



CHINA'S DIGITAL NOMADS: UNDERSTANDING AN EMERGING MARKET OF HIGH- VALUE GLOBAL TRAVELERS

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Executive Summary

Digital nomadism is a new and emerging lifestyle in the connected, post-pandemic. It allows highly-skilled, well-compensated workers to work remotely while traveling the world - and China is no exception. Changing culture and economics are driving this new dynamic, and China's digital nomads are taking advantage of the 49 nations offering digital nomad visas to knowledge workers. The Chinese economy has been slow to recover, geopolitical tensions with the US are intensifying, and resistance to the notorious "996" work ethic is on the rise. In 2023, digital nomadism is perhaps more attractive to Chinese knowledge workers than ever.

China's potential market for digital nomads rivals the populations of countries like Spain and Germany in size. Over 98.8 million Chinese citizens hold valid passports, and the country has around 50 million highly-skilled workers. A growing number of countries offer favorable visa arrangements to Chinese travelers, with growing awareness in the country about what the rest of the world offers. A total of 40 countries require eVisas for Chinese arrivals, 33 countries require no visa and 40 countries offer visa on arrival arrangements.

We reached out to 20 Chinese digital nomad professionals to gauge their views. We found that the most common reason for pursuing a digital nomad lifestyle was a desire for freedom, relative to the pressure and high costs of living in major Chinese cities. A desire to experience different cultures and be flexible was also cited, corresponding to the well-documented themes of urban exhaustion and burnout. The most popular destinations for pursuing a digital nomad lifestyle included Japan, the Netherlands, and Australia. Safety, interesting culture, affordability, and convenient living were chief deciding factors in choosing a destination.

In this report, we present an overview on the development of digital nomadism, and the drivers of the movement in China. A preliminary quantitative description of the scale of the Chinese digital nomad market is also part of our approach. Together with this, we outline destinations that would be best-positioned to capitalize off this trend. To inform digital strategy, we provide a breakdown of the top platforms that digital nomads in China interact with. In closing, we summarize actionable strategy points for use in engaging with and attracting Chinese digital nomads.

The International Digital Nomad Phenomenon

Globally, the digital nomad phenomenon has been emerging in lockstep with the internet, initially allowing more adventurous knowledge workers in marketing, design, IT, writing, media, tutoring, and consulting to work from wherever they could power a laptop and connect to wi-fi. The idea first emerged in the late 1990s, with Tsugio Makimoto and David Manners' book *Digital Nomad* outlining a return to nomadic living enabled by technology and the internet, whereby humanity would be freed from "the constraints of geography and distance".

The outbreak of the Covid pandemic saw, effectively, all knowledge workers become digital nomads. Work from home became ubiquitous, and Covid outbreaks, especially in China, often saw citizens trapped for weeks on end in a different city if snap lockdowns were called while they happened to be visiting. However, even before Covid broke out, the always-connected nature of digital work, where smartphones, instant messaging and email saw work spill over into knowledge workers' leisure time, led to an overworked and burnt-out workforce across the world. As work could no longer be contained to the office space and office hours, a cohort of digital workers opted to enjoy the new, always-connected reality of work from more serene (and cheaper) than global tier-one cities. Thus, digital nomadism was born.

While these factors have slowly been driving this trend in the West, China is dealing with the same societal factors, except far more severe. On top of that, China's evolving demographic, economic, cultural and political landscape make digital nomadism something of an inevitable trend in the country. Today, China is navigating falling birthrates, challenges around property affordability, increasing awareness around wellness and mental health, and an increasing disconnect between policy and wealthier Chinese citizens. This has already set trends in motion of digital workers relocating to tourist towns on the Tibetan plateau to work remotely, urbanites converting vans to live in rather than buy expensive apartments, and wealthier citizens setting up home offices across the world. In the report that follows, we'll be discussing some of these factors, past and present, and how they might shape the Chinese digital nomad economy in the years to come.

Drivers of China's Digital Nomadism

Pull Factors

Brain drain over many years and the sudden collapse of the tourism economy during the Covid pandemic made digital nomad visas an obvious choice for many regional and national governments across the world to bolster tax revenues and stimulate local economies. 49 nations, spanning Europe, the Caribbean, Latin America, the Middle East, East Asia and southern Africa now offer digital nomad visas or similar open-ended work visas to knowledge workers. Most of these visa schemes require a minimum proof of income, and are granted for one to several years at a time.

With 70% of Chinese millennials being owners of at least one property in China, adding substantial potential rental income to their existing salary, this puts a sizable proportion of Chinese knowledge workers comfortably within most salary ranges required for these visa schemes. Rising awareness of and adherence to financial philosophies such as Financial Independence, Retire Early (FIRE) make regions with comparatively low costs of living an appealing option for Chinese digital workers to minimize expenses while they earn.

What's perhaps the most important factor at play is changing culture and practice around work and everyday life, as China's political landscape evolves and the importance of the pandemic gradually wanes. Changing norms around education during the pandemic have made digital nomadism more viable for clients and service providers alike in the education space, allowing online teachers to work remotely, and the children of digital nomads to learn remotely. Acceptance of digital nomadism has been slowly growing among Chinese employers, and projections from market research firm Gartner Inc designate 28% of the Chinese workforce as remote workers over the next year. While many Chinese employers may disapprove of the trend, the push factors we discuss next are likely to drive the trend over the short- to medium-term future.

Push Factors

Disruptions and a gradual recovery in the Chinese economy as Zero-Covid is lifted have seen 2022 GDP growth numbers reach 3%, a far cry from the double-digit growth figures of the late 2000s. The notorious Zero-Covid policy and resulting public discontent is likely to have dented the strong image and trust that the Chinese central government has largely enjoyed in the 20th century, particularly among the highly-skilled and -educated. 2021, according to Pew Research, saw a net figure of 200,000 Chinese citizens emigrate, and the UN projects that, on average, 310,000 Chinese citizens will emigrate every year

Drivers of China's Digital Nomadism

Push Factors (Cont'd)

year leading up to 2100. Intensifying geopolitical tensions with the US will likely only exacerbate this trend, particularly among tech workers, as the Biden Administration's 2022 Chips and Science Act is set to place considerable strain on Chinese tech companies in keeping up with the innovation front.

China's culture is changing, too. The nation's thinking around work, family life and mobility has seen significant transformations in the wake of Covid. Awareness around a sociological concept in China named *nei juan* (内卷) has risen, which refers to the toll of increasingly taxing work hours, competition and a sense of hopelessness in Chinese society around being able to scale the socio-economic hierarchy. Concepts such as *tang ping* (躺平) and *bai lan* (摆烂), respectively meaning 'to lie down' and 'let it rot', have come to describe a commonly-felt urge to give up on the all-consuming ambition that has driven the Chinese economy since Deng Xiaoping's Reform and Opening-Up. Resistance to the widespread "996" work ethic in Chinese companies, which refers to working from 9am to 9pm, six days a week, has been growing among Gen Z and millennial knowledge workers, as awareness around mental health, burnout and self-care is diffused through platforms like Douyin.

While *nei juan* might drive young Chinese workers to look for greener pastures and more elbow room overseas, the Central Government's policy antidote to it is likely to drive wealthy Chinese citizens overseas, presenting policymakers with a catch-22. Xi Jinping has revived the egalitarian concept of "common prosperity" from the Mao Zedong era, aiming to improve equal access to public services, low-cost rental housing, shrinking urban-rural income disparity and reigning in private enterprises, particularly tech giants. With this drive to create an "olive-shaped" Chinese society, with a large middle-class and very few in extreme poverty or wealth, wealthier Chinese are already relocating. By estimates in the Henley Global Citizens Report, the country likely lost 10,000 high net worth citizens. As China's drive for more egalitarian policy has most likely begun, it is likely wealthier Chinese, rather than burnt-out white collar workers, that will drive the Chinese digital nomad phenomenon.

China Digital Nomad Potential Market

According to the Chinese National Immigration Authority, 2022 saw over 1 million regular passports issued, with approximately 98,8 million Chinese citizens holding passports. Assuming that 15 million passports expire annually in China, which is an estimate based off passport issuance data for the 2010s, the total number of valid passport holders for 2023 might be around 84 million Chinese citizens, 2023 renewals excluded. Add to that a similar rate of passport issuance to 2022, a conservative estimate for 2023 might be between 85-90 million citizens. A more optimistic scenario, however, would assume that Chinese citizens whose passports expired during the pandemic rush to renew them in the 2023 'revenge travel' wave. In this scenario, the total number of valid passport holders for 2023 may well be as high as 145 million Chinese citizens.

40 countries require eVisas for Chinese arrivals, while 33 countries require no visa and 40 countries offer visa on arrival arrangements. Note that one country may have various different arrangements, e.g. offering a visa on arrival valid for 15 days, as well as an eVisa option valid for 30 days. Visa duration data is not available for all countries.

Country	Arrangement	Duration
Albania	Visa not required	90 days
Andorra	Visa not required	-
Angola	eVisa	30 days
Antigua and Barbuda	Visa not required	30 days
Armenia	Visa not required	90 days
Azerbaijan	eVisa / Visa on arrival	30 days
Bahamas	Visa not required	90 days
Bahrain	eVisa / Visa on arrival	14 days
Bangladesh	Visa on arrival	30 days
Barbados	Visa not required	30 days
Belarus	Visa not required	30 days
Benin	eVisa	30 days
Bolivia	Visa on arrival	90 days
Bosnia and Herzegovina	Visa not required	90 days
Botswana	eVisa	90 days
Brunei	Visa on arrival	14 days
Burundi	Visa on arrival	30 days
Cambodia	eVisa / Visa on arrival	30 days
Cape Verde	Visa on arrival	30 days
Comoros	Visa on arrival	45 days
Côte d'Ivoire	eVisa	90 days
Democratic Republic of the Congo	eVisa	7 days
Djibouti	eVisa	31 days

China Digital Nomad Potential Market (cont'd)

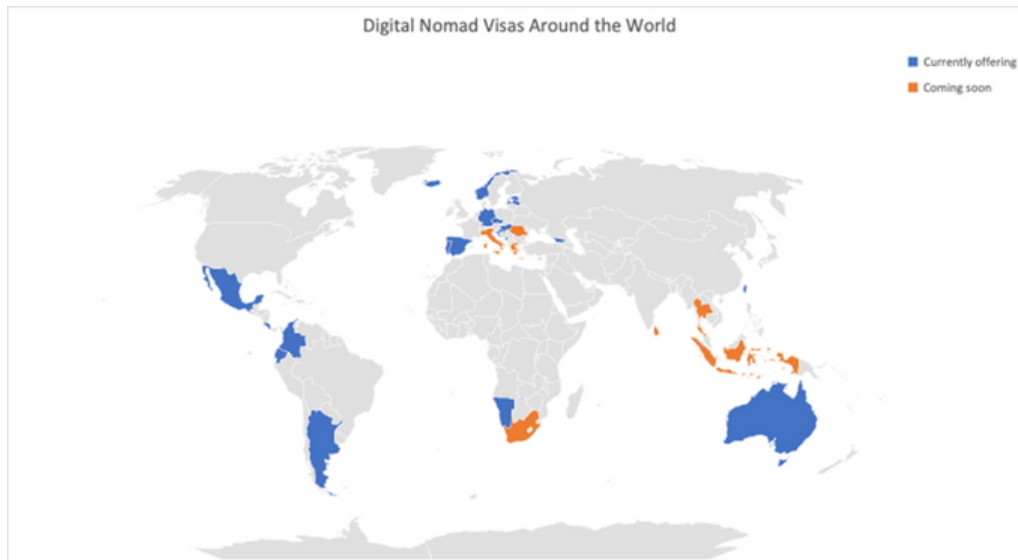
Country	Arrangement	Duration
Dominica	Visa not required	21 days
Ecuador	Visa not required	90 days
Egypt	eVisa / Visa on arrival	-
Ethiopia	eVisa	90 days
Fiji	Visa not required	120 days
Gabon	Visa on arrival	90 days
Georgia	eVisa	30 days
Grenada	Visa not required	30 days
Guinea	eVisa	90 days
Guinea-Bissau	eVisa / Visa on arrival	90 days
Haiti	Visa not required	90 days
Indonesia	Visa on arrival	30 days
Iran	Visa not required	21 days
Iraq	Visa on arrival	60 days
Jamaica	Visa not required	30 days
Jordan	Visa on arrival	30 days
Kazakhstan	Visa not required	14 days
Kenya	eVisa / Visa on arrival	90 days
Kyrgyzstan	eVisa	-
Laos	eVisa / Visa on arrival	30 days
Lebanon	Visa on arrival	30 days
Lesotho	eVisa	-
Madagascar	eVisa / Visa on arrival	90 days
Malawi	eVisa / Visa on arrival	90 days
Malaysia	eVisa	30 days
Maldives	Visa on arrival	30 days
Mauritania	Visa on arrival	-
Mauritius	Visa not required	90 days
Micronesia	Visa not required	30 days
Mongolia	eVisa	30 days
Morocco	Visa not required	90 days
Mozambique	eVisa / Visa on arrival	30 days
Myanmar	eVisa / Visa on arrival	28 days

China Digital Nomad Potential Market (cont'd)

Country	Arrangement	Duration
Nepal	Visa on arrival	=
Oman	Visa not required / eVisa	14 days/ 30 days
Pakistan	eVisa	-
Palau	Visa on arrival	30 days
Papua New Guinea	eVisa	30 days
Qatar	Visa not required	30 days
Rwanda	eVisa / Visa on arrival	-
Saint Kitts and Nevis	Visa not required	90 days
Saint Lucia	Visa not required	42 days
Samoa	Visa on arrival	60 days
San Marino	Visa not required	90 days
São Tomé and Príncipe	eVisa / Visa on arrival	15 days
Saudi Arabia	eVisa / Visa on arrival	90 days
Senegal	Visa on arrival	30 days
Serbia	Visa not required	30 days
Seychelles	Visa not required	90 days
Sierra Leone	Visa on arrival	-
Singapore	eVisa	-
Somalia	Visa on arrival	30 days
South Africa	eVisa	-
South Sudan	eVisa	-
Sri Lanka	eVisa / Visa on arrival	-
Suriname	Visa not required	30 days
Tajikistan	eVisa	45 days
Tanzania	eVisa / Visa on arrival	90 days
Thailand	eVisa / Visa on arrival	15 days
Timor-Leste	Visa on arrival	30 days
Togo	Visa on arrival	7 days
Tonga	Visa not required	30 days
Tunisia	Visa not required	90 days
Turkey	eVisa	30 days
Tuvalu	Visa on arrival	30 days
Uganda	eVisa	60 days
United Arab Emirates	Visa not required	30 days
Uzbekistan	Visa not required	10 days
Vanuatu	Visa not required	30 days
Zambia	Visa not required	30 days
Zimbabwe	eVisa / Visa on arrival	90 days

China Digital Nomad Potential Market (cont'd)

For those looking to specifically travel by digital nomad visa and the specific benefits they offer, 49 regions offer visas tailored toward temporary remote workers, as of November 2022:



China's 50 million highly-skilled workers (Chinese Ministry of Human Resources and Social Security, 2020) can be taken as a proxy for the total addressable market for digital nomadism. Since educated, highly-skilled workers tend to be significantly overrepresented in outbound traveler numbers, it would be reasonable to assume that between 60-80% of Chinese highly-skilled workers are passport holders. In other words, the total number of potential digital nomads in China is likely between 30-40 million citizens. What remains unclear is the extent to which these potential digital nomads have an appetite for pursuing a digital nomad lifestyle outside China's borders, especially in the wake of Chinese domestic pandemic restrictions being lifted and allowing for unencumbered domestic travel.

Data & Discussion

For the purposes of this article, we conducted a short straw-poll with 20 Chinese professionals to gain insight into the Chinese international digital nomad thinking to outline the general trends in China. The sample of professionals we engaged with, which was 25% male and 75% female, reported an average salary of US\$2,000 per month. The lowest earner was below US\$1,000, while the highest earner earned over US\$7,000 per month. Half of these professionals were living as a digital nomad at the time that we contacted them, with the most commonly-cited reason (37.5%) for pursuing the digital nomad lifestyle was “freedom”, followed by an interest in “experiencing different cultures”, a “balanced life”, “flexibility”, “travel”, “career development”, and the notorious “previous Covid measures” in China. Of these professionals, 62.5% were permitted by their employer to work remotely, and 25% reported having dependent children. Unsurprisingly, those without dependent children reported a far higher interest in the digital nomad lifestyle than those with dependent children.

The most popular destinations for pursuing a digital nomad lifestyle included Japan, the Netherlands and Australia (all 37.5%). Countries such as Morocco, Greece, Mexico, Thailand, Bali, Portugal, USA and Spain (25%) also generated considerable interest. Other, more niche destinations even included Bolivia, South Africa, Puerto Rico and Iceland. What was most interesting with these answers was that, while there were some broadly identifiable popular destination trends, the answers showed Chinese international digital nomads are interested in traveling to most countries, since most respondents provided long and diverse lists of destinations they would be interested in. Not surprisingly, the most important factor (62.5%) for deciding on a destination was “safety”. The second most important factor was split equally between “interesting culture”, “affordability” and “convenient living”. “Friendly local people” was the third most important factor. Other, less-mentioned factors also included “warm weather”, but interestingly, “visa requirements” were not cited often. As for their planned length of stay, the majority (37.5% of respondents) stated more than 24 months. 25% stated 12 months, 25% stated 6 months, while a minority of 12.5% stated 3 months’ stay. Our set of respondents thus appear to follow global trends in digital nomadism, opting for long stays abroad.

Data on these professionals’ available budgets raised interesting insights. The majority of respondents, 62.5%, indicated a monthly budget of US\$1,000 for accommodation and food, which would be quite difficult to achieve in the most popular digital nomadism destinations. The remaining 25% of respondents indicated a budget of US\$2,000 per month, with no respondents indicating higher. In terms of preferences around travel visas, 30% of the professionals indicated they would prefer to travel on an official digital nomad visa, while 62.5% responded they were flexible in terms of visa type, and would happily use a business or tourist visa as well.

Which platforms are powering digital nomadism in China?

The Chinese social media ecosystem has several platforms that cover everything from making career changes and getting started as a digital nomad, career changes, job opportunities, and tips for navigating the digital nomad lifestyle. WeChat platforms function best for text-based updates, such as job advertisements and in-depth articles. Zhihu, much like Quora in the West, offers an interactive Q&A environment to get answers from digital nomadism influencers. Douyin, which is the Chinese edition of Bytedance's TikTok, offers more immersive short-video content on digital nomads' experiences.



NOMADPLUS:

NOMADPLUS is a WeChat-based community built around digital nomadism, with an actively engaged base of followers of around 1,000 people. They provide practical advice on getting started as a digital nomad, common challenges such as time and working space management, sustainable living, self-improvement, international digital nomad communities, job listings and navigating the potential influence of COVID.

数字游民Jarod (“Digital Nomad Jarod”):

数字游民Jarod is a digital nomadism influencer on Q&A platform Zhihu, with over 119,000 followers. He used to be a petrochemical engineer in several African countries, but now lives as a content creator in Mexico (at the time of writing this report). Widely followed and acknowledged on the platform as an expert and influencer on digital nomadism, his answer content predominantly centres on travel, global digital nomad communities and food. He also has a following of 26,000 on Douyin.



Which platforms are powering digital nomadism in China? (cont'd)



游牧夫妻 (“Nomadic Couple”):

With 74,000 followers on Douyin, 游牧夫妻 has spent three years travelling the world and pursuing the digital nomad lifestyle. They share travel and personal development tips, as well as insights into digital nomadism. Based in Bali, Indonesia and in their 30s, they also run a Q&A group linked to their official account in the Douyin ecosystem, where they interact with followers.

Targeting and attracting China’s outbound digital nomads

Digital nomads provide many benefits to destinations. They tend to stay for longer durations of time and in many cases are not seasonal, meaning that they occupy rental homes and hotels during a destination’s high and low season. Marketing must be tailored to Chinese digital nomads, though, to best target and attract them at this opportune time. The first step is to develop a structured program. Chinese digital nomads present a major opportunity for destinations all around the world, and not just limited to the Asia-Pacific region. Destinations must take advantage of this opportunity and provide a temporary worker visa that is accessible, easy to understand, clear, and with limited restrictions. The Caribbean has some of the strongest digital nomad visas in the world, with Aruba, Barbados, Bermuda, and Cayman Islands providing clear and accessible programs. Other destinations around the world like Bali, Czech Republic, Croatia, Dubai, Estonia, Georgia, Germany, Hungary and others have a structured digital nomad program or legislation adapted to this population. This is critical. This makes it easier to enter the country, stay in the country, and transact in the country. It also allows the destination to easily communicate the benefits of the program in a consolidated fashion to travelers. This hooks a traveler.

Then, messaging is critical. Destinations should ensure consistent messaging across OTAs and listing sites to confirm that all properties include this information up front. To develop messaging that attracts these travelers, destinations must focus on amenities present in their hotels, rentals, and guesthouses.

Targeting and attracting China's outbound digital nomads (cont'd)

Most important for digital nomads are:

- High-speed WIFI
- Space for focused work as well as group work
- Electronic access, charging access, and outlets
- Walkability to restaurants, cafes, and co-working spaces
- Healthcare + health safety. Clear and successful health screening system at airports and points of entry.
- An atmosphere that is welcoming and a culture that is accessible
- Consistent outdoor and indoor events
- Easy-to-identify communities of other digital nomads

Targeting is equally important. Destinations should look to advertise directly to Chinese digital nomads on social networks including Zhihu, Douyin, and WeChat by segmenting audiences using paid advertising, lookalike targeting and re-targeting.

- Location that they will be traveling from: Province/city/region
- WeChat behavior: Already following travel or remote work brands
- Marital status: Single or newly married
- Education level: PhD, master, bachelor
- Interests: Travel, professional services and corresponding sub-categories
- Business/career type

Destinations should leverage video marketing as well in order to target Chinese prospective digital nomads. Using Douyin, Chinese travelers are often impressed by short, 8-10 second videos. Destinations can develop short, effective, and clear videos demonstrating the atmosphere and enabling environment for digital nomads. On the trade site, tour operators and activity providers should clearly message and promote events and social networking opportunities for Chinese nomads living in their destination.

NEXT STEPS

For more information on how we set up marketing strategies and campaigns to target Chinese digital nomads, and the Chinese outbound tourism marketing in general, contact us at the following:

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