

The 4L's: A Portfolio Approach to Offering International Experiences for Students

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Over the past few decades, the inclusion of an international perspective has gained importance in business schools' curricula. The AACSB accreditation standards emphasize the importance of globalization. Most business schools now offer international study opportunities to their students. Typically, these usually include a number of semester-long programs and a few faculty-led, short-term programs. However, the offerings are often limited in variety, not specifically focused on business program needs and offered on a "one size fits all" basis. This paper suggests way to expand international offerings utilizing an analysis framework consisting of the 4 L's - Length, Location, Language and Logistics.

Keywords: study abroad, international education, travel portfolio

APPLYING MARKETING PRINCIPLES

One of the core principles taught in every Introduction to Marketing class is that of Market Segmentation. While business schools always teach this concept, university study abroad offices seem to be trapped in the "one size fits all" approach to developing and offering international programs to students. Well, perhaps more than one program, but definitely a limited number, regardless of the specific needs of an increasingly diverse student population.

Developing limited numbers of programs and then trying to sell these programs to the entire student body ignores the concepts students are being taught in class. At worse, some study abroad offices are even locked in the Production Era, with a Henry Ford approach of offering the product in any color you want as long as it is black.

The strategy of Market Segmentation is the practice of dividing a market into distinct groups of buyers who have different needs, characteristics or behaviors, and who might require separate products of marketing programs (Kotler & Keller, 2012) This well-established principle is utilized by successful consumer product companies worldwide. So why not apply the same concept to provide students with a

broad portfolio of study abroad opportunities? What is needed is an evolution in study abroad thinking, moving to a consumer driven approach to designing international programs.

THE NEED TO SEGMENT THE STUDY ABROAD OFFERING

The necessity for business schools to offer study abroad options for their students is unquestioned. Such experiences add considerable value for the students in the form of enhanced job opportunities and personal growth (Blasco, 2009; Carley, S., Stuart, R. & Dailey, M., 2011; Chieffo, L., & Griffiths, L. 2004; Dwyer & Peters, 2013; Mangiero, G & Kraten, M., 2011; Shallenberger, D., 2009; Smith, B. & Yang, W., 2017). A review of the business school's study abroad offerings should begin by determining the needs of various student groups or segments. The student body is becoming ever more diverse - more non-traditional students, more part-time students, more distance learning, more international students, many (or all) with the constraint of decreasing resources (Heischmidt & Gordon, 2010). The structure of overseas study experiences to learn about international organizations and cultures tends to be organized around either long term or short term international study opportunities (Bates & Snell, 2013; Eckert, J., Luqmani, M., Newell, S., Quraeshi, Z., & Wagner, B. 2013; Heischmidt & Gordon, 2014; Kehl, K. & Morris, J., 2007-2008).

With fewer scholarships and reduced grants for students and an overall contraction of university budgets, there is the need by those planning international study programs to fine-tune the university's international offerings.

Partially based on analysis of survey data gathered by the Magellan Exchange (2012) of member study abroad coordinators and on interviews with past study abroad participants, a number of market segmentation variables was identified. The student population can be divided according to a number of socio-demographic groups, such as:

- Full-time v Part-time
- Traditional v Non-traditional
- 1st Generation College Student v College educated parents
- Year in school – Freshman through Graduate Student
- Level of prior travel experience
- Language skills
- Gender
- Ethnicity
- Home country

This list, while not all-inclusive, does provide a starting point for designing differing programs for differing groups of students. Used in combination, it is easy to see how these variables describe vastly different students and their study abroad needs. This brings us to the 4Ls of study abroad segmentation: Length, Location, Language and Logistics. These factors are inter-twined and should be concurrently evaluated when designing student study abroad programs.

Length: What Is the Appropriate Length of the Study Abroad Offerings?

The length, and the related cost, is one criterion upon which programs may be distinguished from one another. Full-time students are more likely to have the time to spend a semester abroad but may be lacking the financial resources. Holding down a job while studying full-time adds a further barrier to a longer study abroad period. It is not just what the program may cost the student, but also the opportunity cost of foregone income. Part-time students, especially non-traditional students, may have the financial resources, but a scarcity of time limits their ability to participate in a longer study abroad opportunity. Likewise, previous travel experience may make students more willing to commit for a longer international experience. Non-traditional students and inexperienced travelers are more likely to prefer

shorter term, more structured experiences, while traditional students, especially those with prior travel experience are more likely to seek longer study abroad experiences.

Location: Where Are We Offering Programs?

Students are more likely to choose destinations that provide a level of cultural and linguistic familiarity. For many students, England might be more appealing than, say, Japan because of the more familiar culture. Perhaps a Spanish speaking country if that was a language studied in High School. This might be especially true if considering a longer time experience.

Having an expert faculty-guide on a short-term experience may encourage students to visit locations they might not otherwise consider. In addition, increasingly incoming international degree-seeking students are seeking a study abroad experience on a “3rd continent”. Today’s Chinese students, for example, often have both the desire and resources to spend some time studying in Europe as part of their US degree experience.

For a combination of reasons, both short-term and semester-long programs need to be offered in a variety of locations.

Logistics: How Much Needs to Be Pre-arranged Regarding Travel Logistics?

Prior travel experience will likely mean the student is more independent and would require less comprehensive logistical support (Carver & Byrd, 2008). Students lacking previous travel experience are more likely to prefer structured programs where all logistics are pre-arranged. Likely these programs would be shorter in duration, perhaps visiting more “seemingly familiar” locations. For such students, seeking familiarity would help reduce both cultural and language fears.

For short-term programs, perhaps greater logistical support may be needed as one offers programs that are culturally less familiar to the participating students. For semester long programs, students need to demonstrate a greater level on independence and the ability to arrange their own transportation to the host campus.

Language: What Are the Linguistic Considerations of the Study Abroad Options?

Students with certain language skills may choose destinations which match those language skills. Those who studied Spanish in high school might be more likely to find a Spanish culture a desirable location. Cultural heritage may also play a role. Ireland, for example, may be attractive because of family heritage.

The objective of the study abroad program must also be kept in mind. Is the purpose is to enhance language skills, or to visit historic sites or perhaps to gain an increased understanding of global business?

SEGMENTED STUDY ABROAD PROGRAMS

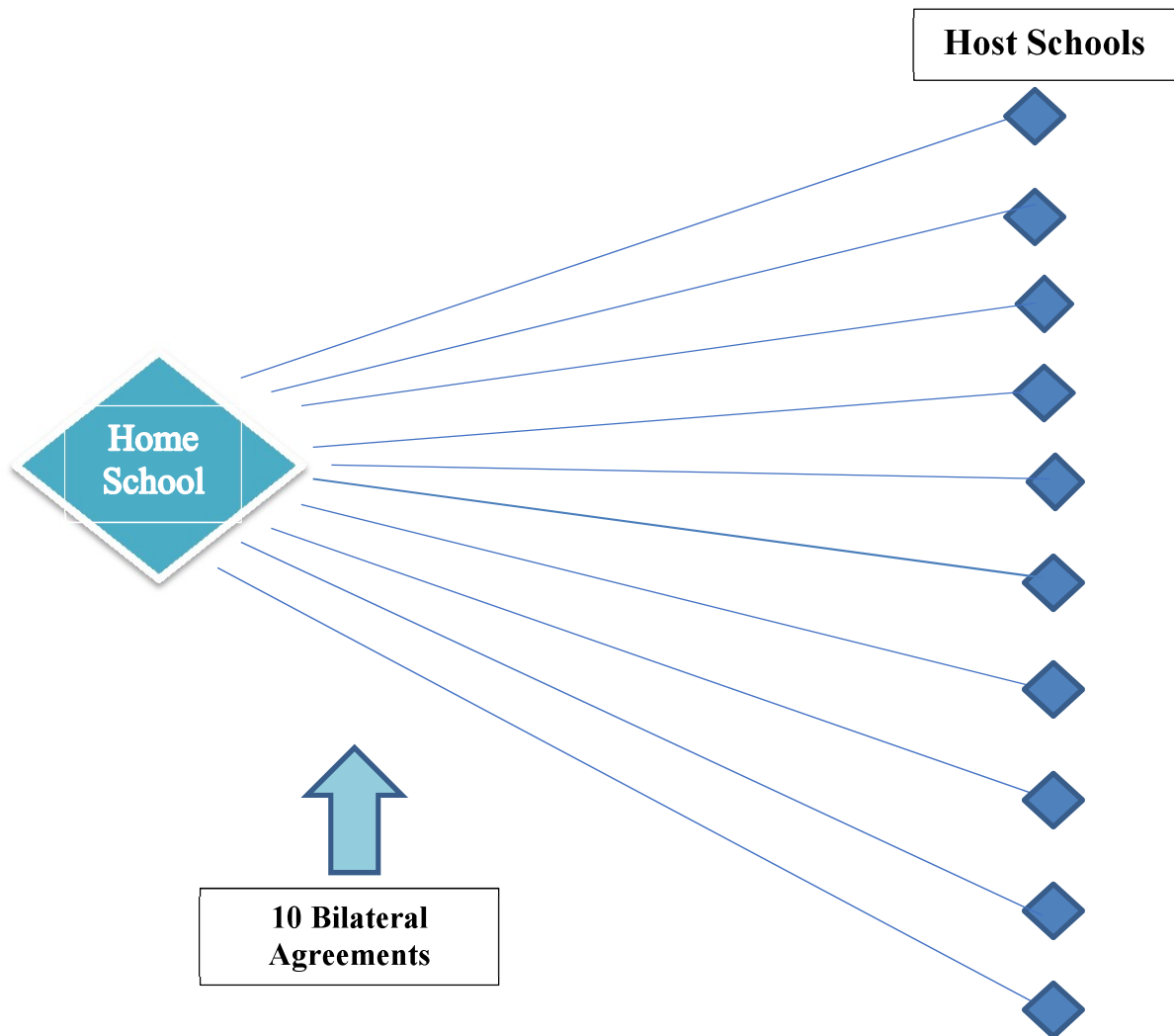
The widely existing practice of offering “one size fits all” (or perhaps a few) study abroad programs needs to be re-evaluated. Universities need to offer a portfolio of study abroad opportunities to best meet the needs of a diverse student population. Such a portfolio may be developed by keeping the 4L model in mind.

Any discussion of increasing the offerings provided by the study abroad office should begin with a caveat - the over-riding objective in most program planning should be to provide the increased opportunities while still maintaining the requisite low-cost that most student need. At most universities, student financial resources are limited. There are a number of specialty companies that offer short-term study abroad programs. Companies such as EF Tours and World Strides, for example, offer well-organized programs to a wide variety of destinations. These can be customized to the needs of the study abroad office or faculty organizer. However, their services come at a price, often one which is significantly higher than in-house organized programs. Often that extra cost limits those who can afford to participate. It would not be unusual for such customized tour providers to charge 50% more than an in-house organized program. Also, the degree to which a program can be customized is limited. One must

also consider the probability that a small group might be combined with other groups to limit the cost and achieve the economies that a “full-bus” provides. Anecdotally, the authors have heard of a small university student group being combined with a high school group. Not a particularly desirable combination.

Likewise, there are several commercial organizations which can provide a semester abroad experience for students. Unlike commercial student-exchange programs administered by the institutions themselves, where students essentially pay only their home university tuition, these programs charge very high fees for student participation. Think of it like paying out-of-state fees plus an administrative surcharge. Not only that, the home university might not collect any tuition whatsoever, nor will there be a parity student arriving from an exchange-partner university. The incoming exchange student does more than achieve parity goals, they provide an international exposure for students at the receiving university. Under such commercial programs, students pay more and the sending university gets nothing. Again, this is not meant to disparage the quality of the programs offered by commercial vendors, but merely to point out the price-penalty that students incur by participating in such programs. For prospective study abroad participants, cost remains the most cited barrier (The Magellan Exchange, Section A, 2013)

FIGURE 1
ILLUSTRATION OF 10 BI-LATERAL AGREEMENTS

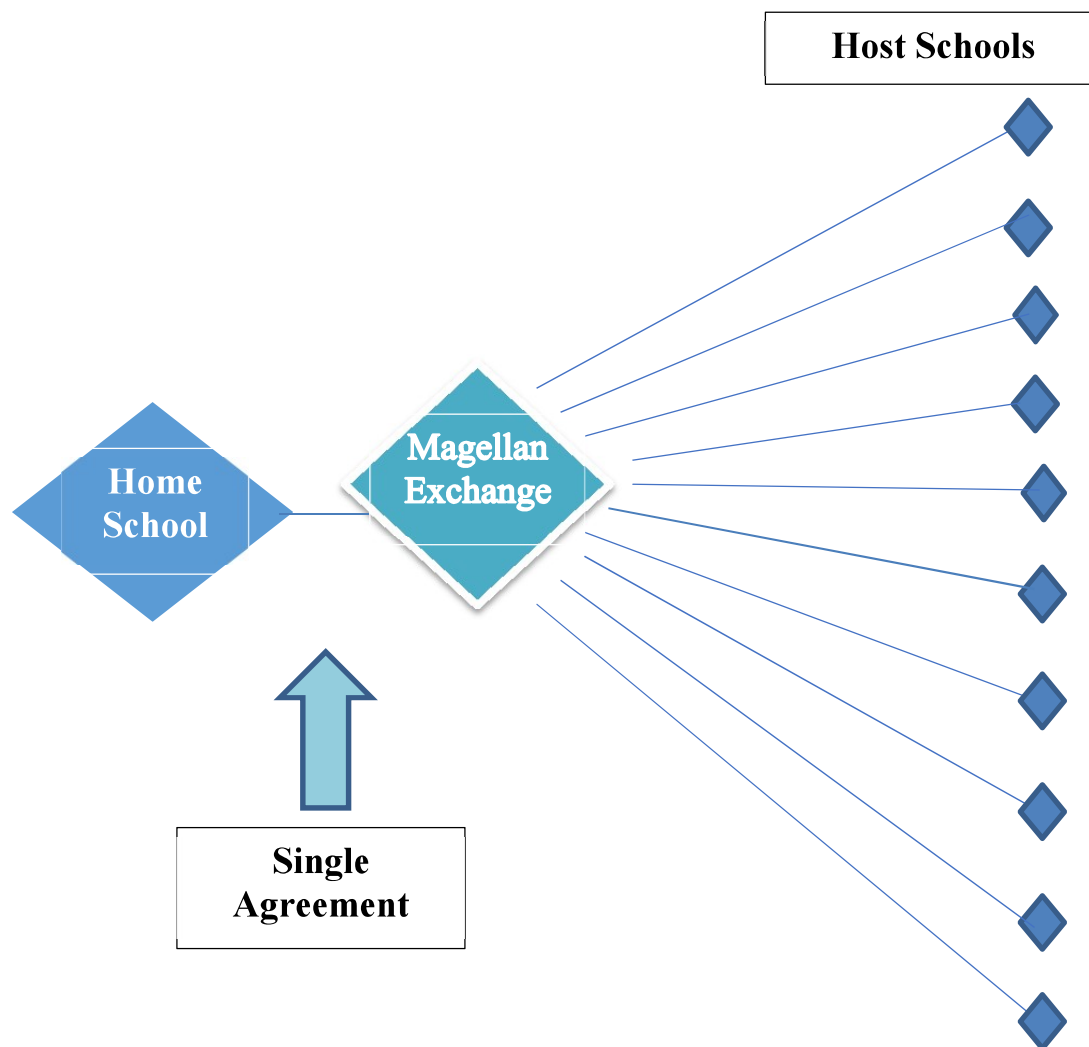


The study abroad program offerings by the university should provide a variety of experiences that will appeal to a diverse student body, a combination of short-term and semester long options. Within each option, there needs to be multiple opportunities. Traditional semester abroad offerings, based on student exchange, need to provide a number of diverse locations. Such traditional semester abroad offerings typically involve a number of bi-lateral agreements. However, establishing and maintaining a large number of bi-lateral agreements involves a lot of work, namely:

- Simultaneously maintaining parity with numerous universities.
- Keeping up to date with various available academic programs and courses, semester dates, admissions procedures, housing options, etc.
- Maintaining close relationships between home and host academic coordinators is logistically challenging.

Figure 1 Illustrates how the Home School has to manage each exchange agreement separately. Ten Partner Schools equals 10 separate agreements, with a likelihood that each agreement is in a different format from the others. This can be an administrative nightmare. Keeping updated on developments and processes at each partner school involves a considerable amount of time.

**FIGURE 2
ONE MULTI-LATERAL AGREEMENT**



However, there is a solution that can simplify the process and, simultaneously increase the number of options available to students. By building a consortium with a central clearing house, the whole process is simplified. In the example shown in Figure 2, the Magellan Exchange establishes relationships with a number of parties and develops a series of web-pages in a common format outlining the offerings of each school. The standardized format makes it much easier for students to compare institutions while the standardized initial application process simplifies the process for all parties involved. All changes in course offerings, term dates, can be updated and presented in a standardized format.

Likewise, it is possible to increase the variety of short-term offerings. These programs are typically 10 day-3 week travel type programs. The variety of such programs may be increased by partnering with another “sending” school in a convenient location. Their students participate in your programs, your students in theirs, and now students have a choice of two options instead of only one. This would help provide location and timing options for students, according to their specific preferences.

Reaching out to alumni can also provide a number of added options for short-term study abroad. Scanning the list of past students from a country you propose to visit, for example, may provide some contacts who can facilitate corporate/factory tours, provide lectures and facilities and recommend hotels, tours and the like. Even current international students may have relatives in senior positions with some company in a location to which a visit is planned.

By widening the choice of available programs, students may have a higher comfort level with the idea of studying abroad as they can now choose specific locations of greater personal appeal. While “fear” was not reported as one of the main reasons why students choose not to study abroad, according to the Magellan Exchange study (2013), it could be suggested that this factor is under-reported. Stating “finances” as the primary reason not to go abroad is a face-saving excuse, when one might be unwilling to admit it is really “fear”. By offering a greater variety of programs, the fear-factor might be reduced, thus increasing participation. Students now can choose from a portfolio of options, some of which may be seen as less fearful.

While partnering with domestic schools to increase student choice of possible outgoing programs in which to participate, working with international partner schools can provide even more options. Through membership in the Magellan Exchange, programs have been developed so that students are offered short-term study abroad opportunities which includes a classroom experience at the overseas destination. This provides not only another study abroad option for your students, it may also provide a different format for short-term programs. In such programs, students have a closer involvement with host-school students as well as exposure to host-school professors, elements which are typically missing from more traditional faculty-led short-term study abroad experiences.

THE BOTTOM LINE

By broadening the number and type of international experiences offered to students, participation rates will increase, as students may choose program alternatives that are more closely aligned with their personal objectives, situations, preferences and budgets. By offering programs of varying *Length*, different *Language* options, various *Locations* of the programs and varying levels of *Logistics* support, colleges can offer a portfolio of study abroad options to meet the varying needs of the diverse student body.

Short-term offerings can be increased by forming alliances with partner schools, both domestically and abroad. Greater choice of semester abroad program can be achieved without the administrative headaches that multiple bi-lateral agreements typically involve through consortium participation. A single agreement links a number of overseas partners through the consortium administrator, rather than trying to manage a large number of bi-lateral agreements, each with their own processes and procedures.

By offering a variety of programs with differing appeals, students are more likely to find one which most closely matches their personal preferences, thus increasing study abroad participation.

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