

MARKET PROFILE – France

June 2009

1. Introduction

France has a population of 65 million with a GDP per capita of US\$34,574.¹ It is among the largest economies in the world and the third biggest in Europe after Germany and the UK. France's unemployment rate has slightly increased to 8.8%², yet the economy has been hit less hard than others by the recent financial and economic crises.

An estimated 450,000 French students travel overseas each year.³ The French market is characterised by a young clientele. An estimated two-thirds of students travelling abroad are under the age of 18.⁴ The majority of these take part in language trips and school exchanges abroad organised by their school or travel/education agencies. Around 30% of French students travel during the July-August summer holidays. Of these, most undertake language studies and stay with host families abroad.

Each year, around 54,000 French students undertake tertiary studies abroad, of which 20,000 are Erasmus students who receive scholarship funding to study in another EU country.⁵

In 2007/2008, there were 656 NZ student visas issued for French students. 378 French students were enrolled as full fee paying students in NZ, of which 32 were studying at secondary schools in New Zealand. The number of French students undertaking English language courses in NZ was 277 in 2007 (the majority of these language students would have studied for less than 3 months without a visa in NZ).

Major opportunities for NZ education providers in France lie within the tertiary education market.

2. Local Education System

Secondary schooling in France is based on a Republican model of secular education. Successful completion of the baccalauréat (equivalent to Year 13 in New Zealand) guarantees high-school leavers entry into France's public universities.

Around 90% of French students learn English at secondary school, however it is widely acknowledged that English is not well taught and consequently that the French have more difficulty than other European nations communicating in English.

The French tertiary sector is comprised of five types of institutions: universities, technical universities (IUT), engineering schools, business schools and vocational education and training institutes.

¹ The Economist, 2008

² April 2009

³ UNOSEL and OECD

⁴ UNOSEL

⁵ OECD, 2007

The French government is currently undertaking a major reform (called LMD, an abbreviation for Licence-Master-Doctorat) of degree structures of all tertiary qualifications in France. All degrees will be divided into 3 year Licence (bachelor), 2 year Master (master) and 3 year Doctorat (PhD) programmes aligning with the Bologna Reform in Europe. The aim of the reform is to facilitate student mobility between European countries and help continental Europe better compete in the growing global higher education market.

The system is based on credits (called ECTS in French). For example, students must accumulate 180 credits for a 3 year Licence, and 300 credits for a 2 year Master's degree.

France has 81 public universities, 31 technical universities (IUT), 277 engineering schools and Grand Écoles (leading engineering schools), 236 business schools and several vocational training institutions.

Prior to the LMD reform, undergraduate study consisted of a DEUG (two years' study) and Licence (three year degree). Postgraduate study was made up of the Maîtrise (similar to honour's year), DEA (pre-doctoral research diploma), the DESS (postgraduate degree similar to a master's) and the Doctorat (PhD). 70% of French universities introduced the new LMD degree system in the academic year 2004-05. The reform is said to be completed by 2010.

University tuition is almost entirely subsidised. For a Licence students pay approx. 170 Euros in annual fees. Tuition fees for a Master degree are 226 Euros, and a PhD costs 290 Euros per year. Fees for a classic business school are between 5,000 and 10,000 Euros per year, whilst engineering schools charge up to 15,000 Euros p.a. tuition fees. Fees at the Grandes Écoles do vary but are generally high.⁶

A select number of engineering schools, known as Grandes Écoles, are considered to be schools for France's future elites and enjoy a status comparable to that of Oxbridge in the UK. A large number of chief executives in major French companies are graduates from Grandes Écoles, and a significant proportion of these are engineers. Leading Grandes Écoles include Ecole Polytechnique, Ecole Centrale, Ecole des Mines, Ecole des Ponts et Chaussées, ENSAM and INSA. In addition to engineering, they specialise notably in commerce, administration and teaching.

Annual tuition fees for French business schools (Ecoles Supérieures de Commerce) range from several thousand to tens of thousands of Euros. Certain leading business schools, such as Insead, HEC, Essec and ESCP are also referred to as Grandes Écoles.

Vocational education and training institutes provide a full range of vocational courses that are offered at post-secondary level. They are for the most part private and in many cases teach subjects also offered at IUTs (which are public institutions). Courses on offer range from hotel management, secretarial training, horticulture, communications and journalism to commerce, IT training, electronics, engineering, science, design, architecture and the plastic arts.

3. General Advice for New Zealand Education Providers

New Zealand has several competitive advantages that appeal to French students of differing age groups:

- New Zealand is perceived as an exotic, beautiful, safe and interesting destination.
- New Zealanders' friendliness, hospitality and way of life are positively perceived.
- Courses that include tourist or sporting activities are in increasing demand.

⁶ French Property, 2008/2009

- The current exchange rate of approximately NZ\$2.3 to 1 Euro makes study in New Zealand a cheaper option compared to destinations such as the UK, US or Ireland, for courses of more than six weeks.
- Compared to Australia, French education agents report that, on average, New Zealand course costs tend to be slightly lower.

The high number of French students opting to study in Australia as compared to New Zealand (2,346 Australian student visas issued in 2007/08 compared to 656 New Zealand visas) would suggest that New Zealand is not fulfilling its potential in the French education market. The huge rise in demand for Australian courses over the last ten years in France is a result of Australia's successful and intensive promotion of its education capabilities. Australia is better known than New Zealand. It is perceived as a less distant, easier-to-get-to destination.

If New Zealand is to attract more students, it will need to raise its profile through greater promotional activity aimed at the students/parents who are likely to enrol in a foreign study programme. This will have the effect of pushing potential students towards French education agents/tour operators who see value in promoting New Zealand and developing the market in partnership with New Zealand institutions.

4. Sector-Specific Advice for New Zealand Education Providers

4.1 Undergraduate & Postgraduate Courses

New Zealand faces stiff competition from markets closer to France such as Belgium, UK, Canada, US, Germany, Switzerland and Australia. 54,000 French tertiary students enrol in study programmes abroad each year.

There is high demand from French undergraduate students completing the final (third) year of their bachelor abroad. Australia is an attractive destination for doing so. Difficulties to get accepted at individual NZ institutions, however, prevent a number of French students (and agents) choosing NZ as a study destination.

French education agents report that management and commerce, communication, sports and law tend to be the most popular subjects for French tertiary students going abroad.

An agreement signed by the French and New Zealand governments allowed postgraduate students from France to pay domestic rather than international tuition fees in New Zealand. This arrangement was halted as part of Budget 2009; from 1 July 2009 the policy is to be phased out.

The biggest barrier for French students is the lack of knowledge about NZ education capabilities. The good reputation of NZ's education system worldwide is generally unknown to the French.

4.2 Vocational & Technical Qualifications

Demand for foreign vocational courses is small but growing. Australia reports that there was an increase in the number of inquiries for information on sports management, computer studies, multimedia, tourism and hotel management at vocational institutions in Australia. Of the 2,346 Australian education visas issued to French students in 2007/08, 420 were for vocational courses (up from 301 students in 2005/06).

4.3 Primary, Intermediate and Secondary Schools

French primary and secondary school children are generally very mobile. There is some potential for market growth among school students travelling abroad to study. Yet, New Zealand's ability to compete in this market remains somewhat limited. French high school students typically enrol in short-term courses of two to four weeks. Trips are generally endorsed and organised by the French schools. Due to a huge number of exchange programmes between French and European schools, the majority of French students and parents do not see a reason to spend time abroad as fee paying students.

The relatively high cost of travel and long travelling time also discourage parents from choosing New Zealand as a short-stay destination. With respect to long-term programmes of more than a month, New Zealand is often perceived as less attractive than markets closer to France. There is a reluctance to send high school children to the other side of the world, outside the French education system and the baccalauréat, and away from the future networks of relationships that children are building at this time and which count for so much in French society.

Nonetheless, there is a small niche market that New Zealand secondary schools can tap into of students wishing to complete a "final year" in an English-speaking environment, or of children who have not adapted well to life in the lycées (French high schools).

4.4 English Language

Steady demand for overseas English language courses over the past decade has benefited a number of New Zealand language schools, many of whom have been active in France for a number of years via their agents. The French language travel market continues to perform well. There has been growth across all age bands in recent years, particularly among 19 – 24 year olds who, more than ever, are aware of the importance of being able to speak English both for their tertiary studies (an increasing number of tertiary institutions require students to learn at least one foreign language and English is by far the most popular choice) and in their working life. For this reason, a number of French companies offer overseas language training opportunities to their workers as a complement to the language tuition they may receive during the year. Many employees are required to undergo training throughout their working life, using holidays for learning with the family, mixing culture, sport and language tuition.

In 2007, there were just under 300 French students enrolled at NZ language courses (13% up from 2006 but 35% down from 2005 which was a one-off peak).

5. Market Trends

French education agents have noted several changes in the French education travel market over recent years:

- Increasing student mobility across borders in higher education, owing partly to the harmonisation of degree structures in Europe in line with Bologna (3-2-3 yr degrees).
- Increased awareness among students and parents of the importance of the need to speak and write English fluently in higher education and professional life.
- A tendency of French people to seek out new and interesting, exotic countries to learn English, as opposed to traditional destinations such as the UK.
- Growing demand among older age groups, who have more time to travel abroad to learn English.

The economic crisis does currently not seem to affect French students enrolling in education programmes abroad. French education agencies that offer programmes in Australia and NZ are not feeling any decrease in student inquiries.

There is growing demand for exchanges organised between French and New Zealand tertiary institutions. The majority of French business schools require their students to study overseas as part of their degree. In the increasingly competitive market of tertiary business education, more and more French business schools are looking to set up partner or exchange programmes with universities and polytechnics in English-speaking countries as a selling point to attract students.

The 19 to 24 age band is a key segment where future growth is likely. This is due in large part to the increasing need in France to be able to speak English at work.

6. Competitor Activity & Statistics

The United Kingdom is the most popular English study destination for French students. The next largest markets are Ireland, the US, Malta, Canada and Australia.

However, according to education agents, the French education travel market has undergone significant changes in the last ten years. Traditional destinations such as the UK now attract fewer students, due notably to increased competition from growing markets like Australia. Agents also note a greater willingness of French tertiary students to travel further afield to undertake study.

Demand for Australian educational courses has grown steadily. Australia granted visas to 2,346 French students in 2007/08, an increase of 40% compared to 2002/03.

The breakdown of French student enrolment in Australia in 2007/08 was as follows:

Higher Education:	717 students
Vocational Education:	420 students
Secondary Schools:	132 students
English Language Schools:	421 students
Other:	656 students ⁷

7. Immigration Requirements

Short language courses of up to three months do not require a student visa for NZ. French citizens can simply enter the country on a valid passport and a return ticket, making this type of student mobility very difficult to track.

Students need to apply for a student visa/permit if enrolled in a study programme for more than 3 months or if enrolled in more than one course for less than 3 months duration.

Secondary school students always need to apply for a student visa/permit – even if they are enrolled at a NZ secondary school for less than 3 months.

Student visa applications are handled through the New Zealand Embassy, 7 Rue Leonard de Vinci, 75116 Paris. The application form can be downloaded at www.immigration.govt.nz

In November 1999, a working holiday visa scheme was set up enabling French nationals aged from 18 to 30 to live and work in New Zealand for a period of up to one year. The scheme is also available to young New Zealanders of the same age group wishing to work in France.

⁷ Australian Government, Department of Immigration and Citizenship

8. Key Dates 2009 (including public holidays and term dates)

1 January	New Year's Day
13 April	Easter Monday
1 May	Labour Day
8 May	1945 Victory Day
1 June	Whit Monday
14 July	Bastille Day
15 August	Assumption
1 November	All Saints' Day
11 November	Remembrance Day
25 December	Christmas Day

9. Visiting time recommendations

The best time to visit is from January to May (except during Easter) and October to November.

10. Helpful Hints

- NZ education providers should establish a strong business relationship with an education agent in France.
- Once initial contact has been made, encourage your French partner to visit New Zealand and see what your institution, and the country, has to offer first hand.
- Visit your partner at least every two years to better acquaint yourself with the French market and stay up to date with market trends.
- With the help of your French partner organise seminars aimed at students, educating them about the benefits of studying in New Zealand. Consider involving other New Zealand education providers to bring down costs.
- If targeting younger students, consider developing courses specifically for the French school holiday period during July and August (equivalent to Term 3 in New Zealand).
- There is a formality about the French way of doing business that you are wise to be conversant with. The French have a preference for strategic alliances built on enduring business relationships. They generally like agreements to be in writing. The French rarely use first names until a relationship is well established.
- Marketers must be prepared to put time into visiting and building relationships despite the high cost of travel to and accommodation in France.
- No reference to France is complete without talking about food. The business lunch remains an important and frequently used business and social occasion. If you make an appointment near lunchtime, lunch is assumed to be included. Be sure to be clear as to who is doing the inviting. As a general rule, it will be you who pays, not the agent.