June 2001

Book Pricing Update-Some Trends in Electronic Publishing

Tom Loughran

Blackwell's Book Services, tom.loughran@blackwell.com

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Recommended Citation

Loughran, Tom (2001) "Book Pricing Update-Some Trends in Electronic Publishing," *Against the Grain*: Vol. 13: Iss. 3, Article 28.
DOI: <https://doi.org/10.7771/2380-176X.3508>

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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 different 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 making products available only as complete packages, whereas pure unbundling makes products 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 bundled packages because it insures against unexpectedly large bills and is less difficult to budget. In addition, buyers tend to overestimate 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 publishers 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 different 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, publishers have a variety of choices in pricing their electronic products beyond pricing simply based on the cost of production. Most commonly, we see pricing for individual titles as free with the print subscription for unrestricted 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 interesting twists. They bundle various products by selling their collection of journal titles; they bundle various types of products by selling 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 something to create electronic versions of their print journals, and it really does cost libraries something to bring these electronic versions 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 acquisition. For this to happen, we will have to see more value and different kinds of value and product bundles. In the end, publishers will have to continue to add value to their products, and libraries will have to pay for it.

Marilyn Geller is a librarian and information management consultant with experience in serials and Internet product development in both the academic and commercial environment. Marilyn is adamant that we begin using the term ejournal instead of e-journal. Apostrophized words are usually neologisms. Ejournals 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 waiting 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 libraries with our partner, **netLibrary**. **NetLibrary** receives permission from publishers to digitize some or all of a publisher's output. Each week, **netLibrary** sends **Blackwell's** an electronic file of newly-digitized titles. These titles are matched to the corresponding print editions of books that we have treated. In our online database, Collection 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 answer 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 eBook 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 originally published in paper editions from 1998 through 2001, about 48 per cent were published 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, G, H, J, K and

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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. 🍷

Figure B

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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.npwrc.usgs.gov/resource/distr/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 ver-

sion 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

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