

**The Feasibility of Language
School Development
in South Pembrokeshire**

The Tourism Company
11a High Street
Ledbury
Herefordshire
HR8 1DS
Tel: 01531 635451
Ttclcd@aol.com

December 2000

CONTENTS

	Page
1. Introduction	1
2. The EFL industry in the UK	2
3. The EFL market	7
4. Evidence from consultations	11
5. The EFL industry in Wales	15
6. Ballyhoura	17
7. SPARC and the South Pembrokeshire product	19
8. Situational analysis – Summary & SWOT	23
9. Strategic evaluation and recommendations	25
10. Recommendations for action	30

APPENDICES

A. List of Consultees	35
B. References	36

1. INTRODUCTION

The Tourism Company was commissioned in 2000 by SPARC to undertake a feasibility study into the development of language school tourism in Pembrokeshire. This report outlines the findings of that study.

SPARC have had a long term involvement in rural tourism based on developing and promoting products related to the 'quiet enjoyment of the countryside'. Independent leisure visitors have made up the bulk of their clients in the past. However a number of factors have recently prompted an interest in the potential for developing the English language school sector in South Pembrokeshire:

- Recognised weaknesses in the current visitor base, such as a high dependence on the third quarter of the year and a decline in overseas visitors. This has pointed to the need for identifying and exploiting new tourism markets. Overseas visitors currently make up a very small proportion of the total market, with just 3.1% of visitors coming from Europe (mainly from Germany and Holland) and only 1.75% from outside Europe.
- Recent community audits and action plans undertaken in Pembroke, Narbeth and Tenby have all identified a potential for developing linguistic resources in these communities as well as the existence of some appropriate facilities.
- The experience of the Ballyhoura LEADER project in Ireland where residential English language courses have been successfully developed.

The aim of this study has therefore been to establish the potential market demand for residential English language courses in Pembrokeshire. This has been undertaken through an assessment of:

- the nature and trends in market demand for English as a Foreign Language (EFL) courses in the UK (Chapters 3,4);
- the existing provision of EFL courses in the UK and Ireland (Chapters 2,5), including a close examination of activities undertaken in Ballyhoura (6);
- a preliminary assessment of the local product (Chapter 7).

Stemming from this situational analysis recommendations are made on the strategic options for EFL development in Pembrokeshire and consequent priorities for product development and marketing activity (Chapters 9, 10).

2. THE EFL INDUSTRY IN THE UK

The UK is well established as the world leader in EFL provision accounting for approximately half of the total market. There are estimated to be around 1 200 institutions organising EFL courses in the UK, encompassing a wide range of organisations in the public and private sector. For example:

- Dedicated private language schools specialising in English language tuition;
- Universities and higher education colleges offering short term vacation courses and longer term tuition such as pre-sessional courses;
- Private tutors offering tuition and accommodation for individuals or small groups in their own home;
- Further educational colleges and schools offering summer vacation courses;
- A range of other part time or temporary operators with EFL forming only part of their overall business.

The management of the EFL industry in the UK

There are a number of bodies involved in the management, co-ordination and promotion of the EFL industry at a national level, the most significant being:

British Council

The British Council works to promote EFL courses as an important export industry for the UK and to ensure quality standards. To these ends it runs the English in Britain Accreditation Scheme and promotes establishments recognised by this scheme through the 'English in Britain' guide, CD Rom and website. The network of British Council offices throughout the world form an important gateway for enquiries about EFL courses in the UK and provide a valuable source of market information for providers.

British Tourist Authority

The EFL market is a key segment for a number of markets which the BTA is targeting, especially Southern Europe (Italy, Spain, Portugal), Latin America and the Far East. EFL courses are featured in a number of the promotional materials produced by BTA such as Britain Extra. Other promotional activities include attending fairs and exhibitions, sales missions and servicing enquiries through their network of overseas offices.

ARELS

The Association of Recognised English Language Services (ARELS) is the leading professional organisation for independent English language schools. There are currently 224 members who are recognised by the British Council and adhere to ARELS own code of practice. ARELS works to improve standards of its member schools through training and advice as well as representing members and students to government bodies and promoting EFL in Britain overseas.

BASELT

The British Association of State English Language Teaching (BASELT) is an association of UK state colleges and universities providing EFL courses for both students and teachers. There are 93 members in total, all of which are accredited by the British Council. Most of these institutions offer both long term courses of three months or more as well as short term enrolments during the vacations. The association promotes high standards in teaching, welfare, resources and accommodation and produces its own brochure and website.

BALEAP

The British Association of Lecturers in English for Academic Purposes (BALEAP) is an organisation whose primary aim is to ensure a high standard of English language tuition for overseas students at British universities. BALEAP has over 60 members and runs its own accreditation scheme.

The accredited sector

Improving quality has been highlighted as a priority for the EFL sector in the UK. Although there is no official quality regulation in the industry there are a number of voluntary accreditation schemes, the best known being the English in Britain Accreditation Scheme (EIBAS). This is administered by the British Council and schools are required to adhere to the scheme before they can be promoted by the British Council, BTA, BASELT or ARELS. There are currently 350 schools in the UK which are accredited, a relatively small proportion of the total, but they are thought to provide about half of the total instruction to EFL students. Most of the data available on EFL markets and provision in the UK relates to this accredited sector.

Location of EFL providers

The majority of EFL providers in the UK are located in Southern and Eastern England, with three quarters of accredited providers situated within this area. Wales, Scotland and Northern Ireland together account for only 6% of accredited institutions.

Table 1: Locations of accredited EFL establishments

Location type	%
Historic towns (eg Cambridge, Oxford)	26
Capital cities (London, Edinburgh, Cardiff)	23
Heritage seaside resorts (eg Brighton, Hove)	14
Regional cities (Manchester, Leeds)	8
Coastal cities and towns (Torquay, Southampton)	8
Other	8
Not identified	13
Total	100

Source: British Council 1998

London is the most important centre for EFL provision accounting for 21% of accredited providers, with historic cities, regional cities and seaside resorts making up the bulk of the remainder. There are very few accredited centres located in rural areas or small towns. Those which are tend to be either small 'exclusive' schools offering good quality executive courses, or boarding schools and education centres offering courses for groups in the summer vacation.

Type of EFL courses on offer

Types of EFL course include:

- Short term residential courses, usually for 1-4 weeks and with a concentration in the summer months;
- Long term courses for 3-9 months, often aimed at academic students studying at British universities.
- Non residential courses eg one evening a week;

It is the first of these which will be the focus for this study. Most language schools offer general English courses at a range of levels. There is a range of formal qualifications which students can work towards, the most common and prestigious of which are the University of Cambridge (UCLES) exams. Others include the International English Language Testing Service (IELTS); the Test of English as a Foreign Language (TOEFL); and the Test of English for International Communication (TOEIC). A number of the accredited schools advertise tuition which is geared towards achieving these qualifications.

Table: 2 Specialist courses at accredited institutions in the UK

Specialist courses	Number of registered courses
Business	124
Academic	118
Executive courses*	103
Tailor made courses	41
Other special interest	40
Tourism	23
Computing / IT	14
Culture	9
Golf	9
Law	9
Management	7
Marketing	6
Medicine	6
Art / design	8

Source: English in Britain website

*Aimed at business people. Often short, intensive courses for small groups / individuals with more expensive accommodation and catering.

Provision of English courses for special purposes is becoming increasingly common, especially for Business purposes. Table 2 indicates types of specialist courses

registered with the 'English in Britain' database, (which lists over 1500 courses offered by accredited institutions in the UK).

Other specialisms include journalism, aviation, finance, secretarial and engineering. Just under half of the accredited institutions in the UK also offer 'English plus' courses combining EFL tuition with another activity /area of study ranging from sports to music.

The maximum class size for group tuition tends to be restricted to 15-18 students. However some schools offer intensive tuition for smaller groups of 5-8 students or even one to one tuition. These 'personalised' courses are offered at a price premium.

Other services

Schools offer a range of accommodation options to their students. Nine out of ten accredited schools in the UK offer homestay accommodation, almost two thirds offer hotel or guesthouse accommodation and about half offer self catering arrangements. Approximately half the accredited institutions also have accommodation facilities within the school/ college.

A survey of EFL schools in 1997 found that the majority of British EFL schools have a system in place to deal with transport logistics (71%). The most popular arrangement is a contract with a coach or bus operator (45%), although 18% use local taxi firms to carry out a 'meet and greet' system and 13% own a minibus.

The promotional network for EFL courses

There are a number of possible partners and players involved in the distribution and promotion of British EFL courses overseas:

- Many students looking for an EFL course abroad will seek information from organisations in their home country such as educational travel agents, tour operators and language schools. The British Council and BTA provide lists of agents in source markets as well as organising agents workshops and visits. Building up a relationship with these organisations is an important task for marketers of EFL courses.
- Some ground handling agents in the UK deal with EFL enquiries from agents and individuals.
- The travel trade, such as airlines and ferry companies, sometimes offer special educational or youth holiday products.
- British Council or BTA offices overseas offer an impartial source of advice for agents and individual students on accredited EFL providers and courses.
- The internet is becoming increasingly important as a medium for reaching potential students direct.

EFL provision in Ireland

Ireland has experienced strong market growth for EFL courses over recent years and is the UK's strongest competitor for EFL business within Europe. There are now

around 110 institutions recognised by the Irish Department of Education for teaching EFL. The major trade association, Marketing English in Ireland (MEI-RELSA) has 60 member schools. A large number of schools are located in Dublin, although the west and south west of Ireland are also popular locations. Numbers of visiting students have risen consistently over the last eight years boosted by strong promotion, a positive image as a 'friendly place to visit', and the high value of the sterling. Ireland has also been particularly proactive in promoting courses which combine English with other activities. For example, around half of MEI-RELSA members offer English with activities; including golf, fishing, horse riding, culture courses, sailing and touring. The case study of Ballyhoura is examined in more detail in chapter 6.

Summary of the EFL Product

- The UK has a well established EFL industry with well over 1000 organisations offering EFL courses. The accredited sector in the UK makes up under 1/3 of the total but provides approximately half of the tuition.
- The majority of languages schools are located in London and the South of England, particularly in academic towns and coastal resorts.
- A wide choice of EFL courses have been developed to meet general and niche markets, including English for Special purposes and English 'plus' a special interest or activity.
- In addition to language tuition, most language schools provide accommodation and transport services for students as well as a programme of social activities.
- The British Council, BTA and the national trade organisations play an active role in promoting the accredited EFL sector overseas.
- Agents are an important channel for selling UK based EFL courses in overseas markets.
- The EFL industry in Ireland has developed rapidly and now poses a strong competitive threat for the UK.

3. THE EFL MARKET

Although statistical evidence on the EFL market in the UK is patchy, there are a number of information sources which together provide an overview of the market's make-up and performance.

Total market and market share

With the dominance of English as a world language, teaching English as a foreign language has developed into an important global industry. It is estimated that there are approximately 1000 million people in the world learning English as a foreign language and that 1.2 million students travel for courses in the main EFL countries each year, spending nearly £1.8 billion in total.

The UK is the world leader for EFL tourism with an estimated 6-700 000 overseas students attending EFL programmes in the UK each year. The most recent figures on the total EFL market in the UK come from the International Passenger Survey in 1996. These indicate that the market has experienced growth over the last two decades, increasing by 40% between 1984 – 96 (IPS). However this growth has been weaker than the increase in total numbers of overseas visitors to the UK which grew by 85% over the same period. EFL students now account for only 1 in 40 of all overseas visitors to the UK. Anecdotal evidence suggests further modest in the overall market since 1996.

Viewed from an international perspective, the UK's share of the global market has been declining. Reasons behind this include: increased competition from other EFL destinations; the strong pound; a decrease in the numbers of juniors attending courses; the mature nature of Western European markets; and economic difficulties in some source countries.

Table 3: % of number and expenditure of EFL course visitors by country of study (1997/8)

	Numbers %	Expenditure %
UK	51.7	44.2
US	17.4	16.9
Ireland	14.9	10.1
Canada	6.3	7.6
Australia	5.6	17.5
Malta	2.5	0.9
New Zealand	1.5	2.8
Total	100.0	100.0

Source: ELT Competitor Analysis, British Council 2000.

Origin of visitors

The major EFL markets can be divided into Western and Eastern Europe, the Far East, Latin America and the rest of the World.

Western Europe is the largest market for the UK, accounting for over two thirds of the total with France, Italy, Spain and Germany the leading countries of origin. The relative importance of this market however has declined between 1984 – 96 as the result of improved English tuition in schools and increased competition from other EFL destinations. More recent evidence from the accredited sector indicates a further slippage in the relative share of the European market since 1996. There has also been a shift of demand within the region. Whilst the French and German markets are now fairly saturated, demand from Italy and Spain has remained more buoyant. In fact Italy is now the largest source of EFL students in the world accounting for over 15% of the global market.

Table 4: EFL visitors to the UK 1984-96

	1984		1990		1996	
	(000)	(%)	(000)	(%)	(000)	(%)
France	143	30	185	30	109	16.3
Italy	62	13.0	103	16.7	99	14.8
Spain	33	6.9	63	10.2	76	11.4
Germany	105	22.0	79	12.8	75	11.2
Russia	-	-	-	-	45	6.7
Japan	9	1.9	14	2.3	40	6.0
Latin America	4	0.8	12	2.0	24	3.6
Poland	-	-	-	-	24	3.6
Czech/ Slovak Reps.	-	-	-	-	23	3.4
Switzerland	18	3.8	24	3.9	21	3.1
Others	103	21.6	135	22.0	133	19.9
Total	477	100	615	100	669	100

Source:IPS

There has been considerable growth from Eastern European markets in recent years especially Russia, Poland and the Czech and Slovak Republics. South America is also becoming an increasingly important source of EFL business globally. Brazil is the major player accounting for over half of the Latin American market with Argentina also of importance. South Americans can offer a lucrative source of off peak business as they usually visit in the winter months.

Japan is the second largest source of EFL business globally after Italy, accounting for 11% of the world total. The majority of this business is taken by the US but numbers to the UK have also been rising. Korea and Taiwan have also emerged as small but significant markets for the UK during the last four years . These long haul students tend to stay longer and spend more than their European counterparts. For instance, whilst South American students make up 3.6% of the total number of EFL students in the UK they account for 12.2% of exoenditure. Similarly, Japanese students account for 6% of the volume but 10.8% of the value of the total market.

Profile of visitors and their interests

Although still important, demand for beginners English has stagnated from Western European markets with a growth in demand for advanced English tuition. However, in emerging markets demand for beginners English remains high. Demand for tuition in English for special purposes (ESP) has also risen. Business and commerce programmes have the highest demand although other courses include English for academic purposes, management, computing, engineering, tourism, law, medicine and journalism.

The majority of students to the UK are young adults or older teenagers. A survey of EFL schools providing general English courses in 1997 found that the most common age groups catered for were 19-25 year olds (52%) followed by 15-18 year olds (24%) and 26-35 year olds (11%). Only 35% of the market was aged over 36.

The IPS survey indicates that well over three quarters of EFL visitors to the UK come primarily to study. However there are smaller markets of people who undertake some EFL tuition but who are in the UK primarily for a different reason; such as business (9%), holiday (9%) or visiting friends and relatives (2%).

Length of stay and spend

EFL students represent a very high value market due to the long length of stay. However, whilst the average expenditure per trip for EFL students is well over twice that of all overseas visitors, average expenditure per day is lower than for the total market. Table 4 also shows a significant variation in the level of expenditure by a number of major EFL markets in 1996.

Table 5: Average Expenditure per day and per visit 1996

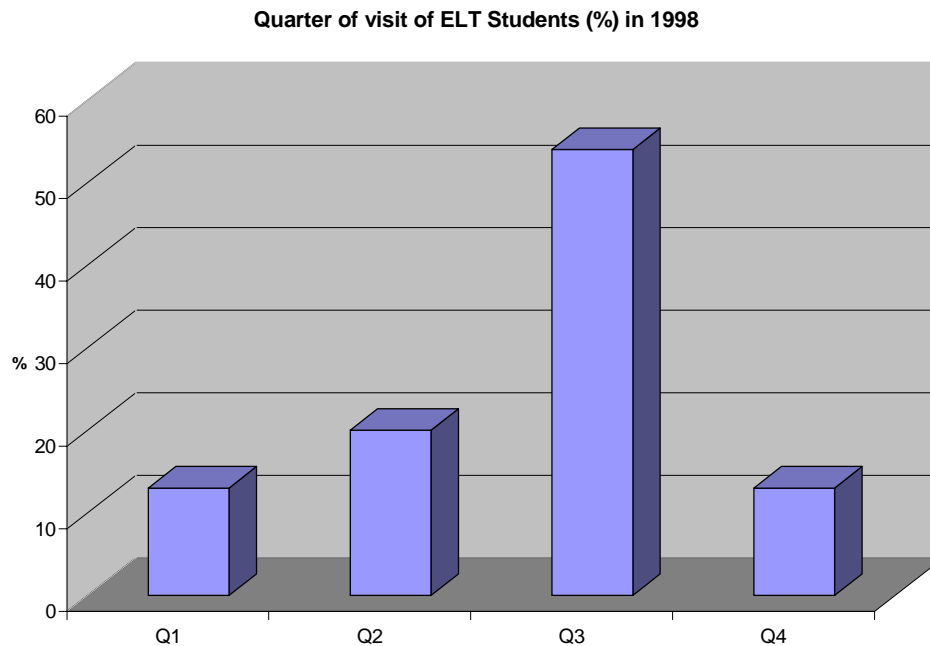
Markets	Average spend per day (£)	Average spend per visit (£)
Czech / Slovak Reps	29.9	343
France	27.2	694
Poland	18.7	820
Italy	40.4	888
Germany	50.2	1 059
Former USSR	48.2	1 142
Spain	34.3	1 354
Japan	51.5	2 006
Latin America	45.3	3 774
All EFL visitors	39.3	1 157
All overseas visitors	55.5	485

Source: IPS

Average expenditure for EFL students increased by 132% between 1984 – 96 reflecting in part an increase in length of stay. EFL courses vary from intensive summer courses for 2-3 weeks to long term courses such as pre-sessional years for academic students. The average length of stay of EFL students stood at almost 36 days in 1998, haven risen from 29.7 days in 1990, partly a result of more students from long haul destinations. For instance, whilst Italian students stay for little more than 3 weeks, the average length of stay for Latin American students to the UK is almost 12 weeks.

Seasonality of demand

EFL visits peak in the third quarter of the year with 54% of students visiting between July- September. However the market is becoming less seasonal with over one quarter of courses now undertaken between October – March (compared to 11% in 1984). This reflects increasing demand from long haul, mature and specialist markets.



Summary of market

- The UK is the world leader for EFL tourism. However growth has slowed in recent years with the UK losing share of the global market.
- Western Europe forms the lion's share of the market, with emerging demand from the Far East, South America and Eastern Europe.
- The nature of demand is changing with the development of a range of niche markets
- EFL students to the UK are staying longer and spending more
- EFL traffic is concentrated in the summer months although there has been an increase in visits at other times of year

4. EVIDENCE FROM CONSULTATIONS

Consultations were undertaken with a wide range of representatives from the EFL industry both in the UK and overseas. This included national bodies and associations in the UK, British Council and BTA authorities overseas and agents dealing with EFL visitors. A list of consultees can be found in Appendix A.

A number of key issues arose from these consultations regarding the current nature of the market and the potential demand for EFL provision in Pembrokeshire:

Overall market trends

Consultees working with a wide range of markets (Western Europe, Eastern Europe, Japan) reported a fairly buoyant market demand for EFL courses in the UK and most felt that the level of demand would continue to rise. Despite this however some also believe that the UK is facing increasing competition from other EFL destinations and suffers from an image of being expensive and at times 'unfriendly'.

Locational preference

All consultees reported that for the majority of students the main attraction in the UK is London, or proximity to London, and it can be difficult to persuade them otherwise. This is particularly true of younger students who perceive London as 'fashionable' and 'exciting'. The south coast is also popular, as are the academic cities of Oxford and Cambridge. In general, students tend to favour cities or towns which have a high profile and a fashionable image. Older students and repeat visitors however can be more willing to experience somewhere different.

Perception of rural destinations

Consultees have received very few specific enquiries about EFL courses in rural areas. The bulk of demand is for cities or the better known towns. However, a number of respondents believed that it could be possible to attract niche markets to a rural area who are looking for something 'a little bit different'. This is particularly true of older students who want to escape hoards of other students and immerse themselves into local community life. Ground agents dealing specifically with schools groups also felt that rural areas benefit from a 'safe' image which would appeal to parents of younger students.

A number of consultees from both the public and private sector warned that providing EFL courses in rural areas can be problematic. Good quality and available teaching and sporting facilities would be a prerequisite for group visits, as would sufficient student accommodation within a close radius of the school. Provision in rural areas might also be more costly, a problem in an industry which is becoming increasingly competitive.

Perceptions of Wales

All consultees reported to have received very few enquiries for Wales specifically, from either students or agents. Many felt that one of the main barriers to this proposal would be a low awareness of Wales in overseas markets. In contrast a number mentioned the increasing popularity of Scotland (especially Edinburgh) and Ireland which now have a reasonably strong profile as EFL destinations overseas. Travelling costs and regional accents can sometimes deter students from choosing these destinations, although Ireland benefits from its inclusion in the Euro.

Some consultees suggested that the best strategy would be to target particular agents or tour operators and work hard to increase their knowledge and interest in Pembrokeshire. This would be likely to be a time consuming and expensive activity. There may also be particular market segments which have a stronger affinity to Wales. One consultee suggested the Japanese market due to the location of Japanese industry in South Wales. Another respondent in Spain believed that there is a particular interest in Wales from the bilingual regions of Catalonia and the Basque country. A number referred to the success of Swansea and Cardiff as established EFL destinations.

Course requirements

The type and level of English tuition provided was not felt to be a determining factor in the success of this proposal as long as the courses were of high quality and targeted at the right markets. For instance whilst consultees representing Western Europe markets reported a relative decline in demand for beginners English, those from Eastern Europe and long haul markets reported a high demand for low level courses. There are high value niche markets for specialist English tuition, especially business English, as well as executive and 'one to one' courses which are tailored to student needs and interests. Working towards a formal qualification can be helpful but is not always a necessity for short courses. Awarding students with a certificate to prove that they have completed the course is often sufficient.

Accommodation requirements

All consultees reported that the majority of students prefer homestay accommodation because it allows a deeper immersion into British life. Opinions about how this works in practice vary. Whilst some stated that it is quite easy to find suitable households, others commented that this is sometimes an area of disappointment for students. Families sometimes participate primarily for financial reasons and don't make the effort to integrate students into their day to day lives.

For 'one to one' or small group tuition accommodation is often provided in the tutor's house. This is popular but requires a strong commitment from the teacher. Demand for serviced accommodation such as hotels is mostly limited to the top end of the market, often business people. Student accommodation in academic institutions is popular with some groups, especially those on a budget.

Language learning plus other activities

Many EFL courses combine English tuition with other activities. This is particularly true for groups of juniors. For instance, a common timetable for a summer vacation course would be to provide 3-4 hours of English tuition in the morning followed by other activities (usually sport) in the afternoon plus two excursions per week. However packages which offer English language tuition with another activity or area of study have also become more fashionable with adults over recent years. Activities on offer tend to be concentrated on sports such as golf or sailing, rather than more passive rural activities such as walking or cycling. Consultees reported occasional requests for more 'quirky' packages. For instance, one agent working with the Japanese market reported a number of requests for EFL combined with cultural tours and garden visits. Ground handlers in the UK reported occasional requests from groups or tour operators for EFL tuition as part of a leisure or special interest tour. Such requests are infrequent and tend to be addressed as and when they arise rather than sold as a package.

Opinions on Pembrokeshire

Consultees were asked to comment on the strengths and weaknesses of Pembrokeshire as an EFL destination. Few respondents from overseas knew the region personally. However possible attractions of Pembrokeshire were felt to be the lack of other students, attractive scenery, cultural interest and opportunities for 'alternative activities' such as watersports and climbing. A more personal and welcoming atmosphere would offer an advantage over some established EFL destinations including London.

The major disadvantages of Pembrokeshire as an EFL destination were felt to be a low public awareness of the area, distance from airports and ports (particularly for individual travellers), distance from London, and a suspected lack of suitable facilities and services.

Factors for success

All consultees stressed the importance of careful targeting, proactive promotion and the need to build up close relationships with relevant educational agents. Most agents have established relationships with language schools in the UK and are not actively looking for further contacts. Building up a relationship with agents can be a time consuming and expensive exercise requiring personal visits overseas, familiarisation visits and ongoing correspondence.

The quality of English tuition and ability to tailor courses and activities to meet client's needs were seen as important factors for success. Other positive attributes include providing a warm welcome and contact with local people, giving good value for money, and offering an all inclusive service which 'make it easy' for students from the moment they arrive in the country.

Summary of views expressed

- All respondents reported strong demand for EFL courses in the UK over recent years despite increasing competition.
- Cities and larger towns are the first preference for most EFL students coming to the UK, with London the most popular destination.
- There is a relatively low demand for rural areas although they do hold some competitive advantages for niche markets. Some consultees expressed concerns about the practicalities and costs of providing EFL courses in rural areas.
- Wales currently suffers from a low awareness as an EFL destination.
- There is demand for a wide range of course levels and specialisms. The overall nature of demand has shifted in some markets, but has been replaced by others.
- Homestay is generally the preferred form of accommodation. Serviced tourist accommodation is occasionally used for the top end of the market and group accommodation can appeal to those on a budget.
- Combining English learning with other activities has become increasingly popular over recent years.
- Opinions on the attractiveness of Pembrokeshire as an EFL destination varied. Possible strengths included the lack of large scale EFL provision and attractive scenery. Possible weaknesses were identified as a low awareness and inaccessibility.
- Factors thought critical to success include proactive and carefully targeted marketing, good quality tuition and services, value for money and flexibility.

5. THE EFL INDUSTRY IN WALES

The Wales Tourist Board believe that there are at least 25 institutions involved in EFL tuition in Wales, although only ten of these are currently accredited by either the British Council or BALEAP. The accredited sector is currently dominated by the universities which offer competitively priced courses using campus facilities. There are also a number of small schools in country houses offering 'executive' courses and accommodation for individuals or small groups at a premium price. Within the accredited sector therefore, there appears to be little in between the top and the bottom ends of the market, although there may be a number of non accredited institutions filling this market gap.

Table 6: Accredited EFL schools in Wales

School	Location	Institution type	Courses offered	Age group	Accomm. offered	Accreditation
Cardiff University	Cardiff	University	General English Pre- sessional	18+	On site Homestay	BALEAP
Centre for Applied languages	Swansea	University	General English English for Business	17+	On site Homestay Hotel/B&B	British Council BALEAP
Centre for English Language Teaching	Cardiff	Private	General English English for tourism International Business English Group & 1:1	13+ Adults	Homestay Hotel/B&B	British Council
Park House Training	Montgomery	Private	Executive: 1:1	Adults	On site	British Council
Passport Language School	Swansea	Private	General English	11-17	Homestay	British Council
Penpont Manor	Brecon	Private	Delux vacation courses English plus sports Groups of 1-6 & 1:1	12-16	On site	British Council
Regent Trebinshun	Brecon	Private	Executive courses: Groups of 1-8 & 1:1	Adults	On site Homestay	British Council
University of Wales	Aberystwyth	University	English & Communication Skills English plus British/Celtic Culture English with Business English for Agriculture & Natural Sciences	17+	Onsite	British Council BALEAP
University of Wales	Bangor	University	General English	17+	On site Homestay Hotel/B&B	BALEAP
University of Glamorgan	Pontypridd	University	General English Pre-sessional	17+	On site Homestay	BALEAP

The market

The total number of overseas visitors to Wales increased steadily until 1997 but has declined since that time. Almost half of these visitors are from English speaking countries (eg USA, Ireland, Australia). Of the non-English speaking nations, Germany, the Netherlands and France are the most important.

Very little research has been undertaken into the EFL market in Wales. However, existing evidence suggests that the market is currently very small. The IPS estimates that study of any kind is the main purpose of only 1% of the overseas visits to Wales (about 8 000 visits). However this contributes to 9% of total nights and 5% of spend by overseas visitors, confirming the high value of this market. Figures for South West Wales are similar with study visits accounting for 1% of trips, 7% of nights and 8% of spend.

Informal research undertaken by WTB 4 years ago found that Western Europe accounted for about 80% of business to language schools in Wales. This is likely to have remained true with Italy, Spain and France as the most important markets. However schools have also reported some growth in the proportion of students from long haul destinations and Eastern Europe. Despite the strong pound anecdotal evidence suggests that the accredited schools are performing reasonably well and that there is a sense of optimism for the future.

Marketing activity

The group of ten accredited providers are working with the Wales Tourist Board and British Council on developing and promoting the sector. Marketing activities include a brochure, a proposed website and agents workshops in the UK and Europe. Priority markets are Italy, Spain and France followed by Germany. WTB also works closely with BTA and the British Council on promotions. Building the image and awareness of Wales as a destination for EFL has been identified as a priority for the future. This will promote the benefits of studying in Wales such as; the region's scenic beauty; opportunities for outdoor activities; a keen awareness of language by the Welsh as a bilingual nation; and the opportunity to other EFL students. The Wales Tourist Board and the marketing group were fairly positive about enhancing provision in Wales through the development of good quality EFL courses in Pembrokeshire.

6. BALLYHOURA

Ballyhoura provides an interesting case study for this proposal as it holds a number of parallels to South Pembrokeshire as a LEADER project based in an essentially agricultural rural area. EFL tourism has been successfully developed by Ballyhoura Failte for a number of years in association with a local education centre.

Two types of EFL group visit the area:

- Groups of students (between 13-18 years old) who stay for 3-4 weeks during July and August. There are 2-3 such groups visiting each year (each with about 30 students). French and Spanish agents are the source of this business.
- A French agricultural college who send students over once a year as part of their farm management course. Students receive English lessons on a number of mornings during their stay focusing on specialist English for agriculture.

These groups are accommodated in two ways:

- A local education and outdoor centre takes the groups when it has the capacity. This centre has been offering EFL tuition for many years and organises the courses independently using its own tutors, accommodation and facilities.
- On the frequent occasions when this centre is fully booked, Ballyhoura Failte organise the courses themselves renting space in a local secondary school (two classrooms and a lunch room).

Logistics

- Groups are transferred by coach from the port/ airport.
- On the first day the students undertake an assessment to determine their level of English and are then divided into two groups according to ability.
- Class sizes are restricted to a maximum of 15 students and teachers rotate classes throughout the course.
- Groups are allocated a local leader in addition to the staff who come over with the students.
- Students have English classes in the morning followed by activities and excursions in the afternoon.
- The programme of activities is tailor made to meet the group's need. Activities include horse riding, climbing, swimming, football, cinema visits and hurling. Groups are also taken on excursions to a number of cultural attractions and older students have an overnight visit to Galway. Activities are charged for individually in addition to the main course fees.
- Students receive a certificate on completing the language course.

Teaching staff

Ballyhoura Failte have 6 teachers on their books who have been recruited through local advertisements. Tutors must be TEFL qualified as well as having suitable teaching experience. Most of these teachers are farmer's wives and a number independently offer one to one tuition from their own homes.

Accommodation

The majority of students stay in homestay accommodation. Families are recruited through advertisements in the local media. There has been a good response from local families and the process has worked well. They currently have over 140 families on their books. Families are chosen who have children close in age to the students coming over. This means however that it is necessary to recruit new families on an annual basis. In most cases families take responsibility for transporting students to lessons, often taking it in turns with other families in the neighbourhood. The agricultural students all stay on working farms.

Marketing and promotion

Contact with agents was initially made through Bord Failte offices overseas. These agents were sent sample packages followed by a number of phonecalls and personal visits to discuss their requirements further. Maintaining an ongoing relationship with these agents has secured a stable source of repeat business.

Lessons and comments

- EFL students offer a small yet stable source of visitors for the Ballyhoura area. This business has created additional income for local people such as tutors and families offering homestay accommodation.
- Rather than setting up in direct competition, Ballyhoura Failte have added value and built onto the business of an existing EFL course provider.
- The rural and welcoming nature of Ballyhoura is felt to be a strong attraction for groups and the rising profile of the area as a holiday destination has also helped. Gaelic attractions and culture have proved particularly popular with groups.
- Recruiting and satisfying agents is a time consuming and expensive process. It is important to remain flexible and to tailor make packages according to demand.
- A practical lesson is that it is vital to be crystal clear about the conditions and terms of the package from the outset. For instance, in many cases agents assume that group leaders will be accommodated for free.
- Profits are modest with Ballyhoura making a margin of 10% on most aspects of the package.

7. SPARC AND THE SOUTH PEMBROKESHIRE PRODUCT

A detailed audit of the infrastructure and services available in South Pembrokeshire lies outside the scope of this study. However a brief review of the elements of the product relevant to EFL provision is outlined below. This is followed by a summary of SPARC's own activities in terms of developing and promoting rural tourism in the local area.

Current EFL provision in Pembrokeshire

Consultations have revealed a number of past or existing providers of EFL courses in the South Pembrokeshire area although none are accredited by the British Council and activity is limited:

- PBS, Tenby. A language school in Tenby which closed down last year after 3-4 years of operation. Business had been generated through the director's personal contacts in hotel schools in Switzerland whereby groups of students visited to learn English for hotel management. The business closed down following the collapse of a number of these client schools. The school is now available for rent. It is located in the centre of Tenby and can cater for up to 30 students.
- Pembrokeshire Higher Education College in Haverfordwest offer full time English language courses (up to 20 hours a week), for their own students and others. These are currently only available in term time, but they are hoping to offer summer courses in the future, making use of self catering accommodation on the campus.
- Netherwood School in Saundersfoot currently accommodate overseas students on GCSE courses and offer EFL tuition alongside this. However the school is unused during holiday periods and they are exploring the potential for developing shorter vacation EFL courses in the summer. Facilities include modern classroom equipment including a language lab as well as sports facilities and attractive grounds. There is dormitory accommodation for up to 48 people.
- One to One English Homestays are a group of tutors in Wales offering a wide range of general and specialist EFL courses from their homes. Two of these tutors are based in Pembrokeshire (at Whitland and Pembroke Dock)
- Tenby Further Education College run EFL courses on one day a week aimed at overseas residents living and working in the area. An English course is also available through the Coronation Centre at Pembroke Dock for foreign language students who have been in the UK for over six months.

Potential resources for language school development

Premises

Consultations have highlighted a number of potential premises which could be investigated further to assess their suitability for EFL course provision and who have shown initial interest in hiring their facilities or working in partnership with SPARC:

- Netherwood School during vacation periods (see above). The Principal expressed interest in either working in partnership with SPARC or hiring out the school facilities.
- PBS language school facilities in Tenby (see above).
- Pembrokeshire Higher Education College (see above).
- Bloomfield House Community Centre, Narberth. This centre contains a number of classrooms with a maximum capacity of about 30 classroom style. The centre also contains a wide range of sporting and IT facilities and runs a variety of day and evening leisure courses. The manager felt that the centre could accommodate block bookings from language students at most times of year although there might be problems between September and December.
- Other community centres in the area include the East Williamson and St Florence. A potential function as teaching premises might be used to support funding applications for the further development and enhancement of such community facilities.

Accommodation

South Pembrokeshire offers a range of commercial serviced and self catering accommodation, ranging from farmhouse bed and breakfasts to larger hotels in Tenby and Saundersfoot. Group accommodation is also available in youth hostels and activity centres. Many of these operators would have capacity to accommodate additional business, especially outside the peak season. There is currently a heavy reliance on the third quarter of the year, with 55% of business occurring during this period. SPARC has already built up a working relationship with accommodation operators in the area, which could be valuable in terms of meeting any demand for this type of accommodation from EFL students.

It is not possible at this stage to identify the potential resource of homestay accommodation. The PBS school in Tenby had not found it difficult to find suitable homestay accommodation for their students in the past. However given the rural nature of the area, the logistics of transporting students to and from their accommodation bases would need to be solved. Ideally it would be preferable to find accommodation within close proximity of the teaching premises.

Tuition

Although it is not possible to identify the availability of English language teachers in the area at this stage, anecdotal evidence from existing and past EFL providers suggests that they have not found it hard to attract qualified local teachers. The PBS school at one time employed one full time and five part time staff and the director believes that these teachers might still be available for work. (She could provide these contacts at a later stage if necessary). The community audits in Tenby, Narbeth and Pembroke also point to considerable language skills within the local community.

Attractions and activities

Possible weaknesses for attracting EFL students to the area are the lack of internationally known attractions or towns and limited evening entertainment. However the region's attractive natural scenery, coastal national park and heritage are all significant selling points and there is a range of visitor attractions both locally and within reach of the area for excursions.

In addition there is a range of outdoor activities on offer including walking, cycling, golf, water sports, horse riding and climbing. Anecdotal evidence from consultations has underlined the popularity of combining such activities with EFL tuition, especially for youth groups. There are a number of activity centres operating in the area which already cater for schools and groups and which offer overnight accommodation.

Accessibility and transport

South Pembrokeshire is relatively inaccessible from UK gateways. This contrasts to many of the established EFL destinations which are in close proximity of the London airports or ferry ports. The closest international airports are Cardiff (90 miles) and Bristol (150 miles). Cardiff airport offers direct services to Amsterdam, Brussels and Paris and through these there are further connections worldwide. There are also a number of charter flights to European countries such as France, Spain, Italy and Portugal. There are no direct ferry routes from continental Europe. Direct train services to the area run from Cardiff, Birmingham and Manchester and direct coach services operate from Birmingham and London.

SPARC's tourism activities

SPARC's tourism activities in the past have primarily been concerned with leisure tourism. SPARC has worked with the local community and businesses to develop and promote a range of products based on the 'quiet enjoyment of the countryside'. These holiday packages combine accommodation with activities such as walking, cycling, fishing, painting and heritage and are promoted under the banner of 'Landsker Countryside Holidays'. SPARC's role has been to act as a facilitator and to provide support through information provision, training, marketing and promotional activities. The Landsker Countryside Holiday Bureau has also been set up to act as a central booking facility for these tourism packages.

Current marketing activities include targeting some niche market segments in overseas markets. SPARC work with tour operators in Holland, USA and Belgium which result in over 900 bednights each year. These visitors come primarily to the area for walking and cycling and tend to be in the 45+ age group. About 60% travel by train on the Eurostar and then through to Whitland by train.

SPARC have no previous experience of working with educational groups or agents. However they do offer a number of assets and competences which could be employed in this proposal:

- Experience of overseas marketing and working with incoming tour operators
- A good knowledge of, and established links with, the local community and businesses.
- An established central booking facility
- Financial resources, which could contribute to initial set up costs as well as on going funding for marketing, training etc.

The long term objective of this project however would be to develop a product which can eventually become self supporting and financially viable.

8. SITUATIONAL ANALYSIS: SWOT AND SUMMARY

Key issues arising from the reviews of market demand, competitor provision and local facilities are brought together and summarised below as a SWOT analysis:

SWOT

Strengths

- Marketing expertise and resources through SPARC
- Existing central booking service
- No current overcrowding from EFL students
- Heritage, coast and landscape attractions
- Rural activities eg cycling, horse riding, fishing
- Varied mix of accommodation
- A welcoming environment

Weaknesses

- Low market awareness of the destination
- Inaccessibility
- No previous experience of EFL provision
- Limited choice of some social activities eg evening entertainment, shopping
- Few high profile attractions or towns
- A marketing focus in the past on the 45+ age group which makes up a relatively small proportion of the EFL market.

Opportunities

- Reasonably strong market demand
- Emergence of new geographical markets
- Increasing demand for niche products eg 'English plus activities'
- No direct competitors locally and limited competition within Wales
- Further development of tourism infrastructure and products in Pembrokeshire
- Opportunities to 'spread the benefits' of EFL tourism through homestay accommodation, student expenditure etc
- Efforts by WTB and the Learn English in Wales Group to increase the profile of Wales in the EFL market internationally.

Threats

- Increasing competition from within the UK and from overseas
- Negative effect of the strong pound
- Possible conflicts arising between EFL groups and local residents
- Logistical problems and costs associated with developing EFL provision in a rural area
- Inability to break into existing agent / language school relationships

Summary

- Overall, demand for EFL courses remains strong although the market is becoming increasingly competitive both within the UK and from overseas. The barriers to entry are high and will require strong promotional effort.
- The bulk of market demand is from Western Europe and for general English courses. However, emerging geographical markets and demand for specialist and 'English plus' packages have opened up opportunities for niche marketing.
- The lack of language school provision in Pembrokeshire in the past can be viewed as both a weakness and an opportunity for its future development. Low awareness of Wales from overseas markets may mean that immediate interest from consumers is limited. However the ability to offer 'something different', of high quality, and away from high concentrations of other students could offer a USP in some markets
- If developed in a sensitive manner, EFL tourism could make a positive contribution to SPARC's objectives by attracting a new source of overseas visitors with good opportunities for 'spreading the benefits' throughout the community. Although the bulk of EFL business is concentrated in the summer months, demand for courses at other times of year is increasing, especially from the mature and long haul markets.
- Overall market evidence suggests that there are opportunities for developing EFL tourism in Pembrokeshire although competition is fierce. Overall, demand remains reasonably buoyant and the area offers some attributes which could meet rising areas of demand, (such as combining English with other activities). Well targeted, proactive marketing and a good quality product will be critical to success. SPARC would be able to provide the initial marketing impetus needed to build up a customer base, which would be difficult for a small independent school to finance on its own.

9. STRATEGIC EVALUATION AND RECOMMENDATIONS

Strategic evaluation

A number of strategic alternatives are open to SPARC for developing EFL tourism in South Pembrokeshire, each requiring a differing level of resource input and risk. In order of decreasing commitment these are to:

1. Set up a permanent, dedicated English language school.
2. Offer EFL courses making temporary use of one or more premises.
3. Offer EFL tuition as an option in existing holiday packages.
4. Work with existing EFL providers to add value to their offer.
5. Abandon the proposal.

These alternative routes are considered in more detail below with reference to product requirements, market opportunities, and potential fit with SPARC's own objectives and activities:

Option 1: Set up a permanent and dedicated English language school.

Setting up a permanent EFL school offers potential advantages in terms of: developing a professional and quality approach; building market profile; bringing high visitor spend and creating permanent job opportunities. The majority of schools in the accredited sector are in this category.

However such a project would demand a high degree of investment and risk, with the acquisition of permanent premises, staff and additional services. Market evidence suggests that maintaining the level of demand required to cover the venture and revenue costs of such a project in South Pembrokeshire could not be guaranteed. Further in depth research and market testing would therefore be vital before any such venture was undertaken.

We would recommend that this option is not pursued by SPARC directly. However, if future experience indicates a high market demand, the development of a permanent EFL school in the private sector could offer a suitable exit strategy for SPARC in the long term.

Option2: Offer EFL courses making temporary use of one or more premises

This approach would involve lower levels of investment and risk. There would be fewer fixed costs to meet, with local facilities and resources used only in direct response to demand. However, the guaranteed availability of good quality facilities and services would need to be ensured in order to promote a consistent offer. This is the strategy that has been adopted by Ballyhoura.

This approach would call for a high level of management co-ordination and a strong marketing commitment. SPARC offers some advantages in fulfilling this role with existing marketing expertise, local knowledge and available resources. Such a

venture could also potentially contribute to a number of SPARC's objectives by: providing additional income to community facilities such as educational centres; creating temporary employment for local teachers; and creating new visitor spend on accommodation, visitor attractions etc.

The experience of Ballyhoura illustrates that the market reality of such a venture is that it is likely to bring in only modest levels of business to the area and fairly marginal returns. However evidence from consultations suggests that there is potentially sufficient demand to pursue this option for a trial period in South Pembrokeshire.

Option 3: Build EFL tuition into SPARC's existing holiday packages

A low cost and low risk strategy would be to simply add EFL tuition as an optional extra in SPARC's existing portfolio of holiday packages. Individual and group visitors from overseas could be offered EFL tuition, either by fitting them into existing EFL classes in the area or by employing a local EFL tutor to offer classes on request. This option would be relatively easy to put in place and could add value to existing packages, as well as creating a small amount of additional employment for local teacher(s).

Demand from SPARC's current overseas markets is likely to be fairly low, as many visitors already have good English coming from the Netherlands and the USA. Consultations have also revealed only limited demand for English learning within a holiday package by the overseas leisure market as a whole. However, there may be some opportunities to target such leisure packages at niche markets creating a small volume of additional business.

Option 4: Working with existing EFL providers to add value to their existing offer

If SPARC choose not to take a direct involvement in EFL tourism there may still be opportunities to work in partnership with independent EFL providers in the future. For instance, Ballyhoura have used their marketing resources to provide additional business for an existing educational centre. There may be a similar role for SPARC to play, offering any new EFL schools in the area support through marketing and business training services. There may also be opportunities to encourage existing EFL students staying in the area to explore the rural area and take part in the countryside activities promoted by SPARC.

Option 5: Abandon the proposal

There are a range of potential threats and weaknesses which could hinder the success of this proposal. Fierce competition both from schools within the UK and overseas, relative inaccessibility and a low market awareness of the area all mean that a forceful and sustained marketing effort will be essential to break into the market. The opportunity costs of getting this proposal off the ground therefore need to be assessed carefully in relation to alternative options for investment in product and market development in the area.

Recommendations

Consideration of these strategic options suggest that if SPARC decide to follow this proposal through, the most suitable paths for action would be:

- To develop EFL packages making temporary use of existing facilities in the area (option 2) ; and to
- Offer EFL tuition as an optional extra in SPARC's existing holiday packages (option 3).

With high entry barriers into the market, the success of this proposal will rest heavily on the adoption of a committed and proactive marketing approach. The unique benefits of choosing South Pembrokeshire as a destination for EFL will need to be pushed hard in order to forge a distinctive competitive position in the market place.

Market positioning

In order to compete on a level platform with existing providers in the UK, the EFL product offered in South Pembrokeshire will need to be:

- *High quality*; ensuring excellent standards of tuition, facilities, accommodation, welfare etc.
- *Market led*; tailoring packages to meet clients' needs.
- *All inclusive*; 'making it easy' for the client from the moment they arrive in the UK (and counterbalancing the relative inaccessibility of the area as a weakness).
- *Price competitive*; (relative to other comparable providers in the UK).

However, additional attributes capable of providing South Pembrokeshire with a distinctive advantage over competitor destinations could be:

- *Scenic beauty and cultural heritage*: The opportunity to experience and get to know a beautiful and 'unspoilt' region of the UK.
- *An 'alternative destination'*: An opportunity to experience 'somewhere different' and escape hordes of fellow students. .
- *A warm and authentic welcome*: The benefits of studying in a safe and welcoming environment with opportunities for students to immerse themselves into local community life. A 'relaxed' environment in which to learn
- *A wide range of exciting and unusual activities*: Opportunities for students to combine English learning with additional activities and interests based on the enjoyment and understanding of the local landscape and heritage. These activities could include: active pursuits (such as watersports or climbing); activities based on the enjoyment of the countryside (including those activities promoted by SPARC such as cultural tours, walking, fishing and painting); and topics of educational interest (eg Celtic culture, Welsh literature, local crafts etc).

Market segmentation and targeting

Customers for EFL courses in the UK can be broadly divided into two groups:

- intermediaries (such as educational agents, language schools, specialist tour operators etc), and
- the end consumer (ie the student).

The intermediaries

These remain the dominant players within the distribution and selling chain for EFL courses overseas and should be the primary target for SPARC's promotional activity. They offer local contacts and specialist market knowledge and can be nurtured into a loyal source of repeat business through tailoring packages to meet their needs. However, most have already established long term relationships with EFL schools in the UK so proactive and personalised selling will be essential to break into these existing supplier – distributor networks.

Lists and descriptions of educational agents and tour operators in different markets are available from BTA , the British Council and relevant national trade associations. An initial selection of intermediaries to target could be made on the following criteria:

- *Geographical region.* Markets to target (in priority order) could include:
 - France, Italy, Spain and Germany. The largest EFL markets for the UK.
 - Japan. Anecdotal evidence suggests a relatively higher awareness of Wales in this market.
 - Eastern Europe. Although growth has slowed recently this is still a relatively new market offering fresh opportunities to build relationships with agents.
 - Latin America. Not a priority market in the short term. Although this region can offer a valuable source of winter business, students tend to look for long term courses (more easily provided by a permanent language school).
- *Field of business.* Some agents specialise in particular areas of demand such as university courses or specific geographical areas in the UK. This will eliminate a number of potential agents from the list.
- *Accessibility.* The ease and cost of travelling to South Pembrokeshire from the destination should be considered. For instance, are there direct flights to Cardiff from the destination or can a cost effective alternative be offered?
- *Age of clients.* At this stage it would be worthwhile contacting agents dealing in both the youth and adult markets. SPARC's previous experience suggests that adult groups have potential due to the area's scenic beauty and the opportunity to escape the large groups of younger students found in other EFL destinations. However, South Pembrokeshire offers advantages for the substantial junior EFL market, such as safety and opportunities for outdoor pursuits. The lack of cities and evening entertainment in the area, and the pull of competitor destinations such as London, may present problems in attracting young adults to the area.
- *Existing links with Wales /South Pembrokeshire.* There may be opportunities to target areas or organisations which have an existing affinity with the area, (such as the bilingual regions of Spain). There may also be more specific opportunities

which could be exploited, such as personal contacts made overseas by EFL teachers or others, and any relationships forged overseas through town twinning programmes etc.

The end consumer

As a small scale and non accredited provider a broad marketing effort aimed at the end consumer would be unlikely to be effective. However there may be opportunities for the niche marketing of EFL packages in line with SPARC's current promotional approach. This would target the adult market offering EFL in conjunction with leisure activities based on the enjoyment and appreciation of the countryside (such as sightseeing, walking, fishing etc). These packages could be targeted at:

- Special interest markets in European markets such as France and Germany, (building on SPARC's current activities).
- Overseas residents studying or working in the UK for one year or more. These students could be offered a package during their vacation periods, which combines a rural holiday in a scenic area of Britain with informal EFL tuition.

10. RECOMMENDATIONS FOR ACTION

The following section sets out some initial guidelines for developing and promoting English language tourism in South Pembrokeshire. Once developed, the product offer should be market tested before launching it to a wider audience. Promotional activity should then focus on personal selling to agents and tailoring packages to meet clients needs.

Success will rest on a proactive and dedicated approach and will ideally require at least one part time staff member to take the project forward. This person would take on the overall management and co-ordination of the project, designing packages, developing promotional activity, maintaining communication with clients and ensuring the quality of the visitor experience. They will ideally have a background in EFL tuition and will require support from SPARC staff and resources.

1. Developing a good quality product

This study has made an initial analysis of the potential for using local resources in South Pembrokeshire for English language tourism. Further ground level research will now be necessary in order to establish the quality and availability of these local facilities and the logistical implications of using them. In outline, these will include:

Teaching premises

A commitment should be sought from one or two suitable premises to provide facilities for tuition. At a minimum these facilities should include two classrooms (holding up to 15 students in each), appropriate classroom equipment, a common room for relaxing and eating and lavatories. Facilities should be in a good state of repair and comfortably furnished. Additional facilities such as a language lab, catering and sports facilities would also be an advantage.

A first step will be to speak in more detail to each of the venues offering potential. The selection of venues will depend partly on negotiations regarding price, availability and flexibility, as well as social and geographical considerations relating to SPARCS wider objectives. In order to ensure consistent quality and make programme co-ordination as simple as possible, it would be preferable to focus on just one venue, at least initially.

Teaching staff

A small pool of teaching staff should be established by approaching existing EFL teachers in the area or advertising in the local media. Our consultations with current and past EFL providers in the area suggests that there are qualified people in the area and lists should be built up from these and other contacts. Tutors should ideally be TEFL qualified with at least three years suitable teaching experience. It will be important to ascertain the availability and prices charged by these teachers.

Accommodation.

A range of accommodation could be offered to suit client needs including bed and breakfasts, hotels, group accommodation, as well as a pool of homestay accommodation.

The commitment and attitude of homestay providers will be crucial to ensuring a good quality visitor experience. Families will need to be friendly and caring and prepared to treat the guest as a full member of their household. For young groups it would also be preferable to place students in homes with children of their own age. Homestay providers will need to provide meals, a study area, share common living areas and be prepared to transport students when necessary. One member of staff would take responsibility for student welfare acting as a first point of contact for any student complaints or problems.

A first step would be to test the potential level of interest in homestay provision by the local community with no commitment from either side. This could be undertaken through local media coverage, advertising or other channels of communication with the local community.

Once a decision is taken to proceed, further steps need to be taken. On signing up, participants should be police checked for any past convictions and their homes inspected, both at the outset and regularly thereafter. One way of helping to ensure commitment would be to hold a compulsory seminar for anyone wanting to take part, covering topics such as customer care and understanding cultural sensitivities. Evidence from current EFL providers suggests that students are charged between £80-100 a week for homestay accommodation.

Developing the EFL package

A number of EFL course combinations could be developed building on local resources and competences:

- *General English courses:* Offered at a range of levels from beginners to advanced with certificates awarded on completion. For younger groups such packages often consist of 15 - 20 hours of tuition per week, with lessons in the morning and leisure activities in the afternoon. More mature students may demand more intensive tuition.
- *Specialist English courses:* Local EFL teachers may have experience or an interest in English for special purposes which could be developed to meet demand from niche markets. It may also be possible to combine English learning with specialist areas of study relevant to SPARC's own activities such as tourism or agriculture, including site visits and talks from practitioners.
- *English plus leisure activities:* There are good opportunities for offering a range of EFL packages combining English learning with leisure activities. A portfolio of such activities could be developed such as outdoor pursuits, walking, cycling, painting, crafts, fishing, Welsh culture etc. EFL tuition could also be included as an option in SPARC's existing leisure packages, promoted overseas to individuals and groups in special interest markets.

Pricing

The range of EFL packages should be price competitive relative to other providers in the UK. Prices currently charged in the UK vary greatly according to the type of course, additional services and activities, quality of accommodation etc. For example:

- Universities charge between £125-£400 a week, depending on whether students stay in self catering accommodation owned by the university, homestays or bed and breakfasts.
- Private schools offer packages priced between £180- 500 a week depending on the numbers of hours tuition, type of accommodation and social programme. The majority however are priced between £200-£300.
- At the premium end of the market there are executive courses offering one to one or small group tuition and deluxe accommodation which can cost up to £1-2000 a week.

2. Preparing a budget

Having identified the various elements of the EFL package, a fully costed offer will need to be drawn up. An example of a budget, with indicative costs, is given here.

Table 7 : Estimated indicative annual budget (target)

		Revenue £	Costs £
Sales*		62 500	
Variable costs	Accommodation **		22 500
	Rent of Classrooms***		2 000
	Teaching staff***		6 000
	Transport & leisure activities		4 000
	Additional administration		1 000
Marketing costs			
	Production of promotional materials & website		6 000
	Direct mail		1 000
	Overseas meetings / fairs		3 500
	Advertising		2 000
Support costs			
	Part time officer		11 000
	Training		1 000
	Teaching materials		1 000
	Administration		1 500
TOTAL			62 500

*Based on 5 groups of 25 students staying for 2 weeks. Price charged per student week - £250.

** Based on students paying £90 per week for homestays.

*** Based on 2 teachers/classrooms per group of 25 students and 15 hours of tuition per week.

The budget above outlines the main areas of expenditure and makes approximate annual estimates for each of these. It represents a target break even situation. In

reality, the level of sales achieved as shown are ambitious and should be expected to be lower than this, especially in years one and two. Therefore, SPARC should accept that this needs to be a subsidised activity, justified by benefits to the community which could be built upon in the longer term.

The budget does not include any additional costs relating to insurance or compliance with legislation relating to travel packaging. As SPARC is already an operator this may already be covered in its existing arrangements but this would need to be checked.

3. Market testing the offer

Once the offer has been developed, further feedback and suggestions should be sought from a small number of players in the market such as overseas agents, EFL teachers and independent organisations such as the tourist boards. These organisations should be approached by telephone to ask if they are happy to participate. Those willing to comment would then be sent a sample information pack, followed by a further telephone conversation to discuss any queries or suggested modifications.

4. Refining the offer

Before its launch, the offer should be further refined in line with this market feedback. Additional preparation will also need to be undertaken in terms of co-ordinating the product on the ground, training days and literature production.

5. Launch and market the offer over a trial period (2-3 years)

The final product offer should be promoted hard over the first year primarily targeting overseas agents. Promotional activities could include:

- An EFL brochure / information pack aimed at agents, selling hard the benefits of the destination as well as giving detailed information on the courses, services, activities etc. These would be mailed to the selected agents overseas followed up by a telephone call to ascertain the level of interest. In order to convert interest into bookings it may also be necessary to arrange a personal meeting with agents or a familiarisation visit to the area.
- An EFL page on the SPARC website, registered with relevant educational and EFL networks on the web.
- The costs and benefits of undertaking a range of other promotional activities should be investigated. For instance, attendance at relevant educational fairs (such as Expolangues in Paris) can offer a forum for meeting agents and consumers in person. Opportunities to advertise in EFL journals or websites might also be considered. The lack of accreditation restricts participation in national promotions but opportunities for joint marketing with other EFL schools could be investigated.

- The inclusion of EFL courses in SPARC's existing promotional activities aimed at niche leisure markets in Western Europe, as well as targeting students already studying within the UK.

6. Seek accreditation and develop the product offering further (2+ years)

Schools offering classes for less than 24 weeks a year are able to seek British Council accreditation after three years of operation. If the trial period indicates a strong market outlook the potential for achieving accreditation should be considered in order to take advantage of national promotional campaigns led by WTB, BTA and the British Council and to ensure quality.

In the long term, opportunities should be investigated for SPARC to hand over the management and operation of these EFL packages to the principal venue concerned or to a group or individual from the private sector.

Summary of recommendations:

- Further research should be undertaken to ascertain the quality and availability of resources in the local area; including premises, tutors, accommodation, transport and social activities. The logistics and costs of pulling these factors together into a package will also need to be assessed.
- EFL courses can then be developed making temporary use of these existing resources. Ensuring the consistent quality of facilities and services should be paramount.
- The special attributes of South Pembrokeshire should be highlighted in order to forge a competitive position within the market place. These include: the area's scenic beauty and cultural heritage; a warm and authentic welcome; and opportunities to undertake a range of additional leisure and educational activities.
- These packages should be market tested and then launched on a trial basis for two or three years.
- Marketing activity should focus on proactively targeting agents operating in Western and Eastern Europe, as well as some selected long haul markets such as Japan.
- EFL tuition could also be included as an element within SPARC's existing portfolio of holiday packages, aimed at niche leisure markets overseas as well as foreign students studying in the UK.

List of Consultees

APPENDIX A

ARELS	Sue Coultard
Ballyhoura Failte	
Bloomfield House Community Centre	David Watkins
British Council, London	Rhodri Jones
British Council, Berlin	Bianca Henze
British Council, Madrid	John Carrivick
British Council, Paris	Marianne Garcia
British Council, Warsaw	Maria Makarewicz
British Council, Rome	Jenny Gilmore
British Tourist Authority, London	Shona McFarlane
British Tourist Authority, Milan	Betina Gerachi
Dyfed Welsh language consortia	Phillip Brake
Euro-Academy	
Euro- Wales	Emyr Griffith
Jenny Braden Holidays	
JTC Tours UK	Stephen Cullis
Netherwood School	Huw Morris
Go West Ltd	Vanessa
Pembrokeshire Higher Educ. College	Hazel Thompson
PBS, Tenby	Brenda Leicester-Jones
See Europe Ltd	
Spantheplanet Ltd	Paul Norbury
Visit Britain	
Wales Tourist Board	Robert Lewis

BTA Market Profiles and Marketing Opportunities series, 2000/2001

Does British English Rule Okay?, Richard Batchelor, ETB Insights March 1998.

ELT Competitor Analysis, The British Council, 2000.

Language School Group Travel National Survey, Group 2000 reports, 1997.

Language Schools and Destination Management, Michele Grant, ETB Insights November 1998.

Marketing English Language Courses, British Tourist Authority, 2000.

The English Language Study Market – Present Conditional, Future Imperfect, Richard Batchelor, ETC Insights March 1995.

Through other eyes: How the world sees the United Kingdom, British Council 1999