



# Unexpurgated Raw first draft: "The Author's Cut"

## Implementing E-Learning

by Jay Cross and Lance Dublin

### Segmentation

The concept of *segmentation* is deceptively simple. Segments are nothing more than chunks of the market you intend to treat differently from others. If you're marketing beer, you might focus most heavily on the 18 to 30 year old male, a group that quaffs more than its fair share of suds. Since this segment of the market regularly spends football season glued to the tube, you place the bulk of your advertising dollars there. If you're selling flavored lipstick, you probably focus on teenage girls and run ads in teen magazines.

When it comes to slicing up the market into chunks for preferential treatment, age and gender are the tip of an iceberg. (In marketing eLearning, you probably won't care about age and gender at all.)

You may also want to define different levels of service for different segments. Aspect's Kara Underwood delivers two distinct types of eLearning content.

1. Custom courses. Strategically aligned and very powerful. Organization wide impact.
2. Catalog courses. Great for individuals. Heavy participation if part of an overall solution, for example certification or an instructor-led course. Cuts travel. A nice-to-have.

Marketers frequently target segments defined by income, purchase history, magazine subscriptions, lifestyle, and home ownership. Neural-net programs ceaselessly farm "data warehouses" of customer transactions in search of patterns that can lead to new and more lucrative segmentation.

Market analysis pioneer Daniel Yankelovich has said, "Once you discover the most useful ways of segmenting a market, you have produced the beginnings of a sound marketing strategy."

Mass-marketers have found it economically worthwhile to profile your and my backgrounds in great detail. Central databases have built records on both of us. My record is sure to contain my estimated income, credit record, value of my home, amount of mortgage, make/model/year of my cars, major purchases going back five years, magazines I subscribe to, email address, number and age of children, bank accounts, and credit cards. Assuming that I share many traits with my neighbors on Poppy Lane, the database has inferred that I'm a liberal, eco-friendly Democrat who reads a lot, travels extensively, drinks wine and exotic tea, has a DSL line, and eats lots of fresh vegetables. It has cost marketers thousands of dollars to assemble this dossier on me. Why? Because in the long run, they'll be more astute in assessing how much more they want to invest in making me a customer or better customer.

What groups would you single out for special treatment? How will you segment your learners? Who might drop off your interest list entirely? Remember, the whole point of segmentation is to focus on groups you intend to treat differently from others. You could care less about learners' mortgage balances or wine-drinking preferences.

Let's look at some potential segments. To learn how to do this, you have to apply it to your own environment.

Check off characteristics would you choose as meaningful market segments for eLearning at your shop. Jot yourself a note explaining why you think you've picked segments that matter.

### Important Market Segments for Our eLearning

- Tenure: Novice, apprentice, old hand  
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- Rank: Employee, supervisor, executive  
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- Role: Customer, supplier, channel partner, employee  
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- Personal transportation: bicycle, motorcycle, car, SUV, truck  
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- Learning style: aural, oral, kinesthetic

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- Myers-Briggs score: I/E, N/ , S/T , P/J

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  - Performance: average or superstar

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  - Personality: Inquisitive, outgoing, reserved

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  - Technology adoption: Enthusiast, early adopter, early majority, late majority, lagger

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  - Job title and competencies

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  - Gender

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  - Age

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  - Generation: Mature, boomer, GenX, GenY

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  - Past eLearning experience

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Don't peak until you've made your choices. The discussion continues on the next page.

Here are some factors to think about. Remember, only you can judge what's appropriate for plans for *your* organization. The checkmarks and x's are my guesses at what your organization's needs are.

✓ Tenure: Novice, apprentice, old hand

Tenure is important for identifying who needs basic information about how the company functions. Also, old hands are often the least served and most needy when it comes to learning.

✓ Rank: Employee, supervisor, executive

You segment a market because you intend to treat the segments differently. You're going to offer different eLearning opportunities to these groups. If for nothing else, you can get more budget per capita the higher you go in the organization.

✓ ✓ Role: Customer, supplier, channel partner, employee

Of course this segment matters. You're not going to share confidential information with outsiders, are you? Probably the importance of customer and partner learning is part of the overall organization's objectives.

✗ Personal transportation: bicycle, motorcycle, car, SUV, truck  
Who cares? This is not a valuable segmentation.

✗ Learning style: aural, oral, kinesthetic

I know, I know, you think people learn best when presented learning opportunities in their preferred style. I agree. But usually it's more expensive than it's worth to provide multiple versions of learning experience for different learning styles. Besides, offering a variety of methods isn't market segmentation since everyone is presented with the same choices.

✗ Myers-Briggs score: I/E, N/S, F/T, P/J

Learning style revisited. Also, Myers-Briggs isn't validated as a definitive indicator of learning style. You probably don't have everyone's MBTI scores, do you?

✓ ✓ Performance: average or superstar

Among knowledge workers, this can be vital. Think of the outliers, the crème de la crème. These people are the major source of corporate innovation. While the ROI of learning depends to a certain extent on the learner's degree of freedom a high performer may add a hundred times the value of her mediocre peer. Imagine a spectrum of workers, arrayed by how well they perform. Provide training. Often you'll receive a:

- ☒ 50% gain from a worker in the lowest 25%
- ☒ 200% gain from an average worker

- ☒ 500% gain from a worker in the top 25%
- ☒ 10,000% gain from a top 1% worker

✗ Personality: Inquisitive, outgoing, reserved  
There's no feasible way to measure this. Also, it's unclear what you'd do with the information if you had it. Things like this do not scale.

✓ Technology adoption: Enthusiast, early adopter, early majority, late majority, lagger.  
As we'll see, the first wave of learners are tolerant risk-takers and the bulk that follow are picky go-alongs. If you work it right, you can get these groups to self-select.

✓ Job title and competencies  
Assuming you've got a reliable LMS that incorporates competencies, it's great to set personal learning goals.

✗✗✗ Gender  
Why? In all likelihood it's not even legal to make professional development decisions based on gender. Or race. And it doesn't make much difference anyway. Duh.

✗✗✗ Age  
Same story as for gender. What's age got to do with it?

✓ ✓ Generation: Mature, boomer, GenX, GenY  
Surprise, surprise. People in different generations learn differently. Generation tracks age but not precisely. The calendar defines age; the cultural experiences shared with one's peers defines generation. GenY has body piercings and does homework in front of the television, the web, five live chat sessions, perhaps a group game, and a phone call. Boomers are repelled by piercings and need isolation in order to concentrate. We'll return to this important segmentation, for it calls for multiple paths to learning.

✓ Past eLearning experience  
People assume all eLearning is going to be like their one eLearning experience. If a prior eLearning experience left a bad taste in the learner's mouth, it will take some selling to get her to come back for another dose. If this is the eLearner's first experience on-line, it's worth the extra effort to make sure the first learning experience is a good one.

As you identify different segments of your universe of customers, pay special attention to where you expect to get the most bang for your buck. A few years ago, the goal of many training directors was to provide consistent, equal offerings to everyone in the organization. This is not a sound way of doing

business. It's the opposite of the reason we're looking at segments in the first place, remember? Segmentation is about treating people differently, not the same.

### Segments You Will Focus On

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

These segments that you've deemed most important go by another name. They are your *target markets*.

#### Computer Literacy

A segmentation so basic that we almost overlooked it is computer literacy. The best eLearning on earth isn't very useful to someone who doesn't know how to cut on the machine. (Yes, we heard that story in our interviews.) Your first step may be preparing people to take advantage of your delivery technology.

Consider how Germany's ZF Friedrichshafen built a foundation for eLearning, as related by Norbert Reichert, head of ZF's personnel function, and change consultant Reiner Neumann:

Until recently, eLearning in Germany focused primarily on corporate universities and management training. Now it's becoming corporate-wide.

ZF Friedrichshafen is a good example for the currently popular 'German way' of implementing eLearning. With 45,000 employees at 40 production sites, ZF is the largest independent specialist for transmission and chassis technology worldwide. ZF's partners expect its people to be competent with new technologies, so ZF is now aiming to make all employees competent Internet users.

ZF typifies the complex challenges a manufacturer faces -challenges that are very different from those the first-mover-companies had to cope with:

- ZF employees are in all stages of life, with all kinds of educational background and with very different levels of motivation and experience in using computers and the Internet.

- Less than a third of all workplaces are equipped with computers.
- The company has a culture of consensus rather than command-and-control, so employees need to be convinced of the benefits, rather ordered what to do from above.

Upon completion of web-based training, all employees will be certified as qualified web-users.

ZF first pilots the program with influential managers and opinion leaders. Senior managers are each assigned a learning scout, whose job is to explain the project in detail, to keep the executives interested, to answer questions, and to reinforce learning.

The rollout for the larger pilot group consists of the following steps:

- Discussion of important issues in an open space conference, supported with a demonstration of the WBT.
- The pilot starts directly after the kick-off.
- Tutors support and reinforce the learning process.
- All employees participate in virtual online-training.

## Generations

*Rocking the Ages*<sup>1</sup>, the book that introduced the subject of generational marketing, begins with an ancient proverb, “Men resemble the times more than they do their fathers.” Members of a generation are shaped by the shared experiences of their time. One’s age is less important than one’s life. When my generation turns sixty, they’re not going to begin acting like my parents did when they turned sixty. Perish the thought.

As a boomer, my early memories are of the 10¢ Mad magazine, Hopalong Cassidy, Fibber McGee & Molly, the purple Jefferson 3-cent stamp, and Doby Gillis. Later came the IBM Selectric typewriter, Gary Powers and the U-2, the twist, Johnny Carson, the Cuban Missile Crisis, James Bond, hippies, miniskirts, the Beatles, Mission Impossible, Laugh-In, Woodstock, Viet-Nam, Watergate, and Jimmy Hoffa. I’ve met Richard Nixon, I walked in the March on Washington, and I remember exactly where I was the day JFK was shot in Dallas.

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<sup>1</sup> J. Walker Smith and Ann Clurman. (1997). *Rocking the Ages*. HarperCollins.

The sons and daughters of boomers, born 1961 to 1981, have been called “Generation X.” My son, now a college student, remembers Sesame Street, the Berlin Wall, the 1989 earthquake in San Francisco, MTV, Seinfeld, the Gulf War, Bill Clinton, Rodney King, Waco, OJ, and his first computer.<sup>2</sup>

The “Millennial Generation,” those who will receive high school diplomas in 2000 and beyond, is also known as the “Net Generation” and “Generation Y.” This is the first Internet generation. They are under five when they first used a computer. They are into extreme sports, Red Bull, pagers, and the X-Box.

Looking back, my parents remember the Depression, Lindbergh’s flight, The Jazz Singer, the end of prohibition, two-piece bathing suits, Gone with the Wind, Frank Sinatra, Citizen Kane, the Manhattan Project, the Pentagon, Lassie, the first computer, the Timex watch, Ed Sullivan, and the atomic bomb. My father fought in World War II and Korea; my mother was a reporter for Life magazine. His father fought in World Wars I and II. And my great-grandfather fought in the Civil War.

	<b>Matures</b>	<b>Boomers</b>	<b>Xers</b>
Defining idea	Duty	Individuality	Diversity
Style	Team player	Self-absorbed	Entrepreneur
Rewards because	You’ve earned it	You deserve it	You need it
Work is	An inevitable obligation	An exciting adventure	A difficult challenge
Education is	A dream	A birthright	A way to get ahead
Managing money	Save	Spend	Hedge
“Program” means	Social program	Cult de-programmers, 12-step	Software
Drugs of choice	Bathtub gin, tobacco	Acid, marijuana	Crack, ecstasy

Marketers shift brands to appeal to each new generation. Twenty years ago, when conformity and prudence were highly valued, Merrill Lynch was “the Thundering Herd,” and Prudential asked you to “Own a Piece of the Rock.” Merrill’s boomer customers didn’t want to follow the herd and the brand morphed into “A Breed Apart.” Similarly, Prudential celebrated individualism, encouraging customers to “Be your own rock.”

Gen Y is so different from the Boomers that it will stand our concept of training on its head. Gen-Yers process information in parallel; while doing homework online, they may be listening to music and conversing in five simultaneous chat

<sup>2</sup> See Understanding the Generations at <http://www.youth.co.za/> for further elaboration.

windows. Easily bored. The GenY-ers describe themselves as optimistic, confident, ambitious, committed and empowered. They appreciate the value of learning as a way to meet their goals. However, they need incredible amounts of reinforcement, having been brought up with video games that provide 60 to 100 times more reinforcement than what previous generations considered normal. Annual performance reviews? Try weekly. They enjoy working in teams. Form teams of boomers, Xers, and Yers. The boomers and Xers will share their experience, and the Yers will hop to it to accomplish things.

Don Tapscott<sup>3</sup> contrasts the learning styles of GenY and those who came before.

<b>Broadcast learning</b>	<b>Interactive Learning</b>
Linear, sequential	Hypermedia
Instruction	Construction/delivery
Teacher-centered	Learner-centered
Absorbing materials	Learning how to learn
School	Lifelong
One-size-fits-all	Customized
Teacher as transmitter	Teacher as facilitator

#### Quote

“The scandal of education is that every time you teach something, you deprive a child of the pleasure and benefit of discovery.” Seymour Papert

Tapscott observes that the confident GenY is emotionally and intellectually open. He expects many barriers to workplace collaboration to melt. GenY is likely to be the most color-blind, gender-neutral, and socially classless group in history. They value others’ contributions. Couple this with a pragmatic urge to take action and you have the perfect seedbed for collaboration. Networking comes natural.

“To educate the turned-on teenager in the old mechanical style is like asking a three-year-old who has just learned English to talk pidgin-English or to use a heavy Scottish brogue. These things are not in his environment and therefore not cognizable.”<sup>4</sup>

Marc Prensky calls those of us who were raised before ubiquitous computers “digital immigrants.” Like all immigrants, we retain a bit of our accent, our foot in the past. A language learned later in life goes into a different part of

<sup>3</sup> Don Tapscott. (1998). *Growing Up Digital, The Rise of the Net Generation*. McGraw Hill.

<sup>4</sup> Marshall McLuhan, quoted in Marc Prensky. (2000). *Digital Game-Based Learning*. McGraw Hill. (p 46).

the brain. Marc's book, *Digital Game-Based Learning*, describes ten changes in cognitive style among the "games generation:"

1. Twitch speed versus conventional speed
2. Parallel processing versus linear processing
3. Graphics first versus text first
4. Random access versus step-by-step
5. Connected versus standalone
6. Active versus passive
7. Play versus work
8. Payoff versus patience
9. Fantasy versus reality
10. Technology-as-friend versus technology-as-foe<sup>5</sup>

I handed my 19-year-old son the three pages I'd written on this topic. He rolled his eyes. Three pages? Geez. Having read the words while watching *Law and Order* and patting the dog, I asked him for his thoughts. He had none.

Then I asked how he'd like it if he joined a large organization, and they told him he'd be participating in new-hire training, a program on sexual harassment, and eLearning on corporate security and their firewall set-up. "Sucks," he said. "Why?" He replied that he wanted to preserve his independence, not become a corporate drone. eLearning is boring, Dad. It turned out he meant my generation's eLearning; he keeps up with many subjects exclusively via the web.

I don't have an answer to this one. I know Gen Y is not going to sit still for training designed by a team of middle-aged staffers.

### **Cultural Impact**

PG Yeoh of The Knowledge House told us how unrealistic expectations and a poor fit with cultural norms retarded the growth of eLearning in Malaysia.

About a year and a half ago, people thought that eLearning in Malaysia would "spread like a virus". E-learning solution providers sprouted but there were not many e-learners. In fact there were few for some e-learning companies to survive.

Some e-learning advocates at that time declared that Malaysia was at the threshold of an "E-LEARNING REVOLUTION". Some even predicted that it would take the country by storm. But, the "revolution" didn't happen. There were no e-Hush Puppies teenagers to create a trend. There were no Malaysian "Paul

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<sup>5</sup> Marc Prensky, op cit., p 53

Reveres" to excite the people to move... to take the plunge into eLearning. Nothing tipped.

I argued that Malaysians should not deem eLearning as something still at the "infancy stage". By doing so, we were merely submitting ourselves to the trap of remaining at that stage. Better that we take the attitude that eLearning was already here; that we were already doing it. After all, we use email extensively.

Other factors slowing the adoption of eLearning in Malaysia:

- Malaysians have been used to a mode of learning whereby they are being coached... to the extent of being spoon-fed. Self directed learning is not popular.
- The mode of learning in this country is very examination-oriented. A learner is gauged by his/her examination results. (You are "intelligent" because you have scored 10 straight As in your public examination.) Other modes of assessment do not "show off" your capabilities as much as your results of the public examinations.
- Bandwidth (although getting better and better) is still a constraint in delivering heavy multimedia content (people still have the misconception that e-learning must come with the song-and-dance and the razzle-dazzle associated with the Disney software and computer games)
- PC penetration is still low - less than 20% of the total population. Even lower is the number of people who have access to the Net.