

Five revenue models

Five different ways to generate income to support Open Access publishing, potentially to be partially or wholly combined in a mixed revenue model

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Book Processing Charges

Perhaps the most common way of funding Open Access publishing is for the publisher to charge a so-called 'Book Processing Charge' (BPC) (even if publishers do not always use this term) to cover production costs and, in some cases, book sales revenue that might be lost by a book being made available on an Open Access basis. It is common for large commercial publishers to charge BPCs that are in excess of £10,000 for a standard academic book. Smaller and/or scholar-led Open Access presses tend to charge less. In either case, there is often the expectation that BPCs would – if funding allows – be paid for either by institutions that authors are affiliated with or by research grants, where the budget/funder permits. Many smaller academic presses state that editorial decisions are made independent of whether funds are available to pay for BPCs.

BPCs have come in for criticism for the potential inequalities they generate in the academic publishing landscape. Within the Open Book Collective, [we have argued](#) that BPCs do not provide a viable means for scaling an equitable Open Access book publishing landscape.

Case studies

- [African Minds](#)' hybrid publishing model uses BPCs. Their Gold Open Access publications require authors to fund publications, which allows for the cross-subsidisation of publication costs for the Diamond Open Access. This levels the playing field for researchers from Africa who may not have access to such funding for publication ([Business Models for OA Books](#)).
- A similar strategy is used by [Mattering Press](#) who charge BPCs to the institutions that can afford to pay them, and the "standard 'fee' of £6,000 [is] set so as to cover the costs not just of the book in question, but other books too", while offering discounts of up to 100% for authors who do not have access to institutional support ([Business Models for OA Books](#)).
- [meson press](#) uses Book Processing Charges but, like other Open Access publishers, tries to keep them low (1,500–5,000 EUR per book). It also makes use of the relative distinctiveness of its German context: according to meson press, author-facing charges for books are common and seen as an acceptable funding model in the German publishing tradition ([Business Models for OA Books](#)).

Book sales

Amongst the guides, there is broad consensus that while book sales are likely to be an important part of a publishers' revenue stream, it is unlikely to be sufficient to meet the costs of Open Access publishing. Most Open Access publishers use print-on-demand publisher services to support their book sales. This involves individual books being published only when they are sold, with the print-on-demand service being linked directly to distributors and/or online e-commerce platforms. As discussed further in the [section on the production process](#), this model eliminates the need for large print runs, which not only involves a high upfront cost but also risks producing multiple copies of a book, which then need to be sold in order for the financial outlay to be recouped. Some publishers generate additional sales revenue from the sale of books in additional digital formats while providing at least some versions freely available as Open Access texts.

The sale of print books may open up important questions about where such income should flow. Publishers often make decisions as to whether to pay royalties on a case-by-case basis depending on authors' expectations. For example, for [Ubiquity Press](#) "80% of the proceeds from book sales are returned either to the author as royalties, or paid into a waiver fund for developing country authors" ([Jisc interview](#), Brian Hole). [Open Book Publishers](#) typically pay 50% of net profits from sales, but only for the titles which generate significant royalties (Jisc interview, Rupert Gatti). [African Minds](#) do not pay royalties: "African Minds' priority is dissemination, not financial returns, and in bringing to print non-commercial works that may not otherwise have been published. In accordance with our mandate and values, we would rather invest any surplus from sales back into marketing and dissemination" ([Business Models for OA Books](#)).

Case studies

- For [punctum books](#), sales are now a stable part of their revenue – based on recent figures, currently around 20%. punctum's books are sold via [Amazon](#) and other on- and offline booksellers, as well as via wholesale distributors (e.g. Ingram). When punctum books press began, the press was able initially to function without external funding due to revenue from its print-on-demand sales, by keeping overheads to a minimum and depending on the free labour of its academic founders. Over time, book sales, donations, author contributions, and more recently revenue from its library membership programme have allowed the press to diversify its revenue streams and to grow ([Business Models for OA Books](#)).
- Open Book Publishers also receives revenue from the sale of printed and some digital editions. Their paperbacks are typically priced at around £15, hardbacks around £30. For some books, digital editions (e.g. EPUB, MOBI) are sold for £5, alongside freely available PDF, HTML and XML editions. Just under 40% of OBP's revenue comes from book sales –

more than from its Library Membership Programme (25%) ([Business Models for OA Books](#)).

Membership programmes

Recent years have seen an increasing number of publishers launching membership programmes to provide an additional revenue stream. The aim of a membership scheme is for the publisher to spread the costs of producing Open Access books across a number of supporting institutions.

The model involves the publisher approaching the library for direct financial support, perhaps with the publisher highlighting the relevance of its books to the universities staff/students, as well as its track record for publishing high-quality Open Access texts over a period of time, and then the institution making a decision as to whether to commit to supporting the publisher for an agreed period, for an agreed fee. The supporting library is usually offered at least some benefits in return for its support (e.g. staff and students are being provided with free access to additional ebook formats for example, receiving public recognition for their support, receiving an annual report on the publisher's activities). It is common practice for publishers to have a sliding "tiered" scale of fees depending, for example, on the type and/or size of the subscribing institution, geographic region, and national currency.

Publishers with an existing backlist of non-Open Access books that are looking to transition to becoming a partially or wholly Open Access publisher may also wish to consider the [Opening the Future](#) revenue model for their membership programme. In the Opening the Future model, supporting institutions receiving access to the publisher's closed backlist, with income from the membership scheme supporting Open Access publication on the frontlist (i.e. for new books). This is

Running a membership programme can be labour intensive. The most labour intensive element is likely to be outreach. The success or failure of a library membership scheme depends to a large degree on the ability of the publisher to convince dozens, if not hundreds, of libraries that they should support the publisher financially. The work of the publisher is then to contact libraries to set up meetings to discuss their offer, as well as to promote its membership offer in other settings – at events, for example. This requires a carefully considered outreach campaign. We have recently [published advice](#) for initiatives considering conducting outreach with libraries directly, based on our own experiences. For larger publishers with the ability to run at least some parts of their library membership scheme independently, third parties can assist – sometimes by hosting offers via platforms used by libraries and managing the contracting process (e.g. [Jisc](#) in the UK), sometimes doing this alongside taking an active role in also promoting particular programmes (e.g. [Lyrasis](#) in the USA/Canada).

Because running a fully fledged membership scheme may be too resource intensive for many smaller/scholar-led publishers, publishers may want to consider whether the [Open Book Collective](#) is right for them. We are a charity that offers small and medium-size publishers to create their own

membership programmes, but with the Open Book Collective taking on the costs of managing these programmes. The [Open Book Collective](#) undertakes library outreach work on behalf of our publisher members, including direct meetings with librarians and presenting at events, as well as the administrative work involved in handling subscriptions. Publishers will need to meet our [membership criteria](#), which includes a requirement that publishers must either be Diamond Open Access publishers, or can propose a membership model which has the potential – with sufficient levels of membership subscriptions, and in a time period the publisher can specify – to enable a publisher to become a predominantly Open Access publisher. By that we mean a publisher that publishes at least 75% of its front lists (i.e. its new books) on an Open Access basis.

[Knowledge Unlatched](#) also runs what are, in effect, membership programmes for a small number of subject focused publishers. In Knowledge Unlatched's model, universities make 'pledges' connected to specified numbers of publisher titles. By running a pledging programme via Knowledge Unlatched, [Language Science Press](#) has succeeded in eliminating BPCs for authors, for upwards of 30 or more books per year. Publishers are not, however, required to commit to publishing a certain proportion of their output on an Open Access basis. This means that large commercial presses are also included in pledging programmes, with pledges contributing only to publish specified numbers of titles Open Access in particular series or subject area. Alongside Language Science Press, the only other Open Access book publisher funded via Knowledge Unlatched's pledging programme is, at the time of writing, [Open Knowledge Press](#), with pledges supporting its [Open Encyclopedia of Anthropology](#) resource.

Another similar programme is run by JSTORE, [Path to Open](#) was developed in partnership with the [American Council of Learned Societies \(ACLS\)](#), [University of Michigan Press](#), and [The University of North Carolina Press](#). This funding model provides libraries with affordable access to closed frontlist titles that are released in Open Access after a three-year embargo. For information about other funding opportunities please see [this resource](#) from the [Radical Open Access Collective](#).

Case studies

- [Open Book Publishers'](#) Library Membership Programme was introduced in 2014 and has over 250 supporting libraries. In return for support, libraries receive some of the eBooks normally offered for a fee, discounts on print copies and other benefits (e.g., talks by OBP's employees at institutions participating in the Membership Programme). The press became self-sustaining only after introduction of their library memberships programme ([Business Model for OA Books](#))
- [punctum's](#) Supporting Library Membership Program was inspired by [Open Library of Humanities](#). Libraries can opt in for one year at a time (and can decide at the end of each year whether or not to continue supporting [punctum books](#)) or they can choose to lock in for 3- or 5-year cycles of support.

- [Language Science Press](#) uses what Nordhoff calls “a collaborative funding model” as its main source of revenue. Libraries finance the press through a membership/subscription programme (they “pledge” support for a 3-year period). Language Science Press relies on Knowledge Unlatched as an intermediary in managing the programme. Based on Language Science Press’s experience, Nordhoff argued that “institutional membership is by far the most interesting [revenue source] with the other ones far behind” ([LSP Business Model](#) p. 65). Language Science Press adapted the model from [OpenEditions](#). It is based on a tiered system taking into account the “size of the institution and purchasing power of the country” ([Cookbook](#), 54). Nordhoff’s advice for presses intending to test this model is to make the membership fee as low as possible to get more subscriptions, which is more profitable than setting up a high fee and consequently getting fewer subscriptions from only a handful of wealthy institutions. However, this is a question on which there is no clear consensus, given this is a relatively new financial model for Open Access book publishing.

Crowdfunding

Crowdfunding models for Open Access publishing involve sourcing funds for one or more books from multiple different supporters – usually universities. [Knowledge Unlatched](#), founded in 2012 and [recently purchased by Wiley](#), is the most prominent organisation to act as an intermediary between publishers and libraries, using a consortial/crowdfunding model to fund Open Access books. One of its key areas of activity is to create a marketplace that allows libraries to choose titles that they want to fund (see [Gerakopoulou et al., 2021](#)). Another prominent crowd-funding platform is [unglue.it](#), which is focused more on crowdsourcing funding to convert existing closed access books to Open Access (used, for example, by [Ubiquity](#)).

When considering whether a crowdfunding strategy is appropriate for some or all titles, a publisher may wish to consider whether its books' areas of subject focus are likely to attract funding by libraries (for example, Knowledge Unlatched has organised its latest funding round around titles that fit with [Sustainable Development Goals](#)) and whether crowdfunding intermediaries are compatible with its own publishing ethos.

Institutional support

Open Access University Presses and library presses often receive some form of institutional support, ranging from financial support for the full range of costs involved in running a press to partial support – for example, to cover some staffing costs, or in-kind support, as well as covering overheads. Examples include [Helsinki University Press](#), [Stockholm University Press](#), [University of Ljubljana Press](#), and [Amherst College Press](#). In some countries, presses receive financial support from government schemes. For example, [FF Open Press](#) (Croatia) relies on subsidies from the Ministry of Science and the Ministry of Culture. The ministry announces calls for titles and interested presses (both conventional and Open Access presses, commercial and not-for-profit) submit applications, one for each title.

The challenge for a new press embedded within an institution or receiving direct government funding is to determine both the amount of support as well as its duration. The goal should be to obtain as much clarity as possible about the expectations for a press to generate revenue alongside the support it receives from its host/funder.