Launching new educational provision in China

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Abstract

Services are dominant entity in the global economy nowadays. Previous research has largely concentrated on new physical product launch. This research study generalizes and extends the current new product launch literature review by focusing on new service launch. Rather than focus primarily on a developed market, this project focuses on an international market. Thus, this research study addresses the research question: What are the successful strategic and tactical launch decisions for the launch of new educational provision in China?

The research identifies the successful service launch strategies and understanding the nature of a proficient service launch strategy in the international market. To expand the previous research heavily focused on financial services that are standardized and mass-produced, an in-depth study of new service launch in complicated services featuring a high degree of complexity and customization was conducted. This study integrates empirical data with theoretical concepts from various disciplines (e.g., services marketing, new service development, international services and education marketing) to encourage a new perspective to the research of new international service launch for an improved understanding of launching new educational provision in China. The study uses a multiple case research strategy where empirical data was collected in three transnational higher education institutions (TEIs). Challenging extant research that has focused on a manager’s perspective, this current research focuses on the dual perspectives of TEIs and students, to gain a more comprehensive understanding of the complicated phenomenon of launching new educational provision in China.

In a practical sense, it provides greater insight into understanding what contributes to successful international service launch and in effect, attaining the goal of improving launch success rates by allowing foreign institutions interested in launching new educational provision in China to refine their launch decisions for new TNE offerings. Any reader wishing to understand more about the workings of the TNE marketplace in China, the management practices and managerial directions therein would benefit from this detailed research project.

Contents

List of Abbreviations

The literature reviews

NPL: New product launch

NPD: New product development

NSD: New service development

NPP: New product performance

PLC: Product life cycle

TNE: Transnational education

HE: Higher education

TEIs: Transnational higher education institutions

WOM: Word-of-Mouth

Types of joint institutions and projects

CFCRs: Chinese-Foreign Cooperation in Running Schools

SA: Strategic alliances

JV: Joint venture

SC: Secondary college

JI: Joint institution

The research methods

QUAN: Quantitative

QUAL: Qualitative

TA: Thematic analysis

IVs: Independent variables

DV: Dependent variable

EFA: Exploratory factor analysis

The official organizations

MoE: Ministry of Education

CSCSE: Chinese Service Centre for Scholarly Exchange

SQA: Scottish Qualifications Authority

QAA: The Quality Assurance Agency for Higher Education

GAAD: German Academic Exchange Centre

ACQUIN: Accreditation, Certification and Quality Assurance Institute

The UK qualification

HND: Higher National Diploma

Key Terms and Concepts

In the research, the following key terms and concepts are frequently used (UNESCO, 2006; Huang, 2007, p. 421 - p.432):

Internationalization of higher education:
Typically, it is defined as “the process of integrating an international, intercultural, and global dimension into the purpose, functions (teaching, research, service) and delivery of higher education.”

Cross-border education:
It is defined as the movement of people, knowledge, programs, providers and curriculum across national or regional jurisdictional borders. Cross-border education is a subset of “internationalization of higher education” can be an element in the development cooperation projects, academic exchange programs and commercial initiatives. **The term is often used interchangeably with “transnational education”, “offshore education” and “borderless education”**.

Transnational education (TNE) in Asia:
TNE denotes “any education or training at higher education level provided beyond national or regional borders through mobility of people, program or institution. *TNE inevitably involves cross-border movement of programs, information, materials, and/or staff, different forms can be found in individual countries and areas in Asia*.

Transnational education (TNE) in China:
In China, the term TNE in China refers specifically to the joint operation of higher education institutions with foreign partners and collaborative delivery of educational programs. It covers two aspects: incoming foreign programs that are provided jointly by Chinese universities and foreign partners in Chinese universities and outgoing programs offered by Chinese universities in other countries.

Two types of transnational programs in China:

Non-degree-conferring programs (or *non-qualification education programs*) and *degree programs* (or *qualification education programs*) leading to degrees of foreign universities or universities of Hong Kong.

Trade of education services:

Cross-border education initiatives that are *commercial in nature* and are *usually intended to be for profit*. A term primarily used by *the trade sector*.

Declaration

I hereby declare that no part of the material presented has previously been submitted for a degree in this or in any other university. I further declare that this thesis is solely based on my research.

Statement of Copyright

Acknowledgements

I did not make this journey alone. I would like to thank those who made this thesis possible.

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Love is patient, love is kind. It does not envy, it does not boast, it is not proud. It does not dishonour others, it is not self-seeking, it is not easily angered, it keeps no record of wrongs. Love does not delight in evil but rejoices with the truth. It always protects, always trusts, always hopes, always perseveres. (1 Corinthians 13:4-7)

Chapter 1
Introduction to the research study

1.0 Introduction

The interconnected global economy, characterized by the burgeoning pace of technological advancements, shorter product life cycles, greater customer sophistication, the demand for more personalized and customized service and the entry of emerging markets into the global economy, have revolutionized the competitive landscape. In today's global market, competitive advantage is increasingly predicated on product innovation and launch for survival and growth. Notably, a successful new product launch (NPL) is one of the key determinants of new product performance (NPP); against this backdrop, several studies have consistently demonstrated that effective market launch initiatives greatly improve the overall chances of new product success (Storey, Cankurtaran, Papastathopoulous, & Hultink, 2016; Henard & Szymanski, 2001; Hultink, Hart, Robben, & Griffin, 2000).

There are several revelatory examples narrating the cautionary tale that the failure rate for NPL remains high nowadays (see Table 1.1). Even international launches for famous companies do not necessarily guarantee success and they cannot hope to survive on their past glory alone, with the one key contributing factor to new product failure (Castellion & Markham, 2013; Frattini et al., 2013). Research shows that the launch entails the greatest risk and is the most expensive stage in the final NPD process, requiring the maximum amount of commitment in terms of time, money and managerial resources (Urban & Hauser, 1993).

Table 1.1

Typical examples of new product failure rate

Source	**Illustrative Quote**
Crawford, 1977, p. 51-61	"New product failure rate is **around 35%**."
Schneider and Hall, 2011, p.21	"We look at more than **70 top products** in the Most Memorable New Product Launch survey (which we help conduct) for the years 2002 through 2008. **A dozen of them** are already off the market."
Castellion and Markham, 2013, p. 978	"These studies found the failure rate to be **42%** for the period 1985 – 1989, **40%** for 1995, and **46%** for the period 2003 – 2004." "The 2004 Best Practices Study by the PDMA found differences in failure rates between industries, ranges from **35%** for health care to **49%** for fast – moving consumer goods."
Simester, 2016, p. 33	"A recent study of **almost 9,000** new products that achieved broad distribution at a national retailer revealed that just **40%** of them were still sold three years later."
Kocina, 2017, para.1	• "According to Harvard Business School professor Clayton Christensen, each year **more than 30,000** new consumer products are launched and **80%** of them fail. • **30,000** new consumer products are launched annually, **95%** of them fail. • The failure rate for new products launched in the **grocery** sector is **70 to 80 percent**, according to Inez Blackburn of the University of Toronto. • Ask anyone what percentage of new products fail. The usual answer is somewhere **between 70-90 percent**. • It's a bit scary to hear the Nielsen statistic that more than **85% of new CPG products fail**. • **95%** of new products introduced each year fail. • **Up to 80%** of new product launches in the consumer-packaged goods (CPG) industry fail."
O'Cass and Wetzels, 2018, p. 676	• "Service innovation is **just as prone to failure as** product innovation."

Source: Author, compiled from different sources

Despite its undeniable importance, the role of the new service launch is absent in the literature pertaining to product launch. Recent literature on NPD has addressed the importance of service innovation in the contemporary global economy (Page & Schirr, 2008; Papastathopoulou & Hultink, 2012; Biemans et al., 2016; Storey et al., 2016; O'Cass & Wetzels, 2018), dominating the gross domestic products (GDP) in developed economies and representing a central driver of wider economic growth and innovation (The Economist, 2019; Carlborg, Kinstrom, & Kowalkkowski, 2014; Gallouj, 2002). Although the findings of these studies provide valuable information about the existing state of service innovation, research focused on improving the understanding of successful new service launch has remained somewhat limited. One reason for this is that international product launches are quite nebulous and indefinitely intricate in addition to being rather diverse (Calantone & Griffith, 2007). Especially for intangible service launches, the international introduction of services is riskier for a service company than for a manufacturer of goods (Carman & Langeard, 1980); They are harder to trade than goods (The Economist, 2019). This is primarily attributed to the fact that a service company must take greater control of its service in comparison with goods, and people are part of the service experience in most services, due to its distinctive nature of services (Storey et al., 2016; O'Cass & Wetzels, 2018). Thus, effective new service launch strategy has become a pressing issue and correspondingly, become a topic of significant interest for study.

In this research, Chapter 1 provides an introduction to the research study. It aims to discuss the background of the scope of the thesis. This chapter comprises of six parts: 1) research gaps; 2) research objectives; 3) China in the context of the transnational education (TNE) market; 4) research approach; 5) contributions; and 6) the structure of the thesis.

1.1 Research gaps

Examination of the extant literature reveals several shortcomings that have limited our understanding of NPL:

First, many NPL studies have largely concentrated on new physical products as opposed to new intangible services. Despite its importance in the NSD process, new service launch has received much less attention. This raises a question about whether the results from new physical product launch can be applicable to new service launch. It would be a worthwhile endeavour to identify the successful launch strategies for new service launches.

Second, much of previous empirical research about NSD has been skewed in favour of the financial industry (e.g., Johne & Storey, 1998; Avlonitis & Papastathopoulou, 2000; Biemans, Griffin, & Moenaert, 2016). Little consideration has been given to the heterogeneous nature of services. For instance, the financial services are explicit services that are standardized and mass-produced. However, tacit services are experiential in services nature and delivered by interpersonal interactions. As a result, even lesser research has been done to evaluate the successful launch strategies of other tacit services (e.g., new TNE services).

Third, methodologically, previous research has focused primarily on survey to collect cross-sectional data from single informants (Biemans et al., 2016). Specifically, prior research has often focused on launch strategies that are targeted at the managers in the companies. However, the perspective that launch strategies are also directed at external audiences such as customers has been less emphasized. Essentially, customer acceptance of new products is vital to the success of market launch (Kuester, Homburg & Hess, 2012). As Simester (2016) said, “Many innovative new products don’t succeed in the marketplace. One common reason: companies don’t focus enough on understanding how customers evaluate products and make purchase decisions” (p. 33). Indeed, the findings that focus on a one-sided approach are not a credible enough reason to direct new service launch success.

Finally, studies of product launch are conducted in developed markets and only a few of them are carried out in emerging markets (Lee et al., 2011). For example, services are a dominant entity in the global economy nowadays (Kuszmarski & Mandolia, 2013). Yet, most research studies on service launch have been conducted in a broad range of developed countries (Papastathopoulou & Hultink, 2012) and focus on a single country (Lee et al., 2011). Therefore, it has provided only limited insights into international service launch as well as into the management direction of successful service launches in the international market (e.g., China).

Table 1.2 presents illustrative quotes supporting the aforementioned research gaps. An extended discussion on the research gaps in new service launch is presented in Chapter 2: Section 2.5.

Table 1.2

Illustrative quotes: why study new TNE service launch?

Source	Illustrative Quote	Research Needs
Hultink, Griffin, Hart & Robben, 1997, p. 256	"The research remains to be done to **determine how moving from business-to-business to consumer markets, physical goods to services and other geographies effects** the reported here."	➢ Need for studying new service launch (theory development)
Hultink, Hart, Robben & Griffin, 1999, p. 171	"The data relate to physical consumer products only, thereby **limiting their applicability to consumer or indeed, business–to–business services**."	
Ottenbacher & Gnoth, 2005, p. 205	"Despite the crucial importance of being innovative and developing new services, **knowledge about how to achieve success in innovation seems to be limited**."	
Storey & Hull, 2010, p. 140	"NSD remains among **the least studied** and understood topics in **both the service management** … **and the innovation literature**."	
Barczak, 2012, p. 355	"**What are the successful launch strategies for services** and goods/service hybrids?"	
Kuester et al. 2013, p. 384	"Although researcher has shown growing interest in NSD issues, this area is **still underutilized**."	
Carlbor, Kindstrom, & Kowalkowski, 2014, p. 373	"With this view, innovation studies focus on product (e.g. goods) and process (e.g. production systems) innovation (e.g. Utterback & Abernathy, 1975), **largely ignoring service innovation and its inherent opportunities**."	
Biemans, Griffin & Moenaert, 2016, p.382-p. 383	"The innovative literature is **strongly biased toward products**; so, what about services?" "The NSD domain **remains underdeveloped** and that much additional research is needed."	
O'Cass & Wetzels, 2018, p. 674 - p. 675	"Although the academic literature on innovation **initially focus on products (referring to goods)** and production processes**, the past 30 years have witnessed considerable attention for service innovation**." "…innovation in services in many respects **still lags behind product innovation** in scholarly research. This is especially in respect to **the systematic development of theory of service innovation.** The reason for this lag might be	

	because of the distinctive and idiosyncratic nature of services and service innovation." "The landscape of services and the increasing speed of changes in the service domain **have created ever-increasing opportunities for service innovation**." "Service innovation **is becoming a constant refrain** in **the concluding sections of published research in top tier journals**."	
Alexiev, Janssen, & den Hertog, 2018, p. 684	"This current research **adds to the relatively few innovation studies carried out in service contexts**; **existing research is dominated by studies of manufacturing** and R&D-intensive organizations."	
Storey & Hull, 2010, p. 140 – p. 141	"It is widely recognized that **all services are not the same**… However, **to date, there has been little attempt to investigate differences in development approaches among types of services**."	➢ Need to study shifts from financial services to other services (e.g., the TNE services)
Storey et al. 2016, p. 529	"There is evidence to suggest that **the heterogeneity between the types of services** may be as great as the differences between services and products."	
Biemans et al., 2016, p. 394	"NSD research **strongly favours the financial services context** and studies that focus on **other service industries typically neglect** to investigate the impact of the specific industry context on the NSD process."	
Jaakkola and Hallin, 2018, p. 281	"The previous empirical research on NSD has **created an unbalanced view** on the organization of NSD, **due to the heavy focus on large companies offering relatively standardized, product-like services**, **most notably financial services** where a more formal approach is typically used."	
Hultink, Griffin, Robben & Hart, 1998, p. 282	"… some of these currently-unspecified decisions **depend upon and vary across context**. **Additional within-context and context-controlled research may be instrumental in helping to identify the next set of contextually-specific decision details**." "…because decision sets are **extremely sensitive to environmental or competitive context**, suggesting that launch strategy research should be done **in a much narrower context**."	➢ Need to understand how the specific service context that impacts

Biemans et al., 2016, p.387 & p. 395	"**Another still-neglected area is the role and impact of industry context**." **"NSD theory will benefit from a better understanding of the service context and how this impacts the NSD process."**	launch decisions, due to the heterogeneity of service sectors
Page & Schirr, 2008, p. 244 – p. 245	"The eclectic mix of levels of analysis and core knowledge areas brought to bear on the study of new product development is an asset to the field and **insures that it is studied from different perspectives**." "Effort must be also made to **employ multiple sources** when collecting data and to test for interactions and moderators between variables."	➢ Need to use the different research methods to study new service launches, barring the cross-sectional survey (to expand the methodological approach)
Papastathopulou & Hultink, 2012, p. 713	"So far, NSD has been mainly examined through cross-sectional data. However, **relying only on such data decreases the researchers' ability to investigate causal relationships**."	
Biemans et al., 2016, p. 395	"The NSD domain would **benefit** from a shift in research approached from the ubiquitous quantitative, large-sample surveys to **more exploratory, fine-grained qualitative research approaches, such as in-depth cases research**, action research, ethnographic research, and participant observation, preferably using a longitudinal perspective."	
Calantone & Griffith, 2007, p. 414	"**Although the complexity and importance of global product launch** have increased tremendously over the last few decades, research focused to provide **managerial direction** has been **somewhat limited**."	➢ Need to study new service launch in the international markets
Lee, Lin, Wong, & Calantone, 2011, p. 105	"Although prior research findings continue to add knowledge about the principles of effective new product launch, **many studies are conducted in developed markets** and **few in emerging markets**. Yet **most of the launch strategy studies focus on a single country** (i.e., the domestic market) …."	
Subramaniam, 2015, p. 5	"**In the last decade, emerging markets have become a significant feature of the world economy**. … Given the increased importance emerging markets play for firms as well as their resulting inherent appeal to academicians, **it is not surprising that research on innovation in the context of emerging markets has captured more and more attention in recent years**."	

Source: Author, compiled from the literature review

1.2 Research objectives

The aim of this research is to identify the key factors that the managers must pay attention to when introducing new services to an intensity of competition in a leading emerging market – more specifically, the transnational education (TNE) market in China. The objective is to attain a more comprehensive understanding of effective TNE service launches and to provide managers with guidelines for successful launch strategies of new TNE offerings across China. Specifically, the following research questions are explored during the course of this study: What are the successful launch strategies for the launch of new educational provision in China? There are two sub-questions underpinning this question:

- What are the successful strategic launch decisions for the launch of new educational provision in China?

- What are the successful tactical launch decisions for the launch of new educational provision in China?

Noted that strategic launch decisions define the boundaries of the managerial decisions, encompassing product strategy, market strategy, competitive strategy, and firm strategy; tactical launch decisions involve marketing mix decisions, often organised around the 4Ps framework.

In order to accomplish the objectives, this study attempts to review the relevant literature, refine the framework of Hultink, Griffin, Hart, & Robben (1997) so as to obtain a more comprehensive understanding of new service launch strategies in the specific context based on current theory derived from different disciplines, and combine it with multiple data from different perspectives to identify the successful launch strategies for TNE services in China.

1.3 China in the context of the TNE market

To participate for potential disturbances arising from a heterogeneous industry, this investigation is based on one sector: the transnational education (TNE) industry in China, since a large number of new TNE programs have been introduced in the country and the TNE sector is under intensifying competition. In contrast to other industries, the TNE industry in China is still dominated by local players and controlled tightly by the Chinese government. Given that the new TNE service offerings – a new development that incorporates its unique feature that is jointly run by a Chinese university and a foreign university, every joint program and institution can be regarded as "new entries or additions into existing markets", representing the complexity of launch situations. As Corstjens and Lal (2012) said: "Success abroad varies widely, and it's often tough to boost profits by investing overseas. Because most studies look at cross-industry patterns to draw lessons about how to succeed at globalisation, they can be misleading" (p. 104).

In addition, China provides a unique context for exploring the successful launch of new TNE provisions, thereby reflecting the most complex launch activities. The economic globalization is a major force to have resulted in the dramatic increase of TNE programs and institutions across China. The emphasis on drawing high-quality educational resources to China reflects its importance for the Chinese government rather than the number of international institutions. An extended discussion on TNE industry in China is presented in Chapter 3.

1.4 Research approach

This research study is designed to use a multiple case study research strategy within a critical realism paradigm. The multiple case study approach appears suitable to probe the complicated phenomenon of launching new educational provision (Yin, 2009). It is also a powerful means in theory building because it allows replication and extension of theory within the set of cases (Yin, 2009). The case research design complements the extant research that has been criticized for mainly relying on quantitative, large-sample surveys and single-informant studies with a narrow focus (Biemans et al., 2016; Page and Schirr, 2008): case research uses the different research methods to collect rich data capturing multiple perspectives on the complicated phenomenon of launching new educational provision (Bruce, Daly, and Kahn, 2007; Jaakkola and Hallin, 2018).

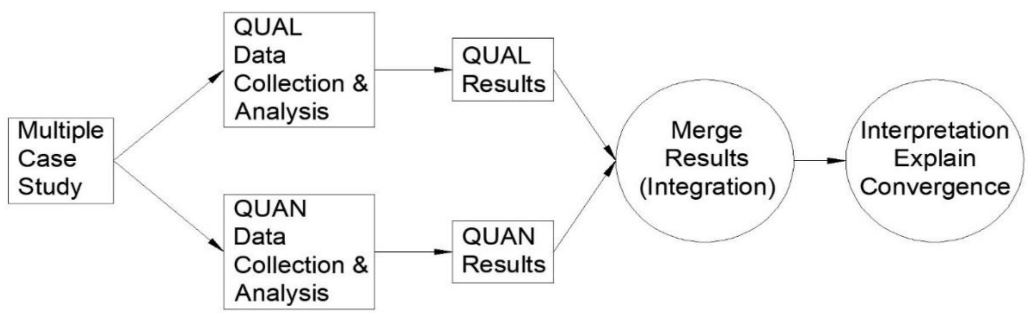
The empirical context for the research was defined so that it would complement current research that strongly favours the financial services that feature the standardized and mass-produced services (e.g., Biemans et al., 2016). To reveal the heterogeneity between the types of services, TNE services were selected as TNE services feature a high degree of complexity, risk, customization and interpersonal contact. TEIs rely strongly on student-contact staff to deliver services and provide a customized service or solution to their potential students. They present the “tacit services,” as they are highly intangible, heterogeneous, people-dominated, interpersonal, and experiential by nature (see Chapter 2: section 2.2.2 B). TNE services also represent an important sector in China as they are considered drivers for the demands of economic globalization, the knowledge-driven economy and the WTO (Tang and Nollent, 2007; Huang, 2003). Another important driving force of TNE in China is to respond to the diverse needs of consumers (British Council, 2012).

In this study, three selective cases are related to research questions. Multiple data collection methods (e.g., in-depth interviews, documentation and questionnaire) are used for data collection, so as to corroborate the same phenomenon. In carrying out a data analysis, qualitative data analysis and quantitative data are analysed separately, based on the concurrent triangulation.

Interpretation is a critical element of the data analysis process. To reach a sensible interpretation, the findings from qualitative and quantitative data analysis are integrated, compared with the prior literature. Triangulation gives consistent results and attempts to pinpoint the value of the phenomenon of launching new educational provision with greater accuracy (Brewer & Hunter, 2006).

Put succinctly, the research strategy of multiple case study within a critical realism paradigm best enables the researcher to probe empirical phenomena, replicate and extend the empirical theory; therefore, this approach is selected as the appropriate research strategy for the current study. Figure 1a summarizes this study's research approach.

Figure 1a. Critical realism, multiple case study
convergent parallel design (concurrent triangulation)



Source: Author

1.5 Cases Background

Case Study One: The Secondary College (SC)

Case one refers to the secondary college (SC) in the Chinese partner university. It was established in 2004 in Shanghai and one of the pioneers in the country to initiate international education. The Chinese partner university is a "Project 211," which is one of the top-ranked research universities in the nation. It is well-recognized across China in the fields of Finance and Economic Management. SC introduced the Scottish Qualification–Higher National Diploma (SQA-HND) program in Shanghai in 2004. This program was introduced by the Ministries of Education of both the UK and China in 2003. SC has launched two majors of the SQA-HND program: international accounting and international finance. The pattern of delivery of such program in SC usually offers a "3+1" and "2+2" model. All coursework is submitted in English. The SQA-HND is a non-qualification education program. Thus far, SC has cooperated with international partner universities in more than eight countries. After more than ten years of operation, SC has been awarded as "the best strategic partner in East China by CSCSE (Chinese Service Centre for Scholarly Exchange)". Currently, there are more than 1,000 full-time undergraduates studying at SC.

Case Study Two: The Joint Program (JP)

The partnership of the joint program between the Chinese partner university and the German partner university began in 2003 in Shanghai to deliver a four-year dual undergraduate degree programme. The Chinese partner university is a "Project 211". JP is a qualification education program that has been approved by MoE (the Ministry of Education) to award dual degrees. The joint program was centred on the joint delivery of bachelor's degree courses in Chemical Engineering and Technology (Environmental Engineering) and Electrical Engineering and Automation (Information Technology). Both courses were delivered in English, with the first year being the exception. While the instruction of language is English, the German language is provided for the students as the second foreign language (Document: Prospect). JP has provided a flexible delivery pattern of the program – "2.5+1.5" or "4+1" model. After operating for more than twelve years, this successful model has been highly praised both by the Chinese government and the German government (Document: University Brochure). Currently, there are about 800 full-time undergraduates studying at JP.

Case Study Three: The Joint Institution (JI)

JI is an independent Sino-Foreign cooperative university, jointly established by one of the UK's largest research-intensive universities and a leading university (both Project 211 and Project 985) in China in 2006. As a new and the largest joint venture international university in China, JI has integrated the essence of both prestigious parent universities and hence has been approved by the MoE in China with independent legal person status (Document: University Brochure). During more than ten years' development, the university has offered a range of programmes from undergraduate degree programmes to postgraduate degree programs.

JI is a qualification education program that can be allowed to award dual degrees. Students in JI can freely select the pattern of "2+2 model or "4+X" model. Teaching and materials are administered in English. Since JI is a pioneering independent university, the school was awarded the titles of "Model Sino-Foreign University" and "Pioneer of Higher Education Reform in China" (Document: the school's website). JI is located close to Shanghai. Currently, there are more than 10,000 full-time students at JP. As an independent university, JI is an open campus with a spacious and advanced modern ambience (Document: Prospectus).

Table 1.3 below summarised the above points.

Table 1.3. Three Cases Background

Features	SC	JP	JI
The main TNE models	A secondary college	A joint program	A Joint institution
Local partner university	Project 211	Project 211	Project 211 and Project 985
Legal attribute	Non-independent	Non-independent	Independent
The types of TNE programmes	Non-qualification education programme: Non-degree programs	Qualification education programme: Degree-awarding programs	Qualification education programme: Degree-awarding programs
The instruction of language	English	English	English
Degree granting	Foreign degree	Dual degrees	Dual degrees
Program duration	More than 12 years	More than 12 years	More than 10 years
The cooperative partners in the world	Cooperating with international universities in UK, USA, Australia, and New Zealand	Cooperating with the German University	Cooperating with the British university
Credentials awarded	The best strategic partner in East China by CSCSE	A typical model of Sino-foreign joint study program in Shanghai; The program was highly praised by DAAD in German and MoE in China	Model Sino-Foreign Chinese partner university and Pioneer of HE Reform in China
Flexible study routes	“2+2” or “3+1” model	“2.5+1.5” or “4+1”	“2+2” or “4+X” model
Major fields	International Finance and Accounting	Environment Engineering; Electrical Engineering and Automation	Six programs including management, science, engineering and language programs
The total of student populations	More than 1,000	About 800	More than 10,000
Campus	Out of campus	In campus	Independent foreign university campus
Location	Shanghai	Shanghai	Near Shanghai

Sources: Author, complied various based on background data collected during interviews, the websites and other documents

1.6 Intended research contribution

As noted in section 1.1 (see Table 1.2), rather than focus primarily on a new physical product launch, this research project focuses on new service launch. Rather than focus primarily on the financial services, this project focuses on the TNE services. Rather than focus primarily on a cross-sectional survey from single respondents, this project focuses on multiple case study from multiple informants. Rather than focus primarily on the manager's perspective, this project focuses on both the TEI's perspective and student's perspective. Rather than focus primarily on a developed market, this project focuses on an international market. In doing so, this research seeks to make the following contributions.

First, in theoretical terms, this study contributes to the NPL literature by identifying the successful service launch strategies and understanding the nature of a proficient service launch strategy. It focuses on new service launch within NPL – an area has been deemed important but not received any empirical attention. In doing so, it *generalizes and extends* the current NPL literature review by focusing on new service launch as opposed to the heretofore focus on new physical product launches mentioned within the NPL literature.

Second, the study contributes *conceptually* towards the replication in theory development by introducing new concepts and extending the framework of the NPL strategy so as to explain this important phenomenon of the TNE services (but previously unexplained empirical generalization) and improve our understanding of this phenomena, by adding new dimensions to the extant literature on product launch as well. Studying service contexts featuring a high degree of complexity and customization in terms of the heterogeneity of service sectors is therefore pivotal to complement the previous research and to allow a better understanding of the impact of the service context on launch success.

Third, methodologically, the research has collected the data from both the perspectives of TEIs and students. One perspective can be triangulated with the other to corroborate the findings across these two diverse viewpoints and synthesise the findings to identify the successful launch strategies for the launch of new educational provisions in China. Such an attempt is *generalized and extended* in trying to gain a more comprehensive understanding of the research phenomenon of launching new educational provision in China emerging from diverse perspectives. To convey a more elaborate understanding about launching new educational provision in China, in addition, this research has moved from the large-sample surveys to multiple in-depth case research.

Finally, from a *managerial* perspective, it would provide greater insight into understanding what contributes to successful international service launch and in effect, attaining the goal of improving launch success rates by allowing foreign institutions interested in launching new educational provision in China to refine their launch decisions for new TNE offerings. This assumes importance because foreign institutions can accomplish this goal better when the complexity of new TNE service launch reduces in the international market. Nevertheless, any reader wishing to understand more about the workings of the TNE marketplace in China, the management practices and managerial directions therein would benefit from this detailed research project.

In summation, the present study contributes to a richer conceptual understanding of new service launch in the international market via studying a full set of strategic and tactical launch decisions. Altogether, importing multiple case research could help to make both a theoretical contribution by helping us see an existing issue of international service launch from a new perspective and provide managerial direction of successful service launches in the international market; a methodological contribution by data collection from both the perspectives of TEIs and students.

1.7 The structure of the thesis

To achieve the research objectives outlined earlier, this thesis comprises of eight chapters. Each chapter is summarised as follows:

Chapter One introduces the current chapter, discusses the background and the scope of the thesis in its aims and objectives, summarizes the adopted research approach, so as to achieve the aim and objectives, and unfolds the contributions. It also serves as a “route map” to guide the reader through the remainder of the thesis, which is organized and presented as follows.

Chapter Two reviews the four major kinds of literature on NPL, service marketing, NSD, and international education marketing in a systematic way before identifying future research. The main purpose of this chapter is to set the study of NPL within its wider context, understand what has already been done in this domain, service marketing, NSD and international education marketing literature that the researcher wants to study and identify the key issues, and to show the reader how the research project can contribute to the work that has already been done on the topic of launching new service provisions in China.

Chapter Three briefly analyses the TNE industry in China, the industry issues and trends pertaining to new TNE service launch.

Chapter Four provides a synthesised view based on the discussion in the preceding literature review. This chapter concludes by proposing a conceptual framework for the study.

Chapter Five presents the research methodology in terms of the research strategy – a multiple-case study, design, and execution. This chapter will give the reader sufficient information to make an estimate of the reliability and validity of the chosen research methods, whilst also touching upon the trustworthiness of the research findings.

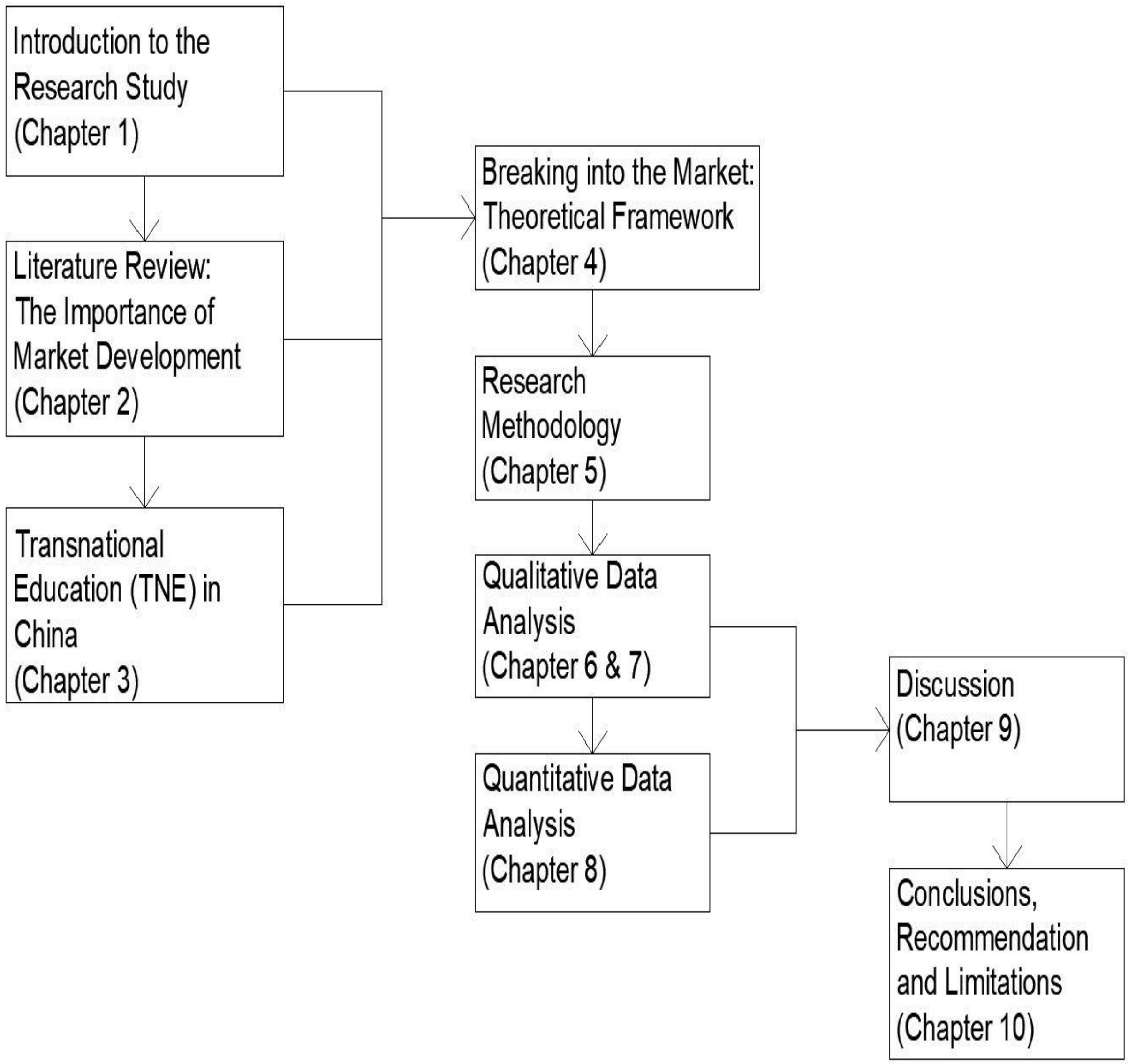
Chapters Six and Seven present qualitative data analysis approaches. These two chapters would analyse qualitative data via thematic analysis, with data being classified and categorized.

Chapter Eight presents the quantitative data analysis approaches– survey research. The chapter aims to statistically analyse via the standard regression analysis, in order to explore the relationships between a dependent variable and independent variables.

Chapter Nine aims to conclude the research endeavour by presenting and discussing the overall study. Both quantitative and qualitative results will be jointly discussed in the discussion section of the thesis. Subsequently, the researcher links these research results to the existing literature of NPL to improve the generality of the current study. Finally, theoretical and managerial implications, limitations of the study and directions for future research are presented at the end of Chapter Ten.

Figure 1c provides a road map to future chapters of this thesis.

Figure 1c


Introduction to the Research Study (Chapter 1)
Literature Review: The Importance of Market Development (Chapter 2)
Transnational Education (TNE) in China (Chapter 3)
Breaking into the Market: Theoretical Framework (Chapter 4)
Research Methodology (Chapter 5)
Qualitative Data Analysis (Chapter 6 & 7)
Quantitative Data Analysis (Chapter 8)
Discussion (Chapter 9)
Conclusions, Recommendation and Limitations (Chapter 10)

Chapter 2
Literature review

2.0 Introduction

Recent decades have witnessed an acceleration in the burgeoning pace of technological advancements, shorter product life cycles, the demand for more personalized and customized services, and intensified global competition, which has compelled firms to increasingly rely on new products for survival and growth. Such innovation is not just a strategic option but a necessity (Craig & Hart, 1992; Evanschitzky et al., 2012). The primary objective of innovation is to develop new products or services for profit maximization since profitability remains an utmost objective of any companies, irrespective of the products or services in which it deals or the markets in which it operates (Baker, 2006). He goes one step further and argues that to maintain and improve profitability, the main focus should be new product development (NPD).

Moreover, in an intense global competition environment, companies must make continuous improvements in their products and processes to stay at the forefront. For example, Apple has become the world’s technology giant by delivering on its promise “think different” with its product innovation to capture customer imagination and loyalty. In 2018, Apple has won race and become the first trillion-dollar company in the world by launching a sustaining innovation to match the 11-year-old iPhone and other Apple’s services such as the APP store, iCloud and Music (Financial Times, 2018). As Bertolini, Duncan, and Waldeck (2015) said, “No business survives over the long term without reinventing itself” (p. 90).

Since the 1990s, a rich body of literature has been focused on the formal NPD and particularly the key success factors (KSFs) in new product performance (NPP). One of the issues identified in the NPD literature is that of the new product launch, the final stage of NPD, which has consistently appeared as one of the KSFs in new product success (Montaya-Weiss & Calantone, 1994; Avlonitis & Papastathopoulou, 2000; Henard & Szymanski, 2001; Evanschitzky et al., 2012).

Moreover, nothing has received more attention than the continuous NPD and the successful market introduction of new products that are the key drivers of companies' sustainable success (Marion et al., 2014; Kuester et al., 2012; Ernst, 2002; Urban & Hauser, 1993). Yet, new product development (NPD) carries its own advantages and risks. The issues concerning risks are due to the high failure rates of new products (Castellion & Markham, 2013).

Crawford (1987, p.21) defines product failure rate as "a new product does not come into existence until it is successfully established in the market place, that is, until the product is doing whatever the management expected it to do" (see Table 1.1 in Chapter 1). That means, if a new product introduction in the market does not meet the commercial objectives of the company, the new product launch will be a failure. Generally, the product failure rate is as high as around 35% (Crawford, 1987) and the 2004 Best Practices Study by the PDMA find differences in failure rates between industries, ranges from 35% for health care to 49% for fast-moving consumer goods (Castellion & Markham, 2013). Obviously, the success rate figure varies from study to study and from industry to industry. Thus, given the importance of this phase, it is a critical event for any firms to reinforce marketing into the launch stage in today's fiercely competitive environment.

However, in the NPD literature, we have laid a lot of emphasis on early steps in NPD stage and neglected the last stage known as launch or commercialization (Baker & Hart, 2007). Levitt (1960) in his classic and defining article "Marketing Myopia" pointed out that many companies and industries are largely "product-oriented". This purported link is also supported by research on the NPD process, which has indicated that, in a very real sense, much greater emphasis will be placed upon production orientation rather than market orientation (Baker & Hart, 2007; Castellion and Marham, 2013).

More specifically, the market launch strategy is critical to NPP. Both Urban and Hauser (1993) and Cooper and Kleinschmidt (1988) have already highlighted that product launch itself normally requires the largest commitment of resources (time, money and managerial input) and is the riskiest and costly stage in the NPD process (Choffray & Lilien, 1986; Crawford & Di Benedetto, 2003; Roberts & Candi, 2014). Therefore, if a company improves the marketing support for new product introductions, higher sales goals and profitability can be achieved.

The rest of this chapter is in three parts:

1) The new product launch (NPL) literature review;
2) A critical review on services marketing, new service development and the TNE services;
3) Research gaps.

2.1 The new product launch (NPL) literature review

The main goal of this section was to demonstrate the progress in the NPL research knowledge and understand the accumulation of the NPL research knowledge through time. The NPL literature can be divided into two main stages: divergence and diversification (or variation) to illustrate its progress, according to the literature review of NPL. The former represents the beginning of a NPL branch (from before the 1980s–1996) whereas the latter represents diversification of NPL researcher (after 1997), which we shall also discuss separately.

I. Divergence

The early writing on NPL referred to the concept more often known as entry strategy than a product launch, perhaps reflecting a prevalent view at the time that early market entry can yield pioneer competitive advantages that affect profitability. The construct ‘entry strategy’ takes different forms (see Table 2.1) during this divergence stage of literature: market launch, market entry, launch strategy or product launch. Certainly, no clear line has yet been drawn between entry strategy and product launch. Thus, this lack of conformance in operationalizing ‘entry strategy’ has resulted in the interchangeable use of the constructs ‘entry strategy’ and ‘launch strategy’.

This may seem to be a trivial point, but this has led to inconsistency in the components of “entry strategy” or “launch strategy” (see Table 2.1). It seems clear that these ‘entry strategy’ studies generally have restricted aspects of entry strategy: timing of entry, marketing expenditure, and pricing. These studies always involve the timing of the entry into a new market, regardless of product innovation. Yet, even empirical research in new product launch is limited at this stage. The impact of the launch strategies on new product performance has been investigated empirically only by a small number of researchers (i.e., Montoya-Weiss & Calantone, 1994; Hultink & Schoormans, 1995). Thus, to some extent, market entry studies are about pioneering entry strategy literature.

More surprisingly, there is no consistency of the components of an entry strategy in this phase. As shown in Table 2.2, most studies tend to focus on a few elements that constitute an entry strategy. For example, much of the past studies primarily focus on the types of marketing mix elements associated with a successful entry. Furthermore, many have emphasized empirical results rather than making conceptual advances in new product launch research. Its limitations suggest that there may be more factors that determine product launch success. That is, more causes make a better explanation of market success. The timing of entry is only one of the factors for new product success in the product launch literature. There is not, however, a general agreement on the decisions of a launch strategy in the NPD literature. With regard to the fragmentary nature of the research, the definition of a product launch is very vague. How do we define and constitute the product launch strategy? There is no clear, systematic articulation of this concept and not enough empirical studies have been conducted to guide launch decision-making.

Indeed, Hultink and Schoormans (1995) were driven to contend that “little agreement exists about the content of a launch strategy and about the individual and combined effects of its constituent parts on new product success” (p. 229). Thus, studies still need to consider more complete sets of elements for new product launch decision making.

This lack of consistency has impeded progress for researchers in building conceptual contributions to the product launch literature and has made it especially difficult for them to demonstrate the importance of the impact of the NPL within the NPD literature and consequently on practice. At this stage, the definition of new product launch was still rather vague. Without conceptualizing a new construct, we not only limit our views on the empirical world of new product launch but study the same construct of “entry strategy” and overlap its components again and again.

Undoubtedly, the research shows that the NPL literature is emerging gradually and there is a very important point of difference between NPL and market entry; namely, the new product launch literature is triggered by some new product development contextual stimulus. The next phase, however, saw a progression of a different kind, explained below.

Table 2.1. Construct used in the early NPL literature

Construct	Study
Timing of entry	1, 6, 7, 9, 11,15,
Order of market entry	3, 18
Order of entry	6, 11, 14
Entry timing	7
Market pioneers/pioneering	3, 6, 7, 11, 14, 18, 19
Early market entry	7
Entry marketing strategy/ strategic market entry	7
Entry strategy	1, 6, 9, 14, 15, 19
Market introduction strategy	1, 2
A product launch	5, 13
New product launch	17
Product entry strategy	15
New product launch (timing)	2, 12
Market launch	2, 8, 12, 14
Market entry strategy	4
Launch strategy	4, 8, 16
Prelaunch activities	5
New product launch strategies	8
The marketing launch strategy	8
Launch tactics	17
Speed to market	12
Entry	20, 21, 22

Some studies used more than one construct

Key studies:

1. Choffray & Lilien (1984)
2. Yoon & Lilien (1985)
3. Robison & Fornell (1985)
4. Choffray & Lilien (1986)
5. Wind and Mahajan (1987)
6. Lambkin (1988)
7. Ryans (1988)
8. Easingwood & Beard (1989)
9. Green & Ryans (1990)
10. Gatignon, Weitz & Bansal (1990)
11. Lambkin (1992)
12. Montoya-Weiss& Calantone (1994)
13. Saunders & Jobber (1994)
14. Ali, Krapfel & Labahn (1995)
15. Green, Barclay, and Ryans (1995)
16. Hultink & Schoormans (1995)
17. Beard & Easingwood (1996)
18. Robinson (1988)
19. Robinson (1990)
20. Biggadike (1979)
21. Hine (1957)
22. Heflebower (1954)

Table 2.2

The components of market entry and product launch	**Study**
Strategic Differences: 1) Product design and development 2) Target market selection 3) Marketing strategy 4) Pricing strategies 5) Timing of entry 6) Overall corporate strategy 7) Project objective Market introduction strategy - Success or failure - Initial marketing mix - Evaluation criteria	1
Market pioneer - Relative consumer information - Relative marketing mix - Relative direct costs	2
Entry strategy/Order of entry - The breadth of the product line - The depth & breadth of its market distribution - The size of its production capacity relative to the market	3
Entry marketing strategy/Strategic market entry - The degree of product differentiation - Product adaptation	4
Launch strategies - Positioning the product - Cooperation with other producers - Reducing the risk of adoption: the target market - Win market support: reputation, endorsement	5
Entry strategy in terms of marketing effort /brand introduction strategy - The relative product quality - The relative level of the marketing mix	7
Order of entry (pioneer new market) - Economies of scale - Product differentiation - Proprietary knowledge	8
Market launch - Proficiency of market-related activities	9
A product launch - Coordinate the price and promotion (e.g., slow/rapid penetration; slow/rapid skim)	10
Entry strategy - Marketing mix: o Product advantage o Relative promotional effort	11

○ Relative price ○ Market pioneering	
Entry strategy - Timing of entry - Magnitude of investment - Competitive emphasis	6, 12
Tactical launch decision - Pricing strategy - Product assortment strategy - Promotion strategy - Competitive advantage	13
22 Launch tactics - Market preparation tactics - Targeting tactics - Positioning tactics - Attack tactics	14
Market pioneering - Switching costs - Relative marketing mix - Relative costs	15
Entry strategy - Market pioneer - Relative product line breadth - Relative marketing expenditures - Relative price	16
Entry strategy - Posture (degree of relative innovation, the degree of relative forward and backward integration, production entry scale) - Marketing mix (price cutter, improved quality, product line, segment, improved services, distribution innovator plus price-quality combinations	17
Entry strategies - Open new marketing channels - Extend geographical areas served - A specialized, high-priced product or mass market - Low-priced product	18
Entry strategies - Market segmentation - Product improvement - Improved services	19

Key studies:

1. Choffray & Lilien (1984)
2. Robison & Fornell (1985)
3. Lambkin (1988)
4. Ryans (1988)
5. Easingwood & Beard (1989)
6. Green & Ryans (1990)
7. Gatignon, Weitz & Bansal (1990)
8. Lambkin (1992)
9. Montoya-Weiss& Calantone (1994)
10. Saunders & Jobber (1994)
11. Ali, Krapfel & Labahn (1995)
12. Green, Barclay, and Ryans (1995)
13. Hultink & Schoormans (1995)
14. Beard & Easingwood (1996)
15. Robinson (1988)
16. Robinson (1990)
17. Biggadike (1979)
18. Hine (1957)
19. Heflebower (1954)

II. Diversification

If empirical studies conducted to guide launch decision making were relatively scant in the first stage, the stage of diversification marked significant growth in attempts to formalize or, more accurately, state what launch strategies mean or how to operationalize this construct. Like evolutionary change, research on this stage is characterized as “infinitely complex, diversified and close-fitting” through the study of the interactions among different variables to product success in the NPL literature and take a variety of forms under different situations, which contribute to adaption in the evolution of NPL. This process of diversification has seen the rapid development of product launch empirical studies that followed up the framework of the impact of launch decisions on new product performance in 1997. Thus, this diversification phase can be forked into different main streams to increase sophistication in the NPL research as follows:

a) The tipping point in 1997
b) Generalist
c) Specialist
d) The increased integration of previous different theories
e) Multidimensional performances of new products
f) The methodological approach
g) Different contexts

1) The tipping point in 1997

An important research milestone that was published by *the Journal of Product Innovation Management* in July 1997 was by Hultink, Griffin, Hart, and Robben. The term *the tipping point* refers to “the biography of an idea” (Gladwell, 2013). This empirical research ignites the literature of a new product launch, broadens the research area of product launch and goes back to focus from market entry to generic launch strategy (strategic and tactical product launch decisions). Much of the work in the market entry before 1997 is relevant to product launch, but product launch researchers have been slow to embrace this theoretical perspective. In the article of 1997, they have integrated diverse topics within product launch studies and connected this field with market entry studies, suggesting fruitful new directions for a new product launch.

It might conclude that the NPL literature has not been independently created but has been derived from other literature. This article also plays an important role as a connector in creating and spreading the idea and message of the development of product launch literature. In addition, the article promotes conceptual advances that can occur in the knowledge development of the NPL literature for several reasons.

First, conceptual development concerning the constructs in the NPL literature is significant to this research area. Hultink et al. (1997) have converted launch strategies from being vague into having a well-defined meaning. Also, important different components of launch decisions, for conceptualization, definition, and measurement of launch strategies are still underdeveloped in the first stage. After reviewing the new product launch literature and market entry literature, during the divergence stage (before 1997), they have found that earlier studies have not drawn a distinction between strategic and tactical launch decisions. Broadly perceived, a launch strategy can be defined as “those decisions and activities necessary to present a product to its target market and begin to generate income from sales of the new product” (p. 245). Nevertheless, they can help a researcher categorize new product situations, increase understanding of this particular phenomenon and decide what to do.

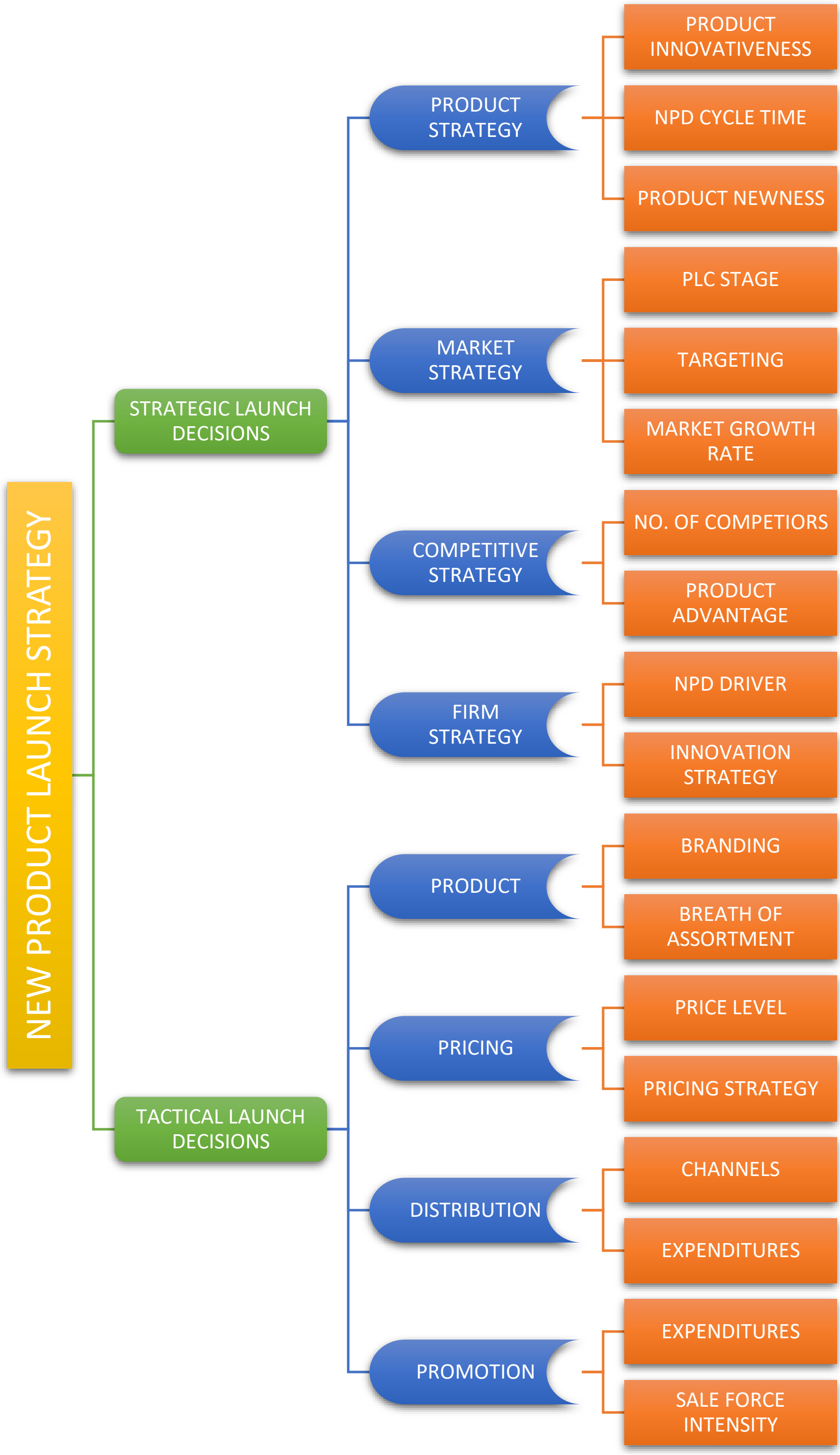
As a result, Hultink et al. (1997) have set a clear and definable boundary of launch strategies through this definition. The launch decisions require a combination of strategic and tactical launch decisions. As they put it: “Higher performance is not created by just one aspect of the marketing mix. It is achieved by making appropriate decisions across multiple launch variables which must be mutually reinforcing to product success” (p. 247). At a macro level, the strategic launch decisions have an impact on the introduction of new products into new markets. More specifically, the term launch strategies will be related to the main issues such as where to launch (the target market), what to launch (the level of product innovation), why and when to launch (the launch timing). Thus, the strategic launch decisions encompass product strategy, market strategy, and competitive strategy (positioning), from the marketing perspectives. The tactical launch decisions represent the detailed "how" to launch. The decisions normally involve marketing mix decisions (see Figure 2a in detail). These NPL constructs play a crucial role in "knowledge representation", "perspective taking", and "knowledge sharing" in the NPL literature, reflecting the basic concepts of advancement in product launch knowledge.

Second, knowledge advancement of NPL literature occurs by conceptualizing their relationships/theories. For instance, a simplified and practical version of a more complete analytical framework of how launch decisions impact product performances have been developed and it can serve as a foundation for further research in product launches. The framework represents a multi-theoretical approach for studying new product launch: market entry theory, strategic marketing management theory, NPD theory, and corporate management theory. This framework has synthesized across the literature suggesting that launch strategies in the NPD process are important to produce entry success. The paradigm also permits researchers to create new determinants of NPP and illustrates how launch strategies impact NPP.

In addition, the classical framework has created a connecting point that links corporate strategy and business unit market strategy, as corporate strategy refers to the strategy of a firm instead of business unit market strategy (Biggadike, 1979). Therefore, conceptual advances concerning the NPL theories can help clarify the launch decisions in the "objective reality"; help refine our understanding of the phenomenon of a new product launch by understanding a number of determining launch factors which make desired performances possible; understand what fosters better prediction of the product performances that matter to managers. It is critical to knowledge progress of the NPL that theory revision and verification avoids "saturation".

Figure 2a.

Impact of launch decisions on new product performance



Source: Hultink et al., 1997

Third, conceptual advances contribute to the NPL knowledge development by articulating procedures for implementing launch strategies and tactics, often with the goal of problem-solving to simplify the complicated launch phenomenon. Such a procedure is a theory based on explicit key launch factors affecting market launch success. Much past research, in the first period, focused largely on strategic and tactical decisions in isolation. Alternatively, this study of Hultink et al. (1997) that concentrates on the interaction between strategies and tactical launch decisions has been recognized and identified as internally consistent. There has been no single study that tries to gain a more comprehensive understanding of launch decisions by studying them and their empirical results simultaneously to emphasize that “the importance of launch consistency” between strategic and tactical launch decisions are closely knit to produce success.

Nevertheless, the results of Hultink et al. (1997) have confirmed marketing theory and conventional wisdom that the strategic launch decisions made at an early stage of development, impact which of the tactical launch decision are most likely to maximize profitability. The latter decisions are easier to modify activities in the product life cycle than the former decisions. Therefore, such procedures specify a new product launch procedure.

Finally, new product launches have become one of the marketing studies domains (or research areas), as the study of Hultink et al. (1997) has been contributed to opening new and unexplored study area to us. The strengths of the theory could be characterized by its richness (enrich the literature review of product launch strategy; generate new determinants) and its creativity (specification of the different variables of launch decisions, combinations of them and of different kinds of literature).

In terms of richness, most of the previous studies have concentrated on a few performance measures such as financial and market performances. In this study, they have introduced the richer specification of NPP such as customer-determined and technical performance to provide a better insight on which launch decisions impact which dimension of NPP. As for its creativity, the details of the anatomy of a launch strategy have been defined and it is linked to market entry studies. For example, the domain of the “new product launch” mainly focuses on strategic marketing activities and on new product introduction. However, the domain of “entry studies” is larger, encompassing all entrants including new or existing products into a market.

Furthermore, due to the limited previous literature review, with regard to the research methods, Hultink et al. (1997) have used field interviews with managers and the existing literature to explore the definitions of what a launch strategy is and then used a quantitative method to test simultaneous links between various sets of tactical to strategic launches and their relationships with NPP. In sum, the present study is an essential stepping stone to promote a broader understanding of the launch strategies in the product launch literature.

The strengths also represent, however, the potential weaknesses. First, the possibility of generalizing these relationships remains an open question. The study of Hultink et al. (1997) is limited generalizability to the industrial context. This literature does not provide empirical evidence of such relationships being important to product launches in different contexts such as services and consumers. Second, they have to select the domestic market (e.g., UK) rather than the international market. These two specific contexts – market selection and product type – limit the possible of generalizing both the associations across decision-making levels and performance relationships to launch strategies. Third, this study of Hultink et al. (1997) focuses exclusively on investigating the interaction between general launch strategies and NPP instead of the NPP impact of specific launch decisions and other factors that affect new launch success.

It should be noted that, following the work of Hultink et al. (1997), there is a growing literature that has demonstrated the contribution of identifying the impact of different typologies of launch decisions on the NPP, in an effort to illustrate the nature of launch decisions. Nevertheless, this work has advanced marketing knowledge in the new and significant area: New Product Launch.

2) Generalist

Generalist approaches take a broad, comprehensive approach to investigate the determinants of launch success. The NPL literature has its fixed and definite characters: the framework of the impact of launch decisions on NPP. Most of the empirical and conceptual studies of NPL can be classified into two broad categories of launch decision: strategic and tactical launch decisions (e.g., Hultink et al., 1997; 1998; 1999a; 1999b). As noted earlier, strategic decisions define the boundaries of managerial decisions, encompassing product strategy, market strategy, competitive strategy, and firm strategy. Tactical decisions involve marketing mix decisions, often organised around the 4Ps framework. These two broad dimensions of launch strategies have provided a useful starting point: the integrated framework is used to explore the associations between these launch decisions and NPP. Many researchers have adopted such a broad approach based on their specification of constructs and frameworks to study performance-related issues (e.g., Guiltinan, 1999; Di Benedetto, 1999; Trim & Pan, 2005; Lee et al., 2011) and their prevalence has made an important contribution to the gradual acceptance of classifying launch decisions, stimulated many later studies and improved the possibility of generalizing it.

3) Specialist

Specialist pays attention to specific launch factors in depth. Specific launch decisions are more variable than generic launch strategies because specific launch decisions developed are highly variable, variability in important variables (characters) in particular. There are two typical characteristics of specialist as follows in the diversification stage:

The first typical characteristics is that individual studies of the same research topic vary in the NPL literature. Take competitive reactions to a new product launch for example. Kuester, Hombur, and Robertson (1999) show that a company knows its own norms of reaction, specifying market defence strategies that are used against a threatening environment. They found that product newness triggers competitive retaliation behaviour, which affects new market entry. Shankar (1999) found that new product introduction is strongly influenced by incumbent reaction strategies. Hultink and Langerak (2002) focused on the strength and speed of competitive reaction to market signals. Debruyne et al. (2002) and Sun and Hwang (2005) found that both the occurrence and nature of competitive reaction are significantly influenced by the launch strategy.

The second typical characteristics is that many empirical studies in this phase are also elaborating on the specific variables of NPL, leading to the formation of sub-variables and each adapts to the NPL literature. Some research focuses narrowly on one dimension of launch tactical decisions – communication (e.g., message content), in an attempt to focus on a more detailed view of specific factors. Thus, these studies emphasize depth by addressing the effect of preannouncements, message content (what to say) and communication process (how to say) on market launch success (Schatzel & Calantone, 2006; Chen, Shen, & Chiu, 2007). Others have expanded on marketing communication tactics to investigate preannouncement behaviour, a form of marketing communication that directly and indirectly affects new product success (Schatzel & Calantone, 2006); the impact of three specific launch tactics in terms of pricing, advertising, and preannouncement strategy is on NPP via mediating by internal and external constraints (Lee et al., 2011).

Still, some researchers focus their attention on the role of logistics and supply chain relationships in the launch success. Di Benedetto (1999) claims that logistics has played a crucial role in market launch success in both consumer goods and industrial companies. Bowersox, Stank, and Daugherty (1999) have also put forward that the synergy of logistic and supply chain can reduce specific types of risks and largely impact NPP. Subsequently, Calantone, Di Benedetto, and Stank (2005) further argue that the flexible lean launch (launch in selecting market segments only) in the supply chain management is key to the success of new products and suggest that lean launch strategy should be integrated into product launch strategies. Other studies stress other individual aspects of launch decisions that are very important to market launch success, including launch timing (Calantone et al., 2010; Calantone & Di Benedetto, 2012) and social media (Roberts & Candi, 2014).

Recently, Gruner, Vomberg, Homburg, and Lukas (2019) spotlighted the important role that investment in digital communications (social media in communication and online advertising) play in launch success.

Clearly, such divisions and sub-divisions are typically observed at this stage of evolution of a species (variable) as it adapts to the variance in launch environments. Here we see that NPL literature adapts by dividing in a similar fashion.

4) The increased integration of previous different theories

In the diversification stage, the consequence of interactions is becoming more complex among different theories or variables. Interactions among *numerous mutually adjusted components* take a variety of forms.

The integration of the Resource-Based View (RBV) theory with the NPL literature brings about an increase in the NPL literature complexity in perfect agreement with the launch context. It is just like the complex process brings about the integration of molecular complexity in perfect agreement with their environment (Capra & Luisi, 2015). Many scholars further elaborate to understand the contribution of a firm's resources and capabilities in launch decisions and performances and they have found that firm resources have been proved a crucial element in new product launch success (i.e., Hsieh, Tsai, & Hultink, 2006; Song, Song, and Di Benedetto, 2011; Marion, Barczak, & Hultink, 2014). Firm resources have been considered as "the antecedent factor of launch decisions" that have impacted NPP (Talke & Hultink, 2010a). This resonates with developments in the field of RBV in what are termed "organizational capability".

During the process integration, more specifically, organizations respond to the external world by evolving diversity of "organizational capabilities" that are consequently ranked as varieties. For example, Hsieh et al. (2006) centre on the association between resource configurations and launch strategies selections while Talay, Seggie, and Cavusgil (2009) centre on identifying which new product alliance characteristics lead to the probability of new product launch. Talke and Hultink (2010a) focus on how the corporate mind-set as an antecedent factor influences the relationships of launch strategy to market performance. Kleinschmidt, De Brentani, and Salomo (2007) have used RBV theory to combine firm resources and capabilities into a complex and interdependent model to explain NPP in the international context. The finding of Magnusson, Westjohn, and Boggs (2009) have indicated that launch timing has greatly impacted the firm’s performance from the resource-advantage theory perspective for advertising agencies in different developing markets.

Song et al. (2011) also emphasize that new ventures use firm sources advantages to achieve positional advantages including product innovativeness, supplier involvement, and product launch quality, in an effort to affect first product performance and increase marketplace performance. Kuester, Homburg, and Hess (2012) have examined whether the degree of firm characteristics contextual factors moderates the internal and external launch activities–performance relationships. Zhao, Song, and Parry (2013) have examined the similarities and differences in the timing of market entry that affect pioneer entry decisions between the Chinese and American entrepreneurs, which is indicative of RBV theory implications for market entry timing studies. Marion, Barczak, and Hultink (2014) have investigated how new social media tools during the new product development phase affect NPP, on the basis of the RBV perspective.

Clearly, studies focusing on firm resources in the NPL literature have some slight differences when exporting the interactions between different variables in order to employ launch resources effectively.

In addition, the diffusion theory has been integrated into the NPL literature and it is used to further identify which kind of new product-related information needs may affect innovation adoption (Talke & O'Connor, 2011; Talke & Snelders, 2013) and to address the impact of diffusion barriers related to multiple stakeholders on market success, regarding launch tactics (Talke & Hultink, 2010b). Reactance theory has been introduced into the NPL literature and this theory can contribute to a deeper theoretical understanding of the complicated processes underlying the relationship between digital communication investments and launch success (Gruner et al., 2019).

Furthermore, in order to develop an effective model of the relationship between launch decisions and NPP, contingent variables will have a role to intermediate between them in the NPL literature. It is just like species are closely connected by intermediate links. Contingency theory suggests that strategy must be congruent with the changing environments and structures to promote success (Miller, 1988). Factors such as organizations or environments influence how launch decisions will be configured to achieve high NPP from different perspectives. In their model, for example, Talke and Hultink (2010b) investigate the influence of environmental factors (e.g., technological, market turbulence and product complexity) on the launch and NPP relationships. Calantone et al. (2010) test how the interaction between launch strategies and the competitive environment lead to launch success.

Similarly, the role of organizational factors has been used to expand the realm of market launch activities through investigating the interplay between organizational factors and NPP (e.g., Chiu, Chen, and Tzeng, 2006; Beuk et al., 2014). Kuester, Homburg, and Hess (2012) have further examined firm characteristics as the situational factors moderated to understand the impact of the internal launch tactics activities addressing organizational factors on market launch success.

Obviously, the conceptual models of launch strategies are becoming more complicated from simple bivariate correlations of launch strategies and performances of new products to multivariate correlations which include the introduction of the third variables like market/industry characteristics (e.g., Hultink & Robben, 1999; Lee & O'Connor, 2003b). Through such a perspective, the NPL research has gone beyond the investigation of bivariate relationships and has introduced various third variables to illustrate how they might affect the NPL-NPP. Nevertheless, the introduction of the third variable (e.g., background factor or intervening factor) to the analysis of a bivariate correlation helps to improve a more precise and specific understanding of the original two-variable relationship and to further understand the launch strategies puzzle.

After all, in social science phenomena, a direct causal relationship between two variables is few, because any links are strongly influenced by the context (Sobb & Perry, 2006). Notably, Gruner et al. (2019) took a nonlinear conceptual perspective to provide new insights in the context of NPL, as most studies focus on identifying linear relationship (e.g., Cooper and de Brentani, 1991; Hultink et al., 1997; 1998; Di Benedetto, 1999; Roberts and Candi, 2014).

5) Multidimensional performances of new products

Compared with performance measures, where most studies have focused on a single dimension (e.g., market share or profitability) in the initial stage of divergence, performances of new products have been further enriched by incorporating different sets of dimensions to consider the full complexities between NPL and NPP in the stage of diversification. It is certainly inadequate for researchers to consider only profitability as a measure of NPP.

For example, at this stage, researchers have introduced other measures of NPP to improve our understanding of the actual performance, including customer-determined (customer satisfaction, loyalty or acceptance), timing, technical and product. Early market survival was also used to increase the variation among NPP measures in this stage. Multidimensional performances of new product enhance a more precise and specific understanding of which launch decisions impact which dimensions of NPP (Hart, 1993). Clearly, the development of NPL literature has shown that different performances have consistently been linked to activities comprising the new product launch and kept consistent with measures in NPD literature.

6) The methodological approach

The methodological approach in the phase of diversification is becoming variegated. The large-sample surveys are still dominant in this research area, but some qualitative approaches are increasingly adapted to NPL research during this stage. For example, the case study has played a new role in developing the NPL theory at this stage. It can provide initial insights into the relationship of launch decisions to performances of new products. Yeniyurt, Townsend, and Talay (2007) have used the longitudinal research to add a new dimension of understanding factors that influence brand launch in a global marketplace. Additionally, multiple respondents were used in some research to avoid information bias, compared with a single informant (e.g., Talke & Hultink, 2010a; 2010b; Gruner et al., 2019), further reflecting that research methodologies have become more sophisticated.

7) Different contexts

A further important methodological point is that the results of research vary within the different research contexts, which is indicative of the progressive change of the NPL literature in the diversification stage. Some researchers focus on their investigations across industries to investigate which launch decisions are effective. Hultink et al. have gained better knowledge on the possibility of generalizing interplays between launch decisions and NPP by comparing industrial with consumer products in 1998 and in 1999. Di Benedetto (1999) seeks to identify the underlying factors for launch success across industries, namely consumer, business-to-business goods and services.

Although research is growing interest in new service launch (i.e., Zhao, Song and Parry, 2013; Frattini, Dell'Era, & Rangone, 2013), this area is still under-researched, and it is still dominant by new physical product launch. Other studies also concentrate on the specific context, in an effort to find out the general consensus of factors that achieve success in a particular industry: high technology products (Easingwood & Harrington, 2002), cosmetic (Sun & Hwang, 2005), food products (Garrido-Rubio & Polo-Redonndo, 2005) and the pharmaceutical industry (Trim & Pan, 2005). Clearly, different components of launch decisions should be placed under the favourable contexts and these contexts must have largely favoured the NPL knowledge improvement and progress and then increase the possibility of generalizing it.

It appears that the NPL research in this stage of diversification has much more diversified and adapted into the different geographic distributions, from Europe (Ireland, Germany, and Italy), North America (USA and Canada) to Asia Pacific (China, India and Taiwan) and South America (Brazil), although there is a clear geographical bias toward the developed countries (e.g., USA). It also displays adaptation due to external environmental changes. Noticeably, Chryssochoidis &

Wong (1998; 2000) step forward by upgrading domestic launch into international new product launch. Lee et al. (2011) and Zhao et al. (2013) have made important progress in the intercountry comparison to see the similar and different results of NPL findings to show the possibility of generalizing launch decisions across borders.

Clearly, the diversification stage of NPL literature is characterized by increasing sophistication as it links prior research with a continuous progression toward greater fit with the changing research and managerial environment. Complexity adaptation of the NPL literature is particularly relevant to new product performance and to the sustainable competitive advantage upgrade.

Conclusions

Historically, within the domain of research devoted to the commercialization of new product development (NPD) projects, "entry strategy" was the first conceptualization, the further operationalization of which led to the details of "new product launch". The NPL has never superseded entry strategy as a construct. Essentially, NPL is rooted in the context of NPD (introducing new products into the target markets) whereas entry strategy is a broader construct for any product entering any market. Although these studies are uncorroborated at this stage, they provide quite a weak foundation for theory development of NPL.

The literature has moved in nature to the diversification stage. The academic community propagated a great number of research studies investigating the determinants of launch success, in an attempt to present a more complete picture of the extant knowledge of NPL. Take generic launch strategies and specific launch decisions for example. It is clearly seen that there still exists a tension between providing the components of launch strategies that are both broad enough to reflect a holistic view of NPL with respect to its parts, while specific enough to enable delineation with respect to related constructs of launch strategies.

But these two perspectives picture complementary and interconnected descriptions of the same NPL literature, not alternative; each of them only partly true and having a limited range of application. Specific launch decisions foci can significantly influence the direction of generic launch decisions and vice versa. Both types of launch studies also show that they arise from the interactions and relationships between different individual variables related to launch strategies, which contributes to the progress of the NPL literature.

The NPL knowledge progress is committed to integrating this precious diversification into a globally and locally collaborative civilization acting wisely to create conditions conducive to the survival of launch success. The focus is shifting from the components of launch strategies as the unit of survival to the integration of diversity – its complex dynamic interactions among different variables. For decades, a number of articles of NPL literature have been situated within different environments to determine how an organization fits its particular environment, except for competition for the limited resources.

The NPL literature is a continuous process of increasing diversification and the integration with different individual components of launch decisions into the different contexts, which is a complex and maybe a highly ordered process. That means that within the NPL literature, each research topic is not isolated, but they are in the network of new product launch phenomenon that are fundamentally interconnected and interdependent; they are all easily affected by the contexts.

Notice that the development of NPL literature is not a straight line of cycles, one leading always to a particular next stage. The NPL research is the spread of variation in the different research topics through *interaction and interconnections* to reflect its nonlinearity. However, they are united by the common thread of the cumulative progress of the NPL knowledge through time, attempting to better understand the complicated nature of launch decisions.

2.2 A critical review on services marketing and new service development (NSD)

2.2.1 The nature of services

The conceptualization of service is a key driver of NSD and service design (Goldstein et al., 2002). The service concept affects a series of critical decisions in service strategy such as market positioning strategy and relationship mode (Goldstein et al., 2002). As Thomas (1978) says, “understanding the basic nature of the service company is the key to effectiveness” (p. 159) and after 25 years, Kucamarski and Mandolia (2013) stated, “the lack of understanding surrounding the word ‘services’ lead to misfocused and inefficient new service efforts” (p. 93).

Faced with a changing environment, effectiveness (doing right things) is more important than efficiency (doing things right) to the survival and success of the organization. But, in general, marketing efficiency and effectiveness have been identified as “contributing to the success of both new tangible products and new services, with the quality of the launch strategy sometimes singled out as one of the key factors” (Storey & Easingwood, 1998, p. 346).

A) What is the service?

Over time, there is no unified service definition in the service literature. Gronroos (2000) defines service as “an activity or series of activities of a more or less intangible nature that normally, but not necessarily, take place in the interaction between the customer and service employees and/or physical resources or goods and/or systems of the service provider, which are provided as solutions to customer problems” (p. 46). The three core dimensions in this definition are:

1) Solutions to customer problems (like physical goods, services as customer solutions);
2) Interaction (core value produced in buyer-seller interactions, which distinct services from physical goods; co-creation of value); and
3) Activities (processes) of a more or less intangible nature (intangibility)

A service is defined by Kotler et al. (2013, p.224) as “an activity, benefit or satisfaction offered for sale that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product.”

They emphasize three elements of this definition:

1) An activity, benefit or satisfaction offered for sale (Value proposition offering /customer solution; the What is to be done for the customers);
2) Essentially intangible (The essential characteristic of services appears highly intangible: typically, they cannot be seen, tasted, felt, heard or smelled before they are bought);
3) Not result in the ownership of anything (a service is an act or benefit that does not result in the customer owning anything: no patent)

Scholars offering the third service concept that is very popular in the service marketing emphasize that services are deeds, processes, and performances, from the service provider’s point of view (e.g., Lovelock, 1991; Wilson et al., 2008).

It is clear that these service concepts all stress that the most basic characteristic is the process nature of services. The first two concepts of service are from the customers’ viewpoint. It has been stressed upon that all service products offered in a market are to satisfy customer needs and wants. However, Kotler et al. put an emphasis on perishability. These two definitions reflect the fact that there is a similarity between services and products. Thus, we can say that products are services. All products are similar in the fact that they satisfy customer needs and wants (customer solutions), and also similar that they promise to satisfy their needs (value proposition).

This similarity in products, however, is greater than in services, because a product implies a service, but service does not necessarily imply a product. Generally speaking, they emphasized that intangibility and perishability are the two key characteristics that critically distinguished services from goods. In their most popular marketing management book, Kotler et al. (2013) identify that products include services.

But Lovelock and Wirtz (2011) propose that services can be defined by themselves, not related to goods. Bhagwati (1984) argues forcefully that services "frequently embrace activities which have differential and opposed characteristics, with respect to their technical progressivity and labour intensity" (p. 133). As a consequent, services have traditionally been operational as "anything that does not result in manufactured (or agricultural) output" (Rathmell, 1966, p.33), which is similar to "something which can be bought and sold but which cannot be dropped on your foot" (Gronroos, 2007).

To date, services have been defined by Lovelock and Wirtz (2011) as "services are economic activities offered by one party to another. Often time-based, performances bring about desired results to recipients, objects, or other assets for which purchasers have a responsibility. In exchange for money, time, and effort, service customers expect value from access to goods, labour, professional skills, facilities, networks, systems; but they do not normally take ownership of any of the physical elements involved" (p. 10).

The following elements need to be noted:

1) Economic activities between two parties (an exchange relationship between seller and buyer in the market)
2) Often time-based performance: (services are performances within a limited time)
3) Desired results (value creation and customer solution)
4) Expect value, in exchange for money, time and effort, access to a variety of value-creating elements rather than transfer of ownership (the exchange of ready-made value embedded in the products for money without any patents and provide customers with accessible resources; How the service will be delivered; customers receive values but no tangible things)

They define services as exchange and interaction economic activities between buyer and seller in the market. Much like goods, they stress that services are becoming commodified and customers can be satisfied and solved their problems through value creation. These values come from "access to a variety of value-creating elements". But the output of all economic activities is not like tangible goods. Specifically, this conceptualization of services stresses exchange; the context is "transaction-based" approach rather than "relationship-based" approach (Gronroos, 2006).

Hence, it is clear that services are a "nebulous" concept (Bhagwati, 1984). All above conceptualizations of services tell us the truth that *services are interactive processes that make co-creation of value possible, intangible elements that usually dominate value creation in the services and no transfer of ownership*. This perspective is in line with the marketing orientation approach that emphasizes the importance of value-generating process and value is created by the customer in interactions with service providers or other resources. More recently, Lovelock and Gummesson (2004) suggested that the characteristics of non-ownership should be explored to differentiate goods from services.

B) Classification of services

Shostack (1977) classifies services on the basis of their level of tangibility on a goods-services continuum while Thomas (1978), using a similar approach, acknowledged that services vary: they are primarily equipment-based (e.g., automated car washes, airlines and movie theatres) or people-based. Specifically, people-based services vary as to whether they are provided by unskilled labour (e.g., window washing), skilled (e.g., repair work) or professional staff (e.g., lawyers, dentists).

According to the degree of customer contact required in service delivery, Chase (1978) has classified services into high contact and low contact. To high-contact services, customers have greater influences on the timing of demand and service features, due to customer integration in the process of service delivery (Lovelock, 1983).

Additionally, Lovelock and Wirtz (2011) classify services into four categories: people-processing, possession-processing, mental stimulus processing, and information processing. For simplicity, they put "mental stimulus-processing services (e.g., education) and information processing services" under the umbrella term of "information-based services".

Clearly, there is no availability of a generally accepted categorization method for services (Samiee, 1999). Each service has its own unique character and so it is different from other services. For example, the nature of knowledge-based services has its own unique characteristics including high customization, complexity, risk and uncertainty, besides the general distinctive characteristics of services such as intangibility and inseparability (Javalgi, Joseph & LaRosa, 2009). Educational services are included in knowledge-based services.

2.2.2 Innovation in services

A) What is innovation?

Innovation means the creation of something new and thus the process requires learning (Kolter, 2003). According to Doyle & Bridgewater (1998) innovation can mean new products (product innovation) such as Diet Coke can generate massive markets, new markets (market innovation) such as IKEA is finding big growth opportunities in China, new processes (process innovation) such as eBay online shopping or organizational innovation such as building particular company-client relationships or new product development.

As Peter Drucker argues: "innovation is to exploit change as an opportunity." It is clear that these different forms of innovation represent the innovation concept in the present context. It is closely related to economic development and is a key driver that impact the economies of different countries (Drejer, 2004).

In this research, NSD is defined as "the process of devising a new or improved service, from idea or concept generation to market launch" (Biemans, et al., 2016, p.383). It is synonymous with service innovation.

B) Innovation typologies for services

As for new services offerings, Lovelock (1984) and Johnson, Roth, and Chase (2000) further group service innovations into two major categories: radical innovations (major innovations, start-up businesses, new services for the market presently served) and incremental innovations (service line extensions, service improvements and style changes). Particularly, the typology developed by Booz, Allen, and Hamilton (1982), which explained different types of product innovations, is the most extensively applied classification in the context of both new services and new products. This is supported by Johne and Storey (1998), who maintained that the new product categories of Booz et al. (1982) has been seen as a wider concept that encompasses innovative activities involved in NSD, from the viewpoint of the level of products such as offer development (product development and product augmentation development) and market development.

To a company, new products are classified on the level of the newness of new physical goods whereas services are divided depending on the level of change and focus on the process (see Table 2.3). Table 2.3 illustrates that the common characters are both categorizations of new products and new services that distinguish radical with incremental innovations.

But one of the major features of service activities is to integrate technical characteristics into process characteristics, compared with new products. But this kind of classification of NSD is too narrow for understanding the dynamics of services and manufacturing and thus, it is likely to ignore non-technological innovation such as organization innovation, ad hoc innovation, recombination innovation and formalization innovation (Gallouj & Weinstein, 1997; Drejer, 2004).

Table 2.3

Typologies for Innovations

Booz, Allen & Hamilton (1982)	Lovelock (1984)
New-to-the world products: New products that not only represent a major new challenge to the supplier, but which are also seen to be quite new in the eyes of customers	**Major Innovation:** New services for markets as yet undefined; innovations usually driven by Information and computer-based technologies
New product lines: New products which represent major new challenges to the supplier	**Start-up business:** New services in a market that is already served by existing services
Additions to existing product lines: New products that supplement a company's established product lines, so rounding out the product mix	**New products for the market presently served:** New products that attempt to offer existing customers of the organization a product nor previously available there
Improvements and revisions to existing products: New products that provide improved performance and so replace existing products	**Product line extensions:** Augmentations of the existing service line such as adding new menu items, new routes, and new courses
Repositionings: Existing products that are targeted to new markets or market segments	**Product Improvements:** Changes in features for existing proudcts that are currently being offered
Cost reductions: New products that provide similar performance at a lower cost of supply	**Style changes:** Highly visible changes to existing products

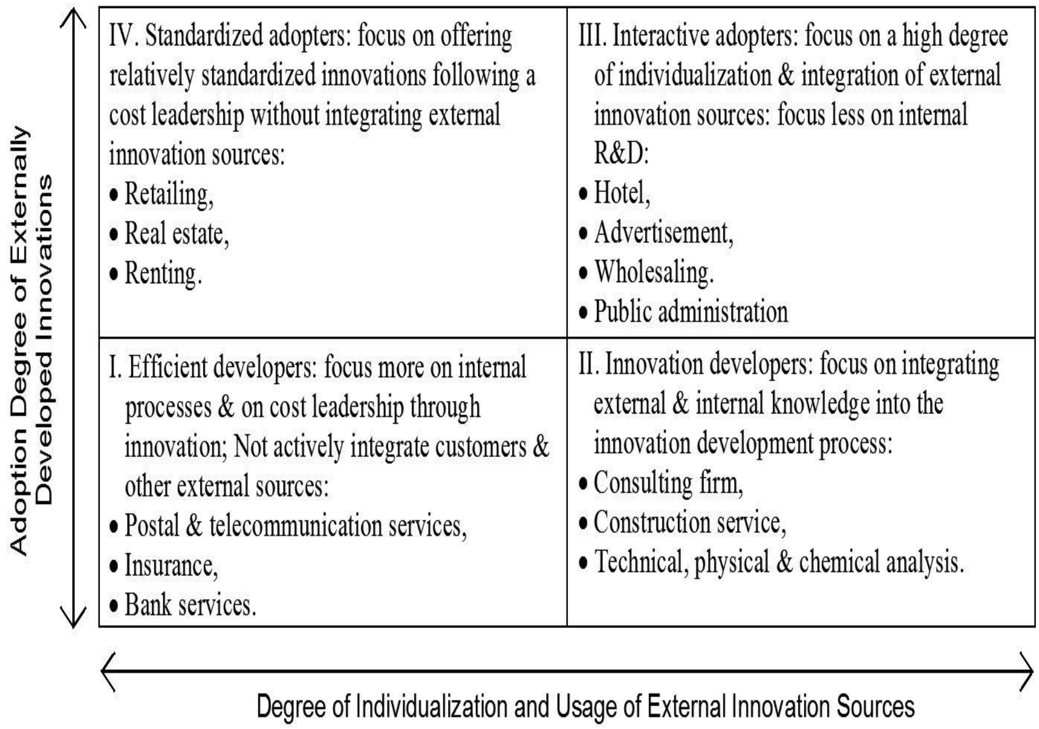
Source: Trott, 2008

In recent years, the new innovation typology for the service sectors has been introduced by Kuester et al. (2013), based on the degree of variation (see Figure 2b). They have used 'adoption degree of externally developed innovations' and 'degree of individualization and usage of external innovation sources' to classify service innovation into four categories: the "efficient developer" uses the own internal processes to develop NSD, focusing largely on cost leadership through innovation to pursue efficiency instead of on the integration of customers and other external sources; the "innovative developer" usually integrates external knowledge with internal knowledge to initiate NSD in a customer-oriented way. Such an innovation type is characterized by a high degree of complexity, a high degree of individualization and integration of external knowledge and the low degree of externally developed innovations. It means that the "innovative developer" relies heavily on customer orientation and customer integration.

The "interactive adopter" provides personalized NSD by closely interacting with external innovation sources and focuses less on internal sources; the "standardized adopter" provides partially standardized innovation following a cost leadership strategy and without unifying external sources. The competitive advantage of the "standardized adopter" can be achieved through standardization of internal processes. These four kinds of service innovations are indicative of service heterogeneity and thus, different innovation activities are pursued by different service companies (Kuester et al., 2013).

Figure 2b

Types of New Service Innovation



Source: Kuester et al., 2013

However, some service innovation scholars (e.g., Storey et al., 2016) have classified service innovation into two simple types: Tacit and explicit services, based on different new service performances across different service industries. This classification of NSD reflects the heterogeneity of the industries. Tacit services are defined as services that are delivered by interpersonal interactions and the people-dominated service industries that are experiential in services nature (Dotzel et al., 2013; Hipp & Grupp, 2005). They rely strongly on customer-contact staff to produce and deliver services, including hospitality, transportation, professional services, and health. Explicit services often mean the standardized service through service technologies and they usually provide customer benefits by the Internet, including banking, telecommunications, and insurances (Dotzel et al., 2013).

As with services and goods, there are two views in the NSD and NPD literature. One is an “assimilation approach”, which contends that they are similar and thus the concepts can be easily applied to both the service and manufacturing contexts. The other is a “demarcation approach”, which stresses that they are mutually exclusive and that specific concept and models need to be designed for services, because of the distinctive characteristics of services (Drejer, 2004; Nijssen et al., 2006; Papastathopulou & Hultink, 2012).

In cases of the differences between NSD and NPD, Nijssen et al. (2006) came to the conclusion that a service company had paid less attention to R&D strength, compared to a product company in 322 service and product companies. Moreover, the cycle time in NSD was shorter than in NPD, particularly for incremental new services. Since the intangible nature of services is easier to imitate, it leads to a proliferation of “me too” products (Griffin, 1997; de Brentani, 2001). It is proved in the view of Johne and Storey (1998) that innovation is central to effective marketing, but major service innovation emphasized on creating new approaches to existing services rather than being highly innovative and being copies of existing products. For instance, IT has contributed to service production and delivery processes. New services usually rely on IT, in order to carefully modify and change IT infrastructure for its service delivery. Thus, in view of their difference and similarity, researchers try to use the synthesis approach that integrates similarity with the difference in the service-specific innovation studies.

C) The importance of new service launch in NSD

As already mentioned, the purpose of the commercialization stage is to introduce the new service/product to the market and it is seen as the most critical stage for the new product success (Di Benedetto, 1999; Avlonitis et al., 2001; Trim & Pan, 2005). When it comes to key successful factors (KSFs) in NSD, one of the popular thoughts that it draws is a distinction between services and goods (see Table 2.4).

Table 2.4

Top 10 Success Factors Comparison: Services and Products

Success Factors for New Physical Products	**Success Factors for New Service Products**
Product advantage	Launch proficiency
Market orientation	Absorptive capacity
Launch proficiency	Organizational design
Dedicated human resources	Innovation strategy
Predevelopment task Proficiency	Efficiency of development process
Innovation resources	Service innovativeness
Marketing research task Proficiency	Front-line staff involvement
Team/organizational Climate	External relations
Strategic orientation	Internal communication
Internal communication	Formal/structured Development

Source: Storey et al., 2016

Table 2.4 shows that KSFs for services and goods are strikingly different. The differences are often concerned with why a factor is important instead of the factor itself. In the NSD literature, researchers often related the differences between services and goods to the unique characteristics of services including intangibility, variability, inseparability, and perishability (e.g. De Brentani, 1989; 1991; 1993; Atuahene-Gima 1996a; 1996b; Johne & Storey, 1998; Ozdemir, Tagg, & Hart, 2008). For example, Ozdemir, Tagg, and Hart (2008) investigated the similarities and differences between NSD and NPD in 80 service firms and 74 product firms in Small and Medium Enterprises (SMEs) in Scotland in the UK. They have concluded that time-to-market evaluations at NSD phase are more important than at NPD phase. This is mainly because new services offerings are highly intangible and unable to patent services ideas, which affect their competitive advantages and profits to services firms.

In the NSD literature, on the other hand, Edgett (1994) puts forward, "superior new services exhibited with a strong product/market fit and having a high-quality launch with well-executed marketing activities were more likely to be successful than were new products that scored poorly on any of these traits" (p. 40). Table 2.5 shows that "market launch" in the NSD process activities has been defined in many subtle and different ways and launch is critical to new services performance in the NSD process. Johne and Storey (1998) further argue that launch preparation, formal and effective launch and effective communication fall under the umbrella term "market launch".

D) Unique characteristics of services and their NSD implications

A recurring theme in the literature is that NSD is fundamentally different from NPD (Johne & Storey, 1998; Kucamarski & Johston, 2013). These differences originate from four major characteristics of services including intangibility, inseparability (simultaneity), heterogeneity (non-standardization) and perishability (inability to inventory) (Zeithaml, Parasuraman, & Berry, 1985; Lovelock & Gummesson, 2004; Kotler, et al., 2013), as shown in Table 2.6.

Table 2.5

Key Success Factors Relating to the Launching Stage

Factors	Studies
New Service Development Literature	
Quality of execution of launch /marketing activities	de Brentani and Cooper, 1992 Cooper and de Brentani, 1991
Formal and extensive launch program	de Brentani, 1993
Market launch	Cooper and Kleischmidt, 1986 Sanchez and Elola, 1991 de Brentani, 1991; 1995; 2001 de Brentani and Ragot, 1996
Proficiency of market launch activity	Atuahene-Gima, 1995; 1996
Marketing support at the launch stage	Edgett, 1996
Launch preparation	Johne and Storey, 1998 Easingwood and Storey, 1991; 1995 Cooper, et al., 1994 Deal and Edgett, 1997
Formal and effective launch	Johne and Storey, 1998 Edgett and Parkinson, 1994 Edgett. 1994
Effective communication	Johne and Storey, 1998 Easingwood and Storey, 1991;1993; 1995 Edgett and Parkinson, 1994 Edgett, 1994 Avlonitis and Papastathopoulou, 2000 Cooper, et al., 1994 Aung and Heeler, 2001 Ottenbacher, Gnoth and Jones, 2006
Launch activities	Avlonitis, Papstathopoulou and Gounaris, 2001

Note: all factors are positively related to new service performance

Table 2.6

Goods	Services	Resulting implications
Tangible	Intangible	Services cannot be inventoried Services cannot be easily patented Services cannot be readily displayed or communicated Pricing is difficult
Standardized	Heterogeneous	Service delivery and customer satisfaction depend on employee and customer actions Service quality depends on many uncontrollable factors There is no sure knowledge that the service delivered matches what was planned and promoted
Production separate from consumption	**Inseparability**— simultaneous production and consumption	Customers participate in and affect the transaction Customers affect each other Employees affect the service outcome Decentralization may be essential Mass production is difficult
Non-perishable	perishable	It is difficult to synchronize supply and demand with services Services cannot be returned or resold

Source: Parasuraman, Zeithaml and Berry, 1985 cited by Wilson et al., 2008

De Brentani (1989; 1991) links these four characteristics to NSD and discusses how they affect new services success. The implications of these factors for NSD are discussed in turn. Evidence is available that intangibility is more difficult to evaluate and has higher perceived risks, for services are much more complex and lack relative advantage and compatibility with current consumption experiences. This affects the rate at which new products can be introduced as well (Atuahene-Gima, 1996; Laroche, Bergeron, & Goutaland, 2001). Levitt (1981) further states that “the most important thing to know about intangible products is that the customers usually do not know what they are getting until they do not get it. That is dangerous” (p. 37). Nevertheless, most people do not pay attention to the names of the things they use, although using names for things. They only see what they want to see. Thus, a service company is required to *use tangible cues* (i.e. a strong corporate image and reputation, design, physical facilities or employees) to lessen the abstract and help customers evaluate the service prior to purchase. Besides, intangibility implies easy to develop; competitors are easy to copy new services idea quickly. It is very challenging for a service company to sustain the service innovation advantage, due to the fact that services are dynamic and short-lived and even without strong patent protection.

Inseparability describes simultaneous products and consumption of services. Consequently, customer satisfaction is closely linked to the service outcomes. The customer can also react and assess the service quality immediately, as customer present and play an active role in the NSD process. Frontline personnel become critical in-service delivery and determine how customers perceive services since frontline staff represents the service itself in the view of customers. Moreover, not only is customization of the new service on the frontline staff necessary but also the ability of customers to identify and articulate their needs and wants, for customers actively engage in the service activities and determine the ultimate nature and quality of the experience in most cases. This also implies that there are greater opportunities for contact personnel to understand customer needs and wants as well as to build the company-client relationship.

As Kotler (2003) says, “because the client is also present as the service is produced, provider-client interaction is a special feature of services marketing” (p. 144). This interactive communication is perceived as the visible part of the service process by customers (Gronroos, 2007). Inseparability is also an efficient way to promote the notion of relationship marketing in services, for the management of the interaction between customers and service providers is crucial to effective marketing. Through interaction, customer service experiences are formed in their minds, which affect new service success. Thus, it is very important for a service company to control services quality.

Heterogeneity refers to the degree of variation in the quality of services delivered. Heterogeneity offers individualized experiences, for the consumption of services varies from customer to customer *at various touch points* in the service delivery process and the performance and quality of the service in the labour-intensive differ depending on service providers. This is also a stark difference between services and physical goods offering the customization of services to every customer service differently, even if the same contact person serves. Meanwhile, it may lead to a higher perception of uncertainty, unreliability and slower adoption (Atuahene-Gima, 1996) as well as having difficulty in achieving standardization and quality control in services.

In addition, standardization could be achieved through the use of reliable equipment and technology instead of human labour (Lovelock & Gummesson, 2004). Today, the growth of heterogeneity in HE is facing many major challenges to universities. These include the development of different types of HE provisions, a cost crisis of universities, the growing online alternatives such as Massively Open Online Courses (MOOCs) and LinkedIn University Pages. That means the wider range of international HE courses and students are no longer constrained by national boundaries for their enrolment decisions for HE. Rapid developments in digital technology and different international entry modes for offshore-learning have expanded the opportunities for students to receive their international education.

Finally, perishability is characterized by problems of under- or overcapacity, owing to the fact that services cannot be stored and saved for use in the future. They should be consumed when they are produced. It is *very challenging* for the service organization to *match supply and demand*.

Noted that there is a question of whether service characteristics are unique to services in recent years (e.g. Lovelock & Gummesson, 2004; Vargo and Robert, 2004a; 2004b). Johne and Storey (1998) and Kelly and Storey (2000) put forward that intangibility, inseparability, and heterogeneity are the key distinguishing characteristics that set apart from conventional 'products' but are less perishable. This may be because technology-based and other innovations imply that such services can be "formed through storage of information services" possibly through digital recording or other storage media (Illeris, 1994; Lovelock & Gummesson, 2004; Edvardsson, Gustafsson, & Roos, 2005). Gronroos (2007) identifies that "co-creation (inseparability)" and "intangibility" are the basic generic characteristics of services in today's competitive environment. This is because, during the past twenty years, a significant trend toward the replacement of labour through automation to improve productivity and achieve standardization in service delivery has been witnessed (Lovelock & Gummesson, 2004).

Thus, heterogeneity is no longer a big problem as earlier. However, Easingwood (1986) explicitly remarks that “care should be taken not to over-claim. To date, not all services are intangible, simultaneous, heterogeneous, and perishable and some manufactured goods may possess one or more of these characteristics” (p. 264), with regard to “technological progressivity” and “labour-intensity”.

During the past two decades, scholars have paid much attention to the difference between goods and services and ignored the fact that all services are similar, but each service has its own individuality and thus it is different from other services. Thanks to the advanced technology, more and more scholars have realized the unique characteristics in different services and these four distinctive services characteristics do not apply to all types of services in all situations.

Evidence has shown that these four “unique” characteristics of services are cited from two important original sources: Rathmell (1974) and Shostack (1977). The conclusions have been derived from these two articles on the basis of interpretations of received theory and inductive observation instead of empirical research (Lovelock & Gummesson, 2004). That means they have made conclusions based on their experience. Therefore, their truth is the only contingent, but not necessary. Thus, we need to understand the importance of the specific context which they can be applied to. For example, if we want to know about value creation through services, these four characteristics are not useful as universal characteristics of service. As mentioned earlier, the definition of services by Lovelock and Wirtz (2011) illustrates the point that they stress value creation through economic exchange activities without ownership.

In summary, the splintering process of “goods-from-services” makes services disembodied from the physical presence of the provider and they can create a value proposition and be bought in the marketplace, with regard to advanced technology (Bhagwati, 1984). It leads to these four unique characteristics not being different services from goods (Laroche, Bergeron, & Goutaland, 2001; Lovelock & Gummesson, 2004). Not each service has these four distinctive characteristics.

Thus, they are not generic. Moreover, many of the services even possess the opposite characteristics - tangibility, separability, homogeneity, and durability.

Consequently, services should not remain narrowly defined services through these four characteristics. However, they should go beyond these four characteristics and value the invariable natural law: embrace the diversity; admit their differences and similarities between services and products; among different services. It also provides a good opportunity to examine whether integrating the marketing of services into the general marketing and whether the principle of “good” marketing can be transferred into the services marketing in different situations.

2.2.3 International services

A) The international marketing of services

With the rapid globalization of the world economy, services have become a driving force in international trades. Such factors as improved transportation, advances in information technology (IT), coupled with reductions in trade barriers, search for efficiency and expertise and growth in the trade of manufactured goods all contribute to stimulating marketing services internationally (Lovelock, Wirtz, & Keh, 2002). Clark and Rajaratnam (1999) contend that a distinction between international services markets and domestic services markets is that they cross national borders and welcome foreign cultures. International marketing of services is more risky for a service company than for manufacturing of goods (Carman & Langeard, 1980), for the major reason that a service company must take more control of its service compared to goods, for people are part of the service experience in most services. Gronroos (1990) also stresses that service firms must go to the international markets “all at once” instead of moving through different stages like manufacturing companies.

The most distinctive features of international marketing of services are considered ‘the degree of tangibility’ and ‘degree of involvement with customers’ (Knight, 1999). Based on the concepts proposed by Vandermerwe and Chadwick (1989) develop the varying goods-to-service mix (interaction) for explaining the internationalization of services. Vandermerwe and Chadwick (1989) stress that *intangibility* and *personal contact* are the critical elements of the product-service distinction in the internationalizing service. Particularly, *customer contact* and *customer satisfaction* are prerequisite for a new service launch success (Cooper et al., 1994; Johne & Storey, 1998). They use a two-axis method ("relative involvement of goods" and "degree of consumer product interaction") to develop the classification of international service (see Figure 2c). Education services are in Sector 4: low goods/higher interaction, for example.

Figure 2c

SIX SECTOR SERVICE MATRIX

Degree of Consumer/Producer Interaction

Relative Involvement of Goods	**Lower**	**Higher**
"Pure" service **Low on goods**	***Sector 1*** Domestic mail delivery Knife sharpening	***Sector 4*** Engineering Consulting Management Advertising **Education** Insurance Medicine
Service with some goods **or** **Delivered through goods**	***Sector 2*** Retailing Couriers Fastfood Hotels Shipping Air Freight	***Sector 5*** Banking Personal air travel Maintenance
Service embodied **in goods**	***Sector 3*** Music / Compact disks Software/diskettes Movies/Videocassettes Training/books Journals On-line News service	***Sector 6*** Teleshopping Electronic mail

Source: Vandermerwe and Chadwick, 1989

The international marketing of services can be distinguished into two categories, (Erramilli, 1990), dealing with the choice of foreign entry modes by service companies: soft services include food service, health care, and laundry and lodging; hard services include architectural services and packaged software and so on. Soft services are production and consumption simultaneous processes, to a major extent. As a consequence, it is not possible for soft services to decouple and have a more restricted set of entry modes available to them (Erramilli, 1990). Such services require physical evidence (e.g. major local presence provided by the service firm or its own representatives) and inability to use the export option (Ekeledo & Sivakumar, 1998). On the contrary, hard services are processes that production can be separated from consumption to a major degree and require limited or no local presence by the exporter (Gronroos, 1999). Take the delivery of TNE services for example. Hard services include teaching materials such as textbooks and online learning resources while soft services include the engaging delivery of lectures, seminars, and tutorials. Li and Roberts (2012) further argue that TNE services can be categorized into a combination of hard and soft services.

Thus, inseparability is not a universal phenomenon in international services, although it is one of the unique characteristics of services. Many international services can be separable (Erramilli, 1990), which means that their production and consumption occur separately. These services can be exportable, regarding technological development, while inseparable services are not exportable (Erramilli & Rao, 1993).

B) Managing demand

Responsiveness to demand is another critical aspect affecting international delivery services. It is very challenging for marketers to respond to demands across the borders since services are perishable and they cannot be stored, unlike manufacturing goods. Moreover, a timely and adequate response is one of the main elements that determine service quality (Malhotra et al., 1994). Therefore, marketing activities are very necessary for marketers to adjust to demand fluctuation. For example, the flexibility of price, direct service delivery as well as short distribution channels is vital (Zimmerman, 1999; Javalgi & White, 2002). Czinkota and Ronkainen (1993) assert that short distribution channels are required not only to keep an eye on customers but to control personnel selection tightly. Evidence suggested that it is better to establish one's own subsidiaries, branch or representative offices, mergers and acquisitions to JV, licensing or franchising, owing to responsiveness to demand or services management of fluctuating demand (Erramilli & Rao, 1993; Vandermerwe & Chadwick, 1989).

Javalgi and White (2002) also suggest that the local presence of the service provider, during service internationalization, can help the firm respond to local demand efficiently and quickly. The establishment of wholly-owned subsidiary tends to increase the local market size, the avoidance of disadvantages of JV that partners will bring to and the desire of full control management over foreign operations (Erramilli, 1991). All in all, as Javalgi and White (2002, p.565) point out, “The greater the local presence of the service provider, the higher the propensity to respond to local demands swiftly and efficiently.”

C) Technology and international service delivery

In the NSD literature, technology is seen as a tool to give value to customers (Easingwood & Storey, 1995) and services intertwined with IT (Samiee, 1999). The choices of IT have direct effects on the speed of NSD activities of a service firm as well as on the general effectiveness of its NSD activities (Froehle et al., 2000). The more technological innovation, the more it is likely to succeed through offering convincing value propositions to customers. For example, online learning can be seen as a supplementary option of another entry strategy or a type of program delivery method in order to improve the flexibility of program delivery and the extent of international market expansion, although students prefer face-to-face learning (Jiang & Carpenter, 2011).

Growing information communication technologies (ICT) facilitate interaction and communication between service providers and customers, speed up communication and feedback to decrease error and redundancy as well as smoothen the service design process (Froehle et al., 2000). The typical characteristics of digital services have also greatly affected how services are marketed. They can go beyond the national boundaries (indestructibility), be easy to modify and changed easily and quickly (transmutability) and can be reproduced, stored ad transferred among users without difficulty (reproducibility), increase its efficiency of service production and delivery (Ekeledo & Sivakumar, 2004). Recently, TerminalFour (UniversityBusiness, 2014) has conducted the survey in 169 HE universities in UK, US, Australia, Canada, Ireland and South Africa and found that 91% of these HE universities have used web strategy as their instrument of student recruitment and 95% said they have committed to social media (UniversityBusiness, 2014)

The proliferation of social media technology is the biggest shift that dramatically changes the nature of services and service delivery systems. According to a Forrester survey in 2011, 97% of respondents indicated that they have used social media tactics to listen and engaging with their customers through social media platforms (Case & King, 2013). The advantages of computer-mediated communication can upgrade customer satisfaction, help organizations to facilitate better service delivery, conquer the communication of services to the customer and finally affect companies' sales (Kim, Han, & Lee, 2001; El-Haddadeh, Weerakkody, & Peng, 2012). In the digital and wireless age, communication is shifting from mass marketing to more-specialized and highly focused media to reach selective customer segments with more-personalized and interactive messages (Kotler & Armstrong, 2010).

Nevertheless, social media and IT play different roles in new service offerings (Kucamarski & Johston, 2005). In the case of managing demands, an important feature of social media integration is to manage customer demands (Kucamarski & Johston, 2013). Social media as an exclusive communication medium focuses on direct interaction between buyers and sellers. During interaction with customers, a company can solicit feedback and suggestions to help them provide a better and more responsive service to their customers.

2.2.4 The TNE Services

A) The nature of international higher education services

Baker (2006) noted that "marketing is concerned with the creation and maintenance of mutually satisfying exchange relationships" and "marketing is something done for people by people" (p. 27). Consistent with this view, marketing is customer orientation and relationships orientation, which is central to the SD-L view (Vargo & Lusch, 2004b). From this perspective, marketing is directed at people. Interaction with people and an ongoing reciprocal relationship in the exchange process are central to marketing. Indeed, education is such that the process of building reciprocal relationships is based on trust, directing at students, and delivering the value to those who seek to engage with it (Maringe & Gibbs, 2009).

Mazzarol (1998) also describes education as a service through using the Lovelock (1983) framework to illustrate that education is into services marketing, as shown in Table 2.7. HE has also been compared to “big business”, regarding its dependence on marketing and lobbying to acquire resources (Theus, 1993). The confirmation of HE is to ensure that education is regarded as a service sector to be liberalized and regulated by trade rule (the new territory for the education sector, according to the General Agreement on Trade in Services (GATS). As Patterson et al. (1998) assert, “HE is a pure service and is characterized by a greater amount of interpersonal contact, complexity, divergence, and customization than other service businesses” (p. 57).

Table 2.7

Framework as a Means to Research into Services Marketing

"The nature of the service act"	The education service act is directed at people. Student participation in the learning process can be critical to success
"The relationship with the customer"	Education involves a lengthy/formal relationship between the education provider and the student. Students have a "membership" relationship with the service provider (Lovelock, 1983), offering the provider opportunities to develop strong client loyalty and enhance client service features
"The level of customization and judgment in service delivery"	The extent to which education services are customized is variable. Teaching can vary from individual tutorials/seminars to mass lectures and quality control can be problematic. Educational services, as with any service, cannot be stored for use on another day
"The nature of demand relative to supply"	In education the demand is subject to relatively narrow fluctuations over time, yet supply can be difficult to manage, with limitations placed on staff variability and places on coursed. Resourcing can create potential problems in respect of lecture theatre/seminar rooms/accommodation and other on-campus facilities
"The method of service delivery"	The service encounter and location assume greater importance for on-campus delivery, with satisfaction influenced by interaction with the service providers, facilities and peers. Services must be transformed to tangible offerings for evaluation and comparison with the competition. If the institution does not do this itself, students will form their own judgment

Source: Mazzarol, 1998

In Chapter 2 (see section 2.2.3), it has been mentioned that HE is a people-based service and has high intangibility and personal contact. Moreover, Lovelock and Gummesson (2004) have classified “management and engineering consulting, IT and training services, architectural services and educational services” into “knowledge-based services”. Javalgi et al. (2009) have adapted and modified Patterson and Cicic’s framework on the basis of two factors: the degree of face-to-face interaction and of service customization (Table 2.8).

Table 2.8

A typology of knowledge-based services

	Face-to-Face Interaction **Low**	**Face-to-Face Interaction** **High**
Service Customization **Low**	**1. Technology-Enable Standardized Services** **Examples:** Software development: medical Transcription; text editing; graphic design; Survey data analysis; legal document preparation. **Education Example:** Distance education courses and programs delivered online or by video/CDs/DVDs	**2. People-Based Standardized Services** **Examples:** Software training and support; repair and maintenance of equipment/machinery. **Education Example:** Regular MBA program delivered onsite or customer/student attends main campus.
High	**3. Customized, “High-Tech” Services** **Examples:** Engineering & technical support; tax preparation; technical/medical consultation; accounting and legal services; financial and investment banking; marketing research. **Education Examples:** Customized distance education programs; online or telecommunications-based tutoring/coaching.	**4. Customized, “High-Touch” services** **Examples:** Architectural/engineering consulting; management consulting; legal services; construction and project management; events planning. **Education Example:** MBA or HR program, delivered on-site, and customized to host country’s cultural environment and economic conditions.

Source: Javalgi, Joseph and LaRosa (2009) and Patterson and Cicic (2007)

Kotler and Fox (1995) and Gibbs and Knapp (2002) have analyzed the nature of educational offerings on three levels (Figure 2d):

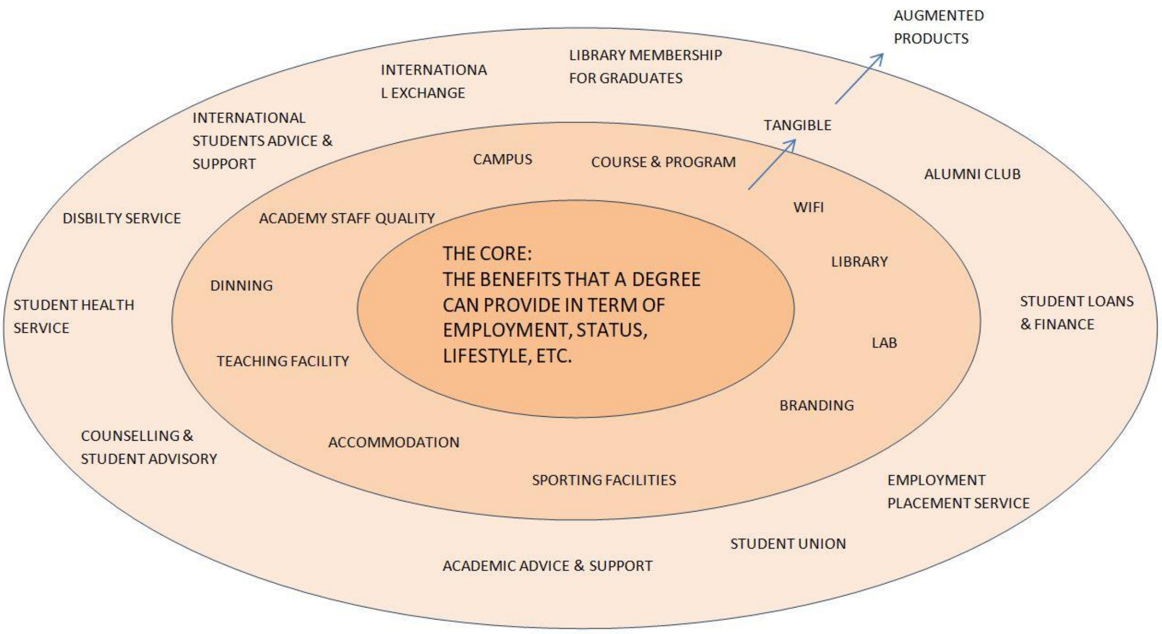
1) Core offer: What is the consumer really seeking? What need is the program or service really satisfying? The task of the marketer is to describe program benefits from the customer's perspective. (e.g. Is the core offering of higher education higher learning or employment?)

2) Tangible offer: Tangible clues and make the intangible tangible through courses, faculty, facilities, features of universities, brand name, quality, styling and packaging (campus environment).

3) Augmented offer: Universities standard value offerings from a customer perspective in the form of additional services, advertising, financing, delivery arrangements, and student support services such as alumni club.

Figure 2d

Three Levels of HE Services Offerings



Source: The Author

Clearly, it is proved that educational offerings are the hybrids of goods and services again. Admittedly, the boundaries of goods and services are blurring. Many services contain at least some goods elements. Also, most goods contain at least some services elements. The goods-dominant logic involves a physical possession and service elements play supporting roles. In contrast, service-dominant logic stresses that services can only be experienced and do not involve the ownership of physical goods (Hoffman & Bateson, 2006). As a result of their intangibility, Zeithaml, Parasuraman, and Berry (1985) has put forward “services cannot be seen, felt, tasted or touched in the same manner as physical goods can be sensed”. This is to be discussed hereafter. Hence, the educational offerings provide customers with an individualized educational experience.

B) The marketization of transnational education services

For years, the universities have been product-oriented and supply-side by virtue of their subject offerings in the 1980s (Rhoades & Slaughter, 1997), and thus to the extent where they lose sight of the basic need which the students satisfy. Recently, however, the universities have developed by realizing the importance of marketing orientation in the education industry (Binsardi & Ekwulugo, 2003). Suspitsyna (2012) also notes that the power of the conceptualization of HE as an industry and a social institution is to co-opt and transform the other. The universities differentiate themselves from others by improving their positive and unique public image in the eyes of the public. Clearly, the universities have a shift from a production-oriented into a customer-driven marketing strategy approach.

In the international higher education literature, its most popular definition is from Knight (2004) who says, “the process of integrating an international, intercultural, or global dimension in the purpose, functions or delivery of post-secondary education” (p. 2). International education is also called cross border education or transnational education (TNE). UNESCO (2007) describes TNE as “all types and modes of delivery of higher education study programs, or sets of courses of study, or educational services (including those of distance education) in which the learners are located in a country different from the one where the awarding institution is based. Such programs may belong to the education system of a State different from the State in which it operates or may operate independently of any national education system" (para. 1).

In the context of globalization and interdependence, the main drivers for transnational education are *revenue generation*, *world player status-achieving*, *skilled migration*, *mutual understanding,* and *capacity building* (the improvement and sustainability of partnership engagement and the enhancement of university's local reputation and influence (Naidoo, 2010). Transnational education can strengthen the *visibility* and *brand positioning of a university* in today's highly competitive international education market. To respond to the pressure of tightening government spending on HE (budget reduction policy), educational institutions should speed up their internationalization process and increase commercialization.

In theory, higher education leaders have gone to great lengths to market their institutions because of four related factors:

1) **Economic rationales** have included the attraction of international students for the purpose of direct financial rewards associated with international education;

2) **Political rationales** are a key element of a national strategy to achieve a country's goals and priorities both domestically and internationally (Knight, 2004). For example, the policy the British government encourages is for British universities to recruit a great number of international students.

3) **Academic rationales** have included providing opportunities to engage in international activities such as mobility, research and linkages (Knight, 2004), adding the diversity to the student body (Ross et al., cited by Ramachandran, 2011) and promoting HE as a knowledge commodity in the international education market (Jiang, 2008);

4) **Sociocultural rationales** have highlighted the need to develop students' global perspectives, cross-cultural capability, and intercultural communication skills (Childress, 2009).

It is widely recognized that the transnational education market is a global phenomenon. As stated, the distribution of destination countries for mobile tertiary students is concentrated in the English-speaking destination countries: the USA, UK, Canada and Australia (Hemsley-Brown & Oplatka, 2006; British Council, 2012). In a word, international universities have identified internationalization as a means to strengthen their institutional status and improve their prestige around the world. According to Tang and Nollent (2007) and Huang (2003), in addition, the following motivations are available in Chinese universities engaged in TNE in China:

- The substantial number of Chinese university staff obtaining skills and qualifications to contribute to HE modernization;
- The demands of economic globalization and the knowledge-driven economy and the WTO;
- The increasing demand for HE in modern China;
- The need to enhance academic quality and standards and to internationalize Chinese HE;
- The Chinese government is continuing to support initiatives, including international mobility and expansion of in-country partnerships which help its HE infrastructure to mature and being self-sustaining.

On the other hand, Mazzarol (1998) suggests that higher education (HE) is a marketable service like any other service in terms of marketing theory. Kotler and Fox (1985) define education marketing, from the marketing perspective, as "the analysis, planning, implementation and control of carefully formulated programs designed to bring about voluntary exchange of values with a target market to achieve organizational objectives" (p. 5). Kotler and Armstrong (2010) have noted that marketing strategy has become a major part of the strategies of many universities nowadays. Palihawadana and Holmes (1999) also consider that most educational institutions engage in marketing in several ways, including marketing orientation in the management of institutions; customer orientation - students are regarded as customers of educational services; giving a deeper insight into what these customers' needs; improving customer satisfaction through the introduction of innovative satisfaction measurement. The growth of competition in HE has accelerated and has embraced marketing as a key strategic aspect of institutional development (Maringe & Gibbs, 2009). As a result, the education services are classified into marketable services.

C) Push-pull" Factors of international education flows

A rich body of literature has been focused on identifying the factors that affect the increasing demand for international education. Various studies are using the push-pull model to explain international student flows (e.g., McMahon, 1992; Mazzarol & Soutar, 2002; Binsardi & Ekwulugo, 2003; Li & Bray, 2007; Maringe & Carter, 2007; Chen, 2008; Bodycott, 2009; Wilkins, Balakrishnan, & Huisman, 2011; Fang & Wang, 2014). The growth in international mobile students is an important feature of the international education industry globally (British Council, 2012).

The concept of "push-pull" was originated from Lee's study in 1966 when this concept was used to explain one of the distinctive factors in the act of migration. Later, McMahon (1992), in one of the earliest studies, recognized the push-pull concept and applied it into investigating factors that influence international student studying in the USA during the period of 1960-1970. The push factors are associated within the source country (countries as senders) to launch the student decision-making to study overseas whereas the pull factors work within the particular host country (countries as receivers) to attract students and exert a strong influence on their destination choices, compared to other countries. Put simply, push factors encourage "outward student flow" and pull factors encourage "inward student flows".

McMahon (1992) identifies economic power, education priority policy and the availability of education opportunities as important push factors between the source country and host country, whereas the pull factors focus on student attraction to host country through an economic linkage between each other. Another important difference between the pull factors associated with the source country and host country is related to political and social attractions of USA as students' final study destination.

As a result of the improvement of social, political and economic conditions in many countries, economic globalization and the advancement in communication technology, pull and push factors have been changed. Mazzarol and Soutar (2002) continue applying the push-pull concept into the global pattern of international mobility of students. Based on a "push-pull" survey in which 2,485 students from four different Asian countries were studying postgraduate courses in Australia, they have found that **significant pull factors** in determining choice of host country depend on students' knowledge or awareness of a particular country and other factors include key influencer, cost issues, university reputation and quality of institution and program (Mazzarol & Soutar, 2002).

Others **common pull factors** have also been most mentioned in the literature, including university rankings, improvement of employment prospects, cultural connection and foreign language improvement (Wilkins & Huisman, 2011). Binsardi and Ekwulugo (2003) also note the impact of the marketing mix (e.g., price, product, place and promotion variables) on the pull factors after doing the survey on student perceptions about the UK education. **The most common push factors** in international students' home country include "low education quality, the lack of capacity and opportunities, the unavailability of certain subjects, employer preference for overseas education and political and economic problems (Wilkins & Huisman, 2011)."

The "push-pull factors" model can also be used in different contexts. For example, Fang and Wang (2014) converted their existing model to fit into the specific situation of transnational HE in China. Wilkins, Balakrishnan and Huisman (2011) compare this existing "push-pull" model in the overseas HE with this model in the transnational HE in international branch campus in Dubai, in order to find the different "push-pull" factors that affect international flows between overseas HE and transnational HE in the international campus in their home country.

However, some might argue that the "push-pull" factors only concentrate on "the external factors" affect international students' motivation and choices. It should not overlook the fact that students are human beings and they have personal factors, such as gender, age, academic ability, socioeconomic status and ambition (Li & Bray, 2007). Others might argue that those business models such as economic models, status-attainment models and combined models (Vrontis, Thrassou, & Melanthious, 2007) and student decision-making process (Maringe & Carter, 2007) can be used to analyze student mobility for HE. Yet, it would no doubt admit that the "push-pull" model has become the most common tool to help researchers examine and analyze international student mobility.

2.3 Research gaps

Examination of the above literature reviews reveals several shortcomings that have limited our understanding of NPL:

1) New service launch

Many NPL studies have largely concentrated on new physical products as opposed to new intangible services. Despite its importance in the NSD process, new service launch has received much less attention. This raises a question about whether the results from new physical product launch can be applicable to new service launch. It would be a worthwhile endeavour to identify the successful launch strategies for new service launches.

2) The heterogeneity between the types of services

Each service has its own character and so is different from other services. Surprisingly, there is a general lack of research that investigates the launch decisions in different service industry contexts. Much of previous empirical research about NSD has been skewed in favour of the financial industry (e.g., Johne & Storey, 1998; Avlonitis & Papastathopoulou, 2000; Biemans et al., 2016). Little consideration has been given to the heterogeneous nature of services. As noted, the financial services are explicit services. They are standardized and product-like services. However, tacit services are experiential in services nature and require a high degree of customization, rely strongly on customer-contact staff as well. As a result, even lesser research has been done to evaluate the successful launch strategies of other tacit services (e.g., new TNE services).

3) The dual perspectives of new service launches

However, prior research has often concentrated on launch strategies that are targeted at the managers in the companies. However, the perspective that launch strategies are also directed at an external audience such as customers has been less emphasized. Essentially, customer acceptance of new products is vital to market launch success (Kuester et al., 2012). Furthermore, the findings that focus on a one-sided approach are not enough to direct new educational provision launch successes. After all, customer satisfaction information provides important insights for a company to understand and adapt to its dynamic environment, helps position and launch new products as well (Morgan, Anderson, & Mittal, 2005). Therefore, this is an area crying out for more research on identifying the successful launch strategies from both the perspectives of managers and customers.

4) Methodological approach

As in all research, methodological preferences have great influence on the development of NPL knowledge. As noted earlier, until now, most empirical research is still focused on the single-informant and cross-sectional survey. The methodological one-sidedness may hamper causality, call validity into question and impair the development and testing of sound theories as well. Due to the complex nature of launch decisions, case research could be used to understand how managers engage these decisions under the real-time pressure. Indeed, relatively little is known about how managers perceive launch decisions in situ and what constitutes effective NPL in practice or whether NPL practice is consistent with NPL theory. Thus, there is clearly a need for specific research attention to focus these elements.

5) Internationalization

Studies of product launch are conducted in developed markets and only a few of them are carried out in emerging markets (Lee et al., 2011). For example, services are a dominant entity in the global economy nowadays (Kuszmarski & Mandolia, 2013). Yet, most research studies on service launch have been conducted in a broad range of developed countries (Papastathopoulou & Hultink, 2012) and focus on a single country (Lee et al., 2011). Therefore, it has provided only limited insights into international service launch as well as into the management direction of successful service launches in the international market (e.g., China).

2.4 Chapter summary

Chapter Two reviews the four major kinds of literature on a new product launch, service marketing, new service development and international education marketing in a systematic way and then identifies research gaps of this research project. The main purpose of this chapter is to set the new product launch study within its wider context, understand what has already been done in these literatures that the researcher wants to study and what the key issues are, and to show the reader how the research project can contribute to the work that has already been done on the topic of launching new service provisions in China. For example, this chapter has reviewed the NPL literature, and then a critical review on services marketing, new service development and the TNE services. This critical review has been divided into four sections: the nature of services, innovation in services, international services and the TNE services. Finally, the research gaps of this project have been identified.

The following chapter is to review the transnational education (TNE) industry in China.

Chapter 3
Transnational Education (TNE) in China

3.0 Introduction

This chapter is to examine the transnational education market in China and then to understand China's TNE industry. It contains three major parts: 1) China in the context of the international higher education market; 2) Higher education in China; 3) Market entry of transnational education in China.

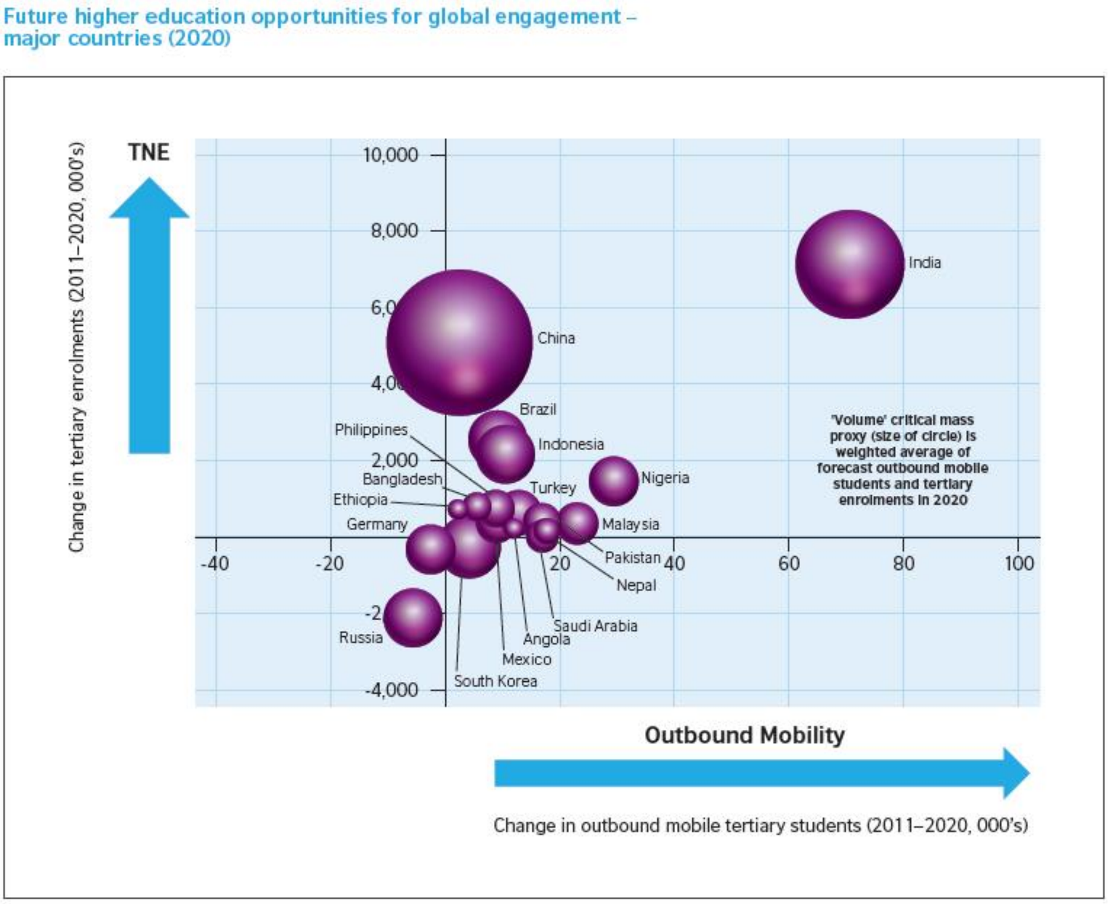
3.1 China in the context of the international higher education market

In China, internationalization of higher education (HE) is not a new phenomenon, due to the growth in disposable personal income of Chinese families and open-door policy. Nowadays, more Chinese families can afford to study abroad than ever before. With sustained economic development in China, one result of this growth has fueled a demand for more and more different education opportunities at the international higher education level. The Chinese HE market is huge. The HE institutions around the world are highly competitive for high-quality Chinese students in the Chinese international higher education market.

USA, UK, and Australia are still the most popular destinations of study-abroad choice among Chinese students. The UK, behind the USA, is the second most popular destination for Chinese students studying overseas at the HE level. According to the Ministry of Education (MoE), the number of Chinese students who went to study overseas in 2013 was about 413, 900, compared to about 399,600 in 2012 (China Daily, 2014a). In 2010, the largest source of internationally mobile students globally was Chinese with 548,500 (18.2% of the total) (Gov UK., 2013).

The international education in China is perceived as a "soft market" with international education demands from diverse consumers. As Wycombe Abbey's headmistress Rhiannon Wilkinson said: "We are catering to the insatiable demand in China for an English-medium education. We are also responding to the need for an English-style education system and Chinese methods. Nowhere has growth been faster than in Asia. Between 2010 and 2014, the number of international curriculum schools in Shanghai alone increased by almost 40%, currently educating over 71,000 pupils. But the market size for the local, growing, middle-class Chinese is huge" (BBC, 2016a, para.5). According to the British Council (2012), in addition, China and India are continuing to play important roles in TNE market (Figure 3.1).

Figure 3.1. International education opportunities – outbound mobile students and TNE



Source: Oxford Economics

Noticeably, more and more Chinese students and their families are choosing alternative pathways to academic success, and for many, these new pathways begin with joint-venture programs and institutions and later carry them overseas (Robinson & Guan, 2012). Therefore, the "education fever" is very common in China (BBC, 2013) and Chinese parents will sacrifice and do everything they can within their means to secure their children the best possible education. The main reason raised and discussed is that China is in a Confucian heritage society. The parent-child relationships in China are characterized by the concept of filial piety or xiaoqin: honour your mother and your father (Hwang, 1999).

3.2 Higher education in China

Access to Chinese universities is most commonly gained by taking a national entrance examination (Gaokao), immediately following the completion of senior high school. Two levels of undergraduate study are in China: the four-year bachelor's degree and the three-year diploma (dazhuan).

The Chinese HE sector consists of more than 2,000 universities, known as "regular institutions, which recruit students from a national quota for HE", based on students' Gaokao scores. According to their Gaokao scores, the recruitment process of degree-awarding universities that are classified into three tiers is ranked and sequential: tier 1 recruit first, then by tier 2 and third tier 3. Those students who got the best scores are recruited at tier 1, and so on down the line. Students with the lowest Gaokao scores usually go to dazhuan college or to adult education such as distance-learning program.

MoE is responsible for the top universities and key universities such as "Project 985" and "Project 211" whereas other regional universities and tertiary colleges are administered by the local government. MoE is also responsible for the approval of applications for foreign education provision in China (QAA, 2013). The regular institutions can be classified into the following broadly hierarchical groups (Table 3.1).

Table 3.1

Type of regular institutions

Regular Institutions	Focus	Aim	Number
Top universities (Project 985)	Research	Creating world-class universities	39
Key universities (Project 211)	Research and Teaching	Strengthening selected universities: includes the 39 Project 985 universities, plus another 73 universities, making 112 in total	73
Other universities (mainly regional)	Teaching with some research		1,000
Tertiary colleges – non-university	Teaching	/	133
Tertiary colleges – vocational (dazhuan)	Teaching of applied programs		1,113
Total			**2,358**

Source: QAA, 2013

3.3 Market entry of TNE in China

SA in the field of HE is one of the common features of the internationalization policy and practice today (Bodycott, 2009). Furthermore, international students have a greater influence on SA with other local institutions familiar to the students (Mazzarol & Soutar, 2002).

In China, TNE cooperation is identified as a strategy to accelerate domestic education reform and increase domestic education capacity. The Chinese government allows international education institutions to get access to domestic markets, which can respond to a growing number of student demands, bring quality education resources, encourage collaborative academic research, improve China's HE reform and generate revenues. The development of SA through internationalization of HE is also seen as a way to develop closer cooperation bilaterally and as a source of competitive edge (Knight, 2004). Many foreign universities are entering SA in China to overcome regulation barriers, reduce the perceived risks into the new market, gain access to resources (e.g., to distribution channels, local market knowledge, and capital) and enhance the international education institutions' reputation in the local market (Bradley, 2005).

All educational institutions, whether consciously or not, have strategic alliances for their commercialization of HE services in China. The development of SA is to respond to the policy of the government in China rather than to increase the engagement in the Chinese market. There is a wide range of models of international higher education in China on the basis of the GATS model of cross-border service delivery (QQA, 2013), as shown in Table 3.2.

In the context of education policy in China, foreign institutions may enter the market but must partner with Chinese institutions to establish what are called Chinese-foreign cooperatively-run schools (CFCRS) (QAA, 2013). CFCRS is referred to as joint-venture institutions, and also joint-venture projects on a joint basis with or without an independent legal entity. According to MoE (2013), there are a total of 930 CFCRS, with 46 joint venture institutions of them in China. Appendix A shows a small subset of the many CFCRS between Sino-Foreign institutions and projects of higher education based on MoE (2013).

3.4 Chapter summary

This chapter has briefly reviewed the TNE industry and higher education in China. Transnational education (TNE) market is a global phenomenon and the TNE services are very popular in China. In the Chinese market, joint-venture institutions and projects are the most common strategic alliances in response to the policy of the Chinese government. The following chapter will present the conceptual framework.

Table 3.2

A wide range of the models of TNE in China

Models	Explanations	Examples
The JV institution	Sino-Foreign joint institutions with an independent legal entity (Branch campus)	Shanghai New York University
	Sino-Foreign joint institutions without an independent legal entity	CEIBS
The "secondary college"	A separate institution that is affiliated to the Chinese partner	Shanghai University of Finance and Economics - International Education College
The "Joint Programme"	Students generally complete their entire programme with the Chinese partner (although they may have an option to transfer to the UK partner). Such joint programs vary in terms of both how they are delivered and the extent of involvement of the respective partners; e.g. franchising and twinning arrangements (cross-crediting arrangements)	Shanghai University of Electric Power - University of Strathclyde
The Distance-Learning Programme	Students study programme materials, either alone or with the assistance of a support center	the Accounting and Finance programme is offered on by Oxford Brookes University in conjunction with the Association of Chartered Certified Accountants(ACCA)
The Advanced Professional Programme	A postgraduate programme is offered on a part-time basis to managers in employment	Durham University's Doctorate in Business Administration (DBA) & the University of Wales' MBA

Source: QAA, 2013

Chapter 4
Theoretical framework

4.0 Introduction

This chapter aims to present the theoretical framework based on a synthesis of the literature of NPL, services marketing, NSD and international education marketing in Chapter 2. It first presents the theoretical framework of this research, followed by reviewing dependent variables of NSP in the NPL literature. It then identifies new service performances of this research.

4.1 Theoretical framework of this research

This study proposes a framework that extends the classical framework proposed by Hultink et al. (1997) for studying the impact of launch decisions on the new service performance in the TNE services context. Thus, at the strategic level, the launch strategy decisions of goods can be easily applied to the launch strategy decisions of TNE services. It is supported by Meyer and DeTore (2001), asserting that it is surprising that products and services are similar at the strategic level. Noticeably, 'product newness' in the product strategy is not included, because it is found that the data of 'product newness' and 'product innovativeness' has been overlapped during the data analysis.

At the tactical level, however, the '4Ps' marketing mix is not appropriated for the TNE services. This is because the traditional marketing mix is based on the exchange perspective from the seller's view with an emphasis on value distribution (Gronroos, 2000), failure to focus on "customer orientation" and "relationship orientation" (Vargo & Lusch, 2004b) and overlooking the intangible and inseparable nature of services (Lovelock and Wirtz, 2011). Marketplace today are customer oriented (Constanindies, 2006). Similarly, the '7Ps' marketing mix is not appropriated for the TNE services since it overlooks the distinctive natures of the

TNE services (see Chapter 2: section 2.2.4). The simple presentation of the extended marketing mix cannot represent all services and the issue of customer satisfaction is not adequately covered by the 7Ps headings (Palmer, 2014).

Regarding the tactical launch decisions, thus, this research uses the Palmer's service marketing mix – product, price, communication, accessibility and people - to be specific to the TNE services. Because the marketing mix, especially communication, accessibility and people elements, can be better demonstrated as the TNE services that are a high degree of uncertainty, intangibility and personal contact and emphasize customer orientation and relationship orientation. What is more, as noted earlier in Chapter 2: 2.2.4 - the TNE services, an education service is a process of building reciprocal relationships; it is based on trust, directing at students, and delivering the value to those who seek to engage with it (Maringe & Gibbs, 2009). Therefore, the most important reasons are described below in the context of TNE services:

1) Communication tactics: communication is a more general term to describe interactions between a service provider and all of its stakeholders (Palmer, 2014). Communication tactics highlights the importance of interactive communication between providers and customers, due to the unique characteristics of services. Such service providers may "talk about relationship development with customers, based on a dialogue that is driven by information technology" (Palmer, 2014, p. 165). Dialogue has a direct effect on new service success. Communication has also been viewed as "tangible cues" by customers to lessen abstract, perceived risks and helps them make judgments before purchase, regarding the distinctive natures of TNE services.

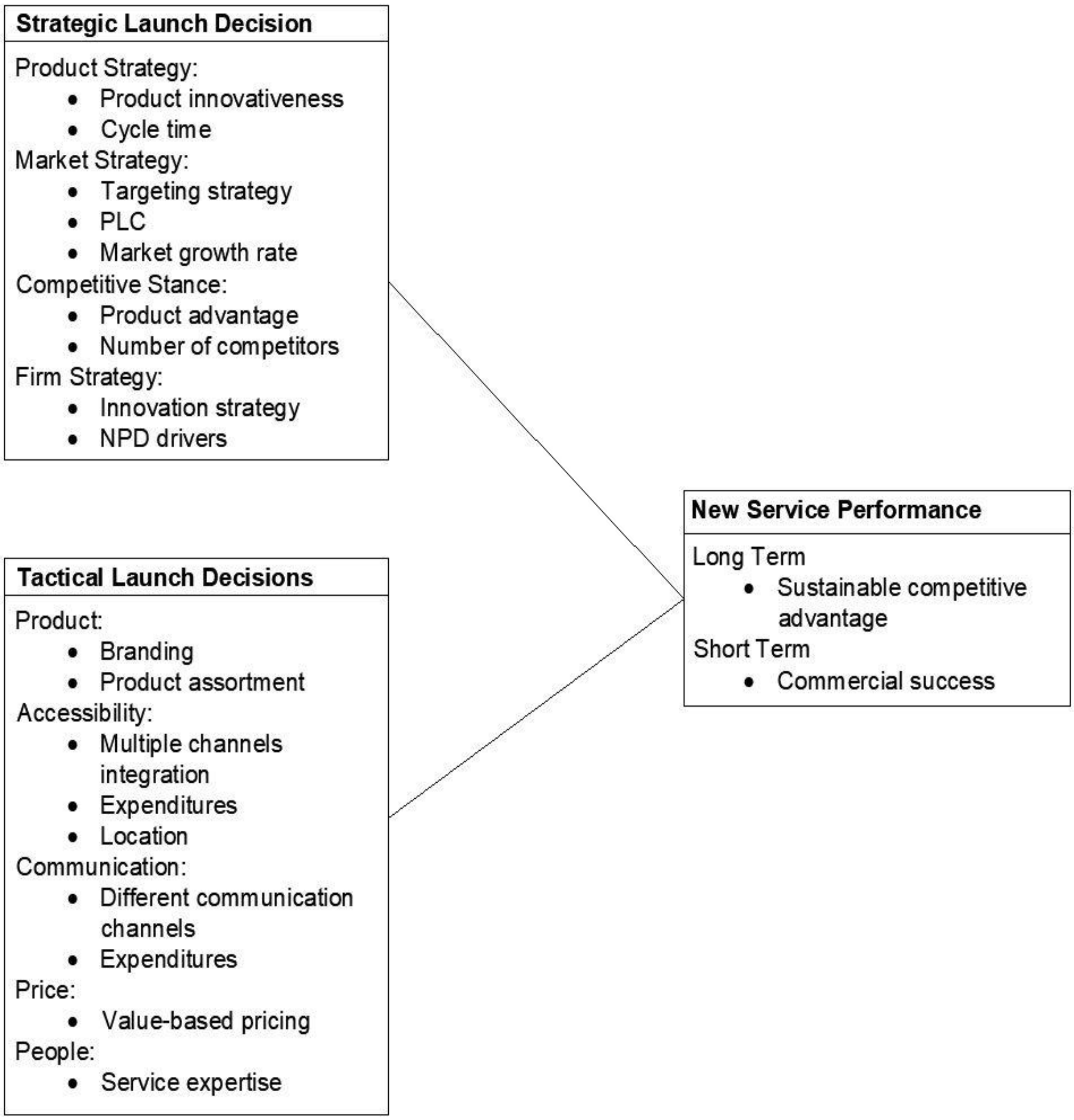
2) Accessibility tactics: Accessibility is the wider concept and the focus has primarily been on value creation network instead of value creation. Accessibility tactics is a key aspect of creating customer value in services (Gronroos, 1982; Palmer, 2014), due to the inseparability of internationalizing services. It is in line with Vargo and Lusch's view (2004b) that information flow instead of a physical flow is central in the service provision, with an emphasis on a customer value-creating process rather than simply distributing preproduced value to customers.

What is more, accessibility tactics largely emphasize intermediaries play a crucial role in the process of delivering the benefit of a service to local customers, since intermediaries are co-producers of a service and they assist service providers in making a service more readily available to local customers (Palmer, 2014). The main question concerning the delivery of educational services is "How can we make our programs and services available and accessible to our target consumers?" (Kotler and Fox, 1995). More specifically, this question is about who should be made services truly accessible to consumers: the role of intermediaries (Palmer, 2014). For example, education services are high-contact (see Table 2.8 in section2.2.4, Chapter 2). Students can rely on the tangible element – easy access to local intermediaries - to reduce uncertainty and influence their decision-making when evaluating the educational service provisions. Local students may prefer to choose the final university based on an intermediary who offers useful advice to them; local students may enjoy building close relationships with intermediaries and prefer to choose between competing alternatives based on their advice.

3) The intangible nature of services results in the addition of a further element – people. People is a powerful element tool of customer persuasion. As noted in Chapter 2 (see section 2.2.4), the distinctive nature of TNE services is highly intangible; TNE services are not always easy to 'place things on the table' to make the complex decision-making (Maringe & Carter, 2007). Even if customers could calculate accurately the risk involved when facing a thoroughly new product which they have never met before, they still want to interact with service expertise in the universities and then their personal service experiences are formed in their minds, which greatly affect new service launch success. Hence, the people element of the marketing mix of TNE includes the service expertise in the institutions that play a major role in attracting prospective students and affecting the student's perception.

In this research, therefore, the elements of accessibility, communication and people are specific to the context of the TNE services, except for the product and price tactical decisions (Palmer, 2014). Each tactical decision also has some potential to affect student perceptions, the basis for achieving service differentiation, and then influencing their new service introductions (Lawless & Fisher, 1990). Figure 4a presents the theoretical framework delineating the relationships between strategic and tactical launch decisions and new service performance in the TNE services context.

Figure 4a Conceptual Framework



4.2 Dependent variable: new service performance (NSP)

Much of the valuable work of NPD deals with the search for NPP which has widely used categories of measures. More specifically, the two broad categories can be captured by the measures of NPP used by the studies in new physical product launch: the financial and non-financial performances (Table 4.1).

Table 4.1

The classification of new product performances

The financial performances	- 'return on sales (Lambkin, 1988)
	- 'dollar sales' (Green and Ryans, 1990)
	- 'return on investment' (Lambkin, 1992; Lee and O'Connor, 2003a)
	- 'profitability' (Saunders and Jobber, 1994; Green, Barclay and Ryans, 1995; Song and Montoya-Weiss, 1998; Di Benedeto, 1999; Lee and O'Connor, 2003a; 2003b).
The non-financial performances	- 'market-based' (Ledwith and O'Dwyer, 2008; Talke and Hultink, 2010; Song, song and Di Benedetto, 2011)
	- 'timing' (Ledwith and O'Dwyer, 2008; McNally, Akdeniz and Calantone, 2011)
	- 'customer acceptance' measures such as 'customer satisfaction' (Talke and Hultink, 2010)
	- 'customer loyalty' (Green, Barclay and Ryans, 1995)
	- 'market acceptance' (Lee et al., 2011)
	- 'competitive advantage' (Talke and Hultink, 2010)
	- 'technical-based' (Hultink, Griffin, Hart and Robben, 1997)
	- 'enhanced relationship' (Cooper et al., 1994)

Source: Author

However, in the services marketing, the profitability of services remains an under-researched area. It has long been recognized that measuring the performances of services in service companies is more challenging than in physical goods companies (Storey & Kelly, 2001). Peter Drucker (1990) also notes that "performance is the ultimate test of any institution. Every non-profit institution exists for the sake of performance in changing people and society. Yet, performance is also one of the truly difficult areas for the executive in the non-profit institution" (p. 107). He has recognized the problem of financial performance in non-profit organizations. But, in the TNE sector, Altbach and Knight (2007) have stated that "earning money is a key motive for all internationalization projects in the profit sector and for some traditional non-profit universities with financial problems. … Many countries recruit international students to earn profits by charging high fees" (p. 292).

Nevertheless, the researchers in the literature suggest that the use of multi-items measures is to take the full complexities between service launch strategy and performances of new service into account and to capture the overall dimensions of new service performance (de Brentani, 1989; Griffin & Page, 1993, 1996; Hultink & Robben, 1999). The product could be thought of as a failure in financial performances. But, the non-financial measures (i.e. customer-based measures such as customer satisfaction) could be judged subjectively a success (Hart, 1993). Evidence also suggests that the financial issue is not merely a factor to measure success (Hart, 1993; Montoya-Weiss & Calantone, 1994; Henard & Szymanski, 2001 and Evanschitzky et al., 2012).

Therefore, the new service performances with the multidimensional construct will be used in this study, in order to be consistent with the recent thinking on the definition of new product performance that can enhance our understanding of new service performance in the real world. New product performance mirrors the level of success achieved by a new product offering in the marketplace (Storey et al., 2016; Hultink et al., 1997). In this study, performance issues have been measured in two dimensions:

(1) the short-term performance: commercial success (e.g., achieving the target enrolment numbers)

(2) the long-term performance: sustainable competitive advantage (SCA)
    - student satisfaction

- student performances (e.g., further study around the world and the employability rates)
- reputation improvement: to attract more students by strengthening the institutional reputation locally and nationally

It is strategically important to differentiate between long-term and short-term performances as NPP is a multidimensional concept (Storey et al., 2016; Hultink et al., 1997), especially for highly intangible TNE services. In this research, TNE launch, in and of itself, is considered to be a gradual and sequential process (Yeniyurt et al., 2007). After all, transnational education is most concerned with quality and reputation. Both tend to accumulate through time. It requires long-term commitment and the launch cycle is much longer than other services or goods.

Thus, some performances cannot appear immediately (e.g., student satisfaction, student performances and reputation improvement) whereas other launch decisions evoke immediate responses from the market (e.g., the volume of student recruitment), and therefore have some influences on the short-term performance. At different stages of PLC, a university can accommodate its launch strategies and tactics, according to previous performances. As Lee et al. (2011) said, "The performance of a new product is a set of sequential effects rather than a one-time overall outcome" (p. 106). This is one big divide that was not evident at all in the consumer and industrial launches (e.g., Hultink et al., 1997; Talke & Hultink, 2010b). As Corstjens and Lal (2012) said: "It takes time to break into foreign markets, returns accrue only over time…" (p. 104).

Additionally, research evidence across the three cases study demonstrates that only short-term performance is not a factor to measure success, consistent with previous NPL literature. There is also an interesting parallel between intangible service launches and physical launches, unveiling that only financial performance is not merely a factor to measure success. Therefore, the multiple performances of TNE services (e.g., the combination of long-term and short-term success) can enhance our understanding of new TNE launch performances in the real world, in line with earlier research studies.

In this study, consistent with the study of Storey et al. (2016), commercial success as an interim outcome of NSP mediates the ultimate fate of new TNE provisions, such as market success, growth or survival. These ultimate outcomes represent the market acceptance of the new service (Storey et al., 2016). It is usually measured by the extent to which the launch of new TNE provision achieved its target enrolment numbers (Avlonitis et al., 2001). Indeed, student enrolments are critical to success in the new TNE services.

Building on Bharadwaj, Varadarajan, and Fahy’s (1993) notion of sustainable competitive advantage (SCA) that enables the TEIs to achieve superior market advantages and resist erosion by rivals, the researcher characterized sustainable competitive advantage in terms of student performances, student satisfaction and reputation improvement in this research. It is also compatible with the study of He (2015), arguing that some of the TNE institutions are “highly successful in terms of the volume of their recruitment, the students' performance, and the students' career development after they graduate" (p. 6). In the same token, the findings of this study seem to confirm the study of Mazzarol and Soutar (1999), stating that marketplace and financial performance can be the measured by the market success of TNE services across the globe. Appendix B provides evidence pertaining to NSP of the three cases in this research.

4.3 Chapter summary

The purpose of this chapter has been threefold:

- To present the theoretical framework of this research
- To review dependent variables of new service performance (NSP) in the new product launch literature and
- To identify the new service performance in this research

The following chapter will present the research methodology adopted for this research study.

Chapter 5
Research methodology

5.0 Introduction

This chapter discusses the methodological aspects of the study. After posing the research questions, understanding research philosophy and explaining the relevance for business research of philosophical perspectives and their underlying assumptions are discussed and justified. Then, it justifies the choice of the research paradigm that underpins this research study. This is followed by data collection procedures. Analysis procedures of the data are also discussed, followed by discussions on the criteria for judging the quality of case study research. The chapter ends with discussions on ethical considerations.

5.1 Research objectives

The aim of this research is **to identify the key factors that the managers must pay attention to when introducing new services in a leading emerging market – more specifically, the transnational education (TNE) market in China**. That is, it aims to determine key factors leading to success in the launch of new educational provision in China. Thus, some research questions should be answered.

5.2 Research question

The initial framework proposed by Hultink et al. (1997) is extended into the internationalization of HE services in China, combined with NPL literature service marketing literature, international education marketing literature and service innovation literature. Informed by the context and theoretical framework, the research questions are further elaborated and aligned with the discussion presented in the previous chapter.

What are the successful launch strategies for the launch of new educational provisions in China? There are two sub-questions underpinning this question:

- What are the successful strategic launch decisions for the launch of new educational provisions in China?

- What are the successful tactical launch decisions for the launch of new educational provisions in China?

5.3 Understanding research philosophy

There are three reasons that support understanding the research philosophy (Saunders, Lewis, & Thornhill, 2012). First, it plays an important role in knowledge development and the recognition of the nature of reality. Second, a knowledge of philosophy can help researchers clarify the research design and underpin research strategies and methods they choose and the limitations of particular approaches; give your confidence to build on strengths and offset the weakness of those techniques as well (Robin & Robin, 2012). Third, knowledge of philosophy can help the researcher make presumptions about the way in which you view the world and determine what problems are worth exploring, the assumptions provide guidance for conducting your research (how to do your research).

Four scientific research paradigms and the importance of the realism paradigm to this research

The critical issue for researcher does not describe the choice of methodologies but describe acknowledgement of the research paradigms (Sobh & Perry, 2006). Some researchers such as Collis and Hussey (2003) classify the main research paradigms into two: positivistic and phenomenological paradigms. However, Guba and Lincoln (1994) combine scientific research paradigms into the four categories (Table 5.1), positivism; realism; critical theory and constructivism. Realism, critical theory and constructivism can be classified into the phenomenological paradigm (Guba & Lincoln, 1994). Note that realism is critical realism in Table 5.1. In this research, realism is also ***critical realism***.

Table 5.1

Four categories of scientific paradigms and their elements

Element	Positivism	Critical Theory	Constructivism	Realism
Ontology	Naïve realism: reality is real and apprehensible	Historical realism: "virtual" reality shaped by social, economic, ethnic, political, cultural and gender values, crystallised over time	Critical relativism: multiple local and specific "constructed" realities	**Critical realism:** reality is "real" but only imperfectly and probabilistically apprehensible
Epistemology	Objectivist: findings true	Subjectivist: Value mediated findings	Subjectivist: created findings	Modified objectivist: findings probably true
Common methodologies	Experiments/ surveys: Verification of hypothesis, chiefly quantitative methods	Dialogic/dialectical: Researcher is a "transformative intellectual" who changes the social world within which participants live	Hermeneutical/ dialectical: researcher is "passionate Participant" within the world being investigate	Case studies/ convergent interviewing: triangulation, interpretation of research issues by qualitative and by some quantitative methods such as structural equation modelling

Note. Essentially, ontology is "reality", epistemology is a relationship between that reality and the researcher, and methodology is the technique used by the researcher to investigate that reality; adapted from Perry et al. (1997, p.547) based on Guba and Lincoln (1994).

Source: Healy and Perry, 2000

This research study has used critical realism as its philosophical position, given the relevance of critical realism where the focus of research is on theory building. There is currently a paucity of literature knowledge to identify the launch strategies affecting the success of attempting generalization (Creswell, 2013). Moreover, the existing theories of new service launch do not adequately seize the complicated phenomenon of launching new educational provisions. As noted, international product launch is a conceptually complex process & takes very different forms from one company to another (Calantone & Griffith, 2007). Therefore, new service launch has not been researched sufficiently to attempt generalization. It underpins a need for theory building.

Next, critical realism is a window to reality with multiple perspectives and through a picture of reality can be triangulated with different perceptions (Guba & Lincoln, 1985;1994). Multiple perspectives are needed so that we are not blinded by our own biases (Hunt, 1991). That is, realism relies on multiple perceptions of single reality (Healy & Perry, 2000). This research sees a phenomenon of launching new educational provision in China through different perspectives – TEIs and students.

Moreover, in the realism research, triangulation provides “a family of answers” in different contingent contexts (Sobn & Perry, 2006). In this study, the triangulation of different data sources is used to capture a single, external and complex reality of launching new educational provisions in China. In addition, different interviewees have been asked the same question to test whether they answer with the same perspectives of new educational provision launches in China.

5.4 Justification: a case study strategy

The paradigm the researcher adopts has great importance for the methodology the researcher uses (Collis & Hussey, 2003). Realism is the preferred paradigm for the case study approach for the following reasons:

1) Realism is about an external reality, characterized by some research objective. It acknowledges “the ways individuals make meaning of their

experience, and, in turn, the ways the broader social context impinges on those meanings while retaining focus on the material and other limits of 'reality'" (Braun & Clarke, 2006, p81). Similarly, Hunt (1991) pointed out that case study approach efforts often include multiple perspectives of *unobservable* external world phenomena that are needed to be collected whereas positivism only studies observable phenomena. Triangulation provides family answers to capture a complex reality and refine fallible observations of that reality (Tsoukas, 1989). Thus, realism, instead of positivism, is a more appropriate epistemological guide for case study research.

2) Case study research design in the study of Eisenhardt (1989) is also consistent with a research design within a realism paradigm (Sobh & Perry, 2006), emphasizing prior theory, triangulation and the use of replication logic. For example, case study research is also called *confirmatory* case research within the realism paradigm. This type of research is characterized by entering the field with prior theories (e.g., developing an initial framework from the literature) and the aim is to confirm or disconfirm elements of the prior theory (Perry et al., 1999; Sobh & Perry, 2006). Case study research also includes some deductions based on prior theories, although the inductive case study research has been emphasised (Perry et al., 1999).

3) Researchers such as Perry et al. (1999), Healy and Perry (2000), and Sobh and Perry (2006) also clarify that a case study approach is within the realism paradigm. Also, this is illustrated in the definition of case studies by Yin (2009, p. 18):

- Investigates a contemporary phenomenon in depth and within its real-life context, especially when
- The boundaries between phenomenon and context are not clearly evident.
- Copes with the technical situation in which there will be many more variables of interest than data points, and as one result

- Relies on multiple sources of evidence, with data needing to converge in a triangulating fashion, and as another result
- Benefits from the prior development of theoretical propositions to guide data collection and analysis.

Thus, within the realism paradigm, the case study approach lends itself suitably as a method of inquiry and is especially suitable for research about some marketing issues such as service innovation and the requirements of this research study, guided by the research objectives. This study is designed to use case study research to identify successful launch strategies for new educational provisions in China for several reasons:

First, multiple case study appears suitable to probe the complicated phenomenon of launching new educational provision (Yin, 2009). A case study is "t*he basic idea is that one case (or perhaps a small number of cases) will be studied in detail, using whatever methods seem appropriate. While there may be a variety of specific purposes and research questions, the general objective is to develop as full an understanding of that case as possible*" (Silverman, 2012, p.138), and multiple case study provides a stronger base for theory building than does examining a single case, because it allows replication and extension of theory within the set of cases (Yin, 2009).

Second, the case research design complements the extant NPL research that has been criticized for mainly relying on quantitative, large-sample surveys and single-informant studies with a narrow focus (Biemans et al., 2016; Page and Schirr, 2008): case research allows the adoption of different research methods to collect rich data capturing multiple perspectives on the complicated phenomenon of launching new educational provision (Bruce, Daly, and Kahn, 2007; Jaakkola and Hallin, 2018).

Third, the empirical context for the research was defined so that it would complement current research that strongly favours the financial services that feature the standardized and mass-produced services (e.g., Biemans et al., 2016). To reveal the heterogeneity between the types of services, TNE services were selected as TNE services feature a high degree of complexity, risk, customization and interpersonal contact. TEIs rely strongly on student-contact staff to deliver services and provide a customized service or solution to their potential students. They present the “tacit services,” as they are highly intangible, heterogeneous, people-dominated and interpersonal, and experiential by nature (see Chapter 2: section 2.2.2 B). TNE services also represent an important sector in China as they are considered drivers for the demands of economic globalization, the knowledge-driven economy and the WTO (Tang and Nollent, 2007; Huang, 2003). Another important driving force of TNE in China is to respond to the diverse needs of consumers (British Council, 2012).

The prior conceptual framework is a good starting point for several reasons:

- It allows the first-time researchers to have a better understanding of the phenomenon of new educational provision launch within a familiar culture or subculture (in China) and further refine the framework proposed in the literature of new service launches.
- The predetermined framework is often used to structure the study design, inform the process of sampling and data collection, and analyse the interview transcripts.
- The researcher can use the relevant literature, the original data, and the secondary data to assist with the verification of the categories in the predetermined framework in this research.
- The validity of the categories in this research is supported by the pre-existing conceptual framework that is derived from previous relevant research and literature.
- Using this framework enables the establishment of certain parallels between physical products and service launches; it further reflects frameworks proposed in the new service launches literature.
- This critical role of the conceptual framework has been integral to the development of sound multiple case studies of launching new TNE provisions in China in this research.

5.5 Criteria for case selection and their number

Case selection is very important in building theory from case studies, as the selective appropriate population of cases can control irrelevant variation and define the limits of generalization in the findings (Eisenhardt, 1989). Stake (1994) further argues that representation or random sampling is not the criteria for case selection, but that case selection is based on a theoretical replication or a literal replication. That is, the case selection is *purposive (or theoretical) sampling* and involves using the replication logic and relies largely on the initial framework (Perry, 1998). As Eisenhardt (1998) put it, “The goal of theoretical sampling is to choose cases which are likely to replicate or extend the emergent theory” (p.545). Some researchers say that the accepted range of case study number probably declines between two to four as the minimum and 10, 12 or 15 as the maximum (Perry, 1998). Yin (2009) suggests that 2 or 3 cases would be *literal replications, predicting similar results*.

In this study, the researcher purposely chose three Chinese universities with different models for cooperation with foreign institutions in China: the joint-venture institution, the secondary college and the joint programmes, based on accessibility of the site and the rigour of the documentation. The purposive sampling was also used to focus on a specific context where the launch activities being studies are most likely to occur, and critical case sampling in which only those who can best represent the research topic were included.

Furthermore, these deliberate choices of universities are related to the researcher questions to provide rich, relevant and diverse data pertinent to the research questions. It also allows the researcher to have further insight on launching new TNE provisions in China and to minimise the possible bias arising from the purposive sampling based on convenience in this research project. These three models for TNE are very popular in China and therefore they are considered appropriate representatives of TNE in China and more appropriate for enhancing the generalizability of the framework of launch strategies in the TNE industry in China in different contexts. In addition, selective cases were used from the same geographical location to ensure homogeneity of the sample set and to minimize sample variation due to geographical differences in China. This meant that all of them were approved by China's Ministry of Education and had knowledge of launching new educational provisions in the local areas.

The primary criteria of these three "typical" selective cooperating Chinese universities are used in the sites:

1) The universities within the different models for cooperation between Chinese and foreign institutions in China.
2) The program selection will be restricted to the successful new launch provisions (e.g., joint program, the secondary college, and joint institution) within at least the last ten years in these universities in China.
3) All selected universities have engaged in launching new TNE undergraduate programs in the Greater Shanghai Area. These three universities are in the convenient and representative, geographic areas in China.

Here, the successful new launch provisions have met the following criteria:

- These selective universities have been successfully operated in China for at least ten years and they have several cohorts of students.
- These selective universities have achieved excellent rates of employment or further study for its graduates in China and abroad
- These selective universities have growth or stability in student enrolments;
- These selective universities have been awarded prizes by their international partner, or by the Chinese government, or by the foreign government or both the governments.
- These selective universities receive a growing recognition for the quality of teaching and student experience; serve as a model of international education for establishing standards to ensure the quality of operation in the cooperative schools and promote the development of Sino-foreign cooperation in running schools in the Greater Shanghai Area. That is, they are the benchmark of transnational education in the Greater Shanghai Area.

5.6 Case study procedures

Multiple cases

In his text on case study research, Stake (1995) delineated three different types of case studies: intrinsic, instrumental and collective case study. This study used the *collective (multiple) case studies* to investigate the general phenomenon of launching the new educational provisions in China and to show different perspectives on the new educational provision launches in China. In order to ensure robustness, the research design involves multiple cases based on replication designs, for its designs can maximize credibility through identifying similarities and differences of the various comparison groups in several settings (Glaser & Strauss, 1965; Yin, 2009). Put simply, the case-replication method is used to confirm or disconfirm emerging insights (Eisenhardt, 1998). As a matter of fact, most good case studies prefer to use a variety of sources to reduce bias from recall and rationalization (Yin, 2009). Multiple case design can also be useful for theory-building through the application of comparative logic (Baker, 2003) and lead to the confirmation and disconfirmation of results respectively (Spiggle, 1994). Despite being complicated, the design provides greater richness and multiple perspectives in interpreting the launch activities of new TNE services in China. Three cases were seen to be sufficient for confirming or disconfirming the initial framework and identifying launch strategies in the TNE industry in China for *an analytic generalization*.

This research is a case study of launching new educational provisions in China, and therefore, that is the main unit of analysis, as it is the issue being addressed by the research questions. This research design was what Yin (1984) has termed embedded multiple case design, denoting several units of analysis and providing greater richness and multiple perspectives in illustrating the research phenomenon. In addition to the nature of research questions, the unit of analysis is also bound by the limited time. In this study, the context for the case study is the Chinese TNE industry – the higher education. The three Chinese universities with two embedded units of analysis: the Sino-TNE provider’s (or TEI’s) perspective and the student’s perspective.

Gaining access

Gaining access is a particular characteristic of the success of any research project (Saunders et al., 2012). In this project, the process of negotiating access to the three universities took more than three months from initial contact to the start of data collection. Thus, one of the main reasons for the selection of cases is that only selective universities allowed the researcher to gain access. Access to the first was gained through a gatekeeper acting as a mediator between the researcher and the university. The negotiating process was implemented very cautiously, since this was a sensitive issue to the universities, keeping in mind that intimacy issues and high levels of competition in TNE industry in China. During data collection, the gatekeepers in each university identified potential informants from their acquaintances and ensured that the potential informants were willing to take part in an in-depth interview. It was made clear that it was easier to "use existing contacts than developing new ones" in terms of providing access, which facilitated the research conduct.

Preunderstanding and understanding

Gummesson (1991) emphasized that preunderstanding and understanding of the phenomenon are key to identify research problems, form the research study and formulate the research strategy. Gummesson (1991) uses the term "preunderstanding to refer to such things as people's knowledge, insights, and experience before they engage in a research program or a consulting assignment; Understanding refers to the knowledge that develops during the program or assignment" (p.50).

In line with the suggestions of Gummesson (1991), pre-understanding was in two forms: the researcher's individual personal experience and the researcher's working experience in the TNE industry in Shanghai, China. The researcher had worked in the different secondary colleges for more than five years, where the researcher acted as an international student advisor and a lecturer, respectively. The former was responsible for providing high-quality specialised overseas study advice, guidance and support to students and the latter was for teaching the British undergraduate business courses there. The work experience enabled the researcher to understand the general picture of the TNE market in China. Specifically, the researcher was conscious of the TNE program advantage, branding, reputation and strong students' demands for TNE education in China's TNE market.

The researcher also learnt about the transnational education in China via intermediaries such as industry reports, British Council seminar, newspaper, student recruitment activities and so on. The knowledge developing from preunderstanding and understanding provided the researcher with an understanding of the TNE phenomenon in China which developed to shape the research study. Preunderstanding and understanding of the researcher can also become a guide for the case selection and unit of analysis. Nevertheless, it makes sense to draw upon the researcher's preunderstanding and understanding to obtain some insights into what the interviewees are describing, as some similar experiences have been shared between the researcher and the interviewees. Apart from that, the researcher may develop a broader understanding of what is going on, for the researcher has a general understanding of the context of the TNE industry that has influenced different TEIs in China. As Downe-Wamboldt (1992) argues, "The strategy of taking the results to the participants to have them validate their interpretations can be a useful approach to authenticate the experiences of the participant. … Multiple meanings are always present in data. There is no right meaning, only the most accurate meaning from a particular perspective" (p.313).

Using multiple data collection methods (triangulation)

It is very common to use multiple methods to collect information in case studies. Triangulation involves "use different methods as a check one another, seeing if methods with different strengths and limitations all support a single conclusion" (Maxwell, 2013, p.102). In addition to their complementary strengths, using multiple data collection methods encourages the researcher to confirm and cross-validate findings, and corroborate the same phenomenon through using the multiple sources within a single study (Yin, 2009). It is also called "the concurrent triangulation", attempting to confirm and corroborate study findings from both qualitative (QUAL) and quantitative (QUAN) methods and to build stronger interpretation (Creswell, 2007). The concurrent triangulation can result in "well-validated and substantiated findings" (Creswell, 2013, p.183). It appears appropriate in this project, because the important phenomenon of launching new educational provisions in China has met the dual conditions of *little theoretical knowledge* and *high complexity* or *big breadth* (Bonoma, 1985), as noted earlier.

Moreover, multilevel can be examined to collect information in the concurrent triangulation, except for the use of different methods (Creswell, 2013). In order to answer the research questions, two sources of data (the TEIs and students) and several different methods of collecting these data (interview, document, and questionnaire) were used in this study. For example, the data from the TEIs were collected through interviews while the data from the students were collected through questionnaires. Numeric data from the questionnaires at the student level can be used to confirm and add precision to the text data from the interviews at the TEIs level and documents.

Therefore, these multiple sources and methods can produce the convergent findings of identifying the success factors in the launch of new educational provision in China and improve the conclusions far more credibly than any single method's findings and avoid a single-informant bias. Particularly, the concurrent triangulation provides an opportunity to add insights and understanding the relative importance of the success factors that might be missed in new TNE service launches when only a single method is used. Also, triangulating the results from these data can create a more holistic understanding of the phenomenon of launching new educational provisions in China; answer a broader and more complete research questions of this research project and produce more complete knowledge of the TNE service launch in China necessary to inform theory and practice (Brewer & Hunter, 2006). What is more, the convergent findings from these different data allowed the researcher to present a theoretical framework delineating the relationships between strategic and tactical launch decisions and new service performance in the TNE services context.

In short, this project uses the concurrent triangulation to combine qualitative and quantitative data, so as to ascertain whether QUAN data can support the findings from QUAL data, to establish the credibility and generalizability of the study and to present the convergent findings with far greater confidence in the conclusions.

Data gathering is mainly based on the initial conceptual framework. It can help the researcher make sense of "what occurred in the field, ensure that important issues were not overlooked, and provide a set of tentative constructs to be investigated and guided the interpretation and focus" (Rowlands, 2003, p.5). The data-planning matrix in Table 5.2 provides details on the procedures that were carried out in order to 1) prepare for the interviews and surveys 2) carry out the interviews and surveys in the same period time and do the cross-case analysis and survey data analysis during the same period.

QUAL data analysis was parallel to data collection in this research, for the simple reason that they were interrelated, and they were a simultaneous process in QUAL research to direct the data collection stage more effectively (Flick, 2014) and to develop a relevant database (Merriam, 1998). This database was built to include all the information about the cases, including the interview transcripts, documentary data and other data that were developed into each file. The researcher generated an initial idea about what was in the data by transcribing the data. The researcher did the QUAL and QUAN data analysis separately, according to the concurrent triangulation. Note that the former is likely to produce large quantities of data will represent *words and ideas* whereas the latter that present *numbers and statistics*. Then both QUAL data and QUAN data would be converged in Chapter 9, "Discussion".

To read easily, the multiple methods can be divided into two sections: the case study methods and the QUAN survey, as follows:

Table 5.2

Data-planning matrix for the case study of launching new educational provision in China in the TNE industry

<table>
<tr><th>What do I need to know</th><th>Why do I need to know this</th><th>What kind of data will answer the questions?</th><th>Where can I find the data?</th><th>Whom do I contact for access?</th><th>Time lines of acquisition</th></tr>
<tr><td>What are the successful strategic launch decisions for the launch of new educational provisions in China?</td><td>To identify the key factors that the managers must pay attention to when launching new products to an intensity of competition in the TNE industry in China</td><td rowspan="2">Documents of TNE industry in China

Data of Chinese Students study abroad

Background of each case and the related news of each case

Review Chinese CFRC legal documents in HE industry</td><td>Library;
Internet;
Documents;
Questionnaires;
Field interviews

Department of MOE in China</td><td rowspan="2">Key gatekeepers:

Case SC:
Informant 3</td><td rowspan="2">10/2014-05/2015:
Preparing for the interview guide;

Reading related books on the interview and asking right questions, approach to questioning

Literature review

06/2015-09/2015:
Pilot testing:
-Piloting student surveys</td></tr>
<tr><td>What are the successful tactical launch decisions for the launch of</td><td>To determine key factors lead to success in the launch of new</td><td>Library;
Internet;
Documents;
Questionnaires;</td></tr>
</table>

new educational provisions in China?	educational service provision in China	Review local media information Data of TNE industry Reading the literature review related to TNE education in the world Appendix	Field interviews	Case JP: Informant 12 Case JI: Informant 13	-Piloting interviews with senior staff and 50 students who have joint program experience in China 10/2015-12/2015: Carrying out: - Field interview in China in each case - Student questionnaire in China 10/2015-03/2016 Building the database & the within case analysis 03/2016 – 10/2018 Data analysis and Discussion

Source: Adapted from Maxwell, 2013

5.7 The case study methods

a) In-depth interview

DeMarrais (2004) defines an interview as “a process in which a researcher and participant engage in a conversation focused on questions related to a research study” (p. 55). In essence, an interview is an interactive conversation and a conversation with a purpose (Merriam, 1998). As Merriam (2014) says, “The purpose of an interview is to obtain a special kind of information and find out what is ‘in and on someone else’s mind” (p. 88). Interviewing is to “allow us to enter into the other person’s perspective” (Patton, 1980, p. 341) and researchers can get fresh views and thus emerges new information from different respondents. A crucial advantage of the in-depth interview is that researchers can gain an in-depth understanding of a person’s opinions and experiences, which are very different from themselves. The use of interviews can also help the researcher gather valid and reliable data that are relevant to the research questions and objectives (Saunders et al., 2012). In this study, the semi-structured interview was used, since it not only allowed participants to present their emerging viewpoints and new perspectives on the topic but also let the interviewer obtain a sea of divergent viewpoints and related information (Merriam, 2014).

- Key informants

The person-to-person interview in the field, the most common form of an interview, was conducted among the program development people. Key informants can present the researcher with insights into the phenomenon of TNE launches in China and help the researcher identify some key related resources of evidence in this research project. As Yin (2014) points out, “interviews are an essential source of case study evidence because most case studies are about human affairs or actions. Key informants are often critical to the success of a case study” (p.103). What is more, a key informant method has been used frequently in new product literature (e.g., Calantone et al., 2011; Lee et al., 2011; Ngo & O’Cass, 2012) and this method can obtain high-quality data from appropriate key informants.

In this study, in-depth case study staff interviews were undertaken in three universities within different entry modes in China. A total of 15 semi-structured interviews with multiple key respondents in the three universities in China were conducted. The interviews lasted about 90 minutes each, aiming to probe further in-depth the practice of launching new TNE provisions in China.

Field notes were made for subsequent data analysis in different research sites, following the “24-hour rule” which required that “detailed interview notes and impressions were completed within one day of the interview” (Bourgeois & Eisenhardt, 1988, p. 741).

The positions of **the key informants** are identified: *development persons* representing deans, student recruitment managers, student advisors and *program coordinators* who had the first-hand practical joint program/institution experience and were engaged in these joint program/institutions within the selective Chinese universities (Table 5.3). The selective interviewees had a minimum of 10 years of experience in the TNE industry. They have had complementary experiences and they can respect different viewpoints on the matter. Although the interviewees cannot ensure that the results of the analysis do apply to the overall population in TNE industry in China, they are highly experienced in this research topic and their spoken statements convey a high degree of trustworthiness (Milliken, 2001). For reasons of confidentiality, noticeably, the institutions were identified as SC, JP and JI, whilst interviewees were identified as Informant 1, Informant 2, and so on.

As noted, all data documents were stored in the specific case database in the form of a computer folder to be regularly updated. The detailed working schedule for the data collection is in Appendix C. Noted that most interview time in the research was arranged at lunch time based on Hart’s (1989) suggestion that lunch time appointments may reduce responders’ impatience. Most of the interviews in this project were located in the respondents’ offices in the universities, as shown in Appendix C working schedule.

Table 5.3

Universities and informants in the three cases

No. of Case	Informant (Interview ID number)	Universities
1	Dean (1)	SC
1	Director (2)	SC
1	Senior student recruitment (3)	SC
1	Senior Student advisor (4)	SC
1	Senior overseas advisor (5)	SC
1	Director of marketing (6)	SC
1	Project advisor (7)	SC
2	Vice dean (8)	JP
2	Senior program coordinator (9)	JP
2	Deputy director of student recruitment officer (10)	JP
2	Senior student advisor (11)	JP
2	Professor (12)	JP
3	Senior student recruitment officer (13)	JI
3	Senior student advisor (14)	JI
3	Lecturer (15)	JI

- Interview guide: development and pilot interviews

The general interview guide approach involves "outlining a set of issues that are to be explored with each respondent before interviewing begins. The guide serves as a basic checklist during the interview to make sure that all relevant topics are covered" (Patton, 2002, p. 342). For the purpose of this research study, the semi-structured interview approach was felt to be most appropriate. The interview guide was designed in the semi-structured interviews that gave flexibility regarding coding either manually or electronically by qualitative software (Wright & Wright, 2015). It was regarded as a data collection instrument that produced a richness, detail, and depth of data unobtainable through other means. The semi-structured interview guides the discussion along the initial conceptual framework central to the research study and yet allows the respondent to provide more detailed answers to open-ended questions (cf. Patton, 2002). In addition, "the interview guide helps to interview a number of different people more systematic and comprehensive by delimiting in advance the issues to be explored" (Patton, 2002, p. 343). To that end, the interview guide (in Appendix D) was developed to answer the research questions presented in Chapter 1.

As noted, one interview guide is used for all cases in this research project, so as to facilitate cross-case analysis, since the research project is a confirmatory case study. The interview guide for case universities (Appendix D) was structured on the basis of the initial conceptual framework of this study. The interview guide in this research consisted of three elements: research purpose, strategic launch decisions and tactical launch decisions that affect new educational provision successes in China. Hence, the interview guide in this research was divided into three parts: an introduction to the research objectives, main open-ended questions in the form of seven questions and follow-up questions with probes to allow for further probing into the relevant issues or clarify and explain some important issues.

The pilot testing of the interview guide was used to refine the interview questions and procedures and to develop the relevant lines of questions as well. The pilot testing was selected based on convenience, access and geographic proximity (Yin, 2014). The main semi-structured questionnaire in the interview guide was piloted through two professionals (both from the same British university), and two student recruitment officers of anonymous Chinese universities that had the joint program with different international universities before the formal data collection stage. Yin (1994) argues that these pilot interviews were not a “full dress rehearsal” of the interview guide, but rather it was an integrated component of the final interview guide.

The interviews with the two student recruitment officers were aimed at obtaining insight and advice from people who had practical marketing experience in the launch of new educational provisions in the TNE industry in the Chinese market. To avoid misleading the respondents, the researcher listened with a third ear to their practical stories about how to launch the new joint program in China and how the universities approached their target students and how the marketing activities were carried out in the TNE market in China. Both provided depth and detail in relation to the specific issues of new educational provision launches in China.

They offered the useful suggestions of the interview guide for the research. One of the professional suggested that the fourth interview question should contain the following prompt ‘how do the students perceive the tuition fees of your program?’ He also suggested corrections for the staff interview schedule. One of the student recruitment officers also stressed the importance of the fifth question, as there has usually been a gap between the reality, and what has recruited students, in the universities. He also suggested let the respondents tell more about their student recruitment expertise. Moreover, he suggested placing more focus on finding influencing factors such as program advantage or the competitive advantages of the school in the new TNE provisions and finding ways of influencing their target students by universities.

Besides, they suggested that using some questions such as “give me an example of …”, “tell me more about that…”to obtain the more detailed and descriptive information. Some questions should be clarified in order to ensure the researcher and the respondents has the same understanding. For example, what do they mean by the new TNE programs? what are the typical characteristics of new TNE programs? For clarity, some words should be replaced. For example, the frontline staff has been replaced by the student recruitment expertise.

During the interview, the researcher kept in mind that "tone of voice, a pleasant and polite manner, deportment, choice of dress, the management of personal space, an acceptant and non-judgemental attitude and a willingness to listen should be among the interpersonal skills; these will encourage respondents to talk freely on personal matters" (Oppenheim, 1996, p.212). The researcher's good impression management would have a positive impression on the respondents, making them feel more relaxed and talk freely on the specific research questions. Plus, interviews were held in the respondents' offices, so they were at ease and were very willing to try to answer the research questions (Oppenheim, 1996).

Regarding the approach to questioning, the open questions were used to avoid bias; this process was guided by some follow-up questions and probed about the related issues, attempting to seek detailed information on the key themes and ask for examples or clarification. Also, the open questions were important to encourage the respondents to "say what they think and to do so with greater richness and spontaneity" (Oppenheim, 1996, p.50). Through the pilot testing, the researcher had a deeper understanding of the new educational provision launch phenomenon and was familiar with this specific context. Additionally, the pilot testing has trained the researcher in the interviewing techniques and effective communication with participants.

In addition, several issues have been the focus of attention during the interview:

- Building rapport between interviewer and respondent is the key to the success of an interview
- The objective is to maintain "spontaneity – the idea of freestyle interview would consist of a continuous monologue by the respondent on the topic of the researcher" (Oppenheim, 1996, p.100);
- To a large extent, this interaction depends on the asking of right questions in a friendly and supportive tone by an interviewer. It was required that the

- interviewers have enough pre-understanding and understanding knowledge about the topic of new educational provision launch in China and had a much better perspective on what kinds of questions were to be asked to get possible answers and collect meaningful data from respondents.
- The number of interviews for each case was determined by Corbin and Strauss' (2008) concept of "theoretical saturation" – the interview was stopped when more data collection and analysis added nothing much to the research questions. That is, interviews were over when the informants started to repeat the same stories.

Follow-up conversations via Skype with two interviewees from them were conducted during the data analysis to provide verification of the observation made, of the meaning of the data and feedback was received regarding the "hows and whys" of successful launch decisions for new TNE provisions. The informants were encouraged to give a free account of their viewpoints and leading questions were kept to a minimum to ensure that the issues discussed were those of most concern to the informants.

b) Documents

Documents are a good source of collecting data and are often used in research projects (Saunders et al, 2012). The term document refers to "a wide range of written, visual, digital, and physical material relevant to the study at hand" (Merriam, 1998, p.139). In this study, documents included internal university documents including communication materials, newspapers, industry reports and official websites. Merriam (1998, p. 155) presents the arguments supporting the study of documents:

First, many documents are easily accessible, free and contain information that would take an investigator enormous time and effort to gather otherwise. This research project is about internationalizations and thus documents are a good source of data to answer the research questions. Through reading the related documents, the researcher got a general picture of the TNE industry in China and the global trends of TNE without making conversations with professional expertise in the industry or being granted access to records of government agencies or other organizations' database. These documents were used as supplementary tools in interviews with TEIs.

Second, Forster (1994) point out that "documents are 'a rich source of insights' and can often provide researchers with information which may not be available through other methods of data collection, such as interviews and surveys" (p. 148). Document as a source of data collection provided rich data across a breath of issues which were not all anticipated during the interview. Particularly if some key informants are reluctant to discuss and persons associated with the institution were not available for interviews.

Third, documents can offer "comparative and contextual data" (Saunders et al, 2012, p. 318). The documentary data can triangulate your findings, supplementing other sources of information (Yin, 2003). They are often useful to compare the primary data the researcher collected with the documentary data. For example, in this research, the interviews at the TEIs level were used, documentary data has been used to assess the generalizability of findings. It can also verify the findings from the interviews.

Unlike interviewing, finally, documents have already been collected. Its stability provides "objective (unobtrusive)" sources of data compared to other forms (Merriam, 2009).

However, authenticity or accuracy is the major problems of documentary materials, due to fragmentary and objective (Merriam, 1998). The documents used in the study were those provided to the researcher by the key informants from the three cases. Still, some documents are from their official communication materials and their official websites of the three cases. Other documents are from quality daily newspaper in China and industry reports published by a designated authority (e.g., QAA). Therefore, the authenticity of the documents was well-supported.

Another limitation of documents is that they are "may be collected for a purpose that does not match your need" (Saunders et al, 2012, p. 319). Thus, Merriam (1998) suggests that the documentary data should be treated as 'context-specific' and verified with other forms of data. In the research, the criteria of evaluating documentary data is shown as follows (Saunders et al., 2012, p. 321):

- Ensure the secondary data can answer the research questions;
- The benefits associated with their use will be greater than costs;
- You will be allowed access to the data.

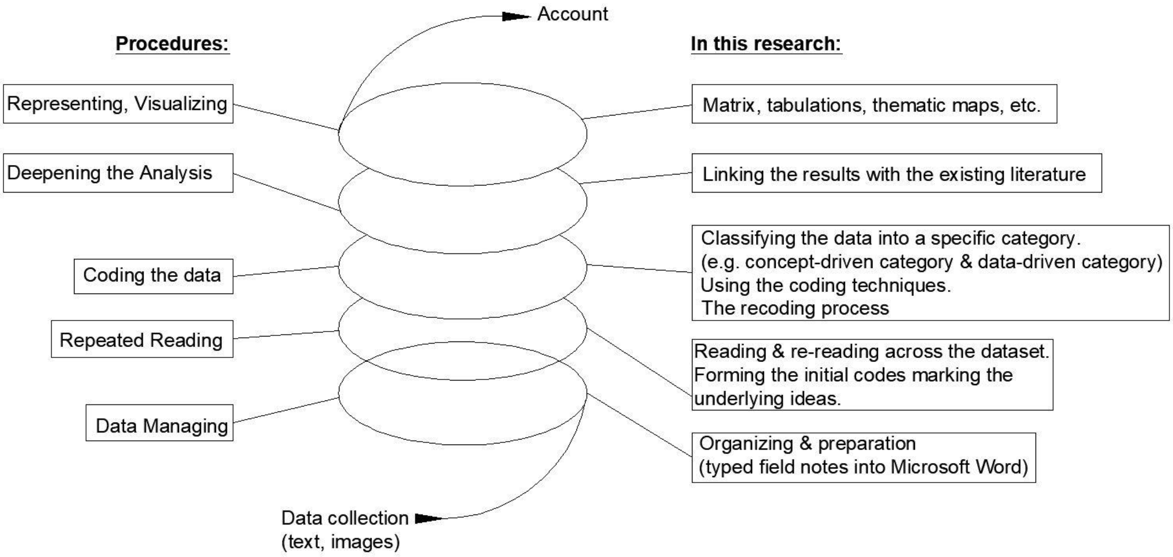
c) QUAL data analysis

Thematic analysis (TA) was used in this research since it is flexible and seeks to find repeated patterns (themes) of meanings across an entire dataset. Themes or patterns within the data can be identified in both inductive or 'bottom-up' way and deductive or 'top-down way' (Braun & Clarke, 2006). In this research, the predetermined framework was used as the means to start and direct the data analysis, as noted earlier. The interview guide was also important in the data analysis. Both of them allowed the researcher to keep in mind what the researcher was trying to find out and why the researcher wanted to do the interviews in the first place.

Noted that the researcher did the QUAL data analysis on her own rather than using the software. The limitation of the software is that it cannot read meaning into the organization of the text or other QUAL materials that constitute the foundation of this project (Downe-Wamboldt, 1992). As mentioned, the focus of QUAL data is *meanings* rather than numbers. Nevertheless, meanings are always relative to the perspectives of the sender and the receiver of the message (Downe-Wamboldt, 1992). Thus, it is impossible for the researcher to rely too much on the computer and neglect the creative meaning and theory building that is the hallmark of all good qualitative research (Rudestam & Newton, 2007). The researcher took primary responsibility for reading, reflecting on the QUAL data and coding the data alone.

QUAL data analysis is a systematic and rigorous process of sorting and classifying the data that have been collected, so as to get at the meaning of the data more easily and connect analysis with the evidence produced in a complete and persuasive way (Green et al., 2007). Thus, doing the TA is also following a step-by-step guide (Figure 5.1). The systematic process of TA is able to produce insights into the meaning of the data that go beyond the obvious or surface-level content of the data and search for patterns or themes that link to broader theoretical concerns. Note that the data analysis is not a linear process of simply moving from one step to the next but a spiral process that needs to move back and forth throughout the stages.

Figure 5.1 The Data Analysis Spiral



Source: Author, extending on Creswell, 2007

Organizing the data is the first step to data analysis as researchers usually organize their data into computer files (Collins & Hussey, 2003). In this research, all the interviews had to be transcribed, typed into MS Word documents and put into a case study database.

Then, the researcher focused on *actively reading and re-reading* each interview transcript to familiarize herself with all aspects of the data. Despite the process of repeated reading being time-consuming, it is the foundation for the rest of the analysis (Braun & Clark, 2006). During the process of 'immersion' in the data, the researcher began to notice things of interest. For example, the researcher started to note down some initial ideas (e.g. words or short phrases) and mark the underlying ideas for coding in the following steps after reading several times. Through repeated reading, the researcher was thinking about "what the data means" and asking questions like "how does a participant make sense of their experiences?", "what kind of world is 'revealed' through their lens?", "how 'common-sense' is their story?" and the like.

The third step is to *use the coding technique*. Coding is a process of identifying aspects of the data that are related to answering research questions within an entire dataset. It provides the building blocks of analysis (Braun & Clarke, 2013) and segments the data into different meaningful groups that facilitate insight and comparison (Miles and Huberman, 1994). Nevertheless, Strauss and Corbin (2008) suggest that codes can either be developed in advance by consulting the literature (concept-driven category) or from the data collected (data-driven category) or both. In this study, both the concept-driven category and the data-driven category have been used. As Rowlands (2003) states, "Both of them can help the researcher make sense of what occurred in the field, ensure that the important issues were not overlooked and provide a set of tentative constructs to be investigated and guide the interpretation and focus" (p. 8).

In the concept-driven category, the theoretical framework has provided a tight data structure and given specific categories into which data can be fitted, attempting to organize and analyse the data further (Collins & Hussey, 2003). It is a deductive approach to analyse QUAL data: using a predetermined framework to analyse the interview transcripts ('top-down' way). Thus, from across the interviews, the researcher coded the meaning of the data, grouped similar kinds of ideas into units and then rearranged them into different specific categories based on the prior theoretical framework to facilitate insight, comparison, and theory development. Such data categorization with a tight data structure not only condensed data into a more manageable size but also made sense of these data. The analysis was conducted in the interview transcripts across the dataset. The researcher used different coloured marking pens for each of the categories and then read each interview transcript repeatedly to search for the data that fit under a specific category by using the corresponding colour.

However, during the coding, the researcher surprisingly found that there were some other ideas and themes that emerged from the data. While this approach is very easy and quick, Burnard et al. (2008) argued that it is “inflexible and can potentially bias the whole analysis process as the coding framework has been decided in advance, which can severely limit the theme and theory development” (p. 429).

Thus, the data-driven category was also used. It is an inductive approach, with an emphasis on what is in the data (‘bottom-up’ way). In the data-driven category, the analysis became focused on the issues central to understanding research problem through the use of the “constant comparative method.” It refers to “concentrating the collection of additional data around open codes and constantly comparing these data with previously coded sections” (Shaw, 1999, p.66). Through the repeat process of reading and re-reading transcripts, the researcher had knowledge and familiarity with data, then the researcher decided whether or not the new open codes were emerging by asking questions of the possible topics and systematically comparing similarities and differences between sections of coded data, guided by the research questions. Asking questions enabled the researcher to “think out of the box” and to find other new ideas, concepts, and themes derived from data and then to take a closer look at how they related to the research questions and to future research considerations.

Similarly, the coded data were pulled together into different categories or families of codes, including that in each category or theme were “slices of data” (Strass & Corbin, 2008). In addition, by comparing the codes that were derived from the initial conceptual framework against actual data, the researcher would decide whether or not some codes were revised. The process of focus analysis continued until no new themes appeared.

At this stage, within case analysis and cross-case analysis were performed to explore any emergent patterns and themes and then identify cross-case patterns. To illustrate with an example, there were three universities in the research and each university was treated as the individual case. The detailed analysis of each case was done, complementing with field notes and descriptions central to generation of insights in the within analysis (Eisenhardt, 1989). This process highlighted unique patterns of each case before the researcher did a cross pattern analysis. Within case analysis let the researcher be much more familiar with each case. Then, cross-case analysis was done for three cases to identify cross-case patterns by searching for group similarities and intergroup differences. Noted that the within-case analysis was done prior to the cross-case analysis and thus the within case analysis was not presented here on the rational basis.

The dimensions for comparison were derived from the conceptual framework. Regarding identifying patterns across data, in addition, a pattern-based analysis allows the researcher systematically to *identify and report the salient features of the data* (Braun & Clarke, 2013). As Marshall and Ross said: "Identifying salient themes, recurring ideas or language, and patterns of beliefs that link people and settings together is the most intellectually, challenging phase of the analysis and one that can integrate the entire endeavour." The analysis thus iterated between the interpretation of the empirical data, both within-case analysis and cross-case analysis (Eisenhardt, 1989). In this study, the following coding techniques were used to find and mark the underlying ideas in the data, according to Braun and Clarke (2013):

- Words or phrases used frequently
- Finding meaning in language: noticing the words the interviewees use to express themselves, so they can learn about their attitudes, perceptions & feelings about the impact of themes on their launch success rather than focusing on what they do; picking out the words and expressions used frequently by them
- Capturing the point that something in the data can be important without appearing very frequently and leading to a new direction. They are “rich points” and are often useful.

Once the ideas were picked out via these coding techniques, the researcher organized them into codes or categories. Noticeably, searching for themes was not limited into which were the most frequent but identifying the themes was relevant and important to answer the research questions. So, it was about reporting the meaning of the data instead of numbers, suggesting that some less patterned or irrelevant codes would be excluded. The focus was on how and why these themes were the key to launch success. It was a selective reduction process to analyse data: looking for the best ‘fit’ of analysis to answer the research questions (e.g., check whether the candidate themes fit well with the coded data) rather than finding the right answers (Green et al., 2007).

Thus, *the re-coding process* was very necessary for the researcher to re-read the transcripts and to add new codes, refine the meaning of each code, verify some codes that still applied or re-code the original transcripts. As Green et al. (2007) said, “This process involves moving forward and back through the transcripts, drawing on in-depth knowledge connected with the study, returning to the study question, and thinking in terms of systems and theoretical concepts” (p. 548). Based on the interactions with the data, the researcher had the opportunity to identify the themes that are relevant and important to answer the research questions; pulled them together into the different categories in this research.

During the coding process, the researcher defined what codes were first used, how these codes adapted over the iterative process of coding and how to redefine the final codes (see Appendix E). Initially, the category labels closely followed the data. For example, student recruitment expertise was categorized into three subcategories: personal reliability, credible source and relationships-building with students. Gradually these three subcategories were grouped into two – advantages and roles of recruitment expertise as well as quality relationships between recruitment expertise and students, according to the student recruitment expertise meaning of each. For example, the narrow range of majors and these narrow majors that are closely related to market-oriented driver were categorized together because both seek to convey the main criteria for focus selection for the TNE programs. Similarly, highest demographic density, an issue of the region in student recruitment, unique location features and the position of the school were classified together because these seek to convey geographic location strength. Others were further classified. For example, branding of “parent” universities was categorized as the brand names and reputations of “parent” universities. Gradually, this category should be further divided into two groups – benefits of the branding of “parents” universities and importance of the local branding of Chinese partner university, according to the category meaning of each. The final coding frameworks of strategic and tactical launch decisions are in Chapter 6 (see Table 6.0) and Chapter 7 (see Table 7.0), respectively.

After the researcher had clearly defined the essence of what each theme was about, the analysis was *deepened* by interpreting the data and moving beyond simply summarising and describing the findings by linking the existing literature to the data analysis (Shaw, 1999). The analysis was done to connect the data interpretation to the research questions and further to find possible and plausible explanations of the findings. The purpose of the analysis was to use the literature to help the researcher develop and extend her analysis of the data. Braun and Clarke (2013) further argued that linking your analysis to the literature is a vital part of any analysis; it is about locating your analysis in relation to what already exists, and showing how your analysis contributes to, develops further or challenges what we already know about a topic. To some degree, all research methods involved *the interaction of theoretical concerns and empirical data (*Downe-Wamboldt, 1992). Notice that this QUAL part should be integrated with the QUAN part. The findings from both QUAL and QUAN data analysis were integrated and compared with the prior literature until sensible interpretation was reached. Details are further reported in Chapter 9, “Discussion”.

In *the data display*, finally, the matrix analysis and tabulations were used to present the data for further data analysis. Creating a matrix and other displays are also important for data analysis (Maxwell, 2013). There were lots of advantages of data presentation. For example, the matrix analysis or other visual forms could reduce data from interview summaries and fit the data specifically, as well as develop the analytical thinking to present the data well in a visual form (Miles & Huberman, 1994). For example, Appendix H used “categories × data” matrix to illustrate the main categories and the quotes from each participant that addressed these categories.

d) Critique of case research within realism paradigm

Healy and Perry (2000) developed six comprehensive criteria for promoting validity and reliability to judge the quality of case study research within the realism paradigm. They put forward that the quality of scientific research (e.g., case study) had to be judged by its own paradigm’s terms and a researcher should pay attention to the three elements of ontology, epistemology, and methodology in each paradigm. The research used these six criteria to evaluate its validity and reliability.

1) Ontological appropriateness: it was one of the two criteria concerning the ontology of realism and was concerned with whether research problems dealing with complex social science phenomena involving reflective people. Specifically, the research problem in the case study research within the realism paradigm was about “how and why” of the problem.

2) Contingent validity: this was the second criterion concerning the ontology of realism. It stressed knowledge discovery in the real world by naming and describing broad generative mechanisms rather than causal relationships. In the case study research within the realism paradigm, it was concerned with theoretical and literal replication with in-depth issues and stressed on the “why” issues. In this research, this criterion was met through the structure of

the interview questions such as how and what and some probing questions with why to understand a real-life phenomenon in depth.

3) Multiple perceptions of a single reality: this criterion was related to epistemology and the emphasis was on whether reality was "real" but only imperfectly and probabilistically apprehensible, that was, value-free. Realism relied on multiple perspectives of a single reality and a participant who saw the reality was only a partial picture and his/her perspective could be triangulated with other perspectives. These multiple perspectives involved triangulation of multiple sources of evidence. Dezin (1978) further proposed four types of triangulation: the use of multiple methods, multiple sources of data, multiple investigators, or multiple theories to confirm emerging findings. In this research, multiple methods, multiple sources of data, and multiple theories were used. Different methods for triangulation established a chain of more persuasive evidence (Lincoln & Guba, 1985). Merriam (2009) also argued that triangulation was a good way to increase the credibility of the research findings and shore up the internal validity of a study.

4) Methodological trustworthiness: this criterion was concerned with reliability that referred to the extent to which research findings could be replicated and it was usually demonstrated by replication (Merriam, 2009). In line with suggestions in the literature, in this research, a case study database had been developed, including all material collected during fieldwork and analysis. Use of "proof quotes" was in the presentations of findings and descriptions of procedures like case selection and interview procedures.

5) Analytic generalization (external validity): the fifth criterion emphasized theory building rather than theory testing. Realism research must be primarily theory-building, but it did not mean that this theory testing should not be done. Realism researchers only said that "the theory has to be built and confirmed or disconfirmed before it is a generalisation to a population is tested" (Healy & Perry, 2000, p.120). In this research, the theory had to be built through confirming or disconfirming the conceptual framework of launch strategies in TNE industry in China before its generalisation to a population was tested.

6) Construct validity: the last criterion emphasized use of prior theory, case study database and triangulation to build construct validity for case study research within the realism paradigm. In this research, the use of the conceptual framework was to develop the interview guide and case study database, along with discussions with senior academics about data collection and analysis to improve construct validity.

5.8 The QUAN survey

A questionnaire is an efficient way of collecting responses from a large sample before data analysis (Saunders et al., 2012). The large amount of data it offers is cheaper and less time-consuming than conducting interviews, which makes it a convenient approach for the study. The evidence from questionnaires undertaken can aid and complement other findings when it confirms and supports the conclusions. The questionnaire also provides a good opportunity to clarify any question with interview data in a numerical way. As Maxwell said (2013), “Numbers are important for identifying and communicating the diversity of actions and perspectives in the settings and populations you study” (p. 102). The questionnaire has also improved the quality of data, as it offers anonymity to participants (Oppenheim, 1996), provides the convenience of data analysis and reduces the researcher’s bias in the presenting the data (Collis & Hussey, 2003).

a) Sampling

Questionnaires emphasize the improvement of the representation of the study sample as much as possible through the increase of sample size or by using different statistical methods to make sure that all subjects are usually equal for all participants (Teddlie & Tashakkori, 2009). As stated by De Vaus (2002): “Probability samples are the surest way of obtaining samples that are representative of the population” (71). In this study, an “administer on-site” survey was conducted for students to test and support claims that are inherently quantitative. Target students were selected as appropriate survey respondents from the three selective Chinese universities within different entry modes. Student perception and experience of the specific launch decisions (e.g., TNE program, price, people, sources of information and accessibility) may have a strong impact on new service launch success. After all, the quality of student experience is the key to international education strategy for international student recruitment (QAA, 2015). The criteria for selecting the participants for the questionnaire phase included 1) being in the transnational education programs; 2) in the specified universities in China; 3) time period of 2012 to fall of 2015; 4) those who either have transferred to the foreign partnering universities, or those who are studying the program in China.

The cluster probability sampling was identified to ensure that samples from different universities were representative on certain characteristics such as groups (e.g., clusters of classes within universities). Easy access to student classes within these schools allowed the researcher to conduct the questionnaire in a group style. It was a useful approach to provide convenience regarding time and effort, explaining the questionnaire to them and answering any queries as well (Saunders et al., 2012). Moreover, an administered on-site method to collect data were used to overcome the difficulties of low response rate and the high cost of survey research in China, the high number of usable questionnaires which were collected as well (Collis & Hussey, 2003).

Group-administered questionnaires were also easy to check finished questionnaires for completeness (Oppenheim, 1996). The questionnaires were conducted about *80* questionnaires at each university. The respondents were undergraduate students in these schools at this stage. The respondent rate was 100%. A total of *240 (80×3)* usable questionnaires were returned from students in these schools.

b) The questionnaire design

Designing, revising and refining the questionnaires was dedicated to improving the quality of questionnaire design. Saunders et al. (2012) argue convincingly that “the internal validity and reliability of the data you collect and the response rate you achieve depend, to a large extent, on the design of your questions, the structure of your questionnaire, and the rigour of your pilot testing” (p.428).

Designing the questionnaire was based on suggestions by Cohen et al. of a good questionnaire (2000, p.246); a) is clear on its purpose; b) is clear on what needs to be included or covered to meet the purpose; c) is exhaustive in its coverage of the elements of inclusion; d) asks the most appropriate kind of questions; e) elicits the most appropriate kind of data to answer the research purposes and sub-questions; f) asks for empirical data. In addition, Qualtrics facilitates the layout of the questionnaire, since online survey tools can "contain a series of style templates for typefaces, colours and page layout, which are helpful in producing a professional-looking questionnaire more quickly" (Saunders et al., 2012, p. 446).

The questions were based on the initial conceptual framework, ensuring that all questions are explicitly related to the research required. Closed questions were used in the questionnaire, as such questions are easier and quick to answer, easy to process and they require no extended writing (Oppenheim, 1996). The questionnaire mainly used the 7-point rating scale on which respondents' attitude and opinion were collected. The 7-point rating scale has provided a greater scope of precision of attitude measurement (Oppenheim, 1996), although Gorard (2003) does not recommend the use of 7-point rating scale as "it could create trouble and confusion both to the respondent and the researcher" (p. 103).

The questionnaires sought information on the following issues: a research purpose, the factors influencing students' TNE program choice decision and university strategic decision from the students' perspectives, the performance of new TNE services (student satisfaction) and demographic information. The section of TNE programs was about students' choices of a particular joint program/institution. This section was composed of program decisions (10 items), price (4 items), sources of non-personal communication (13 items), sources of personal communication (5 items), contact persons (2 items) and accessibility (6 items) with the 7- point rating scale, ranging from (1) strongly disagree to (7) strongly agree or from (1) least important to (7) most important. The section of the university's strategic decision included number of competitors related to your university, innovation strategy in your university, new programs and services development in your university, the speed-to-market of new programs and the like in the form of the category questions and list questions including "yes/no" questions (see Appendix G).

A number of the measures used in the study were drawn from well-established scales in the existing literature. For example, the existing scales of the dependent variable of student satisfaction is adopted from Arnett, Germand and Hunt (2003). It consisted of five items, which were all indicative of innovation success. Because student satisfaction is a prerequisite for a new service launch success (Cooper et al., 1994; Johne & Storey, 1998).

However, many of the existing scales of variables are targeted at managers who are at least senior positions. Thus, where scales were found in the literature they were mostly only partially adopted, and adapted, to make them suitable for answering the study's research questions and ensure students' own words were used in the questions (simple language). For example, the existing scale of *driver of NPD* is changed into "New programs/services development driver in your university are market-oriented (e.g., employment focus) to let the target students easy to follow and understand the meaning of market orientation (see Appendix F). Similarly, direct contact through the university (e.g. face-to-face) and indirect contact through non-university (e.g., intermediaries) have been clarified in the student survey.

Regarding brand tactics from the students' perspective, for example, local students must first know about and understand the brand name of "parent" universities to reduce uncertainty. And that familiarity can accelerate market acceptance. The strong reputation of parent universities can give the students important clues to the quality of TNE offerings. More importantly, strong branding of parent universities carries high credibility, which can play a major role in trial of new TNE programs. Therefore, good university name and reputation that are very important for them to make the final TNE programs choices were grouped into the category of branding tactics (see Table 8.6, Chapter 8; Appendix G).

Regarding accessibility tactics from the students' perspectives, students can think of effective accessibility as ease of contact and risk reduction. Then it can favourably impact students' decisions to adopt a new TNE provision. Accessibility tactics must provide maximum availability and be helpful to manage students' perceptions of new educational provisions, especially when launching a highly innovative provision that students may reject because of lack of product knowledge. Therefore, ease access of university information and location were grouped into the category of accessibility tactics (see Table 8.6 or Appendix G).

c) Piloting the questionnaire

It appears essential to pilot test the questionnaire as completely as possible before formally distributing it as it prevents later problems (Collis & Hussey, 2003). They further argue that the best way to pilot your questionnaire is with people who are similar to those in your sample. Cost is usually an important factor when deciding on how to distribute the questionnaire and it also depends on the size and location of the sample (Oppenheim, 1996). He further puts forward that pilot testing has helped not only with the wording of questions but also with procedural matters including ordering of question sequences and reducing the non-response rate (Oppenheim, 1996).

In this research, the small-scale questionnaire was piloted in the selective universities that had similar backgrounds to those in the final questionnaire in the UK, suggesting that the sample in the pilot questionnaire was similar to the sample in the final questionnaire: these respondents came from the Chinese partner universities with different entry models such as the secondary college, joint program, and institution. Now they are studying in the UK partner institutions. The selective British universities were chosen to do the pilot questionnaires, based on convenience and accessibility. The researcher knew the student presidents from the different Chinese student unions there. For example, a student president in one school asked the researcher to go to their classes. The student president introduced the researcher to the twenty students there and then the researcher talked about the purposes of the research, anonymity, and confidentiality. Respondents were also asked if they wished to complete the pilot questionnaire, and no one refused to join in.

A procedure that was similar to the final questionnaire conduction plan was implemented. The students were asked to complete the questionnaire and the average time of finishing the questionnaires was about twenty minutes. After finishing the questionnaire, the students were asked to express their views, in groups, about the questionnaires. They provided useful suggestions to refine the questionnaire so that the respondents had no difficulties in answering the questions, which were taken into account in producing the questionnaire with the final version. For example, the question ‘the concept of new education provision is difficult to understand’ was very ambiguous and the concept of new education provision should be clarified to reduce the non-response rate. Thus, this question has been changed into “the concept of new education provision (new joint program and new joint institutions) difficult to understand. Some question wording should be fitted into the Chinese context. In China, search engine is Baidu; online social network is like Sina Weibo; internet chat is like QQ and Wechat and the like.

In addition, the pilot questionnaire data were excluded from the whole sample survey results, as this would contaminate the research data (Oppenheim, 1996). The questionnaire was piloted in English in the UK while in China it was used in Chinese. The questionnaire was professionally translated by linguists and back-translation procedures were used to check a language to ensure validity and eliminate ambiguities and “shades of meaning”. It is a very common method for the establishment of translation equivalence in the international business literature. More importantly, the compatibility of concepts between the national cultures can be assessed during the translation process (Hult et al., 2008).

d) Pre-analysis data screening

The first step in any analysis was to ensure a clean, error-free dataset (Hair et al., 2014). This step of data screening for potential errors was very essential to the success of the research (Pallant, 2013). According to Pallant (2013), the data screening process included two steps. First, it was to screen data file for errors. In this study, for example, the data were checked for accuracy and all response was within range. During the process of screening and cleaning the data, the researcher began to get more familiar with the data file. The next step was to find and correct the error in the data file.

Once a clean data file (at least there were no out-of-range values on any of variables) was done, the researcher began the descriptive phase of the data analysis to explore the nature of the variables in the dataset. That is, graphs were used to describe and explore the data, stressing the importance of using the data to guide your choice of analysis techniques (Saunders et al., 2012).

e) Data examination

According to Rudestam and Newton (2007) and Pallant (2013), descriptive data, including descriptive statistics, refers to this process as exploratory data analysis (EDA) or preanalysis data screening, which can be extremely complex (a number of uses of descriptive statistics): 1) assessing the accuracy of the data, 2) dealing with missing data, 3) assessing the effects of outliers, and 4) assessing the adequacy of the fit between data characteristics and the assumptions of a statistical procedure. Thus, in this study, missing data, normality, outliers and others were investigated as follows:

Missing data

A missing data process is any systematic event external to the respondent. For example, a respondent has no opinion to answer the question in a survey or a respondent fails to answer one or more questions in a survey. Data entry errors or data collection problems all lead to missing data (Hair et al., 2014). Missing data has been considered one of the factors that could produce distorted correlations, which affects the generalizability of the results (Tabachnick & Fidell, 2007). To deal with missing data, several approaches are recommended to remedy missing data. Mean substitution is used to replace the missing values for a variable with the mean value of that variable after the researcher checked the percentage of the missing value of each variable in the data file via SPSS. In this study, the missing values were 2%. Therefore, mean substitution can be applied when missing data is under 10% (Hair et al., 2014). In this research, in addition, SPSS was used to exclude missing data that was required for the following standard regression analysis.

Outliers

Outliers are cases with extreme values on one variable or a combination of variables that they influence the accuracy of data (Tabachnick & Fidell, 2007). For instance, problem outliers are not representative of the population, which lead to distorting statistics seriously (Hair et al., 2004). Cases with skewness level in excess of 2 and kurtosis level in excess of 5 are potential outliers (Ghiselli, Campbell, & Zedeck, 1981). In examining the data, descriptive statistics for continuous variables showed that skewness ranged from - 0.827 to 0.789 and kurtosis ranged from -1.018 to 1.207 (see Table 8.2). The results suggest that outlier should not be a serious concern that all the variables were well below the level skewness of 2 and kurtosis 5.

Furthermore, there are two types of outliers: univariate and multivariate outliers (Hair et al., 2014). Univariate outliers refer to cases with an extreme value on one variable. In this research, outliers were checked by comparing the mean and trimmed mean values for each variable (Pallant, 2013). The analysis did not show major differences between those scores, which meant that existing outliers did not have a significant impact on the overall scores. Therefore, the researcher retained these cases in the data file. Mahalanobis distances were used to check the multivariate outliers. The detailed information was in *the Section of Standard Regression Analysis*.

Normality

Normality is the most fundamental assumption in multivariate analysis. It refers to the shape of the distribution for an individual metric variable and its correspondence to the normal distribution, the benchmark for statistical methods (Hair et al., 2014). The values of skewness and kurtosis between ±2 were considered acceptable in order to prove normal univariate distribution (George & Mallery, 2010). In this study, as noted, cases with skewness level and kurtosis level all lied between ±2, meaning that all constructs were well within a reasonable range of normality. Specifically, skewness and kurtosis level critical ratio below 2 were considered to indicate a symmetric and mesokurtic distribution, respectively. It is also suggested that the impact of normality effectively diminishes when sampling sizes above 200 cases or more (Hair et al., 2014). In addition, to check normality in this study, standard scores (z scores) was used to each variable in the data file. The researcher used SPSS to calculate z-scores of each variable and got a mean and standard deviation (SD) of the new z-scores variables: mean = 0 and SD = 1. That means that they were all normally distributed.

In the multiple statistical techniques, normality was assessed on the dependent variable. This will be further discussed *in the Section of Standard Regression Analysis*.

Data Transformations

According to Hair et al. (2014), the measurement properties of the dependent and independent variables have been widely regarded as a critical factor in choosing and applying the correct multivariate technique. They further argue that data transformations provide a means of modifying variables for one of two reasons: 1) to correct violations of the statistical assumptions such as a remedy for outliers or 2) to improve the relationship between variables (Hair et al., 2014). In most cases, the multivariate techniques (e.g., regression analysis and factor analysis) require that metric variables be used (Tabachnick & Fidell, 2007). Yet a researcher takes an interest in a nonmetric variable in a particular analysis. Thus, data transformations are necessary. Dichotomous variables, known as dummy variables, can be treated as metric data so that it can include in many multivariate analyses requiring only a metric variable situation (Diamantopoulos & Schlegelmilch, 2000). Hair et al. (2014) note that “a dummy variable is a dichotomous variable that has been converted to a metric distribution and represents one category of a nonmetric independent variable” (p. 84). In short, they refer to a dummy variable as a binary metric variable that is used to represent a nonmetric variable in the multivariate analysis.

In this research, in the same token, data transformations were used to incorporate nonmetric data with dummy variables in order to conduct multivariate analyses that require only metric variables. Therefore, some nonmetric variables, such as market growth rate, PLC, NPD driver, NPD time, innovation strategy and the number of competitors were represented with dummy variables to do the multivariate analysis (i.e. factor analysis and regression analysis).

One-way ANOVA

ANOVA can be used to assess group differences (Saunders, Lewis and Thornhill, 2012). Thus, in this project, it was used to test whether three different types of educational provisions were different. One-way ANOVA for independent samples did not reveal statistical differences among the three cases in most of the variables, as shown in Table 5.5. That is, there were no differences among these three cases. Therefore, the ANOVA results suggested that the entire sample of students in the different types of TNE provisions could be pooled and analysed together.

f) Reliability

The reliability coefficient (Cronbach's alpha) and the inter-item correlations are the most appropriate methods to use in determining the reliability of the multiple-item scale (Hair et al., 2014). All items in the date set were from the previous literature, as shown in Table 5.6.

Table 5.5 ANOVA of variables in three cases

No.	Variables	F	Significant	Suggests
1	Product advantage	1.38	0.25	No significant difference
2	Branding	2.55	0.08	No significant difference
3	Value-based pricing	0.22	0.81	No significant difference
4	Accessibility	2.16	0.12	No significant difference
5	Targeting	0.84	0.43	No significant difference
6	Cycle time	0.16	0.85	No significant difference
7	NPD drivers	0.21	0.81	No significant difference
8	Innovation strategy	2.33	0.10	No significant difference
9	PLC	1.91	0.15	No significant difference
10	Student satisfaction	2.12	0.12	No significant difference
11	Market growth rate	8.48	0.00	Significant difference
12	Service expertise	3.36	0.04	Significant difference
13	Multiple communication channels	11.39	0.00	Significant difference
14	Product innovativeness	6.49	0.00	Significant difference
15	Product assortment	18.11	0.00	Significant difference

Table 5.6

Details of Scales included in the Student Survey

Scale	Reference
Program:	
Program advantage Program innovativeness	De Brentani, 1995; Cooper and Kleinschmidt, 1987
Branding	Gray, Fam and Lianes, 2003; De Brentani, 1995
Product assortment	Mazzarol, 1998
Targeting	Hultink et al., 1997; 2000
Value-for-money	Wikins & Huisman, 2011
People	De Brentani, 1995
Communication	Kotler, 2007; Avlonitis & Papastathopoulou, 2000
Accessibility	Palmer, 2005; Hultink et al., 1997; 2000
Student satisfaction	Arnett, German and Hunt, 2003
Cycle time **Innovation strategy** **NPD drivers** **PLC** **Market growth rate** **Number of competitors**	Hultink et al., 1997; 2000

Internal consistency of the factors was tested using Cronbach's alpha coefficient. Coefficient Alphas was determined for each construct to check for internal consistency of reliability of constructs. In this current study, the eight constructs were found to be internally consistent and statistically reliable.

Specifically, for each set of 41 items in the cases, an initial item-to-total correlation was calculated to determine which variables did not have a strong relationship with the other variables (each separate item). After identifying and removing variables that had poor scores, the process was repeated for the 240 cases. Again, any variables that scored a corrected item-to-total correlation lower than the acceptable minimal value of 0.35 were removed (Edgett & Parkinson, 1994). This process was repeated until all values exceeded 0.35. A final Cronbach's alpha value of 0.903 (N = 41 items) was achieved, indicating that the multi-item scale had a high degree of reliability. Note that a small number of "dummy variables", as transformed data, had one item and therefore they had no reliability. Table 5.7 shows reliability estimates for the scales. In addition, those variables with only one item had no reliability.

In this study, the alpha values ranged from 0.616 to 0.877. Generally speaking, internal consistency coefficients were acceptable (Nunally & Bernstein, 1996). As Nunnally (1978) pointed out, “factor reliability – that is, how reliably each phenomenon is measured – ranged from adequate to very good (about 0.50 to 0.85)” (p. 206). This is supported by Pallant (2013) argued that it is very common to find Cronbach values should be below 0.7 if scales with fewer than ten items. Ideally, the Cronbach alpha coefficient of scale should be above 0.7 (DeVellis, 2012). However, in exploratory research, Cronbach’s alpha may reduce to 0.60 (Hair, et al., 2014). In addition, in the NPD literature, it is most common that an α > 0.50 is considered satisfactory. Support for this comes from Cooper and De Brentani (1991), Gomes et al. (2003), and Lee et al. (2011).

Table 5.7

Reliability of variables

No.	Variables	α (No. items)
1	Program innovativeness	0.616(2)
2	Product advantage	0.679(2)
3	Branding	0.853 (4)
4	Value-for-money	0.720 (4)
5	Service expertise	0.881 (2)
6	Non-personal communication channels	0.818 (9)
7	Personal communication channels	0.721 (5)
8	Accessibility	0.737 (5)
9	Student satisfaction	0.877 (5)

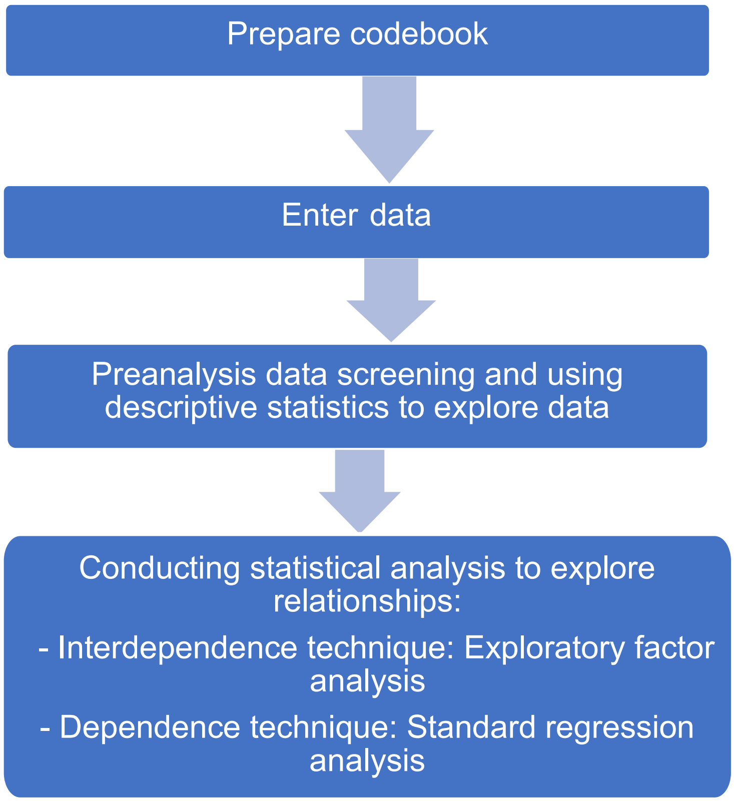
g) QUAN data analysis

QUAN data analysis involved two issues: preparing, inputting, checking data, and knowing when to use the right statistic techniques (Saunders et al., 2012). Robson (2011, cited by Sauders et al., 2012) summarised this, arguing that QUAN data analysis was “a field where it is not at all difficult to carry out an analysis which is simply wrong or inappropriate for your data or purposes. And the negative side of readily available specialist software is that it becomes that much easier to generate elegantly presented rubbish". Obviously, it was important to learn how to choose which approach was appropriate to address particular research questions (Pallant, 2013). Thus, Figure 5.2 illustrates the QUAL data processing model.

Good questionnaire design is key to facilitating data analysis (Collins & Hussey, 2003). The main purpose of the questionnaire is "measurement" (Oppenheim, 1996). *The codebook* was developed based on the questionnaire and each question in the questionnaire had a unique variable name. The codebook consisted of the text of the original questionnaire, the variable allocation document, and the coding frames were assembled before the data entry stage for facilitating data analysis (Oppenheim, 1996).

Figure 5.2

Flow Chart of QUAN Data Analysis Process



Source: Author, extending on Pallant, 2013

QUAN analysis techniques assisted the researcher in this process. For example, *SPSS 22.0* was used to help the QUAN data analysis, from creating simple tables or diagrams that showed the frequency of the data, through summarizing or reducing data variables to analyze the relationship between variables. After *entering the data,* the researcher checked the dataset for errors and corrected the errors in the data file. A clean, error-free dataset was the key to the success of the research (Pallant, 2013). The objective of data cleaning was to “identify omissions, ambiguities, and errors in the responses” (Diamantopoulos & Schlegelmilch, 2000, p. 39).

Once cleaning the data file, the researcher began to do the *data examination*. The most common data examination process covered the evaluation of missing values, the identification of outliers, and the testing of assumptions underlying most multivariate techniques before doing the preliminary data analysis (Hair et al., 2014). Missing data had been considered one of the factors that could produce distorted correlations, which affected the generalizability of the results (Tabachnick & Fidell, 2007). The following common missing data often occurs when cleaning your data (Diamantopoulos & Schlegelmilch, 2000, p. 41):

a) The question did not apply to the respondent.
b) The respondent refused to answer the question (a non-response).
c) The respondent did not know the answer to the question or did not have an opinion.
d) The respondent simply forgot to answer the question or to miss a question by mistake.

Outliers, or extreme responses, might unduly influence the outcome of any multivariate analysis, which will affect the accuracy of the data. Finally, before applying any multivariate technique, the researcher must check the assumptions. For example, before using the regression analysis, the researcher must check the assumptions of multicollinearity, outliers, normality, and linearity (Pallant, 2013). Normality refers to the shape of the distribution for an individual metric variable and its correspondence to the normal distribution, which is also the benchmark for statistical methods as well (Hair et al., 2014). Furthermore, the implicit assumption of all statistical techniques based on the relationships among variables should be linear.

Then the researcher conducted that *the preliminary analyses through descriptive statistics*. The purpose of a descriptive focus was to paint a summary picture of the sample based on the variables of interest in the dataset (Diamantopoulos & Schlegelmilch, 2000). Mean average and standard deviation quickly summarized the cases in the data files and displayed the data. Generally, different graphical presentations such as tables could provide visual clues to summarize the data, convey a general impression, and to gain an audience's attention (Sauders et al., 2012).

In addition, it was necessary to check the reliability of each scale within the particular sample. Cronbach's alpha coefficient was commonly used to test for *the reliability of a scale*. Ideally, alpha should be at least 0.7 (De Vellis, 2012). The reliability of each item in the dataset affected the size of alpha. To increase the alpha of the scale, the researcher must remove all unreliable items in the dataset (De Vellis, 2012).

Factor analysis, as an interdependence technique, was the right method for scale development and for reducing a large set of variables into a smaller number of variables referred to as factors. The primary objective was to "define the structure among the variables in the analysis" (Hair et al., 2014, p. 90). There were two types of factor analysis: exploratory factor analysis (EFA) and confirmatory factor analysis (CFA). Here, *EFA* was used, for the main reason that EFA tried to uncover complex patterns (the underlying structure) by describing and summarizing data from a relatively large set of (thematic) variables (Williams, Onsman, & Brown, 2010). It was usually performed in the early stages of research to build scales or new metrics (Tabachnick & Fidell, 2007). In essence, the nature of EFA was exploratory. However, CFA was a form of structural equation modelling (SEM) to confirm hypotheses and used path analysis diagrams to represent variables and factors (Yong and Pearce, 2013). The researcher followed the following five-step EFA protocol to do the EFA in this study (Williams et al., 2010; Hair et al., 2014):

1) Is the data suitable for EFA?
2) Factor extraction with principal component analysis (PCA): PCA is most commonly used in EFA
3) Criteria for the number of factors to extract: Kaiser's criteria (eigenvalue > 1 rule) was used as the extraction rules and approaches.
4) Factor rotation: Orthogonal Varimax rotation was used to facilitate interpretation. It is the most common rotation method that is used in the EFA.
5) Interpretation: Assessing statistical tests of significance for factor loadings and labelling the factors.

Source: Williams et al. (2010) and Hair et al. (2014)

EFA was a good starting point for multivariate techniques such as standardized regression analysis since it provided an insight into the interrelationships among variables and the underlying structure of the data (Hair et al., 2014). *Standardized regression analysis* was used in this study because it allowed the researcher to explore the predictive ability of a set of independent variables (IVs) on one continuous dependent variable (DV) (Pallant, 2013). It involved exploration of the relationship among continuous variables and all the IVs were entered into the model at once. Nevertheless, it would not only enable the prediction of the DV but also provide an assessment of the relative impact of each set of IVs; It would also indicate the combined ability of the IVs in explaining the variation in the DV.

Therefore, the researcher followed the three steps to do the standardize regression analysis in this research (Pallant, 2013):

1) Checking the assumption of the standard multiple regression: included sample size, outliers, multicollinearity, normality, linearity, homoscedasticity of residuals.

2) Evaluating the model: checked R square in the Model Summary box. This gave information about how much of the variance in the DV was explained by the model. ANOVA was used to assess the statistical significance of the result. That is, it would confirm the prior conceptual framework.

3) Evaluating each of the IVs: checked the value Sig. in the coefficient table. This pointed out whether each variable was making a statistically significant unique contribution to the equation.

Source: Pallant, 2013

Again, it should be noted that integration occurred during the interpretation stage by examining the QUAN and QUAL results for convergence of findings. It could lead to *well-validated and substantiated findings*. Details will be further reported in Chapter 9, “Discussion”.

5.9 Ethical considerations

Ethics was one of the key characteristics of quality research in a good study (Creswell, 2013). To a considerable extent, the validity and reliability of a study mainly depended on the ethics of the investigator (Merriam, 2009). Patton (2002) further identified three essential elements to ensure the credibility of qualitative research: the credibility of the researcher, rigorous methods and a fundamental appreciation of qualitative inquiry. The researcher was the principal instrument for data collection in qualitative studies. Data had been screened through his or her particular theoretical position and biases (Merriam, 2009). Thus, the researcher had the responsibility to decide what was important and what should or should not be attended to when doing the data collection and analysis, according to the credibility and a scientific research process.

Confidentiality and anonymity ensured that no harm should come from participating in the interviews and questionnaires. Making sure of confidentiality and anonymity was maybe an important reason to gain access to universities and individuals. All participants were assured that their names, ages, organizational names and so on would be changed before data collection. It was easy to identify participants or participating organizations (Saunders et al., 2012). Therefore, this research did not reveal their identities. Any information that included respondents' identifies was changed. Furthermore, during data collection, the researcher still remained confidential. Confidentiality and anonymity also applied to the data analysis and data report.

In addition, the researcher made certain that all participants voluntarily took part in the data collection. Once the participants had consented to join the research, they still maintained their rights. For example, they were free to withdraw from the interview or questionnaire at any time. Before the data collection, the researcher explained the aims of the research to the gatekeepers and verified them; the research abided by the research practice ethics guidelines.

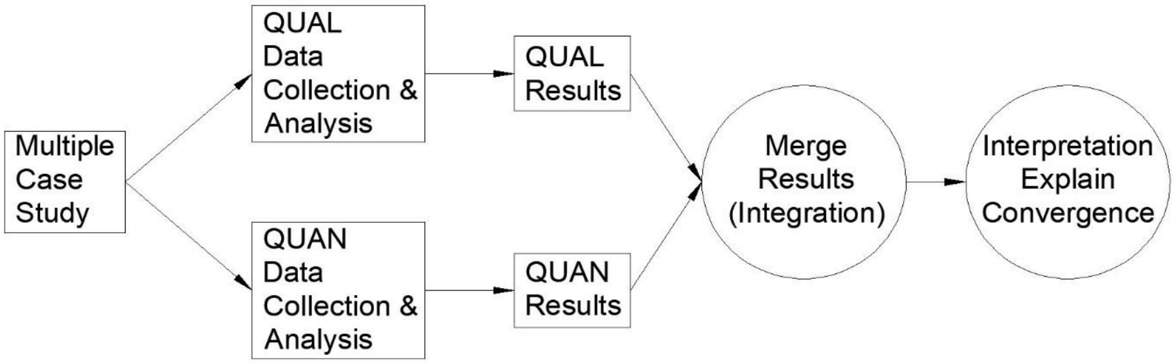
Another issue of ethical principle was the maintenance of the researcher's objectivity and maintaining academic honesty and integrity. During data collection, the researcher kept away from exercising subjective selectivity in what had been recorded. Saunders et al. (2012) pointed out that the researcher would analyse and report his work accurately, without objective data collection. In this way, the validity of the research findings would be guaranteed through a rigorous process of data analysis and interpreting.

5.10 Chapter summary

This chapter has presented and discussed the methodological issues of the study. The chapter started by discussing and elaborating the research questions. The research adopts multiple case study strategies for critical realism and fit-for-purpose reasons. The chapter has also discussed criteria for case selection and their number, and a pilot case study as well. A detailed description on methods of data collection in each research phase has also been provided. Data analysis techniques have also been presented. The chapter also discussed issues of validity and reliability of case research in the section of case study methods. The final section discussed the ethical considerations surrounding this research. Figure 5.4 summarized this study's research methodology. Table 5.4 shows the matrix for the case study of launching new educational provision in China (linking methods and research questions).

Figure 5.4 Critical realism, multiple case study

Convergent *parallel design (the concurrent triangulation)*



Source: Author

Table 5.4

A matrix for the case study of launching new educational provision in China

(Linking methods and research questions)

Research questions what do I need to know?	**Why do I need to know this?**	**Sampling decisions where will I find this data?**	**Data collection methods: what kind of data will answer these questions?**	**Data Analysis**
1) What are the successful launch strategies for the launch of new educational provisions in China?	To identify the key launch factors to which managers must pay attention when launching new products to an intensity of competition in the TNE industry in China;	QUAL: Purposive Sampling (n=3)	QUAL: (Meaning) - Interviews - Observation - Document	QUAL: - Use text data - For coding - For theme development - For relating themes
2) What are the successful tactical launch decisions for the launch of new educational provisions in China?	To determine what key factors, lead to success in the launch of new educational service provision in China.	QUAN: The cluster probability sampling (n=240)	QUAN: (Data) - Surveys	QUAN: - Use numeric data - For description - For exploring relationships

Source: Author

The next chapter will present the qualitative findings of strategical launch decisions that influence success in China's TNE industry.

Chapter 6
Qualitative data analysis (1) –
strategic launch decisions that influence launch success

6.0 Introduction

Chapter 6 is the first of two chapters presenting the research findings of qualitative data. Referring to the conceptual framework, described in Chapter 4, this research is interested in examining what the successful strategic launch decisions for the launch of new educational provisions are in China. This chapter, therefore, focuses on analysing the first research question (see section 5.1, Chapter 5):

- What are the successful strategic launch decisions for the launch of new educational provisions in China?

The resulting data structure of strategic launch decisions in the three cases is presented in Table 6.0, to answer this research question. As noted earlier in Chapter 5 (see Section 5.5), these three cases with the different types of the TNE provisions are the secondary college (SC), the joint program (JP) and the joint institution (JI), respectively.

The following section looks first at product strategy.

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Table 6.0 The data structure of strategic launch decisions in the three cases: the thematic hierarchy emerging from the coding process

Category	Aggregate Dimensions	Themes	Cases
Product Strategy	a) Relative product innovativeness	- Importance of product innovativeness in new TNE provision launch in China - Regulation of product innovation characteristics in China - Characteristics of product innovativeness - Degree of product innovativeness	SC, JP& JI
	b) New program development time	- Await MoE approval	JP, JI& SC
Market Strategy	a) The targeting strategy	- Entry requirements - Family economic strength	SC, JP& JI
	b) Program maturity	- Similar and different characteristics of the mature TNE programs - Program maturity is a risk-reducer.	SC, JP& JI
	c) High market growth rate	- Strong supporting relationship between launch performances (i.e., student enrolment goal) and high market growth rate	SC, JP& JI
Competitive Stance	a) Program advantage relative to competitors	- Quality of program and credibility - Skills impacts - International dimension of teaching and learning - Flexible routes study	SC, JP & JI
	b) Number of competitors	- Differentiation from their major competitors	SC, JP &JI
Firm Strategy	a) NPD drivers	- (Local) market-oriented	SC, JP &JI
	b) Innovation strategy	- Pioneer	SC, JP &JI
Location Strategy	Location advantage	- Geographic location strength	SC, JP&JI
		- Local government focus: JI	JI

6.1 Product strategy

As discussed in the literature review in Chapter 2, product strategy defines the nature of the product, encompassing the product innovativeness relative to competing products in the marketplace and cycle time. In the TNE services sector, "product" in many educational institutions refers to several programs and many follow-up services that constitute the educational service experience (Kotler and Fox, 1995). In the TNE context in China, the product is mainly transnational education programs (Binsardi and Ekwulugo, 2003; Fang, 2012). Here, product strategy in the TNE service sector often refers to relative product innovativeness and new product development (NPD) time.

6.1.1 Relative product innovativeness

Relative product innovativeness was a significant factor for the successful launch of new educational provisions in the TNE industry in China across the cases. Evidence in this study displayed various perspectives in the understanding and attitudes associated with the importance of relative product innovativeness in each case, which has been distilled into the following four issues of consideration:

- Importance of product innovativeness in new TNE provision launch in China
- Regulation of product innovation characteristics in China
- Characteristics of product innovativeness
- The degree of product innovativeness

Notably, several themes of relative product innovativeness are illustrative of "how and why" product innovativeness that is a critical element in the TNE service launch success and an important finding of this work. For clarity and conformity, some interview quotes are presented in the tables and others are presented in text; some documentary data is presented in the tables and others in text are to confirm the interview quotes in the tables and in text.

a) Importance of product innovativeness in new TNE provision launch in China

Table 6.1 provides evidence of why launching new TNE provision was essential in the TNE industry in China. The documentary data shows that the education system in China was **invariably** outdated in relation to the western education system, regarding curriculum, pedagogy and skills shortage. Such an education system could not meet local student needs and the rapid expansion of a more open and competitive Chinese economy. Thus, it is **absolutely** necessary to launch new TNE provision in China.

b) Regulation of product innovation characteristic in China

The respondents across the cases acknowledged that the launch of new TNE provision was an immediate response to the CFCRs regulations in China. That is, such provision was in compliance with Chinese CFCRs regulations. The typical response in the three cases is that “Mode of operation is a highly regulated area in China.” The document data in Table 6.2 illustrate this point and it displays that the Chinese government’s education policy has played an important role in launching new educational provisions in China and in forming and regulating new educational provisions. It also reflects that these three cases have recognized the importance of regulation of new TNE provision and launching new education provisions should also cater to the needs of local markets and China’s social and economic development.

Table 6.1 The importance of new TNE provisions introductions in the three cases – Document excerpts

Document source	Illustrative document excerpt	Implication
China Daily, 2011b	"Discontent with the current educational system in China has increased in recent times, particularly against the outdated curriculum, lack of classroom interaction and the rigid Chinese partner university admission system that is reliant on the Gaokao (national college entrance examination) rankings. Introducing foreign schools can **have a domino effect – as it can bring in the new curriculum, new faculty, new ideas and new systems, and eventually lead to profound reform in the education arena**."	The transnational education is different from the national HE in China, regarding curriculum, pedagogy, and skills shortage. The new educational provisions are more innovative than the local provisions. Relative product innovativeness is crucial in product strategy in the TNE market in China
China Daily, 2013	"**Traditionally, students are all educated in the same way**. But this approach **is not adapted to the new era**. Each student has his or her own characteristics and interests, so now the goal of education is **to help students find their own way of developing**."	
Financial Times, 2013	"Unlike the norms in elite European and American universities, pedagogy in China, Japan, and South Korea relies heavily on **rote learning**. Traditionally, students are **passive listeners**, and they **rarely challenge each other or their professors in classes**. Pedagogy focuses on the mastery of content, not on the development of the capacity for independent and critical thinking. **The traditional Asian approaches to curriculum and pedagogy** may be highly functional for training line engineers and mid-level government officials, but they are **perhaps less well suited to educating elites for leadership and innovation."**	
Xinhua News, 2015	"For sure, China has more universities and modern campuses, but **few are encouraging innovation and cultivating talents.** However**, foreign universities focus on the cultivation of talent and the nurturing of innovation as their core functions**."	
China Daily, 2013	"**Now parents and students** pay more attention to **the significance of the education**, which is the shortcoming of domestic universities. **Overseas universities generally consider the cultivation of talent and the nurturing of innovation as their core functions**. … **Chinese educators should think seriously about what kind of university the country really needs.**"	
British Council, 2014	"TNE is **providing the skills demanded by employers**. They **favour TNE graduates for promotion over graduates of local non-TNE programmes… give TNE graduates an edge when competing in the labour market**."	
China Daily, 2016	"… Chinese Premier Li Keqiang **urged colleges and universities to play a bigger role in cultivating more innovative talents**, for 'competition between nations nowadays is in fact competition of innovation."	
University World New, 2017	"This challenge is also a theme in the *New Skills at Work report* by JPMorgan Chase, which argues that **China faces an acute skills shortfall** and suggests that **"the supply-demand gap for highly-skilled labour is widening**. Equally, **data from the Chinese Ministry of HRs and Social Security shows** that **skilled workers account for only about 19% of the entire workforce, with highly skilled workers constitution only 5%."**	

Source: Author

Table 6.2 Chinese TNE Government Regulation and its Implication for New TNE Provisions (Product Innovation) in China

<table>
<tr><th>TNE Regulation in China</th><th colspan="2">The implication for the three cases with illustrative document excerpt</th><th>The implication for New TNE Provision (product innovation) in China</th></tr>
<tr><td rowspan="2">While the education policy in China, foreign institutions may enter the market but must partner with Chinese institutions to establish what are called Chinese-foreign cooperatively-run schools (CFCRs)
(Document: CFCRs, 2003)

“Encouraging the CFCRs to which high-quality foreign educational resources are introduced.”
(Document: CFCRs, 2003)</td><td>➢ Change in the degree structure</td><td>“[Double degree] arrangements for program provision and criteria for awarding the qualifications are customized for each collaborative initiative in accordance with national regulations in each country.” (Document: UNESCO, 2006)</td><td rowspan="2">➢ Government policy plays an important role in launching new educational provision in China; in forming and regulating TNE provision.

➢ New TNE provision is an immediate response to Chinese TNE Regulations and satisfies the requirements of China's regulatory bodies. It is adapted to the special</td></tr>
<tr><td>➢ Change in the provision models: TNE with Chinese characteristic</td><td>The “innovative” institutions are alternatives to the current system. They are like injecting fresh blood into an old body. … These schools not only offer quality Western education but also have a distinctive local favour in terms of students and practices.” (Document: China Daily, 2011)

“A Sino-UK programme allowed the curriculum, pedagogy, and assessment to evolve to meet local needs, and in so doing transformed the programme from the UK to a Chinese degree …a means of transferring UK pedagogy and student learning to the Chinese system.” (Document: Observatory, 2016)

“There are advantages in both systems. … It is trying to blend the best practices of the West and the East to develop something unique for the future. … greatly accelerated the Chinese institutional reforms.” (Document: JI official website and promotional materials, 2016)</td></tr>
</table>

	➢ Change in the universities' role in skills development	"… HE reforms in China is **to better cultivate innovative minds**. The TNE program can be regarded as **contributing to China's intellectual capacit**y, which is in harmony with the country's campaign to **'develop innovative human capital' to support a more advanced, globalized role for China**." (Document: JP website, 2016) "China is not an exception when it comes to the skills shortage trend: **the rapid expansion of a more open and competitive Chinese economy calls for skilling and up-skilling the workforce to reap the benefits of globalization**." (Document: University World News, 2017)	circumstances of Chinese society.

Source: Author

c) Characteristics of product innovativeness

In comparison with the local provision in China, the executives interviewed across the three cases considered the term “product innovativeness” as constituting such issues as *joint cooperation, the higher education philosophy and the innovative objectives of TNE provisions,* illustrated in Table 6.3 and listed below. These factors were not independent and could act together to reinforce the narrative effect or justification being offered. With reference to Table 6.3:

- The category of joint cooperation includes the degree structure of the TNE offerings (who grants the credits/awards), program innovativeness in relation to the regular programmes in the Chinese public universities (enhancing the curriculum with international content) and TNE models (collaborative TNE provision–cooperation between key disciplines; and independent TNE provision–cooperation between key universities), according to the different types of TNE provisions.

- The classification of the higher education philosophy often covers high-quality education resources to China to cater for unmet and increase Chinese needs for high quality of HE.

- The group of the innovative objectives of TNE provisions typically consists of cultivating innovative talents with a global version. It addressed skills gaps and supported local economic development.

Table 6.3 The Relative Innovative Characteristics of the Different Types of TNE Provisions in China

The Relative Innovative Characteristics of TNE provision in China	Key Concepts	Subthemes	Illustrative Interview Excerpt
Joint cooperation	The degree Structure	➢ **Qualification education program** - *Dual degree*: JP and JI	"…lead to a 'double degree': an award from our school and an award from our German partner. A **dual-degree** is important to our graduates because it will **ease their prospects at home and abroad**, whether to pursue further study or obtain work." (Informant 9, JP) "A **double-degree allows the British curriculum, pedagogy, and assessments to adapt to local needs**." (Informant 13, JI)
		➢ **Non-qualification education program** - *Foreign degree*: SC	The ability to **top-up** an international diploma qualification (HND diploma) **with a foreign degree qualification**: "…As a non-qualification program, our students can be granted the bachelor's degree only by **the foreign partner**. But they can **get an SQA-HND diploma**. This qualification is **a globally recognized qualification**." (Informant 1, SC)
	Programme Innovativeness in relation to the regular/local programmes in the Chinese public universities	➢ **Collaborative TNE provision** - *Curriculum innovation*: SC and JP	*Introducing the foreign curriculum:* "Introducing SQA-HND Program & its international curriculum." (Informant 1, SC)
			*Developing a Sino-German curriculum (**co-creation**):* "…**draws the strengths of two universities to develop the innovative Sino-German curriculum**" (Informant 7, JP)
		➢ **Independent TNE provision** - *The innovative education system between China and UK*: JI	"**Blending the strengths of the Chinese and UK HE systems**; The school has **adopted most British education system**. …where **appropriate Chinese elements are introduced into the teaching**. **Students study UK degree in China.**" (Informant 13)

Joint cooperation			“Our university is **a successful innovative model of integrating the best of Chinese and British education to create a new HE model intelligent students with a global version in China**. We do not copy the British education model.” (Informant 15)
	The TNE Models	➢ **Collaborative TNE provision** - cooperation between *key disciplines*: SC and JP	“We are the secondary college, which is affiliated with the Chinese public university. **Taking full advantage of the Chinese partner university’s discipline strength in Finance and Economics,** we **integrate the SQA-HND program with the professional training courses in international finances and accounting** to develop their professional skills and improve their employment prospects.” (Informant 1) “The joint program **creates the new cross-subjects** with the introduction of **the high-quality applied sciences HE courses of Sino-German partner universities**. The **joint program delivery of bachelor’s degree course in Chemical Engineering and Technology and Electrical Engineering and Automation**.” (Informant 8)
		➢ **Independent TNE provision –** cooperation between *key universities*: JI	“A new and the largest **Independent Sino-Foreign cooperative university, integrating the essence of both famous universities.”** (Informant 15)
The higher education philosophy (Both independent TNE provision and collaborative TNE provision)	“**The international HE system has long been admired by Chinese students and their parents.** Such different TNE models **share the concept of western teaching methods**; helping students **develop effective problem-solving skills, critical thinking skills and maximize their potential** - this pedagogy is different from what is found in a typical Chinese university in that the emphasis is on **active learning instead of teacher-led and rote memorization**.” (Informant 5, SC)		
	“Chinese education is **intensive training** for doing exams instead of imagination and innovation. Thus, students **lack creativity**. **Many of them do not even have the ability to solve their own problems**. In contrast, TNE programs provide **a higher level of experiential learning**. For example, the positive characteristics of the joint programs **use problem-based learning and self-direct learning to encourage student engagement instead of passive learning**.” (Informant 12, JP)		

	“China’s HE system is **exam-oriented studies** rather than study ability. In real life, students are unable to apply what they have learned to solve practical problems. No real skills. **We encourage our students to apply what they have learned into the practice. In turn, their practical experiences can improve their theoretical understanding.** We focus on **developing students’ analytical thinking, teamwork and communication skills**. These key skills are needed in their workplaces.” (Informant 13, JI) “**Students in our school are treated as ‘young adults’ and cultivate global citizen, which is different from Chinese HE system.** The school emphasizes **‘interest-driven learning’** instead of a test-driven approach, from passive to the active learner and the healthy growth of students and believes that a diploma is only a by-product of academic studies. We **respect every student and treat them equally**. They are encouraged to express themselves confidently and boldly, share their ideas freely in the classroom as well.” (Informant 14, JI)		
The innovative objectives of TNE provisions	Both independent TNE provision and collaborative TNE provision: Global talent cultivation	SC	“Cultivate skilled labour with a global perspective and training professional financial talent”. (Document: SC official website and promotional materials)
		JP	“Producing high quality trilingual elite interdisciplinary engineering and management talent with overseas backgrounds” and to “develop global citizens, equipped with international visions and competitive capabilities in engineering and other fields.” (Document: JP official website and promotional materials)
		JI	“The university is trying to develop students into competitive global citizens who are equipped with an international perspective, professionalism, cross-cultural leadership skills and entrepreneurial and innovation… train industry elite talent.” (Document: JI official website and promotion materials)

Source: Author, compiled from the documents and discussion with key informants’ data

As reflected in Table 6.3,

- The new TNE provisions were much more attractive and innovative than regular ones in China. The unique benefits of TNE offerings have been perceived as superior to local offerings.

- This TNE provision was different from the national education systems in China. That is, they are *independent of the national education system* in China, which, in turn, produced the competitive advantages in China.
- The new TNE provisions achieved fast adaptation through product innovativeness - TNE education with Chinese characteristics. Product innovativeness enabled these three cases to transfer quality international education resources to the Chinese system; to blend the strengths of the Chinese and western HE systems more effective in the TNE market in China; to meet local needs.

- The combination of foreign universities' and Chinese universities' education resources normally presents the best opportunity for the launch of the successful TNE provisions.

d) The degree of product innovativeness: highly innovativeness (JI) vs. modified innovativeness (SC and JP)

Regarding the educational model of TNE, JI tends to be more innovative than JP and SC, as it is *an independent Sino-UK cooperative institution between two high-ranking universities* to jointly provide high-quality programs, integrating advantages in both Chinese and British education systems. As noted in Chapter 3, JI was provider mobility while SC and JP were program mobility. Table 6.4 has summarized a few notable differences between JI and the other two joint programs. It is supported by the following document:

> *"The difference between program and provider mobility is **one of scope and scale in terms of programs and services offered and the local presence (and investment) by the foreign provider**. A distinguishing feature between program and provider mobility is that **with provider mobility the learner is not necessarily located in a different country***

than the awarding institution, which is usually the case in program mobility.*" (Document: UNESCO, 2006)*

In sum, these product innovativeness dimensions provide the handles for defining the product strategy of new TNE provisions and identifying the important ingredient of product strategy for new TNE provision launch success.

6.1.2 New program development (NPD) time

One of the questions asked was about whether a *speedy new program development time* would strengthen launch success. The level of importance varied from one case to another. At JP and JI, the data strongly suggest that shortening the program development time was necessary but not sufficient because China's MoE approval greatly affected a speedy new program development, which in turn, affected launch success. Yet at SC, it supported a speedy new program development that was considered to be an important component for its market success.

The interviewees in both JP and JI felt that speed to market would strengthen launch success. Specifically, they plausibly stated that the long-term partnerships between universities contributed to the speed time to market. For instance, JP had cooperated with the German University for more than twenty years in international research collaboration and teaching in engineering. Through high-level contacts including student and staff exchange, both had a further mutual understanding and were committed to the long-term relationship with each other. Staff exchange at the senior level between these two universities facilitated the work for them to collaborate with each other after those visited. Thus, all these formed a strong base for their new joint program. The process was very fast and smooth: It took one year from arrangements for discussions and negotiations to finally signing agreements between both sides. As Informant 8 who was responsible for the joint-program development pointed out:

Table 6.4

A few notable differences between highly innovativeness (JI) and modified innovativeness (SC and JP)

TEIs	Types of Institutions	The Typical Characteristics	Multiple Sources
JI	**Independent TNE provision (independent institution)**	- A Sino-British university with an independent legal entity - International universities focus on their own direct provision through branch campus in China - A systemic introduction of educational resources, including teachers, courses, sharing the foreign partner's library resources - The key universities' cooperation - Owning education resources (e.g., own faculty and independent campus) - Requiring a large investment from both Chinese and foreign universities - Integration of two education systems and the creation of a new university - A model for HE reforms in China	Interview data from the respondents at the senior positions in JI; Document data from the JI's official brochures and its official website; from quality newspaper and industry reports on TNE
SC & JP	**Collaborative TNE provision**	- No independent legal entity - Joint degree programs in cooperation with foreign partners on Chinese campus - Key disciplines' cooperation: the partners between the two countries were strong in similar disciplines - Sharing education resources with the Chinese partner - The introduction of foreign curriculum or combination of both foreign and Chinese curriculums	Interview data from directors and deans in SC and JP; Document data from their official brochures and its official websites.

> *"The key to our joint program largely depends on whether or not both institutions are well into their preparations including the arrival of program resources for the joint program. Put simply, gaining* ***strong support*** *from both sides provides a solid foundation for a good joint program. A good joint program does largely depend on* ***the relationships between both universities****. By comparison, time is a necessary, but not sufficient, condition for launch success." (Informant 8, JI)*

In another case JI, it took two years from an agreement signed between two universities to new independent joint institution officially established. The interviewees in JI felt that the NPD time would strengthen launch success, but it was not the decisive factor in launch success. They plausibly stated that the long-term partnerships between universities, high-level support from both universities and local government support are much more important, as Informant 13 in JI commented:

> *"We have* ***had a long-term relationship with the partner*** *in research collaboration* ***since the 1980s****.* ***Both universities have strong technology and engineering departments.*** *In addition,* ***local government is fully supported*** *by its original idea and initial negotiations to the approval and new joint institution building." (Informant 13, JI)*

The interviewees in the cases of JP and JI noted that an important external factor, relating to speedy NPD time is the restraint imposed by MoE. China's MoE approval usually played a more pivotal role in the qualification education programs and directly affected speedy NPD time. Because all qualification joint programs such as JI and JP must be approved by MoE. The TNE institutions must await MoE approval to award dual degrees. Some key interviewees in JP noted that it usually took at least one year to go through the overall rigour of the process from arrangements for admitting students to subject-specific knowledge, and the like. Others in JI pointed out that the program approval time was full of uncertainty and not carefully controlled by the universities. A typical response is that "*it has become more and more difficult to launch new educational provision with foreign partners that have no high rankings in the world and more restrictions have been applied to the MoE for approval of a TNE programme*." This is supported by the following document excerpt:

*“**MOE approval is very difficult**. … **More restrictions** were applied to the administrative approval of joint programs. … **increased its scrutiny and the rigour of its approval processes for joint programs**. … **There are already too many of them (similar programs) in China**.” (Document: Monitor, 2014)*

In contrast, SC seemed to be of the minimal influence of MoE when shortening the program development time of launching new programs in the TNE market in China. Indeed, SC provided a non-qualification education program that did not need to be approved by MoE. The respondents in SC generally agreed that the shorter, the better, in terms of speed to market; speedy development time could strengthen launch success. This is primarily because the Chinese TNE market was very changeable and highly competitive; plus, the non-qualification education program was rather flexible and was easy for SC to seize the market opportunity, compared with the qualification education programs of JP and JI. Therefore, the NPD seemed to be very important to SC. For example, Informant 1 in SC was proud of saying:

*“The time of the SQA-HND program development in the school only takes six months from preparation to launch (e.g., student recruitment), **due to joint commitments from both parties of Chinese partner university and** Chinese Service Centre for Scholarly Exchange **(CSCSE).** Therefore, the school can **grasp the opportunity to** launch its international program **during a peak-season in student recruitment**.” (Informant 1, SC)*

Therefore, the results indicate that the new program development time was a significant factor for SC whereas it was not a significant factor in the decision to launch success for JI and JP. For JI and JP, although the speed time to the market was positively associated with launch success, MoE approval moderated the direct effect.

6.2 Market strategy

As discussed in the literature review in Chapter 2, market strategy defines the nature of the product's market, including the targeting strategy, PLC, and market growth rate. In the TNE industry in China, the market strategy can refer to *the targeting strategy*, *program maturity* and *market growth rate*.

6.2.1 The targeting strategy

Repeatedly across discussions with the key informants and within the documents, the need for the well-defined target students is echoed as a significant factor that affected the launch of successful new educational provisions in China, regarding the targeting strategy. Data from the discussions with the key informants and the documents provided to the research shows that the well-defined target students were mainly related to *the entry requirements of each case* and *family economic strength*. Now, we will look closely at these two main issues of the well-defined target students.

1) Entry requirements

The entry requirements were frequently cited as an important factor that affected the launch success. The evidence shows that there was a noticeable difference between qualification education programs and non-qualification education programs, regarding the entry requirements; This is done in Table 6.5. From Table 6.5, both JI and JP recruited in-plan Tier 1 students [in plan students who have passed the Gaokao and obtained the required grade of the institution] whereas SC recruited out-of-plan students [who failed the Gaokao or without Gaokao scores] at a lower entry requirement for a non-qualification program. In China, students with Tier 1 Gaokao scores represent high-quality students.

Table 6.5

The targeting strategy of each case

	SC	JP	JI
Entry requirements	A high school diploma; Pass the school admission test; Gaokao score is not necessary (Source: SC's promotional material)	Achieve a Gaokao score of Tier 1 of the university; Apply for the school with the National College Application System at the first tier (Source: JP's promotional material)	Achieve a Gaokao score above the Tier 1; Apply for the school with the National College Application System at the first tier (Source: JI's promotional material)
Targeting strategy	"Targeted to students who want to study finance and accounting and then study abroad." (Informant 5)	"The target students' Gaokao scores must achieve Tier 1 score of Chinese partner university. Plus, they want to study abroad." (Informant 8)	"We target at students who must achieve Gaokao Tier 1 scores of JI and want to study abroad." (Informant 14)
The source of student recruitment	Out-of-plan enrolments (without Gaokao scores): "Our program is a non-degree program, which means most students' Gaokao scores are lower than the regular programs of a Chinese university." (Informant 1, SC)	In-plan enrolments (with Gaokao scores and achieved the required grade of the institution): "We are dual-degree programs. Students must be recruited according to the national plan. They must pass a certain standard in Gaokao." (Informant 8, JP)	

Source: Author, derived from the schools' promotional materials and interview data

Obviously, the admission requirements of JP and JI were much higher and stricter than of SC, by suggesting that the entry requirements determined the quality of students. Informant 1 in SC provides insights on how the different entry requirements impinged on the different targeting strategies:

> *"Selecting target students **depends on the nature of the TNE program.** After all**,** degree programs and non-degree **programs have totally different entry requirements in China,** which in turn lead to **different targeting strategies**." (Informant 1, SC)*

2) Family economic strength

Nevertheless, many participants reported that family economic strength was another important factor. Even some participants who said that subject interest was important also stressed that family economic strength was a must:

> *"**Most of our students come from rich families.** Their families have their own businesses. They have **no employment problems**. Moreover, they can **expand their social circles and find some business opportunities among their friends** in the school." (Informant 4, SC)*

> *"**Those student families who have strong economic strength are qualified for this joint program.** But I need to emphasize that our school is **not a 'rich kids club'**." (Informant 8, JP)*

> *"**The middle-class in China is growing rapidly**. … Their families are **well-situated financially**. However, **target students lead to their similar family backgrounds**. It is **highly probable** that **they can find like-minded friends and build their social networks**."*
> *(Informant 15, JI)*

Noticeably, only the participants in JI stated explicitly that the school had summarized which personality types of students were very suitable for studying in their schools, according to their more than ten years' student recruitment experience of the school. They used some positive words and phrases like "open-mindedness", "strong self-discipline", "independence", "honesty"; "having clear goals", "a strong communication ability", "dreams" and "overcoming the frustration of life" to describe their ideal target students.

So, it is clear to see that target students in these cases were selective, which meant each case had decided the niche or one individual group to target and implied that they could help to generate the greatest customer value profitably and to sustain it over time. This is evidence of the TNE market strategy needed to be tailored to the needs of specific TNE market in China. Informant 14 in JI claimed that after identifying the well-defined target students, the school would create core value of TNE offerings to them. It is also supported by the following document excerpt:

> *"Cross-border commercial providers – who are primarily concerned with teaching – **are targeting niche markets of this learner** and **responding to a clearly identified need**." (Document: UNESCO, 2006)*

Despite this, some respondents still declared that the school must first understand what kind of students the school really wanted to admit and then decided how to tailor their new TNE offerings to meet their needs and then to achieve differentiated market positions in China's TNE market. A comment made by Informant 3 in SC illustrates this point succinctly:

> ***"Identifying target students play a critical role in market success, avoiding one-size-fits-all.*** *Then we can* ***focus on providing our students with the differentiated programs and services in the long term."*** *(Informant 3, SC)*

She further noted that the targeting strategy was related to the short-term and long-term launch performances:

> *"… recruiting students with Gaokao scores or not****, it depends on a school's targeting strategy and positioning****. The school must* ***make a choice between quantity and quality of student sources,*** *which in turn* ***affects their objectives – builds the school's reputation in the local market in the long term or recruits more students [profit-oriented] in the short term****." (Informant 3, SC)*

This is also supported by the following quote:

> *"It is important from the outset to assess why and what the drivers (for TNE programs in China) are:* ***Is it to achieve a financial surplus, to fulfil your charitable/education purposes, and/or for some other reason?****" (Document: HE Global, 2016)*

Therefore, the target strategy – **to attract higher-income and talented students** – is a crucial element in new TNE provision launch success in China.

6.2.2 Program maturity

The interview findings with senior management across the cases have found that the programs in their schools are in the **maturity** phase of the product life cycle (PLC). The findings present that program maturity can be divided into two main themes: *the similar and different characteristics of the mature TNE programs* and *program maturity is a risk-reducer*.

1) Similar and different characteristics of mature TNE programs

The key respondents used different adjectives and expressions to express it; They mainly described their mature or stable programs into three aspects: *program duration*, a *clear and reliable pathway* and *graduates,* as presented in Table 6.6. It can be inferred that the virtuous cycle has been formed for the mature programs after more than ten years' operations in order to streamline the market acceptance. The promotional materials and their official websites also claimed explicitly that their TNE programs were very durable and reliable for years.

Except that sharing some similar characteristics of the mature programs in Table 6.6, these schools still had used different expressions to describe the mature program in their own ways. The mature program in each case included that "one-stop" student services, student division for the students who fail to achieve the TNE program requirements and IELTS waiver, as shown in Table 6.7.

The findings in Table 6.6 and Table 6.7 show that the mature TNE programs in each case were one of the most important aspects of market strategy, so as to communicate the school's facts (e.g., several cohort graduates) to the target audience and attract them, clearly differentiate their programs from other similar ones as well. This suggests that the TNE provisions were still new in China in relation to the existing local ones, despite more than ten years' development of each case in China.

Table 6.6

The Key Characteristic of the Mature Programs in each case

	Commonly used adjectives and expressions used to describe PLC	Key Characteristics of the Mature Programs	Supporting Statements
Mature or Stable Programs	Clear, rather mature, stable, very durable, reliable, modified, steady; duration time; unchanged; for years; successful graduates; rich; flexible; Numbers	Program Duration	All the programs have been running for **over 10 years** in the cases. For example: "**More than 10-years' experience** of an international branch campus in China" (Informant 13, JI)
		Have **a clear picture** of program operation & **reliable** pathway	"The **mature** HND program can give our target audience a c**lear** picture of SQA-HND program pathway that is a direct entry to a foreign university." (Informant 1, SC) "The **mature** program is also **very durable**: a **reliable** pathway that consistently accepts students for study abroad **for years**." (Informant 4, SC) "This joint program is **rather mature**. The whole program process is **very clear and steady** to us from program operations, quality assurance, and student management to good risk management and visa application, **after more than 12 years'** program experience." (Informant 8, JP) "The pathway program is **very reliable**, **stable** and **remain unchanged** for **more than ten years**." (Informant 9, JP) "The pathway program is **very clear and reliable**. The students in our school can choose to our parent school in the UK after two years or after their graduations. It is **very flexible** for them." (Informant 14, JI)
		Graduates	All the cases have several cohort graduates.

Source: Author, derived from interview data

Table 6.7

The different characteristics of the mature TNE programs of each case

Key theme	Case	Source	Illustrative interview excerpt
"One-stop" student services	SC	Informant 2	"…Plus, we are **providing 'one-stop' student services from visa services to foreign education and degree recognition services in China**, reflecting that this is the mature program and we have rich experience in HND program and can provide the professional services to our students, in order to ease the worries of the parents."
Student division for the students who fail to achieve the TNE program requirements	JP	Informant 9	"**The mature program can control the risk and forecast any kinds of risks during its operation**. Take student division for example. If our students fail to the language requirement of TOFEL scores of above 71 or IELTS 6.5 in the Year 2, they cannot continue to study in this joint program and will be asked to go to other schools of our Chinese partner university to continue to study their majors. But they can still get the Chinese bachelor degrees without foreign degrees when graduation. It largely reduces the risk of our programs."
IELTS waiver	JI	Informant 13	"Our school **has no English language requirements for the students, unlike other joint programs**. Their English language abilities are sufficient to meet the English language requirement for admission to the parent British university. They do not worry about preparing for the IELTS exams during the study in China."

Source: Author

2) Program maturity is a risk-reducer

On the other hand, the evidence strongly emphasized their mature TNE programs, by disclosing the fact that students and their parents feared the new TNE provision in China. Referring to the lack of security for students, the following informants explained:

> *"Although Chinese students and their parents are **dissatisfied with Chinese Gaokao System**, yet they **appear to hesitate over whether to choose joint programs/joint institutions**. They **feel strange about them**. This is because they are **new** in China. Chinese parents **are very familiar with Chinese Gaokao System** and they **do not know international education for certain**. Such innovative TNE programs exist **some deeply uncertain factors**. For example, they **are worried about whether the foreign qualifications can be recognized by the Chinese government or Chinese employers and quality of TNE program**. Plus, the national newspapers have widely reported that **the quality of TNE programs is uneven. Some joint programs have done bad practice**." (Informant 6, SC)*

*"When consulting with new students and their parents, **they often focus on whether or not they can study abroad successfully through international programs**. **They are worried about the risks if they fail to study abroad, particularly for those programs that students must study abroad to get the bachelor degree**. … The mature program can **manage the risks and reduce the unpredictable risks after more than ten-year operation**. A school also clearly knows how to deal with uncertainty problems efficiently." (Informant 8, JP)*

Thus, program maturity was a crucial factor and it was often related to the performances of the schools. It was often regarded as reducing the perceived risks, building trust and credibility to the school and enhancing the school's legitimacy in the eyes of the target students. It could accelerate market acceptance in the TNE services. The following data also indicate that program maturity was linked with launch performances:

*"Being 'mature' means that **a great many of students have experienced education here and then they will tell more people about it**." (Informant 2, SC)*

*"Being 'stable' means that there are **lots of graduates,** which means that **the school has student performance. Students and their parents will trust us. It is rather easy for the school to recruit students in comparison with the TNE programs without graduates."** (Informant 12, JP)*

The following quote sums up the general view:

*"After all, **education focuses most on quality, reputation, and WOM**. All of them **tend to accumulate through time**. **The longer the programs, the more reliable and attractive to the target market.** In other words, **a mature program is a good way to reduce uncontrollable factors and win the trusts from the target audience**, and then have a greater chance to choose us." (Informant 6, SC)*

However, Informant 5 in SC gently reminded that the school should be cautiously optimistic. Regarding the mature program, from the student perspectives, it means that students and their parents were becoming well-informed about the TNE program in China. Then they would have higher requirements for teaching and education quality; draw more attention to the importance of developing students' creativity, while maintaining their personalities. Thus, word-of-mouth and education quality for the mature TNE programs were becoming more and more important to market acceptance in China.

The above statements also signal that the mature programs are closely linked to the school's future development or performances in the TNE services setting. It also reflects that the maturity program is a significant factor for the launch of a new successful educational provision in China.

6.2.3 High market growth rate

In terms of market growth rate, the participants frequently mentioned **student enrolment goal** in each case, which is indicative of the importance of market growth rate to the schools and the attractiveness (relatively profitable) of their concentrated markets, which in turn lead to launch performances:

> *"In the past years, our student enrolment numbers have **kept in the average of around 350**. But the student enrolment number this year [in 2015] **rose to 380**, which is above the average enrolment targets each year. We are very surprised since we would have thought the market of HND program tended to be steady after more than ten years."*
> *(Informant 3, SC)*

> *"Every year the MoE gives us an enrolment plan of **40** for each program. We are not worried about the student numbers. We can achieve the student numbers each year. We are considering expanding our program scales now." (Informant 9, JP)*

> *"The market growth rate in our school is **very quick**. I remembered that when I was the first-year student in our school [JI], our school only recruited **165** students. I am one of the first batches of students graduated. When I finished my PhD degree and came back to our school, acting as a lecturer, the total number of students is **more than 10,000**. Further, the population of on-campus students is expected to **reach 14,000 by 2019**, according to the university strategy. The student enrolment number in our school has increased greatly over the past decade." (Informant 15, JI)*

These data expressed a strong supporting relationship between their performance improvement in the student enrolment goal and high market growth; Their programs are still in demand and have low saturation in each case, although they have operated for years. The high market growth market is also supported by the following excerpts from the documents:

> *"In recent years, there are **over 2,000 agreements** of Chinese-foreign cooperation in school running. ...**the 550,000 students** who study in Chinese-foreign cooperatively-run school." (Document: MoE, 2015)*

> *"OBHE [the Observatory on Borderless Higher Education] puts **the continued growth of international campuses in China down to local demand for HE** and also **to host government support**. The report notes generally that governments are motivated to **attract international branch campuses** by a drive to greater economic competitiveness, by an interest in boosting the political or cultural influence, and/or in the hopes of boosting the profile of national HE systems."*
> *(Document: Monitor, 2016)*

> *"We [University of Reading] had an offer from China but they wanted us to grow to **10,000 students in seven years** and we did not think we had the capacity to do that without emptying our own university of academic staff." (Document: BBC, 2016)*

The above citations illustrate that high market growth rate in the context of TNE industry in China could be a good reason to explain why these schools' mature programs were still demanding and why they could still reap profits, despite the fierce competition in the Chinese market. Therefore, it can be inferred that the market growth rate is a significant factor for market launch success in China.

6.3 Competitive Stance

As discussed in the literature review in Chapter 2, competitive stance is the competitive position, including the degree of product advantage related to competitors and number of competitors. Thus, in the TNE market in China, competitive stance can refer to *the degree of program advantage relative to competitors*, and *number of competitors.*

6.3.1 Program Advantage

Regarding program advantage, program features were frequently highlighted in the interviews with the senior positions to describe their competitive positioning in the intense competition of TNE market in China. The respondents underlined that program features were a critical factor for ensuring the market success of launching new educational provisions in China. They talked about the varying features of their programs in each case. Based on the data analysis of program features in each case, Table 6.8 summarized the recurrent themes in terms of the quality of program and credibility, skills impact, the international dimension of teaching and learning, and the flexible routes study emerged in the findings to reflect their program advantages in relation to their rivals across the cases as well.

Table 6.8

Perceived program features which are obvious to the target students in the three cases

The quality of program and credibility	- Quality assurance including awards - Securing the quality of students - Faculty advantages
Skills impacts	- Improve skills for career development - Improve language skills to get a good job
The *international* dimension of teaching and learning	- From bi-lingual instruction to all English teaching - Teaching materials and assessment methods are introduced from the international partners - All coursework material is in English; all exams and assignments are submitted in English
The flexible routes study	SC: "2+2"; "3+1"; JP: "2.5+1.5"; "4+1" JI: "2+2"; "4+0"

Source: Author, derived from data

The table also displays that these perceived features of TNE programs relative to the competitors were attractive to prospective students. It suggests that the TNE programs had some distinct advantages over its local ones and these typical features of TNE programs enabled the schools to distinguish themselves from their rivals and to a position in the minds of the target audience. As Informant 2 in SC explained:

> *"The program characters* ***must be distinguishing****; The program must have* ***its typical features****. Also, the target audience of the program must be* ***tailored*** *rather than fits-for-all. Such distinct features of the program* ***cannot be replaced****. Further, the obvious feature of the program is* ***easy to remember*** *for the target audience and* ***arise their interests****."*
> *(Informant 2, SC)*

Noted that the following section focuses mostly on the quality of programs and credibility and explained in detail why education quality was an important component of program features for launch success by the key informants and within the documents. Except for the quality and credibility of programs, besides, Table 6.9 shows that other perceived program features are in each case from the different sources of data.

Table 6.9 Other perceived program features in these three cases

Perceived Benefits	Subtheme	Example Quotes
Skills impact	Improve skills for career development	*Source: Interview data and document data from the official websites and their official brochures* "These programs also offer strong links to local and international industries. Guest lectures from industry are invited to share with students best practice insights and experience. … Best programs for our students to develop skills and advance their career prospects…We are developing a syntergrative elite (SE) education model to help our students do better in future industry needs, with the development of robotics and artificial intelligence." (Informant 13, JI) "The school only offer the practical specialized business degree courses in international finance and international accounting with employment focus to develop their professional skills and improve their employment prospects. … international degree + professional qualifications for tomorrow's professional financial talents." (Informant 1, SC) "We have graduation practice in their last stage in Germany. Students will finish their diploma thesis under the guide of supervisors from both the company and the university to cultivate students to have original thinking, communication, teamwork and entrepreneurship spirits." (Informant 12, JP) "Internships and industry contracts have been developed in China or in German with the means to enrich the student international learning experience. This joint program largely focuses on training students' application ability and improve their multi-languages and problem-solving skills." (Informant 8, JP)
	Improve language skills to get a good job	*Source: Interview data and document data from the official websites and their official brochures* "English-focus" (Informant 3, SC and Informant 13, JI) "Students spend three of eight semesters in Germany and thus gain strong linguistic skills and intercultural competence." (Informant 9, JP)
The **international dimension** of teaching and learning process		*Source: Interview data and document data from the official websites and their official brochures* "SQA-HND program is not difficult for them to study and they are becoming gradually accustomed to western teaching styles in a familiar learning environment. For example, we use Chinese and English in their first-year study and gradually transfer to English teaching in the second or third year." (Informant 1, SC) "Students can learn professional knowledge in English. The German language course is provided for the students as the second foreign language." (Informant 9, JP) "All of the degree programmes are taught in English." (Informant14, JI)

Perceived Benefits	Supporting statements
The international dimension of teaching and learning	*Source: Interview data and document data from the official websites and their official brochures* "inter-university transfer credits and sharing the foreign partner's library resources" (Informant 15, JI) "sharing education resources with Chinese partner" (Informant 1, SC) "teaching materials and assessment methods are introduced from the international partners" (Informant 5, SC) "all coursework material is in English; all exams and assignments are submitted in English" (Informant 4, SC; Informant 12, JP; Informant 15, JI)
The flexible study routes	*Source: Interview data and document data from the official websites and their official brochures* "Most our partner universities have accepted direct entry into the third year of bachelor's degree if they have an SQA-HND diploma" and "two learning pathways ("2+2" and "3+1")" (Informant 2, SC)
	Source: Interview data and document data from the official websites and their official brochures "double campus, two study phases" ("2.5 +1.5") or "complete the four-year degree course in China and then go to another country to study master's degree course" ("4+1") (Informant 9, JP)
	Source: Interview data and document data from the official websites and their official brochures "One of our school's strengths is that offers a flexible mode of study. Students can choose to complete their degree courses without going abroad. Meanwhile, they can choose "2+2" or "4+X" pathways." (Informant 15, JI)

Quality and credibility of programs

One common theme was “top of mind” for the respondents in each case when they thought about which crucial elements of program features influencing their launch success in the TNE industry in China. The most salient factor was *the quality and credibility of programs*, which was typically one of the first four issues discussed (see Table 6.8): education quality is the core of both the schools and prospective students. A prime factor among the different TNE offerings is quality. As Informant 8 noted:

> *“Universities are **recognizing the education quality of TNE programs,** which has become their major means of **differentiation**. ... **Greater quality assurance and control is for differentiation between one and another.”** (Informant 8, JP)*

Figure 6a clearly shows that interview data and document data were used to triangulate the construct of the quality of programs and credibility and to displayed transparently to the viewers.

From Figure 6a, the quality of programs and credibility played essentially for the successful launch of new TNE provisions. These cases all expressed strong supporting relationships between education quality of TNE and the growth of TNE; between their program advantages and market acceptance. The education quality is the core of both the schools and their prospective students.

As a result, the schools in the three cases actively improved high-quality of their programs to earn academic credentials and attract target students. The three key areas of the quality of program and credibility become apparent from the findings:

- Quality assurance (including awards)
- Securing the quality of students
- Faculty advantage

Figure 6a

Illustration of triangulation of quality and credibility of programs	
Interview excerpts	**Document excerpts**
"We **are independent of Chinese HE systems**. It, in turn, leads to **good and bad** that were **mixed together** in the TNE market in China. Thus, **the quality of a joint program** is **one of the most challenges** for us." (Informant 3, SC)	"… In reality, many joint schools are **unable to provide quality services**. This is not only **harming the schools' credibility** but also **disrupting the whole education environment**." (Document: China Daily, 2011b)
"We **are independent of Chinese HE systems**, so it raises the question of **which institutions are responsible for providing quality assurance of TNE schools**. On the other hand, many Chinese families **still hesitate about** such **new** institutions and feel that such schools are **"non-mainstream choices",** compare to the Chinese public universities with **more than 50 years."** (Informant 14, JI)	"The development of CFCRs has shifted from **pursuing scale expansion to improving quality**. … We should **improve the education quality of cooperatively-run schools**. In November 2013, MoE launched its guidance **to guarantee the education quality of CFCRs**. It includes the following 4 goals: establishing high-level cooperatively-run institutions and programs; optimizing school distribution and planning reasonable structure; establishing a quality guarantee system for China's TNE; and **improving the education quality and management level so that these CFCRs will eventually serve the local economic development**." (Document: OBHE, 2015)
"**Education quality** is an important factor used by students and their parents to **evaluate the school's teaching** in comparison to others. Nevertheless, students and their parents **are very cautious about** the education quality of the TNE programs." (Informant 9, JP)	"**The growth of TNE must go hand in hand with an increase in quality**. We strongly believe that growth can only come with quality and it will **be difficult for TNE to grow** if we have lots of cases of disrupted provision and **low quality**. …**the two big challenges of TNE were consumer protection and access to information for students on which institutions are accredited and how quality is assured**." (Document: University World New, 2016)

Source: Author

a) Quality assurance (including awards)

Table 6.10 helps to understand the importance of strengthening quality assurance of China TNE for the successful launch of new TNE provisions. It shows that each case was more likely to devote itself to providing high-quality programs by establishing the external quality assurance procedures to enforce strict quality assurance. For the qualification education programs, both JP and JI tended to join the international accreditations actively. They guaranteed their high-quality education through awarding domestic and international recognition of qualifications. However, for the non-education qualification program, SC emphasized the annual program review that was conducted by SQA (Scottish Qualification Authority) and CSCSE (Chinese Service Centre for Scholarly Exchange), international professional qualification examinations-taking as well, in order to strengthen the quality of the program. With regard to strengthening quality assurance, the data from the document on the growth of TNE provides the following evidence:

> *"…**countries were strengthening quality control of cross-border education**. ... **after several years of rapid growth of HE in China,** the country **was strengthening its quality assurance systems and was committed to improving the management of penalties and mechanism for institutions to exit programmes that failed to meet the grades**."*
> *(Document: University World News, 2016)*

Reflecting on these words in Table 6.10, the quality assurance of TNE programs ensured the output requirements and expectations could be met. That means high levels of consistency were in education quality program. This would result in program performance consistency in delivering a targeted level of high-quality program performance to each student. It also indicates that strict quality assurance and different awards in each case were thought of as the perceived program advantage relative to its competitors in the TNE market in China. It could differentiate between one and another and then gain a competitive advantage through quality differentiation to assure their TNE programs that were of high-standing to prospective students.

Table 6.10

The importance of quality assurance in the TNE program – Interview experts

Cases	Source	Illustrative interview excerpt
JI	Informant 15	"In the past ten years, our school has dedicated to offering a high level of quality education. Our president is always stressing a high-quality education. It is the most important issue to our school. You know, there are many joint programs. However, the only thing that matters is quality... and this leads to prospective students' decisions and the school's continuing development. The distinctive quality is our competitive edge. … Maybe you have heard from friends or alumnus about JI's strict academic quality assurance system and high rate of exam resits."
	Informant 14	"Education quality is the lifeline of the new joint institution and our school must guarantee a high-quality education through introducing international standards. International quality assurances are both from QAA and MoE; the school has obtained the International accreditations of different programs. For example, the business school has gained AACSB accreditation, which means the business school lies in Top 5% elite business school in the world..... Over time, our school has won wide recognition for its high-quality talent cultivation and was awarded the titles of 'Model Sino-Foreign University' and 'Pioneer of Higher Education Reform in China'."
JP	Informant 9	"The international quality assurances are both from GAAD (German Academic Exchange Centre, similar to QAA) and MoE. Also, we have got an international accreditation by ACQUIN in Germany. We have a good coordination and management mechanism. For example, a Joint Management Committee was established specially and committee members from both universities will be getting together twice a year to discuss and deal with major issues of this joint program."
	Informant 8	"This is a successful model, which has been highly praised by the Chinese government and the German government. In 2013, this joint program was praised by the Shanghai Municipal Education Commission for its dedication to Sino-German cooperative education in China."
SC	Informant 2	"Although our program is a non-qualification program, this is a very successful non-qualification program. The key is quality assurance. Our program quality evaluations are accepted by both SQA and CSCSE. For instance, SQA has a more rigors quality control in China. We are one of its quality partners. We know how to assist in preparing for the SQA visit. Every year, SQA assigns the external examiners with rich experience to the school to evaluate the quality of our program. In addition, our students must take the international exams including the IELTS test or the professional qualification exams. What is more, we have created our brand and WOM in the SQA-HND program market in China. We are the best strategic partner in East China by CSCSE."

It also reflects that the schools across the cases used quality assurance to be a useful proxy to get brand name recognition and then increase student enrolment. Except that these awards on the school's websites and promotional websites, the websites and promotional materials in each case provided the related important information about university credibility and quality assurance to enhance sustainable competitive advantage. Take JI as a typical example to illustrate this point:

> *"…. We **receive over 5 million RMB** from the National Nature Science Foundation of China (NSFC); we **also receive funding from 13 research projects in 2017**. …These new research grants show that we are building on previous years' work in terms of **research quality and variety of areas covered**." (Document: JI official website and promotional materials)*

b) Securing the quality of students

In terms of securing the quality of student, JI and JP strongly emphasized that in-plan Tier 1 student recruitments can guarantee the student quality of candidates. As Informant 9 who provides a vital insight into the positive association between good student quality and the school's branding in JP noted:

> *"**Good students are always the universities' most valuable resource** and the schools are always fighting for high-quality students since high-quality students can **contribute to a school's ranking, reputation, and branding-building**. In a similar way, **the high school's ranking and a good reputation can recruit more high-quality students.**"*
> *(Informant 9, JP)*

It is supported by the following document excerpt:

> *"The quality of Chinese undergraduate students being admitted to JI reflects the trend that this year **[2017] average Gaokao scores in most provinces rose to a higher level than 2016."** (Document: JI official website and promotional materials)*

In contrast, SC repeatedly stressed its autonomous admission mode to ensure the quality of the program. As Informant 2 in SC said:

> *"As for student quality, we ask students to* ***present their Gaokao scores if they have and take the school's English test. They will be interviewed one by one if they pass the school's test****. After more than ten years' program operation, we have clearly known that* ***which kinds of students we can recruit and which we cannot****.* ***In this way, we can select good students and ensure our student quality and the quality of the program****."* *(Informant 2, SC)*

c) Faculty advantages

The respondents across the cases also frequently stressed faculty advantages is another issue to ensure the quality of the program. According to the data, SC clearly highlighted the teaching staff relied mainly on the Chinese partner university and the foreign teachers provided a supplement to teaching whereas JP underlined its excellent teaching staff has been allocated by both universities: German partner university contributes 40% and Chinese partner university 60% of teaching, according to the regulation of CFCRs. However, as an independent institution, JI laid greater stress on the high-quality international faculty, compared with the local programmes. As Informant 14 stated:

> *"***Nearly 500*** *academic staff,* ***about 80% of faculty members are of foreign nationality****.* ***… high faculty standards as world-famous universities****… The staff training in our school is carried out to guarantee every new international academic staff who becomes well informed* ***on the British quality assurance.*** *It is very important for quality assurance." (Informant 14, JI)*

Together, the quality of programs had a strong influence on their prospective students' perceptions and then affected their university choices. The high quality of programs and credibility had been a source of relief for students and their parents as they felt that the quality assurances, the student quality, and the faculty quality were *very reliable and tangible evidence to guarantee the high-quality TNE programs*. It also reflects that the high quality of programs had a positive effect on the school's sustainable development (e.g., image and reputation and student enrolment).

In sum, all evidence exhibits that a link between education quality and market acceptance is made explicit, indicating that product advantage is a significant factor for the launch of new educational provisions in China.

6.3.2 Number of competitors

This section can be introduced through the following two long quotes made by senior recruitment managers in JP and JI which bring into perspectives about the number of competitors in the TNE setting:

> *"Although University D is also dual degree program, they are doing 4+0 model. That means students will study German degree in Shanghai without any overseas experiences. The biggest disadvantage of "4+0" model is that students lack international experience. But our joint program is used "2.5+1.5" model that encourage our students to study in another country for some time and experience a foreign culture, know about their learning styles and ways of thinking as well. In this way, our students are capable of working in the intercultural environment with a global version. Thus, our joint program emphasizes foreign language training, improves their foreign language skills, and develops their adaptability. The training model is essentially a one-on-one training relationship (a tailor-made training between two universities) rather than one-on-many like University E." (Informant 7, JP)*

> *"We are an independent university with independent recruitment qualification, like any traditional Chinese universities. But the difference is that we can change majors freely. In our school, it is very easy to change majors according to students' interests rather than their Gaokao scores. It is just like you can buy anything you like. But you cannot change the majors freely in the traditional Chinese universities, and you should know about someone at first and then you could be possible to change your major. Compared with joint programs, they are only their universities' international colleges and have very limited majors. Further, when the students are enrolled, they have some screening tests after two- or three years' study and those who achieved the requirements can study abroad. It exists some risks in such ones. In contrast, our school has no such problems." (Informant 14, JI)*

Such evidence helps to indicate that in the TNE setting, each case had own advantages over its main competitors and the competitors did not affect its launch success, implying that market potential in China was large. It also highlights that the program features of each case were a key issue in China's TNE market. Although the participants did not state whether they had done the competitor analysis, yet it can be inferred that they had identified and evaluated competitors' strengths and weaknesses from these quotations. Moreover, the extracts also illustrate that competitors' weaknesses would be used to differentiate the school's offerings from that of its major competitors to gain a competitive advantage and further highlighted the school strengths or competitive advantages in the minds of their target markets. On the other hand, the data reflects that they could offer their prospective students greater perceived value than their competitors' offerings through comparison.

In addition, interviewees generally agree that the competition is tough in China's TNE market, but it also brings some opportunities to them. For example, SC argued that it was a good opportunity for the school to find new market opportunities. The university was looking for developing new programs to cater to its student needs. To JI, competition also meant cooperation. In the market, there were no real competitors. JI has been a member of "the Union of Sino-Foreign Cooperative Universities" since 2014. The school often discuss with other joint institutions in the topics of how to develop themselves, how to break through the bottleneck of the system and appeals for the government funding support, as the new independent institutions in China, and the like.

The participants in each case had admitted that the competition was intensified. However, they did not think that the number of competitors appeared to be a decisive factor in the launch decisions. The following quote from Informant 3 in SC sums up the general view:

> *"As for number of competitors and intensified competition,* ***the enrolment number every year actually reflects the real competitive situation*** *in the international education industry. As noted earlier, in the past years, the student enrolment numbers have kept in the average of around 350. But the student enrolment number this year [in 2015] rose to 380, which is above the average enrolment targets each year." (Informant 3, SC)*

6.4 Firm Strategy

As discussed in the literature review in Chapter 2, the firm's overall strategy towards NPD efforts which affected product develop launch stage included innovation strategy and the NPD drivers of companies. In China's TNE market, the firm strategy can refer to university strategy, including NPD drivers - *market-oriented and innovation strategy – a pioneer*.

NPD driver: Market-oriented

Each case conceptualized market-oriented TNE programs as a strategic issue. Similar to product innovativeness, all participants addressed that the Chinese government policy played a leading role in the new TNE program development. Their new joint program developments were market-oriented in response to the regulation on Chinese-Foreign Cooperation in Running Schools (CFCRs) in 2004, as shown in Figure 6b. A typical response was:

> *"…**Sticking to the government education policy**, our joint program has been **adapted to the particular needs of the Chinese government and catered to the needs of China's social and economic development**. Thus, **the new program development** is **market-oriented**, which is mainly derived from **local market demands**." (Informant 8, JP)*

Figure 6b. Firm Strategy Responds to the Regulations for the Cases in the TNE industry in China

The Regulations on Chinese Foreign Cooperation in Running Schools (CFCRs) in China

In 1995: Article 3…CFCRs is a supplement to Chinese education.

In 2003: Article 3 … CFCRs is a **component** of Chinese education.

In 2004: Article 3… China encourages Chinese-foreign cooperation in **offering programs and disciplines, which are new and in urgent need in China** …

Sources: interview data, document data from MOE and the schools' official brochures

Firm Strategy Responds to the Regulations for the three cases in the TNE industry in China (Applications to the Three Cases)

Sources: interview data, document data from MOE and the schools' official brochures

SC	**Market-oriented** Programs	International accounting and international finance
	Innovation Strategy	Pioneer: **Established in 2003** (SQA-HND program has been introduced **in 2003** by CSCSE)
JP	**Market-oriented** Programs	Environmental engineering and Information technology
	Innovation Strategy	Pioneer: **Established in 2004** (Approved by MoE **in 2004**)
JI	**Market-oriented** Programs	Science (Natural and Social), Engineering, Business, New economic and Finance, Film & TV production, Digital media arts
	Innovation Strategy	Pioneer: **Established in 2006** (Approved by MoE **in 2006**)

The related documents show that the following issues are to **confirm** that these three cases have *provided the local market-oriented TNE programs*:

- The joint programs/institutions focus on **offering programs in business/management before 2004**.
- The joint programs/institutions focus on **offering programs in science/engineering after 2003**.

Sources: interview data, document data from MOE, the schools' official brochures and their websites

This quotation and Figure 6b illustrate that the government education policy was the clear signal to the market-oriented new joint program development in the TNE industry in China. This could be justified by the government had a full understanding of the Chinese employment market where developing the particular joint programs were further required. Furthermore, the market-oriented new joint program development in the three cases had found the new opportunities from the government education policy and drew a parallel with China's social and economic development to meet unmet needs in China. It is also indicative of the relationship between market-oriented new joint product development and local market needs.

To better suit the local needs, in addition, the participants in the three cases have laid great emphasis on the importance of the local market-oriented TNE programs such as business/management programs and science/engineering (see Figure 6b) in China's TNE industry. Because the three cases underlined the labour market-oriented programs can increase appeal and value of their joint programs, compared with local programs in the Chinese universities. Thus, developing the market-oriented new TNE programme could enhance students' employability and cater to the urgent needs of the local labour market in China, and then to increase the likelihood of launch success. This point is reflected in the following document excerpt:

> *"**One Chinese TNE expert stated that graduates from TNE programs in China are more labour-market ready** because they have advanced critical thinking, decision-making ability, organization skills and experience of working in the groups. These skills are highly valued by both students and employers."*
> *(Document: British Council World Report, 2014).*

Another reason is that the TNE program/institution did not belong to the national education system in China, as mentioned in Section 6.1.1. In other words, they are *independent of the national education system* in China, and thus they must act in much more "market-oriented" ways (e.g., developing the market-oriented TNE programs) related to the Chinese public universities. As Informant 1 in SC stated:

"…Both the HND program with an employment focus and the flexible delivery pattern of HND program are ***the results of market-driver of new program development****. Moreover, in China,* ***the TNE program development must be closely related to market needs****.* ***Otherwise, it is very easy to be a failure****. You know,* ***we are not a national university****. We are* ***a self-financing school and responsible for our own profits and losses****." (Informant 1, SC)*

Pioneer innovation strategy

Figure 6b also displays that these three cases were all pioneers in the different TNE provisions in China, according to their year of establishment. All respondents acknowledged that the establishment of their joint programs was also an immediate response to the government education policy (see Figure 6b). They described a pioneer as equivalent to "first", "pilot", "earliest" and "innovator". Such words often appear in their promotional materials and their official websites.

The respondents across the cases also claimed that they had enjoyed the first-mover advantages and given the school a competitive edge. Some respondents felt that first-mover advantages were linked with several influential factors such as accumulating the rich experience of joint programs/institutions and favourable WOM. However, others were clearly concerned with first-mover advantages and the advantages are often related to the student performances including their higher graduates' employability rates, the enrolment rates of further study as well as the increase in the student enrolment numbers.

Turning to the other side of the argument, only one deputy director of student recruitment officer in JP made note that we could not ignore later entrants:

*"Market pioneers would not exist in a vacuum. Later entrants, for example****, might influence or partly neutralize the pioneer's advantages, even if they have no graduates. Later entrants had a sustainable advantage in differentiation*** *such as strong reputations in the world in relation to pioneers or their joint programs and teaching methods are more innovative than pioneers." (Informant 10, JP)*

To illustrate this point, the following document except has been provided:

> *"…The NYU Shanghai (Shanghai New York University) and Duke Kunshan universities* ***follow in the steps of a successful decade of Sino-British universities in China****. SNYU Shanghai is China's* ***first Sino-US university*** *to operate as* ***an independent legal entity in 2013*** *(This school is established in 2013). The teaching model and international courses have* ***drawn a great deal of attention across the country****. … Now the students in the school are* ***more than 2,000 in 2015*** *(In 2015, they had no graduates)." (Document: China Daily, 2015)*

Additionally, program duration in Table 6.6 (see section 6.2.2: Program maturity), program advantage in Table 6.9 and student performances in Table 4.2 (see section 4.3 in Chapter 4) are indicative of the importance of pioneer innovation strategy and of market-oriented new TNE program development and their associations to launch success.

Altogether, market-oriented new joint program development and pioneer innovation strategy were critically important factors for the launch of new educational provisions in China.

6.5 Location strategy

Evidence on the conceptualization of university location strategy emerged from two key themes: *geographic location strength* and *local government focus: JI*.

1) Geographic location strength

The respondents across the cases agreed that *geographic location strength* played a key ingredient of launch success. For instance, these three cases were all located in the affluent cities - Greater Shanghai Area, by suggesting that good location strength could guarantee the presence of wealthy students and they were more willing to pay the higher tuition fees relative to other cities and provinces in China. This is supported by the following document text excerpt:

> *"These schools **are located in the wealthy cities**. … these locations **guaranteed the presence of rich students.** It is very important for **an independent university since it charges tuition fees that are about nine times higher than normal course fees in Chinese universities.**" (Document: Observatory, 2016)*

In addition, geographic location strength could offer two major benefits to the schools in each case: for the school, it is *easy to recruit the target students*; for the target students, it is *convenient and approachable to the schools,* as shown in Table 6.11. This table presents that the association between geographic location strength and student enrolment. It also illustrates that it would be more tempting to choose the university located in the Greater Shanghai area, primarily because there was the *highest demographic density* there.

Table 6.11 The major benefits of geographic location strength across the cases – Interview excerpts

Major benefits of geographic location strength	**Example Quotes**
To the schools: Easy to recruit the target students	"Indeed, the choice of location is very important. We are located in Shanghai, an international city. **The population density** is much higher, you know, **people across China are coming to Shanghai**. As an attractive city, Shanghai has **lots of work opportunities for young adults.** That means this location will bring more students to us. … Our students are usually quite concerned about **the location of a Chinese university partner** rather than of the international cooperating schools. Thus, it is **easy for us to hit student enrolment goal relative to other Tier 2 or Tier 3 cities**." (Informant 6, SC) "This location makes the school be **more accessible to higher-income students**. Their families **are willing to pay the higher tuition fees** in relation to local ones in Chinese University. **Easy to recruit the target students**." (Informant 15, JI) "We also **stress we are located in local Industrial Park**. There are **lots of World Top 500 companies and research centres** there. This unique location **offers favourable social, economic and geographic conditions for us to attract students**. Thus, the use of our unique location strength has **a big impact on our student recruitment**." (Informant 14, JI) "**Location attractiveness** helps us recruit lots of students from non-Shanghai areas who have strong desires of studying in Shanghai…. there are lots of opportunities in Shanghai, and thus **attracts lots of students from all over the country**." (Informant 9, JP).
To the students: Convenient and approachable	"Generally speaking, **Shanghainese students appear unwilling to study outside Shanghai**, except for some special reasons. In their eyes, it is ridiculous to study in another area. Shanghai is the greatest city in China. Moreover, **for the local students, their parents preferred to let them stay close to or living at home**." (Informant 3, SC) "**Our location was very convenient**. **The transportation system was very advanced.** For example, it was very easy to go to Shanghai from the school by **the fastest high-speed train within half an hour**." (Informant 15, JI) "**The look of a university is essential for potential students and their parents in China**. Due to **well-developed transportation in Shanghai, they can have quick access to our school**." (Informant 9, JP)

Source: Author

Some of respondents noted that *underlining unique location features* had been considered as an important competitive differentiator, which in turn greatly affected students' university choices in China. For example, although JI was not in Shanghai but near Shanghai, its promotional materials, website, and recruitment personnel strongly highlighted the key points of culture, social and other location features that JI could present to students. As Informant 13 in JI noted:

> *"**Prospective students are not all the same.** Someone like city life whereas others like rural life. **The key is to find what our unique location strengths offer to them.** For example, in order to attract students, we stressed we are located in **a city with a rich and profound cultural atmosphere, which coexists with its rapid economic development**." (Informant 13, JI)*

Nevertheless, JI used videos and images to help target students get a sense of what university life would be like. This is also supported by the following document text excerpt:

> *"**They (students) are choosing between two similarly ranked institutions with similar costs, lifestyle really will come into the decision**." (Document: Observatory, 2016)*

As the above quotes suggest, geographic location strength made each case more visible to target students, with helping in improving their awareness of each case; good location easily attracts the target audience to visit and respond to their inquiries quickly.

Noticeably, one Director in SC gained a more in-depth understanding of location strength that should be associated with the positioning of the school, after his more than ten years' market experience in the TNE market in China:

> *"**It is related to our positioning. If the school positions itself as the exquisite education on a small scale, from the operation cost viewpoint, the second or third-tier cities in China can meet its requirement of the small scale of the school. In the long run, if the school wants to expand its program scale and improve its influence in China, then the biggest cities are the first choice and then promulgate into other areas in China**." (Informant 2, SC)*

2) Local government focus: JI

It is worth noting that local government focus was a particular concern expressed by the respondents from JI. Its importance to the independent institution has been frequently highlighted. Then, why did JI choose its location near Shanghai instead of Shanghai? This is explained by a senior staff who stated:

> *"**This issue was related to two factors. One is that our Chinese partner university has some senior contacts with local municipal government. The other one is that local government is dedicated to drawing high-quality HE resources to meet local demand**. Noticeably, the government pays much more attention to higher education, unlike some provinces such as Guangdong Province on vocational education. Thus, the local government has set up **local Industrial Park and its HE Zone** to attract famous universities both in China and abroad to open branch campuses here and to cultivate the local talents at the undergraduate and postgraduate levels. **The ambition of the local government is to go international**, particularly to its international HE Park." (Informant 13, JI)*

To illustrate it, the following comment by one participant who further expressed that understanding the primary motivation of the local government was very important shared by others in JI:

> *"**It is related to the performance of local government**. It should be noted that education is **long-term** rather than short-term. Thus, education focuses most on its **sustainable development**. In this way, both the local government and the joint institution can benefit from its **sustainability**. **Those governments' anxieties for quick success and instant benefits should be avoidable**. It is **undesirable to have short-sighted education concept** for the local government." (Informant 15, JI)*

This is supported by the following document:

> *"While **selecting the appropriate government platform** to work with, educational institutions need to **consider and assess their educational philosophy, financial capacity and the stage of social-economic development they are at**." (Document: JI's website, 2016)*

In sum, it is clear to see that university location strategy was a crucial and essential element in the launch of new educational offerings in China.

6.6 Chapter Summary

This chapter has intended to generate the details of the anatomy of strategic launch decisions that affect launch success in China's TNE industry. Specifically, the chapter has looked closely at how and why the strategic launch decisions (*product strategy, market strategy, competitive stance, firm and location strategy*) are the key to success of new TNE provision launch in China. The chapter has focused on the research findings of the strategic launch decisions that are the critical elements in the success of new TNE provision launch in China. A brief summary of key findings is as follows:

1) The new TNE provisions in the three cases were more innovative than the local ones. Relative product innovativeness was a significant factor for market launch success in China.
2) According to the different TNE provisions, highly innovative TNE provisions such as independent TNE provisions were more likely to be successful; New program development time was a significant factor for SC (a non-qualification education program) whereas it was not a significant factor in the decision to launch success for JI and JP (qualification education programs).
3) Launch success was more likely to be successful in the maturity phase of the PLC.
4) The well-defined target students, high market growth rate, pioneers and market driver of NPD were significant factors for market launch success in China.
5) These three cases all expressed the strong supporting relationships between education quality of TNE and the growth of TNE; between their program advantages and market acceptance.
6) The number of competitors would not seem to be a decisive factor in the new TNE provision launch.
7) The university location strategy was a crucial and essential element in the launch of new educational offerings in China.

The next chapter will present the qualitative findings of tactical launch decisions influence launch success.

Chapter 7
Qualitative Data Analysis (2) –
Tactical launch decisions that influence launch success

7.0 Introduction

The chapter presents the findings on tactical launch decisions. This chapter continues to examine what the successful tactical launch decisions for the launch of new educational provisions in China are as suggested in the conceptual framework in Chapter 4. In doing so, this chapter focuses on the second research question (see Section 5.1, Chapter 5):

- What are the successful tactical launch decisions for the launch of new educational provisions in China?

The product launch literature shows that tactical launch decisions are central to the actual launch commercialization of the new product and they govern how to launch (Hultink, Griffin, Hart and Robben, 1997). Essentially, they are the components of the marketing mix.

The resulting data structure of strategic launch decisions in the three cases is presented in Table 7.0, to answer this research question. The following section looks first at product tactics.

Table 7.0 The data structure of strategic launch decisions in the three cases: the thematic hierarchy emerging from the coding process

Category	Aggregate Dimensions	Themes	Cases
Product Tactics	a) Branding of "parent" universities	- Benefits of the branding of "parents" universities in new TNE provision launch - Importance of the local branding of Chinese partner university	SC, JI & JP
	b) Focus	- Main criteria for focus selection	SC, JI & JP
Price Tactics	Tuition fees	- Good-value tuition fees	SC, JI & JP
		- Higher value-based tuition fees	SC, JI & JP
People Tactics	Student recruitment expertise	- Advantages and roles of recruitment expertise	SC, JI & JP
		- Quality relationships between recruitment expertise and students	SC, JI & JP
Communication Tactics	a) Multiple channels of student communication	- Categorization of multiple communication channels - Common communication channels - Most influential touchpoints of student communication - Main criteria for the supporting communication channels in the three cases	SC, JI & JP
	b) Communication expenditures	- Adequate communication expenditure	SC, JI & JP
Accessibility Tactics	a) Multiple student recruitment channels	- Importance of the integration of multiple student recruitment channels - Classification of multiple student recruitment channels - Important aspects of multiple student recruitment channels	SC, JI & JP
	b) Student recruitment channels expenditure	- Investing adequate money on expanding the source of students	SC, JI & JP

7.1 Product tactics

As discussed in the literature review, product tactics include branding and product assortment. In the TNE market in China, the research findings provide evidence that product tactics can be conceptualized as *branding of "parent" universities (including university brand name and reputation)* and *focus*.

7.1.1 Branding of "parent" universities

According to university names of each case, both SC and JP are brand extension under the Chinese partner university brand names while JI is co-branding of Sino-UK "parent" universities' brand names. Nevertheless, there is unanimous agreement among the respondents in these three cases that the most important factor for launch success is the branding of "parent" universities. These cases used their "parent" university names and reputations for their student recruitment to enhance legitimacy in the eyes of prospective students. There are also several logos and international universities names and Chinese 'parent' universities names on their universities' websites and promotional materials. The respondents in the three cases reported that Chinese students and their parents cared most about the university brand name and reputation of partners since these two issues were the most frequent questions during their student recruitment events, as supported by the following document text excerpts:

> *"**They (Chinese) like brand names**. **The more unobtainable it is, the better**. **They want to be seen. … Institutions which have been most hit by application numbers are the institutions without a strong brand**." (Document: Observatory, 2016)*

> *"**Shanghai New York University (SNYU) was established in 2013**. Although the school is **very young**, yet such factor does not affect the launch of successful new international higher education offerings in China. As the Principal of New York University declared: '**in China, the top 60,000 high school students** can now apply to study at NYU Shanghai**,** where they are required to **sit a two-day interview process before being accepted**.'" (Document: Observatory, 2015).*

In addition, the data indicate that the branding of “parents” universities appears to be articulated along the following two key themes:

1) Benefits of the branding of “parent” universities in the new TNE provision launch

The respondents in each case strongly argued that the branding of “parent” universities not only gave the school several advantages but also helped the prospects in many ways (see Table 7.1).

Table 7.1 presents the interview excerpt source, the interview excerpt, and any implications becoming evident during the interviews. From Table 7.1, relying on the branding of “parent” universities in these three cases gave the new TNE offerings instant recognition and increased enrolments, indicating that their branding of new TNE provision was not established. The emphasis on “parent” university names was also to create a close and consistent association of a high-quality TNE program and to take advantage of the complementary strengths of two university brand names in an attempt to draw the prospects, signalling that the new TNE programs were better than other programs and attained high enrolments.

On the other hand, although the new TNE education provisions could increase the perceived adoption risks for prospective students, strong “parent” universities’ brand names and reputations might give these three new TNE provisions a lot of credibilities. It helped the students overcome adoption resistance, reduced the perceived risks and then accelerated acceptance in the TNE market in China, as presented in Table 7.1. It also suggests that such joint programs or institution were still very young, lacked substantive achievements and solid reputations. Thus, the heavy emphasis being placed their “parent” universities’ brand names and reputations reflected on enhancing the new TNE provision’s legality and its credibility in each case.

Table 7.1 The benefits of the branding of “parent” universities in new TNE provision launch and its implication in the three cases – Interview excerpt

Source	Illustrative interview excerpt	Implication
Informant 12, JP	“Many Chinese universities have joint programs. But **some face a serious challenge**: their joint programs **have an insufficient number of students since they are ‘congenitally deficient’** – their “parent” university names and reputations were **not strong enough to attract students**.”	**To the students:** - The branding of “parent” universities is often equal to quality of new TNE programs/provider - Reduce their perceived risks - Accelerate acceptance
Informant 15, JI	“We emphasize on **university heritage** from both sides; both universities are hundred-year-old leading universities **in the world to attract new students**.”	
Informant 4, SC	“It was easy for prospective students and their parents to **evaluate the school’s teaching and research abilities and associate them with the strengths of the “parent” universities**.”	
Informant 9, JP	“In our recruitment strategy, we **emphasize this joint program makes full use of the advantages of powerful alliances of universities to attract high-quality student**s: One **is a top Chinese** university and the other is **one of the three earliest universities** of applied sciences in Germany and the German university **is one of the selected German universities endorsed by MOE**.” (Informant 9, JP)	
Informant 12, JP	“The joint program brings together of **the strengths of leading course at the German partner university and of national key disciplines** at the Chinese university, which **introduces the foreign high-quality educational resources conscientiously**.”	
Informant 3, SC	“You know, Chinese Gaokao has existed lots of problems. Chinese parents are not satisfied with it and they are looking for a better solution to their children’s future. Thus, they have big demands for other alternative choices in China. Further, people **have very strong demands for high-quality education from a powerful and famous university worldwide**. After all, **a high-quality international program that cooperated with a renowned international HE institution is a scarce resource in China**. The **strong brand name can secure the enrolment numbers**.”	**To the schools:** - Get a name recognition - To attain high enrolments - To create a close and consistent association - Take advantage of the complementary strengths of two university brand names
Informant 7, SC	“Many target students and their parents **are more concerned about the real brand value of a joint program. Strong brand university names mean quality assurance and win student trust, which can simplify student choice. …Easy to recruit students**.”	
Informant 13, JI	“We use our ‘parent’ universities’ prestigious brand names and reputation in China and UK **to create unique selling points to attract our good prospective students, simplify their universities’ choices and accelerate their potential adoptio**n.	

Therefore, it is clear that "parent" universities names and reputations across the cases might serve as critical points of difference to attract prospective students and give them more compelling reasons and evidence why they should choose their joint programs. They offered a distinct advantage to student recruitment in the Chinese TNE market. More importantly, it was a crucial factor and often related to the increase in student enrolment. To illustrate it, the following long text extracts represent many respondents:

> *"Generally speaking, the* ***stronger reputation of Chinese universities, the easier student recruitment of the JV program.*** *After all, there are only ten top Chinese universities in China. So, our school has lots of recruitment opportunities to tap.* ***Chinese students usually pay much more attention to the reputation of Chinese partner institutions,*** *especially when* ***the limited foreign university information is available in China. A good university name can reduce the perceived risk.*** *Moreover, for the joint program or institution****, a Chinese university with a strong reputation*** *would contribute to attracting* ***more local students,*** *which in turn* ***makes student recruitment much easier.*** *In the same way,* ***a foreign university with a strong reputation can help Chinese partners attract more Chinese students in China,*** *which contributes to* ***launch success in the Chinese market****." (Informant 3, SC)*

This is also supported by the following document excerpt:

> *"Branding of "parent" universities, especially their rankings, it is becoming* ***a proxy for quality and this can limit the choices for both the institutions and the students****. If you are* ***not in the Top 100 or 200*** *you are* ***increasingly being left out of international experience even though you*** *may be* ***a high-quality institution*** *offering high-quality degrees. What is* ***somewhat scary*** *is that* ***more and more countries view ranking as a substitute for quality and are making really serious academic decisions*** *based on the findings of various rankings." (Document: University World News, 2016)*

Here, two things are noteworthy. One is that branding of "parent" universities" were strongly tied to student enrolment numbers that emerge consistently in the data, as shown in the above statements. The other is that JI has paid more attention to building and managing its own branding of an independent institution rather than their "parent" brand names and reputations, after more than ten years' development in the Chinese TNE market. As was explained by Informant 13 in JI:

*"**In recent four years**, the school has **accumulated its own word-of-mouth reputation based on our achievements** (e.g., good employment rates and further study around the world). The marketing of the school is **beginning to rely on its own brand name and reputation as the independent university** rather than mainly relying on its 'parent' universities." (Informant 13, JI)*

2) Importance of the local branding of the Chinese partner university

The data in Table 7.2 demonstrates that the local partner university's name and reputation were still in favour for local students. The table below reflects that the Chinese partner institutions' names and reputations played prominent roles in directing prospective students towards a new TNE provision; many prospective and current students relied more on their local cooperating universities to know about their foreign cooperating universities when local students little knew about their international partner universities. The students usually thought that if the Chinese university name and reputation were good, then its foreign partner universities were also good. Their assumption was that the university brand name and reputation of both sides were comparable and served as a signal of credibility. To illustrate the point of the importance of local branding, it is supported by the following document extract:

*"…however**, well-known the institution is at home, awareness is likely to be low in the host country**." (Document: HE Global, 2015)*

Furthermore, the local branding of Chinese partner university could help its foreign partner to gain access to the local market in China; the local branding has the perceived brand awareness and credibility to the local market. It was closely linked with local market acceptance. A comment made by Informant 7 in SC illustrates this point succinctly:

Table 7.2

The importance of the branding of the Chinese partner university in new TNE provision launch in the three cases – Interview excerpt

Source	Illustrative interview excerpt
Informant 6, SC	"We are part of Chinese partner university. **As one of the oldest and famous finance universities** in China, **the brand name and reputation of Chinese partner university has attracted more and more applicant**s who want to study Finance and Economic Management in our school every year. **It is our important selling point**. We are **always stressing that we are part of the Chinese partner university**. "
Informant 5, SC	"You know, **most cooperating international institutions are not the top institutions in the world**. Thus, we still **rely mainly on our Chinese partner university name and reputation** in our recruitment strategy to promote our programs. Student recruitment is **done through our recruitment offices** and our colleague **going out and recruiting the students**. **Without the Chinese partner university's name and reputation, our student recruitment could not have achieved the enrolment numbers every year. Chinese parents are strongly affected by the brand name and reputation of the Chinese partner university**."
Informant 11, JP	"**Our university name and reputation are a golden signboard in China**. Although **the German partner's name recognition is not high in China**, we still stress that our German partner has been endorsed by MOE. **Because Chinese students only know about us**."
Informant 15, JI	"In fact, **a great many students are only familiar with our Chinese partner university**. As for the British partner university, **some of them only know the football team there**. … Frankly speaking, **without the Chinese partner, the international partner cannot admit any students in the initial years."**
Informant 10, JP	"This is the **common problem CFCRs**: **many joint programs' international cooperating universities lack brand awareness (low name recognition) in China.** Moreover, **the reputations of these universities generally are not high in China**."
Informant 5, SC	"The Chinese university name and reputation **serve as a promise of new TNE offerings** from the perspectives of students, especially they little know about foreign universities."

Source: Author

> *“**In the initial stage, a foreign university is better to cooperate with the good Chinese universities so as to get access to the local markets immediately and then it can further enhance its “visibility” there**. The strength of the local university name and reputation is **being local**. **The foreign university can use its Chinese partner’s branding advantage to develop the local recruitment network and recruit local students**.” (Informant 7, SC)*

Informant 5 in JI made an example to emphasize the impact of local branding on the increase in student enrolment, particularly low brand awareness of the international partner university:

> *“A school that is running the French MBA programs is near us. The French school is very famous in France, but …**little brand name awareness here and they have no Chinese partner. Not very easy to attract Chinese students**.” (Informant 5, JI)*

However, the local branding of Chinese partner university has its geographic limitation in China. As was stated by the following respondent:

> *“Our students are coming from **East China** (e.g. Shanghai and other eastern coastal provinces). **To lots of Chinese universities, their student recruitments are limited to the geographic areas.** Take our school for example. **The influence of** our Chinese partner university's brand name **is confined to East China and to Chongqing and Guangzhou.** It is **impossible** for us **to go to Beijing and Shandong to recruit students.** It is **like** East China Normal University and Beijing Normal University. **The limitation of the geographic areas is obvious to most Chinese universities, excluding top Chinese universities. Every** Chinese people are familiar with these **top universities without any ranking tables** or any communication.” (Informant 3, SC)*

Altogether, branding of “parent” universities is an important ingredient of launch success.

7.1.2 Focus

The focus was often referred to by the key informants as the narrow specializations (the narrow range of majors) in the TNE industry. They reached an agreement about the importance of their narrow specializations that affected market success. These three cases have launched the narrow programs that are highly relevant to their 'parent' university's brands and reputation of the key strength of disciplines from both sides. Both SC and JP only offered two narrow specialities whereas JI provided more various specializations (six specialized clusters of programs) covering social science, business, engineering, and sciences, compared with them.

Evidence of the importance attached to focus across the cases, one salient theme – the main criteria for focus selection - emerges from the data regarding focus becomes apparent. Here are the two main criteria for making a focus-selection decision. They were presented below.

1) The narrow specializations with employment focus

These schools across the cases only offered the narrow specializations with employment focus, as presented in Table 7.3. The offering TNE programs must lead to great job prospects in each case. This means that these popular specializations were strong market orientation, indicating that there is a close link between focus and market orientation in the earlier discussed issue of "innovation strategy and market-oriented" in Chapter 6. To some extent, they were the labour market-oriented narrow specializations (or the narrow specializations with employment focus). The focus would give the school a big advantage in the graduate employment market in China, compared with its local competitors:

> ***"Increased access to courses/programs in high demand by labour market*** *(e.g., Business, IT, Communications).* ***… Local higher education institutions have to offer a broad selection of courses regardless of whether they have high/low enrolments and/or have major labour-oriented or equipment requirements."*** *(Documents: UNESCO, 2006)*

Table 7.3

The narrow specializations with employment focus of each case

Key Theme	Example Quotes
The narrow specializations with employment focus	*"You know,* ***pursuing higher education is always closely linked with the future career.*** *Students tend to seek a popular specialized program that will* ***offer decent jobs.*** *When they get the degree and the respectable jobs, they will get* ***a higher social status****.* ***In China, university education is the only way to change people's destiny and break the cycle of generational poverty.*** *Also****, Chinese society affects their preferences of programs****." (Informant 1, SC)* *"****Some narrow specializations*** *such as engineering, and business are more appealing to students due to* ***a social pressure****…. In Chinese society, college students' low employment becomes an undisputable reality. …* ***In-demand graduates make our programs very popular …****There is a massive demand from the market at the present time for* ***engineering graduates with the international vision. Speaking the third language (e.g., German) is preferred in the Chinese market.*** *You know, with the impact of the internationalization of the Chinese economy, there need to be people with such qualifications…" (Informant 11, JP)* *"****According to the local market demands, some less popular programs have become obsolete. Meanwhile, we are introducing some popular programs*** *in these two years, including new Economics and Finances, Film and TV production and Digital Media Arts, etc. Particularly, Information management and Information system program that is provided by our business school is* ***a popular program with good job prospects for graduates****. It is an interdisciplinary program that integrates business with technology." (Informant 14, JI)*

Source: Author

Again, focus that the school was providing in each case was consistent with the CFCR's regulations in China (see Chapter 6: firm strategy): The offering TNE programs that must meet China's social and economic development. Thus, they are also called "country-specific specializations". This also reflected in the following text excerpt:

> *"**Developing global talent and a skilled workforce that can meet the requirements of the labour market are high on the agenda for China**. **As China evolves from an investment-led economy to a consumption-oriented one, from being the workshop of the world to be a services powerhouse, the country will need a skilled workforce**. Despite the steady increase in the number of tertiary enrolments in China over the past decade, the **demand for skilled labour is likely to outstrip supply by 24 million people in 2020. McKinsey** also **estimates** that **if** China does not bridge this skills gap, it could **lose opportunities worth more than US$250 billion,** which represents **about 2.3 % of the country's current GDP**." (Document: University World News, 2017)*

2) Profit-making

The general viewpoint emphasized that profit-making was the other one for focus selection across the cases. This is also supported by the following document text excerpt:

> *"**A market approach to HE can lead to a situation where commercial or for-profit providers focus on the selection of academic programs being offered.** These offering programs are **in high market demand,** such as business, IT and communication program. This means that **some of the less popular and often more costly programs are the responsibility of public/non-profit institutions.** The result can be **a differentiated menu of courses between profit and non-profit, foreign and domestic providers based on discipline and profitability.** Foreign for-profit providers will offer their programs as long as it is profitable for them to do so." (Document: UNESCO, 2006)*

The above quote mirror that focuses were greatly affected performances. Along with profit-making, hitting the target enrolment numbers, further study around the world, and employment of graduates all revealed that focus was an essential component of launch performances.

7.2 Price tactics

As discussed in the literature review in Chapter 2, price tactics consist of skimming or penetration pricing. However, in this current research, the research findings provide evidence price tactics can be thought of as tuition fees in the TNE market in China. During the data analysis, tuition fees have been distilled into the following two issues of consideration: *good-value tuition fees* and *higher valued-based tuition fees*. Noted that these two themes were not independent and could act together to reinforce the narrative effect or justification being offered.

1) Good-value tuition fees

The question posed is whether the price was the crucially important factor in the launch of new educational provisions in China, the respondents in the cases agreed entirely with the tuition fees was one of the most important factors that determined the new TNE provision success, particularly in the student enrolment numbers and tuition revenue. Furthermore, the interviewees across the cases generally felt that the TNE offerings represented good value for prospective students who could afford it, pertaining to the alternative cost of studying the entire programme abroad.

Effective words and phrases like “cost advantage” and “reduce financial costs” came up repeatedly in the interview to illustrate their tuition fees were value-for-money for the students, as shown in Table 7.4. Such words and phrases also appeared in their promotional materials. It is also supported by the following document extract:

> *“Many respondents stated that they chose their TNE programme* ***because the tuition fees were low-cost, affordable, reasonable, acceptable or cheaper than studying the entire programme abroad****.”*
> *(Document: British Council, 2014)*

Table 7.4

The Key Characteristic of good-value Tuition Fees in the cases

Effective words and phrases used to describe value-based tuition fees	**Key Characteristics of value-based tuition fees**	**Example Quotes**
Cost advantage, reduce the financial costs, low-cost, low-priced, reasonable, inexpensive, a cost-effective way	High-quality foreign education at a lower cost; cheaper than four-year study overseas; graduate with two degrees	"Studying in our school can **largely reduce students' financial costs** through the flexible pathways ["3+1" model]. Our tuition fees are **reasonable and inexpensive**." (Informant 7, SC) "Our students can **largely reduce the time and financial costs** as they **graduate with two degrees**. The tuition fees are **low-cost and low-priced**" (Informant 11, JP) "Students **study UK degree in China**: **receive the same education, get close to home, obtain the same degree and cost advantages, compare to four-year study in the UK**. It is **a cost-effective way to get high-quality dual degrees**." (Informant 14, JI)

Source: Author, derived from interview data

2) Higher value-based tuition fees

The data pattern shows that each case has charged higher tuition fees, compared with the normal course fees in Chinese universities. But there was variation among the three cases in how to charge the tuition fees, with varying degrees of price setting.

To the qualification education program, China's MoE was responsible for pricing set for the joint program. A school was not allowed to raise the tuition fees without approval and the tuition fees of such programs still had been stable during the last fourteen years. As stated by the informant 12 in JP:

> *"The total tuition fees for this four-year joint program is about* ***RMB 60,000 Yuan [£6,000]. Plus, an extra fee of EURO 4,000 for the services is provided by the German school****, excluding living costs for the 1.5-year study in Germany. That means* ***the tuition fee of RMB 15,000 Yuan [£1,500] a year in China****. During* ***the study in Germany****, the cost of living includes food and accommodation, traffic and medical insurance is* ***about EURO 400 per month****. Although our tuition fees are* ***higher than the local provision's [the standard local tuition fees of other schools at our parent Chinese university is RMB 5,000 to RMB 6,000 per year], they are very lower than completing an entire degree overseas.*** *The educational expenses are low-budget to our students. So, our students feel that* ***it is well worth the money and it is a real buy at that price****." (Informant 12, JP)*

Although both JP and JI are both qualification education programs, yet their pricing-set strategies are rather different. As a non-profit organization in China, the school did not receive subsidies from the Chinese government, unlike the public universities like JP in China. Therefore, the tuition fees were tremendously much higher than the local provisions. JI was a self-financing institution and had high operating costs:

> *"The position of such* ***non-profit organization*** *is not operated for making profits and must obey the non-profit law in China. Meanwhile, we have to support ourselves. We actually had* ***high operating costs****, since faculty recruitment and campus building have met the international standard in our school. In order to maintain the school's normal operation,* ***it was necessary to charge higher tuition fees****.* ***If*** *the school had* ***not achieved a large-scale student number, higher tuition fees would have been impossible to achieve a balance of payments.*** *Indeed, we have* ***received some certain subsidies from the local government****." (Informant 15, JI)*

Moreover, as a qualification education program, JI has no right to set the price. Local municipal pricing authorities rather than MOE were responsible for tuition fees-setting, which was subtly different from JP. Moreover, JI has charged the higher tuition fees than JP. As explained by Informant 13 in JI:

"The annual tuition fees for international students is similar to its British 'parent' university's standard in the UK – £12,000~£16,000. ***Chinese students pay at rather lower at 77,000RMB (£7,700)*** *in our school****,*** *although it is* ***much higher than the standard tuition of RMB5,000 for most of the undergraduates at its Chinese 'parent' university*** *– it seems amazingly expensive in China. But it* ***looks quite cheaper than the tuition of its British 'parent' university.*** *It is* ***value-for-money for our students to receive the same high-quality British education in China****. Nevertheless,* ***our annual tuition fees are much lower than SNYU.*** *Their* ***tuition fees are RMB100,000 (£12,092). Their tuition fees are the most expensive university in the TNE market in China****." (Informant 13, JI)*

However, the picture is different in SC. As a non-qualification education program, Informant 4 explained:

*"****The nature of the non-qualification education program is the training program****. We can provide the continuing education program, but we cannot award qualification. Thus,* ***our pricing-set does not have to be approved by the MoE in China.*** *That means* ***our pricing-set is very flexible.*** *Our tuition fees in the HND program are* ***RMB48,000 [£5,804 in 2015****]. Although* ***the price is the most expensive compared with other similar programs in the different schools in Shanghai****, yet it is cheaper than four-year study overseas.* ***According to the student enrolment this year, we should have charged more.*** *As we are* ***a self-financing college****,* ***the school is independently managed and responsible for its own profits and losses.*** *Tuition fees are a lifeline to the school. They are the only source of our income generation. For example, we can use these tuition fees to recruit good teachers and develop our college including new facilities and new program development." (Informant 4, SC)*

Informant 5 in SC also added:

"Our students and their parents ***actually do not mainly concern about price, once deciding on studying abroa****d. Their families can afford their tuition fees* ***without any financial problems*** *as most of them have their own businesses.* ***Their parents are really concerned*** *about their young children if they could study abroad successfully when graduating from senior high schools. Our joint programs are very attractive to them. It can* ***let their children be familiar with the western teaching style and then go to study abroad with their classmates,*** *due to* ***the one-child policy*** *in China. On the other hand,* ***they are growing up after two years' study in China****." (Informant 5, SC)*

These above quotations present that each case captured the perceived value tuition fees to the students. For example, good-value tuition fees helped the students avoid high living expenses and higher tuition fees in the foreign countries that were required for long periods. Their programmes in each case have been perceived as an economical way to get a foreign degree. The assumption depends on each case had a complete understanding of the value that what they were offering to their target markets. It can be inferred that each case used the students' perceptions of value as the key to the tuition-fees setting.

Moreover, these above statements reflect that "good value price" is not the same as "low price". Rather, they could charge higher prices (good-value pricing) in the TNE industry in China. If students perceived the offerings that had delivered the most value in relation to the higher tuition fees, they would pay the tuition fees. Then it would maximize the chance of launching new educational provisions in the TNE market in China. It also indicates that the value-based tuition fees were used to differentiate their offerings from the local ones and thus support their higher tuition fees. This is also supported by the following document excerpt:

> *"**Less expensive to take the foreign program at home,** as no travel or accommodation costs. **Tuition fees from quality foreign providers may be high for the majority of students.** … If tuition or service charges are applied by **local HE institutions,** it is **anticipated** that **they would be lower than those charged by foreign providers**."*
> *(Document: UNESCO, 2006)*

According to the document and interview data, except for JP, tuition fees in SC and JI had rapidly risen over the past ten years. Tuition fees in SC were risen from more than RMB30,000 (£3,628) in 2007 to RMB 50,000 (£6,046) in 2016, except that annual student enrollment number had been controlled around 300. It could be the reason that its enrollment number was limited by the school scale of SC. After all, it is the small school in comparison with other schools in its Chinese partner university.

In JI, the number of the total student population was enrolled increased greatly from 163 in 2006 to 3,250 in 2016, while annual tuition fees have risen from 50,000 yuan (£6,046) to 88,000 (£10,641), as shown in Table 7.5. Furthermore, the number of student enrolment was tending to increase at a geometrical ratio. The data in Table 7.5 also demonstrates that annual tuition fees were higher in JI with higher undergraduate (UG) enrolments. It also indicates that there was a positive relationship between tuition revenue and higher tuition fees since the increasing reputation and good student performances had widely recognized in the local markets in China. In other words, it suggests that the market development of JI was very successful in China.

Table 7.5

Growth in Total Undergraduate (UG) Student Numbers

and Annual Tuition Fees

Academic Year	Total Student Numbers (UG)	Annual Tuition Fees (RMB)
2006-2007	163	50,000
2007-2008	611	50,000
2008-2009	762	50,000
2009-2010	1006	50,000
2010-2011	1746	60,000
2011-2012	2,218	60,000
2012-2013	2328	60,000
2013-2014	2,218	66,000
2014-2015	2,249	66,000
2015-2016	2,850	77,000
2016-2017	3,250	88,000

Source: Author, document and interview data

In a word, the following document text excerpt made a point of value-based pricing in terms of the nature of TNE:

> *"**Transnational programmes cost more than other degree courses in the host country, but they are generally cheaper than they would be if the student travelled overseas to take them**. TNE students can gain an **internationally recognized qualification while avoiding the typically higher costs of living and the visa complexities of the institutions' home countries**. They can also **combine work and study more easily** and **remain close to their local jobs markets**."*
>
> *(Document: Observatory, 2015)*

Therefore, higher value-based price tactics are crucial to launching success.

7.3 People tactics

The term people tactics in the Chinese TNE market commonly referred to as *student recruitment expertise*. Student recruitment expertise could be classified based on the data analysis and findings into *the advantages and roles of student recruitment expertise* and the *quality relationship between recruitment expertise and students,* by mirroring that the factor of recruitment expertise can be critical to the success of the TNE provision introduction.

1) Advantages and roles of recruitment expertise

The discussions during the interviews suggest that there is wide consensus that recruitment personnel played an influential role in the market success in China, especially recruitment expertise. They often used "important", "necessary", "essential", "crucial" to indicate its importance. Table 7.6 provides insights into the importance of recruitment expertise in the launch of new TNE provision in China.

In addition, informant 8 in JP expressed his concern about the importance of student-contact people in attracting new students, especially the experienced student recruitment personnel. To illustrate the point, he did not mince his words, using the negative example of the student enrolment activities in 2015 to reflect that lack of suitably experienced recruitment personnel may lead to inefficient student enrolment:

> *"Honestly speaking, our college has only about 15 full-time staff, including me. At the peak of the annual student recruitment cycle, we have not enough teachers to go to the different markets in China. It is* ***almost impossible to achieve student recruitment target this year since those teachers who lack the project and recruitment experience in the different markets cannot speak clearly to our prospective students and their parents****. Due to their* ***ineffective communication, local students have formed a mistaken belief:*** *they think our joint program is* ***a Tier 3 [low-quality] program*** *instead of Tier 1 [high-quality] program. Thus, they* ***are unwilling to apply for our joint program****. Fortunately, we have recruited students from the other schools in our university again and finally achieved the enrolment planning."*
> *(Informant 8, JP)*

Table 7.6

Advantages and roles of student recruitment expertise across the cases

Advantages and Roles	Example Quotes
➢ Have credibility ➢ Gain respect from students and parents ➢ Provide useful information and answer questions ➢ Relationship-building ➢ Support students ➢ Act as a personal source of help	"Senior professionals including senior academic staff or senior recruitment officers play important roles in our student recruitment. For example, **the highly experienced r**ecruitment staff are perceived as **a credible source and easily gained respect from students and parents**, since **they are more likely to be persuaded by those whom they consider trustworthy and knowledgeable.** At the same time, the interactive communication provides a good opportunity **to develop good relationships with students and their parents, which in turn will influence their university choices**." (Informant 6, SC) *"Recruitment personnel is very important to effectuate launch success, especially those who have rich experience in recruiting students. In our college, many teachers have overseas backgrounds, especially some people who **have German overseas study experiences**. So, these people **know how to communicate with our prospective students.** Thus, they **can convey the tailored message to them and answer their questions effectively** and act as **personal sources of help**. These people are **very credible,** from the viewpoints of prospective students. **It is easier for them to win students' trust and build good relationships with them.** (Informant 10, JP)* ***"They(expertise) are representative of the university and create the first impression of the university image**. For example, target students are more likely to be persuaded by recruitment officers who **engender confidence and who give the impression of honesty and integrity**. It is easier to build good relationships with target students." (Informant 13, JI).*

2) Quality relationships between recruitment expertise and students

The data reveals that the quality relationship between the recruitment expertise and the students has become the crucial element in market success in China, reflecting that TNE services were inseparable. The respondents explained that Chinese society is the high- context culture, which argued for a very personal approach to student recruitment. A typical response was:

> *"**If Chinese students and their parents trust them (recruitment expertise), they will easily accept their advice. ... They (expertise) were regarded as part of the reason for a student's choice of the final university**."   (Informant 3, SC)*

This quote shows that the quality relationships between recruitment expertise and students often result in building trust and mutually satisfying relationships; forming emotional ties between the prospective students and the service expertise in the Chinese relationship society. It, in turn, leads to facilitating market acceptance.

Nevertheless, Informant 4 in SC strongly emphasized the importance of the right student recruitment expertise that affected market acceptance. She extended her argument by telling the typical example of her colleague in the student recruitment office in the following long quote:

> *"Ms Wang is responsible for our school's market development in Zhejiang province in China. She is not only a good recruitment person in our school but also is very popular among our students and their parents. As far as I know, she has visited lots of local senior high schools and a great number of local students often communicate with her in person, as she is a kind and responsible person and then lots of local students like her. For her, she is **not overanxious for quick results in the beginning.** Rather, she is **very committed to building and managing the long-term relationships with key contact persons**, including her students' parents and selective senior high schools that have recommended lots of students to her, **regarding the market development of Zhejiang province**. Although she is **the first person to contact students**, yet she is **still keeping touch with these students and their parents when they are enrolled in our school**. Nevertheless, **many parents are becoming her important contact persons through personal interaction, they have***

> ***recommended other new students to her**. In the Zhejiang market**, local people and schools only know about he**r, due to her good WOM through her several years' efforts.* ***No sooner have the parents some questions than they will contact Ms Wang the first time**. She has **recruited lots of local students from personal recommendation**." (Informant 4, SC)*

The above statement demonstrates that recruitment expertise was key to service differentiation in the students' viewpoint and from which we could infer that reliable recruitment expertise was perceived as the tangible element to enable prospective students and their parents to visualize the school and differentiate itself from others through building and maintaining high-quality relationships.

Therefore, it can be safely concluded that recruitment expertise can be critical to the success of the program's introduction. As Informant 6 in SC remarked:

> *"**In the TNE industry in China**, **services stand out**. Different people who do the same issue lead to different performances. The most important thing, however, is that it is **got to be the right student recruitment expertise**." (Informant 6, SC)*

7.4 Communication tactics

Evidence shows that communication tactics consist of *multiple channels of student communication* and *communication expenditures* in the TNE market in China.

7.4.1 Multiple channels in student communication

There is a general agreement among the respondents in the three cases that communication channels were a critical element in market success. Evidence on *the conceptualization of multiple channels in student communication* emerges from the data.

The conceptualization of multiple channels in student communication

Data from the discussions with the key informants, the document provided to the researcher and information available on the university websites indicates that the three cases used the various channels of communication to connect with their potential students, as shown in Table 7.7. The table indicates that selecting the right channels could facilitate student contact; integrating multiple channels could facilitate the introduction of a new TNE provision in China. Under the concept of multiple communication channels, four salient themes emerge from the data regarding:

- the categorization of multiple communication channels;
- the common communication channels;
- the most influential touchpoints of student communication;
- the main criteria for the supporting communication channels in the three cases.

a) Categorization of multiple communication channels

The research findings provide evidence that the respondents in the three cases regularly categorized the multiple channels into online communication and offline communication. The channels appeared to be positioned along a spectrum from mass communication driven to personal interaction driven. As illustrated in Figure 7A, offline communication channels were perceived to be purely mass communication driven whereas online communication channels were perceived as highly personal interaction communication driven. The former largely focused on carrying the messages without via the internet while the latter strongly stressed the interactive communication via the internet.

Table 7.7

The multiple communication channels and implications with illustrative interview excerpts within the three cases

Source	Illustrative Interview Excerpt	Implication
Informant 3, SC	“Nowadays, the influence of the traditional media is not as strong as before. But it does not say that traditional media is useless. Rather, we can use the traditional media from unknown to known to improve the university (brand) name awareness. But it does not say that consumers will spend money on it. They are totally different concepts in reality. **We must choose the most appropriate communication methods to achieve the desired effects.”**	The need to target the student with cautiously selected communication channels that are related to the students.
Informant 13, JI	“According to my experience, **understanding the joint program depends largely on parents’ educational backgrounds**. To those parents with low educational backgrounds, they think personal communication is much more direct, compared with other communications. For example, they often call us. In contrast, to those parents with high educational backgrounds, they often do a lot of homework: the look of a university and search for the information such as browsing the school’s website before they ask any questions to us personally.”	
Informant 6, SC	“The purpose of communication is to convey the specific message to the target market. We are doing the educational services instead of [tangible] products. Thus, **we do not merely intend to use advertising**. We mainly use Baidu search engine [like Google], undergraduate seminar and campus talk, our official website and WeChat, HE exhibitions and other online communication activities.”	It did not expect a “one-size-fits-all” solution
Informant 10, JP	“Nowadays it could be extremely difficult to use only one communication method to attract prospective students. **We use different channels. Each channel should be used in different ways**.”	
Informant 14, JI	“With the development of new technology, we **integrate new media with traditional media**. But new media is superior to traditional media. The internet can reach a wide audience at the lowest cost. The effects of newspapers, magazines, and exhibitions are less effective and efficient in comparison to the internet.”	The integration of the traditional media and social media
Informant 4, SC	“The education industry in China is actually the traditional industry. **The traditional media remains** an integral part of our student recruitment planning. We use the traditional media **to improve brand awareness of the school** and largely focus on **selective traditional media** (exhibition, and other print media). In the Chinese market, **some good traditional media has some government backgrounds. The biggest advantage of such traditional media is to the target audience very precisely and has a positive influence on students’ perceptions of our program advantages**. Then, **some new social media are used to follow-up**.”	
Informant 9, JP	“We recruited students more efficiently than three years ago since **we began to use online communication channels. At present, it is impossible for us to rely exclusively on the traditional media.”**	

FIGURE 7A: SPECTRUM OF THE MULTIPLE COMMUNICATION

Source: Author

b) Common communication channels in the three cases

Table 7.8 presents a summary of the findings on the common approach of communication channels categorization to target students within the three cases, manifesting under mass advertising, events, PR/publicity, personal selling, direct and interactive communication and WOM. This table below indicates that the evolving communication channels were shifting from simple "one-way mass communication" to "interactive communication", thanks to a wealth of new digital technologies. The online communication channels were playing an important role in engaging with the students to deliver a positive student experience, together with the offline communication channels. The important role multiple communication channels played in the successful market development of new TNE provision in China, in order to convey the specific values to their target students. As noted, the three cases used the multiple communication channels for prospective students. However, as it emerged from the data, the most influential touchpoints/channels in student enrolment among these various channels could be grouped into four specific categories in the following section.

Table 7.8

Common communication channels and its implication in the three cases

Categorising Multiple Channels	Common Communication Channels in Student Recruitment in The Three Cases		Implication for Multiple Channels
Offline Communication	1. Mass Advertising	➢ Brochures and leaflets ➢ Point-of-purchase display ➢ Print Ads ➢ Audio-visual material	Evolving functionality of multiple channels of student communication: One-way mass communication (monologue - student contact) Engagement through dialogue: Interactive dialogue and stimulate student engagement between the schools and students; The schools are increasingly looking to the interactive communication channels as student service touchpoints, talking to the student in a manner that is natural to them in daily life.
	2. Events	➢ Education fairs and exhibitions	
	3. PR/Publicity	➢ Seminars ➢ School's newspaper ➢ Speeches ➢ Local TV (e.g., Zhejiang Gaokao)	
	4. Personal Selling	➢ Campus Talks ➢ Education fairs & exhibitions ➢ Open day	
	5. Word-of-Mouth (WOM)	➢ Person to Person	
	6. Direct & Interactive Communication	➢ Telephone	
Online communication		➢ Email ➢ Blogs (e.g., Sina blog) ➢ Official website ➢ Search engine ➢ Official Wechat ➢ QQ ➢ APP	
	7. E-WOM	➢ via social media (including Wechat, Sina blog, APP)	

Source: Author, derived from interview data and document data from their official brochure, their websites and TNE industry reports

c) Most influential touchpoints of student communication

➢ WOM influence

When the respondents across the cases were asked to identify the most influential touchpoints of communication, word-of-mouth (WOM) influence has been reported to the most important one. In the following examples, WOM was closely linked to their student performances, which contributes to the increase in the number of student enrolments. As Informant 1 in SC noted:

> *"**WOM is a lifeline to** our international education business. **Positive WOM reflects successful education management and higher rates of student satisfaction.** Also**, positive WOM** is easy for us to **enlarge our program scale, to improve economies of scale and avoid failure.** At present, many graduates are working in the financial companies and our graduates have positive WOM in the professional financial industries. Thus, we communicate to our target students by **using some typical graduates' stories and conveying the specific message to them** that 'they can also do it, like our graduates.'" (Informant 1, SC)*

Similarly, Informant 15 told the story about the school's hard early years in student recruitment without WOM and he said that it was the long road to market success:

> *"This is an entirely different situation when compared with ten years ago. It was not quite easy for us to recruit students if we had no **local government support**, as we had not any performances. The university had no persuasive evidence to the public. Students and their parents had **serious doubts as to the quality of our programs** since our school was totally new. They had never heard before. Therefore, we had to promote the university through making advertisements in the business magazines. We knew this was not the ideal way to promote our school. At that time, we had no better choice. However, a turning point in our student recruitment came when our **several cohort graduates** come back to China. They have **got decent jobs** or **pursue further study at a top** university in the world in recent years. Thus, we communicate with the prospects of our good student performances. … Our programs are **much easier** to be accepted by students, their parents and the society in China. This is because we have **good WOM** in China now." (Informant 15, JI)*

The following document excerpt reflected on it:

> *"**You have got to assure people locally that you are going to be there for the long haul and before your first students graduate you need students willing to undertake a great deal of risk. After your first cohort graduates, you have more legitimacy**."*
> *(Document: University World News, 2016)*

Evidently, quality student performances seemed to be a more effective way to convey the specific message to potential prospective students and trigger a favourable WOM among the public. As Informant 1 in SC stated: "***Getting students to enrol is not by providing sweet promising words, but by providing compelling and persuasive evidence***."

In addition, some participants believed that **current students** contributed to positive WOM. They acted as **"reliable source**": spreading different information about study and life in the university to potential prospective students. They had the **first-hand experience** and were able to **talk informally**. As Informant 13 explained:

> *"**Our students are our best advertisement** and they can tell everybody about us. Even if they do not talk about us, people will ask them about their schools. To some extent, they are our "**spokespersons**". They **have direct experience** with the school and speak to potential students via **using their own language**. …That is why we pay much more attention to our student satisfaction… making them feel comfortable and happy studying experience at our school. … university study experience is unique to each student." (Informant 13, JI)*

However, Informant 3 had a different point of view:

> *"If current students had unhappy experiences in the school, they would tell other students who were interested in our school and thus these prospective students did not want to go to the school any more. … but **Chinese students prefer to rely on recommendations from current students**. They have been regarded as '**reliable source of informatio**n' in their eyes." (Informant 3, SC)*

Informant 12 added:

> *"Current students can recommend or bring new students. Also, they can prevent new students from going to school. They can be **a double-edged sword**." (Informant 12, JP)*

It is understood, from these quotes, that **long-term performances** such as student satisfaction and student performances **seemed to play decisive roles in WOM**, **with such a major role for current students**.

- Direct inquiry

Another vital touchpoint of communication was a direct inquiry. The respondents across the cases believed that this touchpoint was very efficient, and they labelled direct inquiry as “face-to-face communication”. The interview excerpts presented in Table 7.9 illustrate the point. The schools from these three cases well understood the advantages of direct inquiry and the influence it had in providing the detailed, timely and consistent information could be conveyed to the target market. Table 7.9 presents the interview excerpt source, the interview excerpt, and any implications becoming evident during the interviews. In addition, the schools used direct inquiry in different forms, including open days, campus talk and so on. Each of them had the relative merits and disadvantages. But these forms could have shared the distinctive advantage that the schools could answer target students enquires more directly, which in turn enhanced the school’s credibility. Moreover, some respondents discussed the point from a student’s perspective: direct inquiry was to convey the official information of the schools and it was regarded as “the most reliable and accurate information”.

Table 7.9

Direct inquiry of three cases – Interview excerpts

Source	Illustrative interview excerpt	Implication
Informant 4, SC	"It is **a good opportunity** that **we can demonstrate our strength to the public**. For example, **the pre-application open days** will be held on our campus. Especially during a peak-season in student recruitment, we often invite the university representatives from international cooperating universities to make presentations to our prospective students and their parents. We, together with foreign university representatives, answer their questions during campus talk and **make them more persuasive.** Also, it can **demonstrate our professional image** and **leave a good impression on** them."	➢ Interactive with the prospects directly and efficiently ➢ Increase the credibility of the TNE provisions ➢ Update the school's information ➢ Customized message to appeal to target students ➢ Keep the consistent communication message to the target market
Informant 14, JI	"Chinese students and their parents preferred to verbal communication in our Chinese society, as face-to-face communication **conveys more persuasive evidence to them**. Moreover, it is easy for a school to **establish trust with the public**. We go to the cooperating senior high school to do **the campus talk** during a peak-season (in June) in student recruitment every year."	
Informant 13, JI	"**Sometimes information from different sources** such as university websites, online information or other promotion materials **exists some inconsistencies or contradictions**. Thus, face-to-face communication is **an effective way to clarify them**."	
Informant 10, JP	"Of particular importance is the emphasis being placed on **face-to-face communication**. It is related to **the nature of education – personal communication**. From October to December each year, the recruitment office often assigns the teachers to senior high schools in different provinces to **do some campus talk** in China."	
Informant 8, JP	"Nowadays, Chinese people pay less attention to the traditional media such as newspaper and magazines whereas they pay more attention to verbal communication. After all, **not many people like reading,** but they **prefer to hear more**. **They believe their own eyes and ears. Face-to-face communication will help change their stereotyped thinking**. As old Chinese English sayings: '**Seeing is believing**.'"	

➢ Social media

Social media was a powerful touchpoint for the schools to directly engage with students. The overall messages from the quotes in Table 7.10 show that each case placed more emphasis on using social media to **influence their target students directly** by using different words, in order to streamline the flow of information to target students and enhance their positive experiences, which in turn affected their student recruitment. This table also reveals that the implication of the impact of social media channel on student enrolment and student engagement. The following interview excerpts highlight the resulting implication:

> *"Through **interactive communication** with them, we can **know what our target audience is saying about**. We can **respond to** them **in a timely fashion**. **Communication is related to the nature of education. Education is not promotion in itself. The nature of education is communication among people. They are not like buying clothes through the internet**." (Informant 6, SC)*

➢ The search engines

Many respondents declared that "**the search engine**" was a useful touchpoint to increase the school's online exposure rates and ensure the schools were ranked high in the online list, so that target students could easily access to the school's information:

> *"We often spend lots of money on the search engine in June and July every year. If students type keywords of our school, they will **easily find us on the first web page**." (Informant 1, SC)*

> *"It is so important to appear on the first web page. Target students can **easily find lots of key information about our school** such as student recruitment information, news or communication events **on the first web page** as long as they type our school's name through Baidu. **We dominate the 'first webpage'**." (Informant 12, JI)*

Table 7.10 Social Media of three cases – Interview Excerpts in the Three Cases

Commonly used different word expressions to describe social media	**Example Quotes**	**Implication**
Using the words like "timely", "irregularly", and "lower cost"	"Our official WeChat and Offical Sina blog can be used to **release an update recruitment information timely** to our target audience **at a lower cost**, issue the student recruitment policy of the Chinese partner university in May each year as well. In addition, the new media platform is used to **introduce some popular programs** of the Chinese partner university. (Informant 10, JP) "We use our official WeChat and Sina blog to issue our recruitment information **irregularly** during a peak-season in student recruitment. Social media does is **give us a sense of credibility and gives our prospective students confidence in us**." (Informant 13, JI) "Particularly within the four days or five days of the application for universities, social media is truly awesome to **update the timely recruitment information within such short time** in comparison to the traditional media." (Informant 9, JP)	The typical benefits of social media, especially in the student recruitment cycle to the schools
Use the words like "engage", "tailored", "instant" and "anonymous"	"Social media advertising is used through online social network platforms (Sina blog, WeChat, and APP, etc.). We can **engage our target audience** through these social platforms to help their applicants and **provide instant messaging services** to them. These **tailored activities** also support our marketing and recruitment strategy." (Informant 3, SC) "The biggest advantage of online inquiry is **anonymous**. Students are not worried about their privacy. If they are interested in our programs, they will telephone us or visit us later." (Informant 5, SC) "Social media are crucial tools in **obtaining timely feedbacks** and then we can **know what they really want**. The student's answers to enable us to **instantly** serve up the information they are looking for. In this way, we can **save our time, resources and money**." (Informant 13, JI) "We can **timely respond to the negative complaints** through using the social media (e.g., WeChat Group) to potential prospective students and **then turn negative situations into positive outcomes**." (Informant 14, JI)	The effective online two-way communication: streamlining communication between schools and students

d) Main criteria for the supporting communication channels

The respondents asserted that the above main touchpoints were absolutely important. But this does not mean other supporting channels were not important. They further noted **that the enrolment number was primarily used to be the main criteria for their supporting communication channels**. To illustrate this point, the words of the following respondents illustrated and provided a reason for it:

> *"As for the education exhibitions, we **only join the education exhibitions that we can recruit many students**. But the biggest disadvantage of the exhibition is lots of schools there, which means overloaded information is conveyed to students and their parents. For them, they could not remember your school's program during the exhibition. So, we must follow up after the exhibition." (Informant 7, SC)*

> *"Usually, if **the number of students** that applies for our school in one senior high school is **several dozens**, it is necessary for us to do some outreach programs (e.g., the seminar on campus or out of campus), **according to our annual enrolment number**." (Informant 13, JI)*

> *"We do the campus talk in those provinces that we **can recruit more local students than others. It indicates that these provinces are our target provinces**." (Informant 9, JP)*

The above interview excerpts present that there was an explicit relationship between the enrolment performances and the communication channels. They also indicate that the schools in the three cases not only selected the student communication channels but also the schools engaged these channels were a carefully balanced proposition.

7.4.2 Communication expenditures

The key respondents with the senior positions during the interview were unanimous in stating that communication expenditures played a determinant role in introducing new TNE provision success and advancing market acceptance. They also pointed out there was a difference between Chinese public universities and non-public ones, as shown in Table 7.11. Table 7.11 shows that adequate communication expenditures in these three cases were devoted to their student connect activities to accelerate market acceptance in China. This table also indicates that each case should ascertain whether adequate communication funding could be provided as developing sufficient communication spending was crucial to hitting student enrolment goal. Consequently, as a part of effective financial resources, communication expenditures are critical to new TNE provision success.

Table 7.11

Communication expenditures – Interview Excerpts in the Three Cases

Types of Universities	Cases	Communication expenditures related to the local competitors	Expenditures on communication channels – Interview Excerpts
The public university	JP	Expenditures parity with competitors	"Our budget is mainly used for reimbursement of travel expenses and brochures-printing. For example, we spend more than RMB 100,000 (about £10,000) on printing brochures every year. The budget is almost the same with prior years or in relation to our competitors, in spite of some inflation. We are national universities and we have enough financial resources to support our promotion every year. But we must visit the target senior higher schools regularly each year and we want to leave the first and favorable impression on the key persons there, hoping that they could recommend good students to us." (Informant 10)
The non-public universities	JI	More expenditure than competitors	"Definitely, our promotion cost is higher than prior years. You know, money talks. Increasing the spending on online communication is to get very quick results, compared with traditional media. For example, we have spent lots of money on the search engine to monopolize the first webpage in June and July in recent years. As a result, we can **get the instant results**. The click rates and a number of clicks that are linked to online registration are much higher this year. In addition, we spend more on visiting the senior high schools regularly every year to maintain the relationships. You know, **we cannot guarantee our student number each year. We must pay attention to our channels and try our best to gain access to more and more prospective students**." (Informant 1)
	SC		"We reduce the expenditure for traditional media and spend more money on social media (e.g., updating our website)….. In general, the expenditure is rising every year. You know social media is money burning, compared with the traditional media. **Even if social media does not necessarily help us get new students, it can inspire their university choices. For example, its news and blog items can increase awareness about our school and help us**

			maintain our school's reputation. We are an independent institution. we must invest more money in our communication. **Online communication channels could help us to reach a wide range of new students**. We are not a national university that has state subsidies every year. We are a **self-financing** university. Our marketing communication is very market-oriented, like any business." (Informant 13)

7.5 Accessibility tactics

The interview findings with senior management have found that accessibility was often referred to as student recruitment channels in the Chinese TNE market. Accessibility tactics include *multiple student recruitment channels* and *student recruitment channels expenditure*.

7.5.1 Multiple student recruitment channels

Three key issues emerge in this section: *the importance of the integration of multiple student recruitment channels, the classification of multiple student recruitment channels and the important aspects of multiple student recruitment channels*.

1) Importance of the integration of multiple student recruitment channels

Interviews with respondents in the three cases also generally provided a positive view of the student recruitment decision and several individuals emphasized that multiple student recruitment channels were the particularly important decision in the TNE market in China. Informant 1 in SC opened the discussion by making the comment that the joint programs or institutions must engage in developing integrated approaches for successful multiple recruitment channels by quick response to local student requests, one of the important principles is "***to make more services available for the target market and form strategic alignments with different intermediaries in the Chinese market, which reinforced the school's advantage in the Chinese local market***." The perception among prospective students and their parents that the school's services were more available and more approachable, by suggesting that they began to develop a preference for the school because they were more likely to have easier access to the school's services, hoping the school's services were more available than others.

Ease of contact between target students and the schools was closer to their preferences. Clearly, forming channel strength in relation to its competitors gains competitive advantage through effective accessibility in the TNE market in China. Informant 12 in JP continued to say that, *after all, effective accessibility could* *enhance successful market development by gaining more wide and direct access to the target market in today's competitive environment*. Other interviewees commented that multiple channels integration was a must, similar to communication decision, with the advent of internet development. Informant 7 in SC argued that "***more and more people who are talking about your school's programs are much better than no one talks about your school.***" Informant 12 in JP reinforced this view. He commented, "***Indeed, a great many people help you provide access to local markets and communicate your program with local students, which are more compelling than what you said alone to the target market***. He ended up his comments by using a Chinese proverb: "***One person is thin porridge or gruel; two or three people are a lump. That is, the synergy effect – 1+1>2***."

Besides, it has been approved by the UG recruitment sources of JI in China. Table 7.12 clearly presents that the student recruitment of JI started to recruit the students in its local province in 2006. Then JI widened its recruitment scope to cover all Chinese students, increasing the scope of 10 provinces, cities and autonomous regions in 2007 to 31 in 2014. Furthermore, the number of student enrolment was tending to increase at a geometrical ratio.

Table 7.12

Geometrical increase in the sources of Chinese student enrolment and total annual student numbers in JI

Academic Year	Student Sources in China
2006-2007	The local province
2007-2008	10 provinces, cities and autonomous regions
2008-2009	19 provinces, cities and autonomous regions
2009-2010	27 provinces, cities and autonomous regions
2010-2011	29 provinces, cities and autonomous regions
2011-2012	30 provinces, cities and autonomous regions
2012-2013	30 provinces, cities and autonomous regions
2013-2014	31 provinces, cities and autonomous regions
2014-2015	31 provinces, cities and autonomous regions
2015-2016	31 provinces, cities and autonomous regions
2016-2017	31 provinces, cities and autonomous regions

Source: Author, document and interview data

2) Classification of multiple student recruitment channels

Various respondents with senior positions from the different cases shared the view that for qualification education program and non-qualification education program, they had adopted different accessibility tactics. But both had integrated the different channels and they are "certainly only a difference in degree". Informant 7 in SC contended that:

> *"Our students have chosen us through* ***their family, friends, peers and their student advisors of senior high schools****. For example, some students know about our school's program through* ***their senior high school teachers****. Still, some students know about the program* ***through the internet or look for joint program information from the university*** *that they really want to attend. Others know about the program* ***through the professional recruitment teams****." (Informant 7, SC)*

Specifically, the direct and indirect channels emerge consistently across the three cases. Table 7.13 summarized the different recruitment channels they had used during the interviews across the cases. The data pattern for each case reveals the integration of direct and indirect channels had been used in their student recruitment activities. It mirrors that each case used multi-channels to enhance their accessibility and "visibility" to their target markets.

Table 7.13

Direct vs. Indirect Recruitment Channels

Direct Recruitment Channels	Indirect Recruitment Channels
• Internet (including online enrolment) • Information session on campus • Open days/University visits • Attending recruitment events (e.g., education fairs/exhibitions) • The school's student recruitment workgroups • Close relationships with selective senior high schools	• Professional recruitment teams/agencies • Personal recommendation from teachers, parents, etc. • The admission office in each province • The school's network (partners of senior high schools) • Outreach activities

Source: Author, derived from the interview data

3) Important aspects of multiple student recruitment channels

Evidence of the important aspects of multiple student recruitment channels emerges from four key themes is to enhance effective accessibility:

- Close relationship development with key senior high schools
- Teacher recommendation from the selective senior high schools
- The admission office in each province and city in China
- The student recruitment workgroups of each case

1) Close relationship development with key senior high schools

Close relationship development is a very important aspect of student recruitment in these three cases. It has been often regarded as the most effective recruitment channel by the participants to increase the number of student enrolment. This is evident through the interviews with all respondents. Take JI as a typical example:

> *"Despite the fact that we have more than ten-year experience, **we are still new in the Chinese market**, unlike other Chinese public universities. Thus, we **have not many cooperating senior high schools**, although we established our affiliated school in 2015. That means it pushed to find new sources of potential students across China: we should go to **different key senior higher schools in different provinces and cities in China. If some local high schools have good relationships with us, they will actively organize the campus talk for us**." (Informant 15, JI)*

> *"Every year, we **invite the headmasters in the key senior high schools** to **attend the meeting of education reform in our school**. … We **go to the key target senior high school** to do the campus talk during a peak-season (**in June**) in student recruitment every year." (Informant 13, JI)*

A director of student recruitment in JP further uncovered the fact that:

> *"**Each university** has **cooperated with some key high schools to build the co-establish national basis for talented high school graduates,** attempting to select potential and qualified high school graduates. Every year, we cooperate with these key high schools to hold the contests for chemistry. **On the one hand, we can enhance our university's local influence. On the other hand, this is a good way to recruit outstanding talent**s." (Informant 10, JP)*

It suggests that the university could secure the high-quality students in advance through forming the close social ties with its exclusive partners of senior high schools. It indicated that the role close relationships with their local partners played in effective competition seemed to be contributed significantly to launch success and it served as a major source of competitive advantage in the TNE market in China. Informant 13 stated it explicitly to illustrate it:

> *"This is called '**encircles ground race'**, **whose cooperation first, whose high-quality students get first, who wins the market**. It is almost like the relationship between our 'parent' universities and us since we **can ensure that a certain number of high-quality students go to the British partner university every yea**r. It is **one-to-one or tailor-made**. It ensures **both quantity and quality students every year**. Therefore, our 'parent' British university is **no longer worried about student enrolment in China**… **Predictable and stable incoming students yearly."** (Informant 13, JI)*

The above statements also indicate that building close relationships with the local partners was requisite for approaching prospective students. This point was key to market acceptance in the TNE industry in China. As informant 10 in JP further noted:

> *"Frankly speaking, **the relationships between universities and high schools in China** are **like lips and teeth**: **the local high schools emphasize university enrolment rates, which influences their branding, reputation and student quality in the local area; Each Chinese institution tends to rest upon them to recommend good students to the university**." (Informant 10, JP)*

Clearly, effective accessibility tactics through enhancing the closing relationships with the key local intermediaries play an important in market development success.

2) Teacher recommendation from the selective senior high schools

Another important aspect of student recruitment channel is teacher recommendation. It should be noted that the professional recruitment respondents all frequently emphasized the explicit relationships between the success rate of student enrolment and teacher recommendation across the cases:

> *"**Particularly those teachers who are in charge of a class or grade group leaders in the senior high schools in China**. **They have great influences on students' university choices**. On the one hand, **Chinese teachers are very authoritative to Chinese student**s. On the other hand, **senior higher school students are too busy to have enough time to search for university information**. **The teachers who they trust can help them simplify the university choices and save their lots of time and energies**. **Then they can particularly focus on Gaokao**." (Informant 10, JP)*

> *"Every year, we **visit the key senior high schools that have good relationships with us in key provinces in China**, so as to introduce our new programs and update the related program's information to our key contact persons. Thus, they are **familiar with our programs** and know about which kind of students are suitable for our programs. **We often admit very qualified students through them**." (Informant 15, JI)*

> *"Signing the cooperative agreement with our senior high school partner is the initial step. The next step is to recruit the students there. **Finding the right person is the key**. For example, some students choose us through their senior high school teachers. **These senior high school teachers who are our key contact persons in our cooperating schools to recommend the right students to us**." (Informant 7, SC)*

This is also supported by the following document text excerpt:

> *"**The role of the Gaokao is slowly changing as colleges start to consider other criteria for admission beyond the test. … The Gaokao's all-important role in admission is being reduced by giving universities more freedom to choose student based on class grades and teacher recommendation**." (Document: Bloomberg, 2016)*

Senior student recruitment also commented that they must keep the regular contact with the key contact persons in their target senior high schools in the competitive environment:

> *"We **visit the target senior high schools regularly each year** and we want to leave the first and favourable impression on **the key persons (e.g., headmaster, level tutors, academic deans, and student advisors) there**." (Informant 3, SC)*

Informant 9 in JP added:

> *"The teachers in the senior high schools **prefer to recommend the schools they are very familiar with**. Because they could not know about every Chinese university thoroughly. Plus, the competition is so tough in recent years that the admission officers in each university must **frequently approach the market to increase their exposure rates to their target markets**. If they do not have regular personal contacts with them, these target middle schools are very easy to forget them." (Informant 9, JP)*

It is also supported by the following document text excerpts about public Chinese universities increasingly forced to compete for students in the local market:

> *"During most of this period, Chinese higher education could fairly be described as **a 'seller's market**.' There were reliably more students chasing university admission than there were seats available. **Somewhere around 2008,** however, **the balance of power in Chinese higher education began to shift**. There are a couple of factors in play in the declining pool of exam applicants. **China's population is ageing rapidly after years of low fertility and birth rates**. **More and more students are also simply opting out of the Gaokao**, whether **in favour of other education or work opportunities within China** or **to pursue higher education overseas**. Thus, **many more students are able to secure a place in a Chinese university** than was the case even a decade ago." (Document: Observatory, 2015)*

Noticeably, only one respondent in SC compared the success rate of online application with of personal recommendations by demonstrating that teacher recommendation was still a critical element in the Chinese relationship society, in spite of the fact that we lived in the technological era:

> *"Although we use the online application, the success rate of the internet is rather lower than of the personal recommendation. After all, the former is in virtual rather than in reality. According to our incomplete statistics, the success rate of student recruitment from the personal recommendation is around 80%. **Among 80%,** most are from **our key contact persons in our cooperating schools. Those students finally choose us, as they trust their references. This is called "renqing" in Chinese society (relationship).** In contrast, the success rate of the internet is about 30%-40%. (Informant 3, SC).*

Informant 2 further explained this point:

> *"…**education is not like online shopping**. **The main purpose of the online channels is to promote our schools whereas making a deal (recruitment) is always happening through the offline channels. China is 'relationships' or 'network' society.** Chinese people **prefer 'renqing'**(network) to the internet since the personal recommendation is **'very reliable' in China**. It is **a key element of business success in China**." (Informant 2, SC)*

Clearly, teachers play an important role in making more services accessible to the target students. Effective accessibility through building the relationships with them can let the schools form channel strength in relation to competitors and gain the competitive advantage in China's TNE market.

3) The admission office in each province and city in China

The admission office in each province and city was usually used to differentiate the qualification education program from the non-qualification education program in China. Informant 10 in JP remarked the difference between the non-qualification education program and qualification education program in China based on the student recruitment through Gaokao. It could link to the earlier discussed issue of the entry requirements in the section of "market strategy" in Chapter 6. Nevertheless, he further pointed out that the admission policies and procedures in China are with the Chinese characteristics, which are totally different from the admission in the western countries.

Specific to these differences in China, Informant 10 in JP highlighted the following issues:

a) The student recruitment of Chinese institutions is within the state plan (Universities may suggest the student recruitment quota that they want to enrol, but MoE has made the final decision to enrol the exact number of students each year.)
b) The university must cooperate with the admission office in each province and city in China;
c) The Chinese public institutions are responsible for announcing the enrolment

plan every year and publishing their quotas for each province every June, based on the principle of equity, justness, and openness; Details of enrolment plans and degree programs are subject to information released by the educational examination authorities in each city and province.

d) The Chinese public institutions focus mainly on Gaokao Scores; Students must be admitted by their Gaokao scores in accordance with national regulations;
e) All candidates must fill in their application forms after receiving their Gaokao scores;
f) Under China's centralized admission system, the MoE and Education Examination Authority in each province and city in China must implement national regulations. They are the administrative agencies whose main responsibilities are propagandizing and supervising the related examination policies in China;
g) The online enrolment and the parallel application or wish: the parallel wish throws the files according to "admission tiers" [Tier 1 scores, Tier 2 scores, etc.].

Other professional respondents enhanced his remarks. They commented on the nationally unified HE universities admission process that was administered by the MoE, which meant Chinese universities had very limited autonomy in selecting students during the nationally unified HE universities' admission process, under China's centralized admission system. For example, Informant 15 in JI said:

> *"Generally speaking, **it is impossible for Chinese universities to enrol students who fail to achieve the admission standards set by the university and the provincial authority**. Thus, Chinese public universities get access to their target customers through the **two ways of student enrolment** every year. **Except that the student recruitment work groups in each Chinese institution were assigned to go to their target key senior high schools across China every year, they recruited the students through the admission office in each province and city.** Every Chinese institution is always cooperating with them and visiting them each year. Each province has an admission office, which is responsible for maintaining candidate records, communicating with institutions and sending the enrolled student profiles to the universities. **They should go to the different admission offices across China every year. These are the routine activities for each public university in China.**" (Informant 15, JI)*

Unlike qualification education programs like JP and JI, as the non-qualification education program, SC was independent student recruitment. That means they did not obey Gaokao policy and they recruited the students without through the admission offices in China. But the students must achieve the entry requirements of SC and then they could be enrolled in the school. As one senior student advisor remarked:

> *"Our personal interview is very strict. We have two interviewers to interview each student. One is a Chinese teacher and the other is our foreign teacher. Each student must pass the interview. If they fail the interview, then they cannot be admitted into the school. Even if they pass the school admission tests." (Informant 4, SC)*

4) The student recruitment workgroup of each case

Regarding the student recruitment work groups in China, the documents of JI and JP showed that their recruitment groups were assigned to different provinces and cities in China every year. Take JI as an example. Its groups went to Sichuan, Guizhou, Gansu, Jilin, Chongqing, Yunnan, Hubei, Jingxi, Shanxi, Tianjin, Anhui, Inner Mongolia, Helong Jiang, Shanxi, Hebei, Liaoning, Hunan, Hainan, Guangxi, Guizhou, Ningxia, Shandong, Fujian, Guangxi, Shanxi and Guangdong during a peak-season in the student enrolment in 2016, so as to enlarge its local influence and admit more students through widening access across China. In addition, several participants in SC mentioned they used the professional recruitment team to help SC recruit students in the specific areas, except for its own student recruitment workgroups.

Clearly, multi-channel strength through the direct and indirect recruitment channels across the cases in relation to its competitors gains a competitive advantage in the TNE market in China. As Informant 12 in JP stated:

> *"**After all, effective accessibility could enhance successful market development by gaining more wide and direct access to the target market in today's competitive environment**." (Informant 12, JP)*

7.5.2 Student recruitment channel expenditures

Respondents from different cases expressed their different opinions about their recruitment expenditures. All of them claimed that recruitment expenditures were decisive in securing market development success (e.g., meeting the target enrollment numbers): sufficient financial support contributes to their widening access. Each case had spent more money on building and maintaining the recruitment channels, in order to ease access to the local target students and widen recruitment scope to cover all Chinese students. Table 7.14 shows that each case was committed to investing adequate money on expanding the source of students; there was a difference between Chinese public universities and non-public ones, like communication expenditures. The table also indicates that there was an explicit link between the recruitment expenditure and meeting the target enrolment numbers. Therefore, as a part of effective financial resources, expenditures for student recruitment was a critical factor in successful TNE provision launch.

Table 7.14

Student recruitment channels expenditures – Interview Excerpts in the Three Cases

Types of Universities	**Cases**	**Accessibility expenditures related to their local competitors**	**Expenditures on student recruitment channels**
The public university	JP	Expenditures parity with competitors	"**Recruitment expense is very important**. We must widen our recruitment scope and admit the best applicants among them. **Visiting schools take more time, money and people on it.** Thus, **the financial resource must be in place**. **But it is worth doing when we admit very good students**… **an efficient and cost-effective student recruitment method'**. Our expenditure is **almost the same with prior years**, in spite of some inflation. Because we are a public Chinese university and the MoE provides general funding to us each year. Thus, **we can carry out our recruitment plan efficiently, backed by sufficient financial resource**." (Informant 8, JP)
The non-public universities	JI	More expenditure than competitors	**"Money makes light work of recruiting students**. We have spent more money on market development, compared with prior years. You know, we have no funding from MoE. We must **recruit more students to ourselves via different channels**. For example, we invested heavily in building our first new branch campus in Jiangyin, Jiangsu province in 2016. The scale of phase one for the new school construction can accommodate 5,000 students." (Informant 13, JI)

	SC		"**Everyone knows that money does recruit students quickly and easily**. The recruitment expenditure is very important to expand the source of students and help to achieve the enrolment target number, particularly in the heightened competition. You know, **building the school's social networks depends on 'Renqing' in China. It requires lots of time and efforts to build relationships**. ... It **includes commission fees and market development fees**. We are **spending more on retention expenditures**. **Retention expenditures will have a larger detrimental impact on our enrolment goal than acquisition expenditures**. We try our best to hit our enrolment goal each year **because 'there is nothing worse than empty beds'**." (Informant 1, SC)

Source: Author

7.6 Chapter Summary

This chapter has tended to generate the details of the anatomy of tactical launch decisions that affect launch success. Specifically, the chapter has looked closely at how and why the tactical launch decisions (*product tactics, price tactics, people tactics, communication and accessibility tactics*) are the key to the success of new TNE provision launch in China.

This chapter has presented the research findings of the tactical launch decisions that are the critical elements in the success of new TNE provision launch in China. A brief summary of key findings is as follows:

1) Branding of “parent” universities was an important ingredient of launch success.
2) Focus (the narrow specializations with employment focus) was an essential component of launch performances.
3) Higher value-based price tactics were crucial to launching success.
4) Student recruitment expertise were critical to the success of the program’s introduction.
5) Multiple communication channels and communication expenditures were critical elements in market success.
6) Multiple student recruitment channels integration and expenditures for student recruitment were the particularly important decisions in the TNE market in China.

However, the fact that the TEIs’ views of successful launch may not reveal the whole picture. Moreover, the findings that focus on a one-sided approach are insufficient to direct new educational provision launch success. The perspective that launch strategies should also be directed at external audiences such as students. Essentially, customer acceptance of new products is vital to the success of market launch (Kuester, Homburg, & Hess, 2012). Thus, the next chapter will present that the quantitative findings of strategic and tactical launch decisions influence success through the student survey research in these three cases, from the student’s viewpoint.

Chapter 8
Quantitative Data Analysis

8.0 Introduction

This chapter aimed to report and discuss the results of the student survey research conducted in this study, from the students' point of view. As Simester (2016) said: "Many innovative new products don't succeed in the marketplace. One common reason: companies don't focus enough on understanding how customers evaluate products and make purchase decision." Therefore, the findings of the student survey were to investigate students perception and attitude towards TNE program choices and university strategy decisions, which might have a strong effect on student satisfaction.

Indeed, it was very important that we looked at what the impact of launch strategies that affected market success would have upon the students. Specifically, how did the students perceive the new educational provision? Importance of knowledge and awareness of the new TNE provision launch (via the TNE program choice decision) and their attitudes towards such launch phenomenon (via university strategy decision) had been considered as the influencing factors motivating the student acceptance of the new TNE provisions and then it would greatly influence launch success. Thus, through the student survey from the three cases, we could gain a further understanding of the launch of new educational provision in China. Noticeably, the design of the student survey involved the two sections including the TNE program choice decision and university strategic decision, yet the items of both decisions related to launch strategies were emphasized in the questionnaires (see Table 8.2 and Table 8.3) and all the survey items were generated by borrowing directly from the literature (see Table 8.7).

The chapter is organized as follows. After posing the research question, the sampling will be detailed in Section 8.2. It is followed by Exploratory Factor Analysis (EFA). EFA is to identify the structure of the data within the groups of variables and provide insights into the interrelationships among variables. Thus, by using EFA, the researcher can determine the underlying components of 44 items that reflected the factors influencing student satisfaction in this project. This will be detailed in Section 8.3. To analyse the relationship between one dependent variable (i.e. student satisfaction) and a number of the influencing factors, standard regression analysis will be used to detail in Section 8.4. Finally, all the survey analysis and results will be summarised and concluded in the final Section 8.5.

8.1 Research Question of this chapter

> How launch strategies might impact on student satisfaction via student perceptions?

8.2 Descriptive Statistics

Descriptive statistics were to paint a summary picture of the sample in terms of the variables of interest before the data analysis could be implemented (Diamantopoulos & Schlegelmilch, 2000). The findings were presented in simple descriptive statistics based on mean, frequency, percentage and standard deviation to understand the difference. For example, mean and standard deviation were used to examine the central tendency of the variables. In this section, the overall sample would be discussed in detail first, followed by the descriptive data of specific sections on the detailed response in each case, based on the student survey.

1) Full survey sample profile

Table 8.1 shows that demographic profiles of the samples were collected in terms of respondents' gender, level of study, age and major. There were 119 males (49.6 per cent) and 121 females (50.4 per cent) in the sample, giving a total of 240 undergraduate students who responded to the questionnaire. Thus, it was important to take note of the number of respondents in each subgroup was 80. For some analysis (e.g., one-way ANOVA), it was easier to have roughly equal group size (Pallant, 2013).

Of the total sample of 240, 125 respondents (52.1 per cent) were enrolled in the first year of the undergraduate program. A total of 42.9 per cent of respondents were in the general engineering program and of 33.3 per cent of respondents were in the business program, while 14.6 per cent were biology majors and another 9.2 per cent communication studies majors. All respondents ranged in age from 18-21 years old.

Table 8.1 Sample profile *(N = 240)*

		f	%
Gender	Male	119	49.6
	Female	121	50.4
Level of Study	Level 1	125	52.1
	Level 2	45	18.8
	Level 3	70	29.1
Age	18-21	240	100
Major	Engineering	103	42.9
	Biology	35	14.6
	Communication studies	22	9.2
	Business	80	33.3

Note. f = Frequency
% = Percentage

2) Full survey sample

Table 8.2 presents descriptive statistics for the data in the TNE program choice section without missing values, regarding mean, standard deviation, skewness, and kurtosis. The major items in influencing TNE program choices in the three different TNE provisions (mean value exceeding 5.0) included a) good advice was available from experts (M = 5.38), b) experts & professional important in creating service (*M* = 5.36), c) program offers value for money (*M* = 5.35), d) tuition fees/costs of living in the foreign country (*M* = 5.33), e) learning environment (*M* = 5.24), f) easy obtain information on international education programs (*M* = 5.21), g) university website (M = 5.19), h) the education I am receiving while at the school (*M* = 5.15), i) easy to obtain information on international partner universities (*M* = 5.12), j) The facilities at the school (*M* = 5.09), k) direct contact with the university (*M* = 5.08), l) search engines (*M* = 5.01).

Skewness and kurtosis statistics were obtained to investigate the univariate normality of the variables (see this chapter). Descriptive statistics for continuous variables showed that skewness ranged from - 0.827 to 0.789 and kurtosis ranged from -1.018 to 1.207. Details are shown in Table 8.2.

Table 8.2 Descriptive statistics (of items/measures)

No.	Items	M	SD	Skewness	Kurtosis
1	The concept of new education provision is difficult to understand	3.11	1.375	0.789	1.207
2	Programs/services are more innovative than others	4.55	1.331	- 0.250	0.451
3	The program that you have chosen is superior in your eyes related to others	4.60	1.334	- 0.279	0.229
4	The program that you have chosen provides unique advantages to you, compared with others	4.77	1.238	- 0.383	0.571
5	Good Chinese university name	4.64	1.240	- 0.319	0.825
6	Good international university name	4.46	1.381	- 0.306	0.405
7	Chinese university reputation	4.63	1.435	- 0.613	0.508
8	International partner university reputation	4.68	1.272	- 0.170	0.222
9	Targeting: The program that you have chosen has tailored to your taste	4.93	1.292	- 0.709	1.090
10	Product assortment: Offers a broad range of courses and programs	3.68	1.571	0.039	- 0.138
11	A foreign degree is best for employment	4.90	1.390	- 0.602	0.503
12	Tuition fees/costs of living in China	4.66	1.399	- 0.352	0.212
13	Tuition fees/costs of living in a foreign country	5.33	1.057	0.317	- 1.018
14	The program offers value for money	5.35	1.132	0.126	- 0.771
15	Experts & professional important in creating service	5.36	1.383	- 0.827	0.619
16	Good advice was available from experts	5.38	1.326	- 0.746	0.611
17	Exhibitions/fair	4.48	1.506	- 0.401	- 0.041
18	Seminar-lectures about the program	4.66	1.469	- 0.663	0.276
19	Newspapers	4.03	1.327	- 0.531	0.512
20	Magazines	3.83	1.348	- 0.296	0.360
21	Direct mail	3.98	1.469	- 0.234	- 0.177
22	Email	4.07	1.449	- 0.341	- 0.689
23	University websites	5.19	1.355	- 0.783	0.775
24	Search engines (e.g., Baidu)	5.01	1.442	- 0.613	0.215
25	Online social network (e.g., Sina Weibo)	4.59	1.539	- 0.458	- 0.153
26	Mobile phone	3.83	1.540	- 0.209	- 0.368
27	Brochures and leaflet	4.73	1.389	- 0.420	0.085
28	Posters	4.35	1.424	- 0.416	0.112

29	Learning environment	5.24	1.399	- 0.623	0.333
30	Face-to-face	4.89	1.555	- 0.511	- 0.171
31	On the phone	4.45	1.502	- 0.463	- 0.063
32	Through email/mail	4.58	1.564	- 0.272	- 0.302
33	Internet chat (e.g., QQ)	4.34	1.533	- 0.175	- 0.392
34	Word-of-Mouth (WOM) influence (e.g., friends)	5.08	1.273	- 0.530	0.782
35	Direct contact with the university (e.g., face-to-face)	4.48	1.547	- 0.486	0.057
36	Indirect contact through the non-university	4.00	1.337	- 0.336	0.202
37	Good location of programs	4.75	1.446	- 0.595	0.187
38	Easy to obtain information on international education programs	5.21	1.220	- 0.601	0.793
39	Easy to obtain information on international partner universities	5.12	1.355	- 0.580	0.310
40	The education I am receiving while at the school	5.15	1.223	- 0.215	- 0.025
41	The manner in which I am treated as a student	4.99	1.170	- 0.245	0.644
42	How the school will prepare me for a career	4.81	1.243	- 0.290	0.247
43	The facilities at the school	5.09	1.156	- 0.205	0.072
44	Recommending my university to others (e.g., friends)	4.93	1.386	- 0.470	0.295

Note. M = Mean

SD = Standard Deviation

N = 240

3) Three subsamples

All variables of the total sample were broken down into the three subsamples: a secondary college (SC), a joint program (JP) and a joint institution (JI). It was to show whether there was material difference between them that could bias results. Based on the student survey, besides, the findings from this section fell into three main categories: the TNE programs choices, student satisfaction and the university strategic decision. Specifically, the TNE programs choices were divided into five main issues: programs, price, accessibility, communication and service-contact experts. The cross-tabulations were used to summarize the findings of the student survey in each case.

a) The TNE program choice decision

Program factors

Table 8.2.1 presents the means and standard deviations for the items related to the program factors influencing student choices of the TNE programme in each case. The students in JI scored the highest mean attitude rating in 'programs/services were more innovative than other universities' (*M* = 5.03, *SD = 1.518*) among the three cases, suggesting that relative product innovativeness in the joint institution was much more popular among students than others in the cases.

Differences between means, though small, were in the opposite direction from these two items in each case: the item of 'the concept of new educational provision was difficult to understand' (SC, *M* = 2.94, *SD* = 0.972; JP, *M* = 3.13, *SD* = 1.195; JI, *M* = 3.28, *SD* = 1.814) and the item of 'the school had offered a broad range of courses and programs' (SC, *M* = 3.15, *SD* = 1.450; JP, *M* = 3.43, *SD* = 1.491; JI, *M* = 4.48, *SD* = 1.467). That is, they did not agree that 'the concept of new education provision was difficult to understand' and that their schools offered 'a broad range of courses and programs' to them.

Table 8.2.1

Summary of findings about program factors

for choosing the TNE programs in each case

Program factors for choosing the TNE programs	**Cases**					
	SC		**JP**		**JI**	
	M	**SD**	**M**	**SD**	**M**	**SD**
The concept of new education provision is difficult to understand	2.94	0.972	3.13	1.195	3.28	1.814
Programs/services are more innovative than others	4.26	1.052	4.35	1.264	5.03	1.518
The program that you have chosen is superior in your eyes related to others	4.53	1.232	4.55	1.242	4.74	1.516
The program that you have chosen provides unique advantages to you, compared with others	4.63	1.173	4.73	1.113	4.96	1.400
Good Chinese university name	4.76	1.245	4.91	1.224	4.20	1.702
Good international university name	4.81	1.213	4.29	1.224	4.29	1.616
Chinese university reputation	4.80	1.095	4.63	1.072	4.49	1.501
International partner university reputation	4.84	1.185	4.53	1.201	4.66	1.414
The program that you have chosen has tailored to your taste	4.91	1.245	4.81	1.181	5.08	1.439
Offers a broad range of courses and programs	3.15	1.450	3.43	1.491	4.48	1.467

Note. M = Mean

SD = Standard Deviation

n = 80 in each case

Price factors

Table 8.2.2 presents the means and standard deviations for price factors influencing students' choices of the TNE programme in each case. SC scored the highest mean attitude rating in 'tuition fees/costs/living in the foreign country' (*M* = 5.35, *SD* = 1.181); JI scored the highest ratings in 'program offers value for money' (*M* = 5.40, *SD* = 1.098). JP scored the highest rating in 'a foreign degree is best for employment' (*M = 4.94, SD = 1.353*).

Table 8.2.2
Summary of findings about price factors
for choosing the TNE programs in each case

Price factors for choosing the TNE programs	Cases					
	SC		JP		JI	
	M	**SD**	**M**	**SD**	**M**	**SD**
A foreign degree is best for employment	4.88	1.521	4.94	1.353	4.89	1.302
Tuition fees/costs of living in China	4.81	1.294	4.74	1.473	4.44	1.413
Tuition fees/costs of living in the foreign country	5.35	1.181	5.33	0.978	5.31	1.014
Program offers value for money	5.34	1.252	5.30	1.048	5.40	1.098

Note. M = Mean
SD = Standard Deviation
n = 80 in each case

Student expertise factors

Table 8.2.3 provides the means and standard deviations for the factors of student-contact experts influencing their TNE program choices. JI scored the highest mean attitude rating in both 'good advice was available from experts' (*M* = 5.63, *SD* = 1.345) and 'experts and professionals important in creating service' (*M* = 5.61, *SD* = 1.236).

Table 8.2.3

Summary of findings about student expertise factors

for choosing the TNE programs in each case

Student expertise factors for choosing the TNE programs	**Cases**					
	SC		**JP**		**JI**	
	M	**SD**	**M**	**SD**	**M**	**SD**
Experts & professional important in creating service	5.39	1.392	5.08	1.376	5.61	1.345
Good advice was available from experts	5.39	1.355	5.13	1.354	5.63	1.236

Note. M = Mean

SD = Standard Deviation

n = 80 in each case

Communication factors

Table 8.2.4 illustrates information about the communication factors that influenced the students' choices of TNE program. For the non-personal communication channels, overall, differences between means were quite small, varying by only more than one point. The mean scores for the thirteen non-communication channels factors ranged from 3.59 to 5.49. The results showed that 'university websites', 'learning environment' and 'search engine' (the mean value exceeded 4.5) were the most important nonpersonal communication channels factors for the student's TNE program choices across the cases. Specifically, JI scored the highest mean attitude rating in these three key channels (M = 5.49, SD = 1.114; M = 5.53, SD = 1.263; M = 5.31, SD = 1.472).

Similarly, for the personal communication channels, overall, differences between means were quite small, varying by only more than one point. The mean scores for the five communication channels factors ranged from 4.03 to 5.40. The results showed that 'word-of-mouth (WOM)' and 'face-to-face' (the mean value exceeded 4.5) were the most important personal communication channels for the student's TNE program choices across the cases. Specifically, JI scored the highest in WOM (M = 5.40, SD = 1.208) whereas SC scored the highest in Face-to-face (M = 5.11, SD = 1.684). The results are reported in the Table 8.2.4.

Table 8.2.4

Summary of findings about communication factors for choosing the TNE programs in each case

Communication factors for choosing the TNE programs		**Cases**					
		SC		**JP**		**JI**	
		M	**SD**	**M**	**SD**	**M**	**SD**
Non-personal communication channels	Exhibitions/fair	4.35	1.388	4.29	1.569	4.80	1.521
	Seminar-lectures about the program	4.64	1.362	4.46	1.396	4.89	1.623
	Newspapers	3.80	0.877	4.30	1.453	3.99	1.522
	Magazines	4.13	1.036	3.49	1.432	3.88	1.470
	Direct mail	4.35	1.202	3.45	1.440	4.15	1.600
	Email	4.54	1.190	3.56	1.448	4.11	1.534
	University websites	5.26	1.329	4.81	1.519	5.49	1.114
	Search engines (e.g., Baidu)	5.09	1.343	4.64	1.443	5.31	1.472
	Online social network (e.g., Sina Weibo)	4.78	1.350	4.14	1.573	4.85	1.600
	Mobile phone	4.35	1.342	3.59	1.540	3.54	1.607
	Brochures and leaflet	5.08	1.240	4.56	1.395	4.56	1.474
	Posters	4.76	1.183	4.03	1.458	4.28	1.526
	Learning environment	5.46	1.272	4.74	1.524	5.53	1.263
Personal communication channels	Face-to-face	5.11	1.684	4.48	1.484	5.08	1.421
	On the phone	4.70	1.546	4.36	1.380	4.29	1.561
	Through email/mail	4.93	1.573	4.11	1.432	4.71	1.585
	Internet chat (e.g., QQ)	4.85	1.493	4.03	1.405	4.15	1.584
	Word-of-Mouth (WOM) influence (e.g., friends)	5.14	1.199	4.70	1.326	5.40	1.208

Note. M = Mean

SD = Standard Deviation

n = 80 in each case

Accessibility factors

Table 8.2.5 presents information about accessibility factors affecting students' TNE program choices in the three cases. The data could indicate that these three cases used the different channels to approach the target students. The students in the JI scored the highest in the 'easy of obtain information on international partner universities' (*M* = 5.24, *SD* = 1.265) and 'easy to obtain information on international education programs' (*M* = 5.36, *SD* = 1.295) whereas they scored the lowest in 'indirect contact through the non-university' (*M* = 3.89, *SD* = 1.567).

Table 8.2.5

Summary of findings about accessibility factors

for choosing the TNE programs in each case

Accessibility factors for choosing the TNE programs	**Cases**					
	SC		**JP**		**JI**	
	M	**SD**	**M**	**SD**	**M**	**SD**
Direct contact with the university (e.g., face-to-face)	4.68	1.329	4.19	1.552	4.56	1.713
Indirect contact through the non-university	4.21	1.076	3.91	1.314	3.89	1.567
Good location of programs	4.66	1.173	4.34	1.283	5.24	1.147
Easy to obtain information on international education programs	5.06	1.286	5.02	1.447	5.54	1.295
Easy to obtain information on international partner universities	5.13	1.312	4.86	1.607	5.36	1.265

Note. M = Mean, SD = Standard Deviation, n = 80 in each case

b) Student satisfaction

Table 8.2.6 provides information about student satisfaction in the three cases. Overall, differences between means were quite small, varying by less than one point. The mean values of all the items ranged from 4.64 to 5.50. 'Recommending the school to others', 'the facilities at the school' and 'the manner in which I am treated as a student' in the JI scored highest with mean attitude ratings of 5.14, 5.50 and 5.24, respectively.

Table 8.2.6

Summary of findings of Student Satisfaction in each case

Student satisfaction: I am satisfied with	**Cases**					
	SC		**JP**		**JI**	
	M	**SD**	**M**	**SD**	**M**	**SD**
The education I am receiving while at the school	5.16	1.364	5.10	1.063	5.20	1.237
The manner in which I am treated as a student	4.75	1.153	4.98	1.043	5.24	1.265
How the school will prepare me for a career	4.81	1.274	4.98	1.102	4.64	1.334
The facilities at the school	4.65	1.126	5.11	1.006	5.50	1.180
Recommending my university to others (e.g., friends)	4.71	1.503	4.95	1.157	5.14	1.456

Note. M = Mean

SD = Standard Deviation

n = 80 in each case

c) The university strategic decision section

This section covers the detailed of the university strategic decision. Respondents were asked if they were aware of innovation strategy in their schools, of their schools' competitors. Or they were asked if they were aware that new programs/services development driver in their schools were market oriented (e.g., employment focus); that their school was in the high growth rate market in the TNE market in China; that the program in their schools were facing intensified competition in China. Also, it included responses of students to 'in terms of new program development time (or cycle time): faster was always a better'. Table 8.3 summarized the results.

Table 8.3

Summary of findings of the university strategic decision *(n=240)*

Variable	**Values**	**N**	**%**
1. Number of competitors	1 (>3)	97	40.4
	2 (1-3)	143	59.6
2. Innovation strategy	1 (Follower)	95	39.6
	2 (Pioneer)	145	60.4
3. Cycle time	1 (No)	153	63.8
	2 (Yes)	87	36.2
4. NPD driver	1 (No)	87	36.3
	2 (Yes)	153	63.7
5. PLC: mature	1 (No)	38	15.8
	2 (Yes)	202	84.2
6. High market growth rate	1 (No)	33	13.8
	2 (Yes)	207	86.2

Note. N = Frequency

% = Percentage

As Table 8.3 shows, about 60% of students in these three cases were fully aware of that number of your university's competitors was about one to three competitors whereas 40.4% of students about more than three competitors. Nevertheless, 84.2% of students in these three cases were fully aware that their programs had faced intensified competition in China, indirectly providing that their programs were mature, as shown in Table 8.3.

60.4% of students in these three cases were fully aware that innovation strategy in their universities was a pioneer whereas about 64 per cent students were fully aware that their programs were employment focus in Table 8.3. The data from the students suggests that market-oriented program (e.g., employment focus) was the key issue that let the students choose their programs in relation to other program in the Chinese public universities.

Regarding market growth rate, 86.2% of students in these three cases were fully aware that their schools were in the high market growth market in China's TNE industry. In addition, most students (63.8%) were fully aware that faster was not always a better, in terms of new program development time. Details in each case are shown as below. Table 8.3 illustrates the results.

As Table 8.3.1 shows, consistent with the findings of the three cases, most students in each case were fully aware that their TNE programs were pioneers, employment focus and mature; their schools are in the high market growth market in China. However, most students (53.8%) in the SC were fully aware that the school had more than three competitors, compared with others in the JP and JI.

Table 8.3.1

Summary of findings of the university strategic decision in each case

Variable	Values	Cases					
		SC		JP		JI	
		N	%	N	%	N	%
1. Number of competitors	1 (>3)	43	53.8	33	41.3	21	26.3
	2 (1-3)	37	46.3	47	58.8	59	73.8
2. Innovation strategy	1 (Follower)	39	48.8	30	37.5	26	32.5
	2 (Pioneer)	41	51.2	50	62.5	54	67.5
3. Cycle time	1 (No)	49	61.3	52	65.0	52	65.0
	2 (Yes)	31	38.8	28	35.0	28	35.0
4. NPD driver	1 (No)	29	36.3	27	33.8	31	38.8
	2 (Yes)	51	63.7	53	66.3	49	61.3
5. PLC	1 (No)	8	10.0	13	16.3	17	21.3
	2 (Yes)	72	90.0	67	83.8	63	78.8
6. High market growth rate	1 (No)	21	26.3	7	8.8	5	6.3
	2 (Yes)	59	73.8	73	91.3	75	93.8

Note. N = Frequency

% = Percentage

n = 80 in each case

8.3 Exploratory Factor Analysis (EFA)

EFA is very useful to “determine the number of latent variables or factors which can explain the pattern of correlations among a set of measures” (Choic & Jang, 2014). The goal of EFA is to reduce the number of variables to a smaller set of underlying variables referred to as factors and examine the structure or relationship between variables (Williams et al., 2010). Put simply, the purpose is to find “the smallest number of common factors that will account for the correlations” (Young & Pearce, 2013).

In this research study, therefore, by investigating the underlying patterns and relationships for variables in the dataset and by condensing this information into a smaller number of common factors that adequately represent the original set of items, the interrelationships among the variables that occurred during the launch of new education provisions could be better identified. Clearly, the EFA was used to condense the relatively large number of items that describe launch strategies to a more manageable set of composite dimensions (or factors) on the basis of having a conceptual framework for any variables analysed. In short, the EFA was used to reduce the underlying components of 45 items to a smaller number, except for five items of student satisfaction.

In terms of variable selection in the EFA, according to the rules of thumb, Hair, et al. (2014) point out that “a small number of ‘dummy variables’ can be included in a set of metric variables that are factor analysed.” This is because the dummy variable is defined as the metric variable that represents categories of nonmetric variables, as noted in Section 7.4: data transformations. This approach is not rare in the literature of NPD. Support for this approach comes from De Brentani (1990;1995). The researcher follows the stage model-building process, as noted earlier in Chapter 5: Research Methodology.

Stage 1: Assumption in EFA

Prior to the extraction of the factors, the appropriateness of the data for EFA was confirmed by using Bartlett’s test of sphericity (Stewart, 1981). It was used to “assess the overall significance of all correlations within a correlation matrix.” Besides, the measure of sampling adequacy (MSA) is used to calculate both the factorability of the overall set of variables and individual variable. This is because EFA always derives factors; the objective is to ensure a base level of statistical correlation within the set of variables, such that the resulting factor structure has some objective basis. (Hair et al., 2014)

In this study, the test result for sphericity was large at 4797.202 and the associated significance level small at 0.000 ($p < .05$), indicating that sufficient correlations exist among the variables to proceed (Tabachnick & Fidell, 2007). Furthermore, the result of the Bartlett test of sphericity ($p < .0001$) indicates that the data had a high enough degree of correlation between at least a number of the variables, making it suitable for exploratory factor analysis.

Another measure of the strength of the relationship of intercorrelations among the items is the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy (Stewart, 1981; Pallant, 2013). In this study, the result of the KMO measure was 0.775, which was larger than the cut-off point of 0.60. Thus, it means that the sample used for the study (n = 240) was adequate and provided further support for EFA.

Particularly, the measure of sampling adequacy (MSA) values must above 0.50 for both the overall test and each individual variable. Variable with values below 0.50 should be omitted from the EFA one at a time, with the smallest one being omitted each time (Hair et al., 2014). Table 8.4 shows the measures of sampling adequacy among items, except for five items of student satisfaction (dependent variable). Examination of the values for each item, however, identifies five items (market growth rate, number of competitors, cycle time, NPD driver and innovation strategy) that have MSA values under 0.50. Because cycle time has the lowest MSA value, it was omitted in the attempt to obtain a set of variables that could exceed the minimum acceptable MSA levels. Recalculating the MSA values found that number of competitors still had the lowest MSA value below 0.50, so it was also deleted from the analysis. Again, the items such as NPD driver and market growth rate had MSA values lower than the acceptable minimal value of 0.05. So, these two items were also deleted from the analysis. Finally, the item of innovation strategy was retained since its final MSA value exceeded 0.50.

After the revised set of items (*number of competitors, cycle time, market growth rate and NPD driver deleted*), the Bartlett showed that nonzero correlations exist at the significance level of 0.000 ($p < .0001$). The reduced set of items collectively met the necessary minimal value of sampling adequacy with an MSA value of 0.797. Each item was also higher than the threshold value, indicating that the revised set of items met the fundamental requirements for exploratory factor analysis. Finally, examining the partial correlations showed only four items greater than 0.50 (No.19: Newspapers; No. 21: Direct mail; No. 24: Search engines; No.38: Easy to obtain information on international education programs). This was another indicator of the strength of the interrelationships among the items in the reduced set. It was of note that both No. 21 (0.631) and No. 38 (0.651) were involved in two of the high partial correlation.

Collectively, these measures all indicate that a reduced set of items was appropriate for exploratory factor analysis, and the analysis could proceed to the next stages in order to determine the factors.

Table 8.4

Assessing the appropriateness of EFA for the full set of items:

Measures of Sampling Adequacy Among Items

No.	Items	MSA
1	The concept of new education provision is difficult to understand	0.546
2	Programs/services are more innovative than others	0.809
3	The program that you have chosen is superior in your eyes related to others	0.696
4	The program that you have chosen provides unique advantages to you, compared with others	0.787
5	Good Chinese university name	0.813
6	Good international university name	0.846
7	Chinese university reputation	0.819
8	International partner university reputation	0.808
9	Targeting: The program that you have chosen has tailored to your taste	0.798
10	Product assortment: Offers a broad range of courses and programs	0.791
11	A foreign degree is best for employment	0.783
12	Tuition fees/costs of living in China	0.805
13	Tuition fees/costs of living in a foreign country	0.534
14	The program offers value for money	0.688
15	Experts & professional important in creating service	0.730
16	Good advice was available from experts	0.742
17	Exhibitions/fair	0.771
18	Seminar-lectures about the program	0.796
19	Newspapers	0.768
20	Magazines	0.772
21	Direct mail	0.787
22	Email	0.750
23	University websites	0.855
24	Search engines (e.g., Baidu)	0.760
25	Online social network (e.g., Sina Weibo)	0.823
26	Mobile phone	0.840
27	Brochures and leaflet	0.782
28	Posters	0.802
29	Learning environment	0.806
30	Face-to-face	0.823

31	On the phone	0.855
32	Through email/mail	0.855
33	Internet chat (e.g., QQ)	0.835
34	Word-of-Mouth (WOM) influence (e.g., friends)	0.756
35	Direct contact with the university (e.g., face-to-face)	0.833
36	Indirect contact through the non-university	0.825
37	Good location of programs	0.824
38	Easy to obtain information on international education programs	0.755
39	Easy to obtain information on international partner universities	0.756
40	PLC	0.666
41	Market growth rate	*0.473*
42	Number of competitors	*0.377*
43	Innovation strategy	*0.470*
44	Cycle time	*0.352*
45	NPD driver	*0.426*

Note. Measures of Sampling Adequacy=MSA

Overall Measure of Sampling Adequacy: 0.775

Bartlett's Test of Sphericity: 4797.202

Significance: 0. 000

Stage 2 through 3: Factor extraction and number of factors

Regarding factor extraction, the EFA in this study used Principal Component Analysis (PCA). The PCA method is particularly suited to the research issues that are concerned about summarizing the dataset by reducing and determining the minimum number of factors to account for most of the original variance for predication purposes (Hair et al., 2014). Furthermore, this method is the most commonly used approach in NSD research (e.g., Edgett & Parkinson, 1994, Ottenbacher, 2007).

In terms of the number-of-factor decision criteria, some important criteria need to be considered, ranging from the more subjective (e.g., selecting a number of factors a priori or specifying the percentage of variance extracted) to more objective (latent root criterion or scree test criteria). Table 8.5 contains the information regarding 41 possible factors for reduced sets of items and their relative explanatory power as expressed by their eigenvalues. According to Hair et al. (2014), the eigenvalues are used to assess the importance of each component. They can also be used to assist in selecting the number of factors.

Here, the eigenvalues criterion (eigenvalues > 1.0) was used, since it was the most commonly used selection technique (Tabachnick & Fidell, 2007). All factors with eigenvalues (latent roots) greater than one were considered significant (Pallant, 2013), ranging from 1.018 to 8.767. Thus, twelve factors were retained. The scree test (Figure 8a), however, indicated that thirteen or fourteen factors might be appropriate. This is because that if the eigenvalue (i.e. 0.931 and 0.842) was quite close to 1, then it might be considered for inclusion as well. However, the twelve factors retained represent 67.84 per cent of the variance of the 41 items, deemed sufficient in terms of total variance explained. Noted that the researcher did not predetermined number of factors based on research objectives, research framework and/or prior search. Combining all these criteria together led to the conclusion to retain twelve factors for further analysis. Furthermore, these results illustrated the need for the number-of-factor decision criteria.

Table 8.5

Results for the extraction of component factors: a reduced set of items

	Eigenvalues		
Component	**Total**	**% of Variance**	**Cumulative %**
1	8.767	21.384	21.384
2	3.35	8.171	29.554
3	2.406	5.869	35.423
4	2.260	5.512	40.935
5	2.043	4.983	45.918
6	1.604	3.911	49.829
7	1.485	3.623	53.452
8	1.392	3.395	56.847
9	1.197	2.921	59.768
10	1.178	2.874	62.642
11	1.114	2.716	65.357
12	**1.018**	**2.482**	**67.84**
13	0.931	2.27	70.11
14	0.842	2.054	72.163
15	0.777	1.895	74.058
16	0.753	1.837	75.895
17	0.739	1.802	77.697
18	0.727	1.773	79.47
19	0.707	1.724	81.193
20	0.641	1.564	82.757
21	0.595	1.451	84.208
22	0.591	1.442	85.65
23	0.561	1.368	87.019
24	0.543	1.324	88.343
25	0.513	1.251	89.594
26	0.441	1.076	90.67
27	0.403	0.983	91.653
28	0.395	0.963	92.616
29	0.373	0.91	93.526
30	0.349	0.851	94.376
31	0.324	0.79	95.166
32	0.277	0.677	95.843
33	0.26	0.635	96.478
34	0.249	0.606	97.084
35	0.228	0.557	97.642
36	0.199	0.485	98.126
37	0.195	0.475	98.602
38	0.173	0.423	99.024
39	0.15	0.367	99.391
40	0.146	0.355	99.747
41	0.104	0.253	100

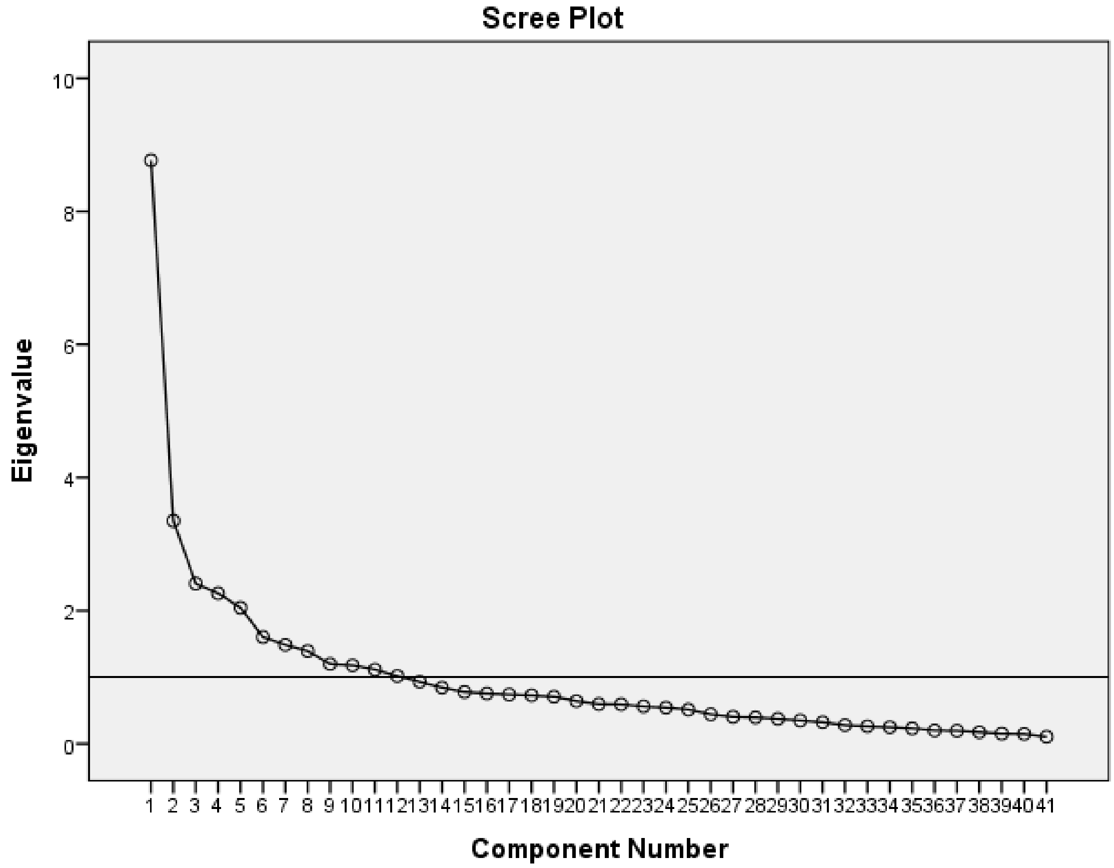


Figure 8a Scree test for component analysis

Stage 4 through 5: Factor rotation and interpretation

After determining the number of factors, the factor rotation with varimax rotation method was chosen, for the main reason that it is the most common rotation technique used in factor analysis to produce uncorrelated factor structures and then facilitates interpretation (Williams et al., 2010). Given the sample size of 240, factor loadings of 0.40 and higher were considered significant for the interpretative purpose. It indicates the strong strength of the relationship between a specific variable and a factor (George & Mallery, 2010). The greater the factor loading, the more generally considered necessary for practical significance (Hair et al., 2014).

Once all the significant loadings have been identified, the researcher should look for any items that are not adequately accounted for by the factor solution (George & Mallery, 2010). In this study, the communalities of the variables were assessed, since each item's communality represented "the amount of variance accounted for by the factor solution for each item" (Williams et al., 2010).

Only product assortment (No.10) and innovation strategy (No.40) had the low communalities (0.474 and 0.498), as shown in Appendix I: Communalities of reduced sets of items. Specifically, the item of innovation strategy had no significant loading(s). Thus, *innovation strategy* was deleted. However, the item of product assortment had a communality is low, but it had a significant loading (0.558). So, this item was retained. In addition, those items were excluded if the cross-loaded on two or more factors. Thus, four items were deleted: *newspaper, mobile phone, brochures and leaflet, magazines*.

After the researcher rearranged the items according to loadings, the factor solution with the factor loading for reduced sets of items shown in Table 8.6 emerged. The final factor solution contained 11 factors with 36 items accounting for a total of 65.72 per cent of the variance. The well-defined factor structure was also underlying the dimensions in the conceptual framework. As for many factors, it was very common to identify a number of success factors of a product launch – variables that described the product, market, competitive stance, and marketing activities – which were related to successful new product outcomes in both the new product development literature and product launch literature. Indeed, one factor alone was not an important ingredient for success, but it should be acted in combination with other vital ingredients as a determinant of success.

Table 8.6

Factors for the reduced set of items that underlying launch strategies

Factor	Components	Factor Loadings	Type of Construct
Branding	Chinese university reputation Good Chinese university name Good international university name International partner university reputation	0.830 0.826 0.742 0.731	Product tactics
Ease access of university information and location	Easy to obtain information on international education programs Easy to obtain information on international partner universities Direct contact with the university (face-to-face) Good location of programs Indirect contact through the non-university	0.791 0.787 0.624 0.580 0.448	Accessibility
Non-personal communication channels	Email Direct mail Search engines (e.g., Baidu) Online social work (e.g., Sina Weibo) Exhibitions/fair Learning environment University websites Seminar-lectures about the program Posters	0.833 0.830 0.830 0.786 0.757 0.669 0.608 0.517 0.428	Communication
Personal communication channels	Internet chat Word-of-mouth (WOM) influence (e.g., friends) Face-to-face Through email/mail On the phone	0.774 0.728 0.705 0.686 0.585	Communication
Value-for-money	A foreign degree is best for employment The program offers value for money Tuition fees/costs of living in China Tuition fees/costs of living in a foreign country	0.724 0.694 0.497 0.436	Price
Product advantage	The program that you have chosen is superior in your eyes related to others The program that you have chosen provides unique advantages to you, compared with others	0.766 0.735	Competitive stance
Product innovativeness	Program or services are more innovation than others The concept of new education provision is difficult to understand	0.694 0.657	Product strategy
Service experts	Good advice was available from experts Experts and professionals are important in giving advice	0.784 0.756	People
Targeting strategy	The program that you have chosen has tailored to your taste	0.701	Market strategy

Product assortment	Offers a broad range of courses and programs	0.696	Product tactics
PLC	Facing intensified competition	0.564	Market strategy

Note. Loadings less than 0.40 are not shown.

8.4 Standard Regression Analysis

The principal aim of the study was to identify what the successful launch strategies for TNE services were in China. Therefore, standard regression analysis was conducted with the launch factors as the independent variables (IVs) and the performance of student satisfaction as the dependent variable (DV), since it told us how well different launch variables were able to predict student satisfaction (confirm the model of the new product launch strategy (NPLS) in the TNE industry in China) and which the best predictor of student satisfaction was. This section reports the assumptions, the evaluation of the model and of each of the independent variables.

a) Assumptions of Standard Regression Analysis

Sample Size

According to the simple rule of thumb is $N \geq 50+8m$ for texting the multiple correlations. Here, this case had 16 IVs, so 50+8(16) = 178 cases to test regression. Obviously, their sample size of 240 exceeded of 178. It did not affect generalisability, since the result of small sizes did not generalise with other samples (Pallant, 2013). As Hair, et al. (2014) said, "the effects of sample size are seen most directly in the statistical power of the significance testing and the generalizability of the result."

Multicollinearity

The researcher checked for multicollinearity and variance inflation factor (VIF) values, which indicated no problems because all VIF values were less than 2.0. These VIF values were well under the critical level of 10. Moreover, tolerance was more than 0.10. Thus, they suggested the impossibility of multicollinearity.

Outliers

Mahalanobis distances can be used to check the multivariate outliers. The results showed that there were five cases (case 3, 4, 9, 214 and 217) detected with Mahalanobis distances at the $p < .001$. The researcher further checked the deviant cases to decide whether to retain or discard those cases. These outliers did not originate from errors of participant responses or data recording. In addition, the ANOVA was used (n = 240, Mean Square = 135.64, $F = 8.834$, $p < .001$; n = 235, Mean Square = 131.359, $F = 8.574$, $p < .001$). There was no difference between them. Furthermore, to check whether these cases were having any undue influence on the results for the model as a whole, Cook's Distance was checked. According to Tabachnick and Fidell, 2007, cases with values larger than 1 are a potential problem. In this research, the Maximum value for Cook's Distance was 0.082, suggesting no major problems. No observations seemed to demonstrate these multivariate outliers should be deleted. It was suggested that "if they (outliers) do portray a portray a representative element or segment of the population, they should be retained to ensure generalizability to the entire population (Hair et al., 2014)." Thus, it was decided to retain all the cases.

Normality, linearity, homoscedasticity of residuals

The assumption of normality is that the distribution of scores on the DV was "normal" (Tabachnick and Fidell, 2007, Pallant, 2014). Figure 8a shows that there were no major deviations from normality. In Figure 8b: Scatterplot, the residuals were roughly rectangularly distributed, with most of the scores concentrated in the centre (along with the 0 points).

Figure 8a: The Normal Plot (P-P) of Total Student Satisfaction

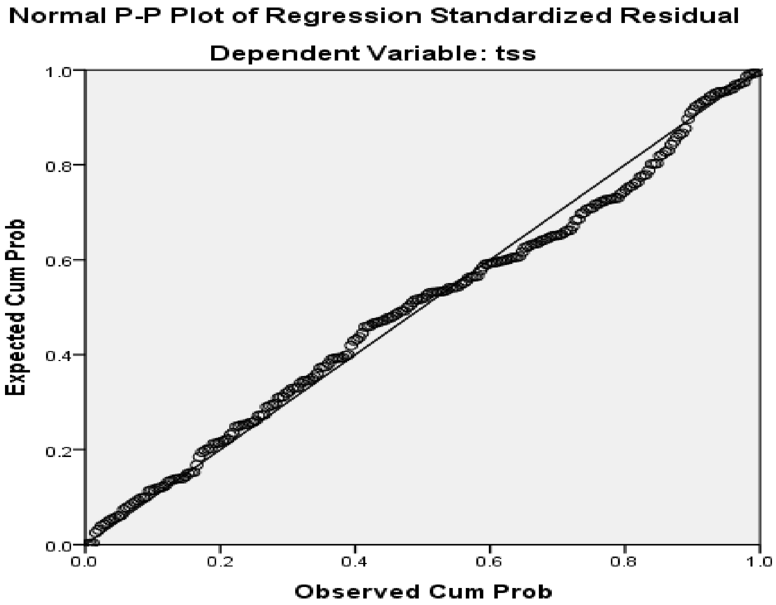
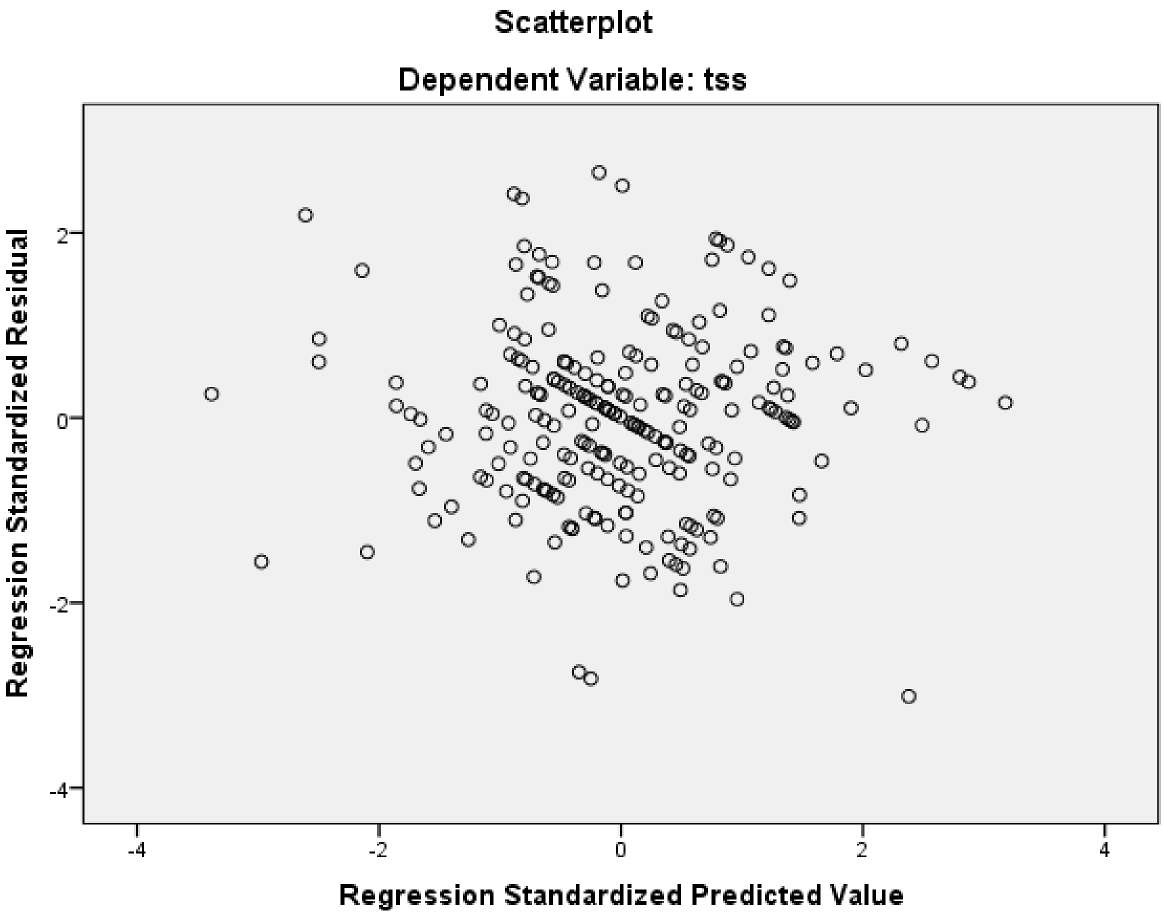


Figure 8b: The Scatterplot of Total Student Satisfaction



Therefore, assumptions of standard regression have not been violated in this case.

b) Evaluating the Model

The purpose of this study was to examine the linkages between success and the one performance dimension. Therefore, standard regression analysis was conducted with a set of successful variables of launch strategies and the performance dimension as a dependent variable. It told us how much of the variance in the DV (total student satisfaction) was explained by the model (which includes a set of launch variables). In this case, the value (R^2) was 0.371. This means that this model explained 37.1 per cent of the variance in student satisfaction. In this study, R for regression was significantly different from zero, F (16,223) = 8.212, $p < 0.001$, with $R^2 = 0.371$. *The adjust* R^2 value of 0.326 indicates that more than a third of the variability in total student satisfaction was predicted by a set of launch strategies. Thus, the model in this example reached statistical significance. That is, a significant relationship was present between the set of launch decisions and student satisfaction.

It is worth noting that *the adjusted* R^2 *of the current study* is satisfactory in comparison to other prior research. For example, de Brentani's (1991) regression analyses had levels between 0.06 and 0.34, Hultink and Robben (1999) had levels between 0.09 and 0.23 and Lee et al. (2011) had levels between 0.05 and 0.42, whereas another study by Ottenbacher (2007) had higher levels of 0.29 and 0.53.

c) Evaluating each of the IVs

The performance was measured in terms of student satisfaction. Table 4 displays how much unique variance each of the IVs explained in the DV over and above the other IVs. It shows that seven factors of new TNE services launch were positively associated with student satisfaction, except for accessibility. These influences were product innovativeness, targeting strategy, market growth rate, branding, accessibility, value-based pricing and service expertise.

It was also of importance to evaluate the results in the light of relative importance based on the comparison of standardized beta-weights (see Table 8.9). Admittedly, Table 8.9 emphasized that these seven factors were perceived to be particularly important over and above other factors. Apparently, among these IVs, value-based pricing made the largest unique contribution (β = 0.212), although the targeting scale also made a statistically significant contribution (β = 0.190) and relative product innovativeness (β = 0.172); On the contrary, the branding scale made the least unique contribution (β = 0.126) and the accessibility scale made the less unique contribution (β = - 0.137). Service expertise and market growth rate were slightly lower (β = 0.128). However, all factors were important, and each one of them could be a reason for failure in the launch of new educational provisions. Furthermore, the launch factors presented here were those that differentiate successful outcomes in the eyes of students. *These seven factors were discussed in the following paragraphs*.

Table 8.9

Results of Regression Analysis (Standardized Regression Coefficients)

Factors of Launch Strategies	Student Satisfaction β	*p* Value
Strategic Launch Decisions:		
Product Strategy		
Product innovativeness	**0.172**	**0.012**
Cycle time		
Market Strategy		
Targeting strategy	**0.190**	**0.007**
PLC		
Market growth rate	**0.128**	**0.019**
Competitive Stance		
Product advantage		
Number of competitors		
Firm Strategy		
Innovation strategy		
NPD drivers		
Tactical Launch Decisions		
Product		
Branding	**0.126**	**0.047**
Product assortment		
Accessibility	**-0.137**	**0.025**
Communication		
Non-personal communication channels		
Personal communication channels		
Price		
Value-based pricing	**0.212**	**0.001**
People		
Service expertise	**0.128**	**0.042**

Note: $p < 0.05$

Results of Regression Analysis: The keys to success for launch decisions

Strategic launch decisions:

1) Value-based pricing: The single most important dimension leading to market launch success is value-based pricing. The positive correlations between student satisfaction and value-based pricing were strongest of all constructs ($\beta = 0.212$, $p < 0.05$). Value-based pricing significantly not only attracts students but also improves student satisfaction in China's TNE market. When students perceived the new educational provisions that had delivered the most value in relation to the higher tuition fees, the TNE services product reaches higher performance. If students' perception of the new educational provisions were less value for money, the product has lower student satisfaction performance.

2) Targeting strategy: The second most important dimension leading to market launch success is targeting strategy. The results of the correlation analyses indicate positive relationships between student satisfaction and targeting strategy ($\beta = 0.190$, $p < 0.05$). Targeting strategy significantly improves student satisfaction in China's TNE market. It clearly illustrates that the targeting strategy – the tailoring offerings - was the key to differentiation and positioning itself in the minds of the students.

3) Product innovativeness: The third most important new successful dimension which impacts on launch success is product innovativeness in relation to competitors. This factor to the students significantly affects student satisfaction ($\beta = 0.172$, $p < 0.05$). The result suggests that in the eyes of the students, the new TNE provision is superior to local ones. When students perceive the new educational provision as superior, the product reaches higher performance. If students perceive the new educational provision as too risky and too difficult to adopt, the product has lower student satisfaction.

4) Market growth rate: The market growth rate has contributed to market launch success. High market growth rate leads to higher new product performance ($\beta = 0.128$, $p < 0.05$). This reflects the fit between the new TNE services and strong demand of the market. It was strongly tied to student satisfaction.

Tactical launch decisions:

5) Service expertise: Service expertise has also contributed to market launch success. Its weight on launch success is similar to that of market growth rate ($\beta = 0.128$, $p < 0.05$). Service expertise significantly improves student satisfaction in China's TNE market. It indicates that successful new TNE services launch lies in service expertise that is superior to the competitors' in the eyes of the students. They play a critical role in producing and delivering the service to the students.

6) Branding: The last factor that students perceive to significantly influence student satisfaction is branding ($\beta = 0.126$, $p < 0.05$). The finding indicates that the students gave most attention to the branding of "parent" universities because TNE provision is still new. It also suggests that it is a crucial element in connecting new educational provisions with target student.

One barrier to Success:

Accessibility is considered to be a barrier to success since it is negatively related to student satisfaction ($\beta = -0.137$, $p < 0.05$). It indicates that new TNE provisions are still new and they could not have wider accessibility, compared to the local provisions. The result also reflect that students can think of effective accessibility as ease of contact and risk reduction. Then it can favourably impact students' decisions to adopt a new TNE provision.

Factors with no impact on success:

The results isolated seven key launch factors, but nine others that had been identified in the literature and this preliminary study was not significantly associated with launch success. Specifically, the results of the standard regression analysis with student satisfaction performance measure as a dependent variable revealed a variety of insights into what factors contribute to student satisfaction. It must be stressed that those factors that do not show up significant do not mean that these factors are not important for the launch of new educational provision. Instead, it only means that they do not demonstrate the significant relationships with student satisfaction. It is possible that these factors can have significant associations with other performance measures (e.g., commercial success).

For instance, product advantage is not an influential factor in student satisfaction. It can be assumed that product advantage is a basic requirement for new TNE services. Or maybe in the views of students, they perceive product innovativeness as product superiority and it can provide unique benefits (e.g., good educational quality) to them. Nevertheless, branding could convey a service’s quality and its distinctive benefits. Therefore, it has no direct bearing on student satisfaction.

Similarly, narrow product assortment and market driver-employment focus are essential to new educational provision in the eyes of students, but not the reason for student satisfaction. Further, product innovativeness is a determinant of student satisfaction simply echoes the importance of an employment-orientated product assortment in product innovativeness.

In addition, communication with target students to manage their perceptions of new educational provisions is extremely important. It may even be important in students’ trust that effective communication with them will raise their awareness of the new educational provisions, deliver the unique and superior benefits (e.g., good educational quality) and reduce their risks to them, yet overall, it is an important element, but it is not a determinant of student satisfaction.

As for number of competitors, the TNE market in China is a high growth rate market, as noted earlier, the mere existence of some main competitors does not impact on launch outcomes. Likewise, PLC is an important dimension for student satisfaction. But, it is generally not the most important one; on balance, some other factor – market growth rate or target strategy – appear much more influential on student satisfaction.

Besides, innovation strategy is an important ingredient describing the launch of new educational provision, as noted. However, it does not contribute to student satisfaction. The result suggests that the advantages and disadvantage of being “pioneers” are nearly equally balanced. Besides, cycle time alone is another important dimension not related to student satisfaction. One explanation might be that students do not keep their attention fixed upon cycle time.

8.5 Chapter Summary

Exploratory factor analysis (principal component) is used to simplify complex sets of data and define the underlying structure. The exploratory factor analysis has produced twelve factors with Cronbach’s alphas ranging from 0.62 to 0.88. The principal aim of the study is to examine the linkages between success and one performance dimension (student satisfaction). Therefore, the multi-regression analysis is conducted with the success factors as the independent variable and student satisfaction is the dependent variable.

Altogether, whether the launch of new educational provision ultimately succeeds depends on a variety of factors. That is, one factor alone is not an important ingredient for success, but it should be acted in combination with other vital ingredients as a determinant of success. The value of this part lies with the fact that it looks across a great number of perceptions by students. On the basis of the student views of the new TNE services, new educational provision launch is a “success” because it achieves a differential advantage over those existing provisions in the Chinese market: superior and unique features to the competitive provisions both in terms of what student receive (performance) and the type of experience they have at every student touch point during new product introductions.

The next chapter will present and discuss the overall study. Both quantitative and qualitative results will be jointly discussed in the discussion section of the thesis. Subsequently, the researcher links these research results to the existing literature of NPL to improve the generality of the current study.

Chapter 9

Discussion

This section discusses results from the three cases study and survey research, together with related theories in the literature. The discussion commences from the successful strategic launch decisions for the launch of new educational provisions in China. It then moves to the successful tactical launch decisions for the launch of new educational provisions in China. Finally, it makes a comparison with the study of Hultink et al. (2000).

9.1 The successful strategic launch decisions

The following strategic launch decisions result in the success of new educational provision launches in China:

- Product strategy
- Market strategy
- Competitive stance
- University strategy
- Location strategy

Product strategy

1) Product innovativeness

The empirical QUAL findings of this study show that product innovativeness in relation to the competitors has been found as one of the key factors that affect launch success in China. In the QUAL data analysis, supporting evidence is found whereby new TNE provisions are more innovative than local provisions at Chinese public universities (Chapter 6: Table 6.1-Table 6.3). Nevertheless, highly innovative TNE provisions are more likely to be successful in China's TNE market (see Table 6.4). Results of the QUAN survey carried out for the research also support the importance of product innovativeness on the market for launch success. Results of standard regression analysis indicate that product innovativeness positively leads to student satisfaction with its estimate (β) = 0.172 at $p < 0.05$ level. These findings are consistent with prior literature (Hultink et al., 1997; Storey et al., 2016), arguing that product innovativeness has been viewed as an important factor in new products that affects launch success.

The interviews in this study have explored how the process of new innovative TNE services were manifested in the three cases. Unfortunately, this is not mentioned in the normative literature of NPL. For example, this research shows that incremental new TNE provisions (e.g., JP and SC) would often give them an advantage over local provisions; and still further change (high innovation of new TNE provision such as JI) of the same kind would often further greatly increase the advantage over the local ones (see Table 6.4).

This research demonstrates that creating new educational provisions in the three cases is a central path by which they adapt and sometimes transform themselves into the local environment (see Table 6.3). TNE provisions with Chinese characteristics are a crucial element in launch success and they can innovate and better adapt to the local regulations in China. Because China's TNE industry has restraint imposed by the regulations that greatly affects product innovativeness (Table 6.2). Therefore, in the face of highly regulated TNE industry in China, product innovativeness is a primary way in which new educational provisions actually adapt.

Unfortunately, this is not mentioned in the normative literature of NPL.

In addition, the current study indicates that new educational provisions have already had some advantages over their parents or over other local ones, due to “inheriting” (joint strengths from their “parent” universities). The allied forms are developed between local and international universities. It can enhance their capabilities to introduce new TNE provisions, adapt to the local needs, reduce the degree of dissimilarity and attain a competitive advantage, which has not been previously identified in the extant literature.

The research also demonstrates that highly innovative products are more likely to be successful (Goduscheit and Faullant, 2018), since they can create more opportunities for differentiation and achieve competitive advantage and thus help to increase the likelihood of launch success. Truly unique innovative new TNE provisions (e.g., JI) are more likely to achieve a competitive edge in the highly competitive TNE marketplace in China, which, in turn, enhances the chance of launch success. As De Brentani (1989) points out, “focusing on new and superior ways to solve old problems and offering creative ways to differentiate the service experience are important routes to achieving a strong competitive position” (p. 256).

The findings in this research supports the view that highly innovative TNE provisions descended from famous “parents” universities in the world can build a barrier to entry, stimulate a longer-term competitive advantage and may help to overcome the barriers that the non-patentable nature of services causes. Thus, this finding is inconsistent with the previous literature of NSD, arguing that new service innovation is easily-copied and short-lived (Griffin, 1997; Storey et al., 2016). This reflects the heterogeneity of the service industries (Storey et al., 2016).

2) Cycle time

Empirical evidence of the three cases study suggests that cycle time was an important factor in the launch of new educational provisions in China. In the current research, QUAL data of the three cases reveal an important phenomenon: speedy NPD may strengthen launch success in China’s TNE industry. In the product launch literature, “cycle time” is a crucial factor that affects market success (Chen, Lynn, & Reilly, 2005; Calantone et al., 2014). Numerous studies have found that shortening the NPD cycle time is an important factor in new product success (e.g., Hultink & Robben, 1995; Akedenize & Calantone, 2011). In the present study, empirical evidence indicates that the three cases studied often differentiate themselves from their competitors through speedy NPD time, which in turn can increase the chances of success of a new product considerably. Indeed, a product launch delay can result in missed market chances, lost competitive advantages and failure to leverage distribution channels (Calantone & Di Benedetto, 2012).

Admittedly, speedy NPD time is more likely to be successful. It is considered enormously important for non-qualification education programs, consistent with the extant NPL literature (e.g. Wong, 2002; Akedeniz and Calantone, 2011). However, in the cases of JI and JP, qualification education programs, empirical evidence suggests that cycle time is critical but not sufficient for launch success. Because China’s MoE has directly affected the speedy NPD time and waiting for MoE approval has moderated the direct effect. Besides, student survey shows that 63.3% of students in these three cases were fully aware that faster was not always better, regarding NPD time. The reason may be that they hope that the school would have enough time to develop new programs/services to meet their needs in the competitive environment in China.

In summary, cycle time, as one of the product-based launch strategies, is recognized as an important competitive weapon to facilitate market success. The finding of this study supports that cycle time is an important critical element in launch success, but external factors (e.g., waiting for MoE approval) moderates the direct effect (Chen et al., 2005).

Market strategy

1) The targeting strategy

Empirical evidence of the three cases studied reveals that attracting higher-income and talented students, both point toward a launch strategy in China’s TNE industry focusing on niche targeting. Also, results of the survey research support this proposition. Results of standard regression analysis indicate that targeting strategy positively impacts student satisfaction with (β) = 0.190 at $p < 0.05$ level.

In the product launch literature, the targeting strategy is one of the most central aspects of launch strategy since it is related to the specific product being introduced (Hsieh et al., 2006). The success chance of a new product depends more on how well the products and launch activities meet the requirements of the local target market (Guiltinan, 1999). Market targeting, avoiding time and resource wastes, will accelerate the adoptions of new services in the dissimilar market and have the potential to impact launch performance (Hultink et al., 1999; De Brentani, 2001). These views provide support to the critical role played by the targeting strategy on the success of new educational provision launches.

It is also evident that target families with strong economic strengths are willing to pay higher tuition fees. This finding is reminiscent of earlier work by Lee and O’Connor (2003a), who report that a narrowly defined group in a niche market is more likely to be willing to pay a premium to the firms that best satisfy their needs.

Finally, it is interesting to note that in the three cases, launching new educational provisions is more likely to be successful in the selective target markets where the satisfaction of prospective students with existing local ones is low; such niche markets are more likely to attract the innovative TNE programs. This is supported by the study of Guiltinan in 1999. As a result, the three cases have provided more attractive and well-defined offerings to their target markets, which in turn accelerates market acceptance in China’s TNE market.

2) Stage of PLC

Data from the three cases study suggest that launch success is more likely to be successful in the maturity phase of the PLC (see Table 6.6, Chapter 6), consistent with the study of Hultink, et al. (2000). Results of the survey also confirm that a great many students in the three cases study were fully aware that their programs had faced the increasingly competitive environment of TNE industry in China, indirectly proving that their TNE programs were mature.

It is evident that maturity programs can both communicate the school's facts to the target audience as well as convey the school's achievements. As one informant from the case of JI stressed, *"It made a big difference to say that our school is a new school and thus we have no graduates. Now we have several cohort graduates. We are proud of our graduates' good performances. The enrolled local students increased to 611 in the second year from 163 in the first year and by now, a total of 3,250 have been enrolled in our school this year. We have a good footprint here and we make a big contribution to local prosperity now."* Another informant from the case of SC highlighted: *"The older the school, the more main hurdles it has overcome to become an established organization. Thus, the probability of going out of business has significantly diminished."* Empirical evidence from the three cases study reveals that TNE programs in the maturity phase of PLC can enhance their schools' legitimacy in the eyes of the target audience and this may accelerate market acceptance. Unfortunately, this is not mentioned in the normative literature of NPL.

Therefore, these findings add to previous research by demonstrating that new educational provisions are launched into the maturity phase of PLC which can facilitate launch success.

3) Market growth rate

The QUAL data shows that the student enrolment goal in each case can be easier to achieve in the fast-growing market, suggesting that TEIs introducing new TNE provisions into markets that have experienced fast growth might achieve higher shares of the markets they serve in China. This is supported by the student survey. Results of standard regression analysis indicate that market growth rate positively leads to student satisfaction with its estimate (β) = 0.128 at $p < 0.05$ level. These findings support the previous literature (e.g., Ryans, 1988; Green et al., 1995; Hultink et al., 2000; Hsieh et al., 2006), which suggested the successful educational provisions are more likely to be launched into the high growth market.

The finding also indicates that launching new educational provision has a high level of market responsiveness and the market potential is large enough to promise a higher profit in the long term. Such innovation is based on responded to the actual and anticipated local demand China. Unfortunately, this is not mentioned in the normative literature.

Therefore, these findings add to previous research by demonstrating that new educational provisions are launched into a high-growth market with high demands, where students are less satisfied with their local provisions, which can facilitate launch success.

Competitive stance

1) Product advantage

Data from the three cases study reveal that product advantage would seem to be a more important issue in the successful launch of new TNE provision (see Table 6.8-Table 6.9, Chapter 6), in order to differentiate itself from the competition. This point matches student choice across the three cases in the student survey: the unique program advantages have been thought of as the second most important factor in comparison with local programs when the students make their university choices, regarding program factors. All the items of this factor have mean values 4.60 - 4.77 out of 7 points.

These findings are in line with the views in extant physical product literature (e.g., Henard & Szymanski, 2001; Storey et al., 2016), arguing that product advantages are absolutely critical for new product launch success; unique and superior program features are the main determinants of relative product advantage. The research demonstrate that the product differential advantages deliver unique features and benefits to the students, provide better value than other existing programs and obtain better outcomes than competitors. These may streamline the market acceptance in China.

Advantages of new TNE provisions have been regarded as the important criteria of analysing the chances of success for a new product (Storey and Easingwood, 1996). Yet the big difference is new TNE provisions' advantages focus most on good education quality, due to the fact that the distinctive nature of TNE services is highly intangible. The decision-making is very complex and there are high potential risks to targets students. Therefore, high-quality education is one of the most important factors to facilitate their university choices in their eyes. This finding is supported by research results (De Brentani, 1991; Storey et al., 2016) which show that good service quality is a critical element for market success.

The data from the three cases study (Table 6.10) indicate that a high-quality education, as a distinct product advantage and as a part of tangible evidence in the TNE industry, is easily noticeable to the target audience. Therefore, these findings add to previous research by demonstrating that a high-quality differentiation is a direct result of differences in the “consensus reality” and conveys the “reality” of the differentiated TNE services to its market.

Nevertheless, the results of this study indicate that market acceptance in China’s TNE market seems to rely more on the recognition of the unique and superior new program’s advantages and benefits (Cooper et al., 1994; Gibbs & Knapp, 2002). As stated by an informant from the case of JP: *“In my opinion, the core value and benefits of Sino-foreign programs are that they bring bright futures to Chinese students in relation to the local programs. They have opportunities and ambitions for the future. They have a clear idea about what they can gain from the programs. These programs are a springboard to better educational and professional opportunities. Thus, each student has a high expectation of such programs in relation to the local programs. Through this ‘springboard’, their future will make a difference. They will get a very promising future ahead of them. I believe that is a real core benefit of Sino-foreign cooperative education in China.”*

In conclusion, product advantage appears to be the key aspect in explaining the market launch success of the new product.

2) Number of competitors

Results from the three cases study suggest that the competition is very fierce. Data from the research survey shows that about 44% of students in these cases were fully aware of the number of their university's competitors whereas 38% of students knew about more than three competitors, thus suggesting that the competition is increasingly intense in this industry. It also reflects that the TNE industry in China does not exist in the vacuum, unlike the Chinese traditional HE industry.

However, the data reveal that the number of competitors would not seem to be a decisive factor in the new TNE provision launch since this factor has been found not to be a barrier to success with the new educational provision (Debruyne et al., 2002) and thus it may not have a direct impact on launch success, with the increase of competition intensity. This finding is different from the previous literature, arguing that the number of competitors is one of the significant factors in new product launch success (e.g., Hultink et al., 2000; Hsieh et al., 2006). But it indicates that new educational provisions facing stiff competition are as successful as those facing fewer competitors. This is consistent with the findings of the study of Cooper and De Brentani (1991). One of the possible reasons for this could be that these three cases are pioneers and thus they have established a strong foothold in the TNE market in China, even though each case has some main competitors. Pioneer advantage can help them avoid the intensity of competition and facilitate market success.

Furthermore, a pioneer has been perceived as having differentiation advantages among competitors (Zhao et al., 2013). The study shows that each case can often highlight its perceived differentiation advantages in comparison with its main competitors' weaknesses when introducing their TNE programs to the target audience. In conclusion, the number of competitors is very important, but it is clearly not more important than other factors. In China's TNE market, successful pioneers can convince target students of the benefits of the new TNE services and moderate the direct effect of the number of competitors on market launch success. At the same time, number of competitors is clearly less important and even unimportant in some cases.

Firm strategy

1) Innovation strategy

Empirical evidence of the three cases study suggests that innovator can be critical to the success of the TNE provision's introduction. The data across the three cases show that they are all pioneers or innovators (Figure 6b, Chapter 6). In addition, 62.5% of students in these universities were fully aware that innovation strategy in their universities was a pioneer. It can be inferred that a great number of students in these schools preferred the pioneering brands.

In the product launch literature, innovator has been viewed as a critical factor that affects launch success (Hultink & Robben, 1999; Hsieh et al., 2006). In the present research, the findings show that innovator can enable an innovative educational provision to gain an important market edge in China's TNE market, to differentiate itself as the perceived high-quality provider and to accumulate favourable WOM and therefore, it may be difficult to copy for its competitors and accelerate the market's acceptance of a new product. This finding is consistent with product launch literature, arguing that it is easier to maintain an early competitive advantage through the timely introduction advantage than later entrants, regarding market share and profitability; to benefit from pioneer advantages by establishing a sustainable competitive advantage (Hultink & Robben, 1999; Langerak et al., 2008).

In sum, past success at pioneering is a crucial factor not only in de-commoditizing the new TNE provisions but also in reducing the students' perceived risks, especially when launching a highly innovative TNE provision due to lack of product knowledge of new TNE provisions (De Brentani, 2001).

2) NPD drivers

Results from the three cases study suggest that in facilitating market acceptance, it is critical that TEIs engage in developing market drivers of NPD. In the present study, market driver of NPD refers to "the market-oriented new joint program development" which highlights the importance of the local market-oriented TNE programs on the success of new educational provision launch. According to the study survey, 80.4% of students were fully aware that their TNE programs were market-oriented (e.g., employment focus). In the product launch literature, the market driver is an important concept that affects launch success (Kuester et al., 2012; Storey, et al., 2016).

The data suggests that market driver of NPD in the TNE industry with a strong local market knowledge is the key to launch success, consistent with the studies of both Ngo and O'Cass (2012) and Kuester et al. (2012). The data also suggests that product ideas such as "local market-oriented" that are derived from the marketplace find greater student acceptance. This is because the market driver can create the superior value of new educational provision to the target students relative to competition and thus increase launch success. This finding is in agreement with the studies of previous literature (Deshpande et al., 1990; Atuahene-Gima, 1996).

In conclusion, the "local (labour) market-oriented driver of TNE programmes" tends to be more successful in China's TNE industry. It is an important ingredient for launch success and is often used to measure market success in China's TNE industry (Griffin & Page, 1993).

Location strategy

The empirical findings of this study indicate that location strategy appears to be a major factor influencing the launch success of the new educational provisions. It is one of the new dimensions in the success of TNE services launches. The results of the student survey show that the good location of the program has been regarded as an important factor that affected their university-choice decision. It has scored a high mean (4.75 out of 7.0 points). Surprisingly, no aspects of location strategy have been investigated in the previous product launch studies. Research provides evidence that location advantage is an important competitive differentiator to attract new students in the study:

First, three cases underlie their unique location advantages that can be offered to the target students to distinguish themselves from the competition and enhance aspects of location attractiveness. It is evident that the location of Greater Shanghai Area (or urban location) often provides TEIs with a wealth of diverse resources (e.g., industry affliction, higher-income, and talented students, local government support). These reflect that an additional benefit offered by these target markets is the opportunity for a higher return (exceed their risks taken) and may have better chances of survival.

Second, location advantages were found to be strongly liable to be proceed from one specific university location, prevail throughout China, which can shape their geographic scope of competition and can serve as a barrier to entry to increase the probability of achieving success.

Third, successful new TNE provisions are more likely to use location as a proxy to strengthen direct communication to target students. Prospective students usually seen location as a "physical presence" and ease of contact to enhance its visibility, disclosing that the distinguishing nature of TNE services is highly intangible and provides better personal contact.

Finally, this research highlights geographic location proximity to a university. Good location can easily attract customers to visit and help service organizations get access to the local customers as much as they can (Kotler et al., 2013), thus attempting to greatly reduce risks. A good and convenient location is a key driver of channel choice for most students, and service providers, and is important to gain access to the marketplace. Thus, location advantage can enhance the chance of new TNE services success.

Altogether, these findings add to previous research by demonstrating that the location strategy can have an important impact on launch success for TNE services featuring a high degree of complexity and customization.

9.2 The successful tactical launch decisions

Essentially, the tactical launch decisions involve marketing mix adjustments on – how to launch (Hultink et al., 1997). In this study, the following tactical launch decisions result in the success of new educational provision launches in China:

- Product
- Accessibility
- Communication
- Price
- People

Product

1) Branding

The research of the three cases study demonstrate that branding of "parent" universities has been found to be a primary determinant of the success of new TNE provisions in China. This is supported by the results of standard regression analysis in the student survey, showing that positive branding leads to student satisfaction with $\beta = 0.126$ at $p < 0.05$ level.

The research also demonstrates that the TEIs with successful launches are more likely to use the co-branding or brand extensions of their Chinese partners to introduce their new educational provisions (see Table 7.1, Chapter 7). It appears that such branding strategies are more viable than the creation of a new brand. This result is supported by Hultink et al. (1997; 2000) and Garrido-Rubio and Polo-Redondo (2005), arguing that failure seems to be linked to the use of new brand whereas success is tied to the use of brand extension or co-branding.

It is evident that market success is based on their parent universities' high reputation for quality, reliability, and expertise, in the eyes of the target students. This is supported by Storey and Easingwood (1996) and Yeniyurt et al. (2007), arguing that reputation contributes strongly to success, especially in a global environment.

The local prospects could use the reputation of the parent universities to reduce their perceived risks and this would give them a strong tangible clue to the quality of the new provisions when the reputations of new provisions are not established, due to the distinctive nature of new TNE services. In turn, it will improve the chances of new TNE launch success in China. This is consistent with the studies of De Brentani (1991), stating that a company's reputation is so essential for new service launch successes since it tends to provide a little market recognition when entering the new international market.

More specifically, the finding shows that the Chinese students across the board have a preference for the strong branding of the Chinese partner university. Because the local students have no detailed experience or awareness of international partner universities; their international partner institutions have low brand recognition in the TNE market in China; a TEI with a successful launch is inclined to use the powerful branding of its Chinese partner university to help its international partner university enhance its visibility, gain market recognition in the local market and accelerate market acceptance. These findings add to previous literature demonstrating that partnering with strong local players can indeed help to facilitate a successful launch of new educational provisions in China.

In sum, a strong branding of “parent” universities can be considered as an important tool to facilitate the launch of the TNE provisions into new markets.

2) Product assortment

Empirical evidence of the three cases study suggests the successful TNE provisions generally tend to use the narrow product assortment (specializations). This is supported by the results of the student survey, indicating that narrow program lines have been provided in these three cases. But this finding is starkly in contrast to launching a broader assortment of successful new products in the existing NPL literature (e.g., Hultink et al., 2000; Hsieh et al., 2006). This inconsistency may be due to the fact that the Chinese TNE regulation has many restricted ranges and requires restricted offerings that must meet China's social and economic development.

On the other hand, empirical evidence indicates that the introduction of narrow specializations for new educational provisions may achieve a “tangible” differentiation advantage in relation to local ones in China and offer the most popular specializations with employment focus (see Table 7.3, Chapter 7), responding well to the specific TNE market in China. However, these findings are not mentioned in the extant literature.

Therefore, product assortment can have an impact on the success of the new product launch.

Accessibility

1) Multiple channels integration

Results from the three cases study suggest that there would be a greater probability of reaching success if multiple channels were used for the introduction of the new educational provisions. This is supported by the student survey. Results of the large-scale survey show that all items of the accessibility factor have high mean values of 4.00-5.21 out of 7 points. It demonstrates that the importance of easy access to TNE information has been highlighted in the eyes of the students. In testing the impact of accessibility on student satisfaction, standard regression analysis results indicate that accessibility is a barrier to student satisfaction with $\beta = -0.137$ at $p < 0.05$ level. This suggests that the accessibility channel constraint can lead to a lower probability of achieving market launch success. These findings are consistent with the previous literature (e.g., Bowersox et al., 1999; Bruce et al., 2007), arguing that accessibility decisions in effective competition play a proactive and critical role in new service performances.

In addition, the data from the three cases signifies that the successful TNE provisions that have become fitted, in a manner highly useful to them, are more likely to be exposed to these different favourable channels and then disperse widely across China to maximize their accessibility. Wider accessibility can help them facilitate product diffusion through the market and then to reach target markets with greater ease (Hart & Tzokas, 2000). However, the findings in this study are different from the previous studies, arguing that one type of channels (e.g., current channels, or new channels) is critical element in the success of TNE service launches (Hultink et al., 2000; Garrido-Rubio & Polo-Redondo, 2005). This difference could be attributed to the development of new technology that brings new ways to deliver services in recent years and the inseparable and intangible nature of TNE services.

This research demonstrates that effective accessibility could enhance successful market development by the network of key intermediaries. The key intermediaries are important in providing access to target customers and TEIs build close relationships with different key intermediaries, which can reinforce their competitive advantage in the Chinese local market. Unfortunately, this is not mentioned in the normative literature of NPL.

The research also demonstrates that successful new TNE service launches were strongly liable to proceed from the local province to recruit students, prevail throughout China, which might shape their geographic scopes of competition, broaden their student pools and serve as a barrier to entry via multiple channels integration, in order to increase the probability of achieving success (see Table 7.13, Chapter 7). It reflects that effective accessibility decision provides an important effect in facilitating launch success. Unfortunately, this is not mentioned in the normative literature of NPL.

Thus, these findings add to previous research demonstrating that accessibility tactics for the TNE services featuring a high degree of complexity and customization through multiple channels can contribute strongly to market success and the network of key intermediaries can create a competitive advantage for the TEIs and enhance effective accessibility.

2) Accessibility expenditures

Empirical evidence of the three cases study presents that launch success appears to be decided by accessibility expenditures. As regards the accessibility expenditures with respect to the competition, the spending level plays an important role in achieving satisfactory market acceptance. Particularly, the higher expenditures level is more likely to enhance the chance of success of a new educational provision. This finding is consistent with the previous new product launch literature, arguing that higher investment in accessibility has been found to be a key determinant of new product success (Green et al., 1995; Hart & Tzokas, 2000; Hultink et al., 2000; Hsieh et al., 2006; Ledwith & O'Dwyer, 2008). This result reflects that the success of new TNE provision introduction backed by adequate resources (e.g., money) to enhance their core competence and positional advantages has an improved chance to launch success.

By extension, the importance of accessibility expenditures is probably a key factor in predicting rates of TNE provisions acceptance and each case has spent more money on the network of intermediaries (see Table 7.14). This tactic can help to disperse quick, easy access to the local target students, widen recruitment scope to cover more potential students and increase the number of potential students who come to know about the existence of the new TNE provisions. Because TNE services feature a high degree of complexity, risk, customization and interpersonal contact. Unfortunately, this is not mentioned in the normative literature of NPL.

Thus, these findings add to previous research demonstrating that the role of accessibility investments in the network of intermediaries in market success for TNE services featuring a high degree of complexity and customization.

Communication

1) Multiple communication channels

Results from the three cases study suggest that there would be a greater probability of reaching success with an innovative educational provision if multiple communication channels were used for marketing the new provisions (see Table 7.7 – Table 7.10, Chapter 7). This is supported by the student survey. The results indicate that multiple communication channels have exerted crucial influence over the students in their TNE programme choices. For the non-personal communication channels, the results indicate that university websites (mean = 5.35), learning environment (mean = 5.24), search engines (mean = 5.01) are the most important non-personal channels for the students to make TNE program choices. Similarly, for the personal communication channels, word-of-mouth (WOM) (mean = 5.23), face-to-face (mean = 4.89) are the most important factors.

These findings show that the different communication channels are the means of dispersal to raise awareness, enhance the credibility of new TNE provisions and reduce the perceived risks of the target market. This result suggests that no independent channel is as powerful as multiple channels in the TNE service industry in China, with an emphasis on increasing the opportunities of interactive communication channels (Table 7.8). It differs markedly from the traditional launch decisions for new products that largely focus on one-way mass communication (Hultink et al., 1997; Lee et al., 2011; Gruner et al., 2019). This difference could be attributed to the advent of internet communication technology that brings new ways to deliver services in recent years (see Figure 7A). Another possible explanation for this might be that the distinctive nature of TNE services is a high degree of interaction, complexity, intangibility and customization. Thus, these require TEIs to communicate with the target audience more deeply, interactively and directly.

Thus, the successful TNE service launches in this study are more liable to emphasize interactive communication, student engagement and direct contact with potential students via the new social media to gain effective control (Table 7.9). TEIs can take more direct control of their offerings and strengthen visibility via multiple channels. Communication decisions are directly responsible for aiding the market's acceptance of a new educational provision (Lee & O'Connor, 2003b). Without proper communication, the target students can perceive a product's innovativeness as risky and difficult to adopt (Lee et al., 2011).

The data also shows that the students in this research are becoming increasingly their reliant on multiple communication channels to evaluate different information sources, improving a differentiating "reality" in their minds and helping them make decisions on their university choices, with easy access to the Internet. It suggests that attention to regular customer contacts in the communication tactics separates services launches from product launch (De Brentani, 1999; Smith & Fischbacher, 2005).

Therefore, these findings add to previous research by demonstrating that multiple communication channels are critical to launch success for new TNE services that are experiential in nature and delivered by higher personal contact, in addition to another critical element of communication decision in the product launch literature (Gruner et al., 2019; Frattini, Dell' Era, & Rangone, 2013; Lee et al., 2011; Chen et al., 2007) and one-way mass communication (Hultink et al., 1997; Lee et al., 2011; Gruner et al., 2019).

2) Communication expenditures

Empirical evidence of the three cases study suggests that communication expenditures are important issues in the successful launch of new TNE provision. Although qualification education programs (e.g., JI and JP) and non-qualification education program (e.g., SC) have different patterns of communication expenditures with respect to the expenditures made by competitors, the higher communication expenditures are more likely to enhance the chance of success of a new educational provision. This finding is consistent with the previous new product launch literature, arguing that communication expenditures are required for new product success (Hart & Tzokas, 2000; Frattini et al., 2013; Gruner et al., 2019).

The data highlight that more communication expenditures especially when undertaken using new social media communication channels could improve the likelihood of achieving satisfactory market acceptance. New social communication spending may find it helpful to create awareness and improve the adoption of new services products (Frattini et al., 2013; Gruner et al., 2019). They may reach a wide audience at a lower cost, obtain timely feedbacks from potential students, stimulate the interactive communication between prospective students. This indicates that the more student engagement involved, the more communication spending on new social media is required to achieve student enrolment goals. Because TNE services are a high degree of complexity, risk, customization and interpersonal contact. Unfortunately, this is not mentioned in the normative literature of NPL.

Thus, these findings add to previous literature by demonstrating that communication expenditures (especially new social media spending) are crucial to launch success for new TNE services featuring a high degree of complexity and customization.

People

Service expertise

The more striking result to emerge from the data is that the successful launch of new TNE provisions in China hinges directly on the service expertise, which has not been mentioned in the literature of new product launch. This is supported by the student survey: results of the standard regression analysis indicate that service expertise positively impacts on student satisfaction with $\beta = 0.128$ at $p < 0.05$ level. These findings are consistent with previous research of NSD (De Brentani, 1991; Johne & Storey, 1998; Storey et al., 2016), arguing that the role that service expertise plays in effective competition is widely recognized determining performance.

Service expertise is often perceived as the "visible" elements in the eyes of prospective students and their parents and provide the basis for differentiation between competitors. It discloses that the unique features of TNE service offerings are the high degree of complexity, interaction and customization (Kuester et al., 2013). As perceived risk as a commodity is much greater for TNE services, service expertise can also educate and communicate to students what they really need to know about selecting TNE programs. Indeed, market education to target customers is an important part of new service launches (Storey & Easingwood, 1998).

Thus, these findings add to previous research demonstrating that service expertise plays a critical role in market acceptance for TNE services featuring a high degree of complexity and customization.

Price

Value-based pricing

Another new important finding is that value-based pricing seems to be particularly critical for the market success of new educational provision (see Table 7.4 – Table 7.5, Chapter 7). The students regard them as an economical way to achieve a high-quality foreign education in China, reflecting that the pricing decision is still a critical element in the new TNE services launch. This finding is consistent with the previous studies (Lee & O'Connor, 2003a; Calantone & Di Benedetto, 2007).

The research shows that pricing is "context-specific" (Hultink et al., 2000). Since TNE services have no ownership, the value is subjective between service providers and students. An alternative interpretation of this result is that the pricing decision of TNE services is much more complex and difficult to make the students understand what exactly they are paying for, due to the intangible nature of new TNE services.

In this present study, thus, the successful TNE service launches are more likely to set the price based on value rather than on cost to enhance the perceived value of the TNE services in the minds of target students. This is also supported by the student survey: results of the standard regression analysis indicate that value-based pricing positively impacts on student satisfaction with $\beta = 0.212$ at $p < 0.05$ level. It means that student value-based pricing uses the students' views of value as the key to pricing in China's TNE industry.

It is evident that the students seem to believe that higher tuition fees are always perceived as a high value of the new TNE provisions (e.g., good educational quality). This is because higher prices may signal students to believe that the new TNE provision has substantially added value and is worth paying. This especially occurs when students face information asymmetries in evaluating new TNE services (Lee et al., 2011). Indeed, the intangible nature of the TNE services implies greater uncertainty attached to buying new TNE services.

The research also demonstrates that the launch of new educational provisions is more likely to base its clear advantage on higher value-based pricing in China's TNE market. The pricing decisions cannot be made separately from other strategic launch decisions. They need to be made in light of the perceived advantage of new TNE provisions relative to competition while avoiding cost-based pricing (Hart & Tzokas, 2000; Song et al., 2011). Higher value-based pricing can help to understand the price ceiling of TNE services with a substantial advantage. In turn, it is more probable to maximize the successful launch of new TNE provisions in the Chinese TNE market.

Surprisingly, little empirical evidence is provided in the product launch literature on how the higher value-based pricing decision plays a critical role in the effective launch. Thus, these findings add to previous literature demonstrating that higher value-based price tactics are crucial to market success for TNE services featuring a high degree of complexity and customization.

9.3 Consistencies with and differences from previous research

This research has accomplished its research purpose by identifying strategic and tactical launch decisions that result in the success of the new educational provision launch in China.

It is very difficult to make a direct comparison with the results of other new product launch research. First, the majority of new product launch success factor studies have focused on physical products, which are clearly different in many respects from TNE services. Second, many of the studies have compared successes versus failures. In other words, the sector examined (TNE services) and the class of products explored ("typical" successful new educational provisions as opposed to successes versus failures) in this study.

However, certain parallels are evident, even if differences between the various types of studies exist, they can usually be explained. Consider the findings of this research versus those found in the study of consumer and industrial product (Hultink et al., 2000): where successful new products are compared to unsuccessful ones. When the researcher compares the study of launch decisions for consumer and industrial products (Hultink et al., 2000) versus the current results, again similarities and differences are apparent (see Table 9.1 and Table 9.2).

Table 9.1
Differences in Strategic Launch Decisions for Consumer, Industrial and TNE Service Products

Introduction Variable	Consumer New Products	Industrial New Products	TNE services products
Product Strategy Decisions			
Product Innovativeness	More innovative	More innovative	More innovative & highly innovative
NPD Cycle Time	Short-to-moderate	Shorter	It depends on the nature of the TNE programs
Market Strategy Decisions			
Market Growth Rate	Moderately growing market	Higher growth rates	Higher growth rates
Targeting Strategy	Mass markets	Niche	Niche
Stage of the PLC		Mature	Mature
Competitive Strategy Decisions			
Product Advantage	Incremental improvements	Performance improvements	Performance improvements: *education quality*
Number of Competitors		A few competitors	A few competitors
Firm Strategy Decisions			
NPD Driver	Mainly market driven	Market and technology driven	Market driven & policy driven
Innovation Strategy	Fast imitations	Technological innovations	Innovator/pioneer
Location Strategy Decision			Location advantage

Source: developed from Hultink et al., 2000

Regarding the variables of launch strategic decisions, the key findings to be drawn from Table 9.1, compared to the findings of the study of Hultink, et. (2000):

First, *product superiority* (i.e., program differential advantages and product innovativeness relative to the competitors) can greatly influence the success of TNE service launches. It has also been identified as important for new TNE launches. In comparison with physical product launches that are incremental in nature, however, TNE service innovation tends to develop highly new services to achieve launch success in the Chinese market and enjoy a positive performance effect, in comparison with the local ones. That is, a truly and unique innovative new TNE services can achieve a competitive edge in the Chinese market. This is mainly because innovative physical goods can be protected via patents or proprietary technology whereas their service-oriented counterparts are rather easy to be copied.

From Table 9.1, a further aspect of education quality was found to be important for TNE services, but not for tangible products. Therefore, education quality not only extends product advantage for typical TNE service launches to include education quality, but it demonstrates the distinctiveness of TNE service launches. First-mover advantage (innovator) also enables an innovative educational provision to gain an important market edge in the TNE services, differentiate itself as the perceived high-quality provider and thus may be difficult to copy for competitors. In turn, the first-mover advantage will improve the chances of success. Note that relative product innovativeness, the first-mover advantage (innovator) and targeting are central to launch strategic decisions because they are specific to the new educational provision being introduced (Guiltinan, 1999).

Second, *market characteristics* are found to be one of the most important dimensions leading to market success in all product launches. For example, the factors of niche markets, higher growth rates and mature stage of PLC for TNE services are as important in the development of an educational provision as for industrial product launches. In addition, the data shows that *a local market-oriented driver of new product development* is also important to launch success in the TNE industry across the three cases, similar to their product-oriented counterparts. But one should note that the market-oriented TNE service launches are closely related to its unique context. In order to meet China’s urgent needs, for example, the government education policy in China is a clear signal to the local market driver of NPD in the Chinese TNE industry.

Third, *cycle time* depends on the nature of the TNE programs in China, unlike physical product launches. In contrast with qualification education programs in the JP and JI, the speedy cycle time is considered enormously important for non-qualification education programs in the SC.

Finally, one additional factor - *location strategy decision* - is one of the new dimensions for TNE service launches and has not been identified in previous launch studies. It is an important competitive differentiator to attract new students. This result may be explained by the fact that it is very challenging for TEIs to respond to demands across the borders, since services are perishable, and they cannot be stored, as mentioned in Chapter 2: Managing demand. Strategic location decision not only highlights location strength but also shapes the local geographic scope of competition to maximize the probability of launch success.

It is clear to see that tactical launch decisions are a significant part for the successful launch of new TNE services. As mentioned in Chapter 2, the nature of TNE is people-based services, high intangibility, and personal contact. They are the critical elements of the goods-services distinction in the TNE services. Thus, tactical launch decisions of TNE services require quite different marketing mix activities, as shown in Table 9.2, demonstrating that tangible products launches are different from intangible service launches. A new tactical launch factor – *people* – has been recognized as an important factor specific to the launch of TNE services success. Such service expertise has not been documented as a critical element in physical product launches.

By comparison with their physical counterparts in the study of Hultink et al. (2000), therefore, TNE services tactical launch decisions put more emphasis on *interaction, relationships and context-specific*. This is due to the nature of TNE services, as noted earlier in Chapter 2. This is also consistent with the service-centred dominant logic for marketing, arguing that "service provision and the cocreation of value imply that exchange is relational" (Vargo and Lusch, 2004a; 2004b).

Table 9.2
Differences in Tactical Launch Decisions for Consumer, Industrial and TNE Service Products

Introduction Variable	Consumer New Products	Industrial New Products	TNE Services Products
Product Tactics			
Breadth of Product Assortment	A broader assortment	A broader assortment	A narrower assortment
Branding Strategy	More often a brand extension	Introduced with the company name	It depends: Brand extensions of Chinese partner universities; Use of co-branding in the joint institution
Distribution Tactics			
Distribution Channels	Use existing channels	Use new channels	Both (Multiple channels)
Distribution Expenditures	Higher relative expenditures	With similar relative expenditures	It depends
Pricing Tactics			
Pricing Strategy	Penetration pricing	Skimming pricing	Higher value-based pricing
Promotion Tactics			
Promotion Expenditures	More expenditure than competitors	Expenditure parity with competitors	It depends
Promotion Channels	More mass advertising	More customized promotion	More interactive communication; Multiple channels
People Tactics			
People			Recruitment expertise

Source: Developed from Hultink et al., 2000

Regarding the variables of launch tactical decisions, the key findings to be drawn from Table 9.2, compared to the findings of the study of Hultink, et. (2000):

First, the tactical launch decisions pay more attention to *interaction* with prospective students in the form of interactive communication, recruitment expertise approach and multiple-channel integration to approach target students easily and quickly, thanks to the advanced technology.

Second, *a relationship focus* is the other important part of tactical launch decisions. For example, branding strategy, effective communication channels, multiple recruitment channel strength, higher value tuition fees, and recruitment expertise all provide the tangible evidence of TNE services to build and maintain a continuing dialogue with the students and enhance the connections between brand and target students. Thus, both expenditures on wider accessibility and higher new social media communication would be required to support tactical launch activities, in order to enhance the success chance of a new educational provision launch in China.

Third, the tactical launch decision of TNE service is *context-specific* which is different from their tangible counterparts'. TNE services are highly contextual (Biemans et al., 2016) and refine the components of launch decisions for adapting to the specific context – the TNE services environment in China. For example:

- A specialization (or narrow product assortment) is an important ingredient for launch success in the TNE industry to respond to China's economic development.
- Branding strategy is more concerned about cooperating with local partners and the power of the local partner's branding, in order to respond to China's TNE regulations, which leads to enhancing the chances of market acceptance.
- Pricing decisions should be from the eyes of local target students: higher value-based tuition fees are easier to attract them.

These three examples demonstrate that contextual specificity is significantly associated with the successful launch decisions in the particular characteristics of the TNE industry, indicating that *sensitivity to the local context* plays an important role in market launch success. Hence, when it comes to the actual process of launch tactics activities, an adaptation of the normative literature is required to tailor to different situations.

Taken together, the three sets of findings above suggest that new service launch for TNE provisions represents a different set of decisions than those for physical products, although there are some universal success factors across context and time, given the special characteristics of TNE services. Thus, the findings have attempted to demonstrate that transnational education *is becoming more evidence-based*, due to the TNE services that feature a high degree of complexity, risk, customization and interpersonal contact. Unlike new physical product launches, thus, successful launch strategies for new TNE provisions tend to provide more "tangible evidence" and tactical launch activities of TNE services are most focused on raising the visibility of the new educational provisions. The more tangible TNE service launches, and the easier it is to achieve a differential product advantage and hence new product success (Cooper and de Brentani, 1991). In addition, these results also suggest how to introduce new educational provisions in ways that may increase market launch success.

The next chapter will present the theoretical and managerial implications, limitations of the study and directions for future research.

Chapter 10
Conclusions

10.0 Introduction

This chapter aims to discuss the findings, theoretical and managerial implications, limitations of the study and directions for future research. The chapter first details the research contribution. It then managerial implications, limitations of the current study and future research.

10.1 Research contributions

As noted in section 1.1 (see Table 1.2), rather than focus primarily on a new physical product launch, this research project focuses on new service launch. Rather than focus primarily on the financial services, this project focuses on the TNE services. Rather than focus primarily on a cross-sectional survey from single respondents, this project focuses on multiple case study from multiple informants. Rather than focus primarily on the manager's perspective, this project focuses on both the TEI's perspective and student's perspective. Rather than focus primarily on a developed market, this project focuses on an international market. In an effort to address the important gaps in the NPL literature, the strengths and original contributions of this present project with respect to two key areas are represented in the following manner:

1) Theoretical contributions

This study supplies a literature review that elucidates the meaning of launch strategy and the factors contributing to its success, thereby building a framework for the management of new product launch strategy:

First, in theoretical terms, this study contributes to the NPL literature by identifying the successful service launch strategies and understanding the nature of a proficient service launch strategy. It focuses on new service launch within NPL – an area has been deemed important but not received any empirical attention. In doing so, it *generalizes and extends* the current NPL literature review by focusing on new service launch as opposed to the heretofore focus on new physical product launches mentioned within the NPL literature.

Second, the study contributes *conceptually* towards the replication in theory development by introducing new concepts and extending the framework of the NPL strategy, so as to explain this important phenomenon of the TNE services (but previously unexplained empirical generalization) and improve our understanding of this phenomena, by adding new dimensions to the extant literature on product launch as well. Studying service contexts featuring a high degree of complexity and customization in terms of the heterogeneity of service sectors is therefore pivotal to complement the previous research and to allow a better understanding of the impact of the service context on launch success.

Third, integrating theoretical concepts from various disciplines with empirical data can facilitate the making of a theoretical contribution because it encourages a new perspective on the issue of launching new educational provision in China. This research study revisits the framework of the impact of launch decisions on new product performance and the empirical evidence is used to support the general and determining factors of launch strategy discussed in the extant literature. Then it extends this body of literature through the new evidence found. Additional constructs have been introduced, emphasized and interpreted to address the distinguishing characteristics of services that are important to launch success.

Finally, this study gains significance as it is conducted in the international market. Regarding this, the study could provide a useful insight into similar future studies across the globe where new educational provisions are introduced. The experiences of TEIs in the TNE market in China could provide some useful lessons for other international markets, especially for other Asian markets. This research has delivered a better understanding of the impact of the specific context on the success of new TNE services launch, to the new TNE service itself. Reflecting on product launch literature, this study has consistently demonstrated that the base structure of launch strategy decisions is particularly context-sensitive, due to the distinctive nature of complicated tacit services.

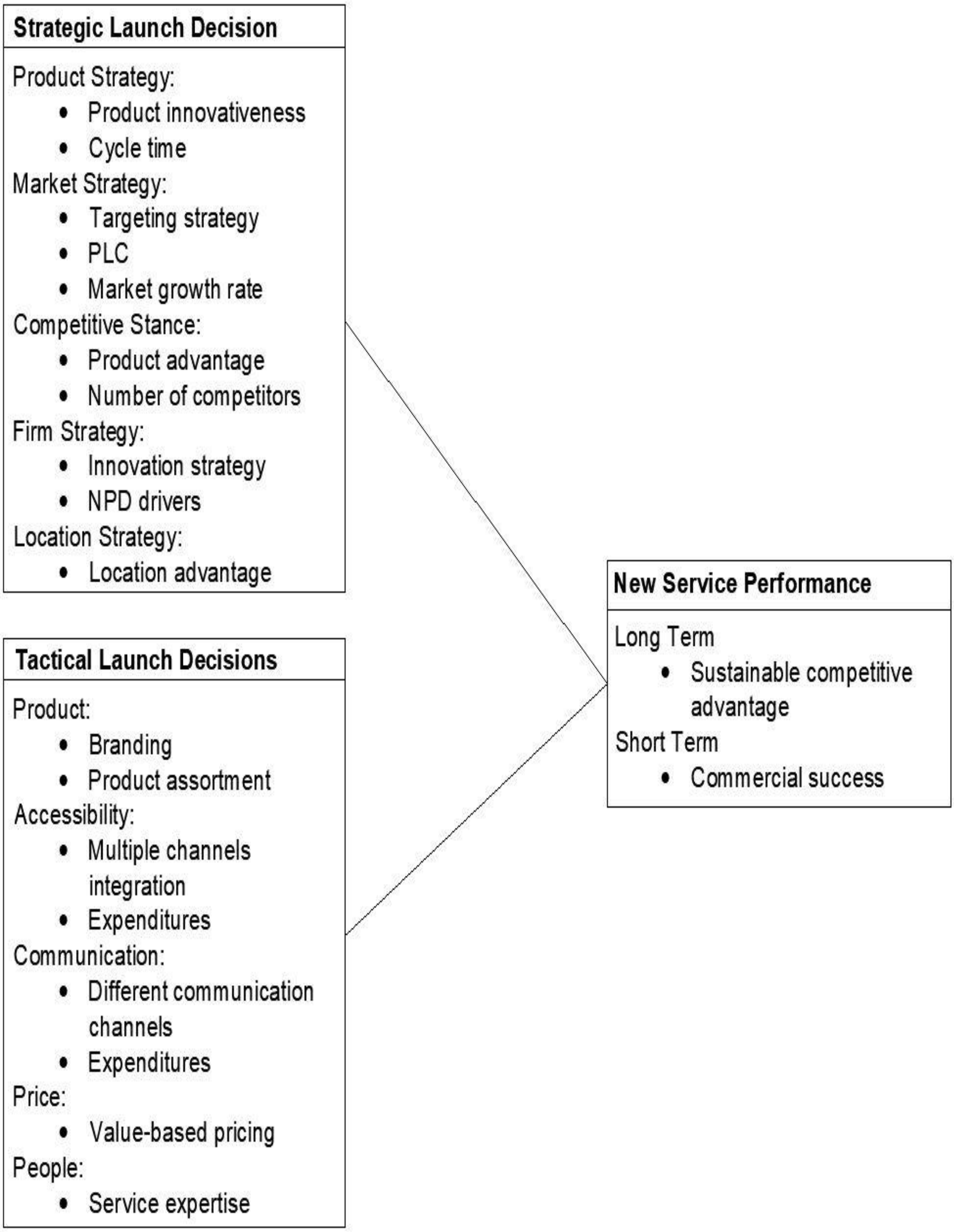
Note that there is an intercultural dimension in this study as Western launch strategies theories and practices are being utilized by Chinese universities. It explores this interconnection between the Western model of launch strategies which are being planned and implemented in different contexts, especially in the Asian context. It has also been demonstrated that a TEI cannot simply and completely use a model of a launch strategy from a Western culture; certain adaptations should be made.

Therefore, identifying a full set of strategic and tactical launch decisions in this research has contributed to a richer conceptual understanding of new service launch for complicated tacit services. The research study also contributes to the new product launch theory development first through replication and extension of the current concepts and framework of impact of launch decision on new product performance in 1997, and then through *innovation* manifests in the multi-disciplinary approach to the research question, by introducing new concepts and extending the existing framework of the new product launch strategy to explain this interesting, important and complicated phenomenon of the TNE industry in China.

Overall, in light of the findings, the theoretical contributions, the conceptual framework proposed in Chapter 3 can be modified as shown in Figure 10a below.

Figure 10a

The Framework of the impact of launch decision on new service performance in China’s TNE industry



2) Methodological contributions

The most important methodological contribution is that the research has collected the data from both the perspectives of TEIs and students. One perspective can be triangulated with the other to corroborate the findings across these two diverse viewpoints and synthesise the findings to identify the successful launch strategies for the launch of new educational provisions in China. Such an attempt is generalized and extended in trying to gain a more comprehensive understanding of the research phenomenon of launching new educational provision emerging from diverse perspectives and providing the basis for the model of launch strategies that affect launch success. Note that very little research has investigated these two areas of launch strategies at the same time. Such students' perspectives provide a valuable insight of a rigorous identification of launch strategy components that may facilitate market launch success for complicated TNE services.

Another minor methodological contribution is this research project has moved from the large-sample survey to the case study approach that convey a more elaborate understanding about launching new educational provision in China.

10.2 Managerial implications

The findings of this research are therefore likely to be of interest to policy makers in TNE industry in China. The research also contributes to a more comprehensive understanding of the effective new TNE launch strategies and to provide managers in other institutions in the world with guidelines for launch success in China's TNE market or developing and marketing new TNE offerings. The findings speak to them about how the distinctive nature of TNE services impact on the new educational provision launch success.

Nevertheless, any reader wishing to understand more about the workings of the TNE marketplace in China and the management practices therein would benefit from this detailed research project (see Chapters 6, 7 8 &10 for the details).

Key lessons for success in new educational provisions in China are as follows:

Lesson 1: Launching successful new educational provision is predictable

Launch success or failure in the new educational provision should not be a gamble or full of uncertainty. There is a clear pattern to launch success for TNE services in China. Ten key strategic and tactical launch factors related to new service performance have stood out. These factors, in turn, consisted of a number of subitems.

The fact that market success is predictable and follows a definite pattern has important implications for the management of new TNE services launch:

a) Launch strategy factors describe the idea of the provision and of the market. For example, relative product innovativeness, product advantage, targeting and location and the like. These factors become important evaluation criteria for rating and ranking new TNE services launch projects for introduction, as well as for analyzing the chances of success for new educational provision launches in China.

b) Other tactical factors facilitate launch success; how to deliver superior value or differentiated benefits to the target market. These factors offer guidelines for reinforcing the way a university goes about launching and developing new TNE offerings in the target market.

Interestingly, many of these strategic and tactical launch factors are markedly different from the decisions for launching physical products, due to TNE industry-specific factors. For instance, regulatory, geographic issues and the nature of TNE services separate the determinant for both strategic and tactical launch decisions from other physical launch decisions. Therefore, the industry specific issues would stimulate managers' complete thinking of the launch of new educational provisions in the Chinese market.

Lesson 2: Product superiority increases the possibilities of succeeding in the TNE market in China.

New TNE service products are vital to market success. The launch of new educational provisions is a “success” because developing the core TNE provisions lies in “inheriting” joint strengths from their “parents” universities, delivering unique and superior benefits (TNE offering superiority and difference) and achieving a differential advantage over those existing ones with which it comes into competition in the Chinese market. As noted earlier, product superiority including product advantage and relative product innovativeness in relation to competitors is such an important ingredient in launch success that it cannot be ignored. Like decisions for launching physical products, the offerings are also the core of strategy in the TNE services. This is indicative of the core transnational education values. The only difference is that new TNE services should seek visible product benefits.

The core value of TNE provisions in China is to sell hopes and dreams to potential Chinese students. The primary motivation for Chinese students is that they have a joint/dual-degree or foreign degree from their chosen joint program or institution, which provides better access to career opportunities in relation to domestic HE provisions. In particular, getting a degree from a western university or from both western and Chinese universities will open up more employment at home and abroad or enable them to continue to study in one of the Top 100 universities in the world. The students assume that the TNE provision will provide superior quality to a degree, unique benefits and significant relative advantages, in comparison with a degree gained at a domestic university. Moreover, through such effective pathways, the students can realize their dreams of “going to study in the outstanding international university or working in the international company around the world.” This can be accomplished in two ways, by:

a) Launching new educational provisions which pay more attention to delivering unique and superior visible benefits – product superiority and seeking to increase the perceived value of the provisions to the student. This key point should be put into *the screening and evaluation checklist*

b) (see Appendix J). That is, the HEIs must be committed to the proposed new TNE services product with some unique elements and the product superiority is clearly differentiated from other similar ones. Specifically, introducing new programs is to meet China's urgent needs.

c) Building product superiority that is noticeable by prospective students. For example, some student-oriented questions should be taken into consideration: what is "our core education value?", what are "perceived program advantages?", what is "product quality?". In this way, the HEIs can utilize their resources more efficiently and build a visible superior advantage into their new provisions for the students'. This is of special importance for high-contact services.

Lesson 3: New TNE services have become more evidence-based.

The nature of TNE services is intangible and thus they are difficult to evaluate before purchasing and they are easily copied. Any relative advantages may be very short-lived. However, the alternative solution to this problem is often providing tangible evidence together with attempting to make the intangible tangible to the students. It is also an efficient way to create more concrete clues. HEIs should integrate physical evidence, including branding, location, communication and accessibility channels and service expertise.

As noted in Chapter 3, the distinctive nature of TNE services is a high degree of interaction, a high degree of complexity, a high degree of risk and uncertainty, a high degree of intangibility and of customization. These individual differences are highly important for us, as failure to understand the surrounding concept, "service" leads to being quite misunderstood or misfocused and then to ineffectual new service launch efforts (Kucamarski & Mandolia, 2013). Furthermore, these individual differences generally affect what managers consider important "tangible evidence". Therefore, these distinct characters need to be considered while making strategic launch decisions for new service. There are two practical implications, as follows:

a) University branding:

It is extremely important in the TNE market in China, which can have a strong effect on market success. A well-known brand name of the university with a long-standing reputation for a high standard of education in the TNE industry in the world could easily move into new educational provisions of selling trusts. Its success in this area is based on its reputation for the quality of education and student performances of the institution. New educational provisions should be very straightforward with a competitive advantage. Plus, relying on a positive university reputation of the key disciplines, perceived quality and value that are particularly important brand associations in the eyes of the target audience is to overcome this handicap of the introduction of new educational provisions. Also, a well-known university brand name and reliable reputation can allow local students to simplify their TNE programs choices and reduce the related perceived risk. Without this, it would become rather difficult to initiate the new TNE provision into the new market. Indeed, brands represent the students' perceptions and feelings about a university's offerings and its performance.

It is worth noting that the brand name of a local institution is considered enormously important. The essence of local university brand name is its being local, which means considerable proximity that goes far beyond the considerable local influence and social recognition (e.g., a strong network and good relationships with local government), which accelerate market acceptance rapidly. This is because Chinese students are primarily concerned with the characteristics of Chinese partner university from this research when they are unfamiliar with that of the foreign partner university.

As Hopkins (2015) said, "The painful lesson UK retailers have learnt is that China is large, complicated and a very capital-intensive market to crack. You can't just execute a text-book store rollout story in a market of 1.3 billion and direct it from the UK. Local knowledge is key. Therefore, partnering with strong local players and suppliers is the best route to success" (para. 3)

Therefore, a famous brand name of the university and its strong reputation (i.e., brand image) is an important criterion for decision-making in the absence of detailed experience or information from the Chinese students' viewpoint. In sum, a foreign university should think carefully about which is their Chinese partner university, or which is a critical step for the successful introduction of a new educational provision in China, especially for low market recognition of an international university in the dissimilar market.

b) Effective interaction and relationships:

These are crucial determinants of new TNE market success. The special characteristics of TNE services are often heavily people-based. Both the provider and the student can affect the performance of new services and the staff is a part of the TNE provision itself. As a result, new TNE service launch is not similar to their tangible goods counterparts. Plus, China is a "renqing" (interdependency/relationships) society. They largely focus on personal contact, building and maintaining a continuous dialogue with each other. Thus, the important factors were found to be highly significant for TNE services: interaction with prospective students and their parents, as well as a relationship, focus. *After all, more and more people talk about your new TNE provision, which can lead to reducing the perceived risks and the problem of credibility. This point is distinctly different from other western markets*.

Besides, the efforts of value-based prices, the integration of different communication and recruitment channels and service expertise are making the intangible services tangible to energize market acceptance. In the eyes of prospects, branding, value-based prices, accessibility, communication and people are regarded as "tangible clues" for the intangible TNE services to reduce their perceive risks and enhance their adoptions. Plus, easy to access, a strong brand name and reputation, effective communication, service expertise, and good student performances *command premium fees* in this lucrative market to a TEI. From the students' viewpoint, in addition, these "tangible cues" are thought of as perceived advantages or values to them and they are willing to pay for, indicating the importance of tangible evidence in the TNE services industry in China. Apparently, special efforts during the launch of new TNE provisions, to connect it to tangible evidence such as the reputation for the quality of education and performance, can help to overcome the problem of intangibility and manage their perceptions.

Lesson 4: Contextual specificity – TNE industry factors

It is becoming apparent that the contextual specificity is the only possible cause of service innovation and decides whether a new TNE service launch is successful or not, as part of China's TNE regulation. The Chinese TNE regulation suggests that new TNE provisions could not be independently created but has descended from the "parent" universities to respond to China's TNE regulation. In this research, everything (e.g., the TNE regulation, market demands, and economic strength) favours the launch of new educational provisions. Under the favourable conditions, new TNE service provisions might be particularly well adapted for the local market to readily gain an advantage by service innovation. This means that China physical environment (the special characteristics of Chinese market) is favourable for its introduction of new educational provisions and then it may accelerate the introduction of new TNE services. This also indicates that the special features of emerging markets (e.g., different regulations in different industries) can influence launch success and innovations can cause launch problems that need to be overcome and be effectively managed (Trim & Pan, 2005; Bruce et al., 2007; Subramaniam, 2015). On the contrary, if the launch of new educational provisions fails to adapt to the specific environment through innovation in a corresponding degree with its competitors, the launch will assuredly fail.

Besides, the new TNE service launch decisions will be innovative on the direct and indirect action of the specific context. When it comes to the actual process of launch, an adaptation of the normative literature is required to tailor to different situations. Thus, identifying appropriate actions that are related to launch decisions that affect new product launch success may differ depending on different countries, regarding different government policies, geographies and economic developments across the countries.

Nevertheless, contextual specificity is an important component in simplifying and improving comprehension of complicated and risky managerial decisions of launches (De Brentani, 1995). This means that different market types require different launch decisions. It cannot be denied that we are as yet very ignorant of the full extent of the different contexts and geographic changes, and such changes will obviously have greatly facilitated the introduction of new TNE services. Hence, a manager at a western university should be more sensitive to and adaptable to the special characteristics of emerging markets that are different from other advanced markets.

10.3 Limitations of the current study and directions for future research

This research has helped better define the complicated structure of successful launch decisions. However, as with all research, the methods employed have inherent limitations, which lead to opportunism to improve future research.

1) This research takes a broad, comprehensive approach to identify a set of launch decision factors that can result in the success of new educational provision launches. The research focuses on identifying what are the successful launch strategies for new educational provisions in China. Additional research is needed to make direct and dyadic comparisons between TNE program successes and failures to discover principal discriminating factors.

2) As with any method, the case research approach has its limitations. This research was conducted within the context of the Chinese TNE industry. Hence, the results of the study are limited to TNE joint programs/institution and to the area of China. Since government policies, management principles and cultures differ around the world, new strategic and tactical launch decisions may differ depending on the region where the data are collected. Consequently, this study needs to be replicated in other relevant international contexts, in order to contribute to the generalisability of the findings.

   This research is the in-depth case study research presented that can contribute to the field by identifying the successful launch strategies factors and providing “initial insights”. The findings presented here should be considered “tentative”. The main purpose of this research is to enrich data instead of gaining statistical generalisability. Thus, three cases with the different TNE models were conducted in this study. In selecting the participating case studies, this research aimed at choosing as diverse cases as possible to enrich data rather than reach statistical generalizability. Therefore, the sample bias in selecting the case studies and consequently the generalizability in this project is limited.

In addition, the generalizability of the findings to other TNE service sectors and, in general, to other service sectors are limited. Future research should identify broadly generalizable results in different service sectors or different industries and geographies. This line of research holds great opportunity for future investigations. Exploring TNE services through cross-country comparisons using the framework presented in this study is also a promising research direction.

Further exploration of the interrelationships between these two sets of constructs and new service performance using a cross-sectional data, or a longitudinal methodology, or mixed-methods are worth implementing in the future. Because the use of these methods will both deepen and broaden our understanding of launching new educational provisions in China; encourage cumulative knowledge building in the current NPL literature and the theory of NPL will gain a general character.

3) Regarding number of cases, these three “typical” selective cooperating Chinese universities have been chosen. Eisenhardt (1987) has recommended that “a theoretical sampling approach that involves between four and ten extreme cases in which the phenomenon of interest is transparently observable” (p. 537). Using a finite number of cases enables researchers to achieve a satisfactory level of theoretical saturation and to find some balance between replicating or extending the emergent theory and having to cope with large amounts of data (Eisenhardt, 1987). Therefore, future research can follow Eisenhardt’s recommendation for a theoretical sampling approach involving the finite number of cases. In addition, future research can identify some extreme cases that featured successful and failure new TNE provisions. The researcher can look more closely at these provisions and how they influence launch success.

4) Regarding the student survey research, there are some factors with fewer than three items in this research. These factors are generally weak and unstable; a factor with at least five items can produce more strongly loading items, which is desirable and indicates a solid factor. A future researcher should introduce a

factor with more items to reduce the item number and retain the strong ones in the future.

5) Regarding the university strategy section in the student survey, it is better for the researcher to use list questions (e.g., yes/no/don't know) than to use closed questions (e.g., yes/no), because list questions are very useful when the researcher needs to ensure that the respondent has considered all possible responses instead of closed questions that are referred to as 'forced-choice questions' (Saunders, Lewis and Thornhill, 2012). All future research should pay attention to this point.

   However, these list questions have led to some nonmetric variables that were used, although the researcher did the data transformation, changing from the nonmetric variables to the metric variables. In most cases, the multivariate techniques (e.g., regression analysis and factor analysis) require that metric variables be used (Tabachnick & Fidell, 2007). Thus, future research should use more metric variables in the survey questions, avoid the use of list questions and then more effective statistical tests will be employed when the multivariate techniques will be used.

6) Regarding scale development, index constructions of "product advantage" and "product innovativeness" with informative indicators are an alternative to scale development, although these two index constructions can be regarded as "reflective" constructs in the NPS literature (e.g., Ottenbacher and Gnoth, 2005; de Brentani, 1991). "Most researchers in the social sciences assume that indicators are effect indicators. Cause indicators are neglected despite their appropriateness in many stances. Such neglect is certainly the case in marketing, because practically all measures available are based – implicitly or explicitly – on reflective indicators" (Diamantopoulos and Winklhofer, 2001, p. 269). However, the traditional procedures (e.g., factor analysis and assessment of internal consistency) are not appropriate for formative indicators (Diamantopoulos and Winklhofer, 2001).

They further put forward that “the choice between a formative and a reflective specification should primarily be based on theoretical considerations regarding the causal priority between the constructs and the latent variable involve” (p. 274). Future research can use some covariance structure analysis such as LISREL) to solve this problem. The general LISREL model is useful to examine the hypothetical relationships among the different constructs. Because covariance structure analysis has resulted in “an almost automatic acceptance of reflective constructs” (Diamantopoulos and Winklhofer, 2001, p. 274).

In sum, I must acknowledge that I could have employed more effective statistical tests, if I had used more scales in my survey questions.

7) In the data presentation in the QUAL data analysis, the reader is not easy to follow, since some data are presented in table and then some in text or some tables are about interview quotes and others are just document data. For clarity, thus, future research can only present the interview data in text and the triangulation data in the tables. In addition, the researcher should read good QUAL research to improve the data presentation.

8) The focus of this current study is to identify a full set of strategic and tactical launch decisions. Future research can focus narrowly on the specific tactical decisions, such as new social media communication, WOM communication, accessibility and price tactics.

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Appendix A

Examples of Sino-Foreign institutions and projects of HE in China

Main Foreign Partner	Country	Chinese Partners	Category	Founded	Level
New York University	USA	East China Normal University	Sino-Foreign Institution with an Independent Legal Entity	2012	U
University of Michigan	USA	Shanghai Jiaotong University	Sino-Foreign Institution without an Independent Legal Entity	2001	U&P
European Foundation for Management Development （EFMD）	Belgium	Shanghai Jiaotong University	Sino-Foreign Institution without an Independent Legal Entity	1994	MBA
University of Southampton	UK	Shanghai University of Finance and Economics	Sino-Foreign Cooperative Education Project	2000	U
University College Dublin	Ireland	Fudan University	Sino-Foreign Cooperative Education Project	2003	U
Luebeck University of Applied Sciences	Germany	East China University of Science and Technology	Sino-Foreign Cooperative Education Project	2003	U
National University of Singapore	Singapore	East China University of Politics and Law	Sino-Foreign Cooperative Education Project	2004	P
University of Tasmania	Australia	Shanghai Ocean University	Sino-Foreign Cooperative Education Project	2003	U
University of British Columbia	Canada	Shanghai Jiaotong University	Sino-Foreign Cooperative Education Project	2001	MBA
University of Technology, Sydney	Australia	Shanghai University	Sino-Foreign Institution without an Independent Legal Entity	1994	U
Deutscher Akademischer Austrauschdienst	Germany	Tongji University	Sino-Foreign Institution without an Independent Legal Entity	1996	P
University of Strathclyde	UK	Shanghai University of Electric Power	Sino-Foreign Cooperative Education Project	2004	U
University of Michigan – Dearborn	USA	Tongji University	Sino-Foreign Cooperative Education Project	2003	P

Hong Kong University	HK	Fudan University	Sino-Foreign Cooperative Education Project	1998	MBA
Northumbria University	UK	Nanjing Institute of Technology	Sino-Foreign Cooperative Education Project	2004	U
The University of Liverpool	UK	Xi'an Jiaotong University	Sino-Foreign Institution with an Independent Legal Entity	2006	U/P/D
Duke University	USA	Wuhan University	Sino-Foreign Institution without an Independent Legal Entity	2013	U/P/D
Monash University	Australia	Southeast University	Sino-Foreign Institution without an Independent Legal Entity	2012	P/D
The University of Nottingham	UK	Zhejiang Wanli University	Sino-Foreign Institution with an Independent Legal Entity	2005	U/P/D
Kean University	USA	Wenzhou University	Sino-Foreign Institution with an Independent Legal Entity	2014	U
University of Strathclyde	UK	Harbin Engineering University	Sino-Foreign Cooperative Education Project	2003	U
Université Paris-Sorbonne, Université Paul Valéry, Kedge Business School	France	RenMin University of China	Sino-Foreign Cooperative Education Institution without an Independent Legal Entity	2012	U

Note: U=Undergraduate, P=Postgraduate, D=Phd

Source: MoE, 2013

Appendix B

Illustration of triangulation of new service performances in the three cases		
The short-term performance:		
➢ Commercial success	Interview excerpts	Other sources
Achieving the target enrolment numbers	"**Meeting target student enrolment numbers represent the straightforward financial measure**. On the other hand, **if the actual student enrolment number is met or above the target enrolment numbers, it will illustrate that our new program launch is very successful**. We are **a self-financing college. The college is independently managed and responsible for its own profits and losse**s. Thus, **the financial reason is strong for our sustainable development**." (Informant 1, SC)	"TNE initiatives that are **commercial in nature** and are usually intended to be for **profit**. **Non-sustainable foreign provision of HE if profit margins are low**." (Document: UNESCO, 2006)
The long-term performances:		
➢ Sustainable competitive advantage (SCA)	Interview excerpts	Other sources
Student performances: Further study around the world and the employability rates	"More than 70% of our graduates are studying masters or PhD. in overseas universities after graduation." (Informant 3, SC)	"We have **cultivated more than 3,500 students** in our school over more than ten years. Our program graduation rates have **achieved above 90%**. It means that most of them can gain HND certificates every year. The graduation rates of our students in our international cooperating schools are **above 90%**."

		(Documents: student recruitment office)
	"…and we have lots of successful graduates who are working in Germany and China; others are studying in German universities." (Informant 9, JP)	"**25% of students have successfully applied for the postgraduate programs in Top 25 British universities, including Durham, Oxford, LSE, and Warwick**. After graduation, many students are **employed in the finance industry in China**." (Documents: student recruitment office)
	"Above 75% of graduates are studying for a master degree in the USA, Germany, and the UK, etc. Some students are employed in German companies. Others are working in an international company in China." (Informant 8, JP)	"According to the school's 2015 Graduates Report, 83.28 per cent of our students went to prestigious universities including Oxford, Cambridge and Imperial College London in the United Kingdom, Chicago, Columbia and Cornell in the United States and the Swiss Federal Institute of Technology Zurich." (Document: student admissions and career development office)
	"More than 80% of our graduates manage to continue their education in international universities after graduation." (Informant 14, JI)	"In 2015, the graduates found employment in Technology or Engineering sectors (43.73%), Financial Services (30.74%), Marketing, Consulting, Business Trade, Supply Chain Management (13.86%), Education, Health and Government (7.79%)." (Document: student admissions and career development office)
Reputation improvement: To attract more students by strengthening the	"We are a 211 university, although we cannot compare with the top ten universities in China. We keep our attention fixed upon our own reputation. Thus, we will first consider whether this joint program can	The main drivers for TNE are **revenue generation**, **world player status-achieving**, skilled migration, mutual understanding, and capacity building (the improvement and sustainability of partnership engagement and **the**

institutional reputation locally and nationally	bring benefits to our students. We must primarily be responsible to and for students. Also, developing the joint program is not for profit-making but improving our university reputation, increase our influence and enlarging international cooperation." (Informant 8, JP)	**enhancement of university's local reputation and influence**). (Source: Naidoo, 2010)
Student satisfaction	"Student satisfaction is an important issue for the school's sustainable development these days. It has become an important component of quality assurance, which greatly affected the school's perceived image, reputation, and WOM in the eyes of students. Thus, we focus largely on the improvement of student satisfaction." (Informant 6, SC)	Overall, the research found that there was a high level of satisfaction with TNE programmes and institutes in China. Based on the student survey across the case, 67 per cent completely or mostly agreed that they were satisfied with their programme. (Source: Student survey in the three cases)

Source: Author

Appendix C

Working schedule for the data collection

Date/Time	Meeting Location	Title of the Interviewee	Topic of Discussion
12/06/2015-14/06/2015	University of Middlesex	Miss Liu (student)	Pre-test: questionnaires distribution and collection to students
20/06/2015 12:30-13:20	Skype Interview	Anonymous marketing director in the Chinese university	1. Brief presentation on the case study 2. Discuss the data collection process with reference with the school's experiences of recruiting Chinese students in the cooperating Chinese universities 3. Feedback on Interview protocol
19/08/2015 16:00–19:30 (UK local time)	Skype Interview	Anonymous student recruitment officer in the Chinese university	1. Brief presentation on the case study 2. Discuss the data collection process with reference with the school's experiences of recruiting Chinese students in the cooperating Chinese universities 3. Feedback on Interview protocol
20/08/2015-07/09/2015	University of Strathclyde	Undergraduate students from Engineering Project "2+2"	1. Brief presentation on the case study 2. Pre-test: questionnaires distribution and collection
09/09/2015-30/09/2015	Case JI	Miss Zhou (student)	Pretest: questionnaires distribution and collection
10/06/2015 14:00-15:30	University of Strathclyde	Mr. Leilei Tang Senior Lecturer in Finance	1. Brief presentation on the case study 2. Discuss the data collection process with reference with the school's experiences of recruiting Chinese students in the cooperating Chinese universities 3. Feedback on interview protocol
10/10/2015-14/10/2015	Case JP	Informant 12	1. Brief presentation on the case study 2. Survey translation 3. Feedback on survey and interview protocols 4. Printing questionnaires
15/10/2015 14:00-15:30	Case SC	Informant 6	Field Interview
16/10/2015 14:00-15:30	Case SC	Informant 1	1. Field Interview 2. Acquiring contact information for other informants
17/10/2015	Case SC:	Informant 7	Field Interview

18:00-17:30	In the Costa		
19/10/2015 to 25/10/2015	Case SC and Case JP	Informant 4 Informant 11	On-site questionnaires distribution and questionnaires collection
15/10/2015-16/11/2015	Case JI	Informant 14	On-site questionnaires distribution and questionnaires collection
22/10/2015 14:00-16:00	Case SC	Informant 6	Field Interview
29/10/2015 14:00-16:00	Case SC In the Costa	Informant 5	Field Interview
30/10/2015 12:30-13:30	In the restaurant	Informant 4	Field Interview
04/11/2015 14:00-15:30	Case JP	Informant 8	Field Interview
05/11/2015 16:30-18:00	Case JP	Informant 10	Field Interview
10/11/2015 14:30-15:45	Case JI	Informant 13	Field Interview
16/11/2015 14:00-16:30	Case JP	Informant 9	Field Interview
22/11/2015 14:00-16:00	Case SC	Informant 2	Field Interview
25/11/2015 14:00-16:00	Case JI	Informant 15	Field Interview

Appendix D

University administrative staff

Interview guide

Introduction to the Interview

The purpose of this study is to identify the key factors to which managers must pay attention when launching new products to an intensity of competition in a leading emerging market – the international higher education industry in China.

Your cooperation is strictly voluntary and anonymous. Your name will not be attached to any opinions or responses may not leave any particular questions unanswered.

Your participation is very valuable and will contribute greatly to this study.

Question 1:

What do you think of the transnational education industry in China?

Prompts & Probes:

High growth rate market (e.g., increase in size/expand rapidly/a growing number of customers); intensified competition; many competitors (how many competitors to your school)? Is this industry becoming more and more difficult to do it compare with the past several years?

Question 2:

What makes your university differentiation from your competitors?

Prompts & Probes:

Why students want to choose the international education program in your university? What are the competitive advantages of your university? (e.g., facilities, branding and reputation, location, etc.) What is your program advantage than others (e.g., higher quality/ better results/ provide unique advantages to customers /superior in the eyes of customers)? What is your innovation strategy of new international program development: technology innovator, fast follower, cost-reduced?

Question 3:

How do you define a successful new international education program launch in China?

Prompts & Probes:

What criteria do you use to determine whether or not to launch a new program? New techniques/input are very important in producing new international programs/services? Cycle time: the shorter, the better? In which situation do you really want to develop/introduce new international education program? Technology driver/market driver/both?

Question 4:

What are the characteristics of a program you would launch initially?

Prompts & Probes:

Is the concept of your international program easy to understand to your target students? How innovative the program should be? Is your program more /less /equally innovative than competing programs (e.g., the benefits the programs/services offer? Branding (good Chinese/international university name), good university reputation of both international and Chinese universities; targeting strategy: undifferentiated/selective/niche? Price: penetration/premium; How do the students perceive the price of your program?

Question 5:

How do you recruit students?

Prompts & Probes:

Which kinds of student recruitment channels have you used (e.g., new channels/existing channels/selective/indirect/direct)? How do you provide information about your university? Which source of information do you often use? How much expenditure have you spent on promotion and distribution? Compared with the past years, have you spent more on student recruitment? Which kind of media channels is much more effective? (e.g., traditional media/new media or impersonal/personal (WOM/Face-to-face)? Do you think student recruitment expertise is very important to attract new students? Why? (student-staff relationships)

Question 6:

Can you tell me about your students?

Prompts & Probes:

What are they major needs of your students? Do students need change? How do you find out about their needs?

Question 7:

How do you measure market success?

Prompts & Probes:

Student satisfaction? Sales? Market share? Image gains? New student enrolment numbers? Others?

Appendix E

A final coding framework after reduction of categories in the initial coding framework (1):
Strategic launch decisions

Final coding framework	Modified coding framework	Initial coding framework
Relative product innovativeness	• Importance of product innovativeness in new TNE provision launch in China • Regulation of product innovation characteristics in China • Characteristics of product innovativeness • Degree of product innovativeness	• The objectives for TNE programs in talent training/ The objectives of innovative TNE programs • The models for Sino-foreign cooperative education • TNE provisions are more innovative than local ones • Joint institution is more innovative than join programs • The typical characteristics of TNE provisions
New program development time	• Await MoE approval	• The difference between non-qualification and qualification education program: MoE approval
The targeting strategy	• Entry requirements • Family economic strength	• Entry requirements • The family economic strengths
Program maturity	• Similar and different characteristics of the mature TNE programs • Program maturity is a risk-reducer.	• Program maturity/program duration
High market growth rate	• Strong supporting relationship between launch performances (i.e., student enrolment goal) and high market growth rate	• It is closely related to student enrolment goal
Program advantage relative to competitors	• Quality of program and credibility • Skills impacts	• The quality of program and credibility

	• International dimension of teaching and learning • Flexible routes study	• Unique program features in each case/other particular program features in each case
Number of competitors	• Differentiation from their major competitors	• The main competitors of each case (the number of competitors)
NPD drivers	• (Local) market-oriented	• Market-oriented driver/Market-oriented program innovation/joint program
Innovation strategy	• Pioneer	• Pioneer new joint program
Location advantage	• Geographic location strength	• Highest demographic density • An issue of the region in student recruitment • Unique location features • The position of the school • The local government focus
	• Local government focus: JI	

A final coding framework after reduction of categories in the initial coding framework (2): Tactical launch decisions

Final coding framework	Modified coding framework	Initial coding framework
Branding of "parent" universities	• Benefits of the branding of "parents" universities in new TNE provision launch • Importance of the local branding of Chinese partner university	• The brand names and reputations of "parent" universities
Focus	• Main criteria for focus selection	• The narrow range of majors • It is closely related to market-oriented driver
Tuition fees	• Good-value tuition fees • Higher value-based tuition fees	• Value-based tuition fees
Student recruitment expertise	• Advantages and roles of recruitment expertise • Quality relationships between recruitment expertise and students	• Very reliable, trustworthy, knowledgeable (personal reliability) • A credible source • Relationships-building with students
Multiple channels of student communication	• Categorization of multiple communication channels • Common communication channels • Most influential touchpoints of student communication • Main criteria for the supporting communication channels in the three cases	• The integration of the multiple communication channels • the importance of the multiple communication channels • Methods of multiple communication (WOM, Direct inquiry and social media) • The relationships of enrolment numbers & the selective channels
Communication expenditures	• Adequate communication expenditure	• Expenditures on communication
Multiple student recruitment channels	• Importance of the integration of multiple student recruitment channels • Classification of multiple student recruitment	• Different student recruitment channels: Relationship development; teacher recommendations: e.g., the key influencers in the senior high schools; the admission

	channels • Important aspects of multiple student recruitment channels	office in each province; the professional recruitment teams; online recruitment.
Student recruitment channels expenditure	• Investing adequate money on expanding the source of students	• Expenditures on building and maintaining student recruitment channels

Appendix F

No.	Variables	The existing scales	The adapted existing scales
1	Program innovativeness	Service concept difficult for clients to evaluate/understand; Less innovative; more innovative	The concept of new education provision (e.g., new joint program/new joint institution) is difficult to understand; Program or services are more innovation than others
2	Program advantage	Low, medium, high, compared with competing products; Offers unique benefits to the customer not available elsewhere; Considered to be more innovative than the competition	The program that you have chosen is superior in your eyes related to others; The program that you have chosen provides unique advantages to you, compared with others
3	Product assortment	Offers a broad range of courses and programs	Offers a broad range of courses and programs
4	People	Experts/professionals important in creating service;	Experts and professional important in creating service
		Frontline: experts/professionals perform judgmental tasks	Good advice was available from experts/professional
5	Branding	Firm reputation played a major role in trial of service	Chinese university/international partner university reputation: played major role in trial of it
		Is well known	Good Chinese universities name Good international partner university name
6	Price	Tuition fees/cost of living	Tuition fees/costs of living in China/in the foreign country; Programs offers value for money
		Improve employment prospects	A foreign degree is best for employment
7	Communication	Use of fairs and trade shows Seminar-lectures about the product was organized (e.g., press conference, reception) Use of newspapers advertising Use of magazines advertising Use of direct mail Email Use of internet advertising: websites; search engines; Online social network	Exhibitions/fair Seminar-lectures about the program Newspapers Magazines Direct mail Email University websites Search engines (e.g., Baidu) Online social network (e.g., Sina, Weibo) Mobile phone

		Use of direct response advertising (e.g., telephone) Use of pamphlets, leaflets Posters Learning environment Face-to-face On the phone Through email/mail Internet chat WOM	Brochures and leaflet Posters Learning environment Face-to-face On the phone Through email/mail Internet chat (e.g., QQ) Word-of-Mouth (WOM) influence (e.g., friends)
8	Accessibility	Current channels and new channels; Intensive, selective and exclusive; Direct and indirect contact Service location influences Ease access of company information	Direct contact with the university (e.g., face-to-face) Indirect contact through the non-university Good location of programs Easy to obtain information on international education programs Easy to obtain information on international partner universities
9	Student satisfaction	I am satisfied with ... 1. the education I received while at [university name]. 2. the facilities at [university name] when I was a student. 3. the manner in which I was treated as a student at [university name]. 4. how [university name] prepared me for a career. 5) Recommendation my university to others (e.g., friends)	I am satisfied with ... 1. the education I received while at [university name]. 2. the facilities at [university name] when I was a student. 3. the manner in which I was treated as a student at [university name]. 4. how [university name] prepared me for a career. 5) Recommendation my university to others (e.g., friends)
10	Targeting strategy	Niche, selective, mass market	The program that you have chosen has tailored to your taste
11	No. of competitors	1-to-3; more than 3;	1-3; 3-5; >5
12	Market growth rate	Less than 5%; more than 5%; Likely to be introduced into the mature/fast-growing markets	High market growth rate: yes/no
13	NPD Cycle time	<1 year; 1-3 year; >3 years; More/less likely to achieve short time-to-market	In terms of the new programs/services development time: the shorter, the better: yes/no
14	Driver of NPD	Market; mix of market/technology; mainly market driven; mainly technology driven	New programs/services development driver in your university are market-oriented (e.g., employment focus): yes/no
15	Innovation strategy	Innovator; Follower	Innovation in your university: pioneer, fast followers
16	Stage of the PLC	Intro/growth; maturity/decline; Launched into markets with many/few competitors	Intensified competition: yes/no

Appendix G

Student survey

Dear Student:

The main purpose of this study is to identify the successful launch strategies for new education provision in China. **We would therefore be most grateful if all participants respond to this questionnaire**. The format of the questionnaire should facilitate rapid completion.

Thank you in advance for your time and contribution to this work.

International Program/Institution Choice Decision in China

Q1. Please show the extent of your agreement of each of the following influenced on your decision to study the international education program in your university, ranging from (1) "Strongly disagree" to (7) "Strongly agree".

	Strongly disagree						Strongly agree
	1	2	3	4	5	6	7
Offers a broad range of courses and programs							
The concept of new education provision (e.g., new joint program/new joint institution) is difficult to understand							
Programs/services are more innovative than other universities'							
The program that you have chosen is superior in your eyes related to others							
The program that you have chosen provides unique advantages to you, compared with others (e.g., higher quality, better results than others)							
The program that you have chosen has tailored to your taste							
Good Chinese university name							
Good international partner university name							
Chinese university reputation: played major role in trial of it							
International partner university reputation: played major role in trial of it							

Q2. How important did you rate the following issues for choosing the international education program in your university? Please tick a number in each case ranging from (1) "Least important" to (7) "Most important".

	Least important						Most important
	1	2	3	4	5	6	7
Direct contact with the university (e.g., face-to-face)							
Indirect contact through the non-university (e.g., intermediaries)							
Excellent physical facilities							
Good location of programs							
Easy to obtain information on international education programs							
Easy to obtain information on international partner universities							

Q3. Please show the extent of your agreement of each of the following VALUE-FOR-MONEY (PRICE) issues for choosing the international education program in your university, ranging from (1) "Strongly disagree" to (7) "Strongly agree."

	Strongly disagree 1	2	3	4	5	6	Strongly agree 7
Value-for-money: A foreign degree is best for employment	○	○	○	○	○	○	○
Value-for-money: Tuition fees/costs of living in China	○	○	○	○	○	○	○
Value-for-money: Tuition fees/costs of living in the foreign country	○	○	○	○	○	○	○
Program offers value for money	○	○	○	○	○	○	○

Q4. Please rate the following sources from which you gained information about the international education program in your university through non-personal communication channels, ranging from (1) "Least important" to "Most important".

	Least important 1	2	3	4	5	6	Most important 7
Exhibitions/fair (e.g., Gaozhao Hui)	○	○	○	○	○	○	○
Seminar-lectures about the program were organized for students	○	○	○	○	○	○	○
Newspapers	○	○	○	○	○	○	○
Magazines	○	○	○	○	○	○	○
Direct mail	○	○	○	○	○	○	○
Email	○	○	○	○	○	○	○
University websites	○	○	○	○	○	○	○
Search engines (e.g., Baidu)	○	○	○	○	○	○	○
Online social network (e.g., Sina Weibo)	○	○	○	○	○	○	○
Mobile phone	○	○	○	○	○	○	○
Brochures & Leaflet	○	○	○	○	○	○	○
Posters	○	○	○	○	○	○	○
Learning environment	○	○	○	○	○	○	○

Q5. Please rate the following sources from which you gained information about the international education program in your university through personal communication channels, ranging from (1) "Least important" to "Most important".

	Least important 1	2	3	4	5	6	Most important 7
Face-to-face	○	○	○	○	○	○	○
On the phone	○	○	○	○	○	○	○
Through email/mail	○	○	○	○	○	○	○
Internet chat (e.g., QQ)	○	○	○	○	○	○	○
Word-of-Mouth (WOM) influence (e.g. friends, relatives, etc.)	○	○	○	○	○	○	○

Q6. For each statement, show the extent of your agreement by selecting the box that reflects your view of the importance of the university contact persons (e.g., admission officers, frontline).

	Least important 1	2	3	4	5	6	Most important 7
Experts & professional important in creating service	◯	◯	◯	◯	◯	◯	◯
Good advice was available from experts/professional when I needed to make decisions	◯	◯	◯	◯	◯	◯	◯

Q7. I am satisfied with

	Strongly disagree 1	2	3	4	5	6	Strongly agree 7
the education I am receiving while at (university name)	◯	◯	◯	◯	◯	◯	◯
the manner in which I am treated as a student at (university name)	◯	◯	◯	◯	◯	◯	◯
how (university name) will prepare me for a career	◯	◯	◯	◯	◯	◯	◯
the facilities at (university name)	◯	◯	◯	◯	◯	◯	◯
ease of university information access	◯	◯	◯	◯	◯	◯	◯
recommending my university to others (e.g., friends, etc.)	◯	◯	◯	◯	◯	◯	◯

University Strategic Decision

Q8.1. Are you aware of your university in the international education industry in China?

(Please circle the appropriate answer)

High growth rate market:

- ◯ Yes
- ◯ No

Q8.2. Intensified competition

- ◯ Yes
- ◯ No

Q8.3. Number of your university's competitors

- ◯ 1-3
- ◯ 3-5
- ◯ >5

Q9.1. Are you aware of the following new programs/services development in your university?

(Please circle the appropriate answer)

New techniques/input are very important in producing new programs/services:

- ◯ Yes
- ◯ No

Q9.2.
In term of the new programs/ services development time: the shorter, the better.

- Yes
- No

Q9.3. New programs/services development driver in your university are market-oriented (e.g., employment focus) :

- Yes
- No

Q9.4. Innovation Strategy in your university:

- Pioneer
- Fast Follower
- Cost Reduced

Personal Background Information

Q10. Gender:

- Male
- Female

Q11. Age:

Q12. Major:

Q13. Level of Study:

Level 1	Level 2	Level 3

Q14. Full name of your (Chinese) university:

调查问卷

此项研究的主要目的在于确定中外合作办学的成功推广战略。在此由衷感谢所有参与者对与问卷的回应。问卷格式简洁方便，请麻烦您能快速完成。

非常感谢花费您的宝贵时间和对这项科研调查的支持。

Q1 下面哪些因素影响你选择贵校的中外合作项目项目。请打钩：

注明：1） 非常不同意 2）很不同意 3）不同意 4）中立 5）同意 6）很同意 7） 非常同意

	1	2	3	4	5	6	7
1. 有很多专业/课程可供选择	❍	❍	❍	❍	❍	❍	❍
2. 中外合作办学这个办学理念很难理解	❍	❍	❍	❍	❍	❍	❍
3. 与其它学校相比，我校的专业课程更具有创新力	❍	❍	❍	❍	❍	❍	❍
4. 与其它学校的课程，在你眼里你所选择的专业是最理想的	❍	❍	❍	❍	❍	❍	❍
5. 与其他学校的课程相比，你所选择的课程更具有独特的优势（例如，质量更高，就业前景更好）	❍	❍	❍	❍	❍	❍	❍
6. 你所选择的专业更符合你的口味	❍	❍	❍	❍	❍	❍	❍
7. 好的中国大学名字 （即好国内大学的品牌效应）	❍	❍	❍	❍	❍	❍	❍
8. 好的国外大学名字 （即好的国外大学的品牌效应）	❍	❍	❍	❍	❍	❍	❍
9. 中国大学的声誉：让你尝试了中外合作办学	❍	❍	❍	❍	❍	❍	❍
10. 国外合作大学的声誉：让你尝试了中外合作办学项目	❍	❍	❍	❍	❍	❍	❍

Q2 你通过什么渠道了解贵校的中外合作项目？请打勾。

注明：1）一点也不重要 2）很不重要 3）不重要：4）中立 5）重要 6）很重要 7）最重要

	1	2	3	4	5	6	7
1. 直接面对面与校方联系							
2. 通过第三方间接联系学校							
3. 学校有非常好的硬件设施							
4. 学校好的地理位置							
5. 很容易获得中外合作项目/办学的相关信息							
6. 很容易获取国外合作大学的相关信息							

Q3 下面是关于价格因素（性价比）对于你所选择得中外合作办学项目。请打勾：（1）"非常不同意"到（7）"非常同意"。

	1	2	3	4	5	6	7
1. 性价比：国外文凭对就业有较好的声誉							
2. 与四年本科都在国外就读相比：在中国学习和生活的性价比比较高							
3. 与四年本科都在国外相比：两年在国外学习和生活的性价比比较高							
4. 中外合作项目性价比比较高							

Q4 下面是关于你是如何获取中外合作办学的相关信息。请打勾：1）"一点也不重要" 到 7）"非常重要"。

	1	2	3	4	5	6	7
1. 高校教育展（例如高招会）							
2. 学校组织的招生说明会							
3. 报纸							
4. 杂志							
5. 直邮							
6. 电子邮件							
7. 学校官方网站							
8. 搜索引擎（例如百度）							
9. 网络社交媒体（例如新浪微博）							
10. 手机短信							
11. 学校宣传手册和宣传单页							
12. 海报							
13. 学校的学习环境							

Q5 下面是关于你如何获得中外办学项目的相关信息 （以互动的形式）。 请打勾： 1）"一点也不重要"到 7）"非常重要"。

	1	2	3	4	5	6	7
1. 与校方面对面沟通	❍	❍	❍	❍	❍	❍	❍
2. 与校方通过电话交流	❍	❍	❍	❍	❍	❍	❍
3. 与校方通过互相邮件/寄信进行交流	❍	❍	❍	❍	❍	❍	❍
4. 与校方通过网络聊天 （如 QQ）	❍	❍	❍	❍	❍	❍	❍
5. 通过口碑：（如亲朋好友，校友）	❍	❍	❍	❍	❍	❍	❍

Q6 下面是关于你是否同意大学联系人/一线工作人员（如招生官员）对你选择中外合作办学的重要性。请打勾：1）"一点也不重要" 到 7）"非常重要" 。

	1	2	3	4	5	6	7
1. 专业人士的专业经验对择校	❍	❍	❍	❍	❍	❍	❍
2. 专业人士的专业建议对择校）	❍	❍	❍	❍	❍	❍	❍

Q7 满意度：

	1	2	3	4	5	6	7
1. 我很满意在学校所接受的国际教育	❍	❍	❍	❍	❍	❍	❍
2. 我很满意学校对待我的方式	❍	❍	❍	❍	❍	❍	❍
3. 我很满意学校对我职业发展的帮助	❍	❍	❍	❍	❍	❍	❍
4. 我很满意学校提供的教学设施	❍	❍	❍	❍	❍	❍	❍
5. 我很满意和很容易得到中外合作办学的相关信息	❍	❍	❍	❍	❍	❍	❍
6. 我很满意推荐我们学校给我的朋友等	❍	❍	❍	❍	❍	❍	❍

Q8.1 你如何看待贵校在中国国际教育市场：（请在适当的回答上打勾） 是高速增长的市场

❍ 是
❍ 不

Q8.2 是竞争激烈：

❍ 是
❍ 否

Q8.3 贵校有几个竞争对手：

❍ 0
❍ 1-3
❍ 3-5
❍ >5

Q9.1 以下问题是关于你如何看待贵校的新课程/新服务开发的：(请在适当的问题上打勾）新技术的投入对新课程/新服务很重要：

- 是
- 不

Q9.2 开发新课程/服务的时间越短越好：

- 是
- 不

Q9.3 以下是关于贵校新项目/新服务开发战略：

- 以技术为主
- 以市场为主
- 以技术和市场为主

Q9.4 以下是关于贵校创新战略：

- 技术创新
- 快速跟随
- 降低成本

Q10 性别：

- 男
- 女

Q11 年龄：

Q12 专业：

Q13 年级：

- 大一
- 大二
- 大三

Q14 中方大学全名：

Appendix H

An example of a data analysis matrix for cases

Categorical Coding Matrix			
Strategic launch decisions that influence launch success: Target Students			
Entry requirement	*"… After listening to the main requirements such as Tier 1 score and high tuition fees, many students are leaving. The rest are still there, which means that they are our target audience. Easy for us to identify them. (Informant 15, JI)*	*"The targeting strategy also depends on the nature of TNE program. After all, degree programs and non-degree programs have totally different entry requirements in China, which in turn lead to different targeting strategies." (Informant 1, SC)*	*"Identifying target students plays a critical role in market success, avoiding one-size-fits-all. Then we can focus on providing our students with the differentiated programs and services in the long term." (Informant 2, SC)*
Family economic strength	*"Most of our students come from rich families. Their families have their own businesses. Moreover, they can expand their social circle and find some business opportunities among their friends in the school." (Informant 4, SC)*	*"Those student families who have strong economic strength are qualified for this joint program. But I need to emphasize that our school are not 'rich kids club'." (Informant 8, JP)*	*"The middle-class in China is growing rapidly. … Their families are well-situated financially. However, target students lead to their similar family backgrounds. It is highly probable that they can find like-minded friends and build their social networks." (Informant 15, JI)*

Program Advantages in each case

Commonly used adjectives and numbers used to describe program advantage	Ways/Methods used to offer clear advantages to programs, reflecting in Recurrent Themes	Perceived Benefits to the target markets		
		Case SC	Case JP	Case JI
numbers, largest, first, new, excellent, good, best, unique, rich, international, famous, well-known, typical, pioneer, specialized, world, global	The cooperative partner(s)	Cooperating with SQA and CSCSE; a component of University A; Relying on the unique discipline feature of University A; Cooperating with international universities in UK, USA, Australia and New Zealand	The German university has been endorsed by MoE; it is one of the three earliest universities of applied sciences in Germany	Two famous Chinese university and British university with more than 100 years have cooperated to build a new & the largest international; independent institution; Joint strengths of two high ranking universities
	Years of Programs in The School	More than 10 years A rich experience in joint venture programs	More than 12 years A rich experience in joint venture programs	More than 10 years A rich experience in joint venture institution
	Awards	The best strategic partner in the East China by CSCSE; One of the first schools were authorise SQA-HND program by CSCSE	A typical model of Sino-foreign joint study program in Shanghai; The program was highly praised by DAAD in German and MoE in China	Model Sino-Foreign University and Pioneer of HE Reform in China
	Flexible study routes	“2+2” or “3+1” model	“2.5+1.5” or “4+1” model	“2+2” or “4+X” model

	Popular programs	Specialized programs (international finance and accounting) with an employment focus	Specialized programs: Environment engineering; Electrical Engineering and Automation with application ability focus	Six programs including management, science, engineering and language programs
	Graduates	Above 70% of graduates are enrolled in the cooperating international universities in the world	High proportion of further study after graduation, welcomed by the community; Above 75% graduates study their master degrees in USA, Germany and UK, etc.	Around 80% of graduates are enrolled in famous universities in the world and nearly 20% graduates are recruited in the Fortunate Global 500, government, or well-known Chinese companies
	The style of Student management	Paternalistic	Paternalistic	student autonomy

Sources: Author, derived from document data

Appendix I

Communalities of reduced sets of items

No.	Items	Communality
1	The concept of new education provision is difficult to understand	0.731
2	Programs/services are more innovative than others	0.608
3	The program that you have chosen is superior in your eyes related to others	0.654
4	The program that you have chosen provides unique advantages to you, compared with others	0.625
5	Good Chinese university name	0.716
6	Good international university name	0.754
7	Chinese university reputation	0.740
8	International partner university reputation	0.739
9	Targeting: The program that you have chosen has tailored to your taste	0.647
10	Product assortment: Offers a broad range of courses and programs	***0.474***
11	A foreign degree is best for employment	0.605
12	Tuition fees/costs of living in China	0.597
13	Tuition fees/costs of living in the foreign country	0.654
14	Program offers value for money	0.705
15	Experts & professional important in creating service	0.799
16	Good advice was available from experts	0.796
17	Exhibitions/fair	0.696
18	Seminar-lectures about the program	0.720
19	Newspapers	0.744
20	Magazines	0.670
21	Direct mail	0.822
22	Email	0.828
23	University websites	0.562
24	Search engines (e.g., Baidu)	0.734
25	Online social network (e.g., Sina Weibo)	0.729
26	Mobile phone	0.744
27	Brochures and leaflet	0.549
28	Posters	0.566
29	Learning environment	0.602
30	Face-to-face	0.647
31	On the phone	0.685
32	Through email/mail	0.689
33	Internet chat (e.g., QQ)	0.731
34	Word-of-Mouth (WOM) influence (e.g., friends)	0.697
35	Direct contact with the university (e.g., face-to-face)	0.680
36	Indirect contact through the non-university	0.595
37	Good location of programs	0.803
38	Easy to obtain information on international education programs	0.801
39	Easy to obtain information on international partner universities	0.532
40	Innovation strategy	***0.498***
41	PLC	0.648

Appendix J

The TNE Offerings Classification Scheme

No.	Category label	Subcategory label	Examples	Score
1	Innovation (8 points)	1.1. The objectives of student cultivation (2)	“We provide our students with life-changing experiences, equip them with fresh perspectives, transferable skills and a global outlook while inspiring them to become creative, confident and responsible professionals and citizens.” “nurturing innovative leaders with global visions” “To train technical specialist with a multicultural awareness.” “To foster high-quality and international talents.”	
		1.2. The TNE Models (2)	“With campuses in the UK, China and Malaysia, Case 1 is a world-class university with a truly global perspective” “The Joint Institute (JI) was jointly established by…” “the dual-degree and dual-diploma programs”	
		1.3. Innovator (2)	“a leading Sino-foreign cooperative education institute in China” “enjoy pioneer status as one of the earliest approved Sino-foreign join cooperative schools in China” “one of the earliest Sino-foreign joint schools in China”	
		1.4. Program innovation (2)	“…development models through fusing the Sino-US educational philosophy and characteristics.” “Integration and Development of Curricula (Sino-western curriculums)” “The teaching syllabus is British but, as with all UK universities, it is increasingly international and where	

No.	Category label	Subcategory label	Examples	Score
			appropriate Chinese elements are introduced into the teaching.”	
2	TNE Offerings Features (11 points)	2.1. The flexible study routes (2)	“…adopts the cultivation mode of “4+0”and is included in the national undergraduate enrolment plan” “Four learning pathways (2＋2, 2＋1＋1, 3＋1, 4＋0)”	
		2.2. The advanced educational philosophy (2)	“a unique educational philosophy of “Internationalization, Interdisciplinary, Innovation, Quality” “innovation and practical education” “advanced management philosophy and student training mode” “introducing the German Engineering training mode/vocational training mode”	
		2.3. The methods of teaching and learnings are different in comparison with local programs (2)	“English and German as medium in teaching, projects and practice activities “a small-class teaching” “inter-college transfer credits” “from Chinese English (bilingual) teaching to all English teaching” “professional courses in German and intercultural training”	
		2.4. Skills impacts (2)	- improve skills for career development: “…gain soft skills, such as creativity, teamwork, communication, and leadership” - Internship attached to program: “industrial internship programme” - improve language skills to get a good job: “English focus”	
		2.5. Study abroad (1)	“a tri-campus university” “provide students abundant opportunities to study abroad at our partner universities around the world” “international education exchange	

No.	Category label	Subcategory label	Examples	Score
		2.6. Learning environment (1)	"provide students with the international experience at home" "strong international academic environment"	
		2.7. Others (1)	- Facilities: "first class teaching facilities - Supporting services: "highly professional career services" "professional development centre and career services"	
3	Good location Attractiveness (5 points)	"…situated in the beautiful city of Wuxi, Jiangsu Province" "Shanghai city life" "Our city: geographical conditions, historic evolution, district and popularity, climate condition"		
4	Price or value (8 points)	"completing international courses without studying abroad at lower cost" "value for money"		
5	Specialization offered (8 points)	5.1. Niche subjects (4)	Business Engineering Others	
		5.2. More labour-market oriented (4)	"in-demands graduate" "good career/employment opportunities"	
6	Quality Assurance (8 points)	6.1. refer to the third party (2)	"All programs are accredited by the TEQSA and AUQA" "Strict quality assurance" "to continuous evaluation by QAA and the university institutions to ensure that the internationally-recognised UK standards are met if not exceeded"	
		6.2. the quality of students (2)	"Only applicants with the highest grades (first division) through Gaokao are eligible to study at the school" "excellent students" "in-plan recruitment (based on National Entrance Examination" "Tier 1 students through Gaokao"	
		6.3. the quality of faculty (2)	"Top quality staff" "World-class faculty"	
		6.4. the awards (2)	"the Model of International Education in Shanghai"	

No.	Category label	Subcategory label	Examples	Score
			"the Model school of Chinese-foreign Cooperation was awarded by the Shanghai Municipal Government" It has gained broad recognition as a successful Sino-foreign Cooperative Education School"	
7	Stability (5 points)	"more than 10-year experience of international branch campus in China" "a rich experience in joint institution" "the school was found in 1994" "several cohorts of graduates"		
8	The branding of "parent" universities (8 points)	"the collaboration between a Chinese university and an American university which ranks 12th in the world and is considered the best public university in the U.S." "University heritage of both universities: more than one hundred years"		
9	Student Performances (8 points)	achieve excellent rates of employment or achieve excellent rates of further study for tis graduates or both	"Nearly 90% of our graduates went to the graduate schools worldwide." "Many of our students have found themselves with several job options and most do not worry about finding employment. Some of our students have been accepted for postgraduate studies by renowned universities such as Oxford University, London University, Manchester University, Reading University, Nottingham University, New York State University and California State University, etc."	
10	Multiple sources of information (7 points)	10.1. Social media (e.g., WeChat, SinaBlog, etc.) (1)		
		10.2. The school's website (1)		
		10.3. Telephone (1)		
		10.4. Email (1)		
		10.5. Online require (1)		
		10.6. Exhibition (1)		
		10.7. Others (1)		
11	Accessibility (8 points)	11.1. Easy to obtain information on TNE programs (3)	Case 1	
		11.2. Direct contact with the university (3)	Case 2	

No.	Category label	Subcategory label	Examples	Score
		11.3. Indirect contact through the non-university (2)	the senior high school (Case 3)	
12	Admission (8 points)	12.1. Gaokao entry (3)	(Case 2)	
		12.2. Direct entry (3)	Online registration or the school's test (Case 1)	
		12.3. Both (2)	(Case 3)	
13	Legality (8 points)	Approved by the MoE		
Total				