

# Startup Strategies in Practice: Solving the Problems and Needs of EdTech Customers

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Tech entrepreneurs that do not take the time to understand their customers in detail can face issues with product adoption later down the line. This article highlights practical strategies to uncover the problems and needs of EdTech customers, improving entrepreneurs' chances of bringing a successful product to the market.

The EdTech product landscape is vast, complex and growing faster than ever. While full of potential, the industry's dynamic nature also makes it challenging for potential customers and new entrepreneurs to navigate the industry. One of the biggest mistakes any (EdTech) entrepreneur can have is focusing too much on their product's technology without grasping a comprehensive understanding of their customer - an essential step towards achieving product-market fit and technology adoption. Here are some of the key points to keep in mind to build a better understanding of your potential customers.

## 1. WHO IS YOUR EDTECH CUSTOMER?

When working with customers in an education system, there are several different audiences that a start-up will need to appeal to, including the administrators (decision-makers), instructors and students (product users), and EdTech coordinators (influencers). Not all of these stakeholders share the same needs, values, and goals, however. Undertaking the following steps can help you to understand them better.

### A. Develop a customer persona for each stakeholder:

Customer personas describe the typical customer a start-up will need to appeal to, their challenges, and how you can identify and empathize with their situation. You can even give them a name and draw them to bring their stories to life! A customer persona is essential to ensure your EdTech

product and the associated marketing are tailored appropriately to address their needs. As there typically is more than one type of customer in EdTech, create new customer personas for each one to ensure you understand their unique situation.

The main sections to include in a customer's persona profile are:

- **Basic information:**
  - **Socioeconomic demographics** (such as gender, age, location, ethnicity, marital status, political affiliations, profession, income, education, experience),
  - **Personality psychographics** (beliefs, values, aspirations, fears, frustrations, motivations, personality, hobbies),
  - **“Watering holes”** that your customer frequents (the locations, platforms, and technologies, both in-person and online, that attract and capture the attention of your potential customers),
  - **Communication tools and usage behaviour** that customers have adopted.
- It can also help to develop a “Day in the Life” story for your customer, describing what daily tasks they need to achieve, who is involved, and where they put their efforts.
- What contexts can your EdTech product be used in – primary and secondary schools, universities, corporate education, or elsewhere? What topics are taught? What technology is available to instructors and students in these settings?
- Identify any proxy products that potential customers are currently using to solve their problem, how they feel about this solution and its costs. Knowing the substitute products that a customer may use will help you understand what your product is compared to.
- Finally, and most important - what are your customer's problems related to your opportunity, and why do these problems continue to persist?

Think honestly about what information you include in your customer persona with certainty and where you have made assumptions about what you know about potential customers. Creating the customer persona is an opportunity to identify what information you are missing and which customer assumptions you still need to clarify.

## B. Map each Customer's Innovation-Decision Process, their Customer Journey

Next, you may consider mapping your customer journey into a visual representation of how, when and where potential customers may interact with and experience your company from their perspective. The purpose of the customer journey map is to understand the customer innovation-decision process—how a customer decides whether to adopt your product. According to sociologist and communications expert Dr Everett Rogers, with every interaction, a customer gains awareness and knowledge about your product that impact what they may think about it (their consideration) and whether they are persuaded and decide to use or purchase the product. The journey does not stop here, however. Once they can use the product, you can map whether they will continue to be a customer (retention) and whether they promote the product to others (advocacy).

The customer journey map thus highlights the touchpoints where your start-up interacts with potential customers over time. At each touchpoint, information is typically shared, and customer feedback is received, such as learning about the customers' pain points, their wish list to achieve their goals, their emotions, and their perspectives on your EdTech solution. Note that with each interaction, your customer may change and adapt their views on your solution.

As with the customer personas, when there are multiple potential customer stakeholders, their customer journeys can differ. Therefore, each type of customer should have their own customer journey map. Just because the administration has purchased an EdTech product does not mean that instructors and students will use it, and just because an instructor likes a product's features does not mean that they will be able to purchase it for use in their classroom.

Mapping such information will help you develop insights into how you can address customers' needs with your innovation and understand any resistance to change. For example, instructors who have tried several other technologies may feel that trying out a new technology requires a learning curve (and extra time and effort) for them and their students. Trying yet another EdTech product may be viewed as more trouble than it is worth. Understanding the origin of any resistance is essential for you as the EdTech entrepreneur to handle it.

Finally, note that it may be challenging to map your customer journey before interacting with and learning from your customers. That said, for this exact reason, it is beneficial to use this exercise to think through what you anticipate may need to happen to move from a prospective customer to a converted customer, to identify the goal of each interaction and what hurdles you may face!

## 2) WHAT VALUE PROPOSITION CAN YOU OFFER TO EACH POTENTIAL CUSTOMER?

In theory, all EdTech customers have a similar goal – to enhance the learning experience of students. However, in reality, the value propositions offered to each stakeholder may need to be more specific to increase your product's chance of being adopted. An EdTech solution should help customers accomplish a specific task and be an improvement over the solution currently being used. However, EdTech entrepreneurs often focus on testing user engagement with their solution, such as how frequent student logins are, how long students spend using the program, and how many lessons or tests are completed. Other important data collected are sales data – how many trials are converted to first-time sales and to renewals. More established EdTech companies may look at existing customer data and analytics such as student achievement data, the tool's effectiveness for learning, and user satisfaction.

While these metrics are relatively easy to collect and are helpful, they only capture the outcome of whether customers are interested or not in your product, not what influences these outcomes. Rogers' Diffusion of Innovations theory helps explain what properties of an innovation influence customers' preferences and whether they adopt it. First, it is crucial to check whether your EdTech product has a relative advantage over the currently used solution, as noted in your customer personas. Next, you can evaluate how compatible your innovation is with potential customers' current lives. For example, is your EdTech solution compatible with the current hardware accessible to instructors and students, as well as with what they are willing to spend? A significant barrier to adopting technology is also how complex it is to use. Instructors and students alike may get frustrated with EdTech with several bells and whistles but have a steep learning curve to start to use. It can be beneficial if it is possible for customers to trial your EdTech solution before committing to it, also allowing you to gather feedback on your product. Finally, potential customers like to know about the experiences of other users. The observability of other instructors using this technology and their experiences can influence whether an EdTech solution is adopted.

Understanding your customer in-depth and addressing each of these characteristics of innovation and how your EdTech product addresses them can bring you one step closer to ensuring your product is successful.

### **3) WHEN? NOW IS THE BEST TIME TO CONNECT WITH YOUR POTENTIAL EDETECH CUSTOMERS TO GATHER FEEDBACK.**

Over the past year, the use of EdTech has both changed and accelerated. During the pandemic, instructors and students both battled the steep learning curves of moving online. Administrators searched for feasible solutions that could work for effective teaching across their institutions as social distancing restrictions continued to change. While some instructors reverted to lecture-based teaching and traditional readings and assignments, others chose to experiment with EdTech solutions to ensure non-classroom-based learning could still be experiential, engaging, and effective.

Before the end of the academic year, it is the ideal time to connect with administrators and instructors to understand the trials that the pandemic put them through and learn from their experiences. If you wait too long, you may run the risk that the arrival of summer holidays and vaccines will dampen the memories of experiences using EdTech of the past year. Moreover, now is the time that schools are getting ready for the following academic year and are aiming to determine what new tools to integrate into their programs.

When seeking out feedback, consider your potential customers' experiences and how developed your EdTech solution is. If you are still designing your product, you will want to ask customers questions about how your technology can fit into the program and curricula offered. Suppose you are in the development stage and building the software or hardware that will be used. In this case, you have the opportunity to gather information on what types of tools and materials best resonate with students. Finally, if you already have a complete EdTech product, you can demo it with instructors to gain an understanding of whether it has a relative advantage over the solution that they currently use and what improvements could be made.

### **4) HOW TO EXPERIMENT WITH YOUR POTENTIAL STAKEHOLDERS**

After you have carved out what you believe to be true about your different audiences (and organized your thoughts into a customer persona and customer journey map), you can experiment to gather further data to understand your customer. It is crucial to collect this data yourself rather

than hiring someone else. Having this closeness to understanding customer data will allow you to gather the insights, synthesize the results, and better reflect on any patterns that may be emerging. If possible, try to experiment with different types of classrooms, students, and subjects to see how your EdTech solution fits. In addition to traditional interviews and surveys, data on customers can be collected by observing users engaging with the technology, demo videos, and conducting data analytics on user engagement. Several product and market research experiments are available and customizable to test your solution. Rather than detailing them here, two practical resources to start your search are the books “Testing Business Ideas” by David Bland and Alex Osterwalder and “Testing with Humans” by Giff Constable.

As you design your customer feedback tests, be sure to keep in mind what metrics you hope to learn about your customers. As noted above, you want to know not just whether your product is being adopted or not, but why. Keeping these points in mind will bring you steps closer to bring an effective and successful EdTech product to the market.

Best of luck!