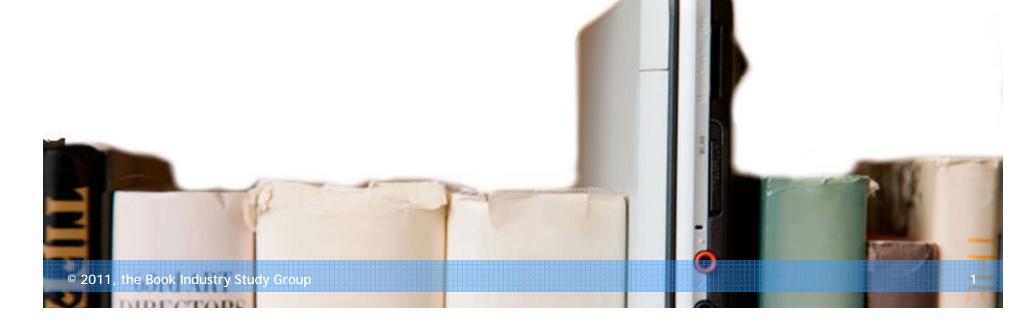


Student Attitudes Toward Content in Higher Education-Volume 1

Consumer Attitudes Toward E-Book Reading- Volume 2





Overview

- The semi-annual survey focuses on college student perceptions related to educational content and presentation media in the higher education market.
- The four times per year survey of consumers perceptions of reading e-Books
- They are powered by Bowker's PubTrack data, the publishing industry's exclusive resource for understanding buying behavior. The online Real-Time Reporting service is a great research tool
- The student online survey polled 1505 college students drawn from a nationally representative panel.
- The consumer survey polled 750 e-book readers drawn from a nationally representative panel
- Comprehensive Student annual report very shortly
- Second report covering the holiday season release last month. Third report is underway.





Formula for success in Digital **Markets**

Recognizable Value +

- Well designed devices and platforms +
- Strong and Enthusiastic Channel Partners =
- Rapid Market Expansion



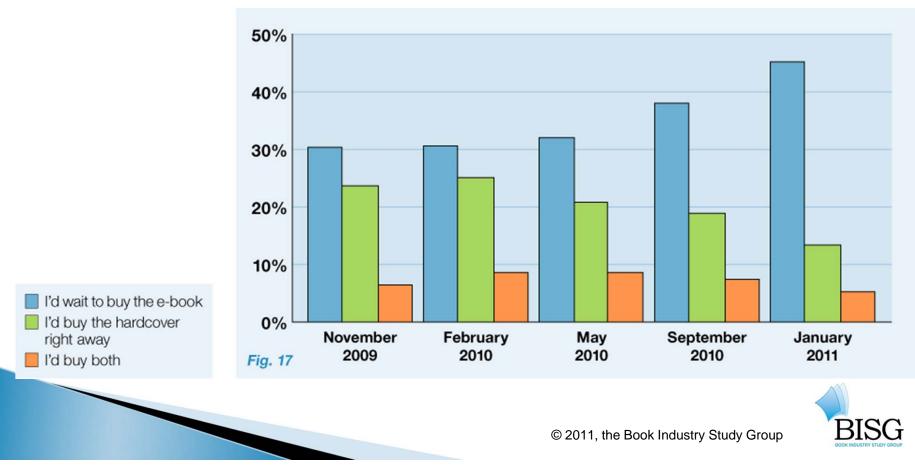


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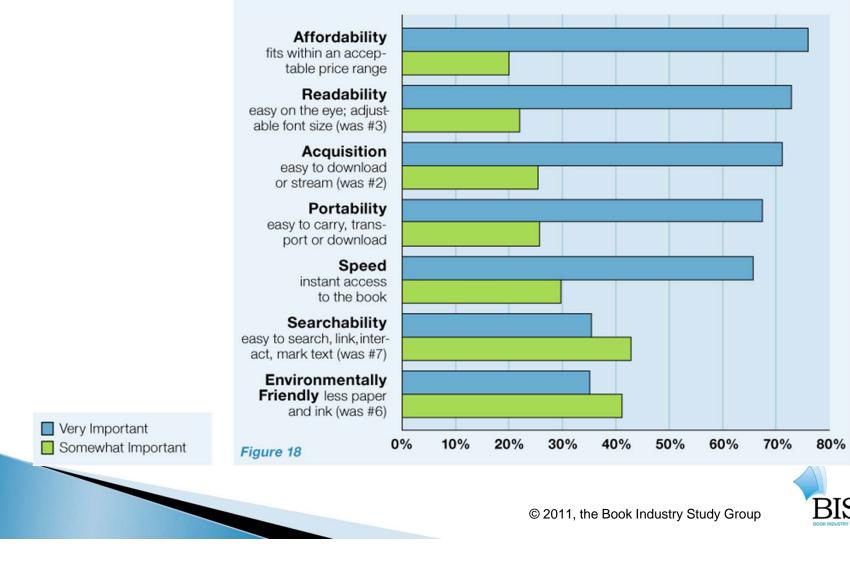
Consumer Value Perceptions

77.3% of Consumers are Satisfied or Highly Satisfied with the price of ebooks



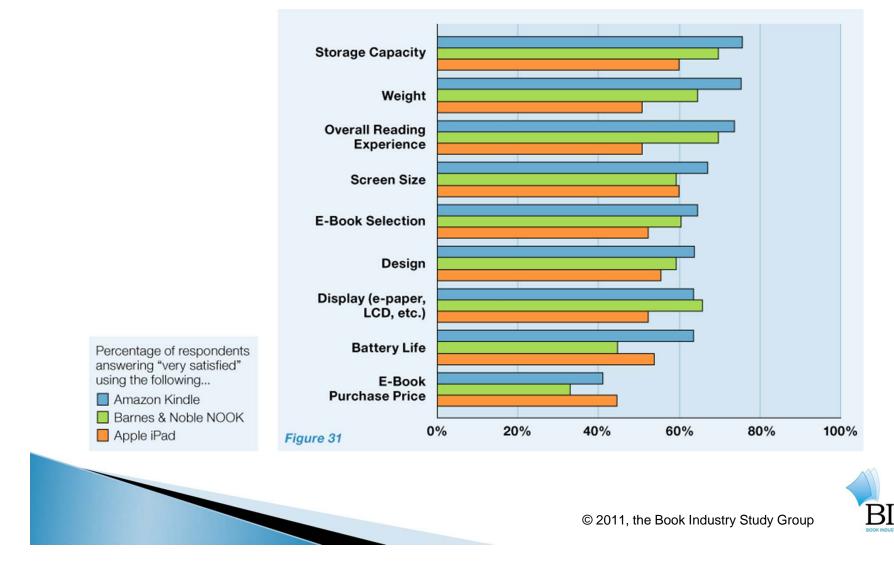
Most Important Features

Excellent fit with desired feature set





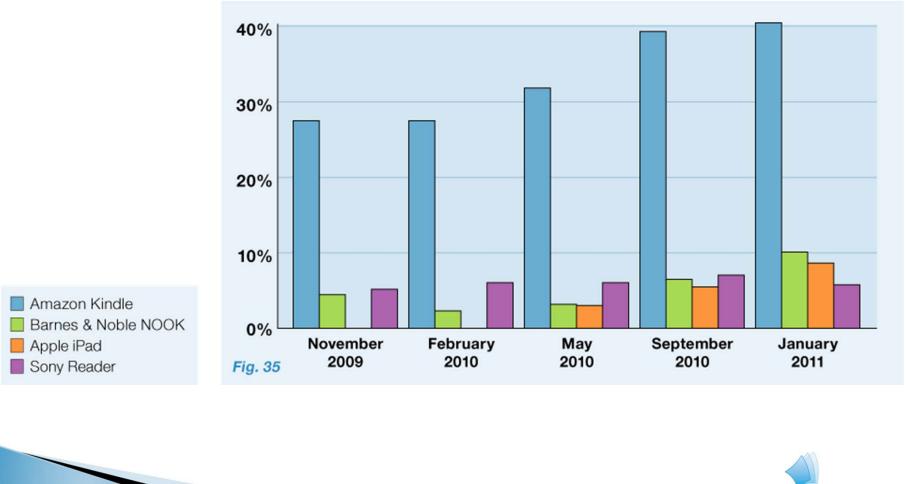
E-Reader SatisfactionCheck out these ratings





Favorite Devices

Kindle still number one

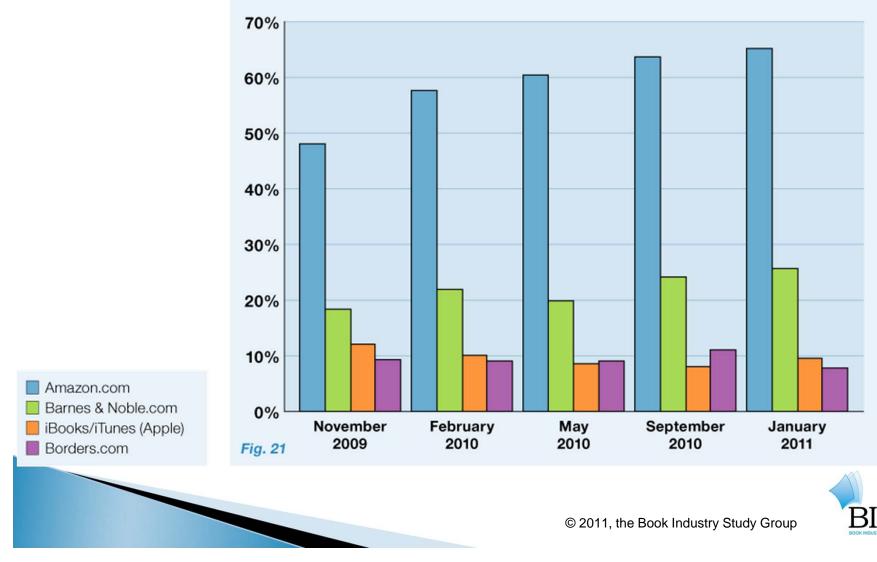


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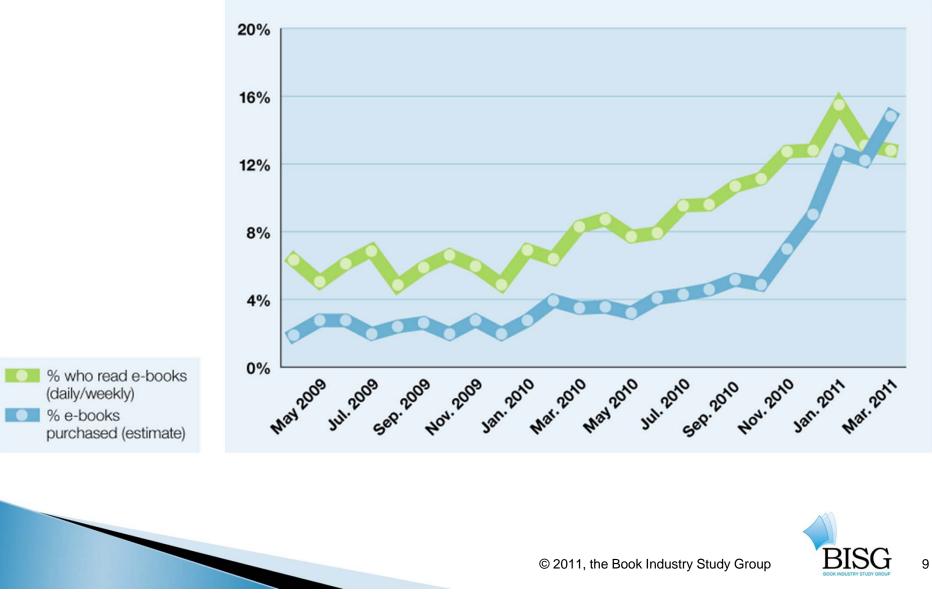
Well Established Channels

Amazon's share continues to grow





Consumer Trends



Student Survey Considerations

- Why do students prefer printed textbooks?
- How do students define value?
- How do students seek value?
- What students are most likely to acquire their content via "illicit behaviors"?
- How are next generation products perceived by students?





Value Price Relationship

- 83% of students are satisfied with textbook's quality
- Only 33% indicate that textbook prices are reasonable
- 30% of faculty now recommend not require texts in core courses





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Illicit Behaviors Very Scary Trend

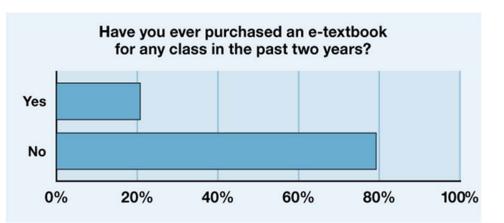
Photocopied chapters of textbooks from other students	
Bought or acquired international versions of textbooks to save money	
Downloaded course content from a website not specifically authorized by the instructor (like Sparknotes)	
Downloaded e-textbook content from other students	
Bought or acquired textbooks from a pirate website	
Downloaded other course content from other students	
□ Second fielding □ First fielding	0% 10% 20% 30% 40% 50%

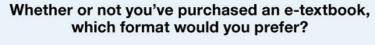


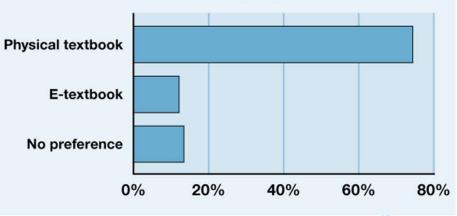


Key Finding-Print vs. e-Textbook

- 21% of students had purchased an e-Textbook
- 75% of students preferred traditional printed textbooks over digital replica etextbooks.
 - Like the look and feel of print
 - Potential for permanence of ownership
 - Opportunity for resale
- Online courses use many more e-textbooks





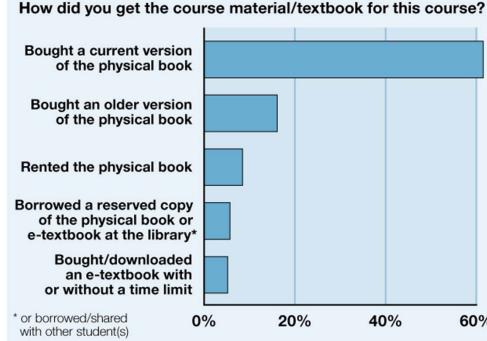


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Acquisition Methods

- Only 62% of students reported that they were purchasing the traditional print version of the current edition (new and used)
- The growth of previous edition sales suggests that students and faculty are tiring of short revision cycles
- Rentals continue to increase
- Note the increase in borrowing and sharing to almost 10%

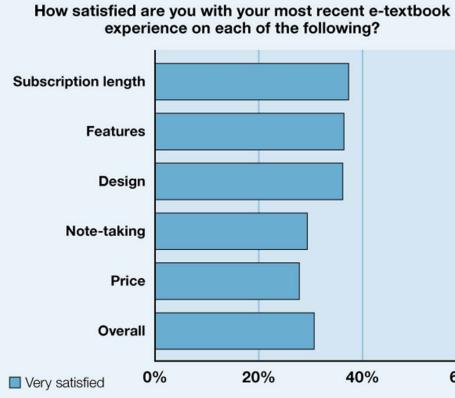






Students reported low satisfaction with Replica e-Textbooks

Current etextbook offerings have yet to achieve consistently high levels of satisfaction.







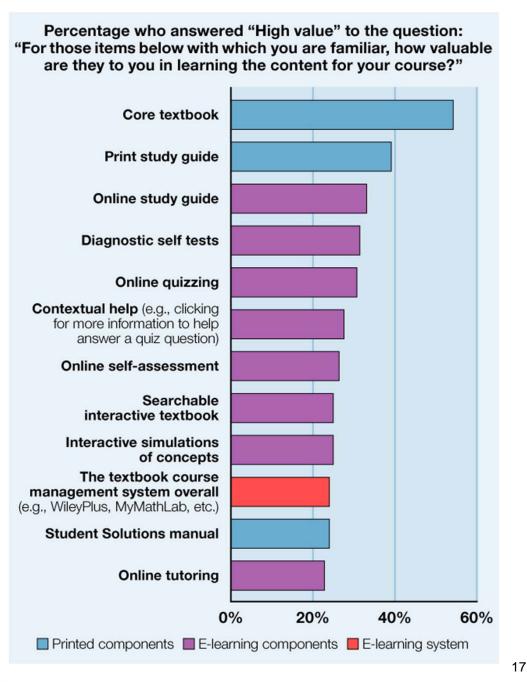
Why they value Premium Products

	Core textbook		
	Print study guide		
Campus Learning Mana	gement System (Blackboard, WebCT, etc.)		
	Online study guide		
	Online quizzing		
	Diagnostic self tests		
	g., clicking for more information to help swer a quiz question)		
	Online self-assessment		
	Interactive simulations of concepts		
	Searchable interactive textbook		
	urse management system overall (e.g., eyPlus, MyMathLab, etc.)		
	Online tutoring		
E-textbookPhysical textbook	0	0% 20% 40%	
		© 2011, the Book Industry Study Group	0



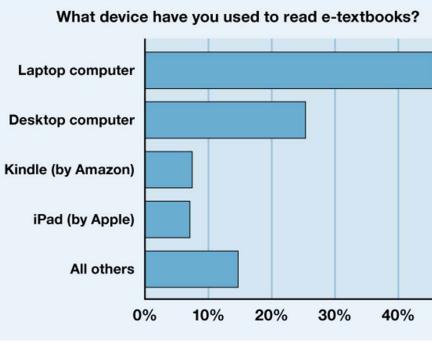
Key Finding-Value Perceptions

- Students don't yet fully understand the benefits of premium digital offerings like MyLabs, Connect, and Wiley Plus (red bar).
- How do premium digital offerings escape the ancillary perception?



E-Reader Devices

For faculty, the size of the installed base is essential if they are to adopt digital content for their courses. Over the last 10 years, computers have achieved a very large installed base especially when supplemented by campus computing centers.





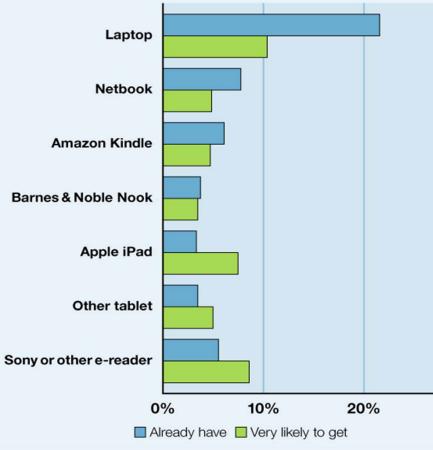




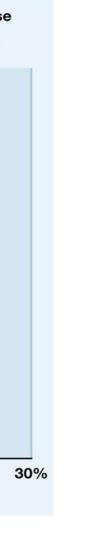
Key Finding- E-Reader Purchase Intent

- While there are many interesting new devices coming to market, most lack the computing power and applications required by students.
- Most students are unlikely to purchase and carry multiple devices. Hence a successful new device must be able to replace students' pcs or laptops.

Do you have or are you likely to get (either to purchase or receive as a gift) each of the following devices for your own use by the start of the next semester?







Higher Ed Channels

- Faculty- Support Waning
- Distributors Digital competes with used books
- Bookstores Losing revenues to online retailers
- Online retailers
- Publishers Direct CourseSmart





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Conditions for rapid market expansion Value + Innovative Platforms and Devices+ Enthusiastic Channel Partners = Rapid Market Expansion



