

# Academic Library Responses to Journal Price Discrimination

Jean Walstrom Haley and James Talaga

*The ability of libraries to mitigate the effects of high journal prices is constrained by publishers' ability to use price discrimination. Based upon this theoretical framework, a mail survey of 213 academic libraries was conducted. It is found that success rates for the most commonly tried strategies are proportionately lower than success rates for less commonly used strategies. It is also found that the price of a particular journal does not seem to drive the selection/deselection decisions in many libraries. These findings are consistent with a price discrimination view of journal pricing. Finally, alternative strategies are suggested that libraries might employ to deal with the joint problems of publishers' price discrimination and high journal prices.*



Some journal publishers, particularly those publishing scientific, technical, and medical journals, employ a multiple price policy for their products. This practice is known as price discrimination. Discriminatory pricing by journal publishers assumes two forms: (1) higher prices for institutional subscribers and (2) prices for foreign subscribers that far exceed postage and handling and exchange rate fluctuations. This article briefly discusses the nature and extent of journal price discrimination and reports on a survey of academic library responses to this problem.

Virtually all of the literature on journal pricing deals with the problem of high prices. Only infrequently do discussions of high journal prices consider price discrimination. The ability to engage in price discrimination is central to publishers' ability to charge high prices to libraries. As we noted in a previous article in another journal, all of the criteria necessary for successful price discrimination presently exist in

the library marketplace.<sup>1</sup> Publishers can accommodate the need to cover increased costs and realize profits through the use of a dual-pricing structure—one that charges high prices to libraries and lower prices to individuals. Thus, a discussion of price discrimination is central to the more general problem of high serials prices. Based on an analysis of the relationship between high prices and price discrimination, the authors conclude that any strategy used to combat high prices must simultaneously address price discrimination; any strategy that is successful against price discrimination should result in lower prices.

## NATURE OF THE PROBLEM

As noted above, price discrimination takes two forms: (1) higher prices for institutions and (2) higher prices for foreign subscribers. In the first case, a publisher sets up multiple prices for different classes of subscribers. Typically, the lowest rates apply to personal, individual

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subscriptions. Publishers then apply a second, higher rate to institutional subscribers such as libraries, schools, corporations, government agencies, and so on.

In the case of foreign subscribers, a publisher sets up multiple prices on the basis of the country to which the subscription will be sent. The price is usually in excess of the additional postage and handling required for overseas delivery and in excess of the amount needed to offset exchange rate fluctuations. In some cases, the subscriber is not allowed choice of currency nor is the subscriber allowed to assume the exchange risk. In some instances, both institutional subscriber and foreign subscriber price discrimination are applied. Since separating the two forms of price discrimination is difficult (for example, foreign publishers may engage in both practices), they will be considered together.

#### EXTENT OF THE PROBLEM

A number of studies document the extent of price discrimination.<sup>2</sup> While each of these studies is limited either by the number of titles in the study or by the subject area of concern, they demonstrate that the practice of charging libraries higher prices for journals is widespread. For example, Patrick Joyce and Thomas Merz indicate that of 89 academic journals, 66 (74%) charged higher prices to institutions than were charged to individual subscribers.<sup>3</sup>

Evidence exists that publishers price discriminate in a deliberate pattern, charging more for journals that are in higher demand (indexed, heavily cited, etc.). Glenn R. Wittig found that price discrimination for general readership magazines (such as those indexed in the Reader's Guide) was nonexistent.<sup>4</sup> Joyce and Merz found that the "best" journals do engage in price discrimination, with "best" defined by scholars in the respective disciplines rather than by citation frequency or other measures.<sup>5</sup> Robert L. Houbeck, in a comprehensive study of British publishers, found higher prices charged for journals that were heavily used (cited) or had high value (recommended, heavily used).<sup>6</sup>

Finally, evidence indicates that some publishers seem to engage more actively in price discrimination than others.<sup>7</sup> James C. Thompson indicates that at the University of California, Riverside, 1% of journals account for 25% of annual journal expenditures. He notes that one of the major contributors to the problem is the propensity of publishers to price discriminate.<sup>8</sup>

#### COST OF THE PROBLEM

Joyce and Merz suggest that the differentials between individual subscription prices and institutional subscription prices are, on average, nearly 200%.<sup>9</sup> Differences vary from discipline to discipline, with chemistry journals having a mean differential of 389% and economics journals having a mean differential of 69%. Deana L. Astle and Charles Hamaker find that U.S. subscribers pay, on average, 39% more than British subscribers, in addition to any already existing price differential for institutional subscribers.<sup>10</sup> If these figures are correct, it could be argued that discriminatory pricing practices of journal publishers consume as much as one-half of an average academic library's serials budget. A library with a serials budget of \$500,000 is thus paying perhaps \$250,000 more than individual subscribers. Academic libraries that specialize in the sciences pay a higher proportion in discriminatory price charges, while libraries that specialize in the humanities and social sciences pay a lower proportion.

#### THE SURVEY: ACTUAL LIBRARY BEHAVIOR

In order to understand better library behavior in response to price discrimination, we conducted a mail survey of academic libraries. The sample consisted of 213 academic libraries: the 107 largest U.S. academic libraries (referred to below as "large" libraries) and a randomly selected sample of 106 academic libraries with 1,000 to 1,200 current journal subscriptions (referred to below as "small" libraries). Excluded from this latter group were medical libraries, community college libraries, and seminary

**TABLE 1**  
**RESPONSES ACTUALLY USED BY ACADEMIC LIBRARIES**  
**TO MITIGATE THE IMPACT OF PRICE DISCRIMINATION**

Responses	Have Done This		Have Not Done This		Don't Know If Done	
	Frequency (%)	Frequency (%)	Frequency (%)	Frequency (%)	Frequency (%)	Frequency (%)
a. Increased reliance on ILL	96	(75.6)	28	(22.8)	3	(2.4)
b. Informal resource-sharing agreements	71	(57.7)	49	(39.8)	3	(2.3)
c. Notifying faculty of journal prices	107	(84.9)	18	(14.3)	1	(0.8)
d. Formal complaints to publishers (as individual library)	32	(25.6)	87	(69.6)	6	(4.8)
e. Formal complaints to publishers (as part of group, e.g., ARL, RLG)	62	(49.6)	55	(44.0)	8	(6.4)
f. Cancellation of subscription (more as a protest than because of high price)	41	(33.9)	75	(62.0)	5	(4.1)
g. Seeking outside funding for journals	41	(33.9)	78	(62.9)	5	(4.0)
h. Shifting complete responsibility to faculty for journal selection	13	(10.6)	108	(87.8)	2	(1.6)
i. Shifting funds from monograph budget	99	(78.6)	24	(19.0)	3	(2.4)
j. Reliance on journal donations from individual subscribers	41	(32.5)	83	(65.9)	2	(1.6)
k. Increased reliance on document delivery systems (e.g., DIALORDER)	36	(29.8)	82	(67.8)	3	(2.4)
l. Other	28	(21.9)	1	(0.8)	0	(0.0)

libraries. The sample was selected from the current online version of the *American Library Directory*.

**The ability to engage in price discrimination is central to publishers' ability to charge high prices to libraries.**

Each library in the sample was mailed a cover letter explaining the nature of the study, a survey form, and a stamped return envelope. In all cases, the material was sent to the library director, who was asked either to fill the survey out or to forward it to the appropriate person in the library. A follow-up mailing consisting of the same materials was sent to those libraries that did not respond after a reasonable length of time.

One hundred thirty-four libraries returned a total of 128 completed, usable

responses. Sixty-five small libraries returned completed survey forms; 63 large libraries returned completed survey forms. The response rates are as follows:

Total responses	134 (62.9%)
Usable responses	128 (60.1%)
Small libraries	65 (61.3%)
Large libraries	63 (58.9%)

Although response rates of 60% were somewhat below expectations, the authors are confident of the generalizability of the findings. Libraries that did not respond apparently did so on a random basis.

We recognize that every study is limited in some way. The following limitations in this study are noted:

- Only the very largest libraries and a sample of relatively small libraries were included. Libraries with different

**TABLE 2**  
**MOST AND LEAST COMMONLY EMPLOYED RESPONSES USED BY**  
**ACADEMIC LIBRARIES TO MITIGATE THE IMPACT OF PRICE DISCRIMINATION**

Response	Most Common Response		Second Most Common Response		Least Common Response	
	Frequency (%)	Frequency (%)	Frequency (%)	Frequency (%)	Frequency (%)	Frequency (%)
a. Increased reliance on ILL	30	(24.4)	27	922.3	0	(0.0)
b. Informal resource-sharing agreements	6	(4.9)	19	(15.7)	0	(0.0)
c. Notifying faculty of journal prices	12	(9.8)	19	(15.7)	0	(0.0)
d. Formal complaints to publishers (as individual library)	3	(2.4)	3	(2.4)	5	(4.0)
e. Formal complaints to publishers (as part of group, e.g., ARL, RLG)	3	(2.4)	8	(6.6)	3	(2.4)
f. Cancellation of subscription (more as a protest than because of high price)	13	(10.4)	10	(8.3)	13	(10.4)
g. Seeking outside funding for journals	2	(1.6)	6	(5.0)	7	(5.6)
h. Shifting complete responsibility to faculty for journal selection	2	(1.6)	1	(0.8)	48	(38.4)
i. Shifting funds from monograph budget	42	(34.1)	13	(10.7)	8	(6.4)
j. Reliance on journal donations from individual subscribers	2	(1.6)	4	(3.3)	33	(26.4)
k. Increased reliance on document delivery systems (e.g., DIALORDER)	1	(0.8)	3	(2.4)	7	(5.6)
l. Other	7	(5.7)	7	(5.8)	1	(0.8)
<b>Total</b>	<b>123</b>	<b>(100.0)</b>	<b>129</b>	<b>(100.0)</b>	<b>125</b>	<b>(100.0)</b>

collection sizes, particularly very small academic libraries, may have slightly variant behaviors.

- The cover letter and the survey explicitly requested that the respondent answer in terms of price discrimination. However, some respondents may have replied in terms of high prices. This does not seem to us to be a serious problem since the strategies used to combat price discrimination and high prices appear to be generally interchangeable. The responses listed in the questionnaire can be used as effectively (or ineffectively) against both price discrimination and high prices.
- About one-third of the respondents provided no data, incomplete data, or inaccurate data with regard to numbers and prices of titles added and dropped. The 77 libraries that did provide all the data reported the addition of a total of 20,202 titles and the drop-

ping of 27,843 titles. In instances where the numbers reported seemed to be out of line (e.g., dropping more than 10% of the titles in the collection), we verified the results before including them in the survey data.

#### FINDINGS: ACTUAL LIBRARY BEHAVIOR

The survey asked libraries questions about three types of behavior: (1) what practices do they follow to mitigate the impact of price discrimination? (2) what practices do they think would actually work in mitigating discriminatory practices? and (3) what was their actual behavior regarding the adding and dropping of journals?

What practices do libraries actually follow to mitigate the impact of price discrimination? The data are presented in tables 1 and 2. Most libraries have tried a variety of responses, and every

TABLE 3  
ACADEMIC LIBRARIES' PERCEPTION OF SUCCESS RATES OF STRATEGIES  
AVAILABLE TO MITIGATE THE IMPACT OF PRICE DISCRIMINATION

Strategy	A Very Successful Strategy		Neither		Not A Very Successful Strategy	
	Frequency (%)	Frequency (%)	Frequency (%)	Frequency (%)	Frequency (%)	Frequency (%)
a. Increased reliance on ILL	59	(48.8)	36	(29.8)	26	(21.5)
b. Informal resource-sharing agreements	67	(55.8)	21	(17.5)	32	(26.7)
c. Notifying faculty of journal prices	50	(40.3)	36	(29.0)	38	(30.6)
d. Formal complaints to publishers (as individual library)	17	(13.9)	30	(24.6)	75	(61.5)
e. Formal complaints to publishers (as part of group—e.g., ARL, RLG)	56	(45.9)	36	(29.5)	30	(24.6)
f. Cancellation of subscription (more as a protest than because of high price)	54	(43.5)	34	(27.4)	36	(29.0)
g. Seeking outside funding for journals	15	(12.2)	50	(40.7)	58	(47.2)
h. Shifting complete responsibility to faculty for journal selection	6	(4.7)	26	(20.8)	93	(74.4)
i. Shifting funds from monograph budget	29	(23.6)	44	(35.8)	50	(40.7)
j. Reliance on journal donations from individual subscribers	9	(7.2)	23	(18.4)	93	(74.4)
k. Increased reliance on document delivery systems (e.g., DIALORDER)	52	(43.0)	46	(38.0)	23	(19.0)
l. Other	19	(95.0)	0	(0.0)	1	(5.0)

approach has been tried by at least one library.

The three most frequent responses were: notify faculty about journal prices (85% have done this); shift funds from the monograph budget (79%); and increase reliance on interlibrary loan (ILL) (76%). The least frequently tried approaches were shifting complete responsibility for journal selection to faculty (11% have tried this); formal, individual complaints to publishers (26%); and increased reliance on document delivery systems (30%).

Because a library states that it has used an approach does not necessarily mean that the approach was extensively used by all libraries. Data in table 2 report on what were the most frequently and least frequently used library strategies. Every strategy was considered as the most or second most common strategy by at least one library. The two most frequently used responses were increased reliance on ILLs (47% cited this as the most or

second most common strategy) and shifting funds from the monograph budget (45% did this as either the most or the second most common strategy). Most respondents used one or both of these strategies. The least commonly used strategies were shifting complete responsibility to faculty (38% considered this their least likely strategy) and relying on individual subscriber donations (26%).

What libraries actually do may not represent what they think is the best strategy (because of budgeting, political, or other constraints). Questions were asked, therefore, about what strategies libraries think would be the most successful in combating the problem of price discrimination, regardless of whether or not they use them. Libraries were free to use whatever standard they thought appropriate in judging success, although the question implied that success meant obtaining some form of price relief. Table 3 indicates that no one strategy stood out as best.

Several respondents indicated that none of the strategies had any success potential. The three strategies thought to be potentially the most successful were informal resource-sharing agreements (56% thought this to be a very successful strategy); increased reliance on ILL (49%); and formal complaints to publishers as part of a group—e.g., Association of Research Libraries, Research Library Group (46%). The three strategies thought to be the least successful were reliance on journal donations from individual subscribers (74% thought this to be a very unsuccessful strategy); shifting complete responsibility for journal selection to faculty (74%); and formal complaints to publishers as individual libraries (62%).

Several interesting comparisons can be made between what libraries think might be successful and what they actually do. Comparing the most frequently used strategies with their perceived success rates, we note some small discrepancies: notify faculty about journal prices (85% have used the strategy; 40% view it as successful); shift funds from the monograph budget (79% have done this; 24% view it as successful); and increase reliance on ILL (76% have done this; 49% view it as successful). Generally, libraries do not consider the strategies they have tried to be successful.

In comparing the least frequently tried approaches with their perceived success rates, we find the following: shift complete responsibility for journal selection to faculty (11% have tried this; 74% view it as unsuccessful); make formal, individual complaints to publishers (26% have tried this; 62% view it as unsuccessful); and increase reliance on document delivery systems (30% have tried this; 19% view it as unsuccessful).

Libraries that had actually tried a particular strategy rated that strategy as more successful than did libraries that had not tried the strategy. For example, while 56% of all respondents thought informal resource sharing was potentially a very successful strategy, 65% of respondents that had actually tried resource sharing thought that it was a very successful strategy. The strategies

that elicited the greatest positive response from libraries that had actually tried them were: shift responsibility to faculty (30% that tried this found it to be successful versus 5% of all respondents who felt it was a potentially successful strategy); protest cancellations (68% versus 44%); and make individual complaints (29% versus 14%).

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### What libraries actually do may not represent what they think is the best strategy.

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What was actual library behavior with regard to the adding and dropping of journals? If, on the one hand, libraries worried only about price in selecting journals, increases in journal prices would result in large numbers of canceled journals. If, on the other hand, libraries make selection and deselection decisions based on factors other than price, increases in prices would cause relatively little net decrease in subscriptions.<sup>11</sup> To test this hypothesis, the authors asked libraries to indicate the number of titles both added and dropped during 1987–88 and 1988–89. Also asked were the approximate subscription costs and savings associated with adding and dropping journals. About one-third of respondents either had no available information about this area or had only partial data. As a result, fewer respondents are included here than in the above sections.

Tables 4 through 7 use four categories: \$0.00; \$0.01–100.00; \$100.01–250.00; and over \$250.00. The first category includes those libraries that neither spent nor saved money on added or dropped journals for the given year. The second category represents libraries that added or dropped *almost exclusively inexpensive* journals. Using Thompson's 1989 figures as a guide (mean physical journal prices = \$431.62; mean humanities/social science journal price = \$76.09),<sup>12</sup> we calculate that a library that dropped ten humanities/social science journals for every one physical science journal

TABLE 4  
MEAN REPORTED PRICES OF JOURNALS ADDED, 1987-88

Prices	All Libraries		Large Libraries		Small Libraries	
	No.	(%)	No.	(%)	No.	(%)
\$0.00	17	(21.5)	13	(40.6)	4	(8.5)
\$0.01-100.00	44	(55.7)	11	(34.4)	33	(70.2)
\$100.01-250.00	15	(19.0)	6	(18.8)	9	(19.1)
Over \$250.00	3	(3.8)	2	(6.2)	1	(2.1)
Total	79	(100.0)	32	(100.0)	47	(100.0)

TABLE 5  
MEAN REPORTED PRICES OF JOURNALS DROPPED, 1987-88

Prices	All Libraries		Large Libraries		Small Libraries	
	No.	(%)	No.	(%)	No.	(%)
\$0.00	22	(26.8)	11	(33.3)	11	(22.4)
\$0.01-100.00	26	(31.7)	7	(21.1)	19	(38.8)
\$100.01-250.00	21	(25.6)	10	(30.2)	11	(22.4)
Over \$250.00	13	(15.9)	5	(15.2)	8	(16.3)
Total	82	(100.0)	33	(100.0)	49	(100.0)

would average savings of about \$100 per journal dropped. Similarly, if a library added ten humanities/social science journals for every one physical science journal, the average increased expenditure per journal would be about \$100.

The third category represents those libraries that added or dropped *predominantly inexpensive* journals. A library that dropped three humanities/social science journals for every one physical science journal would save, on average, about \$165 for every journal dropped. Finally, the last category represents libraries that added or dropped *predominantly expensive* journals. A library that dropped one humanities/social science journal for every one physical science journal would have average savings of about \$250 for every journal dropped. Average costs and savings of journals added and dropped during 1987-88 are presented in tables 4 and 5.

We make two observations: first, few libraries tended either to add or drop predominantly expensive journals. Only 4% of all libraries added journals that had average prices of \$250 or more,

while only 16% of all libraries dropped journals that had average prices of \$250 or more. Second, a large number of libraries reported neither adding nor dropping journals (22% reported adding no journals, 27% reported dropping no journals). Tables 6 and 7 show an increase in cancellation of expensive journals in 1988-89.

The percentage of libraries adding expensive journals remained nearly constant (4%), while the percentage dropping expensive journals rose to 22% of the total. Large libraries were virtually unchanged in terms of dropping expensive journals—most of the increase in cancellation of expensive journals was by smaller libraries. About one-fourth of the responding libraries reported that they were dropping predominantly more expensive journals.

Finally, table 8 shows that during 1987-88, slightly more than 44% of the respondents spent more money for added journals than they saved from journal deletions. Slightly more than 48% saved more money from journal deletions than they spent on new journal

**TABLE 6**  
MEAN REPORTED PRICES OF JOURNALS ADDED, 1988-89

Prices	All Libraries		Large Libraries		Small Libraries	
	No.	(%)	No.	(%)	No.	(%)
\$0.00	14	(15.2)	7	(17.9)	7	(13.2)
\$0.01-100.00	56	(60.9)	18	(46.2)	38	(71.7)
\$100.01-250.00	18	(19.6)	12	(30.8)	6	(11.3)
Over \$250.00	4	(4.3)	2	(5.1)	2	(3.9)
Total	92	(100.0)	39	(100.0)	53	(100.0)

**TABLE 7**  
MEAN REPORTED PRICES OF JOURNALS DROPPED, 1988-89

Prices	All Libraries		Large Libraries		Small Libraries	
	No.	(%)	No.	(%)	No.	(%)
\$0.00	21	(25.3)	12	(37.5)	9	(17.6)
\$0.01-100.00	27	(32.5)	6	(18.8)	21	(41.2)
\$100.01-250.00	17	(20.5)	9	(28.1)	8	(15.7)
Over \$250.00	18	(21.7)	5	(15.6)	13	(25.5)
Total	83	(100.0)	32	(100.0)	51	(100.0)

**TABLE 8**  
LIBRARIES HAVING NET SERIALS BUDGET INCREASES AND DECREASES AS  
A RESULT OF ADDING AND DROPPING JOURNALS, 1987-88 AND 1988-89

Change	1987-88		1988-89	
	No.	(%)	No.	(%)
Increased over \$10,000	7	(10.0)	12	(15.0)
Increased \$1,000-9,999	18	(25.7)	18	(22.5)
Increased \$1-999	6	(8.6)	10	(12.5)
Budget unchanged \$0	5	(7.1)	7	(8.8)
Decreased \$1-999	10	(14.3)	8	(10.0)
Decreased \$1,000-9,999	15	(21.4)	15	(18.7)
Decreased over \$10,000	9	(12.9)	10	(12.5)
Total	70	(100.0)	80	(100.0)

titles. Only 13% of all respondents saved more than \$10,000. During 1988-89, 50% spent more money for added journals than they saved from journal deletions, and 42% saved more money from journal deletions than they spent on added titles. Only 13% saved more than \$10,000.

The above data lead us to the following conclusions: (1) Libraries appear to make selection and deselection decisions

based on factors other than price alone and are hence vulnerable to price discrimination. (2) In 1987-88, only one in six libraries canceled predominantly expensive journals. If the number adding predominantly expensive journals is refigured in, about one in ten libraries tended to deselect expensive journals. During 1987-88, 90% of libraries tended to deselect less-expensive journals. (3) In



1988-89, only one in four libraries deselected predominantly expensive journals. After adjusting for additions, about one in five libraries tended to deselect expensive journals. Thus, 80% of libraries during 1988-89 tended to deselect less-expensive journals.

### CONCLUSIONS AND IMPLICATIONS

A discrepancy exists between what libraries think are potentially effective strategies and what strategies they actually use. The two most commonly used strategies, increased reliance on ILL and shifting funds from monographs, are not viewed as being the most likely to be successful. In fact, shifting funds from monographs is viewed as being one of the least likely to be successful strategies. The two strategies believed to have the most potential for success, protest cancellations and group complaints to publishers, are not commonly used strategies. Fewer than 10% of libraries used protest cancellations, and fewer than 2% used group complaints.

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**The two most commonly used strategies, increasing reliance on ILL and shifting funds from monographs, are not viewed as being the most likely to be successful.**

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Libraries that actually try a strategy consider it to be more successful than do libraries that have not tried the strategy. This does not imply that every strategy tried will be successful. However, the strategies open to libraries are more potentially successful than they think.

Although libraries have expressed concern about the effects of price discrimination (such as high prices), few libraries do anything about it. This lack of reaction reinforces publishers' perceptions that prices can be raised without fear of library retaliation. Evidence about library selection and deselection practices supports the position that libraries are vulnerable to price discrimination.

Finally, despite concern about high prices, many libraries actually increased

spending on new journal titles (this excludes the increased costs due to inflation). Apparently, few libraries practice a vigorous program of journal title deletions in an effort to decrease their serials budgets.

The ability of libraries to deal with high journal prices depends on the ability of libraries to modify or reduce the power that journal publishers now have over them. The relationships between the library and the faculty as well as the relationship between the library and the publisher needs to be changed. Based on what libraries perceive to be successful strategies and on what libraries actually do, the following would appear to have some potential for success:

1. Libraries could engage in protest cancellations of expensive journals. If this is to be an effective strategy, however, the number and frequency of library actions needs to be substantial. Sporadic, irregular, and unpublicized cancellations are unlikely to have much, if any impact on publishers.
2. Library actions (along with the rationale) need to be made known to the faculty. If the library wants to reduce the ability of publishers to price discriminate, the library needs to integrate the faculty more closely into the journal management process. Faculty need to have explicit and detailed knowledge of serials pricing practices in order to view price discrimination as a problem shared by the entire academic community.
3. Increased resource sharing, either through formal methods, such as ILL and formalized resource-sharing agreements, or through informal agreements, should be used to reduce the cost of journals to any particular library. We note, however, that resource sharing does not reduce journal prices to libraries that are not part of resource-sharing agreements. This seems to us to be a partial solution.
4. Libraries may wish to enter into price negotiations with journal publishers. While a publisher may be willing to

negotiate with one or a few libraries, a large number of negotiations would substantially increase the publisher's transactions costs (as well as each library's) and may result in a willingness to decrease prices in order to avoid negotiation costs. Again, for this to be an effective strategy, libraries would need to be

willing and able to carry through on a threat to drop the journal.

While the above strategies may not be successful for all libraries, we are convinced that failure to change library behavior will ensure that the problem of price discrimination and the attendant high prices will not disappear in the near term.

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10. Astle and Hamaker, "Pricing by Geography," p.173.
11. This argument is further developed in Talaga and Haley, "Marketing Theory," passim. In essence, since libraries frequently act as information intermediaries, they do not often directly control the demand for any given journal title.
12. Thompson, "Confronting the Serials Cost Problem," p.42.

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