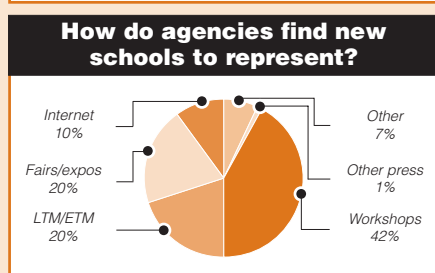
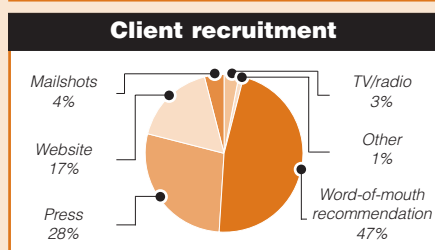
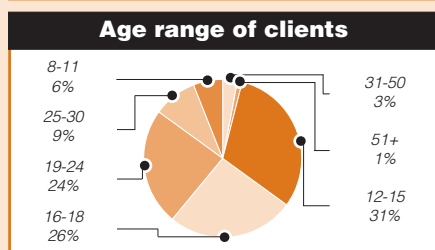
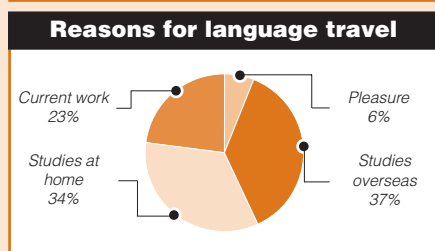
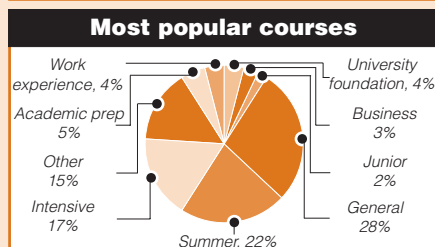
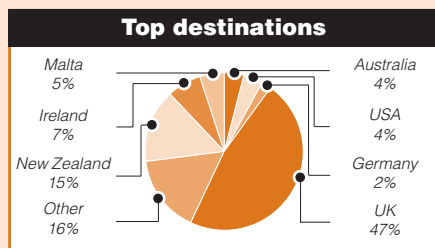


Russia's strength

The Russian language travel industry is largely dependent on school-age children, making it a very seasonal market.



Key points

- The total number of students placed by the 11 agencies in our survey was 965
- Individual agencies placed between 15 and 240 students on language courses per year
- Student numbers increased by an overall average of 8.9 per cent
- Average length of stay for Russian students was 9.2 weeks
- Commission rates ranged from 15 to 20 per cent, averaging out at 19.5 per cent
- The average spend on tuition and accommodation per week was US\$402
- Overall, 57 per cent of agency clients took a language programme during July and August

Market growth

Despite the buoyancy of the Russian economy, growth in the language travel market slowed to 8.9 per cent in the first half of 2003, after experiencing healthy growth of just under 20 per cent in 2001 (see *Language Travel Magazine*, September 2002, pages 10-11). As the Russian language travel market is largely motivated by parental aspirations to invest in their children's education, the war in Iraq and the Sars outbreak in the first half of the year made parents reluctant to send their children overseas. Nevertheless, 56 per cent of agents said they had experienced an increase in student bookings of between 10 and 35 per cent in the first half of the year, while 22 per cent of agents reported a drop in enrolments of between five and 10 per cent and a further 22 per cent said their numbers had remained the same.

Student trends

Young students are very important to the Russian language travel market, with under-18 year olds accounting for 52 per cent of agency bookings, and 12-to-15 year olds alone making up a third of all agency clients. Indeed, this age group was identified by three agents as holding the most potential for fu-

ture growth. A further four agents indicated that the 16-to-18 year old age group would show favourable growth in the future. However, despite the academic goals of some clients, the average length of stay, at 9.2 weeks, was relatively low compared to other markets, although it was considerably higher than the five-week average recorded last year.

Course trends

English was the most common language learnt by Russian language travellers, accounting for 85 per cent of agency bookings. Spanish was in second place with five per cent, followed by German with four per cent and French with three per cent. In terms of destination, the UK remained the top choice while New Zealand was the fa-

voured newcomer, with its share increasing from eight per cent last year to 15 per cent this year. The Russian market is highly seasonal, with 73 per cent of students taking their courses during the summer months of June, July and August.

Agency business

Although a high proportion of Russian agency clients (80 per cent) knew the country in which they wanted to study before they sought agency advice, only 27 per cent knew the city and nine per cent already had a fixed idea about to school they wanted to attend. After a consultation with the agent, roughly a third of clients would typically change their mind about their chosen country, city and school. Word-of-mouth recommendations accounted for 47 per cent of agency clients overall.

Forecast for 2003

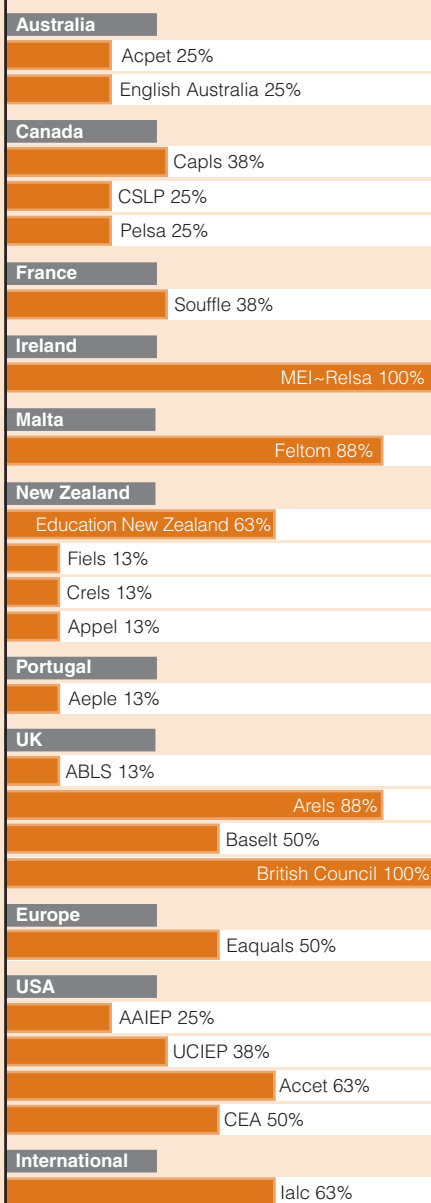
Year-end forecasts for 2003 were relatively upbeat, with agents predicting a growth of between five and 30 per cent and further good growth for 2004. This was largely owing to the continued health of the Russian economy, although many respondents also said that the level of growth would also depend on the uncertain international situation.

Economic overview

- The Russian economy performed well in the first few months of 2003, with real GDP growth in the first quarter estimated to be 6.8 per cent. However, lower oil prices and the continuing problems of the business environment will lead to slower growth in 2004.
- The continued economic growth and slowing inflation in the first quarter of 2003 led to a rise in household real money income of 14.4 per cent in comparison to the same period in 2002.
- The value of individual bank accounts in rubles and foreign currency as of April 1, 2003, increased 47.5 per cent year on year.
- The inflation rate for 2003 is estimated to be 10 per cent, while GDP growth to the year-end is expected to reach 3.5 per cent.

Source: Bank of Russia, economist.com

Percentage of agents who recognised each of the following organisations



Thank you to the following agencies for taking part in our survey: Direct Talk Bureau for International Educational Programs; Ekaterinburg Centre Education Abroad; Intense LBC; Mandarin Travel Company; Natalie Svirskaya; Parta International; Rosk-Inlingua; Sorma Inter; Takt & Partners; University Council; VIP Service International

Russian agents named a range of language programmes they work with, including, in Australia: Hawthorn English Language Centre, Hawthorn, VIC; Sydney English Language Centre, Sydney, NSW. **In Canada:** International Language Academy of Canada, Toronto, ON; Pacific Language Institute, Toronto, ON. **In France:** ELFE, Paris. **In Germany:** Dialog, Lindau; F+U Academy, Heidelberg; Sprachinstitut Tuebingen, Tuebingen. **In Ireland:** Alpha College, Dublin; Morehampton Language Institute, Dublin. **In Malta:** Bels, Gozo; Inlingua, Sliema; Lingua Time, Sliema; Link School of Languages, Swieqi. **In New Zealand:** Dominion English School, various; Languages International, Auckland; Taylors College, Auckland; Unitec, Auckland. **In the UK:** Anglo Continental, Bournemouth; Berlitz, Brighton; Channel School of English, Ilfracombe; Hawthorn Edinburgh, Edinburgh; Regent, various; St Giles, various; Torbay Language Centre, Torbay. **Worldwide:** Aspect ILA; EF; Sprachcaffe; Study Group.