

South Korea

Market Profile 2011 - 2012

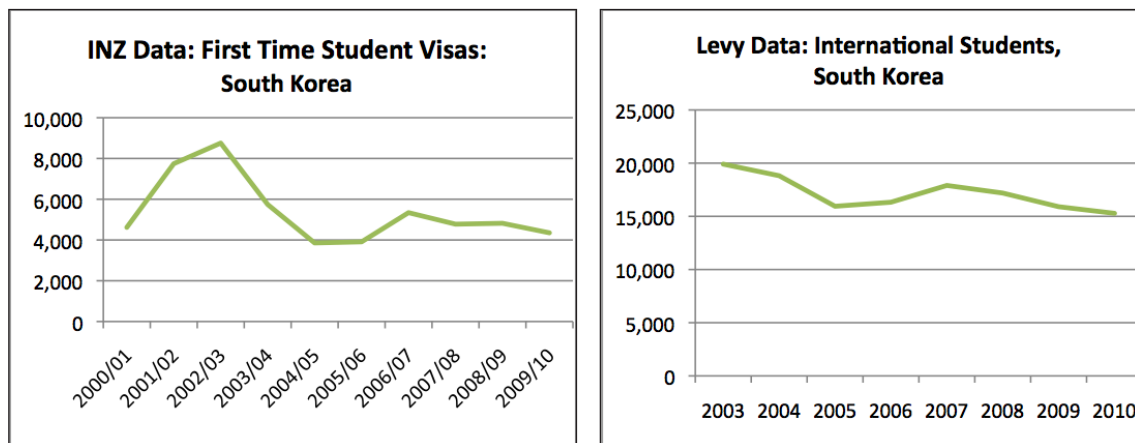
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1. Introduction

Korea is the second-largest market for New Zealand education institutions. By sector, it is the largest market for the schools sector, the second-largest market for the English language sector, and the third-largest market for the tertiary sector.

There were more than 15,000 Korean students studying in New Zealand in 2010. Numbers peaked in 2007 to 17,500 but have now reverted back to similar numbers to 2005. Reasons for this include the strong New Zealand dollar, the economic slowdown and changes regarding policies for younger students.



*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

Overseas study has been popular among South Koreans for well over a decade. The continual increase in demand for an overseas education has led to stronger competition from New Zealand's traditional competitors (the United States, United Kingdom, Canada and Australia) and the emergence of newer entrants (Singapore, Malaysia, Philippines, India and Ireland). These newer markets are aggressively promoting their countries as education destinations.

Competition is also building from within Korea where the Government has launched a number of initiatives to retain or increase the number of Korean students learning English without travelling abroad. For instance, English immersion language villages have been established in Seoul and other regional cities, and three international schools opened in late 2010.

2. Local Education System

Korea has a 6-3-3-4 education system: Students spend six years in elementary school, three years in junior high school, three years in senior high school, and four years in college or university. Junior college education is two or three years.

Korean regulations stipulate that students should complete middle school (up to year nine) before studying abroad. Despite this, many parents do send their children overseas before year nine to be educated in an English-speaking environment. Reasons for this include high local private tuition costs and a lack of faith in the exam-focused public schooling system in Korea.

There are more than 330 private and public universities and colleges (similar to polytechnics) in Korea. While there is intense competition for places in top Korean universities, some regional universities and colleges have difficulty attracting students.

Although Korea is a country that sends many students abroad, the Korean Government is encouraging more students to study in Korea. In line with this goal, a number of regional governments have established English language villages with immersion programmes where students stay in the village for a limited period of time while having full exposure to English.

The Korean Government is also planning to build a further five international schools in Incheon, Busan, Jinhae, Gwangyang and Jeju cities. These new institutions will be allowed to accept enrolments from Korean students, unlike some existing international schools. Initially, the quota of Korean students will be 30% of the total enrolment, and this will be reduced to 10% in five years.

The Seoul Metropolitan Office of Education recently announced that students who study short-term courses between 3-12 months abroad cannot go onto the next grade after their return to Korea. This may impact on the number of students studying short-term courses abroad.

3. General Advice for New Zealand Education Providers

An overseas education is popular in Korea. Increasing numbers would like this experience for a number of reasons, including:

- There is a big focus on a globalised quality education
- the high cost of local schooling
- the regimented and competitive local learning environment
- the gradual relaxation of restrictions on overseas study
- the increasing per-capita income
- a general obsession with education.

Despite Korea being New Zealand's second-largest source of students, New Zealand's profile as a study destination is relatively low.

Korea is a potential growth market for New Zealand across all sectors – schools, English language and tertiary. However, New Zealand needs to raise its profile in this market, ideally with more promotion of the New Zealand education destination as a whole.

In 2006 Korea was selected as a Depth Market for the New Zealand international education industry, this selection was reaffirmed in 2010 when industry were consulted about the reviewed Depth Markets for 2011 onwards. Education New Zealand has undertaken generic promotions in the market through billboard advertising around subways and buses, online promotional campaigns, online book store promotions, supermarket locker advertising and impressive New Zealand Education representation at the high profile Korean Student Fair (KSF) and Cultural Diplomacy International Programme (CDIP) events.

Education New Zealand plans to carry out further promotional campaigns to raise the profile of New Zealand Education in this market. For further information see www.educationnz.org.nz/south-korea

Marketing Tools

It is recommended that New Zealand institutions look at employing a range of marketing tools:

Establishing Relationships

Institutions should look at establishing relationships with several reputable agents to represent them in Korea as well as local agents in New Zealand. A number of established agents are adding value through support services via offices located in New Zealand. Although more and more students are looking at self-processing, agents still play an important role by counselling potential students. Selecting and working with 5-6 reputable local agents is essential for New Zealand institutions wanting to succeed in this market. Full contact details for Korean Agents that have been deemed New Zealand Specialist Agents can be found online at www.newzealandeducated.com/nzsask

Word-of-Mouth Endorsement

Referrals from Korean students are a valuable tool. Institutions are encouraged to promote profiles of successful alumni, and visit the Korean market to keep in touch with agents. Representatives from secondary and junior schools should also with parents of current students while in market.

Education Fairs

Institutes should consider participating in education fairs and seminars in Korea, as these offer opportunities to speak to students and parents directly and involve local agents. On a broader level, the annual New Zealand Education Fair in Seoul is very important for us to collaboratively raise the profile of New Zealand.

Online Promotion

Web-based promotions are another very effective tool for recruiting students from Korea. Institutions should look to establish local language websites to meet the growing number of students using the Internet to choose overseas study opportunities.

Working Together

Undertaking group activities and looking at staircasing opportunities with other New Zealand institutions is likely to pay dividends. It is important to remember that the real competition in the market is from other countries, not between New Zealand institutions. It is best for the whole industry to cooperate as a whole to promote the quality of New Zealand education, rather than just capitalising on the country's reputation for being an inexpensive education destination.

4. Sector-Specific Advice for New Zealand Education Providers

March 2011 Immigration New Zealand data shows the number of Korean students studying in New Zealand by sector.

Private training establishments have a 31% share (this does not include short-term English language students), followed by secondary schools with 29%, and junior schools (primary, composite, contributing and intermediate) with 24%. Universities have a 13% share.

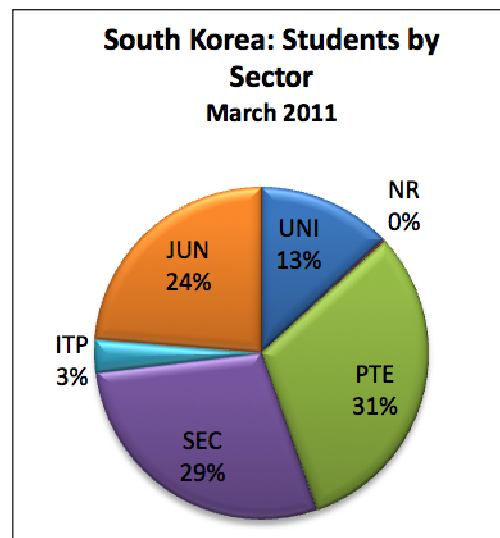
4.1 Undergraduate and Postgraduate Courses

In the tertiary sector, United States universities dominate and are perceived by Koreans as providing the most sought-after highest quality degrees. However, with the growing demand for overseas schooling among younger students, and the established presence of the secondary and English

language sectors, tertiary institutions - in particular universities - need to become more actively involved in this market.

As most Korean students need English language training or a foundation course before they start their main course of studies, staircasing opportunities with other New Zealand institutions is an effective way to attract more Korean students.

The New Zealand Government's doctoral scholarship scheme helps promote New Zealand universities in the market. More information is available at www.newzealandeducated.com/nzidrs. In 2005 the government introduced a policy which ensures that international PhD students pay domestic rather than international fees. School aged children of these PhD students are also not charged international fees provided they attend a state school.



UNI=Universities; NR=Not Recorded; PTE=Private Training Establishments; SEC=Secondary; ITP=Polytechnics; JUN=Junior (Primary, Composite, Contributing, Intermediate)

4.2 Vocational and Technical Qualifications

As the unemployment rate among young graduates is about 8%, more students are looking to develop their job prospects through more practical courses and improving their English language skills. Students usually have a 6-12 month break from their studies after graduation, and they often like to improve their English and take practical courses at vocational training institutions.

4.3 Schools

Korea is the largest source of international students for New Zealand schools. New Zealand has a good reputation for educating younger students because it provides a safe living and learning environment, and offers quality education.

In general, Korean parents consider education as their most important priority. Parents are key decision-makers as to where their children study, so institutions are advised to keep them well-informed.

New Zealand schools are encouraged to meet with parents of current students, keep them informed of their children's progress, and update them on New Zealand education (such as the National Certificate of Educational Achievement (NCEA), visa policies, and options for tertiary studies). This is a valuable marketing tool too, as Korea is a referral market. Word-of-mouth works extremely well.

As increasingly more Korean primary and intermediate students study in New Zealand, secondary school representatives may find that working with their local junior schools is also effective.

Student welfare will continue to be an important issue for Koreans students. The Code of Practice (see www.minedu.govt.nz/goto/international) is a good guideline for New Zealand primary and secondary schools.

4.4 English Language

English language is essential for job seekers in Korea. Increasingly more students are keen to learn English to improve their job opportunities.

New Zealand institutions should emphasise quality of education, and the unique, safe, friendly and creative environment they can offer in order to compete with less expensive destinations such as the Philippines or Singapore.

As increasing numbers of Korean students learn English at a younger age, short-term junior camps and overseas school experiences are becoming very popular among younger students in Korea.

5. Future Trends in the Market

Numbers of Korean students going abroad for study is expected to continue in the short-term. However, the opening of international schools in the market and some problems with family separation may impact on the number of younger students studying offshore in the future.

New Zealand is still expected to be seen as a good place for studying for young students and English language students, and the New Zealand education industry needs to work together to raise its profile in the market, in particular the tertiary sector.

Social media such as Facebook and Twitter is popular in Korea. Using social media is increasingly assists with word-of-mouth promotion in the market.

A further trend is that an increasing number of Koreans are travelling to China to study the Chinese language.

6. Competitor Activity and Statistics

The United States, Canada, the United Kingdom and Australia are New Zealand's major competitors in the market. However, other players including Ireland, Singapore, Malaysia and the Philippines have started promoting their education programmes in the Korean market. While the United States remains the most popular destination for undergraduate and postgraduate study, Canada and Australia are very strong in the English language schools and secondary sectors. China and Japan are also actively recruiting students from Korea.

Korea is the second-largest education market for the United States after China. In December, around 100,000 Korean students were studying in the United States.

Canada holds its annual education fair in Korea in late October every year. Korea is their largest market for Canadian institutions with approximately 31,000 students (2009). (This figure does not include the number of students who study for less than six months in Canada.)

Australia has also been aggressively promoting its education opportunities in Korea. Korea is the third-largest education market (after China and India) for Australian institutions with 32,000 students in 2009. Australia held its fair in September 2010 and attracted around 4,500 visitors in just two days.

Postgraduate programmes and the British Council remain the United Kingdom's strengths in Korea. The British Council in Korea holds its annual education fair in October and more than 70 institutions attend.

The Philippines has increased its market share for English language courses in Korea in recent years by offering lower cost and one-on-one tuition for students.

Of the other competitors, Korean students see Singapore and Malaysia as less expensive destinations. China and Japan are also actively recruiting students from Korea.

7. Helpful Hints

- Korea is a country where people are extremely brand-conscious, with very fixed ideas on which country is the best supplier for certain services or products. New Zealand is perceived as a clean, green and safe country.
- New Zealand has a good reputation among parents of younger students as a cost-effective and safe destination.
- Korea is a referral market – word-of-mouth is a powerful way to promote New Zealand education in the market, especially for secondary education.
- An increasing number of students are looking at self-processing, but agents still play an important role.
- Students who would like to study for more than three months in New Zealand need a student visa. However, it is estimated that about 90% of Korean students apply for study visas upon entering New Zealand. Some students use New Zealand-based agents to help them through this process.
- Parents do not have a particular preference for co-ed versus single-sex schools. A school's reputation is more important.

8. Public Holidays and Term Dates Tables

Public Holidays 2011			Term Dates: Secondary School & Tertiary
January	1 January	New Years Day	
February	2-4 January	Lunar New Year	
March	1 March	Independence Movement Day	Term 1 Begins
April			
May	5 May 10 May	Children's Day Buddha's Birthday	
June	6 June	Memorial Day	Term 1 Ends (mid-June)
July			
August	15 August	Independence Day	
September	11-13 September	Chusok Holiday	Term 2 Begins
October	3 October	National Foundation Day	
November			
December	25 December	Christmas Day	Term 2 Ends (mid-December)

The latest Public Holiday information can be found at <http://www.worldtravelguide.net/south-korea/practical-information>

9. When to Visit

The best time for institutions to visit South Korea is prior to the summer and winter holidays in May-June and October-November respectively. However, some institutions prefer to visit slightly earlier or later when Korean agents are less busy.

New Zealand passport holders do not require a visa to travel to Korea for trips shorter than 90 days. APEC Business Travel Card holders are eligible for streamlined access on arrival in Korea.



www.educationnz.org.nz

