Higher Education in UAE
Key Trends and Opportunities

Prepared By Parthenon for
IHC’s Education Summit, Dubai
~140K students are enrolled in higher education universities in UAE; Dubai accounts for ~40% of the overall enrolments

Higher Education* Enrolment in UAE by Emirate, 2014

Total = 134K

- Dubai: 50K Public, 53K Private
- Abu Dhabi: 30K Public, 19K Private
- Rest of UAE (Sharjah, Al Ain, etc.): 53K Public, 24K Private

Number of Institutes: 53, 19, 24

Note: The enrolments for 2013/14 have been estimated based on 2012/13 enrolments assuming the growth rate from 2010/11 to 2012/13 for Abu Dhabi and Others; *Does not include vocational education enrolments

Source: Parthenon Higher Education Survey; KHDA; MOHESR; UAE National Bureau of Statistics
Dubai enrolments are also growing faster than the other Emirates

Enrolment Growth, By Emirate, 2011-2014

- Dubai: 7% CAGR ('11-'14)
- Abu Dhabi: 6% CAGR
- Northern Emirates: 5% CAGR
The drivers of private education in Dubai continue to increase

Growth of Private Education Drivers, Dubai, 2008 - 2012

- Expat Population: 8%
- Population (15-29): 7%
- GDP Per Capita: 6%
There is a wide range of university foreign branch campus offerings in Dubai

<table>
<thead>
<tr>
<th>British</th>
<th>American</th>
<th>Australian</th>
<th>Indian</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Heriot Watt</td>
<td>• Hult International Business School</td>
<td>• SAE Institute</td>
<td>• Amity University</td>
<td>• Canadian University of Dubai</td>
</tr>
<tr>
<td>• London Business School</td>
<td>• Manchester Business School</td>
<td>• Murdoch University</td>
<td>• BITS Pilani</td>
<td>• Esmod Dubai</td>
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<tr>
<td>• Middlesex University</td>
<td>• Michigan State University</td>
<td>• University of Wollongong</td>
<td>• SP Jain School of Global Management</td>
<td>• University of Waterloo</td>
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<td></td>
<td>• RIT Dubai</td>
<td>• University of Southern Queensland</td>
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</tr>
<tr>
<td></td>
<td>• Duke: The Fuqua School of Business</td>
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</tbody>
</table>
Dubai has been successful in attracting a wide range of options due to its favourable regulatory environment.

<table>
<thead>
<tr>
<th></th>
<th>Dubai</th>
<th>Singapore</th>
<th>Malaysia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complexity of Regulations</td>
<td><img src="Attractive" alt="Blue Circle" /></td>
<td><img src="Attractive" alt="Blue Circle" /></td>
<td><img src="Unattractive" alt="Blue Circle" /></td>
</tr>
<tr>
<td>Time Required to Obtain Approvals</td>
<td>3-6 months</td>
<td>9-12 months</td>
<td>24-30 months</td>
</tr>
<tr>
<td>Foreign Ownership</td>
<td><img src="Attractive" alt="Blue Circle" /></td>
<td><img src="Attractive" alt="Blue Circle" /></td>
<td><img src="Attractive" alt="Blue Circle" /></td>
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<tr>
<td>Approval Body</td>
<td><img src="Attractive" alt="Blue Circle" /></td>
<td><img src="Unattractive" alt="Blue Circle" /></td>
<td><img src="Unattractive" alt="Blue Circle" /></td>
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<tr>
<td>Ease of Entry</td>
<td><img src="Unattractive" alt="Blue Circle" /></td>
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However, despite Dubai’s key assets most students are still domestically recruited.

Nationality Composition of Private Western Institutes, 2011

- Emirati: 100%
- Non-Emirati: 95%
- Internationally Recruited International Students: 18%
Students are increasingly mobile; transnational education takes ~2.5M students every year to global hubs.

- **Canada**: 100,000 students = $3B revenue
- **UK**: 400,000 students
- **USA**: 600,000 students
- **Singapore**: ~30,000 students = $0.5B revenue
- **Dubai**: ~6,000 students = $0.1B revenue
- **Australia**: 300,000 students
Dubai’s value proposition for higher education students is driven by three key assets:

- Employability-Related Courses
- Student Satisfaction
- Attractive Location
Employment related courses are driving growth across the different university segments, particularly in the Western foreign branches.

% Business Enrolments, By Type of University, Dubai, 2014

- Western Foreign Branch: 79%
- Local offering Foreign Curriculum: 62%
- Eastern Foreign Branch Curriculum: 54%
- Local offering Local Curriculum: 49%

Source: Parthenon Higher Education Survey; KHDA; MOHESR; UAE National Bureau of Statistics
Why is Dubai an attractive destination for students?

1. Close to the World
   - Ideally located to attract European, African, East, Southeast Asian, South Asian, GCC, and CIS students

2. Safe
   - Safe environment for students, an important factor for both students and families

3. English Speaking
   - Students can use and improve their English, and the degree is well perceived internationally

4. Strong Economy
   - A fast-growing economy in need of graduates in a variety of industries

5. Quality of Life
   - Diverse, culturally active city
   - Expo 2020 host city will attract global attention
Satisfaction with the Dubai experience is high among both current students and recent graduates

Q. Which of the following factors did you consider when selecting a country/city for higher education?
Q. How does Dubai rate on the top 3 factors?

Source: Dubai Current Students and Recent Graduates Survey, n=149 (current students=99; recent graduates=50)
How can Dubai increase international students?

1. Develop “Education Dubai” Brand
   - Develop regional/local messaging and product

2. Identify Key Source Countries
   - Prioritize markets based on growth rates and external factors

3. Develop Strategic Marketing Plan
   - Target the identified source markets through relevant language and channels

4. Build Relationships with Agents
   - Develop relationships with agents or agent aggregators in the identified markets
Agents are a top marketing channel whose use continues to increase in key source markets.

Students Using Agent Channels from Selected Source Countries, 2014

- Nigeria
  - Via Other Channels: 60%
  - Via Agents: 40%
- India
  - Via Other Channels: 60%
  - Via Agents: 40%
- China
  - Via Other Channels: 40%
  - Via Agents: 60%
- Korea
  - Via Other Channels: 20%
  - Via Agents: 80%
Provision of sales support from the university is the key driver in building effective relationships with agents.

Q: [For Agents] What are key factors that influence your decision to promote an institution?

<table>
<thead>
<tr>
<th>Incentives</th>
<th>Quality of Institutions</th>
<th>Quality of Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Offerings</td>
<td>Variety of Courses</td>
<td>1. Courses delivered with high-quality standards</td>
</tr>
<tr>
<td>Sales Support</td>
<td>Sales Support Includes:</td>
<td>2. Good reputation relative to what it offers</td>
</tr>
<tr>
<td></td>
<td>• In-Office Visits</td>
<td></td>
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<td></td>
<td>• Responsiveness (Enquiry Time)</td>
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<td></td>
<td>• Fairs and Exhibitions Support</td>
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<tr>
<td></td>
<td>• Quality of Marketing Materials</td>
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<tr>
<td></td>
<td></td>
<td>High Quality Marketing Material is Critical to:</td>
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<tr>
<td></td>
<td></td>
<td>• Build brand amongst students</td>
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<tr>
<td></td>
<td></td>
<td>• Build program familiarity among agents</td>
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<tr>
<td></td>
<td></td>
<td>In-Office Visits</td>
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<tr>
<td></td>
<td></td>
<td>• Help agents close leads</td>
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<td></td>
<td></td>
<td>• Act as informal training refresher</td>
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<tr>
<td></td>
<td></td>
<td>• Help build rapport with counsellors</td>
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</tbody>
</table>

Agents from China, India, and Indonesia
Pathway programs also offer opportunities for students to improve their English while allowing the university to outsource the agent management process.

### Value Proposition for Stakeholders

<table>
<thead>
<tr>
<th>Academic Support</th>
<th>Agent Aggregators</th>
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</thead>
<tbody>
<tr>
<td>Students – Able to work on English and study skills and attend better university</td>
<td>Students – More support and options offered during selection process</td>
</tr>
<tr>
<td>Universities – Increase potential enrollment base and provide critical academic and social support systems for international students</td>
<td>Universities – Fully, outsourced international admissions program with more on-the-ground staff promoting programs</td>
</tr>
</tbody>
</table>

#### Average Number of Frontline Staff, Aggregator Pathway Programs versus Individual Universities

<table>
<thead>
<tr>
<th></th>
<th>Pathway Program Aggregators</th>
<th>Individual Universities</th>
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<tbody>
<tr>
<td>Frontline Sales Support FTEs</td>
<td>~20-25</td>
<td>~1-4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% Expats</th>
<th>Total Support Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>~35%</td>
<td>~30</td>
</tr>
<tr>
<td>~0%</td>
<td>~5</td>
</tr>
</tbody>
</table>
Parents and students are most concerned with the quality of institutions

Q. Which of the following factors did you consider when selecting a country/city for higher education?

Institutions should promote this and other key selection criteria through their prioritized channels.
Marketing materials should communicate the value proposition and be available in relevant languages.
Pastoral care and student experience are important aspects to focus on enhancing and promoting on the university website.

Examples of Pastoral Care Services Provided to Students On Arrival

From Kaplan (Extract from Kaplan website)

Full service accommodation pack

What’s in my KIC Student Pack?

At Liverpool International College we understand that moving country can be a challenge. To make your move as organised as possible we have created the KIC Student Pack, which comes complete with every item that you will need to settle into your new accommodation. You will receive extra items that are not provided in a privately rented accommodation, such as all the main essentials that you’ll need for cooking and eating. We will even give you a warm duvet, pillow and a full set of fresh bed linen so you don’t have to rush around the shops on your first day.

Information on Airport Pickup Services (Extract from Study Group website)

Provide students with a care packet

Provide students with airport pick-up
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