

Market Insight: Japan

July 2020

Summary

- Japan is preparing to emerge from the impacted the coronavirus pandemic. Travel restrictions are still enforced but the state of emergency has been lifted.
- Schools and universities are gradually reopening, region by region, and there remains interest in pursuing international education experiences in the future, as well as during this stopgap period.
- Japanese parents and students highly value the entire experience of studying abroad. However, with borders closed, there is interest in pursuing options to continue learning and connecting virtually.
- The adoption of online learning is not widespread in Japan, with a significant distinction between private and public education providers.
- In Japan, Australia has a positive reputation for its coronavirus response and infection control. For Japanese families, safety is one of the most important deciding factors when considering study abroad destinations.

Japan's Coronavirus Response

The Japanese government lifted the state of emergency on 25th May 2020 and restrictions have fully eased in Tokyo since 19 June 2020. The Government has a plan to reopen the country in three-week phases, including fully restarting the economy as early as August 2020.

In June, Prime Minister Abe has announced that Japan will advance talks to ease its entry ban on Australia, New Zealand, Thailand and Vietnam, as it seeks to gradually roll back travel restrictions imposed to stem the spread of the coronavirus. These four countries were chosen because of the perceived success in dealing with the coronavirus on their shores. This move would be the first step in Japan's resumption of international travel.

Economic Impact

The GDP forecast of this fiscal year is -5.5 per cent, with a positive 3 per cent to the next fiscal year, according to the Daiwa Institute of Research Group. Japan went into a recessionary phase due to the coronavirus impact, which was compounded by the VAT increase late last year. Due to coronavirus, the unemployment rate in Japan increased 0.2 per cent to 2.5 per cent. In response, the Japanese Government announced around AU\$2.2. trillion in economic stimulus packages to aid recovery.

The Education Sector

Schools in Japan closed on 2 March 2020 but have been reopening gradually, region by region, from June 2020. In general, the education sector in Japan, particularly the public school sector, has not embraced the use of information and communication technologies (ICT) and online learning methods as much as other countries. As such, online learning during the shutdown period for schools has not been widespread. The take up of online learning methods by private education companies (for e.g. cram schools), however, is much more advanced.

The Ministry of Education, Culture, Sports, Science and Technology accelerated the Global Innovation Gateway for All school programme, which includes providing a digital device (PC or tablet) to each student in public schools. Universities have also provided financial support or in-kind benefits (e.g. mobile WIFI) to their students to enable them to continue their studies.

Opportunities

Despite the challenges of recent months, there are opportunities in Japan as an education market for the following reasons:

- there is still strong demand to study English
- students appreciate the life experience of studying abroad, not simply the study component, with indications that students' desire to travel to Australia to study or for a working holiday remaining strong
- as some Japanese education institutions have limited capabilities to move to online learning smoothly, and Australian education providers are performing relatively well in this regard, this provides opportunity for potential partnerships and collaborations
- Australia has a good reputation for safety, particularly regarding the coronavirus pandemic. Safety is one of the most important deciding factors for Japanese students when considering study abroad destinations
- interest in Collaborative Online International Learning (COIL) is growing amongst Japanese universities, which presents a good opportunity for Australian students to continue international exchange activities.

Online and in-country delivery

The uptake of edtech in Japan is mixed, with the private education sector more advanced than in public institutions and some Japanese students facing inadequate internet access for learning purposes. As such, there may be potential partnerships or collaboration opportunities in this regard. However, programs or platforms would need to be localized, with distributors in-market in Japan, and the ability to demonstrate value to the local sector.

Japan is home to Asia's largest ICT expo and an Educational ICT expo, which attracts large numbers of visitors every year. These events present opportunities to meet and engage with potential distributors and/or clients in Japan.

Contact and further information

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