The Essential Eight
China Updates that Will Shape Recruitment & Exchange in 2022-2023

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Wechat:
Sunrise International is a Beijing-based full-service media production studio and education company that is flexible and attuned to your needs. We are experts at providing cross-border digital services, whether it is a short promotional campaign or a comprehensive marketing solution, Sunrise has the experience and network to help deliver your message to Chinese students, parents, and schools.

Achievements

- 517 Member Schools
- 200+ Events Annually
- 120,000+ Community Members
Two Years Later and the World Remains Weird

What is the Coronavirus?

- Coronavirus (nCoV or COVID-19) large family of viruses that cause illness ranging from the common cold to more severe diseases like SARS and MERS. The COVID-19 outbreak was identified in Wuhan, Hubei in December 2019.

- Can cause mild symptoms including a runny nose, sore throat, cough, and fever. It can be more severe for some persons and can lead to pneumonia or breathing difficulties. More rarely, the disease can be fatal. Older people, and people with pre-existing medical conditions (such as, diabetes and heart disease) appear to be more vulnerable to becoming severely ill with the virus. (Source: WHO 2/11/20)

- Spreads from infected people through coughs and sneezes.
#1: COVID Evolves; Travel Barriers Persist

- From “Zero COVID” to “Dynamic Zero COVID” to an uncertain balance of the economy and public health
- Travel to China for Foreigners: Impossible for most because of visa issues and long quarantine
- Travel Overseas for Chinese: Possible, but getting back home is expensive because of flight costs and quarantine
- Lockdowns have become more targeted and focused, but event planning still requires flexibility
- What we’re watching:
  - November political conferences
  - Omicron spread
  - Approval of mRNA vaccines and foreign therapeutics
  - Public responses to public health officials who float reopening
Implications for Higher Ed

- Student visas and outbound exchange have improved (visas approved for Schwarzman, NYU Shanghai), but still not reliable for most programs
- Students can go overseas to study, but not practical to tour schools. VR tours and admitted student materials matter more.
- Most HEIs have pivoted to all-digital recruitment, or leaning on in-country representatives to join physical recruitment events.
- “Home field advantage” for in-country reps has been noticeable, but there are middle ground options between no presence and the costs of a full-time rep (alumni, or part-time reps)
- Earliest possible return to pre-pandemic normal of recruitment and partnership travel: late fall 2022 - early spring 2023
International Schools

• International schools continue to lead as a source for undergraduate study overseas: 513,000 students at pre-pandemic high. We estimate about 450,000 now.

• China is now home to 932 international schools that have certification from an international exam board (A-Level, IB, AP, etc.)

• Public international departments declining, while private schools increase. Tighter regulations are pushing more schools to pivot to expat market. Local students have workarounds to attend expat schools in some cases (CAR, Dominica, Cyprus, HK Residency Application).
#2: International Schools

- Growth rate of new schools has slowed amid tighter regulation
  - Approval for new schools is more complex
  - Using foreign curriculum in Grade 1-9 more difficult
  - No foreign investment in K-9 schools
  - Squeezes the old model of big K-12 private intl schools
  - Cross-province recruitment is more complex
- Teacher recruitment is harder
- “International schools” to “Schools with international specialties”
#2: International Schools

- Growth continues, but at a slower and steadier pace as market matures and restrictions take effect
- Market value growing at 5% to $7.2 billion
- A Level outpaces AP, in large part due to flexibility and lower cost basis of A Level. A Level as a hedge to keep study destination options more open
Implications

- International schools remain the leading source for undergraduate recruitment
- Need to maintain multiple touch points in the same school
- Old schools matter more, as new school growth slows
- Divergence between cities. Consider cities are distinct markets
#3: Agent Updates

- 19% of registered agencies surveyed in 7 Tier Two cities remain active
- The pandemic, as agents saw it:
  - “The before”- deregulation meant that even pre-pandemic was hard, with more pressure from SMEs and startups
  - “Sky is falling”- study overseas numbers plummet as families pause going overseas
  - “Correction”- large agencies downsize, small ones tighten belts and lean on founders, mid-size agencies struggle
  - “Bounce from pent up demand”
- “Double Reduction” policy:
  - Sweeping regulations of K-9 tutoring created a capital winter and undercut scale for big name agents
  - Marketing is harder, customer acquisition issues
  - Further benefitted SMEs and independent counselors, exacerbates difficulty of vetting small organizations
Implications

• Treat your current partners well. Timely commission payments help.

• Look at digital recruitment channels that are “force multipliers”, that help agents and direct recruitment.

• Expect less “industry literacy” among SME agents.

• “IEC resource packs” are worth developing.
#4: Boarding Schools Return to Prominence

- Value of doing a domestic private international school isn’t as strong for K-9 years, so boarding schools are seeing an uptick.
- Double Reduction policy makes it harder to return to the “old days” of students doing public school then working with agents after school.
- Returning back to the 2016 peak of boarding school recruitment where there were 60,000 Chinese students in US high schools.
- Cost, commitment, and lifestyle adjustment is hard for some families, so international schools in China remain important. 36.4% of parents plan 2+ years out for high school.
Implications

• Train domestic recruiters to take international student questions.

• Digital marketing to the Chinese boarding school crowd still happens on Chinese platforms.
#5: Douyin and Short Form Video Skyrocket

- Douyin (TikTok’s local cousin) surpasses 600 million MAUs, making it the #2 social platform in China. 50% growth last year, meteoric rise since 2018.
- Skews younger
- 76 mins / day on average, pre-pandemic
- Video game ban → more social time
- Cost per impression and click is far lower than peers
- Rise of short form video as a means of telling stories. New medium rather than just another platform
- Strategies:
  - Creator account (all organic)
  - Advertiser account (all inorganic)
  - Creator account with ads (inorganic and organic)
Implications

• Faster conversion timeline, but more work.

• Short form video is effective, but content needs are different. Video is harder. Content planning matters. Vertical aspect ratio is necessary.

• Leverage existing video content, especially if you already have TikTok or Instagram Stories. Dub and translate.
#6: Wechat Remains Indispensable, But It’s No Lead Generation Cannon

- Wechat remains #1 with 1.2 billion global MAUs
- All generations use it
- Use of Wechat as a search engine and information portal
- In-platform ads are expensive and ineffective for higher ed, so momentum is hard to build unless you have a big community in China.
- Rollout of Wechat video channels
Implications

• Wechat is slow to get traction from because of all growth is organic. Expectations should be managed.

• Video channels are a good segway into short form video
#7: Contingency Planning Matters to Protect International Students and Free Speech

- Rising number of instances of conflicts surrounding free speech and hate speech around China.
  - Some acts are legitimate acts of political speech (protest art, seminars on sensitive topics).
  - Mentally disentangle these from AAPI racism. What is the context? Who is the speaker?
- CSSAs tend to be very vocal on these issues.
- Stories can spin out of control: Chinese media saying “racism on campus”; US media saying “censorship”.

Implications

• Establish a contingency plan and get leadership on board.

• Being wrong is worse than being slow.

• Identify departments and individuals who will evaluate and respond. Make sure admissions and int'l office has a seat at the table.
#8: Vocational Training and Micro-Credentials

- While K-9 tutoring is under scrutiny, professional training and vocational education is being promoted. Goals for 2020-23:
  - 35 million vocational skill training opportunities
  - Increase enrollment in vocational colleges by two million.
  - Subsidize 75 million vocational training slots
- Vocational training is usually local and low-cost, but this may foster a middle market in vocational training
- Micro-credentials, 1 year Masters’, online programs with short-term US travel have seen more interest
Implications

• Growth areas for pre-professional programs and inter-university partnerships

• Industries on the “Made in China 2025” list

• “Localized international experience” is what partners want
Next Steps

1. Consider part time in-country reps, or prepare for another year of all-digital recruitment in China
2. Nurture international school relationships matter more as market consolidates
3. Diversify away from all agent recruitment
4. Train domestic admissions on international student concerns
5. Consider advertising on Douyin and being an early adopter of short form video
6. Wechat is useful, but not a marketing panacea. A useful asset that grows in value with time, rather than a lead generation cannon.
7. Prepare a free speech crisis management approach
8. New opportunities for inter-university partnerships are greatest at the vocational training level
How We Can Help

• Find us at the conference or reach out to contact@sieconnection.com

• Check out our new white papers coming out in the next few weeks at sieconnection.com/insight

• In-country rep recruitment and recruitment tours

• Douyin, Weibo, and Wechat account management

• VR tours and Augmented Reality (hologram) mailers

• Partner, agent, or strategic research
Thanks

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