

## Market Demographics\Audiobook Listener Profile

The audiobook consumer is most often defined as a frequent book reader who sees audiobooks as a way to “read” more while pursuing other lifestyle activities. They are well educated, have higher incomes than non-listeners have, tend to be over thirty years old and are attuned to book trends through reviews and bestseller lists.

Audiobook listening is most frequently done while traveling and commuting. Other uses revolve around lifestyle activities such as exercising, relaxing, cooking, cleaning, gardening, crafting, walking the dog, etc. People whose jobs involve repetitive manual tasks or frequent travel also report using audiobooks at work. Children’s audiobooks are also a formidable part of the market, as many families choose them for in-car entertainment or an at-home hobby, as well as frequent use by many teachers and schools as educational tools.

- Current U.S. regional audiobook listening on portable media devices is 17%, and with fairly even usage statistics distributed among the Northeast (20%), Midwest (14%), South (18%) and West (16%). . (CEA Market Research, *The Future of Portable Entertainment Devices* - 05/06)
- 31.3% of MP3 player owners have downloaded audiobooks to their player. (Audiobook Publishers Association, *2004-2005 APA Survey* – publish date TBA)
- 46% of consumers who would like to use their portable digital audio player to listen to audiobooks in the next two years reported an annual household income in excess of \$75,000. (CEA Market Research, *The Future of Portable Entertainment Devices* - 05/06)
- 18% of consumers who currently use their portable digital audio player to listen to audiobooks report having a dial-up home Internet connection.

## Market Growth

Audiobooks are one of the fastest-growing areas of the publishing industry. With the proliferation of portable digital audio players, there is a huge opportunity to reach more people through digital formats and downloads. Many people are still unaware of the wide range of genres and convenience of audiobooks; increasing the availability of digital formats that are easy to play back, work across multiple devices, enable easy navigation through files and autoresume automatically will help hook the new listener for a lifetime.

With the advent of digital downloads, the music industry has seen a decline in sales. In contrast, audiobook industry sales have been climbing and continue to rise as our society becomes more and more mobile.

DRM-enabled downloads are currently available through such sources as iTunes Music Store, Audible.com, AudiobookStandDL.com, CuttingAudio.com, and through many U.S. libraries throughout the U.S. via OverDrive and NetLibrary digital distributors.

- The Audio Publishers Association estimated the size of the audiobook market at **\$832 million** in 2004. (Audio Publishers Association, *APA Fact Sheet* – 02/05)
- Roughly one in five American households listened to an audiobook within the last year – **23 million households**. (Audio Publishers Association, *2001 Consumer Survey*)
- 17% of current owners of portable digital media devices currently listen to audiobooks on their devices; 39% of those same users would like to listen to audiobooks on those devices within the next 2 years. Future listening to audiobooks was the second most chosen response, following listening to music. (CEA Market Research, *The Future of Portable Entertainment Devices* - 05/06)
- When current owners of portable digital media devices were asked to envision their future usage activities, audiobook listening interests increased 22%; music listening interests dropped 19% - the only category to project less usage. (CEA Market Research, *The Future of Portable Entertainment Devices* - 05/06)
- The Association of American Publishers estimated audiobook publishing net sales increased 29% from 2004-2005, compared to overall book publishing net sales increases of 9.9%. (Association of American Publishers, *Estimated Book Publishing Industry Net Sales 2002-2005*, 03/06)