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Student Mobility & Demographic Changes

REPORT TEAM

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International student mobility is rapidly expanding and continuously fluctuating, forging new migration patterns, economic prosperity and globalisation.[1] The OECD predicts that by 2025, eight million students will study abroad. However, student mobility and the demographic distribution of those seeking an international experience, is constantly being reshaped.[2] The number of students studying abroad almost quadrupled between 1990 and 2014, rising from 1.3 to five million.[3] This mobility has oscillated from a mostly unilateral East-to-West stream to become much more reciprocal. Alongside a broad overview of student mobility patterns and government initiatives, this introductory section of this white paper will outline how student markets can navigate tumultuous political environments, and will provide insights into what universities can do to innovate in their recruitment strategies.

Student mobility patterns

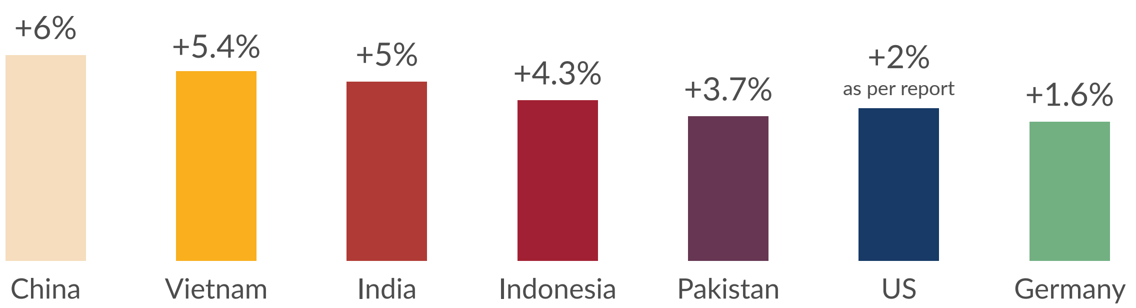
A recent report by the British Council offered a comprehensive overview of projected postgraduate mobility trends to 2024.[4] It asserts that student mobility is largely driven by demographic and economic change. The way in which these drivers currently intersect can allow us to forecast future student flows.[5] Tertiary-aged populations (18-22), and economic drivers such as GDP per capita, are key internationalisation drivers propelling mobility, recruitment and enrolments.[6]

Demographic impact

The number of 18 to 22-year olds in a country relates directly to the number of tertiary enrolments.[7] Changes in this demographic group are therefore likely to influence patterns of student mobility. Changes projected for the next decade, include both rises and falls of tertiary-age populations in different places across the world.

China is expected to experience the largest demographic shift. It is currently, by some distance, the largest provider of internationally mobile students; 758,000 natives were studying abroad in 2015.[8] However, it will reportedly be home to approximately 30 million fewer

British Council Projections for the Strongest Annual Average Growth Rates in GDP per capita



British Council, "Postgraduate Student Mobility Trends to 2024."

1 University of Oxford, "International Trends in Higher Education 2016–17.", 2017, goo.gl/tmcUon.
2 Ibid p. 18.
3 Ibid p. 14.

4 British Council, "Postgraduate Student Mobility Trends to 2024", 2014, goo.gl/ssLSfZ.
5 Ibid p. 4.
6 Ibid p. 10
7 Ibid.
8 University of Oxford, "International Trends in Higher Education 2016–17."

18 to 22-year olds by 2024, a 2.9% annual average decrease since 2013.[9] Yet the British Council predicts China will still produce the highest number of outbound students in 2024, hitting 338,000; this contrasts with India's 209,000.[10]

Russia and Vietnam are both expected to experience a drop of 1.8 million students in their tertiary-aged populations, whilst Iran's student numbers will decline by 1.5 million.[11] Nigeria, on the other hand, is forecast to see a boom of 6.3 million in its tertiary-aged population over the next ten years, giving it the strongest predicted annual average growth of any nation. Indonesia and India are also predicted to see rising tertiary-age populations and therefore outbound student mobility.[12]

Economic drivers

According to the British Council, economic drivers such as national growth, wealth distribution and household income all have a significant influence on student mobility.[13] The remnants of the 2008 financial crisis are finally fading, and, as of 2017, the global economy is experiencing prolonged, long-run average growth rates – a trend predicted to have a positive influence on international student mobility over the coming years. Economic growth in India, for instance, will ensure it becomes the "*fastest growing source of international postgraduate students*".[14]

GDP per capita directly correlates with tertiary enrolments. The strongest annual average growth rates will occur in Asian economies, particularly China (+6.0%), Vietnam (+5.4%), India (+5.0%), Indonesia (+4.3%) and Pakistan (+3.7%), indicating that youth from these countries may continue to enter the stream of internationally-mobile students at a higher rate than the rest of the world.[15] However, disruption to these predictions may occur if students from these countries choose to study within their region rather than internationally, which could switch the overall demand from West to East.[16]

West to East

Several Asian markets are attempting to market themselves as prime international student destinations.[17] Countries seeking to substantially increase their international recruitment by 2025 include China, Japan, Taiwan, South Korea, and Malaysia.[18] If successful, over the next decade, 1.4 million international students will be studying regionally as opposed to globally.[19] Such a projection corresponds with predictions that the distribution of economic power will shift from the Western world to the rapidly-advancing economies of Asia.

One reason that developing countries have greater outbound mobility is a limited domestic capacity, alongside rapidly-expanding populations which outnumber the number of appropriate and available tertiary education places.[20] However, regions which students have traditionally left for the West are now developing local capacity and building international partnerships to increase the visibility of their Higher Education (HE) sectors.[21] Moreover, demographic changes in the developing world may increase their

9 British Council, "Postgraduate Student Mobility Trends to 2024." p.11.
10 Ibid. p.3.
11 Ibid. p.11.
12 Ibid. p.11.
13 British Council, "Postgraduate Student Mobility Trends to 2024." p. 12.
14 Ibid. p. 42.

15 Ibid. p. 13.
16 Sowter, "Who Rules? The Top 500 Universities in the World 2018." QS World University Rankings, 2017, goo.gl/aAaxrU.
17 Luo, "Japan, Malaysia, Taiwan, and South Korea Remap Regional Student Flows", World Education News + Reviews, 2017, goo.gl/GiMYwM.
18 Ibid.
19 Ibid.
20 University of Oxford, "International Trends in Higher Education 2016–17."
21 Ibid.

ability to meet capacity demands, particularly in Latin America and Asia, as the tertiary-age population in these regions decline in many countries.[22]

"*The international higher education sector, over the next 10-20 years, will grow, but look different in terms of its offerings and students,*" observes Dr. Rahul Choudaha, Executive Vice President of Global Engagement and Research at StudyPortals.

Choudaha, who writes about international student mobility patterns, agrees that there is change coming, and that this change is indeed related to transforming demand patterns in both the West and the East, but he doesn't think it necessarily represents a fundamental shift from one to the other.

While international higher education will continue to be in demand, the nature of offerings will become more blended with technology, and wider in terms of destinations. Some of the emerging destinations in the East will start maturing in terms of their quality and attract more international students...

Dr. Rahul Choudaha
Executive Vice President of Global Engagement and Research at StudyPortals

"*While international higher education will continue to be in demand, the nature of offerings will become more blended with technology, and wider in terms of destinations. Some of the emerging destinations in the East will start maturing in terms of their quality and attract more international students. At the same time, technological maturity and adoption rates will enable some of the leading brands from the West to expand their reach and engagement.*"

The British Council predicts that the US will continue to overshadow every other host market over the next decade, and will continue to be the fastest-growing study destination.[23] Conversely, the UK, now especially post-Brexit, is expected to experience a downtrend in this area, becoming the second-slowest growing host destination, with predicted annual average growth of just 3.5 per cent between 2012 and 2024.[24]

"*Migration patterns are driven by the search for better quality of life. Over the next 10-20 years, there are countries in the East which may offer a better quality of life for a segment of individuals. However,*" Choudaha argues, "*we cannot ignore the importance of geography and location. Major destinations, like London or New York, have an ecosystem of institutions, employers and a diaspora which will continue to be a magnet for globally mobile talent.*"

The impact of political change

This shift in demand may also be attributable to recent political events. According to Choudaha, student mobility trends have been, and will be, defined by three main waves.[25] The first was shaped by the September 11 terrorist attacks in 2001, the second by the global recession of 2007/08, and the third by a combination of Brexit, the election of Donald Trump as US President, and the slowdown in the Chinese economy.[26] The most recent QS white paper, 'Is Brexit Turning International Students Away from the UK?', found that many students from the

22 Ibid.

23 British Council, "Postgraduate Student Mobility Trends to 2024." p. 42.

24 Ibid. p. 43.

25 Rahul, "Three Waves of International Student Mobility (1999-2020)." Studies in Higher Education, 2017, goo.gl/EuD8XN. p. 3.

26 Ibid. p.3.

EU, and also beyond, have begun to perceive Britain as unwelcoming to immigrants, thereby dissuading them from study in the UK.[27] Similarly, in the US, Trump's anti-immigrant rhetoric and temporary travel bans on people from several Muslim-majority countries caused a drop in international student applicants, especially from the Middle East.[28]

The 2018 QS World University Rankings® report 'Who rules? The Top 500 Universities in the World 2018' emphasised that, if Asian students begin to perceive Western countries as hostile, HE from England to the US could suffer disproportionately.[29] Currently, the top institutions in Taiwan, Japan and Korea all rank below 500th place worldwide for international student ratios, a metric used by QS in the compilation of the global university Rankings. However, this could change if students from these regions develop a desire for a quality education without the expenditure of going to North America or Europe, for example. This would encourage more short-distance student migration. Currently, Russia has only one top-100 ranked university, while, by contrast, China has six. Both nations could benefit from this fractured political environment by increasing their international student recruitment.

This uncertainty also provides an opportunity for established student markets such as Canada and Australia. Both have more inclusive immigration policies and are therefore likely to capitalise on political turmoil elsewhere.[30] The QS Brexit report suggested that countries in continental Europe have the potential to become strong alternative destinations to the UK, also due to lower tuition fees and a greater potential for post-study work opportunities. Students in Frankfurt, for example, believed Germany would benefit if the financial sector were to relocate in its direction. Ireland, too, stands to become more popular to employers in the financial and technology sectors – which may also transform it into a more strongly desirable student destination.

The QS Brexit report suggests recommendations from the findings. These would include communication targeted at particular countries by those institutions within the UK's HE sector who feel that British universities' response to Brexit has lacked transparency and clarity. New marketing and re-branding strategies would be advocated to reform views of the UK as unwelcoming, and QS would further recommend that institutions adopt and promote a clear diversity and inclusivity policy.

The internationalisation imperative: Government and institutional initiatives

The need for international education has become increasingly urgent amidst an increasingly integrated global economy and marketplace. This has fed the 'massification' of international HE, particularly following the growth of 'emerging' economies, especially in Asia.[31]

Conversely, the populist rhetoric prevailing in certain countries, championing anti-immigration agendas, could presage a less globalised world, which would, in turn, entail a less globalised workforce.[32] This could result in student movement becoming more regional.[33] However, the 2018 QS World University Rankings® show no trend in this direction, with global education continuing to flourish and rise, and internationalisation of HE

27 Hopkins., West., Karzunina. "Is Brexit Turning International Students Away From the UK?", QS Intelligence Unit, 2017, goo.gl/izYKSP.
28 West, "The Trump Effect on America's Higher Education System." QS, 2017, goo.gl/vXtrM8.
29 Sowter, "Who Rules? The Top 500 Universities in the World 2018."

30 Rahul, "Three Waves of International Student Mobility (1999-2020)." p. 10.

31 British Council, "Postgraduate Student Mobility Trends to 2024." p. 4.
32 Sowter, "Who Rules? The Top 500 Universities in the World 2018."
33 Ibid.

becoming a priority not only for institutions, but also for the countries that house them.

Governments, especially in countries that are 'non-traditional student hosts', are increasingly investing in their HE sectors to enhance prestige and attractiveness to both foreign scholars and students.[34] This imperative is certainly prevalent in Japan and China, both of which have made internationalisation of their HE sectors a national priority. Subsequently, both countries have seen growth in international student numbers.[35] Japan has achieved this through increasing the number of courses taught in English, an ever more popular approach, whilst China is offering growing numbers of scholarships, including with a focus on Africa.[36] Government initiatives in Brazil, Mexico and Saudi Arabia have also been created to foster student mobility as part of developing their own domestic economies.[37]

Choudaha postulates that this third wave, shaped by events including the election of Donald Trump, and Brexit, will see mounting competition between new and traditional study destinations.[38] Accordingly, he recommends that institutions should not only focus their efforts on recruitment, but balance this drive with quality student support services that ensure student employment expectations outcomes are met.[39] One in five students seek a global education - but close to home.[40] One crucial avenue that universities might explore in this environment is online learning, which offers myriad new possibilities.[41] Choudaha feels that the most significant challenge facing international HE is "*expanding access to a larger segment of students without losing affordability or quality*." The institutional imperative in this third wave will therefore be "*to innovate*", he asserts.

They [universities] must find newer ways of connecting with their best student segment through new modes of delivery and engagement. Institutions must discover and invest [in] their unique value proposition and try to move away from an undifferentiated "me too" offering.

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"*They [universities] must find newer ways of connecting with their best student segment through new modes of delivery and engagement. Institutions must discover and invest [in] their unique value proposition and try to move away from an undifferentiated "me too" offering.*" Choudaha's comments make it clear that the future flourishing of student mobility is dependent on the ability of the HE sector to react, to expand, and to drive innovation. Institutions that are resistant to change, and vulnerable to political challenges, may get left behind.

34 University of Oxford, "International Trends in Higher Education 2016–17."p. 16.
35 Ibid.
36 Ibid.
37 Ibid.
38 Rahul, "Three Waves of International Student Mobility (1999-2020)."
39 Ibid p. 2.
40 Ibid p. 10.
41 Ibid p. 10

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ABOUT QS

Established in 1990, QS is dedicated to providing independent and authoritative research and resources for both prospective students and higher education providers worldwide. The QS World University Rankings®, published annually since 2004 and hosted on student-focused platform TopUniversities.com, is among the most-consulted resources in the sector.

QS Intelligence Unit (QSIU) was formed in 2008 in response to growing public demand for comparative data on universities and other higher education providers, and for institutions to develop deeper insight into their competitive environment. Committed to the key values of rigorous integrity, undeniable value, unique insight and charismatic presentation, QSIU strives to be the most trusted independent source of global intelligence on the higher education sector.

In addition to the research and insights provided by QSIU, QS offers a range of services to help prospective international students find the right institution – and vice versa. This includes a global series of higher education fairs; an annual publication cycle of guides, reports and e-papers; and a dynamic range of online platforms.

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