



Market Report

A Snapshot of your Market Sector

Publishing and Writing

This pack has been designed to provide information on setting up a business in the **Publishing and Writing** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **July 2020**. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

What do I need to know about the Publishing and Writing market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ During 2019-20, book publishers are expected to generate revenue of **£5.8 billion**, an increase of 2.1% on the previous year. Overall, industry revenue is anticipated to rise at a compound annual rate of 2.5% over the five years through 2019-20. Revenue growth has been largely fuelled by a rebound in print sales, as printed books typically retail at a higher price than e-books, although e-books generally offer higher margins. (IBISWorld, *Book Publishing in the UK*, June 2019).
- ◆ The transformation from print to digital has proved difficult, with publishers still attempting to adapt to the online market. Over the five years through 2020-21, industry revenue is anticipated to decline at a compound annual rate of 5.2% to **£3.9 billion**. In 2020-21, revenue is estimated to fall by 7.4% as a deterioration in global economic conditions caused by the COVID-19 (coronavirus) outbreak drives an accelerated decline in advertising revenue and printed newspaper sales. (IBISWorld, *Newspaper Publishing in the UK*, June 2020).
- ◆ Physical books remain by far the most popular way of reading books and this is not set to change. However, 16-34 year olds are nearly as likely to have read an e-book on any device (50%) in the last 12 months as they are to have read a print book (53%). This doesn't align with purchasing habits, with the age group significantly more likely to have bought a print book (60%) in the last 12 months compared to an e-book (24%). This difference highlights the impact of subscription services on the e-book market. (Mintel, *Books and E-Books UK*, July 2019).
- ◆ Government restrictions on movement and general concerns about exposure to COVID-19 have reduced the number of people buying print newspapers. Mintel forecasts that the overall fall in circulation will be 20% in 2020 - even as restrictions are increasingly eased, as is currently expected, print circulation will still be significantly below previous levels as people continue to modify their behaviour. In the longer term, the impact of the outbreak will be that more people will have become accustomed to reading news online, rather than in print, which will help accelerate the long-established trend away from print. (Mintel, *National Newspapers UK*, May 2020).
- ◆ The national organisation for this industry is [Publishing Scotland](#). Other industry bodies include the [Publishers Association](#), [Independent Publishers Guild](#), [Writers & Artists](#), [Professional Publishers Association](#), [Society of Young Publishers](#), [News Media Association](#) and [Creative Scotland](#).



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Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **IBISWorld– Book Retailers UK (July 2019).** Over the past decade, the Book Retailers industry has faced intense competition from external operators such as supermarkets, department stores and online-only retailers as well as competition from e-readers, which led to a tough operating environment at the beginning of the past five-year period. Competitive pressures have been aggravated as online retailers such as Amazon expanded their product ranges to include both new and second-hand goods, pricing them lower than specialist retailers. The growing popularity of audiobooks has also exacerbated competitive pressures.
- ◆ **IBISWorld – Book Publishing in the UK (June 2019).** With increasing numbers of low-cost self-published novels available and greater circulation of used books on sites such as Amazon, the revenue of many publishing groups has come under threat during the period. However, IBISWorld expects revenue to grow at a compound annual rate of 2.5% over the five years through 2019-20.
- ◆ **Mintel – Books and E-Books UK (July 2019).** The PA data shows that publisher consumer digital book UK invoiced sales grew by 2.1% in 2018 to £199 million. This came after years of decline as e-book sales struggled. Growth has been driven largely by the growing value of audiobooks, as discussed below. Mintel estimates that the market will increase by a further 1.5% in 2019 to £202 million.

There are also a number of online resources you may find helpful:

- ◆ [The Bookseller](#) magazine is one of the UK's longest-standing magazines and is devoted to events and trends in the book trade. They post regular news stories and blog posts on current industry events across all genres.
- ◆ The [Digital Resources](#) section of the National Library of Scotland offers free access to a number of different business resources. One of them, COBRA, contains a number of useful sources of information on the publishing and writing industries.
- ◆ [Publishing Scotland](#) has their own publications providing news and statistics on the industry. Their most recent annual report (as of July 2020) is the 2018-2019 annual report (tinyurl.com).

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Retaining and Grow Your Customer Base](#) will help you to identify who your customers are, how to use this information to sell more effectively and how to actively compete in your marketplace.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these website, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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