



## **JISC BUSINESS MODELS TRIALS**

*Coordinated by Content Complete Ltd*

**A REPORT FOR JISC COLLECTIONS  
AND THE JOURNALS WORKING  
GROUP**

**Prepared by Content Complete Ltd**

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## **INTRODUCTION:**

This report is an abridged version of a more detailed document submitted to JISC Collections in April 2007, summarising the activities and issues relating to a series of trials of online journal business models involving five scholarly publishers and ten UK higher education institutions.

In securing the agreement of publishers to participate, it was necessary to provide assurances that certain data exchanged between the parties and subsequently reported on, would be restricted to a core group, including JISC itself, the coordinators of the trials and the library participants.

In producing this report, the authors have tried to reflect the realities and outcomes of the trials without divulging data and related information that would go against the spirit of the trials and the assurances sought by the participating publishers. We have also sought to ensure that the views of all participants are represented, although as might be expected, it is not possible to achieve consensus on every issue. We hope that we have achieved the appropriate balance in this 'public' version of the report which follows.

*Content Complete Ltd, June 2007*

## **1. EXECUTIVE SUMMARY**

In 2004 JISC commissioned a study of online journal business models. This was undertaken by Rightscom in collaboration with Information Power and the final report was published in April 2005. Following the publication of the report, JISC decided to try and test two of the models addressed in the Report. These were:

- PPV Converting to Subscriptions (PPV)
- Core Plus Peripheral (Core+)

JISC commissioned Content Complete Ltd (CCL) to find possible participants from the publishing and library communities and coordinate the testing of the models by way of trials, and these took place during 2006. The trials involved 5 publishers and ten university libraries. Two of the trials addressed variations of the original Core Plus Peripheral model and the three other trials addressed variations of the PPV Converting to Subscription.

It became clear from the start that trialling a genuine, non-library controlled pay-per-view model would not be possible. The trials therefore moved slightly away from the two models in the Rightscom report by setting a download price per article and using this metric, rather than the more traditional user-led pay-per-view.

A condition of all of the participants was that the trial had to be 'budget neutral'. In other words, publishers could not accept any reduction in income as a result of participation and libraries could not commit to any additional expenditure.

Charges per download were agreed amongst all participating publishers and libraries at the beginning of the trials.

All users had access to all titles of the publishers during 2006. Downloads were based on COUNTER data provided by each participating publisher. In essence therefore the models that were trialled were 'usage-based' models, adopting

COUNTER usage statistics as the metric for charging.

The overall aims of the trials included: Do these models offer any benefits over existing models (eg Big Deals). The models give access to 'extra' titles without some of the constraints of the Big Deal. Is this flexibility attractive to libraries and publishers? Are the models ones that both libraries and publishers might want to see in use? What might be involved technically, commercially, operationally in using such models?

Although initial preparatory work on the trials began in August 2005 the trials covered the period January to December 2006.

It became clear early in the trials that 'free' content needed to be excluded from the counting and the charging. This included open access articles, free 'promotional' articles and journal content charged for separately as part of archival collections. Whilst this can be done technically by some publishers, for others it was not possible and a percentage of downloads for this needed to be agreed in the trials.

The trials showed that considerable administrative work and time would be required to operate the two models in a live situation, both on the part of the publishers and the libraries.

It was also clear that a pricing model which simply applies a fixed charge for every fulltext article downloaded by users across an institution presents far too much risk and uncertainty in terms of library budgeting. A 'traditional' Big Deal pricing model would give much greater budgeting predictability, whilst also offering access to all titles from the participating publisher.

The report give a summary the main findings from the trials and a number of recommendations are also made.

This report is an abridged version of the full report presented to JISC. The latter report contained confidential information provided by participating organisations on the understanding that this data was only made available to JISC and the libraries participating in the individual trials.

## **2. BACKGROUND TO THE TRIALS**

### **Introduction:**

In April 2004 JISC commissioned two studies, one related to journal usage statistics and the other to online journal business models.

The latter study was undertaken by Rightscom in collaboration with Information Power. The work took place in 2004 and Rightscom's final report was published in April 2005. The full public report, entitled Business Models for Journal Content, Final Report, is available at:

*[www.nesli2.ac.uk/JBM\\_o\\_20050401Final\\_report\\_redacted\\_for\\_publication.pdf](http://www.nesli2.ac.uk/JBM_o_20050401Final_report_redacted_for_publication.pdf)*

Following the publication of the report, JISC decided to test two of the models addressed in the Report. These were:

- PPV Converting to Subscriptions (PPV)
- Core Plus Peripheral (Core+)

JISC commissioned Content Complete Ltd (CCL) to establish the feasibility of testing these models by way of live trials, and in late 2005, CCL began the process of contacting publishers and institutions who responded to the Rightscom Report to see if they were prepared to participate in a trial. This process was lengthy given the obvious caution of some publishers to explore a model that they were not wholly familiar with and the concern that some institutions (and publishers) had about the impact of participating on their day-to-day business operations, notably the resources required. Nonetheless, sufficient interest was expressed by a number of publishers and institutions to make such a project feasible and trials with the libraries of these institutions and publishers commenced in late 2005.

### **The Models as described in the Rightscom Report**

The nature of the two models are:

- ***PPV Converting to Subscriptions:***
  - In this model, the institution may have subscriptions to a publisher's titles but uses pay-per-view to access other titles on an ad-hoc basis. Usage is based on a per download cost with a threshold at which sufficient usage has been made to convert to a subscription. The publisher would be able to set this at a premium above the standard subscription if it so wished. When the subscription level is reached for a title no further charges are applied, and there is unlimited usage.
  
- ***Core Plus Peripheral:***
  - The publisher offers a set of 'Collections' which may be all their titles in a specific discipline, or even their current subscriptions. Access is then provided to non-subscribed material (the rest of their titles) on a pay per view or download cost basis

Full details of these models can be seen in the Rightscom report referred to above

### **Departures from the models:**

It became clear in the kick-off meetings with the various partners, that trialling a genuine, non-library controlled pay-per-view model would not be possible. For some publishers, the mechanisms to track this activity by institution may not have been available and for the libraries at the participating institutions, it would not be administratively or financially viable. Also, at least one of the publishers had an existing model, the basis of which was using a charge per fulltext download.

Given the time of year in terms of subscription renewals and budget commitments, it was also a condition of all of the participants that the trial had to be 'budget neutral'. In other words, publishers could not accept any reduction in income as a result of participation and libraries could not commit to any additional expenditure.

There was however sufficient interest amongst the parties to pursue the trials, but by establishing a download price per article and using this metric, rather than

the more traditional user-led pay-per-view. This was agreed with JISC. It was also felt by the participants that the original trial period (six months) was too short for any meaningful conclusions to be drawn and, with the agreement of JISC, the trials were extended to one year.

### **Copyright on the models in the Rightscom report:**

As indicated above, the models used in the trials were not specifically those as described in the Rightscom report to JISC, either because of the change from a pay-per-view model to a download model, or because a participating publisher already had its own variations of the models. Participating publishers in the trials were informed that the copyright on the models presented in the Rightscom report was held by the company Ringgold, and should any publisher wish to specifically use the models as outlined in the Rightscom report, agreement would need to be sought from Ringgold by the publisher. All participating publishers were unhappy with this situation and doubtful that copyright could be claimed over the models.

### **Initial agreements with participants:**

Issues that were agreed with the participating institutions and publishers, at the outset, were:

- Libraries and publishers would agree to participate fully in the trials until the end of 2006.
- Information could be shared amongst the libraries and publishers in each trial although participants would have the opportunity to determine the extent to which any of the information gleaned is made public.
- Usage data provision would be based on COUNTER Code of Practice.
- Whilst the trials would be as live as possible, during the trial libraries would not need to increase their expenditure based on the trial results, nor would they spend less than they would have committed to spending anyway with the publisher.
- For participants in the Core+ model, the 'core' titles were agreed between the libraries and the publishers, based on existing 'core collections' that the publishers offered or on an institution's previously subscribed journals defined as the core.
- All participants signed a Letter of Agreement relating to issues of confidentiality and obligations to undertake certain tasks.

### **Costs of PPV or downloads:**

At the initial meetings, participants in each trial agreed the level of the download charge that would be used in their specific trial. In only one trial was the publisher's actual PPV charges used for the download fee. In the others, a (lower) download fee was negotiated and agreed.

In the case of the trial using the publisher's PPV fee, the PPV amounts ranged from £7 to £22, varying by title. For the other trials, the agreed download fees applied were £3.50, £5 and £10.

## **Measuring downloads:**

The following was agreed for all the trials:

- All users would have access to all titles of the publishers during 2006
- Downloads would be recorded based on COUNTER data provided by each participating publisher.
- Libraries would be 'invoiced' for the numbers of downloads. (real invoices were not issued as 2006 expenditure had already been agreed, but an indication of what the costs would be in a live situation was recorded as part of the trials)
- When subscription levels (or an agreed surcharge above the subscription rate) were reached for individual titles, no further charging would be made for these titles (PPV converting to subscription model).

In essence therefore the models being trialed were really 'usage-based' models, adopting COUNTER usage statistics as the metric for charging.

## **3. AIMS AND OBJECTIVES OF THE TRIALS:**

The overall aims of the trials included:

- Do these models offer any benefits over existing models (eg Big Deals)
- The models give access to 'extra' titles without some of the constraints of the Big Deal. Is this flexibility attractive to libraries and publishers?
- Are the models ones that both libraries and publishers might want to see in use?
- What might be involved technically, commercially, operationally in using such models?
- Are these models the tools with which to establish accurately which titles should be subscribed to and/or do they contribute to the move away from the concept of the subscription?

## **4. DETAILS OF INDIVIDUAL TRIALS:**

### **Participating publishers and libraries:**

Five publishers agreed to participate. These were:

- BMJ Publishing
- Elsevier
- Institution of Mechanical Engineers (IMEchE)
- Oxford University Press
- Royal Society of Chemistry

The intention at the outset was to partner one publisher with two libraries and the ten libraries which agreed to participate were:

- Open University
- University College London
- University of Wales Bangor

- University of Birmingham
- University of Glasgow
- University of Greenwich
- University of Leicester
- University of Liverpool
- University of Warwick
- University of Westminster

### Period of the trials:

Although initial preparatory work on the trials began in August 2005, the trials themselves covered the period January to December 2006.

5 meetings were held with each of the groups between November 2005 and the end of February 2007, a total of 25 in all, as well as a final meeting involving all participants across the 5 groups.

### Models tested:

Two trials concentrated on the Core Collection Plus model (a variation of the original Core Plus Peripheral model) whilst three addressed variations of the original PPV Converting to Subscription model.

The models used in the trials were:

- Download Model
- U2S (Usage to Subscription)
- Capped Pay Per Download
- Core Collection Plus

Libraries and publishers participating in each model:

Model	Libraries	Publishers
Download Model	Leicester University University of Wales, Bangor	Elsevier
U2S	University of Greenwich University College London	Institution of Mechanical Engineers
Capped pay per download	Glasgow University Liverpool University	Oxford University Press
Core Collection Plus	Birmingham University Westminster University Open University Warwick University	BMJ Publishing Royal Society of Chemistry

## **Content Accessible:**

In all cases, publishers were willing to open-up access to all their titles for the purposes of the trial. The numbers of titles accessible to the participating libraries in the 5 trials were:

- 26
- 24
- 1,565
- 17
- 172

All the publishers apart from one were offering a Big Deal to NESLI2 in 2006. Three of the 10 libraries participating took the Big Deal of the publisher with whom they are working with in the trial.

## **5. FINDINGS FROM THE TRIALS:**

A variety of findings emerged from the trials, ranging from technical issues through to administrative and financial considerations.

### **'Free downloads':**

The basis of the models trialled is the application of a charge for each fulltext download. The level of the charge is agreed between the publisher and its library customers. However, some e-journal content which is downloaded may be from journals which are either freely available to the public or have already been paid for separately. These so called 'frees' include:

- Articles published in either completely open access (OA) journals or those that are hybrid OA titles.
- Articles that are made freely available by the publisher for promotional purposes, either permanently free (for example after 12 months), or free for a limited period of time (includes award-winning articles, 'hot articles').
- Articles that form part of a separate Archive of backfiles that has already been purchased by a library.

In order to arrive at an accurate count of downloads that qualify to be charged to a library, it was necessary to filter out all the 'free' articles and exclude these from the calculations. During the trial two publishers indicated that they would be able to achieve this technically by way of systems development, but only one of them had completed this activity by the end of the trials.

For those publishers who were not able to offer a system that filtered out the 'frees', two agreed to reduce either the cost per download or the number of downloads required to convert to a subscription.

One agreed to a 10% reduction in the number of downloads needed to convert to a subscription.

A second publisher had 'free' content of two types. Firstly there were 'hot articles' (articles made available for short periods of time for promotional purposes) and additionally 'free' content covered articles freely available after 2 years. A figure of 5% of total downloads was agreed to cover these, since it was not possible to isolate them separately in the download totals. Under COUNTER, it is not possible

to isolate the year of the items being accessed.

A third publisher offers free access to content 12 months after publication date as standard. However, they were unable to separate these 'free' content accesses from all usage data.

From the above, it was observed that unless the free content could be removed from the models' calculations using a methodology that was agreeable to all, or an agreed level of downloads to discount, then the models would not be acceptable.

### **Double counting:**

This addresses the issue of an article being counted 'twice' as a result of users connecting to PDF having looked at the HTML version of the same article. Under a usage-based pricing model, this activity would be counted and charged twice. A number of the participating publishers suggested that this is quite legitimate and that the HTML and PDF offer different characteristics to users.

However, one of the participating publishers decided to reduce the cost per download by 10% to cater for the 'double counting' effect, based on their internal analysis of patterns of usage. They were able to reveal that HTML downloads account for around 29% of overall usage, although only 10% of HTML downloads are followed by a PDF download of the same content.

### **PDF and HTML usage:**

The ratio of HTML to PDFs in regards to fulltext downloads proved to be interesting in the trials.

Four of the five publishers participating in the trials offer HTML and PDF and the HTML/PDF ratios across the four are as shown below in the table below:

***Table 2: Ratio of HTML/PDF usage across four of the trials***

<b>Publisher</b>	<b>HTML</b>	<b>PDF</b>
'A'	Inst 1: 31.9% Inst 2: 31.2% Combined: 31.5%	68.1% 68.8% 68.5%
'B'	Inst 1: 49.63% Inst 2: 60% Combined: 54.8%	50.37% 40% 45.18%
'C'	Inst 1: 65.61% Inst 2: 12.1% Combined: 38.85%	34.39% 87.90% 61.14%
'D'	Inst 1: 38% Inst 2: 38% Combined: 38%	62% 62% 62%

The reason why the ratios vary between libraries is not yet fully clear - whether it is user behaviour, whether link resolvers and other interfaces influence the

version that a user is taken to.

(For additional information on this point : *In the survey of authors that Oxford University Press undertook in relation to Nucleic Acids Research, 50% of respondents to one question about PDF and HTML versions, said 'they always downloaded the PDF version of an article if the HTML version is their first view and is of interest'. In a separate question, 69% of respondents said 'they never download the HTML version of an article if the PDF version is their first view and is of interest'*)

*There are also findings in other areas based on the work of CIBER at UCL. For example an article this year referring to the CIBER studies indicated: "it was also shown that undergraduate students used abstracts and the HTML version of articles more than professors and researchers".*

A further article reporting on CIBER's analysis of the logs of Emerald and Blackwell journals, indicated: *"professors and teachers made more use of PDF formatted items (30 per cent) and made less use of HTML items (10 per cent), while undergraduates made less use of PDF items (19 per cent) and greater use of HTML items (20 per cent). It appears that the use of PDF formatted items increased as users move up the academic scale, i.e. use of PDFs increase as the user moves from undergraduate (19 per cent) to postgraduate (25 per cent) to researcher (26 per cent) and then to professor/teacher (30 per cent). Undergraduates were the biggest users of abstracts."*

A JISC-commissioned study undertaken during 2005-6 explored the feasibility of devising a COUNTER Filter designed to help improve the comparability of Usage Statistics and in particular to address the issue of the 'interface effect' whereby some publishers require users to view HTML versions before the PDF version.

Two data filters were established and tested in the study:

- An 'unwanted HTML' filter designed to filter out requests for fulltext HTML articles deemed not to have been specifically requested by the user
- A 'Unique Article Filter' (UAF) designed to provide a count for the number of requests for unique articles (irrespective of format) in a given session.

The study concluded that there is potential value in establishing the Unique Article Filter and that this may be recommended for inclusion in a future Release of the COUNTER Code of Practice. The 'Unwanted HTML' was not considered feasible.

In general, the authors of the report concluded that whilst it would be possible to develop further the COUNTER usage reports, there may be resistance from vendors to invest further unless there was a clear benefit in terms of the quality and value of the data generated.

The procedures for auditing statistics for COUNTER compliancy include the '10 and 30 second filters'. This consists of clicking links to an article full text in succession. For HTML articles, if the two clicks occur within a ten second time-span, only one fulltext request should be recorded. For articles in PDF format, the time span is 30 seconds.

### **Usage data from intermediaries:**

In order for libraries to gain a more complete picture of total number of downloads from publishers' titles, it would be necessary to take into account the numbers of accesses via intermediaries' gateway services. Whilst in some cases these could be provided by publishers as part of their overall totals, in other cases

this was not possible and the statistics provided to libraries by the intermediaries would therefore need to be aggregated with those from publishers.

### **Archival rights:**

In 'traditional' pricing models, publishers grant archival rights to 'subscribed' journals to libraries. However, in a pricing model that provides access to all titles and applies an agreed charge for each fulltext download, publishers would generally be unwilling to grant archival rights to every article ever downloaded. They would however grant archival rights to those titles where downloads have reached levels such that they 'convert' to a subscription or where such titles were deemed at the outset to be part of the 'core' collection.

### **Total downloads:**

During the year of the trials, the numbers of downloads per participating library, from the journals available from the publishers, ranged from below 200 to over 146,000

### **Publisher administration issues:**

Over the last few years, many publishers have found it necessary to implement new systems to manage their consortia agreements. Some have tackled this in an integrated fashion as part of their overall subscription management system whilst others have found it necessary to maintain separate administration packages to manage these agreements.

In the trials, two of the five publishers took responsibility for producing the usage data and associated reports for the participants, whilst Content Complete, as project coordinator, took responsibility for this activity in the other three.

One publisher analysed the processes involved and length of time it took to generate the data and update the model for one month and calculated the time at 1 hour per institution. Whilst acknowledging that greater familiarity with the processes involved would speed-up the process and that automation would eventually be able to replace some of the manual tasks, publishers in the trials still considered it to be a significant overhead, particularly as institutions really require a monthly update and overview in order to keep on top of the financial implications.

One of the publishers commented on the conflict they faced, whereby they are often very keen to ensure their content is made available from a wide-range of interfaces and services, whereas the integrity of models based on usage dictate that for accuracy, all accesses should be from one portal.

### **Library administration issues:**

Previous JISC-commissioned research, notably the study of NESLi2 usage statistics undertaken by Evidence Base and the report into the feasibility of establishing a Usage Statistics Service carried out by Key Perspectives Limited, has highlighted the difficulties experienced by libraries in making sufficient resource and expertise available to monitor and analyse their usage statistics.

Under usage-based pricing models as tested in the trials, libraries would be faced with more administration which would be essential as opposed to 'nice to have'

given the financial issues at stake. Usage would need to be scrutinized more regularly, annual budgeting would be more time consuming and less predictable and there would be an increase in the number of publishers' invoices to process.

Libraries would also need to feel confident that they understood how usage data via intermediaries was collected and reported and, for those operating a decentralized budget, may well feel the need to consult with various departments/funders regarding the apportionment of the expenditure or the application of certain 'caps' regarding the number of downloads available, which would of course run counter to everything the library is trying to achieve on behalf of its users.

### **Financial and cost issues:**

A pricing model which simply applies a fixed charge for every fulltext article downloaded by users across an institution presents far too much risk and uncertainty in terms of library budgeting. It has been shown in the trials that overall annual expenditure can be very significantly higher compared with using more traditional pricing models. Whilst usage can be monitored, it is not practical to restrict or terminate usage when expenditure levels reach unacceptable levels. Under the 'PPV' model, charging for downloads ceases when the agreed subscription level of a title is reached (ie unlimited access after that point), but the overall expenditure incurred by downloads from all titles (including those that have not yet reached the subscription level) can result in very high overall levels of expenditure.

On the basis of findings from the trials, a 'traditional' Big Deal pricing model gives much greater budgeting predictability, whilst still offering access to all titles from the participating publisher.

Whilst the downside of the models is the risk and financial uncertainty, the access to all titles of a publisher, and the measuring of usage that goes with this, can be valuable in helping define which titles are of most interest to an institution's users and which titles should form the core of a collection or that should be subscribed to.

Four of the five participating publishers offer Big Deal agreements to NESLi2, the UK national online journal initiative for higher and further education institutions. Of the participating institutions, 3 of them were taking the NESLi2 Big Deal of the publisher they were partnered with as per the table below:

It was therefore possible to undertake some basic cost comparisons and modeling based on comparing the sums notionally paid by the institutions in the trials compared with what they have actually paid for their NESLi2 Big Deal. This has been attempted with the data from two of the trials and the results given to JISC.

### **The role of subscription agents in administering the models:**

The area where the traditional agent would expect to be involved in respect of the models is in the financial and general administration of the model on behalf of library (although presumably also on behalf of the publisher).

For this report, we interviewed the two leading subscription agents operating in the UK academic market and also sought the views of all the publishers and institutions participating in the trials.

One agent took the view that agents simply have to be prepared to adapt to and play their traditional role in simplifying the ordering, payment and administrative

processes involved in models such as these and went on to suggest that increased complexity and granularity actually played into their hands since it was the 'many to many' transactions that led to their creation in the first place. Over the last 10 years, agents have lost significant portions of their academic library business as a result of the relative simplicity of the Big Deal: one product, one invoice and one customer (a consortium) has led many publishers and consortia to deal directly with each other rather than via the services of an agent. The agent is also gearing-up for the time when e-book and online journal content move closer together and the distinction between the two becomes less apparent in terms of purchasing and access.

The second agent expressed reservations about their possible role with such models, firstly regarding the willingness of publishers and libraries to consider asking them to handle some of the administrative aspects of the model, and secondly regarding their ability, via already established systems, to be able to handle the models reliably anyway.

This company also commented on the emergence of e-commerce systems in universities but, based on their experience, these had not yet had significant impact on the way library acquisitions and purchasing is made. They had also found that the precision required by such systems in terms of fixed prices does not marry well with the fluctuation in journal prices based on currency exchange and format (print, print and online, online-only).

In general, the publishers and librarians participating in the trials were not wholly confident about the role of subscription agents in administering models like these. A number of the librarians cited problems in Big Deal agreements where the involvement of a third party simply lengthened the communication chain rather than providing the traditional efficiencies offered in the print world. Other concerns centred around the need for both parties (publishers and libraries) to have ownership of the model given how critical it was to maintain an overview of the financial implications on a monthly basis.

## **6. SUMMARY OF FINDINGS:**

The overwhelming view of the participants, regardless of the financial implications, has been that:

- A business model based wholly on pure, metered usage provides potentially catastrophic uncertainty to both parties in terms of annual budgeting and planning with no satisfactory methods agreed in the trials as to how it would be resolved if a library simply ran out of money to pay for the ongoing usage
- At a time when publishers and libraries continue to report increased usage as more content appears online and users increasingly adjust to and adopt the new access models, a purely usage based model is not in the interests of the buyer
- The growing amount of free content available (pure Open Access journals, hybrid Open Access journals, already licenced and paid backfile content) need to be excluded from the counting process and based on the five publishers participating in these trials, it is clear that the majority of publishers currently do not have a reliable method of filtering out this material
- Despite the widespread adoption of COUNTER by the major scholarly publishers (including all of the publishers participating in these trials), reporting usage of journal articles still appears to be fraught with a degree

of uncertainty about their robustness. In models where every single download carries a potential cost to the library, this level of uncertainty is not acceptable

- There was a feeling from a number of the libraries participating in the trials, that models such as these do not suit large, multidisciplinary universities
- The models trialled compare unfavourably with the 'traditional' Big Deal, in terms of the administrative work involved in managing them (libraries and publishers), the budgeting uncertainty and the comparative annual costs
- Psychologically, the librarians participating will have been influenced in their overall views of the model by the fact that in almost all cases, this model would have cost them more money than having access to the same content by way of a NESLi2 Big Deal.
- Publishers are experimenting with models like these, which have a significant usage component, in their dealings with the world's leading pharmaceutical companies and it is likely that any successful implementations may be considered for the academic marketplace in the future.
- The models that have been tested for this report do allow libraries to address one of the fundamental objections to the Big Deal: that of the maintenance of historic print expenditure, a concept that becomes increasingly untenable with each passing year for many institutions. With the two 'download' models, the concept of maintaining historic subscriptions also starts to diminish since in effect each institution is commencing every new year with access to a database of journal titles/articles.
- Whilst the findings from one trial showed that possibly a common core list of journal titles for all NESLi2 institutions might possibly be defined, it became clear that this would not be possible because of the very wide range of subject interests and specific title requirements across all institutions.
- In any alternative to the Big Deal, libraries will be looking to spend no more than they currently do and publishers will be looking for their income to be no lower than it currently is.
- Any usage-based model has high overheads in terms of monitoring usage; generating, handling and paying invoices; converting non-subscribed titles to subscribed titles etc. The overheads are real costs that need to be borne by both sides. Publishers would need to see their income rise to cover these costs, and libraries would need to see their expenditure fall to cover these costs.
- The key variable in a usage download model is the charge per download agreed between the publisher and the library customer. The level of this charge dictates the final overall expenditure by the library and the income for a publisher.
- Whilst pure usage-based pricing models are likely to be unacceptable to libraries, it is very likely however that publishers will increasingly use usage metrics as one input for their future pricing models.

## **7. RECOMMENDATIONS for JISC Collections:**

*The following recommendations are made specifically for JISC Collections and its Journals Working Group by Content Complete, based on their role as coordinators of the trials.*

1. Based on the findings from the trials, it is recommended that JISC Collections and those involved in delivering the NESLi2 service, consider very carefully the potential costs to libraries and the budgetary uncertainty for both publishers and libraries of download models of the types trialed in this initiative, before agreeing to accept them.
2. Increasingly usage data will be used by publishers as input for their pricing models and it is recommended that these developments by publishers be monitored by JISC in the light of the possible impact on pricing for JISC institutions
3. JISC should increasingly consider other measures (eg, the emerging Usage Factor, Impact Factors) to evaluate proposals from publishers.
4. As it is clear that usage of online journals is still increasing overall, as more online content becomes available and the number of channels to that content grows, JISC should consider monitoring overall levels of usage data available, both to plot the overall growth and to be in a position to note when the anticipated plateau it likely to be reached. The proposed development of a Usage Portal, providing aggregated statistics at the NESLi2 consortium level, may well have an important role to play in this respect.
5. JISC should consider establishing a small advisory group of librarians to monitor and report on emerging pricing models and their possible implications for UK academic and research institutions

## **6. ACKNOWLEDGEMENTS:**

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