THE 21ST CENTURY AGENT

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The future for the entire subscription industry is still very unclear and the role of the subscription agent perhaps particularly so. Just as subscription agents have had a valuable role to play in the past, it seems likely that they will continue into the future but perhaps offering different services from their current ones.

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Agents are a part of the journal marketing chain. In order to examine their future role it is necessary first to look at the basics of marketing. I have simplified the whole of marketing to just three golden rules!

- If you want to sell, first make it easy to buy
- If you want repeat business, give excellent customer service
- If you want to sell more, meet the customer's needs

Making it easy to buy really means just providing information to agents and letting them get on with obtaining the orders - both new and renewal. It helps the customer, the agent and leads to an efficient means of buying which is of enormous benefit to publishers.

As is becoming clear, publishers cannot provide excellence in customer service across all the customers needs. All they can provide is excellent publishing practice. Publishers can however give excellent services to agents who are specialists at dealing with large numbers of suppliers and have invested heavily in systems for communicating with the customers. And agents are very well set up to provide the kind of service demanded by libraries.

The third rule, meeting customer needs, is something that publishers understand very well; it is all about getting the editorial right.

21st century changes

I have made a short list of the changes that I think will affect the 21st century – or at least the earlier years! The list is not intended to be in any way comprehensive, merely to highlight the changes I consider to be significant.

Library consortia

Only a few years ago it seems, I had never even heard of library consortia. Now every academic library appears to be a member of several! Such consortia may be a defensive tactic by the library market. As publishers have become larger (generally in recent years by swallowing other publishers) and employed increasingly aggressive pricing policies, so libraries have been forced to retaliate in kind by forming large consortia in an attempt to leverage their negotiating power. There seems little evidence that consortia have actually had much of an impact on individual journal pricing but they do seem to have dramatically changed the way in which publishers sell electronic journals. Instead of selling single titles, there is a tendency to sell the database and let the consortia sort out how it is used. I believe this process will continue to grow because it suits all parties to have larger sales and simpler, more general purchasing and licensing arrangements. Licences do not yet appear to be getting simpler. Although there are indications that this will come, as more deals are struck.

Electronic journals

As early as 2010, possibly, the majority of subscriptions could be electronic. Therefore, much more attention will need to be given by libraries, agents and publishers to the administration of these subscriptions than exists at present. Currently they are anything but easy to buy. Determining the price, licensing restrictions and technical requirements is not easy and puts barriers in the way of customers. I foresee agents and other electronic intermediaries beginning to manage the solutions to these problems. In fact, for the smaller publishers and libraries, it is probably vital that they do because otherwise the complexity of dealing with all publishers separately will be too great an administration for the industry to bear. It is the smaller publishers which are most likely to suffer.

Electronic journals will also rapidly start to diverge from their paper counterparts. I believe this is inevitable for two reasons. Firstly there is so much more that can be done with electronic journals - from linking them to secondary information services to adding additional types of material and introducing more interactive services for subscribers. And if technically it can be done, then history shows it will.

The second reason is that the industry cannot forever absorb the substantial costs of electronic publications. A way will need to be found to make money from them and this would argue for a divergence from the paper, so that additional charges can be made for the electronic version.

Electronic commerce

The activities of consortia are beginning to bring into question the individual journal subscription model that has lasted so long. But perhaps more significant is the introduction of electronic commerce which should enable customers whether libraries or individuals to purchase single papers, or other 'units' of information simply and free of relatively huge administration charges. I suspect that this will prove a popular means of paying for information in the future, since it enables organisations to pay for only that which they use. It would be much more widely used if there was some solution to the archiving problems of electronic journals. Once agreement is reached on archives it is clear that in an electronic world one collection can serve many customers who can pay by use rather than for holding the material. This model will not suit all libraries but I think is likely to play a much bigger role in the future than it has done in the paper world.

New intermediaries

Already there are all sorts of new intermediaries in the market. Aggregation services run by some of the larger agents are already here and probably have a very important role to play in the future as they start integrating with library systems. These systems are largely automated, so there is scope for new entries into this field and it will be interesting to see how many companies start to provide innovative, new services over the next few years.

Resource discovery or the linking of the abstracting and indexing services with the full text is obviously another service likely to increase in the next few years. Again the early players are already there, and most secondary services are in partnership with some primary publishers, but this is obviously going to be taken much further by agents, information providers, electronic publishers and intermediaries to build ever more sophisticated search and discovery systems.

Electronic publishing (by which I mean the third party provision of converting text journal to electronic form) is a new industry that is here to stay and the current small band of practitioners is likely to grow. However, as the cost of producing electronic journals declines and the number of people with the skills increases, it will be interesting to see if even quite small publishers produce their own electronic journals, or whether the aggregation services grow to take on electronic publishing, or the electronic publishers start moving into other areas.

Taxation

One thing all these have in common is new technology. For the next five or more years the journal world will be technology driven - but there are many other factors which can make a big difference. Not the least of these is taxation. It is currently the case that electronic journals are taxed in the UK and many other countries at a rate very different from the paper journals. It is also the case that purchases made over the Web are currently running a bit ahead of tax law and practice! This will not last and I predict that ways will be found to tax electronic commerce. In order to do that, a radically different tax regime and collection method will need to be set up. I will make no predictions of how this will come about, except to say that I doubt that electronic journals will be tax exempt, but it will come and could dramatically slow the introduction of these new services, if the taxation regime is unduly heavy or implementation is complex.

21st century similarities

There are a number of things I expect to continue into the 21st century. For example, customer service is becoming more and more important to customers and to suppliers of all sorts, as a means of distinguishing their services from those of competitors. This trend I expect to see continue and, if anything, strengthen, as increasingly services are tailored to the specific client.

The principle of doing business with a single supplier I expect to see continued because it is always going to be easier for the client. With the subscription model perhaps accounting for considerably less than 100% of the business, there is also going to be an increase in budget smoothing operations by agents. For example, paying publishers before the customer has paid the agent, running deposit accounts to help with pay as you go systems and devising schemes to finance purchases from publishers to suit the client.

New roles for agents

In the face of all this change agents will need to adapt. Far from sounding the death knell of subscriptions agents, I anticipate more opportunities than threats becoming available over the next five or so years. Below I have outlined just a few of those opportunities and how I think agents will expand to fill these roles. As always though, these new services will be additional to their traditional roles of dealing with paper subscriptions (probably with us for the next 50 years!) and the basic purchasing of all manner of information products.

Agents as consultants

The increasing role of consortia and the sale of packages of electronic journals brings with it much complexity. Instead of deciding which subscription to buy, the librarian must now choose between different packages, based on more than just the relevance of the research material. Each publisher will offer different licences and ways of buying the material. Then there is accessibility, with some publishers insisting that all customers go direct to their server, and others appointing third parties and many making a choice of services available. Any packages purchased must suit the needs of the entire organisation – students, lecturers and researchers or in the corporate world, researchers as well as marketing. I see agents increasingly being called on not just to buy but to advise on what might work best for the library or consortia. Contracts to supply become much more of a consultancy , whereby the agent lists alternatives, highlights the advantages and disadvantages to the client and advises them on suitability.

Turnkey service

The consultancy role extends further and merges into implementation. Once purchased the package of electronic and/or print journals will need aggregating with all the other services the library can offer in related fields, either internally or through the use of an aggregator's services. There will need to be links made to internal systems and the material purchased catalogued so that users know the library has it and that it is available to them under the terms of whatever licence it was sold under. And of course the material must be purchased and renewed and when the inevitable happens and the users discover missing material or errors or cannot gain access someone will have to determine where the fault lies and ensure that it is rectified. With paper this was simple, the issue either was or was not in the library. In the electronic world the fault could be with the libraries access system, the aggregators system, the electronic publisher or the information provider. Turnkey services providing all these as part of a package to the library or consortia could well be a real opportunity for agents and an economic alternative for libraries.

The agent as a consortia

There seems no intrinsic reason why agents should not form a consortia of all or some of their customers and negotiate world-wide deals for every customer that wants it, in just the same way as consortia do already. Given agents abilities to deal with thousands of customers, this may in the end turn out to be the most efficient way for the vast majority of the smaller and medium sized publishers and libraries to gain effective site licensing. Deals done with the 40 members of the ASA, for example, would cover more than 98% of the world's libraries. This approach is about the licence and prices and not necessarily the means of supply. It is a strategy which would vastly reduce libraries and customers administration costs and enable agents to compete on the quality of their licensing arrangements, price and service.

The agent as service provider

There are a number of services that seem at present to be largely ignored by the industry yet are vital to the new world of electronic access and commerce. As we have seen there is a need for help desks to meet the variety of questions that can be asked but a publisher's help desk on the far side of the world in a foreign language, is not the best way of meeting a customer's needs, when they have been driven to distraction by the vagaries of the technology! Local help desks in the correct time zone using local languages are vital. Few publishers can provide them and certainly not as economically as an agent based in the country and acting for all publishers impartially and with customer service uppermost in mind.

One step further down this road is to provide training for both libraries and end users. At present there is, except for a few shining examples, little indication that libraries are mounting effective training to end users on how to make the most out of the electronic subscriptions which the library has bought. Lack of resources, uncertainty about the future and lack of interest by end users are among the reasons. However, as with the secondary information providers of 20-30 years ago, usage and renewal income depends crucially on training. The more training there is, the more use there will be, and the higher the renewal rates will be. As the secondary information providers found during the early years of on-line provision, it also happens to be the best means of selling. Again, few publishers can provide world-wide training: agents are ideally placed to develop these services in co-operation with publishers.

Licence negotiation is another area where both libraries and publishers will benefit, if there was some third party who had a history of dealing with both sides. Experience of deals done elsewhere could vastly speed up the process of negotiation (often up to six months) with great benefit to both publisher and library.

Market knowledge

Agents are more likely to become much more specialist in their approach to the markets. There are the existing specialities of language and geography, which are likely to remain as well as those in the academic, corporate and personal subscriptions markets. But to this must now be added training services, help desks, turnkey services and so on. As these services develop and consortia increasingly make long term arrangements for the supply of material, it is likely that agents attention will begin to switch from obtaining more clients towards maximising the revenue from those clients that they already have, by being much more proactive in their sales. This may also extend outside the traditional areas of journals and into other areas such as software supply etc., as part of the turnkey services and the continuous need to upgrade systems. From this comes considerable knowledge of the customers overall needs and, therefore, the ability to fill them by supplying a larger and more varied range of services and products from training to software.

Information

It is difficult to see how libraries can make rational decisions without vastly better information systems than exists at present. Where once journal prices had a few regional variations they are now available in a bewildering variety of different options (print, electronic, both, with or without archival CD, library licence, departmental licence, site licence, consortia licence etc.). Agents, particularly, need to stay on top of this information in order to be able to keep open the purchasing channels to the library market. Without agents' purchasing systems and information provision, it will be almost impossible for libraries to know what is on offer and to make the right choice from the thousands of journals and publishers in the field. This includes details of licences and price, preferably in a simplified way that enables easy comparisons to be made between rival offerings.

Conclusions

In the 21st century I expect to see agents fulfilling their existing roles and adding to them a wide range of additional services from full turnkey systems to training on databases and systems. The market will need the services of intermediaries more than ever before. The way to sell to this market will be to support the agents' services to ensure products are easy to buy. Different arrangements will be needed for some of the newer services than has existed before. Turnkey services seem to be something the library, not the publisher, chooses and hence I see service charges to libraries continuing. But training, help desks, licence negotiations, promotions, and the market knowledge that a good agent can provide are all services that benefit publishers and will need to be paid for. Agents cannot develop these new services in a market of suspicion and fear, where publishers arbitrarily and without warning change their terms (generally though not always downwards). Consortia too are consistently seeking to reduce the agents' service charge. A period of stability in the industry is urgently required, if the new distribution channels required for the 21st century and the wide range of new services, that the industry requires, are to be developed to meet the needs of publishers and libraries.