Innovation in Educational Technology: The Virtualization of K-12 and Higher Education

- The session will begin at 2:00 pm Eastern (New York time)
- While you are waiting:
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    Tools → Preferences → Connection Speed
  - Configure microphone and speakers
    Tools → Audio → Audio Setup Wizard
  - To share your profile with others, enter information
    Tools → Preferences → Edit Profile
  - To view the profile of another participant:
    Hover pointer over their name in the Participants window

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The next webinar in the Ambient Insight Series is: Learning on the Fourth Screen: Innovations in Location-Based Learning
December 16th, 2009 at 2:00 pm

Continue the discussion and ask questions at the LearnCentral-Ambient Insight Webinar group:
http://www.learncentral.org/group/11041/ambient-insight-webinar-series

Ambient Insight Webinar Series 1 Members Created by Heather Clevenger
Last activity: Wed, 06/24/2009 - 12:23pm
Description: This webinar series talks about learning technology innovations. http://tinyurl.com/medf4q This group will further discuss related topics.
About Sam Adkins

Sam is a learning technology researcher and Chief Research Officer at Ambient Insight.

He has been performing market research on the Education and Training industry for over fifteen years and has been involved with electronic training technology for over twenty-five years.

Sam is the only analyst in the industry that focuses exclusively on learning technology trends in all the major customer segments including business, government, academic, non-profits, healthcare, and consumer.
Introductions

- In the Chat window, type your name, organization and where you are located.
- Use the Laser Pointer tool to show us on the map where you are located.

Whiteboard Tools

Sam S. Adkins, Chief Research Officer
Ambient Insight
www.ambientinsight.com
Agenda

- Audience Poll
- Ambient Insight's Learning Technology Taxonomy
- 2014 Forecast: Number of Online PreK-12 and Higher Education Students
- PreK-12 and Higher Education Snapshots
- Native Social Learning Platforms Emerge
- The Internationalization of Virtual Education
- Q&A
Introductions: Audience Poll

What sector do you work in?
A. K-12 Academic
B. Higher Education Academic
C. Business and Corporate
D. Government

What is your primary job role?
A. Instructional Designer
B. Graphic Designer or Technical Developer
C. Teacher, Trainer, or Training Manager
D. Supplier, Vendor, or Consultant

Where are you located?
A. Canada and US
B. Europe
C. Latin America
D. Asia

Ambient Insight 2009
Ambient Insight’s Learning Technology Research Taxonomy

Eight Buyer Segments
- Consumer
- PreK-12
- Higher Education
- Corporations and Businesses
- Federal Government
- State and Local Government
- Associations, NGOs, and Non-profits
- Healthcare

Buy Seven Types of Pedagogically-defined Learning Products
- Self-paced eLearning Courseware
- Digital Video, Text, & Audio Reference
- Collaboration-based Learning
- Social Learning
- Simulation & Game-based Learning
- Cognitive Learning
- Mobile Learning

From Four Types of Suppliers
- Packaged Content
- Custom Services
- Software as a Service (SaaS)
- Installed Technology

Ambient Insight 2009
2009-2014 Forecast: Growth of Online PreK-12 and Higher Education Student Populations
2009-2014 Growth Rate of Online PreK-12 Students: The Virtualization of the US School System
2009-2014 Growth of US Online Higher Education Students
2009-2014 US Self-paced eLearning Five-year Growth Rates by Buyer Segment


Note: Low growth does NOT equate to low revenues. Demand can be relatively low and still generate significant revenues for suppliers.
2009-2014 US Collaboration-based Learning Five-year Growth Rates by Buyer Segment


Note: Low growth does NOT equate to low revenues. Demand can be relatively low and still generate significant revenues for suppliers.
PreK-12: By 2014 over 13 Million Students will be Participating in Online Classes

- The online PreK-12 student population is concentrated in the upper grades.
- The Hoover Institute predicts that by 2019, half of all 9-12 grade courses will be delivered online.
- New state laws passed in Florida and Arizona in 2009 expand virtual schools to all students in each state.
- As of 2009, over 4 million students are participating in online learning programs and the online population is growing by 17-20% a year.
- By 2014, over 25% of all students will be taking online classes.

Ambient Insight 2009
PreK-12: Private Firms Launch Virtual High Schools

- The largest virtual schools so far are:
  - Utah Electronic High School with over 50,000 students.
  - Kaplan University High School with 45,000 students.
  - Florida Virtual School with over 40,000 students. In the next two years, will grow to over 60,000 students.

- Commercial firms buying and building virtual high schools:
  - Kaplan Virtual Education (KVE) operates online public schools in seven states and operates several private schools.
  - Apollo Group, which operates the University of Phoenix Online, acquired a virtual high school company called Insight Schools in 2007.
  - DeVry acquired Advanced Academics Inc. (AAI), which provides online courses to virtual schools and home schools in 30 states.
  - EdisonLearning entered the virtual high school market in 2009 with their online high school in South Carolina.
    - They were prepared to serve 1,000 students, but had to expand to 1,500 to meet the demand. They will launch their second virtual high school in Colorado in 2010.
PreK-12: Market Catalysts or Cultural Controversies?

- US Department of Education Study
  
  
  - “Study Finds That Online Education Beats the Classroom” (New York Times, August 2009)
  
  - “On average, students in online learning conditions performed better than those receiving face-to-face instruction.”
  
  - "Despite what appears to be strong support for online learning applications, the studies in this meta-analysis do not demonstrate that online learning is superior as a medium.”

- North American Council for Online Learning (NACOL) becomes International Association for K-12 Online Learning (iNACOL) in 2009:
  
  - [http://www.inacol.org/](http://www.inacol.org/)
The Virtualization of US Higher Education

- There has been a boom in tertiary enrollments due to the recession.
- The non-profits are struggling with high enrollments, reduced state funding, and non-scalable online programs.
- The for-profits are scaling to the demand quite well.
- What’s Hot in HE:
  - Lecture Capture Systems
  - Social Learning Platforms

Total Higher Education Students in 2014
- Physical Classrooms Only
- Take Some Classes Online
- Take All Classes Online

Students that take some of their classes online: 18,650,000
Students that take all their classes in physical classrooms: 5,140,000
Students that take all their classes online: 3,550,000

Ambient Insight 2009
Higher Education For-profits Experiencing Robust Growth in Online Enrollments

<table>
<thead>
<tr>
<th>Institution</th>
<th>Rate of Online Enrollment Growth from 2008 to 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>UMassOnline</td>
<td>18%</td>
</tr>
<tr>
<td>University of Phoenix Online</td>
<td>22%</td>
</tr>
<tr>
<td>Capella Education</td>
<td>23%</td>
</tr>
<tr>
<td>Strayer University</td>
<td>25%</td>
</tr>
<tr>
<td>DeVry</td>
<td>26%</td>
</tr>
<tr>
<td>Kaplan University</td>
<td>45%</td>
</tr>
<tr>
<td>American Public Education</td>
<td>49%</td>
</tr>
<tr>
<td>Bridgepoint Education</td>
<td>101%</td>
</tr>
<tr>
<td>Grand Canyon Education</td>
<td>205%</td>
</tr>
</tbody>
</table>

All For-profit Online Institutions Accept International Students

The Emergence of Native Social Learning Platforms
2009 Snapshot of the Waves of Learning Product Innovation
The Waves of Learning Product Innovation

<table>
<thead>
<tr>
<th></th>
<th>First Wave</th>
<th>Second Wave</th>
<th>Third Wave</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Learning Platform</strong></td>
<td>Commercial Proprietary</td>
<td>Open Source</td>
<td>Social Learning</td>
</tr>
<tr>
<td><strong>Licensing Model</strong></td>
<td>Fee-based</td>
<td>Free with some restrictions</td>
<td>None</td>
</tr>
<tr>
<td><strong>Value Proposition</strong></td>
<td>Product</td>
<td>Services</td>
<td>Community Experience</td>
</tr>
<tr>
<td><strong>Dominant Product</strong></td>
<td>LMS</td>
<td>CMS</td>
<td>Social Learning Platform</td>
</tr>
<tr>
<td><strong>Business Model</strong></td>
<td>Per-seat Product Fees</td>
<td>Service Fees</td>
<td>Subscriptions and Advertising</td>
</tr>
<tr>
<td><strong>Design Focus</strong></td>
<td>Administrators</td>
<td>Practitioners</td>
<td>Peers-Learners</td>
</tr>
<tr>
<td><strong>Learning Paradigm</strong></td>
<td>Compliance</td>
<td>Customization</td>
<td>Personalization</td>
</tr>
<tr>
<td><strong>Key Output</strong></td>
<td>Reports</td>
<td>Courses</td>
<td>Collaborative Content</td>
</tr>
<tr>
<td><strong>Primary Goal</strong></td>
<td>Track Usage</td>
<td>Knowledge Transfer</td>
<td>Social Networking</td>
</tr>
<tr>
<td><strong>Locus of Control</strong></td>
<td>Administrators</td>
<td>Instructors</td>
<td>Peers-Learners</td>
</tr>
<tr>
<td><strong>Instructor Role</strong></td>
<td>SME or Marginal</td>
<td>Integral</td>
<td>Participatory</td>
</tr>
<tr>
<td><strong>Primary Innovation</strong></td>
<td>Consistent Delivery and Tracking</td>
<td>Pedagogical Adaptation</td>
<td>Social Engineering</td>
</tr>
</tbody>
</table>

“These waves of innovation represent a shift from centralized sources of learning technology to widely distributed peer-to-peer learning communities.”

Ambient Insight 2009
K-12 Social Learning

- 9th Period “Making Education Social.”
- Elluminate acquires Edtuit in October 2009.
- UniServity is based in UK and “serves 1.5 million learners and teachers across 21 countries.”
- Grokit - combines social learning and gaming.
- Cramster.com’s “community is made up of high school and college students, educators, parents, and subject enthusiasts with the common goal of sharing information.”

Ambient Insight 2009
Social Learning in Higher Education

- ePortfolios integrating Social Networking (FreeFolio)
- ePortfolios evolve into “pure” Social Networks (Elgg)
- Educational Facebook Applications (Inigral, Cramster, Teach the People)
- Composica – “social authoring and social learning”
- Communities:
  - Encyclopedia of Life
  - Student.com
  - CampusBug
  - LearnCentral

Elgg: a powerful, professional social engine.
Elgg empowers individuals, groups and institutions to create their own fully-featured social environment.
Social Learning in Higher Education

- GradeGuru is a McGraw-Hill venture—pays students for the number of downloads.
- College-Cram.com “is social learning—a mashup of social networking and educational resources.”
- Learningobjects.com: “A social learning platform.”
- Course Hero “is an open social learning network for students, educators and self-learners to publish. Course Hero was built by students to help students!”
- GoingOn Social Learning Solution—“GoingOn is the love child of Blackboard and Facebook,” (The Daily Pennsylvanian.)
The Internationalization of Virtual Education

“October 22, 2007 - Apollo Group And The Carlyle Group Form $1 Billion Joint Venture To Make Investments In The International Education Services Sector”
2009-2014 Worldwide Self-paced eLearning Five-year Growth Rates by Region


Hundreds of Millions of Dollars in Private Investment has Flowed to Chinese Online Learning Companies in the Last Two Years.
Key Findings: 2009-2014 Worldwide Self-paced eLearning Market

- In 2009, North America accounts for 68% of all worldwide expenditures.
- By 2014, North America will still account for 52% of all worldwide expenditures.
- In 2009, Western Europe is the second largest buying region after North America.
  - UK dominates Western European buying segment with government subsidizing academic expenditures.
  - Spain growing fast and exporting products and services to Latin America.
- By 2014, Asia will be the second largest buying region after North America.
  - South Korea dominates the Asian buying region and 48% of those SK expenditures are made by consumers supplementing education.
  - In contrast, in the US, consumers account for just 4% of all expenditures.

Ambient Insight 2009
**Top Ten Moodle Registered Sites by Country**

<table>
<thead>
<tr>
<th>Country</th>
<th>Moodle Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>8,005</td>
</tr>
<tr>
<td>Spain</td>
<td>3,622</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>2,869</td>
</tr>
<tr>
<td>Brazil</td>
<td>2,645</td>
</tr>
<tr>
<td>Germany</td>
<td>2,085</td>
</tr>
<tr>
<td>Portugal</td>
<td>1,763</td>
</tr>
<tr>
<td>Mexico</td>
<td>1,305</td>
</tr>
<tr>
<td>Australia</td>
<td>1,068</td>
</tr>
<tr>
<td>Italy</td>
<td>962</td>
</tr>
<tr>
<td>Colombia</td>
<td>938</td>
</tr>
</tbody>
</table>

[http://moodle.org/stats/](http://moodle.org/stats/)

Ambient Insight 2009
Top Ten Moodle Registered Sites by Users

<table>
<thead>
<tr>
<th>Site</th>
<th>Users</th>
<th>Courses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moodle.org</td>
<td>800,342</td>
<td>61</td>
</tr>
<tr>
<td>Hocmai.vn - Ngôi trường chung của học trò Việt</td>
<td>573,752</td>
<td>132</td>
</tr>
<tr>
<td>The Open University</td>
<td>452,483</td>
<td>3,590</td>
</tr>
<tr>
<td>MyLinE - Online Resources for Learning in English</td>
<td>204,166</td>
<td>46</td>
</tr>
<tr>
<td>Christian Courses</td>
<td>181,457</td>
<td>177</td>
</tr>
<tr>
<td>與你相伴，E路學習</td>
<td>132,737</td>
<td>218</td>
</tr>
<tr>
<td>Campus Virtual de la UB</td>
<td>131,954</td>
<td>8,294</td>
</tr>
<tr>
<td>Learn Greek Online!</td>
<td>128,544</td>
<td>9</td>
</tr>
<tr>
<td>OpenLearn LearningSpace</td>
<td>101,254</td>
<td>580</td>
</tr>
<tr>
<td>OpenLearn LabSpace</td>
<td>101,253</td>
<td>2,011</td>
</tr>
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</table>

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<th>Users</th>
<th>Courses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minha UFMG</td>
<td>54,371</td>
<td>45,921</td>
</tr>
<tr>
<td>Academy School District 20</td>
<td>1,906</td>
<td>31,847</td>
</tr>
<tr>
<td>UNCC Moodle</td>
<td>60,319</td>
<td>26,112</td>
</tr>
<tr>
<td>ATENEA - Campus Virtual de la UPC</td>
<td>70,474</td>
<td>21,948</td>
</tr>
<tr>
<td>Universidade Presbiteriana Mackenzie</td>
<td>44,219</td>
<td>20,875</td>
</tr>
<tr>
<td>Universidad Técnica Particular de Loja</td>
<td>59,900</td>
<td>19,019</td>
</tr>
<tr>
<td>Concordia Course Web Sites</td>
<td>95,219</td>
<td>17,999</td>
</tr>
<tr>
<td>Ming Chuan University portal (銘傳大學入口網站)</td>
<td>61,372</td>
<td>17,307</td>
</tr>
<tr>
<td>Idaho State University - Moodle ISU</td>
<td>24,786</td>
<td>15,942</td>
</tr>
<tr>
<td>UNCC Moodle</td>
<td>58,033</td>
<td>14,326</td>
</tr>
</tbody>
</table>

[http://moodle.org/stats/](http://moodle.org/stats/)
International Social Learning Communities Emerge

• International Language Learning Communities:
  – iKnow is based in Japan.
  – Livemocha is based in the US.
  – Italki.com is based in China.
  – Babbel.com is based in Germany.
Q&A

Email:

sam@ambientinsight.com

Ambient Insight 2009
Upcoming Webinars in Ambient Insight’s “Learning Technology Innovation” Series

- Learning on the Fourth Screen: Innovations in Location-based Learning
  December 16th, 2009 - 2pm Eastern/11am Pacific

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Thank You!

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