



KOREA - International Market Insight (IMI) & Education Sector Analysis

Sector: All Education Services

2015

Summary of Opportunity:

According to the Organization for Economic Cooperation and Development (OECD), the Republic of Korea, and Korean parents are the largest investors of education among all developed countries. There are good opportunities for a wide swath of U.S. educational institutions - sectors and subsectors - if entities are prepared to meet a *highly sophisticated, demanding, and brand-oriented market*.

Special characteristics of this extensive IMI:

The following 10 pages summarizes a wide-array of information to include:

- Guidance on Korea's dynamic students and Korea's constantly evolving educational market,
- Statistics on where Koreans study overseas,
- Information on Korea's domestic education trade shows,
- Ideas on marketing and promotional ideas, and
- A potpourri of facts about Korea's education system and Korean students.

Some of 'what it takes' to attract Korean students and penetrate the dynamic and highly saturated Korean education market.

Korea's highly successful educational system produces highly successful Korean students who are eagerly sought-after by all kinds of educational entities around the world. The U.S. is not alone in wanting to engage and attract these highly driven students to their educational entities, or to their educational products. Many educational entities around the world also want to find a way to integrate their products or services into Korea's first-class educational system.

The following documents will assist U.S. educational entities in understanding this rapidly changing market and includes:

- Guidance on how to work effectively with the changing dynamics of Korea's educational students and market,
- Statistics and demographics on where Koreans study overseas and on Korea's educational system, and
- Trade show information as well as marketing and promotional ideas.

From about 2008 to 2011 -- the Korean educational market changed fairly dramatically. And it is continuing to change. The market is now characterized as one where:

- **Word-of-mouth referrals**, to include use of **blogs, chat-rooms and other SNS are the preferred** way for Korean parents and students to select their next U.S. educational destination.
- Building **people-to-people networks** through **alumni associations** can raise the profile of the school and definitely helps U.S. schools attract new Korean students.
- Agents/Reps are utilized less and less. Korea is **no longer a market that is purely, or heavily -- 'agent-driven.'**
- The traditional ways of recruiting students such as hosting school information sessions and participating in the fairs are *not seen or viewed* by Korean parents or students as effective as they were in the past.
- The **episodic**, once-a-year-trade-fair, or visit should be avoided. Rather, the approach should be one characterized by an **on-going and growing relationship with Korea, with Korean students, their schools**, and with Korean parents. This approach ensures a more permanent, consistent and profound **commitment to the market.**
- **Two-way exchanges should be considered as a way to** broaden their 'exchanges' are presented in the box below.

The Growing Popularity of Two-Way Exchanges in Korea

<p><i>How U.S. educational entities can increase their exchange with Korean universities...</i></p>	<ul style="list-style-type: none"> • Offer joint degree programs with Korean universities. • Open a Korean language institute in a U.S university. • Open a joint campus with local Korean universities in Korea. • Initiate U.S. students' study abroad programs led by U.S. university faculty who could visit Korean universities during summer and other break times. • Consider accepting Korean high school graduates based on Korean GPA grade systems without SAT and TOEFL to induce Korean students who would otherwise not consider studying abroad.
<p><i>How U.S. educational entities can increase exchanges with Korean high schools...</i></p>	<ul style="list-style-type: none"> • Formulate sisterhood ties with Korean high schools. • Offer scholarships, or even specially targeted scholarships. Target high-performing students from different public or private high schools and regions. • Host yearly teas or coffee gatherings, or luncheons with alumni.

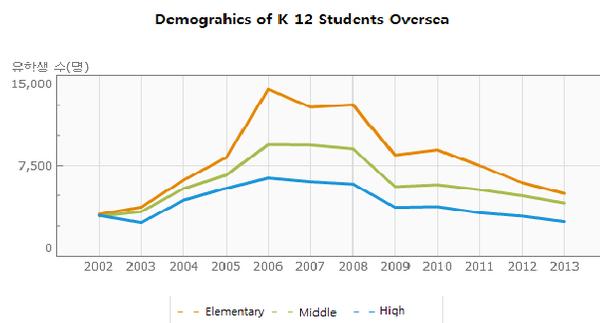
KOREAN STUDENTS OVERSEAS – 2013 & 2014

Demographics of Total Students Studying Overseas & their Destinations					
230,000					
US (34%) ¹	China (20%) ⁴	Australia (5%) ⁴	Canada (5%) ⁴		
90,000	63,488	14,180	12,477		
Demographics of Korean Student Studying in U.S.					
	# of Students		# of Students		Proportion of Students Studying Oversea
College ² (75%)	68,047	Undergraduate (55%)	36,950	Exchange Student ⁵ (40%) 1,542	1 ~ 1.5%
				Regular (60%) 35,400	
		Graduate (30%)	18,917		
		others (20%)	12,181		
K-12 ³ (5%)	3,943	Elementary (30%)	1,254		0.2 ~ 0.3%
		Middle (30%)	1,391		
		High (30%)	1,298		
Others ⁴ (20%)	17,800	Language/Vocational Program (70%)	12,800		/

		Internship (30%)	5,000	
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References/Sources:

1. Student and Exchange Visitor Information System (SEVIS) - <http://www.ice.gov/sevis>, 2014
2. Institute of International Education (IIE)- www.iie.org, 2014
3. Korean Educational Statistics Service- <http://kess.kedi.re.kr/eng>, 2014
4. Statistics Korea- <http://www.index.go.kr>, 2014
5. Council on Standards for International Educational travel (CSIET)- <http://www.csiet.org>, 2013



References- Statistics Korea (<http://kostat.go.kr/eng>), 2013

U.S. Dept. of Commerce- Global Markets - Korea

offers

Marketing & Promotional Ideas for Educational Institutions

- "Education USA" Program – sponsored by the U.S. Dept. of State (Seoul)
 - Embassy Advising Center (EAC - http://seoul.usembassy.gov/ack_edu.html)

EAC offers a comprehensive, objective, timely and unbiased information about educational opportunities in the U.S. University representatives can participate as a special speaker on a topic when in-country.

- **Fulbright (Korean-American Educational Commission, www.fulbright.or.kr)**

Tel: 82-2-3275-4000, Fax: 82-2-3275-4028, E-mail: webmaster@fulbright.or.kr

- **Popular blogs & websites for sharing information on U.S. schools**

Korean blogs (called cafes) are usually operated without a charge but as their size grows they become profit-based. To upload your institution's information, there could be a small posting-fee and this has to be discussed with the blog owner. These websites are the most popular and are in Korean.

- <http://cafe.daum.net/newrealsat/>

A company-owned blog, that is popular among high school students preparing to study in the U.S. Number of registered members: approx. 25,500.

- <http://blog.naver.com/meyouker/>

A company-owned blog, that offers first-hand information to students who are currently studying abroad. It also provides consulting service to potential students who plan to study in the U.S.

- <http://cafe.naver.com/uhakmoim/>

This café provides information for those interested in community colleges and those who want to learn English. Number of registered members: approx. 74,500. Main e-mail: miyuka@naver.com

- <http://cafe.naver.com/ghvm33>

This café provides general information on overseas study programs in the U.S. to include information on community colleges, ESL programs and, how to get a visa. Has the largest number of members found in Naver. Number of registered members: approx. 98,400. Main e-mail: Tiger7722@naver.com

- <http://cafe.daum.net/abroadstudy/>

This café is an online community of parents who have sent their children abroad. It has the largest number of members found in Daum. Number of registered members: approx. 97,400.

- <http://cafe.naver.com/secs/>

This café provides information especially for those interested in boarding schools in the U.S.

Number of registered members: approx. 28,500.

- **Newspapers**

Koreans still like their newspapers and so purchasing an advertisement in one of them could be/may be considered -- especially as you target Korean parents. Approximately 10 Korean and English newspapers exist. Consider asking for an early-in-the-week edition. Mondays are the best. We only discuss two newspapers below.

- ***Chosun Ilbo*** - <http://www.chosun.com>

Korea's top daily newspaper. CS Korea has worked with them in the past. Approximate costs for a 17cm X 9cm black & white ad could run USD 3,000 (one run).*

- ***Maeil Kyung-je*** - **Maeil Business Newspaper**, <http://www.mk.co.kr>

Korea's top business newspaper. CS Korea has worked with them in the past. Approximate cost for a 17cm X 9cm black & white ad could run USD 2,800 (one run).*

* These are Embassy rates and reflect about a 40% discount.

- **Main Portal Sites**

Korea has four popular web portal sites who offer fee-based banner ads on their main-pages. Of course, prices vary.

Naver: www.naver.com Daum: www.daum.net

Nate: www.nate.com Google: www.google.co.kr

- **Magazines and Media Programs whose target includes ex-pats and professional, English-speaking Koreans**

- **Uhak Journal** - <http://uhakjournal.org/>

The only professional journal in Korea that includes information of studying abroad. Fee-based ad possible.

- **AMCHAM Journal** - <http://www.amchamkorea.org/>

The American Chamber of Commerce, with its 61 year history in Korea publishes a quarterly magazine. Distributed to all members free of charge, including to those not residing in Korea. They also have a very extensive web-based advertisement promotional program for their members.

- **Arirang TV** - <http://www.arirang.co.kr/>. Arirang, Asia's Heartbeat on TV and radio is seen around the world and is aired in seven languages. Their website describes numerous TV and radio programs (English and Korean) such as *Heart-to-Heart* (htoh@arirang.co.kr) which could provide for visiting university professors some 'topic' areas which would provide some indirect promotional opportunities for universities. This is really an exceptional and widely-respected entity.
- **TBS-FM** - <http://www.tbs.seoul.kr>. Another excellent TV and radio station. Check out English FM, but also their other numerous TV and radio stations and programs.
- **10 Magazine** - <http://10mag.com/>. An excellent and popular monthly magazine aimed at the expat, professional, English-speaking Korean communities and those who want to speak more English. Note their blogs, podcasts and calendar sections, to name a few.
- **Grove Magazine** - <http://groovekorea.com/>. In its seven year of publication, *Groove* is another highly circulated, successful monthly publication which is aimed at the expat, professional, English-speaking Korean communities and those who want to speak English.

- **AMCHAM Korea** - <http://www.amchamkorea.org/>.

As a member of the prestigious AMCHAM with its 61 year history in Korea, universities have the opportunity to participate in their large events (i.e. Labor Day celebration), their website (w/ website banners), their e-mail advertisement campaigns, and even presenting an interesting topic to a breakfast or lunch gathering of Korean-based professionals.

- **Korea Overseas Study Association - KOSA**, www.kosaworld.org

The one and only *overseas study association* in Korea. There are around 50 members in the association and membership is not mandatory.

- **Education Trade Shows**

Educational trade shows, in Korea, increasing have a mixed success rate because other mechanisms are used to attract students. The below list of trade shows are categorized in tiers according to their expected number of attendees, number of exhibitors, history and other factors.

Tier I Trade Shows

- **The 39th Korea Study Abroad & Emigration Fair**

<http://www.uhak2min.com/en/asp/main.asp>. Has been hosted by a Korean company since 1992. T

Locations: Coex, Seoul - Mar. 28-29, 2015 & Oct. 3-4, 2015

Bexco, Busan- Mar. 28, 2015

- **The 3rd Korea Student Fair**

<http://www.aief-usa.org>

Locations: Coex, Seoul - Mar. 28-29, 2015~Mar29.2015 & Bexco, Busan- Mar.27, 2015

- **20th MBA Tours**

<http://www.thembatour.com/index.html>

Location: Renaissance Hotel, Seoul - Jan. 29, 2015

- **University Fair organized by Linden Tours**

<http://www.lindentours.com>. Linden has had more than 230 'tours' and organized 30 overseas programs and has actively organized fairs in Korea for many years.

Location: Coex, Seoul – Fall 2015

Tier II Trade Shows

- **World Education Forum**

<http://english.wef2015.go.kr>

The WEF is organized by UNECSO and has been held annually since 2000.

Location: Songdo, Incheon- May 19-22, 2015

- **3rd English Expo**

http://englishexpo.net/2014/eng/main_e.asp

Location: Coex- Seoul- Oct.9 – 11, 2015

- **The 1st IDP World Uhak Expo**

<http://www.idp.co.kr>

The fair is organized by IPD, an international education organizations headquartered in Australia.

Location: Seoul- Mar.21 and Busan- Mar.22

- **The 12th Education Korea**

http://educationkorea.kr/2015/index_en.html

Location: Coex, Seoul- Jan.15 – 17, 2015

- **The 2nd World Uhak Expo**

<http://wef.eduhouse.net>

The fair is organized by one of the major educational agencies in Korea.

Locations:

Seoul: Jan. 30-31, 2015

Pohang: Jan.24, 2015

DeaJeon, Jeonju, Cheongju, Cheonan: Jan.26, 2015

Deagu: Jan. 27, 2015

Busan, Ulsan: Jan.28, 2015

Gwangju: Jan.29, 2015

Wonju: Jan.29, 2015

Tier III Trade Shows

- **Institute of International Education Fairs**

<http://www.iie.org/studentinfo>

The Institute of International Education has been organizing fairs since 1982 throughout the world.

Location: Seoul – Fall 2015

- **The 5th American Education Fair**

<http://www.americaneducationfair.com>

Locations: Seoul- TBD and Busan- TBD. They may not have an event in 2015.

Tier IV Trade Shows

- **Boarding Schools Fair**

<http://www.boardingschools.com/find-a-school/explore-your-options/admission-fairs>

The Association of Boarding School (TABS) hosts recruiting fairs with member schools from the U.S. in Seoul: TBD/Fall, 2015.

- **Linden Boarding School Fair**

<http://www.boardingschooltours.com>

The fair is organized by Linden Tours in Seoul, Coex, Fall. They may not have an event in 2015.

- **World Grad School Tour**

<http://www.topuniversities.com/events/qs-world-grad-school-tour>

The fair is being organized by U.S. Company throughout the world. Location: Seoul-Fall 2015.

- **The 33rd Early Study abroad & English learning fair**

<http://www.campenglish.net>

Location: Coex, Seoul- TBD. They may not have an event in 2015.

A Potpourri of Factoids on Korean Students & on Korea's Educational System 2012-2013

South Korea's education system ranked second in global ranking by Pearson and the Economist Intelligence Unit in 2012.

The *Global Index of Cognitive Skills and Educational Attainment*, which ranks nations based on a combination of international test scores, literacy and graduation rates, put Finland and South Korea alone in the top category.

South Koreans, in 2011, spent 8% of GDP on education.

More than one out of three households spent \$810 or more, every month, for private tutoring for their children in primary and secondary schools.

South Korean parents spent 19 trillion won (~\$17.47 billion) in 2012 on private education for their children; down 5.4% from 2011.

South Korean households' spending on education declined to a six-year low in 2012 due to an economic downturn and increased government subsidies.

The ratio of education expenditures to consumption spending in a household with two or more family members reached 12 percent, the lowest level since 2006 when it was 11.5 percent.

In 2011 289,288 Korean students studied abroad

U.S.: 25%, China: 22%, Australia: 12%, Japan: 9%, U.K.: 6%, Canada: 5%, other countries: 21%

In 2011, a total of 104,908 Korean students were enrolled in U.S. institutions

Korea has ranked first, second or third behind China and India in terms of number of foreign students studying in the U.S. over the last few years.

In 2012 the Korean government ordered 20 private universities across the nation to shut down their "1+3 Overseas Study Program" citing that they did not comply with the Higher Education Law

The program introduced in 2009, required students to complete one year at a local university and the remaining three years of study at an overseas school to earn a bachelor's degree.

Higher Education 2012-2013

In Korea, there are over 340 institutes of higher education

- 177 four year universities

- 145 community colleges

The majority of higher education institutions in Korea are private

- About 85% of higher education institutions are private.
- About 78% of university students and 96% of professional school students enroll in private institutions (2005).

Higher education costs in Korea are heavily supported by private sector funds.

- Only 3% of private university expenditures come from government funding.
- Public financial expenditures on higher education as a percentage of GDP was very low at 0.3%, compared to the OECD mean of 1.1%.

Unlike Japan or China, the status of private higher education institutions in Korea is not necessarily lower than public institutions.

A high proportion of foreign, especially U.S.-educated, faculty members teach in major universities

- Pohang University of Science and Technology (a top private institution specializing in science and technology in Korea): 93.3% of the academic staff obtained their PhDs in the U.S.
- Yonsei University: 81% have PhDs from the U.S.
- Seogang University & Ewha Women's University: 81.3% & 80.2% respectively have PhDs from the U.S.

Korea's Primary & Secondary Educational Market 2012-2013

Schools in Korea:

2,253 high schools 3,130 middle schools 5,854 elementary schools.

Average monthly educational costs for public education for Korean households

Elementary school : \$290 Middle school: \$345 High school: \$454

Private preschool tuition/fees in Korea: Over 1M/won a month

97% of 18 year-olds graduate from high school, and 82.1% of this age cohort go on to higher education institutions (2006).

The number of underage students who study abroad has been decreasing, and will continue to decrease given the very, very low birth rate in Korea.

27,349 (2008) 18,118 (2009) 17,500 (2010) 17,200 (2011)

Koreans annually invest approximately USD 24,000, including all living expense and educational fees to educate their children abroad

- 49.2% of Korean parents spend USD 10,000 to USD 20,000 annually on their children's overseas education
- 23.1% spend USD 20,000 to USD 30,000,
- 13.8% spend USD 40,000 to USD 50,000, and
- 10.8% of parents spend USD 30,000 to USD 40,000.

Students attend both public and private schools while overseas.

56.9% of students studied in public schools and 41.8% of students studied in private schools while overseas.

Sources: Various sources and various dates to include: Kyunghyang Shinmun, Korean Educational Development Institute, Ministry of Education, Science and Technology, Statistics Korea, Korean Educational Development Institute [KEDI], 2005; The Ministry of Education, Science and Technology. Korean Ministry of Human Resources and Science statistics, April 2011, Student and Exchange Visitor Information System, 2011.

This document is part of the 1stQ 2015 Additional Promotional Ideas for Educational Entities document created by the U.S. Department of Commerce/Global Markets and the Commercial Service in Seoul, Korea.

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