Perlego, a Friend or Foe?

E-textbook Streaming Service

Hannie Riley, Librarian, Wycliffe Hall, University of Oxford

ABSTRACT Considering the success of Spotify and Netflix, it was inevitable that an e-textbook subscription-based streaming service become available on the market. Perlego, a personal all-you-can-read digital e-textbook subscription provider, launched in 2017 under a motto of accessibility and affordability for all. They targeted individual students directly and slowly gained popularity. However, with the COVID-19 pandemic, Perlego turned its business model around by offering a free subscription to meet the outcry for online resources during the first few months of lockdown and by working together with librarians to offer institutional subscription licences. Since then, this new way of providing e-resources has become mainstream. Also, with development of useful built-in study tools, such as a reading list management called Workspace, one-click referencing, and Notebook, it has risen above being simply an e-textbook streaming service to an educational learning platform. Librarians must think hard about what effect this will bring to the future.

INTRODUCTION

Spotify and Netflix are part our lives. According to Ruby (2023), Spotify has 515 million active monthly users and "210 million premium subscribers across 184 regions" and Netflix has "over 232 million paid subscribers worldwide as of Q1 2023." In 2022, Netflix produced 891 original films and series, "generating $31.61 billion in revenue and $4.49 billion in net income" (Ruby 2023). They have changed the way people listen to music and watch videos and films. No one questions their steaming service business model nowadays.

   Not only music and videos, e-book subscription sites are already on offer for unlimited reading for a flat monthly fee, such as Wired, Scribd, Kindle Unlimited, Bookmate, and Kobo Plus. However, they are for general reading, not specialised in academic teaching and learning. For students who are struggling with the cost of living, an

e-textbook streaming service can be an excellent solution and that is where Perlego comes in.

WHAT IS PERLEGO?

Perlego is a subscription service that gives users limitless access to over one million academic e-textbooks (Perlego 2023). It is often referred to as "Netflix for textbooks" (Gooding 2018) or "Spotify textbooks" (Tobin 2022). Just like other streaming services, it adopted an individual subscription model over the internet.

Perlego was founded in 2016 by two Cambridge graduates, Gauthier Van Malderen and Matthew Davis, who were battling with the cost of textbooks as students, and launched in 2017 (Watts 2022). It offers personal all-you-can read digital subscription monthly or annually. A subscriber can join and leave anytime they want. It is easy to create an account by signing up online and simple to leave. Their flat costing model offer is $18 per month for a monthly subscription or $12 per month for an annual one.

Access to over one million non-fiction titles is provided with 24 topics are represented on the Perlego platform. Over 62,000 titles are available in the Theology and Religion topic. Theology and Religion ranks in the top third in the collection size order. Considering its unpopularity as a subject in higher education (The Brisith Academy 2019) this is a large collection. That is not the kind of attention this subject usually gets in academia.

When Perlego launched, it focused on selling private subscriptions to consumers, mainly university students, directly by working in partnership with various commercial companies and educational related organisations such as Barclays Bank, Vodafone, Talis (educational technology company), and UCAS (Universities and Colleges Admissions Service) (Talis 2021; Naik 2020). New students were given a free subscription as part of a welcome package when they opened a student bank account or purchased a new mobile phone. For example, Barclays Bank student account holders were offered a free one year subscription to Perlego (Ingham 2020) as an opening reward, while Vodafone, a British multinational telecommunications company, gave their mobile phone users six weeks of free access to Perlego as part of their mobile package (Digital Society 2020). Free trials often yield continuation of subscriptions. This business model, however, completely bypassed the institutional libraries.

From the inception of Perlego, librarians in the UK were not sure about what to think of Perlego, as their marketing focus was completely different from traditional publishers and e-resource providers. Keeping out of libraries and institutions, Perlego talked to students directly as its driving force was completely outside of librarians' remit. All libraries could do was sit uncomfortably by and witness that some of their students started to feel no need to visit institutional libraries by taking out Perlego subscriptions. Many subscribers felt Perlego was sufficient to carry out their studies successfully without libraries. One small theological seminary librarian in the UK saw a drop in physical library visits and was even questioned about the value of her library service by her senior management team (Anonymous, Perlego Subscription 2021).

Since 2017 its business was growing rather slowly, then suddenly it hit the jackpot.

COVID-19 PANDEMIC

In 2020, only three years after the launch of Perlego, COVID-19 halted the entire world. Due to the pandemic, library doors were firmly shut for a lengthy period, many librarians were furloughed, and students were left with no access to library books. Librarians were anxious to continuously provide a service to desperate students. Perlego saw this and realised more openness and willingness from publishers as well as urgency and desperation from academic institutions, which was accelerated by COVID-19, to swiftly provide teaching resources online to students. It seized the opportunity and acted quickly. It reached out to academic libraries in the UK (Naik 2020) and offered free subscriptions to all students for a few months during lockdown via their libraries (Young 2020). Of course, an offer of a free trial was not new to Perlego. It was its standard marketing practice to students directly before the pandemic in partnership with private companies but the difference this time was that it did it through libraries. Perlego started to approach institutions directly and engaged with librarians. Librarians asked their students to sign up for a free Perlego subscription. When this trial was over, Perlego offered a cheaper rate for libraries to buy bulk licenses for their students.

This was a huge turnaround. Its marketing focus had moved from individuals to institutions, and this enabled universities to buy Perlego subscriptions on behalf of their students. Many librarians,

especially small libraries with weak e-book provisions, were quickly taking up subscriptions for their students during the pandemic hence Perlego's new indirect selling model via institutions pushed a huge increase in their sales (Naik 2020). Perlego became popular in theological seminary libraries and now just under 20% of institutional ABTAPL (Association of British Theological and Philosophical Libraries, *https://abtapl.org.uk*) members have purchased over 3,000 licences according to Perlego (pers. comm., June 2023).

Librarians became an agent to deal with Perlego licences and the licence distributor to their students. The librarian previously mentioned above, who had been questioned about her value quickly became a project leader for her institution to work with Perlego e-books. Furthermore, she not only negotiated the licence fees and monitors usage, but also facilitates the reading list creation and worked closely with academics to collaborate on reading list management (Anonymous 2021). This was also testified by another librarian who shared her experience of using Perlego. It allows faculty to engage with librarians much more easily through their reading list menu called Workspace (Naik 2020; Thurm 2023).

Is this success of Perlego simply down to pure luck, being in the right place and at the right time due to the COVID pandemic? There is more to Perlego as it continues to expand.

BENEFITS

The advantages of Perlego will be examined from the perspective of various stakeholders: users, publishers, institutions and lastly, libraries.

Users' Perspective

The Perlego portal offers great ease of use and compatibility with all devices. It is uncomplicated to sign up and painless to unsubscribe to. The web portal is effortless to navigate. Users can access it remotely anywhere and at any time with a simple login. Also, it offers offline access to 30 downloads which allows users to read without Wi-Fi, does not expire as long as your subscription is valid, and the downloaded contents are easily swapped anytime. This online and offline availability is ideal for distance learning students, especially internationals. In addition, the e-book reading page setup is straightforward and consistent to view.

This is a very different experience for users compared to general library e-book provisions. For library e-books, depending on publishers or database providers, often the e-reader format tends to differ book by book and users have to be accustomed to this inconsistency. Even after downloading e-books to read offline, access might last only for a few days or few weeks, varying title by title. This complication is due to publishers' and vendors' contracts and provision. It is very confusing to users. However, even though over one million books are on offer in Perlego, all e-books are in one simple format. This is a huge advantage over institutional library e-books.

Also, with one million titles the collection coverage is extensive, and many key textbooks are by reputable educational publishers like Routledge and Harvard University Press. It offers one million titles from over 5,000 publishers, across 900 topics in six languages, which allows students to read comprehensively across multiple disciplinaries in a pleasant portal. Some titles which are not available for institutions to purchase as e-books are also offered on Perlego.

In addition, the Perlego e-reader is very visual. Its sleek and clean design appeals especially to young users who are digitally receptive. It is attractive to look at and easy to move around, giving a pleasing experience to navigate. In June 2023, I interviewed a young library intern in Houston and this history student was so impressed with the appearance of Perlego she claimed that she would take out a subscription straightaway after browsing only for a few minutes (Anonymous 2023).

Perlego's affordability is a strong selling point to users. According to the Office of National Statistics in the UK, "more than three-quarters (78%) of students were concerned that the rising cost of living may affect how well they perform in their studies." (Johnston and Westwood 2023) In the report of Student Money Survey 2022, students' total spend in a typical month is $119 in 2022 which is a 14 % increase from 2021 in England. They spend $21 per month on course materials (Brown 2022). In the States, Hanson (2022) stated that "25% of students reported they worked extra hours to pay for their books and materials: 11% skipped meals in order to afford books and course materials." Steylemans (2022) also claimed that "35% of students earn poor grades because of textbook costs, and 65% skipped buying them in 2021." Therefore $18 per month on a Perlego subscription for over one million titles is reasonable for students.

The last appealing element to users is that it has nailed it with the issues which are close to the student's hearts. According to Steylemans (2022), Gauthier, CEO, said Perlego was founded "to help make learning more accessible and affordable for all." Perlego's UK website talks about accessibility and sustainability heavily. Perlego offers wonderful accessibility tools which are easy to use with many features. It promotes that digital books mean no paper waste. It is keen to claim that taking out a subscription contributes to sustainability and the environment.

Publishers' Perspective

Perlego knows how to work with publishers, especially small ones. For many small publishers without the infrastructure and resources to publish institutional e-books, Perlego offers an excellent alternative to make their publications available digitally by providing PDFs of their books. This simplicity allows the publishers to outsource digital publications to Perlego. These publishers are small fish in a big pond and Perlego offers a worldwide digital platform. This is the main reason why so many theology and religion titles are available in Perlego (pers. comm., June 2023).

Also, Perlego provides publishers' anonymised aggregated data on market trends and shares sales reports of usage and interaction figures with in-depth demographic and geographic data, which helps the publisher to make more data-driven decisions on publishing (Naik 2020).

Next is piracy. Steylemans (2022) pointed out that more than one billion publications were illegally downloaded each year; thus, publisher revenue dropped by 23%. Also, he reported that "in 2021 Perlego intercepted searches for more than 2.5 million planned illegal downloads." With this effort, Perlego successfully persuaded publishers to legitimize this by making these e-book downloads available on its platform, and by removing the cost burden of printing and distribution by publishers themselves. In this way, publishers can benefit from sales by recapturing untapped opportunities in this digital world by just providing their PDFs (Perlego n.d.).

Theological Institutions' Perspective

Perlego has five winning formulas for them.

Firstly, a simple purchasing model. Unlike traditional e-resource purchasing, its streaming service is common and familiar to man-

agement. This business practice is easily comprehensible by non-library staff as Perlego explains everything in plain English and does not use jargon. This makes it more appealing to management and administrators. As they can understand Perlego, they are more likely to want to have it.

Secondly, wide and quality collection coverage. Popularity in researching multidisciplinary subjects has become a new trend in academia, hence its wide coverage has desirability in theology education. Over one million quality titles are far more than you can possibly hold in a small library. It appeals and is very good value for money.

Next, a new funding provision. A Perlego subscription might not necessarily be cheaper overall especially if student numbers are high, but its individual monthly costing model enables many institutions to transfer the subscription cost to students directly. This is done by including the Perlego fee in student's tuition fees rather than taking it out from the library budget.

Additionally, enhanced collaboration. Ease and intuitiveness of use is also beneficial to non-library staff, especially academics. Also, Perlego provides marketing/training materials to enable this. These characteristics lower the barrier and allow teaching staff to get involved easily so it has given libraries a new way to engage with them regarding course materials and help them to think more about accessibility.

Furthermore, Perlego offers many useful built-in tools. Equipped with a specially developed built-in study application such as a reading list management tool (called Workspace), one-click referencing, and a new digital Notebook, it has risen from a simple e-textbook streaming service to an educational platform. For small institutions which could not afford to pay for all these digital tools and e-books, Perlego offers their central digital learning platform.

Librarians' Perspective

Librarians prioritize their users: meeting users' needs and providing the best solution is their goal. If what Perlego offers meets the needs of users instantly in a legitimate way, with a vast amount of quality materials remotely at an affordable price, it is hard to argue against. Perlego ticks all the right boxes.

Also, it enables libraries to fill gaps in the collection instantly and economically. For example, a librarian emailed the Association of

British Theological and Philosophical Libraries (ABTAPL) group mailing list to get some collective wisdom. He was after an e-book and said that this title was seemingly impossible to get as an institutional library. The suggested alternative option was to take out a Perlego subscription for the duration of the module being taught. This was a cheap and cheerful solution which could be resolved straightaway.

Moreover, being an instant and flexible provision is a great benefit. Bulk buying functionality allows instant access to its collections. Purchasing licenses is so simple and it is easy to distribute its licences to students, transferrable to the next cohort painlessly. After college, if a student wishes to continue with their Perlego subscription personally, they can keep their own account by paying the fee directly to Perlego from its website.

Not only is the simplicity of the purchasing model attractive to management and administration but also to librarians as it saves lots of time and administrative work with no need of looking into different vendors to see availability and compare costs of different licensing and credit options.

In addition, as it is easy to use, work with, and train staff, Perlego lowers the barrier for anyone to get involved in the library e-resource provision. Therefore, Perlego allows a new way to engage with lecturers regarding course materials, helping them to create reading lists conveniently with less training. It has enhanced the relationship between faculty and library staff (Thurm 2023).

Lastly, Perlego provides excellent customer service. Compared to traditional vendors, Perlego is immensely helpful and responsive. Its chat box is available from the platform to students, academics, and librarians alike (Thurm 2023). Its customer service deals directly with subscribers, so libraries have fewer problems to deal with from users.

LIMITATIONS

With all its benefits, Perlego is not without its limitations.

The first concern is collection dependency. Although institutions and libraries are welcome to make new book suggestions, and Perlego is actively collecting reading lists, it does not provide all the titles which are required for teaching and research. Also, all libraries with Perlego offer undifferentiated and identical e-collections. Libraries cannot build their strength and specialty in e-book collec-

tions. It is tricky to get the balance right between renting and owning collections and meeting current needs verses long-term collection development in a digital landscape, with many factors to consider. Therefore, each librarian must confidently determine what is best for their library and community of users.

Kotext and Bibliu are competitors in this textbook streaming market, but Perlego is by far the leading runner (Steylemans 2022). This means that there is always the danger of a domineering company overcontrolling the sector due to power concentration, for example, price hikes, change in purchasing practice and degradation of customer service.

The upside of a fixed subscription is simplicity to understand and easy to work with but on the other hand it has no flexibility to allow different options to choose from. For example, a library might want to have only the "theology and religion" topic to cut costs. Some might want to handpick certain topics rather than having all one million titles.

There are some mechanical limitations built in Perlego. It doesn't give pagination numbers for referencing. This takes faculty and particularly students time to get used to. Perlego is working on solving this problem. Also, its referencing tool is not as good as referencing management systems, such as Mendeley, RefWorks, and EndNotes. In the same way, their reading list tool is not as specialized as reading list software like Talis.

The last hinderance is that as libraries lose specialization in their collections, librarians also in their professions. It is too easy to be used and managed by non-library staff and as library collections are identical it is less appreciated.

CONCLUSION

When Perlego started off its business model by excluding libraries, it looked more like a foe to information professionals, but it has become a friend since the COVID-19 pandemic. As Spotify and Netflix are now part of daily life, Perlego might stay regardless of whether the education industry likes it or not. It has spread its wings to Europe (Tucker 2021) and expansion into America with funds raised by Mediahuis Ventures (Steylemans 2022). By 2022 it has attracted over 400,000 users from more than 6,000 institutions in 172 countries, 40% of whom are in the US. In 2021 alone, Perlego saw 450% subscriber

growth. Its growth and success are inevitable considering the rapid digital shift accelerated in the education sector by the pandemic.

Given this is the case, it will be better for libraries to keep it as a friend and work together. However, we all know that friendship does not always last forever. It is important for us to watch carefully as to what this new product will bring to library and information professionals' lives in the future.

One last interesting point to consider is this. For places like Pakistan, which is ranked seventh in the World Watch List by Open Doors as the most extreme persecution for Christians (Open Doors 2023), selling and buying Christian theological books might result in many difficulties. Therefore, Christian theological seminaries in this county heavily rely on donations from overseas (Younas 2023). The logistics of collecting surplus printed books and shipping them to these seminaries has proven very tough with various obstacles. In a situation where political unsettlement, oppression of religious freedom, freight complication, bribery and corruption, and administrative bureaucracy are persistent, Perlego might be the ideal, or only feasible, option to support these seminaries.

REFERENCES

Anonymous, interview by Hannie Riley. 2023. Introducing Perlego. June 12.

Anonymous, interview by Hannie Riley. 2021. Perlego Subscription.

Brown, Laura. 2022. "Student Money Survey 2022-Results." Save the Student! September 20, 2022. Accessed July 13, 2023. *https://www.savethestudent.org/money/surveys/student-money-survey-2022-results.html*.

Digital Society. 2020. "Vodafone Offers Free Online Learning Resources to Support Customers." Vodafone. April 1, 2020. Accessed May 27, 2023. *https://www.vodafone.com/news/digital-society/free-online-learning-resources-support-coronavirus-crisis*.

Gooding, Matt. 2018. "'Netflix for Textbooks' Could save Students Cash: Publishers Benefit Too." ChambridgeshareLive. April 20, 2018. Accessed May 27, 2023. *https://www.cambridge-news.co.uk/business/technology/netflix-textbooks-could-save-students-14555427*.

Hanson, Melanie. 2022. "Average Cost of College Texbooks." *Education Data Initiative*. July 15, 2022. Accessed July 13, 2023. *https://educationdata.org/average-cost-of-college-textbooks*.

Ingham, Lucy. 2020. "Coronavirus Case Studies: How Perlego and Barclays Are Bringing Free Digital Textbooks to Students." *Verdict*. May 4, 2020. Accessed May 27, 2023. *https://www.verdict.co.uk/free-digital-textbooks-perlego-barclays/*.

Johnston, Chris, and Alex Westwood. 2023. "Cost of Living and Hight Education Students, England: 30 January to 13 Febuary 2023." Office for National Statistics. February 24. Accessed July 13, 2023. *https://www.ons.gov.uk/peoplepopulationandcommunity/educationandchildcare/bulletins/costoflivingandhighereducationstudentsengland/30januaryto13february2023*.

Naik, Natalie. 2020. "What You Don't Know about Perlego." *Talis*. December 14, 2020. Accessed May 27, 2023. *https://talis.com/2020/12/14/what-you-dont-know-about-perlego/*.

Open Doors. 2023. "Pakistan." Open Doors. Accessed July 13, 2023. *https://www.opendoorsuk.org/persecution/world-watch-list/pakistan/*.

Perlego. 2023. Accessed July 7, 2023. *https://www.perlego.com/*.

———. 2023. "We are Perlego." Perlego. Accessed July 7, 2023. *https://apply.workable.com/perlego/*.

———. n.d. "Would You Like to Reach a New Audience with Perlego." Perlego. Accessed July 13, 2023. *https://www.perlego.com/marketing/publishers*.

Ruby, Daniel. 2023. "44+ Netflix Statstics 2023 (Demographics, Finances & Growth)." *DemandSage*. June 13, 2023. Accessed July 7, 2023. *https://www.demandsage.com/netflix-subscribers/#:~:text=Netflix%20is%20a%20leading%20*.

———. 2023. "Spotify Stats 2023 — Subscribers, Revenue & Other Insights." *DemandSage*. July 5, 2023. Accessed July 7, 2023. *https://www.demandsage.com/spotify-stats/#:~:text=Its%20premium%20subscribers%20have%20access,premium%20subscribers%20across%20184%20regions*.

Steylemans, An. 2022. "Edtech Platform Perlego Raises $50M Series B from Mediahuis Ventures, Raine Ventures and Evli Growth Partners." Mediahuis. March 15, 2022. Accessed July 13, 2023. *https://www.mediahuis.com/en/edtech-platform-perlego-raises-50m-series-b-from-mediahuis-ventures-raine-ventures-and-evli-growth-partners/* .

Talis. 2021. "Talis Aspire and Perlego Integration - Student Guide." Talis. May 10, 2021. Accessed July 7, 2023. *https://support.talis.*

com/hc/en-us/articles/360012122678-Talis-Aspire-and-Perlego-Integration-Student-Guide- .

The British Academy. 2019. "Theology and Religious Studies Risk Disappearing from our Universities, Says the British Academy." The British Academy. May 23, 2019. Accessed July 7, 2023. *https://www.thebritishacademy.ac.uk/news/theology-and-religious-studies-risk-disappearing-our-universities-says-british-academy/*.

Thurm, Marni, interview by Hannie Riley. 2023. Perlego Subscription. May 31.

Tobin, Lucy. 2022. "Perlego: How Cambridge-grad Built 'the Spotify of Textbooks'." March 1, 2022. Accessed May 29, 2023. *https://www.standard.co.uk/business/perlego-how-cambridgegrad-built-the-spotify-of-textbooks-b985031.html*.

Tucker, Charlotte. 2021. "UK Edtech Startup Perlego Expands to Europe: Germany, Switzerland, Austria and France." EU-Startups. June 23. Accessed July 13, 2023. *https://www.eu-startups.com/2021/06/uk-edtech-startup-perlego-expands-to-europe-germany-switzerland-austria-and-france/*.

Watts, Julia. 2022. "87. Perlego." Startups. January 26. Accessed July 7, 2023. *https://startups.co.uk/startups-100/2018/87-perlego/*.

Younas, Lubna, interview by Hannie Riley. 2023. Theological Libraries in Pakistan. May 15.

Young, Dawn. 2020. "New: Access 3000,000 ebooks via Perlego." Social Science Library: A Bodleian Libraries Blog. June 18, 2020. Accessed May 27, 2023. *https://blogs.bodleian.ox.ac.uk/ssl/2020/06/18/new-access-300000-ebooks-via-perlego/*.