# Impact of Covid-19 on Coaching Institutes

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## ABSTRACT

*There has been a boom in the segment of coaching institutes in India in the past few years, particularly since the beginning of the 21st century. The big increase in the number of coaching institutes started at least in the 1980s itself. Since almost everything in life has to be learnt through coaching, the institutes which give training are of things which encompass many spheres of human existence, such as music, public speaking, cooking, education etc. In the education sector too, the educational service organizations are of a very wide range, such as coaching for the examinations of Grade 10 and Grade 12, which are of the Boards such as CBSE, State, ICSE etc, Joint Entrance Exams of IIT (Mains and Advanced), PMT (Pre-Medical Test) or NEET, CAT (Common Admission Test), MBA CET, Campus Recruitment Training (CRT), Programming, etc.*

*A new phenomenon which has come up very recently, say post-2010, is of online coaching classes. There are institutes which sell their entire course online, such as Cracku, Edushastra, HundakaFunda, CATKing, iQuanta, 2IIM, Marrow, etc. These institutes had come much before the Covid-imposed lockdown which was imposed since March 2020.*

*The traditional, non-online coaching institutes in India saw a decline in revenue due to the lockdown. Most of them were unprepared for this sudden change where online coaching had to be taken immediately. However, with the passage of time of the lockdown, they, or most of them, became more comfortable with and adept at the use of technology to take online classes. This paper aims to identify the impact of the lockdown on the coaching institutes, the changes that were forced to occur with regards to opening up of newer markets, changing in marketing approaches, technology management, and automation in the workplace.*

***Keywords:*** *Lockdown, Covid 19, impact, Coaching institutes, Online.*

## 1.0 Introduction

Coaching has always been a part of any civilization in the history of civilization. A large number of school students in India take coaching now, and this number was ever-increasing with time, at least until the lockdown was imposed due to Covid-19. A report in The Hindu's Business Line on 22 December 2013 cited a report by the Asian Development Bank (ADB) published in the year 2012, which said that as many as 83 per cent students in high school in India go to private tuitions at coaching institutes. The Indian Express dated 26 June 2013 quoted a survey of students and guardians by the Associated Chambers of Commerce and Industry of India (ASSOCHAM) which was conducted in 10 Indian cities. This survey concluded that the educational coaching classes sector increased by 35 per cent between 2007 to 2013, and that in this period, the number of students in primary school attending tuition classes doubled, while the number of students in high school attending tuitions increased to 1.92 times.

The number of students attending coaching classes at Class 12, and graduate level was not mentioned, but this too can safely be assumed to be definitely rising, if it is not at saturation level already at Class 12 level.

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**2.0 Literature Review**

Since the lockdown was announced only in March 2020, and is still in force, there do not appear to be many research papers written on the topic of its impact on coaching institutes as yet. The only literature available was the reports of newspapers and magazines on this issue, which gave statements of various stakeholders such as coaching institutes, students, teaching and non-teaching staff, parents, etc. Other research papers which covered the subject of coaching institutes (much before the lockdown) were studied.

A PTI report of 17 April 2020, around a month after the lockdown was imposed, said that many students left their coaching institutes drowning the fees already paid when the classes closed due to lockdown, and joined new online coaching institutes, paying the full fees. In that report, a student mentioned that many of the traditional coaching institutes did not have online coaching facility at that time.

An article by *The Indian Express* dated 8 June 2020 said that due to the lockdown, the admissions of major institutes coaching students for IIT JEE, of which Aakash, Resonance, Allen, FITJEE, CareerPoint, PACE, Vidyamandir were mentioned by name, declined to nearly half, or even lesser at some places, and that some institutes had difficulty in even paying rent for the places taken, at least in the cities of Kota, Delhi, Mumbai, Nagpur, Raipur and Indore. It stated that Resonance's Mumbai and Raipur centres and Allen's Indore centre got only half the admissions as compared to 2019, while it was just 30% of the 2019 figures at Resonance East Delhi centre.

The report also gave an interesting fact stating that in light of the difficult situation, these institutes reduced the initial payment for seat-booking. It gave the example of a Resonance centre in Delhi which booked seats for Rs 10,000 while this amount was Rs 60,000 in 2019. There were also complaints of late payment and reduced payments by faculties teaching at these institutes.

The article further said that these institutes were scared of the professional online classes or tutoring platforms like Byjus, Unacademy, Vedantu etc who are their rivals, reducing their admissions even more. The CEO of Vedantu stated that it had seen a 150% increase in paid subscribers for coaching for competitive exams in the three months of lockdown of March to June 2020.

*The Indian Express* dated 20 July 2020 said that the Maharashtra Class Owners Association has nearly 1 lakh classes under its ambit and quoted the association as saying that business was reduced by 70% in the four months of ban on offline coaching classes since March 2020.

*The Times of India* dated 10 February 2021 reported that this Association urged the Maharashtra Government to allow offline coaching classes, and that it said that many classes may not be able to sustain and a lot of teaching and non-teaching staff may lose jobs if the classes continue only in online mode.

**3.0 Technology Management**

**3.1 Access to technology by customers**

The lockdown underscored the importance of digitization all across India. Had this pandemic occurred, say in the year 2000 or 2001, it would not have been possible to hold classes online, like now. That is because, at that time very few people had access to the internet, there were almost no mobile phones in the hands of ordinary people, except the very rich, and very few people had laptops or even computers. The rural part of the country, and the lower classes even in urban areas certainly did not have access to such technology.

However, in the past few years there has been rapid growth in the access to mobile phones, internet by all sections of the society, including the underclass in urban areas, and everyone in the rural areas. According to Statista, the Internet penetration rate in India was just 4% in the year 2007,

from which it grew to nearly 50% in the year 2020.

A *Hindustan Times* article of 14 August 2020 said that the number of people using the internet in India has increased massively in the past few years, according to data compiled by the World Bank. But a large percentage of the population still does not have access to the internet. This situation is so far more in rural parts of India, households with low income, which will be classified as 'poor'.

This report said that the Delhi telecom circle (which includes other parts of the National Capital Region apart from Delhi too), as of end-2019 had a total of 169 internet subscribers per 100 people, as per TRAI data. This was the highest among all the telecom circles of India, which are 22 in number. Since many people used more than one internet connection (say, one broadband connection, while another being on mobile) the number of connections per 100 people was higher than 100. But this number was as low as 32 for Bihar and Jharkhand combined. The number of internet subscribers per 100 people was less than 50 in at least six telecom circles of India at the end of 2019.

These figures also showed a massive gap in internet usage in the urban and rural areas. The national average all over India showed that there were 106 internet subscribers per 100 people in urban areas, but this number was only 30 subscribers per 100 people in rural regions.

*The Times of India* reported on 6 May 2020 that for the first time the number of internet users in rural areas crossed that of those in urban areas in India (in absolute terms), in late 2019. The report by the Internet & Mobile Association of India (IAMAI) and Nielsen said that rural India had 227 million active internet users, while this number for urban India was 205 million, as of November 2019. Those who use the internet at least once in 30 days were defined as 'Active internet users' in this report. There were another 7.1 crore (i.e. 71 million) children between the age of 5 and 11 who went online using the devices of their household.

### 3.2 Use of technology by coaching institutes

After the lockdown was imposed in India in March 2020, there were many coaching institutes which avoided taking online classes until as late as possible. However, ultimately all those who wanted to survive had to take online coaching, and they all learnt how to take online coaching soon, some of them within as few as 2 or 3 days. Online coaching emerged as a panacea. The only things needed were a computer or laptop, tablet or smartphone and a good internet connection.

For taking online classes, two of the most popular platforms were Google Meet and Zoom. There are some differences in the working of these platforms as well. For example, in Zoom, it is possible to log in with fake IDs. Even if the entry to the Zoom meeting is done with real name, it is possible to change name after that. This has resulted in some students logging in and then changing their usernames, and with fake usernames, giving a lot of abuses and disrupting the class. This has been observed many times by various faculties on Zoom and revealed to this writer in personal interactions, and it is often either very difficult or impossible to identify the person doing so. This is not possible on Google Meet. Hence, on this count Zoom needs to improve its technology.

However, there are some shortcomings which some users claimed to exist in Google Meet. There was a feedback that in Google Meet there is a good option of screen sharing, but one cannot show anything which is not on the device (say Laptop). Thus, if one in logged in from Laptop, one can only share the screen. On Zoom, anything can be shown to students if one is logged in from mobile; one can simply shift the face of the camera and show anything written in a register etc to the students, which makes it easier. Some topics cannot be learnt by mere screen sharing, hence this facility is important to have in any technology.

In Google meet, anyone can type anything on the chat box and ask any sort of doubt, which is seen by not just the faculty, but all other students, i.e. by everyone logged in in the meeting. The benefit of this is that any doubt is seen by all other students, and any of the other students too can

immediately type on the chat box and explain it to the student who asked it. However, the drawback here is that there is no facility to write in private on Google meet. If any student wants to say anything in private, only to the teacher, he or she cannot do so. Or in case a faculty asks any question, and does not want the answer to be revealed publicly so that other students who have not yet solved the question and not yet got the answer do not hear it, there is no way the answer can be told. It is seen by everyone on the chat box, on Google meet.

But on the contrary, on Zoom, there is the facility of sending a private message, where any message can be sent to any single individual. This makes it possible for students to send the answer only to the teacher, whereby other students do not automatically see the answer sent, on Zoom. If a class is being taken on Google meet, then the only way the answer can be seen by only the teacher is through other messages like in private on the teacher's personal WhatsApp number.

In such online classes, there are at times connectivity issues in case of both students as well as the teacher. If the teacher's connection is lost, the whole class halts immediately then and there. If a student's connection is lost even for a very short time, the student too can suffer if a very important thing was being taught at that very moment. After this, if the teacher repeats the part lost by a particular student due to connectivity being lost, just for him or her, a lot of time of the class is lost. Therefore, technology is very important. The use of technology in education is not a new phenomenon. The Covid-19 lockdown simply made it more prevalent.

## 4.0 Opening up of Newer Markets

It is said that 'With every adversity comes an opportunity.' This is perhaps also applicable here. Due to the lockdown, it was possible for erstwhile offline coaching institutes which were limited to one particular geographical area to get a nation-wide market. Let us take the example of an individual running a one-man coaching class 'Aptitude Development Centre' in Nagpur in the offline mode. In the lockdown, such an individual had to take classes online. This resulted in some students from other cities also joining his classes online. This was possible only due to the lockdown, which resulted in the classes being taken in the online mode and another reason could be that the offline classes were closed in other cities too. Had these offline classes been available in the other cities, students of those cities may have joined them in their cities, instead of joining an online class in a different city.

Another new market opened was the students who lived far from the location of the coaching institute within the same city. Due to the online coaching, it became accessible, easy and comfortable to attend the classes for such students. Students who were unable to join a particular institute due to too much distance, lack of transport (such as lack of personal vehicle) could join it in the online mode.

In some cities, even now, many girls are not allowed to travel at night, or even if permitted they are afraid of doing that. The coaching institutes have got even such a market segment as a new segment, since such girls can attend the classes from home in the online mode. Aptitude Development Centre, Nagpur had examples of such students got in online coaching, which it took on Google Meet or Zoom.

Professional online coaching institutes like say, Cracku or Marrow, which did not operate in the brick-and-mortar mode at all even in the pre-lockdown times, have got a lot of new customers, as reported by English dailies. Since there was no option but to go for online coaching, many students preferred the professional online institutes as compared to the brick and mortar ones. Several students revealed to this author that they did not want to go for online coaching of the brick and mortar ones. Several of the otherwise traditional brick and mortar institutes gave only recorded video lectures in their online coaching, which was not found worth going for, by many students.

### 5.0 Changes in Marketing Approaches

Due to only online classes being available, several institutes had or have the chance to highlight what exactly better they are doing in online coaching which other institutes are not doing. In online coaching 'What we are doing better than our competitors' can differ completely from the offline coaching. In offline coaching, everyone is present in a classroom with a teacher teaching live and interacting with the students. But in the online mode, it is not necessarily so, and simply recorded lectures could be made available.

As we mentioned, some institutes which went online simply gave pre-recorded video lectures, with no live online coaching. Many students thought the fees to be too high just for getting such pre-recorded lectures. Some other institutes (e.g. Kiran Gadkari Sir's institute for coaching of Maths in Class 12, or HR Mentors institute in Nagpur city, in the initial phase of the lockdown) uploaded videos on YouTube, and many were disappointed with that as well. In such cases, there was no personal attention given to any student, and there was no live coaching at all.

One of the most popular ways of marketing coaching institutes is and was to take guest lectures in colleges, whereby the students would get a demonstration of the teaching of the teacher. But due to the lockdown, the colleges were all closed. Hence, here the other ways of marketing were (are) needed. However, such guest lectures can be taken even in the online mode in the colleges.

Due to the lockdown, students were (are) spending a lot of time on smartphones or on the social media. Hence, giving advertisements on Facebook or Instagram is a very effective way to advertise about coaching institutes in this time. It is useful even more in lockdown than other times.

In marketing, the coaching institutes also need to encourage students to join the classes. Due to the lockdown, the market size itself has reduced.

An article in *The Indian Express* dated 16 November 2020 titled "Lost in lockdown" was written by three authors namely Sucharita Iyer, Shireen Jejeebhoy and Nitya Daryanani. That gave insights from a study done by the Dasra Adolescents Collaborative and it was an attempt to understand how the COVID-19 pandemic affected the lives of the youth of India. The article said that for the study, an online survey was done which asked questions about this. The number of organizations responding to the survey was 111.

The article said that past instances showed that there is a far greater increase in the probability of girls and young women being asked to drop out, and actually dropping out of school during crises. This is the effect of the significant increase in care work and domestic work during times of crises, and also due to economic disparity making girls to help in adding to the income of the family. Females are often made to discontinue their education and are married off to reduce the financial burden of the family. It stated that this study of the Dasra Adolescents Collaborative revealed that 43 per cent of the organizations who participated in the survey stated that they knew of one or more girls, who revealed their fear of ceasing of school or whose guardians had either planned for or asked for the discontinuation of school.

After studying the report as well as the current trends due to the Covid 19 lockdown, the authors of the article published by *The Indian Express* gave some recommendations to the government, one of which was:

'Engage with parents, especially families of girls who are at risk of dropping out of school. Parents need to be made aware about the importance of completing studies, even in the time of economic hardships due to lockdown, especially those parents who may force their daughters to cease studies.'

The local franchise owner, i.e. centre head of TIME Nagpur said to this writer in a personal interaction on 3 March 2021 that TIME Nagpur's business went down by at least 40% if not to 40%, due to the lockdown. Among the various reasons, one major reason cited was the fact of many girls

choosing not to go for Post-graduation (MBA) due to the lockdown. This resulted in reduction in size of the market itself, by such a significant level that a major player like TIME had to mention it, and it affected its business.

In case of reduction in market size, one must try to increase it. One can see this from the advertisements given by say, some toothpastes, saying that one should brush twice a day. They show a young boy going to sleep at night, saying 'Rinse the teeth with water' before sleeping, to which a dentist comes and says 'Don't just rinse, brush your teeth before going to sleep at night. Use XYZ toothpaste.' Now the motivation for the toothpaste makers to make everyone brush twice is a day is to increase their consumption of toothpaste, so that more toothpaste can be sold. This is basically, increasing the market size.

The same we can see even in terms of MBA. A hoarding of a major coaching institute showed a girl with the words written: '*MBA to karna hi padega.* Status. Salary. Prestige.' ('One will certainly have to do an MBA, for the sake of status, prestige, salary.') This was because the number of students going for MBA was reducing, due to various reasons such as the astronomical rise in the fees of B-schools. So the institutes had to try to make doing MBA popular again, and then hope to get students for MBA entrance exams' coaching. Exactly the same has to be done in times of lockdown.

Due to online classes, many institutes were able to save the cost of rent, at least for some time. Many of the conventional coaching centres had to pay the rent even for the time classes were not held, since their contracts were often year-wise, with their landlords. Some institutes had only monthly rental contracts, so they lost only some days of March 2020. However, after a particular point of time, majority of the institutes did not have to pay rent where physical classes were not held. This money could and should be utilized for marketing.

**6.0 Workplace Automation**

Institutes which are basically of the offline mode, gave pre-recorded lectures to the students as their online classes. This was actually automation. But this wasn't received as well by the students as a live class. Some students were definitely happy even with this, but many were not. Automation is fine so long as it satisfies the customer. If not, it should be discontinued.

**6.1 Coaching institutes studied**
The institutes studied for this purpose of understanding the impact of Covid-19 were:
1- TIME Nagpur [TIME is a national institute coaching students for MBA entrance exams like CAT, MBA CET and other such exams, Number 1 in the country]. It gave pre-recorded video lectures made available by Head Office.
2- Kiran Gadkari's institute for Maths for Class 12 and JEE coaching, Nagpur. It uploaded lectures on YouTube.
3- HR Mentors [a local institute of Nagpur, in the same category as TIME] (study was done through its students). It initially uploaded lectures on YouTube, and later took classes on Zoom.
4- Athavale's Sulabh Classes (the No. 1 coaching institute for Class 10 of Maharashtra State Board in Nagpur city). It took live classes on Zoom or Google Meet.
5- Zoom Coaching Institute (of Class 10 coaching of various boards, in Nagpur city). It took live classes on Zoom or Google Meet.
6- Marrow-an exclusively online institute coaching students for NEET (study was done through its students)
7- Cracku- an exclusively online institute coaching students for CAT (study was done through its students)
8- Working of some other institutes like Aakash, Resonance, Allen, FITJEE, CareerPoint, PACE,

Vidyamandir etc was seen through newspaper reports, all of whom took online coaching.

## 7.0 Conclusion and Recommendations

Covid-19 had a huge impact on the coaching institutes. Adapting new technologies was very important, or rather necessary, for survival. While the traditional brick and mortar institutes had a lot of challenges, and mostly lost market share, they also got some opportunities like access to newer market segments.

Some recommendations for coaching institutes are:

1- Some ways of marketing like taking guest lectures in person in colleges were (are) lost due to colleges being closed offline. There should be an attempt to take guest lectures in the online mode, though it is not as easy as when colleges were open.

2- It is quite possible to give personal attention to every student even in online coaching. Many students want just that. So, institutes which take coaching live on Zoom or Google Meet and give personal attention should highlight those aspects of their coaching, which others can't give in YouTube videos or pre-recorded lectures.

3- Making short videos of 1 or maximum 2 minutes, and promoting them on Facebook, WhatsApp is another good way, since students spend a lot of time online in lockdown. This was a useful and good way even in the pre-lockdown times, but with physical classes closed in colleges, its importance increased a lot more.

4- The market size itself reduced, hence some strategy should be chosen by the institutes to incentivize the lost market to return to the sector itself. The segment of female students, mentioned by the head of TIME Nagpur as well as in the article 'Lost in lockdown' by *The Indian Express* dated 16 November 2020, needs to be specially targeted by the coaching institutes. They need to urge them to do MBA and go for similar things like government jobs, bank exams, etc whose coaching they provide.

5- The institutes could come up with the message 'Use time of lockdown to do this course by our class.'

6- Institutes should use the money saved on paying rent for physical classes on marketing.

7- Coaching institutes will benefit with a strong online learning management system with course material, tests, assignments being provided and having a facility to take anonymous feedback to ensure better learning. In all such online classes, there is a real problem of checking assignments, conducting subjective tests, proper invigilation. If all these issues are solved with proper technology by the institutes, not only the students, but the institutes too will benefit massively.

Those institutes which were totally in the offline mode before the lockdown mostly saw a big decline. But it was the opposite in case of those which were exclusively in the online mode already.

What will happen to online coaching in the long term, after Covid-19 ends is a very interesting matter. It is possible that there will be much greater growth of the professional online coaching classes like Cracku, Marrow etc. A PTI report of 17 April 2020 quoted the CEO of NEETprep, an online coaching institute for NEET, Kapil Gupta as saying that many students were forced to take online coaching due to the lockdown may not ever revert to classroom coaching.

That report also gave the opinion of the CEO of Catalyst Group, which is another online learning platform, Akhand Swaroop Pandit, as saying that the charges of the online coaching institutes have increased in the lockdown, and that the lockdown would result in a long-term increase in the use of online coaching institutes. But it is quite possible that it may turn out to be exactly the opposite. Students who attended online coaching may find that offline, in person coaching, is better; and as soon as they get the chance, they may abandon online coaching. Anything can happen. Coaching institutes need to be on their toes and be ready for anything.

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