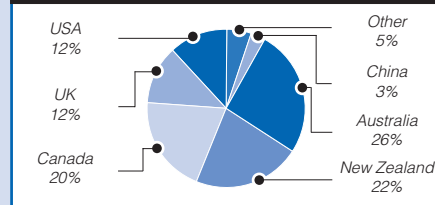


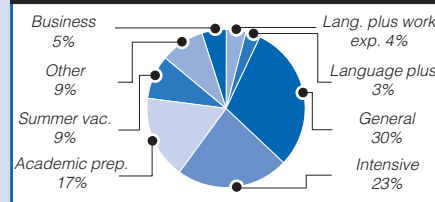
Japan's crawl

Despite the positive results posted by one of the agencies that took part in this issue's survey, growth in the Japanese agency market was slow overall this year.

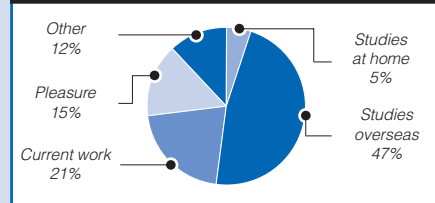
Top destinations



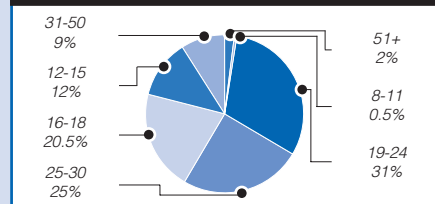
Most popular courses



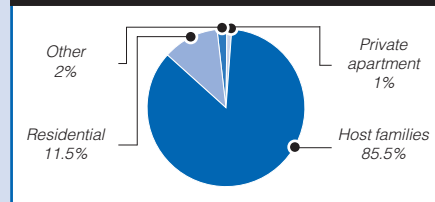
Reasons for language travel



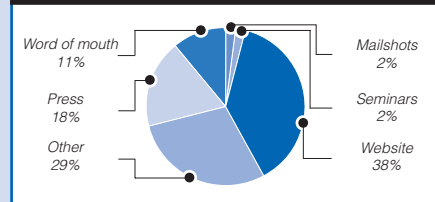
Age range of clients



Accommodation preferences



How do agencies recruit new clients?



Key points

- The total number of students placed by nine of the 12 agencies in our survey was 10,184
- Individual agencies placed between 4 and 6,500 students on language courses per year
- Average growth of combined agency business in 2002 was 18 per cent
- The average spend on tuition and accommodation per week was US\$467
- Close to 86 per cent of clients requested host family accommodation
- Clients typically paid US\$467 per week for tuition and accommodation
- Two-thirds of agencies charged a handling fee of between US\$85 and US\$1,358
- On average, agencies represented 256 language schools overseas in nine countries

Market growth

The overall growth in bookings recorded by our Japanese agent respondents was 18 per cent this year, but this figure masks the reality of what some agencies experienced during 2002. While one agent said bookings increased 150 per cent on 2001, others reported a drop in business of up to 30 per cent. Excluding the 150 per cent figure, overall growth was otherwise noted as being minus one per cent. Some agencies pointed to Japan's slow economy and September 11, 2001, as reasons for the decline in business.

Student trends

The age range of students was similar to last year (see *Language Travel Magazine*, October 2002, pages 10-11) except that there were notably more 12-to-15 year olds this year, with the figure rising from five per cent to 12 per cent. A number of agencies earmarked this age group as the one showing the most positive growth, and one agent explained that this is because the government has introduced compulsory English study at an earlier age. The main reason for studying abroad, however, continued to be for further studies overseas.

Course and destination trends

Academic preparation programmes featured quite highly in the list of popular language travel courses, reflecting the importance of learning a language for further studies overseas. After general and intensive programmes, they were next in the list, followed by summer vacation programmes. However, only 36.5 per cent of language travel programmes were taken during July and August. April was also a popular month for language travel, although demand was evenly spread throughout the year. English was the firm favourite language to learn, and in terms of destination, the USA has lost popularity, while New Zealand and Canada have reaped the ben-

efits. One agency exclusively represented schools in Australia, and another only dealt with schools in New Zealand.

Agency business

Agencies counselled mainly individual clients, although 14 per cent of bookings were made for group tours. An agency's website seemed to be the most important way of recruiting clients, accounting for 38 per cent of bookings. Agencies found most of their new school partners via workshops, although using the Internet and the press, including *Language Travel Magazine*, also played a significant role.

Forecast for 2003

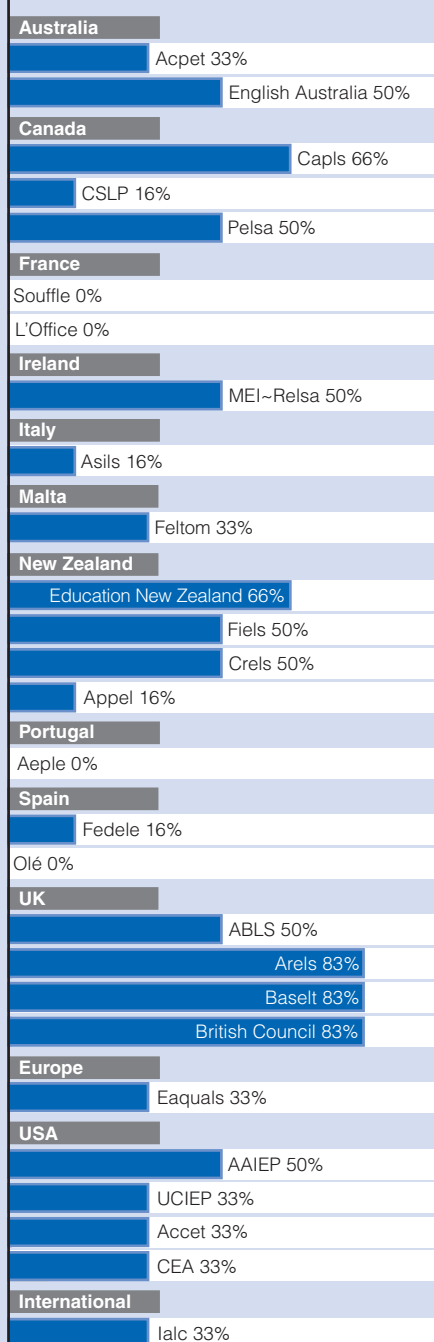
One agency forecast that there will be healthy demand for English plus programmes in 2003. Another pointed to increased interest in long-term study, as opposed to short-term holiday programmes. Agents seem hopeful that business will remain constant at least, but mindful of changes in student choice. Finally, one agency said that study destination would be increasingly important to students – and Canada and New Zealand would win out to the detriment of the USA, because of the situation in Iraq.

Economic overview

- In the first three months of 2003, the Japanese economy recorded a growth rate in GDP of 0.3%, while the quarter ending in June saw a growth of 0.6%, so there has been marginal improvement in the recession-hit economy. The relative good news at the end of the second quarter injected optimism into the Tokyo stock market.
- The government considers the period until the end of 2004 to be an "intensive adjustment period" and hopes to expand employment and economic activity in Japan.
- Consumer spending is reported to be more resilient than expected, although one reason credited for this is people cancelling their plans to travel abroad and spending money at home, given the Sars scare. Private consumption increased by 0.3% in the three months ending in June.

Sources: AFP, Japanese Ministry of Foreign Affairs, FT.com

Percentage of agents who recognised each of the following organisations



Thank you to Jaos for coordinating distribution and collection of our surveys

Japanese agents named a range of language programmes they work with, including, in Australia: Shatston International College, Brisbane, QLD; **In Canada:** ILSC, Vancouver, BC; University of Regina, Regina, SK; **In China:** Beijing University, Beijing; **In New Zealand:** AIS St Helens; AUT International House, Auckland; Crown English Language Academy, Auckland; Languages International, Auckland; Christchurch Polytechnic, Christchurch; Worldwide School of English, Auckland; **In the UK:** Bell Language School, Cambridge; Internexus, London; **In the USA:** State University of New York at Buffalo, Buffalo, NY; **Worldwide:** St Giles Colleges; Anglo Continental, ELS Language Centers; Embassy CES/Study Group; Home Language International.

Thank you to the Japan Association for Overseas Study (Jaos) for coordinating collection of our surveys, following agencies for taking part in our survey: ACE Nagoya; Aeon Nice; AISE; ECC International; Educational Planning Inc.; ICS; Japan Education Advancement Assoc.; K-Max Japan; La Trobe University Japan Office; Mainichi Communications; Network Communications; Wild Rover.