



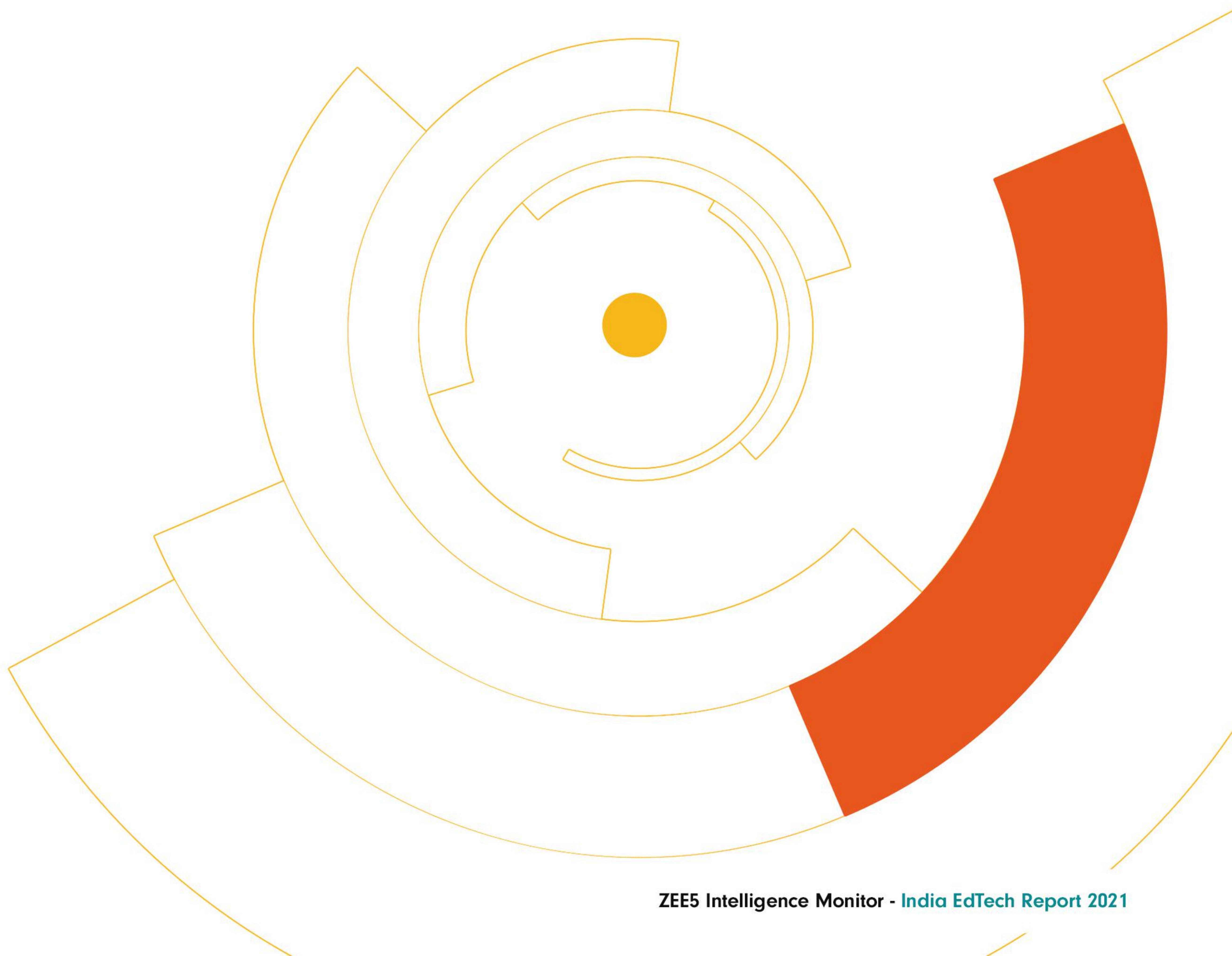
**INTELLIGENCE
MONITOR**

India EdTech Report 2021



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Introduction

It would be safe to say that our lives have changed in more ways since lockdown than ever before in history. Amidst this, nowhere has the disruption been more pronounced and the impact long-lasting, as it is in the education sector. With more than 1.55 million schools 248 million students¹, India is home to the world's largest education sector by volume. And as lockdowns brought the country to a grinding halt, the future of these quarter of a billion students and indeed the country was in the balance.

With limited prior experience and little preparedness for remote schooling, the entire education system was forced to switch to remote mode. Combined with the pre-existing systemic issues of the Indian education system, the time seemed ripe for a massive shift. This is where the burgeoning education technology (EdTech) ecosystem came to the fore. Not necessarily as a replacement for, but as a complementary and supplemental mechanism to support students, teachers and parents during a period of crisis. And the impact is being felt across categories, led by K-12 (primary and secondary schooling) and including test preparation (for undergraduate and post-graduate education) as well as higher education.

The EdTech industry in India has witnessed an exponential growth in the last 18 months and is expected to grow from its current levels of ~\$800 million to nearly \$30 billion by 2032². Another measure to gauge the growth of the EdTech market is the inflow of venture capital in the buzzing start-up ecosystem in India which was pegged at a staggering \$2.1 billion³, that too in 2020 during the peak of the pandemic. This has huge implications for the EdTech sector, particularly from a marketers' and an advertising perspective. We conducted a survey to understand this better and to gauge the changes in consumption patterns and consumer attitudes towards e-learning in India which we present in this report -

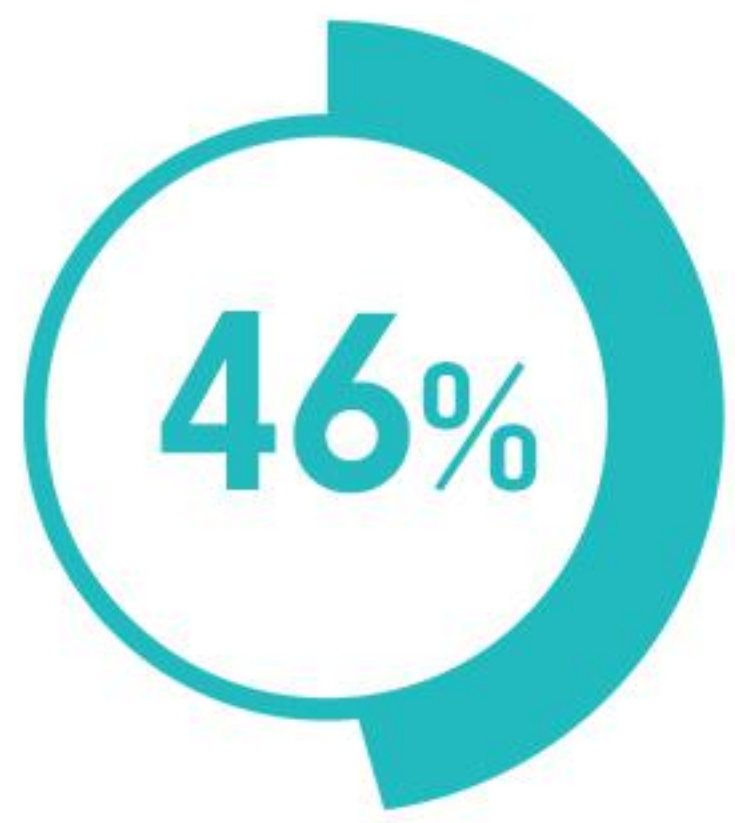
'ZEE5 Intelligence Monitor - India EdTech Report 2021'.

¹ Unicef

² RBSA Advisors: Education Technology (EdTech). A USD 30 billion opportunity in India

³ RBSA Advisors: Education Technology (EdTech). A USD 30 billion opportunity in India

Key findings



E-learning accelerated during the lockdown

parents considered e-learning apps for their children during the pandemic



Millennial parents led the adoption of e-learning apps

millennial parents adopted e-learning apps for their children



Ushering in a new era of education with EdTech

parents think e-learning will become a permanent part of education



E-learning is seen as an investment in a child's future

parents don't consider the cost of e-learning apps as a limiting factor



Internet connectivity as a barrier to adoption of EdTech

parents consider internet connectivity as a barrier to effective learning



The future of learning is hybrid

Insight 1: E-learning accelerated during the lockdown



As schools shut during the lockdown and switched completely to remote learning, there was a perceived gap in terms of delivery of education and efficacy in terms of learning among students. To bridge this gap and to supplement online schooling, 46% of the parents surveyed considered e-learning apps for their children. This phenomenon accelerated the uptake of EdTech apps during the lockdown to enhance children's education and learning beyond the school.

Among subscribers of ZEE5 who were surveyed for this report, while 50% of the parents in metro cities actively embraced e-learning for their children, the corresponding figure for parents in non-metro locations stood at 40%. This narrow margin between urban and semi-urban or rural locations confirms the acceleration of e-learning as a nationwide trend which augurs well for EdTech service providers.

The democratisation of education is powered by EdTech platforms where students across the country have access to the best teachers and teaching methodologies, irrespective of their physical location. This phenomenon brings down a major barrier that has long existed in the Indian education system where students from rural locations had to travel to metros to access top-quality education.

"E-learning platforms offer the same quality of education across the country, from Tier I cities to Tier II and III locations to the farthest corners of India. And this is one of its biggest advantages of e-learning and the transformative effect it can have on education."

Zeeshan Hayath,
Founder & CEO,
Toppr



Insight 2: Millennial parents led the adoption of e-learning apps



millennial parents adopted e-learning apps for their children

Millennial parents who were among the first users of computers and the internet in India during the 1990s and 2000s have also emerged as pioneers in adopting technology to enhance their children's education. According to the findings of this survey, 55% of millennial parents adopted e-learning apps for their children through the lockdown. Besides opening up new and personalised avenues to enhance learning for students, e-learning apps play a crucial role in complementing online school classes.

From a students' perspective, innovations powered by EdTech start-ups bring ease in learning through the use of multimedia and immersive technologies. Besides simplifying the learning of complex concepts, on-demand teaching assistance offered by best-in-class educators provide trust and convenience.

As users of technology in their professional lives, millennial parents are relatively more open to newer methods of learning, compared to their parents or those from an earlier generation. Combined with the proliferation of computers and smartphones in today's day and age, and that their children are digital-natives, explain why millennial parents have emerged as strong advocates of online education.

"E-learning not only promises delivery, access and cost-efficiency for parents but also efficacy in learning for students."

Aakash Chaudhry,
MD & Co-Promoter,
Aakash Educational Services Limited



Insight 3: Ushering in a new era of education with EdTech



parents think e-learning will become a permanent part of education

The EdTech revolution in the last 18 months has addressed many apprehensions about the quality and efficacy of online education. In a pre-lockdown world, when kids attended classes at school, parents had a limited view of the teaching methodologies and their understanding of the efficacy of the education their children received largely came from grades and assessments. However, remote schooling and the use of e-learning apps have resulted in an increased involvement of parents in their kids' education.

This reflects in one of the most noteworthy findings of the survey which revealed that 50% of the parents think e-learning will become a permanent part of their children's education even in a post-pandemic world. This also stems from the fact that 47% of the parents surveyed believe that digital learning apps have helped improve their children's academic progress.

From all visible indicators, this shift towards online pedagogy is here to stay, owing to the superior user experience offered by EdTech platforms for both students and parents, something that is difficult to replicate in the conventional system of education. To that extent, EdTech is ushering in a new era in education in India.

"Since Lockdown, parents are more involved in their children's education. Earlier, they had limited access and understanding of what their children were learning in the classrooms with the tutors. However, this has improved drastically with e-learning apps, and we believe this change is here to stay."

Aakash Chaudhry,
MD & Co-Promoter,
Aakash Educational Services Limited

Insight 4: E-learning is seen as an investment in a child's future



parents don't consider the cost of e-learning apps as a limiting factor



The education dynamic in India has some idiosyncrasies that are peculiar to the country. While a basic college degree is considered a bare minimum qualification to make a meaningful career, it is not uncommon to see students pursuing a post-graduate or master's degree to enhance their career prospects. Additionally, the involvement of parents in decision-making and planning a child's education begins right at the school level, and this also includes funding-related aspects. As a result, parents consider funding education an investment in their child's future.

This is also reflected in our survey where 63% of parents do not consider the additional cost of subscribing to e-learning platforms as a limiting factor. Besides not wanting to compromise on the quality of the education of their children, it could also stem from the fact that investing in e-learning can give their kids an edge over others in a hypercompetitive education space that exists in India. The survey revealed that 35% of parents subscribe to at least one e-learning app and 2 out of 3 parents to more than one app.

The ease of learning and transparency in the teaching processes, and the continuous product innovations by the EdTech platforms have reaffirmed parents' trust in the new methodology of learning for students. Given the direct linkage between school education and career prospects, parents are more than willing to invest in technology to improve their child's future.

"School education has always been considered a critical part of a child's upbringing in India. In e-learning platforms, parents found a worthy ally that could make up for the adverse impact lockdown has had on their children's education. And their willingness to adapt and invest in this new pedagogy for learning is a testimonial to the efficacy and value of EdTech."

Rajiv Bakshi,
Chief Operations Officer, Revenue,
ZEE Entertainment Enterprises

Insight 5: Internet connectivity as a barrier to adoption of EdTech



parents consider internet connectivity as a barrier to effective learning

With parents and their children working and studying from home, the need for internet connectivity has never been as high. And while mobile internet is available across the country, the bandwidth it offers and the quality of connectivity is not conducive to remote education. This, combined with the relative absence of broadband internet in areas beyond metros remains a big hurdle for the adoption of e-learning and for EdTech operators in India.

According to the study, 40% of the parents consider internet connectivity as a bigger barrier than even the price of e-learning app subscriptions. And, while parents are ready to pay for it as an investment in their child's future, the lack of basic infrastructure in the form of internet connectivity remains a major stumbling block for all stakeholders within the EdTech ecosystem.

To some extent, this is also a technology problem on the supply-side and with e-learning service providers. And while the rollout of 5G could address this to some degree, several EdTech start-ups also need to develop innovative solutions through the smart and creative use of technologies that can offer near-full functionality and experience to students over limited bandwidth or internet connectivity.

"Our e-learning method follows a computer-based model as we provide simulations for children where they are required to interact and work on laptops. To address some of the issues of limited connectivity, we are working to offer our simulation functionality on smaller devices and limited bandwidth."

Arvind Iyer,
Chief Marketing Officer,
Cuemath



Insight 6: The future of learning is **Hybrid**



The lockdown disrupted lives across India and pushed all institutions to embrace online technologies, almost overnight. Traditional methods of teaching were redesigned as schools and colleges had to adapt to innovative teaching methods to make learning more interactive and uniformly accessible. On the demand side, it accelerated the rapid adoption of e-learning platforms in metros and non-metros alike, this has triggered a major shift across the education landscape.

As the experience of two academic years has demonstrated, students and teachers are becoming more comfortable with e-learning methods. And while the learning platforms are becoming ever more immersive and effective, parents are also warming up to the idea of being able to monitor the progress of their children from the comfort of their homes. However, parents also believe that the school environment and physical interaction is crucial for children's overall development and students also miss the joy and experience of going to school.

In such a scenario, we can expect the emergence of a hybrid model of education in the future where online learning methodology will continue to grow alongside the offline classroom-based learning system. And while the exact nature of this new pedagogy will become clearer in the years to come, there is no doubt that the future of learning is hybrid.

"E-learning not only empowers individual learning but also has the potential to improve access to education at a broader level when used in conjunction with the traditional class-based model. Given the flexibility it offers for parents and teachers, and a better learning experience for students, I do believe that the hybrid model of education is here to stay."

Rajiv Bakshi,
Chief Operations Officer, Revenue,
ZEE Entertainment Enterprises



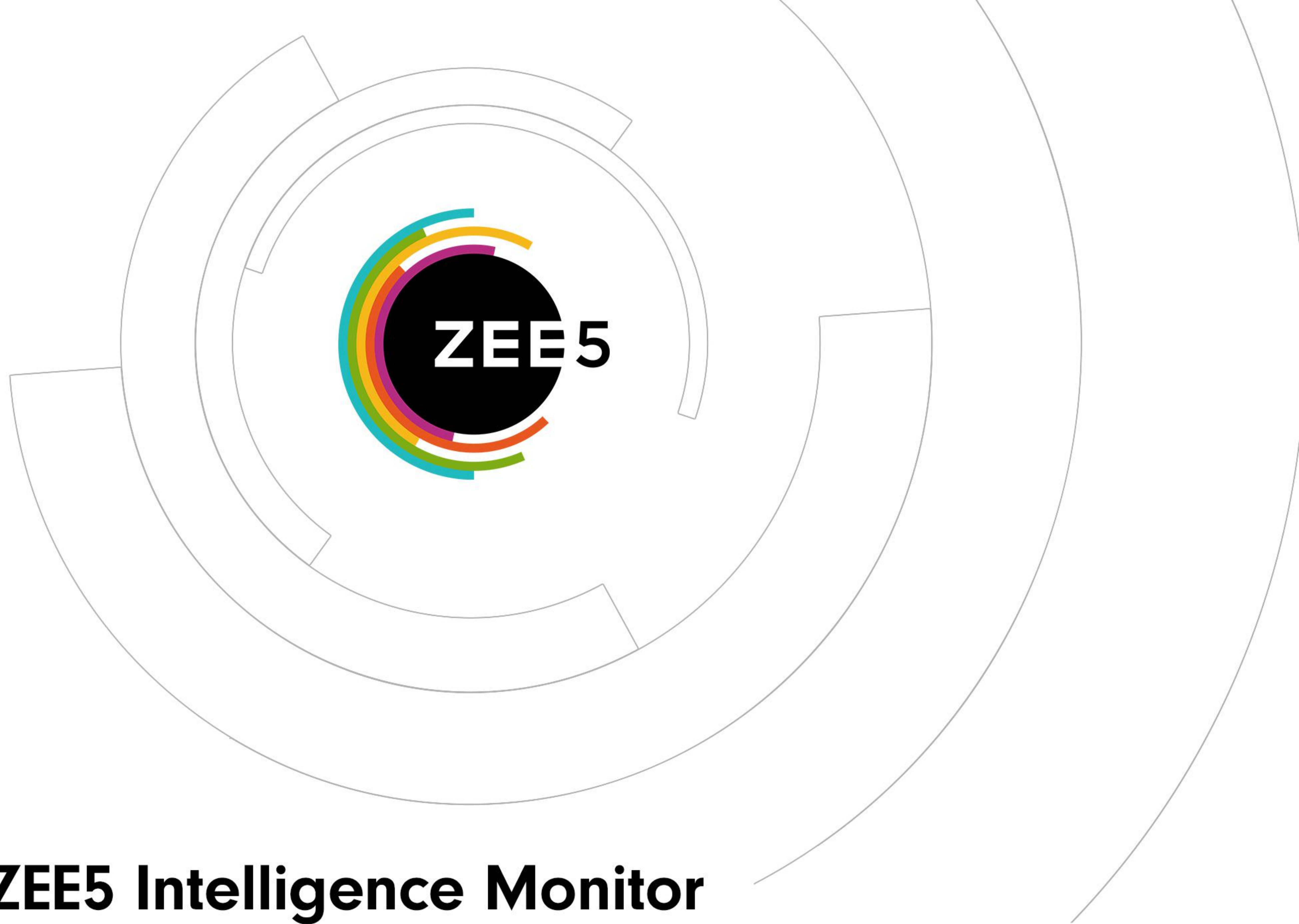
Conclusion

The EdTech revolution currently underway has to be one of the most significant developments in Indian education. The far-reaching impact it has had on children's learning has not only helped offset the adverse impact of the pandemic but is also shaping up to transform the way education is imparted in the country.

The biggest upside of this transformation is the large scale democratisation of education that has enabled uniform access to education across the country. EdTech platforms bring high-quality video and interactive content as well as new pedagogies imparted by the best educationists in the country. These complement the well-established education system in India, and the ability of students to access it in their language of choice and time of choosing will only improve the efficacy of their learning and the value of the education they receive.

The trust, transparency and convenience e-learning offers are the greatest pillars of strength the EdTech sector has to offer. The confidence with which parents, students and teachers have adopted this new way of learning as well as its role envisioned in the National Education Policy 2020⁴ bode well for the EdTech players. There is little doubt that the future of education in India will be a hybrid model that combines the traditional classroom experience with the innovation and creativity offered by EdTech platforms.

⁴ National Education Policy 2020, Government of India



| About ZEE5 Intelligence Monitor

ZEE5 Intelligence Monitor is a pioneering effort to bring industry-specific consumer insights based on research conducted by India's largest entertainment platform. The objective of this series of reports on emerging and fast-growing industries is to identify trends, map behaviours and deliver actionable insights into consumers' attitudes towards products and services across categories.

Aimed at aiding business leaders and marketers in their decision-making, in addition to tracking consumption and buying habits, this research also provides an insider view on factors that influence consumers' purchase decision process. The reports will also showcase varied points-of-view and nuanced perspectives from leading brands and experts from the broader marketing ecosystem.

Based on a primary survey conducted on a cross-section of ZEE5 viewers in over 300 cities and towns across rural and urban India, the reports trace the shifts in the industry landscape and changing consumer preferences. Marketers can further leverage these insights to understand how best they can reach their consumers and utilise the ZEE5 platform to connect with a wider audience in 12 languages across India.

Contact us

