

Current state of the publishing industry





The world is changing

The 20th century saw **very rapid transformations** in the fields of culture, social organisation, job market, and global population growth.

The advent of the 3rd millennium didn't stop the change. On the contrary, **new world trends** have emerged driving change even faster than before. For example, our world is now experiencing:

Demographic shifts

The global population is getting older, especially in the Western countries, because of higher life standards, medical progress and birth control methods. The consequences of this transition impact the job market and the society in general.

Shift in global economic power

This trend regards the role of emerging countries such as Brazil and India, and of other countries like Russia and China in the global economics.

Accelerating urbanisation

A process which has started centuries ago in Western countries and which is now touching also the Third World. It involves a changing in the needs of people and their lifestyle.

Resource scarcity and climate change

A problem which we will have to face even more in the future, and that will for sure have a great impact in the political and economic decisions of all countries.

Technological advances

The digital revolution is maybe the biggest drive of change in the global market nowadays, an irreversible force with consequences on many aspects of individuals' lives as well as corporate decision-making and strategies.

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The publishing industry is not still, either

Three main changes are affecting the publishing domain, creating a situation which is, for many people who work in this industry, a true, deep crisis.

Technology forces

Once again, the digital revolutionises people's lives and needs. The industry cannot turn around and refuse the change, but it has to **prepare for the disruptive opportunities** that this transformation brings about.

The fast **increasing number of smart devices** has created new ways of earning money, reaching clients, raising brand awareness and satisfy customers. Basically, web and smartphones have paved the way for a new communication channel between enterprises and customers. This, of course, is also true for publishers, who should take advantage of this new medium to shake their business.

The opportunity here is great: with the **spread of ubiquitous connectivity** people are changing their daily habits, looking for information and answers to their doubts on the Internet, whenever and wherever. Is your magazine going to be among the answers?

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Societal forces

Consumerization and always-on customers' expectations cannot be ignored or refused but must be embraced. The **centrality of the client** and of his/her needs and desires is the drive for new business models that can actually satisfy the consumer.

Only true disruptors will be able to accept that outdated versions of business must be changed in order to exploit the new resources provided by the market.

This choice will involve an investment of money that is necessary to obtain and **maintain the competitive advantage**, an element which nowadays is more transient than ever.

Regulatory forces

Privacy and shifting regulatory landscape are also issues to take into account. The advent of the digital world has called for new laws to regulate the relationships among individuals but also between enterprises and their customers.

Whatever sector a company operates in, the **respect of laws and ethical principles** is vital for its survival in the market and its success among investors and clients. The importance of being always up-to-date with new regulations cannot be understated.

What's the future holding?

Now you know the main factors that are influencing the world, the market and the publishing. But what about the next future? The general **shift of the market from the paper to the digital** has paved the way for new opportunities, that publishers must exploit to the fullest. This is a business evolution that cannot wait anymore. Market analysis, as a matter of fact, show that the global spending for digital ads and internet access will grow at a rate of 7.8% CAGR (Compounded Average Growth Rate) from 2011 to 2019. Publishing, on the contrary, will only grow at a rate of 1.1% CAGR. This data clearly proves that the **future of the industry is going to be digital-oriented**.

Moreover, digital technologies will enable a shift towards **total customer-centric business models**,

where the focus is completely on the client. In such a vision, the product which is offered as well as the way in which it is supplied to the client are tailored on the consumer's needs. The shift to this business model is necessary and fundamental for obtaining success. It is easy to understand that clients are happy when they receive what they are looking for, with low mental effort and without wasting too much time. In order to satisfy consumers like this, organisations must open themselves to the digital world, which is the primary place where people look for solutions to their problems and for answers to their doubts. Here are some **useful actions** that publishers should put into effects if they want their business not only to survive, but also to thrive in the digital era.

What's the future holding?



Know

your clients and their **needs, curiosities, doubts, desires**. This is the starting point to offer them what they want, and to make your business successful. Moreover, it is important to have in mind also a clear idea of the market and its ecosystem.

Define

your business strategy. A change of business model can be scary and hard to carry out. The first step is to **study creative and specific solutions** to implement such a shift, and to set a precise plan that must be followed.

Evolve

your business in response to the market change. A good businessman shouldn't be afraid of new challenges. On the contrary, he/she should always be reactive, if not even proactive, in moving the enterprise in the right direction. **Smartness and bravery** are fundamental.

Create

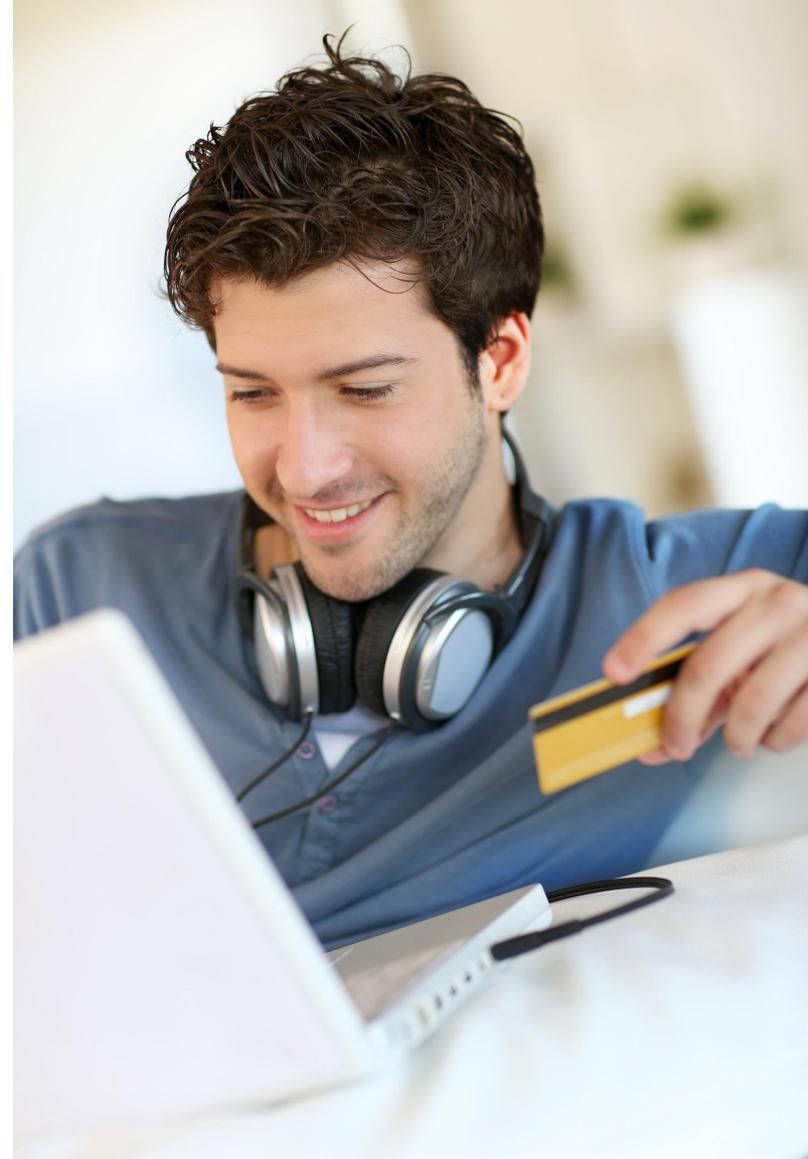
sustainable value for the clients and shareholders through innovation. As a matter of fact, the only way to be always leaders in the market is to innovate constantly and successfully, by understanding the changes and keeping up-to-date. Sustainability is, nowadays, **an unavoidable part of innovation** that must always be considered.

Accelerate

time to market. How? With **smart and sustainable delivery models**. A big part of the digital world is the e-commerce, upon which some huge enterprises have based their entire business. In order to be in line with the market changes and to facilitate the transactions, every brand, also magazines, should be able to offer their product online.

Protect

your assets from the threats of the digital age to build stakeholder trust. Yes, innovation is necessary, but don't forget to always **keep in mind stakeholders' needs** and fears when studying your next move.



Conclusion

In the next few years, the publishing industry will still be subjected to changes and forces that a single publisher can hardly resist. However, when change occurs, also **new chances come along** with it.

The previsions for the next future suggest that young people will be a fundamental part of the target of most enterprises, and that their presence will heavily influence the market changes. At the same time, **pointing it all on the content** provided will still be the basis for a successful business.

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Quality products and good strategy planning, therefore, are two elements that shouldn't be forgotten, as well as **trust-building and pursuit of growth opportunities.**

Not only the big enterprises but also the medium and small ones can take advantage of the digital world and its instruments, in order to find their most suitable market area and satisfy their target with valuable contents, easy delivering methods and a trustworthy service.

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