



ACS Publications

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Thessaloniki

American Chemical Society



ACS Publications Value-Based Pricing

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Agenda



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- **Introduction: How do we offer value in tough economic times?**
- **1) We give something back ('Mission-based' publishing)**
- **2) We price our customers only for what they use (ACS Value Based Pricing)**
- **3) We respond to market feedback (ICOLC requests and our response)**



Giving something back



Value Proposition: Quality at a fair price



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ACS Publications – What We Do



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We publish **40 peer reviewed journals** covering the broad spectrum of the chemical sciences

- Publish with a **mission** - most ACS Journals tie back to Technical Divisions
- Use **technology** to surpass user expectations in submitting and locating the research they need
- Maintain a peer review system that strives to provide **feedback and guidance**
- Recruit & retain the **best arbiters** of chemical research in the world

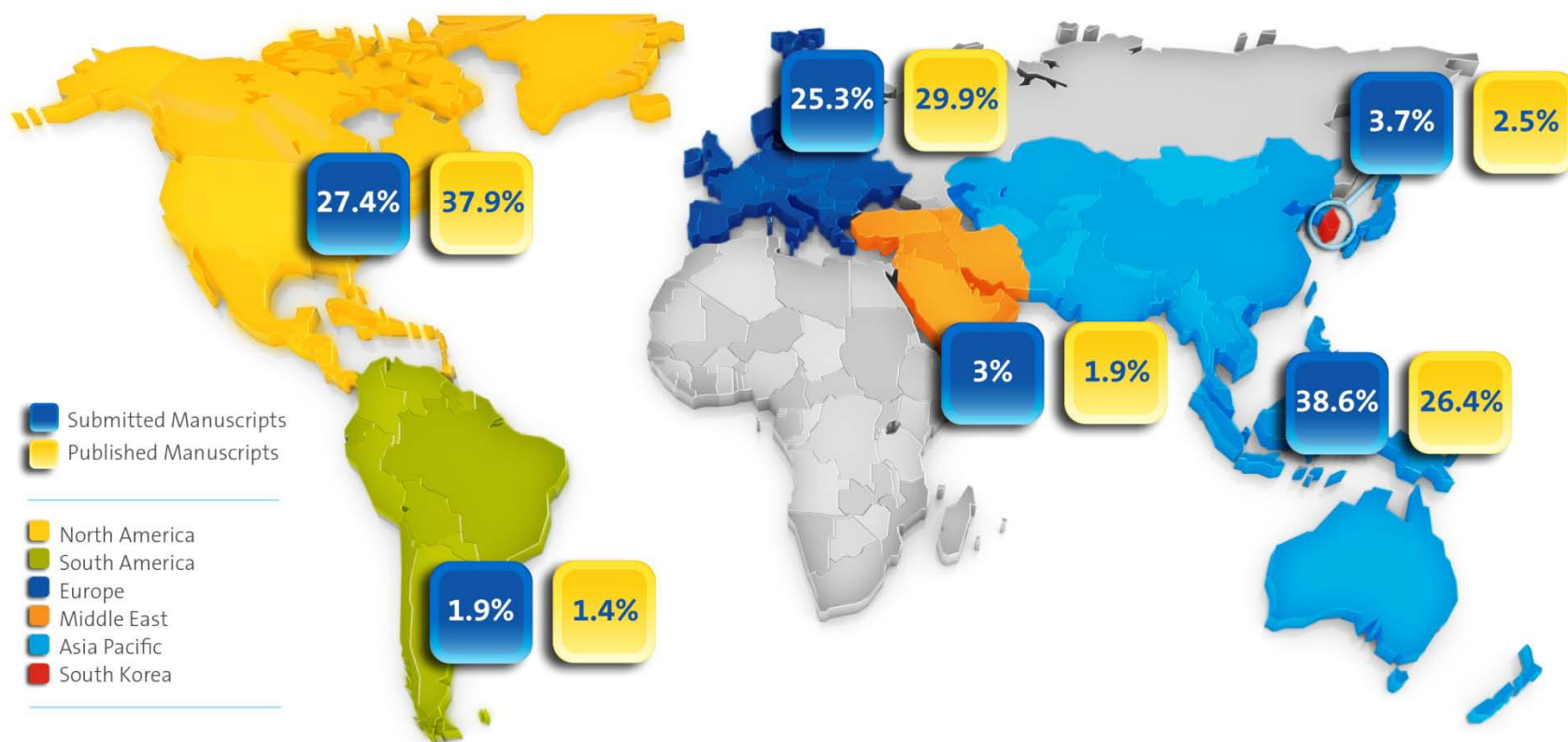


ACS Publications – An International Publisher



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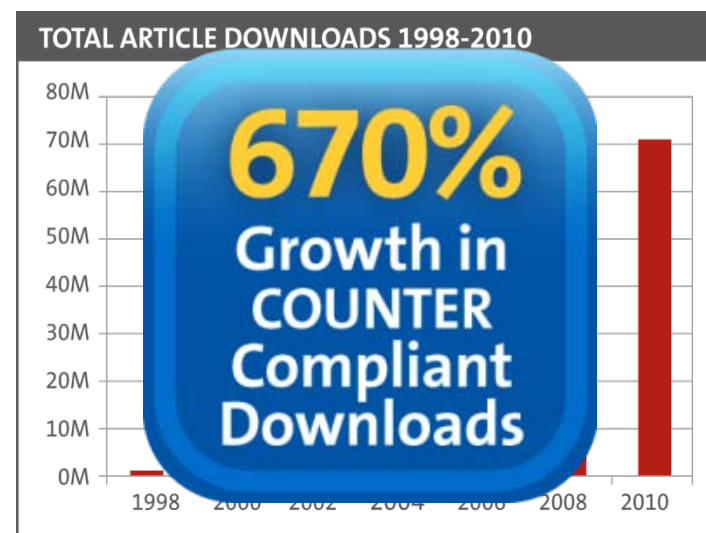
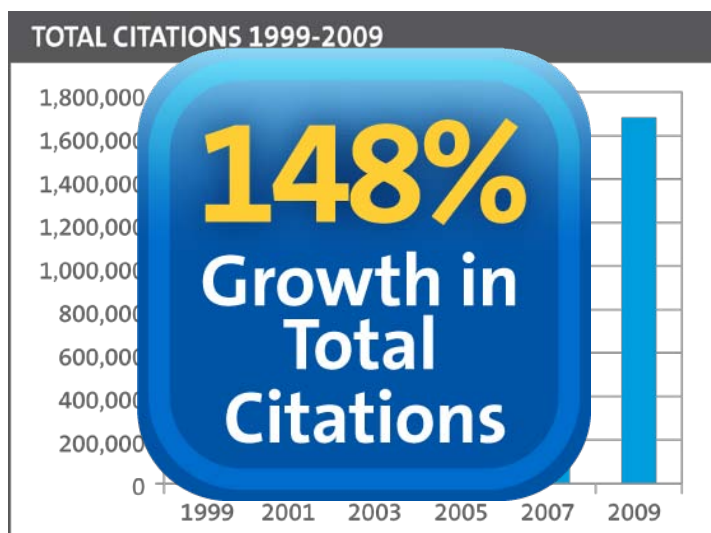
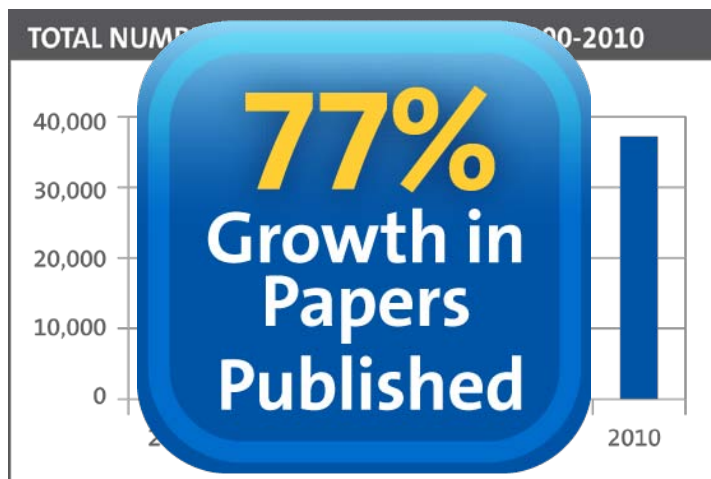


Results – Key Metrics (Last 10 Years Data)



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Chemical Abstracts Services (CAS)

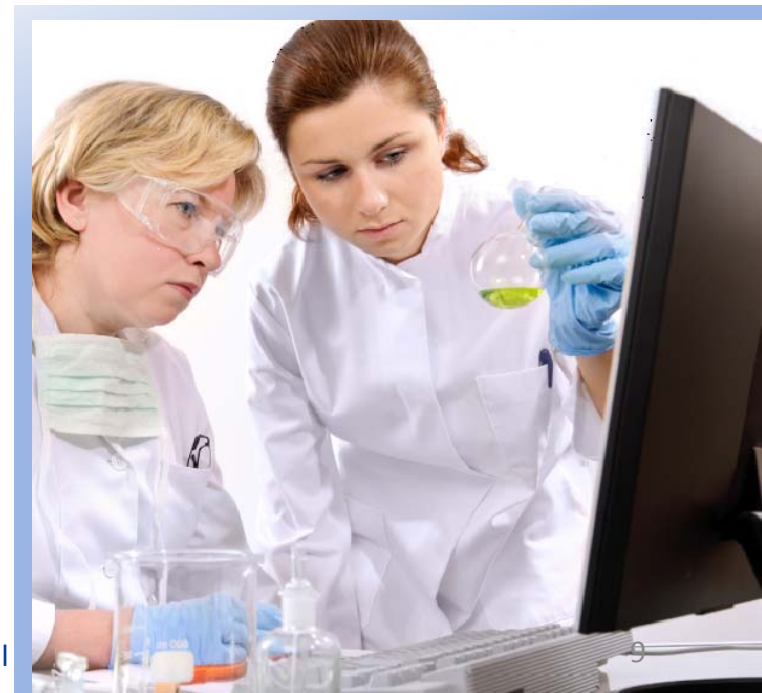


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- The **world's essential** chemistry databases
- Every day, **thousands** of chemists use CAS products to find:
 - Molecules
 - Sequences
 - Research articles
 - Patents
 - Chemical Substances...and more

56M
Chemical
Substances
Registered



ACS on Your Campus



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The ACS strives to maintain strong relations with University Research Centers to provide the **best chemistry research** and further its mission.

- Editors & Associate Editors are **practicing researchers**
- ACS on Campus is a campus outreach program in association with the **campus library** & chemistry department to educate the students in scholarly publishing, ethics, and ACS web tools.
 - Alternative Careers
 - Training on ACS Web Tools
 - Basics of Scholarly Publishing
 - Resume Reviews
 - Journal of the Future

400
Student
Participants
to Date





ACS Value-Based Pricing Overview & Perspective

ACS Develops a Modern Pricing Plan



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Why reinvent pricing for ACS Journals?

Scientific publishing world 1879-1995:

- One universal pricing metric – the cost of a printed subscription



ACS Develops a Modern Pricing Plan (cont.)



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ACS strategy for the electronic world – changing business models

- **The scientific publishing world: 1995-2005 & beyond**
 - Printed journals go Digital
 - Subscriptions to titles evolving toward Database access - Collection to Corpus
- **The challenge for ACS & other publishers**
 - Fees customers pay evolved from the print titles they purchased many years ago
 - By modern metrics, fees are no longer equitable – similar customers do not pay similar fees
 - Subscribed (accessible) Titles
 - Usage
 - FTE
 - Research/Science focus & budget
 - As a Society and Publisher, equitable treatment of our customers is a core value

ACS Develops a Modern Pricing Plan (cont.)



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ACS strategy for the electronic world – changing business models

- **Project begins in 2006 to evolve ACS pricing**
 - Included interviews with 50+ customers
 - Worked with 3rd party consultant
 - Vetted through the ACS Library Advisory Board & approved through ACS Governance
- **“Guiding Principles”**
 - Re-establish Fairness & Equitability
 - Encourage Participation and Use
 - Broaden Access
 - Minimizing Disruption

ACS Value-Based Pricing Model



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International Academic Market

- **Primary Metric:**
 - World Bank Index (High, Upper Middle, Lower Middle, Low)
- **Secondary Metrics:**
 - Full-time enrollment
 - Usage bands (COUNTER compliant full-text downloads)
- **Consortia Discounts**
 - All titles – 60% Discount
- **First released in 2008**
 - 3-5 Year Migration plans offered to assist in managed transition

International Tiers	A	B
1		
2		
3		
4		
5		
6		

Challenges & Trade-offs



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ACS allows consortia to set member prices

- Equitability at the institution level has not been achieved
- Changes in consortial allocations are seen as ACS pricing changes

Librarian feedback sets usage as a secondary pricing metric

- ACS VBPM works better for some types of institutions than others

ACS provides maximum benefit for subscribers to all content

- Customers walk away from discount when they choose to trade content for cost
- New titles contribute to increased costs

Sub-tiers based on FTE and Usage provide more detailed equitability levels

- Changes in FTE and Usage can unpredictably create substantial price changes
- Changes can create price fluctuations up and down that do not align with library budget realities

Why Is My Price Increase More/Less than 5%?



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- **ACS VBPM Driven**

- Impact of “Starting Point” vs. Migration Plan
- Addition of New Journals
- Change in Account Tier and Sub-Tier
- Changes in Journal Price Weighting
- Changes in Print Selection and Pricing
- Changes in Supplementary Products/Programs

- **Market Driven**

- Long term Consortia Contracts
- Changes in Consortia Membership and Allocation Policy
- Impact of Incentive Programs
- Print to Digital switching costs (VAT)

ACS Publications & VBPM: What We've Achieved – 5 Years After



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- **Decoupled digital price model from print legacy**
 - Ended duplicate subscription practices
 - Accelerated transition to all digital environment
- **Increased Library ROI**
 - More content, enhanced discoverability, increased access, greater usage than ever
- **Increased Community impact**
 - More Scientists than ever submitting research to ACS for Publication
 - Significant expansion of subscribed content: more libraries with greater range of journals
- **High degree of market acceptance**
- **Retained high quality – high impact reputation**
- **Increased value to all stakeholders**

Where Will ACS VBP Go from Here?



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- **ACS continues to implement VBP. Most customers are either currently “on model”, or are under an agreed-upon migration plan**
 - Increased customer interactions provide data on “pain points” with VBP
 - ACS will review data and feedback and will make appropriate adjustments to VBP over time
 - Migrating consortia who reach their VBP fee early will transition to VBP and see standard fee adjustments
- **In 2011 ACS standardizes pricing for Archives lease & C&EN Online.**
 - In advance of new product offering – *C&EN Archives*, *Symposium Series Archives*, lease options for both
 - Now that standardization has been established, standard annual adjustments and bundled discount opportunities will apply



ACS responds to market demands

How Has ACS Responded to ICOLC?



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2009 & 2010 Letter

- **Limited annual increase to 5%**
- **Introduced Early Decision incentive/discount**
- **Implemented multiyear payment plans and bundle discounts for one time sales**
- **Increased interaction with community**
 - (Sales/Service Infrastructure, Library Summits, ACSOC)
- **In 2011, introduced 1-year forbearance option for new journal adoption**



Q & A

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