



Does Internet Democratize the Promotion of Books? Evidence from French Data

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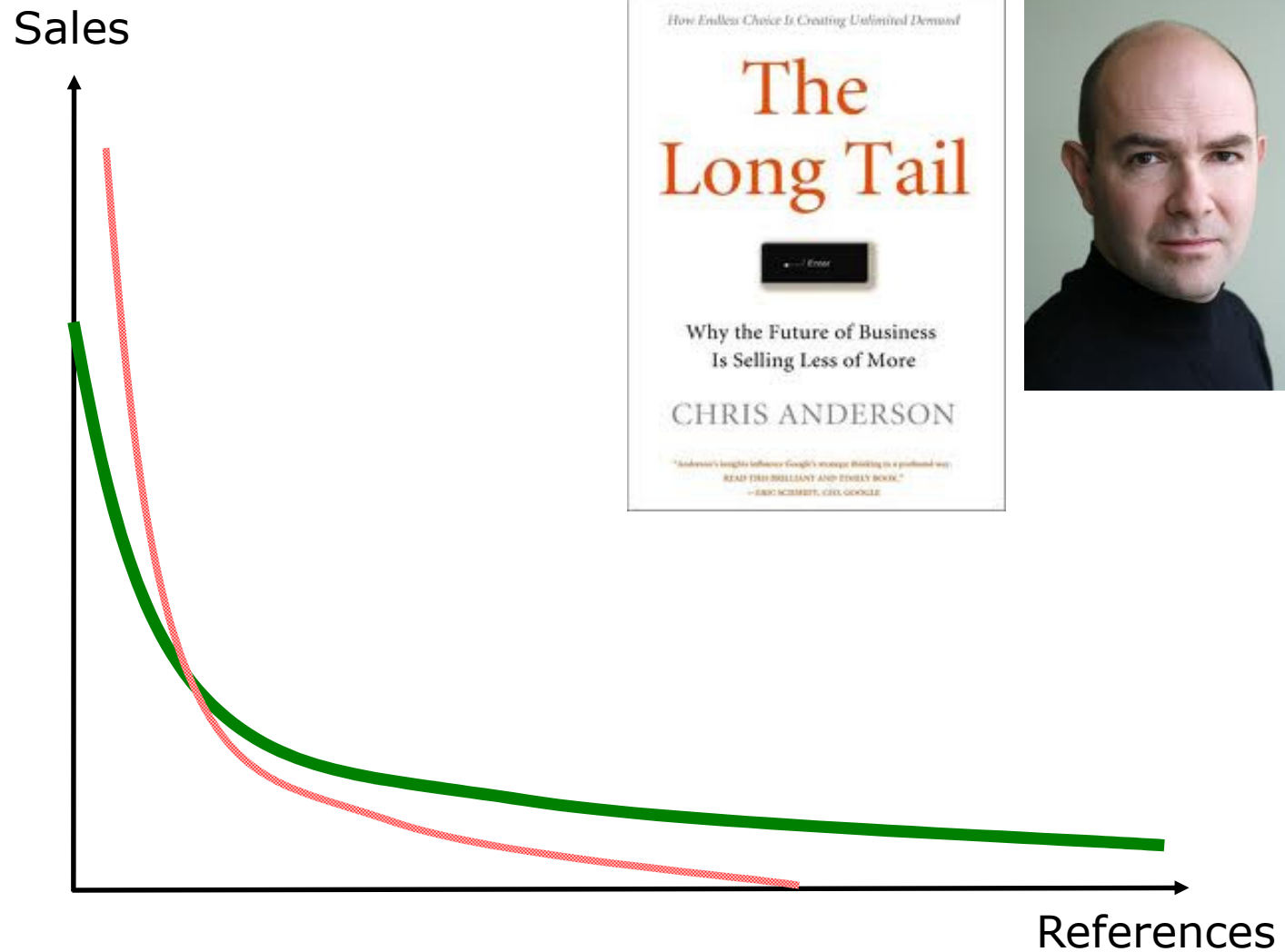


Aim of the paper

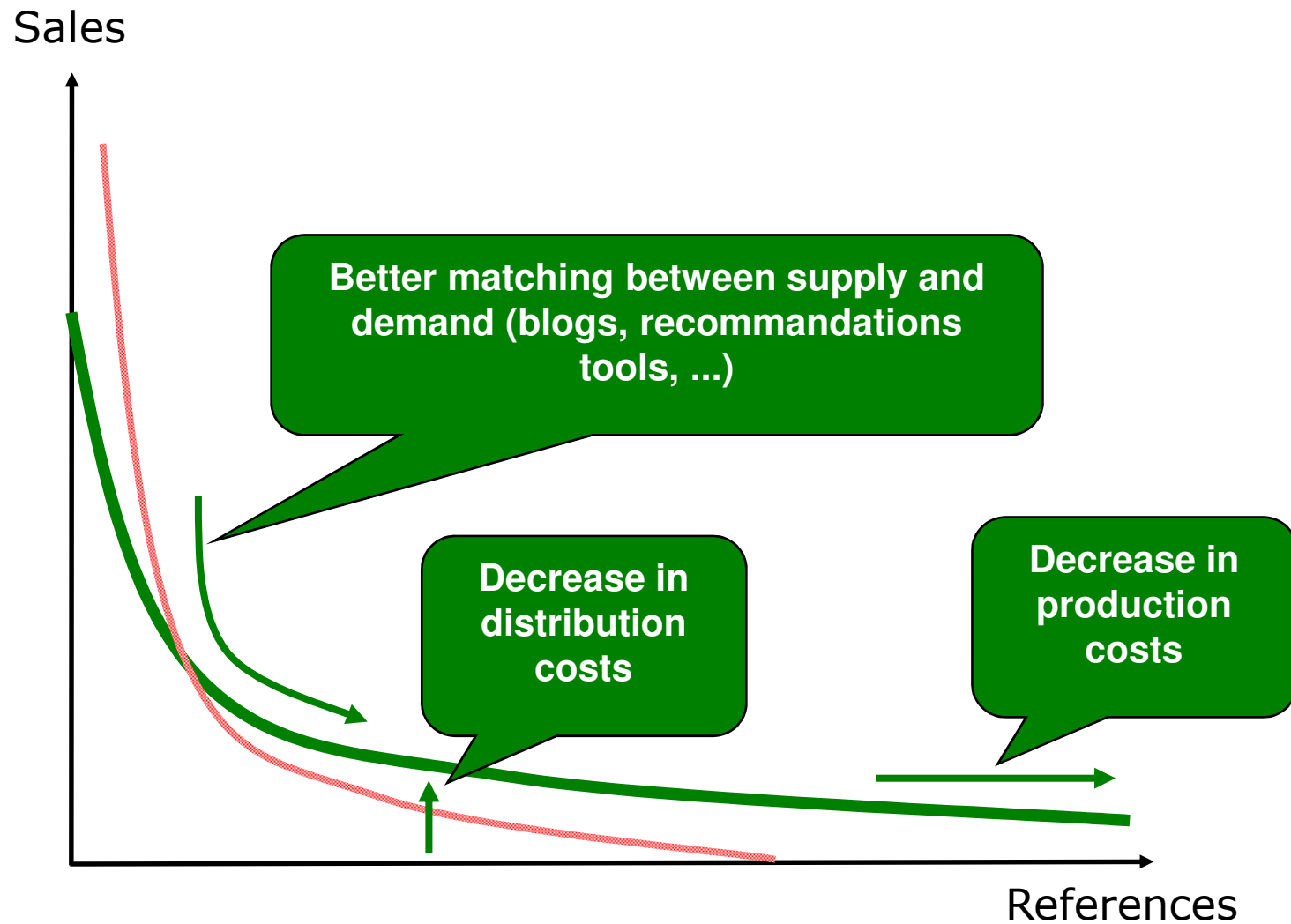
- Experience goods (Nelson, 1970)
 - Very large number of varieties available
→ Economy of attention (Simon, 1971)
 - In the pre-digital world
 - Not enough space to promote all the new books in the traditional media (newspapers & magazines, radio, TV)
 - Impossible to provide all the goods in physical stores
 - In the digital era
 - New possibilities of recommendation (blogs, social networks, recommendation tools,...)
 - Consumers become prescribers (active audience)
 - **Few papers are interested in long Tail drivers:** (Bastard *et al.* 2012 , Dellarocas *et al.*, 2010 ; Oestreicher-Singer and Sundararajan, 2012,...)
 - **Research question:** does the Long Tail arise from a demand effect or only from a supply effect ?
- Recommendations key determinants of consumption**
- Consumption concentrated on few stars widely promoted**
- Long tail Effect (Anderson, 2004) → consumption should shift to more confidential products**



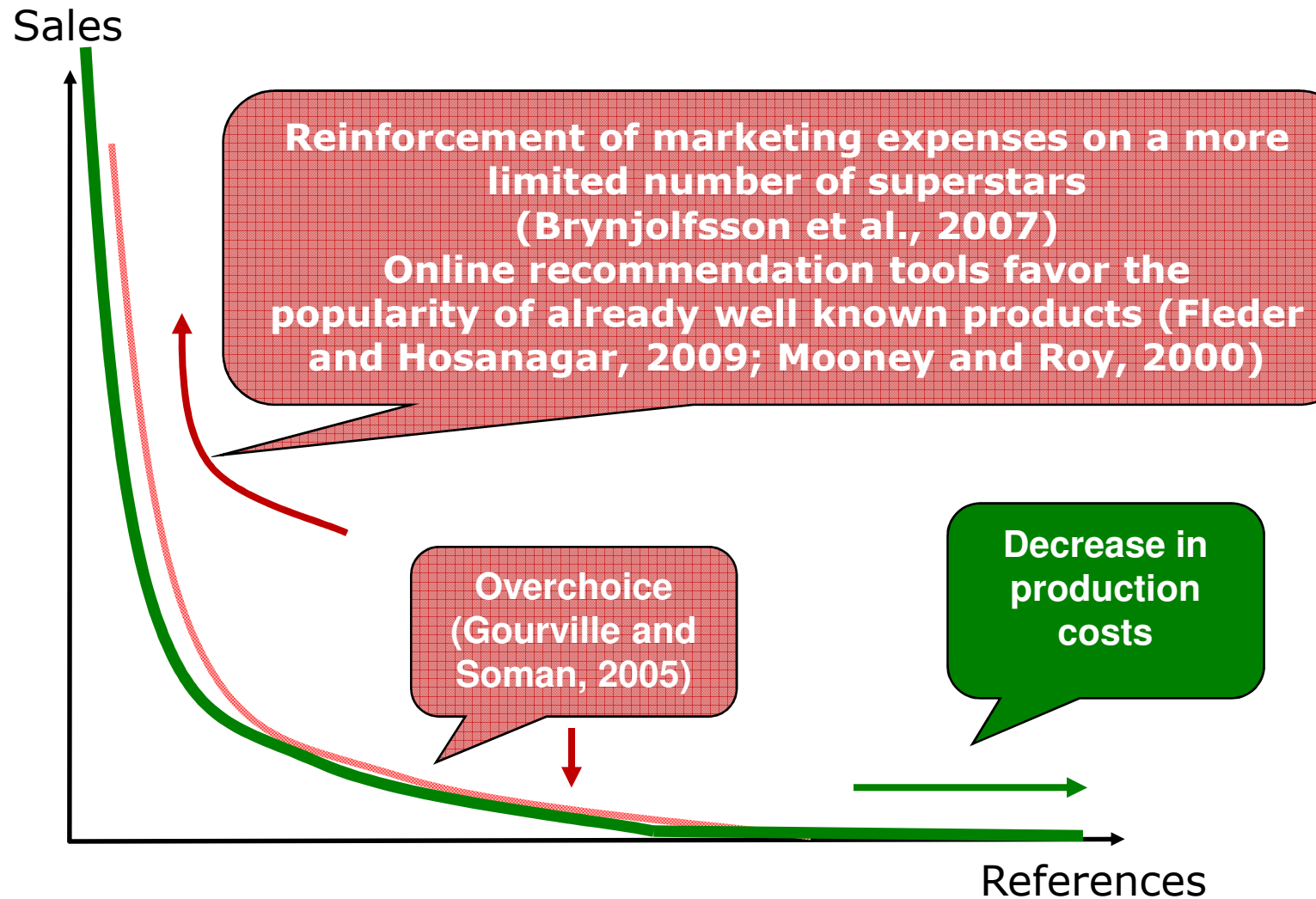
Long Tail Effect



Long Tail Effect



Superstar Effect



Literature review

- Empirical results qualified according to the products, the countries and the period of study
- In the book industry, most of the studies conclude to the existence of the Long Tail Effect even if it is moderated

<i>Authors</i>	<i>Cultural Industry</i>	<i>Country/Firm</i>	<i>Period</i>	<i>Distinction online/offline</i>	<i>Totality of Sales</i>	<i>Confirmation of the Long Tail Effect</i>
Brynjolfsson <i>and al.</i> (2003)	Books	Amazon US	2000	No	No Estimation	Yes
Benhamou (2008)	Books (novels)	France	2005 4 months (sept. to dec.)	Yes	No 693 titles	Yes but limited
Brynjolfsson <i>and al.</i> (2010)	Books	Amazon US	Years 2000 and 2008	No	No Estimation	Yes
Bounie <i>and al.</i> (2010)	Books	France	22 weeks 2006	Yes	No Top 100	Yes
Oestreicher-Singer and Sundararajan (2006)	Books	Amazon US	Août 2005 -...	No	No 250 000 books	Yes
Moreau and Peltier (2012)	Books (novels and comics)	France	2003-2007	Yes	Yes	Yes
Behamou, Peltier and Toure (2012)	Books (novels and comics)	France	2004-2010	Yes	Yes	Yes



Research Question

- One limitation : unable to identify the origin of the Long Tail Effect
 - ❑ Two main explanations exist:
 - ❑ Supply Effect
 - Internet: access to books already known but not available in conventional stores
 - ❑ Recommendation Effect
 - Online recommendation tools and E-Word of Mouth allow to discover new authors or new books more confidential than stars widely promoted by traditional media
 - ❑ What effect prevails: Supply or Recommendation?




Methodology

- Sample : **452 books** in two fields (novels and comic books)
 - Released in France at the end of the year 2010
 - 51% novels and 49% comics
- Weekly data on **prescription offline and online**
 - Period of eight months (from october 2010 to june 2011).
- Presence in **traditional media** (*Electre*)
 - Television
 - Radio
 - Newspapers and magazines
- Presence in **online platforms** (4 for novels and 5 for comics)
 - E-commerce sites
 - Social Networks
 - Blogs
 - Portal of Information on comics





Methodology

 (99% novels and 100% comics)



(99% novels and 100% comics)

 (69% novels and 36% comics)

 (40% novels and 52% comics)



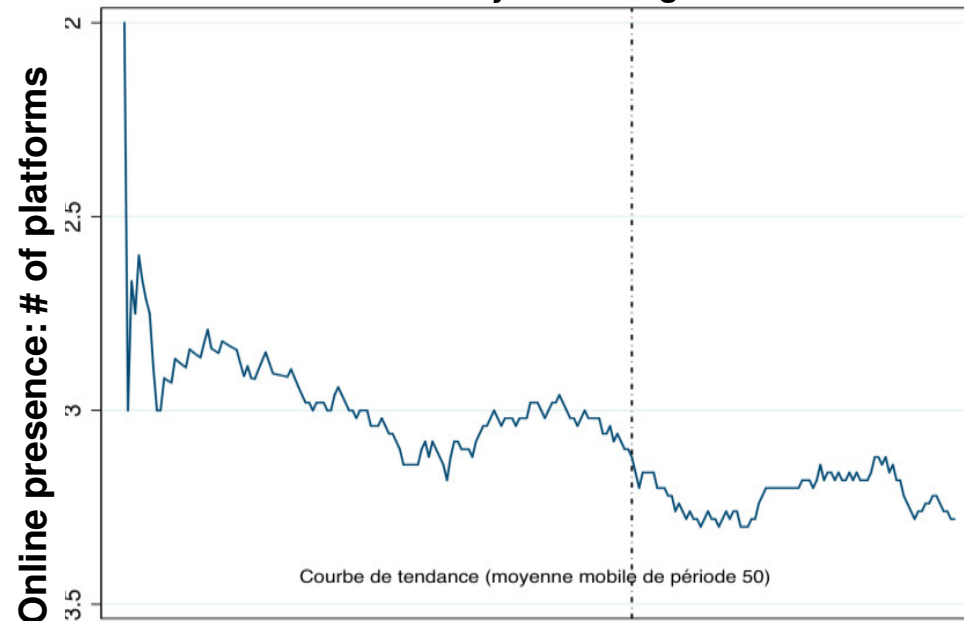
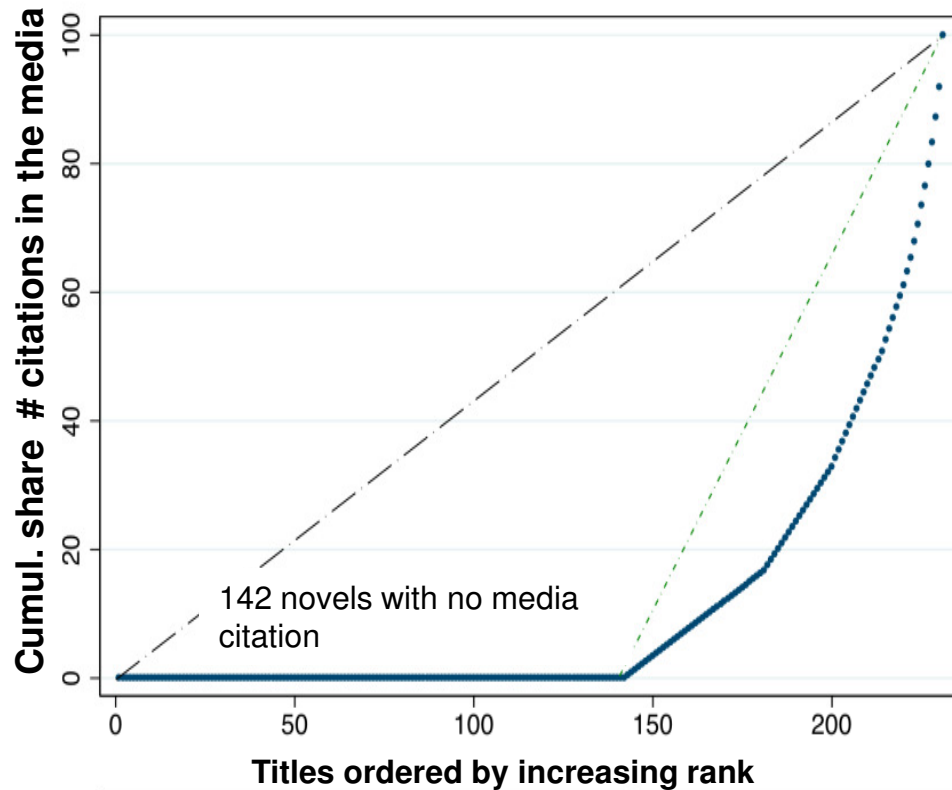
(56% comics)



Methodology

- **Online, two types of measure:**
 - **An index of visibility**
 - Number of platforms on which the title is present
 - However, to be visible on the Internet does not guarantee an Online WOM
 - **Indices of the activity of audience:**
 - Notes,
 - Comments,
 - Fans,
 - Number of citations on blogs

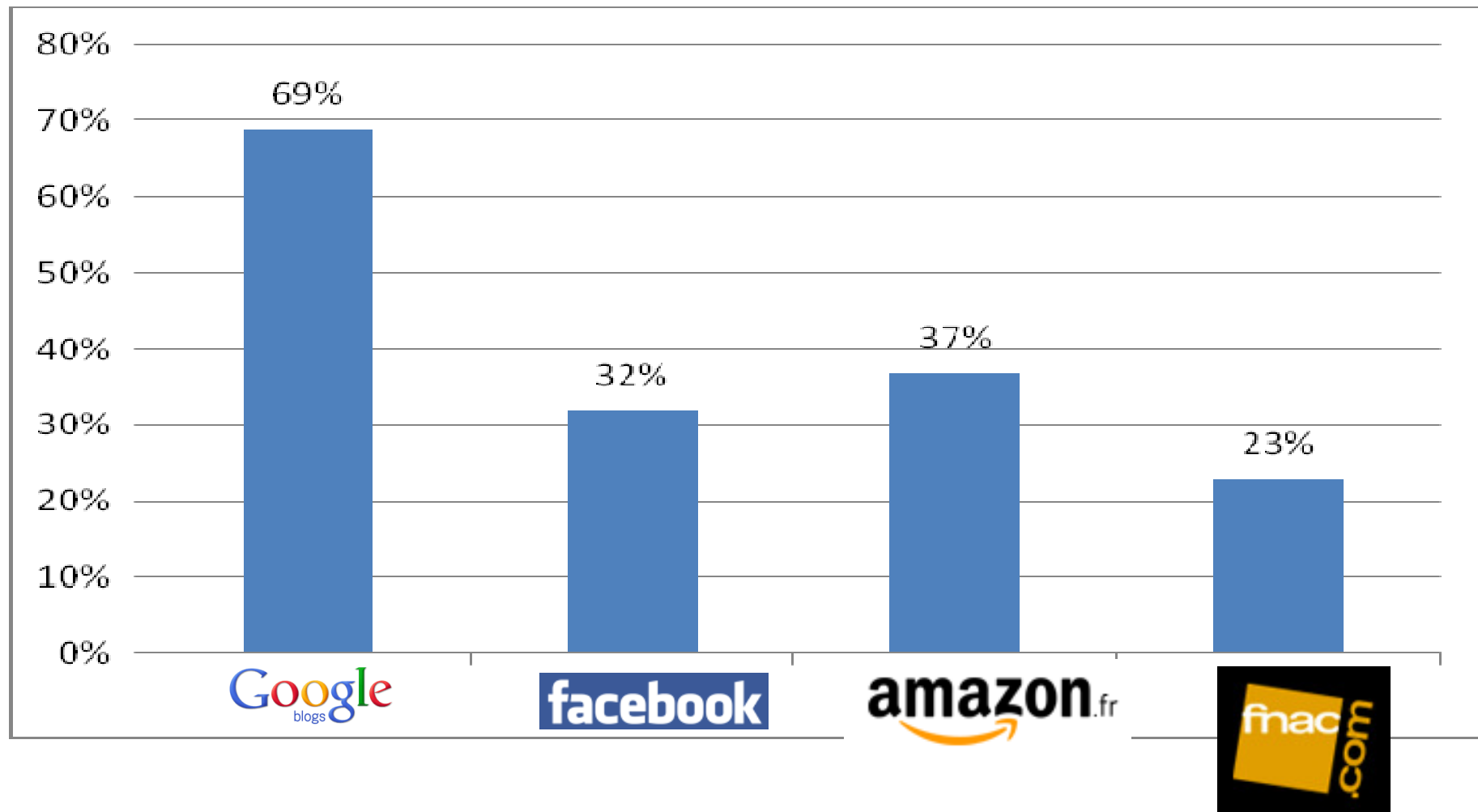




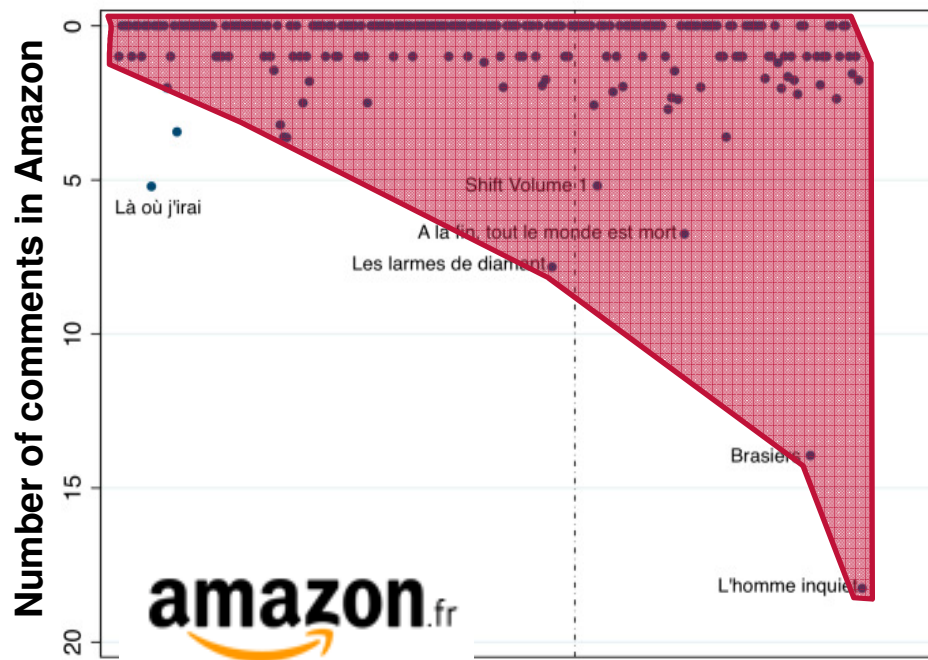
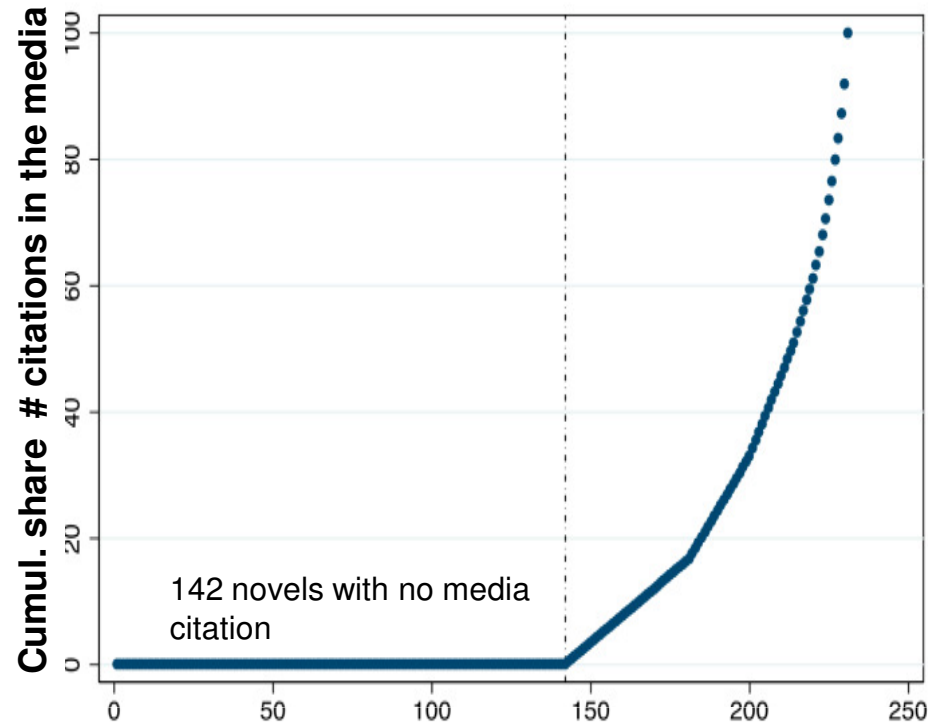
Internet: more visibility to writers?

- **62% of novels = no citation in the traditional media**
 - 100 % coverage =
 - 10 titles on TV (4%)
 - 28 titles on Radio (12%)
 - 82 titles in Newspapers and Magazines (35%)
- **Online presence similar to the hierarchy offline but with less inequality**
- **Novels not cited in the traditional media = 3 platforms on average**
- **Novels cited on TV, radio or newspapers = 3.2 platforms on average**

...The activity of the audience remains quite low

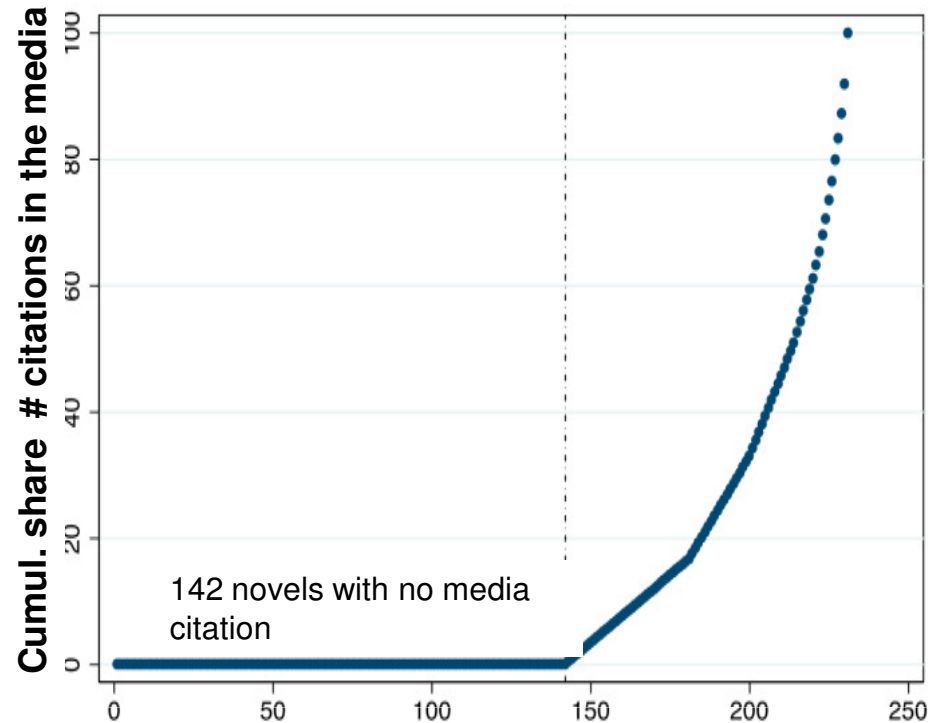


The activity of audience on e-commerce platforms



- **Online promotion by Web users does not radically modify the offline hierarchy**
- **Concentration of online comments higher than the concentration of media citations**
- **10% of novels =**
 - 56% media citations
 - **59%** comments on Amazon
 - **72%** comments on Fnac.com
- **Novels the most commented in traditional media are still the most commented in Amazon or Fnac**

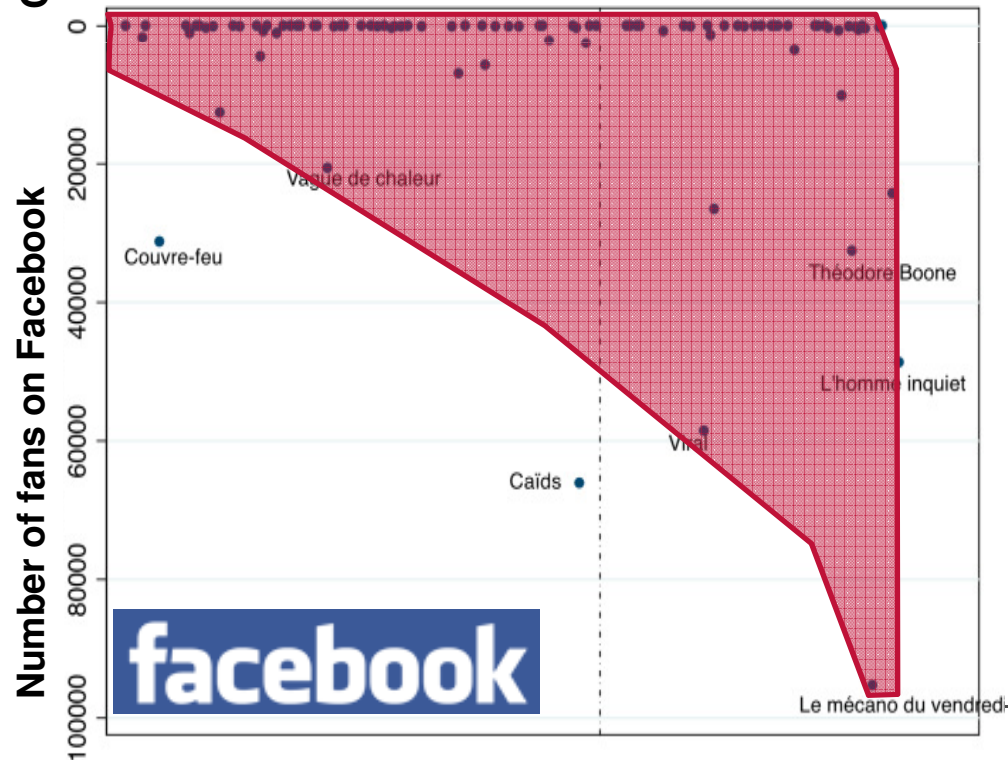
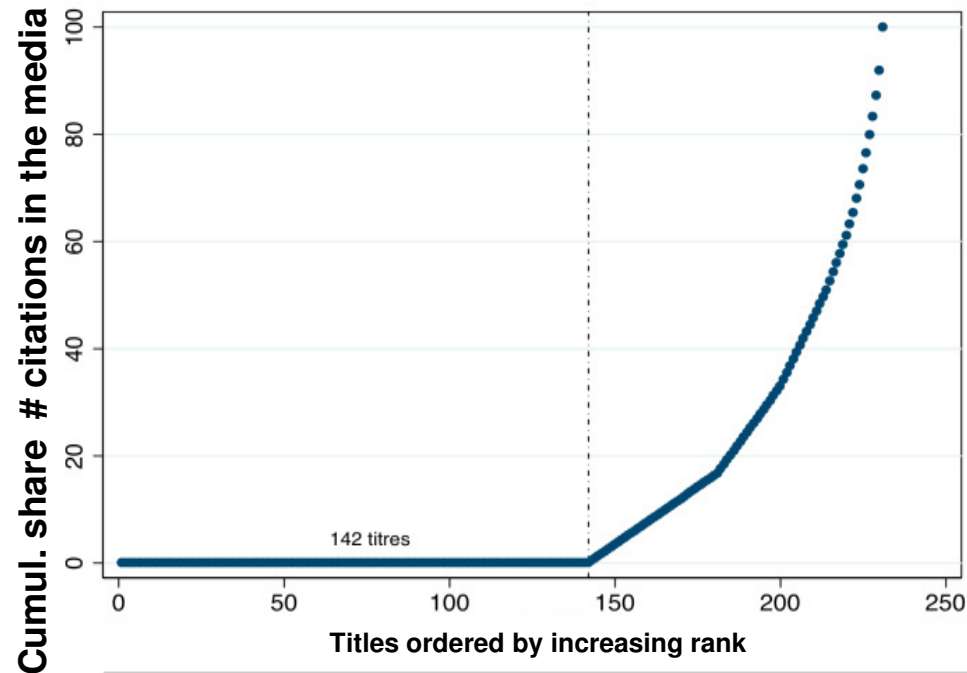
The activity of audience on e-commerce platforms



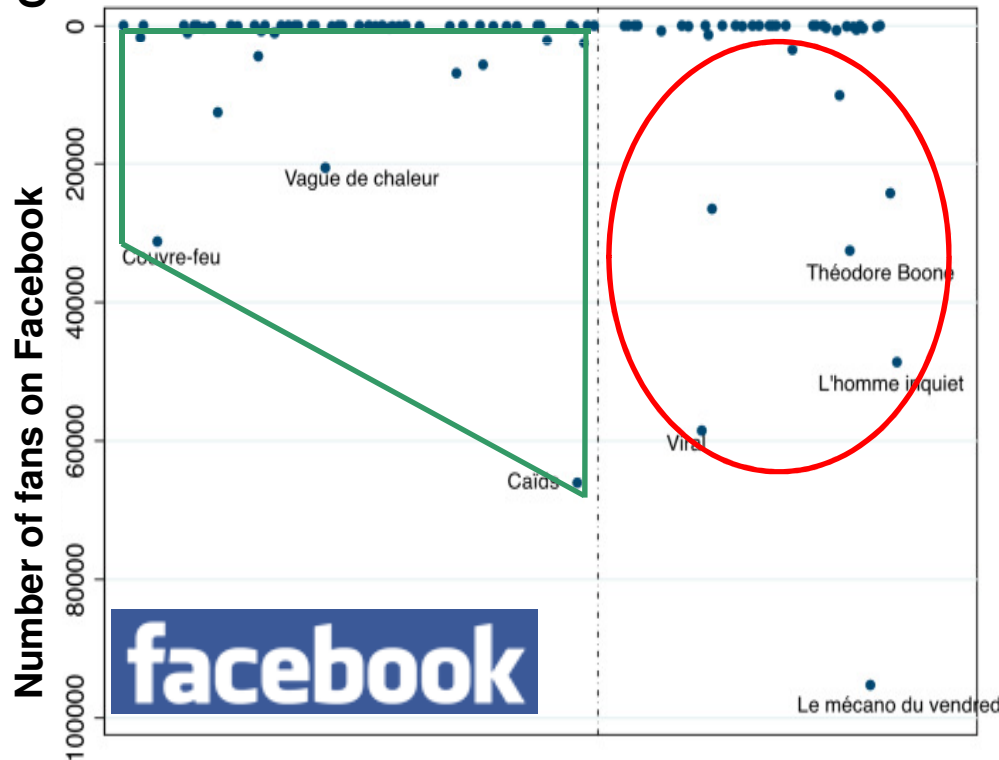
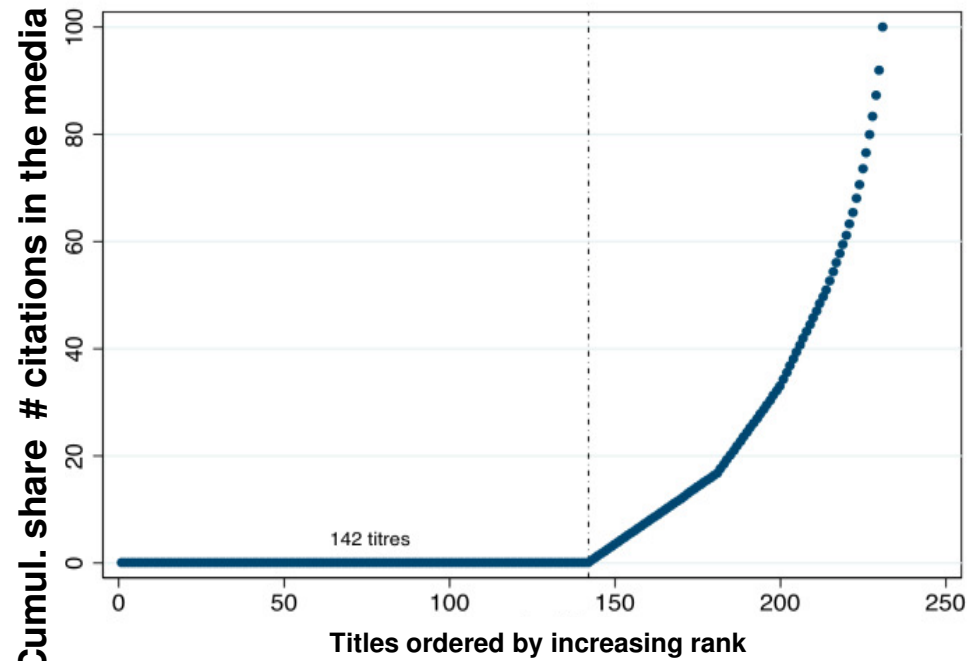
- Online promotion by fans does not radically modify the offline hierarchy
- Concentration of online comments higher than the concentration of media citations
- 10% of novels =
 - 56% media citations
 - 59% comments on Amazon
 - 79% comments on Fnac.com
- Novels the most commented in traditional media are still the most commented on Amazon or Fnac

The activity of audience on Facebook

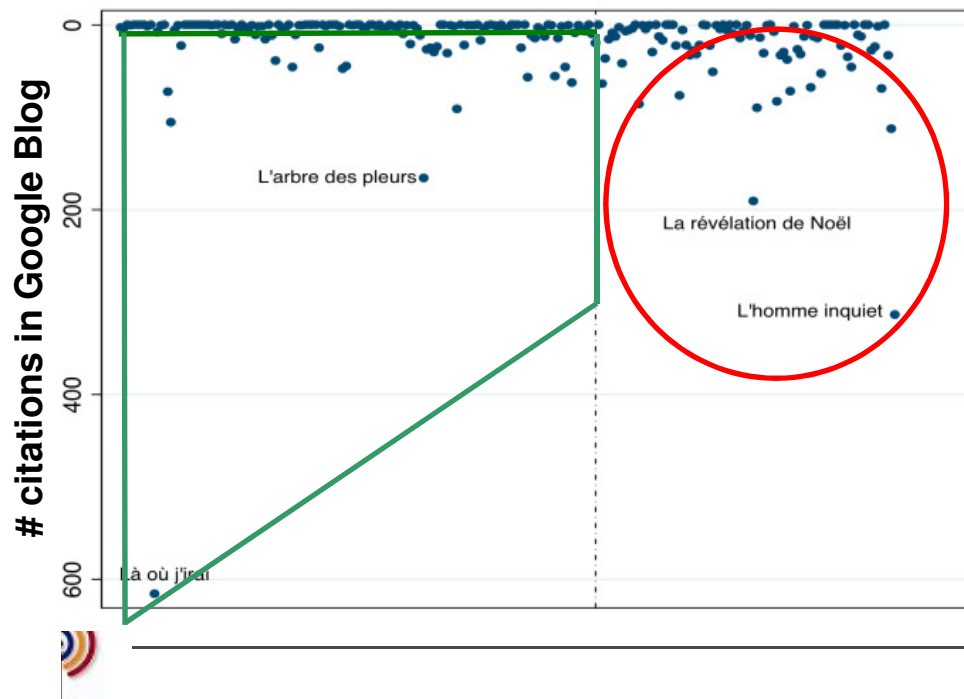
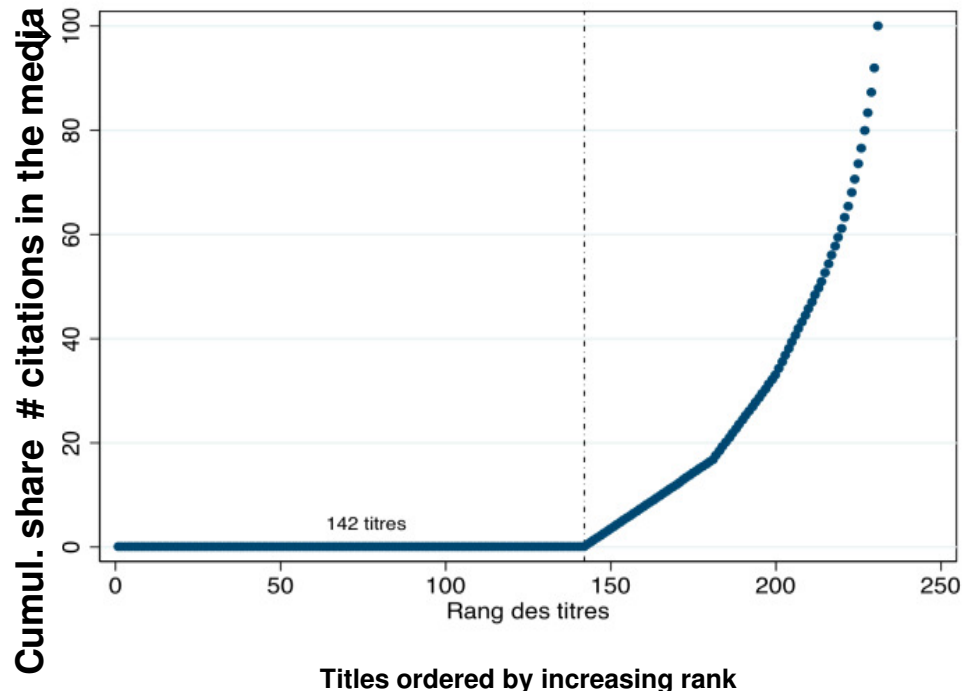
- On average, fans concentrate on a few number of novels
- Concentration higher online
- **10% of novels =**
 - 56% media citations
 - 98% Facebook fans
- **Novels promoted in the media tend to gather more fans**



The activity of audience on Facebook



- On average, fans concentrate on a few number of novels
- Concentration higher online
- 10% of novels =
 - 56% media citations
 - 98% Facebook fans
- Novels promoted in the media tend to gather more fans
- But some novels with promotion or without gather about the same number of fans



The activity of audience in the blogosphere

- On average, **blog posts are less concentrated than media citations**
- **10% of novels =**
 - 56% media citations
 - 46% blog posts
- **Blog posts are not more likely to concern authors who receive media coverage**

Conclusion

- Internet: more visibility to obscure books
- Visibility \neq online attention
- Many titles : no online WOM (32% of authors have a fan on FaceBook)
- When audience active, it tends to compensate for the inequality of promotion by traditional media
- Which effect does explain the long tail: a supply effect or a recommendation effect?
 - Supply effect probably predominates (activity of audience weak)
 - Recommendation effect (still limited) seems to emerge



Research Perspectives

- Cross **weekly information on online promotion** (fans on Facebook, comments on Amazon, etc..) with **weekly sales** of these books
- Test the **impact of online Word of Mouth on sales**. If this effect is positive, is it higher for less well-known authors?





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Thank you for attention

