Background Information

- **Company:** Duolingo is a global language-learning platform founded in 2011 and based in Pittsburgh, USA. It now serves over 600 million users worldwide.

- **Founder & CEO:** Luis von Ahn, a Guatemalan computer scientist and entrepreneur, is also known for creating CAPTCHA and reCAPTCHA and selling to Google before launching Duolingo.

- **Business Model:** The app uses a subscription model, offering a freemium version, users can learn for free or subscribe to Duolingo Plus for an ad-free experience. Around 30% of revenue now comes from paid subscriptions, and the company has diversified into English language testing and education partnerships.

- **Innovation & Technology:** Duolingo uses data analytics and artificial intelligence (AI) to tailor lessons, track progress, and develop new content. Its "AI-first" strategy aims to improve user experience and reduce manual workload for staff.

- **Recent Developments:** Duolingo has expanded into new areas like math, music, and even chess learning. It has also partnered with Apple, with in-app subscriptions generating significant revenue through the App Store.

- **Leadership & Culture:** Luis von Ahn's leadership has evolved from micromanaging to empowering teams. The company culture values experimentation, autonomy, and data-driven decisions.

- **Challenges:** As Duolingo adopts AI more deeply, staff may worry about automation or creative limitations, echoing broader challenges faced by businesses undergoing digital transformation.

Suggested Answers

1. How did Luis von Ahn's leadership style change as Duolingo grew? What do you see as the difference between a manager and leader based on this?

He shifted from being a micromanager who controlled small decisions to a visionary leader focused on long-term goals and company culture. This allowed him to empower teams and encourage innovation. A manager supervises/oversees day-to-day tasks, while a leader inspires/enables people and shapes vision.

2. Explain how Duolingo's use of AI supports its digital transformation.

AI helps Duolingo design personalised lessons, analyse learner data, and create new content faster. This technology makes learning more efficient and allows the company to scale without depending entirely on manual work. New features also e.g. talking language partner.

3. What potential conflict might arise from Duolingo's AI-first approach?

Employees might worry that automation could replace certain roles or reduce creativity. Some may resist new systems if they feel less control or recognition for their work, requiring careful leadership to manage change.

4. What area do you think DuoLingo could also expand in to beyond Maths, Music, Chess? Justify why.

Student answer