

Understanding and Leveraging International Master's Student Funding

December 2019



What brought you to this session?

What are your international recruitment goals & how does funding fit into them?

What strategy and tactics do you leverage to enable your next cohort of global talent?

Just beginning to secure first few global students?

Diversifying enrollment to enrich the campus plan?

Scaling from 50 - 100 or 1500 - 3000+ international students?



AGENDA

- **Introduction to Prodigy Finance**
 - International Master's students' challenges with accessing funding
- **Addressing International Barriers**
 - Tailoring strategies for graduate enrollment management
- **Q&A/Discussion**
 - Tactics to improve your international retention while supporting your future student yield



Veenah comes from Chennai. She studied engineering but knew she needed to attend a top program in the US to take the next step.

She dreamt of becoming a technical consultant to help solve the world's healthcare challenges. Studying abroad was not an option until she could find a funding solution.

Veenah | Chennai, India

Students who would have found it difficult to attend graduate school without

Prodigy Finance

89%

Students from emerging markets

78%

MEET AYOBOLA

“Prodigy Finance isn’t just a lending institution, it is a company that represents hope and is constantly changing lives and communities one student at a time.”



At the graduate level it is assumed that nearly 60% of international students are ‘personally or family funded.’

What is below the surface of this stat and how do our emerging middle class markets afford COA?

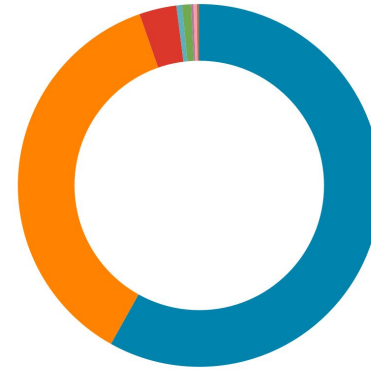
Primary Source of Funding

INTERNATIONAL STUDENT DATA
FROM THE 2019 OPEN DOORS® REPORT



Academic Year:
2018/19

Funding Source (group)	Value	% of Total	Academic Level			
			Undergradua..	Graduate	Non-Degree	OPT
Total Students	1,095,299	100.0	431,930	377,943	62,341	223,085
Personal and Family	623,901	57.0	83.5	57.8	71.8	0.0
Current Employment	225,378	20.6	0.0	0.5	0.2	100.0
U.S. College or University*	183,647	16.8	8.8	36.4	12.5	0.0
Foreign Government or University	46,937	4.3	6.3	3.3	11.3	0.0
Foreign Private Sponsor	6,196	0.6	0.6	0.8	1.3	0.0
Other Source	3,765	0.3	0.3	0.5	0.9	0.0



Academic Level Graduate

Source of Funding

- Personal and Family
- U.S. College or University*
- Foreign Government or University
- Current Employment
- Foreign Private Sponsor
- International Organization
- U.S. Government
- U.S. Private Sponsor

*Funding from U.S. college or universities includes teaching and research assistantships, which are often federal government research grants disbursed to the student through the institution.

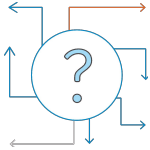
Suggested citation: Institute of International Education. (2019). "International Students by Primary Source of Funding, 2015/16 - 2018/19." *Open Doors Report on International Educational Exchange*. Retrieved from <http://www.iie.org/opendoors>



THREE STUDENT LENDING OPTIONS FOR INTERNATIONALS



To prove funding via a home country bank (if available) heavy **collateral** is often required in the loan agreement.



To borrow in country of study, like the US, a domestic **co-signer** (co-borrower) is required to take on the debt liability with the student. This could be a citizen or permanent resident with good credit, in rare cases this has also been universities.



To **self fund**, without collateral or co-signer, Prodigy Finance's cross border lending option liberates international students and universities from traditional banking barriers.

Anna Helhoski, Nerd Wallet.Com

- <https://www.nerdwallet.com/blog/loans/student-loans/how-can-international-students-get-loans/>
- ⁷ <https://www.nerdwallet.com/best/loans/student-loans/international-student-loans>

HOW PRODIGY FINANCE WORKS



UNIQUE OFFERING

- No co-signer or collateral required
- No risk share or university contract
- 6-month grace period after FT completion
- No early repayment penalties



TRANSPARENT PROCESS

- Quick and easy online application
- Individualized credit risk assessment
- Competitive interest rates (4-8.5% plus LIBOR)
- Funds disbursed directly into university financial aid framework



INCLUSIVE

- Career services & financial literacy for international students
- Flexible hardship options
- Networking with students at top universities worldwide

Since **2007**, Prodigy Finance has lent **\$877M** to over
18,200 international Master's students from **133**
countries, attending **670+** top schools



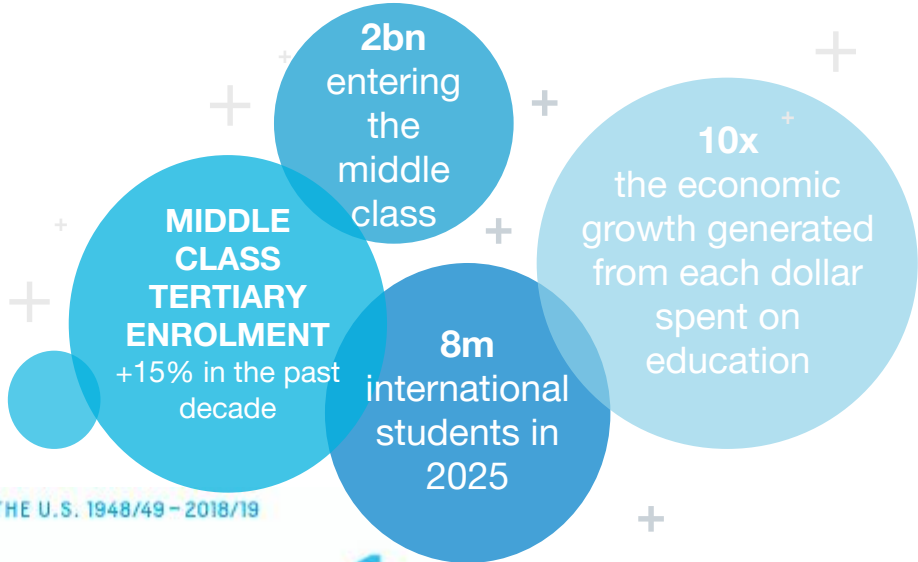
Tailoring Strategies for International Graduate Enrollment

There are a few tactics every campus can utilize to reach, yield & graduate the best global talent, even in the face of limited scholarships.

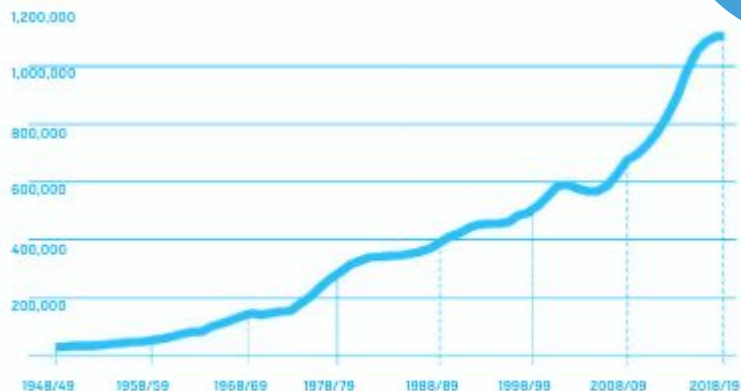


INTERNATIONAL EDUCATION:

IT'S A REALLY BIG MARKET TO PAY ATTENTION TO!



INTERNATIONAL STUDENTS IN THE U.S. 1948/49 – 2018/19



[IIE Open Doors 2019](#): while international student growth in the US has slowed, it was still up 1.6% for graduate international students in 2018

Geographic Personas

Dream of improving their professional options to impact their local environments but have very limited options to leave their country.



Looking to advance career development and wants independence. Studying abroad culturally accepted but moving funds cross-border challenging



Family decision where parents want what's best for their children and children want to find new job opportunities. Financial decisions are made together.



Top students have been groomed to strive for greatness and educational achievement adds to their credibility. Strong desire for financial independence while family remains important.



Students study abroad because only a few universities in their country offer enough resources. These students want to broaden their intellectual horizons to provide them with a competitive advantage in the job market.



How do these
internationals students
make their decisions?



Student clubs

40,000

of international
students touched
through international
student clubs in 2019

“We mentor fellow international students as our **Seniors** did it for us. We generally have an outreach of about 700-800 new students incoming every Fall who find us, 90% ask about funding, all ask about the day to day experience.”

- Texas A&M Club President

**Early connections drive
credibility and yield**



TIMING



COMMUNITY



AFFINITY



Growth In numbers

YoY student
interest growth
from trending
countries
(excluding IN, BR, CN)



International Student Placement & Alumni

Personal stories & a few well shared stats can have large impact



ALUMNI
STORIES



REAL ROI



RECENT
PERFORMANCE

1,000

Student RSVPs for introductory career guidance specifically for international prior to their first career fair



With fewer personal savings and limited scholarship funding available, students are increasingly looking to loan-financing options to attend their first-choice programs.*

**Based on Prodigy Finance 2015-19 loan application data, including STEM funding expansion in 2017.*

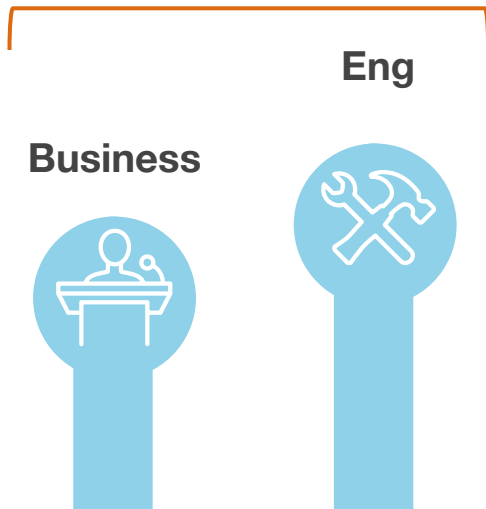


More schools supported than ever before!

We're adding funding for 230+ new schools in 2020*, open for applications now

Adding Science as a new course type

Expanding further into Business and Engineering



Law



Public Policy



Health



Including:
Statistics
Math
Physics
Biology
Chemistry
Earth Science
Economics

**How do you
synthesize and
apply this info?**



Quick Actions for BIG Impact



Know Your Growth Goals & Demographics

What programs have attracted internationals? From where?
Word of mouth rules - it can start with one student



Amplify Communication Channels

Tap into your infinity clubs on campus
Diversify - webinars, one on one, Q&A/AMA
Engage global alumni



Share Options For Funding Clearly & Consistently

Ensure ALL funding options are known:

- Scholarships
- Opportunities for fellowships
- Loans options, including those international students

Q&A

Discussion



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Appendix



Additional Readings

The Loan Landscape for International Students

<https://www.insidehighered.com/news/2019/10/24/loan-companies-emerge-cater-international-student-market>

Student Loan Lessons From Abroad

<https://www.insidehighered.com/news/2016/06/14/what-other-countries-can-teach-us-about-student-loans>

Student Loans in an International Perspective: The World Bank Experience

http://siteresources.worldbank.org/INTLL/Resources/student_loans.pdf

Innovating Out of Student Debt

https://www.progressivepolicy.org/wp-content/uploads/.../PPI_Student-Debt_2018.pdf

Working with Prodigy Finance Resource Site

<https://prodigyfinance.com/community/working-with-schools>

For more research, bespoke data reports, and opportunities for collaboration:

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