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Book Pricing Update—Some Trends in Electronic Publishing

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Serials Pricing Update
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ers in the 2001 subscription year have begun
to offer more than one pricing package. Typically,
publishers may offer restricted access for one workstation or one simultaneous user
for no additional charge beyond the print
subscription price, or allow broader access for
additional fee.

For publishers, choosing a pricing policy
reflects strategic organizational goals. Some
publishers aim to preserve print subscriptions
in order to maintain their current position in
the scholarly communications market. For
others, the goal is to recoup costs as quickly
as possible in order to sustain growth. Still
others want to get their buyers invested in
electronic products to position themselves for
the future. Quite often, publishers have more
than one strategic goal, and the net effect is
to create a variety of pricing options in order
to balance a variety of goals.

In deciding how to implement these dif-
ferent strategic goals, publishers can rely on
two key concepts in economic pricing theory.
The first is the economic concept of bundling.
This concept defines pure bundling as mak-
ing products available only as complete pack-
ages, whereas pure unbundling makes prod-
ucts available only as separate components
and mixed bundling allows products to be
made available either as complete packages
or as separate components. For both buyers
and sellers, the preference tends to be towards
some kind of bundling. Buyers prefer bun-
dled packages because it insures against
unexpectedly large bills and is less difficult
to budget. In addition, buyers tend to over-
estimate use. For sellers, per usages pricing
tends to repress sales and doesn’t allow the
seller to establish an ongoing relationship
with the buyer. The second concept that pub-
lishers employ to sort out pricing packages
is the concept of value based pricing. Here,
pricing is not based on cost, but rather on
quality discrimination, adding more or differ-
ent content or services. In creating different
packages either based on bundling or value, the
optimal number of choices according to market
psychologists is three.

Clearly, in pursuing strategic goals, pub-
lishers have a variety of choices in pricing
their electronic products beyond pricing sim-
ply based on the cost of production. Most
commonly, we see pricing for individual titles
as free with the print subscription for unre-
stricted use, free with the print for restricted
use, separately priced and equal to the print
or separately priced as some percentage of
the print subscription price. In applying the
concepts of bundling and value based pricing,
publishers have come up with some in-
teresting twists. They bundle various prod-
ucts by selling their collection of journal titles;
they bundle various types of products by sell-
ing both the print and the electronic versions
of their titles for one combination price, and
they bundle buyers by selling products to a
consortium of libraries.

In light of these economic concepts and
the understanding of publishers’ strategic
goals, the answer to our original question, “If
an electronic version of a printed journal is
‘free’, how much does it really cost?” might
be, “What difference does it make?” There
are, however, some things we can infer from
all of this. It really does cost publishers some-
thing to create electronic versions of their
print journals, and it really does cost librar-
ians something to bring these electronic ver-
sions of print journals into their collections.
Economic relief for both parties may come
in the form of moving away from our reliance
on both the print and electronic and
towards electronic only publication and ac-
quision. For this to happen, we will have
to see more value and different kinds of
value and product bundles. In the end, pub-
lishers will have to continue to add value
to their products, and libraries will have to
pay for it.

Marilyn Geller is a librarian and informa-
tion management consultant with experience
in serials and Internet product development in
both the academic and commercial environ-
ment. Marilyn is adamant that we begin using
the term e-journal instead of e-journal. Apos-
trophized words are usually neologisms.
E-journals are here to stay.

Book Pricing Update —
Some Trends in Electronic Publishing

by Tom Loughran (Manager, Approval Systems, Blackwell’s) <tom.loughran@blackwell.com>

One of the hottest topics in the library
community these days is the electronic
book, commonly referred to as the “eBook”. Whether you are one of the brave
souls that has already embraced this new
technology or whether you are still wait-
ing to do so, you may have questions about
how this new form of digital content might
fit into your collection.

Over the past year, Blackwell’s has been
helping to make eBooks available to li-
braries with our partner, NetLibrary. NetLibrary receives permission from pub-
lishers to digitize some or all of a publisher’s
output. Each week, NetLibrary sends
Blackwell’s an electronic file of newly-digit-
ized titles. These titles are matched to the
corresponding print editions of books that we
have treated. In our online database, Collec-
tion Manager, the titles thus linked are marked
with a NetLibrary icon to

distinguish them from titles
that only have a print version
(a “p-book”).

Now that we have been adding eBooks for
over a year we can an-
swer three questions: How
many eBooks are there? How
old are they? And What are all of these
books about?

From February 2000
through February 2001, over
15,000 individual e-
book titles were
linked with their

corresponding “p-book” editions. Figure
A shows the imprint years of these titles
by broad groupings.

Approximately 43 per cent were origi-
nally published in paper editions from 1998
through 2001, about 48 per cent were pub-
lished between 1994 and 1997 and the
approximately nine per cent remaining were
published earlier than 1994.

Figure B displays the distribution of the
eBooks into their respective LC Classes. I
found two things about this distribution to be
remarkable: one, the Science / Technology / Medical titles (Q, R, S and T Classes
combined) made up only 23% of the total e-books. I had expected that the electronic medium
would have determined a more decidedly
“technical” content for these titles. Instead,
the majority of e-publishing so far appears
to be in the social sciences, (B, C, H, I, K and
continued on page 85

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L Classes), with by far the heaviest concentration of eBooks falling into the “H” Class (representing over 21% of all titles).

The second surprising point is that Library Science (the Z Class) made up more than 3% of the total e-books. In a “normal” year, the number of Z Class titles that might be treated on approval would hover around 1% of the total, and rarely reach as high as 2%. If this trend continues, it bodes well for librarians looking for electronic versions of professional literature.

It is still too early to form any firm conclusions about what impact eBooks will have on library collections. However, a sample of 15,000 titles is not a bad start to creating a baseline against which to measure future developments. I’ll report back next year.

WEBWORTHY

Column Editor: Pamela M. Rose (Health Sciences Library, Univ. at Buffalo, 3435 Main St., Buffalo, NY 14214-3002; 716-829-2408 <pmrose@acsu.buffalo.edu>).

Websites selected for broad appeal, depth of information, and ease of access. Sites are organized by broad subject area and are visited just prior to publication. Please let the editor know of any sites that are not accessible.

Comments and suggestions welcome to Pamela M. Rose, Health Sciences Library, University at Buffalo, 3435 Main St., Buffalo, NY 14214-3002; 716-829-2408 <pmrose@acsu.buffalo.edu>. Unless otherwise noted in square brackets following the description, Internet addresses were published in Science, NetWatch column edited by Jocelyn Kaiser. — PR

Butterflies

In this case, they really are free! Welcome to the Butterflies of North America online atlas, hosted by the USGS Northern Prairie Wildlife Research Center. Maintained by three Lepidopterists including Paul A. Opler, who also founded a sister site, the Children’s Butterfly Site (http://www.mesc.usgs.gov/butterfly/Butterfly.html), users can search through photo thumbnails to identify a species visually, or use checklists or distribution maps. Contributions by both amateurs and professionals are encouraged with specific instructions and a FAQ. http://www.npwwc.usgs.gov/resource/distri/lepid/bflyusa/bflyusa.htm.

Cell Biology

Frustrated with teaching a fast moving field without a good textbook, Dr. Michael Hendzel of the University of Alberta created this site by relying on sponsorships and advertising so its educational content would be freely available. The site includes movies and animations of the cell nucleus in action (they are huge files so be patient). Users can also link to numerous research resources, including the electronic version of the classic textbook, Molecular Biology of the Cell. Also check out the professional positions and conferences. http://www.cellnucleus.com/.

Environmental Issues

Imagine the earth wrapped in a “digital skin,” transmitting signals over the Internet almost as a living creature relays impulses through its nervous system — scientists refer to this as ubiquitous or pervasive computing. Aside from privacy issues, how would such a world change the way we preserve and protect our environment? A magazine-like Web report put out by the Rand continued on page 86.

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