December 2009

Pay-Per-View at the American Institute of Physics: One Scholarly Publisher's Experience with "The Article Economy"

Douglas LaFrenier

American Institute of Physics, dlafrenier@aip.org

Follow this and additional works at: <https://docs.lib.purdue.edu/atg>

Part of the [Library and Information Science Commons](#)

Recommended Citation

LaFrenier, Douglas (2009) "Pay-Per-View at the American Institute of Physics: One Scholarly Publisher's Experience with "The Article Economy"," *Against the Grain*: Vol. 21: Iss. 6, Article 19.

DOI: <https://doi.org/10.7771/2380-176X.2364>

This document has been made available through Purdue e-Pubs, a service of the Purdue University Libraries. Please contact epubs@purdue.edu for additional information.

Rumors
from page 10

Chinese Scholars? Just learned that ProQuest plans to expand its presence in East Asia and has appointed the magnificent Boe to lead the effort. Boe Horton has been named Senior Vice President and Managing Director, East Asia Pacific, and will relocate to Hong Kong during 2010. Mr. Horton will develop ProQuest's East Asia Pacific strategy, leading sales and operations for the region. He will also be responsible for establishing joint ventures, partnerships, and licensing agreements, as well as identifying new digital products and services for both Asian and Western markets. Boe's research is in addition to his role leading ProQuest's Research Solutions Group — composed of Serials Solutions, RefWorks-COS and Dissertations. Prior to this role, Mr. Horton headed strategy and integration during the merger of ProQuest Information and Learning and CSA. He is also former Chief Operating Officer and General Manager for both CSA and Bowker.

www.proquest.com/

Speaking of ProQuest, had lots of fun and enlightenment talking to Rod Gauvin, Senior Vice President, ProQuest during the 2009 Charleston Conference. ProQuest was the main Gala Conference Reception Sponsor and as we all remember much fun was had by all (weren't the shrimp and grits awesome!). Anyway, Rod and ProQuest continue to expand the famous ProQuest Historical Newspapers.

continued on page 30

against the grain people profile

Mindy King

Serials/Reference & Instruction Librarian
University of Wisconsin, Stevens Point Library
900 Reserve Street, Stevens Point, WI 54481
Phone: (715) 346-2321 • <mking@uwsp.edu>

BORN AND LIVED: Born in St. Louis Park (suburb of Minneapolis/St. Paul). Grew up on the "Iron Range" in Northern Minnesota.

EARLY LIFE: Grew up on a lake so spent most of my time either in it (swimming in the summer time) or on it (skating, skiing & snowmobiling in the winter time). Loved reading and as a child was constantly getting into trouble for reading into the wee hours of the night.

PROFESSIONAL CAREER AND ACTIVITIES: After graduate school, spent seven years managing a small Health Sciences Library. I loved the variety I had in this "one person library" and was able to do everything from reference to cataloging. My current position is in a university setting and I love the excitement and energy generated by the students.

FAMILY: A wonderful husband and one very spoiled puppy!

IN MY SPARE TIME: I'm an avid football fan (Go Vikes!) and love doing anything outdoors.

FAVORITE BOOKS: Sigurd Olson's *Reflections from the North Country*. Douglas Wood's *Old Turtle*.

GOAL I HOPE TO ACHIEVE FIVE YEARS FROM NOW: Hike all 205 miles of the Superior Hiking Trail (doesn't have to be all at once).

HOW/WHERE DO I SEE THE INDUSTRY IN FIVE YEARS: That's a tough one! I think there will definitely be a role for libraries, but we will need to switch our focus from "housing" information to helping our users gain access to the information they need. 🐾

Pay-Per-View at the American Institute of Physics: One Scholarly Publisher's Experience with "The Article Economy"

by Douglas LaFrenier (Director, Publication Sales & Market Development, American Institute of Physics, 2 Huntington Quadrangle, Melville, NY 11747) <dlafrénier@aip.org>

Despite all the talk of the "article economy," sales of single articles are a minor revenue source for scholarly publishers, who continue to rely on subscriptions and consortia deals for the vast majority of their income. (Publishers in some disciplines can count advertising as another source of revenue.) Yet the purchase of single articles obviously serves the needs of a significant number of users: My organization, the American Institute of Physics (AIP), for example, with a total article database of about 400,000 papers, sold an average of 560 articles per month from our Website in 2008. And that does not include articles sold through third-party document delivery services, such as Infotrieve, CISTI, and the British Library.

AIP, as it happens, was one of the first two publishers to enable anyone with a credit card to buy any article online, back in April 1998.

The American Chemical Society was the other, and ACS beat us to the punch by a matter of hours. (We lost the bragging rights that come with the first press release!) Since AIP's online platform, Scitation, hosts many other not-for-profit society publishers, we enabled each of them to enter the online single-article marketplace as well. "E-commerce" was the heady talk of the day (this was before the dot.com bust around 2001), and publishers were pleased to have this new revenue stream from direct sales, though many undoubtedly expected more robust results.

In retrospect, the low number of direct article sales was partly due to the fact that we were still focused on "availability" and had not yet discovered "discoverability." It took Google to teach us that.

Google is so much part of publishing DNA these days that it's hard to remember how much

resistance it met with originally. Publishers debated about allowing Google spiders to crawl our Websites for content — indeed, many publishers were still trying to build "portals" or "gateways" to corner online traffic in their disciplines. Why wouldn't our users come directly to us for our content? Google was a game-changer if only because it caused a lot of us to rethink this strategy, and forced us — even the Society publishers whose brands are virtually synonymous with their subject matter, such as ACS or IEEE or the American Physical Society — to realize we were not the center of our universe. Once we permitted Google to index our content in 2003, the "Google effect" was plain to see: Before Google, our article sales were about \$2500 a month; after Google indexed our content, sales rose fairly immediately.

continued on page 28

ately to \$4500 a month. Simply put, Google indexing nearly doubled our sales. (Current AIP article sales are considerably higher than these 2003 numbers but still only account for 1.5% to 2% of our total publishing revenue. Referral sources today include Yahoo, Google Scholar, Ei Village, Scirus, Live.com — but Google remains the biggest driver. Not all of this inbound traffic results in an article sale, of course.)

The repercussions of “search” were profound in other ways. Most notably, users were coming directly to the abstract page of the article, and many publishers quickly adopted the view that “the abstract page is the new home page.” As a result, publishers redesigned and rebuilt their abstract pages to enhance branding, navigation, user tools (“email this article”), and “more like this” features, as well as more recent social bookmarking tools.

The dominance of general Web search exposed another problem for some publishers: the availability of multiple “instances” of an article, which might be found on an author’s Website, or an institutional repository, or a subject-based repository, or an outright “pirate” site. (Who knew there was a robust black market for scholarly articles?) This has been a very minor problem for AIP. Despite the widespread belief that all physics papers appear first in arXiv, only 3% of AIP articles are duplicated there. And only about 10% of our papers seem to be available on author or other Websites.

From Single Articles to Article Bundles

While the online sales of articles are a steady source of income, selling a single article to an unknown user (we capture only an email address in the transaction) is less than ideal for both the seller and the buyer. The buyer can satisfy his or her information needs virtually instantly, but still has to pay the full publisher royalty for a flat PDF file. The seller benefits from a virtually automatic transaction, but develops no real business relationship with the buyer. When we noticed at AIP that we had a number of repeat single-article buyers, we took the obvious next step. We launched AIP Article Packs, which allowed users to prepay, at heavily discounted per-article prices, for a fixed number of downloads across our whole publication program. Each article the buyer used was debited against his or her deposit account, and these accounts could be replenished with a credit card at will. The benefit for AIP is that we have a product that can be renewed over time, so each former “grab and go” buyer becomes an ongoing customer to whom we can communicate about new offers, new products, and new features.

Because corporate libraries have been closed in droves over the past decade, leading to substantial subscription cancellations, we knew we wanted to apply the AIP Article Pack model to the institutional — and, specifically, the corporate — market. This led to AIP

against the grain people profile

Access Services/Reference & Instruction Librarian
University of Wisconsin, Stevens Point Library
900 Reserve Street, Stevens Point, WI 54481
Phone: (715) 346-5273 • <anichols@uwsp.edu>

Aaron F. Nichols

BORN AND LIVED: Born and raised in Braintree, Massachusetts; a large town just outside of Boston.

EARLY LIFE: There was a time when blue crabs were abundant in the marsh by my aunt’s house in Cape Cod. My brothers and cousins and I would catch them and bring our bounty back to our parents. They were always delighted.

PROFESSIONAL CAREER AND ACTIVITIES: Since graduating from library school I have worked in three academic libraries. I love the spirit of innovation and the culture of forward-thinking that thrives in academic libraries. While a graduate student I had the honor and privilege to work for the Providence Athenaeum and Providence College — both in Providence, RI.

FAMILY: A wife and two young children.

IN MY SPARE TIME: While I’m not busy obsessing over the Red Sox, I like to bike (both mountain and road), run, hike, and eat fluffernutter sandwiches with my children on the beach. I’m also in graduate school at Boise State University busy earning a Master’s of Educational Technology. Every once in a while I’ll brew some beer.

FAVORITE BOOKS: Hemingway’s *A Farewell to Arms*. Cormac McCarthy’s *The Road*. Charlie Papazian’s *Joy of Homebrewing*.

GOAL I HOPE TO ACHIEVE FIVE YEARS FROM

NOW: As a personal goal I’d like to complete a triathlon. For a professional goal I’d really like to help change library services and facilities to make academic libraries indispensable to students and faculty.

HOW/WHERE DO I SEE THE INDUSTRY IN FIVE

YEARS: The academic library will switch from being a self-service information warehouse to becoming a full-service information service entity. 🌱

Articles On Demand (AOD). AIP certainly didn’t pioneer this model; in fact, we were influenced by IEEE Enterprise, an article-bundle product that IEEE created for its own corporate market. I’d like to take a moment to explain how this product works, since there is an intense interest in alternative purchasing models in the wake of the global recession.

AIP Articles On Demand (see <https://www.associationsscience.org/aod>) offers article bundles in sizes of 500 (for \$5000), 250 (\$2750), 100 (\$1200), and 50 (\$650), so the price per article ranges from \$10 to \$13 depending on the size of the bundle. (Note that AIP’s single-article fee is \$24.00.) These rates are higher than what an individual would pay for an AIP Article Pack, but the AOD product has benefits for institution-wide use:

- Librarians (or whoever may fill this role in a small company) choose the size of the bundle they want, and create a deposit account with AIP from which each download is debited. They thus eliminate the need to pay for each individual transaction and have a more subscription-like relationship with the publisher.
- Librarians have a password-protected,

Web-based Account Manager that allows them to track each article purchased, maintain a running list linked to the article abstracts, monitor download activity, and replenish the AOD account online whenever necessary.

- Users are IP-authenticated and can freely search across AIP’s database of journals, conference proceedings, and magazines, downloading any article of interest. Their experience is very much like any user at an academic institution with an AIP subscription. None of the behind-the-scenes, debit-by-download activity is apparent to them.
- Any article, once downloaded, is available without further charge to any other user in the company. No one pays twice for the same article.
- The librarian not only can follow the research interests of their staff scientists by monitoring the downloads, they can also receive COUNTER statistics, which allows them to monitor uses of abstracts, tables of contents, and searches, as well.

continued on page 30

- Because AOD deposit accounts allow the firm to pay only for the articles its researchers actually use, there is a “just-in-time” dynamic with great appeal to the productivity needs of the modern company. (The academic model, by contrast, is “just in case”: A large corpus of material is made available just in case a researcher may need it.)

With regard to this last point, it is worth pointing out that a product like **AIP Articles On Demand** is great for a company with moderate research needs. But no company with heavy research activity will find a better bargain than a straightforward subscription, because subscriptions offer the best price-per-download rate for high-use organizations. Indeed, this is part of the reason we tend to be wary of offering article-bundle products like AOD to academic institutions. The need to maximize the serials budget makes the price of even the biggest AOD bundle look far more affordable than a typical AIP journal subscription. Many librarians will be drawn to what seems like a lower-cost version of the same content. But it can quickly become apparent in many institutions that the download activity will require that an AOD bundle be replenished several times a year to keep up with researchers’ needs, so the “value” of the bundle can disappear very quickly.

What Future do We See for Products Like AIP Articles On Demand? Will We Offer it to Academic Institutions as well as Corporations?

The broader answer is that AIP already practices differential pricing. We tier our journal prices according to the research levels of our subscribers, so that smaller, less research-intensive institutions pay less than bigger, more research-intensive institutions. Academic institutions with consortia licenses to AIP content pay differently than single-site subscribers. Institutions in emerging economies pay little, or nothing, to access AIP content. We want to offer our content in whatever way best suits the needs, interests, and budgets of our customers. While we do fear cannibalizing our bread-and-butter subscriptions by offering an article-bundle product to academia, we are also — librarians and publishers alike — moving to more evidence-based metrics of price and performance. COUNTER is the key initiative here, but measures of quality (whether Impact Factor or eigenvalues or h-indexes or the next new thing) will matter, too. It is not hard to imagine the near-future, when an information provider and an information consumer will together find an optimal way to deliver content not for the cheapest price, but for the best value. Subscriptions, site licenses, customer-owned-and-operated archives, author- or funder-paid open access, article-based deposit accounts — all of these options will be part of the menu of access models available to the librarian in the brave new world that is right around the corner.

against the grain people profile

Director, Publication Sales & Market Development
American Institute of Physics
Two Huntington Quadrangle, Melville, NY 11747
Phone: (516) 576-2411 • Fax: (516) 576-2374
<dlaflenier@aip.org>

Doug LaFrenier

BORN AND LIVED: I was born in Massachusetts as an “Army brat” and grew up on Army bases around the country. I attended 10 schools in the 12 grades.

FAMILY: I’m married and we have four cats.

PROFESSIONAL CAREER AND ACTIVITIES: I started out as a copywriter of book jackets for Macmillan. Worked for McGraw-Hill and Scientific American, and had my own freelance copywriting business for several years.

IN MY SPARE TIME: We spend weekends at our house in the Catskills, which I’ve been fixing up for years.

FAVORITE BOOKS: A recent one is *Cloud Atlas*.

GOAL I HOPE TO ACHIEVE FIVE YEARS FROM NOW: Retire.

HOW/WHERE DO I SEE THE INDUSTRY IN FIVE YEARS: A very mixed “economy” of subscription-based and OA research content. Best subscription-based journals will continue to attract high quality authors but the sheer volume of research will require more non-traditional publishing. Peer review will still be important. 🐼

Is Deep Dyve Another Game-changer?

As I was writing this article, **Deep Dyve** announced a pay-per-view service that will charge only 99 cents an article for a 24-hour “rental.” This has been called an “iTunes-like” model, but users cannot download or save the article — it literally is “pay per view,” since the only thing the buyer can do is read the article onscreen. **Deep Dyve** also offers \$9.99 per month and \$19.99 per month subscriber plans with more user rights than the 99 cents per article option. But it is clearly the 99 cents price point that has attracted everyone’s attention. Publishers’ single-article fees tend to be high enough not to undermine the value of a subscription. But such formulations derive from the print era, when single-article sales were all done by third parties and were hard for

a publisher to regulate or monitor. The article economy in the days of print was thus largely an “invisible” economy, which publishers feared more than encouraged. In the current online era, when article sales can be much more effectively tracked, the new **Deep Dyve** model offers an experiment that many publishers will want to join. If **Deep Dyve** can get enough publishers involved to achieve the same kind of comprehensive service that **Amazon** provides for books, it could become an enormously significant player. Sure, we’re all nervous about cannibalizing subscriptions — but in a moment of huge economic uncertainty for our traditional revenue streams, experiments like this may be the only way to find new and sustainable business models. 🐼

Rumors from page 26

Prior to joining **ProQuest**, **Rod** worked for the **Thomson Corporation** for ten years and has held a variety of sales, marketing and publishing positions with **Addison Wesley**, **Prentice Hall**, and **W.H. Freeman**. He received his BA degree in political science from **Assumption College**, in Worcester, Massachusetts. I also found out that **Rod** was born in **Canada** but has **Louisiana** roots as well. What you don’t learn from people when you have time to listen!

I don’t think I told y’all about seeing the gorgeous **Kathy Ray** at the **Acquisitions Conference** in Oxford, England last year! Did I? **Kathy** was one of the excellent speakers at this Conference and I discovered that she is married to **Ron Ray** once of **University of the Pacific**! **Ron** has left libraries and is now working in IT and he and **Kathy** are located in beautiful, exotic **Sarjah** in the **United Arab Emirates**. Talk about glamorous!

And, guess who else has traveled to foreign parts? The industrious **Joseph J. Branin** has

continued on page 61