WHAT YOU NEED TO KNOW ABOUT MARKETING IN LATIN AMERICA: A FOCUS ON BRAZIL AND MEXICO

SAMUEL VETRAK
STUDENTMARKETING, CEO

studentmarketing
YOUTH TRAVEL CONSULTANCY

BCCIE
JUNE 23, 2015

INTRODUCTION

GLOBAL APPROACH

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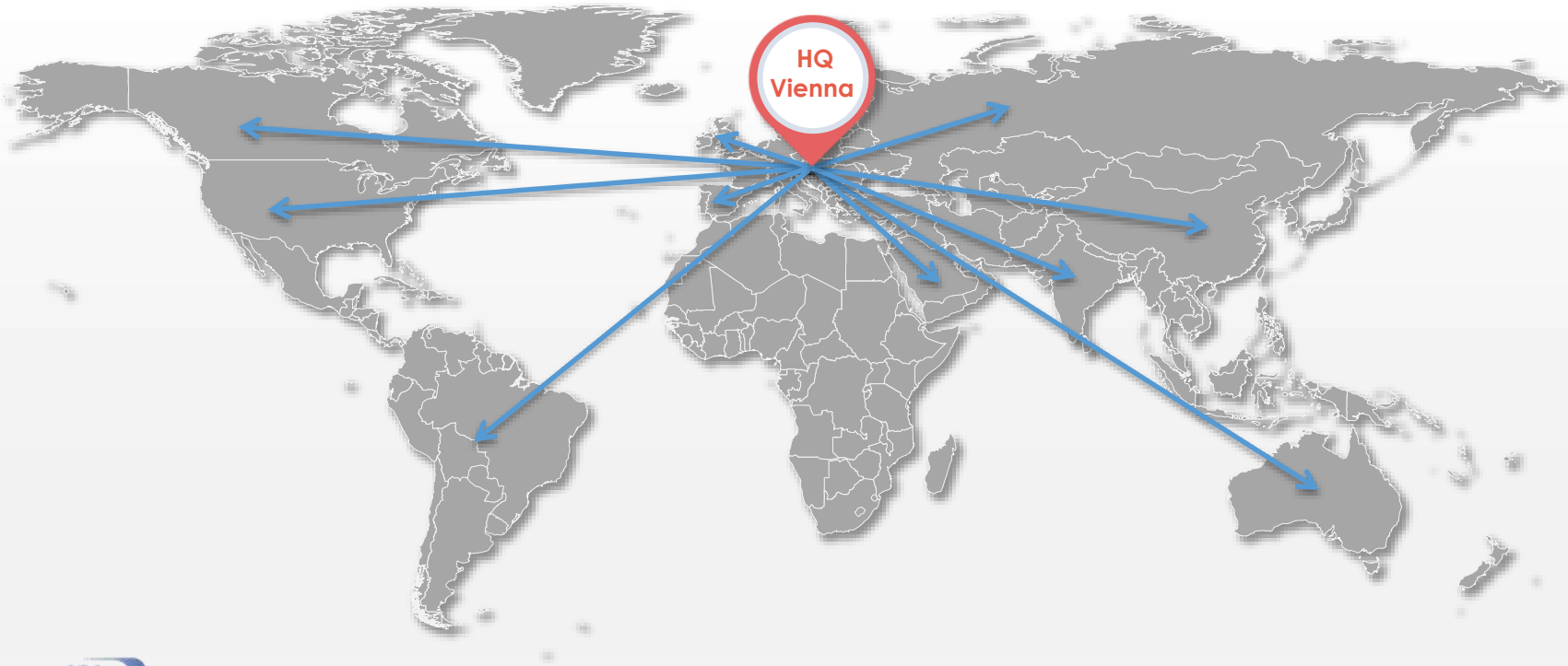

UNWTO

STUDENTMARKETING IS A UNITED NATIONS WORLD TOURISM ORGANIZATION AFFILIATE MEMBER.

ESOMAR WORLD RESEARCH ESOMAR MEMBER

AS AN ESOMAR MEMBER, I COMPLY WITH THE ICC/ESOMAR CODE AND ESOMAR WORLD RESEARCH GUIDELINES.

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ABOUT US

OUR CLIENTS

DESTINATIONS

IMAGINE Education au/in Canada

Australian Government
Australian Trade Commission

I need Spain

Alberta Canada

EduNova
CANADA'S EDUCATION DESTINATION

ASSOCIATIONS

WYSE TRAVEL CONFEDERATION

SYTA
The Voice of Student & Youth Travel

caps·i acep·i
Canadian Association of Public Schools - International | Association canadienne des écoles publiques - International

ENGLISHUK

Languages Canada
Langues Canada

PROVIDERS

University of San Diego

UNIVERSITY OF TORONTO

LaL language centres

EduCo International Group

TUI Travel PLC
More than a smile

COUNTRY PROFILE

BRAZIL

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Youth population (aged 15-29) of **50 million**

30,729 tertiary students abroad (27 th) – 657 in Canada (2% market share)

823,225 student weeks in ELT (5th) – 214,079 in Canada (26%)

4,296 K-12 students * – 1,055 in Canada (25%)

450 education agents

1 agent association (BELTA)

* The number covers the USA, Canada, the UK, Australia and New Zealand

Source: UN Population Division 2012; UNESCO Institute for Statistics, 2014; Languages Canada, 2014; StudentMarketing, 2015; IIE, 2014; CIC; 2014; ISC, 2014; AEI, 2014; MoE New Zealand, 2014

MARKET OVERVIEW

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CANADA'S MARKET SHARE AND NUMBER OF BRAZILIAN STUDENTS BY STUDY LEVEL

25%
1,055

OF ALL K-12 STUDENTS
IN CANADA
(ON A STUDY PERMIT)

26%
823,225
SW

OF ALL LANGUAGE
STUDENT WEEKS

2%
657

OF ALL
POST-SECONDARY
STUDENTS

MARKET DEMAND

PRIORITIES FOR INTERNATIONALIZATION

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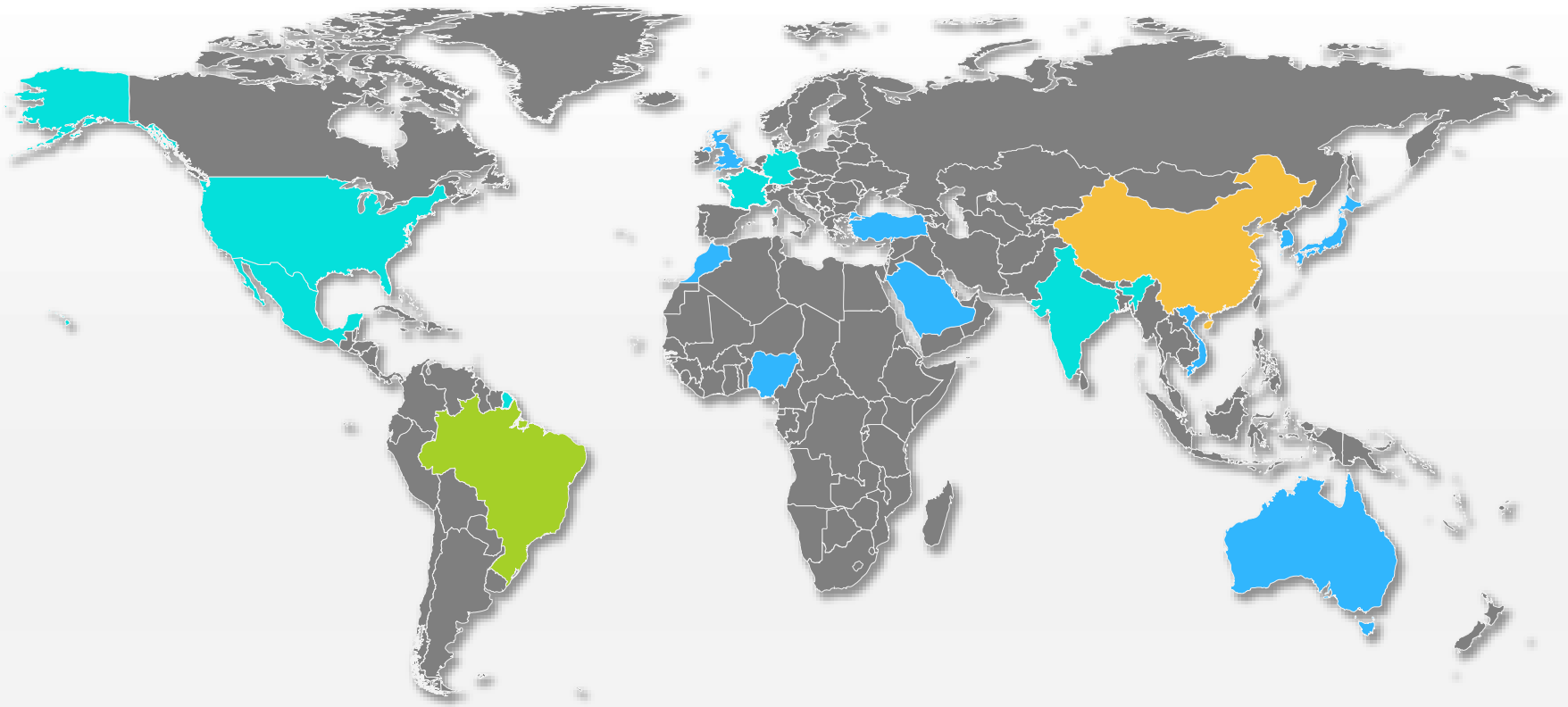

80%-100% 60%-79% 40%-59% 20%-39%

Source: AUCC, 2014

STUDY ABROAD MOBILITY

NUMBER OF STUDENTS IN BC BY STUDY LEVEL

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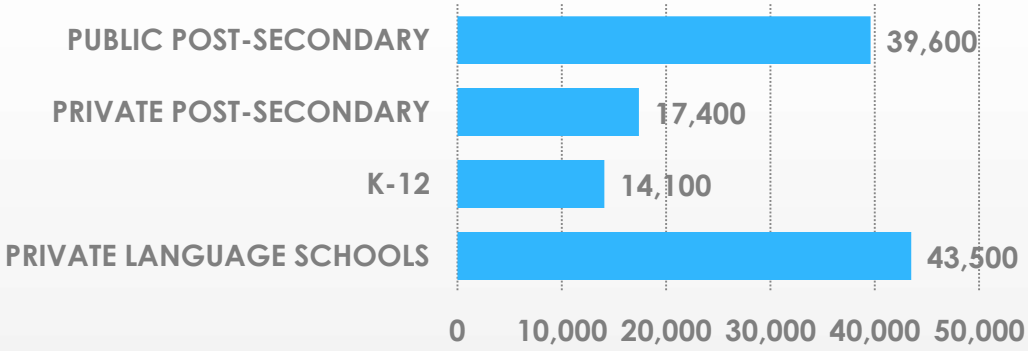
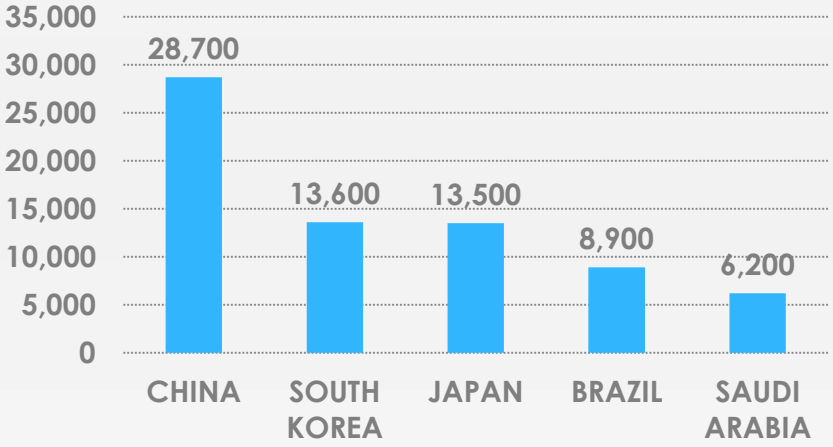
2013-14 INTERNATIONAL STUDENTS IN B.C.





THE TOP FIVE SOURCE COUNTRIES FOR INTERNATIONAL STUDENTS IN 2013-14

Source: Ministry of Advanced Education, 2015

ENGLISH LANGUAGE TRAVEL

TOP SOURCE MARKETS WORLDWIDE (STUDENT WEEKS)

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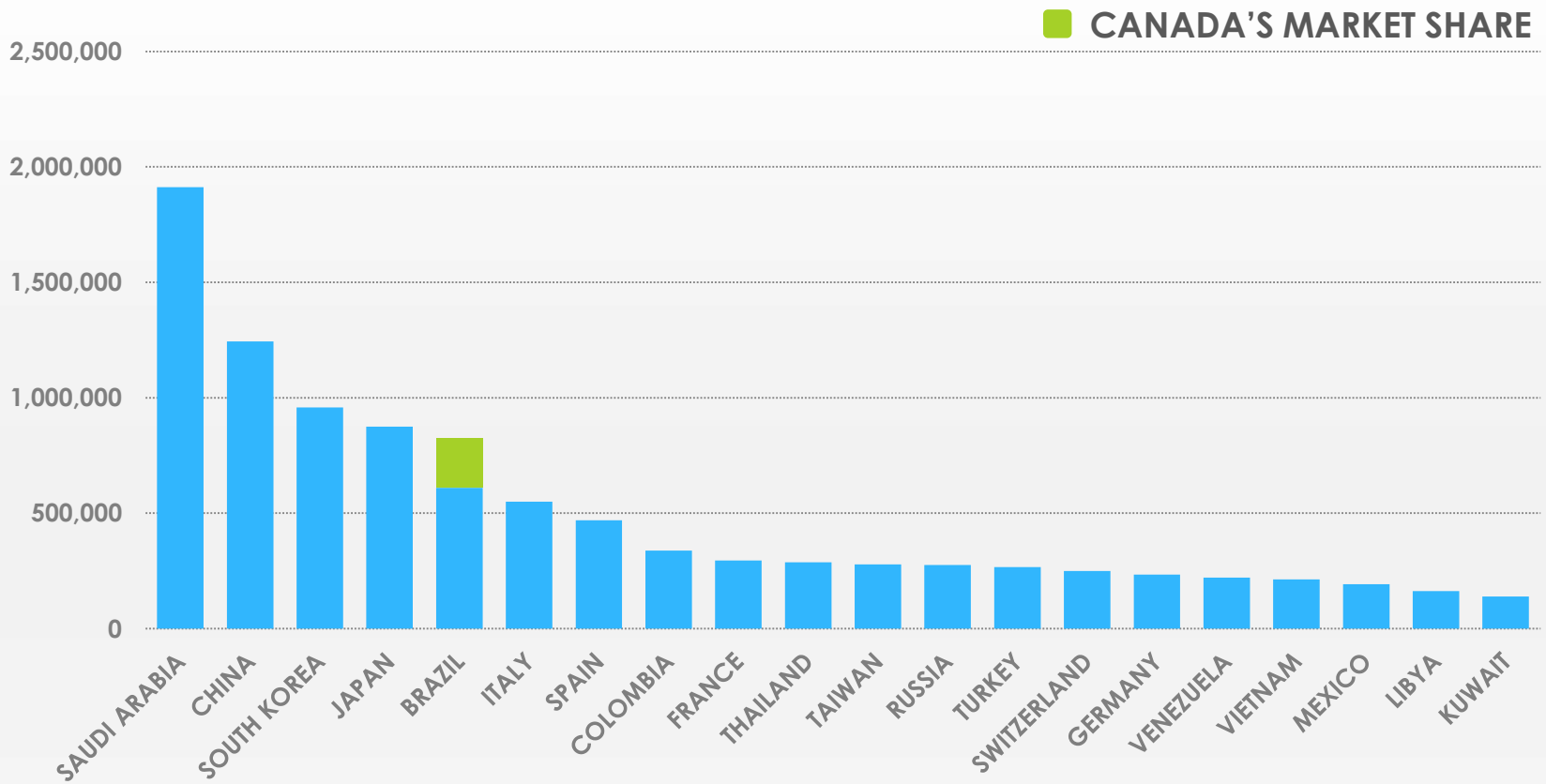

Source: StudentMarketing, 2015

ELT

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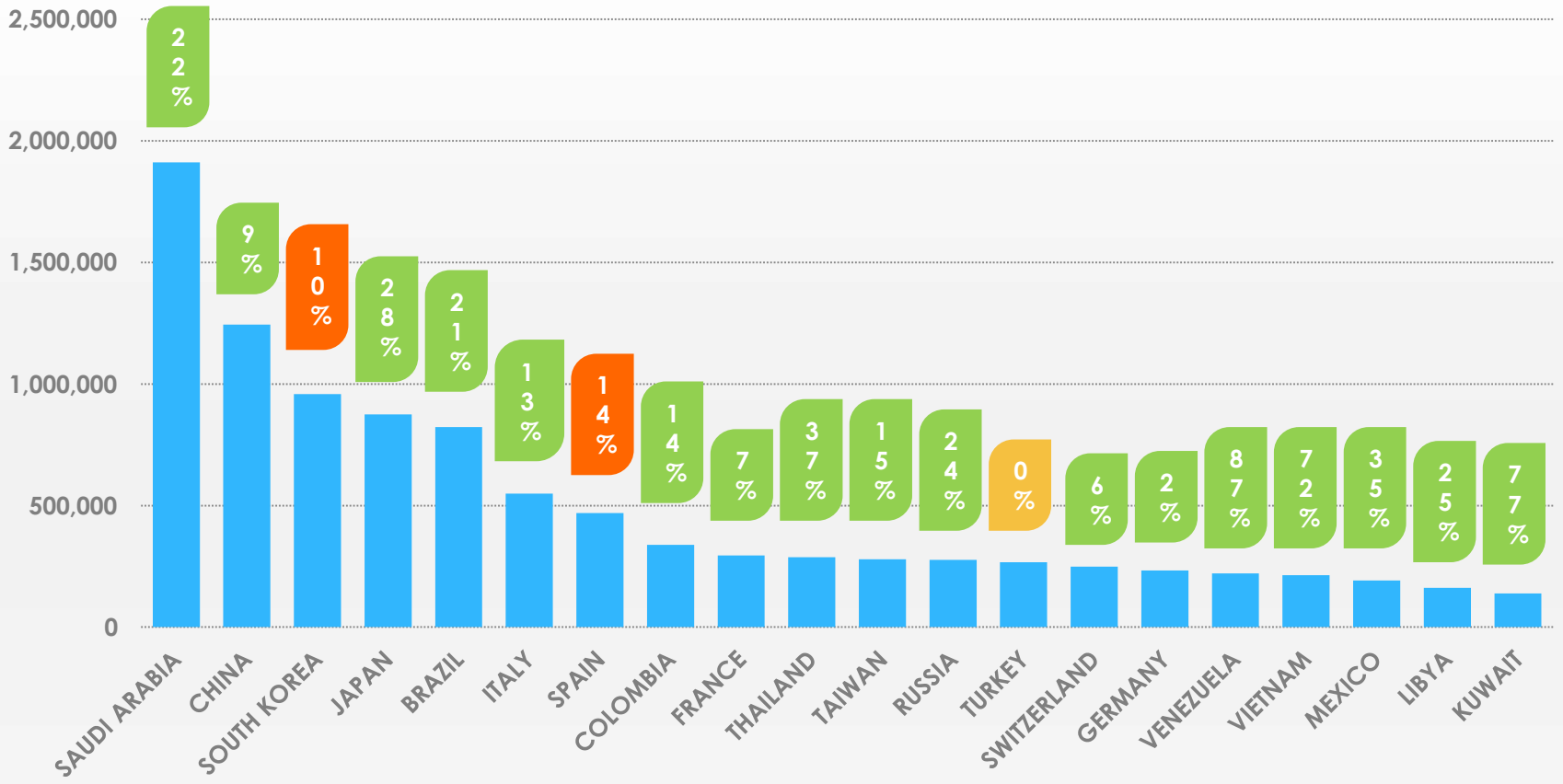
TOP 20 SOURCE MARKETS (STUDENT WEEKS) AND 2011/2013 CHANGE



Source: StudentMarketing, 2015

ENGLISH LANGUAGE TRAVEL

NUMBER OF **BRAZILIAN** ELT STUDENT WEEKS BY DESTINATION

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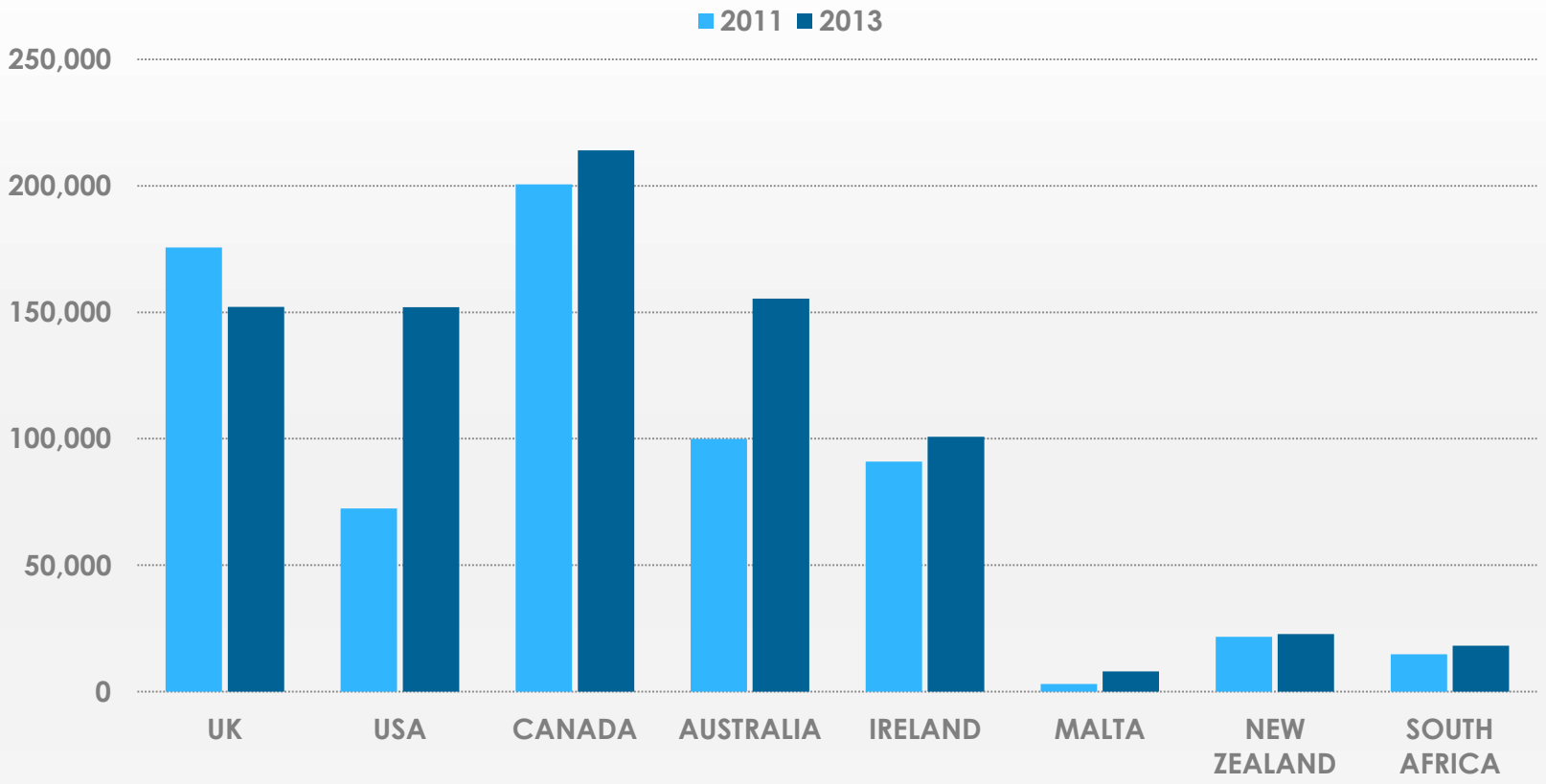

Source: StudentMarketing, 2015

K-12 MARKET

TOP SOURCE MARKETS WORLDWIDE*

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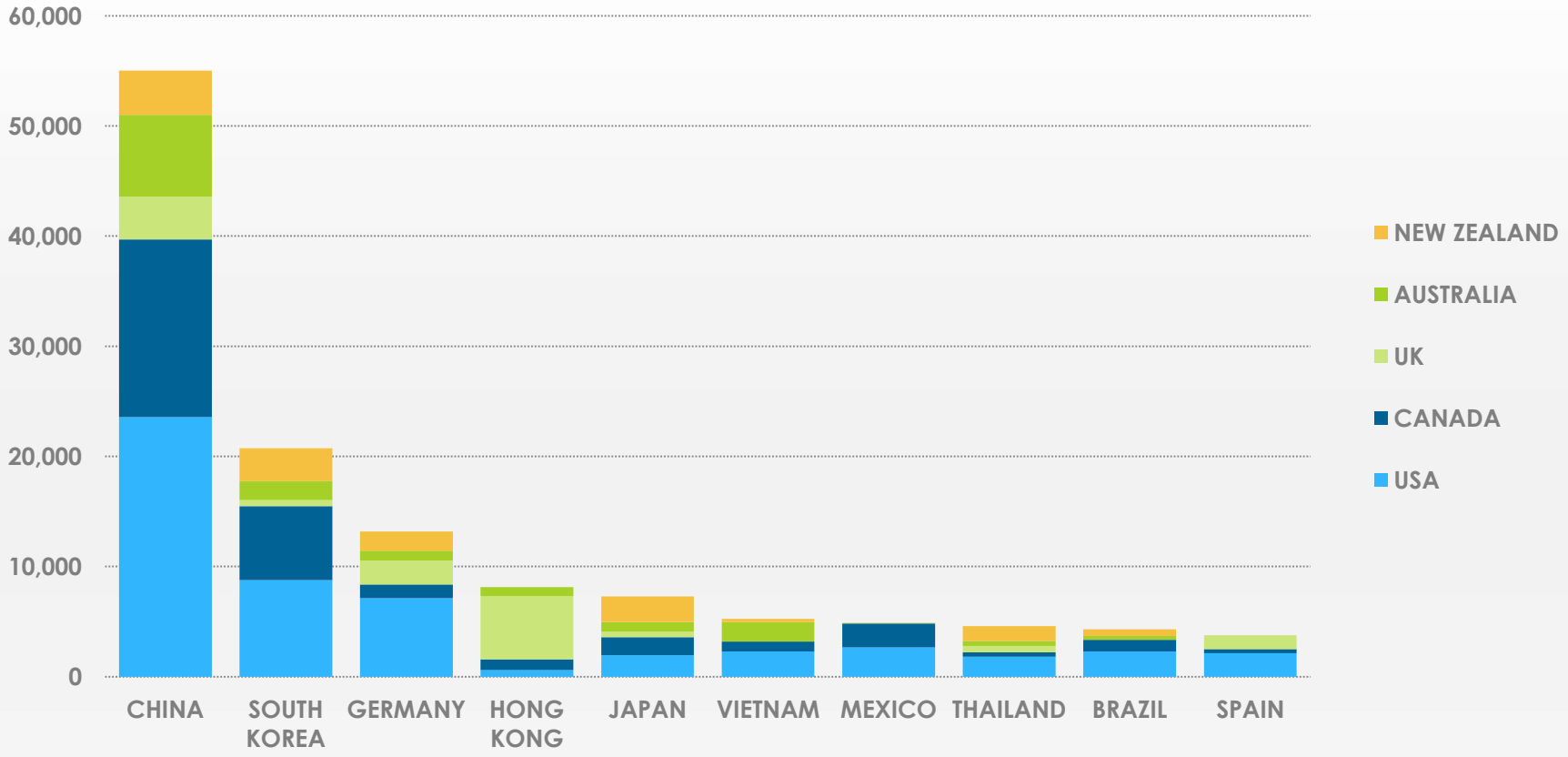
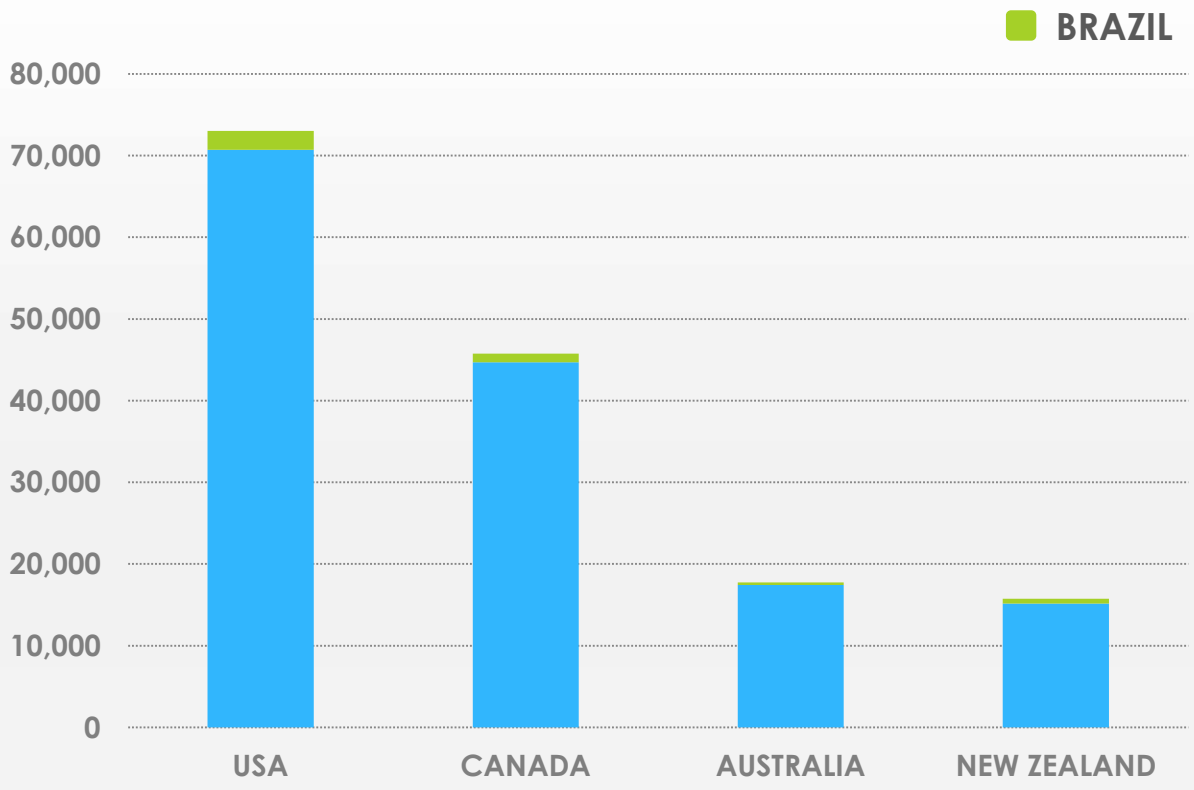


Source: IIE, 2014; CIC; 2014; ISC, 2014; AEI, 2014; MoE New Zealand, 2014

K-12 TRAVEL

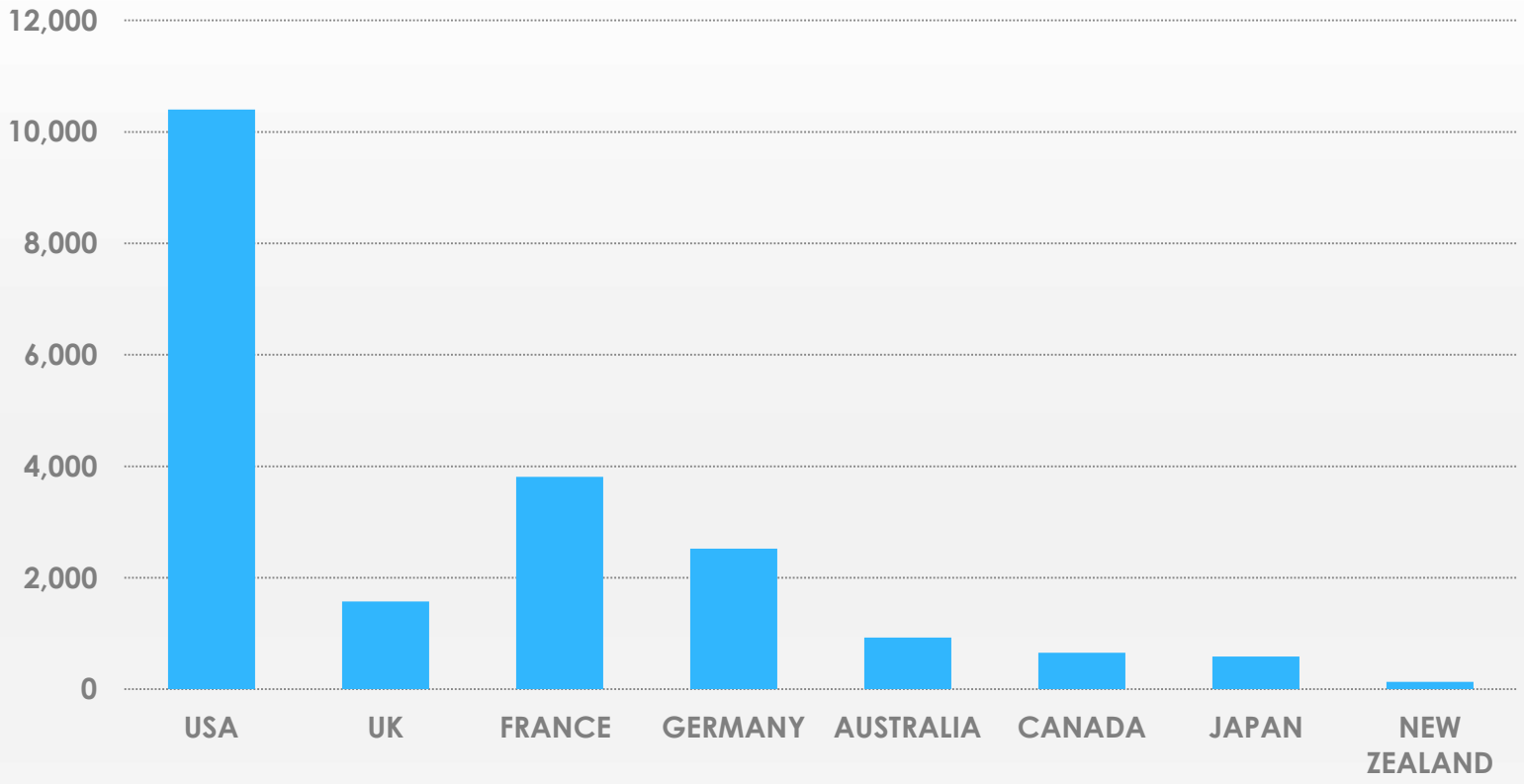
NUMBER OF K-12 STUDENTS BY DESTINATION



Source: IIE, 2014; CIC; 2014; AEI, 2014; MoE New Zealand, 2014

HE MARKET

NUMBER OF BRAZILIAN HE STUDENTS BY DESTINATION



Source: UNESCO Institute for Statistics, 2014

MARKET SPECIFICS

BRAZIL

- Approx. **2 million** English learners in domestic private schools
- Robust "**Science Without Borders**" scholarship scheme in place
- Important to establish **rapport** before commencing business discussions
- Brazilians often deal in **net prices**
- According to Brazilian law, it is mandatory to have catalogues, brochures and any promotional material available in **Brazilian Portuguese**
- Growing demand for study abroad from the **lower middle class (C class)**
- Apart from main Brazilian cities, **cities in the Northeastern part** of the country are growing fast (e.g Salvador)

MARKET SPECIFICS

BRAZIL

- Brazil is a very **agent-dependant** market
- **Large and diverse market** (small market segments within large market)
- Agents often operate in **franchise model** (HQ has decision-making power)
- Important to know agent's level in the franchise hierarchy
- Most agencies have **HQ in Sao Paulo**
- **Catholicism** (suitable market for catholic high school programs)
- Growing demand for **private high schools**
- **Parents** play a key role in decision-making process (K-12)
- **Homestay** = advantage in parents' decision
- Emphasize **work** opportunities in Canada:
  - 20 hours per week & full time during holidays for academic courses over 6 months
  - Post-graduate work permit for up to 3 years (only in Canada)
- Don't forget to mention **extracurricular and entertainment activities**

HOW TO DO BUSINESS

TIPS & TRICKS

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- **Travel to Brazil**, build relationships in person
- Keep **regular communication**, frequency and response time matter
- Arrange in-country **training** of consultants
- Organize **FAM** trips
- Be ready for financial and in-kind **marketing support**
- Finding **local advice and ally** is essential in early stage
- Do not rely on emails, focus on **verbal communication**
- Unlike elsewhere, use **body languages, emotions, humor**
- **Relationships** are not transactions, but taken as long-term, personal commitments
- Organisational hierarchy is strict, talk to decision maker not influencer
- Plan for few **informal relaxed meetings** per day, with delays, small talk and no agenda
- **Eye contact and passion** are appreciated in serious situations, not humor
- Forget about **‚No‘**, embrace ‚maybe‘ or ‚potentially‘ to be diplomatic and non-confrontational
- **Appearance** very important, it reflects level of importnace

SCHOLARSHIPS

BRAZIL

FEDERAL SCHOLARSHIPS

- **Science Without Borders scholarship**
- **English Without Borders scholarship**
- **French Without Borders scholarship**
- **Ministry of Culture: 500 short-term training scholarships not covered in SWB**
- **Ministry of Tourism: 110 hospitality students**

STATE SCHOLARSHIPS

- **Brasilia without Borders** (Brasilia state)
- **Win the World** (Pernambuco state)
- **Centro Paula Souza** (Sao Paulo state)

MARKET EVENTS

BRAZIL

B2B EVENTS

- ICEF São Paulo
- Alphe Brazil
- BMI Agents Workshop Brazil
- BMI Brazil Higher Education Workshop
- FPP Smart Agent Workshop - São Paulo
- WEBA Agents Workshop Brazil

B2C EVENTS

- BMI Media (Salão do Estudante) – 7 cities; 40,401 students; 35% interested in Canada
- FPP (EduExpos Brazil) – 9 cities; 32,979 students
- EDUCASUL - EXPO ESTUDAR
- ADVENTURE SPORTS FAIR
- EXPO BELTA

AGENT MARKET STRUCTURE

BRAZIL

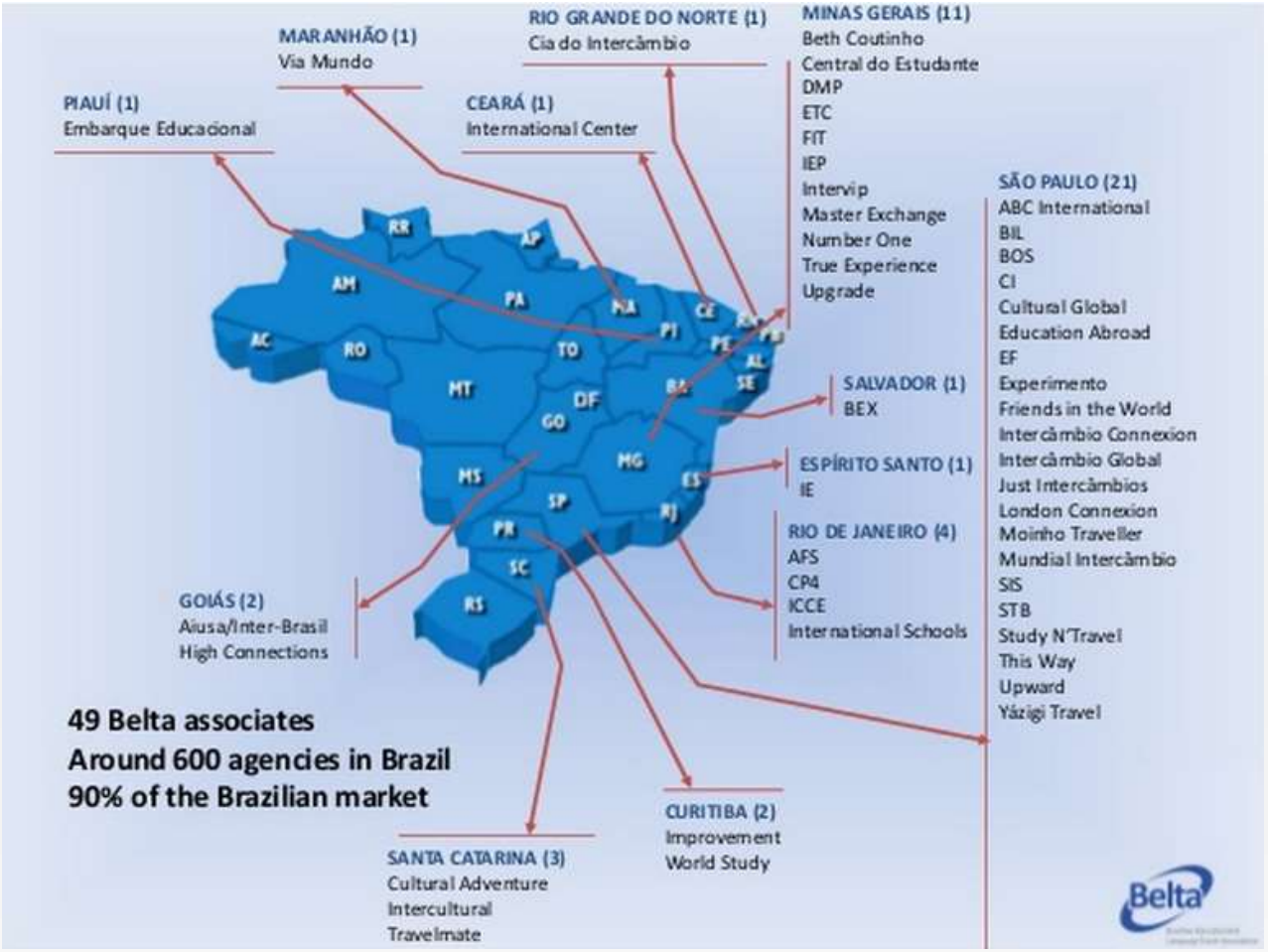
Most agencies send up to 300 students

	2008	2009	2010	2011	2012
	Base 61	***Base 61***	***Base 62***	***Base 70***	***Base 73***
Up to 100	**41.0%**	**34.4%**	**30.7%**	**34.3%**	**30.1%**
101 to 200	**24.0%**	**26.2%**	**22.6%**	**20.0%**	**23.3%**
201 to 300	**6.6%**	**13.1%**	**17.7%**	**8.6%**	**11.0%**
301 to 500	13.1%	9.8%	11.3%	17.1%	16.4%
501 to 1,000	4.9%	8.2%	8.1%	10.0%	9.6%
1,001 to 2,000	4.9%	3.3%	4.8%	4.3%	2.7%
3,001 to 5,500	3.3%	3.3%	3.2%	4.3%	5.5%
5.500 or more	1.6%	1.6%	1.6%	1.4%	1.4%

Source: BELTA, 2014

TOP AGENCIES

BRAZIL



STB

CI

World Study

Experimento

IE Intercambio No Exterior

INTERCAMBIO GLOBAL

TravelMate

Yazigi Travel

Canada Intercambio

Information Planet

Source: BELTA, 2014

AGENT PORTFOLIO

BRAZIL

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COURSES	**Language Courses**	100%	97,2%
	High School Abroad	77,5%	84,5%
	Vacation Course	81,3%	76,1%
	Postgraduate	47,5%	33,8%
	Graduate	33,8%	29,6%
	Specialization	40,1%	19,7%
	Language Course with the possibility of working	10%	14,1%
	Combined Courses	1,3%	8,5%
	Professional Courses	17,5%	5,6%
	Courses for people over 50 years	10%	2,8%
	Master's degree	2,6%	2,8%
	Courses for Executives	6,3%	
	Educational Couseling		1,4%
WORK	Working Abroad	40,1%	36,6%
	Internship	10%	22,5%
	Au pair	8,8%	15,5%
	Voluntary Program	11,3%	2,8%
	Business Travel		1,4%
	Corporate Events		1,4%
CULTURAL TRAVELS	Vacation Packages	36,3%	49,3%
	Summer Camp/Holiday		2,8%
	Cultural Exchange in Brazil (High School)		1,4%

Source: BELTA, 2014

OTHER CHANNELS

BRAZIL

- **ONLINE MARKETING**
  - Google
  - Facebook
  - YouTube

- **STUDENT MEDIA**
  - Guia do Estudante
  - BELTA EI! Magazine

- **GUIDANCE COUNSELLORS** (1 counsellor; 600 students)

- **LOCAL HIGH SCHOOLS**
  - Escolas Da Rede Pitagoras (600 partner schools; 200,000 students)

- **LOCAL LANGUAGE SCHOOLS**
  - CNA - Inglês Definitivo (580 schools)
  - Minds Idiomas (70 schools)
  - Cultura Inglesa (46 units; 80,000 students)

MARKET DEVELOPMENTS

BRAZIL

- CANADA CONTINUES TO BE THE MOST ATTRACTIVE IN BRAZIL
- DECREASE OF 20-24Y AGE GROUP AND 1-3M PROGRAMS
- INCREASE OF 4-6 MONTH PROGRAMS IN BRAZIL
- AGENT MARKET: CVC & TOUR OPERATORS
- ENGLISH WITHOUT BORDERS
- SWB NEW 100K
- FAM VISIT OF BRAZILIAN UNI REPRESENTATIVES TO CANADA
- NEW MOU & SUPPORTIVE INITIATIVES

MARKETING STRATEGY

MARKETING CHANNELS

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Source: StudentMarketing, 2014

RECOMMENDATIONS

- Market is more **sophisticated and mature**
- Approach/come **prepared**
- **Strategy** recommended

MEXICO

MEXICO

COUNTRY PROFILE

MEXICO

Youth population (aged 15-29) of **30 million**

26,866 tertiary students abroad (34th) – 1,338 in Canada (5%)

192,111 student weeks in ELT (18th) – 82,990 in Canada (43%)

4,924 K-12 students * – 2,160 in Canada (44%)

90 education agents

1 agent association (AMTE)

* The number covers the USA, Canada, the UK, Australia and New Zealand

Source: UN Population Division 2012; UNESCO Institute for Statistics, 2014; Languages Canada, 2014; StudentMarketing, 2015; IIE, 2014; CIC; 2014; ISC, 2014; AEI, 2014; MoE New Zealand, 2014

MARKET OVERVIEW

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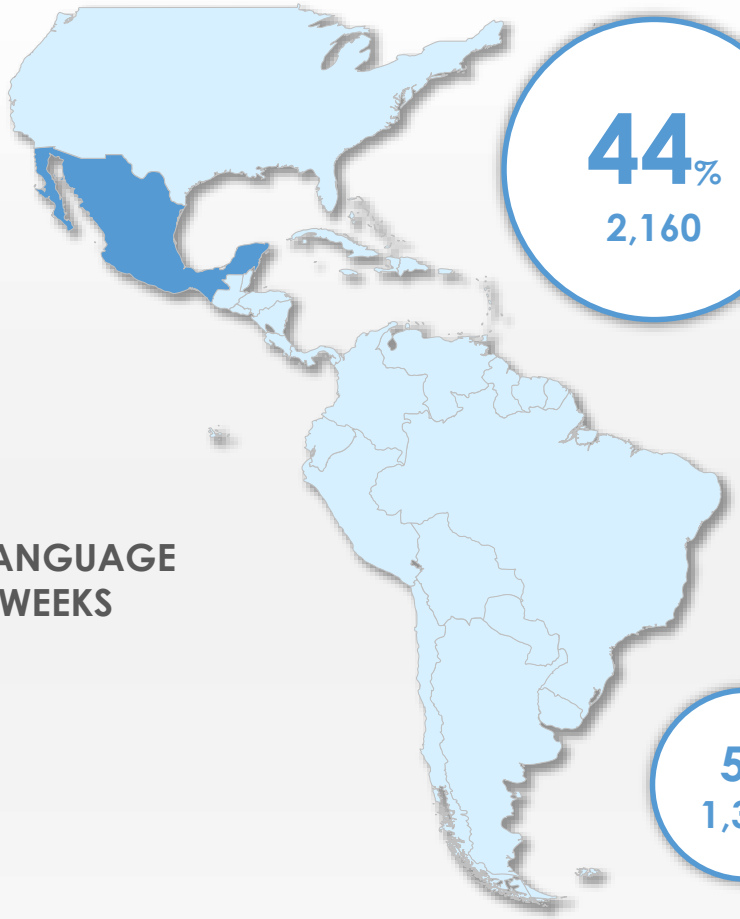
CANADA'S MARKET SHARE AND NUMBER OF MEXICAN STUDENTS BY STUDY LEVEL



44%
2,160

OF ALL K-12 STUDENTS IN CANADA (ON A STUDY PERMIT)

43%
82,990 SW

OF ALL LANGUAGE STUDENT WEEKS

5%
1,338

OF ALL POST-SECONDARY STUDENTS

ENGLISH LANGUAGE TRAVEL

TOP SOURCE MARKETS WORLDWIDE (STUDENT WEEKS)

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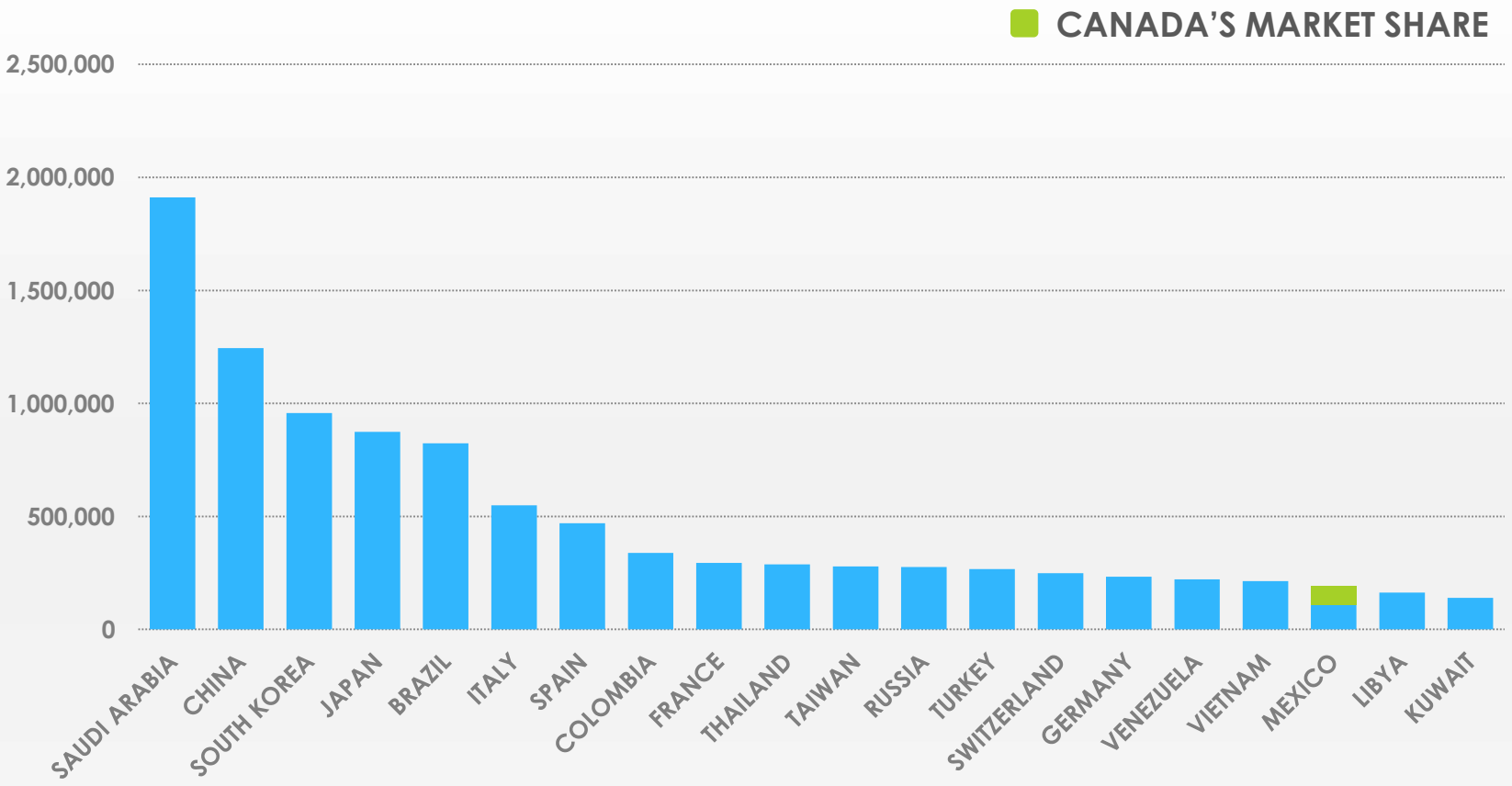

Source: StudentMarketing, 2015

ELT

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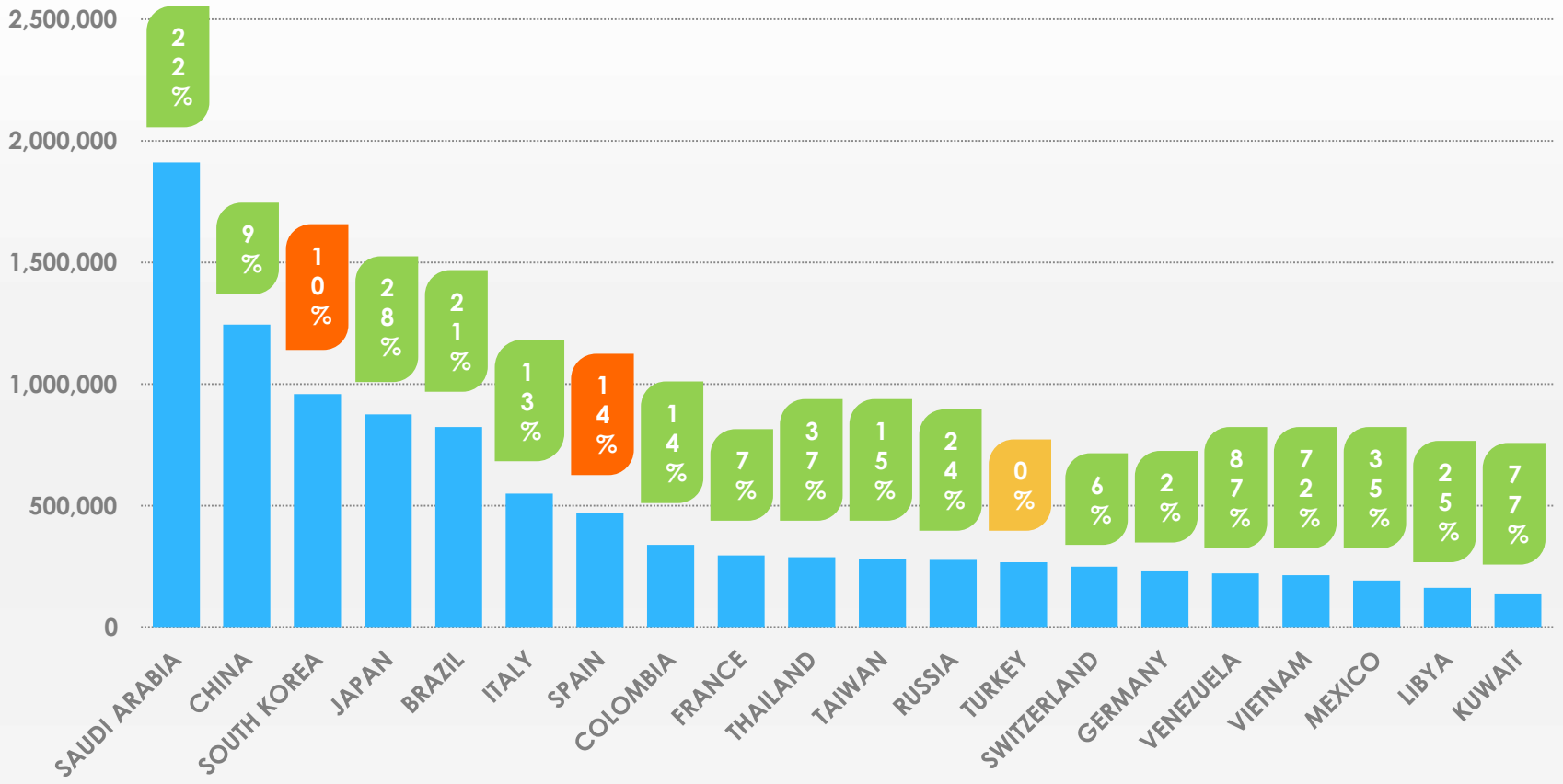
TOP 20 SOURCE MARKETS (STUDENT WEEKS) AND 2011/2013 CHANGE



Source: StudentMarketing, 2015

ENGLISH LANGUAGE TRAVEL

NUMBER OF STUDENT WEEKS BY ELT DESTINATION

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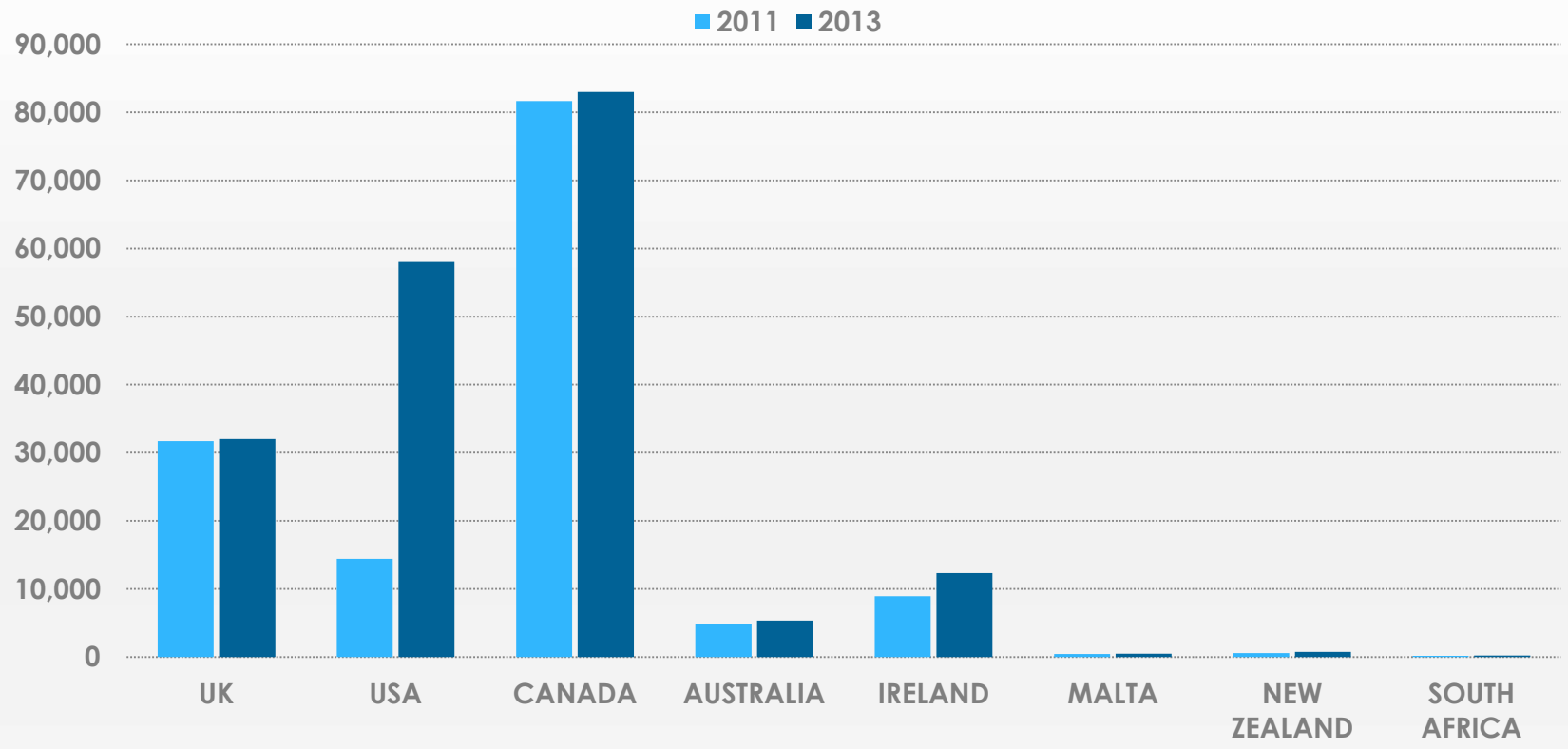

Source: StudentMarketing, 2015

K-12 MARKET

TOP SOURCE MARKETS WORLDWIDE*

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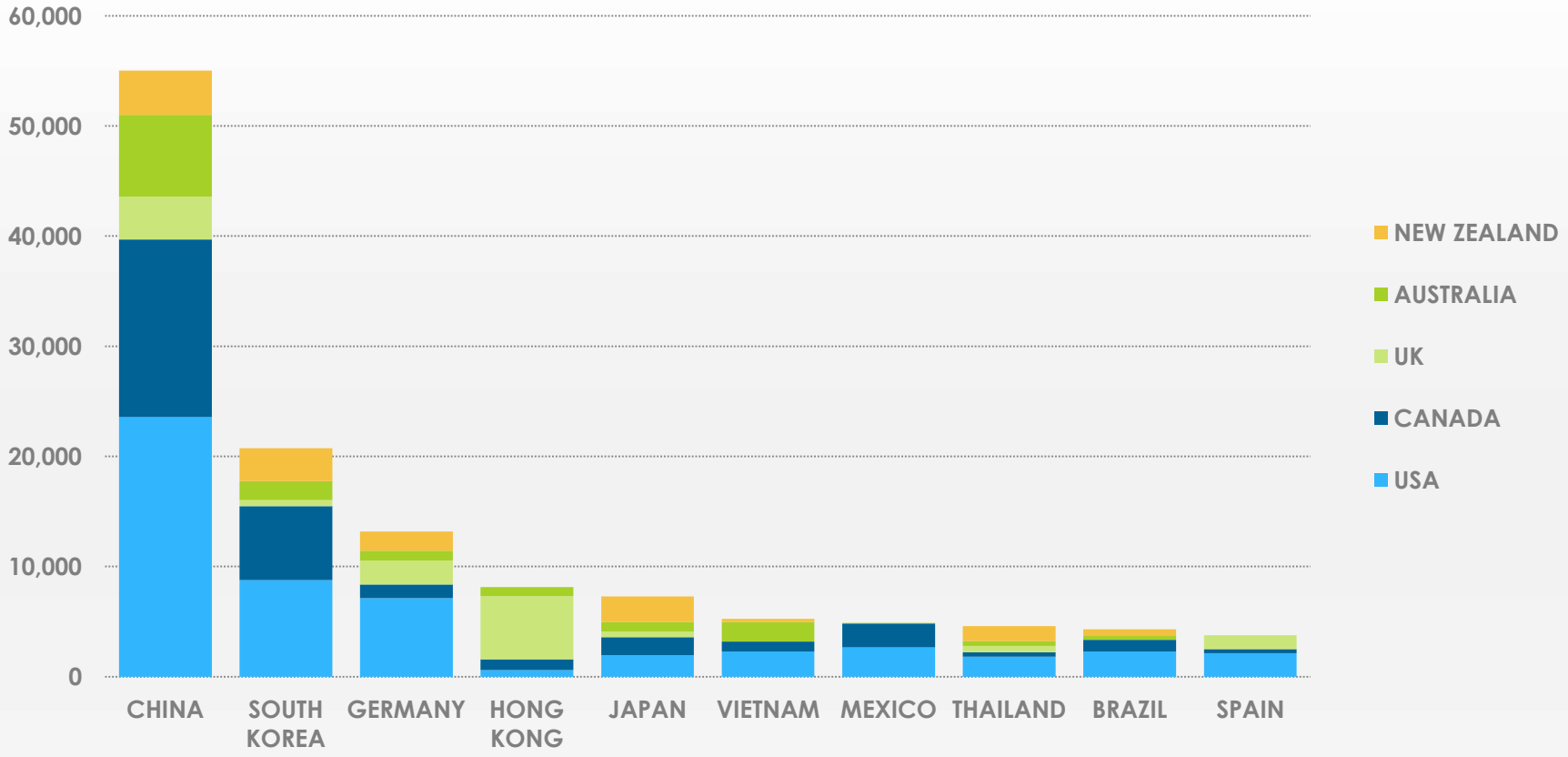
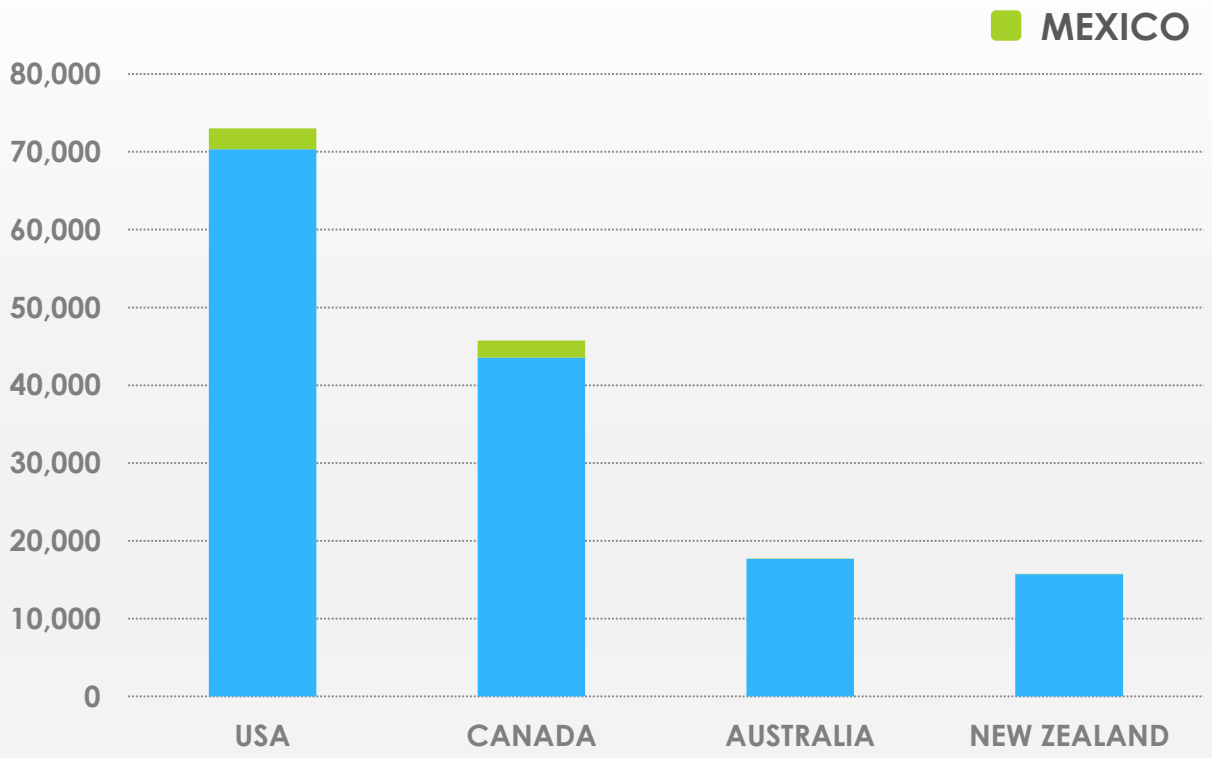


Source: IIE, 2014; CIC; 2014; ISC, 2014; AEI, 2014; MoE New Zealand, 2014

K-12 TRAVEL

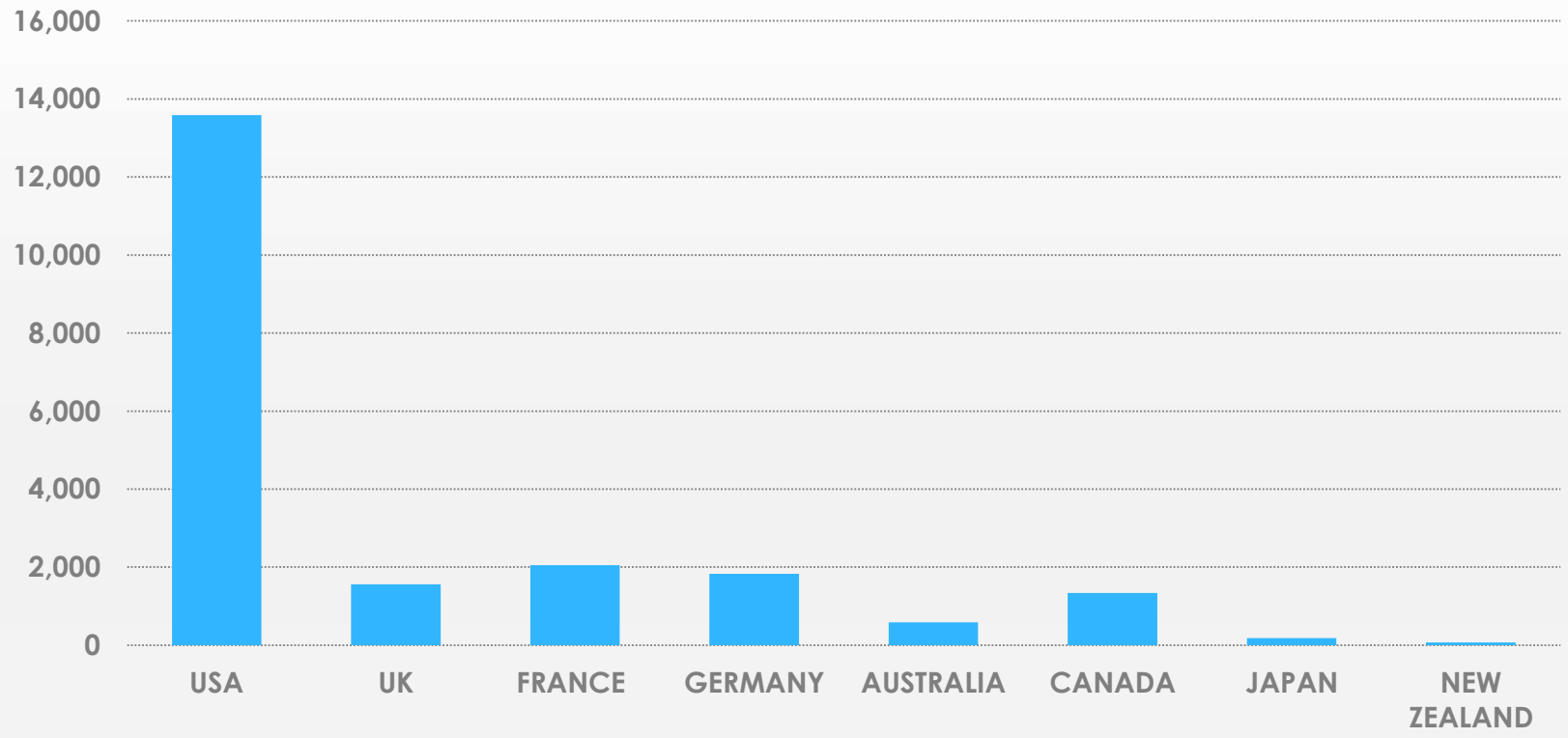
NUMBER OF K-12 STUDENTS BY DESTINATION



Source: IIE, 2014; CIC; 2014; AEI, 2014; MoE New Zealand, 2014

HE MARKET

NUMBER OF MEXICAN STUDENT NUMBERS BY DESTINATION



Source: UNESCO Institute for Statistics, 2014

COUNTRY SPECIFICS

MEXICO

- **Catholicism** (suitable market for catholic high schools programs)
- Emphasize that Canada is a **safe destination** (high crime rates in Mexico)
- Mexicans concerned about poor quality schools in Mexico
- Better quality of education/course overseas = most important factor why Mexican students decide to study abroad
- Stress **high quality education in Canada** (rankings, awards)
- **Post-secondary and certificate** programs increasingly popular
- Parents play key role in the decision-making process (K-12)

MARKET SPECIFICS

MEXICO

- Market growth is **accelerating**
- For Mexican students, **safety** is a factor of great importance
- Main demand is for **long-term academic programmes**
- The majority of students interested in graduate programmes - **Certificates, Master's & PhDs**
- ESL courses are only taken as **a means for meeting language requirements** at post-secondary institution
- **New scholarship initiatives** put in place by the government
- Strong **emigration** interest

HOW TO DO BUSINESS

TIPS & TRICKS

- **Business is personal** in Mexico
- Do not hesitate to make the effort, **travel** to Mexico
- Hierarchial structure, key decision done by **top people**
- Do not insult Mexicans by sending **junior representatives**
- **Planning a trip** is a challenge, meeting confirmation come very late
- First impressions are very important, come **well formally dressed**
- **Mañana** does not mean ‚tomorrow'; it means ‚just not today'
- **Formal titles and family names** are used, first names less or later

SCHOLARSHIPS

MEXICO

FEDERAL SCHOLARSHIPS

- **Proyecta 10,000**

MÉXICO | SRE | AMEXCID

PROYECTA 10,000 - Request for proposals 2015

* Required

PROYECTA 10,000 - Request for proposals 2015

Since the establishment of diplomatic relations on January 29, 1944, Mexico and Canada have developed bonds of friendship and cooperation among federal, state and local authorities, and between institutions and civil society. Mexico and Canada signed a cultural agreement on 1976 where both countries made the commitment to improve the mutual understanding of the culture of each country and to promote the academic exchange of researchers, lecturers and students. Since then, Mexico and Canada have one of the most dynamic agendas on the fields of science, technology, environment, natural resources, among others. This involves hundreds of higher education institutions and research centers in both countries.

During the visit of Prime Minister Stephen Harper to Toluca, Mexico, on February 2014, as part of the North American Leaders' Summit, the governments of Mexico and Canada agreed that education and innovation are among the strategic priorities of cooperation between both countries. In this context, Proyecta 10,000's goal for 2018 is to reach an academic mobility of 2,500 Mexicans in Canada. This year, the Mexican Ministry of Foreign Affairs will coordinate several groups of Mexican learners going to Canada throughout the year. There are four modalities of interest: English as a Second Language courses, professional/technical English courses, short term research programs, and certificate programs on specific areas (energy, engineering, environment, health, ICTs and manufacturing).

Therefore, the Ministry of Foreign Affairs kindly requests your serious consideration and the submission of proposals for available and certified programs, under the modalities described above. Please indicate through this questionnaire your interest your interest to participate in each modality and the characteristics of the programs of the institution that you represent (dates, costs, syllabus, among others)

- **CONACyT**
- Master's degree, PhD degree
- CONACyT granted 4,000 scholarships to study abroad and only 250 went to a Canada
- The scholarship generally covers tuition fee, living costs and medical insurance.

MARKET EVENTS

MEXICO

B2B EVENTS

- ICEF Mexico – Colombia Roadshow
- FPP Smart Agent Workshop – Mexico City
- WEBA Agent Workshop Mexico – Mexico City

B2C EVENTS

- BMI Media (EXPO Estudiante) – 3 cities; 30% interested in Canada
- FPP EDU Media (EduExpos Mexico) – 5 cities; 36% interested in Canada

TOP AGENCIES

MEXICO

- MUNDO JOVEN
- UNIVERSO EDUCATIVO
- CLASS CONSULTING
- ENJOY LANGUAGES
- ESTUDIANTES EMBAJADORES
- INFORMATION PLANET
- LAE INTERNATIONAL STUDIES
- CANADA INCREDIBLE
- EDULYNKS
- VETE

MARKET DEVELOPMENTS

MEXICO

- Proyecta 10,000 **scholarship program**
- Own **student fairs** organised by education agents
- **Agent market** is stabilising itself
- The **USA** are becoming increasingly popular
- Institutions with **certificate programs** on demand
- **Future immigration** credits and prospects

THANK YOU!

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STUDENTMARKTNG

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ESOMAR WORLD RESEARCH ESOMAR MEMBER

AS AN ESOMAR MEMBER, I COMPLY WITH THE ICC/ESOMAR CODE AND ESOMAR WORLD RESEARCH GUIDELINES.

SAMUEL VETRAK, CEO, STUDENTMARKETING