

Society for Scholarly Publishing

Reaching the global market: Research, positioning,
partnerships, and customer service.

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Agenda

- Market size
 - Segmentation
 - Spending on content in the major higher education markets.
 - Typical market distribution for large and small US and European publishers
- Print vs. electronic implications for marketing, sales, and customer service.
- Positioning your content in the network.

Global Market Size

- STM market in 2002 is \$9.3 billion according to Outsell
 - \$1.095 billion is in the aggregation business and other intermediary functions.
 - \$6.486 billion is in primary and secondary STM publishing— which includes Abstracting and Indexing databases.
 - \$1.684 is in STM not for profit
 - ◆ This information is the summary information drawn from Outsell and obtainable as a report on Industry Trends, Size, And Players In The Scientific, Technical & Medical (STM) Information Market- : 22-Nov-2002
- Morgan Stanley in their recent report Scientific Publishing; Knowledge is Power estimated the total market size as \$7billion.

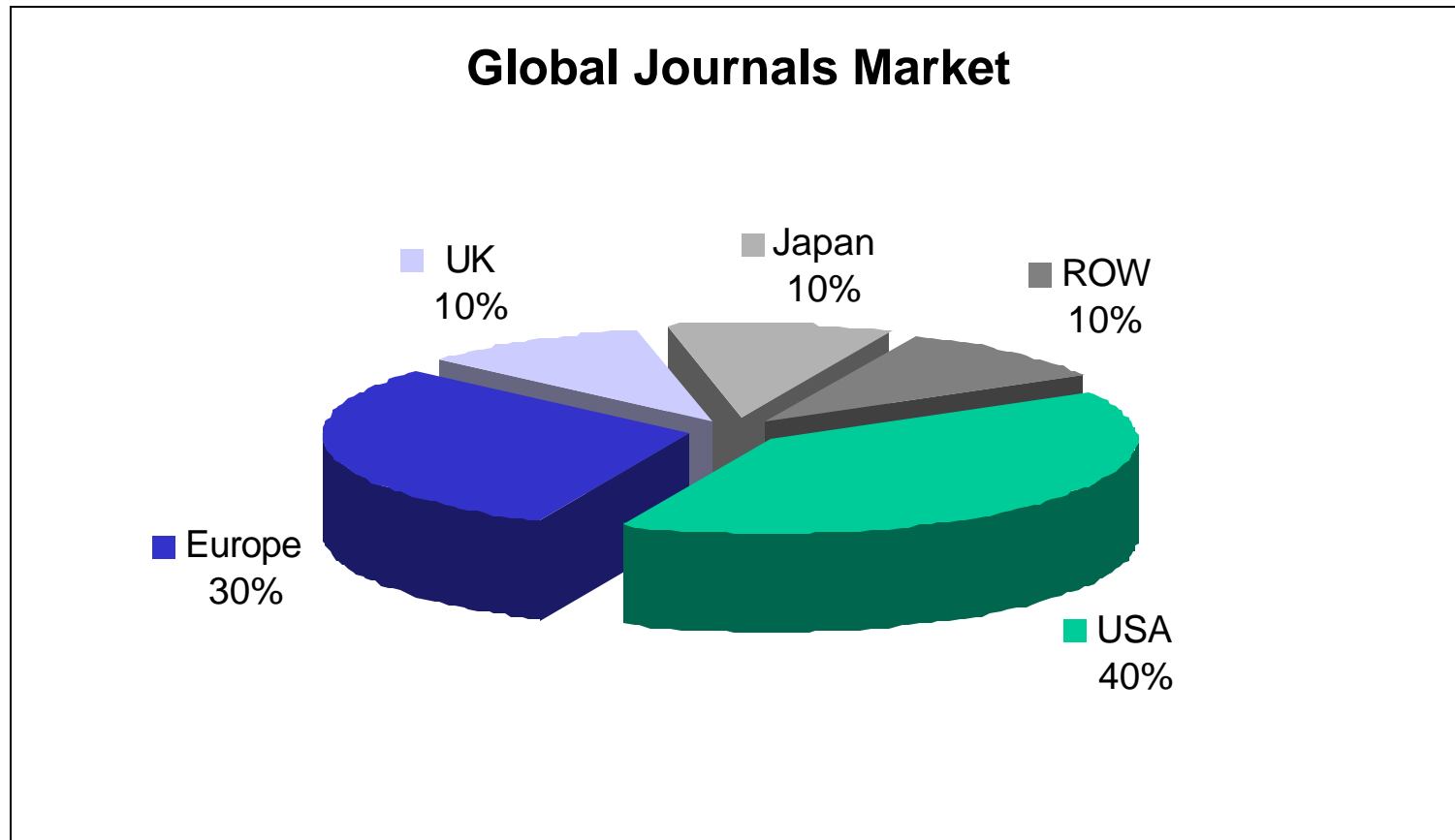
Global Sector Segmentation

- One of the major agent's business is split as follows
 - 50-60% academic
 - 20% corporate
 - 2 % government
 - 15% medical schools and hospitals
 - 3-5% public schools, high schools, law schools and other minor categories

Global Sector Segmentation

	Morgan Stanley	Outsell
Academic	\$3.08billion	\$4.09 billion
Corporate	\$1.33billion	\$1.76 billion
Government	\$770 million	\$1.023 billion
Medical Schools and Hospitals	\$1.61billion	\$2.14 billion
Schools	\$210 million	\$279 million

Geographic split of global scholarly journal business



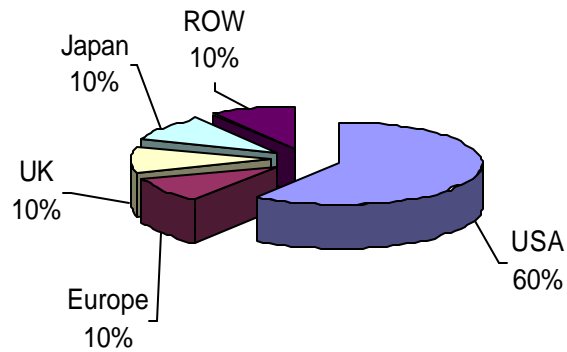
Spending on content in the major higher education markets.

- The total spend of US\$848m by 114 ARL university libraries was 3.3 times more than the total spend by UK HE, (110 universities, 60 HE colleges)
- Spending in Australia (A\$173m) with 40 universities, and in New Zealand (NZ\$47 million), with 8 universities, was equivalent to 48.3% and 11.3% respectively of the UK HE total.
- Average spending by a North American ACRL doctoral level library (£1,651K), Australian University (£1,858K) and New Zealand university (£2,218K) are all higher than average spending by a UK university (£1,249K).
- The average spend on books and journals by a North American ARL university library (£4,467K) is over 3.5 times higher than the average spend on books and journals by a UK university (£1,262K).

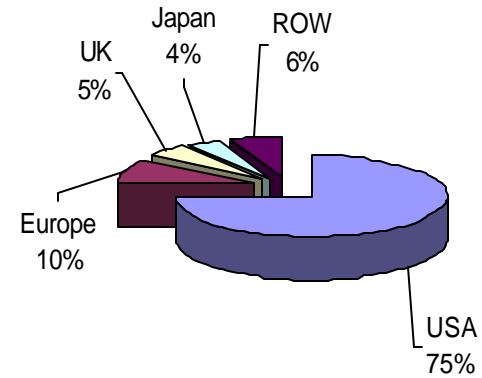
European library spending -Top ten countries by absolute spend

European HE libraries Acquisitions	Actual/estimated spending (m Euros) (Euros millions)	Staff members + students (000's)	Spending per staff member/student (Euros)
UK	236.7	1,910	123.9
Germany	185.6	2,415	76.9
Italy*	124.2	1,852	67.1
Spain	74.3	1,680	44.2
France*	63.1	2,278	27.7
Netherlands*	36.2	540	67
Finland	21.9	224	97.8
Greece*	19.6	347	56.5
Sweden*	19.5	292	66.8
Austria*	18	269	66.9

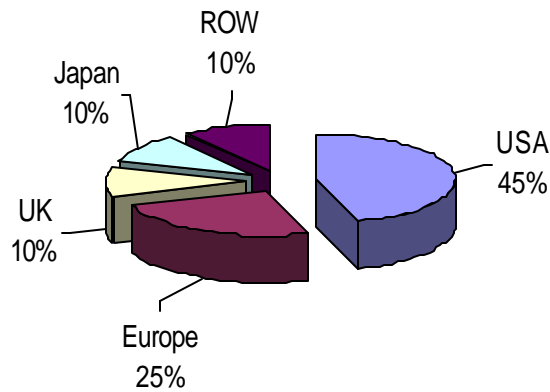
Major US publishers - Geographic Distribution of Business



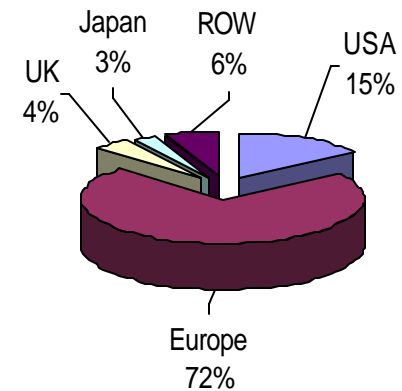
Smaller US Publishers - Geographic Distribution of Business



Major UK/European Publishers - Geographic Distribution of Business



Smaller UK/ European Publishers - Geographic Distribution of Business



Visibility in the Paper World

- Visibility in the paper world
 - Publishers
 - ◆ Editorial, production, subscription management, marketing
 - Agents,
 - ◆ The ultimate catalogue, subscription management, billing, delivery, customer service
- Visibility was a function of journal quality, editorial boards, ISI ratings, society support.
 - Marketing focussed on authors and readers

Visibility in the Electronic World

- Visibility in the electronic world is a function of journal quality, editorial boards, ISI ratings, society support

PLUS

- Aggregated presence
- Consortial offering
- License conditions
- Offering alternative routes to content - Google
- Offering alternative packages of content
- Responsive customer service
- Getting your message out to Libraries as well as End Users

Selling electronic content

- Direct sales force?
 - Paper world - relatively rare
 - Electronic – increasingly common
 - ◆ Driven by opportunities to arrest subscription erosion
 - ◆ Increase visibility of more marginal titles
 - ◆ Lock in and/or increase market share.
- Driven by the diversification of the product
 - No fixed boundary on content
 - No fixed price
 - Complicated negotiation of content, license and price
 - Empowered to make local deals
- A permanent or transitory condition
 - Do smaller publishers need sales representation in overseas markets?
 - The agent resurgent ?

How have UK and European publishers approached the US and overseas markets

- Through local offices, through local agents or through visits.
- Through engaging with the market - this is a relationship based business
 - Subject based meetings
 - Library shows – establishes contact and credibility
 - Grapevine
 - Visit libraries
 - ◆ identify targets on the basis of existing holdings
 - Customer marketing activities – relationship building, retention, practical information
 - Library Advisory Boards
 - New business marketing activities aimed at Libraries as well as End Users
- Through market intelligence
 - Monitor Listservs
 - Spot new budget money (e.g. by looking at THES)

Contracted telemarketing and outsourced customer services

- Contracted resource
 - Language capabilities
 - Manage actively
 - Head office capabilities – engagement and responsiveness

- Extenza
- Accucoms
- Ebsco PPS
- Publishers Communication Group
- Allen Press

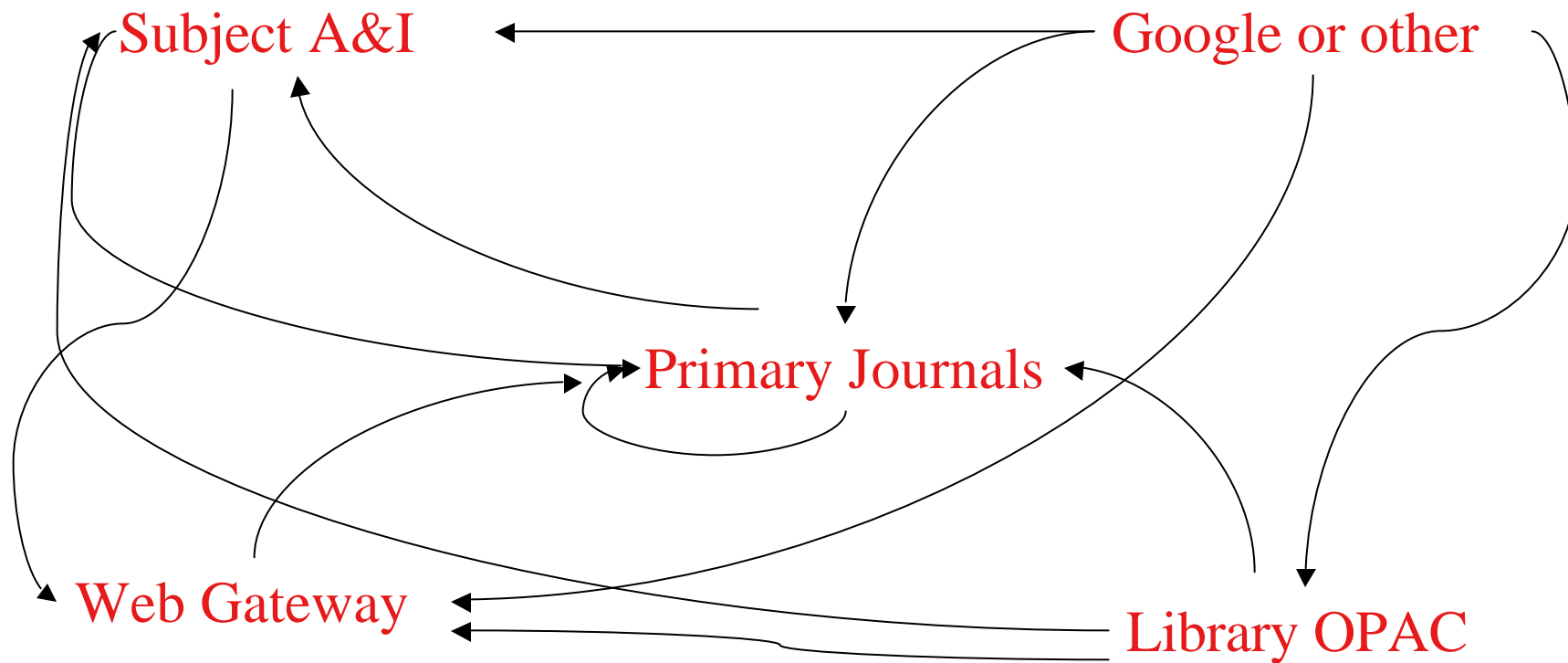
Maximising Legitimate Access to Content – a Publisher's Goal

- Publishers seek to maximise (legitimate) traffic to their content (usage) because.
 - It demonstrates value.
 - And partly justifies price.
 - It reinforces brand.
 - And hence helps with article submissions.
 - Which raises the quality and quantity of articles published.
 - Which raises traffic and value.
 - And so on.

Understand the Routes to your Content

- Through a subject A&I – e.g. ISI, PsychInfo, Biosis
 - Usually the highest quality information, but not the best coverage.
- Google and other search engines
 - Some measure of quality achieved, but wins mainly on coverage and simplicity
- Library OPAC/web site
 - Has the advantage of linking only to content that has been paid for and meets library selection criteria. Also increasingly contains own search engine of both Z39.50 and local metadata
- Journal Aggregation – e.g. Ingenta, SwetsWise, EbscoHost
 - Incomplete coverage, but some have knowledge of subscriptions
- Publisher or Society website
 - Use of these varies depending on size and subject, but not the most common route to content

Where Does Traffic Come From?



Understand the Librarian's Role

- Provide appropriate resources for their patrons
 - Appropriate usually means quality, reliable sources of information
- Get their patrons to use those resources
- Get acknowledgement within their organisation that it was the librarian who has organised access to the content
- Achieve all that at the lowest possible price

Statistical sources

The Association of College and Research Libraries (ACRL) website
(www.acrl.org)

The Association of Research Libraries (ARL) website (www.arl.org)

ARL Statistics 1999-2000, 2000-01 and 2001-02

Canadian Association of Research Libraries/Association des Bibliothèques de Recherche du Canada (CARL-ABRC) website (www.carl-abrc.ca)

The CAUL (Council of Australian University Librarians) website
(www.caul.edu.au)

Higher Education Funding in the G7 Countries and University Library Acquisition Funding in the USA, Europe and the UK, Keith Nettle (The Publishers Association 2000)

Statistical sources

Japan Library Association statistics 1999, 2000, 2001 and 2002

The Japan Library Association website (www.jla.or.jp)

The Libecon website (www.libecon.org)

Library and Information Statistics Unit (LISU) Annual Library Statistics 1998, 1999, 2000, 2001 and 2002.

Research Support Libraries Group Final Report (HEFCE, 2003) (available at www.rslg.ac.uk)

SCONUL Annual Library Statistics 1994-95, 1995-96, 1996-97, 1997-98, 1998-99, 1999-2000 2000-01 and 2001-02 (London: Society of College, National and University Libraries; formerly Standing Conference of National and University Libraries)

Trend analysis of monograph acquisitions in university and public libraries in the UK (British Library, 1999)