Chapter 3
Outbound Mobility and Students’ Decision Making Process: A Case of India

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ABSTRACT

The author explores the decision making process of Indian students and factors influencing the decision of going abroad from the lens of prospective students. The study involves a sample of 362 prospective students from India. The author used a questionnaire and semi-structured interviews to collect data. The findings revealed that Indian students’ decision making process involves four stages and differs according to the type and level of education. This study also provides insights into international student recruiters related to potential clients’ choices and usage of different marketing strategies.

INTRODUCTION

The size of the international higher education market can be estimated from student mobility data. Currently, 3.3 million students are studying outside their own countries (Bhandari & Blumenthal, 2011) and billions of dollars are generated from tuition, living expenses, branch campuses, franchises etc. (Altbach, 2008). One estimate by Van der Wende (2002) indicated that the total volume of the global education market was 30 billion US$ and that has further grown into a $45 billion ‘industry’. In the United States alone, higher education is the fifth largest export sector in-bound, international students contribute $17.7 billion to the economy each year (Bhandari & Chow 2009). Fees from non-EU students alone contribute a total of £2.5 billion a year to the economy (Bode & Davidson 2011). In the United Kingdom, international students now produce some 10% of the entire income of the higher education system, while in Australia they fund some 15% of all income for the national universities.

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OUTBOUND MOBILITY AND STUDENTS’ DECISION MAKING PROCESS

INDIAN SCENARIO

India has a high proportion of outward mobile students (Pawar & Deshmukh, 2013; OECD, 2013). In recent years, India has become a leading player in the international student market as the second most important sending country after China. The number of Indian students studying abroad has steadily increased from about 150,000 in 2006 to about 250,000 in 2009 and 2010 (Powar, 2014). The recent OECD (2014) report highlighted that 45% of Indian students abroad are enrolled in the United States, 17% are in the United Kingdom, 6% in Canada and 5% are in Australia. Today, almost one in two international students in the U.S. is from China, India, or South Korea (Choudaha, 2012). The emergence of a rapidly growing economy in India has created a huge international market for western countries.

These figures are becoming so dominant that international higher education is emerging as a multinational industry. Students are therefore treated as customers or consumers by the educational institutions (Birnbaum, 2001; Simon, 2001). Emergence of “consumerist approach” in higher education has increased the need to consider students’ expectations more (Nicolescu, 2009). Moreover, higher education applicants are no longer passive consumers. They have become informed consumers who make rational choices of higher education courses and institutions (Baldwin & James, 2000). In a way it has become imperative for international education marketers to understand the consumer expectations.

In this context the present study attempts to investigate how the decision making process of prospective Indian students differs according to the type and level of education. What factors influence prospective Indian students’ choice of a particular destination country in general and particularly with reference to level to education? What factors influence choice of course and institution according to the type and level of education?

OVERSEAS STUDY DECISION MAKING

Universities recruit across the world; unfortunately, there is not a single model for understanding the student decision making for going abroad. Some researchers explore the consumer choice made in higher education (for example, Chen & Zimitat, 2006; Cubillo, Sanchez & Cervino 2006; Maringe & Carter, 2007), but there is a little research that explores the Indian students’ decisions to go abroad and the significant influences on that decision. Lowe (2007) argues that the previous research mainly focuses on general factors of student decision making rather than focussing on one nationality and students themselves. Chen and Zimitat (2006, p. 92) state that “analyzing consumer behavior surrounding the selection of international higher education destinations can lead to an understanding of how the purchase-related variables interact and influence each other, thus building a deeper understanding of complex consumer behavior”. Previous studies (Baldwin & James, 2000; Bista & Dagley, 2015; Mazzarl & Soutar, 2002; Gomes & Murphy, 2003; Yang, 2007) investigated the motivations of students going abroad and the factors which students consider while making their decision. These studies suggest that students’ decision making process of going abroad involves interplay of many push and pull factors which have been identified in the literature.

Mazzarol and Soutar (2002) found that the decision making process generally takes place at three stages. At the outset, an individual decides whether to go abroad or not, at the second stage selection of host country is decided and at the final stage the individual selects the host institution. Other literature also recognizes choice of country as the first step of international students’ decision making followed