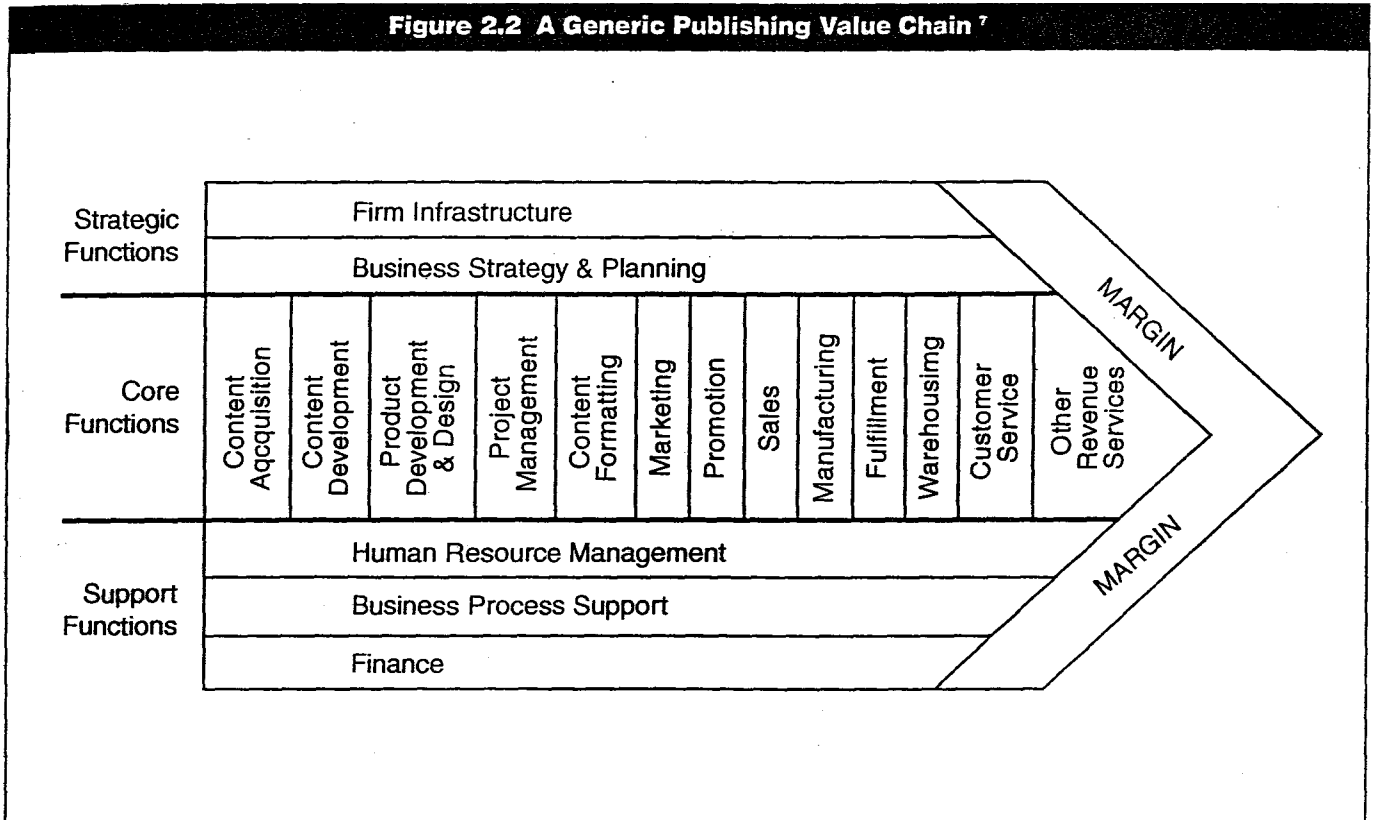


The Publishing Value Chain

We find Porter's original value chain model of limited assistance in understanding the publishing industry, and prefer instead to devise our own generic value chain for publishing. Such an approach is indeed explicitly sanctioned by Porter, who talks about the need-to "disaggregate" activities in ways which are relevant to a particular business, separating particularly those which either have a high potential impact on differentiation or are responsible for a significant proportion of cost incurred. This we have attempted to do in Figure 2.2.



This model perhaps requires a few words of explanation. We have separated what Porter calls support activities into two groups - strategic activities and support activities, the former appropriately overarching the core activities, the latter underpinning them. These are broadly self explanatory, except to make it clear that we have separated product-related IT (which we include under product development and design) from business-support IT.