

Niche Markets, Global Markets And Productive Diversity In The Market For Published Materials: Creator To Consumer In A Digital Age

Learning element 1.3

Customisation: The New Production Perspective

Is customised print and publishing profitable?



Bill Cope, Tom Davis and Mary Kalantzis

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Framework map

Niche Markets, Global Markets And Productive Diversity In The Market For Published Materials

	<i>Empirical And Experiential</i>	<i>Conceptual And Critical</i>	<i>Applied And Transferred</i>
<p>Theme 1: Production: Mass To Customised</p>	<p>1.1</p> <p>The Economics Of Print Production</p> <p><i>What is the scope and nature of the print and publishing business?</i></p>	<p>1.2</p> <p>From Fordism To Productive Diversity</p> <p><i>Are we seeing the end of the culture of mass production?</i></p>	<p>1.3</p> <p>Customisation: The New Production Perspective</p> <p><i>Is customised print and publishing profitable?</i></p>
<p>Theme 2: Consumption: Mass To Niche</p>	<p>2.1</p> <p>The Current Book Market</p> <p><i>Who reads? How many read?</i></p>	<p>2.2</p> <p>Customised V Mass Marketing</p> <p><i>Why do people read?</i></p>	<p>2.3</p> <p>Developing Niche Markets</p> <p><i>Is there a viable business model for publishers in the digital age?</i></p>
<p>Theme 3: Globalisation & Multilingualism</p>	<p>3.1</p> <p>Global Markets, Global Languages</p> <p><i>Is the digital book market truly without borders?</i></p>	<p>3.2</p> <p>Think Local, Buy Global</p> <p><i>Do global communities of interest produce global niche markets?</i></p>	<p>3.3</p> <p>A Global, Multilingual Industry</p> <p><i>Are global niche markets economically viable?</i></p>

Aims

Knowledge scope

Customisation: The New Business Perspective asks you to apply to business-related activities the knowledge and skills you have begun to develop in relation to production technologies and work cultures. It requires you to take the information you have on issues such as mass production and print-on-demand technology and use that to begin forming a business response to the opportunities and threats that are presented by the Australian print and publishing industries. This is part of the process of improving your capacity to think in a creative way about these industries and to then move from that to planning for a viable business future. The focus here is on appropriate production and cost minimisation.

Knowledge and capability aims

By the completion of this Learning Element you will have the capacity to:

- ⊗ assess the current and future business implications for customised production through print-on-demand technology;
- ⊗ begin applying your empirical and critical knowledge of mass and customised production processes, and their related work cultures, to real world business scenarios in the print and publishing industries;
- ⊗ appropriately analyse the strengths and weaknesses of businesses working in these industries and re-evaluate any assumptions you may have held previously as to industry practice, production processes and supply-chains;
- ⊗ appropriately analyse the external threats to, and opportunities for, profit maximisation in these industries; and
- ⊗ better plan for future business scenarios in relation to the print and publishing industries.

Important terminology

The 'Learning Framework' is the overall educational endeavour of '*Niche Markets, Global Markets And Productive Diversity In The Market For Published Materials*'. This is comprised of three 'themes', presented in the left-hand column of the Framework map. Each theme is divided into three learning 'processes', presented in the top row of the Framework map. Altogether this constitutes nine 'elements'. The Learning Framework is also referred to as the 'course'.

Learning processes

The primary learning process in this element is to discuss with fellow students the questions set out below. In your discussion you are to make reference to the readings listed underneath the questions. You should also seek out other material, starting from the list of weblinks provided.

You will notice that the information included along with each reference indicates the perspective of the reading, whether it tends to be:

Business,
Cultural studies or
Technology oriented.

In your discussions and learning activities you should take account of the different perspectives represented by the readings and acknowledge those in your responses. You may wish to address this theme from a particular perspective, such as technological change taking place in the industry.

Learning activity: Online/Tutorial Issues

Engage in Online/Tutorial discussion in response to the following questions:

- 1) **What business opportunities are opened up by digital Print-On-Demand technology?**
- 2) **What structural problems—supply-chains, retail and distribution—does a print-on-demand publisher/printer face? What sort of control do they have over these problems?**
- 3) **How cost effective is Print-On-Demand technology? (You can draw on the Joint Industry and the Australian Bureau of Statistics studies of the book industry used in Element 1.1 to help you come up with some rough revenue and expenditure figures for an owner–operator print/publishing business.)**
- 4) **What are the key lessons to be drawn from the real-world examples of customised, Print-On-Demand production?**

Recommended reading:

The Lane (2002) and Freeman & Hawthorne (2002) chapters provide interesting findings on how digital approaches to printing, especially print-on-demand, have been implemented. Start with one of those readings before examining Roth's (1998) warnings about the costs and benefits of print-on-demand and the other sources. You should also refer back to the Australian Bureau of Statistics reports and the industry studies on the economic health of the local industry presented as sources in Element 1.1.

Sources

When viewing this online you can click on a learning source title to go to the reading. Each reading in the list is provided with a label titled '**Perspective**'. Use this as a guide in determining its relevance to the three categories: Business, Culture or Technology.

Title:	A Digital Printer's Perspective
Author:	Lane, Simon
Year:	2002
Book Title:	<u>New Markets for Printed Books</u>
Editor:	Cope, Bill; Mason, Dean
City:	Altona
Publisher:	Common Ground Publishing
Perspective:	Technology, Business
Keywords:	Short-Run Publishing, Print-On-Demand, Unit Costs, Economies Of Scale
Abstract:	The author critically evaluates the impact of technology on print costs and the economic viability of short print-runs. He finds that, while there have been significant advances in digital printing, there remain start-up and finishing costs that have yet to be overcome. There are also quality issues which are still being resolved. For the purposes of short print-runs, however, digital technology is a major addition to the print industry.

Title:	National Survey of Trade and Non-Trade Publishing Organisations
Author:	Freeman, Robin; Hawthorne, James
Year:	2002
Book Title:	<u>New Markets for Printed Books</u>
Editor:	Cope, Bill; Mason, Dean
City:	Altona
Publisher:	Common Ground Publishing
Pages:	81-102
Perspective:	Business
Keywords:	Publishers, Industry Groups, Markets, Publishing Products, Academic Publishing, Online Publishing
Abstract:	This chapter sets out the findings of an Australian survey into the factors affecting the demand for new book and publishing products (such as digital printing, e-publishing and e-content). The sectors canvassed include: publishers, professional industry groups, community groups, government departments, academic institutions and non-book producing organisations. The overall finding was that there was considerable ignorance of technological changes in these sectors, and a concomitant failure to adapt business plans to those changes.

Title.	Targeting print-on-demand: commercial printers can open new markets with customized digital printing technologies
Author.	Roth, Jill
Year.	1998
Journal:	<u>American Printer</u>
Volume:	221
Number:	6
Pages:	38-42
Perspective:	Technology, Business
Keywords:	Print-On-Demand, Technological Change, Internet, Business Models
Abstract:	[Author's abstract] "The emergence of print-on-demand digital technologies makes possible the customization of printed output according to each customer's needs and the avoidance of unnecessary and uneconomical printing of a large output volume. Market niches which can be best served by such innovative printing technology are specialized book publishing such as that for scientific books and software and hardware documentation. Industrywide, this printing technology is expected to grow between 16% and 20% annually."

Title:	POD Trials in the Australian Tertiary Education Sector
Author:	Burch, Tony
Year:	2002
Book Title:	<u>New Markets for Printed Books</u>
Editor:	Cope, Bill; Mason, Dean
City:	Altona
Publisher:	Common Ground Publishing
Pages:	129-142
Perspective:	Business, Technology
Keywords:	Book Industry, Print-On-Demand, Educational Publishing
Abstract:	Burch sets out to outline the history of internal production and publishing at some Australian Tertiary Education Sector Institutions, with emphasis on the evolving use of digital print-on-demand (POD), online publishing, and digitisation. However, Burch indicates that there are a number of important issues relevant to the sector for consideration of POD.

Title.	Printcafe Emphasizes Tools for Printers
Author.	Jeffrey, Noel
Year.	2002
Journal:	<u>Print On Demand</u>
Volume:	September/October 2002
URL:	http://www.podb.com/
Perspective:	Technology, Business
Keywords:	Print-On-Demand, Customisation, Economies of Scale, Online business, Business Planning, Supply-Chains
Abstract:	This article outlines the approach taken by PrintCafe to using web-based tools for improving efficiency in printing. These are management and sales products which can be used in conjunction with print-on-demand technologies to structure economically viable supply chains.

Web resources:

PrintCafe

www.printcafe.com

Print On Demand (Journal)

www.podb.com

Print On Demand Initiative Group

www.podi.org

PiraNet (business resources for printers and publishers)

www.piranet.com

McPherson's Printing Group

<http://www.mcphersons.com.au/mpg/html/frame.htm>

Griffin Press

www.griffinpress.com.au

Assessment Task A option

You may wish to draw on the issues raised in this element, **Customisation: The New Production Perspective**, for your Assessment Task A (worth 25% of your overall grade).

To complete Assessment Task A you must write a proposal (of approximately, but not exceeding, 1,500 words) for the larger work that will constitute Assessment Task B. In choosing the format of this proposal refer to the range of assessment formats provided in the Framework Level description of this course. If applicable, you can draw on experience from your own workplace to provide examples of how these issues impact on the education, communication and/or business sectors.

The aim of Task A is to:

- (i) help you begin to format the structure of Task B; and
- (ii) help you begin to build the content for Task B.

You also need to consider how you will later integrate the final work you produce for Task A into Task B.

Note: You are required to do only one Assessment Task A throughout the course.

Choosing issues from **Customisation: The New Production Perspective** as the springboard for your Assessment Task A does not necessarily lock you into pursuing them for Task B. For example, on completion of this task, you may decide to pursue a different theme for Task B.

Even if you choose not to base your Assessment Task on the issues raised in this element, the knowledge and capabilities you have gained here can be fed into the topic you eventually use as the basis for your Assessment Task A.

Note: Assessment Task A must be submitted by the end of week.

Learning pathways

Transition from Learning Element 1.3

On completion of the learning process of this element (with or without completing the Assessment Task A option), you must decide which element to undertake next.

Possible transitions from this element are presented below, however it is recommended that you work out your own pathway in consultation with your teacher.

Pathway options

By the completion of this element, **Customisation: The New Production Perspective**, you should have an improved capability to apply to real world situations your knowledge of the issues in this theme as analysed from the perspectives of Business, Culture or Technology.

You may now wish to engage with a new theme by undertaking an **Empirical And Experiential** learning element and pursue more practical issues regarding the relationship between the theme you have just completed and elements of other themes such as **The Current Book Market** or **Global Markets, Global Languages**.

Example pathways

	<i>Empirical And Experiential</i>	<i>Conceptual And Critical</i>	<i>Applied And Transferred</i>
Theme 1: Production: Mass To Customised	1.1 The Economics Of Book Production	1.2 From Fordism To Productive Diversity	1.3 Customisation: The New Production Perspective
Theme 2: Consumption: Mass To Niche	2.1 The Current Book Market	2.2 Customised V Mass Marketing	2.3 Developing Niche Markets
Theme 3: Globalisation & Multilingualism	3.1 Global Markets, Global Languages	3.2 Think Local, Buy Global	3.3 A Global, Multilingual Industry

About this Learning Element

Customisation: The New Production Perspective applies to business contexts the technical and critical knowledge of mass and customised production that has been developed in the earlier elements in this theme. It pushes you to examine the question of profitability in the Australian print and publishing industries and how that might change with the application of new digital technologies. This element helps you to develop the capacity to analyse the Australian print industry from the point of view of a business owner–operator seeking improved opportunities for profit via reduced production costs.

Keywords

Australian Print Industry
Cost Per Unit
Customisation
Economic Theory
Economies Of Scale
Expenditure V Revenue
Industry Culture
Industry Sales Figures
Mass Production
Productive Diversity
Profitability
Strengths, Weaknesses, Objectives And Threats
Technological Change