Education Technology Accelerator, Campus & Institute

Dedicated to connecting, educating, and growing the education technology ecosystem to drive innovation and transform learning.

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Supporting the Edtech Ecosystem

“A lot of companies start... some don’t up”

Jean Hammond
LearnLaunch Partner & Co-Founder
How to Assess your Idea

Market Needs

Fit

Economic Realities  Personal Goals & Needs
Market Needs

• What Problem Am I Solving?
• Will Teachers/Students/Parents/Admins/Staff use it?
• How Compelling? How Large?
• Is it a MUST have or a NICE to have?
• Do I Have a Viable Solution?
• Is It Proprietary?
• Can I Envision a **Sustainable** Business Model?
What Resource Set Does My Venture Need?
- Human
- Technology
- Physical
- Financial

What Is the Likelihood of Attracting These?

For profit vs non-profit

Will someone in education pay for it?
- How much?
Is this the Right Venture for You?

• Why Am I Doing This?
• What Are My Goals?
• What Are My Opportunity Costs?
• What Are My Capabilities?
• What Lifestyle Can I Anticipate?
  – Time
  – Financial
  – Travel
• What Is the Worst Case Scenario?
  – Can I Live With That?
• How Will This Impact Those Most Important to Me?
Step by Step Assessment Process

- Identify & Validate the Opportunity
  - Talk to Teachers
- Accumulate Resources
  - Identify, Engage, Assemble, Acquire
  - Talk to Teachers
- Develop, Produce & Market Products/Services
  - Talk to Teachers
- Build the Organization
  - Talk to Teachers
- Respond to Environmental/Industry Forces
  - Talk to Teachers
Understand the Opportunity

• Who is the Customer?
• Value Proposition?
  – How Compelling?
  – What Will They Pay?
• How to Reach Customer?
• Cost:
  – To Acquire Customer
  – To Deliver Product
  – To Service the Customer
Understand the Education Market

- Economic, Regulatory, Competitive, etc.
- Favorable or Unfavorable?
- How Will We React as it Changes?
Understand your Risks

• Do We Understand the Critical Risks?
  – How Will We Manage Them?
• “How Deep Is the Hole?”
• What’s the Return and Its Profile?
• How Realistic Are We?
• Description of the Key Decisions and Trade Offs That Define a Business
• How Do / Will We Make Money?
• Answers the Questions:
  – How Likely Is This to Make Money? How?
  – How Much Time Until We Are Cash Flow +?
  – How Much Investment Required?
  – What Are the Critical Success Factors & Risks?
How Do We Help a Customer Get an Important Job Done?

Value Proposition Becomes More Compelling When:

- Job Is Important to Customer
- Customer/School Dissatisfaction Is High
- Our Solution IS Significantly Better Than Alternatives

Look for Situations Where:

- Current Solutions Don’t Have Real Job in Mind
- We can design a solution That Is a Better Fit
Build your MVP

- Build your Minimum Viable Product
  - Beta product or Screenshots
  - Don’t add a bunch of bells and whistles
- Get Feedback
  - Iterate. Get Feedback. Repeat
- Find a school to pilot
  - Better yet, find a school or customer to pay to build your product
- Understand your technology
- Set realistic milestones
  - Don’t overcommit
  - Don’t under-deliver
- Be prepared to pivot

- READ A BOOK ON LEAN
Who is Actually Buying

• Sales cycle in education can be long
• Sell to multiple people
  – Most likely user is NOT buyer
  – What motivates teacher/parent/admin/IT Director
• How to Get to Them
  – Distribution Channel
• What to Charge Them
• How to Deliver the Value Prop to Them
  – Value Configuration
  – Internal & External Resources
Technology and Business Needs

- The importance of understanding business needs as they relate to technology
- Your company’s “three magic coins” and building a solution
- Choices:
  - Building vs. adopting vs. buying
  - Cutting edge vs proven vs legacy technologies
- The startup and enterprise technology tangent
- Questions that need to be answered:
  - Can the solution reach the platforms you may need to reach?
  - Can you pivot?
- So who decides what to use?

There is no perfect technical solution for your need but there are probably several good solutions
People: What Makes the Technology Work

- Employees or consultants?
- Local or remote?
- Emerging patterns and lessons learned
- Considerations:
  - Can others work on your solution?
  - Do others want to work on your solution?
- Your role
- One more thing...

If you are going to have an ed tech company, technology **needs** to be a core competency
Find People

• Relevant Background & Experience
• Reputation
• Skills & Knowledge
  – Understands education market
• Judgment
• Ability to Recruit, Communicate & Manage
• Commitment / Motivation
  – Long hours
  – Minimum pay
• Get an Educator!
Recruiting Early Stage Team

• When I’m recruiting, what am I selling?
  – The vision, the team, the role, the opportunity
• What do I need to look for at this stage?
  – Look beyond the DNA
    • Domain expertise
    • Stage experience
• How many people will I need to talk to to find the one I’m looking for?
  – Talk to 100 to find 1
Final Thoughts on People

• Advanced technologies, unique products/services, untapped market opportunities don’t build start-ups…people do

• The quality of the team makes a huge difference
  – “A” teams:
    • Have “A” networks
    • Hire other "A" players
    • Establish credibility with quality customers and partners
    • Attract $$$ from top tier investors

• But most importantly
  – "A" teams get the job done
Develop an Elevator Pitch

• Describe the Business
• Ask Yourself “What Must They Remember?”
• Answer the Key Questions
  – What’s the Problem?
  – How Will You Solve It?
  – Can You Do It?
  – Will They Make $ By Helping You?
• Practice!!
Cash Is King

• Bootstrap to MVP…and beyond
  – May have to work two full time jobs

• Hoard your cash
  – Don’t spend foolishly
  – Even when you get investment

• Manage expectations
  – Could take 12-18 months to revenue
  – Could take 18-24 months to investment
  – Could take 18-48 months (or more) to profitability
Most Common Errors in a Plan

- Lack of Understanding of Value Proposition
  - …Or Significantly Overstates It
- Lack of Understanding of Customer
  - And How to Reach Them
  - And Their Actual Financial Motivation
- Lack of Focus
- Underestimating Effort & Resources Required
Most Common Errors in a Plan

- Failure to Identify Competition
- Lack of a Competitive Advantage
- Unproven Team
- Lack of a Robust Business Model
- Inconsistent Facts
- Inconsistent Logic
- Over-Optimistic Financial Projections
10 Step Process (1-4)

• Start With “Why Am I Doing This?”
  – Need To Define a Good Outcome to Achieve It
• Try To Answer the First 2 Questions
  – “What Problem Am I Solving?”
  – “What Is My Solution?”
  – Look at Substitute Products (Existing & Potential)
  – HOW ARE YOU DIFFERENT
• Outline Your Market Analysis
  – What Do I Know?
  – What Do I Wish I Knew?
• Begin Talking to People
  – Teachers/Students/Admins/Parents
  – Advisors
  – Potential Customers
  – Friends
Begin Formal Market Research
  – What Questions Do You Need to Answer?
  – What Assumptions Need Validation?
  – Where Can You Find This Information?
  – Consider Primary & Secondary Data

List the Resources You Need to Succeed
  – Human, Physical, Financial, Etc.
  – Find a CTO/Developer who shares your vision
  – Start hoarding your cash

Build your MVP
  – Get something people can react to
  – Iterate
  – Iterate again
  – Find Beta users
10 Step Process (8-10)

• Define Your Business Model
  – Both Revenues & Expenses
  – Consider Alternates (List Them)
  – Try to Begin a Rough Spreadsheet
  – Identify Critical Success Factors
  – Hoard your money
  – Make it simple (keys)

• Outline/Write Your Plan
  – How Much More Info Do You Need?
  – Revise and Update

• Define A Successful Scenario
  – What Has to Happen?
  – What Do You Need to Do?
  – Simulate in Your Model