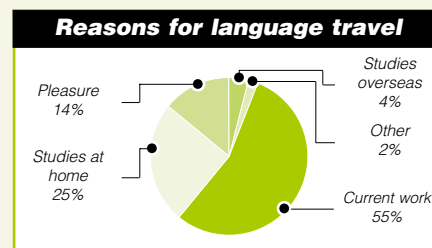
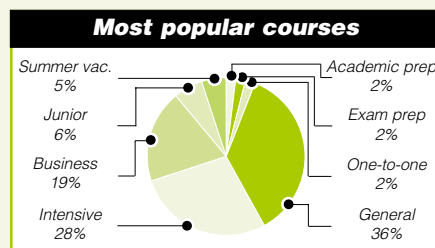
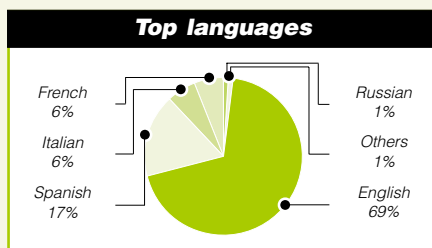


German advantage

The driving force behind growth in the German language travel market is the desire among the population to improve their employment prospects.



Despite the competitiveness of the language travel market in Germany and the general slowdown in the country's economy, the agencies that took part in this issue's Agency Survey clocked up a combined growth in bookings of 13.9 per cent in 2001, which follows a 12.5 per cent increase in 2000 (see *Language Travel Magazine*, March 2001, pages 18-19).

In fact, in this issue's survey, only one agent said their bookings had decreased in 2001, because of a drop in demand for Britain, owing to the relative high value of the pound, as well as the negative effects on travel of the September 11 events in the USA. Two respondents said their numbers had stayed the same, while the remaining six agents said their bookings had increased by between 10 and 50 per cent. The main reason behind the growth for individual agencies was because of an increase in their marketing activities. However, one agency noted that they had experienced an increase in demand for long-term programmes, including internships.

Another factor propelling demand is the importance of languages among current employees and those about to enter the job market, owing to the intense competition in the employment market. Seventy-eight per cent of respondents highlighted the over-19 year old age group as being the most fruitful for future business because of either the desire to improve career prospects, for those in the lower end of the age bracket, or the need for languages in their existing employment among older clients.

Further evidence of the importance of this sector to German agencies is the fact that seven of our respondents said they had corporate contracts which meant they received regular clients from companies, and, across all agencies' business, executive bookings made up 26 per cent of the total. In

Key points	
The total number of students placed in 2001 by the nine agencies that took part in our survey was 26,476	
Individual agencies placed between approximately 25 and 20,000 students on language courses per year	
Average growth of combined agency business in 2001 was 13.9 per cent	
Commission rates from language schools ranged from 17 to 25 per cent, averaging out at 21.3 per cent	
German agency clients were typically prepared to pay between US\$350 and US\$600 per week for a language course and accommodation	
Fifty-five per cent of agency clients were learning a language for their current work	
Only one agent charged a handling fee of DM35 (US\$16)	
The number of countries represented by agencies ranged from five to 20	
Over-30 year olds accounted for 34 per cent of German agency clients	

addition, current work was given as the reason why 55 per cent of clients wanted to take a language course overseas.

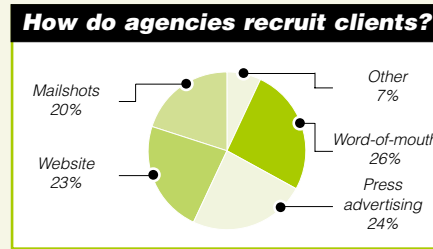
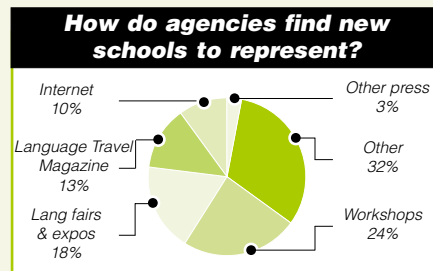
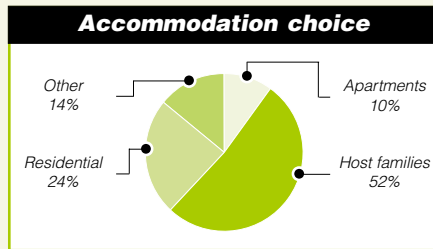
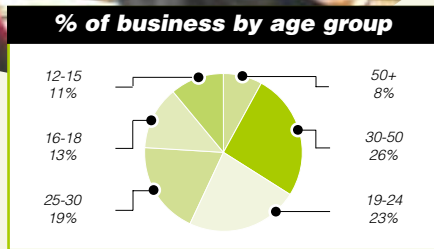
There has been a slight shift in emphasis in the German market with more older students going on language courses than in the previous year. While the 19-to-24 year old age bracket accounted for 23 per cent of students in 2001, down from 34 per cent of students in 2000, over-30 year olds made up 34 per cent of total bookings this year, compared with 28 per cent in last year's survey.

As the German market is less reliant on school-aged children than many other markets, it follows that it is less seasonal. Although July and August registered the most bookings, they only accounted for 35 per cent of clients, compared with, for example, the Spanish market where July alone accounted for 48 per cent of courses (see *Language Travel Magazine*, August 2001, pages 18-19).

An indication of the maturity of the German language travel market is the equal importance of a number of different market-

ing tools employed by agencies. Being such a competitive market means that language travel agencies cannot rely on word-of-mouth recommendation alone, and although this was the number-one tool for attracting students in 2001, accounting for around 26 per cent of total student bookings, press advertising came a close second at 24 per cent, followed by the Internet at 23 per cent and mailshots at 20 per cent.

English was the number-one language choice among agency clients in Germany, accounting for 69 per cent of bookings, while Spanish followed with 17 per cent. In terms of preferred destination, Malta remained in number-one position having relegated the UK from the top spot last year. Although the UK was in second place again, two respondents noted a slight drop in demand for courses there – one put this down to the relatively high value of the pound – while countries that gained ground last year included South Africa, Canada, Australia and New Zealand. One agency put Australia and New Zealand in first and second place



Economic overview

- According to the Bundesbank, the German economy, which is the largest in Europe, registered negligible growth in the third quarter 2001, following a stagnant second quarter.
- Despite Germany's economic slowdown, there was no significant effect on the labour markets at the end of 2001.
- At the end of 2001, the International Monetary Fund cut its estimate for German growth in 2002 from 1.8% to 0.8%.
- The unemployment rate in Germany increased last year to reach 9.5% in October 2001.

Sources: ft.com

respectively. Overall in 2001, the USA was in third place, followed, in descending order, by Spain, Ireland, France and Italy.

Again owing to the maturity of the market, German language travel clients are generally well informed. Our agent respondents estimated that around 80 per cent of their clients already had a fixed idea about the country in which they wanted to study prior to seeking information and advice from the agency, while 55 per cent had decided on their preferred city. However, as to the actual school, most were advised by the agent, with only nine per cent of clients already having an idea of which school they wanted to study at. In each case, after consultation with an agent, 16 per cent of clients typically changed their mind about country, city or school.

German clients were also very exacting when it came to class size, with agents estimating that overall, around 67 per cent

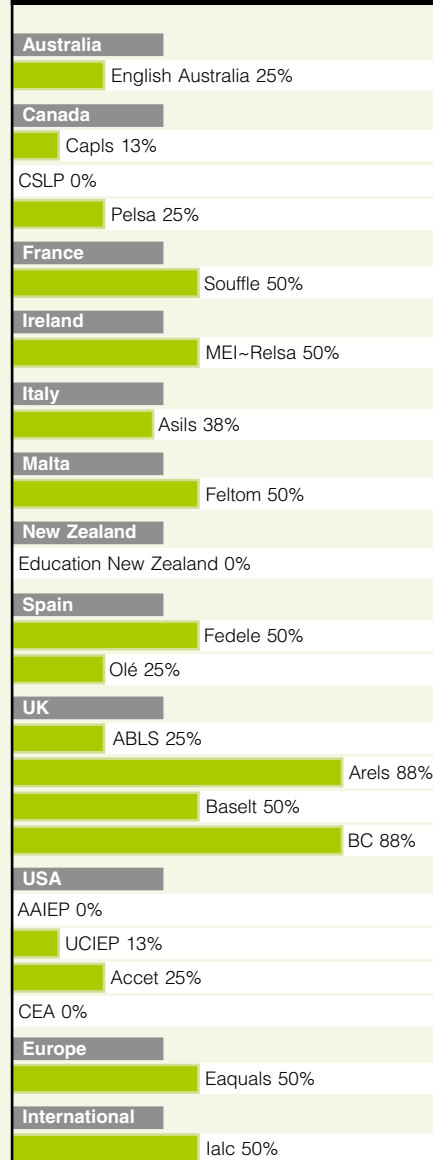
of clients specified their ideal class size. Most of them said they wanted to be in classes of up to five students. In addition, around half of agency clients were concerned about being in lessons with their fellow nationals.

The number of countries represented by the agencies that took part in this issue's survey ranged from five to 20, while the combined total number of language schools topped 182. This was up by about 43 per cent on the number represented five years ago. The main method used by agencies to source new business partners was through workshops, and fairs and exhibitions. These two methods alone accounted for 42 per cent of new business partners. However, a further 13 per cent of new schools were found through *Language Travel Magazine* and 10 per cent on the Internet.

Despite Germany's ailing economy and the negative effects of the September 11 attacks on the USA on the tourism market, the German language travel agents who took part in this survey were relatively optimistic about 2002. The general consensus is that although bookings for the USA may be lower than last year, clients would just choose other destinations rather than cancel their trips completely. However, two respondents forecast that it will be difficult to achieve 2001's level of bookings this year.

Thank you to the following agencies for taking part in our survey: Bohnsack, Elsta, GLS Sprachenzentrum, Herbst London-Tours + Sprachreisen, LAL Sprachreisen GmbH, Liceo Hispanoamerica, Studiosus Travel, Studytravel, Trainingspunkt

Percentage of agents who recognised each of the following organisations



Agents named a range of language programmes that they work with, including, in **Canada**: Modus Language Institute, Vancouver. **In China**: Sina Lingua, Shanghai. **In Cuba**: Studyteam, Havana. **In France**: CEFA Normandie, Lisieux; Centre International d'Antibes, Antibes; Millefeuille Provence, Saint-Genis-de-Comolas. **In Ireland**: Dublin School of English, Dublin; Language Centre of Ireland, Dublin. **In Malta**: Institute of English Language Studies, Sliema; Inlingua Malta, Sliema; NSTS, Valletta. **In New Zealand**: Worldwide School of English, Auckland. **In Spain**: Centro de Idiomas Quorum, Nerja; Cervantes Debla, Malaga; Colegio de Espana, Salamanca; Don Quijote, various; Estudio Internacional Samper, Madrid; Malaca Instituto, Malaga; Academia Mester, Salamanca. **In South Africa**: Cape Communication Centre, Cape Town. **In the UK**: London School of English, London; Regent Language Training, various; Torbay Language Centre, Paignton. **In the USA**: Academy of English at Cedar Plantation, Metter, GA; Florida Language Center, Fort Lauderdale, FL; Language Exchange, Boca Raton, FL; Language Pacifica, Palo Alto, CA; Rennert Bilingual, New York, NY. **Worldwide**: LSI, St Giles, Embassy CES.