Ebooks and ebookz: monitoring consumer behaviour

A FIRST IN FRANCE AND A WORK-IN-PROGRESS

Digitization is a nerve centre for all the actors in the book world today. It raises crucial issues regarding economics (digital pricing, VAT), technology (DRM, interoperability) and even political policy (the making of French language heritage documents and other materials available through the Gallica digital library project, the question of a single platform, etc.).

One of the major concerns associated with digitization is book piracy. Will the availability of digital catalogues encourage this practice? Will the pirating of legal files facilitate a leap from today's relatively primitive level (the scanning of paper-edition books) to a mass practice, despite France's anti illegal downloading legislation (Hadopi)? What is the volume of these available catalogues?

Furthermore, the Web is seen as a production space packed with information and the expression of opinion. In this context, the practices through which consumers acquire information about books are new and still to be explored. Consequently, they raise many questions. Who will manage to make their voice heard, and to say what? What are the mechanisms of the production of "noise" in this intermediation system where the publishing and marketing take place?

The complete study is available online:
www.lemotif.fr rubric Études et analyses

October 2010

Authors
Mathias Daval
(Edysseus Consulting)
Rémi Douine
(The Metrics Factory)
for le MOTif

le MOTif
Cécile Moscovitz
Research director

6, villa Marcel-Lods
Passage de l'Atlas
Paris 19e
Subway Belleville

01 53 38 60 61
contact@lemotif.fr

www.lemotif.fr

le MOTif
Région Ile-de-France
îledeFrance

Observatoire
du livre et de l'écrit
en Ile-de-France
le MOTif

These two objects of research are mutually correlated: consumption practices will depend on market developments, and vice versa. Thus they concern the diverse modes in which books fit into this new market or "ecosystem". **This is the terrain our pioneering studies in this field have set out to explore**.

The study "EbookZ?" by Mathias Daval for Le MOTif, published in October 2009, was the first stage of in our research into digital book piracy.

At that time, the study concluded that relatively few French books were available on pirate networks. **However, regular monitoring of this phenomenon seems necessary if one wants to follow its evolution in parallel with the evolution of the digital market.**

Hence Le MOTif is launching a research project intended to provide **observational metrics and support for forecasting exercises**. It is the first of its kind in the French publishing field.

This study is being carried out for Le MOTif by Mathias Daval of **Edysseus Consulting**, and **The Metrics Factory**, a company specializing in data retrieval on the Internet represented by Remi Douine, an expert in Internet audience measurement.

Its goal is to provide concerned professionals with regular metrics and annual reports on:

- The market: the legal and illegal supply and demand for digital books.

- "Intermediation": the connections linking the Internet users and books – search engines, blogs, Web sites, social networks, etc.

The market for digital books and the practices entailed are far from mature. We are now witnessing endeavours proceeding by trial and error and new projects undertaken by diverse actors – public institutions, authors, publishers, booksellers, manufacturers, ISPs, distributers and readers. That is why this research agenda is intended to be somewhat empirical and a work-in-progress.

3 MAIN FIELDS OF RESEARCH

Our observational tool will focus on the emergence of a market for digital books and the corresponding consumer ecosystem (except store terminals), taking care not to duplicate other ongoing digital book market surveys.

We first designed benchmarks, the kind of summaries of information highly useful to all professionals. These matrixes are the object of research in its own right. Some will require regular updates as the market develops.

These matrixes represent:
- An overview of the various legal and illegal digital platforms.
- The regular monitoring of the legal and illegal supply of a sampling of 165 titles.
- The "noise": the Web sites and blogs dedicated partly or entirely to books, authors and the accompanying "chatter" (criticism and pseudo-criticism, promotion and pseudo-promotion, etc.), and the typology of their business model.

And are used to explore our main **fields of research**:

1. The supply of digital books

We will study the emergence of both the legal and pirate supply of digital books on the Net by updating the study "EbookZ?", quantifying the illegal supply, both generally and in terms of particular cases by means of the analysis of a sampling of titles.

We will analyse the size of catalogues and their overlap; the quality, format and size of the files; and, for titles, their category, publication date, average price for print and legal digital editions, publishing sector, etc.

2. "Pirate" demand for digital books

In addition to the analysis of pirate supply, we must also understand the reality of digital piracy today.

The Metrics Factory uses special software to automatically harvest data so as to quantify the downloading of illegal files on BitTorrent and ed2K sites, and other sources where download data can be retrieved.

Quantitative research long two main lines
- **A sampling of titles** daily entered unto the search engines on BitTorrent sites, ed2k and other possible sources.

- **A systematic monitoring of BitTorrent** (the only peer to peer technology that makes it possible to explore the entire available catalogue): the weekly extraction of the entire catalogue available on these platforms so as to identify the demand dynamic as soon as the file is posted on these networks.

A qualitative approach to these "pirates" will focus specifically on their profiles, motivations, methods and their expectations regarding the consumption of ebooks.

3. Intermediation

Analysis of the posting of information about books

The Internet has made possible the emergence of a new supply of information about experience goods, to use the economics term, of which books are one category. In particular, the appearance of:
- comments on Amazon,
- discussion forums,
- blogs,
- new online media and opinion actors,
- Facebook, which modifies word of mouth mechanics.

These elements have lead to a proliferation of sources of information about books by providing all Internet users the opportunity to produce information and opinions about titles.

The objective is to develop a typology of relevant French sites and blogs and thus construct a base of RSS feeds *and ad hoc* extractors in order to analyse the content data from these sources. They may include a certain minimum of blogs, articles from online media and other sites of the production of intermediation yet to be identified (excluding publishers' sites). By thus collecting the ensemble of postings, we can focus on and cross-check the following parameters:

- Content type: interview, simple "informational" posting or "critique"? original content or reposting? multimedia? update frequency?
- What is the subject of the conversation: best sellers, authors, publishers, publishing sectors?
- What is the chronology in relationship to the publication date?
- Discussion generated: raw content or richly contributed to and commented upon by Net users?
- Can be shared on social networks?
- Business model: advertising? subscription? sponsor-supported blog? Etc.

Analysis of book references on search engines

Search engines represent the primary entry point to the Web. It is worth studying how official information (issued by publishers, and book distributing Web merchants) and unofficial information (opinion intermediaries such as blogs and pirate sites) is organized on the basis of queries.

Using our sampling, we will extract the first ten Google, Bing and Yahoo results according to the type of search (by author, book title, etc.) and analyse the categories of suggested sites. Combined with the previously mentioned analysis of intermediaries, this aspect of our research will allow us to evaluate the breakdown and role of intermediaries in book access.

In Europe…
Unesco recently established a World Anti-Piracy Observatory to provide news and information on relevant legislation, best practices and other measures. It does not provide statistical data on markets [1].
The European Commission has created the European Observatory on Counterfeiting and Piracy "which serves as a platform to join forces, to exchange experiences and information and to share best practices on enforcement [2]".
Spain has founded an Observatorio de piratería for which the consulting firm IDC will conduct regular surveys of consumption among Spanish users for the CEDRO [3].
In Italy, the AIDRO compiles annual reports (estimated overall volumes) on piracy.
In the United Kingdom, the Publishers Association has developed a portal to inventory illegal sites [4].
Finally, in France, the Music Observatory issues an annual status report on illegal sites offering digital music, but not books [5].

1 Plateforme en ligne : http://portal.unesco.org/culture/fr/ev.php-URL_ID=39055&URL_DO=DO_TOPIC&URL_SECTION=201.html
2 c.europa.eu/internal_market/iprenforcement/observatory/index_fr.htm
3 Voir blog.cedro.org/2010/06/01/observatorio-de-pirateria-una-iniciativa-con-datos-reales-y-contrastados/
4 http://www.copyrightinfringementportal.com/
5 http://observatoire.cite-musique.fr/observatoire/document/Mnum_S109.pdf

ELABZ ACTORS

To collect and analyse the ElabZ data, Le MOTif has commissioned:

Edysseus Consulting, a consulting firm specializing in the production and distribution of digital content.

Its expertise includes:
- Consulting: new media communications strategies.
- Sectoral studies of publishing, digital content, and information and communications technology.
- Conceptualizing and producing textual and audiovisual content.
- Management of cross-media projects.

www.edysseus.com

The Metrics Factory, a social media agency specializing in measuring Internet audiences. As such, it helps clients define, carry out, manage and measure their online presence mechanisms.

It brings to bear:
- Proprietary software designed for both *content-centric* and *cross-platform audience measurement* and to produce **social media insights.**
- Consultants who are experts in social media distribution strategies.
- Software engineers specialized in the development of tools for extracting online data.

www.themetricsfactory.com

Observatoire
du livre et de l'écrit
en Ile-de-France

le MOTif

Ebooks and ebookz: monitoring consumer behaviour

E LABZ !

A FIRST IN FRANCE AND A WORK-IN-PROGRESS

Digitization is a nerve centre for all the actors in the book world today. It raises crucial issues regarding economics (digital pricing, VAT), technology (DRM, interoperability) and even political policy (the making of French language heritage documents and other materials available through the Gallica digital library project, the question of a single platform, etc.).

One of the major concerns associated with digitization is book piracy. Will the availability of digital catalogues encourage this practice? Will the pirating of legal files facilitate a leap from today's relatively primitive level (the scanning of paper-edition books) to a mass practice, despite France's anti illegal downloading legislation (Hadopi)? What is the volume of these available catalogues?

Furthermore, the Web is seen as a production space packed with information and the expression of opinion. In this context, the practices through which consumers acquire information about books are new and still to be explored. Consequently, they raise many questions. Who will manage to make their voice heard, and to say what? What are the mechanisms of the production of "noise" in this intermediation system where the publishing and marketing take place?

The complete study is available online:
www.lemotif.fr rubric Études et analyses

October 2010

Authors
Mathias Daval
(Edysseus Consulting)
Rémi Douine
(The Metrics Factory)
for le MOTif

le MOTif
Cécile Moscovitz
Research director

6, villa Marcel-Lods
Passage de l'Atlas
Paris 19e
Subway Belleville

01 53 38 60 61
contact@lemotif.fr

www.lemotif.fr

le MOTif
Région Ile-de-France
île de France

Observatoire
du livre et de l'écrit
en Ile-de-France
le MOTif