


Mission 2.2 (EdTech Sector)

# Trends & Deal Activity

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Venture Capital Analyst  
EntryLevel 2022

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1. List 3-5 key trends in the last few years.

Answer:

**Stagnant Titans:** The unicorn startups of the EdTech market such as Byju's and Udemy have had a stagnant few years in terms of product development. Due to the saturation of customers caused by the pandemic, there is a projected pullback of VC funding rounds coming soon if these titans do not plan to renovate their business models.

**New Models:** New EdTech business models have been seen to emerge over the past five years such as the 'effective zero fees' courses which return the money of the customer when they finish the course while depending solely on customers who do not finish the course, for revenue.

**Collaboration Incentives:** There is a shift in collaborative models of education that are being injected into EdTech startups to improve the quality of education (product) and increase the network effect of the startup communities.

2. Share 5-10 highlights on deal activity in the last few years in the sector you have chosen.

Answer:

**GrowthSchool, funded by Sequoia Capital and Owl Ventures (\$5M):**

GrowthSchool offers a community-led live learning platform that helps fill the gap between industry requirements and the existing academic curriculum

**Paper, funded by SoftBank and Sapphire (\$270M):**

Paper develops an educational platform that provides students with live help and essay review tools and teachers with real-time feedback and intervention solutions.

**Infosec, acquired by Cengage Group (\$191M):**

Infosec offers cybersecurity education through online training, certifications, and boot camps to IT and security professionals.

**Credly, acquired by Pearson (\$200M):**

Credly provides a platform that helps manage digital badges and credentials for training providers and employers.

**EVERFI, acquired by Blackbaud (\$750M):**

EVERFI provides a digital learning software designed to help organizations manage corporate ESG and CSR initiatives