



IDPF Digital Book 2012: **Libraries & eBooks Panel**

Erica Lazzaro
OverDrive, Inc.
elazzaro@overdrive.com

OverDrive®

Agenda

- About OverDrive
- Defining the Market
- New Developments
 - Business models
 - Big Data
 - APIs
 - Browser Based Reading



About OverDrive: Corporate Overview

OverDrive is the leading multichannel digital distributor & technology provider

- Provider of software platform, hosted services and technology that empowers publishers, enterprises, libraries, schools, device manufacturers and retailers to securely manage, protect and lend or sell

Privately-held, profitable corporation

- Founded in 1986, headquartered in Cleveland, Ohio
- Insight Venture Partners (financial partner): part of family of 50+ tech companies with 14,000 employees and \$5 billion revenue

Global sales channels and industry partners

- Publishers, booksellers, eRetailers serving global markets
- Institutional accounts including corporations, public libraries, schools, colleges, professional associations, government libraries

One of the largest digital media catalogs, with multiple formats

- eBooks, Audiobooks, Music, Video

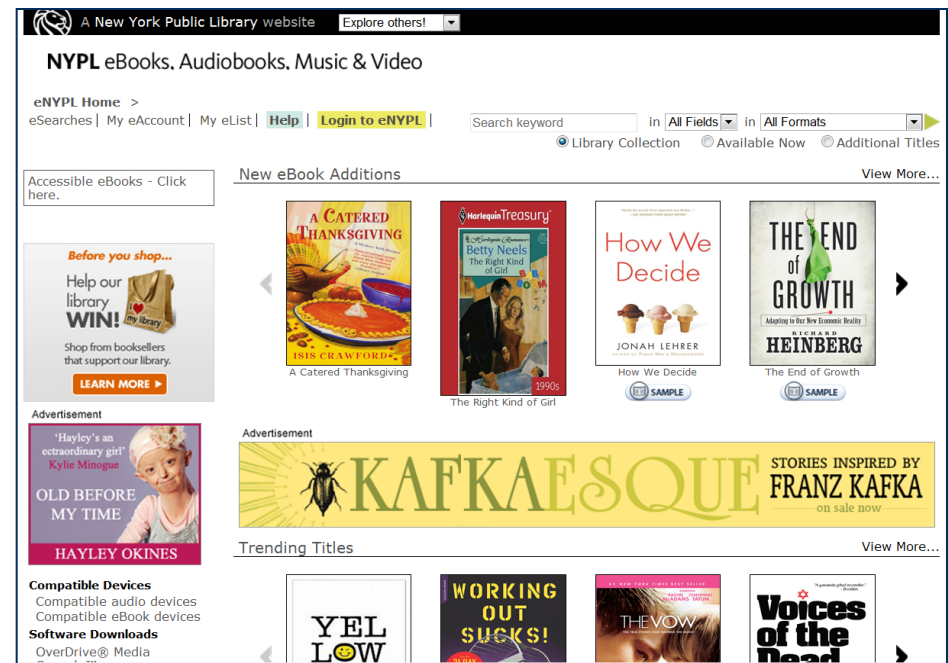
OverDrive's Global Reach

18,000 channel partners • 20 countries • 52 languages



Defining the Market

- **Institutional market** includes public, K-12 school, university, corporate & government libraries
- Libraries provide their communities access to digital content, that can be checked out using a valid library card
- Libraries pay for titles selected
- Each library does its own “collection development” - not a standard collection



Business Models for Publishers

The screenshot shows the Brooklyn Public Library's 'Downloadable Media' interface. At the top, there's a green header with the library logo and navigation links like 'My eAccount', 'My eCart', and 'Downloadable Media Help'. Below this is a search bar with filters for 'All' and 'All formats', and a 'Search' button. The main content area displays the book 'Harry Potter and the Sorcerer's Stone' by J.K. Rowling, with a 5-star average rating. It lists 'Available copies: 4' and 'Library copies: 20'. There are two format options: 'Kindle Book' and 'Adobe EPUB eBook', both with 'ADD TO ECART' buttons. A sidebar on the left offers navigation for 'Fiction', 'Nonfiction', 'Children & Young Adults', 'Music', 'Video', and 'Collections'. A 'Software and Apps' section is also visible, mentioning 'OverDrive Media Console' and 'Adobe Digital Editions'.

In library channel, revenue models are evolving

- Publishers selling to libraries are using one or more of the following models:
 - One book/one user
 - Maximum Access: 12 month subscription to collection of titles
 - Circulation limits
 - Term limits
 - Library edition pricing
- Pilots with classroom sets for schools

New Marketing & Revenue Opportunities @ the Library

The screenshot shows the Boston Public Library website interface. A red circle highlights the top navigation bar and the search results area, which includes an advertisement for Michael Chabon books. Red arrows point from this circle to a callout box labeled "Book & author impressions (ads)".

Below the advertisement, the search results for "Hurricane Katrina" are shown. A red circle highlights the "SAMPLE" button, with an arrow pointing to a callout box labeled "Samples".

Another red circle highlights the "Recommend" button, with an arrow pointing to a callout box labeled "Recommend to Library to buy".

A third red circle highlights the "BUY IT NOW" button, with an arrow pointing to a callout box labeled "Buy it now!".

At the bottom right, a sidebar lists various retailers with "BUY IT NOW" buttons: amazon.com, BARNES & NOBLE, BOOKSONBOARD, SHOP INDEPENDENT BOOKSTORES, and Powell's Books. A red arrow points from the "BUY IT NOW" button in the main results area to this sidebar.

At the bottom of the page, there is a "Before you shop..." section with a "Help our library" button.

Book & author impressions (ads)

Samples

Recommend to Library to buy

Buy it now!

Big Data: Overview

- Libraries have significant reach and provide valuable opportunities for promotion to highly desirable audience
 - Data analytics prove it
- Library Journal Patron Profiles
- In March 2012, OverDrive authored a Library Media Network eBook Report summarizing key findings collected
 - Impressions of publishers' content (cover images, metadata, samples)

OverDrive

Library Media Network eBook Report

Summary of Select Traffic and User Behavior Statistics

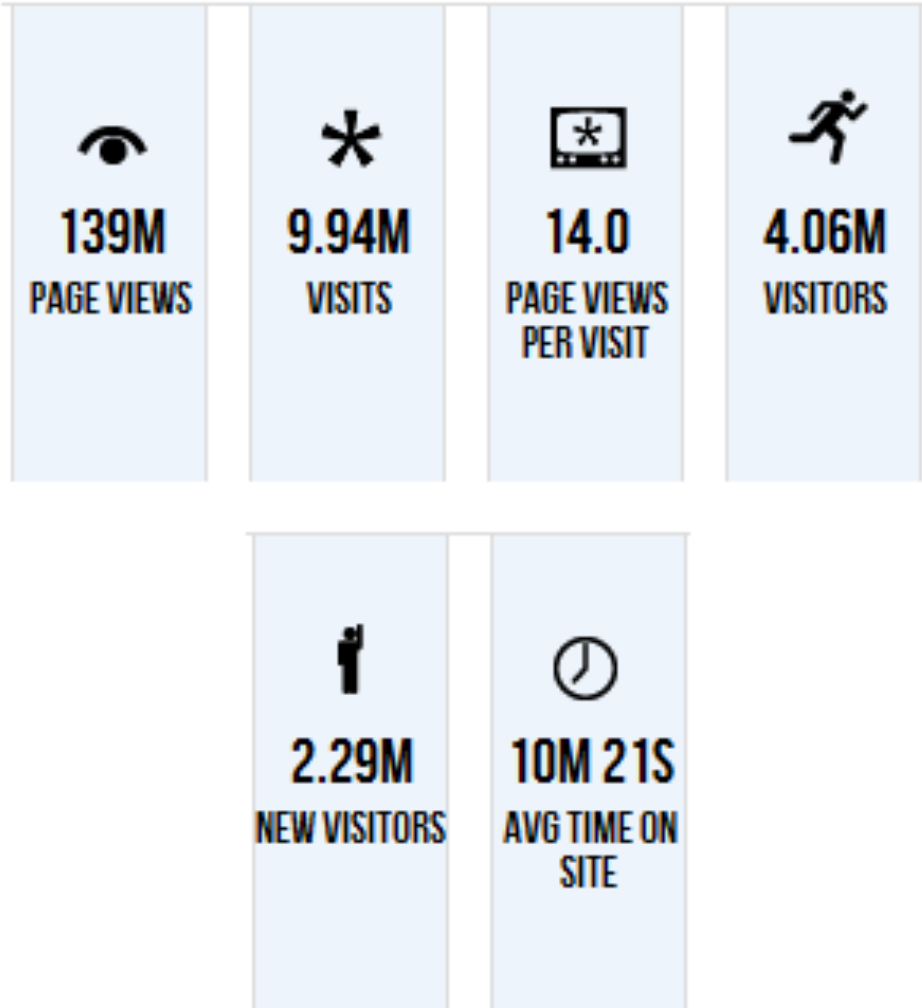
Data Period: March 1-31, 2012

LIBRARYJOURNAL

Patron
PROFILES

Powered by **Bowker Pubtrack Consumer**

Big Data: April 2012



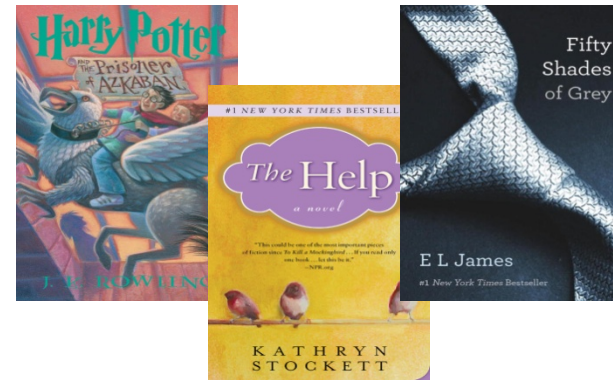
OverDrive Library Network
April 2012

- Highly desirable audience
- Engaged, educated
- Book readers are book buyers

Big Data: April 2012

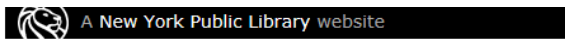
Top 10 Cover Image Impressions

	Cover Images	Hits
	Total	654,160,015
1	Harry Potter and the Half-Blood Prince	1,441,947
2	Harry Potter and the Goblet of Fire	1,343,105
3	Harry Potter and the Order of the Phoenix	1,342,973
4	Harry Potter and the Prisoner of Azkaban	1,331,562
5	Harry Potter and the Deathly Hallows	1,324,736
6	Harry Potter and the Chamber of Secrets	1,269,363
7	The Help	1,079,472
8	Explosive Eighteen	1,063,752
9	Harry Potter and the Sorcerer's Stone	935,426
10	Fifty Shades of Grey	915,348



Top 10 Market Areas

	Top Ten Markets (DMA)	Visits
1	501 (New York: CT-NJ-NY-PA)	665,148
2	819 (Seattle-Tacoma: WA)	377,786
3	504 (Philadelphia: DE-NJ-PA)	368,934
4	602 (Chicago: IL-IN)	358,955
5	511 (Washington DC: DC-MD-PA-VA-WV)	272,601
6	803 (Los Angeles: CA-NV)	268,702
7	506 (Boston (Manchester): MA-NH-VT)	263,003
8	751 (Denver: CO-NE-WY)	220,070
9	623 (Dallas-Ft. Worth: TX)	217,023
10	807 (San Francisco-Oak-San Jose: CA)	212,884



NYPL eBooks, Audiobooks, Music & Video



Big Data: April 2012

Top 10 holds for the top circulating titles in April 2012

	Title	Format	Holds
1	Fifty Shades of Grey	eBook	46,268
2	The Hunger Games	eBook	21,244
3	Catching Fire	eBook	19,137
4	The Lucky One	eBook	17,222
5	Fifty Shades Darker	eBook	16,742
6	Mockingjay	eBook	15,019
7	Fifty Shades Freed	eBook	13,188
8	A Game of Thrones	eBook	12,076
9	Defending Jacob	eBook	9,491
10	The Litigators	eBook	8,556

Open APIs for Content Discoverability

- OverDrive is releasing a suite of APIs (Application Programming Interface) to increase discoverability of digital content:
 - **Metadata API**
 - **Availability API**
 - **Search API**

- Libraries use APIs from the big guys (and others):
 - Dallas Public Library is using Times API to feature NY Times Bestseller Lists
 - Clicking on a cover allows you to check library's catalog for availability



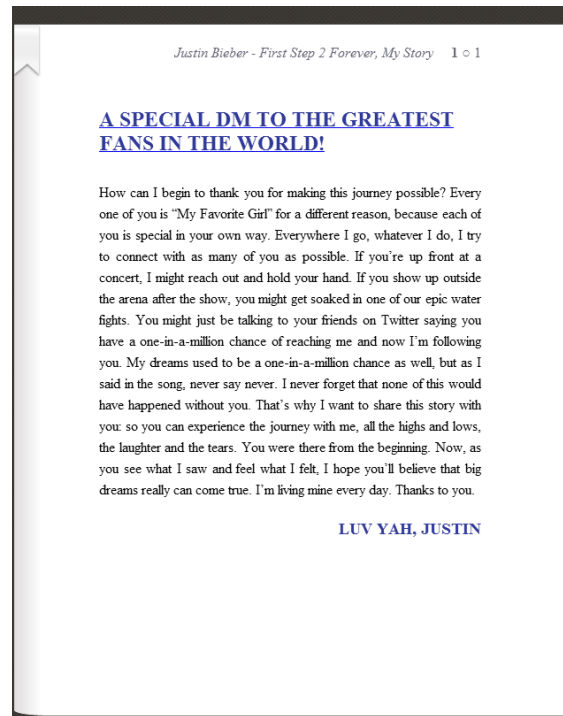
Open APIs for Content Discoverability

- APIs will be open
 - *Oracle vs. Google*: 37 of Oracle's APIs are not copyrightable.
 - Ruling was limited to the APIs in question in the suit – not *ALL* APIs
- Reciprocity of data sharing is hallmark
 - In cooperation with libraries – only as permitted
 - Additional information on how readers are engaging with the content/metadata
- Intended/expected audience:
 - Libraries
 - ILS (Integrated Library System) Vendors
 - Retailers
 - Publishers – direct to consumer



Browser-Based Reading

- Read eBooks in standard web browser
- Uses Open Standards EPUB, HTML 5
- Other examples include:
 - Kindle Cloud Reader
 - Inkling
- Will be available to retail and institutional customers



Browser-Based Reading

Benefits for Publishers

- Understand what, how and when people read, not just what they buy
- True digital marketing of digital content = sales
 - Better tools to help readers discover titles: Share and discover content via email and social networks, and embed samples anywhere on the web

Benefits for Retailers

- Reduce discovery and purchase barriers
- True digital marketing of digital content = sales

Benefits for Libraries & Schools:

- Simplified eBook reading, lower support needs
- Better tools to help readers discover great titles

Benefits for Readers

- Content that opens instantly with a single click – no need to install software or “activate” device

Summary

- The institutional market represents a significant sales channel for publishers' digital content
- New developments and models will increase discoverability and merchandising of content
- Data supports the conclusion that increased exposure through these efforts leads to retail sales

Erica Lazzaro
elazzaro@overdrive.com
www.overdrive.com