Enlightening European eBook Markets
Status and outlook for a collaborative effort

4th International Digital Distributors
Meeting (Madrid, 7th and 8th June 2017)
Top 6 publishing markets

(Aggregated growth, 2011 – 2015, in % per year)

- **China**: 0% → 11% → 20% → 26% → 34%
- **United States**: 0% → 1% → -2% → 2% → 2%
- **United Kingdom**: 0% → 5% → 3% → 1% → 1%
- **Germany**: 0% → -1% → -1% → -3% → -4%
- **France**: 0% → -1% → -4% → -6% → -5%
- **Japan**: 0% → -2% → -4% → -8% → -10%

<table>
<thead>
<tr>
<th>Year</th>
<th>China</th>
<th>United States</th>
<th>United Kingdom</th>
<th>Germany</th>
<th>France</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>2012</td>
<td>11%</td>
<td>1%</td>
<td>5%</td>
<td>-1%</td>
<td>-1%</td>
<td>-2%</td>
</tr>
<tr>
<td>2013</td>
<td>20%</td>
<td>-2%</td>
<td>3%</td>
<td>-1%</td>
<td>-4%</td>
<td>-4%</td>
</tr>
<tr>
<td>2014</td>
<td>26%</td>
<td>2%</td>
<td>1%</td>
<td>-3%</td>
<td>-6%</td>
<td>-8%</td>
</tr>
<tr>
<td>2015</td>
<td>34%</td>
<td>2%</td>
<td>1%</td>
<td>-4%</td>
<td>-5%</td>
<td>-10%</td>
</tr>
</tbody>
</table>
UK Publishers' net sales
(2009 - 2015, m£)

- Physical + Digital
- Physical (domestic + exports)
- Digital
- Domestic (physical)
- Export Physical

Million £

Book retail sales in Germany
(2008 to 2016, % over prev. year)

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>All retail channels</td>
<td>2,8%</td>
<td>0,4%</td>
<td>-1,8%</td>
<td>-1,0%</td>
<td>0,0%</td>
<td>-2,1%</td>
<td>-1,7%</td>
<td>0,8%</td>
<td></td>
</tr>
<tr>
<td>(incl. Digital BMB)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stationary retail</td>
<td>0,0%</td>
<td>-2,8%</td>
<td>-3,0%</td>
<td>-3,7%</td>
<td>0,9%</td>
<td>-1,2%</td>
<td>-3,4%</td>
<td>-2,1%</td>
<td></td>
</tr>
<tr>
<td>(Barumsatz Sortiment, BMB)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fiction (Belletristik), from prev. year</td>
<td>8,1%</td>
<td>6,9%</td>
<td>-0,9%</td>
<td>-0,1%</td>
<td>0,8%</td>
<td>-3,5%</td>
<td>-6,7%</td>
<td>-1,6%</td>
<td>-0,5%</td>
</tr>
</tbody>
</table>

Fiction is much more than just 1 category
Understanding ebook market forces???

<table>
<thead>
<tr>
<th>Country</th>
<th>2016 (m US, curr.)</th>
<th>2016 (%)</th>
<th>2015&gt;2016 in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>US (Jan - Nov 2016)</td>
<td>1100</td>
<td>23%</td>
<td>-16%</td>
</tr>
<tr>
<td>UK</td>
<td></td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td></td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td></td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td></td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Italy (2015)</td>
<td></td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td></td>
<td>6.6%</td>
<td>7%</td>
</tr>
</tbody>
</table>

We want to do better!

And yes! We can!
Global eBook report 2017 >>>
A collaborative effort, started in 2016

- Bookwire (DE)
- Readbox (DE)
- Edigita (IT)
- CB (Central Boekhuis, NL)
- Gallimard/Madrigal (FR)
- Biblio (Slo)
- Ingram (int.)
- Rakuten Kobo (int.)

- Share sales data
- Aggregate data to anonymize figures
- Standardize indicators (e.g. price, genre, channel)
- Develop smart graphics
- Define lessons to be learned & take away value for stakeholders (distributors, authors, publishers, marketeers, media)
- Create training & related services
- Standardize service modules
Zoom into ebooks

- Understanding the many faces of readers

  - By market
  - By price
  - By genre
  - By retail channel
  - By context
Zoom into ebooks

Understanding the many faces of readers

1. Distinguish between revenue & volume (units)

With ebooks, two largely separate segments have developed:

- „D2C“ Cheap + digitally driven + mass market + genre fiction
- High priced ebooks from publishers
Ebook sales (imports from Ingram) into 5 EU countries, by volume and value (2016, Ingram)

5 – 9.99 $
Volume & value roughly equal

10 – 29.99 $
Middle volume & high value

Germany (units)
France (units)
Italy (units)
Netherlands (units)
Spain (units)
Germany (income)
France (income)
Italy (income)
Netherlands (income)
Spain (income)
Ebook sales in Germany in 2016 by volume & by value, at price points (Bookwire)

- 0.01 – 4.99 €: 57% of units sold
- Over 10 €: 48% of all income
Ebook unit sales **Germany** > A different title selection

*(Readbox Paid unit sales, 2016, in %)*

94% of all unit sales under 10 €
Italy: Ebook sales by volume & value at price points (2016, edigita)
Netherlands: Ebook sales by volume & value

(Centraal Boekhuis, 2016)
Share of top100 bestselling titles in unit sales
(DE, FR, IT, NL, (Kobo, 2013 - 2016, %))

- DE
- FR
- IT
- NL

2013 vs 2016
Unit sales by price point at Kobo in Germany, France, Italy and the Netherlands (2016, in %)
### Share of non-English unit sales from in DE, FR, IT & NL (Kobo, 2013 to 2016, in %)

<table>
<thead>
<tr>
<th></th>
<th>DE</th>
<th>FR</th>
<th>IT</th>
<th>NL</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>87</td>
<td>92</td>
<td>97</td>
<td>70</td>
</tr>
<tr>
<td>2014</td>
<td>88</td>
<td>93</td>
<td>97</td>
<td>70</td>
</tr>
<tr>
<td>2015</td>
<td>90</td>
<td>95</td>
<td>98</td>
<td>75</td>
</tr>
<tr>
<td>2016</td>
<td>90</td>
<td>96</td>
<td>98</td>
<td>76</td>
</tr>
</tbody>
</table>
Germany: Change in units sold & revenue generated, in different price ranges (2015 > 2016, in %, Bookwire)

<table>
<thead>
<tr>
<th>Price Range</th>
<th>Units 2015 &gt; 2016, in %</th>
<th>Revenue 2015 &gt; 2016, in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 - 7,99 €</td>
<td>-1%</td>
<td>-6%</td>
</tr>
<tr>
<td>8 - 9,99 €</td>
<td>-5%</td>
<td>-14%</td>
</tr>
<tr>
<td>10 - 12,99 €</td>
<td>96%</td>
<td>81%</td>
</tr>
<tr>
<td>13 - 14,99 €</td>
<td>32%</td>
<td>26%</td>
</tr>
<tr>
<td>15 - 19,99 €</td>
<td>26%</td>
<td>24%</td>
</tr>
<tr>
<td>&gt; 20 €</td>
<td>10%</td>
<td>6%</td>
</tr>
<tr>
<td>Total</td>
<td>24%</td>
<td>16%</td>
</tr>
</tbody>
</table>
Germany: Decline in the middle pricing range
(Bookwire, 2015 > 2016)
Germany: Decline in the middle pricing range

(Bookwire, 2015 > 2016)

Beware of methodology & mistakes! Work from absolute figures for basics!
Italy: Unit sales in fiction & subcategories
(2016, edigita)
Germany ebook unit sales by genre

(Readbox, 2016, in %)

Childrens book
Self Help
Law, Economy
SciFi
Fantasy
Romance
Thriller / Suspense
Fiction other
Italy: Fiction ebook unit sales by genre (edigita, 2016)
Comparing ebook unit sales by genre
Germany - Spain - Brazil
(Bookwire, 2016)
Ebook reading has 2 Seasons: Summer & Xmas (Italy/edigita, Germany/Bookwire, 2016)

Annual sales distribution in Italy (edigita)

Annual sales distribution in Germany & Spain (Bookwire, by quarter, 2016)
Italy: Fiction ebook unit sales by genre (edigita, 2016)
Netherlands: Ebook unit sales by genre
(Centraal Boekhuis, 2016)

Units (#) in %
- Educational (000, 100, 900)
- Management (800)
- Human Development (700)
- Travel (500)
- Non-fiction (400, 600)
- Children and Young Adult (200)
- Fantasy (334)
- Thrillers and suspense (305, 313, 330, 331, 332, 335, 336, 337, 338, 339, 364)
- Science Fiction (333)
- Romance (343)
- Fiction (rest 300)

Income (€) in %
- Educational (000, 100, 900)
- Management (800)
- Human Development (700)
- Travel (500)
- Non-fiction (400, 600)
- Children and Young Adult (200)
- Fantasy (334)
- Thrillers and suspense (305, 313, 330, 331, 332, 335, 336, 337, 338, 339, 364)
- Science Fiction (333)
- Romance (343)
- Fiction (rest 300)
Ebook prices top10 at Amazon & domestic retailers
(DE, FR, IT, SP, in €, 2013 - 2017)

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Amazon Kindle pricing

Median ebook price of any €€€ Kindle topseller list

€ 2,99

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<table>
<thead>
<tr>
<th>(Amazon Kindle March 2017)</th>
<th>Italy</th>
<th>France</th>
<th>Spain</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1,99</td>
<td>0,99</td>
<td>2,99</td>
</tr>
<tr>
<td>2</td>
<td>1,99</td>
<td>2,99</td>
<td>2,99</td>
</tr>
<tr>
<td>3</td>
<td>1,99</td>
<td>2,99</td>
<td>2,99</td>
</tr>
<tr>
<td>4</td>
<td>2,99</td>
<td>0,99</td>
<td>1,89</td>
</tr>
<tr>
<td>5</td>
<td>5,99</td>
<td>2,99</td>
<td>1,89</td>
</tr>
<tr>
<td>6</td>
<td>2,99</td>
<td>4,99</td>
<td>6,64</td>
</tr>
<tr>
<td>7</td>
<td>2,99</td>
<td>2,99</td>
<td>1,15</td>
</tr>
<tr>
<td>8</td>
<td>8,99</td>
<td>2,99</td>
<td>2,99</td>
</tr>
<tr>
<td>9</td>
<td>4,99</td>
<td>2,99</td>
<td>9,49</td>
</tr>
<tr>
<td>10</td>
<td>1,99</td>
<td>3,99</td>
<td>5,69</td>
</tr>
</tbody>
</table>

| Ave. Price | € 3,59 | € 2,74 | € 3,87 |
| Median | € 2,99 | € 2,99 | € 2,99 |

<table>
<thead>
<tr>
<th>(weekly snapshot March 2017)</th>
<th>Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ave. Price</td>
<td>€ 2,95</td>
</tr>
<tr>
<td>Median</td>
<td>€ 2,99</td>
</tr>
</tbody>
</table>

| Ave. Amazon | € 2,58 |
| Median Amazon | € 2,99 |

| Ave. non Amazon | € 3,93 |
| Median non Amazon | € 2,99 |

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- Define lessons to be learned & take away value for stakeholders (distributors, authors, publishers, marketeers, media)
- Create training & related services
- Standardize service modules

- Enhance and deepen collaboration
- Guarantee trusted environment (re: data, and re: eventual competition between participating players)
- Standardize elements & reporting
- Generate standardized services
- Raise money

Create a toolset for developing digital consumer markets for books!
Thank you!

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@wischenbart

Ready for download now!