Beyond General English: looking for new markets for language centres

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Outline

1. What is state of General English (GE)?
   Trends, challenges

2. The next billion - potential new markets
   New countries, New niches, export support

3. What is state of state schools overseas?
   Opportunities & challenges with Ministries

4. Diversification approaches
   Innovate & disrupt, at home & abroad
1 - State of GE

• Schools closing
• Enrolments down
• Change in flows – shorter stays, last minute, more demanding expectations
• Tight profits
• Visa regimes
• Commodification
• Cost of living deterrence?
• Accommodation quality deterrence?
• Rich kids only?
• Schools losing out to university language centres?
• Moving to pathways and university entrance?
• Brexit & Trump deterring students?

Are we doomed?
But ....demand still high

• 1500 million learners of English globally

• ca. 0.5 million come to UK for English each year. UK student market is only 0.3% of world demand

• “More than 1m students from 175 countries study in the USA, with over 100,000 on short-term intensive ELT programmes” *EnglishUSA*

• Ca.15m teachers of English globally – ca. 250,000 language school teachers, or 1.6% of global profession
Why are they here?

Reasons for studying English

- Australia
- Malta
- UK
- USA

- Work
- Study in target country
- Study elsewhere
- Pleasure
## Trends

### Language policy change
- Ministry of Education (MOE) decision space
- Reform ambitions
- MTB-MLE
- EMI

### Rise of instrumental English
- Decline of general English: ENPP
- Rise of EMI & other ESPs

English seen to open doors to:
- Education
- Employment
- Mobility

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A clear driving force has been the push towards language for career development… students want to put the language into ‘action’

*Study Travel magazine*
Trends

**Digital disruption – adaptivity**
- Personalisation
- Individualisation
- Adaptive learning
- Adaptive testing
- Meta data profiling
- Auto-grading research

**The Atlantic wars**
- Growth in market share for US inbound
- Growth of EnglishUSA to over 500+ centres from under 200 10 years ago
- Growth of CELTA in USA (2nd largest market)
- Strength of US language variant market
- Impact of Trump & Brexit

‘Many agents report a rise in demand for higher proficiency language courses’
‘….students seeking shorter and more flexible courses overseas’
"Italians still strongly think that English, the 'true English', is not the American one, and it has to be studied in the UK if possible.

With wealthier families the story changes quite a lot; these people know what is going on with the English language market and trust to study in Dubai, Philippines, Malaysia because they know that very often the institutions and staff are the same as in Europe or US, sometimes even better.

It is trendy to go to Dubai now"

"Dominanta is an agency in Russia. The idea of taking English courses in 'third' countries started forming itself a couple of years ago……

Now we offer English in our partner schools in Spain because the prices are very attractive, no visa problems and the country is well known to Russians, so it helps in marketing programmes like English on the Beach."

"Students First Services, an agency that recruits from the Middle East and Africa told The PIE News countries such as India and Malaysia were starting to attract more students because of their lower costs. ‘They want their children to have a good education that is at the same time affordable, so they consider India to be good’ The PIE News, April 2017"

Ilyong Bae Yu-Myung Education Agency, Korea
"In the past, most Korean students went to the US, Canada and UK to learn English. Nowadays, the attractiveness of language training in those countries has been lowered.

Students aim for maximum effect at minimum cost, so some students go to Malta, Philippines and Singapore. 15 per cent of my students go to those cheaper countries."
The next billion

The Economic Pyramid

Affluent: 200 million people (3% of world population)
- Earning over $20,000 per year each
- Total spending: $35.42 trillion (74% of global GDP)

Middle Income: 1.4 Billion people (21% of world pop.)
- Earning between $3,000 and $20,000 per year.
- Total spending: $12.5 Trillion (18% of GDP)

BoP 3000
BoP 1000
BoP 500

Relatively Poor:
- 4 Billion people (61% of world population)
- Earning $365 - $3,000 per year.
- Total spending: $5 Trillion (8% of global GDP) or about the GDP of Japan

BoP 500

Very Poor:
- 1.2 Billion people (15% of world pop.)
- Earning less than $1 a day ($ 365 per year)
- Total spending $200 Million (< 1% of GDP)

© Access BoP
Who are the next billion?

**Africa**
Middle class doubles by 2030 to 0.5 – 1 billion

**India**
Middle class market bigger than USA or China by 2039

**Asia**
Middle class doubles by 2030 to 3.5 billion

**South America**
Slower increase in middle class

“Over the next two decades, the middle class is expected to expand by another three billion, coming almost exclusively from the emerging world.” *Ernst & Young*
The emerging middle classes

The Top 5:
- China
- India
- Indonesia
- Nigeria
- Philippines

Table 2. Number (millions) and share of the global middle class by region

<table>
<thead>
<tr>
<th>Region</th>
<th>2015</th>
<th>%</th>
<th>2020</th>
<th>%</th>
<th>2025</th>
<th>%</th>
<th>2030</th>
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<td>North America</td>
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<tr>
<td>Central and South America</td>
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<td>2,023</td>
<td>54</td>
<td>2,784</td>
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<tr>
<td>Sub-Saharan Africa</td>
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<td>4</td>
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<td>Middle East and North Africa</td>
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<td>World</td>
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<td>3,766</td>
<td>100</td>
<td>4,617</td>
<td>100</td>
<td>5,412</td>
<td>100</td>
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English proficiency issues

Both India and Pakistan have large groups of English speaking adults, thanks to the British legacy. But despite the emphasis on English in most schools and the official status enjoyed by the language, these two countries have attained only moderate proficiency overall. *The Hindu*

Thus, it is arguable that proficiency in English is one of the greatest opportunities that the Nigerian education system ought to provide children with. However, this is not the case as too many students, upon completion of secondary school in grade 12, lack the required skills and competencies in the English Language. *Olayide Tikolo, Harvard*

Sadly, there is no denying that many of today’s high school or even college graduates have difficulty in expressing their thoughts clearly and logically in English. *Philippines Inquirer.net*
55.94

PROFICIENCY:

Very High High Moderate Low Very Low

Learn More

Singapore 63.52
Malaysia 60.70
Philippines 60.33
India 57.30
South Korea 54.87
Hong Kong 54.29
Vietnam 54.06
Indonesia 52.94
Taiwan 52.82
Japan 51.69
Macau 51.36
China 50.94
Pakistan 48.78
Kazakhstan 47.42
Thailand 47.21
Sri Lanka 46.58
Mongolia 42.77
Cambodia 39.48
Laos 38.45

Highdale Consulting
3 - State of English in state schools

**AVERAGE EF SCORE AT AGE 15**

<table>
<thead>
<tr>
<th>Country</th>
<th>EF Score</th>
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</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>20</td>
</tr>
<tr>
<td>Brazil</td>
<td>40</td>
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<tr>
<td>Chile</td>
<td>60</td>
</tr>
<tr>
<td>Colombia</td>
<td>80</td>
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<tr>
<td>Costa Rica</td>
<td>100</td>
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<td>France</td>
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<tr>
<td>Hong Kong</td>
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<tr>
<td>Indonesia</td>
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<td>Italy</td>
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<tr>
<td>Mexico</td>
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<td>Poland</td>
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<td>Russia</td>
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<td>Spain</td>
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<td>Sweden</td>
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</tbody>
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**PLATEAU EFFECT (LATIN AMERICA)**

- **Mexico**
- **Brazil**
- **Chile**
Challenges in emerging market schools

Lack of reliable access to:

- School attendance
- Teacher provision
- Teacher quality
- Curriculum quality
- Learning materials
- Classroom technology
- Assessment appropriacy
- High level of outcome
- Info on HE access
- Connectivity

Common deficits:

- Shortage of teachers
- Shortage of good teachers
- Low language proficiency
- Low salaries / better jobs
- Incomplete training
- Shortage of materials
- Political obstacles
- Mismatch between final assessment and preferred teaching
- Mismatch between secondary exit and tertiary needs
- EMI skills gap in HE
Causal Issues

**Ideological issues:**
- MTB-MLE
- EYE
- Digital divide
- ELF
- Linguistic imperialism

**Funding issues:**
- Insufficient UK capacity building budget for English
- Lack of Aid / NGO support for language learning/teaching
- DFID sees ELT as ‘elitist’
- EU (eg GIZ) more supportive
- Dependencies – infra, TT, content, data
### Ministry consultancy

#### Curriculum
- Do local needs analysis
- Use the British Council–EAQUALS inventory as basis
- Match to local language policy
- Tailor-make curriculum goals & sequence
- Develop detailed schemes of work

#### Assessment
- Baseline
- Diagnostic
- Placement
- Proficiency
- School graduation
- Preparation courses
- Train own staff to write low stakes assessments
- Offer tailor-made (low stakes only)

#### Teacher training
- PRESETT
- INSETT
- Language upskilling
- CPD
- OER for reputation
Working with ministries (MOE)

**Tips:**
- Build personal links to MOE over time
- Use local contacts (agents, educationalists, chambers of commerce) to make introductions and influence decisions
- Pester the UK Embassy, British Council, DIT to take you to the MOE
- Make friends with HMA
- Know the local situation, challenges, issues & success deficit
- Know the language policy in your target countries
- Offer to advise to update and improve the policy
- Do work free as a loss-leader
- Find a political short-term win for elected officials
- Work with local experts to tailor and build ownership
- Keep costs down with standardised content
- Write & present on area of expertise – ‘thought leadership’
For UK providers

**ELT Working Group is re-launching:**

- Government support for export drive
- Department of Industry & Trade (DIT) stakeholder meetings
- Aim to increase UK ELT export earnings from inbound students and export sales of products & services
- Aim to share opportunities for ELT export work – students, consulting, teacher training, publishing
- **Chair of ELTWG**: michael@highdale.org
4 - What can you do? Diversify…

- Look at new niches & segments
- Look at wider demand in-country
- Look at digital directions
- Diversify with parallel income streams
- Disrupt *yourself* with:
  - ‘premium brand’ development
  - ‘value brand’ development

- Shibboleths!
  - Levels/hours/methods

*English with Lucy ….*
## Modified Ansoff

<table>
<thead>
<tr>
<th>Current Products</th>
<th>New Products</th>
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</thead>
<tbody>
<tr>
<td><strong>New Markets</strong></td>
<td><strong>Market Development</strong> [eg new source countries]</td>
</tr>
<tr>
<td><strong>Current Markets</strong></td>
<td><strong>Market Penetration</strong> [eg price competition, agent investment]</td>
</tr>
</tbody>
</table>
Diversify

**Internal**
- New courses & services
- From product to experience

**External**
- Remote & online services
- New engagements in new locations

**Left field**
- Consultancy, ministries
- Culture, leadership

**Segments & niches**
- Business
- Culture
- Junior
- ESP (eg TVET, health)
- EAP
- Pathway, foundation
- EMI
- Online, blended, adaptive
- Remote
- Synchronous tutoring
- Consultancy
- Ministry

“Recently clients do not request normal English lessons only”
*Study Travel Jan 2017*
Are you a CD or a concert?

Emphasise Learner Experience

• Is your course a product or a service or a personal experience?
• Can the learner influence, modify, adapt, affect, change the experience to suit their needs, wishes, desires?
• Are you RyanAir or Jules Verne tailormade holidays in flexibility?
• Are you EasyJet or Emirates in service levels?
Embrace the digital experience

- Echo Dot: Add Alexa to any room
- Pilot: The world's first smart earpiece which translates between users speaking different languages
- Skype conversation: Conversing in English and Spanish
- Diagram: Teacher's PC connected to student iPads
Take Aways

1. **General English** alone is not enough - Learners need broader and more flexible choices of content and modality.

2. Competition is coming from new and unexpected directions.

3. Research your markets and their segments: identify new niches and new USPs.

4. Embrace new approaches, new products, new markets, new partners – watch the trends!

5. **The Next Billion** provide new market opportunities, new clients from new places with new needs.

6. Enhance your Learner Experience.

7. Audit your digital strategy.

8. Disrupt yourself!
Thanks!

Digital Language Learning & Teaching
www.amazon.co.uk

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If you would like a copy of the presentation:
www.michaelcarrier.com