



2012 ICF Global Coaching Study

Executive
Summary



Introduction

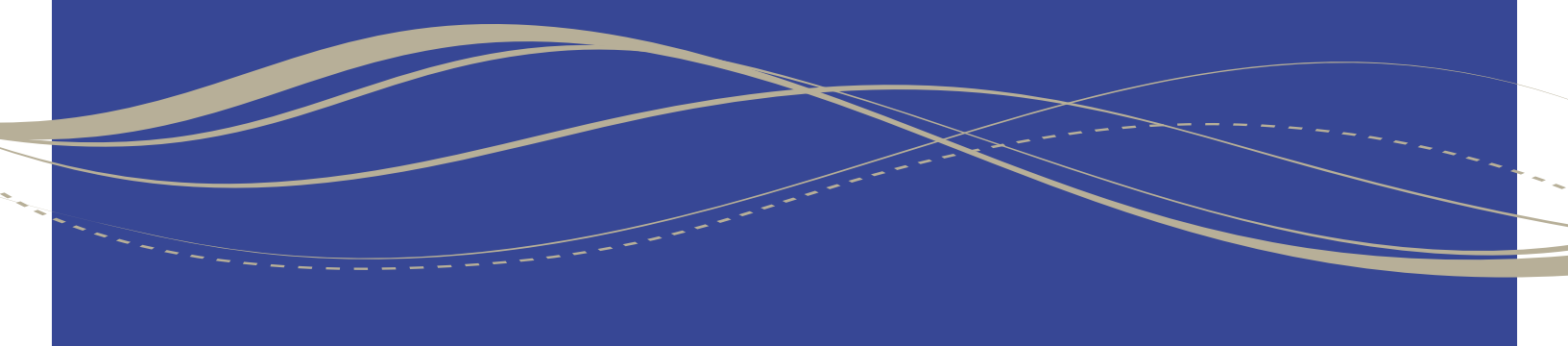
This is a summary of the findings from the 2012 ICF Global Coaching Study. The study was commissioned in 2011 by the International Coach Federation (ICF) and undertaken by PricewaterhouseCoopers.

In late 2006, the ICF commissioned its first ever global industry study to provide a baseline picture of the profession; to identify what coaches saw as the major challenges; and to estimate the size of the profession. When the benchmark Final Report was ultimately released, the 2007 ICF Global Coaching Study included responses from 5,415 coaches living in 73 different countries – among them, more than 1,500 non-ICF member coaches.

Since then, the landscape of professional coaching has evolved in terms of the number of coaches worldwide, global revenue, and perhaps even the demographic profile of the coach.

Following a sharp slowdown in 2008, global output fell in 2009 and subsequent economic recovery has been tentative. Nonetheless, the coaching profession appears to have continued its expansion. To serve as a reference, the ICF membership numbers grew from around 11,000 in 2006 to almost 19,000 by the end of 2011.

Against that backdrop, the 2012 ICF Global Coaching Study was designed to be one of the most ambitious pieces of industry research ever conducted on the field of professional coaching. A primary goal was to engage with as many coaches as possible on a worldwide basis, thus providing an up-to-date picture of the profession to help meet the challenges ahead.



The survey process

The survey was launched online in June 2011, with all ICF member coaches sent a personalized invitation and survey link. Strategies were adopted to facilitate and encourage the widest possible participation by ICF and non-ICF coaches.

The questionnaire was made available online in nine languages and was also designed so that it could be completed using mobile devices. ICF members were asked to provide a link to the online survey registration site to their wider networks of coaches; creating a 'snowball' effect that would attract even more non-ICF coaches.

Over the six-month fieldwork period, global reminders were regularly issued to those in the ICF contacts database who had yet to complete the survey. Coaches who became ICF members during this period were also invited to participate through the monthly reminder campaign.

Throughout 2011, the ICF also promoted the survey extensively at regional and global ICF Conferences in Madrid, Spain, Las Vegas, USA and Santiago, Chile. Other professional coaching bodies delivered messages directly to their own members encouraging participation.

Our deepest gratitude must be offered to the following collaborating organizations:

- Association for Coaching (AC);
- Association of Coach Training Organizations (ACTO);
- European Mentoring and Coaching Council (EMCC);
- Graduate School Alliance for Executive Coaching (GSAEC); and
- International Association for Coaches (IAC).



3

Survey outcomes

The efforts deployed to maximize participation in the 2012 Global Coaching Study proved very successful. With 12,133 valid responses, the survey is large in scale, providing a wealth of detailed information on the coaching profession.

Responses were received from professional coaches in 117 countries, an unprecedented response. In fact, a total of 31 nations each received more than 100 survey returns; representing all the major world regions. This threshold of participation enabled these nations to receive customized data appendices which included responses to most of the survey questions provided to coaches in this study.

The survey also reached out to the wider coaching profession. Over 4,400 valid responses were received from non-ICF members. Western Europe and North America each contributed around 1,400 respondents to the non-ICF total.

The remaining non-ICF returns were spread across the other world regions. The response from non-ICF members was above average in the Middle East and Africa, where one in two responses were from non-ICF members, followed by Asia (46%).

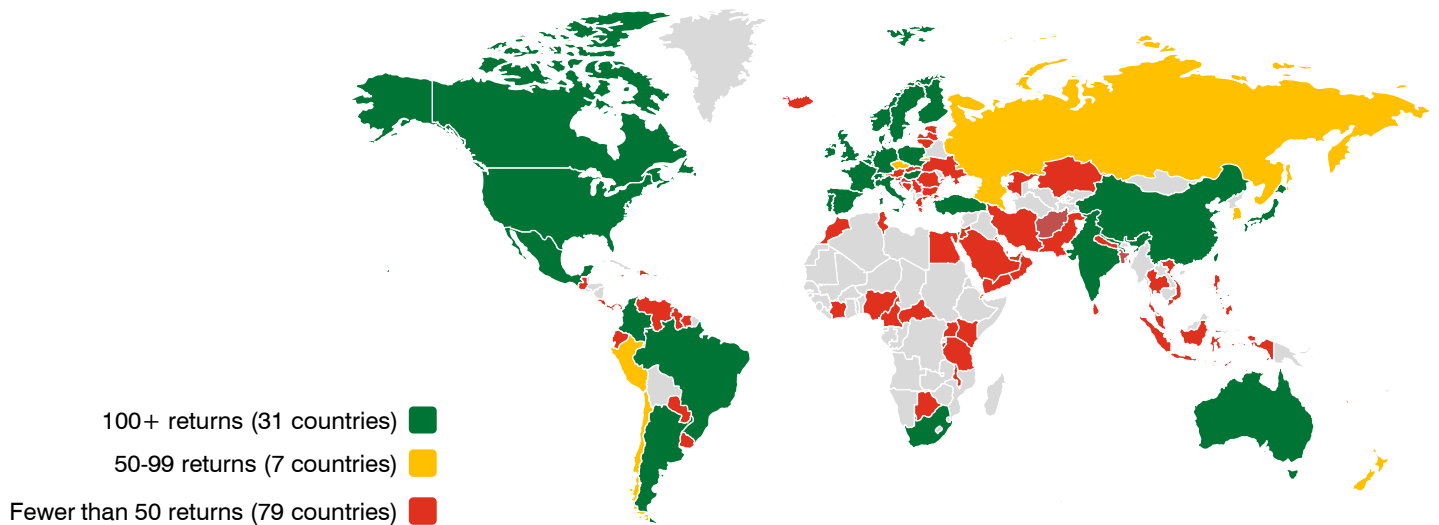
More than 7,700 ICF members responded to the survey. The largest number were from North America (3,565), reflecting the region's 52% share of the ICF contacts database. Over 2,000 responses were received from Western Europe. Both Latin America and Asia generated in excess of 500 returns from ICF members.

NOTE: The figures presented in this report are based on survey responses and therefore rely on the accuracy of the data provided by the survey respondents.



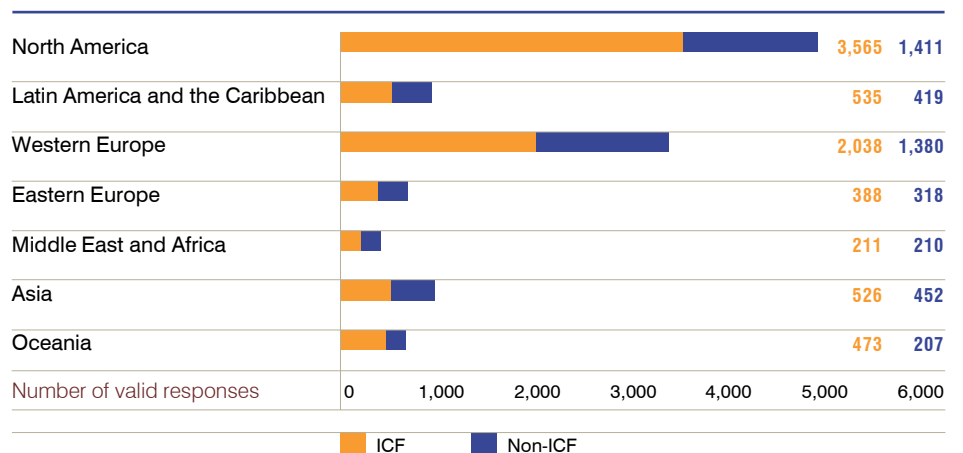
A truly global survey

117 countries participating



A comprehensive list or league table highlighting the responses for every nation participating in the study will be provided to readers in the Final Report.

Survey responses by region



Number of coaches

A key objective for the study was to determine estimates of coaching revenue by type of coaching, geographical region and global total.

Given that no accepted, globally inclusive list of coaches was available to use as a sampling frame for the survey, the precise number of professional coaches currently practicing worldwide is not able to be confirmed. In order to determine these revenue figures, it is first necessary to make some assumptions about the number of coaches that there are in the world.

It was therefore required to estimate the number of coaches, both globally and by region, using a combination of known total ICF membership numbers combined with estimated membership numbers of other organizations and survey responses, based on a membership ratio method. The methodology is fully detailed in the Final Report.

The estimation procedure benefits considerably from robust ICF membership counts, the large scale of the global survey including non-ICF members, and the availability of information on membership overlaps.

From the available data, it is hereby estimated that there are presently in the region of 47,500 professional coaches worldwide.

When asked about their current level of coaching activity, 87% of coaches responding to the survey said they had active clients at the time of their survey response.

Therefore, the estimated global number of active coaches is 41,300. This distinction between coaching activity levels remains significant because only active coaches who completed the survey were asked about revenues, fees per 1 hour session, hours worked, and number of clients.



Coaches by world region

Professional coaches are not evenly distributed across the globe. Rather, they are most highly concentrated in the high-income regions of North America, Western Europe and Oceania (primarily Australia and New Zealand).

Together, these three world regions account for 76% of the estimated global total of professional coaches, compared with their 11% share of global population.

Globally, there are 6.9 coaches per 1 million population. In the high-income regions, the ratio of coaches per 1 million population is in excess of 40.

Nonetheless, the coaching profession appears to be showing more rapid growth in emerging regions outside the established high-income regions.

Coaches by world region

| | Number | % | Per 1m population |
|-------------------------------|---------------|--------------|-------------------|
| North America | 15,800 | 33.2 | 46.0 |
| Latin America & the Caribbean | 2,600 | 5.4 | 4.4 |
| Western Europe | 17,800 | 37.5 | 44.4 |
| Eastern Europe | 3,500 | 7.4 | 7.9 |
| Middle East & Africa | 2,100 | 4.3 | 1.7 |
| Asia | 3,300 | 7.0 | 0.9 |
| Oceania | 2,400 | 5.1 | 66.2 |
| Global | 47,500 | 100.0 | 6.9 |

Note: 2010 population data by country sourced from the World Bank indicators database (<http://data.worldbank.org/topic>).



Annual revenue/ income from coaching

Survey respondents with active clients were asked to provide their annual revenue or income generated by coaching only.

A total of 64 different currencies featured in the responses to the revenue question. The revenue figures were therefore standardized to U.S. dollars (USD) based on international exchange rates published by the World Bank. When calculated in USD, average revenues are highest in the high-income regions of North America, Western Europe and Oceania.

However, it should be remembered that, while the revenue data has been provided in one currency, the value of the amounts quoted in individual countries and regions must be contextualized in terms of Purchasing Power Parity (PPP), and diverse standards of living. This subject will be described in greater detail in the Final Report.

There is, however, considerable variation in annual revenues earned from coaching, which is evident when comparing average and median revenues. The median represents the middle value in the distribution of annual revenues.

Average annual revenue (\$)

| | Average \$ | Median \$ |
|-------------------------------|---------------|--------------|
| North America | 50,400 | 29,100 |
| Latin America & the Caribbean | 34,400 | 12,700 |
| Western Europe | 52,100 | 27,700 |
| Eastern Europe | 24,000 | 12,000 |
| Middle East & Africa | 39,600 | 20,000 |
| Asia | 36,500 | 13,700 |
| Oceania | 66,200 | 36,700 |
| Global | 47,900 | 25,000 |

Globally, median annual revenues in 2011 were \$25,000 (i.e. one half of coaches earned less than that amount from coaching and the remaining half earned in excess of \$25,000).

In comparison, the average annual revenues from coaching were \$47,900. The disparity between median and average revenues from coaching perhaps reflects the diversity that exists within the coaching profession, including factors specific to the coach, such as coaching experience, education and other services they offer within their practices.

Among those services mentioned most commonly were consulting (62%) and/or training (60%). Not only can coaches choose to work both externally or internally within an organization, but they also can serve a variety of client types; ranging from executives to personal clients.

Of course, coaches also vary in the number of clients they coach, the fees that they charge and the hours that they work. In fact, according to the 2007 ICF Global Coaching Study, a majority of coaches (54%) offer some of their services pro bono and almost one in three (31%) barter their services.

Total revenue from coaching

For each of the seven world regions, total revenue from coaching is derived by multiplying the regional number of active coaches by average annual revenues from coaching.

From the accompanying table, it can be seen that global revenue shares (in \$ million at international exchange rates) are directly related to the geographical pattern in the number of coaches and regional differences in annual revenues from coaching.

Thus, Western Europe's share of global revenue (42%) is in excess of its share of the number of coaches (38%) because annual revenues per active coach (\$52,100) are above average (\$47,900).

Similarly, Asia's share of world revenue from coaching (5%) is less than its share of coaches (7%) because annual revenues from coaching in Asia (\$36,500) are below the global average.

Total revenues

| | \$ million | % |
|-------------------------------|--------------|--------------|
| North America | 707 | 35.7 |
| Latin America & the Caribbean | 73 | 3.7 |
| Western Europe | 828 | 41.8 |
| Eastern Europe | 69 | 3.5 |
| Middle East & Africa | 68 | 3.5 |
| Asia | 95 | 4.8 |
| Oceania | 139 | 7.0 |
| Global | 1,979 | 100.0 |



Key trends

When asked about their experience over the 12 months prior to the study, respondents were more likely to report an increase than a decrease in fees, hours, clients and revenues.

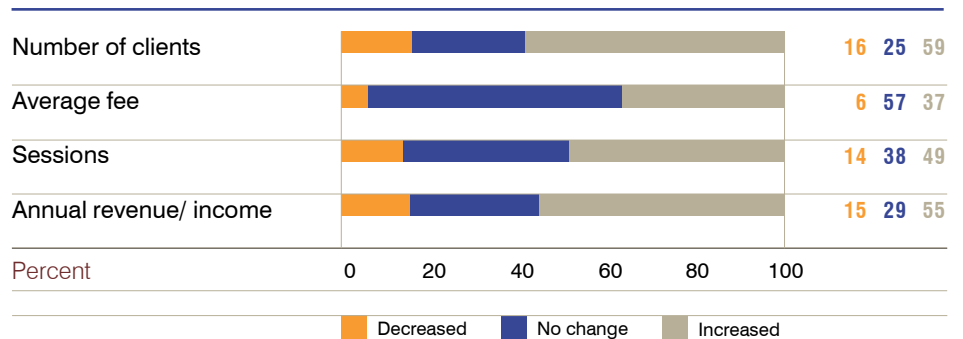
Overall, the positive balances in the trend indicators clearly point to a profession that is continuing to grow through difficult economic times.

Almost six in 10 coaches said they had experienced an increase in clients, compared to 16% saying their client numbers had decreased.

Coaches were less likely to say that average fees per 1 hour session had increased (37%), but this can be compared with just 6% reporting a decline. Similarly, coaches were more likely to say that the number of their coaching sessions had increased (49%) rather than decreased (14%).

The positive trends in clients, fees and sessions were clearly reflected in average revenues, with 55% reporting an increase compared to 15% indicating that their annual revenue had declined.

Change experienced – last 12 months



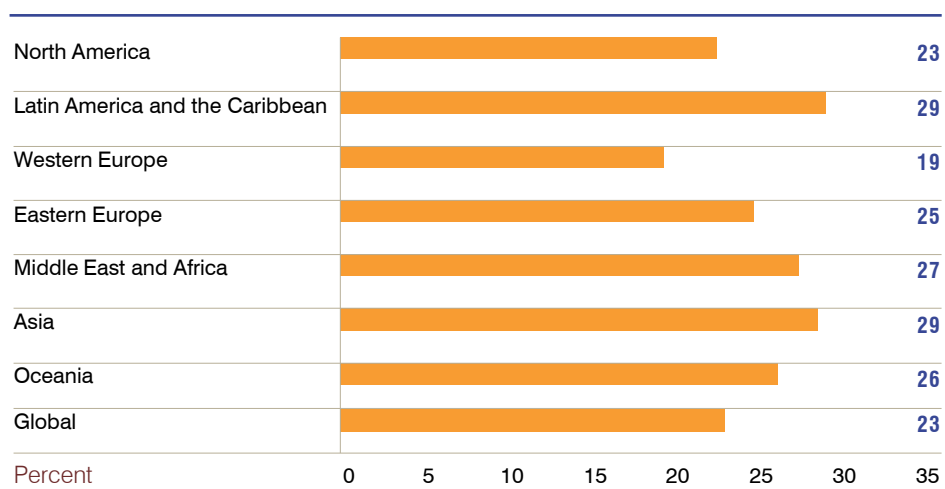
Trends by world region

The evidence from the study suggests that the trend indicators have been growing more quickly outside the high-income regions.

For example, 29% of coaches in Latin America and the Caribbean said they had experienced growth across all four trend indicators in the previous 12 months (i.e. clients, fees, sessions and revenues).

On that criterion, the slowest growing region was Western Europe, where fewer than one in five coaches (19%) reported an increase across all four key indicators.

Experienced increase last 12 months on all key trends



Looking ahead

In general, the coaches who responded to the study view their prospects over the next 12 months in a positive light and are looking ahead with confidence. More than three in four expect their number of coaching clients to increase.

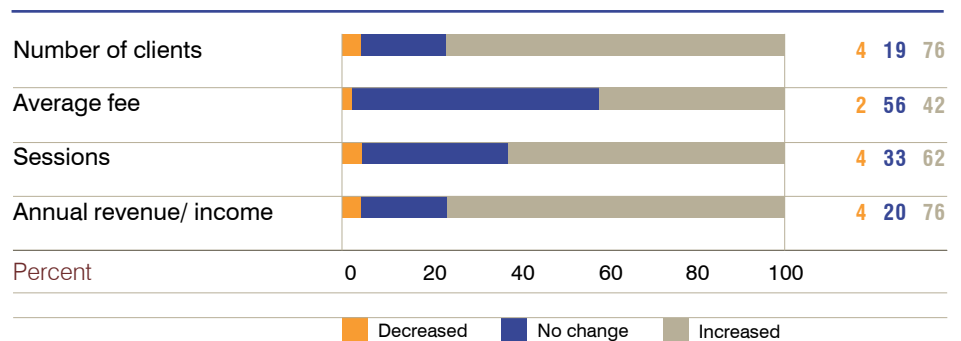
A similar proportion anticipates an increase in annual revenue/income from coaching. Over six in 10 (62%) expect their number of coaching sessions to rise.

Coaches are somewhat less confident of an increase in average fees (42%). However, very few coaches (2%) expect average fees to decline.

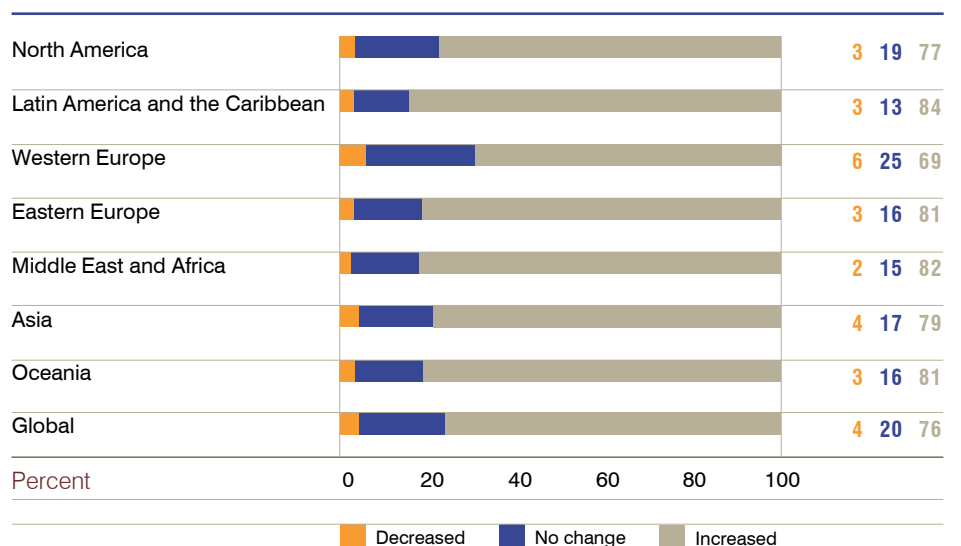
Coaches located in Latin America and the Caribbean, Eastern Europe, the Middle East and Africa, and Asia, are looking forward to the next 12 months with greater confidence than their counterparts in the high-income regions.

For example, 84% of coaches in Latin America and the Caribbean expect to see an increase in annual revenue over the next 12 months compared with 69% in Western Europe.

Change expected – next 12 months



Annual revenue/ income – next 12 months



Key issues facing the industry

The 2012 ICF Global Coaching Study provided coaches with the opportunity to comment on a range of issues facing the industry in the future, including: regulation of coaching; obstacles; and opportunities.

A majority of coaches (53%) believed that coaching should become regulated. On the other hand, 23% did not believe that coaching should become regulated and the remaining 24% indicated that they were unsure on the subject.

When compared to the other six global regions, the proportion of coaches favoring regulation was significantly lower in North America (42%); however, the responses were still in excess of those in North America who did not agree that coaching should be regulated (30%).

Among those who believe coaching should be regulated, or who were unsure, the overwhelming majority (84%) felt that professional coaching bodies were best placed to regulate the industry.

Key issues facing the industry in the future (% respondents)

Obstacles

| | |
|-----------------------|----|
| Untrained individuals | 43 |
| Marketplace confusion | 30 |
| Market saturation | 9 |
| Under-pricing | 5 |
| Over regulation | 3 |
| Competing services | 3 |
| Other | 7 |

Opportunities

| | |
|---------------------------------|----|
| Increased awareness of benefits | 36 |
| Credible data ROI/ ROE | 28 |
| Improved general perception | 14 |
| Increased demand | 11 |
| Positive media | 8 |
| Other | 2 |

Untrained individuals who call themselves coaches were viewed as the main future obstacle for coaching over the next 12 months (43%), followed by marketplace confusion (30%).

The main opportunities were seen to be increased awareness of the benefits of coaching (36%) and credible data on the return on investment (ROI)/return on expectations (ROE) from coaching (28%).

Concluding remarks: key themes

The following are the key themes to emerge from the 2012 ICF Global Coaching Study indicators reviewed in this summary report:

- The profession appears to be growing, with an estimated 47,500 professional coaches generating close to \$2 billion (USD) in annual revenue/income.
- The profession remains concentrated in the higher-income regions of North America, Western Europe and Oceania. Collectively, these regions contain more than three in four coaches, well exceeding the 11% share of global population living in these regions.
- Despite the critical mass of coaches found in the higher-income regions, nonetheless, the evidence from the study indicates faster growth in coaching has emerged in markets outside these regions, such as in Latin America and the Caribbean.
- Coaches are looking confidently to the future, with expectations over the next 12 months of increasing demand (clients and sessions) leading to growth in annual revenue and income from coaching.
- Key issues for the future include tackling obstacles such as untrained individuals who call themselves coaches; availing of opportunities to increase awareness of coaching benefits; and answering the question of whether coaching should be regulated.

The final report

This summary report has presented the main findings from the 2012 ICF Global Coaching Study. More detailed analysis and statistics can be obtained from the Final Report, which will be made available in the coming weeks.

The topics included in the Final Report are as follows:

- Coaching Profession:
Size and Key Trends;
- Profile of Coaches;
- Training and Accreditation;
- Profile of Clients;
- Interaction between Coach and Client;
- Key Issues and Future Trends; and
- Technical Appendix.



www.coachfederation.org/coachingstudy2012

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