Academic Library Book Purchasing Trends

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ProQuest®

"Inflation, and new programs at the university that need to be supported..."

"Our increase was due to the need to maintain our current resources and support the new faculty."

Section 1: Overview

A recent ProQuest global survey of more than 460 librarians illustrates that librarians face a shared challenge: stretched monograph budgets.

To overcome this, librarians have adopted new, demand-driven book acquisition models to better serve their users. This reflects a shift in thinking to make collections more accessible and easily discoverable. But some libraries have yet to develop consistent practices to maintain these models and fully realize this goal. Meanwhile, publishers have created an unpredictable purchasing environment for librarians, which is altering the market landscape.

This whitepaper will explore the following:

- Book purchasing trends in academic libraries, with a special emphasis on ebooks.

- How libraries are coping with stretched budgets in a climate of ever increasing volumes of published materials.

- Emerging trends in collection development and monographs.

Section 2: Survey Demographics

Data for this ProQuest-sponsored survey was collected through a research study conducted via SurveyMonkey in September 2015. Over 460 librarians participated. The majority of respondents (73 percent) were from North America, followed by Europe (11 percent), and the rest of the world (9 percent). The largest group of respondents was library director/university librarian, followed by acquisitions/procurement librarian, and digital/ electronic resources librarian.
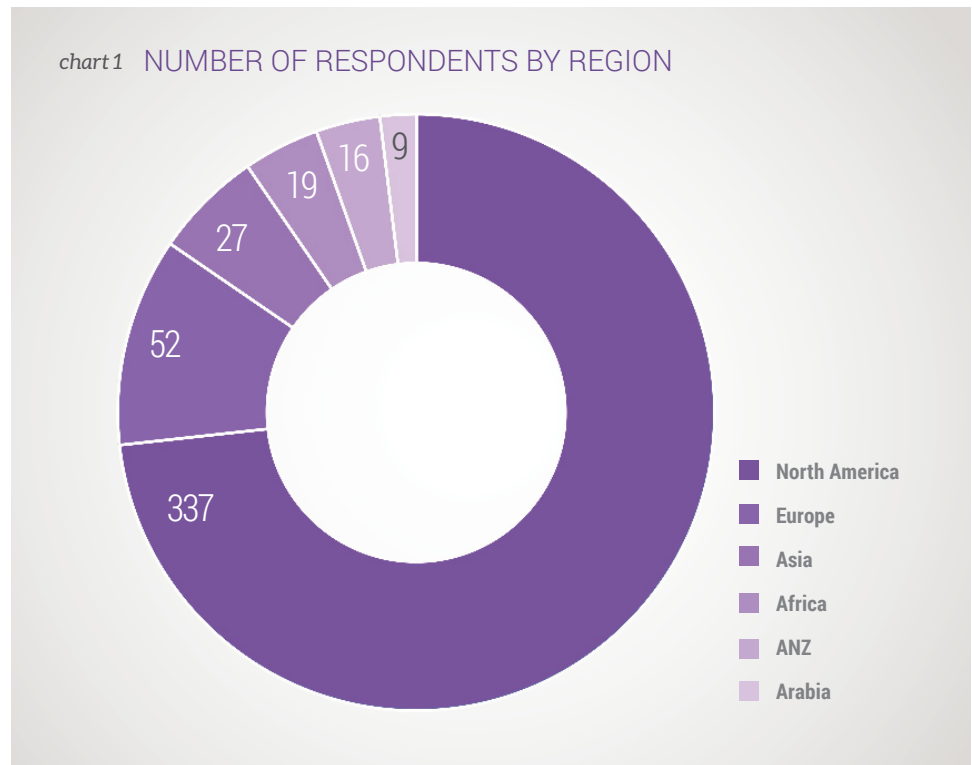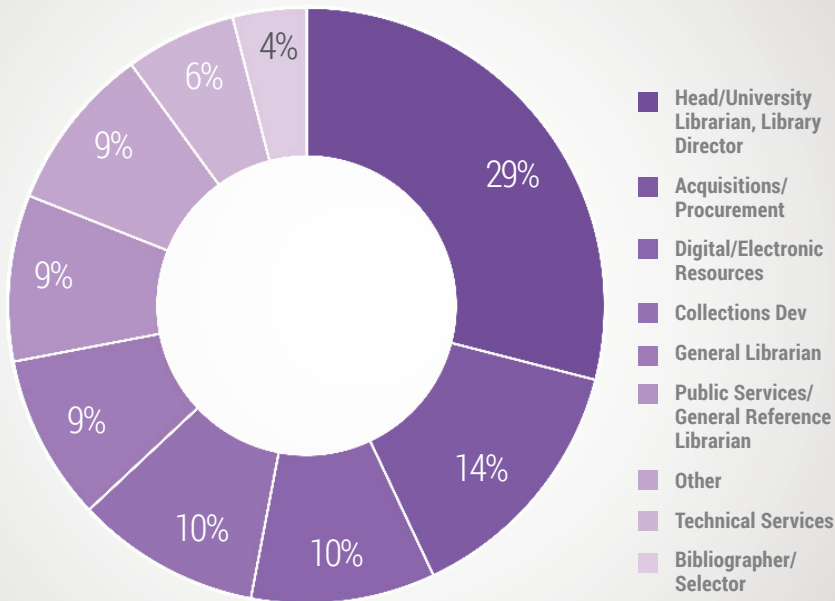

chart 1 NUMBER OF RESPONDENTS BY REGION

- North America
- Europe
- Asia
- Africa
- ANZ
- Arabia

chart 2   JOB FUNCTIONS

Job Function	%
Head/University Librarian, Library Director	29%
Acquisitions/Procurement	14%
Digital/Electronic Resources	10%
Collections Dev	10%
General Librarian	9%
Public Services/General Reference Librarian	9%
Other	9%
Technical Services	6%
Bibliographer/Selector	4%

Section 3: Spending Trends—
Stretched Monograph Budgets

For the most part, overall library resource budgets have been flat or had modest increases or decreases (less than a 20 percent change). Two trends emerge from the data, reflecting shifts in overall collections budgets:

1. **Monograph budgets are eroding as funds shift to finance electronic journals due to price increases in serials.**

2. **Ebooks account for a growing proportion of book budgets as libraries move from print to electronic collections.**

table 1   PERCENTAGE OF RESPONDENTS WHO REPORTED BUDGET CHANGE

	INCREASED	REMAINED FLAT	DECREASED
Library Resources Budget	25%	46%	29%
Overall Monograph Budget	17%	48%	35%
Print Book Budget	14%	42%	46%
Ebook Budget	34%	46%	20%
Journal Budget	28%	44%	28%

"A 'stable' budget actually means diminished buying power, particularly as serial and media prices increase over the cost of inflation."

"We are a public university and state budget deficits meant cuts university-wide including a 15 percent reduction to our collections budget."

"New academic programs introduced by the university, hence more books…"

"Increased expectations for support at other sites…"

Library Resource Budget Changes

Nearly half of overall library resources budgets have remained flat, while nearly 30 percent decreased. Tables 2-12 show the top reasons for change.
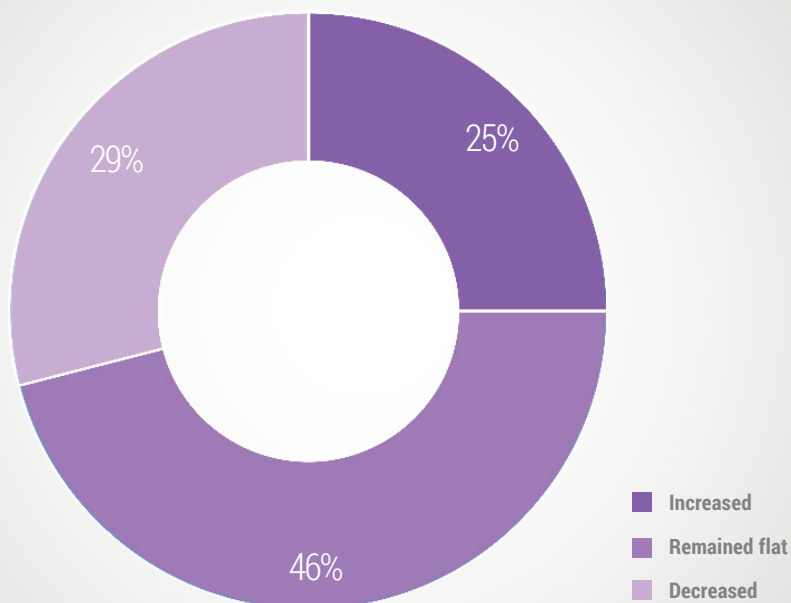
chart 3 LIBRARY RESOURCES BUDGET

- Increased
- Remained flat
- Decreased

25%
29%
46%

table 2 RESPONDENTS' TOP REASONS FOR INCREASE

Pricing Increases of Library Resources	25%
Budget Increases/New Materials	24%
Economy/Inflation	20%
Increased Enrollment	15%
Increase in Digital Resources	14%

table 3 TOP REASONS FOR DECREASE

Budget Cuts	42%
Lower Enrollment	25%
Government Budget Cuts	18%
Economy/Inflation	16%

Overall Book/Monograph Budget Changes

While the overall monograph budgets are mostly flat or decreasing, many libraries are shifting their spending from print to ebooks.

chart 4 OVERALL MONOGRAPH BUDGETS

17%

35%

48%

- Increased
- Flat
- Decreased

table 4 TOP REASONS FOR INCREASE

Budget Increases	40%
Price Increases	20%
Support New Programs	13%
Economy/Inflation	10%
Higher Enrollment	7%

table 5 TOP REASONS FOR DECREASE

Shift to Non-Monograph Budgets	35%
Budget Cuts	32%
Economy/Inflation	14%
Lower Enrollment	10%
Government Budget Cuts	9%

"Our monograph/book budget decreased slightly due to inflationary increases in online serials subscription rates."

"Inflation in database and e-journal costs, coupled with a flat overall budget, necessitated a 46 percent decrease in our firm order/book budget."
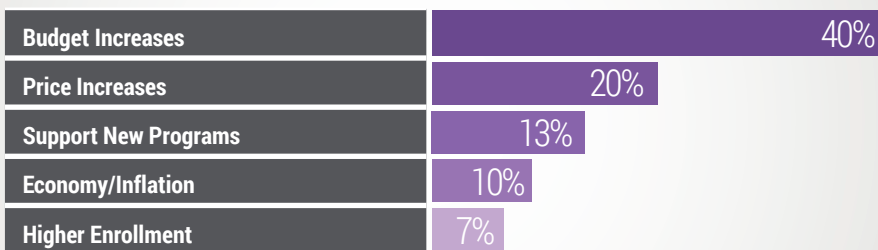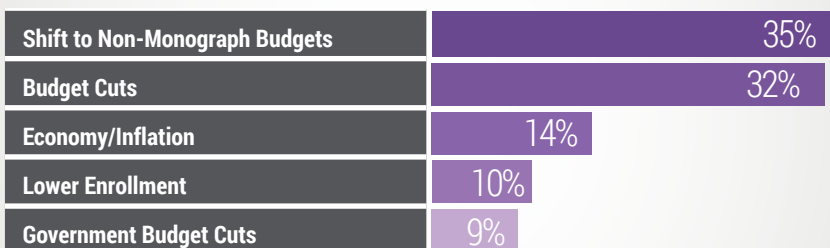
"More of online resources and print books are expensive"

"Lots of advocacy on the part of teaching faculty"

"Increase in serials subscriptions costs and reduction in funds from University budget..."

"We are prioritizing the online access and so purchase titles as ebooks whenever possible."

Print Book Budget Changes

Overall, print book budgets are flat or declining. Very few universities reported an increase in print budgets. If they did it was for inflation, not expanded collection development. Most decreases were due to a move to digital resources or supporting the increased costs of serials.
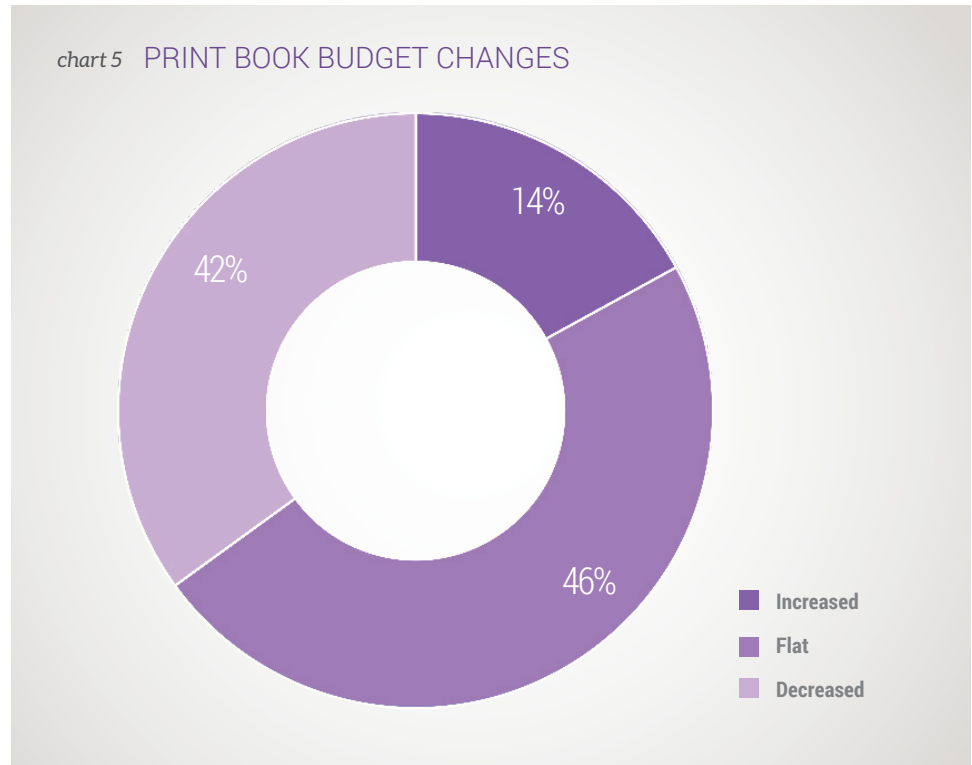
chart 5   PRINT BOOK BUDGET CHANGES

14%	Increased
46%	Flat
42%	Decreased

table 6   TOP REASONS FOR INCREASE

Budget Increase	53%
Demand	21%

table 7   TOP REASONS FOR DECREASE

Budget Cuts	28%
Shift from Print to Ebooks	26%
Shift from Print to Electronic Resources	17%
Economy/Inflation	9%
Lower Enrollment	8%
Serials Price Increase	8%

Ebook Budget Changes

chart 6   EBOOK BUDGET CHANGES

- 20% Increased
- 46% Flat
- 34% Decreased
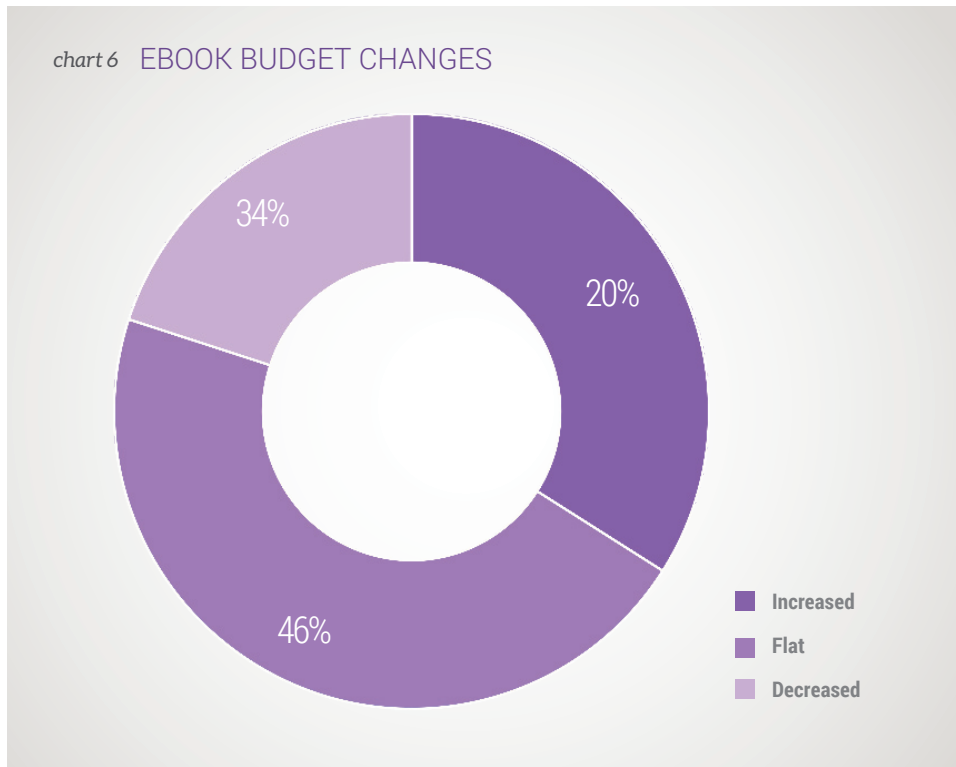
Ebook budgets are mostly flat or increasing. The ongoing shift from print to electronic collections is the main driver for increasing budgets. Some libraries said their Demand-Driven Acquisition (DDA) program contributed to an increase. This usage-based purchasing enables libraries to demonstrate a return on investment and expand budget support.

table 8   TOP REASONS FOR INCREASE

Shift from Print to Ebooks	38%
Budget Increase	13%
DDA Programs Growth	12%
Demand	12%
Support Distance Learning	11%

table 9   TOP REASONS FOR DECREASE

Budget Cuts	36%
Lower Enrollment	17%
Government Budget Cuts	17%
Economy/Inflation	17%

"Expanded use of ebooks by students has led to more patron-based purchases."

"The library is out of space and there are no plans to build an addition. Consequently, ebooks are our best option if we are to grow the library."

> "Less institutional funding and ongoing inflation — although we have encouragement to buy ebooks more over print…"

> "We had to move funds from the book budget to cover serials."

With 89 percent of libraries now offering ebooks, a clear shift towards electronic resources is underway. But the transition away from print is gradual — 54 percent of respondents are still only spending up to one-fifth of their monograph budget on ebooks (Table 10).

table 10   % OF BOOK BUDGET SPENT ON EBOOKS

Under 10%	27%
11-20%	27%
21-30%	14%
31-40%	5%
41-50%	9%
Over 50%	18%

Although ebook budgets are growing, 59 percent of libraries still do not have an e-preferred collection development policy, which means staff choose between an ebook and a print book for each purchase. Among e-preferred libraries, 57 percent spend nearly a third or more of their monograph budget on ebooks.

Journal Budget Changes

chart 7   JOURNAL BUDGET CHANGES

28%
28%
44%

- Increased
- Flat
- Decreased
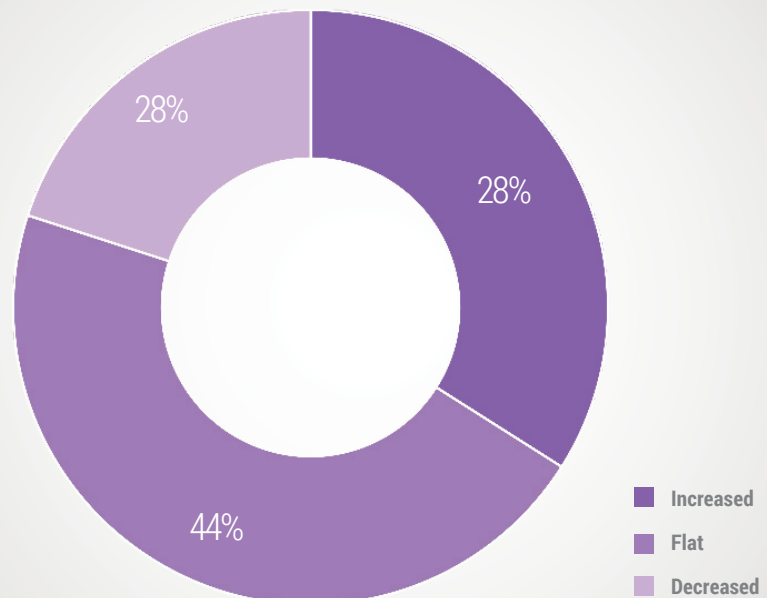
Journal budgets are mostly flat with equal numbers showing decreases and increases. Journals and serials price increases are driving the budget increases and causing a shift in spending into this area from other areas of the collections budget. Those who reported a decrease in their ebook budget also reported utilizing ebook funds to increase journal subscriptions. But those who reported a decrease in their journal budget, did not shift journal funds to support ebook acquisitions. Overall, the growth in journals budgets is outpacing ebooks.

table 11   TOP REASONS FOR INCREASE

Price Increases of Journals	42%
Economy/Inflation	17%
Demand	14%
Print to Electronic	12%
Budget Increase	12%

table 12   TOP REASONS FOR DECREASE
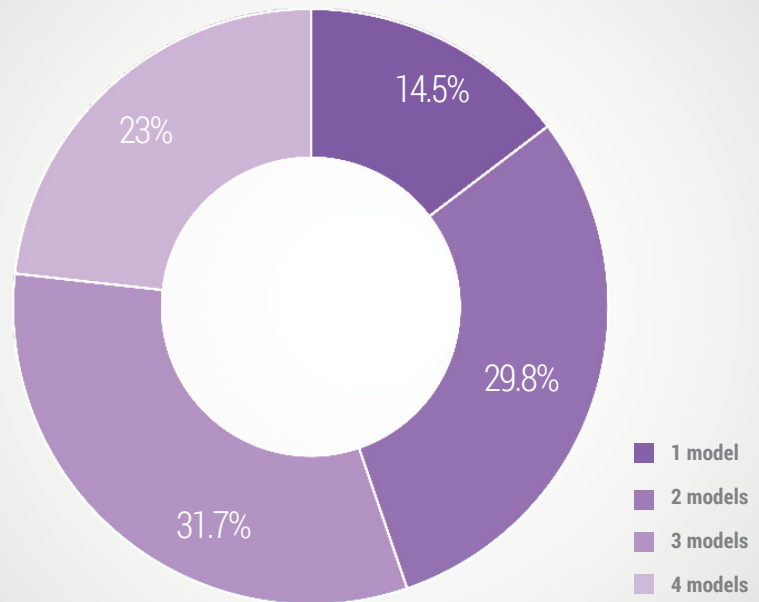
Budget Cuts	31%
Print to Electronic	31%
Economy/Inflation	19%

Section 4: Diversified Monograph Acquisition Methods

The number of ebook acquisition models has increased in response to library demand and as ebooks have become more widely available. Two traditional book purchasing models, Perpetual Title-by-Title purchase and Approval Plans, have easily translated to ebooks. Some of the new models include Subscription (pioneered by ProQuest ebrary in 2001), Demand-Driven Acquisition (DDA) and short-term loan (STL) (introduced by ProQuest EBL in 2004), and evidence-based access models offered by various publishers.

Our survey shows that 70 percent of libraries rely on multiple acquisition models for ebooks, with 15 percent relying on four or more models. Maintaining this mix helps libraries to make the most of their collection development budget and best meet research access needs.

"Took money away from books to pay for journals..."

"We've seen lots of advocacy for journals on the part of the teaching faculty."

"Inflation in journal (both print and electronic) subscriptions..."

"We moved money from the monograph budget and switched formats and canceling."

chart 8 NUMBER OF MODELS PER LIBRARY

chart 8 NUMBER OF MODELS PER LIBRARY

- 14.5%
- 29.8%
- 31.7%
- 23%

Legend:
- 1 model
- 2 models
- 3 models
- 4 models

Library monograph buying habits are changing and have moved away from traditional models such as Approval Plans and title-by-title selection. Among libraries that use aggregators to purchase ebooks, 76 percent use perpetual access title-by-title purchasing, 56 percent use subscription, 48 percent use DDA purchase and 22 percent use DDA STL* (*Footnote: respondents selected all that apply).

The catalysts for purchasing decisions vary with the access model employed, though the general trend is towards utilizing multiple access models to meet overarching collection goals. Among librarians who chose Perpetual Access Title-by-Title Purchasing, most do so in order to build an owned collection. Libraries chose both DDA and Subscription to make the widest selection of content available.

table 13 REASONS LIBRARIES USE EACH ACQUISITION MODEL

	Save time by streamlining acquisition workflows	Provide the widest selection of content	Make the best use of monograph budget	Build an owned collection
Perpetual Access – Title-by-Title Purchasing	5%	15%	33%	47%
DDA - Purchase	14%	42%	33%	11%
DDA – Short-term Loan	11%	56%	30%	3%
Subscription	13%	57%	24%	6%
Ebook Approval Plan	27%	40%	23%	10%
Combined eBook and Print Approval Plan	34%	24%	34%	8%

Section 5: A Shift Away From Approval Plans

Among libraries who have eliminated their approval plans, 40 percent of respondents said they last had an approval plan more than five years ago; 17 percent eliminated their plan two to five years ago, and the remaining 45 percent eliminated it in the past two years. Practically all libraries that still use approval plans indicated they use other means to acquire print books.

While we've seen a significant move away from approval plans, those who have retained approval plans are not increasing funding for them. 77 percent of libraries with approval plans have not had budget changes in 2015.

We asked librarians, "What is the future of approval plans?" Here are some of the responses:

"I don't believe approval plans can last – they are not focused enough in times of tightened budgets and increased demand from users."

"In our library, we are moving strategically from just-in-case to just-in-time. ALL of our purchases are user driven in some form: reserves and direct requests from faculty, student requests, formal DDA and PDA programs, ILL request fulfillment via purchase, etc. In other words, approval plans have NO relevance to us moving forward."

"For large libraries, approval plans will continue to be highly important. For small libraries like mine, they are not that important."

"Approval plans are an excellent way for a library to acquire the books it 'obviously' needs to support its curriculum, freeing the limited staff time available to be focused on special needs, filling gaps, and collection maintenance."

Interestingly, 40 percent of libraries indicated they use an ebook approval plan to provide the widest selection of content available (Table 13). Traditionally, libraries regarded approval plans as a way to facilitate an owned collection.

Section 6: Demand-Driven Acquisitions – a Key Acquisition Strategy

The top reasons libraries chose DDA were to "provide a wide selection of content to users" and to "make the best use of budget" (Table 13). Since DDA triggers expenditure only at time of use, a just-in-time purchase is a way to maximize return on investment and demonstrate value to the university administration. As one librarian said, "I can afford to provide a broad and deep collection to my students and faculty, but NOT if I buy each book speculatively. My budget no longer allows that."
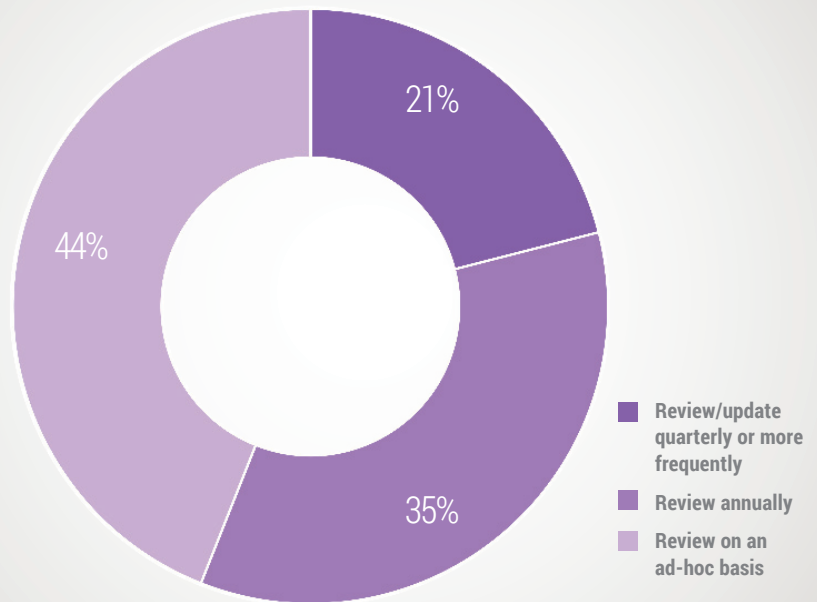
To build their DDA profiles and pools, the majority (60 percent) of DDA customers work with aggregators or vendors to build a DDA plan from scratch, using detailed usage data to create a customized profile that meets their institution's specific budget demands. The remaining 25 percent of libraries converted their current approval and slip plans to DDA, and 15 percent build the profile themselves. Given that the size of a DDA selection pool directly affects spend, working with an aggregator or vendor to build a profile to meet the budget constraints while maximizing access is key to a successful program.

chart 9   DDA PROGRAM CREATION METHOD

- Work with aggregator
- Convert approval/ slip plan
- Build plan themselves

60%
25%
15%
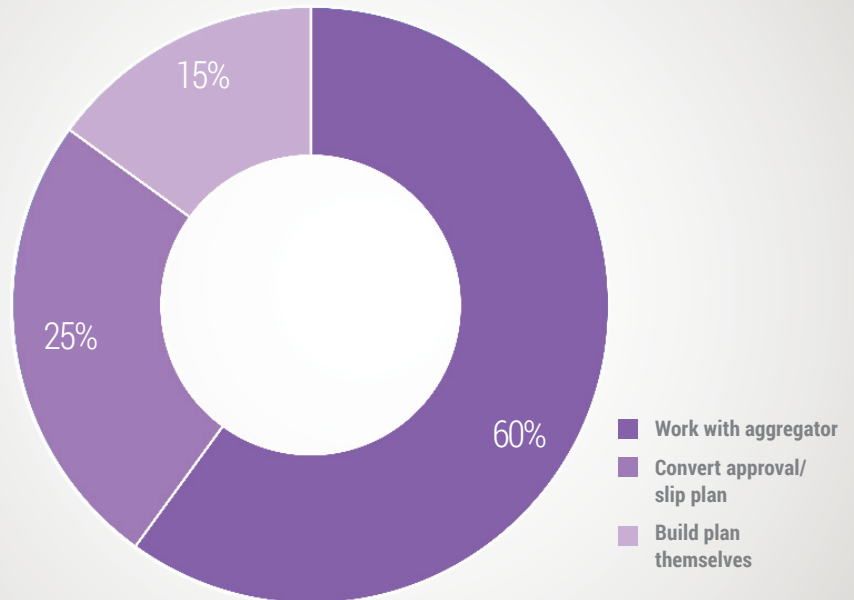
We next looked at how DDA programs are maintained. Although DDA is a widely adopted model for ebook acquisition (53 percent of respondents utilize the model), we find that regular budget management and maintenance has not yet been implemented or formalized in many libraries

chart 10   FREQUENCY OF DDA PROGRAM REVIEW

- Review/update quarterly or more frequently
- Review annually
- Review on an ad-hoc basis

21%
35%
44%

As more publishers test the market with price change and title availability for DDA, formalizing review practices will become essential to developing sustainable ebook programs.

Section 7: Demand-Driven Acquisitions — a Changing Market

While libraries shift resources from top down models – such as approval plans – to those driven by users — such as DDA Purchase and DDA STL, publishers have been impacted by less predictable revenue streams. As a result, publishers have responded with embargoes and price increases to these DDA models in an attempt to create more revenue stability.

We asked librarians who utilize STL, "How do you respond to publisher embargoes and price changes?" Here are their responses:

table 14   RESPONSES TO STL EMBARGOES AND PRICE CHANGES

I buy their ebooks using Perpetual Access (title-by-title purchasing).	26%
I buy their ebooks using DDA - Purchase.	26%
I have removed the publisher from DDA and no longer offer their books.	16%
I buy their ebooks from the publisher directly.	13%
I buy similar books from other publishers that have not embargoed or raised STL prices	13%
I redeployed the money to fund other items such as serials or print.	5%
I re-enabled an Approval plan to buy their ebooks.	1%
I re-enabled an Approval plan to buy both their ebooks and print books.	1%

These price increases have led some libraries to move away from some publishers. Sixteen percent said they removed the publisher from DDA and no longer offer their ebooks, and another 13 percent buy similar books from publishers that have not taken these measures.

When asked how they respond specifically to the increase in STL pricing, 59 percent of libraries indicate they now spend less on ebooks from these publishers, and 27 percent no longer buy ebooks from these publishers.

Librarians expressed confusion as to why publishers are embargoing titles from STL, leading them to request more information on the rationale behind such decisions. Others remain optimistic that the industry will gravitate toward a mutually sustainable solution for all players, while acknowledging the adverse impact on their near-term plans.

"We're not happy, because we weren't getting the newest content and we are paying more. There has to be a balance and I think the market is still trying to bear that out."

Section 8: Conclusion & Key Findings

Librarians are facing many challenges including flat or shrinking resource budgets, competition for funds from other resources, managing the transition from print to ebooks, and the changing landscape of access models. The shift to ebooks is still in its early stages. Publishers are searching for the right balance in pricing and access. Libraries are still working on developing standard processes to support various and changing models.

What has remained constant? Libraries remain focused on providing the breadth and depth of content that student and faculty researchers demand without exceeding budgetary limitations. To do so, libraries are increasingly utilizing multiple models to meet their collection development needs. Although the newer DDA models are employed by over half of libraries surveyed, maintenance remains infrequent and is not part of a standard set of operating procedures. As a result, libraries aren't getting the most value out of these programs.

Historically, libraries have had difficulty demonstrating value for monographs purchased. With ebooks, books have become more discoverable and more readily accessible while their usage is easily determined. In an environment where showing return on investment is key to supporting book budgets, demand-based models offer a promising opportunity. Evaluating usage on a regular basis and diversifying acquisition models will be key to delivering success and demonstrating value. Ultimately, librarians, faculty and students benefit.

In the interest of economic sustainability, publishers will continue to test the market by varying pricing and availability in different models. Along with changes to existing models, new paradigms will emerge to address the needs of libraries and publishers. Recently, ProQuest announced a new DDA model called "Access-to-Own" that it developed in conjunction with publishers. This model facilitates title ownership by applying budget funds spent on rentals toward ebook ownership. It also provides a solution for publishers who have pricing concerns with their frontlist content in DDA programs.

To learn more, visit www.proquest.com/about/news/2015/ProQuest-Access-to-Own-Demand-Driven-Ebook-Acquisition-Model.html

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