2017 China Market Overview – Immigration & Overseas Study
Summary:

- In 2016, the destination preferred by China’s high-net-worth immigrants is the United States, accounting for 57.5% of the total, followed by Australia and Singapore.

- For Chinese high-net-worth individuals, the main reason for immigration is education quality and environmental pollution. Many Chinese HNWIs recognize that they are generally more satisfied with their living conditions after immigration. Of course, they also face post-immigration problems such as prolonged waiting, language barriers and difficulties in entering the mainstream of society.

- As China’s immigration industry gradually matures, the professionalism and services of immigration agencies are getting better and better. According to the survey data, professional immigration agencies are the most preferred channel to obtain information about overseas immigration, accounting for 66.4%.
Summary:

• Over the past decade, the number of people studying abroad in China has quadrupled and the scale of people studying abroad has grown. In addition, the number of students studying abroad then returning to China has also risen sharply. In the past three or four years, more than three quarters of overseas studying students chose to return to their home countries.
• US has become the first choice of destination for Chinese students studying abroad for three consecutive years, followed by British Commonwealth countries. In 2016, more than 30% of high-net-worth individuals held the opinion that children should be sent overseas for further study at the high school stage, followed by the college stage.
• In terms of major, business is the most popular major for Chinese students studying abroad. However, the actual income of nearly 70% of returnees is far below their personal expectation.
• The development of the Internet has changed the way users access information and has diversified the sources of information. However, the channels for acquiring information on overseas education for the children of HNWIs at present are still mainly institutions for overseas education, overseas local educational institutions and recommendation from friends and relatives.
In 2016, the destination preferred by China's high-net-worth immigrants is the United States, accounting for 57.5% of the total, followed by Australia and Singapore. According to the data, China is the second largest source of permanent resident immigrants of the United States, second only to Mexico.

**Chinese High-net-worth Immigrants’ Destination in 2016**

- US: 57.5%
- Australia: 9.6%
- Singapore: 8.9%
- Canada: 6.8%
- UK: 4.1%
- German: 3.4%
- Japan: 2.1%
- Switzerland: 2.1%
- New Zealand: 1.4%
- Others: 4.1%

Source: Going Global: Trends of the Chinese HNWI 2016
In terms of education, investment destinations, immigration policy applicability, overseas home ownership, individual income tax, health system effectiveness, visa free and adaptability of Chinese in an foreign country, the country with the highest Chinese immigration index is the United States, followed by Canada and the United Kingdom.

**Chinese Immigration Index in 2017**

<table>
<thead>
<tr>
<th>Country</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>9.00</td>
</tr>
<tr>
<td>Canada</td>
<td>8.68</td>
</tr>
<tr>
<td>UK</td>
<td>8.38</td>
</tr>
<tr>
<td>Australia</td>
<td>7.80</td>
</tr>
<tr>
<td>Malta</td>
<td>6.40</td>
</tr>
<tr>
<td>Portugal</td>
<td>6.38</td>
</tr>
<tr>
<td>Ireland</td>
<td>6.30</td>
</tr>
<tr>
<td>Spain</td>
<td>6.28</td>
</tr>
<tr>
<td>Antigua</td>
<td>5.05</td>
</tr>
<tr>
<td>Dominica</td>
<td>3.75</td>
</tr>
</tbody>
</table>

Source: Immigration and the Chinese HNWI 2017
The high-net-worth individuals that have already emigrated overseas mainly migrated by way of investment immigrants, because it is more efficient than other ways.

Way of Immigration for China’s High-net-worth Individuals in 2016

- Investment: 77.4%
- Technology: 16.4%
- Rely on Relatives: 4.8%
- Marriage: 1.4%

Source: Going Global: Trends of the Chinese HNWI 2016
More than half of the high-net-worth individuals who are considering overseas immigration hope that their children can integrate into their overseas lives as soon as possible. The foreign culture they experienced during their travel is also an important driving factor in the determination of overseas immigration.

**Drivers of High-net-worth Individuals’ Immigration in 2017**

- Their children can integrate to overseas life earlier: 56%
- Experience of foreign culture while travelling: 32%
- Personal or family's need for health: 31%
- High housing price pushed up personal assets: 23%
- Friends or relatives' success in immigration: 20%
- Lack of confidence in China's future economy: 18%
- The earlier you immigrate, the better you develop: 16%
- High work pressure: 15%
- Favorable overseas immigration policy: 14%
- Lack of confidence in the comprehensive development of living city: 13%
- Too little domestic investment channel: 13%
- Unstable international politics: 10%

Source: Immigration and the Chinese HNWI 2017
For high-net-worth individuals, main reasons to immigrate include educational quality, environmental pollution, etc.

Main reasons to Immigrate for High-net-worth Individuals in 2016

- Educational Quality: 76%
- Environmental Pollution in Residential Areas: 64%
- Ideal Living Environment: 53%
- Medical Level: 29%
- Asset Security: 18%
- Political Environment: 15%
- Social Security: 13%
- Changing Family’s Destiny: 11%
- Fertility Demand: 8%
- Economic Recession in Residential Areas: 8%

Source: Immigration and the Chinese HNWI 2017
Nearly 60% of high-net-worth individuals have the most intuitive feeling that their children receive better education after immigration. This is also an important reason why they choose to emigrate. The second reason is environmental improvement.

### Changes after High-net-worth Individuals’ Immigration in 2016

<table>
<thead>
<tr>
<th>Change</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improved Education Quality</td>
<td>58.6%</td>
</tr>
<tr>
<td>Improved Environment</td>
<td>49.3%</td>
</tr>
<tr>
<td>Broadened Horizons</td>
<td>47.9%</td>
</tr>
<tr>
<td>Rising Living Quality</td>
<td>40.7%</td>
</tr>
<tr>
<td>Internationalization of Social Activities</td>
<td>28.6%</td>
</tr>
<tr>
<td>More Private Time</td>
<td>12.9%</td>
</tr>
<tr>
<td>Others</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

Source: Going Global: Trends of the Chinese HNWI 2016
Many Chinese HNWIs, recognize that they are generally more satisfied with their living conditions after immigration. Of course, they also face post-immigration problems such as prolonged waiting, language barriers and difficulties in entering the mainstream of society.

Obstacles after Immigration in 2017

- Prolonged Waiting Time, 27%
- Language Barriers, 17%
- Difficult to Enter the Mainstream Society, 15%
- Difficulty in Applying Immigration, 11%
- Lonliness in Overseas, 11%
- Unable to Go with the Whole Family, 11%
- High Expense, 9%

Source: Immigration and the Chinese HNWI 2017
The most preferred destinations for Chinese HNWIs to purchase houses and immigrate in are concentrated in the United States, such as Los Angeles, San Francisco, New York and Seattle.

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**Chinese HNWIs’ Preferred Destinations to Purchase House & Immigrate in 2017 TOP10**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country/City</th>
<th>Ratio (High-net-worth Individuals in Southeast China)</th>
<th>Ratio (High-net-worth Individuals in Northwest China)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Los Angeles</td>
<td>17.1%</td>
<td>18.1%</td>
</tr>
<tr>
<td>2</td>
<td>Seattle</td>
<td>13.1%</td>
<td>10.5%</td>
</tr>
<tr>
<td>3</td>
<td>San Francisco</td>
<td>10.4%</td>
<td>8.9%</td>
</tr>
<tr>
<td>4</td>
<td>New York</td>
<td>9.9%</td>
<td>9.8%</td>
</tr>
<tr>
<td>5</td>
<td>Vancouver</td>
<td>6.7%</td>
<td>5.8%</td>
</tr>
<tr>
<td>6</td>
<td>Boston</td>
<td>7.8%</td>
<td>5.4%</td>
</tr>
<tr>
<td>7</td>
<td>Melbourne</td>
<td>4.0%</td>
<td>4.7%</td>
</tr>
<tr>
<td>8</td>
<td>Toronto</td>
<td>7.4%</td>
<td>3.4%</td>
</tr>
<tr>
<td>9</td>
<td>New Zealand</td>
<td>2.9%</td>
<td>3.4%</td>
</tr>
<tr>
<td>10</td>
<td>Sydney</td>
<td>2.9%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

Source: Immigration and the Chinese HNWI 2017
As China's immigration industry gradually matures, the professionalism and services of immigration agencies are getting better and better. According to the survey data, professional immigration agencies are the most preferred channel to obtain information about overseas immigration, accounting for 66.4%, followed by recommendations by friends and relatives, accounting for 48.6%.

<table>
<thead>
<tr>
<th>Channels for China’s High-net-worth Individuals Get Immigration Information in 2016</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Immigration Agency</td>
<td>66.4%</td>
</tr>
<tr>
<td>Recommendation by Relatives &amp; Friends</td>
<td>48.6%</td>
</tr>
<tr>
<td>WeChat, Weibo and Other New Media</td>
<td>15.8%</td>
</tr>
<tr>
<td>Portal Website</td>
<td>13.7%</td>
</tr>
<tr>
<td>Professional Overseas Educational Agency</td>
<td>13.7%</td>
</tr>
<tr>
<td>Business Investigation</td>
<td>11.6%</td>
</tr>
<tr>
<td>Bank</td>
<td>11.6%</td>
</tr>
<tr>
<td>Business Partner</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

Source: Going Global: Trends of the Chinese HNWI 2016
Nearly 80% of high-net-worth individuals who have immigrated overseas said they have handled the matter through professional immigration agencies, while only 15.7% of them applied by themselves. The professional immigration agency can not only improve the success rate, but also save time.

Source: Going Global: Trends of the Chinese HNWI 2016
Over the past decade, the number of Chinese students studying abroad in China has quadrupled and the scale of people studying abroad has grown.

The Number of Chinese Students Studying Abroad ('000)

Source: The Chinese Ministry of Education
In 2016, studying abroad at the student's own expense was the mainstream in China's overseas studying market, accounting for more than 90% of the total number of people studying abroad.

The Types of Overseas Studying in 2016 ('000)

- Self-supported, 498.2, 91.5%
- Sponsored by company/organization, 16.3, 3.0%

Source: The Chinese Ministry of Education
The number of returnees who’ve studied has also risen sharply. In the past three or four years, more than three quarters of overseas studying students chose to return to their home countries, according to data from 2013 to 2016.

The Number of Return Students & Proportion of Return Students in All Overseas Chinese Students

Source: The Chinese Ministry of Education
The United States has been the first choice for Chinese students for three consecutive years, followed by the Commonwealth countries with its share higher than that of 2016. The share of Germany, Hong Kong, New Zealand and France also increased slightly, showing a relatively stable distribution pattern in destination countries.

**Overseas Countries/Regions that Chinese Students prefer to Study In**

- **US**: 50% (2017) vs. 46% (2016)
- **UK**: 34% (2017) vs. 31% (2016)
- **Australia**: 24% (2017) vs. 20% (2016)
- **Canada**: 21% (2017) vs. 18% (2016)
- **Germany**: 9% (2017) vs. 8% (2016)
- **Hong Kong**: 9% (2017) vs. 8% (2016)
- **Japan**: 8% (2017) vs. 9% (2016)
- **New Zealand**: 7% (2017) vs. 6% (2016)
- **France**: 7% (2017) vs. 6% (2016)
- **Singapore**: 7% (2017) vs. 9% (2016)

The number of Chinese students studying in the United States, Britain and Canada have been growing for the past six years, with the number of students studying in the United States growing the most rapidly, reaching 328,547 in 2015-2016.

The Number of Chinese Students Studying in US

Source: USA Open Doors
More than 30% of HNWIs think that they should send their children abroad for study during the high school stage. The college stage ranked second, accounting for 23.1%. The proportion of primary school stage even exceeds that of graduate students, which shows that in the minds of the wealthy, studying at a younger age has already become a mainstream value.

**Time to Send Child to Study Abroad for High-net-worth Families**

- High School, 30.6%
- College, 23.1%
- Junior Middle School, 13.8%
- Graduate, 6.1%
- Primary School, 8.3%

Source: China Overseas Study 2016
Chinese HNWIs generally prepare for about two years ahead of schedule after they decide to send their children to study abroad. Preparation work includes attending summer camps and volunteering activities, etc.

### Preparation Time before Chinese High-net-worth Individuals’ Children Studying Abroad

- **<1 Years**: 8.4%
- **1-2 Years**: 45.4%
- **2-3 Years**: 30.8%
- **3-4 Years**: 7.6%
- **>4 Years**: 7.8%

Source: Going Global: Trends of the Chinese HNWI 2016
The driving factors and purposes of Chinese students to study abroad are mainly for self-improvement. Among these driving factors, expanding international perspective and enriching life experience are the most important purposes of study abroad.

Chinese Students’ Purpose to Study Abroad

- Expand International Perspective: 61%
- Enrich Life Experience: 60%
- Learn Advanced Knowledge Abroad: 46%
- Better Prospect for Employment in the Future: 42%
- Improve the ability of Foreign Language: 40%
- Prefer to Study in Famous School Abroad: 31%
- Favor of Foreign Culture: 29%
- High Pressure of Domestic Test-oriented: 20%
- Impacted by Friends and Classmates: 17%
- Ready to Work Abroad or Immigrate: 17%
- Better Climate Abroad: 14%
- Shorter Length of Schooling Abroad: 14%
- Parents’ Strong Desire: 7%
- Others’ Advice: 5%

In 2017, business is still the first major choice of Chinese students studying abroad. In addition, the proportion of students who preferred engineering as the major also increased, while that of arts, sciences, arts and medicine dropped to some extent.

**Majors that Chinese Students Studying Abroad are Interested in**

According to the data, the actual income of nearly 70% of the returnees is far below their personal expectation. The actual incomes for their initial employment are much lower, with nearly half of them earning less money than undergraduates from 211 project universities.

Source: 360 Digital Marketing Center, *Big Data Report on Studying Abroad 2017*
The development of the Internet has changed the way users access information and has diversified the sources of information. However, the channels for acquiring information on overseas education for the children of HNWIs at present are still mainly institutions for overseas education, overseas local educational institutions and recommendation from friends and relatives.

Channels High-net-worth Individuals’ Children Get Overseas Education Information

- Overseas-study Agency: 65.7%
- Overseas Local Educational Agency: 54.3%
- Recommendation by Relatives and Friends: 41.8%
- Portal Website: 37.7%
- Communication with Overseas Schools: 31.9%
- Offline Activities: 22.4%
- Bank/Wealth Management Organizations: 20.2%
- Government-sponsored Overseas Exchange: 16.1%
- Others: 0.3%

Source: Going Global: Trends of the Chinese HNWI 2016
Expense of studying abroad is the most concerned information in overseas-study information consultation. However, the concerns on the rank of overseas school grow by 50.3% from the year before, indicating that the students pay more attention to quality of studying abroad.

<table>
<thead>
<tr>
<th>Rank of Concerns (2017.1-8)</th>
<th>Concerns in Overseas-study Information Consultation</th>
<th>Year-on-year Growth of Concerns</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Expense of studying abroad</td>
<td>16.3%</td>
</tr>
<tr>
<td>2</td>
<td>Rank of overseas school</td>
<td>50.3%</td>
</tr>
<tr>
<td>3</td>
<td>Condition of studying abroad</td>
<td>5.9%</td>
</tr>
<tr>
<td>4</td>
<td>Overseas-study application/Document/Resume</td>
<td>36.4%</td>
</tr>
<tr>
<td>5</td>
<td>Visa for studying abroad</td>
<td>48.6%</td>
</tr>
<tr>
<td>6</td>
<td>Overseas-study consultation</td>
<td>-2.6%</td>
</tr>
<tr>
<td>7</td>
<td>Preparatory course</td>
<td>49.8%</td>
</tr>
<tr>
<td>8</td>
<td>Overseas education and immigration Project</td>
<td>38.3%</td>
</tr>
<tr>
<td>9</td>
<td>Minimum Passing Score</td>
<td>24.2%</td>
</tr>
<tr>
<td>10</td>
<td>Scholarship</td>
<td>-4.3%</td>
</tr>
</tbody>
</table>

Source: 360 Digital Marketing Center, *Big Data Report on Studying Abroad 2017*
Studying abroad service agency is the main way of application for those that plan to study abroad, accounting for 74% of the total. More than half of the students would choose national chain agency when they are choosing studying abroad service agency.

**Way of Applications for Studying Abroad**

- Studying Abroad Service Agency, 74%
- DIY Application, 15%
- Others, 11%

**Types of Studying Abroad Service Agency**

- National Chain Agency, 55%
- Large Local Agency, 21%
- Small Studio, 4%
- No Difference, 7%
- Others, 13%

Employment information consultation and interpretation of overseas returnees policy are the most desired service for overseas returnees.

Source: 360 Digital Marketing Center, *Big Data Report on Studying Abroad 2017*
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