

six weeks, one-third of whom were from Japan.

Student enrolment

A very high percentage of students (72 per cent) booked through an agent this year although only 52 per cent actually found their courses through an agency. Important factors influencing students' decisions about where to study included the price, location and nationality mix at the school, while one student added that they chose their school because it was easy to book over the Internet. The majority of students (73 per cent) knew which city they wanted to study in before seeking agency advice, although this went down to 36 per cent when it came to knowing which school.

Standard of the schools

Overall, standards at New Zealand schools were very high, with the teachers and academic programme receiving the highest satisfaction rates among students. Average class sizes were quite low at 9.2 students and 80 per cent of all classes consisted of 10 or fewer students. Of those who said that there were too many students of their own nationality in the classroom, one third were from Japan.

Living in New Zealand

Aspects of New Zealand that students particularly liked included the language, countryside and people. With the average cost of one week's language tuition and accommodation given as NZ\$463 (US\$294), 44 per cent of respondents found New Zealand to be more expensive than their own countries, while a further 40 per cent thought costs were the same as at home.



Top nationalities

26%
1. Japanese
18%

2. Korean

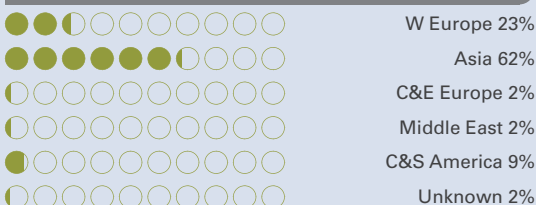
- 3. Swiss 9%
- 4. Chinese 8%
- 5. German 6%
- 6. French 5%
- 6. Thai 5%
- 8. Brazilian 4.5%
- 9. Argentinean 3%
- 10. Taiwanese 1.5%

How did you find your programme?

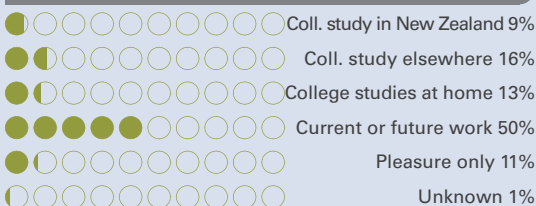
52%
1. Recommended by an agent
24%
2. Recommended by a friend/relative

- 3. I found it on the Internet 17%
- 4. I saw it advertised 6%
- 4. No reply 1%

Respondents by world region of origin



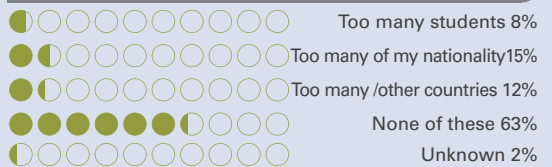
How will you use your English in the future?



Thank you to the following schools for participating in our survey:

AIS St Helens, Auckland; Alpha Educational Institute, Christchurch; Aspect ILA, Auckland; Aspiring Language Institute, Christchurch; Christchurch College of English, Christchurch; Coromandel Outdoor Language Centre, Whitianga; CPIT, Christchurch; Crown English Language Academy, Auckland; Dominion English Schools, Auckland, Christchurch; Edenz Languages, Auckland; Eurocentres, Auckland; Kaiapoi High School, Kaiapoi; Language School New Zealand, Christchurch; Languages International, Auckland; Massey University English Language Center, Auckland; Rotorua English Language Academy, Rotorua; Taupo Language, Taupo; Southern Lakes English College, Queenstown; Worldwide School of English, Auckland.

In my class there are...



What is your accommodation while in New Zealand?



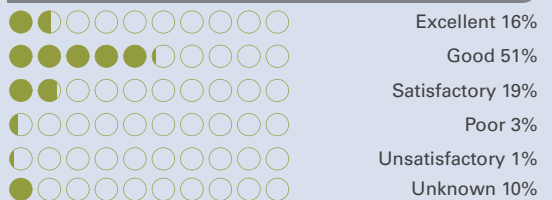
Standard of the teaching



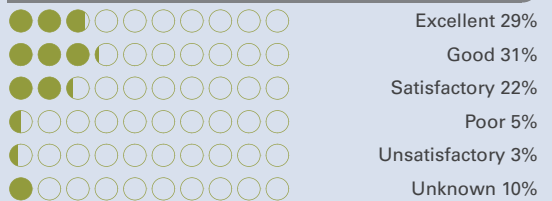
Standard of your academic programme



Standard of your social programme



Standard of your accommodation



Did you book your course through an agent or an educational adviser?



Before looking for your course, did you know where you wanted to study?



City/town



School



Insuring success

Providing adequate insurance cover for students embarking on a language travel trip is not only necessary to ensure client satisfaction, but it also has revenue-earning potential. JANE VERNON SMITH looks at types of cover available.

A language travel trip can be a complex and expensive undertaking, involving important decisions regarding the destination, type of school, accommodation and education programme required. Not least of these is the right insurance policy, and advising students regarding this complex field is high on the agenda of many language travel agents and educational institutions. "We always explain to our client how important...insurance is," asserts Miki Harada at Japanese agency, Ryugaku Journal Inc. "That's one of the most important things in counselling."

Student insurance is a complex area with many pitfalls for the uninitiated. However, there are a number of insurers with longstanding experience in the field of overseas education, often with policies specifically designed for the sector's needs. German-based SITE Insurance specialises in custom-made plans for the cross-border education sector, consulting extensively with counsellors and schools to produce appropriate cover, according to spokesperson, Jürgen Gemmeke. Meanwhile, UK-based student insurance specialist, Endsleigh Insurance, developed its language travel policy in conjunction with English UK.

Student-specific cover

The attraction of a specialist plan is that it offers more than

Insurance checklist – what should be offered by a good policy?



- * Does the insurer provide up-front payments in the event of a claim?
- * Are there any deductibles?
- * Does the insurer provide 24-hour emergency assistance seven days a week?
- * Is the insurer familiar with the country or region that is the student's destination?
- * Is the level of health coverage adequate with regard to the destination country?
- * Are family visits provided for in the event of serious problems?
- * Is there any medical coverage provided for pre-existing conditions?
- * Is the coverage for sports participation adequate to cover all likely activities?
- * Does the insurer provide adequate disability cover?
- * What level of cover is offered in the event of cancellation, trip interruption or curtailment?
- * What level of legal cover is provided?
- * Is the level of cover for personal property and luggage adequate to cover items such as laptop computers, i-pods, mobile phones, etc?

just straightforward travel insurance. As Laurence Robin at French-based insurer AVI International points out, young people are generally placed with host families and may cause damage to the latter's property. AVI therefore covers this type of risk. Similarly, policies from Endsleigh and World Nomads include course fee protection – whereby course fees may be refunded if the student needs to cancel (under circumstances provided for in the policy).

Specialist plans also tend to be better geared to longer trips, rather than the typical two-week holiday. As Robin points out, cover can be arranged for any duration, from one week to 24 months. "For a three-year university programme, the student can subscribe the [first] two years up-front and then extend the coverage for 12 months," he says. World Nomads offers its clients the possibility to renew their cover from anywhere in the world via the web.

For a longer stay, students may also expect an extended range of medical benefits. The Platinum Plan offered by Ingle International of Canada provides, for example, for one general medical check-up and one

eye examination in a 12-month period, and treatment for pregnancy or its complications, in addition to basic emergency benefits.

Extra-curricular sporting activities are often an important feature of overseas language programmes and, again, student insurance plans may offer wide-ranging cover for more risky activities. "World Nomads covers 38 adventure activities, including bungee jumping, white-water rafting and scuba diving up to 30 metres (to certified divers or those with an instructor), plus winter sports, such as skiing and snowboarding," says spokesperson for the company, Alison Rex Paulin.

Considering policy details

As well as considering the categories of coverage included in a policy, it is also sensible to check whether there are any deductibles or an excess fee payable on every claim. Some policies have them; others do not. These can help reduce the cost of the premium, but may result in higher expenses in the event of a claim. The level of cover is also important – and especially so for students visiting destinations such as the USA and Canada, where health care costs are very high.

"Students from Korea, Latin America and some European countries have arrived with policies which have terrific emergency assistance services, but limits for hospital and medical care of CAN\$5-10,000 (US\$4,390-8,780)," observes Robin Ingle at Ingle International. Yet, costs in Canada may be as high as CAN\$3,000 (US\$2,634) per day for the hospital bed alone and considerably more for the physician and surgical procedures, she warns. As Margot Haldenby at Languages Abroad agency in Canada observes, "An unexpected and astronomical medical emergency bill in a foreign country can be a really huge financial setback for the young, who are generally on a very tight budget."

The cover limit for personal possessions is another area where students may be caught out. According to Douglas Humphrey,



UK representative of Russian agency, Oxbridge Educational Travel Consulting, "Insurance companies are not keeping abreast of the value of single items that students take with them – laptop computers and watches being obvious examples. The standard cover for a single item is usually UK£1,000 (US\$1,786)," he notes, "and many students will bring laptops valued at well in excess of that figure."

A significant number of students are believed to undertake language study overseas without adequate cover. This is partly a result of a fairly widespread misapprehension that additional insurance is not needed if the student is automatically covered for health risks in their destination country. For example, in the case of European Union (EU) students studying in other EU member countries, or students whose regular medical insurance policy also covers out-of-country travel. However, not only does reliance on this mean that many other risks remain uncovered, but, as has been seen, health costs vary enormously from country to country and a level of cover that is adequate in one country may prove to be disastrously inadequate in another.

Added service and revenue stream

Students clearly need good advice, and the language/education travel agency, as first port of call when arranging a trip,

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is ideally placed to provide this. Some agencies achieve a very high level of clients purchasing insurance. Harada estimates a figure of around 85 per cent, while Haldenby reports 50 per cent take-up among clients.

For language schools, it is harder to achieve this level of conversion. Nevertheless, both agencies and educators can assist prospective students and boost their own chances of gaining a sale by promoting an insurance service via their

website, which students may consult prior to booking. Many schools also provide information on insurance as part of the induction process. For obvious reasons, however, those with high levels of direct bookings are often the most successful in insurance sales.

Krista Neil at the East Coast School of Languages in Halifax, NS, Canada, reports that the school recruits 70 per cent of its students on to its own insurance scheme. The fact that Canada (along with a number of other destinations, including the USA and New Zealand) has made it obligatory for incoming students to take out health insurance obviously helps boost uptake. A more typical figure elsewhere is probably between five and 10 per cent.

A selling partnership

The arrival of the Internet has made both the buying and selling of insurance much more straightforward. Many insurers now offer online booking, and often combine selling direct to customers through their own internet site with sales through a language travel agency or language school partner. Indeed, linking with a partner's own website is becoming increasingly common, and AVI is among those who have recently undertaken this venture. "Once [we have] agreed upon the price [at which] the school wants to sell the insurance, students can subscribe and pay online. We collect the money and pay the commission back to the school," explains Robin.

As Jonathan Moxham at Endsleigh observes, this system minimises the administration that needs to be undertaken by their language travel industry partners. "We understand [that] providing a value-added service such as personal insurance to students is not the primary business of the [educators] we work with. With this in mind," he says, "we have developed a very straightforward method for our partners to communicate the details of each student that has purchased a policy to us." Quite simply, the school records the student's name, date of birth and premium paid. Endsleigh provides a policy document for the school to pass on to the client, and, at the end of each calendar month, the school forwards the premiums collected, together with the policyholder information.

Most agents/schools tend to work with just one insurance provider. This provider may, however, offer a choice of policy - as at Coromandel Outdoor Language Centre in New Zealand, where Jane Harsant explains that two policies are available: one for students travelling on a visitor's visa for up to 12 weeks; and another, for long-term students, offering a higher level of cover at a lower price.

In return for promoting a company's insurance services, the partner school/agency either receives a commission or they take their own mark-up on the price they pay the insurer. According to de Looze, commission rates can vary from five to 35 per cent, depending on the product. Muriel Brault at US-based International Language Experience quotes a figure of 20 per cent. However, based on information supplied by various language travel agents and schools, typical commission might be around 15 per cent.

According to many in the language travel industry, commission rates are not a major issue. In fact, some, like EduTour Homestay Associates in Canada, receive no payment at all – selling the policies, as President Vivian Hart, explains, "as a service to students." However there is an easy opportunity here for companies to add real value to their service and earn additional revenue at the same time by reviewing the insurance services that they provide to their clients.

Given, as Ingle notes, a widespread perception that the dangers of international travel are growing, students and their parents are becoming increasingly concerned about obtaining suitable levels of cover. Those agents and schools that offer targeted insurance services are, therefore, not only gaining an additional source of income for themselves, but also supplying a valuable client service. ●



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