

Research highlights on sector performance and standalone ELICOS in China

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GLOBAL ELT



AUSTRALIAN ELICOS SECTOR



CHINA AND ENGLISH LEARNING

Acknowledgements

studentmarketing
YOUTH TRAVEL CONSULTANCY



Australian Government

Department of Education and Training



Australian Government

Department of Home Affairs

Global ELT Market Analysis

'The bird's eye perspective'



About StudentMarketing



STUDENTMARKETING IS A UNITED NATIONS WORLD TOURISM ORGANIZATION AFFILIATE MEMBER.



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

SAMUEL VETRAK, CEO, STUDENTMARKETING

Our Clients

DESTINATIONS

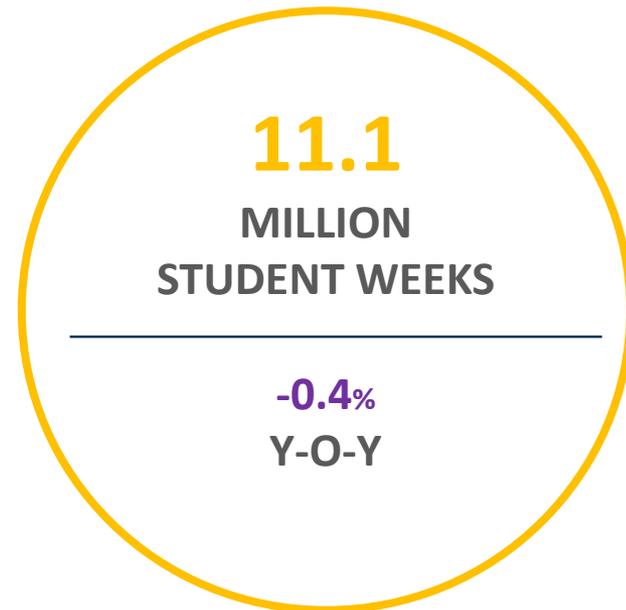
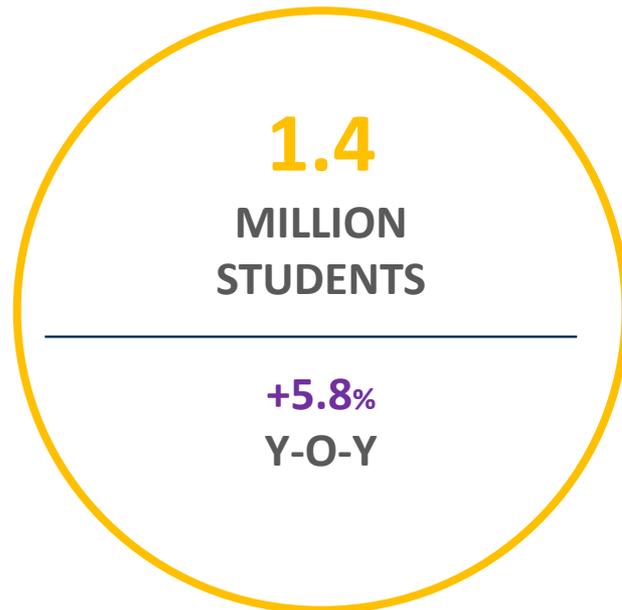


ASSOCIATIONS



PROVIDERS

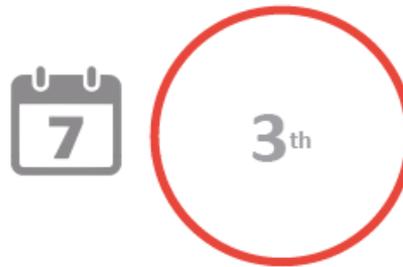




Australia's Global Position



Student numbers

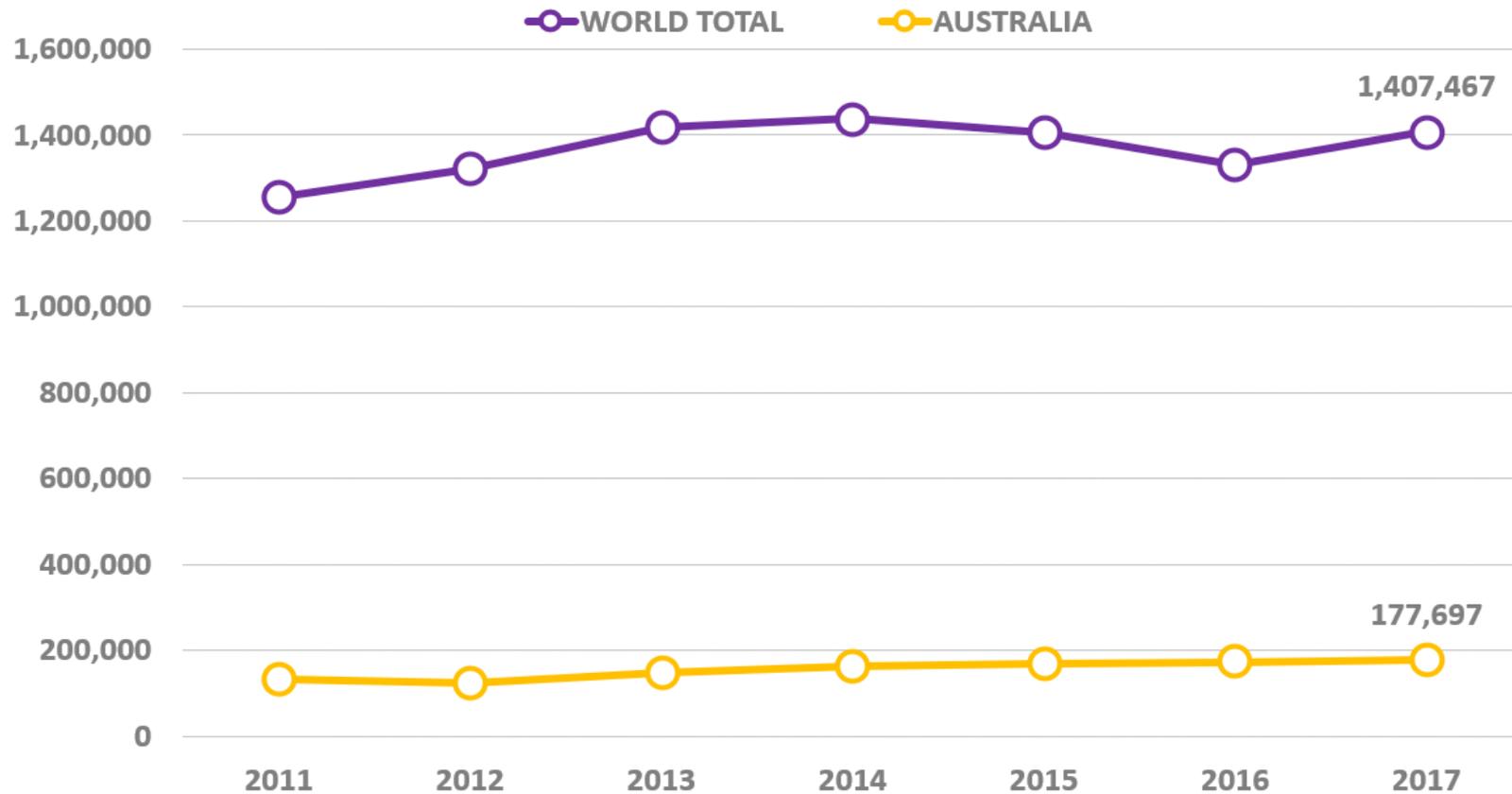


Student weeks

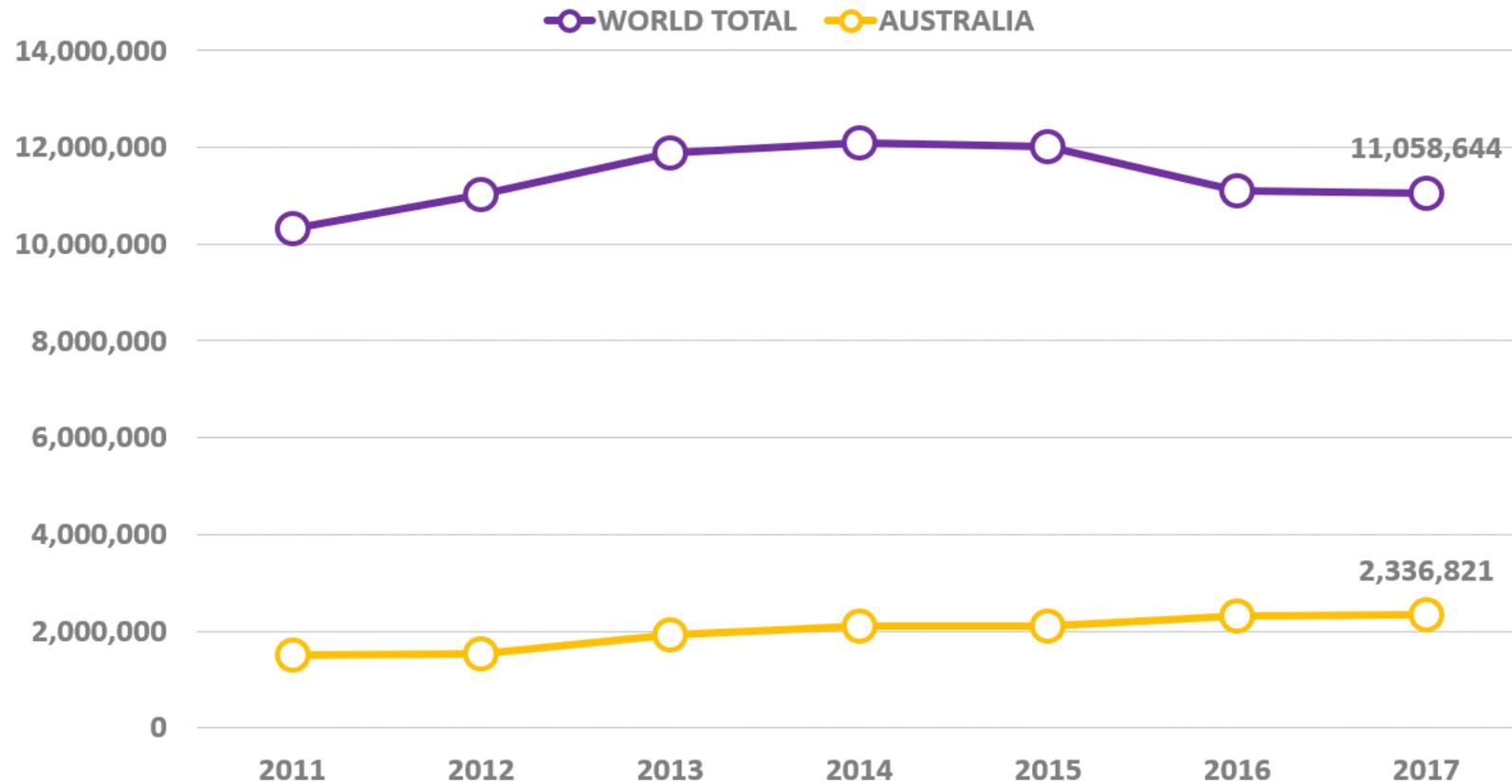


Average length of stay

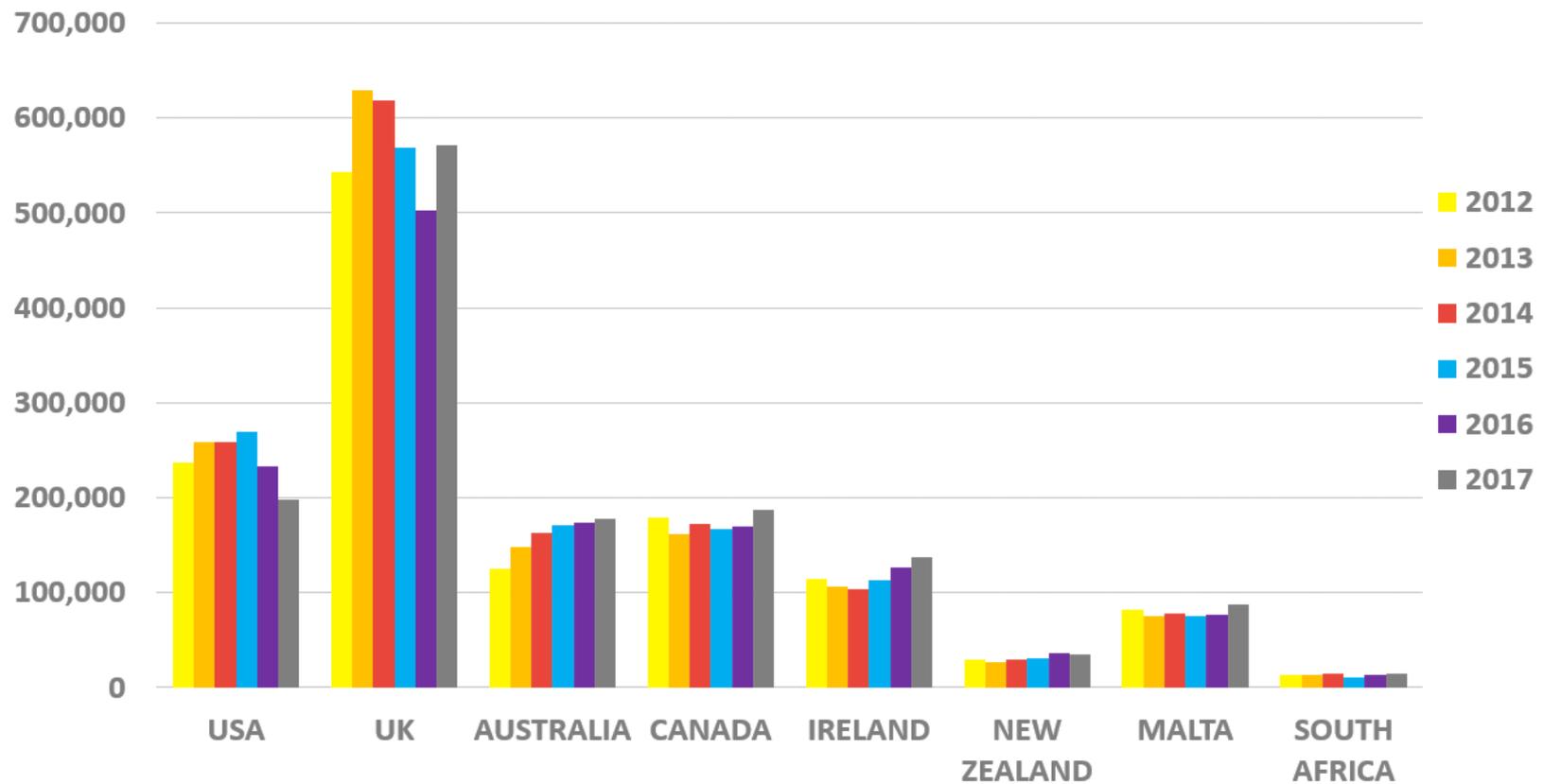
ELT Student Numbers



ELT Student Weeks

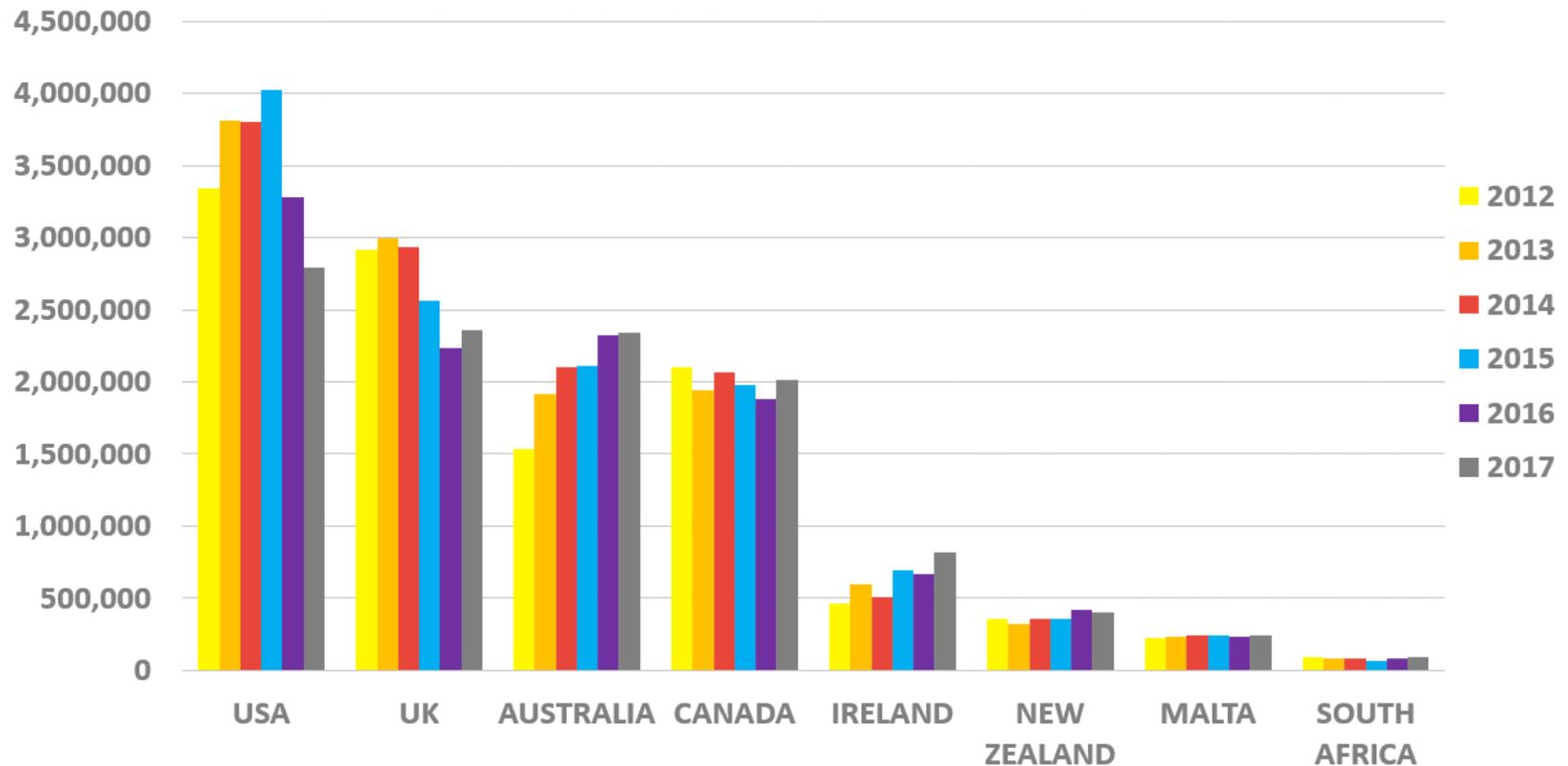


Destinations by Student Numbers



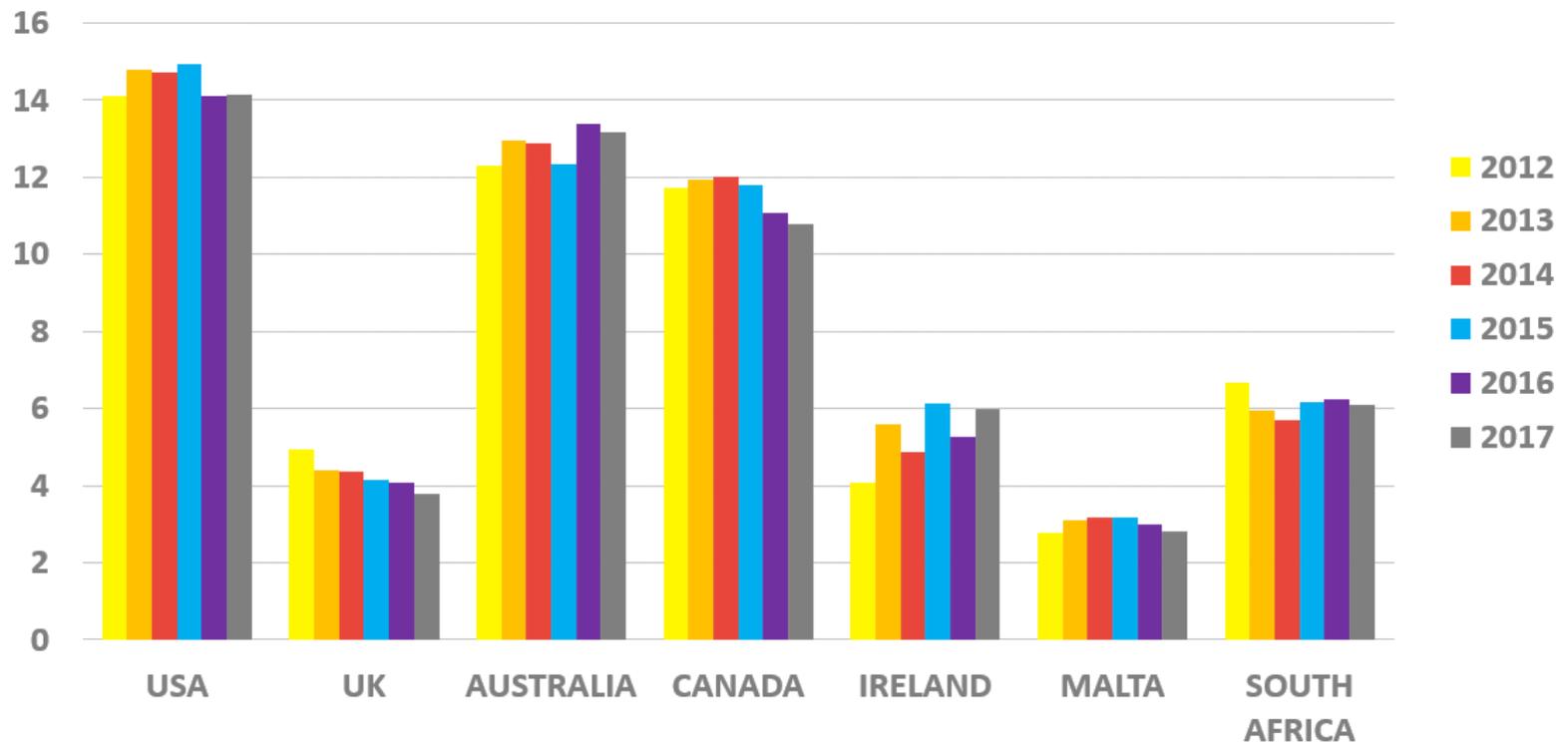
Source: StudentMarketing, 2018; Figures represent extrapolations based on multiple sources. They cover all centres in the destinations and represent the best possible calculation, rather than a headcount.

Destinations by Student Weeks

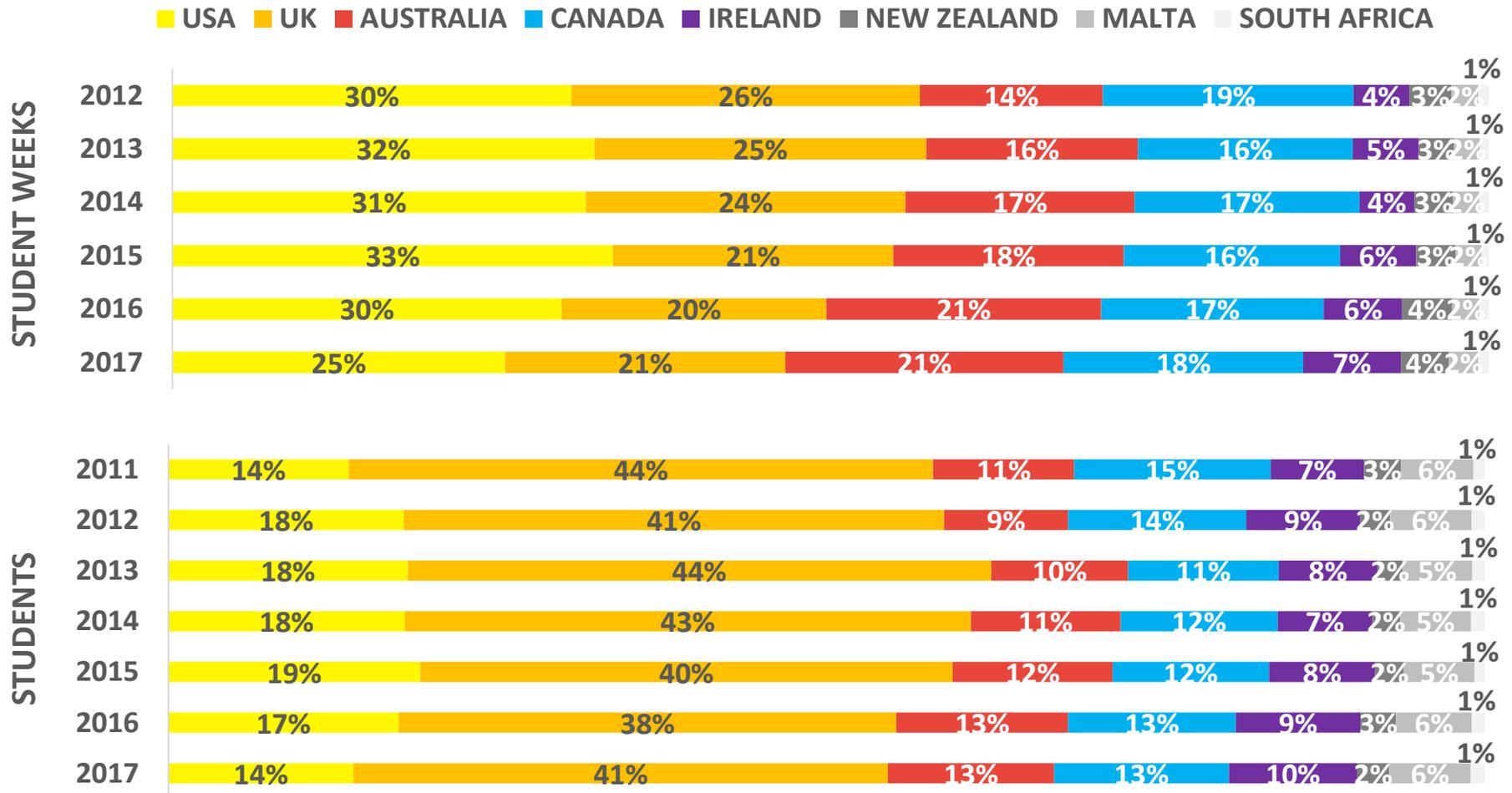


Source: StudentMarketing, 2018; Figures represent extrapolations based on multiple sources. They cover all centres in the destinations and represent the best possible calculation, rather than a headcount.

Average Length of Stay (Weeks)

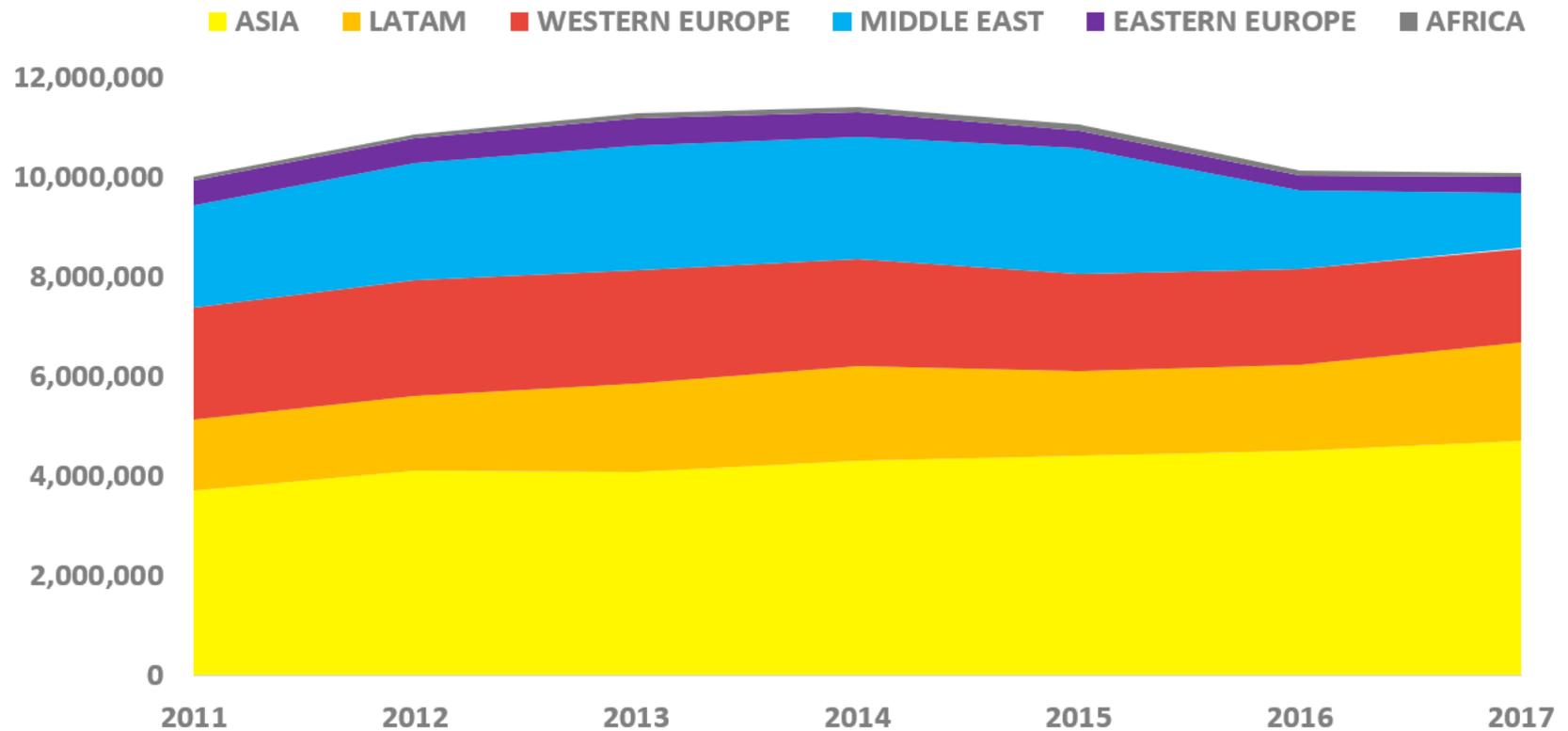


Global ELT Market Shares

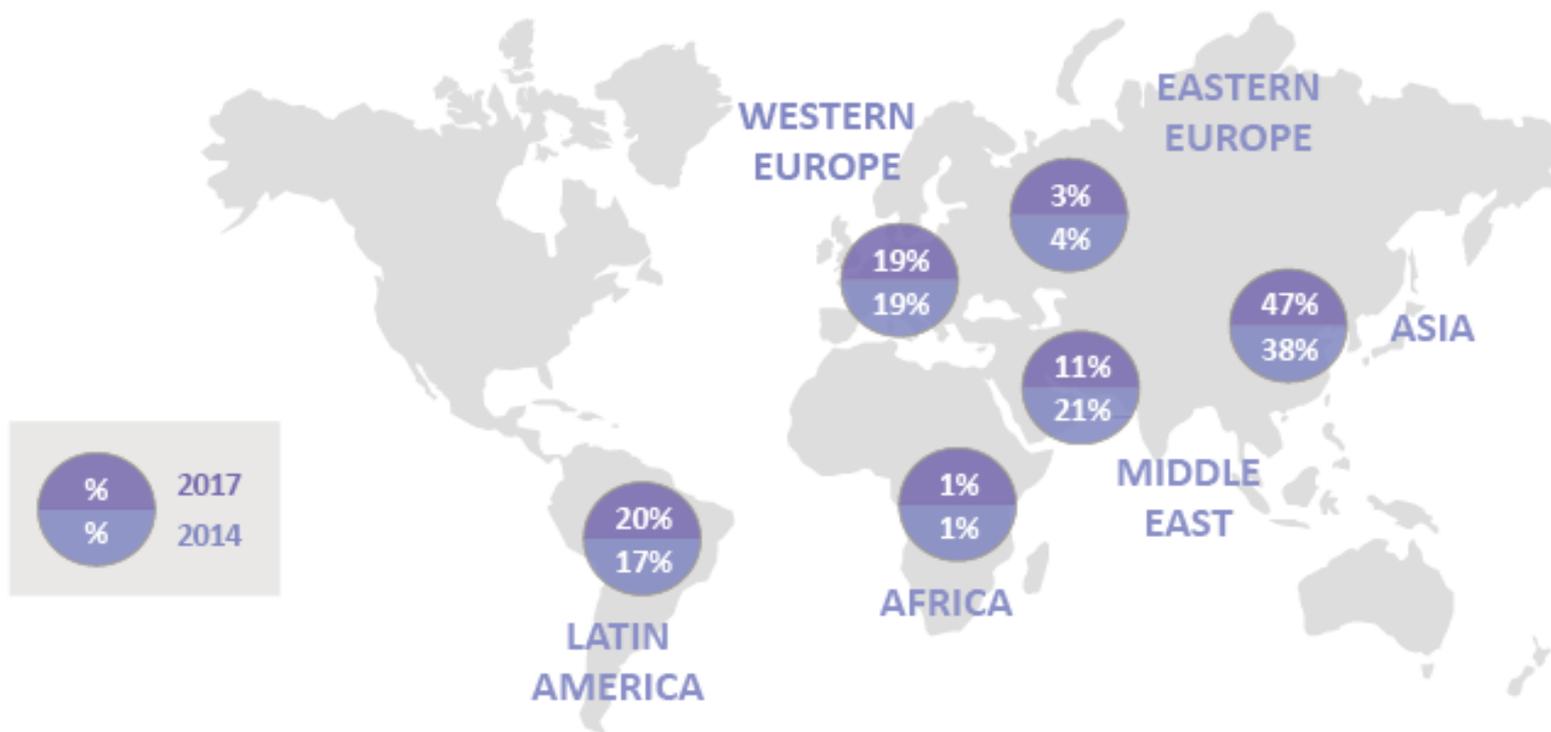


Source: StudentMarketing, 2018; Figures represent extrapolations based on multiple sources. They cover all centres in the destinations and represent the best possible calculation, rather than a headcount; percentages do not add up to 100% due to rounding

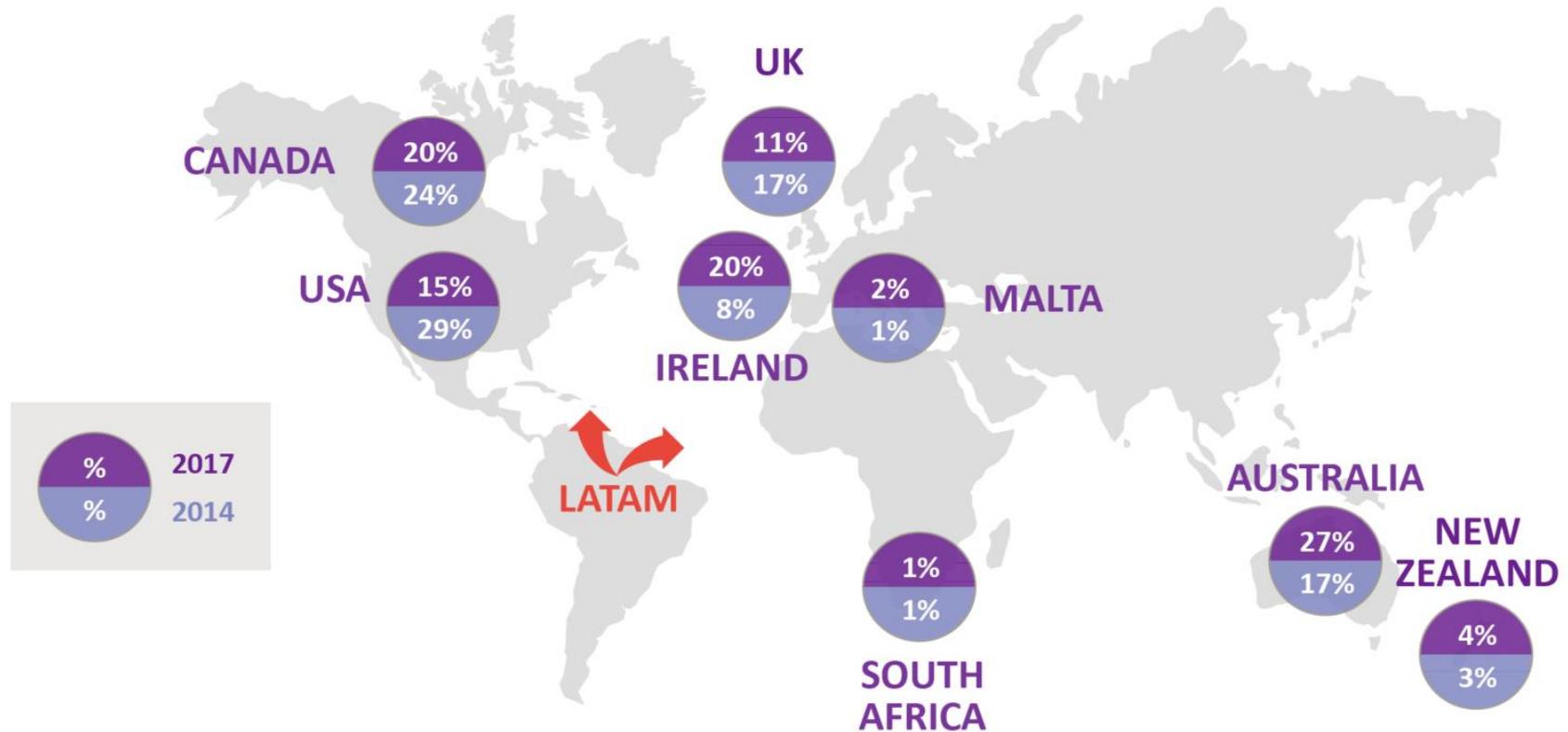
Student Weeks by Source Region



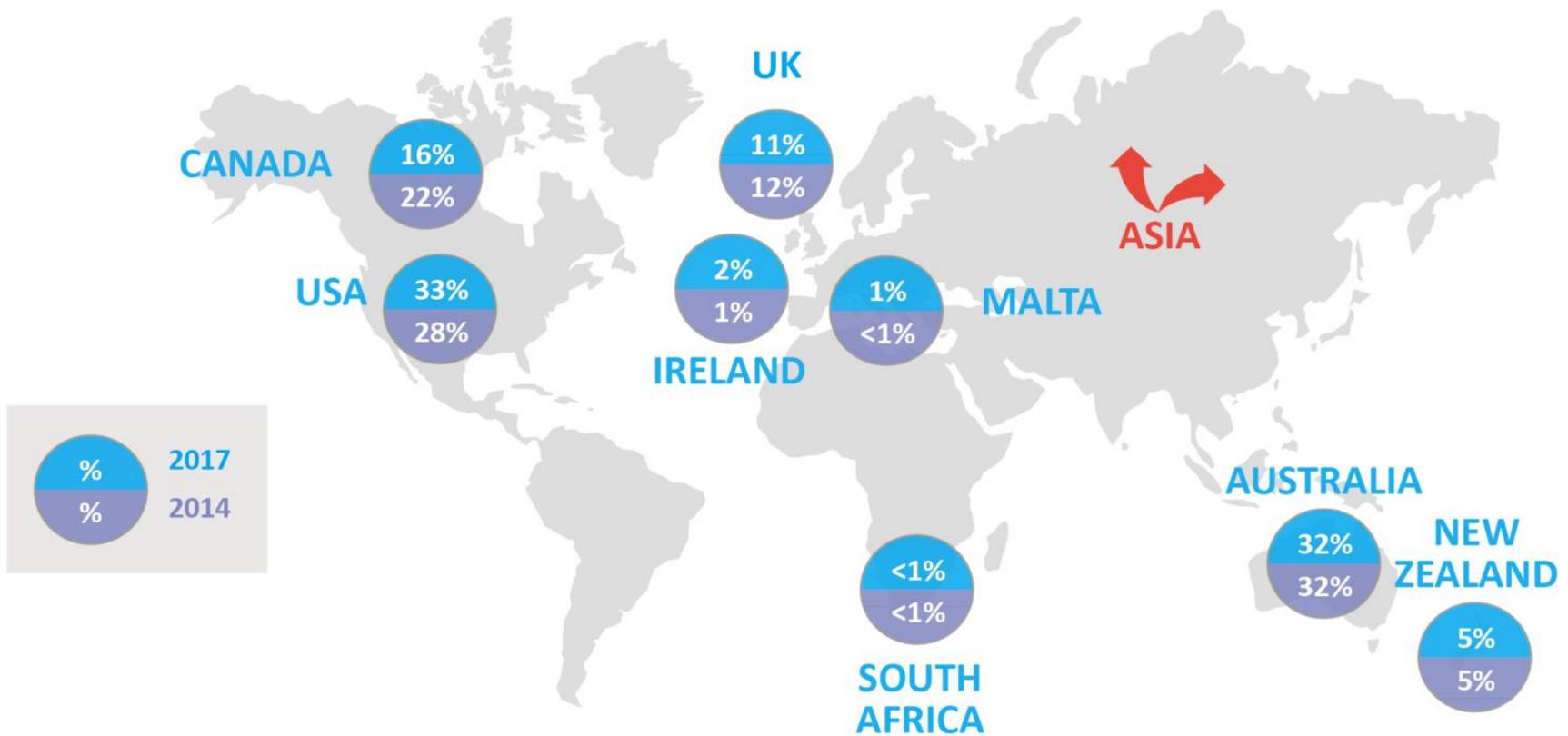
Source Region Market Shares (Weeks)



Latin America: Destination Market Shares (Weeks)



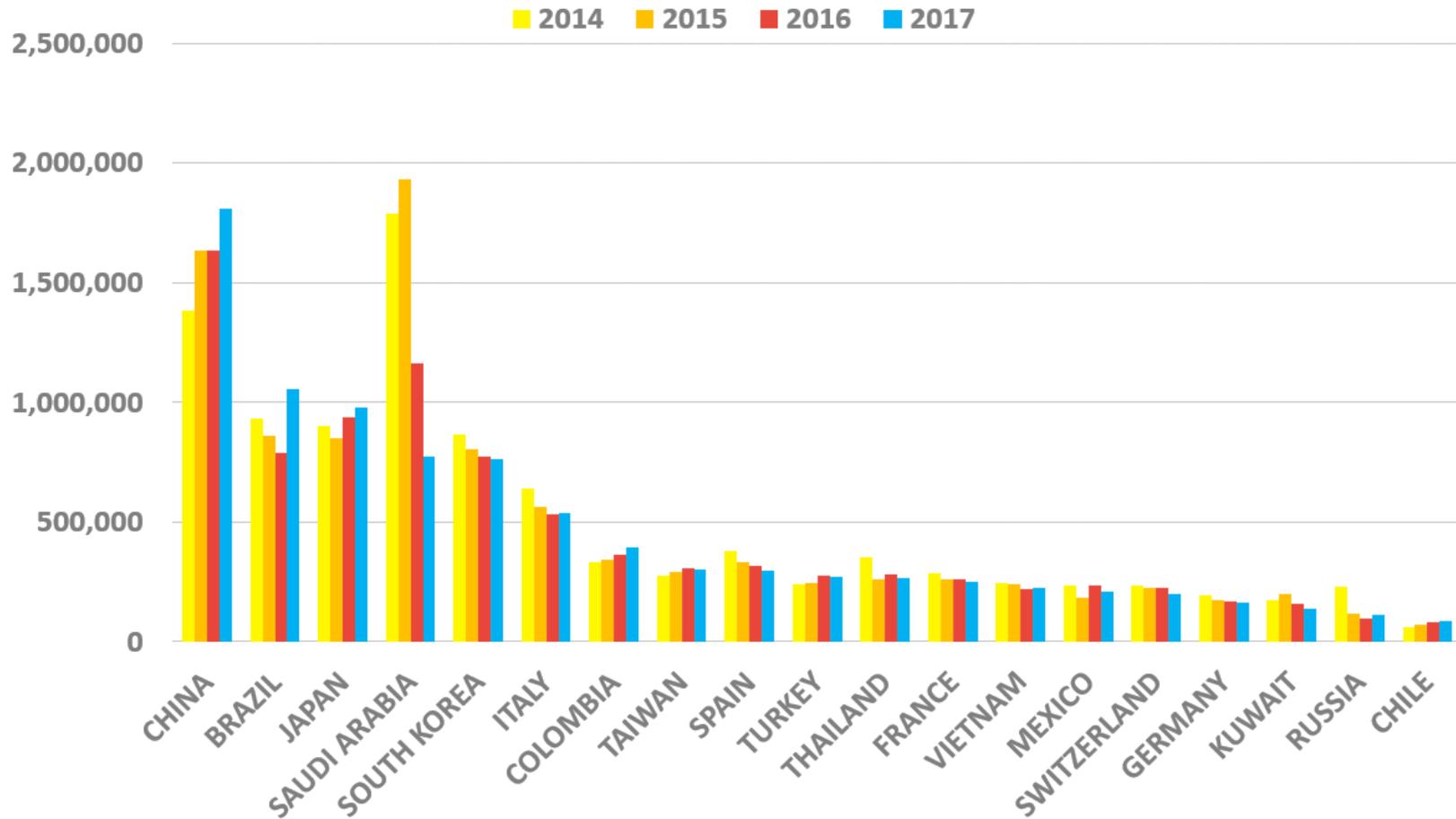
Asia: Destination Market Shares (Weeks)



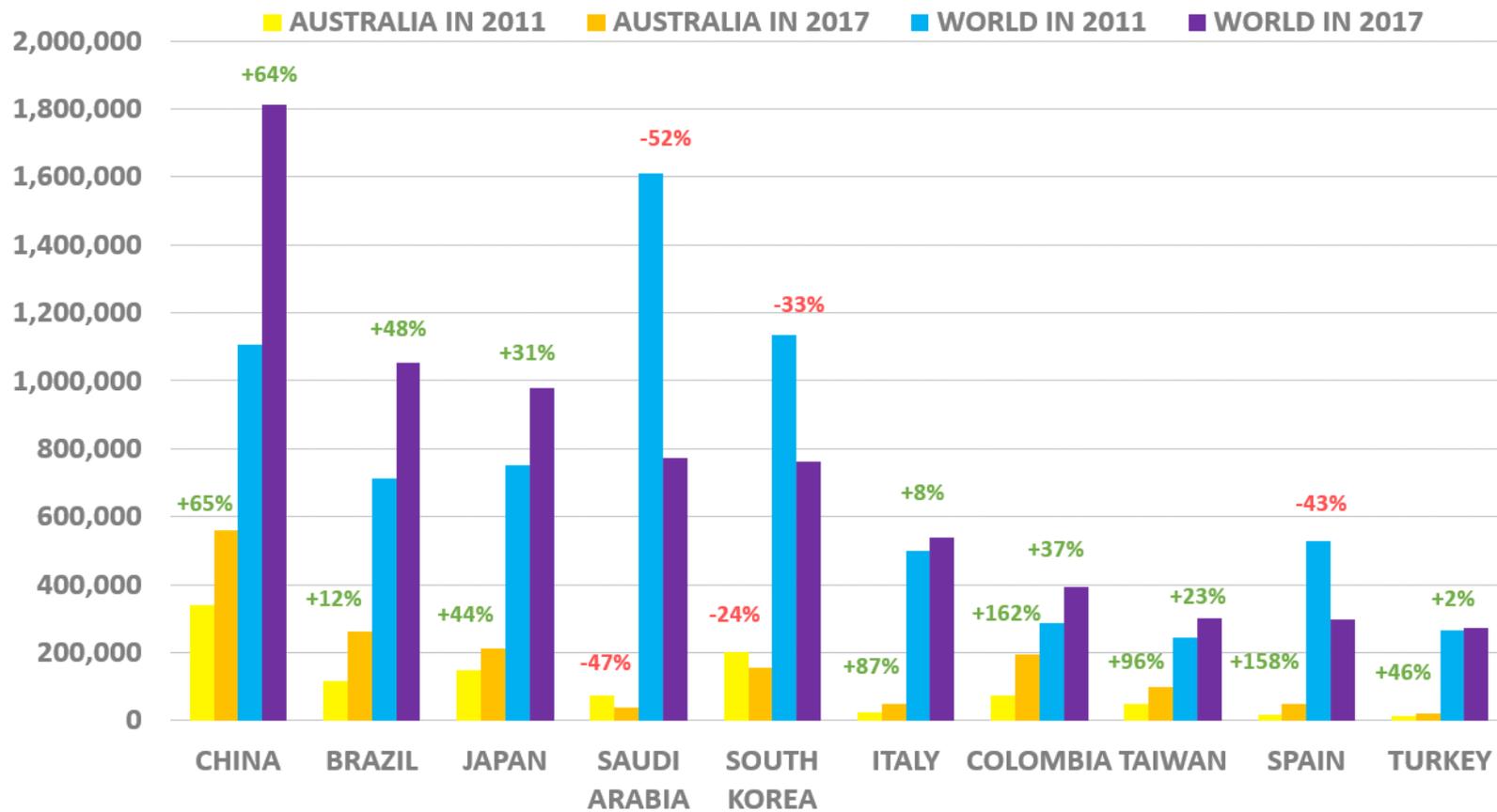
Source: StudentMarketing, 2018

Note: Percentages do not add up to 100% due to rounding.

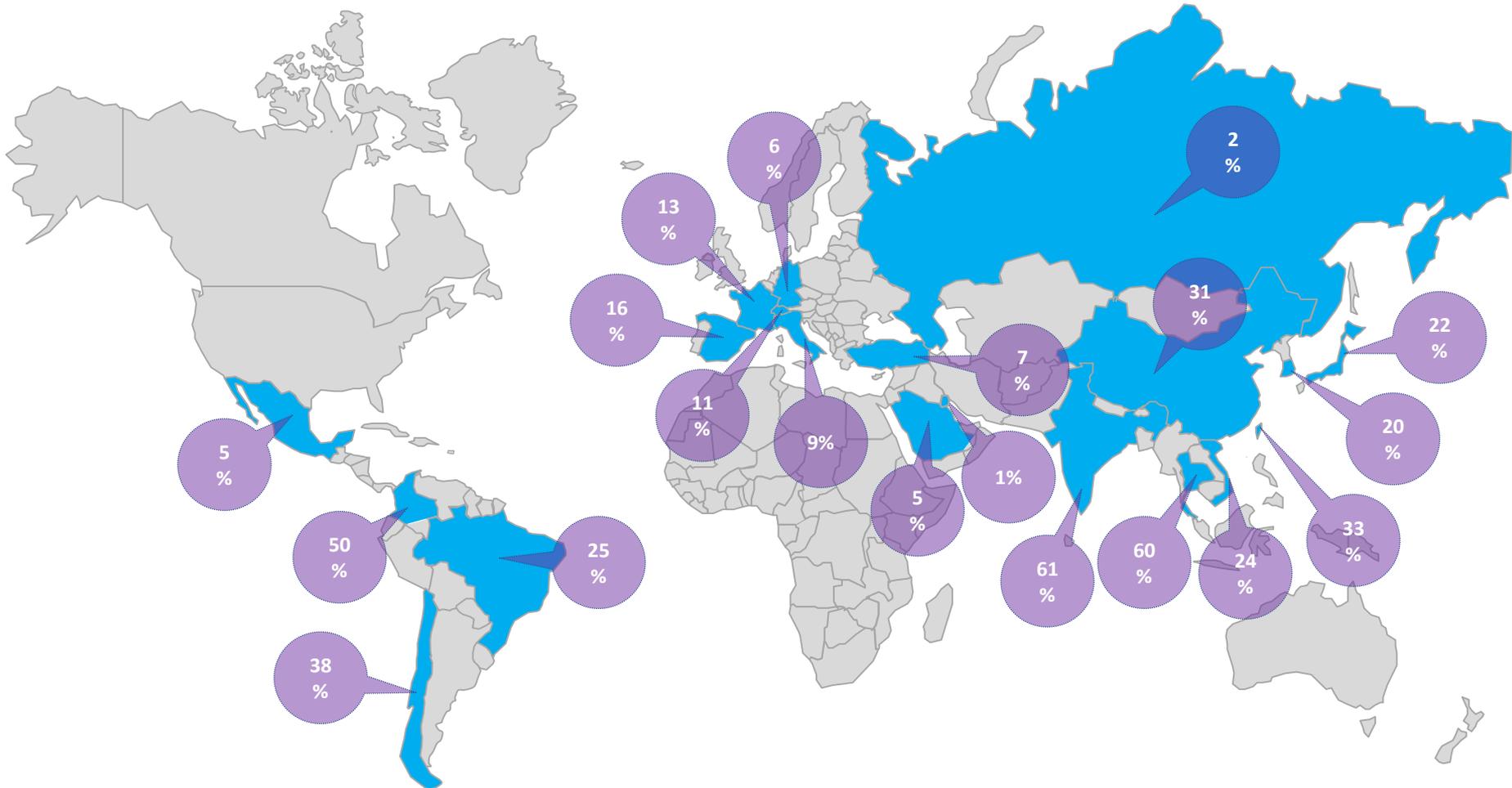
Top Source Markets Globally by Student Weeks



Top Source Markets Globally by Student Weeks



Australia's Market Share (Weeks)



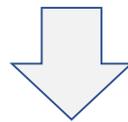
Source: StudentMarketing, 2018

Top Source Market Trends Globally (Weeks)

2015 vs 2016



Mexico
Turkey
Japan
Colombia
China

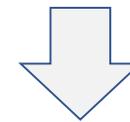


South Korea
Taiwan
Switzerland
France
Thailand
Spain
Brazil
Germany
Italy
Vietnam
Russia
Kuwait
India
Venezuela
Saudi Arabia

2016 vs 2017



Brazil
Russia
China
Colombia
Chile
Japan
Italy
Vietnam



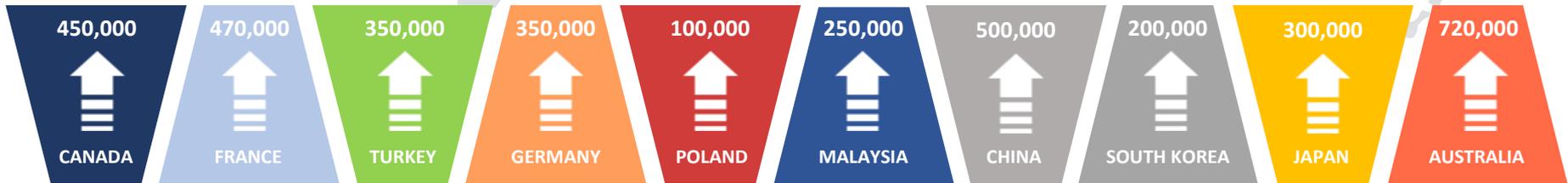
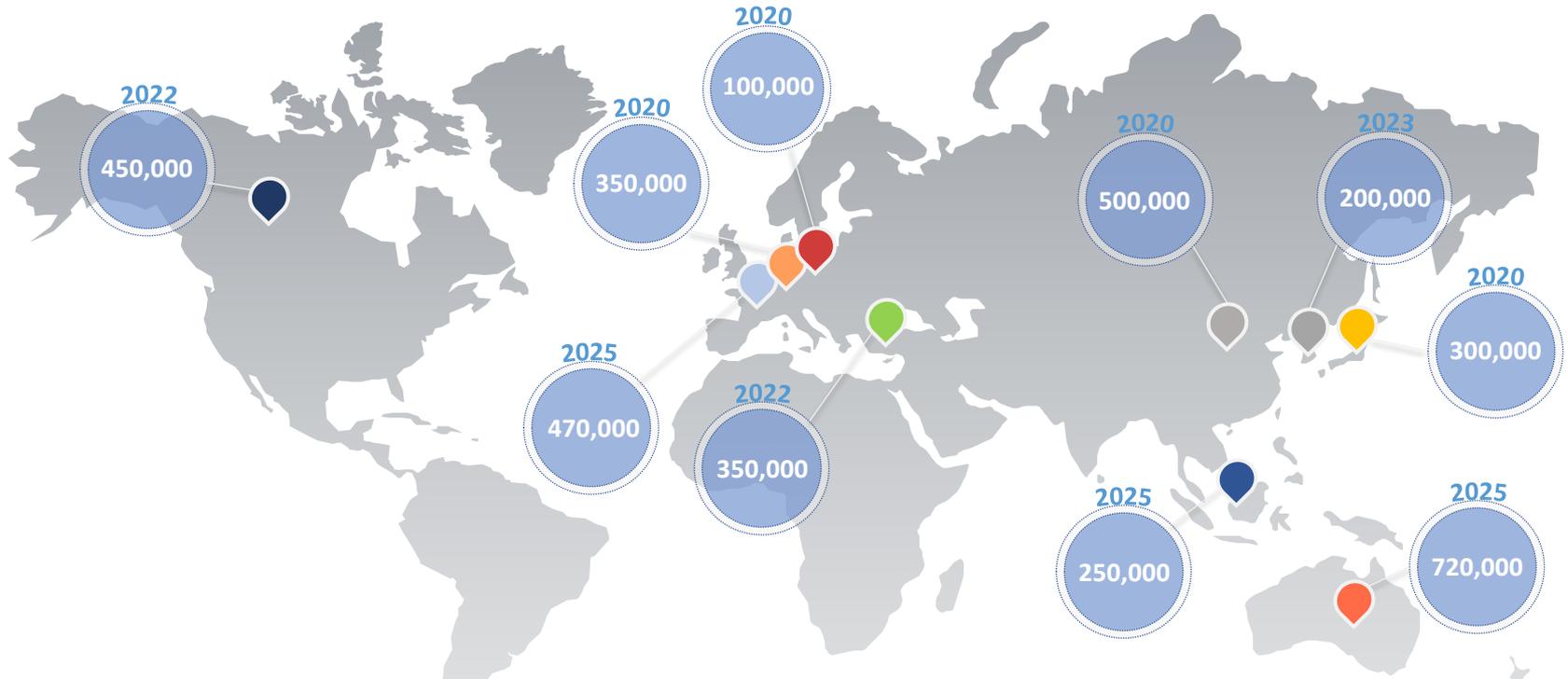
Germany
Taiwan
France
South Korea
Turkey
Thailand
Spain
India
Mexico
Switzerland
Kuwait
Saudi Arabia

Share of Junior Students

2017	13%	11%	55%	50%	52%
DESTINATION	AUSTRALIA	CANADA	UK	IRELAND	MALTA
2016	n/a	9%	51%	52%	50%
			(private sector)		

Source: English UK, 2018; MEI 2018; Languages Canada, 2018; National Statistics Office Malta, 2018; English Australia, 2018

Race for International Students

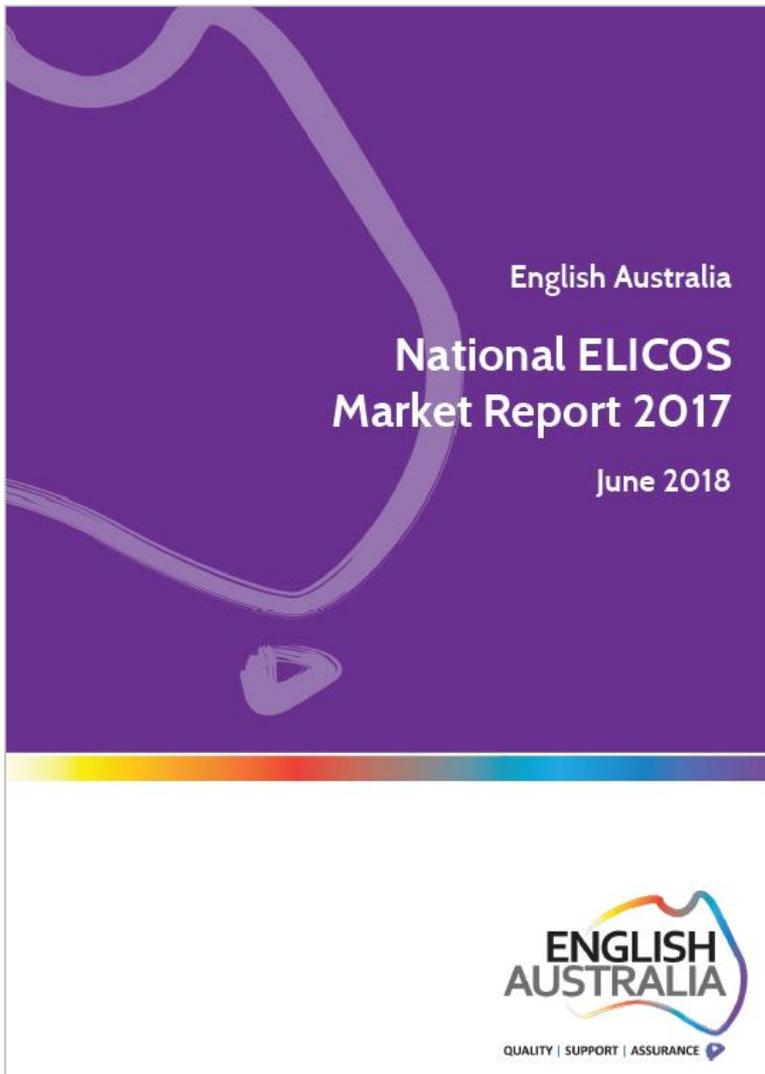


Source: Government of Canada, 2015; Campus France, 2014; Ministry of Science and Higher Education Poland, 2015; International Relations Office Turkey, 2018; DAAD Germany, 2014; Ministry of Education China, 2011; Ministry of Education Malaysia, 2015; Ministry of Education, Republic of Korea, 2015; The Government of Japan, 2013; Australian Education International, 2017

Australia ELICOS Sector

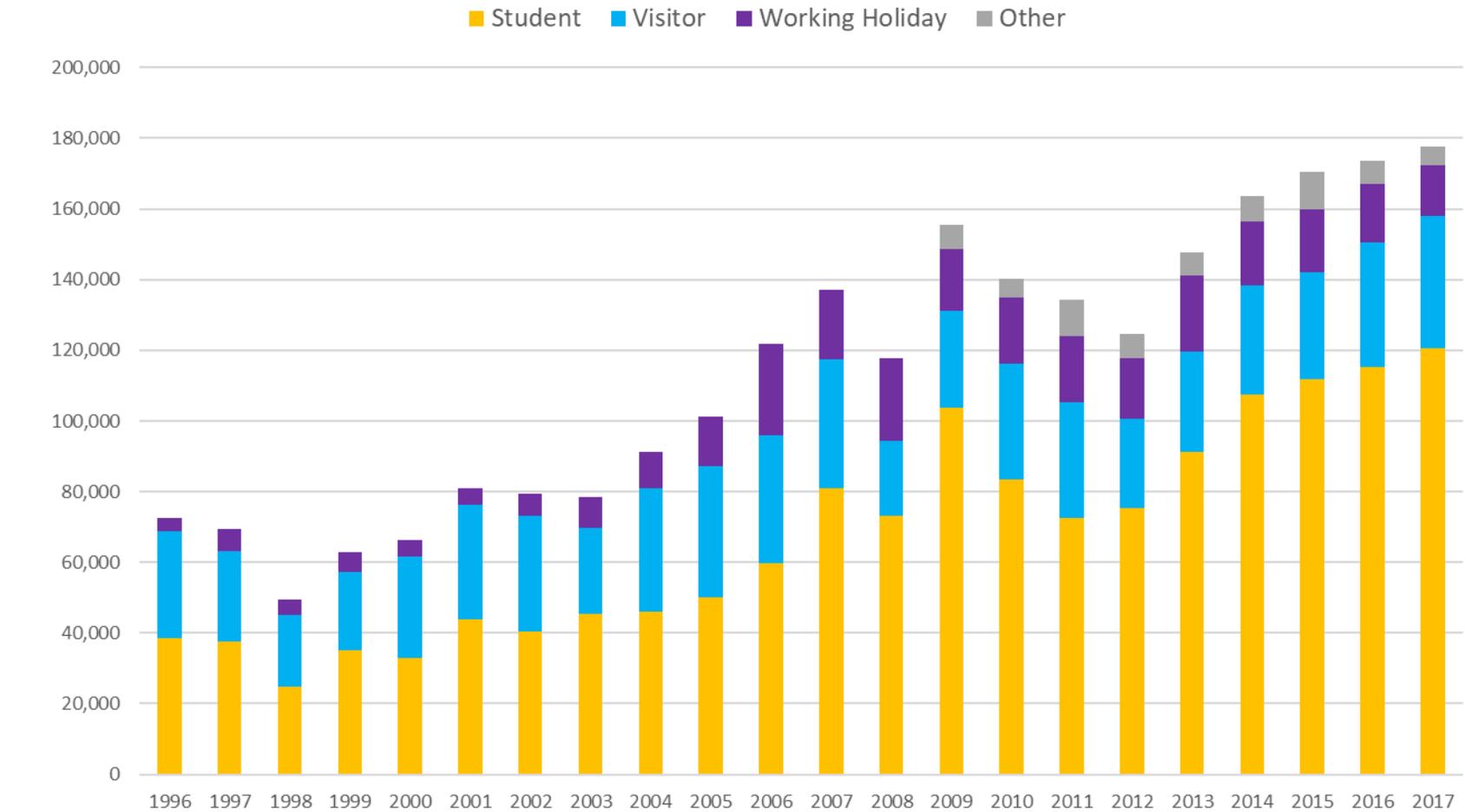
‘The complete picture’





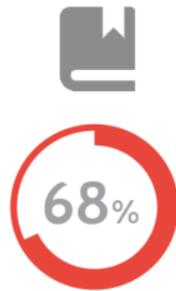
- Department of Education and Training funded sector wide survey supported under the Enabling Growth and Innovation grants program
- 22nd year of publication
- Record participation
- New research partner
- Global ELT market analysis
- New customer segmentation
- New data visualisation

ELICOS performance (all visas)

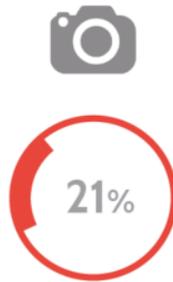


Source: English Australia, 2018

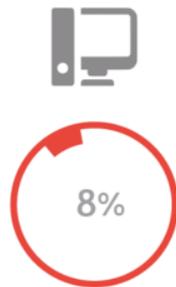
Student Profile



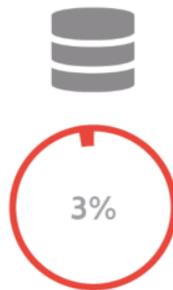
Student



Visitor



Working Holiday



Other

Adults 87%



Individual 91%



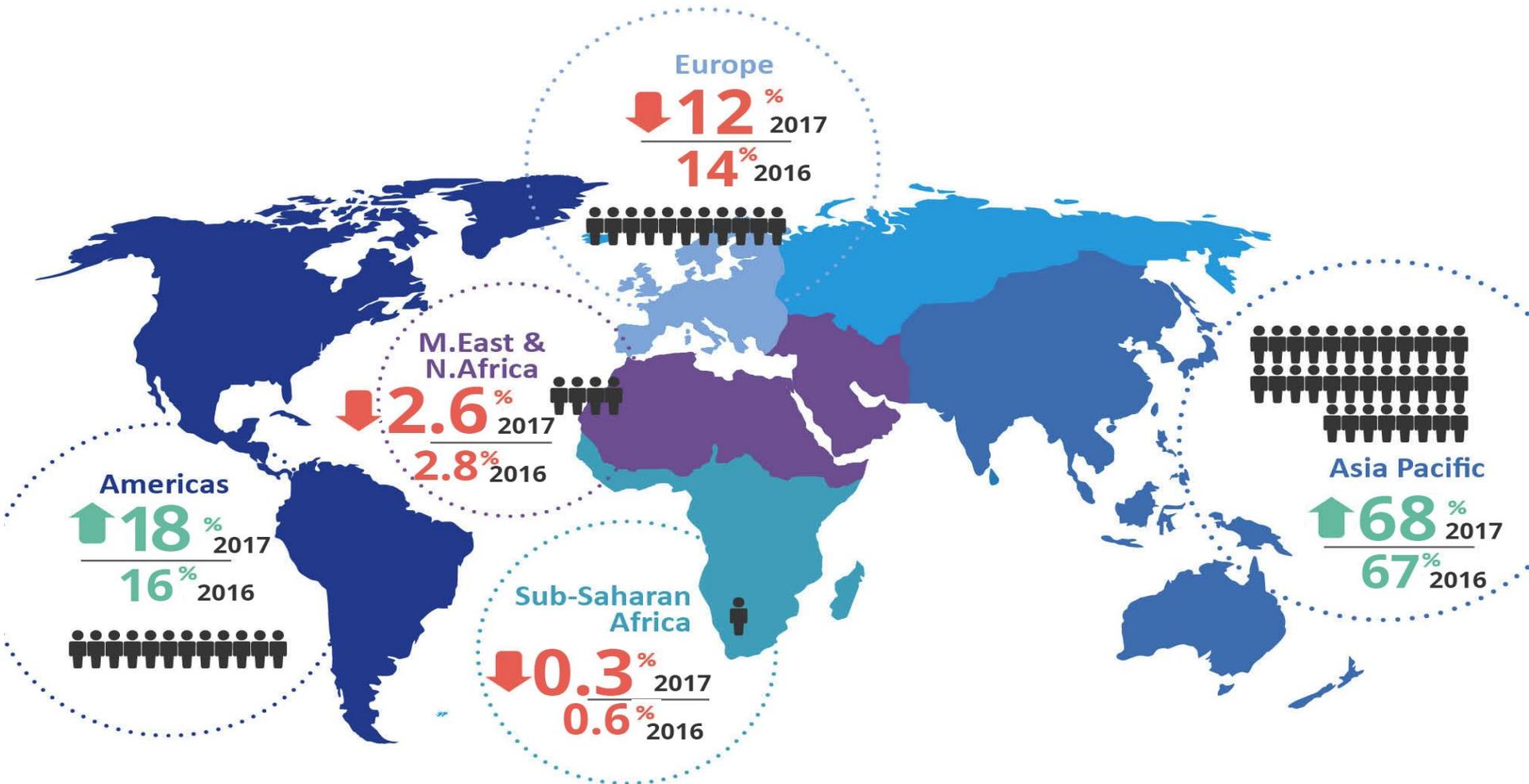
Commissionable 82%



City-based 94%



Overview of Source Regions (market share)



Overview of Source Regions (performance)

↑
y-o-y % change
(student numbers)

Europe
20,597 students
220,977 student weeks
Avg length of stay 10.7 weeks
↓
-14%

↑
+17%

Americas

31,527 students
532,962 student weeks
Avg length of stay 16.9 weeks

Asia Pacific
120,476 students
1,500,245 student weeks
Avg length of stay 12.5 weeks
↑
+3%

↓
-15%

Middle East & Africa

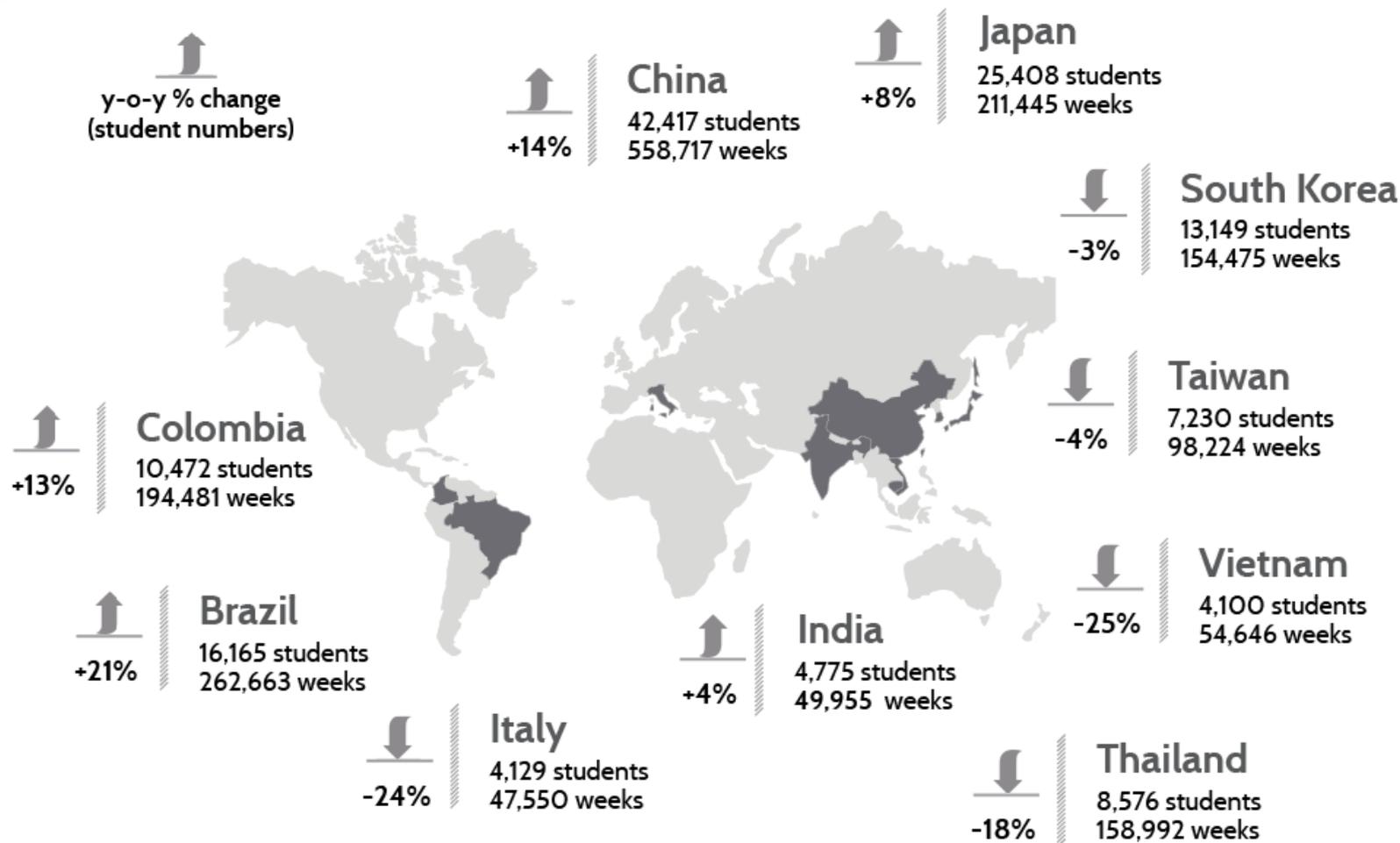
5,097 students
82,637 student weeks
Avg length of stay 16.2 weeks

Australia ELICOS Sector

Market Performance by Country



What were the top source countries for students and how did they perform in 2017?



Source: English Australia, 2018

What were the top source countries for students and how did they perform in 2017?

TOP 10

ELICOS STUDENTS

77%
2017



CHINA



JAPAN



BRAZIL



SOUTH KOREA



COLOMBIA



THAILAND



TAIWAN



INDIA



ITALY



VIETNAM

↑ 2%

TOP 3

47%
2017



CHINA



JAPAN



BRAZIL

↑ 3%

TOP 1

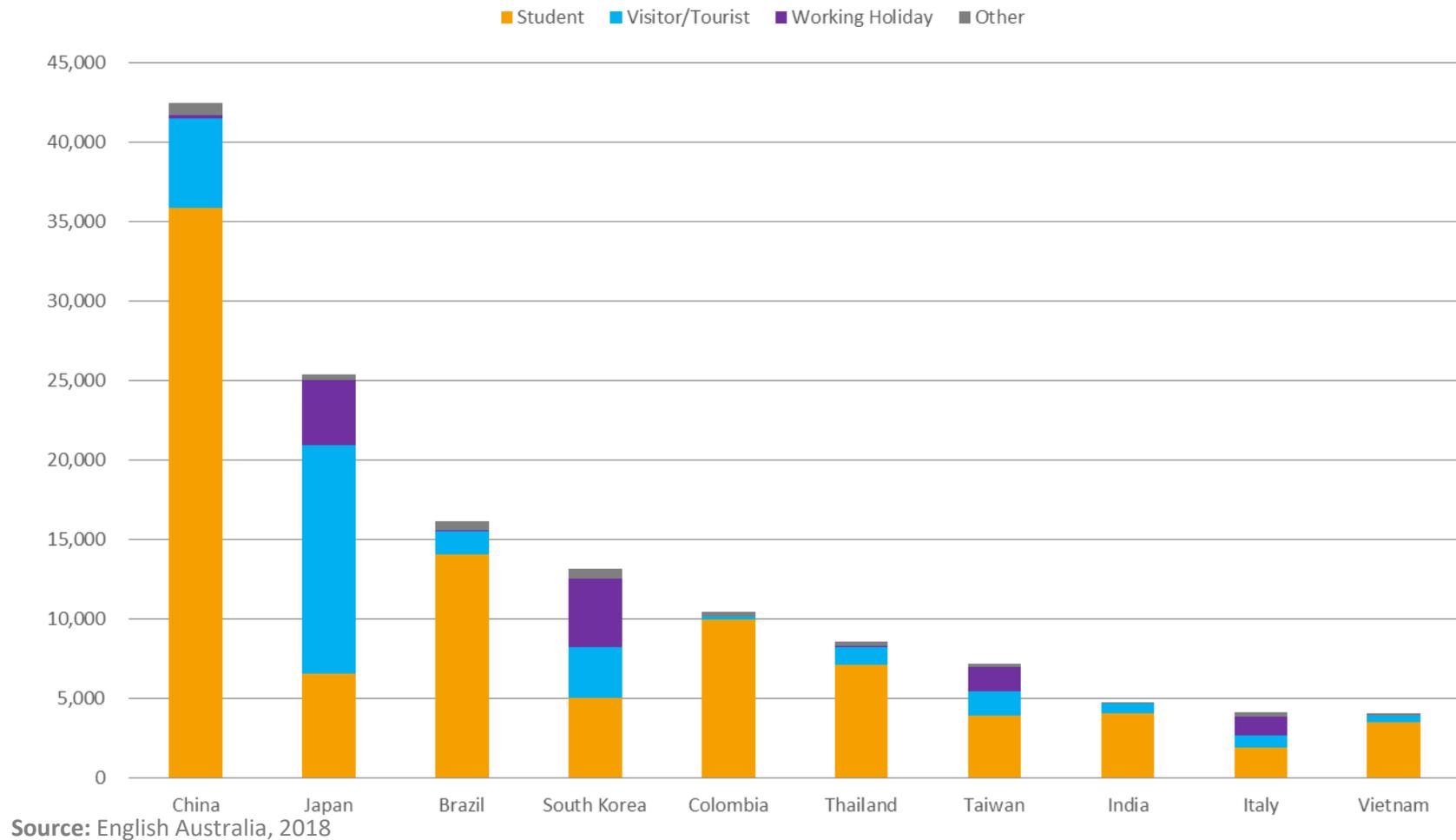
24%
2017

↑ 2%



CHINA

What was the visa type make up of students from the top ten source countries in 2017?



Which countries did the biggest increases in student numbers come from?

TOP FIVE INCREASES 2016 - 2017



CHINA

2017
42,417
37,322
2016

↑ **14% CHANGE**
+5,095



BRAZIL

2017
16,165
13,412
2016

↑ **21% CHANGE**
+2,753



JAPAN

2017
25,408
23,493
2016

↑ **8% CHANGE**
+1,915



COLOMBIA

2017
10,472
9,305
2016

↑ **13% CHANGE**
+1,167



NEPAL

2017
2,856
1,700
2016

↑ **68% CHANGE**
+1,155

Which countries did the biggest decreases in student numbers come from?

TOP FIVE DECREASES 2016 - 2017



THAILAND

2017
8,576
2016
10,457

↓ **-18% CHANGE**
-1,881



VIETNAM

2017
4,100
2016
5,443

↓ **-25% CHANGE**
-1,343



ITALY

2017
4,129
2016
5,412

↓ **-24% CHANGE**
-1,283



SWITZERLAND

2017
2,444
2016
3,568

↓ **-32% CHANGE**
-1,124



HONG KONG

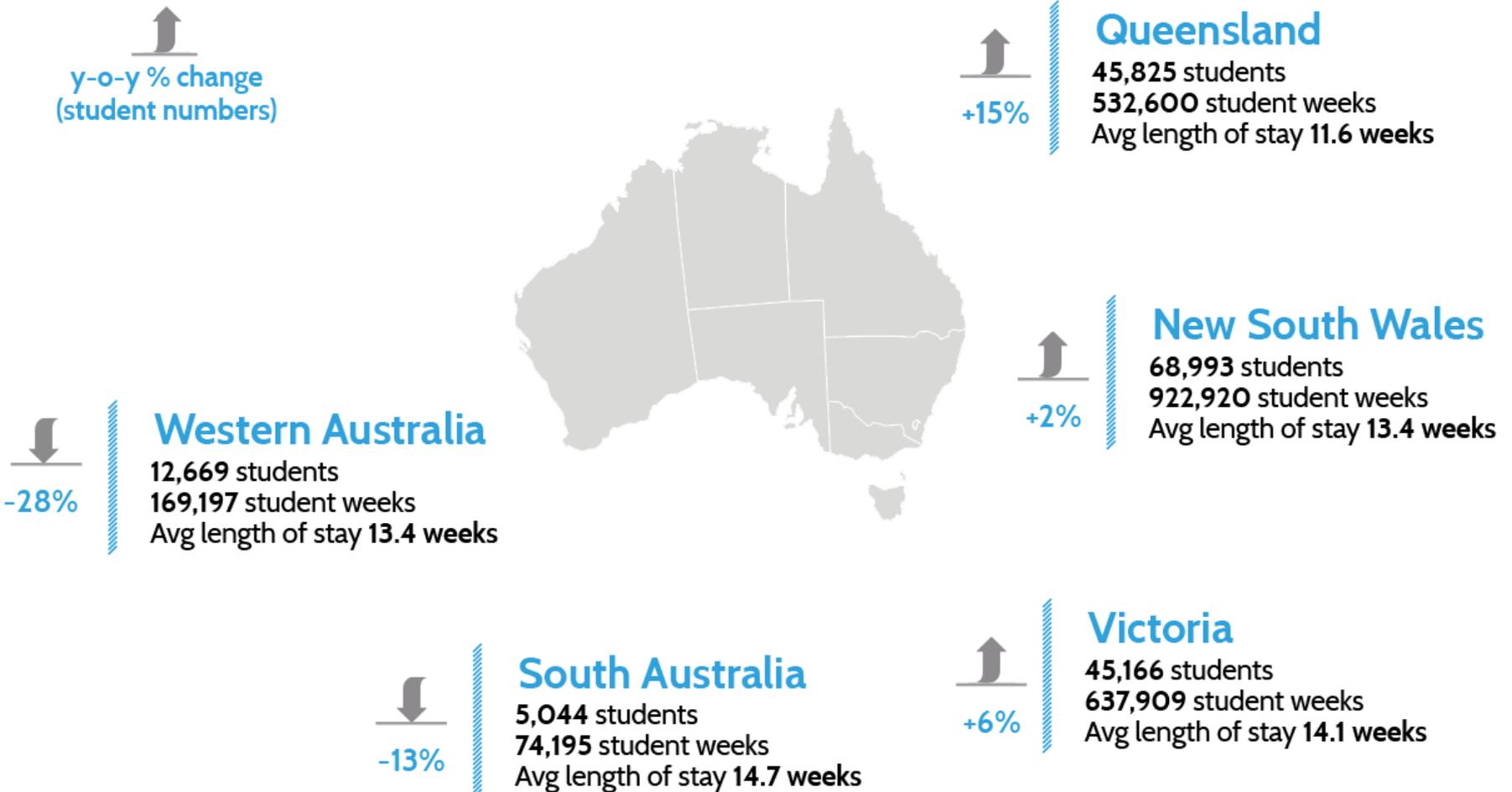
2017
2,199
2016
2,948

↓ **-25% CHANGE**
-749

Let's look more closely at each
State's performance...

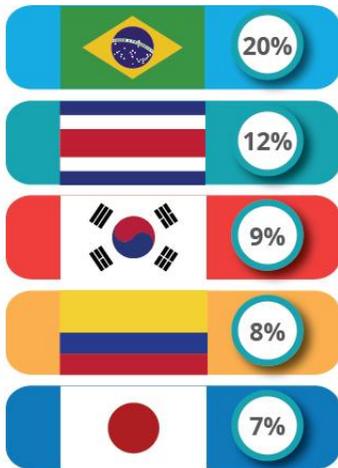


How did the different States perform in 2017?



NSW - How were the top ten source countries for different for the main provider types (weeks)?

STAND-ALONE



CHINA

MALAYSIA

TAIWAN

CHILE

SPAIN

MULTISECTOR



NEPAL

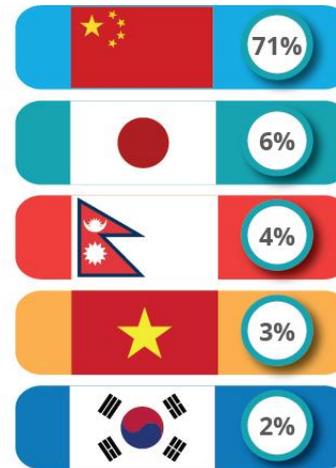
CHINA

THAILAND

MONGOLIA

TURKEY

UNIVERSITY- BASED



INDIA

SAUDI ARABIA

THAILAND

HONG KONG

TAIWAN

VET-BASED



MONGOLIA

ITALY

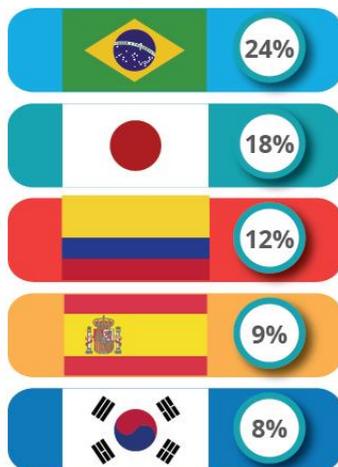
SPAIN

TAIWAN

CHINA

QLD - How were the top ten source countries for different for the main provider types (weeks)?

STAND-ALONE



THAILAND

TAIWAN

FRANCE

ITALY

SAUDI ARABIA

MULTISECTOR



TAIWAN

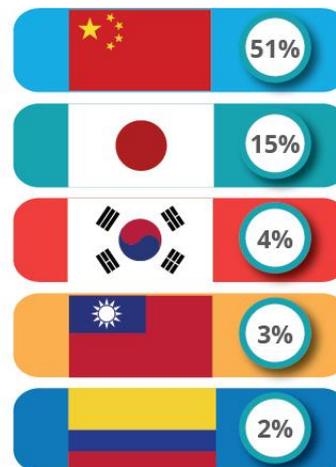
CHINA

SPAIN

INDIA

SAUDI ARABIA

UNIVERSITY- BASED



SAUDI ARABIA

INDIA

HONG KONG

VIETNAM

BRAZIL

VET-BASED



THAILAND

CHINA

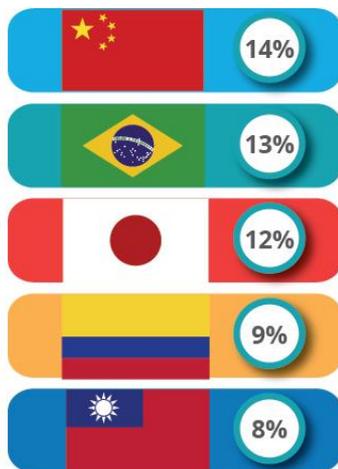
SPAIN

SWITZERLAND

FRANCE

SA - How were the top ten source countries for different for the main provider types (weeks)?

STAND-ALONE



NEPAL

SOUTH KOREA

ITALY

THAILAND

CZECH REPUBLIC

MULTISECTOR



OMAN

MALAYSIA

MACAU

TAIWAN

NEPAL

UNIVERSITY- BASED



TAIWAN

INDIA

VIETNAM

HONG KONG

NEPAL

VET-BASED



ITALY

THAILAND

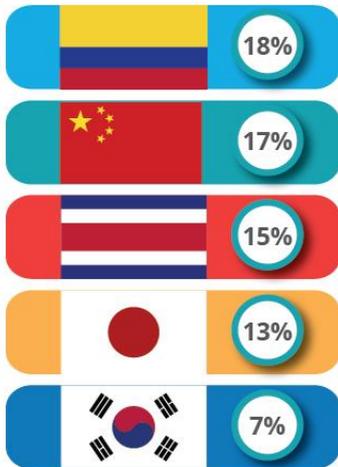
MALAYSIA

TAIWAN

GREECE

Victoria - How were the top ten source countries for different for the main provider types (weeks)?

STAND-ALONE



BRAZIL

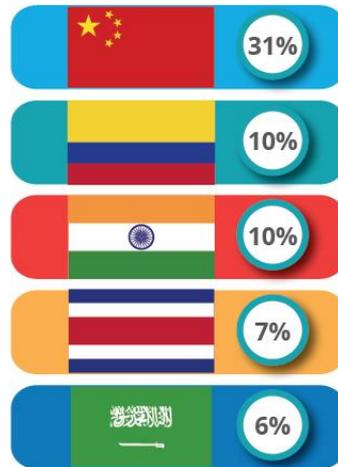
TAIWAN

CHILE

SPAIN

ITALY

MULTISECTOR



JAPAN

VIETNAM

SOUTH KOREA

SRI LANKA

BRAZIL

UNIVERSITY- BASED



SAUDI ARABIA

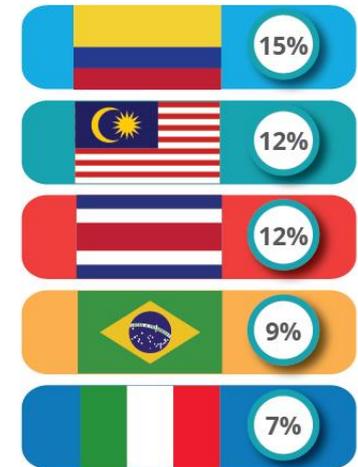
THAILAND

TAIWAN

COLOMBIA

MALAYSIA

VET-BASED



JAPAN

SOUTH KOREA

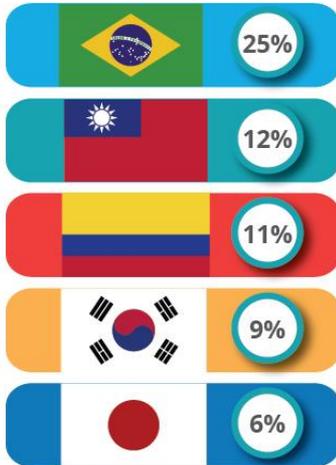
TAIWAN

CHINA

VIETNAM

WA - How were the top ten source countries for different for the main provider types (weeks)?

STAND-ALONE



THAILAND

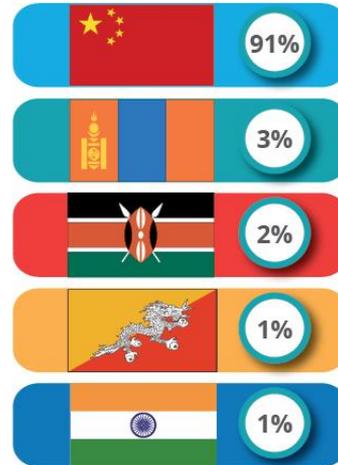
HONG KONG

CHINA

ITALY

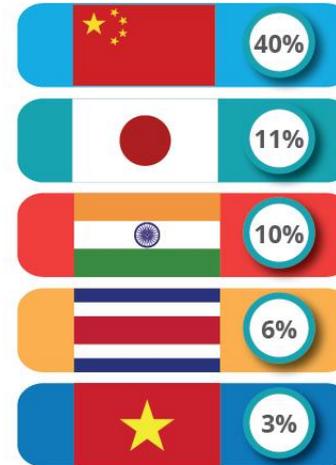
FRANCE

MULTISECTOR



INDIA

UNIVERSITY- BASED



BHUTAN

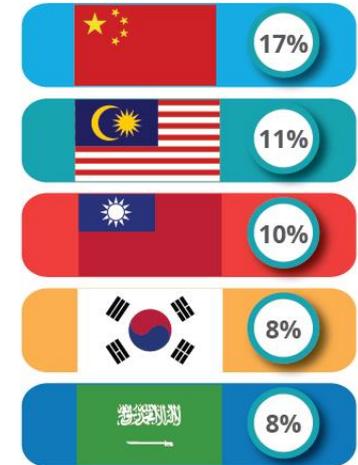
SAUDI ARABIA

SOUTH KOREA

TAIWAN

COLOMBIA

VET-BASED



JAPAN

THAILAND

ITALY

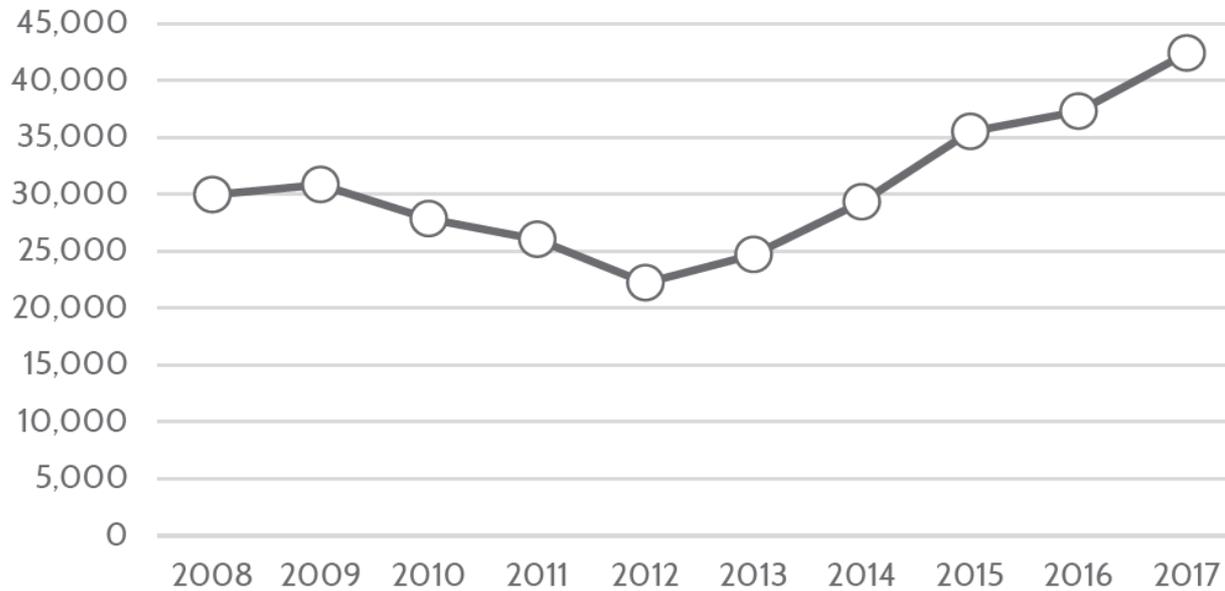
VIETNAM

HONG KONG

China – ELICOS Performance



Chinese ELICOS Students

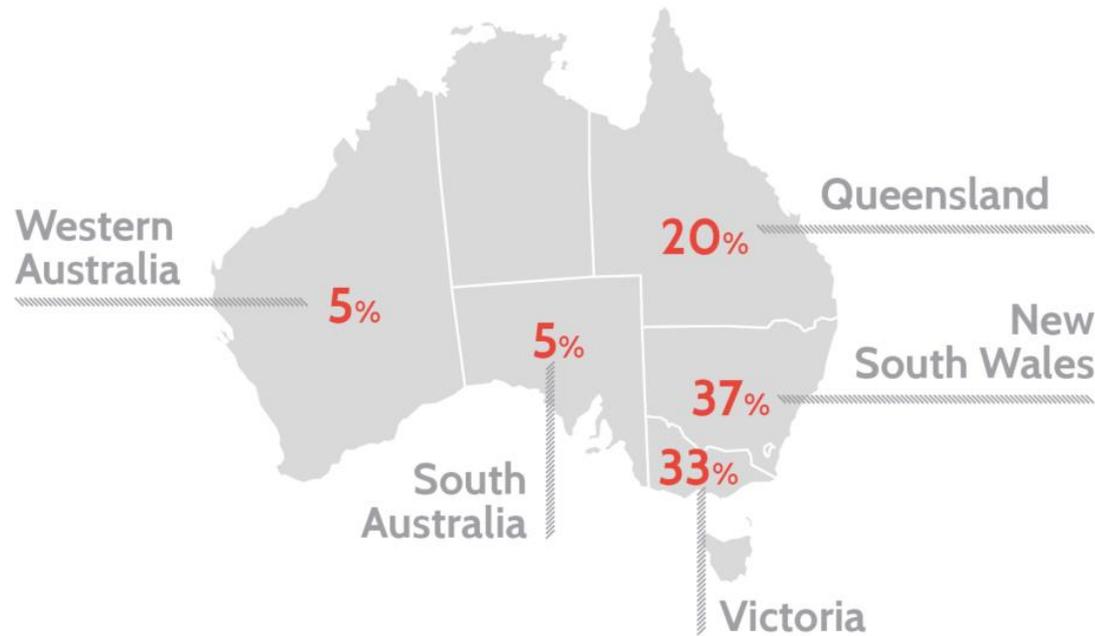


24%
Market share
in student numbers

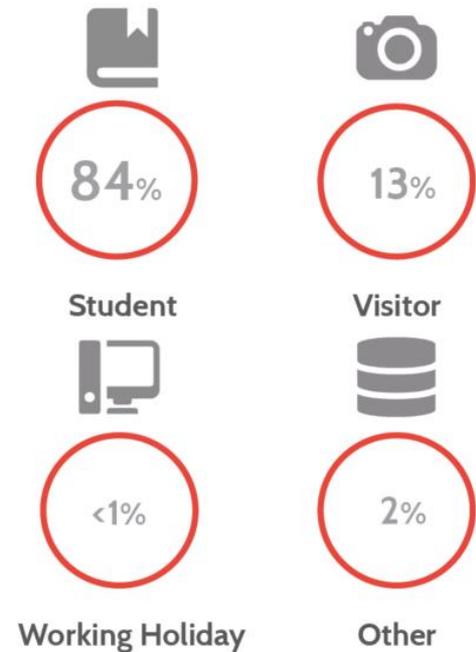
24%
Market share
in student weeks

Source: English Australia, 2018

Chinese ELICOS Students



Students by Visa Type



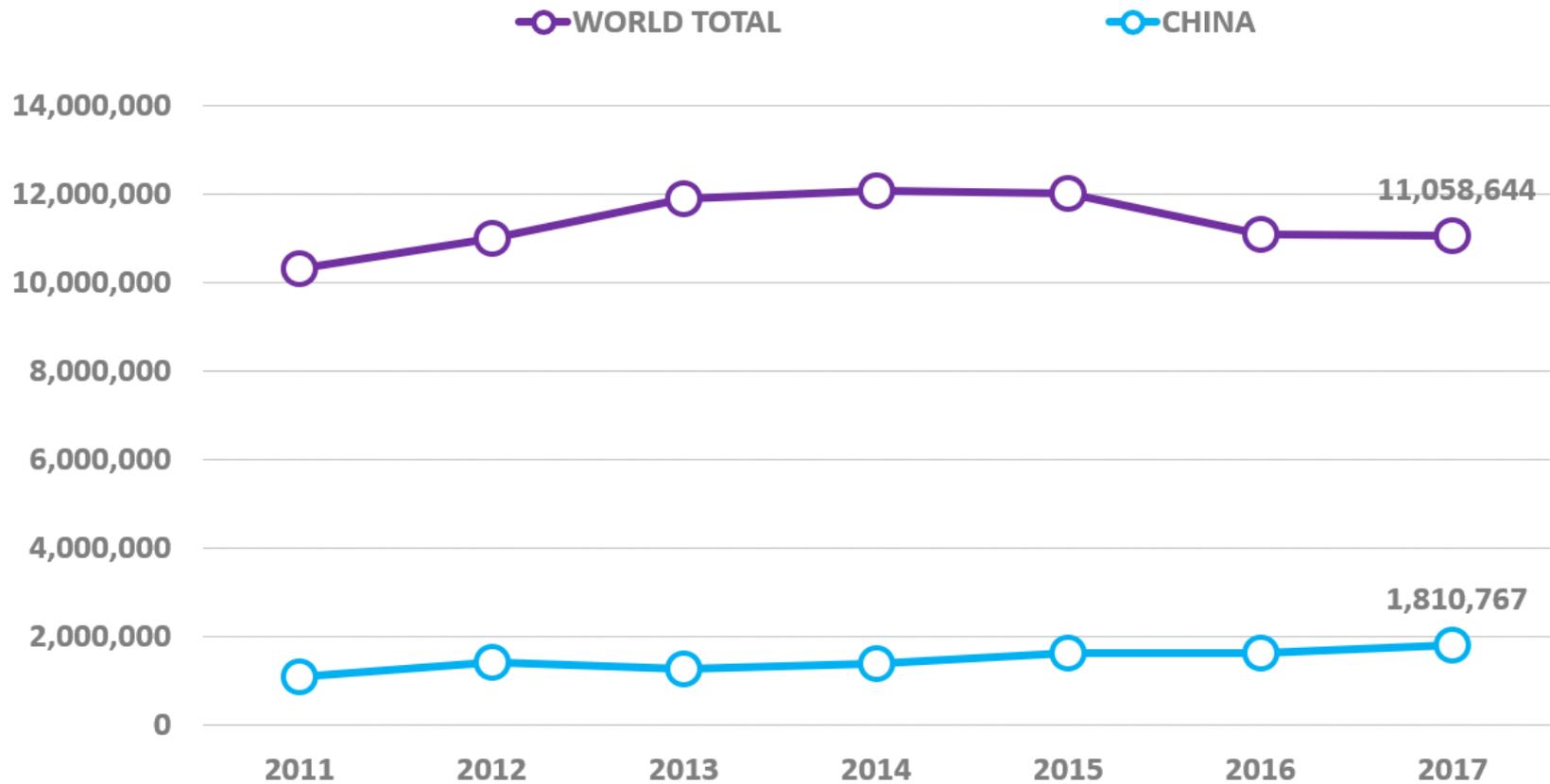
Students by Provider Type



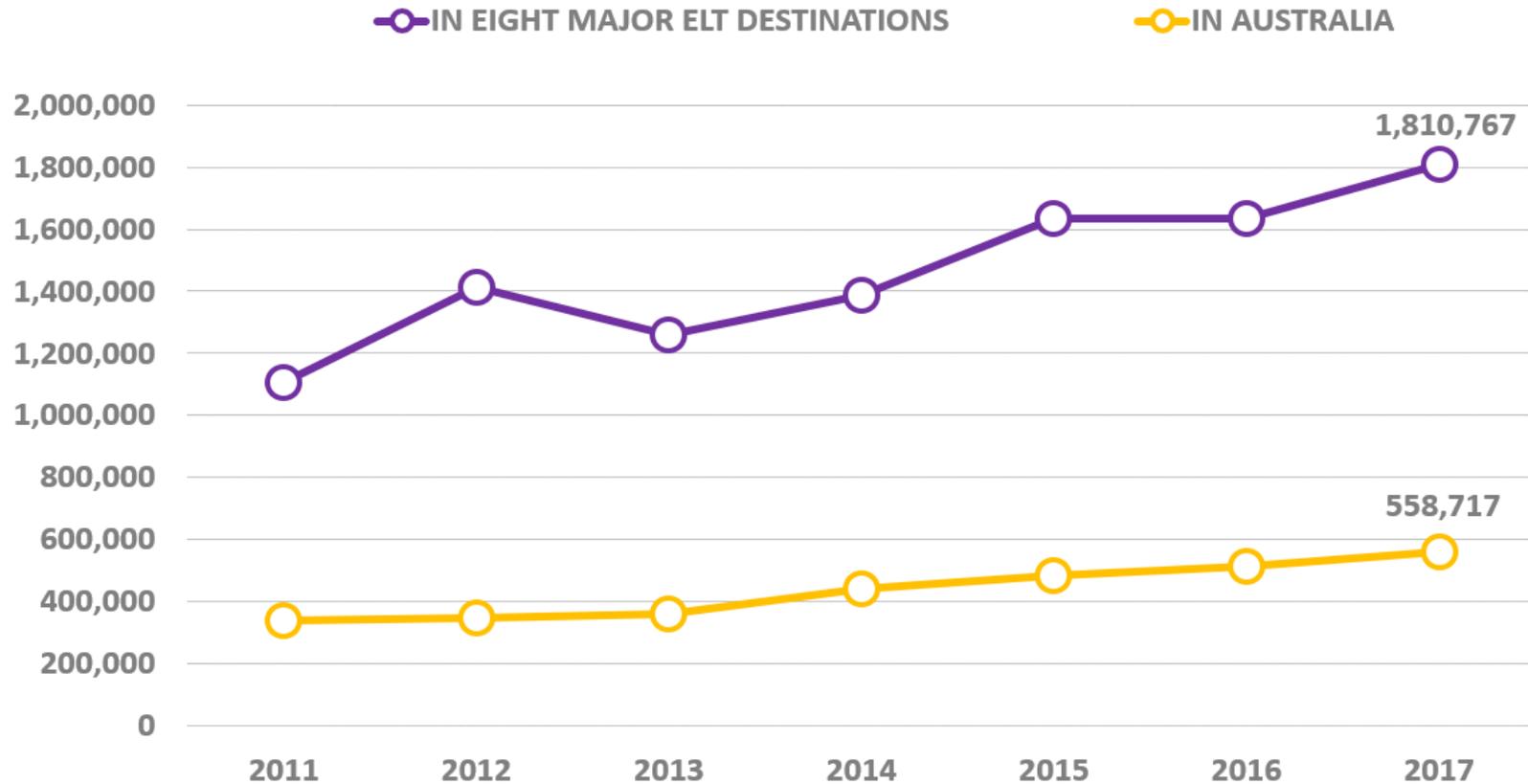
China and English Learning



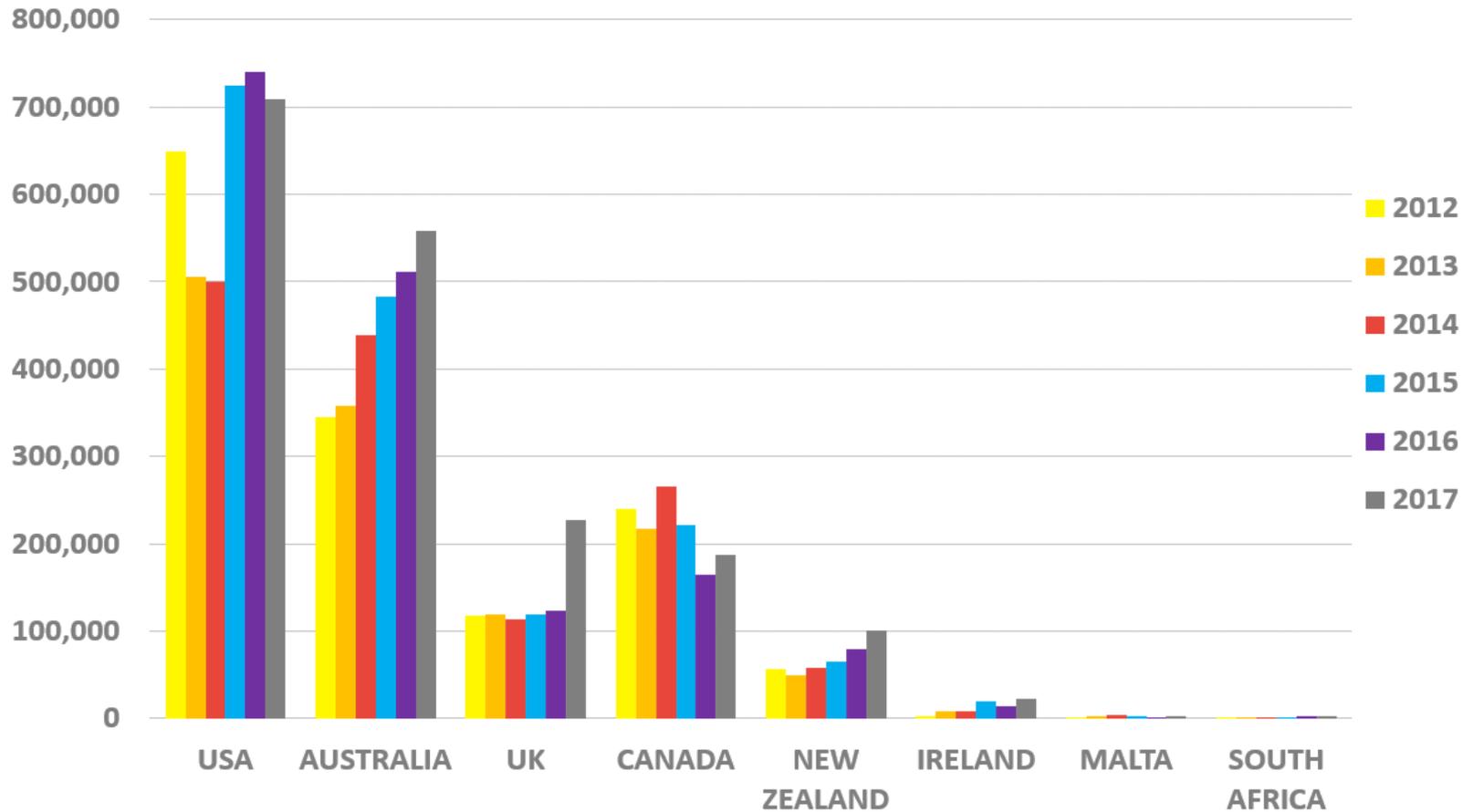
Student Weeks Spent in Eight Major ELT Destinations

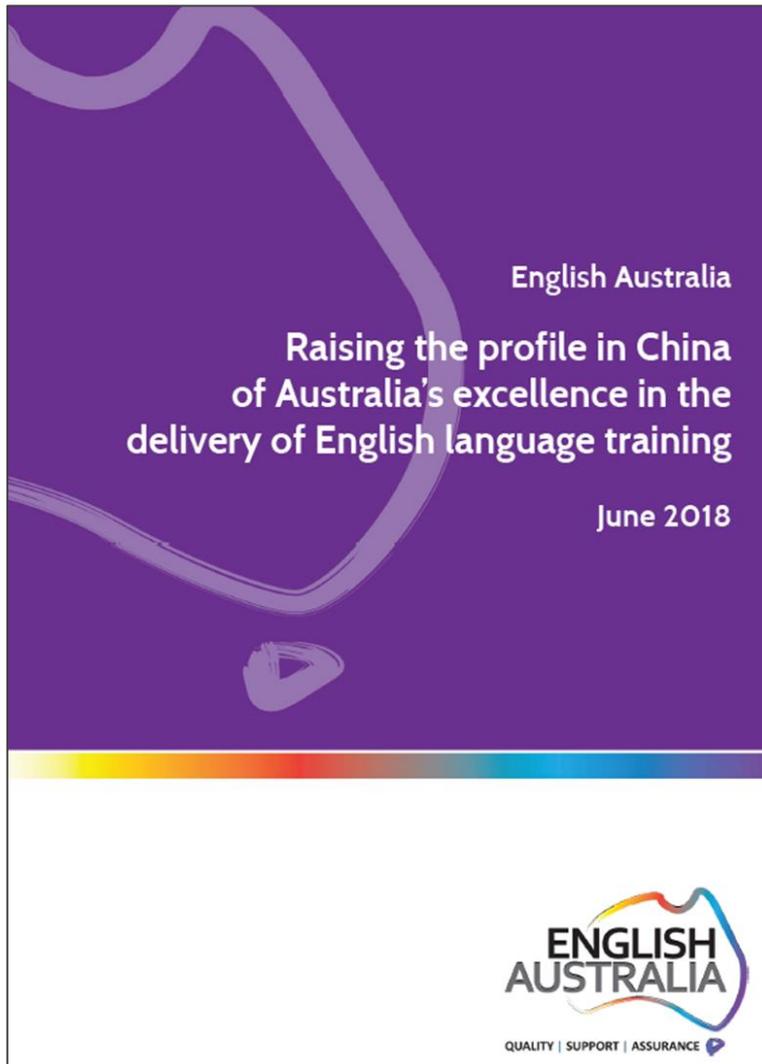


Student Weeks Produced by Chinese Students

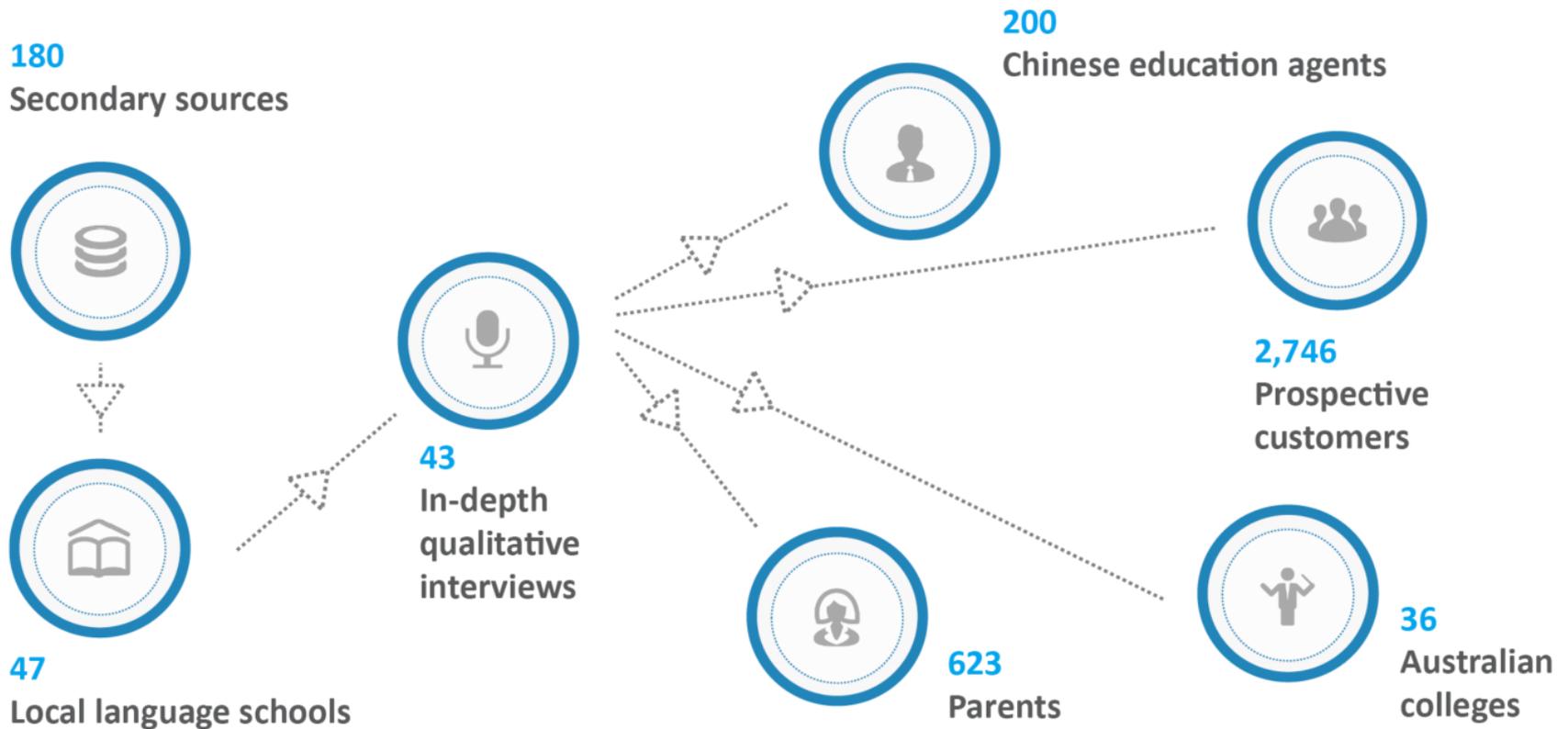


Student Weeks Produced by Chinese Students by Destination



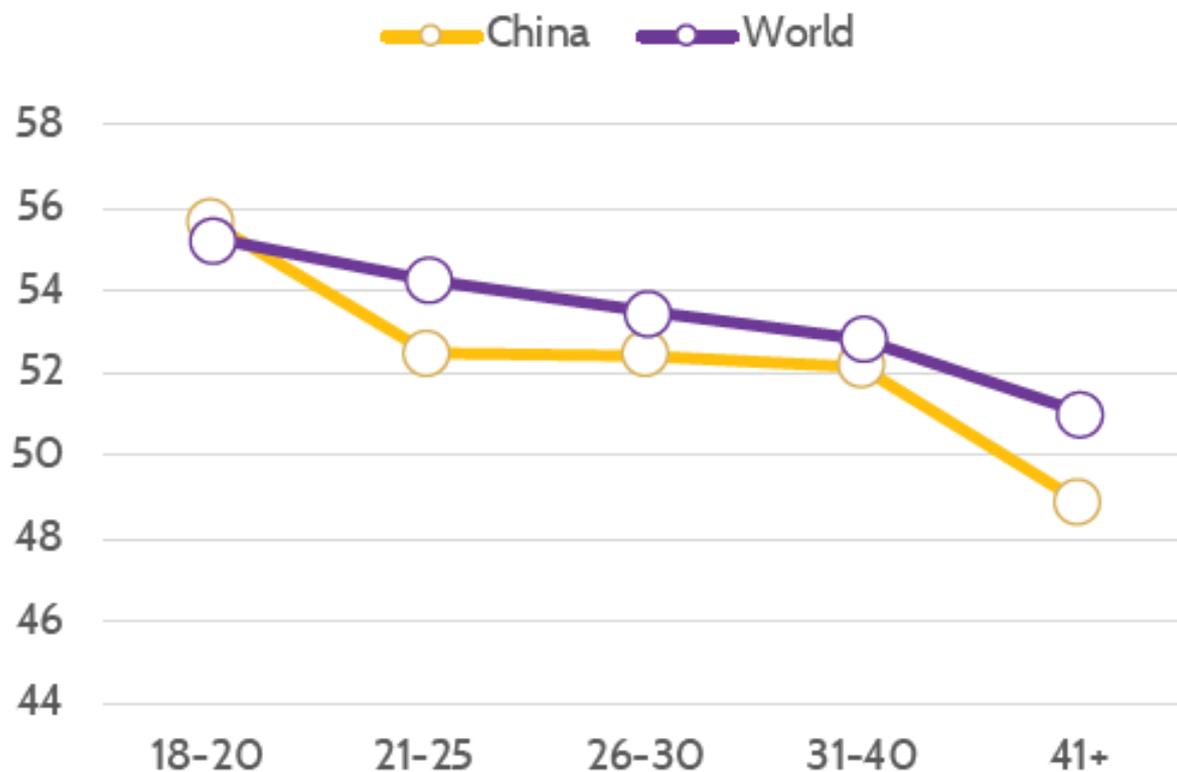


- Department of Education and Training funded project under the Enabling Growth and Innovation Grants Program.
- Timeline:
 - Conceptualisation of project (2016)
 - Launch (2017)
 - Project set up (Q1 2018)
 - Data collection (Q1-Q2 2018)
 - Data analysis and interpretation (Q2 2018)



Source: English Australia, 2018

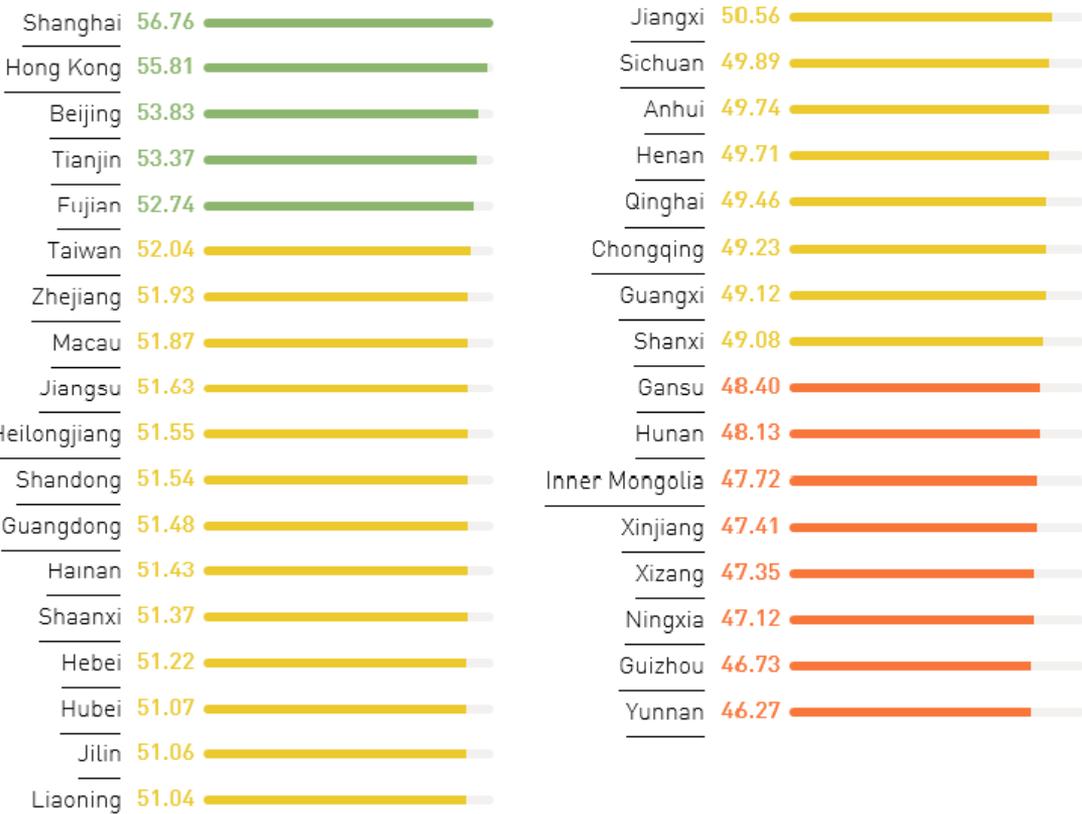
English Proficiency Index (EPI) by age group



EPI and earning power



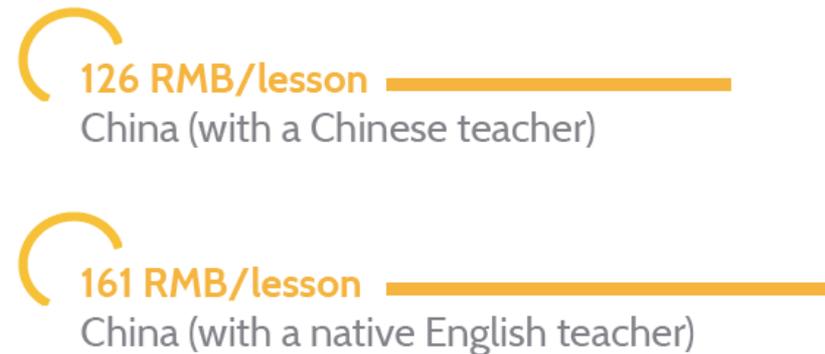
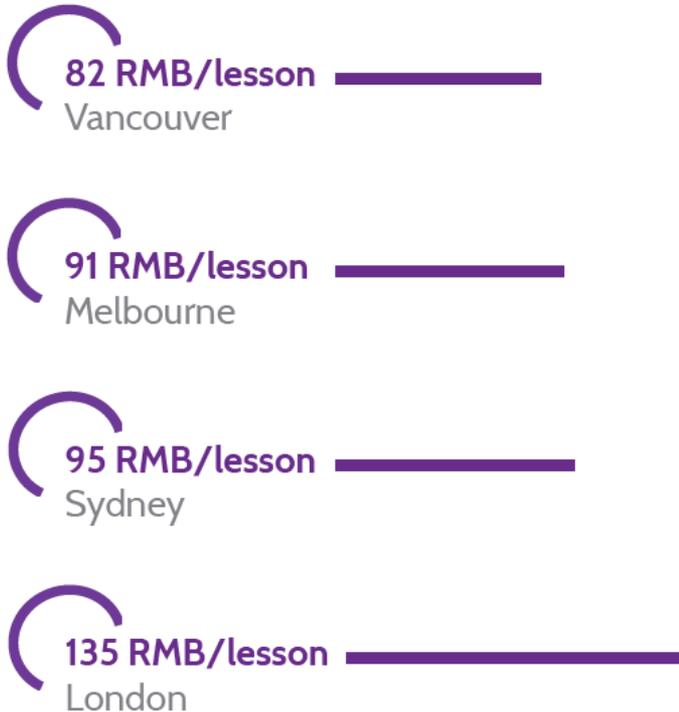
Status Quo



EPI by province



Average Cost of an English Lesson

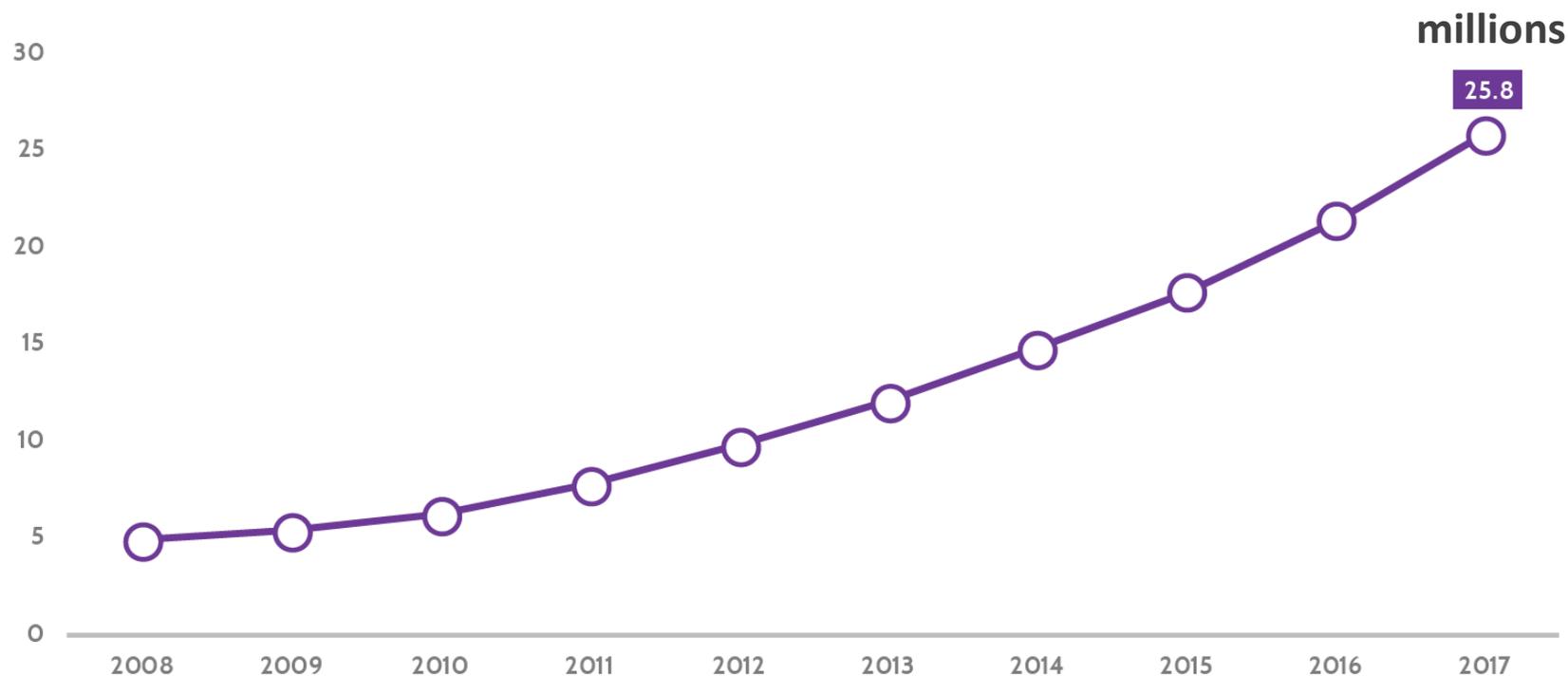


Source: StudentMarketing, 2018

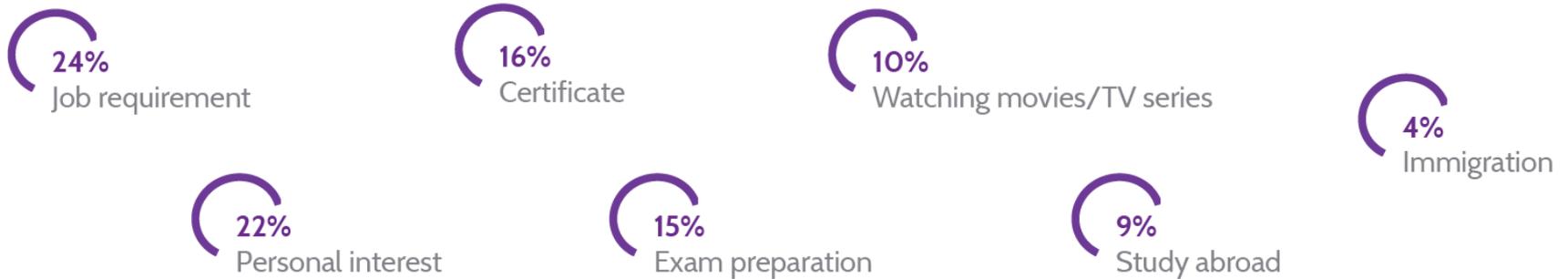
Note: The price comparison has intentionally been established on a like for like basis (lesson price to lesson price), with the obvious caveat that learning English in a native environment involves additional expenses (travel, accommodation, etc.), while simultaneously providing higher value (immersion and quicker pace of learning, for instance).

Taking into consideration the estimated package price of a 4-week General course in Australia (20 lessons, accommodation, return flight ticket and living expenses) at AU\$4,612, a student would receive 80 English language lessons. When comparing this package price to China's domestic market, a student would be able to afford approximately 139 English lessons with a native English speaker for the same price.

Online Language Learners in China

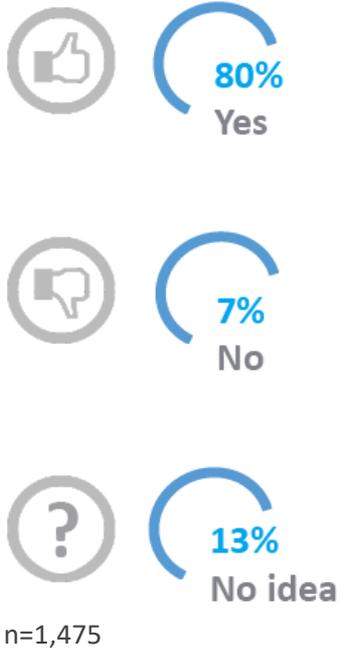


Motivation to Learn a Language Online



Student Perspective

Do you think English is going to help you in your career development?



Motivation to learn English





MARKET SIZE

- Relatively low demand level
- Unlikely to start promoting standalone ELICOS

**Education Agency
Perspective**



CUSTOMERS

- Young professionals (25-35 (70%)), stable job
- Young people travelling during the Chinese Spring Festival
- College and university students travelling during the summer/winter vacation



DESTINATION PREFERENCES

- USA and the UK
- Australia – not the first choice



PROGRAM PREFERENCES

- English with cultural and travel experiences

Travel Agency Perspective



MARKET SIZE

- Niche Market
- Difficult to justify the investment



DESTINATION PREFERENCES

- Australia perceived as a safe destination with attractive locations, not perceived as a quality study destination

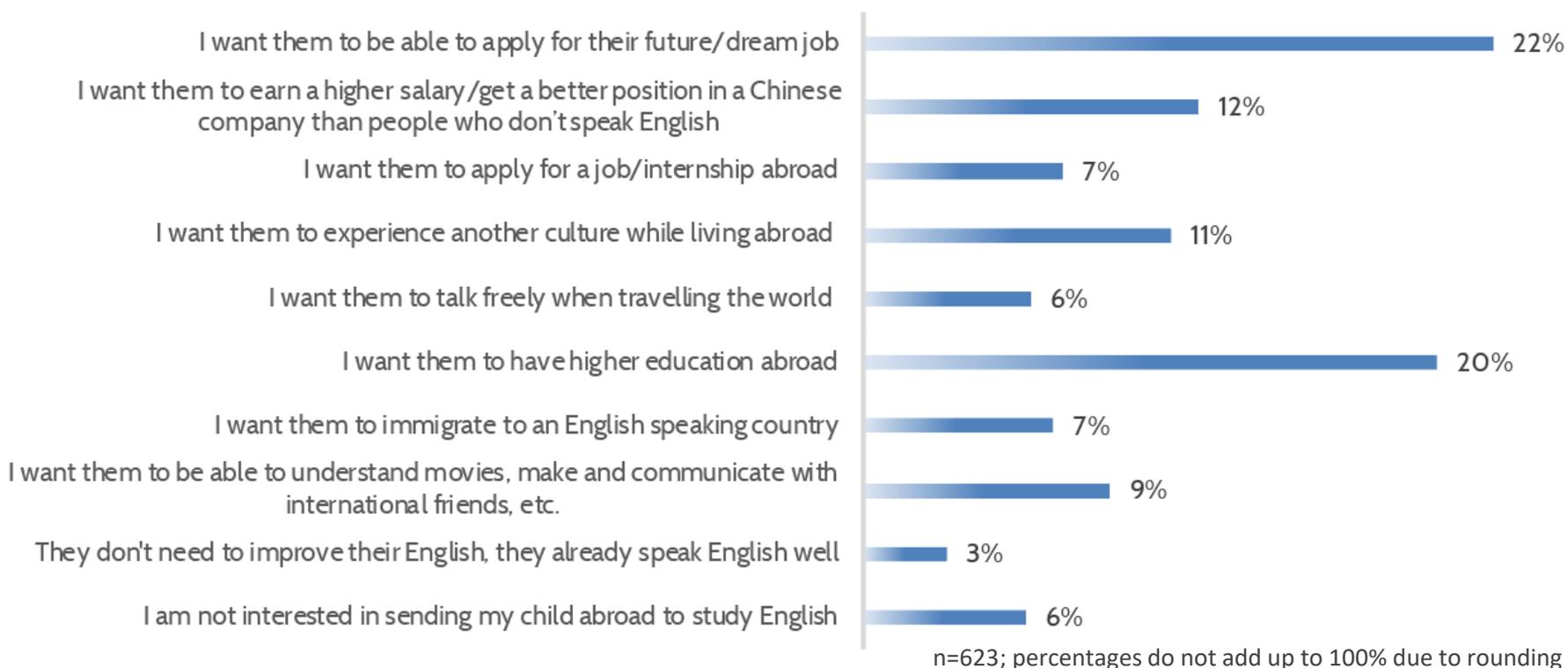


PROGRAM PREFERENCES

- 1-4 weeks English + fun/lifestyle/relax
- 2-3 weeks for employees – English + wine tasting/coffee tasting/some skills (around Chinese Spring Festival)
- Programs featuring cultural exchange with the local community
- Specialist courses that end with a certificate;
- Exam-related studies
- Teacher programs

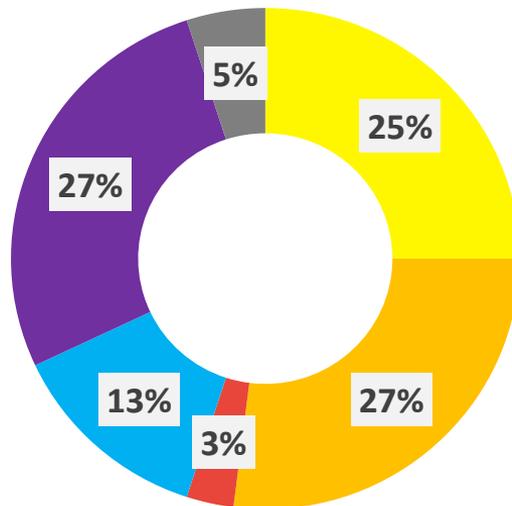
Parent Perspective

Motivation for parents to send their child to learn English abroad



Preferred methods of learning English

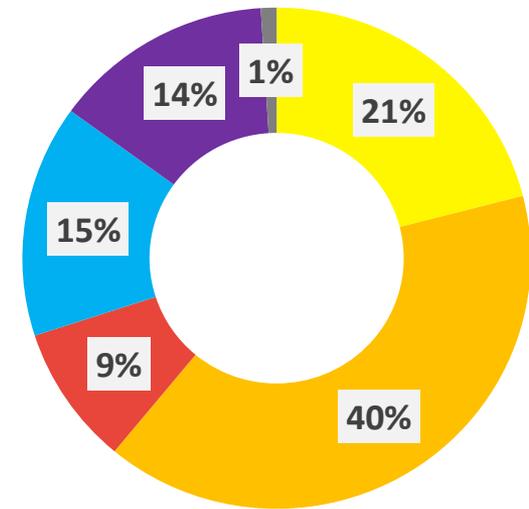
STUDENTS



n=1,196

- Learning English with a Chinese teacher in China
- Learning English with a native English-speaking teacher in China
- Learning English via a company-organised program
- Learning English online
- Learning English abroad
- Other

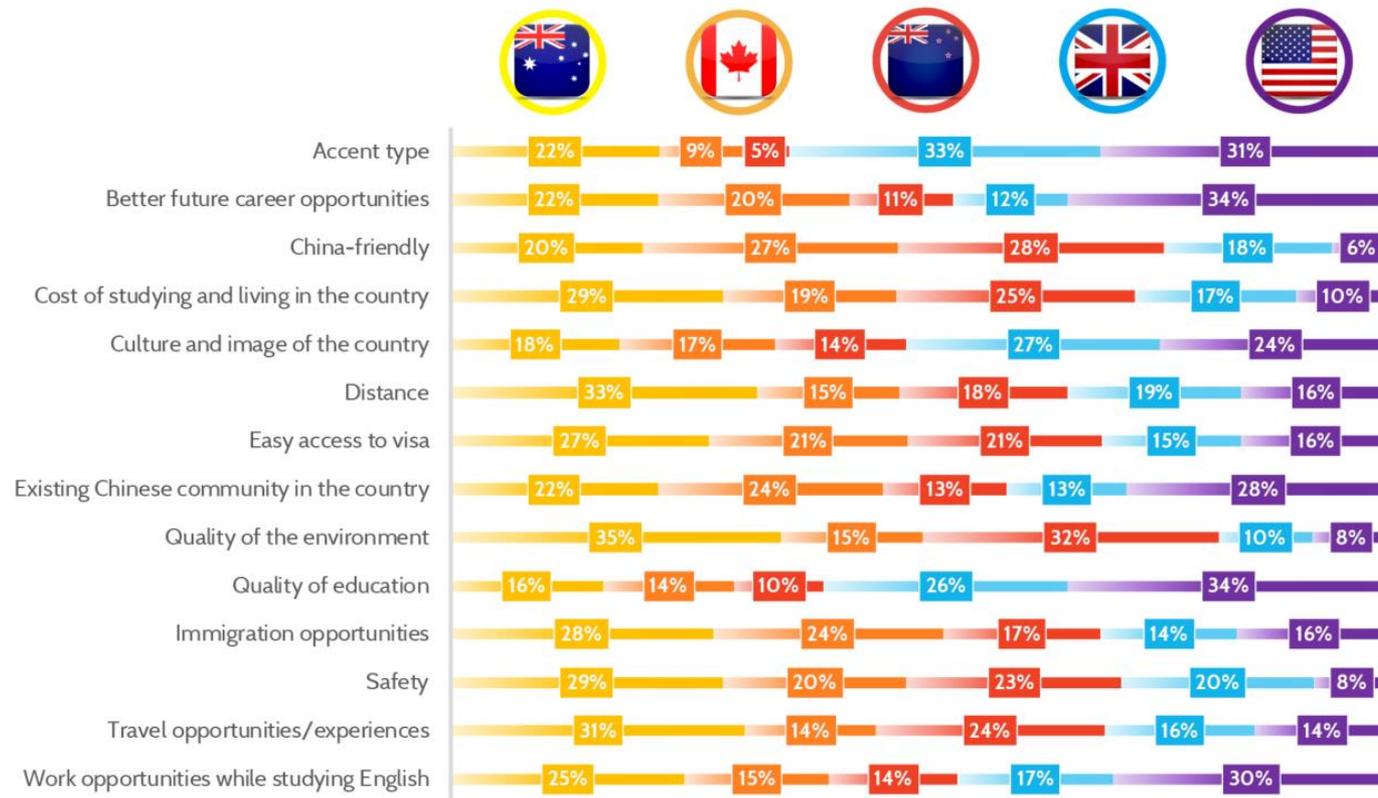
PARENTS



n=623

Student Perspective

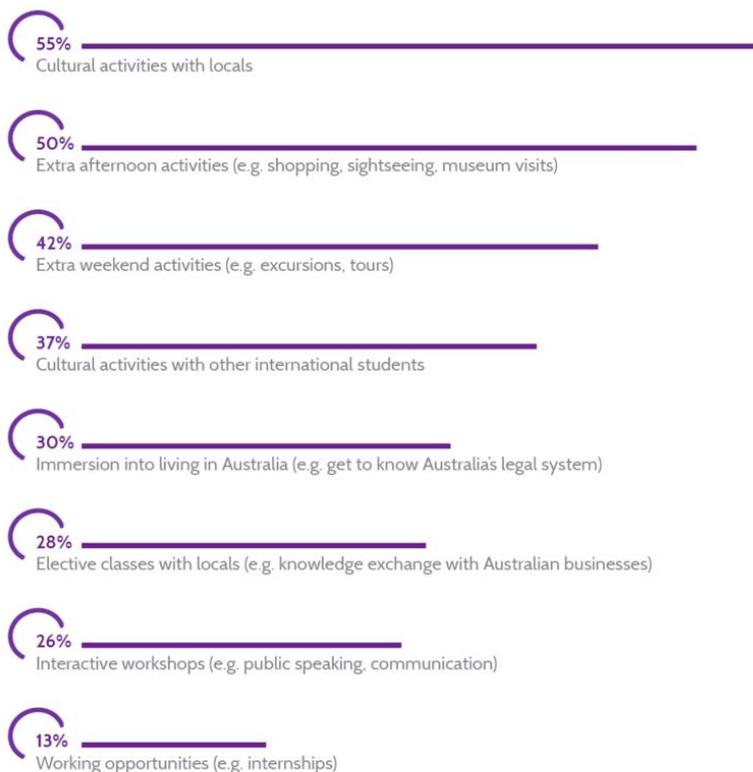
Percentage of students preferring a particular destination by selected factors



n=1,271; percentages do not add up to 100% due to rounding

Preferred course components

STUDENTS



n=1,271; multiple options were possible

Source: StudentMarketing, 2018

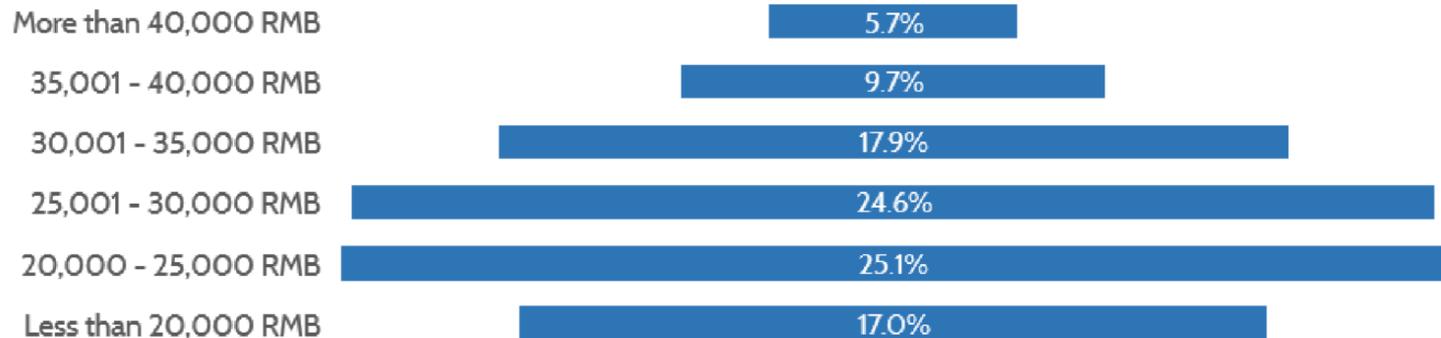
PARENTS



n=623; multiple options were possible

Student Perspective

Amount of money prospective students were willing to pay for the language course in Australia



n=1,271

Geographical Distribution of Chinese Agents



Competitor Activity

CANADA

- Policies at national, sectoral and individual levels
- Visa policy is not particularly standalone ELICOS-focused
- Opening seven new visa application centres in China
- Joint marketing and branding
- Mobile app in the Chinese language to further promote Canadian programs

UK

- Targets China on all three levels
- Investing in marketing
- English UK regularly holds fairs in China
- The British Council operates in China as the cultural and education section of the British Embassy and consulates
- ‘English is GREAT’ campaign, promoting proficiency in English for more people in China

Competitor Activity

USA

- Preference is actually for higher education and high school programs
- Does not have a dedicated nation-wide English language training strategy

NEW ZEALAND

- English New Zealand is currently not targeting China for any of its joint marketing events

AUSTRALIA

- Marketing activities
- Catered by Austrade, or alternatively by individual Australian colleges
- Limited activity oriented around standalone ELICOS courses

Australian government – visa regulation
Australian colleges – product adjustments
Agents

- marketing reach
- training & support
- proper market introductions

Statistics

- for more awareness about benefits
- demystification

Alumni – testimonials and community

Marketing collateral in Mandarin

Digital hub in China

Influencers – Hosted program

Media – Press tour & partnerships

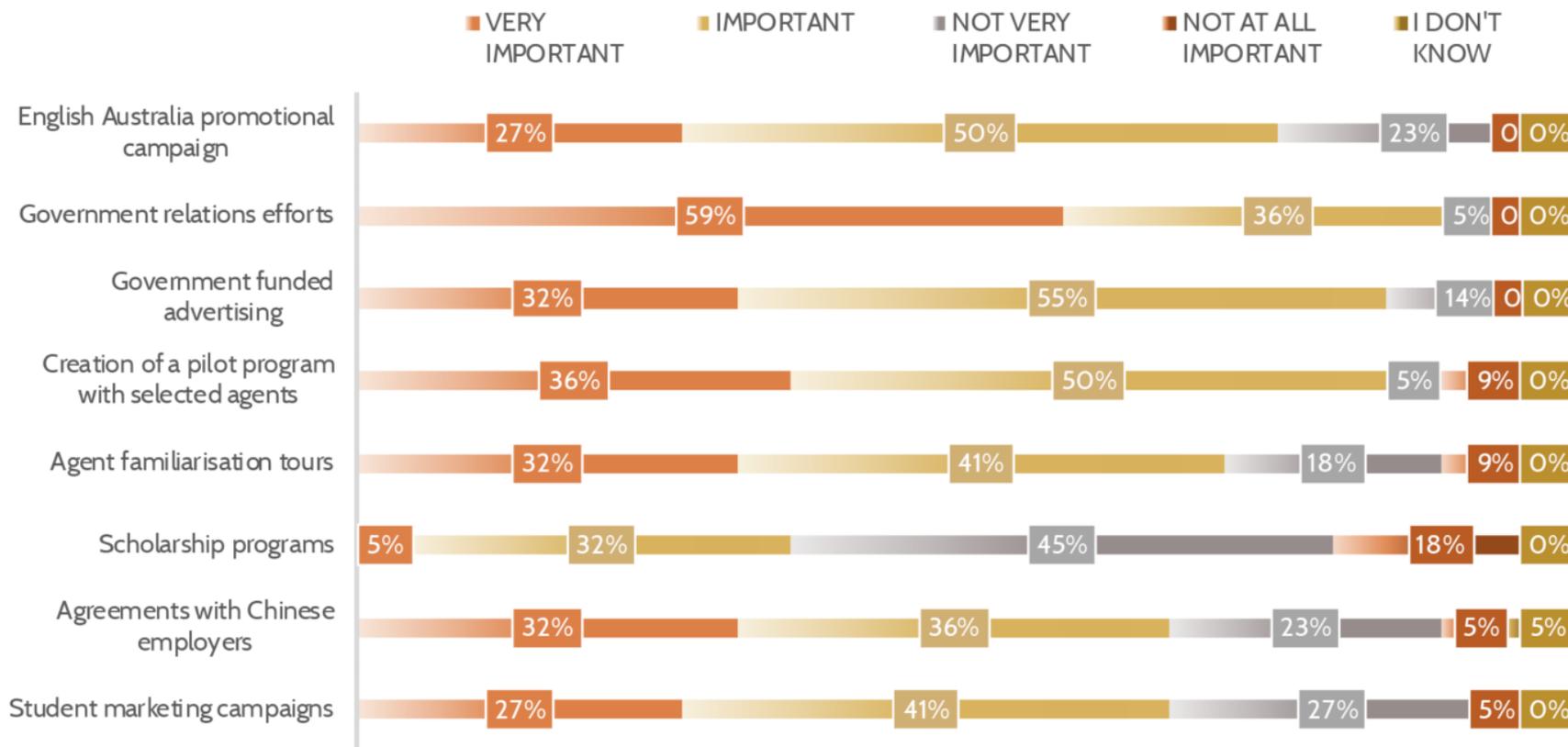
Awareness events

Political endorsement

Demand Stimulators

Which of the following would be most effective for developing growth in standalone ELICOS from China?

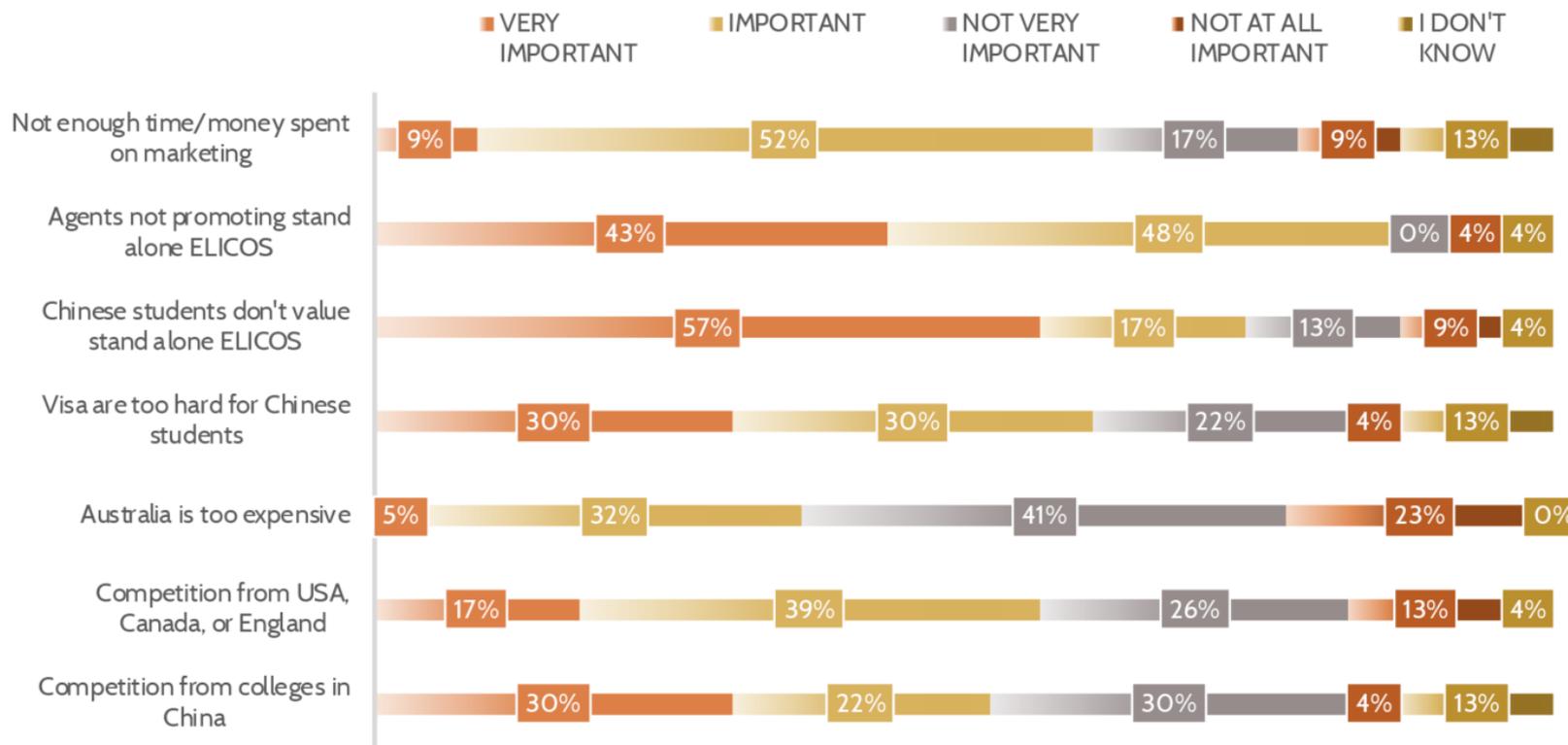
Demand Stimulators



n=36 English Australia members; percentages do not add up to 100% due to rounding

Main barriers to increasing the number of standalone ELICOS students from China

Barriers to Entry



n=36 English Australia members; percentages do not add up to 100% due to rounding

Barriers to Entry



Public opinion & habits



Low demand levels



Visa



Reputation



Misinterpretations



Competition



Job market



Product



Agents



Government support

Opportunities

E

Standalone ELICOS



Teacher Training



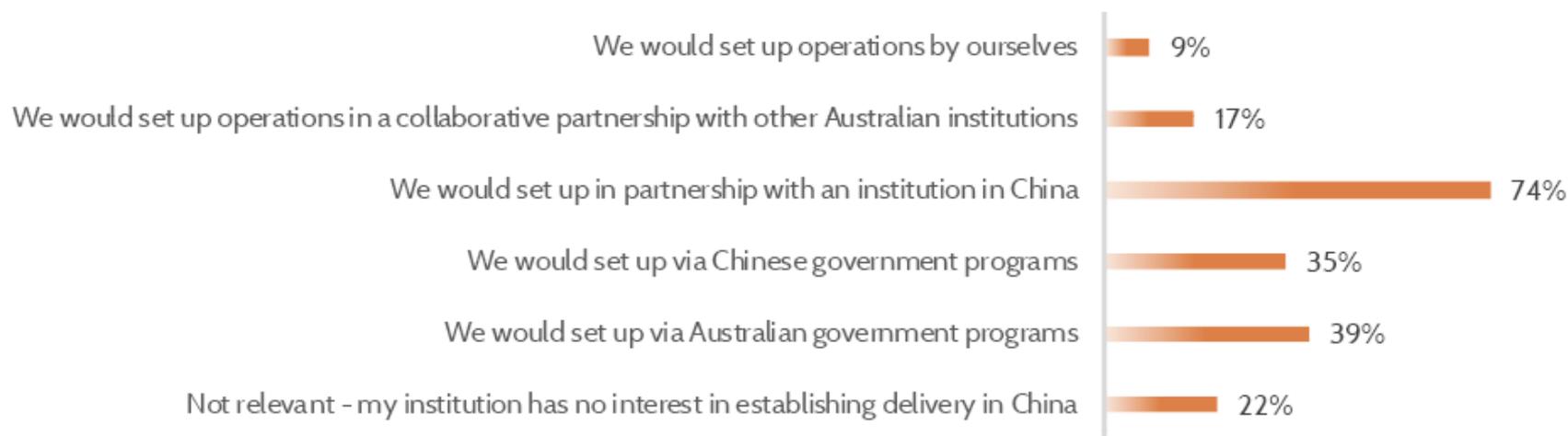
Transnational Education (TNE)



Online learning

Opportunities

Effective ways of establishing delivery of English language courses in China according to English Australia member colleges



n=36 English Australia members; percentages do not add up to 100% due to rounding

Options for consideration

1. Effort to stimulate the demand
2. Strategy plan or blueprint
3. Partnerships
4. Agents as an integral part of demand stimulation
5. Product specific to the needs and preferences of Chinese customers
6. Teacher training and online learning
7. English teaching provision to the Chinese market
8. In-country high-street English teaching
9. Marketing techniques in China
10. Awareness campaign about the benefits of ELICOS
11. Market influencers, opinion makers, and journalists

Market opportunity

www.englishaustralia.com.au



www.facebook.com/EnglishAustralia



[@English_Aus](https://twitter.com/English_Aus)



www.linkedin.com/company/english-australia



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