

# A booming edtech sector helps teachers and parents embrace online learning

Homeschooling is giving the edtech sector a strong headwind and the UK's 1000 + companies were already amongst the strongest in Europe, seeing a 91% increase in investment last year, in contrast to their US and European counterparts. With the sector estimated to be worth £3.4B by next year, even before the crisis, it is a truly exciting vertical.

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New figures compiled by Dealroom.co for the Digital Economy Council show that the UK's educational technology sector is one of the fastest-growing in Europe, with more than 1000 companies supplying products and services aimed at children of all ages and adults. Indeed, since 2014, edtech companies in the UK have raised a total of \$857M in venture funding.

## The UK edtech sector in numbers

The UK is a leader in the field, with its startups attracting 41% of all European investment last year according to data from [Tech Nation's Data Commons](#).

Edtech investment climbed 91% from 2018 to 2019, in contrast investment in the US actually fell by 12% and European investment grew only by 8%.

Edtech companies in the UK are numerous but tend to be at an earlier stage in development than those in markets like the US. Companies have raised smaller sums of money than those in sectors including AI, fintech and health tech and are less well equipped to cope with the sudden demand from parents or schools.

Faced with the challenge of homeschooling children, often while carrying on their own jobs, parents are using resources from large and small tech companies, including Google, Amazon, Microsoft, the BBC, Pearson as well as startups like Show My Homework from Satchel, Lingumi, Learning People, Firefly Learning and Komodo Learning.

Edtech has huge potential around the world to democratise access to education and UK companies are well-placed to provide services into this international market. According to new figures from Dealroom.co, UK edtech companies attracted \$289M in venture capital investment in 2019, up sharply on the \$151M invested the previous year.

Global investment was already rising steadily at the start of this year, driven by a few mega-rounds, notably Yuanfudao (\$1B Series G), Byju's (\$200M Growth Equity), Unacademy (\$110M Series E).

The Department for Education has committed over £100M to provide devices and access to the internet for vulnerable and disadvantaged children and ensuring every school that needs it has access to free, expert technical support to get set up on Google for Education or Microsoft's Office 365 Education. The DfE is also offering peer-to-peer support from schools and colleges leading the way with the use of education technology.

The government has also backed the Oak National Academy Initiative. Set up by teachers, the online academy delivers curriculum-based video lessons and resources.

*“Over the last six weeks the UK’s world-leading edtech sector has used its expertise to develop practical solutions and online learning tools for schools, parents and pupils during this challenging*

*time. The work it is doing right now will pave the way for new technology to help shape the future of education in the UK and around the world. I thank the sector for all its efforts and urge it to keep it up.” – Caroline Dinenage, Minister for Digital*

## Opinions from key leaders in the British edtech sector

*“It has been inspiring to see the tenacity and innovation across the education sector as the world has moved to remote learning. We have seen amazing use of EdTech including Microsoft Teams, Minecraft and Flipgrid ensuring children are still learning, connected and engaged while schools are closed. Continued investment in UK Edtech is a fundamental ingredient for our future growth and productivity as well as our global competitiveness.” – Cindy Rose, CEO, Microsoft UK*

*“The UK edtech sector provides exciting opportunities to help children succeed in the digital age, regardless of their background. We support the sector as it plays an important role in ensuring children are able to continue learning, no matter where they are in the country. We have launched a range of free educational content for families, a virtual Amazon Future Engineer coding programme for students aged 12 to 17, and donated free devices to help children from disadvantaged backgrounds keep up-to-date with their school work and stay in touch with their teachers.” – Doug Gurr, country manager, Amazon*

*“We’ve long been committed to expanding access to learning through technology. With school closures across the country we’ve worked closely with educators and government to enable remote learning via technology. Our Teach from Home hub provides tools and resources for teachers and guardians to support at home learning. We’ve also worked with teachers to create the Oak National Academy – a virtual school – which delivered 2.2M lessons in its first week of operation.” – Ronan Harris, Google UK & Ireland Managing Director*

*“With the global edtech sector seeing a 22% increase in investment in the first quarter of 2020, it is increasingly evident that Coronavirus is accelerating the adoption of EdTech, as both students and parents are looking for alternatives*

to continue with the education process. As the impact of the pandemic is felt across many business sectors, there is an opportunity for innovative solutions to help people find work, but also for education platforms which help people to acquire the skills they need throughout their life, including our own Tech Nation's Digital Business Academy, which has seen record uptake in the last two months'." – Gerard Grech, chief executive, Tech Nation

"Digital games and platforms can potentially mitigate some of the negative consequences children and adolescents are feeling from being separated from their friends should not be underestimated. I encourage parents to worry less about times spent by their children on screens and instead focus on what they're doing with them. Activities such as video calling friends, exchanges via social media or playing Fortnite with friends online will all help keep children and teenagers connected throughout the lockdown." – Amy Orben, research fellow at Cambridge University

"We've seen a huge surge in demand from parents around the UK who are worried about their pre-schoolers being school-ready in the autumn, without access to their nurseries or seeing friends regularly. At Lingumi we developed a huge, free resource site alongside our main speaking-focused app to support families in the UK and abroad during this crisis." – Toby Mather, CEO of Lingumi

"It is not just schools, colleges and universities that have closed their doors during the coronavirus pandemic. Early years settings including childminders and nurseries have also shut. All of these children will sooner or later return to their classrooms, but remote learning will remain an important component of education for all age groups. This online learning can result in vulnerable children being excluded – due to limited access to devices or the internet – exacerbating existing inequality. We continue to look for ambitious founders building edtech solutions that work for all young people." – Suzanne Ashman, partner, LocalGlobe

"We've been working day and night to support schools in the face of closures, and we've seen real innovation from teachers and leaders. They've moved fast to keep learning going online and stay connected with their wider communities. Involving parents in the learning conversation is more important than ever and there will be lasting benefits from the adoption of edtech even when everyone is back in the classroom." – Simon Hay, co-founder and CEO of Firefly Learning

"These are disconcerting times but we are more committed than ever to helping people acquire the skills they need to bridge the global tech skills gap and now to enter a new career. Tech companies all over the world are currently banding together to help fight the current pandemic and the industry will continue to be a source of incredible career opportunities. Our £1M online learning grant will allow those affected by COVID-19 to acquire qualifications recognised by many of the world's biggest employers, from home, and is

*already helping thousands access a brighter future.” – Sam Pemberton, CEO of Learning People*

*Read also*

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