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## **Report on the state of publishing in Italy 2008**

*Summary edited by Ufficio studi AIE*

The book publishing market in 2007 achieved a total turnover of 3.702 billion euros, showing an increase of 0.87% over the previous year.

Over 61,000 titles were produced (62% of which were new books) and 268 million copies. The number of readers, however, decreased: there were 24 million readers of at least one book per year (43.1% of the population) but only 3.2 million Italians read at least one book per month.

### **Readers of at least one book in 2007? 24 million Italians (-1% compared to 2006). But**

**only 3.2 million read one book per month** – In 2007 readers of at least one non-school book over the previous 12 months dropped from 44.1% to 43.1% of the total population of over 6 years of age.

Just over 24 million Italians claimed to have read a book in 2007, a decline of 1% on 2006. To this figure should be added a further 10.8% of those who read only thrillers, light romance, simple manuals (cooking, gardening, hobbies), travel guides and books attached to newspapers and magazines. This gives a total of 53.9% of readers.

After a period during which reading had shown slow but steady growth – from 1999 to 2006 – last year was the first in which the trend was reversed, confirmed not only by Istat but also other surveys (Ipsos, Nielsen etc.).

This situation in no way changes the well known structural characteristics of a market which is one of the most restricted among European countries:

- Among readers, half (46.2%) read no more than three books per year.
- Only 13.3% of readers (about 3.2 million people) read one book per month.
- Geographical differences remain strong, varying from 51.4% in the North to 31.6% in the South (a 20% difference!); the reading level is at 55% in Trentino Alto Adige and 53.3% in Lombardy as against 30.1% in Sicily, 30.2% in Campania, 29.1% in Calabria and 28.9% in Puglia.
- Child and youth age bands contain stronger readers overall (despite the greater spread and use of Internet, mobile phones etc.) compared to the national average. 59.5% of children from 11-14 years, 56.6% of 15-17 year olds and 54.6% of 18-19 year olds claim to be readers of non-school books.
- Women read more than men: 48.9% in 2007 compared to 37% for men.

**The market: growing by 0.9%** - In 2007 the total value of book sales, at cover prices, in Italy reached the figure of 3,702.2 million euros, an increase of just under 1% (0.87%) compared to the previous year.

Sales of miscellaneous adult and children's books in trade channels (bookshops, including publishing chains), large scale retailers, on line bookstores, newsstands (excluding attachments), fairs and book exhibitions amounted to 1.415 billion euros in 2007 (+1.5%). This figure does not include sales of adopted school books, which amounted to 716.3 million euros (+1.5% over 2006). The school market accounts for 19.4% of the total book market.

The children's book market (0-14 years of age) reached a figure of 137.2 million euros, at cover prices (+2.5% on 2006), representing 9.8% of sales in trade channels, but only 3.7% of the total market.



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**Books at newsstands attached to newspapers: -7.5% in value compared to preceding year, titles halved, -24% of copies** – The phenomena of book sales at newsstands, as attachments to newspapers and magazines, had been slowing down since 2006 but, in 2007, it experienced its first real stumbling block since 2002, when this formula first entered the Italian market. The value of books sold at newsstands in this way was estimated at 453 million euros last year (-7.5% compared to 2006). And the 988 titles published in 2006 dropped to 432. The phenomenon began in 2002, when about 44.2 million copies of books were sold in newsstands, rising to 62.1 million in 2003, 75.5 million in 2004 and 80 million in 2005. The first drop came in 2006, with less than 60 million copies sold, and in 2007 there was a further decline to 45.5 million copies (estimate: -24.1%).

**Total publishing houses are 2901. Staff 38 thousand** – 8,814 publishing houses, whether active or not, were recorded in 2007. However, leaving aside those which published no titles during the year or have only occasional production and those which are simply arms of businesses, foundations and institutions having other goals, this figure falls to 2,901 companies. Those publishers which have an organized presence in the market (i.e. publish at least one title per month, have a publishing plan, distribute through bookshops and have at least 100 commercially viable titles in their catalogue) amount to 1,016. The total number of people employed in the industry is estimated at about 38 thousand.

**Distribution: increasingly bookshop chains (out of 2 thousand bookshops, 609 belong to chains)** – The main feature that continues to characterise the distribution scene is the development of chains of bookshops (including significant development in shopping centres, airports and, recently, railway stations). Today, out of about 2 thousand bookshops, 609 belong to chains (owned by publishers or distributors) and 92 are "family-run" chains: in total they represent 35.1% of sales points. 63 of these chains are multistores (with over 1,000 square metres of surface area, selling books and other products like recorded music and video etc.)

**The trade market: increase in sales in large-scale retail outlets, online bookshops (+37%), newsstands** – The trade channels showed greater dynamism in 2007 resulting from three major stimuli:

- Growth (+5%) in sales from the shelves (or, nowadays, rather mini-departments within a bazaar area) of hypermarkets and supermarkets, exploiting more incisive policies of promotion, pricing and sales animation as well as an expansion of assortment to also include types of books with a relatively high cover price and thus no longer limited to traditional publishers of bestsellers once a characteristic of this channel.
- Growth of online bookstores: +36.9%, excluding sales resulting from the acquisition of books by Italian customers from foreign online stores.
- The recovery of book sales at newsstands (+12.1%) which, in recent years, have modernised display and extended their assortment (excluding newspaper attachments) beyond a limited range of paperbacks and supercheap editions. However the growth rate in 2007 needs to be viewed in the knowledge that the preceding year the level of sales in this channel had reached its lowest point, with sales of just 16.5 million euros.

Together, this group of channels represented 1.416 billion euros, +2.8% on 2006.

**Production: over 61 thousand titles (62% new books), 268 million copies** - In 2006, the latest year for which we have definitive figures for production, 61,440 titles were published,



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including schoolbooks for adoption (6,202) and books for children and young people (4,288). 61.8% of these were new books (62.4% in 2005). These figures exclude works sold in combination with newspapers and magazines.

82.9% of titles published are miscellaneous books (fiction, non-fiction, manuals, guides, art and illustrated works, travel guide books, university books, STM, reference and encyclopedias); a further 7% are books for children and young people; finally 10.1% are books for use in compulsory education and upper secondary schools.

In 2006 (always excluding books sold as attachments to newspapers and magazines) 268 million copies were printed with an average print run of 4,300 copies.

Titles commercially viable in 2008 number 609,287, including 37,855 works "of limited availability". In 2007 this figure stood at 581,035 (September 2007) and the previous year at 545,762. Between 2007 and 2008 there was an increase of 4.9%.

**Translations: 1 title in 5 is "foreign"** – The proportion of books by foreign authors in total Italian production is decreasing steadily: from an average of about 25% throughout the 1990s, this has now gone down to 22.5%. In particular, there is a drop in translated works in the sectors of miscellaneous adult books (21.9%) and children's books (32.7%).

The majority of translations come, naturally, from the English language market: 47% of translated titles in miscellaneous adult books, and fully 71% of those for children's books, come from authors in English language markets. Other language areas – French, German and Spanish – are at lower levels, making up respectively 2.3%, 1.3% and 0.7% of the total of translated titles. Also with regard to average print run, compared to 4,900 copies for titles by English language authors, there is a drop to 3,300 for French authors and 2,900 for Germans.

**Exports of Italian books: +2%** - Exports of Italian books abroad are growing: +2% compared to 2006, corresponding to a total value of 40.7 million euros (figures do not include exports through commercial sites online, which have surely risen). Despite this growth, the figure indicates a lack of dynamism in the sales of Italian books abroad, which have gone up but not by a significant amount. Most exported books are in the fields of art, image and design, which represent a high quality point of Italian publishing.

**And the first part of 2008?** The trend so far in 2008 will make it difficult to reach the 2007 figures for trade channels, primarily because of a more general contraction of family consumption which could have considerable repercussions on the final balance for the current year. Value indexes for retail sales in both small and large outlets already showed a drop of -3.4% in sales last April compared to the corresponding month in 2007 in the sector "stationery, books, newspapers and magazines" and -1% compared to March 2008. The sector is additionally penalised by a further reduction in the sales of attached books, which translates into reduced income for publishers in terms of rights.

The market continues to show low growth rates in reading, in the absence of significant intervention in this sector for its promotion among the public. Hopes are placed on Christmas sales; so far it has always been the case that, in periods of crisis, the book as a present at the end of year festivities has represented a refuge. However, it is difficult to sustain overall economic-financial management of the sector based solely on the progress of sales in a period of little more than a month.

**1. Trend of publishing market at cover prices**  
**Values in euros and in percentages**

	2005		2006		2007	
	Euros	%	Euros	%	Euros	%
<b>Bookshop<sup>1</sup></b>	1,034,000,000	77.2%	1,043,300,000	75.7%	1,048,000,000	+0.5%
<b>Hyper and supermarket<sup>2</sup></b>	226,800,000	16.9%	246,100,000	17.9%	258,400,000	+5.0%
<b>Newsstand<sup>3</sup></b>	20,500,000	1.5%	16,500,000	1.2%	18,500,000	+12.1%
<b>Other forms of retail sale</b>	18,380,000	1.4%	19,350,000	1.4%	19,756,000	+2.1%
<b>Online bookshops and sales through Internet*</b>	40,110,000	3.0%	52,062,000	3.8%	71,300,000	+36.9%
<b>[a] Total</b>	1,339,790,000	100.0%	1,377,312,000	100.0%	1,415,956,000	+2.8%
	+2.8%		+2.8%		+2.8%	
<b>[b] Schoolbooks for adoption<sup>5</sup></b>	696,000,000		705,510,000		716,280,000	+1.5%
	+1.8%		+1.4%		+1.5%	
<b>[c] Books sold in museum bookshops</b>	21,900,000		25,360,000		28,438,000	+12.1%
	15.3%		15.8%		12.1%	
<b>[a+b+c] Total</b>	2,057,690,000		2,108,182,000		2,160,674,000	+2.5%
	+2.6%		+2.4%		+2.5%	
<b>By instalment</b>	315,000,000		308,385,000		311,777,000	+1.1%
<b>Mail order sales</b>	145,000,000		140,650,000		143,182,000	+1.8%
<b>Book club</b>	81,500,000		82,478,000		83,303,000	+1.0%
<b>Direct sales to libraries (b2b)</b>	65,500,000		54,300,000		50,230,000	-7.5%
<b>Exports of Italian books abroad</b>	39,491,000		39,925,000		40,730,000	+2.0%
<b>[d] Total</b>	646,491,000		625,738,000		629,222,000	+0.6%
	-1.7%		-3.2%		+0.6%	
<b>Collectables: instalments at newsstands</b>	342,300,000		307,043,000		293,226,000	-4.5%
<b>Electronic publishing (Cd-rom, Dvd rom)</b>	326,500,000		336,948,000		330,458,000	-1.9%
<b>Electronic publishing: databanks</b>	51,000,000		60,537,000		69,618,000	+15.0%
<b>Half price used books</b>	76,500,000		78,150,000		79,790,000	+2.1%
<b>Non book</b>	33,000,000		35,376,000		38,206,000	+8.0%
<b>Income and sales through special initiatives (b2b)</b>	114,950,000		118,000,000		101,000,000	-14.4%
<b>[e] Total</b>	944,250,000		936,054,000		912,298,000	-2.5%
	-2.6%		-0.9%		-2.5%	
<b>[a+b+c+d+e] Total</b>	3,648,431,000		3,669,974,000		3,702,194,000	+0.9%
	+0.4%		+0.6%		+0.9%	
<b>Books as attachments <sup>6</sup></b>	275,700,000		233,100,000		221,500,000	-5.0%
			-15.5%		-5.0%	

<sup>1</sup> Excluding schoolbooks for adoption

<sup>2</sup> Bookshelves in supermarkets and department stores

<sup>3</sup> Excluding sales as attachments and collectables

<sup>4</sup> Sales by Italian online bookstores. Excluding expenditure by Italian customers through foreign online bookstores.

<sup>5</sup> In bookshops and bookshop-stationers, direct

<sup>6</sup> Figures supplied by Fieg relating to 53 daily papers. The figures refer solely to sales of books (330.5 in 2004). It has been decided to use this figure from this year on instead of the estimates previously carried out.