

# Taiwan

## Market Profile 2011 - 2012

May 2011



## 1. Introduction

With a population of around 23 million in a land area one-seventh the size of New Zealand (or about the size of Canterbury), Taiwan is the second-most densely populated country in the world. Much of the island is mountainous so most people live in the major centres of Taipei, Kaohsiung, Taichung and Hsinchu, and along the lower-lying western part of the island.

In 2010, per capita GDP was about US\$18,534, and purchasing power parity (PPP) based GDP was about US\$34,743. Taiwan exceeded Japan and South Korea in GDP per head in PPP, but this is not necessarily an indicator of the affordability of overseas education.

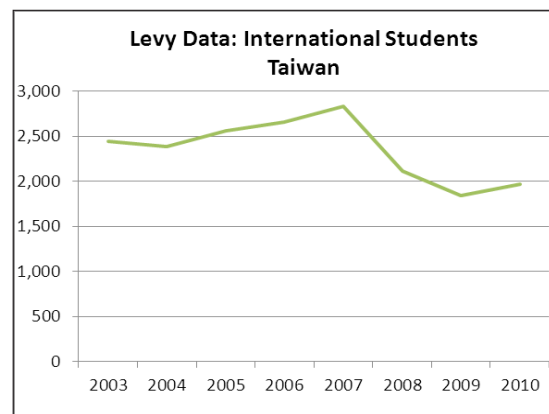
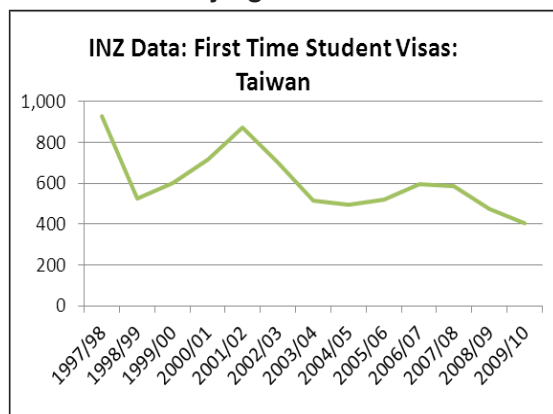
As in other Asian countries, Taiwanese parents place a high priority on education, and save money in other areas to ensure their children have access to quality education opportunities.

Overtime, an improved Taiwan economy should have a positive impact on the education market. Taiwan's economy grew 10.47% in 2010 - the most significant growth in 23 years. In 2011, growth is forecast to be positive again at 5.03%, with global economic recovery accelerating Taiwan's exports.

In May 2008, the KMT political party came to power. President Ma Ying-jeou has been following a much more open policy than the previous government around links to mainland China. It launched regular direct cross-strait flights to assist business and promote tourism. The 2010 cross-strait trade pact, the Economic Co-operation Framework Agreement (ECFA), aims to normalise relations, reduce tariffs, and regulate and liberalise trade between Taiwan and mainland China. Mainland China has gradually become one of Taiwan's main export markets with the signing of the ECFA.

Taiwan Government statistics show 33,629 students studied in Australia, Canada, New Zealand, the United Kingdom, France, Germany, Japan and the United States in 2009. In 2007, 7,100 Taiwanese were reportedly studying in mainland China (more recent figures are unavailable).

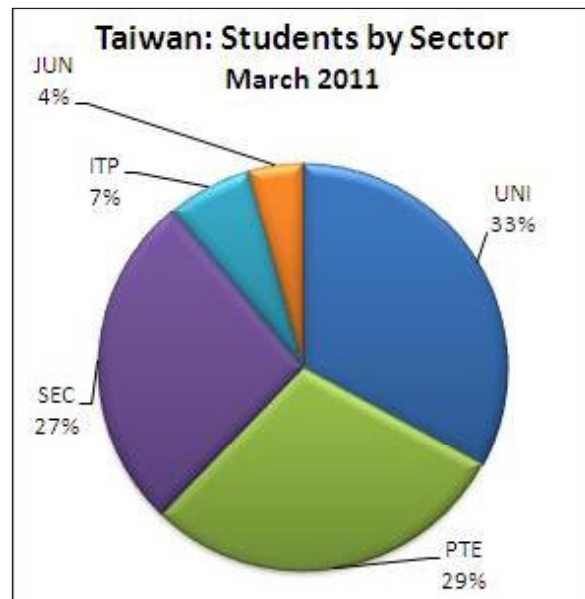
### Taiwanese Studying in New Zealand



\*The Department of Labour (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](http://www.educationnz.org.nz/policy-research-stats/statistics)

Levy data shows 1,844 Taiwanese students studied in New Zealand in 2009 which represented a decrease of 34% from the 2007 high of 2,832. Immigration New Zealand data (which doesn't include short-term visa-free students) shows most students studied at universities, private training establishments and high schools. A lesser number studied at polytechnics and junior schools (primary and intermediates).

In 2007, Taiwan was New Zealand's seventh largest market for overseas students; in 2008 it slipped to eleventh place and remained there in 2009. The decline in Taiwanese students is partially due to the strong New Zealand dollar. However, other countries including United States, United Kingdom, and Canada have also lost market share over the last few years. Only Australia has made a considerable gain in market share.



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

English language studies remain New Zealand's strongest performing sub-sector in the Taiwan market. (Note that this short term student data does not appear in Immigration New Zealand statistics). However, there is growing interest in secondary and tertiary education, particularly opportunities for postgraduate studies.

## 2. Local Education System

Taiwan bases its education programmes on the American system. Six years are spent at the elementary school level, three years at junior high school, three years at senior high school, and four years at university. Education is compulsory for nine years (from ages six to 15 years old), covering elementary and junior high school levels.

The Government plans to extend compulsory education to 12 years including senior high school levels, commencing 2014. Details are still being developed.

Institutes of Technology, Polytechnics, and Business Colleges are also available for students requiring vocational education.

## 3. General Advice for New Zealand Education Providers

There are several reasons Taiwanese students look to study abroad.

A prime reason is concern about the quality of Taiwanese education as a result of education reforms that took place over a decade ago. Taiwanese are also keen to improve their English language ability, which an overseas education provides.

From time to time, there are concerns about safety and political stability in Taiwan, which leads to students exploring overseas study options. This usually surrounds elections and when tensions increase in relation to Taiwan Strait issues. Student enquiries have also increased since the economic downturn in 2009.

New Zealand continues to enjoy a positive image in Taiwan as a safe destination providing quality education. However, New Zealand continues to be overshadowed by all major competitors.

It is hoped the increase in the value of the New Taiwan dollar in late-2010 should drive more Taiwanese to study abroad and help New Zealand's market prospects in 2011.

It takes time to develop relationships with education agents who are key influencers to successful market penetration in Taiwan. Important ways to develop the market are: Repeat market visits, development of personal relationships, prompt and efficient communications, exploring ways to work with agents to reach students and parents, constructive handling of student issues, and capitalising on positive student experiences.

## **4. Sector-Specific Advice for New Zealand Education Providers**

### **4.1 Undergraduate & Postgraduate Courses**

There is widespread concern in Taiwan about the quality and value of tertiary education. Critique and commentary comparing local Taiwanese universities to their western counterparts is common. Many universities in Taiwan are operated by private companies and are keen to attract students to sustain their viability. Taiwanese universities are reported to have 100% acceptance rates due to soft entry standards. This strengthens local perceptions of the low value and quality of tertiary education available in Taiwan.

In light of these concerns there is increasing interest amongst the Taiwanese in overseas tertiary study. It is also likely that students who obtain undergraduate degrees in Taiwan will seek postgraduate study abroad to distinguish themselves from others in the job market.

This evolving situation offers new opportunities for New Zealand tertiary institutions; it is timely for them to more actively pursue the Taiwan market.

In the past ten years there have been limited visits to Taiwan by New Zealand universities. Consequently, agents and students have developed the perception that New Zealand universities have little interest in Taiwan. This is another reason that New Zealand is perceived as a small player in this market relative to our competitors.

It will take time to change existing perceptions and convince students and agents to consider New Zealand more seriously as an educational destination for tertiary studies overseas. Some students and agents also have issues with the longer duration for postgraduate programmes and (perceived) strict entry requirements for New Zealand universities compared to competitors (such as the United Kingdom and Australia).

To provide an insight into the market, potential students in Taiwan commonly raise the following issues:

- How does the quality of New Zealand universities compare with universities in the USA?
- What are the key strengths of New Zealand universities?
- What internationally recognised professors/researchers are in New Zealand?
- What specialist programmes are offered by New Zealand universities?
- How do New Zealand universities rank internationally?

#### 4.2 Vocational & Technical Qualifications

There are opportunities for New Zealand polytechnics/institutes of technology (ITPs) to explore the Taiwan market for the recruitment of students.

New Zealand ITPs are advised to target popular courses including business, tourism, hospitality, and nursing studies. The Taiwan Government is promoting tourism aggressively, and tourism and hospitality training is expected to be a growth market.

#### 4.3 Secondary Schools

Interest in New Zealand secondary education is expected to increase for several reasons.

- The school workload for Taiwanese students continues to be very heavy, leading to significant levels of pressure for many students.
- There is increased interest in New Zealand secondary education from education agents in the market.
- There are high tuition fees for children attending local bi-lingual schools.

Taiwan has one of the lowest levels of English competency in Asia. This lack of proficiency is a perceived barrier to international study for the majority of Taiwanese students.

Increasing numbers of Taiwanese parents are sending their children to bi-lingual schools in order to increase their children's opportunities in the global employment market and to expand their perspectives. Most subjects in these schools are taught in English and Chinese. Regardless of the quality of these bi-lingual schools, parents are spending around NZ\$15,000 in tuition fees per year. There are additional costs for other expenses and after-school classes.

New Zealand secondary schools should consider the delivery of high school preparation courses to improve English, followed by mainstream secondary tuition. Feedback from students and agents in Taiwan is that they prefer tailored high school preparation courses of up to six months to supplementary ESOL support provided by secondary schools, these better equip students for future mainstream courses. Education agents are often keen to promote New Zealand secondary education by introducing a complete package to convince parents/students and secure enrolments for schools.

New Zealand secondary schools also need to consider the compulsory military service for Taiwanese males. Military service continues to significantly affect the overseas study patterns for Taiwanese males. All male Taiwanese nationals between the ages of 17 and 45 years are required to undertake military service for 12 months. Males of 17–18 years old are now allowed to undertake study overseas if they return for their compulsory military service. However, common perceptions in Taiwan are that military service is both a waste of time and dangerous. The tendency therefore is for males who do go overseas to stay away for a longer period, or return under an overseas passport and continually leave the country on a periodic basis to maintain the status of their residency. Under this scenario it is more likely that secondary schools will receive interest from younger male students, rather than those in aged 17–18.

It is important to note that the Government will launch a voluntary service system on Jan 2015, where male Taiwanese citizens born in and after 1994 will participate in a four-month military training course instead of mandatory one-year military substitute service.

Another important factor at the secondary level is that word of mouth among students is very influential for deciding where to study. Agents are inclined to recruit prospective students to New

Zealand secondary schools which enjoy a good reputation and positive feedback from Taiwanese parents/students.

Finally, a note about working with agents. Generally, as agents have limited awareness of the New Zealand secondary school environment, there needs to be more attention given to informing and up-skilling agents particularly on the merits of new developments such as the National Certificate of Educational Achievement and the Code of Practice.

#### **4.4 Primary and Intermediate School**

Demand for primary and intermediate school remains fairly low in the Taiwan market.

#### **4.5 English Language**

English language is still New Zealand's strongest performing sub-sector in the Taiwan market. This reflects both strong market demand and New Zealand English Language schools giving a lot of attention to this market.

Most English language schools in New Zealand are very similar. Schools should consider differentiating themselves from competitors within and/or outside New Zealand.

Feedback from agents is that potential students are always seeking 'value for money' packages. Another way of attracting students is to develop attractive 'English plus' programmes. Schools should also draw on the positive feedback of past students to convey the level of satisfaction in study experiences.

The Internet is increasingly influential for prospective Taiwanese students seeking overseas English language tuition. New Zealand schools must continually improve and review their language school websites. Comprehensive information is needed with eye-catching photos, and websites need to demonstrate the advantages of studying and living in either big cities or secondary centres in New Zealand.

The language schools that do best in Taiwan have both a long-term commitment to the market and a marketing strategy which includes regular visits to the market.

In 2004, the New Zealand Taiwan Working Holiday Scheme (WHS) was introduced with an annual quota of 600, subject to annual review. The WHS attracts large numbers and the quota is filled quickly each year. Under the WHS, students may apply for courses of up to three months within the one-year validity of their WHS visa.

The WHS offers an opportunity for New Zealand English language schools to develop and offer courses ranging from four to 12 weeks complementing the WHS. New Zealand schools may also develop relationships with local job agencies to attract prospective students to an integrated learning and working experience.

New Zealand grants visa waivers for Taiwanese passport holders travelling to New Zealand for short-term study, tourism, or on business for under three months. This visa waiver programme should facilitate further growth of New Zealand education, tourism and trade links with Taiwan. Meanwhile, other countries have become further competitive seeking students. In 2010/11, Taiwan was given visa-exemption privileges of less than six months non-immigrant entry to Canada and up to 90-days stay within a six-month period for the European Community, for tourism, business or short-term study.

## 5. Competitor Activity & Statistics

New Zealand's main competitors are the United States, the United Kingdom, Australia and Canada. These countries continue to hold annual education fairs in Taiwan.

Here is a summary of the market share of New Zealand's competitors and the main activities undertaken by each country in 2009.

Competitor	Activities	Market Share In 2009	Market Share In 2008
United States	Education fairs in March and October; digital video conference; pre-departure briefings; outreach presentations; ongoing counselling.	46.37%	51.33%
United Kingdom	Education fairs in March and November; outreach presentations; regular seminars; agent training in April; ongoing counselling; pre-departure briefings; participation in study abroad fairs at local universities.	11.58%	15.57%
Australia	All-sector fairs in September/October; (used to have secondary school education fairs in April and WHS fair in May, but not in 09/10); agent training in September; on-going counselling; pre-departure briefings; outreach presentations; participation in study abroad fairs at local universities.	12.42%	6.27%
Canada	Canadian Education Centre was closed in early 2010 and education now falls under the Canadian Trade Office; all-sector fairs in October; on-going counselling; pre-departure briefings; outreach presentations; participation in study abroad fairs at local universities.	6.9%	8.64%
New Zealand	All-sector agent/student workshops in October; agent training in December; outreach presentations; participation in study abroad fairs at local universities; "Study in NZ" billboard campaign at Taipei subway stations in 2009/2010; billboard campaign at Taipei Railway Station with 70 posters inside local train carriages in 2010/2011; "Study in NZ" exposure in local English and Chinese newspapers as part of the Waitangi Day supplements; maintenance of Taiwan specific minisite at <a href="http://www.newzealandeducated.com/tw">www.newzealandeducated.com/tw</a>	1.4%	1.58%
Germany	All-sector fair; the European education fair - Germany, France and the Netherlands take the lead in organising this event - in November; outreach presentations; participation in study abroad fairs at local universities.	1.92%	1.5%
France		2.6%	2.6%
Japan		9.35%	6.98%
Others		7.45%	5.53%

Market share is based on Ministry of Education figures and does not take account of study group and other short-term students.

## 6. Key Dates (Public Holidays and Term Dates)

### Public Holidays

New Year's Day	Saturday 1 January 2011
Lunar New Year's Eve	Wednesday 2 February 2011
Lunar New Year	Thursday 3 February to Monday 7 February 2011
Peace Memorial Day	Monday 28 February 2011
Tomb Sweeping Day	Monday 4 April to Tuesday 5 April 2011
Dragon Boat Festival	Monday 6 June 2011
Mid Autumn Festival	Monday 12 September 2011
Double Tenth Day	Monday 10 October 2011

The latest Public Holiday information can be found at [www.worldtravelguide.net/taiwan/public-holidays](http://www.worldtravelguide.net/taiwan/public-holidays)

### Term Dates

#### Secondary Schools

Semester one	Late-August to late-January
Winter vacation	Late-January to mid-February
Semester two	Mid-February to late-June
Summer vacation	Early-July to late-August

#### Tertiary Level

Semester one	Mid-September to late-January
Winter vacation	Late-January to late-February
Semester two	Late-February to late-June
Summer vacation	Late-June to mid-September

## 7. Visiting Time Recommendations

The best timing for secondary and tertiary providers to visit the Taiwan market is April and September. For English language schools, it is appropriate to visit Taiwan at any time of the year. May to August is usually peak season for agents with summer study tours and/or facilitating student enrolments to northern hemisphere destinations. In March and October agents often participate in education fairs organised by Australia, Canada, the United Kingdom and the United States.

## 8. Helpful Hints

- Time is money in Taiwan. Generally speaking, the Taiwanese are accustomed to quick decision-making and action. For efficiency's sake, you may wish to have on hand glossy brochures and prices, even for initial meetings. Follow-up any contacts promptly.
- You will usually find that the Taiwanese enjoy negotiating – and they're tough negotiators. At all times keep in mind that it is important not to cause someone to lose face – be careful not to embarrass anyone or put anyone down. Don't be surprised if you receive a lot of praise; it is

polite to speak of others in glowing terms while being modest about yourself. Try doing the same in turn. Never lose your patience.

- Few people on the street speak English so always carry your address in Chinese.
- Convert your Taiwanese dollars before leaving Taiwan as the currency is not widely convertible internationally.
- Agents play an important and influential role in student counselling and placement. Many of the agents that support New Zealand as a study destination are small, but effective, operators. It is important not judge or assess a business and/or person by appearances or office presentation.
- There is a well-known Chinese saying “a face-to-face meeting is worth an additional 30%”. Have direct contact, making regular business visits to Taiwan to develop and maintain agent relationships. Agents represent many schools, usually from several countries, and are more likely to work closely with and support those schools that make a commitment and effort to visit on a regular basis, at least once per year.
- It is very important to differentiate your school from others. Highlight your strengths, and answer these questions: Why should agents send students to your school? Why should parents send their children to your school?
- Word of mouth advertising is very influential. Parents, students and agents place high value on the experiences of students at particular schools. The positive experiences of Taiwanese students should be strongly promoted.

For the latest travel advice please visit [www.safetravel.govt.nz](http://www.safetravel.govt.nz)



[www.educationnz.org.nz](http://www.educationnz.org.nz)

