



# Exploding Demand for Digital Content in Libraries

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# Library & Education Key Customers

- Over 23,900 library & education customers worldwide
- Long-term relationships with majority of customers (some over 25 years), providing significant recurring source of revenue
  - Over 90% customer retention
- Value-added services allow customers to outsource critical functions
  - Customized systems enhance operations and customer service





## Print to Digital Shift 2010 - 2013

- Mix of print and digital revenues will shift over the course of the next three years with significant shifts taking place in Higher Education, Trade and Professional publishing

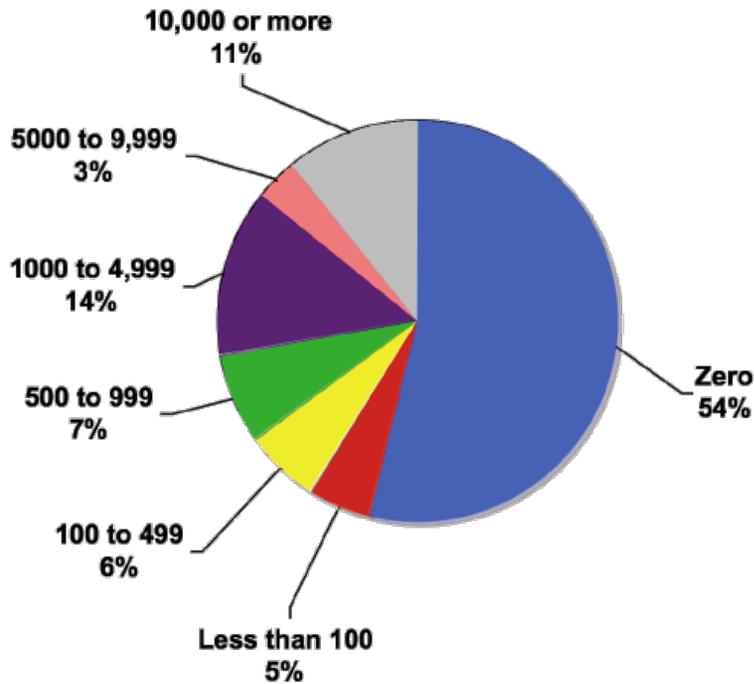
	2010		2011		2012		2013	
	Print	Digital	Print	Digital	Print	Digital	Print	Digital
Trade	92%	8%	75%	25%	70%	30%	60%	40%
EL-Hi	95%	5%	95%	5%	95%	5%	95%	5%
College	85%	15%	80%	20%	75%	25%	70%	30%
Professional	79%	21%	70%	30%	60%	40%	50%	50%

- YTD August US trade print sales down 19% / -\$567M
- eBook sales up 144% / \$384M
- Digital content growth will be spurred:
  - Proliferation of tablets and other multi function reading devices
  - New Publishing categories in addition to Bestsellers – Children's, Education, etc.
  - Enhanced Content Creation by Publishers

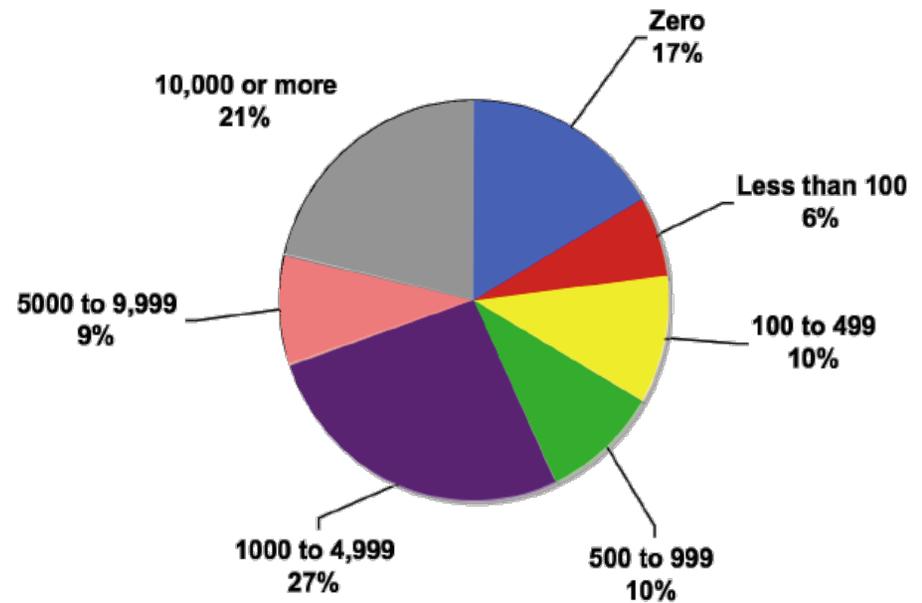


# Annual Circulation Growth

2009 Circulation



2010 Circulation





# eBook Demand and Supply

- Avg number of ebooks at public libraries rose 284% in 2011
  - 2011: mean 4,350 units; median 1,750
  - 2010: mean 1,529 units; median 813
- Heightened demand from library users in the past year
  - 66% experienced a “dramatic” increase in requests
  - 28% said they experienced a “slight” increase
  - Only 5% reported no change in demand



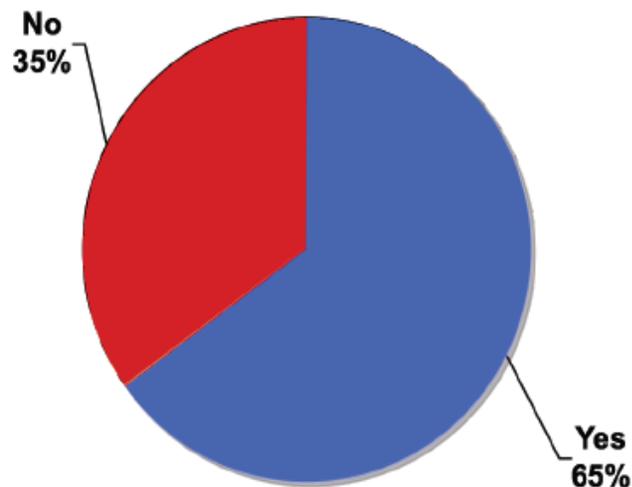
# eBook Supply and Demand

- Libraries are shortening circ periods to try to better keep up with digital copy demand.
- Average circulation intervals for ebooks are shorter than print.
  - 14 days (66%)
  - 7 days (37%)
- 91% of public libraries allow holds on ebooks, up from 78% last year
- 65% of public libraries buy extra digital copies to fulfill holds
- The average holds-to-copy ratio target is 6 :1, but actual is closer to 12:1



# Money Follows Demand

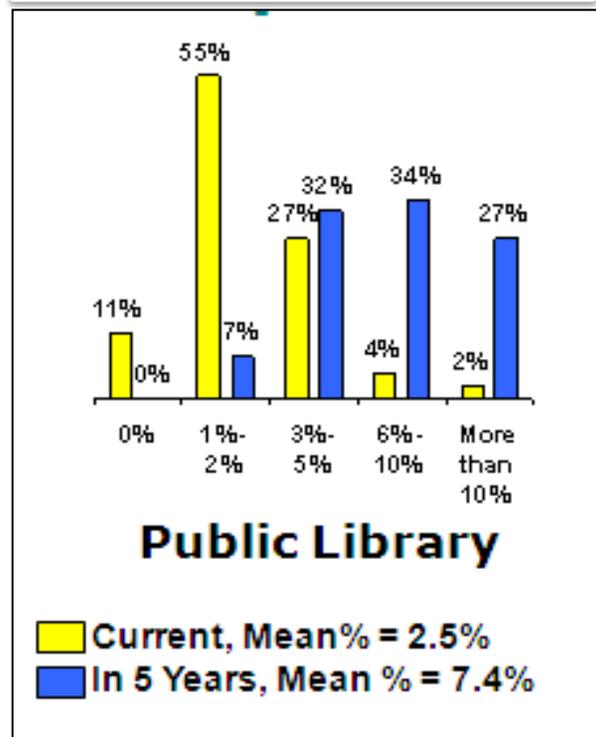
**Figure 29. Q17: If yes, do you ever purchase extra digital copies to fulfill ebook holds? —Public libraries who allow library users to place holds on ebooks**





# Measuring the Future

## 2010 Current + Projected



## 2011

- 20% of libraries spending 6-10% of materials budgets on digital
- 43% expect to be spending >10% within 5 years

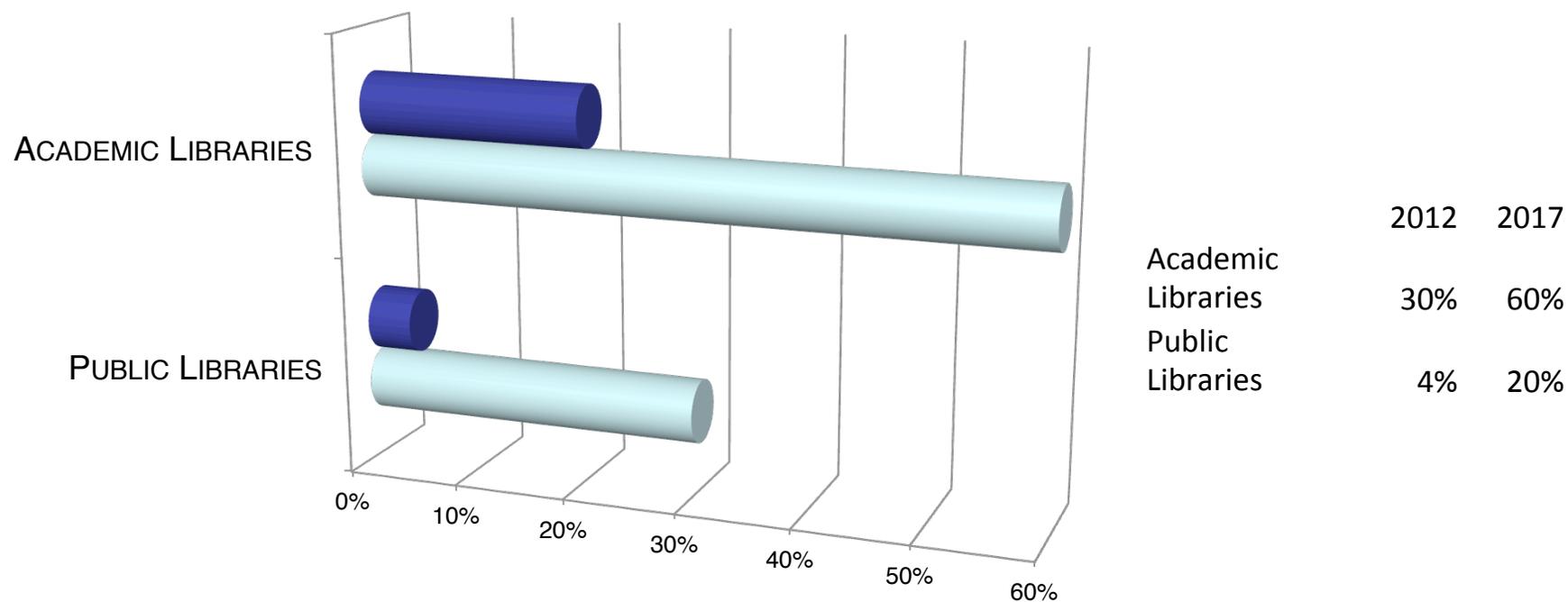
## 2012 and Beyond

- Challenges in forecasting growing digital demand against ongoing demand for print
- Need guidance in anticipating depth and breath required by format
- Forecasting physical and digital demand at title level, not just dollar level



# The View from Baker & Taylor

## eBooks % of Materials Budget 2012 to 2017





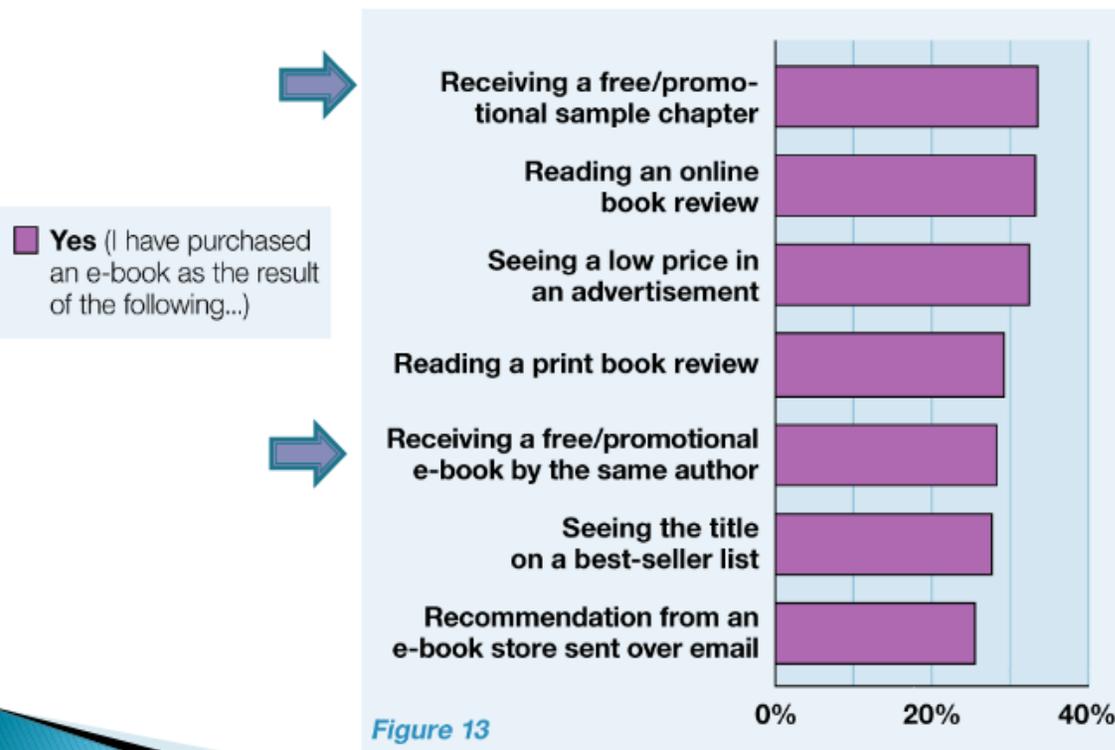
# Shifts in Reading Devices and Operating Systems

Worldwide Shipments Major Categories of eReading Device (Millions)						CAGR 2011-2015
	2011	2012	2013	2014	2015	
<b>PCs</b>						
Desktops	141	144	146	148	152	1.9%
<b>Notebooks/Ultrabooks</b>	<b>187</b>	<b>202</b>	<b>215</b>	<b>229</b>	<b>245</b>	<b>7.0%</b>
Netbooks	38	37	35	34	30	(5.7%)
<b>eReaders</b>	<b>16</b>	<b>18</b>	<b>21</b>	<b>23</b>	<b>24</b>	<b>10.7%</b>
<b>Media Tablets</b>						
<b>Apple iPad</b>	<b>35</b>	<b>53</b>	<b>71</b>	<b>83</b>	<b>95</b>	<b>28.4%</b>
Other Vendors	10	24	58	106	143	94.5%
<b>Smartphones</b>						
Apple iPhone	58	70	87	106	127	21.6%
<b>Other Vendors</b>	<b>272</b>	<b>319</b>	<b>369</b>	<b>423</b>	<b>476</b>	<b>15.0%</b>
<b>Total</b>	<b>757</b>	<b>867</b>	<b>1,002</b>	<b>1,152</b>	<b>1,292</b>	<b>14.3%</b>



# Libraries Promote Commerce

E-book buyers still look to 'free' as a major component to digital transition.



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**BISG**  
BOOK INDUSTRY STUDY GROUP 20

- eBook consumer habits demonstrate free samples help drive their purchase decisions
- With shrinking of bricks&mortar bookstore base, libraries are becoming the publisher's showroom



# Buy Now for Patron Purchasing



My Checkout List (0) | Login

Visit our axis360 digital collection and see what Blio and Baker & Taylor has brought to the world

## Buy Now

- Action button appears wherever titles are displayed
- Links patrons to the library's ecommerce store

The screenshot shows the Axis360 digital media library interface. The main content area displays a grid of book covers. A modal window is open over one of the books, 'Blackout' by DeCandido, Keith R. A. The modal displays the book's title, author, a star rating, and the publication date (12/1/2006). It also indicates that there are 282 copies available. Below this information, there are four buttons: 'Add to Checkout List', 'Checkout Now', 'Add to Wishlist', and 'Buy Now'. The 'Buy Now' button is circled in red, and a red arrow points from the 'Buy Now' text in the adjacent text block to this button.



# Axis 360 Links to MyLibraryBookstore

## Shop OCLS



Buy it or borrow it: you choose! Shopping is made easy at the Library. It's a great way to support OCLS.

Sign In

Register

Shopping Cart

Order Status

My Account

Customer Service

FAQ

HOME

BOOKS

MOVIES

MUSIC

Books > Search Results > Product Details

< Back to BOOKS

### Search Books

All Fields



### Browse

The Hunger Games Trilogy can be found in the following subjects. Click one to see other titles in that subject.

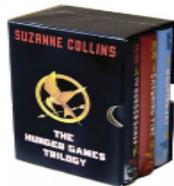
### by Subject

- Juvenile Fiction
- Science Fiction
- Action & Adventure
- General

### Similar Titles

These titles all share the same subject as The Hunger Games Trilogy

- The Hunger Games
- I Am Number Four
- Mockingjay
- I Am Number Four
- Catching Fire
- Ship Breaker
- Pathfinder
- The Maze Runner
- Virals
- The Hunger Games
- See more...



[View Larger](#)

### The Hunger Games Trilogy

Reinforced, Slipcase / 2010

by Suzanne Collins

~~\$53.97~~ \$48.57

Usually ships in 24 hours

ADD TO CART

< Previous Item Next Item >

### - Details:

**Author:** Suzanne Collins  
**Publisher:** Scholastic Pr / Scholastic  
**Date Published:** August 24, 2010  
**Copyright Year:** 2010  
**Format:** Book - Reinforced, Slipcase  
**Number of Volumes:** 3  
**Language:** English  
**ISBN:** 0545265355 / 9780545265355  
**Subjects:** JUVENILE FICTION / Science Fiction  
 JUVENILE FICTION / Action & Adventure / General  
**Age Range:** 12 thru 14  
**Product Dimensions:** 9 x 6 x 4 in  
**Shipping Weight:** 3.65 lbs

### + Synopsis:

### Hot Titles



**My Horizontal Life**  
 Chelsea Handler  
~~\$14.95~~  
**\$13.45**



**Blink**  
 Malcolm Gladwell  
~~\$15.99~~  
**\$14.39**



**Lone Survivor**  
 Marcus Luttrell  
~~\$8.99~~  
**\$8.09**



**Eat, Pray, Love**  
 Elizabeth Gilbert  
~~\$16.00~~  
**\$14.40**



Library-branded bookstores offer:

- eBooks
- Print Books
- Movies
- Music

See more

- The Hunger Games
- Virals
- The Maze Runner

13

### + Synopsis:

**Shipping Weight:** 3.65 lbs  
**Product Dimensions:** 9 x 6 x 4 in



# What Publishers Can Do to Increase Sales to Libraries

- Make your content available to the 9300+ libraries and their 169 million patrons/consumers
- Provide rich metadata to aid B&T Merchandising and patron/consumer discovery of your content
- Publish print and digital simultaneously
- Develop content to meet growing demand for enhanced ebooks
- Create incentives for libraries to buy more:
  - Limited simultaneous use for Academic & K-12
  - Backlist bundling and promotions
  - Ebook leasing and short-term access options

# Thank you

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George Coe, President  
Baker & Taylor, Library & Education  
IDPF Digital Book 2012