

Business Plan:

**OpenStax College: Introduction to
Sociology**



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I. Executive Summary

As a non-profit organization initiated by Rice University, OpenStax offers free online textbooks to expand access to high quality learning for students. These textbooks are written by professors and credited content developers to ensure top-notch quality. Currently OpenStax offers College Physics, Introduction to Sociology, Biology, Concepts of Biology, Anatomy and Physiology, and Introduction to Statistic. OpenStax projects to expand rapidly within the next few years.

To accomplish its mission of lowering the cost of textbooks for students, OpenStax seeks to increase the organization's exposure. OpenStax publishes books based on the number of students enrolled in its courses. In June of 2012, the popular Sociology textbook *Introduction to Sociology* was released and garnered attention from students and professors.

Targeting AP, IB, and college students, OpenStax *Introduction to Sociology* benefits from a large market size but also has various competitors. Some similar sites that offer free online textbooks are Merlot, Flatworld and Bookboon. To succeed, OpenStax needs to fix its existing problems and find innovative ways to package itself.

OpenStax suffers greatly from its lack of public exposure. Although the content of the books are extremely high quality, not many students are aware of its availability. In fact, OpenStax only holds 1.7% of the market share for *Introduction for Sociology*. This can be attributed to its low ranking on search engine results and insufficient social media exposure.

Although OpenStax already excels in terms of pricing, it must continue to emphasize promotion and advertisement to further increase its market share. Partnering with Google to increase Openstax's search ranking is one solution to this problem. In addition, OpenStax can also spread awareness through student advocates who can communicate with their professors and promote OpenStax's *Introduction to Sociology* through social networking such as Facebook and Twitter.

OpenStax is an innovative and kick-starting resource that has the potential to improve the education of countless students throughout the world. With more emphasis on advertising and promotion strategies, OpenStax has unlimited potential to revolutionize the future of educational resources.

II. Mission, Goals and Objectives

General Description of Business

OpenStax College provides Open Educational Resources to the general public. Specifically, OpenStax provides the *Introduction to Sociology* textbook for free. In the last few decades, textbook prices have risen exponentially to the point where many underprivileged college students struggle to obtain the necessary textbooks for their classes. OpenStax first published *Introduction to Sociology* in June 2012 and aims to release up to 25 textbooks in a wide variety of fields.

Mission Statement

OpenStax works to eliminate costly traditional textbooks and replace them with free innovative ones in order to improve student access to quality learning material.

Goals and Objectives

OpenStax has garnered initial success in terms of recognition and support. However, the company is still in its initial “build” phase and has the following goals:

- Increase exposure to target audience of college students and professors
- Acquaint the general public to OpenStax and Open Educational Resources (Convince people that these resources are viable and useful)
- Achieve and maintain 10% market share for AP/IB/College textbooks
- Establish a sustainable business model once “build” phase is over

III. Market Analysis

Market Need

According to the Huffington Post, textbook prices have soared over 812 percent since 1978, producing an average expected cost for books and materials to \$1,168[1]. Shockingly, the increase in textbook prices is four times the rate of inflation. [2] These burdens have taken their toll on students nationwide. The Chronicle of Higher Education notes in a poll conducted by the U.S. Public Interest Research Group that these costs have led to 7/10 students skipping out on buying certain textbooks at all because of cost. Even worse, many community college students must purchase textbooks that costs more than the class itself. [3] OpenStax addresses the issues of rising textbook costs that accompany increasing costs of education. Ultimately, *Introduction to Sociology* is one of many “free textbooks [that] are developed and peer-reviewed by educators to ensure they are readable, accurate, and meet the scope and sequence requirements of [any sociology] course” giving students the opportunity for higher education which is priceless in the interim. [4]

Market Size

The market for *Introduction to Sociology* includes AP and IB programs, community colleges, and universities across the globe. Naturally, the textbook would be an excellent resource for students in English speaking countries, but it could also be a beneficial supplement for students learning English in non-English speaking countries. The following indicate the current market for sociology textbooks:

- Currently, there are over 9,600 Introduction to Sociology Texts on Amazon.com. [5]
- Sociology appeals to Internet savvy people, younger generations, and college students
- Sociology provides preparation for careers in law, business, medicine, community planning, architecture, politics, or academics.
- The MCAT 2015 recently incorporated Sociology, which makes it an even more popular field of study, especially for pre-med students.

Currently, the sociology textbook market is mainly served by many well-known publishers, such as John Wiley & Sons to Pearson Education and McGraw-Hill. These publishers offer their material at premium cost to students. [7] In addition, companies such as Merlot, Bookboon, Flat World Knowledge, and Boundless Learning offer free sociology textbooks. However, these companies only serve a small portion of the market and are relatively obscure.

On the other hand, OpenStax aims to enter the mainstream market and revolutionize the textbook market. OpenStax uses Creative Commons Licensing, which places the content of *Introduction to Sociology* under public domain; every aspect of the textbook is free to share and personalize. Also, OpenStax offers *Introduction to Sociology* in many different platforms, such as iBook, print, and pdf.

The following indicate the current market status of *Introduction to Sociology*:

- *Introduction to Sociology* has over 500,000 web views and 75,000 pdf downloads. [6]
- 62 educational institutions in the United States, France, Canada, and Italy have adopted *Introduction to Sociology* as their official Sociology textbook. [6]
- Currently, there are over 9,600 *Introduction to Sociology* Texts on Amazon.com. [5]

Current Process for Textbook Adoption

Many universities and community colleges have their own policies for curriculum change and new textbook adoptions. Generally, policies for private institutions dictate that textbook adoptions require approval by various academic committees, the Provost, and the President of the specific institution. Meanwhile, public schools have policies mandated by the State Board of Education in their specific state [8]. Currently, new textbooks are only adopted every few years.

IV. Marketing Plan

At this point in *Introduction to Sociology* and OpenStax's development, gathering widespread attention on the textbook constitutes the most important goal. Extensive recognition of the textbook and the OpenStax system will significantly increase the textbook's adoption rates. The following is a detailed plan to achieve this goal:

Step 1: Establish Familiarity and a Pool of Student Advocates

In order to become a "brand name" among students, OpenStax should utilize the Google search engine to expand its brand.

Currently, OpenStax has a useful "View on Web" option for its textbooks, which allows students to utilize parts of the textbook without downloading it. However, currently "Web View" option remains quite obscure. The student must navigate through the OpenStax website to reach a separate host website, Connexions at cnx.org, in order to use "Web View." As a result. Many prospective users either lose patience or never even reach the host site.

Therefore, OpenStax should make the "Web View" option much simpler to find and use. Furthermore, OpenStax should partner with Google to promote search results that lead the student directly to the Web View version of *Introduction to Sociology*. For instance, if a student searches for the key term "Race and Ethnicity, Sociology", Google will direct users to the following URL: <http://cnx.org/content/m43001/latest/?collection=col11407/1.7>. This link will bring users directly to the chapter of *Introduction to Sociology* that contains the information. Eventually, students will become accustomed to the high quality free information that OpenStax offers.

Over time, OpenStax will develop a loyal pool of student supporters who understand the book's value. These students will promote the book both to their friends and their professors. If professors receives significant amounts of positive reviews for *Introduction to Sociology*, they are likely to adopt the textbook. After all, professors put significant weight in their students' opinions because they want to utilize the most effective educational resources possible.

Step 2: Gently Nudge Student Advocates to Recommend OpenStax for Professors

According to the editor in chief of OpenStax, the company firmly believes that "the customer is always right." The company does not plan to impose its textbooks on potential customers, and instead elects to use a more passive approach for self-promotion. This includes using social networking websites to garner support for OpenStax's *Introduction to Sociology*.

While many students who know about OpenStax may naturally share the wonderful resource with their friends, OpenStax can further its presence on social networking sites such as Facebook and Twitter by creating simple links that enables students to “Share” on Facebook or “Tweet” about these books. Overtime, students can band together on social networking websites to promote *Introduction to Sociology* In order to convince their professors to adopt it. If successful, the students will save a significant amount of money.

To facilitate the process of spreading the word to professors, OpenStax should make the process simple for students. For example, the company can put a link on its textbooks that enables students to quickly send emails to their professors recommending the book. An example link could read, “Want your college textbooks free? Recommend your professors to use OpenStax today”. The link will bring students to a prewritten email in which users fill out the names of their professor and the email addresses of the sender.

Step 3: Gather Information and Take Specific Actions:

Once OpenStax has a strong database of students sending emails to their professors, it should then begin to sort the emails according to the emails’ “.edu” addresses and find out how many emails are sent to each college. To concentrate the advertising efforts, sales representatives will be sent to professors who have received a threshold number of emails from their students. Since these professors will already know about OpenStax, representatives can focus on important details rather than start their presentations from scratch.

V. Appendix

Works Cited

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