

Determinants of Market Entry Modes Used by Universities to Expand Internationally

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Abstract : The article analyses determinants of the market entry modes used by corporate firms to expand internationally and explore whether higher education institutions uses the same determinants to decide on mode adopted to enter the market. Determinants like transaction costs, location advantage, idiosyncratic capabilities, isomorphic pressure to mimic, psychic distance, uncertainty, risks, the control over academic process, previous internationalisation experience and entry to homogenous markets are considered with regards to universities. A sample consisting of 40+ branch campuses from United Arab Emirates (UAE), host to highest number of branch campuses, is selected to study the determinants of the entry modes adopted. The aim of this article is not to prescribe or offer a solution for the best-available model of market entry that can be adopted by universities but rather to act as a trigger for a critical check up on universities planning to internationalize their offering. Determinants like idiosyncratic capabilities, isomorphic pressure and control over the academic process were found to be most prevalent. However, determinants like transaction cost efficiency, internationalisation experience, psychic distance, uncertainty and risks are not significant factors.

Keywords : higher education, UAE, internationalisation, market entry, international branch campuses

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