

Trends in Demand for English and Other Languages: Align your Programmes with Future Demand



Presented by:

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Introduction

Scope of research

- Chinese
- **English**
- French
- German
- Italian
- Japanese
- Portuguese
- Russian
- Spanish



Methodology

Desk research

- 60 secondary sources
- National statistics
- International language demand insights
- Scholarly articles in economics and psychology

Primary research

- 466 education agents
- 74 countries
- Representing 236,000 language students
- 21 in-depth interviews with pre-selected agents



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Where is the industry headed?



Industry trends

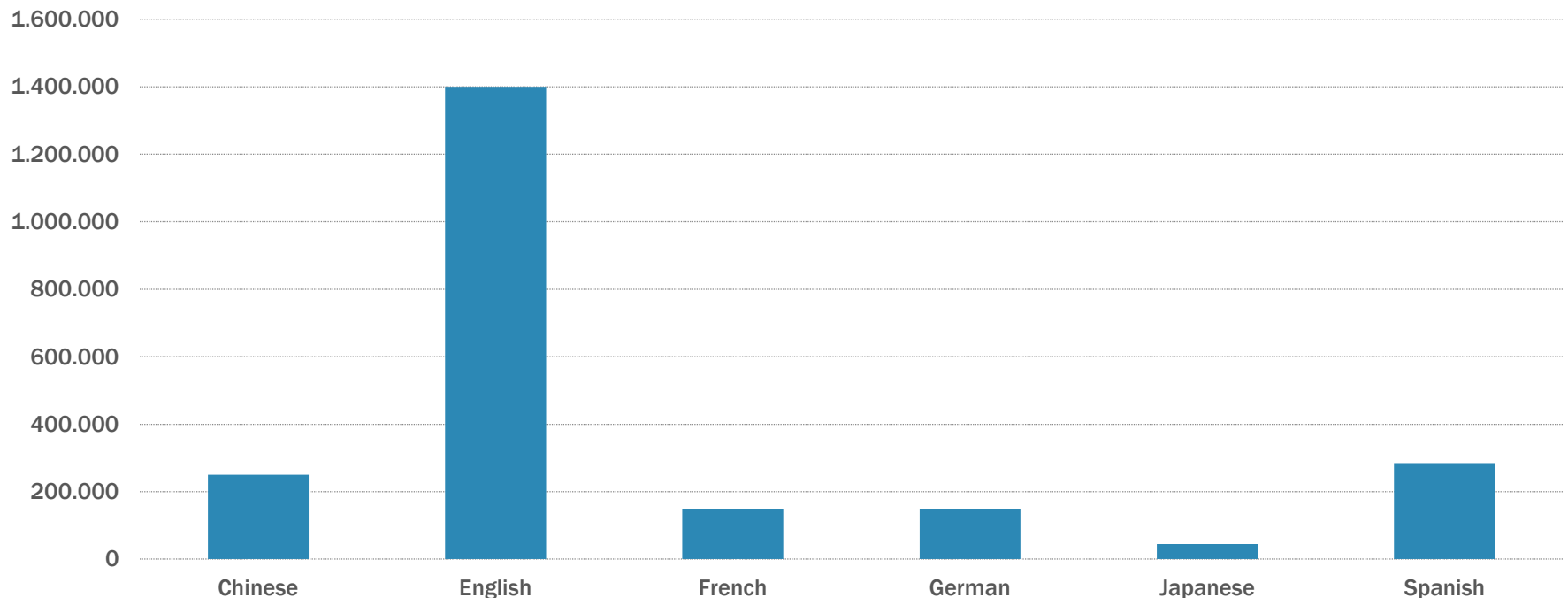
- Global language travel caters to 2.28 million language students
- English language travel is an estimated 61% of the market
- 97% of all agents promote English language courses, followed by French and German courses (both at 62%)
- Demand for all screened languages continues to grow
- English, German and Chinese are predicted to be the fastest-growing languages
- 18-25 age group is the most important customer group
- Reasons for learning a foreign language abroad have evolved to become more pragmatic and sophisticated

Global language travel market

The language travel industry is growing at a moderate pace. English leads, but the segment is saturated and not growing as fast as before.



Number of language learners abroad (2014)



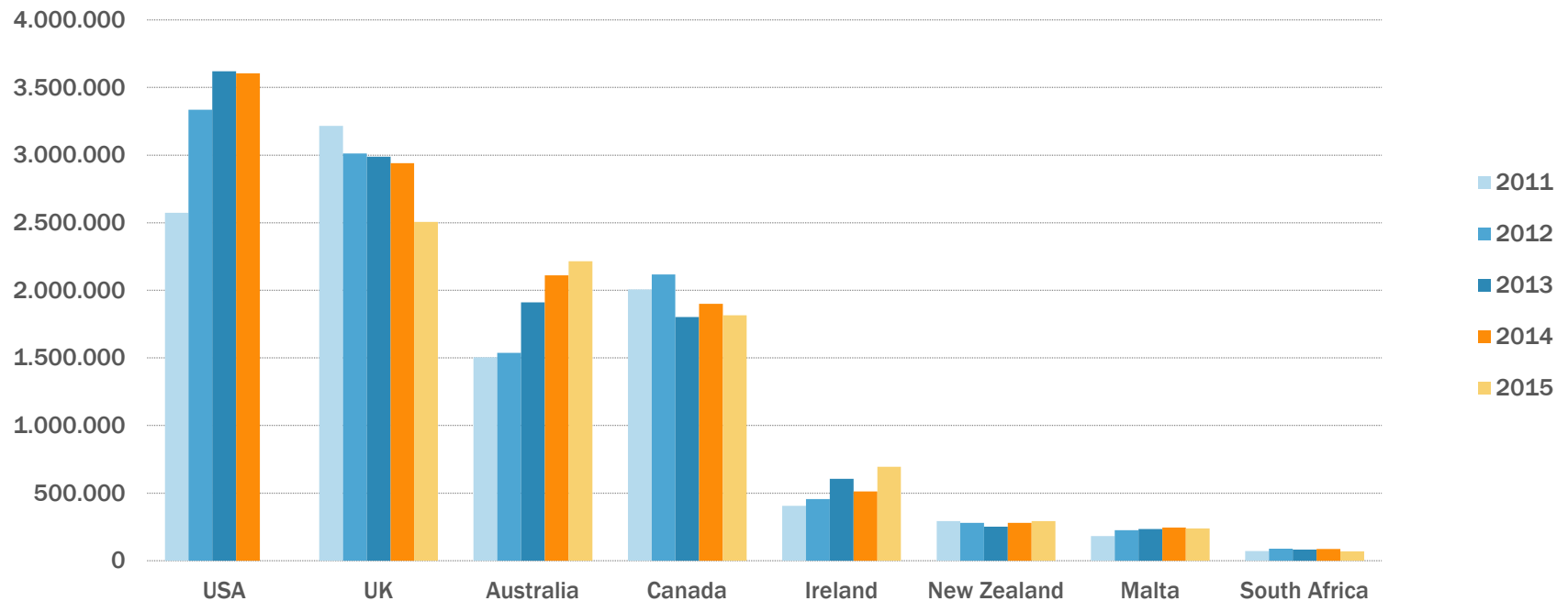
English language travel market

Australia, Ireland and New Zealand were the only destinations to grow in the last year.



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Student weeks by destination (2011-2015)

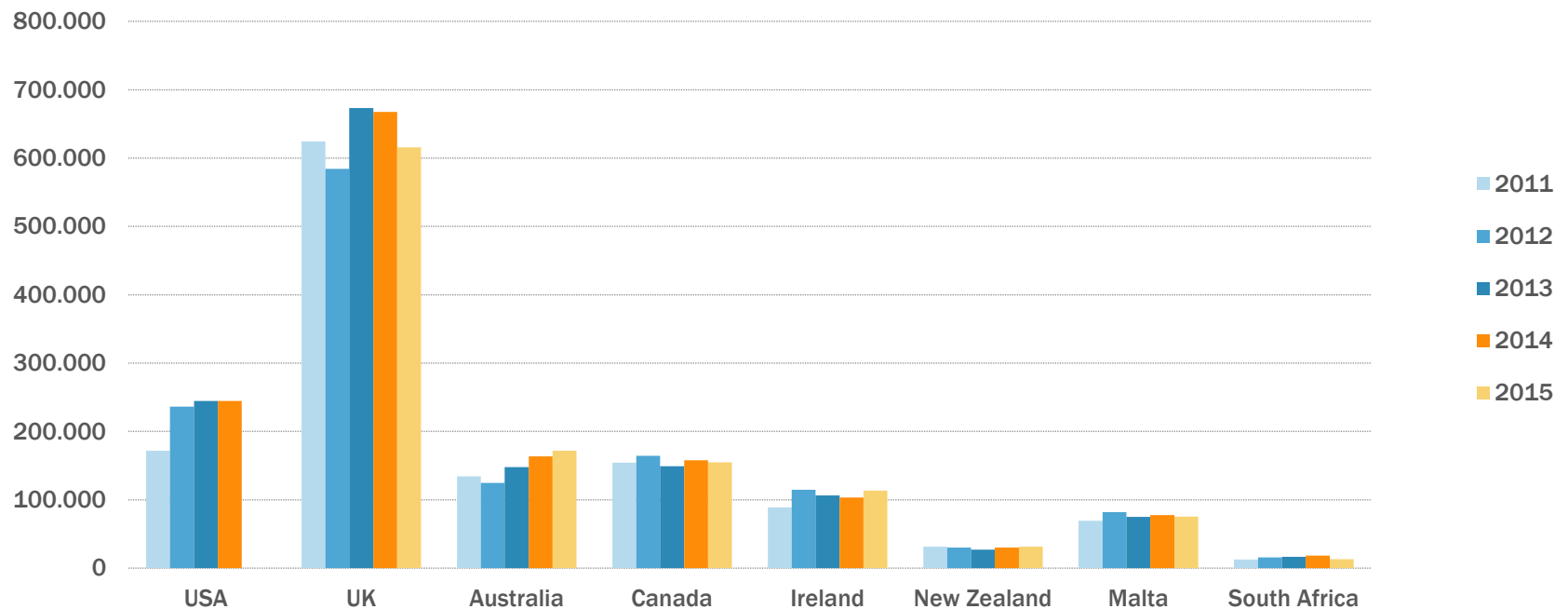


English language travel market

In terms of student numbers, the UK takes lead.



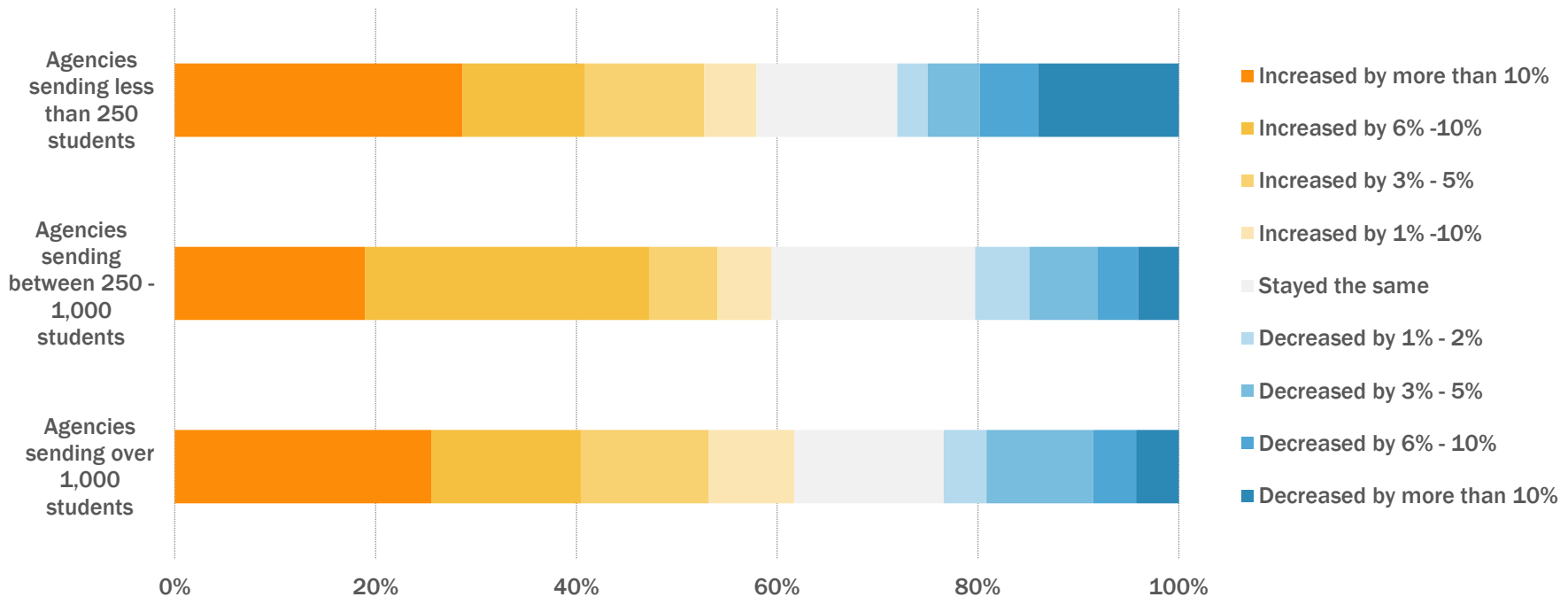
Student numbers by destination (2011-2015)



Market development

The majority of agents marked 2015 as a year of growth for their business. 59% reported an increase in the number of students sent abroad.

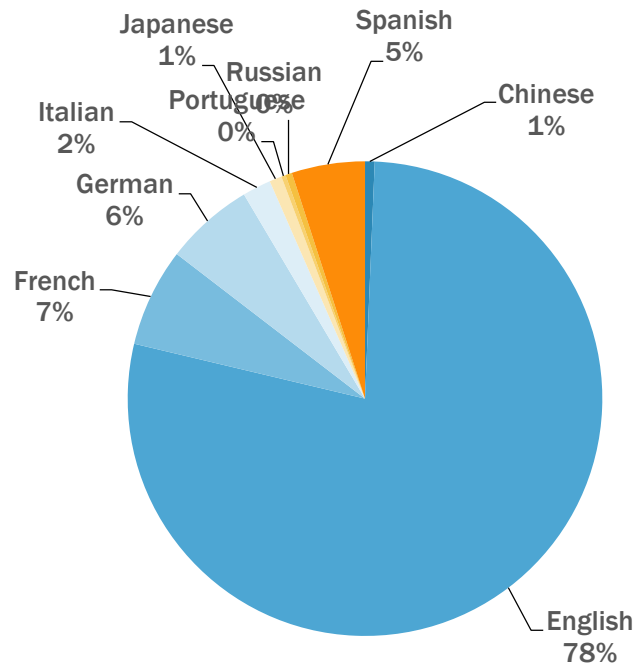
Percentage of agents by 2014/15 trend in student numbers by agency size



Language preferences

78% of all agent customers take English language courses. French represents 7% while German was the language of choice of 6% students.

Percentage of students booking through agents by language



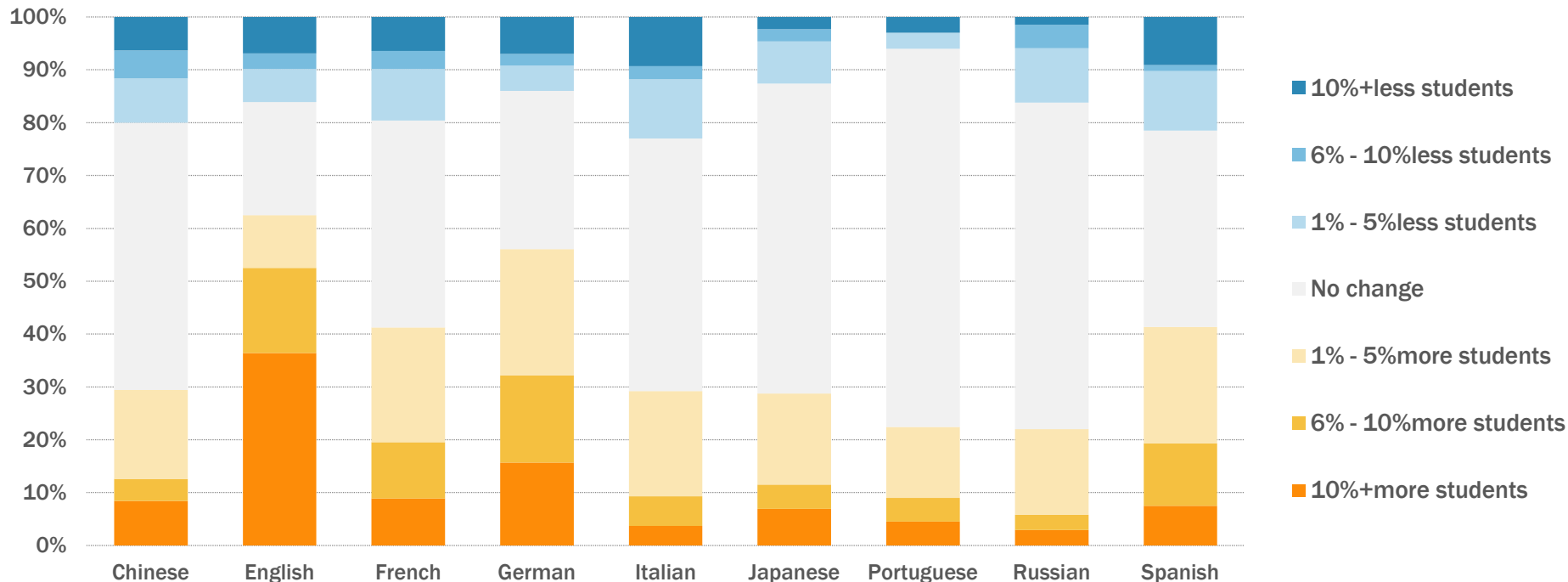
Trends in foreign language demand

Over the **last 3 years**, demand for English, German, French and Spanish courses has grown the most.



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Development in demand for particular languages as reported by agents (2012 v 2015)

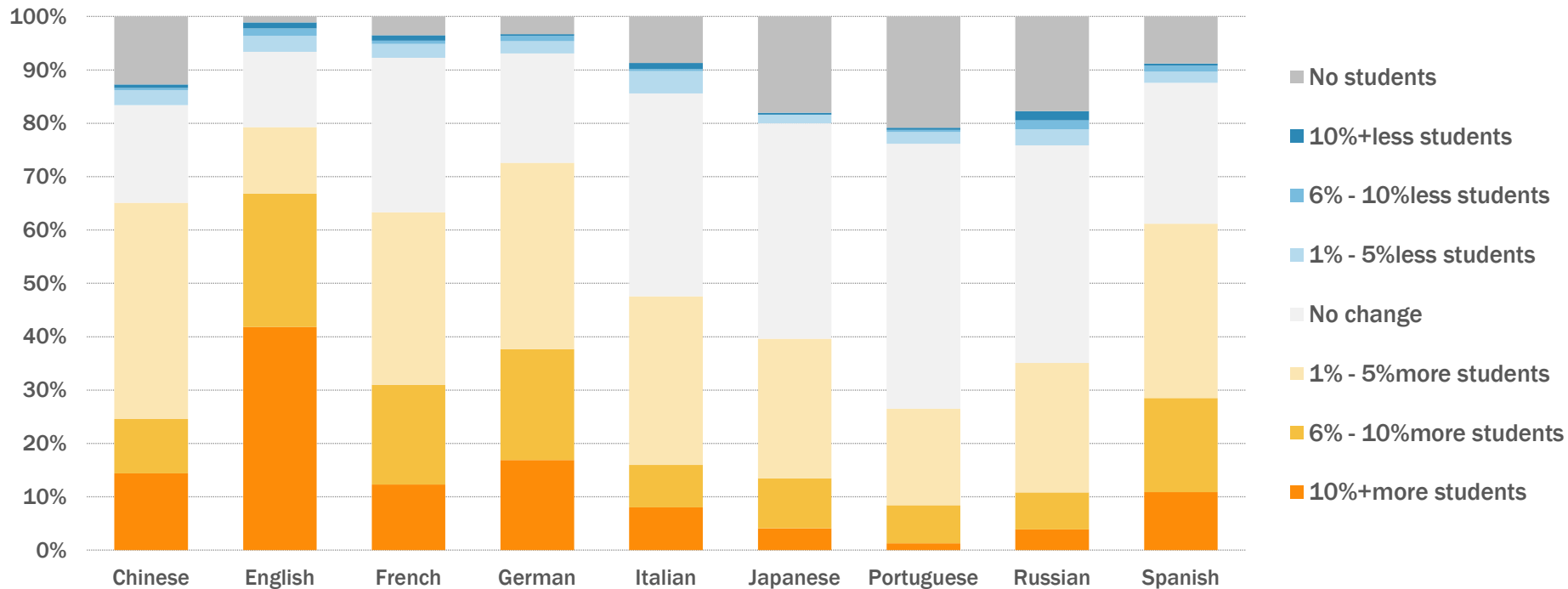


Trends in foreign language

demand Over the next 3 years, agents anticipate growth in demand for English courses abroad, followed by German, Chinese, French and Spanish.



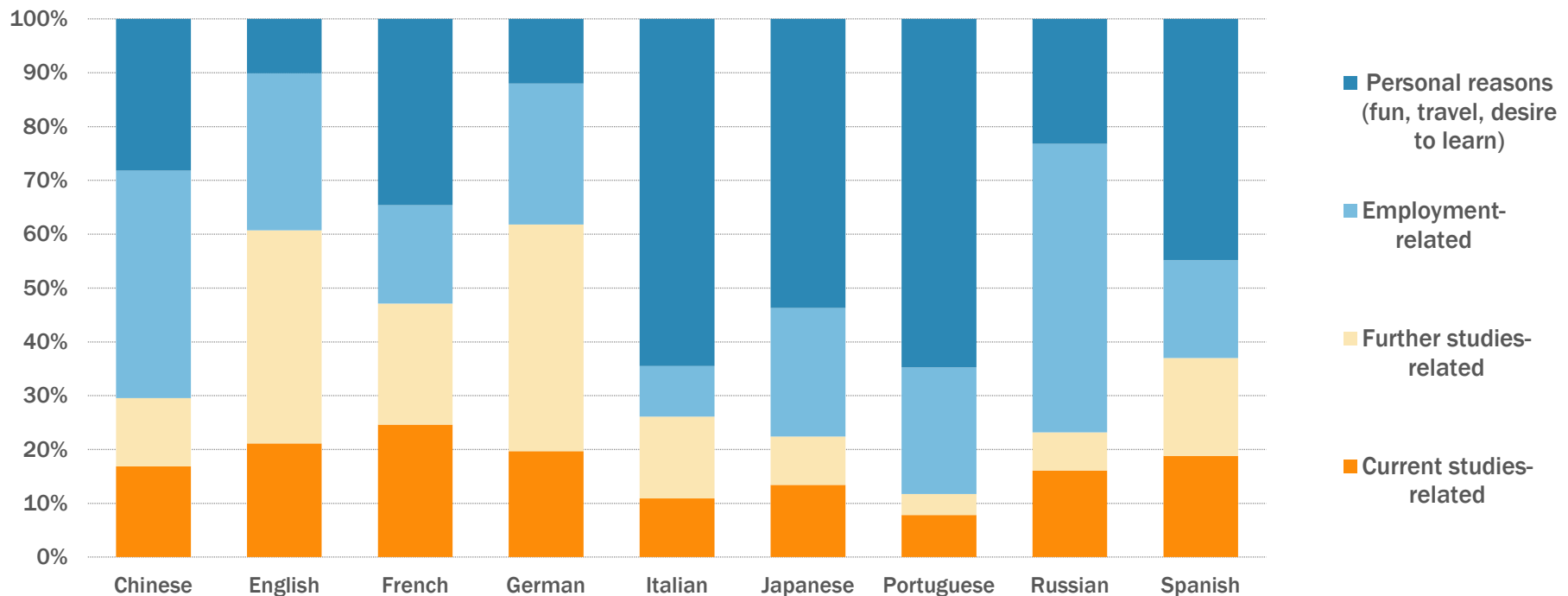
Future projected development in the demand for particular languages (2015 v 2018)



Why people learn a language abroad

English and German are learned for a specific rather than personal reason, in contrast to the motivation for learning Portuguese and Italian.

Customer reasons to learn a particular language abroad as reported by agents

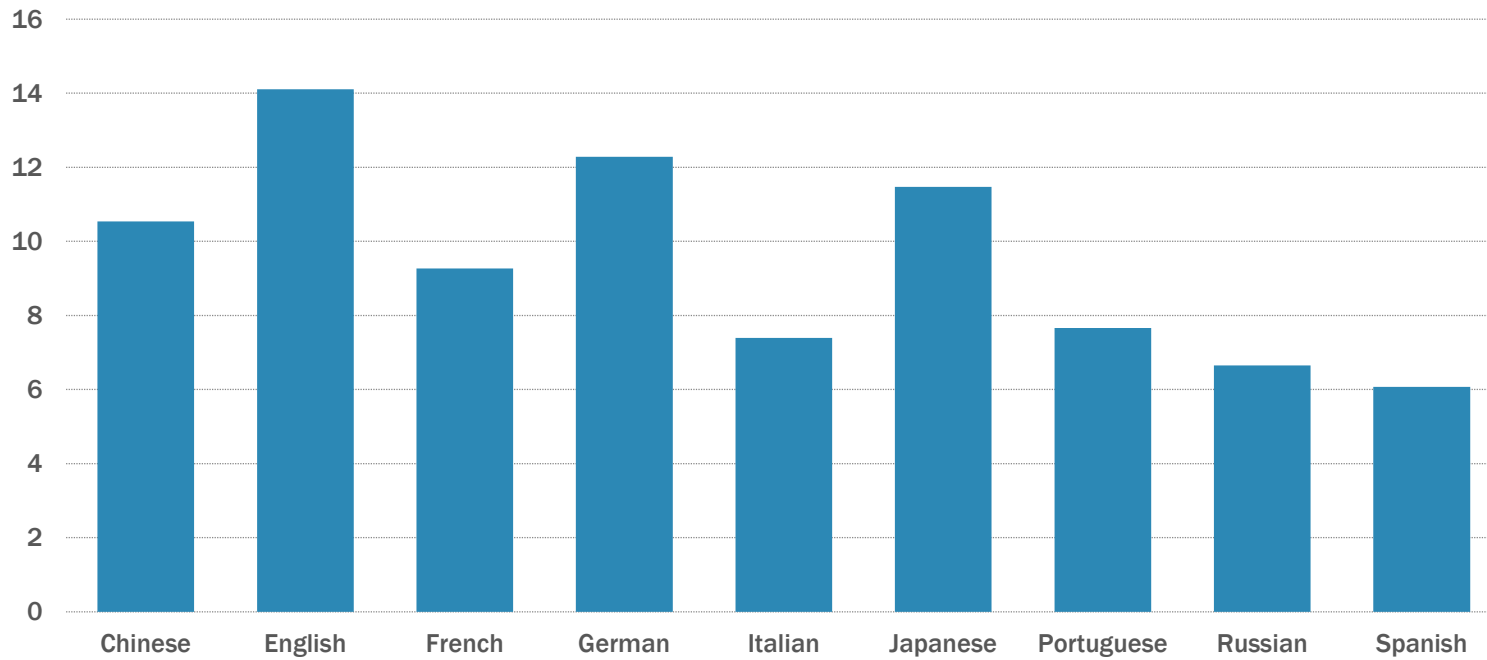


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Length of stay

On average, students taking English courses stay for 14 weeks while Spanish has the lowest average due to a high proportion of juniors and short stays of adults.

Average length of stay of agent customers by language (in weeks)

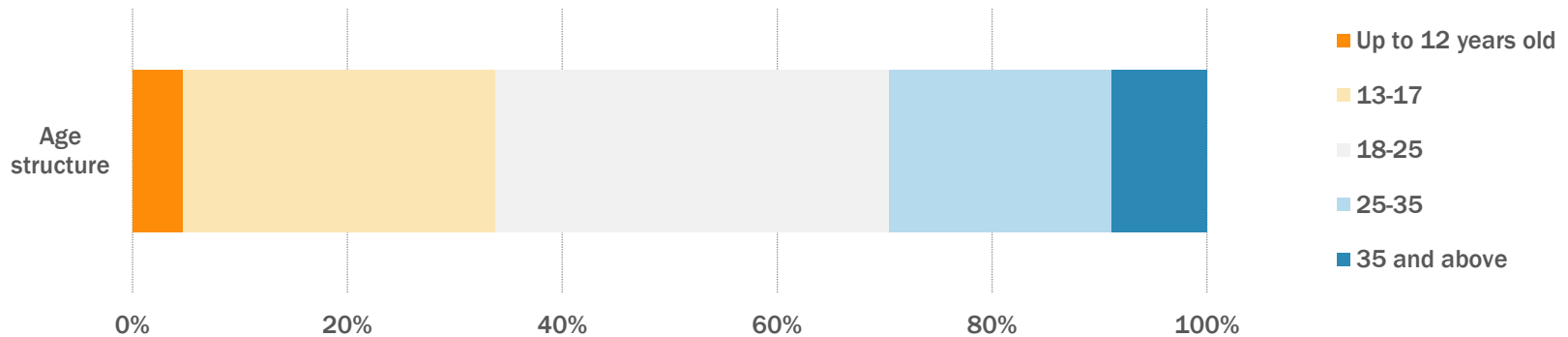


Age group specifics

One in three English language students sent abroad by agents is a junior student.



Age structure of agents' customers by language

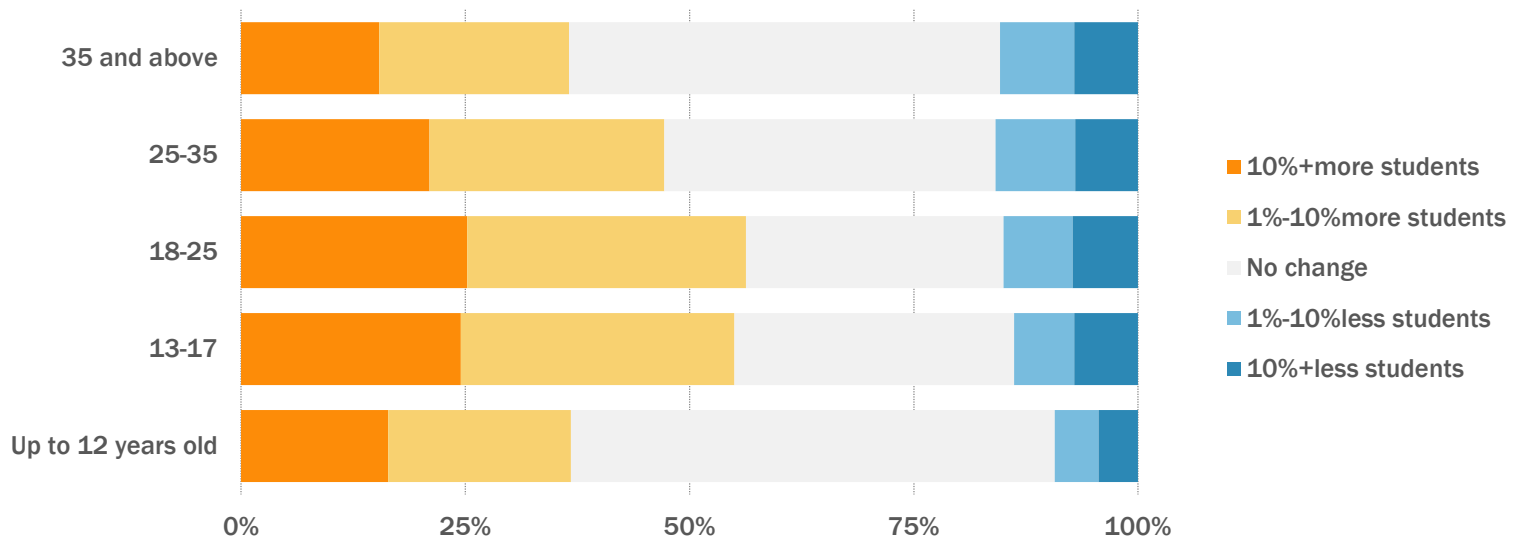


Age trends

Agents reported the 18-25 age group to be the fastest-growing segment over the last three years.



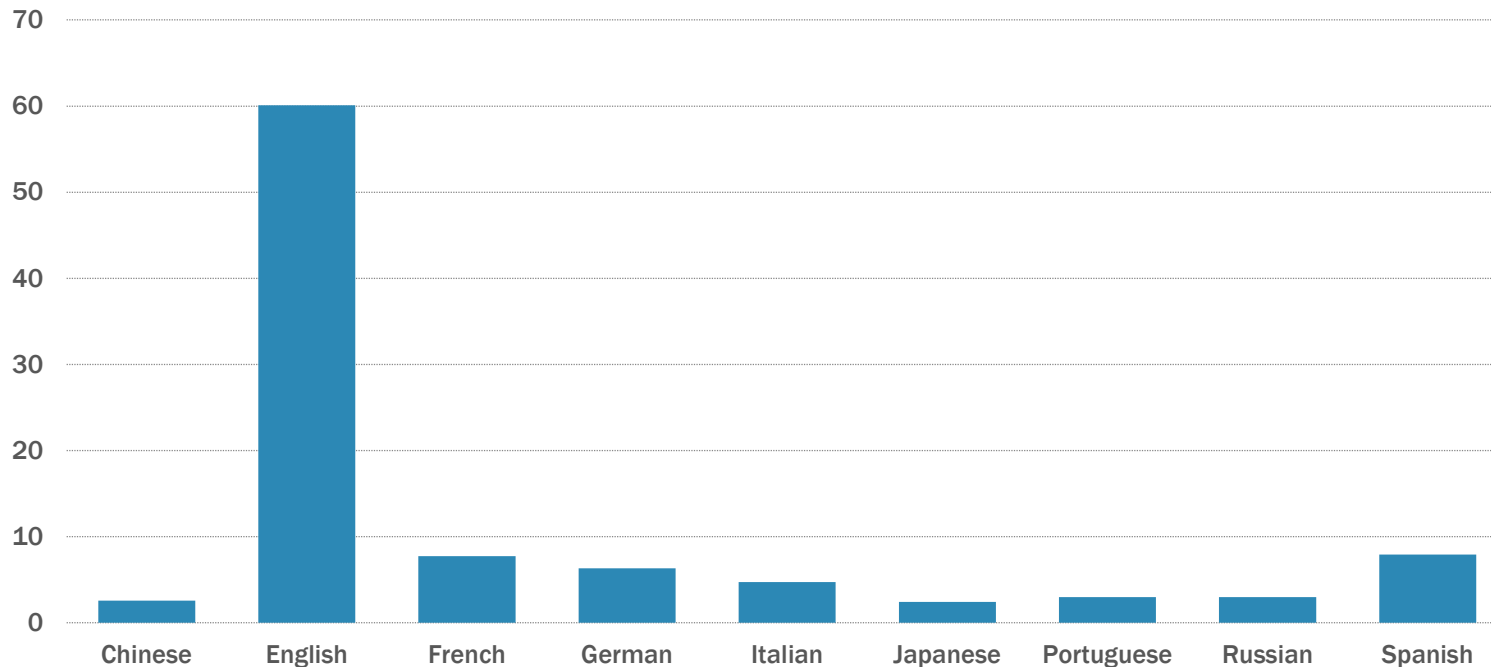
Development of student numbers by age group (2012 vs 2015)



Provider-agent partnership

On average, agents work with 60 English language schools, by far the highest number compared to other languages (less than 10 partner schools).

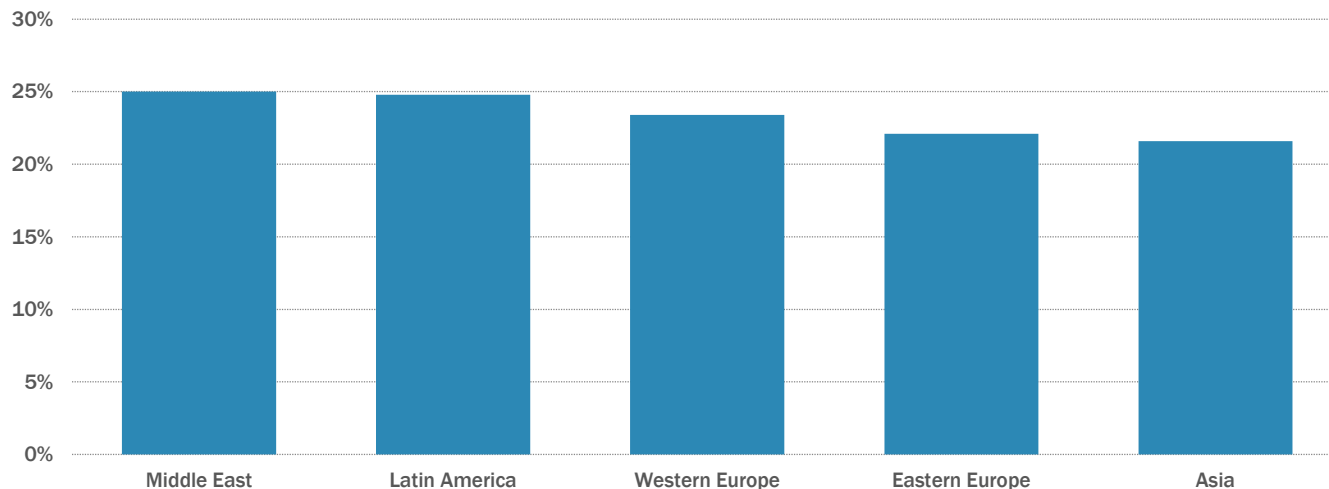
Average number of partner schools agents promote by language



Commission

The average commission on tuition varies by source region. Agents on average receive a 23.3% commission.

Average commission for English language courses by source region



Conclusions

- Individual language segments are in different stages of maturity – in terms of demand levels, market measurement, umbrella associations, government recognition.
- No major changes in language preferences are expected over the coming years – demand for English learning abroad is slowing, but expected to continue growing, while other languages are expected to grow faster.
- The purpose of learning a foreign language abroad is shifting from personal reasons (fun, desire to learn the language, travel component), towards career reasons (current or future studies, employment-related prospects).



Conclusions

- Language travel is increasingly interconnected with other sectors and preferences – international higher education, school trips with language tuition, internships + language programmes, etc.
- People start learning another language at an increasingly early age. This driver will shape the future of the global language travel market.
- As far as the provider-agent relationship is concerned, the study shows that the English language segment is already saturated, with agents promoting 60 schools on average. There is significant room for new partnerships between non-English language centres and agents.
- Agents attracting multilingual customers also tend to do better business-wise than the industry average, with none reporting a decline in student numbers from 2014 to 2015.



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Conclusions

- The industry is headed toward multilingualism. Agencies promote, on average, four languages.
- Students are increasingly taking on a third or further foreign language to stay ahead of their peers. Based on the insight provided by agents, new uptake in German, Chinese and French is anticipated.
- Structural changes in product offering can be expected – aimed more towards junior age groups. The under 18 age group is already more noticeable in the case of English and overall, juniors are predicted to grow for other European languages as well. Therefore, language schools catering for these languages need to be prepared for a change in product.



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