

Education Business in Japan: Key Research Findings 2011

◆ Research Outline

Yano Research Institute has conducted a study on the education business in Japan with the following conditions:

1. Research period: From June to September, 2011
2. Research targets: cram schools, university preparatory schools, schools for qualification exams, English conversation and language schools, cultural hobby centers and lesson schools, child education and nursery companies, corporate business training service providers, e-learning companies, learning material/correspondence education/learning software companies, educational toy companies, education industrial organizations, education-related governmental organizations, and etc.
3. Research methodologies: Face-to-face interviews, survey via telephone/FAX/email and literature research

What is the education business?

This research regards that the following twelve major fields of business constitute the education business. Namely, crams schools, English conversation and other language schools, schools for acquisition of qualification, qualifying examination, cultural hobby centers, child education, corporate business trainings, e-learning, correspondence education for infants, correspondence education for students, correspondence education for grown-ups and English learning materials.

◆ Key Findings

- Entire education business market(total of all major twelve categories) were 2,439.5 billion yen in FY 2010, down by 0.9% from the previous year
- Market of cram schools and preparation schools showed an increase for the first time in eight years by 1.7 % year-on-year bases, at 915 billion yen. The market was especially needed by early elementary school children due to “Special Measures of Child Allowances” and due to “Revision of the Course of Study” which requires challenging level of education at school classes
- Market of schools for acquiring qualification dropped by 5.1% at 225 billion yen, marking seven consecutive years of decline.
- Market of schools for qualifying exam was 40.1 billion yen, up by 2.0 % due to larger needs of English-related exams.
- English conversation and other language schools market increased by 0.1% at 278.1 billion yen. The great earthquake did not discourage the demand for acquiring

“Business English” abilities which became stronger in the latter half of the year.

- Correspondence education market as a whole was down by 2.8 % to 282.5 billion yen that stemmed from slow demand in grown-ups, in spite of steady growth among elementary-school children.
- Corporate business training service market was 463 billion yen, down by 1.7 % of the previous year, due to influence of lingering recession.
- E-learning market became 109.5 billion yen, down by 4.5% due to shrinking needs in learning game software.

◆ Report format

Published report: “Education Industry 2011”

Issued on: September 30, 2011

Language: Japanese

Format: 849 pages in A4 format

Price: 126,000 yen (6,000 yen of consumption tax shall be charged for the sales in Japan.)

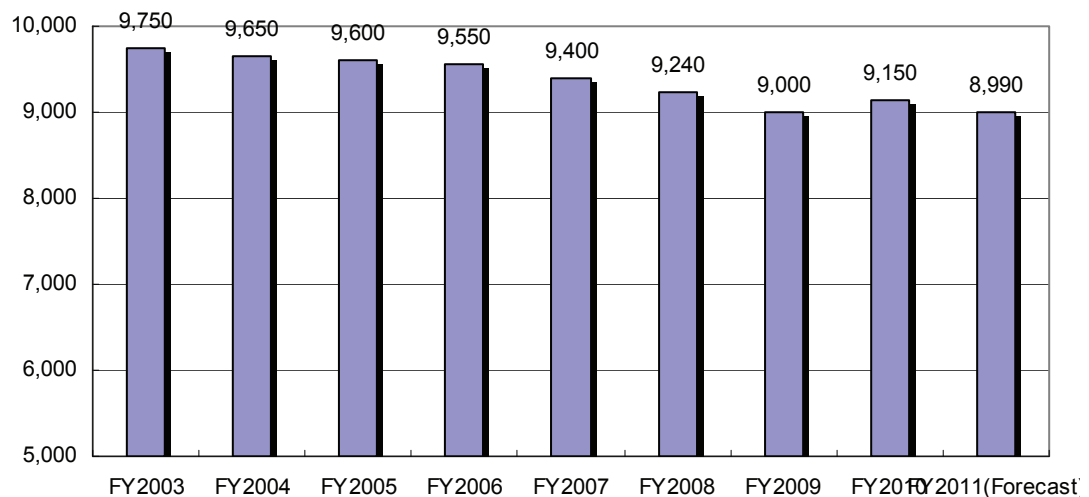
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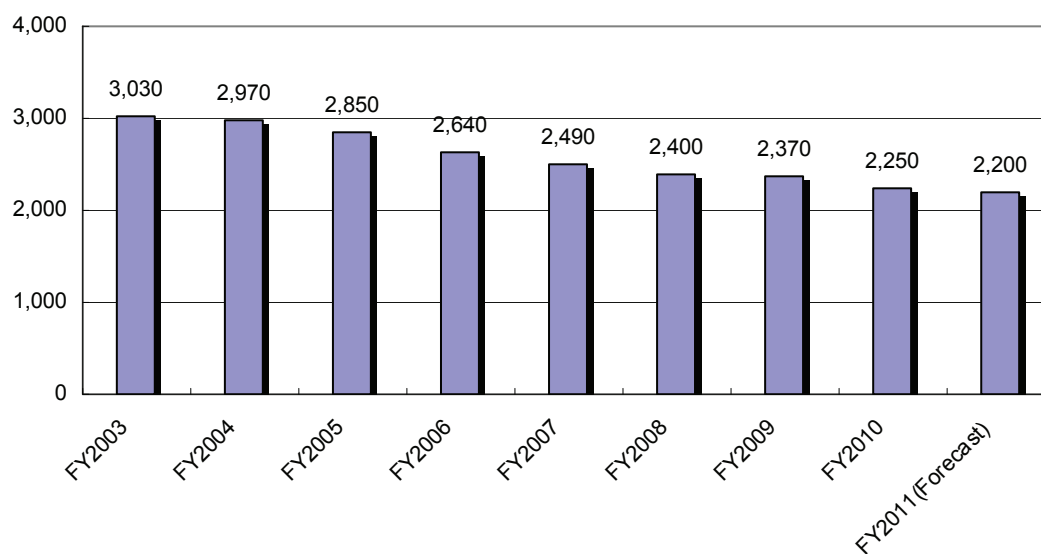
Figure 1 Transition of size of cram schools and preparation schools market



Notes:

1. Calculation is based on sales by businesses

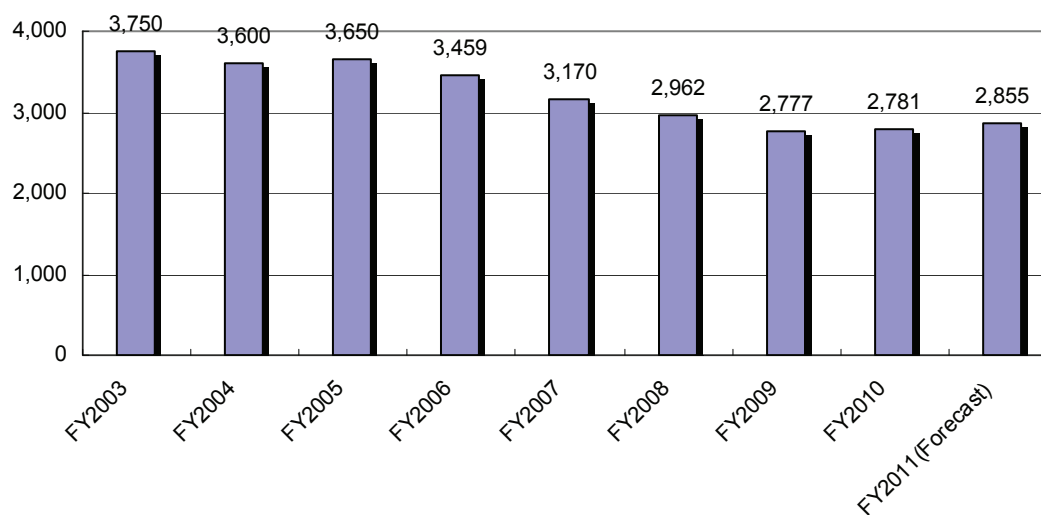
Figure 2 Transition of market size of schools for acquiring qualification



Note:

- Calculation is based on sales by businesses

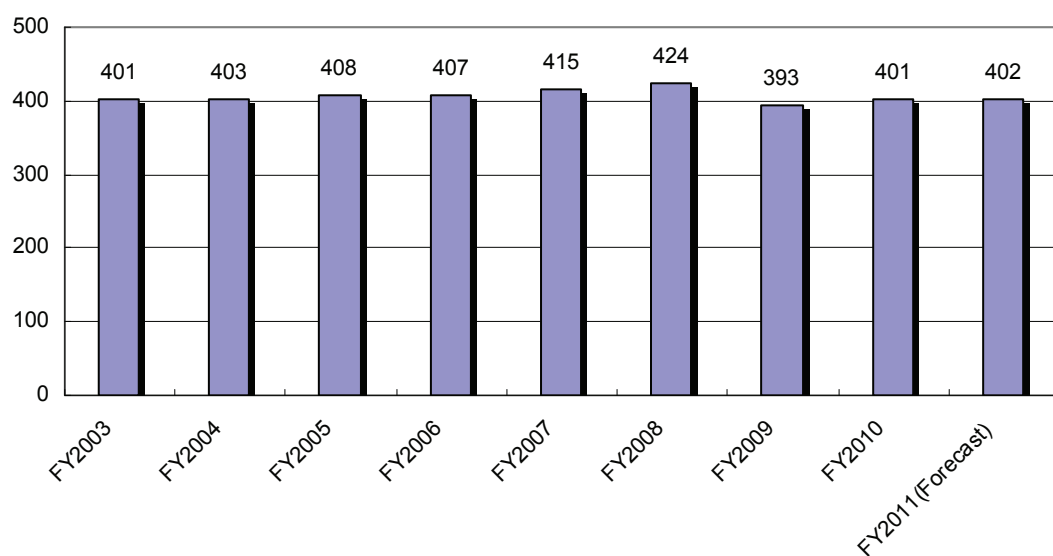
Figure 3 Transition of market size of English conversation and other language schools



Note:

- Calculation is based on sales by businesses
- Actual value of FY 2009 was retroactively revised.

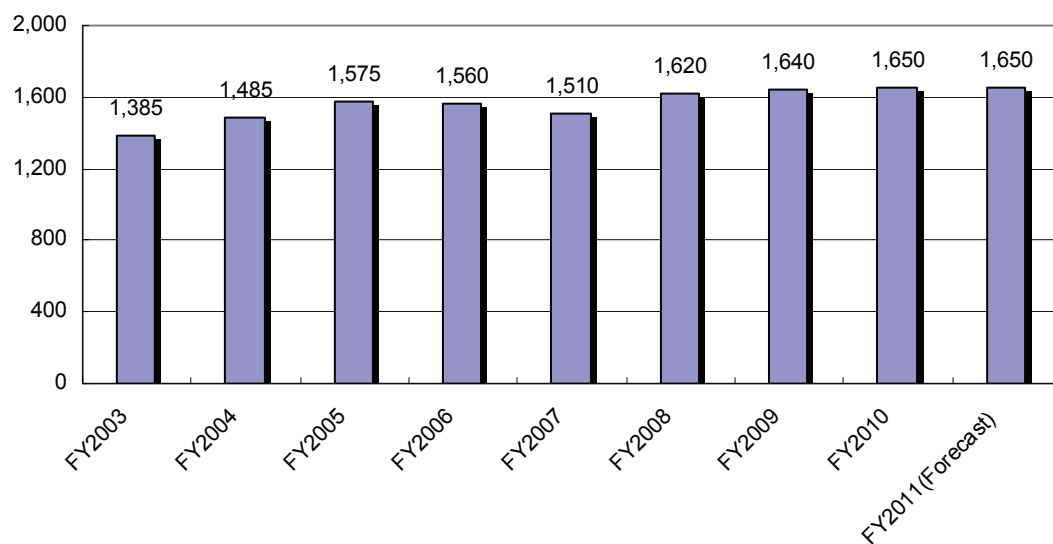
Figure 4 Transition of market size of schools for qualifying exams



Note:

- Calculation is based on sales by businesses

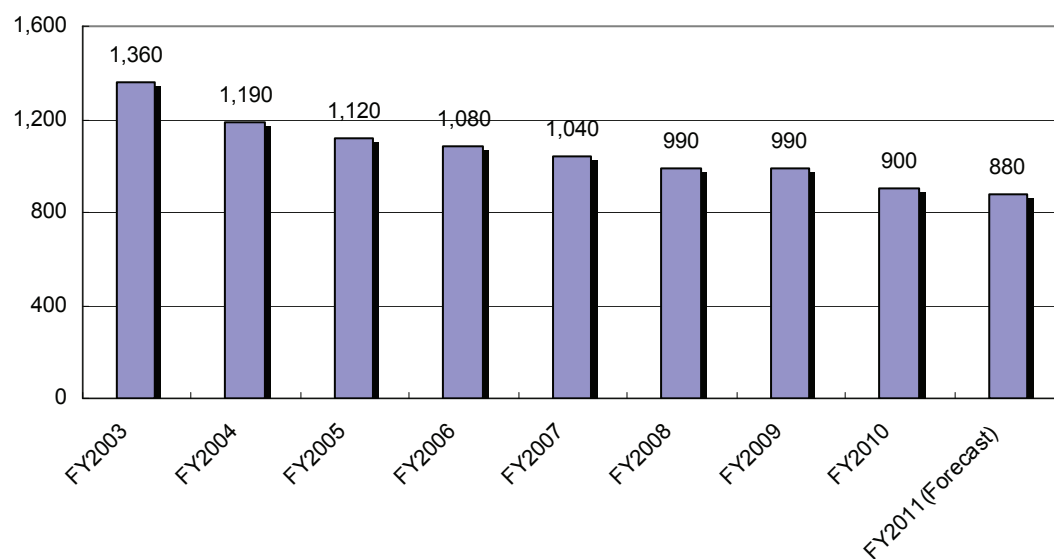
Figure 5 Transition of market size of correspondence education for students



Note:

- Calculation is based on sales by businesses
- “Students” here indicates students of elementary, junior high, and high school, and high-school graduates

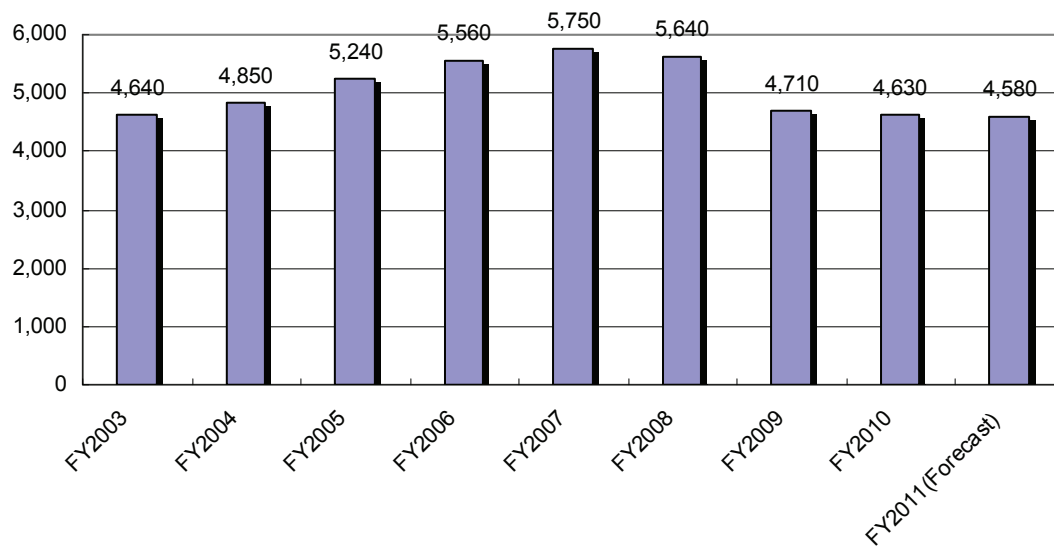
Figure 6 Transition of market size of correspondence education for grown-ups



Note:

8. Calculation is based on sales by businesses

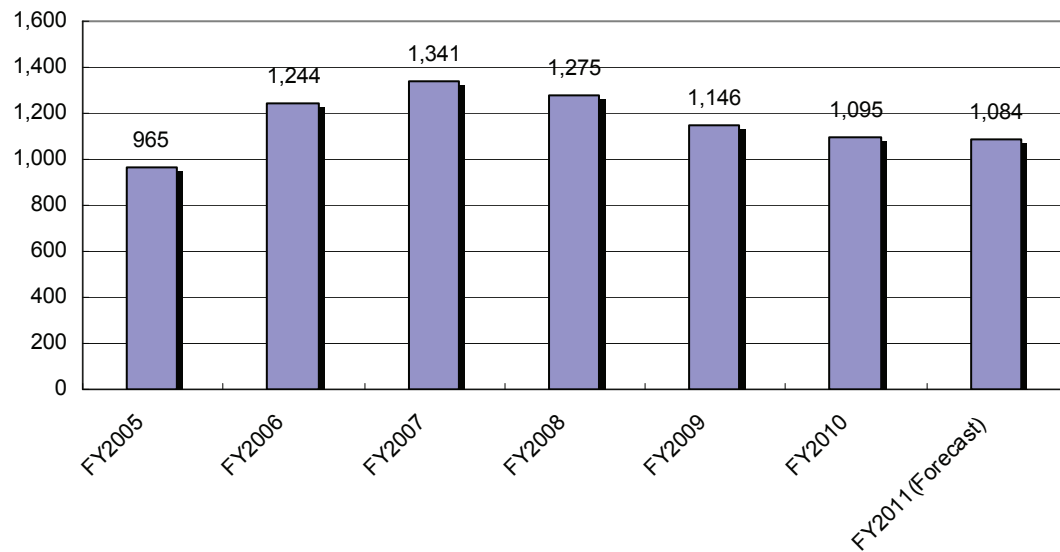
Figure 7 Transition of market size of corporate business training services



Note:

9. Calculation is based on sales by businesses

Figure 8 Transition of e-learning market size



Note:

10. Calculation is based on sales by businesses
11. e-learning market includes learning system services through internet and intranet, learning software for PC, learning using satellite communications, and learning software for game machines.
12. Actual value of FY 2009 was retroactively revised to downwards.