Trends in Journal Subscription Renewal and Cancellation

2007-2008
This report provides a detailed review of trends that have impacted journal subscription cancellation and renewal for scholarly publishers as identified by Publishers Communication Group, Inc. (PCG) between July 2007 and June 2008. Publishers can use this information and the recommendations provided as a starting point for considering the impact of the trends identified on their content development, sales and marketing plans.

**METHODOLOGY**

Between July 2007 and June 2008, Publishers Communication Group completed 48 Renewal Campaigns over the telephone for publishers of scholarly content. During these campaigns, PCG determined if a lapsed subscription was renewed, cancelled or pending and asked additional questions to gain insight into the reasons that led to the non-renewal decision.

The geographic scope of the campaigns included calls to subscribers in North America, Latin America, Europe, Australia, Africa, Asia and the Middle East. The lapsed subscribers contacted included both public and private universities and colleges, corporations, not-for-profit institutions, government agencies, hospitals, and to a much lesser degree individual subscribers.

Only those calls defined as successfully completed were included in ongoing data collection, analysis and presentation. To be defined as successfully completed, appropriate and authoritative information must be harvested from the subscriber, or a representative of the subscribing institution, during the call. All data presented represents results for individual journals.

**SAMPLE DATA ANALYZED**

The sample data presented here represents results for over 15,000 subscriptions and excludes the results of campaigns determined to be outliers. This data is provided as an example and there is no suggestion, implied or otherwise, that it will predict the results of any given campaign.
RESULTS

For the data set of 15,478 subscriptions examined, the following results were reported:

- 5,370 subscriptions were renewed
- 7,955 subscriptions were cancelled
- Decisions were still pending regarding 2,153 subscriptions

Renewed
Overall this year, 35% of the lapsed subscriptions included in this sample were in fact renewed. When a subscription is classified as renewed, in many cases, the contacted institution changed subscription agencies or the librarian indicated that the failure to renew was due to an error or an oversight. During the calls, it is also common to find out that a library is missing issues and the renewal effort provided an added level of customer service.

Pending
The final decision about 14% of the subscriptions previously identified as lapsed was still pending. In these cases, librarians reported that they either needed further assistance in order to process their renewal or that the final decision had not yet been reached. Many librarians contacted stated that they were not aware that their subscription had lapsed and were grateful for the call bringing this issue to their attention. Consequently, renewal campaigns are increasingly essential, since individual follow-up and incentives offered by publishers can be key to retaining lapsed subscribers.

Cancelled
51% of the subscriptions included in this sample were cancelled. Many factors influence an institution’s decision to cancel a subscription. Shrinking library budgets and the increasing availability of online content have created a climate that has required redistribution of resources in the library’s collection at a substantial number of institutions. While it is clear that some of these cancelled subscriptions were in fact converted to a different format, it is essential to determine why a specific subscription is cancelled in lieu of another. When the topic is explored in greater
detail, the librarians approached explained that because of reductions in collection budgets, they have been forced to institute a number of cost-cutting exercises including usage studies, faculty surveys, and the elimination of duplicate subscriptions in more than one format. The reasons for cancellation presented in the table below clearly demonstrate that these factors contributed significantly to the cancellations identified in this sample.

<table>
<thead>
<tr>
<th>Reasons for Cancellation 2007-2008</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>The journal is now being accessed electronically</td>
<td>27%</td>
</tr>
<tr>
<td>The journal received low use</td>
<td>18%</td>
</tr>
<tr>
<td>The decision was based on faculty recommendations</td>
<td>11%</td>
</tr>
<tr>
<td>The journal was no longer relevant to the research needs of the users</td>
<td>9%</td>
</tr>
<tr>
<td>The library’s budget problems prevented a renewal</td>
<td>7%</td>
</tr>
<tr>
<td>The subscriber is no longer with the institution</td>
<td>6%</td>
</tr>
<tr>
<td>The price of the subscription was deemed too expensive</td>
<td>6%</td>
</tr>
<tr>
<td>Other project-specific reason</td>
<td>4%</td>
</tr>
<tr>
<td>The exact reason for the cancellation was not provided</td>
<td>3%</td>
</tr>
<tr>
<td>The journal was available at another institution</td>
<td>3%</td>
</tr>
<tr>
<td>The institution or library is now closed or closing</td>
<td>2%</td>
</tr>
<tr>
<td>The institution had a duplicate subscription</td>
<td>2%</td>
</tr>
<tr>
<td>The institution had no record of the subscription in question</td>
<td>1%</td>
</tr>
</tbody>
</table>

Electronic Access

The most common reason for cancelling a subscription is the electronic availability of the content, either directly from the publisher or through an aggregator service. This trend continues to become increasingly prominent as many libraries now adopt policies in order to avoid duplication of content as much as possible. In this 2007-2008 cycle, over 1 in 4 subscriptions were cancelled in favor of the electronic access of the same content.

It is important to determine the nature of the online access used to substitute this cancelled subscription. In the data collected, the rate above includes two distinct groups of cancellations. Journals subscriptions can be switched to e-only as part of a paid subscription to all the content available from a publisher. Alternatively, print subscriptions could be cancelled because some or all the content was now available through a third party, sometimes embargoed, database. Determining what libraries consider to be an acceptable level of access is essential for publishers in order to offer subscription options that best fit this market’s needs. During each renewal campaign, Publishers Communication Group is able to further explore these issues.

This data allows a publisher to clearly understand the rate at which client institutions are moving to electronic access of subscriptions and their reasons for making the format change. Also, this information is invaluable as publishers continue to make strategic decisions related to the format of content delivery such as choosing...
technology partners, setting pricing, linking arrangements and projecting revenue from print and online advertising sales, as well as signing up with an aggregator and if so deciding under what terms.

Low Usage
The number of subscriptions cancelled due to low usage continues to be of significance. It is clear that libraries use a number of criteria to evaluate their collection and that usage is only one of the many factors involved in this complicated process. The importance of usage statistics and their implementation cannot, however, be underestimated. This year, 18% of the decisions to cancel a print subscription were mainly based on how often the resource was consulted.

Concurrently, the switch to e-only subscriptions makes this factor an even stronger tool for librarians when they review their journals list. As usage statistics are increasingly readily available and more easily trackable, it is key for publishers to provide adequate links to their content, maintain their website and support maximum content visibility to ensure that library patrons can access their resources.

By analyzing information about institutions that have reported low usage of their journals, publishers can customize their sales approach and consider alternative methods of increasing usage at specific institutions. Also, publishers may consider the possibility that their journal suffers from an inherent editorial weakness that could be addressed in order to increase usage.

Faculty Recommendations
An interesting trend has been developing in the last few years in relation to the increasing weight faculty input carries in journal renewal and cancellation decisions. As libraries continue to be faced with budgetary issues, it is common for librarians to consult with faculty members in order to help prioritize the allocation of their limited funds. By examining lists of titles in their field of research, faculty can make recommendations to librarians on which journals to retain and which to cancel. While this type of collaboration has always existed, this factor is now the third most commonly cited reason recorded and accounted this year for 11% of all cancellations. Faculty recommendations are influential since they and their students comprise the majority of the publication’s users.

Understanding which content faculty seek for their research and to support their curriculum is one key to increase usage. At the same time, considering how faculty utilize resources and the perceived value of each journal in comparison to others in the field is invaluable feedback for future marketing strategies.

Conclusion
The data presented in this report suggest ongoing changes in the library market and in collection management. By building relationships with librarians around the world, publishers can gain a strong understanding of the complex selection and deselection process, which in turn will allow them to react quickly and meet their customers’ needs.

Renewal Campaigns are an important tool for recapturing lapsed subscriptions and collecting invaluable market research on the purchasing behaviors, trends and preferences of libraries and their patrons. When the information gathered through a Renewal Campaign is integrated into a broader marketing and promotion campaign,
publishers can respond appropriately to the changing market dynamics impacting scholarly publishing.
**About Publishers Communication Group, Inc.**

PCG was founded in 1989 to help European publishers gain exposure in the North American marketplace. PCG's aim was to direct publishers to the gateway of North American libraries and the goals they could achieve. Our services quickly expanded to include the needs of North American publishers and our focus shifted to the global library community. Our work has become more intricate and involved, allowing PCG to provide comprehensive marketing services that expand and maintain publishers' presence in the world's libraries.

PCG now offers an extensive range of specialized and comprehensive marketing and research services, customized to meet the needs of scholarly and professional publishers. All of our services, tailored to meet specific goals, can be implemented in conjunction with one another or independently.

Our *Market Intelligence Services* are designed to uncover the valuable market information that is not available from other sources because each campaign addresses the unique issues and concerns of your organization.

PCG's *Promotion Services* expand the awareness of your publications or products to a carefully identified and strategically compiled audience, encouraging them to initiate a subscription or expand their current holdings.

Maintaining an office in another country is expensive and difficult to manage. PCG's *Representation Services* offer programs to publishers worldwide that will minimize costs and provide customers with easy, direct contact with you. Take advantage of our global presence and ability to provide this valuable service in both North American and Europe.

PCG is a division of Publishing Technology, [www.publishingtechnology.com](http://www.publishingtechnology.com).

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