

Should You Redefine Your Business Model?

By Brian Jud

Based on my 35 years as a participant in, and consultant to, the publishing industry, I estimate that close to 100% of self-published authors and more than 90% of independent publishers seek sales only through libraries and bookstores (both bricks and clicks). If you are in that category you are significantly reducing your ability to reach and sustain profitable growth.

But what can you do? Look for sales in a larger, more profitable arena – non-retail markets. Examples are buyers in corporations, associations, schools and the military. Re-allocate your publishing company's resources by focusing on buyers who will purchase your books not for resale, but to give away. Create a new business model to focus on this untapped opportunity to increase your sales, revenue and profits. Here is how you can re-evaluate your business model.

1. Seek dual distribution. Selling only through bookstores is not necessarily bad, just limiting. It should not be your sole source of revenue. Look for additional sales to non-retail buyers who could use your content as a promotional tool, purchasing your books in large, non-returnable quantities.

2. Lower the cost. Non-retail buyers are looking for promotional items that will help them reach their company's (or association's or school's) objectives yet stay within their budgets. In this model your emphasis is driving down your unit costs – without sacrificing quality – so you can compete against coffee mugs, thermos bottles and similar items. You could do this by printing in larger quantities, eliminating unnecessary embossing or other frills, or publishing books in a more economical size.

3. Raise the price. There are times when you might choose to be the high-priced entrant in your category. Reasons include creating an image of high quality, publishing content that is quickly outdated with short-term profit potential, marketing through a relatively complex distribution channel, experiencing high unit costs and seeking selective market coverage.

3. Customize the form. Instead of selling only printed books, you might produce content in the form desired by your prospect. This might be an ebook, a booklet, a workshop, an audio book or even through personal presentations.

4. Look for international sales. Generate additional revenue from sales outside our borders. This could be through selling the foreign rights to your books, having your content translated into other languages or entering into other cooperative arrangements.

5. Integrate vertically. There is no formal distribution channel that reaches most non-retail buyers. However, there are thousands of independent sales people who call on them. Find groups or individuals to represent your books to corporate buyers. Or, you can sell directly to them. Or, we can do it for you (www.premiumbookcompany.com)

6. Sell horizontally. If your content is suited for a particular function across industry lines organize your business around selling to prospect who might be Human Resources Managers, Marketing Managers, Safety Directors or Executive Directors of Associations.

You may have multiple prospective customers or markets. If so, organize your business to focus on the needs of your primary customers and seek experts in other areas to extend your reach without extending your resources.

The key question is to ask yourself, “Does my current way of running my business optimize my revenue opportunities?” If the answer is no, look into other ways to generate more profitable sales. This does not mean abandoning that with which you are familiar, but re-organizing to create a new dimension for long-term growth.

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