

Setting the Table: Trends in the U.S. Book Market

Publishing Now: The Impact of Accessibility and Sustainability on Your Business.

September 2022

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Sources for Today's Data

NPD Book is the market leader in US Book data



NPD BOOKSCAN™

Print book POS

16,000 retailers

13M units weekly

85% of US market



PUBTRACK DIGITAL

eBook sales

Publisher reported

Top 450 publishers

Monthly release



PUBTRACK DIGITAL AUDIO (beta)

Digital Audio sales

Publisher reported

4-of-5 Top Audio publishers

Monthly release



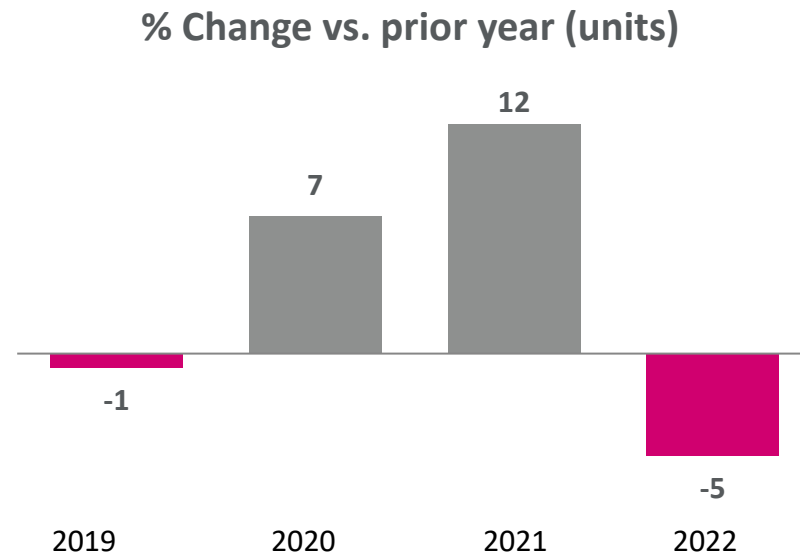
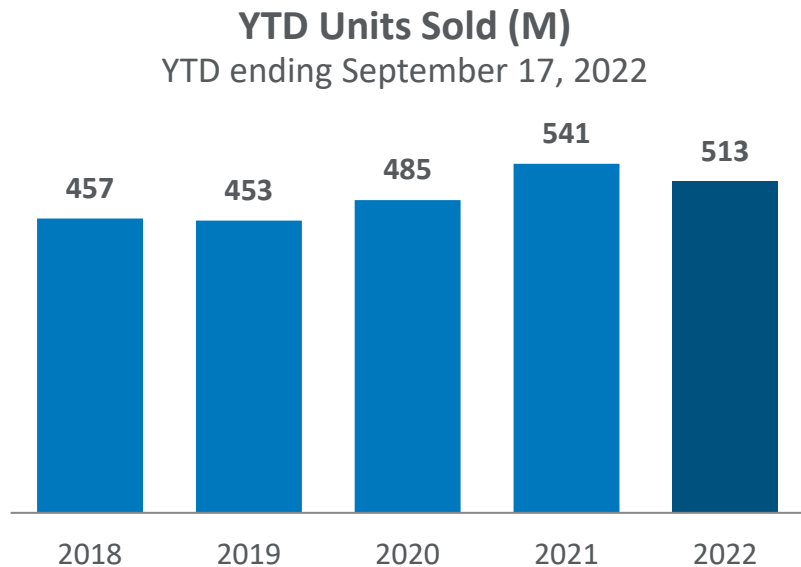
U.S. Book Market YTD Snapshot and Look Ahead



Total Market YTD 5-Year Trend



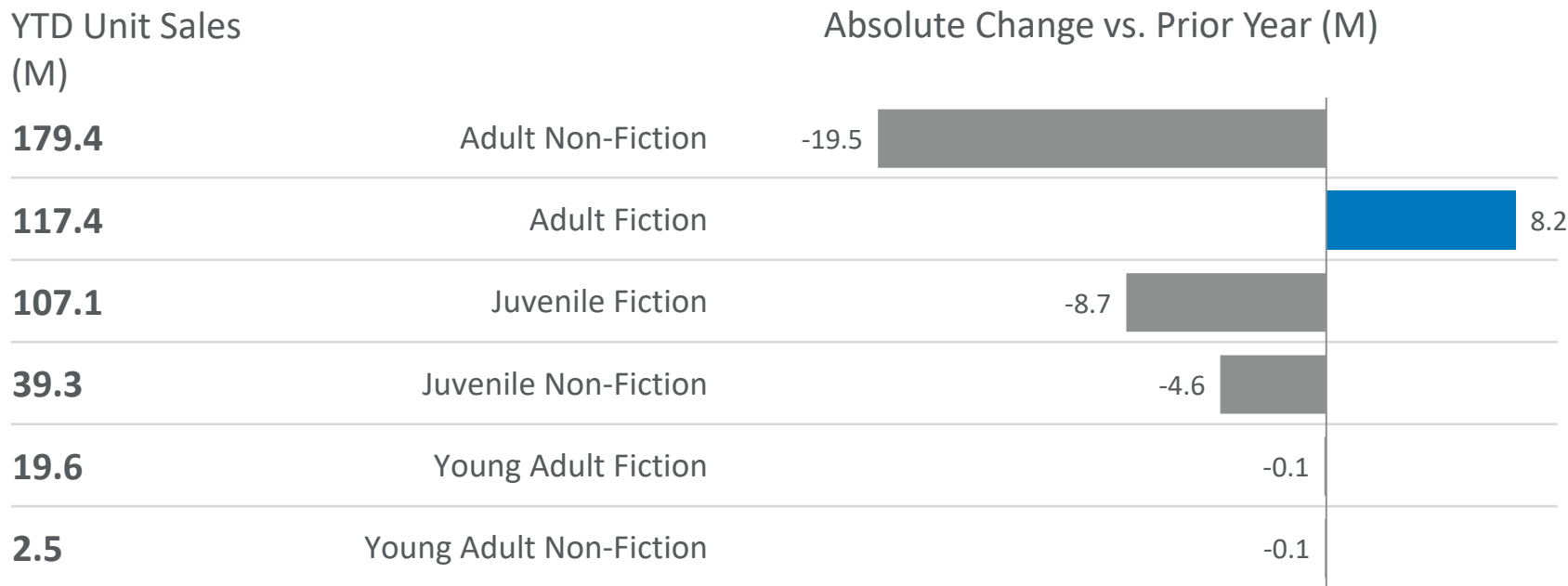
While units are down in 2022, the market is +14% to pre-pandemic levels



Source: The NPD Group/BookScan, 52 weeks ending Sept 17, 2022, print sales only;

Supercategory Print Performance

Adult fiction is the only supercategory posting gains over 2021

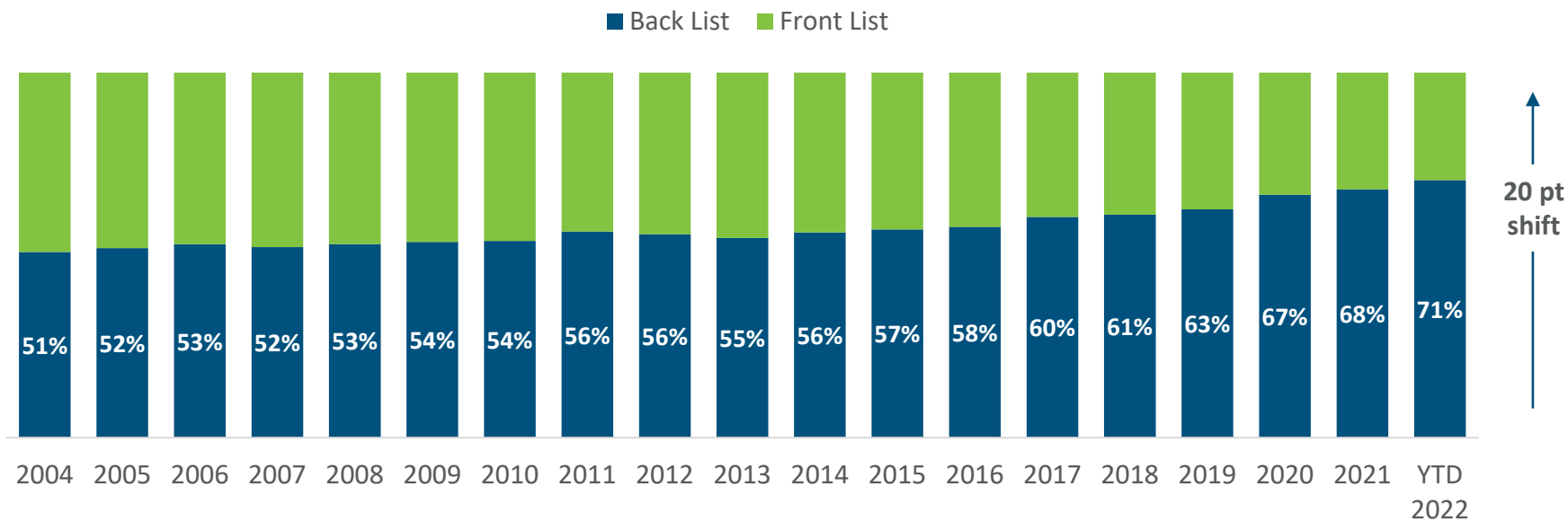


Source: The NPD Group/NPD BookScan, YTD through WE ending Sept 3, 2022– U.S. print sales only

Historic Front List / Back List Market Share

We now sell more than two backlist titles for every front list print book sold in the U.S.

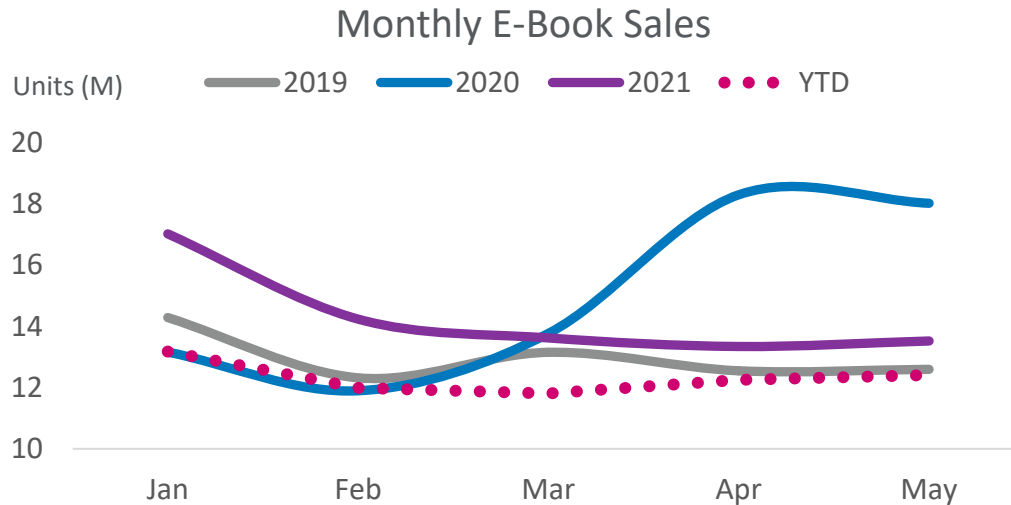
19 YEARS – ANNUAL UNIT SHARE BY VINTAGE



Source: The NPD Group/NPD BookScan™, U.S. print sales only. Front List books are those published in the rolling 12 months prior to the data period. YTD 2022 through month-ending August 2022.

E-book sales soft in 2022

E-book sales are down -18% over 2021, and -7% below pre-pandemic volume in 2019



Source: The NPD Group/PubTrack Digital, month ending May 2022

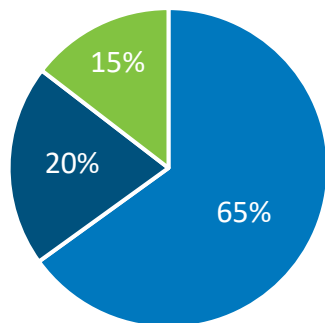


Format Trend (Audio-subgroup) Q2 2022

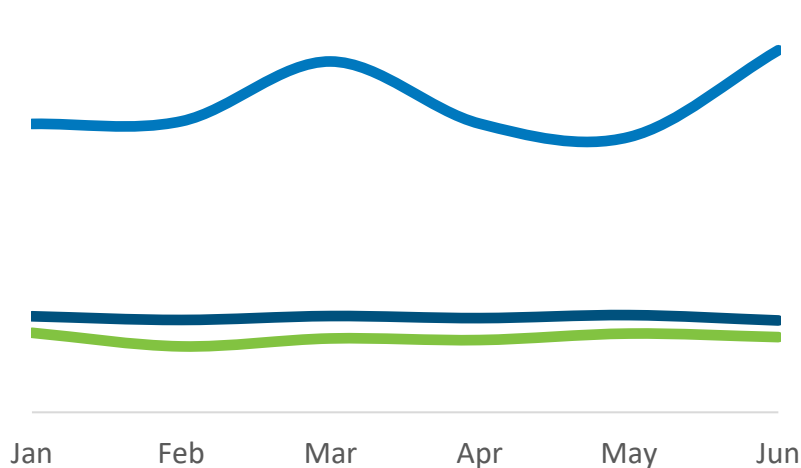
Audio was the fastest growing format and gained 2 format share points YOY

Format Share

■ Print ■ E-book ■ Audio



Monthly Trend



YTD CH vs. LY



Print | -4%



E-book | -13%



Digital Audio | +10%

PubTrack Digital Audio includes audiobook information from Hachette Book Group, HarperCollins, Simon & Schuster, Macmillan, Abrams, and others.

Available

Source: The NPD Group/NPD BookScan, PubTrack Digital, PubTrack Digital Audio, 6 months ending June 2022, includes participating digital audio publishers only

A photograph of seven wooden blocks arranged on a light-colored surface. The blocks are stacked to spell out the words 'NEW' and 'NORMAL'. The 'E' and 'W' blocks are stacked on top of the 'N' and 'O' blocks respectively. The 'R' block is stacked on top of the 'M' block. The 'A' and 'L' blocks are single blocks. The letters are printed in a bold, black, sans-serif font.

**NEW
NORMAL**

We have emerged into the next phase

Growing Topics Reflect a New Reality

Top 12 fastest growing BISACs by volume YTD with % change against 2019

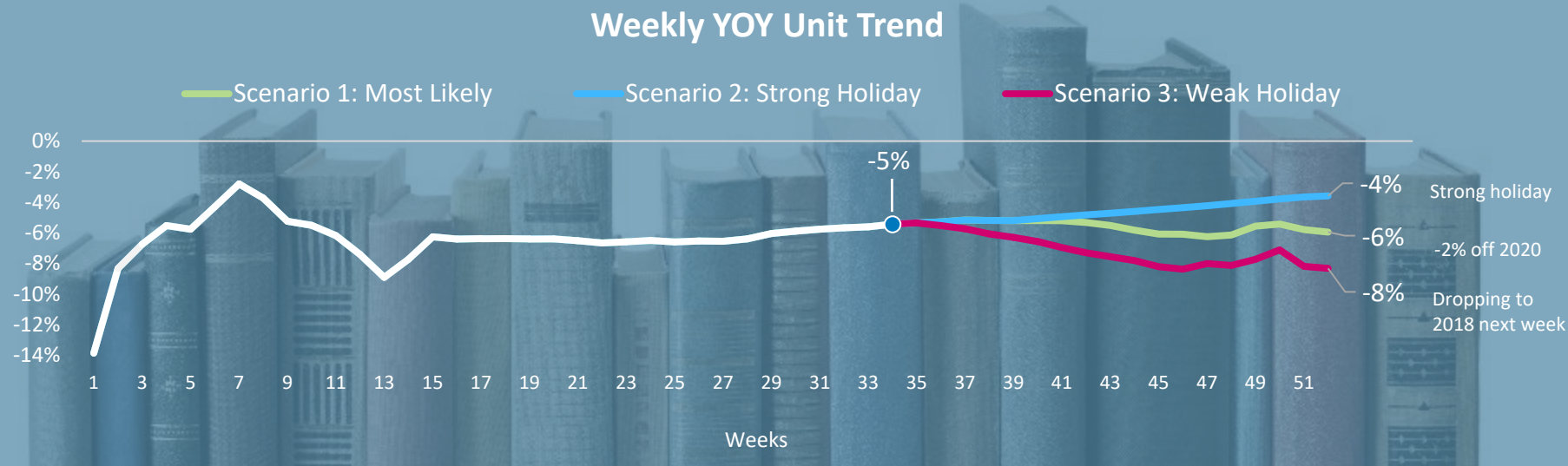
| BISAC 2 | YTD Absolute Change (K) | % Change versus 2019 |
|---------------------------------------------|-------------------------|----------------------|
| TRAVEL / Europe | 530 | -37% |
| BUSINESS & ECONO. / Organizational Behavior | 354 | 243% |
| PSYCHOLOGY / Social Psychology | 327 | 64% |
| HEALTH & FITNESS / Longevity | 269 | 239% |
| POLITICAL SCIENCE / Corruption & Misconduct | 229 | -41% |
| HISTORY / Jewish | 207 | 346% |
| BUSINESS & ECONOMICS / Leadership | 169 | -5% |
| POLITICAL SCIENCE / Commentary & Opinion | 168 | -17% |
| HEALTH & FITNESS / Vaccinations | 162 | 1,463% |
| RELIGION / General | 121 | 25% |
| BUSINESS & ECONOMICS / Personal Success | 106 | -14% |
| SELF-HELP / Aging | 105 | 137% |

Dark blue bars indicate categories that are growing but BELOW their pre-pandemic levels. **Bright blue bars** are categories which are in growth now and are ABOVE their pre-pandemic levels indicating new levels of interest or relevancy for the post-pandemic book consumer.

Source: The NPD Group/NPD BookScan, YTD thru WE 9-17-22, Adult non-fiction excluding Bibles, print units only.

Possible scenarios to finish the year

The final number will likely depend on how early the season starts



Source: The NPD Group/NPD BookScan, YTD thru week 35, week ending Sept 3, 2022 – U.S. print sales only

THANK YOU

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Apparel | Appliances | Automotive | B2B Technology | Beauty | Books | Connected Intelligence | Consumer Technology
Fashion Accessories | Food Consumption | Foodservice | Footwear | Home | Home Improvement | Juvenile Products
Media Entertainment | Mobile | Office Supplies | Retail | Sports | Toys | Video Games

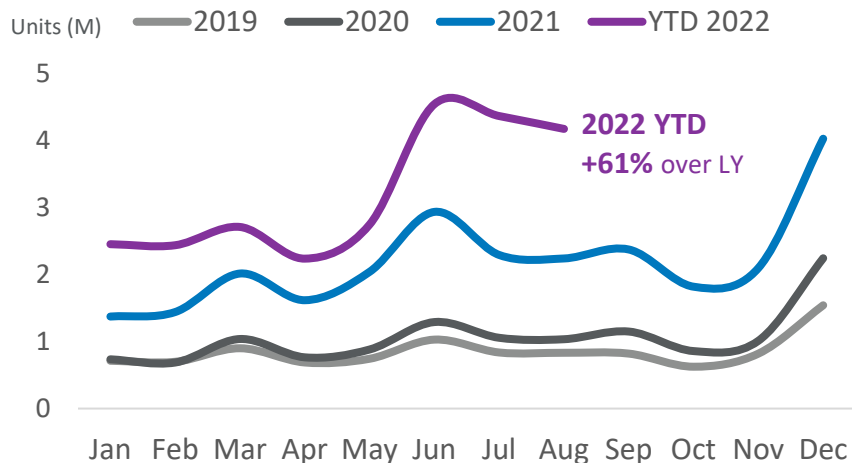


#BookTok – making next-gen bestsellers



Part of a larger shift in how certain authors are elevated

#BOOKTOK AUTHOR MONTHLY PRINT TREND



#BOOKTOK FORMAT SHARE



6 out of every 7 books sold by #BookTok authors are in trade paperback.

#BOOKTOK VINTAGE SHARE



More than 2 out of every 3 books sold are backlist.

Source: The NPD Group/NPD BookScan, through week ending August 27, 2022; includes list of 100+ authors featured prominently on TikTok's #BookTok hashtag

Digital Audio

was the
fastest growing format
through Q2 2022, up

10%

in volume over 2021.

PubTrack Digital Audio includes audiobook information from Hachette Book Group, HarperCollins, Simon & Schuster, Macmillan, Abrams, and others.

Top Growth Audio Categories (YTD 2022)

+33%

Fantasy led by authors including Robert Jordan, Andrzej Sapkowski, and V. E. Schwab.

+18%

Thriller driven by Lucy Foley and Alex Michaelides.

+38%

Romance propelled by Colleen Hoover, Tessa Bailey, and Christina Lauren.

Source: The NPD Group/PubTrack Digital Audio, 6 months ending June 2022, includes participating digital audio publishers only

The Story: Big Economic Differences

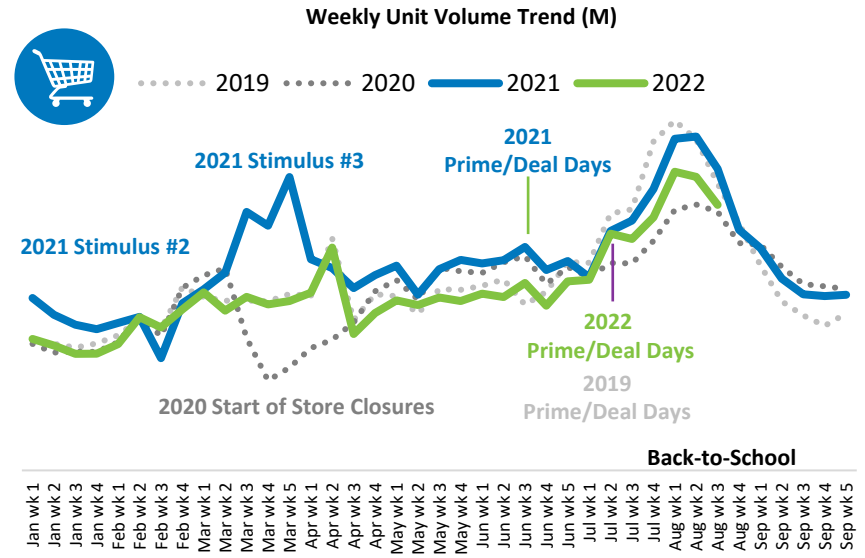
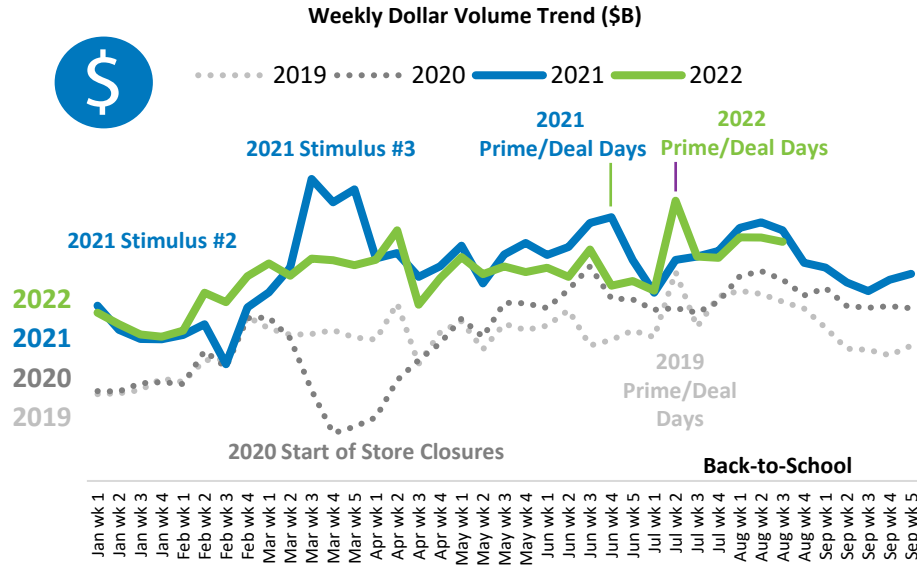




CONSUMER AND PRICING TRENDS

After a Heady 2021, Dollars and Units Starting to Lag

While dollars remain close to pre-pandemic levels, unit volume is soft. Couple the diminished consumer demand with increased promotional pricing, and sales revenue is getting hit from both sides.



Discretionary retail includes the following industries: accessories, apparel, auto parts, beauty, consumer technology, DVD/Blu-ray, footwear, housewares, juvenile products, office supplies, small appliances, sports equipment, toys, video games

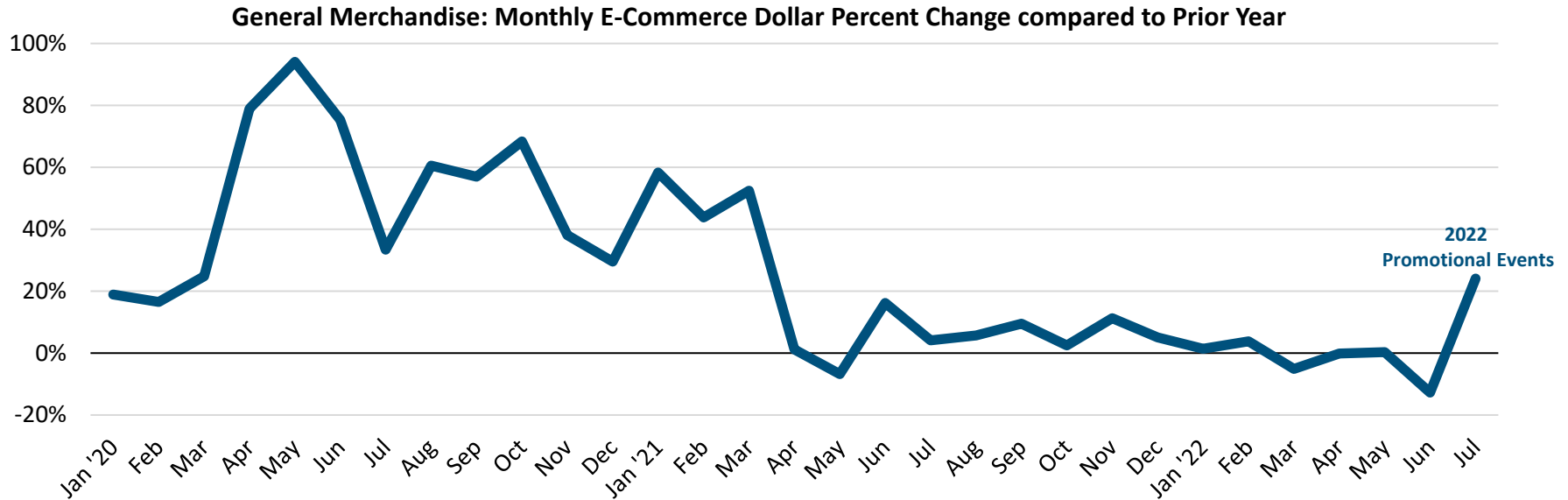
Available

Source: The NPD Group/Point-of-Sale First Read Data/Limited Release

Axis on charts are not related

E-Commerce Growth Rates

E-commerce growth rates have slowed year-over-year, increasing in July due to promotional events.



Industries include: Apparel, Auto Products, Backpacks, Footwear, Home Textiles, Housewares, Juvenile, Office Supplies, Prestige Beauty, Small Appliances, Technology, Toys, Video Games



Source: The NPD Group/Checkout Tracking

APPENDIX