Making the Change from Print to Online:
a publisher's perspective

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Abstract

As libraries move from paper subscriptions to online access the publisher is finding that their traditional subscription business model also has to develop and change. These changes, whilst offering new opportunities, can also be a threat to the publisher. This paper will present on the challenges now presented to Blackwell Publishing in this fast-changing, online-arena and will discuss how the new challenges of the online environment can be turned into opportunities both for the publisher and the consumer alike.

This paper will examine how the move to online only effects the way that content is displayed to different groups of readers; how the traditional annual subscription fee model is being replaced by more sophisticated pricing model negotiations; and finally how the battle for readership ensues after each sale is made as usage data becomes the true deciding factor of whether a journal is renewed or cancelled.

In order to look forward to the future it is necessary to reflect on the past. Blackwell Publishing has been existence in some form or other since 1897 producing print journals and books for the academic community. Over the years Blackwell Publishing has grown its portfolio of products and expanded globally into new territories, successfully producing high quality paper-based journals for sale to libraries and individuals in the academic community. Apart from list growth and improvement of print production, quality and speed, our business models have remained fairly static for almost 100 years. Then in 1996 the landscape changed. Electronic journals were first introduced, and in just seven years the way that we produce journals, and interact with our library customers, readers and authors has altered radically. Now Blackwell Publishing is the largest family-owned publisher in the world, it also has the largest portfolio of

society-owned journals and publishes a list of over 660 journals in print and online format.

It is important to note that this same change has happened within publishing companies the world over. As we have seen, some companies have struggled with the huge changes that have occurred, and we are now witnessing a smaller industry made up of giant players i.e.: we have seen the merger of subscription agents and publishers alike. The main reason for acquisition is that they have been unable to compete in a drastically altered trading environment.

The modern day publisher now produces two versions of every article published: a print and an online version. Lets first look at the print. It is a format that should not be underrated! It is browse-able, portable, and easy to navigate with clear pagination. It can be stored and archived, it can be written on and sections highlighted. It can even be said to be aesthetically pleasing – people like to handle print copies and can become very attached to their paper version! However, the downside is that paper is not easily searchable and is un-dynamic and one-dimensional. But, what paper lacks, online can provide. The most common online version is the Portable Document Format (PDF) this offers all of the functionality of print but can be displayed and stored online. Now PDF formats can also incorporate hot-links to other pages online. The most user-friendly element of the PDF document is that it can be printed out - and turned back into the print journal it once was! Consequently the simple, easy PDF is the format most selected by readers and is the option offered by most aggregator services such as Ingenta and SwetsWise.

However, the online environment can offer more than just paper and PDF. Publishers are now investing HTML versions of articles too. HTML offers far more interactivity for the end user, with hypertext links to and from databases, reference links to forward citations and past references and full-text searches (rather than just a key-word search). The potential for a greater use of sound and video files is also possible in the HTML environment. HTML, supported by XML also allows for greater customization of the interface so that the same journal article can appear differently to each type of user that accesses

it. This is particularly important to a publisher like Blackwell's who have a minimum of four types of users and readers:

1. The Librarian: Expects to have access to all of the journals for which their institution has an online license. Ideally the site will link seamlessly with other resources that their institution has purchased: databases, library catalogue (OPAC), linking server (SFX) and other online journals (using CrossRef). The librarian also expects their own administrator area where they can control their journal access and upload IP addresses, create remote-user passwords, download subscription information for the library catalogue, download usage data and upload messages for display on the homepage of the journal service. Finally, a technical helpdesk contact is required to deal with any problems.

In terms of the interface the librarians prefer to see their own library name at the top of the page so that the user can recognize that this service is paid for and provided by the library. The University logo with links back to the library homepage is also useful to help the end-user navigate around the site.

2. The Library User: Wants to have access to all of their required articles without any barriers to access. They would like to be able to search their library catalogue or database and link through to the full text, again, without being denied access. They would ideally like to have the journal article available in a printable format to take away. They would like a simple to use interface that requires minimal intervention and training by the librarian. Most importantly end-users like desktop access from office or home. The end-user is not concerned with who the publisher of the journal is.

3. The Society: Many publishers publish on behalf of learned societies; producing their journals in print and online and managing their member-services and subscriptions. Each society has its own branding and logo, which acts as the stamp of approval for the journal. Of most importance to the society is the maintenance of the brand of the journal and the brand of

the society so the online journal must try to include the 'look and feel' of the journal. Online, a gif-image of the journal cover-jackets and society logos are used to maintain this brand, whilst the publisher's own branding is suppressed. Using XML the online journal could also display the article with a different colour format more in keeping with the societies own brand-colour.

4. The Society Member: Wants to receive their membership journal online as well as to have access to additional information pertinent to their society: conference proceedings, letters, jobs etc. The online journal in this instance needs to maintain the 'sense of community' that the society membership provides. Many society members work within universities that may also have bought institutional access to the journal, therefore the online journal system has to recognize that the user is not just a library user, but also a society member, and offer the greater depth of information that membership grants.

The society member may also want to access other journals in a similar subject area that may be subscribed to by the institution or as a personal subscription by the member himself.

The publishers' journal system must be advanced enough to cope with these different tiers of access and have a recognition system that can identify and recognize the user and offer them the format of journal that they wish to see. Such recognition and authentification cannot be done by IP address alone but proxy recognition and use of cookies must also be built into the journal system.

So what does this tell us? The publisher whilst maintaining the usual print production is now faced with producing an online interface that can satisfy every level of user in both a printable PDF and dynamic HTML format. The costs for providing such services are not insignificant whilst the current expectation for e-only pricing is that it should be cheaper than print! New sales to consortia have helped to cover the cost of online, and it will be interesting to see whether the dual print and online availability that publishers are now providing

will still be available in the near future. As libraries increasingly move towards e-only the unit cost of print will increase radically making the format even more expensive to customers that still wish to buy paper journals. Print on demand solutions are unlikely to satisfy the individual or membership subscriber that still values their print subscription.

So how will the economics of online publishing work in the future? Currently most publishers have two main ways of gaining revenue from organizations and institutions that require research materials. There is the traditional subscription model where journal access albeit in print or online format is paid for in advance for usually a one-year subscription. The pricing for this model varies from publisher to publisher but generally looks something like:

Print: sometimes with limited online access	100%
E-only	90%
Combined: Print and full electronic access	110%

In the future I foresee that the gap between the three tiers will close to compensate for the expense of developing e-journal delivery systems. In fact e-only may become the more expensive option as more legacy and functionality is added

In addition to this traditional subscription model, most major publishers now also sell a bundle or package of journals to library consortia. Although each publisher's method of calculating consortia costs varies the theme common across most publishers is to calculate the current expenditure of the library and 'freeze' this spend and then calculate a top-up payment for access to the rest of the journals that the publisher produces online. This model offers significant additional access for the consortia members for a sum that is considerably less than the cost of buying the journals on subscription individually. The publisher is also pleased as it increases revenues, offers exposure and readership to titles that might never have been bought by the libraries before and in turn the additional readership can increase the journals' citations and so impact factors. A successful consortia model can also help to attract new journals into the publisher's fold as journals that are self published or produced by a rival publisher are seduced by the possibility of global penetration and readership.

However, in some markets we are seeing a resistance to these 'all-you can eat' big deals. Libraries increasingly want to gain value for money, which doesn't always mean buying a large list of journals of which only 50% might ever be regularly used. So what can publishers offer in return? Models that are currently being experimented with include bundles of journals in particular subject disciplines: i.e.: Blackwell's STM or HSS collections. One example is the project initiated by the ALPSP (Association of Learned Society Publishers) who are bringing together a group of its smaller member publishers to form a cross-publisher consortium. Their offering may be bought on mass as a big collection, or in subject bundles. The publisher-consortia will then use a subscription agent to market and sell the package to libraries globally. This will help the smaller publisher to compete with the giant publishers by clawing back a portion of the libraries budget.

Other new models include more radical usage-based pricing models. Where popular journals are bought as e-only subscriptions and the less popular journals in the list are made accessible for a per download fee or by buying a block of articles. This model is currently being experimented with at Blackwell Publishing and Wiley to name two.

All of these variations in pricing and licensing terms mean that the journal business has become more complicated for both publishers and librarians alike. A whole new staff skill set is now required to support the business both within publishing houses, libraries and of course subscription agents. These complications combined with the large deals that are often negotiated over long periods, have made the market a more competitive one. Whilst once it was the quality of a publisher's journal that made the sale, now it is the quality of the publishers' staff, price, breadth of list, license conditions and journal interface. Publishers are now competing to secure a slice of the ever-depleting library budget to gain the revenue and the readership for their titles. It is also important to note that most of the negotiated consortia deals occur directly between the library and publisher, with little intervention by the agent in between. The future of the subscription agent is a topic that is being raised at many library

conferences globally –especially since the demise of Divine/Rowecom. However, I shall not go into the subject too deeply within this paper.

Internally within publishing houses, the traditional role of journal marketing is also facing a sea change. It is no longer so important to market single journal titles to individual subscribers and university faculties; instead the aim is to promote a package of journals: pre-sale to a potential library customer or consortia purchaser, and post-sale to the library users in order to build up usage. Posters, shelf stickers, help pages, intuitive interface design, search capability and inter-journal citation linking is used to help keep a journal site 'sticky', keeping the user within it's pages for as long as possible. So important is usage that publishers have collaborated together to form CrossRef[1] which links different publishers together through citation links, with the standard DOI (Digital Object Identifier) becoming the 'standard' referral to the article.

Meanwhile project COUNTER[2] is also creating standards for publishers to ensure that usage data is counted, collected and reported in a consistent manner thus enabling librarians to compare usage of journals across different journal systems. Blackwell Publishing was the first publisher to become level one Counter compliant in April 2003, closely followed by Oxford University Press. The importance of the COUNTER initiative may not be known until all of the major publishers have adopted the standards – but the comparison of one similar journal title with another will certainly contribute to the selection process used when a librarian is deciding upon which journals to buy for their library.

Within this paper I have covered many of the production changes that have occurred within most major publishing houses, changes that started in the 1990's and are now a routine business practice. Publishers in this 'online' world continue to fulfill the demand for paper subscriptions bought under the traditional model, whilst also creating online journal services that can reproduce print and also

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[1] www.crossref.org
[2] www.projectcounter.org

enhance the print experience. The same journal can now be reproduced and branded differently depending on its reader. It can also be linked to and searched – while its usage data is freely available in a comparable, transparent format. The quest is now not for subscription revenue alone, but readership, citations and market-share.

I have also discussed the business models currently available; business models designed for print but shaped to also suit the electronic environment. But will these models persist? Or will more sophisticated deals based on document downloads, usage data or subject bundles become the norm in the near future? We at Blackwell's certainly think so; in fact we are looking forward to a time when journal and article costs are determined not by their price but by their 'value' to the consumer that reads it. This will allow the quality publications to win-out whilst the peripheral journals will merge or cease and disappear completely. It may also allow smaller publishers, of high-quality journals, to once again gain a share of the market rather than being pushed aside in favour of the big deal. The future of the e-journal is not yet clear during this time of change – however, one thing is sure the information industry is certainly an exciting place to be right now!