

國立臺灣大學管理學院企業管理碩士專班
碩士論文



Global MBA
College of Management
National Taiwan University
Master's Thesis

從教室到雲端：英語學校轉型線上學習的商業計畫

From Classroom to Cloud: A Business Plan for Transitioning an
English Language School to Online Learning

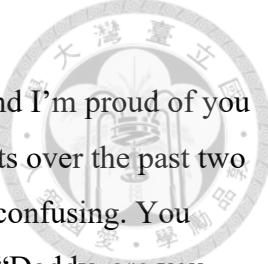
洪威廉
William Morley

指導教授：韓廷允
Advisor: JungYun Han, Ph.D.

中華民國114年7月

July, 2025

Acknowledgements



I want to thank Billy and Rylan. You are both so clever, creative, and fun, and I'm proud of you every single day in more ways than I can count. I'm sorry for the many nights over the past two years when I came home late - sometimes way after bedtime. I know it was confusing. You asked me many times: "Why do you still have homework?" Or even worse, "Daddy, are you going to school again today?"

But you know I like learning new things, just like you two do... Well, guys, good news: Daddy's all done! Thanks for all your love, hugs, and support. I finished all my homework!

Thank you, Szu-Fan, for your understanding and love. Even with the strain it put on our work and family life, you were patient, strong, and encouraging. You are my pearl - beautiful, magical, and wise. I don't know how I found you, but I'm so lucky.

I'd like to thank the NTU community - the professors I've had the privilege to learn from, the dedicated staff (including Christy and Yvonne), and all my GMBA classmates, many of whom have inspired me with their knowledge, ideas, and generous goodwill. I'm grateful to have met so many kind people over the past two years in the GMBA.

Special thanks to Professor Han for her thoughtful guidance during this thesis project. I thoroughly enjoyed her Strategic Management course and am very grateful to have had her as my thesis advisor. Warm thanks as well to Professors Cheng-Wei Wu and Edward Hsieh for serving on my defense committee and offering their expertise and advice.

Finally, I'd like to thank all my colleagues, students, and families at The New School over the years. I carry you in my heart, in my thoughts, and in my grey hairs - which I wear with pride. The full story is too long to tell here, so I'll just quote from a song that resonates as we move forward:

*My heart is not weary, it's light and it's free
I've got nothin' but affection for all those who've sailed with me.*

Thank you for your friendship and support and I'm excited for what's next.

Executive Summary



The New School 新派英語, a well-established English language school in Taipei, Taiwan, seeks to transition from a traditional brick-and-mortar buxiban model to a scalable, tech-driven online learning platform. This proposal outlines the strategic rationale, financial projections, and implementation roadmap for the pivot, building on the school's strong reputation for instructional quality and customer trust while addressing operational constraints.

The transition targets three core pain points: rising rental and labor costs, hiring and retention challenges, and physical capacity limits. In response, The New School will adopt a hybrid online learning model that expands accessibility without compromising educational standards. Unlike high-volume, low-cost providers such as TutorABC and VIPKid, our approach emphasizes small-group instruction, teacher continuity, and curriculum tailored to Taiwanese young learners. Our value proposition is to empower young learners through structured, confidence-building English instruction and offer families a reliable alternative to impersonal, volume-driven platforms.

This differentiated model supports a premium pricing strategy. We anticipate that families will be willing to pay higher tuition after experiencing the quality and consistency of the program. Term-based fees, flexible payment options, and trial pathways reduce barriers to adoption while reinforcing long-term engagement. The financial model projects a 64% operating margin at break-even with 100 online students and significant profitability growth at scale. Initial market feedback confirms demand for flexible, high-quality solutions, while also highlighting the need for a phased rollout to build trust and address common parental concerns. Financial projections are based on early-stage modeling and are limited to direct instructional revenues under current pricing assumptions. Additional cost variables and long-term infrastructure needs will be explored as the model matures.

Grounded in clear competitive analysis and financial viability, this proposal charts a sustainable, scalable path for The New School to lead in a premium niche of Taiwan's evolving English online learning market.

中文摘要



本論文探討台灣台北市之知名英語補習班「新派英語」從傳統實體教學模式轉型為可擴展的線上學習平台之策略。研究說明此轉型的背景與原因，特別著眼於房租與人事成本上升、招聘與留任困難，以及場地容量受限等經營挑戰。透過聚焦於小班教學、師資穩定性以及專為台灣兒童設計的課程，「新派英語」期望與主打大量低價的競爭對手（如TutorABC及VIPKid）形成差異化。

本研究結合競爭分析、財務可行性評估及初步市場回饋，評估一個主打優質、高價位線上課程的可行性。研究結果顯示，高品質、強調建立學習自信的線上英語教育有機會吸引願意支付高學費的家庭，並在學生數達到100人時即可達成損益平衡，之後具備顯著的獲利潛力。論文最後指出，逐步推行、重視家長信任與期待的策略，對於長期成功與永續經營至關重要。本個案研究為台灣私立語言教育機構數位轉型提供寶貴的實務參考。

Table of Contents

<i>Acknowledgements</i>	<i>ii</i>
<i>Executive Summary</i>	<i>iii</i>
<i>中文摘要</i>	<i>iv</i>
<i>Table of Contents</i>	<i>v</i>
<i>List of Figures</i>	<i>ix</i>
<i>List of Tables</i>	<i>ix</i>
<i>List of Abbreviations</i>	<i>x</i>
1. Introduction and Problem Statement	1
2. Market Analysis: Industry Overview	2
2.1 Growth of Global English Learning in Taiwan and Asia	2
2.1.1 Online Language Learning Growth in the Region	3
2.1.2 Online Language Learning Growth in the Region	3
2.1.3 Local Demand Analysis via Google Ads Search Trends	3
2.2 Current Clientele	4
2.2.1 Our Current Client Base	4
2.2.2 How Our Customers Choose an English Program	5
2.2.3 Exploratory Online Market Survey	6
2.2.4 Survey Results Analysis and Discussion	6
2.2.5 Insights from Open-Ended Parent Feedback	7
2.3 Competitive Landscape	8
2.3.1 Competitor Identification and Classification	8
2.3.2 Industry Analysis using 5 Forces	11
2.3.3 Key Competitor and Strategic Positioning	11
2.3.4 Insights from TutorABC's Academic Director	13
3. Business Model & Value Proposition	15
3.1 Business Model Overview	15
3.1.1 Core Benefits for Parents and Students	15
3.1.2 Solving Key Pain Points	16
3.1.3 Sustainability and Scalability	17
3.2 Service Offerings	17
3.2.1. Live Online Instruction (Core Offerings)	17
3.2.2 Ongoing Assessment & Family Communication	19
3.2.3 Self-Paced Digital Learning (Supplemental Offering)	19
3.3 Revenue Model	19
3.3.1 Core Program Structure	20
3.3.2 Modular Courses	20

3.3.3 Private Lessons and Add-Ons.....	21
3.4 Pricing Structure and Strategic Rationale.....	21
3.4.1 Strategic Rationale and Positioning.....	23
3.4.2 Payment Flexibility and Incentives	23
3.5 Teacher Incentives & Retention Model: “You Teach, You Own”.....	24
4 Marketing and Customer Acquisition Strategy.....	27
4.1 Brand Strategy and Positioning	27
4.1.1 Customer Value Offer.....	27
4.1.2 Points of Differentiation (PODs) and Points of Parity (POPs).....	27
4.1.3 Cultural Alignment with Taiwanese Parental Values	28
4.2 Ideal Customer Profiles.....	29
4.2.1 Strategic Segmentation Approach.....	30
4.2.2 Expansion via Digital Reach.....	30
4.3 Marketing Channels and Implementation.....	31
4.3.1 Community Channels: Referral Programs & Ambassador Families.....	31
4.3.2 Owned Media: Website, Google Business Profile, Newsletters	32
4.3.3 Partnerships: Schools, Local Influencers, and Events.....	32
4.3.4 Paid Media: Facebook, Instagram, YouTube, and LINE	32
4.4 Promotions & Awareness Strategy	33
4.4.1 Free Trial Campaigns	33
4.4.2 Referral-Based Incentives	33
4.4.3 Early-Bird Enrollment & Bundle Discounts.....	34
4.4.4 Content Marketing: Testimonials, Student Work, Educational Blog	34
4.5 Conversion & Retention Funnel.....	34
4.5.1 Trial Conversion and Engagement Funnel.....	34
4.5.2 Communication and Feedback Tools.....	35
4.5.3 Retention Tactics and Loyalty Building.....	36
4.6 Building Trust with First-Time Families.....	36
5. Operations and Execution Plan	37
5.1 Phased Transition Plan	37
5.1.1 Phase 1: Early Validation and Internal Learning (July–August 2025)	37
5.1.2 Phase 2: Controlled Migration of Older Cohorts (September 2025 – February 2026).....	38
5.1.3 Phase 3: Structured Communication and Brand Evolution (December 2025 – March 2026).....	39
5.1.4 Phase 4: Full Transition and Strategic Consolidation (April–August 2026)	40
5.2 Hiring & Training Plan.....	41
5.2.1 Recruiting Experienced Online Teachers.....	41
5.2.2 Upskilling Existing Staff for Digital Education	42
5.2.3 Basic Contracts and Commitment.....	43
5.2.4 Online Teaching Checklist	44
5.2.5 Teacher Monitoring and Performance Management	44

5.4 Technology Infrastructure.....	46
5.5 Compliance and Legal Readiness.....	46
5.5.1 Ministry of Education (Taiwan) Regulations Compliance	46
5.5.2 Data Privacy and Protection	47
6. <i>Financial Projections & Funding Plan</i>	49
6.1. Analysis of Current Financial Performance.....	49
6.2 Projected Financials for Online Model.....	49
6.2.1 Revenue Projections at Different Student Enrollment Levels	49
6.2.2 Cost Structure: Tech Investment, Teacher Salaries, Marketing	50
6.2.3 Break-Even Analysis.....	51
6.2.4 Scenario Analysis	52
6.3.1 Cash Flow Projections.....	53
6.3.2 Funding & Contingency Planning	54
6.3.3 Cash Reserve Strategy	55
6.4 Funding Needs & Capital Strategy.....	55
6.4.1 Funding Strategy Overview.....	55
6.4.2 Hybrid Funding Plan: Self-Funding and Debt Financing	55
6.4.3 Justification for Hybrid Funding Strategy	56
6.4.4 Exit Strategy and Contingency Planning	56
6.5 Strategic Reflection on Scalability and Value	57
7. <i>Risk Assessment & Mitigation Strategies</i>	59
7.1 Customer Resistance to Online Format.....	59
7.2 Technology Adoption Barriers	59
7.3 Pricing and Value Perception	60
8. <i>Conclusion</i>	61
References	62
Appendices.....	65
Appendix A. <i>Search Demand Insights from Google Ads Forecast</i>	66
Appendix B. <i>Detailed Five Forces Analysis of Online English Language Teaching Market</i>	69
Appendix C. <i>Survey Respondent Sampling Approach</i>	71
Appendix D. <i>Customer Survey Items (English and Chinese)</i>	72
Appendix E. <i>Survey Results: Charts and Figures</i>	79
Appendix F. <i>Detailed Survey Results Analysis</i>	91
Appendix G. <i>Open-Ended Survey Responses: Theme-by-Theme Analysis</i>	93
Appendix H. <i>Methodology for Analysis of Open-Ended Survey Responses</i>	95

<i>Appendix I. TutorABC / TutorJR Pricing Model Summary</i>	96
<i>Appendix J. Details of Teacher Training and Certification (5.2.2)</i>	98
<i>Appendix K. Online Teaching Checklist (5.2.4)</i>	100
<i>Appendix L. Supplemental Analysis: Technology Stack and LMS Plan (5.5)</i>	102
<i>Appendix M. Financials Table: Revenue, Costs, and Margins (Section 6)</i>	104
<i>Appendix N. Detailed Revenue Projections and Assumptions</i>	105
<i>Appendix O. Break-even and Scenario Analysis (6.2.3-6.2.4)</i>	107
<i>Appendix P. Cash Flow Modeling Assumptions (6.3.1)</i>	108
<i>Appendix Q. Interview Transcript: Academic Director of Main Competitor</i>	109

List of Figures

Figure 2.2.5.1. Thematic distribution of parent concerns from open-ended survey responses (n=40).



Figure 2.3.1. Local buxiban competitive density map.

Figure 2.3.2. TutorJr online English pricing and program structure.

Figure 2.3.5.1. Five Forces analysis of Taiwan's online English market.

List of Tables

Table 6.2.2. Scaling costs with incentives and profit sharing.

Table 6.2.3. Break-even and scenario summary analysis.

Table 6.3.1. Monthly cash flow projections (Months 1–12).

List of Abbreviations

AI – Artificial Intelligence

CEFR – Common European Framework of Reference

EFL – English as a Foreign Language

EMI – English Medium of Instruction

ESL – English as a Second Language

GMBA – Global Master of Business Administration

IELTS – International English Language Testing System

KET – Key English Test

LMS – Learning Management System

MoE – Ministry of Education

NTU – National Taiwan University

PDPA – Personal Data Protection Act

PET – Preliminary English Test

ROI – Return on Investment

SOP – Standard Operating Procedure

STP – Segmentation, Targeting, and Positioning

SWOT – Strengths, Weaknesses, Opportunities, and Threats

TYLEC – Teaching Young Learners Extension Certificate

YLE – Young Learners English



1. Introduction and Problem Statement



Since its inception in 2015, The New School has operated as a private English language school for young learners aged 5–16 in Taipei, specializing in structured, quality-focused instruction in small-group settings. Despite maintaining high student satisfaction and operating near capacity, the school now faces significant operational challenges that threaten long-term viability in Taiwan's competitive English learning market.

The traditional buxiban model, reliant on physical classrooms, is constrained by escalating rental and labor costs, operational inflexibility, and difficulties in hiring and retaining experienced and motivated teachers. Additionally, the market landscape has shifted post-pandemic, with a growing preference among parents and students for more flexible, accessible learning solutions.

Beyond these immediate pressures, Taiwan's broader demographic trends present a deeper structural challenge. The national birth rate has declined to 5.76 per 1,000 people in 2024, marking a new record low (Taipei Times, 2025). The elementary student population is projected to decrease steadily over the next 15 years, and this demographic shift poses long-term risks for the sustainability of conventional after-school programs (Focus Taiwan, 2024).

These compounding factors suggest that continuing with the current physical-only model may limit future growth and resilience, prompting the need to explore alternative, more adaptable course delivery formats.

2. Market Analysis: Industry Overview



2.1 Growth of Global English Learning in Taiwan and Asia

The growth of English education in East Asian countries like Taiwan has been intertwined with decades of globalization trends aimed at connecting markets and growing the wealth and opportunities of global citizens. With the influence and dominance of the USA in trade and foreign policy, English has emerged as an international lingua franca and as the de facto foreign language studied by most school-aged students (Crystal, 2003). Over the past four decades, researchers have tracked and analyzed the global adoption of English and its evolving position as a form of linguistic and cultural capital (Bourdieu, 1991; Kubota, 2011). This acceptance of English as a form of capital offering its speakers a competitive edge has fueled widespread adoption of English in education systems globally, particularly in Asia and Taiwan. In the seminal work *English Next* Graddol (2006) used the metaphor of the product life cycle (PLC). The product life cycle, introduced by Theodore Levitt (1965), outlines four stages that products typically pass through from market entry to eventual obsolescence. According to Graddol (2006), the global adoption of English is stabilizing into late mid to late maturity in the 2050's.

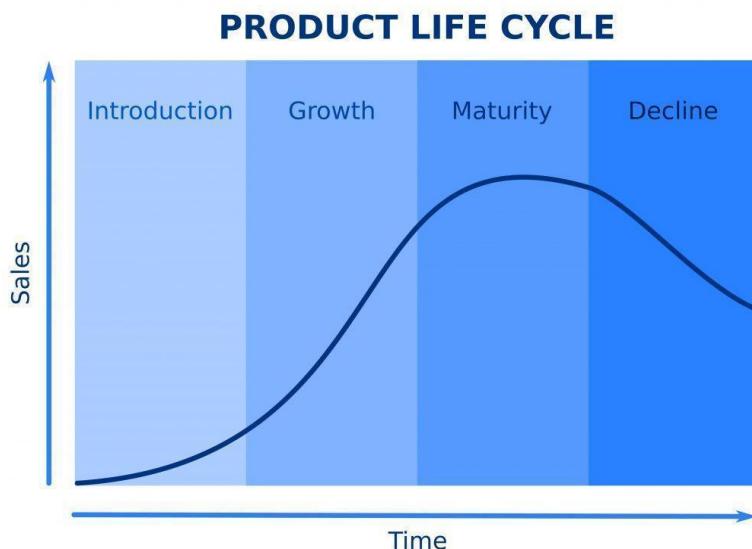


Figure 2.1.1. The product life cycle (PLC)

Source: Adapted from Graddol (2006) and Levitt (1965).

2.1.1 Online Language Learning Growth in the Region

Using recent public policy initiatives as well as English Medium of Instruction (EMI) adoption trends, we can infer that Taiwan remains in the growth stage of this adoption trajectory, though potentially in the later stages. The Taiwanese government has a stated policy goal of making Taiwan a bilingual Mandarin-English nation by 2030 in order to a) enhance global competitiveness and increase foreign investment and b) to foster international collaboration and cultural exchange (National Development Council, n.d.). Further, the Ministry of Education (MoE) has set targets of EMI for 50% of university sophomores as well as 50% of master degree courses to be conducted in English by 2030 (Ministry of Education, Taiwan, n.d.).



2.1.2 Online Language Learning Growth in the Region

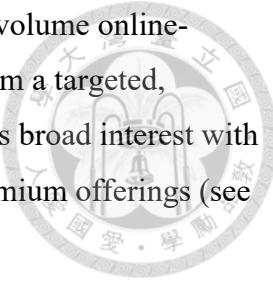
Determining Taiwan's CAGR for online language learning is challenging due to limited publicly available data, though we can make some inferences based on global and regional research.

According to GlobeNewswire, "The online language learning market is projected to reach \$91.6 billion by 2030" with the China region experiencing a 24.1% CAGR to reach \$21.3 billion by 2030. Taiwan's adoption of online language learning is likely by percentage less than China's due to several factors (slower population growth, and China has banned private language schools which shifted more demand online). However, Taiwan benefits from one of the highest internet penetration rates in the world (94%) and robust digital infrastructure. Its population enjoys higher disposable income compared to many regional peers and has demonstrated fast adoption of digital innovations. Combined with a deeply entrenched buxiban culture and a strong societal emphasis on educational competitiveness, these factors suggest a market that is highly receptive to premium, high-quality online language learning services. While precise market growth figures for Taiwan are scarce, these conditions point to strong and sustained growth momentum, particularly in the English language segment.

2.1.3 Local Demand Analysis via Google Ads Search Trends

Google Ads Keyword Planner data reveals strong parental interest in children's English learning in Taiwan, with high-volume Mandarin keywords like “兒童 英文” (Children English) and “自然 發音” (Phonics) indicating broad demand. Niche terms such as “劍橋 英 檢” (Cambridge

English Exam) show moderate volume but high purchase intent, while low-volume online-specific keywords like “online English class” exhibit strong engagement from a targeted, bilingual audience. These findings suggest a marketing strategy that captures broad interest with Mandarin-focused campaigns while targeting niche online segments for premium offerings (see Appendix A).



2.2 Current Clientele

2.2.1 Our Current Client Base

Our existing student base reflects our school’s unique positioning and educational philosophy. These families align with our approach to learning, and their loyalty and engagement have allowed us to grow primarily through word-of-mouth rather than traditional marketing.

Who Our Customers Are

Geography

Most of our students come from Xinyi, Songshan, Neihu and Nangang districts of Taipei with the majority living within a 10-15-minute drive from the school. Occasionally families travel further, but our core community is centered around these districts.

Age Range

Our students are mostly between 5-16 years old. We have also run programs for older students, such as Teen IELTS for high schoolers, or teacher training programs in conjunction with industry partners, these are not a permanent part of our offerings.

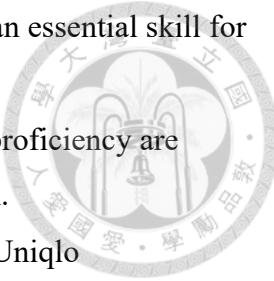
Schooling Background

Most of our students attend public schools rather than private or international schools. Their families have chosen not to send them to private institutions for a variety of reasons (financial, cultural, practical), but they remain committed to their children excelling in English.

Parent Profile

- Upper-middle-class professionals, most with college degrees.

- They value education as a long-term investment and see English as an essential skill for their children's future.
- Many work in industries where global communication and English proficiency are important, reinforcing their commitment to strong English education.
- Drives a Volvo, takes family trips to Japan/Korea, shops at Muji or Uniqlo
- Believes in balanced extra-curriculars (English + sports/arts/music)



2.2.2 How Our Customers Choose an English Program

What Our Customers Value in an English Program

Our core customer segment of Taiwanese parents with children aged 5–16 make enrollment decisions based on a combination of trust, expected outcomes, and school culture. They include the following aspects:

- **Referral-driven and focus on shared values:** Parents often rely on word-of-mouth from other like-minded families. Local reputation and peer validation matter more than advertising. The ethos and values of the school fitting with their own is key.
- **Quality-conscious:** Customers are willing to pay a premium for clear, long-term educational value. However, they expect a visible return on investment (ROI) in terms of progress, motivation, and positive attitudes towards English from their kids. They need to see consistent progress and receive thoughtful regular communication about their child's growth. They need to see that their child is motivated and engaged in the course. They like to see that students are achieving results via Cambridge certificates of achievement. They likewise like to see teachers with teaching certifications and degrees.
- **Progressive but Results-Oriented**
Our customers have more progressive attitudes toward education meaning they appreciate a well-structured yet engaging learning environment. While they do care about results, they trust that a strong foundation and motivation will naturally lead to success over time.
- **Preference for consistency:** Stable staffing, teacher continuity, and a structured curriculum based on validated international standards give parents confidence. They

value a long-term solution for their child's English learning, so stability and consistency with pedagogic foundations is key. Parents and students also have busy schedules, so they value scheduling consistency and convenience.

- **Avoidance of "traditional cram school" culture:** They actively seek alternatives to high-pressure, rote learning environments where memorization and test scores are the end all be all. Instead, they want their children to enjoy learning and develop a strong identity as confident English users. Our customers prioritize a program that can balance targeted learning and proficiency goals with a curriculum that provides opportunities to develop core skills such as creativity, communication, collaboration, and critical thinking.

2.2.3 Exploratory Online Market Survey

Survey Overview

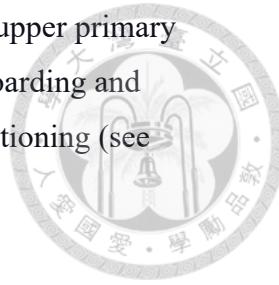
An online survey was designed as exploratory market research to gather preliminary insights into customer attitudes toward online English learning services. The primary goal was to assess overall interest levels, gauge perceptions of value, and identify potential concerns among both current customers and parents with a similar demographic and educational background. The survey was trialed with a small cohort from the demographic group and items were changed, added, deleted, or reframed based on their helpful feedback. To encourage participation and protect respondent privacy, the survey intentionally omitted sensitive demographic questions such as income and occupation.

While the survey provides valuable directional insights, it is based on a convenience sample and thus may not fully represent the broader target market. As the project advances, a more targeted follow-up survey with a broader and more randomized respondent pool could be conducted to validate these initial findings and support refined strategic decisions.

2.2.4 Survey Results Analysis and Discussion

The survey (55 respondents, 84% current customers) shows parents value online English classes for eliminating commuting (91%) and flexible scheduling (86%). However, concerns about children's focus (64%), teacher quality (56%), and social interaction (42%) persist, with 47% favoring in-person classes. Pricing expectations (NT\$300–\$500 for 45-minute sessions)

challenge premium rates. A phased rollout, piloting interactive courses for upper primary students and offering hybrid options, is essential to build trust through onboarding and performance feedback, aligning with parent expectations and premium positioning (see Appendix F for a detailed analysis of the survey results).



2.2.5 Insights from Open-Ended Parent Feedback

The optional open-ended responses from 40 parents reveal recurring themes and significant concerns that align with the overall survey findings. While some parents acknowledged benefits like flexibility or replay features, the majority expressed apprehension with online learning. Key takeaways include:

1. **Demand for Clear Curriculum and Goals:** Parents emphasized the need for structured curriculum and well-defined learning objectives. Concerns about vague goals and disjointed content were common. One parent remarked, "Whether the course has clear objectives and goals," and another noted, "How to evaluate learning outcomes?".
2. **Teacher Consistency and Quality:** Trust in online learning is contingent upon consistent, skilled teachers who understand the child's learning level. Multiple respondents cited frustration with rotating teachers. "Teachers are inconsistent and unfamiliar with the child's level," one parent noted.
3. **Online as Supplement, Not Core:** Several parents conveyed skepticism about online learning as a primary mode, instead viewing it as a backup or supplementary method. One stated, "Online learning can only be a supplementary method, not the main mode."
4. **Engagement and Attention:** Maintaining student attention and interest was a major concern. "Kids are easily distracted," noted one parent, highlighting the need for engaging, interactive content.
5. **Logistical Considerations:** Practical concerns included class size, trial lessons, and the language ability of teachers. "Trial lesson mechanism, and some basic Chinese ability," were mentioned as key considerations.

These qualitative insights underscore the need for a robust onboarding process, clear curriculum structure, and a focus on consistent, high-quality teaching staff to build parent trust and align

with premium positioning. Detailed thematic analysis and selected quotes are provided in Appendix G.

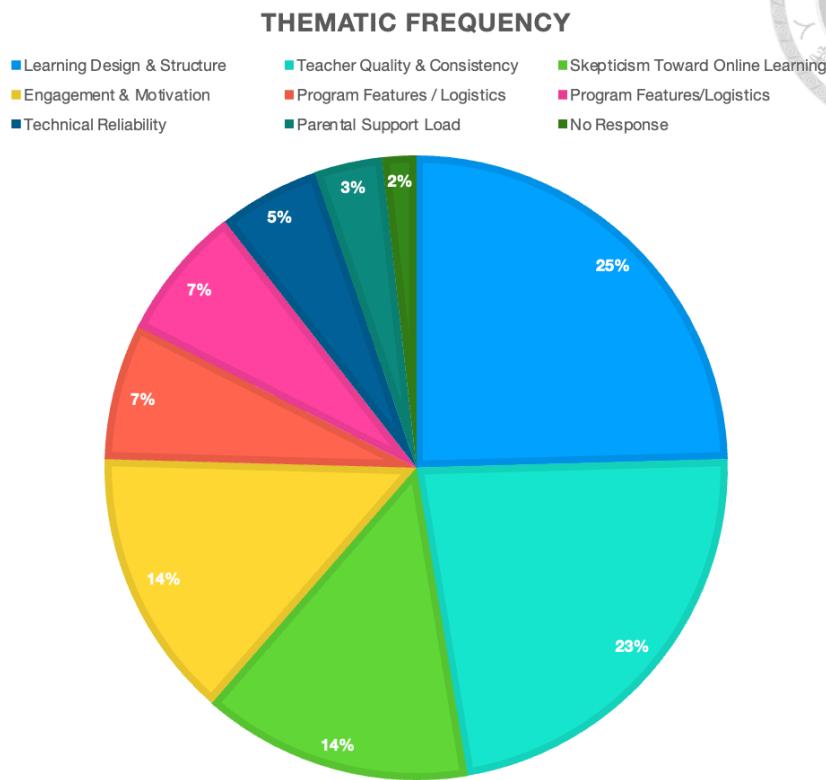


Figure 2.2.1. Thematic distribution of parent concerns from open-ended survey responses (n = 40).

Source: Author's survey (April 2025).

2.3 Competitive Landscape

2.3.1 Competitor Identification and Classification

Local Buxibans with Online Extensions (Traditional Schools with Digital Potential)

Local buxibans, such as Joy English, Hess, Gram English, Shane English, and American Eagle, are traditional cram schools with strong brand recognition and established trust among Taiwanese parents, competing directly with The New School within a 2.5 km radius of its Yongji Road location (Figure 2.3.1). These schools offer structured curricula but rely heavily on in-person teaching, with online offerings as supplementary resources, such as Hess's eSchool app or Shane's Online Learning Academy, which provide practice tasks and pre-recorded content. Some, as TutorABC's Academic Director noted in our interview, "use (TutorABC's) services to

supplement their in-person classes, offering students access to foreign teachers" (Academic Director, TutorABC, personal communication, May 13, 2025), indicating limited proprietary digital infrastructure. Focused on brand familiarity and in-person value, buxibans create opportunities for The New School to differentiate with a robust hybrid model and integrated online platform.

Currently, local buxibans are our most direct competitors, particularly those beginning to offer hybrid or online programs. As the map below indicates, within a 2.5 km radius of our Yongji Road location, there is a high concentration of both independent and chain competitors, including Joy English, Giraffe English, and Kojen. Despite growing interest in online learning, most competitors remain heavily reliant on physical locations and have only limited digital capabilities or online teaching infrastructure.

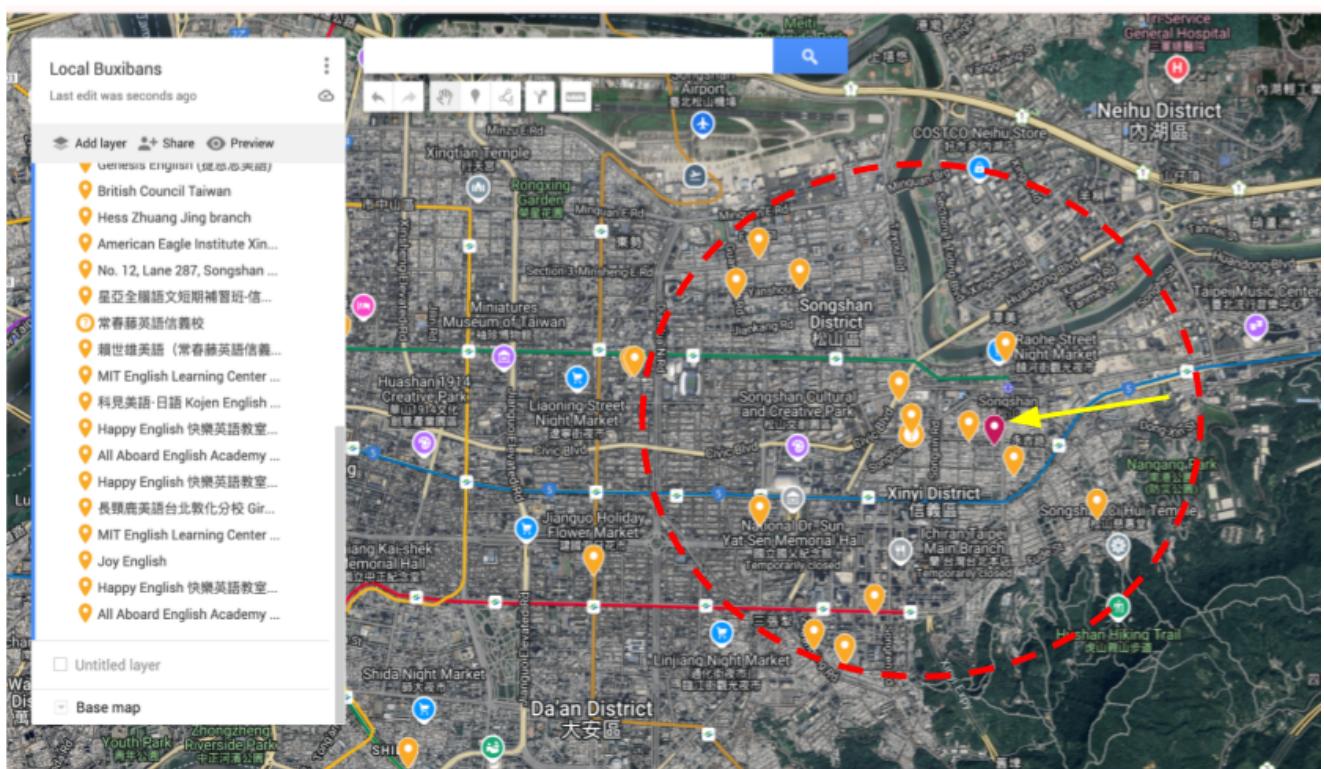


Figure 2.3.1. Local buxiban competitive density map

Orange pins represent local English buxibans (competitors); the red pin marks The New School 新派英語. The dashed red circle indicates a 2.5 km radius from the school's location on Yongji Road, highlighting the concentration of nearby competitors.



Mass-Market, High-Volume Platforms

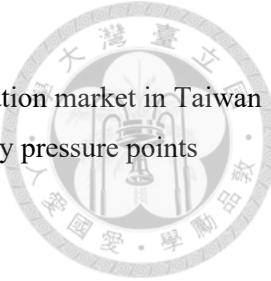
Mass-market, high-volume platforms like 51Talk, VIPKid, TutorABC, and DaDaABC operate large-scale online learning marketplaces, employing thousands of teachers to deliver cost-effective, accessible English instruction. These platforms leverage mature technological systems and flexible scheduling to ensure affordability and convenience, appealing to price-sensitive customers. However, their focus on high-volume operations compromises personalized learning and teacher continuity, with TutorABC's Academic Director noting, "We market ourselves as flexible... but it's not always guaranteed that their preferred teacher will be available" (Academic Director, TutorABC, personal communication, May 13, 2025). High teacher turnover, often involving part-time or unqualified instructors, further weakens student rapport. These platforms mostly prioritize affordability, convenience, and class availability, with TutorABC leaning into premium with some of its pricing options. The focus of these platforms on volume and scale give The New School the opportunity to differentiate through consistent, high-quality instruction and teacher continuity.

Premium Priced Online Tutoring Services (One-on-One)

Platforms like iTalki, Preply, Cambly, and Palfish offer one-on-one instruction, allowing students to select preferred tutors and schedules for a highly personalized learning experience. These platforms excel in customization, catering to individual needs and flexibility, but their lack of a standardized curriculum and long-term progress tracking limits continuity, as TutorABC's Academic Director noted: "You might want to consider how you will assess student progress online... it's very difficult without a comprehensive Learning Management System" (Academic Director, TutorABC, personal communication, May 13, 2025). Teacher quality varies widely, and high-quality tutors command premium prices, making affordability a challenge. Focused on customization and flexibility, these platforms create opportunities for The New School to differentiate with consistent, curriculum-driven instruction and better progress tracking.

2.3.2 Industry Analysis using 5 Forces

Applying Porter's Five Forces Framework (Porter, 2008), the online English education market in Taiwan is structurally challenging and highly competitive. The summary below outlines key pressure points facing new entrants like The New School (for a detailed analysis see Appendix B).



Competitive Rivalry – High

Major platforms compete on price, convenience, and aggressive marketing. Brand loyalty is limited, and churn is high.

Threat of New Entrants – High

Entry barriers are low. Many platforms require minimal credentials, and social media enables fast brand-building. Differentiating on quality alone is difficult.

Bargaining Power of Suppliers – Medium to High

Strong teachers are in short supply and hold bargaining power. Loyalty is low, and top performers often move to higher-paying or private arrangements.

Bargaining Power of Buyers – Very High

Parents have many options, do extensive research, and switch providers quickly if expectations aren't met. Price sensitivity and outcome-orientation are key.

Threat of Substitutes – High

Families can turn to free videos, AI tools, self-study apps like Duolingo, traditional cram schools, or private tutors, and often at lower cost.

While the industry overall presents significant headwinds, The New School may still find strategic opportunity by focusing on a premium niche segment underserved by volume-driven platforms.

2.3.3 Key Competitor and Strategic Positioning

Most Direct Competitor: TutorJr

Among online and hybrid English language learning providers in Taiwan, TutorJr represents our most direct competitor. TutorJr operates as an online-native platform targeting children ages 6–18, offering

structured long-term programs aligned with CEFR levels¹ and supported by Oxford University Press EFL textbooks *Let's Go* and *Oxford Discover*. Their packages include both one-on-one and small-group instruction over 24-month terms, with lesson bundles and monthly installment options. Like our school, their stated focus is on progression and skill-building, not just conversation or homework help.



Figure 2.3.2. TutorJr pricing tiers and program structure for 牛津成長班 (Oxford Growth) and 牛津領航班 (Oxford Leadership) packages

Source: *TutorJr promotional material, retrieved from product overview (May 2025)*

Key Features of TutorJr's Model

- Long-term contracts: 24-month programs with bundled class packages
- Short sessions: 25-minute classes to reduce teacher cost and maintain child focus
- Mixed delivery: Combination of 1-on-1 sessions and group masterclasses
- Upfront incentives: Discounts and bonus classes for full-payment customers
- Brand-driven content: Oxford Discover, Let's Go, and Disney-licensed materials

¹ *The Common European Framework of Reference for Languages (CEFR) is an internationally recognized standard for measuring language proficiency across reading, writing, listening, and speaking. It includes levels from A1 (beginner) to C2 (proficient).*

- AI progress tracking: CEFR-aligned visuals used to monitor and display learning levels



Strategic Takeaways

- The model is designed for contract-based volume, relying on:
 - Parental willingness to pre-commit
 - Smoother cash flow through long-term plans
 - Brand recognition and bundled perks to justify premium pricing
- Teacher identity and continuity are de-emphasized; value is delivered through content, structure, and perceived progress
- Mixing formats (live, group, and pre-recorded) allows scalable delivery while maintaining a premium image

2.3.4 Insights from TutorABC's Academic Director

An interview with the Academic Director of TutorABC, the leading online English provider targeting 80% Taiwanese customers and the parent company of TutorJr, provided critical insights into competitive dynamics and opportunities for The New School's online transition.

TutorABC emphasizes scheduling flexibility, allowing students to rebook preferred teachers, but struggles to maintain teacher continuity, a key retention driver. This creates an opportunity for The New School to differentiate through consistent, long-term teacher-student relationships, aligning with parent preferences for trust and quality.

The director noted challenges in delivering writing instruction online, requiring intensive personalized feedback, which poses a scalability hurdle for fully online models. Addressing this challenge may involve balancing personalized feedback with scalable methods such as small-group instruction or AI-assisted tools.

TutorABC's scale mitigates currency-related teacher costs (most clients pay in NTD, most teachers are in America or Canada and paid in US or Canadian dollars), a potential challenge for smaller operations like The New School, necessitating a lean cost structure and a focus on hiring local talent.

Additionally, the director highlighted the need for a robust Learning Management System (LMS) to track progress effectively, an area where TutorABC struggles. Investing in a lightweight LMS could strengthen The New School's ability to monitor progress and build parent trust, but it requires careful resource allocation given the limited operational scale.

These insights underscore the potential for a boutique provider to compete by offering premium, relationship-driven instruction in a market dominated by high-volume platforms (see Appendix Q for full interview transcript).

3. Business Model & Value Proposition



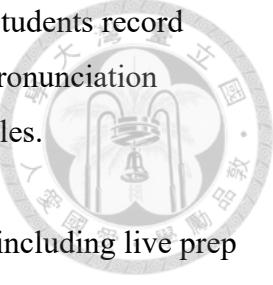
3.1 Business Model Overview

Our program transitions from a physical to an online model through a hybrid approach, running offline and online classes in parallel for six months before fully shifting online. It offers a flexible, high-quality alternative to traditional cram schools and impersonal online platforms, combining expert instruction, a proven curriculum, and thoughtful parent communication.

3.1.1 Core Benefits for Parents and Students

Subscribers to our service receive:

1. Live, teacher-led online classes (2–3x per week) delivered in small groups or 1-on-1 by certified native-speaking teachers trained in teaching young learners.
2. A structured curriculum designed and evolved by expert educators, aligned with the CEFR and Cambridge YLE assessment standards. Our head teacher and curriculum developers have 20+ years of industry experience, MAs in Education from UCL's Institute of Education, and are certified Cambridge and IELTS examiners. Therefore, international benchmarks and standards are built into every stage of the curriculum.
3. Personalized learning materials that go beyond the screen. Each student receives a packet with physical worksheets and resources to promote hands-on learning: drawing, brainstorming, writing, and reading with real texts.
4. Clear learning progression mapped to the number of hours studied, with milestone targets and regular check-ins.
5. Targeted assessment and feedback, including:
 - a. Periodic written and oral evaluations with individualized progress reports.



- b. A custom phonics and speaking assessment program, where students record vocabulary and reading passages; teachers provide targeted pronunciation feedback based on fluency, clarity, and mastery of phonics rules.
- 6. Optional exam preparation courses for Cambridge YLE and IELTS, including live prep classes and asynchronous guided video modules for independent study.
- 7. Optional STEAM courses where students engage in hands-on learning activities like art, science, and engineering - a very popular course option with our current clients.

3.1.2 Solving Key Pain Points

Our approach directly addresses the most pressing concerns raised by parents in our exploratory research:

Convenience and Flexibility

Parents consistently voiced a desire to eliminate commuting and better align learning with their family's schedules. Our model offers multiple time slots and structured online classes that make high-quality English learning more accessible and less disruptive to daily routines.

Quality and Trust

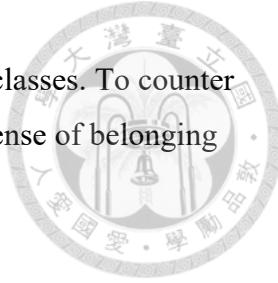
A recurring frustration with other platforms was the lack of teacher consistency, which undermines progress and accountability. We address this by fostering long-term relationships between students and dedicated teachers who understand each learner's trajectory. This consistency builds trust and distinguishes us from volume-driven competitors.

Structured Learning and Clear Progress

Parents emphasized the importance of clear learning objectives and visible progress tracking. Our curriculum is designed to meet these expectations through a structured, goal-oriented approach that emphasizes communication, collaboration, and confidence-building. Progress is tracked using CEFR-aligned benchmarks, providing families with consistent, measurable feedback on their child's development.

Community Feel

42% of parents are concerned about the lack of social interaction in online classes. To counter this, we maintain stable class groupings, fostering peer connections and a sense of belonging while preserving our school's community-oriented ethos.



3.1.3 Sustainability and Scalability

Sustainability is rooted in substance: our programs are built on internationally recognized frameworks (CEFR, Cambridge YLE) and driven by best practices for young learners. Demand for high-quality online education continues to rise, especially among discerning parents who reject one-size-fits-all platforms.

Scalability is made possible through:

- Thoughtful system design that allows teachers to deliver excellent instruction at scale.
- Digital tools that enhance rather than replace student-teacher interaction.
- Smart hiring and training of like-minded educators committed to long-term development.
- Strategic marketing: leveraging word-of-mouth referrals, parent testimonials, and targeted outreach to grow our online reputation beyond the existing client base.

3.2 Service Offerings

Our online English program is built to deliver a structured, high-quality learning experience tailored to the needs of young learners and their families in Taiwan. The service consists of two core pillars: Live Online Classes and Self-Paced Digital Learning, both supported by robust assessment tools and parent communication. Below I will discuss Live Online Instruction, Ongoing Assessment and Family Communication, and Supplemental Offerings such as asynchronous self-paced learning options.

3.2.1. Live Online Instruction (Core Offerings)

Live core classes form the foundation of the program. Families can choose from:

1. Small Group Classes (4–6 students)

These interactive sessions promote collaboration, communication, and engagement.

Classes meet 2–3 times per week and follow a level-specific progression based on CEFR standards (pre-A1 to B1+).



2. Private 1-on-1 Classes

A personalized, premium option ideal for learners preparing for exams or needing individual pacing and attention.

We also offer specialized classes, including:

- Phonics Foundations – For early learners or those needing a stronger reading foundation. Focuses on phonemic awareness, blending, decoding, and pronunciation through engaging activities.
- Cambridge & IELTS Prep – Starters (pre-A1), Movers (A1), Flyers (A2), KET (A2+), PET (B1-B2), plus IELTS (B1+) with trained examiners
- STEAM English – project-based classes integrating science, art, and critical thinking - always popular because of the engaging content and integrated hands-on activities

Features of Live Online Instruction:

- Delivered by certified, native-speaking teachers trained in working with young learners
- Lessons follow a carefully designed curriculum using in-house materials and adapted Cambridge/Oxford resources
- Each student receives a printed learning packet/physical text to reinforce off-screen activities (drawing, writing, reading with real texts)
- Placement diagnostic conducted before enrollment to identify each student's level and learning needs
- Formative assessment built into each lesson cycle, with regular teacher feedback and adjustments
- Use of AI tools to adapt lesson content to match each group's skill level and learning pace and ensure material is neither too easy nor too difficult, but at the right level to help each student grow

3.2.2 Ongoing Assessment & Family Communication

We prioritize transparency and shared goals between families and teachers. Our assessment system includes:



- Ongoing tracking of skills in speaking, listening, reading, writing, phonics, and spelling
- Progress reports at the end of each unit (lesson package), including teacher feedback on:
 - Skill development
 - Attitude and participation
 - Suggestions for improvement and future goals
- Regular communication with parents through email and platform updates, so they can support their child's learning at home
- A custom phonics and pronunciation assessment tool, where students record vocabulary and short texts; teachers provide specific feedback on fluency, clarity, and pronunciation accuracy

3.2.3 Self-Paced Digital Learning (Supplemental Offering)

To support continued practice between live sessions, students gain access to:

- ²Raz Kids leveled readers to build fluency and vocabulary
- Interactive review modules for phonics, vocabulary, grammar, and listening
- Cambridge YLE & IELTS Prep videos and guides created by our head teacher
- Printable worksheets and optional homework tasks to reinforce classroom learning

3.3 Revenue Model

Our revenue model is designed to provide predictable income through term-based enrollment while offering flexibility for new families and high-value add-ons for those seeking customized learning paths. The model is structured around three primary components: the core program,

² Raz-Kids is an online platform that offers leveled e-books and quizzes designed to support reading fluency, vocabulary development, and comprehension in early learners.

modular courses, and private or supplemental options. It balances Taiwan's parental preference for structured programs with the flexibility modern families increasingly require.

The model consists of three main revenue-generating components:

1. **The Core Program:** A term-based system aligned with the school calendar
2. **Modular Courses:** Short, intensive courses that serve as entry points or skill boosters
3. **Private Lessons & Add-Ons:** Personalized and supplemental services for high-touch support or exam preparation

3.3.1 Core Program Structure

The Core Program is our primary offering and is designed around long-term enrollment and measurable progress. Each term is built around 40 live online classes, delivered over ~20 weeks (2 classes per week).

Students are grouped by level and age, with class durations adapted to attention span and cognitive development. Each term consists of 8 learning units (5 classes each), aligning instructional design with practical and marketing considerations.

- **Grades 1–2:** 35-minute sessions
- **Grades 3–4:** 45-minute sessions
- **Grades 5–6:** 1-hour sessions
- **Teens (KET, PET, IELTS):** 1.5-hour sessions

This results in approximately 20 to 60 total hours of instruction per term, depending on student level. The term structure ensures a commitment from families while enabling consistent planning and teaching quality. Parents may pay the full term in advance or opt for a monthly installment plan. A small early-bird discount is offered to encourage early commitment.

3.3.2 Modular Courses

To provide entry points for new students and supplemental learning opportunities for current ones, we offer a series of short-format mini modules. Each module consists of five classes delivered over two weeks. These include:

- **Phonics Bootcamp** (30-minute classes): for early readers or those needing extra decoding practice
- **Cambridge Exam Prep** (45–90 minutes): available for Starters through IELTS, depending on level
- STEAM English** (45 minutes): interdisciplinary projects integrating science, technology, and language



Modules are billed separately on a per-course basis and provide flexibility for students who want to trial the program or target specific skills.

3.3.3 Private Lessons and Add-Ons

Families seeking additional support can purchase packs of 1-on-1 private lessons, typically in bundles of 5 or 10. These are ideal for personalized exam preparation, speaking reviews, or academic support. We also offer supplemental add-ons, such as:

- Speaking review sessions using our custom phonics/pronunciation recording system
- Writing workshops or test simulations
- Parent-teacher consultations for personalized progress discussions

These services are billed individually or as small bundles and serve to enhance the core learning experience.

3.4 Pricing Structure and Strategic Rationale

The core program is organized by student level, with class durations and frequencies tailored to developmental needs. This structure ensures consistency in total instructional hours across age groups while supporting a simplified and scalable pricing framework.

Grades 1–2

Class Length: 35 minutes

Classes per Week: 3

Total Classes per Term: 60 (over 20 weeks)

Total Instructional Time: 35 hours

Tuition: NT\$26,000 per term (equivalent to NT\$5,200/month)



Younger learners benefit from shorter, more frequent sessions to maintain attention and motivation. This schedule helps establish effective routines and provides regular interaction, while aligning their instructional time with older cohorts.

Grades 3–4

Class Length: 60 minutes

Classes per Week: 2

Total Classes per Term: 40 (over 20 weeks)

Total Instructional Time: 40 hours

Tuition: NT\$28,000 per term (equivalent to NT\$5,600/month)

This stage marks a shift to structured academic engagement. Longer classes support foundational skills development across listening, speaking, reading, and writing, with curriculum aligned to Cambridge YLE Starters and Movers benchmarks.

Grades 5–6 (Flyers, KET Preparation)

Class Length: 60 minutes

Classes per Week: 2

Total Classes per Term: 40

Total Instructional Time: 40 hours

Tuition: NT\$28,000 per term

Students at this level engage with more complex tasks in preparation for CEFR intermediate exams. Instruction is structured to ensure integrated skills development and long-term retention.

Teens (PET, IELTS Preparation)

Class Length: 120 minutes

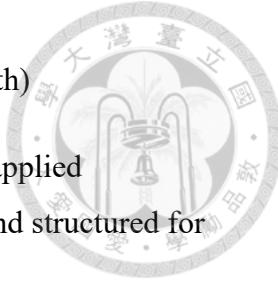
Frequency: Once per week

Total Classes per Term: 20

Total Instructional Time: 40 hours

Tuition: NT\$28,000–30,000 per term (equivalent to NT\$5,600–6,000/month)

Teen learners benefit from longer sessions focused on exam readiness and applied communication. Classes are led by experienced exam-focused instructors and structured for measurable progress.



3.4.1 Strategic Rationale and Positioning

Our pricing strategy reflects our positioning as a premium, outcomes-driven English program. While we offer small group instruction and certified educators, our pricing also signals the educational value we deliver through structured CEFR progression, parent engagement, and long-term teacher-student relationships.

For comparison purposes, average per-class costs are as follows:

- **35-minute classes (Phonics, Grades 1–2):** NT\$425–475
- **60-minute classes (Grades 3–6, KET):** NT\$575–600
- **120-minute classes (PET, IELTS):** NT\$650–700

These per-class estimates correspond with full-term tuition tiers ranging from NT\$26,000 to NT\$30,000. The consistency in instructional hours across age groups supports equitable learning outcomes and simplifies the pricing framework for families.

In contrast to major competitors who rely on lower-cost, higher-turnover staffing, we emphasize:

- Stable, long-term teaching teams
- Transparent progress tracking and regular feedback
- A clear CEFR-aligned curriculum
- A school culture rooted in trust and accountability

This supports premium pricing by emphasizing long-term learning outcomes and parental peace.

3.4.2 Payment Flexibility and Incentives

To support enrollment and reduce commitment anxiety, we offer:

- A low-friction trial pathway (5 or 10 class bundles)
- Monthly or term-based installment options
- A NT\$500 early-bird discount for on-time registration
- Sibling and multi-term enrollment incentives



Each term consists of 8 learning units (5 classes per unit), with printed learning packets and personalized progress reports provided at no additional cost.

These pricing tiers serve as the foundation for the revenue estimates and breakeven scenarios detailed in Section 7.2, ensuring alignment between strategic design and financial modeling.

3.5 Teacher Incentives & Retention Model: “You Teach, You Own”

Teacher quality and continuity are central to The New School’s value proposition. To operationalize this, we will implement a structured incentive track called “You Teach, You Own,” designed to recognize and retain our highest-performing educators while reinforcing our values of consistency, care, and long-term student development.

Rather than relying on freelance instructors or short-term contracts, we invest in building a professional teaching community. Educators are not treated as temporary labor but as strategic contributors to our long-term success.

Structured Growth & Incentive Pathway

The program is built around a three-tier teacher development track, with clear milestones for advancement and increasing benefits at each level:

Tier 1: Core Teacher

- Profile: New or part-time instructors who meet entry-level qualifications and complete our onboarding process.
- Compensation: Standard hourly rate.
- Expectations:
 - Deliver high-quality instruction
 - Participate in internal training and observations

- Demonstrate professionalism and reliability

Tier 2: Lead Teacher

- Profile: Experienced educators who demonstrate strong student retention, positive feedback, and internal leadership.
- Compensation:
 - Elevated hourly rate
 - Optional bonuses for mentoring new staff, materials development, or special projects (i.e. ad campaigns, online video content)
- Expectations:
 - Participate in training, onboarding, and feedback processes
 - Contribute to curriculum or school initiatives
 - Demonstrate long-term commitment to program excellence



Tier 3: Partner Teacher

- Profile: Long-term, mission-aligned teachers who consistently exceed performance expectations and contribute to school development.
- Compensation & Benefits:
 - Premium hourly rate
 - Quarterly profit-sharing bonuses, based on student impact and course revenue
 - Public recognition (e.g., school website, onboarding materials)
 - Priority scheduling and leadership input
- Eligibility Criteria:
 - 3+ years of tenure
 - Consistently high retention and feedback scores
 - Contributions to events, curriculum, or professional development
 - Engagement in strategic initiatives or mentorship

Strategic Rationale

This model supports our business in four key ways:



1. **Differentiation:** No major online competitor offers a dignified, career-oriented track for educators with performance-based incentives.
2. **Retention:** It reduces turnover by giving top teachers a reason to commit long-term.
3. **Quality Assurance:** Partner Teachers are invested in maintaining instructional standards, student progress, and school reputation.
4. **Cultural Buy-In:** Teachers become part of a shared mission, contributing to more authentic relationships with both students and families.

By embedding this model into our business operations, we ensure that our most critical asset - the teachers - are invested, and empowered. It also allows us to address one of the critical problems most if not all online language programs face in a productive way that aligns with our business' core values.

4 Marketing and Customer Acquisition Strategy



4.1 Brand Strategy and Positioning

Applying Kotler's STP framework, our strategy clearly defines our target market, value proposition, and differentiation within the competitive online English education landscape.

4.1.1 Customer Value Offer

Our value proposition is focused on providing structured, small-group online English classes that extend The New School's proven offline approach into the digital realm. Unlike other online platforms that prioritize flexibility and convenience, we provide that while also emphasizing consistent teacher relationships, milestone-based progress tracking, and structured, CEFR-aligned learning pathways.

- Structured Group Learning: Our classes are small (4-6 students), allowing for targeted instruction, peer interaction, and ongoing teacher feedback. This structure ensures students are part of a learning cohort that progresses through structured curriculum units, enhancing accountability and long-term skill development.
- Education Partner: Beyond coursework, we position ourselves as a trusted partner in each child's language journey. This includes regular progress updates, personalized feedback, and bi-monthly parent-teacher meetings to discuss student development, goals, and potential adjustments. This relational focus differentiates us from mass-market platforms that lack personalized support and continuity.

4.1.2 Points of Differentiation (PODs) and Points of Parity (POPs)

Points of Difference (PODs):

- Instructional Continuity System: Our model assigns each student to a core teaching team that shares responsibility for their progress. This continuity addresses a significant pain point identified in both our parent survey and TutorABC interview: the disruptive impact of rotating teachers. 'Teachers should be consistent, and there should be a clear course

schedule,' noted a parent respondent. In contrast to TutorABC, which struggles with teacher continuity, we integrate this system to build lasting teacher-student relationships that support individualized learning plans.

- Trust Infrastructure: Our existing offline model has served over 160 families with a verified 82% retention rate. This trust is leveraged in the online model through targeted onboarding, where parents are invited to participate in orientation sessions and trial classes. Consistent communication through LINE and email maintains a familiar, accessible point of contact.
- Curriculum Integration: Our CEFR-aligned curriculum transitions seamlessly from phonics to advanced levels (Starters to PET), allowing parents to track progress using standardized benchmarks. 'How to evaluate learning outcomes,' one parent noted in the survey, emphasizing the demand for clear, measurable progress.

Points of Parity (POPs):

- Online Convenience: We provide digital learning materials, flexible scheduling, and trial classes similar to competitors.
- Tech Integration: Zoom and AI analytics are used for real-time assessment and progress tracking, aligning with market expectations.

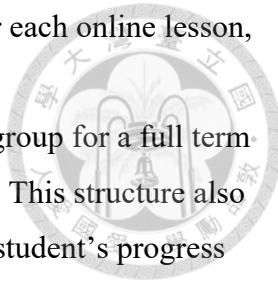
4.1.3 Cultural Alignment with Taiwanese Parental Values

Our market research indicates that Taiwanese parents value education providers that align with their educational philosophy, cultural values, and long-term goals for their children.

- Trust and Referral Culture: Currently, 58% of our students enrolled through direct parent referrals. To leverage this in the online model, we will implement monthly parent update meetings via Zoom and bi-monthly progress reports to maintain transparency and build relational capital.
- Academic Progress with a Human Touch: To balance academic rigor with student engagement, courses will incorporate gamified learning units to sustain interest, particularly for younger learners. For example, the Phonics Jumpstart course includes interactive quizzes and digital badges to motivate consistent practice. Teachers will write

a brief message to parents in the online “communication book” after each online lesson, updating the parent on the child’s learning, attitude, and progress.

- Community and Belonging: Students will remain in the same class group for a full term (10 weeks), fostering a sense of community and peer accountability. This structure also allows teachers to provide personalized feedback and monitor each student’s progress closely.



4.2 Ideal Customer Profiles

Our primary target market consists of parents seeking structured, predictable English instruction that balances academic outcomes with student well-being. These families are characterized by:

- Preference for consistent teacher relationships (e.g., 64% of surveyed parents indicated frustration with rotating teachers).
- Interest in academic benchmarks such as CEFR levels and Cambridge Exams.
- Willingness to pay a premium for high-quality, small-group instruction (32% of surveyed parents expressed openness to higher fees for better teacher continuity).

This reflects a “Jobs to Be Done” lens (Christensen et al., 2016): families are not just buying online English. They are hiring a school that can:

- Keep their child engaged
- Provide measurable growth
- Reinforce family values
- Offer personal trust and continuity

Understanding this “job” helps us shape not only our marketing but also our operations, from teacher continuity and class grouping to how we report student progress and communicate with parents. This insight forms the foundation of our positioning and product design throughout the business model.

4.2.1 Strategic Segmentation Approach

We divide our market using a needs-based segmentation model, supported by behavioral and psychographic cues. This goes beyond standard demographics to reveal underlying motivations and anxieties.



Primary Segmentation Dimensions:

Behavioral

- Parents seeking Cambridge certification or CEFR-aligned progression
- Parents who expect regular feedback and transparent communication
- Families frustrated by inconsistent teacher assignments and classroom cohesion

Psychographic

- *Progressive traditionalists*: value results, but through motivating, emotionally healthy methods
- *Community seekers*: prioritize values alignment, cultural fit, and shared educational ethos
- *ROI-driven decision-makers*: assess programs based on progress transparency and long-term value

Situational “Jobs to Be Done”

- “I need my child to stay engaged and make measurable progress within structured, predictable time blocks.”
“I want my child to feel proud and confident using English in real-world situations.”
- “I want trusted educational guidance, not just access to available tutors.”

4.2.2 Expansion via Digital Reach

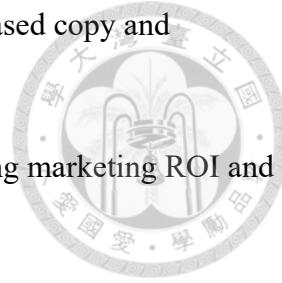
As we move online, our ability to serve new segments increases dramatically. We are no longer limited by geography and can reach families that share our values across Taiwan and abroad.

Digital tools allow us to:

- Reach like-minded families in new districts (via geo-targeted Facebook and Google Ads)

- Tailor messaging to each segment's job-to-be-done using insight-based copy and campaigns

This approach enables cleaner segmentation and tighter targeting, improving marketing ROI and creating stronger message-market fit.



4.3 Marketing Channels and Implementation

Our marketing strategy prioritizes digital channels that align with Taiwanese parents' media consumption habits. Key initiatives include:

- Paid Social Media Ads: 3-month Facebook and Instagram campaign targeting parents aged 30-45 with children in primary and middle school. Estimated budget: NT\$30,000/month.
- Referral Program: Incentives for existing parents to refer new families, offering a NT\$500 discount for successful enrollments.
- Email and LINE Campaigns: Bi-weekly emails highlighting student success stories, trial class offers, and limited-time early-bird discounts.

4.3.1 Community Channels: Referral Programs & Ambassador Families

Based on our brick-and-mortar school data, referral marketing has been a consistently strong acquisition channel, with 58% of current families enrolling through direct recommendations and 90% reporting high satisfaction with our services.

We will build on this foundation in the online model through:

- **Referral Incentive Program:** NT\$500 tuition credit per successful referral, capped at NT\$1,500 per term. Target: 10 new enrollments per term, leveraging our existing base of 160 families.
- **Ambassador Families:** 5–10 families with 3+ years of enrollment will share testimonials via LINE, Facebook, and monthly newsletters.

These initiatives capitalize on established parent trust to drive new enrollments while reinforcing our community-centered brand identity.



4.3.2 Owned Media: Website, Google Business Profile, Newsletters

Our owned platforms serve as high-trust spaces where parents can explore, evaluate, and stay engaged:

- Our website will clearly communicate our programs structures, outcomes, pricing, and onboarding steps, and will be optimized for trial sign-up conversion.
- Our Google and Meta Business profile enhances local visibility and social proof through verified reviews and parent-submitted photos.
- We maintain engagement through LINE and email newsletters, which provide updates, spotlight student progress, and share learning tips.

Together, these platforms support self-driven research and offer continuity throughout a parent's journey with our program.

4.3.3 Partnerships: Schools, Local Influencers, and Events

We can build online brand familiarity and peer trust through selective partnerships:

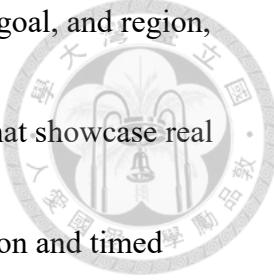
- With local kindergartens and schools, we co-host workshops or trial events.
- Through parenting influencers and micro-creators, we can offer authentic program exposure to like-minded families.
- We can maintain a light presence at education fairs and family events, ensuring parents encounter our brand in settings they trust.

These partnerships increase our presence in the early evaluation stage and expand our reach in culturally aligned ways.

4.3.4 Paid Media: Facebook, Instagram, YouTube, and LINE

To scale reach and generate new leads, we will use targeted paid media that supports both discovery and conversion:

- Facebook and Instagram campaigns are segmented by age, learning goal, and region, optimized for trial sign-up.
- YouTube videos with short class previews and parent testimonials that showcase real teaching and student results.
- LINE Ads reach parenting communities, reinforcing brand recognition and timed promotions.



Ad performance will be monitored to adjust creative and messaging to match parental concerns and seasonal intent.

4.4 Promotions & Awareness Strategy

Promotions are designed to lower enrollment friction and build early trust, without resorting to broad discounting. Our promotional efforts align with key points in the decision cycle: trial participation, post-trial enrollment, and term-to-term re-engagement.

4.4.1 Free Trial Campaigns

The trial class is a pivotal decision moment. To deliver a meaningful experience:

- Students are placed in real classes (not demos) with appropriate peers.
- A diagnostic consultation is conducted before placement to ensure the student is a good fit for the trial class and the trial class teacher is aware of the student's level, personality, past learning experiences etc.
- Post-trial, parents receive feedback and personalized recommendations, supported by follow-up from a program manager.

This structure allows families to experience both the academic value and the human relationships that define our program.

4.4.2 Referral-Based Incentives

We offer NT\$500 tuition credit for every successful referral, with limited-time double incentives during peak terms.

4.4.3 Early-Bird Enrollment & Bundle Discounts

We use structured pricing to support long-term commitment:



- Early-bird discounts (NT\$500) reward families who commit prior to the enrollment deadline.
Bundle pricing is available for multiple children or term combinations.
- Monthly and term-based payment options support flexibility.

These offers reinforce forward planning without undercutting premium positioning.

4.4.4 Content Marketing: Testimonials, Student Work, Educational Blog

Content serves both prospective and enrolled families:

- Testimonials and student showcases provide evidence of outcomes and care.
- Blog content (e.g., “Easy ways to use English at home”, “When to take Cambridge Exams?” or “The best games to improve spelling”) addresses common questions and support parents.
- Seasonal articles and study tips are shared via email and social media to build ongoing engagement.

This content is intended to help parents evaluate, learn and share our commitment for learning together.

4.5 Conversion & Retention Funnel

We structure our conversion funnel as a relationship-driven process, with key touchpoints designed to build trust, provide visibility into progress, and create a sense of shared commitment between families, teachers, and managers.

4.5.1 Trial Conversion and Engagement Funnel

Our five-stage conversion journey includes:

1. Trial: Families sign up after a diagnostic consultation and are placed into ~~real~~ classes, not demo sessions.
2. Feedback: After the trial, they receive written feedback and a clear placement recommendation, including course structure and outcomes.
3. Enrollment: Parents are guided through a streamlined enrollment flow with options based on student needs and scheduling fit.
4. Engagement: Communication systems, weekly teacher comments, and monthly feedback rituals build trust and show tangible progress.
5. Referral: Satisfied parents are encouraged to share their experience through structured referral programs and community recognition.

This process ensures that the value families experience is both immediate and reinforced over time.

4.5.2 Communication and Feedback Tools

Our communication system is designed to make parents feel informed, included, and aligned with their child's progress.

- LINE is used for weekly updates, reminders, and one-on-one support.
- Weekly teacher comments summarize participation, focus, and key observations for each student.
- Monthly pronunciation feedback is gathered through a short student-submitted reading video. Teachers evaluate students on features such as volume, clarity, fluency, and accuracy. Parents receive a scored form with comments and suggestions for reinforcement at home.
- Progress reports (mid- and end-of-term) combine CEFR skill benchmarks with narrative feedback and placement suggestions.
- Internal dashboards are used by managers to track performance, flag disengagement, and anticipate churn.

Together, these systems allow for consistent messaging and proactive engagement, improving both parent satisfaction and learning outcomes.



4.5.3 Retention Tactics and Loyalty Building

To foster loyalty and reduce churn, our program employs targeted retention strategies. Teaching teams maintain continuity across online and offline models during the hybrid transition, using shared notes and progress tracking. Early re-enrollment cycles, with reminders 2–3 weeks before term end, offer early-bird incentives. Manager-parent touchpoints address concerns and gather feedback. Student milestones, like Cambridge exam results or project showcases, are celebrated with parents and the community. Referral programs, including LINE shoutouts and ambassador family recognition, strengthen engagement. These tactics create a loyalty loop, reinforcing satisfaction and commitment to our brand.

4.6 Building Trust with First-Time Families

While teacher continuity and reputation have anchored trust with existing families, new parents encountering us for the first time online require a different approach. We implement a *Trust-First Onboarding Framework* that emphasizes relational warmth, teacher visibility, and personalized engagement.

The journey begins with a live consultation between the family and a senior teacher, focused on learning goals and placement. Families can preview instructor style through short video bios and participate in a real trial class with their likely cohort and teacher. Afterward, they receive personalized feedback and a proposed study plan. We also discuss long-term learning goals and best practices in education and child development, offering honest guidance, even if our program is not the ideal fit. Trust and credibility online are built through integrity. Every interaction must offer genuine value. Unlike mass-market platforms, our approach reframes onboarding as the beginning of a long-term relationship. We extend our brand promise of quality, care, and connection to those who haven't yet set foot inside our school.

5. Operations and Execution Plan



5.1 Phased Transition Plan

Transitioning from a fully physical English learning center to a scalable online model requires a carefully phased strategy that protects existing customer trust, preserves revenue streams, and builds credible momentum for the new offering. This plan is closely aligned to our operational calendar, utilizing the quieter summer months for preparation and early validation activities.

Based on strategic change management frameworks, customer loyalty literature, and real-world transition case studies, the following four-phase approach is proposed: early trial class launch during summer camp (July–August 2025), optional migration for older students during the Fall 2025 semester, structured brand communication in early 2026, and full operational consolidation by mid-2026. This staged pathway balances customer retention, internal readiness, and competitive positioning as we evolve toward a premium online education model.

5.1.1 Phase 1: Early Validation and Internal Learning (July–August 2025)

We will maintain full in-person operations while introducing hybrid features during the summer camp period (July–August 2025), such as online grammar review classes for older students (replacing free in-person add-ons constrained by physical locations) and phonics enhancement sessions for younger students (new value-adds to build familiarity with online learning). These features, offered at promotional rates or as value-added services to existing families, aim to:

- Gather performance data on online delivery and outcomes.
- Collect testimonials to build trust and marketing assets.
- Train teachers to refine online practices without disrupting daily operations.
- Signal innovation to families without forcing immediate change.

Strategic Rationale: This minimizes disruption, creates early wins, and allows adaptation based on user feedback, aligning with strategic change management (Kotter, 1996).

Key Operational Anchors for Phase 1:

1. **May–June 2025:** Light marketing for “Special Summer Extension Programs” alongside demos and early-bird re-sign events.
2. **July 9th, 2025:** Semester ends; setup for summer camp and hybrid feature preparation.
3. **July 21–August 15, 2025:** Summer camp; run small-scale hybrid feature groups.
4. **August 15–September 1, 2025:** Pre-semester planning; review feedback, refine processes, prepare for Fall semester.



5.1.2 Phase 2: Controlled Migration of Older Cohorts (September 2025 – February 2026)

Following the validation and adjustment period in Phase 1, we will initiate a targeted online migration of older students (specifically Grades 5–6 and early teens) because they are developmentally ready for greater independence and academic focus. This phase serves two purposes: (1) to validate our online learning system under real operating conditions and (2) to build a portfolio of successful student outcomes that can be shared with the broader parent community during Phase 3 communications.

Key Operational Design:

- **Selective, Full-Term Migration:** Families in the target age groups will be invited to transition fully to online classes for the Fall 2025 term. This is not a trial or ad hoc experiment, but a complete and structured term-long experience with consistent scheduling, assigned teachers, and formal feedback systems.
- **Physical Classes Remain in Place:** Younger cohorts will continue attending their regular in-person classes without any change. We won’t be asking families to switch formats or make unexpected decisions during this period. That clarity is important—it helps parents feel secure and reduces the risk of confusion or premature withdrawal. We want families to know exactly what to expect.
- **Dedicated Staffing and Curriculum Alignment:** Online classes will be staffed by trained teachers using our CEFR-aligned digital curriculum, supported by synchronized planning and LMS usage to ensure high instructional quality.
- **Post-Enrollment Guidance:** Families who opt in will receive onboarding support, regular progress tracking, and scheduled teacher-parent check-ins to replicate the relational care that defines our physical model.



Strategic Rationale:

By clearly delineating this as an opt-in pilot for a select group—rather than introducing broad hybrid options—we avoid the confusion and operational burden of a dual model. This phased migration respects parent preferences while still advancing our long-term transition goals. It also allows us to test systems, gather feedback, and showcase measurable success.

Managing Expectations and Messaging:

We need to be clear and direct when communicating this phase. Parents should know that the school isn't closing. Most students will continue attending their usual in-person classes, and nothing will change for them during this time.

The online program is being offered as a full-term option for families who are ready for it. These classes will have the same consistent teachers, clear curriculum, and meaningful learning goals as our in-person program. The online format is optional, and those who opt in will receive dedicated support to make sure the experience is smooth.

5.1.3 Phase 3: Structured Communication and Brand Evolution (December 2025 – March 2026)

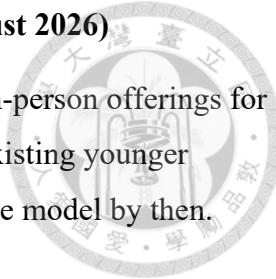
With early cohorts successfully transitioned, we will begin a systematic customer education and engagement campaign to prepare for wider adoption. This will include:

- Parent information sessions (in-person and online) to present online success stories, outcomes, and the roadmap.
- Testimonial-driven marketing across owned channels (LINE, website, newsletters).
- Progress dashboards and personalized feedback from online learners to show tangible learning outcomes.

Strategic Rationale: Transparency and emotional connection are critical in managing change. By showcasing early adopters' success, we create positive pressure for others to follow, while reducing anxiety and resistance among more cautious families (Bridges, 2009).

5.1.4 Phase 4: Full Transition and Strategic Consolidation (April–August 2026)

Assuming successful migration and positive sentiment, we will phase out in-person offerings for new enrollments by January 2026, maintaining limited offline classes for existing younger cohorts (Grades 1–4) until August 2027, with full consolidation to the online model by then.



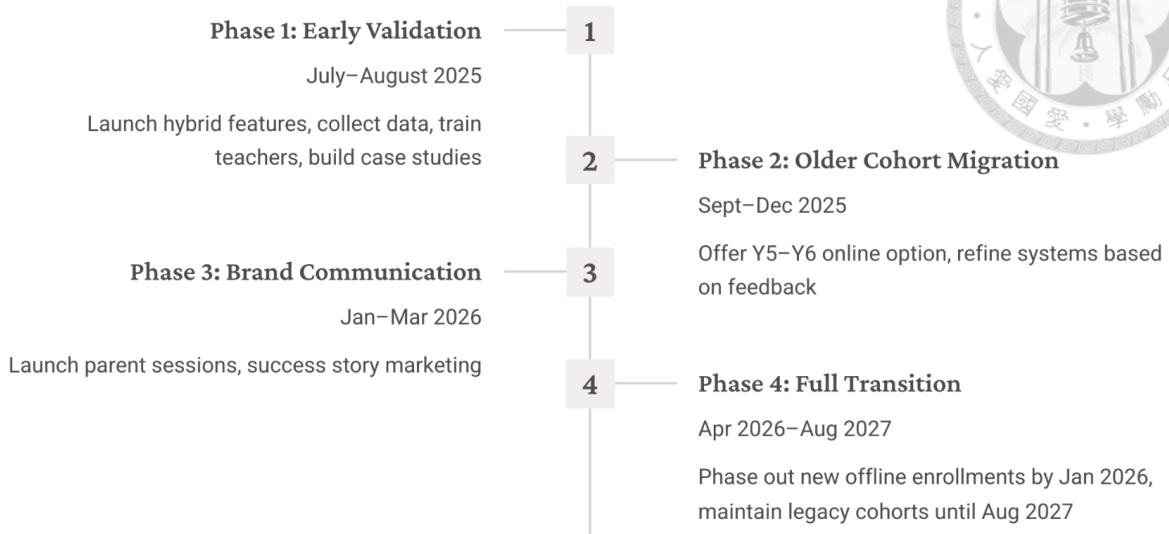
Strategic Rationale: This gradual tapering strategy ensures that long-standing customer relationships are respected, minimizes churn risk, and reinforces The New School's brand reputation for thoughtful educational stewardship. It prevents the disruption and backlash often seen in abrupt educational transitions, while allowing internal operations to scale online effectively.

Risk Management and Mitigation

Recognizing the inherent risks in any business model transition, the following safeguards will be built into the phased plan:

- Milestone checkpoints every 3–6 months to review customer satisfaction, trial uptake, retention rates, and financial performance.
- Flexibility to adjust pacing based on market response and internal capacity.
- Internal staff alignment initiatives including online teaching training, recognition of digital teaching successes, and incentives for early adoption among teachers.
- Ongoing customer sentiment tracking through surveys, feedback sessions, and manager check-ins to detect and address concerns early.

Phased Transition Timeline



Our timeline ensures a methodical shift to online learning. Each phase builds on previous successes. Early validation findings will inform our migration strategy for older students.

5.2 Hiring & Training Plan

5.2.1 Recruiting Experienced Online Teachers

Our value proposition rests on the quality and consistency of our teaching staff. According to the current customer survey outlined in Section 3.2.5, parents strongly associate teaching quality and continuity with overall concerns and needs for online learning. Specifically, parents emphasized the importance of (1) teacher consistency, (2) long-term continuity, and (3) ability to deliver engaging lessons in a digital format.

To meet these expectations, The New School Online will invest heavily in teacher recruitment, structured onboarding, continuous upskilling, and incentive alignment. At the heart of this strategy is our “You Teach, You Own” staffing model, described in Section 4.4, which encourages entrepreneurial accountability and instructional autonomy while creating a clear pathway to professional growth.

Our initial instructor pool will be personally recruited through my own professional network.

These educators will meet the following minimum criteria:



- Demonstrated experience teaching young learners (ages 5–16)
- Prior training or certification in internationally recognized programs such as TYLEC, Cambridge YLE, CELTA, or PGCE
- Commitment to high teaching standards, digital readiness, and continuous development
- Willingness to participate in agreed upon professional development

To ensure consistent instructional quality during the transition, I will serve as Head Teacher for the first full year of the online program. This mirrors my leadership role during the early years of The New School's physical operations, where I taught full time to establish clear quality standards and gain deep insight into student progress, family expectations, and operational bottlenecks.

During the migration period, we anticipate needing 4–6 teachers, depending on student uptake. While some current staff may choose not to transition online, we have a multi-layered recruitment strategy in place. This includes leveraging long-standing industry relationships across Taiwan, hosting training events to engage motivated early-career teachers, and participating in professional development networks that connect us with like-minded educators.

With over a decade of experience in hiring, retention, and team development at The New School, I bring a cautious and flexible approach to staffing. This includes planning ahead, building redundancy into hiring pipelines, and balancing continuity with new recruitment to ensure consistent instructional quality.

5.2.2 Upskilling Existing Staff for Digital Education

We recognize that transitioning seasoned instructors from in-person to online instruction requires targeted professional development and system-level support. Rather than a one-time training exercise, our phased, certification-based upskilling framework ensures instructional consistency, validates teacher capabilities, and reinforces our premium branding.

All instructors will complete the NILE “Teaching English Online” course, a 6-week asynchronous program covering digital classroom management and engagement strategies, mandatory before teaching live classes (see Appendix J for more information about online teacher certification). After six months, instructors may pursue the Trinity CertOT, a globally recognized credential unlocking promotion to Senior Instructor, with 50% subsidized tuition. Our OTMI Execution Plan targets 100% NILE certification by December 2025 and 50% CertOT by December 2026, supported by enrollment, advancement tracks, and performance-based promotions.

Strategic Alignment and Operational Significance: This plan ensures operational readiness for the Q1 2026 pilot, differentiates us in the online ESL market, supports staff retention, and aligns with our Balanced Scorecard’s Learning & Growth foundation, underpinning efficiency, customer value, and financial sustainability.

Strategic Alignment and Operational Significance

This hiring and training plan supports several key business outcomes:

1. Operational readiness for our Q1 2026 pilot and subsequent term rollouts
2. Differentiation in a saturated online ESL market through premium, certified instruction
3. Staff retention and continuity, which are directly tied to parent satisfaction and student outcomes
4. Alignment with our Balanced Scorecard execution model, specifically the Learning & Growth foundation that underpins internal efficiency, customer value, and financial sustainability

By investing early and deliberately in people, we ensure that every other layer of our business model from curriculum design to marketing rests on a stable, high-performing instructional base.

5.2.3 Basic Contracts and Commitment

To maintain quality control, ensure long-term instructional continuity, and support structured growth, our program issues fixed-term service contracts for online instructors, distinct from physical campus contracts to reflect remote work and platform-based delivery. These contracts

incorporate accountability and professional development provisions, outlining expectations for professional conduct, preparation, progress monitoring, and participation in training, meetings, and parent updates. This structured yet flexible model ensures quality, predictability, and teacher development, aligning with our commitment to consistent, engaging instruction and supporting scheduling clarity while offering instructors incentives to grow within our ecosystem.

5.2.4 Online Teaching Checklist

To maintain consistency in lesson delivery and uphold our instructional standards, all teachers are expected to follow a revised version of The New School's Teacher Checklist, adapted for online teaching. Teachers will get a copy and training on how to use it during onboarding.

This checklist will be integrated into onboarding, training, and performance reviews. The full checklist can be found in the Appendix K and will include a detailed SOP of what teachers need to do before class, at the start of lessons, during lessons, at the end of lessons, and after classes end. A rigorous class delivery SOP is necessary to maintain quality control and provide a consistent service across levels, classes, and teachers.

This checklist ensures that teachers uphold a consistent, student-centered, and engaging approach across all classes, even in a digital format. It complements our formal teacher evaluation framework and supports long-term learning outcomes.

5.2.5 Teacher Monitoring and Performance Management

To maintain instructional quality and build long-term trust with families, The New School Online will implement a structured and supportive teacher monitoring system. This system focuses on lesson delivery, not content development, which is reserved for more advanced teaching roles under the "You Teach, You Own" model.

- What is monitored**

Instructors are evaluated on live class performance, including classroom management, pacing, use of digital tools (e.g. screen sharing, breakout rooms), student engagement, and professionalism. These criteria are grounded in our Online Teaching Checklist

Teachers at the entry level are not expected to design curriculum or instructional materials; their focus is on effective and consistent delivery.



- **Why we monitor**

Monitoring ensures that our instructional promises are delivered consistently to every student. It also helps identify teachers who are ready to grow into mentorship, content development, and leadership roles. Most importantly, it reinforces parent confidence in the quality of our service, which is critical in an online learning environment.

How it works

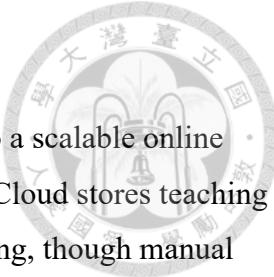
Class observations will be conducted through recorded Zoom sessions, beginning in the pilot term. Each teacher will be observed approximately once every three weeks. Reviews will focus on student interaction, pacing, teacher clarity, and adherence to checklist items. Feedback will be shared via short written summaries and optional coaching meetings with the Head Teacher. At the end of each term, a performance review will combine observation data with platform metrics (attendance, punctuality, and lesson completion).

Importantly, parent feedback will be integrated into this process. Mid-term and end-of-term surveys will include short questions about perceived teacher effectiveness, communication clarity, and child engagement. This provides a balanced, 360-degree view of teacher performance that reflects both internal standards and customer expectations.

Teachers who show consistent quality and strong parent feedback will be considered for promotion to Senior Instructor, with expanded responsibilities and compensation. Those requiring improvement will receive targeted support through coaching, peer observation, or additional training.

This system ensures that our focus on delivery quality is supported by both operational monitoring and direct customer insight, making it sustainable, responsive, and aligned with our long-term growth goals.

5.4 Technology Infrastructure



We aim to leverage lean, reliable technology to transition from a physical to a scalable online model, prioritizing student engagement and operational efficiency. Google Cloud stores teaching materials, Zoom delivers live classes, and gamification tools enhance learning, though manual processes hinder growth. LINE supports parent communication, while AI-driven feedback personalizes assessments. Planned upgrades include a lightweight Learning Management System (LMS) to automate tracking, a dedicated website for secure access and payments, and advanced parent communication tools. These align with enrollment targets and cost management, ensuring scalability. Appendix L details the technology stack and standards.

5.5 Compliance and Legal Readiness

As The New School transitions its physical operations to a digitally delivered service, ensuring full legal and regulatory compliance remains a top priority. Two key domains guide our readiness framework: local education policy under the Ministry of Education (MOE) and global standards for data protection and digital privacy.

5.5.1 Ministry of Education (Taiwan) Regulations Compliance

The New School Online is not positioned as a registered “補習班” (cram school) under MOE jurisdiction, as our online program does not conduct in-person instruction or operate a physical classroom space for regular teaching purposes. However, to maintain regulatory alignment and avoid reputational risk:

- All advertising and parent communication will clearly indicate that this is an online educational service, not a licensed MOE-registered school.
- Tuition is collected as a service fee for language instruction and support — not as official school tuition. Legal review ensures this distinction is maintained in contracts and invoices.

- Our business license and operations remain under the Small-Scale Business Taxpayer Regime (免用統一發票), with clear itemization of online teaching services for accounting and auditing purposes.
- We refrain from making public test score guarantees or claims of MOE-recognized certification unless explicitly approved by regulatory authorities.



We have consulted with a local education law advisor to ensure our transition does not violate MOE Article 5 or Article 12 regarding private educational services, and will continue to monitor relevant legislative changes that may impact online educational providers.

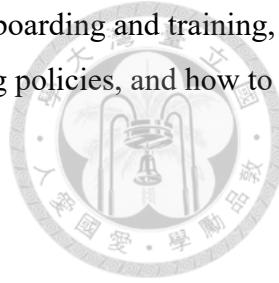
5.5.2 Data Privacy and Protection

Because our platform involves student data, recordings, and parent-teacher communications, we adopt best practices modeled after Taiwan's Personal Data Protection Act (PDPA).

Key measures include:

- Consent-Based Enrollment: Families provide explicit consent upon registration for the collection, storage, and limited use of personal and academic data (including recorded lessons for internal review and training).
- Data Minimization: Only essential data are collected (name, contact, level, progress reports); no sensitive health or financial data is stored outside of secure third-party processors (e.g., Google Workspace).
- Encrypted Storage: Student records, attendance, and assessment data are stored in secure, access-controlled systems (e.g., Google Drive for Education) with audit trails and restricted teacher access.
- Third-Party Compliance: We verify that our major vendors (e.g., Zoom, Google) maintain PDPA-level compliance for data handling, encryption, and retention.
- Right to Access and Erasure: Parents may request access to their child's data or request deletion at any time, with requests processed within 14 business days.

We also include a Data Handling and Privacy Agreement in our teacher onboarding and training, ensuring that instructors understand professional boundaries, screen-sharing policies, and how to manage lesson recordings and communications responsibly.



6. Financial Projections & Funding Plan



6.1. Analysis of Current Financial Performance

The financial performance of the brick-and-mortar school reveals significant insights into operational costs and profitability over the past two years. Revenue increased from NTD 7.71M in 2023 to NTD 13.10M in 2024, while profit margins declined slightly from 47.1% to 45.6% due to several strategic investments and structural shifts.

This margin reduction was primarily driven by:

- **Temporary Managerial Replacement:** A full-time foreign manager was hired at NTD 110,000/month (plus benefits) to oversee daily operations during the owner's GMBA studies—substantially above the typical teacher salary.
- **Program Stabilization:** A salaried teacher at NTD 65,000/month supported the launch of a new academic program in 2023. This shift away from hourly pay increased fixed overhead.
- **Expanded Front Desk Staffing:** Two full-time Taiwanese administrative staff were maintained in 2024, compared to the typical one.

Detailed financial tables for 2023–2025 are available in [Appendix M](#).

6.2 Projected Financials for Online Model

6.2.1 Revenue Projections at Different Student Enrollment Levels

The revenue projections for the online model are structured around a standardized pricing model of NT\$ 400 per class, with an additional NT\$ 100 materials fees, bringing the total per-class cost to NT\$ 500. Premium Classes, including 1-on-1 sessions, are priced between NT\$ 800 and NT\$ 1,000 per hour.

Class Length Structure:

- Grades 1-2: 35 minutes
- Grades 3-4: 45 minutes

- Grades 5-12: 60 minutes
- Premium Classes (1-on-1): 60 minutes

Monthly Revenue per Student:



- Grades 1-2 (35 min classes): 8 classes/month × NT\$ 500 = NT\$ 4,000/month
- Grades 3-4 (45 min classes): 6 classes/month × NT\$ 500 = NT\$ 3,000/month
- Grades 5-12 (60 min classes): 4 classes/month × NT\$ 500 = NT\$ 2,000/month
- Premium Classes (1-on-1): 4 classes/month × NT\$ 800-1,000 = NT\$ 3,200-4,000/month

Enrollment Distribution Assumptions:

- 30% Grades 1-2
- 40% Grades 3-4
- 20% Grades 5-12
- 10% Premium Classes (Cambridge/IELTS, mixed age)

Detailed monthly and annual revenue projections at varying enrollment levels are provided in Appendix N, including breakdowns by student tier and class type.

6.2.2 Cost Structure: Tech Investment, Teacher Salaries, Marketing

Monthly Fixed Costs:

- Google Cloud Business: NT\$ 4,000
- Zoom Business: NT\$ 2,500
- Facebook Ads: NT\$ 10,500
- LINE Ads: NT\$ 4,500
- Google Ads: NT\$ 9,000
- IT Support (Part-Time): NT\$ 15,000
- Project Leader/Manager: NT\$ 40,000
- Teachers (2 Teachers): NT\$ 120,000
- Total Fixed Costs: **NT\$ 197,500/month**

As enrollment grows beyond the initial cohort, additional instructors will be added based on demand, using part-time or hourly contracts. These instructional costs will scale proportionally with revenue and are accounted for in the variable cost structure modeled in Section 7.3.

Table 6.2.2. Scaling Costs with Incentives and Profit Sharing:

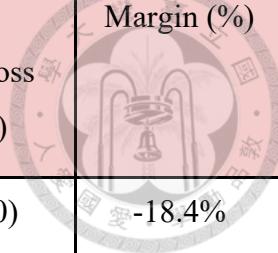
Student Count	Teacher Salaries NTD	Support/Staff NTD	Incentives/Profit Sharing NTD	Total Monthly Costs NTD
0-100	120,000 (2 FT)	55,000	0	199,000
100-150	180,000 (add 1-2 PT)	65,000	30,000	279,000
150-200	240,000 (add 2-3 PT)	79,000	70,000	389,000

Teacher salaries are modeled to scale with enrollment. The baseline team of two full-time instructors is sufficient for up to 50 students. As enrollment grows, additional teachers will be hired on part-time or per-hour contracts. Support and admin costs also scale incrementally, while performance-based profit-sharing begins at the 100-student threshold.

6.2.3 Break-Even Analysis

The online program breaks even at 100 students, with monthly revenue of NT\$336,000 covering total costs of NT\$199,000, yielding a 40.8% margin. At 50 students, insufficient revenue (NT\$168,000) results in a NT\$31,000 loss (-18.4% margin). Profitability peaks at 150 students, generating a NT\$229,000 profit (45.4% margin) with total costs of NT\$275,000. At 200 students, profit rises to NT\$283,000, though the margin drops to 42.1% due to increased variable costs, including additional teacher salaries and profit-sharing allocations. This decline highlights the scalability challenge beyond 150 students, requiring optimization of instructor scheduling, cost control, or maintaining a leaner operation around the 150-student range to maximize efficiency.

Table 6.2.3: Break-Even and Scenario Analysis Summary



Scenario	Students	Monthly Revenue	Total Costs	Net Profit/Loss (NTD)	Margin (%)
Worst-case	50	168,000	199,000	(31,000)	-18.4%
Base-case	100	336,000	199,000	137,000	40.8%
	150	504,000	275,000	229,000	45.4%
Best-case	200	672,000	389,000	283,000	42.1%

6.2.4 Scenario Analysis

The scenario analysis evaluates financial outcomes across enrollment tiers. In the worst-case scenario (50 students), monthly revenue of NT\$168,000 results in a NT\$31,000 loss (-18.4% margin). Actions in this scenario include reducing discretionary spending and investing in enrollment growth.

The base-case (100 students) achieves break-even, generating NT\$336,000 in revenue with total monthly costs of NT\$199,000, resulting in a 40.8% margin. Maintaining low fixed overhead and focusing on marketing, referrals, and retention are key priorities.

In the growth scenario (150 students), profitability improves to NT\$229,000/month (45.4% margin), even with increased teacher costs and profit-sharing allocations. Instructional staffing scales proportionally, supported by a mix of full-time and part-time teachers. A focus on optimizing class scheduling and ensuring cohort consistency will support instructional efficiency.

In the best-case scenario (200 students), revenue rises to NT\$672,000, producing a monthly profit of NT\$283,000. However, margin declines slightly to 42.1% due to additional hiring and profit-sharing costs. This reinforces the importance of operational discipline and evaluating whether 150–175 students is the most efficient scale point before further expansion.

6.3.1 Cash Flow Projections

Our platform's first-year cash flow projections reflect conservative enrollment growth, reaching 75 students by Month 6 and 110 by Month 12. During the hybrid transition (Months 1–6, Section 6.6.4), offline and online operations run in parallel, with offline phasing out by Month 7. High marketing costs (NT\$77,500/month) in Months 1–3 contribute to initial deficits, peaking at a NT\$168,700 loss in Month 1 (20 students, NT\$58,800 revenue). Costs stabilize at NT\$221,500 in Months 4–6, turning positive by Month 6 with a NT\$30,500 profit (75 students).

From Month 7 onward, the full transition to online operations results in the elimination of offline costs such as rent and utilities (approx. NT\$95,000/month), significantly improving net cash flow. With lower operational overhead and a streamlined staffing model, the platform generates increasing monthly profits from NT\$131,400 in Month 7 (85 students) to NT\$190,200 in Month 11 (105 students). Teacher costs are modeled to increase incrementally beginning in Month 5, with NT\$20,000–40,000 added for every 15–20 additional students to reflect the addition of part-time instructors. Table 6.3.1 summarizes the adjusted cash flow projections, with detailed assumptions provided in Appendix O.

Table 6.3.1: Monthly Cash Flow Projections (Months 1–12)

Month	Est. Enrollment	Monthly Revenue NTD	Original Monthly Costs NTD	Adjusted Monthly Costs NTD	Net Cash Flow NTD
1	20	58,800	227,500		(168,700)
2	30	88,200	227,500		(139,300)
3	45	132,300	227,500		(95,200)
4	55	161,700	221,500		(59,800)
5	65	191,100	221,500		(30,400)

6	75	220,500	221,500		(1,000)
7	85	249,900	213,500	118,500	131,400
8	90	264,600	213,500	118,500	146,100
9	95	279,300	213,500	118,500	160,800
10	100	294,000	213,500	118,500	175,500
11	105	308,700	213,500	118,500	190,200
12	110	323,400	213,500	118,500	204,900

6.3.2 Funding & Contingency Planning

To support operational stability during the transition, a business line of credit for NT\$500,000 will be activated through the LLC structure, ensuring personal asset protection in the event of default.

This credit line will be used only if enrollment falls below the Month 4 target of 55 students or if cash flow remains negative despite initial marketing efforts. However, beginning in Month 7, the transition to a fully online model will reduce offline expenses - such as rent, utilities, classroom supplies, and equipment - freeing up operating cash. For reference, these offline costs currently account for approximately NT\$90,000–100,000 per month. These savings can offset the need for borrowing and improve net cash flow during the second half of the year.

Interest payments on the credit line are tax-deductible, reducing the effective cost of borrowing. The credit facility serves as a buffer for covering operational gaps, scaling teacher capacity, or executing additional marketing initiatives as needed. It also provides strategic flexibility in the event that enrollment grows faster than forecasted.

6.3.3 Cash Reserve Strategy

To mitigate risks associated with lower-than-expected enrollment or cost overruns, a cash reserve will be established.



- Target Reserve: NT\$ 500,000, equivalent to 2.5 months of fixed costs.
- Funding Approach:
 - From Months 7-12, 10% of monthly profits will be allocated to the cash reserve until the target is reached.
 - The reserve will provide a financial cushion for unexpected expenses or marketing pushes required to maintain enrollment.

6.4 Funding Needs & Capital Strategy

6.4.1 Funding Strategy Overview

The financial strategy prioritizes capital preservation and risk mitigation while maintaining flexibility for strategic adjustments. Given the availability of personal funds and the relatively low cost of debt, a hybrid funding strategy will be implemented. This approach leverages self-funding in the early months to minimize interest costs, while maintaining access to debt financing to mitigate cash flow risks during the critical transition phase.

6.4.2 Hybrid Funding Plan: Self-Funding and Debt Financing

1. Self-Funding (Months 1-3):

- Self-fund the first three months to cover initial cash flow deficits projected at NT\$ 168,700, NT\$ 139,300, and NT\$ 95,200, respectively.
- This period will focus on building enrollment to 45 students while maintaining financial control and avoiding immediate debt obligations.
- Cash flow from the first three months will be monitored to assess actual performance against projections.

2. Business Line of Credit Activation (Month 4):

- Activate a business line of credit for NT\$ 500,000 through the LLC structure, ensuring that personal assets remain protected in case of default.
- The credit line will be used strategically only if enrollment falls below the target of 55 students by Month 4 or if cash flow remains negative.
- Interest payments are tax-deductible, reducing the effective cost of borrowing.
- The line of credit provides a buffer to cover operational expenses, marketing adjustments, or additional teacher hiring if enrollment scales faster than expected.

6.4.3 Justification for Hybrid Funding Strategy

Capital Preservation:

- By self-funding the initial months, the business avoids immediate interest costs while preserving borrowing capacity.
- Personal funds are used selectively to bridge cash flow gaps, with borrowing reserved for contingency use.

Risk Mitigation:

- The LLC structure ensures that only business assets are at risk in the event of default, safeguarding personal assets.
- The line of credit provides a financial safety net without imposing fixed monthly repayments, maintaining cash flow flexibility.

Cost Management:

- Interest costs are minimized by only drawing on the credit line as needed, reducing the effective cost of borrowing.
- Self-funding the first three months reduces the principal borrowed, lowering total interest expenses.

6.4.4 Exit Strategy and Contingency Planning

Exit Strategy:

- If enrollment targets are not met by the end of Month 6, the following actions will be implemented:
 - Reassess the remaining credit line balance and consider extending the repayment term to manage cash flow more effectively.
 - Reduce operational costs, including marketing and staffing expenses, to align with actual revenue.
 - Explore strategic partnerships with other educational providers to generate additional revenue streams.

Contingency Planning:

- Maintain a cash reserve of NT\$ 200,000, drawn from initial self-funded capital, to cover at least 1 month of fixed costs in case of unexpected cash flow disruptions.
- Monitor cash flow, enrollment trends, and marketing ROI monthly to adjust spending and borrowing strategies proactively.
- If cash flow stabilizes by Month 6 and enrollment reaches 75-100 students, consider using excess cash to repay the credit line early, minimizing interest expenses.

In sum, this financial plan supports The New School's strategic pivot by enabling early self-sufficiency, scalability at moderate enrollment levels, and flexibility to respond to changing conditions as they arise.

6.5 Strategic Reflection on Scalability and Value

One of the clearest insights from this project came during the scenario modeling. As enrollment rises past 150 students, the online model starts to lose efficiency. Profit continues to increase, but margins begin to shrink. At 200 students, we are spending significantly more to serve each additional learner. This is mostly due to the need for more teaching hours and support staff, which brings added complexity and cost. It's the same challenge we face with the physical school. Once we grow past a certain point, it becomes harder to maintain quality, retain teachers, and stay profitable.

At first, this felt like a flaw in the online model. But as I worked through the numbers and the strategy, I began to see it differently. Maybe success doesn't mean scaling endlessly. Maybe it means knowing your limits and building around them. A stable, premium program that works well at 100 to 150 students might be more valuable than something much bigger and harder to control.

This helped shift my thinking. Online and hybrid offerings need not carry the whole business. They can serve specific goals. They can strengthen our physical program, give us flexibility if another major disruption happens, and help us use our teachers more efficiently by offering classes beyond the space we have now. They can also improve our visibility by showing parents that we are a school with strong tech skills and modern systems. We need to strategically consider if utilizing online delivery for our services is better not as a replacement for our in-person model, but as an enhancement which can give the current business greater range and flexibility.

7. Risk Assessment & Mitigation Strategies



7.1 Customer Resistance to Online Format

The open-ended survey responses indicated that 47% of parents still prefer in-person classes, citing concerns over attention span, teacher consistency, and curriculum clarity. The Academic Director of TutorABC emphasized that, “Maintaining student engagement online requires a strong structure and skilled teachers” (personal communication, May 13, 2025), aligning with the concerns raised by surveyed parents.

Mitigation Strategy:

- Implement a hybrid learning model during the transition phase, gradually introducing online components while maintaining core in-person classes to build trust and familiarity.
- Develop targeted onboarding sessions that clearly outline course objectives, expected learning outcomes, and systems for tracking student progress.

These measures aim to build credibility and help families adjust to the online format with confidence.

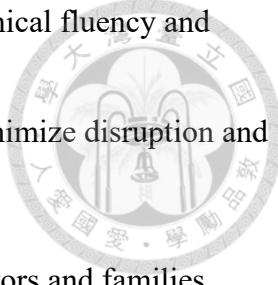
7.2 Technology Adoption Barriers

The transition to an online model may be met with resistance from both students and teachers unfamiliar with digital tools. Common challenges identified include technical difficulties, unstable internet connections, and reluctance to use new platforms. The TutorABC director emphasized that insufficient teacher training often undermines even well-designed online programs (personal communication, May 13, 2025).

Mitigation Strategy:

- Develop engaging, gamified content to maintain student attention and foster interactive learning, echoing the insight that *“Engagement is key to retention in online formats.”*

- Implement comprehensive teacher training programs to ensure technical fluency and consistent digital pedagogy.
- Offer technical support sessions for both parents and students to minimize disruption and build comfort with the platform.



Together, these actions support a smoother digital transition for both educators and families.

7.3 Pricing and Value Perception

With 56% of parents expressing concerns about teacher quality in online classes, positioning The New School as a premium provider may require a phased rollout that demonstrates value clearly and consistently. Parents specifically mentioned, *“Whether the course has clear objectives and goals”*, signaling that a transparent curriculum structure is essential to reinforcing perceived value.

Mitigation Strategy:

- Position pricing to emphasize the long-term value of structured, outcome-focused learning, while maintaining competitive entry points to attract hesitant parents.
- Use AI analytics to monitor student progress and deliver personalized, data-driven feedback, reinforcing the program’s effectiveness.
- Communicate early success stories and positive feedback through marketing materials to illustrate value and build trust in the online model.

These strategies aim to align our premium pricing with tangible academic outcomes and strengthen parent confidence.

8. Conclusion



This proposal outlines a practical, phased strategy for transitioning The New School from a high-performing physical buxiban to a scalable, premium online platform. The approach is driven by operational realities, including rising costs, teacher retention pressures, and shifting parental expectations, alongside broader demographic and policy trends affecting the education sector in Taiwan.

The proposed model builds on our core strengths: a proven CEFR-aligned curriculum, experienced and educational expert leadership, and long-standing customer trust. Our online strategy differentiates through small-group instruction, teacher continuity, and structured learning outcomes, all of which were highlighted in parent surveys and industry interviews. Financial projections demonstrate viability at moderate enrollment levels, with break-even reached at 100 students and strong profitability at 150. A hybrid funding strategy balances early self-funding with a contingency credit line, minimizing risk while preserving flexibility.

Teacher hiring, training, and performance monitoring are structured around our “You Teach, You Own” framework, which supports long-term retention and instructional quality. Our marketing and retention systems are tightly aligned to the parent decision journey, emphasizing progress, communication, and community.

At its core, this proposal reflects our mission: to motivate students in Taiwan, build their confidence in English, and prepare them for long-term success. The tools may evolve, but our values remain the same. Whether through physical, hybrid, or online formats, this plan helps us expand our reach while staying focused on what we do best: delivering excellent instruction with purpose, care, and measurable results.

References



Baxter, R. (2020). "The Membership Economy: Find Your Super Users, Master the Forever Transaction, and Build Recurring Revenue."

Bourdieu, P. (1991). *Language and symbolic power* (J. B. Thompson, Ed.; G. Raymond & M. Adamson, Trans.). Harvard University Press.

Business Research Insights. (2024). *Online language learning platform market size, share, and industry analysis, 2024-2033*. Business Research Insights. Retrieved March 14, 2025, from <https://www.businessresearchinsights.com/market-reports/online-language-learning-platform-market-107506>

Christensen, C. M., Hall, T., Dillon, K., & Duncan, D. S. (2016). *Competing against luck: The story of innovation and customer choice*. HarperBusiness.

Court, D., Elzinga, D., Mulder, S., & Vetvik, O. J. (2009). *The consumer decision journey*. McKinsey & Company.

Crystal, D. (2003). *English as a global language* (2nd ed.). Cambridge University Press.

Director, S., Academic Director, TutorABC. (2025, May 13). Interview on operational strategies and challenges for online language education. [Personal interview].

Dublino, J. (n.d.). *How to price your services: Pricing strategies*. Business.com. Retrieved February 24, 2025, from <https://www.business.com/articles/set-price-services/>

Duolingo. (2023, December 5). *The 2023 Duolingo language report: Global language learning trends*. Duolingo Blog. Retrieved March 14, 2025, from <https://blog.duolingo.com/2023-duolingo-language-report/>

Focus Taiwan. (2024, June 23). *Number of elementary school students forecast to drop steadily*



GlobeNewswire. (2024, July 24). *Online language learning to generate \$91.6 billion in revenue: Global strategic business report 2024-2030*. GlobeNewswire. Retrieved March 14, 2025, from <https://www.globenewswire.com/news-release/2024/07/24/2918131/28124/en/Online-Language-Learning-to-Generate-91-6-Billion-in-Revenue-Global-Strategic-Business-Report-2024-2030-Mobile-Learning-Applications-Propel-Growth-in-Emerging-Markets.html>

Graddol, D. (2006). *English Next: Why Global English May Mean the End of 'English as a Foreign Language'*. British Council.

Kotler, P., & Keller, K. L. (2016). *Marketing Management* (15th ed.). Pearson Education.

Kubota, R. (2011). Learning a foreign language as becoming: Identity, ideology, and epistemology. *Linguistics and Education*, 22(1), 21–27.

Ministry of Education, Taiwan. (n.d.). *Bilingual education for students in college (BEST)*. Ministry of Education, Taiwan. Retrieved February 16th, 2024, from <https://english.moe.gov.tw/cp-117-25498-5b142-1.html>

National Development Council. (n.d.). *Bilingual 2030*. Retrieved from https://www.ndc.gov.tw/en/Content_List.aspx?n=BF21AB4041BB5255

NILE. (n.d.). *Teaching English Online – Teacher Development Course*. Norwich Institute for Language Education. Retrieved from <https://www.nile-elt.com>

Nowell, L. S., Norris, J. M., White, D. E., & Moules, N. J. (2017). Thematic analysis: Striving to meet the trustworthiness criteria. *International Journal of Qualitative Methods*, 16(1), 1–13.

Porter, Michael E. ["The Five Competitive Forces That Shape Strategy."](#) Special Issue on HBS Centennial. Harvard Business Review 86, no. 1 (January 2008): 78–93.

Report Ocean. (2023, January 3). *English language learning market global industry analysis and forecast 2022–2030*. Report Ocean. Retrieved from <https://reportocean.com/industry->

[verticals/sample-request?report_id=28866](#)

Saunders, M., Lewis, P., & Thornhill, A. (2019). *Research methods for business students* (8th ed.). Pearson Education Limited.



Taipei Times. (2025, January 10). *Taiwan sees further population decline last year.*

<https://www.taipeitimes.com/News/taiwan/archives/2025/01/10/2003829986>

The News Lens. (2021, May 21). *How Taiwan's cram schools have struggled to adapt.* The News Lens International. Retrieved February 24, 2025, from

<https://international.thenewslens.com/article/151831>

Trinity College London. (n.d.). *Certificate in Online Teaching (CertOT).* Retrieved from

<https://www.trinitycollege.com/qualifications/teaching-english/CertOT>

Weiss, A. (2019). "Million Dollar Consulting: The Professional's Guide to Growing a Practice."

Appendices



- **Appendix A.** Search Demand Insights from Google Ads Forecast
- **Appendix B.** Detailed Five Forces Analysis of Online English Language Teaching Market
- **Appendix C.** Survey Respondent Sampling Approach
- **Appendix D.** Customer Survey Items (English and Chinese)
- **Appendix E.** Survey Results: Charts and Figures
- **Appendix F.** Detailed Survey Results Analysis
- **Appendix G.** Open-Ended Survey Responses: Theme-by-Theme Analysis
- **Appendix H.** Methodology for Analysis of Open-Ended Survey Responses
- **Appendix I.** TutorABC / TutorJR Pricing Model Summary
- **Appendix J.** Details of Teacher Training and Certification (Section 7.2.2)
- **Appendix K.** Online Teaching Checklist (Section 7.2.3)
- **Appendix L.** Supplemental Analysis: Technology Stack and LMS Plan (Section 7.4)
- **Appendix M.** Financials Table: Revenue, Costs, and Margins (Section 8)
- **Appendix N.** Detailed Revenue Projections and Assumptions
- **Appendix O.** Break-even and Scenario Analysis (Sections 8.2.3 & 8.2.4)
- **Appendix P.** Cash Flow Modeling Assumptions and Marketing Cost Scaling (Section 8.3.1)
- **Appendix Q.** Interview Transcript: Academic Director of TutorABC

Appendix A. Search Demand Insights from Google Ads Forecast

Google Ads Keyword Planner data was used to assess search demand for children's English learning in Taiwan, with a focus on evaluating interest in both general and online-specific terms.

Key Findings:

1. High-Volume, Broad-Intent Keywords

Keywords such as "英文 (English)", "兒童 英文 (Children English)", and "自然 發音 (Phonics)" receive strong monthly search volume, demonstrating that English education remains a high-priority concern for Taiwanese parents. These terms are platform-neutral and reflect general learning interest — regardless of online or offline delivery.

2. Moderate Volume, High Engagement for Niche Exam Terms

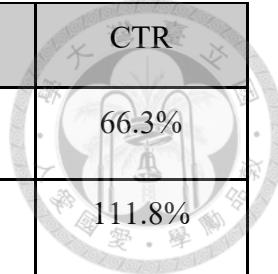
Phrases like "劍橋 英 檢 (Cambridge English Exam)" show measurable interest in test prep programs. While their volume is lower, the specificity of these keywords suggests high purchase intent, particularly from parents considering international school pathways or certification.

3. Low-Volume, English-Language Online Keywords Still Valuable

Keywords such as "Cambridge English online", "online English class", and "phonics class online" return minimal search volume (~50 searches/month). However, these keywords still show very high forecasted CTRs, such as 83.9% and 255.2%. This suggests strong engagement from a smaller, more niche user group — likely bilingual or globally-minded parents.

4. Note on CTR Over 100%

In several forecasted results, click-through rates (CTR) exceed 100%. While this is not technically possible in live campaigns, it can occur in Google's forecasting model, where clicks and impressions are predicted independently. This typically reflects overestimated engagement or underpredicted impressions and should be interpreted directionally as an indicator of relative keyword interest, not literal performance.



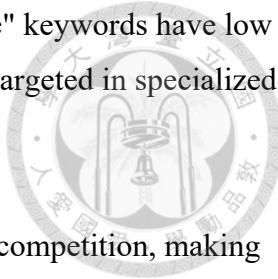
Keyword	Monthly Searches	Competition	CTR
英文 (English)	50,000	Low	66.3%
兒童 英文 (Children English)	5,000	Medium	111.8%
劍橋 英 檢 (Cambridge English Exam)	5,000	Low	21.3%
自然 發音 (Phonics)	5,000	Low	53.3%
英文 補習 班 (English Cram School)	5,000	Low	82.4%
cambridge english online	50	Medium	83.9%
online english class	50	High	255.2%
phonics class online	50	-	-

Figure 1.1.3. Keyword volume analysis from Google Ads for children's English learning in Taiwan. Source: Author's analysis using Google Keyword Planner (April 2025).

Strategic Implications:

- **Search Language Matters:** The dominance of Chinese-language keywords indicates that most Taiwanese parents search in Mandarin. This suggests ad copy, SEO strategy, and landing page content should default to Traditional Chinese to match native behavior.
- **General Terms Drive Discovery:** Parents often begin with general terms like "兒童英文" or "英文補習班," then assess delivery mode (online/offline) later. Therefore, marketing should focus on capturing broad demand, then positioning the online model as a premium, convenient, and effective alternative.

- **Online Keywords** = Niche, High-Value Segment: Although "online" keywords have low volume, they may signal a ready-to-buy audience. These should be targeted in specialized campaigns, especially for test prep or high-level learners.



Favorable Advertising Conditions: Most keywords show low to medium competition, making this a cost-efficient market for testing and scaling digital acquisition channels.

Appendix B. Detailed Five Forces Analysis of Online English Language Teaching Market

Detailed Five Forces Analysis of Online English Language Teaching Market



Competitive Rivals - Threat Level: **High**

Competition is fierce. Platforms are competing on price (often a race to the bottom), convenience (on demand lessons), and volume (massive marketing campaigns and high churn rates). They are heavily advertising to the same customer base online via social media and there is limited brand loyalty or trust. Some competitors are VC-funded and have large financial resources.

Threat of New Entrants - Threat Level: **High**

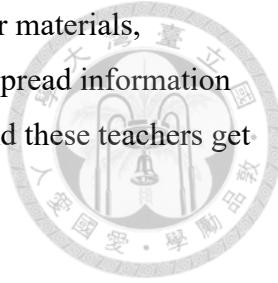
The barriers to entry are low. Technologically it is not difficult to start up an online tutoring class on a multitude of platforms and social media makes marketing and building a brand easier than ever online. There are no government regulations or required credentialing creating defensible moats - most companies state teachers need to have at least one year of teaching experience, a bachelor's degree, and preferably a TESOL certificate of some kind. From anecdotal experience (an interview with a current hiring manager at TutorJr) enforcing minimum standards can be difficult. Also, the quality of teacher's experience and their TESOL certificates vary widely.

Platforms like AmazingTalker illustrate how low the bar can be: virtually anyone can sign up, set their own rates, and begin teaching with little pedagogical oversight. It is a unique challenge for higher-quality programs to differentiate on merit alone, especially in customer acquisition channels dominated by price-based advertising and promotional incentives.

Bargaining Power of Suppliers - Threat Level: **Medium to High**

Good teachers are key to a successful language school and there are many factors which contribute to a teacher being liked by students/parents, capable and effective at teaching, and motivated and loyal to a company. Therefore, the better the teacher, the higher the bargaining power. In general teachers' loyalty online is much less than with in-person learning because the culture, community, and work relationships are inferior. So good teachers are only loyal to price and will command top dollar, move on to whoever pays the most, or eventually start their own

private tutoring arrangements. While most teachers rely on the platforms for materials, technology, and training, it is not a secret that parents in Taiwan generally spread information online about which teacher is the best or most effective on each platform and these teachers get booked up and command higher salaries to leverage their popularity.



Bargaining Power of Buyers: Threat Level: Very High

Parents have more choices than ever and can easily switch to another platform. Taiwanese parents are considered very ROI driven and will do diligent research through word of mouth and online investigation and move on quickly if their time and money is not being perceived as well spent. Factors such as instructor qualifications, teaching methodology, price competitiveness, flexibility of scheduling, technology user experience and proof of learning outcomes must all align to convince families to continue using your service for a meaningful length of time.

Threat of Substitute - Threat Level: High

AI platforms are evolving at a rapid pace to be able to guide learning, test, adapt materials and curricula to specific needs, and even converse and give targeted pronunciation feedback. There are seemingly millions of free videos on every aspect of English learning, from phonics, grammar and vocabulary to learning through song, crafts, and physical movement. Apps like Duolingo continue to exploit AI innovations while gamifying learning in addictive ways through online communities, points, and prizes. Meanwhile students have dozens of physical cram schools they can go to within a few kilometers of their schools or homes, many which offer pick-up services and after school services like homework assistance and meals. Price conscious consumers can use free websites or even borrow books from the library.

Overall, the market poses a number of structural challenges and does not appear attractive. However, for a provider with an established brand and a clear value proposition, there may be strategic potential to occupy a premium niche space.

Appendix C. Survey Respondent Sampling Approach

The survey respondents consist of two main groups:

- Current Customers: Parents whose children are currently enrolled in our English learning programs.
- Non-Customers (Peer Parents): Parents whose children attended kindergarten with my son, now in elementary school. This group shares similar age, socio-economic background, and educational values as our core customer base.



A total of 55 responses were collected via Google Forms, distributed through the LINE messaging app in April 2025.

Survey Demographic Methodology Notes

To respect respondent privacy and ensure a higher participation rate, the survey deliberately avoided questions about sensitive topics such as household income, parent age, or occupation. Instead, it focused on collecting data directly relevant to evaluating market potential and customer attitudes toward online English learning. Furthermore, while the survey provides valuable directional insights, it is based on a convenience sample and may not be representative of Taiwan's broader EFL parent market.

Appendix D. Customer Survey Items (English and Chinese)



English Version

Parent Survey: Your Thoughts on Online English Learning

Why this survey?

As part of a graduate MBA project at National Taiwan University, Teacher William is researching how families think about online English learning. Your responses will help provide real-world insight from thoughtful parents like you.

This short survey takes about 5 minutes, and your answers are anonymous. There are no right or wrong opinions — we truly just want your perspective.

Section 1: About Your Child

1.1 How old is your child?

- 5–6 years
- 7–8 years
- 9–10 years
- 11–12 years
- 13–15 years

1.2 Is your child currently enrolled in our program?

- Yes
- No

1.3 Has your child ever taken any online classes (in any subject, from any provider)?

- Yes
- No

Section 2: Familiarity and Views



2.1 How familiar are you with online English classes for children?

- Very familiar — my child has taken part or I've researched options
- Somewhat familiar — I've heard of it and understand the basics
- I've heard of it, but don't know much about how it works
- Unfamiliar — I haven't really looked into it

2.2 In your opinion, what are the main benefits of learning English online? (Select up to 2)

- Flexible schedule
- No commuting
- Learn from home in a familiar environment
- Access to qualified teachers not available locally
- I don't see major benefits
- Other: _____

2.3 What features would matter most to you if you were choosing an online English class for your child? (Select up to 3)

- Small group size
- A clear and structured curriculum with visible goals or learning outcomes
- Experienced and certified teachers
- Preparation for Cambridge exams or other academic milestones
- Regular progress reports and communication
- A free trial or short-term test option
- Engaging, interactive lessons
- Affordable pricing

2.4 What concerns or hesitations do you have about online English classes for children?

(Select up to 2)

- Harder for children to stay focused

- Less opportunity for social interaction
- Screen time is already too much
- Unsure about the quality of online teachers
- Concerns about communication, administration, or parent support
- Technology challenges (e.g., internet, devices)
- Other: _____



Section 3: Your Attitudes and Preferences

3.1 If you had to make a choice today, how open would you be to enrolling your child in online English classes?

- I would be open to trying it
- I have some hesitation, but would still consider it
- I prefer in-person only and would not consider online classes

3.2 What do you feel is the most appropriate class length for an online English session?

- 30 minutes
- 45 minutes
- 60 minutes
- It depends on my child's age and focus level

3.3 In your opinion, what is a reasonable price for a 45-minute online small-group English class (with a trained teacher and structured curriculum)?

- Under NT\$300
- NT\$300–400
- NT\$400–500
- NT\$500+
- I wouldn't be interested in online classes at any price

Section 4: Final Thoughts

4.1 What questions, concerns, or ideas would you want addressed before deciding to try an online English class for your child? (Optional — open response)

Traditional Chinese Version



家長問卷：您對線上英語學習的看法

為什麼要填這份問卷？

這份問卷是 **William** 老師在台大 GMBA 研究項目的一部分，主題是探討家長對兒童線上英語學習的看法。誠摯邀請您的參與，幫助提供第一線家長的真實觀點。

整份問卷約 5 分鐘即可完成，所有回答皆匿名處理。我們非常重視您的意見，沒有對錯之分，請放心填寫。

第 1 部分：關於您的孩子

1.1 您的孩子幾歲？

- 5-6 歲
- 7-8 歲
- 9-10 歲
- 11-12 歲
- 13-15 歲

1.2 您的孩子目前有就讀我們的課程嗎？

- 有
- 沒有

1.3 您的孩子曾經上過線上課程嗎？（不限科目或提供者）

- 有
- 沒有



第 2 部分：熟悉度與觀點

2.1 您對兒童線上英語課程的熟悉程度？

- 非常熟悉 — 孩子上過，或我有主動了解相關資訊
- 有些熟悉 — 聽過這類課程，也大致了解內容
- 聽過但不太了解 — 沒有深入研究或體驗
- 完全不熟悉 — 幾乎沒有接觸過相關資訊

2.2 您認為線上英語學習有哪些主要優點？（最多選擇 2 項）

- 時間彈性大
- 不需通勤
- 在熟悉的家庭環境中學習
- 可接觸到本地無法聘請的優質教師
- 我認為沒有明顯的優點
- 其他：_____

2.3 如果您要幫孩子選擇線上英語課程，哪些特點最重要？（最多選擇 3 項）

- 小班教學
- 清楚有架構的課程與明確的學習目標
- 有經驗並具備教師資格的老師
- 劍橋英檢或其他國際/學術考試準備

- 定期提供學習進度報告與與家長溝通
- 提供免費試聽課或短期體驗課程
- 有趣且具互動性的課程內容
- 價格合理



2.4 您對兒童線上英語課程有什麼疑慮或顧慮嗎？（可選擇最多 2 項）

- 擔心孩子在課堂上不容易專心
- 缺乏與同儕的社交互動
- 已經有太多螢幕使用時間
- 不確定線上老師的教學品質
- 擔心行政流程、家長聯繫或後勤支援不夠完善
- 科技使用不便（如網路、設備等）
- 其他：_____

第 3 部分：您的態度與偏好

3.1 如果今天就要做決定，您對讓孩子上線上英語課的態度是？

- 我願意嘗試看看
- 雖然有點猶豫，但可以考慮
- 我傾向只選擇實體課程，不考慮線上課程

3.2 您認為適合孩子上線上課的課程長度是？

- 30 分鐘
- 45 分鐘
- 60 分鐘
- 依孩子年齡與專注力而定

3.3 就您看來，一堂 45 分鐘的小班線上英語課（由專業老師授課，包含結構化課程）

合理的價格是多少？

- 每堂低於 NT\$300
- 每堂 NT\$300–400
- 每堂 NT\$400–500
- 每堂 NT\$500 以上
- 不管價格如何，我都不考慮線上課程



第 4 部分：最後想法

4.1 在考慮讓孩子上線上英語課程前，您希望了解或解決哪些問題、疑慮或建議？（選

填）

Appendix E. Survey Results: Charts and Figures



Section 1: About your child

Q 1.1 How old is your child?

Age Group	% of Respondents	# of Responses
5-6 years old	9.1%	5
7-8 years old	34.5%	19
9-10 years old	29.1%	16
11-12 years old	27.3	15
13-15 years old	0%	0

1.1 您的孩子幾歲？

55 responses

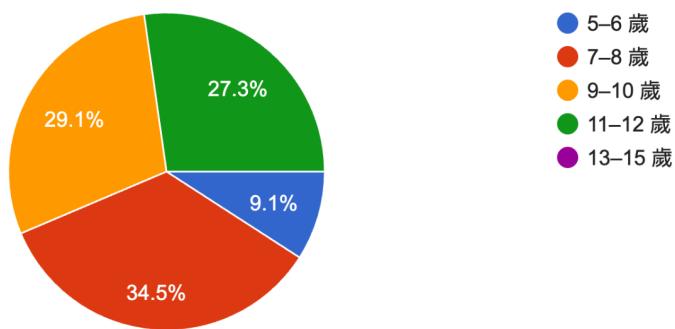


Figure 2.2.5-1

Age Distribution of Respondents' Children (n = 55)

Source: Author's survey (April 2025)

Q 1.2 Is your child currently enrolled in our program?

Response	% of Respondents	# of Responses
Yes	86.3%	46
No	16.4%	9

1.2 您的孩子目前有就讀新派英語的課程嗎？

55 responses

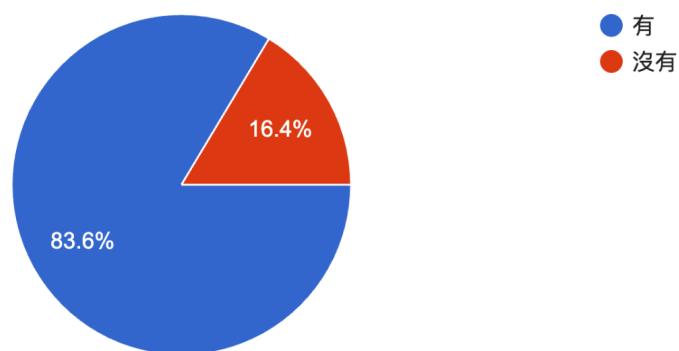


Figure 2.2.5-2

Current Enrollment Status of Respondents' Children (n = 55)

Source: Author's survey (April 2025)

Q 1.3 Has your child ever taken any online classes (in any subject, from any provider)?

Response	% of Respondents	# of Responses
Yes	52.7%	29
No	47.3%	26



1.3 您的孩子曾經上過線上課程嗎？（不限科目或提供者）

55 responses

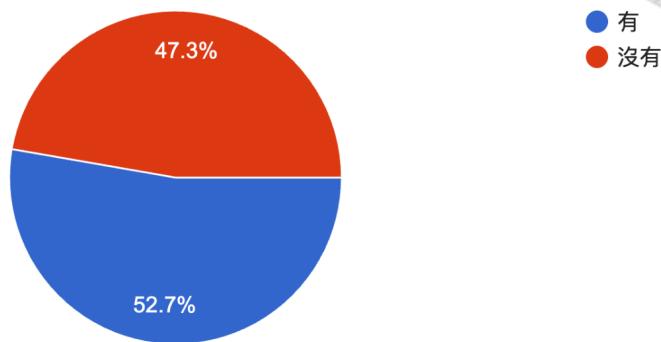


Figure 2.2.5-3

Prior Experience with Online Learning (Any Subject) (n = 55)

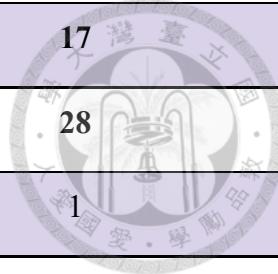
Source: Author's survey (April 2025)

Section 2: Familiarity and Views

2.1 How familiar are you with online English classes for children?

- Very familiar — my child has taken part or I've researched options
- Somewhat familiar — I've heard of it and understand the basics
- I've heard of it, but don't know much about how it works
- Unfamiliar — I haven't really looked into it

Response Option	% of Respondents	# of Responses
Very familiar	16.4%	9



Somewhat familiar	30.9%	17
I've heard of it	50.9%	28
Unfamiliar	1.8%	1

2.1 您對兒童線上英語課程的熟悉程度？

55 responses



Figure 2.2.5-4

Familiarity with Online English Classes for Children (n = 55)

Source: Author's survey (April 2025)

2.2 In your opinion, what are the main benefits of learning English online? (Select up to 2)

- Flexible schedule
- No commuting
- Learn from home in a familiar environment
- Access to qualified teachers not available locally
- I don't see major benefits
- Other: _____

Benefit Option	# of Selections	% of Respondents
No Commuting	50	90.9%
Flexible Schedule	47	85.5%
Learn from home in a familiar environment	16	29.1%
Access to qualified teachers not available locally	12	21.8%
I don't' see major benefits	0	0%
Other (take class with friends / cheaper price)	2 (1 each)	1.8% each

2.2 您認為線上英語學習有哪些主要優點？（最多選擇 2 項）

55 responses

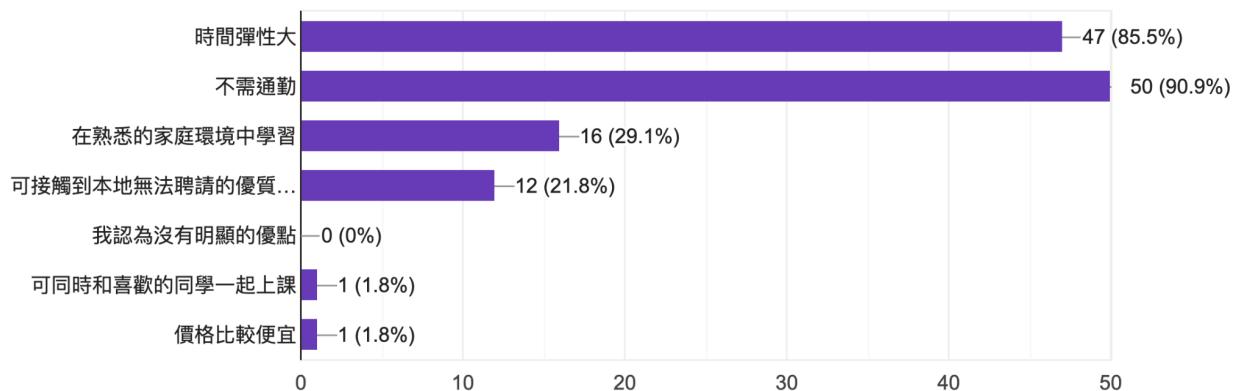


Figure 2.2.5-5

Perceived Benefits of Online English Classes (Multiple Selections Allowed) (n = 55)

Source: Author's survey (April 2025)

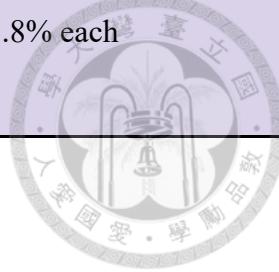
2.3 What features would matter most to you if you were choosing an online English class for your child? (Select up to 3)



- Small group size
- A clear and structured curriculum with visible goals or learning outcomes
- Experienced and certified teachers
- Preparation for Cambridge exams or other academic milestones
- Regular progress reports and communication
- A free trial or short-term test option
- Engaging, interactive lessons

Feature Option	# of Selections	% of Respondents
Engaging, interactive lessons	37	67.3%
A clear and structured curriculum with visible goals or learning outcomes	35	63.6%
Experienced and certified teachers	35	63.6%
Small group size	20	36.4%
Preparation for Cambridge exams or other academic milestones	18	32.7%
Regular progress reports and communication	18	32.7%
A free trial or short-term test option	3	5.5%

Other (class with friends, low pressure, autonomy)	3 (1 each)	1.8% each
--	------------	-----------



2.3 如果您要幫孩子選擇線上英語課程，哪些特點最重要？（最多選擇 3 項）

55 responses

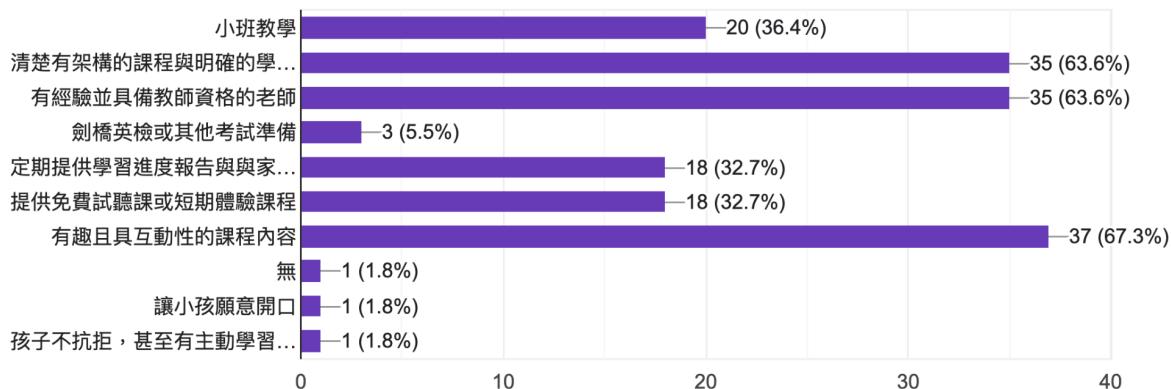


Figure 2.2.5-6

Preferred Features When Choosing an Online English Class (Multiple Selections Allowed) (n = 55)

Source: Author's survey (April 2025)

2.4 What concerns or hesitations do you have about online English classes for children?

(Select up to 2)

- Harder for children to stay focused
- Less opportunity for social interaction
- Screen time is already too much
- Unsure about the quality of online teachers
- Concerns about communication, administration, or parent support
- Technology challenges (e.g., internet, devices)
- Other: _____

Concern Option	# of Selections	% of Respondents
Harder for children to stay focused	35	63.6%
Unsure about the quality of online teachers	31	56.4%
Less opportunity for social interaction		41.8%
Screen time is already too much	23	38.2%
Concerns about communication, administration, or parent support	21	9.1%
Technology challenges (e.g., internet, devices)	5	3.6%
Other (none / child may not adapt / unfamiliar with learning model)	2 (1 each)	1.8% each

2.4 您對兒童線上英語課程有什麼疑慮或顧慮嗎？（可選擇最多 2 項）

55 responses

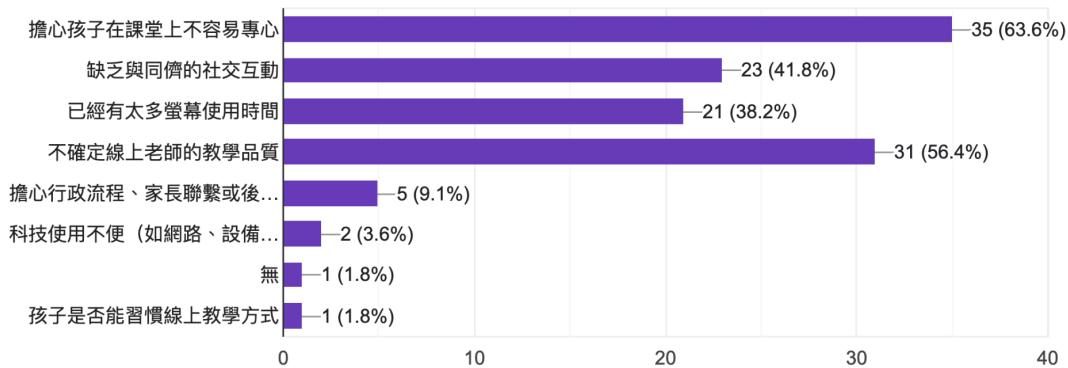


Figure 2.2.5-7

Concerns or Hesitations About Online English Classes (Multiple Selections Allowed) (n = 55)

Source: Author's survey (April 2025)



Section 3: Your Attitudes and Preferences

3.1 If you had to make a choice today, how open would you be to enrolling your child in online English classes?

- I would be open to trying it
- I have some hesitation, but would still consider it
- I prefer in-person only and would not consider online classes

Openness Level	# of Selections	% of Respondents
I prefer in-person only and would not consider online classes	26	47.3%
I would be open to trying it	19	34.5%
I have some hesitation, but would still consider it	10	18.2%

3.1 如果今天就要做決定，您對讓孩子上線上英語課的態度是？

55 responses



Figure 2.2.5-8

Parental Openness to Enrolling in Online English Classes (n = 55)

Source: Author's survey (April 2025)



3.2 What do you feel is the most appropriate class length for an online English session?

- 30 minutes
- 45 minutes
- 60 minutes
- It depends on my child's age and focus level

Preferred Class Length	# of Selections	% of Respondents
It depends on my child's age and focus level	23	41.8%
30 minutes	18	32.7%
45 minutes	9	16.4%
60 minutes	5	9.1%

3.2 您認為適合孩子上線上課的課程長度是？

55 responses

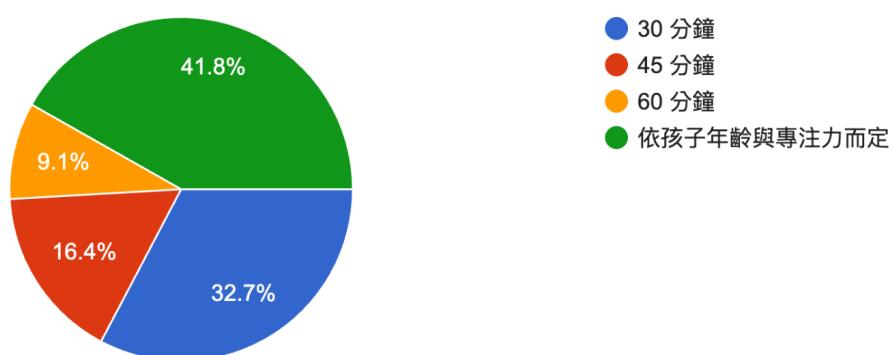


Figure 2.2.5-9

Preferred Class Length for Online English Sessions (n = 55)

Source: Author's survey (April 2025)



3.3 In your opinion, what is a reasonable price for a 45-minute online small-group English class (with a trained teacher and structured curriculum)?

- Under NT\$300
- NT\$300–400
- NT\$400–500
- NT\$500+
- I wouldn't be interested in online classes at any price

Price Range Options	# of Selections	% of Respondents
NT\$300–400	23	41.8%
NT\$400–500	15	27.3%
Under NT\$300	9	16.4%
I wouldn't be interested in online classes at any price	5	9.1%
NT\$500+	3	5.5%

3.3 就您看來，一堂 45

分鐘的小班線上英語課（由專業老師授課，包含結構化課程）合理的價格是多少？

55 responses

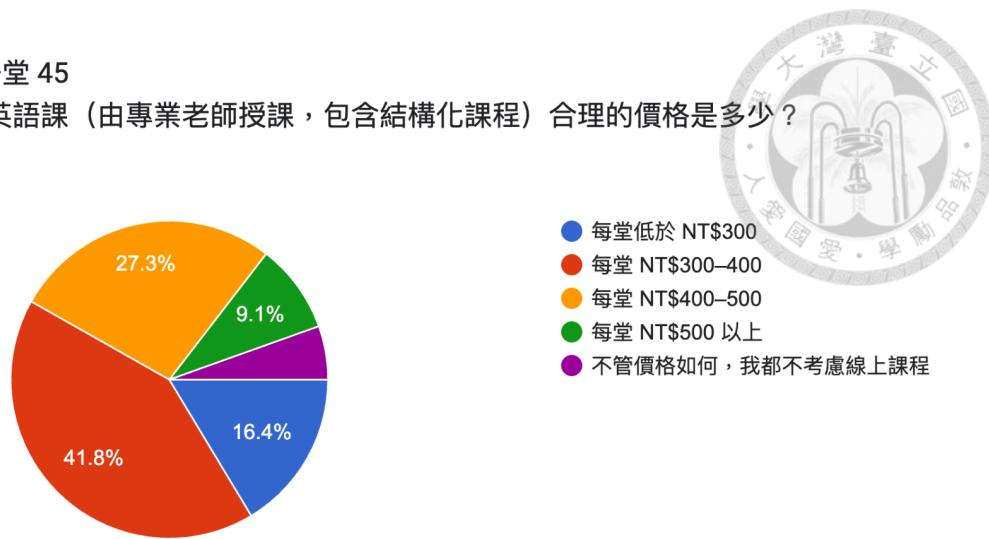


Figure 2.2.5-10

Reasonable Price for a 45-Minute Online Small-Group English Class (n = 55)

Source: Author's survey (April 2025)

Appendix F. Detailed Survey Results Analysis



2.2.4 Survey Results Analysis and Discussion

This section analyzes the key patterns and implications from the customer survey, which collected 55 responses from current and prospective parents. The majority of respondents were existing customers (84%), and most had children between the ages of 7 and 12. The findings below are grouped thematically to highlight their relevance to online English learning formats.

1. Customer Profile and Exposure to Online Learning

The core age group represented in the responses was 7–12 years old, closely matching the school's current operational focus and curriculum alignment with Cambridge YLE programs (see Figure 2.2.5-1). While just over half of respondents (53%) had some prior experience with online classes, the depth of familiarity remains limited. Only 16% reported being “very familiar” with online English classes, while over 50% said they had heard of them but did not understand how they worked (Figure 2.2.5-3).

This suggests that while online learning is not foreign to families, it is still perceived as an unfamiliar format for English instruction. Any online strategy must therefore include onboarding and parent education elements to build trust and comfort.

2. Perceived Benefits vs. Core Concerns

Respondents see clear logistical advantages in online learning: “no commuting” (91%) and “flexible scheduling” (86%) were the most commonly cited benefits (Figure 2.2.5-4). However, these perceived conveniences are offset by pedagogical and developmental concerns. The most frequently reported hesitation was difficulty in maintaining children’s focus (64%), followed by doubts about teacher quality (56%) and reduced opportunities for social interaction (42%) (Figure 2.2.5-6).

These findings indicate that convenience alone will not drive adoption. The proposed program must demonstrate quality, structure, and interactive design that directly address these concerns — particularly around engagement and instructional standards.

3. Parental Openness to Online Enrollment

When asked directly about their openness to enrolling in online English classes, 47% of respondents said they prefer in-person instruction only and would not currently consider online classes. Another 35% reported openness to trying online learning, and 18% indicated some hesitation but potential willingness (Figure 2.2.5-7).



This reinforces the importance of a phased transition model: launching online programs alongside existing in-person classes, allowing time for adoption, evidence of success, and parental buy-in.

4. Format Preferences and Class Duration

There is no consensus on ideal class length. While 42% selected “it depends on the child’s age and focus,” among fixed-time responses, 30-minute sessions were preferred by 33%, followed by 45-minute (16%) and 60-minute (9%) options (Figure 2.2.5-8). This variation reflects different age-related attention spans and reinforces the appropriateness of a tiered format, such as shorter sessions for younger learners and longer sessions for older students or exam prep courses.

However, since “it depends” was the top response, we must clearly communicate how our proposed schedule aligns with age-appropriate learning durations and attention thresholds.

5. Pricing Expectations and Value Perception

The largest group of parents (42%) believe NT\$300–400 is a reasonable price for a 45-minute online class. A further 27% accept NT\$400–500, meaning that 69% fall within this middle price band. Only 5.5% are willing to pay over NT\$500, the current target price point for the premium model, while 9% said they would not consider online learning at any price (Figure 2.2.5-9).

This represents a pricing challenge. Although our brand positioning emphasizes quality and teacher expertise, the perceived value of online instruction does not yet justify premium rates for most families. To sustain a premium model, we must either (a) offer clear differentiation and outcome tracking, or (b) introduce a mid-tier pricing entry point to build initial adoption.

Appendix G. Open-Ended Survey Responses: Theme-by-Theme Analysis

The open-ended optional responses from 40 parents reveal clear patterns of concern regarding online English classes for young learners. While some parents acknowledged potential benefits like flexibility or replay features, the majority expressed apprehension rooted in experience. Common concerns included teacher inconsistency, limited engagement, unclear curriculum goals, technical issues, and doubts about the effectiveness of online learning as a standalone model. These themes suggest that for online programs to gain parental trust, they must go beyond convenience and directly address quality, continuity, and measurable outcomes.

Theme-by-Theme Analysis with Quotes

1. Demand for Clear Curriculum and Goals (14 mentions)

Parents emphasized the need for clear objectives, structured curriculum, and continuity across classes. Concerns about vague goals and disjointed content were common, reflecting expectations for a program that mirrors the accountability of physical schools.

“Whether the course has clear objectives and goals.”

“Course content and practicality.”

“Teaching materials and teaching methods.”

Some wanted clearer ways to evaluate progress:

“How to evaluate learning outcomes.”

2. Consistent, Qualified Teachers Matter (13 mentions)

Trust in online learning depends heavily on consistent, skilled teachers who understand the child's level. Several parents cited frustration with rotating teachers or poor teacher fit.

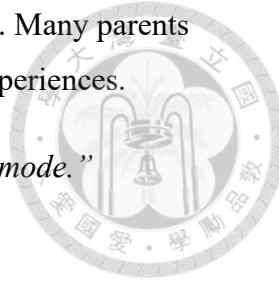
“Teachers are inconsistent and unfamiliar with the child's level.”

“Teacher and course content.”

“Teachers should be consistent, and there should be a clear course schedule.”

3. Online Viewed as Supplement, Not Core (8 mentions)

This theme captured deep doubt about online learning as a full replacement. Many parents viewed it as a backup, not a primary option, often due to prior pandemic experiences.



“Online learning can only be a supplementary method, not the main mode.”

“Too much screen time.”

“Perceived class quality is low.”

One parent questioned the very premise:

“What aspects of learning cannot be replaced by online learning?”

4. Concern Over Maintaining Attention and Fun (8 mentions)

Parents were concerned that children would struggle to stay focused or interested online, especially without strong teacher facilitation.

“Whether the classes are fun.”

“Kids are easily distracted.”

“How can the teacher effectively capture the child’s attention?”

5. Program Features / Logistics (4 mentions)

Class size, trial lessons, language ability of teachers, and hybrid models were also raised. These often reflected logistical concerns that, while secondary, shape the decision to enroll.

“Number of students per class.”

“Trial lesson mechanism, and some basic Chinese ability.”

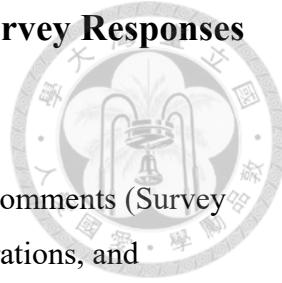
“Blending online and in-person learning.”

Takeaways from Parents Optional Open-ended Comments:

These qualitative insights reinforce earlier survey findings. To succeed, our online program must establish a clear curriculum structure, provide consistent teaching staff, and offer onboarding processes that reassure skeptical but potentially persuadable parents.

Appendix H. Methodology for Analysis of Open-Ended Survey Responses

Qualitative Analysis Methodology (Thematic Coding)



In addition to multiple-choice insights, 40 parents provided optional open comments (Survey section 3.1). These free-text responses helped reveal deeper attitudes, frustrations, and preferences that are not always captured in closed-ended survey questions. To analyze the open-ended responses from parents regarding their attitudes toward online English learning, a thematic analysis approach was used, as commonly applied in qualitative business research (Saunders, Lewis, & Thornhill, 2019). After initial familiarization with the data, responses were inductively coded to capture key ideas and concerns. These codes were then grouped into broader themes that reflected patterns across the dataset. The coding process was conducted manually, allowing close engagement with the content and contextual nuances of each response. Several responses were assigned multiple themes where appropriate to reflect their multidimensional nature. Vague or non-substantive responses were excluded from further analysis. To enhance trustworthiness, the coding structure was iteratively refined and validated through multiple review cycles, ensuring that themes were internally coherent and analytically meaningful (Nowell, Norris, White, & Moules, 2017). This process supported both quantitative frequency analysis and qualitative interpretation of parental priorities.

Appendix I. TutorABC / TutorJR Pricing Model Summary



TutorJr Main Offerings and Pricing

Main Programs (牛津課程 – Oxford-based Programs)

1. Growth Plan – 18 Units

- Duration: 24 months
- Includes:
 - 72 x 25-minute 1-on-1 classes
 - 36 Premium group lectures
 - 36 Oxford “Masterclass” sessions
- Price:
 - Full price: NT\$86,100
 - Discounted: NT\$75,768
 - Monthly installment: ~NT\$3,157–3,588
- Bonus (if paid in full): + 6 free classes (4 one-on-one + 2 premium lectures)

2. Leadership Plan – 27 Units

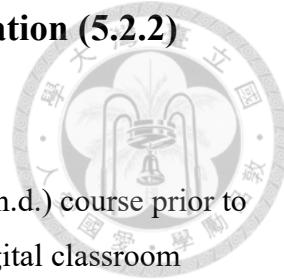
- Duration: 24 months
- Includes:
 - 108 x 25-minute 1-on-1 classes
 - 54 Premium group lectures
 - 54 Oxford Masterclasses
- Price:
 - Full price: NT\$119,000
 - Discounted: NT\$104,720
 - Monthly installment: ~NT\$4,363–4,959
- Bonus (if paid in full): +9 free classes (6 one-on-one + 3 premium lectures)

Early Childhood Foundations (幼兒基礎)

- 12 or 24-month packages focused on phonics, foundational skills, and topic-based learning
- One-on-one 25-minute sessions
- Price (example):
 - 12 months: NT\$42,900 (includes 52 classes)
 - 24 months: NT\$81,100 (includes 104 classes)
 - Bonus: Extra Masterclasses and interactive lessons



Appendix J. Details of Teacher Training and Certification (5.2.2)



Phase 1: Foundational Training: NILE "Teaching English Online"

All instructors will complete the NILE "Teaching English Online" (NILE, n.d.) course prior to teaching live online classes. This asynchronous 6-week program covers digital classroom management, engagement strategies, and foundational tools for online pedagogy.

Requirement Mandatory for all pilot and future online instructors

Duration 6 weeks (asynchronous, 5 hrs/week)

Outcome Certificate of Completion

Start Date October 2025 (prior to Q1 2026 pilot launch)

Phase 2: Professional Advancement: Trinity CertOT

Following six months of performance review, instructors may apply for advancement via the Trinity College London Certificate in Online Teaching (Trinity College London, n.d.). This globally recognized credential signals advanced capability in digital English language instruction and unlocks promotion to Level 2 – Senior Instructor, with associated compensation and leadership opportunities.

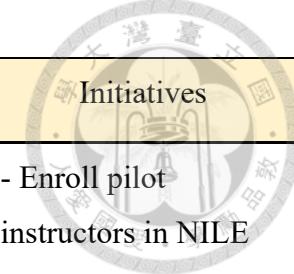
Eligibility 6+ months satisfactory performance

Support Provided 50% tuition subsidized by the school

Rollout Window Begins Q2 2026

Strategic Value Supports retention and strengthens premium teacher branding

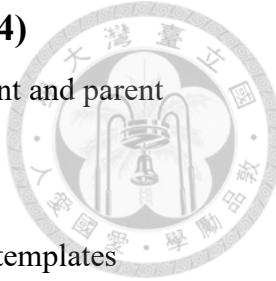
Execution Plan: OTMI – Instructor Capability Development



Objective	Measure	Target	Initiatives
Equip all instructors with baseline and advanced qualifications for online instruction	% of instructors completing NILE and/or CertOT	100% NILE-certified by Dec 2025 (pilot term) 50% CertOT-certified by Dec 2026	- Enroll pilot instructors in NILE by Oct 2025 - Create formal advancement track linked to CertOT - Offer subsidized tuition and performance-based promotions

Appendix K. Online Teaching Checklist (5.2.4)

1. Maintain professional conduct and clear communication in all student and parent interactions
2. Attend pre-term training and platform orientation sessions
3. Prepare thoroughly using curriculum materials and lesson planning templates
4. Monitor and report on student progress, with required mid-term and end-of-term feedback
5. Join monthly team meetings (remote) to share student updates and align on academic issues
6. Participate in termly professional development workshops or coaching sessions
7. Assist with periodic parent updates or trial lesson demos when scheduled in advance



Before Class

- Check your weekly schedule and class notes on the LMS
- Review lesson objectives and adjust activities for digital delivery
Ensure materials are uploaded in advance (PDFs, games, audio links, etc.)
- Test tech: camera, mic, screen-sharing tools
- Join class 10 minutes early to check parent/student access

At Lesson Start

- Greet students individually, check cameras and audio
- Review objectives clearly on shared screen
Use visual routines (digital whiteboard, reward charts, student boards)
Lead with a quick warm-up to activate prior knowledge

During Class

- Minimize teacher talking time (TTT); maximize interaction and communication
- Use breakout rooms for pair work (with time limits and check-ins)
- Model tasks clearly; check instructions through demos
- Offer individual feedback during activities

- Maintain pacing and adapt timing if needed
- Include movement (TPR, stretching, pointing, reactions) to fight screen fatigue



At Lesson End

- Summarize key points visually and verbally
- Confirm understanding of homework; demo if necessary
- End on time with a positive wrap-up or quick game
- Share parent message/recap when needed

After Class

- Log attendance and lesson notes in LMS
- Record student strengths, issues, and concerns
- Reflect: What worked? What needs adjusting for next time?

Appendix L. Supplemental Analysis: Technology Stack and LMS Plan (5.5)

Currently, our internal systems are built around Google Cloud for organizing teaching documents and curriculum materials. Lesson files, student assessments, and teacher planning resources are stored in shared Drives, with systems built in Google Sheets for managing learner progress and assessment data. While functional, these tools require significant manual upkeep and become increasingly difficult to scale as enrollment grows.

Live Class Delivery and Online Learning Tools

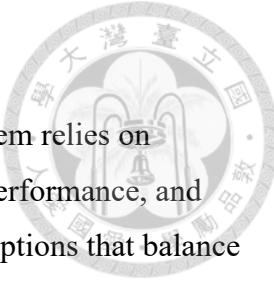
For live class delivery, we use Zoom, which has proven effective during prior online teaching periods. While younger learners require training and parental support to use Zoom independently, the platform remains stable and flexible for group instruction. For reading outside of class, we use Raz Kids, a leveled reading platform well suited for self-paced practice. Additional enrichment and gamification tools include Brainpop Jr, Starfall Phonics, Wordwall, Baamboozle, Quizlet, and teacher resource sites such as Twinkl and Teachers Pay Teachers. These tools are integrated into lessons to keep learning engaging and reinforce content in varied ways. Teachers receive training and practice using these tools and integrating them into lessons before going live with students.

Customer Service

Parent communication currently runs through LINE, the most widely adopted communication app in Taiwan. While this method is effective for quick updates and informal contact, it lacks automation and formal record-keeping. In the future, we may explore dedicated platforms like ClassTag or parent-facing portals within an LMS to centralize communication and streamline reporting.

AI Tools

We leverage generative AI tools, including GPT-4, to support personalized feedback, generate leveled materials, and assist with student assessments. Custom GPTs aligned with CEFR and Common Core standards are already in use to evaluate speaking and writing samples, helping identify learner strengths and areas for improvement.



Learning Management System

In terms of a formal Learning Management System (LMS), our current system relies on Microsoft Excel and Google Sheets and manual input to track attendance, performance, and assignments. As the business grows, we plan to evaluate lightweight LMS options that balance functionality with usability. Potential candidates include Google Classroom (due to its seamless integration with our existing tools), Canvas LMS (for its robustness), or commercial course platforms like Thinkific for packaging asynchronous modules. Our LMS selection will focus on ease of use for a small teaching staff, support for assignment tracking and assessment, and accessibility for parents who want to monitor progress.

Website Development for Operational Integration

At present, our primary digital presence is a Facebook page, which functions as a basic channel for announcements and customer inquiries via Messenger. While effective for informal communication, it lacks the structure required for program delivery and scalability. As we grow our online offerings, we will develop a dedicated website to function as a centralized portal for students, parents, and teachers. This site will support secure logins, access to class materials and schedules, progress dashboards, and future LMS integration. It will also streamline administrative tasks such as payments, enrollment, and automated notifications.

Appendix M. Financials Table: Revenue, Costs, and Margins (Section 6)

Table 6.1: Revenue, Costs, and Profit Margins (2023-2025)

Year	Income (NTD)	Costs (NTD)	Profit (NTD)	Profit Margin %
2023	7,710,999	4,082,621	3,628,378	47.1
2024	13,095,196	7,127,159	5,968,037	45.56
2025	NA	NA	NA	NA

Appendix N. Detailed Revenue Projections and Assumptions

Expanded Revenue Table:

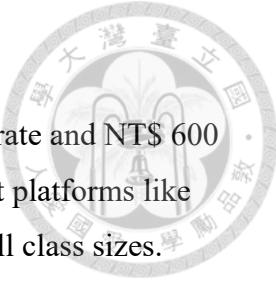
Enrollment	Monthly Revenue (NTD)	Annual Revenue (NTD)
50	168,000	2,016,000
100	336,000	4,032,000
150	504,000	6,048,000
200	672,000	8,064,000

Breakdown by Student Tier:

Student Tier	% Distribution	Monthly Revenue (NTD)	Annual Revenue (NTD)
Grades 1-2 (35 min)	30%	50,400	604,800
Grades 3-4 (45 min)	40%	67,200	806,400
Grades 5-12 (60 min)	20%	33,600	403,200
Premium Classes	10%	16,800	201,600

- Enrollment Distribution Analysis:** The 30/40/20/10 distribution is based on current enrollment patterns and targeted marketing efforts, with the largest proportion of students projected to be in the Grades 3-4 range due to demand for foundational literacy and Cambridge exam preparation.
- Sensitivity Analysis:** If Premium Classes enrollment increases by 5%, total monthly revenue increases by NT\$ 8,400. If it decreases by 10%, revenue decreases by NT\$ 16,800. If Grades 1-2 enrollment shifts to Grades 3-4, revenue impact would be a

decrease of NT\$ 6,000 per month due to lower class pricing.



4. **Pricing Rationale and Comparisons:** The NT\$ 500 standard class rate and NT\$ 600 premium rate are positioned at a 10-15% premium over mass-market platforms like TutorABC and Palfish, reflecting the higher teacher quality and small class sizes.

5. **Notes on Pricing Structure:**

Early-bird discounts of NT\$ 100 per class for new enrollments will temporarily reduce the average class rate but are projected to increase long-term customer retention. Payment options include monthly and term-based billing, with a 5% discount for full-term prepayment.

Appendix O. Break-even and Scenario Analysis (6.2.3-6.2.4)

The break-even and scenario analyses calculate the enrollment needed for the online school to cover costs, based on fixed and variable costs. Key assumptions include:

- **Revenue per Student:** NT\$3,360 per month, consistent across enrollment levels.
- **Fixed Costs:** NT\$150,000 per month, covering platform hosting (NT\$30,000), two full-time staff (NT\$100,000), and marketing (NT\$20,000).
- **Variable Costs:** NT\$980 per student per month, including digital materials (NT\$500), instructor support (NT\$400), and administrative fees (NT\$80).

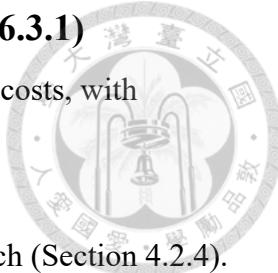
Cost Breakdown by Enrollment

- **50 Students:** Fixed costs (NT\$150,000) + variable costs ($50 \times NT\$980 = NT\$49,000$) = NT\$199,000. Revenue (NT\$168,000) yields a NT\$31,000 loss.
- **100 Students:** Fixed costs (NT\$150,000) + variable costs ($100 \times NT\$980 = NT\$98,000$) = NT\$199,000. Revenue (NT\$336,000) yields a NT\$137,000 profit.
- **150 Students:** Fixed costs (NT\$150,000) + variable costs ($150 \times NT\$980 = NT\$147,000$) = NT\$279,000. Revenue (NT\$504,000) yields a NT\$225,000 profit.
- **200 Students:** Fixed costs (NT\$150,000) + variable costs ($200 \times NT\$980 = NT\$196,000$) = NT\$389,000. Revenue (NT\$672,000) yields a NT\$283,000 profit.

These calculations assume stable pricing and linear cost scaling, validated by market research (Section 2.2.4). Margin trends reflect the online model's efficiency up to 150 students, with cost optimization needed beyond this level.

Appendix P. Cash Flow Modeling Assumptions (6.3.1)

The cash flow projections for Months 1–12 are based on fixed and variable costs, with enrollment driving revenue. Key assumptions include:



- Revenue per Student: NT\$3,360 per month, consistent with market research (Section 4.2.4).
- Fixed Costs: NT\$150,000/month (platform hosting: NT\$30,000, two full-time staff: NT\$100,000, base marketing: NT\$20,000).
- Variable Costs: NT\$980/student/month (digital materials: NT\$500, instructor support: NT\$400, administrative fees: NT\$80).
- Marketing Surge: Additional NT\$57,500/month in Months 1–3 (total marketing: NT\$77,500), dropping to NT\$6,000/month in Months 4–6 and NT\$16,000/month in Months 7–12.

Cost Breakdown

- Months 1–3: Fixed costs (NT\$150,000) + variable costs (e.g., 20 students: $20 \times NT\$980 = NT\$19,600$ in Month 1) + marketing surge (NT\$57,500) = NT\$227,500.
- Months 4–6: Fixed costs (NT\$150,000) + variable costs (e.g., 75 students: $75 \times NT\$980 = NT\$73,500$) + reduced marketing (NT\$6,000) = NT\$221,500.
- Months 7–12: Fixed costs (NT\$150,000) + variable costs (e.g., 110 students: $110 \times NT\$980 = NT\$107,800$) + stable marketing (NT\$16,000) = NT\$213,500.

These assumptions align revenue and cost trends with enrollment growth, supporting the transition to profitability by Month 7.

Appendix Q. Interview Transcript: Academic Director of Main Competitor

Interview Transcript: Academic Director, TutorABC

Date and time: 5/13/2025 between 6:00-6:30 p.m.

Location: a café near the NTU Campus



Introduction:

This interview was conducted with the Academic Director of TutorABC to gather insights from TutorABC's operations to inform strategic planning for a business proposal focused on transitioning a small boutique language school to an online platform or hybrid model. The discussion was framed around survey results indicating mixed parent interest in online classes and a focus on potential competitive advantages for smaller operators.

Note on Methodology:

The interview was recorded with the iPhone Voice Memos app and later transcribed using speech-to-text software. The transcript was reviewed for accuracy against the original audio. Minor edits were made to remove off-topic remarks and clarify grammar for readability while preserving the meaning and tone of the original speaker.

Q1: Can you briefly introduce yourself and your role at TutorABC?

A1: My name is Steven Selley and I am the Academic Director at TutorABC.

Q2: My business proposal is about pivoting a small, successful boutique language school to an online platform over a couple of years. From your experience, what do you see as the biggest opportunities for a small boutique school like mine to stand out in a market with big players like TutorABC?

A2: One of the first things you can offer is that you're able to provide a more personalized experience, which often gets lost at a big scale like TutorABC or VIPKid. You can cater more flexibly to what students want. With big organizations, they're often locked into very standard, rigid courses or offerings.

Q3: Do you primarily target local Taiwanese customers, or is it more of a global focus?

A3: It's mainly Taiwanese customers, about 80%, but we are expanding into India.

Q4: From your perspective, what is the most important factor in retaining customers after acquisition?

A4: Retention often comes down to creating a strong connection between students and teachers. Consistency in teaching quality and maintaining a personal connection is key. Larger companies like ours don't focus on teacher connection as much. We market ourselves as flexible, allowing students to follow and rebook classes with their favorite teachers. However, it's not always guaranteed that their preferred teacher will be available.

Q5: You previously mentioned that teacher consistency is a concern. How do you approach this at TutorABC?

A5: We have to emphasize flexibility, not necessarily teacher connection. Students can choose their teachers and rebook them, but it's not always guaranteed. For a smaller operation, you could leverage that personalized teacher-student connection more effectively.

Q6: How do you handle teacher recruitment and retention?

A6: We have a multi-step process: screening applicants through our website, conducting English proficiency tests, and automated video interviews. We don't do teaching demos, but we ask pedagogically focused questions to gauge teaching style and effectiveness. Once hired, they go through a probation period where their teaching is closely monitored.

Q7: Does the native vs. non-native teacher question come up often?

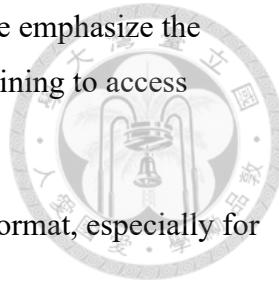
A7: Yes, Taiwanese parents prioritize native-speaking teachers, particularly from the US, Canada, UK, Australia, South Africa, and New Zealand. This creates logistical challenges, but we manage it by strategically scheduling teaching hours across different time zones.

Q8: With TutorABC paying foreign teachers in stronger currencies but charging Taiwanese clients in NTD, how does that affect profitability?

A8: It's a scale game. Our courses are not cheap, and because we operate on a large scale, it balances out. Smaller operations might not have that flexibility, so the cost structure would need to be carefully considered.

Q9: You mentioned that some teachers are paid less than what they might earn in a traditional school setting. How do you keep them motivated?

A9: It's challenging. We can't pay as much as some other companies, so we emphasize the flexibility and experience of working with us. Teachers have to undergo training to access certain higher-tier classes, which can be an incentive to stay longer.



Q10: From your perspective, what types of classes work best in an online format, especially for young learners?

A10: Writing is the most challenging. It requires significant feedback, marking, and personalized guidance, which is hard to scale online. For younger learners, we focus on speaking, listening, and reading – skills that can be effectively taught online with minimal logistical challenges.

Q11: For a school like mine, would you recommend a full online transition or a hybrid model?

A11: Given your current setup, a hybrid model might be more feasible. You could run face-to-face classes focused on writing, games, and activities that don't translate well online while using the online platform for reading, speaking, and listening practice. This could also serve as a transitional phase toward a fully online model, allowing you to gradually adapt your operations and gauge parent and student receptiveness.

Q12: Are there other schools you know of that are effectively implementing hybrid or online models?

A12: Yes, some buxibans use our services to supplement their in-person classes, offering students access to foreign teachers they wouldn't otherwise have. This is more common with larger schools or those without sufficient native-speaking teachers.

Q13: We've covered a lot of ground today – from teacher recruitment to maintaining student connections online. Just to wrap up, is there anything I haven't asked that you think would be important for me to consider in my business proposal?

A13: You might want to consider how you will assess student progress online, particularly in terms of maintaining learning continuity and providing actionable feedback. This is something that even we struggle with at TutorABC, especially at scale, without a comprehensive Learning Management System (LMS).