

Malaysia

Market Profile 2011 - 2012

May 2011



1. Introduction

The education sector in Malaysia grew by 6.8% annually from 2000 to 2009, making it the fastest growing industry in the country. In 2008, the education sector contributed 8% to the services sector, and 4% of GDP. Education also accounted for 4% of the Gross National Income in 2009.

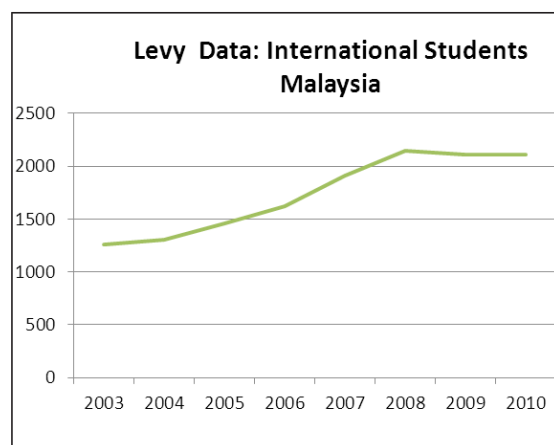
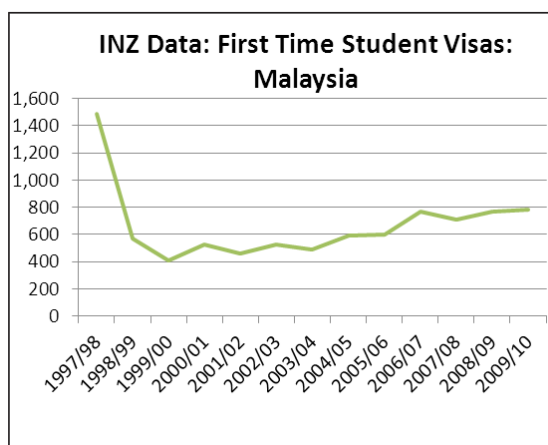
The Malaysian government is investing in the education sector to encourage foreign students to study in Malaysia. Around 75,000 foreign students are currently studying in Malaysia, many at private institutions.

Malaysia's plan to create an education hub has prompted questions locally in regard to whether or not ambition matches reality. Malaysia's Prime Minister Datuk Seri Najib Tun Razak has introduced three programmes designed to spearhead the nation's drive to become a developed nation by the year 2020.

The government is encouraging private sector growth in education to fulfill several goals, including driving competition and encouraging public sector institutions to improve and upgrade. Education initiatives by the private sector have reportedly resulted in efficiency gains. One good example is a recent Higher Education Scholarship Fund 2011 of around RM3.7 million (NZ\$1.5 million) by the Malaysian Association of Private Colleges and Universities (MAPCU) in partnership with The Sun. This type of initiative creates opportunities for top students to excel further and in return contribute to the development of the country. The 2011 Malaysia Budget held a substantial spending injection for the restructuring and strengthening of education.

For New Zealand institutions, Malaysia is a key tertiary market. In 2010, Malaysia was the tenth largest market for New Zealand, during that year, 2,133 Malaysian Students studied in New Zealand. In comparison, the largest player in the Malaysian Market, Australia, had 20,000 students studying there in 2010.

Statistics



*The Department of Labour (INZ - Immigration New Zealand) and The Ministry of Education provide regular updates to the Visa and Export Education Levy Statistics. The latest statistical information can be found at www.educationnz.org.nz/policy-research-stats/statistics

2. Education System in Malaysia

Primary and Secondary Education

Students receive 11 years of free education in Malaysia. This consists of primary education (six years) and secondary education (five years which encompasses three years of lower secondary and two years of upper secondary).

Primary education is mandatory for all children between the ages of seven and 12 (students start school at seven). There are public examinations at the end of primary, lower secondary and upper secondary levels.

The completion of upper secondary is known as the Sijil Pelajaran Malaysia (SPM, or O Levels). Around 468,000 candidates sat the 2010 SPM exam and from the overall results around 369,000 students obtained the SPM certificate. Around 9,000 candidates scored distinctions compared to about 8,000 in 2009.

Post-secondary Education

Following secondary education, students can pursue one to two years of post-secondary education. This is the university entrance preparatory course. In total, the 12 (or 13) years of school education serves as the basic entry requirement into Year One of a bachelor's degree programme in higher educational institutions.

Tertiary Education

At tertiary level, institutions of higher learning offer courses leading to certificates, diplomas, first degrees and higher degree qualifications. A basic bachelor degree programme takes three years and the courses of study at this level are provided by both public and private education sectors, attracting many international students.

Examination Dates for 2011

UPSR	Primary Year 6	13 - 15 September 2011
PMR	Lower Secondary	4-6 October 2011 & 11-12 October 2011
SPM	Upper Secondary / O levels	14 November - 14 December 2011
STPM	Post-secondary / A levels	<i>Oral:</i> 20-22 September 2011 & 27-29 September 2011 <i>Written:</i> 21 November - 15 December 2011
MUET (Malaysia University English Test)	Mid Year Exam	<i>Oral:</i> 4-6 April 2011 & 11-13 April 2011 <i>Written:</i> 16 April 2011
	Year End Exam	<i>Oral:</i> 11-13 October 2011 & 18-20 October 2011 <i>Written:</i> 19 November 2011

3. General Advice for New Zealand Education Providers

- New Zealand institutions should be as active as they can in the market at promote their programmes at the New Zealand Education Fairs in March and August each year.
- In general, March and August are the best times to promote New Zealand in Malaysia. March is timely because it coincides with the release of the SPM and STPM (Upper Secondary (O-level) and Post-Secondary (A level)) exam results in February and March respectively.

- In August students enrolled in Canadian Pre-University and 'A' Level programmes can start applying for entry into New Zealand's main intake in February the following year,
- Education agents in Malaysia representing New Zealand institutions play an important role in servicing students interested in study in New Zealand. It is important to work closely with them. A group of New Zealand Specialist Agents has been formed in Malaysia, their contact details can be found at www.newzealandeducated.com/nzsamy
- Australia remains the major global competitor in the Malaysian market with prominent marketing activities. Australian institutes take part in most education events in Malaysia.
- New Zealand institutions should maintain close relationships with institutions and education agencies in Malaysia to raise New Zealand's profile in this market especially with sponsorship agencies.
- Newsprint advertising and advertorials have been overwhelmingly the most effective way to promote New Zealand education in Malaysia. Posters, flyers, agents, emails and the internet are also effective.

4. Sector-Specific Advice for New Zealand Education Providers

4.1 Undergraduate and Postgraduate Courses

Many Malaysian students are still expected to pursue their education in an English-speaking country once they have completed their pre-university studies or part of their tertiary education in Malaysia.

New Zealand is seen by students as a safe and peaceful country. Also, the cost of study in New Zealand is lower than other countries including Australia, the United Kingdom and the United States.

4.2 Vocational and Technical Qualifications

Opportunities for vocational and technical qualifications are increasing as Malaysia seeks to improve its polytechnic sector.

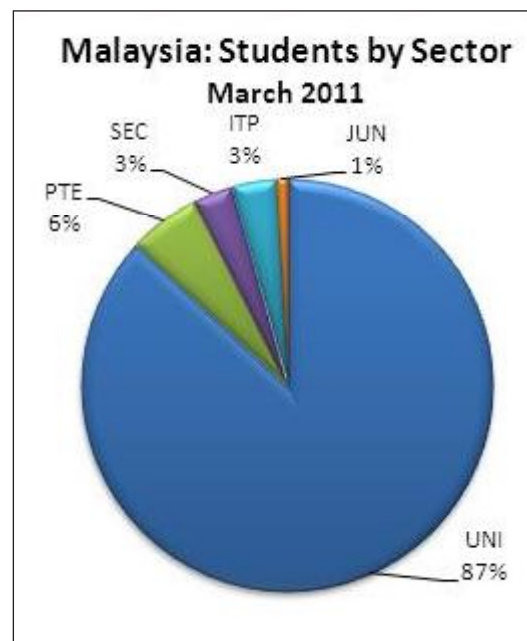
Malaysia is short of people with certain technical and vocational skills. The Malaysian government is encouraging the corporate sectors to set up technical colleges since the corporate sector themselves know what skills are needed.

4.3 Secondary Schools

Malaysia has not traditionally been a secondary school market for New Zealand, however over time we have noticed increased interest in secondary school level study at the New Zealand Education Fairs.

4.4 English Language

There is little to no market for New Zealand English Language institutions in Malaysia since English is widely spoken.



(UNI=Universities; PTE=Private Training Establishments; SEC=Secondary; ITP= Polytechnics; JUN=Junior (Primary, Composite, Contributing, Intermediate))

5. Future Trends in the Market

Study abroad will continue to be in demand due to a growing population, economic recovery, and long-term growth, coupled with a desire (among the non-Malay population particularly) for children to pursue an overseas education. Although the number of postgraduate students may increase, growth at undergraduate level may decline to a certain extent as twinning programmes increase in popularity and more international universities establish local campuses. Interest in studying abroad from students in Malaysia will continue to be primarily in the tertiary sector.

There was a marked increase between 2009 and 2010 in Malaysian students choosing to study in Taiwan, the United Kingdom and Ireland. This may be a trend likely to continue.

Malaysia's desire to become a regional centre of education excellence, and changes in its own education environment will present future challenges for New Zealand. New Zealand institutions cannot afford to be complacent in the Malaysian market.

6. Competitor Activity

Australia remains the major competitor for New Zealand institutions. Australia undertakes prominent marketing activities and takes part in most education events in Malaysia. It is evident that Australia has sufficient funds to undertake major promotions in Malaysia. Australia Education International and AUSTRADE offices in Kuala Lumpur work closely together to conduct forums, seminars and fairs throughout Malaysia.

Competitors such as Australia, the UK and the USA undertake huge promotions to market their study programmes in Malaysia. Overseas institutions have also established local campuses, and the growth of twinning and articulation arrangements helps promote international education in these countries. Most Malaysians still opt for study abroad in these countries despite the high fees and high cost of living.

Some of the more prominent activities undertaken by other countries include:

- regular advertising and promotional campaigns in print media, radio and television
- establishment and maintenance of close relationships with local institutions
- regular market visits
- ongoing agent support
- increased number of scholarships and participation in local education policy forums and conferences
- active participation in local education fairs
- active alumni promotional events.

7. Strategy

In short, a decent level of commitment in terms of financial, staff and time resources is required to build a presence and credibility in this market.

8. Helpful Hints

- The casual Kiwi approach may not go down well among Malaysians, as it is likely to be interpreted as showing a lack of respect. Malaysians prize courtesy – so you should never show irritation or impatience. Dress well as a mark of respect.
- In Malaysia, introductions are normally acknowledged with a handshake.
- There are three main cultural groups in Malaysia: Malays, Chinese and Indians. All are addressed uniquely.
- Getting around Kuala Lumpur is not difficult but it is advisable to hire a driver and car for appointments.
- Information about public holidays in Malaysia can be found online at www.worldtravelguide.net/malaysia/public-holidays
- Under the visa waiver scheme between New Zealand and Malaysia, a visa for a short stay is not necessary; however New Zealanders who hold an APEC Business Travel Card which provides accredited business people with streamlined access to participating APEC countries can use this when entering Malaysia. Information about Visa Requirements can be found at www.imi.gov.my



www.educationnz.org.nz

