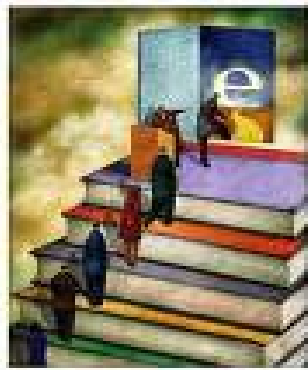


Understanding the Digital Consumer



BIC Supply Chain Seminar at LBF
13th April 2011



Bowker.

Main data sources

- 1) BML's ***Books & Consumers*** in the UK
 - 15,000 panel, fortnightly online interviews
 - representative GB population aged 13-79
 - all new book & ebook purchases

- 2) *Understanding the Digital Consumer* in the UK
 - private study
 - three stages – 2 omnibus Aug 2010 and Feb 2011, 4k representative sample in each
 - focus groups November 2010

- 3) Bowker's *PubTrackConsumer* in the US

- 3) BISG's *Consumers Attitudes to Ebook Reading* in the US

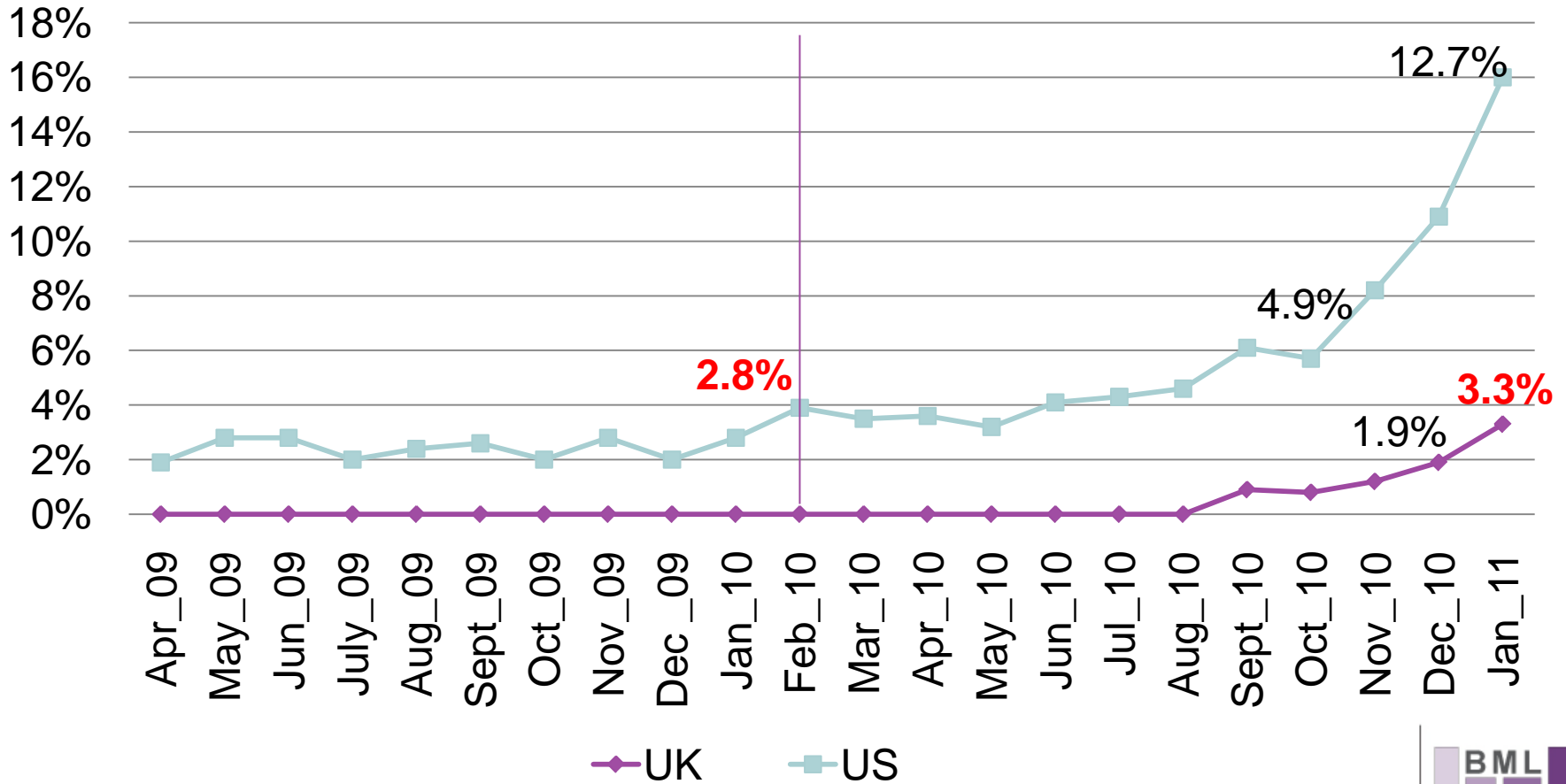


SETTING THE SCENE



Where we are now

% of all book buyers buying an ebook that month



Source: US Bowker PubTrack Consumer / GB BML Books & Consumers

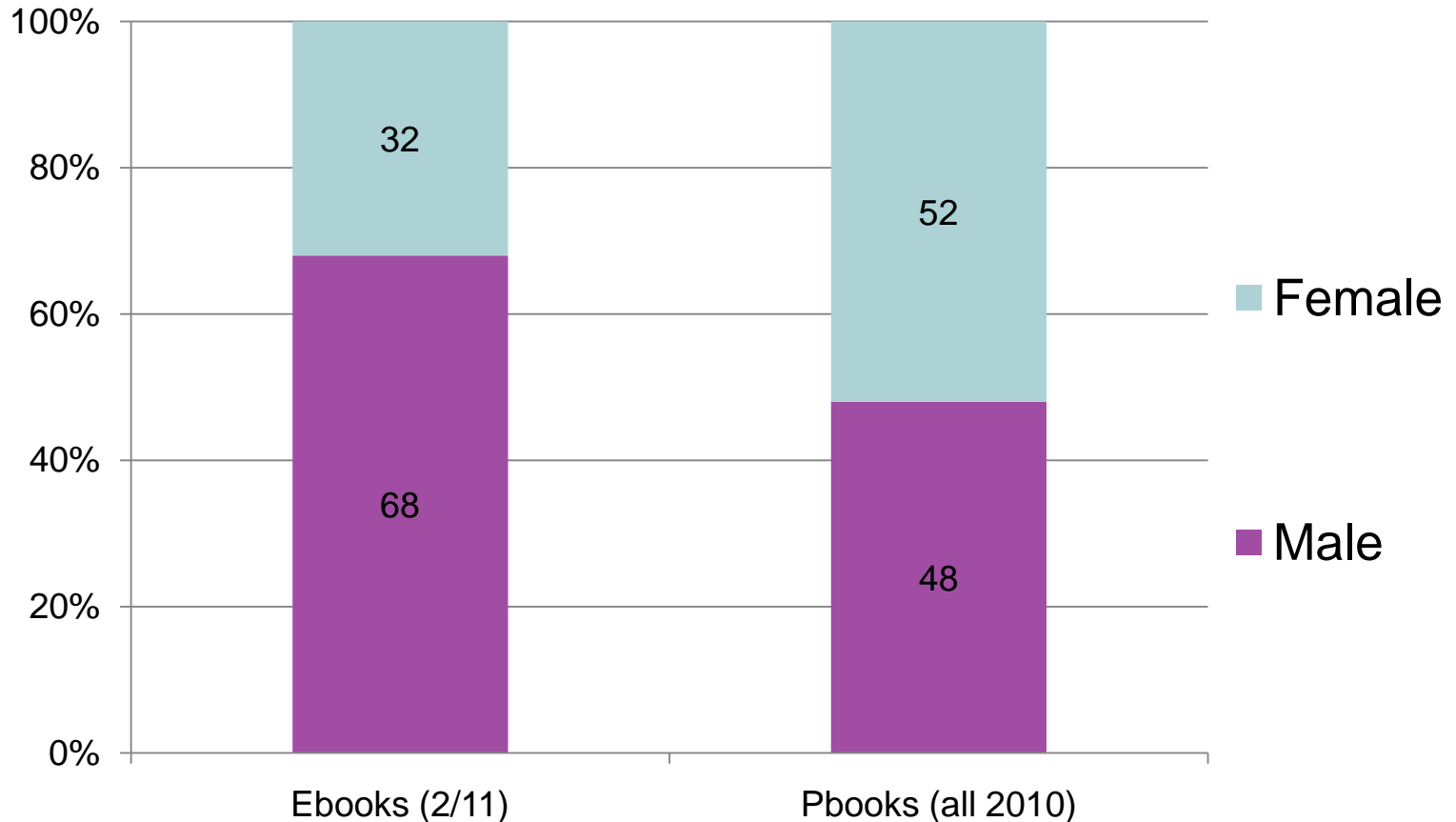


How it stacks up in the UK

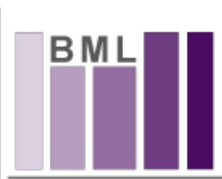
- 22% have downloaded at all to Feb 2011:
 - 18% for free
 - 11% paid for (up from 7% in August 2010)
- 71% no interest at the moment
- 5m people say they will pay in future



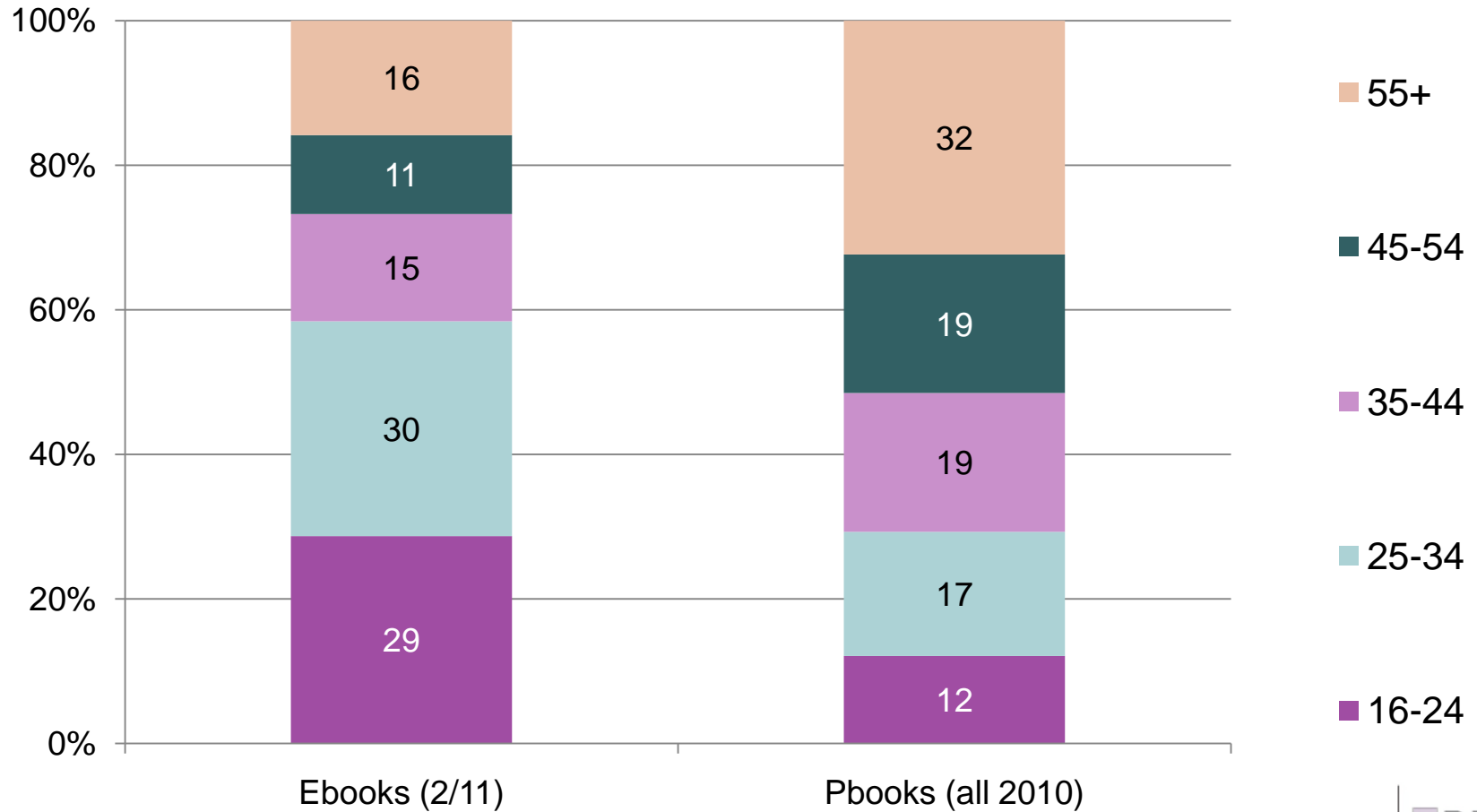
Males are currently the primary buyers of ebooks



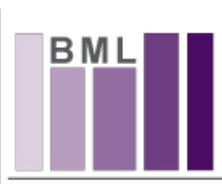
Base: All paid for downloaders/GB population



And nearly 60% are under 34



Base: All paid for downloaders/GB population

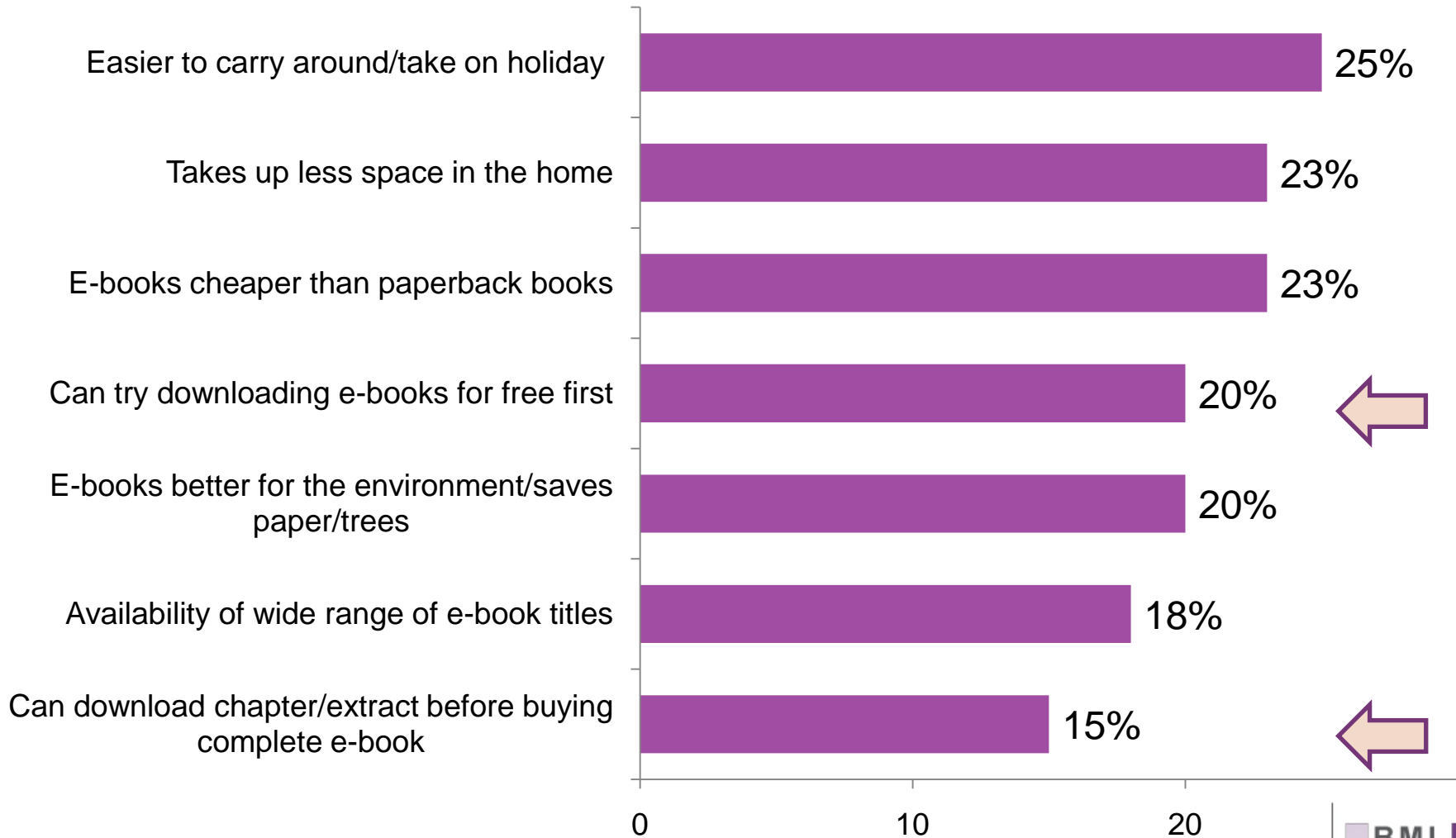


MARKET DRIVERS



Bowker.

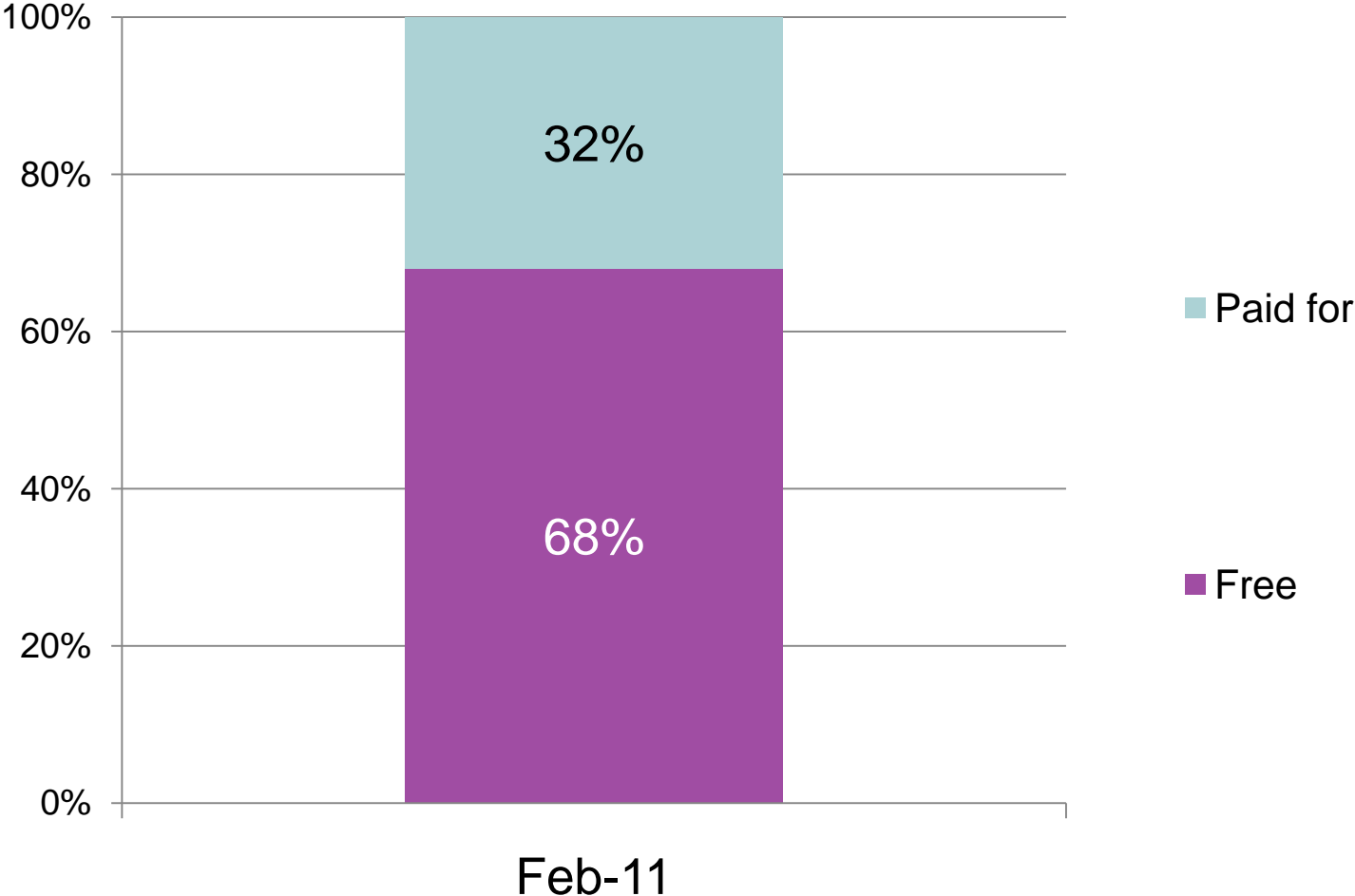
'Free' is important



Base: All downloaders (UK)



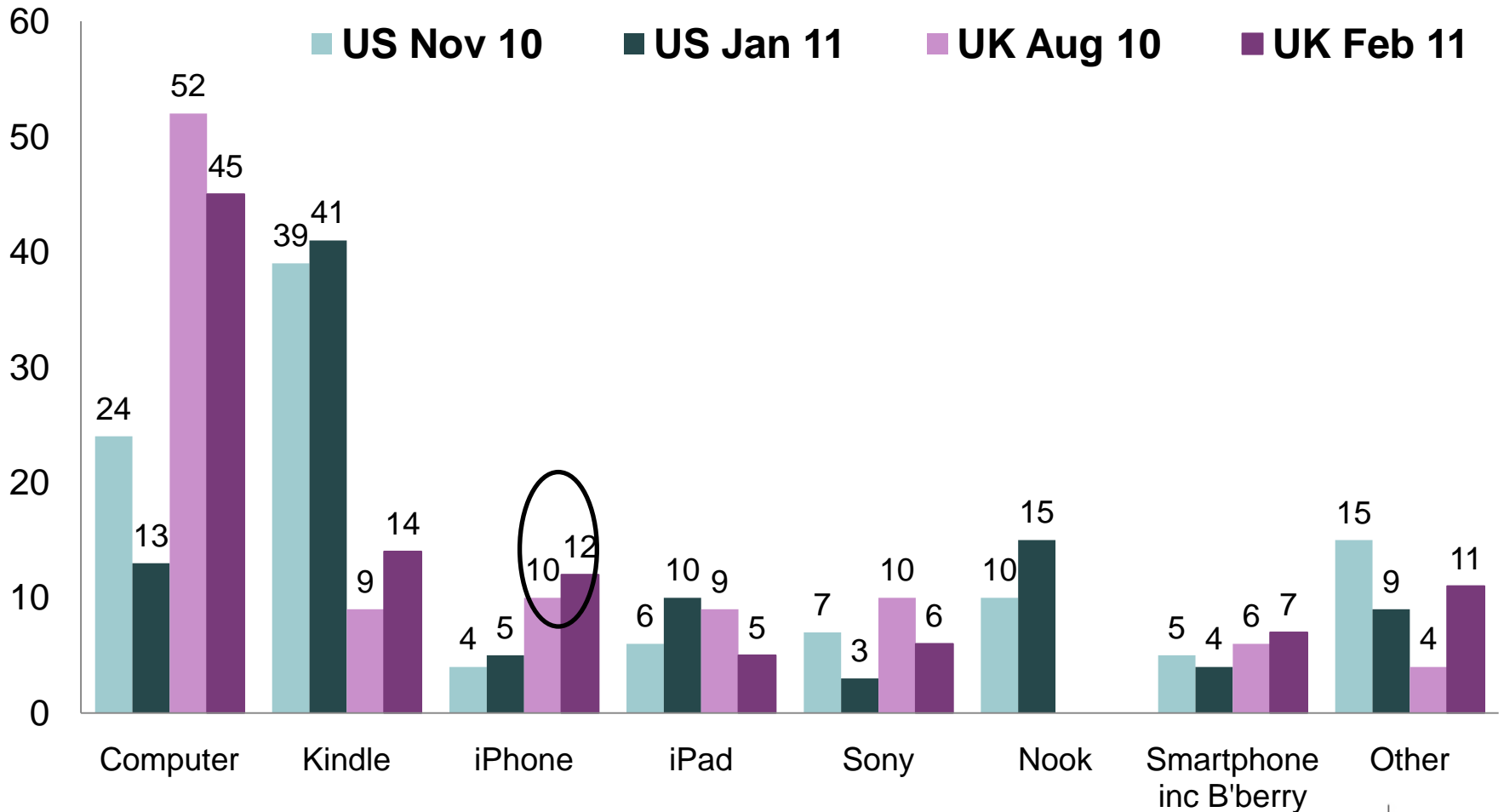
Free vs paid for



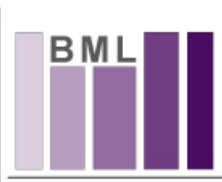
Base: All paid for downloaders (UK)



Device used most often to read

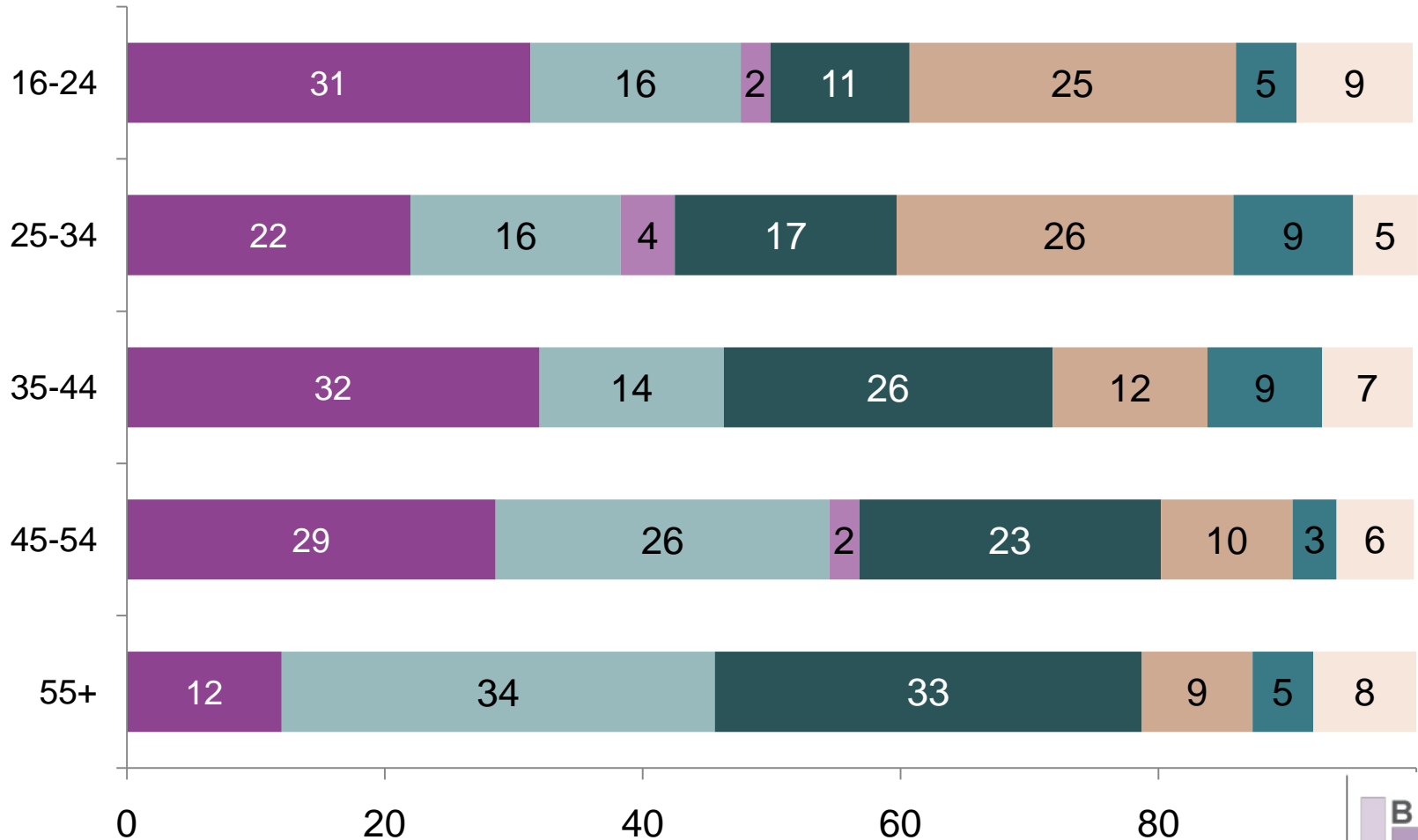


Base: All ebook readers (UK)



Device ownership by age

Laptop Desktop PC Games console Any eReader Any Smartphone Any Tablet Other



Base: Downloaded in last 6 months (UK)

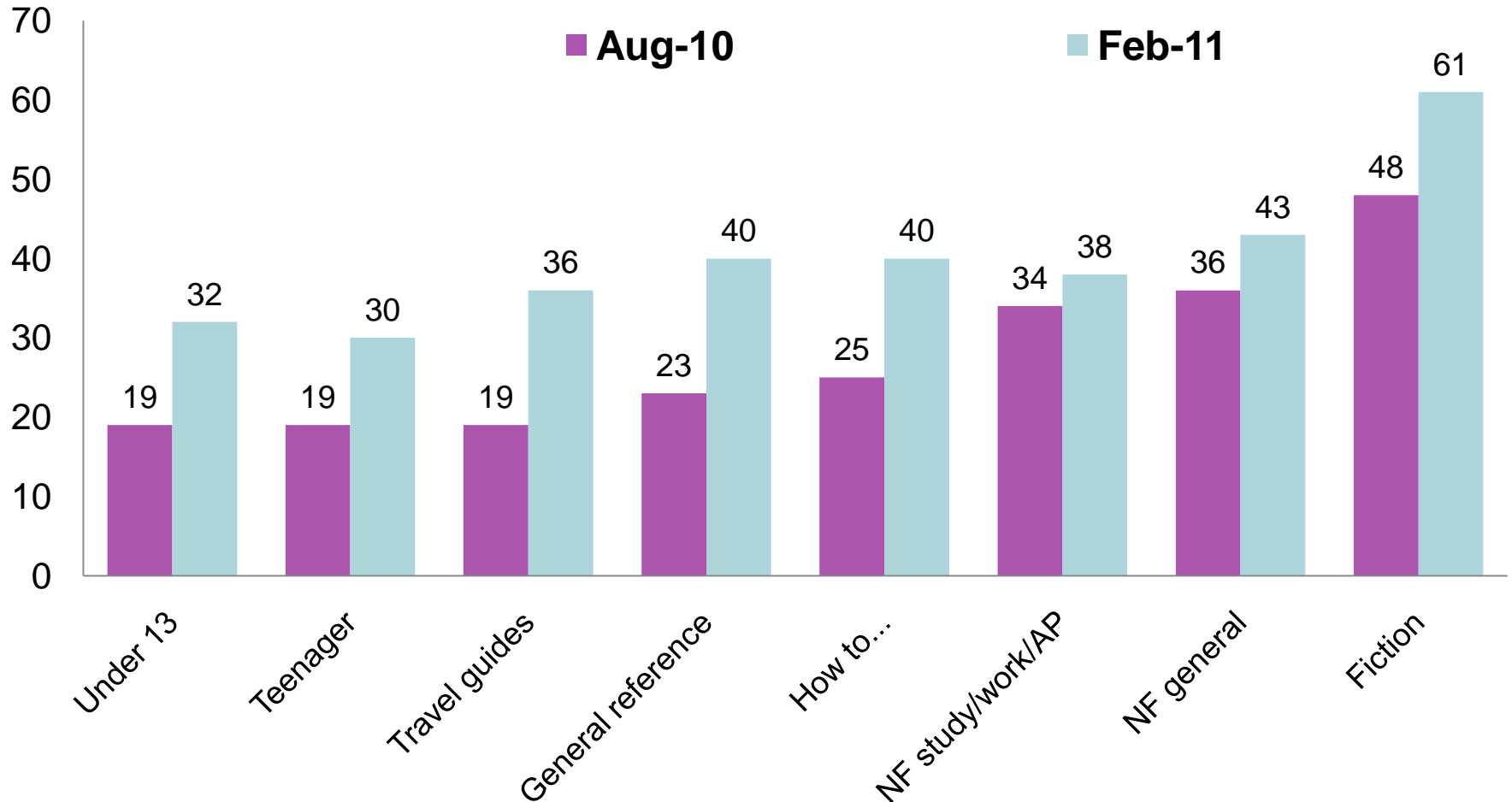


Bowker.

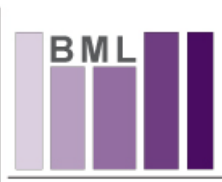
IMPACT ON THE BOOK MARKET



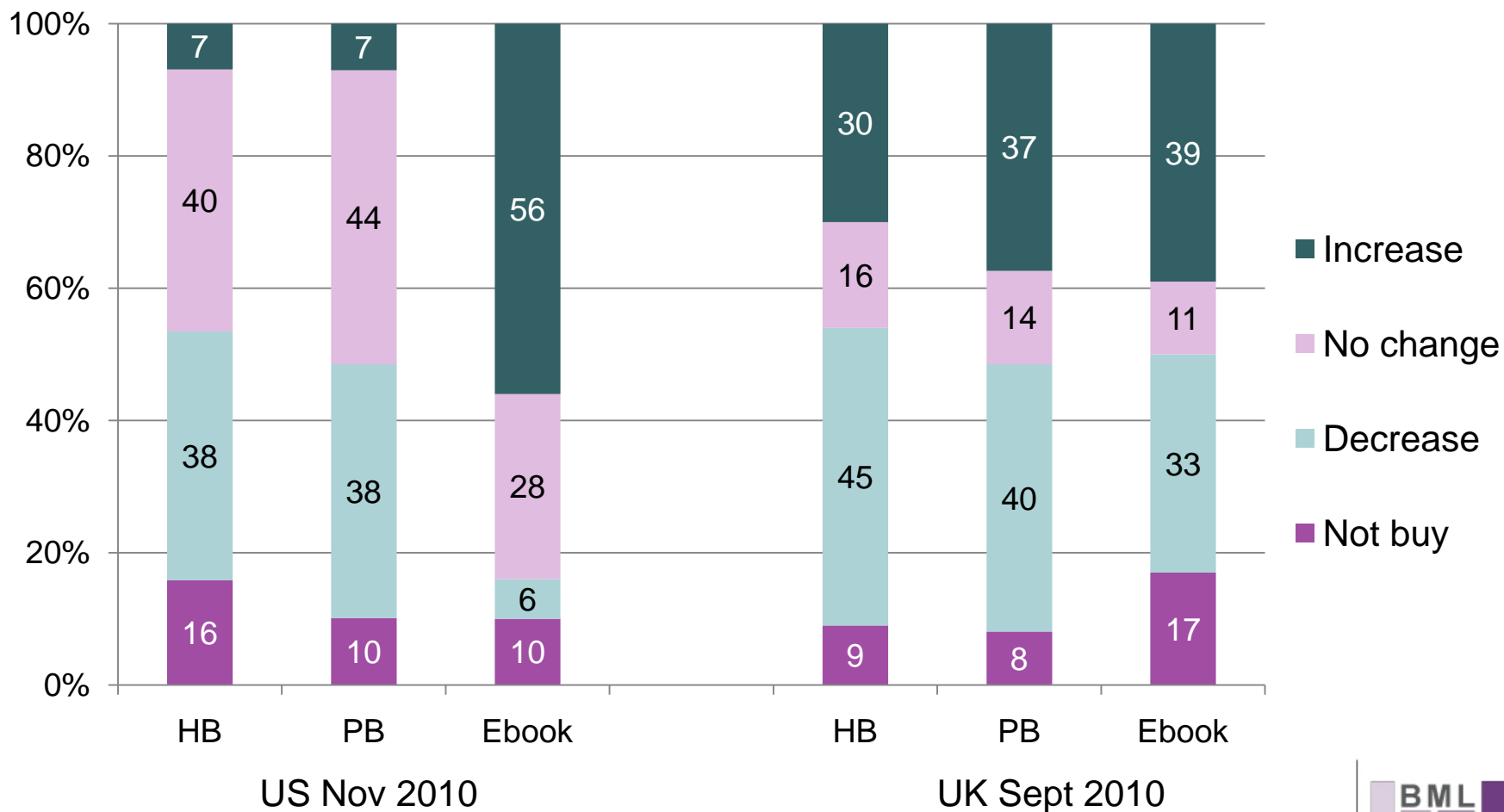
Genres ever paid to download



Base: All ever paid to download (UK)



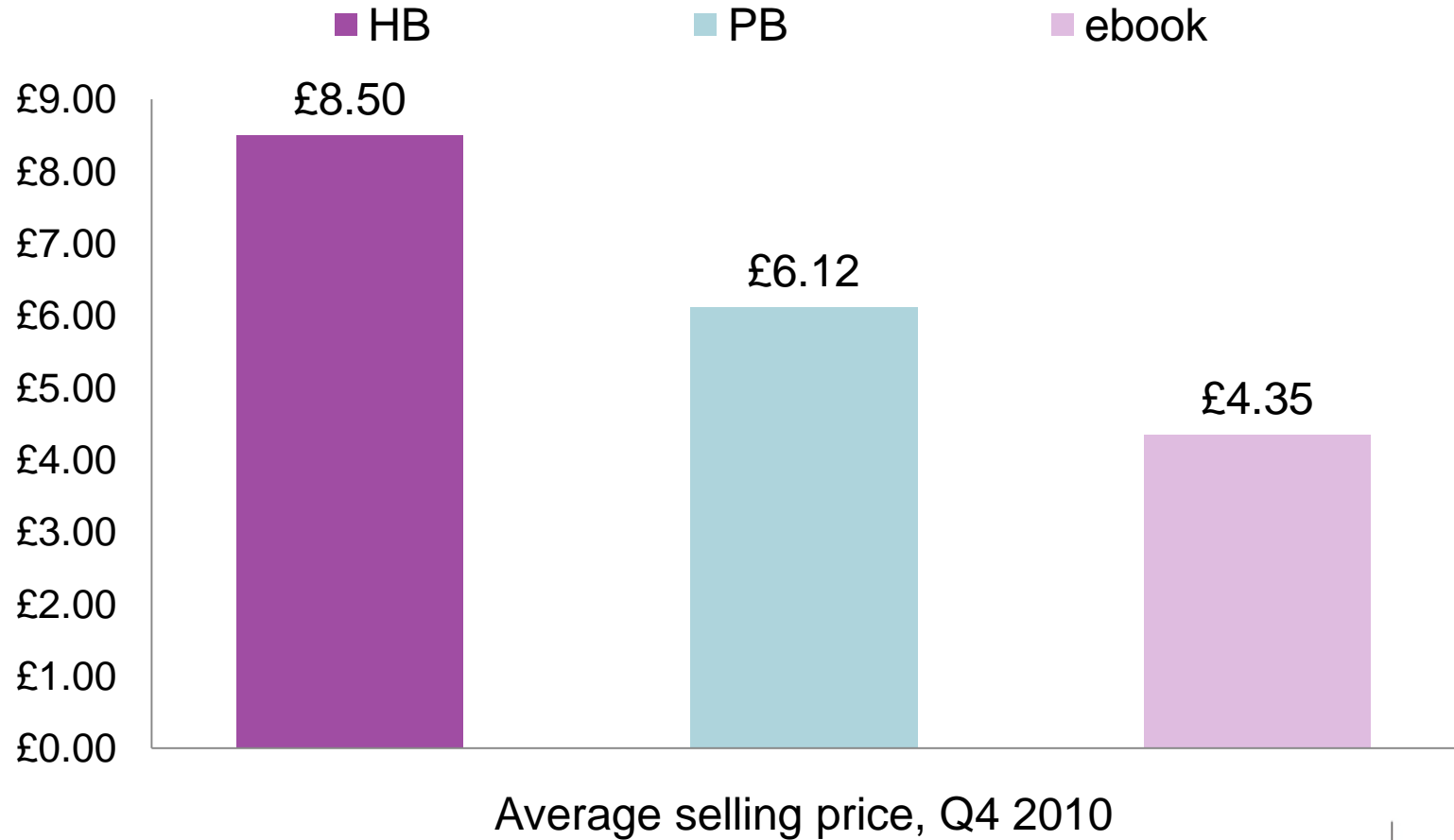
Purchase changes in past 12 months (US) / 6 months (UK)



Base: Ebook buyers (US), all past downloaders (UK)



Pricing



Base: All book purchases Q4 2010 (B&C)



Consumer views

They haven't got the risk of doing a print run and then not selling it, or misprints which need recall and reprints

The price of the digital book needs to be a lot cheaper because of all the stuff on the net that is free

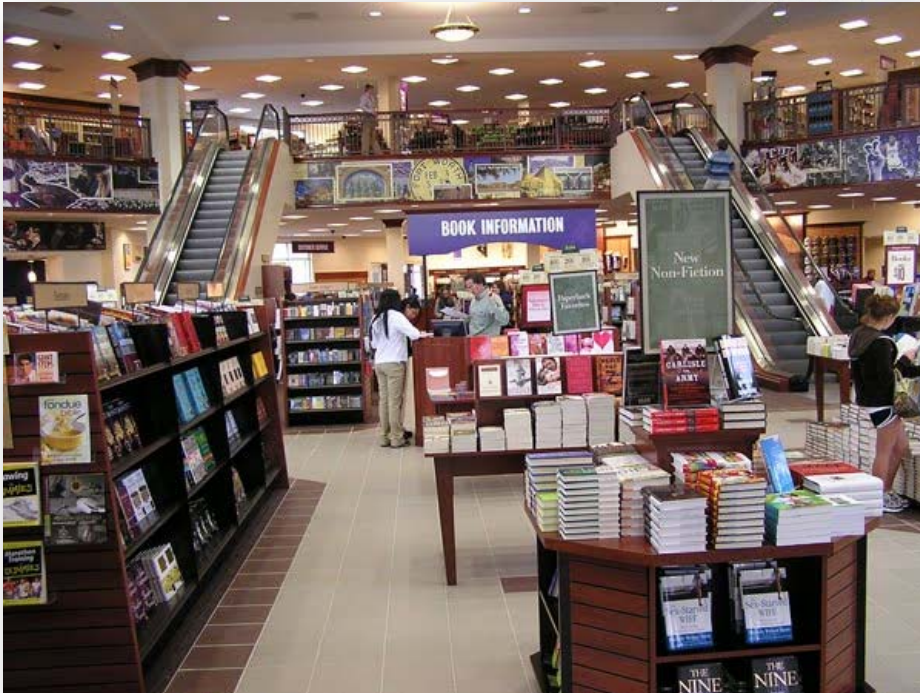
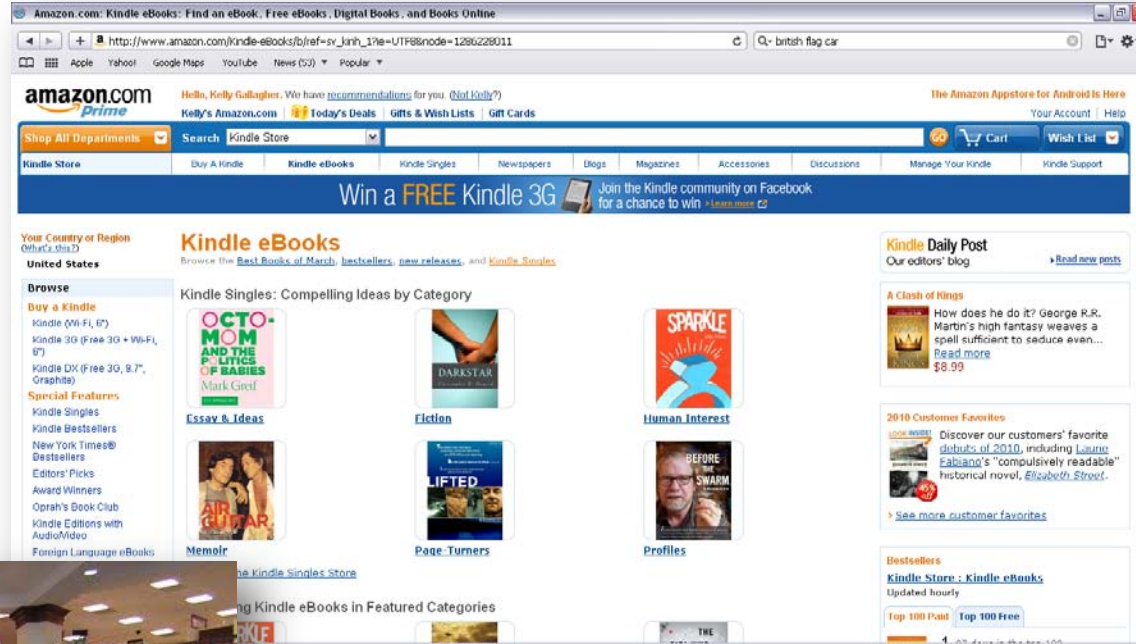
If it's the same price it would put me off a bit. I know it's portable, etc, but I'm getting nothing and with a book I'm getting something physical



WHAT'S AHEAD?



Discoverability

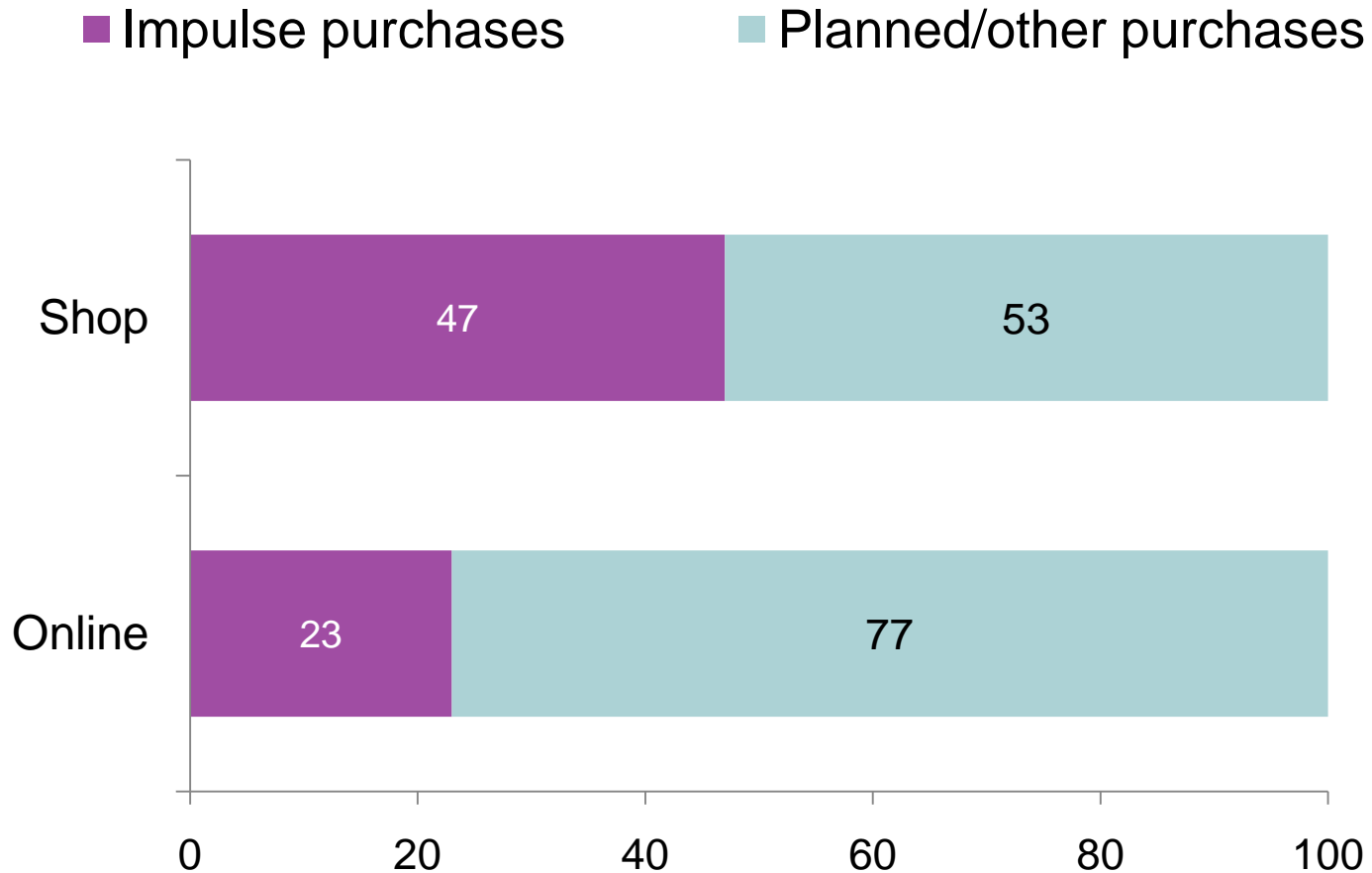


75 vs 1000s



Bowker.

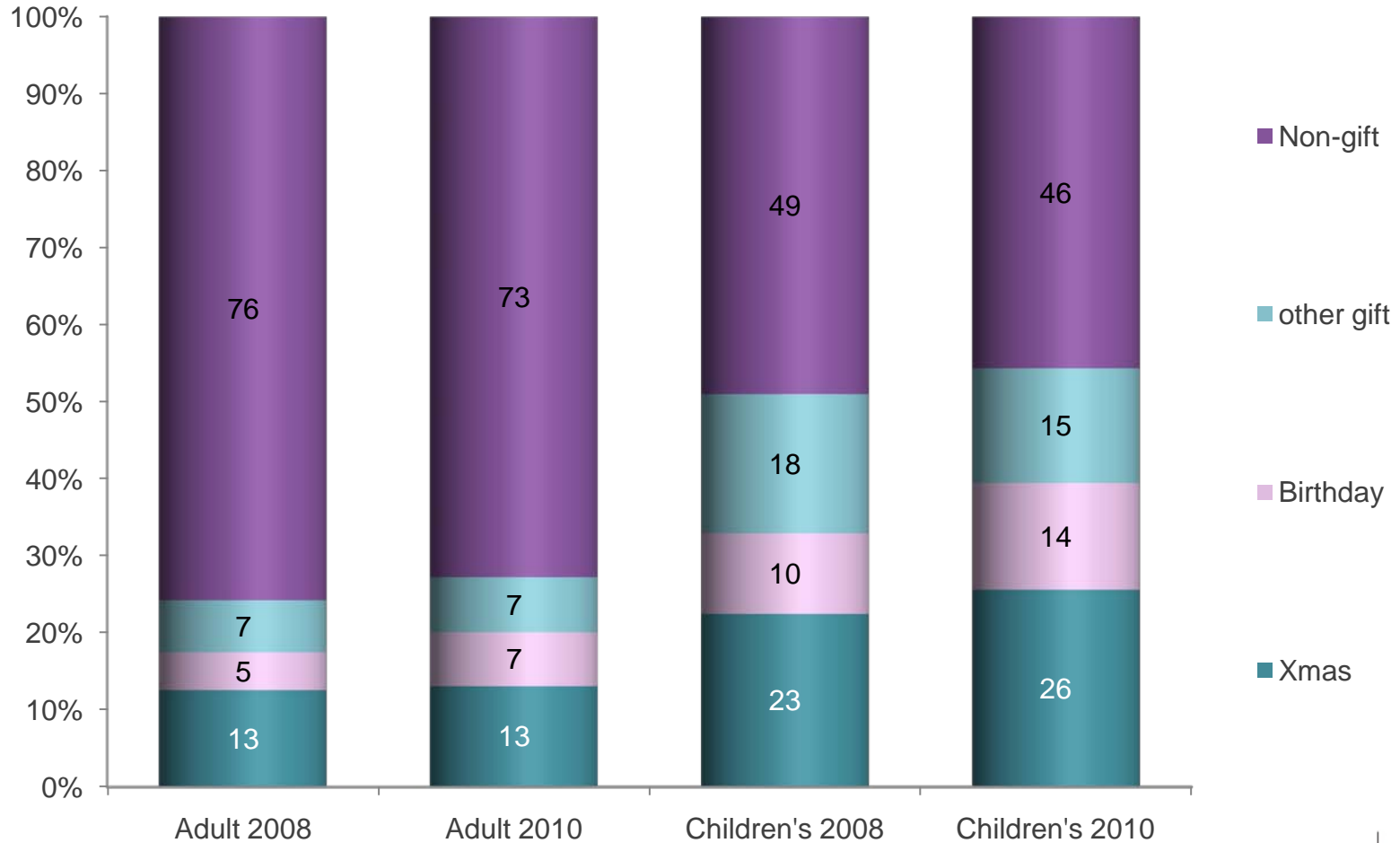
Impulse vs planned



Base: All books bought in 2010 (B&C)



Gifting



Base: All books bought 2008/2010 (B&C)



Keep your perspective!



Bowker.

Thank You!

Jo Henry

BML, St. Andrew's House,

18-20 St. Andrew's Street, London EC4A 3AG

jo@bookmarketing.co.uk / www.bookmarketing.co.uk

Tel. 0207 832 1782



Bowker.