

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 the state of state schools?**
Opportunities & challenges with Ministries
- 4 Diversification approaches**
Strategise, Innovate & disrupt
- 5 It's the experience**
Making student experience an advantage

State of GE

- Schools closing
- Enrolments down
- Change in flows – shorter courses, last minute bookings, more demanding expectations
- Tight profits
- Commodification
- Cost deterrence?
- Rich kids only?
- Schools losing out to study abroad & university language centres?
- Moving to pathways and university entrance?
- Brexit & Trump affecting language choice?

***Are we
doomed?***

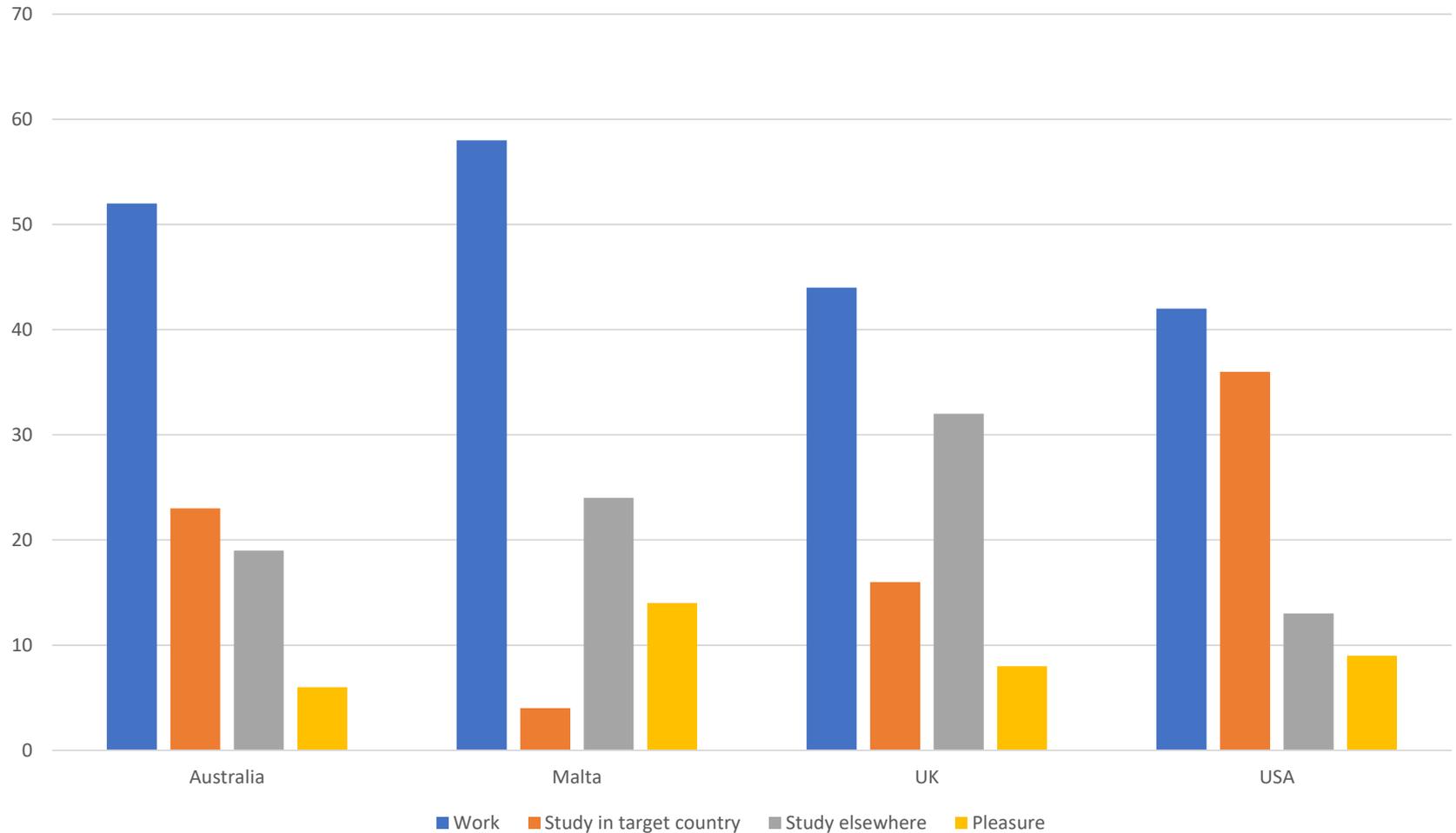


Butdemand still high

- 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 paying us?

Reasons for studying English



Trends

Language policy change

- Ministry of Education (MOE) decision space
- Reform ambitions
- MTB-MLE
- EMI

A clear driving force has been the push towards language for career development... students want to put the language into 'action'

Study Travel magazine

Rise of instrumental English

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

English seen to open doors to:

- Education
- Employment
- Mobility

Trends

Digital disruption – adaptivity

- Personalisation
- Individualisation
- Adaptive learning
- Adaptive testing
- Meta data profiling
- Auto-grading research

‘Many agents report a rise in demand for higher proficiency language courses’

‘....students seeking shorter and more flexible courses overseas’

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

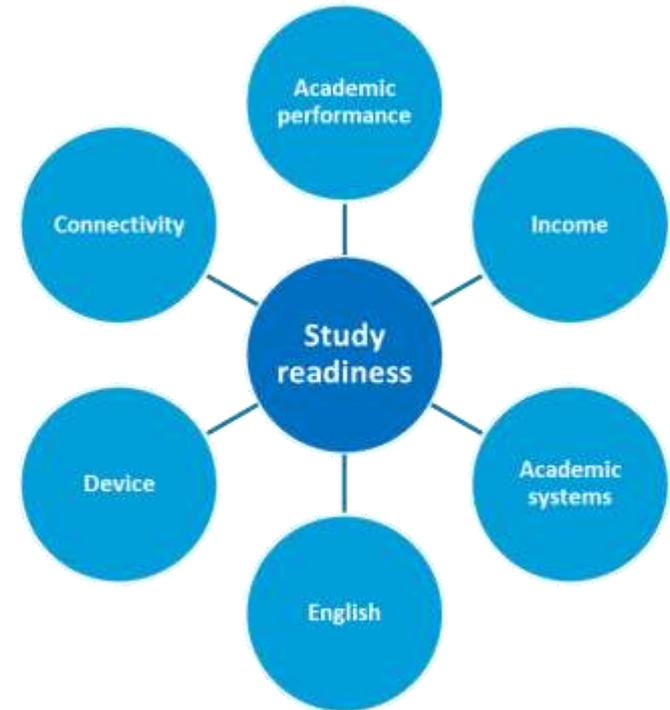
Different learner needs?

- What do they really need to learn – and how?
- What do they want to learn and experience while learning?
- What are their preferences and dislikes?
- What are their constraints?

“Looking for courses of certain skills taught in English: debating, negotiations...dance, music, design, coding”

Agents note a trend towards **academic programmes**

A clear driving force in the market has been the push towards language acquisition for **career development...** students want to put the language into ‘action’
Study Travel Jan 2017



‘Many agents report a rise in demand for **higher proficiency** language courses’
‘...students seeking shorter and more flexible courses overseas’

Commodification

School	Teachers	C/book	Accredit n.	Exam prep	USP??
School1	CELTA	Headway	EAQUALS	Camb/ Trinity	20% cheaper/avg.
School2	CELTA	Headway	Ministry	Camb/ Trinity	Large gardens
School3	CELTA	Headway	British Council	Camb/ Trinity	Central location
School4	CELTA	Headway	IH	Camb/ Trinity	Elearning subscription
School5	CELTA	Headway	EAQUALS	Camb/ Trinity	Tablet class-set
School6	CELTA	Headway	Ministry	Camb/ Trinity	Indiv. service agent

New competitive destinations

"**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"

Study Travel Magazine

"**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."

5 years from now

Where will students come from?

What will they want?

Where will competition come from?

Reflection

The next billion

The Economic Pyramid

© Access BoP

BoP 3000
BoP 1000
BoP 500



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)

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

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)

The next billion



Who are the next billion?

Africa

Middle class doubles by 2030 to 0.5 – 1 billion

India

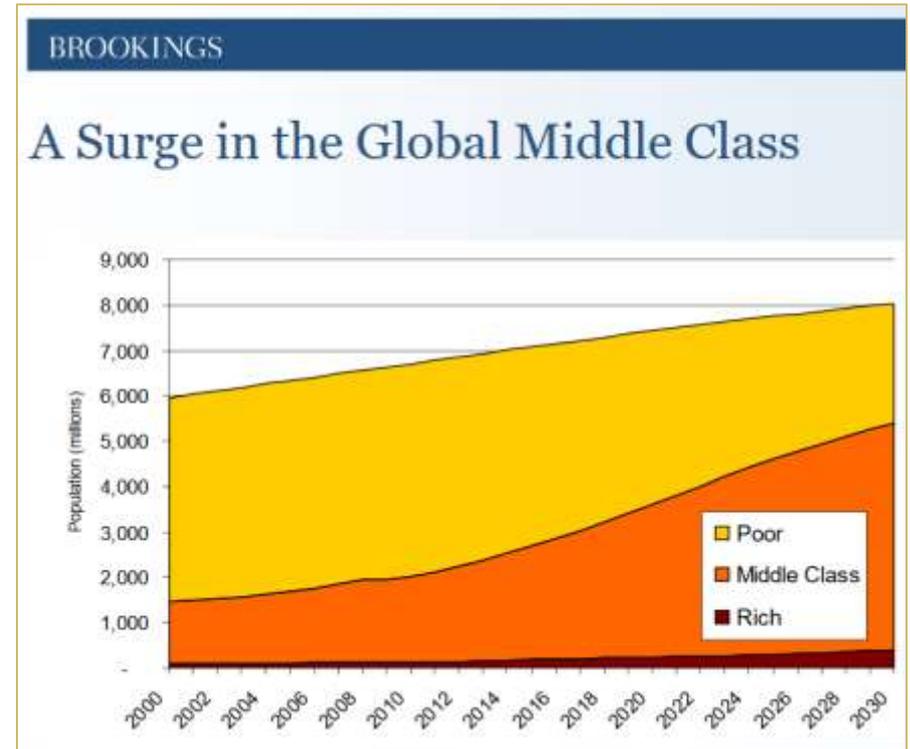
Middle class market bigger than USA or China by 2039

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

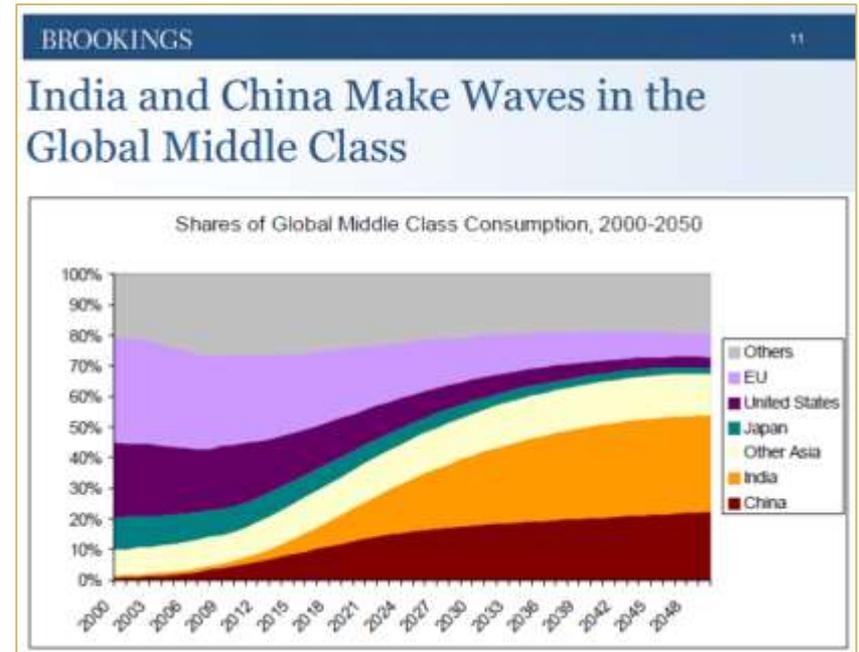


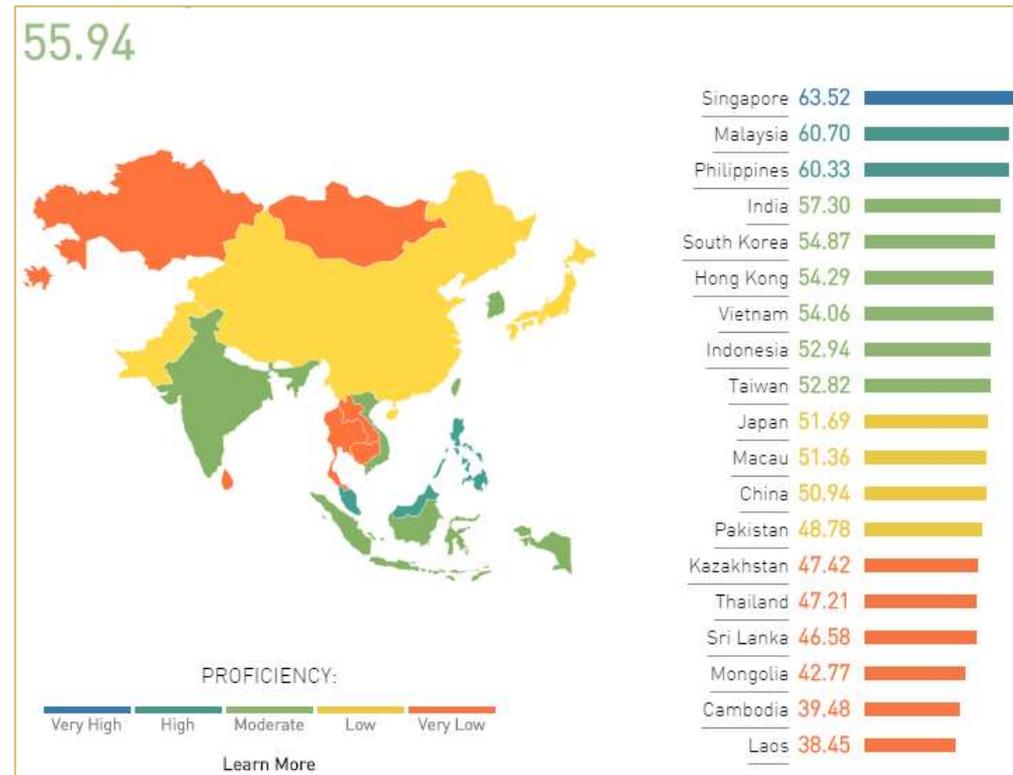
Table 2. Number (millions) and share of the global middle class by region

	2015		2020		2025		2030	
	#	%	#	%	#	%	#	%
North America	335	11	344	9	350	8	354	7
Europe	724	24	736	20	738	16	733	14
Central and South America	285	9	303	8	321	7	335	6
Asia Pacific	1,380	46	2,023	54	2,784	60	3,492	65
Sub-Saharan Africa	114	4	132	4	166	4	212	4
Middle East and North Africa	192	6	228	6	258	6	285	5
World	3,030	100	3,766	100	4,617	100	5,412	100

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*

Language Policy

Ideological issues:

- MTB-MLE
- EYE
- Digital divide
- ELF
- EMI
- Linguistic imperialism

Implementation issues:

- Lack of governmental support for language learning/teaching
- Insufficient capacity building budget for English
- Unrealistic reform ambitions
- Unrealistic graduation targets
- Dependencies – infra, TT, content, data

Challenges in state schools



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

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

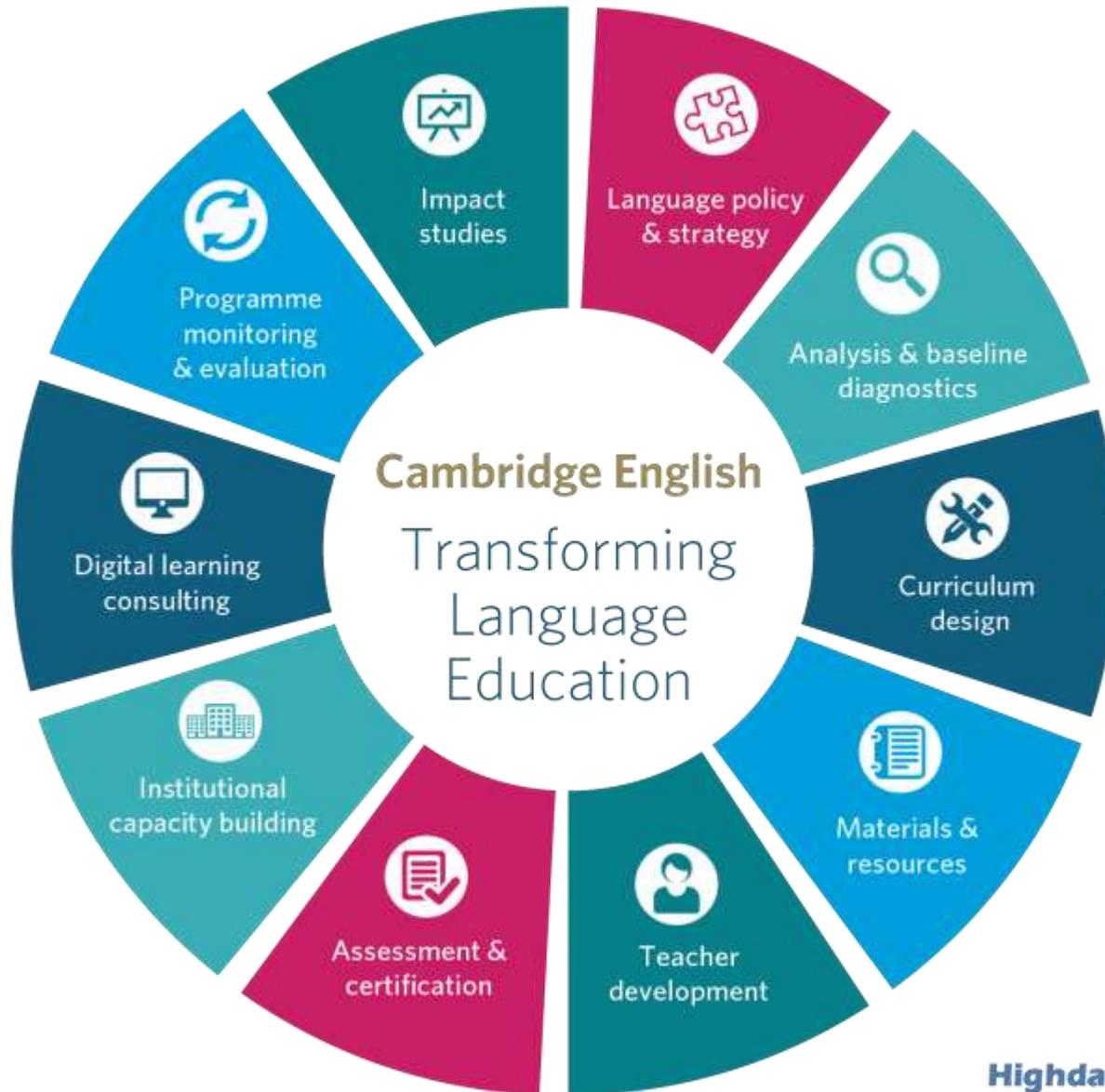
Assessment

- Baseline testing
- 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

Value chain of transformation



Modified Ansoff

Strategy

	Current Products	New Products
New Markets	Market Development [eg new source countries]	Diversification [eg digital in source countries, MOE, TT]
Current Markets	Market Penetration [eg price competition, agent investment]	Product Development [eg ESP, new niches, digital]

Strategic models



Compete in existing market space

Beat the competition

Exploit existing demand

Make the value-cost trade-off

Align the whole system of a firm's activities with its strategic choice of differentiation or low cost

"Defend Current Position"
Perspective



Create uncontested market space

Make the competition irrelevant

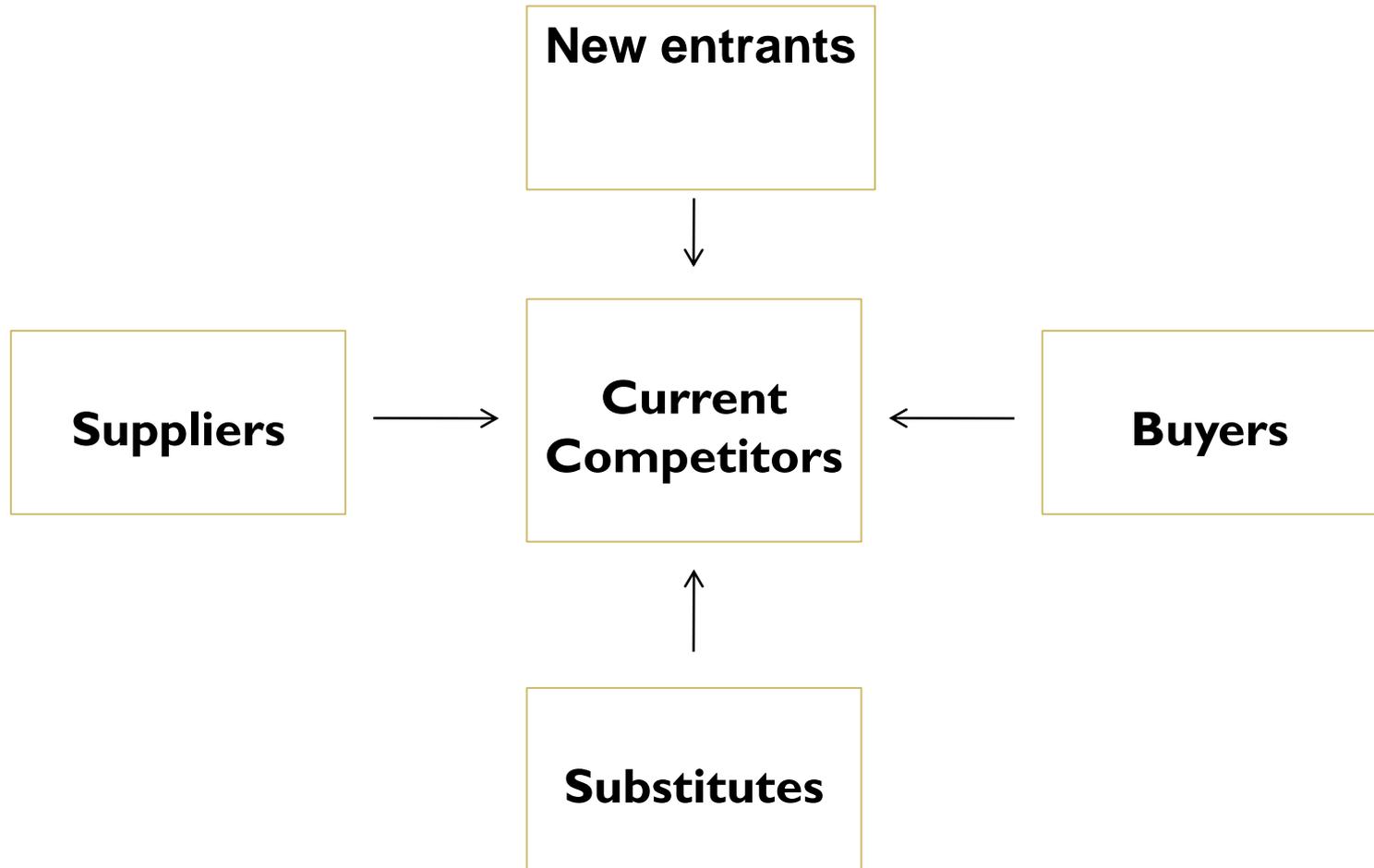
Create and capture new demand

Break the value-cost trade-off

Align the whole system of a firm's activities in pursuit of differentiation and low cost

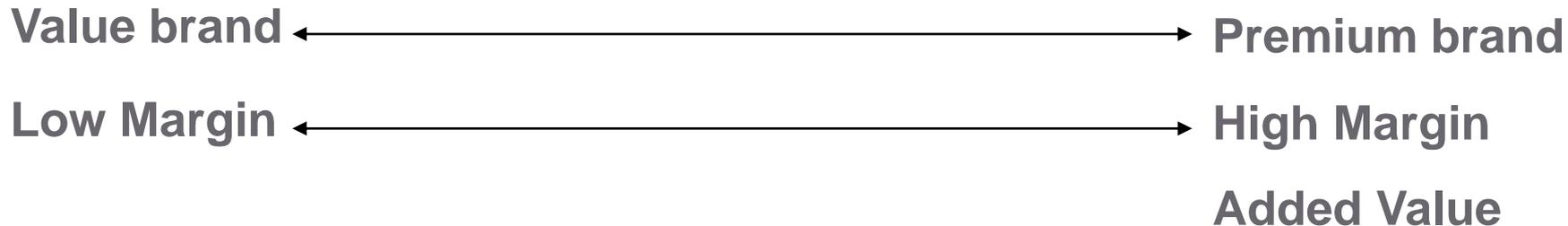
"Innovate & Pursue New Opportunities"
Perspective

Competitive advantage: Porter's 5 forces



Positioning

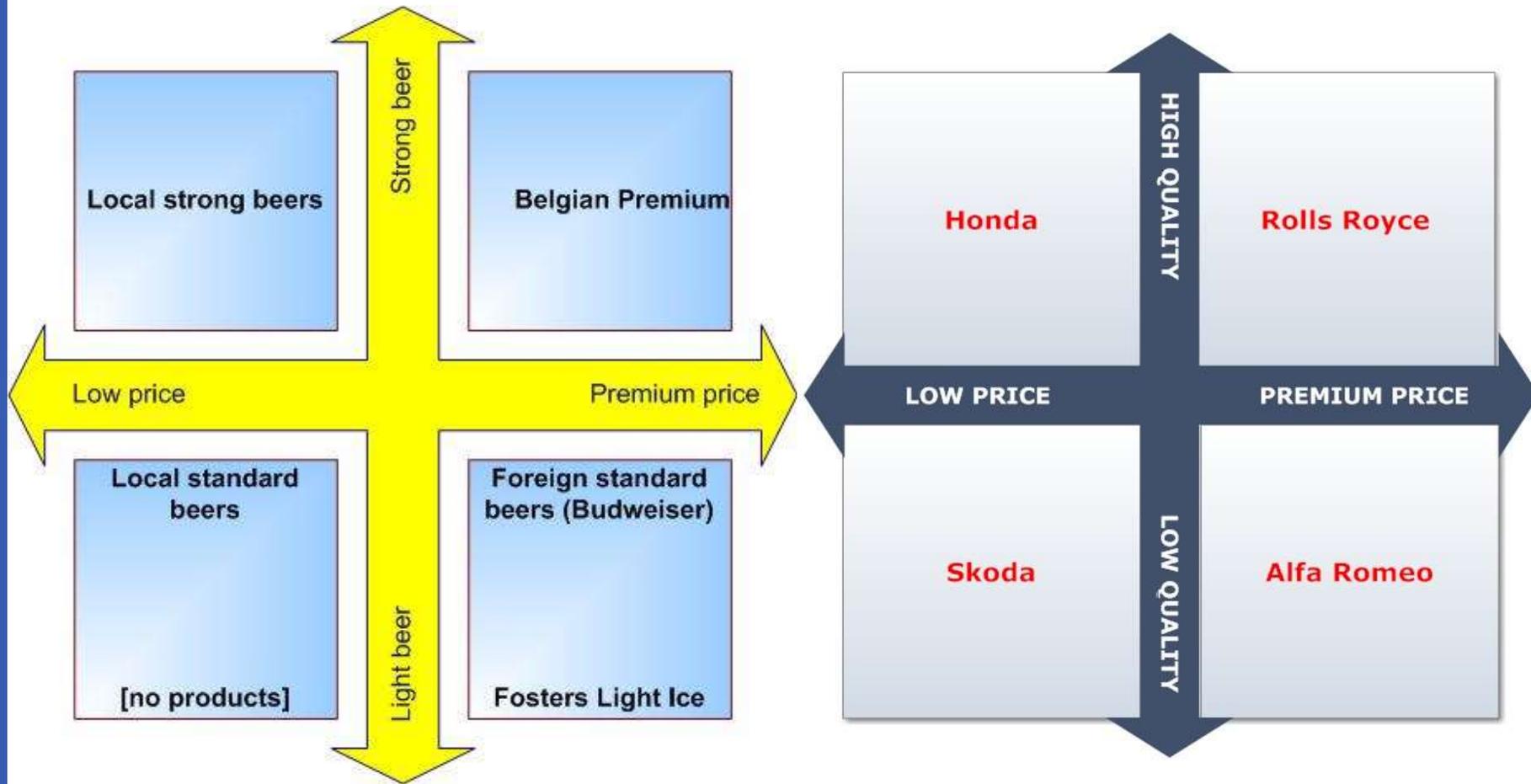
Commodities	Goods	Services	Experiences
Coffee	Nescafe	McDonalds	Starbucks



Reflection:

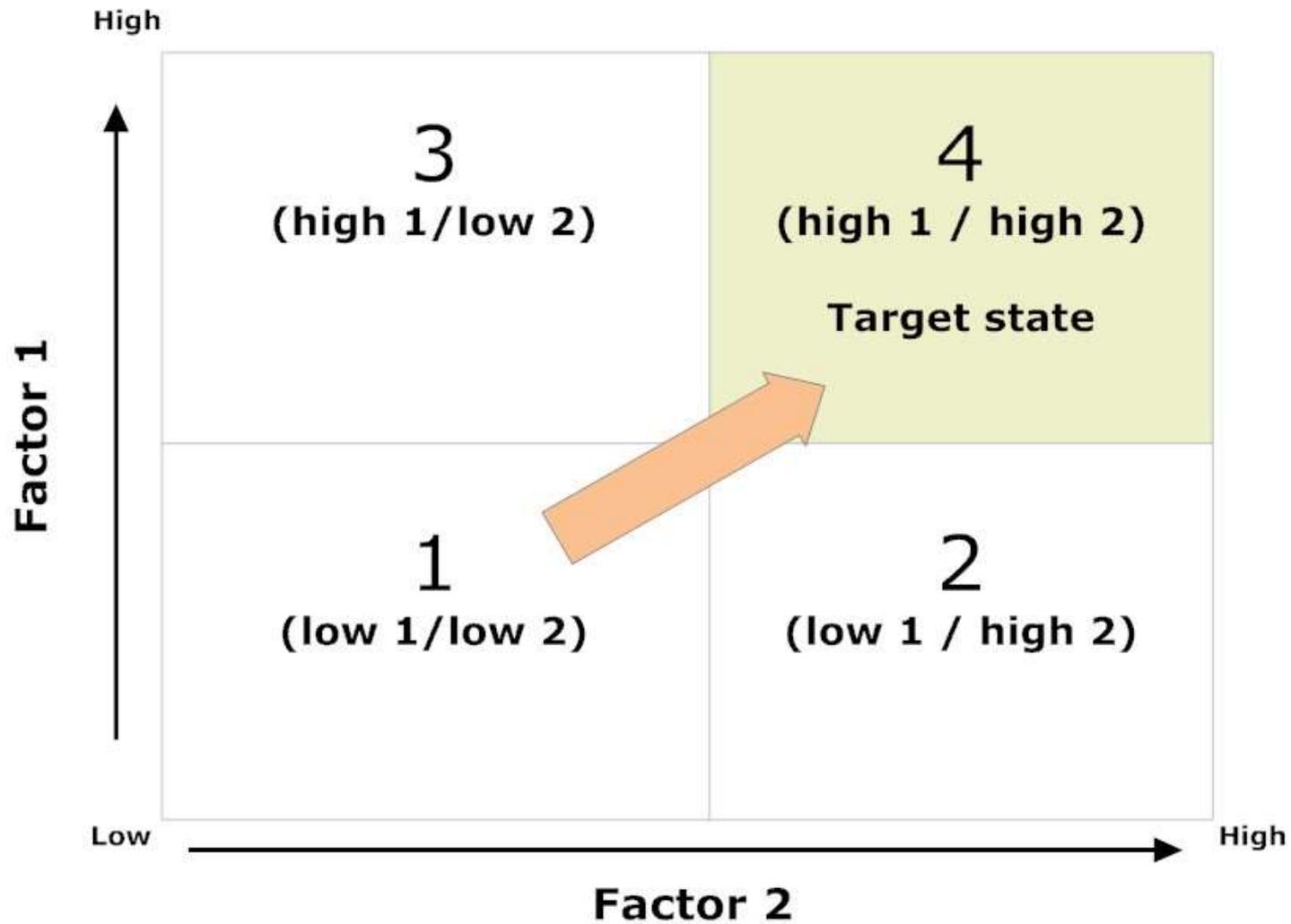
What is your positioning in the school market? Value or premium brand?
Specify which USPs of your school might determine this.

Customer perception model

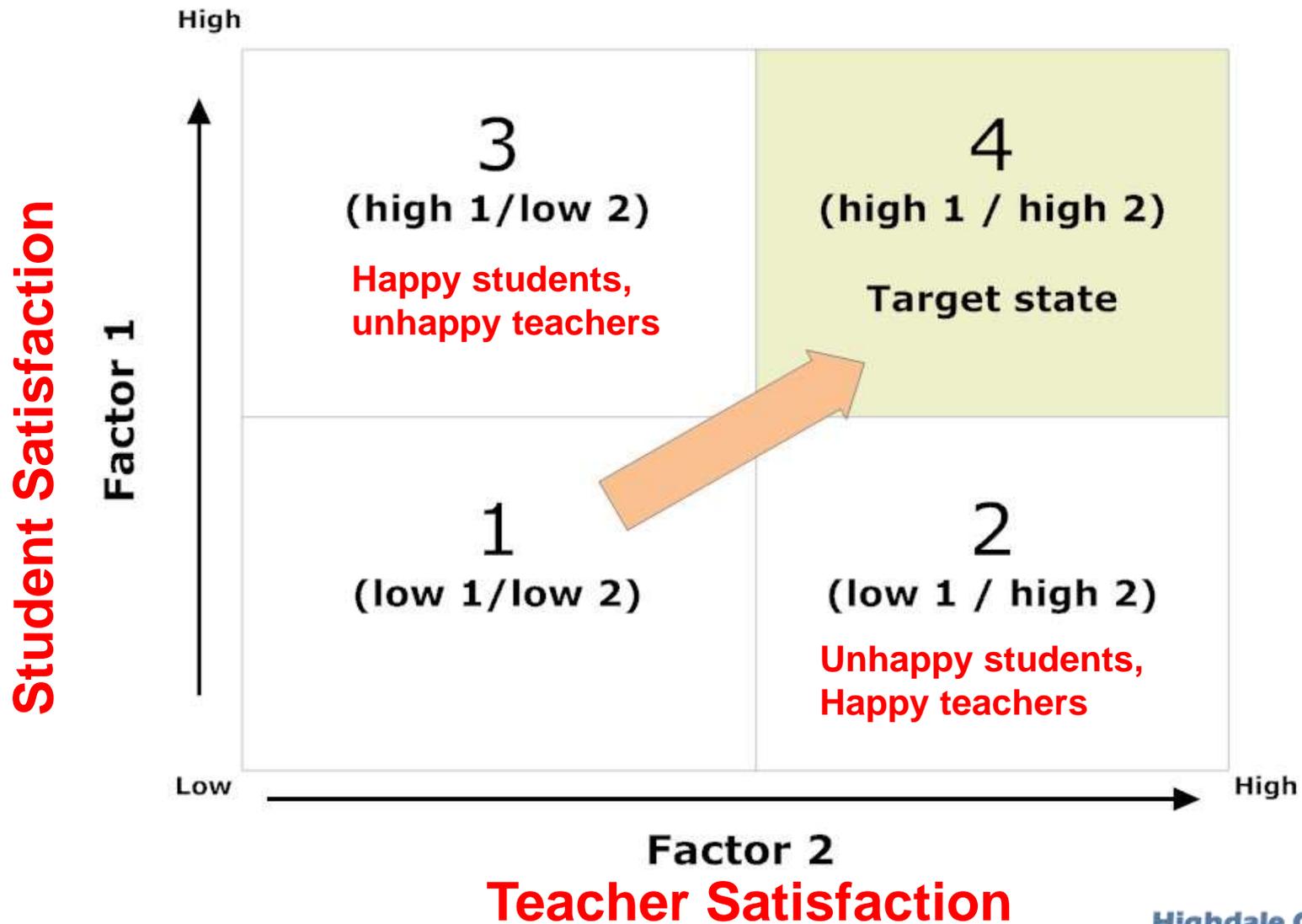


“The aim of marketing is to **know and understand the customer** so well the product or service fits him and sells itself.” Peter Drucker

2 x 2 matrix



2 x 2 matrix: student vs teacher satisfaction



Diversify



**English
with
Lucy**

- Look at new niches & segments
- Look at wider demand
- Look at digital directions
- Diversify with parallel income streams
- Disrupt ***yourself*** with:
 - ‘premium brand’ development
 - ‘value brand’ development
- Shibboleths!
 - Levels/hours/methods...

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”

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Flexible learning

- Online
- Synchronous
- Remote tutored
- Remote untutored
- Personal tutoring
- Before/during/after

Question assumptions

- Shibboleths? Elephants in the room?
- Why such short hours per week? Does this attract students?
- Is CELTA methodology the best? Cut-up bits of paper, *really*?
- Why do students have to stay in their placement level for the whole course? Why not move regularly?
- Is the methodology student-centred or teacher-centred?
- Is the learning journey based on flexibility of Time, Place, Pathway and Pace?

“Digital Learning is learning facilitated by technology that gives students some element of control over time, place, pathway and pace”

(Digital Now Foundation, 2014)

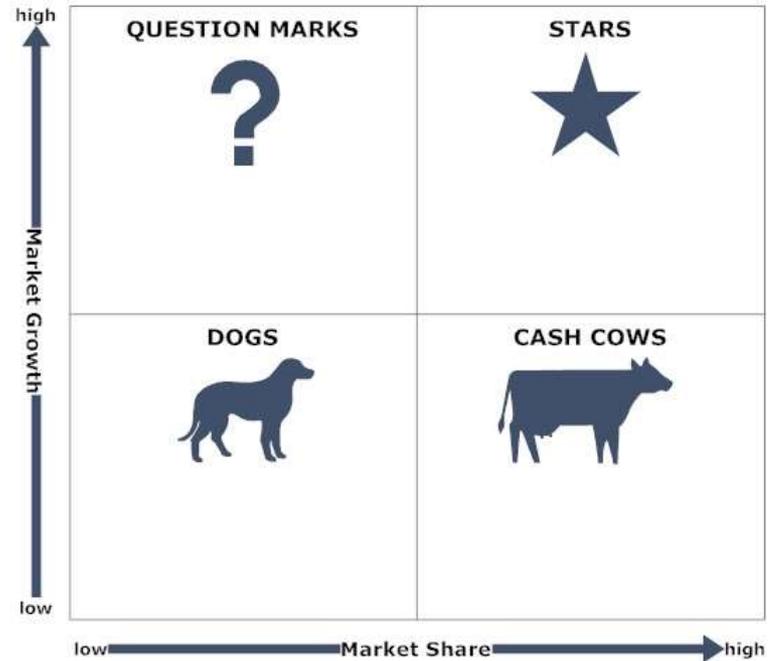
Share experience of new product/service areas

Share 1 new niche you have experimented with and what the result was

Reflection

Innovate

BCG Growth-Share Matrix

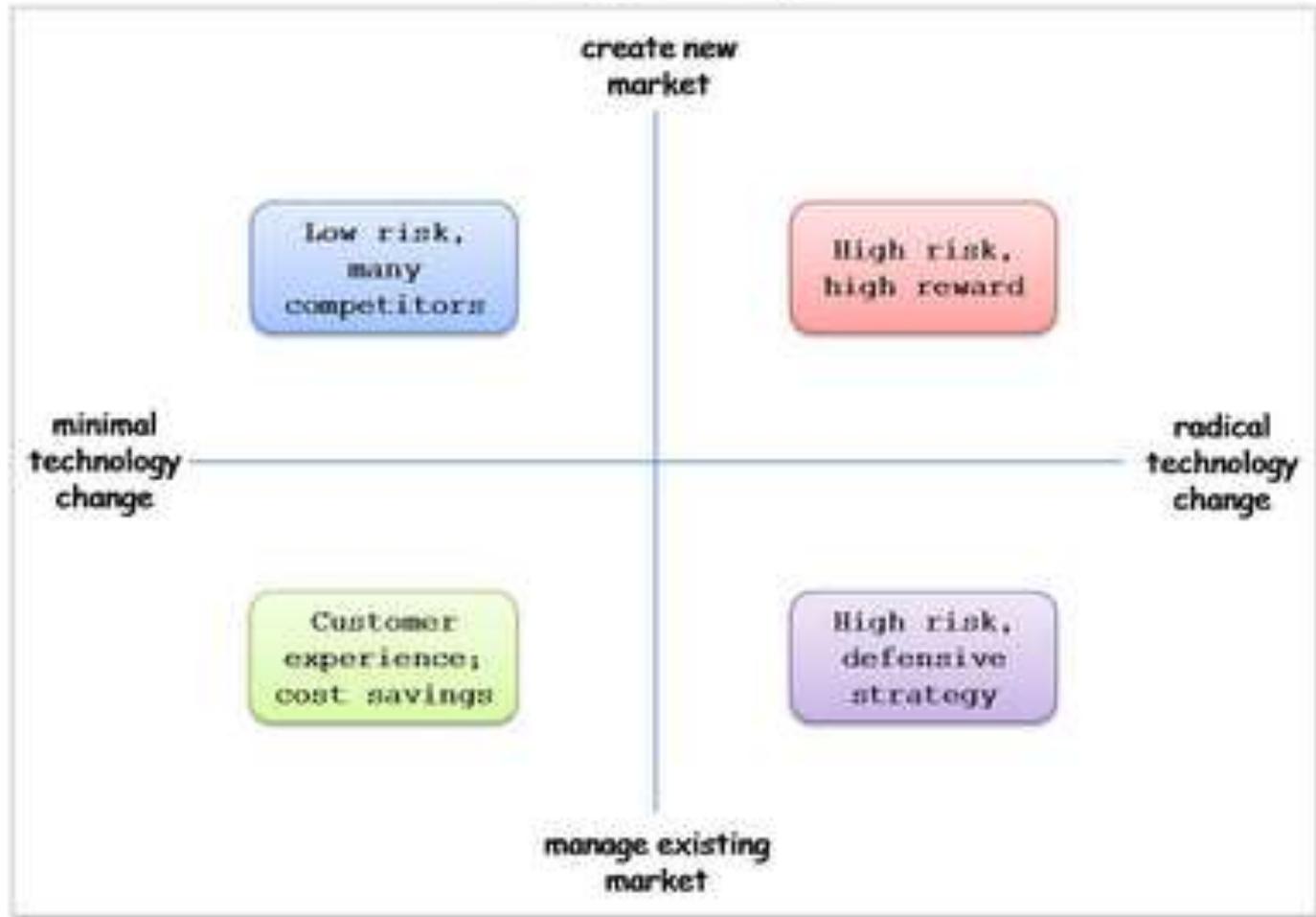


Innovate:

- In teaching
- In learning
- In service levels
- In customer experience
- In particular course types

Innovation strategy

Incremental vs Disruptive Innovations: Picking Your Spot



Zones of Innovation

- Course product – getting them enthused
- Course types – providing what learners want
- Customer service – delighting customers
- Pre-experience & Post-experience
- Learning experience – building measurable success
- Classroom design & Technology use
- Teacher training – skills
- Learning outcome – what they can do afterwards
- Learning reward – certification, exam, prize-giving video
- Maintenance – making a customer for life

New value propositions...

- **New learning models:**
 - CLIL
 - Personalisation
 - Learner autonomy
 - Out-of-class offer
- **English for work and mobility:**
 - Business English
 - EAP & ESP
 - EMI
- **English Plus...**
 - Golf
 - Cooking
 - Mandarin
- **Lateral Diversification:**
 - TVET - vocational English
 - professional qualifications
 - business content
 - inter-cultural training
 - ESOL (if Anglophone location)
- **Geo-diversification: Teaching at a distance**
 - Distance blended learning & elearning
 - VOIP
 - Mobile
 - Telepresence

Reflection

What is innovative in your school?

What areas need more innovation?

Describe the Innovation Culture in your institution

Idea-toxic	Idea-wasteful	Idea-friendly	Idea-hungry
Creativity is not welcome or rewarded. There is indifference, apathy or fear about new ideas and change.	New ideas and insights are treated casually and mismanaged. Creativity is seen as a threat to productivity.	Creativity is welcomed since new ideas are valued. New ideas may get introduced and reviewed by hierarchy.	People seek new ideas. They make the world better with radical improvement beyond existing limits.

Disruption concepts

Disrupt yourself

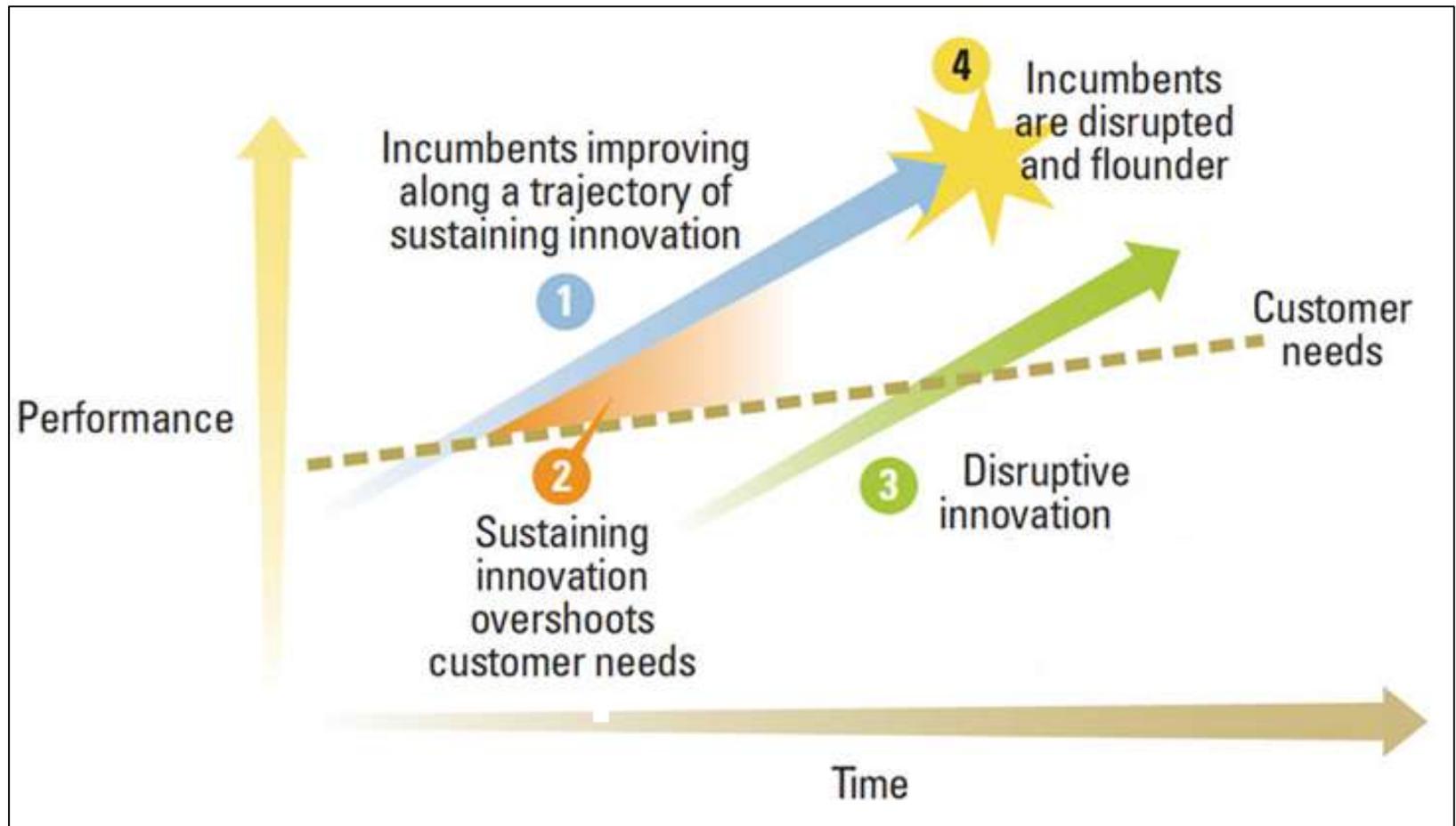
- Disrupt from the bottom of the market
(*Intel Celeron*)
- Disintermediate
(*Expedia, PayPal, Spotify*)
- Move from Commodity to Experience
(*Starbucks, Netflix*)
- Emotional branding
(*Apple, Prius, Whole Foods, Dyson, Gucci*)

“Some brands have moved from the **commodity** category into **experience** and emotion.

Emotional branding is about appealing to customers’ needs, aspirations & ego to create an emotional bond.

Brands can create growth and relevance with consumers by moving from **Marketshare** to **Mindshare.**”

Disruptive theory



The Innovator's Dilemma, Clayton Christensen

Reflection

Where do you think 'disruptive innovation' will come from in your market?

How can you protect yourself?

Innovation in customer experience

Student Experience

Before

- Before booking
- After booking

During

- At course beginning
- During the course

After

- At the end of the course
- After the course

Are you a CD or a concert?

Emphasise Learner Experience

- Is your course a product or a service?
- Is it a fixed good 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?



Enhance the customer experience

Vox Pop



Cashless service



Missed a lesson....?



Touchpoints



Delighting your customers

Before they start:

- 360 immersion of school & classroom
- Video of school & teachers
- 'MySchool' online space
- Learning plans & syllabus for parents/sponsors/learners
- Pre-start study page on website – re-activate passive knowledge before starting
- Demonstrate Value Proposition

During the course:

- Personalised learning plans
- IWB, handheld, BYOD, Kindle effect,
- Teachers video bank (Khan academy)
- Social nexus – eg Events app partnered with local Tourist Board (for international contact)

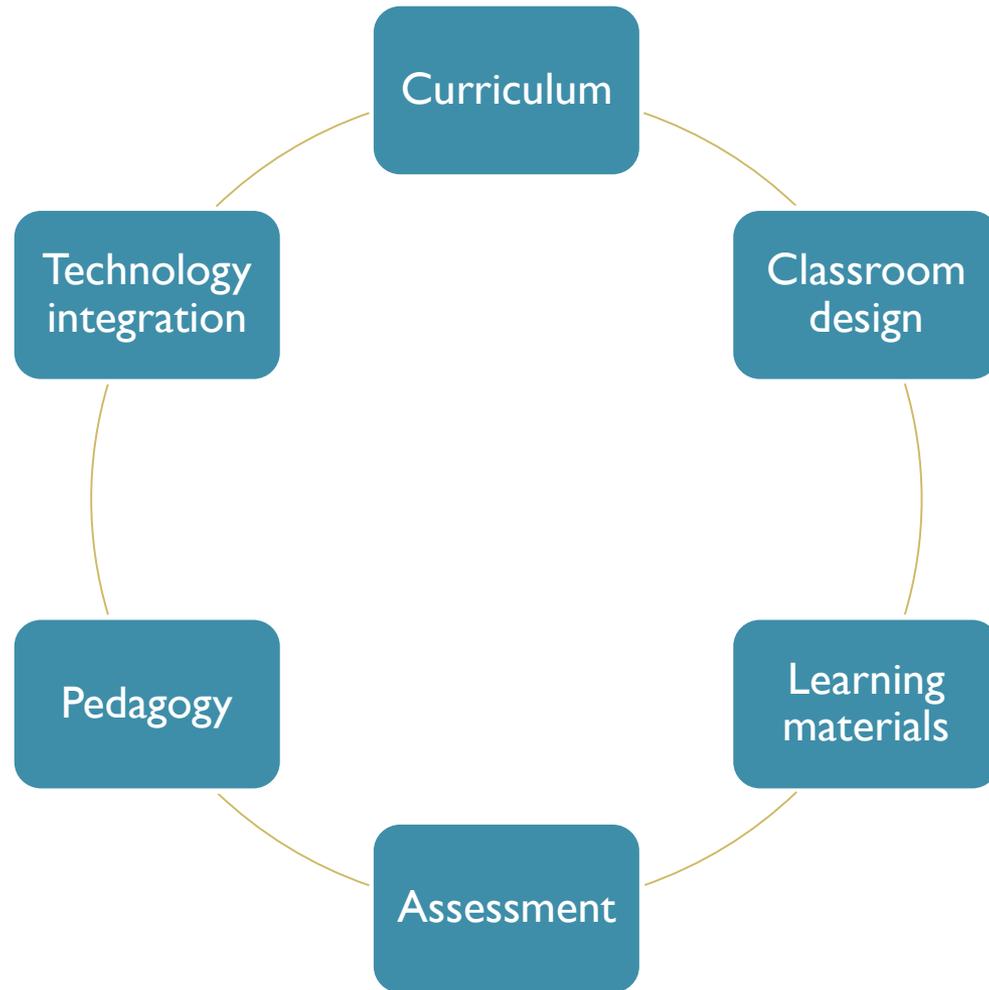
At the end of the course

- Rigorous measurement of progress
- International certification of level
- Graduation ceremony
- Video & photos of graduation
- Live stream on Skype / WebEx / Periscope for parents to watch
- Graduation certificate

After the course

- Language Maintenance
- Alumni newsletter
- Alumni community
- Alumni discounts
- Alumni get-togethers
- Alumni = WOM x NPS

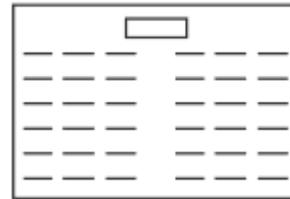
Innovation in Learning & Teaching



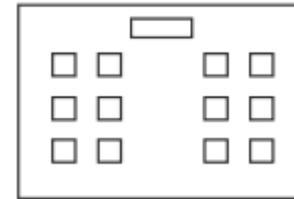
Curriculum & course design

- Language content
- Thematic/cultural content
- Levels
- Sequence
- Mapping to online resources
- Coursebook agnostic
- Mapping to assessment
- Personalisation
- Adaptivity

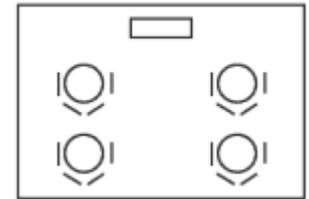
Classroom design



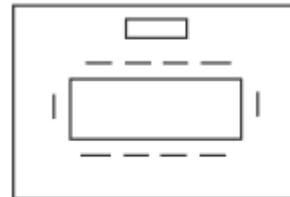
Theatre



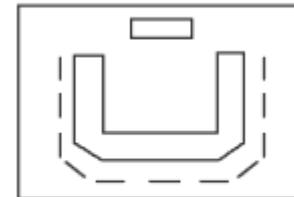
Classroom



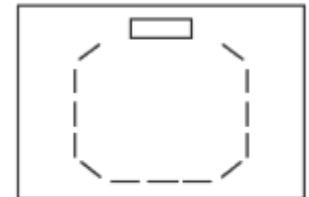
Cabaret



Boardroom

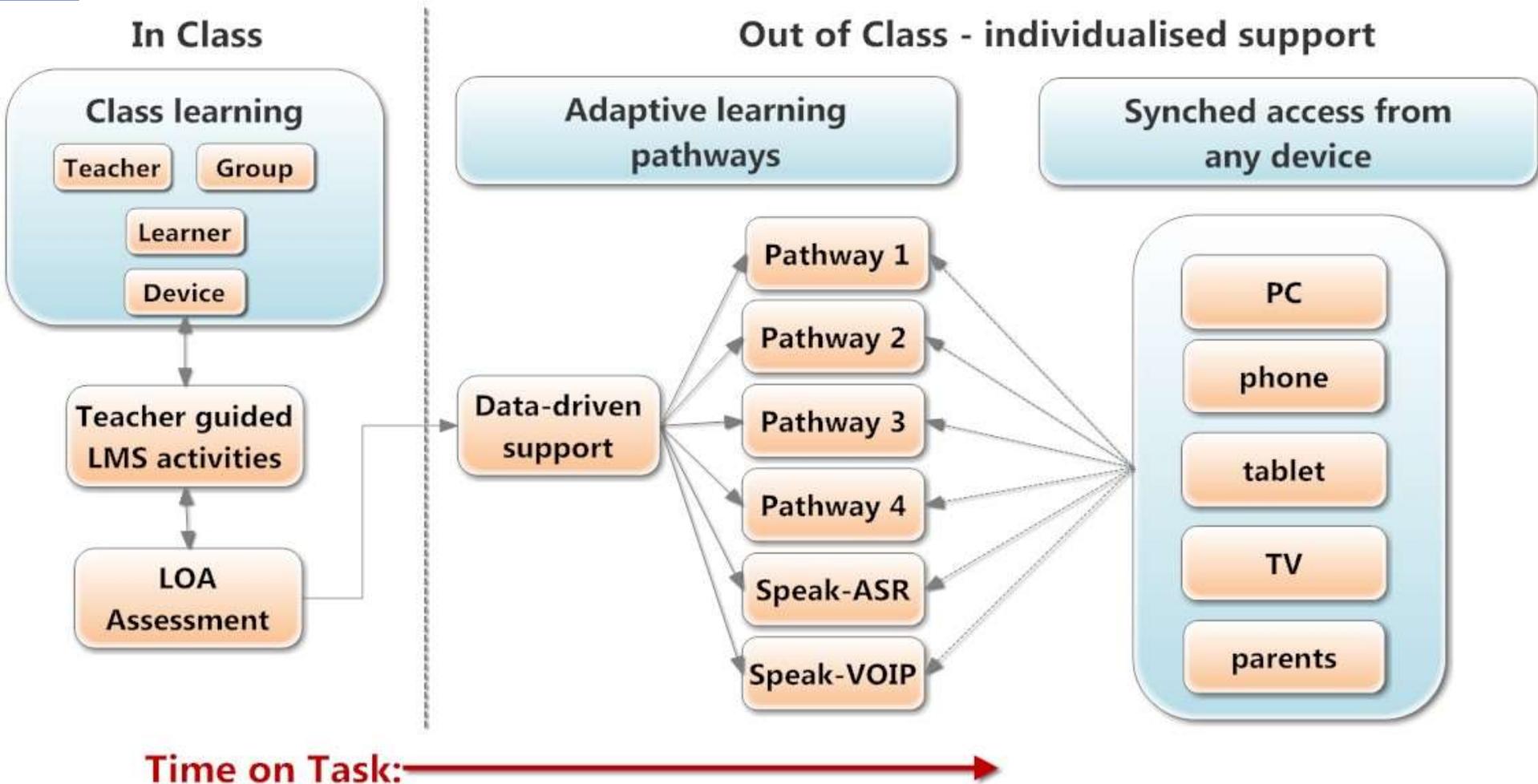


U-shaped

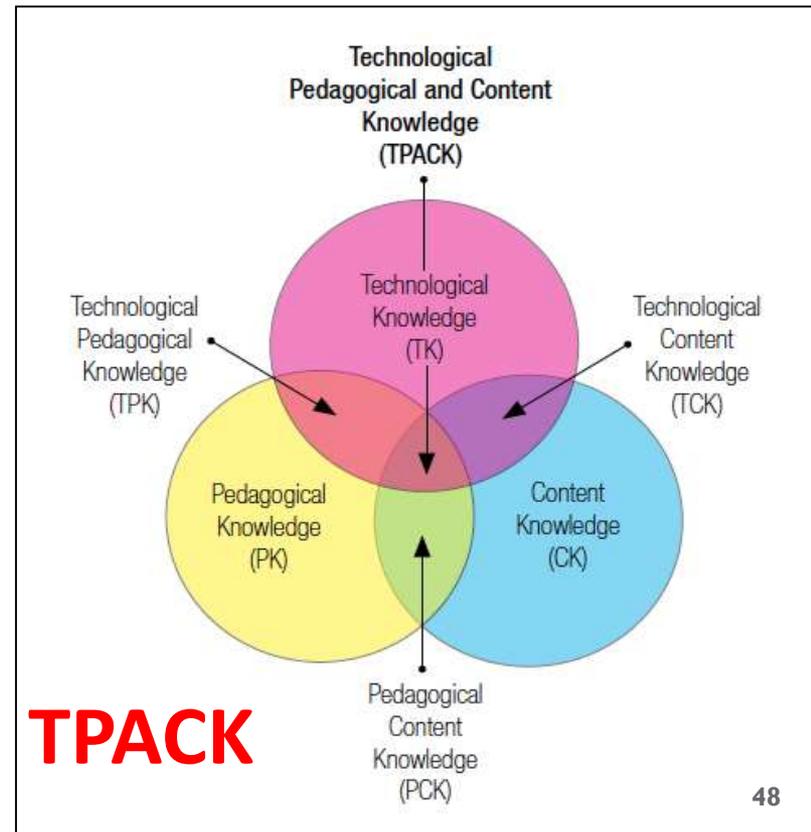
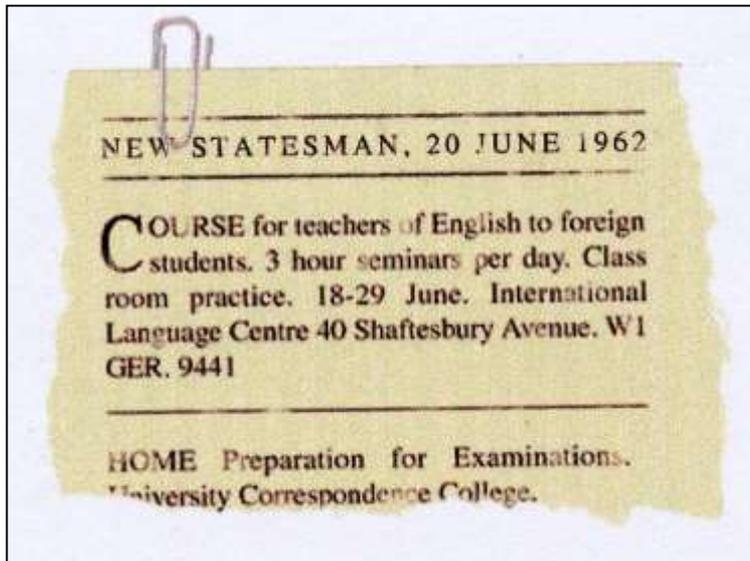


Circle of chairs

Innovate in assessment



Innovate in teaching



Tesco Steering Wheel

Metrics & KPIs



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 may 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!

Comments:

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www.michaelcarrier.com

Digital Language Learning &
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