

## Amazon rolls out 'Netflix-for-books' style service (Update)

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In this Sept. 24, 2013 file photo, the 8.9-inch Amazon Kindle HDX tablet computer is held up for a photo in Seattle. Amazon is rolling out a new subscription service that will allow unlimited access to thousands of electronic books and audiobooks for \$9.99 a month in the online giant's latest effort to attract more users. (AP Photo/Ted S. Warren, File)

(AP)—Amazon is rolling out a new subscription service that will allow unlimited access to thousands of electronic books and audiobooks for \$9.99 a month in the online giant's latest effort to attract more users.

The largest U.S. e-commerce site said Friday that the Kindle Unlimited service will give users the ability to read as much as they want from more than 600,000 Kindle titles such as "The Hunger Games" and "Diary of a Wimpy Kid." They can also listen as much as they like to thousands of Audible audiobooks, including "Water for Elephants."

The service will offer about 2,000 audiobooks from Audible with Whispersync for Voice, which lets users switch between reading and listening to books. Subscribers will get a free three-month membership to the broader Audible service, which has 150,000 titles.

Amazon is offering a free 30-day trial to entice users to try the service. The move is a switch from Amazon's latest efforts, which have largely focused on adding services to its Prime loyalty program. The company has recently launched a video streaming box and grocery delivery service, unveiled plans for a smartphone and expanded its Sunday delivery service, all for members of Prime. But Kindle Unlimited is for anyone with a Kindle device or app.

Americans have a growing appetite for e-books. In the U.S., 79 million people will use e-book readers in 2014, up nearly 9 percent from 72 million in 2013, according to eMarketer. People age 45 to 54 are the biggest readers of e-books this year.

Amazon's move comes at an uneasy time for the company and its relationship with publishers, because it has been in a public squabble with Hachette over e-book prices. Amazon did not disclose the terms it worked out with publishers who are part of Kindle Unlimited.

Some major publishers aren't involved. Hachette, HarperCollins and Simon and Schuster confirmed they are not part of the service, while Penguin Random House declined to comment. Macmillan did not respond to a query for comment.

Still, the service offers a selection of high-profile titles, including the "Lord of the Rings" trilogy, the "Harry Potter" series and classics like Robert Penn Warren's "All the King's Men" and George Orwell's "Animal Farm."

Forrester Research analyst James McQuivey said even if the big publishers aren't involved yet, the service is a necessary step for Amazon.

"People prefer subscription access to digital media," he said, citing music service Spotify and movie- and TV- streaming service Netflix as examples.

"Someone is going to figure out how to build a consumer brand around subscription books and force publishers to participate, and Amazon can't afford for it not to be Amazon."

Seattle-based Amazon is not the first company to offer a "Netflix for books"-style monthly service: Scribd offers a service for \$8.99 a month for access to 400,000 books. Oyster offers 500,000 books for \$9.95 a month. Unlike Kindle Unlimited, both services offer HarperCollins books, among other publishers.

But Amazon is the biggest company to roll out the service and has the advantage of having a dedicated base of users through its Kindle devices and Kindle app, which runs on most wireless devices.

Even so, some analysts are skeptical. Wedbush analyst Michael Pachter said that paying \$9.99 a month for the service doesn't make sense for someone who reads roughly one book a month. And for more avid readers, the limited book selection might be disappointing, he said.

"Amazon is throwing a lot of stuff at the wall and seeing what sticks," he

said.

A Kindle Unlimited logo will be attached to eligible titles. The subscription service is available beginning Friday and is accessible via Kindle devices or with Amazon's free Kindle reading apps.

Amazon's stock rose \$5.22 to \$357.67 in midday trading.

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