Online Program Management

Investment Opportunity – EdTech

EDUCATION – February 2024

استثمر في السعودية
INVEST SAUDI

Online Program Management

OPPORTUNITY DESCRIPTION: Invest in KSA's growing EdTech sector by establishing an Online Program Management to help take course content online

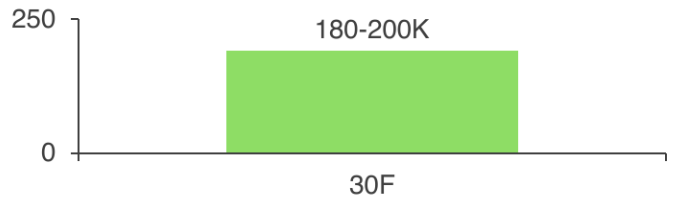
OPPORTUNITY OVERVIEW

Overview

Online course offerings and credentials are in demand across the education value chain

Online program managers provide end-to-end bundles or disaggregated sets of service to help take course content and delivery online by providing technical support and services for marketing and enrolling students

Online University Education Users in KSA[1]
2030F
K



Beyond conventional education institutions, OPMs can potentially serve multiple other user groups

Universities and Colleges
Professional Associations and Organizations
Corporate Training Providers
Government Agencies
Non-Profit Organizations

KSA Landscape

Players with a singular focus on OPM services are limited in KSA and have not achieved scale yet

NOT EXHAUSTIVE[2]

COURSATIK كورساتك
Qafapp
HAKA هاكا EDUTACS إديوتاكس
Naseej

OPMs are more suited than LMSs to help institutions take course content online

OPMs can help in achieving the Vision 2030 targets as they are best positioned to enable online learning in rural areas where the quality of offering currently is sub-par

Supply

- Government initiatives & Vision 2030 alignment
- Growing popularity of online certifications

Demand

- Demand for low-cost offerings
- Unlocking a wider customer base
- Increasing internet penetration

Investment Highlights

Adoption of online higher education in KSA is in line with leading global economies

2-2.5K SAR
Average revenue per user in 2030

40-60%
Take rate of the OPM provider in a revenue-sharing model[3]

Positioning OPMs as an alternative to LMS for similar use cases is important to win the market

- Helping clients build internal capabilities
- Assessment solutions
- Interactive courseware development
- Targets Monitoring
- Enrolment Management

M) and potential adoption (12-14%) based on global benchmarks, [2]Includes companies that may have more than one offering beyond OPMs

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INTRODUCTION AND GROWTH DRIVERS

Introduction to Online Program Management

Online program managers provide end-to-end bundles or disaggregated sets of service to help take course content and delivery online by providing technical support and services for marketing and enrolling students

OPM Models

Based on the Revenue Model

1. Traditional Revenue Sharing
2. Fee-For-Service
3. Co-Investment

Based on the Offering

- **OPM Provider** — Helps in delivering academy courses online (2U, TeamLease®)
- **OPM Platform** — Aggregator of courses from multiple universities (coursera, upGrad)

Benefits

- Faster Time to Market
- Scalability and Flexibility
- Cost Saving
- Quality Assurance
- Enhanced Student Support
- Access to Market Intelligence
- Expertise in Online Education
- Streamlined Operations

Global Customers

Beyond universities and colleges, global providers also help many other entities in taking their course content online

- Government Agencies
- Corporate Training Providers
- Professional Associations and Organizations
- Universities and Colleges
- Non-Profit Organizations

Growth Drivers

Pillars of Human Capital Development Program

Globally Competitive Citizen

1. Developing a strong and resilient education base
   - 1.1.1 Engaging and Innovative teaching methods

Ability to penetrate rural areas coupled with increasing adoption of online certifications will drive growth for OPMs in KSA and help realize the Vision 2030 goals

Supply

- Government initiatives & Vision 2030 alignment
- Growing popularity of online certifications

Demand

- Demand for low-cost offerings
- Unlocking a wider customer base
- Increasing internet penetration
- Improvement of quality of education in rural areas where universities lack quality offerings

'ond OPMs and closely resemble the OPM business models observed globally

Definitions

#	SCORECARD SECTION	DEFINITIONS
1	Market size	Size of market in value/volume in KSA and/or Region (MENA/GCC) covering future projections based on available estimates from published /government sources
2	Business drivers	A select number of factors that will influence future demand for the related product/service
3	Investment highlights	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	Value proposition	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	Market readiness	An overview of KSA market structure, market maturity and level of participation by local and global players
6	Global trends	Latest business developments within the sector/product category
7	Scalability and localization	Ease of scaling the business across the value chain or into new adjacent products or geographies that would maximize the opportunity's investment returns and the ability and potential to locally manufacture the product and its components
8	Import dependency	An overview of the countries from which Saudi Arabia is importing the product and their value/volume and share in total imports
9	Value chain analysis	The process or activities that would potentially need to be carried out to deliver the underlying product or service
10	Key stakeholders	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
11	Enablers	Factors that enable investment in the underlying opportunity
12	Cost of doing business in KSA	Key factors that position KSA as a competitive destination for investment in the region. Productivity adjusted wages do not include cost of $1.23/hour towards annual recurring charges including work permit, resident identity (iqama) and health insurance

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