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Classrooms get a digital make-over

After changing the way we work and play, technology is now changing the way we learn

/Sreejiraj Eluvangal

Deepti Gulati is halfway through IIM-Indore's Executive Program in Applied Management. The course, conducted on weekends, helps her juggle her education and her career as a finance professional at the Bangalore office of Thomson Reuters. Every day, Deepti settles down in her chair for the three-hour evening class.

Higher learning

However, this is not the usual evening class. For starters, only about a dozen of her classmates actually sit in the same room in Bangalore as her. The rest are spread across the country, in similar classrooms in different cities. The teacher too, is usually sitting hundreds of miles away in Indore or Delhi. However, like a normal classroom, she can 'see' the teacher and the teacher can 'see' her. She can even interrupt the teacher's lecture by 'raising her hand', through a mouse click.

"I might have considered joining a full-time MBA course," says the 26-year-old, "But for personal reasons,

I cannot be away from my job. I can't take a break. Of course, it's tough to get into an IIM."

Welcome to the classroom of the future. At NIIT's Imperia 'classroom', ace professors can teach literally hundreds or even thousands of students at the same time, whether they are sitting in Delhi, Mumbai, Guwahati or Patna.

"Learning happens because of many factors: because of what the instructors say, because of the questions students ask and because of the interaction between the students themselves," says Udai Singh, executive VP at NIIT and the man in charge of Imperia, its 'virtual classrooms' initiative.

Udai's design of the 22 Imperia classrooms reflects this belief. Each student has a computer with a webcam. Unlike the classical e-learning, where interaction tends to be more one-sided due to the broadcast mode or recorded programming; here, the students and the teacher are joined together by a 1.2 Mbps video link.

"Everyone wants to learn from an

expert. Good instructors motivate and encourage you to learn. At the same time, we realized that such inspirational teachers are always in short supply. They are not able to reach out to as many students as they would like to," Udai explains.

NIIT, which started operating such classrooms a year-and-a-half ago, is of course not alone. It was the US-based communications provider Hughes Network Systems that pioneered the concept of virtual classrooms in India, in 2002. Starting with just 128 students for a virtual classroom course from IIM-Kozhikode, Hughes now has 3,500 students at its 120 franchisees across the country, doing a variety of courses from IIT Delhi and Bombay, IIM Calcutta and XLRI, among others.

Another strong player that also offers courses from the IIMs and IITs, is the Chennai-based Everonn Systems. Everonn, which has most of its live classroom network in its partner schools and colleges, has around 400 learning centers in the country.

Most of the courses offered by these learning networks are of short duration, mostly in management, workplace skills or training and value-add areas, such as chartered accountancy training and project management skills. Bangalore-based 24*7 Learning, a relatively new entrant, however offers a full-fledged B. Tech (Engineering) course in tie-up with various engineering colleges.

And back to school

Technology is not just influencing delivery of education at the post graduate level. Indeed, except for Hughes, these courses were mostly launched in the last two years and together account for only a few thousand students. A more lucrative opportunity lies at the school level.

"Everything in our society is changing, except the schools," says N Sivakumar, VP at Everonn. "There, we still have a blackboard with white chalk pieces. And these are the schools which are preparing the next generation. The students of today are more used to the visual media, not books, but we still teach with only books and blackboard," he adds.

According to industry estimates, India has around one million schools, with around 225 million students and just 20,000 colleges. Out of the one million, around 60,000, or 6%, are privately owned. Out of the remaining 940,000 government or government-aided schools, only around 30,000 have been brought under various computer-aided education schemes sponsored by the government.

The split between the government schools and private schools has also led to the emergence of two types of markets. On the one hand are the relatively well-off private schools and on the other, the technologically challenged government-sponsored ones.

"The school market is seeing a lot of sedimentation," says Abhinav Dhar who heads the schools business unit at Gurgoan-based Educomp Solutions, a company working in the technology-assisted education segment. "As a result, there is a lag between different classes of schools. Ten years ago, private schools were setting up computer labs. They have now moved on to plasma TVs and projectors in the classrooms. However, the government schools are just starting to put up computer labs. At the other extreme, under our O3 program, we are upgrading around 30 to 40 schools to a system where each student will carry a laptop to the classroom," he points out.

Another big difference between the post-graduate or working professional (PG plus) market and the school market is that of the business model. Almost none of the specialist education companies have tried to offer supplementary teaching materials for the core courses at colleges and universities. Instead, most of them have tried to attack the PG plus market by offering small, supplementary courses, mainly due to the lack of uniformity of syllabus for the main courses.

However, at the school level, course material tends to remain uniform, though the language of instruction may change. As a result, unlike the higher studies market where learning networks mostly offer short-duration courses, the school level is all about enhancing the core course through digital aids. As a result, while the technology-assisted learning in higher education is a consumer business, at the school level, the customers are the schools.

"At the school level, it is not about delivering scanned copies of the textbooks," says Dhar of Educomp, "It is about adding another dimension. For example, when the teacher is telling the students about how the blood flows in the heart or how a DNA replicates, it is difficult to understand it by looking at a small picture in the text book. Now imagine showing a 3D animation on a plasma screen or a projector while the teacher explains it!"

ROHIT KUMAR
President at Educomp

> There is a difficulty with marketing such tools. If it were a local product, you can put up hoardings. But for an online product, it is difficult to promote it without advertising on mass media

Another difference between the PG plus market and the school market is the emphasis on content, rather than networks and infrastructure. Unlike the higher education market, the learning networks such as Educomp and Everonn are investing into creating digital content—animations, videos, question banks, activities, etc.

The charging method is also different. While consumers are directly charged in the higher studies market, for schools, it is the institutions that are charged, either on a per student basis or on a per class basis. The charge includes the cost of infrastructure, such as plasma monitors and networking, as well as content and teacher training.

"Whether it is for government schools or private ones, the companies enter into long-term contracts, usually of three to five years, during which time the school pays them a fixed fee per month per student or class," says Sulabh Agrawal, a research analyst with Mumbai-based Angel Broking who tracks the education sector. "In the government sector, according to the numbers I have seen, the average realization per school is around Rs 17,500 per month, since they have only one classroom with 10 to 20 computers. For private schools, it increases to Rs 150 and above per student per month."

According to Agrawal, the cost of setting up the infrastructure and the interest on the investment account for less than half of the fees paid by the schools to the companies. "Fifty to sixty per cent is the cost of content and services such as training the teachers on how to use the tools," he points out.

These numbers also give an insight into the market potential. At Rs 17,500 per school per month, the government school sector itself is worth a whopping Rs 20,000 crore per year. The market has been tapped only to the extent of around 30,000 schools or about 3.15% so far. Assuming an average of 500 students per private school, that market comes to another Rs 5,400 crore per year. Compare this to the turnover of the biggest company in this sphere Educomp - Rs 262 crore for FY 08.

"This is a sector that is likely to see a lot of new players," says Agrawal. "Net profit margins of 30% are very tempting," he predicts. "However, the per school revenue figures will come down drastically in the future as players start to take advantage of the economies of scale, particularly by recycling content," he adds, pointing out that most of the players in the schools segment are still investing heavily into building up a content repository.

Even at home and office

The third piece in the technology-assisted learning market is the 'at home' business. This segment cuts across the spectrum, from homework assistance and home tutoring for school kids to CAT preparation for IIM aspirants. This segment involves both software and content-based services, such as Educomp's Mathguru.com which plays back recorded steps of solving math problems from textbooks, to one-to-one tutoring services such as Learninghour.com.

The two approaches—software-based and live tutor-based—have had mixed success so far.

The tutor-based at-home learning or remote tutoring however has had better luck of the two, though most of the students are in the US. "In India, the mindset is that I would rather send my child to a tutor in the neighborhood than have him learn online from someone I don't know," says Rohit Kumar, President at Educomp, which owns the remote tutoring site Learninghour.com. He also points out that such services, which charge $15 (Rs 640) per hour and upwards, also lose their biggest advantage in India—cost arbitrage. "You can have a tutor come to teach at that price in India. This, however, works for the US market because it is much more difficult to get private tutors there. However, over three or four years, if tutors start using this to supplement face-to-face sessions, it may gain acceptability here."

The sector has seen the emergence of players like the Bangalore-based Tutorvista.com, which charges $100 per month for unlimited access to live tutors and the Chennai-based Tutors Worldwide, besides Educomp.

However, online software-based learning through reading, doing questions, etc. has found the going tougher in India. "The Indian mindset is not tuned to getting learning online," says Kumar of Educomp, who also oversees its online offerings such as mathguru.com. Mathguru works on a subscription model. "Very few people in India like to buy content online. The parents' mindset is you have to go to a coaching class to learn. Another difficulty is in marketing such tools. If it were a local or city product, you can put up hoardings. But for an online product, it is difficult to promote it without advertising on mass media."

Concerns over copyright and redistribution also heighten the difficulties of 'at home' learning. "With a high-speed broadband connection, it may be possible for our students to attend a virtual class such as Imperia from their home, but the institutes have concerns about what happens to the content being streamed to the student. Being in a classroom managed by us takes care of this aspect," Udai of NIIT, which owns the online portal Egurucool.com, points out.