

Nepal: Understanding the market

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SERVICES FOR
INTERNATIONAL
EDUCATION
MARKETING
CONFERENCE 2014



The situation in Nepal

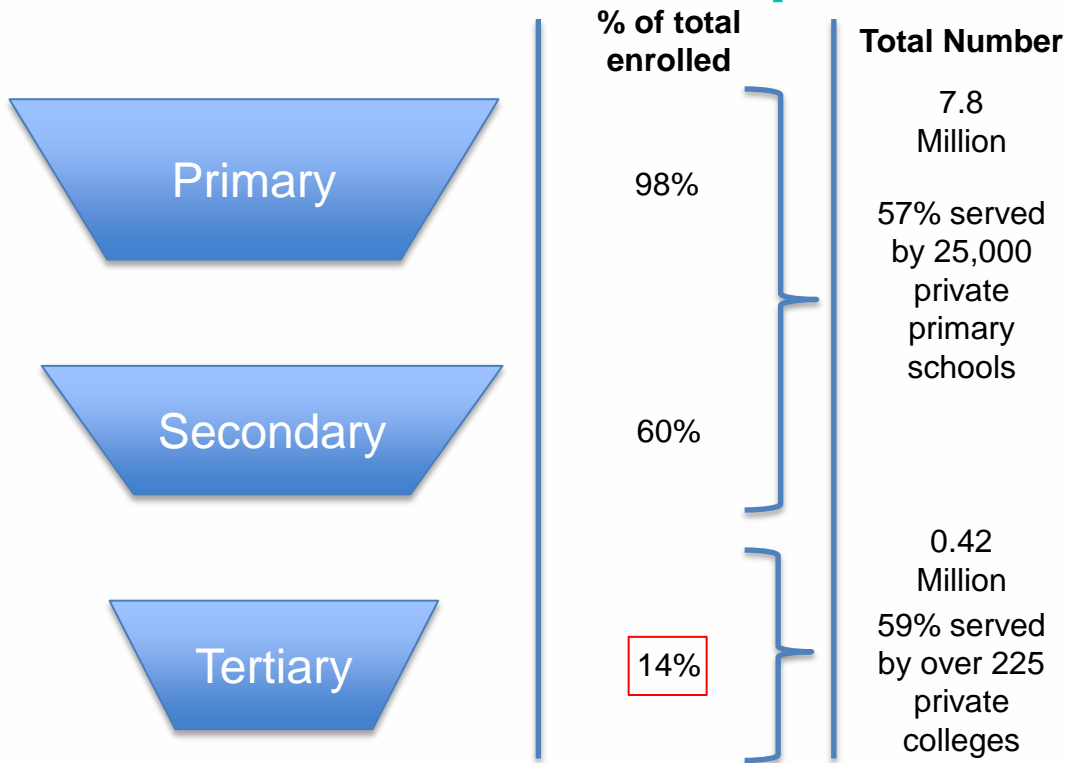


Quick Facts:

- Population: ~28 Million
 - 55% below the age of 25
- GNI Per Capita: USD 730
- Economic growth rate: 4.5%

Outlook for Nepal is “cautiously optimistic”

Education Sector Snapshot



- Nepal is meeting its goal of universal primary education
- Quality of education especially at public schools is very poor
- Private schooling a must for anyone who can afford it
- Inadequate number of institutions to meet demand for quality higher education

A few victories but many big challenges remain

Nepal's growing middle class takes to the malls

AFP | Sunday 27 February 2011

Open»

The expanding middle

Migrant worker returns to Nepal to build new business and rebuild life



Young entrepreneurs bring new hope for Nepal

Returning Nepalese students assist new entrepreneurs

Nepal's middle class: Backbone of stability, peace and development

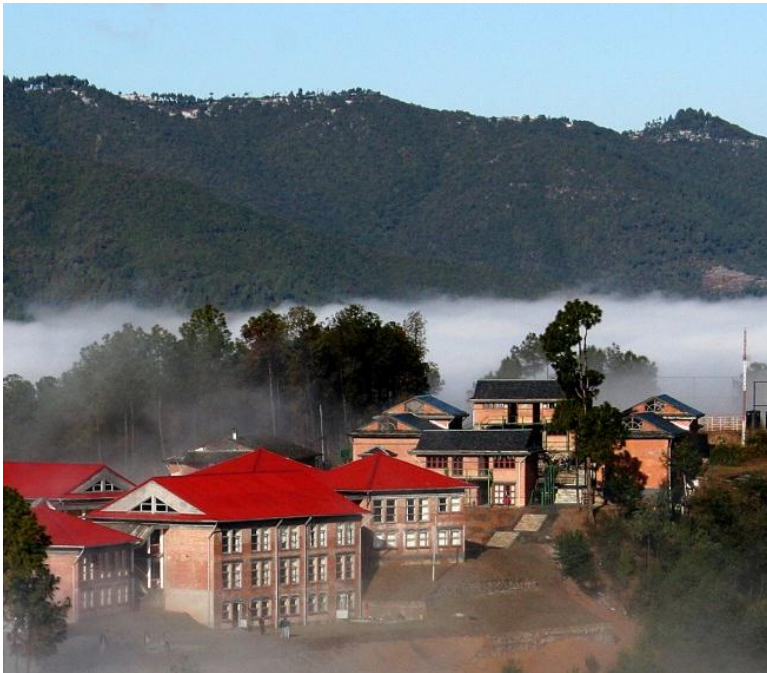
Updated: Jul 1, 2012

India and Nepal sign electricity trading pact

A growing middle class, stable growth and international citizens will demand better services, including education.

**Education is widely seen
as the only means of
improving social and
economic standing**

How has the HE landscape of Nepal changed?



- Awareness levels have increased
- Increased number of choices
- Quality consciousness
- UG enrollments increasing
- Quality education is solely the domain of private providers
- High demand for employment oriented degrees

What has not changed is that people still don't compromise on expenses for education

Key issues faced by the education sector in Nepal

Legislative

- Revised Education Act not approved yet
- Issues with recognition of 3 year UG degrees and 1 year PG degrees

Human Resources

- Shortage of good quality teachers especially while looking for permanent faculty

Market & Industry

- A large chunk of the market is very price sensitive
- Nepal's job market has not seen the growth seen in India or China either in volume or diversity

Internal

- Curriculum across subjects are taking too long to respond to market and industry needs
- The sector is still very inward looking and is isolated from the global sector
- Colleges have mushroomed but quality could be questionable in many

Opportunities for the UK?

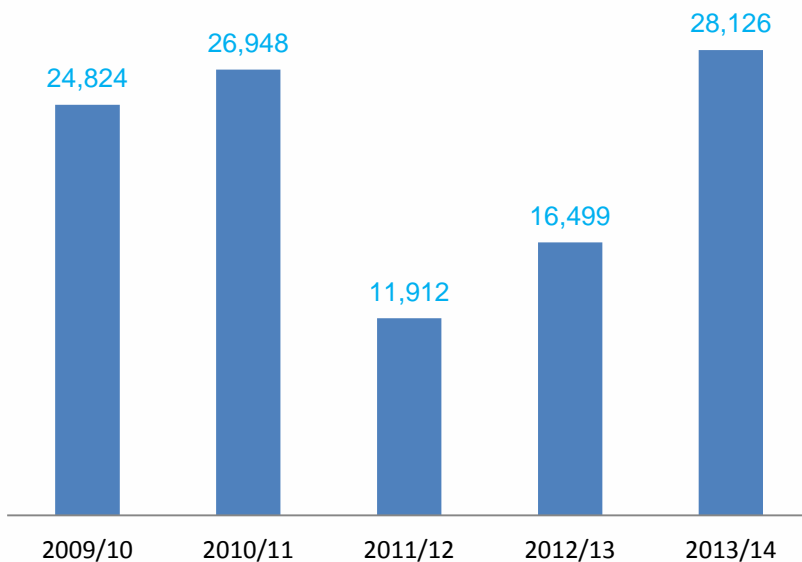
- Demand for better quality education
 - Increasing income
 - Lack of seats and quality education providers
- Young population that will seek to build their credentials

Part 2

Recruitment

Why is Nepal interesting?

Number of NOCs issued in the last five years

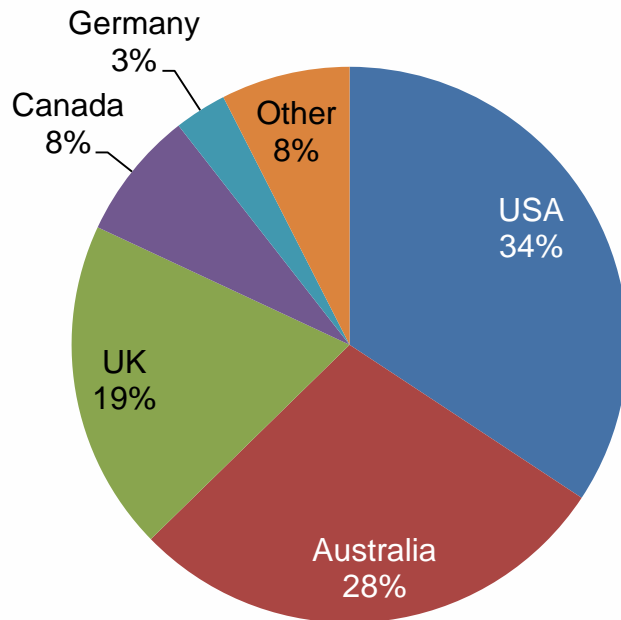


- A GBP 47 million market
- Over 25,000 students will have gone to study overseas this year
 - This is not including India
- A growing market that will help increase diversity

But where are these students going?

Expectations vs reality

Top choices

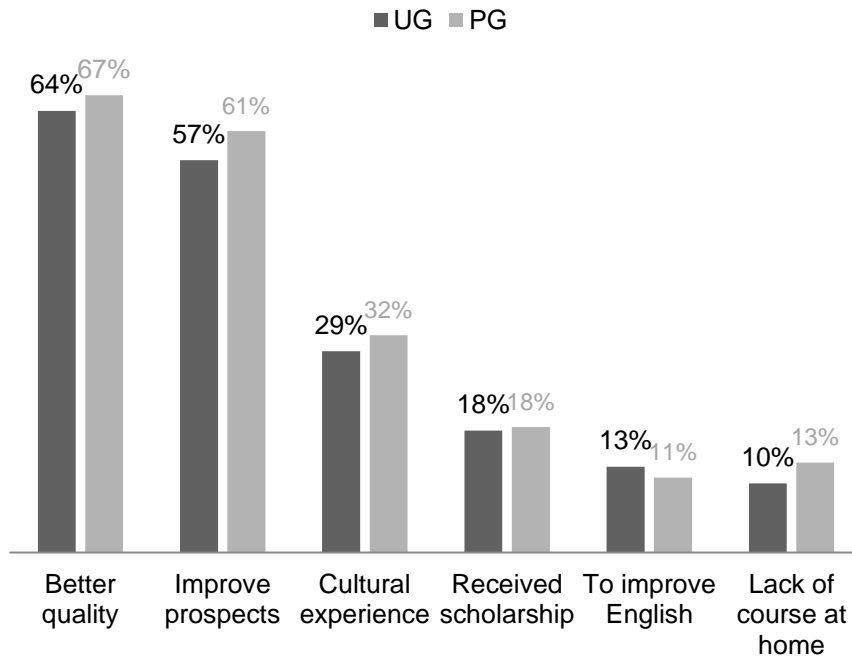


NOC applications by destination	
Australia	11,184
Japan	7,933
USA	1,456
Malaysia	1,190
UK	930

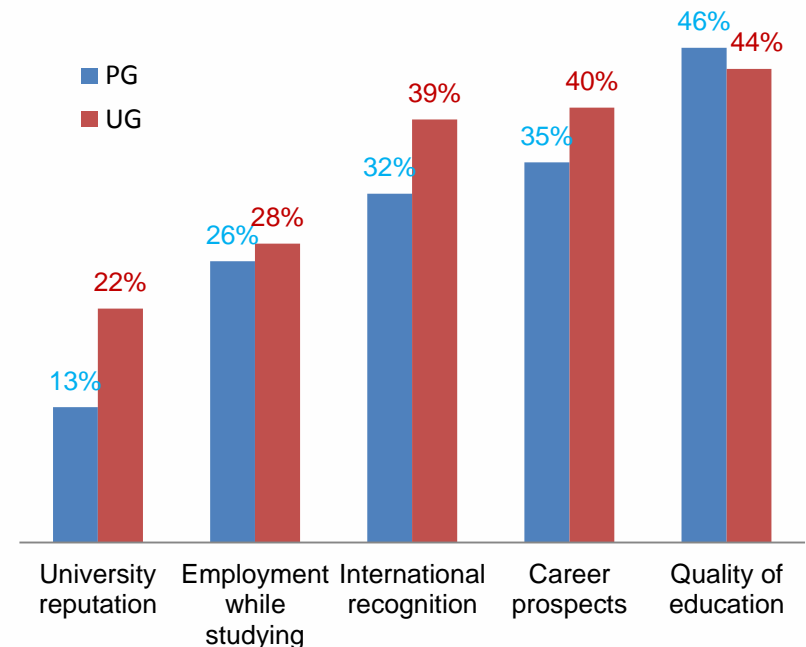
Stark contrast between choice and final destination

Better quality education & hope for improved career prospects driving students abroad

Main motivation for studying abroad



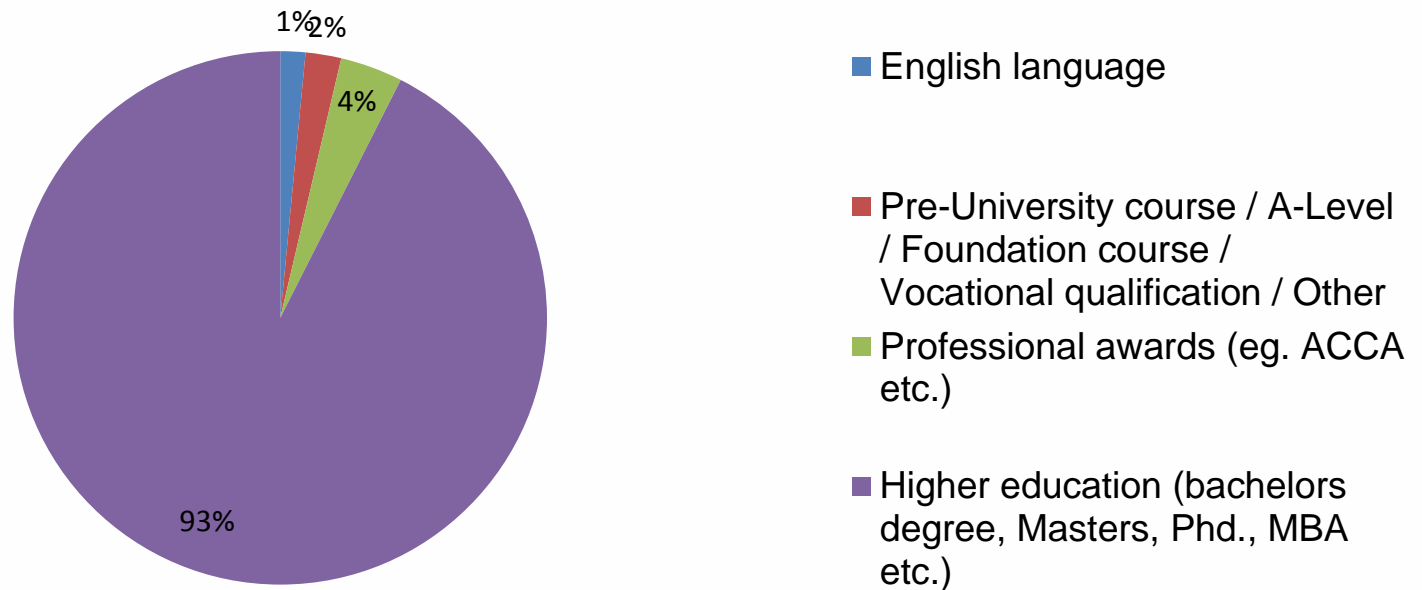
Top 5 criteria before choosing a country



Sources: Student Insight 2014

Higher education is the key interest

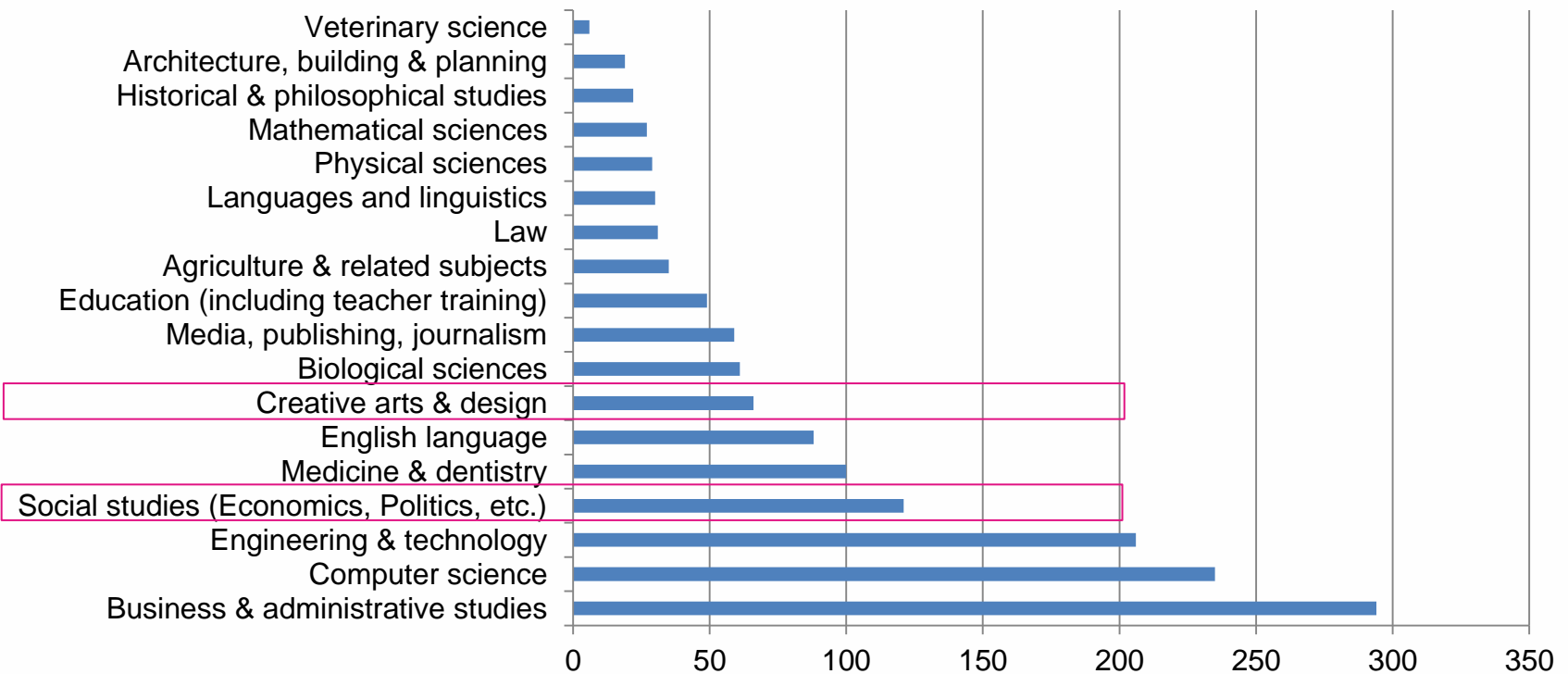
Interest by course type



Is it time to consolidate and expand?

Sources: Student Insight 2014

Demand highest for business related subjects

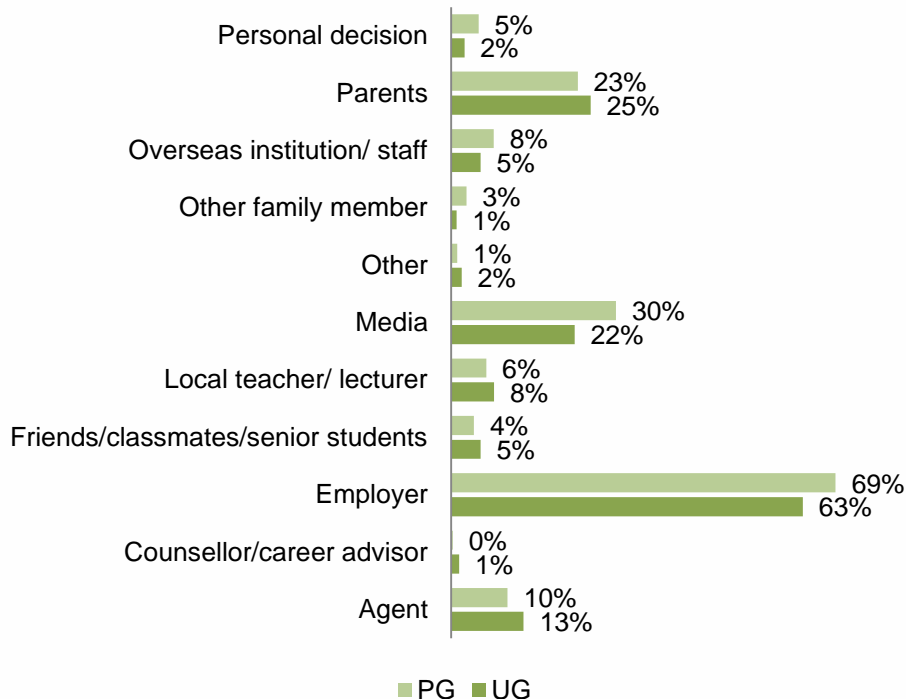


But other subjects demand attention as well.

Sources: Student Insight 2014

Demands of (potential) employers is the key influencer in students decisions

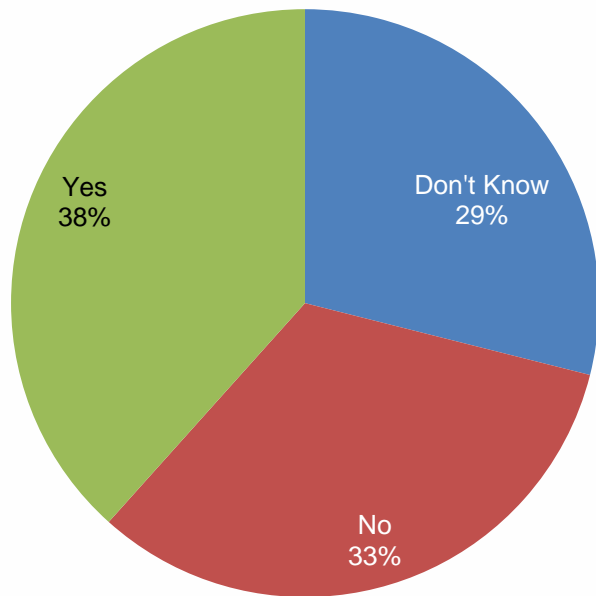
Key influencers



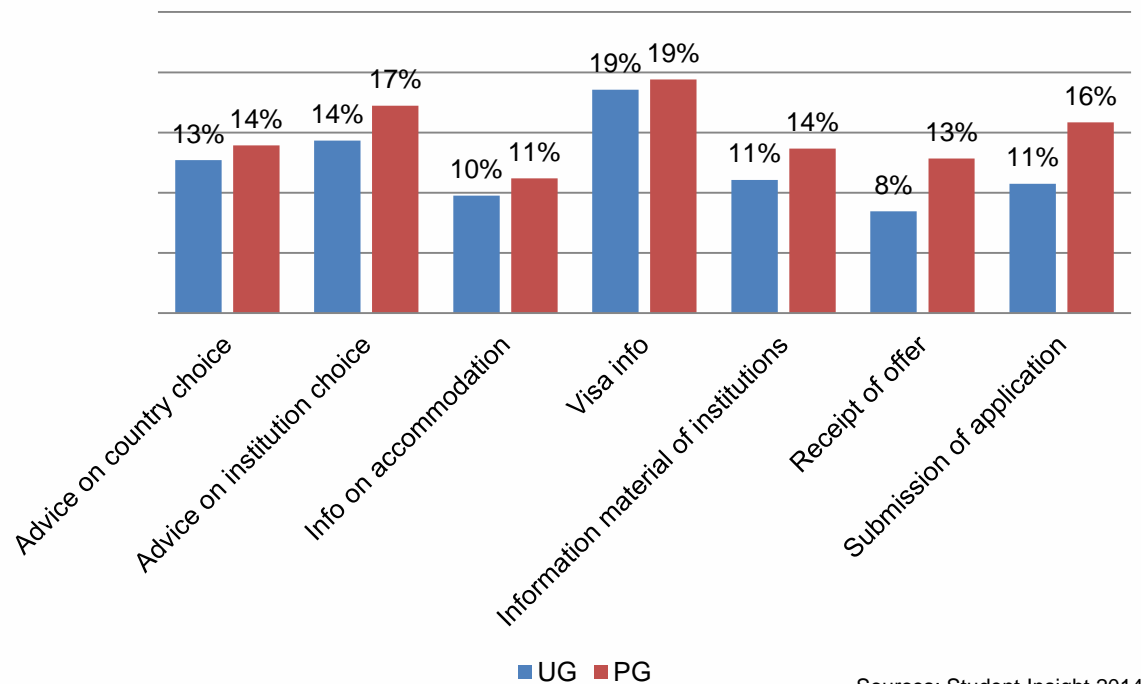
- Most prospective UG and PG students (69% & 63%) cited employers as major influencers
 - This ties back to the importance of career prospects for outgoing students
- Relatively low influencing role played by agents has interesting implications
- Parents obviously are a strong influence

Agents: Willingness of students to use them and services that are expected

Students views on using agents

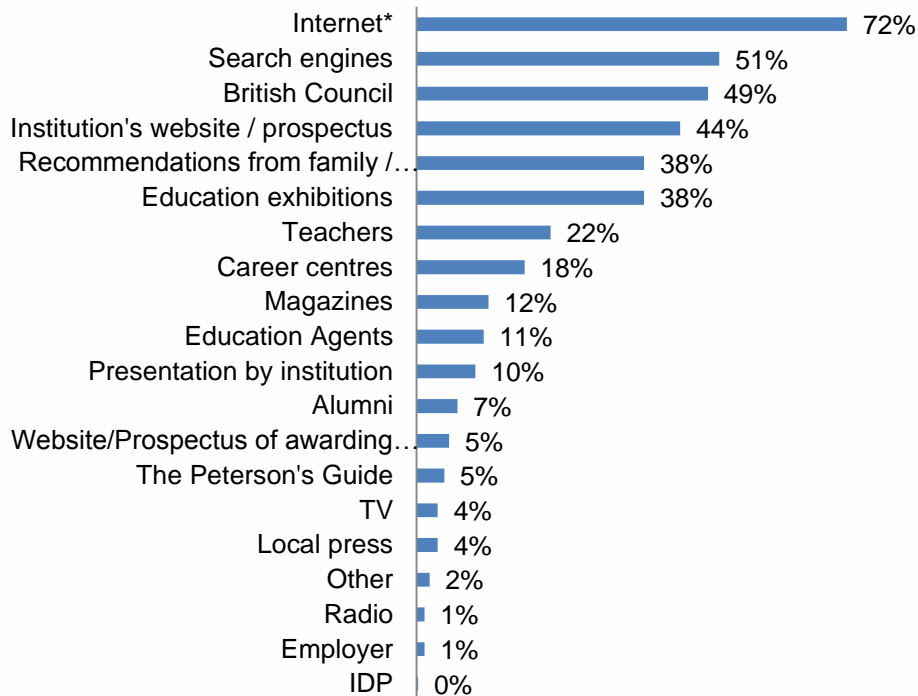


Key information & services students expect from agents



For prospective students information = internet

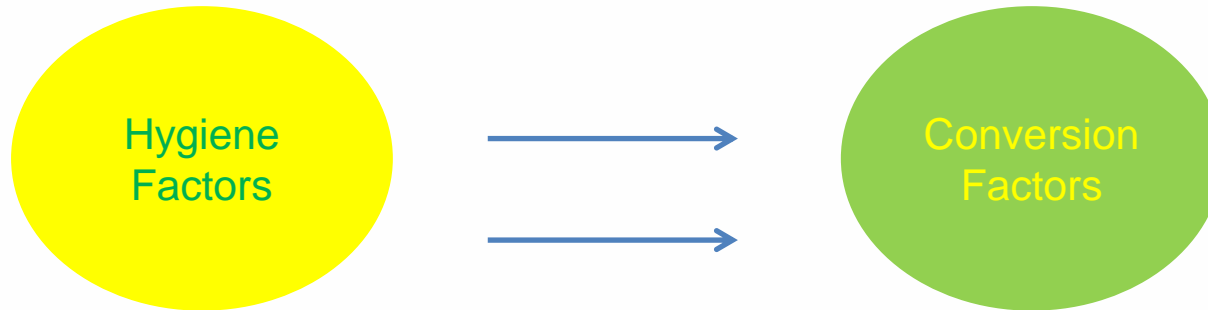
Sources of Information



- Survey reconfirms the need for institution to invest in all things digital
- The British Council is still a trusted place for information
- The low rank of agents on the list is interesting
- Interesting use of alumni could be very effective

Recommendation for recruitment

- Two essential aspects of messaging for Nepalese students



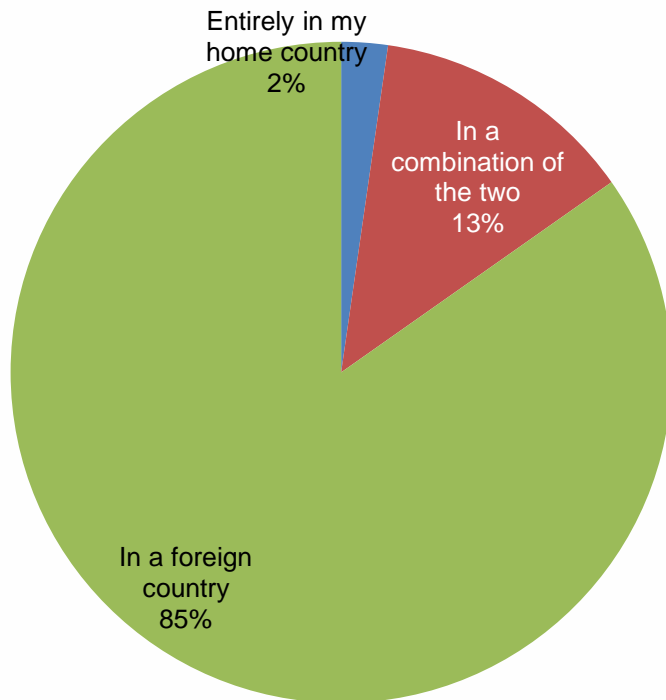
- Keep messaging consistent across platforms
 - Agents (invest in training)
 - Digital (invest in better content discovery)
- Expand
- Differentiate

Part 3

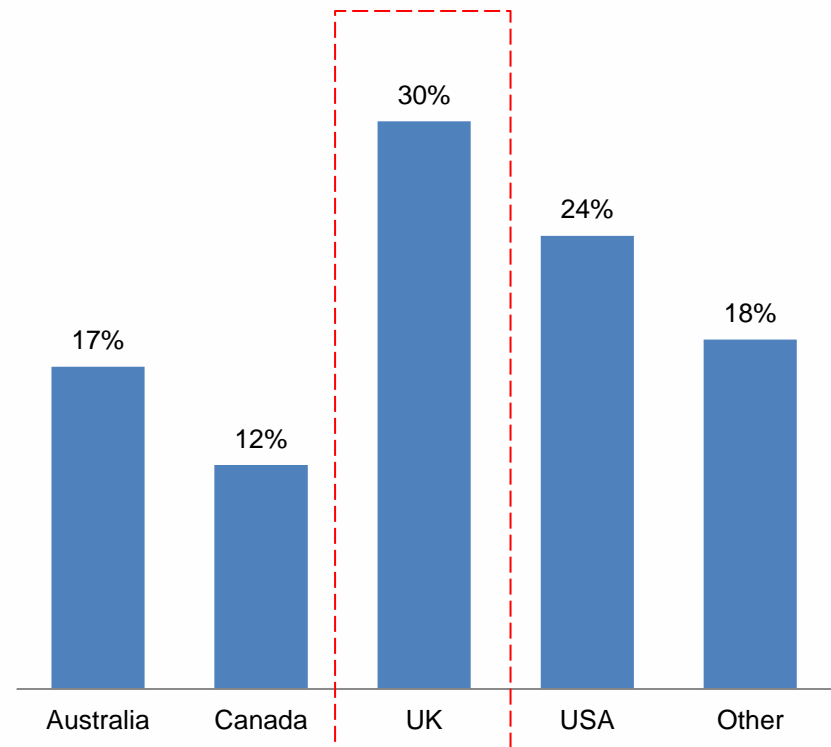
Partnership opportunities

TNE: A virgin market where the UK is ahead

Preferred option to obtain a foreign education



Preferred country for TNE in Nepal



Partnership opportunities in four key domains

Business & Management

- Franchising
- 2+1 or semester exchange options **within** the franchising setup
- BBA, MBA, Executive education, hard skills /certificate level

Engineering and IT

- Joint research
- Recruitment and brand image development partnerships
- Franchise – Unavailable courses

Medicine & nursing

- Two way exchange (non-credit)
- Recruitment for Masters
- CPD programs and other short trainings (Paid)

Arts

- Project destination for existing students
- Recruitment and brand image development partnerships

Recommendation for partnerships in Nepal

- Use Nepal as a test market
- Develop a clear and focused agenda for partnerships by subject area
- Always evaluate multiple choices before settling on a partner



Questions?