

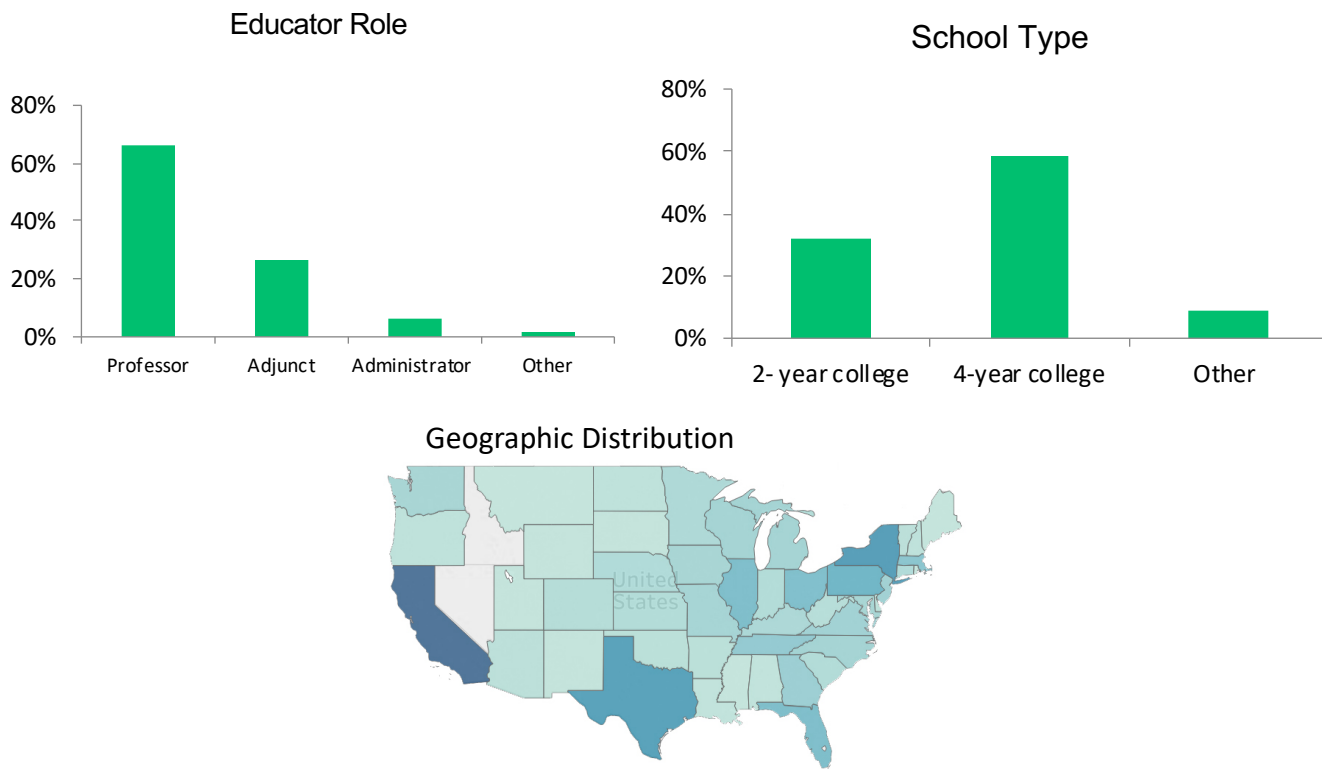
FlatWorld Textbook Affordability Study

Published June 2019



This report examines the US higher education educator opinion on the affordability of college textbooks. 786 professors at 4 and 2 year institutions across the country, were surveyed by FlatWorld using SurveyMonkey's platform and their own proprietary database of instructors between May 16, 2019 and May 29, 2019.

Sample Composition:



About SurveyMonkey:

Founded in 1999, SurveyMonkey changed the way people gather feedback by making it easy for anyone to create their own online surveys. Today, SurveyMonkey's mission is to power curious individuals and organizations to measure, benchmark and act on the opinions that drive success. Our People Powered Data platform enables conversations at scale to deliver impactful customer, employee and market insights. The company's 750+ employees are dedicated to fueling the curiosity of over 16 million active users globally.

About FlatWorld

FlatWorld publishes the most affordable, high-quality learning materials, including both digital and print textbooks, and a robust online homework platform. FlatWorld's rapidly growing catalog features more than 135 titles across more than 20 academic subjects, and FlatWorld's textbooks cost between \$24.95 and \$39.95 for digital access. Thousands of faculty members at universities across the U.S., Canada, and around the world have adopted a FlatWorld textbook. Learn more at www.flatworld.com.



Faculty's Attitudes Towards Textbook Affordability

The second annual survey highlights faculty attitudes towards and about textbook affordability, as well as the pervasive culture of publisher incentives that is contributing to high textbook prices.

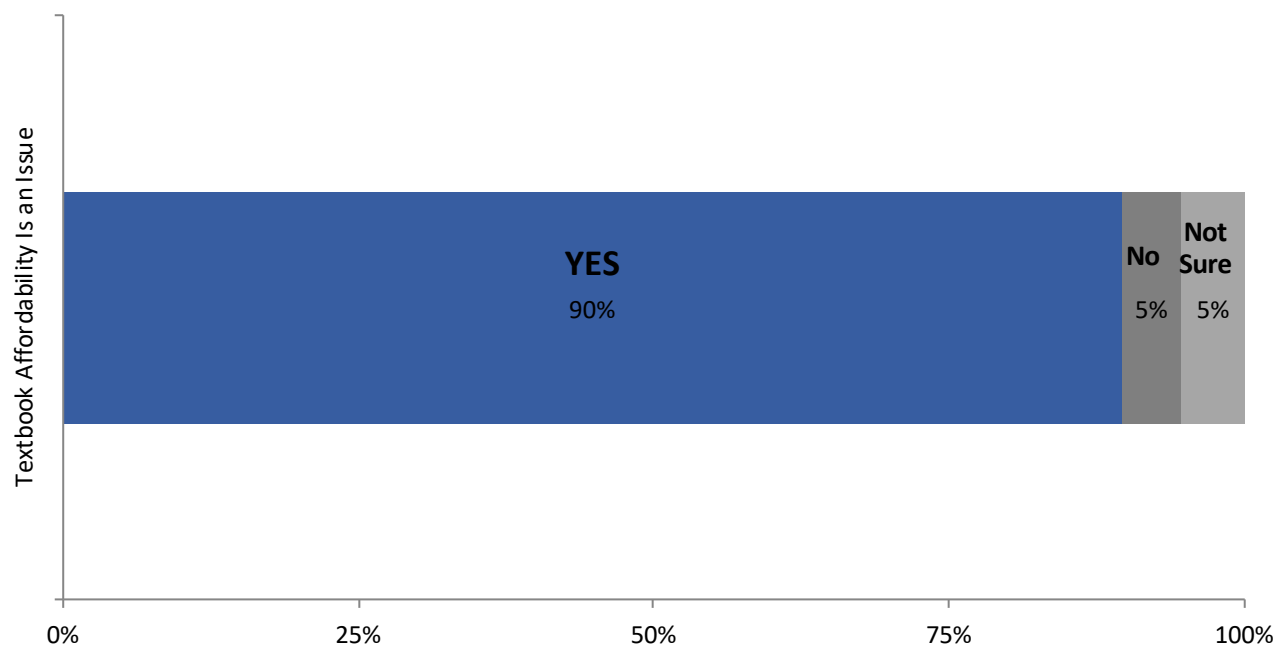
- **A gap exists between faculty's concerns about textbook affordability, and university programs to address textbook affordability:** 90% of respondents reported that textbook affordability is an issue on their campus. Yet only 41% of respondents are aware of their school having a program focused on reducing textbook costs.
- **Faculty are uncomfortable with publishers offering payment or travel incentives to promote textbook adoption:** When asked about 10 different ways that publishers incentivize faculty to adopt textbooks, respondents viewed a number of practices as “generally unacceptable” or “totally unacceptable.” For instance, 75% of respondents viewed publishers funding department grants in exchange for textbook adoption as either “generally unacceptable” or “totally unacceptable,” and 70% of respondents reported the same view in regards to publishers funding student programs in exchange for textbook adoption. The majority of respondents (71%) also felt that publishers hosting instructors at a “vacation location” to provide feedback on a textbook was either “generally unacceptable” or “totally unacceptable.”
- **Faculty are wary of inclusive access programs:** The majority of respondents (64%) viewed the practice of “publishers providing a discount to the list price of a textbook, in return for a commitment from the school to an inclusive access program,” as either “generally not acceptable” or “totally unacceptable.”
- **There is a pervasive culture of textbook adoption incentives that faculty views as unacceptable:** Despite the majority of respondents viewing a number of publisher incentives as either “generally unacceptable” or “totally unacceptable,” they also noted that many of these practices occur at their institutions. For instance, 17% of respondents reported publishers providing their university or department a discount in exchange for an inclusive access program. 8% of respondents reported that publishers agreed to host professors at their institutions at a vacation location in exchange for reviewing their textbook. And 5% of respondents observed more direct payments from publishers, in the form of funding department grants or existing student programs in exchange for textbook adoption.



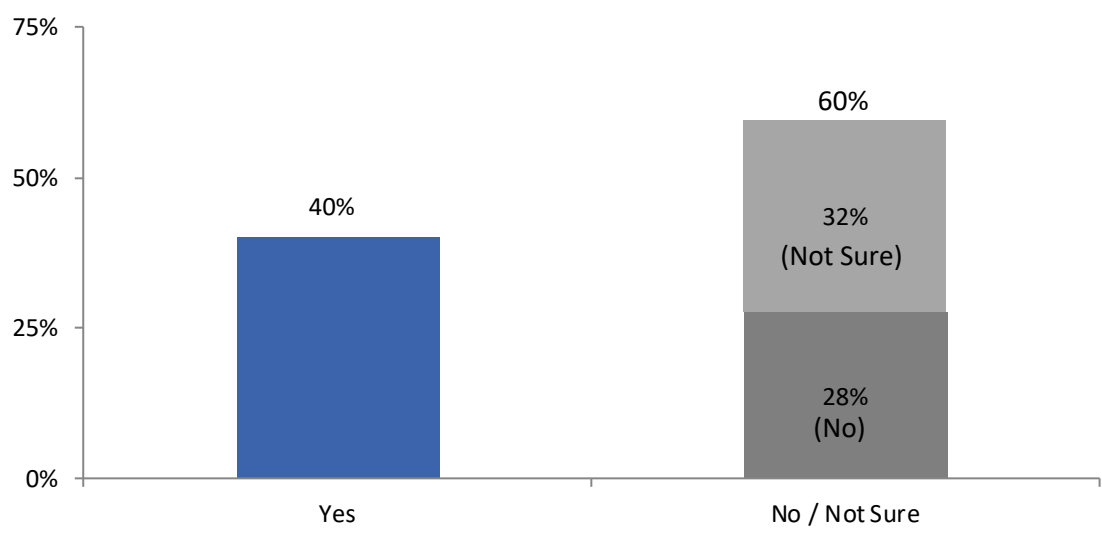
Textbook Affordability is a Pervasive Issue

Vast majority of educators recognize that there is an issue, but less than half of educators are aware of programs to address

Q: Is textbook affordability an issue on your campus?

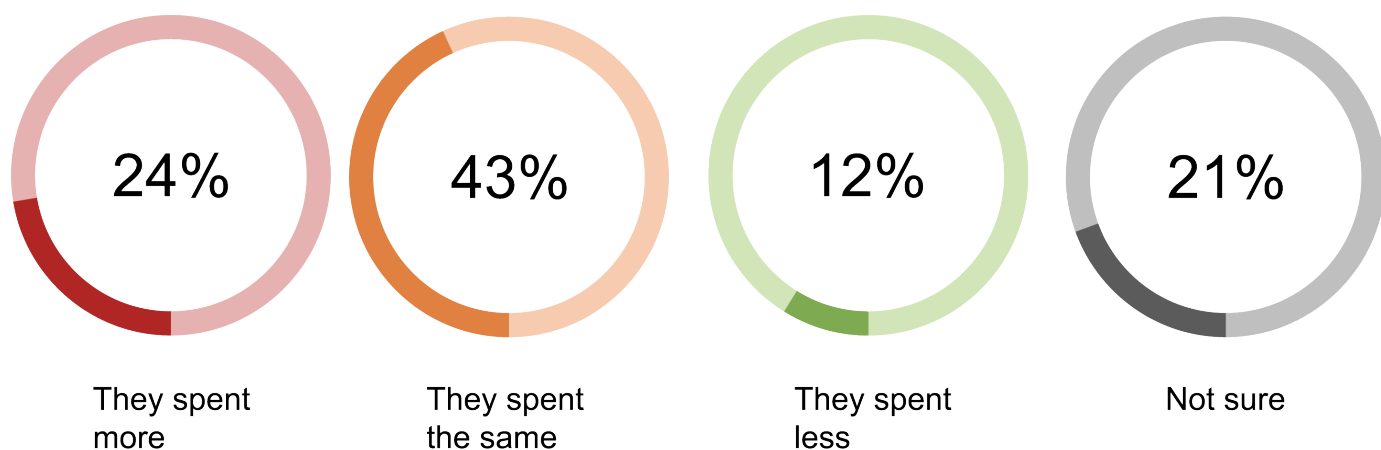


Q. Does your school have a program focused on reducing costs of textbooks?



2/3 of professors think prices have stayed the same or increased

Q. Do you think students spent more or less than previous semesters?



On average, respondents believed students at their school spent **\$489** last semester on course materials

Q. What do you think the biggest drivers of high textbook prices?



“Constant revision of material. The move to digital reduces the opportunity to purchase used books.”

“Deceptive textbook sell practices which tell faculty the additional material is easy to incorporate into their courses. Textbook companies are attempting to produce entire course.”

"Greed. I don't understand why an academic book which will sell probably 1000 copies can be sold for \$75 while a textbook which will sell 10,000 copies sells for \$250!?"

"Priorities are not optimal for the student"

“One time use digital codes that don’t allow for used books. Textbook companies hiking up prices because there is not much competition. And in bigger universities professors writing their own book and making students purchase that as course material to spin an extra profit.”

"New editions released too frequently. Bundled courseware. The publishers response to the second-hand textbook market"

"Greed by publishers"

"Bookstore monopoly."

"It's a mystery. They aren't providing better textbooks. The online materials have been offered for several years with little change, but the price continues to go up."

"College owned bookstores raising the prices excessively."

Q. What do you think the biggest drivers of high textbook prices?

"Price gouging."

"Ancillary products such as accompanying software."

"I honestly believe that publishers produce new and more expensive editions very very frequently in order to make revenue, while making the students suffer financially"

"I think Publishers want to make a profit and the bookstore does as well."

"Money. Everyone wants to make money regardless of the cost for books or who's paying (rich, middle class or poor). Also cost of living causes these price to keep going up."

"Profit for textbook companies"

"Those in a position to choose the book do not pay any attention to the price. Overzealous publisher representatives have caused this problem."

greedy publishers who justify price increases by putting out new editions every three or years which are essentially unchanged from the previous edition"

Just greed on the part of the publishers and shareholders"

"The book store takes higher markups than other textbook store and on line stores."

"Unnecessary new editions, greedy publishers, faculty who don't pay attention to prices of textbooks they adopt"

"Publishers creating unnecessary updates to books, as well as rental e-books that are not user friendly or intuitive -- students can't even remember their login information"

"I think the major drivers are: lack of competition in the higher education publishing industry and professors choosing too expensive new editions. "

"Textbook prices have risen more than 1,000% since the 1970s and newer online textbooks don't really allow students from turning to other cost-saving measures in college."

"Captured Audience - students don't have much choice."

"The power of publishers to set prices and the apathy of professors who choose textbooks"

"High cost to produce the books"

"College textbook publishers pushing out new editions every 1-2 years, so as to combat or compete with the accumulation of used textbooks and lower prices for used textbooks."

"The way the system for textbooks has traditionally been designed—labor intensive, everyone wanting a cut, new editions necessary to stay cutting edge or for publisher to make more money"

"Greedy textbook companies!"

"Revenue for the school."

"Keeping up with the used book market"

"Big publishers holding on to outdated models of textbook production and pricing."

"Continuous new editions. Send to school and have them be checked out at the library. We're 1.5 trillion in student loan debt. That's our future too. The 18-25 demo has little expendable capital. We're all impacted."



Q. What do you think the biggest drivers of high textbook prices?

"The astronomical price-gauging practices at the bookstore, irrespective of affordable text books from publishers, is extremely detrimental for students who are facing housing and food insecurities as they fight to complete their goals with respect to higher education. "

"Capitalism"

"I think that basic textbooks are revised too often. The publication of a new edition requires" students to purchase a new textbook which drives up the cost. For basic textbooks, unless there is a major reason for revision, they should not be revised any more often than ever 5 years at least."

"Opportunity for publishers to maximize profits because they're selling to a captive audience."

"Monopoly power."

"Cost of publishing"

"Publishing companies like McGraw Hill who keep making new editions for their ebooks/Connect platform that has eliminated the school textbook resale market"

"Monopoly control of textbook publishing by four or five big companies means that they can charge what they like. They bring out new editions with a few changes every couple of years and raise the price. Also they bundle homework systems, test banks, etc with the textbooks that also cost money."

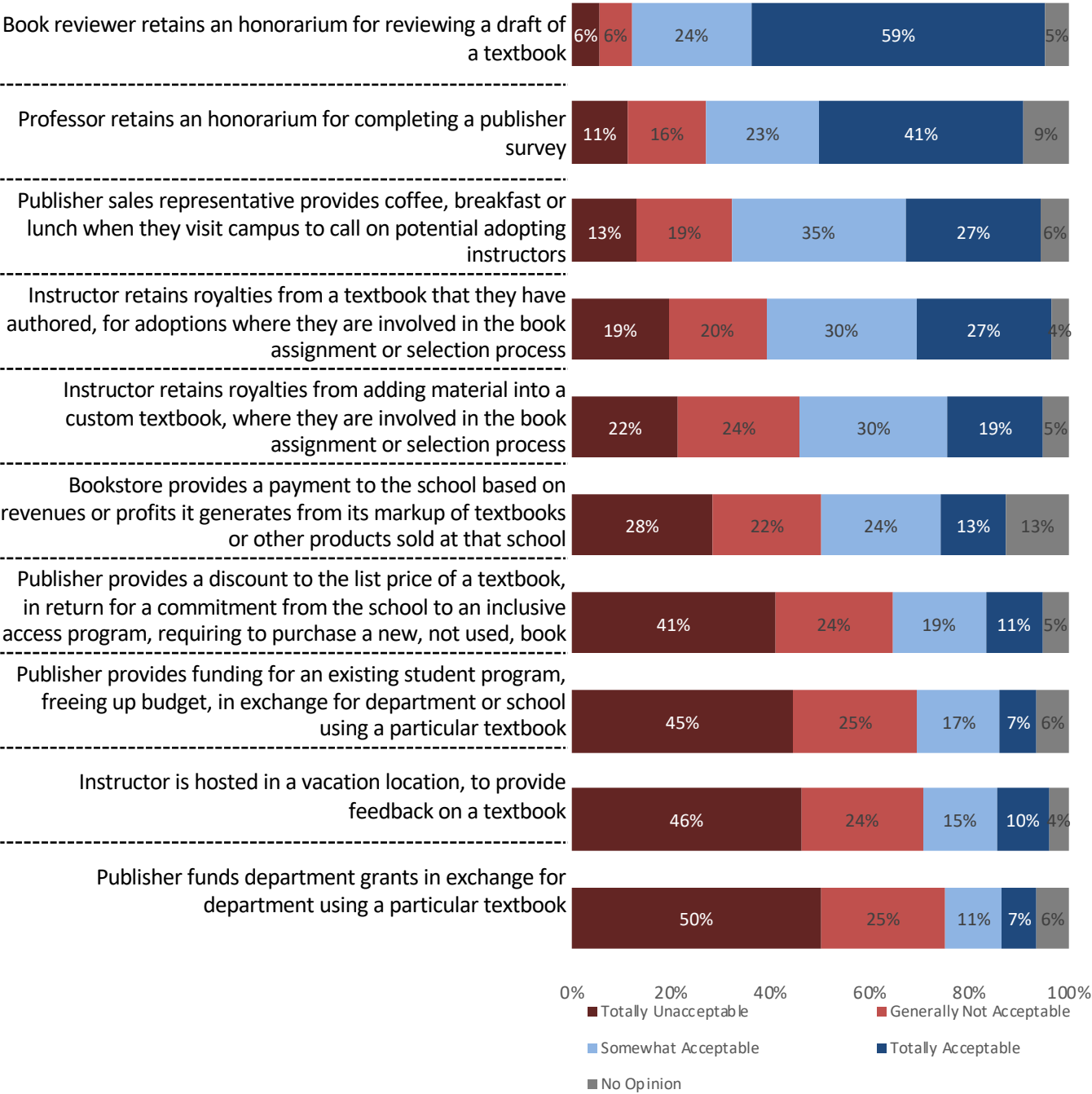
"A well-written trade paperback by a respected expert will cost 10% of a traditional textbook with equivalent content. The expert could become wealthy from the sales of that book, retailing at \$35. The professors who researched and wrote the expensive textbook get very little even when the book sells for \$300. "

"The system is rigged. The textbook producers now tie huge amounts of online content, sometimes without even having a physical textbook, and a student cannot buy a used textbook and take a class, they have to buy a bundle with an access code that includes the book and everything else. There is no shopping around because the school faculty choose the materials and there does not seem to be a choice that doesn't involve a bundle with access to a suite of material whether the professor or student wants it or not. Because financial aid pays for the books, students don't feel the immediate pain of \$300 packages, but if they use any loans, they are being forced into spending amounts they will take decades to pay off, and for these ever increasing prices, they get a product that they cannot resell. It is a lot like health care."

"The costs keep going up every year. New editions are coming out faster and faster which makes it difficult to purchased used editions. With classes all requiring the access codes to the online learning system, it makes it impossible to purchase used. "



Q. Please rate the following as to how acceptable you believe the practice to be.



The incentives are disproportionately used at larger institutions

Q. Which of the following have you encountered at your school?

