

Indie Publishing

Beyond Industry Standards

By Robin Cutler, Director of IngramSpark



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Introduction	2
Ingram Distribution	3
Print on Demand (POD)	3
eBook Distribution	4
Discounting and Returns	5
Pricing Your Book	6
Ordering Your Book	7
Publish Like a Pro	8



Introduction

If you are reading this guide, I congratulate you on digging into one of the least understood parts of publishing: bringing your book to market through distribution. You're probably asking yourself, what exactly does distribution mean?

First of all, when we talk about book distribution there are two different models that you need to know:

- **Full-Service Distribution**
- **Wholesale Distribution**

Full-service distributors are companies that provide a variety of services on behalf of traditional or well-established publishers with a proven sales record. These services can range from sales representation directly into stores, libraries and wholesalers, warehousing, order fulfillment and back-end office functions such as paying royalties and managing collections. Some specialize in genre-specific, academic, or religious content. Typically, a self-publisher will not have the sales to support full-service distribution partnerships.

So let's focus on wholesale distribution since that's likely the model that fits you as the indie author or publisher. In this model, the publisher makes their book available to a wholesaler like Ingram Content Group (ICG), who in turn makes that book available in their catalog to retailers and libraries to order. The wholesaler is not actively promoting or selling that book; the publisher is doing that. Since Ingram is widely considered to be the world's largest book wholesaler servicing more than 39,000 retail and library partners and over 70 major online retailers, it's a good thing to get your book listed with Ingram. It makes no difference if stores and libraries are built of brick or live entirely online, sell printed books or eBooks; they still fit within the wholesale distribution model.

Ingram Distribution

Since we launched IngramSpark in 2013, tens of thousands of IngramSpark publisher customers have entrusted us to deliver their content to ICG's retail and library customers around the world. Ingram serves as a conduit between publishers of various sizes (from one-book self-publishers to global publishing powerhouses) and a community of retailers and libraries from around the world (including Amazon and mom-and-pop bookshops).

It was always possible for publishers of all sizes to provide their book metadata to be included in Ingram's database for retailers and libraries to place book orders. Publishers would ship inventory of their books to the various Ingram warehouses, and when retailers ordered a publisher's title, the order would be fulfilled out of that inventory and the publisher would be compensated on the sale. Ingram would reorder from publishers based on the orders received from retailers and libraries. This was the standard operating procedure for decades, but the process left gaps between supply and demand, especially for independent publishers who had little experience in forecasting demand and in managing the supply chain. Oftentimes independent publishers would get an Ingram order stemming from a large bookstore chain but wouldn't have enough inventory on hand or have the cash needed

to rush a reprint, resulting in lost sales and missed opportunities for vendor, retailer, library and content provider alike. This was the state of publishing for far too long. The most successful publishers were the ones who made the best guesses concerning their inventory and its demand, so we implemented print-on-demand technology to help level the playing field.

Print On Demand (POD)

In 1996, Ingram made it possible to print and distribute small book orders from digital content files via POD technology to help close the gap between supply and demand. POD was intended to help traditional publishers remove the guesswork on their slower selling inventory and to keep backlist titles perpetually in stock. But for independent publishers, the POD was truly revolutionary and marked a profound change in the industry that would never again return to the traditional way of doing things.

Recognized with numerous innovation awards, our POD facilities today produce over 1 million books/month in multiple locations throughout the world including four in the United States and one each in the UK and Australia. Additionally, the print

footprint has expanded through Ingram's Global Connect network of printers in India, Germany, Russia, Italy, South Korea, France, and Poland, with more countries planned for the future. These print facilities put the manufacturing and shipping process of the book closer to the end consumer, reducing time and costs. This state-of-the-art technology also allows publishers to produce content in a range of trim sizes, color options, and both paperbacks and hardcovers. Additional flexibility extends to order management where content owners can order from one copy to 10,000 copies that can be shipped directly to the end customer. For retail and library orders through Ingram, the books are manufactured as orders are received, and then the publisher is compensated after the wholesale discount and print fees have been subtracted, removing the risk of a publisher having to pay for manufacturing prior to an order being received.

"POD technology helps close the gap between supply and demand."

As one of the largest book distribution networks of wholesale, retail, and library outlets, Ingram has made it possible for independent publishers to greatly enhance

their reach while reducing the financial commitment to bring a book to market. Basically, Ingram has created a "pay as you go" model for independent publishers providing them the ability to test the demand of their content at a fraction of the cost of the traditional model. What this has done in reality has turned single-book authors into business owners/publishers of their content. Several even evolve into full-fledged publishing companies that then help other writers create and distribute their work.

Ebook Distribution

Print technology coupled with distribution is just one of the innovations Ingram has launched in the past few decades. Ingram was an early innovator in creating a digital content management service, but since distribution is what Ingram does best, it wasn't long before asset management was coupled with the broadest network of online retailers in the industry. Today, thousands of publishers and distributors worldwide – from multinationals to independents – automate distribution of digital content to as many business partners as possible via Ingram. The distribution network of over 70 online retailers including Amazon Kindle, Apple iBooks, Barnes & Noble Nook, and Kobo is the largest global network in the world for eBook content.

Discounting and Returns

The reason distribution is so important for indie publishers is that most booksellers and libraries will not typically order directly from indie publishers because of the complexities involved. It is far more convenient and beneficial for retailers and libraries to order from a wholesaler like Ingram that can supply content from thousands of different publishers.

To get a book into most bookstores requires that a publisher provide a discount off the list price of the book. This discount represents the profit in selling the book for both the store and Ingram. The recommended wholesale trade discount publishers should offer booksellers in the US is 53%. In other markets the recommended discount is 40%. However, IngramSpark provides the option of setting a discount within the range of 30-55%. Applying a discount of less than 53% can possibly limit the sale of your title to booksellers, so determine your sales strategy before you set your discounts. If bookstores are not one of your main sales channels, this may not affect you as much.

Besides discounting your book, it is also recommended that publishers set their books as returnable. Being able to order a book as “returnable” is a key factor for a bookstore in making a purchasing decision. This removes their risk if the book doesn’t sell. Setting a book up as nonreturnable almost guarantees

that bookstores won’t carry it. Publishers determine whether their title can be returned in their IngramSpark account by selecting one of three options:

- **Non-returnable:** IngramSpark will not accept returns from booksellers for any title so designated.
- **Return/Deliver:** Allows titles to be sold on a returnable basis. Returned books will be sent back to the content provider for a fee.
- **Return/Destroy:** Allows titles to be sold on a returnable basis but no shipping and handling fees will apply. IngramSpark will destroy any returned books that it receives if this option is selected.

It’s not a stretch to imagine the complexity for a bookstore managing thousands of books from as many different publishers to understand the value added by a wholesaler/distributor such as Ingram. This is exactly the role that Ingram plays in the industry—being the center hub of the very complex publishing wheel.

“Applying a discount less than 53% can limit the sale of your title to booksellers.”

Pricing Your Book

Having your book listed with Ingram not only sets your title up in the United States market, but other global markets Ingram serves as well. In IngramSpark, publishers determine the suggested retail list price for their titles in all markets. If pricing is not submitted, the title will be unavailable for sale in that market. Setting pricing in additional countries is free in your IngramSpark account, so it's recommended that you set global pricing so as not to miss out on potential sales in our extended global network.

Many first-time indie publishers find the pricing of their books to be one of the most daunting challenges. To help with this, it's recommended that publishers do their homework by visiting local booksellers or online retail sites to look at books comparable in size, format, and subject matter to gauge how best to price their own books. You can use our publisher compensation calculator to see how much money you will make on the sale of one

book with your title's particular specifications. The easiest way to manipulate your compensation is to increase your price, but you don't want to price your book higher than the competition in order to turn a book-by-book profit. You also don't want to underprice it too much so as to devalue it among its competition. If you aren't making as much as you'd like in the end, play with aspects other than the price of your book, such as the paper, binding type, or laminate. With that being said, don't do anything so extreme with your book's format that it becomes an anomaly in its category. You want your book to stand out, but not in a way that's peculiar or that makes it difficult for bookstores to stock in its appropriate section. This is why finding examples of books similar to yours is such an asset when determining how to price and format your book. Remember that prices can always be changed, even after publication.

As we've mentioned before, books turned on for distribution in IngramSpark appear in the Ingram catalog so that our retail and library partners can place orders. These orders are called "wholesale orders." In the case of wholesale orders, the publisher is paid the list price minus the discount they set on the book. In the case of a print order, the cost of printing is also deducted from compensation paid to the publisher for the order.

**Find Your Publisher
Compensation.**

CALCULATE



Wholesale Order Pricing Example:

Order Type: Wholesale—order 1 copy

Book Type: 200 pages, 6 x 9, paperback book

List Price: \$17.00

Retail Discount: 53%

Cost to Bookseller: List Price - discount = \$7.99

Print fee = \$3.58

Publisher Compensation on this order would be \$4.41



Use our print and ship calculator to determine the actual fees for a book with your title's particular specifications.

CALCULATE

Ordering Your Book

IngramSpark also encourages publishers to place orders for their own books that can be manufactured and shipped back to their own home or warehouse or drop-shipped directly to their customer. This is known as a “publisher direct or dropship order”. In the case of these orders, the publisher only pays printing and shipping fees (no discount is applied). Having to maintain stacks and stacks of books is less than ideal, but it is nice to have a few copies of your books on hand. You never know who you'll meet and want to give a copy of your book. Hosting an

author event at which you would like to sell your title or do a book signing is another good reason to order a few copies for yourself as well. For shipping books to your customers, the beauty of Ingram's dropship service is that indie publishers don't have to maintain a warehouse or have books stacked in their garage. They also don't have to invest in packing supplies or manage the packing and shipping of boxes of heavy books. With dropship, the order is placed by the publisher and mailed directly to his or her customer.

Publish Like a Pro

The more you understand how distribution works in making your book available prior to publication the better. Writing is hard work for most authors, and it's a real accomplishment to finish a book and then to bring it to market. There is no greater thrill than to see your book in the hands of a reader. My advice is always to sit down and finish the writing, then work with a good editor to polish your story, and then hire a book designer to create a compelling cover and interior for both a print and digital edition.

It's important to create relationships with your local bookseller and librarian before you publish. Become a customer of the store and a patron of the library. Pay attention to books on the shelves, especially to the shelves where you think your book would find its place. Study these books—their format, pricing, size, look and feel and how they are categorized. Look at covers and spines to see what gets your attention and work with your designer to create an equally compelling package for your book. In other words, really do your research.

Join writing and publishing groups where you will meet people who are willing to share their own experiences and offer guidance. Most communities have writing groups, so perform a Google search and

make it a point to meet other writers and publishing professionals. When you're ready to publish, I highly recommend that you join the Independent Book Publisher Association (IBPA), a professional community of independent publishers that offers a wealth of educational and publishing opportunities. There are also a couple of blogs that I recommend new self-publishers subscribe to, including the IngramSpark blog, The Book Designer, and Bookworks.

IngramSpark also offers a fantastic list of resources that can help you on your path to publishing. Check out our [resource page](#) when you're ready for editors, designers, book review sources, and more. And never forget that you're not alone on your publishing journey. We have a fantastic support team at IngramSpark that is available in the [United States](#), [Australia](#), and [United Kingdom](#). We're always happy to answer your questions and do what we can to help you become a more successful publisher.

Apply what you've learned.

Make sure your book is ready for distribution.

LOG IN

