



Australian Government  
Australian Education International

## The International Education Market in Thailand

A Research Report Commissioned  
by Australian Education International



AEI Research Update – Thailand



## Why Research the Thai Market?

A Strong Market:

- Thai IE is a US\$775 mil p.a. industry
- Established market for Australian Education, worth AU \$261 mil in 2005
- Australia remains the leading provider of IE services (16,500 enrolments in 2005)
- In value terms Australia captures 34% of the market

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## Study Method

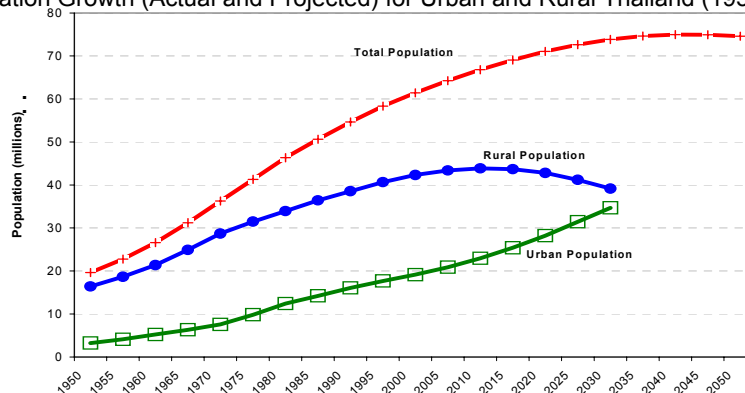
- Examination of key economic, social & attitudinal factors
- A multi-disciplinary approach to research:

Desk Research	Field Work
<ul style="list-style-type: none"> <li>• Qualitative – web-based searches, literature review</li> <li>• Quantitative – Socio-economic data and student enrolment data</li> </ul>	<ul style="list-style-type: none"> <li>• 119 Semi Structured Interviews</li> <li>• 19 Focus groups (conducted in Thai)</li> <li>• 6 Face to face interviews</li> </ul>

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## Positive Growth Prospects

Population Growth (Actual and Projected) for Urban and Rural Thailand (1950 to 2030)



Source: United Nations Population Division (UNPD, 2006)

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## Economic Development

- Government and Industry identified skills shortages: engineering (civil, mechanical, chemical); software engineering & IT; supply chain management; marketing and finance.
- Science & Technology and commercial qualifications in high demand.
- Opportunity to match course types and content in VTE and higher education to industrial development strategy.
- OCSC will publish results of a survey regarding further education and study preferences of civil servants

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## International vs. Domestic

- 24 state sector universities; 59 private HE institutions; 41 Rajabhat Institutes of Technology; 9 Rajamangala universities of technology; 17 Community Colleges.
- Increase in number of private international schools (70); English language schools and upgraded Rajamonkol Institutions
- Bangkok-based private institutions establish outer-metropolitan and regional campuses (Mahidol University in Nakhon and Pathom and Kasetsart University in Sakon Nakhon Province).

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## Domestic Education Reform

- Reform Agenda: MoE structure; institutional ownership; financial management; content and form of learning; provision of quality assurance; staff quality.
- Devolution of functions and responsibilities to individual institutions to reduce costs; improve monitoring and evaluation; increase decision making flexibility regarding staff.
- Curricula & Teaching methodology modernization; Competency-based vocational education; and development of National Education Standards Framework
- Income Contingent Loan Scheme (Jun 06): shifts a greater proportion of financial cost of higher education onto 'users'

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## International Education

- Government Scholarships for civil service employees & "One Scholar, One Tambon" international education scheme for poorer Thais
- Growth in Joint programs (especially Rajabhat Institutes for PhD programs).
- TAFTA: Availability of Part Australian-owned education institutions in provincial areas
- Joint programs delivered in Thailand are covered under the Income Contingent Loan Scheme

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## International Education

### Total Cost of Ownership

	PhD	Master's	Bachelor's	VTE	Schools	ELICOS
<b>Australia</b>	\$ 81,132	\$ 45,131	\$ 67,789	\$ 29,586	\$ 72,791	\$ 5,115
United Kingdom	\$ 95,306	\$ 53,257	\$ 93,382	\$ 50,772	\$ 108,852	\$ 3,992
USA Private	\$ 116,902	\$ 81,501	\$ 161,257	\$ 25,691	\$ 89,753	\$ 4,146
USA Public	\$ 80,621	\$ 79,613	\$ 82,986	\$ -	—	—
China	\$ 34,242	\$ 37,208	\$ 34,988	\$ 12,937	\$ 44,540	\$ 3,149
Japan	\$ 94,824	\$ 41,756	\$ 76,885	\$ 31,414	\$ 63,290	\$ 6,463
Germany	\$ 50,507	\$ 31,632	\$ 66,623	\$ 37,453	\$ 56,778	\$ 7,557
Malaysia	\$ 19,929	\$ 14,428	\$ 36,014	\$ 12,916	\$ 14,973	\$ 1,787
<b>Average</b>	\$ 71,683	\$ 48,066	\$ 77,491	\$ 25,096	\$ 64,425	\$ 4,601

\* All Prices are in US\$ and include tuition, cost of living and other variables

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## Perceptions of Quality

- International Education superior to domestic provision but Australia is perceived as 3<sup>rd</sup> Tier compared to UK and USA (USA 1<sup>st</sup> Science & Technology; UK 1<sup>st</sup> in Humanities)
- Australian HE perceived to offer less choice than UK or USA: selection of universities; range of courses; diversity of students.
- Study preferences based on perceptions of country with Australia regarded as “relaxed” option. Australia does not have the cultural influence of the US or UK

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## Perceptions of Quality (Cont.)

- Schools: Australia, Canada and New Zealand are preferred destinations after the UK due to perception of peacefulness and safety (over USA)
- ELICOS: mixed perceptions; some Thais preferred the UK as the 'origin of English.' Others chose the USA or Australia because they favoured the accent.
- VTE: Australia an excellent destination for low cost short-term technical training

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## Relationships and Promotion

- British Council: top ten priority markets focusing on TNE and linkages
- European Commission: Asia Link Program's 30 active projects involving multiple institutions in joint program development and joint research efforts
- USA: Culturally influential, but US Government sponsored activity in decline
- China is developing its profile and is actively engaged in cooperation and exchanges within VTE, HE, Schools and Chinese Language provision

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## Recommendations

- Branding, Promotion and communication
- Pricing and Market Segmentation
- Networks, Linkages, Presence and Partnerships
- Matching Industry and Labour force Requirements

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## AEI Thailand Actions

Identified Issue	Proposed Response	Timing
<ul style="list-style-type: none"> <li>•Lack of sustainable linkages</li> <li>•Need for strategic relationship building</li> <li>•Negative commercial image</li> <li>•Perceptions of absenteeism</li> </ul>	<ul style="list-style-type: none"> <li>•Broker and facilitate sustainable institutional linkages through relationship building database.</li> <li>•Capacity building of the Australian studies Centre at Kasetsart University</li> </ul>	06-07 FY
<ul style="list-style-type: none"> <li>•More strategic use of Alumni</li> </ul>	<ul style="list-style-type: none"> <li>•Support for key alumni events</li> </ul>	06-07 FY

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## AEI Thailand Actions

Identified Issue	Proposed Response	Timing
<ul style="list-style-type: none"> <li>•Lack of Cultural image and influences</li> <li>•Perceptions of Country as a key influence for strategic engagement with Thailand and student destination decision making</li> <li>•Promotion of Australian pathways needed, to target areas of labour market shortages</li> </ul>	<ul style="list-style-type: none"> <li>•Australian Education Festival profile event focusing on Education Innovation and Quality for all sectors</li> <li>•Inclusion of School and VTE pathways to higher education to target key labour market shortage areas</li> <li>•Inclusion of ESOS, QA, transnational quality</li> </ul>	06-07 FY

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## For Further Information

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