Chapter 7

Books

This chapter will prepare students to:

• Understand that books are the oldest form of mass communication
• Recognize the factors that led to the commercialization of book publishing
• Explain how the digital revolution may change the underlying structure of the book industry
• Identify the main parts of the book industry
• Understand how economics affects the book industry

Chapter main points:

1. The book is the oldest form of mass communication. Early books were printed by hand until the invention of movable type and the printing press.
2. In early America, publishers were also printers. Books became more popular during the 17th and 18th centuries.
3. From 1900 to 1945, the book publishing industry became more commercialized. Continuing consolidation has resulted in a modern book industry that is dominated by a few large companies.
4. Despite the slow progress of digital content, there are signs that it is moving forward. E-books and e-book readers are becoming more popular.
5. The book industry consists of publishers, distributors, and retailers. The emergence of online booksellers has changed the way books are sold and distributed.
6. The book publishing industry is trying to cope with unfavorable economic conditions.

A BRIEF HISTORY OF BOOKS

Early books were inscribed by hand and lavishly decorated, often by monks in monasteries, and many books were valued as works of art.
Gutenberg printed his first book, the Bible, in about 1455. His innovation spread quickly through Europe. Though book publishing wasn't generally considered of any social importance, Henry VIII saw its potential as a political force and required printers to get government approval before setting up shop.

**Colonial America**

Early printers were often their own writers and publishers. Benjamin Franklin, for example, sold about 10,000 copies a year of his *Poor Richard’s Almanack*. Religious themes and sentimental novels dominated book sales. Political pamphlets became popular around the Revolution, with Thomas Paine’s *Common Sense* selling 100,000 copies in just ten weeks.

**The Penny Press Era**

The changes in print technology and growth of literacy that popularized mass appeal newspapers in the early 1800s had a similar affect on the book industry. Public education, penny papers, and a three-fold increase in libraries created demand for books during this period. Book prices declined. Book reading became a symbol of education and knowledge. The most significant book of the period was Harriet Beecher Stowe's *Uncle Tom’s Cabin*.

**The Paperback Boom**

Civil War soldiers with lots of time on their hands between campaigns created a huge demand for the so-called “dime novels” of the time. These cheap new paperbacks included the Horatio Alger stories. Also popular were pirated editions of best sellers from Europe, which eventually led to the adoption of new copyright laws. By 1880 about one-third of all books published in the U.S. were paperbacks.

**The Early 20th Century**

The 1900-1945 book industry is perhaps best known for a move towards commercialization. Family-owned shops gave way to conglomerates, book agents focused on getting top dollar for their author clients, industry backers demanded closer attention to profitability, and mass marketing to mass audiences came more into play.

**Postwar Books: Paperbacks and Consolidation**

Low prices (25 cents) and new outlets for distribution after WWII helped popularize the paperback book. Content was widely varied in terms of subject matter and writing quality. A whole new audience was exposed to paperbacks. More leisure time, larger disposable incomes, and a renewed interest in education also helped spur the paperback’s revival. These factors helped shape the investment attractiveness of the industry, and with consolidation came new financial and management resources.

**The Contemporary Book Industry**

Consolidation continues, and book publishing is dominated by a few big companies. The Internet also changed how books were sold. Amazon.com, Barnesandnoble.com, and
borderstores.com sell books directly to consumers. As with other mass media, book publishing suffered from the economic downturn at the end of the decade, although e-readers became popular with readers.

The content of contemporary books is varied. Fiction by Stephanie Meyers (*Twilight* series), Nora Roberts (romance), and Stieg Larsson (mystery) generally sells well. In the nonfiction arena, diet and self-help books are favorites. Books about politics and politicians remain popular; Sarah Palin and Bill O’Reilly had best sellers.

### BOOKS IN THE DIGITAL AGE

**Transition**

For many years, books were the last stronghold of the analog age. In the last few years, the digital revolution has caught up with the book industry, as seen in e-books, printing on demand, mobile books, user-generated content, and the book industry’s relationship with social media.

**The E-Book**

Early e-book readers were expensive, difficult to use, and had poor image quality. The Sony e-book reader, introduced in 2006, had better graphics and a discount on purchases. In 2007, Amazon introduced the Kindle e-book reader, able to hold more than 1,000 books. Now, other companies offer competing devices including the Nook and tablet computers such as the iPad. E-books generally range from $9-$13, though some can be downloaded for free, or borrowed from public libraries. The e-book may not ever totally replace the traditional ink-and-paper book, but experts predict an increase in sales for the next few years.

**Printing on Demand**

Printing on demand is essentially another way of easily and quickly distributing books, though it is less radical than e-books. You go to a bookstore and select a book. A machine at the bookstore downloads and prints out your book while you wait. Printing on demand has led to the growth of self-publishing.

**Mobile Books**

E-books are just as portable as paper-and-ink books. Digital books can be downloaded to a dedicated reader or to cell phones and other handheld devices.

**User-Generated Content**

The book industry has experimented with user-generated content, but in the near future, professional writers will be the main source of book content.

**Social Media**
Publishers and authors are experimenting with using social media in areas such as marketing. Social networking sites for people who write and read books include Shelfari.com, Library Thing and GoodReads. HarperCollins started Authonomy, a Web site where aspiring authors can submit manuscripts and ideas for critique by other community members. An author’s Facebook page or Twitter account can be used to promote a new book or to stay in touch with fans.

### DEFINING FEATURES OF BOOKS

Books are the least “mass” of the mass media, but they can have a profound impact on society that far outweighs their relatively modest audience size. For example, *Uncle Tom’s Cabin* is credited with changing our nation's attitude toward slavery, and *Silent Spring* changed attitudes toward the environment. Books are among the oldest and most enduring of the mass media; people throw away newspapers and magazines after reading them, but most save their books.

### ORGANIZATION OF THE BOOK INDUSTRY

The publishing industry is divided into three segments: publishers, distributors and retailers.

#### Publishers

There are about 2,500 American publishers printing some 100,000 to 150,000 titles each year. Trade books and elementary through high school textbooks (Elhi) books make up 57 percent of sales; mass market paperbacks make up 5 percent. The Association of American Publishers lists 10 major divisions:

- **Trade books.** Aimed at the general consumer and sold primarily through book stores
- **Religious books.** Bibles, hymnals, prayer books, theology
- **Professional books.** Aimed at doctors, scientists, engineers, and other professionals who need up-to-date reference materials in their respective fields
- **Book clubs and mail order.** This may seem more like a distribution channel than a publishing segment, but some book clubs publish their own books and almost all prepare special editions for their members. Mail order publications are books created for the general public and marketed by direct mail. These differ from book clubs as the books are marketed by the publisher and purchases require no club membership.
- **Mass market paperback.** Softbound volumes on all subjects that have their major sale points in places other than bookstores (newsstands, supermarkets, etc.)
- **Elementary and secondary textbooks.** Also known as “elhi” publishers (from ELementary and HIgh School), this division includes texts, manuals and printed materials designed for classroom use
- **Higher Education.** Books targeted at college students
• Audio Books. Books released on disc
• E-books. Digital versions for downloading to computers or readers
• Other. University presses, reference books, standardized tests, etc.

Distributors

Thanks to the Internet, there are now two main channels by which books can get to consumers: the traditional method (publisher to wholesaler or distributor to retailer) and the online approach (e.g., Amazon.com – you simply visit a Web site, choose a book, pay for it, and your book is shipped right from the seller’s warehouse, bypassing everything in between.

Retailers

Books are sold in approximately 9,000 bookstores in the U.S., plus online vendors. As of 2010, Amazon.com was the biggest bookseller nationally and internationally. Other retail channels include college bookstores and direct-to-consumer booksellers such as book clubs.

OWNERSHIP IN THE BOOK INDUSTRY

Large conglomerates with interests in other media dominate the book industry. The top five companies as of 2005 were:

• Pearson Publishing, global media company and world’s largest educational publisher
• Random House, part of the Bertelsmann media empire, with 600 companies in 63 countries
• Harper-Collins, part of Rupert Murdoch’s worldwide multi-media empire
• Simon & Schuster, part of the CBS corporation, a huge broadcasting conglomerate
• Hachette Book Group, formed in 2006, when the French company Hachette Livre acquired Time Warner Books.

PRODUCING THE BOOK

Departments and Staff

There are four major departments in a publishing company:

• editorial deals with authors; selects and prepares manuscripts
• production oversees the physical design of the book
• marketing supervises sales, promotion, and generates publicity for books and authors
• **general administration (or business)** oversees accounting and budgeting; makes long-range financial forecasts; supervises day-to-day operational needs of the company

**The Publication Process**

Editors get their books from three main sources:

• agent submissions
• unsolicited submissions
• ideas generated by editors

Most trade manuscripts come from agents since agents are industry savvy and will not generally submit manuscripts they know will be unacceptable. Unsolicited manuscripts, a.k.a. *slush*, are put in a slush pile and may eventually be screened by an editorial assistant. When book editors have an idea for a book themselves, they’ll generally contact a book agent who can, in turn, suggest a potential author.

Editorial work starts when the author submits chapters to the publisher. While editing is going on, other decisions are made about scheduling and design.

### THE ECONOMICS OF BOOK PUBLISHING

The book industry is slowly recovering from the recession at the end of the decade. Revenue from e-books was increasing, but publishers were worried it would not be enough to offset losses.

Publishers have two main sources of income:

• money from book sales
• money from **subsidiary rights** (book clubs, foreign markets, Hollywood, and paperbacks).

Two of publishers’ big expenses are advances and acquisition rights.

### FEEDBACK IN BOOK PUBLISHING

The most important form of audience feedback in the book industry is the best-seller lists compiled by newspapers such as the *New York Times, USA Today*, and the trade publication *Publisher’s Weekly*. Although tabulating methods vary, making the bestseller list is important since many bookstores automatically order large numbers of all the books that make these lists.
Nielsen BookScan provides point-of-sale information, and can sort results by subject, format, region, and metropolitan area.

**Audiences**

About 119 million Americans (about 54 percent of the population) reported reading at least one book in 2008. The biggest increase in literary reading (novels, plays, poems, short stories) was among 18-24 year-olds. About 15 percent read some form of literature online.

---

**THE BOOK PUBLISHING INDUSTRY: CAREER OUTLOOK**

Book publishing is a relatively small industry that has been hit hard during the economic downturn. The current career outlook is not bright, but could improve if the economy improves.

---

*-- End of Chapter 7 --*