

GLOBAL EDTECH ECOSYSTEMS 1.0

Connecting the world of
Education Technology

July 2018

NAVITAS VENTURES - advancing innovation in education globally

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**View the individual
EdTech city profiles at
our interactive website**

EdTechCities.com

Welcome to **PROJECT ECOSYSTEM**

EdTech needs greater collaboration

Navitas is a global company operating across more than 50 cities, and in my travels I have met hundreds of people who are passionately but independently working to achieve the same goal – to improve student experiences and outcomes. The people we meet – be it founders, teachers, or other EdTech participants – all want to connect and learn from each other, but find it difficult across this young, fragmented sector.

At Navitas Ventures we are looking to bridge this gap. Our first initiative, Project Landscape, created a global map to help people navigate the rapidly changing world of EdTech. Our new initiative goes further, by creating a tool that will help the Global EdTech community collaborate more easily.

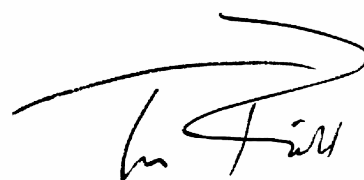
We call this Project Ecosystem.

Project Ecosystem 1.0 showcases the EdTech environment within 20 diverse cities around the world. Our intention is that this project will allow the sector to identify global best practice and make mutually-beneficial connections. To support your search, we have calculated a unique EdTech index score for each city that measures its maturity against five dimensions of the EdTech environment – companies, funding, community, support and test bed.

As you dive into the profiles, you will see that we have combined a data-led approach with on-the-ground intelligence gathered from leading influencers based in each city. These local inputs have been essential in assuring the quality of our work, helping us to validate hard data and gauge and compare the overall health of each EdTech environment.

If you love what you see, please visit our interactive website – EdTechCities.com – to explore each city in more depth.

As always, we value your feedback and we listen, so please don't hesitate to reach out.



Tim Prail

Head of Navitas Ventures
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METHODOLOGY

Ecosystem 1.0 evaluates the EdTech environment within 20 cities

+ 20 diverse cities

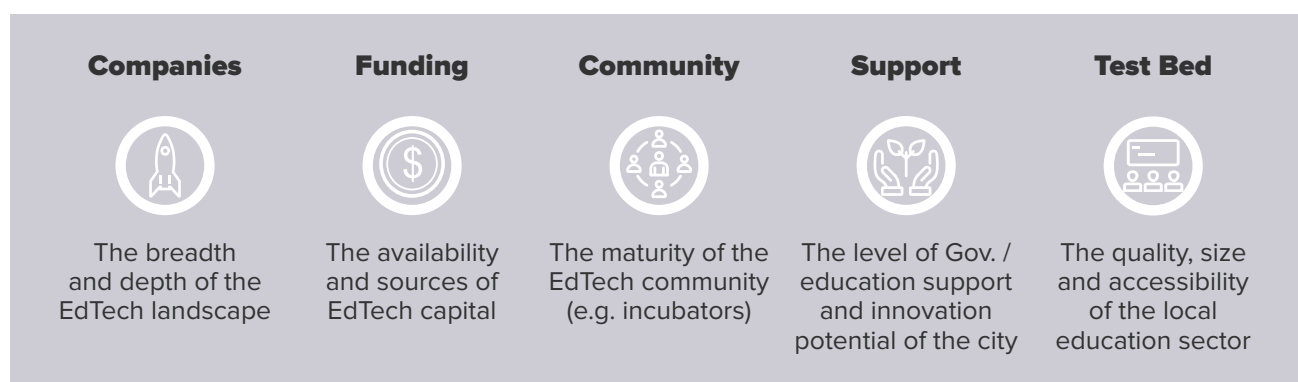
Cities have been chosen to represent the full breadth of maturity and diversity that exists across the global EdTech ecosystem. We recognize that the cities selected are not the 20 largest EdTech ecosystems.¹

+ Consistent EdTech definition

We have limited the scope to education companies that are innovative adopters of technology. We estimate this represents about 25000 companies globally and excludes many education incumbents.²

+ Five dimensions of the EdTech environment

Each dimension contributes to an effective environment for EdTech development - from funding intensity to the level of government support.



+ Combined into a weighted EdTech Index score

Weighting is used to reflect the underlying importance of each dimension to the EdTech environment, and help identify the leading global cities.

1. A report based on the 20 largest EdTech cities would be dominated by the US and China, reducing the diversity of the study; 2. Many large diversified incumbent education companies (such as TAL, New Oriental and Pearson) or diversified companies with education arms (such as SEEK and ROOBO) play an important role in EdTech but have largely been excluded from the scope of this report.

CITY SCORES

EDTECH INDEX¹

COMPANIES

FUNDING

COMMUNITY

SUPPORT

TEST BED



Weighting² (maximum score)

30

30

15

15

10

100

Global leaders	1	Beijing	30	26	14	13	6	88
	2	Bay Area	26	30	10	14	8	86
	3	New York	26	24	15	12	9	85
Challenger cities	4	Boston	23	17	15	14	9	76
	5	London	23	17	15	11	8	72
	6	Shanghai	21	20	10	11	7	68
Emerging cities at different stages of maturity	7	Bangalore	23	17	8	7	5	58
	8	Paris	20	12	11	9	6	58
	9	Tel Aviv	20	9	13	11	5	57
	10	Stockholm	18	9	10	14	6	56
	11	Singapore	18	8	10	11	7	54
	12	Berlin	15	12	10	10	6	53
	13	Toronto	17	11	9	9	6	51
	14	Delhi NCR	20	14	7	5	6	51
	15	Sydney	17	6	8	9	6	45
	16	Tokyo	11	9	7	11	6	42
	17	Kuala Lumpur	11	6	6	8	6	37
	18	Nairobi	14	6	9	5	4	37
	19	Cape Town	14	6	8	5	3	35
	20	Sao Paulo	12	6	7	5	4	33

1. The EdTech Index may not equal the sum of input scores due to rounding; 2. For more information on our methodology and how the scores for each dimension were calculated, please visit EdTechCities.com

EXEC SUMMARY

The 20 cities analysed are home to 40% of the global EdTech sector and operate at very different levels of maturity. Three cities dominate - Beijing, the Bay Area and New York - with each pursuing a different strategy for EdTech development

Beijing is the leading example of a domestic champion – a city that dominates EdTech within the home country. These cities have support systems in place to help companies access early-stage capital so that they can expand quickly and dominate their large domestic markets.

Beijing has an EdTech sector with unparalleled depth. 3000 EdTech companies are headquartered there, and the city benefits from the highest global concentration of EdTech companies per capita. Strategic incumbents (TAL, New Oriental) and the local government play key roles in supporting the ecosystem and making it the dominant hub for Chinese EdTech.

Outside of China, Bangalore is one of the most exciting domestic champions to emerge. If barriers to funding availability and sector support can be overcome, Bangalore has the opportunity to capture India's significant demographic potential and exploding demand for workforce training and alternative forms of education.

The Bay Area is the world's leading international export city, focused on providing EdTech companies with the seed capital, technical expertise and market access needed to quickly build a category-leading global product.

The Bay Area is unique across international export cities in that it is globally-focused despite being based in a large domestic market. Most other international export cities operate in relatively small domestic markets, forcing their companies to expand into larger education markets early in their lives. As a result, a number of companies headquartered in international export cities, such as SmartSparrow (Sydney) or Matific (Tel Aviv) have established significant launchpad offices in larger markets early in their development.

Rounding out the Big Three is New York, the world's leading example of an EdTech Hub.

Hubs are self-sufficient ecosystems in their own right, providing EdTech companies with everything they need to reach scale without leaving the city limits. EdTech companies benefit from immediate access to funding, customers (students and employers), and a highly supportive environment from which to grow.

Below New York lies Boston and London. All three cities are recognized for their supportive EdTech ecosystems, incorporating globally respected collaborators, a highly regarded events schedule, specialist accelerators and close integration with traditional education players. We expect each city to continue to build its EdTech offering and global connectivity in the future.

As the next generation of EdTech entrepreneurs move to cities that offer the best environment for EdTech development,¹ accumulated advantage is expected to reinforce the leadership of the Big Three. Location is undoubtedly important, but a Beijing, Bay Area or New York headquarters is not a pre-requisite for success, with only six of the ten largest fundraisings in 2017 directed at companies in these cities.²

We expect that challenger and emerging cities will continue to mature and provide more complete support for EdTech development in the future, often by adopting best practice from the leaders. In a future iteration of this report we also expect to profile the next wave of EdTech cities competing on the global stage, including Washington, Philadelphia, Phoenix, Austin, St Louis, Los Angeles, Seattle, Monterrey, Helsinki, Oslo, Tallinn, Shenzhen and Ho Chi Minh City.

What can we learn from the Big Three EdTech cities: Beijing, Bay Area and New York?

1. More than half of the 2017 StartEd and Emerge Education accelerator cohorts were international; 2. Four in Beijing, one in Shanghai and one in the Bay Area.

Learnings from the global leaders - Beijing, the Bay Area and New York



Build a complete ecosystem

The Big Three have no weak links, with their continued development driven by excellence in each dimension of the EdTech environment. Their main challengers need to close the gaps in their ecosystem, in particular around EdTech funding availability, if they are to remain competitive.



Create a density of EdTech activity

The Big Three have created a broad pipeline of EdTech companies operating at all levels of maturity. Emerging cities will find it hard to compete across the entire learning lifecycle, and should instead focus on building density, capability and brand recognition in specific education technologies or applications.



Bridge the gap to capital providers

The Big Three benefit from a diverse network of angel, venture capital, private equity and strategic investors funding EdTech growth. Emerging cities need to increase generalist understanding of education as an asset class, and increase connectivity with international EdTech specialists to close the gap.



Create empowered ecosystem leads

The Big Three have well established ecosystem leads that drive improvements in EdTech maturity. If they have not already done so, emerging cities should consider creating an ecosystem champion to lead domestic and international collaboration and coordinate sector development.



Unlock government and broader sector support

New York and Beijing leverage extensive local government support, while all three cities have built strong partnerships with local universities. Tapping into these entities can provide emerging cities with the capability, scale and access needed to compete internationally.



Realize the test bed potential of urban education systems

Access to a broad test bed is a key driver of the success of hub cities like New York and London, as it provides EdTech companies with an immediate opportunity to prove out products and achieve scale. Other hubs could do more to open up urban education systems to EdTech companies and products.

COMPANIES

The Company dimension of the EdTech index reflects the breadth and depth of the EdTech landscape (companies headquartered in the city)

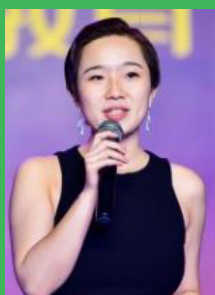
Which are the largest EdTech cities?

Beijing is the world's largest EdTech city, home to 3000 EdTech companies and more than 10% of the global EdTech sector. There is considerable distance between Beijing and the next group of cities, which includes Shanghai, New York, Delhi NCR and the Bay Area, each home to between 800 and 1000 companies. Beijing also has the highest concentration of EdTech startups globally, at 120 EdTech companies per million people. New York, the Bay Area and Bangalore also have high startup densities, followed by Stockholm and Singapore.

Which cities are growing quickly?

Almost all of the cities surveyed have enjoyed rapid growth in EdTech. A theme we consistently heard across markets as diverse as Paris, Cape Town, and Tel Aviv was, “five years ago there was no EdTech, and now there is a distinct sector.” In percentage terms, we suspect the fastest growing cities are likely to be smaller ecosystems, with Southeast Asian cities emerging onto the global stage from virtually nothing in the past three years.

“Beijing is home to over 3000 EdTech startups, and is the center of EdTech development in China. We expect to see continued growth in this thriving ecosystem.”



Sophie Chen,
Partner, JMDedu

Which cities create large companies?

China closely matches the US in the creation of billion dollar EdTech companies. Beijing and Shanghai have supported seven companies to a valuation over US\$1b, compared to 11 across the whole of the US (only two, Chegg and Udacity, are headquartered in the Bay Area and two, Ascend and Skillsoft, are in Boston). The major contributing factors include the demographic potential of China, the high proportion of household income spent on education, and the concentration of EdTech activity in Beijing and Shanghai.

In contrast, the Bay Area and Boston have the highest proportion of startups that have received funding of >US\$1m. Cities outside the US and China generally have a lower proportion of funded EdTech startups, indicating lower access to capital or lower rates of startup success.

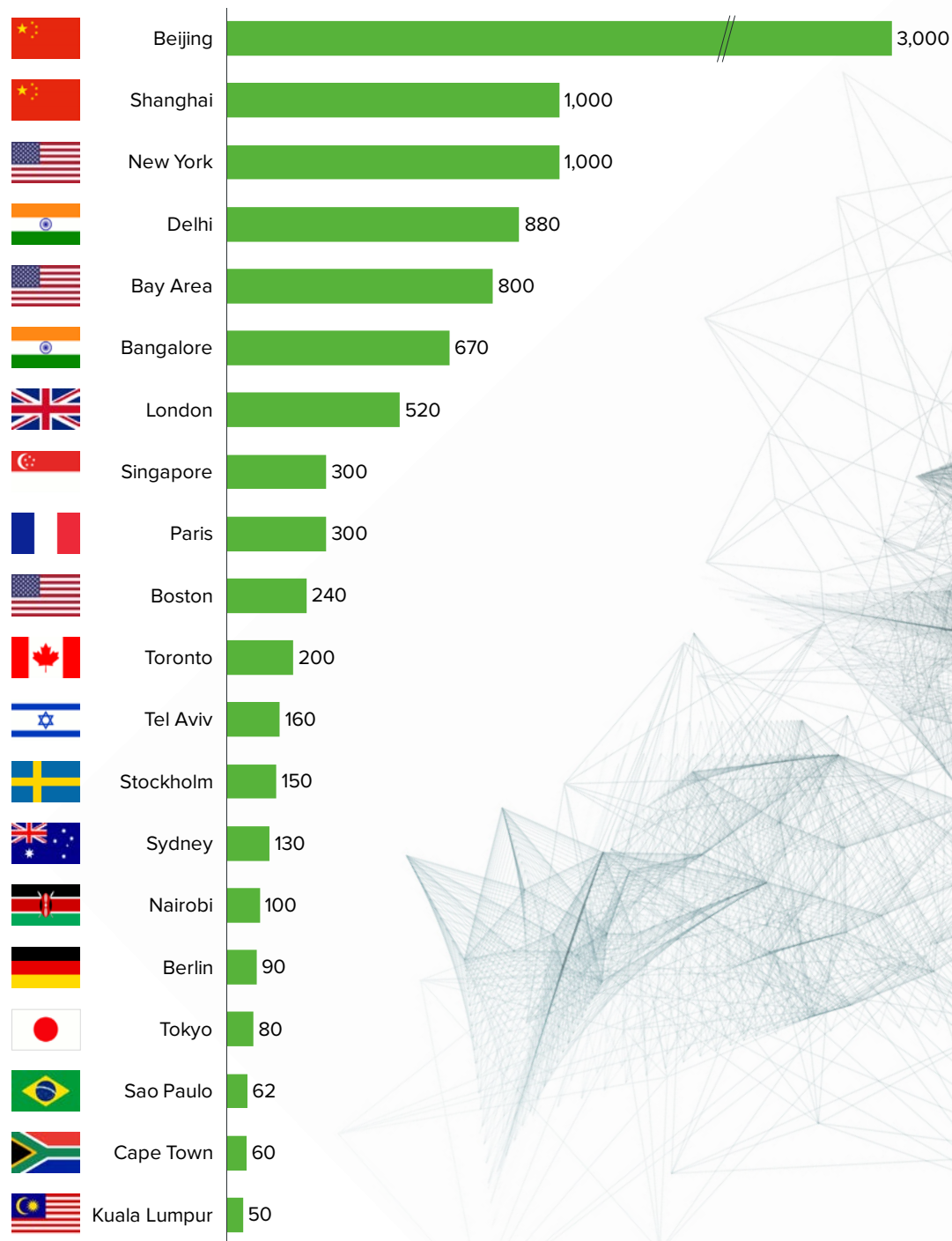
Which cities specialize?

Most cities support companies across the learning lifecycle, although some cities have started to build deeper specialization.

China's largest EdTech players are focused on the domestic K-12 sector, with the after-school tutoring, test preparation and English language learning markets particularly well-served. In contrast, the largest US companies are predominantly focused on higher education and lifelong learning, and use the US as a platform for international expansion.

Environmental differences also contribute to city EdTech specialization. For example, cities with traditional education systems (such as Tokyo) and those with greater central government control (such as Paris) are home to a higher concentration of companies focused on corporate and lifelong learning. Similarly, emerging market cities have a higher concentration of innovative mobile first solutions. For example, several Kenyan startups use SMS to deliver educational content and overcome a lack of computers in the classroom.

Number of EdTech companies headquartered in our 20 cities



EdTech companies valued at over US\$1b in our 20 cities¹



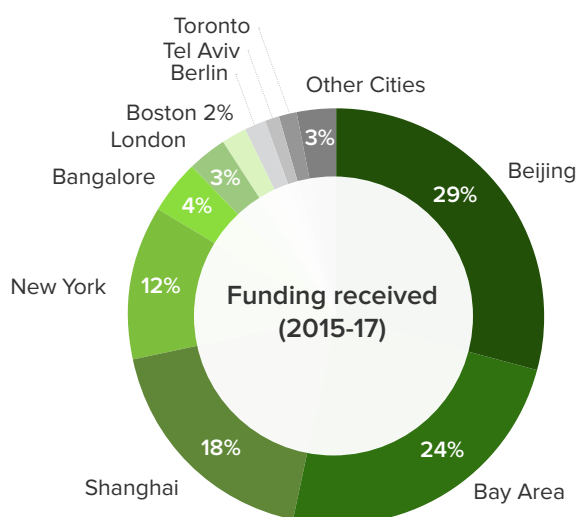
1. At last fundraise, or May 1, 2018 if publicly listed

FUNDING

The Funding dimension of the EdTech index represents EdTech capital availability and investor coverage

Which cities attract funding?

Funding was our most concentrated metric. The five US and Chinese cities evaluated received 86% of all funding between 2015 and 2017. Beijing led the way, with US\$2.2b of funding received, followed by the Bay Area (US\$1.9b), Shanghai (US\$1.4b), and New York (US\$0.9b). The proportion of funding received by each of our 20 cities is shown below:



Other notable cities included Bangalore (US\$344m), London (US\$263m), Boston (\$190m), Berlin (US\$119m), Tel Aviv (US\$90m) and Toronto (US\$70m), with the remaining 11 cities each receiving less than 1% of total funding. Tokyo deserves a special mention, as although Tokyo headquartered companies received less than \$20m of funding between 2015 and 2017, several Tokyo based investors have deployed material funds in Asia and beyond.

It is notoriously difficult to obtain accurate data on the level of funding deployed into Chinese EdTech companies,¹ but one thing is clear – Beijing and Shanghai companies are attracting serious money.

Between 2015 and 2017, four of the top five EdTech investments across our profiled cities went to companies headquartered in Beijing and Shanghai (iTutorGroup, VIPKID, Gaosi Education Group and Huijiang). While Beijing and Shanghai companies consistently attract the majority of Chinese EdTech

funding, the largest US EdTech companies are more geographically distributed. US companies attracted four of the ten largest global EdTech investments in 2017, but only one (Chegg) is based in a traditional center for US EdTech (profiled in this report), and the remaining three are headquartered in Washington and Miami.

The absence of funding is **the** major barrier that non US-Sino cities have to overcome to develop competitive EdTech environments. For example, although Bangalore and Delhi NCR are home to 16% of the EdTech companies identified, they attracted just 5% of total funding over the review period. The absence of material liquidity events in these cities creates further barriers to investment, and only increases the disparity in capital allocation.

Despite the lower levels of funding deployed outside of the top cities, EdTech companies are finding it easier to raise funds. Generalist investors are increasingly entering the sector, while a range of strategic and social-impact investors are prioritizing EdTech (i.e. Naspers and Google in Africa).

Who are the main investors?

While the US is home to several specialist EdTech investors (New Schools, Learn, Rethink, University Ventures etc.), they are rare in other cities, with Brighteye Ventures (Paris), Educapital (Paris), Emerge Education (London) and Blue Elephant (Beijing) notable exceptions.

In China, the strategic investment arms of the major education companies (such as TAL and New Oriental) have played a critical funding role in Beijing and Shanghai over the past three years. On the other hand, only a few industry-agnostic funds (such as ZhenFund, IDG Capital, ShunWei Capital and Sequoia) have actively invested in EdTech.

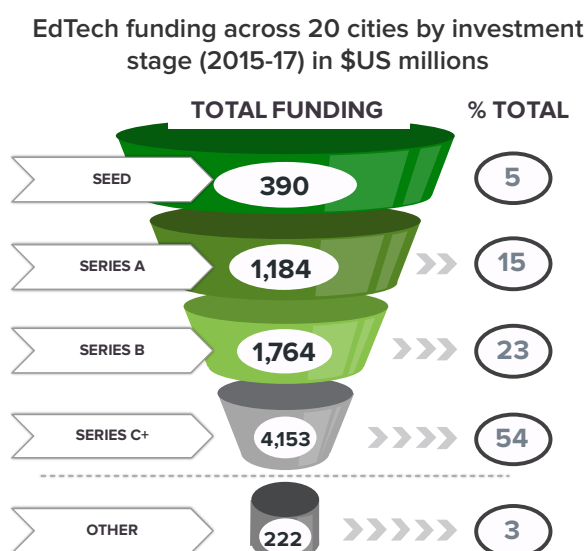
New Schools, 500 Startups, Learn Capital, Techstars and Y Combinator were the most active investors across our 20 cities, investing

1. Despite our analysis and Metaari's January 2018 report, 'The 2017 Global Learning Technology Investment Patterns' indicating that Chinese EdTech funding has declined between 2015 and 2017, JMDedu (which is likely to have the broadest Chinese EdTech dataset) has shown an increase in Chinese EdTech funding over the period.

in 219 EdTech companies between 2015 and 2017. They lead a long tail of predominantly US-headquartered generalist investors, showing the extraordinary breadth of funding sources available to US headquartered EdTech companies. The lack of investor breadth is a significant challenge for the rest of the world, with the three US cities profiled benefiting from 1.5 times as many active investors as the remaining 17 cities combined.¹ Some of these cities continue to punch above their weight, however. Within identified funding rounds, Shanghai has the largest average deal size, followed by Beijing, the Bay Area, New York, Berlin and Bangalore.

Which stages attract funding?

We identified over 1000 funding rounds of EdTech companies headquartered in our 20 cities between 2015 and 2017. More than half of all capital was directed into late stage (Series C+)² rounds, despite these only accounting for 7% of the total deals. 82% of these large rounds (Series C+) involved companies headquartered in five cities (Beijing, the Bay Area, Shanghai, New York and Bangalore).

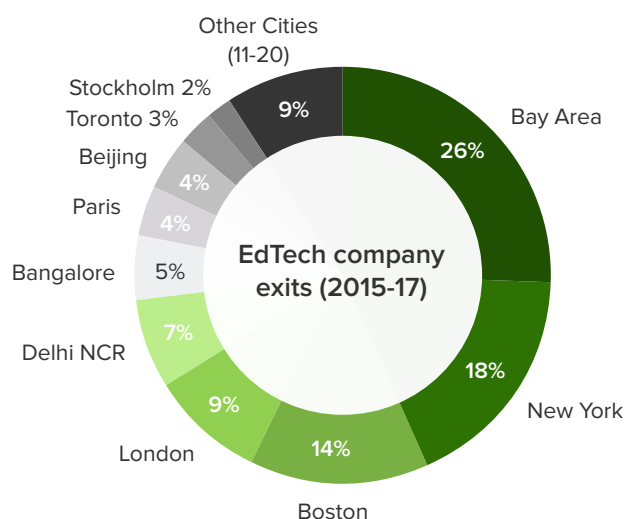


Interviews consistently identified a shortage of early stage funding, with only 5% of total EdTech capital deployed in Seed rounds. With many EdTech investors only looking to participate from Series A, accelerators and angel investors continue to play a key role in funding early stage EdTech companies in each of the cities we evaluated.

Where have we seen exits?

New York, the Bay Area and Boston accounted

for 57% of all EdTech company exits identified across our 20 cities over the review period. This undoubtedly showcases current limitations in non-US data but also reveals a key factor contributing to the resistance of generalist investors from participating in the sector.



Three quarters of the cities evaluated experienced less than three exits a year between 2015 and 2017, which is surprising considering the growth in capital flowing into the sector. This could indicate that many EdTech companies are still in a growth phase, with developing market founders in particular continuing to raise private money to fund expansion.

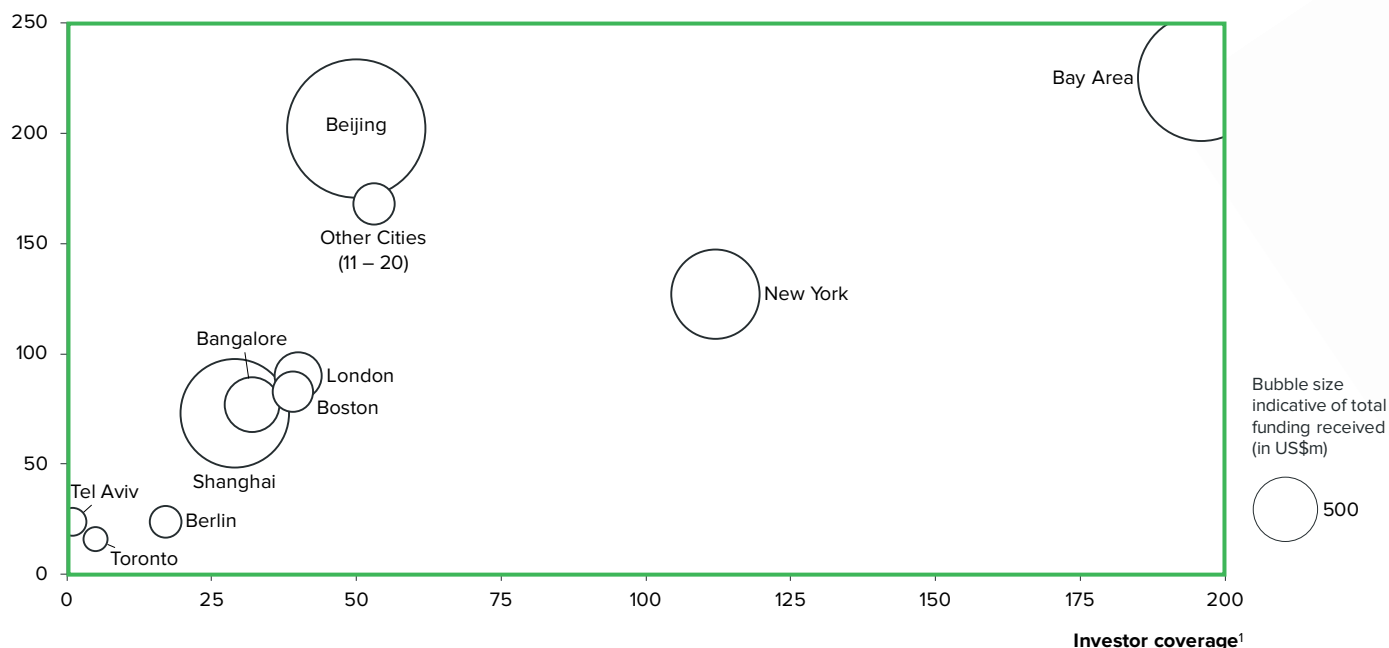
Beijing and Shanghai were responsible for the only EdTech IPOs over the period, with 51 Talk (Beijing), Juesheng.com (Beijing) and Retech Technology (Shanghai) listing on the markets to fund their next wave of expansion. 51 Talk and Retech Technology listed on the NYSE and ASX respectively, highlighting a preference to list internationally and avoid the investor restrictions placed on domestic stock exchanges. When looking at the wider education sector, six of the 20 largest listed education companies in the world are Chinese.

Although the average number of EdTech exits across our 20 cities remained relatively constant over the period, emerging EdTech cities saw successful exits for the first time in 2017. For example, the acquisition of GetSmarter by 2U for \$103m demonstrated the potential of African businesses and provided a benchmark for African EdTech founders looking to exit in the future.


1. Although we recognize limitations in our non-US investor data, this conclusion was reinforced by numerous interviews; 2. Series C+ includes private equity rounds.

Number of EdTech deals (2015-17) and investors present in 20 cities



















Number of deals



Top five EdTech company investments across 20 cities (2015-17)

	City	Year	US\$m	Investor/s	Company
1 	Bay Area	2015	230		
2 	Shanghai	2015	200	   	
3 	Beijing	2017	200	    	
4 	Beijing	2017	199	     	 
5 	Shanghai	2015	157	 	 

Top five EdTech company exits across 20 cities (2015-17)

	City	Year	US\$m	Acquirer/s	Company
1 	Boston	2017	2000+	  	
2 	New York	2015	575		 (Scholastic's Education Technology and Services Business Unit)
3 	Cape Town	2017	103		
4 	Beijing	2015	80		 
5 	Bay Area	2016	72		

1. Investor coverage refers to the number of investors who have invested in two or more EdTech deals in the city.

“India’s EdTech ecosystem shows massive potential, but faces weak investor sentiment, especially at the Seed and US\$1-2 million pre-series A stages.”

Madan Padaki,
Co-Founder, Sylvant Advisors



“London is Europe’s EdTech capital, and home to an abundance of angel investors pursuing quality EdTech companies. This angel network is a major reason why EdTech founders from across Europe choose London as their headquarters.”

Jan Matern,
Co-Founder and CEO, Emerge Education



“Africa has seen a recent surge in big money interest in EdTech (from the likes of Elon Musk) that means early stage investors will have new funding sources and exit opportunities. However, the continent will benefit from more early-stage investment to enable the immense entrepreneurial breakthroughs that we are seeing.”

Jamie Martin,
Founder, Injini





COMMUNITY

The Community dimension of the EdTech index represents the frequency and maturity of EdTech activity in the city

Which cities have the strongest EdTech communities?

We found the most active, connected communities within the vibrant cities of New York, Boston, London, and Beijing. Each community offers comprehensive opportunities for sector participants to interact, a range of accelerator / incubator options and an internationally recognized events schedule. A further five cities – Paris, Bangalore, Cape Town, Sao Paulo and Sydney – offer EdTech-specific accelerator/incubator programs, while EdTech meet-up groups and event schedules have emerged across the majority of the cities profiled. Paris is one of the fastest-maturing communities, with LearnSpace, EdTech Observatoire and EdTech France supporting the development of a rapidly growing EdTech ecosystem in the city.

New York

While the Bay Area remains the center for EdTech deals in the US, New York has been cultivating one of the world's leading communities for EdTech startups.

EdTech success stories like General Assembly, Noodle, Knewton, Codecademy, and Schoology all have roots in New York City and credit the sheer scale of the city for much of their success.

A growing number of accelerators, co-working spaces, business groups, events, and government initiatives are popping up around the city to support EdTech entrepreneurs. The NYU Steinhardt accelerator, powered by StartEd, offers a full suite of programs dedicated to education entrepreneurship while the New York City Economic Development Corporation provides a range of services to help companies relocate and become established in the city. If New York is the city that never sleeps, it is also the city that never stops networking. Active meet-up groups keep the events calendar full, culminating in New York EdTech Week that attracts over 1000 people to the city every year.

Boston

Boston's community is equally impressive. Eight angel investment groups and a number of functional and industry agnostic accelerators fund the development of EdTech businesses in one of the world's leading centers of learning.

LearnLaunch plays a critical role in binding the Boston EdTech ecosystem together, with its three-tiered approach – made up of a co-working space, accelerator and institute – providing leadership, investment and talent development. Boston is home to a full events schedule, including LearnLaunch's annual Across Boundaries conference, the EdTech Teacher Summer Institute, the MassCue Technology conference, and a host of other meet-ups, pitch contests, demo days and hackathons.

London

London is the most mature European EdTech community. Emerge Education operates a dedicated EdTech accelerator and has facilitated over 50 early stage EdTech investments since 2014. On the events schedule, EdTechX Europe, London EdTech Week, and BETT are globally recognized, while the inaugural EdTech Podcast Festival and Learnit Summit will debut in September 2018 and January 2019 respectively.

Beijing

Beijing stands heads and shoulders above the other Asian cities we profiled. Zhongguancun in Beijing's Haidian district is China's version of Silicon Valley and at its heart is the MOOC Times Building, home to over 60 EdTech companies that provide educational content and services as part of China's online education economy. BlueElephant Capital, Imagine K12, Innovation Works, New Oriental and TAL (through the EdStars program) drive EdTech acceleration in Beijing. JMDedu provides media coverage while the annual GET Summit and GSV+TAL conference are the flagship events.

Organisations driving EdTech intensity

	EdTech Events	Accelerators	Other Champions
Bangalore	 	 	
Bay Area	 		 
Beijing	 	 	
Berlin			 
Boston			 
Cape Town	 		
Delhi NCR			
Kuala Lumpur	 		
London	 	 	 
Nairobi			
New York	 		
Paris	 		 
Sao Paulo	  		 
Shanghai	 	 	
Singapore	 	 	 
Stockholm	 		 
Sydney		 	
Tel Aviv	 		
Tokyo			 
Toronto	 	 	 

EDTECH EVENTS

Locate your next EdTech event in a city near you

JUN

18

Israel EdTech Summit,
Tel Aviv - June 6-7

EduTech Australia,
Sydney - June 7-8

EdTechX Europe,
London - June 18-22

**Next Generation Student
Success Symposium,**
Barcelona - June 19-21

ISTE Conference,
Chicago - June 24-27

JUL

18

GET China,
Beijing - July 16

November Learning Conference,
Boston - July 25-27

EdTech Asia Summit,
Hong Kong - July 26-27

ICDEET,
Beijing - July 28

NYC Schools Tech Summit,
New York - July 31

AUG

18

AFR HE Summit,
Melbourne - August 28-29

SEP

18

Education Innovation Conference,
Bangalore - September 4-5

EdTechX Africa,
Cape Town - September 11

BMO Back to School,
New York - September 13

EdTech Podcast Festival,
London - September 22

Edupreneur,
Melbourne - September 26

Oslo Innovation Week EdTech Day,
Oslo - September 26

JAN

19

LEARNIT,
London - January 20-22

BETT,
London - January 23-26

L2 Europe,
Zurich - January 25-27

Learning Technologies,
France - January 30-31

LearnLaunch Conference,
Boston - Jan 31 - Feb 1

DEC

18

OEB,
Berlin - December 5-7

NY EdTech Week,
New York*

NOV

18

GET China,
Beijing - November 13-15

BETT Asia,
Kuala Lumpur - November 15-16

International Schools China,
Shanghai - November 20-22

Reimagine Education,
San Francisco - November 29-30

OCT

18

EdSurge Fusion,
San Francisco - October 2-4

EdTech Sweden,
Stockholm - October 15-16

Education Expo,
Beijing / Shanghai - October
20-28

National Future Work Summit,
Sydney - October 30

EdTechX Asia,
Singapore - Oct 31 - Nov 1

GES (GSV+TAL),
Beijing*

**Dates yet to be confirmed.; Key EdTech events outside of our 20 cities (such as ASU+GSV, Edupreneur, etc.) have been included.*

FEB

19

EdTech Review Summit,
Gurgaon, India -
February 2-3

MAR

19

21st Century Learning,
Hong Kong - March 6-9

SXSW Edu,
Austin - March 8-17

**Global Education and Skills
Forum,**
Dubai - March 22-24

HE Tech. Conference,
Bangalore*

APAIE,
Kuala Lumpur*

Geduc,
Sao Paulo*

APR

19

ASU+GSV,
San Diego - April 8-10

SETT,
Stockholm - April 9-11

Connect 2019,
Toronto*

MAY

19

ICDEL,
Shanghai - May 24-27

New Schools Summit,
California*

BETT Educar,
Sao Paulo*

EDIX,
Tokyo*

Solve MIT,
Boston*

MindCET EdTech Venture Day,
Tel Aviv*

“EdTech conferences are key to connecting local ecosystems to the international community. ASU+GSV, EdTech Asia and EdTechX give entrepreneurs the ability to showcase their products to the world through different lenses. Founders should select the conference that best suits the stage and needs of their company.”

So-Young Kang,
Founder & CEO, Gnowbe



SUPPORT

The Support dimension of the EdTech index represents the support available to EdTech entrepreneurs from government and the traditional education sector

Where does the education sector play an active role?

A range of cities show impressive interconnectivity with their local education sectors. Toronto, Boston, the Bay Area and New York all show strong links with internationally regarded university teaching colleges and affiliated incubators / accelerators. The US cities also benefit from the Obama-era Digital Promise initiative, which has launched a range of programs to support closer integration between EdTech companies and the education sector. Initiatives like the League of Innovative Schools and EdClusters have been integral in increasing EdTech access, and the first steps are being taken to export this best practice internationally.

In London, University College London (UCL) plays a lead role connecting EdTech organisations with researchers to improve the efficacy of their products and services through the Educate program, while ResearchEd is playing a similar role in K-12. Within Asia, Singapore and Beijing, universities have built close ties with their local EdTech sectors, supporting research into EdTech development and spinning off a number of startups.

Where has government directly supported EdTech?

The level of direct government support for EdTech development varied significantly across the evaluated cities, with independent not-for-profits often playing a more active role in sector development.

Singapore is one of the few examples of a holistic, government-led response. The city offers an impressive level of government support for entrepreneurs including specialist visa classes and financial support, while SG Innovate is actively supporting the development of the startup ecosystems in multiple sectors – including EdTech.

Berlin also benefits from best-practice government

“Singapore is the most supportive environment for EdTech companies in Southeast Asia. The education system is willing to embrace EdTech, and the amount of government support is impressive - for instance, the SkillsFuture program that subsidizes learning online.”



Mike Michalec,
Founder/MD, EdTech Asia

support, with the Exist program fully funding the employee and office costs of final-year university students if they establish startups, followed by another year's salary and subsidized health insurance. This generous support has encouraged many German researchers to spin off their intellectual property into EdTech startups.

In Stockholm, the Swedish State Authority of Innovation hands out grants to companies across industries, and in the last three years has called for EdTech companies to apply (It is estimated that 50-60 EdTech companies have received grants). Stockholm EdTech companies are further supported by the Nordic EdTech Alliance, a partnership of public and private players from Norway, Sweden, Finland, Denmark and Iceland. By leveraging the strong Nordic reputation in education, the alliance aims to build bridges to international markets and attract funders and investors to the region.

Equally, the Israeli Government plays a key role in the development of EdTech in Tel Aviv, including government loans of up to half a million dollars and state-backed incubators that can invest up to \$750,000 over a one-year program.

Export agencies like the UK Department of Trade and Industry and Austrade have played a key role in helping London and Sydney based EdTech companies access international opportunities. Equally, US development agencies (particularly in New York) play an important role in stimulating attractive local conditions for international EdTech companies seeking a US headquarters.

Where has Government activity restricted EdTech?

Government actions can also hold back EdTech development. South African intellectual property and foreign exchange control regulations make it hard for EdTech companies to be based in Cape Town, leading a number of African-focused businesses to base their headquarters in London or Mauritius.

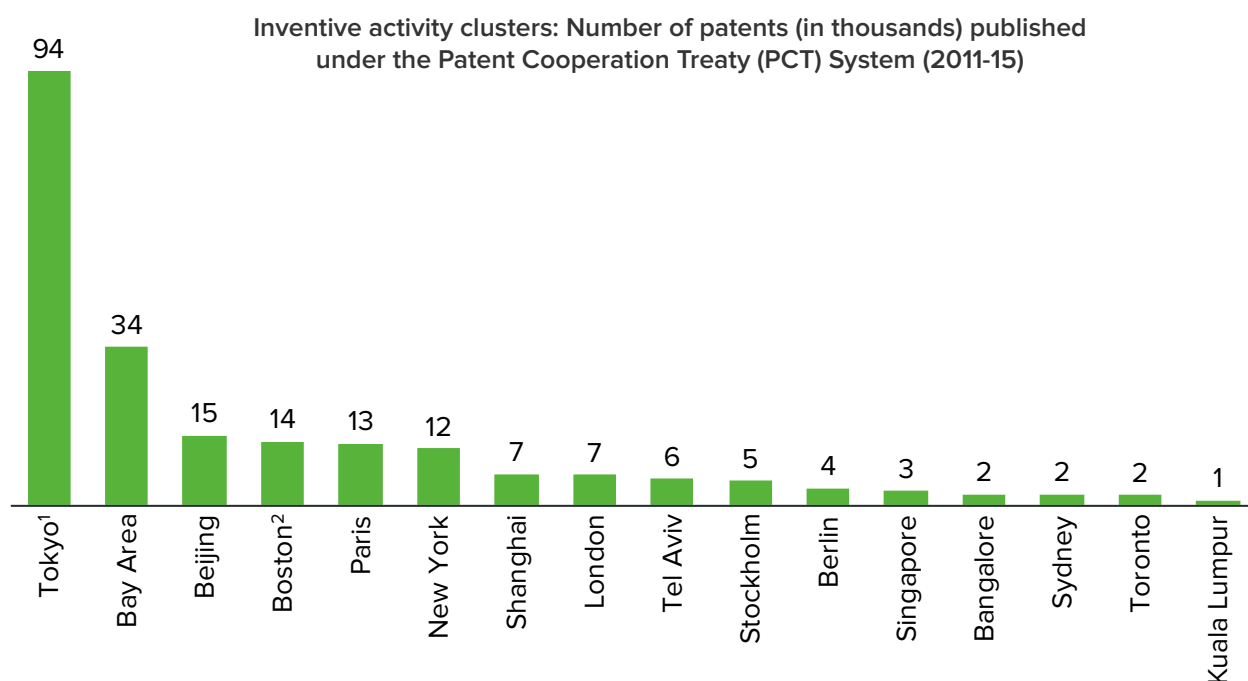
Despite its generally supportive environment, the Info-communications Media Development Authority of Singapore (IMDA) control over the products and services that enter the K-12 public school system, has created a barrier to EdTech adoption. It was

also noted that China has recently tightened regulation around international schools, placing more requirements on the curriculum and regulatory hurdles for school operators to overcome.

Which cities have the greatest innovation potential?

A city's ability to drive innovation and commercialization is another important enabler of EdTech development. The 2017 Global Innovation Index's evaluation of patent volume and knowledge and technology outputs provides a consistent way to measure this key dimension across our 20 cities.

As shown below, Tokyo is the world's largest patent generator, publishing almost three times the number of patents as our second-placed city (the Bay Area), which was recognized as being the most collaborative cluster. For knowledge and technology outputs, the most effective commercializer of innovations and inventions was Sweden (Stockholm), followed closely by the Chinese and US cities.



Data Source: The Global Innovation Index 2017, excludes Nairobi, Cape Town, Delhi NCR and Sao Paulo (data unavailable)

1. Includes Yokohama; 2. Includes Cambridge

TEST BED

The Test Bed dimension of the EdTech index represents the breadth, quality and accessibility of the local education sector

Which education systems are recognized for their quality?

A high-quality education system creates the foundations for high-quality EdTech companies.

In the 2017 World Economic Forum (WEF) Global Competitiveness Report, Singapore's education system ranked at the top of our 20 profiled cities, followed by the US cities, Toronto and Berlin.

Companies headquartered in these cities benefit from exposure to education best practice that can support the development of best-in-class solutions with widespread global applications. Although outside the scope of this report, Helsinki is another good example of a city that is leveraging an internationally regarded education system to develop best-in-class solutions. Finnish EdTech companies heavily leverage the “made in Finland” brand globally and are highly regarded for the quality and innovation of their products, in particular around the educational deployment of gamification.

Although cities like Cape Town and Kuala Lumpur have less well-developed education systems, they have become innovative test beds for emerging technologies and offer viable markets for export-minded companies headquartered in developed market cities (London and Sydney respectively).

Which cities offer high-potential K-12 test beds?

K-12 EdTech companies benefit from cities with a high concentration of schools that are willing to innovate around education delivery. Our interviews helped to identify which cities provide the largest K-12 test beds that are actively helping EdTech companies to scale and benefit from network effects.

City population drives K-12 student numbers, and the megacities of Shanghai and Beijing have the largest K-12 populations globally. Shanghai is often given the privilege of experimenting with education reforms before they are rolled out across the rest of China, which has led Shanghai schools to be regarded as more open to the adoption of innovative classroom

practice and education technologies than their Beijing counterparts. Delhi NCR is the next largest city, and home to over 5500 K-12 schools, although the city school system is noted as being rigid and conservative with regard to the adoption of EdTech solutions. Despite only having half the number of schools, Bangalore is viewed as having the more open and accessible school system across our two Indian cities.

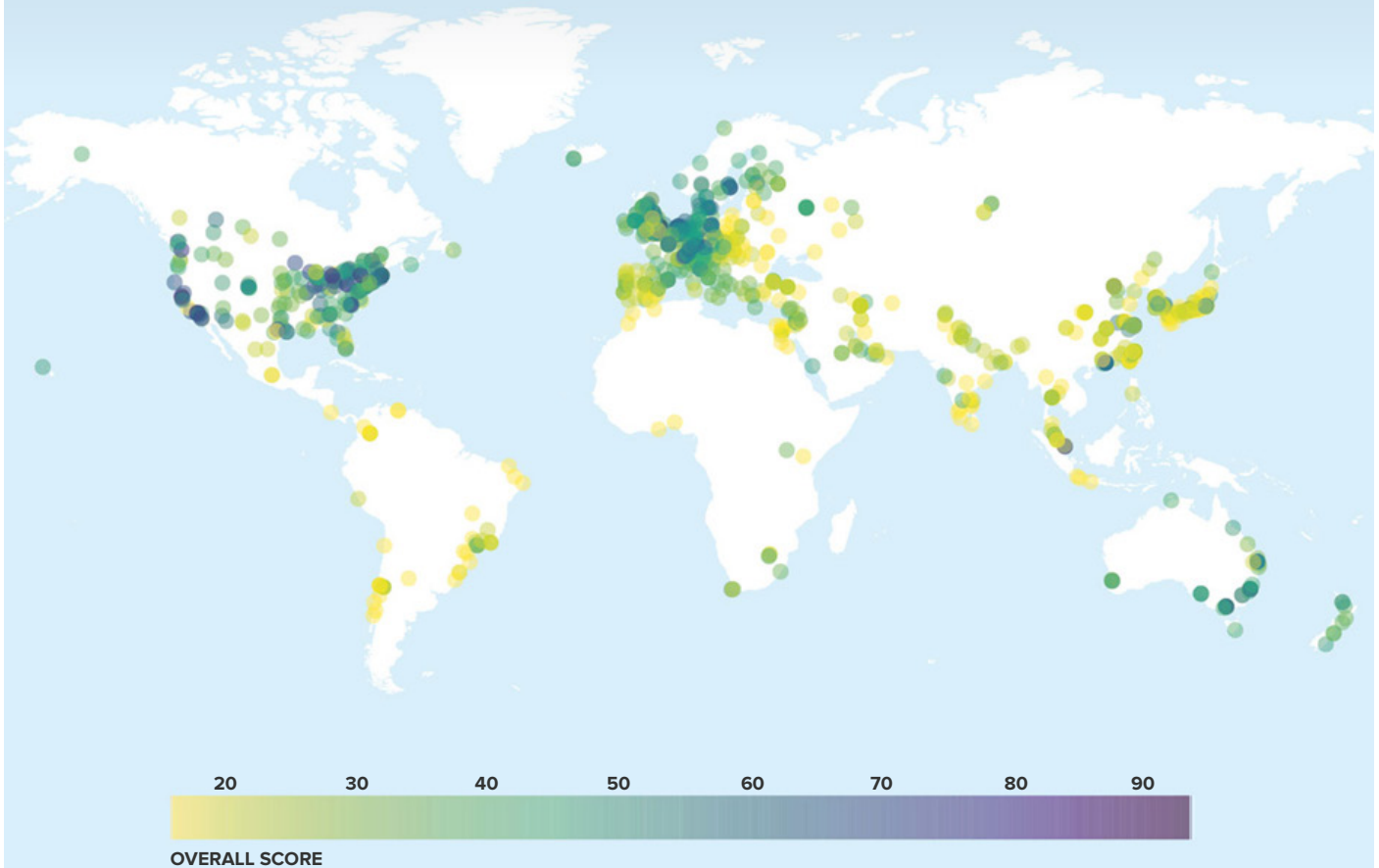
Across developed markets, New York has the largest public school and community college systems in the US, while Greater London and the Paris region also offer extensive school systems. However, while New York and London have well-established programs to increase EdTech adoption across the K-12 sector, Paris suffers from centralized procurement and a lack of funding for EdTech products – restricting adoption to date.

Which cities offer attractive Higher Education test beds?

Unlike K-12 which broadly follows population distribution, quality Higher Education institutions frequently cluster to create internationally recognized centers of learning.

The map on the next page demonstrates the clustering of highly-ranked universities in cities such as the Bay Area (home to Stanford University and University of California, Berkeley), Boston (home to Harvard University and Massachusetts Institute of Technology) and London (home to Imperial and University College). These cities are home to a high concentration of higher education-focused EdTech companies, in part due to EdTech founders and companies emerging from the leading academic research at these universities. These quality universities also represent easily recognizable early adopters making it easier for Higher Education-focused EdTech companies to build their brands.

Distribution of ranked universities across the world (2018)



Source: Times Higher Education, 2018

Where can you find leading university-industry collaborations?

The capacity and tendency for universities to develop and commercialize industry innovation is a strong indicator of test bed support. WEF's University-Industry Collaboration in R&D index highlights that the US and Israel are global leaders.

Government-supported university-industry research centers have been established in the US to foster such relationships and increase the country's industrial competitiveness. Similarly, the Israel Innovation Authority offers incentive programs to promote university-industry collaboration. Products based on Hebrew University's tech transfer developments are reported to generate an astounding US\$2 billion in annual sales.

Across developed markets, Australia performs

relatively poorly, ranking 29th-30th out of 30 OECD countries for university-industry collaborations on innovation. As a result, improving links between Higher Education and industry has been identified as a priority by the Australian Government.

"New York is home to America's largest K-12 district and community college system, as well as its most prestigious private schools and teachers colleges – not to mention the most headquarters of corporate learning companies."



Ash Kaluarachchi,
Co-Founder, StartEd

Navigating the CITY PROFILES

CITY SUMMARY

At the top you will find an EdTech city summary, the city's EdTech Index (a weighted percentage score of the five underlying EdTech dimensions) and a quote from a local contributor.

COMPANIES

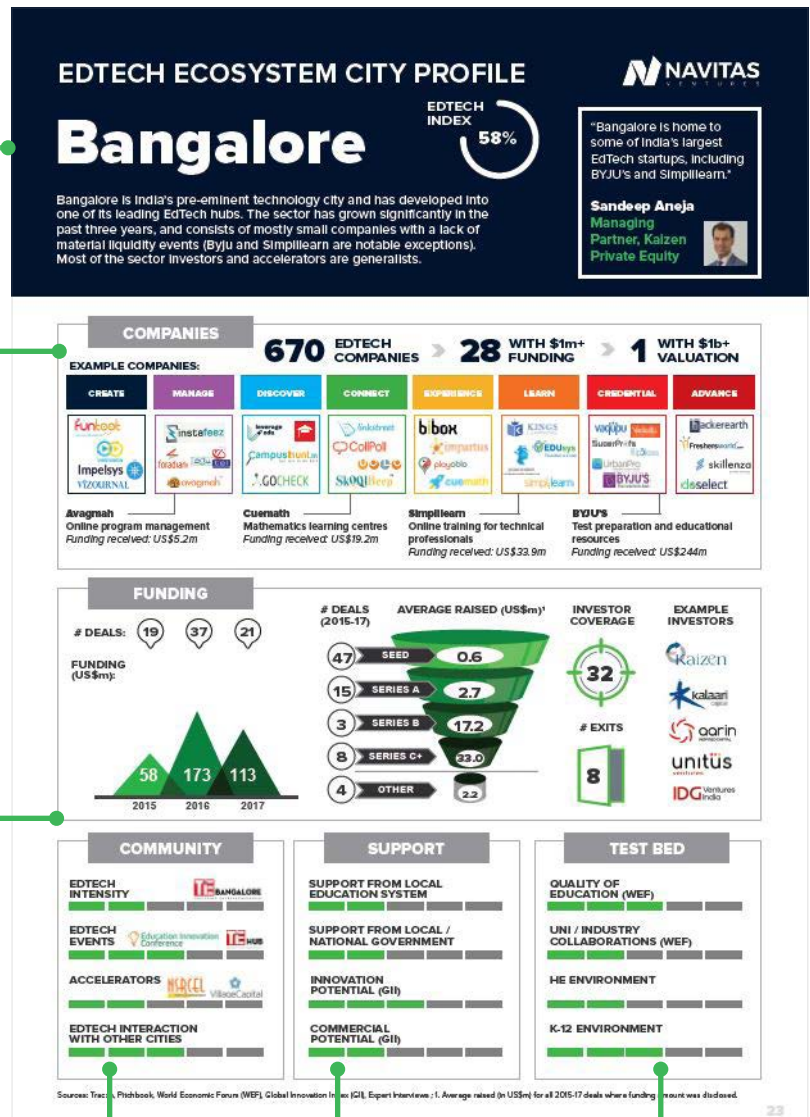
This section provides an overview of the EdTech companies headquartered in the city (by stage in the learning lifecycle)¹, EdTech companies that have received more than \$1m funding (over their lifetime) and EdTech companies valued at over US\$1b (May 1 2018 or valuation at last funding round).

FUNDING

This section examines a city's EdTech deal volume and value by year, deal volume and average value by series, investor coverage (no. of investors that have invested in more than two EdTech companies in that city), number of successful EdTech company exits and example EdTech investors who are based in that city. All data covers 2015-2017.

COMMUNITY

Our analysis of a city's EdTech community includes the intensity of EdTech activity, number and size of key EdTech events, presence and strength of EdTech accelerators (both dedicated and generalist that support EdTech), and the level of global interaction with other EdTech ecosystems.



SUPPORT

A city's level of support for EdTech entrepreneurs is a function of the education system and government support for EdTech, the innovation potential of the city (Global Innovation Index rating) and the commercial potential of the country (Global Innovation Index rating).

TEST BED

A city's EdTech test bed score is influenced by the quality of the education system (World Economic Forum rating), university-industry collaborations in R&D (World Economic Forum rating), the size and quality of the Higher Education institutions, and number of K-12 students in the city.

EDTECH ECOSYSTEM CITY PROFILE

Bangalore

EDTECH
INDEX

58%

Bangalore is India's pre-eminent technology city and has developed into one of its leading EdTech hubs. The sector has grown significantly in the past three years, and consists of mostly small companies with a lack of material liquidity events (Byju and Simplilearn are notable exceptions). Most of the sector investors and accelerators are generalists.

"Bangalore is home to some of India's largest EdTech startups, including BYJU's and Simplilearn."

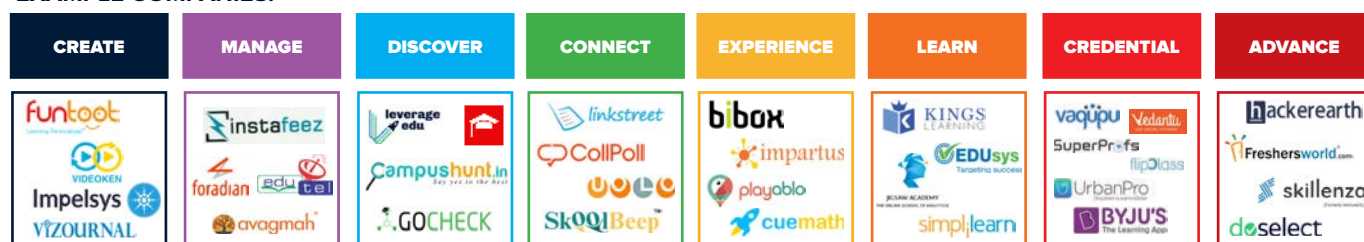
Sandeep Aneja
Managing
Partner, Kaizen
Private Equity



COMPANIES

670 EDTECH COMPANIES > **28** WITH \$1m+ FUNDING > **1** WITH \$1b+ VALUATION

EXAMPLE COMPANIES:



Avagmah
Online program management
Funding received: US\$5.2m

Cuemath
Mathematics learning centres
Funding received: US\$19m

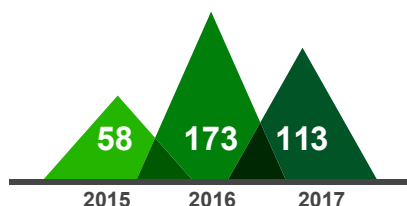
Simplilearn
Online training for technical professionals
Funding received: US\$34m

BYJU'S
Test preparation and educational resources
Funding received: US\$244m

FUNDING

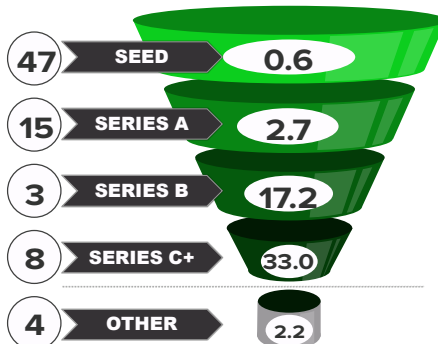
DEALS: 19 37 21

FUNDING
(US\$m):



DEALS
(2015-17)

AVERAGE RAISED (US\$m)¹



INVESTOR
COVERAGE



EXITS



EXAMPLE
INVESTORS



COMMUNITY

EDTECH
INTENSITY



EDTECH
EVENTS



ACCELERATORS



EDTECH INTERACTION
WITH OTHER CITIES

SUPPORT

SUPPORT FROM LOCAL
EDUCATION SYSTEM

SUPPORT FROM LOCAL /
NATIONAL GOVERNMENT

INNOVATION
POTENTIAL (GII)

COMMERCIAL
POTENTIAL (GII)

TEST BED

QUALITY OF
EDUCATION (WEF)

UNI / INDUSTRY
COLLABORATIONS (WEF)

HE ENVIRONMENT

K-12 ENVIRONMENT

EDTECH ECOSYSTEM CITY PROFILE

Bay Area



The Bay Area is one of the Big Three EdTech cities, and home to some of the world's leading EdTech companies including Coursera, Chegg and Udacity. The Bay Area saw 225 deals recorded between 2015 and 2017 and has the world's widest variety of investors active in the city. Despite this breadth of activity, EdTech community support remains small, with EdSurge playing a leading coordination role.

"The Bay Area has a world-class startup ecosystem, and leading universities in the area create a fertile breeding ground for EdTech innovators."

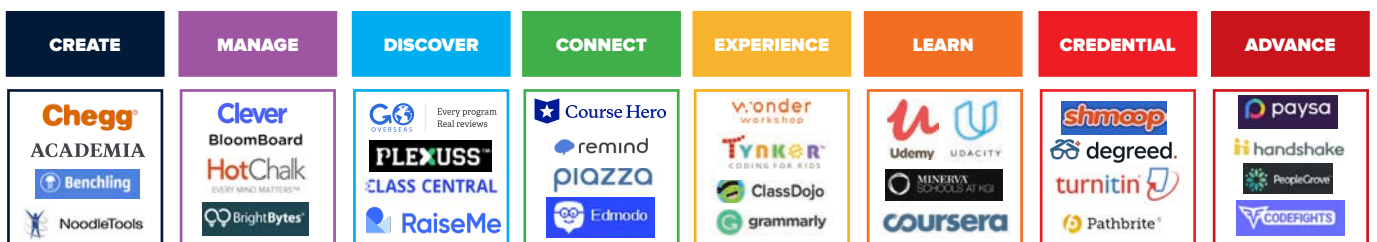
Nikhil Sinha
CEO,
GSVLabs



COMPANIES

800 EDTECH COMPANIES > **178** WITH \$1m+ FUNDING > **2** WITH \$1b+ VALUATION

EXAMPLE COMPANIES:



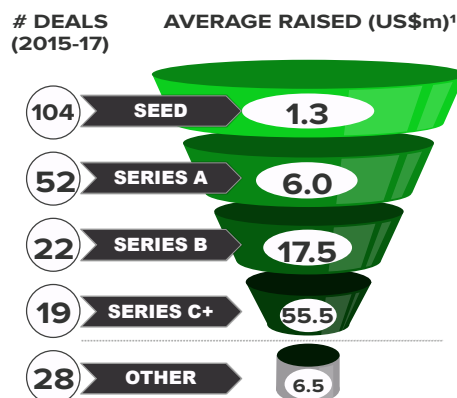
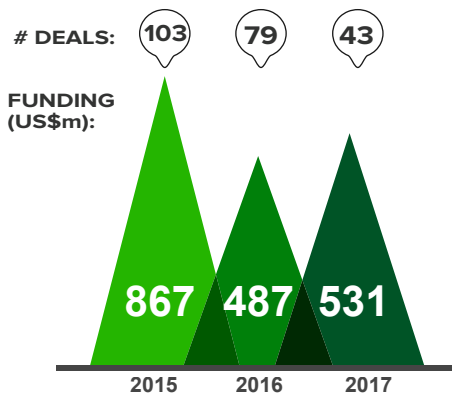
BrightBytes
Data analytics for education
Funding received: US\$52m

Grammarly
Online spell checker
Funding received: US\$110m

Coursera
MOOC provider
Funding received: US\$210m

CodeFights
Assessing coding candidates
Funding received: US\$13m

FUNDING



INVESTOR COVERAGE



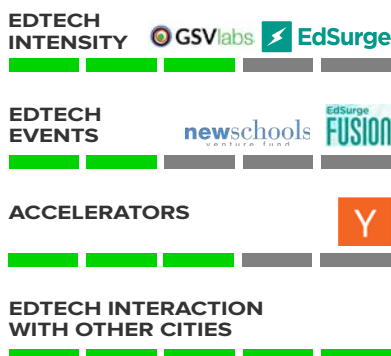
EXITS



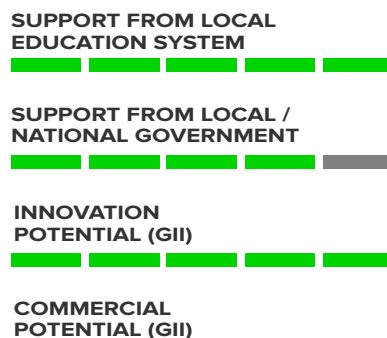
EXAMPLE INVESTORS



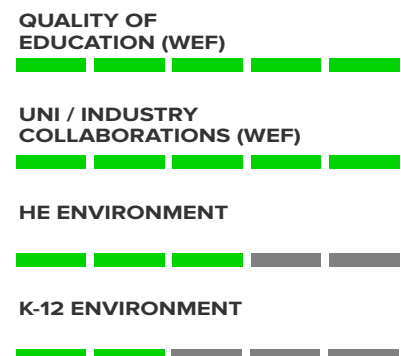
COMMUNITY



SUPPORT



TEST BED



EDTECH ECOSYSTEM CITY PROFILE

Beijing

EDTECH
INDEX

88%

Beijing has the broadest EdTech community in the world with around 3000 companies headquartered there. The city is focused on serving the domestic Chinese market, with companies concentrated in a small number of verticals (i.e. K-12 tutoring, homework), although the larger companies are increasingly internationally focused. Strategic investors like TAL and New Oriental play a key role in helping EdTech companies scale.

"Beijing is the centre of technology, investment, and education in China. The government and traditional education system are very supportive of EdTech startups."

Sophie Chen
Partner,
JMDedu



COMPANIES

3000 EDTECH COMPANIES > **109** WITH \$1m+ FUNDING > **5** WITH \$1b+ VALUATION¹

EXAMPLE COMPANIES:

CREATE	MANAGE	DISCOVER	CONNECT	EXPERIENCE	LEARN	CREDENTIAL	ADVANCE

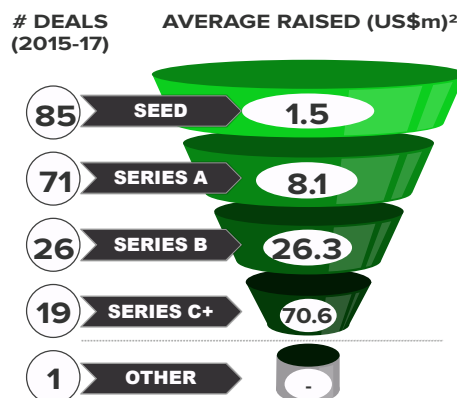
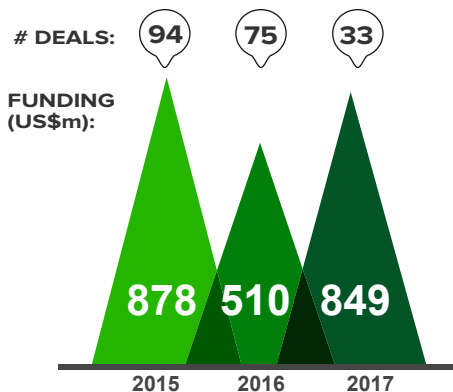
ShareWithU
Resources for overseas education
Funding received: US\$17m

Zuoyebang
Mentoring and homework Q&A
Funding received: US\$214m

XuetangX
MOOC platform
Funding received: US\$33m

Yuanfundao
Online tutoring for K-12
Funding received: US\$244m

FUNDING



INVESTOR COVERAGE



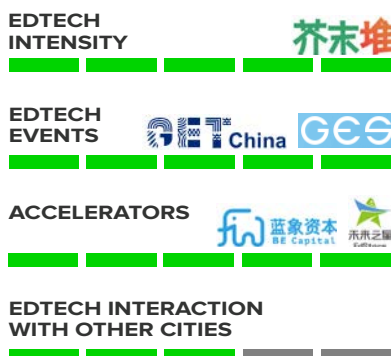
EXITS



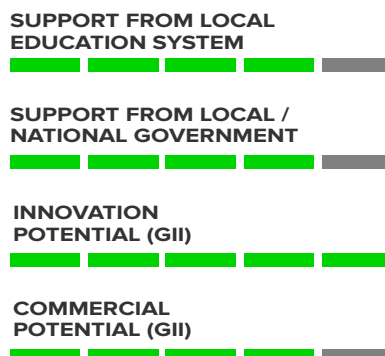
EXAMPLE INVESTORS



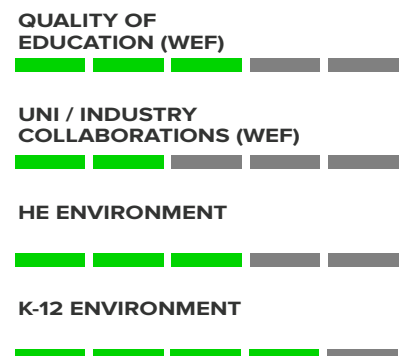
COMMUNITY



SUPPORT



TEST BED



Notes: 1. Our \$1b+ analysis excludes TAL and New Oriental. Sources: Tracxn, Pitchbook, World Economic Forum (WEF), Global Innovation Index (GII), Expert Interviews ; 2. Average raised (in US\$m) for all 2015-17 deals where funding amount was disclosed.

EDTECH ECOSYSTEM CITY PROFILE

Berlin

EDTECH
INDEX

53%

Berlin is an emerging EdTech city, with a low volume of companies but fast growth and a vibrant startup environment. Its nascent ecosystem is led by EduVation with support from Connect EdTech, and is backed by generalist investors and accelerators. OEB and, elsewhere in Germany, the Didacta Fair and LearnTec are large educational events that cover all learning levels and have an increasing digital and international focus.

"It's great to start up in Berlin. Visas are easy to acquire and most startups operate in English. It is also very cost-efficient."

Beth Havinga

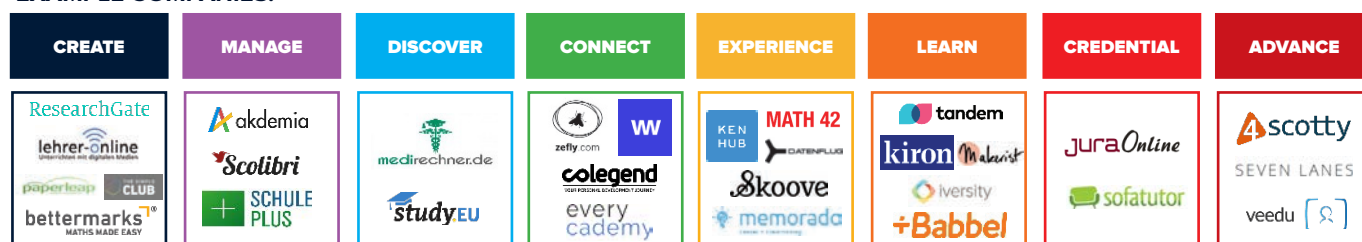
Founder &
Managing Director,
Connect EdTech



COMPANIES

90 EDTECH COMPANIES > **14** WITH \$1m+ FUNDING > **0** WITH \$1b+ VALUATION

EXAMPLE COMPANIES:



BetterMarks
Adaptive learning technology
Funding received: US\$34m

Memorado
Brain training games
Funding received: US\$4.6m

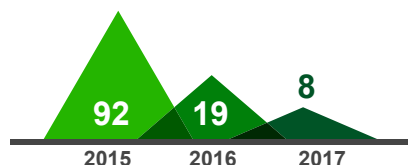
Babbel
Language learning software
Funding received: US\$34m

Sofatutor
Test prep and educational resources
Funding received: US\$8.4m

FUNDING

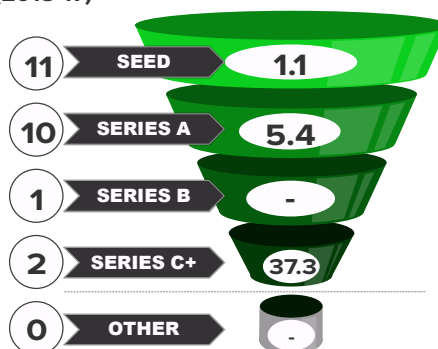
DEALS: 14 8 2

FUNDING
(US\$m):



DEALS
(2015-17)

AVERAGE RAISED (US\$m)¹



INVESTOR
COVERAGE



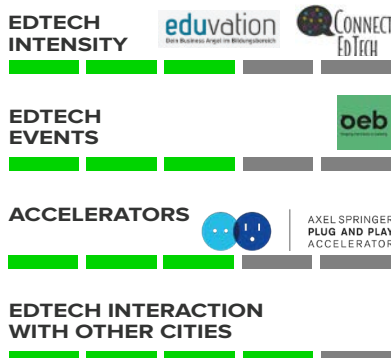
EXITS



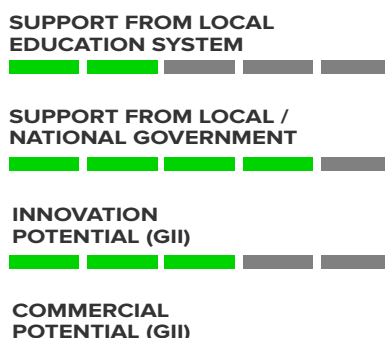
EXAMPLE
INVESTORS



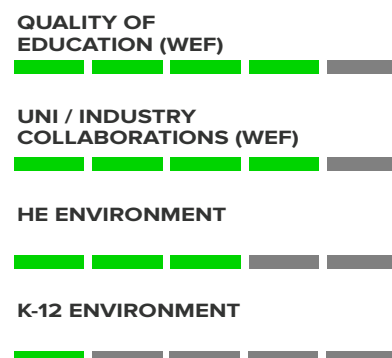
COMMUNITY



SUPPORT



TEST BED



EDTECH ECOSYSTEM CITY PROFILE

Boston

EDTECH
INDEX

76%

Boston is one of the few cities in the world with the potential to challenge the Big Three. A globally recognised center for learning, Boston benefits from a well organised EdTech Ecosystem coordinated by MassCUE and LearnLaunch, integration with some of the world's leading universities, and support from established players such as Cengage. The success of edX, founded by Harvard and MIT, exemplifies the city's strengths.

"Boston has a full spectrum of ecosystem players, from leading startups to supportive investors, angel groups, education-focused accelerators and universities."

Jean Hammond

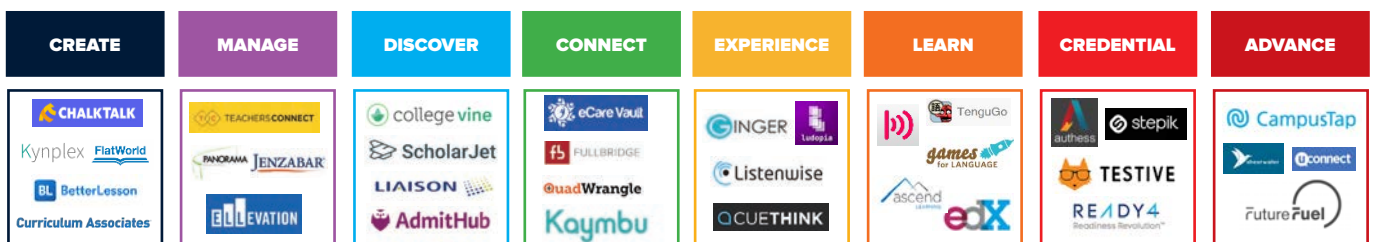
Partner,
Learn Launch



COMPANIES

240 EDTECH COMPANIES > **45** WITH \$1m+ FUNDING > **2** WITH \$1b+ VALUATION¹

EXAMPLE COMPANIES:



Curriculum Associates
Adaptive and blended learning materials provider
Funding received: Undisclosed

Ascend Learning
Diversified EdTech provider
Acquired by Blackstone and CPPIB for over US\$2b

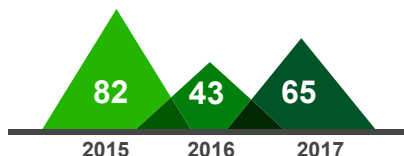
edX
Non-profit MOOC platform founded by Harvard and MIT
Funding received: N/A

Ready4
Test prep solutions
Funding received: US\$8.4m

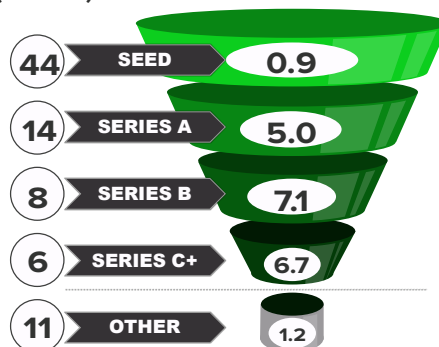
FUNDING²

DEALS: 43 26 14

FUNDING (US\$m):



DEALS (2015-17) AVERAGE RAISED (US\$m)³



INVESTOR COVERAGE



EXITS



EXAMPLE INVESTORS



COMMUNITY

EDTECH INTENSITY **MassCUE** November Learning

EDTECH EVENTS **ACROSS BOUNDARIES**

ACCELERATORS **LearnLaunch**

EDTECH INTERACTION WITH OTHER CITIES

SUPPORT

SUPPORT FROM LOCAL EDUCATION SYSTEM

SUPPORT FROM LOCAL / NATIONAL GOVERNMENT

INNOVATION POTENTIAL (GII)

COMMERCIAL POTENTIAL (GII)

TEST BED

QUALITY OF EDUCATION (WEF)

UNI / INDUSTRY COLLABORATIONS (WEF)

HE ENVIRONMENT

K-12 ENVIRONMENT

EDTECH ECOSYSTEM CITY PROFILE

Cape Town

EDTECH
INDEX

35%

Cape Town is an emerging EdTech city, focused on serving the whole of Africa. It is home to Injini, the first dedicated EdTech incubator on the continent, which supported eight startups from five countries in its first intake in October 2017 (a second cohort will begin in July 2018). Cape Town has a small community, with the standout company being GetSmarter, an OPM provider that was acquired by 2U in 2017.

"The platform is laid for Africa to see an explosion of education innovation over the next decade."

Jamie Martin
Founder & CEO,
Injini



COMPANIES

60

EDTECH
COMPANIES

2

WITH \$1m+
FUNDING

0

WITH \$1b+
VALUATION¹

EXAMPLE COMPANIES:

CREATE

MANAGE

DISCOVER

CONNECT

EXPERIENCE

LEARN

CREDENTIAL

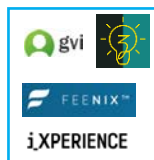
ADVANCE



GetSmarter
Online program management for short courses
Acquired by 2U for \$103m



Siyavula
Maths and science practice resources
Funding received: US\$1.5m



Explore Data Science Academy
Data skills bootcamp provider
Funding received: US\$3.1m



Mintor
Student and graduate jobs
Funding received: <US\$0.1m



FUNDING

DEALS:

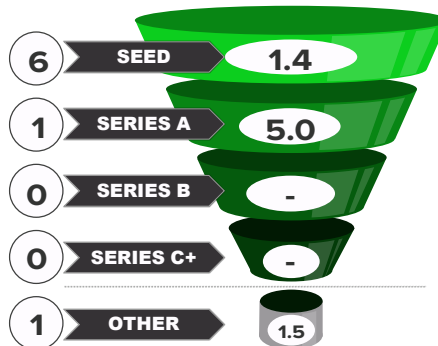


FUNDING
(US\$m):



DEALS
(2015-17)

AVERAGE RAISED (US\$m)²



INVESTOR
COVERAGE



EXAMPLE
INVESTORS

EXITS



n/a

COMMUNITY

EDTECH
INTENSITY



EDTECH
EVENTS



ACCELERATORS



EDTECH INTERACTION
WITH OTHER CITIES



SUPPORT

SUPPORT FROM LOCAL
EDUCATION SYSTEM



SUPPORT FROM LOCAL /
NATIONAL GOVERNMENT



INNOVATION
POTENTIAL (GII)



COMMERCIAL
POTENTIAL (GII)



TEST BED

QUALITY OF
EDUCATION (WEF)



UNI / INDUSTRY
COLLABORATIONS (WEF)



HE ENVIRONMENT



K-12 ENVIRONMENT



Notes: 1. Our \$1b+ analysis excludes Curro. Sources: Tracxn, Pitchbook, World Economic Forum (WEF), Global Innovation Index (GII), Expert Interviews ; 2. Average raised (in US\$m) for all 2015-17 deals where funding amount was disclosed.

EDTECH ECOSYSTEM CITY PROFILE

Delhi NCR

EDTECH
INDEX

51%

Delhi NCR is a large EdTech city predominantly focused on serving the domestic Indian market. As with Bangalore, it has a large number of mostly small companies but growth has suffered from a relative lack of investor coverage and funding. The EdTech Review coordinates EdTech events across Delhi NCR (and the rest of India), but the majority of sector participants are generalists with an emerging interest in EdTech.

"Lack of access to education with strong learning outcomes opens opportunities for EdTech startups. There is also growing demand for in-school and after-school programs."

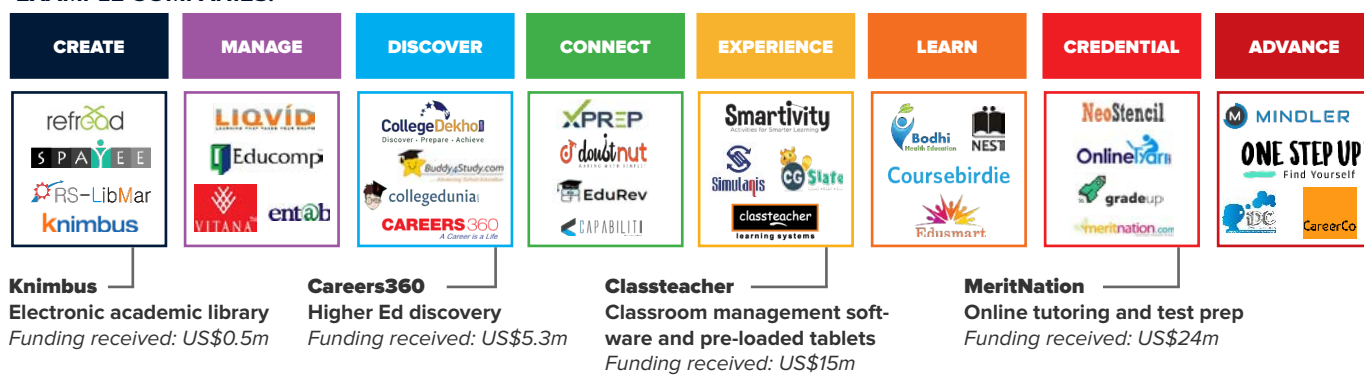
Deepak Menon
Regional Director,
Emerging Markets,
Village Capital



COMPANIES

880 EDTECH COMPANIES > **19** WITH \$1m+ FUNDING > **0** WITH \$1b+ VALUATION

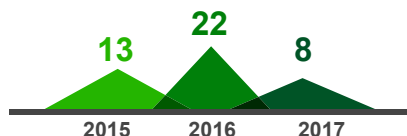
EXAMPLE COMPANIES:



FUNDING

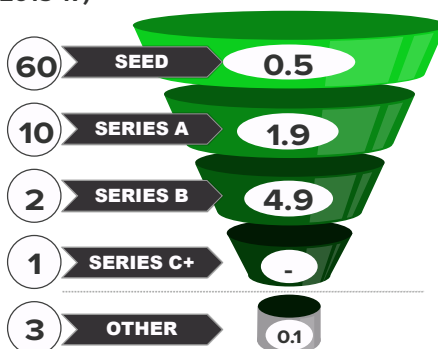
DEALS: 30 30 16

FUNDING (US\$m):



DEALS (2015-17)

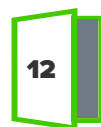
AVERAGE RAISED (US\$m)¹



INVESTOR COVERAGE



EXITS



EXAMPLE INVESTORS



COMMUNITY

EDTECH INTENSITY

EdTechReview
www.edtechreview.in

EDTECH EVENTS

EdTechReview
www.edtechreview.in

ACCELERATORS

10000
START-UPS

EDTECH INTERACTION WITH OTHER CITIES

SUPPORT

SUPPORT FROM LOCAL EDUCATION SYSTEM

SUPPORT FROM LOCAL / NATIONAL GOVERNMENT

INNOVATION POTENTIAL (GII)

COMMERCIAL POTENTIAL (GII)

TEST BED

QUALITY OF EDUCATION (WEF)

UNI / INDUSTRY COLLABORATIONS (WEF)

HE ENVIRONMENT

K-12 ENVIRONMENT

Kuala Lumpur

Kuala Lumpur is an emerging EdTech city with a notable concentration of education discovery portal companies. While local EdTech funding is nascent, the broader ecosystem benefits from government backing for technology-enabled education such as MOOCs, as well as support from generalist organisations such as MaGIC.

EDTECH INDEX

37%

"Malaysia's desire to become the regional hub for premium international Higher Ed will create additional opportunities in ancillary education services, including online."

Mike Michalec
Founder & MD
EdTech Asia



COMPANIES

50

EDTECH COMPANIES

0

WITH \$1m+ FUNDING

0

WITH \$1b+ VALUATION

EXAMPLE COMPANIES:

CREATE

MANAGE

DISCOVER

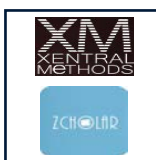
CONNECT

EXPERIENCE

LEARN

CREDENTIAL

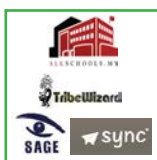
ADVANCE



EasyUni
Discovery portal for HE
Funding received: US\$0.3m



Sync
Parent-school communications app
Funding received: US\$0.3m



EduNation
Free educational videos for school and teacher PD
Funding received: N/A



Internsheeps
Internship listings
Funding received: Bootstrapped



FUNDING

DEALS:

6

0

0

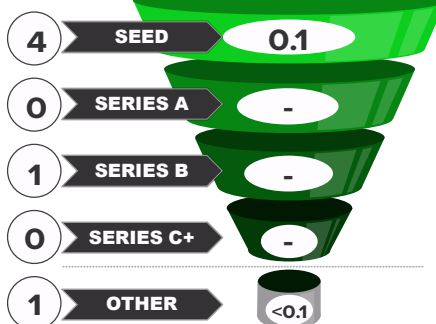
FUNDING (US\$m):

<1

2015 2016 2017

DEALS (2015-17)

AVERAGE RAISED (US\$m)¹



INVESTOR COVERAGE



EXITS



EXAMPLE INVESTORS

GOBI PARTNERS

Cradle
Catalysing Sustainable Technoventures

500

TEAK CAPITAL
PARTNERING FOR GROWTH

COMMUNITY

EDTECH INTENSITY



EDTECH EVENTS



ACCELERATORS



EDTECH INTERACTION WITH OTHER CITIES

SUPPORT

SUPPORT FROM LOCAL EDUCATION SYSTEM

SUPPORT FROM LOCAL / NATIONAL GOVERNMENT

INNOVATION POTENTIAL (GII)

COMMERCIAL POTENTIAL (GII)

TEST BED

QUALITY OF EDUCATION (WEF)

UNI / INDUSTRY COLLABORATIONS (WEF)

HE ENVIRONMENT

K-12 ENVIRONMENT

EDTECH ECOSYSTEM CITY PROFILE

London

EDTECH
INDEX
72%

As a regional EdTech hub, London is home to numerous events, including BETT, EdTechXEurope, and London EdTech Week. The ecosystem is supported by EdTech specialists, such as Emerge Education, and by the traditional education system through initiatives such as EDUCATE at UCL. Given the limited domestic market, EdTech companies tend to have an international focus.

"The siloes in UK EdTech are breaking down and we are seeing a more interconnected community emerging in London."

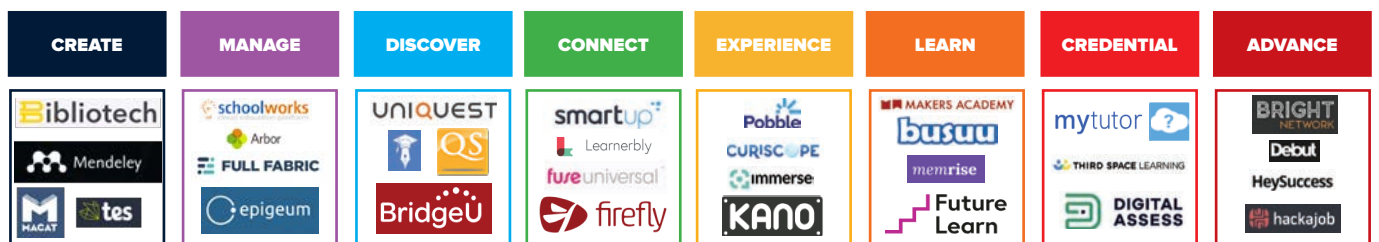
Sophie Bailey
Founder, The
EdTech Podcast



COMPANIES

520 EDTECH COMPANIES > **47** WITH \$1m+ FUNDING > **0** WITH \$1b+ VALUATION¹

EXAMPLE COMPANIES:



BridgeU
Admissions & university
recommendation software
Funding received: US\$9.2m

Firefly
K-12 learning management system
Funding received: US\$5.6m

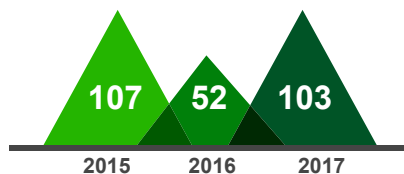
Kano
DIY computer kit to teach
children STEM
Funding received: US\$50m

FutureLearn
MOOC platform owned by the
Open University
Funding received: N/A

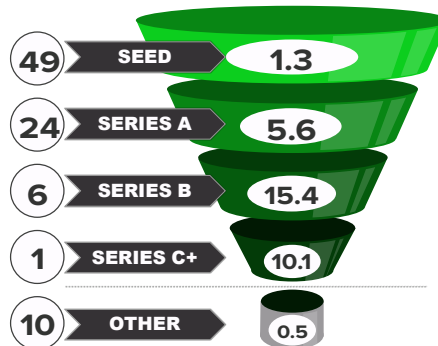
FUNDING

DEALS: 36 28 26

FUNDING
(US\$m):



DEALS (2015-17) AVERAGE RAISED (US\$m)²



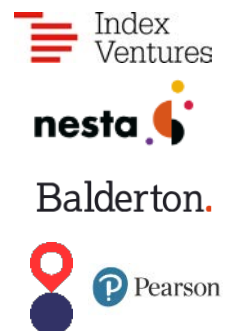
INVESTOR
COVERAGE



EXITS



EXAMPLE
INVESTORS



COMMUNITY

EDTECH
INTENSITY



EDTECH
EVENTS



ACCELERATORS



EDTECH INTERACTION
WITH OTHER CITIES



SUPPORT

SUPPORT FROM LOCAL
EDUCATION SYSTEM

SUPPORT FROM LOCAL /
NATIONAL GOVERNMENT

INNOVATION
POTENTIAL (GII)

COMMERCIAL
POTENTIAL (GII)



TEST BED

QUALITY OF
EDUCATION (WEF)

UNI / INDUSTRY
COLLABORATIONS (WEF)

HE ENVIRONMENT

K-12 ENVIRONMENT



Notes: 1. Our \$1b+ analysis excludes Pearson. Sources: Tracxn, Pitchbook, World Economic Forum (WEF), Global Innovation Index (GII), Expert Interviews ; 2. Average raised (in US\$m) for all 2015-17 deals where funding amount was disclosed.

EDTECH ECOSYSTEM CITY PROFILE

Nairobi

EDTECH
INDEX

37%

Nairobi is an emerging EdTech city and a hub for activity in East Africa. The ecosystem is coordinated by EdTech East Africa, which runs events in Nairobi and other cities in the region. Investor support is nascent, and comprises generalist groups that support EdTech amongst other areas.

“Dramatic urbanisation in Africa will impact school systems, opening up many opportunities for entrepreneurs.”

Jenn Cotter
Co-Founder,
EdTech East Africa



COMPANIES

100

EDTECH
COMPANIES

1

WITH \$1m+
FUNDING

0

WITH \$1b+
VALUATION

EXAMPLE COMPANIES:

CREATE

MANAGE

DISCOVER

CONNECT

EXPERIENCE

LEARN

CREDENTIAL

ADVANCE



Kytabu
Digital textbook rental using
mobile money
Funding received: Undisclosed



Eneza Education
Mobile educational content
Funding received: Undisclosed



Spire
Workplace training
Funding received: US\$0.3m



Duma Works
Job matching based on
algorithms
Funding received: \$0.9m



FUNDING

DEALS:

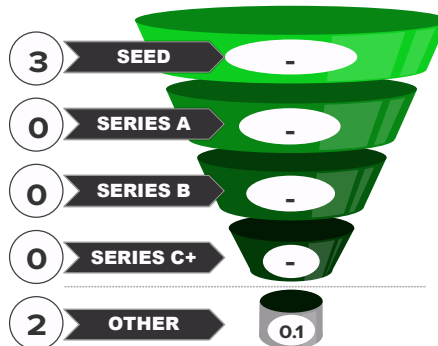


FUNDING
(US\$m):



DEALS
(2015-17)

AVERAGE RAISED (US\$m)¹



INVESTOR
COVERAGE



EXITS



EXAMPLE
INVESTORS



COMMUNITY

EDTECH
INTENSITY



EDTECH
EVENTS



ACCELERATORS



EDTECH INTERACTION
WITH OTHER CITIES



SUPPORT

SUPPORT FROM LOCAL
EDUCATION SYSTEM



SUPPORT FROM LOCAL /
NATIONAL GOVERNMENT



INNOVATION
POTENTIAL (GII)



COMMERCIAL
POTENTIAL (GII)



TEST BED

QUALITY OF
EDUCATION (WEF)



UNI / INDUSTRY
COLLABORATIONS (WEF)



HE ENVIRONMENT



K-12 ENVIRONMENT



EDTECH ECOSYSTEM CITY PROFILE

New York

EDTECH
INDEX
85%

"New York is home to America's largest publishers, K-12 district, and community college system."

Ash Kaluarachchi
Co-Founder,
StartEd

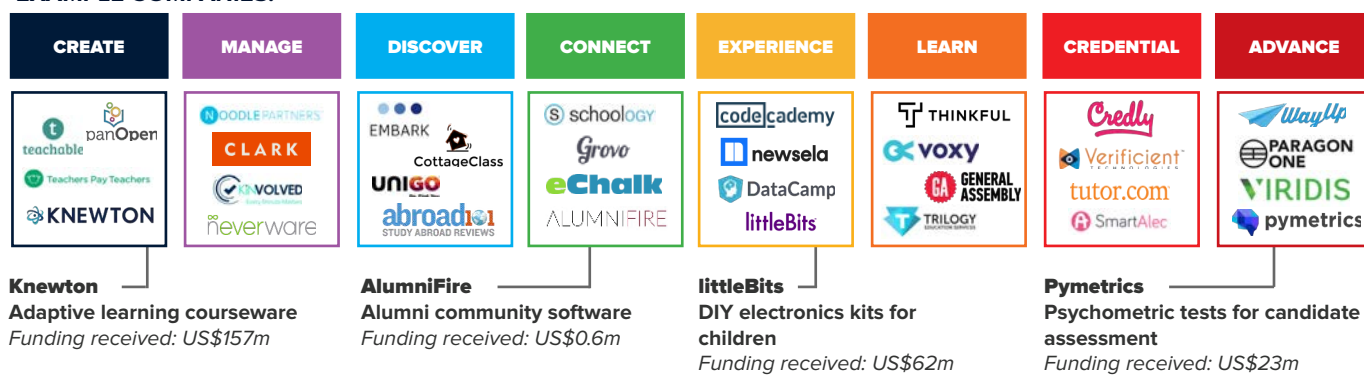


New York is one of the Big Three EdTech cities and home to over 1000 companies, including General Assembly (a recent high-profile exit). The ecosystem benefits from extensive participation from educational institutions such as NYU, as well as both EdTech-specific and generalist investors. In December, NY EdTech Week brings together over 1250 attendees from business, policy, and education.

COMPANIES

1000 EDTECH COMPANIES > **93** WITH \$1m+ FUNDING > **0** WITH \$1b+ VALUATION¹

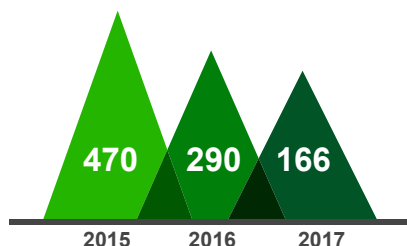
EXAMPLE COMPANIES:



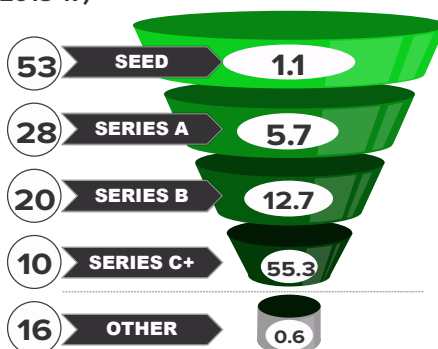
FUNDING

DEALS: 48 50 29

FUNDING (US\$m):



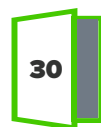
DEALS (2015-17) AVERAGE RAISED (US\$m)²



INVESTOR COVERAGE



EXITS



EXAMPLE INVESTORS



COMMUNITY

EDTECH INTENSITY

EDTECH EVENTS

ACCELERATORS

EDTECH INTERACTION WITH OTHER CITIES



BMO Capital Markets



started

SUPPORT

SUPPORT FROM LOCAL EDUCATION SYSTEM

SUPPORT FROM LOCAL / NATIONAL GOVERNMENT

INNOVATION POTENTIAL (GII)

COMMERCIAL POTENTIAL (GII)

TEST BED

QUALITY OF EDUCATION (WEF)

UNI / INDUSTRY COLLABORATIONS (WEF)

HE ENVIRONMENT

K-12 ENVIRONMENT

EDTECH ECOSYSTEM CITY PROFILE

Paris

EDTECH
INDEX

58%

Paris is a rapidly maturing ecosystem with a particular focus on online education and corporate learning. The ecosystem features multiple dedicated EdTech players, including LearnSpace, BrightEye Ventures and EduCapital, in addition to several generalist French investors. Multiple EdTech conferences and events are run in Paris, helping to create a strong, vibrant community.

"There is a big explosion in Paris EdTech right now. The sector is growing, particularly in the areas of corporate and lifelong learning."

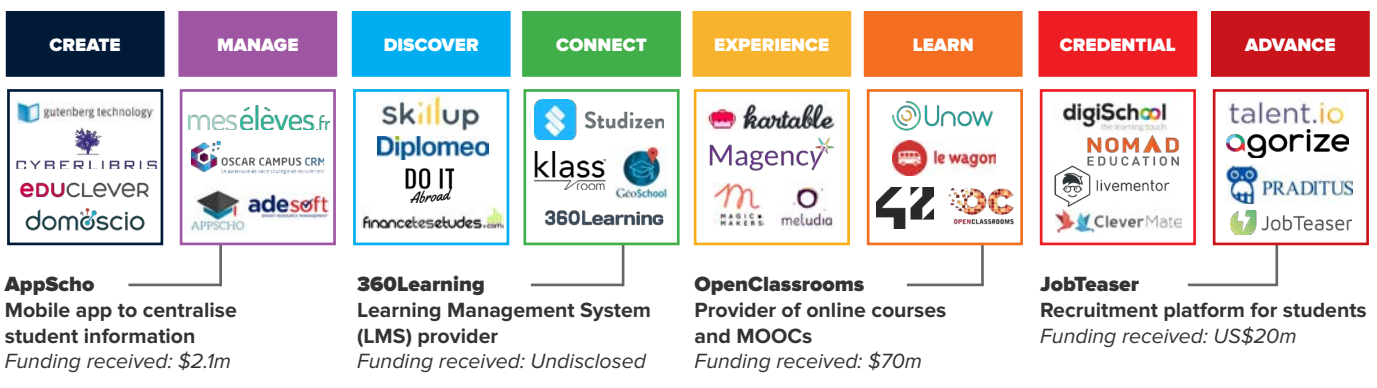
Svenia Busson
Founder,
LearnSpace



COMPANIES

300 EDTECH COMPANIES > **18** WITH \$1m+ FUNDING > **0** WITH \$1b+ VALUATION

EXAMPLE COMPANIES:

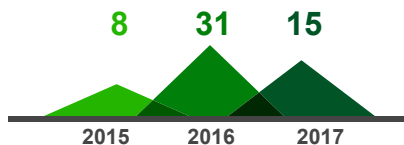


FUNDING

DEALS:

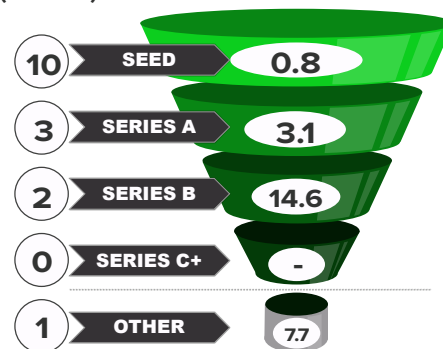


FUNDING (US\$m):



DEALS (2015-17)

AVERAGE RAISED (US\$m)¹



INVESTOR COVERAGE

EXAMPLE INVESTORS



EXITS



COMMUNITY

EDTECH INTENSITY



EDTECH EVENTS



ACCELERATORS



EDTECH INTERACTION WITH OTHER CITIES

SUPPORT

SUPPORT FROM LOCAL EDUCATION SYSTEM

SUPPORT FROM LOCAL / NATIONAL GOVERNMENT

INNOVATION POTENTIAL (GII)

COMMERCIAL POTENTIAL (GII)

TEST BED

QUALITY OF EDUCATION (WEF)

UNI / INDUSTRY COLLABORATIONS (WEF)

HE ENVIRONMENT

K-12 ENVIRONMENT

EDTECH ECOSYSTEM CITY PROFILE

Sao Paulo

EDTECH
INDEX

33%

Sao Paulo is the leading city for the Brazilian EdTech industry, with a focus on serving the large domestic market. Its community is coordinated by Hackademia and benefits from the presence of dedicated groups such as Future Education as well as multiple conferences. Local investors are typically generalists.

"Whilst the EdTech ecosystem is nascent, there are growing interactions between EdTech startups and traditional schools / universities."

Thiago Chaer
Co-Founder &
CEO, Future
Education



COMPANIES

60

EDTECH
COMPANIES

4

WITH \$1m+
FUNDING

0

WITH \$1b+
VALUATION¹

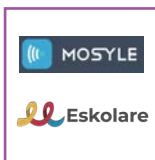
EXAMPLE COMPANIES:

CREATE



Geekie
Adaptive learning technology
Funding received: US\$7.0m

MANAGE



DISCOVER



Quero
Discovery for educational
institutions
Funding received: US\$0.1m

CONNECT



EXPERIENCE

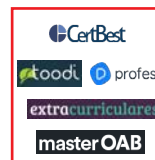


EduK
Course marketplace
Funding received: US\$10m

LEARN



CREDENTIAL



WallJobs
Internship and graduate jobs
Funding received: Bootstrapped

ADVANCE

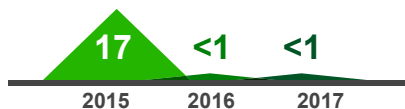


FUNDING

DEALS:

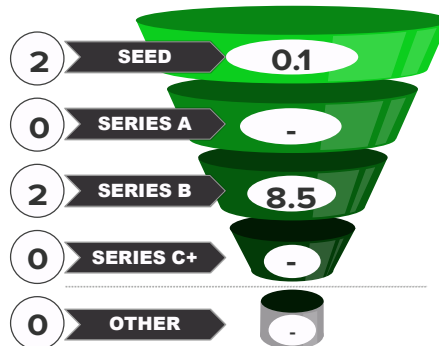


FUNDING
(US\$m):



DEALS
(2015-17)

AVERAGE RAISED (US\$m)²



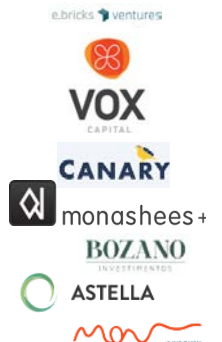
INVESTOR
COVERAGE



EXITS



EXAMPLE
INVESTORS



COMMUNITY

EDTECH
INTENSITY



EDTECH
EVENTS



ACCELERATORS



EDTECH INTERACTION
WITH OTHER CITIES



SUPPORT

SUPPORT FROM LOCAL
EDUCATION SYSTEM



SUPPORT FROM LOCAL /
NATIONAL GOVERNMENT



INNOVATION
POTENTIAL (GII)



COMMERCIAL
POTENTIAL (GII)



TEST BED

QUALITY OF
EDUCATION (WEF)



UNI / INDUSTRY
COLLABORATIONS (WEF)



HE ENVIRONMENT



K-12 ENVIRONMENT



Notes: 1. Our \$1b+ analysis excludes Somos. Sources: Tracxn, Pitchbook, World Economic Forum (WEF), Global Innovation Index (GII), Expert Interviews ; 2. Average raised (in US\$m) for all 2015-17 deals where funding amount was disclosed.

EDTECH ECOSYSTEM CITY PROFILE

Shanghai

EDTECH
INDEX

68%

Shanghai is China's second largest EdTech ecosystem after Beijing, and home to leading language learning companies such as Huijiang and iTutorGroup. The local ecosystem is supported by generalist investors and accelerators, who cover EdTech amongst other areas.

"Shanghai is a very international Chinese city and great for EdTech entrepreneurs building cross-border solutions."

Dun Xiao
Founder,
17Zuoye



COMPANIES

1000

EDTECH
COMPANIES

27

WITH \$1m+
FUNDING

2

WITH \$1b+
VALUATION

EXAMPLE COMPANIES:

CREATE



Youshikoudai
Resources for kindergarten teachers
Funding received: US\$2.9m

MANAGE



DISCOVER

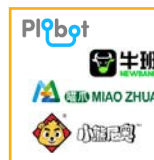


Xuebajun
Homework Q&A app
Funding received: US\$155m

CONNECT



EXPERIENCE



iTutorGroup
Online language classes
Funding received: US\$315m

LEARN



CREDENTIAL

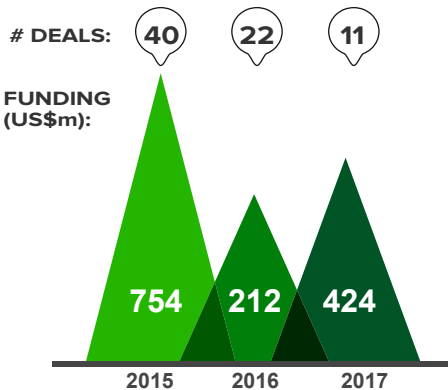


Xiaozhan Jiaoyu
Test prep for international exams
Funding received: US\$113m

ADVANCE

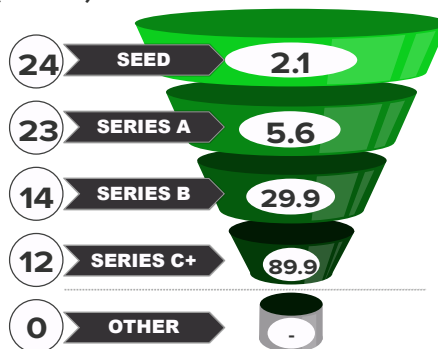


FUNDING



DEALS
(2015-17)

AVERAGE RAISED (US\$m)¹



INVESTOR
COVERAGE



EXITS



EXAMPLE
INVESTORS



COMMUNITY

EDTECH
INTENSITY



EDTECH
EVENTS



ACCELERATORS



EDTECH INTERACTION
WITH OTHER CITIES

SUPPORT

SUPPORT FROM LOCAL
EDUCATION SYSTEM

SUPPORT FROM LOCAL /
NATIONAL GOVERNMENT

INNOVATION
POTENTIAL (GII)

COMMERCIAL
POTENTIAL (GII)

TEST BED

QUALITY OF
EDUCATION (WEF)

UNI / INDUSTRY
COLLABORATIONS (WEF)

HE ENVIRONMENT

K-12 ENVIRONMENT

EDTECH ECOSYSTEM CITY PROFILE

Singapore

EDTECH
INDEX
54%

Singapore is a hub for Southeast Asia and hosts numerous events, including EdTechXAsia, EDUCATE, and KIES. A range of generalist and education-focused investors have offices there, often investing in companies with a strong regional focus. For now, most local startups remain quite small.

"It is easy to launch an EdTech startup in Singapore. The government is very supportive of education innovations."

So-Young Kang
Founder & CEO,
Gnowbe



COMPANIES

300 EDTECH COMPANIES > 7 WITH \$1m+ FUNDING > 0 WITH \$1b+ VALUATION

EXAMPLE COMPANIES:

CREATE	MANAGE	DISCOVER	CONNECT	EXPERIENCE	LEARN	CREDENTIAL	ADVANCE

Cialfo
Higher Ed admissions software for consultants and counsellors
Funding received: US\$0.7m

Koobits
Mathematics practice materials
Funding received: US\$4.0m

Gnowbe
Mobile micro-learning platform & courses
Funding received: US\$1.7m

Glints
Internship and career information website
Funding received: US\$3.0m

FUNDING

DEALS:

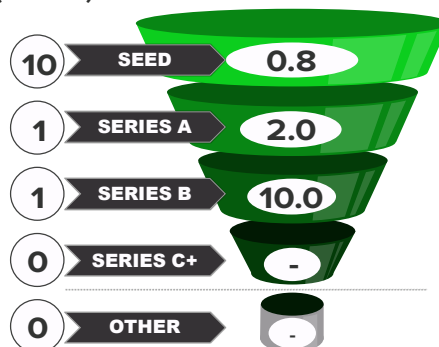


FUNDING (US\$m):



DEALS (2015-17)

AVERAGE RAISED (US\$m)¹



INVESTOR COVERAGE



EXITS



EXAMPLE INVESTORS



COMMUNITY

EDTECH INTENSITY	
EDTECH EVENTS	
ACCELERATORS	
EDTECH INTERACTION WITH OTHER CITIES	

SUPPORT

SUPPORT FROM LOCAL EDUCATION SYSTEM	
SUPPORT FROM LOCAL / NATIONAL GOVERNMENT	
INNOVATION POTENTIAL (GII)	
COMMERCIAL POTENTIAL (GII)	

TEST BED

QUALITY OF EDUCATION (WEF)	
UNI / INDUSTRY COLLABORATIONS (WEF)	
HE ENVIRONMENT	
K-12 ENVIRONMENT	

EDTECH ECOSYSTEM CITY PROFILE

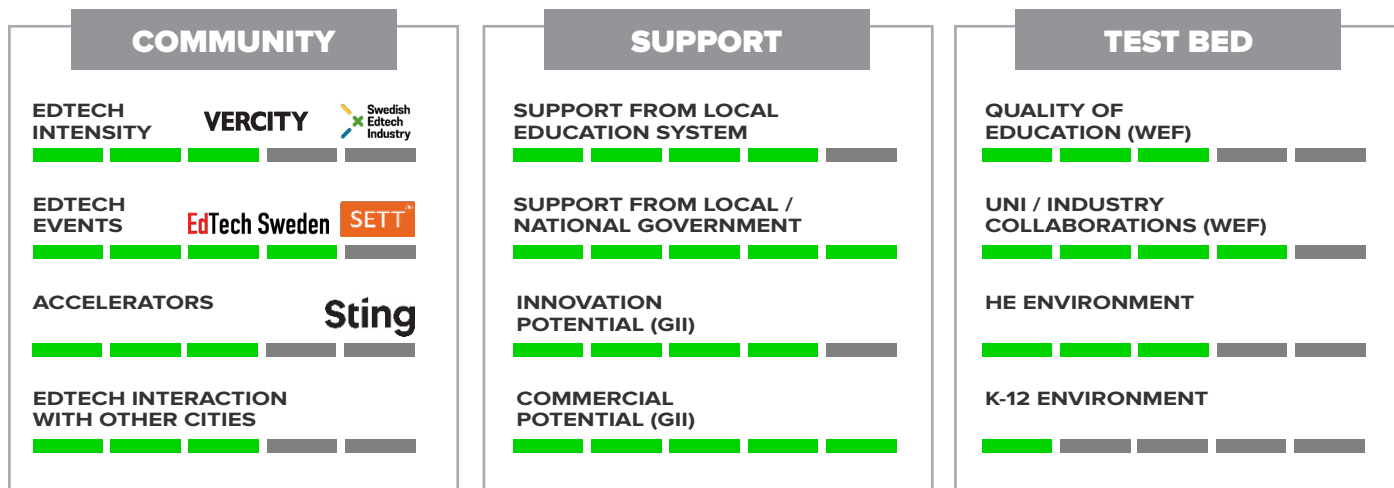
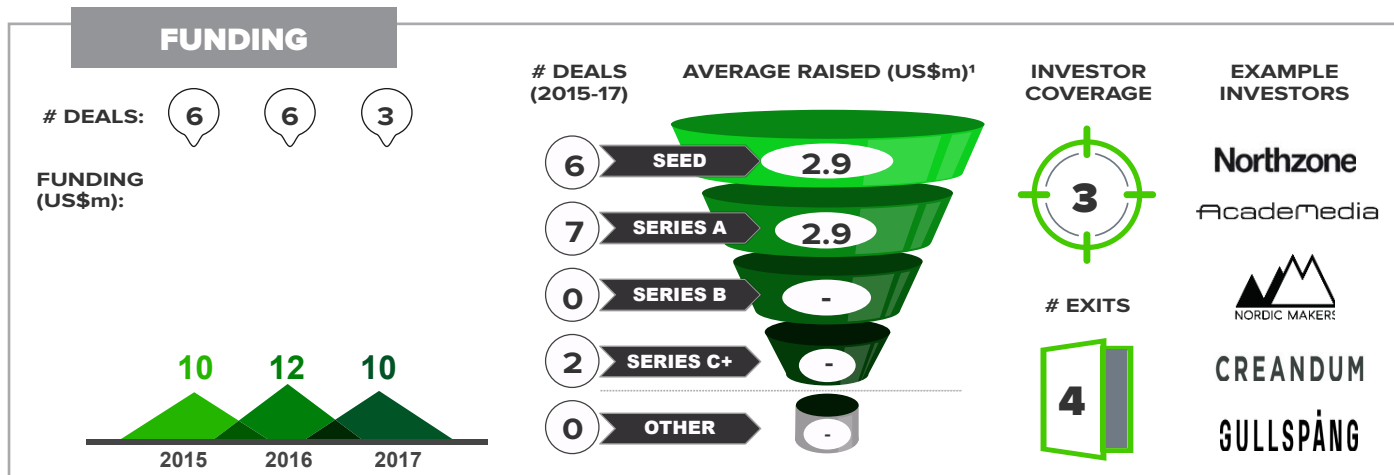
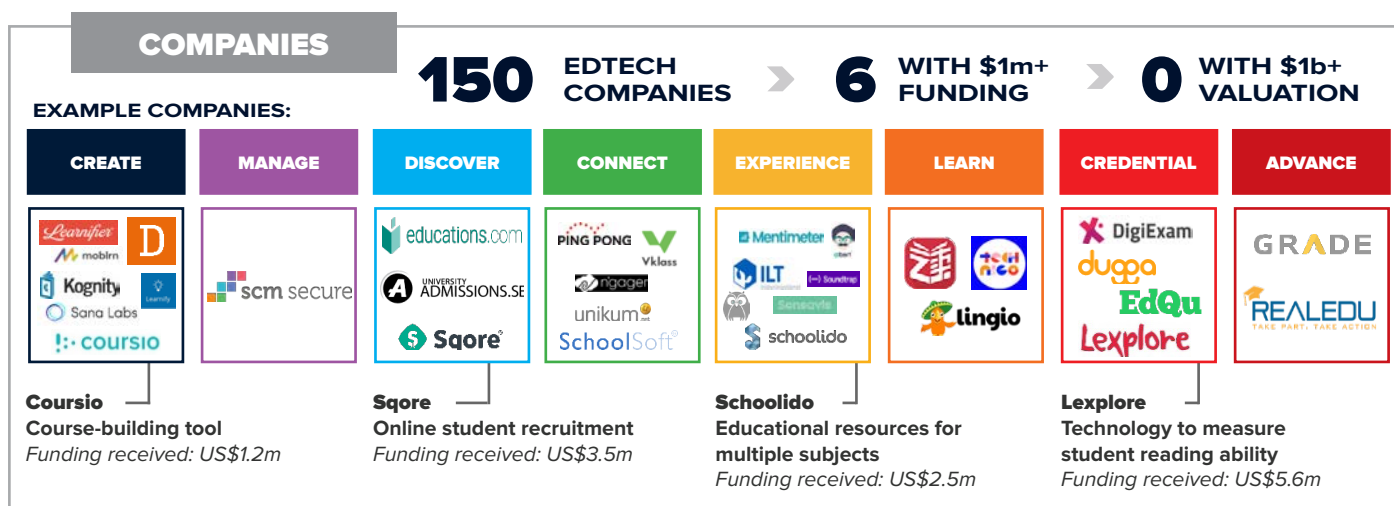
Stockholm

EDTECH
INDEX
56%

Stockholm is a fairly small ecosystem that is well-connected to others in the Nordic region. The ecosystem is coordinated by Swedish Edtech Industry and benefits from multiple events, such as SETT (in Swedish) and EdTech Sweden (in English), as well as support from generalist investors and accelerators.

"Sweden has an innovative and entrepreneurial culture and a robust education system which fosters 21st century skills."

Jannie Jeppesen
CEO, Swedish
Edtech Industry



EDTECH ECOSYSTEM CITY PROFILE

Sydney

EDTECH
INDEX

45%

Sydney is an emerging EdTech city and a hub for Australia, benefiting from dedicated players such as EduGrowth, and generalist investors and accelerators. Although the ecosystem is still in its early days, we are seeing increasing EdTech activity and investment, and efforts to strengthen the community's overseas ties are likely to promote further growth.

"Sydney is globally recognised as a mature startup city. With support, EdTech will become a big component of that startup story."

David Linke
Managing Director,
EduGrowth



COMPANIES

130

EDTECH
COMPANIES

3

WITH \$1m+
FUNDING

0

WITH \$1b+
VALUATION

EXAMPLE COMPANIES:

CREATE



Momentum Cloud
SaaS for educational
institutions
Funding received: <US\$0.1m

MANAGE



StudyLink
Student admissions
management software
Funding received: Undisclosed

DISCOVER



CONNECT



EXPERIENCE



3PLearning
Maths and literacy software
Listed on the ASX in 2014; market
cap of A\$206m as at 1 May 2018

LEARN



CREDENTIAL



Open Learning
MOOC platform
Funding received: A\$14m

ADVANCE

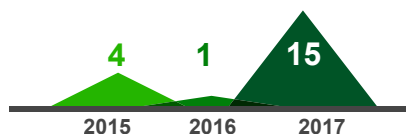


FUNDING

DEALS:

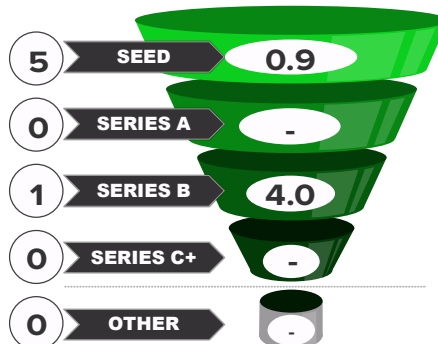


FUNDING
(US\$m):



DEALS
(2015-17)

AVERAGE RAISED (US\$m)¹



INVESTOR
COVERAGE



EXITS



EXAMPLE
INVESTORS



COMMUNITY

EDTECH
INTENSITY



EDTECH
EVENTS



ACCELERATORS



EDTECH INTERACTION
WITH OTHER CITIES



SUPPORT

SUPPORT FROM LOCAL
EDUCATION SYSTEM



SUPPORT FROM LOCAL /
NATIONAL GOVERNMENT



INNOVATION
POTENTIAL (GII)



COMMERCIAL
POTENTIAL (GII)



TEST BED

QUALITY OF
EDUCATION (WEF)



UNI / INDUSTRY
COLLABORATIONS (WEF)



HE ENVIRONMENT



K-12 ENVIRONMENT



EDTECH ECOSYSTEM CITY PROFILE

Tel Aviv

EDTECH
INDEX
57%

Tel Aviv's EdTech ecosystem is tightly-knit domestically and well-connected internationally, benefiting from substantial government support. Funding is sourced from a combination of government, generalist and specialist EdTech investors. The key events are the Israel EdTech Summit and the DLD Innovation Festival, which draw a range of international attendees.

"Given the small domestic market, Israeli EdTech startups look internationally and have built a strong track record globally."

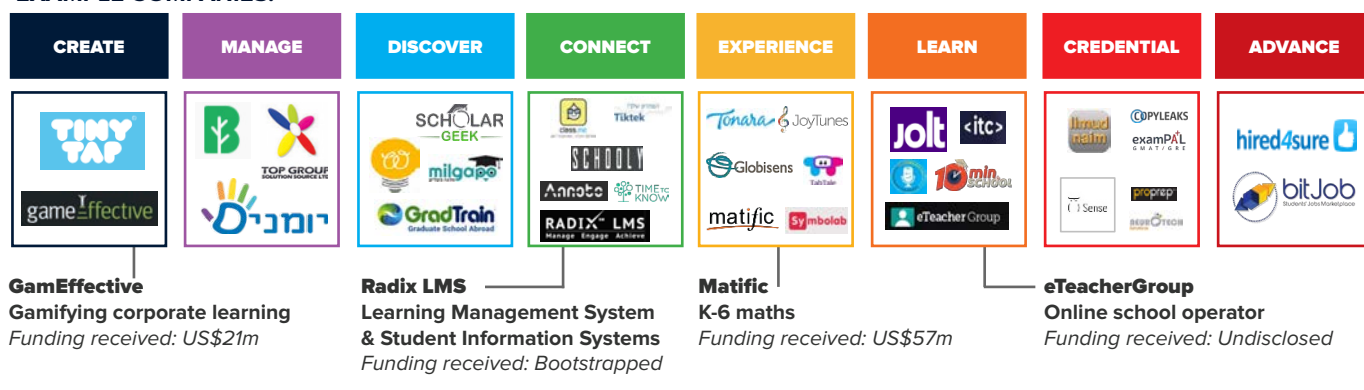
Yaki Dayan
Chief Executive
Officer,
EdTech Israel



COMPANIES

160 EDTECH COMPANIES > **15** WITH \$1m+ FUNDING > **0** WITH \$1b+ VALUATION

EXAMPLE COMPANIES:



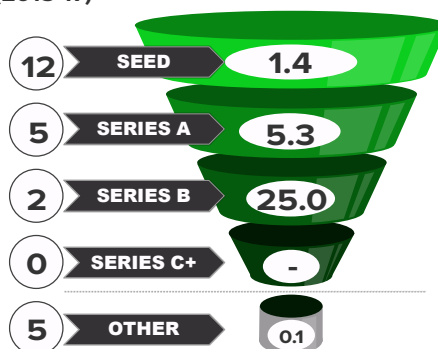
FUNDING

DEALS: 10 10 4

FUNDING (US\$m):



DEALS (2015-17) AVERAGE RAISED (US\$m)¹



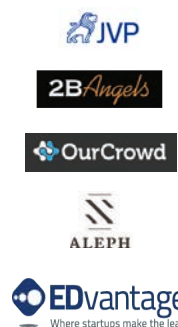
INVESTOR COVERAGE



EXITS



EXAMPLE INVESTORS



COMMUNITY

EDTECH INTENSITY



EDTECH EVENTS



ACCELERATORS



EDTECH INTERACTION WITH OTHER CITIES



SUPPORT

SUPPORT FROM LOCAL EDUCATION SYSTEM

SUPPORT FROM LOCAL / NATIONAL GOVERNMENT

INNOVATION POTENTIAL (GII)

COMMERCIAL POTENTIAL (GII)



TEST BED

QUALITY OF EDUCATION (WEF)

UNI / INDUSTRY COLLABORATIONS (WEF)

HE ENVIRONMENT

K-12 ENVIRONMENT



EDTECH ECOSYSTEM CITY PROFILE

Tokyo

EDTECH
INDEX
42%

Despite Tokyo's strengths as an R&D and business centre, the local EdTech scene is in its early days. This has not stopped a number of Japan-based organisations from being active overseas. EduLab has invested on a global basis, while generalist firms CyberAgent Ventures and East Ventures invest in other Asian countries. Meanwhile, EdTech Japan tries to bring Japanese EdTech to the world.

"Japan's EdTech industry is still developing. With nearly 18 million school and tertiary education students nationwide, Japan offers immense opportunity."

George Manetakis
AusTrade



COMPANIES

80 EDTECH COMPANIES

14 WITH \$1m+ FUNDING

0 WITH \$1b+ VALUATION

EXAMPLE COMPANIES:

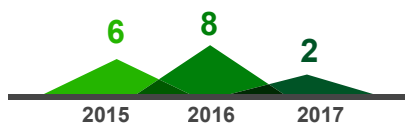


FUNDING

DEALS:

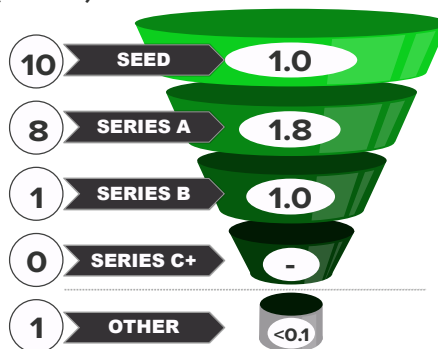


FUNDING (US\$m):



DEALS (2015-17)

AVERAGE RAISED (US\$m)¹



INVESTOR COVERAGE



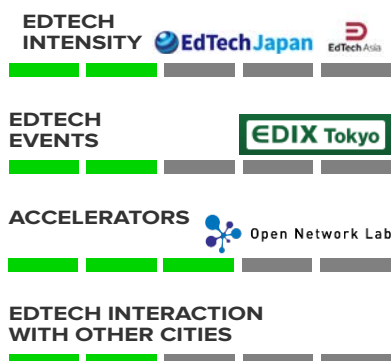
EXITS



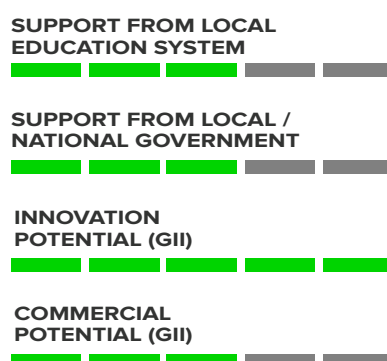
EXAMPLE INVESTORS



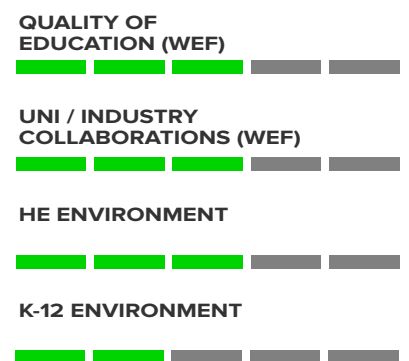
COMMUNITY



SUPPORT



TEST BED



EDTECH ECOSYSTEM CITY PROFILE

Toronto Area

EDTECH
INDEX

51%

Toronto and the surrounding area are home to EdTech success stories such as Top Hat and D2L, as well as a number of smaller companies. The ecosystem is supported by a range of incubators and accelerators, often affiliated with universities. EdTech-focused events include the four-day Connect conference focused on learning and technology.

"Most universities and colleges in Toronto have affiliated startup incubators or accelerators that enable the advancement of EdTech solutions in the ecosystem."

Jennifer Moles

Innovation Procurement
Manager, OCE



COMPANIES

200

EDTECH
COMPANIES

6

WITH \$1m+
FUNDING

0

WITH \$1b+
VALUATION

EXAMPLE COMPANIES:

CREATE



Kira Talent

Applicant assessment tools
for higher education
Funding received: US\$8.3m

MANAGE



DISCOVER



D2L

Learning Management
System provider
Funding received: US\$165m

CONNECT



EXPERIENCE



Top Hat

Interactive presentation system
Funding received: US\$54m

LEARN



CREDENTIAL



Crowdmark

Online platform for assessments
Funding received: US\$0.9m

ADVANCE



FUNDING

DEALS:

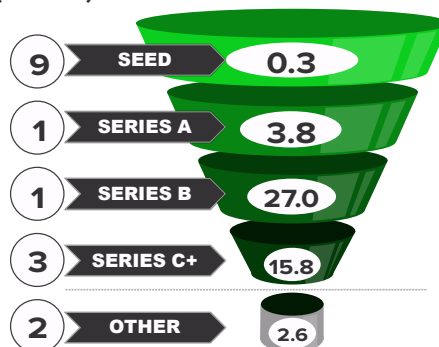


FUNDING
(US\$m):



DEALS
(2015-17)

AVERAGE RAISED (US\$m)¹



INVESTOR
COVERAGE



EXITS



EXAMPLE
INVESTORS



COMMUNITY

EDTECH
INTENSITY



EDTECH
EVENTS



ACCELERATORS



EDTECH INTERACTION
WITH OTHER CITIES



SUPPORT

SUPPORT FROM LOCAL
EDUCATION SYSTEM



SUPPORT FROM LOCAL /
NATIONAL GOVERNMENT



INNOVATION
POTENTIAL (GII)



COMMERCIAL
POTENTIAL (GII)



TEST BED

QUALITY OF
EDUCATION (WEF)



UNI / INDUSTRY
COLLABORATIONS (WEF)



HE ENVIRONMENT



K-12 ENVIRONMENT



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We sincerely apologize if we have omitted anyone from this list. Please let us know so that we can ensure you are included next time.

The Navitas Ventures team

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Our data sources

Cornell University, INSEAD, and WIPO (2017), *The Global Innovation Index 2017: Innovation Feeding the World*, Ithaca, Fontainebleau, and Geneva

World Economic Forum (2017), *The Global Competitiveness Report 2017-2018*, Geneva

Pitchbook (2018), Pitchbook database

Tracxn (2017-18), Tracxn database

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