

5 Ways to Save on Textbooks Now, 3 Ways to Lower Prices Long Term

With the new school year quickly approaching, students will soon be slammed with the high cost of textbooks. Textbooks cost students an average of \$900 per year, which is a quarter of tuition at an average four year public university or three-quarters of tuition at a community college. With prices rising twice the rate of inflation, textbooks have become a major "tipping point cost" for students from middle and low-income families.

Students have a few tools they can use right now to find cheaper books. And, there are three emerging ideas that, together, might help permanently drive down prices in the future.

Five Ways to Save on Textbooks Now

* Buy or rent textbooks online. There are hundreds of sites where students can buy, sell and even rent textbooks for a fraction of the cost. Some basics include www.amazon.com, www.campusbooks.com and www.half.com. To find other good websites, here are some keywords to search: "used textbooks," "[your school] bookswap," "textbook price comparison," or any ISBN.

One potentially interesting new service is Textbookflix, which is modeled off online video rental services like Netflix and Blockbuster. Students choose their required books from an online book list, pay the rental fee or subscription fee, and the company sends the book to the student. At the end of the term, the student simply drop the books in the mail with a pre-paid envelope. Although we have not done a full evaluation of Textbookflix, this could be a major money saver for students having a difficult time finding used books.

* Shop overseas. Many American textbooks are available at a fraction of their cost here through overseas websites. Check out foreign versions of leading American websites like www.amazon.co.uk, or you can also get overseas prices for Thomson Learning books by going directly to their website and clicking another country at the main page. Shipping can often take several weeks, so make sure to leave enough time. Also, foreign editions may have minor differences, so as a rule of thumb make sure the "ISBN" matches.

* Swap. There are many ways to find used books to buy, borrow, or trade just by contacting other students:

Ask around: Ask your friends, your friends' roommates, etc. It's not hard to find someone who has taken the class before, and you'll save on shipping too!

Facebook: Look for used book groups (yes, they exist) and search for people who have taken the class before. Try Craigslist and MySpace too.

Bookswaps: Use non-profit student-to-student sites like www.campusbookswap.org or your student government's website.

* Check it out. School libraries often stock copies of commonly used textbooks. If you get there early you might be lucky enough to check one out, but at the very least instructors will typically put one copy on reserve at the library for everyone to access. If you can't get borrow a book for free, you might still save money by renting. There are several online rental programs that might have the book you need, and several colleges and communities have locally based programs, too. (start one at your school)

* Do your homework. Ask professors if you can use an older edition or a version without any "bundled" items like CDs. To make the search easier, ask your instructor for the ISBN number, which is the unique code for each book.

While some of this year's students may be lucky enough to find decent prices, most will not be so lucky. Price-hunting alone is not enough to solve the larger problem, because the overall textbooks market is set up so that students have no real market power. This allows textbook publishers to increase prices and suppress the used book market almost completely at will. Long term, more competition is the best way to bring down textbook prices.

Fortunately, a number of ideas have emerged that have great potential to put more affordable books in students' hands:

Three Long-Term Solutions

* Open Educational Resources, also known as free textbooks: Featured in a recent New York Times editorial, Open Educational Resources (OER) is essentially a fancy word for free textbooks and other learning content. This content is licensed in such a way so that the express permission of the author is not needed in order to utilize the work, although there are typically stipulations attached that regulate how the work is used to preserve the intent of the author. Creative Commons licenses are the most widely used in this field.

These textbooks are authored by credentialed faculty members and are produced through conventional extensive peer-review and editing processes, so their content comparable in quality to commercial content. OER can be used electronically or printed and bound if necessary at a minimal cost, making them virtually indistinguishable from conventional textbooks except for price. The growing presence of OER as competition has the potential to drive commercial prices down - and on top of that, more students will not need to buy books in the first place!

With increasing numbers of faculty authoring free textbooks and other classroom content, OER has already become a reality. Two examples are the University of Puget Sound Professor Rob Beezer's Linear Calculus Book (<http://linear.ups.edu>), which was recently reviewed by UC Irvine Professor Bernard Russo in Notices of the American Mathematical Society (<http://www.ams.org/notices/200707/tx070700869p.pdf>), and the Rice University Press's Art History textbooks. Many other examples can be found at repositories such as Connexions.

* Digital Marketplace: A program about to launch at California State University will pioneer a new way for instructors to evaluate and distribute course materials. The "Digital Marketplace" is designed to be an internet-based platform where commercial and Open Educational Resources (see above) exist side-by-side with each other. This would allow instructors to review content from many sources on a level playing field.

CSU developed this platform to support its own academic programs, but the concept behind it could be implemented on a national level. Commercial content would stand alongside free content like OER, fostering healthy competition that could naturally lower prices. Since the content would be digital, it also gives instructors freedom to choose how the content is delivered to students, which can reduce costly factors like printing, binding and unnecessary add-ons like CDs. Furthermore, this system could allow instructors to create customized textbooks by

mixing and matching content from different sources and reduce the amount of commercial content students would need to purchase.

In a recent report to Congress on the issue of textbook pricing, The Advisory Committee on Student Financial Assistance recommended the development of a national, institutionally-sanctioned program modeled on the CSU Digital Marketplace (see our analysis here). The success of a national marketplace would depend on a large number of factors, and no plan to implement one is currently in place. The idea is, however, sound in theory. A large, level, and easily accessible playing field for content would certainly allow the market to evolve to include more choices and price elasticity.

* Intellectual Property Licensing: The current textbooks sales model is inefficient - publishers put effort into producing educational content, sell it in the form of a book, and immediately engage in tactics to undermine the used book market, including producing unnecessary new textbook editions.

An alternative sales model has been proposed by Dr. Michael Granof in a recent New York Times editorial that could lower costs for students, eliminate superfluous textbook revisions, and allow publishers to continue making a reasonable profit from their work. This model does not inherently guarantee lower prices, but could if implemented alongside increased market competition from items such as Open Education Resources.

In this system, publishers and faculty would negotiate an upfront fee for the rights to use textbooks content over the period of time the professor chooses. The cost of that fee would be spread out over the total number of students taking the course. So, if the cost of the content was \$10,000, and there were 100 students taking the class each semester for 10 semesters, each student would pay \$10 for the book. The content would be provided in digital form, but students could choose to have the books printed and bound at a slightly additional cost.

There are several potential advantages to this system. Publishers would recover the cost of production as a textbook is used, rather than how often it is purchased. The cost of content is isolated from other wildcards like printing, shipping, overhead. This lowers the final price of the overall product, and holds publishers more accountable for their intellectual development costs. Finally, this gives faculty

another tool to lower prices - the longer their choose to stick with the book, the cheaper the book is for each student.

So long as there remains little market competition, this model alone doesn't guarantee that publishers will pass cost savings on to students. However, alongside a robust increase in competition from items such as Open Educational Resources, this model could be the best business model for commercial textbooks.

#

Make Textbooks Affordable is a joint project of the Student PIRGs, Arizona Students Association and the California State Student Association. The Student PIRGs are a network of state-based, student-directed and funded public interest organizations active on over 200 college campuses in 20 states.