

Utah State University

DigitalCommons@USU

Library Faculty & Staff Presentations

Libraries

5-20-2022

None of Our Business: Examining the Economics and Business Dynamics of the Library and Information Industry

Jason Folkman
Utah State University

Alex J. Sundt
Utah State University

Robert Heaton
Utah State University

Erica Finch
Utah State University

Stephanie Western
Utah State University

Nick Gittins
Utah State University
Follow this and additional works at: https://digitalcommons.usu.edu/lib_present

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

Recommended Citation

Folkman, Jason; Sundt, Alex J.; Heaton, Robert; Finch, Erica; Western, Stephanie; and Gittins, Nick, "None of Our Business: Examining the Economics and Business Dynamics of the Library and Information Industry" (2022). *Library Faculty & Staff Presentations*. Paper 206.

https://digitalcommons.usu.edu/lib_present/206

This Presentation is brought to you for free and open access by the Libraries at DigitalCommons@USU. It has been accepted for inclusion in Library Faculty & Staff Presentations by an authorized administrator of DigitalCommons@USU. For more information, please contact digitalcommons@usu.edu.





None of our Business

**Examining the Economics and
Business Dynamics
of the Library and
Information Industry**



Agenda

1. Systems and E-Resources

Jason Folkman and Alex Sundt

2. Scholarly Publishing

Robert Heaton and Erica Finch

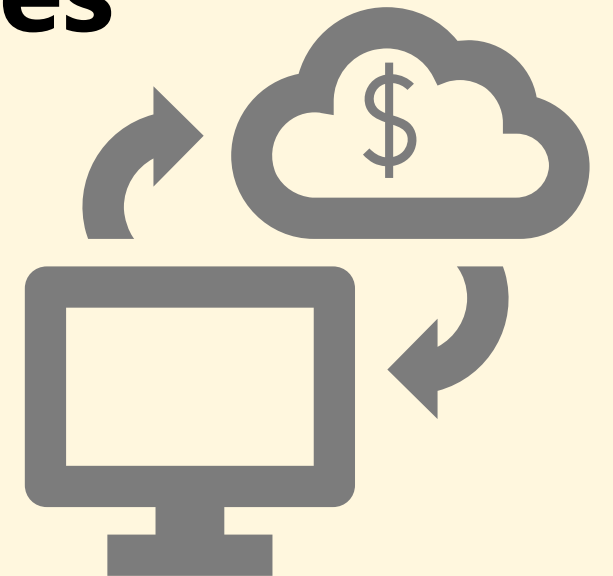
3. Course Material and Open Educational Resources (OER)

Stephanie Western and Nick Gittins



None of our Business

Systems and E-Resources



Dominant



Mid-Tier



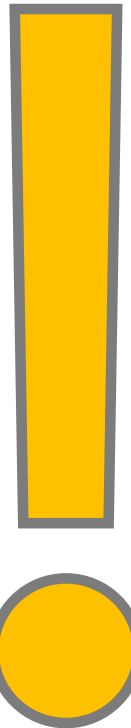
Open Source



None of our Business

Concerning vendor practices:

- Bias in library discovery systems
 - [Hoeve and Geuther \(2020\)](#)
 - Reidsma (2019). *Masked by Trust*
- Restrictive license agreements
- Shift toward data platforms, surveillance capitalism
 - [SPARC 2019 Landscape Analysis](#)
 - <https://publish.illinois.edu/licensingprivacy/>
 - <https://scholarlykitchen.sspnet.org/2021/12/09/new-clarivate-science/>



None of our Business



\$9.5 billion market cap

\$2.1 billion revenue

11,224 Employees



\$9 billion market cap

\$1.1 billion revenue

4,808 Employees



\$8.1 billion market cap

\$3 billion revenue

9,685 Employees



\$6.7 billion market cap

\$6 billion revenue

16,600 Employees

Systems and E-Resources



 **Clarivate™**



Publishing and Indexing

ProQuest databases
Web of Science

Library Systems

Alma, Primo
Sierra, Polaris

Library Services

RapidILL, 360 Link, Linked Data

Course Integration

Leganto (Ex Libris)

Funding

PivotRP (Ex Libris)

Citation Mgt/Writing

Kopernio
EndNote, RefWorks

Peer Review/ Journal Mgt

Publons
ScholarOne

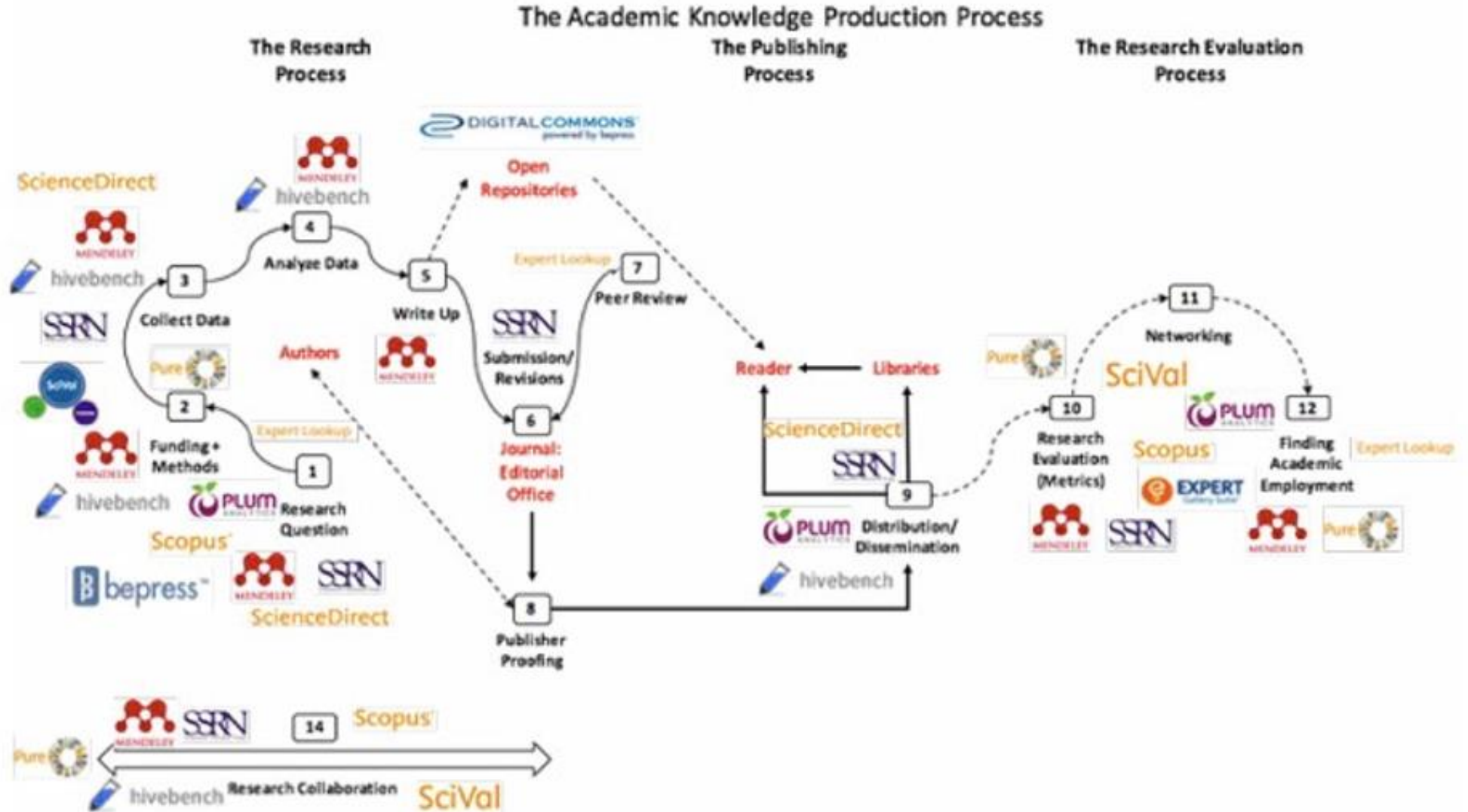
Research Data Mgt

Esploro (Ex Libris)

Scholarly Impact

Journal Citation Reports

Figure 5: Elsevier Presence Throughout the Lifecycle



None of our Business

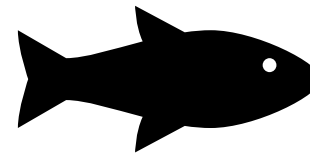
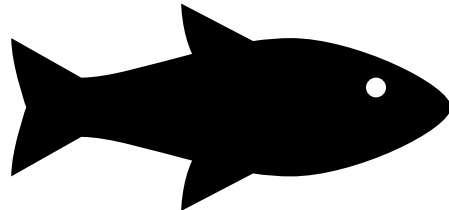
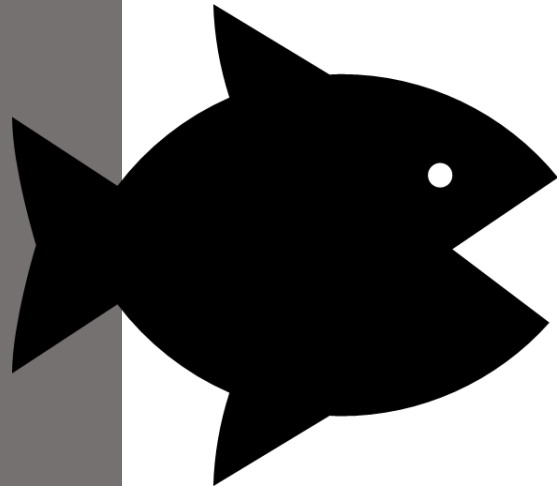
 innovative...

 Clarivate™

ProQuest®

 ExLibris®

 innovative



Your Library

Part of **Clarivate**

**Do Marketing
Work for Free!**

**Police Esoteric
License
Agreements!**

Pay Rent!



None of our Business

Scholarly Publishing



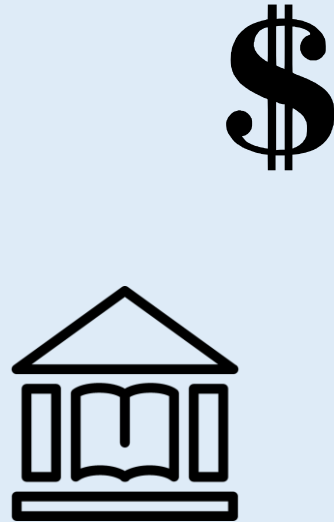
Subscription Model



Articles in a
Subscription Journal



Funding
Source



Access
Type











Availability
to Readers

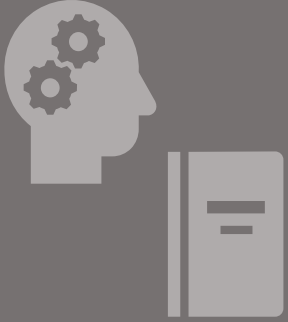


Hybrid Open Access Model

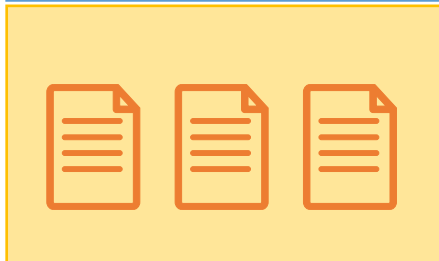


Articles in a Hybrid OA Journal	Funding Source	Access Type	Availability to Readers
			
			

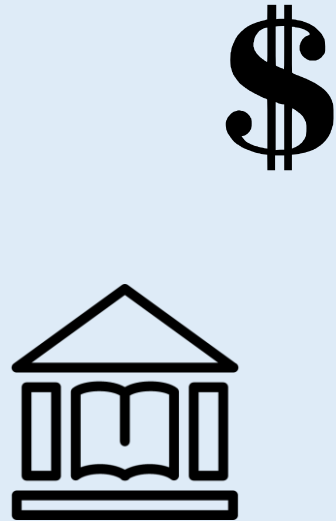
Transformative Agreements



Articles in a
Hybrid OA Journal



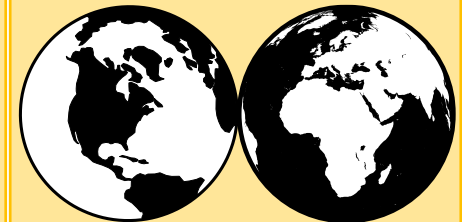
Funding
Source



Access
Type

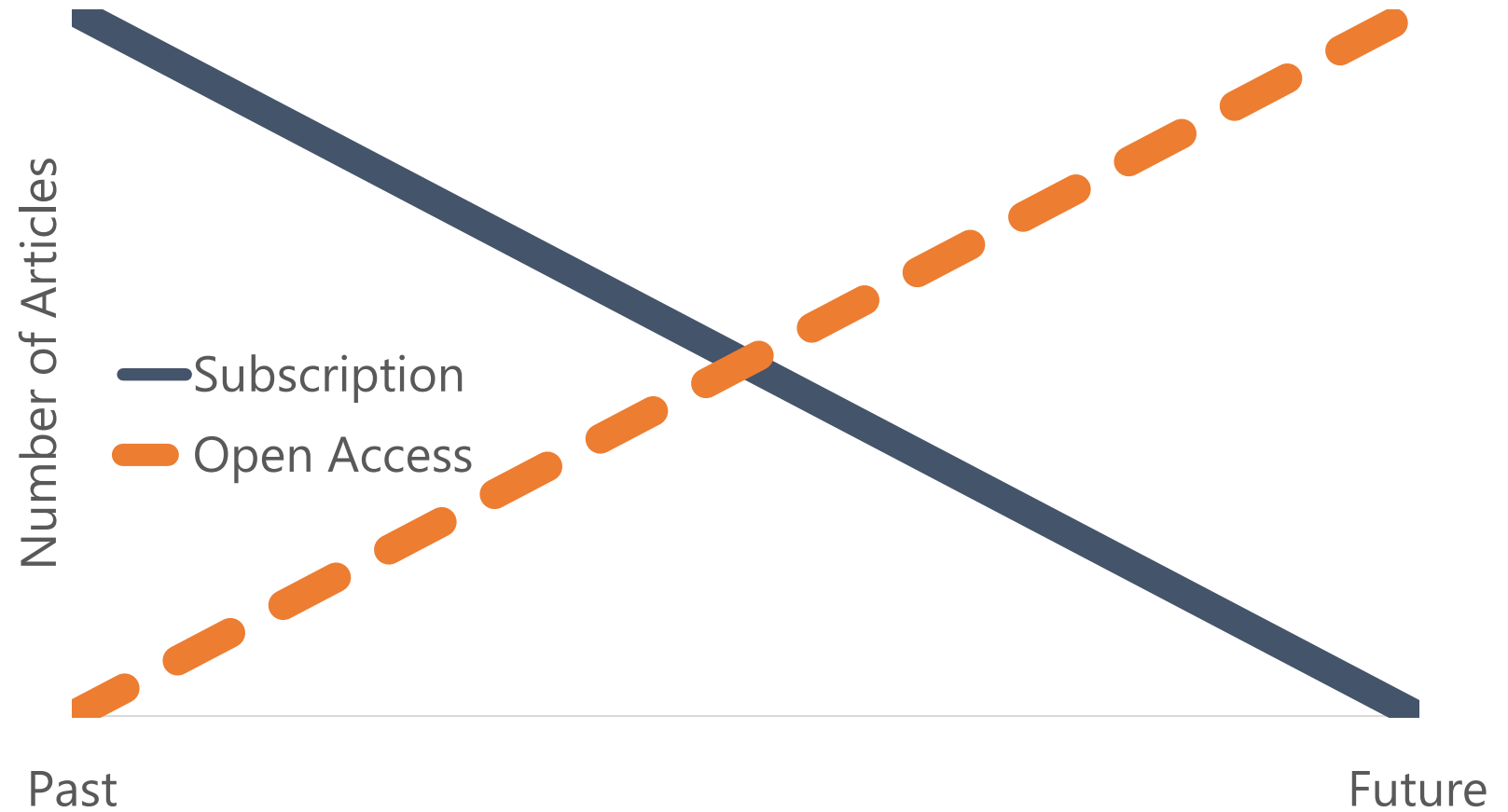


Availability
to Readers





Ideal Transformation to Open Access





Example:

Association for Computing Machinery

**Payers under
Subscription Model**



**Payers under
Full Open Access**





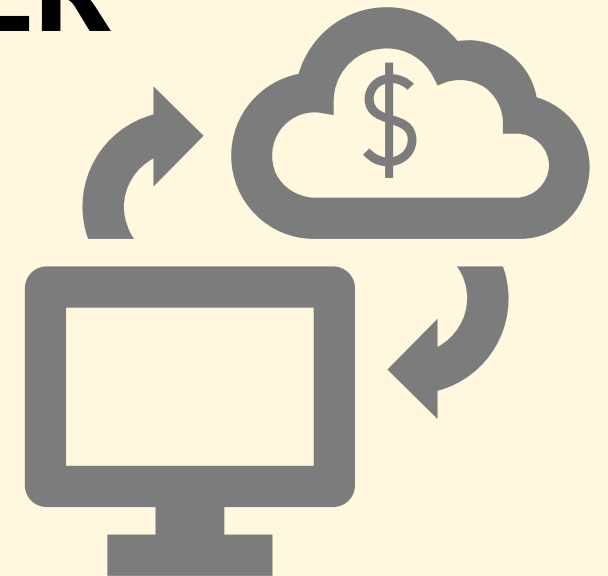
Takeaways

- Open Access *content* is good for the public
- Open Access *agreements*—based on current models—may not save libraries money or be sustainable
- The complexity of Open Access makes it hard to talk about



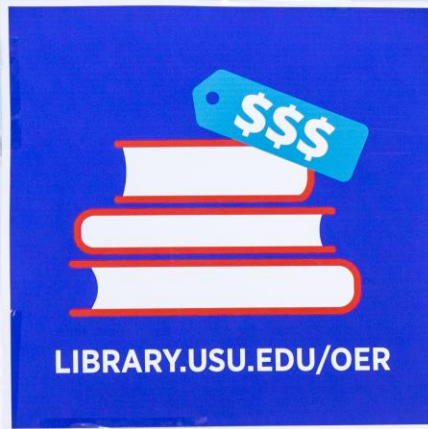
None of our Business

Course Material and OER





The Captive Cycle



INSTEAD OF
TEXTBOOKS,
I COULD'VE
BOUGHT...

Since 2014, OER have saved students over \$2,500,000!

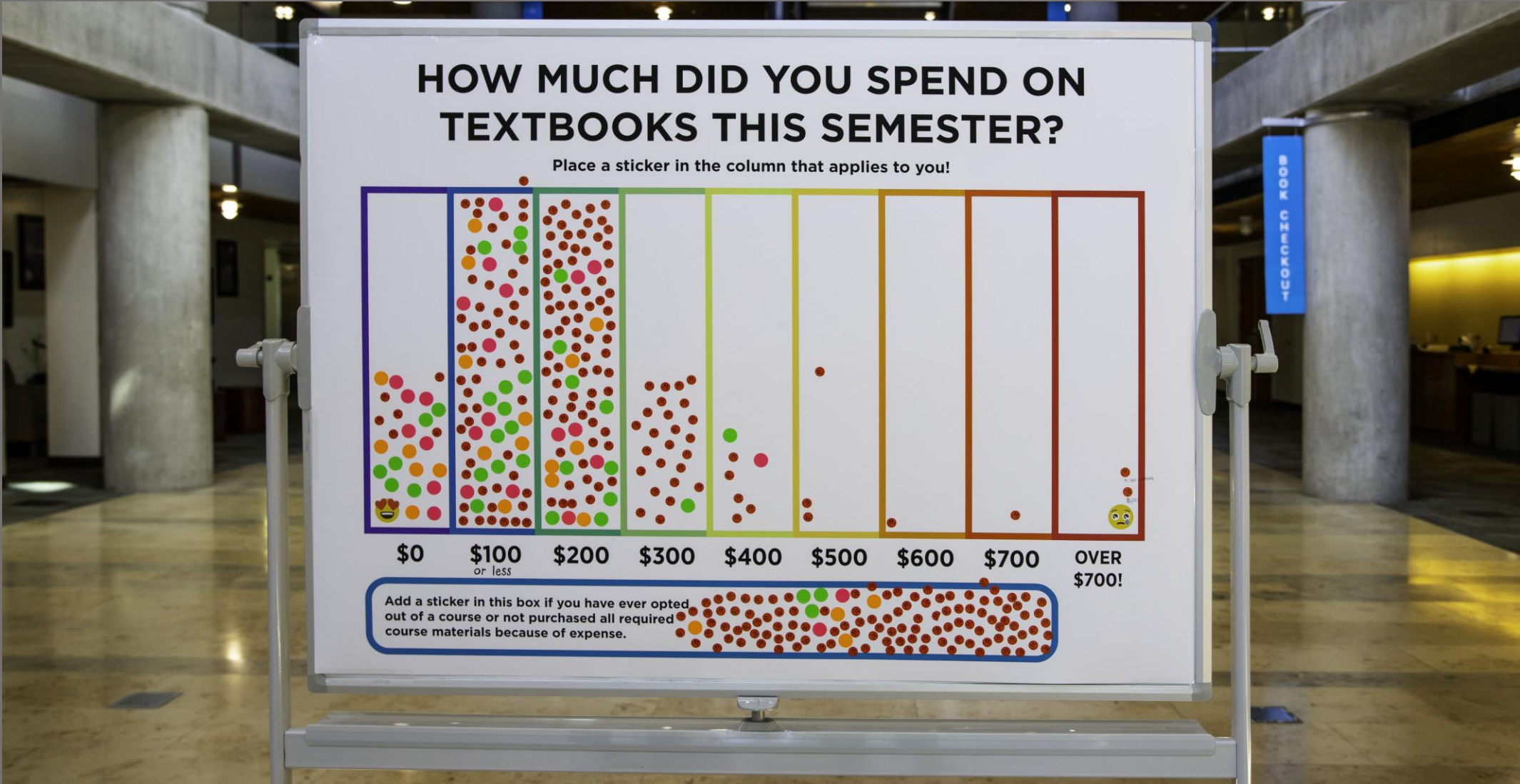
How much have you spent on textbooks? Write down what you could have spent that money on instead and post it to our board!

Food & Groceries	put toward a car	GAS	Summer rent and groceries	Rent/ Groceries + Recreational Activities	Groceries - milk - eggs - veggies/ fruit - fruits uses same	Paying medical expenses	Food + gas money	Groceries ☺	Shoes	Food
Rent	Savings	save for tuition	GAS	Dates Gifts Time Fuel For flying	Skis	Tuition	Savings for tuition	Put it toward tuition	tuition	Savings invest
Tuition	airpods	Rent	Gas	Gas!	gas or tuition	SKIS	Also skis! And tuition	save for next years rent, groceries	Food!	next year's rent
Food	Anything else!	GAS	Savings Just about anything else	Gas	clothes	Food *char-fra	Anything Else	Food	Climbing Gear	Food
Anything else	Half a tank of gas, tire	Food	Food	camera lense	pizza gas videogames RENT replacement parts	Trips to National Parks	RENT AND FOOD!	a trip	anything else	Food

"People are underpaid to create content, and then students overpay to consume it. It's a captive cycle."
Dustin Fife



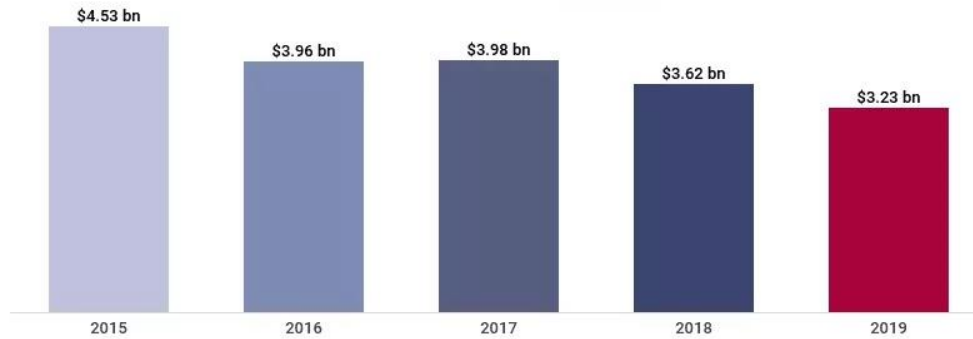
The Captive Cycle



Higher Ed Publishing Trends



Higher Education Publishing Industry Revenue by Year
(in billions)



Average Cost of Textbooks Timeline



[image source](#)



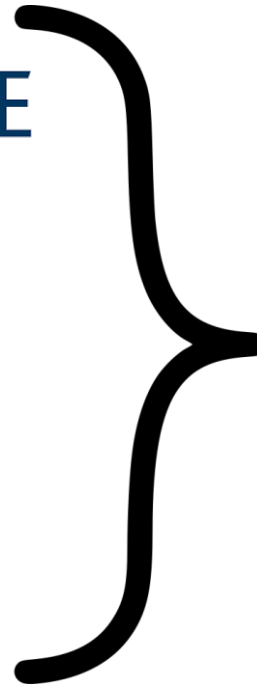
Example: The Big 3 in 2019



40% of U.S. college textbook sales
(announced "digital first" push in
July 2019)



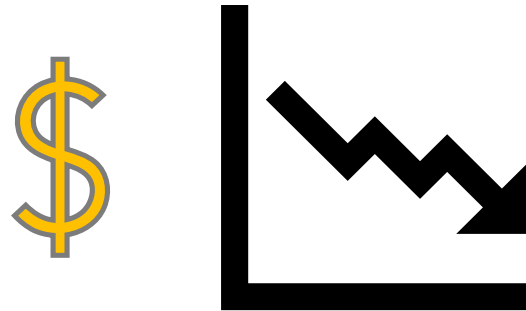
45% of U.S. college textbook sales
(announced merger in May 2019)



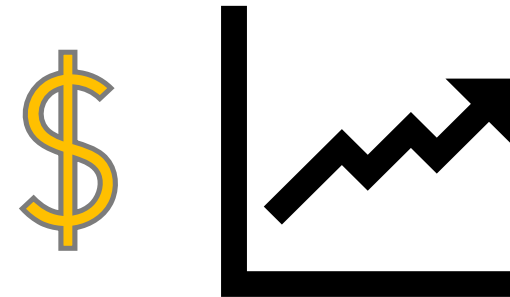


The 2020 Pivot

Average cost of **new hard copy books** per student decreased in 2020.



Average cost of **ebooks** per student increased in 2020.



Will the drop in print sales be offset by digital growth?



Example: The Big 3 in 2021



33% jump in profits in 2021 after embracing “digital first” strategy



40% increase in sales. U.S. Higher Ed business “is now 83% digital and over 85% . . . is recurring.”



Digital sales grew 10% year-over-year. Inclusive Access billings rose 58%.



"Inclusive" Access

Pros for end users

"Convenient"

Access to bundled course readings,
assignments, tests!

Available on 1st day of class

Cheaper than **new** hard copy
textbooks

Cons for end users

More expensive than OER or used
material, no re-sale

Tech Gap

Lack of transparency

Timed access

Co-opts language of Open Access
and Diversity, Equity, Inclusion,
and Accessibility (DEIA)



Open Educational Resources (OER)

Open Educational Resources (OER) are teaching and learning materials that are licensed to be free to access, adapt, and redistribute.



Pros for end users

Open Access content, good for the public

Student success and retention

Diversity, Equity, Inclusion, & Accessibility (DEIA)

Innovative instruction, open pedagogy

Community



Q&A

None of our Business

**Examining the Economics and
Business Dynamics
of the Library and
Information Industry**



Contact Us

Jason Folkman, E-Resources Librarian

jason.folkman@usu.edu

Alex Sundt, Web Services Librarian

alex.sundt@usu.edu

Robert Heaton, Collection Management Librarian

Robert.heaton@usu.edu

Erica Finch, Scholarly Communication Librarian

Erica.finch@usu.edu

Stephanie Western, OER Program Manager

Stephanie.western@usu.edu

Nick Gittins, OER Coordinator

Nick.gittins@usu.edu



References

- Aspesi, C., Allen, N. S., Crow, R., Daugherty, S., Joseph, H., McArthur, J. T. W., & Shockey, N. (2019, April 3). SPARC Landscape Analysis: The Changing Academic Publishing Industry – Implications for Academic Institutions. <https://doi.org/10.31229/osf.io/58yhb>
- Bamforth, E. (2021). "McGraw Hill says digital growth outpaced print losses in pandemic year." EdScoop. <https://edscoop.com/mcgraw-hill-says-digital-growth-outpaced-print-losses-in-pandemic-year/>
- Breeding, M. (2022). 2022 Library systems report: An industry disrupted. *American Libraries*. <https://americanlibrariesmagazine.org/2022/05/02/2022-library-systems-report/>
- Conchie, C. (2022, Feb 22). "Publisher Pearson posts jump in profits after digital push." City A.M. <https://www.cityam.com/pearson-posts-jump-in-profits-after-digital-push/>
- Hanson, M. (2021). "Average Cost of College Textbooks." EducationData.org, August 12, 2021, <https://educationdata.org/average-cost-of-college-textbooks>
- Hoeve, C., & Geuther, C. (2021). The silent battle on the budget: The effect of centralized indexing on collection analysis in Primo and EBSCO. *Collection Management*, 46(1), 3-13, <https://doi.org/10.1080/01462679.2020.1790458>
- McKenzie, L. (2019, July 16). "Pearson's Next Chapter." Inside Higher Ed. <https://www.insidehighered.com/digital-learning/article/2019/07/16/pearson-goes-all-digital-first-strategy-textbooks>



References

Nagle, Cl, & Vitez, K. (2021). *Fixing the Broken Textbook Market*. US PIRG Education Fund. <https://uspirg.org/sites/pirg/files/reports/Fixing%20the%20Broken%20Textbook%20Market,%203e%20February%202021.pdf>

Posada, A., & Chen, G. (2018). Inequality in knowledge production: The integration of academic infrastructure by big publishers. *ELPUB* 2018, Jun. 2018, <https://doi.org/10.4000/proceedings.elpub.2018.30>

Reidsma, M. (2019). *Masked by trust: Bias in library discovery*. Litwin Books.

Schonfeld, R. (2021). The new Clarivate science: A second-order consequence of open access. *The Scholarly Kitchen*. <https://scholarlykitchen.sspnet.org/2021/12/09/new-clarivate-science/>

S&P Global. (May, 2022). Company Profiles. S&P NetAdvantage Database.