Trends and Opportunities in the Online Learning Market

Global and Indian Perspective | Challenges | Context for Strategy | The India Opportunity
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Much is required of Universities in a time characterised by global competition for talent, radical changes in the labour market and increasing concerns about economic, social and environmental sustainability. A technological revolution is challenging higher education’s business model. An explosion in online learning, much of it free, means that the knowledge once imparted to a lucky few has been released to anyone with a smartphone or laptop.

With low start-up costs and powerful economies of scale, online courses dramatically lower the price of learning and widen access to it by removing the need for students to be taught at set times or places. Clayton Christensen of Harvard Business School considers online courses a potent “disruptive technology” that will kill off many inefficient universities. “Fifteen years from now more than half of the universities (in America) will be in bankruptcy,” he predicted last year.

Schoolguru, founded with the vision of revolutionizing the way Open and Distance Learning (ODL) is delivered to higher education students in India, is affiliated with more than 25 Indian and international universities and enrolled 2.5 lac students within a short span of 6 years. Our pioneering endeavour is built on a foundation of continued research into deep market insights.

The knowledge leadership we have developed enables us to serve our stakeholders better and deliver superior value to them. This report is the first in a series of knowledge leadership initiatives intended to curate an ongoing discourse on the state of Open and Distance Learning in India. I hope that you, our valuable audience, benefit from this initiative.

Thank you,
Shantanu Rooj
Founder-CEO, Schoolguru
The new UGC regulations for Online Higher Education, that shall allow Universities in India to offer fully Online Degree programs w.e.f 1st June 2019, shall be a game changer for higher education institutions in the country. The regulations will enable a massifying of higher education by taking on the challenges of cost, equity, and employability. The huge push by the Government to improve the GER of the country from the current 25.6% to 30%, would need the industry to look at alternative methods of education as counting only on the traditional classroom model for expansion of capacity seems inadequate! Online Programs, owing to recent advancements in technology, lower marginal cost of delivery, ability to offer seamless quality of learning shall provide a credible alternative to the traditional classroom education; blended with an onsite or an on-the-job learning session, the online courses can prove to be the perfect platform for prepare, repair and the upgrade of skills amongst the learners!

### The Indian Higher Education market is set to grow at 6.09% CAGR (2018 – 2022).

- **Total enrolments [Degree/Diploma]** shall grow at 8.2% CAGR from 3.66 crore in 2018 to 4.63 crore in 2022.

- **Online degree programs** were not legal in India all this while and Universities will start offering these courses from AY 2019. Online Program enrolments [Degree/Diploma] shall see a 14.5% CAGR growth from Nil (2018) to 63.63 lacs (2022).

- **The “Reskilling” component** of Online Education is estimated to grow at 22.23% CAGR from an estimated 66.47 lacs (2018) to 1.48 crore (2022).

- **Indian higher education market** has a significant tilt towards the under-graduate programs that comprise of about 63% of the total student base. However, with the expansion of the re-skilling market this percentage is set to change.

- **The online re-skilling and certification market** (for the repair and upgrade segment) is expected to touch INR 3,333 crore, growing at 38% CAGR between 2018 and 2022 and shall definitely be larger than the traditional degree programs.
Enrolments for Online Degree/Diploma education in India are expected to grow at a rate (14.5% CAGR) that is comparable to enrolment growth in the US and Europe markets (16.8% and 12.1% respectively, over 2015 – 2017).

66% of the students in US universities pursue associate and bachelor degree and 56% of the students in European universities pursue higher education.

In terms of quality and pedigree, however, the US has the most number of leading universities (47%) followed by UK (23%).

Online education has rapidly evolved over the past 5 years and is set to enter the era of Virtual and Augmented Reality at the learner-end and AI and machine learning at the back-end.

The UGC regulations for Online Programs allow certain programs to be conducted in the Online mode by qualifying Universities. However, UGC has removed the territorial jurisdiction of these Universities allowing them to offer their courses to anyone across the world.

Bachelor of Arts is the most popular under-graduation program, followed by Bachelor of Science and Bachelor of Commerce.

However, for the Post graduation courses, students prefer Social Sciences, Management and pure Sciences as their stream of choice.
About 42% of the students undergoing a graduation program wants to get into employment at the end of their courses.

The Indian secondary education has 94% students being taught in the vernacular medium, the largest amongst them being in Hindi. Hence it becomes important for Universities to ensure that the Online programs that they offer are available in vernacular medium also.

Indian learners prefer to use their mobile phones (80% learners) to access their online courses due to increased mobility and convenience; albeit they shift to using desktops for heavy course material that need the student to carry out practice drives tasks.

Course fee premiums / discounts widely vary upon market maturity, nature of the program and course and university brand equity. Data from a sample of 7 universities each suggests that the US, a relatively more mature and competitive online education market, has more universities charging a premium for classroom education while the UK has more universities charging a premium for online education..
Trends and opportunities in the Online Learning Market

History

- **Written Era** (1700 - 1900)
  - Correspondence courses
  - Distance learning courses through mails and posts

- **Radio Era** (1901 - 1965)
  - Course broadcasting through radio
  - Telephone based distance learning

- **TV Era** (1966 - 1975)
  - Course instruction through television
  - Virtual college

- **Modern Era** (1976 - Recent)
  - Computer conferencing to deliver online distance programs
  - Telecommuting courses
  - From 1990s, web-based courses started from accredited university
  - Email based courses

The modern era started with Education Broadcasting. The advent of the Internet led to higher education going online. Online learning lends – flexibility, anytime-anywhere accessibility and cost effectiveness. For higher education this means a wider audience, lower costs of delivery and a large opportunity for growth.

Geographic spread of leading universities for Online Programs

Factors that contribute to leadership:
- Brand name
- Course structure
- Huge demand from students
- Quality of instructors and
- World rankings

The leaders:
Stanford University, California, USA
MIT, Cambridge, Massachusetts, USA
California Institute of Technology, California, USA
University of Oxford, England, UK
University of Cambridge, Cambridge, UK

Data Source: 1) These 6 online degree courses from top universities of the world could help build your career: Here's how, April 2018, India Today 2) Top 10 International Distance Doctoral Programs, Online PhD Programs, 3) Top 10 Online Universities 2019 4) Who is Studying Online (and Where), Jan 2018, Inside Higher Ed 5) Online Education Ascends, Nov 2018, Inside Higher Ed 6) Distance Education in European Higher Education, 2015, International Council for Open and Distance Education 7) Top 10 UK Universities Ideal for Distance Learning, Feb 2017, Study Portals
### Region wise analysis of enrolments

**USA**

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Students Enrolled</td>
<td>2272998</td>
<td>2974836</td>
<td>3104879</td>
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**EUROPE**

<table>
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<th>2016</th>
<th>2017</th>
</tr>
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<tbody>
<tr>
<td>No. of Students Enrolled</td>
<td>1780000</td>
<td>2113000</td>
<td>2237000</td>
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</table>

**UK**

<table>
<thead>
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<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
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<tr>
<td>No. of Students Enrolled</td>
<td>493000</td>
<td>569000</td>
<td>696000</td>
</tr>
</tbody>
</table>

US and Europe enrolments are growing at between 12% and 16% (2015 – 2017). Enrolments growth is steady (y-o-y) in UK and at a significantly faster rate.

Note: Europe and UK enrolments have been estimated for two years each, as indicated on the graphs.

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**Data Source:**
1. These 6 online degree courses from top universities of the world could help build your career: Here’s how, April 2018, India Today
2. Top 10 International Distance Doctoral Programs, Online PhD Programs, Top 10 Online Universities
4. Online Education Ascends, Nov 2018, Inside Higher Ed
5. Distance Education in European Higher Education, 2015, International Council for Open and Distance Education
6. Top 10 UK Universities Ideal for Distance Learning, Feb 2017, Study Portals
How has online learning evolved in last 5 years

Data Source: eLearning Evolution - The 3 Biggest Changes in 5 Years and How to Adapt to Them for Success, Mar 2017, SHIFT eLearning

Online higher education using digital technologies, offered by leading universities, support creativity and student-centric pedagogy.

Trends and opportunities in the Online Learning Market
Two-thirds of all students pursue associate and bachelors degree in case of universities in USA and India whereas, more than half the students pursue higher education in case of universities in Europe.

Data Source: 1) 2017 Online Education Trend Report, 2017, bestcolleges.com 2) Distance education in European higher education, 2014, International Council for Open and Distance Education
The US, a relatively more mature and competitive online education market, has more universities charging a premium for classroom education while the UK has more universities charging a premium for online education.

**Trends in Course Fees - premium / discount over classroom**

**United States**
- Number of universities charging a premium for classroom education: 5
- Number of universities charging a premium for online education: 1
- Number of universities charging similar fee: 1

**Universities sampled:** Indiana, Potomac, Penn State, Oregon, Arizona, Eastern Kentucky

**United Kingdom**
- Number of universities charging a premium for classroom education: 2
- Number of universities charging a premium for online education: 5
- Number of universities charging similar fee: -

**Universities sampled:** Open, Arden, Edinburgh, Portsmouth, Hertfordshire, Nottingham Trent, Leicester

*Data Source: 1) Higher Education in Indian Languages, May 2018, Medium 2) Challenges and Strategies for Multilingual Education in India, Fortell*
Key Challenges specific to India

Concern on course authenticity 32% | Concern on exam authenticity 31% | Availability of online opportunities 32%

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**Admissions**
Lack of awareness of various online degree courses / Lack of availability of online degree courses required – by students in higher education
Native language speaking students unable to cope up with online admission procedure
Online admission procedures are often perceived to be lengthy / fees are perceived to be prohibitive

**Student Services**
Consistent online communication to respond to various student requirement is still rare
Inadequacy of all online course materials and libraries required by students
Strategies to ensure match between student aspirations, the resources at their disposal and online offerings are in short supply

**Content**
Course subject matter is perceived to be too large by prospective students
Course content design is, at times, not up to the mark
Content is, at times, not as interactive as learners would like

**Assessments**
Online assessments are a tedious and time consuming process to manage.
Lack of communication with remote candidates in a seamless manner to clarify process of online examinations.
Instructors may not have enough understanding to be able to coordinate online assessment

**Technology**
Information security is still a major concern for all stakeholders involved in online degree courses
Unavailability of timely personal device hinders online learning
Internet connectivity / speeds, in many regions, lag behind what smooth delivery of courses demands

**Completion Rates**
Completion rates slow down, at times and inadvertently, due to unavailability of online instructors
Inadequacy in student-to-instructor interactions is often a concern adversely affecting course completion
Technology obsolescence may, often, impede completion rates

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Online Learning: 3 Case Studies of Differentiation

University of Cincinnati (UC): Online student success

Number of students-5600,
Number of courses-15,
Started online course-1984

The university excels at completion rate, customized curriculum, technology, flexible delivery, quality educational programs

Students pursuing online degrees tend to perform well academically and have higher successful completion rates

The university fares very well on skill development, educational and training programs for achieving employability goals

Developing the students’ potential and flexibility to adapt the knowledge, skills and attitudes required in the labour market

Universities can improve the employability of students by focusing on the development of their metacognitive abilities i.e. promoting their self-confidence

Universidade Aberta: Employability through Online Higher Education

Number of students-13,170,
Number of courses-40,
Started online course-2008

The university has fostered an enhanced online learning environment by continually investing in emerging technologies

The investment in emerging technologies significantly reduce digital divide - groups with particular learning difficulties can be assisted through access to learning activities which suit their learning styles

Superior educational technology supports superior levels of interaction, environment, culture, instruction and learning

University of Arizona: Strategies for Integrating Emerging Technologies

Number of students-2,650,
Number of courses-216

The university has fostered an enhanced online learning environment by continually investing in emerging technologies

Superior educational technology supports superior levels of interaction, environment, culture, instruction and learning

Both languages serve unique benefits to their respective audiences, as media of instruction. It may be necessary, however, to offer vernacular medium to achieve the ambitious 30% GER goal.
Online Learning:
Context for Strategy
Technology - Desktop versus Mobile

93% of learners use laptops to access heavy course material and because of the reliability required for multi-tasking and file sharing.

80% of learners use mobiles because of the tactility, handiness and anytime, anywhere, convenience.

- 67% of students now use mobile devices to complete their online coursework
- 51 percent reported using their phones to access course materials
- 44 percent use their mobile device to interact with the university’s LMS
- 41 percent use it for research
- 40 percent complete assignments on a mobile device
- Just about one-third use a phone or tablet to access lectures

Broadly, online learning device trends are transitioning from desktop to mobile. However, students enrolled in higher education accord the same priority to both and have specific uses for each.

Data Source: 1) Online Education in India 2021, 2017, KPMG 2) More Students Rely On Mobile Devices to Complete Online Classes, edtechmagazine, 2018

Trends and opportunities in the Online Learning Market
Trends and opportunities in the Online Learning Market

90’s Technology
- Teleconferencing method – cumbersome interaction.
- Online study material – digitized book volumes not structured well to read.

Today’s Technology
- Social networking style collaboration is in vogue today.
- Platform based learning suite (MOOCs / SWAYAM) – one ubiquitous platform.

Technology for Tomorrow
- AI, Big Data – will deliver intelligent, learner-centric, real time, learning experience.
- Virtual Reality (VR) and Augmented Reality (AR) will deliver immersive and experiential learning.

Data Source: 1. 5 Trends That Will Completely Disrupt Indian Higher Education By 2025, Dec, 2016, Huffington post
2. Online education in India, May, 2017, KPMG
3. 10 communication technology trends shaping education, Aug, 2015, Biz Journals
Trends and opportunities in the Online Learning Market

Technology - How is content changing

Textbooks/self study material

Video/Audio recording

Simulation based training

Computer/web based learning

Blended/Instructor led education

The direction of change:
- Seamless learning experience
- Online assessment
- Learning flexibility
- Time and cost saving

Data Source: 5 Trends That Will Completely Disrupt Indian Higher Education By 2025, Dec. 2016, Huffington post
Changing Student Expectations

- Better course structure at a reasonable cost.
- Grading/communication turnaround time
- Study schedule flexibility
- Rich and elaborate content
- Time stipulation flexibility
- Better student services (student communication suite, student personal suite, administrative suite services)

Lifelong learning: a combination formal, informal and non-formal education and training, is fast gaining professional recognition and incorporates an evolving quality assurance process.

Lifelong learning fosters rich, in-depth, learning experiences and skill development contrasted with simply acquiring degrees.

Universities like IGNOU, BRAOU etc. are providing opportunities for lifelong learning using innovative methods.

Web based learning solution is an ideal delivery mechanism for lifelong learning solutions.

Work or Higher studies Preferences

- 331 students prefer Higher Studies
- 241 students prefer Work

Shift of mindset from earning a degree to lifelong learning

Why Online Learning?

- To Gain Knowledge: 33%
- Better Job Prospects: 27%
- Interested in Higher Education: 20%
- To Complete Masters: 13%
- To Earn More: 7%

Data Source: 1. Managing Student Expectations, 2016, College of Earth and Mineral Sciences Dutton Institute
2. LIFELONG LEARNING FOR LIB TEACHERS AND EDUCATORS THROUGH OPEN AND DISTANCE LEARNING: A CASE STUDY OF INDIA, June, 2016, JOURNAL OF INDIAN LIBRARY ASSOCIATION
3. ELSP Strategy Formulation, Schoolguru, 2019
**Multi-modal**
- Enables students to engage better and to switch learning modes when necessary
- Enables demonstration of a concept in multiple modes to reinforce ideas and let students learn in ways that suit them best
- Avoidance of rote learning – the same information presented in different modes so students can meaningfully register concepts

**Multi-lingual**
- Cloud based LMS’s which are easily accessible
- Choice of languages at any point during the course
- Every piece of text translated, down to the smallest detail
- Many LMS platforms are now equipped with geolocation features.

**Modular**
- Referencing – helps students continue a course, reread contents and save course materials at their feasible time
- Lesson Review – simplified by arranging quick screenshots and incorporating them into the next lesson as a review
- Quizzing within the course content – helps with better comprehension as one sees the answers as one reads / listens

**Multi-university**
- Open University supported Open Learning – Open Educational Resources (OER) to download, to take away, to modify and to make their own
- Mixed Mode Universities – increasingly popular technology-based online degrees
- Micro-credit and nano-degrees – The continued growth of short programs, badges and other forms of recognition for learning
Trends and opportunities in the Online Learning Market

Emergence of Online and blended learning as an alternative

Data Source: Blended and Online Learning, 2013, Vanderbilt University.

2) The unfulfilled promise of online higher education Geoff Maslen 27 July 2018

There is real potential for online and blended learning to develop into a better alternative than conventional offline courses. Blending and real time assistance is a fundamentally superior learning approach that aids in a flexible, seamless learning experience.

Learner-Centered Education

A learner-centered approach acknowledges what students bring to the online classroom—their background, needs, and interests—and what they take away as relevant and meaningful outcomes.

Incorporating Centralized Education

A learner-centered approach acknowledges what students bring to the online classroom—their background, needs, and interests—and what they take away as relevant and meaningful outcomes.

Collaborative & Interactive Learning

Collaborating online includes both synchronous and asynchronous discussions and small group assignments. The relative anonymity of online discussions helps to create a “level playing field” for quieter students or those from typically marginalized groups.

Increased Flexibility

Students can control when and where they learn. By pacing and self-monitoring their time students can opt to spend more time on unfamiliar or difficult content.
**Easy accessibility**

Easy accessibility has been identified as a top user adoption factor, significantly above even course relevance.

**Know your learner**

Most online students have varied responsibilities in life, so they seek convenience and flexibility when furthering their education. A good understanding of each learner is a prerequisite to good delivery.

**In-depth content**

Detailed content that affords more immersive learning compared with depth of content offered by conventional education. Multi-modal delivery also helps in comparatively better reinforcement.

**Develop learning goals**

This will help in developing course content, activities, and assessments that align with goals, as well as choosing appropriate technology.

**Feedback and Communication**

Creating feedback loops for the target audience so they can comment; and impact that helps to build trust and respect and often directly improves the quality of the global e-learning courses.

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Following the legitimization of online higher education in India by the University Grants Commission (UGC), permission has been granted to 15% of all Indian universities to offer online degree programs. Universities accredited by the National Assessment and Accreditation Council (NAAC) and rated A+ are eligible to offer such courses.

The online education regulations have opened the doors of premier educational institutions to the underprivileged, marginalized, differently abled and the rural populace.

The regulations prescribe “proctored examinations”: presence of an invigilator in the examination hall or remote monitoring through video cameras.

Components such as counselling process, online application processing and fee payment are also to be provided online so the admission procedure can be carried out from anywhere.

The regulations provide flexibility to institutes in terms of programmes or course design and delivery.

Tutorials, e-content, web resources and self-assessment — as a low cost teaching mechanism reaching all sections of the society.

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Trends and opportunities in the Online Learning Market

Online higher education is now legitimate

Proctoring

A four-quadrant approach

Admissions anywhere

Access to all

Flexible regulations
What types of programs can be run in the Online Mode?

The popularity of these programs is correlated with advancement of technology and smooth learning experience— in these programs— for both students and teachers/instructors.

Under-Graduate students enrollment (rank-wise) for various streams

<table>
<thead>
<tr>
<th>Stream</th>
<th>Ranking</th>
<th>Enrolment #*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts</td>
<td>1</td>
<td>95,06,071</td>
</tr>
<tr>
<td>Science</td>
<td>2</td>
<td>48,51,781</td>
</tr>
<tr>
<td>Commerce</td>
<td>3</td>
<td>40,13,898</td>
</tr>
</tbody>
</table>

Programs / streams that are disallowed by the UGC from being offered online

- Engineering & Technology
- Medical Sciences
- Dental, Pharmacy and Nursing
- Architecture
- Physiotherapy

Post-Graduate, M.Phil and Ph.D students enrollment (rank-wise) for various streams

<table>
<thead>
<tr>
<th>Stream</th>
<th>Ranking</th>
<th>Enrolment #*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Science</td>
<td>1</td>
<td>7,47,465</td>
</tr>
<tr>
<td>Management</td>
<td>2</td>
<td>6,27,014</td>
</tr>
<tr>
<td>Science</td>
<td>3</td>
<td>6,05,718</td>
</tr>
<tr>
<td>Indian Languages</td>
<td>5</td>
<td>3,28,264</td>
</tr>
<tr>
<td>IT &amp; Computer</td>
<td>6</td>
<td>2,10,740</td>
</tr>
</tbody>
</table>


Trends and opportunities in the Online Learning Market
The OPM market is USD 3 billion in size and growing at a rapid 14% (CAGR). It has more than 60 players.

OPM players assume the role of a technology and marketing support system and provide the up-front marketing and recruitment investment, marketing assets, enrolment and retention support, and, in some cases, course development.

Trends and opportunities in the Online Learning Market
Online Learning:
Estimating the India opportunity
Gross Enrollment Ratio Trends and 2020 goal

Gross Enrollment Ratio (GER) is a statistical measure to determine the number of students enrolled in undergraduate, postgraduate and research-level studies and is expressed as a percentage of the population.

The ratio calculates the percentage of college-age youth – aged 18 to 23 – pursuing higher education.

The country’s Gross Enrolment Ratio or GER in higher education has registered an increase from 24.5% in 2015-16 to 25.2% in 2016-17.

The objective is to achieve the target of Gross Enrolment Ratio of 30% by the year 2019-20 with equity and inclusion.

The University Grants Commission (UGC) has approved new regulations for online higher education: a) a student would be able to attend lectures online through online modes without going to college or university. b) e-content would remove textbooks.

As per the Commission these regulations would help increase the country’s GER from 25.2% to 30% by 2020.

Online education benefits

- Anytime-anywhere convenience
- Flexibility
- Cost-effectiveness

Reach and Access

- Working professionals
- Under-privileged / Marginalized population
- Women
- Differently abled
- Rural population

30% Gross Enrollment Ratio by 2020

Data Source:
1) HRD ministry releases India higher education survey, Jan, 2018, gktoday
2) India’s top universities can now offer full degree programmes online – but there are concerns, Jun 2018, Scroll
3) India to allow 15% universities to in degrees, Jan 2018, Livemint
The Higher Education market is set to witness steady growth, with GER touching 30% by 2020.
Online Education enrolments are estimated to grow at 33.6% CAGR, to 2.12 crore, over the 4-year period of 2018 – 2022. Enrolments in the Degree/Diploma component of Online Education will grow at 14.5% CAGR, from 42.37 lacs to 63.63 lacs over 2019 – 2022.

**Distance Education Component**
Enrolments attributable to the transition from the Distance Education market

**Segment shift from Conventional Education**
Enrolments occurring from learner segments shifting from conventional education to online

**New Learner Segments**
Primarily corporate professionals, and also includes rural populace, homemakers and differently-abled

**India online learning market size - 2018 - 2022 (projected estimates in lacs)**
Degree programs are estimated to grow at 14.75% CAGR over 2019 – 2022. Diploma programs are likely to get fresh impetus with Online and Blended Online Education but growth is estimated to be slow at 2.5% CAGR over 2019 – 2022. The Distance Education market will gradually decline – over 2019 through 2022, based on the number of universities obtaining permissions to start online education – and learners will transition into Online Education with the new regulations kicking in 2019.
Reskilling and Online certification market in India (2018 - 2021, INR crore)

The online re-skilling and certification market is expected to grow at 38% CAGR between 2018 and 2022.

Courses are delivered through instructor led sessions, live projects and case studies, assignments and query resolution.

Most millennials (aged 22-35 years) today look at reskilling/upskilling as an effective tool for their career advancement or a change in a job role. A millennial, on an average, is estimated to sign up for two courses a year and up to five courses in a lifetime.

Reasons to Up-skill

- Upskilling in new and emerging technologies will help them to get a job at a leading Internet or commerce company or an MNC.
- Will help them to stay relevant amid the rapid changes in technology and automation.
- Will increase their chances of landing better jobs with higher pay package.

Top-5 sectors for upkilling / reskilling [Number of people needed to be reskilled / upskilled – in lacs]

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of People</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction &amp; Real Estate</td>
<td>320</td>
</tr>
<tr>
<td>Retail</td>
<td>107</td>
</tr>
<tr>
<td>Logistics / Transportation</td>
<td>105</td>
</tr>
<tr>
<td>Beauty &amp; Wellness</td>
<td>82</td>
</tr>
<tr>
<td>Textile &amp; Clothing</td>
<td>60</td>
</tr>
</tbody>
</table>


Trends and opportunities in the Online Learning Market
A fast growing, nascent, market for Online Education ably supported by the regime makes for an attractive business opportunity. However, technological prowess and superior learner experience across the value chain is a prerequisite for success.

India might take time to reach the market maturity levels of more developed economies. Therefore, the business and revenue models, as well as technology platforms, will need to evolve in line with the market response.

There is no substitute, however, for ongoing technological innovation and up-gradation to stave off obsolescence, as well as adoption of best practices and emulation of successes across the globe.

A collaborative approach to leveraging technological and strategic capabilities of an Online Program Management player and strong focus on academic strengths and learner needs could be the most pragmatic way forward for most universities planning a foray into Online Education.

Course pricing should be modelled based on a benchmarking exercise against mature markets (the US and UK, for instance) and their characteristics vis-à-vis India.

Universities must plan to address the rapidly growing re-skilling and up-skilling market for the working professionals and innovate on products. Courses must be contextual to the job-role, have flexible entry and exit points, varied durations and must have transferrable credits.

Delivering superior learner experience and immersive learning is the focal point of investments into technology and content. This demands keen insights into device preferences and use-cases.

Peculiarities of the Indian market necessitate an ear to the ground approach that includes gathering and acting on market intelligence and fostering ecosystem partnerships.

While the need for online blended learning modes is well established, especially in a market that is yet to mature, it may be worthwhile to explore and obtain deep insights into, and assess the business potential of, large market segments that are likely to perceive Blended Online Education (Online, In-class, On-job) as a substitute for conventional education.

Working alongside policy makers to ensure regulations remain pragmatic and evolve with market realities may be a crucial component of success.
Higher Education / Distance Education


- Estimates for 2019 and 2020 for Higher Education were made based on UGC’s GER goal of 30% by 2020.

- Higher Education enrolments estimates for 2021 and 2022 were based on the assumption that the GER will improve even further during the two years.

- Distance Education enrolments were assumed to rapidly transition to Online Education as the latter gains mainstream legitimacy in 2019.

Online Education (Degree / Diploma)

- Online enrolments is assumed to be comprised of three major components: Distance Education Component, Segment shift from Conventional Education and New Learner Segments.

- The estimates for 2019 through 2022 were computed based on the following assumptions:
  - Distance Education Component: grows at 5% p.a. on a baseline of its legacy enrolments.
  - Segment shift from Conventional Education: is 15% of the annual growth of Conventional Education in 2018 and will increase to 65% by 2022.
  - New Learner Segments: are 5 times the Conventional Education Segment shift in 2018 and will increase to 8 times by 2022.

- Diploma programs, which trended downward in the Distance Education regime, were assumed to get a boost in the Online Education regime and grow at 2.5% p.a.

Student expectations from Online Learning and mindset shift

Survey of 572 students as part of ELSP Strategy Formulation, Schoolguru, 2019
“In this age of widespread ICT intervention in day to day life – for younger generation, in particular, online programs are immensely useful in supplementing and updating the knowledge base. It has huge potential for self-upskilling in all possible arenas of knowledge – human being may think of.”

Prof. Subha Shankar Sarkar, Vice Chancellor, Netaji Subhas Open University, Kolkata

“Online education is very much useful to everyone no matter the age. Every one can access the education no matter the location. And one can learn about anything and what ever he or she likes to know. It is also very much useful to share the knowledge to others.”

Prof. K. R. S. Sambasiva Rao, Vice Chancellor, Mizoram Central University

“Online Education shall be a game changer for the country and the youth. The flexibility and modularity that it provides can open up multiple opportunities for the students. The Industry shall also benefit from the courses that Universities shall launch in the Online mode. Re-skilling and Up-skilling of the workforce must be looked at to sustain in this age of disruption.”

Prof. Mohd. Nafees Ahmad Ansari, Director, Center of Distance Education, Aligarh Muslim University
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