Global Education Innovation Landscape

Maria Spies. November 2019
We are building the world's smartest source of global education intelligence to power decisions that matter.

www.holoniq.com
1. What is shaping tomorrow’s education landscape?

2. How is this impacting education innovation?

3. Where might all this be heading? 5

Scenarios for the future of Education
Global Education & Training Expenditure. Trillions USD

Source: HolonIQ as at 24 January 2019
Global Education Market

Total Global Education Expenditure in USD trillions

Source: HolonIQ, 28 January 2019
Education is a Digitisation Outlier

Education Technology vs Total Global Education Expenditure

<3%

Digitisation

Source: HolonIQ
HoloniQ

**Education Technology Expenditure**

Global Education Technology Expenditure. Billions USD

- **2018**: $153B (2.5% Digital Spend)
- **2025**: $342B (4.3% Digital Spend)

Source: HoloniQ as at 24 January 2019
What is shaping tomorrow's education & training landscape?
• Globalization & Growth
• Global Population Changes
• Future of work and Skills
• Advancements in Technology
The global economic growth outlook has a profound influence on where and how we deliver learning.

The world economy could more than double in size by 2050.

Emerging markets will continue to be the growth engine of the global economy. By 2050, the E7 economies could have increased their share of world GDP from around 35% to almost 50%.

China could be the largest global economy, accounting for 20% of world GDP in 2050, with India in second place and Indonesia in fourth place.
Global Population by Highest Education Attainment. Change from 2015 to 2030. (Millions)
<table>
<thead>
<tr>
<th>Risk</th>
<th>Africa</th>
<th>Asia</th>
<th>Europe</th>
<th>N America</th>
<th>Oceania</th>
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<td>3. Failure to adopt sustainable economic model</td>
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<td>4. Failure to evolve</td>
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<td>5. Price inflation outpaces wage growth</td>
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<td>6. Elite brand system dominates</td>
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<td>7. Student debt growth accelerates</td>
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<td>8. Education management and skills do not improve</td>
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Likelihood of Global Education Risks by Region. n=500
# Global Education Risk Monitor

## Global and Regional Education Risk Rankings.

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<tr>
<th>Risk</th>
<th>Africa</th>
<th>Asia</th>
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The majority of US workers to freelance by 2027. Many jobs don’t require degrees. People are moving jobs more frequently.

The rise of the “gig economy”—in which workers freelance either exclusively or to augment salaried work—is a key cause. There is significant churn in the labor market, as average tenure has fallen by 10% over the last 5 years; younger workers no longer expect to remain with a single company for long, and 40% of all workers expect to change jobs in a given year. Half of US adults expect job security to further diminish.

At the same time, there is a longstanding mismatch between credentials and job requirements. “Degree inflation” means that tens of millions of college graduates are in jobs that don’t actually require a degree.
How is this impacting education & training innovation?
Global EdTech VC Deal Value


- 2013: $1.2B
- 2014: $1.8B
- 2015: $4.2B
- 2016: $3.2B
- 2017: $4.4B
- 2018: $8.2B
- 2019: $6.5BF

Source: HolonIQ as at 6 Oct 2019
Global EdTech Investment 2014-2018

Global Education Technology Expenditure. Billions USD

Source: HolonIQ as at 24 January 2019
Online HE is expected to grow at 14% to $74B by 2025

The Global OPM Market makes up less than 10% of the Global Online HE Market and will grow at 16% CAGR through to 2025, reflecting strong contractual growth over the next five years and enrolment growth from the already contracted pipeline of partnerships.

Source: HolonIQ Smart Estimates
Global OPX Landscape

The global OPX Landscape is composed of four major segments based on focus, model and vertical. While the generalist OPM dominates, new models are emerging.

Source: HolonIQ September 2019
Global Students Flows

Source: HolonIQ as at 6 Oct 2019
AI in Global Education Market Map

AI is driving a number of use cases in education around the world. From learning processes, assessment feedback to languages, talent acquisition and training.

Source: HolonIQ
2019 Global Learning Landscape

An open source taxonomy for the future of education. Mapping the learning and talent innovation landscape.

Knowledge & Content
Education Management
Traditional Models
New Delivery Models
Experiencing Learning
International Education
Learning Support
Assessment & Verification
Workforce & Talent
Skills & Jobs
Ecosystem Supports

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Knowledge B2B, B2C
Management B2B
Pre K B2C
Language-LM B2C
Teacher P2P, B2C
Workforce B2B
Up-Skilling B2C, P2P

Open Research P2P, B2C
Learning Env B2C
School B2C
Language Test B2C
Study Notes B2C, P2P
Talent Acq B2B
Innovators B2B

Curriculum B2B
Class Tech B2B
Vocational B2C
OPM B2B
Discovery B2C, B2C
After-School B2C, P2P
Credentialed B2B, B2C
Development B2B2C
Accelerators B2B

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QA P2P
Finance B2C
University B2C
Test Prep B2C
Mentoring P2P
Awards B2B, B2C
$6B+ of Venture Capital in ~1,000 Education Rounds across 50 Clusters

<table>
<thead>
<tr>
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<th>Learning</th>
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<th>Working</th>
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<td>School</td>
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Where might all this be heading? 5 Scenarios for the future of education
Regional Rising
Regional alliances dominate the competitive education landscape, supported by strategic and political cooperation. Cooperative blended delivery and regional talent hubs cross-load labor supply and demand to strengthen regions.

Global Giants
This global free market environment has fostered the emergence of ‘mega-organisations’ with ubiquitous brand recognition and the scale to achieve significant efficiencies and industry power.

Peer to Peer
Learning online through rich, personalized human-to-human experiences dominates the post-secondary and skills training sectors. Blockchain technology fundamentally reconfigures credentialing and unlocks the collective creativity and IP of teachers.

Robo Revolution
AI drives a complete reversal in ‘who leads learning’, with virtual tutors and mentors structuring learning paths, providing assessment tasks, giving feedback, adjusting according to progress and organizing human tutoring when needed.

Education-as-Usual
Traditional education institutions remain the trusted source of learning and the most effective vehicle for jobs and prosperity. Higher education consolidates, global talent platforms emerge and government remains the core source of funding around the world.
### Education in 2030

#### Global Scenarios

- **Balance of Power**
  - Government
  - Local
  - Institution
  - People
  - Market
  - Global
  - Individual
  - Technology

- **Economics of Education**
  - Government Investment
  - Elite
  - Public Benefit
  - High Cost
  - Private Spend
  - Mass Access
  - Private Good
  - Low Cost

- **Learning Model**
  - Theoretical
  - On-Campus
  - Group
  - Instructor Led
  - Practical
  - On-Line
  - Individual
  - Self-Paced

- **Role of Technology**
  - Following
  - Computational Power
  - Digital Borders
  - Powering Process
  - Leading
  - Intelligence Power
  - Borderless Data
  - Powering Experience

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[www.holoniq.com/2030](http://www.holoniq.com/2030)
### Preference for Education-as-Usual

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<th>Country</th>
<th>Preference</th>
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<tr>
<td>Finland</td>
<td>15%</td>
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<tr>
<td>Brazil</td>
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<td>Singapore</td>
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<tr>
<td>Russia</td>
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<tr>
<td>UAE</td>
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<tr>
<td>Netherlands</td>
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<td>Norway</td>
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<td>Spain</td>
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<td>India</td>
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### Estimated Probability for 2030

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*Source: HolonIQ as at 1 November 2018*
Questions to Guide the Session

1. What is shaping tomorrow’s education landscape?
2. How is this impacting education innovation?
3. Where might all this be heading? 5 Scenarios for the future of Education