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Assessing Opportunities for Intervention in the Rising Costs of Textbooks

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MLibrary Textbook Study

In 2009, the University of Michigan Library undertook a year-long study of the opportunities to help alleviate an increasingly significant financial burden on students and their families with a special focus on the possible uses of digital publishing and networked resources.

This study consists of two major components:

- 1) A formal exploratory business feasibility analysis to determine the costs and benefits (both financial and social) of three textbook-related initiatives
- 2) An in-depth survey, followed by extensive interviews, to better understand Michigan faculty attitudes and motives in the selection of textbooks and their willingness to consider adopting, contributing to and authoring alternatives to mainstream commercial textbooks.

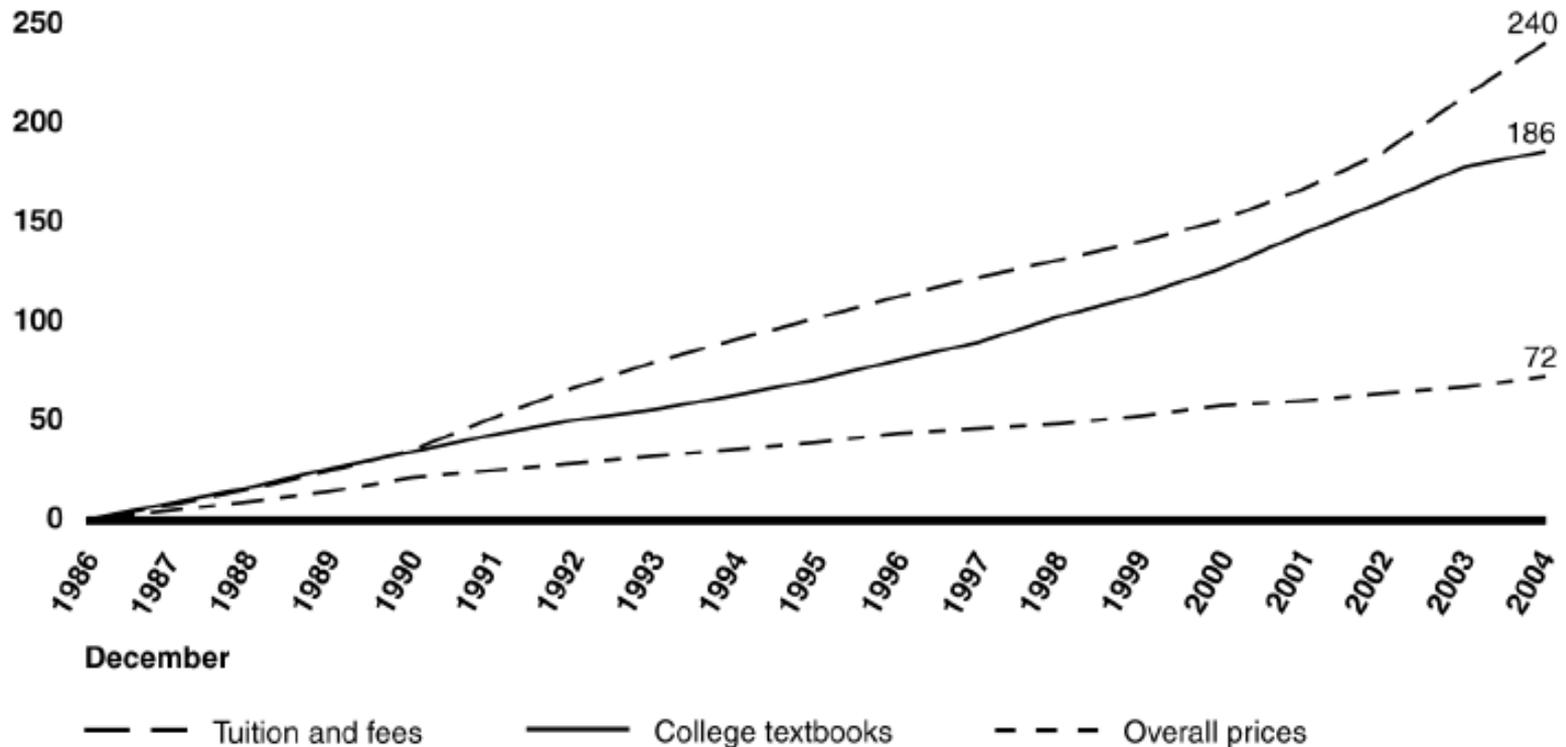
Rising Textbook Costs:

- Students and their families now spend more than \$6 billion a year on new and used textbooks;
- Average annual cost of textbooks for four-year undergraduate students totals \$1,000+ today.
- The average cost of books and supplies now amounts to about 26 % of the cost of tuition and fees.
- In the last two decades, college textbook prices have increased at twice the rate of inflation;
- Textbooks are re-released, on average, every 3.8 years, regardless of whether the information has been updated since the previous edition;
- New textbook editions cost 58 % more than the older version, rising to an average cost of \$102.44;
- Enhanced offerings of additional instructional materials (e.g. software, workbooks bundled into textbooks) contribute to the rising costs of textbooks.

Changes in Textbook Prices, 1986-2004

Annual Percentage Increase in College Textbook Prices, College Tuition and Fees, and Overall Price Inflation, December 1986 to December 2004

Percent increase



Source: Government Accountability Office (GAO). 2005. *College Textbooks: Enhanced Offerings Appear to Drive Recent Price Increases*. Washington, D.C.

The Case of Michigan

2003-04 Academic Year

- Average cost for undergraduate student: \$740
- Average cost for graduate student: \$860

Winter 2007

- Average total cost of textbooks for a single course: \$126 [Range: \$45-\$224]
- Total number of undergraduate students (2007): 26,083
- Estimated total costs of textbooks on U-M (Ann Arbor): \$15 million [Range: \$13.2-\$16.5 million]

Survey of Michigan Faculty

■ Objectives

1. To help us assess faculty's awareness of textbook issues and identify which factors most influence the selection of instructional materials.
2. To better understand faculty views about more affordable alternatives to traditional textbooks and the potential role that the University Library might play in textbook publishing.

■ Methodology

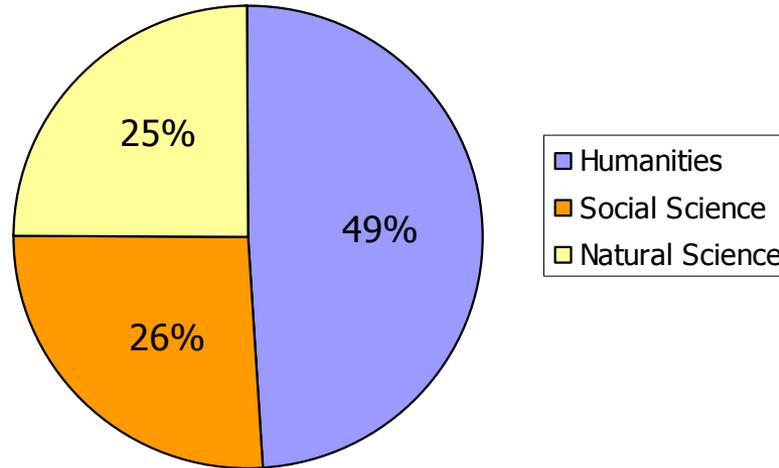
1. All faculty of the College of Literature, Science, and the Arts (LS&A) were invited to take a survey (n=1,442).
2. There was an 18% response rate to the survey (n=260).
3. The survey contained twenty-one questions, divided into three sections: (i) Demographics, (ii) Awareness, and (iii) Practice

■ Findings

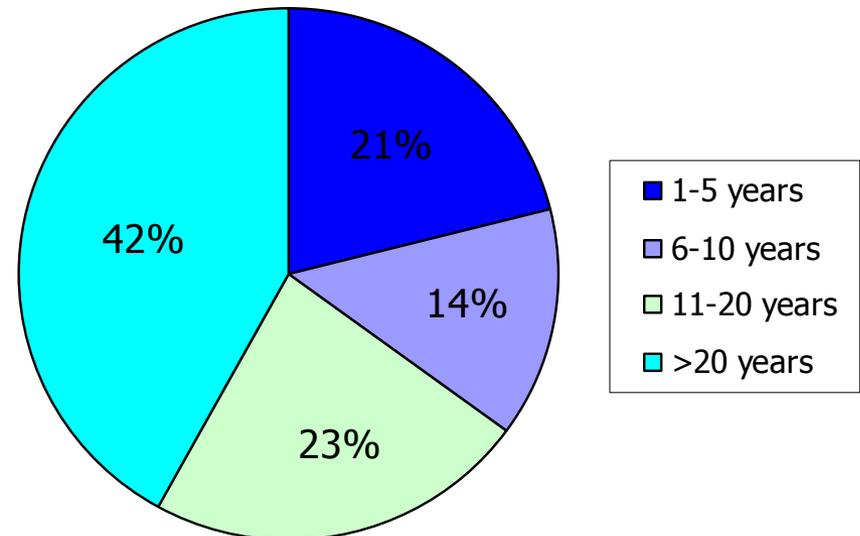
1. Characteristics of faculty awareness about rising textbook prices
2. Characteristics of faculty textbook selection
3. Faculty views on alternatives to conventional textbooks

Selected Survey Results

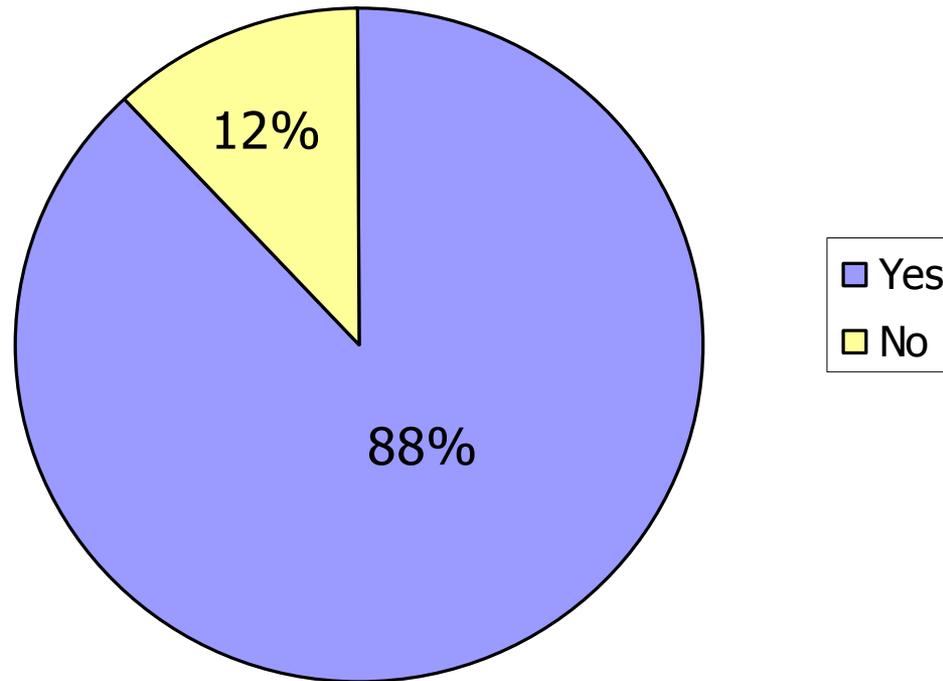
Response by Affiliation



Response by Years of Teaching Experience

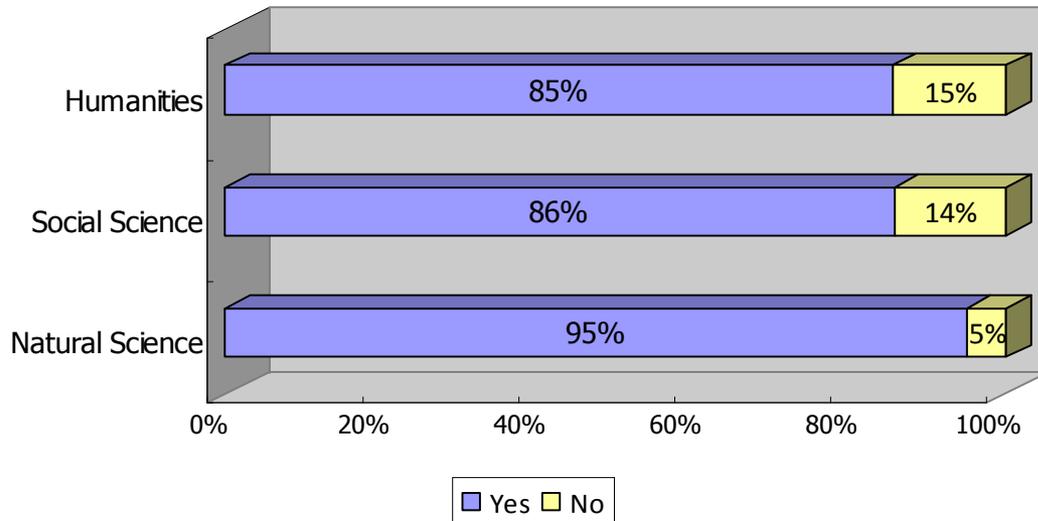


Awareness of Escalating Textbook Prices

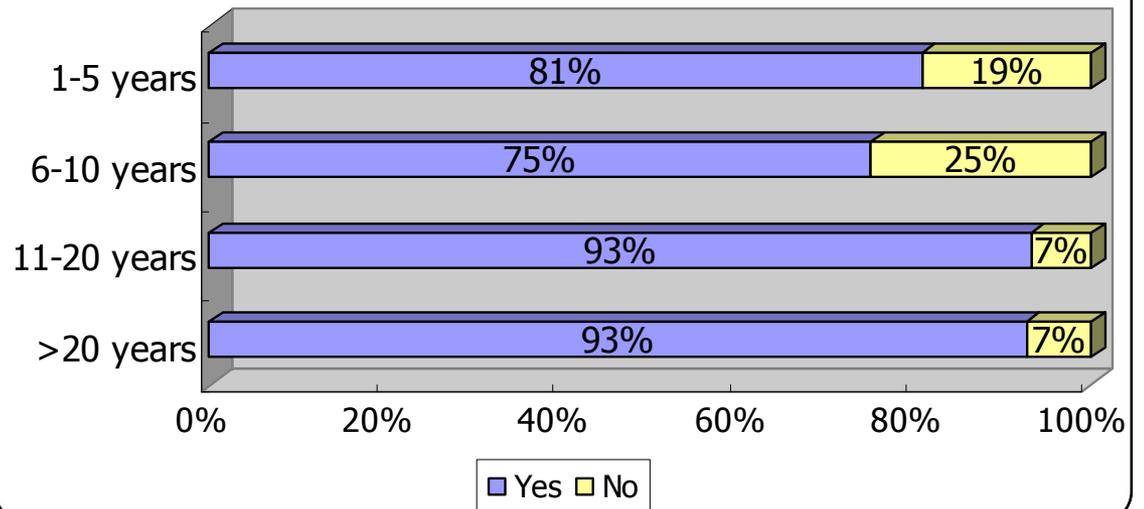


Selected Survey Results

Awareness of Escalating Textbook Prices by Field



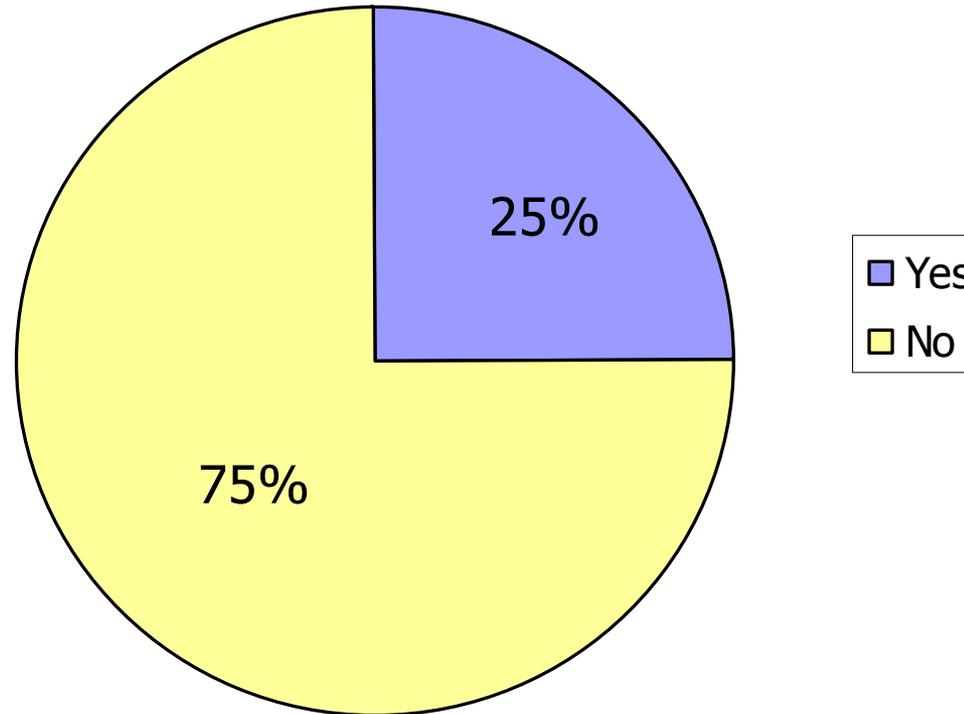
Awareness of Escalating Textbook Prices by Years Teaching



Textbook-related Legislative Activity

- The proposed solutions to lower student textbook costs include a variety of federal and state government policies and programs, including advocacy and legislative pressure on textbook publishers requiring transparent pricing, de-bundling of supplemental materials, and less frequent textbook revising.
- A significant first step was taken in November 2007 by presenting to the House of Representatives a bipartisan bill, College Opportunity and Affordability Act. This bill was passed by the House in February 2008 as Higher Education Opportunity Act, H.R. 4137 [110th], and became **Public Law 110-315** after Senate's approval in July 2008 followed by the Presidential signature in August 2008.
- The effectiveness of **Public Law 110-315** will not be known until sometime after the federal law takes effect in July 2010.

Awareness of Public Law 110-315

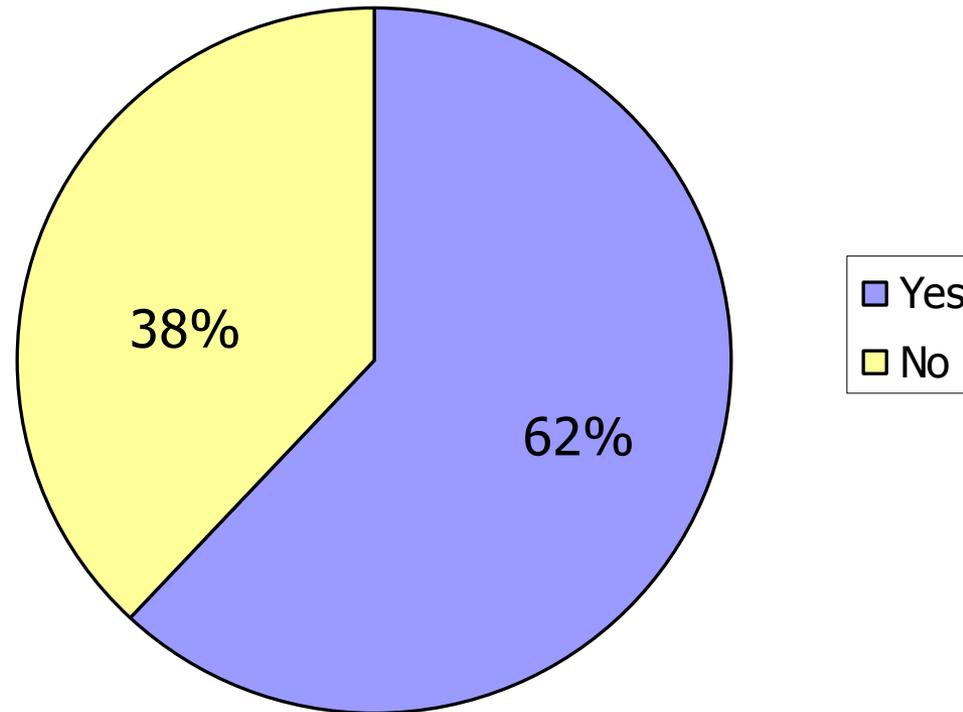


There are neither disciplinary differences nor clear association between the length of teaching experience and the level of awareness of Public Law 110-315.

The University's Response

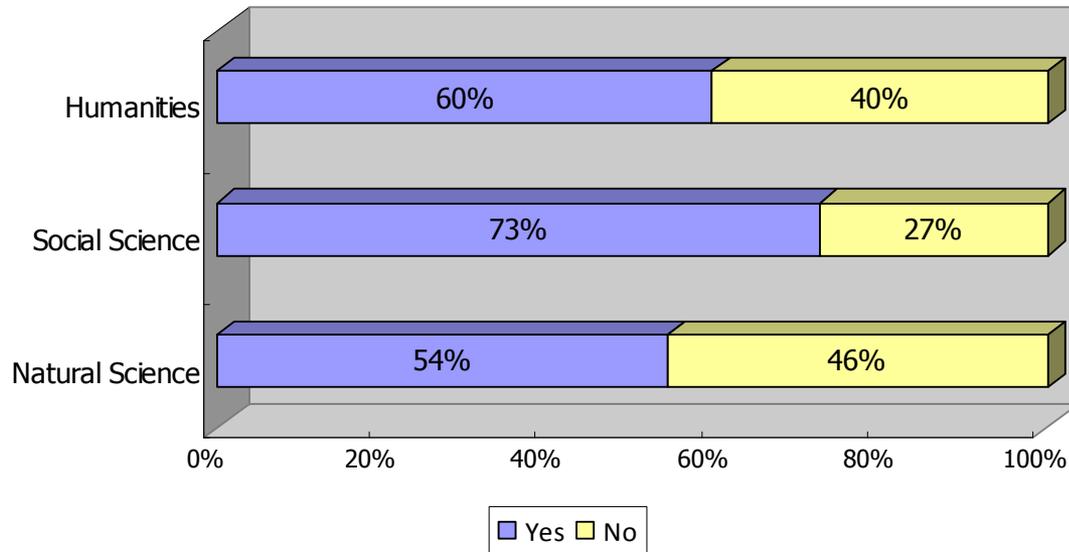
- The Textbook Task Force was established by the University of Michigan Office of the Provost in 2006.
- The Task Force researched the factors contributing to high textbook costs, including the practices of textbook publishers, faculty selection and ordering of textbooks, bookseller ordering and pricing practices, and constraints on the used textbook market.
- Additionally, the Task Force examined how technology might be applied to lower student textbook costs.
- The report, *Research and Recommendations Concerning the Costs of Textbooks*, was produced in 2007.

Awareness of Textbook Task Force

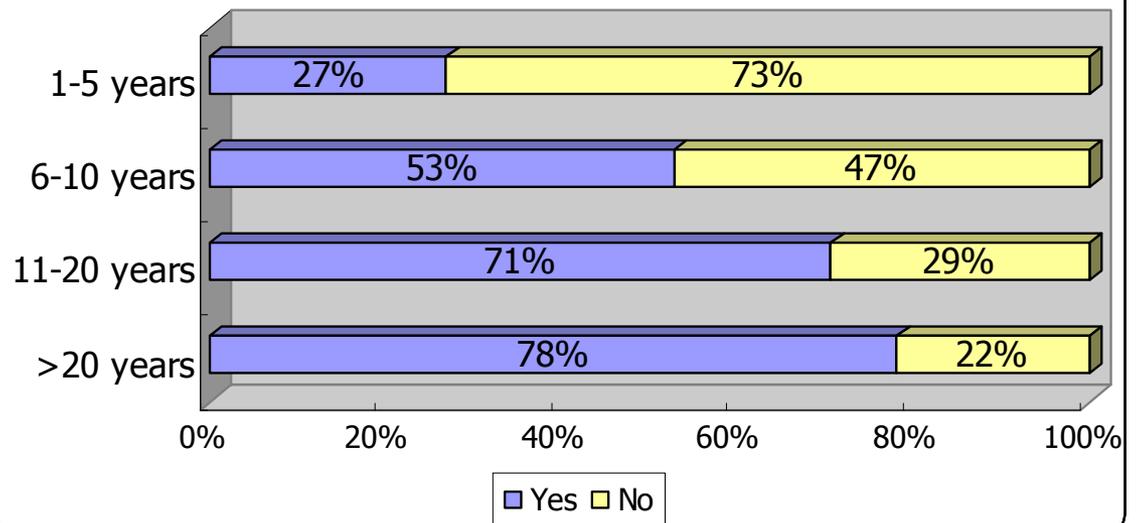


Selected Survey Results

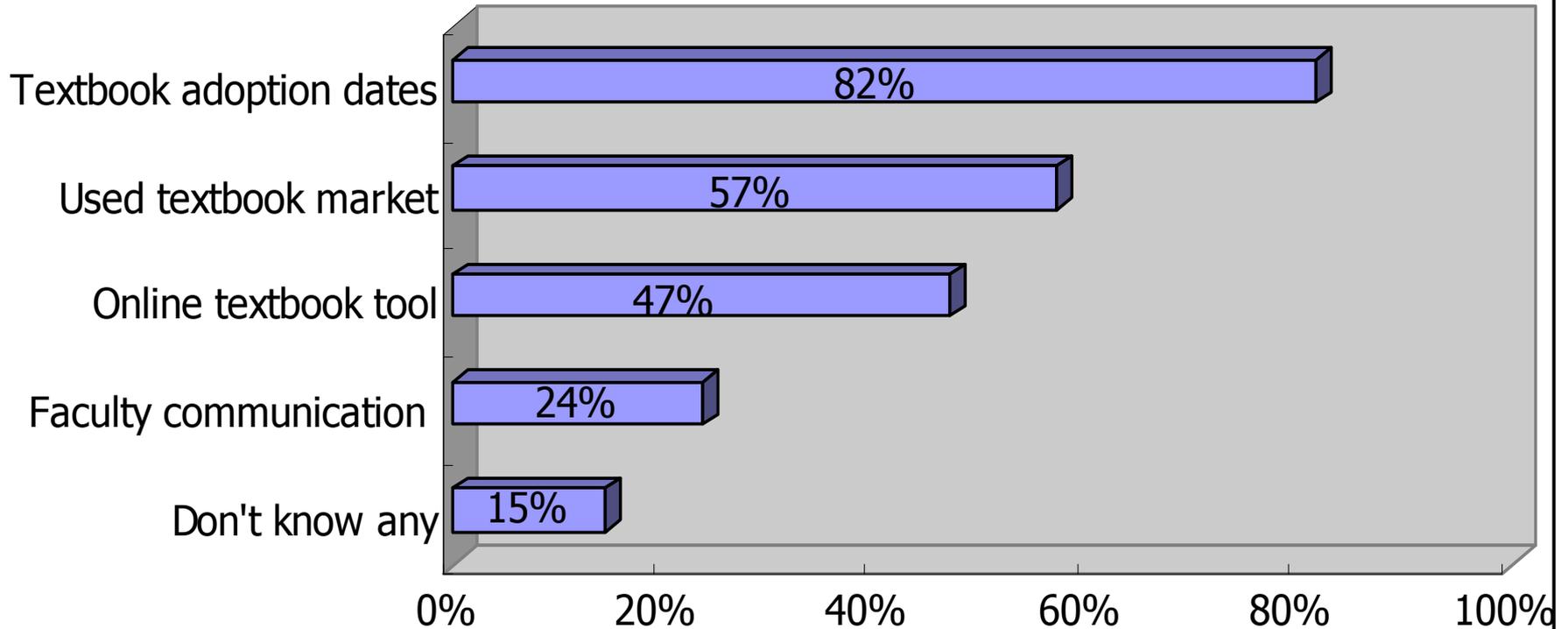
Awareness of Textbook Task Force by Field



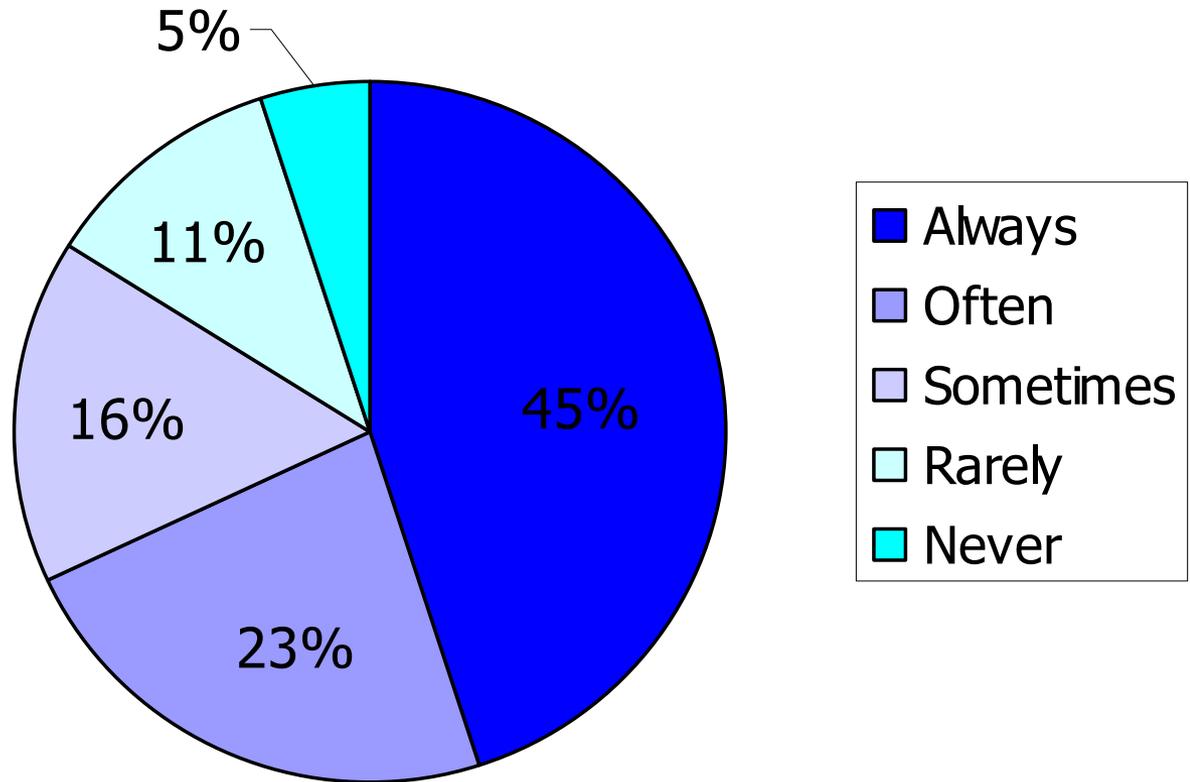
Awareness of Textbook Task Force by Years Teaching



Awareness of Textbook Task Force Recommendations

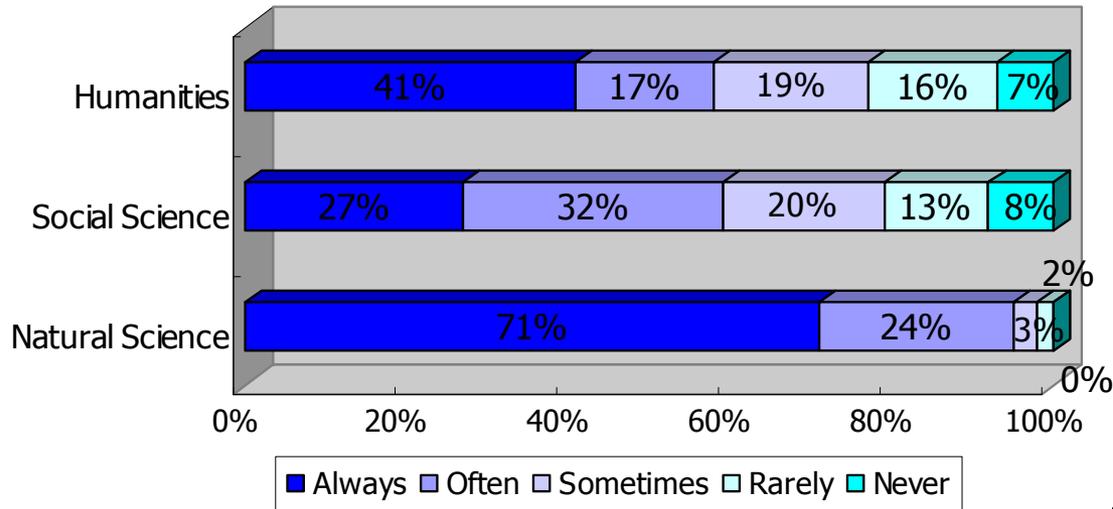


Textbook Use

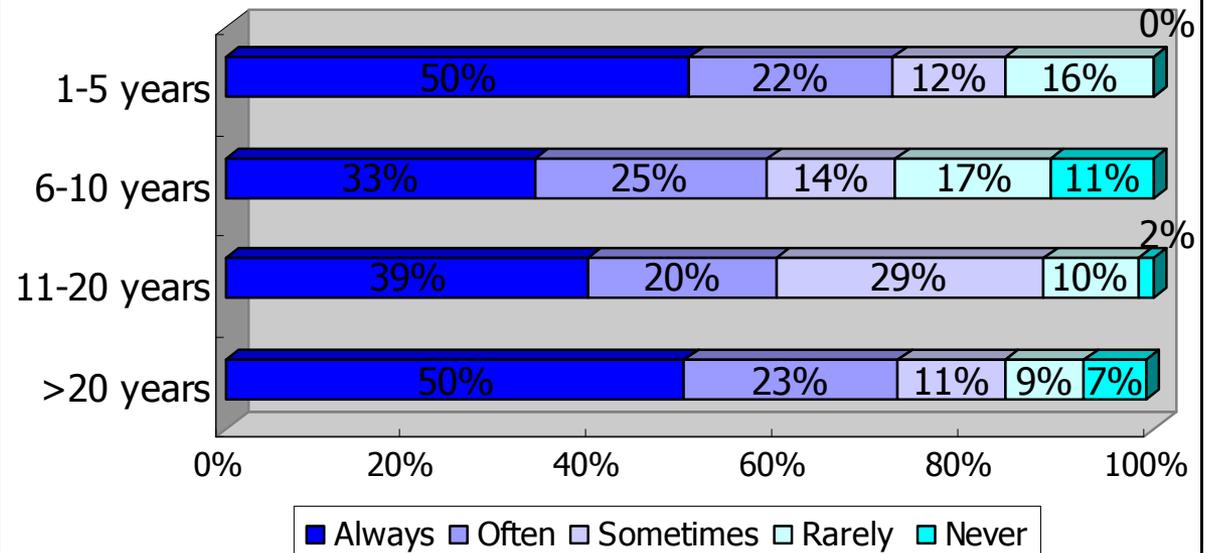


Selected Survey Results

Textbook Use by Field



Textbook Use by Years Teaching



- **How many faculty members say they know textbook prices before assigning their books?**

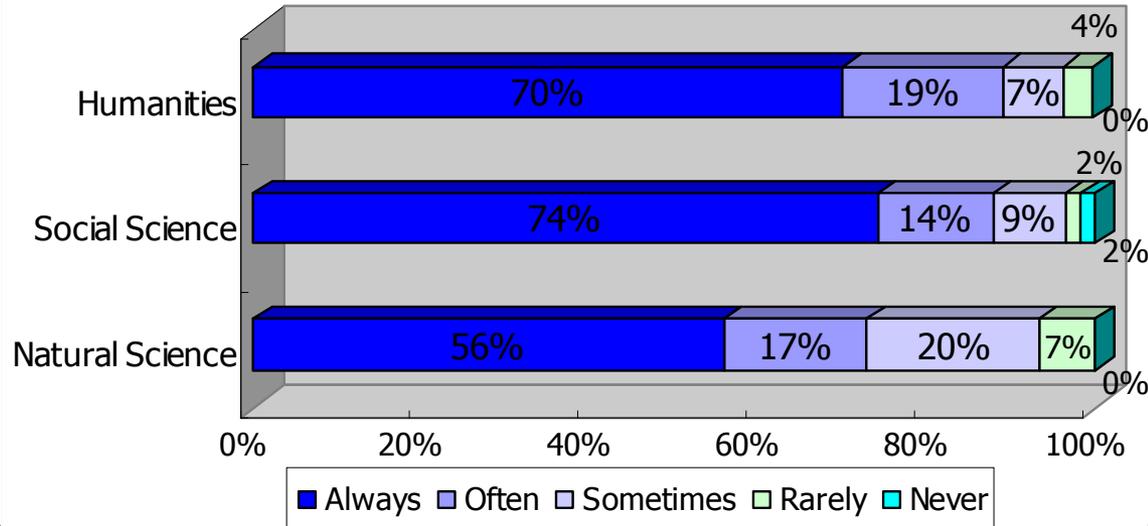
96% of survey respondents

- **How many faculty members say they provide information about textbook prices in their course listings?**

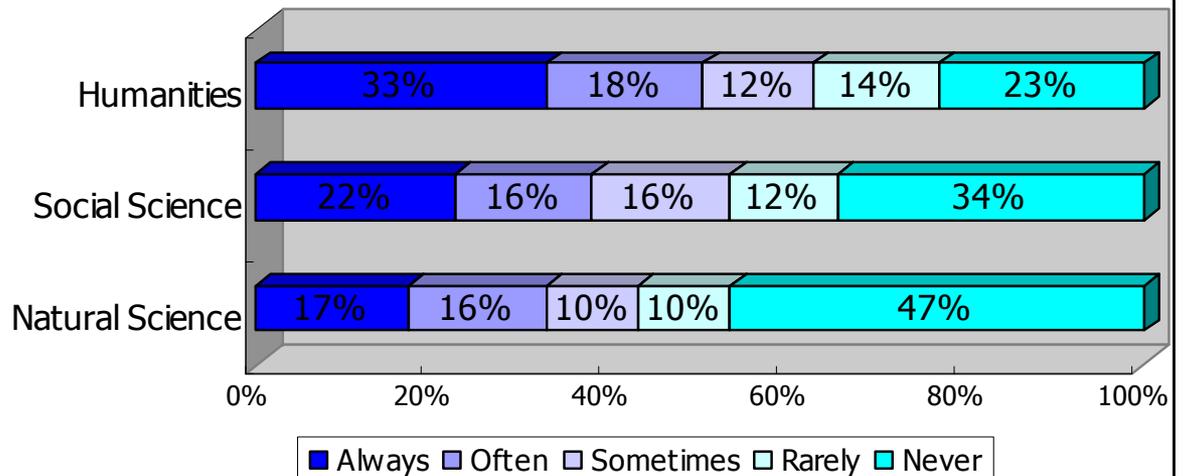
56% of survey respondents

Selected Survey Results

Awareness of Assigned Textbook Prices by Field

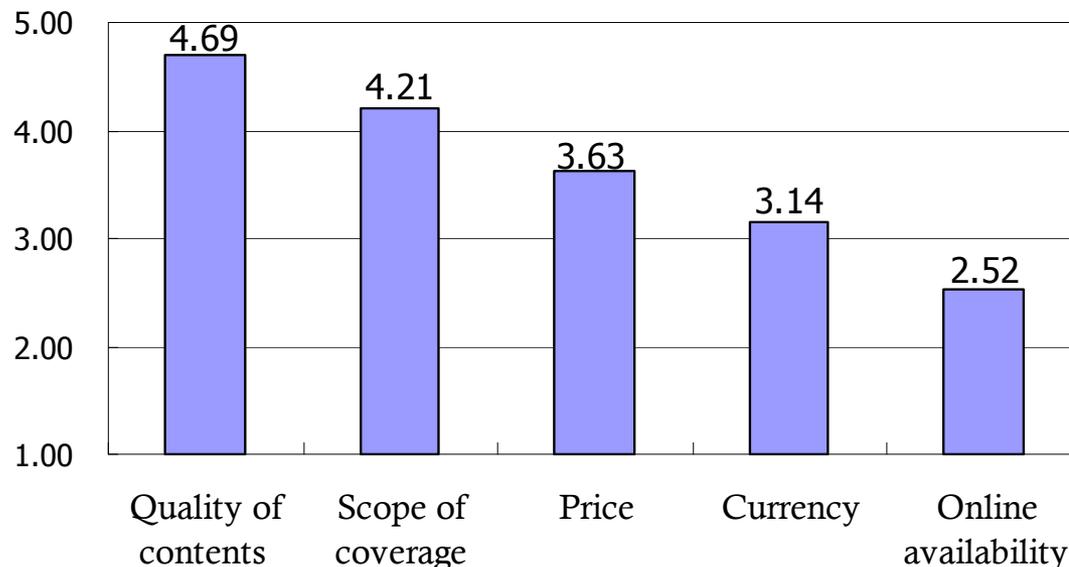


Providing Textbook Prices by Field



Selected Survey Results

- “On a scale of 1 to 5—with 1 meaning ‘not at all’ and 5 meaning ‘very,’ how important do you consider the following factors in choosing textbooks?”
- The level of importance for the price factor was rated 3.63, higher than the mid-point, as compared to four other choices given in our survey: “Quality of content” (4.69), “Scope of coverage” (4.21), “Currency” (3.14), and “Online availability” (2.52).
- This indicates that textbook price is indeed a factor of concern for faculty but not a sole or primary one.
- Other factors mentioned by respondents include:
accuracy, clarity, credibility of author, illustrations, interest, and readability.



More Affordable Nontraditional Textbook Alternatives: What is an Open Textbook?

- Definition of an Open Textbook

A body of educational content made openly available to download and print in various file formats at no cost via the Internet, by mail, or in a bookstore with a copyrights license that permits reproduction and distribution by the user.

- Besides a price factor, what are other characteristics of open textbooks compared to traditional textbooks?

Open Textbook

Traditional Textbook

Dynamic

Static

Customizable

Non-customizable

Open content, post-publication peer review

Closed content, pre-publication peer review

Personalized for local conditions

Standardized content

Targeted in-depth material

Generic material

Timely

Dated

Integrate research findings into curriculum quickly

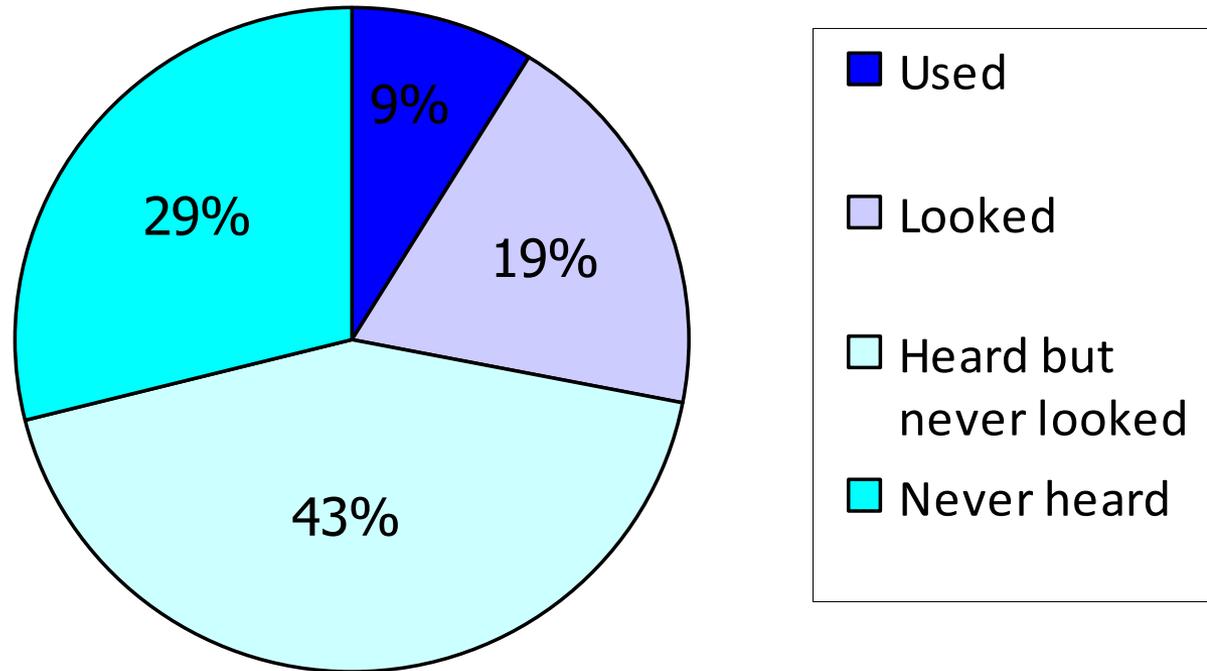
Unlikely so

Addresses multiple learning styles

Assumes a uniform learning style

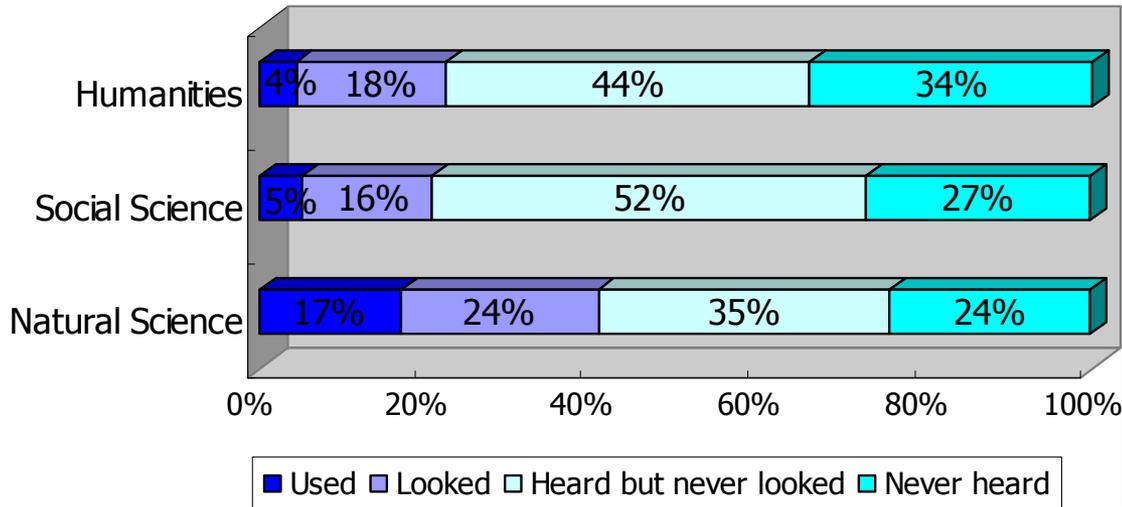
Note: This table is compiled from information provided by Henry, Geneva. 2004. "Connexions: An Alternative Approach to Publishing.," Paper presented at ECDL 2004 European Conference on Digital Library, University of Bath, United Kingdom.

Familiarity with Open Textbooks

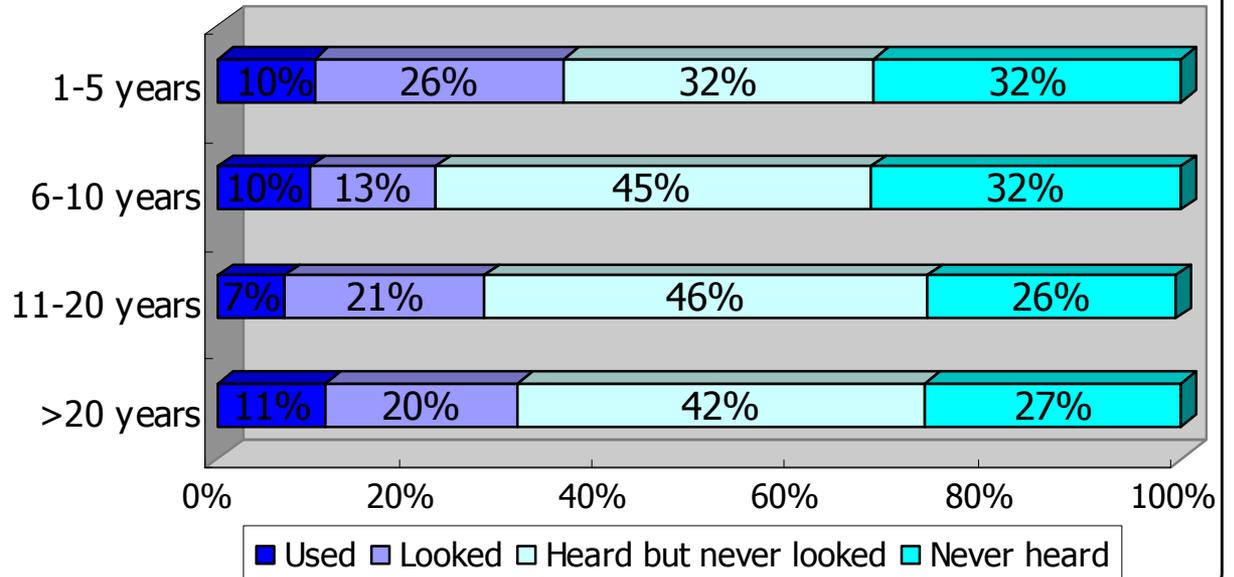


Selected Survey Results

Familiarity with Open Textbooks by Field



Familiarity with Open Textbooks by Years Teaching



Existing and Prospective Textbook Authors

- 30% report they are textbook authors.
- There is no distinct difference across disciplines.
- A greater number of senior faculty have written textbooks than junior faculty; almost half (46%) of faculty with more than twenty years of teaching say they are textbook authors.
- A quarter (25%) expresses an interest in writing a textbook and publishing it in a digital format.
- 39% of faculty in Natural Science showed an interest in publishing digital textbooks; approximately 1.6 times greater than the average, and is even higher compared with 21% of Humanities faculty that express an interest in digital textbook publishing.
- Senior faculty members have greater interest than less experienced faculty in writing and publishing textbooks in a digital format.

Interviews with Michigan Faculty

- **Twenty four in-person interviews were conducted in Ann Arbor, MI between July and September 2009**

- **Demographics of interviewees**
 - Humanities: 8
 - Social Science: 8
 - Natural Science: 8

- **Interview questions and findings**
 - Definitions of Textbooks
 - Concerns about Rising Textbook Costs
 - Faculty and Student Preferences about Textbook Formats
 - Experiences in Textbook Selection, Use, and Production

Interview Results: Definitions of Textbooks

- All interviewees shared a clear understanding about what textbooks are, how they are used in class, and about the context of textbook publishing.
- Textbooks are defined as “books that are specifically written for use as class material designed to convey knowledge from broad aspects of a given field and suited to supplement lectures,” “being different from required texts/books”; “being repeatedly used in introductory courses”; “including many illustrations, exercises, and examples”; “giving textbook authors the least flexibility to add something new despite frequent revisions (particularly in hard science fields).”
- The role that textbooks have played in education has not significantly changed over time.
- Definitions of textbooks in terms of formats have been drastically changed, especially over the last decade.

Interview Results:

Concerns about Rising Textbook Costs

- Concerns about rising textbook costs were commonly shared.
- In the last several years, faculty have begun paying extra attention to the prices of the textbooks they assign. This is because:
 - (i) “Students have begun to voice their financial burdens in textbook purchases.”
 - (ii) Faculty awareness of rising textbook prices has also been “influenced by an increasing number of reports in both national and campus news and articles” that they read and hear daily.
- Some faculty expressed their support but others made negative remarks about new initiatives and services offered as a result of the University’s Textbook Task Force recommendations (i.e. usability issues)
- Must consider the impact of off-campus dynamics, including the fast growing online book market, online e-textbook vendors, online textbook rental businesses, and the roles that local bookstores may have played in the past in faculty member’s textbook selection and ordering (i.e. the convenience of having local bookstores as middlemen).

Interview Results:

Faculty and Student Preferences about Textbook Formats

- All Humanities faculty members preferred students having traditional print textbooks in class.
- Social Science and Natural Science instructors showed more diverse preferences about textbook formats.
- “The ‘physicality’ of books and electronic materials on screen are not mutually exclusive.”
- Some professors shared their preferences for electronic textbooks, in which “a number of online examples and exercises coupled with three-dimensional illustrations, audio, and videos are included,” which they said are also welcomed by their students.
- “I’ve been assigning my e-textbook in class, but in reality, many students still prefer to own print books or at least to print my e-textbook.”
- Expressed overall interest across disciplines in discovering more about open textbooks and other electronic resources available to faculty and students.

Interview Results:

Experiences in Textbook Selection, Use, and Production

- Some faculty members have already started helping students reduce textbook costs in various ways, but cost-savings should not come at the expense of quality.
- Have begun to give students a choice of bound or unbound texts; “My textbook publisher, Pierson, has recently begun to offer unbound textbooks at a half price.”
- Have begun to allow students to use textbooks of different editions; generally, an older edition of the same title is less expensive than the current edition.
- “Authors have an opportunity to intervene by saying ‘no’ to too frequent revisions.”
- Interesting experiences of textbook publishing:
 - (i) Publishing textbooks in a digital format via Atomic Dog (a division of Cengage Learning that combines online and print delivery).
 - (ii) Publishing textbooks via MERLOT (Multimedia Educational Resource for Learning and Online Teaching) with print editions distributed by Wiley.

Recommendations

- Reinforce (and Raise) the Level of Faculty Awareness about Rising Textbook Costs
- Narrow the Gap between Awareness of Rising Textbook Costs and the Selection of Lower-cost Alternatives
- **Offer More Affordable Alternatives to Traditional Print Textbooks**
 - *A focus of our interest*

Points of Intervention to Reduce Textbook Costs: To Create More Coherent Textbook Support

- Reassessing and formalizing the Library textbook acquisition policy and practices
- Purchasing or subscribing to ebook versions whenever possible; promoting the availability of these options
- Negotiating for multi-user options for electronic textbooks; working with publishers to design new licensing models
- Reprinting out of print but still relevant textbooks and making them available at low cost (when possible using the Espresso Book Machine to make these available at point of demand)
- Making textbook assignment data (from the UM textbook online tool) available to subject librarians for analysis to support licensing decisions and consultation with faculty regarding textbook choices (and perhaps alternatives)

Points of Intervention to Reduce Textbook Costs: Launching New Programs

Three Possible New Programs to Allocate Resources:

- Creation of a UM specific price clearinghouse, tied to our textbook tool which will assist students in locating copies of their textbooks.
- Starting a textbook placement program that assists faculty in reviewing textbook choices and advocates for the use of quality low cost and open alternatives — such a program could also be an entrée into conversations about faculty involvement in the creation and adoption of open materials.
- Direct publishing of electronic alternatives; partnering with faculty in targeted high-enrollment undergraduate courses to create viable alternatives to high-cost texts.

Benefits and Challenges:

- While each of these would take upfront investment and some time before we can measure impact, it's worth noting that the investment is small compared to the savings that we generate for students if we can succeed in replacing texts in only five of our highest enrollment undergraduate courses.
- The problem is, of course, that if the library were to fund these efforts, we would be saving the students money but not recovering any of those savings to offset our investment. In the long run, were our programs to succeed, we might offset some of the expense through student fees, but this is unlikely until we can show some tangible results. So this is one of the challenges we face as we move forward.