Books and the book trade in figures, 2013

The importance of books

Just as in the previous year, books rank a strong eleventh in the list of the Germans' favourite leisure activities, which includes 50 activities in all. 20 per cent of German citizens over the age of 14 "especially like" to spend part of their evening reading – the same number as in the year before.

In general terms, the overall appetite for traditional media among readers is still quite healthy in the digital age. This is evident not only in the popularity if books; reading newspapers ranks sixth on the list, and magazines are also well liked at tenth.

As was the case last year, watching television, meeting friends, spending time with children or grandchildren, listening to music and going out to eat (positions 1 to 5) are all more popular than reading. Likewise more highly ranked than reading, from seventh to ninth respectively, are using the internet and computers, and driving a car.

Consumption habits related to socio-demographic factors remain almost unchanged. This year it is once again evident that women are more interested in books than are men. 45 per cent of women, and just 30 per cent of men (which is at least one per cent more than the year before) use a book every day or a few times a week.

In all, 59 per cent of those questioned said they had bought books themselves in the previous year. An especially pleasing trend is the development among the age groups. 58 per cent of young people between the ages of 14 and 19 bought books in 2012, which repeats the good result from the year before.

43 per cent put three or more books in their shopping basket, 26 per cent five or more, and 12 per cent even took 10 or more books home with them in the course of the year. Men appear to be on the rise among those who buy a lot of books. In 2011, the proportion of male customers who bought 20 books or more rose from 3 to 4 per cent. In 2012, this value remained the same. In all, some 66 per cent of women purchase books and as such they still represent the most important group of buyers for the book trade (men: 52 per cent).

The fact that gender differences are less evident when it comes to using e-books is possibly due to the still very small share of e-book buyers in the German market. In 2012, 2.3 per cent of Germans bought e-books for their private use (excluding school books and text books). The year before, the number was 1.2 per cent. In this respect, there is no difference between men and women. However, disparities are seen between different age groups, income groups and occupational backgrounds. Above average numbers of e-book readers are aged between 40 and 49 (3.7 per cent), have completed Abitur (A-level schooling) or hold a degree (2.7 per cent), and enjoy a net household income of 3,000 euros or more (3.7 per cent).

The economic development of the German book market

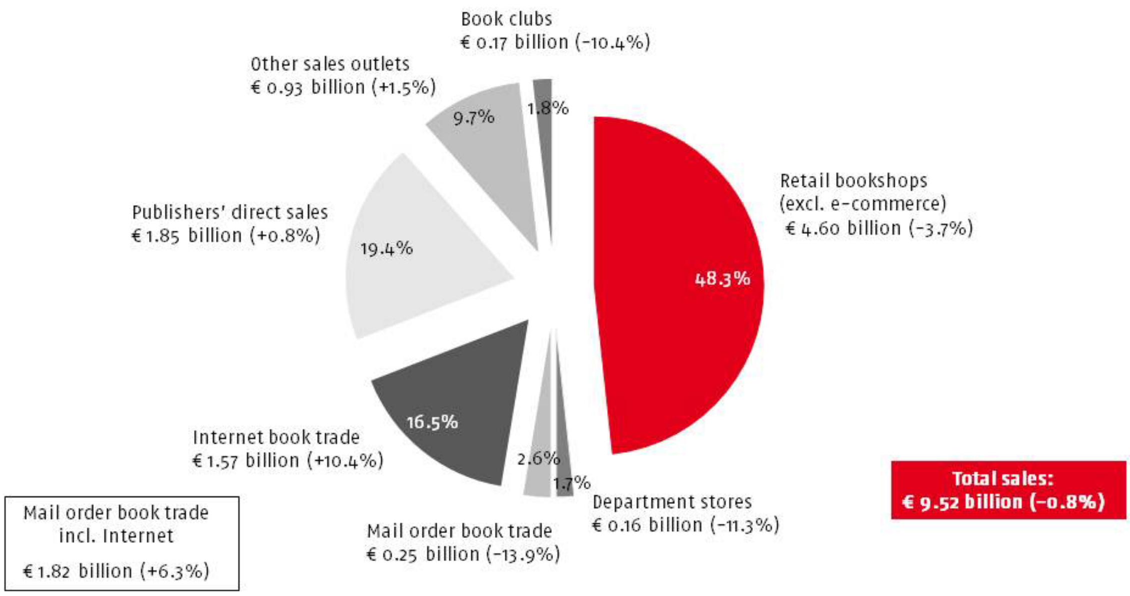
The sales volume for the industry as a whole declined by 0.8 per cent in 2012, to 9.52 billion euros. Thus, after seven years of growth the total sales volume has now fallen slightly for the second year in a row – although the decline in 2012 is less significant than the 1.4 per cent fall in 2011. Sales for the traditional retail book trade, which had already fallen by 3.0 per cent in 2011, sank again last year by 3.7 per cent. Once again, there were much more positive figures for the publishers' own direct business, who managed to increase their turnover by 0.8 per cent in 2012 (2011: +1.7 per cent).

As in recent years, the biggest gains in sales in 2012 were achieved by the mail order book trade (+6.3 per cent), and once again this growth was down the online trade (+10.4 per cent; pure mail order trade: –13.9 per cent). The online distribution channel now has a 16.5 per cent share of the market, which is almost 8 per cent more than five years ago (2007). Diverse "other sales outlets" for books (e.g. kiosks, filling stations, supermarkets) also enjoyed a modest increase of 1.5 per cent last year.

Two further distribution channels with a smaller share of the whole market had to cope with declining sales. Sales in department stores, which had already experienced sharp declines in sales in 2010 and 2011 (–10.4 and –13.1 per cent respectively), shrank by a further 11.3 per cent in 2012. And book clubs' sales followed a decline of 12.7 per cent in 2011 with a further year-on-year decline of 10.4 per cent.

Estimated sales of bookselling enterprises

Distribution channels 2012



Market structures

Throughout Germany there are about 22,800 enterprises which are, in the broadest sense, involved in the production or sale of books. These are listed in the “Address Book of German Book Trade”. Some 16,100 of these companies – about two thirds – are publishing houses or institutions involved in publishing. The term “bookselling enterprise” is defined very broadly. The publishers include, for instance, university faculties and societies that only sporadically issue publications, and the retailers include outlets for which books make up just a small part if their assortment, alongside stationery and other articles.

The number of publishers and retailers that primarily produce and sell books and magazines on a professional basis is much smaller than the full list in the “Address Book”. As a rule they are members of the German Publishers & Booksellers Association (Börsenverein des Deutschen Buchhandels). The membership of the association stood at 5,402 in April 2013. Of these 1,813 were publishers and 3,440 were bookselling enterprises. The latter figure also differs significantly from the Address Book, which lists approximately 6,650 retailers. In this respect, unlike the membership statistics of the German Publishers & Booksellers Association, the Address Book includes separate entries for branches in different locations for a number of booksellers. Added to this are the so-called book sales outlets, such as stationery shops, which focus on other segments, and where books make up just a small part if their complete range. Information on the number of bookselling enterprises in Germany can also be obtained from the VAT statistics supplied by the Federal Statistical Office (Destatis), although this currently only covers the years up to 2011. This source records all companies with an annual turnover greater than 17,500 euros, but it also make other distinctions between the enterprises in question. According to the statistics on turnover, in 2011 there were 2,243 publishers in Germany, and 4,137 taxable entities involved in the retailing of books.

With a 48.3 per cent share of all book sales, the retail book trade is by far the most important distribution channel for books. However, the market share of traditional specialist bookshops is experiencing long term decline, and last year sank below 50 per cent for the first time. In 1997, the retailers’ share was still 59.3 per cent, and in 1985 was even 64.0 per cent.

Sales breakdown by category and form of publication

Once again, books in the fiction category achieved the largest share of sales (35.0 per cent). With a 15.6 per cent share, children’s and young adult books occupy second place, while self-help books come in third with 13.8 per cent. All other categories remained in single figures: non-fiction: 9.3 per cent; school and education: 8.9 per cent; travel: 6.1 per cent. The three scientific categories together count for a share of 11.3 per cent.

Fiction is dominated by narrative literature, which makes up 51,7 per cent of the category. Among hardcover editions the figure was 50.5 per cent, among paperbacks, 53.3 per cent, and among audio books, 46.0 per cent. Compared to the year before, the share of narrative literature in the fiction category has increased once again (2011: 49.2 per cent; 2010: 49.7 per cent). Likewise, the segments comics/cartoons/humour/satire and science fiction/fantasy also achieved modest gains. On the other hand, suspense titles lost two per cent of their share of the fiction category, compared to the previous year.

Within the children's and young adult books category, the largest growth area was picture books (2012: 18.0 per cent, 2011: 17.1 per cent). With 26.4 per cent of this category's market share, young adult books were pushed back into second place in 2012, having been overtaken by children's books (for readers up to 11 years) with 27.0 per cent.

Among the self-help books, as in the year before, food and drink was the segment with the biggest share (25.2 per cent). As such it has even grown by a whole percentage point. This is followed by health (17.0 per cent) and advice & life-counselling titles (16.6 per cent).

Within the non-fiction category, books on politics, society and economics accounted for 35.8 per cent of sales. Dictionaries and reference works (15.0 per cent) and history titles (14.1 per cent) continue to occupy second and third places.

The first sales indices for e-books in Germany

Due to the continued small market share of e-books in Germany, and the relatively immature market here, the numbers obtained are not yet suited to making statistically valid statements about the breakdown of e-book sales into categories. However, this will change as e-books continue to establish themselves as the market for e-books is developing dynamically.

In 2012, e-books accounted for 2.4 per cent of book sales for private use (excluding school textbooks and specialist books) (2011: 0.8 per cent). As such the share of total sales remains modest, although it does represent a threefold increase on 2011. The same is true of the number of titles. In 2011, 4.3 million e-books were sold to consumers throughout Germany; in 2012 the number was 13.2 million. 2.3 per cent of all Germans over the age of 14 downloaded digital books in the course of the year (1.2 per cent in the year before). The fact that the rising trend in digital books is likely to continue is also shown by people's growing familiarity with e-books. At the start of 2013, 80 per cent of Germans over the age of 10 had already heard of e-books. This compares to 72 per cent a year before, and only 49 per cent in 2010. As they become better known, the number of users will probably also grow.

Publishers and booksellers are preparing for this. Currently, 73 per cent of booksellers offer e-books and/or e-readers. That means only 27 per cent of booksellers decided not to sell digital books in 2012 (2011: 35 per cent). Among the publishers, 53 per cent are now offering readers digital options (2011: 49 per cent). As many as 80 per cent are planning to do so in future.

Many of the publishers now involved in the e-book business are increasingly publishing new works in print and electronically at the same time. On average, 54 per cent of publishers' new releases are now also available as e-books. In 2012, it was only 42 per cent. The publishers are being much slower when it comes to digitising their back lists. This is because the later digitisation of existing titles is technically more difficult, and more costly. In 2012, 29 per cent of all older titles were available in a digital version; in 2010, the proportion was 26 per cent.

Book production in Germany

The total number of titles produced by German book publishers (first editions and reissued titles) declined in 2012 by 5.4 per cent to 91,100. This means more than 5,000 fewer titles came onto the market than in the year before. Even the number of "genuine new releases" – i.e. the first editions – fell by 2.7 per cent to 79,860 publications. However, when viewed over a ten-year period, the number of titles is still 15.5 per cent higher than the 2002 level.

Once again in 2012, the largest number of new releases were in the fiction category (14,838 titles, for an 18.6 per cent share of first editions). In second place as usual came German literature (11,257 new releases, 14.1 per cent) which is listed separately. The third place was once again taken by children's and young adult books (7,857 new releases, 9.8 per cent). Unlike in previous years, even in these most popular market segments the number of new releases has fallen.

This year the categories suffering the sharpest declines also included school books, which in 2010 still accounted for 6.2 per cent of new releases but fell in 2011 to 5.3 per cent, and have now sunk to just a 3.7 per cent share. With 2,980 titles, the publishers released more than 1,300 fewer school books than they did a year earlier. This category is often subject to large swings because education policy has a considerable influence on book production. Nevertheless, it also clear that digitisation must be leaving its mark in the school segment.

It is not only school books, but nearly all the other categories too which have seen a fall in the number of titles published. Among the exceptions is the childcare and education segment, in which, with 2,920 titles, publishers have been more active than in the year before (2,764 titles). As such, this category could raise its share of all new releases from 3.4 to 3.7 per cent.

Whether or not a category manages to expand its share in some ways reflects the expectations that publishers hold for the respective segment. Above all management topics seem to be out of favour at the moment. In this segment, the publishers released only 2,897 new titles, as compared to 3,576 the year before (–19.0 per cent).

Bucking this trend, in 2012 the number of paperback new releases rose by 6.5 per cent on the previous year, reaching 11,023. The year before the figure was 10,354, which itself was already an increase of 9.8 per cent on the year before that.

Fiction remains the dominant subject for paperback titles. In 2012 it crossed the 50 per cent threshold, with a share of 51.4 per cent of all paperback new releases (2011: 48.9 per cent). Another significant area is children's and young adult literature, with a share of nearly 11 per cent. These are followed at some distance by the arts and entertainment (9.5 per cent) and social science topics (9.0 per cent).

Business with other countries

Translations

The number of translations (first editions and reprints) also dropped off slightly in 2012 from the previous year, reaching 11,564 titles, a decline of 2.2 per cent. However, since the number of licences purchased for foreign language books had risen by 3.3 per cent in the previous year, the market can be seen as generally stable, and it has been for some years. As the publishers have reduced the overall number of books produced, the proportion of new releases that are translations has risen to 12.7 per cent (2011: 12.3 per cent). The share is a little higher if one takes only the first editions into account: in 2012, 10,862 brand new books entered the German market as translations from other languages (+1.4 per cent, share of all first editions in 2012: 13.6 per cent).

English continues to dominate as the language of origin for translations into German, by a large margin. Its share of translated first editions amounted to 67.6 per cent in 2012. In actual numbers, 7,343 books were translated from English to German (2011: 6,840). Of these, 3,169 were fiction titles. The fact that the procurement of licences from the English-speaking countries rose again in 2012 might be partly the result of New Zealand's appearance as Guest of Honour at the Frankfurt Book Fair 2012. In 2011, thanks to Iceland's Guest of Honour appearance, Icelandic was catapulted to ninth position in the list of most important languages for German translations.

The share of French (10.2 per cent) was little changed from 2011 (10.2 per cent), with which French ranked second language, as in previous years. Japanese too has remained stable in third place, with a 5.8 per cent share (2011: 6.0 per cent). Most Japanese translations could be found among the comics genre.

All other languages are follow a long way behind. As such, the composition of the major translation languages has changed very little in the course of the last five years. As has been mentioned, in recent years notable fluctuations were mostly observed in connection with the Guest of Honour appearances at the Book Fair. In 2010, the year of Argentina's much appreciated Guest of Honour appearance, the number of translations from Spanish rose to 255, and translations from English experienced an additional spurt with New Zealand's appearance in 2012. 2012 also saw Portuguese enter the top-20 list of languages translated into German for the first time – presumably a harbinger of Brazil's appearance at the Frankfurt Book Fair 2013.

Licensing

Last year, 6,855 works "made in Germany" made it outside this country's borders and around the globe. Since German publishers sold exactly 8,000 titles throughout the world in 2011, the 2012 figure marks a 14.3 per cent fall. This is close to the industry's ten-year low of just under 6,300 licenses sold, which occurred in 2009. But looking back it is clear that developments in the licensing business have always come in waves. Compared to the time around the turn of the millennium, when 4,000 to 5,000 contracts were signed each year on average, German publishers have expanded their international rights trade and pursued it with greater professionalism.

In 2012, the licensing business was influenced above all by three countries: China, Spain and the Czech Republic. China was unassailable in first place on the country list, as buyers there purchased more than 1,000 licenses (15.3 per cent share of the total). Whereas in earlier years the main appetite was for picture books, since 2011 Chinese partners have been buying a growing number of children's books. In all, German publishers fixed 27.4 per cent of all their licensing deals last year with Asian partners.

Nevertheless, the most important licensors for German publishers are still those based in Europe, where 66.0 per cent of all deals were done. In 2012, approximately 4,500 contracts were signed with

European partners. Among the most important national partners are Spain (477 licences, 2011: 498), the Czech Republic (413, 2011: 382), Italy (392, 2011: 420), France (303, 2011: 353) and the Netherlands (255, 2011: 313). That the Europeans are currently less active than in previous years is probably a result of the euro crisis. For example, Portugal's 37 licences were considerably fewer than in the year before (2011: 72 licences).

If the licences are ranked according to languages, English occupies second place between Chinese and Spanish, which is due to the combined size of the English-speaking countries. In all, 529 licences were sold for English translation (a 7.7 per cent share of the total). Of these, 156 went to the US market, which compares to 192 in the previous year. The willingness of the US publishers to purchase German book licences declined gradually between 2006 (230 licences) and 2009 (113 licences). In 2010, however, the demand rose by more than 30 per cent. Now, the decline has begun once again (–19 per cent).

Among the English-speaking partners the main area of demand was specialist books, which enjoyed increased sales of 315 licences, up from 269 in the previous year. In addition, 47 English licences for fiction titles were sold in 2012.

Overall, as in the preceding years, the most popular rights deals for foreign language use in terms of category were for German children's and young adult literature, which accounted for 31.6 per cent of all licences (2011: 30.8 per cent). In 1994, the share of this segment was only 12 per cent. German publishers have developed a good international reputation for themselves in this area. Within the segment, children's books are the more popular, and they improved their position further in 2012, with 1,072 licences, up from 999 the year before.

In 2012, fiction (including literature, entertainment and poetry) accounted for 13.9 per cent of all licences (2011: 13.6 per cent), for which the most important takers were French (51 licences), English-speaking (47), Italian (46), Dutch (41) and Spanish (40).

If all its subsidiary segments are counted together, the fiction category takes fourth place on the scale of popularity for the rights trade (953 contracts, 2011: 1,088). Positions two and three – behind the leader, children's and young adult literature – are taken by non-fiction (1,886 licences, 2011: 2,749) and specialist books (1,681 licences, 2011: 1,626).

Foreign trade

Foreign trade figures issued by the Federal Statistical Office of Germany are currently only available up to 2011. As in earlier years, the figures show that exports of book industry products are economically much more significant than imports, with the former approximately double in size. As such, the industry boasts an exceptionally good foreign trade balance.

Compared to the year before, export sales remained almost stable at 2.077 billion euros (2010: 2.078 billion euros). At the same time, imports increased by 2.3 per cent, to 1.056 billion euros. Of all the "book industry products", books account for around half the turnover in terms of both exports and imports, and are therefore the most important product category.

As was the case in the previous two years, 2011 saw an increase in the import as well as the export of books and picture books. However, a five-year comparison with 2007 shows that the current figures for books fall a long way short of the earlier values (imports 2011: € 558 million, 2007: € 639 million – exports 2011: € 1,183 million, 2007: € 1,407 million). Viewed in isolation, the situation is different for picture books, for which the numbers have been growing every year (imports 2011: € 37 million, 2007: € 15 million – exports 2011: € 31 million, 2007: € 12 million).

Looking at the most important countries of origin for book imports, there has been hardly any change in the top ranked countries since 2007. The list is headed by the United Kingdom and China as first and second respectively. The USA, which had occupied third place since 2007, swapped this time with Switzerland in fifth place, while Italy was once again fourth on the list.

The prominent role of the UK in German book imports is explained by the growing significance of English-language books in the German book market. The value of these imports rose from 111 million euros in the previous year to 127 million in 2011 (+14.0 per cent). As such the UK heads the list of importers to Germany by a large margin, being responsible for 21.3 per cent of imports.

The value of deliveries from China also grew in 2011 (+18.2 per cent), with its share of total imports increasing year-on-year from 17.1 to 19.1 per cent. This strong position is largely due to the printing industry, as many companies – especially publishers of picture books and children's books – now produce their books in Asian countries. Books that contain playful inserts or other similarly intricate elements that have to be added by hand are often produced there. By comparison, the share of the USA as a supplier to the German book market has fallen sharply once again, declining from 58 million euros (10.3 per cent) in 2010, to 43.7 million euros (7.3 per cent) in 2011. In 2009 its share had still been worth 69 million euros (12.5 per cent).

In 2011, exports of book industry products remained relatively constant at 2.077 billion euros, compared to 2.078 billion euros in the previous year. Some 1.214 billion euros of this total are attributable to books. The most obvious increase was seen in picture books, the exports of which were up by more than 26 per cent. In the space of just a few years, exports in this product category have nearly quadrupled. In 2005, they were worth 8 million euros, while today the figure is 30.7 million. But other books, too, achieved export growth compared to the previous year (+0.7 per cent).

The common language is responsible of the fact that Austria and Switzerland are by far the most significant importing countries for German books. Nor did this change in 2011: the two countries combined were responsible for German exports worth 577 million euros, roughly half of all book exports. At 315 million euros (26 per cent), Austria is the more important of the two.

2011 saw a minor boom in book exports to France (+13.3 per cent). After an eight-year hiatus, the French neighbours have once again risen to third place as an importer, just above the UK which is also growing in strength as a partner (2010: +20.7 per cent, 2011: +6.3 per cent).

Source: Börsenverein des Deutschen Buchhandels e.V. 2013

From: Buch und Buchhandel in Zahlen 2013