

## Publishing Sector

### The value of revenue generation from non-core products and services



Collinson Latitude recently conducted a survey amongst representatives from the publishing industry to understand their thoughts on how they generate additional revenue from added value products and services outside their core product. For publishing brands retention of existing customers was cited as the most important objective for 2010, followed by increasing sales of core products and services and interestingly leveraging customer base and brand to achieve new revenue streams – thus branching out from traditional revenue streams.

75% of brands questioned claim to currently offer product extensions and non-core offerings. The reason for doing this is to ‘add value to the customer proposition’ and ‘generate additional revenue’ for the business.

When asked if these enhancements and add-ons differentiate the brand from the competition, 50% believed that this strategy offered differentiation from the competition. The remaining 50% were ‘not sure’ if this provided differentiation or not.

Those who do not currently offer product extensions have considered it, but do not wish to switch focus from their core product/service offering. Publishers claimed to utilise promotional tools to achieve customer engagement. Up to half of respondents currently use online tools such as tokens, coupons and vouchers.

One third of brands would be interested in offering their customers ‘instant benefits’, beyond current limited coupon and voucher activity. 40% of companies claimed they would be interested in offering their customers annual packaged multi benefit products, although no publishing companies surveyed are currently doing this.

### **“Publishers failing to recognise incremental revenue opportunities”**

