



National Association of College Stores

500 E. Lorain Street

Oberlin, OH 44074

Phone: (440) 775-7777 • Fax: (440) 775-4769 • www.nacs.org

FAQ on Used Textbooks

Why do college stores sell used books?

College stores sell used books as a service to students. The process of buying back and reselling used textbooks helps students lower their total course material expenses, and students have come to demand used books and the savings they provide.

Are used books as valuable as new books?

Yes. According to a fall 2003 *Student Watch*TM report, 76% of students agree that used course materials are as valuable as new.

Because of student demand used books accounted for \$1.7 billion in college store sales during the 2003-2004 academic year and made up about 16% of all college store sales (25.3% of all course material sales), according to NACS' *2005 Industry Financial Report*. Many stores believe that given students' demand for used books these percentages would be higher if more used books were available.

What is the average price for a used textbook?

Used textbooks are typically priced at 75% of the retail price of the new book. Prices on used books range from \$10 to \$80, with the average price being \$40.01 according to NACS' *2005 Industry Financial Report*.

Do college stores price used books differently than new books?

Yes. Although used textbooks provide students with a 25% savings compared to the cost of a new textbook, there is a slightly higher margin on used textbooks (34.9%) when compared to new textbooks (22.5%).

The process of acquiring, cleaning, pricing, and re-shelving used books involves significantly more time than that of new textbooks and increases college stores' operating expenses. In addition, because used books are non-returnable to publishers (as new books are), college stores assume a higher risk on their used book inventory. There is also the possibility that the publication of a newer edition will make inventoried used textbooks obsolete, even though the store has already purchased them.

Does the sale of used textbooks raise the price of new textbooks?

Although some people claim that used textbooks force publishers to charge higher prices on new textbooks, NACS believes that it is actually the high development costs related to publishing a new textbook that keep new textbook prices high.

Generally, the resale market has no impact on the price of new items. For instance, used cars sales do not effect the price of new vehicles, existing housing sales do not effect the price of new construction, and the price of clothing at resale outlets does not effect the price of new apparel in your local mall.

Unfortunately, the need for higher education to stay current with changing information often requires frequent revisions of textbooks. Although this is more significant in some fields, such as science related disciplines, than in others, it is the related development costs needed to produce new textbooks that keep new textbook prices high.

How do college stores acquire used books?

College stores use a variety of methods to secure used books for students. One familiar strategy for obtaining used books is through buyback events, where books are purchased from students for resale. College stores also work with textbook wholesale companies to secure additional copies of used books, or books that may not have been available during their campus' buyback. Because wholesale companies are integral suppliers of used books and experts on the used book market, many college stores seek their help to run buyback events. New textbooks are typically not ordered until the used book market has been exhausted.