

SERVICES FOR  
INTERNATIONAL  
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MARKETING

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The new Chinese metropolises: a guide to opportunities  
in emerging cities for schools

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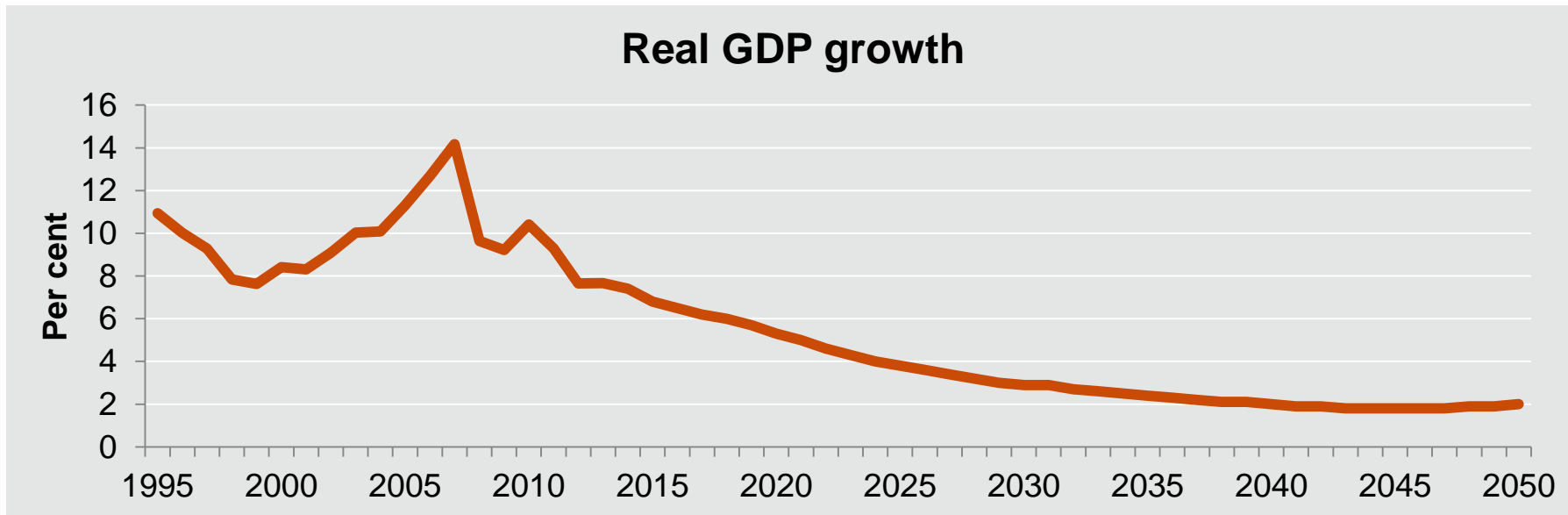


- I. China macro trends**
- II. Overview of international schools market**
- III. Benchmarking recruitment locations**
- IV. Conclusions**

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# I. China macro trends: Economy

*China's growth is steadily cooling...*

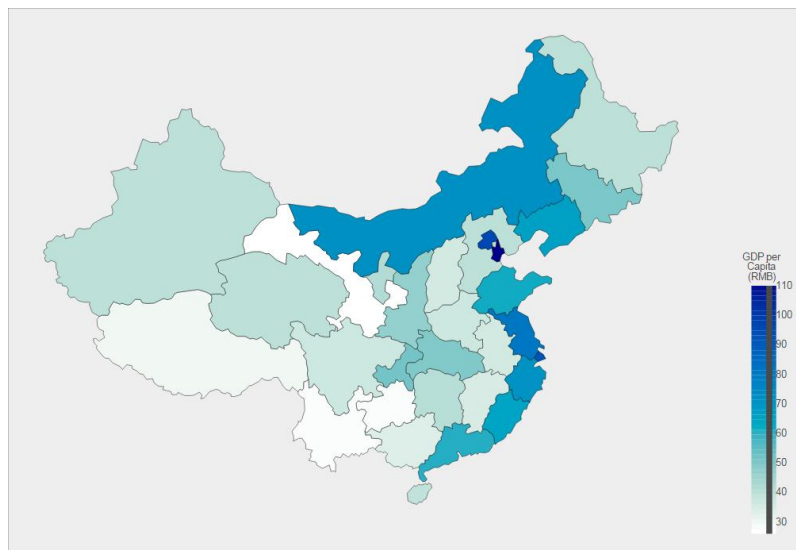


Source: Economist Intelligence Unit

# I. China macro trends: Economy

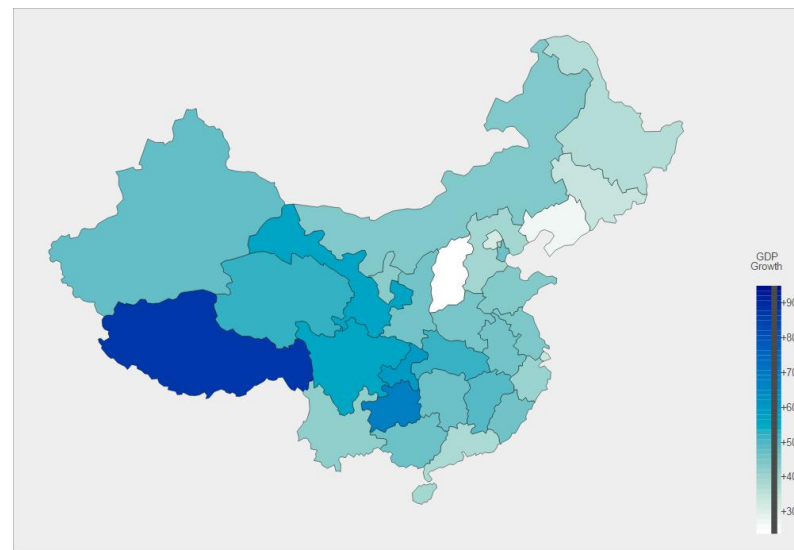
*...but some areas will see relatively stronger growth*

GDP per capita, 2014



Source: Economist Intelligence Unit

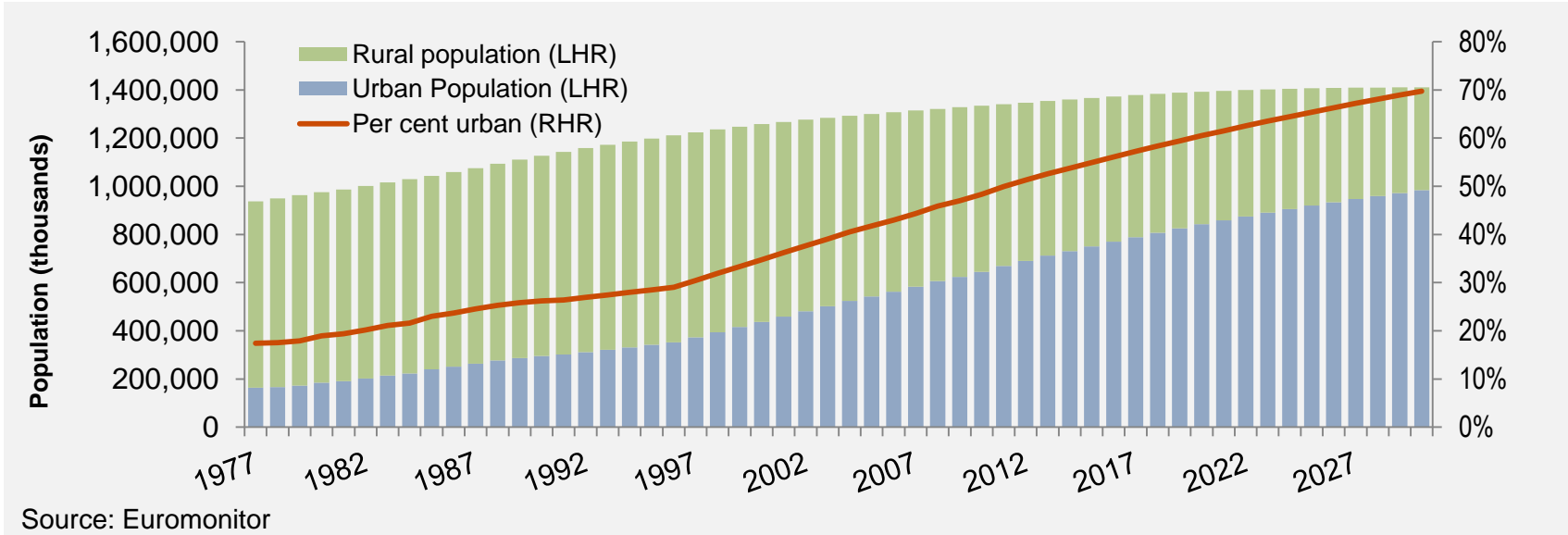
GDP growth 2015-2020 (forecast)



Source: Economist Intelligence Unit

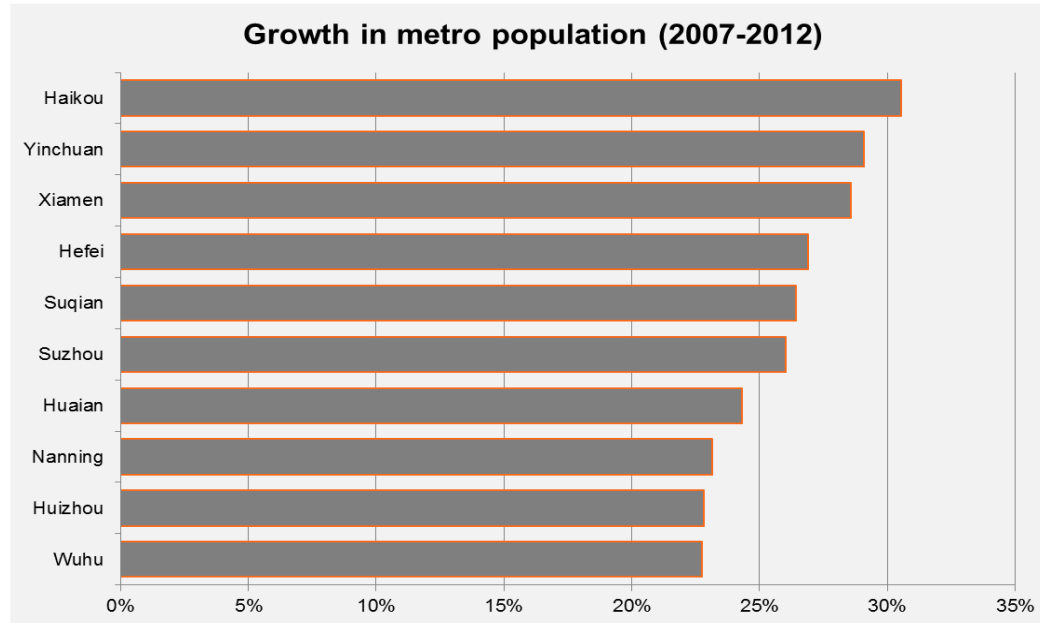
# I. China macro trends: Urbanisation

*The government's urbanisation plan sets a target of increasing the number of people holding urban residency permits by 100 Mn in the 2014-2020 period*



# I. China macro trends: Urbanisation

*China's fastest growth is taking place in some unfamiliar places*

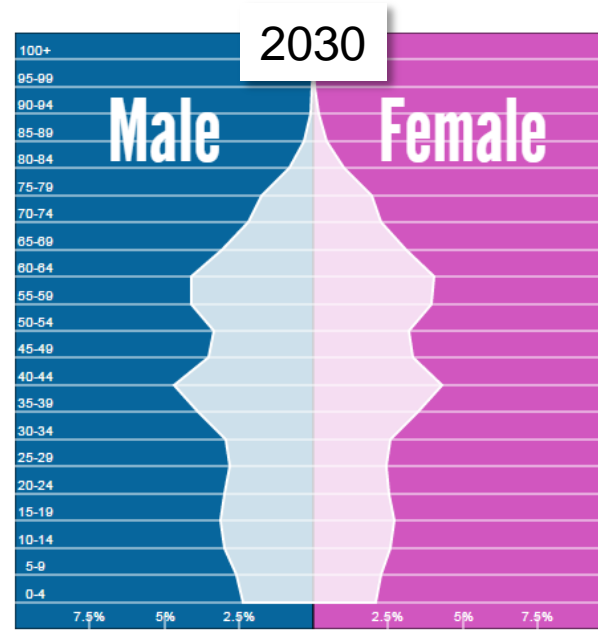
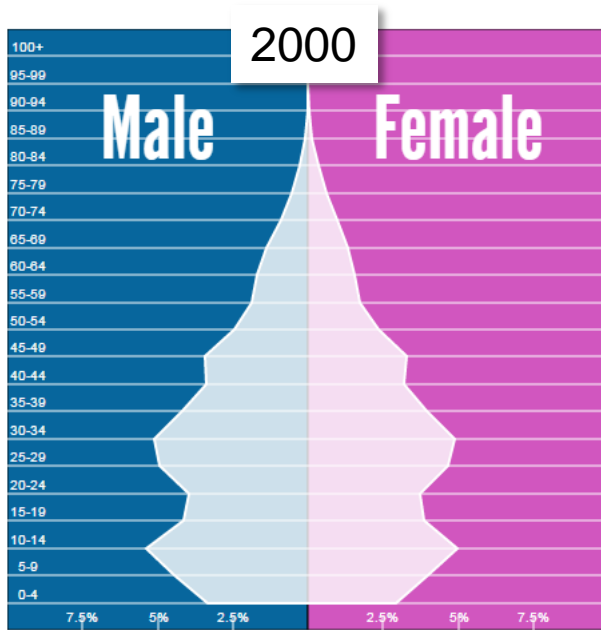


Source: Economist Intelligence Unit

# I. China macro trends: Demographic shift

*From demographic dividend....*

*...to demographic deficit*

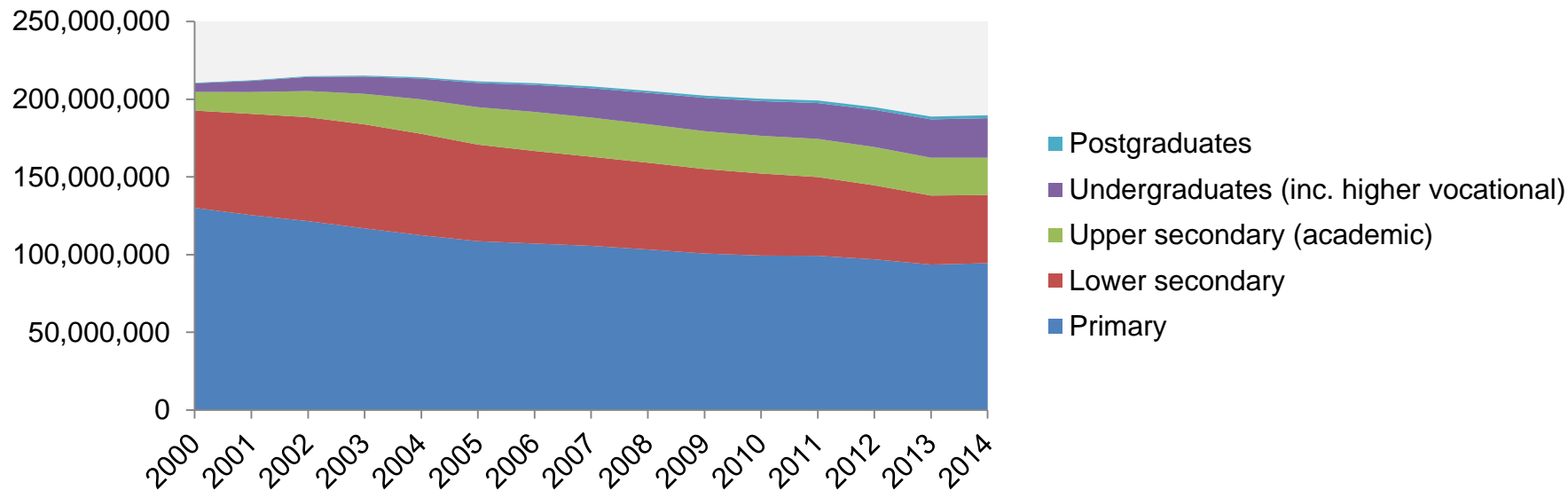


Source: [populationpyramid.net](http://populationpyramid.net)



# I. Macro trends: Demographic shift

*China's student populations are starting to contract*



Source: Ministry of Education

- I. China macro trends
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## II. International schools market: Local provision

### ***Schools for the children of foreign workers (international schools)***

- Primarily serve the expatriate community
- Only permitted to admit non-Chinese nationals, though some Chinese families that hold dual citizenship skirt these regulations
- Must be approved by Education authorities and Foreign Affairs Department
- Demand peaked several years ago and is now in decline

## II. International schools market: Local provision

### ***Local private international school***

- Aimed at local Chinese
- Teaches a foreign curriculum like AP, International Baccalaureate or A-Levels
- Usually at high school level (15-18) –students have to follow the Chinese curriculum during compulsory education
- Students generally enrol with the specific aim of getting into an overseas university

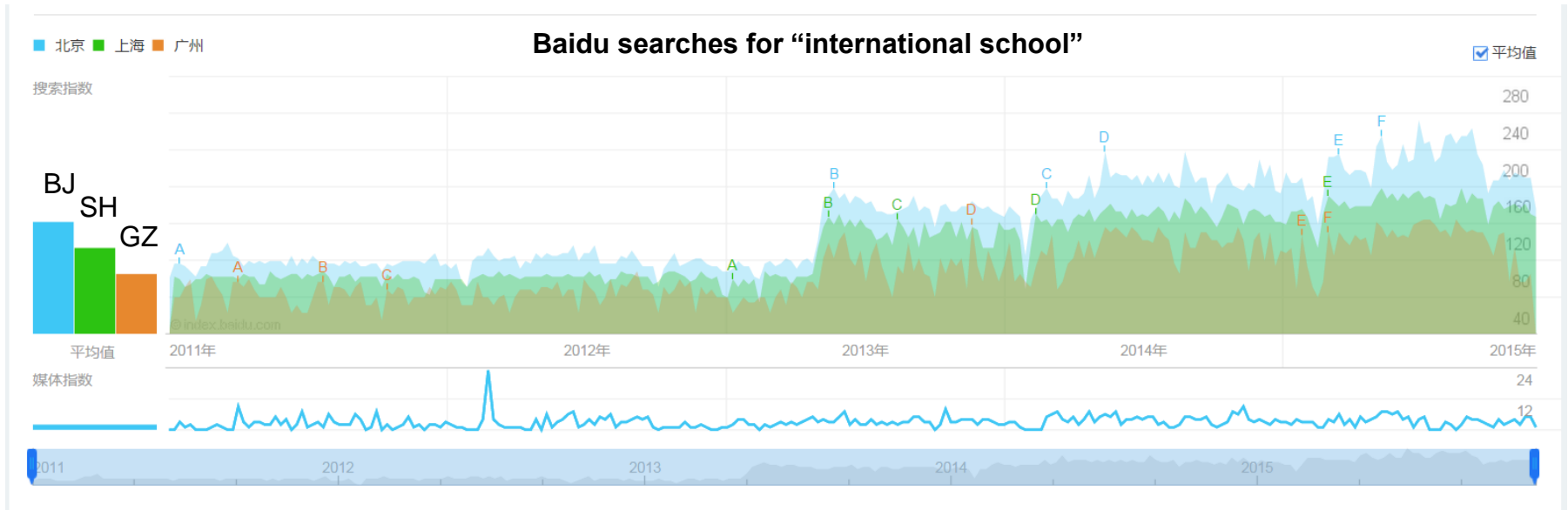
## II. International schools market: Local provision

### ***International class as part of a public high school***

- A “school within a school”
- As with local private international schools, students generally enrol to get into overseas universities more easily
- Due to a fast growth and mixed quality, Beijing, Shanghai and Guangzhou have placed a moratorium on new classes

## II. International schools market: Local provision

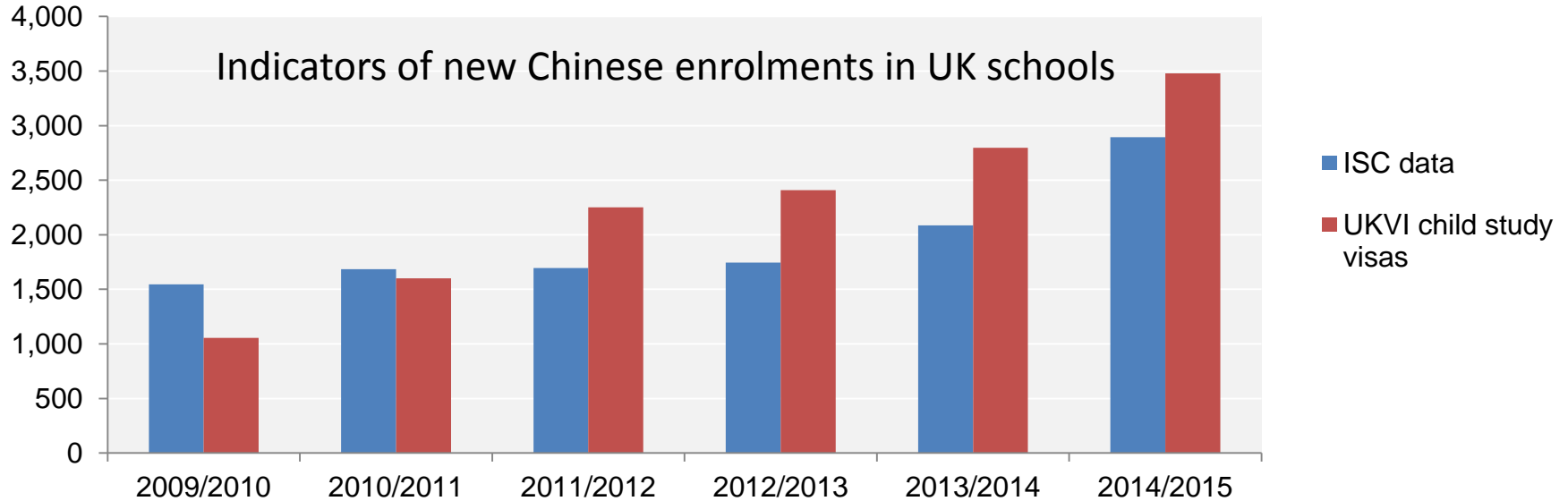
*Interest in international schools surged in 2013*



Source: index.baidu.com

## II. International schools market: Boarding schools

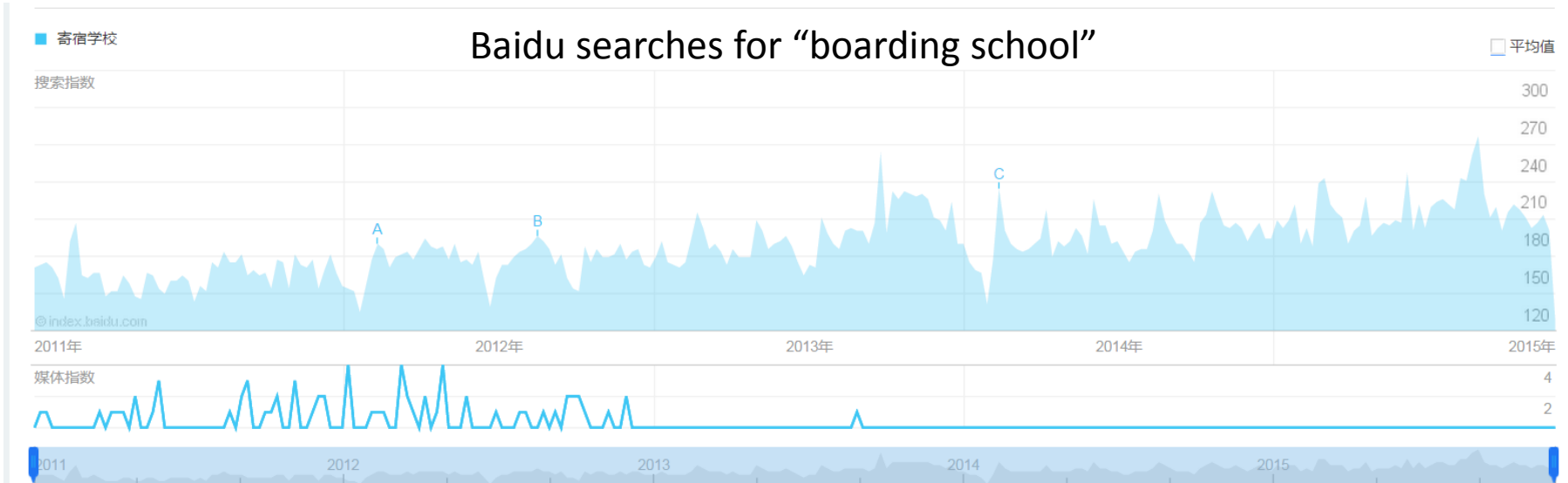
*Available data show growth in UK-bound mobility at the schools level*



Source: UKVI, International Schools Coalition

## II. International schools market: Boarding schools

*Interest in boarding schools has grown steadily over the past four years*

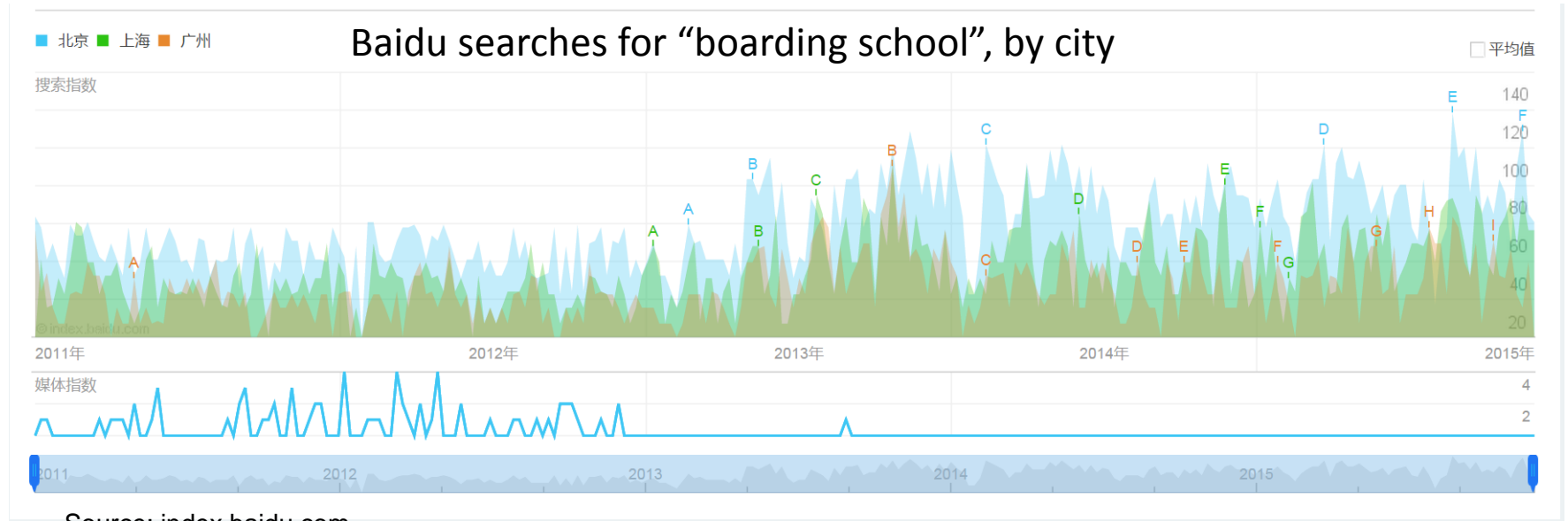


Source: index.baidu.com



## II. International schools market: Boarding schools

*Beijing shows considerably higher search traffic for boarding schools*



- I. Overview of China schools market
- II. Benchmarking**
  - A. Student supply
  - B. Student ability
  - C. Wealth
- III. British Council experiences
- IV. Conclusions

### III. Benchmarking

*What factors make a city attractive for student recruitment?*

#### **Number of Potential Students**

- Student-age population growth
- International schools

#### **Student ability**

- Academic level
- English ability

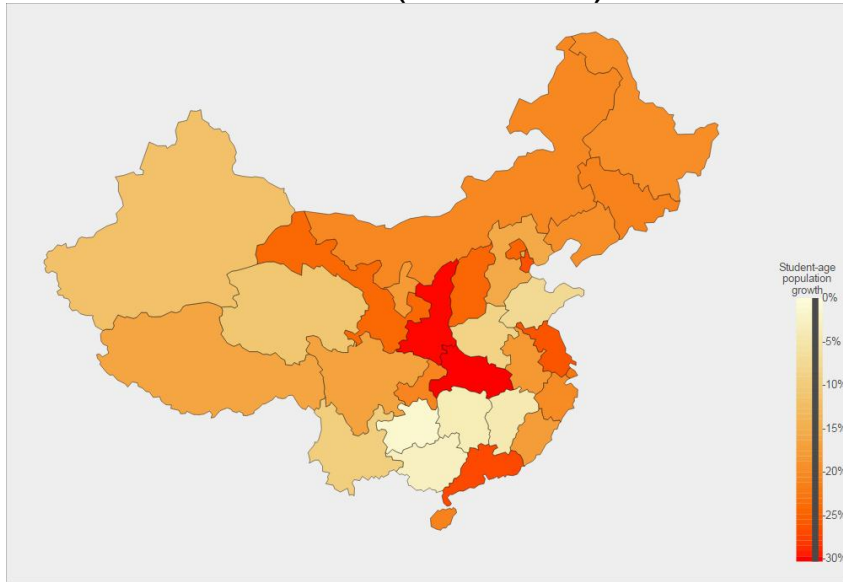
#### **Level of wealth**

- Incomes
- Spending patterns
- Luxury

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### III. Benchmarking: Student supply

Student-age Population Growth, 2015-2020 (Forecast)



Source: EIU

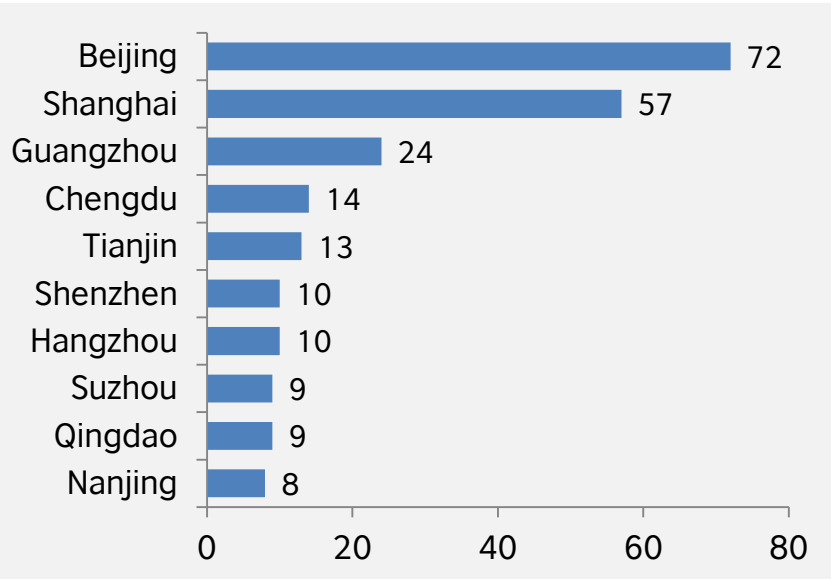
Recent and forecast student-age population - West China & elsewhere



Source: EIU

### III. Benchmarking: Student supply

Top cities by international schools\*



Source: Sina Education

28 more cities with 2+ international schools

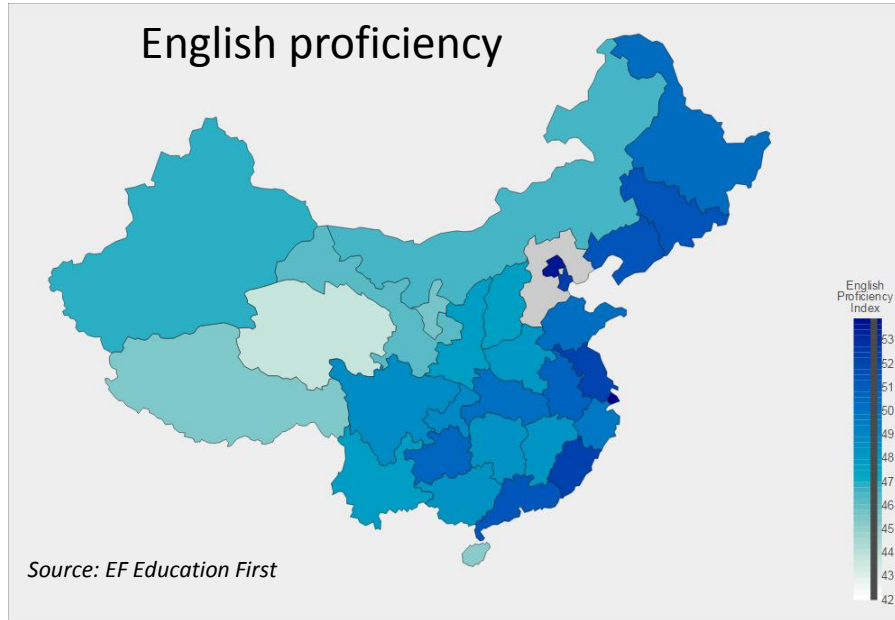
Chongqing (7)	Shenyang (3)	Wenzhou (2)
Shijiazhuang (7)	Taiyuan (3)	Xiamen (2)
Lanzhou (6)	Wuxi (3)	Yangzhou (2)
Dalian (5)	Xi'an (3)	Yantai (2)
Wuhan (5)	Changchun (2)	Yichang (2)
Zhengzhou (5)	Changzhou (2)	Zhuhai (2)
Changsha (4)	Fuyang (2)	
Kunming (4)	Guiyang (2)	
Nanchang (4)	Haikou (2)	
Harbin (3)	Luoyang (2)	
Ningbo (3)	Nanning (2)	

...and 42 more cities with at least one school

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### III. Benchmarking: Academic ability

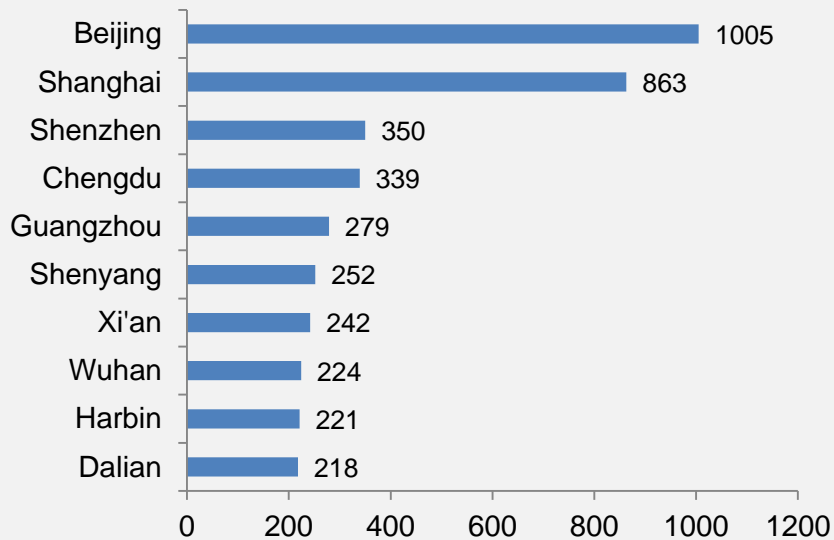
*Developed, coastal regions tend to have better English capability*





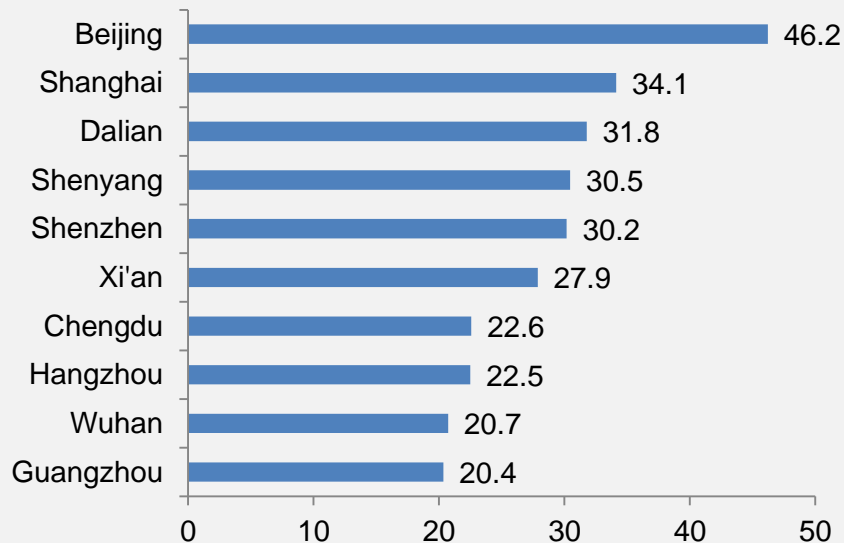
### III. Benchmarking: Academic ability

English language training schools



Source: Dazhong Dianping

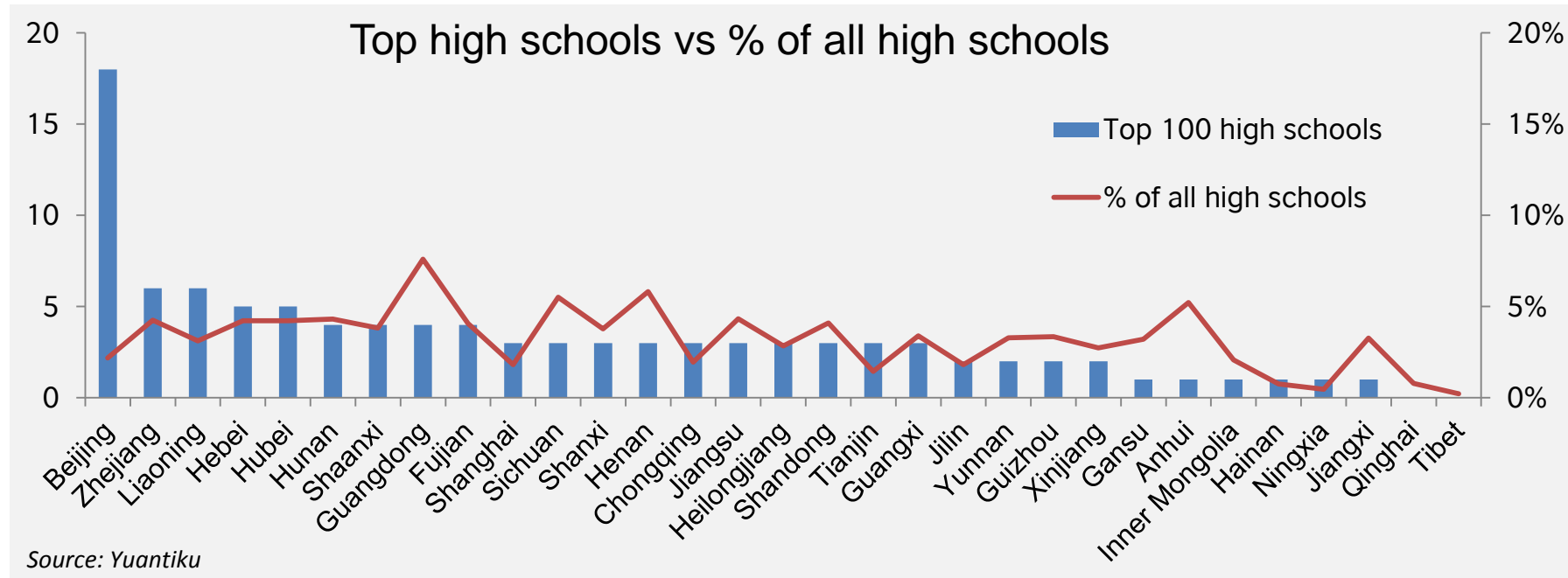
English training schools / Mn population\*



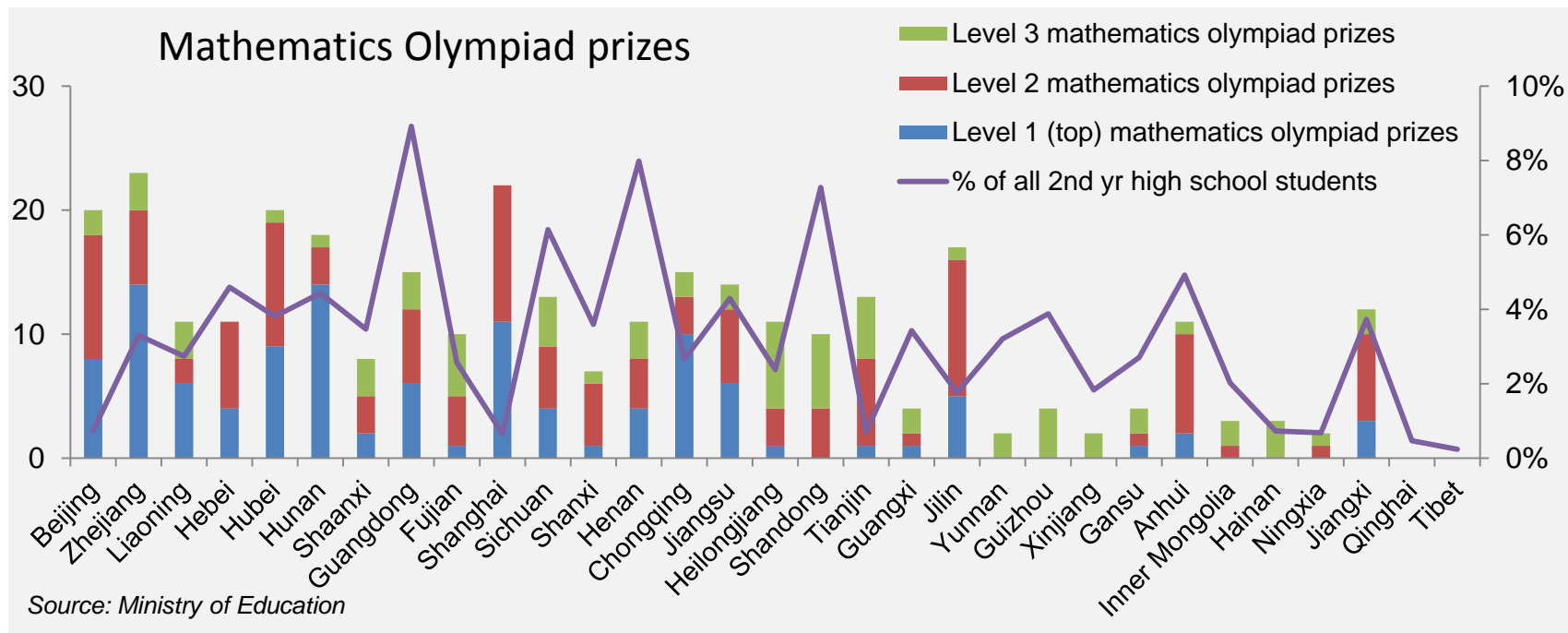
Source: Dazhong Dianping;  
National Bureau of Statistics

\* Cities above 5 Mn population  
(administrative region)

### III. Benchmarking: Academic ability



### III. Benchmarking: Academic ability

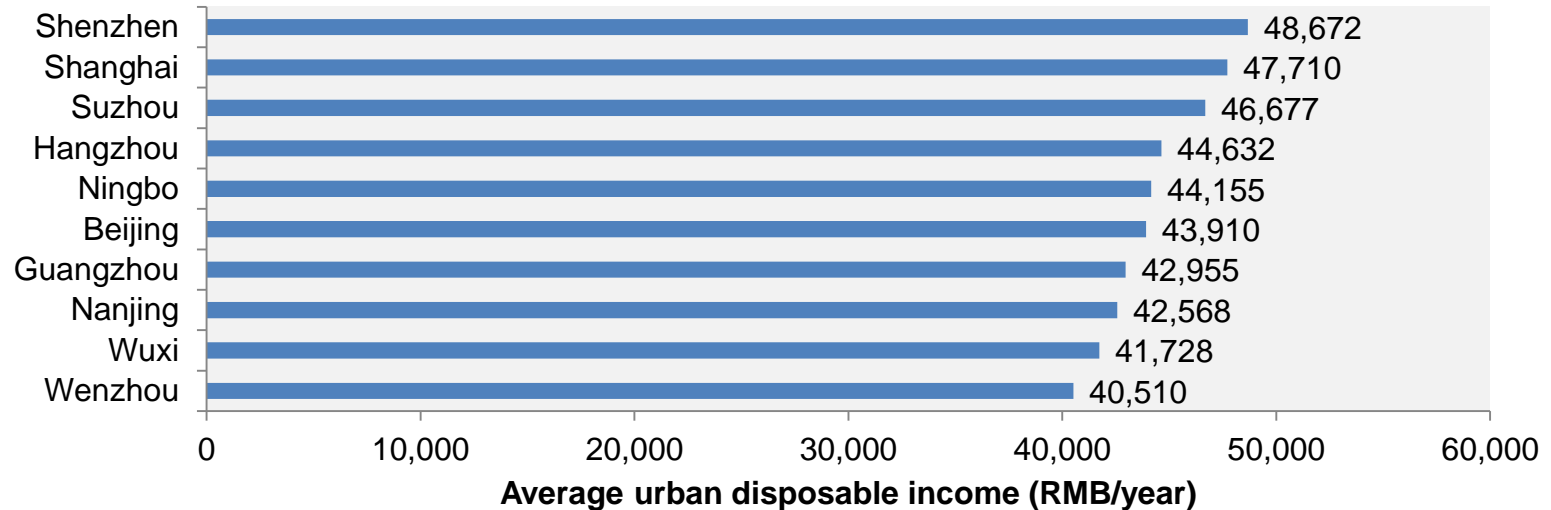


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### III. Benchmarking: Wealth

*City-level data on wealth in China lacks detail*

**Top cities by average income\***

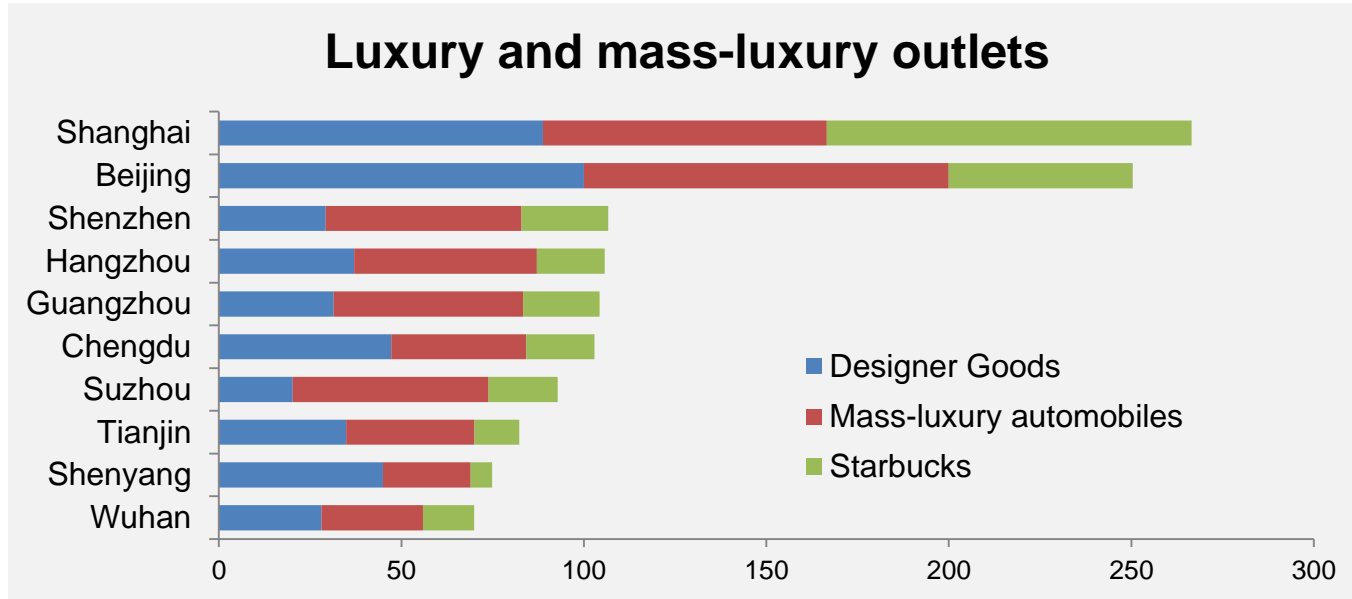


Source: Economist Intelligence Unit

\* Population > 1 Million

### III. Benchmarking: Wealth

*Luxury goods often tell a clearer story than income statistics*



Source: Dazhong Dianping

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## IV. Conclusions

*If looking further down the list of Chinese metropolises, eight cities stand out*

Cities with strongest profiles			
Shenzhen	Tianjin	Wuhan	Wuhan
Hangzhou	Chengdu	Xi'an	Suzhou



## IV. Conclusions

### *For recruitment...*

- If you have just one stop on your itinerary, Beijing is still the most attractive
- Shanghai and Guangzhou trail closely behind
- For smaller institutions that have lower brand profile, there may be opportunities further down the list

## IV. Conclusions

*For local delivery, lots of opportunities... and restrictions*



First nine years of education is compulsory



If not teaching Chinese curriculum, only foreign passport holders can attend



Curricula are subject to government regulation



Must have Chinese partner

## IV. Conclusions: British Council schools activities

### *13 videos promoting UK boarding schools*

Year	Video
2013	<a href="#">UK Boarding School overall - 1</a>
2013	<a href="#">UK Boarding School overall- 2</a>
2013	<a href="#">UK Boarding School - Sports</a>
2013	<a href="#">UK Boarding School - Class</a>
2013	<a href="#">UK Boarding School - Friendship</a>
2013	<a href="#">UK Boarding School - Accommodation</a>
2013	<a href="#">UK Boarding School - History</a>
2013	<a href="#">UK Boarding School - Campus</a>
2015	<a href="#">UK boarding school - sports new</a>
2015	<a href="#">UK boarding School - younger students</a>
2015	<a href="#">UK boarding school - academic development</a>
2015	<a href="#">USPs of UK boarding school</a>
2015	<a href="#">UK boarding school - activities</a>

# Questions?

*British Council's **Services for International Education Marketing (SIEM)** team helps UK institutions refine their internationalisation strategies to succeed in East Asia and around the globe. Please get in touch if you would like to learn more.*

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