

SPPI on publishing activities in France

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Denis Gac, Insee (France)

SPPI expert



Synopsis

- Classification
- Market size characteristics
- Measure of turnover
- Pricing unit of measure
- Price determining characteristics
- NA and prices for NA
- Current aggregation trees
- Pricing methods
- Quality adjustment
- Dissemination

Classification

division	group	class	description
58	58.1	58.11	Book publishing services
		58.12	Publishing directories and mailing lists
		58.13	Publishing services of newspapers
		58.14	Publishing services of journals and periodicals
		58.19	Other publishing services
	58.2	58.21	Publishing services of computer games
		58.29	Other software publishing services

Pricing unit of measure

■ Nature of the service:

- ⇒ 1 provision of books, periodicals, newspapers to retailers, or consumers, without any trade margin (for the retailers), and without any transport margin. We want to measure the net income for the publisher
- ⇒ 2 provision of space for advertisers
 - but in the space bought by a company for its ad, there is both:
 - ◆ 7312 product
 - ◆ 5811 product
- ⇒ 3 sales of licenses

■ Pricing method :unit prices

- ⇒ For a book
- ⇒ For a newspaper or a subscription to newspapers
- ⇒ For a periodical or a subscription to periodicals
- ⇒ For a space in newspapers, periodicals

Price determining characteristics

- Overall, the publishers face intermediaries in order to sell their works to consumers . For press, the price for the service depends of the distribution channel
 - ⇒ The price (except for posted subscriptions) depends on the relations between them all.
 - ⇒ Net-net Price depends on public price
 - National newspaper: consumer price between 1.60€ and 1.80€
 - Regional newspaper : consumer price about 1€
 - ⇒ Price depends on duration of subscription

Price determining characteristics for books

■ For books , market conditions:

- ⇒ the price depend also of relations with the retailers, especially when they face big structures
- ⇒ The print run decreases

■ And intrinsic qualities of the book

- ⇒ price depends of the unique price which was established.
- ⇒ price depends of the size of the book
- ⇒ price depends of the reputation of the writer

Commodity flow in NA

※	2012 amounts	Operations※	⊗
supply ⊕	18·609	production at basic price※	⊗
	2·108	imports※	⊗
	575	transport margin※	⊗
	4·107	trade margin※	⊗
	25·402	TOTAL SUPPLY ⊕	⊗
※	°	※	⊗
use ⊕	12·416	intermediate consumption※	⊗
	11·186	household final consumption※	⊗
	1·672	exports※	⊗
	25·402	TOTAL USE ⊕	⊗

Fine prices by product and market for NA

basic prices	price components to add to basic prices, or to subtract from market prices	market prices	kind of uses / markets, instructions for field surveyors
printed books	+ transport margin + trade margin	= copy sale price at retailer's	mainly BtoC isolate some BtoB export prices import prices MPI for printing services
newspapers in print	+ trade margin	= copy sale price at retailer's subscription brought at home	mainly BtoC mainly BtoC isolate some BtoB XPI for subscr. abroad
directories		= directories	mainly BtoC
online publishing		= online publishing	mainly BtoC isolate some BtoB
advertising space sales		= advertising space sales	BtoB, to connect with 73.12
classified ads		= classified ads	mainly BtoC
licences		= licences	BtoB export prices

Current aggregation tree : books

		book publishing	100		
pocket book publishing	13	large format book publishing	84	online book publishing	2
other publishing	1				
<i>other pocket books</i>	3	<i>literature large formats</i>	17		
<i>literature pocket books</i>	8	<i>practical, art and practical</i>	16		
<i>youth pocket books</i>	3	<i>school large books</i>	8		
		<i>youth large books</i>	9		
		<i>human sciences large books</i>	6		
		<i>dictionaries large books</i>	8		
		<i>comics large books</i>	7		
		<i>scientific and technical large books</i>	4		
		<i>other large books</i>	10		

Current aggregation tree: newspapers

		<i>newspapers publishing PPI</i>	5813			
		100				
		<i>Advertising national press PPI</i>	13		<i>national press index (without ad)</i>	20
		<i>Advertising regional press PPI</i>	30		<i>regional press index (without ad)</i>	37

Current aggregation tree: periodicals

		<i>magazines publishing PPI</i>	C5814		
		100			
		<i>magazines advertising PF C7312</i>	32	<i>Magazines publishing PPI (without ad)</i>	68
				<i>special magazines index</i>	1
				<i>web magazines</i>	2
				<i>human sciences and social sciences magazines</i>	3
				<i>TV Magazines</i>	33
				<i>magazines for women</i>	20
				<i>news magazines</i>	16
				<i>other magazines</i>	24

Pricing methods: advertising space

class	books	newspapers	periodicals
sampling	cut off method	cut off method	cut off method
periodicity	quarterly	quarterly	quarterly
companies	41	23	23
companies items	320	197	143
ad companies (7312)		16	8
ad companies items (7312)		114	25

- Ads companies items are usually space prices in the periodical or newspaper, corrected by the commission rate for the publisher. Those prices come from “7312 - ad space marketers” SPPI surveys.

Pricing methods: general overview

■ Books

- ⇒ Price (net-net price) for best sellers
- ⇒ average price (net-net price) for some collections (same size)
- ⇒ Net-net price for a type of dictionary

■ Newspapers and periodicals

- ⇒ public price corrected by commission rate to retailer and CDP (net-net price)
- ⇒ net price for a annual subscription
- ⇒ net price for a monthly subscription

■ Advertising

- ⇒ one page advertising in the magazine
- ⇒ half page advertising in a newspaper
- ⇒ commission rate for the ad marketer (x%)
 - So $(1-x)$ to the publisher

Pricing methods: some quotations for books

- Books:
- “G..ard”
 - ⇒ net price (calculated shipped and returns) White collection / library level 1
 - ⇒ net price (calculated shipped and returns) White collection / library level 2
 - ⇒ net price (calculated shipped and returns) White collection / Hypermarkets
- “Bel...in”
 - ⇒ labor code / duo version (print + online) Annual subscription
 - ⇒ labor code / duo version (print + online) resubscribe

Pricing methods: some quotations for periodicals

- periodicals:

- “Ha..tte”

- ⇒ in kiosk / Télé 7 jours / HT average price for one copy Ht net of distribution and delivery
- ⇒ subscription / Télé 7 jours / HT average price for one copy Ht net of distribution and delivery

- “W...K...”

- ⇒ subscription price (all media) Lawyers
- subscription price (all media) Human Resources
- subscription price (all media) Nurses
- subscription price (all media) Transport

Pricing methods: some quotations for newspapers

- newspapers:

- “Ouest F...”

- ⇒ price number / kiosk week / out messaging, transportation
- ⇒ price number / kiosk Friday / out messaging, transportation
- ⇒ price number / kiosk seventh day Sunday / out messaging, transportation

- “Libé...”

- ⇒ facial newsstand price HT minus NMPP average price

- Le M...

- ⇒ carried subscriptions / yearly subscription excluding transport
- ⇒ mailed subscriptions / monthly / net price for one copy
- ⇒ mailed subscriptions / year / net price for one copy
- ⇒ sales to foreign customers /1 year / net price for one copy without messaging

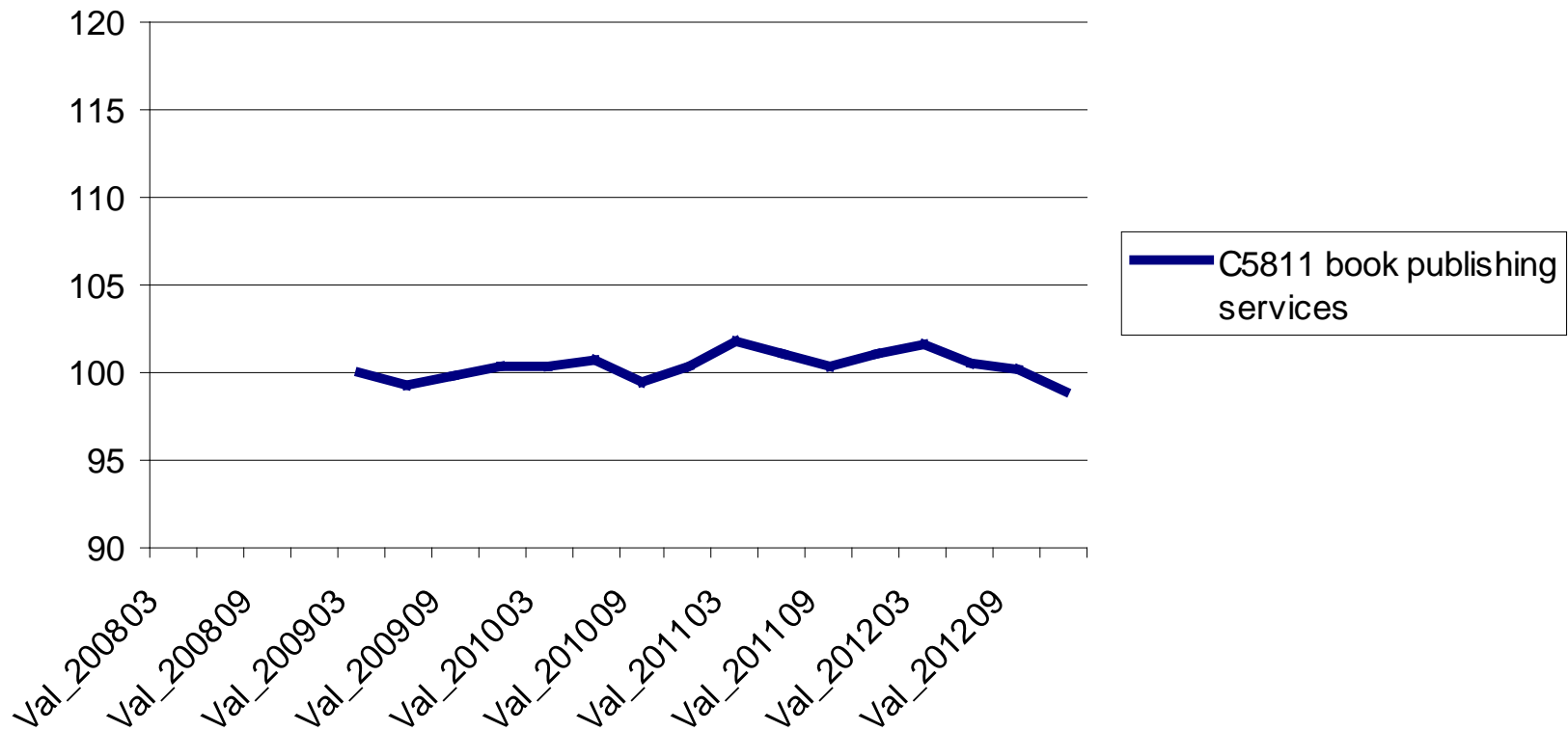
Quality adjustment

■ Quality change...

- ⇒ Audience? If it is a quality effect for the ad marketer, it is probably not a quality effect for the publisher, *ceteris paribus*
- ⇒ Number of pages in a book
- ⇒ Reputation of the writer ? difficult
- ⇒ Reputation and number of journalists ? difficult
- ⇒ Number of pages in a newspaper? exists?
- ⇒ Percentage of ad in the newspaper?

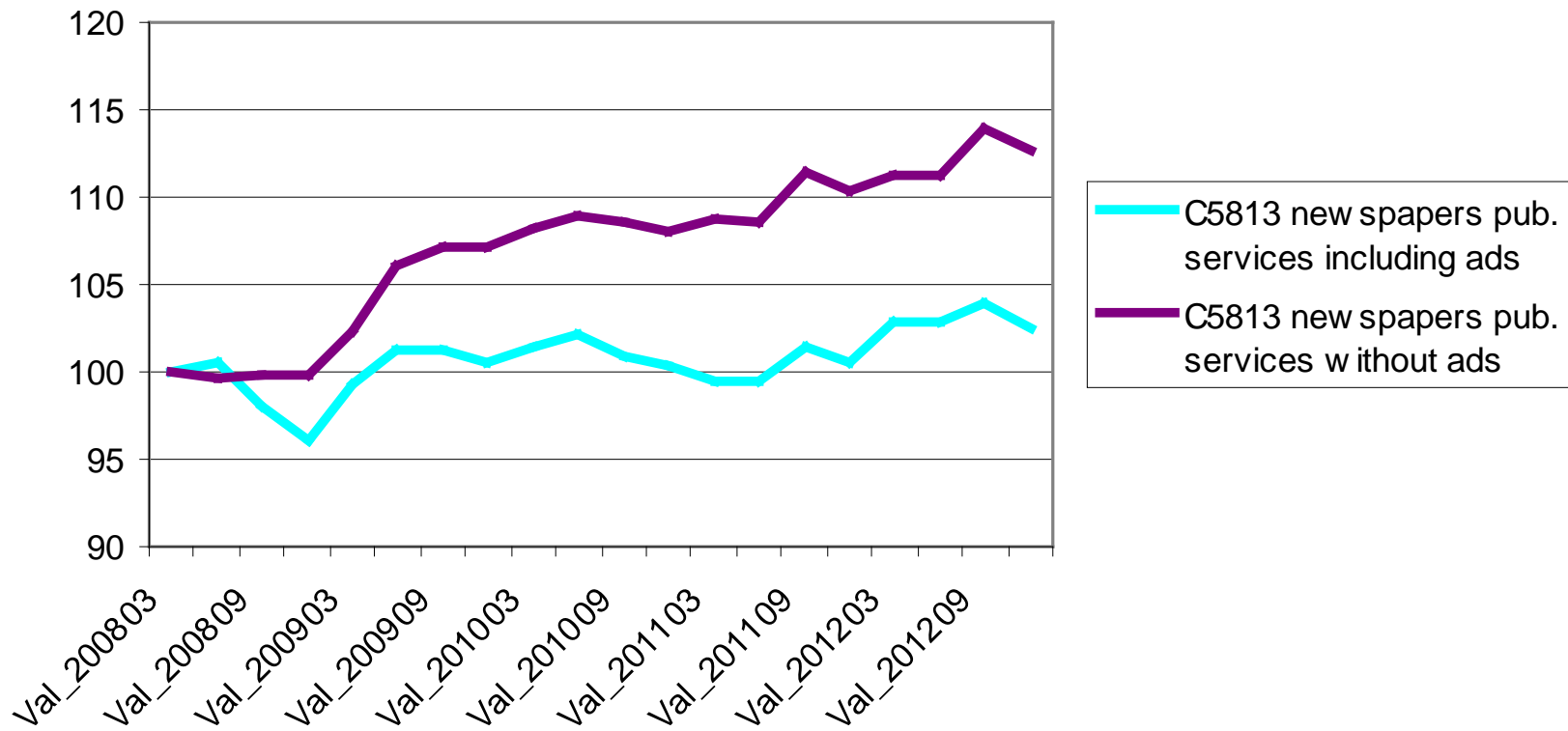
Dissemination: books

5811 - book publishing services



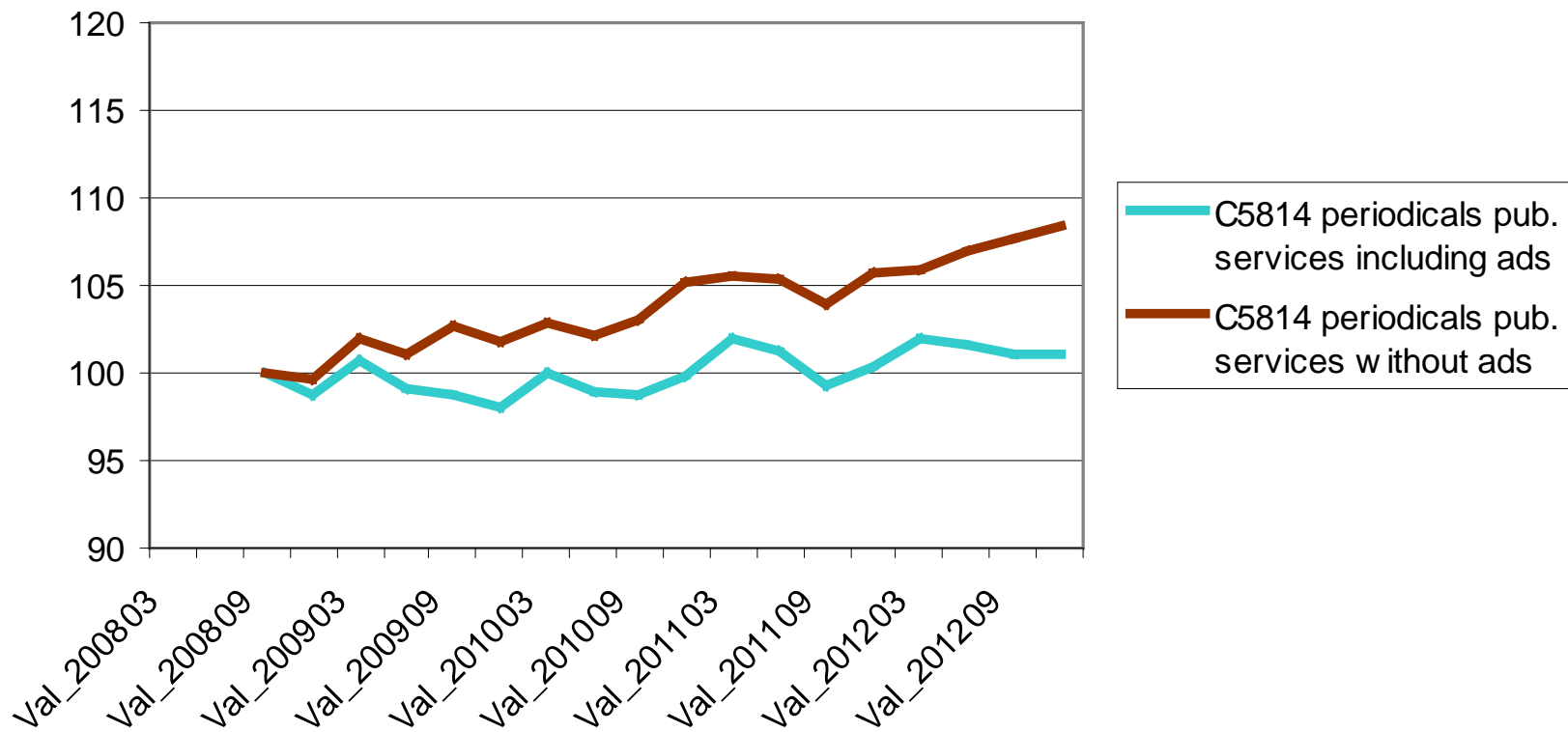
Dissemination: newspapers

58-13 publishing services of newspapers



Dissemination: periodicals

5814 - publishing services of journals and periodicals



SPPI on publishing services

Thanks for your attention

Contact

M.Denis Gac

Tél. : (+ 33) 02 40 41 77 50

Courriel : denis.gac@insee.fr

Insee

18 bd Adolphe-Pinard
75675 Paris Cedex 14

www.insee.fr  

Informations statistiques :

www.insee.fr / Contacter l'Insee

09 72 72 4000

(coût d'un appel local)

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