Ebooks in 2020

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Creative Disruption

Creative Disruption is the notion that in the digital era traditional industries are being disrupted by new creative competitors offering either brand new services (like Google) or the same service radically reinvented (like Amazon).

When this happens traditional businesses, such as publishers, need to fundamentally change the way they operate or they will struggle to survive.

(Simon Waldman, *Creative Disruption*)
Technology as a catalyst for change

- New ways of creating/distributing content
- Lowering costs through efficiencies / disintermediation
  Offering more sophisticated services, as well as products
  Facilitating direct relationship with customers
- Channel diversification = lower reliance on one type of customer/supplier
Business Models

- Sale or return
- Consignment
- Subscription
- Advertising
- Library Lending
- Rental & e-lending
- Donations
- Bundling
- Pay per chapter
- Crowd funded
- Freemium
- Advertorial
- Open Access
- Pay wall
- Print on demand
- Patron driven
- Pay per use
- Micropayments
Traditionally, consumer sales data is collected from point of purchase. Omits direct/B2B sales.

Online vendors are reluctant to provide e-book sales data, therefore new panels have been negotiated with publishers supplying data.

Be wary of percentages, extrapolations, exaggerations and making comparisons between countries.
Size of the consumer book publishing market

Ebooks vs Print and audiobooks

PWC Global entertainment and media outlook: 2013-2017 cited by PaidContent
What we know

- Rate of consumer e-book sales growth in US has begun to slow down at 27% market share (UK will follow).

- Print and e-book sales combined show market growth by vol & value...?

- Average e-book prices higher in US than UK. VAT absorbed by publishers.

- Increase in direct sales: especially Academic, professional, STM.

- Bookshops seeing 10-20% drop in physical sales.

- The digital textbook tipping point is on the horizon.

- Game apps are more popular and successful than e-book apps.

Amazon dominates through scale.
What we don't know...

Kindle Direct Publishing (ASIN not ISBN)
Barnes & Noble PubIt
Self-published (Smashwords, Unbound)
B2B and direct to consumer
Bundles, subscriptions, rentals, or loans
Educational software and virtual learning environments
“The best way to predict the future is to create it”
Sharable  Linked

Reader Friendly

Beautiful  Customisable
Wouldn’t it be cool if...

…every citation in every e-textbook hyperlinked to the full text.

…and when you visited a town your ebookstore told you which titles were geo-relevant to that location.

…and if every song, person, object or concept in a book was linked to all the data held online about those things.

…and you could tell a friend about the amazing novel you just read and then swipe it over to their phone.

…and every ebook you bought came with added benefits like a discount on the print or audiobook.

…and ebooks were works of art like their printed equivalents.

…and your ebook library told you when your favourite author was doing a book launch nearby.

…and you could select the chapters from your course reading list to create custom textbooks.
Predictions

Rise of e-books = Decline of Print
- Market cannibalisation not market growth
- Small print runs resulting in higher RRP

Digital products cost less
- Luxury product high production values

Reduced barriers to entry
- More big name authors going it alone
- Continued growth of self-publishing

Customer Driven Services
- Media bundling (book + ebook + audiobook)
- Increased sharing
- Drop & drag customisation

Low Risk Commissioning: Market Censorship
- Booming backlist, cautious frontlist, shrinking midlist

Fighting for relevance
- Bookshops, libraries, newspapers, publishers
Further Reading

*Creative Disruption* by Simon Waldman, FT Prentice Hall


*Books and Ebooks – UK Market – September 2013*, Mintel available via the Brookes library at <http://capitadiscovery.co.uk/brookes/items/703399?query=mintel&resultsUri=items%3Fquery%3Dmintel>


Pew Internet and American Life Project Reports available at <http://pewinternet.org>