

A growing number of magazines will produce new products in numerous formats and pursue cross-media ventures as they seek new sources of revenues. They will make available database programs on CD-ROM and computer software and through on-line services. They also will provide more programming for radio, television, and cable and make their editorial materials available on tape and video. More publishers will explore publishing their magazines in an electronic format. Jay Melvin of the Magazine Publishers Association reports in his *Newsletter of International Publishing* that two related trends, the growing technical capability of information and entertainment providers and the growing consumer use of new technologies, are providing the momentum for new publishing opportunities. These trends are making it possible for magazines to deliver personalized services that enhance a publisher's relationship with both the reader and media user. In addition, publishers will provide a more direct and responsive link between advertisers and their prospective customers. More publishers will become involved in custom publishing projects with companies wanting to publish their own magazine titles for consumers of their products. IBM's *Profit and Beyond Computing* are being published in a partnership arrangement with the New York Times Company; Gruner + Jahr USA is producing *Target the Family* for Target Stores.

Particular age, ethnic, and lifestyle groups will be the focus of many special-interest publications as publishers and advertisers become more interested in reaching these groups. Children, senior citizens, and baby boomers are among the age groups that will be targeted. Hispanics, Asian Americans, and African Americans will also receive considerable attention, since marketing to these groups can be more effective if presented in a cultural context. More publications geared to families, teenagers, sports enthusiasts, hobbyists, and other lifestyle groups will emerge over the next few years.

A growing number of publishers of special-interest magazines will consider overseas distribution for their publications. Joint ventures with foreign partners will be the major vehicle of investment abroad for publishers since they offer more profitability, although licensing arrangements will continue as an option. Publishers will invest not only in business opportunities abroad that promote their U.S. titles, but will invest in new or existing foreign titles distributed abroad. Acquisitions and mergers, such as the recent megamerger of Elsevier of the Netherlands, the world's largest business-to-business magazine publisher, and British-based Reed International, the eighth-largest media company, will increase as publishing companies seek to strengthen their position in the global market.—*Rose Marie Zummo Bratland, Office of Consumer Goods (202) 482-0380, August 1993.*

Additional References

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BOOK PUBLISHING

Growth in consumer demand lifted shipments of the U.S. book publishing industry (SIC 2731) to \$18.7 billion in 1993, an inflation-adjusted gain of 3 percent over 1992. Sales of trade books—works of fiction or nonfiction sold through bookstores—increased by an estimated 10 percent in nominal dollars in 1993 over 1992, matching 1992's growth of trade book sales over 1991. Improved funding levels at U.S. schools and libraries raised demand for elementary and high school textbooks, as well as technical, scientific, and professional books. Exports of U.S. books grew modestly in 1993, a reflection of weak economic conditions in Canada and the European Community.

Employment in book publishing receded slightly in 1993, the result of the industry's continued cost-cutting efforts. Approximately 76,000 persons held book publishing positions in 1993, a decline of 800 jobs from 1992 and a drop of 1,300 positions from the 1991 employment peak of 77,300. Most job losses occurred in marketing, administrative, and editorial positions, but production workers also experienced some cutbacks.

Publisher's profit margins improved in 1993, the result of stable payroll and manufacturing costs, as well as from efficiencies achieved in marketing and distributing a larger volume of printed products. Merger and acquisition activities by book publishers were minimal in 1993, reflecting publishers' disinclination to absorb higher debt levels.

Emerging Trends in Marketing and Distribution

A series of trends, barely out of gestation, is becoming critical to publishers' success in the 1990's. They include the large-store concept of retailing, the marketing of publishers' materials in nonprint media, and international protection of U.S. copyrights.

Book retailing in the 1970's was characterized by growth of U.S. chain bookstore operations in concert with the development of shopping malls. Traffic in bookstores in the 1980's was enhanced by the spread of discounting. In the 1990's, the superstore concept of book retailing is one of the driving forces behind double-digit growth of trade books in the period 1992-93. Generally situated near large shopping centers,