

THE CHANGING FACE OF THE UK'S ELT SECTOR IN A GLOBAL CONTEXT



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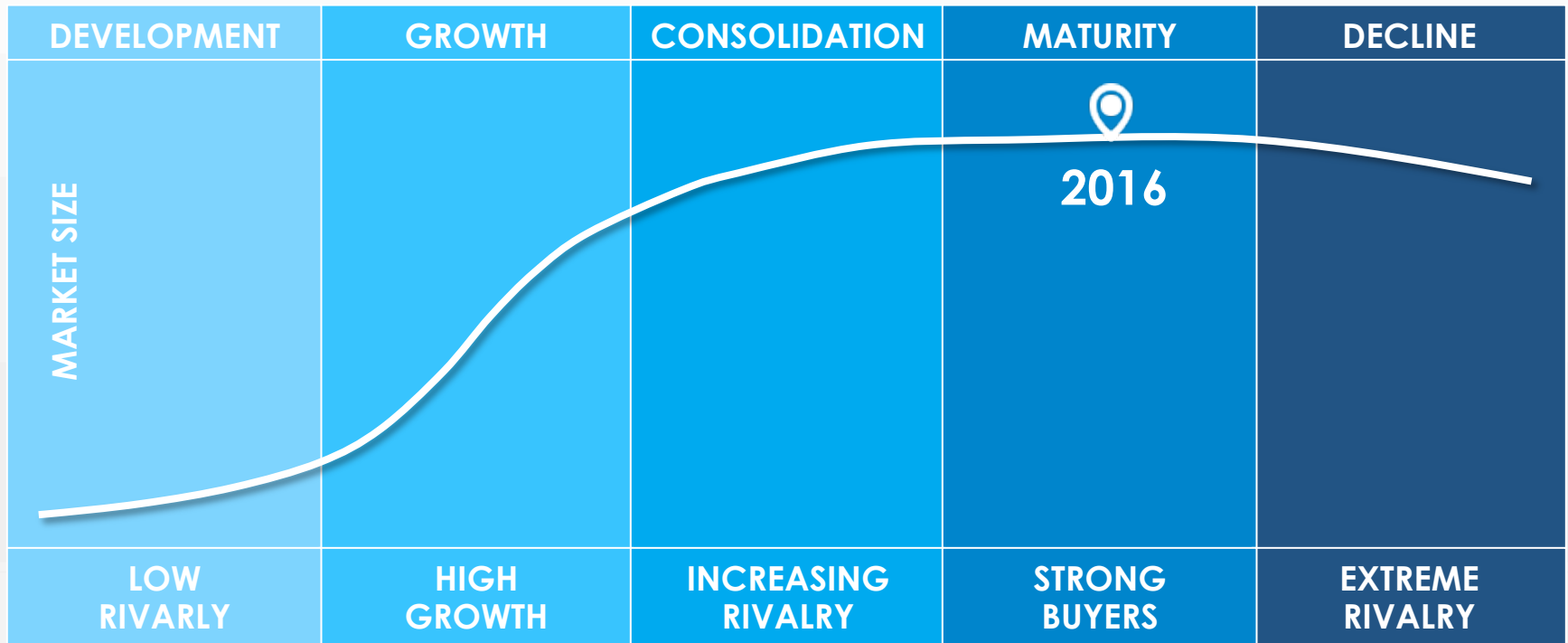
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ENGLISH UK MARKETING CONFERENCE
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ELT MARKET OVERVIEW

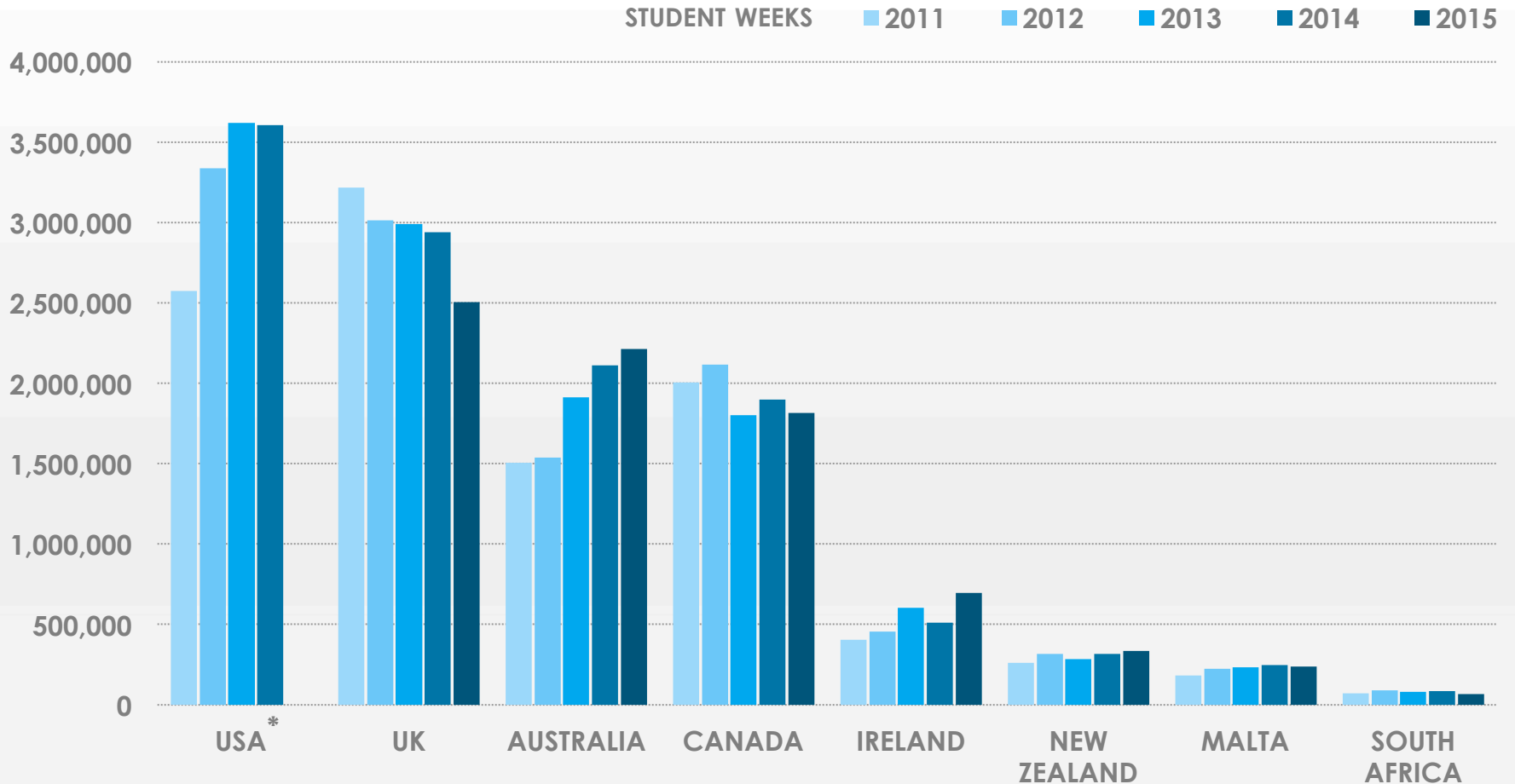
SECTOR DEVELOPMENT STAGES



Source: StudentMarketing, 2016

ELT MARKET OVERVIEW

DESTINATIONS (STUDENT WEEKS)



Source: StudentMarketing, 2016



ELT MARKET OVERVIEW

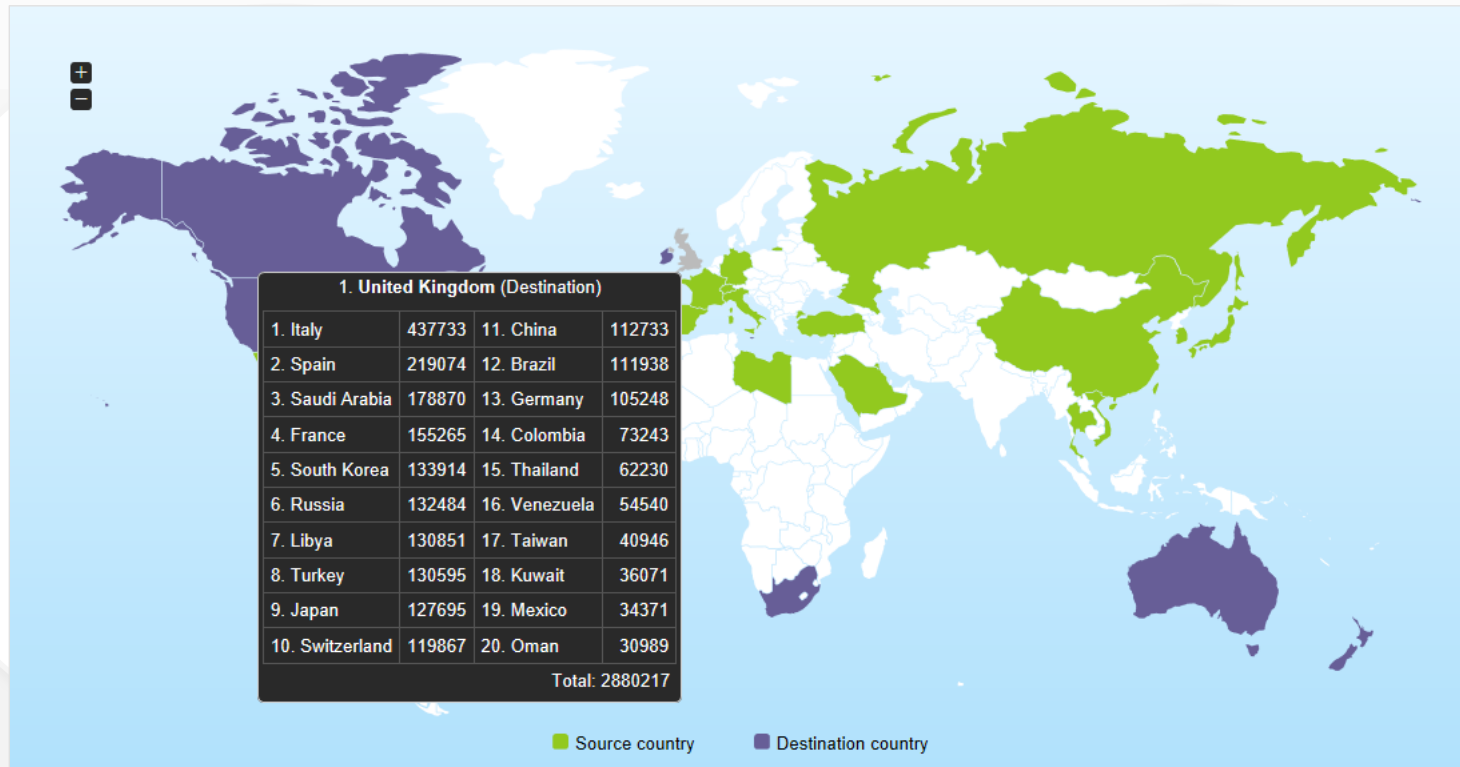
TOP SOURCE MARKETS GLOBALLY AND THE UK'S MARKET SHARE (STUDENT WEEKS)



Source: StudentMarketing, 2016

ELT MARKET OVERVIEW

STUDENT FLOWS IN ENGLISH LANGUAGE TRAVEL (STUDENT WEEKS, 2014)

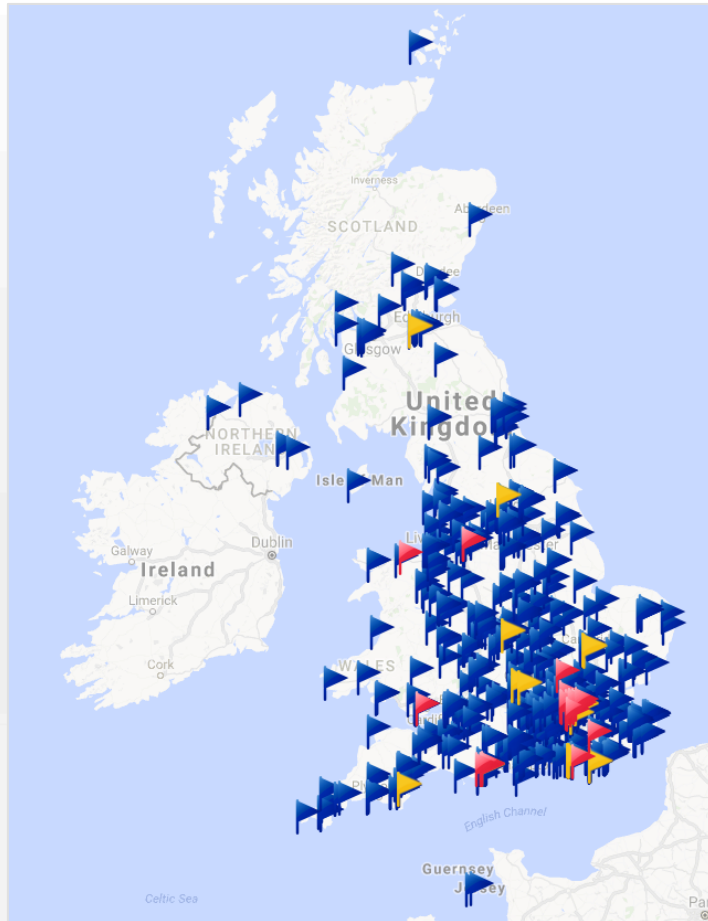





Source: StudentMarketing, 2015



UK ELT SUPPLY

MAP OF ALL LANGUAGE CENTRES IN THE UK



-  LANGUAGE CENTRE
-  MERGER/ACQUISITION
-  CLOSURE

Source: StudentMarketing, 2016

INDUSTRY DEVELOPMENTS

- Demand for English cooling down
- Tightening visa policies
- Economic difficulties in source markets
- Political difficulties in source markets
- Currency fluctuations
- Lower scholarship support
- Demographics
- Safety concerns, terrorism
- The impact of Brexit



HOW MARKETS RESPOND

- More packaging
- More local presence to gain competitive edge
- More coop with agents and redistributors (producers take over marketing)
- More innovation (product, marketing, distribution)
- Price techniques to off-set currency fluctuations
- M&As (economy of scale)
- Vertical integration
- More joint activities (e.g. Fams and trade missions)



- **Demand is picking up** this season (mostly thanks exchange rates)
- Economic **improvements in relevant source markets** (oil price)
- **Perception** around Trumpism (changed mobility patterns)
- **Uncertainty** re: Germany, France and NL elections (major source markets)
- Positive impact of **previous joint marketing activities in developing countries**
(incl. China, Brazil)
- Slower **pace of M&As and Closures**

OUTLOOK

HOW WILL 2017 LOOK LIKE?

1. Short-term impacts of Brexit (exchange rates)
2. Some ELT overseas (TNE)
3. Less price war
4. More room for strategic solutions (proactive approach)
5. Exit of smaller players
6. M&As and portfolios
7. Packaging
8. More study destination marketing (competition)
9. Increased interest and marketing activities in Asia and LA
10. More joint marketing activities (FAM Tours, Press Tours, Trade missions)

THANK YOU!

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