in the rankings.

• 126 of the 157 ranked US universities recorded declines in performance for the international student ratio indicator.

• Another indicator that took a substantial hit was the international faculty ratio, which saw 120 universities decline.

• Academic reputation was the third worst hit with 116 universities seeing declining rankings, and only 26 universities improving.”
SUPPORT SERVICES

Five Core Areas of Focus

- Transitional Support
- Immigration Support
- Academic Support
- Career Support
- Sociocultural Support

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**Figure 1:** Satisfied international students are great alumni ambassadors

- Overall Satisfaction (4-point scale, with 4=Very Satisfied)

**Figure 6:** Final year international undergraduates typically less satisfied than first years

- Difference (%) in average overall satisfaction; final year vs. first year among international undergraduates
- Average: -2.5%
PARTNERSHIPS
DISCUSSION
Which of the following best describes your international enrollment projections for Fall 2019?

- Increase A
- Decrease B
- Flat C

47% for A, 24% for B, and 29% for C.
Is international student recruitment part of the SIO's primary responsibilities at your institution?

Yes: 38%
No: 63%
What adjustment, if any, has your institution made to its international admissions standards over the past two years?

- Raised English Proficiency Standards: 8%
- Lowered English Proficiency Standards: 20%
- Raised GPA Requirements: 12%
- Lowered GPA Requirements: 4%
- Added Essay Requirement: 4%
- Removed Essay Requirement: 0%
- Other: 0%
- None: 56%
What is your average scholarship/tuition discount for new international undergraduate first year students?

- $1 - $999: 17%
- $1,000 - $3,000: B
- $3,001 - $5,000: 11%
- $5,001 - $7,000: 11%
- $7,001 - $10,000: 6%
- >$10,000: F
- None: 56%
Is declining domestic enrollment driving int'l recruitment at your institution?

- Yes: 28%
- No: 72%
Rate your institution's int'l recruitment stance in terms of coordination and investment. Rate coordinated approaches on top. Rate entrepreneurial approaches to the left.
Q&A
WORKING TOGETHER TO PROMOTE U.S. HIGHER EDUCATION TO INTERNATIONAL STUDENTS

BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS
U.S. DEPARTMENT OF STATE

July 16, 2019 | APLU CII SUMMER MEETING

MARIANNE CRAVEN
MANAGING DIRECTOR, ACADEMIC PROGRAMS
STATE DEPARTMENT PROGRAMS OFFER A COMPETITIVE EDGE

- ECA exchange programs support international student mobility
- 38,000 applications for 700 spots in the 2019 Mandela Washington Fellowship class
- 8,622 Fulbright grantees (including 5,258 foreign grantees) in the 2017-2018 academic year
INTERNATIONAL STUDENTS ARE A PRIORITY FOR THE UNITED STATES

Economic Impact in 2018:

- $45.3 billion
- 455,000+ jobs

GLOBAL COMPETITION FOR INTERNATIONAL STUDENTS ACCELERATES

2001: 2.1 million students worldwide

- United States 28%
- United Kingdom 11%
- Germany 9%
- France 7%
- Other 34%

2017: 4.6 million students worldwide

- United States 24%
- United Kingdom 11%
- China 10%
- Australia 7%
- France 7%
- Other 23%
- Canada 7%
- Russia 6%
- Germany 8%

THE UNITED STATES STILL HOLDS A COMPETITIVE ADVANTAGE

- U.S. remains top destination and brand
- We have significant capacity to host more
- 70% study at only 200 institutions — one out of three studies in Texas, California, or New York.

Number of Higher Education Institutions

<table>
<thead>
<tr>
<th>Country</th>
<th>Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>4709</td>
</tr>
<tr>
<td>Australia</td>
<td>142</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>165</td>
</tr>
<tr>
<td>Canada</td>
<td>534</td>
</tr>
<tr>
<td>Russia</td>
<td>818</td>
</tr>
<tr>
<td>China*</td>
<td>3623</td>
</tr>
</tbody>
</table>

Percentage of international students

- USA: 5.5%
- Australia: 32.0%
- United Kingdom: 21.0%
- Canada: 18.0%
- Russia: 7.1%
- China*: 1.1%

Cost of an American Education

Estimated Annual Average Tuition Fees Charged by Tertiary Educational Institutions (Bachelor's or Equivalent, 2015/2016)

- United States: $8,202
- Australia: $4,763
- Canada: $4,939

Years
- 2 Years Community College
- 2 Years University

Bachelor's Degree
“It is remarkable how often I’ll be meeting with a foreign leader and I find that his English is better than mine. That is often because of a State Department program that gave them the opportunity to come visit [and] understand the United States of America... the dividends that that pays to our nation from having invested those resources are really important.”

— Secretary of State Mike Pompeo
EDUCATIONUSA GLOBAL NETWORK

- 550+ advisers
- 435 advising centers in 180 countries and locations
- 15 million contacts in 2018
WHAT CAN AMERICAN COLLEGES AND UNIVERSITIES DO?

- Interact with and promote @EducationUSA on your social media properties
- Develop and maintain strong alumni networks
- Grow strategic partnerships domestically and abroad
- Promote opportunities for on-campus employment and professional Practical Training
A QUALITY EXPERIENCE, A WHOLE-OF-COMMUNITY APPROACH

- Friendship families in your community
- Conversation clubs
- Social events, on and off-campus
- Ensure campus infrastructure is supportive
Refreshed Fulbright identity and brand to reach a broader audience of applicants from across the United States and all types of institutions.

Working through our Fulbright implementing partners to connect with U.S. higher education stakeholders to:

• Identify best practices for attracting faculty to the Fulbright program
• Ensure they have a successful exchange.

Examining benefits to U.S. institutions from sending and hosting Fulbrighters and expand those benefits.
THANK YOU

MARIANNE CRAVEN
MANAGING DIRECTOR, ACADEMIC PROGRAMS,
BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS