Brazil Overview

Distance learning and ICT has been increasing in importance and is now a strategic element for growing HE in Brazil. Today's Brazilian DL higher education market is mature and sophisticated. In the early ages (2000 up to 2006), HEIs were offering UG programs in small cities in order to attend repressed demand given the lack of F2F institutions in these markets. Now DL in Higher Education is spread through metropolitan regions with more than 1 million students enrolled.

Before presenting the innovations trends itself, it is important to address regulations, the definitions and differences among F2F and Online education and its variances as considered in Brazil higher education regulatory issues. Brazil a F2F HE Undergraduate course can only have a maximum of 20% of their hours delivered via DL as per MEC (Ministry of Education) rules.

Brazil DL in HE Regulatory Framework

- Regulation has been evolving and maturing since 1996 with an increased focus on quality upon the explosive growth of the DL segment

- Since 2008, growth has been slowed down by the Regulators:

    - Evaluation & supervision elements were included

- Regulators claim trend will continue, and flexibility will come to high quality players

- Private sector pressure for flexibility & agility to unlock growth and synchronize with PNE (National Education Plan) targets

- Initial signs of Government goodwill with the quality players since 2010

- Regulators claim convergence trends for the multiple degree levels and product offerings with flexibility to the high quality players

- Brazil Distance Learning solutions are hybrid by definition:

    - Polos required for face-to-face activities and "are here to stay"

    - Private sector pushing for MEC agility to unlock growth

In summary, DL regulation has been focused on quality (academic and infra-structure) after an initial boom under lighter requirements. Regulators claim that the quality focus will be maintained and that the flexibility will be given to the quality players measured by their IGC, CPC, and ENADE grades 4 and 5 (MEC Higher Education Quality performance indicators).

Brazil HE DL growth can be seen on table below:

| UG Students Percentage per Modality					
UG Census Year	F2F Students	Share from Total %	DL Students	Share from Total %	Total Enrollment (DL + F2F)
2003	3.887.022	98,73	49.911	1,27	3.936.933
2004	4.163.733	98,58	59.611	1,42	4.223.344
2005	4.453.156	97,49	114.642	2,51	4.567.798
2006	4.676.646	95,75	207.206	4,25	4.883.852
2007	4.880.381	92,95	369.766	7,05	5.250.147
2008	5.080.056	87,46	727.961	12,54	5.808.017
2009	5.115.896	85,92	838.125	14,08	5.954.021
2010	5.449.120	85,41	930.179	14,59	6.379.299
2011	5.746.762	85,26	992.927	14,74	6.739.689
2012	5.923.838	84,2	1.113.850	15,2	7.037.688

Brazil DL Marketplace

The DL market includes a very diverse structure, including several:
- Customer profiles (age, socio-economics, etc)

- Product designs, degrees and adjacencies
- Pricing Levels
- Technologies
- Delivery Mechanisms
- Geographies

The DL demand is growing very fast, 2 times more than F2F market, reaching over 1.1M students in 2012 (MEC/INEP Census) in UG total enrollments, with 947K only in the private market. DL Total UG Enrollment on private institutions is expected to be over 1.6M in 2020. In terms of new students, DL private market reached 501K New Enrollments in 2012, and is expected to be over 740K in 2020.
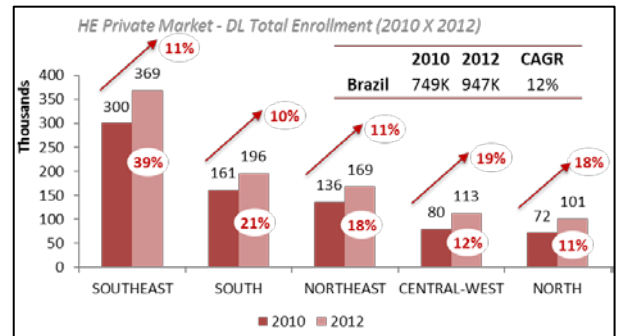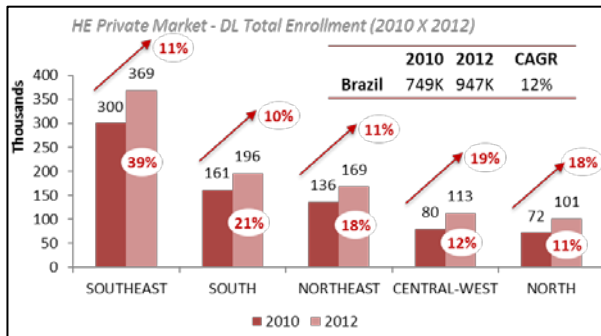
Trend is expected to continue as DL credibility increases with both the job market and the academic world. Government accessibility efforts will also accelerate it.

Brazil DL typical students are working adults with 32 years old on average, and majority female. They come from emerging income classes with more restrictive agendas, since they normally work and have additional motivations compared to F2F programs.

Price, polos operation & flexibility are key elements and decision factors to attract students. Also, as described in a Survey on Bahia State DL Students has found the majority of DL students also prefer to have online video-classes and at least 2 F2F meetings per month. The majority of students enrolled in DL programs in 2012 have chosen HEIs with these elements included in its offering. Although students like these elements, more than 50% of them are not satisfied with the program, complaining primarily about customer services and support.

Today, DL market can be segmented in 3 different categories of HEIs:
   a. **Mass Players:** institutions with national presence with polos and lower prices, that were leaders in DL market and have now the largest volume of enrollments in the segment;
   b. **Local Players:** institutions with strong local presence with polos in their original states and Premium-tier prices, that are on the top 20 DL HEIs in terms of enrollment;
   c. **Niche Players:** institutions that differentiated their DL offerings with a premium quality perception at higher prices, which act to capture market niches and usually have strong reputation brands.

The role of the Polo

It is important to notice that Brazil regulation only allow a HEI launch a DL program with a Polo, which is a place with classroom, physical Library, computer labs, etc.

- Polo is expected to remain present at Brazil HE via DL :
   1. Government claims to be convinced that it brings quality to the learning process (F2F interactions)
   2. New MEC evaluation instrument (Apr'11) came heavier on Polo infra-structure requirements (Tutor, Library, Toy room, etc)
   3. Students seem to like the polos due to its social nature (classroom emulation)
   4. HEI Academic areas believe that mandatory activities enhance outcomes
   5. "*Students feel that they have gotten both their money's worth as well as a good education when there is constant contact with their professor*" (*)

- Even though only 21% of HEIs accredited for DL has a polo network with more than 50 polos, they concentrate 83% of total UG enrollments (2012 MEC/INEP Census), showing a strong correlation among polos and students' market share. In 2012, only 9 HEIs (13% of the total institutions) owned a network of 100 polos or above, representing 78% of the total polos' share in Brazil, and 61% of DL market share (the majority of them are in the "Mass Players" category).

- Also, there is a second layer of "Local Players" with 30 to 50 polos that are strong in terms of enrollments, concentrating on average 20,000 students each.

DL Brazilian Market Distribution per Region

DL Total Enrollment distribution per Region with Laureate HEIs presence (2012)
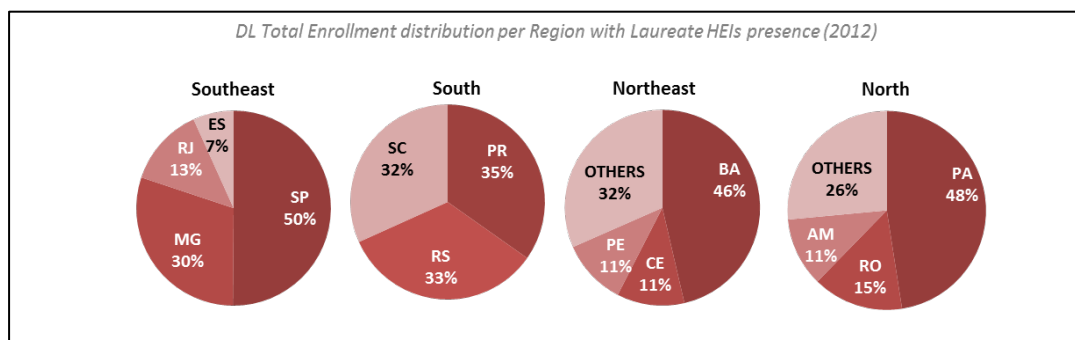
HE DL Delivery Models – From Satellite model to Blended Education using Internet

Historically, largest DL players have grown in smaller cities, with pent-up demand due to the low offering of F2F institutions. The low viability of internet outside capital cities in Brazil in the first decade of 21st century lead HEIs to develop a satellite broadcast DL delivery model with one or two semi-F2F weekly meetings at local polos. This "social experience" was considered very important in terms of students' pedagogical engagement and social network.
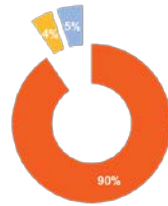
Brazilian Evolution of Internet Consumers 2002 to 2013

- ➢ **2002: 83% of dial-up internet**
- ➢ **2003: 1.7 million internet users, mostly on capital cities from A,B social-economic classes**
- ➢ **2012: 48 million internet users, 54% from C,D social-economic classes**
- ➢ **2013: 90% of internet users have a FB account**

This Satellite Semi-F2F model has been prevalent until 2010. However, the improvement of broadband internet since 2008, as well as evidence from HE Census that small cities' demand is decreasing while metropolitan areas' demand is growing, shows a new trend in the market. A recent research carried out by Hoper has presented that satellite-based model has been losing space for blended learning, which is today the DL delivery model used by 54% of total students enrolled on the TOP 20 HEIs.

Despite the web-based model (which is fully delivered online except for the F2F exams) growth in the same period, representing 8% of total students' enrollment on the TOP 20 HEIs in 2014, trend indicates a consolidation of the blended learning model, offering at least one or two F2F meetings per month at local polos.

Top 20 HEI DL Model 2009   Top 20 HEI DL Model 2014
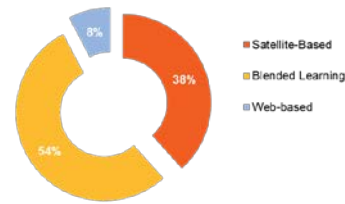
- ✓ In 2009, 90% of the top 20 HEIs were delivering DL through Satellite-Based models
- ✓ However, **satellite-based model has been loosing space for blended learning**, which is today the main DL delivery model used by the largest players (54% of the offering)
- ✓ Despite the web-based model growth in the period, the trend points to a consolidation of the hybrid education model with blended learning

ICTs and DL Main trend

For the past ten years, satellite model has been the major technology used to deliver distance learning courses in Brazil. This is a mass communication model, and it combines protected video broadcast with online student services. The video lesson can be simultaneously broadcasted to hundreds of classrooms, each one with 50 students maximum, and supervised by a face to face tutor. This model is based on regular face to face meetings, and allows distance learning modality to reach places where there are no higher education institutions. Satellite's weaknesses are its implementation and maintenance costs, and its inflexibility of time due to its mandatory synchronous broadcasted lessons.

For the past five years there's been an increase of web-based distance learning courses. The largest DL players in Brazil are still using the satellite model, but some are migrating to the blended model, with at least one F2F meeting per month. All the instructional materials and evaluation activities are available at a Learning Management System (LMS) that can be accessed by students at any time, wherever they are, as long as they have a computer with internet access. The fully online courses have only one face to face meeting per semester, when the final exams are taken. Web-based courses weakness is the necessity of internet access, which has improved a lot within the last five years in Brazil, but still can be a problem on some places such as the Northern and Central states. However, the strengths are its time flexibility for the students and lower implementation and maintenance costs when compared to the satellite model.

Follow below the main ICTs innovations trends and challenges in Brazil HE:

Trends:

- • **Mobile learning;**
- • **Gamification;**
- • **Hybrid programs;**
- • **Flipped Class;**
- • **Adaptive Learning Software (early stage) ;**

Challenges:

- • **Broadband price and availability;**
- • **Faculty staff resistance;**
- • **Faculty staff ability to use ICTs;**
- • **Quality versus Quantity dilemma**