

# **A Deeper Dive into the Cookbook Buyer: An Analysis of BookNet Canada Data and the Cookbook Industry**

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## **Abstract**

Publishers rely on accurate sales data to make informed decisions about the books they publish, but how useful can that data be when the reporting systems that create it are incomplete? This report takes a granular look at the Canadian cookbook industry through the sales reporting and consumer surveys provided by BookNet Canada to see how accurately those systems reflect the reality of cookbook sales in Canada.

Cookbooks are one of many specialty genres in the publishing spectrum that have unique sales channel distributions, which makes it difficult to make sweeping generalizations about their consumers. By transposing information from BookNet Canada's SalesData and *Deep Dive* reports with Penguin Random House's internal data to illuminate discrepancies, this report provides a more holistic snapshot of the genre and its consumers. It is a direct response to a 2016 report from BookNet Canada called *The Deep Dive: The Cookbook Buyer*.

**Keywords:** Appetite by Random House; BookNet Canada; consumer data; publishing; SalesData; cookbooks

## **Dedication**

To Nicky, who keeps pushing me forward.

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## **List of Acronyms**

SFU	Simon Fraser University
PRHC	Penguin Random House Canada
BookNet	BookNet Canada
BISAC	Book Industry Standards and Communications
POS	Point-of-Sale

## Glossary

A-list title	Borrowed from movie industry lingo, A-list titles are those titles from which a publisher expects the greatest return on investment. These titles tend to be their bestsellers, and support the continuing function of the company as a whole. Many times, having successful A-list titles allows a publisher to take on “cultural value” projects that would normally prove too great a risk financially.
B-list title	B-list titles are the next tier down from A-list titles. Sometimes they are also referred to as a publisher’s “midlist.”
bestseller	For the purposes of this report, bestsellers include the top 100 titles in whatever category or span is being analyzed.
BISAC	BISAC Subject Headings are an industry-approved list of book and genre descriptors, represented by a nine-character alphanumeric code. Examples include COOKING/Regional, or FICTION/Fantasy. Generally, the BISAC codes assist bookstores in sorting books onto the appropriate retail shelf.
long-tail effect	The long tail is used to talk about the very small number of products that sell in a large quantity, and the near endless number of products that sell in progressively smaller numbers.
non-traditional sales channel	A non-traditional sales channel is any place where a book can be sold that does not use a regular POS (point-of-sale) system.
run-on	Generally, a run-on refers to when a publisher in a different region acquires the rights for a book in their own territory. Both publishers then share in a single print run, many times just changing the cover and copyright page. Using run-ons helps both publishers mitigate costs for printing overall.
span	A span, or season, typically refers to a specific publishing cycle within a given year, e.g., Fall 2017, or Summer 2020.

## Introduction

Publishing has always been an industry that likes to gamble. From the earliest days of contract and copyright negotiations—where decisions were made on gut instinct—to the modern press that evaluates the probability of a book’s success by pooling together as much data as it can, publishing relies on its ability to anticipate current and future trends among consumers. This allows it to push as many books out into the public as possible. This practice is amply apparent in Canada, where publishers of all sizes make use of the services provided by BookNet Canada, a non-profit, mostly government-funded organization that offers sales tracking and data analysis for the majority of the Canadian book publishing landscape.

Much like Nielsen’s BookScan in the US, BookNet provides publishers with weekly tracking information on any title with an ISBN in Canada. However, since both of these services rely on POS (point-of-sale) reporting, they are not infallible—BookNet reports that it captures only about 85% of the Canadian *retail* landscape, and the data typically doesn’t include direct or wholesale markets.<sup>1</sup> For the majority of genres, this doesn’t affect much, as most units are sold and then reported by traditional bookstores or retail outlets, but for others, it means that the data provided by BookNet may not always reflect the realities of an individual title’s sales. One of these genres, categorized by BISAC standards as Non-Fiction/Cooking, is the humble cookbook.

## Interning at Appetite by Random House

Candidates for the Master of Publishing (MPub) at Simon Fraser University (SFU) are encouraged to complete a work placement at a Canadian publisher as part of their practicum. These work placements typically last twelve weeks and involve writing a report with the supervision of an industry supervisor and a member of the SFU faculty.

For my placement, I worked at Appetite by Random House, an imprint of Penguin Random House Canada (PRHC). Appetite, currently celebrating its five-year anniversary, is a Canadian lifestyle publisher specializing in cookbooks. Appetite is a unique publisher in many respects: It is the only branch of PRHC that operates out of Vancouver; it is the only imprint of PRHC that readily welcomes unsolicited manuscripts from potential authors; and, perhaps

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<sup>1</sup> BookNet Canada. 2017. BookNet Canada Supports Publishers. Accessed August 2, 2017. <https://booknet.booknetcanada.ca/publishers/>

most advantageously, it is able to supplement any data provided by SalesData with PRHC's larger reporting systems, which include access to US sales numbers—both internal (through a system known as MyHouse), and external (through BookScan). This puts Appetite in an exceptional position as a small publisher to analyze their titles' given profitability and positioning against any other title with traditional sales channels—and in the case of any books within the PRHC umbrella, non-traditional channels as well. This benefit allows Appetite to compare the sales patterns of almost anything published by the world's largest publisher and its properties. This data cannot be underestimated. Penguin Random House has twenty imprints within Canada, and nearly 250 imprints worldwide.<sup>2</sup> These imprints include DK, Daw, Viking, Puffin, Ballantine Books, Del Ray, Alfred A. Knopf, Doubleday, Golden Books, Clarkson Potter, and Anchor, among others; all of their data is available for Appetite to study with a few simple clicks. To further illustrate PRHC's scale, during 2015, PRHC imprints accounted for nearly 32% of the Canadian publishing industry's market share.<sup>3</sup> Perhaps the greatest benefit of all for publishers like Appetite is the fact that, despite the merger and consolidation of Penguin Books and Random House, PRHC continues to promote different editorial visions and competition between their imprints.<sup>4</sup> This means that even though there may be some overlap in financials, all of its imprints continue to act autonomously. This makes their data exceptionally valuable—250 imprints conduct business in their own way, but share 100% of their data, down to the most minute of details, like how many units of a specific title a sales team member sold.

While I was an intern at Appetite by Random House, one of my main tasks was to read and review book proposals sent to its office for acquisition. As part of that duty, I frequently researched comparative titles by looking at BookNet's sales figures in SalesData (their sales tracking program) and, for any title published by Penguin Random House or its imprints globally, MyHouse gross and net sales reporting.

Most people familiar with publishing will understand why researching comparative titles is so important. In an industry that bases all of its acquisitions, print runs, royalties, and distribution on *predictions* about how well a book will perform, accurate sales information from books already out on the market is essential. If Title A resembles best-selling Title B, Title

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<sup>2</sup> Penguin Random House. Imprints. Accessed September 2, 2017. <http://booknet.penguinrandomhouse.com/imprints>.

<sup>3</sup> Medley, Mark. *Will the newly united Penguin Random House weaken Canadian publishing, or save it?* June 26, 2015. <https://beta.theglobeandmail.com/arts/books-and-media/will-the-newly-united-penguin-random-house-weaken-canadian-publishing-or-save-it/article25139840/> (accessed September 2, 2017).

<sup>4</sup> Ibid.

C, and Title D, then a publisher can reasonably expect that Title A will perform just as well, so long as the same environmental conditions are met.

Additionally, sales data allows a publisher to make note of a potential author's previous sales track, even when that author has never published with that imprint before. Looking at an author's prior sales record, while perhaps not ultimately being the catalyst as to whether a publisher picks up that author's title or not, *does* inform how many books the publisher thinks they can reasonably sell to that author's reader base. Likewise, comparative titles help a publisher position a new title in the market, particularly when it comes to putting that book into various sales channels. In theory, if a retailer can look at the lifetime sales of comparative titles for Title X, or how many units those books sold during their first 13 weeks of publication, SalesData is an excellent tool—at a glance, a book buyer or shop owner can see that providing more (or less) shelf space to Title X is a worthwhile risk, which then minimizes the risk of returns, one of the most unpredictable and costly aspects of publishing. This is all in theory, though. For the times when SalesData *cannot* provide an accurate history of comparative titles or the author's previous sales record, it can actually hinder the potential of that new title. A book or author might *appear* to be under performing, when in fact they are selling quite well, just maybe not within traditional sales channels.

The cookbook industry is one of the victims of this unreliable data collection, as this report will illustrate. Unlike fiction and general non-fiction, cookbooks tend to have a much narrower subject matter, shorter shelf life due to fluctuating fads and new dietary information, and smaller print runs. While the standard of what makes a "bestseller" is fairly nebulous,<sup>5</sup> fiction titles in Canada are considered bestsellers once they sell over 5,000 units in their lifetime by most in the industry,<sup>6</sup> cookbooks are considered successful closer to the 3,000 mark. In the US, titles are expected to sell at least that many units a *week* to make the most prominent bestseller lists.<sup>7</sup> These narrow margins for success make the data Canadian publishers gather during the acquisitions process essential, and this is especially true at Appetite. Since it currently publishes less than 25 titles a year, the success of each title is

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<sup>5</sup> Even BookNet's official blog can't provide a clear answer on what constitutes a bestseller, admitting that reaching a certain sales threshold does not guarantee bestseller status in Canada. (Francis 2013)

<sup>6</sup> Friesen Press. *What Makes a Book a Bestseller?* April 28, 2015. <https://www.friesenpress.com/blog/2015/4/28/what-makes-a-bestseller> (accessed 10 27, 2017).

<sup>7</sup> Rocha, Sean. *What's With All the "National Best Sellers"?* October 15, 2004. [http://www.slate.com/articles/news\\_and\\_politics/book\\_blitz/2004/10/whats\\_with\\_all\\_the\\_national\\_best\\_sellers.html](http://www.slate.com/articles/news_and_politics/book_blitz/2004/10/whats_with_all_the_national_best_sellers.html) (accessed October 27, 2017).

critical. There are no “A-list” and “B-list” titles. Each book must stand on its own and be worth the initial investment Appetite put into it.

When I was compiling information on comparative titles for Appetite, the data from MyHouse was usually preferred, as it provided the most accurate information on how many units of a particular title had left the warehouse and gone into market, whereas SalesData information was limited to POS data from contributing retailers. SalesData figures were mostly relied on for competitor titles that PRHC didn’t have internal data for. One of the reasons that Appetite uses MyHouse data more often is cookbooks tend to have sizable sales outside of traditional channels, including direct-to-author, gift store, and wholesale purchases, which frequently cannot be reported to BookNet (or can only be reported if they are non-returnable or can not be resold, such as sales made to libraries.<sup>8</sup>)

A few weeks into my placement, BookNet came out with a report titled *Deep Dive: The Cookbook Buyer*. This report was compiled from an online 2016 consumer survey and the aggregate data that BookNet collects weekly. The Appetite team was deeply interested in the report’s findings, so I was asked to analyze it. While reading through BookNet’s conclusions, I was left wondering how accurately it reflected the reality of the Canadian cookbook industry, given the incomplete representation of cookbook sales in SalesData, and the report’s reliance on the accuracy of its fairly small consumer survey.

## **A Deeper Dive into the *Deep Dive* Reports**

Since 2016, BookNet has created several *Deep Dive* consumer reports for some of Canada’s most popular genres, including:

- *Deep Dive: The Mystery/Detective Book Buyer*
- *Deep Dive: The Science Fiction Book Buyer*
- *Deep Dive: The Biography & Autobiography Book Buyer*
- *Deep Dive: The Cookbook Buyer*
- *Deep Dive: The Romance Book Buyer*

BookNet has marketed these reports to publishers as in-depth studies that combine their sales and consumer data with internal analysis to provide “essential guides for the top-selling subject categories in Canada.”

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<sup>8</sup> Sales reported by publishers manually are included in BNC sales data, but are excluded from bestseller lists that BNC compiles for Canadian newspapers, like the *Globe & Mail*. The reasoning behind this is inconsistencies that occur when relying on warehouse data, versus till data.

These reports have varying survey sizes. *The Mystery/Detective Book Buyer* report pools answers from 424 book buyers (and over 1,300 purchases), while the *Cookbook Buyer* report only has 95 book buyers (and 109 book purchases). To put this in context, in 2016—the same year as this report—just over 50.5 million books were sold within Canada.<sup>9</sup> Cookbooks sold 1.3 million, or 2.57%, of those units.<sup>10</sup> With BookNet using such a small sample size, the results of the data remain questionable. This doubt made any perceived, actionable findings within the report likewise suspect, despite some of the results bearing out with Appetite’s experience in the market. Given the concerns the team had, Appetite’s publisher, Robert McCullough, asked me to analyze the report more deeply to discover which of the findings, if any, would be useful for future marketing and sales efforts. The results, particularly in regard to cookbook sales channels and sales trends, were rather surprising, and warranted even further research. That research is the basis of this report.

In short, this report seeks to answer a simple question with a complicated answer: How does the data that BookNet releases reflect, at a practical level, the realities of cookbook publishers (and consumers)?

## **Analysis Control**

For the purposes of illustrating any findings from this report, I am using eight anonymized titles from the PRHC network. Five of these are pulled from the Appetite by Random House list and three are from other PRHC imprints. Their imprint designation has been withheld. All eight titles are of Canadian-origin and have been published fairly recently (in order to more accurately represent current consumer trends), with the earliest title’s release date being late 2013. Using a sample that includes titles from multiple publishers ensures that any of this report’s findings are not an anomaly produced by Appetite’s specific publishing patterns, and are as inclusive of the cookbook industry as possible, without sacrificing detail for lack of data. This report acknowledges that by definition it must be incomplete, as data from publishers outside of the PRHC network is unknown, and therefore, must be excluded from its findings.

From time to time, this report may refer to “bestsellers.” Bestsellers include the top 100 titles in whatever category or span is being analyzed. The methodology behind this is to ensure, when comparing data between vastly different genres (especially in regard to market share and

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<sup>9</sup> BookNet Canada. BookNet Research : The Canadian Book Market 2016 : A Comprehensive Overview of Sales Performance within the Canadian Book Industry for 2016 / [prepared by] Booknet Canada. BookNet Research. 2017.

<sup>10</sup> BookNet Canada. *SalesData*. 2017. <https://booknet.booknetcanada.ca/salesdata/> (accessed August 2, 2017).

revenue), the data remains comparable. Logically, bestsellers are those books that reach customers best, so they were chosen for general analysis.

When appropriate, this report will also include additional data from MyHouse or SalesData to illustrate its findings. Due to BookNet and PRHC's license agreements and proprietary information, as well as privacy concerns, the data has been anonymized as much as possible. Whenever appropriate, data will be shown as it relates to other data (qualitative) rather than how it stands on its own (quantitative). In some cases, this may mean that the X or Y-axis of certain graphs are redacted, so as to not provide specific clues as to which titles are being compared.

In some cases, I draw on survey results from the other *Deep Dive* reports to validate trend assumptions made through the consumer survey in the *Deep Dive: The Cookbook Buyer* report. These reports are available in the SFU library, or can be purchased through BookNet Canada's website.

## **Report Structure**

This report begins by introducing cookbooks as a genre, before defining the types of cookbooks it analyzes. After that, it introduces the main players in the Canadian cookbook industry, including my host institution, Appetite by Random House. Afterward, it briefly summarizes the *Deep Dive: The Cookbook Buyer* report, before providing an in-depth analysis of the eight anonymized titles, where data from the consumer surveys will be juxtaposed as much as possible against the real data provided through SalesData and MyHouse sales numbers. It concludes with a summary of its findings, and then offers forward its recommendations.



# I. The Cookbook Genre

Cookbooks have seen substantial change in format over the last few decades, but relatively stable growth in sales and market share. Francis Lam, an editor at US-based Clarkson Potter, describes the phenomenon as cookbooks changing from their original, functional purpose of being a bound collection of recipes into “a book that [you] want to read; a book that has a story; a book that might evoke emotion in you [...] and cause you to question some things that you didn’t think about before.”<sup>11</sup> In short, cookbooks have evolved—simple typography, black and white printing, and coil binding is out. Hardcover, full-color, and sewn binding is in. This shift is particularly interesting because, at a time where cost-cutting measures are seeping into most areas of publishing, cookbooks are becoming more decadent than ever.<sup>12</sup>

Despite this stark change in format, list prices for cookbooks in Canada remain relatively stable, with the average price of a bestseller in 2007 growing from \$30.85 to \$32.53 in 2016—a \$1.68 difference.<sup>13</sup> These consistent list prices, coupled with elevated production costs, a growing pool of books for consumers to choose from, and general economic inflation would suggest that cookbook profitability would be decreasing—yet it also remains relatively stable, with the only significant dip in growth occurring in 2015, the same year that YouTube and similar sites noted a sharp increase in “how-to” cooking videos and online recipe searches.<sup>14</sup>

Within Canada, cookbooks have maintained stable market share for nearly a decade, despite upsets across the rest of the traditional publishing industry, such as Fantasy’s market share steadily dropping from 2.12% in 2013 to 1.34% in 2016, or Romance books dropping

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<sup>11</sup> Thomson, Julie R. *This is Why You Should Still Buy Cookbooks in 2017*. January 19, 2017. [http://booknet.huffingtonpost.com.au/2017/01/19/this-is-why-you-should-still-be-buying-cookbooks-in-2017\\_a\\_21658409/](http://booknet.huffingtonpost.com.au/2017/01/19/this-is-why-you-should-still-be-buying-cookbooks-in-2017_a_21658409/) (accessed July 12, 2017).

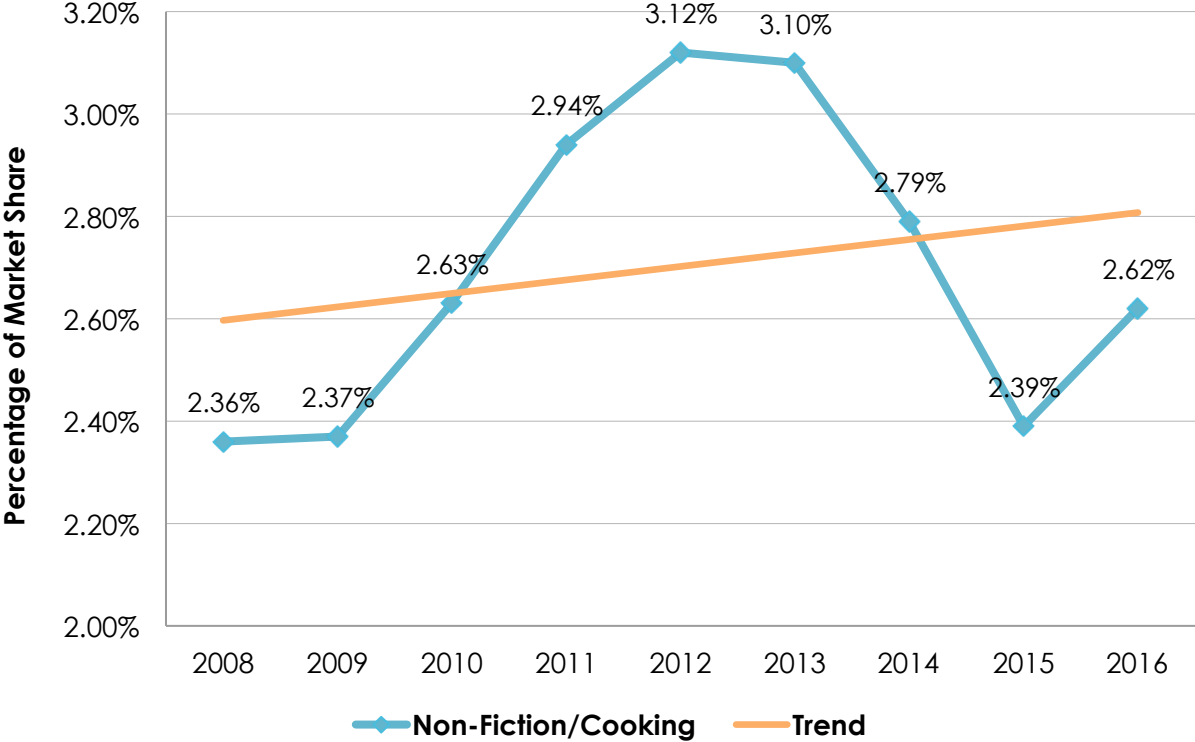
<sup>12</sup> This all despite cookbooks not qualifying for any of the main bodies of funding that other publishers take advantage of in Canada, such as the Canada Council for the Arts and the British Columbia Art Council, which both expressly prohibit the eligibility of cookbooks.

<sup>13</sup> Comparatively, according to BookNet, Biography & Autobiographies bestsellers in 2007 were \$27.47 and \$27.13 in 2016. Meanwhile, Mystery & Detective bestsellers were \$16.84 in 2007, before a sharp decline in mass market paperbacks resulted in a \$4.64 price increase over the next decade, reaching \$21.48 in 2016.

<sup>14</sup> Financial Times. “Food becomes key ingredient for digital media groups.” *The Financial Times*, May 20, 2016.

from 6.45% in 2013 to 4.01% in 2016.<sup>15,16</sup> Since 2008, when BookNet began tracking national sales data, books in the Non-Fiction/Cooking BISAC code have held an average 2.65% of the entire Canadian book market in unit sales. (see Figure 1) Those unit sales translate to an average 4.38% of the overall revenue brought in by the industry (suggesting that cookbooks are more expensive than other types of books). Revenues are also quite stable, with cookbooks holding 3.96% of gross revenue in 2008, and 4.86% of gross revenue in 2012. (see Figure 2)

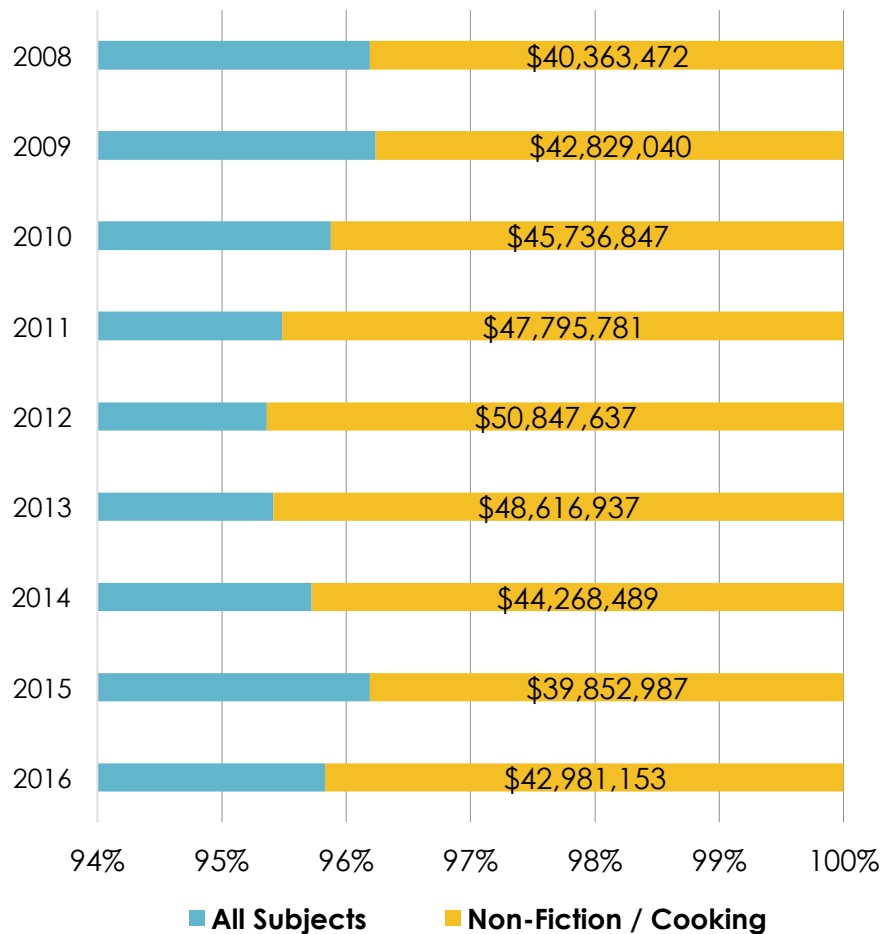
Figure 1 – Market Share (in %) Held by Cookbooks in Canada



<sup>15</sup> One particularly notable disruption in sales reporting is BookNet’s recent recategorization of YA titles, which were formerly included in multiple categories. This change resulted in perceived market share for multiple genres decreasing, even though the same amount of books were being sold.

<sup>16</sup> Data retrieved from BookNet’s The Canadian Book Market 2013 and The Canadian Book Market 2016.

Figure 2 – Annual Revenue (and Revenue Share) for Cookbooks in Canada



Additionally, the cookbook industry shows stability in light of declining revenue within the Canadian publishing industry as a whole. Two surveys from Statistics Canada reveal that, at least since 2008, publishers within Canada have been operating under consistently decreasing revenue, despite operating expenses (and more recently, salaries and benefits) also decreasing.<sup>17,18</sup> (see Table 1) This contrasts deeply with a similar data set from Statista in the US, which shows the US publishing market exhibiting slow growth during the same bi-annual markers. (see Table 2)

<sup>17</sup> Statistics Canada. Table 361-0088 - Book publishers, summary statistics, every 2 years (dollars unless otherwise noted), CANSIM (database). (accessed: September 20, 2017)

<sup>18</sup> Statistics Canada. Table 361-0007 - Book publishers, summary statistics, by North American Industry Classification System (NAICS), annual (dollars unless otherwise noted), CANSIM (database). (accessed: September 20, 2017)

Table 1 - Book Publishing in Canada (A Snapshot)

	2008	2010	2012	2014
	\$ millions			
Operating revenue	2,073.30	1,992.50	1,873.30	1,679.70
Operating expenses	1,838.00	1,769.40	1,697.60	1,483.40
Salaries, wages and benefits	384.9	372.1	382	345.5
	%			
Operating profit margin	11.4	11.2	9.4	11.7

Table 2 - Book Publishing in the US (A Snapshot)<sup>19</sup>

	2008	2010	2012	2014
	\$ billions			
Operating revenue	26.50	27.94	27.72	27.96

What does this mean for cookbooks in Canada? If the monetary market share of cookbooks remains stable despite consistent list prices and an overall decline in the revenue of the industry as a whole, then it can be assumed that the cookbook industry is, at the very least, holding. While this doesn't seem apparent in BookNet's data (reports show that the cookbook market share fell from 3.10% in 2013 to 2.62% in 2016), it does seem possible when special sales and the self-published market are also considered. Self-publishing, a sector of the publishing landscape that is constantly growing, doesn't just affect the fiction market.

One of the best examples of this often-overlooked sector in cookbook publishing is *Looneyspoons*. Originally written by Janet and Greta Podleski in 1996, the book, after selling over 2 million copies in Canada and the US, was repackaged in 2011, where it went on to be a bestseller again. *The National Post* reported that the authors had "printed off 75,000 copies of the book in the first run—an incredible amount in a country where 10,000 is a bestseller—and they're already gone."<sup>20</sup> In fact, *Looneyspoons* was so successful that BookNet had to acknowledge it to explain a large jump in Cookbooks' market share and the sale of trade paperbacks between 2011 and 2013. *Looneyspoons* is also ranked second in the Top 30 Perennial Bestsellers inside the *Deep Dive: The Cookbook Buyer* report. In this case, *Looneyspoons*, which benefitted hugely from traditional media coverage and distribution, showed up in BookNet's data. However, the majority of self-published titles, which are often

<sup>19</sup> Statista. *Net revenue of the book publishing industry in the United States from 2008 to 2016 (in billion U.S. dollars)*. <https://BookNet.statista.com/statistics/271931/revenue-of-the-us-book-publishing-industry/> (accessed September 15, 2017).

<sup>20</sup> Richards, Gwendolyn. "Crazy success for *Looneyspoons*." *National Post*, December 6, 2011.

released exclusively as ebooks (which BookNet does not report on) and outside of traditional sales channels (which BookNet relies on), do not show up in BookNet's data. As well, since many self-published titles are divorced from any information denoting their geographic genesis,<sup>21</sup> it is nearly impossible to know the effects of the Canadian self-publishing market on the Canadian cookbook industry.

What we do know is that BookNet receives data from roughly 85% of retailers across Canada. When it comes to cookbooks, however, this number may be slightly smaller, because BookNet's data is only POS-based, and doesn't include special markets (where they admit traditionally published cookbooks sell best), or ebook sales (where self-published titles perform best).<sup>22</sup> In the section "What the Omissions Tell Us," those deficiencies will be laid out in full.

## **Types of Cookbooks**

The types of cookbooks you can find on a bookstore's shelf are as varied as any other genre. There are diet cookbooks, which can be broken down into "fad" diets and cookbooks geared toward those with dietary restrictions; there are celebrity cookbooks, like those authored by chef Gordon Ramsay and actress Gwyneth Paltrow; anthologies created by collectives or small communities, and cookbooks that attempt to preserve ancient cooking techniques. Then there are "ingredient" cookbooks, which champion legumes, olive oil, or the versatility of the marshmallow. A cookbook can have any number of subjects, which in turn makes analyzing each one that much harder.

Additionally, the consumer for each type of cookbook is different, with varying motives behind their purchase—one consumer may just be trying to find something that will help them maneuver a gluten-free or vegan lifestyle, while another may be looking for a memento from their stay at a fancy inn on the west coast. And, much like the children's book industry, the swath of cookbooks bought as gifts mean that the consumer of a cookbook might not necessarily be its reader. It's important, when analyzing data in this genre, to compare apples to apples.

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<sup>21</sup> Amazon Kindle Direct Publishing is based in the U.S., regardless of where the author or imprint exists in the world.

<sup>22</sup> Author Earnings. "Print vs Digital, Traditional vs Non-Traditional, Bookstore vs Online: 2016 Trade Publishing by the Numbers." *Author Earnings*. <http://authorearnings.com/report/dbw2017/> (accessed August 25, 2017).

For those reasons, this report will only be focusing on three types of cookbooks.<sup>23</sup>

1. **Restaurant Cookbooks**, published by Canadian restaurants and typically sold direct-to-consumer (thereby excluded from BookNet sales data);
2. **Personality Cookbooks**, which rely less on the actual content of the cookbook to drive sales, than the influence of the author who wrote it, e.g. authors with extensive social media and/or local followings; and
3. **Small Business Cookbooks**, published by personalities that are also furthering a small business venture, whether that is a product or small shop related to the book's topic.

There are several reasons behind the decision to limit the types of cookbooks in this report, beyond the reasons already stated: 1) these three styles of cookbook are the kinds most frequently acquired by Appetite; 2) these styles of cookbook are similar enough to mirror other titles in the set in marketing and publicity approaches, and therefore sales channels; 3) these types of cookbooks are different enough to be able to spot micro trends within each style, should they exist.

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<sup>23</sup> The categories listed on this page are not referred to as such in-house. These designations are only in use for the purposes of this report.

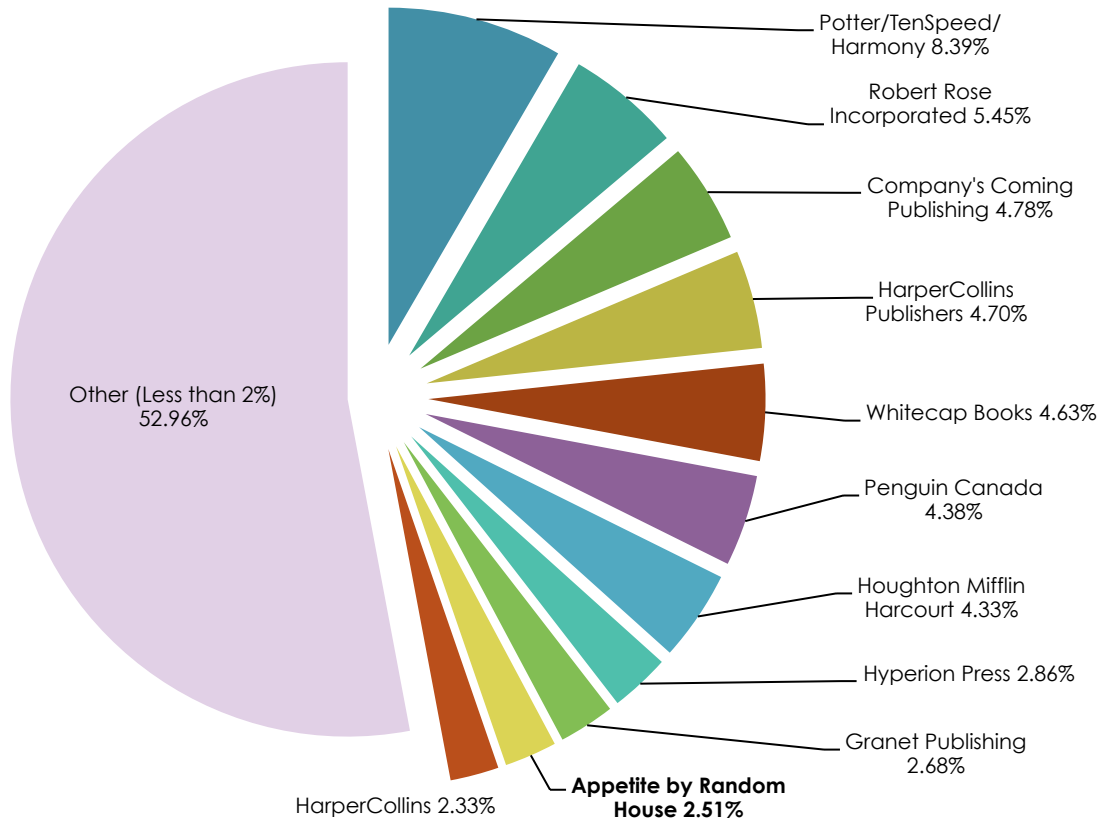
## II. The Publishers

There are a handful of publishers that dominate the Canadian cookbook landscape, with the majority of presses each earning less than 2% of overall market share (*see* Figure 3). The largest cookbook publishers, according to BookNet, include Penguin Canada, Potter/TenSpeed, Robert Rose, HarperCollins, Company's Coming, Houghton Mifflin Harcourt, Victory Belt, and of course, Appetite by Random House. Frequently overlooked by BookNet sales reporting is Figure.1 Publishing, a boutique lifestyle publisher based in Vancouver whose sales are primarily in non-traditional channels.

Each of these publishers has their own unique list, and most publish in niche subcategories within the cookbook market. Robert Rose, for example, has traditionally focused on health and instructional cookbooks, while Company's Coming defines its list as kitchen "workbooks," printing their cookbooks in traditional, "lay-flat" plastic comb binding. Because these publishers occupy many diverse areas of the lifestyle market, there is little "direct" competition between them, allowing publishers like Appetite and TenSpeed to form symbiotic partnerships that best serve the authors they sign on.

One of the ways that these kinds of partnerships can develop is when one of the publishers decides that it could better serve its author by courting another publisher to handle distribution and marketing in a region it is not familiar with, or when combining the efforts of two houses is not only to the benefit of the author, but to overall global sales as well.

Figure 3 – Cookbook Market Share Distribution (Since 2013)<sup>24</sup>



## Appetite by Random House

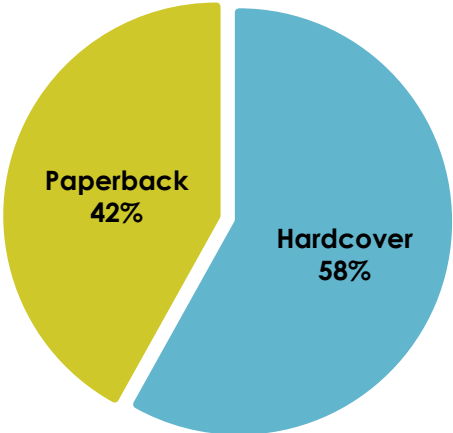
Appetite by Random House, led by Robert McCullough, is the food and lifestyle imprint of Penguin Random House Canada. The imprint is run out of Vancouver, with support from the head office in Toronto. Despite their size, Appetite’s list has been awarded five Taste Canada Awards, two James Beard Foundation Awards, two IACP Awards, and four Gourmand Awards. Their list also includes over fifteen *Globe & Mail* Bestsellers and five *New York Times* Bestsellers—all in the last five years. Since Appetite’s inception, Robert McCullough and Publishing Manager Lindsay Paterson have represented several high-profile chefs and celebrities, including Yotam Ottolenghi, Lidia Bastianich, Anna Olson, Mary Berg, Curtis Stone, Nigella Lawson, Rosie Daykin, and Sarah Britton, as well as several high-profile restaurants in the BC area, such as Earls, SoBo, and the Wickaninnish Inn.

<sup>24</sup> Keep in mind that this data, which was compiled directly from SalesData in August 2017, has been pulled from BookNet, and thus the percentages may not be fully accurate.



Appetite’s list is diverse, with titles in many niche categories, though the books they publish focus specifically on food, wine, design, and health. Its editorial tone leans toward the fresh and jubilant and its visual identity strives to be elevated, with carefully considered design and photography. Consumers tend to prefer their hardcover formats, with hardcover purchases accounting for roughly 58% of its total unit sales, according to BookNet.<sup>25</sup> (see Figure 4) Most of its books are printed in full-colour, without jackets, and are priced in the range of \$14.95CAD to \$45.00CAD.<sup>26</sup> As will be outlined in the next section, these trends are fairly consistent with those provided in the cookbook *Deep Dive* report: data collected through BookNet’s BiblioShare shows that the average list price for hardcovers in 2016 was \$35.26 (Appetite’s actual: \$34.05) and \$24.89 for paperbacks (Appetite’s actual: \$26.14).

Figure 4 – Appetite Sales by Format



Like many other publishers, Appetite’s list makes use of partnerships with US and UK-based publishers, with run-ons accounting for roughly 41% of its titles to date. (This percentage will likely shrink as Appetite continues to acquire more originals year after year.) When it comes to distribution, Appetite’s titles are well supported throughout the market, though there are untapped opportunities for some of their titles, especially in non-traditional sales channels, which—if the BookNet survey is to be believed—are overwhelmingly important

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<sup>25</sup> For one example on the unreliability of BookNet data for publishers like Appetite, you can look at Figure 4, which was compiled using BookNet data. When asking the system for “Other” formats, SalesData listed Other formats as only 5 units sold overall (as BookNet does not regularly track ebook sales)—this is in stark contrast to the data available on MyHouse, which states that Appetite has sold just over 20,000 ebooks in its lifetime. When substituting in MyHouse data, the numbers look more like this: Hardcover, 53%; Paperback, 45%; Ebooks, 2%.

<sup>26</sup> While their list may seem to have a wide range of pricing, most tend to be closer to \$45.00 than \$14.95. Appetite’s series, *Had a Glass*, a pocketbook series about the best wines of the year, skew the range of prices lower.

to those titles' success. It is the hope that, with the research presented in this report, Appetite will be able to more efficiently pinpoint what areas of the market it can penetrate, and when, to best support its authors and their titles.

### III. BookNet Canada & the Deep Dive Reports

#### BookNet Canada

BookNet Canada, an industry-led non-profit that is partially funded by the government, has occupied an essential part of the Canadian publishing landscape since 2002, when industry leaders and the government responded to a nearly catastrophic collapse of the publishing supply chain within Canada. BookNet provides essential data to publishers and retailers of all sizes in every Canadian province and has had an influential and important role in creating the country's supply chain standards.

At the time of BookNet's creation, Chapters, Canada's newest and largest book retailer, had been disrupting publisher and distributor relationships with fairly aggressive negotiation tactics and high return rates. Chapters played a large role in the failure of General Distribution Services, which handled distribution for roughly 200 Canadian publishers. When General went down, it left a gaping hole in the industry's infrastructure, especially for smaller presses.<sup>27</sup> The debacle illustrated a clear need for a robust and reliable sales tracking system for the Canadian market. The US and UK both already benefitted from such a system. Nielsen's BookScan was launched in 2001, and had proven to be an essential cog in the supply chain machine. It was time for Canada to have its own. However, publishers were deeply invested in owning their own data, which made adopting the Nielsen system an impossibility. They would have to make their own.

Until that moment in time, publishers and distributors had figured out how books were selling by "periodically combining information from disparate firms and stores, reading occasional government studies, and gathering educated guesses from industry professionals. The closest thing to a national database was the Canadian Telebook Agency's (CTA) bibliographic data microfiche of titles in print and their sourcing information. The CTA's data collection and distribution practices laid the foundation for BookNet, but at the time aggregated sales data was still unavailable."<sup>28</sup> The whole genesis of BookNet's arrival within Canada is expertly laid out in Chelsea Theriault's 2009 report "First, Do No Harm": Five Years of Book-Industry Data Sharing with Booknet Canada Salesdata," but is not the focus of this

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<sup>27</sup> Theriault, "First, Do No Harm": Five Years of Book-Industry Data Sharing with BookNet Canada Sales Data. 2009.

<sup>28</sup> Ibid.

report. What is important to note is that while BookNet’s data might not be fully accurate, it *has* facilitated a much more reliable form of reporting than what Canada had before. BookNet’s existence is an essential part of the publishing landscape, and this report’s intent is not to minimize their contributions; it is only noting the inconsistencies that continue to exist for this particular area of publishing in Canada, with the hopes that it can be improved.

## **The Deep Dive Report: The Cookbook Buyer**

BookNet began its *Deep Dive* series in 2016 with the *Deep Dive: The Mystery/Detective Book Buyer*. All of the reports begin with the same script about the series’ methodology:

*Data for these reports have been obtained through two primary sources:*

- *BookNet Canada’s SalesData—representing approximately 85% of the trade market in Canada, SalesData tracks the weekly sale of print books across the country.*
- *BookNet Canada’s Consumer Research—adult book-buying Canadians participate in online surveys about their book purchases from the prior month. Book buyers report on such information as what they purchased, where they made the purchase, what influenced their purchase, and other quantitative data. Buyers were surveyed from the beginning of 2015 to the fall of 2016. The data represents [variable] buyers of [genre] and [variable] book purchases.<sup>29</sup>*

While the *Canadian Book Market* series provides a little more explanation on how its data was collected (“In 2016, our national retail panel included over 2,000 store locations comprising chains, independents, newsstands, general retailers, online retailers, and library wholesalers.”), the *Deep Dive* reports aren’t as clear. We do know that the survey was conducted online and what the specific questions were, but we don’t know where the survey was conducted, how respondents were chosen, or what the margin of error for the sample is.

Of the five reports currently available for popular genres in Canada, *The Cookbook Buyer* has the smallest sample size, both for the number of consumers surveyed and the amount of

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<sup>29</sup> BookNet Canada. *Deep Dive: The Cookbook Buyer*. Toronto: BookNet Canada, 2017.

book purchases tracked. When it was first published, the report was accompanied by an infographic that reiterated some of the findings of the study:<sup>30</sup>

- Cookbook buyers spend less time than other Non-Fiction buyers online.
- Cookbook buyers spend much more time at in-person events.
- 48% of cookbook buyers purchase their books online, followed by 19% using chain stores, 14% using general retail stores, and 6% using discount stores.
- 44% of cookbook buyers prefer hardcover.

The seventeen-page report provides data gleaned from questions mostly revolving around respondent's monthly habits. In addition to being asked their age and what social media they use, respondents were asked how often they participated in certain activities, from discussing books online, to watching a movie at the cinema. They were also asked about how they discovered books they purchased, and whether their purchases were planned in advance, or were an impulse buy.

While most of the answers to this consumer survey are difficult to prove by looking at figures provided by SalesData or MyHouse, comparing the reports to each other allows for a more vigorous understanding of how cookbook buyers compare with other kinds of book consumers.

Respondents from the *Deep Dive: The Cookbook Buyer* survey were, in many ways, similar to the other Non-Fiction buyers in the larger *Deep Dive: The Biography & Autobiography Book Buyer* survey, which had 213 respondents spanning 272 purchases. In both groups, respondents said they had bought an ebook only 1.8% of the time, while hardcovers for Cookbook buyers (11.9%) and Biography buyers (12.9%) were within 1% of each other. Given the similarities of the two surveys, it is interesting to note that Cookbook buyers were somewhat more likely to have purchased an audiobook before completing the survey, at 44% to Biography's 42.3%. The only other survey group that comes even close to that number with audiobooks was the Mystery/Detective book buyer, at 21.5%.

While it is not the intent of this report to reiterate all of the *Deep Dive's* findings (nor would it want to), if the data compiled from such a small survey holds up, then one of the more interesting statistics gathered was that, among Cookbook buyers, print magazines are still

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<sup>30</sup> BookNet Canada. *Who is the Cookbook Buyer?* May 15, 2017. <https://booknetcanada.ca/blog/2017/5/15/who-is-the-cookbook-buyer> (accessed September 3, 2017).

an essential part of exposing a consumer to a book or author. Only 5% of Cookbook buyers rarely or never read a print magazine, compared to 18.8% of all Non-Fiction buyers, and 22.2% of all Fiction buyers. 13% of Cookbook buyers read them daily, and 37.8% read them a few times a month. However, before any publisher starts making massive changes to their marketing and publicity plans, it is important to keep in mind that the survey size for *The Cookbook Buyer* was extremely small. More robust surveying is needed, and the procedures for that surveying should be disclosed, especially given that, according to BookNet, Cookbook buyers don't spend as much time online, and online respondents might not represent the general buyer, especially since online surveys tend to preclude audiences who do not have access to the Internet, and are not at least a little tech savvy.

## Report Shortfalls

Some conclusions from the *Deep Dive: The Cookbook Buyer* report are not as reliable. For example, the demographic and circumstantial data for where this survey was conducted has not been disclosed, but the report still concludes from 107 respondents that—among other things—the gender split for cookbook buyers is basically equal, that the average age of the cookbook buyer is 51, and that buyers were more likely (61.7%) to use Facebook than other types of social media. Without knowing how, when, where, or to whom this survey was administered, it is difficult to ascertain the survey's margin of error, or whether it *can* adequately represent the cookbook buyer population when it was given online, rather than in the places where cookbook buyers tend to purchase their books.

Additionally, some of the conclusions made by the report fail to provide a deeper context into what the results mean. For example, *The Cookbook Buyer* report claims that the average buyer is 51 years old, when in fact the full results show an even split between the 30–44 and 55–64 age brackets at 31.3%. When it comes to social media use, Facebook (61.7%), Youtube (46.7%), LinkedIn (28%) and Twitter (24.3%) were the best-represented platforms, but this information is not as useful as knowing *why* or *how often* those platforms are used. After all, 79% of 30- to 49-year-olds and 71% of the adult population in general use Facebook.<sup>31</sup> This is not an exceptional statistic until it is compared to some of the other *Deep Dive* reports: Romance buyers, for example, tend to use Facebook 80.9% of the time. Providing some sort of context would show that, while Cookbook buyers seem to use social media pretty

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<sup>31</sup> Pew Research Center. *Demographics of Key Social Networking Platforms*. January 5, 2015. <http://BookNet.pewinternet.org/2015/01/09/demographics-of-key-social-networking-platforms-2/> (accessed September 22, 2017).

extensively, they are actually using it far less than other genre buyers. This might better inform marketing decisions (one of the purported reasons BookNet conducted the survey), especially in regard to where advertising money should be spent.

Finally, the report makes scant use of the data that BookNet itself holds. Even with the stated shortcomings of SalesData's reporting, *The Cookbook Buyer* only uses BookNet's hard data to show extremely general sales patterns in the industry ("Number of Titles Selling in 2016 by Publication Year," for example, produced in graph form the long-tail effect, which is naturally consistent among all genres; "Volume Sold" aggregates all cookbooks on the market, comparing them to the Non-Fiction category overall, instead of comparing cookbook sales by region, or price point, which would arguably be far more useful to publishers). In the end, the report is very generic, and at least for the stated goals of the *Deep Dive* series, falls short.

This report aims to dive a little deeper into the data available in BookNet and MyHouse to discover more specific sales trends and consumer information.

## V. Title Analysis

Though most of the *Deep Dive* report's findings on consumer habits cannot be challenged by MyHouse data, a fair amount about the monetary aspects and sales trends of the cookbook industry can be learned from the differences present between MyHouse and SalesData records. In particular, information about the distribution of purchases through various sales channels, sales numbers, and sales patterns can be analyzed, and illuminate characteristics of the genre not covered in the *Deep Dive: The Cookbook Buyer* report.

As mentioned previously, this report will look at eight anonymized cookbook titles from the PRHC network in three categories: Restaurant, Personality, and Small Business Cookbooks. Each subcategory will be considered separately, before the set is scrutinized as a whole. When appropriate, recommendations based on the data are provided.

A quick overview of the data set is as follows:

- Titles in Set 1 (1A, 1B, 1C) are Restaurant Cookbooks.
- Titles in Set 2 (2A, 2B) are Small Business Cookbooks.
- Titles in Set 3 (3A, 3B, 3C) are Personality Cookbooks.

Generally the graphs attempt to color code these sets in similar hues for easy comprehension.<sup>32</sup> Please see the Appendix for a legend of the various sales channel definitions from the figures.

### Restaurant Titles

The Restaurant data set (1A, 1B, 1C) represents cookbooks produced by Canadian restaurants. Title 1A was published in 2014, while 1B and 1C are both from 2016 (and therefore have had less time to sell and accrue sales). Title 1A was published in the spring, while Titles 1B and 1C were published in the fall.

A book was considered a Restaurant title if it was positioned in the market as the *de facto* cookbook for a restaurant or café property within Canada. Though not included in this

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<sup>32</sup> At some printer settings, particularly monochrome settings, the colors may not provide enough contrast to be visibly separate.



data, *The White Spot Cookbook*, *Araxi: Roots to Shoots*, *Rawlicious at Home*, *Burgoo: Food for Comfort*, and *Whitewater Cooks* would all have qualified as Restaurant Cookbooks for the purposes of this report.

Generally, a publisher would expect that the largest distribution channel for a Restaurant title would be the restaurant itself. Sometimes, this means that restaurants are obligated through their contract to purchase a substantial number of copies. A restaurant may also choose to purchase more than stipulated by their contract, or order more once a first printing sells out—there are many variables at play. However, sales of the cookbook once it leaves the publisher’s hands in this fashion aren’t tracked. Since this provides the publisher with a guaranteed sale, even if a regular consumer never actually purchases the book, none of that sale can be reported to BookNet Canada. In the case of Title 1B, which benefitted from massive in-restaurant sales, this meant that 55% of all sales never registered in SalesData, an astonishing amount.

## **SALES CHANNELS**

Comparing the sales channels reported by MyHouse with the sales channels in SalesData, some immediate differences are clear. (see Figure 5 and Figure 6) Nearly across the board, MyHouse reported more sales in each channel, while some didn’t even make it onto the BookNet data graph (e.g., Wholesale). In both MyHouse and SalesData reporting, however, it is obvious that special markets play a critical role in the sales channel mix.

Figure 5 – Sales Channels for Restaurant Titles (**MyHouse**)<sup>33</sup>

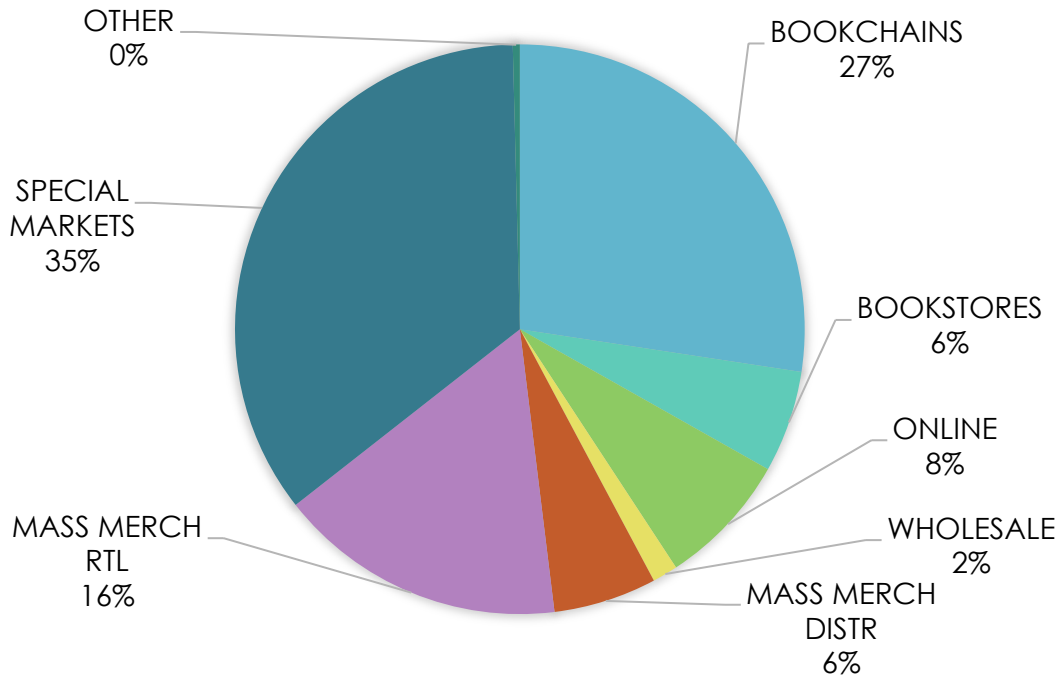
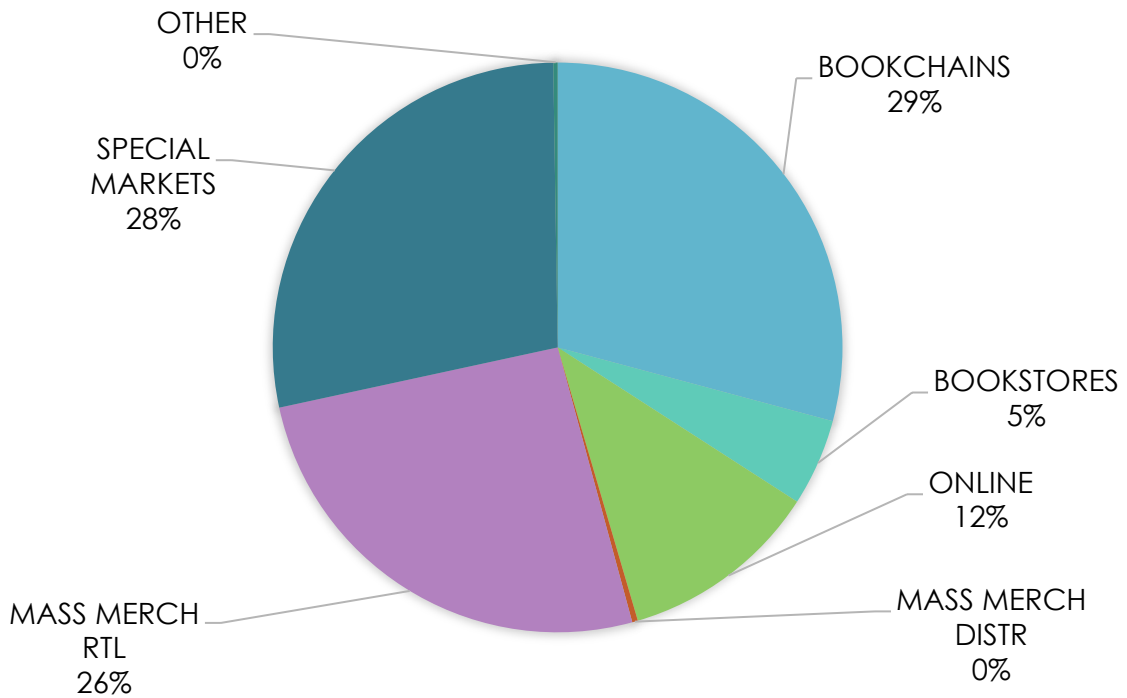


Figure 6 – Sales Channels for Restaurant Titles (**SalesData**)



<sup>33</sup> A legend of the terms listed on these figures can be found in the Appendix.

Table 3 – Difference in Reporting for Restaurant Titles (MyHouse & SalesData)

	BOOKCHAINS	BOOKSTORES	ONLINE	WHOLESALE	MASS MERCH DISTR	MASS MERCH RTL	SPECIAL MARKETS	OTHER
MyHouse	27%	6%	8%	2%	6%	16%	35%	0%
SalesData	29%	5%	12%	n/a	0%	26%	28%	0%

## SALES NUMBERS

Similarly to the Sales Channels, the number of sales reported between SalesData and MyHouse for Restaurant titles is disparate. On average, BookNet reported 10,566 units in gross sales, while MyHouse reported 19,140. Within special markets, on average BookNet reported 2,974 sales, while MyHouse reported 6,570. (Figure 7 and Figure 8)

Figure 7 – BookNet Sales Reporting for Restaurant Titles

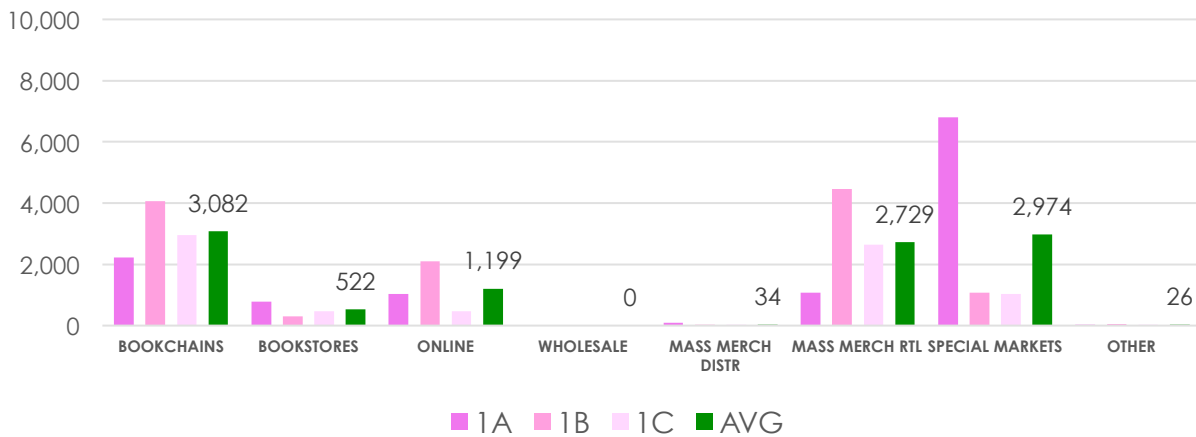
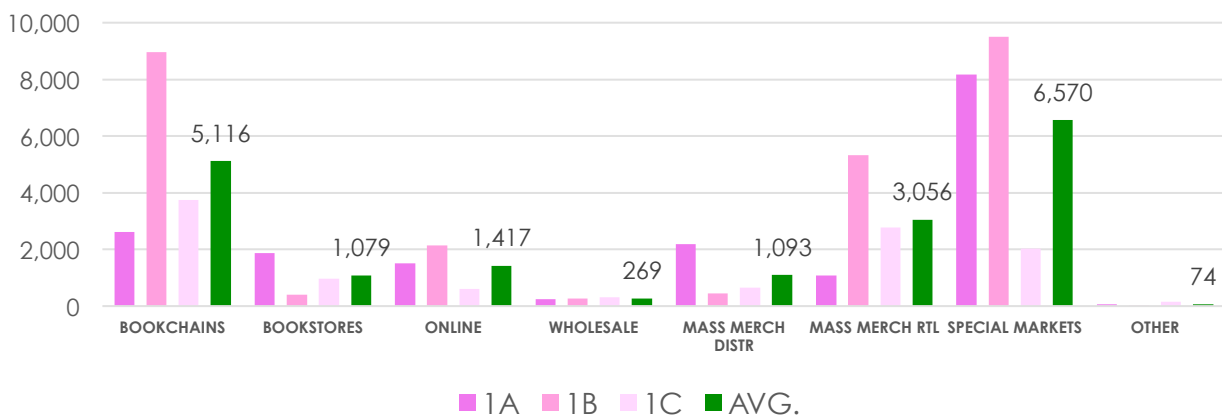


Figure 8 – MyHouse Sales Reporting for Restaurant Titles



## SALES PATTERNS

Perhaps of greatest interest to publishers, and one of the more anticipated aspects of the *Deep Dive* reports, is a genre's sales pattern trends. For their *Deep Dive* reports, BookNet looked at market share, volume sold, sales by format, and number of titles selling per publication year across the cookbook genre. Rather than looking at the cookbooks as they relate to other genres, this report instead seeks to see sales patterns within the cookbook genre itself. For all of the following trend data, SalesData reporting was used. This category has a mix of spring and fall releases; none of the titles were published during the same month.

Figure 9 – Sales Trends of Restaurant Titles (Week 1 – Week 13)

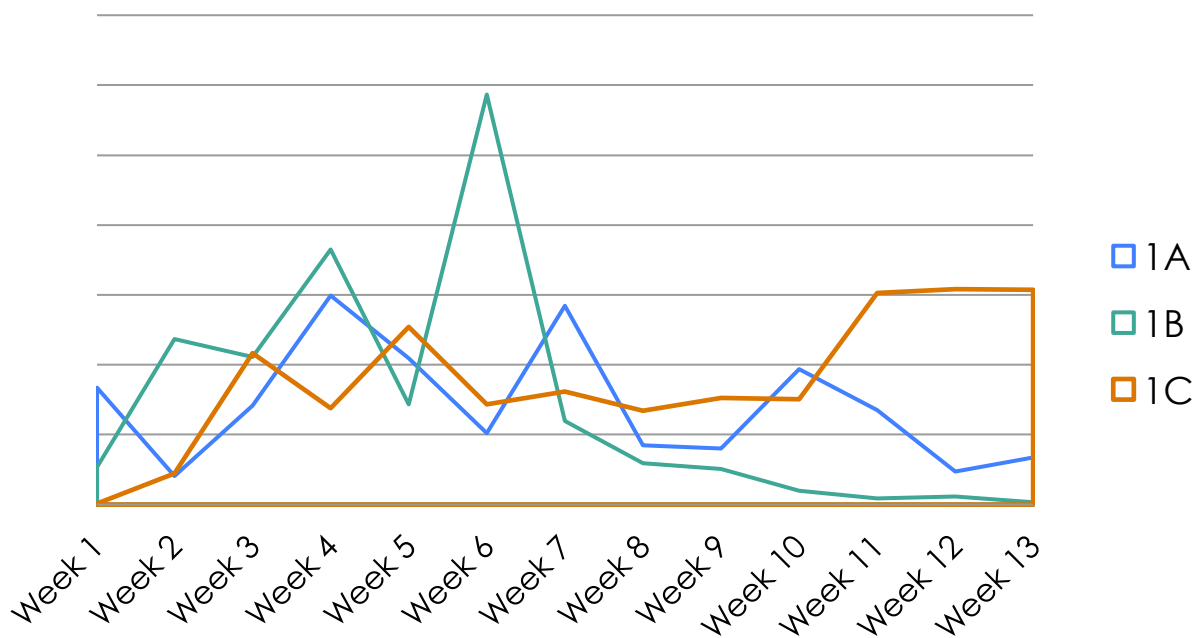


Figure 9 shows the various points that sales spiked in the first thirteen weeks of publication for the Restaurant Cookbooks included in this report's sample. As noted previously, Title 1B benefitted greatly from in-store sales, however, the graph above only includes BookNet data, within which those sales were not included. The graph above, therefore, illustrates only retail sales trends reported to BookNet. It is clear for these titles that, by Week 7, sales began to taper off, while Weeks 3–6 showed the most earnings. It could be gleaned from this graph that marketing pushes for restaurant titles on a publisher's list would be best divided between Weeks 2 and 7, to take advantage of the title's launch, and to mitigate the cooling off of sales.

## Small Business Titles

The Small Business data set (2A, 2B) represents cookbooks written by an individual or individuals who, at least in part, were also trying to brand or grow a business associated with their cookbook. Title 2A was published in 2013, while 2B came out in 2016 (and therefore, like previously mentioned in the Restaurant titles section, has had less time to sell and accrue sales). Both were published in the fall.

A book was considered a Small Business title if it was written by a Canadian personality, whether they are a celebrity, social media influencer, or well-known business owner, and if the book promotes a product or venue associated with that personality. Though not included in this data, any of the titles from Food52, *Made with Love*, and *The Pioneer Woman Cooks* would all have qualified as Small Business titles in this sample.

As books that straddle the line between Restaurant and Personality cookbooks, Small Business titles enjoy a more robust marketing field and larger sales at bookchains. However, much like Restaurant titles, Small Business title reporting in BookNet misses a number of special sales, affecting the results in the visible success of the title. Surprisingly, for the sample used in this report, BookNet was also short in its reporting of bookstore sales, on average reporting 50% fewer unit sales at bookstores than MyHouse,<sup>34</sup> though proportionally, BookNet shows bookchains as having 8% more of the market share than MyHouse. (see Figure 10 and Figure 11)

## SALES CHANNELS

As with the previous data set, differences between the MyHouse and BookNet reporting is fairly clear. In most cases, MyHouse reports more sales in each category, though proportionally, BookNet data is fairly accurate. The special markets and mass market retailers are worth noting, however, as BookNet shows mass market retailers as being a significant chunk of the market, whereas MyHouse shows the two to be more evenly divided. For Small Business titles, bookchains are clearly the “breadwinner,” a departure from Restaurant titles, which rely heavily on special sales.

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<sup>34</sup> Readers should note that all US sales are excluded from the findings of this report, though some of the titles in this sample see substantial sales in US territories.

Figure 10 – Sales Channels for Small Business Cookbooks (**MyHouse**)

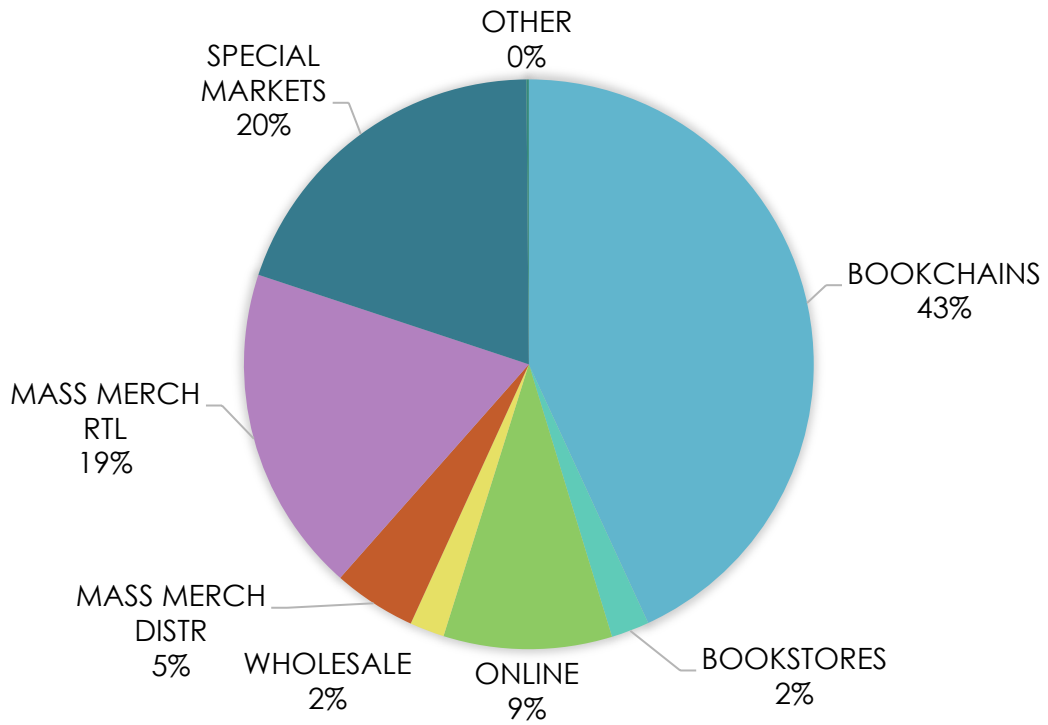


Figure 11 – Sales Channels for Small Business Cookbooks (**SalesData**)

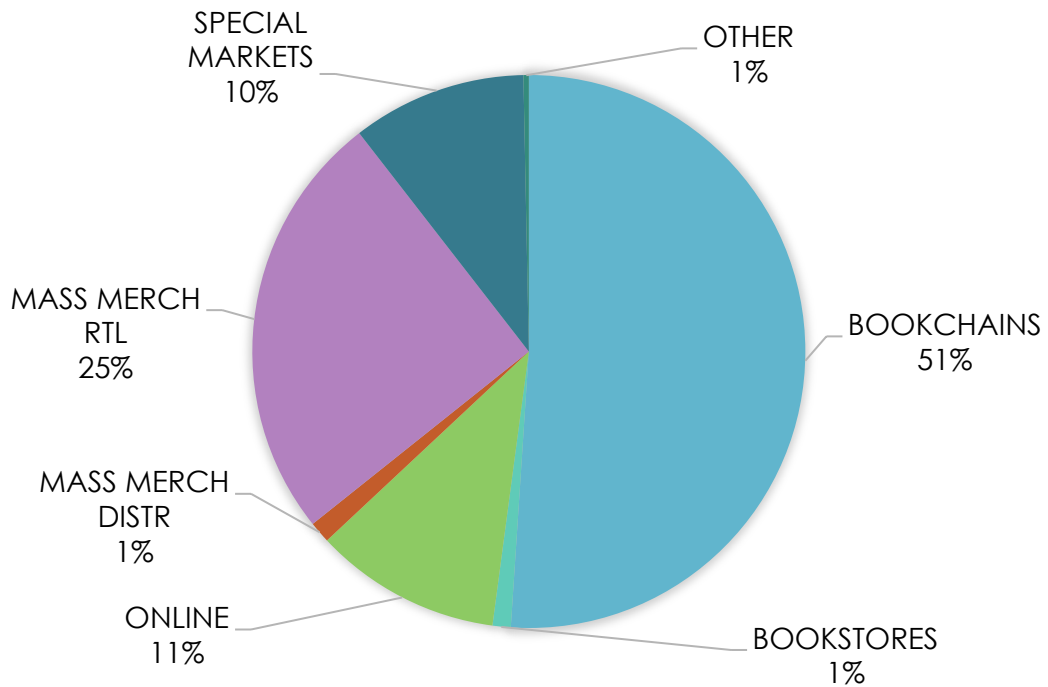


Table 4 – Difference in Reporting for Small Business Titles (MyHouse & SalesData)

	BOOKCHAINS	BOOKSTORES	ONLINE	WHOLESALE	MASS MERCH DISTR	MASS MERCH RTL	SPECIAL MARKETS	OTHER
MyHouse	43%	2%	9%	2%	5%	19%	20%	0%
SalesData	51%	1%	11%	n/a	1%	25%	10%	1%

## SALES NUMBERS

With the exception of special markets and mass market retailers, the differences in actual sales numbers between SalesData and MyHouse are pretty comparable. On average, BookNet reported only 2,000 units less than MyHouse for bookchains. However, BookNet failed to capture about 17% of mass market distributor sales and 33% of special market sales present in the MyHouse data. This is a good illustration of how the methodology for sales reporting in BookNet, which works for most of the industry, falls short when it comes to cookbooks. Outside of bookchains and special markets, one of the best sales channels for Small Business titles was mass market retailers, which mainly includes Costco.

Figure 12 – BookNet Sales Reporting for Small Business Titles

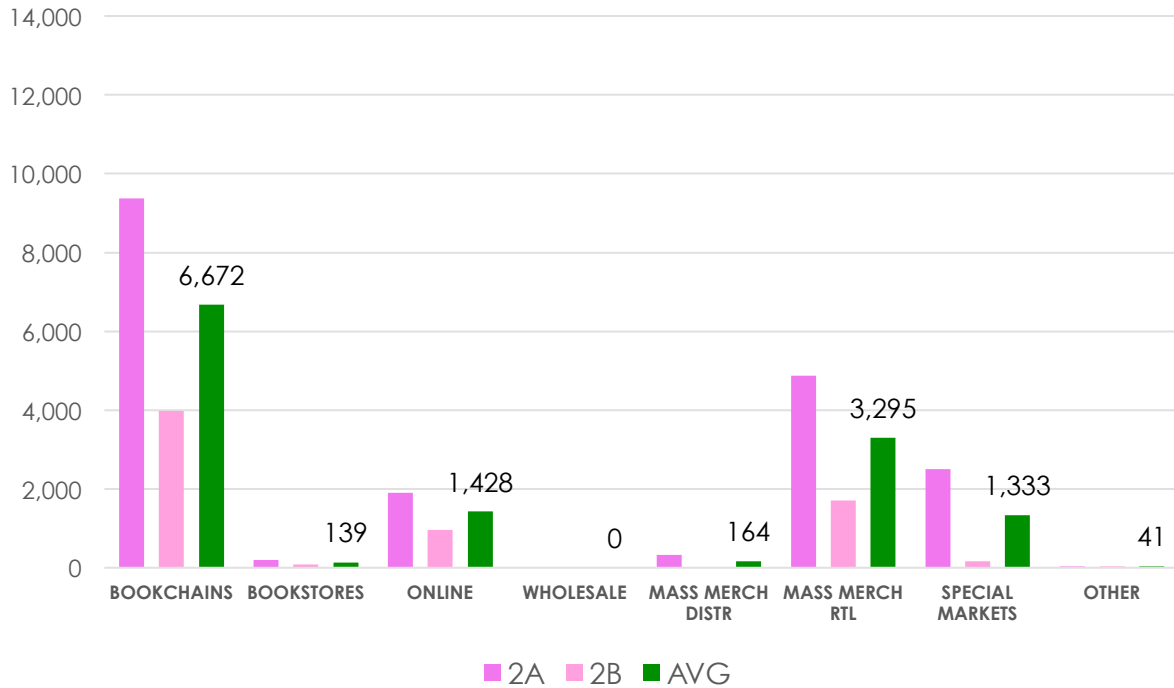
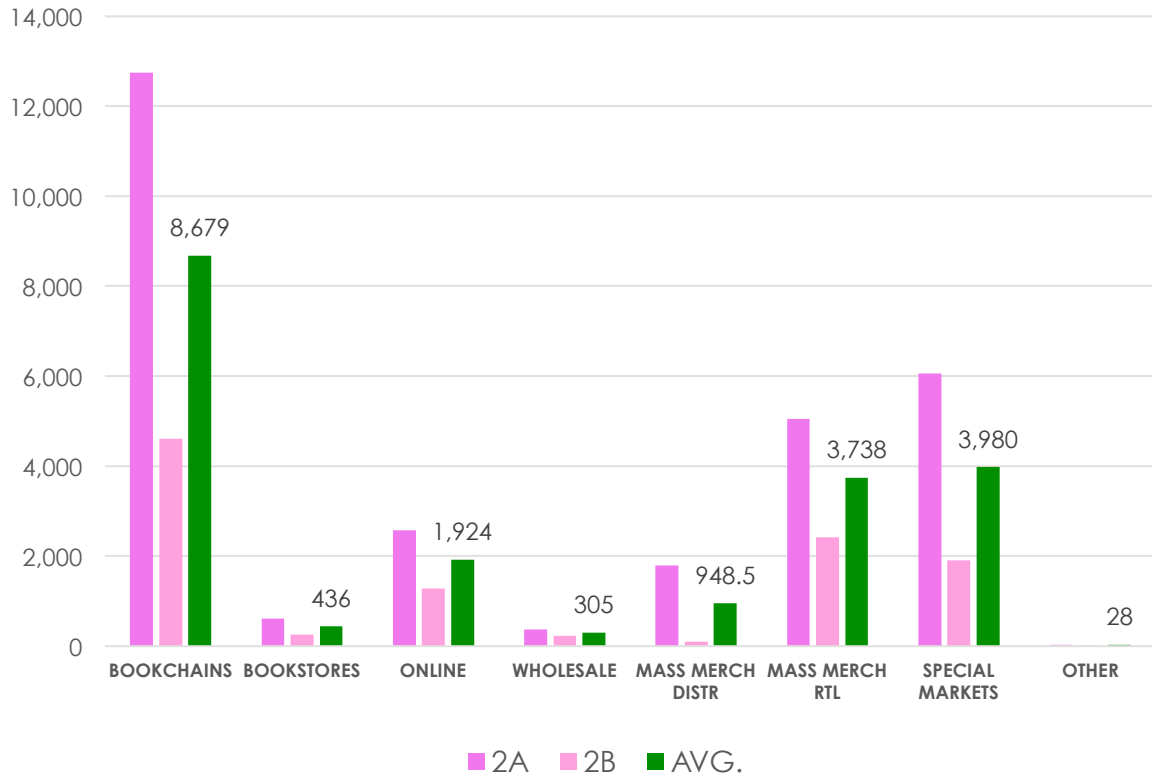


Figure 13 – MyHouse Sales Reporting for Small Business Titles

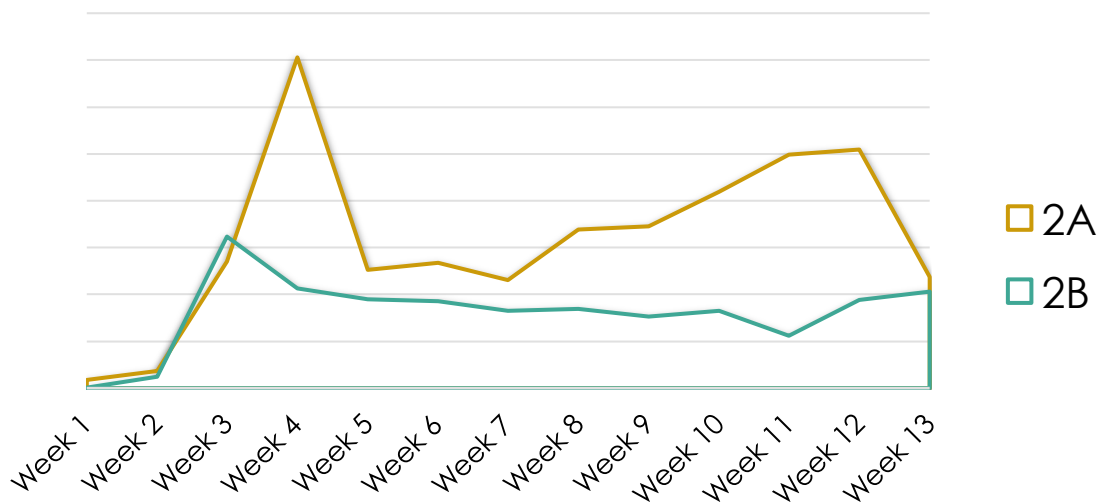




## SALES PATTERNS

Of all of the subgenres in the cookbook category, Small Business titles appear to have the most stable sales trends. Rather than peaking early and tapering off considerably after Week 7 or 8, Small Business titles start and continue to sell at a steady rate. This may be due to the author's presence and an impetus to market consistently (especially when the cookbook is connected to their product or business as a marketing tool), or from the fact that cookbooks in this category may have broader appeal, and are not reliant on a restaurant or author being known to be interesting to a potential consumer.

Figure 14 – Sales Trends of Small Business Titles (Week 1 – Week 13)



As Figure 14 shows, the books included in this report's sample hit their first peaks between Weeks 2 and 4. For both Title 2A and 2B, sales stabilize by Week 5. Looking at this trend line, publishers might find their marketing efforts most effective lumped at the beginning of the thirteen week cycle, with a second campaign ramping up in Week 4 to build off of the title's success and lengthen peak sales as long as possible. Failing that, they might consider a second (or third) campaign between Week 11 and 12, providing the title a second wind of exposure on the market.

## Personality Titles

The Personality data set (3A, 3B, 3C) represents cookbooks written by Canadian bloggers, local celebrities, and industry influencers. Title 3A was published early 2017, 3B was published in 2016, and 3C was published in 2015. Titles 3B and 3C were published in the fall, while 3A was published in the spring.

Any cookbooks written by a single author were considered a personality title, so long as they were not an A-list celebrity or Michelin-starred chef. Therefore, books like Gwyneth Paltrow's *It's All Good*, and any of Gordon Ramsay's or Lidia Bastianich's books were not considered. While not included in this data, *The Oh She Glows Cookbook* (Angela Liddon), *The Food Lab: Better Home Cooking Through Science* (J. Kenji Lopez-Alt), and *Smitten Kitchen* (Deb Perelman) would all have qualified as Personality Cookbooks for the purposes of this report.

## SALES CHANNELS

Within the cookbook genre, Personality titles are probably the type that behaves most similarly to other non-fiction and fiction titles. Bookchains are critically important for the success of these titles, and special market sales are minimal. The Personality titles used for this survey had small to minimal boosts from independent bookstores, wholesale purchases, and mass market distribution. It's fairly clear from the data that bookchains are the focus of PRHC imprints when it comes to these Personality Cookbooks, and it isn't surprising.

Personality cookbooks often have author tours and morning television appearances built into their marketing plans, and perhaps here we can see the tangible effects of those efforts. Whereas Restaurant Cookbooks can rely on foot traffic in-venue to sell books, and Small Business Cookbooks are used more as a marketing tool in and of themselves, *authors* sell Personality Cookbooks, and bookstores love authors.

Having so much of a title's sales distribution reliant on the big chains can be a gamble, however. While most of the anonymized titles in this sample ranged between a healthy 2-13% return rate, one of the titles in this subsection actually had a crushing 49% of its stock returned. Additionally, Title 3A, which only came out this year, has not yet reached the point where returns would be noted. It is possible that its high sales numbers in bookchains (*see* Figures 15 and 16) will also result in high returns.

Figure 15 – Sales Channels for Personality Cookbooks (**MyHouse**)

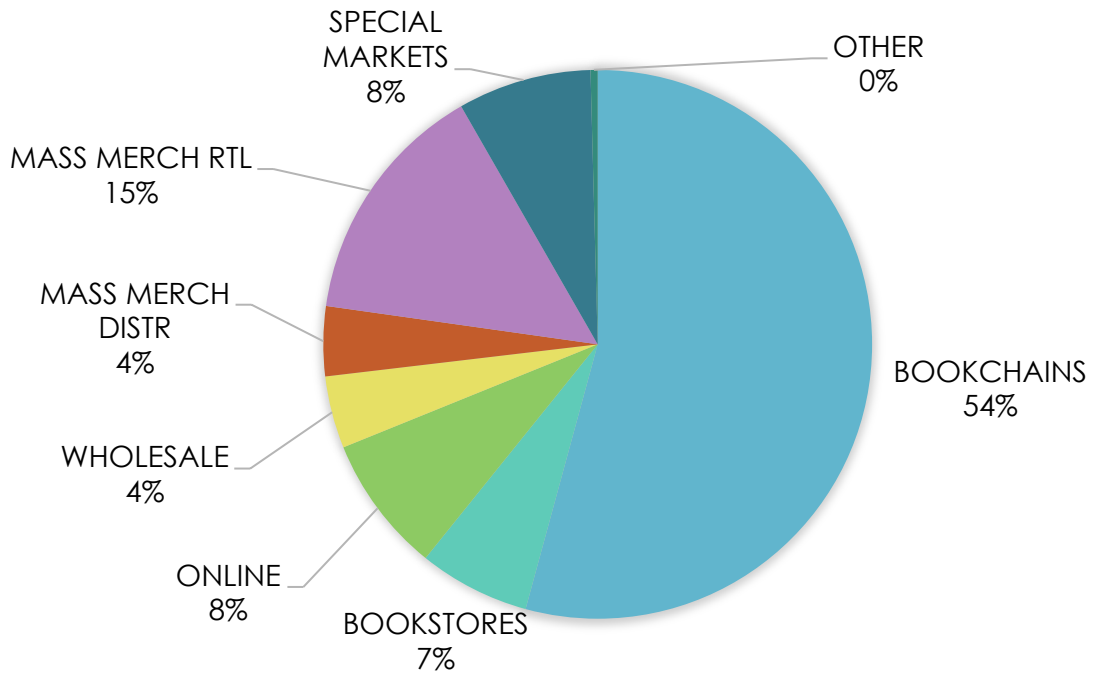


Figure 16 – Sales Channels for Personality Cookbooks (**SalesData**)

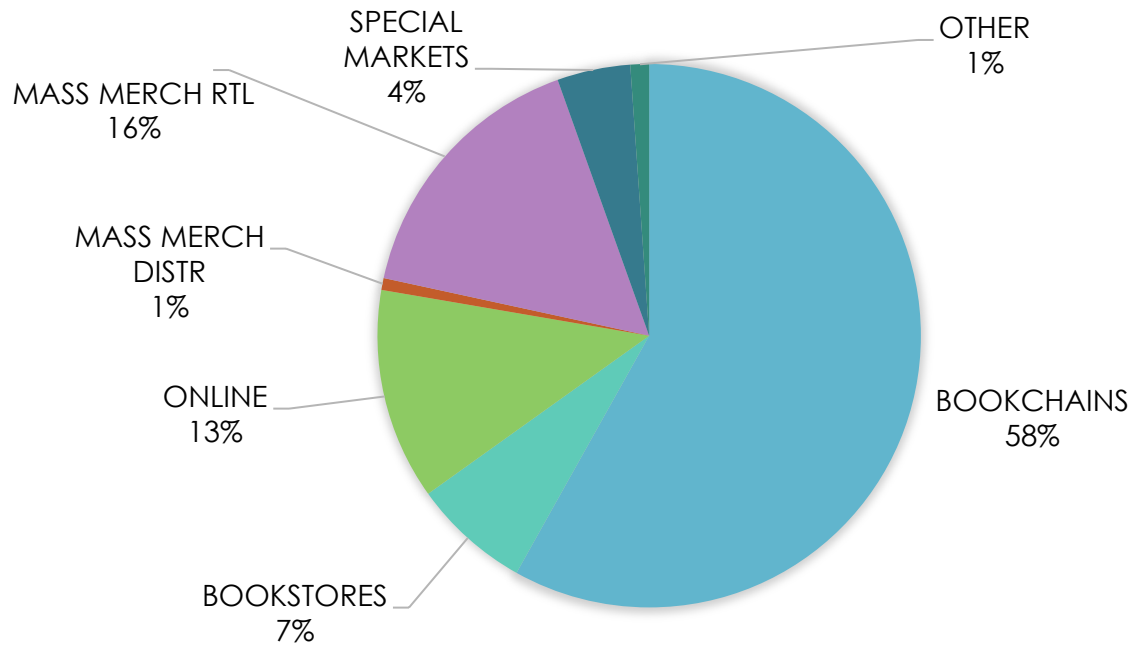


Table 5 – Difference in Reporting for Personality Titles (MyHouse & SalesData)

	BOOKCHAINS	BOOKSTORES	ONLINE	WHOLESALE	MASS MERCH DISTR	MASS MERCH RTL	SPECIAL MARKETS	OTHER
MyHouse	54%	7%	8%	4%	4%	15%	8%	0%
SalesData	58%	7%	13%	n/a	1%	16%	4%	1%

**SALES NUMBERS**

Personality Cookbooks are fairly accurately represented in SalesData, at least in comparison to the other sub-genres this report has outlined. With the exception of Title 3A (which, again, only came out this year), the percent of unreported units is the lowest, averaging 24%. Restaurant titles average 39% unreported, and Small Business average 31%. Looking at Figures 17 and 18, this is further illustrated, with both reporting databases sharing the same peak trends. On the other hand, Personality cookbooks also sell the least gross units of any of the three categories in this report. Whether this is due to the imbalance in market penetration, or the lack of guaranteed direct sales to the author is not known.

Figure 17 – BookNet Sales Reporting for Personality Titles

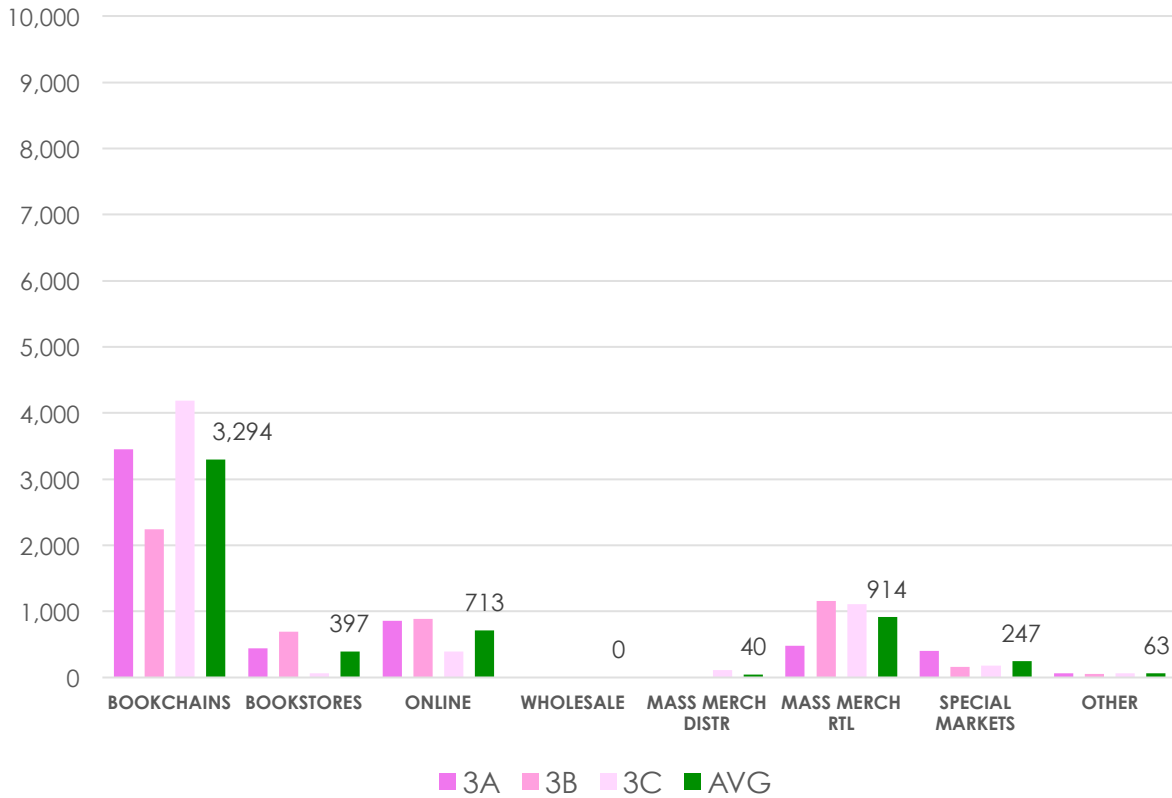
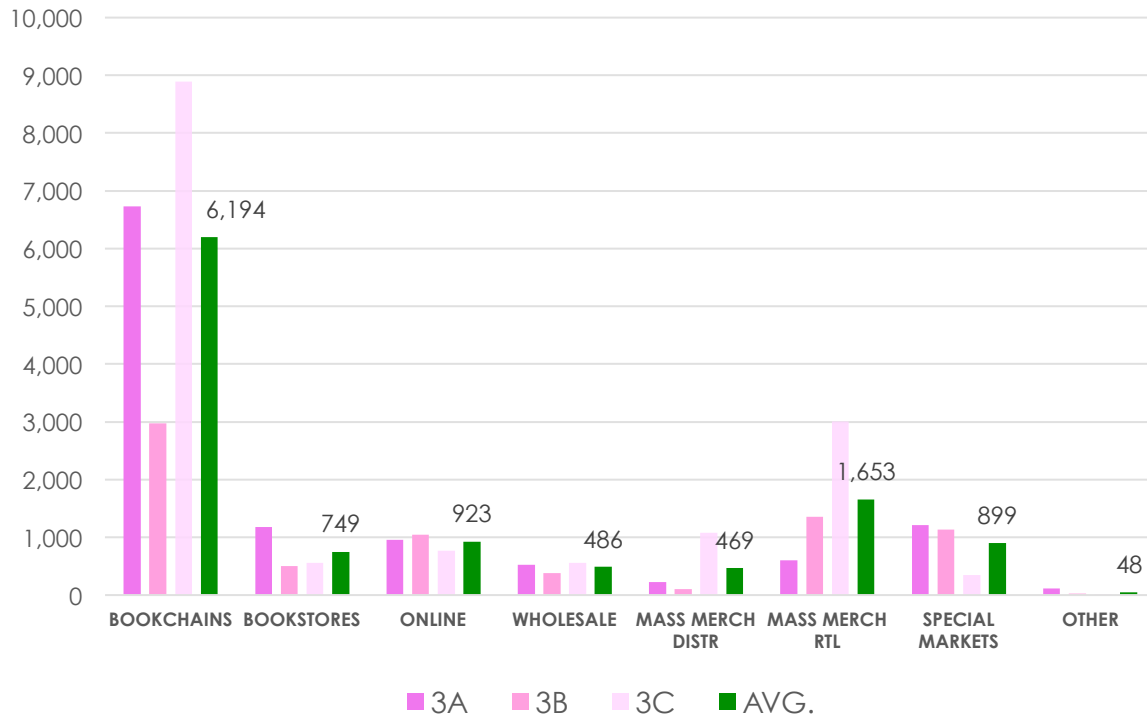


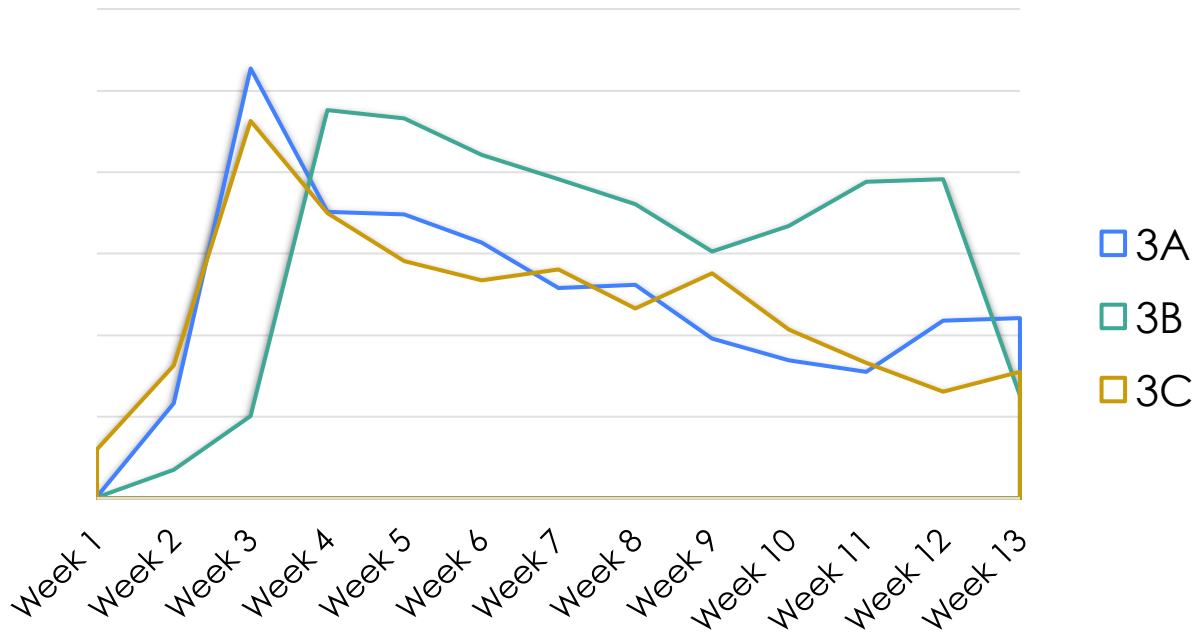
Figure 18 - MyHouse Sales Reporting for Personality Titles



## SALES PATTERNS

Personality titles have the longest sales peak of any of the sub-genres of cookbooks. In all three cases, a sharp spike in sales occurred in Week 2 or Week 3, which lingered on well into Week 10. Given this sub-genre’s reliance on bookchains, it is highly likely this is due to front-of-store displays, or other marketing packages agreed on with the seller.

Figure 19 - Sales Trends of Personality Titles (Week 1 – Week 13)



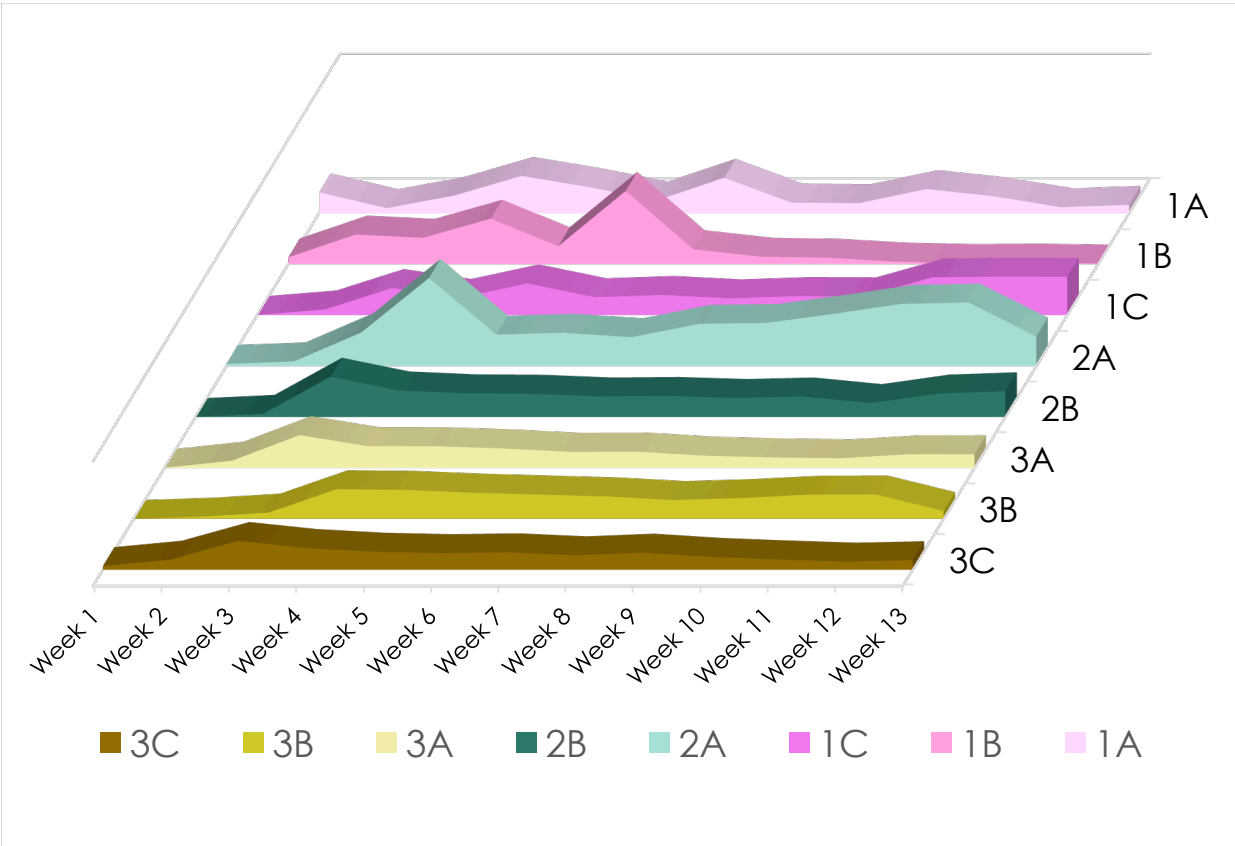
Keeping in mind that Personality Cookbooks see fewer unit sales on average than Restaurant or Small Business cookbooks, the graphical representation of sales in Figure 19 should not be misconstrued to mean Personality titles sell the best. This graph only shows sales relative to the other titles in the set, and all three Personality titles shared similar numbers. Even so, this representation is informative. A publisher could see that, when they are dealing with a title of this type, they could more evenly space out their marketing blasts and campaigns from Week 2 to Week 13, rather than cluster them all at the beginning or end.

# What the Omissions Tell Us

When looking at all eight titles holistically, the argument for treating sub-genres of cookbooks differently is further supported. For example, in Figure 20, if the title labels were nonexistent, it would be hard to know what sort of sales pattern to expect for a cookbook. Title 2A, a bestseller, emerges as the exception to the rule, and the rule is unreliable.<sup>35</sup>

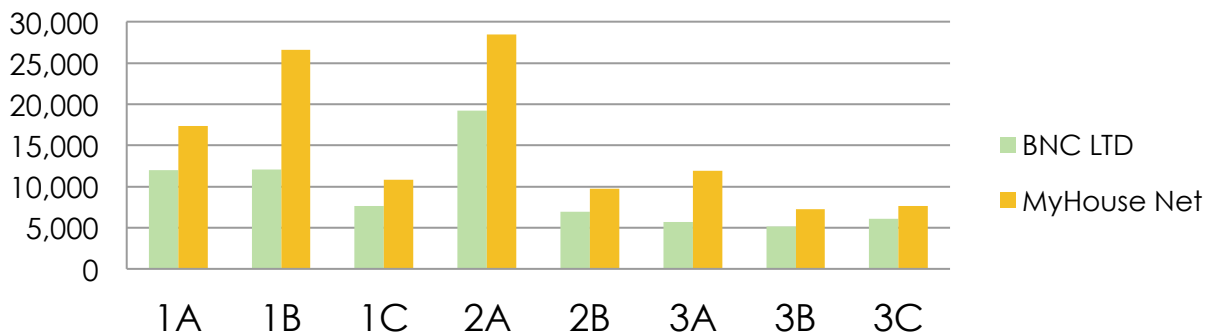
Additionally, omissions in sales reporting, whether unavoidable or not, affect a great deal in the perceived success of a title in the cookbook category. (see Figure 21) Until data collection by BookNet becomes more seamless for non-traditional sales channels, it cannot rival in-house data for cookbooks and other genres that behave similarly. For a publisher like Appetite, this loss might not mean much, but for other small and mid-sized publishers that are not connected to a larger network of data systems like MyHouse, these omissions in SalesData could affect acquisition and positioning decisions in substantial ways.

Figure 20 - Sales Trends for Cookbooks (Week 1 – Week 13)



<sup>35</sup> This report recognizes that its sample size is quite small, and this is a large generalization to make; however, given the patterns of its findings throughout, the author is comfortable making this claim.

Figure 21 - Differences in Unit Reporting between SalesData and MyHouse



## Data Limitations

While this report has sought to give a diverse sampling of the cookbook industry in Canada, there have been some unavoidable limitations. There are a fair number of cookbook publishers in the Canadian retail market. However, due to the lack of available data, some of these publishers appear as outliers despite their strong market showing. Figure.1 Publishing, for example, the award-winning publisher behind bestsellers like *Araxi: Roots to Shoots* and *Montreal Cooks*, makes most of its sales through non-traditional channels, especially for projects that make their money by selling directly back to the client. A good example would be *The White Spot Cookbook*, which is mainly sold at individual stores in the White Spot franchise. Since BookNet does not allow sales of this nature to be manually reported,<sup>36</sup> sales occurring outside of traditional channels rarely register in SalesData. This, in turn, means that the BookNet bestseller list for cookbooks cannot be fully relied on for accuracy.

Due to this “blind spot,” it’s fairly likely that the market share distribution presented earlier in Figure 3 is inaccurate. However, without a consistent way to compare BookNet data with in-house data at publishers like Figure 1, Robert Rose, and Company’s Coming, it is impossible to know *how much* those numbers are off. Whenever possible, this report has tried to minimize these unknowns with *knowns*. Being able to compare PRHC’s internal data with the external data provided by BookNet allowed for a more complete picture of how cookbooks have performed in the past, but only for companies within the PRHC umbrella. The broader realities of the industry, therefore, cannot be answered by this report.

<sup>36</sup> “SalesData only accepts transaction-level data from a point-of-sale (POS) system.” BookNet Canada. “FAQs for Contributing Retailers.” *SalesData Help Manual*. <https://booknetcanada.atlassian.net/wiki/spaces/UserDocs/pages/122397802/FAQs+for+Contributing+Retailers> (accessed August 9, 2017)



## Recommendations

Given the findings of this report, it is recommended that cookbook publishers use a combination of internal and external data whenever possible to evaluate their titles. Ideally, the publisher would recognize and define the different styles of books in their list, and group the titles accordingly. Should trends emerge, both in sales and distribution, they will inform other aspects of the publishing process (such as publicity or marketing), saving valuable time and money. With the ever-declining revenue of the industry, fluctuating grant opportunities, and the burgeoning class of small and self-publisher, a new level of adaptation and analysis is required to sell books effectively and efficiently.

It is also recommended that publishers who have (or will) read the *Deep Dive* reports, especially the *Cookbook Buyer* report, take those findings with some measure of scepticism, until a larger, more robust, and transparent survey can be conducted. Throughout this report, only a small fraction of the results from the *Deep Dive* reports could be tested; all information related to the habits of typical consumers remains unknown, and are beyond the scope and ability of this report to examine. Should the funding and manpower exist, a new survey conducted both online and in-person could provide a more well-rounded set of results. Additionally, in my opinion, the *Deep Dive* series has the potential to provide a great deal more information to its audience by giving related context to any data shared, such as social media use *relative* to other genres, rather than in straightforward “yes-no” questions and reporting.

## Conclusion

Throughout this report, I have endeavoured to be as inclusive of the cookbook industry as possible. This was a difficult task, given that the only data with which I could compare the BookNet set was PRHC's own. What holds true for PRHC may not hold true for others, like Figure.1 (which operates under a very different publishing structure), or small publishers who don't exclusively publish cookbooks. Moreover, due to the scope of this report, I was only able to analyze eight titles in three categories. This is hypocritical to my main complaint of the *Deep Dive: The Cookbook Buyer*. The industry would be much better served by a full-scale report that includes as many titles as it can, in more standardized subgenres, and from more publishers, should they elect to be included. There would also be merit in a closer examination of the self-publishing industry, and how it (and online blogs) have affected sales.

While I wish to reiterate the immense body of work and information that BookNet has given the Canadian publishing industry, I also wish to submit this report—in good faith—as proof that the systems can always be improved. While some of the issues brought up in this report are out of BookNet's control (like certain POS systems that make it prohibitively expensive for BookNet to capture data, or retailers who may not want to provide access to their sales numbers, BookNet is incredibly committed to excellence and continually improving their systems, so I know that (in the future) reporting for all genres will only get better.

As far as the original question as to how BookNet's data reflects the realities of cookbook publishers? The answer is, mixed. Depending on the sub-genre, results can vary greatly. For Personality Cookbooks, it is much easier to trust the ratios of sales seen within SalesData. But, for sub-genres like Restaurant Cookbooks and Small Business Cookbooks, a closer examination is necessary.

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## Appendix

### Title Analysis Key

<b>BOOKCHAINS</b>	Bookchains are generally defined as stores that are part of a larger corporation. In Canada, this would include Chapters Indigo stores, and Black Bond Books in BC.
<b>BOOKSTORES</b>	Bookstores are defined as independent booksellers. Examples might include Munro's Books in Victoria, or Kidsbooks in Vancouver.
<b>ONLINE</b>	Online is any channel that conducts business <i>wholly</i> online, such as Amazon.ca.
<b>WHOLESALE</b>	Wholesale buyers are any wholesale purchaser <i>not</i> including Costco. (
<b>MASS MERCH DISTR.</b>	Mass Merch Distributors are any major Canadian distributor that sells products other than books.
<b>MASS MERCH RTL</b>	Generally, units counted in this category are from Costco, and similar outlets.
<b>SPECIAL MKT</b>	Special Market books are non-traditional sales, and can be anything from sales that are direct to the client, to gift stores or airports, or bulk/volume sales to businesses and organizations.
<b>OTHER</b>	As the name implies, any units in this category do not fall under any of the others above.