



LIVRES CANADA BOOKS®

The Digital Supply Chain

A Guide to Online Export Sales and
Distribution for Canadian Publishers

The Digital Supply Chain: A Guide to Online Export Sales and Distribution for Canadian Publishers

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Executive Summary

This guide aims to provide practical details about the distribution of digital content to international retailers to ensure that publishers can take advantage of the rights they hold and increase export revenues of digital products.

In prioritizing which territories to focus on, it is recommended that you research the book market in the territory and the retailers that service the territory, and review your own content to evaluate the potential sales in the market. The two key ONIX fields you can use to ensure your titles are available in desired territories are:

1. **Rights:** It's important to check that rights have been translated correctly from the contract to title database. Frequent reviews are necessary, as rights are sold or reverted to author.
2. **Pricing:** Without a valid price, retailers are unable to sell your titles in all territories. For key markets, it's recommended that a local price be set for customers.

Across all available titles, it is important to include the following metadata for increased discovery by international customers:

- **Translation details:** Include contributor details for the translator as well as original title and ISBN.
- **Categorization codes:** Begin adding Thema codes to your titles now for increased international discovery.
- **Time zones:** Where price changes and embargo dates are sensitive, it's important to be explicit about when these updates are to occur.
- **Encoding:** When using foreign characters and alphabets, make sure the encoding is correct and your files have been validated.

In sending your titles to retailers, you can choose between three methods:

1. Sending your titles directly.
2. Hiring a digital asset distributor to send titles directly to the retailers with whom you have established a relationship.
3. Signing with a digital aggregator who will establish relationships with retailers on your behalf and distribute your titles to them.

When selling your titles:

- Know which countries your current ebook retailers serve and prioritize these territories first. You may choose to approach local retailers through a digital asset management service rather than sign a direct contract with each one.

- It's important to determine your business model for each new territory. The agency model of selling ebooks may not be legal in every country.
- It's advised that you be consistent with your business model by territory.
- It is possible to sell your ebooks to international customers directly, through your own websites. New white-labelled solutions allow publishers to sell directly without having to develop solutions for taxes, DRM, and geo-filtering.
- Conducting regular audits of your titles ensures that your data is accurate and your titles are available to customers. Title data should be compared to the contract details and the public facing listing on retailer sites, and the publication date should be checked against the physical edition. It's recommended that titles be checked regularly, as their status may change for a variety of reasons.

Introduction

In 2013, Livres Canada Books published *Global eBook Markets: A Guide for Canadian Publishers*, which focused on profiling the markets with the most potential for digital content sales for Canadian publishers. The goal of this guide is to add to that information in building a practical foundation to allow you to take advantage of the opportunity in the growing international market. This guide also explains and recommends best practices for selling digital books outside of Canada.

While some retailers may use proprietary metadata, all discussions of tags and fields in this guide refer to the ONIX standard. As not all retailers will process all the fields discussed, it's important to review your technical guides for the retailers to whom you distribute and ensure that they comply with the standards.

As most publishers hold rights beyond their local territory, there can be financial benefits in making the most of these owned rights. While there can be initial costs in the attention, labour, and distribution of these titles, once active in the supply chain, the process requires little maintenance.

As explored in *Global eBook Markets: A Guide for Canadian Publishers (2013)*, there is a growing opportunity in export sales to foreign countries as more territories adopt ebooks and tablets and smartphones are increasingly used. In deciding which markets to focus on, this 2013 guide provides valuable details on literacy rates, GDP, population, and other market details to inform your priorities.

Adding to the details available in these guides, you may want to evaluate which retailers you're already working with and where their strongest territories are. In reviewing demographic information about a potential territory ask what percentage of the population has a mobile device or ereader? While there can be an advantage to early entry into an emerging territory, it's recommended that you first start with those countries with the most developed ebook markets.

When preparing for foreign distribution, it's important to be aware that you do not need to add additional metadata for all titles at once. A recommendation would be to first prioritize your top-selling ebook titles and any titles that may be selling well in a particular territory in print. In implementing metadata changes to your workflow, it can be useful to approach it from a specific publication date cut-off rather than pursuing

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your entire catalogue at once. The initial data on what is performing well from this selection of your list can provide valuable feedback on what the next priorities should be from your backlist.

With ebook retailers expanding globally, leveraging your content in new territories can reap great financial benefit. But while you need to act internationally, you must remember to service the local needs of your customers to make your titles attractive to these new audiences.

This guide is organized into three parts: the preparation of your catalogue, the distribution of digital books through digital asset managers, and the retail stage. There are decisions and actions at each stage that can optimize your sales in these new markets.