

E-learning Review of 2012 (Dec 12)

2012 saw some significant developments which all point to the growing maturity of the elearning market. Our monthly market updates covered the key developments.

Growing Investment in E-learning

In January of this year we predicted that businesses would increasingly turn to elearning in order to:

- Ensure compliance
- Improve operating margins
- Respond quickly to changes
- Enable global reach
- Grow their business

In June we highlighted some interesting research by Cardiff School of Social Sciences, Cardiff University; and the LLAKES Centre, Institute of Education, University of London which found contrary to more pessimistic expectations that employers did not significantly reduce training expenditure per employee in a recession.

This was reinforced by research by Opinionmatters for Skillsoft which found that 93% of companies in the UK planned to either maintain or increase their training budgets over the next 12 months. The research revealed that **31% of businesses planned to increase training budgets by 10% or more over the next 12 months**. More significantly learning technology has received an increasing proportion of training budgets.

Back in 2006, market research undertaken by John Helmer estimated the UK elearning market was up to £250m in size and growing at 25% per annum. Three years later in 2010 Learning Light estimated updated the UK market estimate to have grown to £470m. Thus they estimate the **UK market virtually doubled in four years**.

Whilst the growth rate has slowed, in 2012 Ambient Insight estimated that the market for self-paced elearning continues to grow in Western Europe at 5.8% per annum. In addition there have been significant increases in the use of other learning technologies such as **webinars**.

Market Consolidation

This year we reported on 9 leading companies that were absorbed by 5 of the technology giants in a range of acquisitions as follows:

- Taleo buying Learn.com, who were then bought by Oracle
- Success Factors buying Plateau LMS, who were then bought by SAP
- Kenexa buying OutStart, who were then bought by IBM
- Mindleaders being bought by Skillsoft

- Moodlerooms and NetSpot being bought by Blackboard

It's dog eat dog out there... It is clear the market values size and scale in the learning and technology space. The consolidation of elearning players is clearly a sign of the market maturing. Clients want fewer vendors who can provide more services.

We are ourselves at Kineo were not immune from these developments, though we decided to do it somewhat differently. We decided to [join](#) City & Guilds, a leading not-for-profit UK vocational educational organisation. City & Guilds is one of the world's largest vocational educational organisations operating in 80 countries and accrediting 2m people a year. This gives us as Kineo greater scale, stability and global reach to support our clients. We also felt that the values of City & Guilds, as a not for profit with a mission to help people into jobs and on the job, aligned better with our own values and commitment to open source and sharing.

Technology Developments & Responsive E-Learning Design

2012 saw the continued growth of **professional open source services** as the benefits become more widely known such as:

- No per user licence fees
- Flexibility
- No vendor lock-in
- Professional, global support companies

We've seen the growth in open source most directly in Totara, the custom distribution of Moodle for Business. We co-founded Totara in early 2011, and since then it's grown to over 1.7 million users in 175 organisations including Vodafone, Tesco, Sony Europe, and City & Guilds.

Another big development this year was the emergence of **Responsive Elearning Design (RED)**. Based on responsive web design principles, RED delivers a single version of elearning which will not only reformat for different devices but display different content according to the device it is being viewed on. We've noticed a shift in the language too – the future is not 'mobile learning' (vs. what – immobile learning?) but multi-device learning. Learners expect a Netflix experience – moving seamlessly from desktop to smartphone to tablet, and they expect their learning to be wherever they are.

Our webinar on RED in September showed our latest thinking on RED and previewed our Adapt Framework, designed to build multi-device elearning. It broke all attendance records as elearning experts were keen to explore a single version solution to multi-device learning.

10 Key Learning Technology Trends to watch in 2013

Back in 2007 at Kineo we published an Insight Guide, updated in 2010, which argued that Learning designers should:

- “Think resources, not courses”
- "Tell stories" and get staff to share stories using audio and video
- Use “realistic goal based scenarios” with coaching and support
- Support learners with “community and social networking features”

Interesting to see that 5 years on, those arguments still hold true. Learning Technology advances in the interim has made them more achievable, and cost pressures have made them more necessary.

This year we interviewed over 30 leading businesses as part of a major research project with e.learning Age to explore the current key trends. We identified 10 key developments, outlined in [this video](#).

One of the key things that emerged from the research is a growing confidence of learning technology professionals, despite – or perhaps, because of – economic challenges. They are confident they delivering real value to their business. As one L&D director commented:

“There has never been a better time for learning technology to demonstrate the value it can deliver to businesses.”

It is clear the learning technology market will mature further in 2013. E-learning is an accepted part of the learning and development landscape. The consolidation of companies and emergence of standard technologies will we anticipate result in less hype and a more sustained focus on delivering business results.