MBA Study Tours as Tourism Products

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Abstract

Utilizing interviews conducted with 16 administrators of MBA programs from four countries, this paper investigates the current trend of internationalization of Western and Asian MBA programs and postulates why graduate business schools are increasingly offering international study tours. Also examined are how relevant stakeholders perceive these trips and how internal and external pressures are affecting business schools as they evolve to remain solvent. This paper contemplates the MBA study tour through a tourism lens, which leads one to see these hands-on out of the classroom learning opportunities as a niche segment of educational travel, belonging to the broader category of youth tourism. Three significant findings emerged. First, primary motivations for the internationalization of MBA curriculum, faculty and student bodies. Second, how students, faculty, and administrators view study trips. Third, specific travel preferences that will assist the tourism industry in attracting these tours in the future. Also, how graduate business schools are coping with the dramatic increase in market pressures. Key factors include the immense influx of international students into MBA programs, the diversification of faculty, hyper-competition among MBA programs, growing popularity of substitute programs, the increased power of yearly global MBA rankings, student desire for more international focused programs and the commodification of MBA programs.

Keywords: MBA, Study Tours, Educational Travel, Niche Travel, Internationalization

1. Introduction

Masters of Business Administration (MBA) and Executive Masters of Business Administration (EMBA), referred to collectively herein on as MBA unless specifically denoted. MBA Study tours today range from a short non-credit bearing business culture focused trips to one to two week long credit-bearing MBA study tours to highly regarded four-week Global Immersion Programs (GIP). These short-term experiences abroad help to foster new awareness and the beginning of a deeper understanding of the complex issues of culture [1]. Top MBA schools

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operate GIP programs, which include several weeks of pre-departure lectures, classes, and seminars followed by 2-4 weeks of international closing with multiple debriefing workshops or classes and conclude with the completion of a project or paper on the experience or projects conducted while in the country. The GIP tour provides students with real-world experience to test, firsthand, the theories they learn in class [2]. There are more than 700 MBA schools in North America, over 80 in Northeast Asia (China, Japan, and Korea) and over 120 in the United Kingdom. A majority of MBA programs have an international study tour as an elective, or a required course and it is often featured as a capstone course for an MBA program or as a global business course with the foreign trip as the highlight of the course.

MBA study tours in general primarily focus on giving students firsthand exposure to a destination’s businesses and governmental agencies through company visits typically followed by a discussion by management about their industry, products, services, strategies, etc. Numerous schools are increasingly including the study tour into the price of their program fees and using the trip as a marketing tool to differentiate their program from their perceived competitors within their market. Not including the study tour in the tuition is also found to be very common and in this case, the trip is most frequently an elective with students paying for the trip out of pocket. A significant portion of EMBA students’ companies sponsor their tuition and also the international MBA study tours.

There have been a plethora of research papers that cover the internationalization of business school curriculum [3][4][5]. Also well documented is increased global student citizenship efforts by business schools [6], and the need to be more competitive globally [7][8][9]. Numerous academic papers have discussed aspects of MBA study tours [2][5][10][11], however, not as a tourism product. The MBA study tour as a tourism niche market is an important topic to research. These groups are high-value tourists who are, well educated, highly motivated, travel long distances, visit multiple destinations, stay on average one to two weeks, spend more than three times the average leisure tourist, and are focused on business educational value over price. A significant number of researchers have written about some aspect of MBA study tours, but have not viewed these visits as tourism products that tourist destinations should aggressively try to attract to their country as tourists. Another aspect of why this research is needed is to better understand the motivations for MBA programs to increasingly offer MBA study tours, students motivation to participate in study tours, the internationalization of the MBA curriculum and what are the challenges that come with integrating and integrating these trips successfully into academic business programs.

In this research paper there are three central research questions, and under each primary
research question, there are five semi-structured sub-questions that asked about variations of the fundamental research question to give a more in-depth understanding. Each interviewee was asked to describe their programs MBA study tours with tourism specific follow-up questions. The three central research questions are:

1. How do MBA students view the international educational travel opportunities offered by their universities’ graduate business school and their motivations for participating?
2. What are the motivations for graduate business school’s MBA program to internationalize their program and increase the use of study tours?
3. What are the positive and negative experiences of graduate business school’s attempts to broaden students world business knowledge and to integrate international study tours into their curriculum?

2. Literature Review

According to Symonds [12] the average age of first-year full-time (FT) MBA and part-time (PT) MBA students at North American leading MBA programs are twenty-eight, and on average these incoming M7 MBA students have four to five years of work experience. Symonds [13] defines M7 MBA schools as Harvard, MIT Sloan, Wharton, Chicago Booth, Kellogg, Columbia and Stanford GSB. The average age of both FT and PT MBA students age is under thirty years old which categorizes them in the youth traveler category. Moreover, we define educational travel as a subsection of the much larger youth traveler market. The literature review below focuses on youth trips, educational travel and the focus is on international study tours. These authors propose MBA study tours are significant segments of international travel that international destinations should be actively targeting since these travelers are well educated, affluent youth travelers who choose travel destinations based first on educational appeal, tourism infrastructure and are least concerned with travel cost.

2.1 Globalization and Internationalization of Higher Education

In Kwok and Arpan’s [14] substantial survey of American business schools, they articulated that the internationalization of American business schools curriculum and faculty was no longer a debated question since the last twenty-five years of the 20th-century American business schools have gravitated singularity towards internationalization. The debate since 2002 has been how much internationalization should be infused into business curriculum, how much
international business (IB) courses should be offered, what percentage of students and faculty should travel overseas and how should program, curriculum, research, students, and faculty should be more internationalized. Current trends in business school applications are a reflection of the economy with a significant portion of MBA applicants “flocking to one-year graduate business programs” according to a Graduate Management Admission Council (GMAC) survey [15]. The 2016 GMAC survey confirmed this trend with their survey results of 872 programs worldwide that “graduate business programs offering one-year MBAs and master’s degrees in specializations saw a marked increase in applications.” Through 16 in-depth interviews it was supported that more students are opting for cheaper, shorter duration and more specialized programs such as differentiated business masters degrees, online MBA or one year MBA programs.

Moreover, another trend is that the numbers of students applying for MBA programs are still rising. A GMAC 2014 [16] survey stated that 748 American business programs reported 292,058 applications and a GMAC 2016 [15] survey reported a total of 440,000 applications at American business schools. Some MBA interviewees made a case that even with this substantial growth at American business schools, far too few Americans, in general, are studying abroad compared to international student rates. Bellamy and Weinberg [17] argue that American university students, “Far too few U.S. students are studying abroad—about 1% by most estimates—and the numbers are skewed to wealthier students from elite colleges and universities.” The GMAC 2017 [18] survey states that “Programs in Europe, East and Southeast Asia, and India were more likely to report growth in international applicants, compared with US programs.” The 2017 GMAC survey also reveals, “The majority of US business programs received fewer applications from international candidates this year, compared with last year, except Master in Data Analytics and part-time lockstep MBA programs.” The decline in international students applying to MBA programs in 2017 in the USA according to GMAC stems from the recent political climate in the USA and turn it has helped Canadian and European MBA programs to increase their international student rates.

The MBA market, according to Jain and Stopford [19] represents a sizeable global ‘industry.’ Bruner and Iannarelli [20] concur by stating that their study revealed that there are over 13,000 institutions in the world that award business degrees, which is virtuous for capitalism, cross-border trade, and economic growth. However, only approximately 10% of these institutions are accredited meaning that the vast majority of these business schools do not meet global standards of quality. According to an AACSB 2010 study, almost half of business schools are in Asia; a third is in the Americas and approximately a fifth in Europe. This same
survey also shows that of the 593 AACSB accredited business schools worldwide 490 are in North America, 46 are in Europe and 36 in Asia. However, EQUIS certified universities worldwide number at 128, with 74 in Western Europe, 12 in North America and 17 in Asia. Also, AMBA accreditation global numbers 165 with 97 in Western Europe, 10 in Asia and 4 in North America. This data reflects that the majority of Accredited schools are in North America, then Europe and a distant third being Asia, even though Asia accounts for nearly half of business schools.

2.2 Youth Travel and Educational Tourism

According to the United Nations, World Travel Organization (UNWTO) [21] the international youth travel market was approximately USD 190 billion in 2009, and by 2014, this figure had risen to USD 286 billion in global youth travel expenditures. This massive increase in youth tourism, fueled by the growing trend of Millenials desire to travel and experience different cultures, unique foods, educational opportunities, lowered costs of international travel and tourism. According to Howe [22] in his book Millennials Rising: The next great generation Millenials were born in or after 1982 and are more numerous, more affluent and more ethnically diverse than previous generations. The UNWTO [21] similarly states that Millenial travelers were born after 1980, do not recall pre-internet life, addicted to smart-phones, probable to return to destinations traveled to later in life and are afflicted with FOBO (Fear of Being Offline). Howe [22] continues that Millenials are also unlike older generations, in that they are focused on teamwork, achievement, modesty, and ethical conduct and they surpassed peak birthrates of boomers in 1998, which will add an extra 300,000 students per year to colleges over the next decade. The increase in students is welcoming news to American universities and to all tourism destinations who wish to attract Millenial travelers.

The UNWTO estimates that 370 million youth travelers will account for 400 billion dollars in tourism spending globally by 2020 [21]. According to the UNWTO [21] youth travelers are time rich and cash poor, however, they tend to travel considerably longer than ordinary leisure travelers. The more lengthy trips result in the youth traveler spending more money, more time and consume more locally produced goods and services while in a destination. The UNWTO [21] concurred that youth travelers take longer trips and spend more than general tourists indicating that young travelers expended roughly US 2,160 on their main trip compared to nearly US 1,097 per international tourists. These figures demonstrate the potential value of youth travelers to tourist destinations. Educational tourism is a subsection of youth travel with
MBA study tours falling into this group. In a UNWTO [23] report, it stated that Millennial travelers make up 23% of inbound tourists and their top three destination needs are tasty food, friendly people, and free Wi-Fi. Lane [24] agrees by affirming that Millennials seek culture (86%) as an uppermost reason for visiting a destination trailed by enjoying local foods (69%) partying (44%) and shopping (28%) as desired activities while traveling.

2.3 International Study Tours

The practice of international educational travel opportunities helps to give students a broader and deeper understanding of the complexity of doing business in a global marketplace [14]. Educational tours also help students to apply theories that they have learned in class to practical applications to achieve a higher understanding and reinforce theoretical and practical linkages developed in the classroom [10]. Hutchings et al. continued that students who receive an internationally focused business education should be more culturally and socially aware and prepared to cope with rapid international economic, political and social change [10]. Porth [25] suggests that students should learn about other nations through immersion. Supporting learning through immersion Alon and McAllaster [26] interject that higher levels of immersion in global activities can produce a greater depth of knowledge and a more elevated cross-cultural level of competence. Alon and Higgins [27] write that leadership abilities in the 21st century are partly a function of intelligence about our global environment. Porth [25] continues by arguing that study tours have immense value because study tours expand the traditional classroom learning and provide students with more skills, such as cross-cultural understanding enabling them to obtain future employment more readily. However, as companies increasingly need global perspective employees with cross-cultural awareness and intercultural competencies, Smith et. al. [28] claim that finding experienced international staff remains difficult due to the short supply of experienced global leaders. A lack of comprehensive leaders underlines the need for MBA international study tours.

The UNWTO [23] articulates that there is a robust trend of youth travelers transitioning from leisure travel to work and study abroad, volunteer travel and language learning, which are more active and purposeful types of travel for personal and professional development. Millennials are seeking experiences outside of their countries to fulfill educational, excitement and employment needs. This theme is clear and supported by the UNWTO [23] pronouncing that the higher education market has doubled its volume for the past ten years and currently there are 4.1 million international tertiary student educational travelers. The MBA study tour
travel market is a subsection of educational travel, which is predominantly an American led market. According to Davis [29], 129,000 U.S. students studied abroad, increasing to 220,000 the Institute of International Education [30]. Hitting a record in 2015/16 with 313,415 U.S. students studying abroad [31] with over 1,000,000 international students studying in the United States which is up from 580,000 international students studying in the USA in 2007 [30]. Of the 313,415 U.S. students, studying abroad 54.5% studied in European countries [31].

3. Method

3.1 Participants

This study employed a purposive sampling of sixteen administrators of EMBA or MBA programs of varying sizes and rankings with eight being North American, four British and four Korean. There were eleven male and five female responders with eight being MBA program directors four deans of business schools and four MBA faculty study tour leaders. All responders averaged over ten years of experience in business schools with more than half having twenty plus years experience in higher business education.

3.2 Procedure

The phone or Skype video interviews were conducted with respondents on average for over one hour with the discussions lasting an average of one-hour and sixteen minutes. Researchers employed grounded theory methodology coupled with thematic coding after data collection and analysis [32][33][34]. Three central research questions were devised into a semi-structured phenomenological interview program to keep responders within the framework of this study. However, researchers allowed and encouraged diverse responses to open-ended questions and allowed responders to elaborate and digress to glean more insight and used prompts to refocus on topics covered within a discovery-focused scope. Fifteen sub-questions with slight variations were employed to ascertain the answers to the central research questions which included tourism specific questions about the MBA programs study tours. The researchers conducted the interviews over a 24 week period integrating questions on motivations of students, faculty, and administrators with regards to international educational trips and the implementation of internationalizing business school curriculum and the operation of educational visits. Researchers conducted thirteen interviews through video Skype calls, and three sessions by
telephone.

Over 100 MBA study tour itineraries from the top 200 MBA schools were analyzed to gain a deeper understanding of the tours in depth including visit duration; countries traveled to, class of hotels booked, activities engaged in and price. The recording and transcribing of all interviews were anonymized by only listing the responders' initials and age into a matrix for coding. Researchers wrote down detailed notes after each meeting. Interviews were designed to reveal core conditions with coding schemes and data peer evaluated in a debriefing process to minimize researcher bias. Only FT and PT MBA, and EMBA programs located in Canada, The United States of America, Great Britain, and Korea were contacted to participate in the study.

4. Findings & Implications

4.1 MBA Study Tours: Student's Perspectives and Motivations

In answering the research question, "How do EMBA/MBA students view the international study opportunities offered by their graduate business school?" based on the sixteen interviews there was lockstep agreement that students want internationally focused curriculum and international education opportunities as part of their MBA programs. The short international MBA study tour is the primary vehicle for international business experience with international internships and one to two semester overseas study abroad opportunities being the second and third most popular with MBA students. Interviewee consensus became evident through corresponding positive feedback from student travel questionnaires post-trip with the few negative comments frequently relating to culture shock issues when visiting different countries for the first time. Culture shock was greatest between Western and Asian cultures and vice versa. Broad agreement that students want to increase their cultural competency through universities internationalizing their curriculum and offer international educational experiences. This is evident in student comments such as, "I could not have had this kind of experience on my own" or "I learned so much about a foreign destination on an economical, political and social level in just a few weeks." Other students cited the "high-level" company visits and "special access" to foreign "high-ranking government and company speakers" as special attributes to these trips. Also stated, "we have to offer study tours because our competitors are offering them" in varying degrees and that offering international study tours is an excellent marketing tool "we promote the tours to all potential students at MBA fairs and through alumni" to attract potential MBA students with MBA ranking being number one. Several
Western and Korean respondents said that they included the trip in the cost of tuition and highly promoted the trip in the marketing literature. A Korean respondent said, “The students love the international experience and the chance to learn about other business cultures.” Students favorable view of the international travel learning opportunities is a theme echoed in the Western responses that students want to have the exposure that is more international predominantly in the East since they regard that future jobs will be in Asia or with companies who do business with Asian companies.

Korean MBA programs are primarily attended either by predominantly Korean students (taught in the Korean language) or by a mixture of nationalities in English only programs commonly titled “Global MBA” or “International MBA” programs. Twelve of the fifteen Korean graduate business schools that offer MBA degrees have both English and Korean language programs, and all of them have a partnership with a foreign University as a dual degree, joint degree or another program. Only three Korean Universities only offer an MBA solely in the Korean language without a joint or dual degree. Many Korean universities offer multiple MBA degrees with specialized concentrations with students selecting courses from the same pool of MBA classes offered with only a few classes offered in the specialty area of focus. Two of the Korean respondents stated, “We use the specialized MBA programs as a marketing tactic aimed at the Korean and Chinese student markets.” For the domestic Korean students; the specialized MBA degrees help the students to be more competitive in being promoted at their current company or to obtain new employment in a particular occupation category. Specialized MBA degrees that are common are supply chain management, merchandising, big data, etc. The majority of Korean MBA students want an overseas study opportunity through a joint MBA program with a Western university for several reasons. Most of the respondents mentioned hyper-competition in the Korean job market, educational opportunities for their children and alumni networks in Korea of the foreign university. The joint MBA programs usually offer a degree from the Korean and Western University. These dual-degree or joint MBA programs initially introduced into the Korean market in 2001 with the first joint MBA program through Sejong University and Syracuse University of New York. The Sejong Syracuse Global MBA (SSMBA) offered an MBA from Sejong University and 12-18 credits from Syracuse with the opportunity to complete the MBA at Syracuse University in one year as well as elective short-term study tours opportunities to Syracuse University for all students. The majority of Korean universities quickly followed suit in the early to mid 2000s and collaborated with Western Universities after witnessing the success of the SSMBA joint program. The brand value of the Western University partner is the most significant determinant of which joint program
Korean students choose with the alumni association of the Korean only MBA program being the most influential precursor to selecting a Korean language MBA program.

4.2 MBA Study Tours: Graduate School’s Perspectives and Motivations

In answering the research question, “What are the motivations for graduate business school’s EMBA/MBA program to internationalize their program?” based on sixteen interviews, all interviewees stated that intense competition for attracting MBA students had pushed MBA programs to update curriculum to make it more internationally focused. Another common factor was a reaction to the MBA program rankings, which has an international focus, is a requirement for a higher ranking. In Korea, the MBA programs in Seoul are focusing only on government university rankings, which require significant numbers of international students and more internationally focused curriculum. The regional MBA programs in Korea care less about the rankings since most Korean MBA students attend their university because they live near the school and their international students are not concerned about college rankings if it is a Korean national university, which is recognized by their home countries. The international student’s biggest concern at Korean MBA programs is the amount of scholarship they receive. The Western MBA programs are “obsessed with the Financial Times (FT) global MBA rankings” with several responders stating that their universities have assigned administrators specifically to focus on FT rankings and accreditation. Some administrators are skeptical of the rankings and the ranking process by the FT, with one administrator stating, “I’m not sure how accurate the rankings are, but I’m sure of the value of a higher ranking.” One administrator went as far to say,

“Personally, I think the rankings are B.S., but we have to jump through their hoops to stay competitive in our market. When they said we have to have an international study tour to receive points, so we added one. Then a few years later they said we needed two trips instead of one, so we added another. I’m not sure how beneficial it is to our ranking, but we know the students care about the rankings, so we’ve got to do it.”

The Association to Advance Collegiate Schools of Business (AACSB) is the most sought-after MBA school accreditation in North America and Korea, with the European Quality Improvement System (EQUIS) being the most prominent in Europe and The Association of MBAs (AMBA) being a highly sought accreditation by both Western and Asian programs. Only a handful of MBA programs can boast the designation of triple accreditation or triple crown accreditation by AACSB, EQUIS, and AMBA. All four of the Korean interviewees stated that it
was imperative to have the AACSB credential for their program. A Korean university administrator quipped, “We care more about the AACSB accreditation than increasing profits because without it students would not want to sign up.” A British administrator confided that “The Asian students who flood our MBA programs are obsessed with the rankings and name value of the school and the accreditations help to keep our rankings up.”

All of the responders in varying degrees stated about many pressures business schools are facing presently. Most schools cited the declining enrollment of domestic students as a chief concern. However, the increase in international students was negating this effect to varying degrees. One of the American responders stated, “we would be in serious trouble if the Asian students stopped coming” and they went on to say that, “we don’t even actively market our MBA program in Asia, but they keep coming in droves because of the alumni networks of our foreign graduates.” Several responders stated that after completing an MBA in the West, the students would go home and join an alumni association for the Western university and use this network for employment and business opportunities and social reasons.

Most responders agreed that a significant trend affecting the decline in student enrolments was because of rising tuition costs of a traditional MBA and the increased competition from non-traditional MBA programs. For example, online MBA programs accelerated MBA programs and specialized programs. Another competitor to conventional FT, PT or EMBA programs are specialized MA degrees in a business concentration, such as finance, supply chain management, management, marketing, etc. A responder stated that in their business school, “We have tremendous growth in specialized MBA programs, like for partner companies and hospitals that we make tailored programs for.” The programs included, “joint doctorate degrees in medicine with an MBA in hospital management.” Other MBA programs in Korea and the West stated that a growing trend is to work with a major company or government organization to make custom-made MBA programs focusing on classes focusing on particular business interests depending upon the industry. Other responders also mentioned that there is a “growing trend” that students “opt out of the traditional MBA programs” to obtain another “certification or qualification” that may only take up to a year to complete and cost a fraction of an MBA to advance in their career or their current company. A few North American business school Deans revealed that they had “not raised tuition rates in a few years” due to student price sensitivity and other competitive pressures the schools are facing.

In answering the research question, “What are the positive/negative experiences of graduate business school’s attempts to internationalize and to integrate international study tours into their curriculum?” it was revealed that Western and Korean MBA programs agree that their
MBA programs internationalization of faculty, student body and curriculum are an ever-growing trend. Internationalization of curriculum and the adding of international courses with travel components are a preferred way to acclimatize students to foreign economies and business cultures. There are some negative repercussions of the internationalizing of the faculty and the in particular students. Some North American white administrators, professors and students do not like the "Asian invasion.’ They feel that the quality of the programs is suffering by so many non-native English speakers attending classes with many classes having more non-native English speaking students than native English speakers. The Korean MBA responders had similar views about the acceptance of international student’s financial impact on their programs. They are not sure if the “generous scholarships” given to them is “justifiable based on a return on investment” (ROI) basis.

4.3 Western MBA Study Tours Tourism Implications

Asian students are inundating North American and British MBA programs which in some cases are making up a “disproportionate percentage” of many business classes, “especially in financial areas.” Supporting the “disproportionate percentage” when describing MBA programs in North America and Great Britain, the IEW (2016) report states that China, India, and Saudi Arabia together account for more international students than all other countries combined. Chinese students make up 31.5% of international students (328,547 students) in the USA and 165,918 Indian students in second place followed by 61,287 Saudi students. This imbalance in Asian students to native English speaking students is causing some friction between the foreign and domestic students, faculty and administrators. Several Western respondents used the term “Asian invasion” to describe the current situation at their universities, but were also quick to add, “Love them or hate them our universities would not survive without them.” Another respondent quipped, “Many older white administrators and faculty do not like that half of the faculty and students have names that they cannot pronounce” and that, “you hear more students speaking in foreign languages in class than in English.” Another repeated refrain was a rhetorical question asked by administrators, “Are program standards sinking because half of the students do not speak or write English at a native level?” There is total agreement from respondents that without the influx of Asian students their programs would suffer immensely without international students with some programs possibly failing.
4.4 Korean MBA Study Tours Implications

Korean MBA programs are also experiencing the injection of significant numbers of predominantly Chinese, Southeast Asian and “Stan” students. “Stan” students were a term that two Korean administrators coined that represent the new former Russian Republics, i.e., Uzbekistan, Kazakhstan, Turkmenistan, etc. Of the Southeast Asian students, Vietnamese and Malaysian students make up the bulk of incoming students. A chief difference between the Western and Korean MBA student populations is that the Western MBA programs view Asian students as “cash cows” who “pay out of state tuition rates without much scholarship burdens.” Some administrators demurred, which may be “diluting the quality of the MBA programs,” whereas the Korean universities view international students very differently. Korean Universities regard North American and European students as “status symbols” that show “how international their MBA programs are” and offer from “substantial” to “very generous financial aid” for them to attend. Many Western schools view Chinese, Indian and Korean students as “substantial revenue sources” who receive “little to no financial support” from the college. Korean business graduate schools see Asian students as being a “financial burden” because many schools are offering “generous sponsorships” for them to attend. However international students increase the “international standing of the MBA schools” that contribute to “higher rankings” by the Korean government’s annual university rankings.

Korean MBA programs in Seoul do not view regional MBA programs in Korea as their competition. They regard their MBA programs competition as 1) MBA programs in Seoul 2) alternative business master’s programs 3) professional certifications and 4) international MBA programs in the United States. The Seoul MBA programs are primarily concerned about university rankings to compete more with the other Seoul business schools for MBA student enrollment. Regional National Universities are not concerned about government MBA program rankings since foreign Asian student’s home countries do not care the location of a university if it is a National University. Chinese view Korean MBA programs as much higher quality than Chinese MBA programs being evident in Korean administrator interviewers stating, “Chinese agencies are asking us to accept large cohorts of Chinese students for ‘specialized MBA programs’ that have lower admissions requirements than their standard MBA programs.” A respondent also stated, “We have declined several proposals from Chinese agencies that want to send large cohorts of Chinese CEOs, upper managers or high-ranking government officials for special MBA programs made for them.” However, the respondents also said that they could not accept these cash paying large cohorts because they fear to lose their AACSB
accreditation for taking in sub-standard MBA students who cannot pass the standard entrance requirements.

4.5 Tourism Implications for Destinations

At the 10th Trilateral Culture Content Industry Forum in Tokyo, Japan, held from 28th to 30th in June 2017, the Trilateral Cooperation Secretariat (TCS), Zhang [35], proclaimed that the three nations pledged to facilitate tri-lateral culture content exchange and cooperation. The three nations' Vice Ministers signed a Joint Declaration to promote international co-production between the three countries and to support global interaction between them to encourage culture, business, and intellectual property rights. Additionally, proposed was the creation of a shared portal site and database to foster cooperation in tri-lateral culture exchanges. The China National Tourist Office (CNTO), Korea Tourism Organization (KTO) and Japan National Tourism Organization (JNTO) for trilateral cooperation in Northeast Asia would be an ideal regional alliance to attract MBA tours to one or multiple countries within the block since Asia appears as the most attractive destination for MBA programs.

Moreover, these three nations should attend as one international, regional destination block at the Executive MBA Council (EMBAC), Association of International Educators (NAFSA) and European Foundation for Management Development (EFMD), etc. conferences to attract more MBA and educational tours. Furthermore, creating, maintaining and updating a shared database of MBA and EMBA programs with faculty and administrators' contact information to directly market to about the incentives offered to visit this region is needed to increase educational tour visitations to this area of the world.

4.6 Tourism Implications for Tourism Boards

Most MBA tour leaders are faculty or program administrators, who primarily choose the countries to visit, who have limited time or experience in organizing these multi-functional study tour trips and this ease of travel to the destination created by the tourism boards would be a boon to these programs. If tourism boards make it easier for trip leaders to plan, book, and execute high-quality study tours while also offering logistical support and possible discounts or sponsorship, then they are much more likely to revisit the destination in the future. This paper is recommending that tourism boards take a proactive leadership role in attracting MBA tours to respective destinations. An active approach enticing more MBA tours
to foreign countries would be through offering familiarization trips (FAM tours) to MBA program directors, administrators and tour leader faculty to introduce their nations to this educational market segment. Multiple international destinations in a region can strategically work together to attract these visits by sharing marketing expenses through tourism marketing alliances. For FAM tours, tourism boards usually secure free airfare from a cooperating airline, free hotel rooms from a partner hotel, free ground transportation through a partnering DMC, hosted meals from hotels, local tourism boards and entrance to tourist attractions.

Regional tourism boards within a country and tourist attractions are also usually keen to host meals or similar to attract large groups to their part of the country. The use of FAM tours by tourism boards is an industry standard and should focus on applying FAM trips to this market to educate MBA administrators and faculty to destinations that might otherwise not receive these visits. As per Brennan (2007), the KTO, Hyatt Hotels, and Korean Air jointly hosted two MBA FAM tours to Korea in 2007 and 2008 with Global Tracks, a specialized educational group tour travel agency in the USA. Another incentive a tourism board could give, for example, would be similar to the KTO presenting Global Tracks an award and monetary prize. According to Brennan [36], Global Tracks won a tourism award for the North American Market for the Best Tourism Package, which paid a USD 10,000 prize and granted an exclusive advertising budget of USD 15,000 to market Korea as an emerging tourism product to MBA programs in North America. The KTO also joined [36] Joann Chaney and Global Tracks at the EMBA Conference (www.emba.org), held in Toronto, Canada in 2007. The KTO co-sponsored a Korea event Desserts & Night Caps with Global Tracks, which took place in the late evening after one of the EMBAC dinner functions as part of marketing efforts to successfully attract more MBA tours to Korea.

Additionally, tourism boards can provide inexpensive symbolic gestures, such as large travel banners for the MBA tours for photo opportunities in addition to offer necessary tourist information (maps, brochures, guidebooks, and digital media), as well as offer destination presentations by local branch offices by tourism board officials. Tourism boards also have a plethora of relationships with hotels, airlines, DMCs, DMOs, corporations, government agencies, and travel agencies. The tourism boards could also work with local trade organizations, government agencies, chambers of commerce, stock markets, government-owned corporations, etc. Company site-inspections would be the high interest to study tours including visiting and receiving presentations about the above organizations and businesses.

4.7 Tourism Implications: Hotels, Airlines, & Travel Agencies
MBA Study Tours as Tourism Products

One of the biggest winners of travel entities will be five-star, four-star and three-star hotels since MBA tours tend to book directly with hotels and the majority of EMBA tours stay at five-star and four-star hotels, with a significant number of MBA tours staying at five-star hotels with a similar amount staying at three-star hotels. Hotels can increase their profit margins by offering value-added services (VAS) with some group discounts. Work directly with MBA groups would enable hoteliers to improve their margins on bookings vastly and still provide more VAS, such as, free of charge (FOC) rooms to tour leaders, meeting room use, airport pick-up/drop-off and in hotel restaurant promotions. These VAS are a significantly better alternative to paying substantial commission’s to discount booking websites. MBA tours often need a meeting space for conducting joint classes with domestic MBA programs, hosting receptions, guest speaker presentations, and lecture. Hotels can also offer free Wi-Fi, room upgrades, and other worthwhile services. Many respondents indicated that price was the least considered criteria when choosing a destination and that the quality of the company visits and tourist attractions were the most important in country selection.

Airlines will also benefit from marketing to MBA study tour programs because most MBA tours book directly as a group. EMBA group tours mostly book international flights on an individual basis because most EMBA students are middle to upper management. EMBA students are on average significantly more financially more well-off, want to fly business class or use their mileage programs to book their flights or request upgrades. Travel agencies will benefit by marketing to MBA tour leaders because most respondents stated that the tour leaders tend to call a local travel agency to make their travel arrangements or called an educational travel specialist agency that is familiar with working with educational based travel. Travel agencies can also collaborate closely with tourism boards to obtain more referrals and also to request help in setting up company visits, hosting meals or cultural events.

5. Conclusion

The data obtained through the sixteen interviews conducted gave detailed insight into the MBA study tour both from a student’s perspective, business school perspective and as a tourism product. First, it emerged that students seek out international study tour opportunities because of the value placed on these business educational travel experiences where students may receive firsthand, hands-on knowledge about destinations that they may never have had the prospect to do so in such a well-structured, well-organized learning rich environment. All respondents said in lock-step that their students loved the international travel opportunities
provided by their business schools to better assist them in broadening their cultural awareness and giving them the chance to have a deeper insight into other cultures and their business environment. Students believe that these tours will help them in the future because of the continuing globalization of international commerce and possible employment advantages they may have after gaining a stronger view into other economies.

Second, it became apparent that MBA programs in both Western countries and Korea are facing growing pressures from many fronts that are making it more difficult for business schools to be profitable. Students are looking for cheaper alternatives to traditional MBA programs as well as shorter courses or alternative programs to substitute an MBA degree if it is beneficial to them. Business schools are persistently forced to follow the criteria of MBA Global rankings instead of what may be better for students. Respondents mentioned several instances that they modified their MBA program because the FT updated their scoring criteria for the year’s rankings. An example would be when one administrator said that they added the international MBA study tour because the FT now required that they needed a trip to receive points, then they increased the trips to two times per year because the FT revised the minimum tours to two. Another factor experienced by all responding MBA programs was the effects of the increases in international students to the student body with the specific and adverse consequences associated with this influx of international students and how graduate schools are coping with the changing demographics.

Third, the implications garnered from these interviews made it plainly evident that MBA study tours are the most efficient way for MBA programs to inject international experience into their curricula making their applications more global in perspective. Most MBA schools interviewed stated that becoming more worldwide was part of their graduate business school’s vision and that internationalization of the curriculum is what their students desire. Another valuable consequence of increasing the use of international study tours is the increased cultural quotient (CQ) of the school’s student body and faculty. The exposure to foreign companies, global business culture, and destination tourism assets are helping to raise significant awareness of new cultures that will have a lasting effect on business school graduates. These trips will also benefit students in a more global economy and globally-focused multinational companies who are looking to hire employees with experience abroad.

Last, MBA study tours should be a target market for all tourism industry participants including tourism boards, hotels, travel agencies, tour operators and DMCs. According to the United Nations, World Tourism Organization (UNWTO) in 2013 the average tourist spent on average USD 1,097 per international trip [21]. MBA tours are a high-value tourism niche
market with study visits on average ranging from USD 3,000 to USD 5,000, not including international airfare or tuition costs. It is evident that MBA educational tourists are a market segment that foreign destinations should actively court to their countries.

References


