

The instant communication of email and simplicity of electronic bank transfers are easy to take for granted today, so when experienced agents talk of the early days of the industry, it is interesting to note the methods that were employed to maintain international business channels before the age of the Internet.

Aside from the telephone, Marco Righetti, of Educational Consultants in Italy – who has been in the business for 36 years – remembers that in 1970, “it was the time when to have a telex was the top of technology in communication. And all documents were typed”. The fax machine had not yet been introduced and telex charges were paid on a “data transmitted” basis.

Telex machines, hand-made brochures and informal agreements with just a few schools in an overseas country characterised the early days of language travel agency activity. Righetti remembers that in 1972, when he was managing Viva agency, the only brochure produced was black and white on the inside with just the cover in colour, promoting summer programmes only in the UK, France, Switzerland and Germany.

“A new very small brochure, printed on yellow paper, was used to test the possibility of offering language programmes outside of the summer months,” he recalls. “And it was [my] first success.”

The earliest agencies

It is hard to track down the very earliest agencies in existence in all countries, and some have most certainly become defunct, but the first agencies seem to have sprung up in the 1950s in Western Europe – the same era in which the early English language teaching schools opened their doors.

Dedicated language travel agencies in other countries appeared somewhat later: 1964 saw the launch of the first language travel agency in Brazil, Experimento, while the first specialist agency opened in the USA in 1968, in Japan in 1970, in Mexico in 1977, in Korea in 1981, and Eastern Europe and Russia really only established an agency scene in the late 1980s or early 1990s.

In Italy, Righetti notes that Viva agency was founded in 1955, and in Germany, one of the earliest agencies is considered to be Europa-Sprachclub in Stuttgart, which was established in 1958 and is still active today. ProLinguis in Switzerland also opened its doors in 1955, and in France, Nacel began operations in 1957.

Gérard Avundo, who worked at Nacel, remembers the simple origins of the company.

He relates, “Two language teachers from France began organising summer sessions in England for French teenagers in 1957. Their goal was to give the opportunity to students to extend language learning and their knowledge of another culture, through well-organised and affordable programmes.” The name “Nacel” came from the French *nacelle*, which means the basket of a hot air balloon. “Our logo was chosen to illustrate our purpose,” says Avundo. “Like the Jules Verne adventures of long ago, our participants are attracted to the unknown and eager to discover other people and civilisations.”

In 1993, Nacel merged with Club Langues et Civilisations (CLC), which was established in 1978. Ghislaine Couronne, who has worked for CLC since 1982, remembers that in the early years, “there was not really an industry at all. There were no rules and people who started what was to be a business had common sense as a basis”.

In Sweden, STS was one of the forerunners of the agency industry, set up in 1958 by Lars Magnusson. James Crimp, Production Manager at STS, relates, “The enterprise grew quickly. In the summer of 1959 about 600 teenagers travelled to England and already by the early 1960s, the number had risen to about 2,000.” STS was, and remains, different to many other agencies in that it began organising the entire language learning package overseas itself, as did agency/school group EF from 1965. Crimp explains, “The concept was originally devised from the simple premise that Scandinavian people love to travel, with English becoming a larger influence during the late 1950s and early 1960s.”

Building business

Elsewhere, back in the 1960s and 1970s, most agencies were working slowly to build up a portfolio of language schools that they might represent through a variety of ad hoc means and via personal contacts. Anders Akerlund, who set up Avista/Sprakreseformedlarna in Sweden in 1980, relates that it was still difficult in 1980 to find out about language teaching options overseas, and his research into opportunities in France gave him the idea for his company.

“There were only companies like EF and STS around [in Sweden],” he relates, “sending groups of Swedish teenagers to the English south coast during summer. It was hard to get information about schools and courses for adult students. If you wrote to a French university you had to include international reply coupons to pay



“The first negotiations were all based on trust. It took forever to contact the schools via Telex and payments had to be done via bankers’ drafts that were sent by mail with the fear of losing them, because there were no electronic transfers”

Lucia Torres, Cosmo Educacion, Mexico

for the stamps to get the brochure! And the information you received was almost exclusively in French, the language you were supposed to learn.”

One of the biggest influences on the development of the early agency market was the decision by the British Tourist Authority (BTA) to hold a workshop, in collaboration with British Airways, promoting English language schools in the UK. The first workshop, which has evolved into the





Agency pioneers

The language travel industry has come a long way, but what was the agency industry like in the early days, who were the pioneers, and how have some of the long-standing businesses evolved over the years? AMY BAKER takes a look at the history of the business.

current English UK workshop that takes place annually in Brighton, was held in 1969.

For Lucia Torres, a self-employed travel agent in Mexico, her visit to the workshop provided her with her first contact with language schools, which led to her setting up



"At the beginning of the 1990s, very many people participated in language courses abroad, simply because they were held abroad.

These days, customers are much more picky about the choice of country, accommodation, the type of course and the extra-curricular activities"

Jacek Bachalski, JDJ-Bachalski, Poland

Cosmo Educacion in 1977, the first agency of its kind in Mexico. Monica Compean at the agency explains, "Lucia recognised the growing potential in Mexico for organised trips for young people and for individual travellers looking for educational and cultural travel abroad, so she decided to change her job and become an educational consultant." Compean adds, "At the beginning, it was very hard to operate, due to the fact that 30 years ago, the concept of schools being represented by agents was still very new."

In Italy, Righetti also testifies to the importance of the BTA workshop in building his network of contacts, all of whom he would subsequently visit personally. "The BTA organised workshops every year in different British cities, accommodating us, the agents, in colleges," he remembers. "Here, we could contact a lot of proper schools and start new business."

Professional motivation

For many embarking on a career as an educational travel agent, professional or personal experience in international travel and languages has been their inspiration. For Righetti, who received an award from English UK (then Arels) in 2000 for his contribution to the promotion of British schools in Italy, his origins were in the travel agency industry, as were Torres' in Mexico.

Others – such as Akerlund in Sweden, Masaru Yamada, who set up ICS in Japan in 1970, and Yongwoo Kim, who set up an agency in 1981 in Korea – were inspired

by their own personal experiences of overseas study. Kim relates, "After graduating from college in 1979, I began to prepare to study in the USA. At that time, there was virtually no one around who could provide me with any guidance based on first-hand experience." After extensive preparation, Kim was forced to abandon his dream of studying overseas but decided to use his knowledge to set up an agency division of Munhwa Linguistic Foundation; it was the first such agency in Korea.

In Japan, Yamada recounts that it was his experience as an overseas student in the USA, and his subsequent membership of an alumni club of US university graduates in Japan, that led to his pioneering career in the study abroad agency field in the country. The alumni club produced hand-made booklets about their study abroad experiences that were distributed within Japan via a weekly magazine, prompting a flurry of requests to the club for further information, or help with an application.

"The alumni club members decided to do processing services [for students] at a cost," relates Yamada. "But there was a big question as to who would be responsible for this 'business'." Because all the other club members were already employed by banks or public organisations, and not keen to leave their job to start this business, but Yamada says that he saw the business potential, and it was "at that moment that the non-profit voluntary service sector turned out to be a profit-making business". ICS was set up and it started publishing *Ryugaku Journal*, which was originally in the format of a hand-made leaflet in 1971. *Ryugaku Journal* also now operates as an agency.

Other industry pioneers simply saw the business opportunity that travel and education presented in their country at that time. In Russia, Intense agency, which opened in 1991, is considered to be the first private agency there. Anna Krilova at the company – which no longer deals with student placement – relates, "The alternative [type of agency] at that time was only Intourist, which was of course a state travel organisation. Intense was set up because it was a good prospective business."

Former agent, Jacek Bachalski, now a politician in Poland, also exhibited good business acumen when he set up JDJ-Bachalski in 1990. "This was my idea for going into business, but also it was the answer to people's needs," comments Bachalski. "In Poland, the 1990s were the time when borders opened. Providing customers with the opportunity to travel and learn foreign languages at the same time turned out to be a great commercial hit."

Industry expansion and success

JDJ-Bachalski is one of many success stories in the industry. Starting with one office, the company now has 20 offices around Poland and has sent at least 70,000 clients overseas. Bachalski affirms, "We were the pioneers of this business and presently, as far as language courses abroad are concerned, we are the leader." In Japan, Yamada's company, ICS, grew to become a major player in

the market, employing 80 full-time student advisers out of 180 employees across five offices. By 2000, the company was dealing with 200,000 student weeks annually; 8,000 individual clients and 2,000 students in packaged groups. ICS sold its *Ryugaku Journal* division in 2003 to Aeon network of English language schools. ICS also offers other services such as travel ticketing, insurance and student loans.

Kim's agency in Korea, Munhwa Corporation, has evolved to become Uhak.com and sent around 5,000 clients overseas last year. Kim points out that the Internet has become the most important medium for selling to students in Korea – a real progression since the days of relying on word-of-mouth recommendation only.



"The scope of educational consulting services has now expanded greatly to provide in-depth information on schools and programmes, conduct admissions procedures on behalf of students, provide cultural orientations, offer survival English lessons and even arrange travel tickets"

Yongwoo Kim, Uhak.com, Korea

"This demonstrates how advanced and sophisticated the overseas educational consulting service has become here

in Korea," he says, adding, "We were the first [business] that incorporated the Internet into marketing initiatives and used .com as part of our corporate name." Uhak.com (*uhak* means study abroad in Korea) has now computerised its entire business approach and, according to Kim, has one of the most popular websites in the field.

In the USA, the National Registration Centre for Study Abroad (NRCSA) is still one of the best-known study abroad agencies in the country and considered to be the first of its kind, set up in 1968. Mike Wittig of NRCSA recalls, "In the 1970s, several competitors started and stopped. Frankly, I do not know of any that started in the 1970s that still exist. Most large competitors started in the 1990s."

Recent times and looking ahead

Wittig identifies the 1990s as a time of change in the industry in the USA, and certainly, many agencies point out that the global industry environment has changed considerably over the last 15 years. Wittig points out, "In the 1990s, the majority of students' focus changed from abstract learning to needs within their lives, such as admission to a graduate school, corporate expansion into a new country, resumé building, etc. There was more interest in upscale [schools]."

He adds, "The 1990s also saw a proliferation of schools which led to more price competition. And all schools became 'full colour' on the web, so there was increased competition between schools and outfits like NRCSA. More technical selling based on web page positioning occurred rather than based on the quality of the programme or repeat business. The pace of business picked up."

Many longstanding agencies are in agreement about the way in which business has changed. With more schools and more agencies in the global market, Bachalski says, "The competition is immense

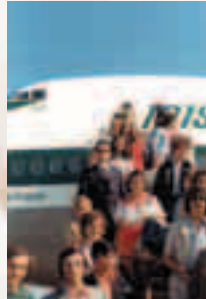


and you have to work [hard] to win new customers. You need to constantly widen your offer and invent new added values that would appeal to customers."

Kim says, "As far as agencies are concerned, competition is likely to intensify

"July 11 1973 was a major landmark in Nacel history. This photo illustrates the first chartered flight fully booked by Nacel and operated by Aer Lingus on a Jumbo 747. There were 377 teens ready to go for a four-week immersion with American volunteer host families. The flight departed from Le Bourget, an airport no longer used nowadays. Thousands of students would follow these 'pioneers'"

Gérard Avundo, Nacel, France



as the entry barrier is relatively low. This will be further aggravated by the Internet, the most affordable and convenient marketing tool." He adds, "It is highly likely that agencies will try to strengthen and refine their specialities. Smaller agencies will try to attract customers by offering personalised services. Large agencies will focus not only on expanding their suite of services but also on making these services more affordable."

In Mexico, making study abroad more affordable is something being investigated by Cosmo Educacion. Torres says that collaboration with credit card companies, to enable payments by instalment, for example, is one way that they hope to continue expanding their customer base.

Both Torres and Kim dislike the concept of schools courting direct bookings, but believe agency service will remain important to a majority of clients in the future, not least because of the comprehensive service and recommendation that agencies can assure to prospective clients. "Agents are in a unique position to understand the dynamically changing needs of Korean students and can tailor their services commensurately," notes Kim. "This is why schools cannot provide a complete substitute for the services offered by agents."

However, he cautions against the current trend of some agencies sharing their commissions with students, "which is viewed positively by some schools", he claims. "Agents in Korea are already charging nothing for most of their services," warns Kim. "If [a discounting trend] continues, eventually all the agents will offer discounted fees and then surely find the school less attractive due to reduced profitability. Furthermore, this trend may also force schools to discount their tuition as well, which is something that needs to be looked at seriously by schools and agents alike."

Akerlund in Sweden concurs with this point. His hope for the future is that "established schools will be strong enough to fight against the practice of non-authorized agency prices lower than the original school prices". Akerlund ventures, "This is not only a question of fair competition but also about the best way to maintain long-term relations and a stable development of business."