

**Make or Buy? A Qualitative Analysis of the Organisational Handling of Digital Innovations in the German Book Publishing Sector**

**Abstract:** Traditional media have been changing in response to digitisation processes and the spread of the internet. This article looks at the consequences of technological change for the organisational structures of publishing houses in Germany, most of which are small to medium sized enterprises (SMEs). Following any decision to produce digital content, new tasks emerge which need to be fulfilled and publishing houses have to re-allocate appropriate responsibilities. The context of the preference for in-house or for external production is explored as is the precise identification of the managerial and technical skills demanded by a switch to digital publishing. The findings suggest the important role of strategic partnerships with service providers as well as with other publishing houses, especially for larger projects beyond the capabilities of SMEs.

**Keywords:**

Digital publishing, process change, managerial change, sector transformation, skills needs, Germany.

**Introduction**

The German book industry today remains in a transformational phase that was initiated by digitisation. One key issue thrown up in this phase has been the allocation of responsibility for all the new and emerging tasks that publishers need to fulfil in order to meet the changing demands of digitisation. Technological comprehension and skills in handling information technologies have gained in importance in terms of day-to-day publishing activities beyond editing and production: social media have changed the focus of marketing departments; and distribution and sales are confronted with new challenges arising from internet-based retailing. Digitisation has made an impact too in the organisational structure of publishing houses: in particular CEOs have had to consider which technological activities should be undertaken in-house and which would be better bought in from external experts; and the follow-up issue of where the people in charge of digitisation should be positioned from an organisational

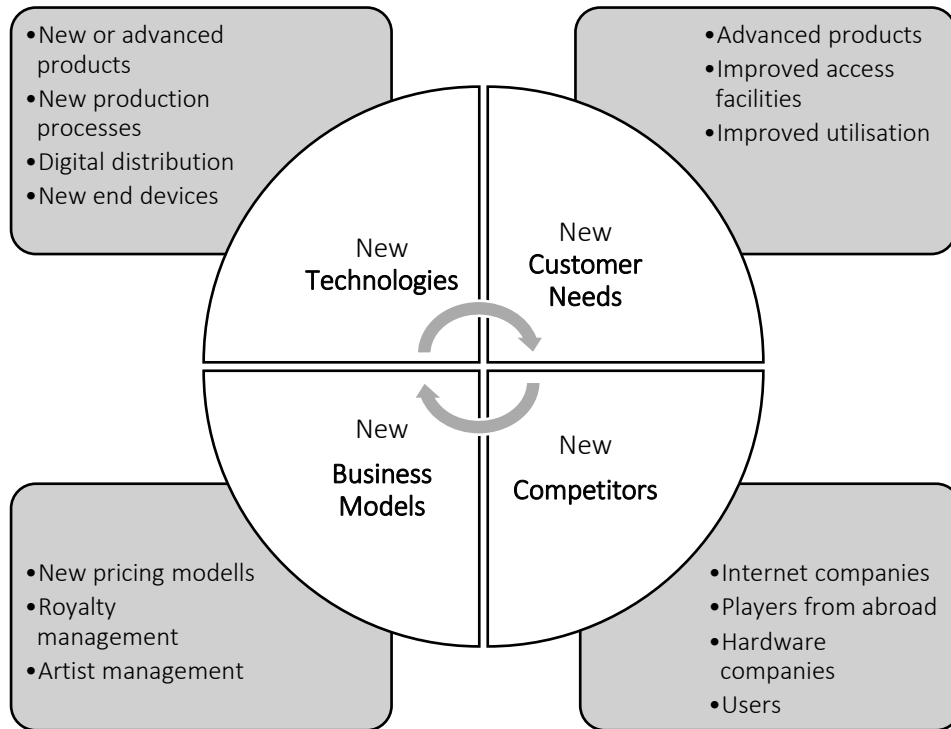
point of view. German publishers are still bound by their traditional value chain – in addition to new digital offers they need to handle their continuing print business – and therefore cannot serve all new customer preferences promptly. The deeper publishers are embedded into these traditional structures, the greater is the need not to jeopardise this business, in which case new market players mostly from outside the industry would be enabled to enter the market and take over a part of the value creation. Hereby a new competitive situation is developing which needs to be addressed by publishers. These suddenly emerging competitors serve hitherto unmet needs, and in doing so use even innovative business models, if necessary.

The examination of these questions and the corresponding processes of adjustment – especially due to product-related innovations and their effects on the value creation system – are subject of this article. Using material derived from qualitative expert interviews, these processes of adjustment at the organisational level have been analysed, focusing particularly on the nature of the new skills required and the organisation of the production of new digital products. The focus falls on the decision-making process in which publishers can choose between creating products and services in-house or obtaining them from outside the organisation. As the handling of IT is not a core competence of a conventional publishing house [30], the introduction of such competences leads to extensive changes in the organisational structure and the way in which employees of these publishing houses work.

The analysis also draws on pre-existing research that examined the handling of disruptive change by established businesses. Christensen [5] addressed the failure of established businesses while adopting ground-breaking innovation. Kammerlander [14] analysed the handling of discontinuous change by book publishers, focusing on ownership structures and especially on family businesses, while König [17] scrutinised the book trade and its adaptive behaviour with a focus on mind-sets. The work of Burr, Stephan and Werkmeister [4] and of Tidd and Bessant [27] has provided insights into organisational change and the attributes of

innovative organisations. Economic theories which analyse make-or-buy decisions, at the product stage such as Irle [12] and Mikus [22], and during innovation processes such as Burr [3], from the resource-based view as well as transaction-cost theory, underpin understanding of the choice of any particular company's boundaries. The study conducted by Köhler and Hess [16], in which they explored whether or not media businesses develop new products themselves and, if so, where innovation should be located within the organisation, provides a comparative context for the publishing sector. This present article adds to these findings and evaluates the impact of the decision to adopt discontinuous technology on the organisational structure and processes: it fills a current gap in research on the organisational handling of discontinuous change in respect to publishing houses.

Figure 1 gives an overview of the challenges to publishing houses from technological innovation within value creation. "New business models have in turn – as well as new technologies – a retroactive effect on customer needs, and consequently it comes to a circle out of new technologies, changed customer needs, new competitors and new business models" [8: 13]. This study aims to look at places in companies where adaptations of old organisational structures and ways of working have become necessary due to this changed competitive situation.



**Figure 1** Circle of challenges from digital innovation

Based on Clement et. al. [8: 15]

This figure also summarises the sources of radical change in the value creation system of the book industry. New market players need to be integrated and new tasks for traditional publishers need to be undertaken. Examination of the value creation chain in this manner assists in the analysis of the tasks to be fulfilled because it represents all value creation steps up to the end consumer. As noted above in the case of German publishing, the system has become more complex since publishers continue to produce and distribute printed books as well as digital ones. Janello summarises this development as follows: “The effects of digitisation influence the value creation of the book market in manifold ways. It changes the structure of the industry into a multi-optional, complex value creation network. In this network the traditional market participants are confronted with mostly internet based, formerly outside of this particular sector of industry operating competitors.” [13: 146].

### **Change Management and Innovative Organisations**

First, this article has looked at the effects of digitisation on the book market in regard to change processes and here especially at the product-related innovations and their effect on the value creation system. Now the question is raised where economic models can be used to explain these adaptations and changes in the organisation. Below some economic theories and concepts are discussed, which explain possible adaptation alternatives and reactions – mainly concepts about discontinuous change and factors influencing the decision between outsourcing and in-house production.

#### Organisational Theory: Who is responsible for which task?

Business organisation represents the regulatory framework for the division of labour in an enterprise [24: 27]. In general, an organisation can be understood as a social system, which controls the actions between parties [30: 127]. In the centre of the organisational design stand the specialisation and the question, “which person fulfils which task?” as well as the coordination of the tasks and activities to be performed collaboratively [19: 473]. Since the enterprise and its organisation interact with their system environment, changes in the envi-

ronment affect the enterprise itself [18: 90]. Therefore, the organisation can be seen as a dynamic system which needs continuous change and adaption in order to survive in the long term.

Before one can start designing the organisation, a decision regarding the external system delimitation needs to be made. On this occasion a make-or-buy-decision emerges, because it is specified which area of responsibilities should be integrated and which should be outsourced. An alternative to the repeated purchase at the market is the development of vertical and horizontal co-operations. Only after considering those thoughts the internal structuring can take place – the overall task is divided into single tasks which are assigned to single positions [19: 438-5].

Furthermore, decisions need to be made with regard to the structural organisation and the process organisation, starting with the orientation towards the corporate goal as well as decisions regarding dichotomous alternatives such as functional organisations vs. divisional organisations or multidimensional organisational structures [15, 18, 28].

Due to innovations the ongoing change within the organisation challenges the organisational structure which was originally introduced to give the business stability. Examples for new, loose organisational forms are team work, decentralisation and flat hierarchies. These new structures are emerging, because hierarchical structures are not always suitable for a fast changing business environment.

#### Handling of Disruptive Innovations – Change Management and Innovative Organisations

Established businesses are normally strengthening their position through incremental innovation. As soon as it comes to a technological innovation however, the established business must modify parts of the old, well-functioning structures, which is not intuitive and therefore can explain the rejection and resistance against the new development [6: 68-9, 21: 53-5].

Change management is responsible for the adaption to change and “is in its core working towards the strengthening of the innovative capacity and the flexibility of the whole enterprise, to be able to better adapt itself to altered market and competitive conditions.” [4: 447].

Besides, innovation processes can be shortened by project teams which consist of members from all relevant functional areas. Cross-functional steering committees which are supposed to solve interface conflicts between different organisational units and the involvement of the top-management in the early phase of innovation processes also ensure shorter innovation processes. Even collaborating with external service providers can shorten the innovation process in early phases due to an easy access to specific knowledge.

### **Make-or-Buy-Decisions**

The aim of make-or-buy-decisions is the determination of the ideal depth of production, since all required input factors can either be obtained through internal (make) or external (buy) procurement. These decisions affect the whole production process as well as the organisational structure, since make-decision require new tasks to be fulfilled internally and thus new positions or even departments have to be developed. Besides clear make-or-buy-decisions hybrid forms exist, such as collaborations and integrations. The central question is how innovation can be organised as effectively as possible [26: 21].

Although external and internal procurement are not mutually exclusive, economical constraints exist especially for small businesses [29: 63]. The transaction-cost theory for example offers orientation during these decisions. Transaction costs are expenses for the initiation, agreement, processing, monitoring and adjustment of mutual performance relationships [24: 70-1, 25: 197-8]. In the market specialized providers for less complex, stable and strategically insignificant standard services exist which can offer these services at a reduced rate due to the exploitation of scale effects through the frequency of demand by several companies [24: 86]. It is to be expected that businesses choose the organisational form which causes the least transaction-costs and hence purchase these services predominantly at the market.

Another theory offering guidance during make-or-buy-decisions is the resourced-based view (RBV). There are considerable differences in the resource structures of companies, making



these resources company-specific and unique. Some of these resources ensure the long-term success of the business through competitive advantages and are therefore called core resources or core competences. It is essential to keep the control over those resources and capabilities inside the company. This means that strategically important performances should not be outsourced but rendered inside the company [1: 36-7, 22: 67, 23: 179-80].

In cases where it is too expensive to generate those core competences inside the company or where developing such competences takes too long, companies can internalise resources which generate competitive advantages through market-oriented relationships such as co-operations (relational view theory). This is why business relations are of particular importance. Businesses can thereby gain access to knowledge and capabilities that were up until now missing. The embedding of resources into business relations is furthermore the source of relational benefits and long-term competitive advantages [9: 661].

#### Make-or-Buy-Decisions in Book Publishing

Instead of looking for integration publishing houses rather establish strategic partnerships with suppliers [30: 270-1]. This so called production network is used to outsource all activities which are not considered core competences or cannot be produced in-house due to limited resources. Publishers are functioning as coordinators in these partnership networks. This form of organisation allows them to respond flexibly to environmental changes. Furthermore, new costs can be avoided through the acquisition of external competences and capacities as publishers do not have to invest in capacities which might be useless later on. In addition, buy-decisions can be a risk to that effect that deadlines are not met, the quality of the service might be disappointing or budgets might be exceeded. A buy-decision can be an advantage if workflows are simplified and intermediate stages no longer needed. This improves the organisational flexibility, lowers the creation costs and leads to an improved usage of resources which allows publishers a lasting participation in technical innovation, without the need to make own investments.

For publishing houses today make-or-buy-decisions are even more important, as due to the digitisation they are required to fulfil new tasks in many areas such as product development, programming of apps, support of online-shops or marketing. In these cases they need to weigh whether to give outsourcing priority to in-house production or if collaborations are possible. The focus is always on the following question: “[w]hat are the circumstances in which being integrated is competitively critical, and when is a strategy of partnering and outsourcing more likely to lead to success?” [7: 14]. This study aims to complement the rather short and pragmatic explanations of Wirtz [30] and Lucius [18] regarding make-or-buy-decisions in book publishing – leading to the research question which will be explained in the following.

### **Research Question**

There are manifold ways to model the tasks organisationally which publishers have to cope with when adapting new technologies. A comprehensive reorganisation of the publishing house is one way, whereby the measures of the restructuring depend especially on which new products are being offered and how they are promoted and sold.

From the adaption process one can derive the following research question: What effects did the digitisation of products have on the organisational structure of publishing houses? At this point three fields can be located, which should be looked at with prime importance in order to answer the research question: Has the organisation changed (1), if so, how (2), and why have publishers chosen to change it in this certain way (3)? Of particular interest is the question regarding the parts of the production chain which have been outsourced and why?

### **Methodology**

Current studies are not examining the handling of disruptive innovations from an organisational point of view and especially investigations of the organisational adaption in the German publishing sector are missing. This is why a case study design has been chosen for this study in order to gain an overview of the current situation, because qualitative case study research appoints typical problems in the practice through the examination of individually

selected cases. The results gained out of this can then be used to formulate first hypotheses, which can then again be tested through quantitative analyses [16: 8]. As a next step first assumptions have been derived from the case studies to explain which prerequisites cause publishers to meet the new requirements in-house and which ones lead to outsourcing.

A multiple-case-design [31: 46-52] has been chosen, since the results become more significant when they are based on a higher number of test objects. The single-case analysis has been criticised for only studying coincidental material, which means that the results cannot be generalised [20: 18].

Half-standardised expert interviews have been conducted to collect data, followed by a qualitative content analysis. Since the method of operation of trade publishers differs from the one of academic publishers, the adaption process of both types of publishers have been examined, succeeded by a cross-case analysis. Table 1 gives an overview of the publishing houses examined and table 2 summarises the sources of data analysed – publishing houses X and Y are academic publishers and the others are trade publishers<sup>1</sup>.

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<sup>1</sup> To ensure the promised anonymity, the names of the publishing houses and interviewees have been changed.

**Table 1** Participants of the Study

<b>Publisher</b>	<b>Revenue<sup>2</sup> 2013</b>	<b>Revenue 2014</b>	<b>Turnover Share of Digital Products 2014</b>	<b>Number of employees 2014</b>	<b>Core product/s</b>	<b>Sharehold- ings</b>
<i>Publishing House A</i>	~75 Mio. €	~76 Mio. €	12%	130	Books	Subsidiary
<i>Publishing House B</i>	~48 Mio. €	~53 Mio. €	5%	111	Books	Subsidiary
<i>Publishing House C</i>	~58 Mio. €	~56 Mio. €	20%	136	Books	Subsidiary
<i>Publishing House X</i>	~113 Mio. €	~116 Mio. €	4%	468	Books, Maga- zines, Databases	Part of a global pub- lishing group
<i>Publishing House Y</i>	~208 Mio. €	~209 Mio. €	70%	1200	Books, Software, Databases	Part of an international specialist information group

<sup>2</sup> All figures in this table are taken from buchreport.magazin 2015 [2], which publishes an overview of the 100 largest publishing houses in Germany each year.

In order to learn from the experiences of those who have already conducted extensive alterations and adaptations, interviews have been conducted with the responsible managing directors who had already included digital products into their portfolios. In this way it was possible to evaluate the advantages and disadvantages of make- and buy-decisions when it comes to the problem statement “outsourcing or in-house production” of digital products and services. In addition, the organisational handling of product digitisation in general has been studied. To find commonalities and differences in the organisational adaptation and to draw first assumptions about causes and motives for outsourcing and in-house production as well as reorganisation procedures, the interviews have been analysed with the help of a qualitative content analysis [20, 11].

Due to time restrictions not all types of book publishers could be examined. This study therefore focuses on trade publishers specialised in fiction, leaving out non-fiction publishers, and also only analysing specialist publishers and no educational publishers. In this context the small number of cases has to be rated critically as more interviews would have increased the significance of this analysis through the identification of additional correlations.

**Table 2** Overview of Sources of Data

<b>Publisher</b>	<b>Primary data from the interviews</b>	<b>Secondary sources</b>
<i>Publishing House A</i>	Commercial Director	Homepage, Advertisement of vacancies, Industry press/branch press
<i>Publishing House B</i>	Commercial Director, Head of Business Development	Homepage, Organigram, Advertisement of vacancies, Industry press/branch press
<i>Publishing House C</i>	Commercial Director, Head of Electronical Publishing	Homepage, Advertisement of vacancies, Industry press/branch press
<i>Publishing House X</i>	Managing Director	Homepage, Organigram, Advertisement of vacancies
<i>Publishing House Y</i>	Chairman of the Management Board	Homepage, Advertisement of vacancies

## **Findings**

Since the study is primarily exploration oriented, no hypotheses have been put forward ex ante but assumptions have been formulated in the course of the analysis – assumptions about cause-effect relationships during make-or-buy-decisions and organisational change. Moreover, the explorative study has attempted to find relevant contextual factors of make-or-buy-decisions and adjustment processes.

### Individual Case Description

Publishing House A has not established a department which deals primarily with the creation of digital products, but has spread the new responsibilities over all employees. Only one position has been created which coordinates and supervises the production and development of e-books. Publishing House B, however, has founded a department for the development and supervision of the new products. In the long term, though, it is planned to incorporate the tasks and responsibilities if successful into the “old” organisational structure. This would result in an organisational structure resembling the one of Publishing House A. Publishing House C has also founded a department which bundles the digital activities. Here no intention can be recognised to integrate the responsibilities into existing departments in the long run again. It can be assumed that the way pursued by Publishing House A will have the best chances to be successful in the long term, since the great organisational flexibility allows it to respond to future changes in the corporate environment faster.

Academic publishers are more advanced in their organisational adaption, because they no longer differentiate between print and digital. Both divisions are overseen by the programme department, as they see themselves more as knowledge and information service provider. Furthermore, acquisitions are popular among academic publishers to encourage the concept of an integrated information service provider.

### Cross Case Analysis

(1) Organisational Handling of Disruptive Innovations

The conversations with the executives who are responsible for the digital products have shown that the adaption of new technology has had an impact on the organisational structure and the workflows of these publishing houses. All examined cases have in common that they have passed from working rigidly in departments to working in projects and teams. It is particularly advisable to work in groups so that knowledge and competences can be passed on inter-divisionally. Communication irrespective of department borders is likewise crucial for all examined publishers, because in that way all products can be looked after along the various work steps. One problem here is the assignment of responsibilities. Besides internal inter-divisional work the creation of digital products often also requires the exchange with external service providers, so a clear assignment of responsibilities as well as the bundling of information is needed. Especially while developing new products a lot of different parties are involved which need to be coordinated. All examined publishers have solved this organisationally in different ways, but all approaches have the common feature that at least one new position has been created which coordinates the production and is insofar responsible for it.

Assumption 1: The adaption of product digitisation leads to inter-divisional working in teams and projects. This is due to new requirements which involve the participation of a vast variety of departments, bringing their competencies into different divisions.

Assumption 2: The cross-linked collaboration with a lot of different internal and external specialists requires a clear assignment of tasks and responsibilities which is implemented organisationally in the form of a department or a position which deals only with digital products.

This altered way of working together leads to more flexibility when dealing with external influences, because different requirements can be executed faster and more efficiently through a cross-linked way of working. Furthermore, the clash of different competencies results more easily in creative solution approaches.



Assumption 3: The ability to respond flexibly to influences from the environment will become one of the critical success factors for publishers, because the biggest changes for business models come from the outside, mostly in the form of technical innovations.

During the interviews all interviewees have mentioned that they can only react to the current transformation of the publishing field through adaption, since they are feeling too small to promote technological innovations or to stop the change. Even the specialist publishers, which have more funds at their disposal, feel determined by outside forces such as conglomerates like *Alphabet.Inc.*

Assumption 4: Size and available financial resources are no guarantor of success and a long-lasting existence in the digital world, as they are replaced by flexible and innovative adjustments to environmental changes.

The examined publishing houses use some of the techniques described in the change management theory for the implementation of digital strategies and the associated adjustment of internal structures and work processes. This refers in particular to the reduction of hierarchies as well as to the effort of the interlocutors to foster the desire to try out new things among employees through the lack of restrictions. Simultaneously they encourage an innovative culture within the company which is beneficial for the development of products. In this context the importance of informal communication as well as the focus of managers to lead their employees instead of simply managing the company has been enforced. This shows that it is the guidance and the exemplifications that give orientation to the employees which is important in times of change. This new leadership claim is affiliated with delegation and handing over of responsibility.

Assumption 5: In order to shape the cultural change in the company and to win the support of the employees for the adaption process, the directors apply actions according to the change

management theory. Especially the competencies of managers to lead their employees will become a crucial qualification.

A further accordance in the adaption process is found during the initial phase of the digitisation of products. All examined publishing houses put great emphasis on external information, e.g. through external consultants, who point out potentials and ways of adaption as well as giving a first overview of the possibilities of the new technology – and this unbiased from established structures and the expected negative attitude of the employees. This approach is in agreement with the recommendations of Kammerlander and König who see a potential in the involvement of externals. In this way publishers might be called to pay attention in time to the threats from new technologies or receive support in order to react appropriately in this situation [14: 270, 17: 273-5].

Assumption 6: Established publishing houses which decide to adopt disruptive technologies are going to revert to external support in the beginning.

From these assumptions about the effects of product digitisation on the organisational structure and on the way of working the following recommendations for publishers who are still at the beginning of implementing a digital strategy can be derived.

Recommendation 1: The management should encourage its employees to work across different departments by establishing project teams, which deal with digital products.

Recommendation 2: A clear allocation of responsibilities to at least one position within the company that assumes the coordination and controls the fulfilment of the task is essential for a successful implementation of the digital strategy.

Recommendation 3: During the initial phase of the adaption publishers should revert to external advisers in order to obtain an unbiased opinion on the opportunities provided by the new technology.

Recommendation 4: The management should put up sufficient financial resources for the implementation of projects in the long term in order to signal their support to the employees.

## (2) Make-or-Buy-Decisions

For the comprehensive realisation of the technical requirements the size of the publishing house seems to be important. What specialist publishers implement through the acquisition of companies with technical know-how, trade publishers achieve through mergers into corporate groups. They in particular are too small as a single publishing house and have too little financial resources to realise bigger projects independently such as the digital distribution of e-books, for example.

Assumption 7: Technical expertise contributes to competitive advantages in the industry. To realise such competencies in the company, a certain size and financial strength is necessary.

Recommendation 5: To gain competitive advantages in the technological area, publishers should look for partners to be able to realise money-intensive projects through cooperation.

During make-or-buy-decisions costs and the time that is available for the implementation play a role as well as economic theories such as the RBV, as a concentration on core competences can be observed. Strategically important performances such as the selection and work on the text through editing, which ensure competitive advantages and the success of the company, are not outsourced. Non-strategic services, however, are obtained from external suppliers in order to use the competences of the service providers. Additionally, publishers realise advantages through buy-decisions of programming services in the app-field, because the service providers propose new products, as they understand the possibilities of the operating systems much better than the employees of the publishing houses. This is an example for the relational view theory, as the publisher generates relational rents and competitive advantages through the cooperation with programmers since they gain access to specific

knowledge. Consequently, the following assumption can be made according to the recommended action of the RBV:

Assumption 8: Due to the importance of core competences and core resources publishers will not outsource these segments in the digital business, in order to keep the control over those competitive advantage generating resources.

Assumption 9: Furthermore, there will be an increase in co-operations because they allow publishers to gain access to resources cost-effectively which then generate competitive advantages.

Moreover, the focus of the value chain in publishing houses is on creative performances, whereby creative employees, or for specialist publishers the professional expertise, rank among the core resources of the company responsible for competitive advantages. That is why it is a main concern of all consulted experts to include the employees as strongly as possible into the creation of new products and to carry out as much of the tasks in-house as possible.

Assumption 10: The employees are of great value for the publishing houses despite the altered environment due to their special abilities. Therefore, it is easier for publishers to come to a make-decision, as they can keep the competences in the company and use them for new digital products.

As already mentioned, trade publishers, however, are too small to complete highly specific tasks themselves (cf. transaction cost theory), because the costs do not justify a position. Moreover, these tasks accrue rarely in small companies, in which case it may be advised to buy the service in order to benefit from the economies of scale which the service provider realises.

Assumption 11: As publishing houses rank predominantly among SMEs, they will show a greater outsourcing level than the theories about make-or-buy-decisions suggest, because the technical, specialised services can be bought more efficiently and with higher reliability from external sources.

Another example of this is the complexity of app and enriched e-book production, because therefore graphic designers as well as sound and software specialists are required which small publishing houses cannot employ. Furthermore, the variety of operating systems and e-book formats leads to outsourcing of the production of such books and apps as this knowledge is not seen as a core competency of the publishers and is less important.

In addition, for uncertain business segments co-operations are worthwhile instead of investments in structures which might not be profitable. This development corresponds with the research results of Köhler who could also show that intercompany solutions gain in importance in the media industry and in particular networks which allow publishers to access resources and competences promptly and flexibly [16: 98].

Assumption 12: Due to the specific situation of publishers there will also be more co-operations instead of clear make- or buy-decisions.

Recommendation 6: Managers should strive to establish a stable service network in order to be able to access required resources flexibly.

## **Discussion and Conclusion**

The expert interviews have shown that the digitisation as a disruptive technology has already deeply changed the value creation system of the publishing industry. The established publishing houses have been experiencing a change of their organisations which affects the workflows as well as the structure of the enterprises. These changes have been implemented with greater rigour in academic publishing houses than in trade publishing houses. Through the systematic comparison of the reorganisation in five different publishing houses,

commonalities but also differences could be located and first assumptions about the general handling of this technologies from an organisational perspective could be deduced. Especially a high dynamic in the environment due to new technologies has strengthened the need of publishers to be flexible in their way of working. For example to be able to react promptly on changing environmental conditions – whether it is a different e-book format, a new terminal device or a novel competitor who entices away customers with an innovative business model.

Furthermore, through the analysis of the organisational handling of the trade publishers three alternative implementations have been observed but still showing a trend: key functions are established in the publishing house in order to be able to react appropriately to the further developments in the range of digital publishing – as far as this is economically possible for SMEs. This limitation could also be a factor for the alternative, to avoid make-or-buy-decisions in form of co-operations. Also, in correspondence with theory, strategically less important tasks, such as the programming of apps, are being outsourced, publishing houses are, however, eager to establish long-term co-operations to benefit for example from the ideas of service providers which are caused by their different perspective. In addition, specialist publishers also increasingly buy software companies to internalise long-term competitive advantages through technical competence. Trade publishers, however, can benefit from mergers with corporate groups, because in this way they can realise large technical projects too.

The assumptions which have been derived from the case studies could not be verified within the scope of this study. This is a starting point for further research in order to obtain a deeper understanding of the impact of different reorganisation models on the successful implementation of digital strategies in publishing houses. At the present moment the success of the digital strategies of these companies cannot be estimated; therefore it is advisable for the future to establish a relationship between the different reorganisation models and the corporate success in order to be able to deliver recommendations for a successful organisational handling of technological innovations in publishing.

Nevertheless, this study does provide a first overview of the organisational adaption processes in German publishing houses. This is of particular importance as a successful reorganisation seems to be important for a successful implementation of digital strategies in publishing houses.

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