

A Rapyd Research Report
using data from

FORRESTER®



Rapyd

The Global Playbook for the **New Era** of **Online Education**

How to Attract New Registrations and
Instructors, Tap Into New Online Learning
Preferences and Grow Sales Globally

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Key Takeaways

- 1** The pandemic sped the adoption of technology in global education by five to 10 years. Record numbers of students engaged with digital courses and online training for the first time.
- 2** North America and Europe lead the way in online learning, with Asia quickly catching up. South America, Africa and the Middle East are growing steadily.
- 3** Digital course providers need to keep pace with the right global infrastructure and payments technology.
- 4** Online education platforms must understand the best practices of cross-border payments to achieve global expansion.

Online Learning Will Never Be The Same

The pandemic sparked an era of unprecedented change in online learning. eLearning's true potential is being revealed as millions of students and adult learners engage in digital learning for the first time.

This report covers online education and learning platforms including:

- Virtual tutoring and supplemental classes for youth and adults
- Language learning courses and apps
- Providers of technical certifications and business skills courses
- Providers of creative, exercise, wellness, and other enrichment courses
- Virtual coding and technical skills bootcamps



New Learning Behaviors in a New Reality

The Unprecedented Growth of Global Online Education

The global edtech market grew 22 percent in Q1, and has a bright **19.9 percent CAGR** forecast through 2027 as investors and students of all kinds are turning to new learning innovation. (Market Study Report)

- Users of Google Classroom, Google's free class assignment and grading app, exploded to **more than 150 million students and educators worldwide** in 2021, up from 40 million early in 2020. (Lazare)
- **Zoom Video Communications** says it has provided free services during the pandemic to more than 125,000 schools in 25 countries. (Yuan)

- Byju, India's online tutoring and learning app, had over 40 million new students join the app. (Mobility Foresights)
- **Online Coding Bootcamps grew 306 percent in 2020**, as the industry shifted from in-person to almost entirely online. (Eggleston)
- Coursera had 50 million more course enrollments, a 444 percent increase. (Mobility Foresights)

Companies in online learning and education rose to the challenge of serving online students, teachers and content creators during COVID.

Research Methodology

This guide is meant to explore the monumental global shift in education, edtech, consumer behaviors and online learning habits in recent years. For this, we've drawn on a number of reputed sources including the **New York Times, the OECD, Inside Higher Ed, and Global Market Insights among others.**

Much of our data on behavioral changes comes from an original Forrester report on consumer behavioral changes during COVID. Researchers at Forrester asked over 6,000 consumers across the US, Canada, the UK, France, Italy and China about changes in their online purchasing behavior since the COVID-19 Pandemic.

The Way Courses Are Delivered and Paid For Are **Evolving Fast**

Learners Want the Flexibility of Online Courses

Learners around the world are spending less time in a physical classroom and prefer to keep it that way. A survey by the **Digital Learning Pulse** showed 73 percent want to continue taking fully online courses in the future. Of these respondents, 46 percent had a strong preference for online over in-person learning. (McKenzie)

Online Learners Are Consuming More Digital Content and Classes

Many people are also spending more time learning new skills online than prior to COVID-19, with the language learning app Duolingo seeing over **30 million new sign-ups** during 2020. (Blanco) Global online language learning is expected to grow from \$8 billion to **\$26 billion by 2025**. (Think Impact)

Online exercise classes ranked as the second most common behavior for people worldwide to try for the first time. Twelve percent of Americans and 10 percent of Canadians reported trying an online exercise course for the first time as a result of COVID-19. (Forrester)

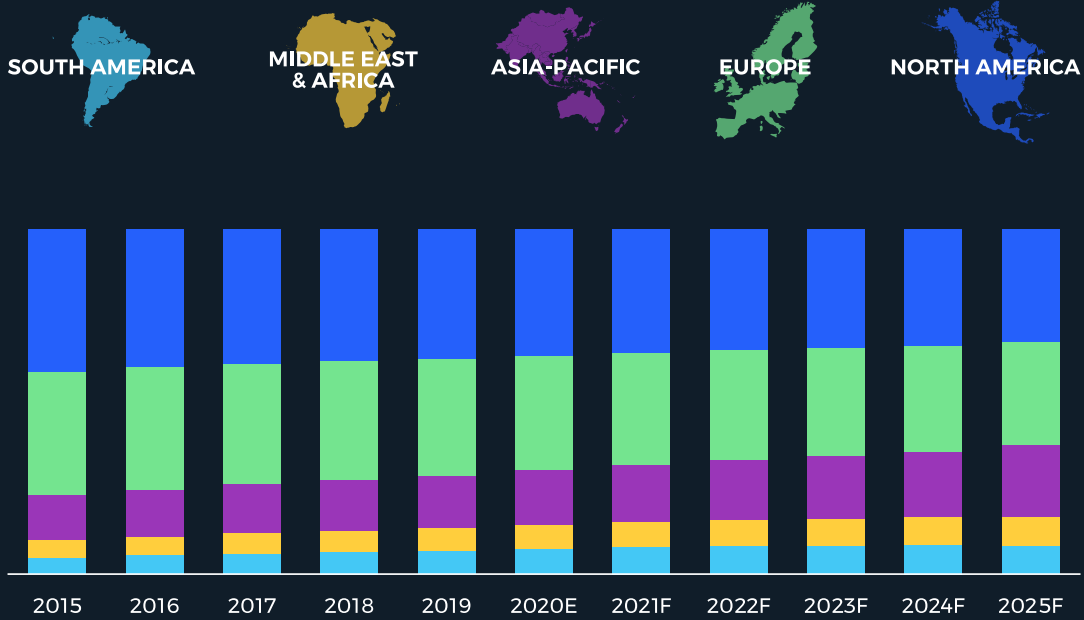
Making Online Education Accessible Requires Embracing Diverse Digital Payment Methods

In the world's two largest ecommerce markets, 20 percent of Chinese consumers and 11 percent of US consumers reported using a digital payment method for the first time. (Forrester) Allowing for online payments and a variety of payment methods has unlocked many new markets for online learning platforms.

Top Global Markets for Online Learning

With steep increases in online learning and the need for skills training greater than ever across the globe, there has never been a better time to expand your digital education footprint. North America and Europe remain at the forefront, with Asian markets catching up. South America, the Middle East and Africa will see steady growth.

GLOBAL ONLINE LEARNING PLATFORM MARKET SHARE AS A PERCENT, BY REGION



Top Global Markets for Online Learning (cont.)



North America: A Rise in Content Digitization, New Growth in Virtual Corporate Training

- The U.S. is at the forefront of online learning, made possible by its world-class educational institutions and technology sectors. It is estimated that the US EdTech market is 54 percent Higher Education, 42 percent K-12 learning.
- The US occupies over 35 percent of elearning market share.



Europe: Learners and Companies Demand More Flexible, Digital Learning Options

- Europe has 35 percent of the elearning market share.
- However, professional training still has a long way to go and varies greatly by country. The share of participants training online rather than in-person varies significantly across countries, ranging from just 6 percent in France to over 40 percent in Lithuania and Poland. (OECD)



Asia: More Online Learning Bridges the Digital Divide, A Growing Higher Education Sector

- APAC should see CAGR **market growth of 26 percent** between 2021 and 2027.
- In Asia, some countries will grow faster than others, particularly those with emerging economies. Myanmar, Mongolia, Sri Lanka, Laos, Nepal, Cambodia are expected to grow at a CAGR of more than 15 percent from 2020-2026. (Wadhani and Gankar)



Rest of the World: Growing Internet and Mobile Access, Increased in Government Support

- In Africa, Rwanda, Ethiopia, Senegal, Uganda, Mauritius, Mali, Namibia are expected to grow at a CAGR of more than 15 percent during the period 2020-2026.
- The UAE Vision 2021 plan allocated around **15 percent of its 2020 federal budget to public higher education and university programs** to meet the need for a more flexible and resilient national education system. (Wadhani and Gankar)

Where Should You Focus Your Efforts?

Some of the best markets for online learning expansion are in North and Latin America, Europe, and Southeast Asia, where an exploding cross-border ecommerce market has primed customers to seek out the best products and services — no matter the location.

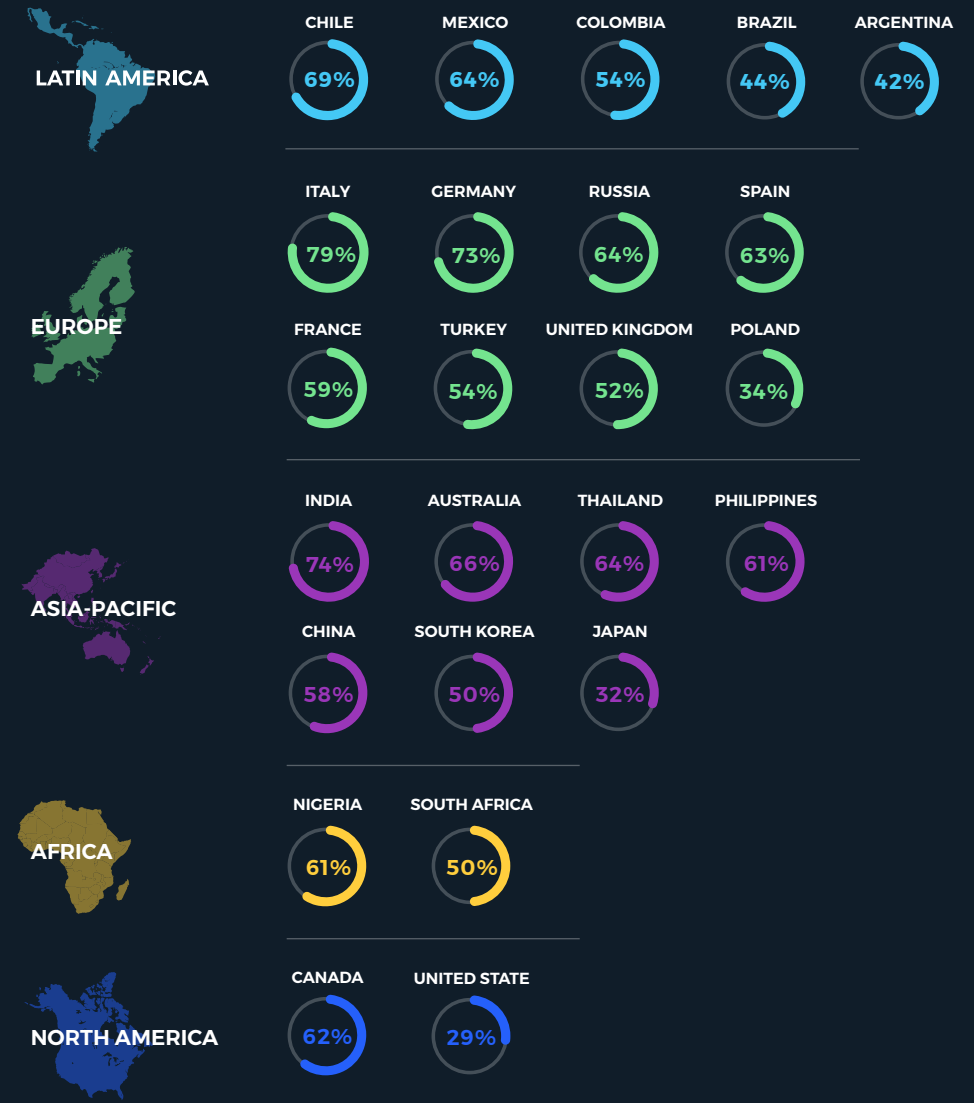
Cross-Border Success Means Localizing Payment Methods for Each Country

In many of these countries, credit cards and even bank account adoption rates are low.

Accepting a diverse set of payment methods like cards, as well as bank transfers, ewallets and cash can meet the checkout preferences of a growing digital consumer base and prevent lost sales opportunities.

The Top Markets for Cross-Border eCommerce

Percent of online shoppers who shop cross border by country.



Is Your Company Ready for Rapid Global Growth?

Education providers know they must work harder to find new areas and regions of growth. To remain viable and to thrive in the expanding digital learning environment online learning platforms must implement a next-generation payment stack to support all the ways businesses and students expect to pay.

Can you support everyone around the world who wants to pay for your online courses? If the answer is 'no', then you could be losing out on huge potential learner growth. The truth is there are many places for students to find course content, and if your payment processes are too complicated or do not have your customers desired payment methods you could be losing out on countless potential customers.



Best Practices in Cross-Border Payments for Online Education

Important Considerations for Cross-Border Payments

Make Mobile Payments Easy

Preferences for mobile purchases change as you expand abroad. For instance, US consumers make purchases on mobile sites and mobile apps. In China, consumers have a strong preference for in-app purchases. No matter what, you'll want to make sure your payment provider is mobile responsive, or better yet, seamlessly integrated into your company app by a fintech-as-a-service provider.

Use Local Currencies

Displaying prices in local currency is not optional. Retail Info Systems research shows that one in four shoppers leave a website if their local currency is not displayed. Consumers can't make a value judgment if they aren't familiar with the currency.

Make Recurring Customer Payments and Issuing Refunds Easy

Having clear refund policies or offering a trial period will build trust and put your learners at ease when purchasing your courses or training

services. Additionally, because so many online courses make learning a productive and enjoyable habit, be sure to use a payments provider that makes it easy to offer recurring subscriptions.

Offer Card Acceptance Plus Local Payments

Many western countries favor cards. Around the world, it's a different story. In Southeast Asia, offering bank transfers and ewallets is a must. Cash vouchers and digital wallets like Mercado Pago are indispensable in Latin America. Work with a payments provider like Rapyd to simplify global commerce by offering local payment methods across 100+ countries with one integration.

Ensure Strong Fraud Protection

Accepting cross-border payments doesn't have to mean accepting more risk too. The best payment providers use sophisticated fraud decisioning models, numerous data sources, and proprietary rules engine to automatically identify and stop high-risk transactions. Do this to protect your business.

Best Practices in Cross-Border Payments for Online Education (cont.)

Important Considerations for Cross-Border Payouts

Streamline Your Operations

Power your elearning platform with a customized checkout experience that lets customers pay with their preferred methods or disburse funds using wires, global ACH or even issue your own cards. Streamline your payments with a payment provider that offers a single platform and a single view of reconciliation, reporting, and fund settlement in your choice of currencies.

Streamline Payouts to Employees by Using Their Desired Payment Methods

The best payment partners will let you disburse funds to your teachers and content creators in many different currencies using their preferred payment methods, including direct bank payouts and split payments seamlessly into multiple sellers' accounts. Ensure timely payouts by using fintech-as-a-service solutions to greatly speed up worker payments and drive loyalty.

Reduce Fees with Global ACH

Wire transfers and bank foreign exchange rates can take a bite out of your educators' earnings. Efficient global disbursements using a global bank transfer network, and avoiding bank mark-ups on FX fees can save you and/or your recipients a lot of money and can help build education participation, loyalty and satisfaction.

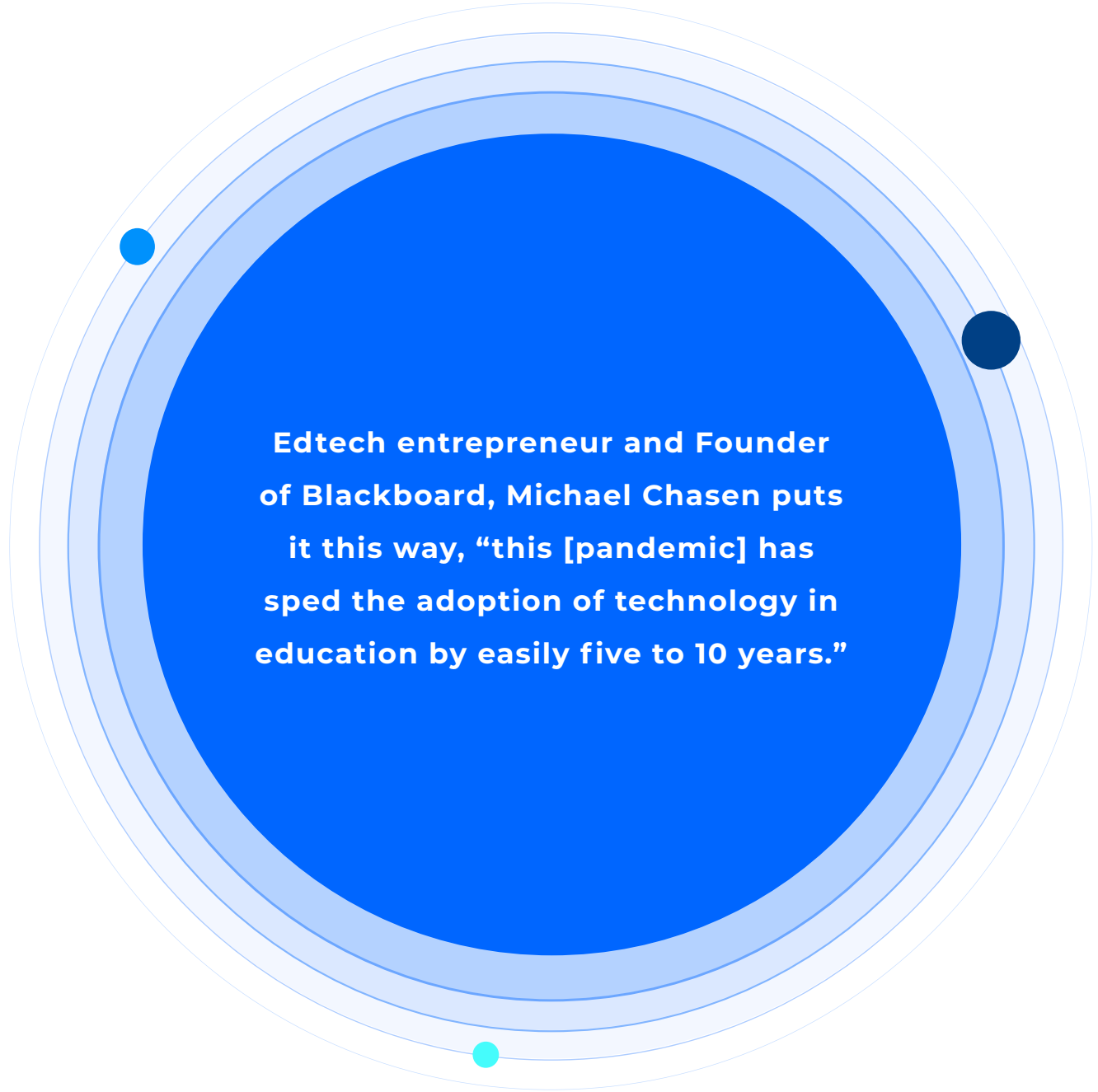
Consider Issuing Pre-Paid Cards to Pay Educators

If you are working with educators in countries with a high number of unbanked individuals, such as in South East Asia and Latin America, a pre-paid card issuing program can give you the ability to reliably and cost effectively push funds to workers while improving financial inclusivity.

Improve Payments and Use Fintech to Drive Student Adoption and Loyalty

The move to more Edtech and digital learning is accelerating rapidly as the global edtech market is projected to have a rapid CAGR of **nearly 20 percent** forecast through 2027. To adapt, edtech and online education providers must create digital experiences that meet quickly changing learner expectations and needs. (Intrado)

This includes credit and local debit cards, as well as local payment methods such as bank transfers, ewallets and cash. In fact, nearly **16 percent of consumers will abandon payment** if their preferred payment method is not available. (FuturePay) Companies can capitalize on the growing digital learning opportunity and increase conversion rates and revenue by offering the payment preferences of a diverse and growing population of digital consumers.



Edtech entrepreneur and Founder of Blackboard, Michael Chasen puts it this way, “this [pandemic] has sped the adoption of technology in education by easily five to 10 years.”

About Rapyd Fintech as a Service Solutions for Education

Rapyd is the fastest way to power local payments anywhere in the world, enabling companies across the globe to access markets quicker than ever before.

By utilizing Rapyd's unparalleled payments network and fintech as a service platform, businesses and consumers can engage in local and cross-border transactions in any market.

Rapyd Solutions for Online Educators

Rapyd Collect – Accept your customers preferred payment methods worldwide and seamlessly integrate payments into apps and websites. With a global bank transfer network and efficient FX, Rapyd can save elearning businesses and your customers money on every transaction.

Rapyd Disburse – Use Rapyd Disburse to pay teachers and content creators on your platform. Rapyd Disburse allows you to integrate payouts into your existing systems and to significantly lower fees and deliver funds faster.

Rapyd Issuing – Issue your own pre-paid cards to send funds to educators, employees and contractors globally.

Rapyd Wallet – Create your own globally-scalable white-label ewallet platform to simplify payouts and payments worldwide.



Learn more at rapyd.net

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