

The Power of the Written Word

While Bonnier Books Nordic is strategically expanding its presence and offering across the Nordic region, the innovative company is still defending and developing the art of storytelling.

Images courtesy of Bonnier Books Nordic

With the rise of digital and e-commerce, Bonnier Books Nordic is rapidly shifting its technological offering and skills to adapt to this new environment. Despite these changes, the company is ensuring that it retains its focus on the foundations of the book publishing industry, literature, and the art of storytelling.

Bonnier Books Nordic consists of Swedish book publisher Bonnierförlagen, pan-Nordic online book retailer Adlibris, Norwegian book publisher Cappelen Damm, and Finnish book publishers Tammi and WSOY, among many others.

The corporation's parent company, Bonnier, is a media group that covers television, daily newspapers, business and trade press, magazines, film, books, radio, and digital media. Along with its base in the Nordic region, Bonnier boasts a substantial presence in the United States, United Kingdom, Germany, and Eastern Europe, with operations in 16 countries around the world and more than 9,000 employees.

Jacob Dalborg, CEO of Bonnier Books Nordic (BBN), sat down with *The CEO Magazine* to reveal the challenges and achievements of this continually evolving company.

***The CEO Magazine:* With 12 years under your belt at Bonnier Books and more than seven years as CEO, how have you seen the company develop and transform over the years?**

Jacob: I've had a number of positions within Bonnier Books and I think we've transformed in two significant ways. We have to meet the new demands and challenges in our market, particularly the digitalisation shifts. It's then about how we reorganise the businesses in the different parts of the world where we operate.

At the same time, we believe very strongly in literature. In the future, we will be investing in new companies and also in the old parts of the value chain of literature, like in storytelling, and we're already doing that today. The development and the changes in these structures will keep on shifting in the future.

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- Jacob Dalborg

How have you capitalised on the digitalisation trend and other technological shifts?

On one hand, you could say that digital in itself is just a new channel because if you have an e-book it's just another way for us to reach readers. The publishing business is actually about storytelling, so whether we do that in hard cover, in paperback, or e-book it's more about the reader's choice. If the reader wants something in a particular format then we should be able to deliver that. It's not that dramatic in that sense.

At the same time, the environment and the way that readers find literature needs a new way of thinking on our behalf. There are new demands, behaviours, and habits, which we have to learn. We know how to sell books through a bookstore and then the consumers read them but it's a totally new environment now. I think this industry has been very producer-driven—we produce a book and then we push it out there.

With digital, it's vital that we have a better insight into consumers and we have to understand what >



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readers like with books and how we can reach them. We need to be much more specific in targeting our audience. If we do that right, we can get our volumes up because the right audience will be getting the right books.

Of course, it's a turbulent time but I don't think it's just in our business—I think it's in all businesses. When you have to reorganise and change the company's structure and adapt to new competencies coming in, it's going to be an adjustment. You can feel it in the organisation. It's very important for us to have a clear strategy and detail how we're going to deal with these changes.

How have you engaged employees and ensured that they are with you on the leading edge of these changes?

We have a very flat organisation in all our countries. We are a people business. While we have the e-commerce side, we have all our stores, and those stores are dependent on their people. Even the e-commerce, though it has a lot of logistics and systems, it's built by our people.

On the publishing side, to attract the best authors we have to nurture the relationships between our authors and our publishers, editors, and marketing department. They have to be in line with our overall strategy. You have to believe in people and invest in them.

How do you work with suppliers and strategic partners to remain at the forefront of your industry?

We have a different approach to this because we call our key suppliers partners. We are very much in partnership, and being in print we try to have longer agreements where we can work together to become smarter and more efficient. We want it to be a mutually beneficial partnership because it has to be like that for the two parties to be successful.

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- Jacob Dalborg



With the bookstores, we're in the same field, and so it's just about how we work with those partnerships and find the smartest ways to distribute and get the books out. We're in a market where the margins are quite low, as many are, so we need all of those partners to work with us to manage those because we're all dependent on one another.

How will you continue to grow and expand in the Nordic market?

In the Nordic market, I think it'll be more about organic growth. Our market share in the publishing side in all the countries we're in is quite high. We're on the top level so if we can just keep on being the best then we can overtake in market share.

When it comes to e-commerce, it's the same thing. We're already adding other products to our product line. The digital market in the Nordics is still very small. Of course, we believe that it'll take off in the years to come. Already, people are extremely digital in their daily lives, from listening to music to watching movies online and on devices. With reading on digital platforms, they're still in the learning phase and we have to help them.

Then we have business in the United Kingdom, Germany, and

Poland. From that point of view, I think it'll be mostly about organic growth but we might also look at acquiring interesting publishers.

What is your short- and long-term vision for BBN?

I want us to do what we're doing. I think in many ways we're transforming, and that means transforming the organisation as well. The organisations themselves have been set up from a traditional print structure, where you release the hardcover and then you release the paperback, and all our decisions stem from that structure. With digital, it won't be like that; it'll be another type all together, so we're transforming the organisation while at the same time being aggressive on growing and taking market share.

Book publishing is in our genes, heart, and soul. It's the root of where all the Bonnier businesses started, some from around 170 years ago, and we're planning on being around for another 170 years so we have to take our legacy and longevity with us while also changing for the future. We will be in all the fields of book publishing, on both the selling and distribution sides. We have to move from being a production-driven company to a consumer-driven company, and I think we're well on our way. •