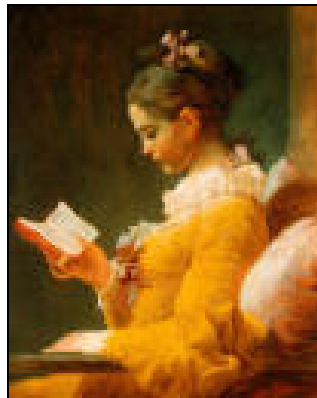


# **Niche Markets, Global Markets And Productive Diversity In The Market For Published Materials: Creator To Consumer In A Digital Age**

**Learning element 2.1**

**The Current Book Market:**

*Who reads? How many read?*



*Bill Cope, Tom Davis and Mary Kalantzis*



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

**The Current Book Market:**

*Who reads? How many read?*

*Bill Cope, Tom Davis and Mary Kalantzis*

[www.C-2-CCourse.com](http://www.C-2-CCourse.com)

## **About The Course Developer**

Tom Davis  
Course Developer  
Faculty of Education, Language and Community Services  
RMIT University

Tom has an Honours degree in Political Science, a Masters degree in International Relations, and is currently awaiting assessment of his PhD thesis on the Australian foreign aid program. He has lectured at the University of Melbourne in Public Policy and the Politics of the Asia-Pacific Region. Prior to undertaking his PhD, Tom worked for the Refugee Review Tribunal and the Onshore Refugee Program in the Department of Immigration and Multicultural Affairs.

This Learning Framework is published at RMIT University

First Published in Australia in 2003  
by the Faculty of Education, Language  
and Community Services  
PO Box 71  
RMIT University  
Bundoora VIC 3083

Copyright © RMIT University 2003

All rights reserved. Apart from fair dealing for the purposes of study, research, criticism or review as permitted under the Copyright Act, no part of this book may be reproduced by any process without written permission from the publisher.

[Cataloguing-in-Publication and ISBN data]

Cover picture source: [www.oir.ucf.edu/wm/paint/auth/fragonard/reader.jpg](http://www.oir.ucf.edu/wm/paint/auth/fragonard/reader.jpg)

## Contents

Framework map.....	6
Aims.....	7
Knowledge scope .....	7
Knowledge and capability aims .....	7
Important terminology.....	7
Learning processes .....	8
Learning activity: Online/Tutorial Issues .....	8
Recommended reading:.....	8
Sources .....	9
Assessment Task A option .....	14
Learning pathways .....	15
Transition from Learning Element 2.1 .....	15

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

## Aims

### Knowledge scope

**The Current Book Market** pushes you to define and characterise the publishing market in Australia and internationally. It encourages you to draw on survey information from industry groups and the Australian Bureau of Statistics, as well as the work of independent analysts, in an attempt to pull together a snapshot of the book market as it currently stands. As part of this, any market shift toward the take up of digital publishing options is noted and analysed. Also, queries about the socio-economic/demographic composition of the market are addressed, with a view to further analysis in later elements

### Knowledge and capability aims

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

- ⊗ research primary and secondary source material with the aim of establishing and supporting an evaluation of the book market;
- ⊗ define the scope and size of the market for books in Australia (and, to a lesser extent, internationally), as well as describe the basic character of that market in terms of the numbers of people buying books and the market sectors that service those consumers;
- ⊗ identify some of the implications for the market of technological changes to production and distribution modes; and
- ⊗ begin ascertaining the capacity of the market for growth, especially in respect of niche markets.

## 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 changes taking place in the industry.

### **Learning activity: Online/Tutorial Issues**

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

- 1) **How many people buy books every year in Australia and worldwide? How is the book market economically and demographically divided (e.g. do wealthy old people buy more books than poor young people in direct proportion to their greater wealth and age)?**
- 2) **Are the Australian and international book markets changing in any discernible way? For example, are the products being offered changing? Are more digital products being offered? Are purchasing modes changing? Is the demographic composition of consumers changing (e.g. are they getting younger)?**
- 3) **How might you define a ‘niche market’ in the context of the book market? To what degree—in terms of sales, demography, etc—is the book market broken up into ‘niche markets’?**
- 4) **From a retail perspective, what is the market position of independent booksellers (hard-copy) in relation to the major book retail chains?**

### **Recommended reading:**

The first four readings provide a good introduction to the key issues in this element as well as current statistical information on the Australian market. The other readings provide more specific examples of how Internet retailing is impacting on book retail markets.

## 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.

<b>Title:</b>	<a href="#">The Market for Printed Books in Australia</a>
<b>Author:</b>	Boymal, Jonathan; Davidson, Sinclair
<b>Year:</b>	2002
<b>Book Title:</b>	<u>New Markets for Printed Books</u>
<b>Editor:</b>	Cope, Bill; Mason, Dean
<b>City:</b>	Altona
<b>Publisher:</b>	Common Ground Publishing
<b>Perspective:</b>	Business
<b>Keywords:</b>	Australian Book Market, Market Share, Market Growth, Technological Change, Supply and Demand
<b>Abstract:</b>	[Quote] "This chapter sets out a brief description of the market for printed books in Australia. More importantly, it describes some economic characteristics of both supply and demand conditions in the Australian market, which impact, on how the Australian market is structured. Finally we speculate on the impact that changing technology will have on the market for books."

<b>Title:</b>	<a href="#">Book Retailers - Australia. 1371.0. 2000-01.</a>
<b>Author:</b>	Australian Bureau of Statistics
<b>Year:</b>	2002
<b>City:</b>	Canberra
<b>Publisher:</b>	Australian Bureau of Statistics, Commonwealth of Australia
<b>Perspective:</b>	Business
<b>Keywords:</b>	Australian Book Industry, Retail and Sales Statistics, Retail Business Incomes, Market Statistics and Analysis
<b>Abstract:</b>	The publication is based on data from the 2000-01 Book Retailers Survey which collected information from businesses in four retail industries: Newspaper, book and stationery retailing, where all employing businesses were in scope; and Department stores, Supermarket and grocery stores, and Retailing n.e.c., where only businesses employing 200 or more people were in scope. Sales of books by these businesses is estimated to cover 97% of book sales by employing businesses to final consumers in Australia.

<b>Title:</b>	<a href="#">Ad Rem: The Australian Book Industry - Challenges and Opportunities</a>
<b>Author:</b>	Accenture/Department of Industry, Science and Resources
<b>Year:</b>	2001
<b>URL:</b>	<a href="http://www.adrem-online.net/">http://www.adrem-online.net/</a>
<b>Perspective:</b>	Business
<b>Keywords:</b>	Australian Book Industry, Existing and Emerging Markets, Market Share, Sales and Growth, Industry Employment
<b>Abstract:</b>	The report argues that a joint industry approach to supply chain reform would dramatically lower the overall cost structure of the industry. Greater collaboration and consolidation offer opportunities worth approximately \$155 million. Adopting this approach would shift the basis of competition in the Australian book industry away from supply chain activities, towards customer acquisition and satisfaction. By focusing intensively on customers, the industry could shift gears from "survival" to "growth" and accelerate into a positive future.

<b>Title.</b>	<a href="#">Booksellers fend off the big chains</a>
<b>Author.</b>	Elias, David
<b>Year.</b>	2002
<b>Journal:</b>	<u>The Saturday Age</u>
<b>Volume:</b>	12 January 2002
<b>Pages:</b>	1 (Business Section)
<b>Perspective:</b>	Business
<b>Keywords:</b>	Retail, Chain Stores, Independent Booksellers, Supply Chains, Australian Book Industry
<b>Abstract:</b>	This article comments on the report on the Australian book industry by management consulting firm Accenture in conjunction with the Department of Industry, Science and Resources. It describes how mainstream booksellers (such as Angus & Robertson) are responding to the entry into the market of chain stores such as KMart and Target. The overall finding is that, with the arrival of these new entrants, the industry is now operating on extremely tight margins and is extremely competitive.

<b>Title.</b>	The bookstore fights back, (marketing by traditional brick-and-mortar bookstores)
<b>Author.</b>	Jardine, Alexandra
<b>Year.</b>	1999
<b>Journal:</b>	<u>Marketing</u>
<b>Volume:</b>	November 1999
<b>Pages:</b>	28-29
<b>Perspective:</b>	Business
<b>Keywords:</b>	Retail, Online Business, Book Industry, Consumers, Marketing
<b>Abstract:</b>	[Author's abstract] "The widespread embrace of the Internet has caused the UK bookselling market to experience its most profound transformation in its history. Electronic commerce has affected books more than any other consumer product. Internet-based competitors such as Amazon.com and Bertelsmann BOL have outstripped traditional brick-and-mortar rivals in terms of sales. The main concern of these traditional bookstores is not in losing market share but in becoming obsolete."

<b>Title.</b>	<a href="#">College Stores Survive e-Slaughter</a>
<b>Author.</b>	Mutter, John
<b>Year.</b>	2000
<b>Journal:</b>	<u>Publishers Weekly</u>
<b>Volume:</b>	20 March 2000
<b>Pages:</b>	62-64
<b>Perspective:</b>	Business
<b>Keywords:</b>	Academic Publishing, Online Textbooks, Marketing, Consumer Demand
<b>Abstract:</b>	Examines how wholly online publishers of higher education textbooks use a combination of new and old-fashioned marketing techniques to gain customers. It raises questions over the impact on price and service of the competition between bookstores and online retailers.

**Web Resources:**

Readings Books and Music

[www.readings.com.au](http://www.readings.com.au)

Leading Edge Books

[www.leadingedgebooks.com.au](http://www.leadingedgebooks.com.au)

International Publishers Association

<http://www.ipa-uie.org/>

## **Assessment Task A option**

You may wish to draw on the issues raised in this element, **The Current Book Market**, 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 the 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 **The Current Book Market** 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 four.**

## Learning pathways

### Transition from Learning Element 2.1

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, **The Economics Of Book Production**, you should have improved primary research capabilities and an in-depth empirical knowledge of the issues in this element as analysed from the perspectives of Business, Culture or Technology.

You may now wish to build on this empirical knowledge by further exploring the **Conceptual And Critical** element of this Theme, **Customised v Mass Marketing**. Alternatively, you may wish to follow the **Empirical And Experiential** direction and pursue more practical issues regarding the relationship between this element and that entitled, **Global Markets, Global Languages**.

### Example pathways

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

## About this Learning Element

The **Economics Of Book Production** asks you to research and clearly establish the basic character of the Australian and international markets for books. The focus is on the current position and strengths of the market, while also attempting to predict whether or not changes to technology will alter the nature of that market substantially. The sorts of resources you are encouraged to use in this process are industry and Australian Bureau of Statistics figures, as well as the related analyses put forward by academics and practitioners.

### **Keywords**

Australian Book Industry  
Consumers  
Customisation  
Demographics  
Digitisation Of Print  
Market Analysis  
Market Development  
Marketing  
Online Retailing  
Retail And Sales