
Digital Publishing for Associations

An eGuide by Integration New Media



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Contents	2
State of Digital Publishing in the Association Market	3
Benefits of Digital Publishing	4
Environmental	4
Cost Savings and New Revenue Opportunities	4
Member Engagement	4
Advertising Opportunities	5
New Markets	5
Digital Publishing Landscape	6
Association Business Models	6
Types of Digital Publications	7
Formats	7
Publishing Solutions	8
Mobile Publishing	9
Revenue Models	9
Multiple Platforms	9
Considerations	10
Fitting Digital Publishing into Your Ecosystem	11
Understanding Your Audience	11
Other Influencing Factors	12
Content	12
Delivery Platform	12
Connecting with Existing Technology	13
Getting Started	14
Checklist	14
Conclusion	15
About INM	15
Our Reach ePublishing Family of Products	15
Contact Us	15
References	16

State of Digital Publishing in the Association Market



Digital publishing is an industry of great promise for associations. Like trade publishing, the association publishing market has been hit hard in the past several years 2009 by the sharp decline in advertising revenue. Since 2009, the industry has experienced a cumulative drop of nearly 33%¹.

A general recession economy in North America has also led to staff reductions across the board. According to a recent survey of association publishers by Folio Magazine², a “lack of staffing” is listed as the industry’s number one concern. Under staffed associations are in a position where they must continue with their day-to-day production, while balancing the need to explore new business models, new distribution models and new technologies.

Associations are also adapting to a new demographic within their ranks and are looking for ways to attract and retain greater numbers of Generation Y members and staffers. This new generation has very different expectations than previous ones. They’ve grown up on digital and social media and they expect this same level of engagement

in their professional life. They are accustomed to on-demand resources, use their phone and mobile devices as an extension of themselves, and leverage technology like no previous generation has.

Consumer expectations as a whole have also changed. The prevalence of mobile devices that replicate the book or magazine has led to increased demand for materials that consumers can read when and where they want and that still deliver the “magazine experience”. Readers want more flexibility than what a browser can deliver with simple web pages. They want to consume their publications whenever and however they wish, and they want an elegant experience while they do so.

Today, 91% of associations publish at least one periodical, and over 54% publish more than five³. But even with the dreary advertising figures that the market is seeing, the overall outlook for publishing is promising. With the advent of new technologies and the prevalence of new business models, associations are able to reduce publishing costs, increase the reach of their titles, and leverage their archives to generate new revenue opportunities. Nearly one-third of association publishers expect their publication revenue to increase in the coming years, by anywhere from 5-9%.

These changes in the market have created big challenges for associations. Not only do they need to continue producing timely and relevant content with a smaller staff, but they also need to come up with a way to deliver this content to members on several different platforms. They need to navigate the world of technology choices and understand how to evolve their business models to fit these new delivery channels.

This guide is designed to provide association publishers with a comprehensive overview of digital publishing. It addresses the benefits, the challenges, the technology landscape, and the various business models that publishers are adopting. It also looks at the different types of digital publications and the variety of technology options available to create them.

Benefits of Digital Publishing

Associations that invest in a digital publications strategy and add digital titles to their publishing mix can benefit in several ways. Digital publications offer associations opportunities for wider distribution at a lower cost, enabling them to target new markets and offer new advertising opportunities, all while improving member engagement and reducing the impact on the environment.

The benefits we've outlined below are based on a hybrid publishing model – one that combines print and digital to deliver the most value for your members.



Environmental

The number one reason that readers claim to prefer digital publications is the reduced impact that they have on the environment. Every year there are over 12 billion magazines printed – of which, nearly 70% are never sold. This means that 35 million trees are cut down each year to produce magazines that are never even read^{iv}.

As consumers are becoming more “green-aware”, they are opting for choices that limit the consumption of natural resources and reduce greenhouse gases. For organizations with a global membership base, international members may prefer to access their content online to avoid unnecessary shipping and handling processes.



Cost Savings and New Revenue Opportunities

One way that associations are coping with the reduction in advertising pages is through cutting publication production costs. For some organizations this means having a smaller production team, or fewer pages per issue, but for others, it's turning to technology as a way to streamline processes.

Diversifying your publication mix to also include digital editions can help increase your margins. Print publishing typically has a 35% margin, where digital edition averages are between 60-70 %. This puts the average cost for a print magazine somewhere around one dollar per unit (including paper, print and postage) and the per-issue cost of a digital edition at around 25 cents per delivery^v. It is important to note that this figure represents an average, as some digital editions that include extra features or additional multimedia elements may be more expensive to produce.

Offering digital titles also opens up opportunities to develop additional revenue channels. Depending on your assets, this may mean opportunities to sell individual back-issues, or to package content into a digital library that you can make available for a fee or as part of your value-added member services.



Member Engagement

Digital publication readers are more engaged than print-based readers are. They typically read more issues per year and they spend more time with each issue. In addition, they also tend to react to more, including clicking links to access additional content and responding to advertising.

In comparing reader time between the print copy of GQ Magazine and the digital edition of the same month, readers spend approximately 12 minutes more with the digital edition^{vi}. Member engagement also reaches beyond how long a reader spends with a publication and how much content he or she reads. It also includes how they interact with the content in other ways, like sharing it and discussing it. The digital medium is well-suited for interaction and it lends itself well to these activities. Clicking “share” or “send” on a digital edition is much easier than dog-earing a page and passing along a print magazine.



Advertising Opportunities

Advertising revenue in association publications has been as affected by the struggling economy to the same extent as other industries. Globally, ad pages in print magazines declined by 28.6%, forcing publishers to look toward more creative ways to hook advertisers and offer unique opportunities. Digital publications are one way to do this.

A recent decision by the ABC Board of Directors^{vii} opens up additional opportunities for advertisers, as it is no longer necessary for an ad in a digital replica to be identical to one in the print version. Up until this change, publishers that wanted “replica status” under the BPA circulation recognition for their digital title were required to retain identical content for everything in the magazine, including advertising. This policy change recognizes the evolution of the digital publishing industry and provides new opportunities for publishers to break the mold for advertising in their online publications. This allows for advertising that’s more engaging and targeted toward the delivery platform.

Associations now have the opportunity to build unique packages that combine print and digital as a premium rate or those that offer pure digital packages, such as side-banners, mobile ads, sponsored content or interactive ads that leverage images, audio and video to create a more immersive experience.

According to a recent study by Adobe^{viii}, leveraging interactivity in a digital magazine can enhance advertising engagement and message involvement. It can also facilitate consumer interest in the product featured in the ad.

Another benefit of digital publications is the level of monitoring and tracking that they provide. With print it can be difficult to collect accurate numbers for advertising exposure and interaction. However, with digital publications, as it is easy to capture a count of the number of ad views as well as the conversion-to-visit for the advertiser.



New Markets

Digital publications create many opportunities for your organization to capitalize on new markets, as they make it cost effective for you to get your publication out to international markets in a timely fashion. International members can have the same immediate access to your publication that local members do.

Packaging content for new markets is also easier with digital publications. It is easy to swap out irrelevant content and add in more targeted content to create a special “International Edition” of your publication. This allows for a more targeted experience, with virtually no extra cost.

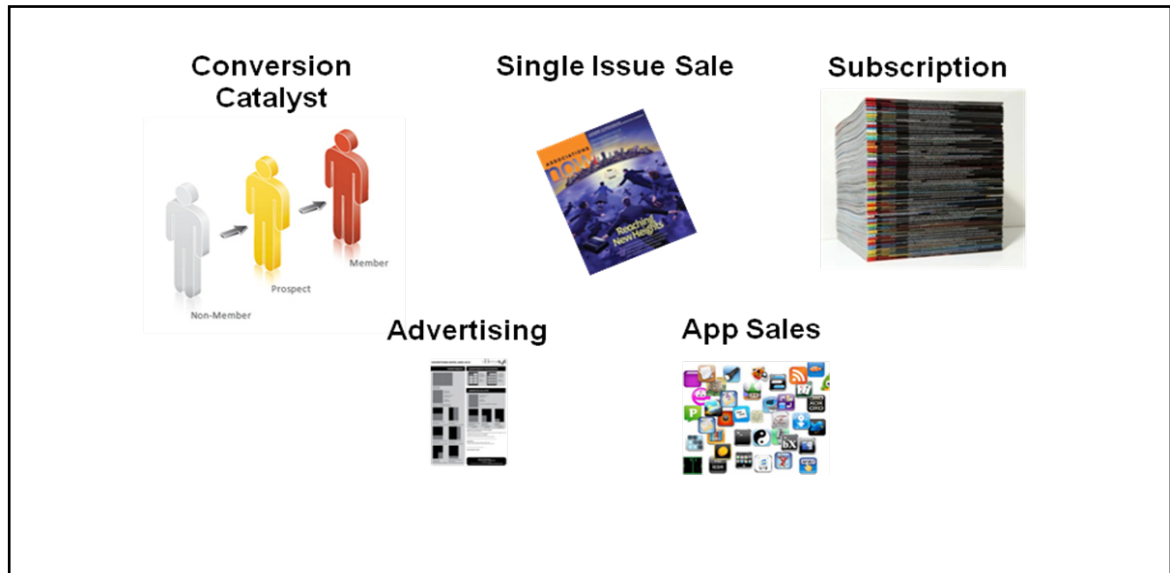
Digital Publishing Landscape

Decoding the various publishing models, standards, publication types and technologies can be intimidating. In this section, we've broken down the various options and added explanations to help add some clarity.



Association Business Models

When you look at the various business models for publications and content delivery, there are essentially five different options that organizations follow.



- **Conversion Catalyst** – Associations leverage their publication as a way to showcase value and increase membership. The publication content is used to entice members into joining the association.
- **Single Issue Sales** – Current or back-issues of the publication are sold to members or non-members as a direct revenue generator. Sales can either be through a website, as an eBook on other delivery channels, through a digital library, or directly at a newsstand.
- **Subscription Model** – An annual subscription is sold as a revenue generator. This can either involve delivery of the physical magazine or digital delivery. In total, an estimated 41% of associations sell their content, either as single issues or through subscriptions^{ix}.
- **Advertising** - Advertising sales and sponsored content generate revenue for the publication. This can apply to either a print publication or to a digital one.
- **Application Sales** – The association packages its content into an application and sells it as a revenue generator. The application can be for the desktop, the web, or for mobile devices, or it can be completely cross-platform.

Many associations combine the models above to create their own custom-mix that best addresses their audience and needs.



Types of Digital Publications

According to the BPA, the organization that monitors magazine circulation, there are four recognized types of digital publications that count toward circulation figures.

- **Dynamic** – A dynamic publication is one where either the publisher or the reader can choose the exact type of content that's delivered. The type of content can vary by user and it may be different each time the publication is produced.
- **Targeted** – A targeted publication provides different types of content to different types of users, depending on demographic info, or even on the platform they are using to access it. For example, if your organization is national, but you want to deliver regional information based on the member's address, then you are delivering a targeted publication.
- **Enhanced** – An enhanced publication is one where the print content is created first, and additional, often related, content is then produced to enhance the reader experience. An enhanced publication allows you to insert features like video, slideshows, podcasts and other elements to add interactivity to your publications.
- **Replica** – A replica is the most common type of digital publication that associations are using today. A replica is created when the print ready files of a publication are used to create a digital version that follows the same design as the original.



Formats

In addition to content considerations, there is also the question of delivery format. There are three main formats of digital publications:

- **Pixel Perfect Publishing** – With pixel perfect publishing, the layout is an important component of the experience and the per-page model of publishing is maintained in the digital format. Pixel perfect publishing is often used when organizations are delivering magazines, as this format provides the best transition from paper by leveraging the original print layouts. In most cases, some form of PDF technology or image-based delivery is used for pixel perfect publishing.
- **Re-Flowable Text Publishing** – With re-flowable text publishing, the layout is not important to the comprehension of the content and the per-page model is not necessary. Re-flowable text is delivered by article or chapter and is set-up to fill the screen, regardless of display format (mobile device, desktop, etc...). The key industry standard for re-flowable text publishing is ePUB, a distribution and interchange format created by the International Digital Publishing Forum (IDPF) as a standard for digital publications and documents. It is primarily used by eBook publishers and for organizations delivering their titles on eBook readers, like the Kindle, Nook, and Kobo.
- **Rich Media Publishing** – With rich media publishing, content is recreated for a new medium. Instead of print articles that members can read, the content of the magazine is transformed and presented in an entirely new fashion. This could involve creating a podcast that includes original interviews, video clips, or interactive games and activities. Rich media publishing is not often used by association publishers, as the production costs and resources are typically beyond their means.



Publishing Solutions

There are a variety of different publishing solutions on the market that can help you create a digital edition, including:

- **Conversion Services** – A conversion service takes your content and packages it for you as a digital edition. These organizations typically either have a set of tools or a web service that they leverage to do the base conversion for you, plus they offer additional services to enhance your digital edition. These service providers can be an easy alternative or associations, as they simply take the pre-press files used to create the print version and handle the rest. However, using a service provider means that there is a cost associated with every issue, and there needs to be time budgeted to get the edition converted [and brought online].
- **Packaged Software** – With packaged software, you use installed software to convert your publication yourself and make it available on your own website. The software is typically purchased once, at a flat rate, and can be used indefinitely to create digital editions. With this model, you are responsible for converting the file and hosting it on your server. This can be a challenge as the finished file size for each is typically quite large, which can strain your server and can create traffic peaks and strained server performance.
- **Self-Serve Models** – Another model that is popular for digital publishing solutions is a self-service model. This is typically delivered as a Software as a Service (SaaS) platform that an association staff member accesses and uses on his/her own. With this model, the user doesn't need to have any special skills. The document is uploaded using a web-based application and it is then available to you. Typically these companies host the file and provide you with a link that you can add to your website or send out by email that references the publication on their server. These servers are typically designed to handle traffic fluctuations and deliver consistent performance.
- **Mobile Applications** – Applications are another way to publish content and package it for consumption. While mobile applications are the hot option these days, an application can be created to run on the desktop, run online, or run on a mobile device. In many cases, there is value in creating applications that are cross-platform or that support multiple devices. Packaging an application can be challenging, as it requires some process mapping and a strong vision before anything is built. For example, will you create one application per year, or per title? Will you create one application for your association that offers your magazine online as part of a broader spectrum of content and services? We'll talk more about applications in the mobile publishing section of this guide.

Mobile Publishing

Mobile content delivery is a large part of the digital publishing mix and is one that can seem complex for many associations to navigate. The process of designing and building a mobile application requires many decisions to be taken about content packaging, revenue model, and delivery platform.

Challenges aside, mobile content delivery is something associations should consider. According to the Audit Bureau of Circulations survey 65% of respondents believe digital delivery of their content via mobile apps is important to their strategic future. As well, a report from the mobile ad network, Millennial Media, concluded that 31% of publishers with an app today expect sales to increase 100 percent or more in 2011^x.



Revenue Models

The first step in creating a mobile application for your association is to determine the best revenue model, including deciding whether your app will be free or paid. Then you will want to determine whether it is openly available to all users or limited just to members. Finally, you will want to determine whether you charge a one-time fee for the app, or whether you will offer a subscription model.

Subscriptions are an available option on most mobile platforms today, but they can be costly to support. The Apple App Store offers in-app subscription management to publishers for a 30% cut of the subscription fee. Google's One Pass, which enables in-app subscriptions on Android devices, is a little more economical for publishers as they take a mere 10% fee. RIM has yet to announce its mobile subscription management model, but the company will likely offer subscription support on its new Playbook tablet devices.

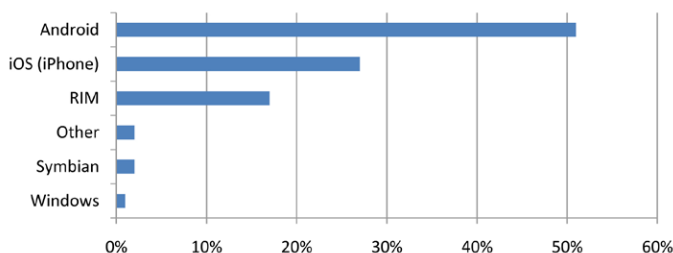


Multiple Platforms

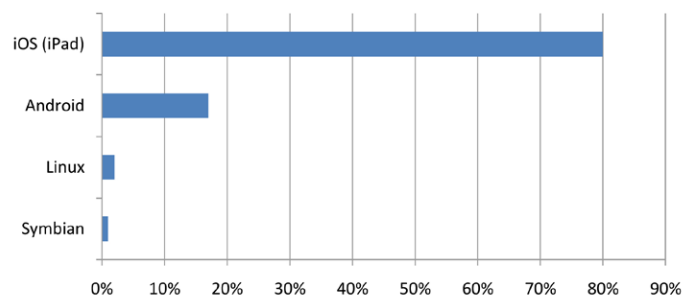
Part of the reason that mobile application development is complicated is also due to the market segmentation and the sheer number of devices that consumers and business users have access to. When you add mobile support, there are both SmartPhones and Tablets to consider, each with different operating systems and different features. Each platform has slightly different interactions, screen sizes and technical requirements. This means that if you want to deliver a cross-platform application, you need to either offer limited functionality that is common to all, or undertake expensive native development for multiple platforms.

Before going down the mobile application development path, it is essential to understand the breakdown of your users and the devices/operating systems that your members are using to access your content. In looking at general industry statistics, here is the breakdown of SmartPhone and Tablet use:

Breakdown of Smartphone Users By Platform (%)



Breakdown of Tablet Users By Platform



*Source: Millennial Media, February 2011



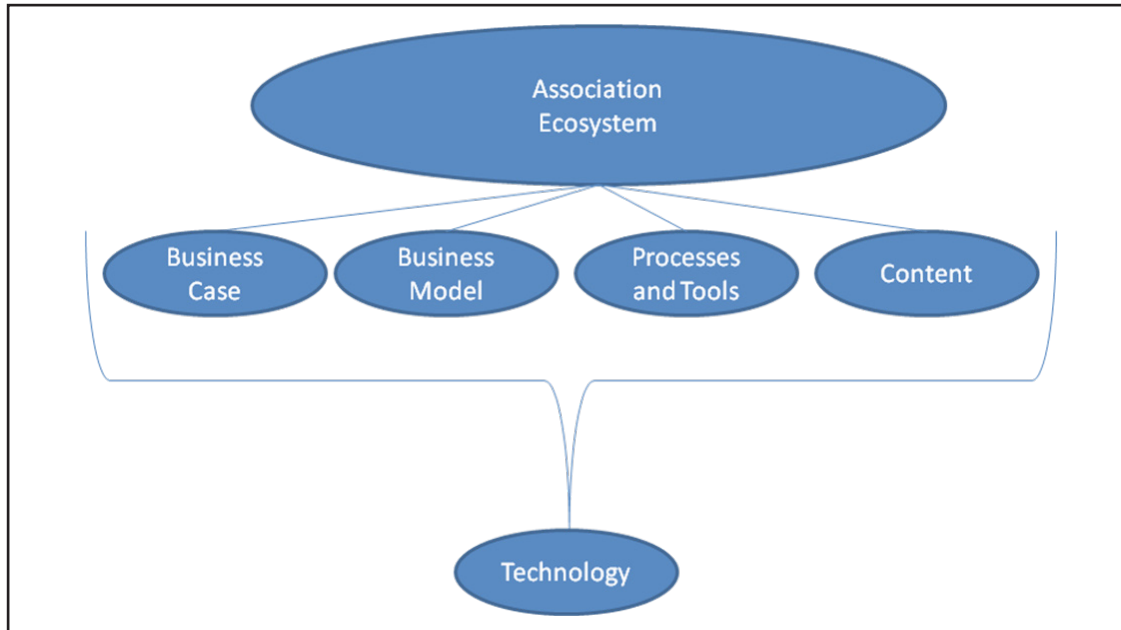
Considerations

Before you dive in to build a mobile application you should also consider the production costs. While it may be ideal to jump in and create a completely new experience for your members with a custom designed digital publication and unique content, like the American Society of Association Executives did with its Associations Now Digital Supplement, it may not be feasible to start with this type of commitment. Producing separate content for an entirely new experience on a monthly basis, without first testing the waters and gathering user feedback may not be the best plan.

With the interactive nature of today's touch screen devices, consumers do have higher expectations for engagement than they previously did on paper. They are looking for a different experience, so features that improve reading and interaction on a mobile device go a long way to meeting user expectations. If your association already produces audio and video content, then leveraging it in a mobile application is ideal. But if you don't produce this type of content today, is it feasible for your organization to commit to this production on a monthly basis?

Fitting Digital Publishing into Your Ecosystem

Many associations view digital publishing as a silo project that is based on adoption of technology. However, digital publishing should be worked into an organization's ecosystem. It should be part of the organization's business case, business model, processes and content strategy.



Understanding Your Audience

The first and most important consideration in building a digital publications strategy involves understanding your audience. In order to identify and deliver a digital publication strategy with the greatest business value, you need to have a thorough understanding of:

- Who your audience is?
- How they engage with your content?
- When and where they access your materials?
- What they are willing to adopt or pay for?
- What value you deliver them?

These factors will help you determine the most targeted content, the best delivery platform, and even the most advantageous business model to start with.

Other Influencing Factors

Beyond addressing audience needs, there are a number of other factors that go into establishing your digital publication strategy.



Content

Content is an essential consideration factor for creating digital publications. Associations need to understand what content they have today that could benefit from being published digitally. Next, associations must inventory which content they actually have the rights to republish. In some cases, there may be copyright limitations that prevent the repackaging of content into a digital format, particularly if the intention is to charge for access to this new format. In some cases, associations may need to go back to renegotiate copyright with writers, photographers, and other contributors, and include a clause that allows for the redistribution of their content in digital and mobile formats.

However, copyright limitations don't necessarily need to limit your entire digital publication strategy. Since digital publications are available on-demand, you can easily use technology to hide or remove content that you are not authorized to republish initially and add it back in as your contracts are updated and permissions are granted.

The process of digitizing content also seems daunting to many organizations, particularly those with large back catalogs. However, scanning is actually quite simple to coordinate. There are two basic scenarios for converting documents to create digital editions:

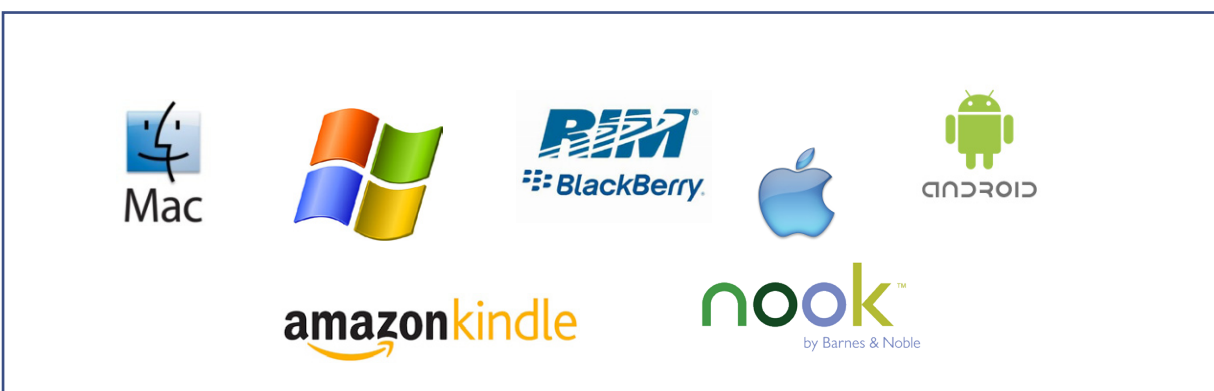
- **Converting from print** – If you have print copies of older magazines, these can easily be scanned and processed for content indexing. If you have multiple originals, then you can leverage more economical destructive scanning methods where the binding of a title is cut and the pages are scanned as separate sheets. If you have limited quantities and cannot spare one to destroy, you can opt for non-destructive scanning methods that preserve the original copy. In either case, the final result is processed using optical character recognition (OCR) so the content can be indexed to allow for search functionality.
- **Converting from digital** – For more recent titles you may still have access to the prepress digital files that were sent to the printer. These prepress files can be processed directly using OCR.



Delivery Platform

Another factor that influences your overall strategy is your desired delivery platform or combination of delivery platforms. There are essentially two ways to look at this question. Which platform does the majority of your target member audience today use? And which platform will generate you the most revenue today? These two questions may lead to the same answer, or they may lead to two different options.

Also tied tightly to the question of delivery platform is the total development cost of your project and the time-to-market for a solution. If the majority of your members today are visiting your site from an iPad and the majority of your members also say that they would like to access more content on the iPad, this sounds like a logical first step. However, if your time to market is too long or your development cost is too high, then this may not be the logical platform to start with. It may be more advantageous to build a web application to provide basic features on all devices. You could use this first application to gather feedback that can be used to tailor the features and functionality of your native iPad application.





Connecting with Existing Technology

Your digital publishing technology should be able to co-exist, and in some cases, connect with other elements of your technology environment.

Website

Your website is a crucial part of your public image and is the central location for all of your association resources. In most cases this is where your members will visit to access your digital publications. It's not necessary for your publications to be housed directly on your website, but the process of linking out to your digital publications should be clean and simple to follow and should offer a brand-appropriate continuous experience.

Publishing Tools

Whether you are laying out your publications in-house or you are leveraging an external consultant or firm, you should not have to change the fundamental tools used to produce your publications. Look for a digital publishing solution that ties into the tools and processes you use today and takes full advantage of the file formats you already produce.

Member Management and Association Management

Your members don't want to remember any additional passwords or access codes to read a digital edition of your publication. This is why tying into or leveraging your member management system or Association Management System's user management functionality could be very beneficial. In most cases, it is feasible to connect to these systems through an application programming interface (API) or a module. Be sure to ask potential digital publishing partners about making this connection.

Getting Started

Getting started with digital publications can be intimidating, as many associations feel that they need to have their entire strategy in place before bringing anything online. However, there is significant value in having both a short-term plan to secure a digital presence for your publication and a longer term goal to rollout a broader, more integrated digital presence.

The key to getting started is to focus solely on the opportunity that will deliver you the highest business value. Assessing this lies in knowing your audience and understanding their needs. Talk to your members and look at resources such as web log files to understand who your users are and how they interact today with your content. Which devices and platforms are important to them? How do they access and consume your content? What will they pay for, versus what do they feel should be freely accessible? Understanding these questions will help you to choose the right place to start.



Checklist

- ☐ **Assess what you have today**
 - What content do you have the rights to use and the ability to bring online?
- ☐ **Determine what your audience wants/needs**
 - Who is your target audience?
 - How do they access and consume your content?
- ☐ **Choose a starting point**
 - Which path will be the most beneficial for your organization?
 - Is it better to start with a mobile presence? Or with a digital magazine?
- ☐ **Determine your must-have features**
 - What functionality must be present for your readers to adopt the solution?
- ☐ **Look at your processes and ecosystem**
 - How will your current processes be leveraged to create your digital edition?
 - How will your digital publishing strategy connect with your organizational ecosystem?
- ☐ **Choose a revenue model**
 - How will you generate revenue from your new digital publications?
 - Will you charge for access? Offer subscriptions? Or use it as a value-add?
- ☐ **Choose a technology solution**
 - Choose a technology partner, supplier or technology platform to create your digital publication.
- ☐ **Deploy in iterations and gather feedback**
 - Think of your first deployment as a proof of concept and use it to gather feedback and collect suggestions.
 - Use the feedback to mold and shape your digital strategy and to plan future deliverables and iterations.

Conclusion

Getting online with digital publications can be simple and cost-effective for you to do. While it is good to track the trends and see the future vision, you don't always have to have your five year plan in place before you jump in and start dipping your toes in the digital publishing pool. Start small and get your titles online today and use the feedback and data from your first efforts to power your longer term strategy.

Many of the benefits of digital publishing can be achieved through the implementation of a basic digital publications solution, provided that your strategy includes a strong business model and an evaluation and feedback plan.

While mobile offers associations many opportunities, it is first important for organizations to really understand their users and how they want to interact with content as a whole, before they invest in building native mobile applications. An iterative approach to getting online and growing efforts from there is often the most fruitful path.

About INM

Integration New Media (INM) helps companies create rich user experiences in both online and offline environments. With projects ranging from website design and rich internet applications through to interactive sales and marketing tools and online libraries, INM has developed solutions for organizations large and small in a variety of different industries. A well-known player for over nearly 20 years, the company offers project consulting and programming services as well as a successful line of products that includes some of the best-known plug-ins for Adobe Director. For more information, please visit <http://www.INM.com>.

Our Reach ePublishing Family of Products

INM's Reach ePublishing family of products contains everything an association needs to bring its documents online and make them fully searchable and interactive. Starting with Reach Docs, associations can easily and quickly upload their publications through a self-service control center. The files are online immediately and readers can flip through pages like they would on paper, with interactive page-flip effects. Features such as search and multi-level zoom enhance the reading experience, while keeping the focus on the content. On the back-end, publishers retain full control over their documents, and can bring them online or take them offline in a matter of seconds. A graphics-driven reporting module provides detailed visual information about publication use, including reporting the number of document views, as well as a breakdown of the most read pages in each document.

For organizations looking to create a publication archive or searchable library, Reach eLibrary is a quick and efficient technology to leverage. The product is a hosted web environment with a control center similar to Reach Docs. With just a few clicks of the mouse, documents can be added to the library and categorized according to custom fields. Readers can drill-down into the search and view documents directly on-screen without downloading files. Reach eLibrary can also be made available offline on a CD or DVD. To learn more about our ePublishing offerings, visit <http://Reach.INM.com>.

Contact Us

If you have any questions about this eGuide, or if you would like to contact our ePublishing team to discuss a potential project, call + 1 514 871 1333 ext. 243 or email Reach@INM.com.

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