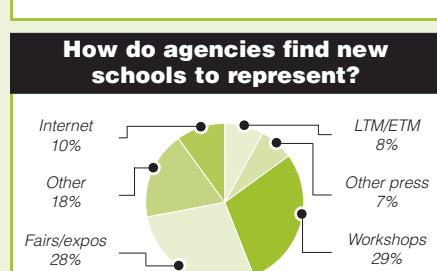
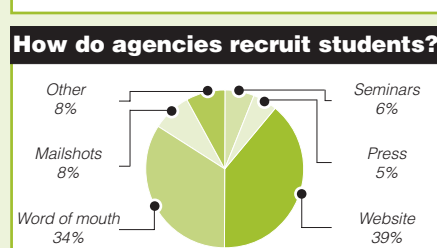
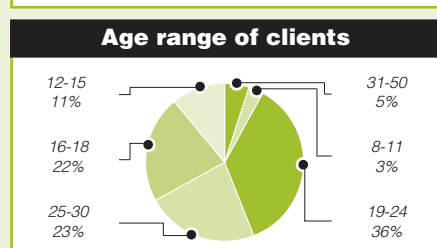
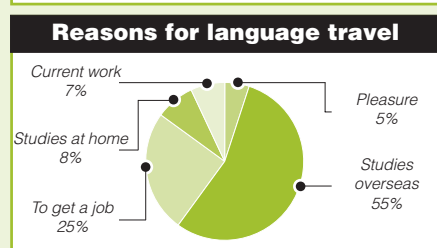
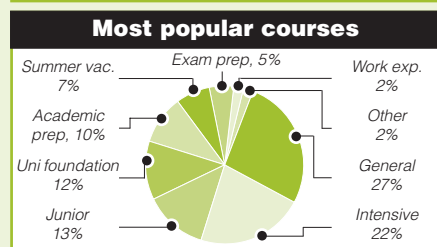
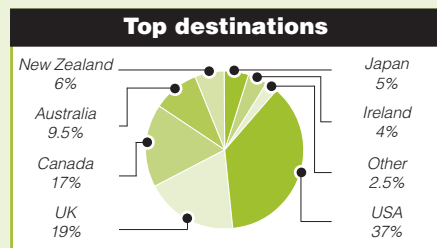


Korea still low

Following negative growth last year, the South Korean language travel market is still depressed, and the outlook is not overly optimistic, according to our agency respondents.



Key points

- The total number of students placed by the nine agencies in our survey was 9,916
- Individual agencies placed between 21 and 4,500 students on language courses per year
- Average growth of combined agency business in 2003 was -4 per cent
- The average spend on tuition and accommodation per week was US\$301
- Average commission at 17.5 per cent was slightly lower than the figures often recorded
- An agency's website has become the most important tool for recruiting students in Korea
- Twenty-five per cent of students were studying in order to get a job
- Eighty-eight per cent of agencies charged their clients a handling fee

Market growth

Six of the language travel agencies that took part in this issue's survey said their student numbers had decreased in 2003, and across all agents' businesses, the overall growth rate last year stood at minus four per cent. This follows negative growth of one per cent in our previous survey of the Korean language travel market (see *Language Travel Magazine*, December 2003, page 10). The war in Iraq, the Sars outbreak and the economic recession in Korea were all cited as reasons for the market's poor performance.

Student trends

There are two clear trends in terms of student motivation for taking a language course overseas. According to our agent respondents, 55 per cent of students enrol on a language course in order to gain acceptance into a university or college overseas, while 25 per cent of students thought that improving their language fluency would help their employment prospects. Last year, the majority of agency clients – 81 per cent – were aged between 16 and 30 years old, while none of the clients were aged over 50.

Course and destination trends

The types of course that were popular with Korean agency clients reflect the focus on continuing education. Academic preparation courses as well as university foundation courses were popular, although general and intensive courses account for almost half of student bookings. English was the number-one language requested followed by Japanese. In terms of destination, the USA has grown in popularity compared with our previous survey, which is surprising because in other markets it has lost favour with students recently. The UK overtook Canada to be in number-two position, but one agency did deal only with UK bookings. Otherwise, the league table of nations in

which to study remained relatively unchanged.

Agency business

An agency's website now accounts for more bookings than word-of-mouth recommendation, according to our respondents, with 39 per cent of overall clients recruited this way. The Internet is clearly ubiquitous in Korea – and two agencies also pointed out that more students were booking on the Internet rather than using an agency. Individual clients made up 82 per cent of business, and January and September were the most popular times of year to study abroad. At 17.5 per cent, average commission rates were somewhat low, compared with Switzerland, for example, where the average agency commission was recorded as being 23 per cent (see

Language Travel Magazine, August 2004, page 14). Average spend per week by Koreans dropped from US\$432 in 2002 to US\$301 in 2003.

Looking ahead

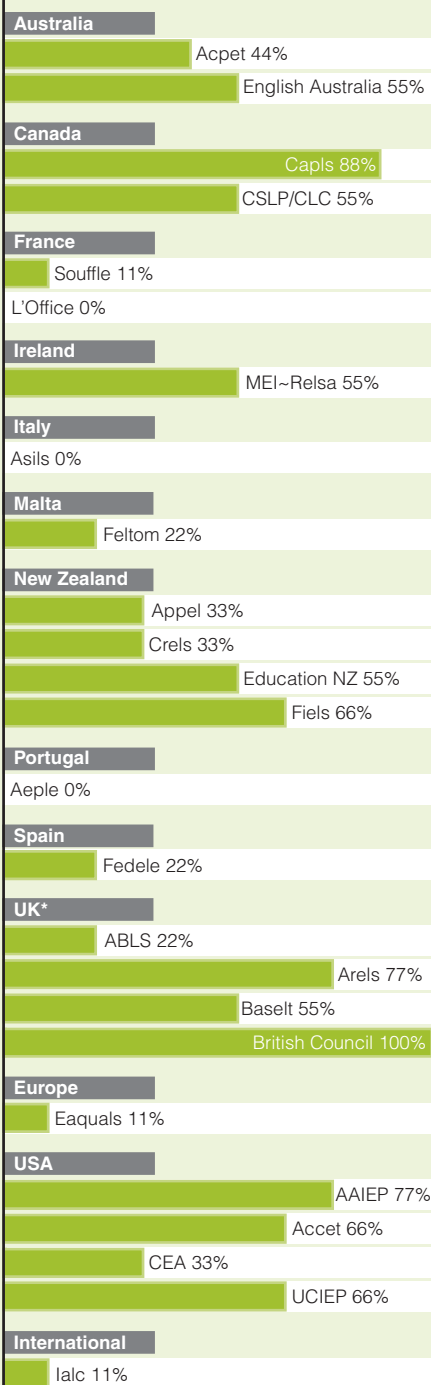
The outlook for the next 12 months is not too rosy. While some agents are hopeful about an upturn in business, others point to the lacklustre economy dampening hopes of a rebound in the market.

Economic overview

- GDP increased by 5.3% in the first quarter of this year, compared with 2003 figures. But the Bank of Korea pointed out that private consumption remained slow, while the GDP growth was largely attributed to increased exports.
- Many foreign investment banks are revising their growth forecasts for this year because of extremely sluggish domestic demand. It is now considered unlikely that there will be an upturn in the economy in the short-term.
- South Korea's employment capacity reached its lowest point last year in the last five years, and the news has created fears about unemployment among the young workforce.

Sources: Bank of Korea, The Chosun Ilbo

Percentage of agents who recognised each of the following organisations



* survey carried out before formation of English UK

Korean agents named a range of language programmes they work with, including: in **Australia:** Holmes College, Sydney, NSW; Perth International College of English, Perth, WA. **In Canada:** Global Community College, Calgary, AB; Humber College, Toronto, ONT; ILAC, Toronto, ONT; KGIC, various; Vanwest College, Vancouver, BC. **In Ireland:** ATC Language & Travel, Bray; Emerald Cultural Institute, Dublin; University of Limerick Language Centre, Limerick. **In New Zealand:** Auckland University of Technology, Auckland; Worldwide School of English, Auckland. **In the UK:** Bell Language Schools, various; British Study Centres, various; Embassy CES, various; Malvern House School of English, London; Sidmouth International School, Sidmouth; St Giles College, London; Swandean School of English, various; University of Exeter English Language Centre, Exeter. **In the USA:** Aspect Foundation, San Francisco, CA; EF, New York, NY; ELS Language Centers, various; Lakeland College, Sheboygan, WI; Oklahoma City University, Oklahoma City, OK; Troy State University, Troy, AL; University of Arizona, Tucson, AZ; University of California schools, various, CA; University of Findlay, Findlay, OH. **Worldwide:** Eurocentres, International House.

Thank you to the following agencies for taking part in our survey: Hankook Education; Hanshin Consulting/Edu-Link; IAE Edu Net/Eduhouse Inc.; Inestia; KAMC; Uihak.com; Uihaknet; Worldwide Education Consulting.