

URL: <https://stvp.stanford.edu/clips/changes-in-the-publishing-industry>

HarperCollins CEO and President Brian Murray describes how the publishing industry landscape has fundamentally changed since he arrived at the company in the late 1990s.



Transcript

This industry is, the book publishing industry and again we're not an educational publisher, we're what's called a trade publisher, that's consumer books.. So, Barnes & Noble and Amazon are our biggest customers.. We are not selling text books for example, but when I started it was back when Amazon was founded.. I mean, if you go back Amazon is only 15, 16 years old.. So, it's hard to imagine back then that there - we weren't selling books online and so at that time, Barnes & Noble and Borders, the superstore format was the really big new innovation in retail and in book publishing, they were the big bad bullies of the time.. Independent book stores were all across the country, books were really not sold in Walmart, I mean, that was very, very different, more of a cottage industry.. There had been a lot of consolidation, so there were publishing companies.. Now we're owned by media and entertainment companies whereas the generation before, they were family owned, so they had been - the people who were running them had grown up when they were family companies and had a different sensibility and now they were owned by large conglomerates often global and there was a bit of friction there, I would say.. To now where our business is in the U.S., 30% of our business is our eBooks.. Online sales of books for us can be 20%, 25% of prints..

And our new customers are now Apple and Google and Barnes & Noble and Amazon are also making that transition.. So a fundamentally different business now, we're at the leading edge of technology and consumer devices where we are grappling the change.. Our business model was underpinned by scale and logistics of physical goods.. And now we're basically dealing with all of these new platforms and platform economics and everything that goes with that kind of business.. So, we're at a fascinating tipping point in our industry where lot of the old rules maybe don't apply anymore and we need to learn the new rules fast and then apply them.. And so it's a very exciting time, but it's also a time of tremendous change and in some corners of in big organization that can lead to opportunities, but also anxiety, in a big company...