

One

The Product Life Cycle

Publishers naturally think in terms of books, physical products that are created, published and sold with varying degrees of success. A book that has content of interest to a large number of people, is produced to high quality standards and is priced, distributed and promoted properly has a greater chance of achieving economic success.

- This process does not happen serendipitously. It begins with a commercially feasible product line based upon strategic planning and development.
- Product strategy is a process culminating in decisions about adding new titles, dropping old ones or making existing titles more competitive and profitable.
- Product line planning is the process of deciding how many titles to acquire, which form the product will take, and how many products to produce.
- Product development is the implementation of your plan and the nurturing of each title over the course of its economic life.
- Titles are like humans. They enter the world unable to fend for themselves, full of potential and opportunity, with proud parents boasting great visions for their

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children's success. But as they grow, something happens and very few become the success their parents hoped they would be.

- Books and people go through a predestined series of predictable phases in their lives, although the longevity of time spent in any one stage is different for each.

Managing A Title's Life Cycle

The life cycle of a title is comprised of a series of seven predetermined stages: Planning, Development, Introduction, Growth, Maturity, Decline and Demise. Figure 1 depicts this sequence as a title moves through its life.

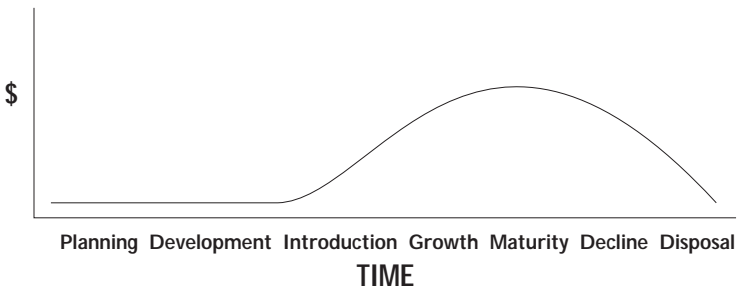


Figure 1

The phases are defined by the amount of revenue and profitability generated by the title over time. Your job is to recognize when your title makes the transition from one stage to the next and take the appropriate steps to stimulate or maintain its growth. Unfortunately, this is difficult to determine because there is no clear indication when each stage begins or ends. Nor is there any assurance as to how long each one will last, and some titles move from Introduction to Decline with very short periods of Growth and Maturity.

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This concept is important to independent publishers because a title is generally not profitable until it is well into its Growth stage. There are steps you can take to shepherd a title through its infancy, past its break-even point (BEP—see Figure 2) and onward to a long and profitable Maturity.

Successfully taking these steps requires that you manipulate and apply the basic elements of marketing strategy. This may require the dexterity of a circus juggler because each title in your product line could be in a different life-cycle stage at any given time.

Fortunately, those in their later, profitable stages provide the funds to nurture growing titles. As Figure 2 demonstrates, a title's profitability is greatest during its Growth and Maturity phases. By the time these phases begin, the high costs of Introduction of have been covered. Therefore, the key to maintaining a high level of contribution is to sustain the point at which revenue and profitability are the greatest.

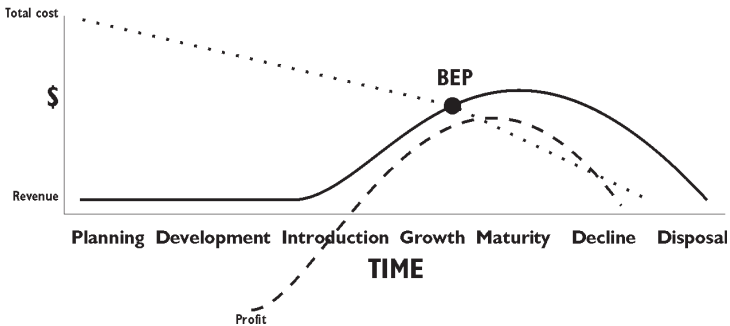


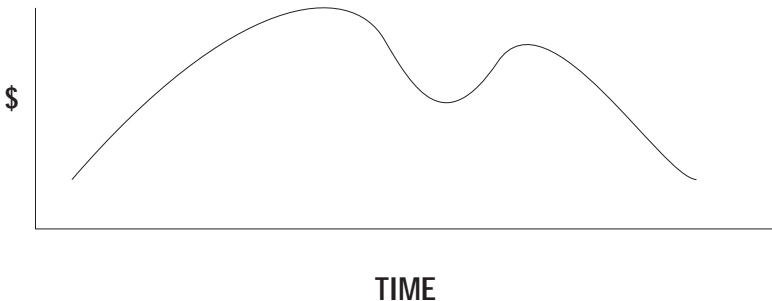
Figure 2

The following chapters describe book-marketing strategies you can implement to reach the highest level of profitability and sustain it for as long as possible.

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Proven Tips for Life-Cycle Planning

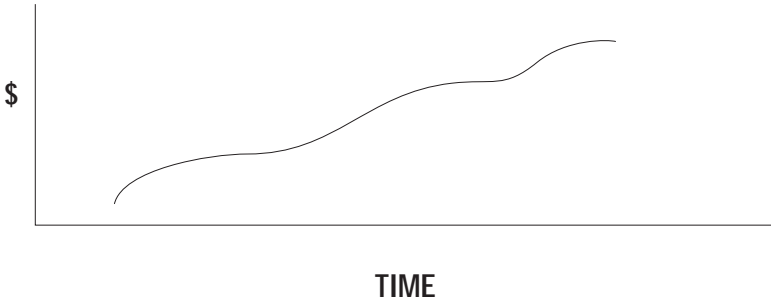
- Cultivate the life cycles of your individual titles into a prolific, profitable product line and you will foster your long-term success.
- There is nothing fixed about the length of the cycle or of a particular period.
- The goal is to make all the right choices and do all the right things so the title “gets a life of its own” and takes off because (or sometimes in spite of) what you did.
- There are many things that influence a title’s life cycle, including the quality of the book (writing, production, topic), the timing of its introduction, the degree of promotion behind the title, your choice of distribution, pricing, the rate of market acceptance and amount of competition.
- Even a book that has been taken out of print may still sell (especially with the advent of print-on-demand capabilities) and even brought back into print with some modifications. A Cycle-recycle pattern might look like this:



- Titles can begin a new cycle (or extend the growth stage of an existing one) as the result of finding new

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applications, new users or new positioning or packaging. In this case, the pattern might look like this:



- Manipulate the form of the book — as well as its distribution, pricing and promotion — as it makes the transition from stage to stage.
- Product planning impacts your promotion mix, too. Creating and implementing a successful promotional strategy will be more effective if you match your promotional mix to:

The title's life-cycle stage. If your title is in its introductory stage, mass-communication techniques should be emphasized. Initially, people need to understand why it is in their best interest to purchase your book. Later, they need to be reminded to buy it.

The nature of your product line. A list heavy in fiction lends itself to a strategy weighted toward sales promotion, publicity and advertising where mass communication's low cost per exposure stimulates demand most efficiently.

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The nature of your markets. A nonfiction title destined for a tightly defined market niche dictates personal communication implemented through a targeted campaign of direct mail and personal selling. If you plan on using your book during your workshops, you may want to produce it with a spiral binding so it lays flat on the user's desk. However, this binding will usually preclude it from being sold through bookstores.