



**EBSCO**



# **New Business Models for E-resources Where is the industry heading?**

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# THE NEW ATLANTIS

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## The Science Journal Crisis

Disappearing Articles, Skyrocketing Costs, and Open Access

**T**he first scientific journals were printed in the seventeenth century, and the subsequent development of institutionalized scientific communication has been a major factor in the success of modern science and technology.



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THE NEWS

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By Megan Scudellari

## Library cuts threaten research

### As journal cancellations sweep across the US, scientists worry about how they will affect research

Opinion: Bugs can solve food crisis

Library cuts threaten research

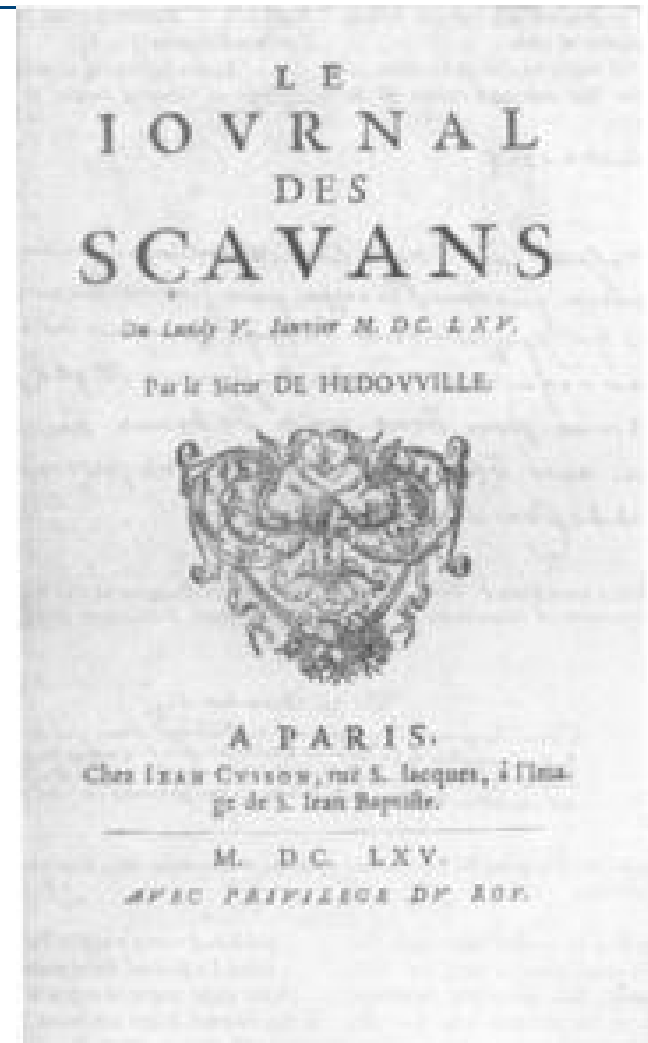
Top 7 immunology papers

Opinion: Encourage alternatives III

Video: See fungal spores fly

## But let us take one step back

- 1665: *Journal des sçavans* – 1st scientific journal
- 1682: *Weekly Memorials for the Ingenious* – 1st Abstracting journal
- Learned societies as publishers





## Some highlights in scientific publishing (in medicine)

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- 1879: Index Medicus
- 1945- More and more commercial publishers
- 1964: MEDLARS starts (MEDLINE)
- 1992: Online J of Curr Clin Trials – the first scientific medical e-journal
- 1996: MEDLINE becomes free
- 1998: J of Med Internet Res – first medical Open Access jrnl
- 2000- libraries cancel print journal and move to e-only



# What is the problem?

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- The Serials crisis
  - "Balkanisation" of research – more and more journals and articles (1,2 million articles/year)
  - Price increases in the past
    - 1986-2000 + 226 % (all disciplines)
    - 1996-2000 + 44 % (medicine)
    - 2001-2005 + 38 % (health sciences)
  - A special kind of monopoly

# “The Information Industry”

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- Dominated by some large publishers
- Elsevier biggest – 2000+ scientific journals, turnover 3.2 billion \$ (2010)
- But also: a long tail of small publishers, societies etc.
  
- Revenues approx 60-90 billion \$
- 1.2 million articles published/year
- Big Deals or Pick & Choose/Mix

# How to buy content

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- Print world was easy
  - Handheld books were bought and owned
  - Journals were subscribed to, and then owned
  
- Then came the e-world...
  - Big deals and packages
  - New business models
  - What determines a prize?
  - Just-in-time instead of just-in-case
  - Leasing or buying content



# Examples of publisher pricing models

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- Print / Print + free online
- Print + paid online
- Online only
- DDP
- Pay-per-view
  
- Publisher packages
  - Fixed price
  - Combination model (core subs + access fee)
  - Bespoke packages/quotes

# Agent – support for libraries

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- Budgeting
  - Pricing for next year
  - Different reporting options
  - Price increase analysis
  - Usage statistics and ERM
- Cost control
  - Knowledge about price models and different options
  - Reporting
- Savings
  - Information about more cost-efficient alternatives
    - Format changes
    - Open Access alternatives
  - Negotiations



# Expected price increases

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- Serials Price Projections for next year
  - Published in late summer
  - Looking ahead
  - Looking back – 5 year
- Currency

# What to get out of reports – some examples

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- Format changes
- New Open Access titles
- Package changes
- Price increases (alerts)
- Historical price analysis
- Expected price increases
- Overlapping content
- Most expensive titles
- Total spend
- Cost per use

# The Future of the Academic Information Supply Chain (2012)

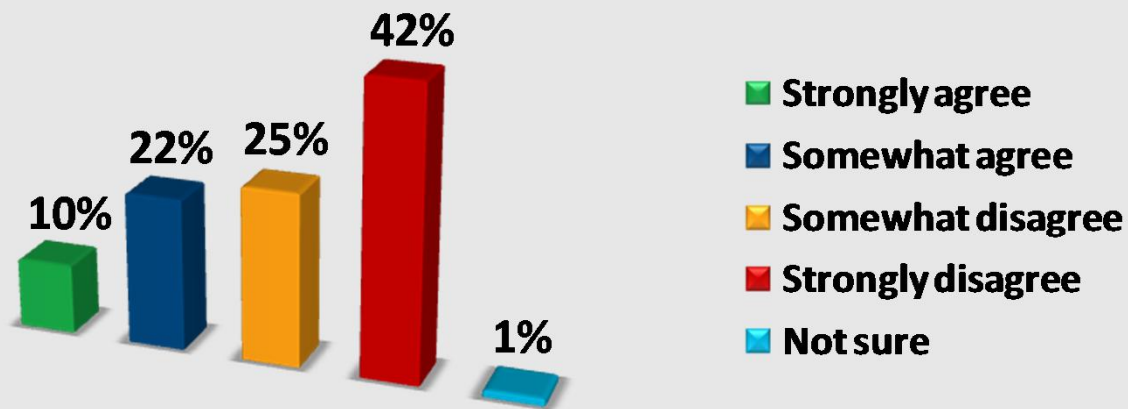
1. **The Future Role of the Academic Library**
2. **Access to Content: Now and in Future**
3. **The Impact of Open Access**
4. **The Role of Subscription Agents**
5. **Future Forces for Change**



**Available from**

## Access models

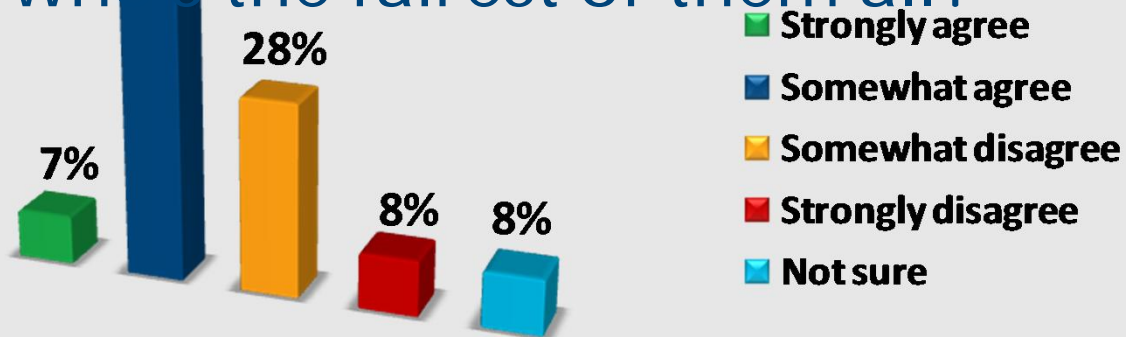
For academic content, the subscription model has outlived its usefulness?





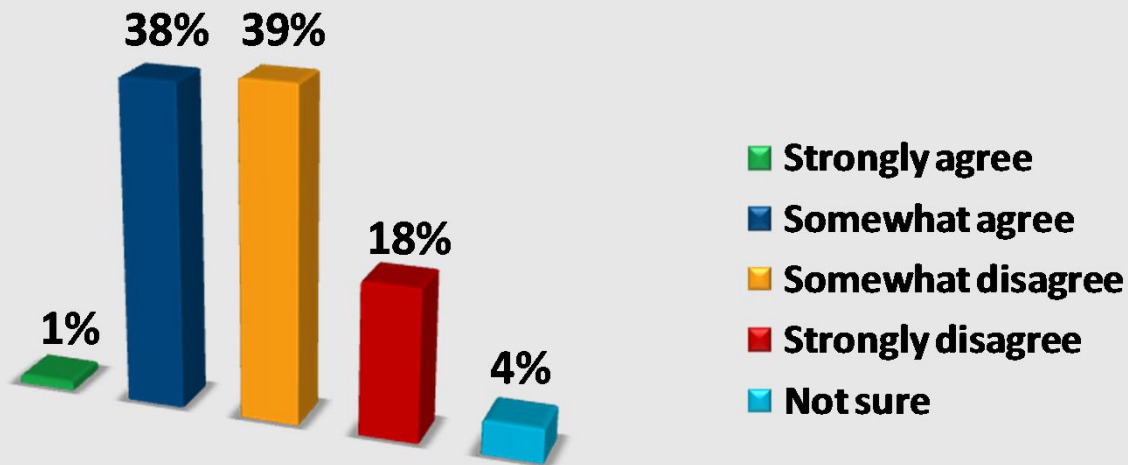
Pricing based on one/more characteristics of purchasing institution (e.g. FTEs; prior year spend etc.)?

## Pricing models whom is the fairest of them all?



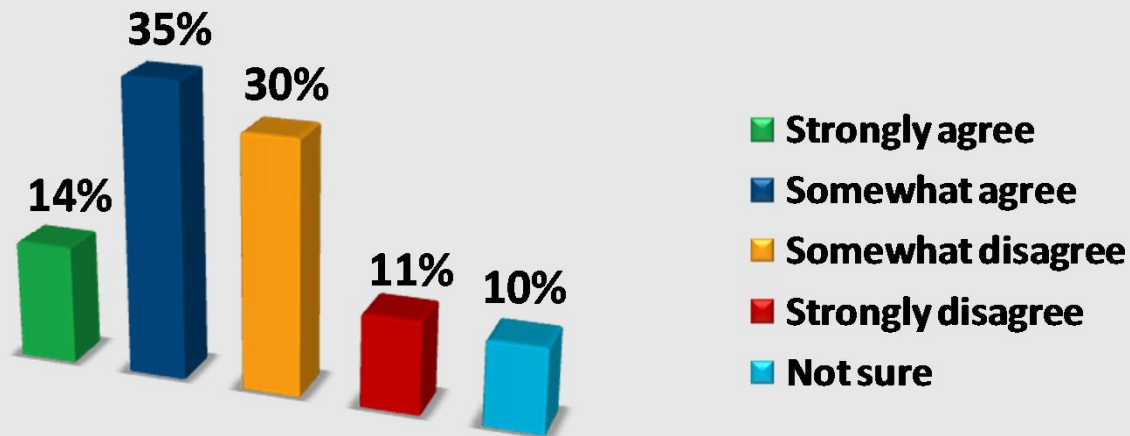
Pricing models who's  
the fairest of them all?

Pricing based on actual usage assessed  
after a period of access?



## The future of the big deals

As a means of optimising library budgets the Big Deal has outlived its usefulness?



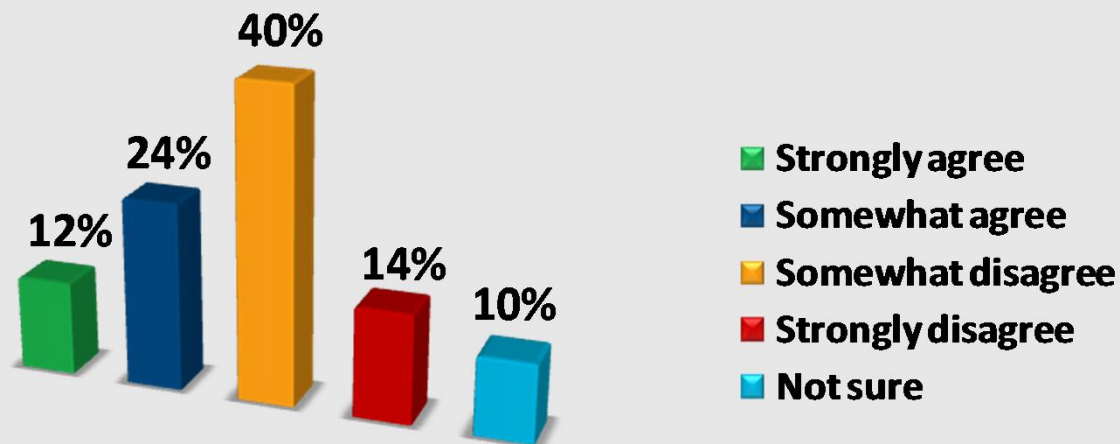


# Pricing

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- What should pricing be based on?
  - “Size” of the institution?
    - FTE’s
    - Beds (for hospitals)
    - No of researchers
  - Usage?
  - Simultaneous users?
  - Same price for all?
  - No price at all?

In the coming 3-5 years, Open Access will be the most significant force for change in the academic information supply chain?



# How will OA affect the industry?

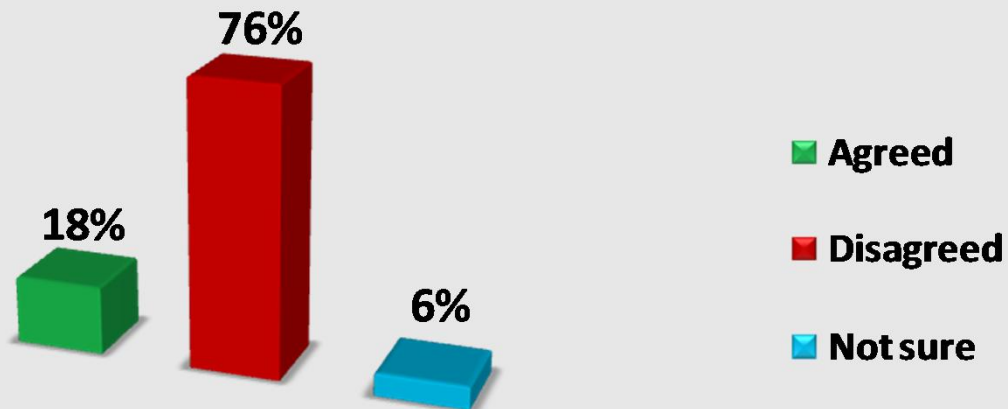
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- Will OA – if it becomes the dominating way for scientific publishing - mean the end of....
  - Publishers?
  - Agents?
  - Libraries?



Impact elsewhere...?

...possible disintermediation of  
libraries?



# OA – follow the money!

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- Will publishers total revenue...
  - Decrease?
  - Stay as now?
  - Increase?
- Risk for double payments
- APC – Author processing charges
  - Who will administer them?
    - Libraries/Universities?
    - Agents?

# New models for purchasing academic content

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- Using EBSCO Ebooks as an example
- Patron Driven Acquisition (PDA) – to ensure that you only purchase titles that are used.
  - Choose which books to make available for PDA
  - A ‘meaningful’ use triggers a purchase
    - More than 10 minutes active use
    - More than 10 page views
  - Available for 1, 3 or unlimited no of users
- Smart PDA – upgrade to next level of users when needed

# Patron Driven Short-term Loan

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- For books that a library for some reason do not want to buy
  - Budgetary reasons
  - Not in line with the library's subject profile
  - Library expects a very low usage
- Books can be lent ('leased') for 1, 7, 14, or 28 days – price lower than to buy
- A specified no of short-term loans can trigger a purchase
- Alternative to Interlibrary loans?



# Summary

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- Change will continue
- We will see more creative and experimental ways for pricing
  - Confusing? – Yes!
  - More complex models?- Yes!
- Ultimately it is the customer who decides
  - Every "bad" pricing model will fail, sooner or later



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Thank you!



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