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Blurring Lines — Bringing E-textbooks into the Orbit of University Library Purchase and Usage Preferences

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I entered the exhibit hall at the most recent **ALA Midwinter** conference in Philadelphia as I always do: on a mission to identify outliers. If you have been reading my column, you know that the outliers I seek are people and companies in the university library space doing the unexpected yet, in my opinion, predictive of the future. These trend setters, if you will, are often engaged in “line blurring,” or moving from an expected activity into an unexpected activity. This year I was immediately struck by the increase in companies exhibiting with a decidedly learning-oriented business mission. Among these learning-oriented companies, the most surprising was an e-textbook publisher named **Thuze**. I spent the first nine years of my career in the textbook publishing business before moving six years ago into smaller companies dedicated to serving the library. Over the past six years I have attended more than 20 library-oriented conferences and I have never seen an exclusively textbook publisher in attendance ... until **Thuze**. I will return to **Thuze**, but I first want to explain why textbook publishers are struggling and, specifically, why they have historically avoided the library side of the university with an institutional purchase model.

The textbook publishing industry was built on a deceptively simple business model that unraveled in the digital era: one student — one book. Professors make a textbook adoption decision and they generally stick with that decision for many, many years. Acquiring the professor/customer is time consuming and costly, but the pay-off is huge in terms of revenue generation over the subsequent years the textbook adoption is in place. The textbook is required for the course and the students historically had few, if any, alternatives. That is the way the business operated for many years until the Internet and the efficient markets and alternative textbook fulfillment businesses the Internet generated came to the fore. Students had always been able to sell their textbooks back to the college bookstore, but now they could participate in hyper-effective peer-to-peer reselling networks, rent print and digital textbooks from companies like **Chegg**, and find much lower-priced international editions online, and students and faculty began to discover that the publishers changes from edition to edition were generally modest and so older editions were effective.

Textbook publishers responded to the Internet and the power of the computer with relatively few meaningful innovations beyond the learning product itself. Algorithmically generated homework that was graded by software programs for problem-based courses like math and accounting was one powerful innovation that propped up the sale of textbooks by tying access to the online homework

product to the purchase of the textbook via “bundling” of an access card to a textbook. Textbook publishers also introduced eBooks and even built an online store where all the major textbook publishers could sell their eBooks: **CourseSmart** (which was recently acquired by **Ingram’s Vital Source**). But the primary response to the various threats posed by Internet-based insurgents to the textbook publishers was to increase the pace at which they introduced new editions, thus rendering the prior edition “useless” or unassignable by professors and to increase prices more often and at higher percentages than in the past. This, of course, created a vicious cycle of students seeking alternatives, thus reducing the number of books sold, and publishers responding with even more frequent revisions and price increases. The textbook publishers never seriously considered innovation in business models that would have changed the pricing, packaging or distribution strategy of one student — one book (or one access card); the only innovations have been in new products that are technology-based and produce “fully consumable” products that cannot be resold or re-used by students. The most recent version of new technology one sees across all the major textbook publishers is adaptive learning with digital products that “adapt” to the learning style and needs of the individual student and provide professors and administration with data for analytics to inform program and course modification. But **Thuze** has taken a different approach, tackling business model innovation through a wholly new distribution and pricing strategy.

Thuze began five plus years back not as a commercially-oriented enterprise but as an internal entity within **Bridgeport Education** that sought to provide high quality e-textbooks to **Bridgeport’s** students at **Ashford University** and **The University of the Rockies**. The aforementioned practices of the major textbook publishers, namely too frequent and non-substantive revisions and regular and steep price increases, led **Bridgeport** to embark on a textbook development and publishing program. **Bridgeport** hired a team of publishers from the major textbook companies and implemented a book development process based on the same quality practices of companies like **Pearson Education** and **Cengage**. But the focus was squarely on producing high quality, no-frills e-textbooks with a proven level of interactivity and not speculative and expensive ventures into multi-media. And, importantly, the editorial team at **Bridgeport** signed respected authors willing to write books for a fee rather than a royalty.



In 2012, **Bridgeport Education** launched the **Thuze** imprint to take its catalog of 100+ e-textbooks out to the wider world. According to **Andrew McCann**, who leads sales and marketing for the **Bridgepoint Education** Products Group, “university libraries and other institutions can license the entire library of **Thuze** e-textbooks for a single low fee, and either offer textbooks for free in many high-enrollment courses or implement a modest course fee to recover the cost of the program.” The **Thuze** catalog offers titles for many of the major introductory courses across the university, ranging from business to science and the arts. Each title is delivered DRM-free for \$35.00 to the student and includes a variety of useful interactive features like quizzing that links the reader back to the appropriate section for review if they get an incorrect answer. **Thuze** has seen adoptions of its books at more than 60 universities including **The College of Charleston**, **University of Alberta** and **Ithaca College**. Classroom adoption by individual professor is important to **Thuze**, but the real opportunity the team at **Thuze** sees is in institutional sales, including through the university library.

Unrestricted access eBooks for scholarly use available through the university library are on the increase but DRM remains the norm. And, often, when the DRM is removed it is on the back list of lower-use titles. The company I founded, **Business Expert Press**, focused on delivering unrestricted access eBook collections to the university library as soon as published, but our books were aimed at niche, advanced business courses and for reference use by advanced business students in MBA and executive education programs. **Thuze** is offering the same unrestricted access, DRM-free policies but for titles with much wider appeal and application in introductory courses across the university curriculum. It is a bold but timely bet and one to watch closely as it will raise the stakes for the large textbook publishers should the **Thuze** model take off with university libraries and university faculty more generally.

I have written in the past about the need for eBook publishers to function more like journal publishers as concerns access and usage rights and for journal publishers to function more like eBook publishers as concerns purchase models. **Thuze** has “fused” the best of access and usage with purchase policies for potentially very high use content that will lower costs for students and families and allow the library to be a hub for course-critical learning content. 🌱