



## How to boost your renewals: A practical guide



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## CONTEXT

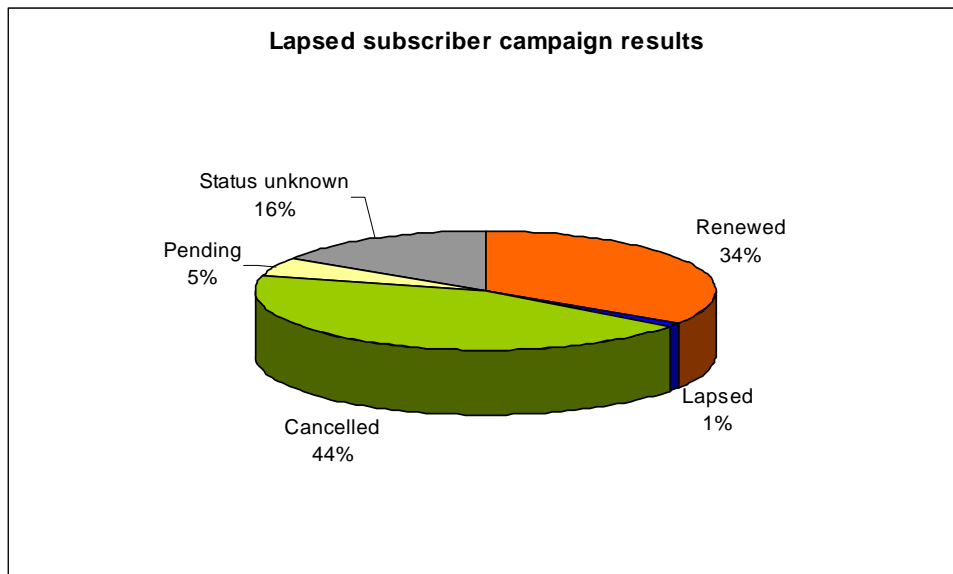
Accucoms, which provides specialist sales, marketing and customer services for scholarly and society publishers, made over 17,000 calls to librarians on behalf of publishers chasing lapsed subscribers during the 2006-2007 subscription cycle.

The collated results of the campaigns, along with selected verbal feedback garnered from librarians during the calls are published here.

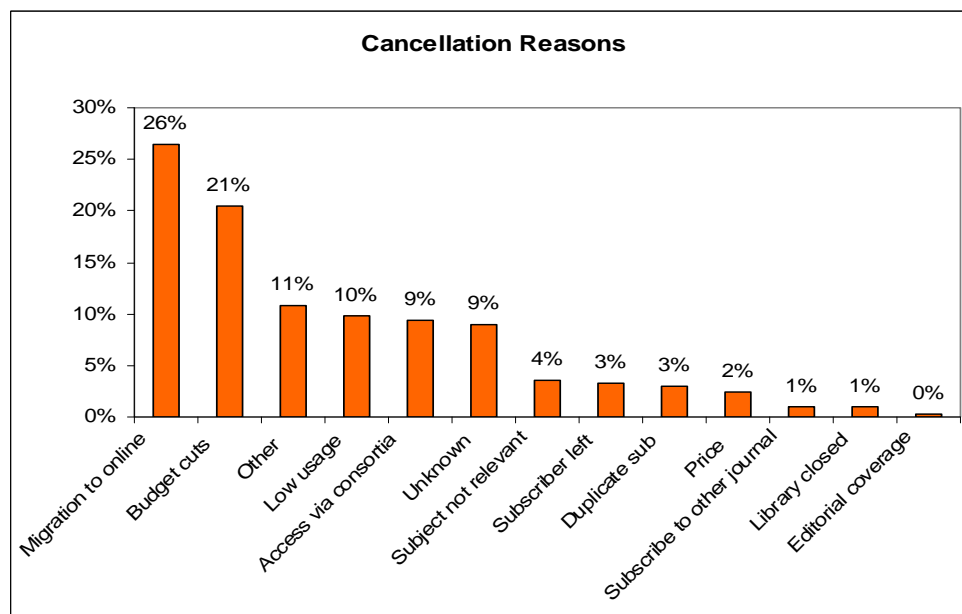
The purpose of publishing this report is to share this information with the industry and help publishers plan their renewal activities and identify customer service issues that could help improve their renewal rates.

## RENEWAL CAMPAIGN RESULTS

During the 2006-2007 subscription cycle Accucoms made 17,223 calls on behalf of approximately 40 publishers. The main objective of the calls was to renew lapsed subscriptions. The overall results are as follows:



As a direct result of the renewal campaigns, over 34% of subscriptions were renewed and a further 5% are still pending. Of the 44% of subscriptions that were cancelled, the reasons given are as follows:



This graph shows the *primary* reason given by librarians when asked why they had decided to cancel a journal. It is important to note however, that reasons for cancellations can often be multi-factorial in that there could be a number of contributing factors that librarians take into account when making a decision.

Moving to online access: Following the trend of the previous year, a shift from print to online continues to be the most common reason for cancelling a subscription with just over a quarter of print subscriptions being cancelled in favour of online access. What this data does not tell us is whether institutions are favoring online access via a licensed database or an electronic subscription directly from the publisher so we would recommend that publishers analyse their subscription data carefully to see if libraries are cancelling their subscription or simply migrating to a different format. If a library is migrating to a different format, it will affect the number of “true” cancellations.

Budget cuts: Perhaps unsurprisingly given the feedback from the library sector about the state of their budgets, the second most popular reason for cancelling subscriptions is budget cuts. However, even when budget cuts were stated as the primary reason for cancelling, many librarians stated that other factors were also taken into account such as usage statistics and subject relevancy. Perhaps surprisingly price was only cited as the primary reason for cancellation in 2% of cases, although anecdotally librarians told us that yearly above inflation price increases and *some* tiered pricing schemes, were a problem when taken in conjunction with budget cuts.

Usage: This year, 10% of cancellations were due to low usage, indicating that usage statistics have an important part to play in cancellation decisions. In fact, usage statistics could play a larger part in the equation than these figures suggest – although budget cuts are a key reason for cancelling a journal, many librarians told us that the ultimate decision about which journals to cancel would have taken into account multiple factors and would include an analysis of usage statistics.

Duplicated access: Our data shows us that 9% of subscriptions were cancelled due to access through consortia. This figure serves as a useful reminder that publishers need to investigate the subscription database thoroughly when working out a quote for consortia access if they are to avoid losing revenue on the sale.

## WHAT CAN PUBLISHERS LEARN FROM THESE RESULTS?

Be proactive with renewals – 34% of subscriptions were renewed as a result of a renewals campaign. This strongly indicates that a proactive approach from a publisher can pay dividends when reducing the number of lapsed subscriptions. Here are a number of ways publishers can be more proactive:

- In our experience, subscription can get *lost* and therefore are not renewed when a library switches to another agent. The publisher loses track of the subscription and either records an incorrect cancellation or does not chase the lapsed subscription because they are not aware of it. Improved communication mechanisms and de-duping and matching of subscription data could prevent this from happening.
- Timing – be aware of the renewal season in the different markets you serve. In some countries the season starts later due to tender procedures, in other countries it is earlier. If you chase renewals too early then you could be wasting resources, too late and you could have missed the opportunity. Staggered renewals, taking into account market requirements, could pay off.
- Consider running renewal campaigns in local languages. The majority of librarians we spoke to welcomed being able to talk to someone or read literature in their own language.
- For corporate libraries especially (as there often isn't a "library" as such within many companies), although the same is true for the academic sector, personal contact is important. Having a personal relationship will maintain contact with key people and ensure renewal notices go to the right person and can be followed up effectively.
- Keep your database up to date. Making sure your database is up-to-date, and de-duplicated accurately will make a huge difference to the effectiveness of your campaigns.
- Send customers a reminder, preferably via email, before the subscription expires and follow up with a call when the subscription has lapsed.
- For key customers, contact them just before the renewal season in order to iron out any problems that make you vulnerable for cancellation. Although not content related, issues such as poorly dealt with claims can affect a librarian's decision about which journals to cancel. Customer service issues can play an important part, especially when all other factors are equal.

Maximize revenue from online access – If the online price is tied in with the print price, then we would recommend publishers review this policy. Increasingly librarians are migrating from print to online, sometimes cancelling multiple print subscriptions in favour of one online subscription and therefore the price of the online product needs to take into account these factors. If the online price is tied in with the print, then it makes it difficult to recoup this lost revenue.

Help activate online subscriptions - Additionally, when librarians wish to migrate to online access, make it easy for them to do so. Make sure your registration and activation systems are clear and communicated well to your customers. Provide librarians with necessary access codes and technical support. Consider translating the activation guideline into several languages. Make sure you know exactly which libraries want to move to online

access and make sure you follow up with libraries that do not activate. Users cannot use your content if it is not set up on the library systems correctly.

Beat the budget cuts – whilst on the surface, there is not much a publisher can do about budget cuts there are moves a publisher can make to ensure their content isn't on the danger list. If the content is not core to the institution and the publisher believes it is vulnerable to cancellation, they could consider negotiating a more agreeable price. Consider packaging content and tiered pricing structures, it might just make the difference between a cancellation and a renewal, even if you have to accept a slightly lower revenue.

Maximize your usage – as usage statistics play an important part in cancellation decisions, it is important for publishers to target the institutions with low usage statistics where their content could be vulnerable to cancellation. Campaigns to help librarians promote the content to their users, a fresh marketing campaign to end users, promotion of well known authors contributing to the journal are just a few ways publishers could help to increase the usage of their content.

Improve your overall customer service – as mentioned earlier in this report, librarians feel very strongly about customer services and it can effect their decisions about the content they cancel or renew. Make sure your customer service staff are knowledgeable and well trained and your processes are sound. Feedback given to Accucoms from librarians regarding customer service, include the following elements:

- Special offers on new products for existing customers
- Technical support
- Counter compliant usage statistics
- Being addressed in their own language
- Product updates
- Quick response
- Proactive renewal campaigns
- A dedicated account manager, either at the publisher or via a 3<sup>rd</sup> party
- Free trials on new products
- Satisfaction surveys