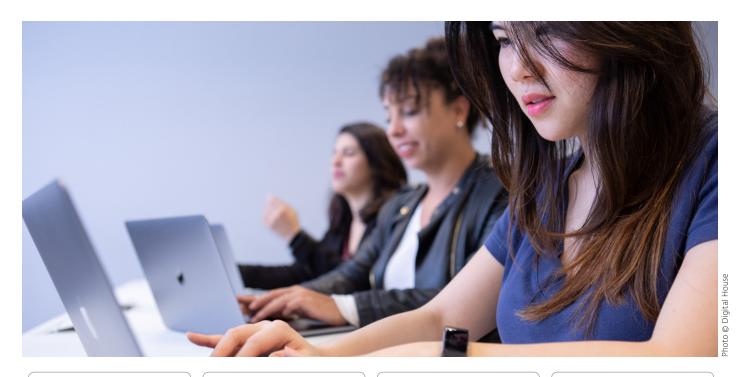
# **Digital House**





# **Program Type**Digital skills training



#### **Medium of Delivery** Classroom and online



### **Program Duration**

2-5 months



#### **Annual Participants**

~3,600 (B2C); ~4,700 (B2B)



Organization Type

For-profit



## Year Established

2016



#### Average Fees per Participant

\$1,600-\$2,000



#### **Number of Alumni**

~4,000 (B2C); ~4,000 (B2B)



#### **Geographic Coverage**

2 campuses in Argentina and 1 campus in Brazil.



#### **COMPANY OVERVIEW**

Digital House is a for-profit education company that offers state-of-the-art part-time courses in intermediate and advanced digital skills. It seeks to empower the next generation of talent and technology professionals in Argentina and Brazil. In addition to its main vocational offering, Digital House supports digital skills training at undergraduate and kindergarten through twelfth grade levels alongside other operators.

For more information, visit:

https://www.digitalhouse.com/

#### **Mission Statement**

To transform the lives of people by providing the digital skills training they need to develop professionally and generate a positive impact in society.

"The experience was intense and very positive; it helped me organize my knowledge and I learned to use several tools. In fact, I came up with the idea of creating a community for woman brewers in one of my Digital Marketing classes when I visited a brewery close to campus along with my classmates."

Entrepreneur

#### **Key Innovations**

Digital House is characterized by three fundamental program features:

- Flipped Classroom: Digital House uses a pedagogical model in which traditional elements of the lesson are reversed. Students learn theory online at home and participate in practical assignments during in-person classroom sessions under the guidance of instructors. This model helps optimize time with teachers and is only applied to the blended iterations of the courses.
- 2. Project-based Learning: This allows learners to acquire skills and basic knowledge through projects that respond to real-life problems. Learners at Digital House develop group projects, such as a website or mobile application to address a specific issue. The staff then evaluates the final product. The projects allow students to develop complex skills such as critical thinking, communication, collaboration, and problem solving.
- Cooperative Learning: Digital House campuses have co-learning spaces where students may go after school hours to clarify doubts with an on-call teacher and to work on group projects.
- 4. Career Orientation: Digital House recently launched a one-of-a kind bachelor's degree in digital business through a partnership with the University of San Andres in Buenos Aires. Digital House offers a third of the program's content on the Digital House campus and the university is responsible for providing the remainder. The program is founded on the belief that digital disciplines are present in all business, and includes courses such as digital product management, digital marketing, user experience, web and mobile programming, and data analytics. The program also emphasizes the importance of interpersonal and organizational skills, with courses such as leadership and talent management, organizational behavior, and games and strategic behavior.



#### **Program Overview**

Digital House aims to help students stay competitive in the global economy. It offers on-site and blended technical courses across three campuses in Argentina and Brazil. The program equips students at all levels to build careers in software development, data science, artificial intelligence, analytics, and digital marketing. Digital House also offers customized training programs to companies for their employees, in addition to supplying digital skills curriculum and online learning platforms for K-12 teachers.

#### **Program History**

Digital House was founded in 2016 by a group that included Nelson Duboscq and Sebastian Mackinlay, with a vision to educate professionals and transform companies through innovation. It was established in Argentina and later expanded to Brazil.

#### **Types of Digital Skills Imparted**

Digital House offers intensive courses focused on building intermediate to advanced digital skills to make professionals more competitive in the job market. Skills covered in their offerings include:

- 1. Web development
- 2. App development (Android and iOS)
- 3. Digital marketing
- 4. Product management
- 5. User experience design
- 6. Data science
- 7. Data analytics
- 8. Artificial intelligence

They also offer executive programs for managers, professionals, and entrepreneurs in technology.

#### **Business Model**

Digital House has demonstrated a successful business model that sustains itself through participant tuition fees.

Key drivers of its success include:

- 1. Offering industry-relevant digital skills training programs
- 2. Focusing on working professionals with some ability to pay for courses and offering valuable opportunities that ensure students' willingness to pay
- 3. Driving scale through job-relevant courses and blended-learning course offerings

#### **Model Replicability**

Digital House has successfully expanded in Brazil. However, the current model has an on-site component for all courses. If it transitions to a wholly online delivery system, the model will be more replicable.



#### **Key Learnings**

- 1. Campuses are large investments and programs need to make sure to use all of the space.
- 2. Awareness about market size is critical, as is the ability to leverage potential opportunities with partners from an existing network. This is especially important for developing geographic expansion strategies.
- 3. Effective marketing is important. As Digital House grows, it is trying to increase notice through organic channels, such as word of mouth.
- 4. Technology plays a vital role in helping scale and maintain the program.

#### **Funding Structure**

Digital House made \$11 million in revenue through tuition fees in 2018.

The organization has raised two rounds of funding since it started in 2016. It received \$4 million in its Series A funding

led by Kaszek Ventures and \$20 million in its Series B funding led by TPG Rise Fund.

#### **Participant Fees**

- Individual courses cost around \$2,000 for five months of intensive part time work, while executive programs cost about \$1,600 for two months of less intensive study.
   Discounts range from 20 percent to 45 percent.
- 2. Most Digital House learners are working professionals looking to spend no more than 5 percent to 10 percent of typical university fees.
- 3. Digital House offers need-based scholarships that cover 30 percent to 45 percent of the tuition fees for 8 percent of its students.

#### **Major Cost Items**

The major costs are teacher salaries and marketing.

# PARTICIPANT SOURCING AND SELECTION

#### **Target Segment and Pipeline Development**

Digital House seeks to help professionals transform companies and stay competitive in a global economy. Digital House's part-time programs usually target employed individuals because advanced digital skills are increasingly required in order to progress professionally. Currently, 80 percent of students are employed. The courses are open to beginners, who get prepared through coursework and assessments during the selection process.

Digital House also runs executive programs for experienced professionals and entrepreneurs, and custom-designed courses for employers across industries. The program targets experienced managers because many in the region could benefit from lessons on new or enhanced digital skills. The program supports them in professionally navigating and managing organizations where technology has become integral.

As all courses have an on-site component, most participants are located in Argentina or Brazil.

#### **Key Value Proposition**

Digital House's instructors bring deep experience in professional, entrepreneurial, and research fields. They are well-placed to teach students the practical issues faced on the job.

The program also develops up-to-date course curriculum that is aligned to industry demands. An annual review by Digital House management ensures course content stays relevant and projects simulate accurate real-life scenarios.

#### **Key Methods to Find Applicants**

Digital House conducts online marketing to potential students through Facebook, Google, and other sources, such as Acaula, Navent, Viaedu, Linkedin, Infobae, and iProfesional.

#### **Application and Selection**

Each course has 30 to 40 seats available. Completion of pre-work and an online assessment is mandatory for admission. Of the total students registered at Digital House, roughly 85 percent of students successfully complete the pre-work and are admitted.

#### **Key Challenges and Solutions**

Digital House courses are more expensive than most competitor offerings. This is a challenge given that the target audience for non-executive courses is early- to mid-career professionals who might not be able or willing to pay a premium. Digital House has encouraged applicants from a broader range of economic backgrounds by offering needbased scholarships that can cover as much as 45 percent of tuition fees.

#### PROGRAM EXPERIENCE

#### **Program Approach**

Digital House focuses on providing an ideal learning environment for the students through modern classrooms, outdoor spaces, conference rooms for group activities, and common learning rooms.

Learners are offered a five-month program with a requirement of 10.5 hours of study a week. Executive programs are only two months long and require student participation for five hours a week.

Students can choose from nine courses and six executive programs that focus on different intermediate and advanced digital skills. The courses are offered in two ways: on-site and blended learning. The on-site model requires students to attend 2.5 face-to-face classes a week while the blended model requires them to attend 1.5 face-to-face classes a week. Both models require learners to spend 10.5 hours a week on classroom and virtual class learning, and an additional three hours for out-of-class practice.

The program emphasizes a "learning by doing" approach by

integrating co-learning projects that simulate real-life situations similar to those present in the labor market. In addition to the adult courses offered, Digital House also partners with K-12 schools to run a proprietary curriculum developed in-house. They have partnered with 10 schools, and their material has reached almost 1,500 K-12 students.

#### **Instructors**

Each course has an educational team made up of teachers, assistants, and specialists:

- Teachers are semi-senior professionals in their subject areas who have enough knowledge to deliver the full course by themselves from start to finish.
- Assistants work with teachers in the classroom to support students by answering questions related to classroom content as well as those related to integrative projects.
- Specialists are industry leaders who participate as guest lecturers to deliver specific classes within a module. They help in underscoring the practical application of the digital skills learned.

Teachers are recruited through a technical and academic evaluation from a trial class. Most have a wide range of knowledge and professional experience but do not have teaching experience. Digital House conducts a teacher training session that covers class observation, content co-creation, class planning aligned with Digital House's pedagogy, and ways to use technical and digital resources.

#### PROGRAM IMPACT

#### **Learning Goals**

#### **Key Skills Developed**

Digital House helps its students master technical skills including:

- 1. Programming
- 2. Digital marketing
- 3. Product management
- 4. Design
- 5. Analytics and data science
- 6. Artificial intelligence

Courses also help students develop twenty-first century skills, such as agile management, teamwork, collaboration, critical thinking, and creativity to complement the technical skills learned and to increase job-readiness. Digital House constantly updates and develops new content to stay relevant in the digital skills space. Specialist teachers, who are industry professionals, help to update the course curriculum and deliver specific class modules. Instructors, who are industry participants, help to ensure the content covered in the classroom is connected to the latest industry needs.

#### **Employment Process**

Digital House students and graduates have access to an online jobs board that includes full-time and part-time opportunities in technology fields with more than 1,000 companies posting their job needs. During the application process, Digital House conducts workshops in partnership with employers that focus on preparing resumes and developing effective strategies for applying to jobs. Together they hold a "recruiting day" where around 30 of the largest companies in the local technology industry come to interview students for jobs.



Digital House has grown to three campuses (one in Brazil, two in Argentina)

Digital House graduates have secured jobs at leading organizations, including Facebook, Coca Cola, IBM, L´Oréal, Accenture, and Telefónica de Argentina. The company also has a digital volunteer program where students and graduates can offer their digital skills to up to 32 registered nongovernment organizations.

#### **Impact**

The graduation rate at Digital House is about 90 percent. Most graduates are not looking for jobs; they're seeking to improve their digital skills to perform better at work. Only about 20 percent of graduates are job hunting. These students have placement rates greater than 95 percent, with a payback period of about three months. Graduates cite an average salary increase of around 40 percent. Digital House is involved in the local labor market and maintains relationships with corporations through a recurring recruitment day. This takes place twice a year, once a semester.

#### **OPERATIONS**

#### **Resources**

#### Staff

The Digital House team brings an even mix of entrepreneurial and corporate experience. The company has grown from a

10-member staff team with 60 learners in 2016 to a 250-member team with more than 8000 students a year. The academic directors are cofounders of a software development company with two decades of experience in teaching digital skills. Instructors bring extensive professional experience and staff includes technology specialists who support content delivery.

#### **Additional Key Assets**

Digital House's three modern campuses in Brazil and Argentina help position it as a school of the future with modern co-working spaces on campus.

#### **Program Evolution**

Digital House was established in 2016 with two programs in coding and has since expanded to offer a wider range of digital skills. Every year during a summer-term break, the team reviews each program's industry relevance and updates curricular content. Pre-course material completed by applicants has evolved over the last two years into a more comprehensive introduction to the subject. Organizers also have moved performance tracking from a manual process to an integrated learner management system.

Digital House has expanded its services to K-12 schools and university students through partnerships.

GROWTH TRAJECTORY		
	2016	2018
Students enrolled over 2 semesters	360	~3,600
Staff count	10	250
Centers	1	3
Geographical presence	Argentina	Argentina, Brazil
Annual revenue	~\$50K	~\$11M

#### **BUSINESS MODEL**

#### **Program Sustainability**

Digital House has successfully demonstrated that select segments of the population in emerging markets are willing to pay for digital skills training. It targets those who are able to afford tuition to sustain the program and make profits.

#### STUDENT EXPERIENCE

Digital House offers a positive learning experience to students through strong course content, practical learning environment, and effective career support.

Carlos Najun Dubos, an alumnus of Digital House, spoke about his experience during his Digital Marketing course in 2018.

"My overall experience was very positive, and I found the program to be complete in terms of content covered. A lot of information was provided in the program and the course offered many useful real-world examples, such as the key analytics tools used in most digital marketing functions."

- Carlos Najun Dubos

#### Reflections

What was the application process like?

I went through a very simple application process with constant support provided by the Digital House teams. Every course had a variety of schedule and fee payment options to choose from. The Digital House team followed up with leads and provided clear and helpful pre-course material upon making the initial payment.

An online challenge tested the concepts covered in the pre-course material, and interview questions were focused on testing for motivation to pursue the course.

What was the program structure?

I attended three classes a week. I found the curriculum to be well thought-out. Digital House provided access to their content repository, which could be referred to for out-of-class reading and practice.

We were given pre-class reading exercises which amounted to a total of 10 percent of additional time in out-of-class learning.

The integrative project, which required learners to work in groups of three, helped simulate a real-world experience. My team worked towards building a real e-commerce site for one of my teammate's businesses, which sells backpacks.

**Student Background** 



### Carlos Najun Dubos, Digital House Alumni

- Personal and educational background: Worked for 20 years in technology space in Argentina in roles spanning marketing and sales. Charles has recently completed a few marketing courses at Pontificia Universidad Católica Argentina
- Current employment status: Charles is working as a sales executive at DXC Technology (American MNC IT services company)
- Details of the role: Responsible for sales in a specific territory, requiring to work with C-level executives to explain DXC's offerings and how they would help their business

The project allowed us to apply the tools learned in the program to a real-world scenario.

What impact did the program have on you?

Digital House reached out to multiple employers to explore opportunities for its learners and connected me to four to five of these companies through a recruitment event. I received support on my overall job search strategy, including help with resume development. It also helped develop my digital-marketing skills and emphasized how these skills could be incorporated in the professional world.

I had been working in the marketing field for a long time and wanted to develop my skills to get comfortable with digital-marketing tools, which I believe are becoming more important for my career progression.

#### Path to Scalability

Digital House is focusing on building a larger technology platform that provides purely online courses. This is likely to become the primary driver of growth. The company also is considering scaling up its corporate training offerings through more digital content and using its online platform to deliver enterprise training courses. The company also is starting to expand its local venue through partnerships in other cities and countries to help growth without capital-intensive investments. These partnerships also would help expand Digital House's global network.

#### **KEY PEOPLE**



Nelson Duboscq
Chief Executive
Officer
Duboscq founded a
venture called

World of Business Ideas that created Latin America's first business & management magazine and the largest executive event. He went on to launch an e-commerce platform focused on affordable home design before founding Digital House.



Sebastian
Mackinlay
Chief Operating
Officer
Mackinlay is

credited for organizing World
Business Dialogue—the largest
executives conference in the United
States. He also worked with World
of Business Ideas, where he met
Duboscq, then went on to take up
leadership roles in technology
consulting and marketing
companies. He later joined Duboscq
to found Digital House.