

Jisc Institution as E-Textbook Publisher project Business models

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UHI/ Edinburgh Napier - Amazon business model

The business model is to publish both e-textbooks on Amazon for a nominal (low) price. The rationale is that the value to the institution lies not in the commercial returns, but in the convenience to the student and the reputational enhancement for the author and the university. Using Amazon as an e-publisher gives global distribution of the product, high market exposure, a simple, stable, reliable multi-platform, digital management rights, and dedicated product analytics.

By using this business model, the institution is able to focus on the quality assurance aspects of the process, both before the book creation (commissioning) and afterwards (proof-reading, copyright, formatting, design). It is anticipated that the demand for these e-textbooks will be greater than only students of the two commissioning universities and therefore can be marketed on an internationally recognised retail platform. The anticipated price is in the region of £3.00, calculated on the basis of the minimum retail value to give the maximum financial return (Amazon pay 70% on e-textbooks over £2.99). The profits from the sale of these e-textbooks will be used to ensure the sustainability of the initiative as, having established the protocols, the ongoing costs are then largely in the initial preparation stages for further e-publications. It is anticipated that this system could be extended in the future to e-publications by other Scottish universities. This is not generally in competition with commercial publishers as most of the anticipated e-textbooks will be of a specialised, relatively short print-run, with minority academic interest. This system is perfect for dedicated print-runs and fast-changing subject areas.

The Amazon business model allows the university publisher to select the appropriate digital management rights (open or, in this case, restricted use) and the pricing structure. The system also allows for updated versions and links to companion resources. Although this is a 'commercial' rather than an 'open' publication system, the retail price is deliberately set a low (non-commercial) rate (currently estimated at around £3.00) to minimise the affordability barrier for students, while at the same time providing some financial returns to contribute towards long-term sustainability. The model has the advantage that additional institutions can, in the future, provide their own e-textbook files for uploading on the same imprint – provisionally entitled "University of Scotland Press" (pending legal checks).

Amazon's KDP service offer a 70% royalty return to publishers on eBooks sold above £1.99/\$2.99. Below that figure, the royalty returned is 35%. The notional move towards motivating students to purchase their own texts, fuelled by the mass-market appeal of a generic research skills text, led the project to decide on the £1.99/\$2.99 price point. The books are entered into the KDP Select scheme. The Kindle Unlimited service is available to customers at a subscription rate of £7.99 /\$9.99 per month, allowing them to choose from and download any of 700,000 eBooks and audiobooks without additional charge. KDP Select allows a title to be made available through the Kindle Unlimited service, for free. KDP Select also allows titles to be made free to everyone (not just those subscribed to Kindle Unlimited) for up to five days out of each ninety-day KDP enrolment period. The first eTIPS eTextbook was offered for free, in this way, between 09/11/2015 and 13/11/2015. Details of this are

given in section six, and the resulting units sold pushed the title to the #2 and then #1 most downloaded non-fiction book in the entire Kindle market place across two weeks (Fig.4).

The entirety of this project and all its outputs, are conceptually underpinned by a philosophy of access – both to knowledge, and to the production of it. The comparable number of readers who have access to Amazon (as opposed to iBooks or print on demand services) was a major determining factor in choosing Kindle as first distributor, and selecting the lowest possible list price (without compromising the royalty percentage) was largely motivated by the desire to make this title as accessible as possible.

UCL - Open Access business model

UCL's business model is to publish their textbooks as open access outputs, made available free online via UCL Discovery. UCL have chosen this model because they believe that open access is the best way to support both academics and students: for academics it means that their research will be distributed as widely as possible, and for students it means that price is not a deterrent to acquiring the texts necessary for their learning and academic development. By supporting institutional publishing, the UCL is also making a saving on multiple copies of course books that it would otherwise have to buy commercially for its libraries.

At the same time, UCL will be selling commercial versions of the e-textbooks for Kindle and tablets, in order to cover some of the production costs. Each e-textbooks will be priced at £5.95, which is well below commercial textbook prices according to a benchmarked analysis of prices charged by Open Book Publishers, one of the leading open access publishers in the UK, for their e-textbooks. This decision has been made because helping students access affordable course materials is one of the key objectives of UCL's textbook publishing strategy and business model.

Liverpool - Open Access business model

Both e-textbooks will be published on an open access business model. The advantage of open access here is that it will provide the publications free of charge to the University of Liverpool students for whom these e-textbooks have been specifically designed for (*Essentials of Financial Management* will be used on the largest module taught at the University of Liverpool, with nearly 800 students, not including those students studying the module at Liverpool's China and London campuses). By being open access, the e-textbook will also be freely available to students, researchers and teachers across the world, and therefore extend the University of Liverpool brand into other institutions.

Both books will be considered for print on demand paperback publication although the main priority will be the open access editions.

Nottingham- Open Access and freemium business model

For *Applied ethics*, the e-textbook will be published under a Creative Commons BY-NC-SA licence in order to maximise the chances of the e-textbook becoming widely adopted as an entry-level text for applied ethics, both in schools and universities. The expected value the book will bring to the institution is in publicising its commitment to pedagogic excellence and innovation, as well as the department of philosophy's research strength in these areas. It will also help to measure whether self e-textbook publication can make higher education more cost effective for students within and beyond the university.

Applied ethics will enhance the student experience and library provision. Neither of these groups will be required to pay for the publication, nor will they now have to locate and pay for an alternative. The e-textbook also supports the school of philosophy's values, as it can be used as a showcase of the excellent teaching and learning offered by the school. To this end, it is planned that the publication will be included in planned Massive Open Online Courses (MOOC) hosted by the university.

Corporate responsibility and sustainability in practice will be published using a freemium business model. This model will be based on a 'levels of access' approach. Throughout the course of the project, Nottingham University Business School will test and report on the commercial opportunities and appropriate levels of access for the e-textbook. Levels that might be suitable for delivery using a freemium business model are:

- Free basic access: ensuring content can be disseminated as widely as possible with no financial barrier to access
- Low cost premium access: this may cater to potential ICCRS members with an interest in more detailed content and would also be an appropriate level of access for libraries at other institutions
- Higher cost premium access and verification: this could possibly be offered at scheduled times of the year and include features whereby students or ICCRS members could have their completion of key activities verified
- Premium plus: this could be targeted at third party education or training providers interested in delivering accredited ICCRS training

The overall model will be further assessed in the run up to publication to ensure that the most appropriate approach is used. Analysis of e-textbook prices for similar content and size of materials suggests that for equivalent texts, £0.10-£0.12 per page is a suitable estimate. For a book of 220-300 pages (excluding case materials) this suggests a price range of £25-30. This is comparable to the most closely related text under review.

The business model for *Corporate responsibility and sustainability in practice* means that some materials will be available free to users and can therefore be considered out-with the normal commercial value chain. However, the value to Nottingham University Business School is that it enhances the potential for the university to strengthen collaboration with practice by consolidating its relationship with ICCRS.