



International Students in Portuguese Universities

A New Model for National Tourism

Pedro Gancho de Figueiredo

Advisor: Professor Susana Frazão Pinheiro

Dissertation submitted in partial fulfillment of requirements for the Degree of MSc in Business Administration, at the Universidade Católica Portuguesa, September 2014

ABSTRACT

Title: International Students in Portuguese Universities: A New Model for National Tourism

Author: Pedro Gancho de Figueiredo

The present dissertation, written in the traditional form, aims to propose a strategic model for the use and benefit of the Portuguese players within the tourism sector, working together with the Portuguese universities. A model they could follow in order to obtain the maximum benefits from the thousands of international students that keep coming to study in Portugal every semester.

Pursuing a practical approach, and relying on an exhaustive primary research, the study shows who are those international students that are coming to Portugal, how they tend to behave, what they look for once they arrive, and several other relevant considerations about them. This knowledge will help the Portuguese residents who deal with them, mainly the ones within the tourism business, to better understand their preferences, lifestyle and decisions, in order to be more prepared to approach them and create win-win situations, where both the international students will feel more satisfied with their experience in the host country, and the Portuguese tourism players will be able to take better advantage of their stay to increase revenues and, ultimately, profits.

RESUMO

Título: Estudantes Internacionais no Ensino Superior Português: Um Novo Modelo para o Turismo Nacional

Autor: Pedro Gancho de Figueiredo

A presente dissertação, escrita na forma tradicional, busca propor um modelo estratégico para ser seguido e aproveitado pelos *players* do turismo português, que deverão trabalhar em parceria com as universidades portuguesas. Um modelo que estes poderão seguir de modo a maximizar os benefícios provenientes da chegada de milhares de estudantes internacionais a Portugal todos os semestres.

Procurando uma abordagem prática, e contando com uma *primary research* exaustiva, o estudo mostra quem são esses estudantes internacionais que vêm estudar para Portugal, como tendem a comportar-se, o que buscam após a chegada, e várias outras considerações relevantes sobre eles. Conhecimento este que ajudará os residentes Portugueses que lidam com eles, principalmente aqueles que trabalham na área do turismo, a compreender melhor as suas preferências, o seu estilo de vida e as suas decisões, de modo a estarem melhor preparados para lidar com eles, criando situações vantajosas para as duas partes, onde o estudante internacional se sentirá melhor integrado e mais satisfeito com a sua experiência em Portugal, e o *player* do turismo português estará melhor habilitado para tirar proveito da estadia dos estudantes internacionais para aumentar as suas receitas e consequente lucro.

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PREFACE

When I first started thinking about the theme of my Master's dissertation, I thought about sticking to the common grounds like the majority of my colleagues, and the possibility of presenting a case-study of a well-known company with a lot of easily accessible information was the strongest one. But, when I started giving it more thought, I went the ambitious way and decided to do something that I truly believe in, that had been in my mind for quite a while and that I consider to have sound possibilities of becoming fruitful and providing several advantages, not only for the tourism sector, but also for Portugal in general.

By the time I decided to commit to this theme, I was involved in an entrepreneurial venture related to international students, thus, I had some clue on the matter. Knowing that there are thousands of foreign students coming to Portugal every year, and noticing the characteristics of most of these students in terms of money and free time, the potentialities of this group of customers to the Portuguese services sector, mainly within the leisure business, became crystal clear.

So, I decided to link those international students Portugal is able to attract with the national tourism business, one that has already proven its value, which counts with experienced professionals and has players with an extensive know-how.

The exhaustive primary research which has been conducted, combined with some published statistical data, allowed the investigator to get meaningful insights and draw objective conclusions on methodologies and strategies to be adopted by the universities' decision makers and the tourism players. These two groups of actors should combine efforts and work together, in order to provide the international students a valuable experience, based on offers purposely designed to enhance the revenues of the Portuguese services sector, with the emphasis always placed on tourism.

Acknowledgements

I have always thought of writing a Master's dissertation as the end of a phase, the closure of a life cycle. And for me it certainly is, since it represented the immediate transition between being a student and a worker.

Life is about expectations, projects and enthusiasm. But, most of all, it is about memories.

Life is about journeys. It is about learning from the mistakes. It is about falling down and getting up on your feet again. Life is about remembering who has been important in each of those journeys.

As for this one journey, there are a few people I would like to name individually, due to different reasons, but all important to this specific achievement, the conclusion of my dissertation.

Firstly, I would like to thank my family. My mother, who has been the most important person for me during these 24 years of life I have. My father, my example in academic terms, my guide in professional matters and a model as a person. João, my older brother and advisor, for his patience and friendship, for living with me during this semester and always having the right words to say when needed. And Margarida, my little princess who lights up my life and makes me believe life is a perfect place.

Secondly, special thanks to my thesis advisor, Professor Susana Frazão Pinheiro. She was the one who guided me through this process and gave me the flexibility to choose the theme and the methods I thought were the most appropriate. Without her, the result achieved would not have been the same.

Then, I would like to emphasize my friends Bernardo Pimentel, João Pisco, Tomás Gaspar and Vítor Oliveira. Bernardo, for being my home companion, who have always encouraged me to move on and kept his interest on my work during the whole semester. João, also for his interest and motivation, and especially for the constant rides during the times I did not have my car available. Tomás, my university mate and business partner, with whom I shared so many hours of the semester, talking about the thesis, our entrepreneurial ventures or even our professional expectations. And Vítor, who shared so many moments with me during this year, both nationally and internationally, and with whom I discussed an immensity of issues that eventually became relevant knowledge for some of the topics I was studying within the scope of this dissertation.

To all the “Marinheiros”, my best friends that are always there for me, the ones I know I can always count on.

To Professor Ricardo Reis, for giving me important information and sharing with me his extensive experience on the matters I was studying.

To all the people working in the International offices of the Universities from North to South of the country, sorry for being so insistent, but I think it was worth the try. Thank you all for your availability and cooperation.

To all the others, they know who they are.

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Chapter 1: Introduction

Tourism

The World Tourism Organization (WTO) estimates that the world tourism will grow until 2030 at a pace of 3,3% per year, with 40 to 43 million additional tourists per year.

Tourism has long been referred as a critical activity by the successive Portuguese governments, and a strategic sector for the national economy. And it is indeed.

Strategic for the employment, not just contributing to employ a significant group of the Portuguese active population (8% of the employment), but also to allow, due to the nature and diversity of its activities, to the reconversion and requalification of professionals coming from other sectors.

Strategic for the economy, not just for its relevant contribution to the national Gross Domestic Product (about 10%), but also for coming as one of the sectors that contributes the most for national exports (nearly 14%), and for the Portuguese trade balance, being the main exporter of services (about 46% of the total service exports).

Strategic for the environment and for the Portuguese society, as, if well regulated, it can become a crucial factor for the protection of the natural environment and a key item in the appreciation of the cultural heritage, in its maintenance and in its funding.

In this globalization era, the competitors of Portugal in the tourism sphere are all the destinations in the world. Nonetheless, there are countries that, due to their characteristics and geographic location, can be identified as more direct competitors, as the Mediterranean countries, like France, Spain, Italy, Turkey or Greece. At the moment, Portugal is the ninth (out of ten) touristic destination of the Mediterranean in number of international tourists received, being only ahead of Turkey.

In terms of tourism revenues, Portugal occupies the sixth position in the Mediterranean group, having increased its share by 1,3% since 2000, which reveals a sustainable improve of its competitive performance.

Therefore, there is room for enhancing the attraction of tourists to Portugal as well as the corresponding tourism revenues.

Universities

Studying abroad is no longer a dream or a remote idea, it is instead a reality, or even more, a necessary requirement to succeed in the world these days.

Not having any international experience in the academic curriculum is seen as a negative point, since university exchange programs, even if just lasting a couple months, are perceived by teachers, companies' recruiters and evaluators as a growth, mind-opening experience that represents a plus for the overall education and for the creation of a sound identity by the student.

The number of international students received by Portugal every semester has kept growing at an incredibly high pace during the last ten years. Besides, the tendency is to keep growing.

These international students come to Portugal for, on average, 5 months. During those months they want to make the most out of their experience. For most of them it is the first time they experience living without their parents, and the first time they come to Portugal. They have a lot of free time to spend on leisure activities and they save considerable amounts of money which they intend to spend during their stay in Portugal, as they know the exchange program is going to be one of the most memorable periods of their lives and, therefore, they do not want to abdicate from anything.

Thus, international students are a segment of customers with a high potential for tourism and for the national services sector in general.

Portuguese Tourism for International Students

So, confident about the interest, importance and usefulness of the theme, the researcher came up with the study "**International Students in Portuguese Universities: A New Model for National Tourism**".

The main **research question** which the study intends to address is: "How could the Tourism Business maximize the benefits related to the presence of the International students in Portugal?"

In **Chapter 2 – Literature Review** - the researcher presents several facts, statistical data, legal issues, and other relevant considerations about the two main topics: firstly, *Portuguese Universities, International Students and Mobility Programs*, then, *The Portuguese Tourism Business*. To conclude Chapter 2, a short review on Corporate Social Responsibility issues is presented, related to the way the New Model intends to take place.

Chapter 3 – Primary Research - was surely the most demanding for the researcher, but also the most rewarding thereafter. In this Chapter, the researcher presents the results of the various methodologies used to collect the amount of information he desired. This Chapter includes the results of two online surveys: one directed to international students who studied in Portugal, and another one answered by the staff of the International Relations' offices of several Universities across the whole country. It also contains the report of a Focus Group conducted among some international students, and finally an interview addressed to the coordinator of the International Affairs of CLSBE, Professor Ricardo Reis.

Chapter 4 – The New Model - aims to use the findings of the previous chapters to draw consistent conclusions and make objective recommendations for both the universities and the tourism players. In Chapters 2 and 3 it is possible to see several numeric tags throughout the text, forwarding the reader to the *New Model's* (NM) chapter, where further considerations about each topic under discussion will be made.

Finally, in **Chapter 5 - Conclusion, Limitations and Future Research** - the researcher presents the conclusion and main limitations of the study, as well as appropriate recommendations for future research on the matter.

Chapter 2: Literature Review

2.1 Portuguese Universities, International Students and Mobility Programs

2.1.1 International Students in Portugal

What is an International Student?

According to *Glossário de Migração e Asilo*, elaborated by *Rede Europeia das Migrações*, from now on designated REM, an International Student in the higher education system is: “(...) a national from a foreign country who is accepted by a higher education establishment and admitted in the territory of the foreign state in order to attend, as main activity, a full-time study program which aims to grant him a title of higher education, duly recognized by the foreign state, namely a diploma, a certificate or a PhD in a higher education establishment, that may cover a preparation course for such studies, according to the terms of its national legislation.” (REM, 2011)

The Phases of Entry of an International Student in Portugal

1st - The Search and the Decision to come to Portugal

Deciding which country to choose to study during an exchange program or a full-time program is an important judgment, one that should not be made carefree.

The decision of an international student to choose Portugal as destination to live and study can be properly supported by a set of legal and procedural information, as well as practical advice. These information and advice are available to all students, mainly over the Internet.

Generally, considering the public services, the MEC is the entity which provides more information, through the web portal of *Direção Geral do Ensino Superior*, from now on DGES. Additionally, there is the information available on European Union institutions and networks, as the European Commission and NARIC (National Academic Recognition Information Centers), the information in the websites of the Universities and Polytechnics, as well as specific search engines to look for higher education institutions in Portugal and get full details about them.

The web portal of DGES is available both in Portuguese and English languages. However, the Portuguese version is much more complete and has a lot more information on several fields. The English version only contains a small part of the wide set of information which is available in Portuguese, providing data on the organization of the higher education Portuguese system and part of the most relevant legislation.

❶ **NM** – Throughout the various parts of this dissertation, whenever this kind of tag appears, it means the researcher is indicating the reader that the New Model's (NM) considerations and recommendations related to the topic under discussion are in the *New Model's* chapter (Chapter 4), in the section indicated by each number. In this case, the researcher is showing the reader that he will be able to find information on the New Model's considerations about this topic in point 1 of Chapter 4.

There are other web portals and websites, as well as foreign search engines that present some of the information given in the DGES web portal. To view these websites, check **Appendix 1**.

The referred websites do not have as much information as the DGES web portal, but since DGES still has relatively few information available in English, some international students will probably look for these other websites thinking they might get further information.

As for information concerning the procedures of entry and residence in Portugal, they are easily accessible over the Internet. Regarding the availability of the information in English, the sites to highlight are the SEF (*Serviço de Estrangeiros e Fronteiras*) web portal, a document of the ACIDI and some other European and extra-European websites. See **Appendix 2**.

2nd - The Admission

As for the admission of international students in the Portuguese higher education institutions, it is dependent on their appliance to those institutions, according to the preferred courses and the fulfillment of the mandatory requisites that are internally defined. In this process, it is a responsibility of the Universities to answer and accept the applications or not. In particular, the admission can be done through mobility programs, where the processes are taken care of by both

the Universities involved (the sending and the host University), or under legally established special regimes.

Portugal recognizes the importance of the entry of international students in the national Universities. So, there are several government departments, alongside with other non-governmental entities, implementing measures and providing information and mechanisms to speed up the welcoming and permanency processes of these international students in national territory.

Regardless seeking to capture students from every foreign country, due to historical and cultural reasons, there is a stronger cooperation between Portugal, the African Portuguese-speaking countries (PALOP), Brazil and Timor-Leste. According to nº 4 of art. 7th of the *Constituição da República Portuguesa e Lei do Tribunal Constitucional*, in international relations matters, it is referred that “Portugal keeps privileged bonds of friendship and cooperation with the other Portuguese-speaking countries”, (Canotilho e Moreira, 2005). This privileged cooperation is reflected in the entry processes of students coming from these referred countries in Portuguese Universities. The processes are facilitated and promoted in the light of special regimes, created by several bilateral and multilateral agreements.

Aiming to improve the processes of entering in the country, Portuguese legislation establishes that the issuance of residence visas for international students who participate in community mobility programs with the European Union countries or countries that are part of the CPLP should be facilitated. According to SEF (2012), after the request of a Visa at a consular post to study effects, the SEF has to emit a first answer within a maximum of 15 days and has to make a final decision about the request in 30 days. It represents a facilitation of the process, since the general rules for other countries are 20 days to answer and 60 days to make the final decision.

The entry and permanency of international students in Portugal and their admission in national Universities generally happens in a successful way.

There is no evidence of cases where the students had been accepted by the University and then have been prevented from actually doing their studies due to problems with the entry and/or permanency in the country.

Refusal of Visas

Due to statistical limitations, it was not possible for the researcher to accurately identify the reasons for the refusal of visas or residence permissions to international university students that want to come to study in Portugal. However, it has been verified that the number of requests which were refused is relatively small, having no expression in the national panorama. Therefore, there has been no need to dig deeper in this matter.

For students coming from any country within the European Union, the system applied is the legal regime that establishes the right to circulate freely and to have permanent residence permission in the national territory for them and their relatives.

3rd - The Arrival of International Students

Receiving International Students the right way, making them feel welcome since the moment they arrive is crucial to create emotional bonds with them and will allow to establish a much bigger link between the country and the foreign student, triggering his appetite to consume national products and services. This conclusion has been taken after the conduction of an extensive primary research, as it will be possible to see in chapter 5.

The new model will take an important part in this process of receiving international students in a welcoming way, as it will be further explained in chapter 6.

It is also interesting to refer the presence of the international organization AIESEC (*Association Internationale des Etudiants en Sciences Economiques et Commerciales*) in the reception and support given to international students in Portugal. As a promoter of exchange programs and international internships, this organization favors the attraction of young students to the country, working in the areas of Economics and Business Administration.

4th - Remaining in Portugal after Concluding the Studies

Portuguese legislation provides a special regime that allows international students to obtain a residence permit for the exercise of a professional activity after they conclude their academic studies. This way the international students do not have to leave the country and request a new visa. This authorization to the exercise of a professional activity is temporary, valid for 1 year and then renewable for successive 2-year periods.

In the cases where the international students have remained in Portugal for a period of 5 years or more with successive temporary residence permits, they are given the possibility to obtain a permanent authorization. For that authorization to be granted, the students should show they have the means to subsist, prove basic knowledge of the Portuguese language and not have been sentenced to prison for periods that, cumulatively, make up to 1 year. (SEF, 2012)

② NM

2.1.2 Legal and Governmental Considerations

Introductory Lines

Making a general overview, there are six main issues guiding the study of the legal and political issues related to the movement of foreign students to Portugal (SEF,2012): i) to understand the structure and *modus operandi* of the Portuguese education system for higher education (Universities and Polytechnics), ii) to analyze the national policies regarding international students enrolled in Portuguese universities, iii) to present the legal requirements and national practices related to the admission and permanency of those citizens (international students), iv) to be alert about the reality of the country with regards to improper use of those “students’ migratory routes” and how to combat them, v) to approach the international relations dimension of the Portuguese universities in terms of bilateral and multilateral agreements and others that promote the international cooperation and mobility between universities, and vi) to evaluate the impact of the migration of these university students in the academic, social, cultural and economic panoramas of the country.

Special Regimes

Firstly, it is relevant to mention the existence of special regimes for scholarship grantees that come from African countries with Portuguese Official Language (named PALOP – *Países Africanos de Língua Oficial Portuguesa*) and from *Timor Leste*, if they fulfill a set of requisites. Portugal also provides scholarships of merit and social action, accessible to all other international students.

The undesirable “Students’ Migratory Routes”

Portugal has been identifying some cases of improper use of the “students’ migratory routes”. The most common cases are foreign citizens that try to regularize their situation within the European Union, from now on EU, through visas for study purposes in Portugal.

There are other cases to register, like citizens who, possessing expired visas which were set for study purposes, are exercising other activities.

Governmental Agreements

Bilateral and multilateral agreements established between the Portuguese government and the foreign countries’ governments in the higher education field benefit the migration flow in the country.

Having this in consideration, Portugal participates, through its University institutions, in mobility programs inside the EU, like *Erasmus Mundus*, as well as in programs outside the European context, like the program *Ciências sem Fronteiras*, established with Brazil, among others.

The Portuguese Former Colonies Case

Being a member of the CPLP (*Comunidade de Países de Língua Portuguesa*) also potentiates the arrival and admission of students coming from *Angola, Brasil, Cabo Verde, Guiné Bissau, Mozambique, São Tomé e Príncipe* and *Timor-Leste*.

It is observable that the students from the African Portuguese-speaking countries (PALOP), alongside with the Brazilian ones, are those who come to Portugal in bigger numbers. To explain this fact, it is important to remind the historical diplomatic relations between Portugal and those countries, with strong cultural and social impacts, being the major factor the common language.

Universities Specifications

According to SEF, 2012, the University education is oriented towards investigation and the creation of knowledge; therefore it aims to prepare the students scientifically and culturally, developing their conception, innovation and critical analysis’ capabilities, promoting their technical training for the exercise of professional and cultural activities.

In its turn, Polytechnic education is oriented towards applied and development investigations, as well as for the comprehension and resolution of concrete problems. This way, it seeks to educate

culturally and technically the students, in both a practical and theoretical perspective, developing their capabilities of innovation and critical analysis, aiming to prepare them for performing specific professional activities.

In Portugal, after the implementation of the *Bolonha rules*, it became possible to divide the higher education in three cycles: the 1st is the Bachelor's degree; the 2nd cycle corresponds to the Master's degree; and, finally, the 3rd cycle is the one for the Doctoral degrees.

As for the conditions for those degrees to be granted, check **Appendix 3**.

2.1.3 Facts, Numbers and Comments

According to the data published by *Gabinete de Planeamento, Estratégia, Avaliação e Relações Internacionais* (GPEARI) of the Portuguese Ministry of higher education, in the school year of 2008/2009 there were 17.540 foreign students enrolled in Portuguese universities, the big majority of those coming from African ex-colonies (like Angola, Cape Verde and Mozambique) and from Brazil, which shows that Portugal attracts many students from the Portuguese-speaking countries around the world.

Today, based on the Primary Research conducted under the scope of this study, the researcher's forecasts point to the existence of more than 25.000 foreign students in Portuguese Universities, about 15.000 of those in exchange programs under agreements between the national Universities and foreign ones.

Most of those students that come within the scope of a mobility program are from Europe. And the majority comes from nearby countries: Spain, France and Italy are the countries which export more students to Portuguese universities.

It is relevant to refer a special group of students that have been growing their presence in Portugal, which are the ones coming from the Eastern European countries, like Moldavia, Russia and Ukraine. In the same evolutionary line are also the Chinese students. (PWC, 2014)

Below, **Exhibit 1** allows one to view the evolution of the number of international students enrolled in Portuguese Universities, between 2006 and 2011.

Exhibit 1 – Students Enrolled in Portuguese Universities, by nationalities, 2006-2011

Nacionalidades	2006/2007 ²	2007/2008	2008/2009 ³	2009/2010	2010/2011
Portuguesa	348.779	358.333	355.102	364.404	374.444
Estrangeira	17.950	18.584	17.900	19.223	21.824
Extra UE-27	15.328	15.848	15.095	15.570	17.125
Intra UE-27	2.622	2.736	2.805	3.653	4.699
Total	366.729	376.917	373.002	383.627	396.268
Proporção de estudantes de nacionalidade extra UE-27 no total de inscritos (%)	4,18	4,20	4,05	4,06	4,32
Proporção de estudantes de nacionalidade intra UE-27 no total de inscritos (%)	0,71	0,73	0,75	0,95	1,19

Notas:

- 1) Inscritos no ensino superior (excluindo CETs)
- 2) Início do Processo de Bolonha
- 3) Início da recolha RAIDES

Fonte: Inquérito ao Registo de Alunos Inscritos e Diplomados do Ensino Superior, MEC (consulta on-line em agosto de 2012).

“Portuguese universities are not very different from the other international ones. When the time to choose comes, the level and quality of teaching is not an issue for our Universities.” - António Marques, Vice-Dean and Coordinator of the International Affairs of Universidade do Porto. He also stated that Portugal is an interesting choice for foreign students due to its “climate, cost and lifestyle”.

About the foreign students, he said “they promote a more opened and cosmopolitan college environment, which develops the path to a globalized labor market”.

“There is a big competition between the European Universities in order to attract more foreign students, but Portugal is definitely becoming a center pole for education and excellence, and Lisbon is connected to the major emerging markets”, affirmed Leandro Torres from Universidade Católica, Marketing manager in the team for Internationalization affairs. He also emphasized that “the more international students in a classroom, the more richness it is possible to get in the debates”.

According to *Universidade Católica Portuguesa*, the major goals and focus points of their institution when promoting and supporting student and staff mobility programs are: the enhancement of the international experience of home students and staff through exchange and internship schemes; the integration of international students into campus life; the recruitment of

foreign staff; internationalization of curricula; organization of joint or dual degree programs; and the introduction of English as language of instruction.

2.1.4 Why do international Students choose Portugal?

To which Portuguese cities do International Students go?

The top 3 host cities for international students are: Lisbon, Porto and Coimbra. All the Universities and Polytechnics in Portugal have been contacted by the researcher, most of them more than once. Yet, due to the lack of cooperation of some of the contacted International departments, it was impossible to come to exact numbers. Still, with the data it was possible to gather, the researcher estimates the existence of about 5.000 international exchange students in Lisbon, about 3.000 in Porto (the most chanceful prediction) and around 2.500 in Coimbra.

Lisbon, like Porto, Faro, Braga, Guimarães, Aveiro, Évora, or Coimbra, are cities that attract students both for their unique features, as for the characteristics they share with other places. In the urban centers of smaller touristic dimension, you can easily tell where the international students are when you walk around the streets. Oppositely, in a bigger metropolis, international students are almost undetectable.

Promoting Mobility Programs

Aiming to respond to the challenges of the current information society, in a globalized world, Portugal has been implementing policies that promote the mobility of students in the higher education institutions.

These policies consist, mainly, in speeding up the processes of entry and permanency of the international students in the country, in the celebration of agreements/protocols that look for the attribution of scholarships and for the creation of new exchange programs, among other issues.

The Portuguese strategy reveals a strong interest for the continuous expansion of the higher education internationalization, considering that it boosts the creation of knowledge, the enhancement of science and technology, promoting the economic growth and impacting the social and cultural development of both the actual and the future generations (SEF, 2012).

Moreover, the country considers fundamental to multiply its network of partners, both in the national and in the international panorama, given the importance of sharing experiences and ideas, while benefitting from the growing mobility of people.

According to *Programa do XIX Governo Constitucional, Presidência do Conselho de Ministros*, internationalization and competitiveness are key strategic objectives for the Portuguese higher education institutions, through the attraction of international students and also the maintenance and enhancement of mobility programs. The Portuguese government seeks to reach these goals through the review and improvement of the current legislations, the simplification of bureaucratic processes in the institutions and the specialization of the Universities in terms of offered courses and investigation.

The Simplification of Processes

According to SEF's report "A Imigração de Estudantes para a União Europeia: O Caso Português" (2012) the program called *II Plano para a Integração dos Imigrantes* includes important measures that may contribute to better host and integrate international students. For example: the reinforcement of the national network of information to the immigrant, through the web portal of ACIDI; the speeding up of the process of qualifications' recognition; the reinforcement of the customer service by the SEF; the creation of an information system about highly qualified immigrants, among others.

Responding to national strategic objectives and contributing to concretize the measures of the *II Plano para a Integração dos Imigrantes*, it is extremely important to emphasize the mechanisms that facilitate the regularization of document processes and also the joint action of the SEF together with the Portuguese higher education institutions, through the system ISU – *Interface SEF-Universidades*. The creation and development of this informatics system aims to ease the regularization of document processes of international students in Portuguese Universities, since it allows a certified simplification for foreign students in the access to higher education institutions. The system works through online sharing between the Universities' departments and SEF, presenting the passport of the international students at the moment of their enrollment in the national University. This way, the international students do not need to go to SEF's facilities to get

the mandatory documentation to stay in Portugal. The ISU system is available since 2010 and is now running in several Universities and Polytechnics across the country (SEF, 2011).

In partnership, SEF and CRUP (*Conselho de Reitores das Universidades Portuguesas*) signed a protocol which aims to speed up the processes of entry and permanency of international students through mechanisms of cooperation which promote the communication and articulation between the two entities. The protocol has been signed in Lisbon, in June 25th 2012. It basically establishes rules that make it easier to issue visas and residence permits to students who belong to the program Erasmus Mundus (or *Ciência sem Fronteiras*), while Universities, through their International Affairs offices, are supposed to send all the information about those candidates/students to SEF's departments.

This protocol represents an important tool for speeding up the previously referred bureaucratic processes that international students had to go through, contributing to the realization of the national strategy in terms of the promotion of international students' mobility.

National Institutions that work for the enhancement of International Mobility

In a general way, within the framework of the national policies concerning international students, it is noticeable the action of *Ministério da Administração Interna* (MAI) through *Serviço de Estrangeiros e Fronteiras* (SEF), the action of *Ministério da Educação e Ciência* (MEC) through *Direção Geral do Ensino Superior* (DGES), *Ministério dos Negócios Estrangeiros* (MNE) through *Instituto Camões*, *Instituto Português de Apoio ao Desenvolvimento* (IPAD), as well as the action of *Alto Comissariado para a Imigração e Diálogo Intercultural* (ACIDI).

Some other institutions are promoting debates and reflection over the international students' affairs. To see more information on this matter, check **Appendix 4**.

University Tuition Fees – its impact over choices

As for the payment of University tuition fees and its impact on the attraction of international students, the available data did not allow to make clear conclusions, but, since the fees charged by Portuguese universities cannot be considered too high when compared to other European countries, the researcher believes that the value of the fees to be paid is not a factor that has a relevant impact over the choice of the international students on whether to come to Portugal or

not.

Here the researcher is considering the foreign students that want to come to Portugal to attend a full program, since in most of the exchange programs between Universities the student keeps paying the fees of the home University and not those of the host one, therefore the value of these fees does not constitute a decision factor for this that student.

Furthermore, there are financial support programs to help international students that want to come to Portugal, which can make their financial burden lighter.

In a report presented by IPAD, it is stated that MEC has been attributing investigation scholarships to students from the PALOP countries and also *Timor-Leste* in several areas of study. It is also stated that scholarships are granted by many institutions in Portugal, being IPAD the most relevant one, not just for the number of scholarships granted every year but also for other factors, like their organization and regulations.

The main focus of the scholarships is currently at the Master and PhD levels.

International Cooperation

The arrival of international students to Portugal is largely enhanced by several international agreements established between Portugal and many foreign countries throughout the world. In this field, it is a responsibility of DGES to keep accompanying the preparation of proposals of bilateral or multilateral agreements and cooperation programs related to Universities, through actions developed by MNE.

When it comes to higher education, the agreements target the exchange of experiences and practices, teachers, students and investigators, as well as the existence of scholarships, which are defined in executive programs of cooperation.

To view further information on International Cooperation matters, and international agreements within the fields of education and culture, check **Appendix 5**.

To view examples of International Agreement Programs, check **Appendix 6**.

Promotion of Mobility through Protocols

The protocol established between SEF and CRUP has been an instrument of extreme value (SEF/CRUP 2012).

Firstly, because it specifically aims to promote the program *Erasmus Mundus*, strengthening the quality of the national higher education through the cooperation with foreign countries. Secondly, because it boosts the mobility of the students, since it allowed adopting new accelerated procedures in the emission of visas and residence permits.

Lastly, because it formalizes and consolidates the mechanisms of communication between the Universities and SEF.

2.1.5 The Global Impacts of International Students in Portugal

International Students' Integration

The arrival of international students to Portuguese universities represents a phenomenon that has several impacts over the academic, social and economic life of the country.

But the phenomenon also concerns the international students themselves, since they will have to adapt to the country and integrate themselves in the higher education system, as well as in the remaining spheres of the Portuguese society.

As previously referred, the strong relations of friendship and cooperation between Portugal and the countries within the PALOP group, reflected in the implementation of special regimes for the students and the granting of various scholarships, influence the arrival of a huge number of students coming from these countries.

Some studies have been trying to understand the social and academic integration of the students coming from the PALOP, both through quantitative and qualitative methodologies. The integration process of these students impacts their personal development, academic success and future expectations.

According to *Pondja, 2009* and *Silva et al, 2009*, factors related to the personal dimension, as the physical and psychological wellbeing, family support, language domain and financial support; others related to a social dimension, such as the relationships established with colleagues and teachers, intercultural tolerance and existence of extracurricular activities; the institutional dimension, which includes the academic preparation, actual performance, support given by the University – all of these factors affect and determine a good social and academic integration.

According to Pondja, “the Portuguese higher education institutions are effective in creating conditions for the construction of positive sociability relationships”.

Economical Benefits:

Economically, the entry of thousands of international students in Portugal every semester is especially felt in the real estate sector, at the rentals level, mainly in the cities with bigger student inflow, like Lisbon, Porto or Coimbra; and, of course, in all the services sector in general.

Regarding the economic impacts on the Universities, it is important to distinguish between the public and the private institutions.

As in most of the cases of exchange programs under the scope of bilateral agreements between the sending and the host University, the student keeps paying the fees to his home University, in this consideration the international students to be contemplated are the ones that enroll in a full program (being a Bachelor, Master or Doctorate) in a Portuguese university, not the ones who come on an exchange program.

So, the impacts of the arrival of international students are obviously positive for both the public and the private universities, since it increases the number of “clients” (students). But, as in the public Universities the value of the fees is legally regulated, obeying to specific criteria which are applied the same way both for Portuguese and foreign students, these institutions are not able to increase their profits as much as they might.

For the private Universities, they have full freedom to determine the value of the fees they want to charge. This value may change according to the nationality of the student, among other criteria.

Inside the services sector, there is a specific area which has to be emphasized - Tourism. Portugal is a country which is highly attractive for tourists, benefitting of a mild climate, a wide and valuable historical and natural heritage, and welcoming people. Combined with the existence of low cost flight companies and strong communication and transport networks, it makes the country easily accessible and highly attractive for tourists, especially Europeans.

It is believed that hosting more international students will enhance the promotion of the tourism sector, directly through the students and indirectly through their friends and families.

The Benefits of Multiculturalism in Portuguese Universities

The international students received by Portuguese universities represent, on the one hand, an incentive to social and academic multicultural environments, promoting tolerance and respect for different ethnicities, religions and traditions. On the other hand, the relationship between Portuguese and foreign students might be productive for both, since it allows them to live diversified linguistic experiences. For the foreigners, it allows the improvement of the Portuguese language. For the nationals, it represents an opportunity to contact with different lifestyles and to learn languages from a wide set of countries. For all of them, it naturally brings the refinement of the communication in English.

Internal Communication and Preparation

It is important to refer the role that the Portuguese mass media performs. On the one hand, they have been reporting the growth in the number of international students in the country and, on the other hand, they keep highlighting the importance that these students have for the country in the academic field and for the national services sector in general.

In social and cultural terms, this news has positive impacts, raising awareness and sensitizing the overall community for the international students' reality and its potentialities.

③ NM

The students' *migration* phenomenon boosts the development of contact networks, each time broader in space and means, transforming the academic society in a highly multicultural and transnational environment. Keeping pace, the civil society recognizes these transformations and starts becoming an integral part of the process.

Summing up all the impacts of social, cultural, academic and economic nature, it can be concluded that the annual mass *migration* of international students to Portugal is highly beneficial for the country and represents an important advantage for the positioning of the country in an increasingly global world, characterized by the value of information, knowledge and technology.

2.1.6 Conclusions

Concluding, Portugal presents conditions that ease the entry, permanency and mobility of international students, namely through protocols, informatics systems and special procedures that

speed up the analysis of documental processes and shorten the deadlines for the granting of visas and residence permits.

Moreover, the capacity of the Portuguese government to grant various scholarships, through public institutes like *Fundação para a Ciência e Tecnologia*, *Instituto Português de Apoio ao Desenvolvimento* and *Instituto Camões*, and also through the Universities and Polytechnics themselves, is another attraction factor.

Finally, the bilateral and multilateral cooperation established with foreign countries, organizations and international institutions, through agreements and conventions of different kinds, carries a determining role for the improvement of the entry conditions of the students and for their stay in the national territory.

2.2 The Portuguese Tourism Business

Introduction

Introducing the tourism domain, a general overview will be made in the next paragraphs, taking into consideration official data published last year, relative to 2012 values, since it is the most recent official information made available by the Portuguese *Instituto Nacional de Estatística* - INE. Then, each specific theme will be further explored.

According to the provisional data from the World Tourism Organization, the number of worldwide tourist arrivals in 2012 stood for a year-on-year growth of 4.0%, corresponding to 39 million tourists.

Europe hosted more than half of the international tourists (51.6%) and presented a 3.4% growth compared to the previous year. However, the most favorable results in terms of growth came from “Asia and The Pacific” (+7.0%) and Africa (+6.4%). The Middle East was the only region presenting declining results in year-on-year terms (-5.4%).

In Portugal, according to the Balance of Payments produced by *Banco de Portugal*, the item *Travel* had its revenue increased by 5.6% and the expenditure decreased by 0.9% in 2012. Therefore, the balance of this item showed a significant positive trend in this year.

Revenue reached EUR 8 606 million while expenditure stood for EUR 2 946 million, which led to a EUR 5660 million balance in 2012 in the *Travel* sector, against EUR 5 172 million in 2011 (+9.4%).

According to the results of tourism demand taken from the 2012 *Travel Survey of Residents*, 4.0 million residents travelled at least once and stood overnight outside their usual place of residence, which represented 37.8% of the population residing in Portugal (more than the 36.9% in 2011).

In 2012, these resident tourists made about 17.1 million trips for touristic reasons, 15.6 million (91.0%) of those within the national territory and the remaining 1.5 million to foreign destinations. Regarding the main reasons pointed by these resident tourists for travelling, trips made with the purpose of *Visit to relatives or friends* represented 46.0% of the total, while *Leisure, recreational or holiday* reasons stood for 42.1% of all trips. Finally, *Professional or business* motivations totaled 1.2 million trips, representing 7.2% of the total number of trips.

Concluding, trips made by residents originated a total of 69.7 million overnight stays outside their usual place of residence in 2012 (+2.1% facing 2011). Private accommodation (free, paid, or secondary residence) prevailed with 79.4% of the total of overnight stays, while the number of overnight stays in hotel establishments corresponded to 15.3% of the total (19.5% in 2011). These establishments had a significant weight in *Professional or business* trips (43.9%).

Considering the tourism accommodation establishments in Portugal, in July 2012 there were 2 028 units available with a total of 296 321 beds (+0.4% and +2.5% than in July 2011, respectively). The number of people employed was 44 490, slightly below the one in the same period of the previous year (-0.8%).

In 2012, tourism accommodation activity establishments hosted 13.8 million guests, with a corresponding 39.7 million overnight stays. When compared to the previous year, the number of guests decreased by 1.1% while overnight stays increased by 0.6%.

Like in 2011, non-resident tourists presented a positive year-on-year trend (+4.8%), contrary to the resident ones (-7.5%).

Algarve, Lisbon and Madeira kept being the main destination regions (together representing 73.8% of the total of overnight stays spent in the year).

By type of establishment, the demand was concentrated in hotels (61.2% of overnight stays), followed by apartment hotels (16.3%). The average stay was 2.9 nights, slightly above the one of the previous year (2.8 nights). The net bed occupancy rate presented no major changes (39.5% in 2012 and 40.0% in 2011).

Total revenue of hotel establishments reached EUR 1 856.4 million and revenue just from accommodation totaled EUR 1 290.1 million. These were declining results compared to the previous year (-2.6% and -1.3%, respectively). The revenue per available room (RevPAR) has been EUR 28.5, being 3.5% less than in 2011.

Place/City Marketing

City marketing is considered to be a scientific field, which defines the city as a “product to sell”, considering its image. (Metaxas, 2011)

City Marketing has a lot to deal with. If well-managed it can enhance the image of the city, attract more visitors and increase the profits from tourism.

City marketing consists of two parts: place assets and place promotion, as Gold and Ward (1994) wrote. Place asset is the process of identifying place-specific advantages and attractive elements, so, positive differentiating factors. Place promotion reflects the use of these advantages in a way that allows communicating an effective positive message.

Place marketing offers guidelines for making places more attractive in the eyes of their stakeholders (Kotler et al., 2000), mainly visitors.

Besides that, Kotler et al. (2000) reminds that in order to perform an effective place marketing there are four basic sub-strategies that should be addressed: Image Marketing (overly positive

image), Attraction Marketing (natural attractions and sights), Infrastructure Marketing (infrastructural advantages) and People Marketing (famous residents and institutions).

The role of big events in Place Marketing strategies

According to Metaxas et al., 2011, organizing big events that have the potential to attract a lot of publics is one of the key issues of a well-designed place marketing strategy. If a city executes effective strategic planning and hosts popular large-scaled events, that will probably enhance its image, making it more attractive to tourists and consequently allowing to reinforce the local economic growth.

Big Events Organization

Portugal has already demonstrated its ability to successfully organize international mega-events such as the *European Capital of Culture* in 1994, *Lisboa World Exposition* in 1998, and *UEFA European Football Championship* in 2004. With its huge events, Lisbon enhanced its profile as a powerful economic urban center of the Southern Europe.

4 NM

Against Big events

Big events also carry out some possibly negative consequences (Fourie et al., 2010; Matheson, 2002; Solberg and Preuss, 2006), since the realization of an event may cause tourism shifts or crowding-out (Fourie et al., 2010). This is due to the variety of factors that affect tourists' preferences. With too much people going to a city because of a big event, it can cause prices to raise, lack of supply on accommodation or transportation, and even security problems.

The event preparation is often associated with "long-term debts and long-term use-programming" (Roche, 1994). But, even if the hosts face negative financial return, there are nevertheless intangible assets of mega-events such as the promotion of citizen morale, national pride, patriotism and an enhanced country profile (Fourie and Santana-Gallego, 2011) which may create a positive impact on the host cities' development.

Place Branding

Strategic place branding promotes specific characteristics of a city, as core values, in order to direct users to recognize and appreciate these attributes (De Chernatony and Dall'Olmo Riley,

1998). In addition, place branding is not just a catchy slogan, but an inexpensive and quick strategy (Rantisi and Leslie, 2006), a way of planning developmental policies. Furthermore, planning strategies have not only the mere intention to attract attention, raise awareness and achieve place recognition, but also to enhance the economic and social development of the areas.

The importance of Place Marketing today

Nowadays, in the global environment, place marketing has become not just important but even necessary for tourist attraction, place identity and urban governance (Boisen, 2007; Jensen-Butler, 1997). Its ultimate objective is to increase the capacity of attractiveness of places (Metaxas, 2006).

Besides, the target public to attract to a city is wide, varying from tourists to potential investors or even students. Hosting famous events and organizing distinct types of activities not only raises awareness as it boosts the image of a dynamic city.

Why are Place Marketing strategies hard to succeed?

Place marketing can generate several benefits, but it is known that it is hard to perform successful place marketing strategies. Places, as products, possess the features of identity, differentiation and personality. Nevertheless, places are multidimensional and too complex to be treated like products, such as governments to behave as producers or users to react as consumers. Consequently, due to this complexity and unpredictability, it is difficult for place marketing to succeed (Karavatzis and Ashworth, 2005).

5 NM

Cultural Tourism – key for the new model

Cultural tourism has been defined as “the movement of persons to cultural attractions away from their normal place of residence, with the intention to gather new information and experiences to satisfy their cultural needs” (Richards, 1996).

According to Lise and Hélio Barroso (2008), Cultural Tourism is mainly motivated by the quest for information, new knowledge, interactions with local people, communities and places, and also by cultural curiosity, interest for getting to know local customs, traditions and cultural identity.

Cultural tourism is experiencing a large expansion worldwide. According to the World Tourism Organization, WTO (2004), “cultural tourism is seen as being a major growth market in global tourism”.

Additionally, international students have shown surprisingly high interest levels for cultural programs, as it will be possible to see in their answers to the online survey conducted by the researcher, which will be presented in the third chapter, section 3.1.

6 NM

Cultural Tourism in Portugal

Lisbon already took advantage of a cultural event (European City of Culture) in order to reinforce its image as a cultural destination.

Smaller Portuguese cities could manage to prepare “cultural offers”, publicize them and spread the word across university students, since most of them would be attentive listeners and probable future visitors, as the online survey (chapter 3.1) have shown.

How to take advantage of the cultural factors to enhance the tourism among international students?

Taking advantage of its 15 properties inscribed on the World Heritage List (14 being Cultural heritage and 1 Natural heritage) (Unesco, 2012), its awarded cities (e.g. Lisbon voted European City of the Year 2012) and cities being nominated to European Capital of Culture from time to time (e.g. Lisbon, Porto and Guimarães), Portugal can enhance its place marketing strategy targeting international students, through university campaigns designed to create awareness about destinations with certified potential, emphasize their natural and cultural value and consequently arouse the interest of the many potential visitors within the university student population to visit those Portuguese destinations. The nearby villages would also benefit from this increased number of visitors, due to the “packaging” model of trips, where the most known destinations would be put together with smaller nearby locations in the same 3 to 4-day trip packages.

How to overcome natural disadvantages

According to Metaxas, 2006, Lisbon is somehow far away from the central poles and decision-making centers of Europe and it makes it harder for Lisbon to effectively publicize its attractions and to achieve successful promotion policies.

This disadvantageous peripheral position of Portugal in the European map has to be compensated by different and original offers, a strong voice speaking in the name of Portuguese tourism and exceptionally designed place marketing and city branding strategies. Each city should pursue its personalized strategy, but all under the purview of a strong and quality-certified brand, named *Portugal*.

Big events have the potential to boost Portuguese cities' image and make it easier to overcome the difficulties inherent to the peripheral geographic position of the country. For example, Expo '98 had big positive impacts over Portuguese tourism since a huge number of tourists came to visit Portugal at that time, and many of them eventually kept coming back.

Previous years have already proved that it is possible to mitigate the geographic disadvantage of Portuguese cities in the European global context – according to Metaxas (2011), it has been proved that Lisbon dealt with the unfavorable geographic position effectively and managed to achieve its goals through city promotion.

The successful organization of mega events such as the *European Cultural City* of 1994, *EXPO* 1998 and *UEFA EURO* 2004 has greatly contributed to the cultivation of an identity of Lisbon as a top tourism destination and it has given the city a huge help overcoming those geographic obstacles, since it strengthened its main economic sectors and generated the necessary conditions for the creation of a powerful image for the city.

Having the example of Lisbon in consideration, it is justifiable to assume that a good place marketing plan with well-designed promotion policies could be effective in the other Portuguese cities too.

Travel operators nowadays

The role of travel operators and travel agencies have been changing a lot last years. Internet and new software technologies have been the responsible entities for that major change, as they revolutionized the rules of the game.

People tend to search for physical travel agencies each time less. And if the analysis is to be done among a younger segment of population, as university students, this statement gains more significance, as the percentage of students who go to physical travel agencies and use their

services to plan a trip is even smaller than the one among the overall population (Porter, 2001; A.D. Smith, 2004; Zhou, 2004). Students use Online Travel Agents to search for their travel options, make a reservation and pay for it.

Web Fare Aggregators

Metasearch engines are tools that conduct searches across multiple independent search engines, allowing them to aggregate the results and present them all simultaneously, through a Fare Aggregator website.

Fare Aggregators are the websites that university students use the most before making a decision, to compare different prices from different companies, all available in the same webpage. Thus, they obviate the need for travel consumers to cross-shop from site to site.

These Fare Aggregators redirect the users to the website of an airline, cruise, hotel, or Online Travel Agent for the final purchase of a ticket.

Aggregators' business models consist of getting fees from the major Online Travel Agents, then displaying to the users all of the results on one screen.

The question is: what should smaller travel operators do to survive and remain profitable, resisting to the giant companies with advanced online platforms and top technology?

They have to change from a product-based approach to a service-based approach. Instead of focusing on what products they can offer, meaning where they can take the travelers and for how much, smaller travel agencies have to focus on what services they are able to offer, taking advantage of their knowledge and solid local network.

Attract the consumers offering information and travel packages, instead of single trips that they are able to plan and organize by themselves.

Take advantage of the fact of being smaller and thus having a narrower focus. Local travel agencies have a solid network in their area that is hard to equalize by newly established companies or by huge global travel agencies that do not focus on the specific characteristics of small areas since that kind of focus is not viewed as a strategic revenue generator for the company, due to the small dimension of the places and reduced capacity to receive visitors. The strong local network will allow the agencies to offer special promotions and competitive offers that combine a diversified set of services during the trip, while planning all the itineraries in a simple and clear way. No complications, no unexpected factors.

How? Answer in **7NM**.

According to the findings of Andreassen and Lindestad (1998), for services that are complex and infrequently purchased, corporate image, instead of customer satisfaction, was the main predictor of customer loyalty.

● **NM** - If the **new model** is able to establish a credible structure and a solid corporate image, it will generate more leads that could turn into travel sales, since traveling inside Portugal is a rather complex and infrequent purchase, especially when it comes to countryside or less famous destinations.

Travel agencies should consider implementing strategies that reward valued customers through the perception of enhanced levels of product and service, and differentiate their corporate image from the others (Lacey, Suh, & Morgan, 2007).

In **8 NM**, it can be viewed how the New Model intends to enhance the relationship of its travel operators with the international students, creating emotional bonds.

A well-established brand personality will be able to boost emotional connections with the brand, increase preference and sponsorship, and ultimately develop trust and loyalty (Biel, 1992; Sigauw, Mattila, & Austin, 1999).

9 NM

International Tourism – facts and numbers

The data which will be presented in this sector has been gathered in *INE – Estatísticas do Turismo 2012*.

According to estimates disclosed by the World Tourism Organization, WTO, the international tourism revenues of 2012 grew by 4,1% in real terms when compared to 2011. This growth is inferior to the one of the year before (+4,8%), indicating a deceleration in the global touristic activity.

The arrivals of international tourists got to 1035,6 million, corresponding to a growth of 4,0%, equivalent to 39 million more international tourists than in the previous year.

In **Exhibit 1**, Appendices section, it is possible to view the Total International Tourist Arrivals, between 2008 and 2012.

When analyzing the tourism tendencies in Europe, the intra-European tourism prevails and will continue dominating until 2020. It is estimated that it will represent about 75% of the 740 to 750 million of trips predicted to that date. (PWC, 2014)

Southern Mediterranean Europe, where Portugal is inserted, remains globally as the most desired sub-region by international tourists.

In 2012, the three major tourist receptor countries were France, the USA and China, respectively by number of visitors. Then, Spain, Italy, Turkey, Germany, the United Kingdom, Russia and Malaysia, respectively.

In terms of tourism revenues, the leader has been the USA, followed by Spain and France.

As for tourism expenses, China comes in the first place, then Germany and third place to the USA.

See **Exhibit 2**.

The Economic Environment of Portuguese tourism

In 2012, the Portuguese Gross Domestic Product decreased 3,2% after also decreasing 1,6% in 2011. The unemployment rate increased, registering a value of 15,7% (12,7% in 2011). The inflation rate decreased, going from 3,7% in 2011 to 2,8% in 2012. The confidence levels of both consumers and companies kept really low in terms of average annual values.

As for the tourism activity, regarding tourist accommodation establishments, they felt the consequences of this negative macroeconomic environment in the country. The revenues resulting from overnight stays in hotels and other similar establishments have been reduced by 2,6% when compared to 2011.

The total number of overnight stays in 2012 remained relatively similar to the previous year (+0,6%) registering a total of 39,7 million.

Although the residents registered a decrease in the overnight stays (-7,5%), this was compensated by the favorable evolution of the number of overnight stays of the foreign tourists (+4,8%).

According to the data of the Bank of Portugal, the item *Trips and Tourism* in the Balance of Payments of 2012 shows that the revenues kept growing compared to the previous year (+5,6%), corresponding to EUR 8.606 million. However, this growth was smaller than the one registered in 2011, which had been 7,2%.

Cruise Tourism Growing

In 2012, the number of cruise ships that entered in the main national harbors was 880, translating an annual growth of 3,9%.

The number of transit passengers that passed by Portugal, with or without tour to the land, registered a growth of 8,8%, reaching 1,254 million travelers (1,152 million in 2011).

See **Exhibit 3**.

① ① NM

The Use of Tour Operators and Travel Agencies to plan Trips – Portugal

As for the organization of the trips by Portuguese travelers, it was observed that in 76,0% of the cases there was no previous organization or reservation for the touristic services, including transportation, accommodation and alimentation. In 18,5% of the trips, advance booking has occurred directly with at least one of the services provider, but without any participation of a travel agency or tour operator of any kind.

The utilization of travel agencies or tour operators was only registered in 5,5% of the trips realized in 2012 by the Portuguese travelers, maintaining the decreasing tendency in the utilization of these services (8,7% in 2009, 7,3% in 2010 and 7,1% in 2011).

Although in the trips done by those Portuguese travelers inside Portugal the utilization of a travel agency was only done in 2,4% of the cases, in the trips to a foreign country the situation changes and the utilization of travel agencies' services occurred in 36,9% of the cases, showing the difference in the need that people feel to get help and advice when traveling inside their country and when traveling abroad. It is a matter of confidence, safety, feeling comfortable and having control over unknown or unexpected situations. It is obviously more uncertain, or say, riskier, to travel abroad.

The use of travel agencies is always bigger when travelers are planning trips to a foreign destination (INE, 2012), for the underlying reasons of the unfamiliarity with the country and areas

they will visit, language barriers, need felt to have safety guarantees. That comes aligned with the facts discovered in the primary research through the survey answered by the international students, showing that they tend to use travel operators when planning their trips, mainly the first ones (in the first months), but on average during their whole stay, since it is generally a short stay (5 months on average) that is not enough to allow the international student to get a deep knowledge of the country's destinations nor to achieve a perfect domain of the native language. Furthermore, due to the variety of tourism options that the country possesses, each area to visit is different from the previous one, which requires the help of a tour operator in the effective planning of each trip.

① ① NM

Characteristics of the Trip Expenses

According to the data gathered by INE, the trips in the categories of *Professional or business trips* and *Leisure or vacation trips* were the ones that obtained the higher average daily expense per tourist: 32,14€ and 31,74€, respectively. The one with the lowest value has been *Visits to family or friends* with an average daily expense per tourist of 18,04€.

① ② NM

Touristic Offer for International Students in Portugal

In July 2012, the Portuguese hotel industry had 2028 establishments, 9 more than in the same period of the previous year, keeping the tendency of stability in the existing Portuguese hotel supply.

The regions with higher touristic offer in number of hotel establishments were the North (22,8% of the total), Algarve (21,1%) and the Center (20,7%), keeping the patterns of the year before (2011).

In terms of total number of beds, as it is usual, Algarve was the region which had the highest number of beds (36,0% of the total), followed by Lisbon (18,8%) and then by the North and the Center, both regions with similar weights (14,1% and 14,0% respectively).

Hotels represented 56,1% of the total accommodation capacity, followed by hotel-apartments (14,5%) and touristic apartments (12,2%).

Just for the record, in July 2012, the hotel establishments employed 44.490 people as staff, a little less than in the previous year. Boosting the tourism sector through international students would allow to provide more activity for the hotels and therefore to create new jobs in the sector, employing more people.

International Tourists coming to Portugal

The non-residents showed a positive and growing evolution in terms of overnight stays in Portuguese hotel establishments (+3,7% in the first half of the year, +4,7% in the third trimester and +7,6% in the fourth). Oppositely, the residents showed a negative evolution during all the periods of the year.

Alentejo, the Center and the Islands suffered a reduction in the number of visitors.

●**NM** -The **new model** is going to bet on rural tourism and typical tours in order to direct young tourists to these destinations that are becoming less known and have less probabilities of being chosen by the students when they are given the option to choose. Bringing large groups of young people (university students) to those areas would have the power to make them “trendy”, and would trigger the word-of-mouth marketing, which represents the most powerful marketing tool nowadays.

Lisbon, Algarve and Madeira are now responsible for 84% of the overnight stays of foreign travelers in Portugal.

In 2012, the national airports received 12,6 millions of passengers from international flights, translating a 2,7% increase when compared to the numbers of the previous year.

Algarve is the Portuguese destination more sought after by foreign tourists (36,1% of the total overnight stays in the country), mainly by British people (43,4% of the overnight stays of non-residents in the region was from British visitors). Then, Lisbon is the second most wanted destination by foreign tourists (23,8% of the overnight stays in the country).

① ③ **NM**

In 2012, the average rate of occupation of the available beds in the Portuguese hotel establishments has been 39,5%, slightly inferior to the one of 2011 (40,0%).

The highest values of the bed occupation rate were registered in the regions of Madeira (54,4%), Lisbon (46,6%) and Algarve (42,8%), and the best month (the one which registered the highest rates) was, as usual, August.

See **Exhibit 4**.

Promotion Policies and Discounts in Portuguese hotel establishments

In Lisbon, the total profits declined, although the number of total visitors and overnight stays has grown up, which suggests the use of **promotional campaigns with reduced prices**.

In terms of evolution, tourist villages have shown the highest increases, with +9,3% for the total hotel revenues and +11,1% for the room revenues. Then, tourist apartments, with +6,5% in total revenues and +8,9% in room revenues.

1 4 NM

As for the RevPAR – Revenue Per Available Room, one of the most meaningful indicators when talking about tourism related issues, its average value in Portugal in 2012 has been EUR 28,5, 3,5% inferior to the one registered in 2011. The regions with the highest average profitability have been Lisbon (40,5€), Algarve (31,6€) and Madeira (31,4€). The Center have shown the lowest values, with a RevPAR of 15,6€.

See **Exhibit 5**.

In 2012, for the first time, INE started gathering data regarding tourism establishments in the rural territory (called “TER - Turismo no Espaço Rural”) and apartments furnished for tourists.

Under the current legislation framework, the TER includes the establishments of Agro-tourism, country houses and rural hotels, but there had also been considered other not-specified TER establishments.

Exhibit 6: Establishments, Capacity, Guests and Overnights in Hotels, Rural Tourism Establishments (TER), Guest Houses (TH) and Local Housing, 2012

	Estabelecimentos	Capacidade	Hóspedes	Dormidas
	n.º	Camas	Milhares	Milhares
CONTINENTE	3 130	285 234	13 362	35 107
Total de Empreendimentos Turísticos	2 144	245 800	11 820	31 886
Hoteleria ⁽¹⁾	1 243	233 315	11 427	31 041
Turismo no Espaço Rural	704	9 708	323	705
Agro-turismo	126	1847	53	115
Casas de Campo	368	3 859	129	286
Hóteis Rurais	64	2 227	94	182
Outros TER ⁽²⁾	116	1 775	47	122
Turismo de Habitação	197	2 777	70	140
Alojamento Local ⁽³⁾	986	39 434	1 541	3 221

(1): Apenas estabelecimentos hoteleiros (Hotéis, Hotéis-apartamentos e Pousadas), Apartamentos e Aldeamentos turísticos

(2): Inclui as modalidades Turismo Rural e Turismo de Aldeia (estabelecimentos ainda não reconvertidos) e outros similares

(3): Inclui Alojamento Local bem como estabelecimentos de tipologias extintas mas ainda não reconvertidos (incluídos também nos "Outros alojamentos" no ponto anterior da presente publicação)

Fonte: INE – Inquérito à Permanência de Hóspedes na Hoteleria e Outros Alojamentos 2012

As it is possible to see in **Exhibit 6**, in 2012, 1243 hotel establishments have been in activity on the Portuguese Continental area, while 704 units of Rural Tourism establishments have been identified.

Campsites

Camping represents one of the cheapest options to travel and it is an activity that is being known and done for a long time. It may be interesting for those low-budget international students who, besides having limited financial resources, want to take the most out of their international experience in Portugal and to get to know many places inside the country. For these low-budget students, traveling abroad is an unviable or remotely viable option due to financial reasons, so they represent a sound group of customers for Portuguese tourism.

In July 2012, there were 242 campsites spread throughout the country, with an available area of 1249 hectares and capacity to accommodate 181923 campers.

In **Exhibit 7** it is possible to see how those campsites are distributed across the country, while in **Exhibit 8** it is possible to see who have been the campers that used the Portuguese campsites in 2012, by country of residence.

According to INE, the months of July, August and September were the ones that registered the highest values of demand for the Portuguese campsites (64,3% of the annual overnights), as it has also been usual in the past years.

Holiday Camps & Youth Guesthouses

In July 2012 there were 79 holiday camps and youth guest houses operating in Portugal, 10 less than in the homologous month of the previous year. The accommodation capacity was 8268 beds.

Further Considerations

In Portugal, Tourism accounts for nearly 46% of the service exports and more than 14% of the total exports. (PWC, 2014)

The *Travel & Tourism Competitiveness Report 2013*, from the World Economic Forum, ranks Portugal 20th in the global ranking and 5th in the Mediterranean countries' group, in what concerns the priority given by governments to the *Travel and Tourism* sector.

Opportunities and Shortcomings

The World Economic Forum (WEF) states in the *Travel & Tourism Competitiveness Report (2013)* that Portugal has clear opportunities to grow, mainly in what concerns the available natural resources and the sustainable tourism associated to their adequate and conscientious exploration. The same ranking indicates that the major shortcomings of Portugal are the inefficiencies in the marketing and targeting activities, the hiring and management of the personnel, and the weak training given to the teams that receive and serve the international tourists.

Investing in human capital, meaning, choosing the right people to hire and then giving them valuable training to receive the international tourists that come to Portugal is of great importance. According to the analysis of the WEF, the investment in human capital is a strategic element that promotes the sustainable development and allows to enhance the positioning of the tourism companies in the market.

Impacts of the Social Media in Hotels' Performance

A research from Cornell's Center to the *Hospitality Research*, entitled *The Impact of Social Media on Lodging Performance* (2012) states that the satisfaction of the hotel customers, measured by their positive online reviews' score, had a positive financial impact on the hotel performance.

The same study concluded that an increase of 1% in the evaluation of the hotel (on the 100-point scale of "ReviewPro global review index") is able to generate an increase of:

- 0,89% in the price;
- 0,54% in the occupancy rate;
- 1,42% in the RevPar (Revenue per available room).

According to a study about the satisfaction of the tourists that visited Portugal, done by "Turismo de Portugal" in September 2013, the *Information available on the Internet* and the *Recommendations from family and friends* were the main reasons for the choice of Portugal as tourism destination in 58% of the cases (22% and 36% respectively), said the respondents.

Seasonality of Tourism Activity

It is known that in Portugal it would be almost impossible to have 12 months of high season, however, through complementary offers it might be possible to mitigate the seasonality, extending the medium/high season periods.

1 5 NM

Reviewing the Portuguese touristic offer

Portugal has high-quality tourism offers besides the so-called "Sun & Beach" tourism. Awareness should be raised to make those other offers more known at an international level.

Examples of other types of tourism where Portugal is starting to be positively positioned are *City Tourism, Golf, Gastronomy, Wine Tourism, Congresses & Conferences, Nature, History & Culture, Religion* and *Health & Well-Being*.

It might also be relevant to take advantage of the evolution of sports like surf and kitesurf in Portugal and how they can impact national tourism, as well as the recent evolution of cruise tourism, which, in a country surrounded by sea, may bring superb opportunities.

Expected role of Portuguese Tourism Service Providers

The *players* of the Portuguese tourism have the important challenge of offering to their clients unique experiences that come associated to the services they provide, adding them value, thus differentiating them from basic “commodities”. When the tourist pays for an experience, he pays to enjoy a set of events that are supposed to be unforgettable. Events which should involve him both personally and emotionally. The role of a good tour operator is to turn those expectations into reality, making the previously stated experiences happen.

1 6 NM

Promotion policies and discount prices in the Portuguese tourism sector

Considering the hotels’ pricing policies, what happens in Portugal is that many operators have a short-term view managing their assets, defending that a room that is not occupied is like a lost resource: “any price brings additional revenue”.

Some state that with aggressive price discounts it is possible to promote cross-selling. So, the customer would save in the value paid for the room and the hotel would win, among others, in the values paid for food, drinks, SPA’s services, and possibly creating loyalty in the customers, that might eventually come back.

However, what the numbers show is that clients who are price sensitive prefer to buy complementary products outside of the hotel and just become loyal to the low price and not to the experience itself. So, when the price comes back to fair values, they will not tend to come back.

Therefore, this kind of price decreases has to be managed carefully by the hotel managers. They should always think until what point a discount that is too aggressive makes sense, or say, produces benefits, instead of tarnishing the image of the brand and the identity of the experience in the eyes of the general public.

Players should make an effort to keep their prices relatively constant, avoiding to affect all the competitors and to bring prices to unacceptably low levels, eventually ending up to destroy the market.

They should manage their discounting campaigns strategically, looking for commercialization models that promote earlier bookings, which in the case of “no show” will represent a loss of value for the client, like flight companies do. These actions might allow to mitigate the *last minute* campaigns and the high price reductions that are associated to many of the existing models.

Nowadays, clients keep analyzing prices over the internet and touristic products rapidly become commodities. There is a need to contradict this effect.

When the tourist buys an experience he pays to take advantage of a set of unforgettable events that the chosen destination has to offer, where he will get personally and emotionally involved. The tourist has to be reminded of this involvement so that he bears it in mind at the moment of buying a trip.

Association of Players

Other suggestion, this one more debatable by the tourism players that already have their own brand/concept/identity well defined and firmly implemented in the market is the possibility of association of Portuguese players, with a common market positioning, which might pass by the creation of a common brand that would allow to improve the marketing strength and power of commercialization of the hotels that are involved in the international markets, allowing to achieve a better promotion of their brand and also of Portugal as destination.

This possibility of creating more powerful Portuguese players and achieving scale economies represents an opportunity to consolidate the Portuguese position in the current international markets where Portuguese players are already present, and also to penetrate in new markets, in countries that otherwise would be hard to reach.

See **Exhibit 9**.

① ⑦ NM

Obstacles to designing and following new strategies for Portuguese tourism

The existing data about tourism in Portugal is scarce and somewhat insufficient.

There is not a defined strategy to improve the knowledge of what is the demand on the international target markets, on the diversification of products that would allow to enhance the value proposition and neither on viable and fruitful ways to reposition the national touristic offer.

It does not exist an adequate characterization of the target markets in order to understand what they look for and what they value. Therefore, it is not possible to segment those markets, neither to personalize the offers and their communication.

Without betting on knowledge the strategy ends up being “keep trying different strategies”, trying to replicate other markets’ successes but without evaluating the critical success factors of those options and not studying whether Portugal has competitive advantages to the implementation of those strategies or not.

Portuguese-Speaking Countries - a Strong Market for National Tourism

According to PWC (2014), the Brazilian and Angolan markets may create big opportunities and represent a crucial success factor for Portuguese national tourism in terms of growth in the number of tourists received and generated revenues.

In the international students’ sphere, Professor Ricardo Reis also emphasized these Portuguese-speaking countries, talking about the academic field and university programs, saying the perception he has of the strategy that is starting to be followed by most of the Portuguese universities is a decisive bet in attracting students from countries whose official language is Portuguese, mainly aiming to reach the Brazilian ones. Then, he added that “there will be a very big inflow of students from these specific markets”.

Portugal surely has a competitive advantage against the rest of the European countries in the attraction of Portuguese-speaking international students from all over the world.

As for the overall attraction of tourists, other European countries have actually had some difficulties in attracting the Brazilian and Angolan tourists in a sustainable way, due to language difficulties, which create communication problems, but also for cultural differences. (PWC, 2014) Portugal comes in a favorable position, due not only to its linguistic proximity and common cultural heritage, but also to factors like having direct flight connections to these countries and having a climate that is in between the hot tropical weather of countries like Brazil or Angola and the cold weather of the Northern Europe.

In accordance to the previously expressed considerations, PWC’s report defends that a bet on higher education to captivate students from Portuguese-speaking foreign countries may leverage national tourism’s potential, enhancing, in the short-term, the visits of friends and families to the country and, in the medium-term, the creation of bonds to eventually make them keep coming back to Portuguese destinations on a regular basis.

2.3 Corporate Social Responsibility

2.3.1 Short considerations about the 3BL and the New Model

The *Triple Bottom Line* model (3BL)

According to Norman and MacDonald (2003), many researchers define the concept of *Triple Bottom Line* (3BL) as “an important milestone in our journey toward sustainability”, an approach that places emphasis on both environmental and social aspects of the firm, alongside with economic aspects.

When talking about the 3BL concept it is important to address the way firms commit to its proposed principles and if they keep acting accordingly. According to Norman and MacDonald (2003), by committing to the principles of the 3BL it sounds like companies are making a concrete and verifiable commitment to CSR and sustainability. And many surely are. But, on the other hand, it also allows them to make almost no commitment whatsoever. Without the need to calculate any quantifiable social or environmental bottom lines, firms do not have to worry about having these “bottom lines” compared to other firms; nor will they have to deal with the fact of having declining social results over the years.

That is exactly why the current trend is towards measuring, to assure firms’ commitment is for real.

Reasoning against the efficiency of the *Triple Bottom Line* model

According to Norman and MacDonald (2003) there are fundamental theoretical grounds for thinking that it is impossible to develop a flawless methodology for arriving at a valid social bottom line for a firm, since it would be almost impossible to find a common scale to measure all of the social positive and negative outcomes caused by the firm.

Part of the problem lies on the fact that it is complicated to make quantitative evaluations of how good or bad an action or an event is. It is possibly easy to make qualitative judgments when evaluating the social impact of corporate activities, but really hard to quantify them.

① ⑧ NM

CSR in the Portuguese Tourism Business and the New Model

Although not with the global dimension of the scandals in the USA, in the last years Portugal has also been in big trouble due to lack of ethics in the banking sector, poor regulation and inefficient supervision. It caused major problems for the country, and the citizens are still paying for the mistakes of some rogue decision makers.

It is extremely important that during the next years Portugal can transmit to its international partners an image of reliability and consciousness, as well as a true concern over the level of ethics in the business practices of every activity.

The private sector is increasingly asked to approach social problems and, subsequently, assume greater social responsibilities in adjusting the failures for which it is directly responsible, like pollution or deficient product safety.

This way, the Portuguese Tourism Sector should adjust its focus and positioning, highlighting eco-friendly trips, activities and means of transportation, while trying to promote synergies with different business sectors and enhancing the development of disadvantaged locations.

In absolute terms, the major benefits that the new model is able to bring to Portugal are:

- More touristic volume, meaning more travelers going to national destinations;
- More jobs in the services sector, mainly in the tourism industry;
- More wealth to the smaller and poorer destinations, through the way the model is organized and the emphasis it will place on the most disadvantaged regions.

19NM

Chapter 3: Primary Research

3.1 Online Survey to International Students

International Students' Online Survey Report

The Sample

The survey was especially designed to give the researcher powerful insights and meaningful information on the typical international student's behavior patterns, budget expenses, interests and preferences, among other relevant issues.

201 international students, from a wide variety of Universities and Polytechnic Institutes from North to South of Portugal, all aged from 20 to 25 years-old, answered the survey. They were both males and females, although in this sample the dominant gender has been *Female* (59% of the respondents).

Most students come for a one-semester period of time rather than the full year. In the collected sample, 79% of the international students (158 students) came for a one-semester period of time, while for the other 21% (43 students) the mobility period has lasted a full year.

It is important to explain the reason why the researcher opted not to perform a statistical analysis of the surveys' data. Due to the type of approach chosen, the researcher could not perform an extensive statistical analysis, nor could he create any statistical model, since it would make the dissertation too long for its purpose, and it would make the study fall out of its target.

Below, the researcher presents each question that has been posed to the international students and a short analysis of the answers which were obtained:

1. Question: **“Did you find your permanent accommodation in Portugal before arriving to the country?”**

42% of the students had not found accommodation before arriving to Portugal.

This means that almost half of them need support when they arrive, to make it easier for them to find proper accommodation, especially in smaller cities where most landlords find it hard to communicate precisely in any language other than Portuguese.

2. Question: **“Did you have any trouble when hiring home service providers? (Gas, Electricity, Internet, TV).”**

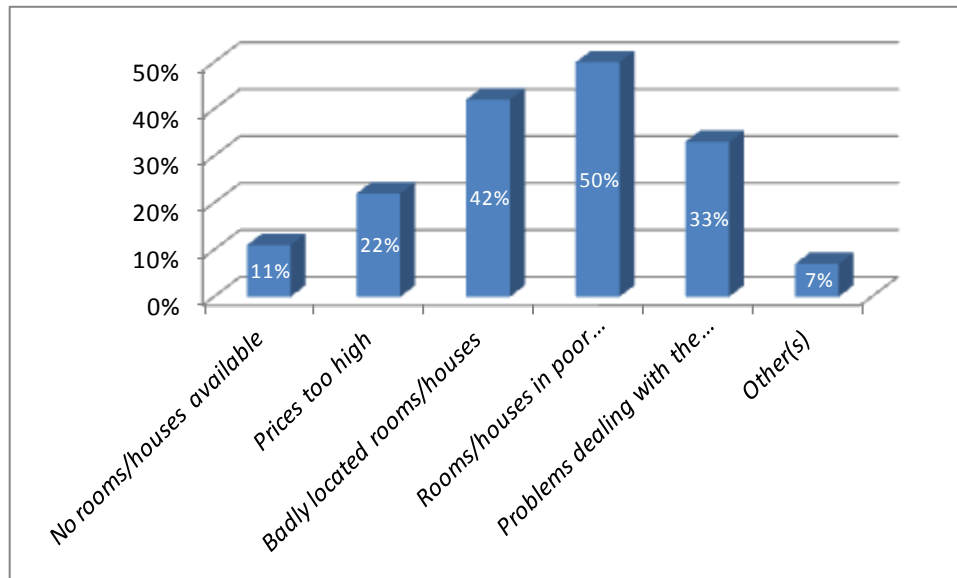
Trouble hiring home service providers is not a noticeable issue to international students, which is explained by the good degree of development and service efficiency of most Portuguese cities that receive foreign students.

The answers showed that most of the times the services were already hired by the landlord and the payment for the services was already included in the rent price, so the student did not have to worry about it.

Even though, **11%** of the respondents said they experienced problems. Analyzing their answers attentively it is possible to see that most problems are related to bad internet connections and Internet contract length (minimum 1 year, which is not viable for most international students that just stay on average 5 to 6 months). Few respondents also reported language barriers as an issue.

20 NM

3. Question: **“What were the main problems you faced when looking for permanent accommodation? (You can choose as many as you want)”**



No rooms/houses available – 11%

Prices too high – 22%

Badly located rooms/houses – 42%

Rooms/houses in poor conditions – 50%

Problems dealing with the landlord – 33%

Other(s) – 7%

The main problems faced by international students when looking for accommodation in Portugal are *Rooms/houses in poor conditions*, *Badly located rooms/houses* and *Problems dealing with the landlord*.

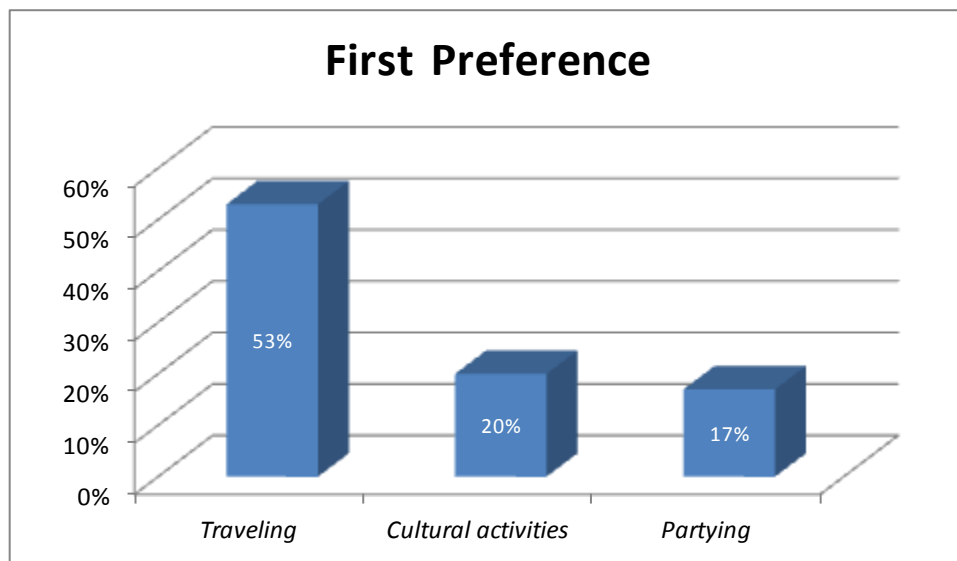
A student who starts having problems or feeling cheated because the room does not match the description, the landlord is not opened to listen to him or any other reason, right upon his arrival to a new country, will feel less involved in that country's culture, less willing to meet and discover what it has to offer and will, consequently, travel less frequently and for shorter periods of time inside the country. In the specific case of Portugal, this student would probably just want to know one or two of the most famous Portuguese touristic sites while starting to plan more trips to Spain, France and Italy.

This rationale has been driven by the findings of the Focus Group conducted with a group of seven international students, which will be presented later on this *Primary Research* chapter. The Focus Group allowed the researcher to dig deeper into the students' opinions and the drivers behind their decisions. Connecting the knowledge gathered in the Focus Group with the huge amount of

data collected in the Online Survey, the researcher has been able to draw conclusions in a clearer and more coherent manner.

2 1 NM

4. Question: **“During your stay in Portugal, in what type of activities do you prefer to take part in your free time? Please rank them by order of preference (The first one being your favorite).”**



The major activity that international students look for during their free time is *Traveling*.

To understand what international students like to do and what they look for when they come to Portugal, they were asked to rank in order of preference the following 4 social activities – *Cultural Activities*, *Partying*, *Sports* and *Traveling*. 53% of them placed *Traveling* in the first place, while 32% have put it in second. This places *Traveling* comfortably in the winning position, since 85% of the international students consider *Traveling* as a top priority.

Then, the second place is splitted between *Cultural Activities* and *Partying*, with a slight advantage to *Cultural Activities*. 20% of the students have put *Cultural Activities* as their 1st choice, which is a number that may surprise many, given the fact that the respondents are very young. On the other

side, 17% of them have put *Partying* in the 1st place, which may eventually be a number much smaller than many researchers might be expecting.

It shows that the idea that university students who go abroad are only interested in partying and enjoying superficial pleasures is wrong for the university students of today and, specifically, for those who choose to come to Portugal.

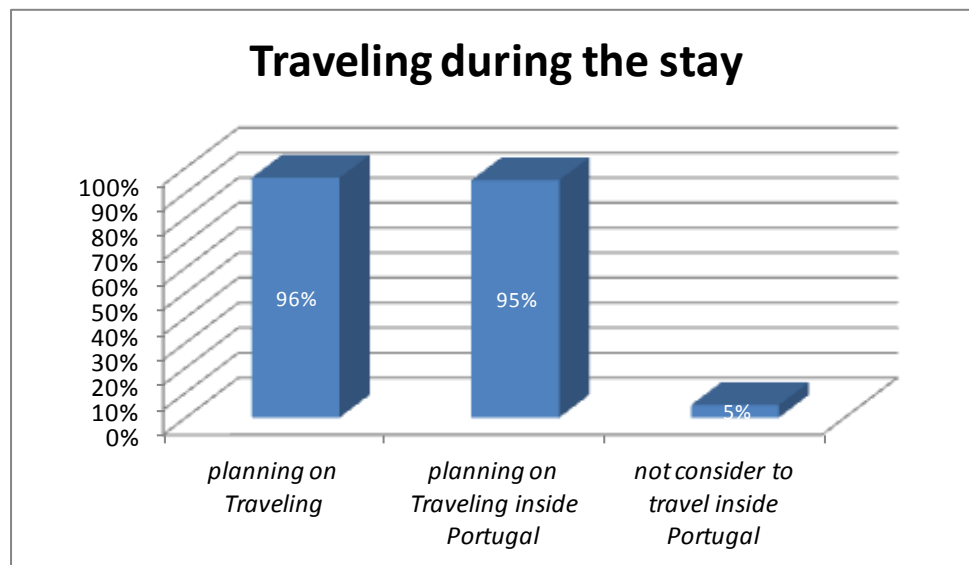
Sports came as the least preferred one. This might be due to a lack of willingness to sacrifice time and effort in activities that they usually do back home, preferring to focus on different things that they may view as opportunities to live new experiences and take part in a distinct lifestyle.

5. Questions:

“Are you planning on traveling/Have you been traveling during your stay in Portugal?”

&

“Are you planning on traveling/Have you been traveling inside Portugal or abroad?”



The analysis of these two questions will be presented together in order to allow a better understanding of the situation and make it easier to draw clearer conclusions.

In the first question, 96% of the International Students said they want to travel while in Portugal. In the second one, 95% of them showed intentions to travel inside Portugal and merely 5% said they do not consider to travel inside Portugal but only abroad.

Combined, these are extremely motivating indicators to see that foreign students are willing to travel inside Portugal. It would be very difficult to motivate an audience that assertively tells that they do not want to travel inside Portugal, either because they do not like to travel (which is unexpected in students that apply to mobility programs) or because they do not want to know the country (which would also be unlikely since they chose Portugal as the one country to experience their mobility program).

So, the only problem might be related to financial difficulties, which this model proposes to solve reformulating the way students plan their budget, shifting it from nightlife parties to cultural and traveling programs with the focus on original and “typically portuguese” offers.

6. Question:

For those who answered they would like to travel abroad, it was asked **“Where to?”**.

The main competition for portuguese tourism comes from Spanish destinations. 85% of the students who traveled/want to travel abroad cite Spain as one of the chosen/desired destinations. In the second place comes France, right before Italy (28% and 25% respectively). So, the main criteria of choice for these students is related to *Proximity* as it would already be expected.

In this question many students answered “Madeira” or “Azores” because they probably understand the islands as an abroad destination (not belonging to Portugal).

The islands have an enormous potential to enhance the idea of a diverse portfolio of touristic options inside the country. They open doors to cruise tourism, which combined with beaches, sightseeing and other existing leisure activities may represent a luxurious traveling option for international students (e.g. a week trip, named “the big final trip” – the golden mark of the 5 months).

So, it is important to raise International Students' awareness of *Madeira* and *Azores*, emphasizing the role of the islands as Portuguese touristic products and enhancing their integration in the new model.

2 2 NM

7. Question: “**What motivates you to travel inside Portugal during your exchange period? Please rank the following reasons in order of preference (The first one being your favorite).**”

When asked to rank four drivers in order of importance according to what were the main ones behind their motivation to travel inside Portugal during their mobility period the answers were strongly conclusive, since 92.5% of the students have put *Getting to know a different city/place* in the first place.

In the second place, the option *Just being with friends*, which 4% of the respondents chose as 1st option and 47% as 2nd option.

Then *Events (Music Festivals, Sports, etc.)*, and in the last position *Partying*.

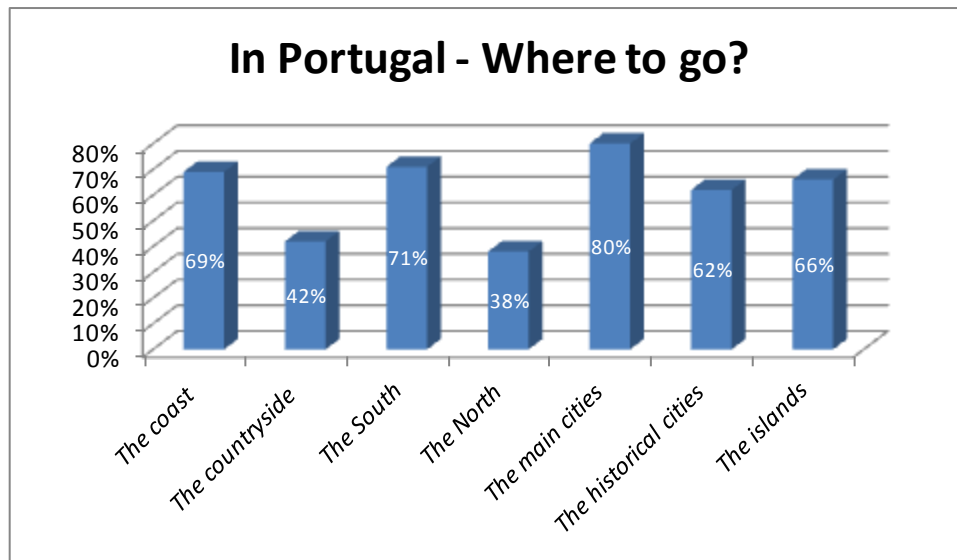
Again, these results show the strong willingness of international students to travel inside Portugal to get to know the attractive sites and different characteristics of each area.

They support the **new model**, which intends to spread the idea that there is a wide diversity of touristic options inside the country and wants to fight the approach of the majority of the currently existing organizations, just leading international students to parties and nightlife.

International students want to travel, they are willing to enroll in trips and original cultural activities, ready to absorb the culture of the country and anxious to discover more. The point is that due to their lack of life experience and relaxed “state of mind” (proper of their age), international students are just not the public to go after it by themselves. They tend to let themselves go with the majority of the group (“go with the flow”) and enroll in the options that they are able to find more directly, implying less research and less effort, which certainly are those party-oriented activities.

Therefore, the crucial thing is to show them that there is an infinite world of things to discover about Portugal since their arrival, and make those touristic offers easily accessible to them at an immediate level.

8. Question: **“Where would you prefer to go inside Portugal? (You can choose as many as you want).”**



The coast – 69%

The countryside (Alentejo, Serra da Estrela) – 42%

The South (Algarve, Costa Vicentina) – 71%

The North (Braga Guimarães) – 38%

The main cities (Lisboa, Porto) – 80%

The historical cities (Coimbra, Évora) – 62%

The islands (Madeira, Açores) – 66%

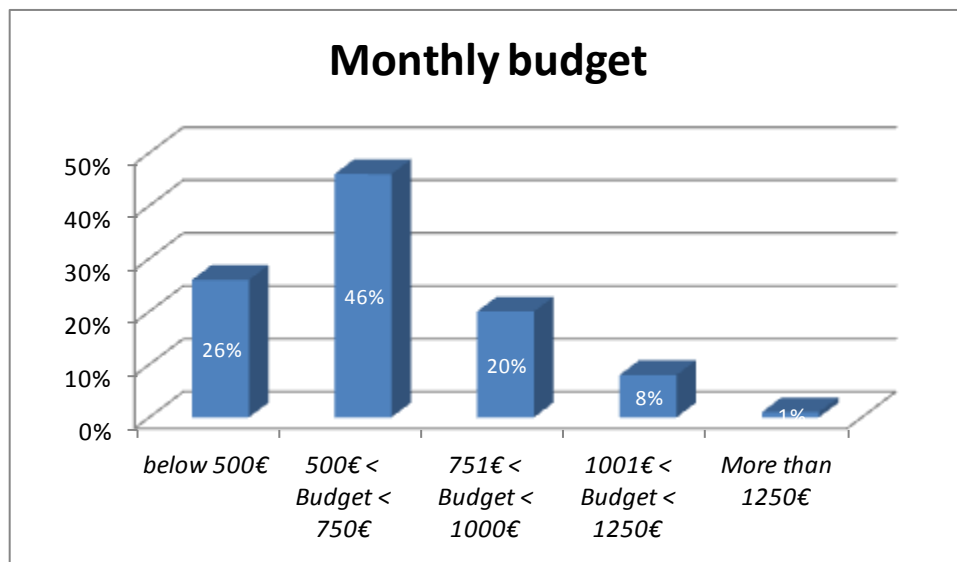
All the regions obtained good results in terms of raising the interest of international students, except the countryside and the North.

This is a matter of creating awareness and managing expectations, since those regions are rarely referred to international students in the current offers.

Both the Portuguese countryside regions and the North ones have plenty to offer in terms of natural beauty, history, typical gastronomy and so on. Therefore it is possible for those destinations to become attractive to international students and to take advantage of the economic benefits they are able to bring to the region as visitors.

9. Question: **“While studying in Portugal, how much would you say your monthly budget is (including scholarships)?”**

With the goal of measuring the buying power through the average monthly budget of an international student living in Portugal, respondents were directly asked to place their monthly budget level in one of the given intervals.



The results were the following:

Below 500€ - 26%

Between 500€ and 750€ - 46%

Between 751€ and 1000€ - 20%

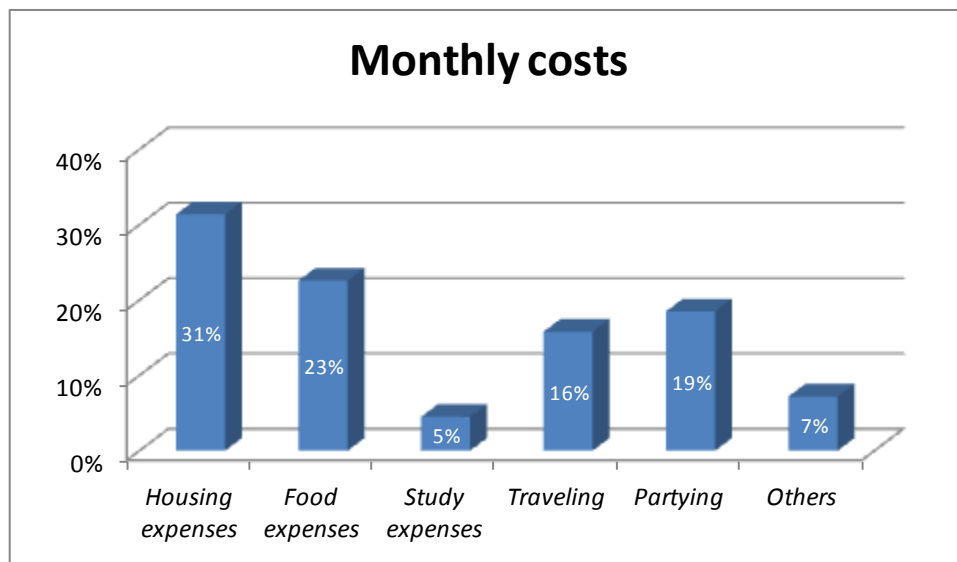
Between 1001€ and 1250€ - 8%

More than 1250€ - 1%

The average monthly budget of an international student in Portugal is 695 Euros, a pretty motivating value, emphasizing the value of international students as proactive actors in the Portuguese economy, and especially in the tourism sector, since they rank traveling as their top priority activity.

The fact that there are some international students with really high incomes (about 30% of them have more than 750€ to spend monthly and almost 10% have more than 1000€) allows one to enthusiastically think about preparing “gourmet” trips, with luxury activities in prime locations and high-end Portuguese products.

10. Question: **“How do you spend your budget (in %)?”**



Housing expenses – 31.37%

Food expenses – 22.60%

Study Expenses (books, writing material...) – 4.50%

Traveling – 15.81%

Partying – 18.51%

Others (clothes, gym membership, communications...) – 7.21%

18.51% of the budget expenses are directed to *Partying*, occupying the third position, after *Housing Expenses* and *Food Expenses*. Those two first categories were obviously expected to occupy the leading positions, since they are basic needs. The percentage of 18.51% for *Partying* is a very high number when compared to the other dispensable expenses.

Most of the students opt to spend their allowance until it is gone. This means they do not try to save money during their exchange period.

The problem is clear. The international student ends up spending much more money in *Partying* activities than he initially intended to, merely due to the available offer of the existing organizations that approach him.

Despite showing a strong interest for traveling inside the country and deep curiosity for getting to know the Portuguese culture, the endless offer of nightlife activities and the easiness of participating in them speak louder. So, as money is not infinite, students end up spending most of their budgets partying in bars and clubs.

11. Question: **“What is your Portuguese mobile communications provider?”**

Vodafone – 14%

Optimus – 22%

TMN – 53%

I don't have one – 11%

TMN is clearly dominating the communications between international students in Portugal, with its pricing plan *“Moche”*. Optimus is the second one, and lastly Vodafone.

11% of the respondents said they did not have a communications provider while in Portugal, which shows that with the existing powerful social networks it is possible to communicate without phone calls, just using social applications whenever access to Internet is available.

12. Question: **“Do you often use Internet on your mobile phone?”**

Just for the record, 64% of the international students said they usually access Internet from their mobile phones and the other 36% answered oppositely.

Knowing that many students are used to access Internet in their phones may help phone

operators to think about how to prepare different plans with different prices including or not Internet access.

3.2 Survey to the Universities' International Relations Offices

International Relations Offices' Survey Report:

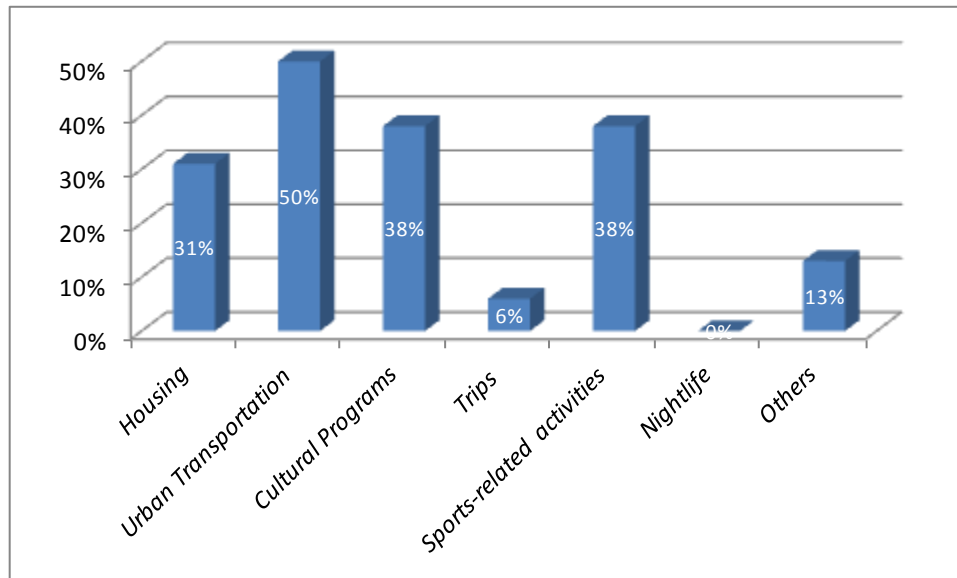
The coordinators of the International Relations' offices from several universities across the country answered this survey, which aimed to evaluate several characteristics about the surrounding social environment of the international students in the city where the university is located, the existing academic situation and the different activities they will be able to find.

18 answers of international offices' coordinators were collected, ranging from universities from North to South of the country.

Question: “Em que áreas considera que os Alunos Internacionais do seu Estabelecimento de Ensino necessitam de mais apoio, ou não estão a ser apoiados suficientemente? (Pode escolher mais que uma opção)”

[EN: In which sectors do you consider International students from your University need more support, or are not being sufficiently supported? (You may choose several options)]

When asked what were the areas where they considered that the international students from their University do not have enough support or should have more support, the answers came as follows:



Housing – 31%.

Urban Transportation – 50%

Cultural Programs – 38%

Trips – 6%

Sports-related activities – 38%

Nightlife – 0%

Others – 13% (Example: insufficient offer of courses taught in English.)

These results prove the inherent portuguese organizations' orientation of the incoming international students towards nightlife activities. No respondent considered it was needed to improve/increase nightlife offer.

Question: “Em que moldes seria positiva uma parceria entre o seu Estabelecimento de Ensino e uma organização exterior que apoia Alunos Internacionais nas áreas acima descritas?

(Habitação, Transportes Urbanos, Programas Culturais, Viagens, Actividades Desportivas, Diversão Noturna ou Outra(s))”

[EN: How would a partnership between your University and an external organization that aims to support International Students in the areas described above be valuable?” (Housing, Urban Transportation, Cultural Programs, Trips, Sports-related activities, Nightlife or Other(s))]

In this question some conclusions can be taken: in some medium-size cities (e.g. Aveiro) and in many smaller ones the universities don't have enough resources to fulfill students' needs when it comes to housing and transportation issues.

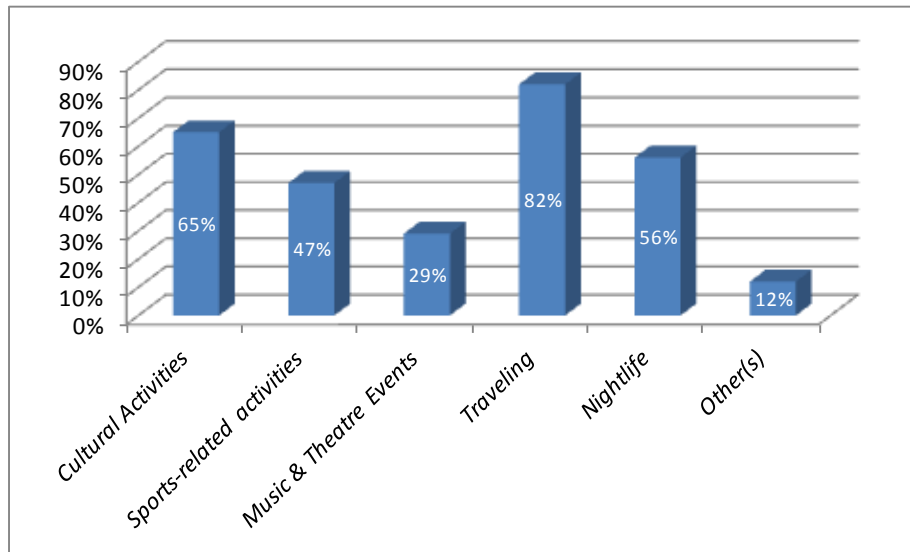
“Our region (Santa Maria da Feira) is deficient in the areas of mobility, especially when it comes to public transportation between Santa Maria da Feira and the main urban centers like Porto or Aveiro” – *Instituto Superior de Entre o Douro e Vouga*.

“If there was an intermediary who took care of the housing stuff it would be much easier to offer transparency in the relationships between landlords and international students (information, contract terms, receipts, etc.). Real estate agencies are not prepared nor interested in dealing with the specific needs of international students or investigators involved in mobility programs, since their period of stay is very short. The quality of the accommodation also falls below the expectations of the international students. An intermediary would be able to guarantee standard requirements and verify them.” - *Universidade de Aveiro*.

In terms of transportation services the main problem seems to be the companies' lack of ability to transmit information about their services (timetables, destinations, etc.). “The few transportation companies that try to communicate in English haven't been able to make valuable translations.”, *Universidade de Aveiro*.

Question: **“Que tipos de atividades considera despertarem mais interesse nos Alunos Internacionais do seu Estabelecimento de Ensino? (Pode escolher mais do que uma opção)”**

[EN: What kinds of activities do you consider that arouse more interest in the International Students of your University? (You may choose several options)]



Cultural Activities – 65%

Sports-related Activities – 47%

Music & Theatre Events – 29%

Traveling – 82%

Nightlife- 56%

Other(s) – 12% (Volunteering activities).

Aligned with the preferences that students themselves have shown in the other survey, here the coordinators of the International Relations' departments of the Universities also gave the best result to *Traveling* (82%), so, the activity that international students search for the most. After that, *Cultural activities*, and third place to *Nightlife*.

This shows that not only international students are strongly interested in traveling and being involved in cultural activities (as the other survey allowed to understand) but also that these preferences are perceived by the national people who deal with them during their stay. This represents a meaningful result since it allows to conclude that international students are really into traveling and getting to know the country, evidencing that to others. Therefore, this conclusion comes as a reinforcement of the previously stated argument suggesting international students really want to know the routines and specific customs of Portuguese destinations but they are just not guided the right way nor given the right tools to accomplish those wills.

② ③ NM

Question: **“Na região onde se localiza o seu Estabelecimento de Ensino, considera que existem potencialidades pouco exploradas que poderiam ser do interesse dos Alunos Internacionais? (Ex: Roteiros Históricos, Roteiros Gastronómicos, Paisagens Naturais...)”**

[EN: In the region where your University is located, do you consider that there are underexplored potentialities that might interest International students? (e.g. historical routes, gastronomical routes, natural sights...)]

&

Question: **“Poderia justificar a sua resposta na questão anterior?”**

[EN: Can you justify your previous answer?]

In the first question, 51% of the respondents said that in the region where their University is located there are underexplored potentialities that might probably be interesting to international students.

This number demonstrates that there is room to explore and to innovate. Taking advantage of the already existing natural capabilities of the regions, poorly promoted historical sites, sightseeing routes and a bunch of other more recently built infrastructures would allow to maximize the touristic offer, enhance the attractiveness of the cities and turn Portuguese less known locations more appealing to international students in general.

Then, the respondents who answered affirmatively to the first question were asked to explain why. Here are some examples of answers explaining what is said in the above paragraph:

“Para além de estarmos inseridos numa região predominantemente turística, existe muita história no Algarve que poderia ser explorada, existem paisagens naturais fabulosas no interior da região e muito mais para além de praias e diversão noturna.” - *Universidade do Algarve*

EN: “Besides being a predominantly touristic region, there is a lot of History about Algarve that

could be explored, there are fabulous natural sights in the inner regions and a lot more than beaches and night entertainment.” - *Universidade do Algarve*

“Os alunos internacionais mostram grande interesse em visitar paisagens naturais e roteiros históricos, no entanto, fazem-no sempre a título pessoal ou através de colegas. Neste sentido, estas potencialidades poderiam ser bastante exploradas, tanto pelo estabelecimento de ensino como em parceria com outras organizações estudantis.” - *Instituto Superior de Saúde do Alto Ave*

EN: “International students show great desire to visit natural sights and historical routes, however, they always do it at a personal level or through colleagues. In this sense, these potentialities could be highly explored, both by the University alone as in association with other student-related institutions.” - *Instituto Superior de Saúde do Alto Ave*

“A Ria de Aveiro é inacessível ao público em geral apesar do seu enorme potencial. Os trilhos nas montanhas não estão marcados e os pontos de interesse histórico são difíceis de procurar. Os transportes coletivos entre o litoral e o interior do país não oferecem alternativas e não permitem aos estudantes conhecer os segredos que Portugal tem para oferecer. Uso o termo segredo de propósito porque há muitos locais de interesse que não são bem comunicados. Eu pessoalmente conheço um sítio magnífico na Serra do Caramulo onde é possível tomar um bom banho na natureza e é preciso conhecer alguém da zona para saber como passar para o lado de lá da rocha e chegar àquele sítio. É uma maravilha! As pessoas de Aveiro que mais contato com os estudantes internacionais (enquanto "turistas") têm - donos de lojas, empregados nos bares e restaurantes e taxistas - não têm uma formação adequada em geral (saber informar, saber explicar, saber falar inglês...)” - *Universidade de Aveiro*

EN: “The *Aveiro Lagoon (Ria de Aveiro)* is inaccessible to the public in general despite its enormous potential. The mountain trails are not properly marked and the interesting historical points are hard to look for. Public transports between coastal and inland regions do not offer a viable alternative that allow international students to get to know the secrets that Portugal has to offer. I use the term “secret” intentionally since there are many interesting places that are not well announced. Personally I know a place in *Serra do Caramulo* which is truly wonderful, where it is

possible to take a good bath in the middle of the nature. It takes to know someone from the area to know how to get there. It is a true wonder!

The people in Aveiro who have a closer contact with international students (as “tourists”) are shop workers and owners, waitresses of restaurants and bars and taxi drivers – these people usually do not have the adequate formation nor education (how to inform, how to explain, how to speak understandable English...).” - *Universidade de Aveiro*

Limitations

The difficulty in obtaining answers was an issue, since in some cases to get a meaningful answer the researcher had to insist several times. Although some Universities have answered promptly, on average, Universities have been contacted 2 to 3 times before a valid answer could be obtained.

For some Universities and Polytechnics, it was impossible to collect the desired information, as they never replied or simply refused to cooperate.

Even though answering all the questions of the survey, some respondents did not display all their knowledge or did not disclose relevant pieces of information, which made the researcher’s analysis more complex and sometimes less accurate.

3.3 Focus Group with International Students

The Focus Group has been performed with the presence of 7 students, from 5 different nationalities, both males and females. By the time the Focus Group has been conducted, all the students had already been living in Portugal for at least 4 months. The objective was to create an intercultural environment and a casual atmosphere where interviewees could speak in a relaxed manner and talk about their experiences feeling no pressure.

The Participants:

Name	Country	Gender	Age
Ana Oregui	Spain	Female	24
Dakota Poe	United States of America	Female	23
Élie-Anne Goodhue	Canada	Female	22
Erika Scott	Canada	Female	21
Karen Noorgard	Norway	Female	23
Santiago Beltran	Colombia	Male	28
Patrick Hebert	United States of America	Male	23

First, an introduction has been made, explaining to the students the objectives of the Focus Group and its academic context. Then, it was asked the students to commit to answer the questions as accurately as possible, to have real answers that might allow the researcher to draw consistent and meaningful conclusions. They all agreed.

Then, questions started being made, one at a time. After each question the students were given time to think and answer calmly.

List of all the questions posed:

- 1** - What do you prefer about Portugal? If you started talking to a friend that is going to apply to an exchange program for the next semester what would you say about Portugal and how would you describe your experience?
- 2** - Which activities did you expect to find in Portugal before coming? Did they match the ones you actually found?
- 3** - Were there any activities that you would have liked to do more often? Or that you have not done at all because you did not have the opportunity?

4 - Do you consider that the current organizations that deal with international students in Portugal have a diversified offer in terms of tourism?

5 - With which organizations for international students have you contacted?

6 - Do you feel that nightlife activities are over explored by organizations?

7 - Did you have any trouble finding accommodation when you arrived? If yes, please describe it and be specific.

8 - Favorite activity: Traveling, Cultural Programs, Partying, Sports? What is easier to find in Portugal? Did you take part in these several types of activities even if only once or twice during your stay?

9 - Did you travel inside Portugal and/or abroad?

10 - Where did you travel to? (Portugal- name the cities; Abroad- name the countries)

11 - How many times did you travel inside Portugal during your stay?

12 - What motivated you to travel inside Portugal? Why for those destinations? Be clear.

13 - Was there any place inside Portugal you were curious about and you simply did not find a way to go to, or an affordable way to make it happen (because it was too expensive, too disorganized, too far away or any other reason)?

14 - Did you experience typical Portuguese activities (Wine harvest, wine tasting, cultural routes, rural tourism...)?

15 - If yes, what motivated you to do them, where did you hear about them, how did you sign up to participate?

If not, why not? You simply did not hear about their existence, you did not have any interest in doing that, you thought it was too expensive compared to how much you value it?

16 - How much was your monthly budget while in Portugal? How did you spend it? Excluding housing and food expenses, in which activities did you spend the highest amount of money? Traveling, Cultural programs (museums, music festivals, cinema, typical gastronomic routes...), Partying (every night-related activity included) or doing Sports?

Conclusions:

After gathering all the answers and treating the information, the researcher has been able to draw some conclusions, which came in line with the previous findings of the online survey.

Major issues to retain:

- All of the students agreed on the fact that the nightlife is a bit over explored by organizations.
- Trouble finding accommodation actually exists, 3 of them referred issues related to language barriers and one of them told her experience with a rogue landlord.
- Main motivations to travel inside Portugal: Friends that had already been in Portugal and recommended specific places to visit, or pure curiosity.
- All the students referred they were interested in doing typical Portuguese experiences (like wine harvest in a rural village), but only 3 of them have actually done some. The main reason pointed for not experiencing more Portuguese typical events was that they could not find easy opportunities to enroll, kept delaying it and forgetting to look further for it.
- 5 students emphasized the fact that they ended up spending more money in nightlife entertainment than what they actually wanted to allocate to it. They attribute this fact to the huge amount of offer by bars and clubs. “There is a different party going on in Lisbon almost every night, and even if you do not feel like going, you end up going because some other colleague persuades you to, simply because we do not have other plans, and it is better to go out than to stay home doing nothing. If we had more cultural offer filling our days, we would not feel that need to go out at night and then sleep the whole following day”, *Ana Oregui*.
- Most of them have really good budgets to spend in leisure activities, ranging from 600 to 1100 Euros per month.

So, this Focus Group allowed to reinforce the conclusions which had been taken after the Online Survey.

Now, here are some of the most pertinent statements said by the students during the Focus group, which the researcher felt interesting to share with the reader:

“A lot of things are good about Portugal. I love the food. For example, «*bacalhau à brás*», «*sardinhas assadas*», «*pastéis de bélem*»... are so delicious! I also enjoyed wines’ culture, cafés (as Fernando Pessoa’s one, *A Brasileira*), beaches (the ones at Ericeira, Praia do Guincho, Praia Grande close to Sintra – which is by the way a must see with the incredible history and architecture of the castles, especially the National Palace of Pena and Palace of Regaleira) and I like the many boardwalks that you can find in Porto and Lisbon. You can easily walk through the cities.

Otherwise, when you want to go further or to travel elsewhere, the transports are very accessible (urban train, buses).” - Dakota Poe

“I would say that Portugal is an amazing country with amazing people. Everyone is friendly and most of the people are happy to make you discover their country. My experience in Portugal was awesome! I would recommend it to everyone. I really fell in love with the country and mainly Lisbon.” - Erika Scott

“When I arrived, I expected to find many activities directed to international students with the objective of mixing with locals. There were some, but the integration was weaker than I expected.” - Ana Oregui

“There was not a safe way of making payments. Nobody could give me a guarantee that the landlord I was contacting was secure. So, the only option was to wait until you travelled there, so all the best apartment options would already be taken.” - Ana Oregui

“I really wanted to learn how to surf in Portugal. When I arrived, I was pleasantly surprised to know that you could surf a few minutes from the city.” - Erika Scott

“I would like to have visited *The Douro Valley*. I just could not do it.” – Patrick Hebert

“I did wine tasting, I went to see the *Fado*, I went to all the festivities in June in *Alfama* and in *Bica*.” - Erika Scott

“If I don’t count my traveling, I spent approximately 1000 dollars per month in Portugal for all my activities. “ - Erika Scott

“I was expecting surfing, kayaking, wine tasting, scuba diving, snorkeling and to watch at least one football game. Not all of them happened though” – Élie Goodhue

“Yes. I did wine tasting in Porto, I walked around *Vila Nova de Gaia* and I visited some port wine cellars (*Quevedo, Sandeman, Ferreira, Krohn*). We also went to a *Fado* night where we could enjoy a typical Portuguese singing and hear about the *Saudade*. “ - Dakota Poe

“For rural tourism, the type of offers we saw were expensive for the kind of trip we were planning on doing.” - Dakota Poe

“Most of the focus is on nightlife entertainment. I wanted to go to Azores and do some hiking on the islands, but I have never really been given a chance to do it.” – Karen Noorgard

“In Portugal I travelled to: Albufeira, Arrifana, Porto, Peniche, Arrabida. Abroad, to Holland, France, Ireland and Spain.” - Erika Scott

“In Portugal I visited *Porto, Évora, Monsaraz, Sagres, Albufeira, Coimbra* and *Arrabida*. Abroad, Ireland and France.” - Élie Goodhue

“I went to Algarve two times (alone, backpacking before school started and with exchange students on a roadtrip), I went North for a weekend with some friends, and I went to Madeira for a long Weekend.” - Karen Noorgard

“I visited *Museu da Marinha* and it was really worth it, I went to see twice a sound and light show at *Praça do Comércio* which was impressive, I went to a *Fado* night (*Tasca do Chico in Bairro Alto*), I went surfing a couple times, kayaking, I enjoyed many times the nightlife in *Bairro Alto*, etc. There would be too much to enumerate!” - Santiago Beltran

As the reader can notice, it is really impressive the things international students actually learn about Portugal during a short period of time in the country.

3.4 In-depth interview with Professor Ricardo Reis

The researcher conducted an in-depth interview with Professor Ricardo Reis, Coordinator of the International Affairs in Católica-Lisbon School of Business and Economics (CLSBE). CLSBE is one of the Portuguese faculties which is more developed in international matters, receiving almost 500 international exchange students per year. The Professor is currently one of the major responsible for the internationalization processes of CLSBE, for creating new bilateral agreements with foreign universities and, therefore, he is one of the most qualified persons in the country to talk about international students and all the related issues.

The full interview can be found in the end of the Appendices section. The researcher advises its reading for a deeper understanding of the study.

Below, the researcher compiled some of the most relevant statements said by the Professor:

If we want to think of international students as a way to maximize national tourism, it is crucial to think of them as a different segment of tourists.

They want to take with them the feelings and the memories of someone who lived in Portugal, not who visited Portugal. It is a completely different thing.

They know they just have 5 months to do all they want in Portugal. They will not delay their visits.

Organizations have to find the specific model for each city. It is not of any value to copy models from other cities, since each city has a different organization and needs its own model. In Coimbra for example, the model to approach and receive international students is eventually much more similar to the one of Heidelberg or one other city with a huge academic component than to the one of Lisbon or Porto. (...) It is a matter of the cities' specific environment and dynamics.

The newly approved international student's status will turn the entry of full-time international students in Portuguese Universities into a close reality.

Either you change your courses to English, globalizing them, or you keep teaching them in Portuguese, and then you are restricted to specific markets (Portugal, Brazil and the African ex-colonies).

We just expect international students to come from everywhere in the world. The tendency will be to start having classes with 70% to 90% foreign students. That will be a win-win situation, both for foreigners and for the Portuguese students, who will have the opportunity to be involved in a totally internationalized environment.

We already receive applications from an incredible number of different countries. I can tell you that the difficult thing now is to find countries from which we do not receive any student applying to study in our school. This is exactly related to what we talked about a few minutes ago, the prestige and visibility of the school, and its programs worldwide.

Chapter 4: The New Model

This chapter aims to present a set of considerations and recommendations for both the Portuguese Tourism players and the Universities, since the New Model advocates these 2 actors should work together for the achievement of the intended purpose, the maximization of the benefits and profits arising from the presence of the international students in Portugal.

Throughout the last two chapters, the tag **NM** popped up several times, forwarding the reader to this chapter, where he is able to view the considerations for each of the signaled topics. All those considerations, and also many recommendations, can be seen below:

1 NM

It is important to have more information available in English, which has to be easily accessible to help the international students make an informed and rational decision on whether to come to Portugal or not. The fact of showing clear information would represent a plus for the attraction of international students, since they will feel safer if they find clear data on what they have to do to apply, the courses which are offered and legal issues. It will also transmit an image of organization and solid internationalization of the country.

2 NM

The possibility of staying and building a professional career in Portugal is a plus for the international students, an extra factor that increases the attractiveness of the country for them.

3 NM

It is important to communicate the growth and arrival of the thousands of international students, for two main reasons: firstly, to inform the society and the common citizens of this reality, one that is happening so markedly in their cities; secondly, to give the service providers the opportunity to prepare and adapt their offers to these international students, so they can maximize the profits that might come along.

4 NM

One of the strategic focuses of the new model would pass by organizing events to the incoming international students at a national level in medium to small cities, raising awareness on those locations, enhancing their profile and increasing their attractiveness among the students and eventually generating more future visits.

5 NM

If a national organization for international students starts gaining credibility and a strong name, it may give rise to a win-win situation for each city where the organization is present. On the one side, the organization, with its know-how and both national and international (foreign students that already got to know the organization in previous semesters) network would help the city to enhance its place marketing strategy, to build a solid “brand” as touristic destination and to attract to the city, alongside with students, investments and relevant events. For the organization: the improved place marketing promotion would increase its levels of awareness among the general public, which would make more students search for the city as a possible destination. This would end up bringing more students to the area and, consequently, increasing the number of clients of the organization per semester in there.

6 NM

An attentive researcher would guess that conjugating these two factors, the rise of cultural tourism and the high interest of international students for cultural-related activities, might be very interesting, since it is still a poorly explored potentiality, one that planners could easily take advantage of.

But, how to do that in an effective way? How to make young international university students really engaged and actually enrolling in cultural tourism offers?

Offering “cultural packages”, composed by trips to historical or rural sites, and then connecting those trips through dynamic games and challenges are examples of ways

which would be good to promote adherence – as an example, in a weekend trip of Agritourism to Alentejo, a challenge would be issued, where the winner would get a free pass to the next weekend trip to Guimarães, the birthplace of the nation. The rest of the participants would also get a discount in order to encourage them to sign up for it.

Creating this kind of dynamics between different cities in distinct areas of the country would be a favorable way to make international students travel more times inside the country, while assimilating the idea that Portugal actually has wide tourism diversity.

The objective is to make international students understand that, during the 5 months of their stay, it is possible to keep traveling inside Portugal without repeating destinations or starting to get bored. This way, it would be possible to mitigate the existing tendency, mostly among non-European students, of starting to travel to bigger countries which are not far from Portugal, namely Spain, France or Italy. It is crucial to emphasize that, although being a small country, Portugal has a lot to see and a wide diversity of tourism options.

7 NM

The difference between planning a trip recurring to a travel agency or being the traveler to do it by himself lies in the higher easiness and efficiency by the agency in the conjugation of activities and schedules during the trip, which allows the traveler to save a lot of both time and effort. Nowadays, the advantage is there, just there.

Competing in prices, amount of information or standardized services at a global scale is a tough, nearly impossible task for small travel operators these days. So, they have to take advantage of the fact of being smaller and strongly focused on a narrow area, which allows them to have a deeper knowledge about specific cities, villages and the routes in between them.

Since the traveler is now able to do all by himself, due to the internet technologies, he would be able to plan the exact same trip (excluding cases of hard to reach destinations, countries with restrictive legislation, or other kinds of extraordinary situations). But, in a country like Portugal, any trip can be planned by the traveler himself. The difference is that the local travel operator knows the routes, he knows the average amount of time it takes to visit each museum, each monument, each area, and the exact time it takes to get from one place to another. The local travel operator knows how to conjugate the offers to address the needs of the consumer and he

will be able to offer a more valuable experience to the foreign traveler, in this case, the international student.

Taking into account that the international students are to be the target public of the new model, as they are commonly characterized by their relaxed state of mind and their easily influenced behavior (they let themselves “go with the flow”, instead of looking for the best option for each one of them personally), they will tend to opt for simplified tourism offers that they can choose at an immediate level, meaning they do not have to go through many steps nor complex processes in order to organize a trip. This fact strengthens the local tour operator power, as he is able to combine it all in one package, where the student does not have to worry about the details, while being able to meet different cities, get in touch with typical cultural activities and explore the natural beauty of the country. Basically, things he would hardly be able to find out by himself or, at least, without a lot of research, investing some time and effort in the process.

Activities like wine harvest, wine tasting, visits to natural parks and rural tourism are examples of unique experiences that would allow the foreign student to get a deeper knowledge about Portugal and its culture, things which they would probably never do during their stay, if not offered and publicized the right way by the local travel operator. Once again, here comes the power of the intervention of the new model.

8 NM

The new model wants its tour organizations to be viewed by the international students as something inseparable from their international experience in Portugal. The emotional factor has to comprise feelings of belonging, recognition (in the students’ mind: “*who we want to be in Portugal is who they propose us to be; what we want to experience is what they have to offer*”). According to Professor Ricardo Reis, international students want to feel like real Portuguese citizens and experience living like them for some months, not foreign travelers who are treated differently, given abnormal conditions or offered artificial experiences. Offering genuine experiences in actual environments is exactly the approach the new model wants to follow.

9 NM

It is crucial to set national quality standards for the image of the representative and partner organizations of the new model, managing the design and contents of their websites, the professionalism of the employees and the attitude they are expected to have towards international students, always putting the student in the first place.

International students are of utmost importance, since they are the ultimate objective, the path and the destination – short, they are the consumers.

These referred national directives can be standardized and common to all the cities of the country, since they lie on global values and general guidelines.

Then, it is important to combine this strategic global standardization of the new model's brand with personalized offers in each city of the country.

Standardization would not work in cities that have completely different models of approach to the international students' life. To correctly address their needs and expectations, each city should find its own model, according to its specific dynamics, as Professor Ricardo Reis clearly stated in the interview.

So, the standardization needs to be present in the corporate image, the efficiency and the quality of the trips organized, the professionalism of every employee and all those issues which are, and are supposed to remain, common to all the local offices, in order to achieve a solid structure and a credible corporate image.

Nevertheless, there are topics that each office has to personalize, because dealing with international students in Évora or in Coimbra is completely different than dealing with international students in Lisbon or Porto. The model of Coimbra is probably more similar to the one of Maastricht or Heidelberg than to the one of Lisbon, although being in different countries.

The dynamics of a city, the proportion of students within the whole population, the existing infrastructures and available services make each city a special case, creating the need to approach international students in a personalized way, to enable the satisfaction of their expectations the best way possible.

10 NM

The recommendation is to use international students to create new routes to Madeira, which is already very sought after, taking advantage of the sea possibilities of the country

and of the interest those students have shown in discovering the Portuguese maritime offers during the Focus Group conducted.

1 1 NM

Despite Portuguese tourists rarely use travel agencies or tour operators to travel inside Portugal, the international students experience a wholly different situation, since they are foreigners and most of them still do not know anything in the country. The Portuguese travelers do not find any communication barrier, they frequently have family in the cities they visit, and they already know the country's culture, how to approach people and what to expect.

International students will tend to recur to the guidance of a tour operator due to five main reasons:

- 1** – they are still young (majority between 19 and 25 years old), therefore they are still not experienced independent trip planners;
- 2** – they have just arrived to Portugal and for most of them it is the first time in the country, so they do not even know what they will find in the city where they are heading;
- 3** – they come with other duties and responsibilities beyond traveling and discovering Portugal, being the academic obligation the main one, where they are expected to study and get good grades. Therefore, they will not have all the time available to search for a wide variety of tourism options and original Portuguese experiences, which makes recurring to a travel agent more likely.
- 4** – They come for relatively short periods of time (5 months on average) which makes it hard to end the semester knowing Portugal well unless they are really efficient and use any kind of help from specialized travel agents.
- 5** – They do not have a car, which hampers the prosecution of independent trips and increases the probability of using the services of a tour operator to plan a trip and contract the adequate means of transportation.

1 2 NM

These are values that motivate and support the researcher's belief in the potential of international students for Portuguese tourism, since international students travel, exceptions apart, for *leisure or vacation*, and will, on average, spend more money than the Portuguese tourist. As it was possible to assess in the study of the profile of the international students received by Portugal, most of these students come from countries with average incomes higher than the Portuguese ones. All that being said, there are good indicators to believe it is possible to make international students who come to study in Portugal contribute for a considerable growth of the Portuguese tourism revenues.

1 3 NM

The recommendation is to take advantage of the existing touristic tendencies to raise curiosity and awareness on the international students to visit specific Portuguese destinations. Commonly, English students will know Algarve and will be willing to pay more for what they already know they like. On the other side, new destinations could be presented in the form of a comparison to what the students know better (in this case it would be Algarve for the English ones), emphasizing the similarities they are going to find in this new region and also referring what will be new. This could be an interesting way of presenting the different regions' touristic offer to the international students, since it takes advantage of the knowledge some of them already have about the country. This knowledge is used to raise curiosity and interest for other related destinations.

It also translates an interesting possibility of segmenting the international students by different clusters, and then, personalize the offers that are going to be presented to each group, preparing the most appropriate form of communication to approach each group.

1 4 NM

These trendy options, like tourist villages, may represent a sound option for the international students, showing affordable prices and welcoming environments.

1 5 NM

The international students represent a very interesting solution in this matter, allowing to mitigate the previously referred seasonality effect, since they compensate the gaps of the lower seasons and they leave when the high season starts. They stay in the country from September to June (the ones that come for the 1st semester come from September until January/February, while the ones that come for the 2nd semester arrive in January/February and leave in June). So, taking advantage of those 10 months of high flow of international students in Portugal translates a sound opportunity to mitigate the seasonality lived by the Portuguese tourism during the year.

1 6 NM

It is crucial that the Portuguese tourism service providers can present a high quality offer, one which should be available during most of the year, and which is able to distinguish by its uniqueness, accessibility, its distribution, sales support and, last, but crucial, the client's experience.

1 7 NM

Collaboration between the players of Portuguese tourism and Portuguese Universities should be enhanced at a national level, building a bridge between the international students and the travel operators, so that the touristic offers come to them at an immediate level and in an easily accessible way.

1 8 NM

It would certainly be hard to measure the social and environmental bottom line with a good level of precision. Nevertheless, this is not the same as saying that the social and environmental benefits do not exist or are not perceived by anyone. The communities, tourists, investors and the government are able to weigh the “goods” against the “bads” of the different business models.

The new model would be able to generate big advantages for the social bottom line – like the improvement of the international academic recognition of Portugal and the

enhancement of wealth and life quality in the smaller locations. This kind of benefits gives meaning to the concept of “Triple Bottom Line” within the new model.

1 9 NM

The tour operators of the new model, who will contact directly with the international students in the universities, carry a responsibility of passing an image of trust and transparency, not just upon their arrival but also during the whole semester, since if the student feels fooled by the agency in a trip or an activity, he will generate a wave of distrust among other students and even among students in his home country. This is the power of *word-of-mouth*, the most powerful marketing tool these days, due to the actual easiness of spreading an idea, an opinion or a story through the social networks.

Cheating international students to increase profits can be tempting to some, since the probability of getting caught and taking the blame is smaller than with nationals, due to the lack of information international students have on the country’s rules and practices.

So, it is important to be careful when hiring the collaborators that will work for the travel agencies and organizations that take part in the new model.

One lousy story can be sufficient to destroy the reputation of the model and to make it look like a rogue scheme to cheat and take advantage of international students, which would be a hardly reversible connotation.

2 0 NM

The new model proposes a close contact between each university and an accommodation organization, possibly standardized across all country, which has a set of rooms/houses to rent, specifically prepared to address the students’ needs (simple furniture, desk in each room, etc.), comprising a group of landlords that must accept and respect a set of rules in order to guarantee that the student finds an accommodation which meets his expectations. This landlords’ list should be annually updated, making it easy to add or exclude landlords according to the conditions offered and past behavior.

2 1 NM

The new model's list of chosen landlords, owning rooms/houses which respect the demanded requirements, would allow avoiding these initial problems that deteriorate the students' perception of Portugal and damage their expectations from the beginning.

The main objective is to make the student feel welcomed to the city he arrives at and completely comfortable in the country, eliminating avoidable trouble that happens to occur so often. Before going to the new country, international students are a bit nervous and anxious about what they will find, as it is a completely new experience in their lives and for most of them it is the first time they will experience living without their parents. Therefore, expectations play a big role in the process. Feeling well-received and treated like locals since the beginning will unconsciously create an emotional bond between the international student and the host country, which is hardly measurable but produces enormous benefits for the country, due to the fact that the student will be willing to "live the country" – know the culture, try the typical experiences and discover distinct destinations. Basically, going to places to do things, which means, traveling.

This is the reason why the new model intends to approach the housing sector, being in direct contact with the universities and the chosen landlords, and functioning as an intermediary between the students and those landlords when needed.

Only with the cooperation of the different national universities it will be possible to achieve valuable results, since it is the most efficient way to access the students in a quick and direct manner.

2 2 NM

Taking advantage of the wide diversity of touristic options that the country is able to offer from North to South, and combining typically portuguese tour packages, students will have much more to do inside Portugal. Those packages will enhance their probability of traveling again inside the country, using methods such as coupon discounts for the next trip, developing games and challenges purposely designed to raise their awareness and their interest for different regions of the country (e.g. in the first trip reveal clues that may lead to a prize in the next one).

The objective is to connect the trips in a dynamic way, making it challenging and attractive for the international students to discover more about Portugal and keep signing up for the next trips. Even those who want to travel almost every week will be able to find different programs in

different destinations every time, combined with the opportunity to meet international students living in the other portuguese cities, since many trips are going to be planned at a national level. So, international students from different universities in different cities will be offered the same trip, enabling the travel operator to run big-scale trips and take advantage of the inherent lower costs. It will also be a plus for the students, as it gives them the opportunity to meet and hang out with a wider variety of people. Going to Spain, for example, would generally be much more of an independent plan, done with a smaller group of friends.

2 3 NM

The new model would both allow to solve the international student's contradiction "*what I wanted to do vs. what I ended up doing*" while bringing enormous benefits to the national tourism, not just in terms of total revenues but also in the way those revenues are distributed throughout the country, taking good advantage of the less accessible and usually less exploited sites that nevertheless have attractive characteristics to one specific or various kinds of tourism, and even show a fair growing potential.

Conclusions from Primary Research

The data presented in the analysis of the Online Surveys, alongside with the conducted Focus Group, allow the researcher to conclude in a straightforward way that the revealed preferences do not actually match the behavior of the international students during their period of stay in Portugal, reflecting the contradiction "*wanting to do vs. doing*", as they end up spending much more money in parties and night-related activities than traveling or experiencing cultural programs. Even when they travel, a big amount of their traveling budget is spent on night clubs and bars, instead of being directed to the quality of the accomodation spot, to a good museum or to an unique traditional experience (wine harvest or wine tasting, gastronomical tours, natural parks, etc.).

It is in this sense that the new model will have a revolutionary role, digging deeper into the previously assessed preferences, which showed to be favorable to traveling and cultural programs rather than partying. Managing expectations and making students more focused on traveling and

consuming cultural products, instead of having their minds and budgets on party-related activities (bars and discos), will certainly benefit national tourism and positively contribute to maximize its potential revenues.

The key factor to be able to influence international students effectively will be the privileged access channel to reach those students directly, through partnerships with the different universities across the country, innovating in what is offered, redesigning routes and connecting the country's destinations in a dynamic way, making it easier for foreign students to enroll in country-typical activities (e.g. wine harvest), and more attractive to keep traveling inside Portugal throughout the whole semester, being able to find diversified touristic offers every time.

This strategy will allow to enlighten the path of a structured plan, a coherent model, which comes to reinforce the goal of maximizing the benefits that international students are able to bring to national tourism.

General recommendations for Portuguese tourism in the next years:

- Innovate on the touristic offer to fight seasonality and leverage competitiveness. It is crucial to create innovative trip packages that combine different types of tourism in distinct areas of the country, while also promoting trips in low-season periods.
- Bet on the European market, to leverage immediate short-term growth in the next years; nationally, give priority to the promotion of the touristic destinations that already have a reasonable level of recognition and international competitiveness.
Then, through package-trips which combine visits to those famous destinations with stops in less known ones, it will be possible to prepare the ground for the sustained introduction of the smaller destinations on the Portuguese tourism communication at an international level.
- Taking into account that the majority of international tourism is still based on proximity, Portugal should bet on enhancing its attractiveness to the European markets that are less than 3 hours away by plane and that present better GDP growth perspectives for the next

years. The United Kingdom, Germany, Italy, France and the Netherlands are good examples.

- Increase the political importance given to tourism and create a unified voice speaking in the name of the Portuguese national tourism. A consistent and coherent message, which promotes the growth and continuity of the communication to the strategic target markets, whether being developing or developed markets. A unified voice which dialogues with the political institutions and that has the strength to prevail over the different political cycles. Tourism needs to gain more weight in the Portuguese political agenda, matching its importance for the national economy.

The Strategic Organization of Events within the New Model

One of the strategic focuses of the new model would pass by organizing events to the incoming international students, at a national level, in medium to small cities, raising awareness of those locations, enhancing their profile and increasing their attractiveness to future visitors, spread all over the country.

Growth Model Recommendations

Between 2002 and 2012, there has been a significant growth in the number of available beds, due to the construction of several new hotel establishments which, excluding in the areas of Lisbon, North and Center, has actually been higher than the growth of the demand. This way, the growth model for the tourism sector should not include the construction of new hotels.

Chapter 5: Conclusion, Limitations and Future

Research

Conclusion

In the terminus of the present dissertation, the researcher hopes the reader found it interesting and helpful for his objectives.

The researcher believes the extensive primary research which has been conducted using various methodologies constitutes a valuable source of information and an important tool for an all-around understanding of the international students' behavior.

International students are a special group of consumers. Most of them come for 5 to 6-month periods of time, they save money before coming to spend during their stay, and they have few time constraints, since their workload is usually low. Due to those special characteristics, and considering that the main preference revealed by the international students was *Traveling*, the tourism sector is one that could be especially leveraged by the mass arrival of international students.

Should the study enlighten the potential of international students for the development of the country in several fields (with the emphasis on tourism), should it help to understand their lifestyle and preferences, and should it show how to approach and deal with them, then the researcher's goals have been attained.

Limitations and Future Research

During the semester, the researcher counted with approximately six months to develop the study and draw all the conclusions. Due to some lack of cooperation from the international departments of some Universities across the country, part of the data has not been confirmed and had to be estimated. So, the accuracy and precision of some information might not be as good as if the researcher had been able to confirm all the numbers and data before the final deadline.

It is important to explain the reason why the researcher opted not to perform a statistical analysis of the surveys' data. Due to the type of approach chosen, the researcher could not perform an extensive statistical analysis, nor could he create any statistical model, since it would make the dissertation too long for its purpose, and it would make the study fall out of its target.

Future researchers should use the presented data to perform statistical studies of purely analytical nature.

Another issue is the fact that the approach proposed by the model has not been tested on the field, so it is only based on theoretical principles. Nevertheless, the surveys conducted, answered by real international students that have been living in Portugal during the semester, represent a

strong source of knowledge which allows the researcher to be confident about the findings' truthfulness and the new model's probability of success.

The present dissertation does not aim to exhaustively cover all the details related to the sending universities and countries, because it would be impossible to do that within the defined scope of action.

Future researches should look over different countries, various benchmarks, the way they approach the incoming international students and if they have defined models on what touristic offers to provide them. Comparisons should be made in order to draw new conclusions and get meaningful insights on how to enhance the Portuguese model.

Additionally, a financial analysis should be developed in order to compute the costs and assess the impact of the specific promotional campaigns, organizational changes and growth strategies, as proposed by the new model.

Appendices

Appendix 1: Informative Websites for International Students

UE - http://ec.europa.eu/education/study-in-europe/application_guide_pt_en.html

ERIC/NARIC - <http://www.eric-naric.net/index.aspx?c=Portugal>

Others – <http://www.studyineurope.eu/study-in-portugal>

http://www.educations.com/Study_in_Portugal__d2129.html

<http://www.topuniversities.com/country-guides/portugal>

<http://www.braintrack.com/linknav.htm?level=3&pprevid=42>

Appendix 2: Informative Websites - Procedures of Entry and Permanency in Portugal

SEF -

http://www.sef.pt/portal/V10/EN/asp/legislacao/index.aspx?id_linha=4191&menu_position=4133#0

ACIDI - http://www.acidi.gov.pt/_cfn/4d0530c98fdd5/live/GuiaIngles_web.pdf

Others - <http://www.euraxess.pt/incoming/visas/#other>

http://europa.eu/youreurope/citizens/travel/entry-exit/non-eu-family/index_en.htm

<http://www.studyineurope.eu/study-in-portugal/applications/residence-permit>

<http://www.studyabroaduniversities.com/Student-Visa-Requirements-for-Study-in-Portugal.aspx>

Appendix 3: Degrees' Granting Conditions

The Portuguese higher education system is organized in the following way (*Article 13^ªA, Law n^º 49/2005, August 30th*):

- The Bachelor's degree can be granted both by Universities and Polytechnics, upon the frequency of a minimum of six to eight semesters and the achievement of 180 or 240 ECTS, in the case of Universities.

- The Master's degree can be granted both by Universities and Polytechnics, and requires the frequency of three to four semesters with the achievement of 90 or 120 ECTS. There is also the possibility to join the Bachelor and the Master degrees under the same program, called "Mestrado Integrado", where the student needs to obtain 360 ECTS. This number of credits is granted through the realization of courses which can be part of both the Bachelor and the Master degrees.
- The Doctorate degree can exclusively be granted by Universities, upon approval in the curricular units in the course (when applicable) and approval in the public thesis defense.

Appendix 4: Debate and Reflection

As the topics concerning international students and academic mobility programs keep gaining importance in Portugal, so the analysis and reflections about it are thriving. In terms of debate about international students in Portugal, promoted by institutions and non-governmental organizations, among other actors of the civil society, it matters to refer the recent organization of a debate session coordinated by *Instituto de Estudos Estratégicos e Internacionais* (IEEI) in partnership with *Centro de Estudos Africanos* of ISCTE-IUL. Approaching the challenges of the Portuguese cooperation towards development, the session presented a diversified panel, promoting the reflection about the role that several actors – governmental organizations, universities, companies, city councils and non-governmental organizations – currently have in the Portuguese cooperation, taking into consideration the national and international environment.

Appendix 5: International Cooperation and Agreements

Inside DGES, the DRMCI (*Divisão de Reconhecimento, Mobilidade e Cooperação Internacional*) has a key role, since its competencies are to propose measures that promote academic exchange programs, to provide information related to academic and professional mobility, to promote bilateral and multilateral cooperation with organizations from foreign countries and with international institutions, proposing agreements and joint projects.

Together with MNE, DRMCI should also monitor and promote cooperation activities and programs in the higher education domain.

As for bilateral agreements within the fields of education and culture, where the higher education system is inserted, Portugal has more than seventy agreements established with foreign countries, namely: *Alemanha, Angola, Argélia, Argentina, Arménia, Áustria, Bélgica, Benim, Brasil, Bulgária, Cabo Verde, China, Chipre, Congo (RD), Congo (RP), Coreia do Sul, Costa do Marfim, Croácia, Cuba, Dinamarca, Egipto, Eslováquia, Eslovénia, Espanha, Estados Unidos da América, Estónia, Filipinas, Finlândia, França, Gabão, Grécia, Guiné Bissau, Holanda, Hungria, Índia, Irão, Iraque, Irlanda, Israel, Itália, Kuwait, Letónia, Líbia, Luxemburgo, Malásia, Malta, Marrocos, Mauritânia, México, Moçambique, Nigéria, Noruega, Omã, Paquistão, Paraguai, Peru, Polónia, Reino Unido, República Checa, Roménia, Rússia, São Tomé e Príncipe, Senegal, Seychelles, Sri Lanka, Suazilândia, Suécia, Tailândia, Timor Leste, Tunísia, Turquia, Ucrânia, Uruguai, Venezuela and Zâmbia.*

Appendix 6: Examples of International Agreement Programs

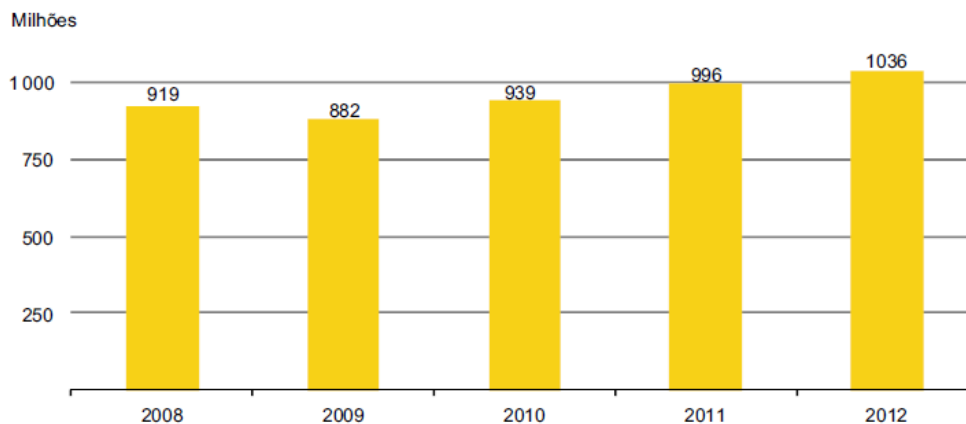
Examples of agreements with Latin America, North America, the PALOP, Europe and even other regions, are the programs: *Ciência sem Fronteiras, Santander Universidades* - Portuguese-Brazilian and Iberian-American scholarships, IASTE, the cooperation program CRUP/FUP with *Timor-Leste*, the program SMILE (established with Universities from Latin America and the Caribbean), the network ATHENS, the Portuguese-American scholarships Fulbright, among other protocols of international cooperation.

Portugal also participated in the signature of a wide number of international multilateral agreements, as the ALCUE (cooperation between EU, Latin America and the Caribbean), the ASEM (Asia-Europe Meeting), the AULP (*Associação de Universidades de Língua Portuguesa*), the COE (*Conselho da Europa*), the Iberian-American Cooperation, the EUA (European Universities Association), the EUROMED (Euro-Mediterranean Partnership), the so famous OECD (Organization for Economic Co-operation and Development) and UNESCO (United Nations Educational, Scientific and Cultural Organization).

EXHIBITS

Exhibit 2: Total International Tourist Arrivals, 2008-2012

Source: INE



Fonte: UNWTO - Barómetro do Turismo Mundial - Abril 2013

Exhibit 3: Rankings of the major International Tourism indicators, 2012

Source: INE

Posição	Entradas de turistas internacionais	Receitas do turismo internacional	Despesas em turismo internacional
1º	França	Estados Unidos	China
2º	Estados Unidos	Espanha	Alemanha
3º	China	França	Estados Unidos
4º	Espanha	China	Reino Unido
5º	Itália	Itália	Federação Russa
6º	Turquia	Macau (China)	França
7º	Alemanha	Alemanha	Canadá
8º	Reino Unido	Reino Unido	Japão
9º	Federação russa	Hong Kong (China)	Austrália
10º	Malásia	Austrália	Itália
'''	Portugal (35º) '''	Portugal (28º) '''	Portugal (45º) '''

Fonte: UNWTO - Barómetro do Turismo Mundial - Abril de 2013

Exhibit 4: Number of Cruise Ships, Passengers shipped, landed and on the go, per regions (NUTS I), 2011 and 2012

Source: INE

NUTS	Navios de cruzeiro		Passageiros Embarcados		Passageiros Desembarcados		Passageiros em Trânsito (com ou sem excursão a terra)	
	2011	2012	2011	2012	2011	2012	2011	2012
Total	847	880	34 440	30 269	33 002	28 240	1 152 446	1 254 245
Continente	444	419	25 840	23 656	24 541	21 477	539 709	571 900
Região Autónoma dos Açores	94	122	622	790	607	697	85 780	101 394
Região Autónoma da Madeira	309	339	7 978	5 823	7 854	6 066	526 957	581 661

Fonte: Administrações Portuárias e IMT/IPTM

Exhibit 5: Gross Bed-Occupation rate in Portuguese Hotel Establishments, by NUTS II, 2012

Source: INE

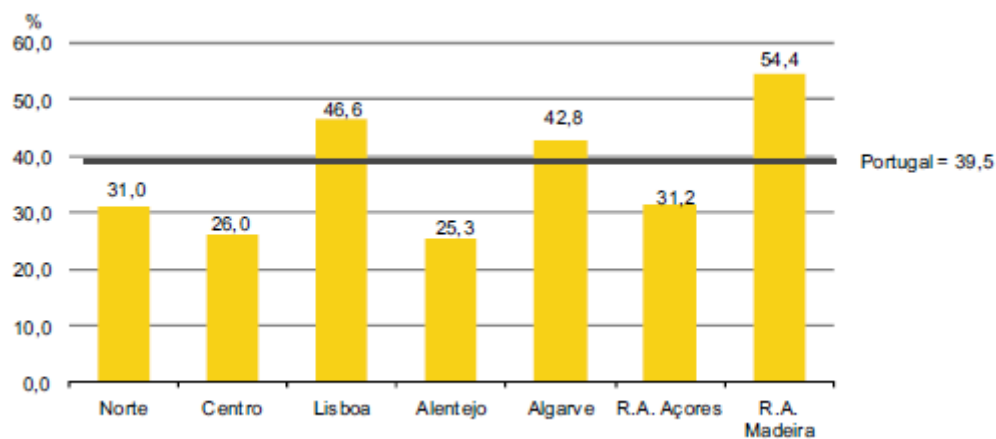
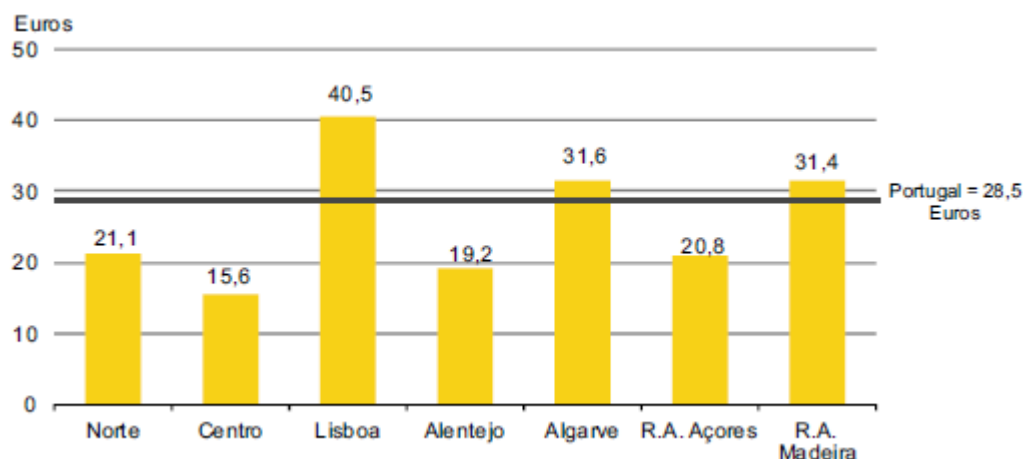


Exhibit 6: RevPAR (Revenue per Available Room), by NUTS II, 2012

Source: INE


Exhibit 7: Establishments, Capacity, Guests and Overnights in Hotels, Rural Tourism Establishments (TER), Guest Houses (TH) and Local Housing, 2012

Source: INE

	Estabelecimentos	Capacidade	Hóspedes	Do rmidas
	n.º	Camas	Milhares	Milhares
CONTINENTE	3 130	285 234	13 362	35 107
Total de Empreendimentos Turísticos	2 144	245 800	11 820	31 886
Hotelaria ⁽¹⁾	1 243	233 315	11 427	31 041
Turismo no Espaço Rural	704	9 708	323	705
Agro-turismo	126	1847	53	115
Casas de Campo	368	3 859	129	286
Hóteis Rurais	64	2 227	94	182
Outros TER ⁽²⁾	146	1 775	47	122
Turismo de Habitação	197	2 777	70	140
Alojamento Local ⁽³⁾	986	39 434	1 541	3 221

(1): Apenas estabelecimentos hoteleiros (Hotéis, Hotéis-apartamentos e Pousadas), Apartamentos e Aldeamentos turísticos

(2): Inclui as modalidades Turismo Rural e Turismo de Aldeia (estabelecimentos ainda não reconvertidos) e outros similares

(3): Inclui Alojamento Local bem como estabelecimentos de tipologia extintas mas ainda não reconvertidos (incluídos também nos "Outros alojamentos" no ponto anterior da presente publicação)

Fonte: INE – Inquérito à Permanência de Hóspedes na Hotelaria e Outros Alojamentos 2012

Exhibit 8: Campsites' Accommodation Capacity, by NUTS II (Continent), 2012

Source: INE

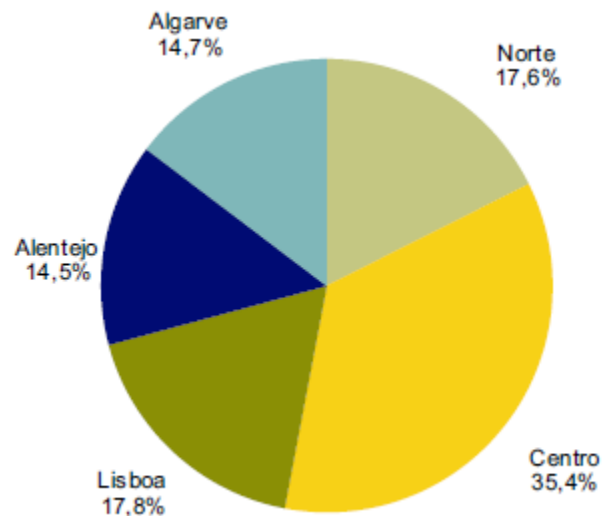


Exhibit 9: Campers' Overnights in Portugal, by country of residence, 2012

Source: INE

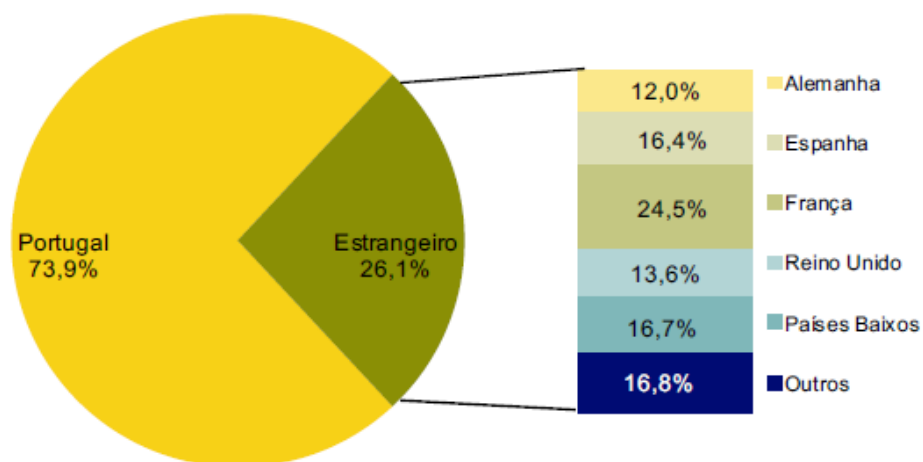
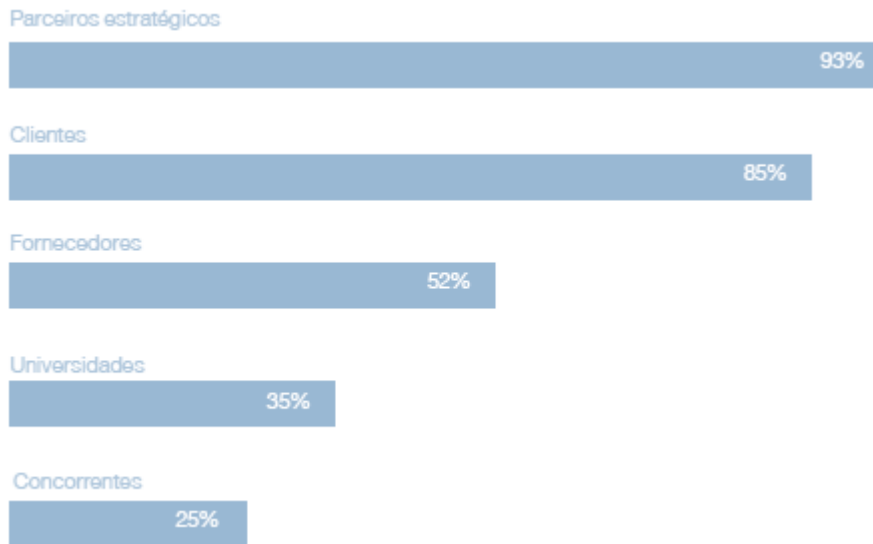


Exhibit 10: Collaboration Intentions for the next 3 years (2014-2017)

Source: Global Innovation Survey – Portuguese Results - PwC



Full in-depth interview with Professor Ricardo Reis

Questions posed by the researcher and answers of the Professor Ricardo Reis (RR):

1- For how long have you been related to the International Department of CLSBE?

RR: Since 2005, firstly as Erasmus coordinator and then, a few years later, with administrative responsibilities.

2- Have you been interested in International Students and mobility programs' related issues even before being nominated for the post in the international office or you just awoke for those questions at the time of that nomination?

RR: Honestly I just started looking to those questions more attentively after the nomination, but I admit I should have done it earlier. After starting to deal with the International affairs I started paying much more attention to the surrounding questions. The Direction of the school at that time

told me they were nominating me for the position because the International matters were going to become a strategic major point in the school's orientation and future vision.

3- Do you recognize in the incoming International students a big potential as clients for national tourism? (In terms of money, willingness and time to travel)

RR: Yes. Not just for tourism, but also for every quality services that our country has to offer. The exportation of education services has the potential to become one of the major areas of the country's global competitiveness. The country has all the conditions for that, it has extraordinary universities with very good facilities, good life conditions to the young people – it is an extremely safe country, with an amazing climate, also competitive in terms of living costs and quality of life. But, important to say, it has to be remembered that ahead of all these good surrounding conditions has to be the quality of the education service that Portuguese universities are able to proportionate. Many of these Portuguese universities, this one for example, have been able to demonstrate their value during the last years and raised the education standards in our country.

Let's compare it to the health tourism. We cannot say that in health tourism what matters is having many people coming and then we will see the quality of the health service that we are able to proportionate them. The logic has to be the opposite. In the beginning of the reasoning it has to be the quality of the health services that are provided to the foreign patient.

Similarly, in the education sector, the quality of the service provided by our universities has to come first. Then, all the rest.

You cannot tell the foreign students - "Come to Portugal because we have sun, beach and surf...and we even give you some education". It has to be the other way round. Attract them by the quality of the education service itself, and then associate the pleasant factors that will contribute for a better quality of life while in the country.

4 - Do you feel that the academic excellence that certain Portuguese universities (like CLSBE) have been achieving is already being recognized internationally or the fact of being located in a small country like Portugal makes that goal of recognition harder to achieve?

RR: It is already recognized out there. The fact of being located in a small country actually is an obstacle but there is a very big recognition of the work of qualification that Católica, as other

Portuguese business schools, have been performing during the last years.

Giving an example of the increasing international credibility of the Portuguese higher education quality, it is unquestionable that our engineers are enjoying a very big notoriety worldwide. There are foreign employers that come to Portugal directly to hire engineers who have graduated in some specific universities of our country. That is awesome and this bet on high quality qualification could also be done in other areas, such as nursing.

5 - In your opinion, the international students are really willing to get to know Portugal? Some cities more than others? They come already with the idea of what they want to visit or they are opened to the offers that may arise?

RR: First of all, we have to distinguish between different types of international students. Talking about European students, they are very interested in getting to know Portugal. One important thing to keep in mind is that they do not come with the philosophy of being tourists in our country. They come to live in our country as students and want to be treated accordingly. Of course most of them will travel a lot inside the country, so they actually represent a big potential for tourism. It is the way organizations and travel operators approach them that has to be different than the one adopted to the common tourist who comes to visit the country for a week or two, not to live in the country for a whole semester.

They want to be integrated in the Portuguese society, live the Portuguese daily routines and not to be treated as common tourists.

They like to identify with the country's behaviors and lifestyle, maybe not to the point of starting to sing Fado but supporting the national team in the soccer games or eating traditional food for example.

If we want to think of international students as a way to maximize national tourism, it is crucial to think of them as a different segment of tourists.

They want to take with them the feelings and the memories of someone who lived in Portugal, not who visited Portugal. It is a completely different thing.

Although wanting to feel like residents, they will obviously travel a lot more than Portuguese residents and are willing to know the monuments and museums of the cities where they are, contrasting with the Portuguese inhabitants who live in Lisbon but never actually entered in "Mosteiro dos Jerónimos".

They plan an agenda that they will want to fulfill and will do things that we, as nationals, keep delaying and procrastinating because we always have the feeling we will end up going to that place, doing that activity or trying that experience some other day. For them, they know they just have 5 months to do all they want in Portugal. They will not delay their visits. That fact is a diamond for Portuguese tourism expectations.

6 – Your perception tells you that, on average, an international student who comes to Portugal (in your case I’m referring to those who come to CLSBE) has more, the same, or less money to spend in leisure (tourism, cultural activities, nightlife, etc.) than the typical University Portuguese student?

RR: When it comes to budgets there are also differences, so we also have to separate European from non-European international students, because the spirit and behavior patterns are slightly different. The non-European ones, in addition to planning to visit Lisbon and Portugal, want to know the rest of Europe, mainly Madrid, Paris, London and Rome. They will save money to go to those other places and so they will end up spending less money traveling inside Portugal, while the European ones come essentially with the aim of getting to know Portugal and its different leisure offers. Therefore the European students will, on average, have more money to spend traveling inside Portugal and enjoying Portuguese leisure offers.

7– Do you know organizations whose focus is to offer services to the international students in Portugal, or in other words, to address the international students’ needs? Do you have any critics or suggestions to make them?

RR: I know they exist, but I do not exactly know their name or what they do.

The critics I make them are not promoting themselves in a better way, since people like me (in the International Office of a big university) still do not know them well.

An important thing to state is that those organizations have to find the specific model for each city. It is not of any value to copy models from other cities since each city has a different organization and needs its own model. In Coimbra for example, the model to approach and receive international students is eventually much more similar to the one of Heidelberg or one other city with a huge academic component than to the one of Lisbon or Porto, even though the last two are located in

the same country and relatively close to Coimbra. It is a matter of the city's specific environment and dynamics.

Coimbra is a city which is prepared and experienced in receiving students who come from other places (first from other Portuguese cities, now from other countries). Lisbon and Porto are still learning to receive them and to adapt to their presence. Furthermore, the dynamics of the cities are completely different.

Évora and Coimbra have very similar models that are succeeding. These cities welcome foreign students very well, because the whole city is prepared for that and the dynamics of those cities change completely with the presence of the university students. If you analyze one of these cities in a period of academic holidays or during classes you will certainly notice the differences.

8– Professor Ricardo Reis, taking advantage of the fact that you have a more global and strategic vision on issues related to international students and the existing mobility programs than the great majority of the people from other international offices with whom I contacted during my research and who answered my surveys, due to your vast participation in international conferences regarding international cooperation in education, and consequently having developed a wide international network in the past years, what can you tell me about the future tendencies of the mobility programs for the next years, and specifically what to expect for Portugal? Will we receive more students? Will they come from a wider variety of countries and cultures? Will they come to the big cities like Lisbon and Porto or will they start spreading more throughout other cities of the country?

RR: The Portuguese reality will suffer big changes in the near future, due to the question of the new status of the international student, which the Portuguese public universities started to adopt this year. That status will bring many international students to the Bachelors and Masters of Universities that still do not have any full-time international students or have very few.

CLSBE is still one of the only schools that already has a clear strategy on the field, with numbers to present regarding full-time international students studying in the university. Many others already have strategies but they still do not have remarkable numbers to present. This is about to change and soon they will have them.

The crucial change is at the bachelor's level. The newly approved international student's status will turn the entry of full-time international students in Portuguese Universities into a close reality.

The perception I have of the strategy that is starting to be followed by other universities (not at all similar to ours) is a decisive bet in attracting students from countries whose official language is Portuguese, mainly aiming to reach the Brazilian ones. That implies not reformulating the existing courses, nor translating them to English, which is a major alteration that they will not make, one that we at CLSBE have been pursuing and have been doing both in the master and bachelor's level. That reformulation is crucial. Either you change your courses to English, globalizing them, or you keep teaching them in Portuguese, and then you are restricted to specific markets (Portugal, Brazil and the African ex-colonies). In the last case you will have a much bigger inflow of students from these specific markets, but you are very dependent on the evolution and performance of those few countries. Furthermore, the Brazilian market is extremely volatile. You already have a lot of top notch Brazilian Universities spread throughout the Brazilian territory. You either design a strategy to compete with those top quality Brazilian universities, which for distance reasons is a tough game to win, or the type of Brazilian students you target and try to bring to Portugal is a lower level one (the ones who could not get in the prestigious Brazilian universities). That could be a profitable strategy, though, in terms of quality of the education, it would lower the standards.

The opening of these new doors for international students and the search for new student markets by Portuguese Universities' decision makers is happening because the Portuguese population pyramid has aged a lot in the last decades and the Universities are starting to feel the need to widen the market and attract students from abroad, implying structural changes in the courses in order to globalize them, being the first step the adaptation of the teaching language to English. Although being different than what we are following here at CLSBE, the strategy of keeping the programs in Portuguese and targeting Portuguese speaking students is also likely to succeed in the short term and, in my opinion, it is probable that more students from Portuguese speaking countries start arriving to Portugal.

In our case, we just expect them to come from everywhere in the world. The tendency will be to start having classes with 70% to 90% foreign students. That will be a win-win situation, both for foreigners and for the Portuguese students, who will have the opportunity to be involved in a totally internationalized environment.

We already receive applications from an incredible number of different countries. I can tell you that the difficult thing now is to find countries from which we do not receive any student applying to study in our school. This is exactly related to what we talked about a few minutes ago, the prestige and visibility of the school and its programs worldwide.

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