

The emergence of new models for publishing has been fascinating to me since I first read Neal Stephenson's *Diamond Age* in 1996. That book, a science fiction novel in which a poor young girl finds a computer-controlled book designed for the children of the very rich, was my introduction to the idea of electronic books. It made me really start to think about how storytelling changes when you have the resources of a computer to call on instead of being locked into the static markings of ink on paper. Sarah Berry's Media and Culture class gave me the opportunity to explore these ideas in more depth.

# An Examination of New Book Sales Models

UNTIL THE DEVELOPMENT OF THE PRINTING PRESS and movable type, the distribution of an author's words was extremely limited; the making of a single copy of a given manuscript was an exceptionally time-intensive exercise. To actually possess a copy of a manuscript was a sign of great wealth, and most copying was subsidized by the Roman Catholic Church through the monasteries of Europe. With Gutenberg's technologies, books could be much more easily mass-produced, which necessitated a much different model of sales—instead of producing one single copy for a wealthy patron over the course of months or years of work, it was possible to produce hundreds of copies in the same span of time. It was suddenly possible for books to be a commercial industry, rather than one supported by wealthy patrons and Church tithes.

The first printers were publishers as well, and frequently authors, but as the technology of printing grew more complex the jobs began to separate, until the 19th century saw printing and publishing splinter into two distinct businesses. This was the start of a model of publishing that still thrives today: Publishers sift through manuscripts to find one that they think will be worth their while to publish, then work with an author to polish it. Once the manuscript is done, the publisher edits it to ensure that no errors make it into the final copy, design the final book (making choices about typefaces to use and placement of illustrations, among other things), and send it to the printer, who creates the actual physical object. The publisher then sells the book to stores, book clubs, or directly to consumers, and pays the author a royalty for each copy sold.

By the 1920s, book publishing had become the “small scale, highly personal industry” Jason Epstein describes in *Book Business*. The picture of a publishing house that Epstein paints is one that resonates with many people to this day—famous authors and intellectuals engrossed in deep discussion with the publishers given the responsibility of bringing the author's work into the world. By the close of the 20th century, however, publishing had changed dramatically; round after round of corporate acquisition consolidated publishing houses under the umbrellas of a few enormous super-corporations, and the rise of big-box chain stores as booksellers meant the publishers had to cater to the taste of the book buyers for the large chain stores like Barnes & Noble and Borders. The large chains and the super-corporations both require continuous increases in profit to bring money to their shareholders, requiring a growth far beyond what had been the norm in the book world. To accommodate this, the emphasis of publishing moved from building a strong backlist to generating potential bestsellers. As Jason Epstein describes, “Our industry was becoming alienated from its natural diversity by an increasingly homogenous suburban marketplace, demanding ever more uniform products.”

While the blockbuster focus of large publishers has made it that much more difficult for new authors to find a way into distribution, technology has advanced to the point that many authors feel that they no longer need a traditional publisher; in January of 2009, the New York

Times reported that “As traditional publishers look to prune their booklists and rely increasingly on blockbuster best sellers, self-publishing companies are ramping up their title counts and making money on books that sell as few as five copies”. Bowker, the owners of the Books in Print database, announced in 2009 that while the total number of titles released in 2008 was down 3.2% from 2007, the number of “on demand” and short-run titles released was up 132%. While some of these titles are likely small, independent presses (such as PSU’s Ooligan Press, which has just started using LightningSource, a leading print-on-demand printer for some titles), many more represent authors self-publishing.

Authors eschewing traditional publishers are left out of the marketing and distribution network that publishers have built up for themselves and must find ways of reaching readers on their own. Sales of physical books are difficult for these authors to achieve; the large chain stores are reluctant to sell books that haven’t been acquired by their corporate book buyer. Independent book shops are a potential market, and many self-published authors do make the rounds to locally-owned bookshops, arranging their own book tours and signings to generate sales. Online retailers like Amazon are also a potential market for self-published authors, but the problem there is one of having too many options; online stores are not as conducive to browsing as brick-and-mortar bookshops, and have the possibility of an effectively infinite inventory.

Many authors are turning away from the publisher-centric traditional sales model and are instead experimenting with other ways of selling books. Perhaps the best known in this field is horror blockbuster author Stephen King, who in 2000 began serializing a novel titled *The Plant* online. Each installment of the novel was available for free download, though people were asked to pay for each download. Prices varied for each installment: “Installments one, two and three are going to be available for \$1. Further installments up to 8 will be available for \$2 each. In other words, you complete financial liability for the first 8 installments of this story will be \$13 or about the cost of a trade paperback or a hardcover novel offered at 40% discount in a chain bookstore. Any parts beyond 8—which would be the balance of the story—would be posted free.” Since the downloads were not required in order to download the document, King was very forthright with his readers, saying that

If too many people downloaded the book without paying for it, he would discontinue writing it. He set a 75% paid readership goal for each installment, which he reported meeting on a blog entry dated July 25, 2000. Subsequent parts of the story, however, met with less success; in an October 9 blog entry, King mentioned that “the pay-through rate has fallen off radically with Part 4. In fact, the numbers have dropped below 50%.”

In the end, King abandoned *The Plant* (or “went on hiatus” from it, to use his slightly more optimistic turn of phrase) before the end of 2000. In addition to percentage of paying readers dropping, the number of readers overall dropped significantly over the months of *The Plant*’s serialization, from 120,000 paid downloads for the first installment to 40,000 overall downloads for the fifth. Despite declining numbers though, King still came away with a profit after expenses of nearly half a million dollars, without involving a traditional publisher at all.

In 2004, Lawrence Watt-Evans, a prolific fantasy writer, found that no major publishers were interested in *The Spriggan Mirror*, the ninth book in his Ethshar series—not because they didn’t think it was good, but “because while it was selling decently, my other fantasy was selling significantly better, and they want me to write what will make them the most money.” Because he didn’t want to disappoint his fans and because he enjoyed writing the novels, he

decided that he was going to publish the books himself, electronically. Rather than follow King's model and require a certain percentage of readers to pay, Watt-Evans decided to use a modified version of the Street Performer Protocol; each week he would post a chapter of the novel assuming that he had received another \$100 in donations. Any excess donation would be credited to the next week, ensuring that no contributions would be "wasted" on a chapter that was already paid for. Watt-Evans posted a chapter every week, never failing to reach the \$100 donation mark. The posting of the entire novel took from April to October of 2005, or about 28 weeks. This is a negligible sum compared to King's nearly half million dollars of profit, but not all authors can be Stephen King. However, the experiment was successful enough that in 2007 *The Spriggan Mirror* was picked up by Wildside Press, a small publisher that puts out mostly Print On Demand titles. Additionally, Watt-Evans was happy enough with how the experiment went that he released the next novel in the Ethshar series, *The Vondish Ambassador*, the same way—and achieving similar results. His site mentions that he will be doing a third novel, *Realms of Night*, in the same way.

The important thing to note about Watt-Evans's approach is that the novels he serializes online are first drafts only—they are different (though not substantially so) from the POD version that Wildside Press puts out. This is important because it means that Watt-Evans is much less likely to be cannibalizing his sales than if he were simply printing the version that was online and available for download. The donations that he receives during (and after—the donate buttons are not removed from his site when he's done with a novel) the serialization of the novel in effect replace the standard publisher's advance to the author, and Watt-Evans still makes royalties from sales of print books through Wildside Press.

In October of 2009, Cory Doctorow announced that he would be starting an experiment to evaluate sales models for authors that eliminate traditional publishers. For the project, he is self-publishing a collection of short stories (all but one of which have been previously published) under the title *With a Little Help*. The money he makes from this project will be compared to the money he made from *Overclocked*, a similar collection of previously published short stories of Doctorow's that, due to his distributor's bankruptcy, did not get a marketing budget when it was released. Doctorow has published his novels through Tor books, while simultaneously releasing them as freely available Creative Commons downloads, and he will continue to embrace that model for *With a Little Help*. In addition, there will be a freely available audiobook download offered, which will include some bonus content and will be read by well known voice actors and others of note. In addition to being offered as a free download, the audiobook will be packaged as a CD/DVD and mastered (the sound engineer doing the mastering receives a cut of the net sales rather than a flat fee).

Doctorow will also be soliciting donations for the book, in the vein of King and Watt-Evans. In contrast to them, however, Doctorow will not be tying the release of the electronic version of the book to donations received in any way. Indeed, his rationale for not having solicited donations at any time in the past shows a definite difference from King and Watt-Evans: "I have never solicited donations for my works before, despite the urgings of True Believers who would like to see my publisher cut out of the loop, because I wanted to be sure my publisher was in the loop." King and Watt-Evans, on the other hand, were actively trying to cut out the publisher, albeit for different reasons (King because he was interested in seeing how viable it was for authors to cut out the publisher as intermediary, Watt-Evans because his book would

not have been published by a major publisher).

Print editions of *With a Little Help* will be sold as Print On Demand books, printed by Lulu.com. POD technology allows Doctorow to take up some interesting revenue-generating models, such as offering a custom cover edition of the book that would allow a person or group to order copies of the book with their own cover design on it. There will be a setup cost involved (Doctorow suggests about \$300), but after that the books will be offered at the printer's cost.

Doctorow's previous books have benefited greatly from reader involvement with them; his books have been turned into web comics, audio dramas, and stage productions, as well as translated into a myriad of languages and electronic formats. He plans to use this to his advantage in selling his POD title by including footnotes in the text noting where readers have spotted typos or other editorial issues. By doing this, he hopes to invest his readers in his book, and hopefully drive sales as readers purchase copies to have an edition with their name in it.

POD also allows Doctorow to sell advertising space in *With a Little Help*. He will be charging for a month's worth of advertising; for that month, any copy of *With a Little Help* that is ordered will have an ad placed in it. This is a particularly fascinating model, as it takes traditional print advertising and turns it on its head; when buying ad space in a magazine or a newspaper, the advertiser is paying for the ad space in content that they have not yet seen. With Doctorow's model, advertisers will be able to advertise in content that they have already had the chance to view, allowing them to advertise only in places that they know are not telling stories that run counter to the interests of the advertiser. Instead of advertisers threatening to pull ad content when the publication puts out something the advertiser doesn't like, advertisers will simply not approach those whose stories do not suit their needs.