

Language Business Market in Japan: Key Research Findings 2016

◆ Research Outline

Yano Research Institute has conducted a study on the language business market with the following conditions:

1. Research period: March to June, 2016
2. Research target: Foreign language schools, publishers of language education materials, manufacturers of electronic dictionaries, software makers, businesses of e-learning, correspondence education, language study materials, overseas-education arrangement, and interpretation/translation, and companies and organization operating qualification exams.
3. Research methodologies: Face-to-face interviews by the specialized researchers, surveys via telephone/FAX, and literature research

<What is language business market?>

Language business market in this research indicates the following 14 categories of foreign language class markets: 1) Foreign language classes for adults, 2) Foreign language classes for children/infants, 3) Pre-schools, 4) Deployment of teachers to kindergarten/day-care centers for children, 5) Textbooks, 6) Self-learning language hardware/software, 7) Electronic dictionaries, 8) Textbooks of English conversation classes for children/infants, 9) Correspondence education, 10) E-learning, 11) Software, 12) Language exams, 13) Overseas-education arrangement, 14) Interpretation/translation business. Note that markets of language exams, overseas-education arrangement, and interpretation/translation business are defined here as language “peripheral business.”

◆ Key Findings

■ **Language Business Market for FY2015 Achieved 827.2 Billion Yen, 101.7% of Size of Preceding Year**

Size of language business market (total of 14 categories) for FY2015 rose to 827.2 billion yen, 101.7% of that of the preceding fiscal year, based on the sales of the businesses.

From the previous fiscal year, those services for children continued being prosperous (i.e., those services including Foreign language classes for children/infants, Preschools, and Deployment of teachers to kindergarten/day-care centers for children). In addition, the peripheral markets, such as translation/interpretation business and language exams, have also been stable.

■ **Expanding Translation Needs Stemming from Business Globalization**

Progressive globalization in business has expanded the translation needs at various industries and sectors, especially those demands from Japanese to English and from various languages to Japanese. At large translation companies, translation demands regarding manufacturing, patent/intellectual property, medical (medicines/pharmaceuticals), finance, IT/correspondence,

legal/IR are on the rise. IR-related cases are particularly increasing, because equal and fair disclosure of information on listed companies is required by foreign investors.

■ **Language Business Market in FY2016 Projected to Achieve 840.6 Billion Yen, 101.6% on Y-o-Y Basis**

The entire language business market (total of 14 categories) for FY2016 is projected to achieve 840.6 billion yen, 101.6% of the size of the preceding year. As English becoming the required subject at elementary schools, the future of the language business market is likely to remain robust, with continuous favorable sales expected for the services for children including foreign language classes for children/infants, pre-schools, deployment of teachers to kindergarten/day-care centers for children, and textbooks of English conversation classes for children/infants.

◆ **Report Format:**

Published report: "Language Business Market 2016"

Issued in: June 30, 2016

Language: Japanese

Format: 474 pages in A4 format

Price: 120,000 yen (The consumption tax shall additionally be charged for the sales in Japan.)

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■ Transition of Size of Language Business Market by Category

(Hundred Million Yen)

Market Category	Market Definition	FY2014	FY2015	FY2016 (Forecast)
■ Language Schools				
Entire Foreign Language Class Market	Public or private organizations that provide classes, schools and courses aiming for students to acquire foreign language abilities	3,380	3,440	3,500
① Language Class Market for Adults	Foreign language classes for highschool students or older. Fees for the textbooks used in the classes are included in the market	2,080	2,090	2,100
┌ Business Needs Market	Market that targets users of language classes for business	1,260	1,280	1,290
└ Market for Hobbies	Market that targets users of language classes for non-business objectives	820	810	810
┌ One-to-One Based Lessons Market	Foreign Language classes with a teacher teaching a single student (one-to-one base)	345	360	370
└ Group Lesson Market	Foreign Language classes with multiple students against one teacher	1,735	1,730	1,730
② Market of Foreign Language Classes for children and infants	Foreign language classes for children from 0 year old to junior high school students. Text books used in the class are included in the market	990	1,010	1,030
③ Preschool Market	Kindergarten, nursery schools that educate, and take care of children only in English. Children are targeted from age 0 to those in kindergartens	310	340	370
④ Deployment of Teachers in Kindergarten/Nursery Schools	Extracurricular programs of foreign language classes for kindergarten and nursery schools	34	35	36
■ Learning Materials				
⑤ Books and Textbooks Market	Books, reference books, dictionaries, textbooks certified as the standards of Ministry of Education, Culture, Sports, Science and Technology, including those used at schools	387	386	385
⑥ Self-learning language hardware/software	Textbooks packaged with self-learning language hardware/software, excluding those not sold in package	206	201	196
⑦ Electronic Dictionaries Market	Market of only electronic dictionaries, excluding application software embedded within PCs or mobile-phones	540	532	510
⑧ English Conversation Textbooks for Children/Infants	English textbooks for children of age 0 to kindergarten students, excluding textbooks for English conversation classes	290	290	315
⑨ Correspondence Education Market	Language classes and courses in which assignments are corrected through correspondence. This market exclude those that do not correct assignments	240	220	200
┌ Correspondence for business people	Correspondence education for business people	95	90	85
└ Correspondence for students before	Correspondence education for students and for preparation of university entrance test	145	130	115
⑩ e-learning Market	Language classes using e-learning via PCs and mobile phones	75	80	83
⑪ Software Market	Market of software for PCs and gaming devices, aiming for learning languages	29	27	25
┌ Software for gaming devices	Market of software for gaming devices, aiming for learning languages	12	11	10
└ Software for PCs	Market of software for PCs, aiming for learning languages	17	16	15
■ Peripheral Business				
⑫ Language Exams Market	Market for qualifying exams of foreign languages	214	240	265
⑬ Overseas Education Arrangement Market	Overseas education business/agents	200	210	220
⑭ Translation/Interpretation Business Market	Business of translation and interpretation	2,536	2,611	2,671
Language Business Market Without Peripheral Business (i.e. ⑫ Language Exams Market, ⑬ Overseas Education Arrangement Market, and ⑭ Translation/Interpretation Business Market)		5,181	5,211	5,250
Total Language Business Market (Total of 14 Categories)		8,131	8,272	8,406

Notes:

1. The market size is based on the sales of the businesses.

Estimated by Yano Research Institute