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### **What Makes a Top-Tier Online Education? A Lot of Money, and a Dose of Hollywood Magic**

By Nick DeSantis

#### **Meet the Ed-Tech Start-Ups**

It's a golden age for educational-technology start-ups. The past three years have seen a spike in venture-capital investment in upstart companies, many founded by entrepreneurs just out of college. Last month *The Chronicle* outlined the trend ("[A Boom Time for Education Start-Ups](#)"), but we wanted to dig deeper.

Below are short features on three such companies, focusing on the problems they hope to solve and the challenges they face in selling their unusual ideas. To get a sense of the emerging field, we've included a [list of a dozen other start-ups](#) competing for a piece of the action.

Highly selective colleges have been slow to experiment with online learning, in part because of an unresolved question: How do you create a blue-ribbon experience that would rise above that of lower-cost competitors?

An upstart company named 2tor believes it has the answer: Inject a dose of Hollywood into cybercourses.

Since its founding, in 2008, 2tor has built online graduate programs for Georgetown University, the University of North Carolina at Chapel Hill, and two for the University of Southern California. They are the kind of high-profile universities that would rather have no online program than one that did not reflect well on their institution's brand, says Chip Paucek, 2tor's chief executive.

The legwork required to build best-of-breed online programs is often costly. Mr. Paucek, 41, repeats the word "expensive" frequently. His company says it invests more than \$10-million up front in each of its programs, leading the firm to be picky in choosing its partners.

Last week its leaders announced a fifth partnership, to create an online master-of-public-administration program at Chapel Hill.

2tor's big investments pay for Web platforms that allow students to attend online classes with their professors in real time. Another portion of the money bankrolls the company's course videos, which feature production values closer to documentary films than lo-fi YouTube clips.

While shooting videos for USC's online social-work program, for example, 2tor hired professional actors and enlisted professors to help re-enact meetings between social workers and their clients. With faculty members shaping the script, the clips brought to life the clinical scenarios that students typically only read about.

The slick videos aren't Mr. Paucek's first attempts to blend education and entertainment. Shortly after earning a bachelor's degree in political communication from George Washington University, he founded the Cerebellum Corporation, which produced an educational PBS show called *Standard Deviants*. Young actors and comedians spiced up the learning material. 2tor's graduate-course videos are created for a more advanced audience, but they reflect Mr. Paucek's television background.

Among ed-tech start-ups, the company says it is one of the richest in the United

States. This week it plans to announce an additional \$26-million infusion of cash. That would bring its total investments to \$96-million.

2tor's platform has allowed one of its partners to scale its degree program to thousands of students. Before teaming up with 2tor, USC's on-campus master-of-arts-in-teaching program enrolled 81 students. The 2tor-built online program has enrolled more than 2,500 online students so far, and those courses are taught by two dozen full-time instructors and a large group of adjuncts. Each class section includes live meetings—even the ones where instructors and students live in distant time zones.

Like some of its competitors, 2tor spends a chunk of its project budget trying to influence search-engine rankings to recruit potential students. One of the first Google results for "How to become a teacher" is a 2tor-built portal called CertificationMap.com, which funnels visitors to USC's online master-of-arts-in-teaching program. 2tor also built a site at Teach.com, hoping to catch visitors at a high-profile domain.

Once the company finds potential students, the universities control who gets admitted, Mr. Paucek says. Though he declines to specify how many leads are admitted to each program, he says the company's partner universities are equally selective in admitting their online and face-to-face classes.

2tor's big-budget style means that the students who enroll in its partner programs pay just as much to attend online as they would to take classes on campus. But Richard Garrett, a vice president and principal analyst with the consulting firm Eduventures, says the high prices don't just keep 2tor's revenue-sharing business model afloat; they send signals to students who may associate cost with quality.

"The typical online student experience isn't very compelling," he says. 2tor "needed an offering that was distinct and highbrow given the kinds of institutions they were targeting." So the company has to spend money producing top-quality material in ways that many universities can't afford to spend on their own, he says.

Mr. Paucek admits that his biggest challenge is trying to change preconceived notions about what online education looks like. But he sees those barriers shrinking as students look for high-quality online degrees. Some online programs operating today won't be acceptable to students 10 years from now, he predicts. Or even five years from now.

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**weevie833** 1 day ago

Aren't we just promoting "lean back" behavior from students with some of this? It's bad enough that my online discussion boards are fraught with social media behavior.

It sounds to me like the 2tor producers believe that a more realistic portrayal of situations under controlled conditions will lead to better learning. This may make the course experience more fun, but is it inherently instructional? I'm more inclined to believe that the instructional activities that precede the media (reading, research, etc.), guidance for student engagement (what to look for), and what the student produces him/herself afterwards (discussion, analysis, etc.) will contribute more towards achieving outcomes than the quality of media production. A simple Xtranormal movie might work just as well to demonstrate certain situations. 2tor's clients may well buy into this model if the costs are offset by deep-pocketed students. But if there is a lesson to be learned by the people who have been selling us 3D movies over the past six decades, or the advertising agencies who have had their lunch eaten by YouTube producers in the past 15 years, it's not the "resolution" of the media - it is the alignment of the media with instructional goals, and how well instructors "wrap" that engagement for students. I like the idea of non-text media gaining greater value to learning (it's my job!). But I am concerned that the goals here are promoting a trajectory towards "what things look like" rather than how well online instruction is designed.

3 people liked this.

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**Chip Paucek** 1 day ago in reply to weevie833

Just note - while the reporter chose to focus on the asynchronous content, which is highly produced, the backbone of our programs are live class sessions (with multiple video feeds) from a full faculty member at Georgetown, USC or UNC Chapel Hill. In addition, all programs include an in-field component that is rigorous as well, such as 16 weeks of student teaching in a classroom. Clearly, asynchronous is important but only a piece of what creates a high quality online program. You can't beat great faculty.

4 people liked this.

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**bwp174** 1 day ago

It is refreshing to see an online ed company focused on a high quality product and student outcomes rather than just the bottom line.

I wish 2tor success and hope that they are able to translate their experience at the top of the market into something that directly benefits the type of student who is so often hurt by the often predatory for-profit world that exists as the only real option for so many these days.

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