

## Overview

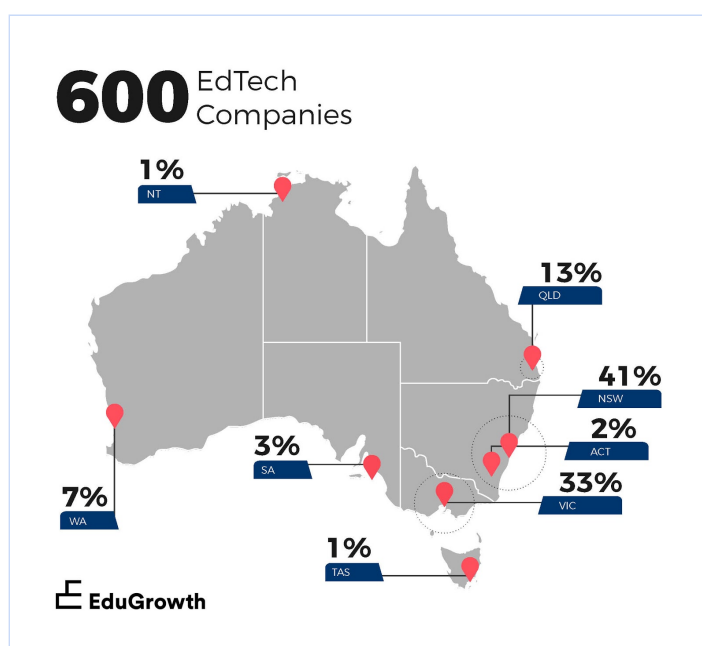
The COVID-19 health crisis quickly became an economic crisis. But due to the power of the Australian EdTech sector we avoided an education crisis; domestically and as exporters supporting education delivery around the world.

Australia's 600 EdTech companies have quickly and enthusiastically stepped up to support learners, educators and parents to ensure education continuity for all. This support began with international students isolated around the globe and quickly escalated to include Australian learners as social distancing evolved. Throughout recent months we have seen Australian EdTech companies provide unprecedented support to their existing customers, new customers and any learner or educator that reached out for help.

Supporting learners at the scale needed during the health crisis has come at great cost to EdTech companies. The cost of expanding support services, customer onboarding, exponential bandwidth and hosting costs, and the dramatic decline in Australian dollar valuations compared to the US Dollar has impacted the commercial metrics of EdTech companies to point that some face an uncertain future.

Whilst there is currently a strong focus on EdTech, it is important to note that online learning is not new. Australia has great expertise in EdTech products, digitising pedagogy and teaching online to students where they are and when they want it. Australian EdTech companies such as ClickView, 3P Learning, Education Horizons and Blake eLearning have been delivering online learning for decades. These stalwarts have been joined by a wave of new and emerging EdTech companies that are quickly driving education innovation across the globe. These EdTech companies have been in partnership with universities, TAFEs and Schools for years to enable the education and support of local, international and cloud learners.

There is no doubt that the future of Australia's International Education sector will include an ever increasing involvement of EdTech and online programs. Our policy settings need to move beyond large student movements and embrace the opportunities presented by borderless, digital education.



### Coronavirus Support

Australian EdTech companies have provided significant support to learners domestically and internationally including:

- **Free Access** - A significant number of EdTech companies are providing learners and education providers with complimentary access to their platforms, products and services during the crisis.
- **Expansion of Customer Support** - Having learners isolated from their school, campus or place of learning has resulted in an exponential rise in the support needed directly for learners; this has EdTech companies operating as 1st Level Help Desks for exasperated parents, frustrated learners and stressed educators.
- **Connecting out of work teachers to parents at home** - With schools closing we saw tens of thousands, maybe even hundreds of thousands, of relief teachers out of work as they were no longer needed on campus. We have seen EdTech companies engage these teachers to help parents that are now home-schooling their children.
- **Connecting International Students to Their Peers and Institution** - Specialist EdTech companies have been able to connect international and domestic students to their peers, lecturers and institutions with secure, dedicated and specialised communications tools ensuring the student support extended to include emotional and social well-being along with their academic needs.
- **Migrating Teaching and Learning Online** - with decades of experience EdTech companies have become the necessary bridge to support teachers, trainers and academics migrate their face-to-face learning online with a focus on quality and outcome.
- **Pedagogy Consulting** - Successful online learning takes more than the transfer of current programs online, it takes new models and new practices. EdTech companies with decades of experience have predefined programs to migrate education material and consultants that have helped educators each step of the way to ensure good online learning. Successful online learning is predicated on designing engaging experiences – which is very different from traditional chalk and talk models. Very experienced educators often find the switch very challenging and EdTech providers provide the necessary bridge to the success of online learning.
- **Specialist Content** - Educators are not professional content producers, they are educators and we should expect them to be great at that. But great online learning requires resources which are only possible with learning designers, curriculum designers and technical expertise. EdTech providers have been providing these tools, systems and processes to enable educators to successfully migrate their expertise to a digital environment.

## Studying with Australia: Export Market Development

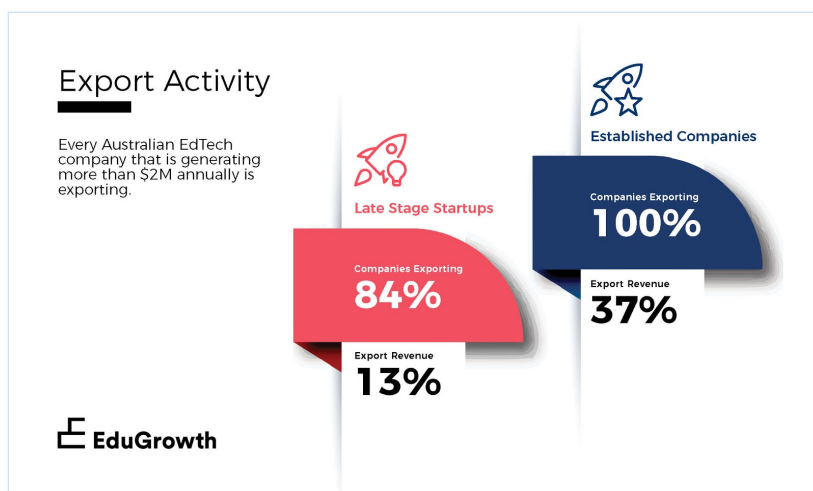
The Australian EdTech ecosystem is an export sector.

Every Australian EdTech company with revenue greater than \$2M per annum is exporting products and services across the globe. This export market has grown considerably during the health crisis with countries around the world seeking Australian products, services and expertise. Many companies have had to hire temporary staff to service the demand in order processing, customer onboarding and technical support; which should transition to a job growth story in the recovery period to come.

Australia is well positioned to recruit international learners to engage with our excellent online learning programs designed for domestic students. These opportunities include the micro-credentialing programs such as short-courses, boot camps and immersive experiences connected to our world class education system. The micro-credentialing models

we have expertise in are readily exportable to learners across the globe as stand alone programs or connected to on-shore traditional face-to-face programs.

Our near neighbour countries are looking to Australian providers to support the digital transformation of their teaching and learning practices. Australian education is a natural partner to education providers in traditional student source markets for the digital transformation of their education. This work will see our Universities, VET sector and EdTech sector partners to drive new export revenue using their decades of experience in distance learning and considerable investment in online learning practices.



### **Boom or Bust: A Two Speed Sector**

An education crisis was averted because we have decades of EdTech capability, 600 Australian EdTech companies, a skilled workforce of learning designers, software engineers and support teams. But these companies have been stretched in the past few months and will find the coming period tough.

The increased costs that EdTech providers have absorbed through discounts, expanded services and expanded employee numbers may not be recovered from customers that can't pay or wouldn't expect to pay. These costs will be absorbed by the EdTech companies themselves and some will struggle to remain financially viable on the other side.

Australian EdTech will need support to maintain current levels and expand to impact more learners across the globe. There are numerous challenges for the Australian EdTech sector:

- **Paused Digital Transformations -**  
Education institutions and Governments have spent considerable funds on EdTech and online services during the pandemic period. There is concern that entities may consider the process complete instead of the beginning of entirely new possibilities.
- **Reduced Education Institution Income Necessitating Reduced Expenditure -**  
Education institutes are experiencing reduced revenue, which will result in reduced expenditure. Reduced spending will slow the EdTech innovation sector at the very time when globally EdTech is experiencing a significant time of awareness.
- **Increased Global Competition in our Domestic Market -**  
Domestically EdTech companies will see significant competition from international EdTech providers for local customer spend, especially from the global technology vendors.
- **Increased Activity on the Global Technology Stage -**  
Australia's EdTech companies will experience significant competition from global technology vendors for local sales opportunities, we need to ensure that the sector survives and can continue to support Australian learners at scale.