# ALTO Pulse – 4th Quarter 2011

## *Background*

The ***ALTO Pulse*** provides a quarterly 'snapshot' of the language travel industry.

The survey is sent to a global database of agents and schools and ALTO provides a quarterly analysis of trends and developments. The ***ALTO Pulse Q4 2011*** was completed by 219 language schools and 383 educational agencies worldwide, and we hope to attract even more organisations to take part in the future.

This is the first report for the ***ALTO Pulse*** in its new format and will be followed by quarterly updates that provide an understanding of the trends and mood of the industry.

The countries we analysed in more detail are the ones who participated in the ***ALTO Pulse*** in largest numbers. In the case of the school analysis we made an exception in this first edition, and showed detailed results of the top 12 submitting countries, in the future we will only analyse countries with 10 or more participants.

Once again, thank you for taking part in this industry-wide survey. We hope that these findings will be useful and interesting to everyone involved in the language travel industry.

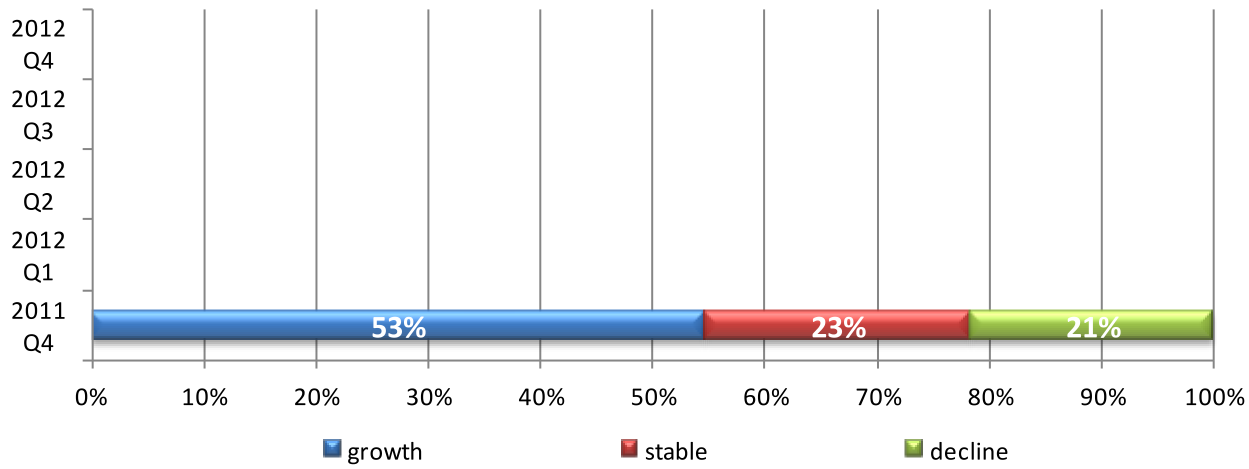
If you have any questions, please contact Reka Lenart Association Manager reka.lenart@altonet.org

The ALTO Board

## *Summary – Schools*

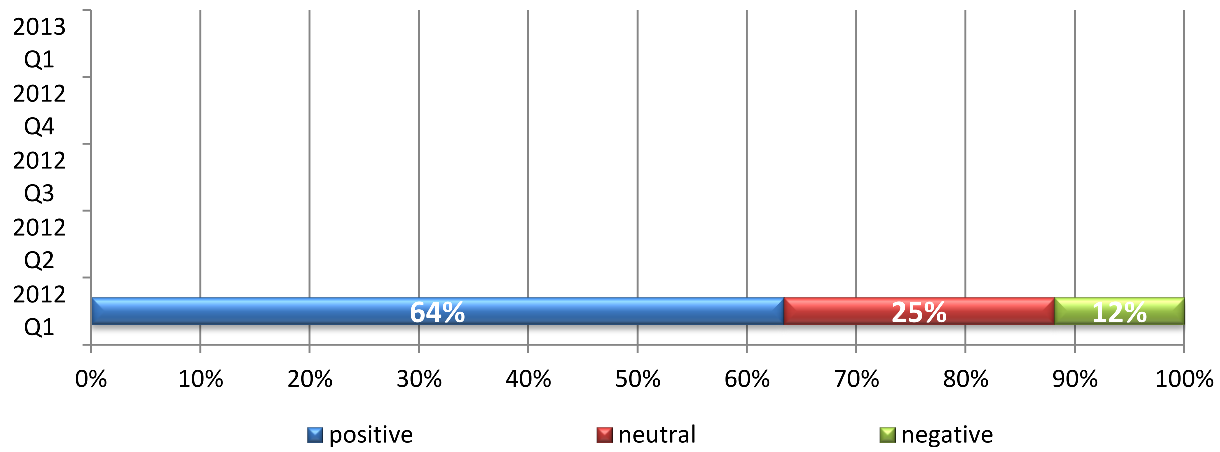
- Overall the global picture is a positive one for **Schools**, with 53% reporting growth and 23% reporting stable numbers. Only 21% of Schools report declining numbers in Q4 2011 compared to Q4 2010.

**Schools: Has the number of international students commencing a language course with your school grown or declined compared with the same period in the previous year?**




- 64% of Schools are positive about the next quarter, with 25% neutral and only 12% negative.

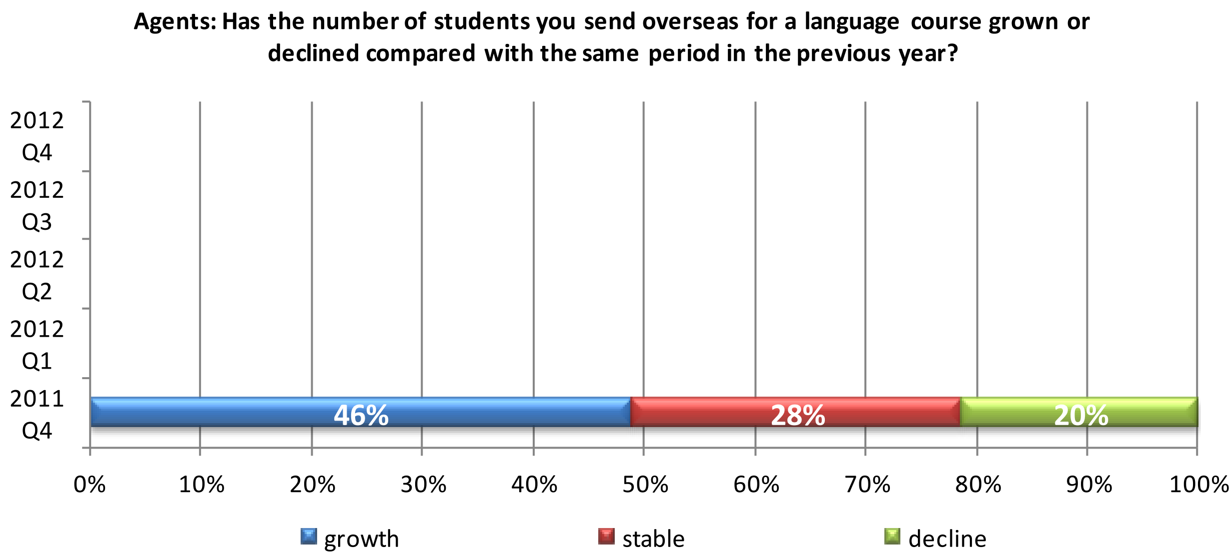
**Schools: Do you feel positive or negative regarding forward enrolments for your school over the next quarter Q1 2012?**



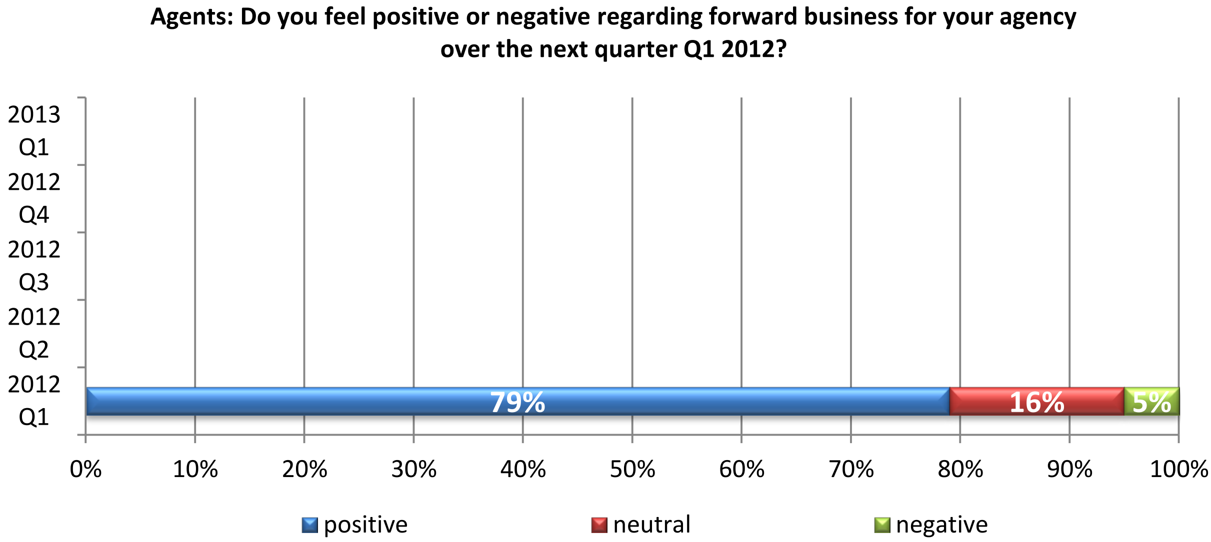

- There is great variety (and conflict) in Schools' reports of both growth markets and declining markets – depending on where the School is located. The issues impacting on numbers also vary greatly by country.

## *Summary – Agents*

- Overall the global picture is also a positive one for **Agents** in Q4 2011 compared to Q4 2010, with 46% reporting growth and 28% reporting stable numbers. Only 20% of Agents report declining numbers.




- 79% of Agents are positive about the next quarter, with 16% neutral and only 5% negative.

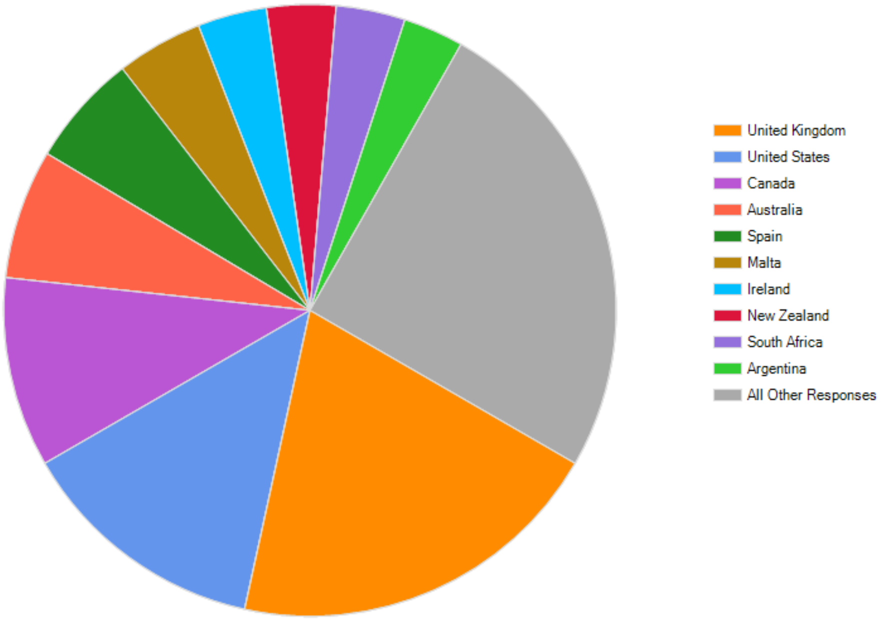



- There is also great variety (and conflict) in Agents' reports of both destinations growing in popularity and those declining in popularity – depending on where the Agent is located. The issues impacting on numbers also vary greatly by country.

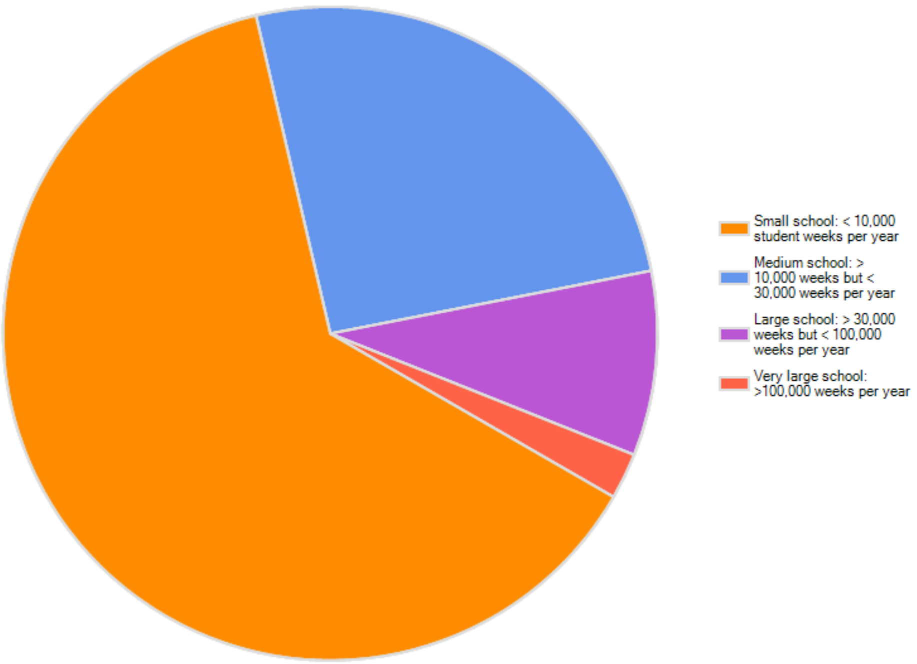
## *Respondents*

219 language schools responded to the survey, reflecting a good sample of key destination countries.

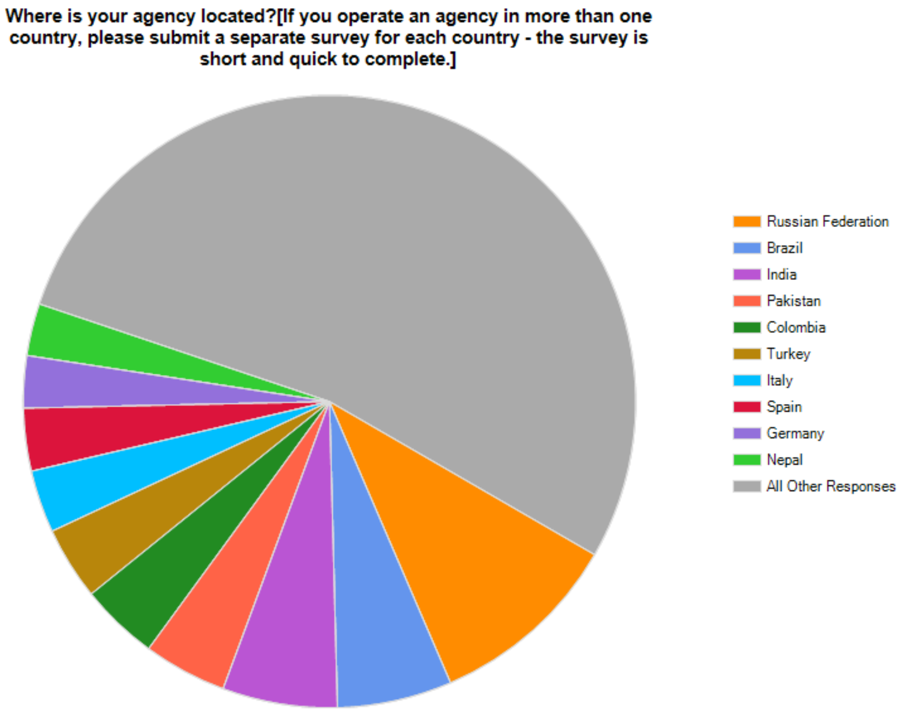
**Where is your school located?[If you operate a school in more than one country, please submit a separate survey for each country - the survey is short and quick to complete.]**

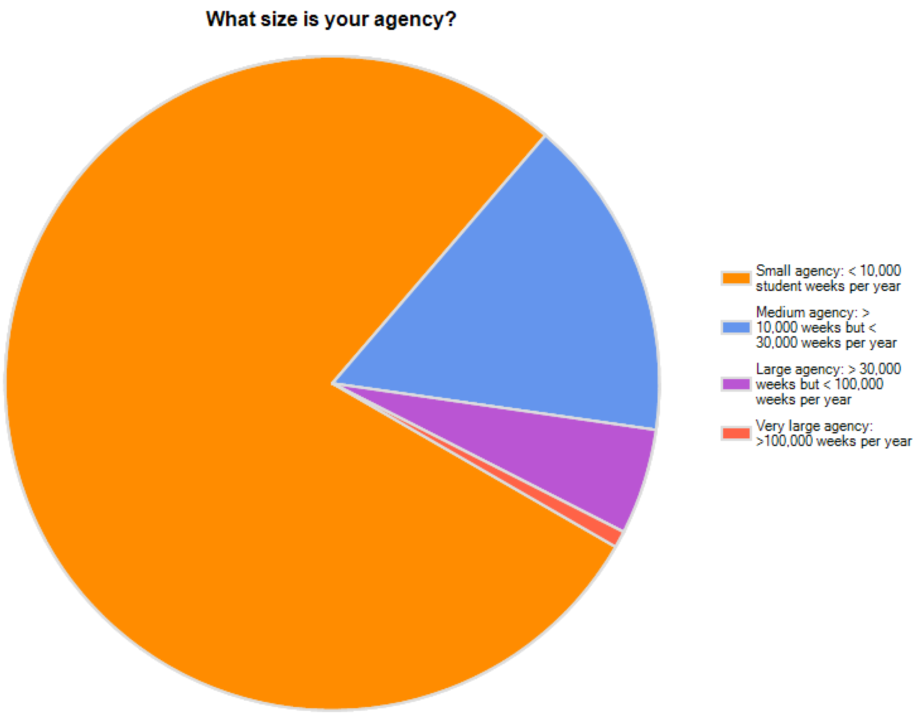



**What size is your school?**



383 agents responded to the survey. There is a significant gap in terms of key source countries with Chinese, South Korean and Swiss agencies responding in too small numbers.

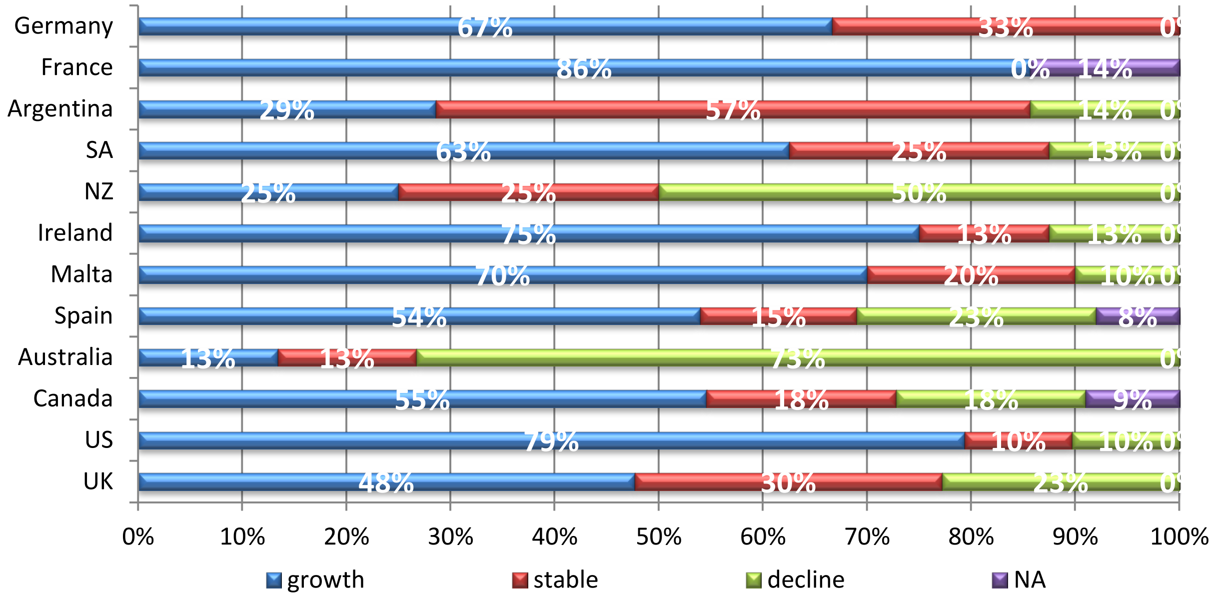


## *Analysis – Schools*

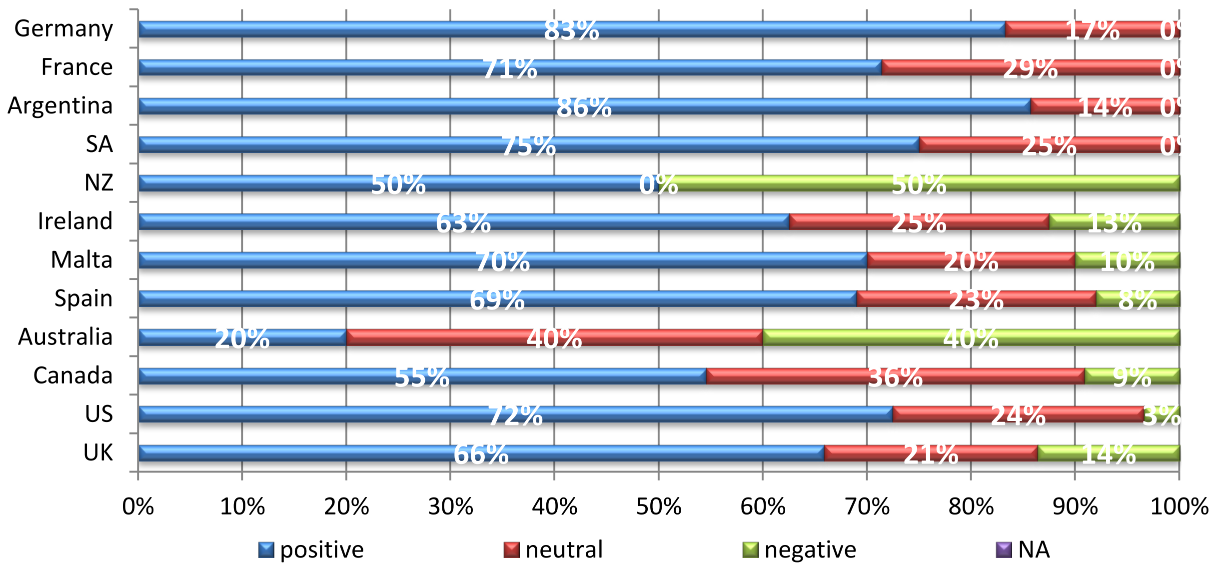
- The chart below shows growth/decline in student numbers by country (top 12).
  France, the US and Ireland show the strongest level of growth, with Australia, New Zealand and the UK with Spain showing the strongest level of decline.

**Schools: Has the number of international students commencing a language course with your school grown or declined compared with the same period in the previous year?**




- The chart below shows levels of optimism by country (top 12).
  Argentina, Germany and South Africa are the top 3 optimists, while Australia, New Zealand and Canada show the 3 lowest levels of optimism, NZ being the most pessimistic about forward enrolments.

**Schools: Do you feel positive or negative regarding forward enrolments for your school over the next quarter?**



- The following table shows how each country ranks their key growth and declining markets.
  In some cases the schools named a wide range of countries therefore it was impossible to evaluate the answer.
  It's interesting to see some countries being listed as a top growing and top declining within the same destination country, which could indicate agencies shifting between schools.

| | | **UK** | **US** | **Canada** | **Australia** | **Spain** | **Malta** |
|---|---|---|---|---|---|---|---|
| **Top 3 countries showing growth:** | **1** | Italy | Saudi A | Brazil | Japan | China/NL | Turkey |
| | **2** | Saudi A | Japan | Japan | Brazil | Korea | Italy |
| | **3** | Spain | China | Saudi A | Italy | Germany | spread |
| | | | | | | | |
| **Top 3 countries showing decline:** | **1** | Korea | Jap/Kor | Jap/Mex | Korea | USA | Ger/Esp |
| | **2** | Spain/Jap | Taiwan | Korea | Brazil | France | Spain |
| | **3** | Saudi A | Spain/Fra | Mexico | China | Ireland | Fra/Italy |

| | | **Ireland** | **NZ** | **SA** | **Argentina** | **France** | **Germany** |
|---|---|---|---|---|---|---|---|
| **Top 3 countries showing growth:** | **1** | Bra/ Esp | China | Brazil | Brazil | Japan/UK | Ita/Esp |
| | **2** | France | Japan | Argentina | Germany | spread | Turkey |
| | **3** | Germany | spread | spread | UK | Germany | Hungary |
| | | | | | | | |
| **Top 3 countries showing decline:** | **1** | Ita/Esp | Saudi A | Germany | Mexico | Argentina | Esp/Usa |
| | **2** | Germany | Japan | Switzerlar | Spain | spread | China |
| | **3** | Ita/ Jap | spread | Korea | Switzerlar | spread | Fra/Jap |

- The following table shows how each country rates key issues in terms of their impact on enrolment levels.
  For Australia, currency exchange rates are the biggest issue, whilst for the UK and Ireland, their country's visa policies are having the strongest impact.
  Economic issues in source countries are believed to be having a strong negative impact by all countries, Argentina indicating it as strongest negative issue. Similarly the competitor countries' and competitor schools' activities are listed to have minor or strong negative effect everywhere, but all countries feel positive about their schools' initiatives.

**Please rate the following issues in relation to the impact you believe they are currently having on your enrolment numbers.**

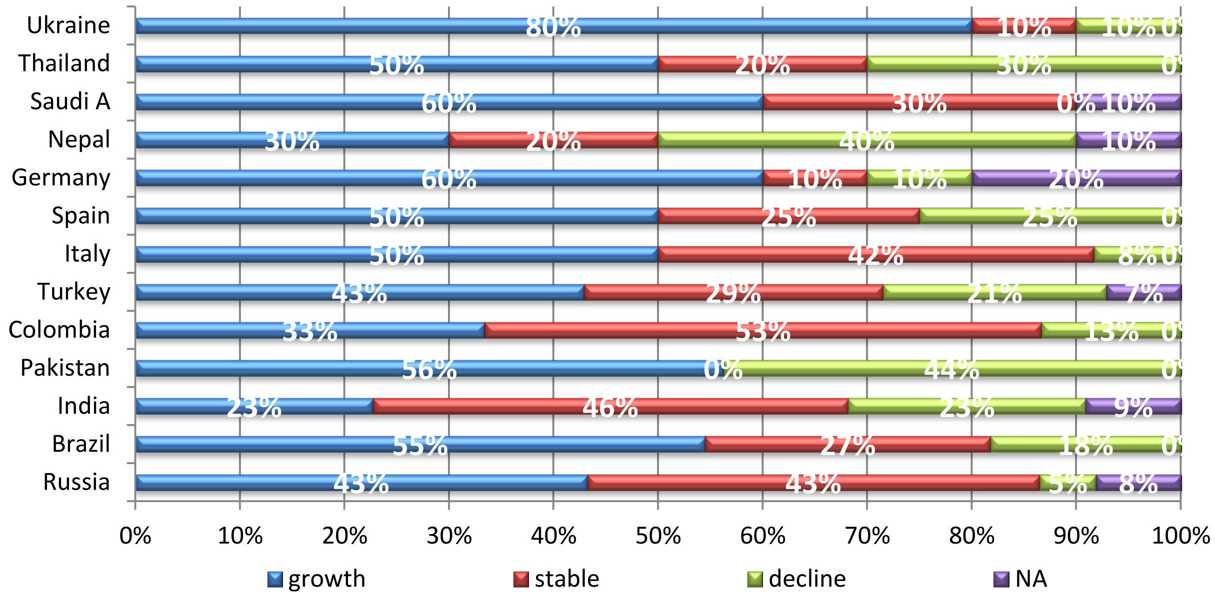
| | UK | US | Canada | Australia | Spain | Malta | Ireland | NZ | SA | Argentina | France | Germany |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| currency exchange rates | | spread | | | | | spread | | | | | |
| economic issues in source countries | | | | | | spread | spread | | spread | | | |
| my country's visa policies | | | | | | | | | | | | |
| my country's government policies (non-visa related) | | | | | | | spread | | spread | | | spread |
| competitor country activity | | | | | | | | | spread | | | |
| competitor school activity | | | | | | | | spread | | | | |
| my school's initiatives | | | | | spread | | | spread | | spread | | spread |

*very strong impact (negative)*
*strong impact (negative)*
*minor impact (negative)*
*no impact*
*minor impact (positive)*
*strong impact (positive)*
*very strong impact (positive)*

## *Analysis – Agents*

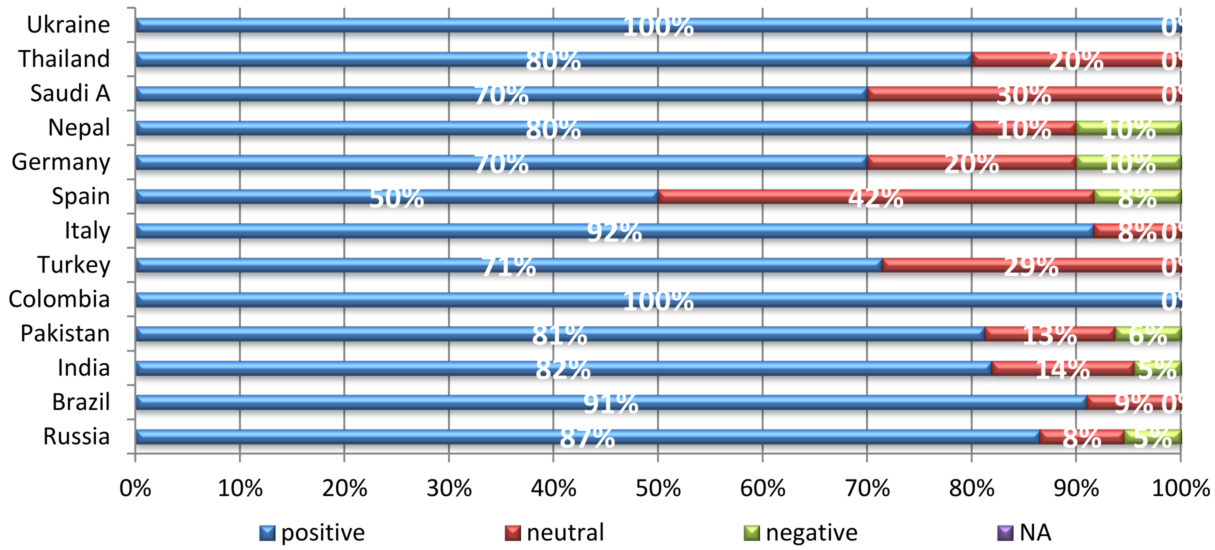
- The chart below shows growth/decline in student numbers by country (min. 10 surveys submitted). Ukraine, Germany and Saudi Arabia are leading the way with strong level of growth, with Nepal and Thailand showing the strongest level of decline after Pakistan.

**Agents: has the number of students you send overseas for a language course grown or declined compared with the same periodin the previous year?**




- The chart below shows levels of optimism by country (min. 10 surveys submitted). Colombia and Ukraine show unprecedented optimism with Italy and Brazil closely behind, while Spanish, Saudi and Turkish agents are not too optimistic about student numbers, showing the top 3 negative projections.

**Agents: Do you feel positive or negative regarding forward business for your agency over the next quarter?**



- The following table shows how each country ranks their key growth and declining destination markets. In some cases the agents named a wide range of destination countries therefore it was impossible to evaluate the answer.

| | | Russia | Brazil | India | Pakistan | Colombia | Turkey |
|---|---|---|---|---|---|---|---|
| **Top 3 destination countries showing growth:** | **1** | UK | Canada | Canada | UK | Australia | UK |
| | **2** | USA | Ireland | Australia | Australia | USA | USA |
| | **3** | Malta | Aus/Usa | NZ | Canada | NZ | Canada |
| | | | | | | | |
| **Top 3 destination countries showing decline:** | **1** | Canada | Aus/Ire/Us | UK | UK | UK | Australia |
| | **2** | Aus/Fra | UK | USA | USA | Canada | spread |
| | **3** | Spain | NZ | Australia | NZ | SA | spread |

| | | Italy | Spain | Germany | Nepal | Saudi A | Thailand | Ukraine |
|---|---|---|---|---|---|---|---|---|
| **Top 3 destination countries showing growth:** | **1** | UK | UK | USA | Australia | USA | NZ | UK |
| | **2** | spread | USA | Canada | UK | Canada | USA | Canada |
| | **3** | Germany | Malta | UK | spread | UK | Aus/UK | spread |
| | | | | | | | | |
| **Top 3 destination countries showing decline:** | **1** | USA/Cad | US | UK | UK | UK | Aus/NZ | Aus/UK |
| | **2** | Mal/Esp | Cad/Mal | spread | US | Canada | Singapore | Belgium |
| | **3** | spread | spread | spread | Australia | NZ | Singapore | US |

- The following table shows how each country rates key issues in terms of their impact on enrolment levels.
  Apart from the European countries, the destination country's visa policy was always ranked as having negative effect on business- most severely in Pakistan, Turkey and Nepal.
  Currency exchange is also a setback for most countries- apart from Thailand, as well as the economic situation at home. The exceptions seem to be Brazil, Colombia and Saudi Arabia where the home economy has a positive effect on their enrolments.
  All agents agree that new initiatives have a strong positive impact on business; the majority don't even seem to mind competitor agency activity.

**Please rate the following issues in relation to the impact you believe they are currently having on your enrolment numbers.**

| | Russia | Brazil | India | Pakistan | Colombia | Turkey | Italy | Spain | Germany | Nepal | Saudi A | Thailand | Ukraine |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| currency exchange rates | | spread | | | | | | spread | spread | | | | |
| economic issues in my country | | | | | | | spread | | | | | | |
| destination country's visa policies | | | | | | | | | | | spread | | |
| dest. government policies (non-visa related) | | | | | | | | | | | | | |
| competitor agency activity | | | | | | | | | | | | | |
| my agency's initiatives | | spread | | spread | | | | spread | | | | | |
| other | | | | | | | | | | | | | |

*very strong impact (negative)*
*strong impact (negative)*
*minor impact (negative)*
*no impact*
*minor impact (positive)*
*strong impact (positive)*
*very strong impact (positive)*