

Chapter No. 6

Future Trends in Publication



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Contents :

6.1 Introduction

6.2 SWOT Analysis

6.2.1 Strengths :

- (1) High quality in printing
- (2) Supportive business
- (3) Less Investment and Less Risk
- (4) Proper control from production to distribution
- (5) Unique strategy
- (6) Specialisation

6.2.2 Weaknesses:

1. Over dependence on service providers
- 2 Size of the firm
- 3 Lack of professional qualifications
- 4 Contractual Employees
- 5 Lack of organised pattern
- 6 Less use of technology

6.2.3 Opportunities:

- 1 Growing market
- 2 Need to accept change
- 3 Product line :
- 4 To enlarge area of operation
- 5 To create strong distribution and credit collection policy
- 6 Specialisation/Professionalism

6.2.4 Threats

- 1 Limitations of Individual Capacities:-
 - 2 Competition
 - 3 Credit collection
 4. English literature:
 5. Lack of professionalism
 6. Absence of own and needed infrastructure
- 6.3 Conclusion :

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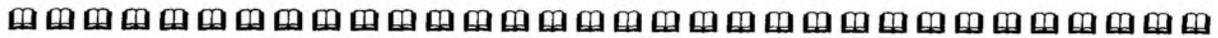
6.1 Introduction :

Publication as a business has gone through various phases of change. The Indian Readership Survey (IRS) survey released on 21st march 2007 says the readership of publications across the country declined by 4.5 per cent to 17.1 crore in the six months of 2006, in comparison with the first six months.

As per Akhil Bharatya Marathi Sahitya Samelan of 2008, the sales of Marathi books were four crore. Which itself state that Marathi Publication has road ahead to travel for success.

Publication business has not taken any concrete form. Change, alteration, modification is a common phenomenon which has always given a new face to this business. Typesetting of book is replaced by computerisation, where book material can be saved for a longer period of time and whenever needed editions may be taken .

Physical book form is challenged by compact discs, electronic books, journals, readable on video or DVDs. It is also challenged by increasing use of Internet, Web-sites, which is a form of new technology. Google Company has recently brought ten lakhs books on Internet with the help of American University and Libraries . These books are available at free of cost for sell on Internet. The one more example which highlights on the fact that publication business is changing its traditional form, is the first and popular Cell Novel written by okiyama of Japan consist of 235 pages and readable on the Cellphone.



Publication is also challenged by T.V., Radio and other media. Publication also has impact of multiplex, malls. The data states that, on Internet 12000 crore of rupees books are sold in the year 2006, by Amazon.com. So it can be stated that, technology and infrastructure is creating impact on publication business of the day. Researcher's study indicates that future publication business will be more competitive and more challenging as science, technology, communication in India is developing changing and improving fast and constantly.

Researcher wants to study future trends in publication in researcher jurisdiction and so made a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis of all the firms.

SWOT analysis helps the firms to know their strengths and weaknesses so firms can use strength to correct weaknesses, it also helps to know opportunities and threats. SWOT analysis is made on the basis of data collected by the researcher and observation made by the researcher. The firm has to grab opportunities to face threats of business following is a SWOT analysis of all the thirty sample firms.

6.2 SWOT Analysis:

The researcher has gathered information of publication firms and the profile of each one is studied carefully. On the basis of which researcher has prepared integrated SWOT analysis of publication firms. This is presented as follows:



6.2.1 Strengths :

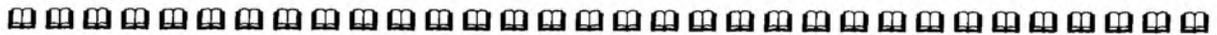
(1) High quality of printing :

The researcher has observed that all firms in her jurisdiction make no compromise so far as the quality of printing of books is concerned. The publishers keep proper control on quality of paper used, quality of D.T. P & Printing and even on quality of binding. It is the strength of these firms as the researcher has observed that in order to reduce the cost, other language publication firms use low quality paper and printing which deteriorates the total quality of books after certain period of time. Such quality gives less satisfaction to readers and purchasers. As regards publishers from Thane, Kalyan and Dombivli areas, they always take due care to maintain the quality of paper, printing and binding. This results into increased cost of production; but it was found by the researcher that not a single publisher has made any compromise in quality of printing which will surely give returns in the long run interims of goodwill.

(2) Supportive business:

Primary firms are those firms that undertake publishing activity as a primary of earning. Secondary business is that business where a firm has another income sources and undertakes publication as an additional activity.

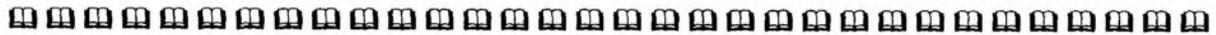
Within the researcher's jurisdiction it was seen that eighteen out of thirty publication firms run this business of publishing as a secondary business. This includes running bookstalls, book shops, printing, providing artists, authors and so on. To use these existing strengths they have started publishing activity.



This was considered as strength of eighteen firms. As the risk was shared by the other supportive business. The loss of one can be compensated and shared by supportive business. The researcher found that all other twelve firms which are doing publishing business are primarily running only one activity that is publication. Their growth of business in terms of publications turnover and profitability is less as compared to the firms running publishing as a supporting business. Their risk is not shared and they have limitations in terms of finances, growth and employees. So the researcher observes that publication as a supportive business has strength.

(3) Less Investment and Less Risk:

All firms in researcher's jurisdiction are investing less as they are sole traders and three of them are partnership firms. It was observed that with limited source of finances these firms are achieving a good business growth. It is also noted that entire process of publication firms depends on various service providers. Many times they get the work done on credit basis and work of this process is completed with limited finance. There investment in capital amounts is very less only if firm has their own unit of printing then investment in D.T. P. Unit and Printing unit is done. Only seven firms in the researcher's jurisdiction have their own set up which means twenty three firms are having less investment in their business of publication and thus take less risk. Though profitability is relatively less it is strength as their publication activity has continued and survived in the market for number of years. All these firms are steadily growing with little investment and risk.



(4) Proper control from production to distribution :

The researcher found that though these firms are not large scale firms they have proper control and direct control on entire production process. In a typical large publication house there is delegation of authority and responsibility due to which there is absence of control on the process of publication. Where as in the researcher's jurisdiction, publishers check the process personally at every stage and try to rectify the short coming with necessary inputs. Publisher always feels that there are fewer copies per edition and even if they are small scale business firm and so they always take care of quality and goodwill of their firm. It was observed that though editors are employed publishers also check final copy of typed manuscript before giving it for printing. Even after printing the first copy is checked. This shows that utmost care is taken to ensure proper control on the printing endeavor. In case of distribution also it was observed that monthly stock of the business is taken from every bookseller through sales manager or by publishers themselves. While selecting distribution channels, publishers study the strategy of distributors', commission payable to them and if they are not according to their needs, then it was observed by researcher that publisher appoint their own channel of distribution. Researcher has felt that this is strength of all publishers in researcher's jurisdiction.

(5) Unique strategy:

It was observed by the researcher, that every firm has applied unique and new strategy for the survival and growth of its business. To have different, special and unique identity in the market and in the minds of readers, they use the



strategy which includes use of specific colour for particular subject of their publications, bringing a set of publication instead of a single book. Some publishers arranged their own workshops, seminars and through them they sell their books. The strategies are to create identity for distribution, or for positioning in the market. The researcher states that these firms has strength to present themselves in the market in a different manner, so that they can survive with goodwill in the market.

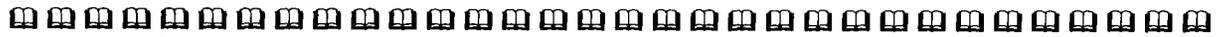
(6) Specialisation :

Seventeen firms in the researcher's jurisdiction are concentrating only on getting proper manuscripts and presenting same to the readers. All other processes of production, distribution are done through other service providers and so responsibility of work is delegated to others, because of this there is a specialization in all the activities performed by them. For quality in work there is a need of specialisation which is possible only when there is concentration on one work .In case of researcher's jurisdiction the due to concentration on one activity specialisation is achieved by all the firms.

6.2.2 Weaknesses:

1. Over dependence on service providers :

One of the major weaknesses observed by the researcher in the researcher's jurisdiction that is there are only three firms that have their own setup for entire publication process; the rest twenty seven firms always depend upon other contractual employees that is other service providers. This is one of the factors which affect the entire business of publication. The schedule and planning has to be done according to availability of service providers.



Due to which there is delay in publication process. If the firm has its own set up it can perform all functions with regard to the publication as per the plan and schedule. Arranging for various processes and functions some times becomes hectic for a publisher because of non-availability of raw material and load shedding. It is notable that if some conflicts arise between the publisher and the service provider, the entire work can be spoiled. Hence over-dependency is also dangerous. It is one of the weaknesses of the publishers' in the researcher's jurisdiction.

2 Size of the firm :

In researcher's jurisdiction i.e. Thane, Kalyan and Dombivli publication firms studied by the researcher revealed that all these firms are small or medium size firms. These are not large publication houses like Mehta, Majestic, Rajahans etc.

They are sole trading concerns and three of them are partnership firms which mean that they are operating with limited capital and investment. These firms do not have a typical publishing structure. This is a weakness as their publication, distribution, size of edition are restricted according to its size.

3 Lack of professional qualifications :

It is a major weakness which was observed by the researcher. The researcher has found that publication is such a business which relates to knowledge mental aptitude and language, yet to start this business there seems to be no need of professional qualifications and training. There are various diploma and degree courses available but the researcher observed that in the researcher's jurisdiction publishers with such qualifications are very rare. They have started business with



their experience, interest, to learn from mistakes. The researcher noted that lack of business related qualifications is one of the weaknesses of the publishers in the jurisdiction.

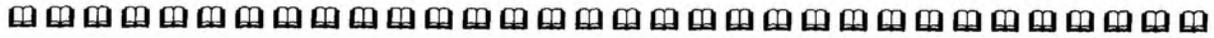
4 Contractual Employees :

It was observed by the researcher that all these publication firms employ more contractual employees and less permanent employees. The firms engage in various process of publication which includes editor on the basis of each page layout, D.T. P. and Printing of books.

There are only three firms that have their own job set up and related permanent employees. In case of other firms the mainly have sales representatives as permanent employees. It is clearly seen that the contractual employees are more. It is a usual experience that if there are permanent employees they work with efficiency and honesty. In case of the researcher's jurisdiction it was found that the turnover of employees is high and contractual employees are more. They are giving priorities to their personal satisfaction and not to the quality of work. This affects working of publication firm, which is a weakness of the firm.

5 Lack of organised pattern :

In every large publication house there is an existence of typical organised pattern. It was noticed by the researcher that generally some organized pattern is followed by the publication firms. In case of the researcher's jurisdiction, every firm has its own pattern. In many firms administration department does not exist. In maximum number of firms editing, printing, sales department do exist. In some firms some sub departments are there. The data relating to which is already explained in detail in the chapter number 04. The uniform pattern of a firm is not seen in these firms each firm is following its own pattern and no firm has followed organised or typical structure for their firm. The researcher has seen that if proper structure is formed, policies, regulation, planning, implementation are always carried on in



proper sequence. There is no need to follow new policies, procedures every time, for every new book. In case of the researcher's jurisdiction, the researcher found that every time a firm tries new mix of 4p's that is new book as a new product, new price, new place, and new strategy for promotion which is bound to affect its steady growth.

6 Less use of technology :

It was noted that publisher of researcher's jurisdiction are not updated much for the use of new technology is concern. They hire new printing technology for printing of books. Other than this cover page is also prepared by the Artists. Only one firm make use of computer to prepare cover page. There is fewer E-mail- ID user in numbers for distribution, for sale of books, for market research.

It can be properly stated that in entire process of publication at various level new technology can be used and it is also observed by the researcher that generally all publisher use old technique and procedures of publication and the use of latest, updated technology for improving business standard are ignored by them. Researcher states that it is one of the greatest obstacles in terms of growth and so it is a weakness of publishers of Thane, Kalyan and Dombivli.

6.2.3 Opportunities

1 Growing market :

It has observed that market for readers are actually and gradually growing. The literacy percentage is increasing in India and even reading percentage is also increasing. This means that, there is opportunity and scope for publication firms to grab the market. For which publisher must have to study and analyses needs and



demand of the market. It is studied by the researcher that demand for utility, translated and motivating books are having continuous demand in the market. The publisher has to find out the need of market and accordingly exhaust the available opportunity for their growth.

2 Need to accept change:

Presentation skill is a need of global market. In competitive scenario of market the need is that publishers has to accept change as and when required. They should be flexible with their ideas, concept, policies and functions. If they adopt new challenges in the market then only they can survive in the existing competition. Publication firm has to accept new technology, new market and new need of readers. If they are ready to accept and adapt changing then the market is an opportunity for the publisher of researcher's jurisdiction.

3 Product line :

Researcher observed that market for books is growing, but at the same time interest for International best seller books are increasing, even demand for utility books like agricultural, economy, management, personality development is increasing in current trade of the market. In this changing situation of market, publisher has opportunity to translate books and to come with utility books in the market. For this, publisher has to add new product line in the existing business which will prove as an additional advantage for the firms.

4 To enlarge area of operation :

In entire Maharashtra more than 50,000 villages exist and the entire market was diversified with less population in each village. For publication firm it is an



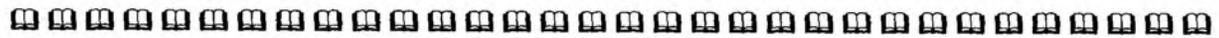
opportunity to reach to every reader at every remote place. It has been observed by the researcher that distribution is done generally and mainly in Mumbai, Pune and some other region where there is a demand of books but many regions are uncovered by the publisher of researcher's jurisdiction for them it is an opportunity which they can utilize by extending their area of operation. This can be done by opening of branches at various regions in researcher's jurisdiction only two firms have such branches and there operating performance is perfect. If sole trading concern are making horizontal growth that is from sole trading to partnership or to company then only enlarging area of operation is possible. Firm can grow vertically through opening branches.

5 To create strong distribution and credit collection policy :

The backbone of publication industry is strong distribution base and accurate credit collection policy. In researcher jurisdiction firms have scope to improve in these areas, so that growth can be substance. It was observed by the researcher that generally more days of credit is given to bookseller and distribution is weak as it is done by using specific strategy. Researcher state that sale of edition is done but reaching to maximum readers is not done effectively and for this there is a need of effective distribution and proper credit collection policy. If these two areas are well develop then from these two areas firm can gain good business. It's an opportunity to create, develop and maintain survival, growth through strong, proper distribution pattern and credit collection policy.

6 Specialisation/Professionalism :

There is difference between business and specialized and professional business. Researcher specifically state that there is difference between M.B.B.S. Doctor & M.D. Doctor in the same manner in publication also there is an



opportunity to firm to specialise themselves for specific form of publication. In researcher 's jurisdiction three firms are specialise in publishing specific publication. Rest firm are publishing, 16 available form of publication. To create goodwill and brand image there opportunity to these firm to specialise themselves and to have professionalism in their business. If the interest view is kept aside by the publishers and proper training is given, publishers have opportunity to compete with other firms at local level as well as at international market.

Overall it can be specifically stated that opportunities in the terms of specialisation, collaboration, team work, product lines if done publication business of researcher's jurisdiction can flourish.

6.2.4 Threats

1 Limitations of Individual Capacities:

In the process of research it was seen that maximum firms are sole entrepreneurs which itself is a threat to run the business of publication. Entrepreneurs are playing role of publisher, manager and distributors. It means they are taking more responsibilities which will affect their initiative to grow business and to adapt new challenges of the business. For survival and growth in long run the requirement is to expand base by increasing its capacities, but in the researcher's jurisdiction firms has limited capacity and more responsibilities, which exhaust them. Firm can increase its capacity by employing quality candidate for non-core activities.



2 Competition :

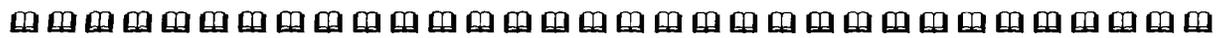
In the jurisdiction of researcher a cut throat competition among all these publishers was observed. All these firms are either sole traders or partnership firms, they are not large or giant firm. If these firms are able to come together they can able to remain in the competition beyond jurisdiction. In today's situation their competition among themselves is a threat to their own business.

3 Credit collection :

Researcher found that one of the serious problem which publication firms are facing are of credit collection. A firms gives 60% of their publications on credit basis and with diversified areas. With less staff collection of this credit is a difficult task to all the firms. The credit for longer period of time affect financial, working condition of the firms, Researcher found that if this problem continues than it is a threat to all publication firms in near future in form of bad debts, loss, blockage of funds, sickness of the firm.

4. English literature:

In the society, people now-a-days prefer English literature as new generation language as the education is taken in English. This has impact on Marathi publications. Increasing importance of English language in developing India creates threats to Marathi Publications firms. English best-seller books are marketed well all over world and create impact on society. As a result of this preference is given to English books by young generations. This is a threat to the publisher of Marathi books.



5. Lack of professionalism :

Publisher in researcher's jurisdiction does not have features of professionalism like having own premises, taking consultancy fees, having license, or having degree in the area of publication. In the absence of such features, the professionalism in the firms does not exist. In today's competitive scenario, there is a need of professional approach, if such approach has not brought then firms may face numerous problem in long run. So lack of professional approach is a threat to publication firms.

6. Absence of own and needed infrastructure :

Publication firms more depend on outsourcing or other service providers, they do not have their own infrastructure and unit to make a book. A Firms gives all work on contract basis or making every book. Which means dependency is high and quality every time differs or very which affect the overall product of the firm. If proper infrastructure exist than quality efficiency can be improved and can be maintained if not than firms may face threat of non-availability of infrastructure for themselves.

6.3 Conclusion :

After making a SWOT analysis it can be concluded that in the researcher's jurisdiction, a firm has strengths and opportunities. The researcher felt that all these firms have promising future though there are having certain weakness and threats. While estimating the future trends of publication firms in the researcher's jurisdiction. The opportunities and threats are required to be considered specifically. Necessary steps are required to be taken to grab the said opportunities and to avoid ill effects of the threat which may come across in future, of publication firms. These firms may show their performance in globalised and competitive scenario also.