

Assessing the value of the NESLi2 deals

A report for JISC Collections

February 2008

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1. Introduction

Many university, college and research libraries already take advantage of the NESLi2 deals and find that they offer good value for money compared to the time and cost involved in setting up individual subscriptions. This document is aimed particularly at medium and small libraries in JISC Bands C-J and is intended to help libraries to:

- recognise the overall value of the NESLi2 deals
- assess the value of a deal before making a decision to subscribe
- further assess value after a period of usage to aid renewal decisions and to demonstrate the way the deal is being used. .

The approaches to assessing value outlined in this document are based on the extensive work that Evidence Base has undertaken working with libraries and policy makers to analyse publisher deals over many years. The evidence presented is drawn from a number of relevant projects including the JISC funded NESLi2 study and analysis of usage statistics¹ and the Publisher Deal project² run with support from SCONUL in which over 20 higher education libraries have taken part. It is also informed by a recent report for JISC Collections on the take-up of NESLi2 deals.

All figures used in this document are for demonstration purposes only and should not be attributed to any particular publisher or library.

2. Recognising overall value

In some cases prior to rigorous assessment of a NESLi2 deal, common concerns about taking a deal revolve around not understanding the value for money it can provide or feeling that the NESLi2 deal will involve paying for many titles that would not be used. Two major reasons why NESLi2 deals have been found to be good value for money are explored below.

2.1 Central negotiation

In a recent survey of NESLi2 representatives, Evidence Base found users appreciative of the service received from Content Complete, as the NESLi2 negotiating agents:

Excellent as negotiation agents brokering decent, relevant deals. They do the hard work we do not have the time to do.

a trustworthy source

makes life a lot easier

gave confidence in going ahead

¹ <http://www.ebase.bcu.ac.uk/projects/NESLi2.htm>

² <http://www.ebase.bcu.ac.uk/projects/AnalysingPublisherDealsWorkshop.htm>

more likely to get any problems with the service rectified as part of a conglomerate

Many libraries have become aware of the considerable amount of time it can take to negotiate individually with a publisher. In effect this time is an additional hidden cost that is removed through subscribing to a NESLi2 deal. Subscribing to a NESLi2 deal was therefore felt not only to save time on individual negotiations, but also gave confidence that any problems would be more easily solved.

2.2 Access to a greater number of titles

Although the initial outlay may be more than if the library takes individual subscribed journals, the NESLi2 deals give e-access to a far larger range of titles and cut down on the amount of time needed to select and order each title separately.

Evidence shows that although as might be expected the 'subscribed' titles within the deal tend to be the most heavily used, many 'unsubscribed' titles which would not otherwise be available are also used once they are made available to users.

As an illustration of this, the table below compares annual usage from one journal publisher in two similar JISC band D libraries, one of which takes only subscribed titles and the other a NESLi2 deal. In this instance, 31% of total requests in Library 2 are for 'unsubscribed' titles made available through the deal. This trend has been often borne out in practice in the libraries with which Evidence Base has worked. In some instances, usage of 'unsubscribed' titles accounted for 50%-75% of total usage with some 'unsubscribed' titles receiving very heavy use.

Library	Deal	Number of requests subscribed titles	Number of requests unsubscribed titles	Total requests
Library 1	Subscribed titles only	15653		15653
Library 2	deal	18822	8527	27349

While a smaller library in particular may be wary of taking a deal with many titles that do not at first sight appear relevant, the evidence suggests that some at least of these titles will be used, and a few will be used heavily. Examples from individual libraries include:

a significant number of unsubscribed titles have high use in Physics and Engineering

a number of unsubscribed veterinary titles are being used by a biology researcher

Initially, titles which we had as print were always better used than unsubscribed content but now many of the latter are showing signs of heavy use

With users expecting online access to more titles, the smaller library can through the NESLi2 deals give the same access to NESLi2 deal titles as the larger libraries, with a pricing structure that matches their likely lower usage with lower costs.

In addition, libraries can save the time and effort needed to set up individual subscriptions by signing up for a deal, with the likelihood that extra usage will follow.

3. Assessing value before deciding to subscribe

Although the general benefits of subscribing to a NESLi2 deal may be appreciated, it is recognised that libraries will also wish to decide for themselves whether a particular deal offers them good value for money. With limited budgets, libraries need to be assured of the benefits before subscribing to a deal. Through the work that Evidence Base has undertaken with libraries on assessing usage and value of publisher deals, feedback from most librarians tends to confirm that based on calculating the yield and associated measures the NESLi2 deals have been found to be good value for money. Such calculations have been valuable in persuading budget holders to take particular NESLi2 deals.

3.1 The Yield method

The Model NESLi2 Licence³ provides a consistent approach to access and use of journals. The offer documents on the NESLi2 representatives secure area of the NESLi2 website give full details of the offer from each publisher. The offer document will generally have a link to the price list of journals on the publisher's own website.

The Yield method provides a useful means of assessing the value of a NESLi2 deal prior to purchase. It provides a means of calculating the "price per £" of acquiring the additional unsubscribed titles in the deal. To date many libraries have used this method to assess the value of a deal.

For most NESLi2 deals, the pricing consists of two main elements:

- costs of maintaining existing subscriptions (the 'subscribed titles' cost)
- costs of e-access to all other titles in the deal (the 'unsubscribed titles' cost)

In calculating the yield, consideration is given to both subscribed and unsubscribed titles. These are described below:

- subscribed title – a title to which the library has one or more subscriptions (either print or electronic) which have to be maintained as part of the deal, with the cost forming part of the base price of the deal. This may include cancelled titles where the deal requires that all subscriptions be maintained. The 'subscribed titles' cost will generally be invoiced through a subscription agent rather than directly with the publisher. Prices charged per title will be at or near the list prices quoted on the publishers' website.
- unsubscribed title – a title which is available electronically as part of the deal and to which the library does not hold a subscription. The unsubscribed titles cost is not broken down by title, but relates to the e-access fee.

³ <http://www.nesli2.ac.uk/model.htm>

Calculating the yield

The Yield method allows a calculation of the “price per £” of acquiring the additional unsubscribed titles in the deal. It does this by comparing what would be paid for these titles at list price on the open market with the price paid through the NESLi2 deal e.g.

$$\frac{\text{list price of unsubscribed titles}}{\text{total e-access fee incl VAT}} = \text{yield per } \pounds$$

To calculate the yield you will need to the following information:

- *cost of buying all the titles in the deal on the open market*
This information may be given in the NESLi2 offer document, or can be calculated from the price lists given on publishers’ websites.
- *base price or content fee:*
This is the cost of subscribed titles which have to be maintained as part of the deal. This cost will generally be obtained through an invoice from the subscription agent
- *e-access fee.*
This is the cost of getting electronic access to all unsubscribed titles in the deal. This fee includes VAT. This will be given in the NESLi2 offer document, and will usually be based on JISC Band

The following shows an example of calculating the yield for a fictitious deal called ‘Deal X’ from the perspective of three different libraries.

Deal X offers:

- a total of 1000 titles which would cost £250,000 on the open market.
- all titles priced at £250 each
- e-access fees based on JISC bands (£10,000 for bands A-C, £5,000 for bands D-E and £3,000 for bands F-H)

Library A is a large JISC band A library and subscribes to 100 titles included in this deal.

The cost of “subscribed titles”	= £25,000.(100 x £250)
The e access fee	= £10,000
The value of “unsubscribed titles”	= £225,000 (£250,000-£25,000)
Yield	= £22.50 (£225,000/£10,000)

So for each £ spent on the e-access fee, Library A gets £22.50 worth of titles.

Library B is a medium size JISC band D library and subscribes to 50 titles included in the deal.

The cost of "subscribed titles"	= £12,500 (50 x £250)
The e access fee	= £5,000
The value of "unsubscribed titles"	= £237,500 (£250,000-£12,500)
Yield	= £47.50 (£237,500/£5,000)

So for each £ spent on the e-access fee, Library B gets £47.50 worth of titles.

Library C is a small JISC band G library and subscribes to 10 titles included in the deal

The cost of "subscribed titles"	= £2,500(10 x £250)
The e access fee	= £3,000
The value of "unsubscribed titles"	= £247,500 (£250,000- £2,500)
Yield	= £82.50 (£247,500/£3,000)

So for each £ spent on the e-access fee, Library C gets £82.50 worth of titles.

The table below summarises the yields calculated above and illustrates how in this instance the smaller library, with fewer subscribed titles and a lower e-access fee will have a larger 'yield' figure.

	JISC band	Number subscribed titles	Cost of subscribed titles	e-access fee	Yield per £
Library A	A	100	£25,000	£10,000	£22.50
Library B	D	50	£12,500	£5,000	£47.50
Library C	G	10	£2,500	£3,000	£82.50

Yield figures in actual deals may be smaller or larger than in the figures given for 'Deal X' and actual costs of subscribed titles will have more variation, but it is generally the case that smaller libraries who have fewer existing subscriptions will have a higher yield per £.

Where a library is deciding whether to continue with existing subscriptions or to take out a NESLi2 deal, the yield figure gives a useful indication of the value offered by the deal. It is particularly useful for smaller libraries where the yield figure can show how in many cases a small additional e-access cost will give a good return.

3.2 Cost per title

Another approach to assessing value which can be used alongside the yield method is to calculate the 'cost per title'. The cost per title is calculated by dividing the total cost of the deal by the number of titles included. In effect, this measure spreads the cost of the additional titles gained through the e-access fee over the price paid for the subscribed titles. The table below, again based on the fictitious Deal X with 1,000 titles, shows how the cost per title is lower in the smaller library with fewer subscribed titles.

	JISC band	Number subscribed titles	Total Cost (subscribed titles plus e-access fee)	Cost per title(n=1000)
Library A	A	100	£35,000	£35
Library B	D	50	£17,500	£17.50
Library C	G	10	£5,500	£5.50

4. Assessing value after purchase

Once a library has taken a NESLi2 deal it is possible to do further calculations of value for money incorporating usage statistics relating to the deal. To aid consistency a good measure of usage which can be applied to NESLi2 deals is the Counter defined 'successful full text article request'⁴. It is therefore necessary to collect the relevant Counter JR1 statistics to do these calculations. The following calculations can be usefully applied.

4.1 Average cost per request

The average cost per request provides a useful measure to indicate value for money of the deal overall, and can be further broken down to look separately at the costs of requests for subscribed and unsubscribed titles. Average cost per request is calculated by dividing the total cost of the deal (including subscribed titles) by the total number of requests e.g.

$$\frac{\text{total cost of the deal (including subscribed titles)}}{\text{total number of requests}}$$

Average cost per request for subscribed titles

The average cost per request for subscribed titles is calculated by taking the cost of subscribed titles and dividing by the total number of requests for subscribed titles:

$$\frac{\text{cost of subscribed titles}}{\text{number of requests for subscribed titles}}$$

This will generally produce a higher figure than the average cost per request, and represents the cost that would also be applicable where the library had only individual subscribed titles.

Average cost per request for unsubscribed titles

It is possible to calculate the average cost per request for unsubscribed titles. This is calculated by taking the e-access fee and dividing by the total number of requests for unsubscribed titles:

$$\frac{\text{e-access fee}}{\text{total number of requests for unsubscribed titles}}$$

This will generally be a very low figure, and can serve as a further illustration of the value of subscribing to the deal rather than to individual titles.

⁴ www.projectcounter.org/code_practice.html

The table below provides an illustration of how this works. Annual results for one deal from four libraries in bands A-G in an Evidence Base study show average costs per request ranging from £0.30 to £1.13, with costs for requests for unsubscribed titles from as low as £0.09 up to £0.51 where requests for subscribed titles go from £0.94 to £1.62.

JISC band	average cost per request	average cost per request for unsubscribed title	average cost per request for subscribed title
A	0.74	0.13	1.48
C	0.81	0.37	1.62
D	1.13	0.51	1.54
G	0.30	0.09	0.94

This table also illustrates well how, though results from individual libraries naturally vary, average costs per request across JISC bands are fairly similar. In fact, in this example, the smallest library in band G has the lowest cost per request. This pattern has been found to be common in libraries studied by Evidence Base.

4.2 Looking at nil usage

At a first glance, usage statistics will often suggest that a large number of titles in a deal have nil usage. However, further investigation is needed before this can be said with certainty. Many titles included in the publisher usage statistics may not be available through the deal, for example transferred titles, ceased or new titles or name changes. Usage statistics may include separately purchased backfiles, or may not separate out titles for particular versions of the deal. It is important to be aware of this when looking at usage patterns and making decisions on renewal.

Journals within a deal generally vary in list price. When looking at nil usage journals, it is also useful to consider the value of these and how significant they are within the total package.

4.3 Looking at subject usage

While all libraries will have their 'top ten' titles, often including one or two titles with exceptionally heavy use, it is often useful to look beyond this at usage patterns within individual subject areas. Usage within Humanities subjects, for example, will generally be very much lower than those within Science and Medicine, so needs to be looked at separately.

For its Publisher Deals project, Evidence Base have produced a set of templates which allow project members to look at usage in respect of nil, low, medium and high use titles, journal prices and journal subjects. These templates have allowed usage to be analysed more fully, including trends over time and benchmarking.

5. Summary

Using the yield method and the other methods suggested here can provide ways of looking at big deals which have shown in practice that the NESLI2 deals provide good value for money for many libraries. Although not all deals will be suitable for all libraries, it is important both when deciding on a deal and later in practice when usage of the deal is being considered over time, to be aware of how best to present evidence of value for money so that well-informed decisions can be made.

More information on the NESLi2 deals can be found at:

<http://www.nesli2.ac.uk/model.htm>

More about Evidence Base can be found at:

<http://www.ebase.bcu.ac.uk>