

Digital vs. print publications: New study shows playing favorites can hurt overall sales

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Since the first e-book platform launched in 2007, e-book sales grew to comprise 20 percent of all book sales by 2015. To ensure the increasing popularity of e-books did not undermine the success of their printed counterparts, publishers frequently delayed the digital publication date for several weeks after the print edition has been released. However, new research in the INFORMS journal *Management Science* found that delaying the sale of the e-version of a new book does not lead to increased print sales, and can result in significantly fewer e-book sales once the digital version is made available.

"Publishers face the challenge of selling books in both print and digital formats," said study author Hailiang Chen of City University of Hong Kong. "On one hand, [e-book platform](#) providers like Amazon claim e-books do not impact print sales, while on the other hand publishers worry that because e-books offer the same content as their printed counterparts but at a lower price that they will cannibalize print book sales."

The study, "The Impact of E-book Distribution on Print Sales: Analysis of a Natural Experiment," was conducted by Chen, as well as Yu Jeffrey Hu of the Georgia Institute of Technology, and Michael Smith of Carnegie Mellon University. Over a 20 week period in 2010, the researchers evaluated 182 fiction and non-fiction books, 83 of which had both their digital (either Kindle or Amazon) and print versions published at the same time, and 99 of which had their print version published first, followed by the [digital version](#) released to Kindle and Amazon between

one and eight weeks later.

Among the books whose digital versions were delayed on Kindle, the researchers found a 48.2 percent decrease in Kindle sales once the digital version was released, compared to books whose digital and print versions were released simultaneously.

On Amazon, where [consumers](#) can typically purchase both printed and digital copies of books, the researchers found virtually no increase in the sale of printed volumes when the digital version was delayed.

"This implies that when the digital [version](#) of a book is unavailable on Amazon, consumers do not seem to switch to buying [print](#) books from the same retailer," said Hu.

However, for books that experienced more prerelease "buzz" among Amazon and Kindle reviews, the study authors found that delaying the release had less of an effect on overall digital sales than for a book that had not experienced prerelease promotion.

In addition, the authors did not see an increase in sales of these books on other digital platforms, like Apple's iBooks store, which would imply that consumers who traditionally use Kindle or Amazon will not switch reading platforms in order to access a new title.

"Consumers can form strong channel or format preferences between physical and digital products and as well as strong platform preferences among digital providers," said Smith. "Essentially, consumers who prefer printed books will not deviate to a digital platform and vice versa, and similarly consumers who prefer to download [books](#) to a digital platform remain loyal to a specific platform."

More information: Hailiang Chen et al. The Impact of E-book

Distribution on Print Sales: Analysis of a Natural Experiment,
Management Science (2018). [DOI: 10.1287/mnsc.2017.2940](https://doi.org/10.1287/mnsc.2017.2940)

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