

Case Study: Market Entry Study into Emerging Markets

PAIN POINTS

- In 2014, SIS conducted a study for a US public university (“client”)
- The client was seeking for **opportunities to grow** and assess whether it could **profit from emerging markets** with its strong domestic brand



RESEARCH METHODOLOGY

- SIS was commissioned to conduct a **market entry analysis** –specifically focused on **China**- in order to assess the opportunity for the client to profit from a rapidly emerging student base in the country
- The following analyses were performed: Gap analysis, comparative SWOT, radar chart, best in class marketing approach
- In doing so, SIS set eight (8) **parameters** for qualitative and quantitative data: cost effectiveness, course offering, student profile, international partnerships, faculty, reputation, marketing campaigns and physical location



FINDINGS

- As a result of the research, SIS found that China offered **low market potential** for the client due to a preference of Chinese students for local institutions
- Local students that are looking to study at a foreign university **prefer to do that abroad** rather than at an extension of a US university in China
- **Only 30% of students desired to attend** China-based US universities. Of this 30%, students from international schools and “middle class” students are most likely to apply.



STRATEGIC DECISIONS MADE

- As a market entry in China would require a substantial dedication of valuable resources, SIS recommended **not to enter** the Chinese market with on its own, under its own brand
- As a result of SIS research, the client has decided not to enter the Chinese market, potentially **saving the investment** and **opportunity cost**

