

Consumer Survey on eBooks

Sponsored by the Open eBook Forum



www.openebook.org

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Executive Summary

This survey represents an attempt to conduct a broad sweep of determining consumer preferences towards electronic and paper books. Unique to this survey is an attempt to measure attitudes towards eBooks by people who read "paper" books. A total of 263 surveys were completed by people who attended the New York City is Book Country in October, 2002. The survey consisted of 35 questions divided into five sections: 1) their demographic information; 2) their computer usage; 3) their reading and purchasing habits; and 4) their knowledge and experience with eBooks; and 5) their acceptance of eBooks.

Key demographics were: 55% were female & 45% were male; median age was 42; median income was \$46,000 to \$65,000; and 86% had earned a bachelor degree or higher.

Key data points were: 81% reported they owned a computer and 41% owned a handheld organizer, laptop, or personal digital assistant. 86% of the people read magazines and news articles daily on their computer daily and 85% access the Internet daily.

The number of paper books read in a 12 month period was 27 and the number of paper books purchased in a 12 month period was 22. They bought their books at discount bookstores (27%), national chain bookstores (22%), online bookstores via the

Internet (18%), and independent bookstores (16%) as well as other locations. The top genres were fiction (29%), history (15%), and art (14%) as well as other genres.

In regards to eBooks, 82% reported they were familiar with the term eBooks and 61% had read an article on eBooks. 31% had read an eBook on their computer and 15% had purchased an eBook. The top two eBook functions preferred by people were features which were defined as audio, bookmarks & dictionary (19%) and mobility (30%). In regards to their future usage of eBooks, 67% agreed that they would like to read an eBook in the future; 62% said they would read an eBook from their library; 61% said eBooks should be priced the same as paperback books; and 70% believed they would buy an eBook if the eBook could be read on any computer.

The survey population was very similar to the demographics of the overall United States population based upon the 2000 Census. In the 2000 Census:

- The median age was 35; in this survey the median age was 42.
- 51% were female and 49% were male; in this survey, 55% were female and 45% were male.
- 26% of American adults had earned a Bachelor's degree or higher; in this survey, 86% had earned a Bachelor's degree or higher. (The survey population reported a higher education level than the overall education level in the United States.)

- The median income for family households was \$51,800; in this survey the median income was \$46,000 to \$65,000.

A few surprises gleaned from the data were:

- People who had read an article on eBooks were more likely to have read an eBook on their computer or were more likely to have purchased an eBook than those who had not read an article on eBooks.
- People who rated their computer skills as either expert or intermediate were not more likely to have read or bought an eBook than those who rated their computer skills as novice.
- People who use the Internet daily or who read magazine articles and news articles daily on their computer were no more likely to have read or bought an eBook than those who do not use the Internet daily nor read articles on their computer daily.

Note: A review of this survey as well as an in-depth discussion by industry leaders was printed in Book-Tech Magazine, January/February, 2003, *Consumer Acceptance of E-Books Grows*, by Warren Chiara. Review available online at www.booktechmag.com.

Overview

This survey represents an attempt to conduct a broad sweep of determining consumer habits as well as preferences towards electronic and paper books. Unique to this survey is an attempt to measure attitudes towards eBooks by people who read paper books. A total of 263 surveys were completed by people who attended the New York is Book Country event in October, 2002. The survey was sponsored by the Open eBook Forum and Chartula.

Methodology

The survey was developed with closed ended questions in order for the survey to be self-administered by the participants. Another design choice was to use "forced choice" answers for each question. Therefore, for questions with multiple answers, participants were asked to select only one answer. By "forcing" participants to select only one choice, the ranking of the choices is more significant.

The survey questions were reviewed for content and clarity by the Open eBook Forum Business Special Interest and the survey instrument was reviewed by four experts at the Boulder Writer Alliance Showcase in Boulder, Colorado. Comments from the experts were incorporated and the survey was prepared for distribution at the New York is Book Country event. The survey was distributed to people who attended

the event and they completed the surveys at that time. Demographic information was gathered but the participants names were not collected as part of this research and the information gathered remained anonymous.

A total of 263 surveys were completed. The data were analyzed with Microsoft Excel Data Analysis functions including correlation, descriptive statistics, rank and percentile, and regression. In this report, the results are reported as either mean or percentage values. The values obtained from the correlation and regression functions are not provided in this report but were used to describe some data presented in this report.

Limitations

The limitations of the survey are:

- The population was self-selected in that they were people who volunteered to participate in the survey. Thus the participants were not randomly selected and may not be considered representative of people who read books. (Conversely, since the survey was designed to reach people who read books, the survey population was quite appropriate.)
- The survey was designed to be self-administered by the participants so there was no method available to ensure that participants had answered every question. Overall, less than 2% of the surveys were missing any answers.

Results

The survey was organized into five parts and the data were reported based on the five parts:

1. About You
2. About Your Computer Usage
3. About Books
4. About Electronic Books
5. Trends

About You

Of the population, 55% were female & 45% were male, median age was 42, median income was between \$46,000 to \$65,000; and 86% had earned a bachelor degree or higher. Here is a breakout of key information:

Table 1: Income Range

Income Range	%
Less than \$25,000	11
\$25,000 to \$45,000	19
\$46,000 to \$65,000	17
\$66,000 to \$85,000	14
\$86,000 to \$99,000	7
More than \$100,000	25
No answer	7

Table 2: Education Level

Education Level	%
High School	8
Associate Degree	3
Trade School	1
Bachelor of Arts/Science	32
Master of Arts/Business	40
Doctor of Education/Philosophy	14
No answer	2

About Your Computer Usage

81% reported they owned a computer and 41% owned a handheld organizer, laptop, or personal digital assistant. Furthermore, 68% of the people read magazines and news articles on their computer daily (20% on a monthly basis), 85% accessed the Internet on a daily basis, and 84% read e-mail daily on their computer. People rated their computer skills as:

Table 3: Computer Skill Rating

Computer Skills	%
Expert	34
Intermediate	54
Novice	10
No answer	2

About Books

The mean number of books read in a 12 month period was 27 and the mean number of books purchased in a 12 month period was 22. The mean number of audio books purchased in the last 12 month period was less than one audio book. Here is the information about where people bought their books and the types of the books they read:

Table 4: Where People Buy Books

Place Where Books Purchased	%
Book club	10
Department store	4
Discount bookstore	27
Grocery store	1
Independent bookstore	16
National chain bookstore	22
Online bookstore via the Internet	18
Wholesale "club" store	2

Table 5: Types of Books People Like to Read

Preferred Book Genre	%
Art	14
Business	8
Children books	7
Computers	3
Cooking	4
Fiction	29
History	15
Home improvement	1
Mystery	7
Reference	2
Religion	1
Romance	1
Science fiction	6
Self-improvement and inspiration	2
Other	2

About Electronic Books

In regards to eBooks, 82% reported they were familiar with the term electronic books; 61% had read an article on eBooks; and 58% had watched a television news report or heard a radio news report on eBooks. 31% had read an eBook on their computer; 26% had read an eBook on a handheld organizer, laptop, or personal digital assistant; and 15% had purchased an eBook. Here is key data:

Table 6: Definition of eBooks

eBook Definition	%
Books read on a computer	31
Books read on an electronic book reader	24
Books read on a handheld organizer, laptop, or personal digital assistant	30
Books read on the Internet	11

Table 7: Reasons for Buying eBooks

Reasons for Buying eBooks	%
Durability	6
Features (such as audio, bookmarks, dictionary)	19
Mobility	30
Price	5
Readability (enlarge fonts for large type)	6
Speed of purchase (can be bought and downloaded immediately for reading)	9
None of the above	4
No opinion	21

Trends

The following are the results of 11 questions that were asked to determine the participants' preferences towards buying and reading eBooks. The following scale was used 1 = Strongly Agree; 2 = Agree; 3 = Neither Agree nor Disagree; 4 = Disagree; 5 = Strongly Disagree.

Table 8: Want to Read an eBook

Strongly Agree	35 %
Agree	32 %
Neither Agree or Disagree	27 %
Disagree	4 %
Strongly Disagree	2 %

Table 9: Want to Read an eBook at a Library

Strongly Agree	33 %
Agree	29 %
Neither Agree or Disagree	23 %
Disagree	10 %
Strongly Disagree	5 %

Table 10: Price eBook Same as Paperback Book

Strongly Agree	29 %
Agree	32 %
Neither Agree or Disagree	20 %
Disagree	11 %
Strongly Disagree	8 %

Table 11: Price an eBook Same as a Hardback Book

Strongly Agree	15 %
Agree	17 %
Neither Agree or Disagree	24 %
Disagree	27 %
Strongly Disagree	17 %

Table 12: Price an eBook Same as a DVD

Strongly Agree	12 %
Agree	13 %
Neither Agree or Disagree	31 %
Disagree	25 %
Strongly Disagree	19 %

Table 13: Price an eBook the Same as a Music CD

Strongly Agree	18 %
Agree	17 %
Neither Agree or Disagree	28 %
Disagree	20 %
Strongly Disagree	17 %

Table 14: Buy eBook If as Many Titles Available as Paper Books

Strongly Agree	30 %
Agree	29 %
Neither Agree or Disagree	30 %
Disagree	9 %
Strongly Disagree	2 %

Table 15: Buy eBook If I Can Enlarge Type (Like a Large Print Book)

Strongly Agree	21 %
Agree	35 %
Neither Agree or Disagree	33 %
Disagree	7 %
Strongly Disagree	4 %

Table 16: Buy an eBook if the Book Can be Read on Any Computer

Strongly Agree	37 %
Agree	33 %
Neither Agree or Disagree	22 %
Disagree	5 %
Strongly Disagree	3 %

Table 17: Buy an eBook at Favorite Place to Buy Books

Strongly Agree	27 %
Agree	32 %
Neither Agree or Disagree	33 %
Disagree	4 %
Strongly Disagree	4 %

Table 18: Buy an eBook from an Internet Website

Strongly Agree	32 %
Agree	34 %
Neither Agree or Disagree	23 %
Disagree	7 %
Strongly Disagree	4 %

Discussion

Part of the purpose of this survey was to test a few questions which have appeared in the literature of electronic publishing. These questions were:

- **Are people who had read an article on eBooks more likely to have read an eBook on their computer or more likely to have purchased an eBook than those who had not read an article on eBooks?**

The answer to this question was there was a relationship between people who had read an article on eBooks and the likelihood they would read or buy an eBook. It should be noted that 82% of the participants were familiar with the term electronic books but there was no relationship between being familiar with eBooks and their reading/buying habits. Simply put, the more people know about eBooks, the more likely they are to read or buy an electronic book.

- **Are people who rated their computer skills as either expert or intermediate more likely to have read or bought an electronic book than those who were novices?**

The answer was that there was no relationship between computer skills and the likeliness of reading or buying eBooks. In electronic book literature, researchers have stated that people who have expert computer skills are more likely to adapt to technology such as eBooks. In this survey, the answer was there was no relationship between computer skills and interest in eBooks.

- **Are people who use the Internet daily or who read magazine articles and news articles daily more likely to have read or bought an electronic book than those who had not?**

The answer was there was no relationship between using the Internet daily nor reading magazines and news articles daily on a computer. In the electronic book literature, researchers have stated that users who use the Internet frequently are more likely to read eBooks but this relationship was not proven in this survey.

What was a surprise was that the lack of relationship of reading magazines and news articles daily (68% reported that they read magazines and news articles on their computer daily) and reading and buying eBooks. This may be because content

on the Internet, such as magazine and news articles, are often available for no fee whereas eBooks are usually sold for a fee.

In addition to the above questions, a couple of points raised from the data should be discussed:

- **Only 6% of the participants rated the feature, readability (enlarge fonts for large type) as a reason for buying an electronic book but 68% said they agreed that they would buy an electronic book if they could enlarge type (like a large print book).**

The inconsistency between the answers could be the fact that by comparing the ability to enlarge type on an electronic book to that of a large print book was easier to understand than the phrase “enlarge fonts for large type” which participants may not have related large print books.

- **There appears to be little price elasticity by consumers for what they will pay for eBooks.**

Participants were asked to agree with statements such as would they be willing to pay the same price for an eBook as a paperback book, hardcover book, DVD, or music CD. The highest agreement was with paperback books and very little agreement with pricing eBook the same as hardcover books, DVD, or music CDs.

Recommendations

Here are some recommendations for the electronic publishing industry:

- **Use a consistent definition of eBooks when describing eBooks in advertisements, press releases, and industry standards.**

About 24% of the participants believed an eBook was the same as a dedicated eBook reader and 11% believed an eBook was a book they read on the Internet. While dedicated eBook readers provided added functionality and enhance the reading pleasure of consumers, equating eBooks with a physical device is the same as equating a DVD disk with a DVD player. The emphasis should be on defining eBooks as content which consumers can read on many devices.

- **Promote more education to make the public aware of eBooks.**

People who had read articles about eBooks were more likely to have read or bought an eBook and the industry must focus on making the public more aware of eBooks and especially the benefits and features afforded by eBooks. 21% of the participants did not have an opinion on which electronic book feature they believed was an advantage of eBooks; it can be assumed the participants were simply not familiar with electronic

book functions and features. But when participants were asked if they could enlarge the type of an eBook like a large print book, they agreed this was a reason to buy an eBook. The industry must drive home the message that eBooks offer functions, such as text to audio, large type, and other such functions that transcend the paper book.

- **Ensure people can read their eBook on as many types of computers as they own.**

81% of the participants reported they owned a computer and 41% owned a handheld organizer, laptop, or personal digital assistant. And more importantly, 70% said they would buy an eBook if they could read the eBook on any computer. The consumers want to read the eBook they bought on their home computer, their handheld organizer, their laptop, their personal digital assistant, and their dedicated eBook reader.

Future Research

The information gathered from this survey also suggests that additional research is needed. Here are two suggestions:

- **Determine Where People Want to Buy eBooks**

18% of the participants said their favorite place to purchase books was at online bookstores via the Internet which means the other 82% buy their books at a variety of places including discount bookstores, independent bookstores, and national chain bookstores. 59% of the participants said they would be willing to buy an eBook at their favorite place to shop for books and 66% said they would be willing to buy an eBook from an Internet Website. Further research, such as interviewing subjects at “brick and mortar” bookstores, is needed to determine where people prefer to buy eBooks.

- **Determine Usage of eBooks at Libraries**

62% of the participants said they would like to be able to read eBooks at their local libraries. In the literature, there are conflicting reports of user ac-

ceptance of reading eBooks at libraries and further research is required since the findings of this survey show that people would like to read eBooks at their local libraries.

Note: The OeBF has formed a Library Special Interest Group to conduct research and discuss issues that are important to usage of eBooks in libraries. Chartula under the direction of the Library Special Interest Group is developing a survey to measure eBook usage in libraries as well as determine current practice and future trends.

About the Open eBook Forum

The Open eBook Forum (OeBF) is the leading international trade and standards organization for the electronic publishing industry. Our members consist of hardware and software companies, publishers, accessibility advocates, authors, users of eBooks, and related organizations whose common goals are to establish specifications and standards and to advance the competitiveness of the electronic publishing industry. The Forum's work will foster the development of applications and products that will benefit creators of content, makers of reading systems and consumers. For more information, visit www.openebook.org.

About Chartula

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