The Training Industry Benchmark Report
2018

Contents

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2018 has been quite a year for the training industry already. With training organisation becoming acquainted with the apprenticeship levy, the run-up to the GDPR deadline and the UK hitting the two-year mark since the Brexit vote.

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Introduction

Again, for this year's report, our training organisations come from a broad range of industries, in order to really take the pulse of the training world as a whole. This includes respondents training in project management, engineering, the health and social care sector, and leadership & HR – each looking at the training world from a different perspective, and each offering valuable industry insights.

So, what shape do training professionals feel that the training industry is in? And, how does it compare to our previous two years of results?

A consensus throughout the survey was that there are opportunities abound. These included a wider variety of training techniques now being available to be delivered to learners with a prominent feature being a recognised increased in popularity of online and on-demand learning, as well as an opportunity for digital innovation.

On the other hand, one of the biggest challenges reported as facing the training industry was the threat of alternative learning delivery methods (e.g. online and distance learning) on traditional classroom-based training. Is this founded or do we, as an industry, need to adapt?

Overall, the respondents in our survey characterised the state of the training industry today as 5.89 which is edging ever so slightly towards 'Great' compared to the other end of the spectrum of 'Poor'.

I hope you will join me with keen interest as I present the rest of our findings in this year's Training Industry Benchmark Report!

Dave Evans
Managing Director
accessplanit

Key Findings

Training companies increasingly expected **to do more with less** (lack of resource as a challenge is up 47% since 2016)

Less than a quarter of respondents felt that **Brexit has had an impact** on their organisation

Despite levy concerns, **apprenticeship delivery** was **up 28%** since 2016

Focus on **online learning and gamification** set to increase in **next 12 months**
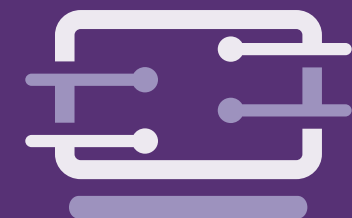
Almost **half of respondents** feel that **sales and marketing** will be **challenged by** the introduction of the **GDPR**

Almost **four fifths** of training companies use **face to face training** as their primary delivery method

63% of **training professionals** are yet to invest in **automated technology**

The Training Industry

+47%
Since 2016

Training companies increasingly challenged by lack of resource (up 47% since 2016)

+25%
Since 2016

Focus on online learning greatly increased year on year (up 25% since last year)

72%
Surveyed

Companies focussing heavily on in-house courses with focus not set to switch (main focus of 72% surveyed)

+28%
Since 2016

Increased uptake in apprenticeship delivery despite of levy concerns (28% increase since 2016)

Training Delivery

Moving online

Our results showed that the focus on online learning and gamification offerings by training providers is set to increase in the next 12 months, suggesting a shift towards blended learning as opposed to 'traditional' training.

With the slow growth of the UK economy between 2016 and 2017 and projections that it could slow further in 2018 (PwC, 2018), lower cost training alternatives are being sought by employers and therefore training companies need to look to produce lower margin training such as online learning. Furthermore, it's also important to highlight that not only does online training prove to be more cost effective, but a key factor is that it eLearning has a much quicker delivery cycle, than the 'traditional'

classroom-based training, meaning at a time when change is more prominent than ever, you're able to keep up with the pace.

Additionally, the way that end-users consume content is vastly changing. For example, the digital and smart phone age has changed the way in which we access and consume information – leading to a magnanimous shift in the way we need to deliver training. The general consensus being not only do learners want on demand, self-paced content at the point of need. But companies and management also want the benefit of on demand learning, meaning employees are able to undertake personal development at a point that is also beneficial for the company.

Apprenticeships

Another interesting finding from the survey was the increased uptake of apprenticeship delivery from 2016 and 2017 despite government statistics that the apprenticeship levy has seen a decline in apprenticeship delivery. However, the training industry appear to feel optimistic as a further 44% of survey respondents are set to increase their apprenticeship focus in the next 12 months.

Which type of training services does your organisation focus on now?

Year	Apprenticeship
2018	44.20%
2017	21.05%
2016	16.67%
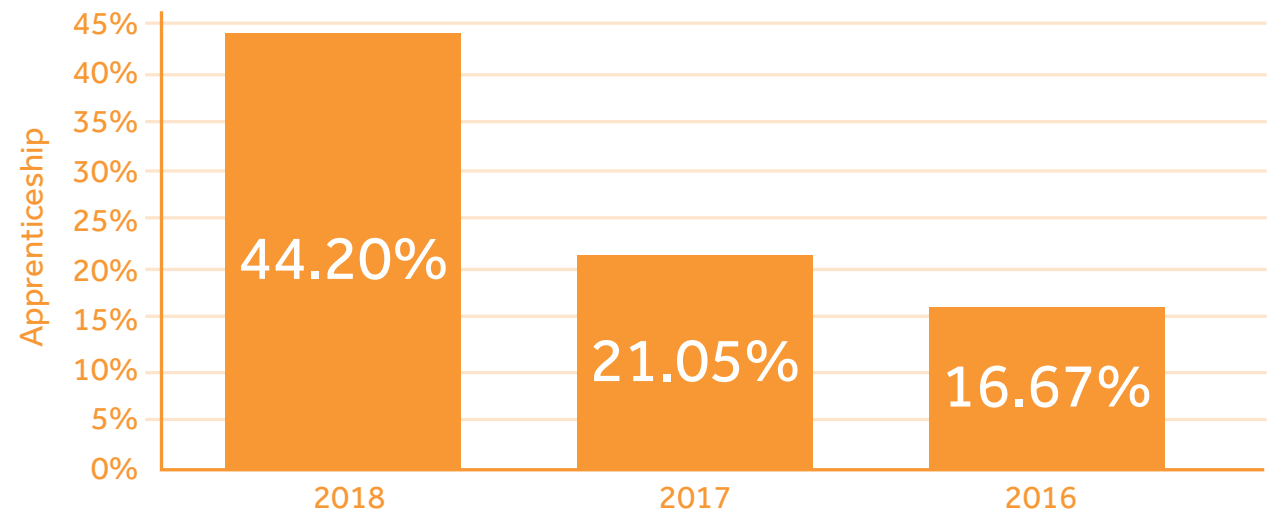
Training Types

eLearning

Similarly to our findings on training delivery, both eLearning and blended learning focus is set to increase in the coming 12 months (87%). The focus on eLearning has increased dramatically from both 2016 (22%) and 2017 (25%). 2017 saw a dip in the online approach but there is no denying that is now gaining traction once again.
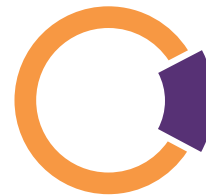
Benefits of eLearning:

Cost of Training Delivery

Reduce cost of delivery for clients. This is increasing important when budgetary constraints (especially on travel) impact the up-take of classroom training.

Flexibility

Increase the flexibility of access (anytime, anywhere). This is particularly relevant in cases where it's difficult for clients to pull employees out of their jobs for 2 days+ to attend instructor-led sessions.

Increased Delivery Options

Blended learning options to cater to the unique requirements of different clients. Some clients want more eLearning and some want less of it. - open up a new stream of business.

Ease of Delivery

A professional bespoke service. Use a flexible responsive user portal that can be branded, used across multiple mobile platforms. Allows users to book online and manage their own learning calendar – both eLearning and classroom.

Which type of courses does your organisation focus on now?

	2018	2017	2016
eLearning	30.43%	5.26%	8.33%
In-house	72.46%	73.68%	69.44%
Open courses	38.41%	10.53%	19.44%
Blended learning	39.13%	10.53%	25.00%

Which type of courses does your organisation intend to focus on in the next 12 months?

	2018	2017	2016
eLearning	36.96%	36.84%	33.33%
In-house	66.67%	47.37%	66.67%
Open courses	39.86%	47.37%	50.00%
Blended learning	51.45%	10.53%	36.11%

Top Challenges for Training Companies in 2018

With the survey indicating a lack of confidence in the state of the training industry (64% of respondents rated the industry a 6 on a scale where 5 is challenging), today's training companies identified the following key challenges:

① Lack of resources

Climbing the rankings from both our 2016 and 2017 results, lack of available resources was recognised as a key area where training professionals are struggling.

② Alternative learning delivery methods

One of the biggest challenges recognised in this year's survey, was the threat of alternative learning delivery methods, such as online and distance learning, threatening traditional classroom-based training. With 78% of respondents focusing on delivering face to face training, this a big area that could make an impact in the training industry.

③ Increased competition

Although less of a worry than in previous years, almost a third of respondents felt that increasing competition is an area of concern.

How would you characterise the state of the training industry today?

Hard
Stalled
Compete
Scope
Challenging
Investment
Changing
Unpredictable
Effectiveness
Strong industry
Near chaos
Poor decisions
Emerging again
More money needed
moving quickly towards digital
Increasing availability of online training
Government changes Not a high priority
Crowded space
In-house training
Ever changing
Face to face
Changing goals
Need to balance
Lack of apprentices
Committed people
Lack of consistency
Brexit
Augmented
On-line modules
Financial business needs
Poor government decisions
Economic climate stifles
Room for improvement
Moving forward
Strength to strength
Very difficult
Super busy
Education is everything
Not using levy
Adapts constantly
Utilisation of software
Funding issues
Lot of changes
Industry is booming Roller coaster!
challenge to traditional methods
Demand is low
Lack of direction
Demand
Impact on training budgets Utilisation of technology
Huge skills shortage Variety in solutions
Lack of apprentices Saturated market
High expectations Lots of competition

BREXIT

An Improved Brexit Outlook

2 years on from the vote, only 23.88% of respondents felt that Brexit had already impacted their organisation. That's compared to an expectation from 53% respondents in our 2017 survey that they would be impacted negatively this year.

Do you think Brexit will positively or negatively impact your business in the coming year?
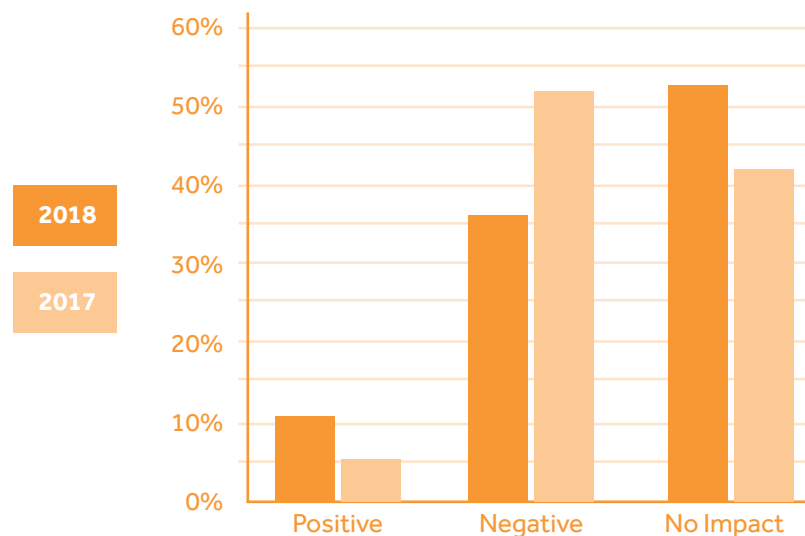
Looking ahead, the outlook on Brexit has significantly improved with double the respondents from last year housing positive outlooks on its impact on the industry, a steep decline from last year's response. However, 90% of training professionals surveyed still feel that Brexit will have negative or no impact in the coming year, begging the question – was it all worth it?
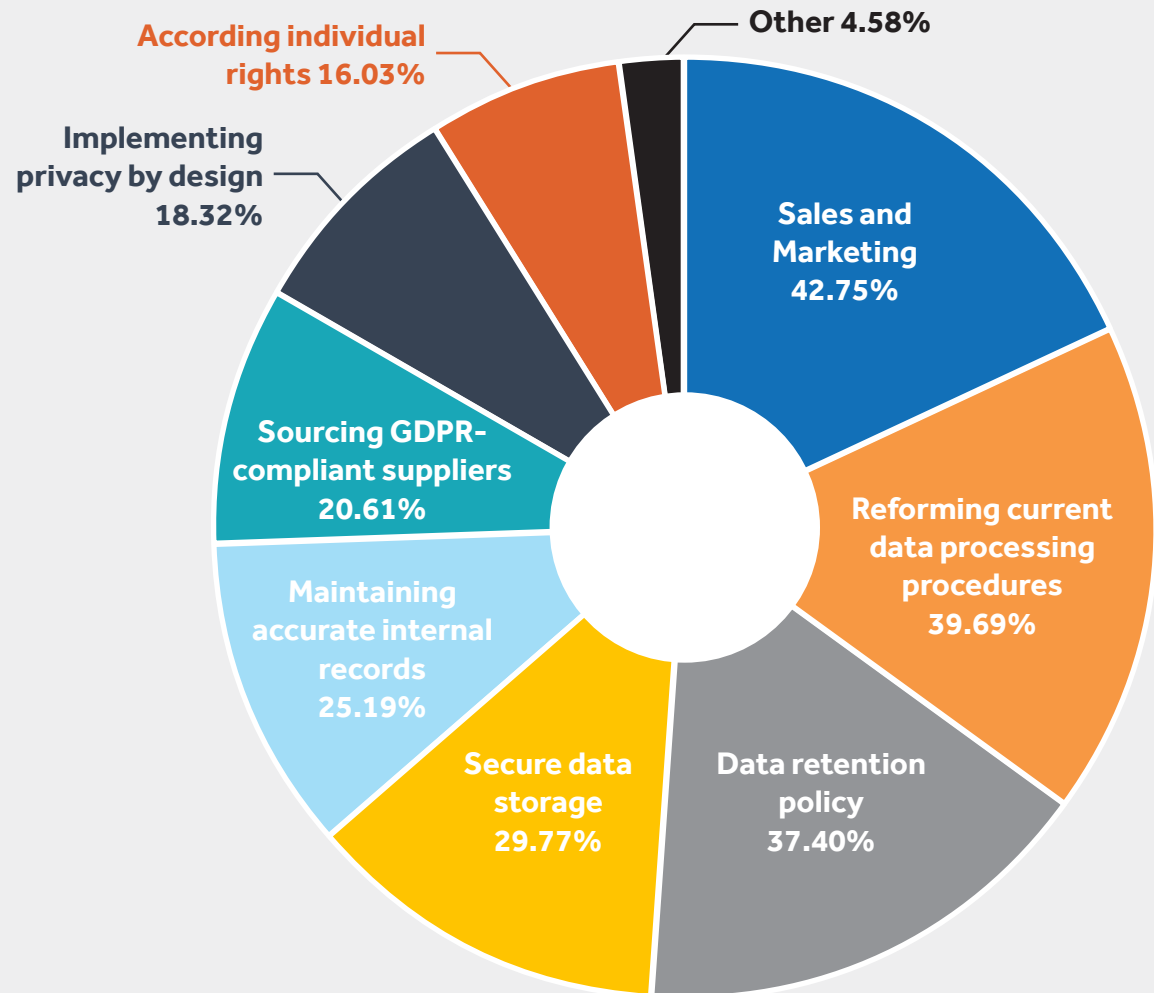
The GDPR Effect

The General Data Protection Regulation, we've all heard about it more than we would have cared to. And, if you haven't – have you been living under a rock? The GDPR is a complete reform of the Data Protection Act and is designed to:

- Update data protection for the internet age
- Harmonise European data protection rules
- Strengthen business accountability and governance of data
- Offer individuals more transparency and control over their personal data

The good news is – at the time of this survey which was pre-GDPR deadline, 80% of training businesses felt prepared for the upcoming deadline date.

The bad news is that there were still a high number of concerns around the impact of GDPR. With the emphasis on data subject consent, it was unsurprising that sales and marketing was the key area causing the most concern for training companies. A close second, was the reforming of existing data processing procedures which links in to challenges around data retention policies.

## Which areas of your business do you believe will be most challenged by the GDPR?

- Other 4.58%
- According individual rights 16.03%
- Implementing privacy by design 18.32%
- Sales and Marketing 42.75%
- Reforming current data processing procedures 39.69%
- Sourcing GDPR-compliant suppliers 20.61%
- Maintaining accurate internal records 25.19%
- Secure data storage 29.77%
- Data retention policy 37.40%

Technology

60%

60% of respondents are still gathering feedback using paper happy sheets

63%

63% of training professionals are yet to invest in automated technology
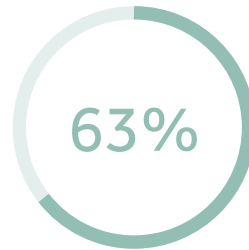
37% Spreadsheets
34% MS office
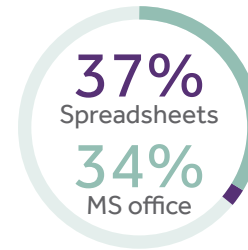
Spreadsheets (37%) and other software such as MS office (34%) are commonly used for business management

11%
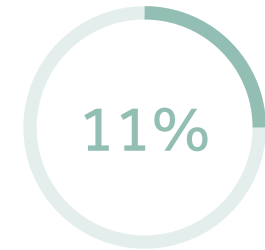
11% increase of online course booking tools from 2017

Underutilisation of technology

Our results showed that 63% of training companies are yet to invest in automated technologies to manage their core operations. This is echoed by the 60% of respondents still using paper happy sheets and 65% only using online booking tools to process between 0-25% of course bookings.

With the number one challenge identified by training professionals being a lack of resources, these are worrying numbers. However, this also presents an opportunity for the industry.
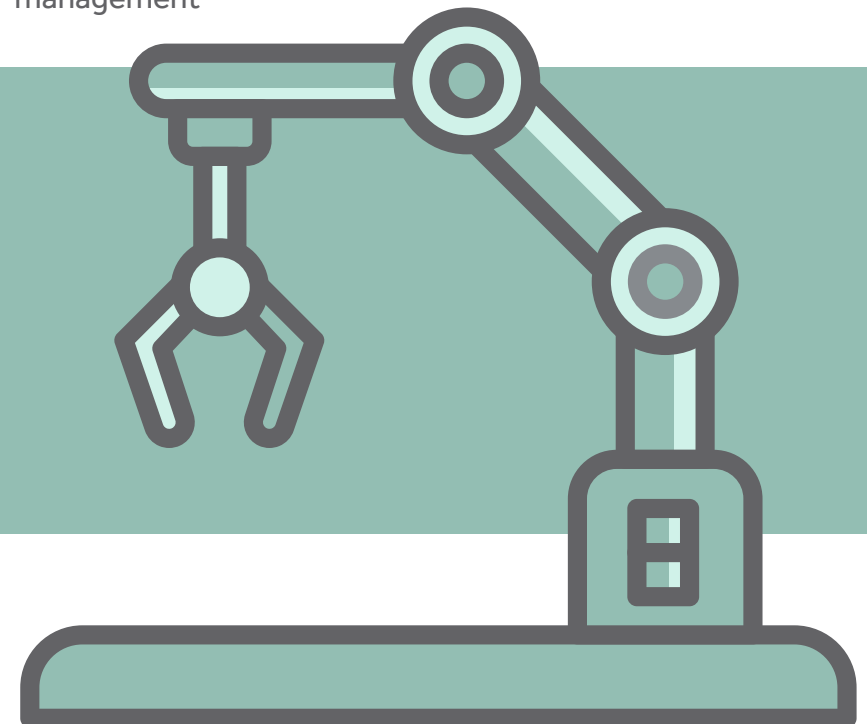
Download eBook:
10 Ways to Eliminate Manual Processes

Feedback

60% of those surveyed said that paper feedback forms, handed out as a course closes, remained their primary form of generating evaluations. This was an increase from 52% reported in 2017, which in turn doesn't represent the trend of digitisation within training. Additionally, only 28% respondents utilised an online evaluation system. The problems around collecting feedback using paper 'happy sheets' are well-known: Learners fill them in in a hurry with no depth or offer the sort of ego-boosting answers they think the trainer wants to hear. Using paper feedback forms as part of an evaluation strategy is not necessarily a bad thing but adopting a 360-approach including pre and post course feedback can provide much more meaningful data for business improvements. With the use of an online feedback system, results can easily be collated, compared and actioned, allowing you to provide your delegates with the optimum learning experience

How do you collect pre- and post-course feedback from your delegates?
(Paper happy sheet)

Year	Percentage
2018	60.14%
2017	52.63%
2016	69.44%
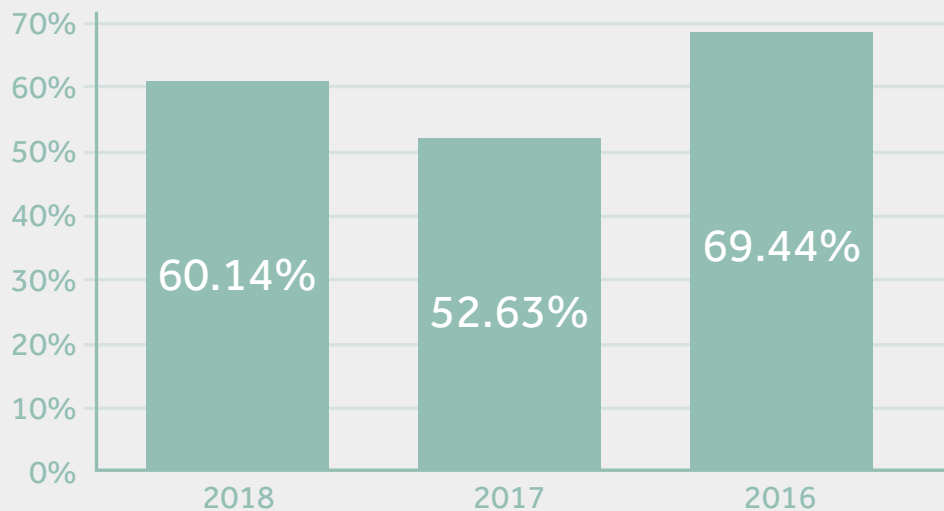
Gathering Business Data

Over a fifth of businesses are concerned with a lack of business overview despite continuing to use decentralised systems such as spreadsheets. This creates a problem within itself – why? Well, a decentralised system such as using, and collating excel spreadsheets throughout your organisation, doesn't allow you to easily generate and publish results for important aspects such as course viability. Therefore, creating disparate insights into the business, leading to stagnation in company development.

Sales & Marketing

Reputation and referrals are increasingly important as part of training organisation's marketing strategy

Digital marketing such as SEO and PPC still low on the agenda for training organisations

More training businesses investing in email campaigns (55.8% of respondents)

Almost half of respondents feel that sales and marketing will be challenged by the introduction of the GDPR

Keeping up with industry trends

In any profession knowledge is power and the best way to keep your knowledge up to date is by staying in the know with the latest trends, updates and news. This is particularly true of the training industry, with its faced paced and ever-changing landscape. When looking to keep up to date with what's going on in the industry, LinkedIn is the place where most people gather their information, observe trends and stay in touch with other industry veterans, allowing them to get a picture of the evolving industry Albeit only a small picture.

In a world where connectivity is at an all-time high, with online becoming the primary tool for research, it was refreshing to see that industry events were the second the mostpopular source of information.

Other key online resources that training professionals find useful include:

TrainingZone.co.uk

The name says it all; this site is a zone for training. If you want any information or updates on training, TrainingZone is the place to go.

The site offers content from leading industry professionals including blogs, whitepapers, podcasts and articles. All content is segmented however, if you're not looking for anything in particular the site offers 'Trending on TrainingZone' and 'Popular Resources' sections to provide you with a bit of inspiration.

TrainingZone also provides a great community platform to start discussions in order to gain feedback from other training professionals or provide your own insight into ongoing topics.

TrainingIndustry.com

TrainingIndustry.com are the experts that brought us Training Industry Magazine. They are leading thinkers on the field of learning and offer best practice and innovative ideas on how to better serve your learners. Content is suitable for both learning and development professionals as well as those providing commercial training and comes in the form of blogs, articles, webinars and a wiki page.

Topics covered include Compliance, Content Development, E-Learning, Leadership, Learning Technologies, Training Outsourcing, Strategy, Alignment and Planning and Workforce Development.
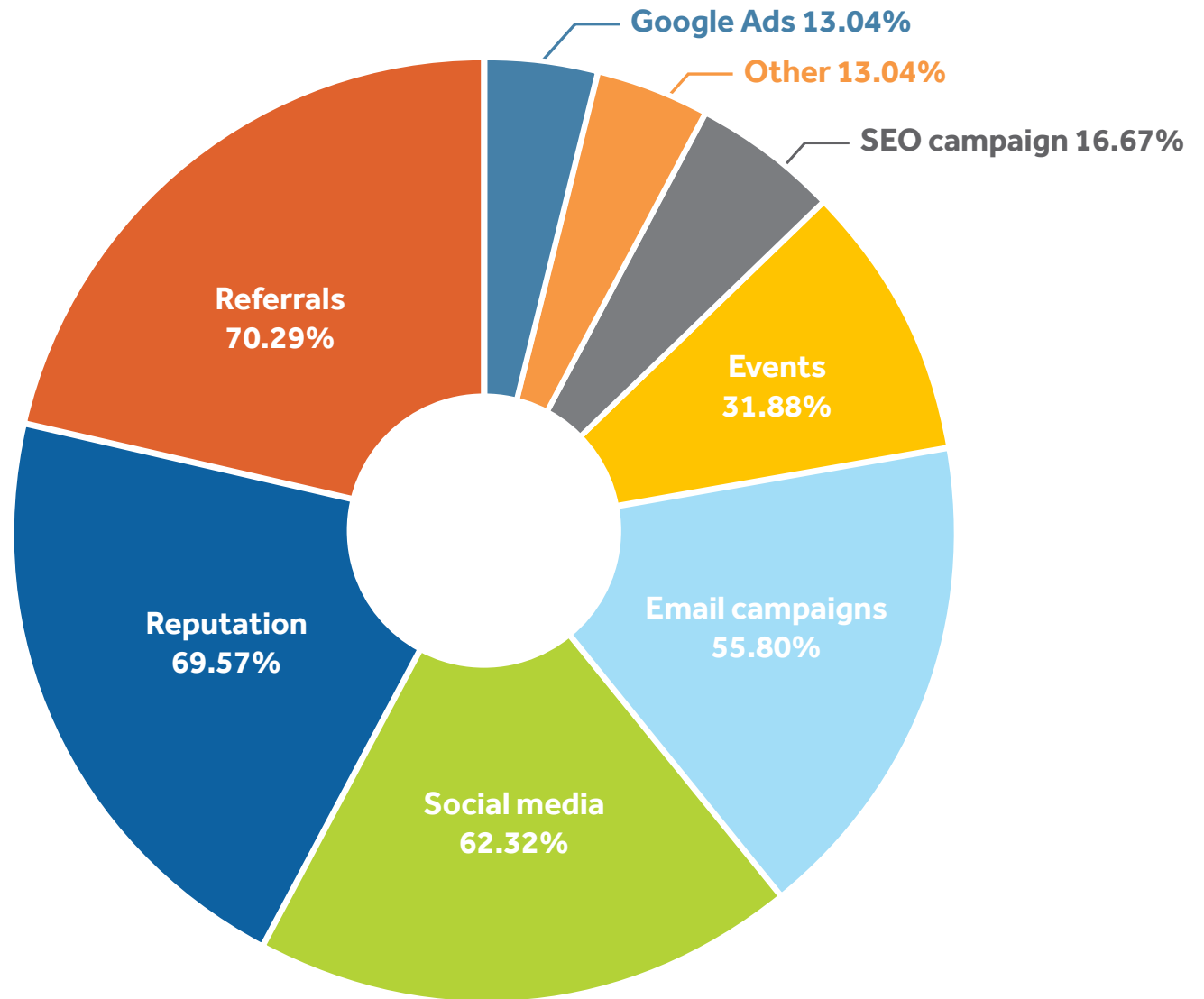
eLearning Industry

eLearning Industry is focussed on providing up to date content to eLearning professionals. The site offers a knowledge sharing platform to help eLearning professionals connect.

Popular topics include Corporate eLearning, Microlearning, Learning Management Systems, eLearning Design and Development, Authoring Tools and Educational Technology.

Reputational Importance

There is still a huge dependence from training professionals on reputation (69.6%) and referrals (70.3%) in gaining new business. This has shifted from traditional word of mouth to wider reaching methods including social media and review sites where thousands of potential customers can be influenced. This makes providing an excellent customer experience more crucial than ever in order to generate new bookings as well as maintaining existing clients.

How do you market your courses?

- Google Ads 13.04%
- Other 13.04%
- SEO campaign 16.67%
- Events 31.88%
- Email campaigns 55.80%
- Social media 62.32%
- Reputation 69.57%
- Referrals 70.29%

New Channels

When it came to marketing courses and generating new business, SEO (search engine optimisation) and PPC (pay per click ads) were surprisingly low on the agenda. It's never been easier to put your business offerings in front of the right people so why are training businesses failing to see the value?

The major downside is, for highly competitive keywords that other companies want their ads to appear for, you'll likely spend more for every click through to your website. However, PPC ads, which are both optimised for searches and targeted at key users, is the simplest way to get your training business on Google, Bing, YouTube and many other platforms. It's a balancing act to ensure a decent ROI.

For SEO, it can be hard to see the value immediately and additionally, it can be difficult to climb the search engine rankings if you're not doing it quite right. There are two main problems with a lot of the optimisation you'll see on websites...

- The search terms are vague, generic or both

- The site is optimised for what the company wants people to search, not what potential delegates are searching

The issue with the first is that you're almost guaranteed not to rank for broad terms like 'training' or 'short courses'. It's just not specific enough to your website, your business, and as a result, you'll find it unlikely to creep up to number one on Google.

When it comes to the second, your site may be perfectly optimised, but if you're trying to rank for 'short courses in Cambridge', when your delegates want 'eLearning courses in Oxford', then your target market will never even see your site, let alone book their training with you.

When done right, not only does Google love that (increasing your search engine rankings), it also makes your site easy to navigate. And since mobile browsing is pretty much the main way most of your delegates will be seeing your site, you need to make that as effortless as possible.

Download Guide:
The Training Company's Guide to Content Marketing

Conclusion

So, what have we learnt?

Modernisation is required

Throughout the survey findings, themes of a lack of modernisation within the industry were clear. This includes an overwhelming reliance on paper happy sheets (60%), a reluctance to embrace automation within the workplace (63% of respondents have not invested in automation) and the very few training professionals harnessing digital marketing tools such as Google Ads (13%) and Search Engine Optimisation (SEO) (17%).

A call for blended delivery methods

Online and blended learning programmes are showing no signs of slowing down. Focus on delivering some kind of online learning has increased by 25% from 2016 and over 50% of respondents intend to focus on blended learning as one of their training methods over the next 12 months.

With the combination of changing demographics in the workplace (by 2020, 50% of the workforce will be made up of millennials) and consumers expecting an 'Amazon Experience' with all services, this is an opportunity that training professionals can't fail to recognise.

However, there is some hesitance within the industry. One of the biggest challenges recognised in this year's survey, was the threat of alternative learning delivery methods, which included online learning, threatening traditional classroom-based training.

The customer is king

There is still a huge dependence from training professionals on reputation (69.6%) and referrals (70.3%) in gaining new business. Traditional word of mouth is no longer the only option for consumers to spread the word about a great (or terrible) experience. Forums, social media and the rise of training review sites have meant that instead of communicating with a handful of people at a time, one person can influence hundreds or thousands of potential customers.

This brings to the forefront the absolute necessity to provide learners with a first-class learning experience. From the first moment they deal with your business right through to follow-up and an ongoing relationship, there are now so many touch points that need to be considered throughout the customer journey.

About accessplanit

accessplanit is a software house dedicated to the ongoing development of the most powerful web-based learning and training management system available today. Our system streamlines business processes, automates communication, and provides effortless end-to-end solutions from course registration through to reporting.

Now you can take control and obtain a full overview of your entire training business – making decisions simpler and life easier. Our team is dedicated to working closely with customers to ensure that after implementation your platform delivers immediate results and adds value. Our purpose: making life easier for customers!
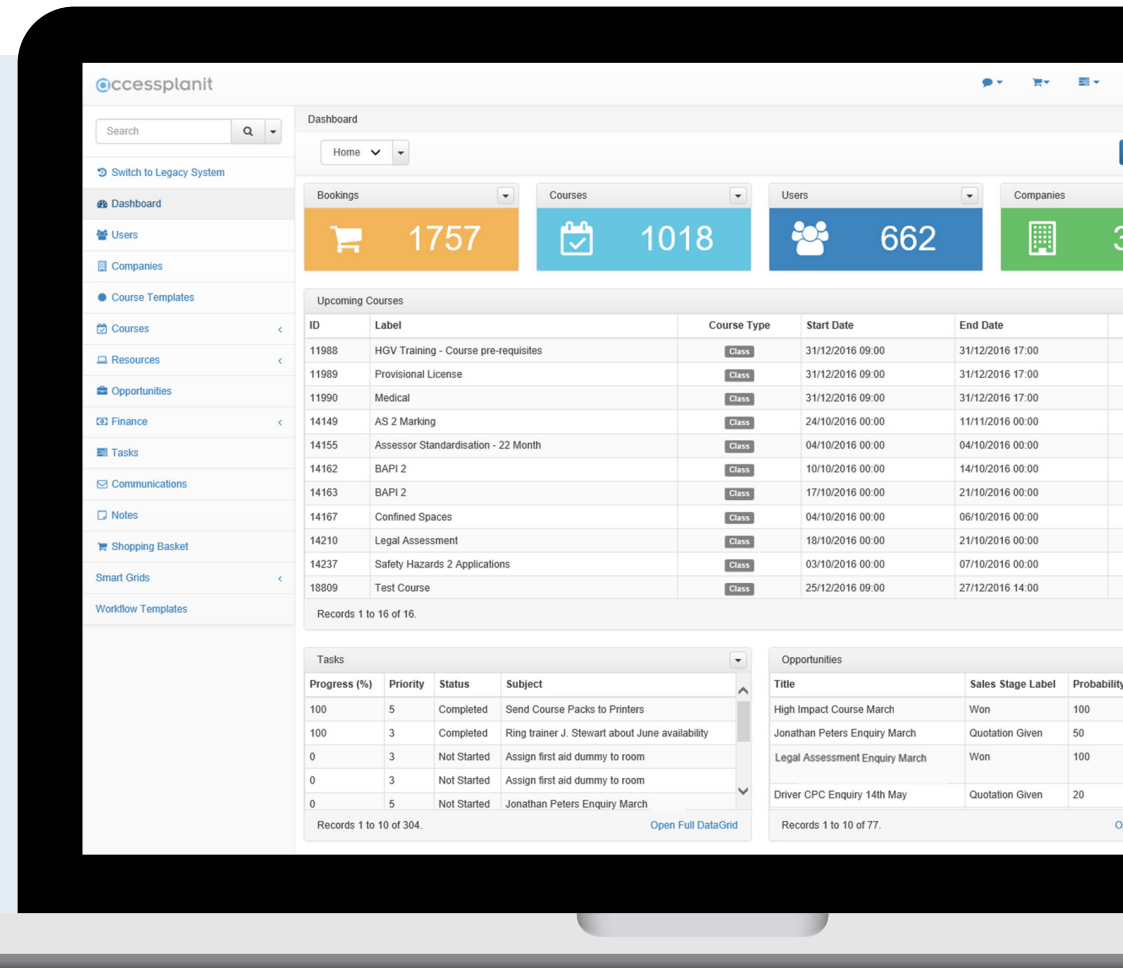
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