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Diversifying Book Production and Delivery for the Long Tail Age

John McWilliams

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For Jane Denning

The modes of delivery for the book publishing industry are splintering. While brick-and-mortar bookstore sales still comprise the greatest share of sales nationwide, new lines of distribution are coming online quickly: Internet book sales in the past ten years have skyrocketed. Electronic book sales are also growing quickly: Amazon now has 130,000 titles available electronically, and 12 percent of those represent e-book sales. Jason Epstein's Espresso Book Machine is already making appearances in venues around the country.

This diversification of distribution, coupled with the Internet's capability of identifying products of special interest for readers, constitutes what Chris Anderson calls The Long Tail: a new market model in which erstwhile physical barriers for customers to obtain niche products have been removed. In his book, Anderson demonstrates how these new technologies have created a climate in which customers increasingly eschew the "hit" in favor of more personal, narrow interests, resulting in endlessly varied product lines.

Yet book publishers seem mired in the past. As U.S. publishers have been acquired by large foreign conglomerates, greater emphasis has been placed on profitability. Instead of jettisoning the Pareto Principle, publishers seem focused on redefining it by trying to increase the 20 and decrease the 80. There is talk of only publishing bestsellers—on its face, a preposterous notion.

Instead of pursuing only stultifying, mass-appeal projects that seek to exploit (the declining) homogeneity of culture, editors should be thinking about ways to take advantage of new avenues of distribution, and how this might

inform editorial decisions. They should be focused not only on diversifying their lists, but also on ways these technologies can make niche books profitable.

PARETO PRINCIPLE

The preeminent paradigm for explaining sales-to-inventory ratios dominant during the twentieth century is known as the Pareto Principle or the 80/20 Rule. While the Rule is in fact difficult to define exactly, a simplified version reads like this: eighty percent of revenues derive from 20 percent of available products. A minority of products tend to attract the most attention and sell well, while a large majority of products are overlooked by consumers and sell poorly, resulting in a net wash or a loss. In order for a business to make a profit the revenues from the 20 percent must of course exceed the losses incurred by poorly-selling products as well as overhead costs.

Necessarily, retailers have historically tried to game the system by predicting which products will represent the 20 percent and then weighing their inventories in favor of those titles. And as publishing has moved in the past half-century from a more cottage-industry-based model of acquisition to a more corporate one, publishers too have tried to interpret sales data, synthesize precepts constituting "successful" books, and then acquire along these lines (Hamilton). The admonition from management consultants and shareholders to publish only bestsellers has not resulted in the demise of the Pareto Principle in publishing.

In the past, physical books sat only in stores limited by spatial constraints; there's only so much shelf space, even in the largest of superstores. Publishers

spend marketing dollars and push publicity campaigns on the front end of a book's life in order to vie for the attentions of readers, to get space on a display rack or an endcap, [flesh]. For all but the most successful books, spatial constraints win in the end—the number of books published every year necessitates sending back to the publisher underperforming titles to make room for newer, potentially better-selling books. Even after the advent of the book superstore, with their greatly expanded shelf space, the 80/20 Rule seems immutable: fifty percent of best-selling 10,000 books do not sell once per quarter (Anderson, 7). For the vast majority of books, once the initial marketing and publicity push ended, the likelihood of sinking into near total obscurity was all but certain, and eventually most of these titles would go out of print. But as Anderson shows us, the Long Tail is changing all of that.

ANALYSIS OF THE LONG TAIL

The retail successes of other media within the Long Tail model are instructive. The subscription-based, digital music retailer Rhapsody carries over 4 million tracks. When looking at sales data reflective of what a typical physical retailer carries in terms of inventory size, Rhapsody's sales curve resembles any other: it shows an overwhelming preference for the top 25,000 tracks or 4,500 albums, which is where a retailer might quite correctly decide to cut off its inventory; the cost of brick-and-mortar shelf real estate doesn't justify carrying CDs below that mark. But Rhapsody's data show that meaningful sales continue out beyond the 100,000th ranked track; indeed, they continue out to around the 800,000th!

Of course, what makes this possible and profitable is Rhapsody's infinite shelf space. Their product is digital, occupies no real physical space (save on a hard drive somewhere), and is delivered to the consumer nearly instantly via the Internet. This unlimited shelf space affords the music buyer nearly unlimited choice. And what Anderson shows is that given this vast variety of choice, the consumer will avail herself of it. Anderson says, "[A]s these companies offered more and more (simply because they *could*), they found that demand actually followed supply. The act of vastly increasing choice seemed to unlock demand for that choice" (24).

Netflix is another prime example within the Long Tail market. Their current inventory of DVDs numbers near 100,000, and the vast majority of those will be rented at least once per quarter. Thus, the obvious reason for its success was Netflix's abundance of choice—nearly any DVD in print is available through the service. In fact, as Anderson points out that a full quarter of its rentals virtually cannot be found anywhere but online (Anderson, 23).

It is important to note that Netflix began in the purely physical realm, taking orders for rentals via Internet user accounts, and sending DVDs to its customers through the mail, but has recently begun offering many titles that customers may stream via PCs and even directly to their televisions, cutting the time for delivery from days to mere moments. The importance of this new direction toward digital delivery cannot be overstated, and is a point to which I will return.

If Netflix's ratio of demand for online-only available titles is surprising, then Amazon's is truly astounding. Amazon's inventory numbers roughly

5,000,000 books, 50 times what a Barnes and Noble superstore typically carries; and a full 30 percent of sales come from outside of its top 100,000 titles (Anderson, 23). These numbers demonstrate unmistakably that there exists significant demand far beyond the bestseller lists, that back- and midlist titles can generate large streams of revenue that could not exist without the vast range of choice provided by the Internet. What Anderson has shown is that demand for the obscure or hard-to-find titles is far greater than previously thought. It is more than just a matter of availability, however. Through special ordering and specialty stores, customers have always been able to obtain little-known titles. But infinite shelf space coupled with algorithmic recommendation programs has rapidly fueled an expansion of niche buying. In other words, the Long Tail is not just about a new burgeoning availability; rather, it operates on the ability to reveal the range of choice and to direct the consumer to niche products of which he was previously unaware.

Of course, like Netflix—and unlike Rhapsody and iTunes—because Amazon deals predominantly with physical products, the mode of delivery necessitates a substantial wait for the customer—while the video- and bookstore provides the customer with the ability to fulfill the instant-gratification need associated with popular new releases. It seems likely that for a time, high-demand new releases will remain the domain of physical bookstores.

PROBLEMS FOR PUBLISHERS IN HARNESSING THE LONG TAIL

While I believe that the Long Tail provides enormous opportunities for publishers, there are a number of obstacles to its full implementation as a publishing strategy. The physical book is, and has always been, a difficult product

on which to make healthy profits. Historically, books have been produced on razor-thin profit margins, and many books, quality notwithstanding, prove money-losers. A wide array of costs associated with a book's authorship, production, marketing, and selling as well as these costs' distribution paint a positively foreboding picture. Marshall Lee's discussion of the economics of book publishing demonstrates how daunting a task eking out a profit actually is:

> Of the book's list (retail) price, about 47% is the average (combined) wholesaler's and retailer's discount, and at least 10%, and more often 12% or 15%, is the author's royalty. Of the 43% retained by the publisher, about 20% goes for making the book, about 5% might go into advertising, and 2% for storing and shipping. A share of the cost of salaries, rent, electric bills, and other items of overhead must be carried by each title—16% of the retail price is a realistic figure (52).

These numbers, frighteningly, add up to over 100 percent! Though second printings and subsidiary rights sales provide room for modest profits, they are by no means guaranteed. Further, as Al Greco has pointed out in the Book Industry Group Survey's "BISG Presents Book Industry TRENDS 2008," costs are currently rising. "Increases in printing, paper, binding, increases in typesetting, increases in freight to and from the warehouse, to and from the bookstore… we anticipate problems in the total cost of business on the publisher side."

In terms of publishing new books, under existing production models, it's hard to see how the Long Tail can be helpful. With delivery of music and video, where manufacturing is no longer necessary and the cost of transfer is negligible,

Long Tail models make sense. But the prohibitive costs associated with producing physical books makes selling less of more seem impossible.

THE EBOOK

For decades, companies struggled to make the electronic book a viable, profitable reality. While LCD-based readers have been commercially available since the 1990s, problems of functionality and efficacy persisted. Digital LCD screens require backlight for viewing—and backlighting results in numerous problems for readers. First, backlit screens cause eye strain if viewed for long periods of time. Second, backlighting requires a relatively large supply of power, creating problems of a short battery life and uncomfortable heat.

Electronic ink and paper has solved these problems. By digitally displaying ink particles, new reading devices mimic the look of paper, eliminate the need for backlight, and can maintain text and images without drawing electricity—which allows for ultra-low power consumption and produces virtually no heat.

Though predicting the success or failures of new technologies is certainly a chancy business, a review of recent market events and trends should give us a better understanding of the future of electronic books and readers. Skeptics have argued that readers would reject the devices on the basis that reading is a non-technological, passive activity that differs in its fundamental nature from, say, Web surfing; that electronic devices are not conducive to deep thought or comfort. Amazon's Kindle, however, seems to prove these critics wrong. As of the time of writing, there is an 11- to 13-week wait for the newly-unveiled Kindle 2.0. Similar wait times were reported for Kindle's first iteration for months after its release. Though Amazon won't publicly quantify their sales data, business

analyst Mark Mahaney predicts sales reaching $1 billion by 2010 (Kafka). And data collected from 12 – 15 publishers since 2001 through the fourth quarter of 2008 show e-book sales growing over 1000 percent in that time, with most of that growth occurring since 2007 and 2008 (Industry Statistics). Amazon's marketplace maneuvering indicates the depth of faith the company has placed in the future of e-books and its device specifically: in January 2009, Amazon notified publishers that they will no longer carry Adobe and Microsoft Reader formats, a transparently-designed move to bolster Kindle sales and corner the electronic market (Reid). Finally, on the publisher side, Simon and Schuster has undertaken a massive effort to digitize its entire backlist. As of the end of 2008, the publisher was on track to complete the digitization of 17,000 titles, with a full 5,000 titles being made available in Kindle format for that year alone (Milliot and Reid).

So what are the benefits of selling books in digital form? The first is that electronic books would have few of the production costs associated with physical books. Freight and warehousing costs do not factor in to the production of electronic books. Printing, paper, and binding costs are likewise irrelevant to their production. According to Lee's estimations cited above, these costs would amount to nearly 25 percent of a physical book's retail price.

But perhaps more important, a digital book need never be returned to the publisher. Publisher and blogger Morris Rosenthal points out in "Returnable Books Are Good for the Publishing Industry," that the hit, the bestsellers and evergreen titles, remains the "main retailing activity" of most bookstores, thus "[m]ost of the new titles coming into a superstore get a few months on the

shelves, don't sell well, and are returned to the publisher." How serious is the problem of returns? How much of a drain on publishers do returns represent? Research conducted by Fordham University's publishing scholar Albert Greco has quantified the problem:

> Between 1984 and 1989, the U.S. book industry drowned in a recorded $7.88 billion of returns. This meant that 23.87 percent of all books published during those years were returned to America's publishers for full credit, a sad waste of financial and natural resources.... This massive return of books undermined seriously the stability of the industry, causing many publishers to question the efficacy of a system that failed to operate successfully during a period of exceptionally stable business conditions (29).

While some publishers are currently exploring ways of circumventing the problem of returns, such as offering bookstores steeper discounts on non-returnable books, this will have no effect on the occasional grossly miscalculated print run. Furthermore, though Borders recently entered into a no-return agreement with HarperStudio Books, a disturbing new parallel trend is emerging: bookstores are cutting inventories. According to a February 2009 *Publishers Weekly* article, over the past several years "booksellers are becoming increasingly careful about what and how much they stock. Most have begun replacing orders of tens with fives, fives with threes and twos with one, or occasionally none" (Rosen). The problem here is that a reduction in the amount of books bookstores will buy represents a market force that undermines the profit maximization that might otherwise be realized on a no-return basis—no-return agreements would

clearly motivate booksellers to buy far more cautiously and in smaller quantities, necessitating smaller, less economical print runs on the publishing side. This scenario would also leave both publishers and bookstores unable to meet demand for the unexpected bestseller. Thus it seems far from likely that the no-return experiment will expand much beyond the Borders-HarperStudio agreement. But encouraging the sale of books digitally would actually reduce the number of returns in a very real way. Simply stated, there is no physical product to be stocked, left unsold, and shipped back to the publisher. And it's already happening.

As the Kindle data show, e-books are growing rapidly and the pace of growth is accelerating. E-readers, with their grayscale e-ink displays, dominate the trade market. The fastest growth in digital delivery, however, is occurring elsewhere. Greco has explained that in the professional book market, where color charts and graphs are important elements of the text, the majority of sales are delivered to personal computers, not e-readers. And while physical book sales were down in 2007 and '08, revenues grew.

> This is the sector that has been moving the fastest in the sale and/or site licensing of digital products. And that means the sale or site licensing of a book, chapters in a book, or a book chapter all by itself. And all the publishers have told us the same thing: they book revenues. The concept of units doesn't exist. What we're seeing is an interesting decline in units that is in no way representative of the health of this business. This business is moving the fastest in the electronic, digital, sale-download business. What this means is, the

> increases in the dollars up top in terms of net revenues, we think captured what happened in 2007 and 2008…. ("BISG Presents Book Industry TRENDS 2008").

I think what is particularly telling about this trend is that it demonstrates that a prime factor driving growth seems to be utility. This assertion seems to be borne out by evidence of growth in other areas of publishing. For instance, scholarly journal publishing is rapidly migrating online. It's not surprising, considering the glacial pace of the extant, paper-based journal publishing model, especially in view of the ever-increasing pace of scientific discovery. Once a paper is submitted to a journal, the peer-review and production processes and can delay publication for up to a year. Electronic delivery would shorten that process dramatically.

However, the area poised for the largest potential growth is that of El-Hi and college text adoptions. While the current economic downturn has slowed the digital transformation, its eventual conversion is nevertheless imminent. According to Greco:

> This sector was moving very rapidly in the sale of print and digital. What we see…in the El-Hi sector, in the college sector, and in the standardized test sector, is a four-phased process: They're going from 100 percent print, to where they are now, which is offering products print and electronic…the third phase…that's a digital and some print sector, to eventually all digital. What is slowing down the digital sales…is the fact that local schools depend on three revenue streams: they get money from the federal government, they get money from the state, and from the local jurisdiction…. Once

> the state revenue picks up…we believe we will see the uptick…the future is a transformation in this sector…. ("BISG Presents Book Industry TRENDS 2008").

The keys to rapid transformation from print to digital in education are utility, efficiency in production and delivery, customibility, and cost-effectiveness. It's not difficult to imagine the superiority of an all-digital adoption system: The elimination of physical production would eliminate costs, providing savings that could enhance the buying-power of federal, state, and local revenue sources, which could make available a greater range of materials to adopt. Furthermore, digital delivery makes customization of course materials simple. In the past, adoption boards were necessarily constrained by the price of a single book—money could be allotted for one text, but the cost of several texts would be clearly prohibitive. Diversification of learning materials was simply not economically possible. Now, companies like Cengage Learning, PearsonChoices, McGraw-Hill's Primis Online, and others are making digitally-delivered, customizable course materials available to El-Hi and university adoption committees.

There are other, major economic benefits of electronic delivery of college texts from the publisher's perspective. First, as has been stated earlier, there can be no returns. Second, and perhaps more important, complete conversion to the digital text would eliminate the used textbook market. At present, higher-education publishers are compelled to produce new and revised editions of their texts every several years, in order to combat a market flooded with their own used books (Aired and Thelen, 8).

This model of business, where the publisher is forced to compete with its own products, while benefiting college textbook stores, is extraordinarily wasteful for the publisher. Obviously, the publisher sees no revenue when its books are sold used; each successive used sale is a lost sale for them. So, in order to stem the tide of used sales, or at least to shorten their lifespan, the publisher must constantly churn out "better" versions of its textbooks. This is not to say that updating texts is not a worthwhile enterprise. But revising should be based on newly available knowledge in the field, or correcting flaws in the first edition. There is enough competition in the field between publishers without them having to compete with their own books; a constant cycle of revision is a misallocation of human and financial resources that might otherwise be available to pursue other new projects. Furthermore, digital delivery would likely make textbooks more affordable for students, price being the prime motivator behind students' opting for second-hand texts.

A FUTURE FOR PHYSICAL BOOKS?

Should we expect physical books to disappear? With all of these various elements of publishing trending toward the digital, should we prepare to cross an electronic Rubicon, a tipping point beyond which demand for the physical book is no longer sufficient to justify its production? The answer is almost certainly not. To expect such an outcome would be to ignore various elements of what truly constitutes a book in favor of a limited view that defines books solely as delivery systems for information. Certainly, *some* books function as just that, and nothing more. But for many readers, books represent a great deal more: books have personal, sentimental, physical, and cultural value; their worth reaches beyond

merely the ideas contained within their pages. The reading experience is for many people tied up with the physical book. There exists a certain physical relationship between reader and book, a relationship with sentimental and emotional implications that an electronic reader can not supply. The feel and smell of a book may have its own appeal. The act of reading for some has romantic trappings and is antithetical to interaction with cold technology. *The Washington Post's* Richard Cohen writes, "The book is warm. The book is handy. The book is handsome to the eye. The book occupies the shelf of the owner and is a reflection of him or her or, actually, me. The book is always there, to be reached for, to be thumbed and, too often, I admit, to wonder about: Why did I buy this? My bookcase is full of mysteries."

Books can be beautifully designed; they may express artistic values associated with their physical appearance and tactile or weighty qualities. As one particularly shrewd blogger notes:

> [A] book's design, especially when it comes to art books, children's books and novels with nontraditional formatting…can have unique, experimental layouts that are just as compelling as their content at times. Secondly, we do use them as a kind of furniture, adorning our bookshelves with classics, gorgeous collections and more (Wordclay).

The fact that we as readers decorate our homes with books is instructive, because we widely accept home decoration to be an expression of personality and individuality. Thus books in this sense are cultural signifiers.

Furthermore, with art or fine art photography books, content and format seem inextricably linked. High quality paper and printing coupled with elaborate design serve to enhance content; the book itself becomes an *objet d'art*. Delivering the content without its form would be to undermine that very notion of art as artifact.

But don't Long Tail markets threaten printed books? If we're heading for a new paradigm where revenues are realized through niches, doesn't that make the economics of physical printing impossible? If publishers must produce a more diversified, expanding list for niche markets, how will economies of scale ever be attained?

These are clearly not idle questions based on unjustified fears, but it is prudent to think clearly about the extent to which Long Tail economics will change things. Though we should certainly expect to see marginally fewer hits, Long Tail publishing will likely never kill them off entirely. Despite the widespread availability of niche products, there will always be blockbusters; for greater access to special-interest products, of course, does not preclude the "great work" or the popular appeal of a fun, accessible novel. While Long Tail markets open up paths to alternatives of standard fare, and thus allow for the availability of virtually everything, we shouldn't take that to mean that many people don't honestly enjoy hits—clearly they do. The Long Tail is not a zero-sum tradeoff where all hits are supplanted with many niches; both can exist. And that is good news for publishers and for the printed book. Though we should see a decline in printed books, there's not reason to suspect there won't be enough popular titles to sustain traditional offset printing, at least for the foreseeable future.

PRINT ON DEMAND

Print on Demand (POD) offers an intermediate solution for the printed book within the Long Tail scenario where offset economies of scale can not be achieved. Digital Print-on-Demand technology allows for the printing of books at a fixed price per copy regardless of the size of the print run. Simply put, there is no difference in cost per unit to print one book or one thousand. This means that for small or very small print runs, the cost per unit is substantially lower than would be under a traditional offset print run. There are further benefits: First, set-up can be done in mere hours. Indeed, Lightning Source, a Print-on-Demand and distribution company, offers a 12-hour turnaround time between a customer's order and shipment.

Second, guesswork is eliminated as a factor in determining print runs—the problem of print overruns is essentially removed. This is important because it represents yet another way in which the problem of returns can be solved. Of course, the publisher is paying a higher printing cost per book, but by using Print on Demand, especially when outsourcing distribution to the printer, numerous other gains are achieved. In his article "A Lightning Source Book Example," publisher of Foner Books Morris Rosenthal writes: "There never are 'large quantities' involved with POD, no tons of books to warehouse or thousands of dollars to tie up in inventory. Even more important for a small publisher using Lighting Source, there's no shipping cost for books sold into distribution." Because of the vertical integration of wholesalers and POD services, further cost-cutting measures are made possible. As Rosenthal points out, wholesaler Ingram will carry Lightning Source POD books at a "short discount," that is, at a discount

far lower than the standard 55 percent (or greater) for offset books; according to Rosenthal and others, the discount is usually as low as 35 percent. Thus there are numerous cost-cutting factors that act to offset the higher-than-average cost per book.

Print on Demand should function as an arm in a publisher's overall strategy. It is an economically viable way to keep everything in physically in print and in this way would serve as the physical counterpart to the e-book. Up until now, however, the physical book was at a distinct disadvantage in that customers were obliged to wait for days for the book to be printed and shipped. But readers will not always have to rely on shipping to receive content via POD; they will soon be allowed to utilize Print-on-Demand technology directly at point-of-sale locations. In April 2009, On Demand Books, in association with Lightning Source, have announced the Espresso Book Machine (EBM) pilot program. According to the On Demand Books website, "The EBM is a fully integrated patented book making machine which can automatically print, bind and trim on demand at point of sale perfect bound library quality paperback books with 4-color cover indistinguishable from their factory made versions." Twelve publishers will participate in the pilot program which will initially make 85,000 titles available. According to a news release from Lightning Source,

> Upon the completion of a successful pilot, publishers that print and distribute books with Lightning Source will have the option to participate in the EBM channel. Complete channel automation is expected in the first half of this year, and rollout of the program to publishers globally is expected to follow shortly thereafter.

If successful, and if publishers participate, the EBM will allow for every digitized book in the world to be printed in minutes. At present On Demand Books plans to place machines in retail outlets, libraries, and universities. But if the machine proves viable, and with further perfection of the technology, it seems likely that EBMs eventually could be placed in non-book venues: cafés, airports, and train stations to propose a few. And while this may be bad news for booksellers, this scenario when coupled with a Long Tail, keep-it-all-in-print strategy, augers well for the publishing industry as a whole.

EDITORIAL RECOMMENDATIONS FOR GETTING STARTED

How will publishers get to a more diversified content delivery platform? Certainly it cannot happen overnight. After all, backlist digitization will take time—a decade or more in all likelihood—and will consume considerable human and financial resources over that time. And yet publishers must resist inertia and begin to move more quickly away from the traditional, and increasingly irrelevant, offset-only model of distribution. A steady incrementalism is thus advisable. Some publishers are under way (Simon and Schuster is at the vanguard of digitization), but all publishers need to make diversification of distribution a priority.

The first simple and cost-effective measure is to make all frontlist titles available as e-books. There is no convincing argument for publishers not offering at the very least a Kindle version of their newly-published titles. Once a book is ready to print, nearly all of the steps and expenses necessary to e-book publication have already been taken. Why refuse to take that last, small step, and in so doing, take the house out of the fastest-growing market in publishing?

Publishers need to find out what kinds of books sell best electronically. Editorial departments should form ad hoc steering groups to conduct research into trends in e-book publication. In 2008 Springer Publishing produced its own white paper, with its findings showing e-book users demonstrating a predilection for study and research, which nicely dovetails with Springer's focus on health, professional, and educational texts. By undertaking such research with a view toward the houses' own lists, publishers can then use the resulting findings to better inform their decision-making with regard to acquisitions.

Many publishers should consider experimenting with the acquisition of some exclusively electronic and Print-on-Demand projects based upon their research findings. For example, given the recent rise in cloud computing, instructional texts on computer programming or other technological fields might make for a good place to start. The benefits of such acquisitions would be to dramatically lower the cost and length of production, and thus to free up money that could be used elsewhere in the publication of the book, say, for a more thorough editorial process or for the book's marketing.

Publishers may likewise need to seek new authors to generate content for new lines of e-only books targeting niche audiences. Presently, websites such as Blurb and Hulu offer self-publishing platforms that allow writers to design their own books through the sites' proprietary software, and then upload to the site for printing. Users of these sites and other social networking sites such as Facebook and LinkedIn may prove valuable resources for publishers looking to tap new loci of potential book content. According to a recent article in *Publishers Weekly*, Blurb and Hulu are experiencing rapid growth; the article covers five publishing

CEOs and their views “on the various ways the Internet and social networks have become essential tools for publishers to discover new authors” (Teicher). The same article quotes Tim O’Reilly of O’Reilly Media as “suggesting that big publishers could publish books specifically targeted to communities of just a few thousand people.”

CONCLUSION

Books today are competing against an ever-increasing array of types of entertainment, many of which are delivered to consumers at home—and frequently for free. Though the sheer glut of available content stretches the imagination, paradoxically, consumers avail themselves of nearly all of it. This new reality is a threat to the old publishing model, and publishers should take it seriously. Already, the effects are being felt. As mentioned earlier, a particularly telling indicator is the shrinking inventories of booksellers. Patrick Crean of Thomas Allen Publishers puts it this way: “Inventory is the bane of publishers’ existence” (Kerbel). Sitting on warehouses full of slowly moving books costs publishers real dollars could be far better allocated elsewhere. The old model has become sclerotic, and the industry is in need of a swifter, lighter, and more flexible one. By integrating standard offset printing, Print on Demand, and electronic books, publishers avail themselves of a hybrid solution which will enable them to meet consumers’ needs far more quickly. And by making “everything” available, they will likewise enable themselves to meet consumers’ needs more completely. Long Tail economics demand nothing less.

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