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Research

Mapping international student mobility from India at the state and city level

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The British Council thanks Enroly for its contribution to this study by providing anonymised admissions data for students from India for the 2022/23 academic year.

enroly

Enroly is a provider of enterprise automation software supporting the CAS, visa and arrival stages of international student recruitment and admissions in the UK. Over one quarter of international students coming to the UK currently use Enroly's CAS Shield platform.

Contents

Executive summary

This research explores the home states and cities of origin of Indian international students in the UK and how the geographical distribution of demand for study abroad is evolving. It aims to develop market insight into the main locations in India with potential for growth in demand for study abroad.

Key findings

India's urban development is driving the expansion of higher education provision for tertiary learners and fueling student mobility. India is home to the world's largest university-age population – estimated to be 129 million.

India's megacities are the main drivers of international student mobility.

India's fast-growing megacities are the main senders of internationally mobile students to the UK: Delhi, Mumbai, Bengaluru, Chennai and Hyderabad. These five cities have been driving student demand for international education over the past decade and will likely remain the hot spots for future student mobility.

Some other states had particularly high mobility to the UK in 2022/23

Data on issued Confirmations of Acceptance for Studies (CAS) from a subset of UK universities shows particularly strong growth in student mobility from Kerala, as well as large numbers of students from Punjab and Telangana. These three states made up more than half of Indian students coming to the relevant UK institutions in the 2022-23 academic year and showed very high mobility rates relative to the number of students studying domestic tertiary programmes in those states.

International student mobility is highly sensitive to student visa policy changes

Education agents reported that their student customers perceive the UK's post-study work opportunities via the graduate route visa as vulnerable to policy change. As a result, students typically consider the UK alongside other countries.

Some locations within India appear to be more sensitive to visa policy fluctuations than others. Agent interviews suggest that the recent surge in demand for study abroad in the southern state of Kerala was driven largely by post-study work opportunities, but that this trend has already started to subside and is unlikely to be sustained in the future.

Students in price-sensitive locations, such as Lucknow (Uttar Pradesh) and Rajasthan, are also likely to be heavily influenced by any future changes to the post-study work-route. Locally-based education professionals say that any future restrictions are likely to cause a sharp contraction in students' interest in studying in the UK. Agents are already reporting renewed interest in Australia, where post-study work visas for graduates in verified skills shortage areas were extended by a further two years in July 2023 to reach 4-6 years in total depending on level of study.

Knowledgeable education agents in India are critically important for UK universities' student recruitment

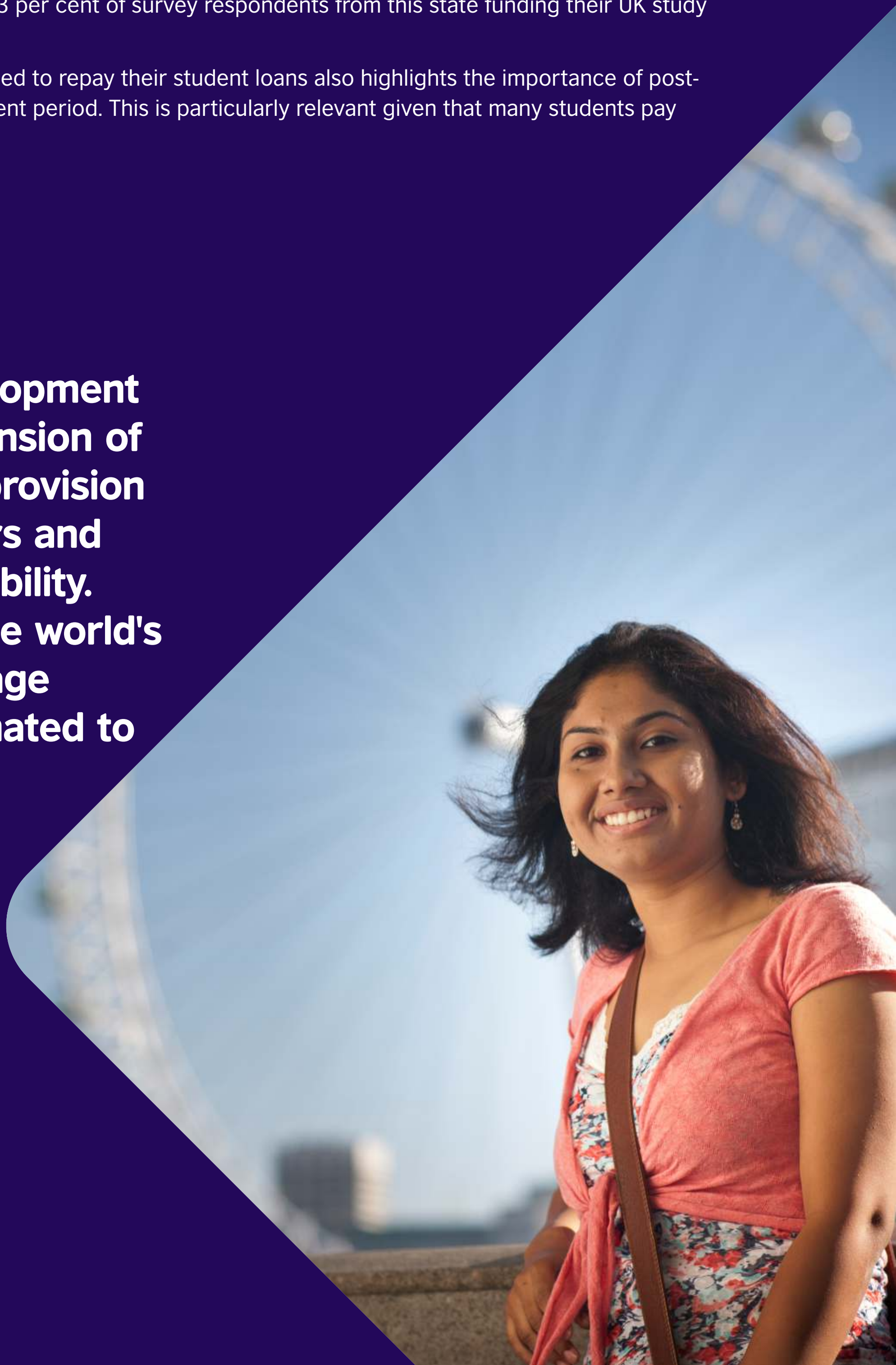
This research shows that education agents play a huge role in Indian student recruitment. Their significance, however, is especially crucial in states that are highly responsive to changes in student visa policies. Ensuring that education agents understand the UK higher education system and can give students accurate advice and support is critical for sustainable student recruitment. Higher education institutions that work with knowledgeable agents are also likely to receive fewer speculative applications.

Education loans are growing in importance

In line with India's growing middle class, educational loans are now more easily available both in India and internationally. These are widening access to international education. Almost a third of surveyed students (32 per cent) currently studying in the UK have used bank loans to fund their UK studies. Students from Maharashtra had the highest usage of bank loans, with 43 per cent of survey respondents from this state funding their UK study through a loan from a bank.

The high proportion of students that need to repay their student loans also highlights the importance of post-study work to shorten the loan repayment period. This is particularly relevant given that many students pay interest rates of 10 per cent or higher.

India's urban development is driving the expansion of higher education provision for tertiary learners and fueling student mobility. India is home to the world's largest university-age population – estimated to be 129 million.



Research objectives

The research aims to develop market insight into the main locations with growth potential for outbound student mobility. The research aims to address two-fold objectives:

- **Assist policymakers in India to understand why certain cities and states are sending the most students abroad and what is driving the growth in outbound student mobility.**
- **Help UK HEIs in mapping existing and emerging growth potential at a regional level and allocate resources more effectively to capture recruitment opportunities.**

This research endeavours to develop a conceptual framework to enable year-on-year tracking of student demand at the state/city level in India. In this sense, this is baseline research against which shifts in demand at the state/city level may be monitored.

Research methodology

The research began with a review of the secondary data resources at the state level to provide the context surrounding the international mobility of Indian students.

An extensive data collection was carried out, which included:

- **Quantitative data collection consisting of the following:**

    Data requests with selected HEIs active in student recruitment from India. HEIs were asked to share aggregate figures on Indian students' home states and cities for the academic year 2021/22. A total of five UK HEIs provided data.

    Data from the company Enroly, which handles the visa and confirmation of acceptance for studies (CAS) data on behalf of UK universities. The data supplied was for students starting courses in the 2022/23 academic year and was taken from the Enroly CAS Shield platform, which covers a large cross-section of UK universities and pathway providers.

    Data on UCAS Apply centres, which were mapped according to their business address. These were used as a proxy of locations popular with globally mobile students.

    An online survey of Indian students in the UK to get a better understanding of student decision-making factors and the students' home cities.

- **Qualitative data collection through semi-structured in-depth interviews with stakeholders in India, including education agents and international schools in India.**

The outcome of these data collections is summarised in the table below.

Data Collection Channels	Coverage
Quantitative data collections	
• Selected HEIs' data on Indian Students' home cities and states – 2021/22	Data on 5,175 students from 5 UK HEIs (around 4% of total India-domiciled enrolments)
• Enroly data on Indian students with issued UK student visas or CAS – 2022/23 academic year	Data on 36,415 students (around 26% of student visas issued to Indian citizens in 2022)[1]
• UCAS Apply centres – data mainly covers education agents and international schools in India	Locations of 392 UCAS Apply Centres
• Online survey with currently enrolled Indian students in the UK on student decision making factors	323 qualifiable student responses
Qualitative data collections	
• Semi-structured interviews with education agents and student counsellors based in India	8 interviews
• Semi-structured interviews with UK HEIs active in student recruitment in India	6 interviews

1. Enroly's data does not correspond exactly to 2022 visa issuances, but the large majority of students starting a UK HE course in 2022/23 academic year will have applied for and received their visa in 2022

Setting the context: tertiary education enrolments in India at the state level

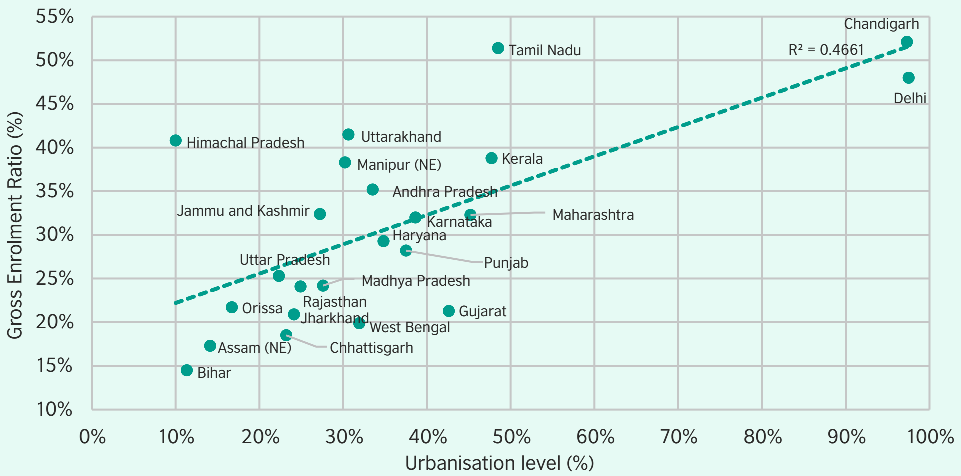
This section examines the connection between urbanisation, economic growth and higher education provision, showing how urban infrastructure facilitates the growth of local higher education and demand for overseas study. These findings are contextualised with in-depth interviews with local HE stakeholders.

Ruiz (2014) observed that most international students in the USA originated from large, fast-growing cities in emerging markets.[2] This research drew on these findings and explored the relationship between urban development and demand for higher education.

Urban development and higher education

Marginson (2017)[3] observed that India was one of several countries with "the most spectacular enrolment growth at scale", where high GDP growth was coupled with a high level of urbanisation from 2000 to 2012. The author noted that while higher education was concentrated in cities worldwide, the rate of growth in gross tertiary enrolments tended to be below the rate of growth in urbanisation with a few exceptions (notably S Korea, the USA, Russia, and Thailand).

Figure 1: Gross tertiary enrolment vs urbanisation by Indian state



Data source: https://www.education.gov.in/sites/upload_files/mhrd/files/statistics-new/aishe_eng.pdf

2. Ruiz, N. (2014). The Geography of Foreign Students in U.S. Higher Education: Origins and Destinations. A JOINT PROJECT OF BROOKINGS AND JPMORGAN CHASE. https://www.brookings.edu/wp-content/uploads/2014/08/Foreign_Students_Final.pdf

3. Marginson, Simon, 'High Participation Systems of Higher Education', in Brendan Cantwell, Simon Marginson, and Anna Smolentseva (eds), High Participation Systems of Higher Education (Oxford, 2018; online edn, Oxford Academic, 22 Nov. 2018), https://doi.org/10.1093/oso/9780198828877.003.0001, accessed 27 Mar. 2023.

We applied this concept to India and studied the relationship between urbanisation levels and the gross enrolment rates (GER) at the tertiary education level across India's states. The states with a high level of urbanisation were also those with higher levels of tertiary education participation. Their tertiary education capacity also served students from other states, expressed by the proportion of out-of-state students out of the total tertiary population.

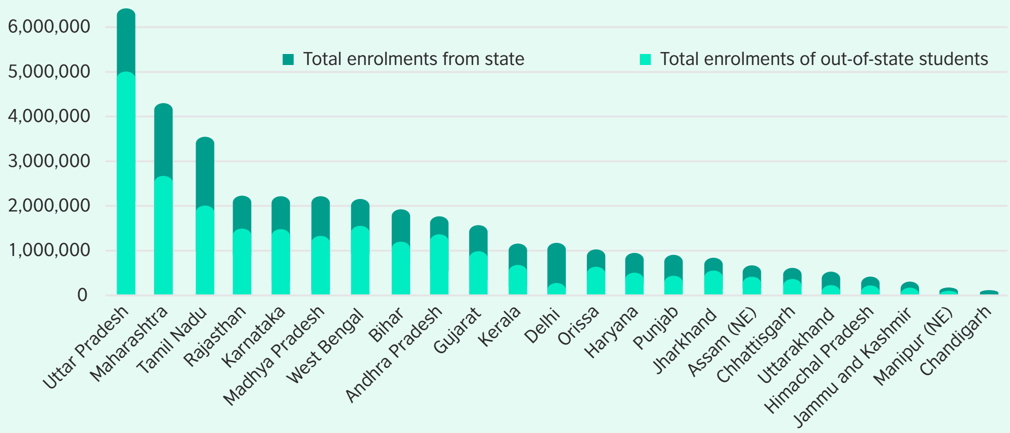
A notable exception was Himachal Pradesh – which has one of the lowest urbanisation levels and the highest educational attainment. A World Bank report described Himachal Pradesh as a "stable, inclusive, cohesive and well-governed" state.[4] Infrastructure investment was identified as the main driver of growth, which also resulted in significant improvements in social development, such as social inclusion and access to education. The state was hailed as a "success story in poverty reduction".

Another state with a relatively high tertiary enrolment rate was Uttarakhand, which was created as a state in 2000 and has heavily invested in expanding higher education provision. This was highlighted in the Ministry of Education "All India Survey on Higher Education (AISHE) 2020-2021", which placed Uttarakhand among the states with the highest density of HEIs.[5] Across India the average college density – defined as the number of colleges, universities and other HEIs per 100,000 eligible population (population in the age-group 18-23 years) – averaged 31 nationwide in 2020/21. The survey shows the following states have the highest college density:

- Karnataka (62)
- Telangana (53)
- Kerala (50)
- Himachal Pradesh (50)
- Andhra Pradesh (49)
- Uttarakhand (40)
- Rajasthan (40)
- Tamil Nadu (40)

The chart below shows the total enrolments across the Indian states and the number of out-of-state students.

Figure 2: Domestic enrolments of in-state and out-of-state HE students by Indian state



Data source: https://www.education.gov.in/sites/upload_files/mhrd/files/statistics-new/aishe_eng.pdf

4. https://openknowledge.worldbank.org/entities/publication/8f5cb568-9f62-5c58-b2b0-9c4327d6580c
5. https://pib.gov.in/PressReleseDetailm.aspx?PRID=1894517

The study found a positive relationship between urbanisation level and the proportion of out-of-state students in tertiary education. This indicates that urban infrastructure facilitates education provision for local students and extends capacity to accommodate student demand from other states. See Annex A for details.

Urban development and economic growth

A significant determinant of studying abroad is disposable income and our research explored the well-documented link between urban development and economic wealth and applied it to the different states in India.

The World Bank (2020) estimates that 56 per cent of the world's population live in cities and they produce more than 80 per cent of the global Gross Domestic Product (GDP).[6] Globally, there is a strong association between income and urbanisation.

In the context of India, the National Bureau of Economic Research found a strong correlation between urbanisation and poverty reduction.[7] However, the authors warned that lagging urbanisation could lead to rising inequalities between rural and urban populations and across the regions. These findings were echoed by the Asian Development Bank (ADB),[8] which said that urbanisation had a positive impact on the economic development of the country.

Applying this concept in India produced a strong correlation between individual states' urbanisation levels and their domestic product per capita.[9]

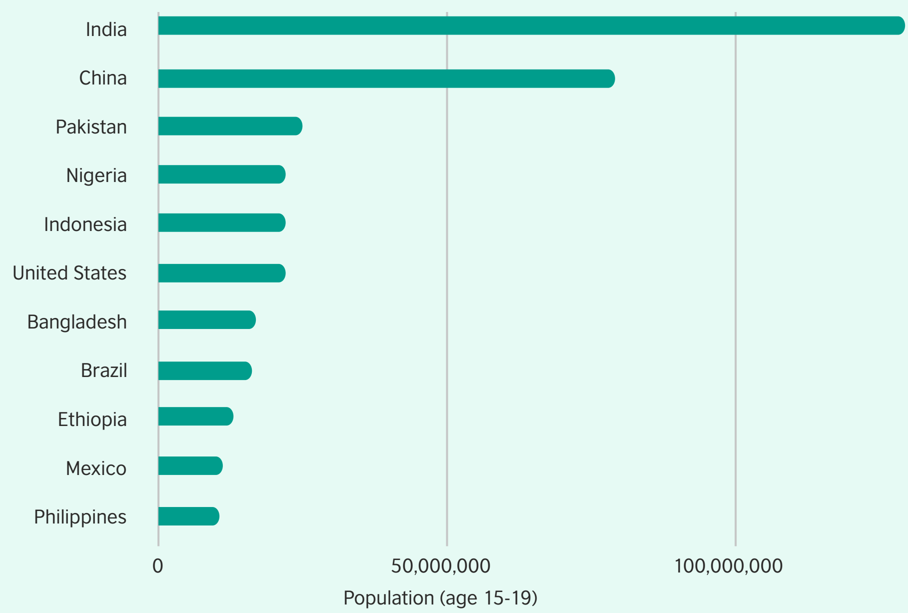
Figure 3: Per-capita GDP vs urbanisation by Indian state

Data source: https://cdn.ihs.com/www/blog/india_map_and_urbanization_rates.pdf

6. World Bank (2022). Urban Development. https://www.worldbank.org/en/topic/urbandevelopment/overview
7. https://www.nber.org/system/files/working_papers/w21983/w21983.pdf
8. https://www.adb.org/sites/default/files/publication/204406/adbi-wp607.pdf
9. Methodological note: all state-level charts in this paper include Indian states with tertiary education enrolments of 100,000 or more. This accounts for 99% of India's population and over 99% of the country's tertiary enrolments. Some discrepancies in the data were found for the smaller states.

India is already home to five of the world's 33 mega-cities, defined by a population of 10 million or more. The United Nations forecasted Delhi would overtake Tokyo as the largest city by 2030, with its population expected to reach almost 39 million.[10] India is also expected to be one of the main contributors to the growth of the urban population globally, adding an additional 416 million urban dwellers by 2050.[11] This rapid urbanisation is likely to drive India's economic growth and the country's youthful population will be a critical contributor. India's population, aged 15-19, is now considerably greater than China's, with the United Nations Population Division estimating that India is home to 129 million young people aged between 15 and 19.

Figure 4: Countries with the largest youth population (15-19 year olds)



Data source: United Nations Population Division (2020)

10. United Nations (2018), The World's Cities in 2018. https://www.un.org/development/desa/pd/sites/www.un.org.development.desa.pd/files/files/documents/2020/Jan/un_2018_worldcities_databooklet.pdf

11. United Nations (2018), World Urbanization Prospects: The 2018 Revision. https://population.un.org/wup/Publications/Files/WUP2018-KeyFacts.pdf

Mapping international student demand from India at the state and city-level

This section draws on quantitative and qualitative data collections to map India's state and city levels of student demand for UK higher education.

- **Quantitative data collection included the following:**

  Data collection of Indian students' home states and cities, including data from UK HEIs on enrolled Indian students and data from Enroly on issued CAS and student visas

  An online student survey covering Indian students currently studying HE programmes in the UK

- **Qualitative data collection through semi-structured interviews with education agents, counsellors, and higher education institutions**

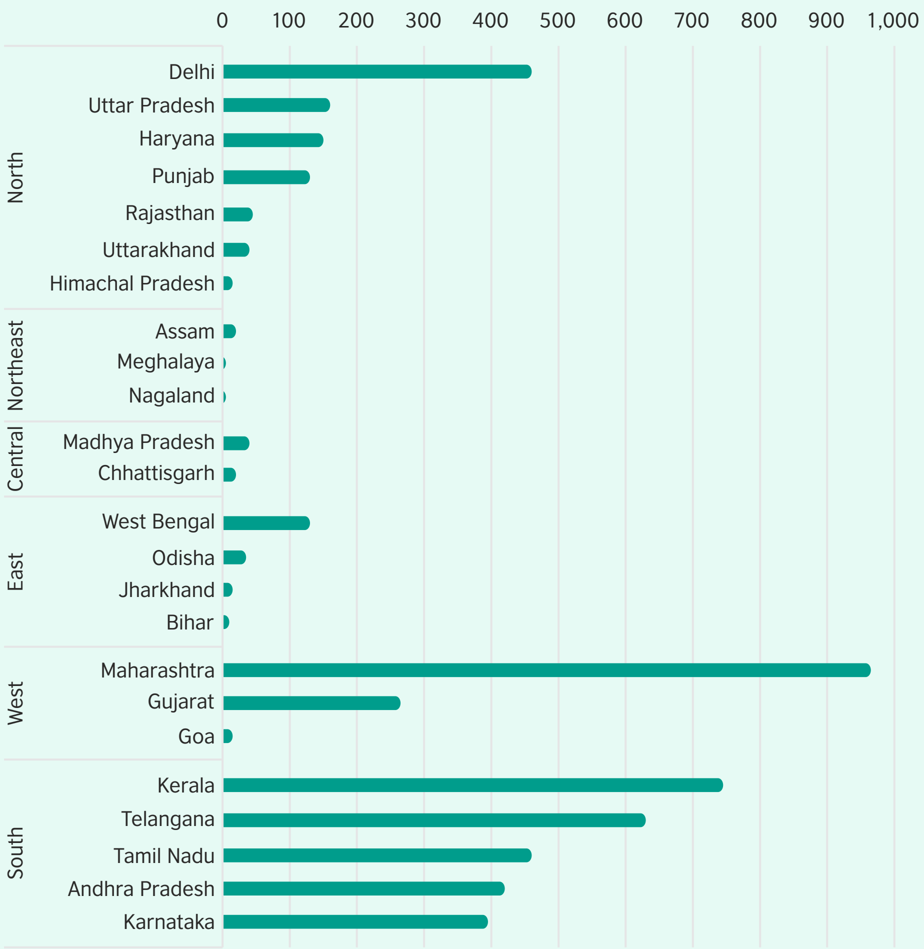
Home locations of Indian students studying in the UK

Enrolments at selected HEIs

The data on students' home states and cities in this section was sourced from five UK higher education institutions popular with Indian students. The data population refers to the 2021/22 academic year, which is the latest year with a complete enrolment cycle running from 1 August 2021 to 31 July 2022.

At the state level, the states with the largest number of students are Delhi, Maharashtra, Kerala and Telangana. These collectively account for 56 per cent of all students in the UK, based on the data provided by UK HEIs. Data from Maharashtra state show a particular concentration of students in Mumbai, showing the importance of India's second-largest megacity relative to other parts of the state when it comes to student mobility.

Figure 5: Indian students at selected UK HEIs by home state and region, 2021-22



Detailed state-level data, which several UK universities shared with us, is presented in the table below. For data protection considerations, the data are rounded to the nearest 0 and 5, and locations with fewer than ten students are not included.

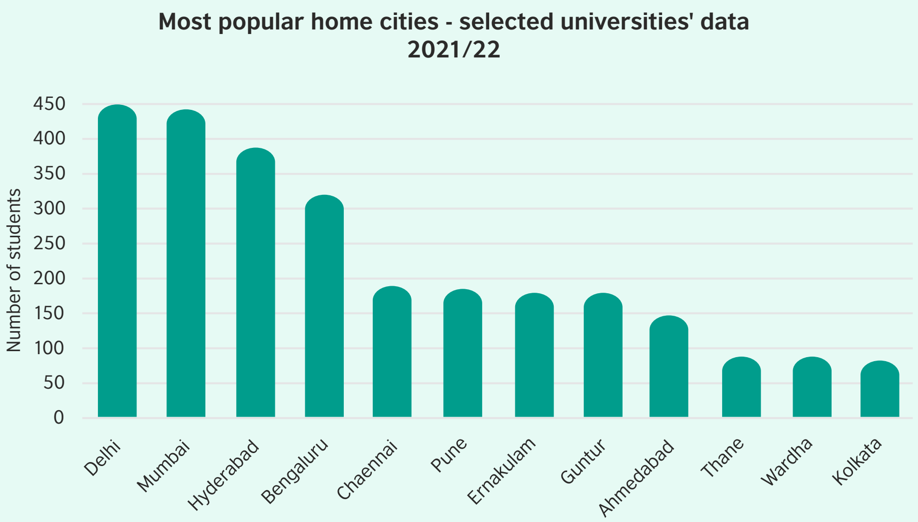
Figure 6: Home states of Indian students in selected UK universities, 2021/22

Maharashtra	965
Kerala	745
Telangana	630
Delhi	460
Tamil Nadu	455
Andhra Pradesh	420
Karnataka	395
Gujarat	265
Uttar Pradesh	160
Haryana	150
West Bengal	130
Punjab	110
Rajasthan	45
Madhya Pradesh	40
Uttarakhand	40
Odisha	35
Assam	20
Chandigarh	20
Chhattisgarh	20
Goa	15
Himachal Pradesh	15
Jharkhand	15
Bihar	10
Other	15
Grand Total	5,175

Data source: Selected UK HEIs. Figures are rounded to the nearest 5 for data protection considerations.

At the city level, the chart below displays the cities with the most Indian students in the selected UK universities in 2021/22. Five of India's megacities are home to the most prominent student cohorts – Delhi, Mumbai, Hyderabad, Bengaluru and Chennai.[12] These five cities account for 35 per cent of all Indian students to the UK.

Figure 7: Top home cities of Indian students in selected UK universities, 2021/22



Data source: Selected UK HEIs

12. Hyderabad, the capital of Telangana, is not officially a megacity but estimates show its population reached 10 million in 2020. The World Economic Forum hailed Hyderabad as one of India's fastest-growing cities, projected to reach almost 13 million by 2030, with its strong information technology and manufacturing base driving growth. Hyderabad Population 2023

Data covering a larger number of Indian cities is available in Annex B. Only cities with over ten students are included.

Previous research carried out by Ruiz (2014)[13] on the cities of origin of Indian international students in the US named the same five cities as the top home cities of Indian students with issued F-1 visas. However, there are some notable differences in the order these cities appeared. The US research found that Hyderabad was the top city in India for international students in the USA, with over 26,000 F-1 visas issued to students from the city over the 2008-2012 period; however this was only the third largest sender of students to the profiled UK universities. Similarly, Delhi was the top home city among Indian students in the UK in 2021/22 but is only ranked 5th in the older US data.

Figure 8: Top home cities of Indian F-1 visa (US student visa) recipients, 2008-2012

City	Number of students from India
Hyderabad	26,220
Mumbai	17,294
Chennai	9,141
Bangalore	8,835
Delhi	8,728

Source: Source: SEVIS, Immigration and Customs Enforcement and McKinsey Global Cities of the Future in Ruiz, N. (2014), https://www.brookings.edu/wp-content/uploads/2014/08/Foreign_Students_Final.pdf

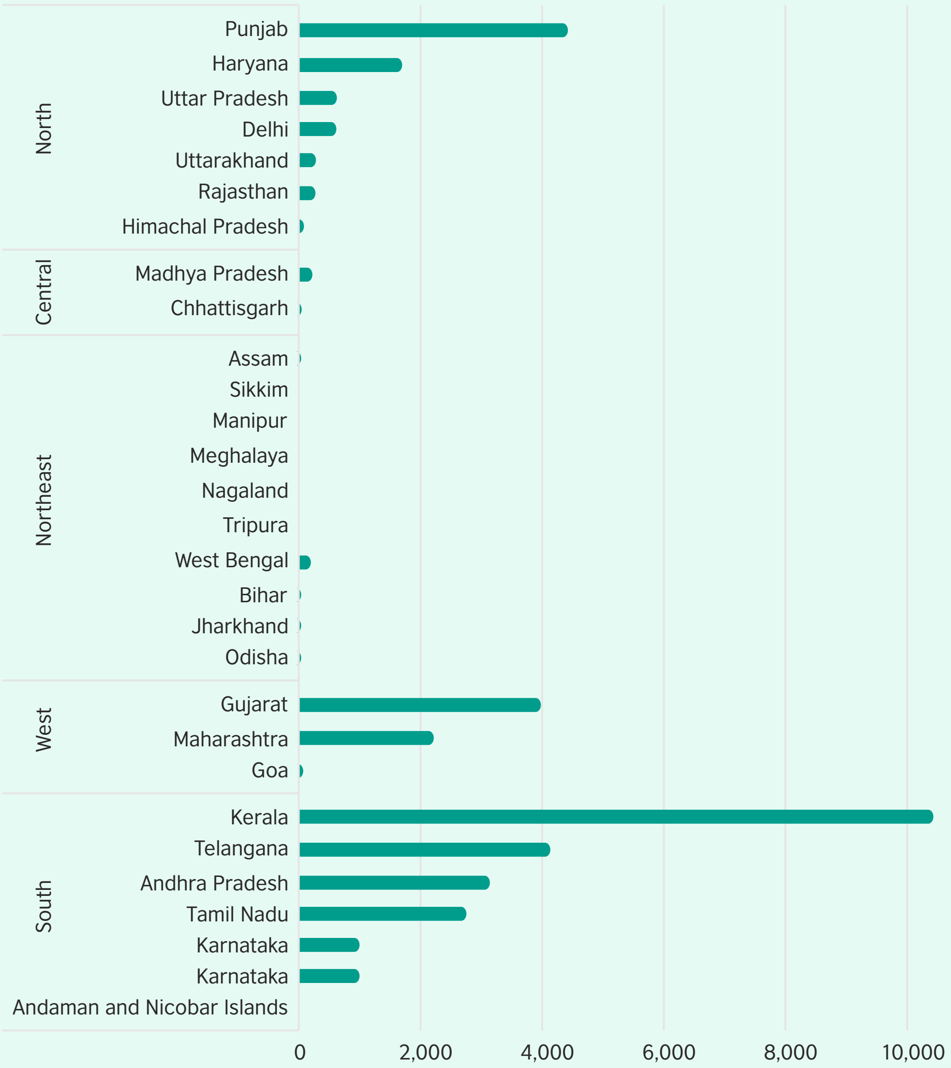
Issued student visas and CAS

In addition to data supplied by selected HEIs, figures for students starting a course at UK HEIs in the 2022-23 academic year were provided by Enroly. The information covers students who had been granted UK student visas or awarded a Confirmation of Acceptance for Studies (CAS); at the time when the data was delivered, visas had already been granted to 83.5 per cent of the covered students while the remaining 16.5 per cent of students held a CAS but had not yet been issued a student visa. According to Enroly, their data represents approximately a quarter of the UK's international student population.

The available data covered 36,415 students with issued student visas or who had been awarded a CAS. This represents a significantly higher share of total students than the data sourced from HEIs.

13. Ruiz, N. (2014), Foreign_Students_Final.pdf (brookings.edu), https://www.brookings.edu/wp-content/uploads/2014/08/Foreign_Students_Final.pdf

Figure 9: **Indian visa/CAS issuances by home state and region (Enroly data), 2022-23**



Detailed state-level data from Enroly is presented in the table below. As with the universities' data, for data protection considerations, the data are rounded to the nearest 0 and 5, and locations with fewer than ten students are not included.

In addition to showing the states sending the largest number of students, the table below also calculates an outbound mobility rate, based on the number of residents issued UK student visas or CAS as a proportion of the state's domestic tertiary student population. The overall nationwide total of 36,415 UK student visa or CAS recipients corresponds to around 0.10 per cent of domestic enrolments, but the data shows that some states send a much higher proportion of their students to the UK. For example, the state with the highest outbound mobility rate is Kerala, where for every 100 locally enrolled students, almost one student was recorded as having received a UK student visa or CAS. Punjab, Telangana and Gujarat were also over-represented in the visa / CAS data, sending students to the UK at over twice the overall average rate.

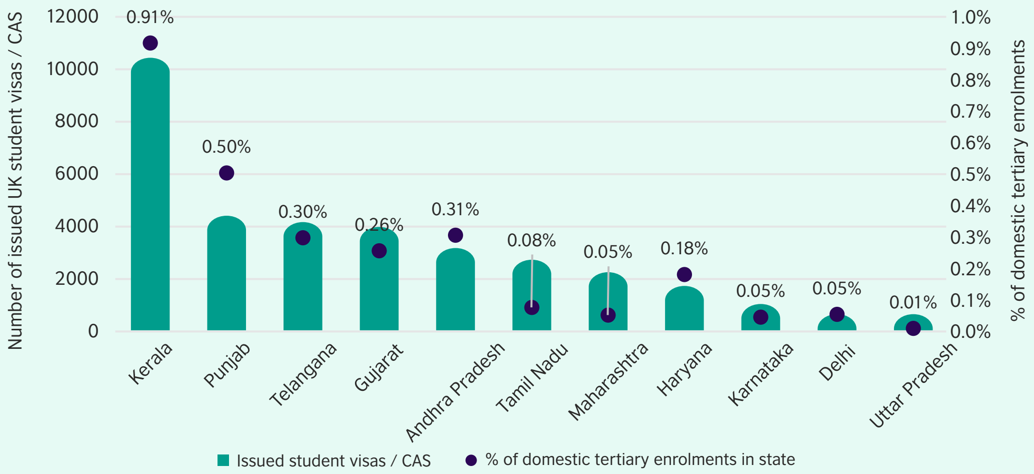
It should also be noted that, as the available data only represents around a quarter of Indian student visa recipients, the actual outbound mobility rate for each state is likely to be significantly higher than the estimates in the table and charts below.

Figure 10: Home states of Indian students issued student visas or CAS, 2022/23

State	Number of Students	Proportion of total (%)	Inferred outbound mobility rate to the UK
Kerala	10,410	28.6%	0.92%
Punjab	4,370	12.0%	0.50%
Telangana	4,135	11.4%	0.30%
Gujarat	3,950	10.9%	0.26%
Andhra Pradesh	3,140	8.6%	0.17%
Tamil Nadu	2,690	7.4%	0.08%
Maharashtra	2,220	6.1%	0.05%
Haryana	1,690	4.6%	0.18%
Karnataka	1,000	2.8%	0.05%
Delhi	620	1.7%	0.05%
Uttar Pradesh	620	1.7%	0.01%
Uttarakhand	285	0.8%	0.06%
Rajasthan	275	0.8%	0.01%
Madhya Pradesh	225	0.6%	0.01%
West Bengal	200	0.5%	0.01%
Himachal Pradesh	85	0.2%	0.03%
Goa	75	0.2%	0.14%
Puducherry	65	0.2%	0.08%
Chandigarh	55	0.2%	0.05%
Chhattisgarh	50	0.1%	0.01%
Bihar	40	0.1%	0.00%
Jharkhand	40	0.1%	0.01%
Odisha	40	0.1%	0.00%
Assam	40	0.1%	0.01%
Dadra and Nagar Haveli and Daman and Diu	30	0.1%	0.01%
States with fewer than ten students	60		
Total	**36,415**		

Data source: Enroly. Figures are rounded to the nearest 5 for data protection considerations.

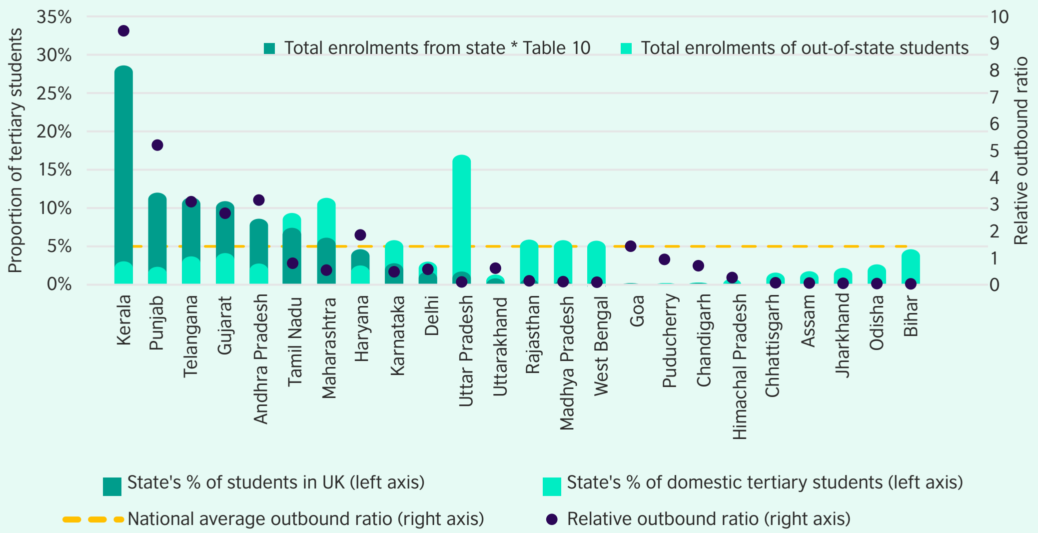
Figure 11: **Top home states of Indian students issued student visas or CAS, 2022/23**



Data source: Enroly

The chart below, which shows each state's share of both UK-bound students (based on data from Enroly) and domestic tertiary enrolments, gives a broader view of the states that are over- or under-represented in terms of students starting UK HE courses. For example, Kerala accounts for three per cent of domestic tertiary enrolments but represents 29 per cent of the students holding UK student visas or CAS. As such, its relative outbound share is nine times higher than the proportion of domestic enrolments. All states with outbound ratio above the national average outbound ratio (estimated to be 1) are "over-represented" in terms of mobility to the UK. States with such mobility are Kerala, Punjab, Andhra Pradesh, Telangana, Gujarat, and Haryana. The remaining states' relative outbound mobility ratios were below the national average.

Figure 12: **Comparison of each state's proportion of UK student visas or CAS and of domestic tertiary enrolments, 2022/23**



Data source: Enroly; https://www.education.gov.in/sites/upload_files/mhrd/files/statistics-new/aishe_eng.pdf

Comparison of 2021/22 enrolments and 2022/23 visa / CAS data

Comparing data on enrolments in 2021/22 with figures for issued student visas and CAS in 2022/23 shows some noticeable contrasts. A significantly higher proportion of students across the states of Kerala, Punjab and Gujarat in the visa / CAS data suggests strong growth compared to the previous academic year. However, an alternative explanation could be that the two data sources might simply refer to different groups of institutions with different geographical locations for their student recruitment.

Figure 13: Proportion of students in the top 10 states - percentage of total students: Enroly (2022/23) and selected HEIs data (2021/22)

Data source: Selected UK HEIs; Enroly

Interviews were carried out to better understand some of these differences. In particular, the massive surge in UK-bound student demand from Kerala in 2022/23 is worth a detailed exploration.

Several agents active in the state, including both Kerala-based agents and national agents with activities in Kerala, were interviewed to gain additional insight into this trend. They confirmed that they had seen very strong recent growth in the state, and that several major agents had opened new offices in Kerala to cater to the needs of growing student interest.

Agents reflected that many of Kerala's population were migrant workers in the Middle East, and because of the economic downturn in the region, many returned to Kerala. They observed that much of the rise in demand for UK study had come from this group, especially among returnees with experience in healthcare and nursing who were attracted to courses in related subject areas. One-year master's courses were observed to be particularly attractive for this group, with agents noting that post-study work options were seen as an important driver.

However, in parallel to the above, the surge in student demand across the state has encouraged a proliferation of sub-agents and those new to the profession need training and experience in providing student advice, as many appear largely driven by a desire to capitalise on the aspiration in the locality to study abroad. In addition to re-mortgaging their homes, prospective students' families are also being pushed into seeking funds from unofficial lending institutions.

More recently, agents noted that changes to UK visa policies – particularly the discontinuation of the ability of most master's students to bring dependants as well as restrictions on students' ability to switch from student visas to working visas before completing their courses – appears to have halted this growth in student applications to the UK from Kerala. They reported that that the market in this state appears to be shifting towards Australia following its recently announced extension to post-study work opportunities.

Media reports of growth in student demand to other countries also show a record number of Canada-bound students attending a pre-departure briefing in the city of Kochi,[14] which is also part of Kerala. Data from Enroly shows that Ernakulam district, which contains this city, was home to over 2,000 UK-bound students in 2022/23. (See Annex B for details).

City and state-level mobility through the lens of UCAS apply centres

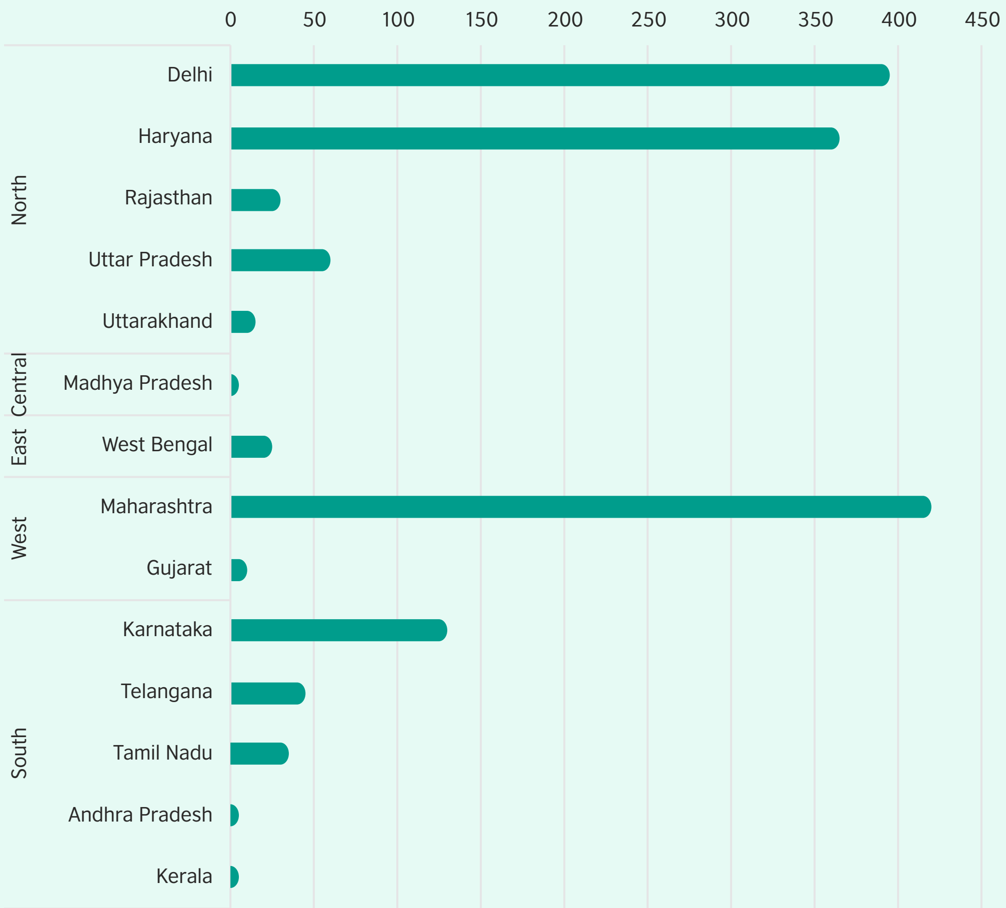
To draw on all available information, UCAS application centres in India were mapped, based on data on 392 UCAS apply centres in 2021/22.

Maharashtra has the highest concentration of UCAS apply centres, while Delhi is another hotspot with a high concentration of UCAS apply centres.

These apply centres mainly consist of education agents and international schools in the country, and act as a proxy for locations likely to be popular with UK-bound students in India. However, the UCAS system mainly covers undergraduate students, meaning that the areas highlighted in the chart on the next page are likely to be those with high levels of undergraduate demand. In contrast the majority of Indian students in the UK tend to study master's degrees, and the figure might not accurately represent this group – for example, cities where Indian students are currently enrolled as undergraduates likely make up a larger share of the overall total.

14. https://india.postsen.com/local/amp/862598

Figure 14: **Accepted UCAS applicants by location of apply centre, 2021-22**



Contextualising the data

To better understand the state and city-level student demand for UK education, semi-structured interviews were carried out with some of the largest education agents in India, school counsellors and the recruitment staff of UK universities with responsibility for India.

Both students and education agents are concentrated in large cities.

The role of cities was explored in the interviews with locally based agents and student recruitment professionals. The interviewees suggested that expanding cities had a positive impact on international student recruitment. The headline finding from the agents' interviews is that they unanimously agreed that no city in India had experienced a decline in student demand for UK higher education in the past few years.

Education agents' main observations related to differences in demand across cities and states include the following:

- India's middle class is growing with increased prosperity widening access to international education.
- Education loans are more easily accessible for studying in India and internationally. This is also documented in Johnson et al. (2022), which detailed the liberalisation of policies in India to enable more students to access funds to study abroad.[15] As a result, more students are accessing loans, even though interest rates in India are high (approximately 10-11 per cent per annum).
- The option to stay abroad to ensure return on investment is a significant consideration for prospective students choosing their study destination country. This does not vary from city to city, except for students who want to return to their family businesses independent of which city they are from.
- The interviewees perceive that growth in student numbers in the metros is aided by internal migration from 2nd and 3rd tier cities and expansion of the metros which are subsuming neighbouring cities, for example, Delhi and the National Capital Region.
- While metropolitan areas make up a large share of outbound students and are also seeing strong growth, there has also been significant growth in student mobility from second and third tier cities. Education agents pointed to cities like Nasik,

> **Agents observed that physical presence is necessary for HEIs serious about recruiting Indian students, notwithstanding that most of the business happens online. One of the largest agencies has as many as 71 offices nationwide. Most large agents have multiple offices across Indian cities, sometimes as many as three or four in a metropolitan area**

15. Jo Johnson, Shashank Vira, Janet Ilieva, Jonathan Adams and Jonathan Grant. Natural partners: building a comprehensive UK-India knowledge partnership, King's College Policy Institute and Harvard Kennedy School Mossavar-Rahmani Center for Business and Government. https://www.kcl.ac.uk/news/forge-comprehensive-knowledge-partnership-with-india-to-reduce-dependencies-on-china-report-urges

Aurangabad, Rajkot, Trichy, Salem, Vijayawada, Vizag, Agra, Meerut and Prayagraj that are seeing strong growth. Other cities with continuous growth in student demand are Indore and Bhopal in Madhya Pradesh state. Growing student mobility to the UK also spread to Lucknow and Noida in Uttar Pradesh, alongside Jaipur and Udaipur in Rajasthan. The agents observed that some southern cities, as well as Vijayawada and Vizag, have seen a significant shift in demand from the USA to the UK.

- Kochi and Kottayam in Kerala state received a special mention, where agents noted a shift from Australia to the UK in 2022 – driven particularly by returning migrant workers as noted in the previous section. However, they commented that this trend is unlikely to be sustained beyond 2023 as Australia is quickly regaining ground in the competition for international students.

Some nuances in the market are observed. Agents from Lucknow observed that the city is a price-sensitive location, while those from Madra Pradesh state saw quality and price differentials drive student decisions there. The difference between Madhya Pradesh state and Rajasthan state is seen as being due to student demand in the former shifting from the UK to Australia. In contrast, Rajasthan has so far retained the demand for the UK. In Bangalore city, agents noted that students are quality conscious and highly selective of universities, mainly the Russell Group.

Education agents also noted that some growth might have come from students less academically ready for university studies, particularly in the fast-growing tier three and tier four cities. This was particularly mentioned in regard to the recent surge in students from Kerala state.

Agents observed that physical presence is necessary for HEIs serious about recruiting Indian students, notwithstanding that most of the business happens online. One of the largest agencies has as many as 71 offices nationwide. Most large agents have multiple offices across Indian cities, sometimes as many as three or four in a metropolitan area.

Overall, student demand for international education continues to grow in India, with some shifts in destination country choices as policies change. A critical consideration is any uncertainty about the future of the post-study work route in the UK, which would likely have a significant impact on student demand from India. Students in largely price-sensitive locations like Madhya Pradesh, Rajasthan, and the city of Lucknow will be most impacted.

Australia is regaining its market share by reopening its borders and making favourable policy changes like extending post-study work rights and offering scholarships. This contrasts with student visa policy developments in the UK, where visas for dependents of master's students' are being restricted. High-level ministerial and HE delegations are frequently visiting India. They are aggressively pursuing academic and institutional partnerships. Agents expect a shift in student demand from the UK back to Australia.

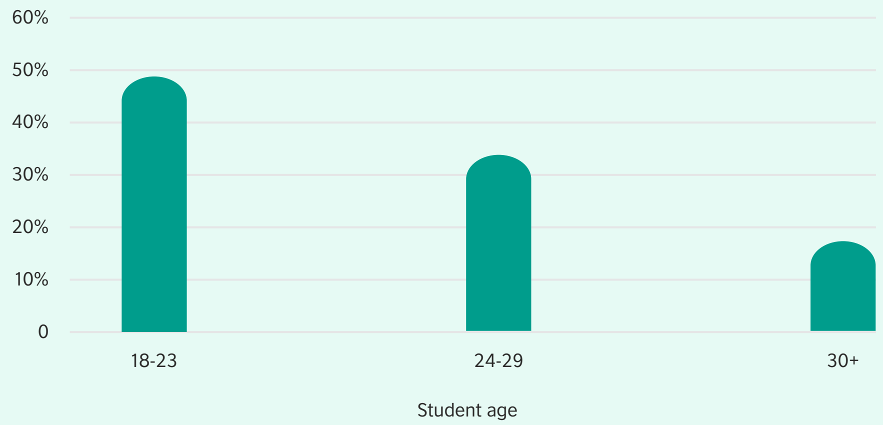
Students from non-metropolitan areas who have yet to gain previous exposure to international travel primarily go by word of mouth. If a family member is in one of the countries and does well, others will follow. They want to experience international education, get a different perspective on life, and think there are fewer opportunities for them back home. Potential professional growth and earnings are considered while making decisions.

Decision-making considerations for students from India

In addition to education agents, counsellors and universities' recruitment staff, the study also sought a student perspective through an online survey distributed by the British Universities International Liaison Association (BUILA).

Respondent profile

Figure 15: **Age distribution of student survey respondents**



Data source: Survey of Indian students currently studying on the UK (n=297)

Four Indian states accounted for over half of the surveyed students:

- Maharashtra - 22 per cent
- Kerala - 12 per cent
- Karnataka - 11 per cent
- Delhi – 9 per cent

Just over a quarter of the students (26 per cent) were studying business degrees, 22 per cent were on engineering and technology courses, and 12 per cent were studying computer science. There was an almost equal split between female and male respondents. However, while this survey shows that business-related courses are still very popular among Indian students, interviews with agents suggest a notable drop in demand for business education because of changing labour market demands in India. In contrast the agents reported a growing shift towards STEM courses and in particular towards technology-related disciplines.

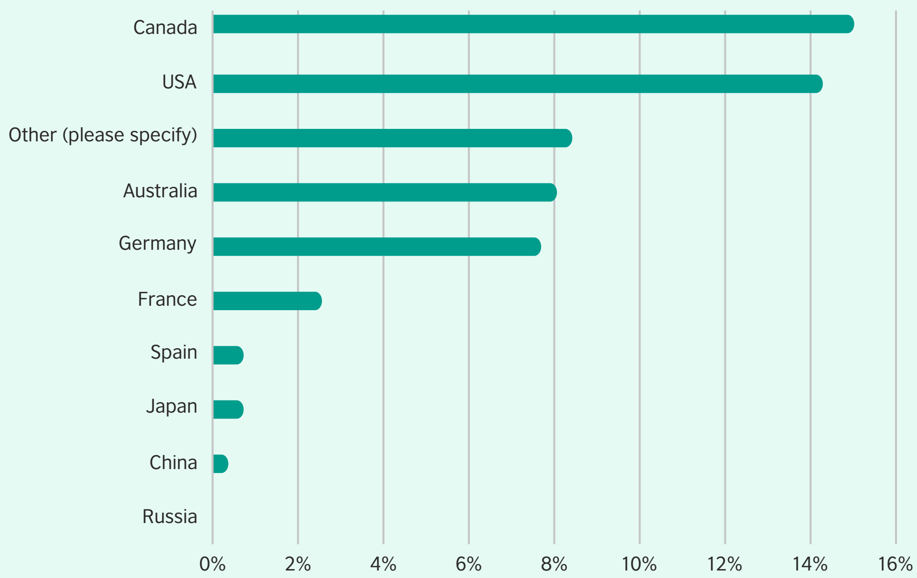
For 88 per cent of the survey respondents, this was their first study abroad experience. Of those who had studied overseas (35 students), 15 studied in the Gulf, with the United Arab Emirates being the most popular study destination.

Most of the surveyed students, 78 per cent, had university-educated parents: 43 per cent had undergraduate degrees, 30 per cent were educated at the master's level, and 6 per cent had PhD degrees or equivalent.

Country choice and attitudes towards multi-country applications

Many students have applied to more than one country for their studies. In addition to the UK, other destinations included Canada (with 15 per cent of the surveyed students), the USA in second place with 14 per cent, and Germany and Australia with 8 per cent each.

Figure 16: Countries other than the UK applied to by student survey respondents



Data source: Survey of Indian students currently studying on the UK (n=297)

Agents agreed that most students apply to multiple countries due to multiple uncertainties: timely admissions, delays in visa appointments and processing times, scholarships, and finances. Only after all options are clear do they weigh various factors like living costs and tuition to make an informed decision.

Based on the survey responses, students rarely apply to more than one country for a student visa, as students have usually decided on the choice of country by that stage.

Only 18 of the surveyed Indian students had applied to other countries for student visas. The USA received the most mentions, followed by Canada. So, students' perceptions of student visa policies can change and some students keep their study options flexible.

There is also a strong sense that shifts in student demand from India are driven by policies in destination countries that offer favourable opportunities for part-time work while studying, post-study work, and that safety is a primary factor considered.

The agents also drew on their experiences with non-genuine students. Several parts of the country had previously been identified as hotspots for such applications, including the states of Andhra Pradesh, Punjab, Telangana and Gujarat. More recently, Kurukshetra city in Haryana state joined that list, while agents also mentioned newer high-risk hotspots emerging from parts of Kerala state and Tamil Nādu state. This is often linked with a slowdown in the global economy, which has seen the return of overseas workers back to their home states, leading to demand for new opportunities to access the labour market in the UK and other countries.

The increase in high-risk areas has led to education agents increasing credibility checks. This has resulted in many Australian universities avoiding student applications from some potentially high-risk cities and states, especially Punjab state. Canada and Germany have also introduced additional checks. The Canadian visa process is lengthy, and the outcome is perceived to be unpredictable, notwithstanding the growing number of student applications and the perception that the country's higher education is attractive.

According to the interviewed agents, students perceive the UK's post-study work route via the graduate route visa as uncertain, so they consider the UK alongside other countries. Education agents referred to some students having a disappointing experience last year when several UK HEIs made offers, accepted deposits, and deferred admissions at a very late stage. These decisions were made late in the day, and students could not react in time to change their study plans.

Traditionally, prospective students perceive Canada and Australia as an immigration destination. Obtaining UK higher education is an aspiration for many of them and the UK is considered a high-quality study destination. While favourable post-study work options are also essential for them, the stories of those that return are mixed regarding their student experience and employment opportunities. This highlights the importance of student success measures like continuation rates, completion rates, degree outcomes, student satisfaction with their academic experience and employability.[16] These will have a significant impact on future student recruitment.

Sources of funding

The main funding sources for the surveyed students were family support (66 per cent), followed by bank loans (32 per cent); self-funded students accounted for 22 per cent, and university scholarship for 11 per cent of the respondents.

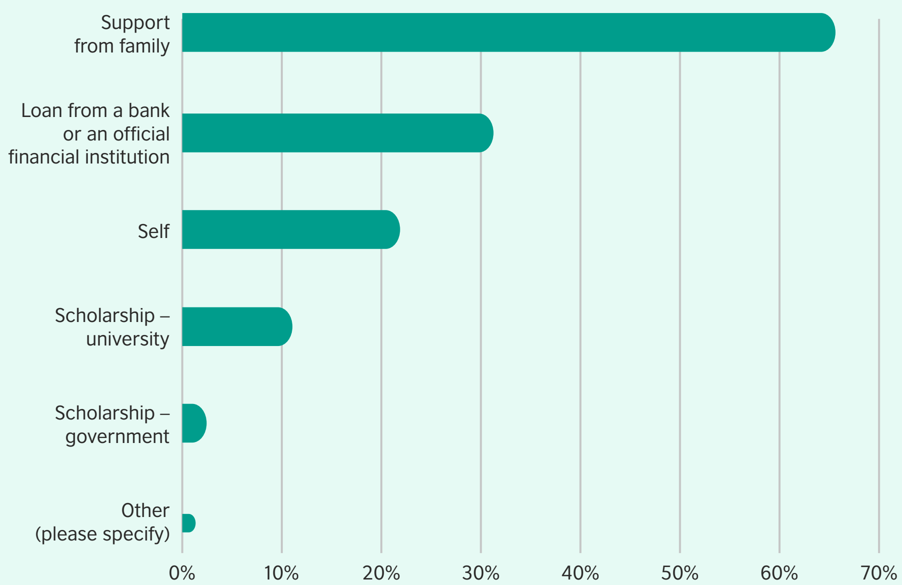
Almost a third of the students (32 per cent) indicated they use a bank loan facility to find their UK study. This is twice as high as students studying locally in India, according

16. The Graduate Outcomes are part of the regulatory remit of the Office for Students and provider-level information is reported on. For details on individual HEIs, see https://www.officeforstudents.org.uk/data-and-analysis/student-outcomes-data-dashboard

to a previous British Council study, which found that 16 per cent of the students in India accessed bank loans to fund their study.[17]

Students from Maharashtra had the highest usage of bank loans, with 43 per cent of the surveyed students funding their UK study through a loan from a bank. The high percentage relying on bank loans highlights the importance of accessing post-study work opportunities to significantly shorten the loan repayment period in the home country.

Figure 17: Main sources of funding used by student survey respondents



Data source: Survey of Indian students currently studying on the UK (n=297)

Interviews with the agents suggested that students and their parents are concerned about media reports on a possible reduction in the post-study work duration in the UK. Some interviewees predicted that if there were reductions in post-study work duration, demand for UK education would collapse. For price-sensitive students, this is a significant worry. These sentiments are well-documented in previous studies, which describe Indian students as price-sensitive (British Council, 2013)[18] and "value maximisers" (Varghese, 2020).[19]

This is echoed in an agents' survey carried out by Navitas. According to the survey, the students' main worries were about getting a job upon graduation: 79 per cent were highly concerned, followed by 61 per cent who were worried about the cost of tuition fees, finding a job alongside study (57 per cent), the cost of living (42 per cent) and the cost of loans (34 per cent). The same survey found that 82 per cent of the agents in India thought students would most likely consider less expensive HEIs in the same

17. https://www.britishcouncil.in/sites/default/files/impact_of_financial_resources_on_he_choice_in_india.pdf

18. British Council (2013) Inside India: A New Status Quo. https://www.britishcouncil.in/sites/default/files/inside_india_report-december-13.pdf

19. Varghese, N. V. (2020) "Internationalisation of Higher Education: Global Trends and Indian Initiatives: Report for the Association of Indian Universities", 17 July. https://www.aiu.ac.in/documents/AIU_Publications/Reimagining%20Indian%20Universities/11.%20Internationalisation%20of%20Higher%20Education%20Global%20Trends%20And%20Indian%20Initiatives%20by%20N%20V%20Varghese,%20VC,%20NIEPA,%20New%20Delhi.pdf

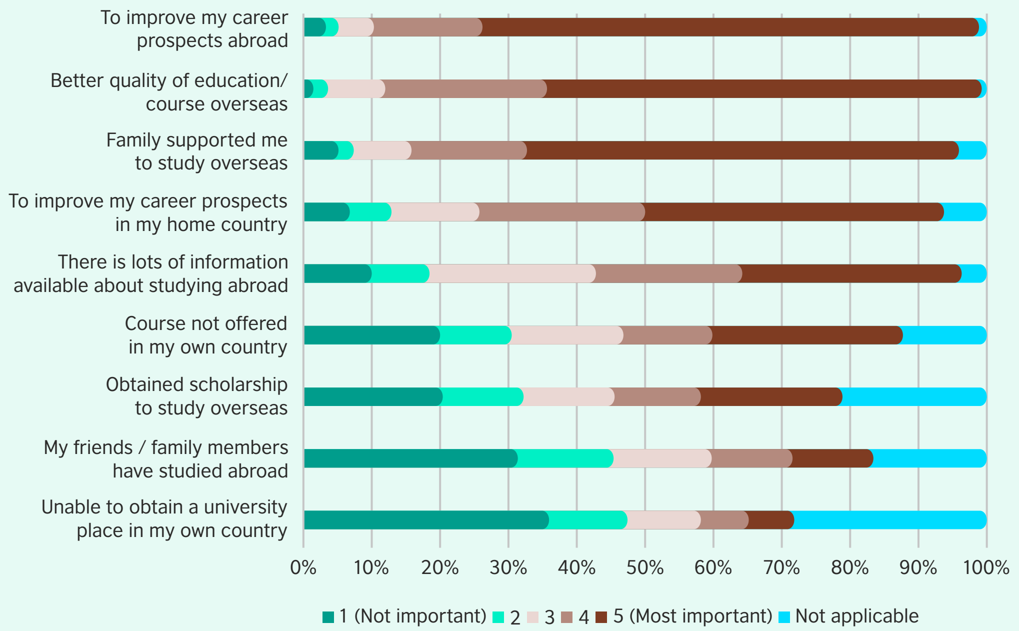
destination country, and 72 per cent said students were likely to increase the level of work alongside studies to cover living expenses should there be an economic downturn.

Important push factors in students' decisions to study in the UK

Enhanced career prospects stood out as the most important factor influencing Indian students to study abroad. 89 per cent of the surveyed students ranked this as most important or very important to their decision (73 per cent and 16 per cent, respectively), far higher than the 68 per cent of respondents that said improved employment options in India were an important or very important driver.

Other significant push factors included education quality – ranked as very important by 64 per cent of respondents and important by a further 24 per cent – and family support, which was rated as important or very important by 80 per cent of respondents. Other factors were generally seen as less important compared to these top three areas.

Figure 18: Importance of key factors in student survey respondents' decision to study overseas



Data source: Survey of Indian students currently studying on the UK (n=273)

Interviews with education agents and locally based experts provide further contextualisation to these factors. The interviewed agents confirmed the student views in the chart above, mentioning the importance of employability and education quality while none of the interviewed agents mentioned a lack of domestic capacity in HE as the reason for studying abroad.

Concluding comments

This research aimed to map and measure the state and city levels of international student demand in India. It also endeavoured to contribute to a better understanding of the factors that drive growth in global student mobility from India to the UK. The research used quantitative data contextualised by in-depth interviews with higher education professionals. The study reflects on their perceptions of growth in student demand from India.

The findings highlight that India's fast-growing cities are driving growth in international student demand for UK higher education. India is home to the world's largest population, aged between 15 and 19, estimated to be 129 million. Combined with the country's urban development, an educated and growing workforce is set to continue to push India's economic growth. The demand for international education is closely related to the economic growth of large cities.

This research echoes those by Ruiz (2014),[20] which found that the main cities driving international outbound mobility between 2008 and 2012 to the USA were linked to their urban development. Over a decade later, India's fast-growing megacities – Delhi, Mumbai, Hyderabad, Bengaluru and Chennai – continue to be the main drivers of student mobility to the UK.

The universities' data on Indian students' home cities points to the country's megacities, where most student demand is concentrated. However, student mobility, expressed as a proportion of state-level tertiary enrolments, shows that the states with the highest relative outbound mobility to the UK are Kerala, Punjab, Andhra Pradesh, Telangana, Gujarat, and Haryana.

Data from Enroly for the enrolment cycle 2022/23 suggests increased growth in student mobility from Kerala. Education agents in the state observed that a substantial switch in student demand from Australia to the UK as a key factor. The need for UK education was further accelerated by families relocating back from the Middle East, who were keen to educate their children in the UK. Some prominent education agents opened new offices in Kerala to respond to the surge in demand for UK education. However, according to education agents, the recently announced restrictions on dependants and clampdown on visa switches from study to work from January 1st 2024 are moving interest back to Australia. As of July 2023, post-study work durations in Australia was extended by a further two years for graduate degrees in an area of verified skills shortage.[21] While this immediate shift in international student demand from India's price-sensitive states is unlikely to impact the UK's intake of students in September 2023, agents are already predicting a significant decline in interest in the UK as a study destination once the dependants' restriction is implemented in January 2024, alongside any switches from student to work visas.

20. Ruiz, N. (2014). The Geography of Foreign Students in U.S. Higher Education: Origins and Destinations. A JOINT PROJECT OF BROOKINGS AND JPMORGAN CHASE. https://www.brookings.edu/wp-content/uploads/2014/08/Foreign_Students_Final.pdf

21. https://immi.homeaffairs.gov.au/visas/getting-a-visa/visa-listing/temporary-graduate-485/post-study-work#:~:text=Post%2DStudy%20Work%20stream,-This%20visa%20is&text=It%20lets%20you%20live%2C%20work,%E2%80%8Blist%20of%20eligible%20degrees.

In addition to the growing middle class, education loans are easily accessible in India and internationally and they have widened students' access to international education. This study shows that almost a third of the surveyed students (32 per cent) have used bank loans to fund their UK studies, which is twice as high as the usage for domestic students. The high proportion of students that need to repay their student loans also signals the importance of post-study work, which enables them to shorten the loan repayment time. This is particularly relevant at times of high interest rates.

Over the past year, interviewees observed a shift in student demand away from other countries, most notably Australia and the USA, towards the UK. Changes from Australia were mainly linked to the state of Kerala (mainly the cities of Kottayam and Kochi). As discussed, this may partly explain the high proportion of students going to the UK from Kerala. However, this temporary surge in demand is unlikely to be sustained.

Education agents perceive the UK's post-study route as uncertain, so students consider the UK alongside other countries. Those in price-sensitive cities or states like Lucknow and Rajasthan will most likely be affected. Locally based education professionals believed that changes to the current post-study work route would cause a sharp contraction in student demand for study in the UK. Agents in Kerala are already observing a shift in demand back to Australia. The UK experienced the impact of a similar policy change in 2012, which resulted in significant declines in enrolments of Indian students.

Education agents concurred that most students apply to multiple countries to counteract considerable uncertainties: timely admissions, delays in visa appointments and processing times, scholarships, and finances. The survey with Indian students in the UK showed that while they all applied to study at a UK university, many of them lodged applications to HEIs in other countries: 15 per cent of the students applied to HEIs in Canada, followed by the USA with 14 per cent, and Germany and Australia with 8 per cent each.

Employability and career prospects abroad (and in the home country) are the most significant push factors for Indian students, followed by the quality of education offered in the UK. Current students' graduate outcomes and success are critical for future student recruitment. Students' satisfaction with their academic course, continuation rates, degree outcomes and graduate employability are factors impacting the study choices of prospective students.

This research is one of the most comprehensive studies on state and city-level student mobility to the UK. As such, it can be used as a baseline against which future student mobility can be measured. Continuous monitoring of student flows is required to track whether some states in India, like Kerala, are more volatile to changes in the external environment and whether there are states that are more resilient to changes.

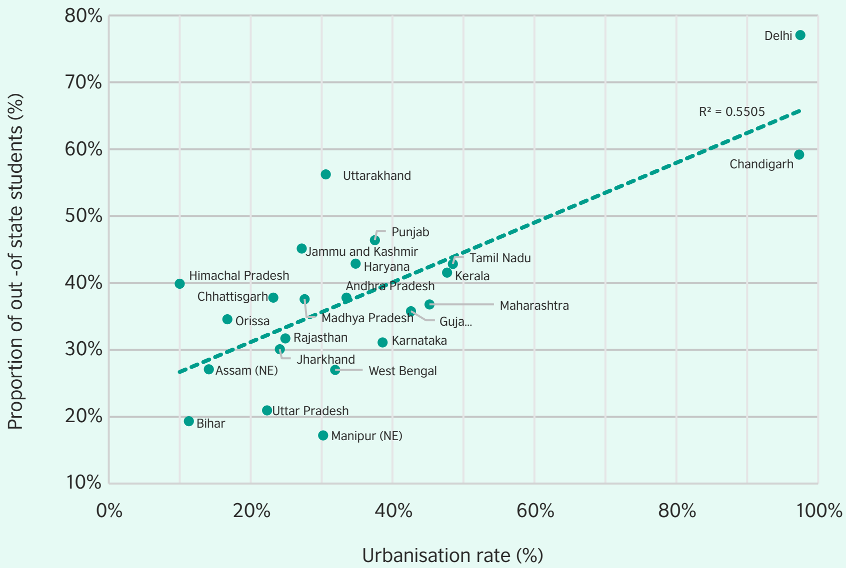
Overall, the research points to a rapidly changing environment where urbanisation encourages significant growth of student demand at state and city levels. Alongside this, other factors are introducing volatility to student demand. These include the price sensitivity of the new cohorts of students from different Indian states and cities (many of whom are reliant on loans), the impact of UK visa changes in post-study work routes, students considering several study destinations as part of their decision-making, their graduate outcomes and the return to the market of UK competitor countries such as Australia, Canada and the USA. This context raises significant questions about how, in the future, the UK will continue to appeal to and engage with the world's largest and fastest-growing nation and its youth.

Annex A

Positive relationship between urbanisation and the proportion of out-of-state students

This study finds a positive relationship between the urbanisation level and the proportion of out-of-state students in tertiary education in different states. The higher the urbanisation level, the higher the proportion of out-of-state students taught by HEIs in the respective state.

Figure A1: Urbanisation rate vs proportion of out-of-state students



Data source: https://www.education.gov.in/sites/upload_files/mhrd/files/statistics-new/aishe_eng.pdf

Annex B

Cities with high levels of student mobility to the UK

Figure B1: **Home cities of Indian students in selected UK universities, 2021/22**

Home cities for Indian students at selected UK HEIs – cities with over 30 students	
Delhi	460
Mumbai Suburban	445
Hyderabad	390
Bengaluru Urban	320
Chennai	190
Pune	185
Ernakulam	180
Guntur	180
Ahmedabad	145
Thane	90
Wardha	90
Kolkata	85
Kottayam	85
Alappuzha	75
Thrissur	65
Thiruvananthapuram	55
Thiruvananthapuram	55
Namakkal	55
Prakasam	50
Coimbatore	50
Kollam	50
Krishna	50
Gurugram	45
Visakhapatnam	40
Idukki	40
Malappuram	35
Siddipet	35
Surat	35
Vadodara	35
Kannur	35
Pathanamthitta	35
Medchal-Malkajgiri	35
Lucknow	35
Rangareddy	35
New Delhi	35
Kozhikode	30
Total	**5,175**

Data source: selected UK HEIs

Figure B2: **Indian cities with over 200 students**

Home cities for Indian students – Enroly data	Total: 36,415
Ernakulam	2115
Thrissur	1185
Hyderabad	1065
Thiruvananthapuram	1000
Guntur	975
Kottayam	965
Kollam	880
Surat	835
Ahmedabad	810
Medchal-Malkajgiri	655
Malappuram	650
Alappuzha	630
Delhi	620
Krishna	605
Rangareddy	570
Kozhikode	570
Bengaluru Urban	560
Jalandhar	550
Vadodara	535
Kannur	510
Ludhiana	500
Pathanamthitta	500
Amritsar	495
Thane	490
Mumbai Suburban	475
Idukki	450
Namakkal	430
Anand	420
Chennai	415
Palakkad	410
Pune	345
Patiala	345
Gurdaspur	325
Karnal	310
Prakasam	295
Kasaragod	295
Kurukshetra	285
Nizamabad	280
Kheda	280
Visakhapatnam	275
Tarn Taran	260
Hoshiarpur	255
Sangrur	250
Wayanad	225
Kapurthala	225
Thanjavur	220
Udham Singh Nagar	220
Shaheed Bhagat Singh Nagar	215
West Godavari	200
Kaithal	200