

## Twitter Thread by Romeen Sheth



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**India is on the verge of a once-in-a-generation explosion in edtech.**

**I've invested in 2 co's that are growing like wildfire and want to do more. Let's talk if you're building in this space.**

**Here's what's going on and why you should pay attention now, if you weren't before:**

1/ There are 5 factors that are simultaneously driving the rapid rise of edtech in India.

- Favorable demographics
- At scale internet adoption
- Deteriorating incumbent quality
- Declining budget / capacity
- Cultural relevance

Let's talk about how all 5 are interconnected.

2/ The quantum of "digital first" Indians that will need to be educated is like nothing the world has ever seen.

India has:

- 500M+ people under 25
- 125M+ English speakers
- 250M+ people that will be added to its population over the next 40 years (est. peak is 1.6B)

3/ In parallel, increased internet accessibility at very low prices has resulted in a massive surge of online users

- 830M internet users in 2021 (+83% from 2019)
- 860M smartphone users in 2022 (+84% from 2017)
- 8.3GB monthly data consumption (+100x from 2014)

4/ India's existing education system is rampant with outdated curricula, low quality instructors and inflexibility. India:

- Ranks 49/50 in higher ed
- Spends <5% GDP on higher ed
- Teaches "to the test" - the system is oriented around entrance exams

5/ Even if the centralized system magically fixed all its issues, it's not positioned to meet the demand surge.

The India Brand Equity Foundation estimates that an additional 700 universities and 35,000 colleges (!!!) will need to be built to keep up with demographic trends.

6/ Education has always been culturally important to Indians (cue the doctor/engineer memes ■), but it's gone into overdrive in the last 5 years.

Why? Purchasing power.

The Chazen Institute predicts India's middle class will have 583M people by 2025 (~2x the US population).

7/ So what happens when you have:

A ton of customers + The ability to reach them through the internet + A bad incumbent product + Consumer purchasing power?

A dream market.

8/ If that wasn't already enough, COVID all but broke the camel's back.

The unexpected and prolonged closure has impacted 320M+ learners.

Now the decision makers (parents, advisors) are exploring alternative methods so students don't fall behind.

(Indian parent nightmare..)

9/ And outsiders have taken notice.

From April 2000 to December 2019, India's education sector received \$3B of FDI (foreign direct investment).

In 2020, BYJU's alone has raised \$1.1B.

10/ Companies are growing FAST

6 months ago, BYJU's bought White Hat Jr. for \$300M in an all cash transaction.

White Hat Jr. was a canonical blitzscaling example - they got to \$150M run rate on ~\$11M raised in less than 20 months.

11/ So who else is exciting? In addition to BYJU's / White Hat, I have my eyes on:

@wiseaplive, @Skill\_Lync, @vedantu\_learn, @myToppr,  
@unacademy, @ClassplusLite

12/ The time is now for edtech in India. Multiple multi-billion dollar companies will be built over the next 5 years.

If you're building in the space or actively investing in it, reach out - would love to trade notes!

13/ Oh and if you needed any more proof, the "man-of-the-future" @balajis himself just relocated to India.

It's about to go down.