

Selling the Product

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In the half century following World War II, book retailing in the United States was transformed in significant ways. Although the precise nature of this transformation was rarely foreseen by prognosticators, the seeds of change lay in developments whose impact was first apparent in publishing. The discovery of books by outside investors, the expansion of the reading public to include an increasingly diverse and less elite audience, and the application of new kinds of information technology affected book retailing as much as publishing. Other social and cultural trends, not new to the postwar era but encompassing an ever-wider swath of society, were equally important for reshaping the retail sector. The flood of Americans to automobile-oriented suburbs, the spread of a culture of informality, Americans' self-conscious conflation of consumption with leisure, and the prominence given to marketing as a strategy for both personal and organizational success affected retailers in a wide variety of fields. This included what had long been viewed as the rarefied arena of bookselling, a field that had once seemed immune from the innovations adopted by other types of retailers.

The changes seen within bookselling in those decades have had a profound impact on the entire American book industry. Developments in retailing have also affected how the American population understands books and print culture. It is not always apparent that booksellers mediate between readers and books (and the books' authors) in important ways. Of course, booksellers are not the only ones to stand between the book and its reception. Libraries, educational institutions, review organs, and talk show hosts, among others, influence the likelihood of particular people encountering particular books. But retailers play an especially important gatekeeping role in that their decisions about which books to carry and market determine what reading material consumers will have ready access to. Furthermore, as Elizabeth Long has noted, by establishing a face-to-face relationship with readers, booksellers can mediate between readers and other cultural authorities (such as critics and teachers) and thus influence readers' selection decisions in very personal ways.¹

The book retailer, however, is more than just a gatekeeper. Through the way

they present their stores and the items they carry, booksellers help shape how individuals perceive books. Thus, as retailers have become less inclined to treat books as lofty and remote objects and have moved more in the direction of treating them as one of many equivalent media of entertainment, consumers have reacted in kind. Whether it be the proprietor of a traditional shop, or the mail-order and Internet booksellers without physical storefronts, the techniques retailers employ for display and promotion and the rhetoric they use to describe their products are important for instructing us about what a book is, who books are for, and how we should incorporate books into our lives.

This chapter examines some of the more significant developments that illustrate these various processes. Included is a discussion of the growth of chain booksellers and the subsequent consolidation of the bookselling market; the increasing importance of bookselling through nontraditional retailers, especially mass merchandisers and Internet booksellers; and the new emphasis placed on the marketing of books and of the bookstores themselves.

The Rise of the Modern Chain Bookstore

Perhaps no other development in postwar book retailing was as significant as the rise to dominance of the large bookstore chains. These organizations changed the balance of power in the book industry, not only in terms of increasing their own clout and market share at the expense of independent booksellers but also through the way in which publishers became dependent on, and therefore often deferred to, the chains. The chains' ascendance was accompanied by the importation into book retailing of sophisticated methods of management and marketing, as well as a more explicit and disciplined approach to achieving profitability than had previously been typical in bookselling. The chains were also instrumental in encouraging a shift toward viewing the bookstore as a culturally accessible place.

At the start of the postwar era, however, the book trade looked quite different. Book retailing in the United States had long been criticized on a number of counts, and observers were not optimistic that matters were changing. Bookselling was frequently characterized as inefficient and wedded to archaic methods of doing business. Indeed, this was one reason given for why so many people who went into the business found it difficult to keep their stores afloat. Bookstores remained few and far between for most of the country's history, and this situation did not improve much in the first couple of decades after the war. By the late 1940s, one report estimated that there were 3,041 book outlets plus another 5,000 drug and variety chain stores and 60,000 magazine outlets that carried some books.² (See Appendix, especially table 7.) By 1957, when the

baby boom, the expansion of higher education, and economic prosperity were supposed to be producing a new generation of eager and affluent readers, the number of outlets that did a significant proportion of their business in books had grown to only 8,360.³ Bookstores were especially scarce outside of major cities. For a large proportion of the country's population, access to books for purchase remained extremely limited.

Critics of bookselling also deplored the poor selection available in most outlets. Discount and drug stores tended to restrict themselves to carrying the most popular titles, and the majority of shops calling themselves bookstores were considered to be only slightly better. There was but a small number of bookstores along with some department stores that were known for carrying an extensive array of new books.

Despite the continuation of these long-standing problems, there were indications that the retail situation was shifting. The fate of the department store book department was one manifestation of this. Department stores had been major sources of books since the end of the nineteenth century and, in 1951, were estimated to represent 40 to 60 percent of all retail trade book sales (fig. 5.1).⁴ But though they were to remain an important channel of book distribution for some time, the department stores were already showing signs of their coming decline in the early 1950s. After World War II, department stores were increasingly not making money off of their book departments, and managers were less willing to

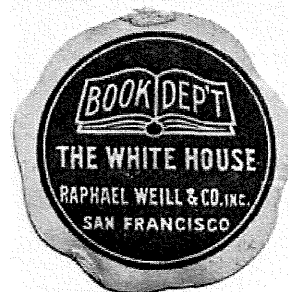
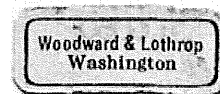
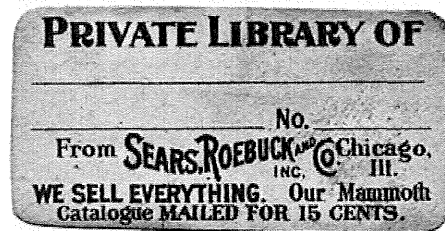


FIGURE 5.1. Department store book labels are symbols of the widespread distribution of books by those retail outlets. Book departments began to decline in the 1950s as suburbanization made them less profitable. Courtesy of Greg Kindal, Seven Roads Gallery of Book Trade Labels.

retain a book department simply for its prestige value.⁵ Book departments were expensive because they took up a lot of space and required a highly trained sales force. In the new suburban branches, space was limited and salespeople, who were often required to serve more than one department, could not be expected to be book specialists. Moreover, the customers for these suburban outlets, a large proportion of whom were housewives and children, were assumed to prefer a small range of best sellers, cookbooks, bibles, and juvenile titles. Suburban branch stores were thus opening with minimal book sections or even no book departments at all. At the same time, urban book departments were scaled back or moved to less desirable locations on upper floors. Gradually, the department stores lost their prominence in the industry.

In this context, a new breed of chain bookstores evolved. These booksellers figured out how to turn the same features that made suburban department store book departments so forgettable—small spaces, nonelite shoppers, limited selection—into a highly profitable, and controversial, formula. Of course, the concept of a bookstore chain was hardly unprecedented in the United States. The national chains, Doubleday and Brentano's, along with a few regional chains, had constituted a major presence in bookselling for decades. Yet before the 1960s, the scope of bookstore chains was relatively modest. In 1960 Doubleday could boast only thirty-three outlets, while Brentano's had but fourteen stores to its name.⁶ Consequently, their impact was far more muted than that of the next generation of chains would be.

The new chains not only became more numerous than the old. Their style and methods set them apart from any class of bookshop that had appeared before. One notable aspect of these stores was that they deliberately blurred the distinction between bookstores and other kinds of retail establishments, distinctions that booksellers had formerly seen as very important to maintain. Furthermore, the new chains applied their merchandising and planning techniques in a highly systematic and rational fashion, and borrowed new technology in order to accomplish this. Finally (and not coincidentally), the chains grew as offshoots of much larger organizations whose primary businesses were not in books. Although in later years the major chains reemerged as self-contained bookselling companies, the fifteen- or twenty-year period that saw their rise to prominence happened under the tutelage of diversified retail corporations, well versed in the ways of modern management, finance, and mass merchandising.

The histories of Waldenbooks and B. Dalton are most illustrative of the transition to the modern chain era. The Walden Book Co. was founded in 1933 by Lawrence Hoyt, a former sales manager for the publisher Simon & Schuster. Hoyt and a partner decided to establish a chain of rental library franchises in department stores, hoping to capitalize on both the popularity of rental libraries

and the successful marketing of department stores as sites for obtaining books. Starting with a franchise in D. M. Read of Bridgeport, Connecticut, the firm prospered and by 1945 had grown to approximately 200 leased rental libraries in department stores around the United States.⁷

Following World War II, rental libraries began to wane in popularity. Hoyt and his son decided to shift the focus of their enterprise to book retailing, and noting new population patterns, they determined to look to suburban shopping centers rather than traditional urban downtown sites as locations for their stores. In 1962 Walden Book Store opened its first retail outlet in a suburban Pittsburgh mall. This original store included both sales and rental library components, but as the Hoyts opened additional branches, they concentrated more on retailing and by 1964 phased out rental libraries completely.

By 1969 Walden had fifty-nine stores in nineteen states and was clearly proving that bookselling on a mass scale could be quite profitable, something that would have seemed a highly doubtful proposition ten or twenty years earlier. But perhaps even more startling than Waldenbooks' growth was its sale that year to a non-book enterprise. Walden's new owner was the department store chain, Broadway Hale Stores. Broadway Hale believed that there were substantial opportunities to improve its bottom line through introducing bookstores to the shopping centers that were springing up all over the country. With Broadway Hale's capital at its disposal, Walden embarked on an aggressive expansion program. By the early 1980s, Walden was opening 80 to 90 stores a year; in 1981, with 704 branches, it became the first bookstore chain to have outlets in all fifty states.

In 1983 Waldenbooks acquired Brentano's, which had been having financial difficulties for a number of years. The following year, Walden itself was the object of acquisition. As part of a strategy to avert a hostile takeover bid, Carter Hawley Hale (as Broadway Hale had become) sold the bookstore chain to Kmart, a general retailer. Kmart continued Walden's course of expansion, opening new outlets and, in 1987, acquiring the fifty U.S. stores of Coles, a large Canadian chain. There appeared to be no end to Waldenbooks' growth in sight.⁸

Waldenbooks' principal rival, B. Dalton, Bookseller, also had strong ties to a retailer with interests in nonbook products. B. Dalton was founded by the Dayton Company (later renamed the Dayton Hudson Corporation), a Minneapolis-based department store firm. Dayton started the venture after conducting studies that indicated unmet market potential in the book field. According to the company's original announcement, it planned to construct fine bookshops that would stress good service. The name B. Dalton was selected because it sounded English and connoted "quality, dependability and authority." The first outlet was inaugurated with great fanfare in August 1966 in Edina, Minnesota, a suburb of Dayton's home territory, Minneapolis. The next store opened

the following February in a St. Louis suburb, and by the end of its second year, there were a dozen B. Daltons selling books. Despite Dayton's original intention to open stores in downtown locations as well as in suburban areas, just about all of these first outlets were situated in suburban shopping centers, and it was indeed there that B. Dalton found a key to success.⁹

In 1968 Dayton acquired Pickwick Book Shops, a seven-store regional chain based in southern California. After that, Dayton concentrated on building new Dalton outlets rapidly. By the mid-1970s, it was opening around 50 stores a year, and in 1981, the chain could claim 526 branches. While still below Walden in number of outlets, Dalton matched its rival in terms of revenue. For the next five years, the two chains remained in close competition for market share, prime mall locations, and the loyalty of book buyers.¹⁰

Despite Dalton's strong market position, Dayton Hudson eventually determined that bookselling did not fit into its "strategic direction." In 1986, following a difficult year when discounting by competitors caused Dalton's profits to fall, Dayton decided to sell the chain. Speculation about possible buyers included such mass merchandisers as Sears, Woolworth's, and Wal-Mart. However, in the end, Dalton was not purchased by a company in the mold of Kmart, but by another bookseller. B. Dalton's new parent was a group composed of Barnes & Noble, a large regional and college bookstore chain, and Barnes & Noble's principal owners, Leonard Riggio and Vendamerica, the American subsidiary of the Dutch corporation Vendex International.

The reconstituted company (named BDB Corp. from 1986 to 1991) continued to expand both B. Dalton and Barnes & Noble outlets while making some additional acquisitions. These included two older majors of American bookselling: the 1989 acquisition of the Scribner's Bookstore name plus one Scribner's bookstore, and the purchase of Doubleday Book Shops in 1990. Another important acquisition at this same time was the regional chain Bookstop. But going into the 1990s, it was still B. Dalton that was the company's most visible, ubiquitous, and profitable chain of stores.¹¹

Bookselling, Chain Style

In a relatively short period of time, the bookstore chains dramatically altered what had formerly been a highly decentralized industry. (See tables 6 and 7.) A number of elements contributed to their growth. Among the most important was the chains' tendency to locate in suburban shopping centers and malls, a move booksellers had previously been slow to make. Booksellers had long been accustomed to looking to urban, downtown locations in order to attract both the sophisticated individual who was thought to be interested in patronizing a

bookstore and the necessary amount of foot traffic to keep a business going. In contrast, Walden and Dalton realized that in a changed urban and social landscape, locating where parking facilities were available could be more important than being in the heart of the city. Especially when trying to attract women, who were now better educated than ever before, and who were also the caretakers of a massive new generation of potential readers, a suburban locale made a good deal of sense.

The placement of bookstores in suburban shopping centers served another important purpose. It lessened the elite aura that had formerly encircled the bookshop by bringing the bookstore down to the level of the supermarket across the parking lot or the teen jeans outlet next door. This association with the other consumer-friendly businesses of the shopping center, strengthened by an architectural design that allowed the bookstore to blend into its surroundings, helped to make the chain bookstore appear to be just another place to shop.

Similarly, the decor and atmosphere inside the chains were very different from that of the traditional bookstore. The old-fashioned bookshop had gained a reputation for being either dark and musty or patrician and clubby, and almost always characterized by narrow aisles and a confusing jumble of books whose logic was known only to the bookseller. The bookstore was thus assumed to be a serious place for serious and/or affluent individuals. Not long after their establishment, the modern chains renounced this old appeal to class and intellect by constructing bright, clean, open interiors. Books were organized and signage was clear, so that a customer could bypass asking for help from a bookseller who might disapprove of her taste or ignorance.

Other aspects of the chains also communicated that they were informal places welcome to all. For instance, their promotion of paperbacks at a time when some booksellers still had disdain for the softcovers had this effect. In this, the chains were following the lead of all-paperback bookstores, popular during the 1960s, and known for their casual atmosphere. Additionally, the interiors of chain stores tended to be standardized from one outlet to another. Such standardization not only was cheaper and allowed new outlets to be constructed quickly, but could also be reassuring to some book buyers, promising that a Waldenbooks anywhere would be familiar terrain.

Along with standardization, the chains adopted other techniques of mass merchandising. Distressed critics accused them of selling books like they were so many cans of soup. But some chain executives agreed that when it came to marketing, books *should* be treated like soup, toothpaste, or any other commodity. To accomplish this, books were displayed in such a manner as to grab the customer's attention. Volumes were stacked up in huge piles (calling up the soup can analogy), or when on the shelves, frequently displayed face out. The

chains also invested heavily in advertising, on both a national and a regional basis, with ads tending to highlight popular books and their availability at the nearest chain outlet.

The practice of discounting was another important factor that contributed to the book chains' success. However, this was not part of the original strategy of either B. Dalton or Waldenbooks. Price cutting has always been a highly controversial practice in the American book trade as most booksellers, which operate on very thin profit margins, can rarely afford to match discounters' prices. In fact, in the decades preceding the 1970s, discounting was largely the province of variety and department stores. Only after Crown Books, with its highly aggressive discount policies, burst on the scene in 1977 did bookstore discounting take off.

For a few years after Crown's birth, the other two major chains resisted price cutting. But Crown's popularity proved to be too much for them. After some short-lived ventures with an all-discount format, selective discounting, especially of best sellers, became an integral part of Dalton's and Walden's strategy. When sold in very high volume, a discounted title could still reap large profits, and at the same time bring customers into the store where they might make other purchases. Leaving their initial reluctance to discount far behind, both Walden and Dalton used their promotional machinery to create an image of being "value" (i.e., low-priced) retailers and, in the process, encouraged consumers to expect a discount as a matter of course.¹²

Finally, the chains' early adoption of computer technology proved to be a considerable asset to them. Computers were mainly used for inventory control, that is, keeping track of titles in stock and books sold. The computer could be used to compile data from each of the chain's outlets and produce reports based on past sales that were used to guide decisions on when to return a title or how many of a certain book to place in an outlet. Computers contributed greatly to rationalizing the bookselling enterprise, as they took the guesswork out of many decisions. They also made it much easier for the chains to run their far-flung outlets. With such up-to-date and detailed information on what was happening in each branch, a chain could exercise control over daily operations from a central headquarters.¹³ Not surprisingly, it is this element of centralization that has been among the most controversial aspects of the chains.

The Independents Come Back

The various innovations put in place by the chains, the substantial resources that their parent institutions made available, and the economies of scale that they could take advantage of helped them to capture a substantial share of the

bookselling market. According to U.S. government figures, in 1963 single-establishment bookstores accounted for 67.9 percent of bookstore sales, while the five existing chains with eleven or more establishments took 7.9 percent of sales. By 1972 single-establishment firms had 58.4 percent of bookstore sales, while the four chains with more than fifty branches a piece accounted for 11.6 percent of such sales.¹⁴ By 1982 Waldenbooks and B. Dalton alone accounted for approximately 24 percent of all bookstore sales.¹⁵

During this period, independent booksellers found the familiar problems associated with keeping a bookstore viable exacerbated by chain competition. As a result, many independents went out of business. By the 1980s, however, some independents were making a comeback by reinforcing and highlighting their differences from the chains. In contrast to the minimalist service offered by most chain outlets, enterprising independents touted the plethora of extras they provided to customers. Gift-wrapping, charge accounts, personalized attention, and author autographing parties were among those features meant to draw in readers disenchanted with the self-service chains. Many of the most successful independents followed one of two different strategies, both of which led to the spread of bookstores that were quite different from either the traditional independent or the typical chain outlet. On the one hand, some booksellers noted that the chains, limited in selection and short on ambience, were not places that invited lingering. These independents then offered enhanced services and extensive selections meant to keep customers browsing for hours. Trying to leave behind their elitist image, they also now described themselves as community centers; to bolster this claim, some established adjoining cafés, while others arranged for the premises to be used as performance spaces.¹⁶ Such stores did especially well in large cities or college towns.

Along with the growth of large, general independents, the 1970s and 1980s saw the appearance of many specialized bookstores. Specialized booksellers, especially religious bookstores, were not unheard of before then, but they became much more common in these years as booksellers realized that they could attract customers by maintaining great depth in a single subject area. This development also corresponded to the segmented or niche marketing that was characterizing commerce more generally at this time.¹⁷ Religious and children's bookstores were the most numerous,¹⁸ but several other types, based on particular tastes or identities, also multiplied. (See table 5.) For instance, some bookshops specialized in mystery or travel books, while others promoted themselves as women's, gay and lesbian, or black bookstores.

The case of the women's bookstore is one example of how bookselling in these years frequently grew out of a commitment to political ideals (fig. 5.2). Women's bookstores, often operating as collectives, opened in large numbers

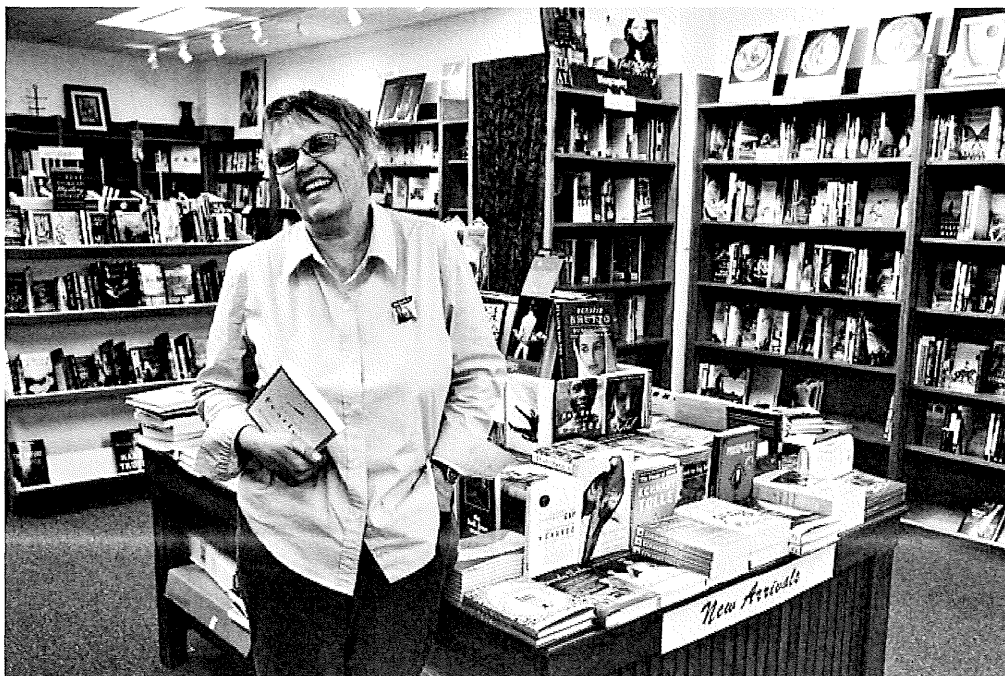


FIGURE 5.2. Susan Post, founder and owner of BookWoman, an independent bookstore in Austin, Texas, in 2008. The feminist bookstore was established in 1974 as a collective called the Common Woman Bookstore (based on the Judy Grahn poem). In order to survive, the business made a series of moves, including operating for a period from Post's house. In addition to offering books for sale and supporting Austin's women writers, the store offered an active calendar of events including regular meetings of book clubs, one targeted to "the act of feminist mothering." Photograph courtesy of Kay Keys.

during the 1970s. These bookstores not only offered a selection of books that were then very hard for most readers to find but also often became important participants in building local feminist movements. They disseminated information about organizations and activities, provided meeting spaces for women's groups, and were visible establishments where unconnected women could discover like-minded activists. As this suggests, the specialized bookstore could thus operate as an adjunct to the process of defining a social identity.

From Mall Store to Superstore

By the end of the 1980s, independents and chains had appeared to have found a way to coexist. The chains were still opening small stores that emphasized popular titles, minimal service, and heavily advertised discounts. The independents, with their diverse selections and extended services, seemed to occupy a niche to which the big chains were indifferent. But a closer look showed that all was not well with the chains' old mall-based formula and that they had been

taking quite an interest in the other styles of bookselling that had developed during the past decade. Already by the early 1980s, there was a slowdown in the construction of new malls, and this only grew more pronounced as the decade progressed. Not only were there fewer new mall locations to move into, but it seemed that many of the smaller and less glamorous malls were losing their appeal for consumers.

Then, in 1990, the superstores were unveiled. Superstore was the name given to a new format of chain bookstore, one with several times the number of titles and amount of floor space as to be found in the typical chain outlet. These stores were a hybrid of the large independent bookstores that developed in the 1980s and the “category killers” that had developed in several other consumer goods fields, the prototype being Toys ’R’ Us. One precedent for the superstore was the Texas chain Bookstop, founded by Gary Hoover in 1982. Consciously modeled after the Toys ’R’ Us format, Bookstop outlets combined discounting with very wide selection, careful attention to display, and a reliance on sophisticated information systems in order to build a book chain that would appeal to affluent, educated readers.¹⁹ After BDB bought the company in 1989–90, Bookstop became a key part of Barnes & Noble’s early superstore effort.

Another model for a large-store book chain was provided by the Michigan bookseller Borders. The Borders brothers, Louis and Thomas, went from selling antiquarian books to running a general bookshop in Ann Arbor in 1973. Originally catering to a college audience, they created a well-respected store with an extensive selection. In 1985 a second store was added and the chain slowly began to grow. In 1989 a new manager was hired to modernize and expand the chain, and there was a new emphasis on marketing and centralized management. Then in 1992, with nineteen stores in fourteen states, Borders was acquired by Kmart (parent of Waldenbooks), which hoped to give its own superstore efforts a boost.²⁰

Over the course of the 1990s, the superstores grew steadily larger. They also began to provide similar amenities, services, and events to those in which the independents had specialized. Yet with far greater capital at their disposal, the superstores’ cafés, programs, and comfortable chairs were usually more numerous, elaborate, and better publicized than what independents had been offering. At the same time, the superstores retained most of the elements that had benefited the chains previously, such as a centralized management structure and selective discounts.

At first, the major chains promulgated a dual strategy—the continuation of mall stores, such as B. Dalton and Waldenbooks, and a separate emphasis on superstores, such as Barnes & Noble and Borders. But as the superstores proved to be extremely popular, within a very short amount of time, they started

to overshadow the once-invincible mall stores. The chains invested tremendous resources in building new superstores wherever they could find the space, while unprofitable mall stores were suddenly being closed. This frenzied construction of new superstores was very expensive. In order to raise more capital for its expansion, Barnes & Noble went public in 1993. Meanwhile, in reaction to financial and shareholder difficulties, Kmart decided to sell some of its subsidiaries and, by 1995, had spun off Borders (with its subsidiary Waldenbooks) completely. At this point, each of the four largest bookstore chains was a publicly traded corporation.²¹

The effect of the superstore strategy was to decisively give the chains dominance in the bookstore market. Even following the successes of the mall chains, independents still sold more books than did chains. But this pattern was reversed in the early 1990s as the superstores settled in both suburban and urban territory and appealed to the same customers who had formerly favored independents. In 1991 bookstore chains were responsible for 22 percent of adult books sold, while independents had a 32.5 percent share. By 1997 the chains' share of such sales had risen to 25 percent, while independents' market share plummeted to 17 percent.²² The two largest companies by themselves controlled nearly half of the bookstore market: in 1997 Barnes & Noble and the Borders Group accounted for 43.3 percent of bookstore sales.²³ Large numbers of independents were forced out of business, including some of the country's best-known stores. This was reflected in the bookstore failure rate, which rose sharply during the 1990s.²⁴ At first, general independents were primarily the ones closing, but by the mid-1990s even specialized bookstores saw their customers abandon them for the superstores.

The consolidation of the bookselling market not only affected independent booksellers but also altered the balance of power between producer and retailer in the book industry. Whereas previously booksellers had only minimal input into the publishing process, the emergence of a handful of retail clients that were responsible for a significant portion of publisher sales led publishers to consult with those clients about acquisition, print run, and marketing plans. And with so much potential revenue at stake, publishers found themselves in the uncomfortable position of acceding to the large retailers' demands for favorable terms of sale.²⁵ The retailers had clearly become a driving force in the industry.

Book Sales Leave the Bookstore: Nonbook and Online Retailers

By 2002 the share of adult books sold at both chain bookstores (22 percent) and independents (15.4 percent) had declined.²⁶ What this highlights is that books are not invariably or even predominantly purchased from bookstores. Indeed,

this has always been the case in the United States; the scarcity of shops that exclusively sold books for most of the country's history made that a necessity. But what did change in the second half of the twentieth century was the growth in variety and sheer number of different establishments that routinely sold books. Whereas department stores and newsstands declined as significant sources for books (reflecting the decline of the urban locales in which they were generally based), grocery stores, mass merchandisers, gift shops, specialty boutiques, nonprofit organizations, broadcasters from public radio stations to cable shopping channels, and Internet sites all discovered that books could complement just about any other product.

This process reflected the growth of new types of retailers, the long-standing prestige that came through an association with books, and organizational developments in the book industry. Beginning in the 1940s, with the emergence of the independent distributor, who efficiently serviced newsstands with the new pocket-sized paperbacks, various specialized distributors made it feasible for retailers who knew little about books to sell them. For instance, starting with children's titles and then branching out to paperbacks, supermarkets added books to their product mix in the years immediately following World War II. They could do this because the rack jobber regularly came by to weed out old titles and supply the merchant with new ones.²⁷

The decision to carry books helped bolster the supermarket's claim to provide economical one-stop shopping. Other models of retailing that became important in the postwar years were similarly premised on offering a large assortment of products along with low prices, and books, believed to radiate a certain amount of class, became a standard part of the inventory. Discount variety houses such as Korvette flourished in the 1950s and liked to use books as "loss leaders," goods sold below cost in order to bring people into the store where they could be lured to more profitable items. The variety stores' descendants, mass merchandisers such as Kmart and Wal-Mart, continued to sell some discounted books. The growing popularity of these stores among book buyers was matched by that of the warehouse clubs, which expanded rapidly in the 1980s. With their focus on discounted best sellers and remainders, the warehouse clubs both stimulated impulse buys and attracted readers who purposefully sought out these retailers' low prices.

By the end of the twentieth century, a new kind of merchant entered book-selling: the Internet retailer. Online bookselling was among the first types of consumer e-commerce to be done on a grand scale. The pioneering organization was Amazon.com, which started up in 1995. Amazon's initial appeal to consumers (beyond the novelty factor) was to combine the convenience of mail order with the convenience of consulting an electronic version of *Books in Print*

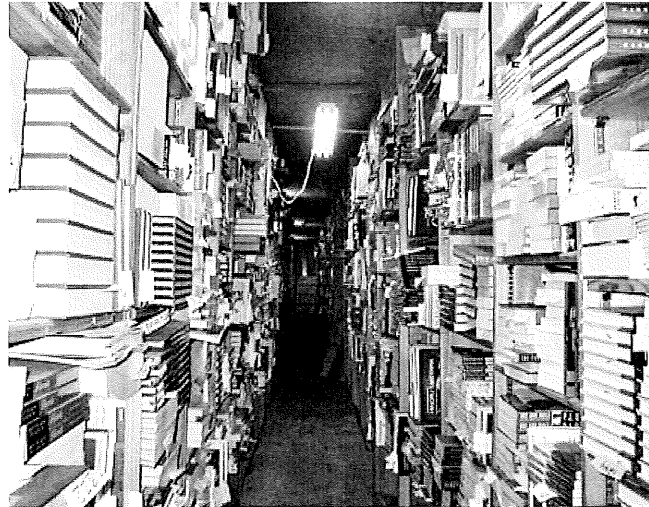
from the consumer's own home. But soon, Amazon and the other online bookstores that set up shop introduced features that made them much more active as booksellers. Like their bricks-and-mortar counterparts, Internet booksellers employed promotional techniques that could shape the book-buying patterns of readers and induce them to buy more books. For instance, customers were encouraged to purchase the most popular titles through the showcasing of best-seller lists and Oprah Winfrey's book club choices. Such practices were quite similar to the marketing efforts of physical bookstores, as were the online newsletters, discounting, and rewards to frequent buyers, which many Internet booksellers provided. Putting a high-tech spin on the conventional bookseller's practice of recommending specific titles, the online bookstores also established recommendation centers. These sites would suggest books after an analysis of a reader's stated interests or prior purchases.

When Amazon went public in 1997, it became a stock market wonder, attracting investors' enthusiasm even though the company showed no signs of making a profit. Eager to ride the e-commerce momentum, the major chain booksellers, independents, and e-tailers with no prior bookselling experience quickly established online bookstores of their own. Within a few years, there were myriad sites selling books both new and used; there were sites that specialized in specific categories and others that claimed to sell any title in print. In 1998 textbook sites proliferated as entrepreneurs hoped to capitalize on college students' enthusiasm for the Internet.²⁸ Books seemed to be a logical product to sell online as readers were often willing to buy without first handling an item, and as books were easy to ship through mail or similar carrier (fig. 5.3).

Nevertheless, all of these Internet booksellers found it difficult to make their enterprises profitable as they confronted the same problems of supply, distribution, and marketing that bricks-and-mortar book retailers were accustomed to. Initially, Amazon relied on wholesalers and publishers to fulfill orders. But once sales increased, this became a slow and complicated method for delivering books to customers. Amazon then invested in building a distribution infrastructure to match that which its principal competitors, the major chain booksellers, already had in place. At the same time, Amazon began to deemphasize bookselling. It expanded its product lines to include music, gift items, pharmaceuticals, hardware, and more. Thus, the trend for books to be integrated with other goods in bricks-and-mortar retailing was replicated on the Internet.

By 2002 Internet sales represented 8.1 percent of adult books purchased.²⁹ This was still a small portion of total book sales, but it represented rapid growth from online bookselling's origins just a few years earlier. Perhaps more significant than absolute sales, however, was the way in which the Internet further severed the link between book buying and geography. Of course, there had

FIGURE 5.3. Seattle Internet Warehouse stock of new, used, and rare books. Remainders, overstocks, closeouts, and used books all might end up in a book warehouse for sale to retail and wholesale customers and, in some instances, for shipping overseas. Warehouses replace bookstores for the online customer. Photograph courtesy of arundel.books.



long been bookstores that acted as magnets for out-of-town visitors or that cultivated a substantial mail-order clientele. But Internet bookselling was making even national borders irrelevant as users could easily peruse the wares of and make purchases from retailers around the world. This had potentially destabilizing effects on publishers who were supposed to be guaranteed the exclusive right to publish foreign titles for sale within particular countries. Once again, developments in retailing were shaking up the field of publishing.

The Marketing of Books, Retailers, and Print Culture

One reason why the major Internet booksellers were consistently unprofitable was because they put an enormous amount of money into marketing, ranging from television advertisements to affiliations with other Web sites. While Internet booksellers vastly outspent conventional retailers in this regard,³⁰ marketing grew in importance throughout the book trade. The activity of promotion has always been part of the bookseller's repertoire, but one effect of the post-war climate of heightened competition was to elevate marketing in terms of the time and resources booksellers devote to it. This has been encouraged by publishers who themselves are channeling increased resources to marketing, and who know that without complementary efforts by retailers, publisher promotion and media publicity often result in unrealized potential. Indeed, publishers actually subsidize much bookseller marketing in the form of cooperative advertising dollars, funds publishers make available to retailers to share in promoting specific books. These funds are channeled into a large variety of promotional activities, from newspaper advertisements to store newsletters, from giveaway

t-shirts to special in-store events, from window displays to prominently placed floor racks.

Both the style and substance of retail marketing campaigns have been influential in shaping the way Americans think about books and the organizations that sell them. This can be seen with the chains' incorporation of mass-merchandising techniques that helped to diminish (though not extinguish) the aura of high culture that has tended to surround books at the same time as it contributed to the chains' appeal. In a similar fashion, online booksellers tried to present themselves as populist heroes by making an explicit link between their marketing efforts and democracy. Amazon.com claimed to have leveled the economic and cultural hierarchy through such practices as posting customer assessments of books along with its own book reviews. Online booksellers employ several variations on this theme of facilitating communication between readers, such as displaying the number of copies a title has sold and using software that informs a customer about what additional books were bought by people who purchased a selected title. According to Jeff Bezos, the founder of Amazon.com, "while in the old world, companies—by advertising and other means—told customers what to think, in the new world, customers tell other customers what to think."³¹ As the accounts of literary culture (chapter 13) and reading (chapter 23) show in greater detail, the Amazon phenomenon was part of a reconfiguration of the role of the critic in the late twentieth century; defining the contours of print culture is no longer the job of experts alone. What is often overlooked, however, is that, like advertising, this kind of communication contains mostly "good news" about books and is meant to stimulate further purchases.

The development of the large independents and the superstores has additionally helped to create an equation between books and fun. Many bookstores have expanded to become a combination retail space and entertainment center. The talks given by authors and the themed events (murder-mystery nights, Star Trek parties, etc.) lend a festive air to the book-buying experience, while the cafés are meant to promote a relaxed atmosphere and help turn a trip to the bookstore into a real outing. By the end of the twentieth century, shopping for books had become one of the quintessential expressions of consumption as a leisure activity. As Leonard Riggio, Barnes & Noble's former chief executive officer, stated, "Surely it is clear by now that book shopping and book owning have become important lifestyle choices."³² Perhaps they had always been thus. But the meaning of those choices had evolved in some unforeseen ways.

CHAPTER 5
Selling the Product

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