

English Australia

National ELICOS Market Report 2017: Executive Summary

June 2018

A report prepared for English Australia by StudentMarketing, Ltd.
June 2018

English Australia contact: Brett Blacker
StudentMarketing contact: Patrik Pavlacic

StudentMarketing

studentmarketing
YOUTH TRAVEL CONSULTANCY

Salztorgasse 2, 1010 Vienna, Austria
Tel: +43 650 612 4527
Email: research@student-market.com
www.student-market.com

English Australia



QUALITY | SUPPORT | ASSURANCE 

PO Box 1437 Darlinghurst NSW 1300
Tel: +61 2 9264 4700
Email: easec@englishaustralia.com.au
www.englishaustralia.com.au
ABN 90 087 690 408



Australian Government
Department of Education and Training

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Introduction

This report summarises the results of the national survey of ELICOS providers in Australia. The research delivers unparalleled analysis of international students studying English language in Australia – regardless of their visa status.

After 18 years of working with Environmetrics, English Australia commissioned StudentMarketing to administer its National ELICOS Market Survey 2017. StudentMarketing is a global market intelligence and strategic development company that specialises in the international education sector. The company is a UNWTO Affiliate Member, with individual memberships in ESOMAR World Research.

This year's edition builds on the solid foundation laid in previous years, implements several improvements and adds further insight, such as:

- global student mobility (*new*)
- student numbers by nationality (*expanded*)
- student numbers by visa type
- student numbers by age group (*new*)
- student numbers by booking source (*new*)
- numbers of individual and group enrolments
- length of enrolments
- enrolments in each state and territory
- provider type and campus
- city and regional location.

As well as analysing the age and booking source of students, this report delivers global perspectives and breakdowns that will help benchmark Australia's value as a study destination. Leveraging StudentMarketing's global data on the English language travel industry, the report determines key performance indicators such as Australia's market share in selected source countries.

The report analyses data to profile the ELICOS sector, as well as profile the Americas, Asia Pacific, Europe, the Middle East & North Africa, and Sub-Saharan Africa.

Note to the reader

In preparing this report, we have presented and interpreted the most relevant information. While we have made every effort to ensure the information is accurate, data derived from sample-based surveys are estimates and you should regard them as such. Where we have made assumptions as a part of interpreting the data incorporated in this report, we have attempted to make these assumptions clear. Similarly, we have noted where we have expressed our professional opinion rather than simply given empirical data. Please ensure you consider these assumptions if you use the report as a basis for decision-making. We welcome further discussion and feedback on the analysis in the report.

Executive Summary

2017 IN REVIEW

Fig 1. Total student numbers in Australia

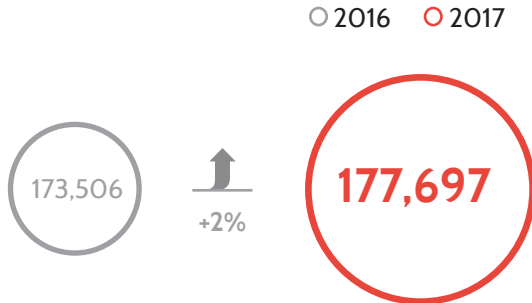


Fig 2. Total student weeks in Australia

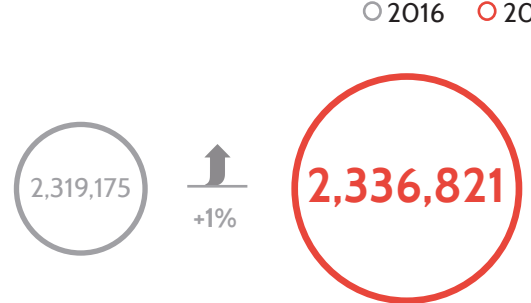


Fig 3. Total student numbers in Australia

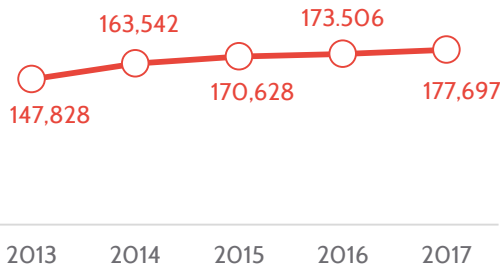
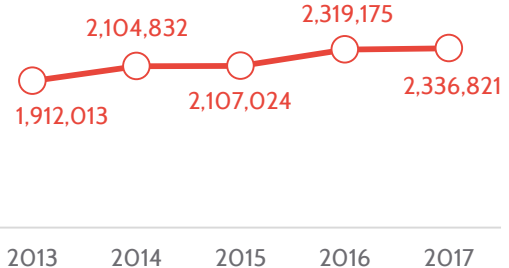


Fig 4. Total student weeks in Australia



At a national level, 2017 was another record year for the ELICOS sector in Australia. The destination welcomed 177,697 English language students, a modest increase of 2.4 per cent on 2016. Meanwhile, student weeks grew by 1% to a total of 2,336,821. The slower pace of growth in student weeks corresponded with a drop in the average length of stay from 13.4 weeks in 2016 to 13.2 in 2017.

The growth was concentrated in New South Wales, Queensland and Victoria. The 2017 results show that the positive development in student numbers grew the students' economic contribution by 2.4 per cent y-o-y. Overall, English language students in 2017 generated \$2.3 billion towards the Australian economy, which is an increase of \$55.3 million on 2016.

Fig 5. Average length of stay

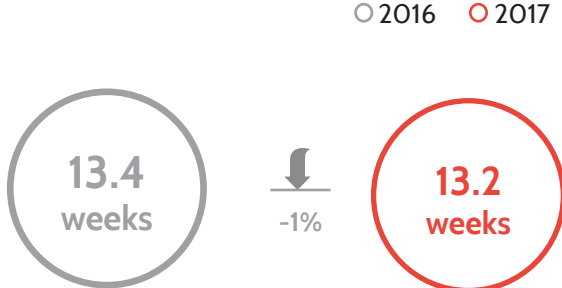
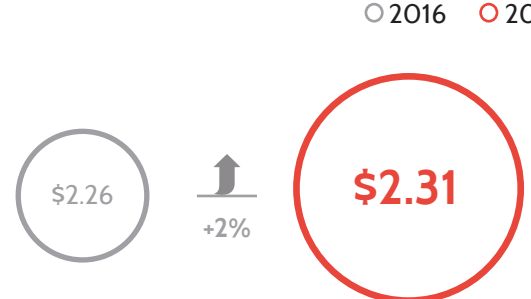


Fig 6. Economic impact (billions)



MARKET PARAMETERS

Of the six designated provider types, VET institutions held the largest market share of ELICOS students (32% of all students), closely followed by university-based language centres (30%). Stand-alone colleges also

constituted a large proportion of ELICOS students in Australia (29%). In terms of student weeks, VET institutions held the largest market share (34%), followed by colleges and universities (both at 28%).

Fig 7. Market share by provider type (%)

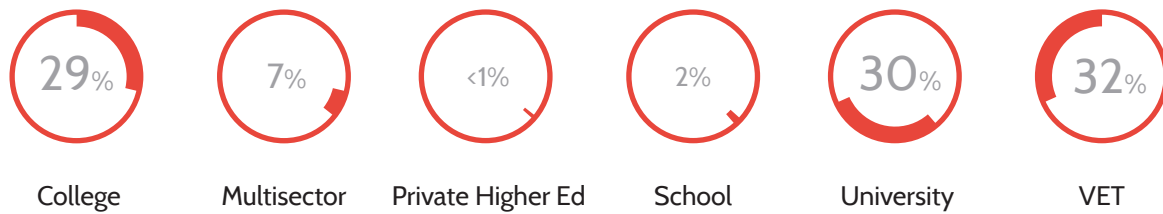


Fig 8. English Australia market share (%)



As the peak national body representing the ELICOS sector in Australia, it encompassed 77 per cent of the market in student numbers and an equal proportion in terms of student weeks. Member colleges had the highest coverage in Middle East and North Africa, with English

Australia member colleges catering to 87 per cent of all student numbers and 88 per cent of all student weeks. Importantly, English Australia members enjoyed more than a three-quarter share in both top-growing source regions (Americas and the Asia Pacific).

GLOBAL RANK

Fig 9. Australia's global position

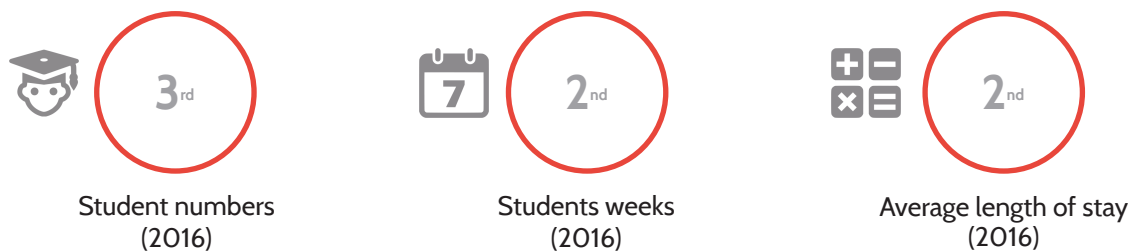
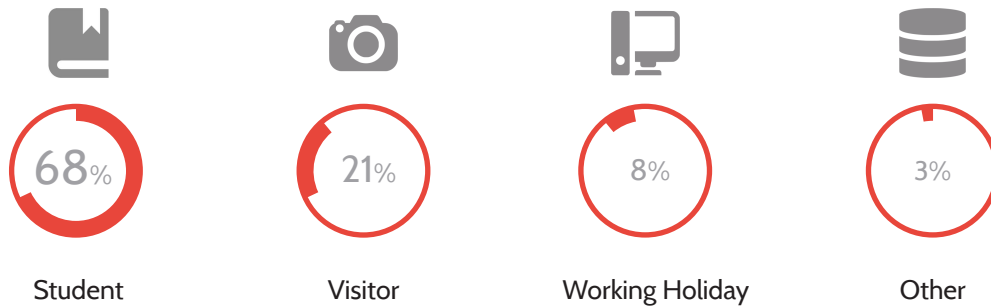


Fig 10. Student numbers by visa type



Student visa holders represented the largest visa category in Australia, accounting for 68 per cent of all enrolments. Their numbers jumped by 5,036 from 2016 to 2017 – a continuation of a trend which began in 2011.

An increased number of English learners in Australia studied on a visitor visa (+2,498), while the proportion of working holiday makers declined from 10 per cent to 8 per cent.

Fig 11. Student numbers by age group

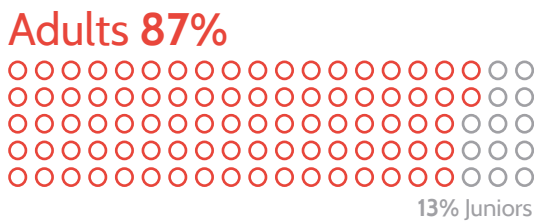
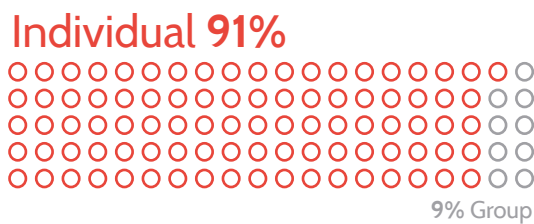


Fig 13. Student numbers by enrolment type



Australia is primarily an adult-focused destination, with almost 9 out of 10 students aged 18 or over. The highest concentration of juniors was in Queensland (18%).

On average, 82 per cent of all bookings in 2017 were via an education agent and therefore were commissionable. In 2017, the number of students

Fig 12. Student numbers by booking type

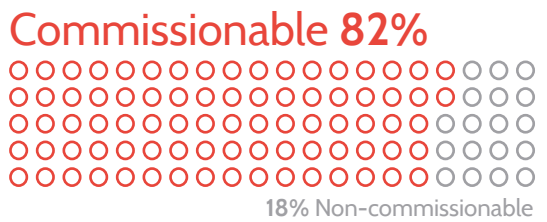


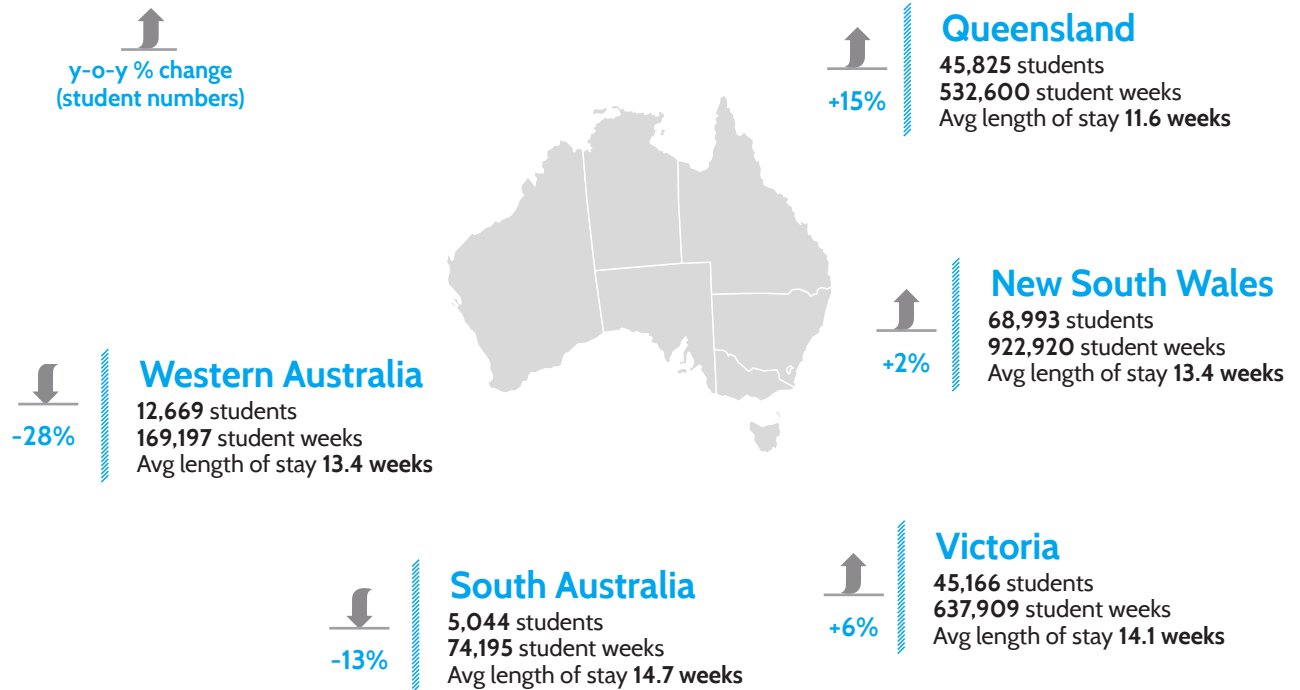
Fig 14. Student numbers by provider location



enrolling as part of a group rose to 15,256. This figure represented 9 per cent of all enrolments in Australia (compared to 7 per cent in 2016 and 6 per cent in 2015). 94 per cent of all ELICOS students were located in cities. Asian students were almost twice as likely to study in a regional location than students from other source regions.

STATE HIGHLIGHTS

Fig 15. Overview of states



With a share of 39 per cent of learners, New South Wales continued to be the most attractive state for ELICOS students. Queensland, which was the fastest-growing state between 2016 and 2017, overtook Victoria as the second most popular destination within Australia.

However, thanks to longer student stays and the number of student weeks, the economic contribution of ELICOS students in Victoria was higher.

At the same time, 2017 brought challenges for providers located in Western Australia and South Australia, as they reported considerable declines in student numbers. As a

result, Western Australia's market share dropped from 10 per cent in 2016 to 7 per cent in 2017.

Across Australia, ELICOS students' profiles vary considerably for both visa and nationality breakdowns, as well as the specific provider types that students prefer. Among all states, more students originated from the Asia Pacific than any other region. This was especially true for South Australia and Victoria, whose student populations were dominated by Asian students (84% and 75% respectively). Students from the Americas preferred New South Wales and Queensland, while Europeans tended to be more concentrated in Western Australia.

Fig 16. Student numbers by state and visa type (%)

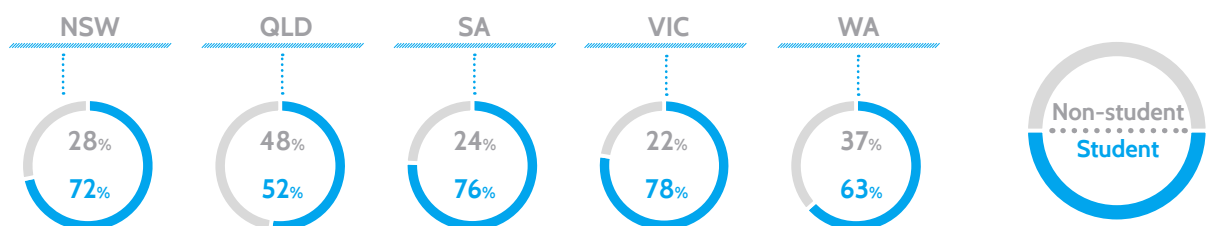


Fig 17. Student numbers by state

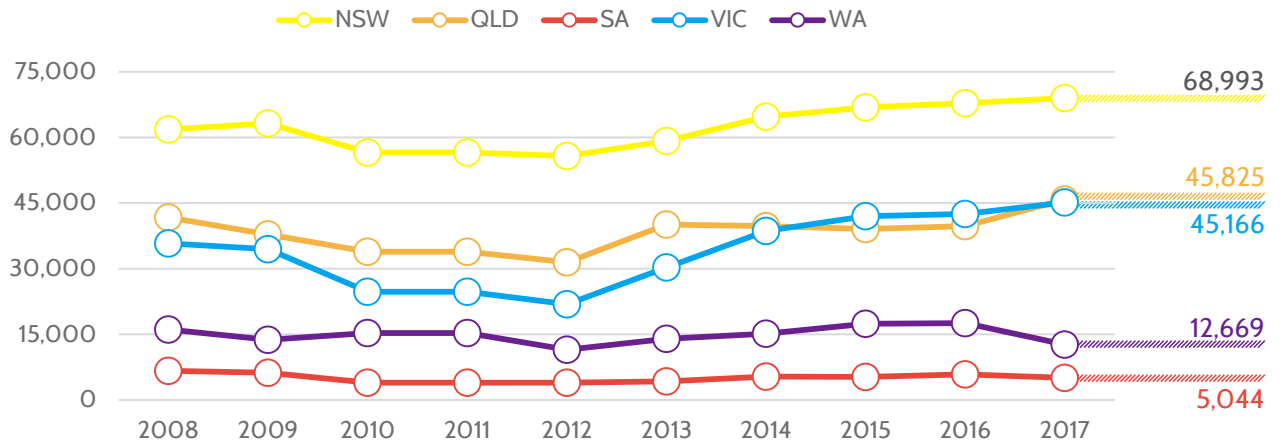


Fig 18. Student weeks by state

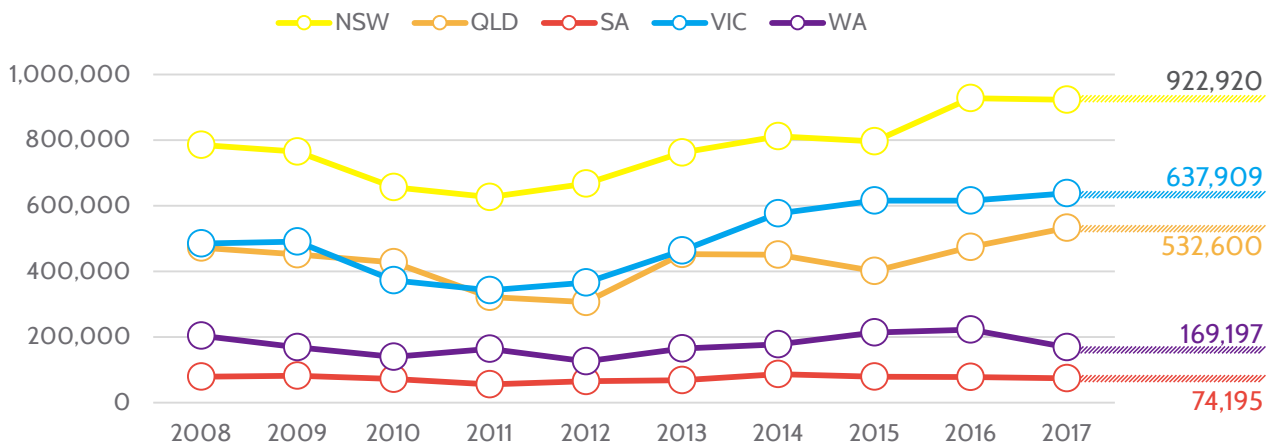
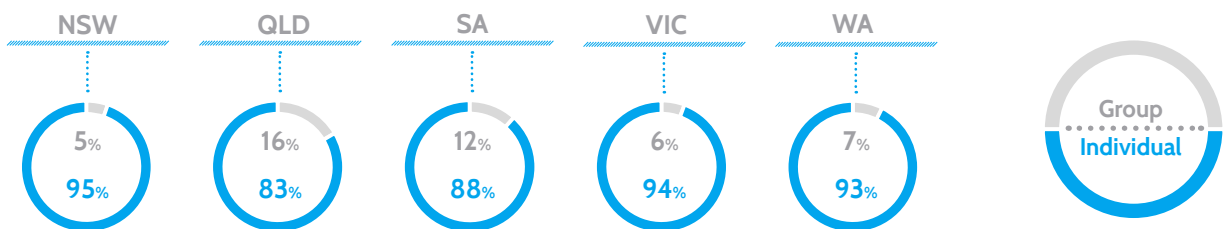


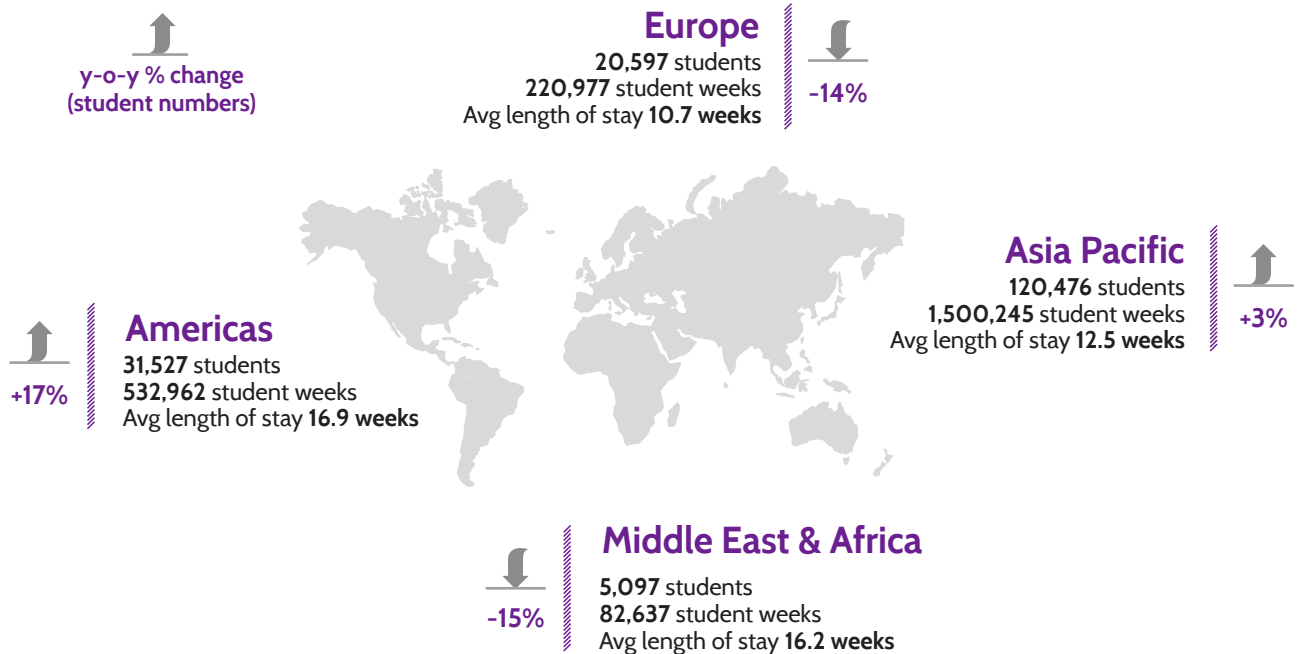
Fig 19. Student numbers by state and enrolment type (%)



Note: Percentages do not add up to 100% due to rounding.

REGIONAL HIGHLIGHTS

Fig 20. Overview of source regions



Australia's rise in student numbers was predominantly driven by the Americas, especially Brazil, which increased by 21 per cent from 2016 to 2017 and established itself as the third biggest source country in student numbers. Despite the average length of stay decreasing from 17.6 to 16.9 weeks, the Americas became the region with the longest average length of stay in Australia. After posting a minor increase from 2015 to 2016, the Asia Pacific accelerated its growth and currently accounts for 68 per cent of all ELICOS students in Australia. China registered the highest y-o-y increase in absolute numbers (+5,095 students) and strengthened its importance as a key source country. Besides China, Japan and India, all other Asian

source countries in the top ten ranking declined in market share. India jumped from tenth in 2016 to eighth in 2017. Markets in Europe continued to deliver unstable figures. 2017 was a turbulent year for several source countries, including Australia's largest market, Italy. The country's share shrank by 1,283 students and 8,231 student weeks. While student numbers from the Middle East and North Africa (MENA) did not decline dramatically, the region registered the highest decrease in average length of stay, which subsequently resulted in the highest drop in student weeks. Sub-Saharan Africa, constituting the smallest source region, shrank by 55 per cent in student numbers and 46 per cent in weeks.

Fig 21. Average length of stay (weeks) by source region

Source region	2013	2014	2015	2016	2017	% Change
Americas	16.2	15.4	15.1	17.6	16.9	-4%
Asia Pacific	12.7	12.8	12.1	12.9	12.5	-3%
Europe	9.9	9.9	9.5	9.9	10.7	+8%
Middle East & North Africa	18.7	17.6	16.8	19.1	16.6	-13%
Sub-Saharan Africa	1.9	6.7	8	10	11.9	+19%

REGIONAL HIGHLIGHTS

Fig 22. Student numbers by source region

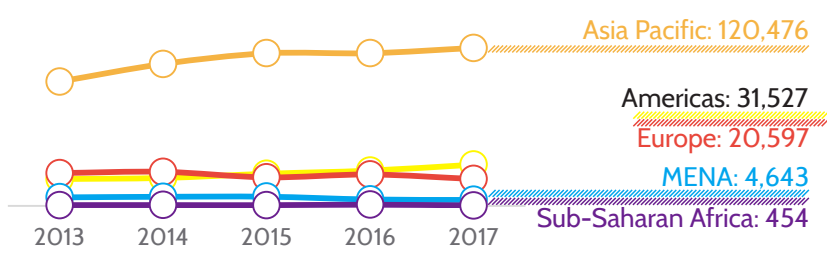


Fig 23. Student weeks by source region

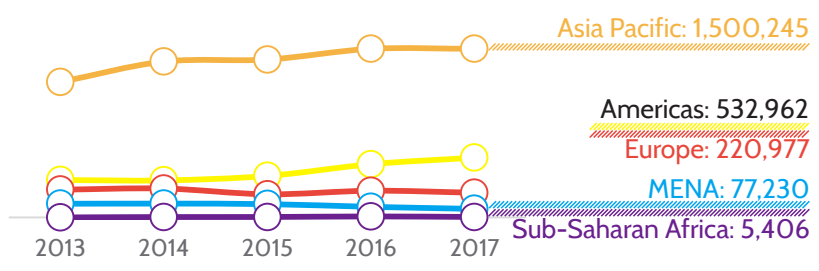
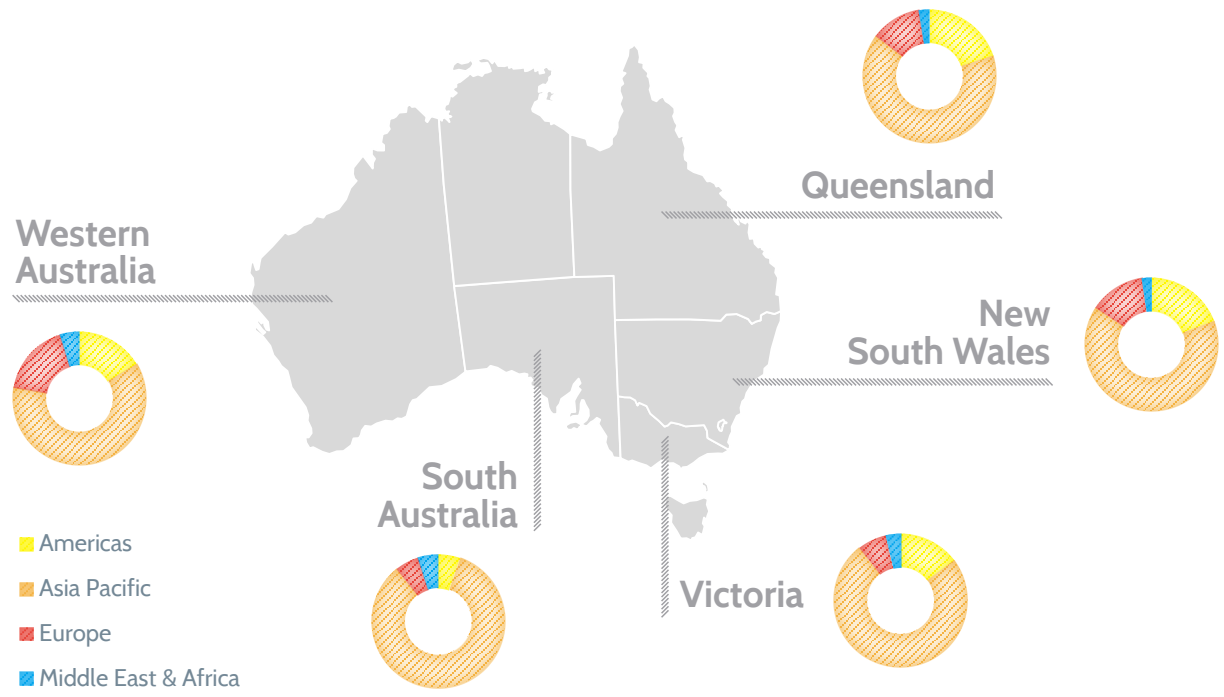
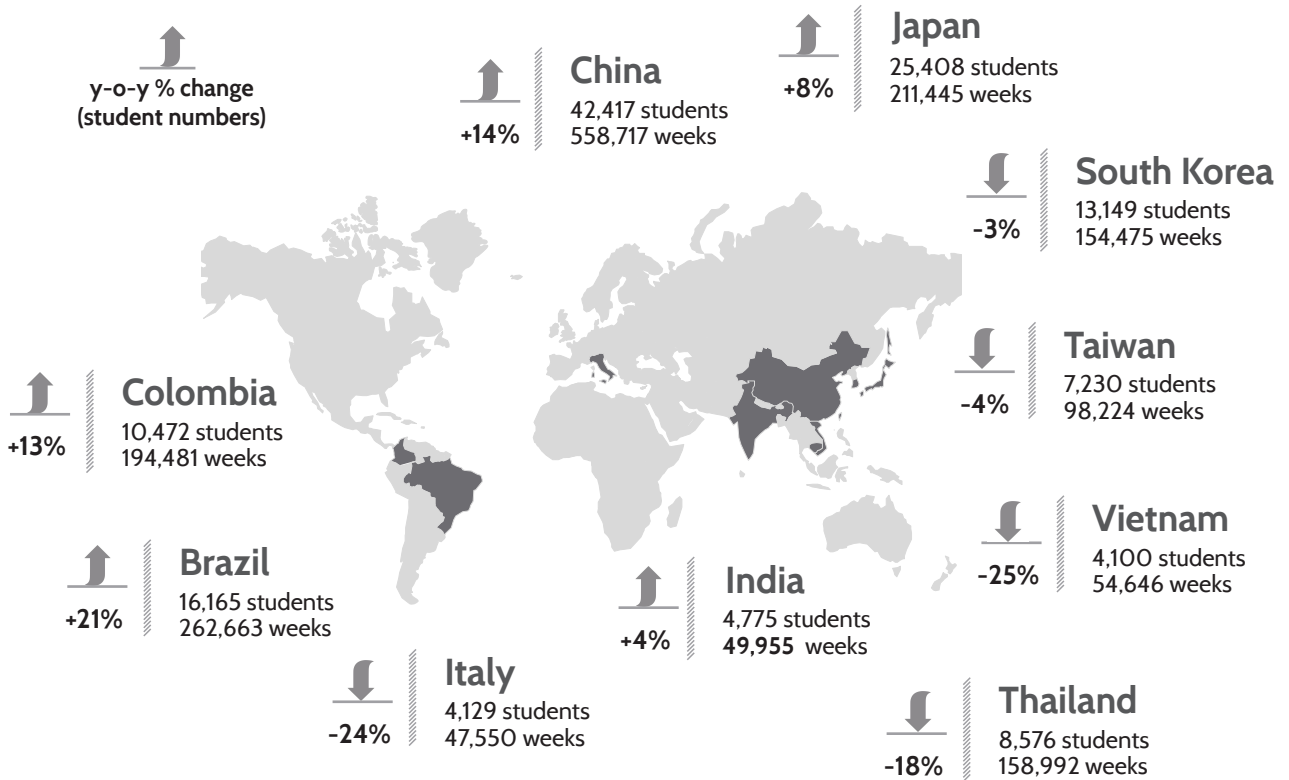


Fig 24. Overview of student flows between source region and state



TOP TEN SOURCE COUNTRIES

Fig 25. Overview of top 10 source countries



With seven of Australia's top ten source countries located in Asia, only China, Japan and India posted growth from 2016 to 2017. Brazil and Colombia both recorded double-digit growth. Another noteworthy development was that student numbers from Italy declined by 24 per cent.

The top ten source countries represented 77 per cent of all ELICOS students in Australia in 2017. Even though there were no new names on the list, there were notable

changes in the ranking. Brazil established itself as the third most important market, while Colombia outperformed Thailand. Furthermore, India jumped two places to occupy eighth spot.

In 2017, Chinese student numbers reached a record-high figure of 42,417. The Chinese market has continued to grow since 2013 and thanks to a 14 per cent y-o-y increase, almost one in four ELICOS students in Australia were from China.

Fig 26. Top five countries with the largest increase and decrease (student numbers)

Source country	2016	2017	# Change
China	37,322	42,417	+5,095
Brazil	13,412	16,165	+2,753
Japan	23,493	25,408	+1,915
Colombia	9,305	10,472	+1,167
Nepal	1,700	2,856	+1,155

Source country	2016	2017	# Change
Thailand	10,457	8,576	-1,881
Vietnam	5,443	4,100	-1,342
Italy	5,412	4,129	-1,283
Switzerland	3,568	2,444	-1,124
Hong Kong	2,948	2,199	-749

PO Box 1437
DARLINGHURST NSW 1300
AUSTRALIA

Level 3, 162 Goulburn St
SURRY HILLS NSW 2010
AUSTRALIA

Tel: +61 2 9264 4700
Fax: +61 2 9264 4313

easec@englishaustralia.com.au
www.englishaustralia.com.au

