

**A NEW WAVE OF PUBLISHING:
HARPERCOLLINS CANADA BUILDS THEIR
FIRST MOBILE APPLICATION**

by

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B.A., University of British Columbia, 2009

PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR THE DEGREE OF

MASTER OF PUBLISHING

In the Faculty of
Communication, Art and Technology

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SIMON FRASER UNIVERSITY

Fall 2010

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Abstract

This report examines the emerging field of digital product development in publishing. The case study of HarperCollins Canada's first mobile application development project is used as a lens through which the publishing industry's shift towards digital publishing is explored. The report investigates the methods publishers are currently using to enter the digital market and suggests strategies to ease publishers' transitions into digital publishing. The content cycle is analyzed as a method for publishers to employ when entering the digital market, and the creation of multiple formats using the same content is considered and explained. Recommendations are made for publishers moving into the future of digital publishing.

Keywords: digital publishing; content cycle; ebooks; enhanced ebooks; HarperCollins Canada; Enhanced Editions; Sourcebooks; digital products; digital product development; iPad; Apple; mobile applications; Mike Holmes; digital formats; electronic rights; erights; electronic royalties.

Acknowledgements

I would first like to thank Deanna McFadden for taking me on as the summer digital sales and marketing intern at HarperCollins Canada, for inviting me to participate in the Mike Holmes application project, and for generously sharing her time and knowledge regarding not only the Mike Holmes application project but also the publishing industry. I would also like to acknowledge Steve Osgoode for providing me with the opportunity to write my report on the Mike Holmes application project, and the rest of the staff at HarperCollins Canada for their gracious help along the way.

I would like to thank John Maxwell for guiding, supporting, and encouraging my interest in digital publishing; for always being willing to discuss any aspect of the publishing industry, and for providing invaluable feedback and support during the writing of this report. I would also like to thank Rowland Lorimer, Mary Schendlinger, and Roberto Dosil for their commitment and guidance throughout my time in the MPub program. The knowledge I have gained will stay with me forever.

Lastly, I would like to thank my parents, Jasmina and Petar Markov, whose words of support and encouragement kept me sane during the writing process and helped me get to where I am today.

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1. Introduction

In May 2010, I began a digital sales and marketing internship with HarperCollins Canada in Toronto, under the guidance of Deanna McFadden, who was the Marketing Manager of Digital Content and Strategy. In June 2010, Ms. McFadden introduced me to the Mike Holmes mobile application project.

HarperCollins Canada (HCC) had been considering various approaches to expanding their content offerings and had been looking at ways to use their content across different platforms to create revenue. They had started considering the possibility of creating mobile applications in late 2009. HCC took a look at their content options for enhancement and found that creating a mobile application using Mike Holmes's content would be the perfect project. HCC currently publishes three bestselling Mike Holmes home improvement titles: *Make It Right* (2006; 2007), *The Holmes Inspection* (2008), and *Make It Right: Kitchens and Bathrooms* (2010). A fourth title, *Make It Right: Attics and Basements*, is scheduled to be released in early 2011.

In July 2010, the HarperCollins Canada application team met with The Holmes Group to initiate the mobile application project. The Holmes Group is the organization behind all of Mike Holmes's business ventures including the popular television show *Holmes on Homes*. After HarperCollins Canada met with The Holmes Group, the application plans were cemented and the project document outlined the start of the Mike Holmes application project in early August 2010.

During August 2010, my last month interning at HarperCollins Canada, I assisted Ms. McFadden in several tasks regarding the initial planning of the Mike Holmes application project. I was able to see some of the advanced planning process during the month of August, and Ms. McFadden was generous enough to discuss certain steps and decisions with me regarding the project and its continuation after the completion of my internship.

HarperCollins Canada chose to outsource the development of the application and decided to work with Bluenotion, a Toronto-based web designer. Bluenotion is accustomed to working on projects with short timeframes, and during talks with HCC they showed great interest in entering the mobile software development market. The application project document outlined the steps in the project from the beginning of August 2010 to mid-November 2010. In mid-November, the application was scheduled to go live in the Apple App Store. As of early December 2010, the application is still in development and has yet to be released. This report details only the advanced planning stages of the application project from my perspective as a member of the HarperCollins Canada application team.

As of early December 2010, the application project is behind schedule for a wide variety of reasons. The timeline for the project is ambitious and as a result of certain unforeseen and uncontrollable events, the initial stages of content sourcing and development have taken much longer than initially anticipated. Additionally, as a result of the newness of value-added digital product development for HarperCollins Canada, many new projects are quickly being assigned to the small HarperCollins Canada development team, and certain tasks and projects may be taking priority over others.

If publishers wish to survive in this changing landscape and continue to satisfy the needs of their readers, they will need to create strategies to ensure the success of the new products they are creating. One way to achieve a favourable outcome is by creating a *content cycle*. Publishers need to create content cycles and develop a variety of formats using the same or similar content, and to market and sell all formats. The key to monetizing the content successfully is to sell multiple formats of the same content to the same user, thereby increasing the potential revenue of that content.

A great deal of planning is required when putting a content cycle strategy into place. Currently, most publishers are still focused on print projects alone and are not yet planning for multiple content formats at the initiation of print projects. This situation shortens timeframes for additional products. The results are that supplementary formats are not receiving the planning and preparation time needed for superior products. In order to achieve excellence in their digital products, publishers will need to start planning for multiple formats and content cycles upon the acceptance of any content.

The transition to the creation of digital products in publishing is affecting all areas of the industry. As publishers move toward creating multiple formats, editorial departments will need to evaluate new manuscripts so that their multi-format potential is fully recognized and monetized. Many roles within publishing houses are already starting to shift to incorporate the move toward multiple format creation. Rights departments will need to ensure that publishers have the rights to the content irrespective of format, and percentage of royalties for digital products are still a hot topic of debate. There is no denying that the changes occurring in publishing today are large, powerful, and exciting.

1.1 Changes in Publishing

*Today publishing is surely at the beginning of a profound and positive change to the very structure of the industry. It's best to be in favour of it.*¹

Arguably, the publishers that are in favour of the change toward a digital future are driving the industry forward. With overwhelming statistics on the growth of digital publishing, it is hard for any publisher to avoid this transition. With Peter Donoughue, Adjunct Associate Professor at the University of

¹ Donoughue, Peter. "Will the Book Publishing Industry Survive the Digital Revolution?". Pub Date Critical blog. 11 September 2010. <http://peterdonoughue.blogspot.com/2010/09/will-book-publishing-industry-survive.html>

Queensland, predicting that “by 2015 publishers’ ebook sales could be \$5 billion per year”² and Random House’s CEO, Markus Dohle, predicting “between a 25% and 50% overall ebook market share by 2015,”³ it is clear that this change is coming and there is no stopping it.

Many publishers have already recognized the opportunities available in this new area of publishing and have begun to create a variety of digital products to support and add value to their existing print titles. HarperCollins Publishers in the U.S., Enhanced Editions in the U.K., and Sourcebooks in the U.S. represent the state-of-the-art of digital publishing as of 2010, but they also represent merely one small fragment of publishers across the world that are jumping on the digital bandwagon. They are quickly and furiously entering the digital market with products including ebooks, enhanced ebooks, mobile applications, and an assortment of other products that provide content in formats that readers are increasingly demanding.

1.1.1 Digital Terms Defined

As publishers move into a more digital future, new terms and definitions are being created. *Digital publishing* refers to a new area emerging within publishing. Digital publishing results in digital products of texts rather than print products. Digital content can be created in a variety of formats, including online formats such as blog entries; traditional electronic books—which I will call *ebooks*—read on ereaders such as the Kindle or Kobo; and *enhanced ebooks* used on devices such as the iPad and smartphones.

An ebook consists of the text of a print book put into a digital format so that it can be stored and read on an ereader. This type of digital format replicates the

² *ibid.*

³ Meadows, Chris. “Random House CEO expects US e-book revenue to pass 10% next year.” TeleRead: Bring the E-Books Home blog. 2 August 2010. <http://www.teleread.com/ebooks/random-house-ceo-expects-us-e-book-revenue-to-pass-10-next-year/>

experience of reading a print book without any additional features, except for basic elements such as word definitions or search functions that a publisher has chosen to include. An enhanced ebook is a type of mixed-media digital format that can include a variety of media combined in one product, such as text, audio, and video. The enhanced ebook is intended to add something to the reading experience and to add value to the content for the reader.

At this point, the dominant form of enhanced ebooks is mobile applications. An application, or “app,” is software designed to run on a mobile device such as a smartphone. The user downloads the application from their mobile platform’s application store, such as the Apple App Store for iPhone/iPad, and runs the application on their mobile device. Currently, as publishers are still learning about and exploring application possibilities, they are hiring application developers to assist in the creation of the software. This process may change over time, and application development may become a full-time position or department within a publishing house.

The reason publishers hire application developers is because creating software for an enhanced ebook is a special skill and more importantly, each enhanced ebook needs to be built for the platform it will be used on. A platform is an operating system similar to Windows on a PC but it runs on a mobile device. Each mobile device, whether it is an iPhone or a Blackberry, has its own operating system or platform. Since these platforms vary, an enhanced ebook such as a mobile application that is intended to be used on a mobile device must be developed with that mobile device’s platform in mind. This aspect may change over time as generic platforms such as HTML5 become more popular with developers. “The key benefit [of HTML5] is the ease with which an application can be built to work on any mobile browser.... Over 350 devices currently support some HTML5 features.”⁴

⁴ Costello, Steve. “HTML5: An opportunity for mobile.” Mobile Apps Briefing blog. 17 September 2010. <http://www.mobilebusinessbriefing.com/apps/article/html5-an-opportunity-for-mobile>

As these features and products become more sophisticated and widespread, their terms and definitions may shift to incorporate the changes in our behaviour in using them. In an article published on the Digital Book World blog, authors John Ott and Eric Freese say that as a result of the extensive features and capabilities of devices, “publishers will now have to move beyond the model of simply reproducing printed pages on an electronic screen.”⁵ They believe that “soon, there will be only two kinds of ebooks: those *with* video, motion graphics, and sound, and those *without*.”⁶ Only the future will tell how ebooks and enhanced ebooks will change and merge to create new products that add value and increase readers’ enjoyment and understanding of texts.

In the next chapters I will discuss some of the reasons for publishers to enter the digital product market, important aspects to consider when creating digital products, and the process by which HarperCollins Canada arrived at the stage of digital product development that they are at today. In Chapter 2, I will look at some of the motivations behind HarperCollins Canada’s entrance into the digital product market and how they built their team for the Mike Holmes application project. In Chapter 3, I will focus on planning for the digital future. I will consider the variety of new products and features emerging as well as ways in which publishers can monetize the different formats and how HCC plans to monetize the Mike Holmes mobile application format. In Chapter 4, I will discuss the specifics of the Apple App Store and take a look at some of the decisions HCC staff were required to make in marketing and pricing the Mike Holmes application. In Chapter 5, I will step back and analyze the publishing industry and the field of digital product development as a whole, as well as making some recommendations for HarperCollins Canada’s continuing mobile application development.

⁵ Ott, John and Freese, Eric. “O Brave New eBook.” Digital Book World blog. 16 February 2010. <http://www.digitalbookworld.com/2010/o-brave-new-ebook/>

⁶ *ibid.*

2. A Strong Case for Digital Product Creation

HarperCollins Canada has observed the potential for revenue expansion in digital product creation from a number of companies experimenting with these types of value-added content formats. HCC has decided to follow the precedent set by companies that have had success in this field by launching a variety of their own digital products. This report will discuss the process by which HarperCollins Canada came to the decision to create value-added digital formats for their print titles and will take a look at one such project's development—the Mike Holmes mobile application project.

2.1 Publishers Embrace Digital Formats

Many publishers are experimenting with the expansion of revenue streams and the value that can be added to their print titles with mixed-media and digital formats. From adding images to adding video and audio to creating a full-blown multimedia experience, these “digital formats are likely to represent 20 to 28% of industry profits in the medium to long term,”⁷ making it more important than ever for publishers to enter this new field of publishing.

2.1.1 Enhanced Editions and *The Death of Bunny Munro* Mobile Application

One company that has made digital publishing its core business is Enhanced Editions, a small group of eight people that currently has between 30 and 40 applications⁸ live. These include titles such as David Suzuki's *The Legacy* and Barack Obama's *Dreams from My Father*. Arguably, Enhanced Editions' best-known creation is the iPhone/iPad application or enhanced ebook for *The*

⁷ Nawotka, Edward. “Digital to Represent 20 to 28% of Publishing's Profits, says Forum d'Avignon/Bain & Co. Report.” Publishing Perspectives blog. 10 November 2010. <http://publishingperspectives.com/2010/11/digital-to-represent-20-to-28-of-publishings-profits/>

⁸ Peter Collingridge's estimated answer in response to question posed to him on Twitter. <http://twitter.com/gunzalis/status/2474538742845440>

Death of Bunny Munro by Nick Cave. Peter Collingridge, co-founder of Enhanced Editions, spoke at the O'Reilly Tools of Change for Publishers Conference in February 2010⁹ and shared some of Enhanced Editions' statistics on enhanced ebooks.

Collingridge stated that with the numerous technologies currently available, publishers need to take advantage of the ability to collect as much data as possible on the reading habits of their customers. Enhanced Editions tracks everything from "font size, to audio sync, to the videos people see"¹⁰ and uses this information to find out what works and what doesn't.

According to Collingridge, users spend about 5 minutes on the average iPhone application per session, compared to users of Enhanced Editions' apps, who spend about 24 minutes per session.¹¹ Enhanced Editions also found that their "synchronized audio features are incredibly popular [and] integrated video clips have also been popular."¹² As well, Enhanced Editions encourages their users to stay engaged; "the app store average is a 5% retention after 1 month"¹³ compared to Enhanced Editions' "apps [which] retain over 20% of active customers."¹⁴

⁹ Collingridge, Peter. "Enhancing the Ebook." Keynote speech at O'Reilly Tools of Change Conference 2010. 23 February 2010. <http://www.toccon.com/toc2010/public/schedule/detail/10961>

¹⁰ *ibid.*

¹¹ *ibid.*

¹² Collingridge, Peter. "Tools of Change: Analytics wake-up call." Enhanced Editions blog. 28 February 2010. <http://www.enhanced-editions.com/blog/2010/02/tools-of-change-analytics-wake-up-call/>

¹³ *ibid.*

¹⁴ *ibid.*

2.1.2 The Jamie Oliver Mobile Application

Another digital publishing project that has proved to be very successful is the *Jamie Oliver 20 Minute Meals* application. The Jamie Oliver iPhone and iPod Touch application released by Zolmo leveraged the Apple platform and was launched in October 2009.¹⁵ Hyperion Books publishes Jamie Oliver's print titles; however, the application was imagined, created, and sustained by Jamie Oliver's own company. Hyperion does not receive any revenue from the application. The *Jamie Oliver 20 Minute Meals* application is a great example of an author extending their brand which has positive effects on other, more traditional models of publishing. The Jamie Oliver application is "a premium app costing [\$7.99], rather than a free promotional application for one of his shows or books."¹⁶

Jamie Oliver created 60 original recipes¹⁷ that can be made in 20 minutes or less, specifically for the app. Included in the application are helpful hints from Jamie as well as over 90 minutes¹⁸ of video. The Jamie Oliver app has received rave reviews from users as well as from Apple, winning an Apple Design Award in 2010.¹⁹ The recipe content in the application combined with the Apple platform resulted in a useful and easy-to-navigate application. It is clear that recipe content is something that translates well into digital formats.

¹⁵ Dredge, Stuart. "Jamie Oliver launches iPhone recipes app." Mobile Entertainment News blog. 15 October 2009. <http://www.mobile-ent.biz/news/34704/Jamie-Oliver-launches-iPhone-recipes-app>

¹⁶ *ibid.*

¹⁷ Official Jamie Oliver website. Jamie Oliver 20 Minute Meals application page. <http://www.jamieoliver.com/20-minute-meals/>

¹⁸ *ibid.*

¹⁹ The Apple Design Awards 2010 recognize iPhone OS applications that demonstrate technical excellence, innovation, superior technology adoption, high performance, and outstanding design.

Cooking with one of Jamie’s large, expensive hardcover cookbooks or taking it to the grocery store can be difficult. The application allows the chef to be more mobile when purchasing ingredients or when following the recipes while cooking. A user can refer to the iPhone in their pocket rather than constantly referencing a large print format or taking notes on scraps of paper.

The digital platform also allows for short bursts of information in the form of ingredients or steps in the cooking process to be delivered quickly and easily. All of these characteristics ensure that the Jamie Oliver brand, his content, and the Apple platform work together and complement each other to create a successful application.

2.1.3 HarperCollins Publishers and Enhanced Ebooks

Another example of digital publishing success is the creation of enhanced ebooks by HarperCollins Publishers. In an article in *Publishers Weekly*,²⁰ HarperCollins announced their plans to create enhanced ebooks for a wide variety of their titles. Three of them, *Getting the Pretty Back* by Molly Ringwald, *God is Not One* by Stephen Prothero, and *Louder than Words* by Joe Navarro have all already been created as enhanced ebooks.

The enhancements include a wide variety of features, and HarperCollins Publishers have been “talking to different retailers...about what enhancements they would like to see, and what they can support, before adding additional material to titles.”²¹ “*Getting the Pretty Back*...has eight author promo videos and 15 clips of Ringwald reading the book; [while] *God is Not One* includes an

²⁰ Milliot, Jim. “HarperCollins Releases First Enhanced E-Books, More Planned.” *Publishers Weekly* Online. 3 August 2010. http://www.publishersweekly.com/pw/by-topic/digital/content-and-e-books/article/44037-harpercollins-releases-first-enhanced-e-books-more-planned.html?utm_source=Publishers+Weekly%27s+PW+Daily&utm_campaign=928a5afdca-UA-15906914-1&utm_medium=email

²¹ *ibid.*

exclusive essay from...Stephen Prothero, a quiz, course guide and author video.”²² HarperCollins Publishers have priced their enhanced ebooks at \$14.99.

Ana Maria Alessi, VP Publisher, states that HarperCollins Publishers are “prepared to include as much material to enhanced ebooks as [their] retail partners can support...[and they] want to do as much experimentation as possible between now and the new year.”²³ The three print books already available as enhanced ebooks were on sale prior to the enhanced ebooks’ creations, but “HC’s strategy going forward is to release print editions, regular ebooks and enhanced ebooks simultaneously.”²⁴ Alessi stated that she “sees enhanced ebooks as a way to find new readers...[and that HarperCollins Publishers] ‘job is to entice additional readers to [their] books by using the functionality of the new devices to provide additional content.’”²⁵

2.2 HarperCollins Canada Goes Digital

Since late 2009, HarperCollins Canada has been considering entering into the mobile application market. Their main driving factor for entering value-added digital product development is innovation in terms of content and revenue generation. With the explosion of the digital business and the proliferation of iPhones and iPads, HCC saw opportunities that weren’t there before and decided to launch into mobile application development. The company looked for content that would benefit from being converted into a digital product and have practical use in the application environment. They selected Mike Holmes and his content as the ideal candidate.

²² *ibid.*

²³ *ibid.*

²⁴ *ibid.*

²⁵ *ibid.*

2.2.1 Preparing for Digital Product Development

Prior to launching into digital production, HarperCollins Canada had to make several decisions to set the groundwork for all current and future digital projects. All publishers who wish to expand their business into digital must make these decisions prior to launching into product development.

Publishers must clearly understand the leading digital formats in order to select the type of digital project they will undertake. Comprehending the differences, similarities, and benefits of each product type will allow publishers to select content that suits each format. Publishers who understand the leading digital formats such as ebooks and enhanced ebooks will be better equipped to decide how to move forward with a digital strategy that will complement not only their titles but also their entire business.

Having determined the product they will create, publishers need to take a look at the platforms available and how these platforms work with their brand and the brands of the books they wish to enhance. The HCC application team wanted to create a value-added digital product, specifically a mobile application, so they considered several platforms. Since enhancements such as audio and video were to be included in the HCC application, a platform that supports these enhancements well was crucial.

Apple's iOS platform was the best choice for HCC as a result of the precedent set by HarperCollins Publishers, the proliferation of iPhones and iPads, and Apple's market size and distribution. With over 3 billion applications downloaded²⁶ from the App Store and Apple's ability to easily support audio and video content, the Apple platform came out as the clear winner. HCC considered several other platforms including the Blackberry and Android platforms but

²⁶ As of January 2010. Dalrymple, Jim. "Apple's App Store tops 3 billion downloads." CNET News blog. 5 January 2010. http://news.cnet.com/8301-13579_3-10424973-37.html

decided very early on that they would enter the mobile application market by building their first application for the Apple platform.

Once HCC decided on the Apple platform, they turned to finding titles and content that would work well with the portability of the new technology and that would be mutually complementary to both Apple's brand and the brand of the content. HarperCollins Canada considered Mike Holmes's content as the perfect candidate for adding value to through mobile applications. The Mike Holmes titles are strong products in the HarperCollins Canada list, and just like Jamie Oliver, Mike Holmes has a large and loyal fan base and is a recognized author and TV personality. These aspects mean that there is already an established audience for Mike Holmes's content and this makes his titles good candidates for mobile application development.

HarperCollins Canada discussed their desire to expand their business into mobile application development with their web designer, Bluenotion, who showed great interest in entering the application development field. Having decided to work with Bluenotion, HCC needed to define the target audience for the content and perform a competitive analysis.

Publishers are not the only stakeholders in the change to digital. Authors and their agents also play a key role in the changes occurring in the industry. Traditional print rights and royalty rates are being adjusted to comply with the transition to digital, and the transition to new industry contract standards for electronic content has become a hot topic. Larger publishing houses have already made the shift to company policies that electronic rights must be negotiated as part of every new contract.

As publishers move into the new and unfamiliar field of digital publishing, each project becomes a learning curve, and HarperCollins Canada is learning at every step of their initial application development project. Most noticeably, HCC is

discovering that many aspects of the project are taking longer than anticipated, for a wide variety of reasons. Applying this experience to the industry-wide shift to digital publishing means that publishing houses will need to start budgeting more time, money, and energy to the creation of additional content formats. As well, company mandates and structures will need to evolve to accommodate the inclusion of digital publishing in primarily print publishing businesses.

2.3 Team Members

As of early December 2010, production of the application is still in development; however, some plans have been made to keep the work moving forward. In order to have the application launch on time and budget, every member involved in the production of the Mike Holmes application will need to work together as well as perform their individual tasks in as timely a manner as possible. In order to ensure that all the parties involved in the production are familiar with their required contributions, at the start of the project a production schedule was circulated. The parties involved include the HarperCollins Canada application team, the HCC editorial team, The Holmes Group and Bluenotion, the application developer. In order to fully understand the process of this application's development, it is important to grasp the inner workings of the teams and to comprehend the structure and dynamics of the group.

2.3.1 The HarperCollins Canada Application Team

The HarperCollins Canada application team consists of three members. Deanna McFadden is the Associate Director of Digital Product Management at HCC. She is responsible for ensuring that the application production process runs smoothly. She is the key contact at HCC for the developer and liaisons between all the people involved in the application's production. As well, McFadden is responsible for a large portion of the application's development, including selection and organization of content and creation of wireframes.

McFadden reports to Steve Osgoode, Senior Director, Digital Business Development at HCC. McFadden and Osgoode are the main points of contact between HCC and The Holmes Group. As well, I served as digital sales and marketing intern during the period of May to August 2010, during which time the initial stages of the Mike Holmes application planning process took place.

2.3.2 The HarperCollins Canada Editorial Team

The HCC editorial team consists of Iris Tupholme, VP, Publisher and Editor-in-Chief and Brad Wilson, editor for the Mike Holmes print titles. Tupholme is responsible for approving the Profit and Loss statement and all other documents for the project but is not involved in the day-to-day tasks. Wilson is responsible for editing the content for the application, and having worked on Mike Holmes print titles is familiar with Mike Holmes, his brand, and his content.

The HCC editorial team is responsible for ensuring that the content selected from the print titles is representative of Mike Holmes, that it is clear, and that any shortening or rewording is faithful to the meaning and voice of the original text. The editorial team will work very closely with the application team during all stages of content selection and will sign off on all the content prior to its being sent to The Holmes Group for approval.

2.3.3 The Holmes Group

The Holmes Group was founded in 2005 by Mike Holmes, Michael Quast, and Pete Kettlewell. Mike Holmes is President of the company, Michael Quast is VP Business Development, and Pete Kettlewell is VP Production. The Holmes Group handles all of Mike Holmes's numerous business ventures. Among these ventures are Holmes's media, including his television series—*Holmes on Homes*, *Holmes* magazine, his books, and his column in the *National Post*; the Holmes

Foundation; his products, including workwear and merchandise; and services, including Mike Holmes Inspections, which is a full-service home inspection company launched in early 2009.²⁷

Michael Quast, whose responsibilities are expanding and building the Mike Holmes brand, is the key liaison for HCC at The Holmes Group. Quast is aided by Liza Drozdov, Director of Communications for The Holmes Group. Quast and Drozdov, with great participation by Mike Holmes, make up the team responsible for the Mike Holmes application project from The Holmes Group. The Holmes Group has the final say on all of the content to be included in the application, and they will also be constantly consulted regarding the structure and design of the application as well as its functionality.

2.3.4 The Application Developer

HCC had been speaking with Bluenotion, the web designer for the HarperCollins Canada website, about application development since this was an area that Bluenotion's owner Mike Hyttinen had expressed interest in entering. As a result of the successful working relationship HarperCollins Canada has with Bluenotion, they decided to work with them on the Mike Holmes application project. Bluenotion is responsible for creating the application software and ensuring that the application functions as intended. The HCC application team will assist in the creation of wireframes and will work with Bluenotion to fine-tune the wireframes and make them a reality.

2.3.5 Shared Responsibilities

Responsibilities shared among all team members as well as other employees at HarperCollins Canada and Bluenotion include testing the

²⁷ The Holmes Group Inc. company profile. *Bloomberg Businessweek*. 12 November 2010. <http://investing.businessweek.com/research/stocks/private/snapshot.asp?privcapId=29497>

application for any technical problems as well as for comprehensibility, design, function, overall feel, and appeal, among many other aspects. As well, once the application is launched in the Apple App Store, HCC marketing and publicity will enter the project in order to create campaigns to promote the application. As a result of the newness of the project for HarperCollins Canada, each team and team member will undoubtedly do many other additional tasks above and beyond their official responsibilities.

2.4 Moving Forward with Mike Holmes

2.4.1 The Mike Holmes Brand

Initially, HarperCollins Canada planned a single mobile application for the Apple platform with content taken from Mike Holmes's print title, *The Holmes Inspection*. From the early planning stages, HCC decided that this application would be a complementary product to *The Holmes Inspection*, and its purpose would be to introduce the Mike Holmes brand to a variety of new tech-savvy users as well as to provide an on-the-go version of the content for readers who already own the print book.

This concept was presented to The Holmes Group and they showed great enthusiasm for the product. During the initial application meeting a new idea arose: to create a series of mobile applications as complementary products for each of the four Mike Holmes books published by HarperCollins Canada.

The Print Titles

The four Mike Holmes titles are *Make It Right*, *The Holmes Inspection*, *Make It Right: Kitchens and Bathrooms*, and *Make It Right: Attics and Basements*. The first Mike Holmes book, *Make It Right*, was first released in 2006 as a hardcover for \$39.95, followed by a paperback release in 2007 for \$24.95; *The Holmes Inspection* was released exclusively as a hardcover in 2008 for \$29.95; and the

last two Mike Holmes books, *Make It Right: Kitchens and Bathrooms* and *Make It Right: Attics and Basements*, were scheduled to be released as original trade paperbacks on November 11, 2010, for \$26.99 each. In November 2010, the release date for *Make It Right: Kitchens and Bathrooms* was postponed to November 29, 2010, and the release date for *Make It Right: Attics and Basements* was postponed to February 18, 2011. As of early December 2010, *Make It Right: Kitchens and Bathrooms* has been released and is available for purchase.

These four titles feature Mike Holmes educating the reader on how to ensure that either a renovation or a home inspection is done properly. The books include step-by-step instructions on what to look out for and how to ensure that the construction conforms to building codes and meets safety standards. They are full of information on how to avoid the most common pitfalls of renovating, how to spot questions or problems during a home inspection, and how to protect a home from everything from mould to termites to cracked foundations.

Content Suitability for Digital Format

The print books contain a variety of short bursts of text and as such are a natural fit for adding value through digital enhancements. The titles are full of content such as “red flags,” which contain key things to look out for during a home inspection, sidebars featuring Mike’s quick lessons on everything from types of flooring to types of roofing, checklists to ensure nothing has been missed during a renovation or a home inspection, and photographs and drawings displaying exactly how a properly constructed, functioning home should look.

The content in Mike Holmes’s books provides information about a physical house and as a result lends itself well to the portability of the digital platform. It allows the user to quickly and easily check anything they are unsure about while they are present at the site and in the midst of their renovation or home inspection. Just as the Jamie Oliver recipe content benefits from the portability of the mobile

platform, so the Mike Holmes content will also benefit from the Apple platform's ability to provide users with information on the go.

2.4.2 Project Goals and Objectives

The objectives for the initial Mike Holmes *Make It Right* application project are to help the user manage a renovation and to boost sales of the print and electronic formats by acting as a complementary product.

HarperCollins Canada's purpose in creating a mobile application is not to cannibalize sales of the other content formats but rather to add to them. In order to increase sales and add value to the existing formats, a variety of features for the application were discussed in several planning meetings, as well as what types of content would be most beneficial and work best in the digital format. HCC looked at companies such as Enhanced Editions and Sourcebooks for inspiration on how to gain the maximum benefit for the entire Mike Holmes brand through the creation of the application.

Adding Value to *Make It Right*

The HCC application team decided to focus on adding value to Mike Holmes's first book, *Make It Right*, and following the success of that application to continue with the rest of the Mike Holmes titles.

The tentative timeline for the *Make It Right* application began in early August with the project overview document going to all parties involved. The application was scheduled to be released in the Apple App Store in mid-November to coincide with the original launch date of *Make It Right: Kitchens and Bathrooms* and *Make It Right: Attics and Basements* in print. As of early December 2010, the application is still in production.

Once the application is live in the App Store, marketing and publicity for the launch will commence. The time allowed to create the *Make It Right* application is three and a half months. Since the written content will be taken directly from the *Make It Right* manuscript, the HCC application team is confident that this project can be completed in a shorter time than would normally be required for such a project. The time-consuming aspects of the project include ensuring that the content is organized in a logical and understandable manner, as well as in a way that maintains Mike Holmes's voice and the look and feel of his print books.

Maintaining Consistency with the Print Titles

Mike Holmes has a very strong and specific "straight-from-the-hip"²⁸ style and voice. His books carry this feeling and Mike's sentiments well and extend the Mike Holmes brand. The feeling when reading one of Mike Holmes's titles is that he is speaking directly to readers and providing them with personal, important, and detailed advice on how to "make it right."

This aspect is one of the challenges facing the entire team involved in creating the mobile application: how to maintain the characteristic Mike Holmes voice and feel while ensuring that the application is not overloaded with content or confusing to navigate. The main way the application team has tackled this challenge is through design. The team decided that the application's design and visual elements would carry the brunt of the responsibility in linking the Mike Holmes print books with the applications. The plan is to use similar design features to those found in the print books, such as having Mike's Tips and "red flags" (which appear as sidebars and inserts inside the print books) as pop-ups throughout the application. This will allow the application team to maintain the feeling of continuity between the application and the print books.

²⁸ HarperCollins Canada website. *The Holmes Inspection* by Mike Holmes page. http://www.harpercollins.ca/books/The-Holmes-Inspection-Mike-Holmes?isbn=9781554680436&HCHP=TB_The+Holmes+Inspection

3. Planning for the Future

The better a publisher understands the functionality and abilities of each digital format, the more informed a decision they can make in choosing formats that will best suit their content and purpose. Becoming familiar with the variety of formats prepares the publisher to create a *content cycle*. The content cycle will allow the publisher to promote and market the content in a variety of formats, thereby fully realizing the content's potential for revenue.

In order for publishers to succeed at the content cycle and create new revenue streams, they need to employ a strategy that will ensure their success. This strategy requires the publisher to sell all the products within a given cycle to the same customer. Previously, publishers would sell the hardcover edition of a title, and months later a paperback would be released that would typically be purchased by readers who did not purchase the hardcover. Publishers who employ a content cycle strategy release a print title and several digital formats of the same content all at once, and invite each customer to purchase that content in more than one format. If publishers capitalize on each format's strengths, customers will want to purchase more than one format of the content. For example, a reader may buy the print book to keep on the bookshelf or coffee table, the ebook to take along while commuting or travelling, and the enhanced ebook to increase their enjoyment and understanding of the text or for quick reference. This business model requires publishers to plan ahead for additional formats and make appropriate schedules for print titles as well as other formats upon acceptance of a manuscript.

To apply the content cycle principle to a concrete project is to define project goals and objectives for every format early on in a manuscript's life. Planning all formats at the start of a print project allows the publisher to budget sufficient time and resources to ensure that each format is successful. Planning for multiple

formats also requires the publisher to determine the types of content that will be included in each format as well as the features that will enhance that specific content rather than take away from it. When content for each format is carefully selected, customers will purchase more than one product in the same cycle.

Another crucial element of digital product development for publishers is selecting software developers to assist in the creation of the applications. There are a variety of ways to tackle application development, including a shared-cost approach, which may work for smaller publishers or those wishing to enter the market at a lowered risk. In this changing landscape, knowledge is power and the best way a publisher can lower risk when entering the digital market is to understand the differences, similarities, and benefits of each format clearly.

3.1 Ebooks Versus Enhanced Ebooks

It is important to ensure not only that the specific content used in each product is suited to the platform, but also that there is not too great an overlap in the content from format to format. Having similar but not identical content will ensure that every product attracts both new and existing customers. With each product co-promoting the other products in a content cycle, the shelf life and monetary value of the content is increased. To determine the value and specific character that comes with each platform, it is important to understand the formats available. Currently, the dominant formats in the digital book market are ebooks and enhanced ebooks.

3.1.1 Similarities, Differences, and Benefits of Ebooks and Enhanced Ebooks

An ebook is typically the text of a print book in digital format, while “enhanced ebooks go beyond a digital snapshot of a print book.”²⁹ The benefit of ebooks is that if there is no DRM,³⁰ they can be read on a variety of different platforms and devices. As well, with the introduction of the .epub standard, publishers can create electronic versions of their books where the text can be reflowed depending on the device it is being read on. With the .epub file format publishers can create one ebook format and have it function properly on a variety of devices. However, certain features of the ebook will still depend on the platform it is being used on. For example, if a certain device does not have the ability to connect to the internet, an online word-definition feature may not function as intended. This is not the case with enhanced ebooks. If an enhanced ebook is built for the Apple platform, it will function on the iPad, iPhone, and iPod Touch, but it will not function on any other device. This characteristic means that choosing the right platform for an enhanced ebook is much more important than for a generic ebook.

The benefit of an enhanced ebook is its capacity to contain a variety of features that are intended to enhance the content. These enhancements are not available in ebooks because the technology of the current ereading devices cannot support such features. Enhanced ebooks can include a wide variety of

²⁹ Digital Book World Webcast. “eBooks vs. Apps: The Pros, Cons and Possibilities.” Digital Book World website. 12 July 2010. <http://www.digitalbookworld.com/2010/ebooks-vs-apps-the-pros-cons-and-possibilities/>

³⁰ Digital Rights Management

enhancements such as audio, video, and animations; annotations and search functions; the ability to share content through social networks; the ability to add geolocation tagging to texts; and the opportunity to create interactivity through games, analytics, and transmedia.³¹ For these reasons, ebooks without added features and enhancements are typically easier to develop and generally less expensive. The most important aspect in deciding whether to create an ebook or an enhanced ebook is that all enhancements should be dictated by the content and not by the ability of the platform.³² Digital products should contain something that the print book cannot include such as context, creativity with audio and video, and a more robust experience. For example, a digital product created from print book about a war should be enhanced with news clips, radio broadcasts, extended interviews, and anything else that will enhance readers' understanding of the war and the text.

Once publishers have grasped the functionality and benefits of the various digital formats, they will need to create a content cycle in order to fully monetize the content in each of the formats they chose to create.

3.2 The Content Cycle

Print publishers are exploring new avenues for revenue generation; therefore, a trend toward the creation of digital products such as ebooks and enhanced ebooks is emerging. The content in the book, rather than the book itself, is becoming the product, and a content cycle needs to be created in order to increase the shelf life and therefore the financial value of the content.

³¹ "A transmedia project develops storytelling across multiple forms of media in order to have different 'entry points' in the story." "Transmedia storytelling." *Wikipedia*. http://en.wikipedia.org/wiki/Transmedia_storytelling

³² Digital Book World Webcast. "eBooks vs. Apps: The Pros, Cons and Possibilities."

3.2.1 Rethinking Dominique Raccah's Content Continuum

Dominique Raccah is the publisher and CEO of Sourcebooks, which currently “has 54 apps in development and is expanding its line of digital and mixed-media books to deliver content in whatever form the customer prefers.”³³ Raccah has created a content continuum strategy which she applies to many Sourcebooks projects by creating a variety of products using similar content at different price points. Raccah explored and discussed her *content continuum* idea at the 2010 O'Reilly Tools of Change Conference.

During her presentation, Raccah suggested that the way for publishers to survive in this new digital age of publishing is to create a continuum where the same or similar content is used to create a variety of products in different formats. Raccah suggested multiple formats, most commonly print books, ebooks, and enhanced ebooks, be placed along a straight, continuous line that she called the content continuum. The content continuum presents multiple formats arranged from cheap to expensive.

Raccah refers to this new type of business model as a content continuum; however, I believe it would be more accurate to call it a content cycle. Raccah puts all products on a linear continuum on which one is intended to drive traffic and sales for the others, but placing the products within a cycle better illustrates the cyclical nature of the user's demand for each format. A linear model may be accurate for a backlist title for which the publisher is attempting to reuse and rejuvenate the content, by introducing it to new audiences through different formats. In this way, the publisher is attempting to create new market segments for the content. However, as the publishing industry turns more toward digital

³³ Meyer, Ann. “Book publishing firm finds new sources of growth.” *Chicago Tribune* Online. 13 September 2010. <http://www.chicagotribune.com/business/columnists/ct-biz-0913-on-the-job-20100913,0,273573.column?page=1>

publishing, a variety of products featuring the same content will be launched simultaneously. This approach means, as Raccach points out, that each format benefits from the marketing and publicity efforts of the other products in the cycle.

This activity results in a cyclical rather than linear model where one product promotes another and another and so the consumer buys all products within a given content cycle. The term *cycle* implies a process that represents the development of the content not only from print to electronic but also from expensive to cheap. Lastly, even though the cycle consists of a variety of formats, referring to it as a format cycle does not give the sense of the most important characteristic of the cycle—that the same or similar content is used in all the products within a given cycle.

3.2.2 Sourcebooks and the Content Cycle

Having determined the importance and function of a content cycle, a publisher can begin to create a wider variety of products beyond the currently dominant three: print book, ebook, and enhanced ebook. At the O'Reilly Conference, Dominique Raccach highlighted the importance of thinking about what types of products will work with what content and suggested including other products, such as a website in the cycle that drives traffic for the other products, as well as webinars for educational content.

Raccach's presentation at the conference was aptly named "Running Two Companies,"³⁴ and she argued that this is what publishers need to do in order to take full financial advantage of their content. They need to use the content cycle as a strategic opportunity and move away from publishing in print format only.

³⁴ Raccach, Dominique. "Running Two Companies—Taking Book Publishing beyond Publishing Books." O'Reilly Tools of Change Conference. 23 February 2010. <http://www.toccon.com/toc2010/public/schedule/detail/12184>

Racchah suggested that publishers capitalize on people's need to "collect" by promoting all the products in any given cycle to the same customer.

Sourcebooks fully exploits this strategy with their educational content *Gruber's Complete SAT Guide*. They provide the student interested in this content with the complete guide in print format for \$19.99. They also provide an ebook version of the text for \$17.99. Sourcebooks sees the ebook as a useful format for when the student is on the go and does not want to carry a heavy book. A portion of the content from the full text can be purchased as a math workbook for \$14.99 and an SAT Wordmaster for \$12.99. To check their knowledge, the student can then purchase the Shortest SAT mobile application from anywhere between \$0.99 and \$4.99. In this cycle, the content is perfectly complemented by each format, and as a result, the student is encouraged to purchase every format to serve a different purpose and satisfy a different need.

3.2.3 HarperCollins Canada and the Content Cycle

This notion of "recycling" content and placing it into a variety of formats to fully capitalize on its value is a method that is working for many publishers. HarperCollins Canada recognizes this success and sees the value in creating several formats with similar content. Deanna McFadden, project manager for the Mike Holmes application, has stated that when it comes to creating additional products beyond the print format, for HCC "the motivating decision behind this strategy is simply to make [their] content available to the widest possible audience."³⁵ By increasing the need and the audience for the same content, the company can introduce more readers to that content. This practice generates a cyclical effect: one format attracts a reader, who then discovers another format, which results in the same content being bought in multiple formats by the same individual.

³⁵ Pacheco, Debbie. "E-books: The format of a publisher looking to the future—or looking to save money?". CBC Book Club blog. 29 September 2010. <http://www.cbc.ca/books/bookclub/2010/09/e-books-the-format-of-a-publisher-looking-to-the-future-or-looking-to-save-money.html>

3.2.4 Planning for the Content Cycle

The relationship between the print book, the ebook, the enhanced ebook, the mobile applications, and any other format in the same cycle needs to be such that each of these content formats are driving traffic to the others. For publishers to capitalize on their content, the reader needs to purchase not one type of product but multiple products in the content cycle. The publisher's job then becomes to find new and interesting ways to increase the number of products in each of their books' content cycles.

Once a publisher has made the decision to monetize their content through a content cycle, it can be difficult to know where and how to start. A small publisher may not have enough staff to devote a group of people to creating content in a variety of formats, so the staff is left to figure out the opportunities available in what little time they have.

In a best-case scenario, all products in the content cycle receive the same level of planning as the print book.³⁶ This is not always the case. With the newness of digital publishing and the content cycle, publishers are not always thinking about content opportunities past the print book, and therefore plans and production schedules are created with only the print book in mind. This habit is quickly changing as large publishers are realizing the benefits and growth potential of the digital market.

With this realization comes the insistence of large publishers on securing a variety of rights and capitalizing on those rights from the start of a project. Publishers of all sizes are becoming more and more unwilling to take on new manuscripts without licensing electronic rights for that content. In a webinar presented by Digital Book World discussing electronic rights, the agents involved

³⁶ Digital Book World Webcast. "eBooks vs. Apps: The Pros, Cons and Possibilities."

in the webinar stated that the “big six” publishing houses are all following a uniform corporate practice of only purchasing original manuscripts if the electronic rights are bundled in with the print rights.³⁷

Since currently the core business for most publishers is still print books, an author is likely to be delivering a manuscript for a print project. The twelve to eighteen months required to develop, edit, and produce a print title are still necessary; however, until the planning for a content cycle of other products from the core content commences at the same time as preparations for the print book, publishers are going to be forced to rush through the production of other products in that cycle. Releasing multiple formats simultaneously allows the additional formats to benefit from the umbrella marketing, publicity, and general hype for a print title. Rushing the production of ebooks or enhanced ebooks as well as any other products in the content cycle means that ultimately these other products are not receiving the preparation, planning, and production time necessary to produce the best possible product.

In the case of the Mike Holmes application, certain adjustments need to be made to compensate for the shorter production timeframe. The HarperCollins Canada application team made the decision to create the application using only content from the print book that had already been verified, edited, and prepared for public consumption. In order to add value to the application, some original content was created such as several lists and new definitions, as well as original video. Using the majority of the content from the book means that the content for the application is mostly ready, but the importance of budgeting time for crucial steps such as the layout and design of the application cannot be underestimated.

In order for HarperCollins Canada to apply the content cycle principle to projects they are currently working on and to manuscripts they may be considering, and

³⁷ Digital Book World Webcast. “eBooks vs. Apps: The Pros, Cons and Possibilities.” 23 July 2010. <http://www.digitalbookworld.com/2010/ebook-rights-the-agents-perspective/>

to combat the lack of planning that may occur as a result of the newness of digital publishing, HCC will need to decide on the project objectives at the initiation of a project and keep these goals in mind to ensure that they survive factors such as time restraints. Currently, many shortcuts need to be taken as a result of the lack of planning for multiple formats and the enormous demand that has hit the publishing industry for digital products. HarperCollins Canada created an outline document that was circulated among all parties involved at the start of the Mike Holmes application project in an effort to combat the contemporary nature of the landscape as well as the rushed situation of having to complete the application in time for the launch of the two new Mike Holmes print titles.

3.3 Project Objectives for the Mike Holmes Application

3.3.1 Defining the Objectives

The objective of the *Make It Right* application, as outlined in the application's overview document, is "to create a vibrant, rich multimedia experience around the idea of managing your renovation."³⁸ The purpose of the application will be to help the user manage and organize the many aspects of a home renovation rather than to show people how to renovate their home. The secondary objective of the application is to set a design and structural precedent for future Mike Holmes applications and to ensure that the look and feel of the Mike Holmes books are carried through in the applications.

3.3.2 Creating New Content and Organizing Existing Content

Early on in the application's planning stages, the HCC application team had to decide whether to use existing print content or to create new, original content for the application. HarperCollins Canada looked at a wide variety of mobile applications for inspiration. They took a look at several non-book related

³⁸ *Make It Right* Application Overview Document. Version 1.0. 15 July 2010.

applications such as the *Sprout - Pregnancy Essentials* app and noticed a trend in the lack of utility applications such as those dealing with pregnancy and home renovation. HCC also looked at the *Jamie Oliver 20 Minute Meals* application as a noteworthy example of strong brand extension.

All the parties involved in the development of the Mike Holmes application had previously agreed that the purpose of the Mike Holmes application would be as a companion product to the print titles. Unlike the Jamie Oliver app, the first Mike Holmes application would promote and enhance the experience of Mike Holmes's first title, *Make It Right*, as well as co-promote the two new Mike Holmes print titles to be released concurrently with the application. Subsequent to the success of the *Make It Right* application, additional applications would be created for the remaining Mike Holmes print books.

With the decision made to create the application as a companion to the print book, the HCC application team, HCC editorial and The Holmes Group decided that the majority of the application's text and photography content would come from the print book, and some original audio/video material would be shot specifically for the application. This decision means that the application will consist mostly of content dealing with ways to tackle "the most overwhelming aspects of home renovation: where to start and how to do it right."³⁹ The HCC application team decided to incorporate approximately 30% of the existing print book content with images and audio/video material being used to create a dynamic and enhanced experience for the user.

In the intended cycle of content use, the individual will purchase and read the Mike Holmes books and keep them on the bookshelf. They will also purchase the application, which will contain information and content that Mike Holmes's fans

³⁹ *Make It Right* Application Overview Document. Version 1.0. 15 July 2010.

can use on the go. The application will function as a reference at the time the renovation is taking place, thereby capitalizing on the mobility of the platform.

3.4 Application Features

Having decided that the text in the application would come from the print content, the HCC application team focused their energies on determining the types of features that would be included in the application in order to enhance and add dynamism to the content. During several planning sessions, a variety of application features were discussed as possibilities. Some of these were:

- Condensed versions of the steps in *Make It Right* to create an interactive timeline that allows the user to view their entire project easily.
- Mike's Tips as pop-up content throughout the application.
- A simple matching game using the glossary of terms to enhance interactivity.
- A section for notes and a space for recording contact information of contractors and other key contacts.
- A section to store photographs to assist the user in keeping track of the project.
- Interactive checklists and reminders.
- Audio/video content where relevant.
- A section with information on different materials, to be used when purchasing or providing instructions to a contractor.
- A checklist of "Things You Will Need" for each given project that has a printer-enabled PDF function.
- Foursquare's location-based API to show the user other houses in the area that are for sale.
- Content updates for relevant sections such as a "green" renovating section that could be included in the future in the form of an application update.

Another application feature idea and one that appears to be working for Enhanced Editions in their enhanced ebooks is the idea of including a newsfeed.

The newsfeed that Enhanced Editions includes in *The Death of Bunny Munro* enhanced ebook allows the user to get information on Nick Cave, such as where Cave is having a book signing or the fact that he has received an award. The purpose of the newsfeed is to strengthen the bond between the author and the reader or application user and to increase customer loyalty after the application has been purchased.⁴⁰ Rhys Cazenove, co-founder of Enhanced Editions, has stated that the enhanced ebook user seems to enjoy being “taken care of” through this newsfeed feature.⁴¹

The downside of the newsfeed feature and the reason that the HCC application team decided against it is that the content that enters the newsfeed needs to be generated by the publisher. This aspect means that the publisher is responsible for maintaining updated information about the author specifically for the application feed. In the future, this feature may be automated, but currently HCC does not have the manpower needed to maintain a newsfeed, nor do they see the proportionate value in this type of feature in terms of a potential increase in sales of the Mike Holmes application. As well, creating a newsfeed would require a content push which would involve another level of development for HCC.

3.5 Choosing an Application Developer

By late 2009, HarperCollins Canada had decided that they wanted to enter the area of mobile application development. They took a look at the possible content options and decided to create an application for Mike Holmes. They discussed their desire to enter this new area of digital publishing with their web designer, Bluenotion. The designers at Bluenotion showed a keen interest in expanding their business into mobile application development. This relationship was beneficial to HarperCollins Canada because they were already satisfied with

⁴⁰ Enhanced Ebook University Webinar. “Enhanced Ebooks Today: What, How and Why.” 29 June 2010. <http://e2bu.com/webinars/enhanced-ebooks-today/>

⁴¹ *ibid.*

the work Bluenotion had done so far and were comfortable working with them on the Mike Holmes project.

Publishers who need to research potential application developers must ensure that the developer they chose to work with understands the purpose, goals, and objectives of their project as well as being reliable and most importantly being willing to work with pre-determined deadlines. Since application development is a very new area for publishers, outsourcing this portion of the project is often necessary. As well, during the application's development certain steps may take longer than expected as a result of rights acquisition, available manpower or other reasons, and it can be an added benefit if the developer has previously worked with a publisher in creating enhanced ebooks and applications for mobile platforms since they may be more understanding of the process

3.5.1 Outsourcing Application Development

For any publisher that does not have someone in-house who is proficient in application software creation, it is most financially beneficial to outsource this task. Since the field of digital value-added product development is still very new to both large and small publishers, most publishers are not at a stage where they have teams devoted to digital production in-house. It is much more costly and time-consuming to have an employee sideline their other responsibilities in order to devote time and energy to learning how to develop the software for enhanced ebooks and applications.

The portion of revenue that is currently being generated on a per project basis by publishers from value-added digital projects does not warrant having an in-house individual whose main responsibility is the production of one type of digital product. The HarperCollins Canada application team consists of three people whose main responsibility is digital development. In the case of the Mike Holmes application series, it made perfect sense for this team to manage the project and

to outsource the actual development of the application to a third party so that only the necessary HCC in-house time will be spent on the intricacies of mobile application software development.

Currently, outsourcing the technical development of large-scale digital value-added projects makes the most sense for both large and small publishers. Most small publishers are working at full capacity and do not have the necessary time and staff hours needed to create digitally enhanced ebooks or applications in-house. Currently, large publishers have very small teams devoted to digital product development who rely heavily on outsourcing the physical creation of these digital products. The distribution of labour within publishing houses will undoubtedly shift as digital publishing continues to grow and becomes a larger portion of publishers' revenues. Many large publishers are already adjusting in-house employee roles and hiring new staff to fill digital publishing positions, and this trend will continue as new types of digital publishing projects emerge.

3.5.2 Shared Cost Application Development

Another route available to publishers, one which John Wiley and Sons opted for when creating an iPhone application for *How To Cook Everything* by Mark Bittman, is shared cost and/or revenue share. Wiley and Sons chose to do a shared-cost project with Culinate⁴² because it was a great way for them to enter the mobile application market with a lower level of risk.⁴³ Culinate, a leading online food community that serves a large number of users interested in recipes, dietary health, and all things food-related, provided Wiley and Sons with an established loyal audience of chefs and foodies.

⁴² Culinate website. About page. <http://www.culinate.com/culinate>

⁴³ Enhanced Ebook University Webinar. "Enhanced Ebooks Today: What, How and Why."

The shared-cost partnership allowed Wiley and Sons—as well as Culinate—to enter the mobile application market with a lower financial risk. For many smaller publishers, a partnership such as this one could be the critical difference between creating an application and not creating an application. It is important to remember, however, that this type of partnership can also mean shared profits. As Jessica Goodman, who oversaw the creation of the *How To Cook Everything* application, points out, it is crucial to the success of the project to lay out at the start how much and what kind of say both parties will have in the application’s content, design, and marketing. She also highlights the importance of working together and respecting each other’s roles in the development of the project.

3.5.3 HarperCollins Canada and Bluenotion

The developer that HarperCollins Canada decided to work with on the first Mike Holmes application is Bluenotion.⁴⁴ HarperCollins Canada has worked with Bluenotion on several web-based projects and so building the Mike Holmes application together was a natural extension of their relationship. Bluenotion is based in Toronto which gives HCC easy access to their staff and makes working together much smoother and easier. Bluenotion has worked with a wide variety of large companies such as “Rogers Communications, Manulife Financial,...and Cineplex Entertainment”⁴⁵ as well as HarperCollins Canada, and are therefore very comfortable working with companies that are looking to expand their business by branching out into markets beyond their core business.

The developers at Bluenotion pride themselves on “the ability to deliver results...under tight timelines.”⁴⁶ This aspect is very important to HCC since the timeline for the production of the *Make It Right* application is a mere three and a

⁴⁴ Bluenotion Inc. website. Home page. <http://www.bluenotion.com/>

⁴⁵ *ibid.*

⁴⁶ *ibid.*

half months. If certain steps in the production schedule take longer on HCC's end, Bluenotion's expertise will hopefully help to speed up the process.

3.6 Production Schedule

With the number of parties required in any application development project, it is important to establish clear milestones and deadlines for each step of the project. It was the HCC application team's responsibility to create a schedule and determine how much time would be required to create the *Make It Right* application in order for each team involved to understand their commitments and responsibilities. Mike Holmes has two books, *Make It Right: Kitchens and Bathrooms* and *Make It Right: Attics and Basements*, originally scheduled to be released on November 11, 2010. It was decided that the *Make It Right* application launch would coincide with the books' launch in order to capitalize on the unique marketing and publicity opportunities. The two print titles' release dates have been postponed to November 29, 2010, and February 18, 2011, respectively. This postponement may work in favour of the Mike Holmes application since the application development is behind schedule.

A tentative schedule had already been created for *The Holmes Inspection* application, initially chosen as the sole book for which an application would be built. Since the project expanded to include a series of Mike Holmes applications built on content from each of his four books, the schedule for the initial *Make It Right* application remained fairly similar to the schedule originally created for *The Holmes Inspection* application.

The tentative workback schedule for the *Make It Right* application saw the project commence on August 6, 2010, with the project overview document sent to all parties. Prior to this date, the HCC application team and HCC editorial had already had a meeting with The Holmes Group regarding application development, and changes and feedback to the original project overview

document for *The Holmes Inspection* application had already been implemented into this new overview document for the *Make It Right* application.

From August 6 to 18, 2010, the HCC application team would work to create a copy deck of content for the application by pulling content from the manuscript of *Make It Right*. They would use any content from the print title that worked in the application format as-is and modify by shortening or rephrasing content that worked with the application but needed to be adjusted for the platform.

On August 18, 2010, the completed copy deck was to be sent to HCC editorial for approval and a production plan was to be organized for original video shooting. Photography to be included in the application was to be taken from the print book.

Between August 18 and 31, 2010, original video was to be shot and photography from the printed book was to be chosen. After all content had been created, it was to be sent to HCC editorial for approval and then to The Holmes Group for their approval. Once The Holmes Group had given their final approval on all the content including text, audio, video, and images, on August 31, 2010, all the content was to be sent to the application developer, Bluenotion.

During the period of August 31 to October 15, 2010, the HCC application team was to create, in collaboration with Bluenotion, a layout and a set of wireframes for the application. The design that will carry the brunt of responsibility for Mike Holmes's branding will also be determined. There will be back and forth between the application developer and the HCC application team (two passes are scheduled) as the application is built. The Holmes Group will have the final say on the overall look and feel of the application, and the app will be tested for quality assurance.

On October 15, 2010, the *Make It Right* application was scheduled to be sent to the Apple App Store for approval and on November 15, 2010, to coincide with the original release of Mike Holmes's two new books, the application was scheduled to go live at the Apple App Store. Once the application is live, marketing and publicity around the launch will commence. As of early December 2010, the application is still in production.

Hopefully in the near future, as HarperCollins Canada increases its digital product production, they will initiate a variety of digital products upon the acceptance of a manuscript. This strategy will ensure that every product in a content cycle receives the preparations and planning needed to make it a success. HCC's strength lies in the fact that they have clearly outlined a set of goals and objectives that they hope to achieve with the Mike Holmes application and have decided to use existing content from the print titles. Both of these points will help to aid adherence to the strict timeline. They have also discussed a variety of application features and are making sure that only features which enhance the content will be included in the application.

HarperCollins Canada has chosen to work with a developer who is accustomed to performing on short deadlines as well as working with clients whose core business is not technology-based. Choosing to outsource application development will ensure that HCC's staff will not need to focus all of their attention on learning how to create application software. With a production schedule of only three and a half months, all the members involved in the creation of the *Make It Right* application will need to work on the tasks and responsibilities assigned to them.

4. Chronicling the Project

There are many aspects to digital product development: determining the audience for the product and performing a competitive analysis, negotiating new electronic rights and royalties, understanding the approval process in the Apple App Store, and others. Determining the target audiences for Mike Holmes's print books allowed HCC to establish how these audiences would be introduced to the product and how they would use the application. Early identification of the target groups also allowed HCC to plan ahead for the types of content that would be included in the application. Constructing the application out of content from the *Make It Right* print title also required a competitive analysis to evaluate what types of content are available in applications already on the market.

With the changing landscape in publishing, not only are roles and responsibilities shifting, but also rights and royalties are having to be renegotiated. Electronic rights and royalties are hotly contested in the publishing industry, and two opposing parties are emerging: The Authors Guild and publishers. The Authors Guild is advising their members to bide their time and put off signing electronic rights over to publishers as long as they can. Publishers, however, are starting to refuse to take on new manuscripts without owning the electronic rights to the content. Only time will tell how this segment of the industry will evolve and shift with these continuing digital changes.

For publishers who have digital rights and choose to make use of them in the form of enhanced ebooks, there are many areas to consider before the finished product is launched. Having chosen the Apple platform, HCC will need to follow the App Store's approval procedures to ensure that the application they create is approved and can be sold in the App Store. Testing the application for behind-the-scenes problems such as technical bugs as well as for aspects such as design and content will be crucial. The first step to ensuring that the application

carves out a niche for itself in the App Store is making sure that the application is complete and fully functioning. Pricing and marketing the application accurately for its target audience and responding to any fluctuations in popularity and sales will allow the application to remain competitive in a marketplace full of renovation apps. Following is a more detailed look at each of these aspects.

4.1 Target Audience

One of the main target audience groups for Mike Holmes's print titles are individuals who enjoy working on their homes in their free time. Therefore, much of the content in Mike Holmes's print titles is directed at fans who are weekend home renovators, and content included in the application needs to be clear, concise, and easy to comprehend. The photographs and diagrams in the print books are a great help to this audience group because they clearly display the parts of the home that Mike Holmes is referring to in his print titles.

It is clear from watching Mike Holmes on his television program and reading his books that he is not speaking to contractors and professional builders. He is trying to educate the layperson on how to make sure their renovation is done properly and not get fooled by the person they employ to do the work in the process.

Mike Holmes's books are targeted at an audience who are looking to buy a house or to renovate their home. They are not educated on the proper ways to undertake these activities and often turn to Mike Holmes as a reliable and trustworthy brand to ensure that they do not get swindled. These same customers are also the target audience for the mobile application, since they would already be familiar with Mike Holmes and probably own one of his print books or watch his television show. For this target group, the application would give them the benefit of portability, which they don't get with the print book. This group would use the application as a source to refer to while dealing with a

contractor or purchasing materials at a building supply store. The application also helps this group to organize their renovation projects.

Another Mike Holmes audience group that may overlap with the weekend home renovators are a group that tends to turn to their mobile device when in need of assistance. This group is more tech-savvy than the weekend home renovators who most likely already own the Mike Holmes print books. Typically they are looking to buy their first home or to renovate a new home and will discover the Mike Holmes application and brand by searching for a variety of key terms in the App Store or seeing strategically located marketing and publicity for the application while shopping at a building supply store. They also know that there is an enormous amount of information available in the App Store and often refer to their Apple device for assistance. This group is also familiar with the Mike Holmes brand and will purchase the application for its practical assistance in their renovation as well as for their recognition of what Mike Holmes stands for. Having discovered the application, this group will be directed to the print books to get more in-depth, detailed information for their renovation.

Taking into consideration Mike Holmes's main audience groups, the content included in the application will need to be clear and easy to understand and navigate by people who are not familiar with the professional world of construction and the jargon used in that industry. One major difference between the print book and the application is that the print book contains much more space to explain and elaborate certain topics in longer passages. The application will need to contain shorter, more focused bursts of crucial information. As a result, the content in the application must work well out of the context of pages in the book and be easy to understand and grasp without too much elaboration.

HarperCollins Canada's primary goal for the *Make It Right* application is "not to cannibalize but attract new readers to the print book and to encourage those who

have already purchased the book...to easily buy the application as well.”⁴⁷ In this way, for each target audience, the application will either direct application users to the Mike Holmes books or the Mike Holmes books will introduce readers to the digital world of Mike Holmes. This digital world of renovation can be crowded, and it is important that HCC research other applications that are available to users looking for renovation assistance.

4.2 Competitive Analysis

The *Make It Right* mobile application will focus on home renovation and so it is important to investigate competing application options for people renovating or redesigning their homes. In evaluating what these applications offer compared to the *Make It Right* app as well as their comparative price points, HarperCollins Canada will get a better sense of where to place their application in the marketplace.

4.2.1 Handy Tool Apps

The majority of home renovation apps in the Apple App Store are handy tools that are used either to measure and calculate material requirements or to track and organize renovation projects.

These apps, which are many and various, are usually designed to allow the user to perform one particular task. Specifically they aid in calculating the amount and cost of a particular material needed for a given project. Some examples of these apps include the *Asphalt Estimate*, the *Drywall Estimator*, the *Spacing Calculator*, the *Tile Estimate*, *Roofing Materials*, *The Decorator*, and the *Dimension Marker* app. These apps are priced at \$0.99. Several applications, such as the *Handyman Glossary* and the *Home Improvement Glossary*, provide a glossary of renovation terms. These apps are also priced at \$0.99.

⁴⁷ *Make It Right* Application Overview Document. Version 1.0. 15 July 2010.

4.2.2 Advice Apps

As the price of the applications increases, so their functionality increases. This next group of applications go one step beyond providing a platform to calculate renovation requirements: they also provide content and advice on the process.

The Project Plan app by JamWare allows the user to “manage all of [their] projects that [they] are currently working on.”⁴⁸ This app retails at \$1.99 and allows the user “to generate and email reports and lists of all Projects, Rooms and Tasks.”⁴⁹

Another application priced at \$1.99 is *The Home Remodeler!* app by NexStudios.jp. This app has the backing of Manhattan interior designer Irwin Weiner. *The Home Remodeler!* application is intended to help the user “get started on larger-scale home makeover projects.”⁵⁰ It provides “room by room help, tips, advice, and videos...from how to find good help and the importance of getting all your plans in writing, to designing a killer yard and tackling rooms like kitchens and half baths that will give you better returns on your investment.”⁵¹ The focus of this application is somewhat similar to the *Make It Right* app, but *The Home Remodeler!* focuses more heavily on design-based renovation and does not have the same brand recognition as the Mike Holmes application.

⁴⁸ Apple iTunes website. Project Plan by JamWare application page. 30 October 2010. <http://ax.itunes.apple.com/ca/app/project-plan/id327764182?mt=8#>

⁴⁹ *ibid.*

⁵⁰ Apple iTunes website. Home Remodeler! by NexStudios.jp application page. 7 January 2010. <http://ax.itunes.apple.com/ca/app/home-remodeler/id349053195?mt=8#>

⁵¹ *ibid.*

Another application similar to the *Make It Right* app is *The What-If House* by Larry Davidson. This app lets you “take an ordinary house, and with a few simple changes, create something extraordinary.”⁵² Unlike the *Make It Right* app, this application is geared toward the design elements of the exterior of a house. It allows the user to change the paint colour, add columns or create a garden. The purpose of this app is to help the user create better curb appeal for their home. *The What-If House* app costs \$0.99 but does not provide the overall functionality and usefulness of the *Make It Right* app.

4.2.3 Functionality and Advice Combined

Finally, the app that is the closest competitor to the *Make It Right* application is the *Home 3D* app by Black Mana Studios. It combines both content and functionality and is a useful and informative tool for the user. The app calls itself “the ultimate mobile tool for architects, home remodeling enthusiasts, interior designers and design hobbyists.”⁵³ This statement places the app in a market segment where it can be useful to both renovation and design professionals as well as to the layperson.

The *Home 3D* application allows the user to “build [their] dream home in seconds, and take a stunning 3D virtual tour inside it!”⁵⁴ The application lets the user do a variety of renovation-type tasks and then take a three-dimensional tour of their work. The user can put in windows and doors, specify dimensions, and import their own material styles from their iPhone photo library. They can also create rooms within the application and visualize their finished renovation before they start the project.

⁵² Apple iTunes website. The What-If House by Larry Davidson application page. 10 August 2010. <http://ax.itunes.apple.com/ca/app/the-what-if-house/id385531170?mt=8#>

⁵³ Apple iTunes website. Home 3D by Black Mana Studios application page. 6 August 2010. <http://ax.itunes.apple.com/ca/app/home-3d/id350292679?mt=8#ls=1>

⁵⁴ *ibid.*

For these reasons, as well as its price point of \$6.99 which is on par with the *Make It Right* app, the *Home 3D* application is the strongest competitor of the *Make It Right* application. However, the *Home 3D* app does not possess nearly as much brand recognition as the Mike Holmes application. As well, the Mike Holmes application will benefit from the marketing and publicity campaigns for Mike Holmes's other products and from its connection to the print books.

4.3 The Application Creation Process

The renovation application marketplace is crowded, but there are many advantages that the entire team helping to create the Mike Holmes application can use to their benefit. One of the most important assets in this type of project is each team member's ability to work with their team and each team's ability to work together as a whole. In order to complete the mobile application venture and to ensure that the Mike Holmes application project is a success, it is crucial for the entire team to communicate and support each other's roles. The Holmes Group, the HarperCollins Canada application team, Bluenotion and HarperCollins Canada editorial need to have respect for each other's responsibilities and to work in tandem in order to complete this type of new project on time, on budget, and at a level of excellence.

Jessica Goodman of John Wiley and Sons oversaw the creation of the iPhone application for *How To Cook Everything* by Mark Bittman. In an interview about the creation of the application, Goodman highlighted the importance of her role in ensuring that there was an "appreciation for the developer in tandem with editorial and publishing."⁵⁵ As a result of the application's short production timeline and the newness of application production for HCC, all parties involved need to be clear on the creation process HCC has outlined for the Mike Holmes application.

⁵⁵ Enhanced Ebook University Webinar. "Enhanced Ebooks Today: What, How and Why."

The HCC application team's responsibilities include selecting the desired content from the *Make It Right* print manuscript. Much of the content chosen from the print titles is ideal for the mobile platform, such as Mike's Tips and other how-to sections. Some of the content, however, will need to be adjusted, shortened, or rephrased to suit the smaller and shorter style of the application. Once the application team has decided on the content that is to be included in the application, the HarperCollins Canada editorial team will evaluate the content in order to ensure that it is consistent with the feel of the print book and that Mike Holmes's voice is represented in the text selected.

The editorial team will need to evaluate the content to ensure that the shortened and rephrased content remains true to the renovation process and to the Mike Holmes brand and his beliefs. Once the HCC editorial team has approved the content, it will be sent to The Holmes Group. The Holmes Group has the final say on what content will be in the application and they will need to approve all content prior to the HCC application team's organization of the content for the application layout.

Since the application is still in the early development phases, it is hard to say exactly how often the HCC application team, HCC editorial, The Holmes Group, and Bluenotion will need to meet throughout the application's production. Once the content is approved and all parties are satisfied that the content is representative of what Mike Holmes stands for, the next step will be to carry through the Mike Holmes voice and the look and feel of his print books and his brand in the design of the application. The design will bear the majority of the responsibility for Mike Holmes branding, so all parties involved must be satisfied with the visual outcome.

4.4 Electronic Rights and Royalties

Even though Mike Holmes has the final say on the design of the application and the content that will be included, HarperCollins Canada has the rights to the content. In order to maintain a satisfactory relationship with Mike Holmes, HCC will work closely with his team to ensure that he is pleased with the outcome of the project. This aspect of publishing can be challenging for authors: the notion of signing over control of their content. Electronic rights and royalties are such a new area in publishing—only recently have digital rights and electronic rights started being granted with print book rights—it is no wonder that authors are still unsure about granting them to their publishers since the jury is still out on what the industry standards should be.

4.4.1 The Authors Guild

The Authors Guild operates in the United States with the intention of protecting published authors' rights across a multitude of issues. In terms of electronic rights, The Authors Guild is maintaining the stance that “the current practice of paying 25% of net ebooks will not, in the long run, prevail”⁵⁶ and they are advising their clients that “the ebook industry is still young [and] there’s no need to jump in.”⁵⁷ The Professional Writers Association of Canada (PWAC) performs the duties of The Authors Guild in Canada. PWAC does not take such a strong stance in the electronic rights discussion as does The Authors Guild; however, from blog posts on PWAC’s website it would appear that they too are in favour of authors taking a wait-and-see approach to electronic rights. PWAC ends one of their blog posts, about a well-known author retaining and using their electronic rights, with “we’re not all household names with blockbuster books, but

⁵⁶ The Authors Guild website. “Random House’s Retroactive Rights Grab.” 15 December 2009. <http://www.authorsguild.org/advocacy/articles/random-houses-retroactive-rights.html>

⁵⁷ *ibid.*

the same tools are available to all.”⁵⁸ This statement seems to imply that PWAC is advising authors to explore the options available to them as individuals when it comes to digital publishing.

Additionally, The Authors Guild is taking the position that if authors wish to sell their electronic rights or if publishers are unwilling to negotiate book deals without electronic rights, than authors should “pin [their] publisher down on its plans for [their] book...and grant only those rights”⁵⁹ that the publisher has stated they plan to make full use of.

The Authors Guild is sure that “electronic publishing is still an evolving industry without clear standards, and royalty rates are in flux,”⁶⁰ and for this reason they insist that authors wait as long as possible to negotiate and renegotiate their electronic rights and royalties up until the very moment of publication.

The Authors Guild put out an article for their clients entitled “Random House, HarperCollins Look to Lock In Low E-Book Royalty Rates: 5 Ways to Protect Yourself”⁶¹ in which they highlight five ways authors can protect themselves against publishers who, according to the Guild, are attempting to persuade authors to sign over electronic rights at reduced royalty rates. The Guild states that “the only reason ebook royalty rates are so low right now is that so little attention has been paid to them: sales were simply too low to scrap over. That’s beginning to change.”⁶²

⁵⁸ The Professional Writers Association of Canada website. “The electronic rights are yours. Or are they?” 26 April 2010. <http://www.pwac.ca/blog/2010/04>

⁵⁹ The Authors Guild website. “Electronic Rights.” http://www.authorsguild.org/services/legal_services/electronic_rights.html

⁶⁰ *ibid.*

⁶¹ The Authors Guild website. “Random House, HarperCollins Look to Lock In Low E-Book Royalty Rates: 5 Ways to Protect Yourself.” 18 March 2010. <http://authorsguild.org/advocacy/articles/random-house-harpercollins-look-to-lock-in.html>

⁶² *ibid.*

One of the ways The Authors Guild is advising their clients to protect themselves against publishers who are attempting to lock them into low electronic royalty rates is by telling authors to “bide their time”⁶³ and put off selling their electronic rights. The Authors Guild is advising authors to take a course of action (or inaction) that works to slow down the production of digital products. Readers are demanding these products more and more frequently, and authors who do not provide their work in a variety of formats are at a growing disadvantage because readers may no longer be willing to buy an expensive hardcover edition of a print title to carry around with them. As well, ebooks are typically cheaper than print titles and many readers have already invested in an electronic reader.

4.4.2 The Publishers

On the opposite side of the digital rights fence are the publishers who wish to make a profit and in doing so will possibly generate additional income for their authors and provide their customers with what they want. Random House and HarperCollins have both revealed an “offering...of 25% on [frontlist] titles -- which is the de facto standard in the industry on frontlist books.”⁶⁴ Random House has also “adopted an ebook royalty rate that tops out at 40% for all titles covered by contracts signed before 1994.”⁶⁵ Many smaller publishers are currently offering 50% electronic royalties to their authors. Arthur Klebanoff, CEO of Rosetta Books, states that when Rosetta Books, which offers 50% electronic royalties, “negotiate[s] highly valuable titles, [they] go higher”⁶⁶ than 50%. This strategy is

⁶³ *ibid.*

⁶⁴ Deahl, Rachel. “Digital Royalties: Random House Sets 40% Bar for Some Titles.” <http://www.publishersweekly.com/pw/by-topic/digital/copyright/article/44300-digital-royalties-random-house-sets-40-bar-for-some-titles.html>

⁶⁵ *ibid.*

⁶⁶ *ibid.*

not unusual for smaller publishers, some of which have sweetened the deal for their authors in a variety of financial and non-financial ways.

As publishers enter more dangerous waters and publish in formats that have previously been unexplored, authors are wary of the profits they will receive. The current situation is that publishing houses are going out on a limb in terms of cost in creating multimedia projects since the authors are often not asked to front money for these projects.

Currently the “big six” publishing houses are following a uniform corporate practice that states that they will not purchase any original manuscripts without the rights.⁶⁷ HarperCollins Canada is taking the approach of renegotiating terms for each different project. They are also acquiring digital rights as well as electronic rights for each new manuscript. Digital rights and electronic rights have different revenue potential for the publisher and income potential for the author. Therefore, any authors who wish to publish with these large publishers must license their electronic and/or digital rights. Should an author decide to publish with a smaller company or some other publisher that allows them to keep their electronic rights, and should they wish to make use of these rights by publishing in digital formats, they will need to work with a developer. There are benefits to both approaches, and authors need to determine whether keeping their electronic rights or signing them over to a publisher will work best for them and their content in both the short and the long run.

4.5 The Apple App Store Approval Process

Whether an author or a publisher decides to create an application, in order for the application to be sold in the App Store, it must first be approved by Apple’s approval team. Approval in the App Store, just like the rest of Apple’s operations, is somewhat of a mystery. Some statistics provided by 148apps.biz help to

⁶⁷ Digital Book World Webcast. “eBooks vs. Apps: The Pros, Cons and Possibilities.”

explain the sheer magnitude of the number of apps the approval team receives. The App Store receives over 19,477 app submissions per month,⁶⁸ and of those submissions “eighty percent are approved as submitted with no changes necessary, and 95 percent of applications are approved in two weeks or less.”⁶⁹ On average the approval process takes 6.85 days, with the maximum delay being 52 days.⁷⁰

4.5.1 Approval Guidelines

Apple states that their primary concern when approving applications is “to protect consumer privacy, safeguard children from inappropriate content, and avoid applications that degrade the core experience of the iPhone.”⁷¹ The guidelines below are used by application reviewers when deciding whether to approve an application:⁷²

- Applications may be rejected if they contain content or materials of any kind that in Apple’s reasonable judgment may be found objectionable, for example, materials that may be considered obscene, pornographic, or defamatory; and
- Applications must not contain any malware, malicious or harmful code, program, or other internal component which could damage, destroy, or adversely affect other software, firmware, hardware, data, systems, services, or networks.

⁶⁸ Taken for the month of August 2010. “App Store Metrics.” 148Apps.biz blog. 15 October 2010. http://148apps.biz/app-store-metrics/?utm_source=Triggermail&utm_medium=email&utm_campaign=AppleInvestor_Newsletter_083010

⁶⁹ Ogg, Erica. “Apple sheds light on App Store approval process.” CNET News blog. 21 August 2009. http://news.cnet.com/8301-13579_3-10315328-37.html

⁷⁰ “App Store Metrics.” 148Apps.biz blog.

⁷¹ Apple website. “Apple Answers the FCC’s Questions.” Official statement. <http://www.apple.com/hotnews/apple-answers-fcc-questions/>

⁷² *ibid.*

4.5.2 Getting Approved

Apple has a website specifically designed to assist application developers. The website features support and advice on application development and submission tips. Its purpose is to provide “guidance on the app submission and approval process.”⁷³ This information is available to the general public and can be a helpful resource for publishers wishing either to tackle application development in-house or to further understand the process.

Apple has a team of “40 full-time trained reviewers, and at least two different reviewers study each application so that the review process is applied uniformly.”⁷⁴ Only about 10% of all applications submitted to the App Store are “inappropriate.” In “90% of those cases, Apple requests technical fixes—usually for bugs in the software or because something doesn’t work as expected.”⁷⁵ This correction works in the developer’s favour because in order for the application to succeed, it needs to run smoothly and work properly.

It is clear that the App Store’s approval team is willing to work with developers in order to ensure that the content is safe and legal. In order to be approved, publishers need to spend the money and time it takes to build properly functioning applications and to work with reliable developers.

4.5.3 Application Revenue

Once an application is approved and available in the App Store, Apple takes 30% of the sales revenue while the developer gets 70% of the revenue.⁷⁶

⁷³ Apple Developer website. iOS Dev Center. App Store Submission Tips blog. <http://developer.apple.com/iphone/news/appstoretips/>

⁷⁴ Apple website. “Apple Answers the FCC’s Questions.” Official statement.

⁷⁵ Hesseldahl, Arik. “Apple’s Schiller Defends iPhone App Approval Process.” http://www.businessweek.com/technology/content/nov2009/tc20091120_354597.htm

⁷⁶ Apple Developer website. iOS Developer Program. Distribute page. <http://developer.apple.com/programs/ios/distribute.html>

In the case of HarperCollins Canada, this 70% is then split between the publisher and the author. The developer/publisher receives payment in the form of monthly cheques from Apple. If the application is free, there are no charges; there are also no hosting fees, no credit card fees, and no marketing fees associated with having an application in the App Store.

4.6 Pricing the Application

The HarperCollins Canada application team understands the importance of maintaining a consistent look and feel in the Mike Holmes applications over the course of the series. This consistency will also be maintained through the pricing of the applications. Even though the price varies among the Mike Holmes print books, this is acceptable to the print reader because they can easily distinguish how one physical book can be thicker and heavier than another. All the applications will appear to the user to have the same amount of content, and maintaining a similar price point among them will ensure greater cohesion within the series.

Applications similar to the Mike Holmes applications range in price from \$0.99 to \$12.99. HarperCollins Canada wanted to price their applications somewhere in the middle since the applications contain premium content yet the majority of that content will be taken from the print books. HCC needs to maintain a balance in the price that reflects the quality of the content.

Make It Right, originally released in 2006 as a hardcover, was released in 2007 as a paperback for \$24.95; *The Holmes Inspection* was released as a hardcover in 2008 for \$29.95; both *Make It Right: Kitchens and Bathrooms* and *Make It Right: Attics and Basements* were originally scheduled to be released as original trade paperbacks on November 11, 2010, for \$26.99. Both the books' prices and formats will remain the same; however, their release dates have been postponed to November 29, 2010, and February 18, 2011, respectively. The original release

of *Kitchens and Bathrooms* and *Attics and Basements* was intended to coincide with the release of the first Mike Holmes application, which will have content from Mike Holmes's first book, *Make It Right*.

In order to price all the applications the same, it was important to find a price point that represented the value of the content within all four books. The average price of the four titles is \$27.22. HarperCollins prices its ebooks at 80% of its print title prices, making the average ebook price for the Mike Holmes \$21.78. Taking into consideration the price of competing applications, the Profit and Loss statement created for the project, and the fact that the Mike Holmes applications will have approximately 30% of the book content, the HarperCollins Canada application team arrived at the \$6.99⁷⁷ price point for each application.

Even though HarperCollins Canada created a Profit and Loss statement for the project, given the immaturity of the digital market, it is difficult for publishers to predict how many units of a digital product will sell. As a result, current pricing decisions are based more on price psychology and what the market will bear than on precisely calculated pricing formulas. HCC took into consideration the pricing of competing applications, and with a sense of what users would be willing to pay for Mike Holmes content, they were further convinced that \$6.99 would be an appropriate price point for the applications.

4.7 Testing the Application

Since the Mike Holmes application will be a premium app costing \$6.99, it is crucial to ensure that there are no technical bugs or problems with content or design. The final product is the face of a publisher's brand to a large number of people, and ensuring that all digital products are in the best condition they can be is very important during these changing times. More and more people are buying ebooks, enhanced ebooks, and mobile applications from publishers, and if these

⁷⁷ $21.78 \times 0.33 = 7.18$

products are not of the highest quality, publishers can lose their reputation in the digital world.

As mobile applications become more and more popular, users are turning to ratings and reviews in the App Store to determine whether an application is worth buying and downloading. Positive reviews can have a strong impact on the store placement of an application—a high rating can place an application in one of Apple’s Top 25 lists—which increases the number of people willing to buy it. Because digital products are intangible, users rely heavily on what other people say about a product, so it is essential to react quickly to any negative comments and release updated versions of an application.

Since the Mike Holmes *Make It Right* application is HarperCollins Canada’s first application, they have decided to keep the testing and quality assurance in-house. Employees at HCC as well as the developer and his team will test the application. Depending on the scale and timeframe of the testing, HCC employees may reach out to friends or family for further testing.

It is in the application’s best interest to have as many people as possible test it before it is sent to the App Store for approval. This way not only can bugs and other technical issues be resolved but testing may give rise to many additional feature suggestions that can enhance the functionality and usefulness of the application. As a result of the short production schedule, it is important for HCC to maintain a balance between number of testers and adequate time spent on testing and keep the application testing and feedback under control.

4.8 Marketing the Application

The short production timeline and the size of the HarperCollins Canada application team require that all energies be focused on each particular step of

the project at hand. As such, no formal marketing plan has been discussed and arranged as of the early development stage in November 2010.

The short timeline for the project is a challenge in terms of the amount of work that needs to be done, but it was adjusted to accommodate the concurrent launch of the *Make It Right* application in the Apple App Store with the original sale date of the two new Mike Holmes books. Launching the application at the same time as the print books gives HarperCollins Canada the opportunity to do an umbrella marketing campaign for the application and the two new books.

The strength of the Mike Holmes brand is a great selling feature for the application and selling it as a companion to the print book increases the likelihood of people buying multiple formats.

The Mike Holmes website,⁷⁸ which is completely run by The Holmes Group, is very active and representative of his brand and would be a great place to showcase the application on its launch. The Make It Right website features an online store with DVDs, books, T-shirts and workwear and this would be the ideal place to sell the application by adding a link in the merchandise section of the Make It Right website to the app's page on the App Store's website where the application can be purchased.

Another great way to advertise the application is in Mike Holmes's *Holmes* magazine. Readers of the magazine already know and love Mike Holmes, and featuring the application in the magazine would boost sales of the application as a companion to the print version.

⁷⁸ Official Mike Holmes website. <http://makeitright.ca/>

Finally, advertising before, during, or after the Mike Holmes television show, which airs on the Home and Garden Television channel, will expose large numbers of people to the application.

There are no plans to build a separate website for the applications since Mike Holmes's website is already popular with his fans. In some instances, building a separate website for a digital product can increase sales by adding another format to the content cycle that will drive traffic. The website can feature screenshots, videos of how the application works, examples of video/audio in the application, and a Buy Now button. For the *Make It Right* application project, however, given the size of the HCC application team and the tight timeline, it was decided that staff energy and budget should be devoted to the development and promotion of the application itself.

Identifying the target audience and performing a competitive analysis of the marketplace is crucial to the successful promotion and production of the application. HarperCollins Canada ascertained who the application was geared toward and were able to choose suitable content that would be easy to understand and navigate by the layperson. A competitive analysis allowed HCC to discover what types of features and enhancements other similar applications had and therefore were able to create an application that will provide the target audience with the information they need while remaining competitive in the marketplace.

The digital changes occurring in publishing mean that not only are new roles and responsibilities being created, sometimes daily, but also new contracts and standards for electronic rights and royalties are being hotly debated. The Authors Guild feels that they are protecting authors by recommending a wait-and-see approach, while publishers are trying to provide content in formats that readers are increasingly demanding.

Publishers are creating digital products and in doing so are setting an industry standard in requiring electronic and/or digital rights with all new manuscript acquisitions. HarperCollins Canada has put in a lot of time and planning in order to make the Mike Holmes application a success, and pricing the application correctly as well as testing and marketing it properly will ensure that digital standards of excellence are maintained in HCC's digital product development department. Being familiar with the guidelines Apple has created for application approval will assist publishers in getting their application approved quickly and will also help to ensure that they create successful and properly functioning products.

5. Evaluating the Situation

Marketing, testing, and pricing the application appropriately are only half of the steps to success when it comes to digital products. Many aspects of this new field are yet to be fully explored, and there are many unknowns for both publishers and customers. To enter the digital landscape, publishers will have to branch out beyond their core business of print and begin to incorporate other product formats and streams of income into their operations. One way to enter the world of digital publishing is by creating a content cycle. By building multiple formats using the same or similar content, publishers can continue to rely on their print products and to operate in the familiar print marketplace while also creating new products and formats that customers are demanding.

In order for new products to become a part of a publishing house's business, there will have to be a greater cohesion between departments. Publishers who wish to create digital products from print titles will require a high level of participation from the editorial department in terms of digital evaluation of manuscripts. This new area of publishing requires even more collaboration among departments than with print books, and editorial departments will need to expand the variety of decisions they make when evaluating new manuscripts. Manuscripts will no longer only be evaluated for their potential as print titles and editors will start playing a greater role in making decisions to create content cycles from manuscripts received.

A related key to success for publishers in the digital market is the creation of brands around the authors they publish. Publishers have created long-term strategies around some authors, and this activity will increase as publishers start to plan content cycles to find new streams of revenue and to increase the shelf life of the products they create.

HarperCollins Canada has built a brand around Mike Holmes with his print titles, and capitalizing on this brand with a launch of digital products may prove very successful for them. However, because digital publishing is so new for HCC, they may run into problems along the way. Allowing sufficient time to conceive and develop a digital project and maintaining it through analytics and user feedback is very important in the digital age. HarperCollins Canada will have to ensure they not only create a worthy product but also maintain and support it throughout its lifetime. Ensuring the success of a product can be hard in this new and changing digital marketplace, but employing strategies and methods such as the content cycle can help publishers cope with these changes and assist them in making informed decisions.

5.1 Publishing Goes Digital

5.1.1 Analyzing the Content Cycle

Entrance into the digital publishing market requires publishers to create additional products beyond their core business of print products. Publishers have been producing print titles for many years and as a result have well-established methods for producing titles and predicting their success. The processes required to produce digital products are quite different. A digital product may or may not require twelve months to produce, as does a typical print product, and publishers who have never developed such a product do not know what the time requirements really are. Once the digital product is produced, publishers must learn how to negotiate this new product in their business.

This is where the content cycle can be employed. The content cycle allows a publisher to create a brand and a specific feel and purpose for the content and in this way create a strategy that will deliver the content to its audience successfully. By employing the content cycle approach, publishers will be able to place any given content within the cycle and work to promote and enhance that cycle as a whole rather than trying to promote each product individually.

By creating a content cycle using the same or similarly themed content, a publisher can begin to create digital products while still relying on the core business of print products. As publishers receive and consider manuscripts and proposals for print titles, they can consider the digital potential as well, which will allow them to start thinking about the content cycle from the start of a print project. By creating, publishing, and marketing a print title, tasks which publishers are familiar with, and using the same content to create a digital product and marketing the products together, publishers can operate in a business that they are familiar and comfortable with. The key to successfully adopting a content cycle approach to digital publishing will then be to take that content and to evaluate what types of other, complementary products would benefit from the value it provides. Once this step is performed, publishers can begin to incorporate these new products into their print processes in order to capitalize through co-promotion on the popularity of the content and the marketing and publicity organized for print titles. By creating a content cycle, publishers can piggyback new forms on a business they are already familiar with, in order to enter the new digital publishing market.

5.1.2 Changes in the Production Process

In an effort to start to bridge digital product development across departments and to create the best application they can, the HarperCollins Canada application team is working with the HCC editorial department to ensure that the content in the application is of the highest standard. After the HCC application team has decided on the content for the application, the editorial team who worked on the Mike Holmes books will have the opportunity to go through all of the content and to ensure that any condensing or rephrasing of the content has retained the original meaning, voice, and feeling of the print works.

A look at the wider digital picture beyond the Mike Holmes project shows clearly that editorial departments need to play a much larger role in digital project initiation and development. HarperCollins has adopted a company-wide policy to not publish any more books without electronic rights; therefore, HarperCollins editorial will need to explore the digital possibilities of a manuscript or proposal when considering it for production. HC editorial will need to evaluate each manuscript not only for its value as a print title but also for its multi-format opportunities.

By recognizing the digital potential in manuscripts from the time of their acceptance, publishers can plan for a variety of formats early on, ensuring that all formats receive the development time they need. As this area grows in business potential for HarperCollins and for other publishers, the need to plan further ahead and to define goals and objectives for digital products will become increasingly important.

Initially, HarperCollins Canada was able to maintain and control the shifting timeline of the Mike Holmes application project because it was the only large-scale mixed-media value-added digital project they were working on, but as more projects are added to the application team's responsibilities, many aspects of production and planning will need to be modified to amortize these shifts, and compensating for these adjustments may become difficult. If changes are not made to production timelines of future projects, more flexibility will have to be built into project schedules. Short and fluctuating timeframes can lead to compromised business management and missed deadlines, which in turn could affect sales. It is more important than ever for publishing houses moving into digital publishing to adjust their business models to accommodate the creation of a variety of new products.

The team responsible for digital product development at HCC faces many demands and challenges. Following certain recommendations will assist in

relieving these strains and ensure that future digital development projects run more smoothly and according to schedule.

5.2 Developmental Demands

Since the first Mike Holmes application is still in development, it is difficult to predict what aspects will become additional demands or challenges for the application team as development on the *Make It Right* application continues.

5.2.1 Planning Sufficient Time

The area of digital development is a new field for HCC and as a result, it is easy to underestimate the amount of time and effort that is required to create an enhanced ebook. John Wiley and Sons, who paired with Culinate to create their *How To Cook Everything* by Mark Bittman iPhone application, stated that excluding their in-house time at Wiley, Culinate probably spent about 1,000 hours⁷⁹ developing the application. As well, the Wiley team had weekly meetings with the Culinate team; these became daily meetings as the project progressed. Mark Bittman and his team met with Wiley and Culinate weekly to give input and receive project updates.

Since late November 2010, the HCC team have met with The Holmes Group a couple of times, however, this will most likely increase as the project develops further. Overall, as mixed-media digital product production increases, HarperCollins Canada will need to devote more time and resources to this area of growth.

Time for Testing the Application

In terms of testing and quality assurance of the application, HCC has decided to test in-house as well as have the developer, Bluenotion, test the application. The

⁷⁹ Enhanced Ebook University Webinar. "Enhanced Ebooks Today: What, How and Why."

longer this process takes and the more people that are able to test the application, the more bugs and technical difficulties will be discovered and eliminated. As well, with a greater number of users testing the application, further suggestions and ideas can be incorporated into the application. The HCC application team has scheduled about one and half months for the testing process. This timeframe is very limited and it will be important for everyone involved in the application's development to ensure that they test the work done as thoroughly and as quickly as possible in this short amount of time.

5.2.2 Analytics and Feedback

Once the application is live in the Apple App Store, the HCC application team will need to keep a close eye on analytics and respond quickly to any drops in sales in order to ensure the application's success. Marketing efforts and price changes can greatly influence the sale of the application, and by keeping a close eye on what users are doing, HCC can adjust any aspects of the application that may affect sales. Making sure that user reviews are positive and quickly responding to any negative feedback will increase sales by helping to get the application on Apple's Top 25 lists, which have proved to be very influential for many users.

Wiley and Sons' licensing partner, Culinate, has set up an email address that receives emails daily from users on how to improve the *How To Cook Everything* application's functionality and usefulness. Wiley is regularly reviewing these suggestions and listening to users and attempting to address their concerns not only to improve the *How To Cook Everything* application but also to improve other applications that are currently being developed and those that are planned for future development.

5.2.3 Recommendations for HarperCollins Canada

Value-added digital product development is a new area of production for HarperCollins Canada, and as a result there are many aspects of the Mike Holmes project that may not turn out exactly the way they were planned. Each new product is a learning curve, and the *Make It Right* application will allow HCC to get their feet wet in application development and to begin a necessary transition toward including more digital products in their business. As the number of projects created increases and the size of digital product development departments grows, so the process will become more streamlined and predicting a product's outcome and success will become easier.

Currently, the HarperCollins Canada digital development team is small and may not be able to accomplish all the additional work that Wiley and Culinate have done on the *How To Cook Everything* application in terms of listening and responding to user feedback. The HCC team will most likely grow as the number of projects increases, but devoting as much time as they can to ensuring users are satisfied with the *Make It Right* application will be crucial. Publishers need to keep in mind when launching into mobile application development that creating the application and releasing it is only one small part of the process. As with most digital products, maintaining the product throughout its life will ensure that it remains popular and successful and continues to operate at the level users are demanding.

Through Mike Holmes's books and his television shows, his fans feel very connected to him as a result of his personal style and the way he interacts with the audience. The creation of this connection in the application may be a stumbling block for HCC. It will be important for HCC to ensure that the application is a continuation of the Mike Holmes brand. In order for sales to be healthy and for the application to attract Holmes's established audience, as well

as to gain a new audience, the application must be representative of Mike Holmes and the information and quality his brand stands for. This step may be more time-consuming than others, because it is challenging to get the content and the design just right so that the user experiences the Mike Holmes brand through the application.

In terms of production schedules and planning for digital products, HarperCollins Canada is not yet planning for a variety of formats for each print manuscript that is accepted on a mass scale. The first Mike Holmes application is scheduled to be released with the launch of two new Mike Holmes books, but the production schedule for the application only came into existence three and a half months prior to the scheduled launch of the books. The short timeframe for the Mike Holmes application's development may therefore be a complication. If there is insufficient time for each step of the process, it may be difficult to adhere to the schedule, and the project's timeline may be compromised. This aspect is particularly important in the case of the Mike Holmes application since the original plan for the application was to have it released simultaneously with the two new Mike Holmes print books thereby having all three products benefit from co-promotion. The HCC application team realized that they had underestimated the amount of time it would take to get everything organized at the start of the project and as a result the project has been delayed right from the get-go.

In the future, HCC needs to begin the creation process for a variety of formats upon the acceptance of a print manuscript; however, this is not the current editorial standard. Todd Stocke, editorial director at Sourcebooks, points out that Sourcebooks has "worked hard to have the discussion about all of the things digital across all levels of the company...[and] to bridge departments that might not necessarily appear to bridge easily."⁸⁰ To ensure the success of a wide variety of content formats, it will be crucial moving forward for HCC to embrace

⁸⁰ Meyer. "Book publishing firm finds new sources of growth."

the process of digital development more intensely and with a stronger company-wide approach and planning strategy.

It is clear that as this area of the industry expands, HarperCollins Canada and other publishers will need to expand their digital production teams in order to manage the number of projects being created. Planning for such projects sufficiently in advance of their launch dates will relieve the pressure of such short deadlines on these teams and work to each project's benefit as every format receives adequate planning, preparation, and development time at each step of the process.

5.3 Digital Sales

Currently, sales of ebooks and applications do not necessarily financially justify their creation, but considering the rate of growth, it is clear that this aspect is about to change very soon. Ebook sales figures are quickly growing to meet print sales numbers and are slowly bringing in more revenue for publishers than ever before. HarperCollins Canada has seen a big jump in ebook sales of their frontlist titles and are therefore rushing many soon-to-be-published books into digital production in order to release ebooks concurrently with print titles.

HarperCollins Publishers, with their larger staff and stronger push toward digital, are starting to release certain ebooks prior to their print book release dates. Deepak Chopra's *Muhammad*, which was set to be released in the United States on September 21, 2010, in print format, was released as an ebook weeks before on September 9, 2010.⁸¹ Michael Morrison, president and publisher of HarperCollins's general books division, stated that the purpose of releasing Chopra's title in electronic format prior to print was that HC "wants [their] titles to

⁸¹ Dilworth, Dianna. "Deepak Chopra's New Book Hits eBook Weeks Before Print." eBookNewser blog. 9 September 2010. http://www.mediabistro.com/ebooknewser/writers/deepak_chopras_new_book_hits_ebook_weeks_before_print_173175.asp

be available in a timely manner to meet consumer demand and increase readership for [their] authors.”⁸² Meeting consumer demand and increasing readership for authors by releasing an ebook format prior to a print version ultimately results in an increase in ebook sales that would not perhaps have been seen had the ebook been released simultaneously with or after the print book.

5.3.1 Building an Author Brand

In this new digital age, publishers and authors need to work together to ensure that sales are noteworthy. Dominique Raccach pointed out at a panel discussion at Book Summit 2010⁸³ that Sourcebooks publishes authors. Their strategy is to have a five- to ten-year plan around each of their authors and to work toward a previously agreed upon future goal that is beneficial for both Sourcebooks and the author. By building a brand around the author—as HarperCollins has done with Deepak Chopra by increasing his popularity through releasing his material early to keep him timely—publishers can sell their content in any format that customers wish to receive it in.

In order for publishers to invest in an author’s brand, they need to have the opportunity and ability to work with that author’s content in any format that is mutually profitable and beneficial. For publishers to survive in these changing times, it appears that authors will need to work with publishers and negotiate rates for e-rights along with print rights as a contractual standard. As HarperCollins and other large publishers move toward this industry transition, many smaller publishers will be forced to follow in order to remain competitive and survive.

⁸² Bosman, Julie. “Deepak Chopra’s ‘Muhammad’ to Be Released Early as E-Book.” Arts Beat. *The New York Times* blog. 8 September 2010. <http://artsbeat.blogs.nytimes.com/2010/09/08/deepak-chopras-muhammad-to-be-released-early-as-e-book/>

⁸³ “Hot New Models: The Amazing Transformation of Business and Culture in the World of Books.” Book Summit 2010 Conference. 18 June 2010. <http://www.booksummit.ca/conference.html>

Digital publishing is rapidly changing the publishing landscape, and publishing houses have to adjust quickly and smartly to the changes in order to provide their customers with the products they are demanding. New challenges and benefits have been introduced to publishing, demanding new business models. By selecting Mike Holmes's content and creating a content cycle with his print books, HarperCollins Canada hopes to offset some of the risk involved in entering the digital market. Mike Holmes is an established brand with a loyal audience that the mobile application can be marketed to.

The content cycle strategy will alleviate some of the work associated with creating a digital product for a first-time author. Even though a digital product in a content cycle can rely somewhat on the other products in the cycle when it comes to attracting an audience, there are many other steps prior to launching the product that demand time and attention. Currently, many publishers are having to rush through several digital product development stages in order to stay current, but as time goes on, planning and preparation for these additional content formats will become a necessary industry standard.

Presently, evaluating a manuscript for its digital potential is not yet an industry standard and this aspect causes a variety of problems for any publishing house that wishes to launch a digital product simultaneously with another project that has been planned for way in advance. Attempting to launch a mobile application concurrently with two print titles and not allowing sufficient planning time for the application has left HarperCollins Canada with a shortage of time. This lack of time results in an increased amount of stress and pressure on the application team as well as a great chance of having the project fall behind schedule.

6. Conclusion

6.1 The Arrival of Digital Publishing

Many publishers have entered the digital publishing world and have had success with a variety of projects from ebooks to enhanced ebooks to full blown multimedia projects. Statistics provided by Peter Collingridge during his keynote speech at the O'Reilly Tools of Change Conference 2010, such as the fact that Enhanced Editions app users spend five times longer on their mobile application than those on other apps, show that enhanced ebooks are attracting readers' attentions as never before.⁸⁴ The popularity and business potential in the creation of such value-added content formats has also been embraced by Sourcebooks, which currently has over four dozen applications in production. *The Jamie Oliver 20 Minute Meals* application is expanding Jamie's brand and HarperCollins Publishers is joining the digital publishing world with their creation of a whole host of enhanced ebooks and applications for a variety of their front- and midlist titles.

HarperCollins Canada began evaluating the potential of digital publishing in late 2009. They saw the increase of possibilities with the explosion in popularity of Apple's mobile products and began seriously considering opportunities in mobile application development. They wanted to enter the digital publishing market in order to generate new streams of revenue and to maintain their innovation in content formats. After evaluating potential content prospects, HCC determined that creating a mobile application for Mike Holmes was the right way for them to enter the market.

Prior to launching into digital product development, HCC needed to consider many aspects of application creation and make a wide variety of decisions that would dictate the future of digital product creation in the company. One crucial

⁸⁴ Collingridge. "Enhancing the Ebook."

facet of digital publishing that affects every publishing house is the necessity to shift an entirely print-based operation to include the production of other formats.

6.2 Launching Multiple Formats

Traditionally, publishers have received manuscripts for print projects and have evaluated the potential in those projects on a basis that primarily focused on how many hardcover and paperback copies could be sold. With the rise of digital publishing and the popularity of electronic readers and ebooks, publishers will need to start evaluating manuscripts on not only their print potential but on the possibilities to create multiple products with the same content.

Publishers are scrambling to keep up with readers' demand to read in digital formats, and many publishers have allocated large sums of money to create ebooks out of their backlist titles. The key to successful publishing in this digital age is to release multiple formats of a text simultaneously. Launching a print book, an ebook, an enhanced ebook, and any other product that complements the content will allow publishers to create a content cycle of the work and capitalize on the hype and popularity of the content in multiple formats. If each format is created appropriately, the customer will purchase more than one format of the content. Selling more than one format to the same customer allows publishers to increase the potential monetary value of that content and to capitalize on people's desire to own the print book to keep on their bookshelf, the ebook to take with them on daily commutes, the enhanced ebook for an enhanced reading experience or the mobile application for quick and easy reference.

6.3 A Learning Process

HarperCollins Canada sees the innovative business potential in producing content in multiple formats and creating content cycles; however, since the *Make*

It Right mobile application is the first project of its kind for HCC, they are learning at each step of the process. In order to ensure the success of the project, they have outlined clear goals and objectives for the project as well as for their decision to enter the digital publishing world. Their decision to create the Mike Holmes application as a complementary product to the print Mike Holmes titles will allow the products to co-promote each other. The first application will allow HCC to explore the digital production process and to investigate the numerous steps and employee roles and responsibilities required in these changing times. It is very important for the initial application's success that HCC continues to support, update, and maintain the application after its launch and responds to analytics and user feedback in a timely manner.

During the planning process for the Mike Holmes application, many features were discussed for the application and the HCC application team and HCC editorial are working hard with Bluenotion to ensure that the content dictates the features and not the other way around. HarperCollins Canada is continuing to create ebooks for their print titles and planning a variety of other digitally enhanced products that they are hoping will add value to their existing titles. They have taken the time and highlighted the difference in their strategy and approach to different digital projects including ebooks, enhanced ebooks, mobile applications, digital audio, and digital originals. HCC is focused on what they wish to achieve with each format and believe that one piece of content could inform all formats but not every book will have every format created. HCC will take a look at potential for revenue among other aspects when determining which products will work best in each content cycle. Understanding how each product functions within the content cycle is crucial to ensuring the success of the content cycle model.

6.4 Changing Times

With this project being the first of its kind for HarperCollins Canada, certain time constraints may present themselves. Currently, the HCC application team is behind schedule as a result of the short timeframe originally planned for the application. There may be other demands as the project continues; however, at its present stage, the HCC application team have underestimated the time it takes to organize and collect all of the content to be included in the application. This challenge can easily be met in future projects, and all publishers can avoid time crunches by beginning the planning stages for such digital value-added products early on. Relatedly, all departments in publishing houses, particularly editorial departments, will need to play a greater role in content evaluation and product creation and development.

The most important aspect to take away from HarperCollins Canada's entrance into digital publishing is to ensure that each project is allocated enough time that a level of excellence is maintained at every stage. This characteristic will become more and more important as the number of digital projects in a publishing house increases. In order for publishers to excel during these changing times, to create new methods of generating revenue, and to continue to deliver innovative content to their customers, all publishing departments, including editorial, rights, design, production, publicity, marketing and sales, must work together. These are exciting times and it is best to be in favour of them.

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