

Australia smiles

On the whole, 2005 was a good year for Australia's English language teaching market, despite the continued strength of its currency. GILLIAN EVANS reports.

Marketing initiatives

Despite the fact that Australia's visa regulations present few problems in terms of visa denials, many schools are concentrating their marketing activities on their more developed markets.

Tim Eckenfels at International House Sydney, NSW, says, "For 2005 and 2006, we are moving away from new market development and are focusing on maximising our recruitment in countries where we are well established." Their marketing focus includes Switzerland, Korea, Japan, Brazil and some European Union countries. And at LSI in Brisbane, QLD, promotional work is centering on established markets as well as the Middle East – which according to Del Childs at the centre, "is a relatively recent development in our strategy."

Agents remain central in student recruitment strategies. Global Village Noosa, for example, has always relied on its agents, according to Ian Pratt at the school. He adds, "I do not believe that there is a more effective method for recruiting the numbers of students we need than that. We have complemented our usual agent marketing this year with a very successful favour for our key South American agents."

Marion Bagot at Tafe English Language Centre in Sydney, NSW, says that their main student recruitment channels are agents, exhibitions and the Internet. "[The] Internet has become increasingly important, particularly as many agents use web marketing strategies, which are thus included in our agent marketing," she adds.

Following two years of negligible growth in Australia's English language teaching (ELT) market, 2004 bucked the trend.

According to English Australia (EA), student numbers swelled by 16 per cent to 91,129, thanks mainly to an increase in short-stay study groups. While year-end figures for 2005 were unavailable at the time of going to press, initial reports indicate that growth, albeit at a lower rate, continued. According to monthly statistics from Australian Education International (AEI), by August 2005, enrolments had increased by 1.8 per cent in comparison with August 2004.

Many individual school performances confirm this stability in 2005. Tim Eckenfels at International House Sydney, NSW, reports that their 2005 enrolments were up by 21 per cent on 2004. There are several reasons behind this good performance, he says. "We feel the increase is based on the stable Aussie dollar, no major terrorist or political crises in Australia, and a return of students from some major markets, including Brazil and Central Europe."

Others, such as Del Childs at Language Studies International (LSI) in Brisbane, QLD, report less marked increases. "There has been a slight increase [in student numbers], perhaps in line with the decline in the US market," she ventures. Performance in 2005 also seems to have depended on the type of ELT institution. Marion Bagot, Manager at Tafe English Language Centre in Sydney, NSW, says that their numbers fell by 25 per cent, mainly owing to a decrease in Chinese students on their high school preparation course, as well as fewer enrolments from Japan, Taiwan and Hong Kong. Contributing factors for the decrease in students from these countries include economic factors at home; an increase in students looking for permanent residency and often seeking lower cost education for financial reasons; and more Japanese students, who used to favour long-term study, entering on working holiday visas.

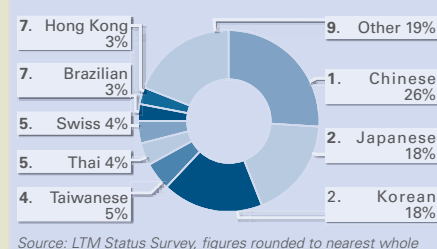
In terms of Australia's main student provider countries, Japan, China and Korea generally feature at the top of the league table. In 2005, there was a slight jostling among the top nationalities at some schools. Bagot reports, "In 2004, Chinese outnumbered Koreans by more than 2:1. Korean numbers more than doubled [in 2005] and there are now slightly more Koreans. Thai figures have increased by a third." Similarly, at IH Sydney, Koreans made up the single largest nationality group in 2005, overtaking Swiss, which were number-one in 2004, says Eckenfels. Like Bagot, he reports that "students from China dropped considerably in late 2004 and 2005", which he puts down to the strength of the Australian dollar deterring Chinese.

In most other countries, Eckenfels believes that the effects of the high dollar are no longer as significant. "As the Aussie dollar has remained at 0.75 to the US dollar for nearly a year now, it seems that students and agents have accepted this exchange rate," he states. But the higher cost of studying in Australia is affecting the market in a number of ways. Ian Pratt of Global Village Noosa in Noosa Heads, QLD, relates, "I don't think there's any doubt that the rise in the Australian dollar has made marketing this country more difficult. This has been especially obvious in Japan, where we are working harder than ever for every enrolment. Having said that, the emergence of [new] markets such as Colombia has meant that we are finding ready replacements for the reduced number of Japanese."



PHOTOGRAPH: SOUTH AUSTRALIAN TOURISM COMMISSION

English language students in Australia by nationality, 2004



Childs points out that the main effect of the strong dollar is a decrease in average stay. According to EA, the average course length in 2004 was 10.9 weeks, down from 12.1 in 2003. This trend has continued in 2005, and Childs says that more working holiday visa agreements mean shorter courses too, "as 12 weeks is the maximum length of study on this type of visa".

Visa-wise, Australians report few problems, but Eckenfels highlights one snag: "The fees for obtaining a student visa are significant," he says. "In Central Europe, a student visa costs AUS\$420 (US\$315). This is more than the British visa and an air ticket to the UK combined." Another problem, says Bagot, is the inability to change visa status. "Working holiday or visitor visa students who want to extend their English course and might once have [converted] to a student visa now tend to leave," she says. In an industry worth US\$696 million in 2004, this could amount to significant losses.