



Print is alive and well – at least for books

Deloitte predicts that in 2015 print will represent more than 80 percent of all book sales in dollars worldwide.²⁴⁴ In the US, the world's largest book market, the figure is lower at just under 80 percent,²⁴⁵ but the percentage of print is higher in other developed world countries, and even more so in the developing world.²⁴⁶

A decade on from the launch of the eReader,²⁴⁷ print will dominate book sales even in markets with high digital device penetration. Over 30 percent of Americans own an eReader, over 40 percent have tablets,²⁴⁸ and ownership of smartphones is likely more than 60 percent by the start of 2015. As can be seen in Figure 2, eReaders are not as popular in other countries, and there are some differences when we look at device ownership by millennials (generally defined as 18-34 year olds, although there are other definitions).

Print is likely to generate the majority of books sales for the foreseeable future: eBook sales volumes have hit a plateau, or seen decelerating growth, in major markets including the US, UK and Canada.²⁴⁹ This has occurred only over the last year, but as of early December 2014, US print book sales were up two percent year over year.²⁵⁰ The longer-term trend has not been as good. Although eBooks do not make up the majority of the book market, they have taken significant share: in the period 2008-2013 total US book sales were up eight percent to \$15 billion and eBook sales were \$3 billion. If eBooks are removed from the total, book sales would be down eight percent over that time frame.²⁵¹

In some print markets, such as newspapers, most of the demand is being driven by older consumers who grew up in a print-only world. This is not the case for books. The aversion of millennials to physical CDs, DVDs, print newspapers or magazines does not extend to print books.

Younger readers are still reading, and in print:²⁵² 92 percent of 18-29 year-old book readers in the US read in print in 2013, above the average for the population as a whole.²⁵³ Three-quarters of millennials read a print book, but only 37 percent read an eBook. Four-fifths of 18-29 year old Americans have read at least one print book, and their median reading of five titles is the same as for other age groups.

They aren't just reading they are doing so intensely. In a different US survey, a quarter of 16-34 year-olds described books as a 'passion', in line with the average for all ages.²⁵⁴ Millennials were however more passionate about music (38 percent), equally passionate about movies, but less enthused about video games (16 percent). And just three percent proclaimed themselves passionate about magazines. Not only were younger respondents passionate about books, they were also particularly fond of print copy. Nearly half of 16-34 year-olds agreed that "eBooks will never take the place of real books for me." This was a similar proportion to older readers. Interestingly, 44 percent of 16-24 year-old females strongly preferred 'real' print books, but only a fifth of similarly-aged males felt that way.²⁵⁵

244. Measuring print versus digital books is challenging. Data is not gathered uniformly across countries; sometimes it is for all books, sometimes for consumer books only. Further, sales figures are sometimes in dollars and at other times in units. Finally, self-published books, whether print or digital, are usually reported inaccurately or not at all. The statistics cited are a mixture of various metrics, but all tell more or less the same story: the print book market tends to be at least four times larger than the eBook market in all countries. As some examples, the world's largest book market is the US, where over 80 percent of all trade book sales by dollar in 2013 were print. See: BookStats: Ebooks Flat in 2013, Digital Book World, 26 June 2014: <http://www.digitalbookworld.com/2014/booksstats-ebooks-flat-in-2013/>; Consumer books in Germany are about 95 percent print. See: From papyrus to pixels, The Economist, as accessed on 29 December 2014: <http://www.economist.com/news/essays/21623373-which-something-old-and-powerful-encountered-vault-in-japan-the-figure-is-85-percent>; In Japan the figure is 85 percent. See: E-Books set to surpass print in the US, Statista, as accessed on 29 December 2014: https://d28wbuch0jv7v.cloudfront.net/images/infografik/normal/chartoftheday_2823_Book_market_development_forecast_n.jpg In Canada it is at 83 percent. See: E-book sales and pricing trends, Booknet Canada, 27 March 2014: <http://www.booknetcanada.ca/blog/2014/3/27/ebook-sales-and-pricing-trends.html#VIR189h0xY> and only 14 percent of Francophones in Quebec bought digital books in the last year. See: Pas de percée majeure pour le livre électronique, La Presse, 19 November 2014: <http://www.lapresse.ca/arts/livres/2014/11/19/01-4820516-pas-de-percee-majeure-pour-le-livre-electronique.php> and in the UK 86 percent of book sales in 2013 were print. See: Nielsen Book: Total book market declined 4% in 2013, The Bookseller, 28 July 2014: <http://www.thebookseller.com/news/nielsen-book-total-book-market-declined-4-2013>. It is only a partial list, but publisher data across countries also supports the prediction that print will be over 80 percent of sales. See: Print, Digital book sales settle down, Publishers Weekly, 25 April 2014: <http://www.publishersweekly.com/pw/by-topic/industry-news/publisher-news/article/62031-print-digital-settle-down.html>

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246. In China there are no official book statistics, but estimates are 'low single digits' for eBooks. See: E-book sales to take off along with mobile devices, China Daily, 21 November 2014: http://usa.chinadaily.com.cn/special/2014/11/21/content_18954338.htm India also lacks overall official statistics, but print appears to dominate there as well. See: Struggling publishers look at India's thriving book market, Voice of America, 8 February 2013: <http://www.voanews.com/content/struggling-book-publishers-look-at-india-market/1599736.html>

247. Sony launches true electronic book, The Register, 25 March 2004: http://www.theregister.co.uk/2004/03/25/sony_launches_true_electronic_book/

248. Device Ownership Over Time, Pew Research Internet Project, as of January 2014: <http://www.pewinternet.org/data-trend/mobile/device-ownership/>

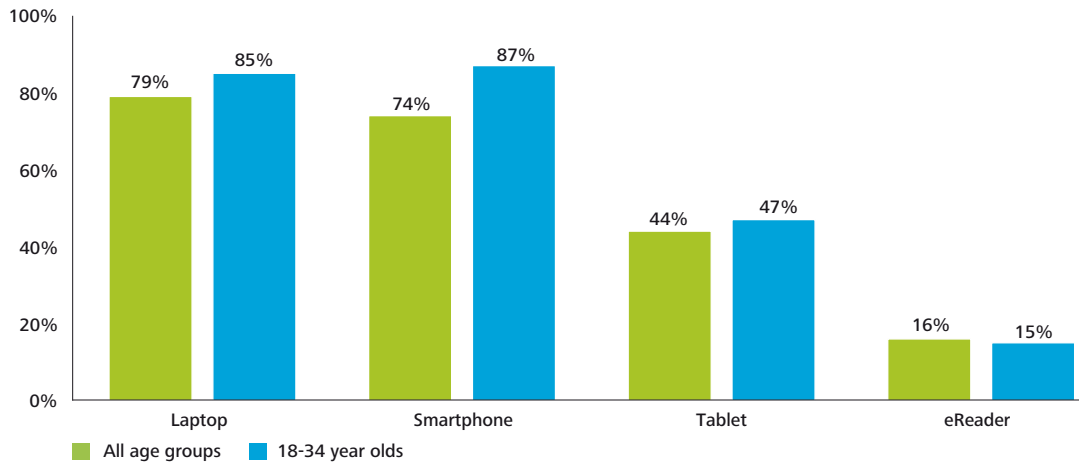
249. US sales were flat year over year; Canadian eBook share went from 15 percent to 17 percent; and UK eBook sales as a percentage of the market declined for the first time ever. See: Year-on-year ebook sales fall for the first time, says Nielsen Research, Publishing Technology, 30 July 2013: <http://www.publishingtechnology.com/2013/07/year-on-year-ebook-sales-fall-for-the-first-time-says-nielsen-research/>

250. The Weekly Scorecard: Tracking Unit Print Sales for Week Ending December 7, 2014, Publishers Weekly, 12 December, 2014: <http://www.publishersweekly.com/pw/by-topic/industry-news/bookselling/article/65056-the-weekly-scorecard-tracking-unit-print-sales-for-week-ending-december-7-2014.html>

251. Book revenues are up – but without eBooks, they'd be plummeting, Vox, 27 June, 2014: <http://www.vox.com/2014/6/27/5849354/e-books-will-save-the-publishing-industry>

Figure 2. Device ownership by millennials and all age groups

Q: Which, if any, of the following, do you own or have ready access to (Laptop, smartphone, tablet, eReader)?



Source: Deloitte Global Mobile Consumer Survey, Developed countries, May – July 2014
 Weighted base: All respondents/those aged 18-34: Australia (2,015/659); Finland (1,000/294); France (2,000/595); Germany (2,000/587); Italy (2,000/599); Japan (2,000, 497); Netherlands (2,000/587); Norway (1,000/330); Singapore (2,000/700); South Korea (2,000/670); Spain (2,000/576); Sweden (2,000/614); UK (4,000/1,280).

Why do millennials show a preference for print books? One UK study found that 62 percent of 16-24s prefer buying print books over eBooks²⁵⁶ because they like to collect, ‘like the smell’ and ‘want full bookshelves’.²⁵⁷ One recent example of this preference is the mix of physical to digital sales of a book aimed squarely at younger consumers. *Girl Online*, the debut novel of video blogger Zoella with a substantial teen fan base, sold 20 physical copies for every electronic copy.²⁵⁸

A key value of print books appears to be their cover. Covers have been shown to drive sales;²⁵⁹ but they also send a message to those around you about what you are reading and what kind of person you are. As has been noted, “the act of reading a book in public conveys important information to other readers”.²⁶⁰ eBooks don’t have covers that are visible to others. A US survey found that 16-34 year olds take more pride in their book collection, are more likely than older generations to buy books that they don’t read, and often carry around books even when they aren’t reading them. These behaviors don’t apply to eBooks, or at least don’t apply as strongly.

It may also be the case that physical books are superior when it comes to information retention.²⁶¹ Early studies showed little difference in recall between short passages read on a screen and read in print. However for longer passages (even 28 pages, shorter than most books) a more recent study found a significant difference in recall between print and digital.²⁶² The study consisted of a small sample (only 72 participants), but other research supports this finding.²⁶³ Younger readers read for pleasure or to keep up with current events, but less so than older readers.²⁶⁴ On the other hand, they are much more likely than older readers to read for work or school, or to research topics of interest. They need to remember what they read: they may be tested on it, or it may help them in their jobs. A preference for print makes sense for them.

As for even younger readers, one US study suggests that 13-17 year olds are even less likely than older age groups to read eBooks rather than print.²⁶⁵ For even younger readers, over 95 percent of children’s picture book sales are in print format, not digital, and that number has been flat for years.²⁶⁶ This matters, as kids who watch traditional TV or read printed newspapers are more likely than those not exposed to these media to watch traditional TV and read physical newspapers as adults. Toddlers who read printed picture books are more likely to progress to printed easy-reader first books, and then on to physical copies of teen novels.

The future of book retailing is complicated. At the beginning of 2013, the number of high street bookshops in the UK had fallen by more than half in seven years.²⁶⁷ If eBooks were dominating print, that trend would have continued or accelerated, but that does not appear to have happened: closures of independent bookstores in the US have gone into reverse, with over ten percent growth between 2009 and 2013.²⁶⁸ But a continued preference for print does not appear to be a panacea for physical bookstores: in the UK nearly 40 percent of all books (print and eBooks combined) were bought from online-only retailers in 2012.²⁶⁹



252. Demographic information on book consumption (rather than purchases) is arguably more problematic than with other media. While there are known technologies for measuring online habits, TV watching, and even radio and newspapers, book metrics are only derived from opinion polling, and may reflect various biases, self-reporting errors, and other methodological issues.

253. A Snapshot of Reading in America in 2013, Pew Research, 16 January 2014: <http://www.pewinternet.org/2014/01/16/a-snapshot-of-reading-in-america-in-2013/> 79 percent of all 18-29 year-olds read a book of any kind and 73 percent read a print book; therefore 92 percent of the 18-29 year-old book-reading population (excluding those who did not read a book) read a print book.

254. Harper Collins USA book survey from September 2013. All numbers in the next two paragraphs are from the same survey. No link available.

255. Interestingly, the attachment to print varies by gender, but not very much by type of literature, with one notable exception: 55-63 percent of respondents who read various genres said they agreed that eBooks would never replace print books. However only 50 percent of those who said they read Erotica agreed.

256. 62% of 16-24s prefer books as physical products, Voxburner, 25 November 2013: <http://www.voxburner.com/publications/347-62-of-16-24s-prefer-books-as-physical-products>

257. Young people prefer printed books to e-books, survey finds, Los Angeles Times, 26 November 2013: <http://articles.latimes.com/2013/nov/26/entertainment/la-et-jc-young-people-prefer-printed-books-survey-20131126>

258. YouTube star shakes up bestseller lists, Financial Times, 5 December 2014: <http://www.ft.com/cms/s/0/2881766c-7c70-11e4-aa9c-00144feabd00.html?siteedition=uk#axzz3LXNveRHV>

259. Cover matters: the survey results. The Book Smugglers, 27 April 2010: <http://thebooksmugglers.com/2010/04/cover-matters-the-survey-results.html>

260. What will happen to book covers in a digital world?, Meanjin, April 2008: <http://meanjin.com.au/blog/post/what-will-happen-to-book-covers-in-a-digital-world/>

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264. Younger Americans’ Reading and Library Habits, Pew Internet, 23 October 2012: <http://libraries.pewinternet.org/2012/10/23/part-1-younger-americans-changing-reading-habits/>

265. Don’t judge a book by its cover: tech-savvy teens remain fans of print books, Nielsen, 9 December 2014: <http://www.nielsen.com/us/en/insights/news/2014/dont-judge-a-book-by-its-cover-tech-savvy-teens-remain-fans-of-print-books.html>

266. Green eggs and E-books? Thank you, Sam-I-Am, the New York Times, 4 September 2013: http://www.nytimes.com/2013/09/05/books/green-eggs-and-e-books-thank-you-sam-i-am.html?_r=0

267. Bookshop numbers halve in just seven years, The Telegraph, 26 December 2012: <http://www.telegraph.co.uk/culture/books/9741974/Bookshop-numbers-halve-in-just-seven-years.html> Although there is data on the number of UK independent bookshops, an updated number of total high street bookshops has not been published... but is likely to be lower still.

268. It’s time to kill the idea that Amazon is killing independent bookstores, Quartz, 24 September 2013: <http://qz.com/127861/its-time-to-kill-the-idea-that-amazon-is-killing-independent-bookstores/>

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Bottom Line

The essence of this prediction is that eBooks are not replacing print in a big way, unlike other digital form factors; but though they aren't taking over, they are still a large and growing market. It might be expected that smartphones are too small for reading long-form content like books, but some data suggests that the number of books being read on smartphones is higher than on tablets (largely due to much higher ownership of smartphones),²⁷⁰ and phones are getting bigger with the rise of phablets.²⁷¹ Measuring book consumption is difficult: while purchase data is available, many books are gifts,²⁷² and the technologies that measure TV viewing or Internet usage don't work for print books. Further, most book sales data does not measure self-published books, which tend to be digital rather than print. However, survey data shows that younger readers are still reading, and still reading in print.

Bricks-and-mortar booksellers should not consider the resilience of print to be matched exactly by a similar strength in bookstore sales. Online sales of physical books are likely to remain strong. However physical retailers should extol the value of buying print in person. You can browse far more easily, you can appreciate the font, and you can feel the paper. And you can walk out reading the book, rather than having to wait a few days for the book to be delivered.

With 40 percent of US primary and secondary students using a tablet for at least some of their classes,²⁷³ more research is likely to be needed on the difference between print and screen. If there are differences, they are most likely to relate to content that needs to be retained for years or even decades. The same is likely to apply to tertiary education and the training markets. Other print medium publishers, like newspapers and magazines, might learn lessons from books: how can they duplicate some of the attributes that cause millennials to persist with print?

A preference for print books is likely to have little effect on the trend towards the paperless office. Globally, demand for uncoated free sheet paper (used in printers and photocopiers) is rising, but that is largely driven by the developing world: in North America and Europe demand is declining annually at a rate of 2.6 percent and 3.4 percent respectively.²⁷⁴ Individual enterprises are shrinking their office printing even faster: between 2011 and 2014 Deloitte Canada reduced the number of pages printed by 22 percent, despite increasing headcount.²⁷⁵ Most enterprise printing is material meant for only short-term recall, rather than longer-term deep learning.

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275. Data provided by Xerox and Ricoh for Deloitte Canada's printing consumption and spend.

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