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As I See It-Journal Pricing In An Electronic Environment

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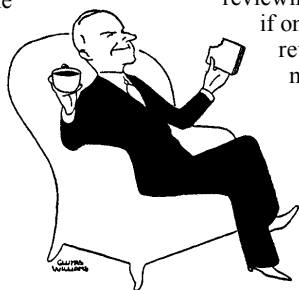
back in. Members of the last two in the list are likely to be over 44 years of age. I SAID, MEMBERS OF THE LAST ... okay, you get the picture. Let me hasten to add that of the 19 social networking-type sites examined in this study, not one site had 18-24 year olds as the dominant age group. Part of that is surely because the age bracket spans 7 years and not 10, as the other bracket snapshots do. But part of it must be because many of those that age are simply not on these sites, and this list contains the most popular ones floating about in cyberspace. I'm not saying that teens are not using these sites. Of course they are. But the sites are predominantly populated by many who have eyes near, at, or over 40.

Yes, yes, I know. There are lies, damned lies, and statistics. But it does cause one to ponder the meaning behind the numbers. You'll note, as did I, that not one of the ages mentioned is likely to be in college. Twenty-eight year olds are very likely to be employed ... and still living at home. But 40+ year olds really are likely to be in the workforce and living on their own. We hear a great deal these days about reaching out to youth and going where they are. It would appear that where they are isn't necessarily online. Getting to them may not be as easy as we thought.

It also raises the question of just how effective such sites are for the age group we're hoping to reach. Many libraries, including the one in which I work, have **Facebook** and **Twitter** accounts. In fact, I am, as much as anyone, one of the reasons why we have those accounts. But from recent studies, it appears getting at the age group we want may not be as easy as pointing and clicking. It may also mean that making your library online "hip" is very effective if your students are 35 or older. If they are between the ages of 18 and 22 years of age — the age of most college students — perhaps not so much. It also may have something to say about moving too much of the teaching apparatus to the social networking arena until we are sure those we hope to teach will have found that arena after all. (Maybe they can "Google" us?)

More studies will have to be done and will have to come to the same conclusions as these before I am willing to saw off the social networking limb from the tree of knowledge. Still, it is enough to make me ask one small but seemingly important question:

If social networking users are all geezers (or thereabouts), who are we doing all this for? 



As I See It! — Journal Pricing In An Electronic Environment

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It is inevitable that the impact of the recession in the general economy from which we are now emerging has still not fully worked its way through higher education. There has been a time lag between the impact of the financial crisis and budget cuts in the public sector of the economy. In the UK, only now are we faced by significant cuts in public spending, which will affect the university sector. Libraries' acquisition budgets throughout Europe are likely to be static at best. We are simply following in the footsteps of the US economy. And the outlook is not promising in the foreseeable future.

Publishers have done relatively little to restructure their pricing models to adjust to two new realities: libraries' constrained ability to pay, and the overwhelming dominance of online journals in the modern library. Some publishers have frozen prices or have put through very low increases. But prices are still modeled on the individual journal subscription price, and even the Big Deal with consortia is grounded in the libraries' print holdings.

We have tracked scholarly publishing practice in a series of surveys for **ALPSP**. In the last survey in 2008, pricing methodology remained as complex as it had been five years before (**Cox J.** and **Cox L.**, *Scholarly Publishing Practice, Third Survey 2008*, **ALPSP**, 2009). However, there has been a dramatic fall in the use of including online access with print subscriptions amongst large publishers and an increase in online-only pricing and 'other' models, including tiered pricing by number of sites, by FTEs and by classification schemes such as **JISC Banding** in the UK, and the **Carnegie Classification** in the USA:

- **JISC Charging Bands** are based on the public funding that UK universities are allocated by the government agencies responsible, the Funding Councils.
- **Carnegie classifications** tier universities by three fundamental qualities: what is taught at undergraduate and postgraduate level, the student profile, and size.
- **FTE-based pricing models** do not necessarily count FTEs in the entire university; in some cases, only faculty, staff and students in specified disciplines, schools, or departments may be counted.

In July 2009 **Elsevier** announced that it was reviewing journal pricing models, if only because 90 percent of its revenues from the academic market are for e-journal access. Since the launch of *Science Direct* in 1997, online usage has grown to half a billion downloads per year, but **Elsevier** has acknowledged that its journal pricing structures, however, have not kept

pace with this speed of change (www.elsevier.com/wps/find/journalpricing.cws_home/reconsidering_journal_pricing). It is not alone; most of the big publishers are working on how they can decouple online pricing from the printed edition.

In the online environment, the published subscription prices for individual journals bears little resemblance to what an institution pays for participating in a consortium deal or subscribing directly to a subject-based collection, which may represent a considerable saving on published subscription prices. Publishers have wanted to maintain their revenue streams, and libraries have been wary of accepting new models that significantly vary the total price paid to each publisher. Both have been happy to accept pricing that had its base in what was spent on printed journals in the mid-1990s.

However, that is not a rational basis for moving forward. There is a steady migration to a wholly digital journal environment in most academic libraries. Both librarians and publishers are considering new pricing methodologies, based on objective criteria. These criteria may include classification, the number of sites or FTEs, as mentioned, or usage. The problem is that they all have imperfections.

The classification schemes used may well suit a particular country, but they are not transferable outside the countries for which they were devised. The UK and the USA are okay, but what about the rest of the world?

Using the number of sites in an attempt to simulate the number of print copies that the publisher might have sold to a multi-site institution makes no distinction between genuinely separate campuses, buildings spread around a city in what is essentially an integrated institution, institutions with a federal collegiate structure such as **Oxford** and **Cambridge**, where the university (with its own library system) consists of many constituent self-governing colleges (with their own college libraries), and universities with affiliated external organizations such as hospitals. It is a horrendous model on which to base pricing, as any institution that is not based on one site faces negotiation with the publisher to establish fair pricing. That incurs significant costs for the publisher which can only be recovered through prices!

Basing pricing on faculty and student population (i.e., FTEs) seems rational. However, the numbers have to be transparent and auditable. In the UK, reliable and detailed statistics on student numbers and academic staff are maintained by the **Higher Education Statistics Agency** (**HESA**: www.hesa.ac.uk). In other countries, institutions may be required to self-certify staff and student numbers. But in many countries in southern Europe, where the structure of universities varies from the typical Anglo-Saxon model, it is wholly inappropriate, as student registration means something different. Moreover, there is no

continued on page 79

rationale for a publisher's pricing to be based on total faculty or enrolment numbers where it specializes in one discipline, such as medical publishers, and learned society publishers. Those publishers have looked at FTEs within the particular discipline. But for the library, managing the FTE data for different subjects is an onerous duty.

A rational basis for pricing to the individual institution could be its total funding, from public and private sources. Such data is readily available in the UK from HESA. Universities have to produce audited accounts that provide reliable financial data for such a calculation. Indeed, the UK's JISC Banding is based on the income of each higher education institution from public funds.

Usage-based pricing is superficially attractive. It relates the price paid to downloads. And Project COUNTER now provides the standards by which usage is calculated. An intensively used journal is surely more valuable than one used little. Is it not? However, when we dig a little deeper into the potential effects of usage-based pricing, the cracks begin to appear.

In the UK, JISC trialed usage-based pricing with a range of publishers and librarians (Harwood P. & Prior A., *Testing usage-based e-journal pricing*, *Learned Publishing* 21:2, 2008). It found that what was apparently a simple formula was beset with complexity:

- full-text downloads of freely available content had to be excluded: promotional

articles, paid-for back files, open access articles (whether "temporary for a month" or author-paid).

- usage data from intermediaries such as subscription agents had to be included.
- the sum payable by the library was essentially unpredictable, and could be significantly affected by use by undergraduates where included on a reading list; there was no answer to the issue of running out of money.
- the administrative overhead in monitoring usage and calculating the outcomes was considerable, both for the publishers and the libraries concerned.
- the role of subscription agents in managing this type of acquisition was unresolved, and there was a general lack of confidence in their ability to administer the process.

More recent investigations have uncovered a lack of confidence in the robustness and reliability of some usage data, and concerns over pricing new acquisitions, whether existing journals new to the collection, or newly launched titles, as no usage data will exist until the second or third year.

There is a more fundamental problem with usage-based pricing. There will inevitably be wide variations in usage of the same journal between different institutions. Heavy usage drives up the cost of that resource. This penalizes libraries that are effective in attracting users by good communication with patrons and a fully integrated information system. They could be tempted to minimize usage by putting obstacles in the way of users, simply

to keep costs down. That is simply not what libraries are about. A model that is directly antithetical to libraries' fundamental mission to encourage use of the collection is simply not acceptable.

Another issue that publishers have to take into account when restructuring online pricing is that of tax. Within Europe, the imposition of Value-Added-Tax (VAT) on electronic services means that the online price has to be 17 percent less than the print price in order to make the online journal financially attractive to libraries that cannot reclaim the tax. This is simply because the tax treatment of printed products and electronic services is different in most European countries. As VAT has been adopted in many countries around the world, albeit under different names, such as Goods and Services Tax, this is an international problem that publishers must address.

Where does this leave us? The first point to digest is that there is no simple answer to the quest for a simple, predictable, and transparent online pricing model. Publishers will continue to experiment, to see what is acceptable to the library community internationally. Moreover, such experimentation has to take place behind closed doors. Publishers cannot talk to each other about prices — or about license terms — simply because they are matters of competition between them. It would be a breach of anti-trust law in the USA or competition law in Europe and elsewhere to do this. But that does not stop customers from articulating what they collectively see as a rational and fair system. So patience is called for. And the thoughtful participation of libraries in pricing issues is essential. 🐘

Acquisitions Archaeology — Year Two From Stratum to Strata

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The best part of archaeology is finding a layer — a stratum — and working out its specific consistencies. The artifacts, features, even the soil that comprise the layer all lend themselves to internal coherence: they are, so the theory goes, all of a single time and place. However all the components of that layer came together, they did, somehow, come together. Even those elements of the stratum that do not seem to fit in or make sense can eventually be worked out with proper methods, sound reasoning, and a little creativity. The remains encapsulated in any single stratum are just so many pieces of a puzzle that, once solved, will reveal the answer to so many questions: Why these remains? What brought all these elements together in this particular place at this particular time?

What becomes more difficult is taking a step back, moving away from the details of a specific layer, and looking at the larger site. Taken together, the many layers tell a different story altogether — or, perhaps the larger story. In working top down from stratum to stratum, one can be reasonably sure of a reverse chronology. However, there is no guarantee of consistency or continuity. It would be misleading indeed to assume a steady, continuous sequence layer to layer. Historical events could certainly disrupt the sequence: construction, migration, war. Beyond the vicissitudes of history lie great geologic events: floods, earthquakes, volcanic eruptions. Markers for these events are easy enough to identify

but they often complicate the flow of history and what some would call progress. Interpretation that spans strata provides a broad view and a more complete context; it also becomes more generalizing and, in some cases, less clarity.

History, some say, is circular; there is some degree of figurative truth in such an assertion in that certain patterns recur. I might go with thematic — linear change of ideas or unfolding of events, but not necessarily a straight line. One may discover categories of ideas that span multiple strata, loosely connected in space but also temporally linked. Nietzsche systematized such a connection into a "genealogy," an approach that places emphasis on "fundamental transformation, on disruptions, and psychological innovations and moral inventions that emerge in specific material and cultural contexts."¹

This idea was developed and refined by Foucault, who used it to transform his own work and famously applied such a method to his popular later works. He "recognized that archaeology provided no account of transition from one system to another. Accordingly, he introduced a 'genealogical' approach which does not replace archaeol-

