



Australian Library and
Information Association

THE 'BUY IT NOW' BUTTON

Let's put a little competition back into book retailing.

Let's level the playing field for local booksellers; increase the prominence of Australian authors, and provide publishers with an exciting new route to market that won't eat into their profit margins.

Imagine you are a keen reader. You buy books and borrow books most weeks to feed your reading habit. You like the convenience of ebooks and you like the feel of print books. You can't afford to buy everything you want to read, but you will buy around 40 books a year¹. The rest of the time you rely on your local library.

Today, you go online to the library website to check out the ebook catalogue. There's a title that catches your eye. You click to download, but someone has beaten you to it. It's already out on loan and you will have to wait a couple of weeks. But you don't have to wait. If you really want it now – and most of us want things right away – all you have to do is click on the 'buy it now' button. The shop window opens up and you are offered a choice of retailers, including your local new and secondhand bookshops. You can choose ebook or hard copy, and all it takes is a couple of minutes to secure your purchase.

The 'buy it now' button delivers real benefits and hard cash for authors, publishers, booksellers, readers and libraries. It's a 'feel-good' alternative to the big international online book retailers and carries a strong sense of local ownership.

Why the 'buy it now' button is in everyone's best interests.

For authors and publishers it is simply about sales. This is a new route to market that requires hardly any effort. So long as the ebook is in the library catalogue, there's the potential for library users to buy rather than borrow. Of course, this works especially well for new releases with high demand but it will also work for the backlist of titles that are still borrowed on a regular basis. The 'buy it now' button catches readers at the moment when they have decided on a particular book – it's not a warm sales lead, it's a red hot sales opportunity.

For booksellers it is also about sales and the chance to market the 'buy now, buy local' message. People love libraries. They love what they stand for – fairness and a sense of community. It's the right environment for local booksellers to promote their brand values and establish their competitive edge over the multi-nationals.

¹ OverDrive/ALA user survey data, June-July 2012

For readers we're talking about instant gratification. If you can afford not to wait, then the 'buy it now' button is an added value service from your local library that provides real choice and an opportunity to support local businesses.

For libraries the 'buy it now' button creates a strong business case for publishers to make their ebooks available for lending and there is the potential to generate a modest commission on book sales.

The kind of value we are talking about.

We estimate that there are approximately 13 ebooks on the waiting list for every 100 loans². In Australia, 183 million items are loaned by public libraries each year. Ebook loans are currently less than 1% of the total – let's say 1.8 million items. On this basis, we can take a guess that some 234,000 ebooks are on hold right now

Just over 53% of users say that they would consider purchasing a book from an online retailer if there was a wait time to borrow the book³, which means that there are buyers for 124,000 books who can't currently make their purchase. The value of these lost purchases, at an average of \$9 per title, would be more than \$1.1 million already – and we are at the very early stages.

Research carried out by Brisbane City Libraries suggests that in the near future collections could be 50:50 ebook/print book. Let's say that we reach the point where 90 million ebooks are borrowed each year, with 11.7 million holds. This puts the potential sales at 6.2 million units or more than \$56 million. For comparison purposes, Dymocks is estimated to have a sales turnover of \$200 million per annum⁴.

The 'buy it now' button is already integrated into some LMS products, all it needs is activation. However, there are significant issues for the sector to work through if we think this is a good idea.

ALIA's approach.

Through think tanks, papers and our lending reference group, we provide the opportunity and framework for our members across Australia to discuss new concepts around ebooks and lending. We are closely involved with the federal government's Book Industry Collaborative Council, and the very real potential of libraries to offer the option of buying as well as borrowing is a feature of our Future of the Profession scenario planning for libraries.

For more information, visit the website <http://www.alia.org.au/advocacy-and-campaigns/advocacy-campaigns/ebooks-and-lending> or contact Brenda Currie, ALIA, brenda.currie@alia.org.au.

² Based on UK library case studies.

³ OverDrive/ALA user survey data, June-July 2012

⁴ <http://www.smh.com.au/business/new-chapter-in-story-of-changing-fortunes-20120106-1po19.html>