



A Digital Shelf Strategy for Education Technology – Narrowing the Achievement Gap and Crossing the Chasm.

*Chris Twyman
Feb 2018*



Education Technology companies have to walk a tightrope between profits and social impact. Investors in these organizations expect to maximize their return in the form of profits. As long as customers can pay for their products and services that can be achieved. Unfortunately, not all schools have the same budgets but ALL schools have the same needs. Question: Can Ed Tech firms supply a solution for ALL and still return profits for their investors? Answer: Yes.

I am a disciple of Geoffrey Moore who wrote *Crossing the Chasm*. In essence his book enlightens start-ups that there is a gap between their early adopter customers and when mainstream customers start purchasing. That gap can become a huge chasm if not

navigated well and often start-ups meet their doom trying to cross it. Geoff lays out some logical and systematic steps to help reach the other side and prosper. I whole-heartedly encourage anyone who wants to build a tech firm to read it. I have had the privilege of spending time with Geoff and am fortunate to now have him on my advisory board. With his help I quickly came to the realization that an education technology entrepreneur has some extra issues to consider when navigating the Chasm.

Ed Tech organizations have an extra burden over their peers in other industries. Over and above a drive for profits, and, for that matter, a sustainable revenue stream, there is a need to make a social impact. Education is at the root of a country's long-term growth and prosperity, and innovation is imperative to help drive this crucial goal. In addition to identifying, developing and delivering this innovation, Ed Tech firms must balance a need for long term financial value and providing a service that can touch all learners, from affluent schools to those that are not...or at least that is how it should be, and that is the extra burden.

Today there are a number of business models that technology companies deploy. From high-priced products and services that find a home in schools that can afford them to free applications that are using a nonprofit model and are forced to compromise on what they can deliver due, simply to cash starvation. An added complication is an ever-widening achievement gap that results from those who have and those who have not.

A pure consumerist approach to selling an Ed Tech solution will see short term results but in the long term, will discover that this approach it only limits full market penetration. In other words pricing high to maximize profits will limit who you can sell to and largely determines who will benefit. Giving product away will benefit the other end of the spectrum but with little or no revenues product efficacy is limited as these firms find it difficult, if not impossible to lure investment capital.

It is important that I point out that a consumerist approach in education is not wrong if the desired outcomes are simply to make a profit. Many companies have carved out attractive product market fit for their premium products. I just wonder how many in the inner city will be able to take advantage of them?

Crossing the chasm in the Ed Tech space, if both long-term financial gains and maximum impact is the final objectives, will require what we at BoomWriter call, a *Digital Shelf Strategy*. This is a *go-to-market strategy* that provides for maximum target market adoption first with a monetization strategy later that is driven by dollars that can be acquired from outside the classroom. In other words we don't punish the direct education environment by pricing a solution out of the reach of all (ALL) schools. Make classrooms love your product then charge for satellite products and services that result from the halo effect. Here is how we are doing this:

Step 1: Establish Your Space on The Digital Shelf.

The school year is finite, and with an ever-increasing array of duties and expectations asked of teachers each day. Ask any of them and they will tell you that a few short hours a day, five days a week with only thirty-six weeks a year is precious little time for teaching. Technology needs to be easy to adopt and see quick results. Therefore the tools that teachers trial, once adopted and trusted will be used over and over. Time is

the scarce resource and Ed Tech companies need to get onto a Teacher's 'Digital Shelf' in order to ensure long-term use. Pricing strategy will give teachers another decision point and pricing too high will certainly make that decision very easy. Zero cost at this stage gives educators the ability to focus on the Efficiency, Efficacy and Engagement value of those solutions. In other words "Get on the shelf, and then prove your worth."

Step 2: Stay on the Shelf with Efficiency, Efficacy and Engagement (EEE)

Any good Ed Tech solution should display all three components and if so, it will be kept on the shelf for future sustainable use and continue to prove its worth:

Efficiency...If you don't make a teacher's life easier then adoption will end before it has even begun. There will absolutely be a wide technology proficiency curve among teachers. Solutions that keep administration simple and intuitive will win. Most Efficiency strategies have focused simply on digitizing textbooks. This does not add any extra value for teachers (boring curriculum now read online is still boring curriculum). The large publishing firms have chosen this route but efficiency without making life easier for their educator customers only benefits their own profit margins. Efficiency needs to focus on how easily users are on-boarded and moved through that Ed Tech firm's processes, not what content they are seeing. Again simple and intuitive will win.

Efficacy...This is where the content users are seeing is key. It sounds obvious but if a solution does not add measurable educational value then what is the point? There is a huge difference between those products and services that enhance at the core and those that are a luxury. Teacher's will start at the core and look for solutions to aid the learners based on what they do today...curriculum, standards, processes. After that if there is still room on the digital shelf they will fill it with solutions that could be seen as luxuries that will enhance their class needs. As an Ed Tech firm the closer you can be to the core the better your chance of being on the shelf. There is some irony here, as space on that shelf will be taken up with products that have been purchased by administration and dictated into the classroom. Therefore the precious little shelf space that might remain requires firms to clearly demonstrate efficacy results in a reasonable time so they can remain in place.

Engagement...You can have Efficiency and Efficacy but without Engagement a solution will be removed from the shelf very quickly. That engagement is not only targeted at students but at the entire education ecosystem - Students, Teachers, Administration, Parents. This is the key to the Digital shelf; engage the community and the community will see value and will pay for additional services. At BoomWriter we measure engagement throughout our process and expect it to rise as users get closer and closer to their final destination. In our case one final destination is being published in a book alongside a famous author. That involves a number of functional steps that taken by all in our community. We have fully automated that process and we tweak it to maximize the number that reach the final destination. That way we stay on the bookshelf (the digital one and our books on the physical one).

Step 3: Monetize the Halo and the Network Effect

The Digital Shelf Strategy will not punish classrooms that have little budget and can't afford to pay but allow the Ed Tech business to make its profits from the by-products of that shelf space. One of the most valuable by-products is DATA. How can teachers, principals and superintendents make decisions about their education policy and practices without data? It is necessary and most would be happy to pay for that decision aided ability. Many parents would also be happy to pay for products and services that derive from the halo effect of their child's participation in an engaging educational product.

One more benefit of the Digital Shelf is the network effect it brings. A term used in marketing is B2B2C and it means you as a business sell to a business operator who then bring in their customers as final consumers. There is a significant network effect that can be achieved through a B2B2C strategy. This is also the digital shelf in action. One happy teacher will have potentially hundreds of users, parents, administrators in their community. The key then is make the first "B" happy. That first B in our case is a teacher.

Conclusion

A solid education has an expiry date on it for all students...they are only young once. This reality puts a huge burden on governments, educators, parents and now Ed Tech companies today. Social impact is the only outcome that governments, educators and parents care about. They may not ask "How can our children gain a competitive advantage?" everyday but that is the desired outcome. That is the desired outcome for ALL students and not just those in schools that can afford to pay for it. If Ed Tech organizations deploy business models that can be absorbed by all levels of society rather than selling to the deepest pockets, everyone wins. A Digital Shelf strategy gets maximum penetration and will see the biggest return for everyone. It is working at BoomWriter and I think it can work for many other Education Technology companies. We are thinking about ALL students plus we are crossing the chasm into the mainstream. Everyone wins!

For more information email: chris@boomwriter.media

