

INTI UNIVERSITY COLLEGE

MASTER OF BUSINESS ADMINISTRATION

< National Identity as an antecedent to the evaluation of country-of-origin image (COI): A comparison between Malaysian and Chinese students >

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Abstract

In line with the Malaysian government's vision to promote this country as the regional hub for education in Asia, this research is done to aid the government in their quest. From past studies, it is shown that the country of origin image (COI) has an influence on the products/services produced by that country and this will in turn influence the decision by consumers to purchase. By looking into the relationship between the national identity (NI) of students and how they evaluate the country of origin image, it will enable marketers from the education industry as well as academicians to identify the underlying reason that may lead to choices made by students in deciding where to further their education. Therefore, the purpose of this research is to identify the relationship between the national identity of students and their evaluation of different countries images. It is worthwhile to address this issue as this may be the key which will act as a cue for students in choosing their preferred choice of education country. The findings from this study shows that there is indeed some relationship between the national identity of Malaysian and Chinese students and their evaluation on the image of different countries. For instance, there is a significant relationship between national heritage of Chinese students and the evaluation of US and UK image but it is not significant for the relationship between national heritage of Chinese students and their evaluation of Australia and Malaysia image. The evaluation of country image were different for the US, UK, Australia and Malaysia where the evaluation was the highest for UK, followed by US, Australia and the lowest for Malaysia. In addition, the findings also show that Chinese and Malaysian students have similar view point regarding the evaluation of COI of different countries and all of them prefer to study in UK as compare to the other three countries.

Declaration

"I hereby declare that this research project is of my own effort except for those summaries and information of which the sources are clearly specified"

25th March 2010

Lee Siew Yen

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List of Abbreviations

COI	-	Country of Origin Image
COO	-	Country of Origin
K- economy	-	Knowledge economy
NI	-	National Identity
PHEI	-	Private Higher Education Institution

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Chapter I

Introduction

1.0 Chapter Summary

The Malaysian education system is basically divided into two types which is public and private higher education industry. The context of this will be focusing on one of the private higher education institutions in this country. This chapter will begin with the overview of the Malaysian private higher education system, problem statement, research questions and research objectives, significant of this research as well as the assumptions and its limitations.

1.1 Background of Private Higher Education System in Malaysia

Private higher education industry in Malaysia has achieved remarkable growth in a short period of time since the millennium. Private higher education institution (PHEI) in Malaysia consist of universities, colleges, university colleges, overseas branch campuses, virtual universities, open universities and IT academics. Most of these institutions are link with reputable universities from other countries such as United Kingdom, United States, Australia and New Zealand.

The period of expansion for higher education begins when Malaysia government passed three educational bills in 1996 and this has significant impact on the development of PHEI. From 1998 to 2000, the enrolments in PHEI increased by 60.1% and by 20% from 2003 to 2005 (IPPTN, 2008). Meanwhile, in the eight Malaysia Plan (2000-2005), enrolments in higher education institution increased by 37.6% between 2000 to 2004 and from 2003 to 2005, the figure increased by 20% (MQA, 2008). This shows that the government has taken proactive measure to aid in the development of education in this country

Moreover, with the increasing competition and globalization of education sector, Ministry of Higher Education Malaysia decided to promote this country as a choice

education hub in this region (The Star, 2009). This vision focuses on promoting Malaysia as a centre of education excellence which will encourage and attract students from other countries to pursue their studies in this country. Neighbouring country such as Singapore has been in the lead by bringing in famous partners such as John Hopkins, Stanford University and Massachusetts Institute of Technology (MIT) (CNN, 2003). With the link with programs from overseas, they are able to draw students from the global market. The reason for doing so is in line with the country's aim to grab a bigger slice of the world education market which is estimated to worth \$2.2 trillion according to their government's report (CNN, 2003). Hence, the government of Singapore is spending millions of dollars to create their country as an education hub in Asia and with this; they will be able to transform their economy that relies heavily on trade and image (CNN, 2003). As such, this also triggers the need for Malaysia to ensure that they are not left out from the race to be a regional choice education hub.

Moreover, this country has previously relied on its low cost labour to attract foreign investor into this country. With the increasing competition from low cost labour country such as China and India, Malaysia has to come out with alternative strategy to lure international investor. Therefore, it is important for Malaysia to be an international education hub as this will lead to increase in intellectual human resource capital and thus produce world class knowledge workers in this country. By using knowledge workers as competitive advantage, this will help to attract international investors into this country. With that, Malaysia will be able to remain competitive in the global market.

According to the Higher Education Minister Datuk Mohammed Khaled Nordin, he is confident that the number of international students will continue to increase based on the growing number of international students currently studying here (The Star, 2009). It is estimated that by the year 2010, there will be 100,000 international students studying in Malaysia as compare to 50,000 students at the moment (The Financial Express, 2007). Following the gradual increase, an internationally renowned study has identified Malaysia as one of the 'emerging contenders' for international markets of foreign students (Verbik & Lasanowski, 2007). As such, the number of knowledge workers in this country will increase when foreign students

decided they should stay here and work. With increasing number of knowledge workers in this country, this will enable this country to progress into knowledge economy era which will help increase Malaysia presence in the global economy.

Malaysia government has recently linked the growth of tertiary education industry to the requirements of economic growth. With that, several complementary policy objectives have been introduced to support this strategy which is (1) to establish a world class university system; (2) to make Malaysia a regional education hub; and (3) to transform Malaysia into a knowledge-based economy (k-economy) (Daud and Sohail, 2009).

Based on table 1.1 on the number of foreign students in Malaysia in 2008, the Chinese students were the majority population of foreign students in this country with a total of 10355 students and 7970 of them are in private higher education institution (PHEI) (MOHE, 2008). Meanwhile figure 1.1 shows that the number of Chinese students enrolled in this country has fallen sharply since the year 2003 although they still remain as the largest group of international students in this country. The reason such phenomenon is mainly due to China government's action in increasing their enrolment and capacity in their higher education institution (UNESCO, 2009). Hence, there is a need to ensure that there is a proper marketing strategy to improve the enrolment of Chinese students in this country.

Table 1.1: Statistic of Foreign Student's Pass which is still active on 31st December 2008 in Malaysia (Source: MOHE, 2008)

No	Country	IPTA	IPTS	Total
1	China	2,385	7,970	10,355
2	Indonesia	3,828	6,192	10,020
3	Iran	2,998	3,247	6,245
4	Nigeria	538	5,516	6,054
5	Bangladesh	418	3,168	3,586

(IPTA : Public Universities , IPTS : Private Tertiary Education Institution)

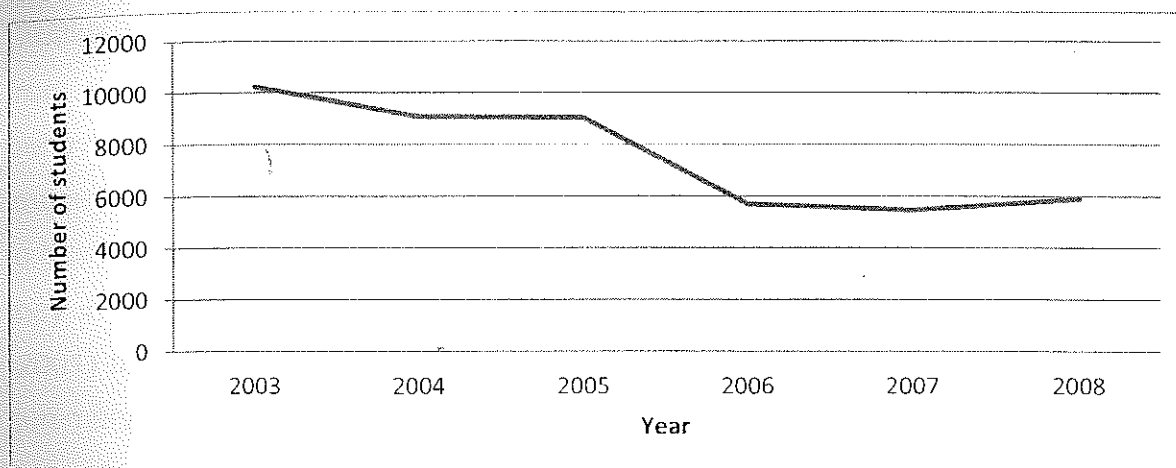


Figure 1.1 : Graph on the China students enrollment in Private Tertiary Education Institution in Malaysia from year 2003 to 2008. (Source: IPPTN, 2009)

In Malaysia, there is also a regulatory body known as Malaysian Qualification Agency (MQA) to oversee growth of higher education institution, ensure quality assurance are practiced as well as give accreditation to higher education program in this country (MQA, 2010). With the significant role of MQA in ensuring the growth of education industry in this country, this shows that government place emphasize in ensuring that the country education meets the expectation of a world class education provider. With this move, the country will be able to draw more foreign students to study in this country. Nevertheless, there is still a need to address the issue that may contribute to the growth of education industry especially in the PHEI. This study will look into the perspective of country of origin image (COI) as one of the aspects that may lead to foreign and local student decisions on their choice of private education institution in Malaysia. COI in this case is refers to the image, belief or perception that people has towards a country.

1.2 Problem Statement

With the vision of being an excellent choice education hub in this region as well as venturing into k-economy, there is a need to attract a huge number of international students into this country. There are many ways to attract international students to study in Malaysia and one of it is by understanding what they want and their view of programmes that originates from different countries which may attract them to study here. Thus, this study will be conducted on the Chinese students which is the largest number of international students studying in Malaysia.