

Thailand Market Report



Visit to Bangkok & Chiang Mai, 9 – 13 November 2005

Purpose of Visit:

- To attend *British Council ELT Outward Mission* as exhibitor
- To make a presentation on English UK to agents
- To lay ground work with British Council and agents for Destination Britain event in May 2006

ELT Outward Mission

Introduction

The ELT outward mission was the second of its kind, organised by the British Council. The Council feels that there is a growing demand for short term English language courses in Thailand and the aim of the mission was to encourage UK ELT providers to take advantage of this situation, especially since the market has traditionally been viewed as predominantly postgraduate.

The mission took place over 5 days, comprising visits to schools and universities in Bangkok as well as two afternoon student counselling exhibitions in Bangkok and Chiang Mai. Institutions were also given the opportunity to make a brief presentation to agents followed by agent meetings.

Overview of mission

Agents' Day

Along with other participants, Katie O'Farrell made a 10-minute presentation to around 30 agents, giving a very brief overview of English UK as an association, and details of how English UK intends to work with agents now and in the future. This was followed by meetings in the afternoon.

If a little unstructured, this was found to be the most useful part of the mission by all concerned. The majority of agents' clientele were looking for courses with work experience and sandwich courses, but following this there was also a mix looking for general English, EAP and university preparation as well as courses for junior groups. (See end of report for list of agents and interests where known.)

In-country briefings from UKTI and BC recommended patience and effort in relationship building with agents especially since agent support and local representation is key to success in the market. There is a Thai culture of saving face and not causing others to lose face; there was therefore an emphasis on the need to allow agents room for manoeuvre where decision making is concerned so decisions are not forced causing them to lose face. In addition, this culture can sometimes lead to people saying yes when they mean no!

Mini fair, Bangkok

According to the British Council 270 students attended on this afternoon. Enquiries were therefore slow but steady; however feeling over the quality of enquiries was mixed. Visitors were of all ages, though the majority were of older teenager and university age, usually accompanied by parents. Most enquiries came from students looking for English with work experience/sandwich courses/internships, with the most popular being for hospitality and tourism. The next most frequent enquiry was for EAP and university preparation, with IELTS courses and exams.

Again students of all ages asked about summer vacation courses for general English however usually in the Thai main holidays (March/April) rather than European summer holidays.

Mini fair, Chiang Mai

There were only 70 attendees of this fair though there were a few serious enquiries. Those in attendance were usually accompanied by parents, with enquiries following similar lines to Bangkok. Fewer visitors asked about English with work experience than in Bangkok however.

Other visits

BC Thailand arranged for mini fairs and student counselling to take place at schools and one university in Bangkok. Unfortunately, even where the number of students visiting tables was high, the seriousness of their enquiries was extremely difficult to determine and the age ranges at the schools were entirely inappropriate for some institutions. This was coupled with being told by a number of different parties that the majority of 16-17 years olds would not undertake short English courses as they spend this time of their lives preparing extensively for university entrance exams.

Parental influence

Family is extremely important in Thai culture and parents will nearly always make the decisions where courses and study are concerned, whether those potential students are juniors or of university age. Parents will often also rely on agents for advice. The most popular request (probably 95%) for accommodation was for homestay as parents are concerned their children should be in a family environment so that traditional Thai values of family are not lost. There would appear to be a general need among Thais for "hand-holding" in terms of both welfare and learning, and this applies to all ages. Too great a focus on self-study would therefore not be appropriate. Where host families are concerned, there were some who expressed a desire for "typically British" hosts.

The Market

There is currently a programme of educational reform underway in Thailand, with some restructuring of ministerial departments for education. Following a recent survey of English language competence in the countries of the south Asia region, Thailand performed very poorly, coming second from last. This has led to a push from government to improve, with recruitment drives to get native English speakers into state schools and some more exclusive schools now providing a percentage of the curriculum in English. Nevertheless, state sector provision of ELT remains poor and the media have reported teaching standards of those native English speakers to be of low quality.

Overall numbers studying abroad (for 5 English speaking nations: UK, USA, Australia, New Zealand and Canada) are now more than pre the 1997 Crash. This has been attributed to a stronger economy and people buying into short-term study abroad; quality of local post-graduate provision and schools being perceived as poor; and government-funded scholarships abroad.

Many agents work primarily with Australia and this is normally the first choice for Thais due to the relative proximity and better weather. However, Australia has seen a recent decrease in visa applications and where many Thais were choosing the USA as an alternative destination, they are now switching to the UK. Canada and New Zealand remain marginal; Canada due to lack of strong promotion as well as a perception of it being remote and extremely cold; New Zealand due to the limited number of HE institutions and being further away than Australia. The feeling among Thais is that the UK is the best for quality however it can miss out with some due to the cost and the colder climate.

The market in Thailand is focused strongly on post-graduate courses but this means that there is a growing market for preparation courses, as well as summer/holiday courses in March/April and October. However, where summer courses are concerned the market is somewhat volatile due to agents often switching countries and partners. The market can be broken into 3 main segments, each often doing a short course to get them up to speed for the next stage of education:

- 12-15 yrs (pre-university)
- 17-19 yrs (FE/undergrad) – unlikely to do short courses as preparing for university entrance exams
- 21-25 yrs (undergrad >> masters)

Where demand was previously mainly from the wealthier upper classes, demand is now also increasing amongst the middle classes, who have a strong preference for UK education.

There is practically no market for business and professional English as in-country provision has long reached saturation point. It is therefore difficult to attract people overseas and even harder to break into the market in Thailand.

There are many positive economic and political indicators for Thailand. For example, economic growth in 2004 was 6.1% and *The Economist* ranked Thailand 4th in the world for economic and political stability in 2003. This can largely be attributed to the current Prime Minister, Thaksin, who has a large government majority and is on his second term in office. This is historically highly unusual for Thai premiers!

However, there are some concerns about overspending and a consequent budget deficit, with approximately 45% public debt. In addition, there is less stability within the education department, which is on to its fifth minister for education in as many years. This combined with some cronyism on the part of Thaksin is hindering the reform process.

Visas

As mentioned previously, based on visas issued, overall numbers for studying abroad are up to better than the pre-1997 Crash level. The visa rejection rate is low for Thailand and agents did not really report any problems. Visa statistics from 2003-04 show that there were 5,542 student visa applications received during this period and 411 of those were refused, or 7.4%. 2005 is on course for there to be over 5,000 visas issued for study in the UK; this compares with 2,800 in 1996, pre-Crash. Specific figures for different sectors are not available however in 2004 around 50-60% of student visas issued were for post-grad and 40-50% for ELT, with more than half of these being summer school related.

The application fee for visas is 6,375 BHT which is more than the USA, Canada and New Zealand. However, when compared with Australia, the traditional favourite for Thai students, the fee is far less than the BHT 14,200 they charge. This would suggest that visa application fees are not likely to deter students and in fact more students applied to study in the UK than in competitor countries last year.

The British Council

The British Council in Thailand has 3 centres in Bangkok and one in Chiang Mai. Collectively they have 5,000 students on ELT programmes at any one time, 70% of which are under 18, and all of which are encouraged to continue their English language learning in the UK. Around 1,600 Thai teachers of English are also on their *Access English* programme.

BC Thailand offers agent training twice a year however this is focused only on further and higher education and is organised through TIECA.

Further information on the market and the work of the British Council can be found by visiting <http://www.britishcouncil.org/ecs/events/2005/1106/details/market.htm>

Other Events

A list of other British Council Thailand events can be found at <http://my.britishcouncil.or.th/?events-calendar>

Others events include:

TIECA Study Abroad Fair -Bangkok, 25-26 March 2006
<http://www.tieca.com/event/read.asp?EventID=39>

Destination Britain - Phuket, Thailand, 23-25 May 2006
For further details contact Richard Truscott at Richard@englishuk.com

SWOT Analysis

Strengths <ul style="list-style-type: none">• Recent and continuing economic growth• Political stability• Good network of serious agents• Low visa refusal rate• Perception of UK as best for high-quality education	Weaknesses <ul style="list-style-type: none">• Market still mainly focused on post-grad courses• Most still cannot afford study abroad• Volatile market due to “switching” of agents to other countries/partners• Business English market saturated• Time & patience needed to build agent partnerships
Opportunities <ul style="list-style-type: none">• Growing market for English language courses in the UK• Greater demand from middle classes with preference for UK education• In-country state sector ELT provision poor• Drive from Thai government to improve standard of English• Low representation of UK ELT providers in market	Threats <ul style="list-style-type: none">• Healthy competition from Australia and USA• Perception of homestay accommodation• Increasing number of ELT providers in-country

Agents

The following is a list of agents invited to attend the agents' day in Bangkok, with an indication of their main areas of business where known. Where agencies have a "Y" shown against them, they are TIECA members.

	Company	Name	Position	Main areas of interest	TIECA
1	Ad Ed Consultant (Advanced Education Consultant)	Ms Thautra Fuangfoo	Managing Director	English with work experience, for hospitality industry	
2	Aimhigh InterEducation Consultants Co. Ltd	Ms Pensomboon Khumpee	Manager		Y
3	Anglo Phone Education Group	Mr Nawee Ittisanyakorn	Managing Director	English for academic purposes	Y
4	Anz Education Centre Co. Ltd	Ms Mimi Ang	Assistant Manager	Work experience for the hospitality industry. English for marketing. Age: 20+	Y
5	Better Grade Education Centre (Thailand) Co. Ltd	Ms Siriporn Leelapisut	International Manager		Y
6	Cheers Education Ltd	Ms Napassaporn Borhmawan	Director		
7	EdNET Central Lardprao Co. Ltd	Ms Siriluck Roongbour	Branch Manager		Y
8	EduWorld	Ms Patchimikit Vjivitaya	Office C-ordinator		
9	EXIT Education Co. Ltd	Ms Patacharaporn Boonkerd	Manager	English with work experience	Y
10	Further Education Co. Ltd	Ms Pranee Thangpitakpaisal	Managing Director		
11	Furture Bright Student Services	Ms Saranrat Boonpoung			
12	Ideal Education	Ms Suvalee Charoendhanakit	Manager		Y
13	INFOlearning Company Limited	Mr Siripon Sophonkanaporn	Marketing Manager	English with work experience	
14	International Education Management	Ms Apinya Dejnopratt	Marketing Manager	English with work experience	
15	International Education Link	Assoc. Prof. Papavadee Klongpityapong	Director		
16	International Education Promotions (I.E.P)	Ms Nattaporn Pumduang	Senior Counsellor		Y
17	International Educational Network Co. Ltd	Ms Siriporn Palakawong	Executive Director	English with work experience	
18	IQ Business Ltd	Mrs Warisara Divarangkoon	Manager		
19	King's Educational Services Co. Ltd	Ms Malin Muennak			Y
20	Mentor International	Miss Marissa Jandamrong	Assistant Counsellor (English Division)	English with work experience	Y
21	OEC-Global Education	Ms Waraporn Vunnasoot	Counsellor	English with work experience	Y
22	PASA	Mr Wisanu Bue-hem	Counsellor & General		Y

			Assistant		
23	Planet Learning Company Limited	Mr Pisit Khantaruchi	Managing Director	General English	
24	Planit Consultants	Ms Bussara Rattanawavee	Overseas Placement Manager		Y
25	Professional InterEducation Co. Ltd	Ms Noppawan Jampa-ngern	UK Counsellor		Y
26	Quality Creation	Ms Patchara Phuphanich	Marketing Manager		
27	Regency Travel & Education	Ms Pattarinee Saengsert	Marketing Planning & Development Executive	English with work experience. Group vacation courses.	Y
28	SELT Education Link (Thailand)	Ms Somjai Seetabhawang	Director		
29	Siam Edulink	Ms Chalothorn Yutim	Project Manager		
30	STA Travel Co. Ltd	Ms Tubtim Pratiwattanawong	Educational Consultant		Y
31	Study Overseas Centre Co. Ltd	Ms Boonsiri Trakulseangrutsamee	Managing Director		Y
32	Studywiz Co. Ltd	Ms Chanokphan Prachakul	Senior Counsellor		Y
33	TalentIntertrade Partnership Limited	Ms Nutchanut Thongpuswan	General Manager		
34	Thai International Education (TIE)	Mr Veera Ongwijitwat	Managing Director	English with work experience	
35	Thai Study Abroad Consultant	Ms Apichaya Manola	Manager	English with work experience	
36	Thai-Oz Co-operation Co. Ltd	Ms Monrdee Kerkasemboon	General Manager		Y
37	Today International Services Co. Ltd	Mr Akarapol Wattanasin	Manager	English with work experience	
38	Uniadvice	Ms Sarinya Tomornsak	Manager		Y
39	Union Plus Co. Ltd	Ms Orawan Khongjaroon	Counsellor		Y
40	York Institute	Mr Annop Kanthatham	Manager		Y