

1984

## Are Publishers Immune From the Marketing Concept: An Empirical Investigation of Student Textbook Retention

Judith D. Powell  
*University of Richmond*

Donny Layne Rich

Follow this and additional works at: <https://scholarship.richmond.edu/robins-white-papers>



Part of the [Business Commons](#)

---

### Recommended Citation

Powell, Judith D. and Donny Layne Rich. 1984. "Are Publishers Immune From the Marketing Concept: An Empirical Investigation of Student Textbook Retention." E.C.R.S.B. 84-12. Robins School of Business White Paper Series. University of Richmond, Richmond, Virginia.

This White Paper is brought to you for free and open access by the Robins School of Business at UR Scholarship Repository. It has been accepted for inclusion in Robins School of Business White Paper Series, 1980-2011 by an authorized administrator of UR Scholarship Repository. For more information, please contact [scholarshiprepository@richmond.edu](mailto:scholarshiprepository@richmond.edu).

ARE PUBLISHERS IMMUNE FROM THE MARKETING CONCEPT:  
AN EMPIRICAL INVESTIGATION OF STUDENT TEXTBOOK RETENTION

1984-12

JUDITH D. POWELL  
ASSISTANT PROFESSOR  
MARKETING DEPARTMENT  
E. CLAIBORNE ROBINS SCHOOL OF BUSINESS  
UNIVERSITY OF RICHMOND  
RICHMOND, VA 23173

DONNY LAYNE RICH  
ASSISTANT PROFESSOR  
DEPARTMENT OF MARKETING  
SCHOOL OF BUSINESS  
UNIVERSITY OF ALABAMA AT BIRMINGHAM  
UNIVERSITY STATION  
BIRMINGHAM, AL 34294

ARE PUBLISHERS IMMUNE FROM THE MARKETING CONCEPT:  
AN EMPIRICAL INVESTIGATION OF STUDENT TEXTBOOK RETENTION

Abstract

Textbooks have been ignored in the application of the marketing concept to higher education, despite the fact that they are an important component of the product offering. This study suggests that students feel that their textbooks are meeting their needs, but that need satisfaction does not affect textbook retention. The decision to keep or sell textbooks appears to be largely a function of the perceived value and relevance of the book and the manner in which it presents material.

Introduction

The application of the "marketing concept" to facets of higher education has been a popular topic in recent AMA proceedings. This increased "focus on consumer needs and wants" (Borch 1957, p.140) has been applied to the university's offerings, the course content, and the evaluation of faculty. Academic deans (Taylor 1982) and college presidents (Allen and Peters 1983) have been described as only limitedly involved, yet crucial, to the marketing of business education. In addition, guidelines have been offered to ease the implementation of marketing strategies for universities (Berry and Kehoe 1980; Mathews and Blackwell 1980).

The ultimate consumer - the student - has not been ignored in the research. Methods have been suggested for both increasing student input (Thistlewaite 1982) and assessing student satisfaction (Barry, Gilly and Schucany 1982; Hawes and Glisan 1983).

The product itself has been described in light of both course content and "pedagogical approach" (Abell 1977, p.141). Even so, an important component of the product offering has been ignored. The textbook and satisfaction with it have yet to be included in an application of the marketing concept to higher education. While textbooks parallel pharmaceuticals in that the choice decision is removed from the ultimate consumer, textbooks are an integral component of the business education "product."

Textbooks remain very much in the "sales era"; the publishers are not limited by production capabilities but by the effort to "beat the competition and win the customers" (McCarthy and Perreault 1984, p.35). Textbook sales are very much part of the missionary (i.e. detail) selling procedure with the advantages to the decision maker considered to be more crucial than to the actual consumer. The sales era assumption that sales volume leads to higher profit with the resultant use of volume as the primary criterion of sales effectiveness is very much the case in textbook publishing. In publishing, profitability becomes largely a "function of volume" (Standard and Poor's 1984, p.85).

Textbook publishing is the most profitable aspect of the book business because "prices are high, the market is relatively stable, and author's fees and manufacturing costs are relatively low" (Fortune 1984, p.9). While trade books yielded operating profits of 6.3 percent of sales in 1983, college textbooks had operating profits averaging 25.5 percent of sales (Fortune 1984, p.9). Textbook sales to colleges in 1983 was estimated at \$1.2 billion with sales to elementary and secondary schools at \$1.15

billion (U.S. Industrial Outlook 1984).

College textbooks routinely carry a higher price than secondary school texts, reflecting the smaller volume sold. At least partially as an effort to maintain volume, a noted proliferation of editions exists in college texts. In 1982, there were 807 new business textbooks introduced and 282 new editions (Bowker Annual 1983).

With 2,586,000 students in business schools in 1982 (Statistical Abstract 1984), the business textbook market remains a favorite with publishers. But in light of the marketing concept, are textbooks meeting the changing consumers' needs? The number of students in the 18 to 24 year old category is expected to drop 17 percent between 1982 and 1990 (Standard and Poors 1984). The number of middle and lower income families able to afford higher education will also decrease (Nielsen 1983). In 1982, used textbook sales increased by 193 percent over 1981, compared to a 10 percent increase for new textbooks. With current financial constraints, students have been found to buy used books if they are priced 20 to 30 percent less than new ones (Publisher's Weekly 1983).

If the marketing concept is to be applied to higher education, not only the course and the professor must be considered, but the textbook must be included in the product offering. This paper examines the extent to which business textbooks are perceived by students to be meeting their needs. It focuses on whether the desire exists for reference type textbooks or for "returnable" course materials.

## Procedure

Subjects for the study were 291 students attending an urban, state university and a private residential university. Both schools are accredited by the American Assembly of Collegiate Schools of Business. The subjects were majoring primarily in business. Marketing and management accounted for 38.4 percent of the sample, accounting and finance majors comprised 26.1 percent, economics was 12.0 percent and other business disciplines accounted for 13.8 percent. The remaining 9.8 percent consisted of non-business majors enrolled in business courses. The respondents were primarily juniors and seniors (38.7 and 39.8 percent respectively) with sophomores making up 10 percent. Many of the subjects (29.1 percent) worked full time while going to school and 39 percent had part time jobs.

The questionnaire consisted of items concerning the number of books purchased and amount spent for them, the degree to which textbooks are perceived to meet the student's need, reasons for keeping textbooks or selling them back at the end of the term and demographic information. Individual, in-depth interviews were conducted to determine whether the questionnaire items were understandable and to detect salient issues which might have been omitted. After modifications suggested by the interviews were included, the questionnaire was administered during a regular session of several business classes. Data from six of the students was not useable, leaving a valid sample size of 285.

## Findings

The decision to purchase textbooks is different from many other purchase situations in that the consumer is not the decision-maker. Professors select the books to be used in their classes in much the same way that physicians select the medicine they prescribe for their patients. In both cases, the actual consumer relies on the judgement of the decision-maker: either professor or physician. Because they have little choice in textbook selection, one might expect students to feel that their needs are not being met exceptionally well. However, these data suggest an extremely high level of need satisfaction. Over 67 percent of the sample responded that textbooks meet their needs well or very well. This suggests two implications. First, professors appear to be effective in selecting textbooks that meet their students' needs. In addition, publishers seem to be successful in developing their product offerings so that professors have an appropriate set of books from which to choose.

An additional factor which makes this high level of need satisfaction more remarkable is that textbooks represent a major expenditure for many students with 57.9 percent of the respondents reporting that they spent over \$90.00 for textbooks the previous term. Nearly a third of the students (30.9 percent) spent in excess of \$120.00 for their texts. The cost of books may be one explanation for the popularity of used texts. When given the choice between purchasing new and used books for a course, almost 80 percent preferred used books, while 72.5 percent of the sample reported purchasing at least one used book

last term. This may be particularly true since about 57 percent of the subjects pay for more than 20 percent of their own educational expenses.

Thus, despite the fact that students spend a great deal for their textbooks and are not involved in their selection, most feel that textbooks meet their needs. Crosstabulations were performed to determine whether perceived need satisfaction was related to the amount spent on textbooks, the number of texts sold back and preference for used books. The value of Chi Square for each of these crosstabulations was not significant at the .05 probability level. This suggests that perceived need satisfaction is independent of each of these variables. In terms of the degree to which they feel their textbooks meet their needs, students who spend more for books are not significantly different from those who spend less, students who keep their books are not different from those who sell them, and those who prefer new books are not different from students who prefer used books.

Despite the overwhelming response that textbooks meet students' needs, many books are sold at the end of the term. This suggests that factors other than need satisfaction affect the decision to keep or sell texts. A number of questions were directed at determining why books are either kept or sold by asking subjects to report the frequency of keeping or selling books for various reasons using a five point scale labeled "almost never", "seldom", "sometimes", "often", and "almost always". Responses of "often" or "almost always" were used to

classify a response as a reason for either keeping or selling a book.

The most important reason for keeping textbooks seems to be its perceived future relevance. Table 1 illustrates the percentage of students responding that they sold books for each reason. Sixty-eight percent of the subjects reported keeping books which are relevant to their professional careers, while 69.9 percent reported keeping books which they perceive to be relevant to future courses. In other words, students are likely to keep books which they expect to need in the future.

A second reason for keeping texts is related to the student's perception of the value of the book. Over half (54.8 percent) reported that they kept books because they could not be sold for what they were worth. Nearly 21 percent of the subjects reported keeping their books because they did not need the money. These perceptions of the value of texts are phrased in monetary terms. In nonmonetary terms, over a third of the subjects (35.1 percent) keep books because it is a hassle to sell them.

The third reason for keeping books is that the presentation of the material is effective. When the material in the book is perceived to be relevant and interesting, 43.3 percent of the respondents reported keeping it while 31.3 percent said that they kept books in which the writing style is effective and interesting.

An additional reason for keeping textbooks appears to be the student's affective response to the course itself. A third of the students reported keeping their books because they liked the

Table 1  
Reasons for Keeping Textbooks

How frequently do you keep textbooks because:	
the book is likely to be a reference for future courses	69.9*
the book is relevant to your professional career	68.0
you cannot sell them for what they are worth.	54.8
the material in the book is relevant and interesting	43.3
it is a hassle to sell them	35.1
you like the course	33.2
the writing style of the book is effective and interesting	31.3
you do not need the money	20.7

\* represents percentage who responded "often" or "almost always"

course. This reason is different from the others because it is independent of the book itself.

The reasons for selling books fall into essentially the same categories. Table 2 presents the percentages of students responding that they sold books for each reason. The most common reason for selling books relates to the value of the book, with 56.4 percent reporting that they sold books because they needed the money. Lack of relevance was another important reason for selling books. This is illustrated by the fact that 46.3 percent of the sample reported selling books which are not relevant to their professional career and 40.7 sell those which are irrelevant to future courses.

The presentation of material is also an important reason for selling books. Poor writing style causes 31.9 percent of the sample to sell their texts, while dull or uninteresting content caused 26.6 percent to sell books.

Finally, the student's affective response to the class provides a reason for selling books. Approximately 22 percent of the subjects sell the books used in courses they dislike. Again, this affective response is to the course rather than characteristics of the book itself.

Several contrasts between reasons for keeping and selling textbooks are suggested by the data. In terms of the value of books, over half of the subjects said that they sell them because they need the money, yet only 20.7 percent keep them because they do not need the money. This low percentage for keeping books may be due partly to the fact that students are seldom in the position of having adequate funds.

Table 2  
Reasons for Selling Textbooks

How frequently do you sell books back because:	
you need the money	56.4*
you consider the book to be irrelevant to your career	46.3
you consider the book to be irrelevant to future courses	40.7
the writing style of the book is dull and/or uninteresting	31.9
the material in the book is dull and/or uninteresting	26.6
you hate the course	22.3

\* represents percentage who responded "often" or "almost always."

A second contrast is in the responses to the presentation of material. Students reported keeping books because the material was relevant and interesting more often than because the writing style was effective. This implies that good writing alone is not sufficient, but should be supported by meaningful content. However, when selling books, dull writing was more frequently a factor than was dull content. The implication here is that, even when the material is relevant, students desire an effective writing style.

In addition to determining why books are kept or sold, it is also important to look at which books are kept. Table 3 presents this data. The most frequently kept books are those used in major courses (76.2 percent) followed by those used in quantitative courses such as statistics or accounting (63.6 percent). Over half the students kept texts used in upper division courses (54.6 percent) compared with 45.3 percent in principles courses.

One finding which was expected was that books which were purchased new were kept more frequently than those which were bought used (35.8 percent compared to 25.5 percent). This is consistent with the fact that over half the students kept books because they could not be sold for what they were worth. Clearly the difference between the amount paid to purchase books and the amount received from selling them is greater for books which were purchased new than for used texts.

Perhaps the most unexpected finding was that 31.7 percent of the subjects reported keeping their books used in case courses.

Table 3  
Type of Textbooks Kept

How frequently do you keep textbooks:	
for your major courses	76.2*
for quantitative courses (such as statistics or accounting)	63.6
for upper level courses	54.6
for non-quantitative courses (such as marketing or management)	46.1
for principles courses	45.3
which were new when you bought them	35.8
for your minor courses	32.1
for case courses	31.7
which were used when you bought them	25.5
for courses in which the discipline is undergoing rapid technological change	19.7

\* represents percentage who responded "often" or "almost always"

It would seem that there is little reason for keeping these books. They are unlikely to contain reference material which is useful for future courses or professional careers. It may be that students enjoy the examples of "real life" situations and the activities involved in analyzing and solving the problems. This affective response becomes the reason for keeping these books.

In summary, several factors appeared to be important in the decision to keep or sell books. Relevance, either to future courses or to one's professional career was one reason for keeping or selling books. This was supported in the analysis of which books are kept. Books for major courses and quantitative courses are quite frequently kept. It is logical to expect that they may have the potential to serve as references for other courses.

Value was another reason for keeping or selling books. The need for money was balanced by the hassles involved in selling books and the amount received for the book. This is reflected by the fact that books purchased new were less likely to be sold than used ones. In each case, the question seems to center around a comparison of the resources given up, (the book, the money required to purchase it initially, the time invested in selling it and so forth) with the resources obtained (money received from selling it). It is quite possible that the relevance of the book is also considered in the assessment of its value.

Presentation of material, both in terms of relevance and interest of material and effectiveness of writing style appear to

be important issues. The data suggest that students prefer books which offer both meaningful content and interesting presentation.

Finally, there appears to be an affective component in the decision to keep or sell books. When students like the course, this affective response may be generalized to the book. Though this study is unable to test this idea, it may be the affective response to the course which causes the unexpectedly high rate of retaining case books.

#### Implications and Future Research

Textbooks are a part of the educational product offered by colleges and universities. If the marketing concept is to be practiced, it should be applied to all aspects of the product. The results of this study suggest that the majority of students feel that their needs are being met by their textbooks. This implies that professors are effective in selecting texts which meet their students' needs and that publishers are doing a good job of selecting authors and planning the offerings of books.

Despite the fact that students feel that their needs are being met, many are still selling their books at the end of their courses. This practice is inconsistent with the needs of publishers in that it reduces the demand for new books by creating a marketplace for used ones. Publishers respond by offering more new books and increasing the frequency of new editions. One possible avenue for future research is to conduct

a survey of professors to determine the degree to which textbooks meet their needs. What is the reaction of this group to the proliferation of new books and particularly the increasing frequency of editions? If professors do not feel a need for more frequent updates of editions, publishers may need to determine other means of reducing the resale market.

Because of its exploratory nature, this study is only able to suggest possible alternatives to publishers. Several reasons for selling and retaining books are outlined, but the relative importance of each is not addressed. For example, the most common reason for selling books is need for money. Are the other reasons (relevance, presentation, and so forth) simply a means of deciding which ones to sell? If the student did not need money, would any books be sold? Future research should address these questions. The results would have important implications for publishers who want to keep their books out of the resale market.

In conclusion, textbooks are an important component of the educational product offered by colleges and universities. Overall, students feel that their needs are being met. However, there are inconsistencies between their buying behavior and the desires of publishers. A better understanding of the market may help authors and publishers to resolve these inconsistencies without sacrificing need satisfaction. The results of this study should offer a first step toward achievement of that goal.

## REFERENCES

- Abel, Derek F. (1977), "Applying the Marketing Concept to Marketing Education," Proceedings, American Marketing Association, 141-144.
- Allen, Bruce H. and William H. Peters (1983), "The Status of Strategic Marketing in Higher Education: College Presidents' Viewpoints," Proceedings, American Marketing Association, 6-9.
- Barry, Thomas E., Mary C. Gilly and William R. Wchucany (1982), "Students as Consumers: Predicting Satisfaction," Proceedings, American Marketing Association, 109-112.
- Berry, Leonard L. and William J. Kehoe (1980), "Problems and Guidelines in University Marketing," Proceedings, American Marketing Association, 6-9.
- Borch, Fred J. (1957), "The Marketing Philosophy as a Way of Business Life," The Marketing Concept: Its Meaning to Management, Marketing Series, No. 99, American Management Association, 3-5.
- Bowker Annual (1983), U. S. Congress, 92.
- Fortune (1984), "G & W's Book Value," (December 10), 8-9.
- Hawes, Jon M. and George Glisan (1983), "A Marketing Approach to Student Evaluation of a Department of Marketing," Proceedings, American Marketing Association, 159-163.
- Mathews, H. Lee and Roger D. Blackwell (1980), "Implementing Marketing Planning in Higher Education," Proceedings, American Marketing Association, 1-5.
- McCarthy, E. Jerome and William D. Perreault (1984), Basic Marketing, Homewood, IL: Richard D. Irwin, Inc.
- Nielsen, Richard P1 (1983), "University Strategic Market Planning and Socioeconomic Trends," Proceedings, American Marketing Association, 360-363.
- Publisher's Weekly (1983), "Talk with NACS' News Director: Used Textbook Sales are Accelerating," (February).
- Standard and Poor's Industry Surveys (1984), New York: McGraw-Hill, Volume 2, 84-85.
- Statistical Abstract of the United States (1984), U. S. Department of Commerce, 162.

- Taylor, Raymond E. (1982), "Academic Deans as Marketers,"  
Proceedings, Southern Marketing Association, 319-322.
- Thistlewaite, Paul (1982), "Developing a Student Oriented  
Syllabus Using a Marketing Concept Approach,"  
Proceedings, Southern Marketing Association, 306-307.
- U. S. Industrial Outlook (1984) Commerce Department, 7.