At first glance, it may not seem that academic libraries and the advertising industry share common experiences and transformations. But looking more closely at the history and evolution of the advertising industry, there are distinct parallels to the changing world of academic libraries and the book publishers who serve them…and some noteworthy lessons to be learned along the way.
“Half the money I spend on advertising is wasted; the trouble is I don’t know which half”

The famous merchant, philanthropist and marketing pioneer John Wanamaker put forward this jarring assessment of the ad industry more than a century ago — and he was a proponent of the power of advertising! With the advent of digital media in the early 2000’s, this picture significantly changed for publishers and ad buyers alike. Today libraries are undergoing a similar change. One leading librarian recently told Elsevier, “I have a 30 percent confidence the books I buy will be used or useful.” If this view is even partially true and more widely held, publishers must look for ways to address this uncertainty given the pressures and challenges facing the industry.

The Advertising Transformation

Back in the day, print advertising was bought and sold on two main criteria: the size and type of the audience the publisher could bring to the advertiser, and the reputation or ‘halo effect’ that the advertiser would benefit from by advertising in certain publications. Publishers and ad buyers long held up ABC circulation numbers (an independent verification by the Audit Bureau of Circulation) as the key metric to measure advertising reach. This circulation number was coupled with parallel surveys of readership type and over the years developed more detailed methodologies to enable a degree of demographic targeting. Reputation was a relatively murky area, difficult to define, measure or quantify.

Ad pricing was typically based upon the size of the audience, some kind of a multiplier effect for reputation and steep volume discounting for larger buys. All of the above was managed by relationship-based sales forces. What advertisers and publishers lacked though, was a clear view of how many impressions those ads were generating. Just because a newspaper had a 600,000 daily circulation, there was no hard data that all those people were reading and responding to the advertising it contained.

Then along came the Internet and digital display advertising — what we might call Digital 1.0 — and everything changed. Suddenly, publishers and advertisers
could more confidently measure impressions and the real level of inventory (i.e., eyeballs) beneath the circulation figures. Through cookies and personalization, a richer picture of the demographics emerged. Pricing became less blunt for broad circulation buys and based on more accurate demographic targeting. As inventory started to fill with ever more targeted ads, more activities began to be priced in, from view to click-through to an action.

Advertisers could now see the responsiveness to their ads and tweak them to accommodate emerging trends in the data, thus more effectively managing their ROMI (return on marketing investment).

This made the industry become more demand-driven. Publishers selling ads could no longer rest on their reputations and a ‘who’s who’ list of advertising clients. Data and demonstrable outcomes became king.

University and Research Libraries Share a Similar Evolution

Print books have long been a major part of the traditional academic or research library...and for many, this is still the case. Librarians purchased books based on a wide range of criteria, often on the reputation of their publishers and on the recommendations of the library patrons. Libraries were long considered ‘cost centers’ and therefore heavily scrutinized for their expenditures. Unfortunately, it was also very difficult for librarians to demonstrate the effectiveness of their purchases, and to measure their ROI (return on investment). Just as advertisers had no way of knowing the actual views and responses to their ads, how could librarians know if the books they selected and purchased were going to be used by their patrons and how often?

Today, libraries continue to be under pressure to save money and also to transform. Many are reducing their physical print holdings footprint, freeing up space and cost to build and deliver new services. Still the progress of science and research — and the body of resulting content to codify and support it — continues to increase.

Libraries are competing to win precious resources and serve constituents more effectively and measurably. The ability to boast an excellent library represents a competitive advantage which attracts high-caliber scholars who in turn can
bolster the reputation of the institutions. Given these changes, libraries can no longer afford to use traditional buying processes. The ‘dust test’, fines data, circulation and even a publisher’s reputation are no longer viable measures of demand. The challenge for libraries (and publishers) is working out how to predict and match demand of resources in the most efficient and sustainable way, both with the broader goal to support the advancement of science and technology.

Increasingly, book content is more widely available, as digital publishing has moved into the mainstream and more back catalogs are digitized. Although digital purchasing continues to grow steadily, the transition from print is still in process. In 2015, Outsell’s data shows that digital formats averaged 77 percent, and print 23 percent. Scientific and technical information topped the content spend that year, at 35 percent. In 2016, Outsell found that eBooks were slated to be the top area of investment, at 24 percent.  

Initially, publishers tried to replicate the same business model for selling digital as they did for print. Collection models, ownership models and price discounting were generally based on volume. The dominant metric that emerged was cost per book, supported by a publisher’s reputation, and the negotiation between publishers and libraries was primarily a procurement-type conversation.

Thanks to digital, libraries are becoming armed with much more data signals to better understand demand.

Libraries can start to determine if the ‘inventory’ being sold and bought is matching demand — or not. Just as advertisers have questioned the value of an expensive full-page ad, libraries can scrutinize more the ‘big deals’ from publishers offering broad and large quantities of books at steep discounts.

The Shift from Buying “Just in Case” to “Just in Time”

Just as advertisers have shifted away from bearing the risk of advertising effectiveness alone to sharing it with publishers in more demand-driven and evidence-based business models, there is now greater variety in models being offered by publishers and being tested and adopted by libraries. As has been seen in the advertising industry, the library market is in the midst of a

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1  (Outsell Information Industry Outlook 2017)
shift towards greater transparency, with a corresponding shift to demand- and evidence-based buying. Digital content is readily available and signal information is much richer than before, with statistics on usage, turn-aways and search terms offering greater insight. Libraries have a golden opportunity to shift the orientation of conversations with publishers from procurement to strategic investing. Librarians and publishers are moving towards being partners in efficiently serving the interests of academics and researchers.

By working with publishers to create a plan to set content access that is needed and will be used by their patrons, thereby meeting the demands of those patrons more effectively and efficiently, libraries can raise the competitive edge of their respective institution. As occurred in the advertising industry, libraries using data and the right business model matched to their objectives can gain a greater degree of performance transparency, demonstrate more clearly a return on their investment AND reduce buying risk.

Like leading marketing departments taking advantage of new advertising statistics and practices, libraries are upping their game to drive this change, hiring data scientists and analysts, and using data visualization and portfolio planning tools and processes. Elsevier’s Gap Analysis is one example of how this can be facilitated, by helping libraries frame the context of their expenditures in terms of their institute’s research strategy, user behavior and the reference demands on them. It provides librarians with a greater understanding of what’s happening, showing them where there are missing pieces in their institutional holdings and how to best fill those voids.

Elsevier’s Gap Analysis provides librarians with a greater understanding of what’s happening, showing them where there are missing pieces in their institutional holdings and how to best fill those voids.
holdings and how to best fill those voids. This type of data generates needs-based rather than content-based discussions between libraries and publishers... and an increased focus on data and outcomes and reducing the uncertainty of previous non-evidence-based decisions.

As editor Ben Showers wrote in the book, *Library Analytics and Metrics*, “The challenges of getting analytics and metrics right are not insignificant, but their benefits to organizations like libraries and other cultural heritage institutions are compelling. This opportunity to begin measuring what really matters, is also one clearly recognized by the library community, but it is not unique to the library. The wider education and academic sectors recognize the importance of the right kind of metrics and analysis as a critical part of the services and systems they use and deliver.”

**The Future of Advertising and Libraries: Understanding Connections, Continued**

The advertising industry and libraries are both well-positioned to take advantage of the changes they will face in the coming decades. Constant innovation and testing of their business models will be key to the success of both. Advertising is already moving away from buying clicks, producing more corresponding data sets, and making ad buys increasingly meaningful and efficient. Integrated marketing organizations are putting forth more value to drive better outcomes. Social media reaction and sentiment to ads continues to create a larger context, significantly leveraging the investment in ad campaigns. Artificial intelligence and complex algorithms will enable advanced measurement of every aspect of response to advertisements...and further engagement with the consumers of those ads.

Libraries, and the publishers who serve them, are entering a new phase similar to the advertising evolution: *the beginning of a movement beyond content to context*. As libraries shift from a pure books model to a reference service, publishers will help them expand their understanding of co-usage between different content types. For example, Elsevier’s co-usage statistics can show librarians detailed information on searches that alternated between books and journals, and the variables most common in the researchers’ use of each. Interestingly, academics and researchers are not always aware of whether the resource they are reviewing is a journal article or a book chapter; however, they are cognizant of the fact that they are being directed to relevant content, particularly when undertaking interdisciplinary research. When the mining

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2 (Showers, Library Analytics and Metrics, 2015)
of co-usage content types leads to the selection of specific content based on use cases, libraries can zero in more effectively on spend, measure return on investment and ultimately save money.

Over the course of the next two years, Elsevier will be investing significantly to improve the discoverability and utility of books on ScienceDirect. The company will leverage technologies such as NLP and machine learning to extract and serve reference content in the context of researcher use cases (e.g., I need to understand a term or subject new to me, I need to learn and adapt an underlying method, I need to read broadly around a subject to get ideas). These investments have the potential to drive increased usage and engagement and importantly create a whole new set of data and signals that are beneficial to libraries. Ultimately, researchers looking at a screen are searching for solutions to problems, so understanding why connections are made between content types — and measuring them — will become vital to creating the proper context for information consumers.

Transparency, risk-sharing, precision, efficiency, accountability — these attributes will be driving the success of future relationships between librarians and publishers.

Leading ‘consumers’ to better outcomes is the joint goal for libraries and publishers...and the brave new world in which the advertising industry finds itself today.
Tommy Doyle

Senior Vice President and General Manager, ScienceDirect Books, Elsevier

Tommy Doyle is the Senior Vice President and General Manager of Elsevier’s ScienceDirect Books Business. He is responsible for delivering overall performance and ensures the business is positioned for future growth. Tommy leverages big data signals from across Elsevier’s unique platforms and services to drive organic and inorganic investments for their global books portfolio and product development. His ‘book driven investment fund’ has delivered higher than industry returns and the portfolio now commands some of the highest usage and citations per book in research.

Three years before he was the Vice President of Strategy of the Health Science Division covering Europe, Middle East, Africa and Latin America (EMEALA). His work involved all aspects of Elsevier’s business across the region; electronic solutions, local language books & journals publishing, operations, innovation, organic growth and M&A.

Tommy learnt his craft working in strategy consulting, corporate finance and risk for eight years. He advised clients in Europe, Brazil and North America specializing in high tech and media, pharma R&D and financial services. He helped his clients develop superior strategies, build lasting organizational capabilities and manage change. His work on the successful turnaround of the largest US newspaper franchise, received the worldwide firm award for practice innovation in 2006.

Tommy holds a masters degree in chemistry and a boxing blue from Oxford University and he earned his MBA from INSEAD where he was the Louis Franck scholar. He was born and brought up in Asia and speaks Portuguese. He is an angel investor in and advisor to several start-ups.

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