

THE BOOK PUBLISHING MARKET

by Socrates Kabouropoulos

Head of Book Monitoring Unit, National Book Centre of Greece



Book publishing has led a continuous upward trend over the past 30 years in Greece, that is, since the fall of the military dictatorship (1967-1974). It was during and after this period that most of today's publishers were established. During the '90s however, this trend became sharper, changing the climate of fragility that had prevailed in the last half of the '80s. Between 1988 and 2004, spending by Greek households rose by eleven times in current prices and fourfold in constant prices, according to research carried out by the Greek National Statistical Service. There was also a marked increase in the number of new titles published each year from 1990 to 2006 (from fewer than 3,000 to over 8,000 titles). New businesses have emerged, media groups have penetrated the book sector and there has also been a decisive creation of booksellers' chains.

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Greek household spending on consumer goods increased by 38% in constant prices between 1994 and 2004. This, in combination with the expansion of the expenditure on education, makes up the general framework within which the increase in book consumption has occurred. Other factors that have influenced this development are the improvement in the level of education, a growing readership (particularly among the youth), an improvement of the general income level with the retention of inflation, effective advertising campaigns and the “impetus” given to the market by the development of new distribution channels and new, contemporary bookshops.

Nevertheless, the absolute value of the market remains relatively low, indicating that there are still substantial margins for further growth. According to a 2004 survey, only 34% of the adult population spontaneously consider themselves as ‘book readers’. In comparative data from an EU cultural survey (*Eurobarometer 2001*) Greece ranks in the lowest places among the EU member-states in book reading. The level of private consumption, based on households’ spending (11.9 euro a month, in 2004), is equivalent only to the price of one general trade book per household. The total of new titles published pro rata to the size of population, compared to countries with similar linguistic and geographical restrictions (as, for example, in Finland), is approximately 1:4.

What will the future of the Greek publishing market be? How realistic is the picture of a flourishing cultural industry, which emerges

from the data? The consistently positive developments during the last years provide a satisfactory framework and allow for some optimistic forecasts. Yet one must keep in mind the family structure of many of the companies and the range of organisational and technological restraints that result from it. Furthermore, the signs of a slight stagnation appeared in the market in the early 2000s -which seems already left behind, after 2004-, affected by factors such as the persistent inflation rate at levels over 3%, the adjustment of the Greek Economy to the Euro and the spectacular fall in the transaction index of the Athens Stock Market between 1999-2001 (following an equally sharp increase between 1998-1999). Nevertheless, as an independent commentator has said, “this is a market which, in a relatively short history of 30-33 years, has reached achievements such as the setting up of structures for a “mature” book market and the cultivation of a more or less systematic readership; other markets took very much longer to achieve these goals”.

VALUE OF THE BOOK MARKET

There are no direct sales data on the book market drawn by the production and/or distribution channels. Therefore, any calculation of the value of the market has to be based on household consumption. According to data based on the *Family Budget* surveys of the National Statistical Service, processed and presented by the Book Monitoring Unit of NBC, Greek household spending on

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CONSUMER SPENDING ON BOOKS 1988 - 2004 in Current Prices (million €)				
	1988	1994	1999	2004
General books and encyclopedias, except for school books	22.5	86.6	235.4	368.5
Children books, school textbooks, atlases, encyclopedias, dictionaries, self-study and companion school books	16.4	132.6	164.0	201.2
Total	38.9	219.2	399.4	569.7

Percentage change in Current Prices				
	1988-1994	1994-1999	1999-2004	1988-2004
General books and encyclopedias, except for school books	284.9%	171.8%	56.5%	1,537.8%
Children books, school textbooks, atlases, encyclopedias, dictionaries, self-study and companion school books	708.5%	23.7%	22.7%	1,126.8%
Total	463.5%	82.2%	42.6%	1,364.5%

Source: National Statistical Service of Greece, Family Budget Surveys 1988, 1994, 1999, 2004 data processed by the Book Monitoring Unit of the National Book Centre of Greece

Note: The above mentioned figures were calculated on the assumption of the total number of households as follows:

1988: 3,132,888 - 1994: 3,244,766 - 1999: 3,396,767 - 2004: 3,992,964

books amounted to 569.7 million Euro in 2004. This value is in current prices, compared to 399.4 million Euro in 1999, 38.9 million Euro in 1988 and 3.1 million Euro in 1974. This means that in 2004 Greek households spent, on average, 184 times more money, in current prices, for the purchase of books, and 5 times more in constant prices, relative to 1974.

During the past five years, the mean annual increase in household spending was 7.4%, a percentage indicating that the growth in the book market is founded on sound bases. Nevertheless, in comparison with the second half of the 1990s, a relative slowing of the market was observed, since in the period 1994-1999 the mean annual increase of household spending was 12.5%. The most important factor that affected the increase in expenditure between 2004-1999 was the demand for

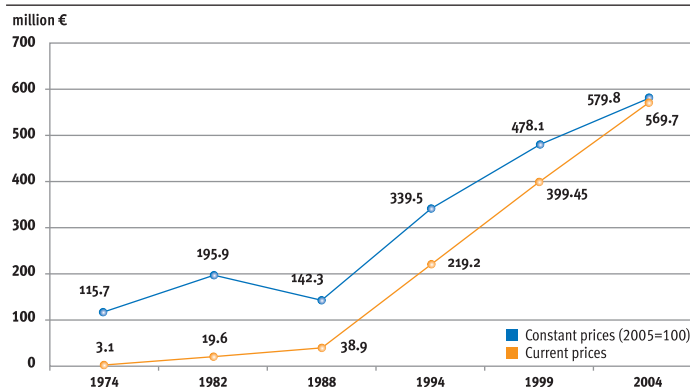
trade books, by contrast to the increased demand for school books in the first half of the 1990s. As a percentage share in an average household's spending, book consumption increased from 0.26% in 1988 to 0.66% in 2004, outpacing the preference for newspapers, magazines, cinema and public spectacles.

PUBLIC EXPENDITURE ON BOOKS

We can calculate the total value of the book market, which amounts to 623.9 million Euro in 2004, if to the above figures, public expenditure on books is added. Book purchases by the State were estimated at 54.2 million Euro in 2004. Out of this 4.6 million Euro was spent on book purchasing by public libraries of all types and 7.5 million Euro on other book purchasing by various Public Institutions. In addition, 39.5 million Euro was spent on the out-

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Chart 1 The evolution of consumer spending on books 1974-2004 (million €*)



* For the conversion of drs into Euros, the fixed parity 1 € =340.75 drs has been adopted, by assumption, for all years

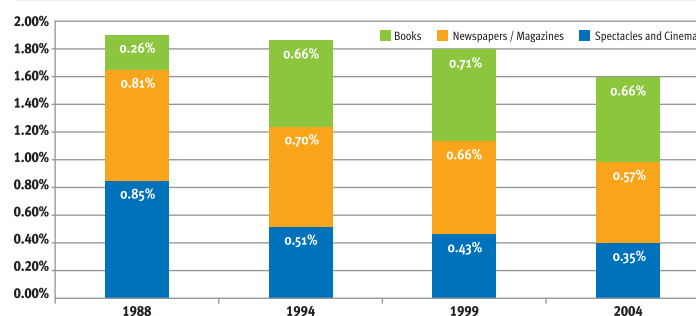
Total of households: 1974=2,636,676; 1982=2,997,450; 1988=3,132,888; 1994=3,244,766; 1999=3,396,767; 2004=3,992,964

Source: National Statistical Service of Greece, Family Budget Surveys 1974, 1982, 1988, 1993/94, 1998/99, 2003/2004, data processed by the Book Monitoring Unit of the National Book Centre of Greece

sourcing of the publication of the “free” academic textbook printing to commercial publishers and 2.6 million Euro on subsidized book purchases, under the form of pre-paid book-tokens distributed to working people. It should be noted that the total of the primary expen-

diture of the public sector on books recorded in the State Budget Accounts was 84.3 million Euro in 2004, relative to 75.7 million Euro in 2003, maintaining its percentage share at the levels of 0.23%-0.24%.

Chart 2 Participation of spending on books, press/ magazines and spectacles in an average household 's spending, 1988-2004



Source: National Statistical Service of Greece, Family Budget Surveys 1988, 1993/94, 1998/99, 2003/2004
Data processed by the Book Monitoring Unit of the National Book Centre of Greece

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MONTHLY AVERAGE HOUSEHOLDS' SPENDING ON BOOKS AND OTHER ITEMS/ SERVICES (million €)						
	Spending 1994- Current prices (€)	% participation in total spending	Spending 1999- Current prices (€)	% participation in total spending	Spending 2004- Current prices (€)	% participation in total spending
Books	5,63	0.66%	9,80	0.71%	11,89	0.66%
Newspapers & Magazines	5,94	0.70%	9,08	0.66%	10,24	0.57%
Newspapers, books, stationery materials and school supplies	14,02	1.65%	21,75	1.57%	26,01	1.45%
Spectacles*	3,29	0.39%	3,38	0.24%	3,67	0.20%
Cinema	1,06	0.12%	2,59	0.19%	2,71	0.15%
Cultural Services	5,72	0.67%	9,36	0.68%	12,49	0.70%
Education	20,78	2.44%	38,68	2.80%	51,34	2.86%
Total of Spending	851,66	100.00%	1,383,24	100.00%	1,792,28	100.00%

* Theatre, concerts, opera, circus etc

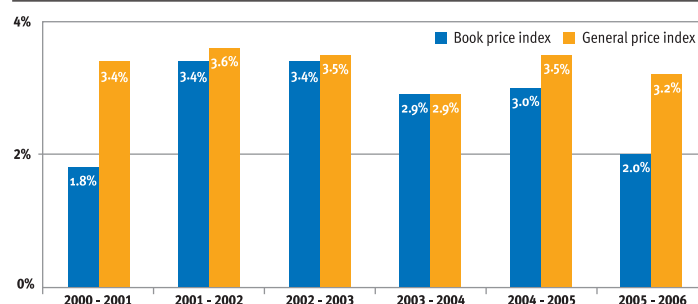
Source: National Statistical Service of Greece, Family Budget Surveys 1974, 1982, 1988, 1993/94, 1998/99, 2003/2004, data processed by the Book Monitoring Unit of the National Book Centre of Greece

BOOK PRODUCTION: NEW TITLES AND REPRINTS

Recent data on book production in Greece show that the 8,000-title barrier was surpassed in 2004, after which increasing trends followed, according to data from the Greek books-in-print database *Biblionet* run by the NBC (in 2003 7,699 new book titles were registered¹, in 2004

8,304 – a 7.9% increase -, in 2005 8,305 – a 0.0% increase -, and in 2006 8,634 – a 4.0% increase). The first place in book production is held by children's books and adults' literature, with 23.5% and 20.9%, respectively, of the new titles published in 2006, while non-fiction represents 55.6% (human & social sciences: 23.7%; pure & applied science: 6.1%,

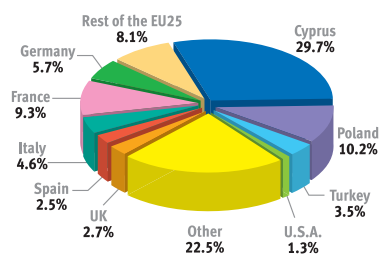
Chart 3 Book Price Index vs. General Price Index, 2000 - 2006 (base 2005=100)



Source: National Statistical Service of Greece /Department for Economic Indicators, data processed and printed by the Book Monitoring Unit of the National Book Centre of Greece

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Greek book exports 2005*



Cyprus	29,7%	12.296.423
Poland	10,2%	4.213.165
Turkey	3,5%	1.466.029
U.S.A	1,3%	528.197
Other	22,5%	9.315.160
U.K	2,7%	1.101.551
Spain	2,5%	1.043.853
Italy	4,6%	1.895.007
France	9,3%	3.853.805
Germany	5,7%	2.382.007
Rest of E.U-25	8,1%	3.339.498
		41.434.695

*Temporary data of the National Statistical Service of Greece

Source: National Statistical Service of Greece/Department of Industry and Foreign Trade

general, practical & self-help books: 9.4%). Within adults' literature, drama showed an increase, novels and poetry were stable, in contrast to shorter fiction, which showed a significant decline. 64.3% of the novels were translations, more than half of them from the English, while the equivalent percentages for drama and poetry were 50% and 10% respectively. The trends noted in the international publishing market are putting "pressure" on the Greek market, since the total number of new titles published in Greece during the '80s and '90s amounted to only 70,000, a number equivalent to 2.8% of the English language books-in-print. The constant increase of the number of book titles published, however, constitutes a phenomenon of independent significance.

PRICES OF BOOKS

As far as the evolution of prices is concerned, according to data produced by the National Statistical Service, the average book prices

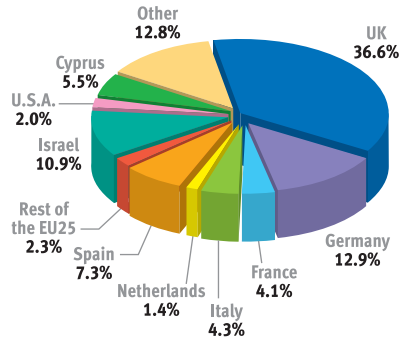
increased by 2.0% between 2005-2006. This can be compared to 3.0% between 2004-2005, 2.9% between 2003-2004 and 3.4% during the period 2002-2003. The increase in the price of books is lower than that of the General Price Index, which increased by 3.2%, 3.5%, 2.9% and 3.5% respectively, following the general trend of holding down prices and controlling the inflation rate. This is due to a restriction on the increase in the prices of all categories of books. Despite this, foreign language textbooks have contributed, comparatively, to the rise in prices to a greater extent, in contrast with literary fiction. According to the data, that was the rule, with the only one exception between the years 2003-2004, at a period, which coincides chronologically with the implementation of the RPM (*Retail Price Maintenance*) Law for Greek books.

IMPORTS AND EXPORTS

A glance at the country's export trade offers an equally positive

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Greek book imports 2005*



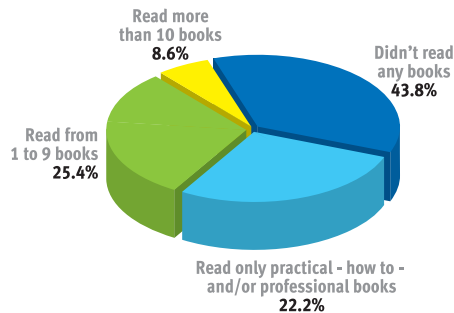
*Temporary data of the National Statistical Service of Greece

Source: National Statistical Service of Greece/Department of Industry and Foreign Trade

impression. Book imports show an upward trend, since the value of imports increased by 1.8% between 2004-2005 (69.8 million Euro in 2005, compared to 68.6 million Euro in 2004 and 66.6 million Euro in 2003, in wholesale prices). The largest import countries of origin are the United Kingdom (36.6%), Germany (12.9%), Israel (10.9%), and Spain (7.3%). Book exports show a continuous

increase in recent years –25.5% in 2005 compared to 2004, and threefold, compared to 1999- representing 59.4% of the value of imports. Thus the difference between imports and exports tends to be reduced. The greatest proportion of exports goes traditionally to Cyprus (29.7%), followed by France (9.3%), Germany (5.7%), Italy (4.6%) and the United Kingdom (2.7%), but also

Readership breakdown according to the number of books read within 12 months



Source: National Book Centre of Greece: National Survey on Reading Behaviour, 2004

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to newly emerging markets such as Poland (10.2%), Mexico (7.3%), Turkey (3.5%) and Hungary (2.8%), for Greek books in translation & Greek ELT books. The complicated procedures usually involved in the export of books to non-E.U. member states form an obstacle to Greek exports, in combination with the waning demand for Greek language books in countries where 2nd and 3rd generation descendants of Greek immigrants live.

READING BEHAVIOUR

Are the books that are being purchased actually being read? According to the second *Survey on Reading Behaviour* carried out by the National Book Centre and the V-PRC Institute in 2004, there is a close interrelation between consumer behaviour and reading behaviour. All the same, only 34.0% of the population over 15 identified themselves as “book readers”, and only 8.6% stated that they read more than 10 books a year. The proportion of medium to systematic readers represents a number of about 700,000, who, it is calculated, consume approximately 7 million books per year, while the 2.4 million “weak” readers are calculated to consume another 8 million books, according to conservative estimates. Of the rest of the public investigated in the survey, after a second question 22.2% said that they only consult “practical” guides, coffee-table, self-help and/or professional books, with an undetermined frequency, while the remaining 43.8% said that they never read books at all.

In spite of the increased interest in books shown by the Greeks, the indices reported above are the lowest among the E.U. member states. According to various national statistics, the reading public corresponds to 85% of the adult population in Sweden, to 76% in the United Kingdom, to 75% in France, to 45% in Spain and to 42% in Italy. Taking into account that, in spite of the fact that publishing is flourishing, the number of the pro rata book titles is also low, there are strong opportunities for the readership to increase in the near future.

THE PUBLISHING INDUSTRY

The *Survey on Greek Publishers* carried out by the National Book Centre in the late '90s, confirmed the profile of the Greek publisher as a traditional, family-based company, often under-capitalised and under-funded, facing distribution problems and lacking economies of scale, necessary if one is to take advantage of the new technologies. Nevertheless, the preservation of cultural diversity in the field of publishing, the survival of small publishing houses and the in-print maintenance of less popular books correspond, perhaps, to the degree of pluralism and democracy in a country. The establishing of the Retail Price Maintenance Law for books in 1997 has assisted, by protecting the profit margins of small publishing houses against the large booksellers, who were excessively discounting their prices to the public.

The general increase in the market is considered to create

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favourable conditions for all categories of books, and especially for children's books & non-fiction, knowledge and information and professional training books. At the same time, the publishing industry is in a process of restructuring, with a small number of larger companies modernising to become the absolute market leaders, and with some examples of small publishers' acquisitions by larger ones or by media groups. According to data from the books-in-print database of "Biblionet", 162 businesses publish more than 10 book titles yearly. The five largest publishers (*Savalas, Ellinika Grammata, Patakis, Modern Times, Kedros*) produce approximately 20.2% of the total number of book titles yearly. The ten largest (the above mentioned with the addition of *Metaichmio, Livanis, A.N. Sakoulas, Kastaniotis and Aghyra*) are responsible for 30% of the book title production.

DISTRIBUTION/RETAIL

Greek books are distributed through 2,300 bookstores and another 1,500 "point-of-sale" outlets (press agencies, supermarkets, kiosks, etc, while there is a total of 11,000 point-of-sale outlets for newspapers and magazines). These figures determine the low degree of concentration in the retail sales channel, the two largest chains, *Papasotiriou* and *Eleftheroudakis* amounting to no more than 24-25 branches. *Eleftheroudakis* is a third generation family-owned bookseller, the second biggest chain in Greece, and (with *Hellenic*) the main importer of foreign books other than

language learning. Their showcase seven-story bookstore on Panepistimiou Street in central Athens competes with Europe's best. A co-operation venture between *Eleftheroudakis* and the major foreign press distributor (*Hellenic*), amounts to approximately 40 branches nationwide, including the tourist resorts (*News Stand*). The recent opening of the first *Fnac* store in Athens and the market reactions that were registered (*Ianos & Public* extending to become nation-wide chains) is likely to bring about considerable changes to the present scene. Only two hundred and seventy six bookstores are "pure", selling exclusively books, according to the National Book Centre's data included in its web site. The types of books that rank higher in the sales of most mixed bookstores are companion and auxiliary school books, foreign language textbooks, children's books and mass market fiction, mainly in the form of best sellers, while, by contrast, the types of books that rank higher in the sales of pure bookstores include literary fiction, children's books, social and pure science books and textbooks.

Overseas providers and/or clients are putting pressure on the larger retailers to modernise by digitising their catalogues, adapting to electronic ordering systems. This is expected to have an impact on the Greek market, as well, encouraging a more extensive use of the *Biblionet* database, which is run by the NBC. A number of online booksellers have appeared during the last years, providing Greek books to both local,

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distant or overseas customers (*books.gr, papasotiriou.gr, proto-
poria.gr, ianos.gr, greekbooks.gr* -to name but a few); about 38
other bookselling sites -together
with the first two- are supported
by *Biblionet (estiabookstore.gr,
evripidis.gr, bazaarbooks.gr, all-
books.gr, bibliagora.co.uk, bib-
liotopia.gr, booksfromgreece.gr,
greeceinprint.com, and so on)*.

¹ Not including revised editions and
reprints. Data last updated on 9.3.2007.

USEFUL LINKS

National Book Centre of Greece
www.ekebi.gr

The Greek books in print
www.biblionet.gr, www.gbip.gr

National Library
www.nlg.gr

European Translation Centre for Literature
and Human Sciences
www.ekemel.gr

The Hellenic Literary and Historical Archives
www.elia.org.gr

Hellenic Author's Society
www.dedalus.gr

