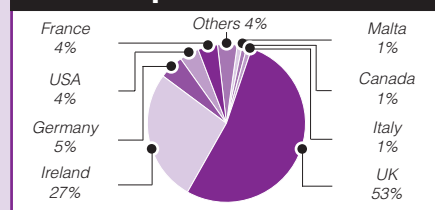


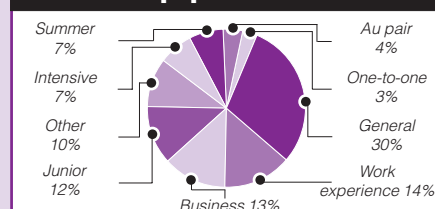
# Slow-moving Spain

Despite Spain being a country with one of the more healthy economies in the European Union, growth in the Spanish language travel market remains muted, according to the agencies that took part in this issue's Agency Survey.

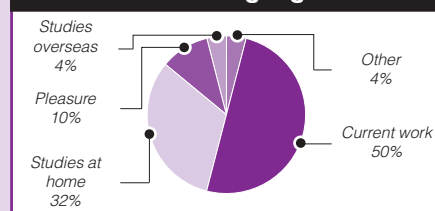
## Top destinations



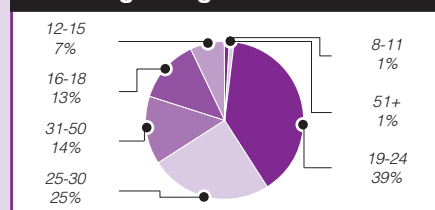
## Most popular courses



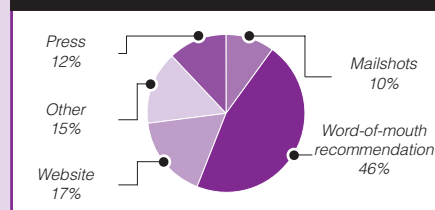
## Reasons for language travel



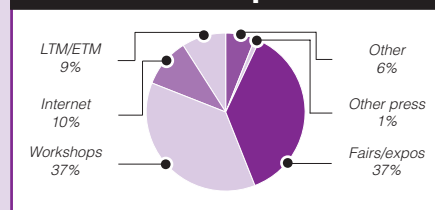
## Age range of clients



## Client recruitment



## How do agencies find new schools to represent?



## Key points

- The total number of students placed by the 10 agencies in our survey was 3,073
- Agencies placed between five and 1,350 students on language courses per year
- Student numbers increased by an overall average of 3.5 per cent
- Average length of stay for Spanish students was 4.8 weeks
- Commission rates ranged from 15 per cent to 25 per cent, averaging out at 20 per cent
- The average spend on tuition and accommodation per week was €589 (US\$667)
- Overall, 58 per cent of agency clients took a language programme during July and August

## Market growth

Growth in the Spanish language travel market remained subdued in 2002. Of the 10 language travel agencies that took part in our Agency Survey this year, 70 per cent of respondents said that their bookings had grown in 2002, at a rate of between two and 30 per cent, and one respondent indicated that the number of bookings had remained the same as the previous year. A further 20 per cent of respondents reported that their client numbers had dropped between 10 and 50 per cent. However, the 50 per cent decrease was experienced by an agency that deals exclusively in executive bookings, a sector that has been badly affected throughout Europe by the weak euro and slow economy in 2002. Overall, the language travel market grew by 3.5 per cent last year.

## Student trends

Although the majority (64 per cent) of agency clients were aged between 19 and 30 years - a similar proportion to last year's survey (see *Language Travel Magazine*, August 2002) - the reasons behind taking a course overseas seem to have shifted. In our previous survey, agents estimated that 58 per cent of their clients took a language travel pro-

gramme for their studies at home, whereas this year, this was the reason why an estimated 32 per cent of students took a course overseas, with learning a language for work purposes, either current or future, motivating 50 per cent of students. Agents generally identified 16 to 30 year olds as being the favourite of the future, as parents of younger students are keen to invest in their children's future and university students prepare for the job market.

## Course trends

English was the language of preference for most clients, and interestingly it would appear that demand for other languages is decreasing. In last year's survey, 10 per cent of students chose German language courses and eight

per cent French courses, possibly linked to the fact that France and Germany are Spain's top import/export destinations. This year, German and French courses accounted for only five per cent of demand each. In terms of language travel destination, the UK remained the favourite, followed by Ireland, Germany and the USA.

## Agency business

Spanish language travellers generally knew which country they wanted to study in before seeking agency advice. Agents estimated that around 74 per cent of clients came to them with a fixed idea of the country they wanted to study in, 31 per cent knew the city and five per cent already had a fixed idea about the school. After agency advice, an estimated 21 per cent changed their mind about the country, 30 per cent the city and 31 per cent the school.

## Forecast for 2003

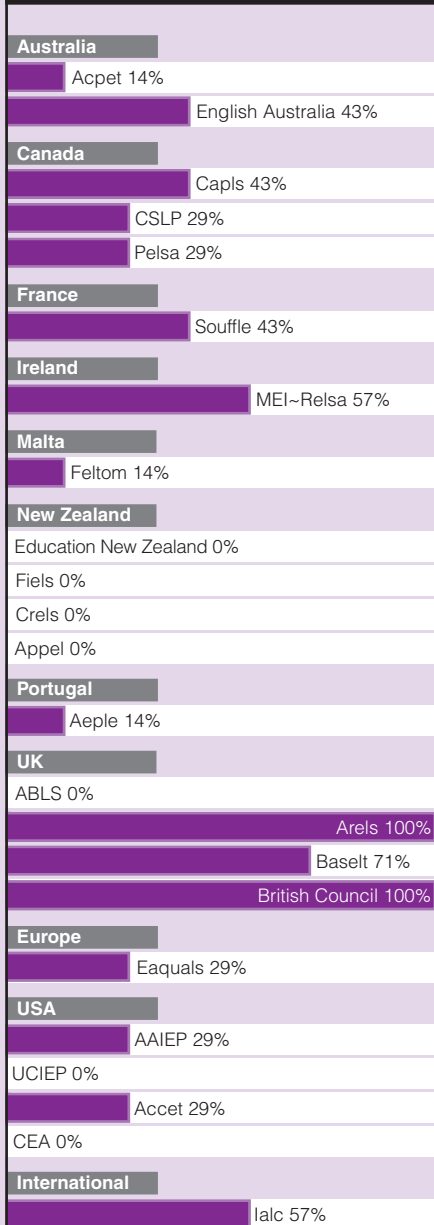
Year-end forecasts for the Spanish language travel industry remain conservative, with most agents hoping to maintain their 2002 numbers or see a slight increase in bookings. A mix of the Iraq war in 2003 and the continued sluggishness of the global economy may hamper growth this year.

## Economic overview

- Despite the uncertain international environment that characterised the start of 2003, the Spanish economy has remained relatively stable, with GDP rising by 2% in the first quarter of 2003.
- The Consumer Price Index has been heading downwards throughout the beginning of this year. In contrast with last year, which ended with a December rate of 4%, the first four months of 2003 have cut inflation back to 3.1 %
- Disposable income has continued to grow thanks to the rising employment rate and lower personal income taxes. In 2002, the unemployment rate stood at 11.5%, dropping to 8.6% in May 2003.
- Spain's key trading partners are France and Germany, although the economies in these countries are slowing, compared with Spain

Source: Banco de Espanol, Bloomberg, Ministerio de Economia

## Percentage of agents who recognised each of the following organisations



**Thank you to the following agencies for taking part in our survey:** Anglojet Cultural Travel; British Summer; Easy Languages; EBI Idioms; Euronexion; Globus; In Company Languages; Interlink; Kells College; Meeting People.

**Spanish agents named a range of language programmes they work with, including, in Canada:** Pacific Language Institute, various. **In Germany:** GLS Sprachenzentrum, Berlin. **In Ireland:** Centre of English Studies, Dublin; Emerald Cultural Institute, Dublin; Swan Training Institute, Dublin. **In the UK:** Abbey Communication Training, Malmesbury; Beet Language Centre, Bournemouth; Chichester College of Arts, Science & Technology, Chichester; Inlingua, Cheltenham; Language Studies International, various; LTS Training and Consulting, Bath; New School of English, Cambridge; Oxford House College, London. **Worldwide:** St Giles.