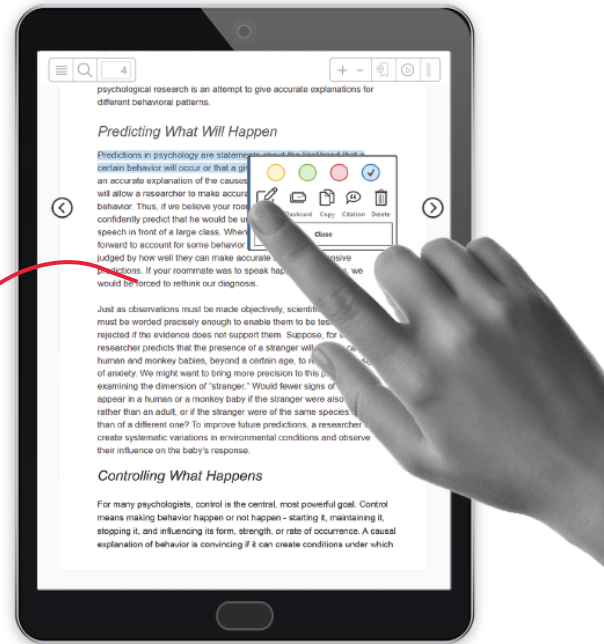# It's Time to Adopt a Digital-First Model for Course Materials

Five Reasons Why

Shayla King had seen campus store sales declining for some time. But more recently King, Bookstore Manager at Oklahoma State University Institute of Technology, noticed something particularly troubling. "We had students coming into the bookstore to take pictures of the ISBNs just to go online and get the book elsewhere," she says.

That's if they got them at all. According to NACS' 2020 Student Watch Report, nearly 30% of today's students do not purchase all of their required course materials[1]. They simply go without, and hope for the best.

And this was before the pandemic hit. If the case for a campus-wide, Digital-First approach to course materials —a model in which every student automatically receives digital textbooks, through the LMS—was strong before, it's practically imperative now, with schools and students facing severe financial strain, and concerns about affordability, equity, and access moving to the fore.

"Today's students have enough to worry about, without stressing over something as fundamental as obtaining affordable course materials," says Greg Fenton, founder and CEO of RedShelf. "In a Digital-First future, all students will have what they need to succeed at their fingertips. If your school hasn't already begun making the shift, now is the time to do so."

The good news is that hundreds of colleges and universities have already begun to shift to this model—and that it's proven to be a win for students and schools alike. Here are five reasons why.

1. Extend Maximum Affordability to All Students

Among the 30% of students who go without some of their required course materials, the number one reason cited is cost. The College Board recently estimated that a year's worth of course materials and supplies cost the average student over $1,200[2]. Add that to the already high cost of attendance and it's not surprising that students find themselves making tough spending choices.

The competitive pricing afforded by Digital-First models, however, ensures that all students have the materials they need to learn, at lower prices. By law, when an institution automatically delivers digital materials through the LMS, those products must be priced below competitive market rates—often up to 80% less when compared to new print versions of the same titles.

At the University of New Mexico, when students were offered automatic access to affordable digital versions of their required materials, 95% chose to participate, saving $3 million in the process. Similarly, after expanding automatic digital access, the College of Southern Idaho has seen a 96% student participation rate.

2. Implement a More Sustainable Business Model

Experts predict that, even after the pandemic, as many as 40% of schools will continue struggling financially, or close permanently, without new, more sustainable business models[3]. Institutional leaders campus-wide—including those in charge of course materials—are increasingly under pressure to find new efficiencies and strengthen the bottom line.

As Caesar Wood, Director of Auxiliary Services at Cloud County Community College, told us, one of the drivers for going Digital-First was the opportunity "to improve our margins by reducing physical inventory and not having to deal with the sunk cost of dead inventory sitting on our shelves."

Though the margins on a digital textbook may be lower, they are typically offset by dramatically higher participation ("sell-through") rates to students—more than 90% on average—yielding higher gross profit for schools and a sustainable financial model for years to come.

Morehead State University's results are illustrative of the model's efficacy. When the pandemic hit, the school moved to exclusively selling digital course materials, which led to 20-25% more purchases and a $300K increase in eBook revenue.

3. Support Learning with the Latest Technology

Last year's sudden shift to remote classrooms led educators and students to rely entirely—and sometimes reluctantly—on digital learning technology. Ten months later, with most schools still operating fully or partially remotely, it's clear that digital course materials are the new norm—and today's students may actually prefer them. For instance, according to the NACS survey, 1 in 5 paid course materials was a digital unit last year, up from 1 in 7 the year prior[1].

Raymond Zorn, Bookstore Manager at Louisiana State University-Eunice, experienced this firsthand. "Most of our students have taken to digital course materials like fish to water," he says. "They love how easy it is to access their course materials. They love the fact that they can highlight, make flashcards, and have the text read to them. They love the fact that instead of hauling around a heavy book sack, they can store everything on a tablet or laptop."

Modern learning technology also supports students with disabilities in ways that traditional formats cannot. Campuses report that roughly 50% of students who would qualify to receive accessibility support from their school do not choose to self-identify[4]. Advanced eReader platforms have built-in accessibility features to ensure these students have the proper tools to learn.

4. Launch and Scale at no Additional Cost

Digital-First models involve delivering digital course materials through an institution's existing Learning Management System (LMS), enabling most institutions to get up and running quickly. In addition, some partners such as RedShelf do not charge for the use of their distribution software and system integrations.

Typically, the greatest hurdle to implementing a Digital-First model is winning buy-in from internal stakeholders. To that end, Anthony Ross, Course Materials Manager for The Bookstore Collaboration at Minneapolis College, established a cross-departmental committee—including faculty, IT, the college's CFO, and others—to drive the program's vision and execution.

Taking another approach, Helen Nakos, Bookstore Manager at Joliet Junior College, partnered with RedShelf to develop and present the business case for a Digital-First approach to the VP of Academic Affairs and College leadership.

5. Give Your Campus Store a Seat at the Table

Campus stores have long been experts in providing students with the materials they need to succeed. They're typically the only retailers who can take financial aid, and most exist purely to serve students—not maximize profits.

But like all good leaders, course material managers need to adapt to changing realities. That means embracing a digital future. Those who do will be in a position to demonstrate that their store is advancing critical institutional goals around enrollment, retention, student outcomes, and efficiency.

According to Shayla King, it will drive stronger connections with students, too. "By having a digital option for students, I've been able to engage with more students, on a more personal level," she says. "I can see where they're at with understanding the material, and students open up about their financial situations, which enables me to direct them to Financial Aid for assistance."

Ready for the Next Evolution of Digital-First? Try Equitable Access.

Currently, many schools distribute digital course materials through a model known as Inclusive Access (IA), in which every student automatically receives digital course materials through the LMS, but pricing varies for each student, based on the materials required.

As schools seek ways to further level the playing field, Equitable Access (EA) is the natural next step. Under this model, every student receives all their required materials for the same flat fee. NACS' 2020 Student Watch Report revealed significant disparities in the cost of course materials in various areas of study (materials for Health Profession majors, for example, cost 65% more than those for Fine Arts majors). A flat fee model can help to ensure that students are able to pursue whatever course of study they wish, undeterred by cost implications.

Whether you go with IA or EA, the bottom line is that more and more colleges and universities will likely adopt a Digital-First model in the years to come. Now is the time to embrace it.

Vicki Marvel, Store Manager at Alvin Community College, sums it up this way: "Digital will only grow. Why? Cost, accessibility, and instant gratification. Today's students were raised on digital and it's second nature to them, so digital course materials for every class makes it easier for students—pay one fee, it's all done."

"I can't think of a reason not to," Marvel continued. "Especially as the pandemic has pushed more classes online. With digital, everything is right there. It's a one-stop shop."

Learn more at
about.redshelf.com/digitalfirst

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[1]nacs.org; Student Spending on Course Materials Continues to Decline; June 25, 2020

[2]pearsoned.com; Why students prefer digital course materials — and the impact they make; June 18, 2020

[3]insidhighered.com; Calculating Stress on Colleges; February 1, 2020

[4]RedShelf internal data; 2020