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### **English-Testing Companies Vie for Slices of a Growing Market**

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A few years ago, a student from Russia showed up on the campus of the University at Buffalo to begin training for the tennis team before the academic year started. She spoke such poor English, however, that she was unable to communicate with her teammates or coaches. Yet, like thousands of other foreign students at Buffalo, she had passed a test confirming her language proficiency.

The university alerted the Educational Testing Service, which had administered the test, and the company began an investigation. Within a few days, officials on the State University of New York campus had received a letter saying that the student's score was no longer valid. The university was able to tease out a few more details, learning that her elevated score on the Test of English as a Foreign Language, or Toefl, had apparently been obtained with the help of a ring of Russian specialists in fraud. She was kicked out of college and sent home.

Such cases, although rare, illustrate how high the stakes are for the hundreds of thousands of people who take the Toefl and similar exams each year, for the colleges that accept them, and for the organizations that offer the tests. Careers, reputation, market share, and money are all on the line.

These tests will only gain significance in the coming years, as the number of internationally mobile students continues to grow. In 2008, 2.9 million students attended higher-education institutions outside of their home countries, up 66 percent in less than a decade.

The United States and Britain attract the largest share of foreign students, with 21 and 11.5 percent, respectively, of the global total. But English-speaking countries aren't the only ones snapping up students fluent in the language. Many European and Asian universities now offer courses and degree programs in English as a way to attract international students. English-language tests are being more widely used not just by educators, but also for immigration purposes and by employers and professional organizations. So for test-takers, these exams can hold the key to life-altering opportunities.

The two longtime leaders in the field, the Toefl and the International English Language Testing System, better known by its acronym, Ielts, have each sought to broaden their reach in countries where the other has been dominant, and to enter new markets. They continually revise and improve their tests, and highlight their differences in their sales pitches to students and colleges.

There is also a new entrant in the market. Last year Pearson, the media conglomerate that publishes the *Financial Times*, joined the field, billing its new Pearson Test of English, or PTE Academic exam, as a response to a need for a test "that will more accurately measure the communication skills of international students in an academic environment."

#### The Players

The 800-pound gorilla in the United States is the Toefl. Its owner, the Educational Testing Service, is a nonprofit organization that also owns the SAT, the GRE, and other standardized tests. The Toefl remains the most commonly used test among American colleges, virtually all of which accept it.

The exam tests four skills—listening, reading, speaking, and writing—and since 2005 has been available in an online version, which now accounts for 96 percent of the tests administered.

Eileen Tyson, director of client relations at ETS, emphasizes that it is "a mission-based organization," guided by a goal of "providing access and equity to opportunities for education," as well as opportunities to provide fair testing. "We try to keep the test fee low in areas where students don't have the ability to pay," she says.

Even so, ETS is fiercely competitive about its product and guards certain data with the vigilance of a company focused on the bottom line. Ms. Tyson says that 24 million students have taken the Toefl since its inception, in 1964, and that it remains the most widely available test of English proficiency, administered in 4,500 test centers in 165 countries.

She will not, however, disclose how many students take the test each year, saying that "the actual numbers are proprietary." She is similarly guarded about revenue, although she notes that the price of the test ranges from \$150 to \$225, depending on the country in which it is taken.

Ms. Tyson may not be willing to reveal specifics, but the trends she describes make clear that ETS's expansion plans are focused on regions in which Ielts has been dominant. The number of Toefl test-takers in China, a key market for any test provider, rose 30 percent in the past year, driven both by increases in the overall number of

test-takers as well as by ETS's growing share of the market there. The number of Toefl test-takers in France increased by 25 percent, partly thanks to growing interest among French students in studying abroad. And ETS increased its numbers by 13 percent even in Australia, where Ielts is so prevalent that its test is the sole proof of English proficiency that the Australian government accepts from non-native speakers for immigration purposes.

ETS may be the biggest player in the biggest academic market in the world, but Ielts claims the title of largest test provider globally. Beryl Meiron, executive director of Ielts International, says 1.49 million candidates took its test in 2009. The test is offered at 700 testing locations in 130 countries. Ielts is owned in part by the University of Cambridge's testing organization, Cambridge ESOL, a nonprofit that says it is Europe's largest testing group. The British Council and IDP Education Australia, which promote their countries' universities internationally, also have stakes in the test.

Because of Ielts's history, its test is more common in countries with strong connections to Britain, such as Australia and Canada, but in recent years it has moved aggressively into the United States as well. Well over half of all American institutions now accept its test. In addition to being the test of choice for Australian immigration, Ielts is also used by British and Canadian immigration authorities.

Ielts was the first to use the "four skills" approach, which was subsequently adopted by ETS and is now also being used by Pearson. Like the Toefl, it costs less in poorer regions, with prices ranging from about \$140 to about \$215.

#### The Pitch

Unlike the Toefl, the Ielts test remains a paper-and-pencil exercise, which is then graded where it is given. "What we've found is that a lot of students and applicants prefer to take a paper test, because it's a clear measure of English-language proficiency rather than computer skills, especially if people are using an unfamiliar keyboard," says Ms. Meiron.

Toefl officials disagree. Because most of its testing is online, results can be sent back to ETS, where they are evaluated by multiple scorers. "We know that the test result will be more valid and more reliable if there are multiple scorers," says Ms. Tyson. "By taking the scoring function out of the test center, there is no possibility that the scorer will know the student, and we don't want any positive or negative biases involved."

Such arguments are common between the two groups, with one provider labeling as a drawback what another pitches as a selling point.

For example, the Toefl is taken in its entirety on a single day, which Ms. Tyson says can benefit students in poor countries, who often have to travel to take the test and incur transportation and lodging costs. Taking the Ielts is also often a one-day event, says Ms. Meiron, but in some countries it is spread over two days, which she describes as a concession to local cultural preferences.

Pearson, which began offering its English-language test last year, has moved quickly to penetrate the market. The PTE Academic is already recognized by some 1,500 universities and institutions worldwide, says John de Jong, vice president for test development at Pearson.

The test is offered at the company's more than 50 testing centers, in 44 countries, and is likely to become more widely available as demand increases, he says. Flexibility is one of the key selling points. The test, which costs about \$150 to \$210, can be scheduled on short notice and offers a speedy turnaround time, promising scores within five days, and sometimes delivering in as little as two days.

Students, who are often racing to meet application deadlines, place a premium on speed. Institutions, too, value efficiency. "I remember many occasions when colleagues at universities complained about how long it took before they could get the students in and get results," says Mr. de Jong, whose background is in academe.

Ms. Tyson, of ETS, which guarantees scores within two weeks, offers a counterpunch: "We could whittle it down even more if we were willing to do only automated scoring, but we have concerns" about quality, she says. "We're not going to go that way, and we're not going to have scores in two days."

#### The Clients

It is left to universities and the students who take the tests to assess the competing claims. Institutions in key markets are being approached by the testing entities, seeking to get them to switch or to add tests to admissions requirements. Many universities are hearing them out.

In the United States, colleges working to expand their international recruitment strategies may find that adding Ielts to their roster of accepted tests is a way to reach students in countries where that test is more common.

The same holds true elsewhere. The University of Amsterdam, which enrolls just over 2,000 foreign students out of a total of 30,000, accepts both the Toefl and Ielts tests.

"Students are coming from all over the world," says Jasper Faber, a project manager in the university's office of student services for foreign students. "We have to be able to offer an opportunity for them to pass an English-proficiency test no matter where they are." ETS and Ielts each have their own main markets, so "using just one of the tests isn't going to cut it, it isn't going to have the scope."

Larger institutions with global name recognition may not feel the need to cater as much to marketplace demands. The University of Southern California, for example, enrolls more foreign students than any other American institution and accepts only the Toefl.

Jerome A. Lucido, vice provost for enrollment policy and management, says the university does not feel "a pressing need to look at a variety of other exams."

In part that's because it is large enough to have developed its own screening system. Students who do not score high enough on the university's own English-language test must enroll in intensive classes at USC's language institute.

The Pearson test was developed in conjunction with the Graduate Management Admission Council, which represents leading graduate business schools. Business schools have led the way in the new test's acceptance.

The University at Buffalo accepts both the Toefl and the Ielts and is evaluating whether to broaden acceptance of Pearson's PTE Academic test, which for now is being used only for admissions to the M.B.A. program, whose administrators pushed hard for its approval.

Steven L. Shaw, director of international admissions, says students who present PTE Academic scores over the next few years will be asked to take the Toefl (at no extra charge), if they haven't already, once they arrive on the campus so that the university can collect data on how the test measures up against better-known exams. Only one or two students have presented Pearson test scores so far, he says.

Tom Begley, dean of the business school at University College Dublin, says that the Pearson test "came highly recommended," and that the school will "be looking to see whether it does a better job of actively representing language skills than the other two." A remark from Mr. Begley enthusing over the new test is included in a

Pearson brochure, but he says the exam is so new that he's not sure whether any students have yet applied using PTE scores.

As for students themselves, with so many institutions accepting a broader range of tests, it is often up to them which test to take and which scores to submit. In fact, much of the actual marketing of the tests is aimed directly at the students.

"Sure, you can take a test with a Speaking interview, but what if your interviewer has a bad day and rates you lower than you deserve?" asks a pointed question on the "Why take the Toefl test" section of the ETS Web site, in a not-so-subtle dig at Ielts. Questions and pleas for advice about which tests are better, easier, and more accepted are a prominent feature of many online forums popular with international students.

#### Security Measures

Some test-takers, of course, are tempted to try to ace the exams by unethical means, like the Russian student at Buffalo. As a result, the testing companies are racing to stay ahead of not only one another but also potential cheaters. Pearson photographs test-takers and takes a palm-vein measurement, which Mr. de Jong says provides a higher level of security than fingerprints do. The company also takes a voiceprint, which can be provided to universities if questions arise later.

ETS employs a range of measures to insure the validity of its results, including statistical analyses conducted after the tests are administered, to detect any anomalies. Incidents like the Russian fraud case are highly unusual, and educators say such violations occur with about the same frequency with both the Toefl and the Ielts.

At Ielts, Ms. Meiron says, the company relies on stringent protocols, requiring candidates to present a valid current passport as identification and training test-center staff members in facial-recognition techniques. Administrators also conducts spot audits.

Of course, another way to ensure that cheaters don't succeed in gaming the system is for universities themselves to be vigilant, and to raise questions if the information they receive from a testing agency is out of sync with other elements of a candidate's application.

Mr. Shaw, of Buffalo, emphasizes that the university's admissions process is "holistic," with all the components of an application taken into account to gauge whether a student is likely to succeed academically.

But with international applications booming, not all institutions can be so diligent, and language-proficiency tests are likely to be weighted even more heavily by some, raising the stakes even more in an already high-stakes field.

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