



eBooks, a publisher perspective



Themes

- Cannibalization
- Pricing
- DRM / illegal copies
- Retailer / hardware
- Current eBook market in Holland
- Challenges for publishers



Cannibalization

- Does it exist?
- Cannibalization is a argument not to move
- Experience from Amazon, eBooks to NOT cannibalize paper sales in fact:
“We see that when people buy a Kindle, they actually continue to buy the same number of physical books going forward as they did before they owned a Kindle. And then incrementally, they buy about **1.6 to 1.7** electronic books, Kindle books, for every physical book that they buy”
- Cannibalization is hard to measure if the eBook market is 1 or 2 %



Pricing

- In Holland a fixed price on paper books, not on eBooks
- In general prices are set at 80% of paper book price
- Consumer feel this is still too high
- Publishers have start up costs
- New market dynamics



DRM / illegal copies

- DRM is needed to convince authors, publisher, etc, for now
- Consumers do not need DRM
- DRM prohibits certain forms of distribution / sales
- So without DRM more turnover?
- Does DRM stop illegal copying? Or does it stimulate illegal copying?



Retailer / hardware

- Publishers need more retailers
 - As long as they follow the file format
- Publishers need more hardware
 - As long as they follow the file format
- iPad, Kindle, iPhone, etc
- Future of hardware
 - elink screen, full color, variable size, full video mode, wireless, EUR 199,-



Current eBook market in Holland

- A lot of publishers are producing eBooks (PDF)
- ePub is the dominant format
- Pricing is at 80 % of the paper price
- Bol.com is the dominant retailer, eBook.nl is second
- Sony is the nr 1 hardware
- New hardware stimulates sales
- General public is aware of eBooks



Challenges for publishers

- Learn from music industry
- Production: use the full aspects of the medium
- Pricing: variable pricing related to life cycle
- No DRM
- 95 % of all books should be there as eBooks
- Delivering backlist in eBook format
- Publishers should become retailers as well
- New retailers, new markets
- Getting people to read (books)



Thank you for your attention!

Sander van Kempen

Sander@ebook.nl