

OC10017

Apple I-pad case study: Razors and Razor-blades (tentative title)

** This is a work in progress **

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The objective of this case-study is to examine the pricing model that Apple is employing for its e-books and then: (1) compare it to the Amazon model (their largest competitor in the e-book space, (2) compare it to other bundled goods pricing models (like with razors and razor-blades), and (3) apply it as a potential vehicle for e-text delivery on university campuses for the millennial learners.

The adoption rate for e-texts has not been as successful as the textbook industry would have liked principally because the customer base still does not consider the e-text a close-enough substitute to paper textbooks. The apple I-pad device approaches the tactile 'paper book' experience in a way that no existing e-book device has to date. With the ability to eliminate the secondary (resale) market for textbooks and better satisfy a growing demand from educators to reach a new generation of learners in a fashion in which they are accustomed, the apple I-pad device and their accompanying e-book pricing model have the potential to be a win-win for both the industry and the learning community.

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