



**Australian Government**  
**Tourism Research Australia**

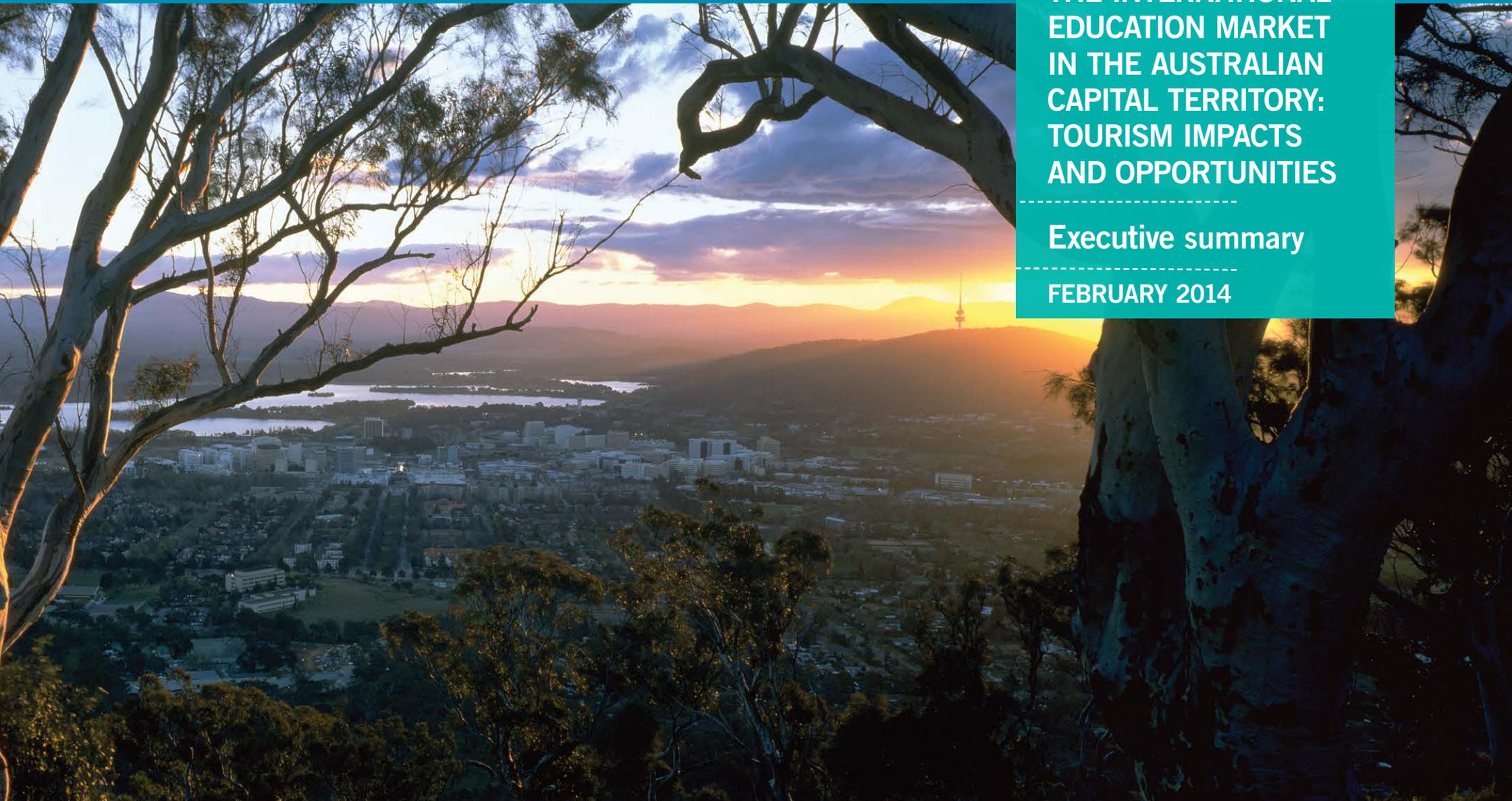


**TOURISM  
RESEARCH  
AUSTRALIA**

**THE INTERNATIONAL  
EDUCATION MARKET  
IN THE AUSTRALIAN  
CAPITAL TERRITORY:  
TOURISM IMPACTS  
AND OPPORTUNITIES**

**Executive summary**

**FEBRUARY 2014**



COVER IMAGE: VIEW FROM MOUNT AINSLIE, CANBERRA, COURTESY OF VISITCANBERRA.

## EXECUTIVE SUMMARY

---

This report presents a summary of the results of a Destination Visitor Survey research project undertaken on behalf of 'VisitCanberra' and Tourism Research Australia (TRA)—the full project report is available on request from TRA.

The key objectives of this project were to determine the size and makeup of the international student population in the Australian Capital Territory (ACT); identify trends associated with the international market in the ACT; and collect information on the friends and relatives of the ACT's international student population.

The research was conducted in three stages:

1. desk research
2. qualitative research with international students in the ACT – online focus group over three days with 29 participants
3. online survey of international students in the ACT and their friends and relatives overseas – 233 complete responses from international students and 26 responses from friends and relatives

Please note, the sample of friends and relatives is not considered to be sufficiently reliable to make generalisations about the broader population and the findings should be regarded as qualitative in nature.

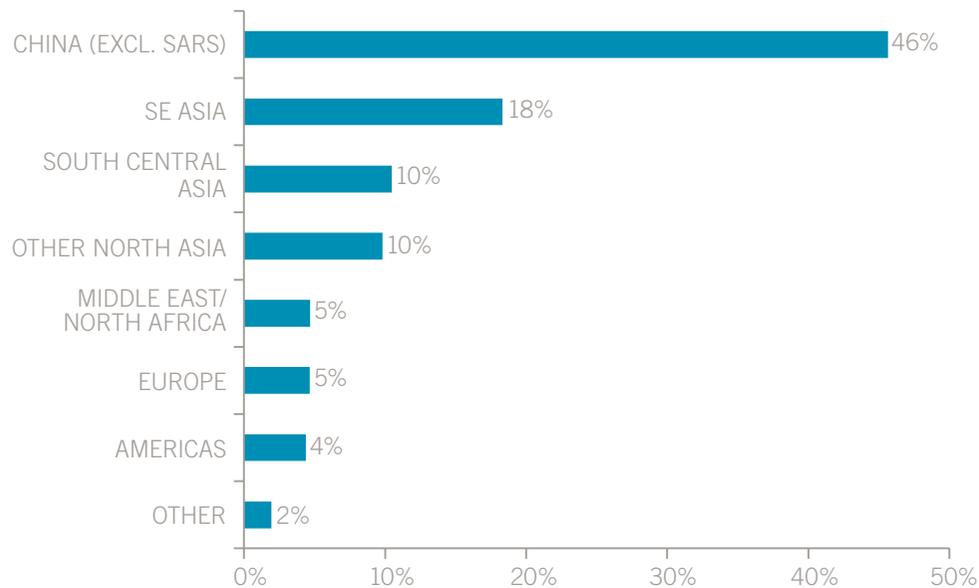


## INTERNATIONAL STUDENT ENROLMENTS IN THE ACT

The total number of international student enrolments in the ACT in 2012 was 11,000. This includes secondary schools and the vocational education and training (VET) and English language training (English Language Courses for Overseas Students, or 'ELICOS') sectors.

As shown in Figure 1, Chinese citizens accounted for almost half (46%) of the enrolments and students from other countries in North Asia (primarily South Korea) represented a further 10%. South East Asian citizens were responsible for 18% of the enrolments with the main markets consisting of Malaysia (5%), Vietnam (4%), Singapore and Indonesia (both 3%).

**FIGURE 1: INTERNATIONAL STUDENT ENROLMENTS IN THE ACT BY ORIGIN, 2012**



Source: Australian Education International

Over a 10-year period, international student enrolments in the ACT have grown on average by 7% each year. Enrolments from Chinese students more than doubled between 2003 and 2012 with an average annual growth rate of 15.2%.

The International Visitor Survey (IVS) estimates that there were 13,300 international visitors to the ACT in 2012 who stated 'education' as their main purpose of visit. These visitors stayed for a total of 1.58 million nights<sup>1</sup>.

According to the IVS, expenditure by international visitors in the ACT for the purpose of education in 2012 was \$166 million. This represents spend of \$12,500 per student.

In addition to student numbers, the IVS also asks whether a reason for coming to Australia was to visit friends or relatives (VFR) who are studying in Australia. In 2012, 22,500 leisure and VFR international visitors to the ACT stated that the reason for their trip to Australia was to visit a friend or relative who was an international student in Australia.

<sup>1</sup> The IVS records student purpose visitors on the basis of reason for visit and is not restricted to those entering Australia on a student visa.

## FOCUS GROUP RESULTS

### WHAT DID INTERNATIONAL STUDENTS SAY ABOUT CANBERRA?

As a component of an online focus group, participants discussed their image of Canberra and the image held by their friends and relatives. The findings suggest three broad themes:

#### 1. The nation's capital

*"As the city that houses the Parliament and the apex of the judicial system, I thought the Parliamentary Triangle would look majestic and grand."*

Consistent with the positioning of Canberra as the nation's capital, the students and their friends and relatives were most likely to know that Canberra is the seat of federal government in Australia. Associated with this image was an expectation that the city would project Australia's position in the world and be more than an administrative centre. Symbols of power such as Parliament House and the Australian War Memorial were significant attractions for visitors in this context.

As a national capital, the participants expected that Canberra would be serviced by direct international air access and would be connected to Sydney by public transport that was fast and comfortable.

#### 2. A centre of culture and learning

*"Canberra is a very multicultural place where I have had a chance to meet with people from different backgrounds and also my own community."*

For many students, the main reason for visiting Canberra was to study and they were initially attracted by the reputation of the educational institutions. Due to Canberra's role as a centre of government and learning, the residents are regarded as more highly educated than the residents of other cities. They are also regarded as more welcoming and friendly towards people from other countries. The National Museum of Australia and the National Gallery of Australia contribute to the perception of Canberra as a cultured and artistic city.

#### 3. A city 'in the bush'

*"My friends were quite happy living here, quiet, peaceful, no air pollution and traffic jams as in my home city."*

The image of Canberra for many was a small city which is seen as green, quiet, spacious and well planned. The setting of Lake Burley Griffin and opportunities for activities in and around the city such as hiking, cycling and skiing (during the winter season) was appealing to students.

Although Canberra was regarded negatively in some instances as somewhat small and boring with a lack of 'big city' entertainment, less traffic and a lack of street crime contributed to the image of the city as a place of refuge and reflection. This was particularly attractive for those who came from 'megacities' in Asia and elsewhere in the world.

## WHY DID THEY CHOOSE TO STUDY IN CANBERRA?

The reputation of particular educational institutions was a key element for students in choosing a place to study. Students also believed that by studying in Canberra they would have a better chance of being accepted for an internship by the Australian Government.

The presence of friends and relatives in Canberra was also an important consideration for some, alleviating any concerns that they would be socially isolated.

The smaller scale and quality of life offered by Canberra was attractive to students – they felt more secure and also believed they would have a better balance between study and leisure, with opportunities to participate in a range of activities.

## WHAT INFORMATION SOURCES DID THEY USE TO RESEARCH CANBERRA?

Students did not actively seek out information about Canberra until they began to investigate study options in Australia more seriously.

Students established their knowledge of Canberra through a variety of mechanisms, with word-of-mouth being influential. This came from family members, other students and also the academic staff in their home school or university.

Online sources, including internet forums, were influential. This included images posted by other students. The participants were interested in reading the stories and experiences of those who had lived and studied in Canberra – not just the facts and figures.

It was suggested that there was generally less information in the media and online about Canberra than other places in Australia. The participants and their friends and relatives tended to be most aware of Sydney, Melbourne and the Gold Coast. Travel agents were also less likely to offer Canberra as a component of leisure travel itineraries for Australia.

## WHAT DID INTERNATIONAL STUDENTS EXPERIENCE IN CANBERRA?

*“People are friendly and willing to help, very well educated and interesting to talk to. It has a nice and clean environment, close to nature and animals. Four distinctive seasons, especially the colourful autumn, are beautiful. A lot to love.”*

In many instances, students felt that Canberra exceeded their expectations. They enjoyed the scale of Canberra, the feeling of freedom and security and also found the people to be friendly and welcoming. They appreciated the multicultural nature of Canberra and felt they could establish social networks with other students in Canberra.

Other positive attributes included the natural environment and contact with nature; cycling trails; the parliamentary triangle; unusual/quirky shops; bakeries and coffee shops; and a balance between study and leisure.

However, there were complaints about the public transport in Canberra and the cost of living. Other aspects of life they did not enjoy included limited availability and cost of accommodation; lack of direct international flights; extremes of weather; lack of professional networking opportunities; and lack of opportunities for full-time employment.

Visiting friends and relatives—in some instances—expected Canberra, as the nation’s capital, to be more assertive with more monuments and impressive public buildings. The nature-based attributes of Canberra were recognised and appreciated by visiting friends and relatives.

## WHAT TRAVEL ITINERARIES WOULD INTERNATIONAL STUDENTS SUGGEST FOR THEIR OVERSEAS VISITORS (FRIENDS/RELATIVES)?

Focus group participants were asked to construct travel itineraries for:

1. their parents and older relatives and friends:

Most commonly, itineraries were for two or three days in Canberra. While graduation ceremonies were mentioned in a number of instances, Floriade was the most frequently mentioned event that would be associated with a visit.

Travel in Canberra, in most instances, would be undertaken independently. However, there was interest in taking day tours at specific attractions such as Parliament House.

In most cases, the visit was associated with travel elsewhere in Australia such as Sydney and possibly Melbourne and the Gold Coast.

2. friends and relatives around their own age:

The itineraries suggested for friends and relatives around their own age were generally similar to those constructed for parents and older relatives/friends, except that they included more physical activities such as hiking, cycling, fishing and more nightlife. These friends or relatives may not have believed there was enough to do in Canberra and as such needed to be given reasons to visit.

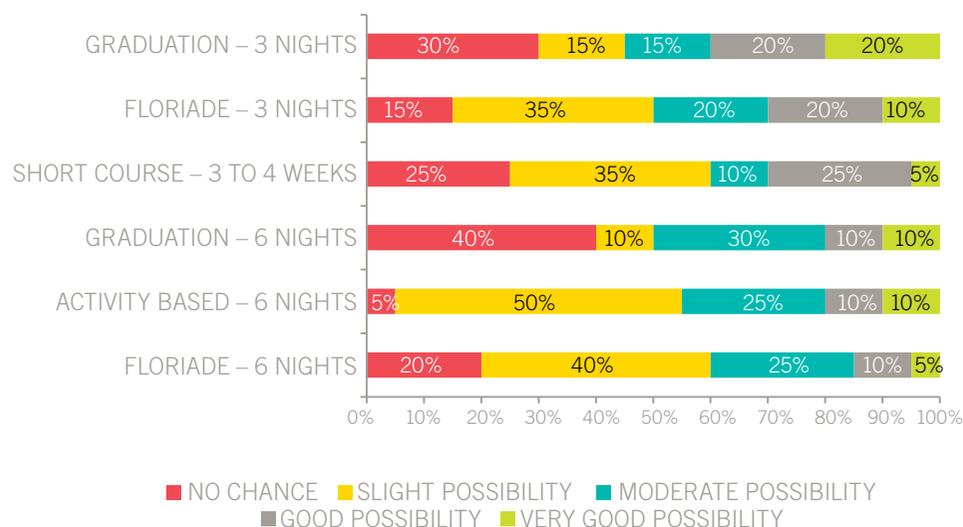
Students suggested that friends and relatives around the same age were more likely to stay with the student or in hostel accommodation.



## WHICH ITINERARIES APPEALED TO FRIENDS AND RELATIVES?

When friends and relatives were presented with the travel itineraries developed by the students, they were most likely to indicate that they would travel for a three-night graduation package or a three-night Floriade package (40% and 30% 'good possibility' or 'very good possibility' respectively). One-third (30%) also suggested there was a 'good possibility' or 'very good possibility' they would travel for a short course in Canberra lasting three to four weeks.

FIGURE 2: RESPONSE TO HOLIDAY PACKAGES



**Graduation package – 3 nights:** Visit cultural attractions such as old and new Parliament House, the Australian War Memorial, the National Gallery of Australia and the National Museum of Australia. Celebratory dinner.

**Graduation package – 6 nights:** Visit major cultural attractions, a celebratory dinner and also enjoy shopping, sightseeing and attractions such as the Australian National Botanic Gardens, the National Arboretum, local craft/food markets, Cockington Green and the Tidbinbilla Nature Reserve. This could include a day trip to a winery or other attraction around Canberra.

**Floriade package – 3 nights:** Enjoy Floriade and visit major cultural attractions such as Parliament House, the Australian War Memorial, the National Gallery of Australia and the National Museum of Australia.

**Floriade package – 6 nights:** Enjoy Floriade, visit the major cultural attractions and also enjoy shopping, sightseeing and attractions such as the Australian National Botanic Gardens, the National Arboretum, local craft/food markets, Cockington Green and the Tidbinbilla Nature Reserve. This could include a day trip to a winery or other attraction around Canberra.

**Activity based package – 6 nights:** Visit cultural attractions such as old and new Parliament House and enjoy activities such as an interactive experience at the National Zoo and Aquarium, hiking, cycling, kayaking, ballooning and nightclubs. Includes a day trip or overnight trip to the Snowy Mountains in winter or the beaches of Batemans Bay/the South Coast in summer.

**Short course package – 3–4 weeks:** Attend a short educational or special interest course in Canberra for 3–4 weeks while spending time with relatives or friends and enjoying the relaxed lifestyle in Canberra. Course topics include wine appreciation, cooking and English language.

## WHAT DID THE INTERNATIONAL STUDENTS' FRIENDS AND RELATIVES THINK OF CANBERRA AS A DESTINATION?

The friends and relatives of international students in Canberra were most likely to have an image of Canberra as the capital of Australia and in this context expressed an interest in visiting Parliament House. Other attractions that were important in this context were institutions and symbols of power, such as the Australian War Memorial and the High Court of Australia.

The parents' main reason for visiting Canberra was to see their children, and this was generally the only reason they had for visiting Canberra. Parents expressed an interest in visiting the student's university campus. Some suggested it would be nice to stay in Canberra for a few months and enjoy the peace and quiet and relaxed lifestyle.

The student's graduation was likely to be associated with a visit to Canberra by friends and relatives, which could be combined with a family holiday. Canberra's annual Floriade Festival was also likely to be considered a good time to visit Canberra.

Friends and relatives their own age did not have a particular desire to visit Canberra. They were more interested in what they perceived as more adventurous or exciting destinations. It was suggested that friends and relatives also had a low level of awareness of Canberra—for example, travel shows about Australia in their home countries rarely mentioned Canberra as a place to visit.

The major barrier for friends and relatives to visiting Canberra was the cost due to the high Australian dollar.<sup>2</sup> The lack of direct international flight access to Canberra was also an issue.

## WHAT INFORMATION AND BOOKING SOURCES DID STUDENTS' FRIENDS/RELATIVES USE PRIOR TO THEIR VISIT?

Friends and relatives did not search for information to any great extent, as their primary motivation for coming to Canberra was to visit the student. In most cases, parents relied on their student children to help them organise their trip and itinerary. For friends, word-of-mouth was important, as were social media and online resources.

In most instances, friends and relatives would book transport to Canberra using an online portal, and the student would look after bookings in Canberra. There were some instances in which parents would use a travel agent in their home country. A travel agent was also used to facilitate visa applications. Friends would transact any bookings themselves online and they would generally be looking for the cheapest options.

<sup>2</sup> The majority of data for this project was collected in March to April 2013 when one Australian dollar was buying US\$1.04.

## ONLINE SURVEY RESULTS

### WHO VISITED THE STUDENTS IN CANBERRA, AND WHEN?

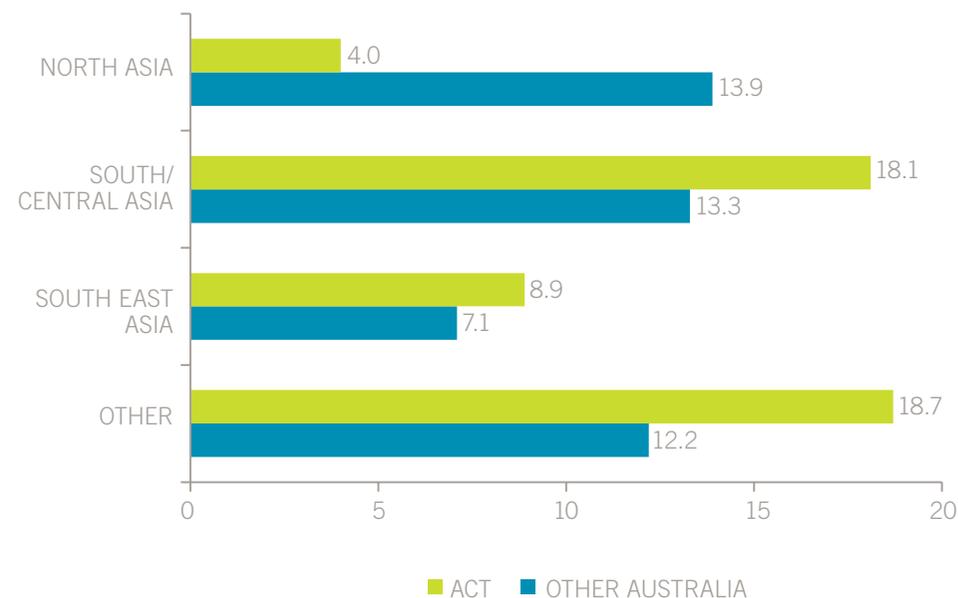
Overall, around half (47%) of the students surveyed had been visited by relatives or friends from overseas since they had been living in Canberra. The likelihood of receiving visitors was related to the student's length of stay in the ACT:

- less than one year – one-quarter (25%) of students received overseas visitors
- one to two years – half (54%) received visitors
- three or more years – two-thirds (69%) received visitors

Students were most likely to receive visitors during the summer period (50%) and least likely to be visited during the spring (29%), which is surprising given the overwhelming popularity of Floriade as a tourist attraction.

The average length of stay for the students' visitors was 11.2 nights in Canberra and 11.3 nights elsewhere in Australia. The length of stay in Canberra varied substantially on the basis of visitor origin. On average, visitors from North Asia stayed four nights, those from South/Central Asia stayed 18 nights, and those from South East Asia stayed nine nights.

FIGURE 3: AVERAGE LENGTH OF STAY (NIGHTS)



## WHAT IMPRESSIONS HAVE INTERNATIONAL STUDENTS FORMED OF CANBERRA?

Compared with other cities, Canberra has a number of competitive advantages which were key drivers for international students in selecting a study destination:

- uncrowded, natural environment
- safety and security
- welcoming and friendly people
- world class universities.

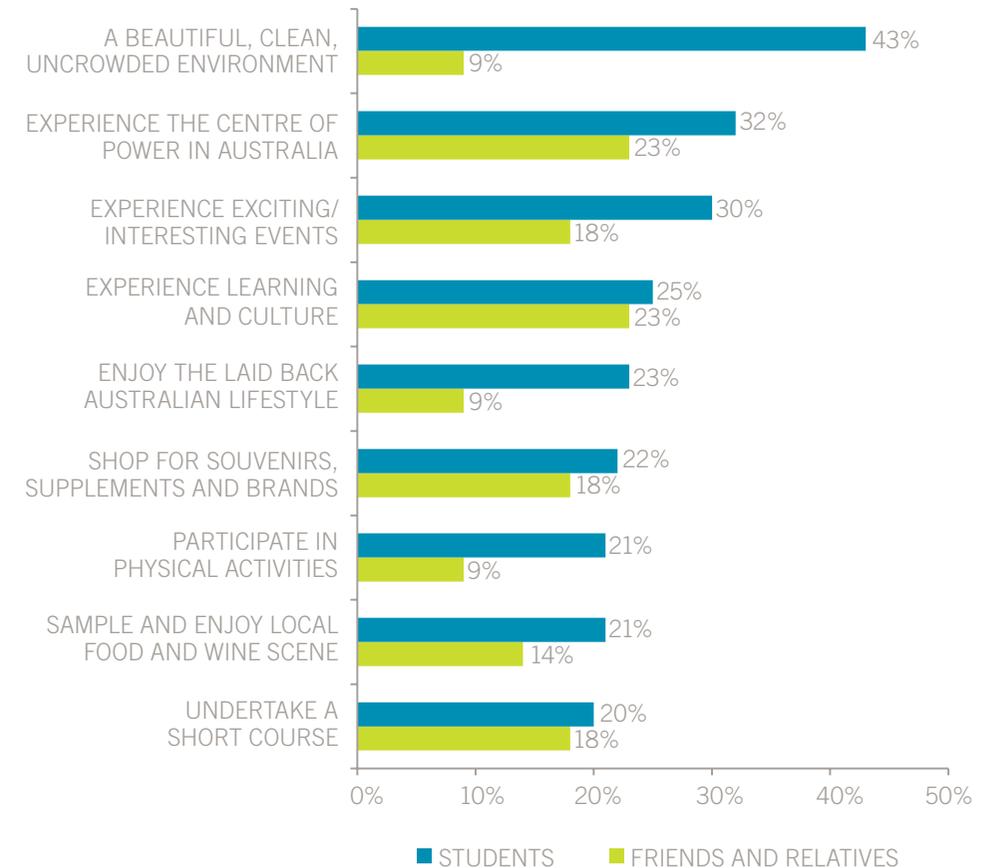
Canberra was not perceived as a 'world city' in the way that its capital city positioning might imply. There was, however, evidence from the qualitative research that the Australian Parliament is an important institution that visitors were keen to experience.

## WHAT CANBERRA EXPERIENCES WERE IMPORTANT TO STUDENTS AND THEIR VISITORS?

Students suggested that experiencing 'a city with a beautiful, clean, uncrowded environment' (43% 'very important') and 'a city that is the centre of power in Australia' (32% 'very important') were very important for their friends and relatives.

Friends and relatives rated experiencing 'a city that is a centre of learning and culture' and 'a city that is the centre of power in Australia' as very important. Other important experiences were events, shopping and the possibility of undertaking a short course.

FIGURE 4: EXPERIENCES SOUGHT BY VISITING FRIENDS AND RELATIVES, RESPONSES FROM STUDENTS AND FRIENDS/RELATIVES



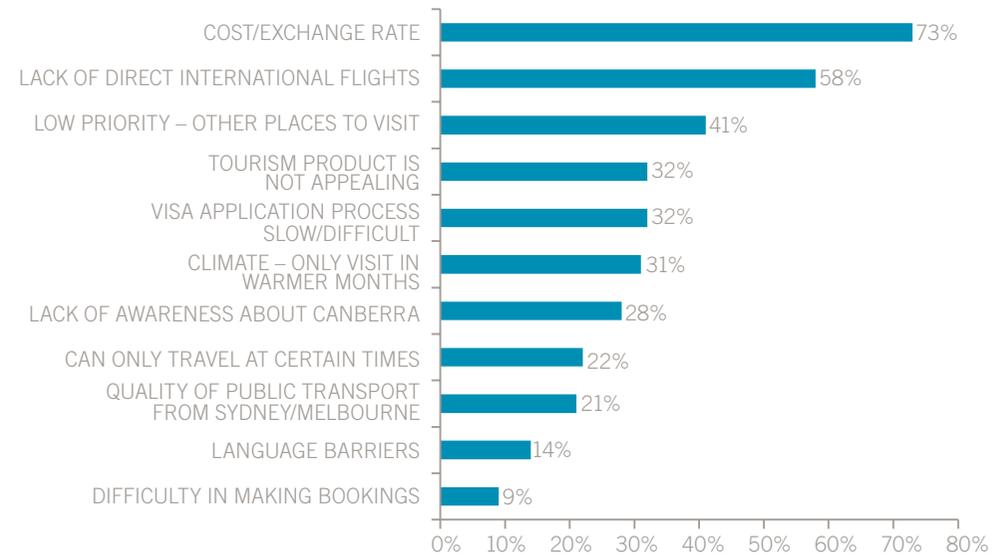
## WHAT WERE THE BARRIERS TO VISITING STUDENTS IN CANBERRA?

The lack of direct international air access to Canberra was cited by a number of focus group participants as a barrier to more frequent visitation. Survey results also demonstrated that the majority of friends and relatives (77%) would visit Canberra more frequently if direct international access was available—suggesting an additional 1.7 trips by these friends and relatives on average over the next two years.

Apart from the lack of direct international access, the main barrier for overseas relatives was the cost of travelling to Canberra; which was impacted by the foreign exchange rate between Australia and the home country.

Other barriers to visitation included Canberra not being a high priority for the visiting friends and relatives, as there were other places they would prefer to visit. There was also a lack of awareness about Canberra as a destination. Difficulty with the visa application process was also cited as a barrier to visitation.

FIGURE 5: BARRIERS TO VISITATION – STUDENT RESPONSES



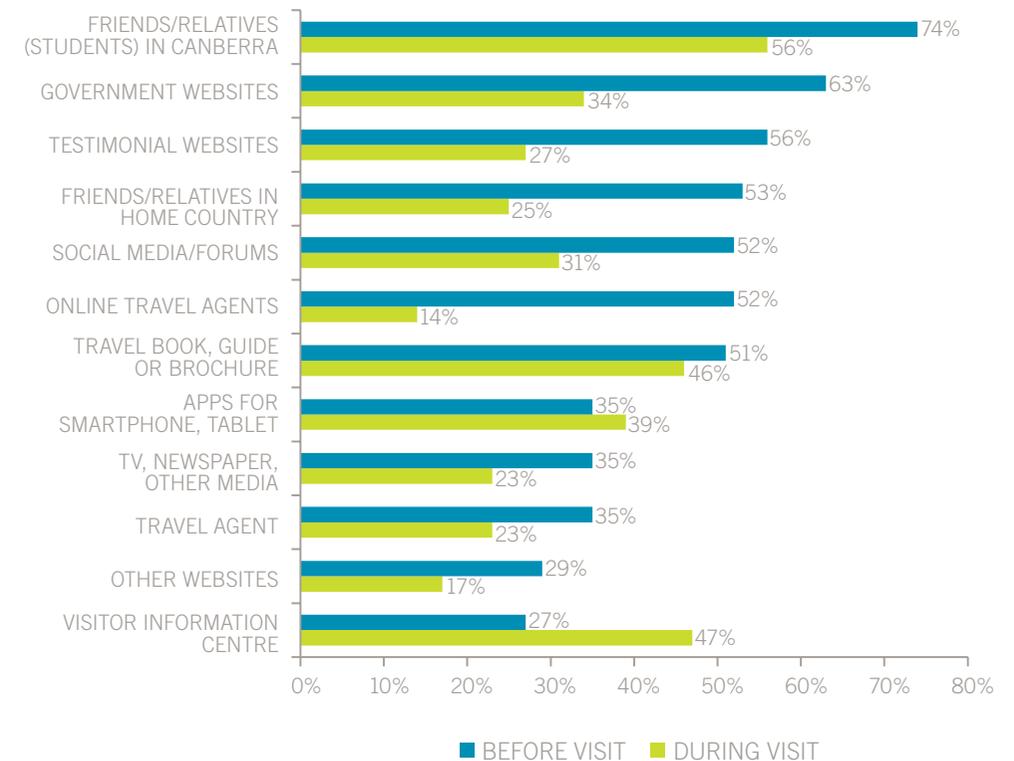
## WHAT INFORMATION SOURCES DID VISITORS USE TO PLAN THEIR TRAVEL TO CANBERRA?

According to respondents studying in Canberra, common information sources for friends and relatives prior to arrival were friends and relatives (students) in Canberra (74%) and government web sites (63%).

Following their arrival, important sources were friends and relatives (students) in Canberra (56%); a travel book, guide or brochure (46%); or a tourist office/visitor information centre (47%).

Students were most likely to make travel-related bookings for their family prior to their arrival in Canberra (72%) and after their arrival (41%). Friends and relatives were more likely to make bookings directly with airlines and accommodation prior to arrival (56%).

FIGURE 6: INFORMATION SOURCES



## RECOMMENDATIONS

1. There is a role for the ACT Government in working with educational institutions to grow the number of international students in Canberra – along with their visiting friends and relatives. The Chinese market has been identified as a priority.
2. Production of information resources for travel packages need to be considered. Information resources should include motivational and tactical components and could be distributed via:
  - government web sites
  - specialist online travel agents
  - education agents in source markets
  - visitor information centres
  - international students in the ACT.

Information resources may include hard and soft copy guides and brochures; web pages; and apps for smartphones and tablets. Given the importance of the Chinese market, consideration should be given to the production of information resources in Mandarin.
3. The most effective method of communicating with international students' friends and relatives is through the students themselves. It is recommended that a communication strategy is developed in association with the educational institutions in which students are encouraged to act as ambassadors for the ACT and to encourage friends and relatives to visit.
4. Product development for friends and relatives of international students should focus on two to three day packages around graduation ceremonies and Floriade. Activities should include Houses of Parliament, the Australian War Memorial and national cultural institutions. Accommodation should be mid-range hotels or apartments. Graduation packages should include celebratory dinner options.
5. Consider the promotion of short course English language and other lifestyle and special interest courses for friends and relatives of international students. Where possible, flexible course durations should be offered.
6. Direct international airline access to Canberra has significant potential to stimulate additional visitation by friends and relatives of international students. Key findings from this research project can be incorporated into the broader business case to support direct international air access to Canberra.
7. Marketing for the destination should continue to focus on, develop and strengthen the current 'VisitCanberra' positioning. National monuments provide a key point of interest for the friends and relatives of international students and it is considered important for visitors to experience these aspects of Canberra to fully understand Australia, its history and way of life.
8. For potential students, the positioning is somewhat different and should reflect the reputation and quality of the educational institutions, security, the friendliness and welcoming nature of residents, Canberra's lifestyle benefits and intellectual leadership.

