

BUSINESS EXAMINER / FEBRUARY 2013 / INTERNATIONAL STUDENTS A NEW NICHE FOR HOMESTAY INDUSTRY

International students a new niche for homestay industry

With area universities taking in more foreign students, demand for options has soared in the South Sound

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Now that local colleges and universities are balancing budget cuts by tapping more into the international student markets, a new niche has opened up for the hospitality sector. "The existing homestay industry in America has not been able to keep up with the growing demand for international students," said Ron Davis, CEO of the new American Homestay Network, which began business out of Seattle last year. Washington state saw a \$500 million economic boost from its 20,000 international students just in the 2011-2012 academic year, according to a NAFSA/Association of International Educators report. And, the study said, 20 percent of those students were interested in a homestay residential option, because it provides a better immersion into American lifestyle and language than dormitory- or apartment-style quarters. "Subsequently, our schools are losing access to (those) students, who provide a significant financial and cultural benefit to our communities," Davis said.

The fact that demand outweighs availability is just one challenge, however. A second glitch is that there have never been any nationally recognized regulatory standards or procedures in place for this type of student housing. Thus, the market has remained, for the most part, untapped, as international students have shied away from the experience for concerns about safety and scamming, among other problems. That's where AHN comes in, Davis said. The company's goal, based on the successful model of its sister Australian Homestay Network business, is to set a new global standard for student homestays in the U.S., starting right here in the Puget Sound region. "We're introducing the first professionally managed homestay operation in America," he explained, "one that utilizes a sophisticated matching and management technology, extremely high standards, and proven operational methodologies that can grow to support tens of thousands of placements per year."

Previous to AHN, smaller high school, college and summer program student homestay businesses like Bothell-based U.S. International Inc. and Pittsburgh-based American Homestay Services have been at work to connect international students with local hosts. However, information regarding current programs was unavailable or non-verifiable, and corporate offices did not return repeated emails and calls. Others, like ABODE, which links students with both homestay and bed-and-breakfast type experiences, serve schools only in Seattle and north, such as Highline, Shoreline, South Seattle and Everett community colleges. As for universities, most provide dormitory or other on-campus accommodations rather than homestays, or an abbreviated homestay experience. The University of Washington, for one, via its Foundation for International Understanding through Students program, offers a homestay opportunity for new international arrivals before their first terms begin. However, the FIUTS experience lasts only seven to 10 days.

AHN, therefore, has seized the opportunity to create a new, streamlined long-term homestay model. To ensure safety, reliability and accountability for both hosts and students, procedures include detailed applications, national background checks, 24-hour emergency support, online payment services, online orientation and training, and airport escort service for students, among other checkpoints. This is the first time a homestay network has officially incorporated these features, and the company ultimately aims to make such practices the national standard. So far, besides connections with Seattle-area schools, the company has relationships with South Sound institutions like Tacoma Community College, Bates Technical College, Pacific Lutheran University and South Puget Sound Community College in the works. As for international links, AHN-USA has already placed students from China, South Korea and Saudi Arabia in homestays here while they attend local schools.

David Bycroft, executive chairman of the Australian Homestay Network and a global education expert, is all on board with AHN-USA's mindset of industry standard-setting. "Without implementing high standards now, there is a potential risk to lose tens of thousands of students who are coming to America to study and live," Bycroft said.

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This article originally appeared in the Business Examiner print edition.