

## **Value-based pricing, open access, enhanced usage rights – the impact of current trends on collaborative collection building for digital resources**

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## Market dynamics for digital resources in fast motion (1)

1996	First Big Deal (Academic Press)		1996
1997	Founding of the International Coalition of Library Consortia (ICOLC)		1997
2003	Berlin Declaration on Open Access to Knowledge in the Sciences and Humanities	„Pricing models for online journals, when standardized at all, are getting more complex.“ (Library Journal, LJ)	2002
2004	Launch of (hybrid) Springer Open Choice		2004
2005		„On the surface, not a lot has changed. [...] Beneath the surface, however, the tide of change runs strong.“ (LJ)	2005
2006	MegaJournal PLOS ONE founded		2006

## Market dynamics for digital resources in fast motion (2)

2007	California Digital Library (CDL) Value-Based Pricing Strategy		2007
2008	ACS Tiered Pricing		2008
2010		„the shift from print to digital is likely to accelerate greatly“ (LJ)	2010
2011		„we can expect the next generation of pricing, likely based upon some form of tiers“ (LJ)	2011
2012	Finch Report UK		2012
2014	Total Cost of Ownership project (Jisc Collections; Information Power Report)	„the Big Deal e-journal package continues to dominate academic library purchasing. [...]“ (LJ)	2014
2015	STM & LIBER statements on Text & Datamining	“the financial tipping point for open access is not on the horizon.” (LJ)	2015

## Current trends in collaborative licensing – a few examples

### Example #1:

Pricing structures in package deals – farewell to historic print spend?

### Example #2:

Open Access and subscription models – how do they go together?

### Example #3:

Enhancing licence agreements – is there more to it than access?

## Pricing structures in package deals (1)

- Historic print spend as basis for package deals increasingly considered inadequate
  - Trend towards e-only-based flat fee with tiered pricing
- Alternative **pricing parameters** required, e.g.
  - Type of institution (Higher Education, research institute etc.)
  - Full-time equivalents (FTE) (possibly subject-specific)
  - Usage
  - Budget (institutional, acquisitions budget)
- Examples of standardised pricing **tiers/bands**
  - Jisc Banding Model
    - mainly budget-based
  - Banding concept for Germany
    - mainly based on types of institutions and FTEs

## Pricing structures in package deals (2)

- **Challenges**

- What are considered adequate parameters (cf. Jisc vs. German concept)?
- What is considered an adequate price in absolute numbers (cf. CDL value-based pricing)?
- Winners and losers with change of pricing parameters, esp. if the overall volume of the deal remains largely the same

- **Strategies**

- Migration plans and modification of the pure concept
- Flat fee with internal distribution mechanisms
- Claim benefit from savings on the publisher's side
- Enhanced buying power in a collaborative approach
- Gain additional services

## Open Access and subscription models (1)

- „OA is not relieving the pressure that rising costs have on library budgets. One of the conclusions of the joint research conducted by the ORBIS Cascade Alliance, Committee on Institutional Cooperation, and Boston Library Consortiums in 2013 and 2014 and reported at the 2015 ER&L Conference was that the financial tipping point for open access is not on the horizon.“ (Library Journal 23 April 2015)
- **Offsetting schemes** to mitigate the cost increase effect
- **Example #1: RSC Gold for Gold**
  - Publisher issues vouchers alongside the subscription deal for hybrid OA publishing
- **Example #2: Austria (IOP and Taylor&Francis)**
  - Austrian Science Fund (FWF) sponsors hybrid publication of articles out of FWF-funded projects, to be deducted from the subscription fees

## Open Access and subscription models (2)

- **Example #3: Jisc Total Cost of Ownership of Scholarly Publication**
  - Systematically aim at negotiating offsetting schemes for cost control
  - Deals in place with a number of publishers, mostly discounting APC costs
- **Example #4: Springer Compact**
  - Piloted by a number of consortia
  - Model combines both access to the full subscription collection and OA publishing by the consortium's authors in a flat fee approach
- **Conclusions and challenges**
  - National policies/mandates as drivers of change
  - Takes double dipping avoidance to the local level
  - Offsetting schemes should support the transition to full gold Open Access
  - Works in a collaborative environment
  - Significant workflow issues ahead

# Enhancing Licence Agreements (1)

- Licensing e-resources is more than gaining access to digital content
- **Example:** Alliance licences
  - Collaborative licensing in Germany both at the regional and at the national level
  - Context: Priority Initiative "Digital Information" of the Alliance of German Science Organisations
  - Supported by the German Research Foundation (DFG)
  - Opt-in consortia for both Higher Education and research institutes (country-wide) on the basis of added value criteria
- **Guidelines** for the purchase of licences funded by DFG  
[http://www.dfg.de/formulare/12\\_181/12\\_181\\_en.pdf](http://www.dfg.de/formulare/12_181/12_181_en.pdf)

## Enhancing Licence Agreements (2)

- Perpetual access and hosting rights
  - Accompanied by a project on securing perpetual access rights (NatHosting)
- Moving Wall
  - After a defined embargo period a year of journal content will be added to a national archive available to all publicly funded academic institutions in the country
- Green Open Access
  - Participating institutions' authors are permitted to publish their articles in repositories of their choice
  - As soon as possible after publication
  - In the published version
- Text- and datamining / virtual research and learning environments

## Conclusions and perspectives

- Highly dynamic and transitional market situation
- Multilayered approach
  - Improving subscriptions models (value-based pricing, enhancing rights etc.)
  - Working on full gold Open Access transition
- Collaborative efforts remain important
  - New and changing models work within and are often driven by consortial arrangements
- There is more out there than (STM) journals...
  - E.g. E-Books on the rise both subscribed and Open Access
  - Different dynamics in the Humanities



Thank you!  
Comments or Questions?

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