AKADÉMOS

College Bookstore Solutions

2016 College and University Student Survey on Course Material Purchasing and Bookstore Services

How Textbook Prices and Poor Communication are Impacting Student Achievement

Introduction

At Akademos we frequently conduct research to assure we have the latest information on the rapidly evolving textbook, course materials and bookstore services industry.
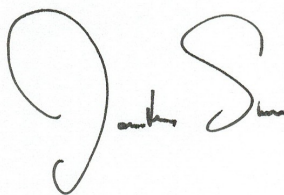
In 2013 we released the results of two surveys. The first, conducted with college and university CFOs, focused primarily on textbook delivery and bookstore practices. At the time it was the most comprehensive survey of its kind. The second, conducted with college and university presidents, provosts and chief academic officers, focused on course materials and bookstore services.

In 2015 we released the results of two follow-up surveys to these same groups. These surveys revealed key trends and highlighted the critical issues facing college administrators and academic leadership today - and their predictions for the future.

This latest research report based on our first comprehensive college and university student survey adds an important third leg to the stool by revealing how students feel about textbook affordability, course material acquisition and bookstore service needs. When examined in conjunction with our previous survey results, institutions can obtain a unique 360-degree view of textbook delivery and bookstore services across all key stakeholder groups.

I'm excited to share the results of this new survey and hope these findings are helpful to college administrators, bookstore operators and educators across the country. I would be delighted to discuss the survey results and their implications for the future with you and others at your institution. Please contact me at jshar@akademos.com with any questions or comments.

Sincerely,

Jonathan Shar
Chief Marketing Officer
Akademos, Inc.

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Overview & Key Insights

In the following pages we share the compelling results of our 2016 college and university student survey on textbooks, course materials and bookstore services. There are data points confirming common assumptions and observations, but there are also significant new insights into what drives student behavior and attitudes towards course materials.

For example, it's a well-known fact that high textbook costs are creating financial hardships for many college students and even causing students to suffer academically. What's not nearly as well-known – and what our new survey data reveals – is that poor communication regarding required course materials is also playing a part in undermining academic performance.

This research report exposes the extent to which factors such as high textbook costs and uncertainty about required materials are affecting student purchasing behaviors and academic success. It also provides valuable information regarding how students view their school-sanctioned bookstores and why an alarming number of students continue to order their course materials from Amazon and other online third party sources.

Select key findings include the following:

- **40% of students** surveyed indicated they **only purchase some or none** of their required course materials
- **39% of students** surveyed **have taken a course without the required materials** because they're too expensive. 60% of them think they would have performed better if they'd had the materials.
- **49% of students** surveyed **always or usually purchase textbooks from Amazon**. 44% hardly or never purchase from the on-campus bookstore.
- **37% of students** wait until on or after the first day of class to acquire their materials, mainly because they **don't know what's necessary or required**
- **80% of students** report that they **would purchase their materials in advance** if they were informed about what is required ahead of time

In addition to sharing the survey results, this report includes actionable insight administrators and campus shop operators can use to help reverse the troubling trends presented by the data, bring students back to the school-sanctioned bookstore and positively impact student academic success.

Survey Methodology & Respondent Demographics

To ensure unbiased results, our student survey was conducted by a third party that did not disclose that the survey was conducted on behalf of Akademos. Conducted across February and March of 2016, the survey was completed by a random sample of over 1,000 students currently enrolled at a United States college or university. Respondent demographics break down as follows:

Institution Type

	Response Percent
Public 4-year institution	52.4%
Private 4-year institution	27.0%
Public 2-year institution	18.5%
Private 2-year institution	2.1%

Current Year of Enrollment

	Response Percent
Freshman	15.8%
Sophomore	22.8%
Junior	19.7%
Senior	24.1%
Graduate Student	17.6%

Age

	Response Percent
<18	0.0%
18 - 29	84.3%
30 - 44	10.9%
45 - 59	3.4%
60+	1.3%

Gender

	Response Percent
Female	57.2%
Male	42.8%

US Region

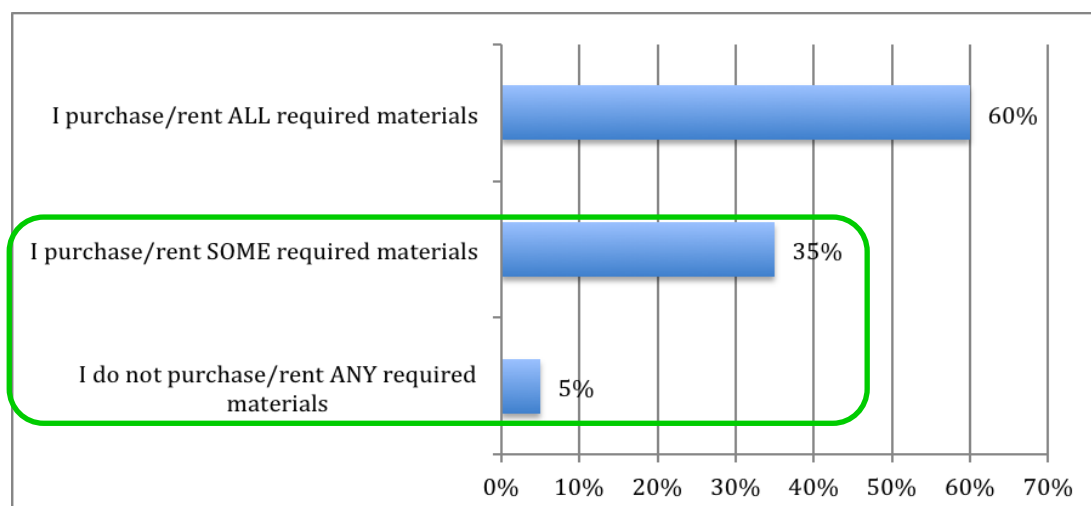|	Response Percent
New England	6.3%
Middle Atlantic	12.2%
East North Central	17.2%
West North Central	9.0%
South Atlantic	15.0%
East South Central	5.7%
West South Central	8.9%
Mountain	8.5%
Pacific	17.2%

Key Survey Findings

High textbook costs are undermining academic performance

The survey results clearly show that textbook costs are negatively impacting academic performance. **40% of students** surveyed say they typically **purchase/rent only some or none** of their required course materials primarily because they're too expensive, with 39% reporting they have taken a course without purchasing the required materials because of costs. Out of that 39%, **60% said they would have performed better** if they had bought the materials.

Perhaps even more disheartening is that **12% of students** stated they have **opted not to register** for a class or dropped a class due to course material costs.

Which best describes your acquisition of required course materials for a typical term?

Why don't you purchase/rent any of your course materials? Select all that apply.

They're too expensive	48%
I don't think they will actually be used	41%
I can borrow from a friend or library	39%
Other (please specify)	36%
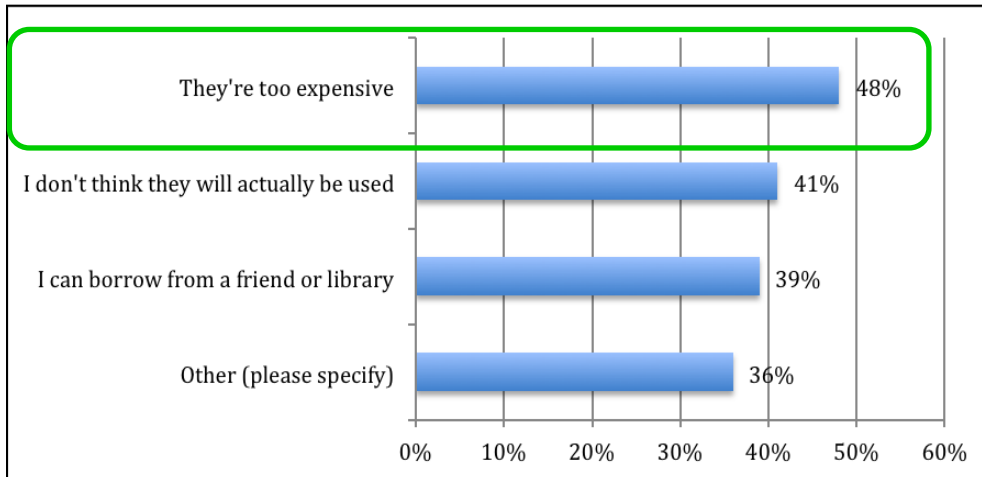
Have you ever had to take a course without the required course materials because they were too expensive?

Yes, all the time	8%
Yes, once or twice	30%
No, I've always purchased/rented all materials	61%
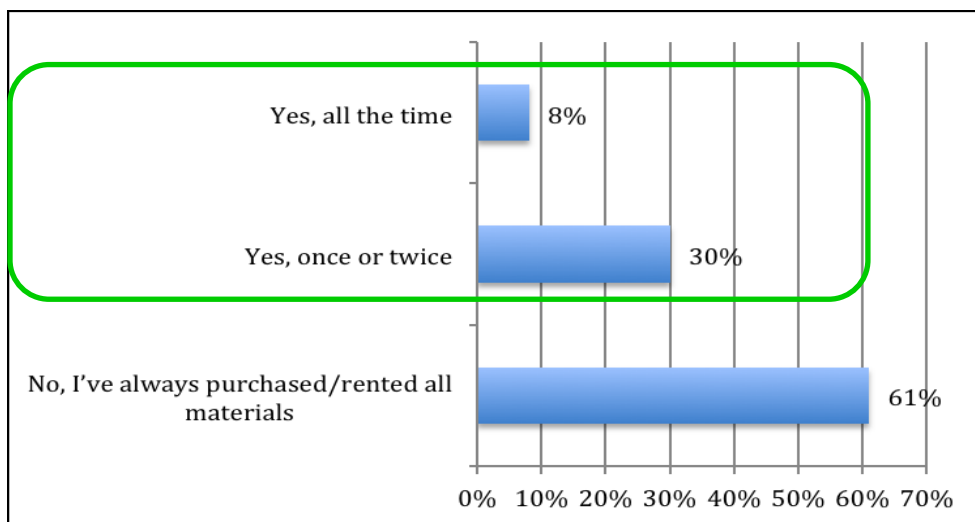
Do you feel like you would have done better in the course if you had purchased/rented the textbooks or course materials?

40.0%
60.0%

■ Yes
■ No
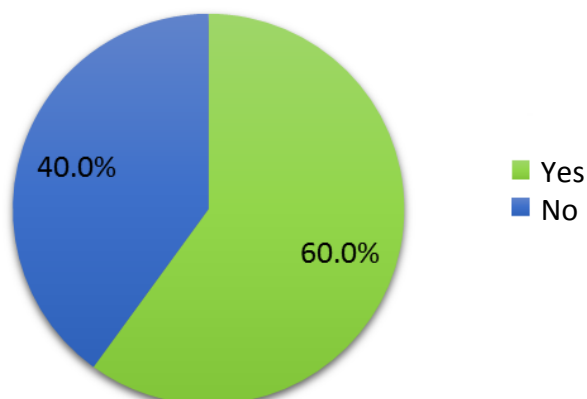
Have you ever not registered for or ended up dropping a course because of the cost of the textbooks/course materials?

■ Yes
■ No
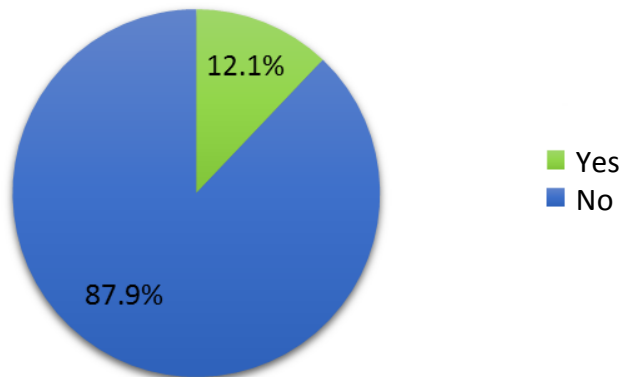
Low prices and convenience have transformed the Amazons of the world into de facto college bookstores

While it's a relatively well-known fact that many students are ordering textbooks from online sources like Amazon, what's n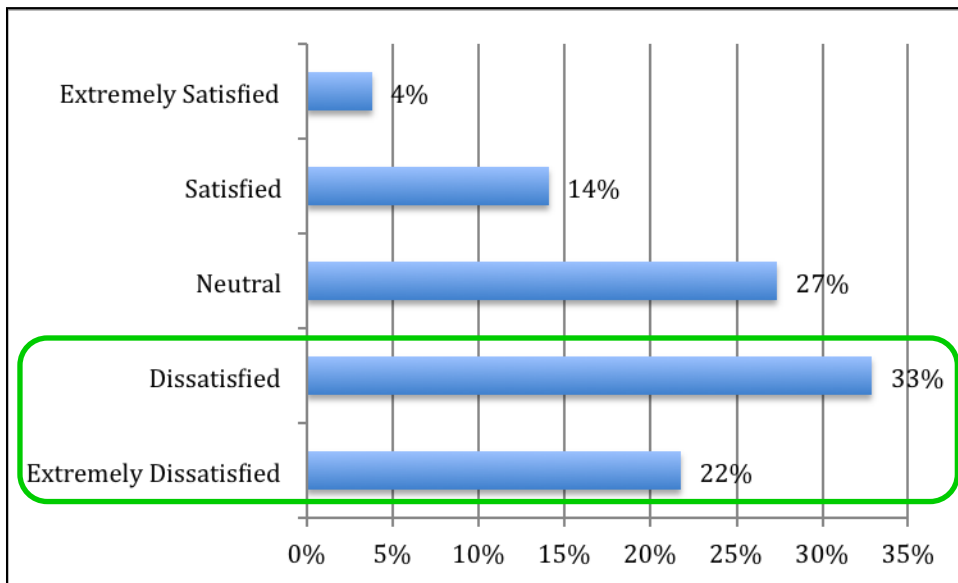ot as well known – and what this survey verifies – is that so many students are acquiring their course materials online that the Amazons of the world are serving as de facto college bookstores.

Over half of students report being dissatisfied or extremely dissatisfied with the cost of textbooks at their institution, with 76% of students always, usually, or sometimes purchasing materials through Amazon. Moreover, 44% of students state they hardly or never purchase books from the on-campus bookstore versus 24% for Amazon.

What's not surprising here is that the key driver behind where students purchase materials is price – the perception is that Amazon offers lower prices than on-campus stores. What *is* surprising is that **58% of respondents reported that convenience is a factor that influences where they buy** or rent materials. This insight indicates that students highly value the flexibility of anytime, anywhere Internet shopping, and that institutions without a competitive online component to their bookstore services offering should seriously consider adding one to their bookstore strategy.

Another key driver behind where students procure materials is as the availability of multiple book formats (44%). Preferred book formats in order of purchase frequency are used, rental, then new.

Rate your satisfaction with the cost of textbooks and course materials at your institution.

Satisfaction Level	Percentage
Extremely Satisfied	4%
Satisfied	14%
Neutral	27%
Dissatisfied	33%
Extremely Dissatisfied	22%

Are you aware of any actions being taken by administrators or faculty at your school to reduce textbook costs?

- Yes: 15%
- No: 85%
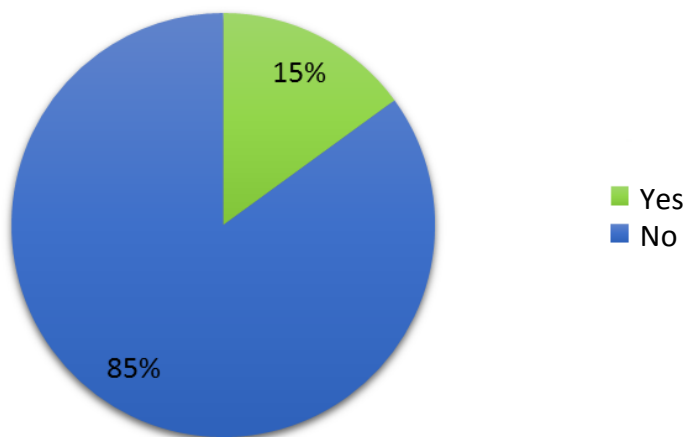
Where do you buy and/or rent your textbook and course materials?

	Always/Usually	Sometimes	Hardly/Never
My School's On-Campus Bookstore	32%	24%	44%
My School's Online Bookstore	15%	20%	65%
Amazon	49%	27%	24%

What factors influence where you buy/rent your course materials from? Select all that apply.

	Response Percent
Price	89%
Convenience	58%
Good user experience	24%
Multiple book type options (new, used, rental, eBooks)	44%
Recommendation from professor/school	16%
Recommendation from friend	12%
Loyalty programs	4%
Free shipping offers	45%
Financial aid accepted	16%
Other	3%

What textbook type/format do you purchase?

	Always	Usually	Sometimes	Hardly	Never
Used	15%	51%	26%	5%	3%
Rental	9%	27%	24%	13%	27%
New	5%	14%	39%	32%	10%

Have you ever ordered anything from your school's online bookstore website?

- Yes — 39%
- No — 54%
- My school doesn't have an online bookstore — 7%
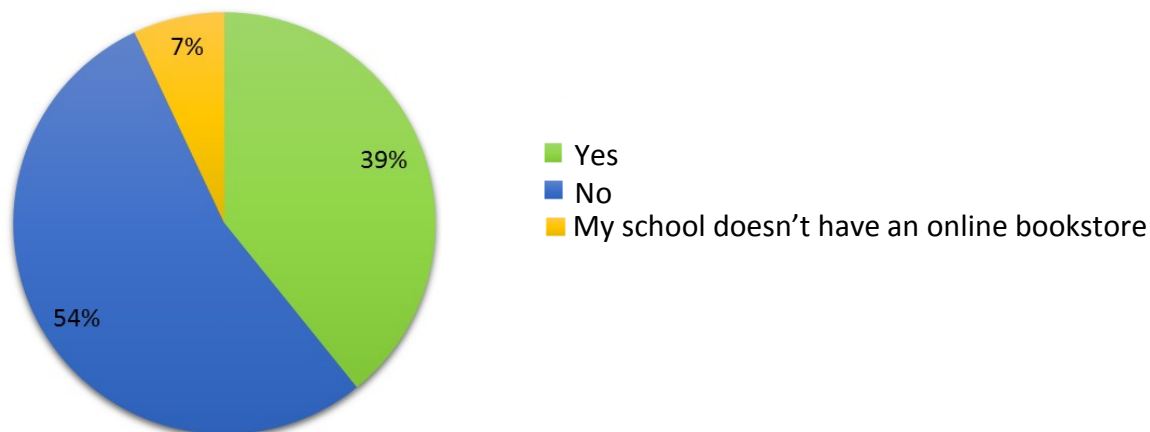
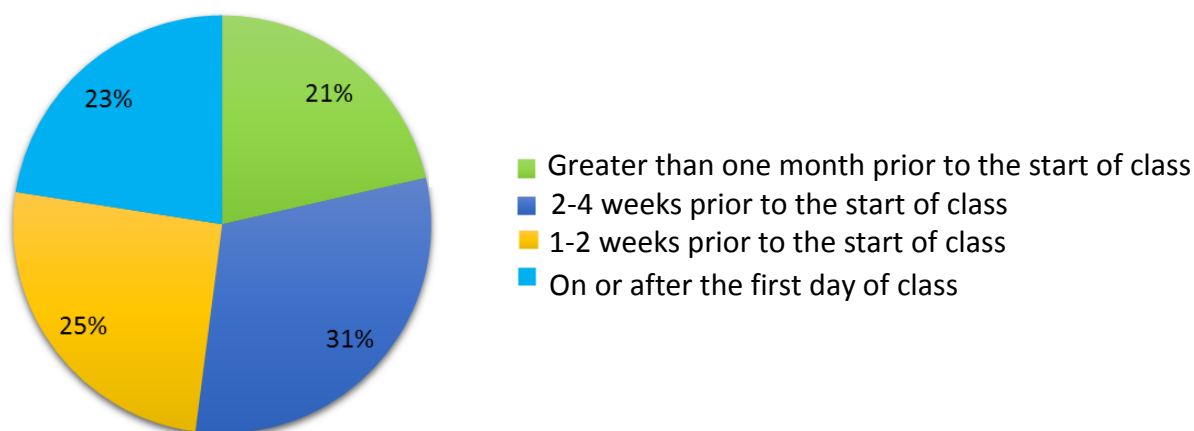## Uncertainty surrounding textbook requirements is affecting academic performance

It's apparent from the survey results that many students aren't aware of or don't understand what materials are required prior to the start of class. This is negatively impacting academic performance by causing students to be unprepared on the first day of class and often beyond.

37% of students that purchase or rent materials **wait until on or after the first day of class** to place their orders, predominantly because they wait to confirm what materials are absolutely necessary (83%) or because they're unaware of what's actually required (44%). **79% percent** of those students report that they **would purchase materials in advance if the professor clearly communicated** what's required and what materials they're expected to have on the first day of class.

When do you find out what textbooks and other course materials are required for your registered classes?

- Greater than one month prior to the start of class
- 2-4 weeks prior to the start of class
- 1-2 weeks prior to the start of class
- On or after the first day of class

How do you decide which required textbooks and course materials to buy/rent and what not to buy/rent? Select all that apply.
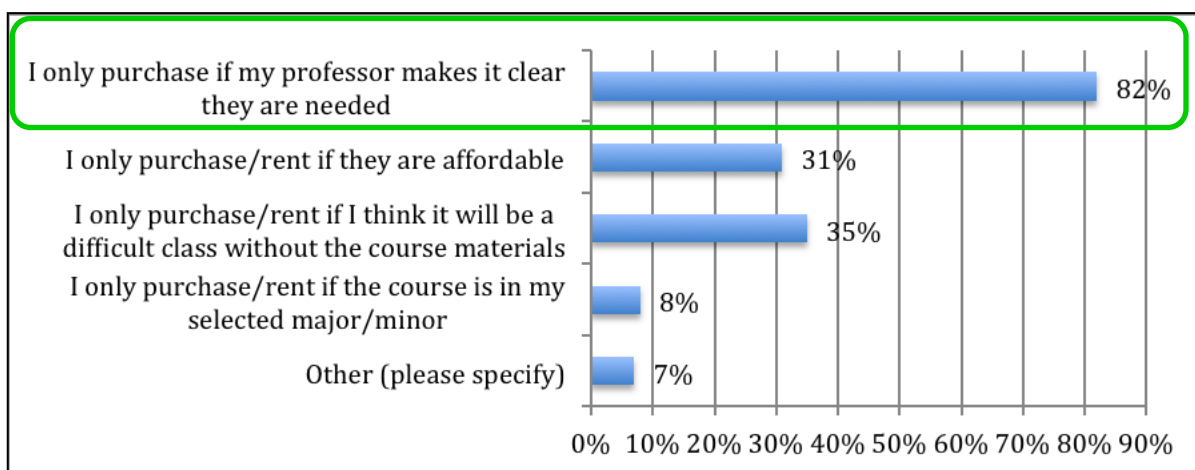
When do you typically purchase/rent your textbooks or course materials?

- Greater than one month prior to the start of class
- 2-4 weeks prior to the start of class
- 1-2 weeks prior to the start of class
- On or after the first day of class
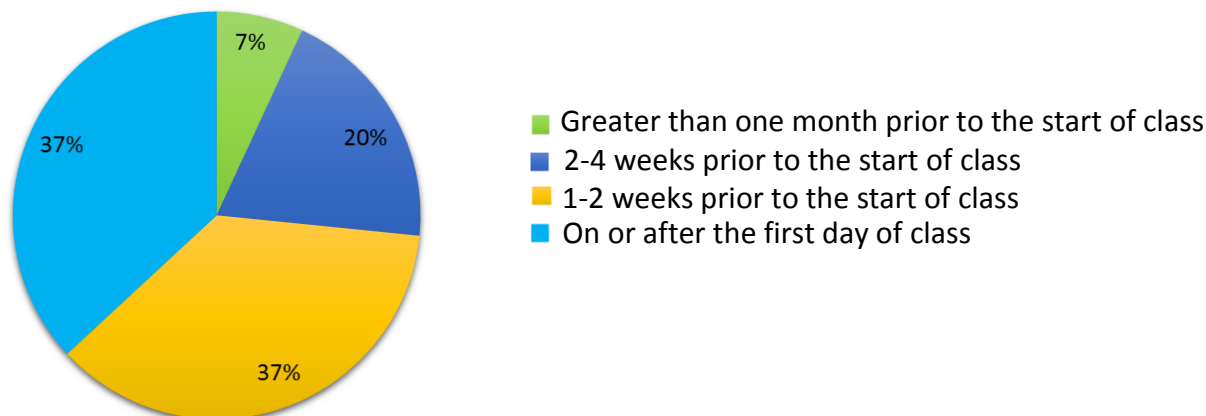
Why do you wait until on or after the first day of class? Select all that apply.

Unaware of what is required	44%
Want to confirm what materials are absolutely necessary	83%
Want to be sure I'm going to continue with the class	32%
Want to see if I have friends in the class who will share course materials	19%
Other	8%
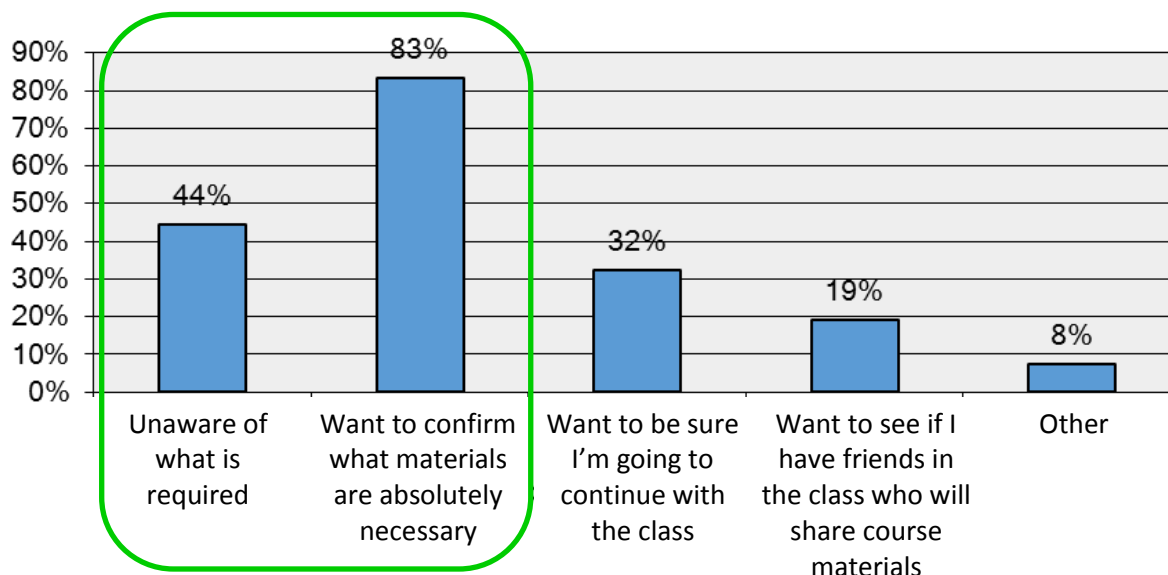
If your professor informed you ahead of time that all materials are required and expected to be in hand on the first day of class, would you acquire your materials prior to the start of class?

- Yes
- No
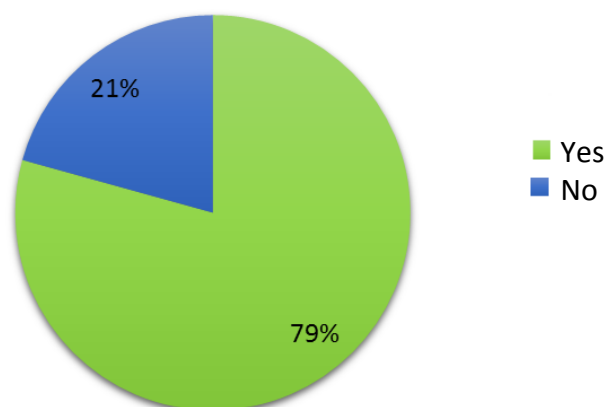
Students that only purchase some required materials would purchase more if they could sell their books back at a "fair" price

78% of respondents say their institution has a textbook buyback program, but only 35% participate. However, an overwhelming 74% of students claim **they would purchase more required course materials** if they knew they could sell them back at a "fair" price.
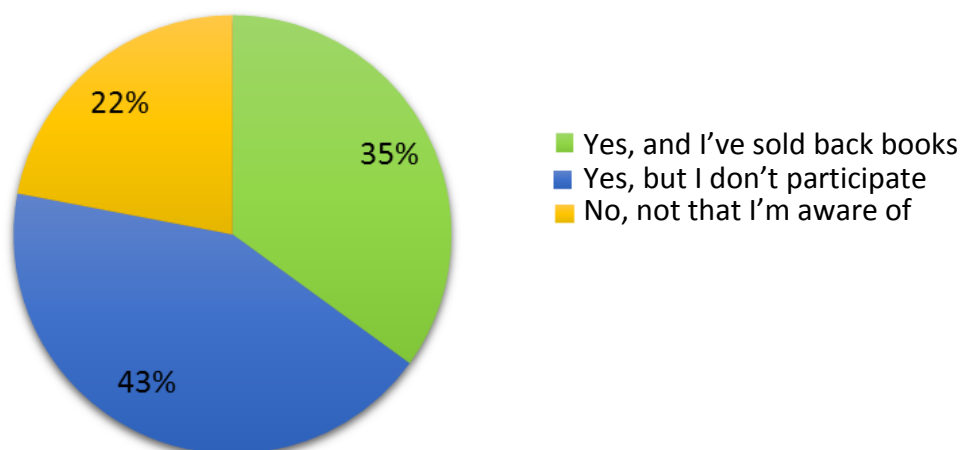
While what constitutes a fair price is subjective, it can be inferred from these data that competitive buyback programs can drive more course material purchases and ultimately better learning outcomes.

Does your school offer a textbook buyback program?

22%
35%
43%

- Yes, and I've sold back books
- Yes, but I don't participate
- No, not that I'm aware of

Would you purchase/rent more of your required course materials if you knew you could sell your books back at a fair price?

26%
74%

- Yes
- No
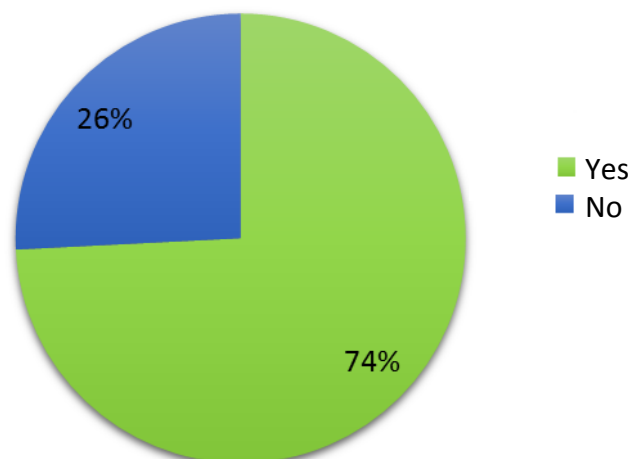
An overwhelming majority of students surveyed hardly or never shop at the school-sanctioned bookstore because of high prices

Most institutions are aware that many students have abandoned purchasing textbooks from school-sanctioned bookstores because of high prices – but what about other items such as spirit wear, supplies and food? Respondents report **they also shop elsewhere for these items due to high costs**.

While students are primarily neutral in terms of how well their campus bookstore meets their needs, when asked specifically how the bookstore can better serve them, the majority of students (83%) stated lower prices.

Students also indicated they would like their college bookstore to offer additional products and services such as computers and tablets, a coffee bar, banking services, more food and technology support.

How often do you go to the school-sanctioned bookstore to purchase the following items?

|	Always/Usually	Sometimes	Hardly/Never
Textbooks	32%	25%	43%
School Apparel	14%	19%	66%
School Supplies	10%	21%	69%
Food	7%	12%	81%
Convenience Items	5%	16%	79%

Please rate how well your college bookstore meets your needs.

Extremely Dissatisfied	Dissatisfied	Neutral	Satisfied	Extremely Satisfied
6%	10%	44%	35%	6%

How could your college bookstore better meet your needs? Select all that apply.

Lower prices	83%
Offer more discounts and promotions	60%
Offer an online bookstore option	10%
Offer an easier-to-use online bookstore option	12%
Offer a wider selection of items	19%
Hire more staff for a faster shopping experience	10%
Multiple payment options (financial aid, school ID card, etc.)	13%
N/A, the bookstore meets all of my needs	10%
Other	4%

What other products and services would you like your college bookstore to offer?
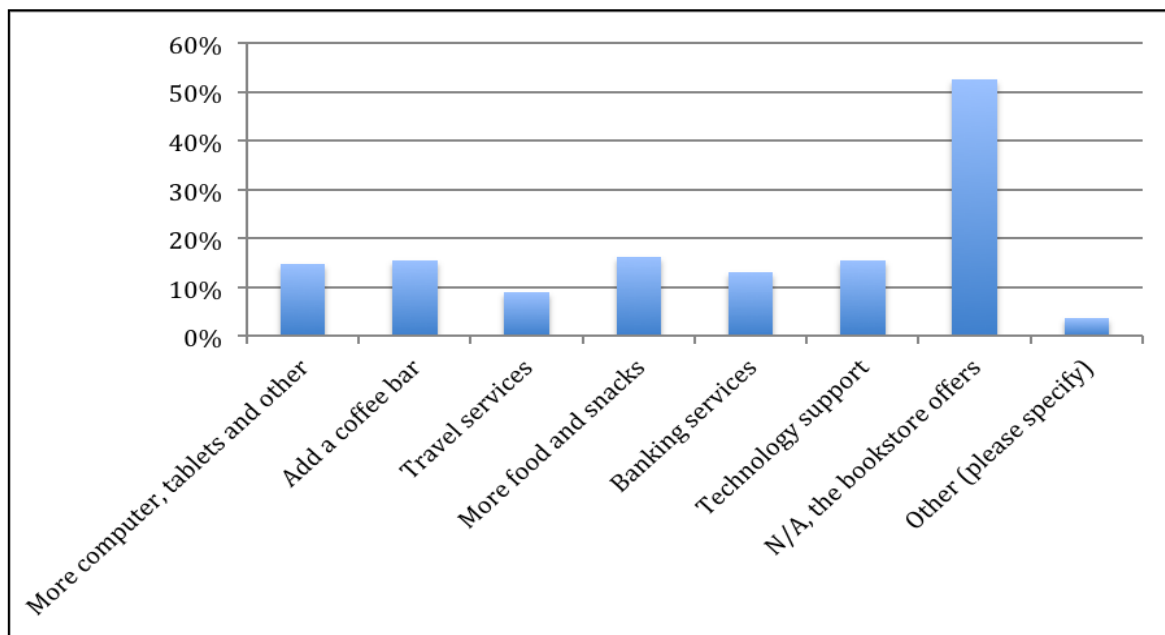
A significant percentage of students use financial aid to buy or rent course materials

40% of students surveyed have used financial aid to buy or rent course materials, indicating that colleges and universities should ensure their bookstores make it easy for students to apply aid to their purchases. Doing so can provide institutions with a key advantage over online third party websites and other "non-sanctioned" stores, as they typically don't even offer the option to use financial aid.

Have you ever used financial aid to buy/rent your course materials?

Legend: ■ Yes ■ No

Yes: 39%
No: 61%
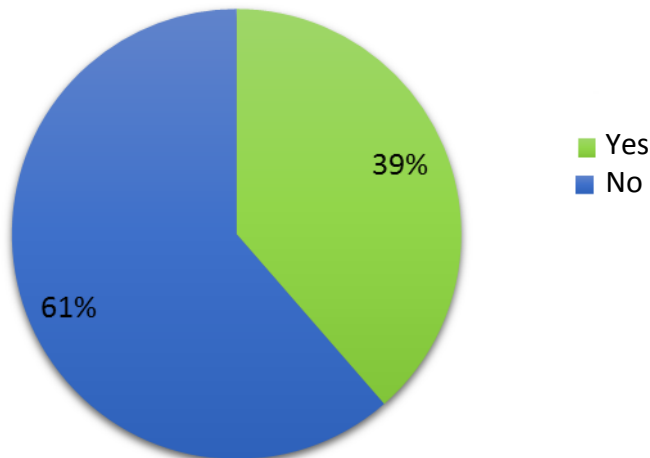
Online institution bookstores should be mobile-optimized

Over 62% of survey respondents provided information using a mobile device. Institutions that have or plan to have a competitive online bookstore option should **ensure that their websites are optimized for mobile devices** in order to deliver an exceptional student experience.

Device Types	Response Percent
iOS Phone / Tablet	22.8%
Android Phone / Tablet	16.3%
Other Phone / Tablet	0.2%
Windows Desktop / Laptop	40.6%
MacOS Desktop / Laptop	18.6%
Other	1.5%

Addressing the Issues

The results of this survey raise several areas of concern that institutions should examine in greater detail to determine the extent to which their students are affected. These areas of concern include:

- Subpar student performance due to high textbook costs
- The abandonment of school-sanctioned bookstores in favor of less expensive online alternatives
- The effect poor communication around textbook requirements is having on academic achievement

Below we take a closer look at these issues and provide suggestions and best practices to help your college or university tackle them head-on. We'll also explore enhancements you can make to your school-sanctioned bookstore to improve student satisfaction and further support student academic success.

Reducing Course Material Costs

If there's one thing that administration, faculty and students can agree upon it's that high textbook costs are a big problem. This issue must be urgently addressed to help students who are suffering academically because they can't afford their course materials. If the issue is ignored, institutions may suffer significant ramifications including increased dropout rates that put their financial security at risk. The good news is that there are proven ways to make course materials affordable for students.

Build a strong online presence

For many institutions, the college bookstore is an integral part of the campus experience for students, faculty, administrators, parents and alumni. Maintaining a thriving college retail shop is important for almost all campus stakeholders, but with students flocking to lower-cost, third-party online providers, institutions should revisit their bookstore strategies.

Adding a **robust online component** to an on-campus bookstore provides significant benefits to both students and institutions. An online bookstore presence empowers colleges and universities to offer students the lower prices and convenience they demand while enabling the on-campus store to deliver a wider range of products and services with higher profit margins. It's a win-win for everyone:

- Students purchase or rent course materials from a school-sanctioned website at **prices that are 30-40% lower** on average than what they pay on campus, and that are competitive with or less expensive than third party online sources
- Students can order books in **a variety of formats** (new, used, rental, eBook) at any time and in any place with an Internet connection
- Students can take advantage of unique features such as **personalization**, which expedites the ordering process by automatically displaying the required textbooks for their courses
- The on-campus store **increases its bottom line** by shifting sales to high margin products and services

When executed properly, an online bookstore increases utilization of on-campus stores while

compelling students to forsake third party booksellers for the virtual school-sanctioned store. More importantly, because the online bookstore makes textbooks affordable, more students purchase more required materials, resulting in higher academic achievement and student satisfaction.

Evaluate the textbook adoption process

Another less apparent way to improve textbook affordability is through the use of state-of-the-art adoption processes and adoption software tools. Institutions should evaluate their processes and tools to ensure they support the selection of affordable course materials while preserving the principle of academic freedom.

Share plans with your students

It's important to note that institutions taking steps to reduce textbook costs should clearly communicate their plans to students. Out of students that are aware action is being taken, 33% are satisfied or extremely satisfied with textbook costs, versus 18% for students that aren't aware their institution is working to address the issue.

Many institutions **establish textbook affordability committees** including students to facilitate communication with the student body and ensure student opinions are adequately represented during the planning process.

Addressing uncertainty around textbook requirements

The fact that a large percentage of students surveyed (37%) wait until on or after the first day of class to order textbooks because they're not sure what's absolutely necessary or required is significant. Students who begin their courses without their materials invariably end up trying to play catch-up - and the longer they wait to get their books, the farther behind they're likely to fall, and the worse they're likely to perform. While high material costs certainly play a part in student unpreparedness, limited communication and/or inefficient forms of communication appear to be the major culprit behind this issue.

Per the survey results, 79% of students who don't purchase materials prior to the start of class say they would do so if the professor clearly communicated what's required. The obvious conclusion to be drawn from this statistic is that institutions should implement **a course materials communication plan**. This plan should clearly outline when and how course material requirements should be communicated to students as well as define how compliance will be enforced.

Institutions should also consider **setting standards** for course descriptions, syllabi and other

course-related information provided to students. Mandating that faculty clearly and strongly communicate what materials are required and what students must have on the first day of class could go a long way toward improving student preparedness.

In addition, institutions can help faculty expedite textbook adoption by using an adoption software tool that provides customizable adoption timelines and tracks adoption progress across the institution and by department. The faster faculty selects course materials, the higher the probability students will have those materials on the first day of class.

Improving student satisfaction and academic success through bookstore enhancements

The survey data strongly suggest that integrating the following features into school-sanctioned bookstores can improve student satisfaction with bookstore services and in some cases even positively impact academic success:

An online textbook "marketplace"
74% of students surveyed said that would purchase more required course materials if they could sell them back at a fair price, indicating that traditional textbook buyback programs aren't compensating students sufficiently for their used books.

Institutions can address this issue by providing students with an online marketplace-based program that brings buyers and sellers together in a transparent environment in which new and used books are bought and sold at the going market rate. Per the survey data, a marketplace would **drive students to purchase more required course materials**, which in turn would reduce unpreparedness and increase student academic success. In addition, marketplaces can generate revenue for institutions via book sale commissions.

The ability to order books in different formats
Today's students demand access to textbooks in a variety of formats, particularly used and rental formats which are more affordable than new textbooks. Survey results show that the availability of multiple book format options plays a significant factor in where students purchase their materials.

In order to avoid losing textbook purchases to the likes of Amazon, colleges and universities must offer a variety of book format options including new, used, rental and eBook. Institutions that are unable to support these formats on their own should consider partnering with a company that can offer extensive inventory across all formats.

The ability to apply financial aid towards book purchases

With 40% of students surveyed stating they've used financial aid to buy or rent course materials, institutions should provide the ability to apply financial aid to purchases at both on- campus and online school-sanctioned bookstores.

Institutions should also take steps to ensure that applying that aid during the textbook ordering process is seamless and intuitive. Doing so can provide institutions with a **key advantage** over online third party websites and other "non-sanctioned" stores, as they typically don't offer the option to use financial aid.

The ability to order course materials from mobile devices

Close to 40% of survey respondents provided survey information using a mobile device. Institutions that have or plan to have an online bookstore should ensure that it is optimized for use on all types of mobile devices in order to deliver an intuitive, user-friendly experience for their students.

Conclusion

There are several important conclusions that can be drawn from the results of our 2016 survey on student course material purchasing and bookstore services:

- High book costs are undermining academic performance
- Insufficient communication regarding required course materials is causing student unpreparedness and affecting student success
- Amazon and other third party online booksellers are so popular that they have become de facto college bookstores
- A large number of students typically avoid purchasing anything at the on-campus store because prices are too high

Fortunately there are proven solutions institutions can leverage to reduce textbook costs, improve communication around required course materials and bring students back to the school-sanctioned bookstore. One such solution is to provide a competitive online bookstore offering.

A best-in-class online bookstore offering can make textbook purchasing more affordable and convenient for students. Textbook prices can be lowered by 30-40%, and offering a "marketplace" that brings professional and student sellers together offers even deeper savings.

Online college and university bookstore options are typically able to offer all book formats, and can be configured to accept financial aid. Some solutions even integrate with student information

systems to provide a fast and personalized purchasing experience. They also often include textbook adoption tools, many of which offer features to help faculty submit adoptions in a timely manner.

As for what happens with the on-campus store when students begin purchasing textbooks from the online store, many institutions successfully use its new "capacity" to offer high margin products and services such as technology products and support, coffee bars, banking services, food and convenience items.

An online bookstore is a win-win situation for both students (who benefit from lower textbook costs) and on-campus stores (which benefit from increased sales).

The time to act is now. The findings of our first student survey demand that colleges and universities take a very close look at how high textbook costs and communication (or lack thereof) about course material requirements are affecting their students. These results also demand that institutions examine their current bookstore strategy to determine if additional or alternate strategies would better serve the needs of both the students and the institution.

By taking immediate steps to address the issues presented in this research paper, colleges and universities can have a significant positive impact on student satisfaction, preparedness for class, and ultimately on student academic success.

Additional Resources

Read more complimentary white papers on college bookstore services, textbook affordability, and other related topics by visiting Akademos.com/resources or selecting one of the titles below. To receive notifications about new resources, subscribe to our blog.

2015 College CFO Survey on Textbook Affordability and Bookstore Services
This research report shares the results of a comprehensive survey of college CFOs regarding the future of textbook delivery and bookstore services.

2015 College President, Provost and Chief Academic Officer Survey on Textbook Delivery and Bookstore Services
Learn how college presidents, provosts, and CAOs regard textbook affordability and its impact on students, academic freedom and other factors.

The New College Hybrid Bookstore Model
Learn how institutions are combining both online and on-campus bookstore solutions to win back students and build for the future.

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About the Author

Jonathan Shar was appointed Chief Marketing Officer of Akademos in December 2014. Prior to joining Akademos, Jonathan served as General Manager of Barnes & Noble's NOOK digital content business where he was responsible for the newsstand, video and application businesses. Previous to Barnes & Noble, he was the SVP and General Manager of CNNMoney, the web and mobile financial information and business news services site that was a joint venture between Time Inc. and CNN. Jonathan's early career was within the consumer marketing division of Time Inc., where he rose to the position of Vice President of Consumer Marketing for *Sports Illustrated*. Jonathan received his MBA from the University of Michigan and his BA from Tufts University.
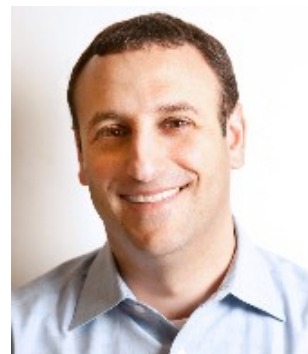
About Akademos

A·ka·de·mos   🔊   noun   \ a-kuh-dey-mos \

1. The leader in online bookstore + marketplace services for educational institutions.
2. An olive grove outside of ancient Athens named for a Greek war hero.
It is the site where Plato founded his famous school of philosophy and is the source of the English word "academy." Akademos is often thought of as the birthplace of Western philosophy, scientific reason, and some of our most cherished ideas about justice and the free exchange of ideas.

Akademos offers customized, online bookstore services and solutions that support what's most important to institutions - from full-service virtual bookstores to unique partnerships and products supporting on-campus shops. Akademos delivers cost savings on course materials for students while providing administrators and faculty with critical control over the textbook delivery process.

Akademos offers an innovative textbook marketplace, best-in-class eCommerce platform, eLearning solutions, and a unique adoption and analytics portal. The company's comprehensive supply-chain solution and commitment to responsive personal service makes it the choice of leading institutions throughout the country.

Akademos helps institutions deliver the right course materials, at affordable prices, on time. Learn more at akademos.com.

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