



13 May 2022

Dear VIP Students,

As the Managing Director of IELTS Advantage, my primary responsibility is to promote the success of our VIP Students and our Team.

Recently, there have been some fundamental changes in the world. To protect our VIP Students and our Team, we must adapt to this new reality and change the business.

Nobody likes change, but I believe these changes are the best possible path forward to promote the interests of our students and team.

Please Read The Whole Letter

I strongly encourage you to read the entire letter to fully understand what will happen and how we came to this decision. If you read it thoroughly, you will realise that this benefits and protects you. Please do not briefly skim this letter and then complain without understanding the contents.

The Effect of the Pandemic on Our Business

In March 2020, our business, like many others, was severely impacted by the pandemic. Our revenue fell by around 50% in one month. As borders closed worldwide, we had a tough decision to make; we could either shut the company down or continue operating the business at a loss.

We decided to keep going throughout the pandemic to protect our students and team, even though the company would lose money each month. We had built up cash reserves in the previous years and used these to make up any shortfalls in revenue. We believed this was the right thing to do because it meant students got the education they needed, and our team got paid their salaries during very uncertain times.

We also decided to lower prices during the pandemic and allow more people to join at a discount. Lowering our prices allowed more people to join during tough times and meant we continued to be unprofitable. We have lost a substantial amount of money every month for more than two years trying to protect existing students and the team. The easy thing to do would have been to shut the company down, but this would have meant our students lost their courses and our team lost their jobs. We do not believe in doing the easy thing.

We also believed that keeping our team intact would have allowed us to grow again once the pandemic was over and the world returned to 'normal'.



Coming Out of the Pandemic

As we come out of the pandemic, it is clear the world will not go back to 'normal'. Inflation, war, and other economic factors mean that the vast majority of people who hope to do the IELTS test will not be able to afford the high-quality service and teaching we provide.

The Changing Attitude of IELTS Students

The attitudes of the average IELTS student have also changed in the last two years. Before the pandemic, most students focused on getting the best possible teacher available and viewed the cost of hiring the best teacher as an investment in their future. They were willing to put the work in required to get the score they needed, which was a very successful formula as the teachers benefited as much as the students did.

Today, most students focus on how to get the score they need at the lowest cost possible and by doing as little work as possible. There are also many 'teachers' who are prepared to offer students 'tricks' and 'cheats' at little or no cost. As a company, we refuse to sell students anything that will lower their scores or conflict with our principles. I am not blaming the students for this change, but we have to accept that what students want and what we provide are very different from two years ago.

Procrastination

We have also noticed a worrying trend with our students. When we look at the data, many students join but then procrastinate. We understand procrastination is part of being human, but it is our responsibility as teachers to try and motivate students as much as possible. We believe people are procrastinating because of our lifetime access to teachers. By providing lifetime feedback, help, and support, we thought we were helping, but in many cases, this proved detrimental to student progress because students could always wait another day before starting their preparation.

Summary

The company has operated at a massive loss through the pandemic. We set aside nearly \$1 million at the start of the pandemic to protect students and our team, but this money is running dangerously low. Current market conditions mean that, in our present state, there is a low chance we will return to profitability. To protect our students and team, we must make changes now.

Key Changes

If we continue this way, the company will be forced to close, and students will lose their courses without any warning or notice. We want to avoid this at all costs, and these changes are the best way to prevent that from happening.



We have, therefore, decided to make the following extraordinary changes to protect students:

1. Students will still have lifetime access to pre-recorded courses and recordings of old classes. This will not change.
2. Students will have access to teachers for the next three months. Feedback, live classes, live Q+As, and email support from teachers will continue to be available as usual until the middle of August. After the middle of August, these 'teacher-led' services will cease, and the teachers will leave IELTS Advantage. We believe this is more than enough time for the vast majority of students to get the help they need and help with the procrastination problem. The average successful student completed their preparation in 4-6 weeks. We are giving students more than double this.
3. We will immediately stop selling the course with lifetime help and support. We will move to a model that restricts the time new students have access to the course.

We have set aside the financial resources to ensure the above three things happen to safeguard students and give our team enough time to find other jobs.

Conclusion

If you have read the whole letter, you will see that this is the best possible outcome for existing students considering the circumstances we find ourselves in. The alternative would have been to say nothing and eventually collapse without warning. This would have meant that students lost their courses and our team lost their jobs without any notice. We are taking these steps to ensure those things do not happen.

I have tried to be as clear and transparent as possible, but I am sure some have questions. Before replying to this email with a question, please read the FAQs below to save you time.

You signed up for this course to help you improve your IELTS score. We are giving you our total commitment for the next three months. This is enough time for more than 99% of the people who became VIPs in the past. We will provide more help and support than any other IELTS course in the world. Those students who see this as an opportunity to get the scores they need will do so.

I sincerely believe this is the best way to help students get the scores they need.

If you need anything, feel free to get in touch.

Sincerely,

Chris