Outcomes from 2013 CFO Survey on Textbook Delivery and Bookstore Services

Cara Dulaitis
Senior Regional Sales Manager
Akademos
April 19, 2013
Providing virtual bookstore services, e-learning solutions, a competitive marketplace

3rd Party Marketplace Sellers
- Over 100 million books
- 1.3 Million Members
- Thousands of Professional Sellers

Direct Inventory
- 2 Warehouses
- Flexible system accommodates last minute changes

Rental Partners
- 85% core textbook availability

Ebook Providers
- Akademos eReader
- CourseSmart
- OpenStax College
- FlatWorld Knowledge

Publisher Direct Shipments
- 24 hour shipment window

About Akademos – 15 years of experience

Confidential Akademos ©2013
The industry has dramatically shifted in the past 5 years (lost sales, internet competition, HEOA etc.)

- CFO survey conducted Nov-Dec 2012
- Just under 300 college business administrators—predominantly CFOs and equal roles participated
- Topics include:
  - Bookstore revenue trends
  - Brick-and-mortar v. online model
  - Textbook affordability and its impact on persistence
  - Competition from online, 3rd party providers
Survey Overview

- 89% - CFOs who stated students are not shopping for texts at campus store
- 28% - Students estimated shopping elsewhere
- 78% - Say reason is price
- 56% - Textbook sales transacted with financial aid
- 88% - Believe textbook costs impact student retention and persistence
- 82% - Indicate textbook sales flat or down over the past 3 years
- 18% - Believe textbooks will be sold exclusively in a school online bookstore
- #1 most important service schools can provide students? Access to high-quality, low-cost textbooks
Please estimate the trend line in your bookstore’s textbook sales over the past three years.

83% of respondents indicated textbook sales have been flat or down over the past three years.
Textbooks Sales Format Breakdown

Approximately what percentage of your textbook sales come from the following:

- New books 52%
- Used books 32%
- Rentals 14%
- Custom course materials 6%
- eBooks 4%
Textbooks services CFOs rated as "very important," in order of importance:

- Used books — 79% (rated as very important)
- Rentals — 59%
- Digital/eBooks — 48%
- Custom course materials — 31%
- OERs (Open Educational Resource materials) — 25%
On average, 56% of textbook sales are transacted with financial aid at respondents’ schools.
89% indicated textbook costs impact retention and persistence.
Please estimate the percentage of your students who purchase textbooks from OUTSIDE of your bookstore:

- 50% or more
- 25-49%
- 1-24%
- 0%
- Uncertain

89% confirm that students are turning away from campus-based bookstores.

On average, that 28% of students are shopping elsewhere.
#1 reason students shop elsewhere?

*Of the following reasons, which one most represents why those students are going elsewhere?*

- Price: 79%
- Convenience: 4%
- More inclined to purchase online: 12%
- Other: 6%
In the next five years, which of the following would you agree with most regarding the textbook component of your bookstore business model.

- Textbooks will be sold completely in our online bookstore: 18%
- Textbooks will be sold in both our brick and mortar, and our online bookstore: 80%
- Textbooks will be sold only in our brick and mortar bookstore: 2%
In Summary....

28%  
+ 29%  
**57%** Students actually not buying texts at campus store

- Over half shopping through campus store are using aid  
  – The neediest students are likely paying the most
- What are the costs via attrition?
- If the #1 most important service schools can provide students is access to high-quality, low-cost textbooks, why aren’t more schools executing this service?
- Will it be feasible to balance text pricing in brick-and-mortar and online without unnecessarily inflating costs?
How can you help lower costs?

- www.adoption.akademos.com
- EASY DIGITAL TEXTBOOK DISCOVERY BY SUBJECT
- TRUSTED COMPARISON OF EXISTING TEXTBOOKS ALONGSIDE OER WORKS
- INSTITUTIONAL ADOPTION DATA BY COURSE OR TEXTBOOK
- PRICING DATA AND AVAILABILITY FOR NEW, USED AND RENTAL OPTIONS
- DETAILED REVIEWS FROM PUBLISHERS, FACULTY, AND STUDENTS
- SYLLABUS MATCHING TOOLS
Thank You. Questions? Comments?

To keep up with trends, sign up for alerts: http://www.akademos.com/newsletter

Cara Dulaitis
Senior Regional Sales Manager
708-227-7530
cdulaitis@akademos.com