



Knud Wassermann

Fewer People Reading More Books

The book market in Germany achieved an increase in sales in 2021. The online business of bookstores continued to grow. However, changes in consumer behavior are coming at the expense of diversity in first publications. The first half of 2022 is marked by the economic crisis, drastic cost increases and paper shortages – which is why sales are currently below pre-pandemic levels.

So far, German bookstores and publishers have coped quite well with the corona crisis thanks to their great dedication, innovative spirit and customer focus. Despite the pandemic, total industry sales rose 3.5 percent to 9.6 billion euros in 2021. „Bookstores and publishers have succeeded in getting people excited about reading and supplying them with books – also thanks to stable logistics – despite long lockdowns, thanks to a high level of resilience, creative solutions and strong digital skills,“ says Karin Schmidt-Friderichs, head of the [Börsenverein](#). „It also gives me confidence that demand for books was high, especially among young readers.“

More orders via the internet

However, there was a major shift within the distribution channels. For example, the assortment book trade lost 12.3 percent in sales compared to 2019. Internet bookselling accounted for the increase. However, it was not only Amazon that benefited from this; between 2019 and 2021, online sales in the book trade increased by 43.7 percent. This once again underscores that the efforts to digitize sales activities are bearing fruit. The share of sales accounted for by e-books remains limited, at 5.7 percent of total sales. Downloads and subscriptions to

audiobooks, however, are recording growth rates of over 20 percent.

Despite the positive sales balance last year, the corona pandemic has hurt bookstores and publishers economically. Karin Schmidt-Friderichs: „The growing online sales of bookstores have been bought by high costs for logistical processing. This reduced earnings for many of them, which is very significant in an industry where margins are already low. People also bought more selectively and picked up bestsellers and well-known authors more often.“ The Börsenverein’s statistics also show that there has been a concentration of bestsellers. Last year alone, sales of top 10-ranked books increased by almost 24 percent.

Young people spend more on books

It’s also interesting to look at the figures for how many books were purchased in 2021. Around 27 million people purchased books – that’s 5.1 percent less than the previous year. Those who did buy books, however, intensified their purchases. One encouraging development is that during the pandemic period, 10- to 19-year-olds increased their spending the most – by 26.9 percent between 2019 and 2021. In addition, the purchase intensity among the youngest group of buyers (male or female) increased significantly from an average of 6.8 books in 2019 to 8.0 books in 2021.

At the expense of diversity

With bookstores closed for months, customers also lacked the inspiration to discover new authors. This is worrying in that this development also comes at the expense of the diversity that has characterized the book market to date. In times of tight budgets, publishers also tend to focus on safe titles – the offbeat, the courageous, the innovative then often come up short. The return of face-to-face events like the [Frankfurt Book Fair](#) is essential for the industry. They increase public awareness of books and are indispensable for business and networks in the industry.

This is also reflected in the number of first editions. These declined more sharply in Germany in 2021 than in previous years. They fell from 69,180 in 2020 to 63,992 titles in 2021 – a drop of 7.5 percent. The decline was particularly sharp in some scientific fields. There was also an above-average decline in children’s and young adult books (-9.2 percent), and a less pronounced decline in fiction titles (-3.1 percent).

Estimates and outlook for 2022

In June 2022, the market research institute [GfK](#) confirmed that the consumer climate had reached a new all-time low. Shopper frequency in the non-food sector in city centers is still down 20 percent on the pre-corona level.

In addition, companies in the book industry are seeing significant price increases for energy, raw materials and personnel. According to the [German Federal Statistical Office](#), printing costs for books in May 2022 increased by 21.1 percent compared to the same month last year. This compares with 3.8 percent in December 2021. The price of graphic paper and cardboard is also rising and was 58.2 percent higher in May 2022 than in the same month a year earlier. As a rule of thumb, paper accounts for around 40 percent of the total production costs of a book.

This development is already reflected in the Börsenverein’s 2022 half-yearly balance sheet. After the first six months, the sales shortfall in the local book trade amounts to 11.1 percent and across all sales channels (including online trade) to 3.0 percent compared to 2019, the year before the outbreak of the pandemic. The industry’s hopes are pinned on the second half of the year, and Christmas sales in particular.

Peter Kraus vom Cleff, Chief Executive Officer of the German Publishers and Booksellers Association, emphasizes in this context: „It is becoming more and more apparent that the general reluctance to spend is also having an impact on the book trade. In addition, rising costs and procurement bottlenecks, for example for paper, are putting publishers and bookstores under pressure.“

Yours,
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