

QUT BlueShift Business Case Competition

2019 Business Case



Primary Sponsor



Accommodation Partner



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Confidentiality

This case on Iglu has been prepared for BlueShift 2019. It is for the use of registered participants only, and is not to be copied or distributed beyond the requirements of the competition.

1. Business Challenge for BlueShift Consulting Teams

For the BlueShift competition in 2019, the business case focuses on Iglu Student Accommodation and the challenge to attract and retain residents, and the opportunity to diversify through acquisition. There are links to a number of online resources in this briefing document. These are excellent starting points, but your team is expected to undertake additional research.

Your team must submit a written report (12 A4 pages + list of references and sources). The report must include:

1. Cover page (maximum one A4 page)
2. Table of contents (maximum one A4 page)
3. Executive Summary (maximum one A4 page) which summarises your entire report, rather than just an introduction
4. Research and analysis, including:
 - a. Key findings from data, reports, and research that Iglu Student Accommodation should consider;
 - b. Your team's analysis of Iglu Student Accommodation in comparison to key competitors;
 - c. Analysis of student accommodation and purpose-built student accommodation market in Australia;
 - d. Two examples of successful initiatives and approaches to student accommodation, urban and apartment living in Australia and internationally.
5. Recommendations, including:
 - a. A program or initiative to attract students to consider Iglu Student Accommodation as their home while studying in Australia, including identifying target market;
 - b. A program or initiative to retain students as residents of Iglu Student Accommodation by building a sense of community and connectedness. The program or initiative should run as a pilot in early 2020 in Iglu's two Brisbane locations, with view to replicating in Iglu's other locations later in 2020;
 - c. Recommendation of a business Iglu Student Accommodation could acquire to diversify and establish a new revenue stream to complement its current offering.
6. Implementation, including:
 - a. The key costs to implement the recommended programs or initiatives (i.e. not including acquisition of new business) for an annual budget of \$100,000;
 - b. Evaluation approach – what does success look like and how will it be measured?
 - c. Timeline of activities to develop and implement the programs or initiatives (June 2019 to June 2020)
7. Overview of your consulting team (maximum one A4 page)
8. List of references and sources (no page limit)

2. Iglu Student Accommodation

Iglu Student Accommodation began less than a decade ago, in 2010, when Iglu executive directors Jonathan Gliksten and Richard Smith, had a vision to provide students with purpose-built accommodation that combined cool design and warm hospitality in great locations.

Today, Iglu Student Accommodation provides an unequalled student living experience in Brisbane, Melbourne, and Sydney. Purpose designed and built for students, Iglu offers all of the supportive benefits of student accommodation along with the flexibility of an off-campus lifestyle.

This is combined with fresh, fully-furnished living spaces and first-class facilities, all in a safe and secure environment. At Iglu, students can choose to share an apartment, with their own secure bedroom and private or shared bathroom. Or, they can live on their own in a studio or one-bedroom apartment with fully equipped kitchenette and private bathroom.

All Iglu properties are in ultra-convenient locations within easy reach of major universities and colleges, public transport, shopping, eating and entertainment facilities. Iglu currently has eight outstanding locations – two in Brisbane, five in Sydney, and one in Melbourne.

Brisbane Iglu Brisbane City (414 beds) Iglu Kelvin Grove (454 beds)	Sydney Iglu Broadway – 271 beds Iglu Central – 98 beds Iglu Central Park – 770 beds Iglu Chatswood – 395 beds Iglu Redfern – 370 beds	Melbourne Iglu Melbourne City (594 beds)
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All Iglu properties offer:

Iglu Brisbane City (414 beds)

- Fully furnished multi-share apartments and, one bedroom or studio apartments;
- Engagement and interaction with an international mix of students;
- A regular program of free student community events;
- 24x7 safety and security with CCTV and swipe card access to buildings and apartments;
- Access to 24-hour onsite support, with all staff trained in first aid, mental health, emergency management;
- One all-inclusive weekly rental fee which includes monthly internet data and all utilities;
- Study areas, gym/recreation spaces, courtyards, BBQs, cinema rooms, onsite laundries and more.

Find out more about Iglu



<http://www.iglu.com.au>



igluStudentAccommodation



igluStudents



iglu-student-accommodation



@IgluStudents



Queensland University of Technology
Brisbane Australia

QUT Business School

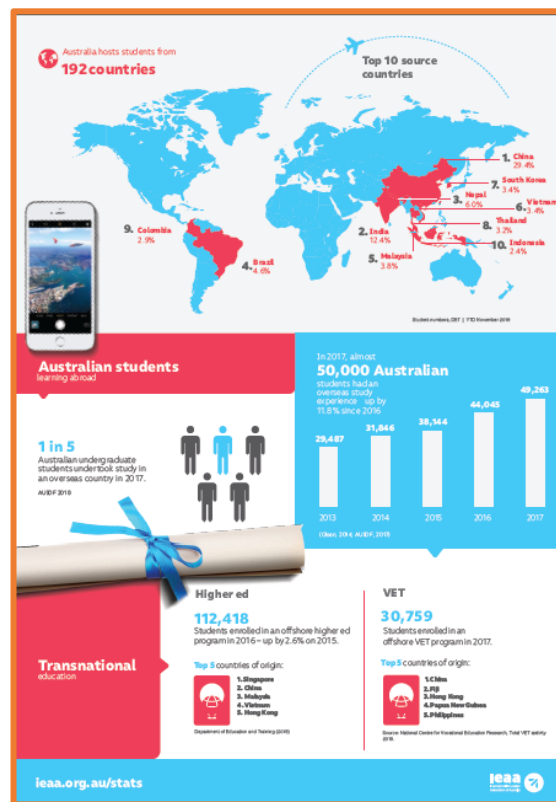
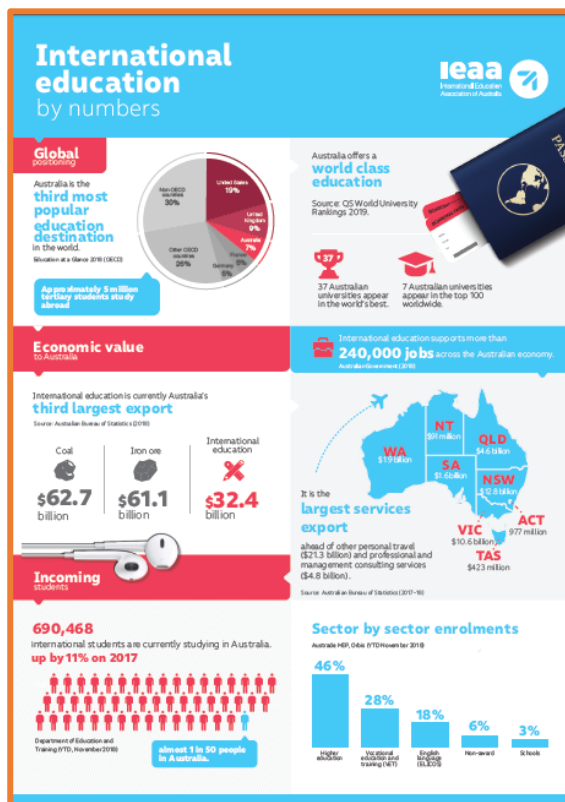


3. Higher education, and higher education in Australia

The demand for higher education continues to grow as universities complete globally to attract students. The United Nations Educational, Scientific and Cultural Organisation (UNESCO), a specialised agency of the United Nations based in Paris, undertakes an annual data collection, with the UNESCO Institute for Statistics, sharing a range of indicators to track trends in tertiary education at the global, regional and national levels, including tracking the flow of foreign or mobile students. The data for the [Global Flow of Tertiary-Level Students](#) can be explored to help policy makers and businesses better understand shifting demand and identify trends.

The Australian Government Department of Education and Training regularly collects data in a range of settings, and shares data online. The [Higher Education student data collection](#) encompasses enrolments, equivalent full time student load and completions, and is reported by all Higher Education Providers.

The International Education Association of Australia (IEAA) provides a [snapshot](#) of international education by numbers in Australia, provided below and accessible via the hyperlink.



4. Student Accommodation in Australia

An IBISWorld Industry Report on Student Housing Management in Australia (“Top marks: Rising international student numbers manage to boost demand and revenue) released in March 2018, provides some key insights on student accommodation in Australia, including:

Key statistics snapshot (2017-18)

Revenue \$A292.0 million	Annual Growth 13-18 6.4%	Annual Growth 18-23 5.0%	Profit \$53.7 million	Businesses 72
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Key external drivers

Number of foreign students	Demand from university and other higher education	Trade-weighted index	Population aged between 18 and 25
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Industry performance

The industry is outperforming the overall Australian economy.	There is robust growth in the number of international higher education students.	Industry participation is continuing to grow.
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Products and services segmentation (2017-18)

University owned and managed accommodation such as colleges and residential halls 40.5%	Purpose-built student accommodation, including Iglu locations 41.8%	Other, such as private rental shared accommodation 17.7%
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Major market segmentation (2017-18)

Vietnamese students 3.8%	Thai students 3.9%	South Korean students 3.9%	Domestic students 9.3%	Indian students 9.9%	Chinese students 25%	Other international students 44.2%
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Two market reports, available online, provide excellent background insights into Australian student accommodation:

[Knight Frank Student Housing 2018](#)

[Savills Australian Student Accommodation 2018](#)

5. Research Starters

There are hyperlinks to online resources throughout this briefing document. These should be your research starters. To provide a compelling and well-justified report, your team will be expected to undertake additional research.

6. References

- Australian Government Department of Education and Training: Selected Higher Education Statistics 2018 Student data <https://www.education.gov.au/selected-higher-education-statistics-2018-student-data>
- IBISWorld Industry Report OD4060: Student Housing Management in Australia, March 2018
- Iglu Student Accommodation: corporate resources and email interviews
- International Education Association of Australia: Sector stats <https://www.ieaa.org.au/about-us/sector-stats>
- Knight Frank Australian Student Housing 2018 <https://www.knightfrank.com.au/research/australian-student-housing-2018-5122.aspx>
- Savills Student Accommodation <http://www.savills.com.au/services-and-sectors/student-accommodation.aspx>
- UNESCO Institute for Statistics: Global Flow of Tertiary-Level Students <http://uis.unesco.org/en/uis-student-flow>

Visit the [QUT Library Community site](#) to find out about:

- Services for the public, including accessing databases on campus;
- Community borrowing; and
- Schools' Program