The Cost-Profiles of Alternative Approaches to Journal-Publishing

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My Background

• Commerce (Info Sys)
• 25 yrs in business and consultancy
• 10 yrs as an academic, + 10 yrs ‘just visiting’
• Edited Volumes and Journal Special Issues
• On Editorial Boards
• Never a Jnl Editor, and admire people who are

My Orientation

• Originally software development projects for commercial and admin applications
• Since the mid-1980s, strategy and policy aspects of Information Infrastructure and eBusiness, ePublishing
• A self-employed consultant supporting a 3m hits p.a. web-site
In-Scope

- Publishing
  - p-...
  - e-...
- Refereed Journals
- Open Access
- Not-Open Access

Out-of-Scope

- Publishing:
  - Monographs
  - Other Serials
- Research Production
- Research Consumption
- Intermediaries’ Business
  - Libraries, Collection
Journal-Publishing Cost- Profiles

Agenda

1. Open Access ... means what?
2. Categories of Journal Publisher
3. A Cost-Profile Model
4. Sample Cost-Profiles
5. Some Inferences
   Some Conclusions
   Challenges to For-Profit Publishers
Open Access

• Online Access

• Without:
  • Financial Barriers
    "without charge to readers or libraries"
    BUT assuming Infrastructure i.e. no ‘digital/divide’
  • Permission Barriers
    • the need to pre-register
    • the need to be a member of an organisation
    • the need to declare one's identity
    • legal constraints
    • technological protections
Qualified OA

- Delayed OA
- Some, not all, e.g.:
  - Author-Paid
  - Editor-Selected
  - ...

Extended OA

- Not just “access”
- But also:
  - "distribute"
  - "transmit"

Budapest’02 v. Berlin’03
A Distraction

ePrints / ‘Self-Archival’

- Pre-publication of draft papers so that colleagues can access them
- Driven by Stevan Harnad

Not OA, but An Adjacent Issue
Journal-Publisher Characteristics

- specific-purpose org; part of something bigger
- incorporated; business-unit; unincorporated
- a not-for-profit, associated with a community; an outsourced service provider; an entrepreneur
- one Journal; some Journals; many Journals
- cross-subsidised; self-funding; cross-subsidiser; for-profit
- little cash flow; small bus.; substantial business
Categories of Journal-Publisher

• **Unincorporated Mutual**
  An informal association of a modest number of people with a common interest

• **Not-For-Profit Association**
  A formally constituted not-for-profit association of individuals, usually within a particular discipline, profession and/or geographical region

• **For-Profit Publisher**
  A for-profit corporation, or a profit-oriented business unit of a not-for-profit association
A Journal Cost-Profile Model

- Establishment
- Operations
  - Submission-Related
  - Article-Related
  - Issue-Related
  - Generic
- Infrastructure Maintenance
- Financial Aspects
Cost-Elements within Operations

Submission-Related
- Receipt, acknowledgement & management
- Assessment Process conduct & management

Issue-Related
- Editorial
- Production-editing
- Production
- Protection
- Distribution

Article-Related
- Production-editing
- Cataloguing

Generic
- Marketing
- Customer relationship management
- Archive management
- Indexing
- Governance
The Primary Factors That Affect Costs

- submission-load – number, communications intensity
- articles accepted and published
- size and ‘special features’ of accepted articles
- size of Issues, i.e. article-count and ‘page-count’
- frequency of Issues
- extent of the investment in brand image
- competitive virility
- emphasis on market-penetration, capture of revenue from consumers or intermediaries, content-protection and other measures to control leakage of revenue
Sample Cost-Profiles

• Unincorporated Mutual
  • Hard-Copy Journal
  • Gratis eJournal

• Association
  • One Hard-Copy Journal
  • One eJournal
  • Five Journals

• For-Profit Publisher
  • Subscription-Based
  • Open Access
‘The Answers’

- **Unincorporated Mutual**
  - Subscription-Based Print
  - Gratis eJournal
  - $20,000 pa – $1,000 per art.
  - Fully-Sponsored, hence ‘Nil’

- **Association**
  - One Print Journal
  - One eJournal
  - Five Journals – P or E
  - $112,000 pa – $3,750 per art.
  - $22,000 pa – $730 per art.
  - $3,750 per art. or $730 per art.

- **For-Profit Publisher**
  - Subscription-Based Print
  - Subscription-Based eJnl
  - Open Access Print / eJnl
  - $137,000 pa – $4,600 per art.
  - $112,000 pa – $3,700 per art.
  - $4,200 per art. or $3,400 per art.
Some Inferences

- Sponsorship by senior academics, and by their employers, is a large proportion of total costs
- eJournals can run long-term 'on the smell of an oil-rag'
- Associations with a few thousand members can carry a hard-copy journal; with a few hundred, an eJournal
- For-Profit Publishers have higher cost-profiles arising from additional functions that they perform
- For-Profit Publishers suffer a cost-disadvantage in the eJournal market of $3,400 compared with $730 per art.
What Value-Add by For-Profits?

- Pre-production, production, distribution, and their management, are no longer hard
- There isn’t just 1 ‘one-stop shop’; there are many
- The Web enables aggregation with ease
- The Web enables discovery with ease
- The Web enables auto-hotlinking generally, not just across a single publisher’s holdings
- Exploitation of market power (entry barriers, switching costs, control of backlists, bundling) is not value-add
Is the Higher Price Worth Paying?

- For-Profit Publishers’ higher cost-profiles arise from these additional functions:
  - marketing
  - brand management
  - customer relationship management
  - content-protection
  - profit-making

- These do not benefit authors or communities (except where profit is shared with Assocns)
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