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JACOBS FOUNDATION CALLS FOR “CULTURE SHIFT” TO PUT EVIDENCE AT THE HEART OF \$300 BILLION GLOBAL EDETECH INDUSTRY

This follows the launch of a CHF 40 million initiative for greater collaboration between investors, edtech companies, and premier research institutions to help bridge the gap between research and edtech.

The Jacobs Foundation today called on investors, edtech companies, and academia around the world to deepen their collaboration and integrate more research in the development of edtech products. The Foundation also urged edtech venture capital funds to make greater use of evidence in investment decision-making, as analysts predict that up to \$150 billion of venture capital could be deployed in edtech by the end of this decade.¹ Total global edtech expenditure is expected to reach \$300 billion this year.²

The Jacobs Foundation made this call ahead of next month’s World Economic Forum annual meeting in Davos, where world leaders will convene under the theme, ‘Working together, restoring trust’. They will look at the role of public-private cooperation in rebuilding trust and shaping a more sustainable future. This comes after the pandemic disrupted learning for more than 1.5 billion students throughout the world.³

To further this drive, the Jacobs Foundation has committed CHF 40 million (\$44 million) globally to foster greater cooperation between edtech investors, start-ups, and researchers. These key actors will convene in May this year at the Jacobs Foundation’s Unlocking the Impact of Edtech Conference in Germany, where they will discuss ways to make more and better use of evidence in edtech.

Last year, edtech start-ups around the world received a combined total of \$20 billion in venture capital funding,⁴ 40 times more investment than in 2010, and triple the pre-pandemic investment levels of 2019. The Organisation for Economic Cooperation and Development, in its Digital Education Outlook 2021, called for more evidence on how technology benefits learning, as well as clear criteria on how it should be assessed.⁵ A study published earlier this year by the US non-profit Digital Promise found that products grounded in learning sciences research are more likely to continuously improve and match students’ and educators’ needs.

Fabio Segura and Simon Sommer, Co-CEOs of the Jacobs Foundation, said:

¹ <https://www.holonig.com/notes/global-edtech-funding-2021-half-year-update/#:~:text=A%20record%20half%20year%20in, support%20learning%20and%20education%20delivery.&text=At%20this%20time%20we%20conservatively,almost%20tripling%20the%20prior%20decade>

² <https://www.holonig.com/notes/2022-global-education-outlook/>

³ <https://www.oecd.org/education/state-of-school-education-one-year-into-covid.htm>

⁴ <https://www.holonig.com/notes/global-edtech-venture-capital-report-full-year-2021/>

⁵ https://read.oecd-ilibrary.org/education/oecd-digital-education-outlook-2021_589b283f-en#page18

“With dizzying amounts of investment pouring into the edtech sector, we must not lose sight of what really matters: whether these innovations truly benefit children’s learning.”

“Today we are calling for a culture shift in edtech. The global investment and research communities should work together to integrate more evidence in the development of edtech products. This will be a win-win for everyone. Investors will make better decisions, start-ups collaborating with researchers will improve their products, and students will have access to edtech that benefits their learning. There is not a moment to lose for the students disrupted by Covid.”

To bridge the gap between learning science and edtech, the Jacobs Foundation has committed CHF 40 million (\$44 million) to three interlinking initiatives. It has launched the Learning Edtech Impact Funds (LEIF), deploying CHF 30 million (\$33 million) through leading edtech venture capital funds that are committed to investing in projects backed by research. These partner venture capital funds include BrightEye Ventures, Educapital, Learn Capital, New Markets Venture Partners, Reach Capital, Rethink Education, Sparkmind.vc, Owl Ventures and Kaizenvest.

The funds will work with the Jacobs Foundation’s newly launched edtech research centre at the University of California Irvine, Connecting the Edtech Research EcoSystem (CERES). CERES will collaborate with edtech companies and produce cutting-edge scientific research into how children learn through technology. The Jacobs Foundation has awarded CERES a five-year CHF 10 million (\$11 million) grant to bring together experts in computer science, human computer interaction, education, and psychology.

To further support a large-scale shift towards evidenced based investment, the Jacobs Foundation will spearhead EdFIRST – a proposed alliance of leading foundations that will work together to encourage the use of evidence in edtech investment decisions. Fabio Segura and Simon Sommer added, “This alliance ultimately wants to strengthen the edtech ecosystem and support a large-scale shift towards evidence for impact in edtech to shape education policy globally by 2030 and beyond.”

Marie-Christine Levet and Litzie Maarek from Educapital, said:

“At this historic juncture in education, we have an opportunity to shape technology’s impact on learning and schools. By combining our deep knowledge of the start-up ecosystem with researchers’ expertise in testing whether and how innovations truly benefit learning, we can ensure funding is directed towards innovations that will make a real difference in children’s learning.”

Dr. Gillian Hayes and Dr. Candice Odgers from the University of California Irvine said:

“From AI to VR, edtech is an incredibly fast-growing field. We look forward to strengthening ties within the vibrant edtech ecosystem, in particular collaborating with investors and edtech companies to embed research into edtech development and evaluation. By working together, we will be able to truly capture edtech’s great promise.”

Notes for editors

The Jacobs Foundation is active worldwide in promoting child and youth development and learning. The Foundation was founded in Zurich by entrepreneur Klaus J. Jacobs and his family in 1989. As part of its Strategy 2030, it has committed CHF 500 million to advance evidence-based ideas for learning, to support schools in offering quality education, and to transform education ecosystems around the world. <https://jacobsfoundation.org/en/>