Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.
- This page is left blank intentionally -
ABSTRACT

Internationalisation of education and increasing wealth among a growing middle class population in North Asia are two reasons for a growing number of students travelling overseas for their tertiary education. New Zealand is a popular destination-of-choice, where income derived from international education exceeds NZ$2bn annually.

Ownership of a New Zealand bank account is a mandatory requirement for international students. This thesis assumes there is a service gap in banks’ value proposition to international tertiary students as a result of differences in retail patronage expectations. Bank selection is the domain focus of this research, which examines the questions of “when do students consider bank selection questions when travelling overseas for their tertiary education?” and “what are the influencing factors behind bank selection?”. The research demographic comprised students from South Korea, India, and the Greater China countries of China, Taiwan and Hong Kong.

Prior research on bank selection is examined. Overall, the review identified limited research on the consumer segment, and on Asian international students in particular. Consequently, there is an identifiable gap between academic research and bank practice.

A qualitative approach using focus groups helped identify topics and vocabulary appropriate to the research. Findings from the focus group discussions led to the development of an online questionnaire which was eventually completed by 582 international tertiary students currently studying in New Zealand.

While findings showed that the majority of international students are satisfied with their main bank relationships, services offered by New Zealand banks do not fully address what international students want from their banking relationship. Further, convenience, low service fees and the adoption of mobile banking applications are three factors that appeal to the research demographic, and findings also call for banking officers to be familiar with Asian cultural nuances, where cultural familiarity has precedence over Asian language proficiency.
The implications for university international student recruiters and bank marketers include familiarity with when international students decide to travel overseas for their tertiary education and the influencing reasons why they choose to study in New Zealand; when and how Asian international students identify bank relationships in New Zealand; and, recognising the critical success factors to developing deep and meaningful relationships with the Asian international tertiary student segment.
ACKNOWLEDGEMENTS

The “journey” over the past six years as I attempted to complete this research is both agonising and gratifying. Often, the feeling was two-steps-forward-and-one-step-back! Gazing across the paddock on this unusually calm and sunny winter morning, and reflecting on the passage, I want to acknowledge and express my gratitude to those who have supported me along the way.

Dr Claire Matthews and Dr James Lockhart – my academic supervisor and co-supervisor – thank you for your guidance, and more importantly your patience, as I juggled family and work commitments.

Claire: Thank you for maintaining faith and going into bat for me when all things seemed to go belly-up. I enjoyed our supervisory catch-up sessions. I have to confess I am usually a little apprehensive during our meetings especially when I know I haven’t done enough.

James: Thank you for your insights on conceptualising the thesis as it progressed. During one of our conversations you said you’d teach me to shear after I submitted the thesis.

Similarly, there are a number of people and organisations that I would like to acknowledge for their contributions and support. The education counsellors or attachés at the People’s Republic of China, Taiwan economic and cultural office, Embassy of the Republic of Korea, Hong Kong economic and trade office (Sydney), and the High Commission of India, for their advice and support in distributing the research questionnaire. Also, colleagues from Massey University who helped frame my thinking and who provided invaluable advice on “getting through”. In addition, Education New Zealand for providing the statistics and background information required for my research, and ex-colleagues at the ANZ bank for taking time to discuss different aspects of my research and also for helping to distribute the research survey. I am grateful to you all. Thank you.

Undertaking a doctoral research also requires a significant financial commitment, especially as this research focused on five nationalities. For that, I am grateful and at the same time honoured to be the first doctoral recipient of the Prime Minister’s Scholarship to Asia.
At the same time, undertaking a doctorate often isn’t limited to just the candidate but also involves people closest to us. They “suffer” in silence. I’d also like to acknowledge them in the process.

My parents (Michael and Molly) for their love and support, always. Their courage to immigrate to New Zealand and having to face challenges associated with acculturation is testimonial to their resilience and determination to want the best for their two sons.

My brother and sister-in-law (William and Deanna), and niece (Avery). A beautiful family.

Last but not the least, I am greatly indebted to my wife Jenny and son Isaac.

Jenny: Thank you for your love, patience and support for the many nights and weekends when I had to focus on the research on top of long hours at work, and away from home. Thank you for looking after the family and “entertaining” Isaac, and, at the same time, listening to my frustrations.

Isaac: You are still too young to know what is happening and may wonder why Daddy is always working in his office. I bear the guilt of not being able to accompany you for many of your swimming lessons and outings with Mummy. I look forward to spending more family time with you, and watching you grow up into a confident and learned young man.

This thesis is also dedicated to my best friend Cookie, who passed away unexpectedly on 12 Dec 2014. Cookie was more than a dog in many ways. For many hours he would sit by my side as I worked, giving me a gentle nudge (when he wanted a pat or when he felt I needed one), and whose body language often more than made up for the inability to speak.
- This page is left blank intentionally –
TABLE OF CONTENTS

Abstract
Acknowledgements

CHAPTER 1: INTRODUCTION

1.1 Background to the research
1.2 Motivating factors behind this research topic
1.3 New Zealand education system
1.4 Focus of the research
1.5 Research objectives and hypotheses
1.6 Theoretical and practitioner value of this research
1.7 Outline of this thesis and summary

CHAPTER 2: PRIOR RESEARCH

2.1 Introduction
2.2 Defining international education
2.3 New Zealand as a destination-of-choice for international education
2.4 International enrolments from China, Taiwan, Hong Kong, South Korea and India
2.5 Banking service quality
2.6 Bank selection
2.7 Influence of globalisation on the banking industry
2.8 Chapter summary

CHAPTER 3: METHODOLOGY

3.1 Introduction
3.2 Overview of the research design and methodology
3.3 Preliminary investigations
3.3.1 Researcher’s background and working experience
3.3.2 Value of this research – Informal discussions
3.4 Discussion of the research paradigm
3.4.1 The choice of research paradigm
3.4.2 Research design and methodology
3.5 The qualitative study
3.5.1 Design of semi-structured interview (focus group setting)
3.5.2 Focus group sessions
3.5.3 Profile of research demography
3.5.4 Focus group attributes
3.5.5 Responses from the eight focus group sessions
(A) Motivating factors on enrolling in an overseas tertiary institution
(B) “Ease” of decision to study overseas 52
(C) Considerations given to “destination-of-choice” 53
(D) “Ease” of decision to study in New Zealand 54
(E) “Amount of time” taken for decision to study in New Zealand 54
(F) “Influencers” in the decision to study in New Zealand 56
(G) Familiarity with New Zealand banks 59
(H) Establishment of bank relationships before leaving for New Zealand 60

3.5.6 Development of hypotheses 61
(A) Decision on travelling overseas for tertiary education 61
(B) Bank selection questions (pre-departure from home country) 63
(C) Bank selection questions (post-arrival in New Zealand) 64
(D) Appropriateness of banking services offered by New Zealand banks (non-product specific) 65

3.6 Instrumentation – The quantitative study 67
3.6.1 The primary survey 67
3.6.2 Online questionnaire survey – advantages and limitations 68
3.6.3 Survey measurement 71
3.6.4 Pre-testing (pilot survey) of questionnaire 71
3.6.5 Participant profile and sample size 73

3.7 Data collection 75
3.7.1 Distribution of questionnaire 75
3.7.2 Improving response rates 76

3.8 Analysis of the survey data 77
3.8.1 Data preparation 77
(A) Rejecting responses that were incomplete 77
(B) Review of free responses – Data cleansing 78
(C) Coding of data 78
3.8.2 Analysis of survey data 78

3.9 Ethical considerations 80

3.10 Chapter summary 81

CHAPTER 4: RESEARCH FINDINGS 82
4.1 Introduction 82
4.2 Responses from the main survey (Online questionnaire) 83
(A) Hypothesis 1 84
(B) Hypothesis 2 90
(C) Hypothesis 3 95
(D) Hypothesis 4 103
(E) Hypothesis 5 109
(F) Hypothesis 6 117
(G) Hypothesis 7 120
(H) Hypothesis 8 122
LIST OF ILLUSTRATIONS

LIST OF TABLES

Chapter 2
Table 2.1 Summary of areas of research among the bank selection literature 28

Chapter 3
Table 3.1 Breakdown of participants’ demography 48
Table 3.2 Participant profile – Nationality, gender and programme of study 74

Chapter 4
Table 4.1 Participant demographic 83
Table 4.2 Statistical analysis of responses pertaining to “cost of education” 85
Table 4.3 Country rankings on “cost of education” 86
Table 4.4 Statistical analysis of responses pertaining to “cost of living” 88
Table 4.5 Country rankings on “cost of living” 89
Table 4.6 Analysis of responses to the time period when the decision of going overseas for tertiary education is made 92
Table 4.7 Ranking of responses (Country) 93
Table 4.8 Statistical analysis of participants’ response (Level of study) 101
Table 4.9 Ranking of responses (Country) 102
Table 4.10 MWW (gender) and KW (country) tests on participants’ responses 106
Table 4.11 Ranking of participants’ responses (Country) 106
Table 4.12 Statistical analysis to identify the relevance of stakeholder group 108
Table 4.13 MWW test on responses (Gender and level of study) 113
Table 4.14 KW test on participants’ responses (Country) 114
Table 4.15: Ranking of participants’ responses (Country) 115
Table 4.16: Bank selection variables taken into consideration
   – Ranking of variables

Table 4.17: Analysis of responses by participants who have established a
   New Zealand bank relationship prior to leaving their home country

Table 4.18: Dunn’s test to determine country ranking

Table 4.19: Statistical analysis of the digital modes (Country)

Table 4.20: Summary of the Top 5 variables

Table 4.21: Statistical analysis of gender responses to bank selection variables

Table 4.22: Participants’ responses (mean) to bank selection variables

Table 4.23: Top 5 variables for each nationality

Table 4.24: Variables selected with a “Top 5” rating

Table 4.25: Number of common responses to the “Top 6” critical success factors

Table 4.26: Frequency of “pricing” as a “Top 5” critical success factor

Table 4.27: “Price” as a “Top 5” most important trait

Table 4.28: Statistical analysis of the three variances of price
   (Gender, level of study, and country)

Table 4.29: Frequency of “convenience” as a “Top 6” critical success factor

Table 4.30: “Convenience” as a “Top 6” most important trait

Table 4.31: Statistical analysis of participants’ response

Table 4.32: Participants’ responses to banking officers speaking an Asian language

Table 4.33: Statistical analysis of participants’ response to the importance of
   cultural familiarity

Table 4.34: Statistical analysis of participants’ responses

Table 4.35: Summary of results for the hypotheses-testing
Chapter 5

Table 5.1  Research objectives and hypotheses  155

LIST OF FIGURES

Chapter 3

Figure 3.1  An overview of the research process  36
Figure 3.2  The four scientific paradigms  42
Figure 3.3  Major research designs and methods  43
Figure 3.4  List of influencers  57
Figure 3.5  Overview of pilot test completion  72

Chapter 4

Figure 4.1  Responses to cost of education and cost of living (%)  84
Figure 4.2  Conceptualisation of idea of going overseas for tertiary education  90
Figure 4.3  New Zealand as a destination for tertiary studies (Undergraduates)  95
Figure 4.4  New Zealand as a destination for tertiary studies (Postgraduates)  98
Figure 4.5  Decision for participants to travel overseas for their tertiary education  103
Figure 4.6  Participants’ responses on familiarity with New Zealand banks  109
Figure 4.7  Responses to establishment of New Zealand bank relationship prior to leaving home country  117
Figure 4.8  Participants’ responses – in hindsight – on uptake of electronic banking services prior to leaving for New Zealand  120
Figure 4.9  Participants’ responses to the statement – “It is very important for banking officers to be able to speak my mother tongue”  141
Figure 4.10  Participants’ responses to the statement – “It is very important for banking officers I interact with to have some familiarity with my culture”  143
Figure 4.11  Comparing between language proficiency and cultural familiarity (combining “strongly agree” and “very strongly agree” responses)  145

Figure 4.12  Participants’ responses on satisfaction with their main bank relationships (Gender and country)  147

Chapter 5

Figure 5.1  Conceptual overview of the thesis  152
<table>
<thead>
<tr>
<th>Appendix</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appendix 1</td>
<td>Definition of the main terminologies</td>
<td>202</td>
</tr>
<tr>
<td>Appendix 2</td>
<td>Breakdown of full fee-paying student segments</td>
<td>203</td>
</tr>
<tr>
<td>Appendix 3</td>
<td>Top 20 source markets for New Zealand in 2014 and 2015</td>
<td>204</td>
</tr>
<tr>
<td>Appendix 4</td>
<td>Discussion topics during focus group</td>
<td>205</td>
</tr>
<tr>
<td>Appendix 5</td>
<td>Participant information sheet and Consent form</td>
<td>206</td>
</tr>
<tr>
<td>Appendix 6</td>
<td>Participant information sheet and Main survey</td>
<td>209</td>
</tr>
<tr>
<td>Appendix 7</td>
<td>Responses on each variable determining bank relationship (China - Male)</td>
<td>227</td>
</tr>
<tr>
<td>Appendix 8</td>
<td>Responses on each variable determining bank relationship (China - Female)</td>
<td>228</td>
</tr>
<tr>
<td>Appendix 9</td>
<td>Responses on each variable determining bank relationship (Taiwan – Male)</td>
<td>229</td>
</tr>
<tr>
<td>Appendix 10</td>
<td>Responses on each variable determining bank relationship (Taiwan – Female)</td>
<td>230</td>
</tr>
<tr>
<td>Appendix 11</td>
<td>Responses on each variable determining bank relationship (Hong Kong – Male)</td>
<td>231</td>
</tr>
<tr>
<td>Appendix 12</td>
<td>Responses on each variable determining bank relationship (Hong Kong – Female)</td>
<td>232</td>
</tr>
<tr>
<td>Appendix 13</td>
<td>Responses on each variable determining bank relationship (South Korea – Male)</td>
<td>233</td>
</tr>
<tr>
<td>Appendix 14</td>
<td>Responses on each variable determining bank relationship (South Korea – Female)</td>
<td>234</td>
</tr>
<tr>
<td>Appendix 15</td>
<td>Responses on each variable determining bank relationship (India – Male)</td>
<td>235</td>
</tr>
<tr>
<td>Appendix 16</td>
<td>Responses on each variable determining bank relationship (India – Female)</td>
<td>236</td>
</tr>
</tbody>
</table>
- This page is left blank intentionally -