



Already earning revenue in its second year – Coursera is a sustainable model says co-founder Daphne Moller. PHOTO: ROB HOMER

Online offer has ‘Amazon’ appeal

MOOCs Coursera co-founder aims high, citing Bezos’s genius.

Tim Dodd

Investors in Coursera, the world’s largest massive open online course (MOOC) provider are confident the company will arrive at a sustainable business model, says its co-founder, **Daphne Koller**.

Ms Koller, who set up Coursera last year with fellow Stanford IT professor **Andrew Ng**, now offers more than 400 free online courses from 84 partners which are mainly universities.

In little over a year, 4.3 million students have enrolled.

Last week, the University of NSW and the University of WA joined Coursera, following the University of Melbourne, which became a Coursera partner last September.

Coursera continued to keep course enrolment free, but has booked its first \$800,000 revenue – mainly from offering verified course completion certificates to students, who pay between

\$US30 (\$33) and \$US100 for the service. Speaking at a US Studies Centre forum in Sydney last week, Ms Koller said “the very fact that we have brought in any revenue in the second year of this project is considered remarkable by our investors. Most internet start-ups don’t even start thinking about revenue until year five or six”.

US-based Coursera has \$US65 million in venture capital investment, most of it from a \$US43 million injection last month.

“Our investors are quite confident that, with the kind of traffic that we are getting... [and] the retention of students who come back to take class after class, it will not be a problem to make this a sustainable model,” Ms Koller said.

Coursera is larger than its major competitors, edX and Udacity, and Ms Koller said Coursera’s aim was to be offering 5000 courses in three to five years, “the same as a moderately large university”.

She said, in an interview, that Coursera would open itself to outside talent by hosting educational apps.

“We’re opening up the platform to a whole world of innovators,” she said.

Speaking at the forum, the managing

director of IBM Australia and New Zealand **Andrew Stevens**, said he was “absolutely convinced that Coursera will be the Amazon of this industry”.

Speaking to a largely academic audience, he said that the uncertainty with which MOOCs were viewed by some was the same uncertainty with which people in retail once viewed Amazon.

“Amazon now has revenues greater than Woolworths in this country,” he said.

Mr Koller said that, although there were currently many competitors in the MOOC market, she thought it would tend toward being winner take all.

“Right now, we’re four times larger than anybody else in terms of students, 10 times larger than anybody else in terms of courses,” she said.

“So I think we are well positioned to be that platform that will enable everyone to learn.”

She said that she thought Amazon founder and chief executive **Jeff Bezos** was “a genius businessman”.

“He thinks deeply and constantly about what gives his customers the best possible experiences. We want to do the same for our students and our instructors,” she said.