



e-learning centre

Engaging effective e-learning

The UK e-learning market 2010

Including a snapshot analysis on 19 European markets

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Glynn Jung
Gill Broadhead
and Renate Halton



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i Foreword by Creativesheffield

Creativesheffield is pleased again to be associated with the publication of this important report. At a time of economic uncertainty and when all sorts of organisations, especially those in the public sector, are looking for efficiency savings, it is a good time to consider the value that e-learning can bring to the wider economy.

The report demonstrates that the European e-learning market continues to enjoy strong growth and that the UK remains the largest market within the continent. Here at Creativesheffield we are pleased, in our role as the economic development organisation in the city, to be involved in supporting the e-learning sector within Sheffield, the most significant cluster of such businesses in the country.



Alongside this publication, Sheffield will be playing host to the inaugural European E-learning Summit in November 2010, where industry leaders from across Europe will come together to share their knowledge and expertise. Informed by the report, there will be an opportunity to debate the important issues and propose a manifesto for the future.

The summit delegates will also have the opportunity to visit a number of e-learning companies within Sheffield and see close hand the success of the sector in the city.

Sheffield's economy has weathered the economic storm well and digital companies in particular have continued to grow during the downturn; moreover they have demonstrated greater productivity than the UK average.

Looking to the future, further growth is predicted as local companies take advantage of growing market opportunities and the world class digital infrastructure in the city. This infrastructure includes the Digital Region network, the largest deployment of next generation broadband in the UK.



I would like to commend this report to you and the excellent work that Learning Light are doing to provide support and thought leadership to the e-learning industry both in the UK and across Europe.

James Wilson

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ii About Learning Light

Sheffield based Learning Light is a centre of excellence in the use of e-learning and learning technologies in the workplace.

Learning Light works to promote the use of e-learning and learning technologies, by providing greater understanding of their effectiveness.

Learning Light operates www.e-learningcentre.co.uk one of the leading resources on e-learning in the UK. Here we provide a great deal of information and advice about e-learning and learning technologies. Our site includes a large number of papers, book reviews, a comprehensive supplier listing and links to other e-learning industry resources.

Learning Light provides research services and advice to a number of UK companies and Government organisations in the most engaging and effective way to utilise e-learning.

Learning Light is active in Europe where it leads a transnational Leonardo project “ENABLE” which seeks to utilise e-learning to engage marginalised and hard to reach learners.

Learning Light is supported by Yorkshire Forward and Creative Sheffield.

The Authors

David Patterson



David Patterson gained 20 years managerial experience, including strategy and planning, sales and marketing and supporting change programmes in the food distribution industry, before enrolling at the University of Sheffield to study for a MSc in information systems, sparking his interest in e-learning almost ten years ago. He has worked for Learning Light for five years, where he continues to provide business development advice to e-learning and learning technologies businesses across Yorkshire. He also continues to provide consultancy advice to companies and organizations across the UK seeking to adopt engaging, effective e-learning. David has maintained a close link with the University of Sheffield to continue his research interest in e-learning. David recently delivered the opening key note address at the IADIS International Conference on e-learning 2010.

Glynn Jung and Learning Leadership



Glynn Jung is widely known across the UK and North America in both Learning and Development and Technology Enabled Learning circles. From his early days (1972) in training at IBM's Research Labs. where he worked with mainframe CBT blended with books and U-Matic videotapes, to his most recent market research and learning strategy projects in Europe, Middle East and North America...he's been around a bit.

Learning Leadership is a small organisation formed by Glynn in 2003 after nearly 19 years with Thomson NETg as, variously, Head of Consulting, Head of SAP Business Unit and finally head of special projects outside the USA. Projects scaled from 245000 learners in 87 countries to 20 teachers in a primary school. In 2003 Glynn started to develop new ways of achieving improved performance and working relationships, using technology when appropriate, with improved diagnostics to pinpoint priorities and focus energies in learning. Now part of a virtual network of small organisations which Glynn has brought together, Learning Leadership works in public, private and third sectors, including in the fields of learning strategies, relentless change and resilience, team-repair and managerial coaching. Glynn is regularly commissioned by organisations to research, report and advise on specific learning issues and develop strategies in business, health and the community. He also leads blended learning development projects for commercial and non-commercial organisations.

Gill Broadhead



Gill Broadhead has specialised in learning & development programme design and implementation that optimises learning technologies, for more than 20 years.

Previously as a learning and development consultant for the Royal Mail she would liaise with key stakeholders to understand strategic training needs and negotiate budgets for the development and delivery of training interventions. She managed the design of core skills learning pathways to support people development and enhance the performance of 164,000 operational employees. The programme was the first programme of its kind for operational frontline employees, designed to meet the needs of the business and establish a flexible workforce with career development opportunities. In addition, she led a time critical project to develop an on-line regulatory compliance programme for more than 1000 customer facing sales employees, ensuring adherence to operational licence conditions.

Prior to this she was training manager for BT where she led a team of nine trainers and was responsible for designing training programmes to meet the skills development, behavioural change and product knowledge needs of operational business units.

Renate Halton

European Market Analysis



Renate Halton is an experienced former Head of an International Trade department delivering international commercial services for the South Yorkshire business community, providing solutions in international trade. Renate is well known in the UK and overseas business support network and has travelled extensively as part of her role to promote UK

companies in foreign markets. She has a proven track record of delivering outstanding performance in working with, and delivering funded projects for both the public and private sectors.

With 17 years experience in managing commercial UK and International Information and Research Services, implementing staff training and development to meet National Professional Standards, implementing stringent customer care and quality procedures. She has served seven years on a Steering Committee of a UK National Syndicate for information professionals working in business support organisations, improving awareness of information & research sources, advising on topical issues, sharing best practice and negotiating best deals on business information resources for the network.

Renate has delivered training throughout South East Asia in the provision of Information and Research Services and assisted in the successful implementation of market research departments within business support organisations.

Halton International was formed in July 2010 to assist organisations to compete or to position themselves in international markets by providing market and industry research and other bespoke international related services.

iii Acknowledgements and thanks

We would wish to extend our thanks to Yorkshire Forward who have supported Learning Light and especially to Creativesheffield for their support and sponsorship of this report.

But, most importantly, our thanks go to the following companies and individuals we were able to interview for this research report. We particularly wish to mention the contribution of Hanif Sazen, CEO of Saffron Interactive at the time of our interviews. It was with great sadness that we learnt of the sudden death of Hanif on Thursday 28th October 2010. Hanif was a contributor to this Survey and Report and an inspirational figure in the e-Learning industry who will be sorely missed by all who were lucky enough to have known him.

Company	Interviewee	Website and About
Accenture SCA	Andy Green	<p>www.supplychainacademy.com</p> <p>The Accenture Supply Chain Academy is the most advanced and prevalent supply chain learning solution in the world. In use at numerous FORTUNE 1000 companies, the Supply Chain Academy builds the skills companies need to put the right product in the right place at the right time. The SCA Catalogue is arguably the largest and most comprehensive library of Supply Chain training resources in the world.</p> <p>The Academy benefits from the insight, experience and expertise of over 20 organisations around the globe.</p> <p>More than 40,000 people from 130 countries use the Supply Chain Academy to build skills and improve supply chain performance.</p>
Airwave Solutions	Andrew King	<p>www.airwavesolutions.co.uk</p> <p>Airwave Solutions provides critical communications services to the police, fire and ambulance services as well as more than 150 other organisation's with a public service role. A key focus in their services is upon ensuring their products are used to best effect to deliver maximum operational and service efficiency to the community – e-learning is a major component in helping them ensure cost-effective learning delivers clearly defined outcomes, such as improved response times and increased front-line availability of key services.</p>
Asset tec	Georgios Kouklakis	<p>www.asset-tec.gr</p> <p>Athens based Asset tec provide a range of knowledge transfer services and operate a number of Vocational Education Training centres in Greece. They have a good insight into the Greek education and skills sector, and have pioneered the use of e-learning and learning technologies.</p>

Company	Interviewee	Website and About
Aurion Learning	Dr. Maureen Murphy, MD	<p>www.aurionlearning.com</p> <p>Aurion Learning is an award-winning educational design company founded by the current Managing Director, Dr. Maureen Murphy. Aurion Learning designs interactive and motivational online learning programmes and learning support tools including online continuous professional development (CPD), 360 degree assessment and performance management. Aurion Learning has a strong track record in the public sector, education, health and central government as well as the private and Voluntary & Charity sectors.</p>
Blue Eskimo		<p>www.blueeskimo.com</p> <p>Founded in 2003, Blue Eskimo was the first consultancy to specialise in providing recruitment solutions to the learning, e-learning and technology sectors.</p> <p>Their remarkable success has been based in part on the fact that everyone within Blue Eskimo has worked directly within the learning and technology sectors. They work with most leading training, IT training, e-learning companies and corporate training departments – helping to find exactly the right people for their specialist roles.</p>
Brightwave	Lars Hyland	<p>www.brightwave.co.uk</p> <p>Founded in 2000, Brightwave is a major workplace e-learning provider in the UK with a reputation for high quality, high impact online training solutions. Brightwave has UK offices in Brighton and Glasgow. Ever innovative, Brightwave recently launched their ‘Delivering Change’ initiative in the public sector offering collaborative services to, initially, Scottish Councils of whom 40% had joined up as ‘members’ at the time of writing.</p>
DESQ	David Squire	<p>www.desq.co.uk</p> <p>Since 1998 DESQ have been creating innovative and exciting digital learning experiences, bringing the best of new media to learning. DESQ blend entertainment & education, learning & play, delivering digital learning materials to support formal education in schools and colleges as well as informal learning experiences.</p>

Company	Interviewee	Website and About
Duisberg Essen University	Christian M Stracke	<p>www.qed-info.de</p> <p>Christian Stracke is an expert in the field of policies and quality for learning, quality management, e-learning, competence modelling and standardization in HR. His main research is on quality and standards in e-learning, quality and competence development in education and HR, convergence of knowledge management and e-learning, international and intercultural e-learning, Mobile Learning, evaluation, measurement and change management in learning processes.</p>
e2train	Rob Caul	<p>www.e2train.com</p> <p>Based in Cirencester (UK), e2Train have been delivering award-winning learning and performance technology solutions since 1995 to a portfolio of customers across a diverse range of business sectors. e2train is a proven and reliable supplier to both the public sector and blue chip private sector corporations, with a track record in delivering both off-the-shelf and bespoke learning systems.</p>
e-Learnity	David Wilson	<p>www.elearnity.com</p> <p>Elearnity is Europe's leading Corporate Learning Analyst, providing independent expert research, analysis and advice on corporate learning, e-learning and learning technologies. David Wilson is the author of many leading strategy papers on e-learning, and is a frequent contributor of articles and magazine columns as well as speaking at major learning conferences in the UK and Europe.</p>
Element K	Tom Stone	<p>www.elementk.com</p> <p>With nearly 30 years in training and development, Element K provides learning solutions that enable organisations to develop employees, support partners, and educate customers.</p> <p>Led in EMEA by Kelly Davis, Element K are one of the elite Top Twenty Training Outsourcing companies in the world, providing broad range of e-learning, e-Reference, classroom materials, and blended learning solutions. Element K is part of the NIIT group, itself a Top Twenty Outsourcing company, and is the parent company to Cognitive Arts. We thank Tom Stone in the USA for what proved to be a thoughtful, insightful and above all informative view of the International e-learning market.</p>

Company	Interviewee	Website and About
eOrigen	Mike Mulvihill	<p>www.eorigen.com</p> <p>eOrigen is a leading producer of high quality media-based training and communication programmes which integrate professional film and broadcasting expertise with interactive learning and assessment.</p>
Epic	Tracy Capaldi-Drewett & Jonathan Satchell	<p>www.epic.co.uk</p> <p>A well-known name in the market, Epic have been delivering tailored e-learning solutions since 1986 and in that time have garnered over 50 industry awards. Traditionally recognised as a major incubator of e-learning talent.</p>
FISC	David Smith	<p>www.fisconline.co.uk</p> <p>FISC is a leader in the provision of leading-edge business systems to a range of industries including motor sales and servicing and the financial services sector The FISC E-learningonline™ platform allows companies of any size to create, manage and distribute online learning on any subject matter, quickly, easily and inexpensively.</p>
Futurate	Jonathan Grove	<p>www.futurate.com</p> <p>With a track record of innovative and inspired marketing, Futurate specialise in crafting high impact print and mission critical websites, software and e-learning, as well as producing effective digital strategies, usability and technical web standards.</p>
Giunti Labs (now Exact Learning Solutions)		<p>www.exact-learning.com</p> <p>On August 1st 2010 Giunti Labs rebranded to Exact Learning Solutions as a management buyout. Founded by the Giunti Editore Publishing Group, Giunti now Exact is a world-renowned specialist in online learning, mobile learning and digital repository services/tools.</p>
i-education	Michael Wilkinson	<p>www.i-ed.co.uk/iamlearning.shtml</p> <p>i-am Learning are Education sector specialists delivering a CURRICULUM ONLINE APPROVED, personal revision and assessment system which uses games based learning to make revision fun and interactive.</p> <p>i-am Learning can be used stand alone or will integrate with your Learning Platform, providing ready-made curriculum-linked revision and assessment material instantly in your VLE.</p>

Company	Interviewee	Website and About
Infinity Learning	Andy Loveless	<p>www.infinitylearning.co.uk/e-learning/</p> <p>e-learning specialist Infinity has developed an approach by which a combination of learning styles, individual attitudes and company culture can be accurately combined to identify the 'optimum' approach for successful learning. This diagnostic approach enables them to create highly effective learning using appropriate and proven delivery and learning methods.</p>
Kaplan UK	Karen Quinton & Paul Fenwick	<p>www.kaplan.co.uk</p> <p>Kaplan is a remarkable organisation not least because it sets an example for successfully combining growth by acquisition and organic growth. From its roots in US Education it has developed into an international network of colleges, faculties, academies and training companies focused on specific verticals for professional, technical and academic qualifications. Kaplan's name is synonymous with high quality learning delivering world-recognised qualifications. The UK arm of Kaplan is made up of Kaplan Financial, Kaplan Law School, Kaplan Hawksmere, Kaplan Altior (Legal), Kaplan Publishing and Kaplan Professional (leadership and management) across all the verticals. Possibly best known for their 'traditional' professional study programmes they have been moving into blended learning and collaborative technologies in a big way in recent years, having attracted a wide range of e-learning talent particularly in the UK. Kaplan IT recently acquired AtlanticLink and the group is now delivering to increased technology-mediated learning.</p>
Kineo	Steve Rayson	<p>www.kineo.com</p> <p>Kineo bring fresh thinking and innovation to deliver high quality e-learning that starts with great design and follows through to successful delivery.</p>
Learning Accelerators	Adrian Snook	<p>www.learningaccelerators.com</p> <p>Learning Accelerators is a recently formed specialist provider of business advice and added-value services to the UK's learning services sector. Led by industry thought-leader Adrian Snook they work with all types of learning providers providing confidential independent advice to management teams, investors and other stakeholders seeking to maximise the performance of learning-related businesses.</p>

Company	Interviewee	Website and About
learndirect	Kirstie Donnelly	<p>Over the last ten years, learndirect has pioneered the large scale delivery of learning - supported by people but enabled by technology. Learning with learndirect has been shown to transform people's lives and helps businesses thrive. Whether it is to get a new job, a promotion or to gain the confidence needed to do more with their lives - helping people is at the very heart of what learndirect is about. learndirect has opened up opportunities for many who'd been turned off by education by offering people a new way of learning. This has been done on a large scale - after all more than 2.8 million learners to date can't be wrong.</p> <p>Kirstie Donnelly, Director Service Design & Development</p> <p>Kirstie has worked in the e-learning sector for more than 18 years and is passionate about using technology to take learning into the homes, workplaces and communities of millions of people. She is part of the ICT Literacy Review Stakeholder Group and leads learndirect's work with Race Online 2012. Prior to joining learndirect she was Director of Learning Solutions for Video Arts and Director of ICT and Lifelong Learning at Manchester Training and Enterprise Council. She was also a member of the group which helped David Blunkett put together the 'Learning Age' Green paper, which formed the foundations of the government's lifelong learning agenda.</p>
LINE Communications	Steve Ash	<p>www.line.co.uk</p> <p>LINE have been delivering interactive learning and communications since 1989, helping our clients develop sound business cases for their visions and then delivering everything from design, through content development to full technical implementation. LINE win multiple awards annually for their work in the UK, Europe and the USA.</p>

Company	Interviewee	Website and About
LM Matters	Martin Baker	<p>www.lmmatters.com</p> <p>LMMatters is the UK Partner of Harvard Business Publishing and of 50 Lessons, providing online learning and performance support to address strategic leadership development and talent management initiatives. Their online portfolio includes: the Harvard ManageMentor online resource, LMKnowledge - a searchable portal of business articles, podcasts and videos, 50 Lessons - over 1000 videos demonstrating memorable and powerful storytelling from over 200 of the world's most respected business leaders, and getAbstract - the world's largest online library of over 5,000 business books.</p>
LogicEarth	Peter Carlin	<p>www.logicearth.com</p> <p>Launched in 2010 to initially serve the Irish markets, LogicEarth specialises in blended learning solutions, personal skills, e-learning development and performance support delivery. Founded by Peter Carlin, former leading BT's commercial training services, LogicEarth has particular depth in IT technical training.</p>
MMC Learning	Imran Farooq	<p>www.mmclearning.com</p> <p>MMC Learning are leaders in delivering transparent marketing training solutions through e-learning and have been delivering e-learning and blended learning marketing programmes to business professionals worldwide for fourteen years. Their online marketing courses are used globally throughout universities, SMEs and large organisations such as Edexcel, IBM and the British Council. MMC Learning is an online accredited study centre for the Chartered Institute of Marketing (CIM) and is part of the MyKnowledgeMap group of companies, (below).</p>
My Knowledge Map	Rob Arnsten	<p>www.myknowledgemap.com</p> <p>MyKnowledgeMap (MKM) has a wide-ranging set of interests, covering all aspects of learning technology. They have worked as the lead partner on national NHS infrastructure projects, helped to support many of the UK's Sector Skills Councils and National Skills Academies, and developed complex systems for Universities, building on their existing infrastructures.</p>

Company	Interviewee	Website and About
Nelson Croom	David Croom	<p>www.nelsoncroom.co.uk</p> <p>Founded in 2000, Nelson Croom has rapidly grown into a leading developer and publisher of online professional development courses.</p> <p>Nelson Croom offer two core services: bespoke e-learning resources for clients and a range of professional development courses that can be tailored and branded for the organisations with whom they work. They are highly regarded, particularly in the professional bodies sector, for their CPD capabilities and their expertise in transforming specialist and technical content into engaging learning. Nelson Croom build partnerships with professional bodies, public and private sector organisations and charities, enabling them to provide a service to the member, customer or client community that they serve.</p>
Oilennium	Kevin Keable	<p>www.oilennium.com</p> <p>Oilennium are a niche company specialising in the creation of e-learning and blended learning for the Oil and Gas industries. They've grown into a company that can provide truly cost effective learning, in a wide variety of subjects, drawing on a wealth of knowledge in their team of Subject Matter Experts. They use Rapid Development tools, so the look and feel and navigation are always very similar. It also makes it easier to use and faster to build. Oilennium also develop and deliver high-quality classroom training augmented by TurningPoint technology.</p>
Peakdean	Peter Ross	<p>www.peakdean.co.uk</p> <p>Peakdean Interactive offers unrivalled expertise, high levels of technical competence and a wealth of experience in all areas of e-learning, blended learning solution development and performance support.</p>
PTK Learning	Patrick Fitzpatrick	<p>www.ptklearning.com</p> <p>PTK Learning is a learning and development organisation, successfully delivering bespoke e-learning and instructor learning solutions to both the private and public sector.</p> <p>They specialise in delivering highly interactive, challenging and exciting learning which enable them to achieve significant results for their clients.</p>

Company	Interviewee	Website and About
Real Projects	Scott Hewitt	<p>www.realprojects.co.uk</p> <p>Real Projects is a highly regarded e-learning development team led by Scott Hewitt and based in Norwich. They develop resources for both private and public sectors in the UK and abroad, focusing on delivering long term ROI in terms of both financial and knowledge metrics.</p>
Safari on-line	Martin Collinson	<p>www.safaribooksonline.com</p> <p>Safari Books Online offers a depth and breadth of technical content that no other electronic reference resource comes close to matching. Safari Books Online has become the trusted search for technology information. Without question, Safari is fast changing not only the way that corporate, academic, and training organisations access information but also the way that publishers deliver new products and services, exploiting groundbreaking technologies.</p>
Safety Train	Jonathan Blythe	<p>www.thesafetytrain.co.uk</p> <p>The Safety Train provides an e-learning training portal aimed at covering all aspects of Health & Safety Training. They currently have a range of social care training, personal development training and office safety training available in their online library. The Safety Train also provides bespoke learning solutions for clients ranging from a specific course that needs to be delivered quickly and efficiently to a large staff base across the UK or Europe to smaller in-house training programmes for a client's team.</p>
Saffron Interactive	Hanif Sazen	<p>www.saffroninteractive.com</p> <p>Saffron is a London based online and mobile learning provider, working with clients around the world. They develop bespoke e-learning, learning and training solutions on a variety of subjects. A real UK success story, Saffron has gradually and quietly grown to be one of the most experienced and successful providers of online and mobile behavioural training in Europe. They have created a wide range of tools and methodologies for all aspects of online and mobile learning. In September 2010 they followed the likes of Google, Canon and Pfizer opening an R & D centre in Pune, India.</p>

Company	Interviewee	Website and About
Skillsoft	Kevin Young	<p>www.skillsoft.com</p> <p>SkillSoft is arguably the largest supplier, currently, of e-learning and performance support solutions in Europe and for global enterprises, government, education and small to medium-sized businesses. Featured in Training Industry.com's Top Twenty listings for e-Learning, for IT Training and for Learning Portal services, SkillSoft enables business organisations to maximise business performance through a combination of comprehensive e-learning content, online information resources, and flexible learning technologies and support services.</p>
trainingPOD	Neil Jones	<p>www.training-pod.com</p> <p>trainingPOD provides innovative Learning and Development solutions to both the private and public sector. They are experts in L&D best practice as well as having a full in house resource for creating the very best content.</p> <p>They work on the principle that any user, regardless of access restrictions, should be able to experience rich media learning material. To achieve this, trainingPOD offer interactive and integrated web-based and offline training portals all of which track user progress to the same learning record.</p>
Virtual College	Rod Knox	<p>www.virtual-college.co.uk</p> <p>Founded in 1995, Virtual College has developed into one of the UK's leading providers of total solutions within the e-learning arena. Their key objective has been to help enhance the traditional learning solution through the careful integration of technology.</p> <p>This total solution embraces all aspects of the learning experience and, unlike many other e-learning providers, extends to actual programme/qualification delivery - resulting in a unique blended delivery solution. The knowledge and experience that this delivery provides helps ensure that we strive to continually improve the solution. The company has developed a comprehensive product range focused specifically on helping businesses improve their performance through the adoption of new ways of learning, whilst their e-Academies have proved to be a model for secure, collaborative development and learning services.</p>

Company	Interviewee	Website and About
Webanywhere	Sean Gilligan	<p data-bbox="683 188 1054 224">www.webanywhere.co.uk</p> <p data-bbox="683 248 1437 472">WebAnywhere Ltd has been established for over seven years and provides innovative website and multimedia solutions to schools in England, Wales, Scotland and Northern Ireland. As a leading edge technology focused company, they're always up to date with the latest Internet trends and developments.</p> <p data-bbox="683 499 1485 763">Since 2002, Webanywhere have dealt with primary, secondary, nursery and special educational needs establishments. In addition to web design and content management services, they offer a wide range of products, such as surveys, pupil eRegistration and Google Analytics, plus fun, interactive technology, such as radio podcasting and video 'vodcasting'.</p>
The Workshop	Mark Pearce	<p data-bbox="683 801 1038 837">www.theworkshop.co.uk</p> <p data-bbox="683 862 1469 1126">The Workshop designs and develops world-class, innovative learning solutions that create tangible business results, with the skills and experience in-house to develop learning solutions in all media. Their products engage, enthuse and inspire learners and deliver accredited qualifications. The Workshop is a world leader in e-learning and accessibility issues.</p>
Xoolon	Martin Spence	<p data-bbox="683 1189 935 1225">www.xoolon.com</p> <p data-bbox="683 1249 1481 1435">Xoolon is an online interactive sports community bringing together schools, pupils, clubs, associations and governing bodies within the sporting industry. Each school has access to their own internally editable PE website enabling communication and assessment around sport and fitness.</p>

The opinions and analysis put forward in this report are those of the Report's authors alone.

1. Introduction

In January 2007 Learning Light commissioned a briefing paper on the e-learning market in the UK, “UK e-learning Report” which we posted on our e-learning Centre website www.e-learningcentre.co.uk.

That Report, researched by John Helmer, became our mostly frequently visited and downloaded resource by 2009, but the rapid rate of change in our industry means we needed to be able to respond to the increasing requests for advice and information received by Learning Light with a service of annual comprehensive Reports, starting with one for 2009 and now for 2010.

The focus of the new report is similar to that in 2009, but we have necessarily updated the content to reflect the changes and trends within both the industry and marketplaces we surveyed. New this year is a survey we commissioned for the European market and interviews/discussions with industry representatives in MENA, India and the USA, with a goal to get a wider grasp of the opportunities and threats within our web-powered industry.

In addition to our own experience and expertise within Learning Light we’ve drawn on independent sources, including:

- Bersin, Learning Leadership, auricle.org, David Wilson at Elearnity, UK industry leaders and niche players
- EQ Magazine, Towards Maturity, DCKTN and industry SIGs and research bodies
- Training Outsourcing Inc., Educase, Aptara, FutureThink LLC in the USA

At the heart of our research has been a series of interviews with organisations and individuals engaged in the e-learning market, from micro-businesses developing innovative technologies to established major service and product suppliers in the Europe, MENA, the USA and India.

As in 2009 our goal has been to provide both suppliers and purchasers with an understanding of what’s possible, what’s available and where e-learning services and products are going. We also comment on the convergence of technologies and design techniques for business, entertainment, gaming, learning and assessment. Finally we look at the way new technologies and changing economics offer both threats and opportunities to suppliers and purchasers of e-learning products and services.

2. Executive summary

The Learning Light report on the e-learning market for 2010 is a much enhanced document from our previous 2007 and 2009 versions.

In our 2010 report we continue to follow the key trends in the UK e-learning industry, but have widened our research base, interviewing over 40 of the UK’s leading e-learning companies. In addition we have spoken to a number of other organizations and individuals across Europe and North America.

We have continued to provide forecasts of what we believe the UK market to be worth in financial terms, and we offer our views on the likely level of growth of the industry.

In addition we have extended our financial model to encompass 19 European countries where we offer a market size estimate and projected growth figure, as well as a short commentary and evaluation of each country’s e-learning market.

Our series of semi structured interviews with more than 40 companies was conducted over a 3 month period in 2010.

The response from our interviewees presents a mixed picture; while few fail to see the potential for growth in the corporate training market for e-learning, many also feel that the present economic downturn and the large reductions in Government expenditure in the UK will dampen demand.

Our financial modelling reflects this message. We see the UK market growing at no more than 4.76% on 2009 and, on our most optimistic projection, being worth £472 million.

The UK remains the largest European market for e-learning, but not the fastest growing. Our analysis of the market indicates that France will enjoy considerable growth, as will Germany (from a low base) along with strong performances from the Scandinavian countries. We also predict strong growth in Poland, Czech Republic, Slovakia and Hungary driven by Government and EU funded projects.

In terms of technology trends we see considerable innovation and potential disruption to business models driven by open source technologies, mobile and smart devices, e-books, CLOUD and Software as a Service (SaaS), along with the new style and demand of learners living almost all of their lives on-line.

We retain our fundamental belief that this industry is evolving and will continue to do so, its appetite undiminished in its wish to use and exploit new technologies, devices and approaches to deliver effective learning.

We do however remain perplexed given the widespread acknowledgement that e-learning is now both effective and engaging why we are not seeing a greater drive toward the adoption of e-learning by corporate leadership?

3. What constitutes 'e-learning' in the context of this survey?

To simplify matters we use the terms 'e-learning' and 'learning technologies' wherever technology forms part of the learning, training or assessment mix.

For a clearer definition we have turned again to Michael Allen and his work 'Creating Successful e-learning' (Pfeiffer 2006) as a starting point.

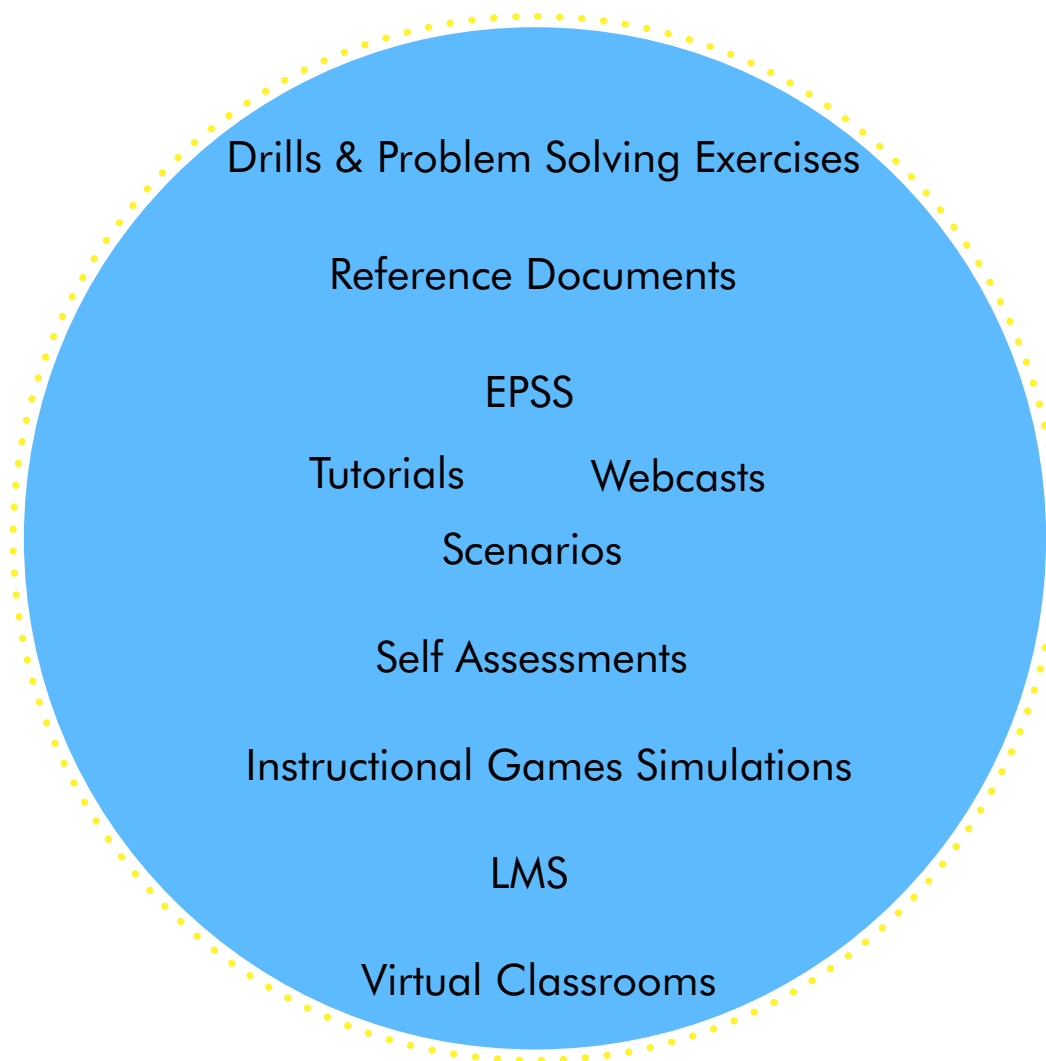
3.1 e-learning - definitions

In his work Allen described or defined e-learning in these terms: **"The term e-learning applies to the broad range of ways computing and communication technologies can be used for teaching and learning."**

He then added that: **"Some uses are effective – magnificently so. Others are not."**

3.1.1 e-learning components

Allen then illustrated the components as below:

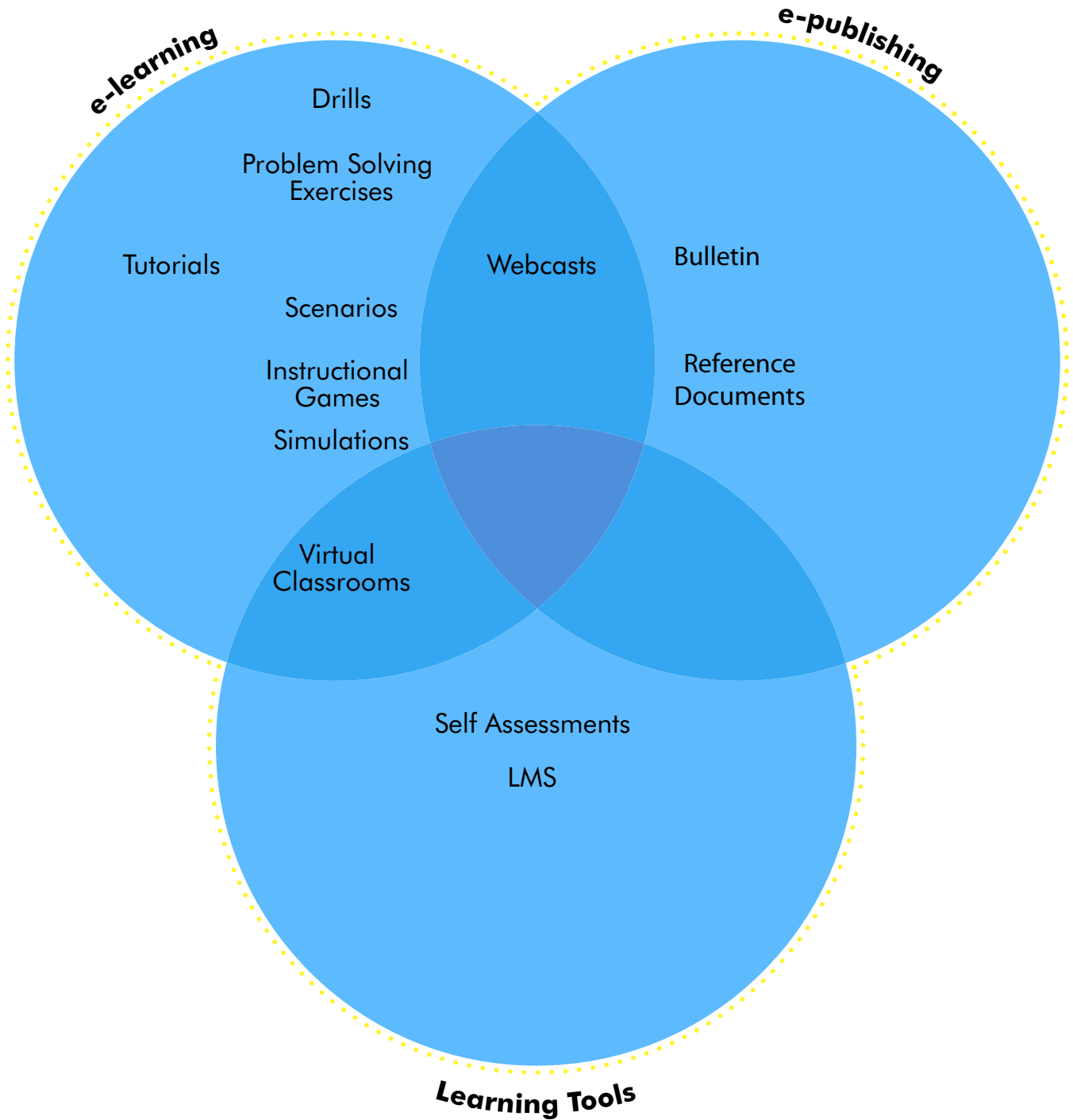


A second definition was offered to cover simple presentation of content: “e-learning is delivery of carefully constructed instructional events through computing technologies.”

Allen argued that this is a more useful definition as it excludes simple communication, unless used in a context configured for learning. We now present two more diagrams seeking to define and conceptualise e-learning, firstly a slightly amended version of Allen’s to support the use of communication and publishing of e-learning.

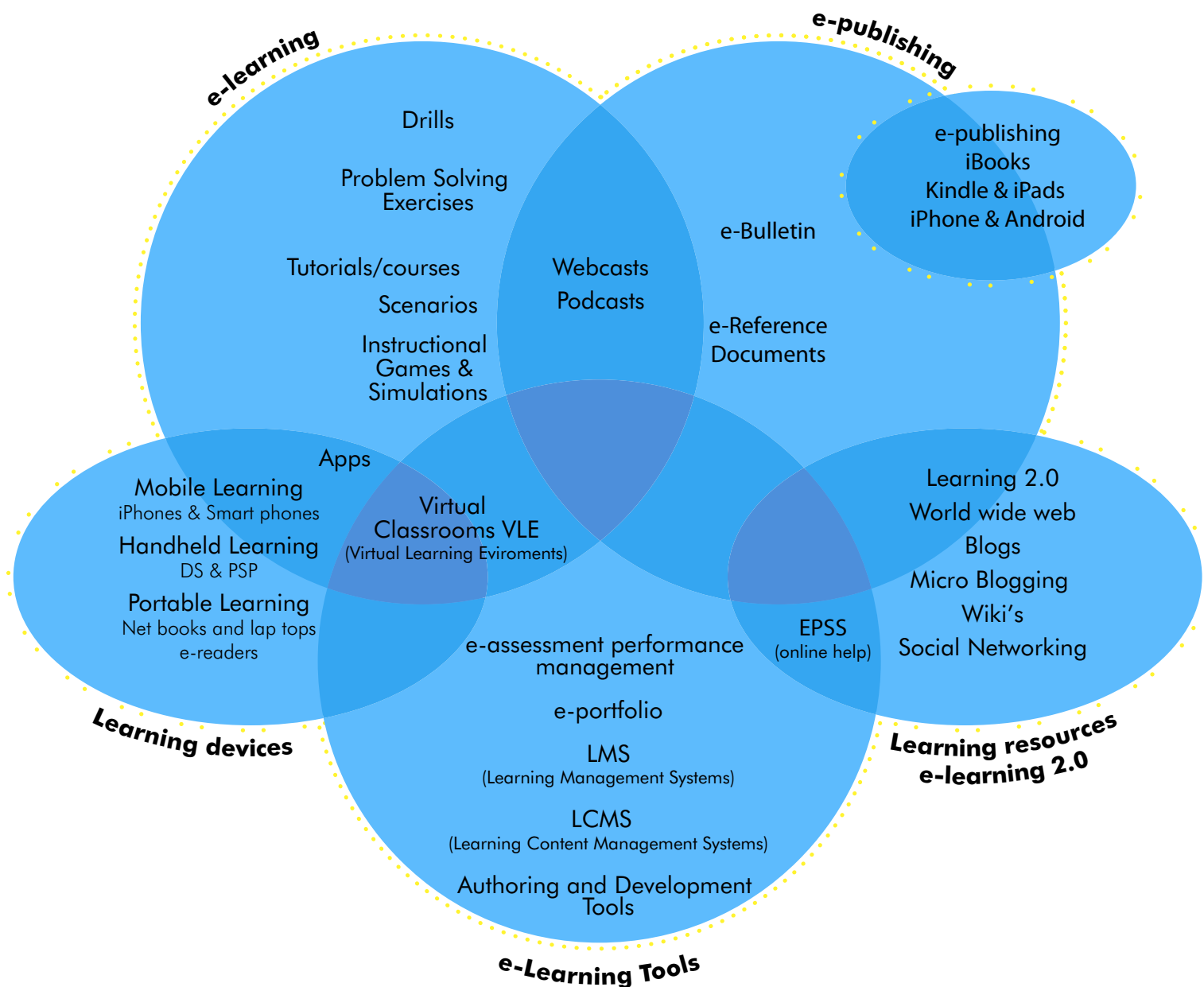
3.1.2 e-learning, e-publishing and learning tools

Firstly...



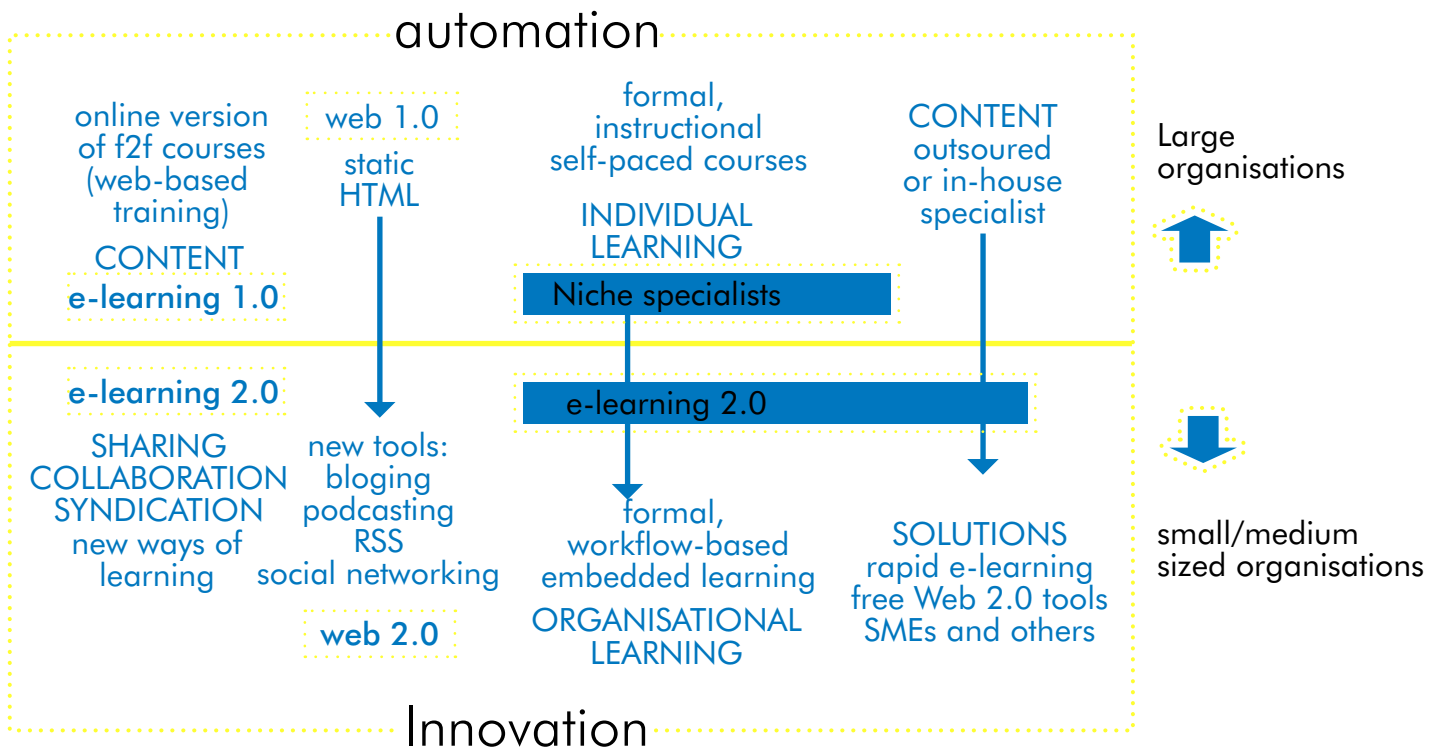
3.2 How e-learning is flowering

Secondly, in the view of the report’s authors, and in the light of our interviews, we believe the illustration below helps show how the total e-learning picture is evolving, indeed flowering.



Can all of this flowering really have happened so quickly? In addition we have a well-recognised slide Learning Light began delivering in 2006, developed by our then colleague Jane Hart. As always Jane was ‘ahead of the game’ and her website www.c4lpt.co.uk remains one of our favourite places against which to benchmark our findings.

From automation to innovation in the workplace



We also draw your attention to Section 8 in this Report, 'Articles and Commentary', particularly to a state of the art www.auricle.org posting which expands on these topics.

Following on the 2009 publication of **e-learning 2.0** by Anita Rosen, (sub-titled 'Proven practices, Emerging technologies to Achieve real results') we were pleased to receive Jay Cross' 2010 update to 'Working Smarter' sub-titled 'Informal Learning in the Cloud' .

The emergence of CLOUD SaaS is arguably one of the big leaps for learning technologies. Unlike a lot of new wave learning (e.g. m-learning) it isn't about clever technology awaiting a cost-effective application, the CLOUD was simply inevitable.

On the issue of m-learning, perhaps the big breakthrough is in ePublishing, delivering 'Intelligent Books' for devices such as iPads, Androids and iPhones. Aptara's view is that as mobile devices like iPhones and Tablet PCs and single-function eReaders such as the Amazon Kindle, Sony Reader, Barnes & Noble Nook, and Plastic Logic's Que create new markets that didn't exist just two years ago, the strategic importance of eBooks is expected to continue rising. By the time this Report is published we expect to see the release of further iBooks applications as well as the Google Editions service and potentially the new Google Tablet. For further information the emerging Enhanced eBook University 'E2BU' is offering Webcasts on ePublishing for education purposes. Whichever way it happens first, whether with Intelligent Books becoming a standard option for academic and educational publishing, or book and magazine publishers seeing the profit and scalability opportunities for digital products or in turn iPad types of devices entering common business usage the key issue in our minds is that the technology will only be used for mainstream learning when it offers real operational value generally.

Going forward, for the learner and for the organisation, the critical metrics will include outcomes delivered in shortened timescales, reduced budgets with reduced time-to-proficiency for new hires as organisations start to grow again. We also expect to see increased growth of the use of story-telling – both dramatised and documentary to make learning more "real and personal" to improve both performance and behaviours.

One feature often overlooked by many major learning technology suppliers is just how unnatural to use they are. For example, LMS systems really aren't at all user-friendly, many industry thinkers claim, arguably designed more for the organisation to impose controls than for the learner to have an enjoyable experience. This is one area where consumer market suppliers in the iPhone, iPad markets score highly over the installed software base in enterprises.