Skilling The Next Billion

Product Strategy for Ed-Tech Penetration in Tier-2,3 Cities of India

Customer and Market: Youth, Semi Urban and Vernacular

The Unemployability Issue

50% BTech/B.E.

60% MBA

60% Polytechnic

Percentage of unemployed Fresh Graduates in different backgrounds (2019)

This is due to a **large skill gap** in terms of industry demand and supply

IndianEmployerForum

Most industries will be plagued by about 75-80% skill gap issues according to current trend.
Meaning only 20-25% will be skilled enough for the available jobs

Top 3 Industry Swing in Employment (ISR Report)

BPO/KPO 55-60%

BFSI 30-35%

E-Comm. 55-60%
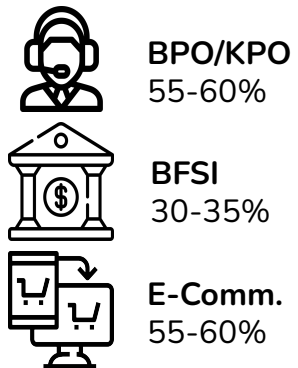
NHB: Market & Behaviour

The NHB is expected to be a 100-million-strong EdTech user base by 2022. The Post-K12 edtech market is set to grow 3.7 times by 2022 to create a $ 1.8 BN market.

Acc. to **India Media Entertainment Report**, 2019 digital consumers in 2030 will likely be:

- *Vernacular*
- *Mobile User*
- Developed *rural area/non-metro* urban setting
- Increasingly *willing to pay* for online content
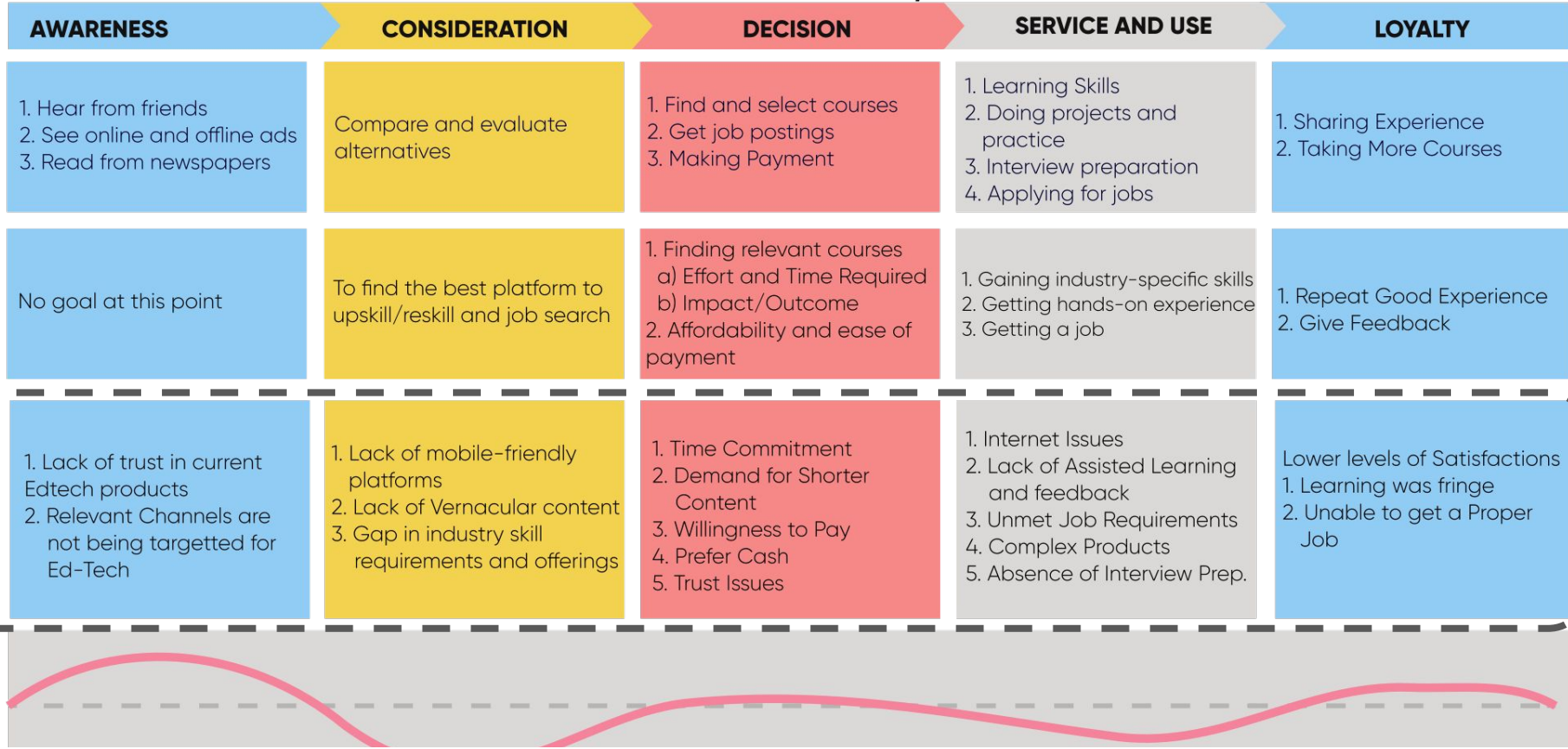
Typical User Personas

Maya
1. 22 years old from Bhopal
2. Unemployed & graduated from low tier college
3. Wants to learn a skill and secure a job

Ravi
1. 28 years old from Hubli
2. Employed at a low paying, Data entry job
3. Wants to reskill and land a better job

USER JOURNEY MAP
ED-TECH TIER 2&3 CITIES, INDIA

	AWARENESS	CONSIDERATION	DECISION	SERVICE AND USE	LOYALTY
ACTIVITY	1. Hear from friends 2. See online and offline ads 3. Read from newspapers	Compare and evaluate alternatives	1. Find and select courses 2. Get job postings 3. Making Payment	1. Learning Skills 2. Doing projects and practice 3. Interview preparation 4. Applying for jobs	1. Sharing Experience 2. Taking More Courses

GOALS	No goal at this point	To find the best platform to upskill/reskill and job search	1. Finding relevant courses
			  a) Effort and Time Required
			  b) Impact/Outcome
			2. Affordability and ease of payment
				1. Gaining industry-specific skills
				2. Getting hands-on experience
				3. Getting a job
					1. Repeat Good Experience
					2. Give Feedback

PAIN POINTS	1. Lack of trust in current Edtech products 2. Relevant Channels are not being targetted for Ed-Tech	1. Lack of mobile-friendly platforms 2. Lack of Vernacular content 3. Gap in industry skill requirements and offerings	1. Time Commitment 2. Demand for Shorter Content 3. Willingness to Pay 4. Prefer Cash 5. Trust Issues	1. Internet Issues 2. Lack of Assisted Learning and feedback 3. Unmet Job Requirements 4. Complex Products 5. Absence of Interview Prep.	Lower levels of Satisfactions 1. Learning was fringe 2. Unable to get a Proper Job
EXPERIENCE					

Note: Experience level denotes the emotion level of the user at different stages of the journey of using a typical edtech product.

Key Skills Identification: Skills of Tomorrow

Variety leads to confusion

Relevance according to qualification & interest

Skills not in line with current market trends near a location

Problem

Existing Edtech platforms lack in **properly identifying the key skills** to offer for learning and upskilling

Suggestions

- The key skills offered should be **in line** with the industry hiring trends
- Suggestion of skills based on **User Qualification, Ability, Job Market** around their **location** and their level of **interest** should be leveraged using technology

Skills that will be in demand

Soft Skill	Interview Prep	Communication(Spoken English)	Leadership
Tech	AI,Data Science	Frontend Developer	Basic Coding
Non Tech	Business Development	SMM/Copywriting/Accounting/Data Entry	Customer Support
Creatives	Content Creator, Video Editing	UI/UX	Graphic Design

Sector wise Top Skills Demand* (ISR Report[])
Certainty of new jobs on a scale of 4

Sector	1st Skill		2nd Skill	
BPO, KPO & ITeS	Front End	3.5*	Soft Skill	3.3
Internet Business	Front-End Web Development	3.5	Data Analyst & Scientist	3.5
BFSI	Soft Skill	3.8	Social Media Marketing	3.7

Internet: Byte Sized Solutions

Audience in Tier-2,3 Cities have Internet and Connectivity **Issues**, although conditions are continuously improving

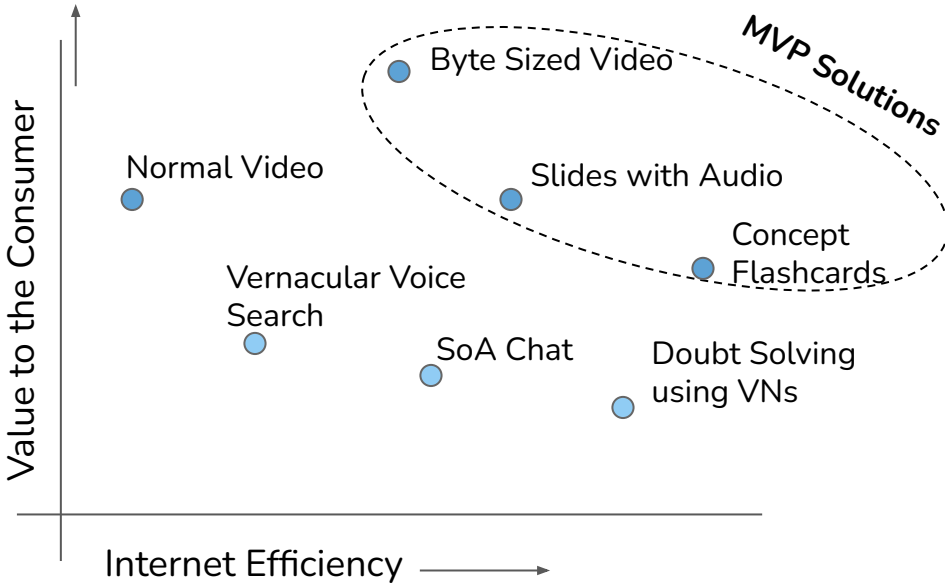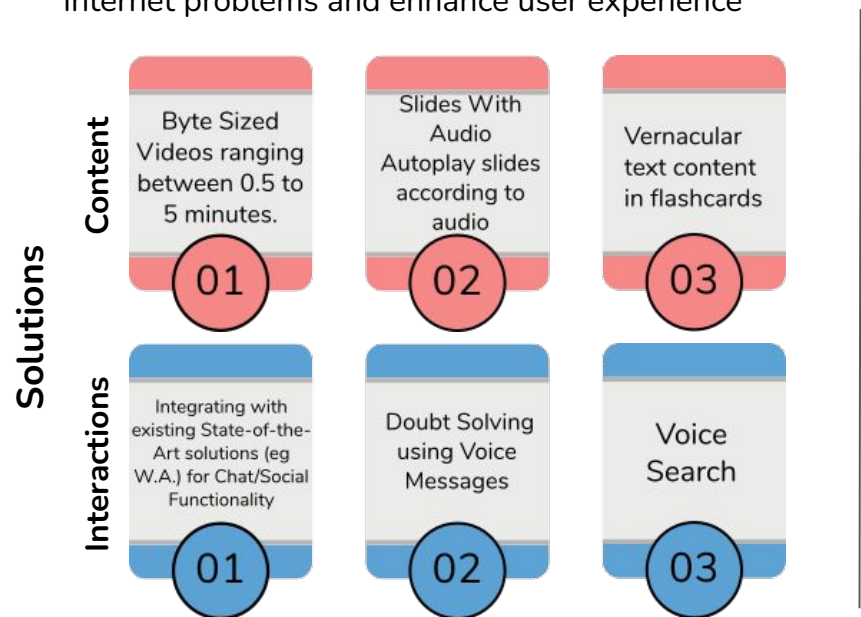Low Bandwidth and unreliable internet speed in tier 2,3 and rural areas

Lack of high-speed WiFi/internet connections

Cost issues for additional data apart from limited per day data

Apart from the existing forms of high quality video contents, several other **solutions** can be adopted to address the internet problems and enhance user experience

Solutions

Content

Byte Sized Videos ranging between 0.5 to 5 minutes.

01

Slides With Audio Autoplay slides according to audio

02

Vernacular text content in flashcards

03

Interactions

Integrating with existing State-of-the-Art solutions (eg W.A.) for Chat/Social Functionality

01

Doubt Solving using Voice Messages

02

Voice Search

03

Value to the Consumer

Internet Efficiency

MVP Solutions

- Byte Sized Video
- Normal Video
- Slides with Audio
- Vernacular Voice Search
- SoA Chat
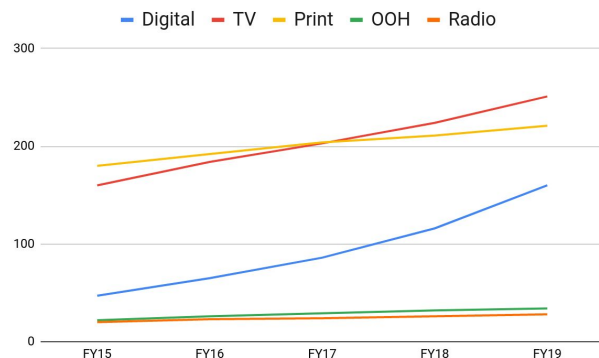- Concept Flashcards
- Doubt Solving using VNs

Brand Awareness: Focussing on Digital

Although there are a lot of channels to market the NHB, Including **TV, Word of Mouth and Digital Marketing**

The Marketing Reach from Digital has been increasing rapidly:

Revenues in million $ from different advertising channels in India

There are a lot of Digital Channels for marketing in India but focus is mostly on **regional** since Vernacular literacy far exceeds English language literacy (74% versus 10%) in India

Platform	Parameter			
	Users	Cost of ad	Impact	UCI Score
dailyhunt	270	0.2	5	6750
MX Player	280	0.28	2	2000
ShareChat	130	0.35	5	1857
Lokal App	4	0.01	4	1600
Chingari	20	0.08	3	750
YouTube	309	1	2	618
trell	20	0.5	3	120

Cost Impact Analysis of Digital Platforms for Awareness Generation

Given the rise of digital adoption, advertising is more efficient on online platforms. Three platforms: **Dailyhunt, MX-Player & ShareChat** are prioritized for running Digital Content using a Users-Cost-Impact framework, apart from other online and offline platforms

Monetization and Digital Payment: Innovative Payments

Problems in Monetization and Digital Payments

- Awareness about digital platforms
- Unaffordability of courses
- Willingness to pay is less
- Prefer cash over digital in tier 3 mainly

Solutions for Digital Payment

1. Integrating with APIs like **NearPe** and XPay API for facilitating cash payments.
2. AnyTime Payment Kiosk
3. POS Machine/ Mobile Vans
4. Other Digital Payment Methods

Monetization

Income Share Agreement and **Freemium** based pricing is preferred among the user based as our primary research suggests. Although to reach a wider audience, Freemium should be preferred first

% people preferred data - Primary Research

	Income Share Agreement	EMI	A-la-Carte	Freemium
Description	An agreement based payment wherein the student pays a fraction of their salary only if they are placed somewhere according to the agreed upon conditions	An EMI based model for fullfilling payments of a course	Pick and Choose your own courses with a price attached to each course	Most of the course content is free and assignments/projects/mentored help is given at a price
% People preferring	23.125	18.75	24.375	33.75
Revenue/Person for that Scheme	18000	8000	4000	2000
Estimated Reach	231.25	418.75	662.5	1000
Revenue Generated	4162500	3350000	2650000	2000000
Assumption: Out of 1000 Interested People				

Product Roadmap

MILESTONES					Beta release	Onboarding 10k Users		Version 1.0	Onboarding 100k Users		Version 2.0
TEAMS	WEEK 1-2	WEEK 3-4	WEEK 5-6	WEEK 7-8	WEEK 9-10	WEEK 11-12	WEEK 13-14		WEEK 15-16	WEEK 17-18	WEEK 19-20
Android App Development	Beta App					Update 1			Update 2		
Design team	Bootstrapping		Frontend Development		Features Addition				Features Addition		
Content team		APIs Integration		Pilot Testing	User Research to decide pricing		Internal Testing		Addition of other Subscription models		
R&D Team	User Research	UI/UX Design	Internal Testing		Data Collection				User feedback		
		Wireframing	Designing course tracks		A/B testing	UX Improvements					
	Outsource key content players				Content/Courses addition						
	Initial company tie-ups for jobs				Onboarding more companies for hiring						

Beta version functionalities	**Version 1.0 functionalities**	**Version 2.0 functionalities**
1. Byte sized video content 2. Language support: Hindi 3. Digital Payment integration (Using Nearpe API to avail cash payments) 4. Course catalogue and job listings 5. Freemium based subscription model	1. Slides + audio format support 2. Language additions: Tamil, Kannada 3. Vernacular text search API 4. AI assisted learning and recommendations 5. Doubt Clearance forum 6. Location specific job listing	1. Vernacular Flashcards 2. Vernacular voice search 3. Language additions: Telugu, Bengali 4. Leaderboard 5. Integration with WhatsApp chatbot 6. Additional subscription models

Promotional Roadmap

Quarters	Q1	Q2	Q3
Awareness + Branding	Research Target Communities	Testimonial Blogs	
Lead Generation	Setup and initial growth of Social Channels	Update Application / Website Referral Programme	Vernacular ads in local newspaper and news channels Monthly 2 Ads in 5 leading regional newspapers ₹8L for 3 months in 5 cities
Lead Generation	Blogs and Search engine optimisation 36 blogs getting 1000 views each; ₹1.25L for 9 months(Q1-3) including translations costs	Strategic Partnerships with Local Colleges / Vocational Centers	
Activation + Retention	Blogs and Search engine optimisation 36 blogs getting 1000 views each; ₹1.25L for 9 months(Q1-3) including translations costs	Podcasts On popular regional language channels like Gaana,Awaaz, Khabri and Headfone since podcasts are steadily rising in the T2/3 space[42-44]	
Activation + Retention	Advertising on vernacular platforms majorly - Dailyhunt, MX-Player, Sharechat (major focus on video advertising) ₹6.72L for 9 months with two impression per month reaching 142k users		

Milestones: Quarter 1 : 10k users; Quarter 2: 100k users; Quarter 3: 400k users
* Assumptions for this Roadmap and other Estimates are mentioned in Appendix A

Appendix A: Assumptions

1. Assumption regarding **User Journey Experience**:
   a. Currently due to the lack of platforms in Ed-Tech in T 2,3 Platforms the **consideration phase is rather poor** due to unavailability of content
   b. The service and use phase also is **under-developed** with respect to Technology not being properly utilized,leaving people to generally switch between their education provider
   c. The content available right now is **not vernacular** which further dampens the experience
   d. The user persona is **prioritized** taking into consideration that most companies **prefer fresh graduates** and people with 1-5 years of experience which are also easier to train
2. User journey in Slide 3 is **averaged** over different apps and offline platforms of T-2/3 Cities
3. Cost of Ad on Slide 6 is **Per View of the Ad**
4. The internet solutions have been **evaluated qualitatively** on the Internet Usage and Value to the customer
5. The **Primary Research** had 64 people mostly from Tier-2/3 cities, there were 3 questions.
6. **Monetization**: In the absence of ISA model, people preferring **ISA** are assumed to subscribe to other models as they have low costs, similarly for other choices
   To grow our reach initially, freemium model is preferred which can later be combined with income sharing or EMI model to increase revenue
7. Brand awareness Roadmap:
   a. **Digital advertising:** Conversion/visibility factor for digital ads is **assumed to be 0.001**. The demographic division based on tiers, age and language is taken from Dailyhunt sales report and extrapolated for other two platforms
   b. **Print advertising:** To calculate the cost of an ad, cost of a pointer sized front page ad is taken and multiplied with a factor of 0.4 for advertising in the education column of the newspaper
   c. **SEO:** Considering average SEO specialist salary as 15k/month and of Social media marketer to be 25k/month, total spend on SEO is calculated to be 4.35L for 9 months
   d. Average spend on **podcasts and webinars** is assumed to be 50k considering talent cost, platform cost and awareness cost. Analysis is not extended as the budget is unknown

Exhibit A.1: Approximating the spend for digital ads

Digital Ads	Platforms	Cost per view	MAU	tier 2&3	Target Language distribution	Target age distribution	total target audience	Conversion Factor	Impressions	total cost/ad	Duration for running ad
	Dailyhunt	0.2	270000000	0.7	0.6	0.5	56700000	0.001	56700	11340	1 month
	Sharechat	0.35	130000000	0.7	0.6	0.5	27300000	0.001	27300	9555	1 month
	MX Player	0.28	280000000	0.7	0.6	0.5	58800000	0.001	58800	16464	1 month
					Total spend for running 1 ad twice		**74718**		**Total Spend for running ads for 9 months**		**672462**

Exhibit A.2: Approximating the spend for ads on Newspapers

Print Ads	Language	Newspaper	Pointer sized ad cost (in Rs.)	Education conversion factor	Frequency (monthly)	Total number of ads	Total Cost	Users/Reach
We chose 5 major newspapers in major cities of where people used the 5 prioritized languages to calculate approximate ad spend on print advertising	Hindi	Dainik Jagran - Bhopal	131437	0.4	2	6	315448.8	165438
	Tamil	Daily Thanthi, Chennai - Main Newspaper	136986	0.4	2	6	328766.4	498188
	Telugu	Eenadu	17000	0.4	2	6	40800	160700
	Kannada	Vijayavani, Bangalore - Main Newspaper	60800	0.4	2	6	145920	196736
	Bengali	Ei Samay	25000	0.4	2	6	60000	277384
Total Cost of advertising in 5 cities							890935.2	1298446

Appendix B: Brand Awareness Campaign Detail

1. An English creative gets 0.1%-0.15% Click Through Ratio (CTR), while a **language creative** can get **0.4-0.5% CTR**, hence content of the campaigns should be **Vernacular**
2. After initial onboarding & V1 release, we can start running **testimonial** focussed ads for building trust
3. All throughout the focus should be how this product could help **boost their careers**, specifically we can run the following campaigns on different users depending on their **digital adv. profiles**
   a. Why it is better than the current existing product?
   b. How getting a job involves skills other than what formal education provides
4. Print advertisements in local newspapers can lead to high engagement and **lead generation** if proper strategies are followed
   a. **Content marketing** (advertorials) provides substantial results as compared to advertisements
   b. Repetitive insertions of small format ads generate upto **30% more responses**
   c. Placing the ad in education or job supplement could yield better results
5. Stats show about **92%** of the consumers **trust recommendation from individuals** rather than a brand. Thus influencer marketing should be allocated a decent % of total budget due to its **high reach & retention rate** than others (37%)

Brand Positioning

Promise	Strategy	Story	Freshness
We bring you opportunity to learn new and relevant market skills to help you jumpstart or enhance your career and make you self sufficient, no matter who you are.	Learning made accessible and simple through engaging vernacular content, advanced learning reports and doubt solving.	Acquiring knowledge should not be a privilege. We believe in providing learning and job opportunities to you, irrespective of where you live & in your own language to help you grasp it better.	Continuous addition of variety of key skill courses and hiring partners. Increasing the spectrum of languages and regions to provide our service.

Appendix C: Product Behavioural Requirements

The product would complement the typical behaviour of **Tier 2,3 Audience** which has a **preference** for :

1. **Offline Content** : Content should be available offline as the users might have internet issues and so they should be able to download the content over longer periods
2. **Mobile-friendly** : Everything should be completely mobile-friendly as the NHB are mostly going to onboard the internet on Mobile
3. **Vernacular:** Content and the User Interface should be Vernacular as English will not be the preferred mode of communication [Census 2011]
4. **Local Lingo:** The interface in different language should include lingo from the area and even the course names could be such to generate an initial interest in users
5. **Feedback:** The product should give continuous feedback to the users to keep them posted with their progress
6. **Gamification:** The product must have an option to gamify the journey of a typical user to increase engagement

THANK YOU!