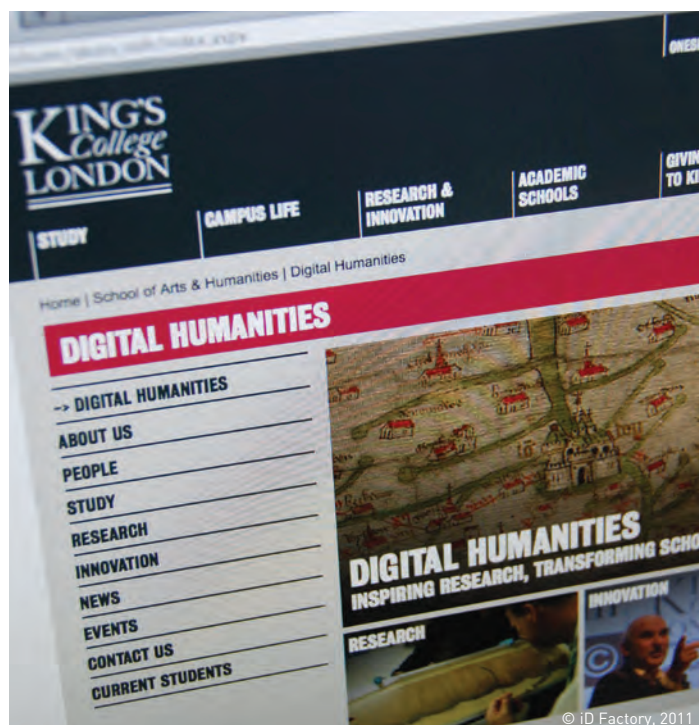


# Revenue, Recession, Reliance: Revisiting the SCA/Ithaka S+R Case Studies in Sustainability

2011 Case Study Updates

JISC Content

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**You've received a grant and made the case to your organisation to digitise content or otherwise develop an online resource. Your team executes the plan to the letter, and the result is a thing of beauty. What happens next?**

**Those who manage digital resources in the education, research and cultural heritage sectors face considerable challenges. The projects they create require ongoing support, development and promotion in order to find an audience and achieve the desired impact. How are projects developing strategies to meet these ongoing needs once their start-up funding ends?**

In 2009, the Strategic Content Alliance (SCA) commissioned Ithaka S+R to investigate emergent internet business models for digital resources, culminating in twelve detailed case studies and the summary report '**Sustaining Digital Resources: An On-the-Ground View of Projects Today**'. Two years later, after the recession and many serious budget cuts, how are these projects faring? The SCA funded Ithaka S+R to revisit all twelve studies to see how their sustainability models have held up over the past two years. The report, '**Revenue, Recession, Reliance: Revisiting the SCA / Ithaka S+R Case Studies in Sustainability**', provides a concise summary of the findings.

This paper highlights key factors for sustainability outlined in the report and suggests the case studies that best illustrate the successes and challenges of developing a sustainable digital resource, drawing on the experiences of those who have been there.

## Who is this briefing paper for?

- Project leaders of content-based digital resources
- Faculty members, researchers, staff or others at universities, research and cultural institutions leading digital content-based projects
- Administrators at institutions involved in managing digital resources
- Those who fund or otherwise support digital resources

## Why is sustainability planning important?

- The initial build is just the beginning! Ongoing digital resources take ongoing time and effort.
- Grants are important, but may be too fickle to count on in the long run. Conceiving of a longer-range plan for support is vital.
- Users will expect content to be current and timely; stale content and old links are warning signs that a resource may be dead or dying.

## Five Key Factors for Sustainability

Leaders of digital projects may face a monumental challenge: trying to collect, edit and disseminate high-quality digital content while operating on a limited budget. Five key factors are essential for the ongoing success and sustainability of digital initiatives in not-for-profit sectors: 1) dedicated and entrepreneurial leadership; 2) a strong value proposition; 3) minimising direct costs; 4) reliable revenue sources; and 5) accountability and metrics for success. Our case studies provide some examples of how project leaders are sustaining their projects for the long term.

## 1. Dedicated and entrepreneurial leadership

Managing a digital project requires not just an expert knowledge of content and technology, but also an appetite for leading and supporting staff, planning for long-term costs and revenues and making sometimes difficult strategic decisions about the future of the resource. University scholars, librarians and archivists are not always encouraged to think as entrepreneurs, but the complexity of planning a digital resource demands a pragmatic approach.

### Consider these examples:

- **Stanford Encyclopedia of Philosophy**'s Ed Zalta worked tirelessly to develop the SEP's endowment model, forging ties with partner organisations and making his case to library directors across the country.
- When **eBird** hit a snag in building its audience, director Steve Kelling took the important step of bringing in expertise from the user community to better inform the project's strategy.

*"Given that writing grant proposals every two years was kind of an iffy thing, we didn't want to leave [sustainability] to chance – you never know with a referee panel."*

Edward N. Zalta, Principal Editor, Stanford Encyclopedia of Philosophy

## 2. A strong value proposition

Who is going to use your resource, and why should they want to? Developing a rich understanding of the likely users of your resource and what will be most valuable to them is vital. The potential audience may be larger than scholars in your immediate field, and they may interact with your online content in unexpected ways, different from how they would use content in print. Different segments of users may want very different things from your resource. And if you are receiving support from other entities – funders, institutional administrators or volunteers – these folks are important stakeholders, too, whose needs have to be taken into consideration.

### Consider these examples:

- **The National Archives** (U.K.) knew they had valuable content, but getting others to pay for it took some hard work. See how they developed ways to package their own and others' archival content for significant cost savings and earned revenue through licensing.
- **DigiZeitschriften**, a subscription-based database of scholarly German journals, was developed in great part with the needs of its fourteen charter partner libraries in mind, raising interesting questions about how to enhance a project's value proposition for different kinds of stakeholders.

- Learn how the **Library Digitisation Unit at the University of Southampton** (U.K.), faced with a difficult environment for the digitisation business they had built, completely shifted focus to realign with the priorities of the University.

## 3. Minimising direct costs

There are many ways to lower the direct costs of a digital project, from establishing beneficial partnerships with external organisations, to outsourcing elements of work, to engaging volunteer support, to making collaborative use of existing structures at the host institution. While sharing costs across other departments and units within your organisation can help, it can also obscure your true costs, putting your project at risk should those contributed efforts get cut.

*"We've always had a tight budget, so we've always had to be hard-nosed about where we put our resources."*

Christine Fowler, Head of e-Library Services, Hartley Library, University of Southampton

### Partnerships with external organisations:

- **The Electronic Enlightenment** (University of Oxford, U.K.) decided to have a university press distribute their content, an arrangement that has had real benefits and some drawbacks, as well.
- Case studies of **L'Institut national de l'audiovisuel (INA)** and **eBird** illustrate how projects can continue to experiment with new technologies without undertaking the major development costs required to build them.
- **The National Archives** (TNA) (U.K.) have structured licensing deals with commercial firms that have allowed them to digitise over 80 million documents in just over four years at minimal cost to TNA.

### Crowd-sourcing and volunteer contributions:

- How do projects encourage volunteers to contribute their time and expertise? Case studies of **eBird**, the **Stanford Encyclopedia of Philosophy** and the **Hindawi Publishing Cooperation** provide rich examples of what makes these efforts work, from providing incentives for contributors and vetting content to developing networks of volunteers.

### Host institution support and collaboration:

- Each of the case studies with the exception of Hindawi demonstrates just how deeply reliant the projects are on a larger host institution that contributes some combination of staff time, office space, technical support and more.
- **See the final page of each of the original 2009 case studies to examine the budget**, which illustrates how each project draws on resources from the larger entity it is part of.



## 4. Reliable revenue sources

There are a number of earned-revenue models for digital academic resources, including many that are compatible with an open-access mission. While diversity of revenue streams in itself does not guarantee financial stability, experimentation with different revenue models may help to identify which are the strongest and should be built and strengthened.

### Consider these examples:

- **eBird** benefits from a combination of endowment payouts, sponsorships and entrepreneurial activities.

- **The National Archives** (U.K.) combines government funding and creative entrepreneurial activities to sustain its online collections.
- The **Middle School Portal 2: Math and Science Pathways** (U.S.), a young project, has struggled to move from a development grant to sustainable long-term funding.
- **INA**, the French national archive for audiovisual materials, explores different revenue models and manages to combine its public mission and commercial activities in a creative way.
- The **Thesaurus Linguae Graecae** at the University of California, Irvine (U.S.) combines a subscription model with endowment pay-outs and host institution support.
- The **Electronic Enlightenment** project at the University of Oxford (U.K.) combines a subscription model, an institutional relationship with a University library and a business partnership with a commercial publisher.
- **DigiZeitschriften** at the University of Göttingen (Germany) built up a stable subscriber base with hardly any attrition over the past few years.
- The **Department of Digital Humanities** at King's College London (UK) seeks grants but also leverages its expertise in digitisation and visualisation techniques by offering consulting services.

## 5. Accountability and metrics for success

Setting clear goals and targets for your project – both in terms of developing an audience and meeting financial goals – can help create the conditions for success. Whatever these metrics are, it is important for project leaders to think about how to achieve them and how to communicate them

**Table 1. Index of Revenue Models**

	Subscription	Licensing to publishers	Licensing to end-users	Premium services & consulting	Advertising & corporate sponsorship	Author fees	Donations	Direct institutional funding	Grants	Endowment
DDH				x				x	x	
DigiZeit	x							x	x	
eBird				x	x			x	x	x
EE	x							x		
Hindawi						x				
INA		x	x	x	x					
SEP							x	x		x
Southampton		x						x		
TLG	x						x	x		x
TNA			x					x		
V&A Images			x	x						

to institutional administrators and other stakeholders in the project.

#### Consider these examples:

- The **Thesaurus Linguae Graecae** demonstrates how a project leader educates incoming administrators at the host institution about her project and its nearly forty years on campus.
- **eBird** promotes academic research by engaging bird enthusiasts from the general public, thus meeting its two goals of serving bird enthusiasts as well academic scholars.
- **V&A Images**, the commercial image-licensing unit of the Victoria and Albert Museum (U.K.), whose story makes clear how important it is to change direction when targets are not reached.

## Suggestions for further reading:

### Emergent Internet Business Models and Sustainability

- Blue Ribbon Task Force on Sustainable Preservation and Access. 'Sustainable Economics for a Digital Planet: Ensuring Long-Term Access to Digital Information'. April 2010. [http://brtf.sdsc.edu/biblio/BRTF\\_Final\\_Report.pdf](http://brtf.sdsc.edu/biblio/BRTF_Final_Report.pdf)
- The JISC eContent Programme 2009–11. Clustering and Sustaining Digital Resources. [www.jisc.ac.uk/media/documents/publications/general/2011/JISCeContentClusteringAndSustainingDigitalResources.pdf](http://www.jisc.ac.uk/media/documents/publications/general/2011/JISCeContentClusteringAndSustainingDigitalResources.pdf)
- Kevin Guthrie, Rebecca Griffiths and Nancy Maron. 'Sustainability and Revenue Models for Online Academic Resources: An Ithaka Report'. May 2008. [http://sca.jiscinvolve.org/files/2008/06/sca\\_ithaka\\_sustainability\\_report-final.pdf](http://sca.jiscinvolve.org/files/2008/06/sca_ithaka_sustainability_report-final.pdf)
- Nancy Maron and Matthew Loy. 'Funding for Sustainability: How Funders' Practices Influence the Future of Digital Resources'. June 2011. [www.ithaka.org/ithaka-s-r/research/funding-for-sustainability](http://www.ithaka.org/ithaka-s-r/research/funding-for-sustainability)
- Nancy Maron and Matthew Loy. 'Sustaining Digital Resources: An On-the-Ground View of Projects Today'. July 2009. [www.ithaka.org/ithaka-s-r/research/ithaka-case-studies-in-sustainability/report/SCA\\_Ithaka\\_SustainingDigitalResources\\_with\\_CaseStudies.pdf](http://www.ithaka.org/ithaka-s-r/research/ithaka-case-studies-in-sustainability/report/SCA_Ithaka_SustainingDigitalResources_with_CaseStudies.pdf)
- Nancy Maron and Matthew Loy. 'Revenue, Recession, Reliance: Revisiting the SCA/Ithaka Case Studies in Sustainability; How Twelve Digital-Content Projects Fared during the Economic Crisis.' September 2011. [www.ithaka.org/ithaka-s-r/research/case-studies-in-sustainability-2011](http://www.ithaka.org/ithaka-s-r/research/case-studies-in-sustainability-2011)
- Frederick Friend: Knowledge Exchange Briefing paper on Open Access Business Models for research funders and universities [www.knowledge-exchange.info/Default.aspx?ID=459](http://www.knowledge-exchange.info/Default.aspx?ID=459)

### Developing and Engaging Online Audiences and Impact

- Curtis Cartwright Consulting. The Audience Analysis Toolkit for Public Sector Bodies. Developed for the Strategic Content Alliance. <http://sca.jiscinvolve.org/wp/2009/02/05/download-audience-analysis-toolkit>
- Marta Garcia Abadia and Johnny Lin. 'Nonprofit Cost Analysis Toolkit'. Boston: The Bridgespan Group, 2009. [www.bridgespan.org/nonprofit-cost-analysis-toolkit-introduction.aspx](http://www.bridgespan.org/nonprofit-cost-analysis-toolkit-introduction.aspx)
- Dr Rachel Quirk, Martin Olver, Dr Max Hammond and Dr Claire Davies. The Guide to Researching Audiences. 2009. Developed for the Strategic Content Alliance by Curtis and Cartwright Consulting. [http://sca.jiscinvolve.org/wp/files/2009/12/sca\\_audanalysis\\_guidetoresearchingaudiences\\_v2-final.pdf](http://sca.jiscinvolve.org/wp/files/2009/12/sca_audanalysis_guidetoresearchingaudiences_v2-final.pdf)
- Eric T. Meyer. Splashes and Ripples: Synthesizing the Evidence on the Impacts of Digital Resources. 2011. Oxford Internet Institute at the University of Oxford and Oxford University Consulting. Funded by JISC. [www.jisc.ac.uk/media/documents/programmes/digitisation/Impact\\_Synthesis%20report\\_FINAL.pdf](http://www.jisc.ac.uk/media/documents/programmes/digitisation/Impact_Synthesis%20report_FINAL.pdf)

### Intellectual Property Rights and Licencing Management

- Naomi Korn. 'IPR Toolkit Overview, Key Issues and Toolkit Elements'. 2009. [www.jisc.ac.uk/media/documents/publications/scaiprtoolkitoverview.pdf](http://www.jisc.ac.uk/media/documents/publications/scaiprtoolkitoverview.pdf)
- Naomi Korn Briefing Paper on Embedding Creative Commons Licences into Digital Resources. [http://sca.jiscinvolve.org/wp/files/2011/03/SCA\\_BP\\_Embedding\\_CCLicences\\_Mar11\\_v1-04.pdf](http://sca.jiscinvolve.org/wp/files/2011/03/SCA_BP_Embedding_CCLicences_Mar11_v1-04.pdf)