



Market Report

A Snapshot of your Market Sector

Publishing & Writing

This pack has been designed to provide information on setting up a business in the Publishing & 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 June 2018. 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 & 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:

- ◆ The transition from print to digital has been far from seamless and publishers are still adapting to online markets. As a result, digital advertising revenue is only growing at a single-digit rate. Over the five years through 2017-18, industry revenue is expected to decline at a compound annual rate of **2.6% to reach £4.7 billion**. (IBISWorld, *Newspaper Publishing in the UK*, December 2017)
- ◆ During 2017-18, book publishers are expected to generate revenue of £5.7 billion, an increase of 2% on the previous year. Industry revenue is anticipated to rise at a compound annual rate of 4.1% over the five years through 2017-18. 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*, November 2017)
- ◆ Consumers appear to have established a new appreciation for the print book format. This trend, coupled with an improving economic picture, has resulted in another year of strong print sales. The value of consumer print books rose by **6.8%** in **2016** to reach **£1.6 billion** and Mintel estimates 2017 will see a further **5.5%** increase in value. Mintel forecasts that the print revival is here to stay for the foreseeable future and estimates that the value of the market will increase by **25%** between 2017 and 2022 to **£2.1 billion** (Mintel – *Books and e-books*, June 2017)
- ◆ The UK publishing market has shown continuous contraction over recent years. The market is set to continue **contracting through the forecast period to 2022**. Declines in this market are being driven by the contraction seen in the newspapers and magazines segments of the market. Newspapers are being impacted by the fall of advertising spend, both in print and digital form. What's more, the average time spent on mobile phones per day is increasing; this permits increased exposure of the customer to digital adverts. Similarly, circulation revenue is also falling as the availability and accessibility of free news content continues to grow. (Marketline, *Publishing in the UK* - April 2018)
- ◆ The national organisation for this industry is [Publishing Scotland](#). Other industry bodies include the [Publishers Association](#), [Independent Publishers Guild](#), [Scottish Association of Writers](#), [Writers and Artists](#), [Professional Publishers Association](#), [The 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 – Printing in the UK – February 2017** – Industry revenue is forecast to grow at a modest compound annual rate of 0.2% over the five years through 2022-23 to £10 billion. The industry is expected to continue to face strong competition from substitutes for commercially printed material, such as online advertising and publication of information. Many retailers, financiers and service providers are expected to move their services online, limiting demand for industry services.
- ◆ **Mintel – National Newspapers – UK – February – 2017** - There was an 8% decline in print circulation in 2017 to 2 billion and there are few indications that the rate of decline will slow or accelerate dramatically over the next five years. Mintel forecasts circulation will fall by a further 29% between 2017 and 2022 to 1.5 billion. While there are occasions where some people appear to have a preference for tangible newspaper content (after major events take place) and publishers should not neglect their staple product, clearly online content has to be the focus going forward with publishers continuing to diversify their digital offerings, from VR (virtual reality) to podcasts
- ◆ **IBISWorld – Book Publishing in the UK- January 2017** - The industry is likely to continue to adapt as digital books and online sales become more established. An increasing number of authors are likely to self publish and sell their books at lower costs than traditionally published e- books, drawing revenue away from major publishers, which IBISWorld anticipates will encourage more publishing houses to expand into this growing sector that is currently being monopolised by Amazon.
- ◆ **Marketline- Publishing in the UK – April 2017** - The UK publishing market had total revenues of \$10,829.2m in 2017, representing a compound annual rate of change (CARC) of -2.6% between 2013 and 2017. In comparison, the French and German markets declined with compound annual rate of change (CARC)s of -1.6% and -2.6% respectively, over the same period, to reach respective values of \$10,786.3m and \$20,593.8m in 2017. In the UK newspapers segment, there has been a decline of print sales on which publishers are heavily reliant. What's more, a price increase in the print editions has not been enough to compensate for this. The books segment was the market's most lucrative in 2017, with total revenues of \$4,588.2m, equivalent to 42.4% of the market's overall value. The newspapers segment contributed revenues of \$4,164.3m in 2017, equating to 38.5% of the market's aggregate value.

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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](#) (tinyurl.com/c2fw4o4) 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 Account](#)" 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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