Ambient Insight
Premium Report

The 2013-2018 Worldwide Digital English Language Learning Market

Five Major Catalysts Driving a Surge in Revenues in All Seven Regions

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Market Analysis by:
Sam S. Adkins, Chief Research Officer

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Executive Overview

The global market for digital English language learning products reached $1.8 billion in 2013. The worldwide five-year compound annual growth rate (CAGR) is 11.1% and revenues will surge to $3.1 billion by 2018.

Ambient Insight has revised our international forecasts for digital English language learning products significantly upward from previous forecasts. Revenues will more than double over the forecast period in 51 of the 98 countries analyzed in this report.

This report provides five-year digital English language learning product forecasts for 98 countries in seven regions: 16 countries in Africa, 20 countries in Asia, 9 countries in Eastern Europe, 15 countries in Latin America, 12 countries in the Middle East, 2 countries in North America, and 24 countries in Western Europe.

<table>
<thead>
<tr>
<th>Table 1 – 98 Countries Analyzed in this Report by Region</th>
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<tbody>
<tr>
<td><strong>Number of Countries Analyzed in Each Region</strong></td>
</tr>
<tr>
<td>16 Countries in Africa</td>
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<tr>
<td>20 Countries in Asia</td>
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<tr>
<td>9 Countries in Eastern Europe</td>
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<tr>
<td>15 Countries in Latin America</td>
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<tr>
<td>12 Countries in the Middle East</td>
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<tr>
<td>2 Countries in North America</td>
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<tr>
<td>24 Countries in Western Europe</td>
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In terms of growth rates, the regions with the highest growth rates are Africa, Asia, and Latin America at 20.5%, 14.2%, and 13.8%, respectively. The growth rates in the Middle East and Eastern Europe are also quite healthy at 13.2% and 12.9%, respectively.

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Africa has the highest regional growth rate for digital English products in the world. Revenues reached $19.5 million in 2013 and will more than double to $49.5 million in 2018.

- The revenues in Asia will climb to $1.6 billion by 2018, up from the $863.1 million reached in 2013.
- In Latin America, revenues will almost double to $260.9 million by 2018, up from the $136.2 million reached in 2013.
- Revenues for digital English language learning products in the Middle East will spike to $215.7 million by 2018, up from the $116.1 million reached in 2013.
- Revenues in Eastern Europe reached $58.7 million in 2013; revenues will surge to $107.6 million by 2018.

Growth rates in Western Europe and North America appear to be low only if they are compared to the other regions. These two regions are the most mature markets with well-established revenue streams and spending will remain steady.

**Figure 1 - 2013-2018 Worldwide Digital English Language Learning Five-year Growth Rates in by Region**

The five-year compound annual growth rate (CAGR) for digital English language learning products in Western Europe is 4.5%. Revenues reached $343.8 million in 2013 and will grow to $428.6 million by 2018.
The growth rate for digital English language learning products in North America is 5.3%. Revenues reached $318.1 million in 2013 and will spike to $410.9 million by 2018.

In November 2013, Cambridge University Press reported in their annual financial report that "Nearly 90 per cent of the Press’ sales were from outside the UK, and as growth slows in some Western European and the North American markets, opportunities in Latin America, the Middle East, Africa and Asia are increasing. Sales to schools in South Africa grew hugely, linked to the new curriculum, and China, Mexico, Turkey and Saudi Arabia all saw significant sales successes."

The top buying countries throughout the forecast period are China, the US, South Korea, Japan, and Brazil. In 2013, China barely edged out the United States to become the top digital English language learning buying country in the world.

By 2018, Brazil will overtake Japan to become the fourth-largest buying country and the Russian Federation will overtake India to become the sixth-largest buying country.

What is interesting about the top buying countries in 2018 is the emergence of Indonesia, Poland, and Malaysia. These countries now represent significant revenue opportunities for suppliers. These countries will be outspending countries with more mature markets like France, Germany, and Sweden, which will all fall off the top fifteen list.

Table 2 - Top Fifteen Digital English Language Learning Buying Countries for 2013 and 2018

<table>
<thead>
<tr>
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<th>2013</th>
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<tr>
<td>1.</td>
<td>China</td>
<td>China</td>
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<tr>
<td>2.</td>
<td>The United States</td>
<td>The United States</td>
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In terms of revenue growth, the countries with the highest growth rates are Sri Lanka, Thailand, Ethiopia, Pakistan, Mozambique, Malaysia, Kenya, Laos, Indonesia, and Uganda. All of these countries have growth rates that are more than three times higher than the aggregate global growth rate.

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Ghana, Bangladesh, Rwanda, Angola, and Vietnam all have growth rates above 30%. What is striking about this roster is that **all of these countries are in either Asia or Africa.**

Of the 98 countries analyzed in this report, 24 have growth rates that are more than twice the size of the aggregate global growth rate. All of these countries are located outside Western Europe and North America.

**Figure 2 - 2013-2018 Top Ten Worldwide Digital English Language Learning Five-year Growth Rates by Country**

It should be noted that 16 of the countries in this report have flat-to-negative growth rates. There are a variety of trends that are influencing these low growth rates including government policies. For example, several government-operated school systems mandate the use of free Open Educational Resources (OER) or develop their own instructional material reducing the revenues opportunities for commercial suppliers. That said, even in countries that promote OER, commercial language learning products are often in high demand.

Ironically, one trend inhibiting the growth rates for commercial English language learning products is fluency. The growth rate for digital English language learning products in Sweden is negative at -1.4%. Almost all of the revenue is generated by sales to primary and secondary schools.

Swedish students are fluent in written and spoken English by the time they leave high school. Consequently, there is virtually no consumer demand for digital English language learning in Sweden.

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The market conditions are similar in the Netherlands, Denmark, Finland, and Norway. In all of these countries, there is significant spending in the PreK-12 segments, but very little in the consumer segments.

**The Big Picture**

The worldwide language learning market (all languages combined) was a $56.3 billion industry in 2013. The overall worldwide language learning market is gradually shrinking due to the adoption of cost-efficient technology-based products and the migration away from classroom and print products.

In this report, Ambient Insight isolates the addressable market for learning suppliers and excludes revenues generated from localization, interpretation, translation, and other language-related services.

Figure 3 – The 2013 Global Language Learning Industry (in $US Billions)

English language learning products (digital and non-digital combined) generated $35.5 billion (or 63% of the total language learning market) in 2013, **making it the largest concentrated revenue opportunity in the international language learning market.**

As of 2013, only 5% ($1.8 billion) of that $35.5 billion English language learning revenue was generated by the sales of digital products, which indicates a significant potential for growth.
The current digital English language learning revenues are heavily concentrated in five learning product types: Self-paced eLearning (courseware), Digital Reference-ware (eTextbooks, video, audio), Collaboration-based Learning (live online classes and live online tutoring), Mobile Learning apps and edugames, and Mobile Learning value added services (VAS). A five-year breakout for these products is provided for each of the seven regions analyzed in this report.

**The Five Major Catalysts**

There are five major catalysts driving the digital English language learning market across the globe:

- Large-scale digitization initiatives in the academic segments
- New government educational policies designed to increase English proficiency
- Consumer demand for digital language learning products, particularly mobile products
- The proliferation of Mobile Learning value added services (VAS)
- Strong demand for specialized forms of English (like aviation and business English)

**Figure 4 - Primary Catalysts in the Worldwide 2013-2018 Digital English Language Learning Market**
An analysis of these catalysts is provided for all the countries included in this report. Not all of these catalysts are present in every. Moreover, in some countries, these trends can be inhibitors. Government education policies are not always favorable to suppliers.

For example, the Hungarian government nationalized the primary textbook industry in late 2013. The government is now the sole developer and distributor of print textbooks in the state-run primary schools. The law takes effect in September 2014 and it is still unclear how this will impact the digital content suppliers.

Some countries and regions have other catalysts that are unique to the area. A detailed overview of the catalysts for each region is provided in the free abstracts for all seven regional digital English language reports published by Ambient Insight.

**Large-scale Digitization Initiatives in the Academic Segments**

Large-scale digitization of educational content is now underway across the globe. Governments and private school chains are spending a substantial amount of money annually on digital content, live online tutoring, and custom content services. The conversion of print-based English language learning content is part of this digitization wave.

As schools migrate to digital content, a massive amount of commercial, open source, and indigenous print-based English language learning content is being ported to interactive digital formats. Large-scale national deployments of tablets in the academic segments began in the developed economies several years ago and more recently in developing economies. Tablet deployment is often an integral component in digitization initiatives.

- In April 2011, the Kazakhstan government announced a $1 billion multi-year project to implement digital learning in the school system, which includes a massive content digitization effort. The government stated that "95% of subjects will be digitalized." In March 2013, the Kazakh Education Minister was quoted in the press saying "this is a large-scale project that will cover more than five million people."

- Between 2008 and 2013, Uruguay had distributed over one million computing devices to students and became *the first country in the world to reach a one-to-one student-to-computer ratio.*

- In June 2013, the Kenyan government announced a four-year $622 million project to provide computing devices to every primary and secondary student in the country. There are just under 10 million school children in Kenya. In July 2013, the government indicated that a "significant" amount of those devices would be tablets.

For more information about this research, email: info@ambientinsight.com
There are over 50 million primary and secondary students in Brazil. In both public and private schools (sistemas), at least one foreign language is mandatory in grades 6-9. According to the government's Census of Basic Education, 47.4% of these schools offer English as the primary foreign language. The National Fund for Educational Development (FNDE) in Brazil has been working with Amazon to "convert print books to digital and then wirelessly distribute them to teachers."

In May 2014, Amazon reported that the Brazil's Ministry of Education and Amazon are in the process of digitizing and distributing over 200 textbooks. The Brazilian eBook retailer Saraiva has a similar deal with the government.

Brazil's federal government spends over $500 million a year (over a third of the entire Brazilian publishing industry) on textbooks for schools and announced that they will begin buying digital content in 2015. The government estimates that they will have 80 million copies of digital textbooks delivered to 7 million students by 2015, which is still only 12% of the entire PreK-12 population.

The goal in Brazil is to have all books and instructional content in the high schools in digital formats by 2017. In late 2013, the Brazilian government said that over 460,000 tablets would be distributed in 2014, starting with teachers.

So far, the largest national deployments of tablets in the schools in Asia are in South Korea, Thailand, Malaysia, and Singapore. Each of these countries are deploying the tablets differently, usually starting the process at specific grade levels.

Suppliers need to track digitization efforts on an ongoing basis. Digitization in the public schools systems is a policy-driven decision and conditions can change literally overnight. In July 2011, the government in Thailand announced that they would give every child in grades 1-6 a tablet starting in the 2012 school year. Additionally, over 5 million children in the higher grades were slated to get netbooks. About 1.6 million tablets had been distributed by early 2014.

In June 2014, a new government came into power in Thailand and announced that they would not continue the tablet program. Instead, they revised the educational policy to shift the tablet funding to other types of learning technology.

The Russian government announced in 2011 that they would equip 14 million schoolchildren with tablets within three years. A Russian company called Rusnano signed a $700 million contract with UK-based Plastic Logic to build a production facility in Zelenograd. In August 2013, Rusnano abandoned the project after incurring losses of over $100 million.

The use of digital technology correlates directly to the demand for digital English language learning products. According to Denmark's Ministry of Children and Education, OECD's PISA (Programme for International Student
Assessment) "ranked Denmark as the number one country in the world using computers for foreign language instruction."

In March 2014, Ireland-based Onwards Learning signed distribution agreement with eol.cn, a national education portal backed by the Chinese Ministry of Education. EOL will distribute Onwards Learning’s digital English language learning content on the portal. "EOL serves the online educational information and advisory needs of students, parents, teachers and the country’s education service providers, achieving average daily unique page views of over 45 million."

**New English Language Learning Educational Policies**

Governments around the world are implementing new educational policies in an effort to increase English proficiency. More than half of the 98 countries analyzed in this report have issued new English instruction educational policies in the last three years.

The policies usually include mandates to increase the amount of time spent on English learning and/or to introduce English in earlier grades. Some new policies have even changed the main language of instruction to English. The educational policies surrounding the teaching of English are identified for every country in this report.

In 2011, the Slovak government passed a law making English language learning compulsory starting in the third grade. The law went into effect in the 2013-2014 school year. English language learning begins in first grade in Croatian schools and becomes mandatory by the fourth grade until the end of high school. Students can opt to take a second foreign language starting in fifth grade (usually French, German, or Italian).

Even in countries where students are allowed to select another language as their first foreign language, English is still the most popular choice. According to the Czech government, "the overwhelming majority of Czech school children choose English as their first foreign language."

In May 2013, the government in Georgia announced that "English is now officially the country’s main foreign language by choice." The Ministry of Education reported that 73% of secondary students selected English as their first foreign language. Russian was the second most popular choice at 17%, followed by German at 7%, and French at 3%.

In December 2013, the President of Kazakhstan called on all Kazakhs to learn three languages: Kazakh, Russian, and English. He stated in the press that "We need the English language to enter the global arena." The Kazakhstan government has a formal Trinity of Languages program, "which envisages all school graduates able to communicate equally well in Kazakh, Russian, and English."

Several countries have recently designated English as the official language of instruction in the schools.
In late 2008, Rwanda declared English as the official language of instruction in the schools. Before this, French was the official language used in the schools. In November 2012, the government stated in the press that the "greater part of the school-going population will have functional English by 2015."

South Sudan is the newest recognized country on the planet having broken away from Sudan in 2011. It declared English as the official language, even though very few people speak English in the new country.

In 2011, the Ministry of Education and Training in Vietnam made English language learning compulsory starting in fourth grade and started introducing students to English in the third grade. The Vietnamese government's goal is to have all students in primary and secondary schools proficient in English by 2020.

In the presence of mandates like these, it should be no surprise that there is now a significant shortage of English language teachers in several countries, and this is a catalyst for technology-based products and services. The shortage of teachers is driving the demand for both self-paced products and live online tutoring by native English-speaking teachers based outside the respective countries.

In February 2013, the Turkish Ministry of Education announced a deal with US-based DynEd (and their domestic reseller FuturePrints) to procure digital English language learning content starting with grades 4 through 12. The government stated in the press that "When fully implemented, 13 million Turkish public education students will study English with DynEd." DynEd already had a major presence in the country with content in over 34,500 schools.

In June 2013, the Yemeni government announced a deal with UK-based Training Connect to provide live online English language learning courses via Skype to the schools starting in the 2014 school year. In the initial rollout of the program, students will get two hours of instruction a week.

The Uruguay government announced their Ceibal en Inglés program in 2012, which funds live digital English lessons that are streamed to public schools via web conferencing technology. Ceibal en Inglés announced a partnership with the British Council in early 2013 to provide instructors for the live online classes. The goal is to have 4,800 online classes a week reaching 90% (495,000) of the students in Uruguay by 2015.

Educational policies that impact English language learning are not limited to the PreK-12 segments. In many countries of the world, the government plays a significant role in higher education, particularly in regard to programs in general and the language of instruction in particular. Federal and state/provincial agencies operate the higher education systems in several of the countries analyzed in this report.

For example, French is currently the language of instruction in higher education institutions in Morocco. This was the country's official education
policy until recently. In June 2014, the government announced a plan to transition to English as the language of instruction starting with medical and engineering programs.

**Consumer Demand for Mobile Digital Language Learning**

Perhaps the most important long-term catalyst for digital English language learning across the planet is the consumer demand for mobile educational apps. Consumers will be significant buyers by the end of the forecast period driven largely by the demand for mobile educational apps in general and language learning apps in particular.

Consumers in many countries will be outspending the government agencies in many countries by the end of the forecast period due to the rapid rollout of mobile broadband across the world, the availability of very low-cost smartphones and tablets, and the boom in demand for educational apps.

For example, the largest buyers of digital English language learning products in China in 2013 were the government-run schools, followed by the private language learning schools. By 2018, consumers will be the top buyers in China.

Consumers are already the top buying segment in Azerbaijan, Bosnia, Bulgaria, Croatia, the Czech Republic, Greece, Hungary, Italy, Lithuania, India, Indonesia, Japan, Mongolia, Nepal, New Zealand, Singapore, South Korea, and in the United States.

English language learning apps rank consistently in the top ten bestselling educational apps in almost every country in the world, including English-speaking countries.

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Consumers in Australia are avid buyers of English language learning mobile edugames for children. As of June 2014, three of the top ten selling apps in Google's Play Store in Australia were English language learning edugames for young children.

The type of English learning content in the apps is different in each country. Bestsellers in some countries are edugames designed for young children. In other countries, test prep apps for standardized English exams or business English apps dominate.

Mobile Learning apps and edugames are primarily purchased by consumers; primary and secondary school systems are starting to become significant buyers as they migrate to tablets.

Mobile English language learning apps have the highest global growth rate across all regions out of the five product types analyzed in this report. Mobile digital English language products have the highest growth rates in Asia, Latin America, North America, and Western Europe.
A new type of learning technology called Mobile Learning value added services (VAS) has the highest growth rate in Africa, Eastern Europe, and the Middle East.

**The Proliferation of Mobile Learning Value Added Services (VAS)**

The rapid growth of new Mobile Learning VAS offerings across the globe continues unabated. While the number of products coming on the market has slowed recently, on average, there are still 5-6 new Mobile Learning VAS products coming on the market every month.

**Figure 5 - 2008-2013 Explosion of Mobile Learning Value Added Services (VAS) Products across the Planet**

Mobile Learning VAS products are a new category of Mobile Learning that emerged in 2008. In 2008, there were only six Mobile Learning VAS products in operation. By the end of 2012, there were over 220 Mobile Learning VAS products in 55 countries. By the end of 2013, there were over 280 across 72 countries. While there are other types of Mobile Learning VAS, English language learning accounts for the majority of these services.

Mobile Learning VAS products are now on the market in every region of the world and deliver content in five major areas: language learning, math, literacy, test prep, and mHealth education. The products are subscription-based and sold directly to consumers by mobile network operators (MNOs), device makers, and content suppliers.
Mobile Learning VAS content is usually delivered via audio, Short Message Service (SMS), or Interactive Voice Response (IVR). Many products are subsidized by NGOs and governments agencies; even then, they depend on commercial third-party suppliers for content.

*The top revenue-generating Mobile Learning VAS is English language learning and a breakout of that revenue for each region is included in this report.* By the end of 2013, there were 76 English-related Mobile Learning VAS products in the world. Eighteen new offerings came on the market in July 2014 alone.

The MNOs initially launched Mobile Learning VAS products in developing economies in 2008 and are now expanding into the developed economies. Mobile Learning VAS products are now also found in Australia, South Korea, the UK, New Zealand, Taiwan, the US, Italy, Ireland, Germany, Finland, Spain, and Japan.

The MNOs are now major Mobile Learning suppliers in Asia, Latin America, and Africa. The Mobile Learning VAS offerings in developing economies have relatively low subscription prices, yet have millions of customers. Consequently, the revenues are quite high. This is a classic "rags to riches" story with suppliers across the planet collectively generating hundreds of millions of dollars in new revenue in just the last two years.

The revenues for Mobile Learning VAS products are split between the MNOs and the content suppliers. The MNOs depend on third-party commercial suppliers for content, custom content development services, tools, and platforms. They often pay subject matter experts to provide tutoring to subscribers, so the revenue opportunities for suppliers are significant across the supply chain.

By the end of 2013, there were 34 commercial Mobile Learning VAS products on the market across Latin America; 13 of them were in Brazil. Kantoo and Urban Planet Mobile are major digital English language learning content suppliers to the MNOs in the region.

In March 2013, the telecom Zain launched the Cloud Campus Mobile Learning VAS in Kuwait with content from UAE-based Hamdan Bin Mohammed e-University (HBMeU). The content catalog had 1,950 Mobile Learning apps at launch; this is the largest collection of Mobile Learning content sold via subscription in the world. *The collection includes over 600 digital English language learning apps.*


For more information about this research, email: info@ambientinsight.com
Mobile Learning VAS products are not on the market in some countries. There are no operational English language Mobile Learning VAS products on the market in Turkey. The detailed supply-side analysis for Turkey in this report only includes four product types.

**Strong Demand for Specialized Forms of English**

The demand for specialized forms of English known as vocational English is also a catalyst for the worldwide digital English language learning market. These products are mostly purchased by corporate buyers, but government agencies and individuals buy them as well.

Vocational English products include aviation, business, hospitality, finance, law, medical, transportation, tourism, oil & gas, information technology, and engineering English. The demand for particular forms of vocational English varies by country and that is analyzed for each of the countries in this report.

According to the World Travel and Tourism Council, global tourism and hospitality industry employed 8.7% of the world's workforce. They estimate that this will reach 10% by 2013. Large scale tourism English product sales are usually sparked by international sporting events. In March 2014, Education First (EF) announced that the Brazilian government had designated them as the "official supplier of language training services for the Rio 2016 Olympic and Paralympic Games."

EF will deliver English language training to "110,000 Rio 2016 staff as well as to over 900,000 candidates for the Olympic volunteer program, contractors, and school children in Brazil. In total, more than 1,000,000 people will be trained, *making this the world's largest language training program in progress*."  

Tokyo was selected for the 2020 Olympics. It is likely that Japan will replicate the buying behaviors of Brazil and the Russian Federation (the Sochi games) and spend a great deal of money on English training for hospitality, public safety, and tourism personnel.

There are dozens of global suppliers that specialize in online business English including Englishtown, goFLUENT, inlingua, and GlobalEnglish (owned by Pearson). The mainstream language organizations like Berlitz, Wall Street English (also owned by Pearson), and the British Council also offer online business English courses. Rosetta Stone launched their Advanced English for Business in February 2014.

Some suppliers offer highly-specialized forms of English language learning such as English for accounting, engineering, human resources, real estate, sales, and logistics. There is even a form of English learning called automotive English.

There is a healthy demand for so-called oil and gas English in the energy-rich countries of the world. GlobalEnglish has a multi-year contract with
Saudi Aramco to provide online English courses, "to thousands of employees." A Saudi Aramco manager commented, "We are a global energy company, and fluency in English, the language of the oil and gas industry, is essential for communication within the company and with our business partners around the world."

English is the bridge language of the energy sector in Angola and the oil companies and the government are actively involved in increasing the English proficiency of workers in the industry. In June 2013, an agreement to increase English proficiency in the country was signed by the oil firm BP Angola, the British Council, and the Higher Institute of Education Sciences (ISCED).

An interesting digital English product is UK-based Immerse Learning's English for Oil and Gas simulation developed for the Kazakhstan oil company Tengizchevroil. It is a virtual environment with live participants interacting and speaking to each other via avatars. "While students are learning English, they walk around a virtual version of the equipment, such as an offshore platform or tanker, that they are being trained to work on."

There is a very specialized form of English known as Academic English. Academic English is intended not only to increase proficiency but also designed to teach the cognitive skills required to be successful in English-speaking higher education institutions. It is taught to students attending domestic universities with a high number of English-only programs and taught to students who intend to enroll in English-speaking institutions outside the country.

Ed2Go is a division of Cengage Learning and offers live online Academic English classes taught by teachers from community colleges. The average cost of a six-week class is $99, which is very low for this type of product. "We've served more than one million students, making the ed2go network the world’s single largest provider of online learning opportunities. These high volumes help us keep our prices well below industry standards."

In contrast, the UCLA Extension offers online Academic English classes for up to $525 for a course that runs for six weeks. The English Language Institute (ELI) at Florida International University (FIU) in Miami sells their ten-week online Academic English class for $550.

The most common form of specialized English offered by Canadian higher education institutions is Academic English. The University of British Columbia offers their self-paced Academic English courses free, but charges $280 for their live online instructor-led Academic English courses.

Almost all of the countries analyzed in this report are member states of the International Civil Aviation Organization (ICAO), which is a UN agency that works with "global industry and aviation organizations to develop international Standards and Recommended Practices (SARPs) which are then used by States when they develop their legally-binding national civil aviation regulations."
ICAO's Aviation English Language Test Service (AELTS) is the world's aviation English certification body and recognizes three tests: the RMIT English Language Test for Aviation (for pilots), the Test of English Language Level for Controllers and Pilots (TELLCAP), and the English Language Proficiency for Aeronautical Communication (ELPAC).

RMIT offers their test prep material in both print textbooks and online courses. The TELCAP and ELPAC are interesting exams that are delivered by a live "examiner" and the exams are essentially conversation-based assessments, which include ad hoc role play. The test taker must verbally demonstrate English proficiency during a live interaction with the examiner.

There are global suppliers of aviation English. Macmillan sells four packaged ICAO-compliant digital Aviation English language courses that are purchased by individuals and training companies all over the world. Carnegie Speech was spun out by Carnegie Mellon University and sells four subscription-based ICAO-compliant online courses in a series called Climb Level 4.

One of the most successful global online aviation English suppliers is US-based DynEd. They have direct agreements with aviation buyers and various resellers across the globe. They sell aviation English software in Cambodia, Morocco, Tunisia, Cambodia, Vietnam, Mongolia, the UAE, Kazakhstan, the US, and China. In China, DynEd's Aviation English courses are used by China Airbus, Air China, and BeiHang Flight College.

There are regional suppliers of digital vocational English products. In November 2013, the European Medical Students Association (EMSA) announced a deal with Poland-based MedPharm to provide a 15% discount on MedPharm's online Medical English product to all EMSA members across Europe. The course is relatively expensive at the equivalent of $790 for 12 modules; the 15% discount reduces the price by $118.50.

**Secondary Catalysts**

There are three important secondary catalysts driving the global digital English language learning market:

- The recent increase in private investments made to digital English language learning suppliers
- The expenditures made by governments on digital English as a Second Language (ESL) programs
- The steady adoption of digital products in the private English language learning industry.

**Leading Indicators: Private Investment Patterns**

Ambient Insight considers learning technology investment patterns to be leading indicators. One very clear pattern that has emerged since 2010 is the investor interest in English language learning firms.
A total of $464.7 million has been invested in digital English language learning suppliers since 2010.

In terms of the number of deals made, the total jumped from 7 in 2010 to 25 in 2013. Already in the first half of 2014, 16 deals have been made. But it is the recent funding amounts that are striking.

In 2010 and 2011, only $29.5 million and $17.9 million, respectively, was invested in digital English language learning suppliers. This jumped to $80.4 million in 2012 and more than doubled to $175.8 million in 2013. In the first half of 2014 alone, $161.1 million had already been invested in this type of company.

Table 3 – 2011 to First Half of 2014 Private Investments Made to Digital English Language Learning Suppliers

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<tr>
<th>Year</th>
<th>Number of Deals Made</th>
<th>Investment Totals in US$ Millions</th>
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<td>$29.5</td>
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<tr>
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<td>$161.1</td>
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<tr>
<td>Totals</td>
<td>69</td>
<td>$464.7</td>
</tr>
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The investment spikes can be attributed to large investments made to a few companies.

- In 2010, Eleutian Technology garnered $10 million and Open English obtained $6 million. A US-company called 8D World that develops language learning for young children in China obtained $5.25 million.

- Three companies accounted for the majority of investments in 2011: Open English received $6.25 million, Livemocha (now owned by Rosetta Stone) garnered $5 million, and Voxy obtained $2.8 million.

- In 2012, Open English garnered $43 million and TutorGroup obtained $15 million. The investment in Open English was the highest ever made to a digital English language learning supplier up to that time. Duolingo also obtained $15 million in 2012, but they did not offer English courses in 2012, so they are not included in these totals.

- In 2013, the dramatic spike in funding was due mostly to the unprecedented $65 million investment made to Open English. A Chinese company called Hujiang.com garnered $20 million. Another Chinese company called 51 Talk, which claims to be the “fastest growing online ESL provider in China,” obtained $12 million. Three other companies each obtained $10 million in 2013: Babbel, Alo7, and Chuanke.com.
In May 2014, Oxford University Press (UOP) announced a distribution agreement with Hujiang. The first product being sold on the platform is an online course called *Hujiang International Business English*, which is an adaptation of UOP's *Business Result* product. Hujiang reported that they had 3 million active paying members and 70 million registered members "made up primarily of young, white-collar workers, many who work for foreign-owned enterprises".

Both Babbel and Chuanke offer other languages than English, but English is the top language in demand. In June 2013, Babbel issued a press release saying "English is the most popular language learned with the Babbel app: The app for learning English represents approximately one third of the apps downloaded. It is followed by the apps for learning Spanish and French."

The investment total for the first half of 2014 was on par with the total for the entire year before. This is due to the breathtaking investment made to TutorGroup. TutorGroup bills itself as the "largest English-language learning institution in the world" and obtained $15 million in their first round of funding in 2012. They garnered an astounding $100 million in private investment in February 2014.

TutorGroup started in China and has expanded across the globe. "With more than 2,000 teachers in 30 countries and 60 cities around the world, TutorGroup provides real-time interactive language learning through millions of class sessions annually." In October 2013, they reported that their sales grew by 300% compared to the previous year.

Investments above $50 million were not uncommon in the early days of the learning technology industry. However, since the 2000 recession, investments over $50 million are quite rare. Investments of $100 million or more were made to two learning technology companies in 1999, but only three companies have received that level of funding since: K12, Inc. at $125 million in 2011, lynda.com at $103 million in 2013, and now TutorGroup at $100 million in 2014.

Investors are funding companies with novel and innovative products. Four examples are Carnegie Speech, SpeakingPal, Alo7, and Cambridge WoWo.

- Carnegie Speech was spun out from Carnegie Mellon. They obtained $3.4 million in funding in 2012. They have garnered $12.6 million in funding so far. They have developed built digital English language learning products that incorporate speech recognition and artificial intelligence. "Using state-of-the-art speech recognition and artificial intelligence technologies licensed from Carnegie Mellon University, Carnegie Speech enables cost-effective, scalable and personalized spoken language instruction that maximizes training effectiveness and minimizes training time." They also sell an aviation English product called Climb 4.

- SpeakingPal received $1 million in funding in May 2014. They also incorporates speech recognition into their software. They sell mobile digital English language learning apps that use a virtual tutor that...
interacts with the user. "English Tutor is a unique mobile learning system that brings speech recognition capabilities to the mobile phone, creating a new learning experience. The teaching content contains a range of dialogs, interactive exercises, role playing, and language activities."

- Qualcomm and two other firms invested $10 million in the Chinese supplier Alo7 and claims that "Alo7 is a world first: a virtual environment designed specifically to teach Chinese children authentic English. Children learn English and many other skills while traveling around the Alo7 world."

- Qualcomm also invested in a Chinese company called Cambridge WoW in early 2014. The company uses speech recognition and an intelligent virtual tutor to teach preschool children English. The technology was developed by Cambridge University and MIT.

Another interesting pattern is the interest in suppliers that serve the Chinese market. This only started in earnest in 2013 and $183.6 million has been invested in 17 online English language learning suppliers in China from 2013 through the first half of 2014. This trend is likely to continue.

According to an April 2014 article in The China Times, over 1,000 new online education companies opened for business in China in 2013 alone. "Chinese internet giants Baidu, Tencent and Alibaba have begun building their respective online learning platforms and have proactively invested in e-learning companies or products in the meantime."

A November 2013 consumer survey by Nielson and Sina in China found that 39% of consumers in China take online classes. "The most popular category is technical and vocational training, the second is English learning, and the third K-12 education."

According to China-based Internet consultants iResearch Group, "There's an increasing number of Internet users in China. More of them are getting used to online classes and the number of online learners in China is expected to grow from 67.2 million in 2013 to 120 million in 2017."

Clearly, the market conditions are favorable for digital English language learning suppliers in China. That said, doing business in China can be challenging for a foreign firm. An analysis of those challenges and how suppliers are overcoming them is included in this report.

**Government-funded Online English ESL Programs**

It should come as no surprise that the largest government expenditures on English as a Second Language (ESL) programs are in the English-speaking countries including Australia, Canada, Ireland, the UK, and the US. As they migrate to online formats, they hire commercial suppliers to develop the new digital programs.
- In February 2012, the Australian federal government announced a three-year trial project called Virtual English Tuition for Migrants that "empower them to engage with the broader Australian community, enhancing their English acquisition in an Australian cultural context." The virtual product is called AMEP (Adult Migrant English Program) Virtual and was launched in July 2013. It was built by Navitas, a for-profit education provider in Australia.

- States also fund ESL programs in Australia. New South Wales (NSW) offers online courses free to qualified immigrants, but charges a fee (the equivalent of $90) for other people wanting to learn English online. NSW also licenses the courses to academic institutions for the equivalent of $800 per course.

Government-funded ESL programs are subject to policy decisions and programs can be cut or eliminated altogether. The New Zealand government used to provide free classroom-based English classes for immigrants, but a new immigration policy in New Zealand requires applicants with poor English skills to "pre-pay for language lessons."

Government-funded ESL programs are not all designed for immigrants. Many governments fund ESL programs for employees. While most of this training is still delivered in classrooms, governments are transitioning to online formats. The Canada School of Public Service no longer offers classroom-based English training but does offer 26 online ESL courses to government employees.

The US federal government spends over $565 million a year on adult English language learning. Combined, state and local governments spend an additional $1.6 billion a year on adult ESL education. The federal government funds the Adult Education State Grant Program administered by the individual states. The program reaches 1.1 million English language learners a year, mostly through classroom instruction. The agencies are just starting to migrate to digital ESL.

The US Department of Education (ED), Office of Vocational and Adult Education, and the Division of Adult Education and Literacy (DAEL) funded a site with digital ESL courses and apps called U.S.A. Learns. The content is now owned by the Sacramento County Office of Education. Interestingly, while the online courses are free, the mobile apps are sold for 99 cents.

The US State Department hired a commercial supplier to develop their Trace Word English language learning game. The edugame was developed by the US Department of State’s Bureau of Educational and Cultural Affairs (ECA) and the SuperGroup Creative Omnimedia, a multimedia company based in Atlanta. The digital edugame was formally launched in November 2012. It is distributed in countries across the world but is also designed to help ESL learners in the US.
Private Language Schools Go Digital

Private language schools are categorized as business buyers in this report. There are thriving private English language learning industries in the majority of countries analyzed in this report. All of the English-speaking countries have a large number of private language schools that cater to foreign students. To date, the vast majority of instruction is delivered in classrooms and usually supplemented by language learning labs.

Private language schools are gradually shifting to online delivery as a way to increase margins. Self-paced products generate the highest profit margins. A research firm called Skrivanek surveyed 100 language schools in Prague and found that 70% were offering online classes. "Companies are interested in elearning for three reasons: to save money and time and increase the intensity of the lessons."

Salaries paid to teachers who deliver live online classes and live tutoring sessions are often on par with salaries paid to physical classroom teachers, but the margin is still higher since maintenance of physical classrooms and equipment is not required.

The presence of large private language school ecosystems is a catalyst for digital English learning as the private schools transition to online delivery. The quickest way to get to market is to resell commercial products. Macmillan, Cambridge University Press, and Oxford University Press have very large installed bases in the global private school industry.

Macmillan Education has a digital language learning portal called Macmillan English Campus. One of their largest customers is Cultura Inglesa São Paulo (CISP) in Brazil, "one of the world’s largest and most prestigious language schools. Over 50,000 students now use a customized edition of the Macmillan English Campus called the Cultura e-Campus."

The major suppliers are now going direct to consumers with online language schools. In March 2013, Macmillan launched their online language school in Brazil called EnglishUp. EnglishUp is a division of Macmillan Digital Education and "is an online English language learning school for adults and young professionals who lead busy lives but are motivated to speak fluent English to achieve their personal or professional goals."

There is a reason Macmillan launched their first EnglishUp site in Brazil. By the end of 2013, over 2.8 million people (from children to adults) were taking English lessons in Brazil. Private English language learning is a $3.1 billion industry according to the Brazilian Franchising Association. Brazil had over 70 brands and 6,215 branches of private English language schools by the end of 2013.

Pearson now owns the largest private language learning chains in Brazil. Pearson acquired Grupo Multi in late 2013 for $720 million. Grupo Multi operates four chains of English schools and is "the largest provider of private language schools in Brazil serving over 800,000 students across more than 2,600 franchised schools. In August 2014, Pearson reported in their mid-year financial statement that they had begun "planning to
integrate Multi’s products and expertise with Pearson’s world leading educational technology and pedagogy."

Despite a relatively recent meltdown in the private language school industry in Japan, the English language learning industry in Japan is still a $1.2 billion industry. In any given year, there are over 13 million people in Japan studying English. Each year, 5.4 million people in Japan take a standard English proficiency exam such as the ETS Test of English for International Communication (TOEIC) exam.

Private language schools in Japan are called eikaiwa, which translates as "conversation schools." According to Japan–based Benesse (parent company of Berlitz), 21% of all five year olds in the country are enrolled in an eikaiwa. Benesse is the largest provider of digital English products in Japan.

The largest (and fastest growing) online English language learning school in Japan is a company called RareJob. In January 2014, they reported in the press that they had over 200,000 Japanese students taking English in 2013, almost three times the 70,000 they had in 2012. They have over 3,200 online instructors from all over the world, and on average, taught 12,000 25-minute lessons a day in 2013. RareJob obtained $3.3 million in private investment in 2013 and went public in June 2014.

Nagase is a for-profit Japanese education provider and operates 110 private English language schools under their Toshin Kids English School brand. They licensed the digital Sesame Street English content from Sesame Street in 2010 in a ten-year $30 million contract. They are the sole reseller of Sesame Street English in Japan (Berlitz was the sole licensee prior to this).

The private language school market is a $450 million industry in Russia. There are over 200 language schools operating in Moscow alone. All the major digital English language learning suppliers compete in the Russian Federation including EF’s English First, Berlitz, and Pearson’s Wall Street English.

Some of the bigger Russian chains have large numbers of students. EF English First has 38 English schools in the Russian Federation and has 1,300 employees and trainers. Denis’ School, a Russian-based language school chain, licenses Edusoft’s vocational English courses for their 155,000 students.

According to Statistics Canada, language learning is a $770 million industry in Canada. There are over 500 language schools in Canada; 54% of the schools are private. 64% of all the schools target foreign students. Two of the largest digital ESL suppliers serving the Canadian private school industry are Montreal-based English Computerized Learning (ECL) and NAS Software. Toronto-based NAS Software claims to be "one of the largest ESL software distributors across Canada" and is a reseller of over 40 third-party ESL products.

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Marketing English in Ireland (MEI) is an association of 54 English language schools in Ireland. The MEI members annually serve over 200,000 visiting language students from all over the world. The Irish government estimated that the classroom-based English language learning industry generated over $400 million in 2013.

The Irish government immigration site provides a link to the Advisory Council for English Language Schools (ACELS), which oversees (and inspects) private English language schools in Ireland. As of May 2014, there were 109 private English language schools recognized by ACELS. Berlitz and several other online suppliers are recognized by ACELS.

Of course, China is the largest revenue opportunity for suppliers. According to China's Ministry of Education's National Education Development Statistical Bulletin, English language learning was a $4.9 billion industry in China by the end of 2013, and growing, on average, by 12-15% a year. There are over 50,000 English language schools in China and over 90% are private institutes.

The private language schools are heavily concentrated in economically developed areas, such as Beijing, Shanghai, Guangzhou, Shenzhen, Chongqing, and Wuhan. Disney, Pearson, Education First (EF), and New Oriental Education combined account for 25% of the private English language learning revenues in China. EF has 120 private language schools in China.

What is interesting about the Chinese private language school industry is that many of the largest suppliers are online private schools. According to ChinaVenture Investment Consulting Group, 32% of all online education companies in China provide preschool education and 27% are dedicated language learning companies.

New Oriental Education claims to be the largest provider of "private educational services" in China with a catalog of courses including language learning courses. In 2013, they reported that revenues for "online children's English classes are rising 35% a year." They had 8.8 million registered students of all ages as of early 2014 and report that "English is by far the most popular language we teach."

In August 2013, Alibaba's Taobao (sometimes called China's eBay) launched their new online education portal called Taobao Tongxue (Classmates). In April 2014, Taobao Tongxue's chief executive stated in the press that their most popular online courses were "English language training, followed by marketing management, tutoring for middle and elementary school students, literal sciences, and vocational exams."

Products for very young children are in high demand in China. There are over 150,000 preschools in China and 74% are private schools. A preschool in China enrolls children from 3-5 years old and is often simply referred to as a kindergarten. As of the end of 2013, there were 42 million children enrolled in preschools in China.
Teaching English is a core tenet in the majority of the private preschools in China. The large private preschool chains in China often license commercial digital English content.

In March 2012, McGraw-Hill announced a ten-year licensing deal with Beijing-based Oriental Baby Care, which operates over 450 preschools in 180 cities in China. By mid-2014, Oriental Baby Care had over 570 preschools in the country. "Through the partnership, Chinese children ages 2-6 will for the first time have access to McGraw-Hill Education's digital learning solutions through a specially designed international curricula that will enhance the English language skills of some of China's youngest learners."

This report provides a breakout in two tables of the forecasts for both consumer and PreK-12 spending in China on digital English language learning products used by five age groups, or cohorts:

- 3-5 years old (referred to as Kindergarten in China)
- 6-7 years old (first and second grade)
- 8-11 years old (third, fourth, fifth, and sixth grades)
- 12-14 years old (seventh, eight, and ninth grades)
- 15-17 years old (tenth, eleventh, and twelfth grades)

The cohort analysis for China provided in this section unveils significant differences between consumer and PreK-12 spending for these cohorts. A breakout by the five age cohorts is provided in the consumer section of the China section of this report. A breakout by five grade levels in China from kindergarten to high school is provided in the PreK-12 section.

**What You Will Find in This Report**

There are seven regional sections in this report. Each regional section includes a demand-side analysis by country and a supply-side analysis. The supply-side analysis in each regional section contains five-year forecasts for five types of digital English language learning products for all of the countries in that region combined. Country supply-side analysis is only provided for Brazil, Canada, China, Turkey, and the United States in this report.

The country sections for Brazil, Canada, China, Turkey, and the United States also include a five-year breakout by six buyer segments: consumers, corporations & businesses, PreK-12 school systems, higher education institutions, federal government agencies, and local/provincial/state government agencies.

This report includes a worldwide demand-side analysis by the seven regions and a worldwide supply-side analysis by five product types. This gives digital English language learning suppliers an overview of the global revenue opportunities.

This report does not include revenues for custom content development services. Standardized English exam and proficiency test revenues are not
included in the forecasts in this report. Revenues for online courses for test prep are included.

Ambient Insight only provides forecasts for expenditures on the actual instructional product and not for peripheral revenues like installation, integration, certificates, support, professional development, or for ads, merchandise, or tokens in freemium products.

This report only includes revenues for digital English as a Second Language (ESL) and English as a Foreign Language (EFL) products. It does not include early childhood reading, writing, and literacy products designed for children that already speak English.

**Who Are the Buyers?**

The six major buying segments for digital English language learning products are consumers, corporations & businesses, PreK-12 school systems, higher education institutions, federal government agencies, and state/provincial/local government agencies.

In general, the top buyers are the government-operated school systems and, increasingly, consumers. This is not true in every country and corporate buyers outspend consumers in some countries.

Consumers are becoming a significant revenue opportunity for suppliers, due in large part to the booming mobile markets in almost every country in the world.

Federal and municipal government agencies purchase digital English language learning products for their employees, military personnel, and diplomatic staffs. Government agencies often fund tourism English classes and online courses in their efforts to support the tourism industry.

Higher education institutions buy commercial English language learning products from education publishers and language learning lab suppliers. Higher education institutions in many countries tend to create their own instructional content, but it is often cheaper to buy commercial products.

Corporations are strong buyers of specialized forms of English, particularly business English. The large multinational corporations represent the biggest revenue opportunities for suppliers. In May 2013, a Rosetta Stone executive state in the press that, "Growth in corporate language training is the biggest trend we've seen in the last three years. In 2009, Rosetta Stone's corporate clients were limited to a small percentage of Fortune 1000 companies, but today it's one of the company's fastest growing segments."

It should be noted that many NGOs and foreign government agencies fund digital English language learning initiatives in many countries. Several technology companies such as Microsoft, Intel, and Samsung also fund digital education efforts, which include English language learning components.
The first thing a supplier has to do before entering a country is to understand the language usage patterns in that country. The language usage patterns are analyzed for every country in this report. This provides suppliers with a quantifiable demographic (and potential customer base) for their products. Even in countries where English is an official language, it is often the first language of very few people.

For example, English is one of three official languages of Zimbabwe, but only 3% of the population speaks it as a first language. The official language of Zambia is English; it is the first language of only 4% of the Zambian population. There are at least 73 other languages spoken in Zambia.

English is the primary language of instruction in South Africa, although students have the option of taking classes in different languages. According to a February 2012 survey published by the Department of Basic Education, "over 60% of pupils in South African schools choose English for learning, despite the fact that only 7% of pupils speak English as their home language. Out of the country’s 12.3 million pupils (in both private and public schools) only 851,536 speak English at home, yet 7.6 million pupils choose English as their preferred language of learning."

This report also analyzes the percentages of non-native English speakers in English-speaking countries. This demographic is quite large in countries like the US, the UK, Australia, Ireland, and Canada.

The presence of large numbers of non-native speakers correlates directly to the demand for English language learning products in the early grades in the school systems and the demand for adult ESL products.

For example, over 532,000 people migrated to the UK in 2013, mostly from European countries hard hit by the economic slowdown such as Spain, Portugal, Italy, Greece, and Poland. According to the UK government, as of February 2014, one in nine UK schools has a majority of students who do not speak English as a first language. By the end of 2013, there were 1.1 million primary and secondary students taking English in the UK.

**What Are They Buying?**

Buying behavior is quite different in most countries of the world. The unique patterns are analyzed for each of the 98 countries in this report. The current digital English language learning revenues are concentrated in five learning technology product types:

- Self-paced eLearning (courseware)
- Collaboration-based Learning (live online classes and live online tutoring)
- Digital Reference-ware (eTextbooks, audio, video)
- Mobile Learning apps and edugames
- Mobile Learning value added services (VAS)

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In terms of revenues, mobile digital English language learning products overtook self-paced products in 2013 to become the top revenue generating product type. Self-paced products generated the second-highest revenues in 2013. By 2018, Mobile Learning VAS products will edge out self-paced products to become the second-highest revenue generator. Clearly, all roads lead to mobile.

In September 2013, busuu's CEO stated that they already had more mobile users for their language learning products than PC users. At that time, they had reached over 30 million downloads, mostly by users in US, Germany, and the Russian Federation.

Self-paced products have the lowest growth rate at 5.3%, but this is still a relatively healthy growth rate. Revenues will remain steady over the forecast period. Online courseware is the dominant digital English language learning product used in the schools. The self-paced products are losing appeal in the consumer segments; consumers in many countries are opting for mobile products instead.

**Figure 6 - 2013-2018 Worldwide Digital English Language Learning Five-year Growth Rates by Five Product Types**

Collaboration-based products have a global growth rate of 6.3% and revenues will grow steadily over the forecast period. In terms of revenue, collaboration-based products generate the lowest revenues out of all product types. Live online classes and live tutoring can be expensive compared to the other product types and corporations tend to be the largest buyers in most countries of the world.

Corporations and governments buy vocational English products. There is a healthy market for business English and specialized forms of English in the rapidly growing economies in the energy-rich countries.
Several government-operated school systems across the planet purchase live English courses in their efforts to mitigate teacher shortages and to increase the pace of achieving their national English proficiency goals.

An interesting product bundle is Ireland-based Onwards Learning’s LearnOnEnglish (LoE), which is actually a collection of over 100 third-party products from over 300 digital English suppliers. The LoE catalog includes "software apps, courseware and learning path systems, tutor services, assessment tools, and accreditation programmes." The company has massive distribution agreements in China with government-backed educational portals and vocational schools and is actively seeking new content partners.

The private language schools buy language learning labs and use the software as supplemental content used in tandem with their classroom instruction. The language learning lab suppliers often partner with commercial language learning suppliers for the content in their labs.

Finland-based Sanako is the world's largest language lab supplier with over 40,000 installations across more than 100 countries. In early 2013, Sanako announced an agreement with Oxford University Press "to resell digitised content from the English for Life series to both existing Sanako customers and new customers of digital software labs." The bundle is called English for Life, powered by Sanako.

Other major language learning lab suppliers include US-based Linguatronics, Germany-based TLS Communication, and US-based SANS, which sells the Sony Virtuoso Language Lab. "SANS is the developer and exclusive licensor of Sony Language Learning Software."

Aptech is an India-based training company best known for their IT training. In 2009, they launched their English Express brand and began offering English classes in the training centers across the globe. In July 2014, Aptech announced that they had selected SANS' language learning lab for use in the English Learning Academies, which are franchises located primarily in developing countries.

Pearson has a dedicated division called Pearson English and is one of the largest digital English suppliers. Their financial statements provide a good snapshot of the global market. In August 2014, Pearson reported in their mid-year financial statement that "Improvements have been made to MyEnglishLab, our digital English language course, to increase the efficacy and scalability of the platform. Registered users for MyEnglishLab digital products grew 10% to almost 300,000. "

Financial statements from global suppliers like Macmillan, Santillana, Sanoma, Oxford University Press, Rosetta Stone, McGraw Hill, Cambridge University Press, Houghton Mifflin Harcourt, Benesse (parent company of Berlitz), and many other also provide insight into global, regional, and country buying behavior. For example, Sanoma has been reporting on the impact of the dramatic budgets cuts in the Hungarian education system for several years. In 2013, they sold off their educational publishing assets in Hungary and exited the country completely.

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Commercial English language learning products are purchased by government-operated school systems even in countries where the government develops and publishes their own textbooks. The government-operated schools systems primarily buy self-paced and digital reference (eTextbooks) English language learning content.

The global growth rate for English-related Digital Reference-ware products is 9.7%. The majority of these products are eTextbooks being sold to accommodate digitization efforts in the school systems. Reference-based exam prep products for standardized English exams and matriculation requirements are also in high demand in many countries analyzed in this report.

The aggregate global growth rate for Mobile Learning VAS products is 13.1%, second only to mobile apps. While English-related Mobile Learning VAS products continue to be in high demand in developing economies (often on a massive scale) they are increasingly gaining adoption in the developed economies. The demand for VAS products is a significant revenue opportunity for content suppliers, regardless of their physical location. US-based Urban Planet Mobile provides mobile digital English language content to MNOs across the planet.

**Related Research**

Buyers of this report may also benefit by the following Ambient Insight market research:

- The 2012-2017 Worldwide Mobile Learning Market
- Ambient Insight’s 2014 Learning Technology Research Taxonomy
- Link to Free Abstracts for the Seven Regional Digital English Reports

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