

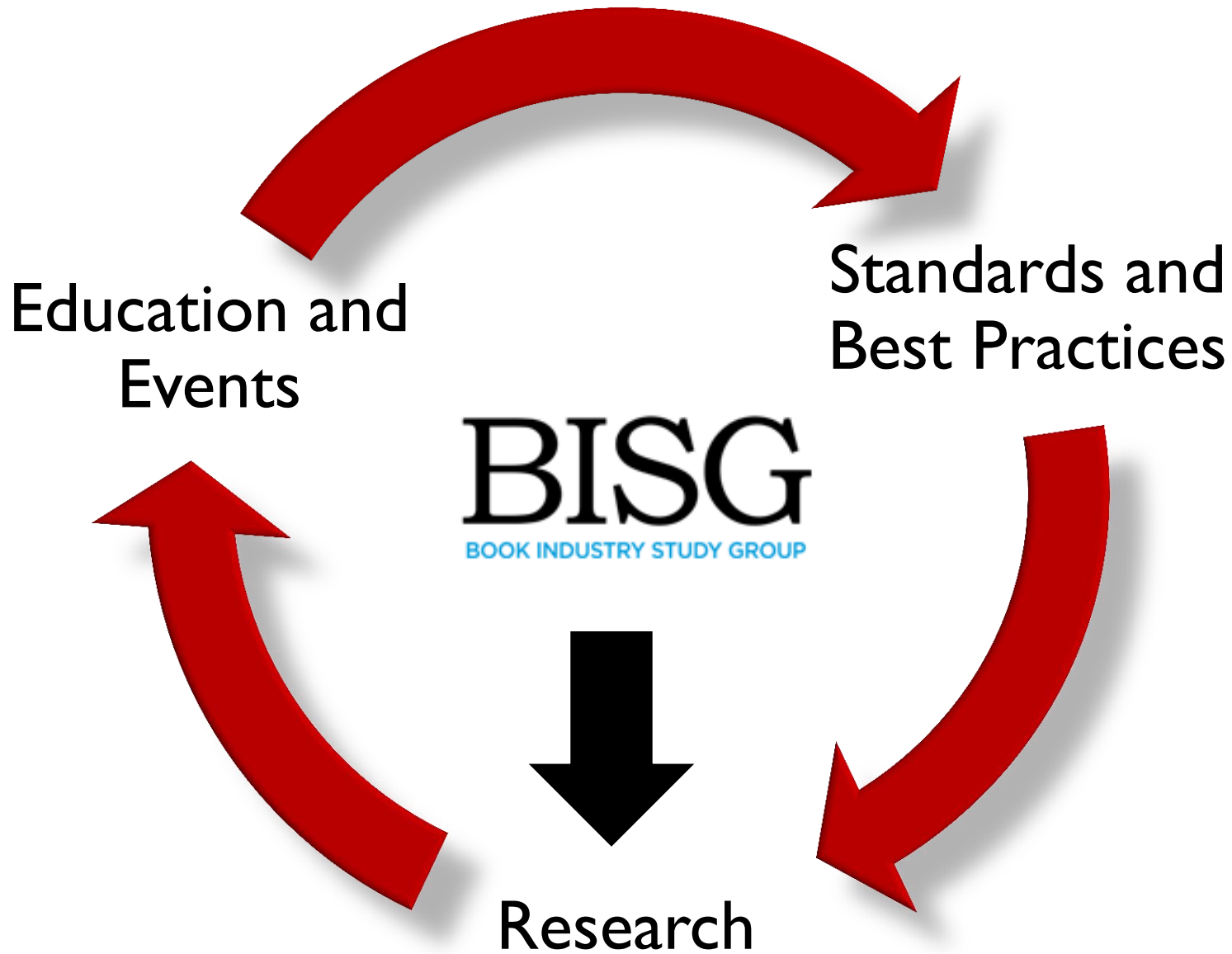


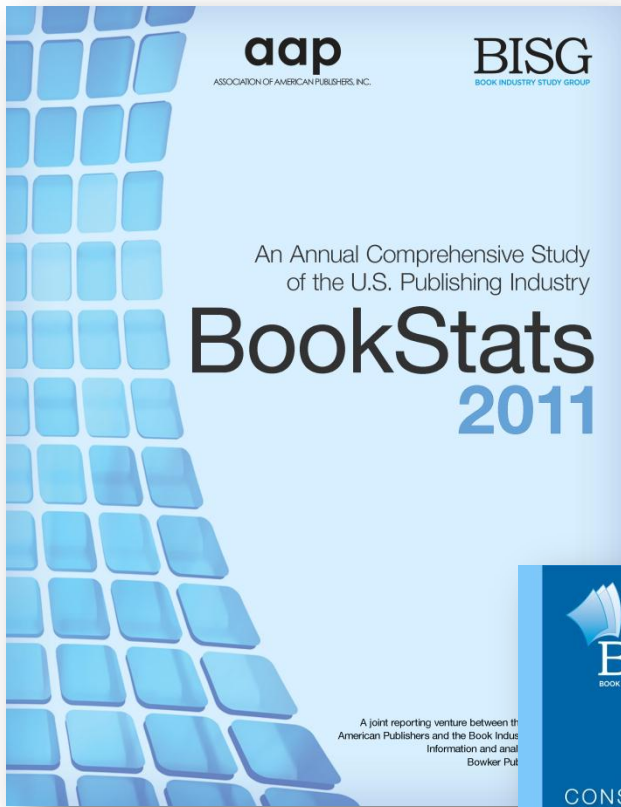
BISG

BOOK INDUSTRY STUDY GROUP

Consumer Attitudes Toward E-Book Reading

EDITECH Conference | Milan, Italy | June 22, 2012





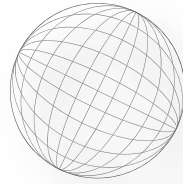
aap
ASSOCIATION OF AMERICAN PUBLISHERS, INC.

BISG
BOOK INDUSTRY STUDY GROUP

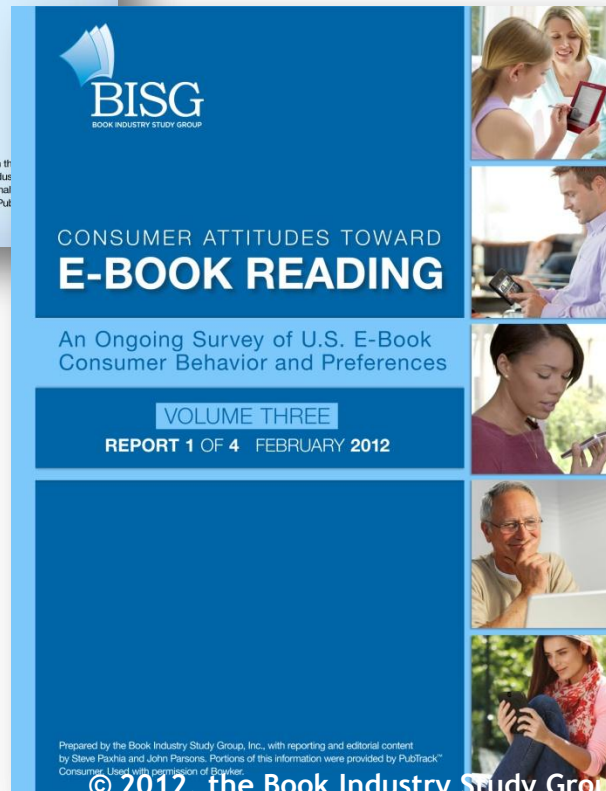
An Annual Comprehensive Study
of the U.S. Publishing Industry

BookStats 2011

A joint reporting venture between the
American Publishers and the Book Industry
Information and Analysis
Bowler Pit



Global eBook Monitor



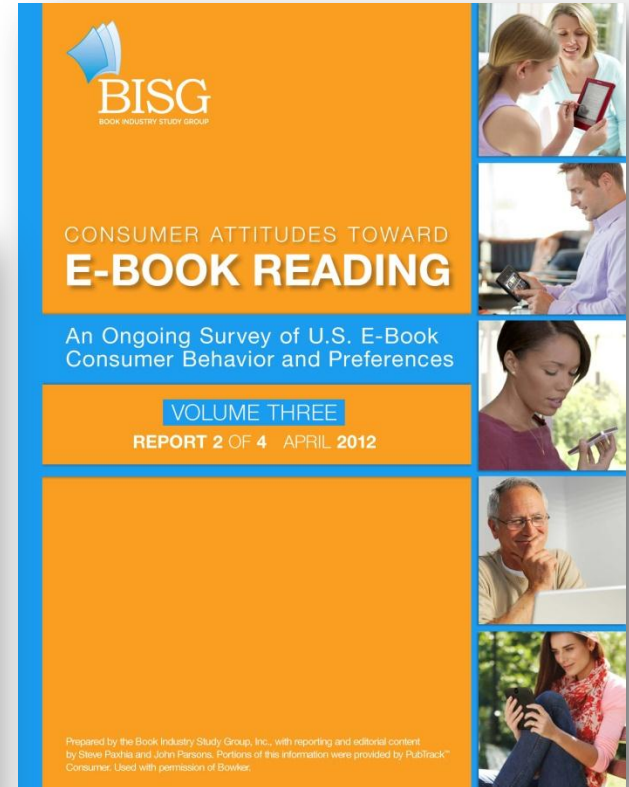
BISG
BOOK INDUSTRY STUDY GROUP

CONSUMER ATTITUDES TOWARD E-BOOK READING

An Ongoing Survey of U.S. E-Book
Consumer Behavior and Preferences

VOLUME THREE
REPORT 1 OF 4 FEBRUARY 2012

Prepared by the Book Industry Study Group, Inc., with reporting and editorial content
by Steve Paszko and John Parsons. Portions of this information were provided by PubItack™
Consumer. Used with permission of Bowker.



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CONSUMER ATTITUDES TOWARD E-BOOK READING

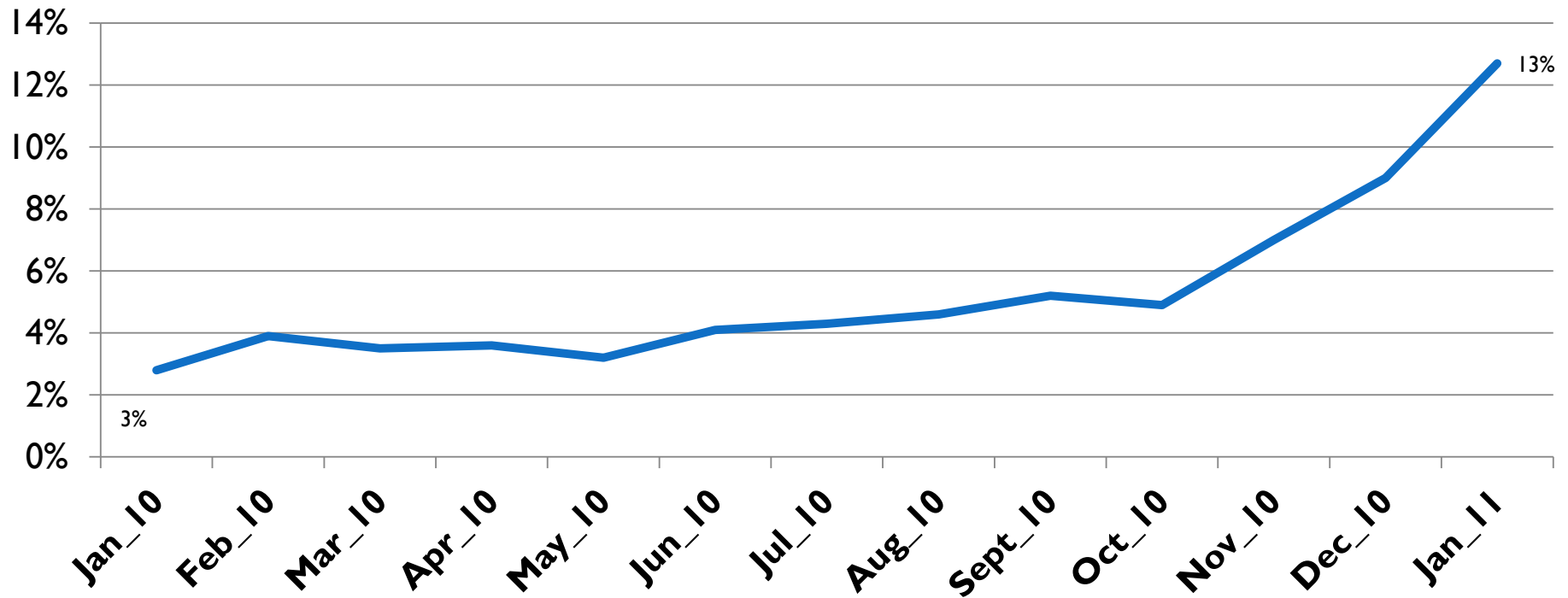
An Ongoing Survey of U.S. E-Book
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VOLUME THREE
REPORT 2 OF 4 APRIL 2012

Prepared by the Book Industry Study Group, Inc., with reporting and editorial content
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Consumer. Used with permission of Bowker.

Rewind (2010 in review)

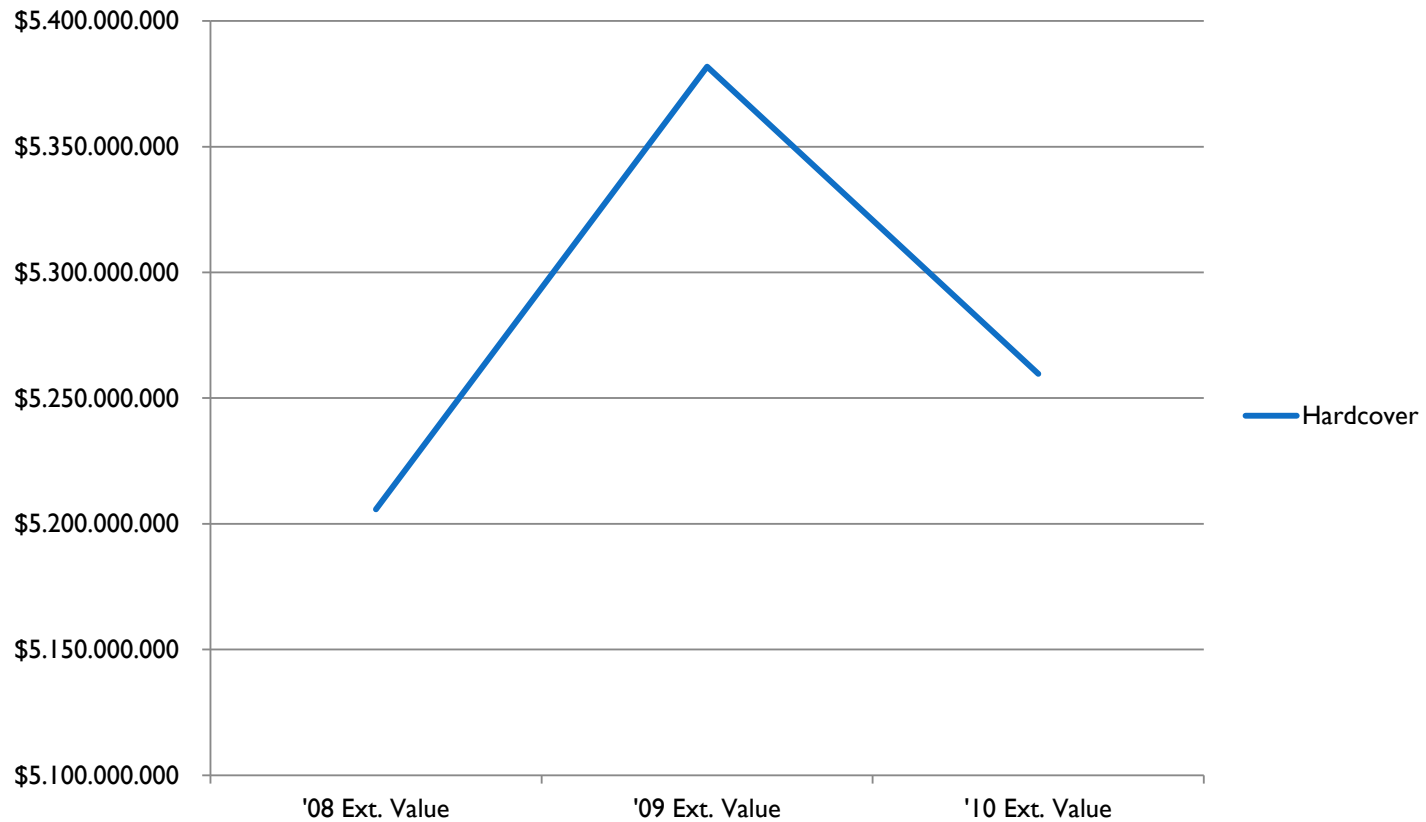
% book buyers who purchased an e-book (US)



Trade by format



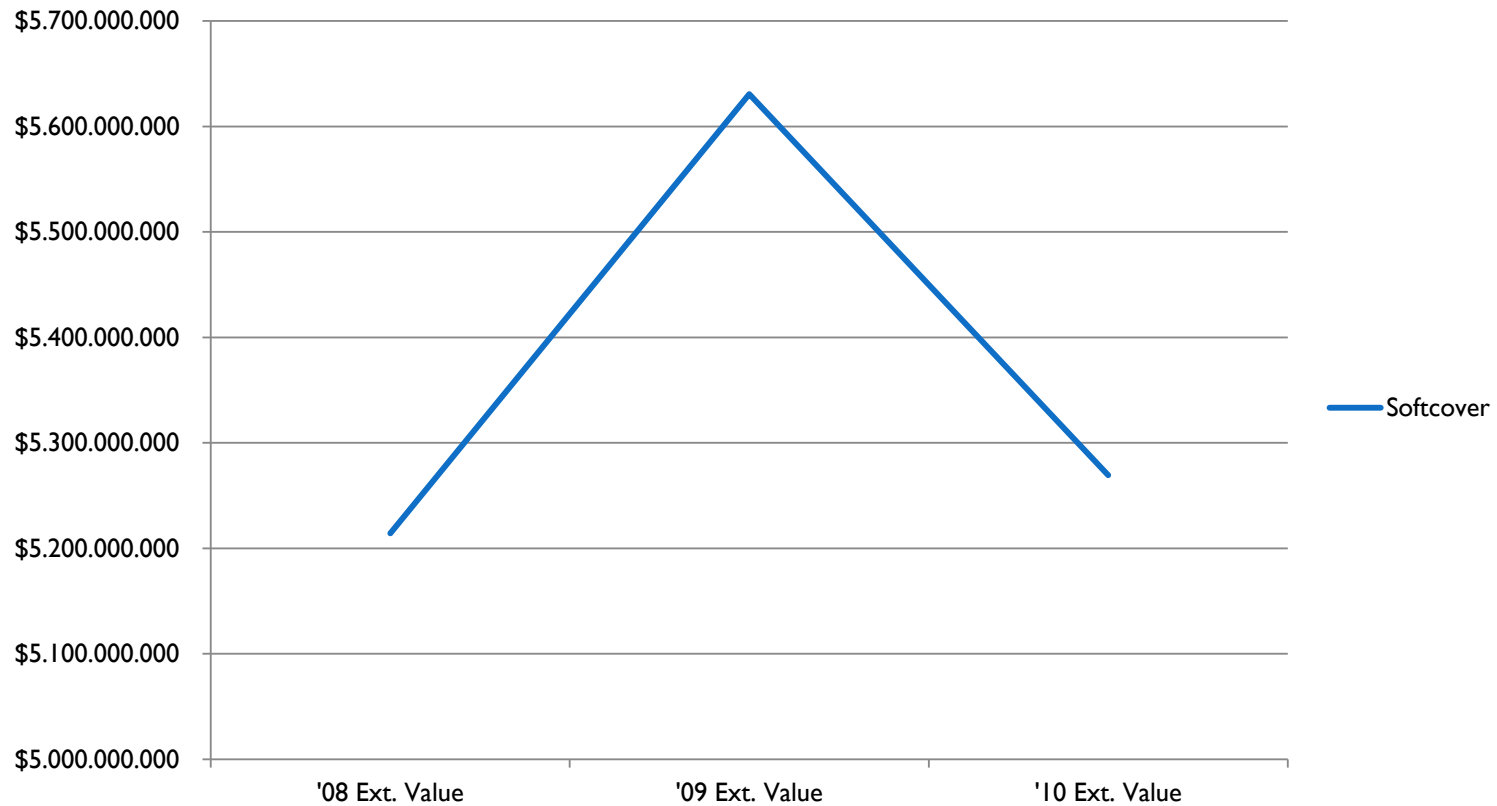
Hardcover



Trade by format



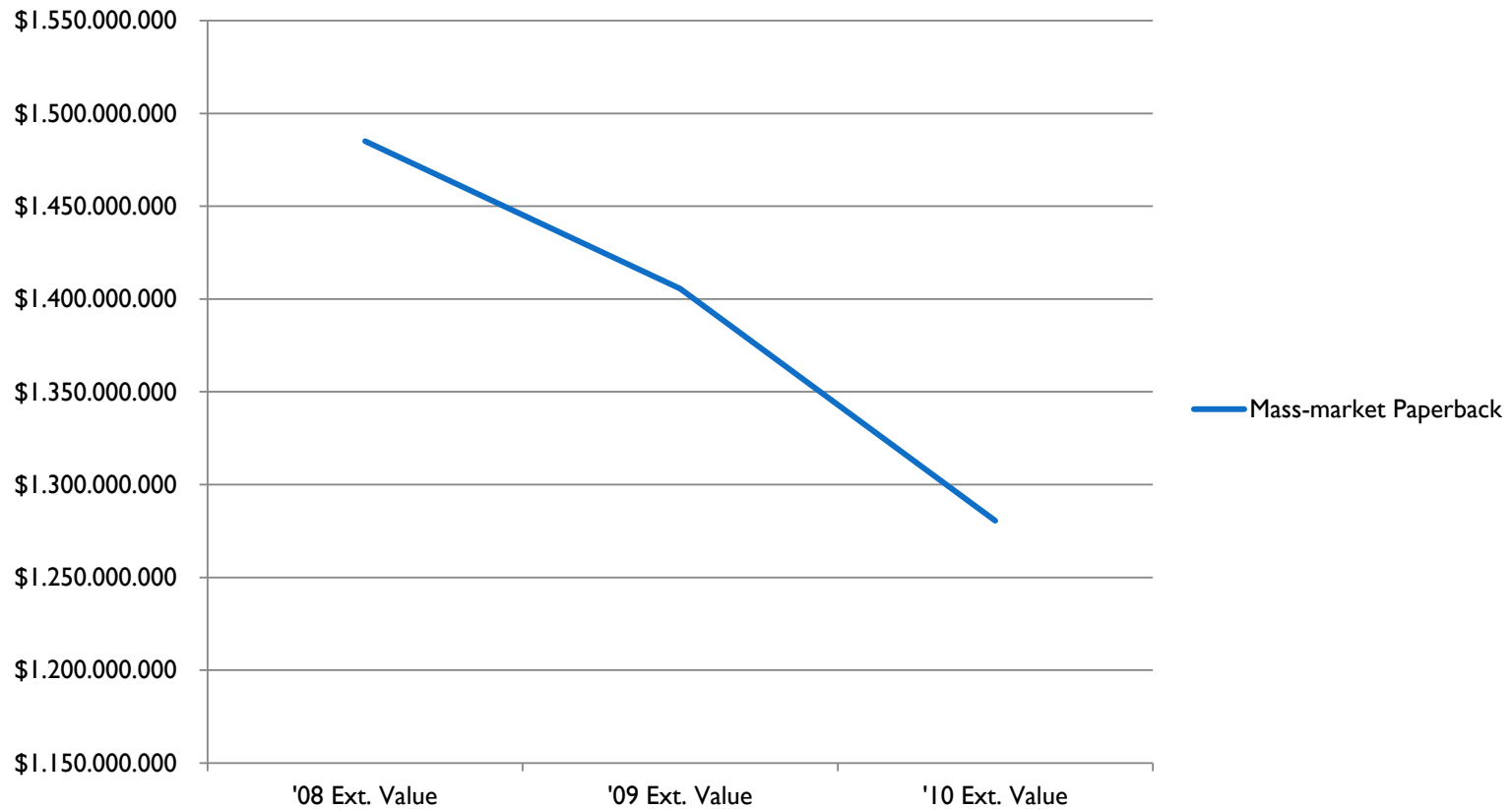
Softcover



Trade by format



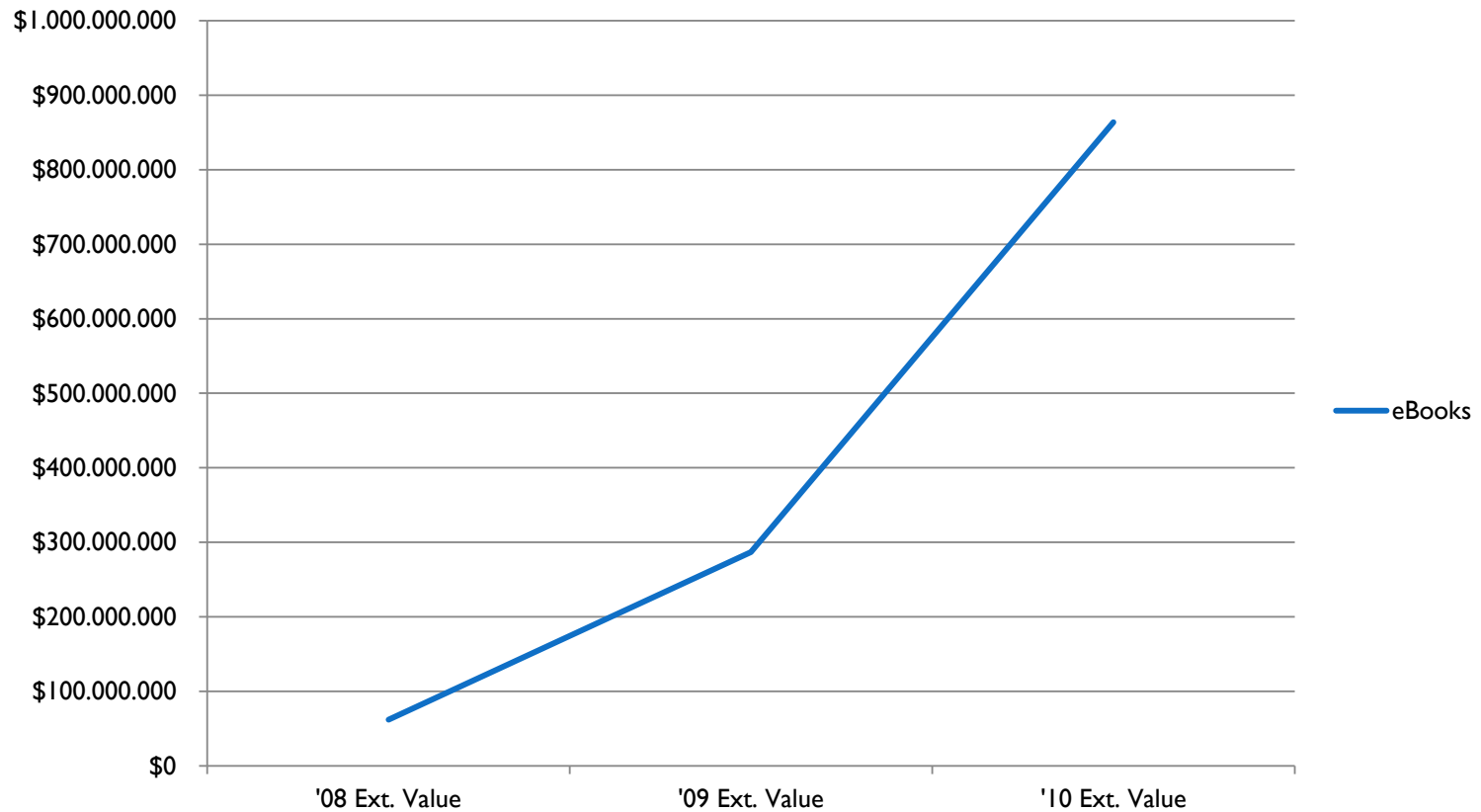
Mass-market Paperback



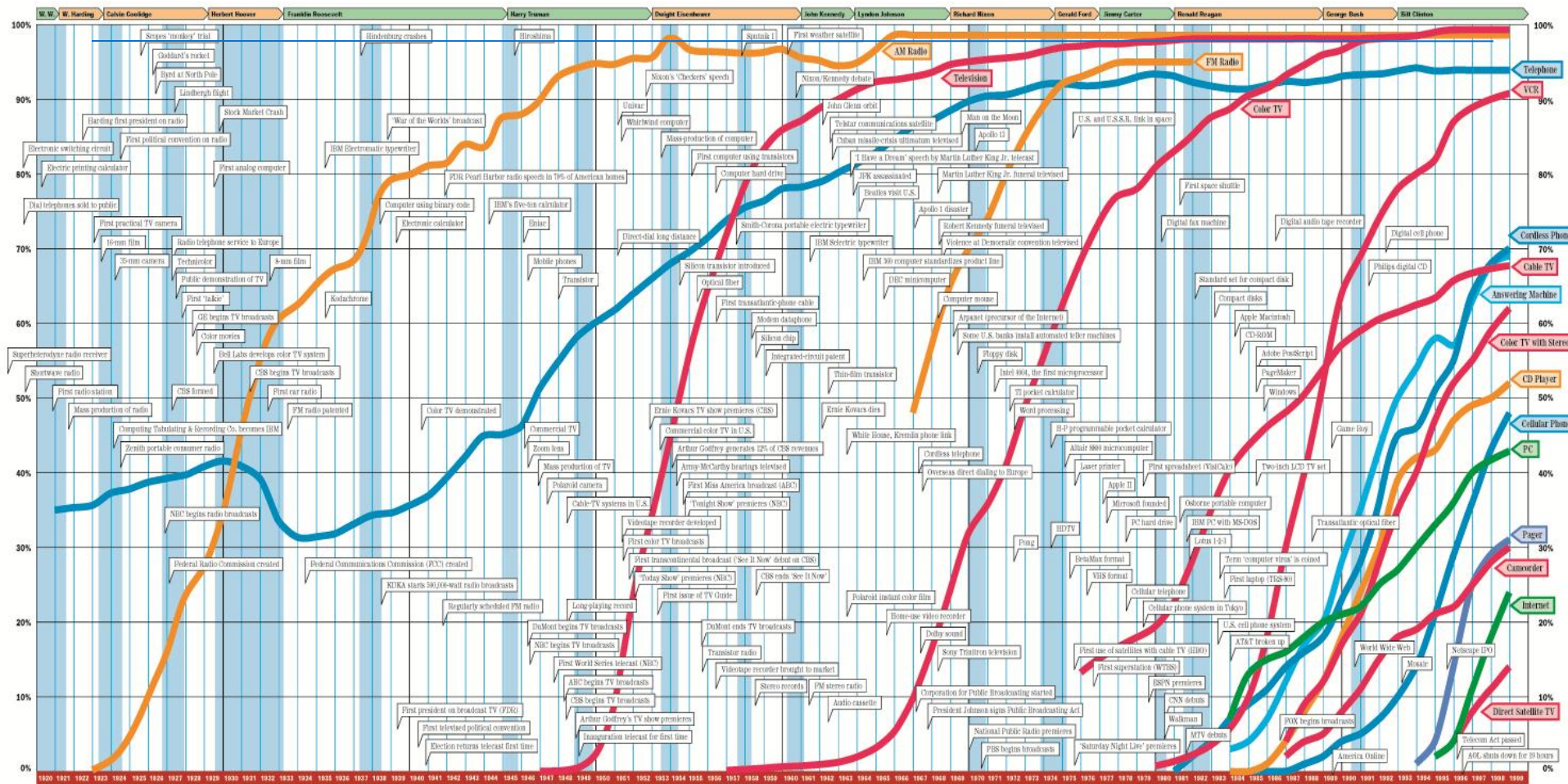
Trade by format



E-books

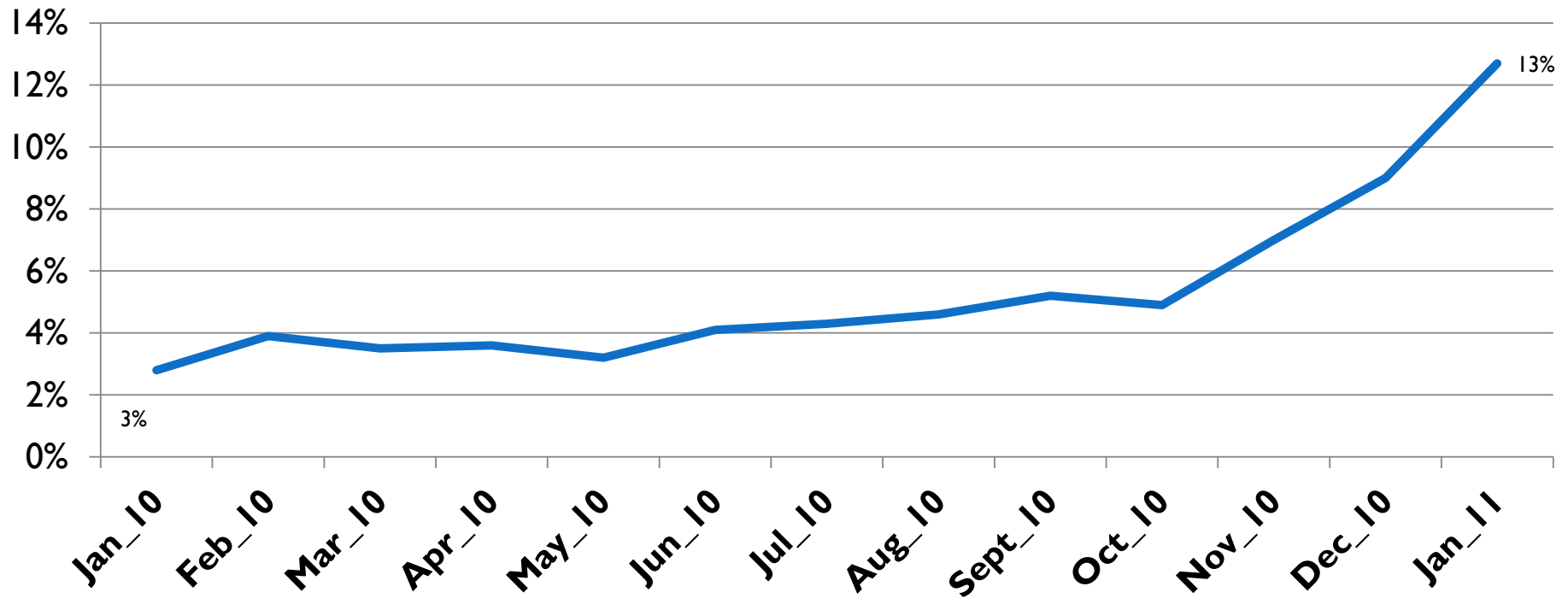


BISG's All-Time Favorite Chart!



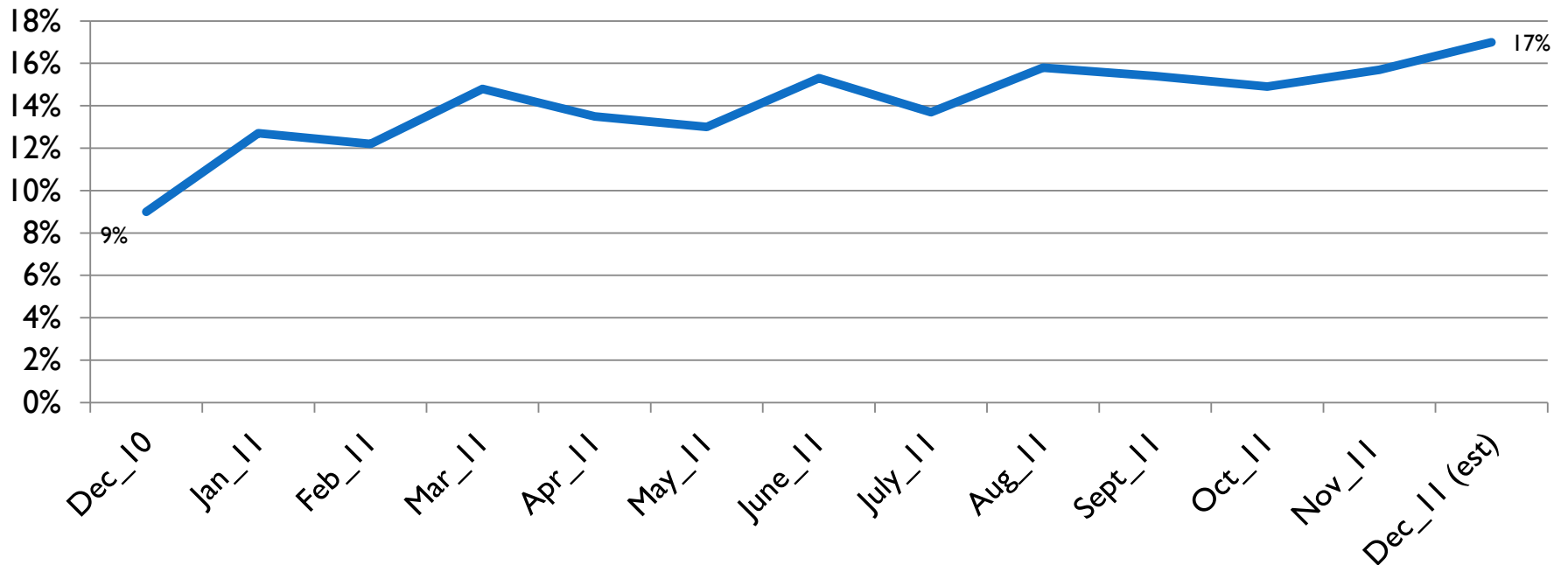
Rewind (2010 in review)

% book buyers who purchased an e-book (US)



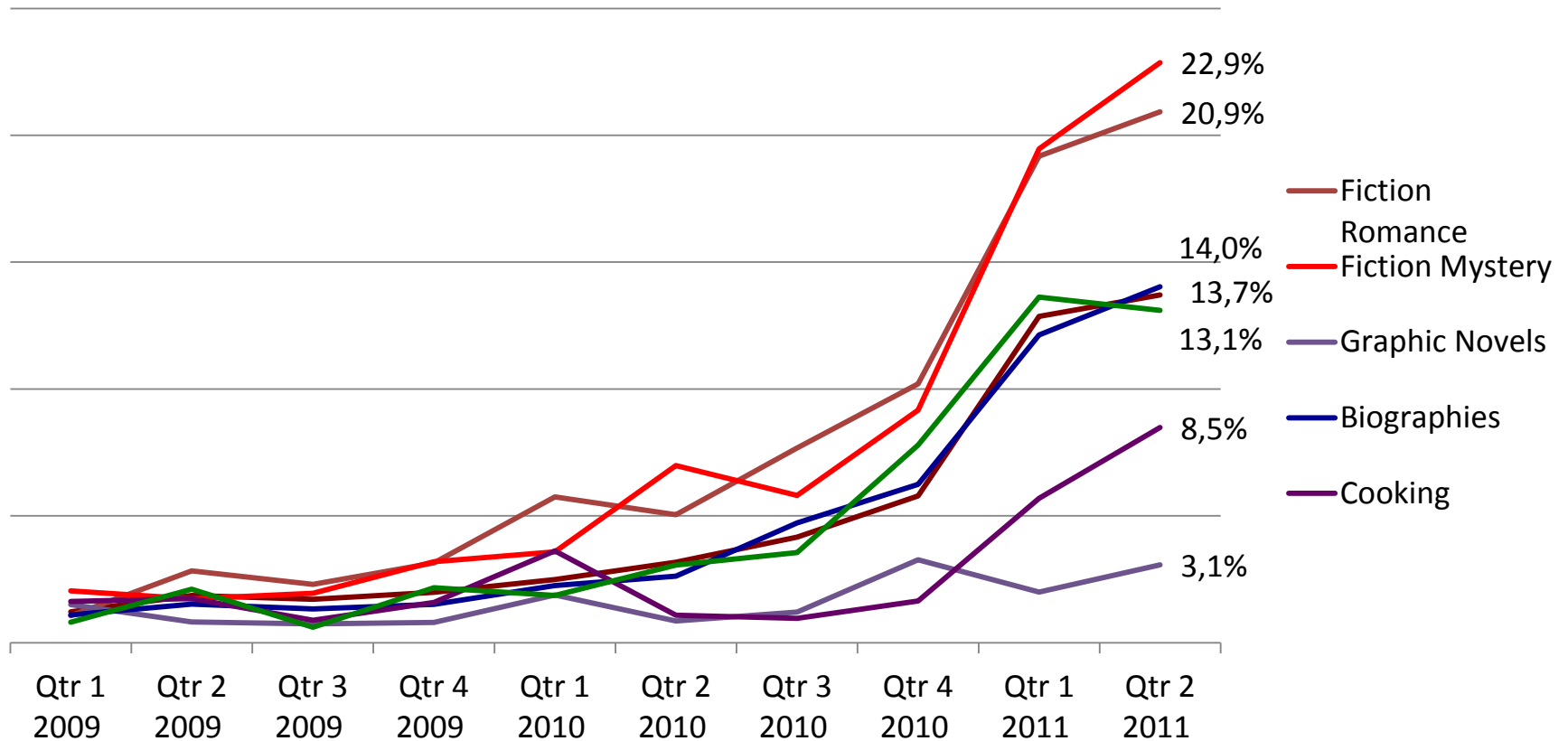
2011 in review

% book buyers who purchased an e-book (US)





Fiction is stranger than truth



“E” questions to answer in 2012

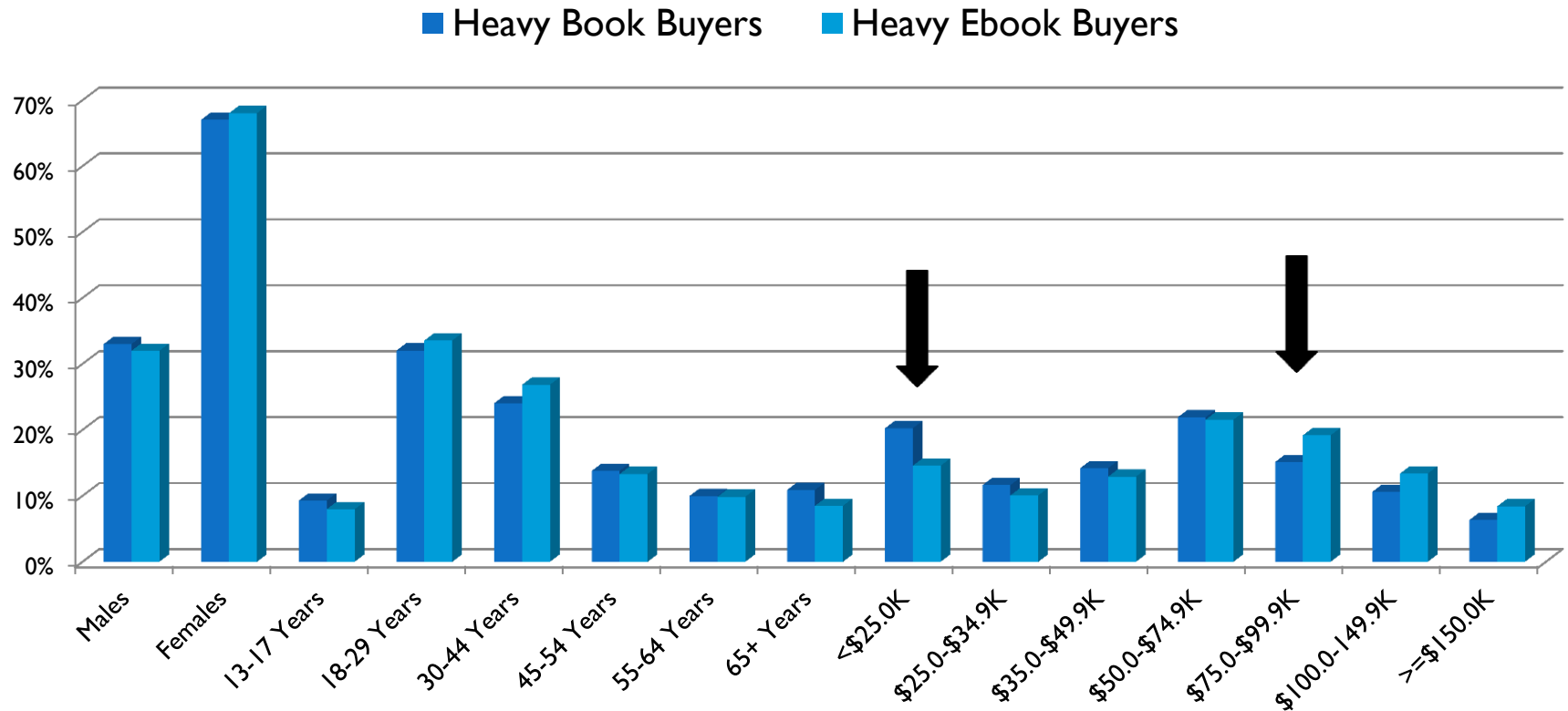
- ▶ What is the continued growth capacity of Fiction?
- ▶ When will the other genres get moving?
- ▶ What roles does technology really play in adoption?

Power Buyer = someone who purchases 4 or more books a month.



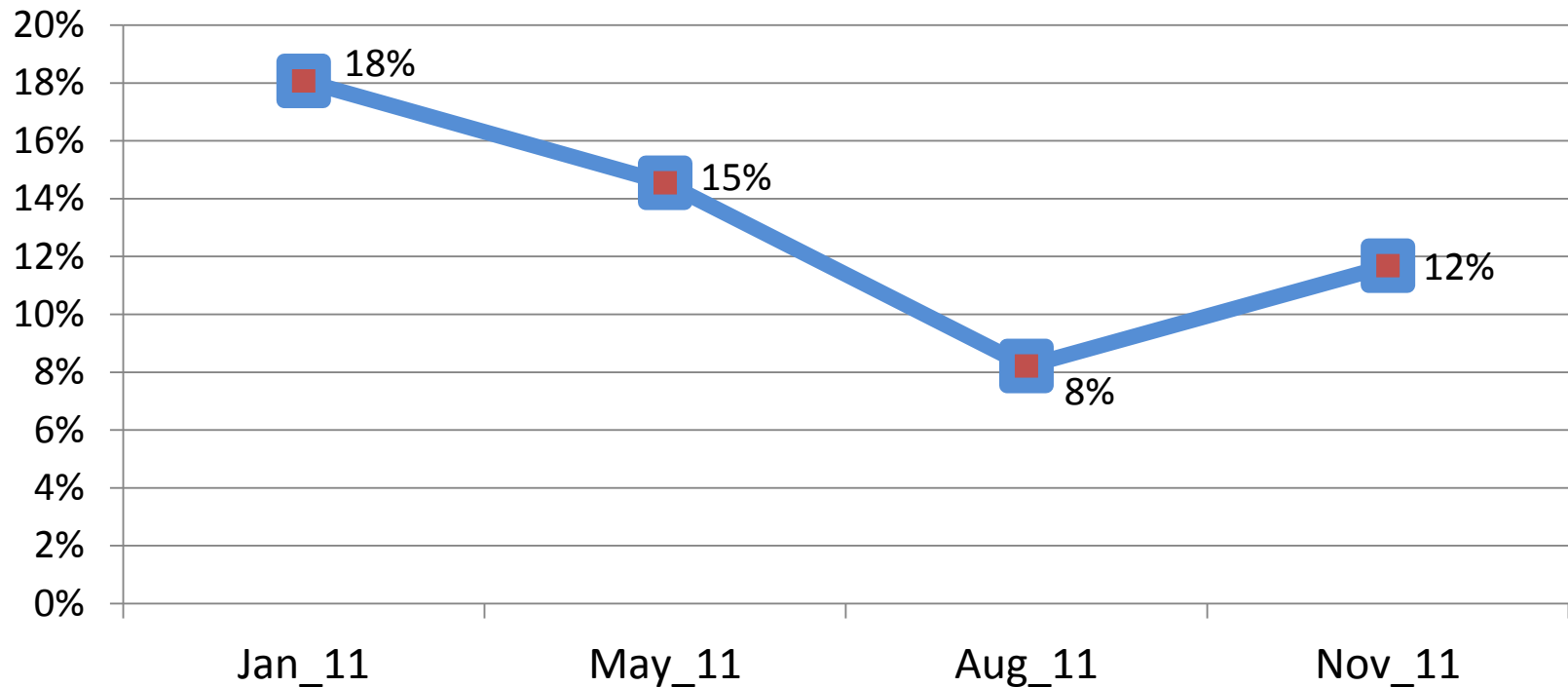
Consolidated group of your
best customers who share
one common trait,
regardless of 'p' or 'e'...

A book buyer by any name.. (or format)

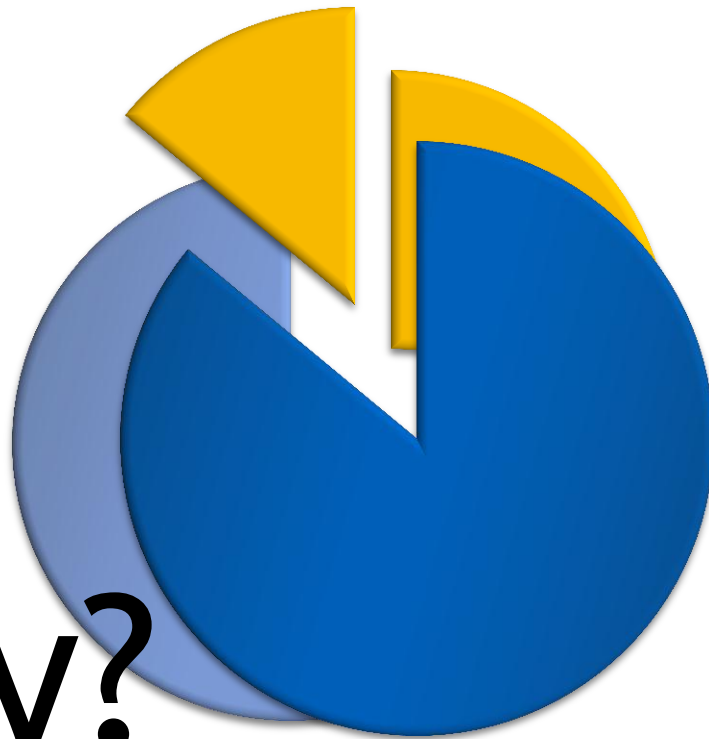


Conversation rate of Power Buyers

Q: When did you buy your first e-book? A: Within last 6 months



Why?

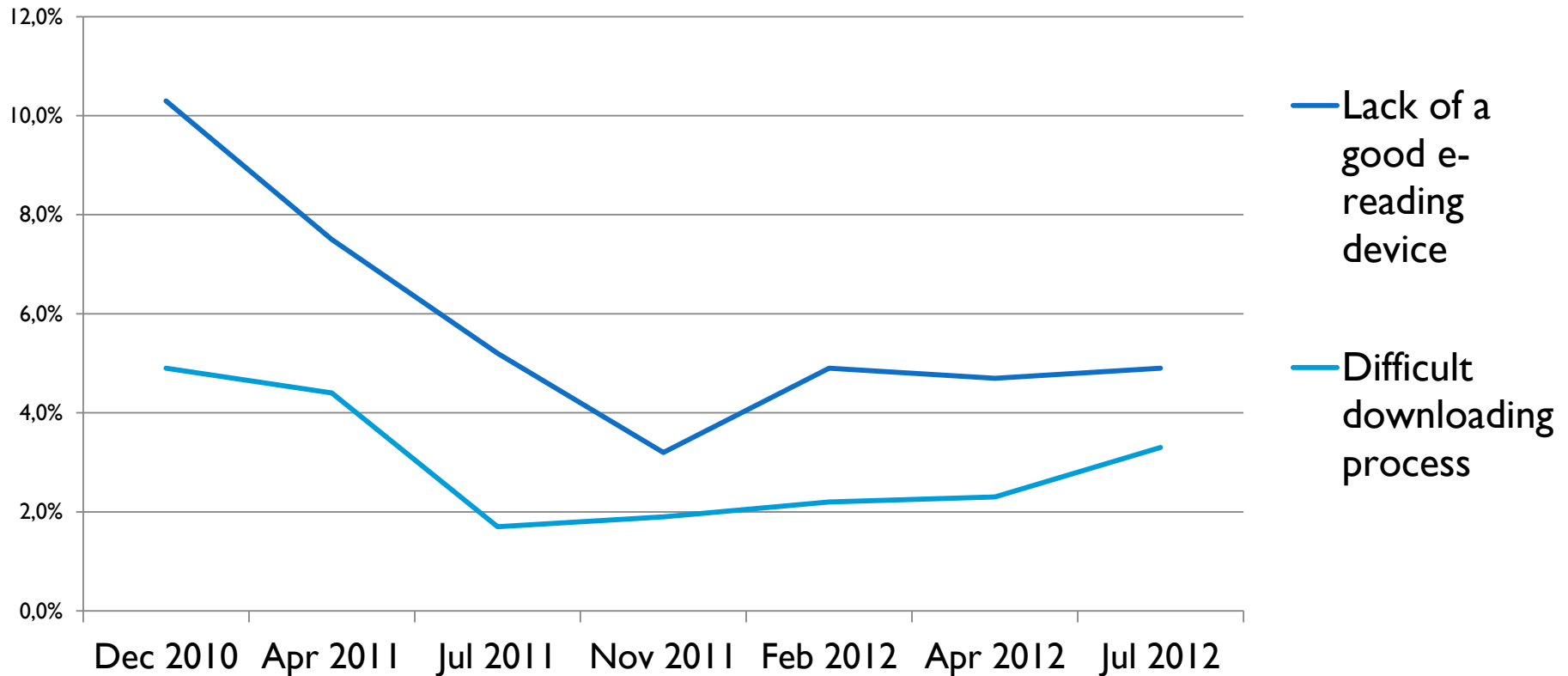


- Do not own a device
- Have purchased an ebook
- Do own a device
- Have never purchased an ebook

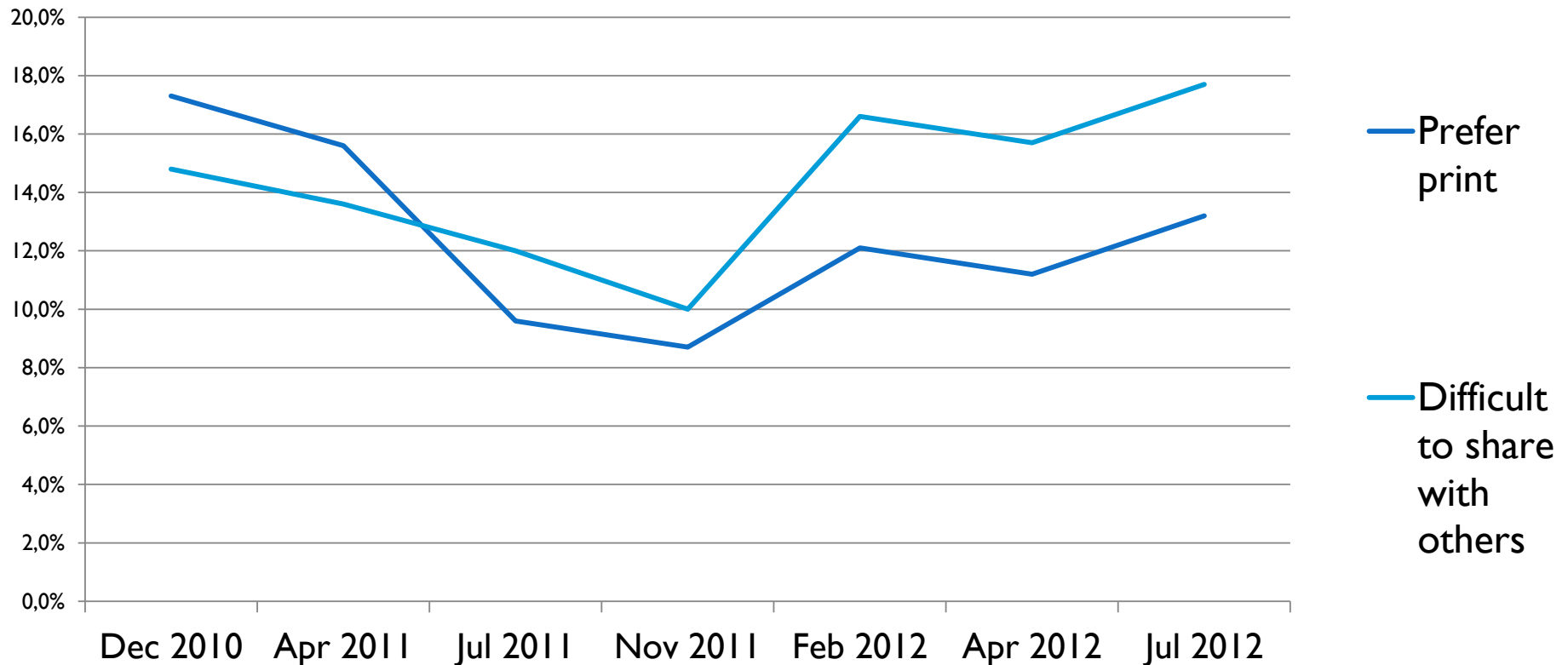
What keeps you from buying e-books?

	2:1	2:2	2:3	2:4	3:1
Prefer print	17.3%	15.6%	9.6%	8.7%	12.1%
Difficult to find/discover e-books	7.1%	6.5%	6.8%	6.0%	5.7%
Difficult to read on a screen	11.5%	9.5%	4.7%	3.7%	6.7%
Difficult to annotate	4.7%	4.0%	2.6%	2.0%	4.3%
Difficult to share with others	14.8%	13.6%	12.0%	10.0%	16.6%
Difficult to find titles available for my e-reading device	9.7%	7.3%	6.6%	4.8%	7.7%
Lack of a good e-reading device	10.3%	7.5%	5.2%	3.2%	4.9%
Difficult downloading process	4.9%	4.4%	1.7%	1.9%	2.2%
Not enough time	24.8%	26.8%	26.7%	32.3%	29.9%
Inability to legally re-sell or give away e-books after I'm done with them		15.1%	13.9%	11.9%	17.9%
Cost of the titles	27.1%	23.7%	28.4%	23.8%	30.3%
Nothing	17.6%	23.3%	27.1%	33.0%	21.9%

What keeps you from buying e-books?



What keeps you from buying e-books?



Value of “Power Buyers”

Print



22%
of buyers



53%
of books
purchased



50%
of \$\$\$
purchased

‘E’



35%
of buyers

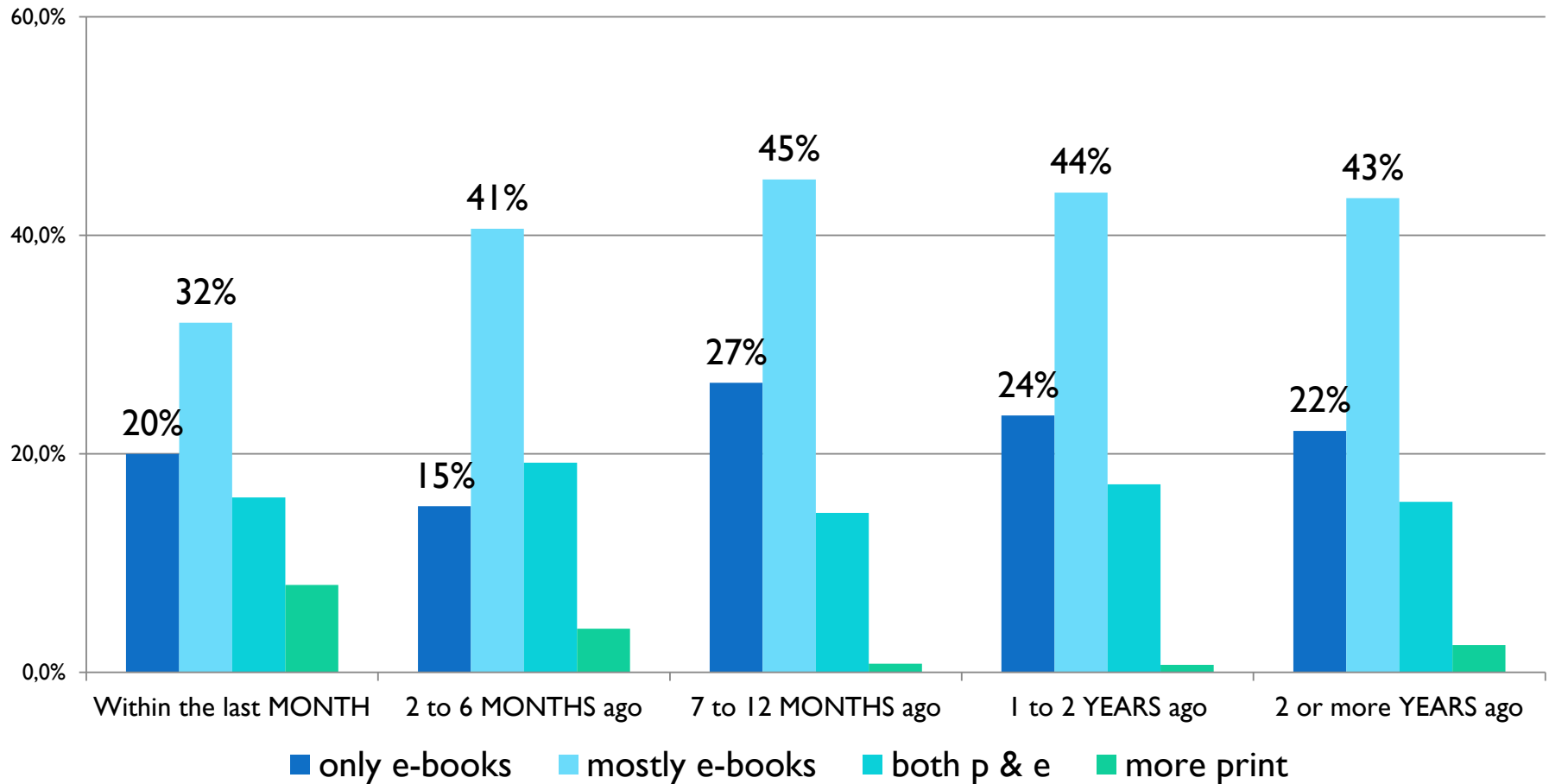


60%
of e-books
purchased

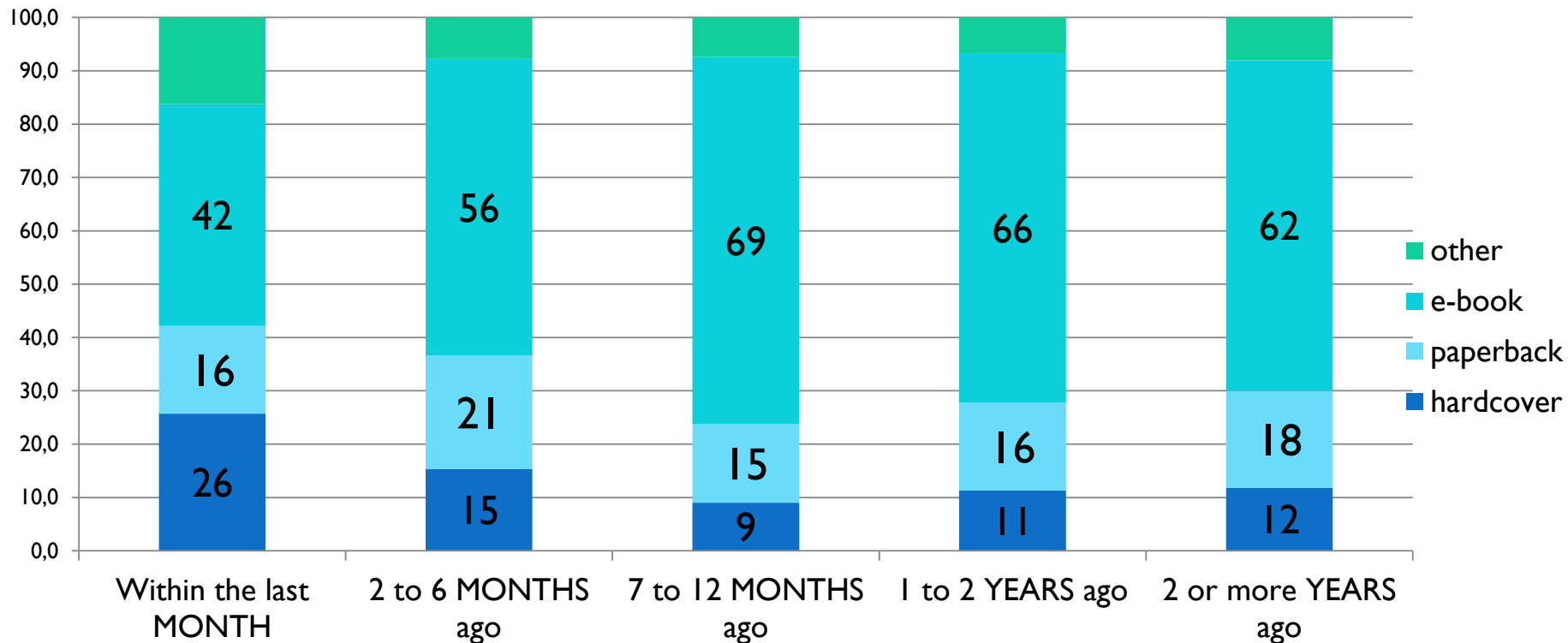


48%
of \$\$\$
purchased

Power Buyers demonstrate loyalty



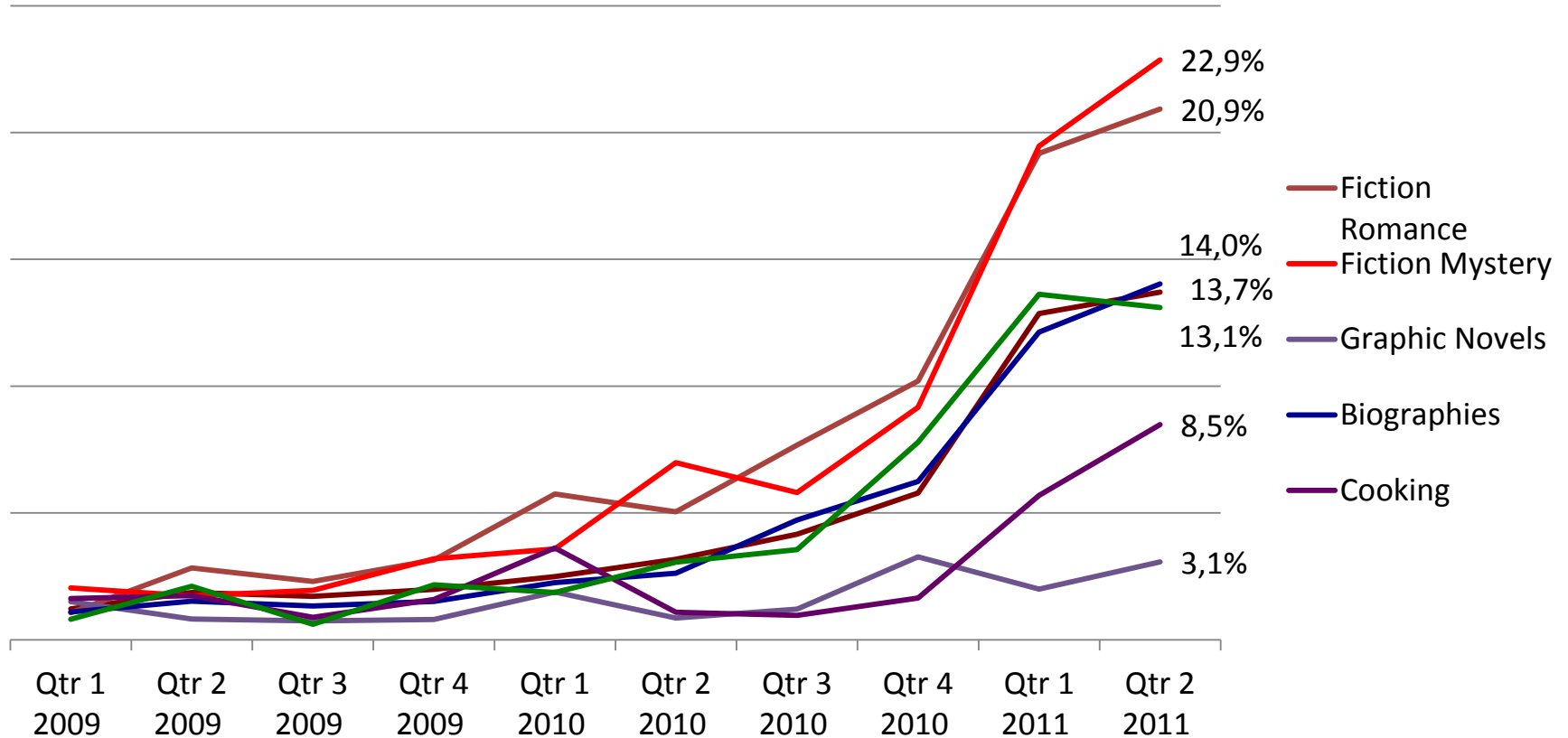
“E” at the expense of “P”



Scenario Planning



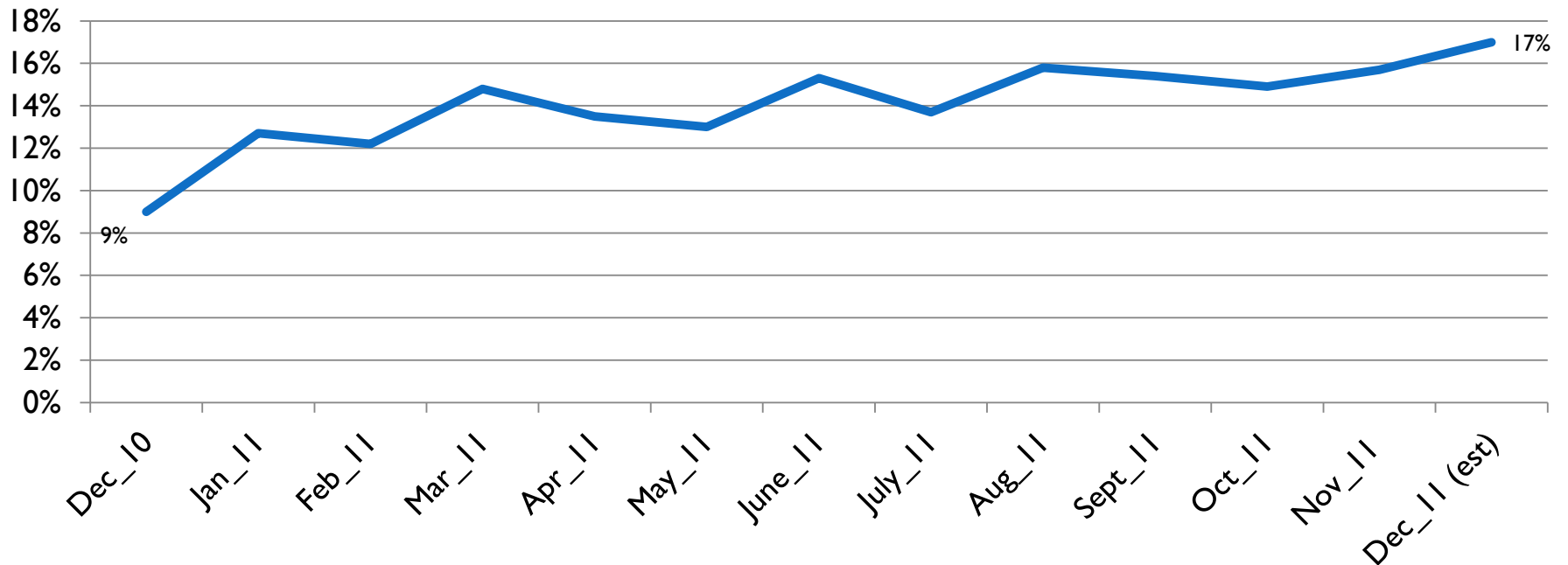
Fiction is stranger than truth





2011 in review

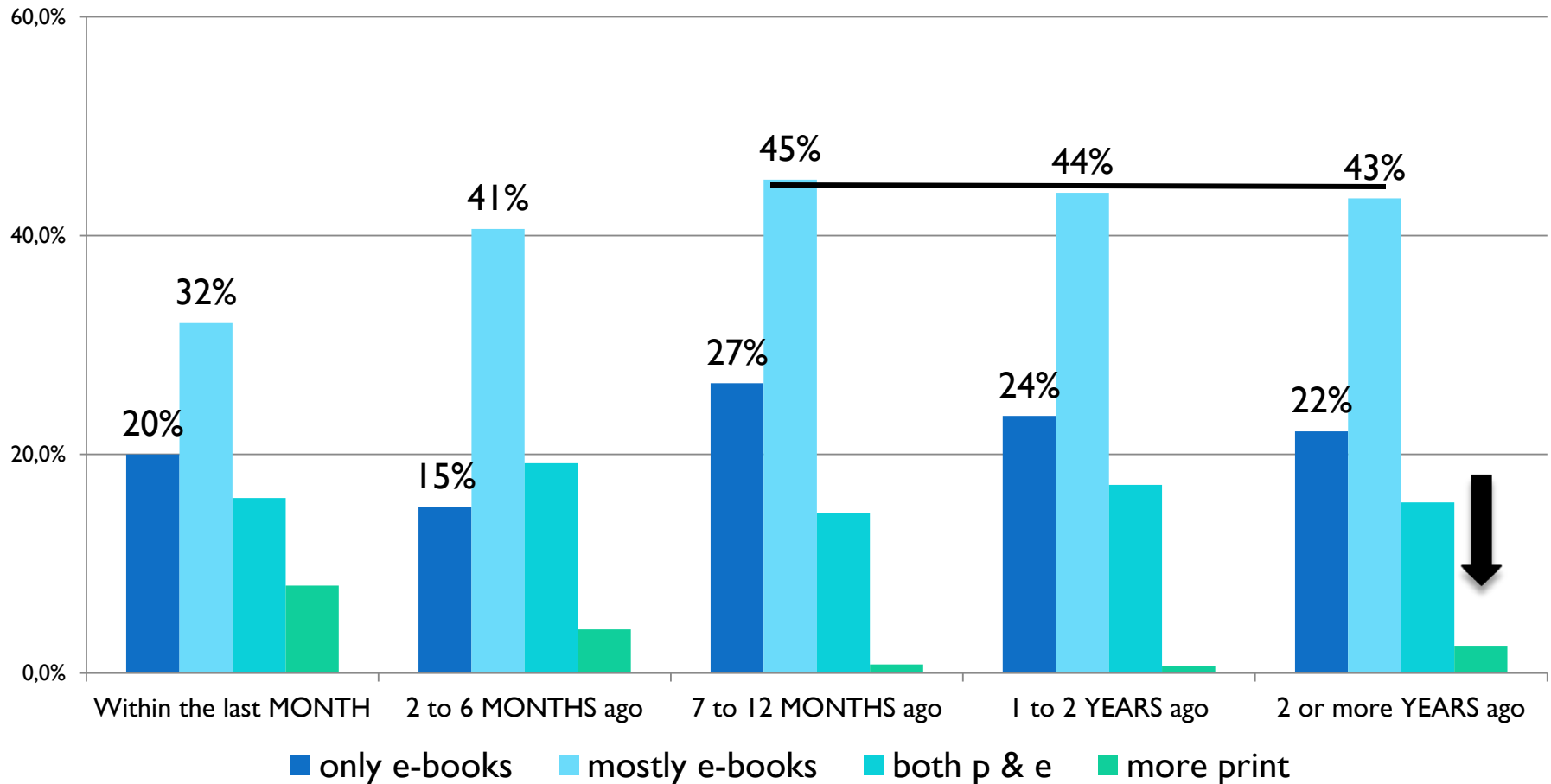
% book buyers who purchased an e-book (US)



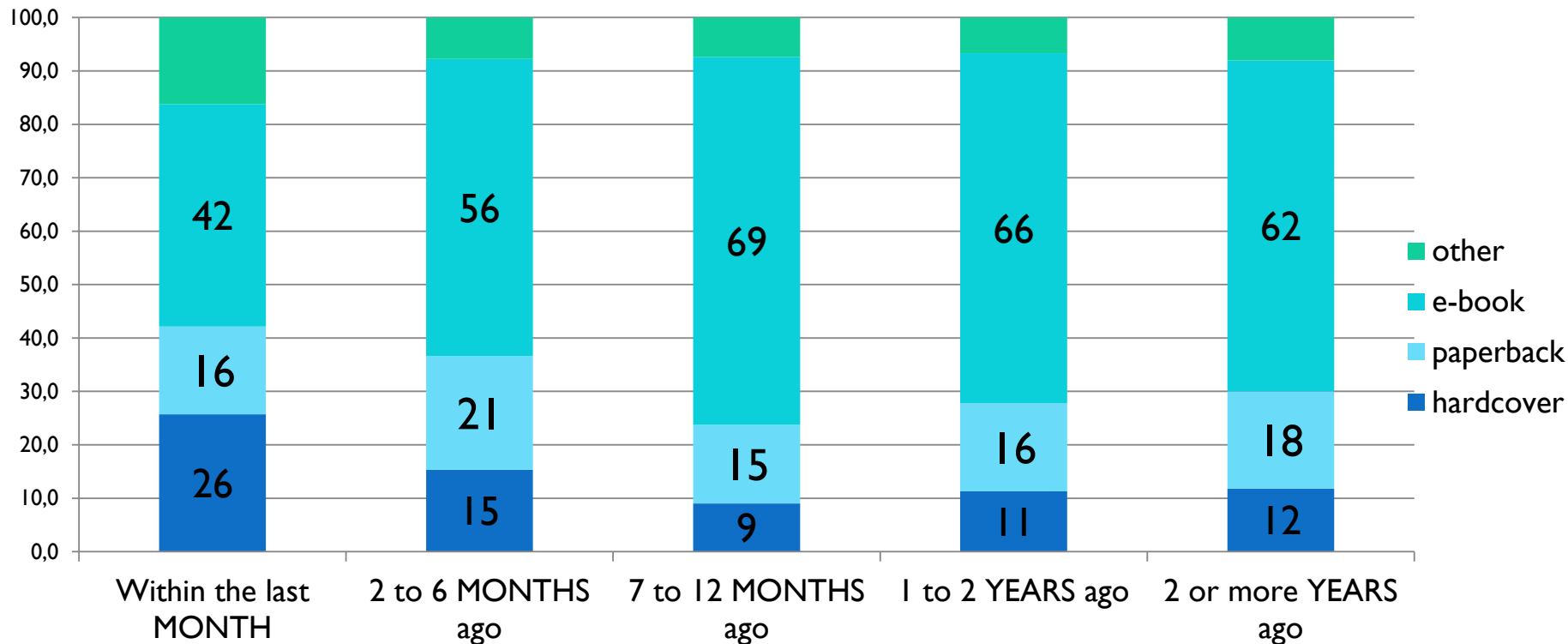


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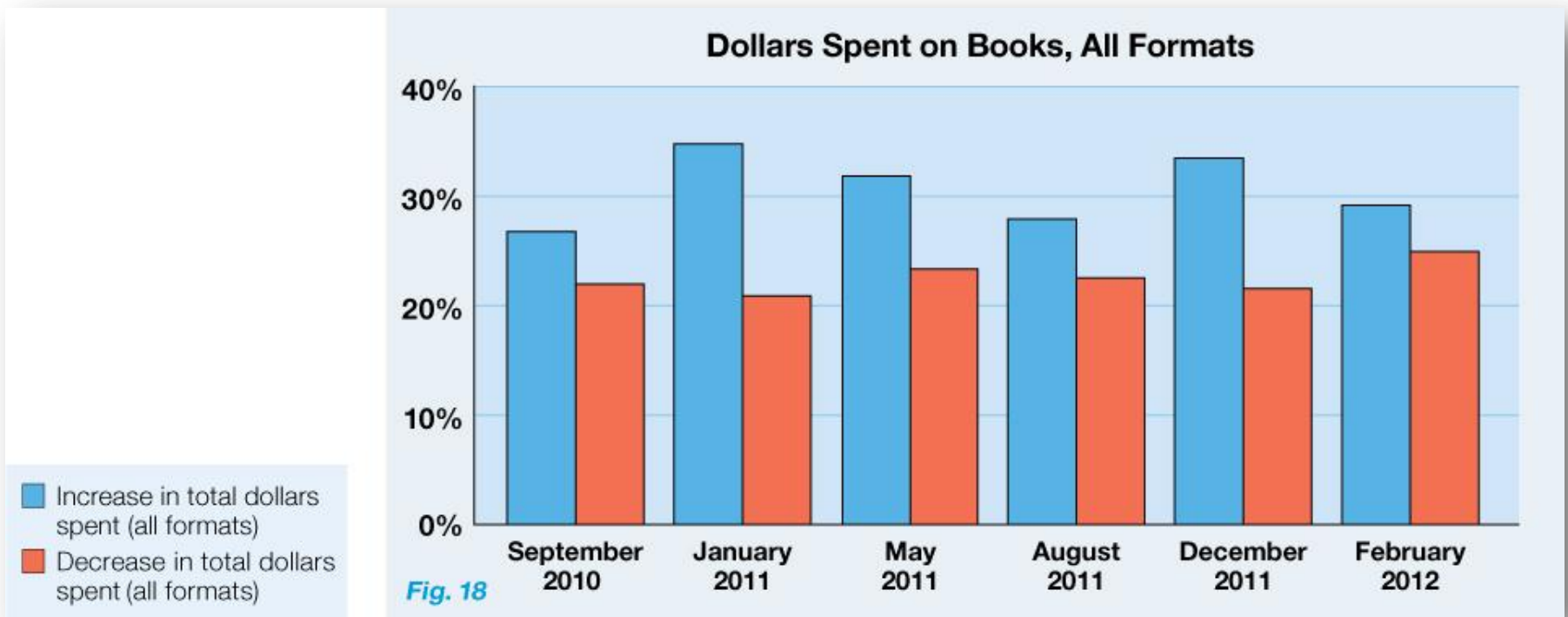
Power Buyers demonstrate loyalty



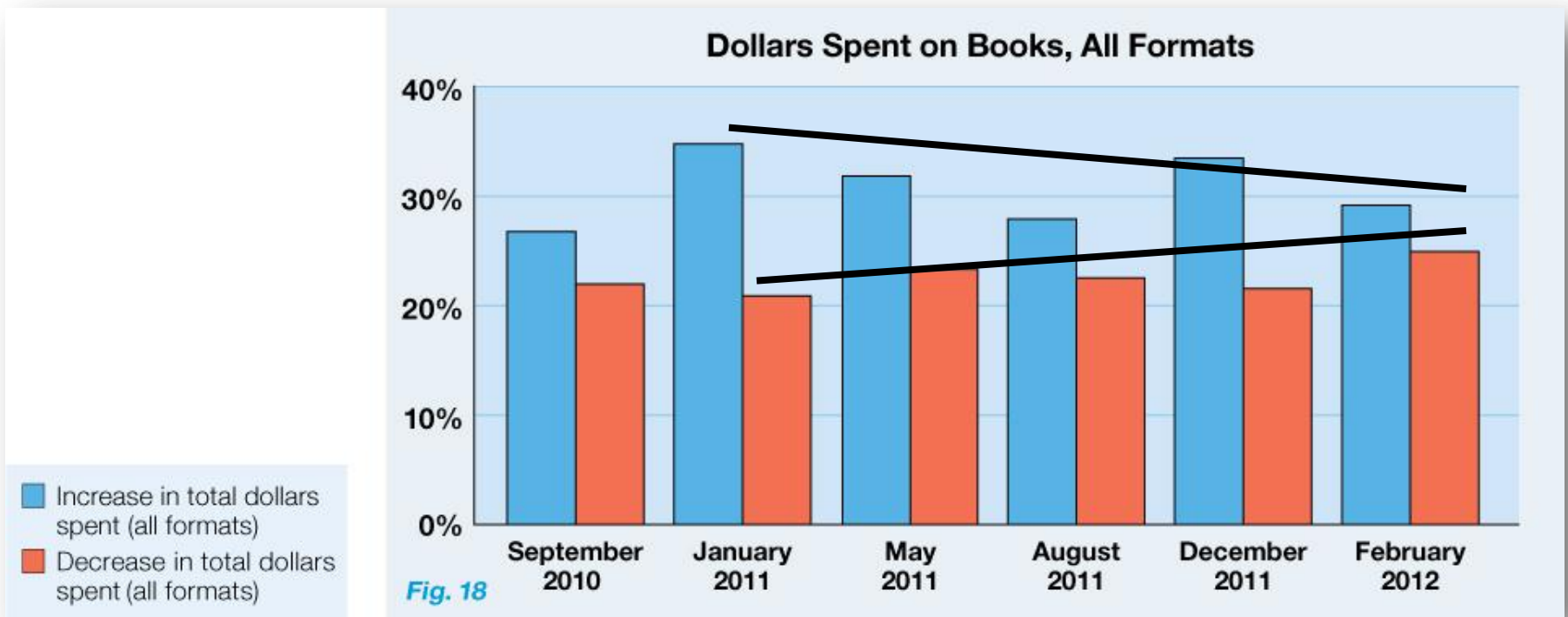
“E” at the expense of “P”



Spending trends



Spending trends





Device preference

Top E-Book Reading Devices

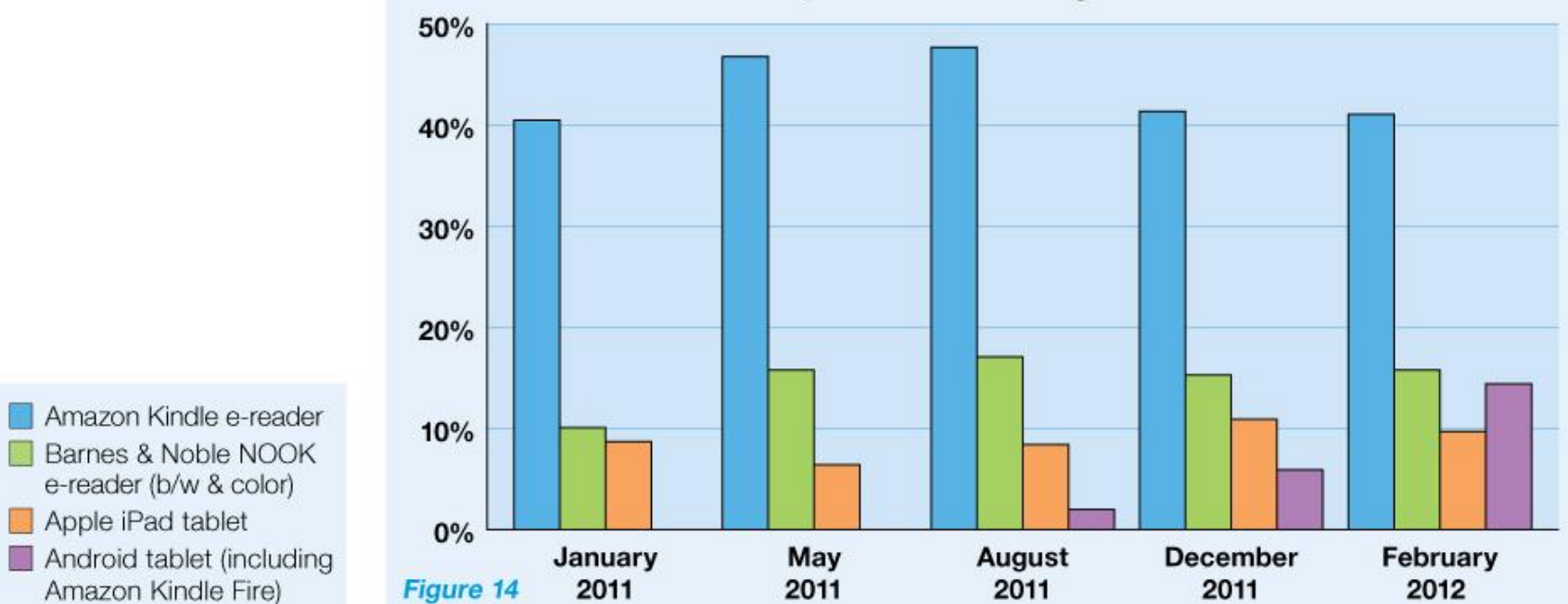


Figure 14

Device preference

Top E-Book Reading Devices

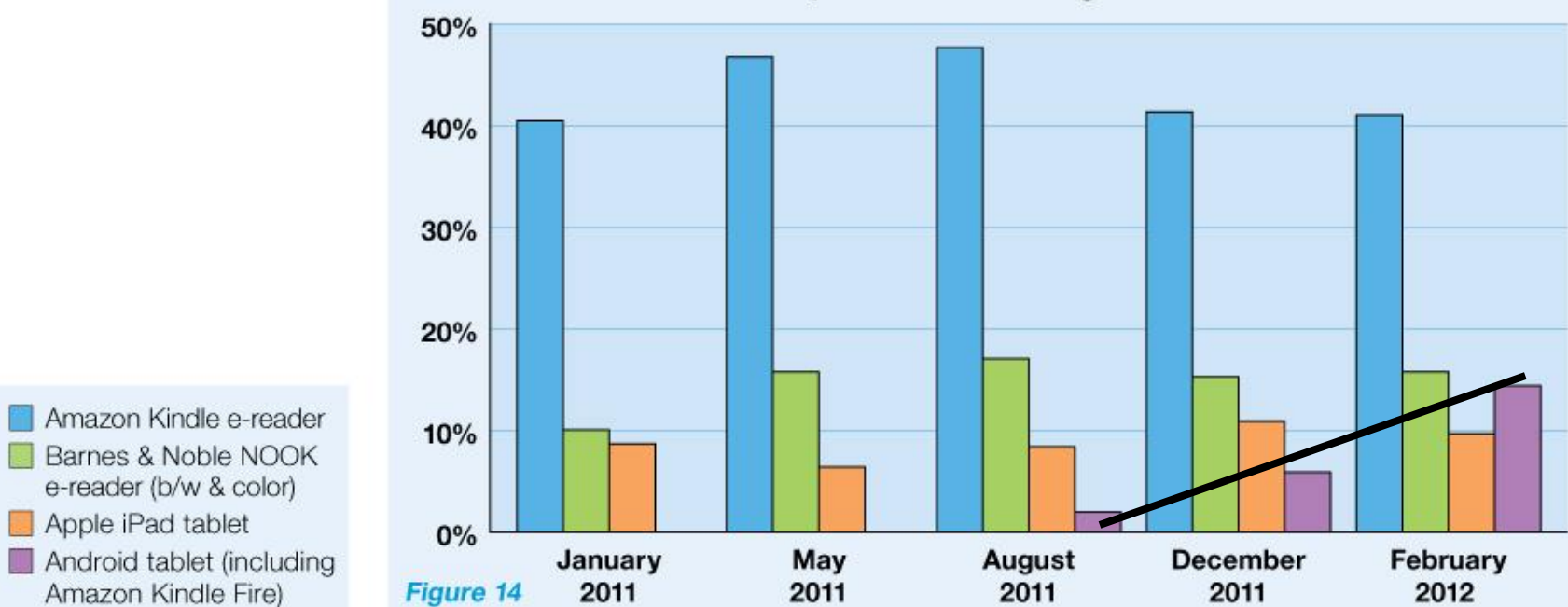
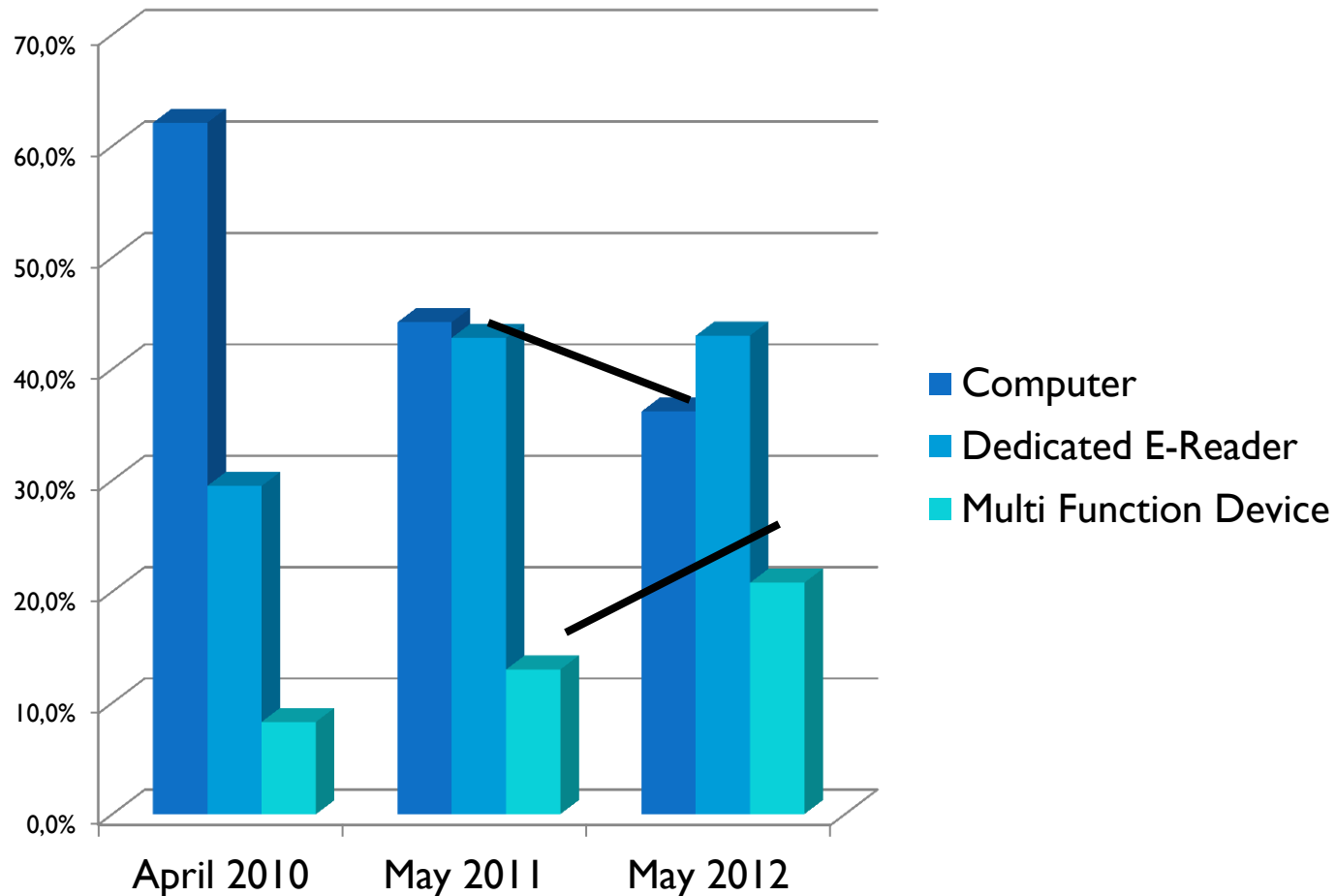


Figure 14

On what device do you purchase your e-books?



Activity by device

Activities Done "Very Often" on Tablets

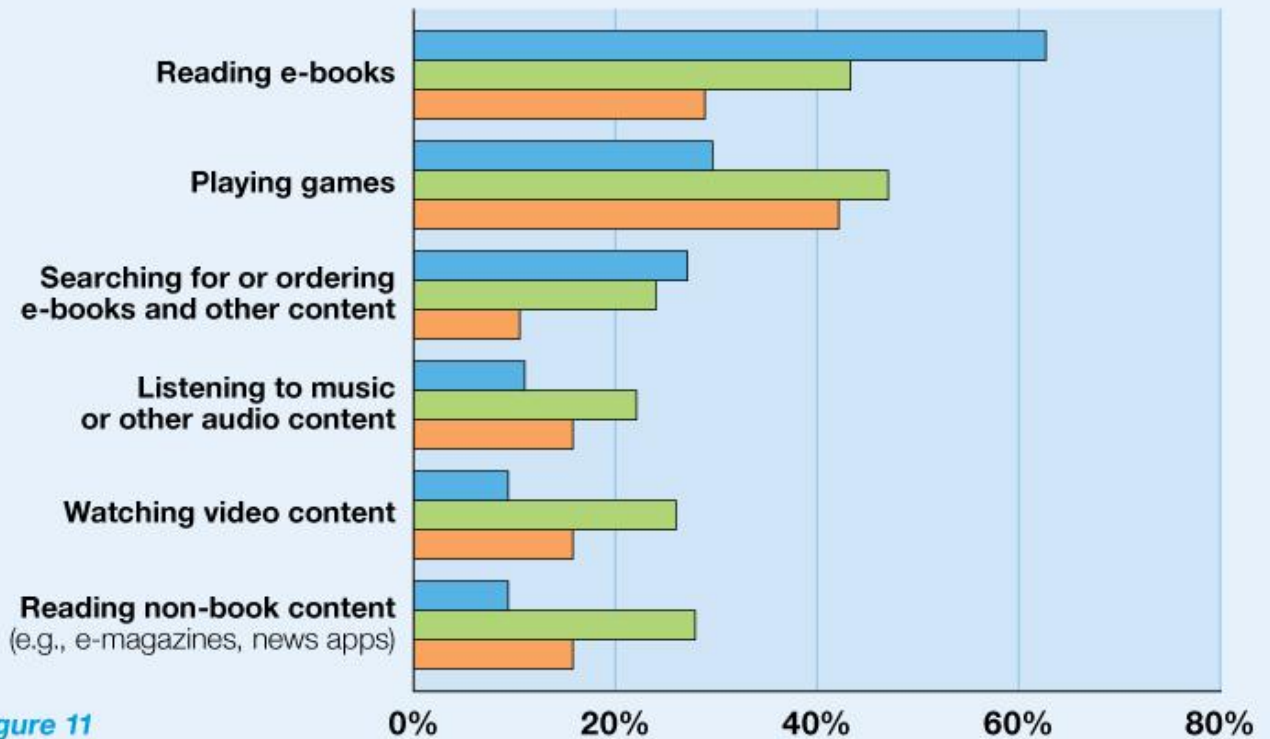
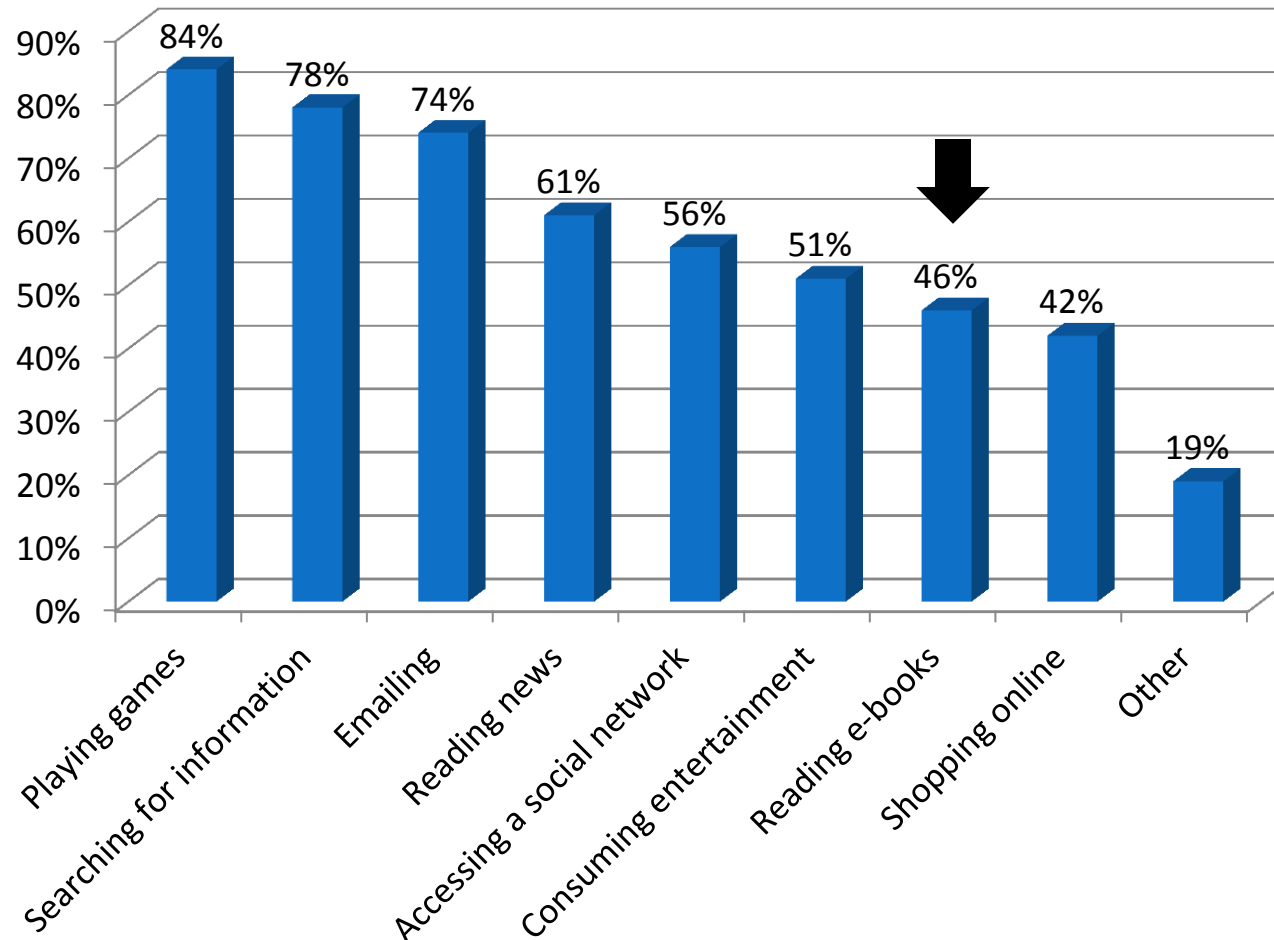


Figure 11

- Small format retail/e-tail tablet (e.g., Kindle Fire)
- Apple iPad tablet
- Android tablet (e.g., Samsung Galaxy)

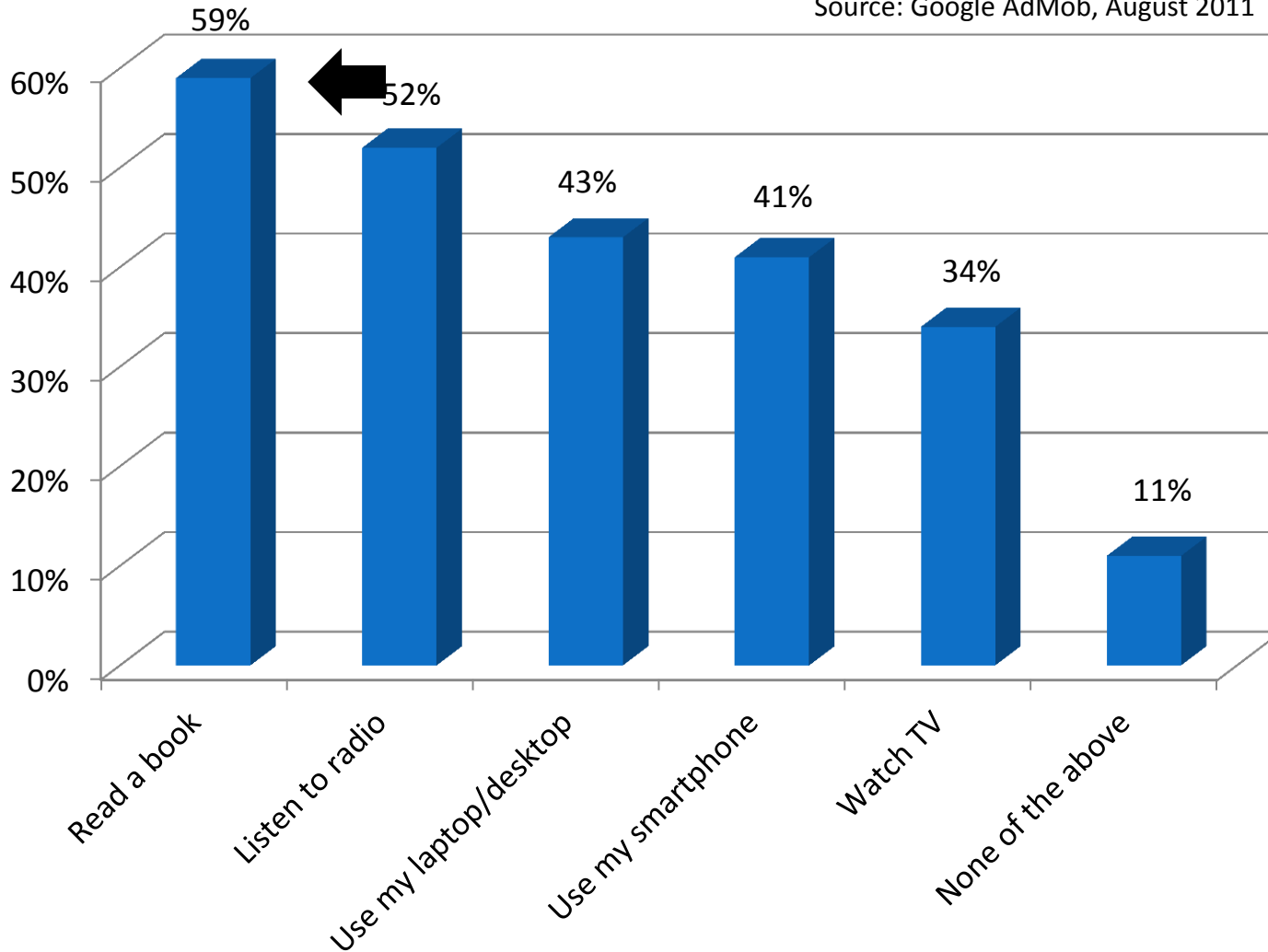
Select the ways in which you use your tablet

Source: Google AdMob, August 2011



I spend more time on my tablet than I...

Source: Google AdMob, August 2011



Activity by device





What about the global e-book experience?



Global eBook Monitor

GeM details and methodology

- ▶ 10 country study
 - ▶ Australia, Brazil, France, Germany, India, Japan, South Korea, Spain UK and USA.
- ▶ Conducted online so that the samples effectively represent the populations with Internet access in each country.

© Bowker Market Research 2012



ATKearney

PEARSON



GeM details and methodology

- ▶ Fielded in early 2012
- ▶ Weighted representative country sample* of >1000 persons 18+
 - ▶ The samples were designed and weighted to be representative of the adult (age 18+) population in terms of age, sex and region.

*India this was confined to the main cities

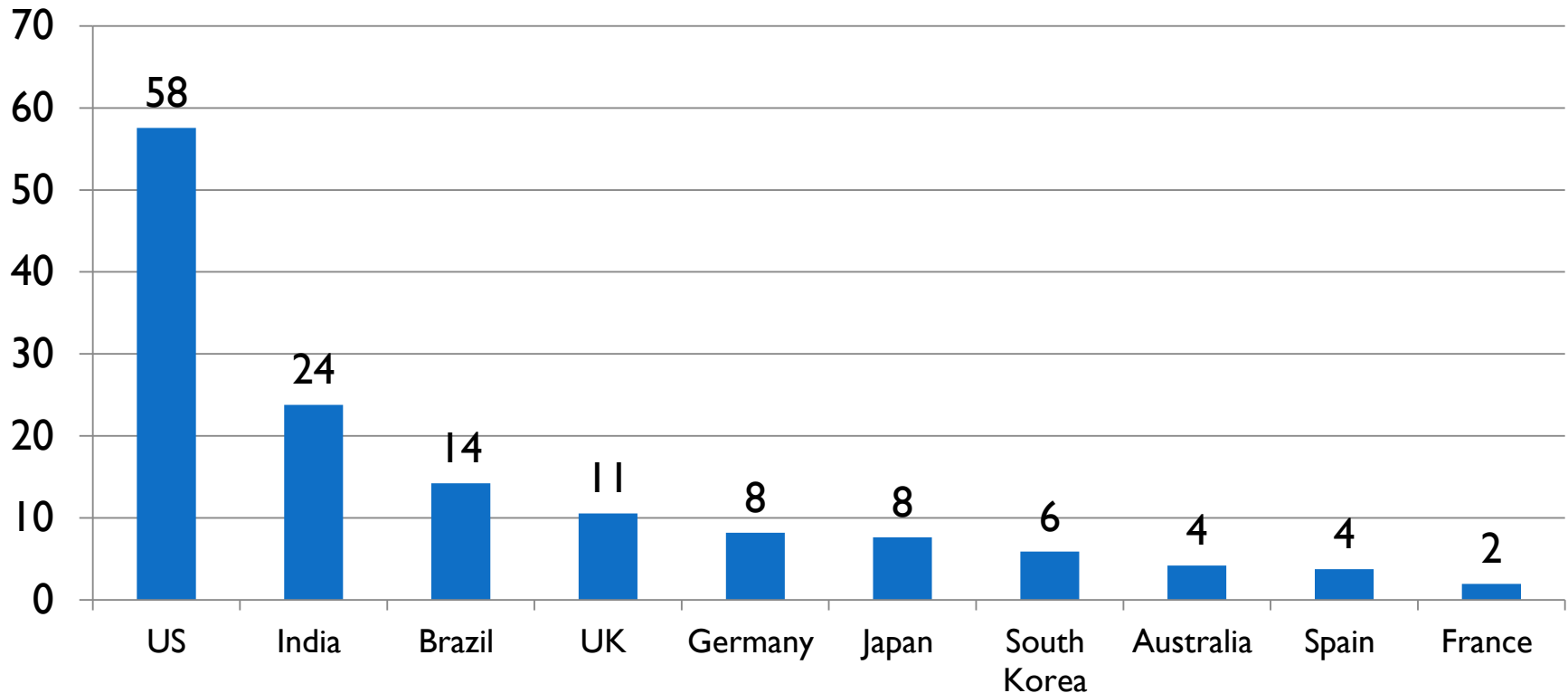
© Bowker Market Research 2012

World-wide e-book penetration

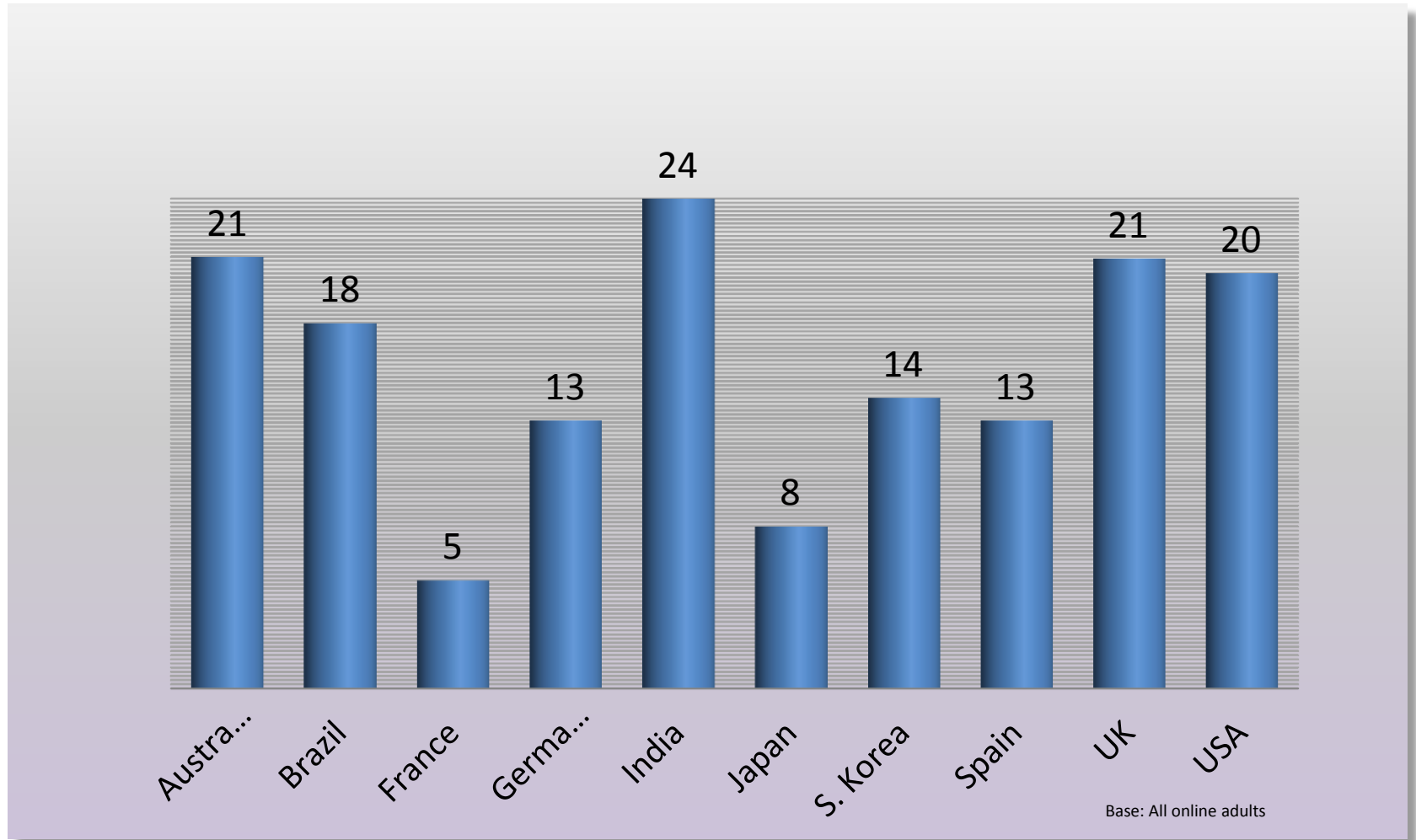
Country ↓	Total pop	% with internet use	Est. % of total pop purchased e-book
	m	%	%
Australia	22	89.8	19
Brazil	203	37.4	7
France	65	69.5	3
Germany	82	79.9	10
India	1189	10.2	2
Japan	127	80.0	6
South Korea	49	82.7	12
Spain	47	62.2	8
UK	62	82.0	17
USA	313	78.3	16

Projected number of e-book buyers

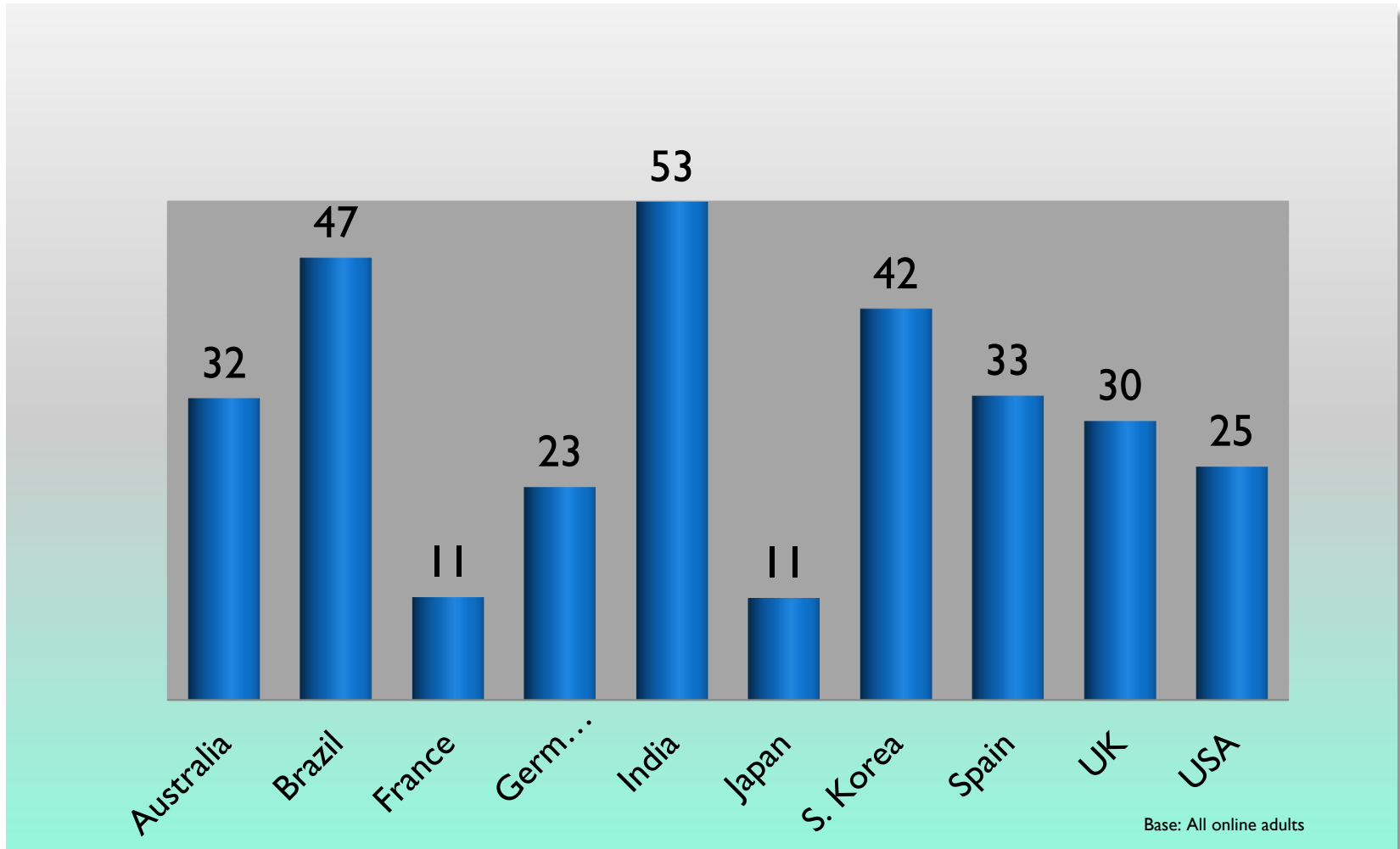
who have bought an e-book in past 6 months
(millions)



World-wide e-book penetration



Free as a driver in emerging markets





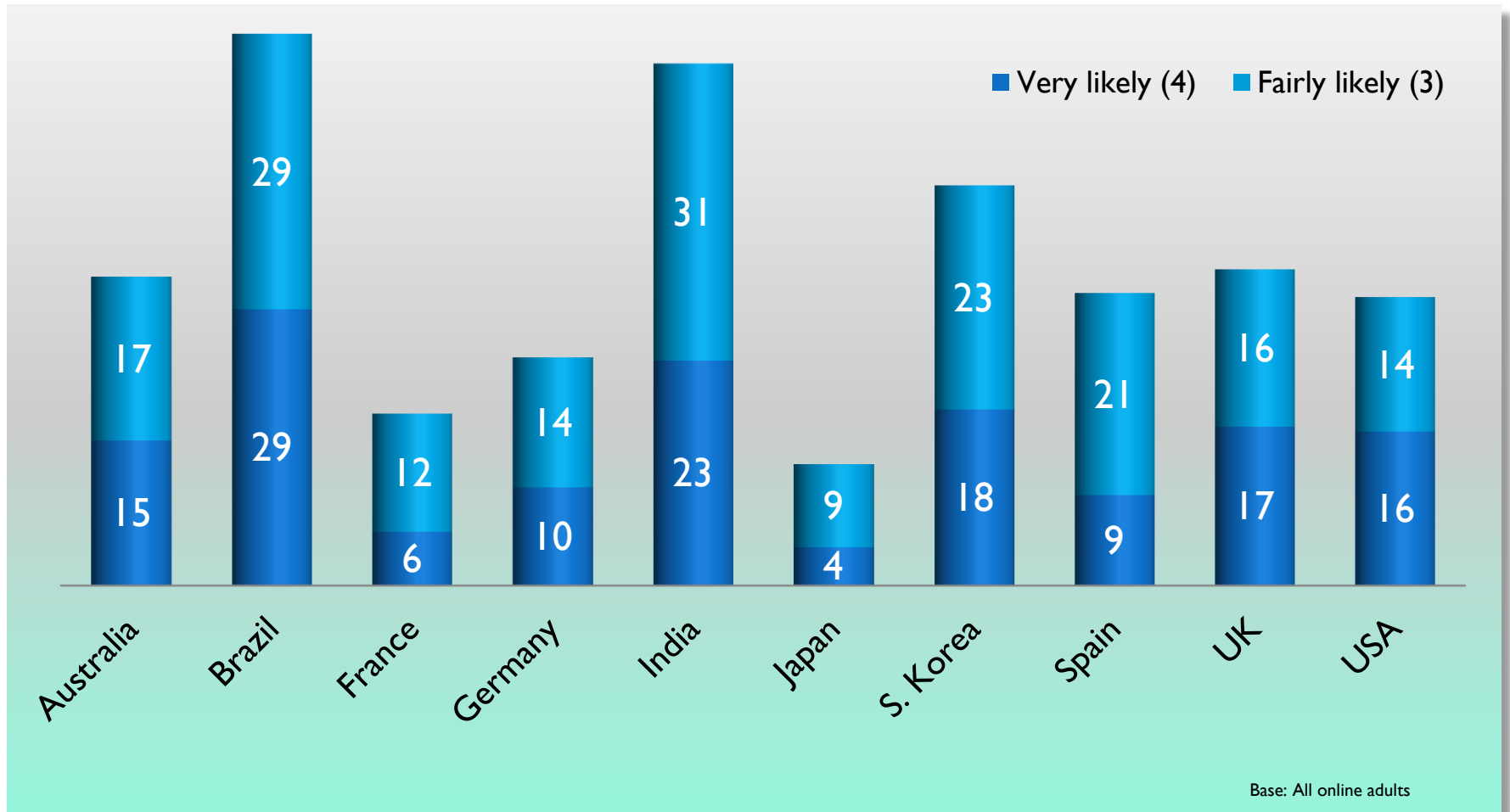
Future growth potential

Future digital behaviors - No Interest

Country	No interest past or future - %
Japan	72
France	66
USA	59
Germany	56
UK	52
Australia	45
Spain	38
South Korea	26
Brazil	16
India	11

Future purchase intent

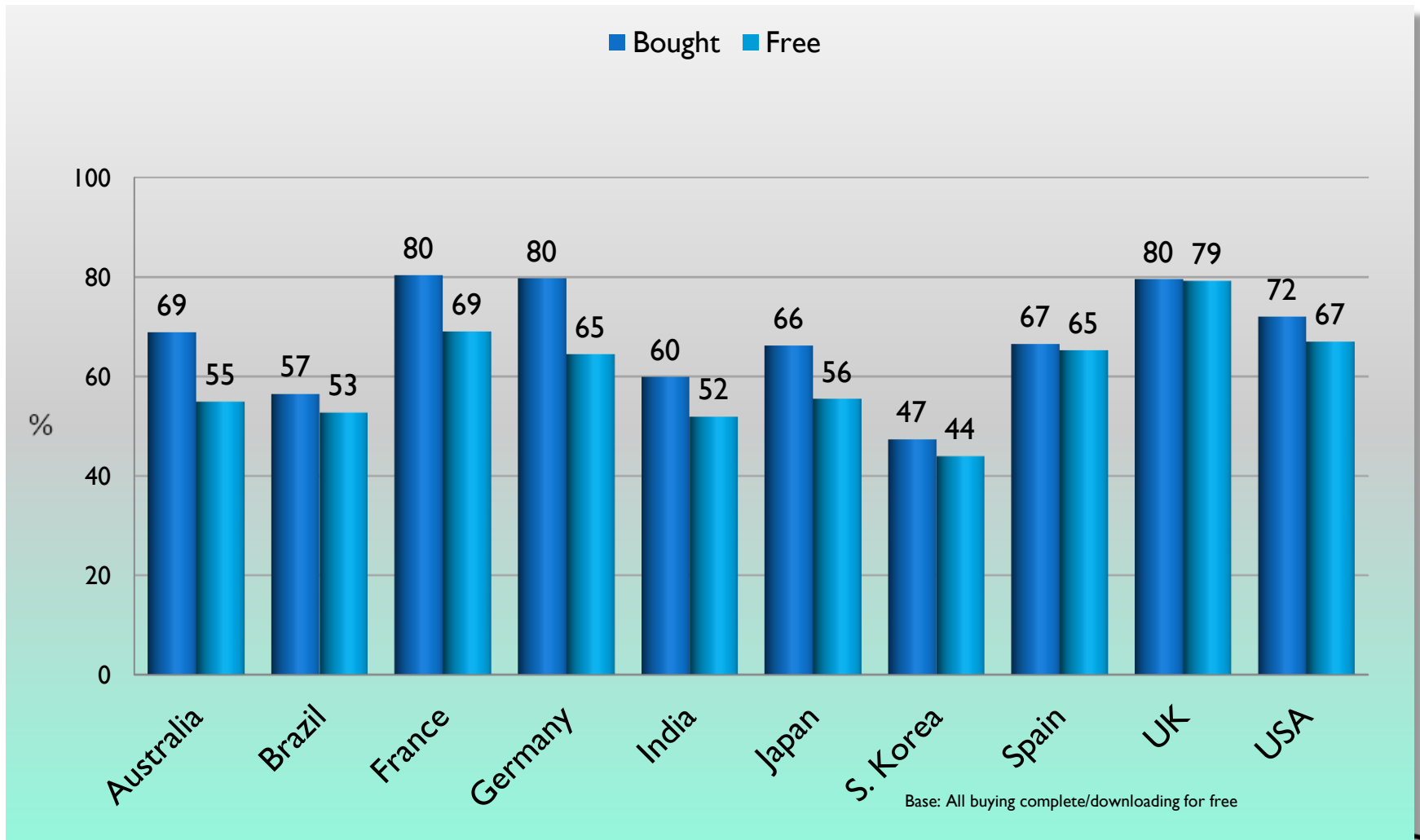
Assessing market potential for purchased e-book



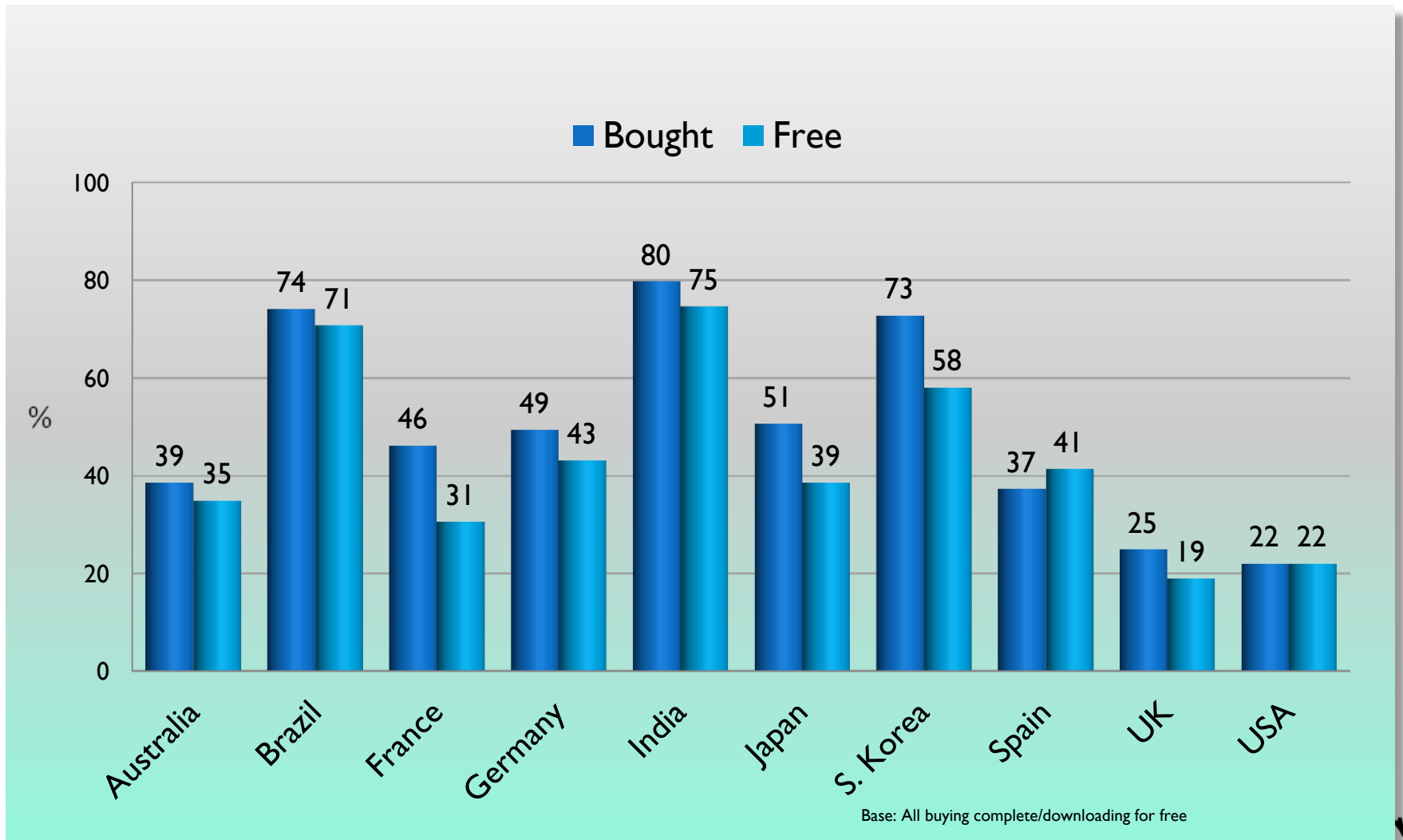


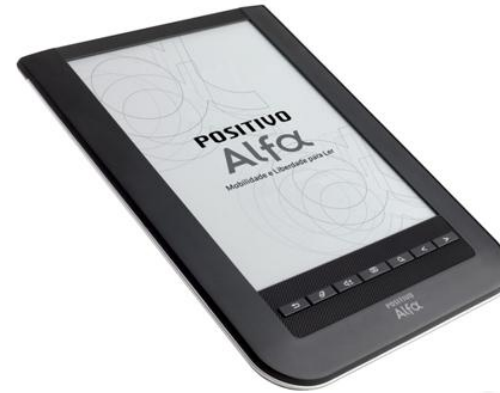
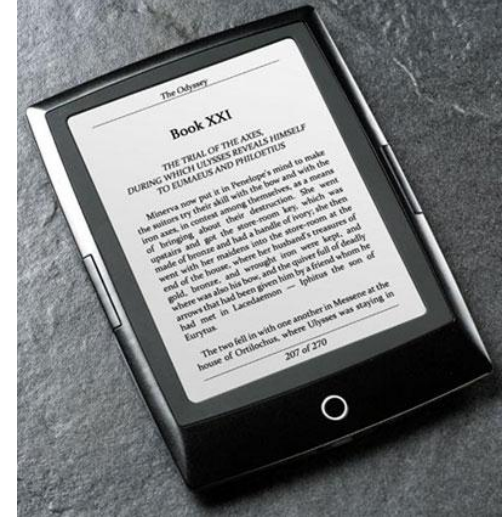
Genre profiles

E-book genre - Fiction



E-book genre - Professional/Business





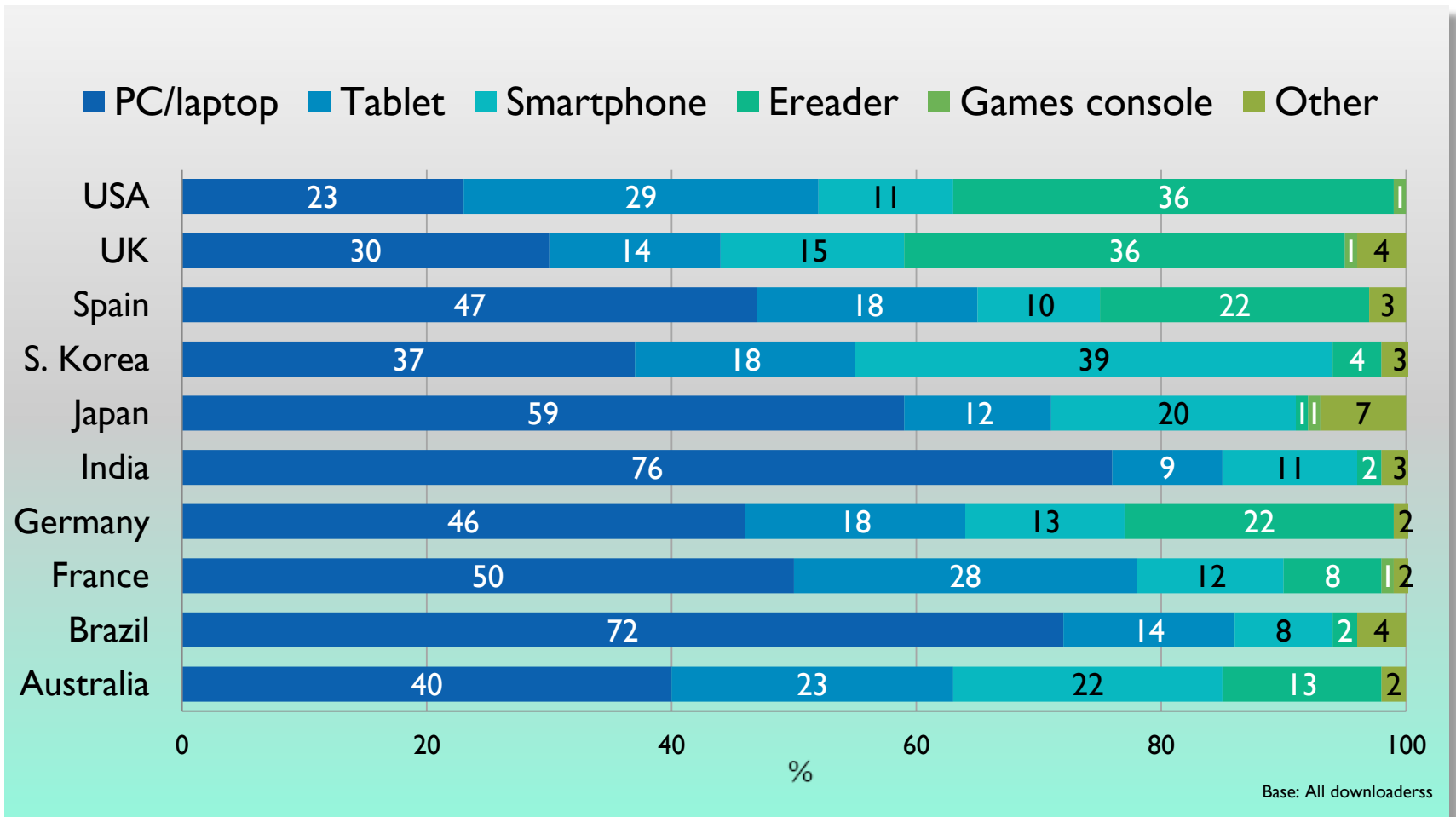
Crowded E-Reader Market



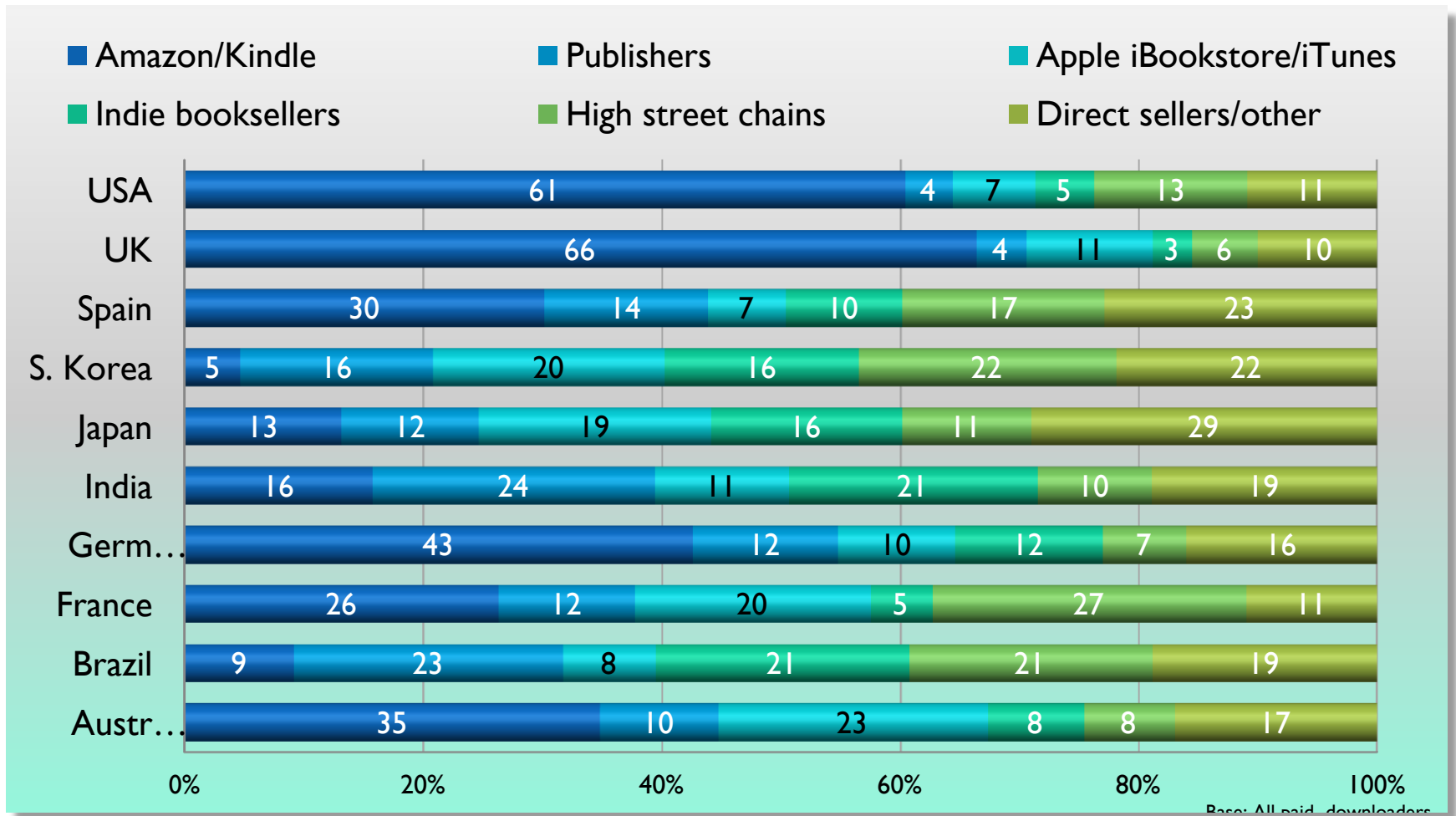
이것은 전자책의 혁신이다
전자책을 읽는 새로운 방식
KYOBO eReader



Devices used most often for reading



E-book purchase sources





Thank you

Angela Bole
Deputy Executive Director
Book Industry Study Group

Website: www.bisg.org

Email: angela@bisg.org