

Book Marketing in Canada: Indigo and Celebrity Endorsements

Cassidy Rossander

Interview with Louise Ho, employee at Indigo

Cassidy: Does Indigo follow what books celebrities endorse on their Instagram's or online book clubs? Do they also try to display and promote that book?

Louise: Definitely, Reese Witherspoon especially is a celebrity whose opinion is valued, so Indigo tries to have the books that she has in her book club in stock and usually towards the front of the store.

Cassidy: How do Heather's Picks get chosen? How many books are usually chosen in a year?

Louise: Heather's Picks are personally chosen by Heather Reisman herself, the CEO of Chapters Indigo. If she really loves a book, it's likely to be chosen by her.

Cassidy: How does Heather's Picks impact what books are sold?

Louise: Heather is really influential in that, she has a reputation for picking great books that really mean a lot to people. I haven't met anyone who hasn't liked a Heather's Pick, and it's cool because she picks something for everyone—the young, the elderly, the in-betweens—she picks them all and gives them great selling advantages as the Heather's Pick sticker is like the Holy Grail.

Cassidy: How does the store or company pick which books to feature?

Louise: By seeing what's trending, or what the season is all about. For this year, it was all about Canada 150, so we wanted to promote Canadian books. People were

interested in the election last year, so books were featured then as well. It's all about the buzz, or what is expected to do as well as a previous bestseller.

Cassidy: Are the featured books more likely to sell than other books?

Louise: They are more likely to sell because they generate more buzz than the books that are nestled between the shelves that don't get a shining spotlight. If they're featured, they will stop the reader and make them look at the book as opposed to leafing through tons of books on the shelves. There's also this idea that when books are placed on tables, they're probably more popular and favoured which causes people to become influenced by what others are reading.

Cassidy: How does discounting the top selling books impact sales?

Louise: We promote them rather than discount them—"25% off", "40% off"—these methods are great because it catches customer's eyes and everyone enjoys discounted books. People are more inclined to buy if they see that something is on promotion, because promotions are not forever.

Cassidy: How often do the discounted books rotate?

Louise: If you're referring to Bargain, it's until it sells out or if we notice something doesn't sell we ship it back to the publishers.

Cassidy: Do people/customers ask about past Heather's Picks, or ask for similar recommendations because of Heather's picks?

Louise: Yes, definitely! Heather is really influential in all stores (for obvious reasons, being the CEO as one of them, but the books she chooses are generally all superb) so people will come in and ask about similar titles to the ones that she's chosen. You'd find that for *All the Light We Cannot See* by Anthony Doerr, for example—customers will ask, "Is there something like this book? I loved it!". I'm not sure about people asking about past Heather's Picks, but I know that people still buy previous Heather's Picks because they're so good.

Cassidy: Are there other celebrities that you find that impact book sales?

Louise: Of course! If a YouTuber writes a book, for example, they will impact their viewers to buy their books- examples being Lily Singh, Zoe Sugg. When celebrity chefs such as Jamie Oliver writes books, they are instant hits or are frequently bought. If a celebrity says they're reading this book, then they might impact their fans to buy the books that they enjoy. A lot of it is about, "Well, if they wrote this/liked this, I'll like it, too".

Cassidy: How often do customers buy the "If you enjoyed this book...Then try this!" compared to other featured books in the store?

Louise: The front tables and front alcoves generally pick up a lot of revenue, but from my own experience I notice that a lot of people gravitate towards the very front tables, the Top Bestsellers, as well as Heather's Picks. I don't personally see a lot of people pick up from the "If you enjoyed this book... Then try this!" section, but I definitely see people perusing it. I'm probably not the best person to ask, though, as I'm not usually on the floor but in the Kids section.

Cassidy: How is the target market determined for Indigo?

Louise: We aim to target people of all ages; it's not just one category over the other. It might be said that we try to focus more on female products, because we do have a "For Her" section and no "For Him" section, but all of our books and products are available for anyone to pick up and purchase. Whatever is trending, we try to target that audience, and whatever events that people are interested in we try target to that audience as well. An example is when we have author events; we had Lily Singh come in which attracted many young fans (both male and female) as well as Bruce Campbell (who brought in adults and even young adults as well).

Cassidy: How are the featured tables chosen? What process goes into promoting those certain books?

Louise: Normally they're chosen by what is known to be a top seller, or what has received great reviews. We try to put the displays in a pyramid scheme so it's visually pleasant to look at. We also feature tables based on the season- if it's Christmas, for example, we'll try to put Christmas books on display. If it's back-

to-school then we'll put up workbooks. We always try to promote books that are the best of the year, because we mainly like to choose product that we know will sell as well as tell a great story. The floor staff is encouraged to recommend these titles to the customers that are looking for a book to read, or we try to bundle it with similar items that they might be interested in whilst shopping.

Indigo & the Canadian Publishing Industry

The Canadian book marketing industry is now linked to Indigo, but has Indigo helped the industry as much as its customers think it does, or has it made it more difficult for publishers in Canada? One might say that marketing strategies like Heather's Picks has made an impact on the book industry, though social media might be the bigger influence. With the power of celebrities, the trickle down system is stronger than ever. It reaches a larger group of people and has a powerful impact coming from someone they like and believe in. How does this affect Canadian book marketing, and how are publishers using it to their advantage?

The impact of social media and celebrity power on the book industry is a strong one. Book publicists are working increasingly hard to get new hardcovers into celebrities' hands, in hope of an Instagram or a Facebook post. These little endorsements can reach a much larger audience than an interview with the author on a popular television show (Crair, 2017). "While it is difficult to isolate the impact of a social media post from the other facets of a promotional campaign, nearly all the major publishing houses see these accounts as a way to connect with audiences that would be difficult to reach through the traditional organs of book publicity" (Crair, 2017). Book publishers have always sent out advanced copies to the rich and famous in hopes of them spreading the word among the elite and then trickle down to the masses, also known as the "big mouth publicity" (Crair, 2017). The significant difference now is that celebrities communicate directly with their fans on social media. They not only share the books they love, but are trying to build online communities around reading. "A publishers' publicity department is used 'to inform public opinion and re-orientate popular debate, or simply to spread information by word of mouth' as well as to 'achieve the real

aim: larger sales'. Yet the impact of the media on book sales is difficult to quantify, unlike the effect of a book winning a literary award, the immediacy of which can be seen translating into sales figures" (Squires, 2009). Social media has done something to book marketing that couldn't have been expected and has changed how publishers can spread word of mouth, and who they can get to spread it. "Its absolutely something we think about, we try to get books to people with big social media followings and are strategic about it" said Miriam Parker of Ecco Books (Crair, 2017). Celebrities who have made a significant impact include: Reese Witherspoon, who regularly shares books with her 10.4 million followers and has also started an online book club. She has also recently turned one of her recent love affairs with books into a television project, *Big Little Lies* by Liane Moriarty, which became a huge success and even gained recognition at the Emmy's. Sarah Jessica Parker, also known for plugging her favourite books to her 3.6 million followers. She also runs her own publishing imprint for Hogarth and recently launched a book club partnership with the American Library Association (Crair, 2017). Other notable celebrities who promote books are Emma Watson, who also started an online book club, Our Shared Shelf and Emma Roberts who has a book club called Belletrist and she promotes her favourite independent book stores too (Crair, 2017). "The target, therefore, is not necessarily the target market, but those in the target market who are most likely to volunteer their positive opinions about the offerings or those who, potentially, have some influence over members" (Squires, 2009).

In Canada we have a smaller market, especially when it comes to books. It's an easy field to test out new marketing strategies and often used to see how new innovative ideas will be received before testing them in the larger U.K. and U.S. markets (Doherty, 2013). One example of a big marketing project is the Echo Project, launched by Penguin Canada as an "online companion" to Khaled Hosseini's novel *And the Mountains Echoed*. The project aimed to build 402 web pages, each creatively interpreting one of the books pages, echoing the books sweeping scope from 1949 to 2011 spanning from Kabul to California (Doherty, 2013). Their goal was to bring that content to life. Marketing is all about "shareability" and forging direct connections with readers, and this project aimed to do just that. "The traditional marketing process, involving print ads and an

author tour with reads and interviews, needs to be supplemented with more imaginative ideas” (Doherty, 2011) —which is where the The Echo Project took shape, an innovative marketing scheme from Penguin Canada that launched a new way of marketing.

Though online networking has changed marketing for publishers, it helps them reach a broader geographic range and allows authors to engage more freely with their readers. Canadian independent publishers still need innovation to reach the audience that isn't within social media. ECW Press for example lets their authors take free reign on how they choose to otherwise promote their book, like Youtube trailers or fan-fiction that ties into a celebrity bio (Doherty, 2011). According to Booknet, in Canada there was a 6.6% decrease in unit sales of books, from 2011 to 2012, which precedes an 11% dip from the year before (Doherty, 2011). Book reviews in the media are slowly fading, independent bookstores are becoming a thing of the past and chain stores are like Indigo now devote less space to books — which is why the help of celebrities has been so crucial for the publishers when it comes to marketing new books. Book reviews play an important role in sales for books though, since when the quality of a product is unknown to the public prior to the consumption a review of the product done by experts, celebrities or other consumers can lead to shaping demand for the product. The question here is, do reviews persuade consumers to change their opinions about a product, or do they simply provide information about the products characteristics (Sorensen & Rasmussen, 2004)? When being reviewed by the New York Times it seems that even a negative review can still make an impact on book sales (Sorensen & Rasmussen, 2004). Since thousands of books are published a year, readers cannot possibly hear about each book, so when a title is reviewed by the New York Times it gives the book certain clout, disregarding whether the review was good or bad (Sorensen & Rasmussen, 2004). Even compared to the movie industry most reviews do not work like this. Book reviews contain information that is new to most readers, where in a movie review the audience already knows a bit about the film usually. The movie industry only produces around a hundred movies a year, a much smaller scale compared to the book industry so it is easier for consumers to know more about a movie. The power of persuasion is more influential in the movie industry because when a

movie receives a negative review it can significantly decrease the sales at the box office (Sorensen & Rasmussen, 2004). Surprisingly, the same doesn't apply in the book industry — any exposure is good exposure for a book (Sorensen & Rasmussen, 2004).

Heather Reisman's Indigo has become the closest thing to an unregulated monopoly in Canada's private sector; no other sizeable developed country has let ownership of bookselling become so concentrated (Kingston, 2012). For Canadian publishers, who depend on and wish for Indigo's well-being yet resent its power are wary of the chains shift away from books (Kingston, 2012). They have voiced their concerns about Indigo's active list of 500,00 titles (Kingston, 2012) will be affected, but by doing so, this is how Indigo can justify its high-rent and large-format stores. The struggle for Reisman is that one of the key categories of her store —books—are not making as much of a profit as they once were. Sales are declining year after year, the question that remains is when will Reisman have to replace books with a different product that is equally compelling as the other categories in the store? "What I don't need is her filling up her stores with books she's going to return—and incur the cost to her and us" said president of Random House Canada, Brad Martin (Kingston, 2012).

"Publishers don't much like the changes..." Toller said, referring to the T3 phase that Indigo is now phasing into. As Sarah MacLachlin, House of Anansi president put it "It's funny — they've created this thing that is undermining their core business," (Goddard, 2011). The lifestyle products are outshining the books featured in Indigo which is supposedly the "heart and soul" of the company. Recent changes introduced by Indigo have also affected Canadian publishers. As Indigo is sometimes the only book retailer in some towns in Canada, the way they sell books impacts Canadian publishers. One of the recent changes that have encouraged an outcry from publishers is the lowering of the minimum shelf life of books. The standard of a store to keep a book is ninety days, but Indigo changed that to seventy-five, and now changing it to forty-five which was suspended (Goddard, 2011). The reason that this impacts the publishing houses, and especially the independent publishing houses, is that it doesn't give the book enough time to sell, because if a book doesn't sell within those first crucial weeks it doesn't get to stick around until the prime selling time, Christmas (Goddard,

2011). The other big change is that Indigo is no longer selling their display tables and windows to publishing house to create their own displays (Goddard, 2011). Indigo now wants to create their own displays to focus on their lifestyle products and other eye-pleasing products. Since this change they also introduced a marketing charge to publishers of four per cent of the wholesale price of every book sold (Goddard, 2011). While this change resulted from Indigo now taking on the responsibility of marketing all of their tables and windows in their stores, it is beneficial for some of the larger publishers, who don't have to buy these window or table displays and can still get the benefits, but not necessarily for the independents. The problem does not lie within the additional products, as Toller said, "Indigo has never really been exclusively books" — but the direction that Indigo is taking is making it difficult for the smaller independent book publishers to have a fair chance at selling their books.

Indigo has brought in other techniques to bring a broader client base in. A problem that they've recently struggled with is "showrooming", a term used to describe when people go into a store and browse the products, but end up buying them online at a discounted price. To combat this, Indigo's online retail store has lowered their prices for their top one hundred best sellers and staff recommendations, by offering a fifty per cent discount they hope to drive some of their customers away from Amazon and back to them. In store they do a similar thing where they offer a forty per cent discount on their top best sellers and staff recommendations to hopefully drive their customers to their store. This method has been working for the in-store buys, drawing customers to the discounted books (Strauss, 2015). By doing so, the Canadian book publishers suffer, says Carolyn Wood, executive director of the Association of Canadian publisher (Strauss, 2015). Another step that Indigo took to combat the constant online war with Amazon was back in 2012 — Indigo joined a boycott with U.S. bookstore chain Barnes & Noble. The two stores refused to stock or sell any books published by online rival Amazon.com (Barber, 2012). When asked why Indigo chose to make such a bold statement Indigo's vice-president Janet Eger said "In our view Amazon's actions are not in the long-term interest of the reading public or the publishing and book retailing industry globally" (Barber, 2012). Which is an interesting statement to make considering Indigo is often seen as the same by the

Canadian publishers. So, are they just trying to appease the public or do they want to truly make a difference for the publishing industry? Book-A-Million also going the ban on Amazon.com at the same time as Indigo did, making it much harder for Amazon (Barber, 2012). This has been Amazon's first set back since they came out strong into the book selling business. Indigo, Amazon, and Book-A-Million are hoping that their ban will be a signal to authors, publishers and agents alike who are possibly tempted to be published with Amazon (Barber, 2012). Though they will have to come up with something stronger to try to outsell the online superpower, as Amazon sells \$50 billion in books compared to Barnes & Noble which is at \$7 billion a year.

No big box store is the answer to any industries prayers, especially for the specialty or small stores, and Indigo is no different. While Indigo is making its own headway in the industry of book stores, it's also been helping the big publishing companies, and falls short of supporting the local independent Canadian publishers. While Indigo isn't responsible for the success of the Canadian publishing industry, being a Canadian business that relies on the publishing industry, its not only good business to have a friendly relationship with the smaller publishers, but good for morale as well. Indigo's opportunity to use celebrity power to influence readers by promoting the books that celebrates endorse is a strategic and a beneficial practice that in the end pays off, not only for Indigo, but the publishing industry as well. Word of mouth has been one of the best strategies for the publishing industry to use to promote their books, people rely on other people's opinion to decide on which books to buy, from big reviewers like the New York Times to a neighbour giving an opinion on a book they recently it all matters in the book business.

Works Cited

Barber, J. (2012, February 3). Indigo joins growing boycott of books published by Amazon.com. Retrieved from <https://beta.theglobeandmail.com/arts/books-and-media/indigo-joins-growing-boycott-of-books-published-by-amazoncom/article543954/?ref=http://www.theglobeandmail.com>

- Crair, B. (2017, August 16). The New Authority in Great Books to Read: Who You Follow on Instagram. Retrieved October 17, 2017, from <https://www.nytimes.com/2017/08/16/t-magazine/instagram-book-recommendation.html>
- Doherty, M. (2013, May 23). Page views: When it comes to marketing new books, Canadian publishers are getting creative. Retrieved from <http://nationalpost.com/afterword/mike-doherty-book-promo>
- Kingston, A. (2012, January 06). Heather's fix. Retrieved from <http://www.macleans.ca/economy/business/heathers-fix/>
- Goddard, J. (2011, October 10). Anxious publishers watch Indigo makeover. Retrieved from https://www.thestar.com/business/2011/10/10/anxious_publishers_watch_indigo_makeover.html
- Toller, C. (2014, November 26). How Indigo plans to be the world's first. Retrieved from <http://www.canadianbusiness.com/innovation/indigo-the-first-cultural-department-store/>
- Sorensen, A. T., & Rasmussen, S. J. (2004). Is Any Publicity Good Publicity? A Note on the Impact of Book Reviews. *Stanford University*, 1-16. Retrieved from <https://www.ssc.wisc.edu/~sorensen/papers/bookreviews.pdf>.
- Strauss, M. (2017, March 25). Indigo dropping more book prices to keep customers in stores in digital age. Retrieved from <https://beta.theglobeandmail.com/report-on-business/indigo-dropping-more-book-prices-to-keep-up-with-online-competitors/article25187824/?ref=http%3A%2F%2Fwww.theglobeandmail.com>
- Squires, C. (2009). *Marketing Literature: the making of contemporary writing in Britain*. London: Palgrave.



This work is licensed under a [Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License](https://creativecommons.org/licenses/by-nc-nd/4.0/).

© Cassidy Rossander, 2017

Available from: <http://journals.sfu.ca/courses/index.php/pub371/issue/view/1>