

Perpetual Turmoil: Book retailing in the twenty-first century United States

Laura J. Miller

Laura J. Miller is associate professor of sociology at Brandeis University. She is the author of *Reluctant Capitalists: Bookselling and the culture of consumption* and numerous articles on the book industry. Her research focuses on the intersection of cultural and economic factors within industries characterized by moral commitments to their products. She is currently writing a book on the relationship between natural foods as a business and as a social movement.

Email: lamiller@brandeis.edu



The filing for bankruptcy by the bookstore chain Borders in February 2011 marked the end of an era. For close to 50 years, bookselling in the United States had been increasingly dominated by giant chains; companies amassing hundreds of outlets and honing a formula for making their brand names synonymous with the very idea of the bookstore in the minds of many consumers—and publishers. Starting in 1962, with the establishment of the first Walden Book Store in a Pennsylvania shopping mall, chains such as Waldenbooks (and its eventual

parent, Borders), B. Dalton (and its eventual parent, Barnes & Noble), and Books-a-Million captured an ever-increasing share of the bookselling market, primarily at the expense of independent bookstores. But by the time that Borders declared bankruptcy, no careful observer of the book trade was very surprised at the company's turn of fortune; it had been visibly ailing for several years. And while some explained the retailer's troubles as resulting from a string of poor management decisions, a look at Borders' main rival, Barnes & Noble, showed that even

a book retailer that had made better strategic choices was experiencing considerable instability. Something had definitely shifted in the bookselling environment, leaving chain bookstores struggling almost as much as independents.

In part, the chains themselves had sown the seeds of this shift years earlier by over-saturating the retail landscape and by normalizing various competitive practices, such as discounting, that then came back to haunt them. Further contributing to the uncertainties faced by chain and independent bookstores alike was the impact of digital delivery systems. First internet bookselling, which made Amazon one of the largest book retailers in the world, and then the advent of electronic books called into question the very concepts of a bookstore and a book itself. Companies that historically concentrated on endeavours quite different from publishing and selling books, such as Apple and Google, were now attempting to become major distributors of book content, if not of physical books themselves. Meanwhile, publishers were anxiously trying to figure out whether these corporations specializing in electronics and search engines were best seen as publishers' new partners in the book business or as rivals trying to usurp publishers' position and profits in the production and dissemination of books.

For decades, observers of the book trade have remarked that this is a sector in transition. But with this transitional period never seeming to end, it may be more accurate to characterize this as a field in perpetual turmoil. This turmoil is caused not simply by the struggle for economic survival on the part of independent and chain bookstores, but additionally by the ambiguous role that book reading and the institutions responsible for producing, disseminating, and preserving books play within US culture. Such ambiguity is also nothing new, but has become especially acute in an era of intense social obsession with and investment in digital technologies. All this leads to what used to be an unthinkable question: are physical bookstores, regardless of ownership, in danger of dying out altogether?

Dramatic changes can appear to come out of nowhere, and can also seem to have an unstoppable force, impervious to the actions of the human beings they affect. But this mystification of social change, with its

wide-eyed focus on barrelling ahead to an unknowable future, mainly serves to divert attention away from the past, where one may discover that the direction in which change occurred was not necessarily inevitable, and also away from understanding what choices are still open to us. And so, what I wish to do here is to assess the present and future of bookselling by looking at some of the developments over the last several years that produced a situation where bookstores are an endangered commercial form. This includes taking account of organizational and technological developments within the book industry as well as changes in the public's reading and shopping habits.

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Yet, these developments alone cannot explain why Americans may now be willing to see bookstores disappear. After all, there have been other periods of significant change within the book industry, as well as in people's reading behaviour and the commercial landscape. Moreover, bookselling has never been especially profitable, and bookstores have always faced serious competition from other businesses, whether it be department stores, drug stores, supermarkets, or discount variety houses. Economic processes are important, but their effects are not preordained; rather, they work together with cultural beliefs and values to produce outcomes. In particular, the cultural meanings that are now associated with books, literacy, and technology have produced a context in which bookstores *appear* to be an anachronism; an establishment without purpose in a society supremely confident about people's ability to access ideas and information. And therefore, members of the book industry and the public have acted in ways that treat bookstores more like quaint relics of a bygone era than vital parts of a community's commercial life. In such circumstances, the bookstore might

still be viewed with great fondness, but it is not financially sustainable.

The decline of the physical bookstore

By the end of the first decade of the 21st century, book retailing in the US had both spread in remarkable ways and contracted dramatically. This seemingly contradictory state of affairs begins to make sense if one looks at where consumers were now going for many of their books: internet booksellers and physical retailers, whose primary merchandise was not based in books. While bookselling had spread across a wide variety of businesses, physical stores dedicated to books were being squeezed out of the activity in which they were specialists. The situation was in many ways quite dire for bookstores, especially independents. Continuing a trend that started with the growth of the chains, independent bookstores had steadily declined, both in terms of absolute numbers and in terms of their share of the total bookselling market. Book industry statistics are notoriously imprecise and lack comparability over time (Miller & Nord 2009). But available indicators do point to fewer bookstores over all, with most of the decline represented by independents (at least preceding the Borders bankruptcy). US Census Bureau figures show the total number of dedicated bookstores in the US decreasing from 12,363 in 1997, to 10,860 in 2002, to 9,955 in 2007, which is shortly before the recession hit and, therefore, does not reflect the impact of the economic downturn (US Census Bureau 2010). 763 bookstores of the 905 drop that took place between 2002 and 2007 came from single establishment firms; that is, independents operating a single outlet. Because of definitional issues, the Census Bureau tends towards undercounting establishments, and so these figures are probably lower than the actual number of existing shops. Nevertheless, the general trend towards fewer dedicated bookstores is undeniably real.

Another indicator comes from looking at membership figures for the American Booksellers Association (ABA), the primary trade association for independent booksellers. The number of bookselling firms (some operating more than one outlet) that were ABA members showed a big drop in the early 2000s, going from 3,200 firms in 2000, to 2,800 in 2001, to 2,308 in 2002, and to 1,908 in 2003. After reaching a low in 2009 with

1,401 members, numbers rose somewhat to 1,512 in 2011 (Howell 2000, p. 27; Rosen 2001; Mutter 2002, p. 9; Kirch 2004, p. 69; Rosen 2011; 'ABA Town Hall' 2011). While these figures represent only those firms that chose to join the ABA, and therefore do not by any means include all independents, the drop that has occurred is definitely a sign of poor health on the part of independent booksellers. Fewer ABA members come from fewer bookstores overall, and from existing booksellers on such a tight budget that they are loath to spare the membership fees necessary to join the association.

The shake-out occurring among independent bookstores did not just take out the usual weak players in the way that tough economic times affect businesses of any kind. As owners of stores that had weathered the economic storms reached retirement age and tried to sell their establishments, it was increasingly difficult to find buyers willing to enter such a risky business. Thus, even financially viable stores closed down. This contributed to the pattern, evident since the 1990s, whereby once-thriving and highly respected bookstores shut their doors.

Consumers are directly affected by the declining number of bookstores; they may have to travel further to find a store, and remaining bookshops may not exhibit favoured qualities of the ones that are gone. But, for publishers, perhaps a more meaningful way to understand the changed status of independents is by looking at independents' market share of book sales. Here too, available statistics do not capture the entire picture. But they do indicate how independents have become minor players in the book market, at least in financial terms. In 2010, independents accounted for 5 per cent of dollars spent on books (Milliot 2011a, p. 4). Independents showed similar results when it came to measuring actual numbers of books sold rather than the dollars those sales brought in. In 2009, independents sold 5 per cent of all books (Milliot 2010). In comparison, a survey of 2001 sales, using a somewhat different measure, showed independents selling 14.8 per cent of adult books (Milliot 2002).

This decline has not just affected general interest independents. Specialized bookstores, which were once thought to have a secure niche, have disappeared in an even more compressed period of time. This includes the once-thriving segments of religious, children's,

and gay and lesbian bookstores. They have been hurt by similar forces that affected general independents as well as greater integration of their specialities into the publishing and bookselling mainstream. One other category, used bookstores, has not diminished quite so dramatically. But absolute numbers and market share are somewhat deceptive in this case. There is considerable turnover among used bookstores; many have indeed gone out of business, but their lower start-up costs mean that many new ones come on the scene, at least for a short time. Furthermore, used bookstores have not benefited much from a rise in used book sales. Most of those sales are happening over the internet and, indeed, many physical used bookstores can stay alive only because of the sales they make online.

Certainly, independent bookstores have not been going down without a fight. They add services to attract customers, remind residents of the importance of supporting community establishments, join local-first business associations that promote patronage of independent businesses, and use the ABA to lobby for public policies favourable to independents, such as state laws doing away with the exemption from collecting sales taxes that online retailers enjoyed since their earliest days. One especially interesting development over the last few years has been the move by a handful of independents to launch new stores or reorganize existing ones as non-profit organizations. In effect, this strategy is a statement that the bookstore is not able to survive in the capitalist marketplace with its demanding profit requirements, and is instead better viewed as an enterprise serving the public good. The bookstore thus moves into a different competitive arena, where it vies with other non-profit organizations for donors, volunteers, and respect for its good works. There have long been non-profit presses in the United States, sometimes attached to educational or service institutions, which claim to publish intellectual works that otherwise might never see the light of day. Convincing the public that they deserve the benefit of non-profit status may be harder for bookstores, though, since their commercial activity is so much on display; the cash register and money exchanging hands are there for all to see.

The non-profit model is actually built on a similar premise as that which underlies for-profit independents; that the unique bookstore serves a valuable social

function, even if it cannot attract enough paying customers to stay in business. Independent bookstores do continue to play a more important role in book culture than their numbers and economic impact would suggest. They still offer up a space for community events: talks and lectures, musical performances, meeting spots for book clubs and aspiring writer groups, theme parties based on book characters and settings (Miller 2006). And like schools and libraries, they stand as visible reminders of values associated with book reading: self-improvement, freedom of expression, the debate of ideas necessary for citizens to make decisions about the common good, and the ability, that comes with education, for people to better understand the effects of their actions.

But beyond such lofty ideals, members of the book industry are concerned about the loss of independent bookstores because of how that may impact on which books get noticed and sold. Such stores allow readers to stumble upon books that they would not have thought to seek out on their own, and by offering a non-uniform selection, independent bookstores actively promote reader experimentation with topics, authors, genres, and styles in ways that other forms of book retailing, including online bookselling, do not do as effectively. A 2011 study found that book consumers are far more likely to purchase books they did not originally intend to buy when shopping at physical bookstores than when shopping online; conversely, almost three-quarters of online purchases were for specific titles a reader intended to buy at some point (Milliot 2011a). This is not to say that the internet in general is bad at introducing people to new book possibilities. Discussion forums, social networking applications, blogs, and book-related sites of numerous kinds perform this sort of function all the time. But that does not mean that book readers take advantage of all these sources available to them. Most people do not have the time or inclination to trawl multiple websites to glean information on scores of books. For all but the most avid readers, book awareness is mostly a matter of habit and happenstance, which is why the act of browsing—which can combine the two—is such a gratifying experience. And when it comes to booksellers, physical bookstores encourage a kind of browsing that is wider in breadth than what occurs with online booksellers, which try to delay the

consumer at every step with reviews, visuals, excerpts, biographical information on the author, and more, with the hope that the longer the consumer lingers on a title, the more likely she is to purchase it. Despite concerns about losing the independent bookstore and its role in book discovery, though, publishers and distributors rarely alter policies that favour their biggest customers: the major chains, mass merchandisers, and online booksellers.

The chains on the defensive

The independents reached their precarious position in large part because of the practices of the major chain booksellers (Miller 2006). But the chains themselves are now faltering. Of course, the economic recession of the late 2000s was part of the problem, but that only exacerbated difficulties the chains were already experiencing. The most fundamental problem for them was that they had finally come up against the limits to growth that they had never before admitted could exist. Outlet expansion was a defining feature of the chains since their earliest years, but with the development of the superstore in 1990, the effects of expansion were magnified. Even after the chains closed most of the shopping mall-based outlets that characterized the early chain era, the superstore build-up resulted in an unprecedented amount of bookselling shelf space across the country. In 2009, at its height in terms of selling space, Barnes & Noble alone had approximately 750 stores occupying 18.8 million square feet (Barnes & Noble 2010, p. 9). Expansion had occurred even as online bookselling presented consumers with new places in which to spend their book dollars.

It was only in 2009 that both Barnes & Noble and Borders started to reduce the number of superstores they operated. Further expansion was proving difficult for a number of reasons. Few new locations that met the chains' criteria were available; these stores needed both a lot of space and a large and affluent enough customer base to make the investment worthwhile. With the recession, retail spending in general was down. There was no sign that discretionary reading, which could produce discretionary spending on books when the economy improved, was growing. And the corporations' shareholders wanted to see costs cut and the sort of profits that would translate into higher stock prices.

Previously, the chains had expressed unwarranted optimism about being able to stimulate substantially more book sales by providing the right retail environment. Americans did like the comfortable atmosphere and entertaining experiences to be found in the superstore, but not enough to significantly increase the number of books they bought. Since the mid-1980s, dollars spent on books (from all sources) had risen modestly while the annual number of units purchased stayed fairly flat (Book Industry Study Group annual). But reports from the Association of American Publishers, the Book Industry Study Group, and Nielsen BookScan show fewer units being purchased on an annual basis since the recession began. What is especially worrisome for the future of the book industry is that the average amount of time spent reading for pleasure by Americans age 15 and older went down in the 2000s (US Bureau of Labor Statistics annual). There is little reason to think that this trend will reverse itself anytime soon. As enticing as exciting stores or new electronic reading devices might be, reading competes with many other claims on people's leisure time, and has a hard time prevailing over video games, the internet, mobile phones, DVDs, iPods, and television, not to mention non-media-related activities. Indeed, texting seems to have replaced reading as the default activity for the interstices of daily life—for how people pass the time on public transport or in waiting rooms, when lying on the beach or sitting in the park. At the same time that book shopping is a more casual and fun affair than ever before, reading is becoming more planned and purposive, something that needs to be scheduled into the day if it is going to get done at all.

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Throughout the period of outlet expansion, the two biggest chains, Barnes & Noble and Borders, competed fiercely. The third largest chain, Books-a-Million, which was primarily centred in the south-eastern part of the country, never approached the reach or financial

size of the big two. As similar as Borders and Barnes & Noble were to one another, there were a few differences in how they approached the expansion imperative. Barnes & Noble put considerable resources into building its online business while, in 2001, Borders pulled back on e-commerce and made a deal to let Amazon handle that part of its business. Instead, Borders pinned much of its expansionist hopes on going international. But this could not offset difficulties with its domestic stores and, in 2007, Borders decided to slough off the outlets it had opened up outside the US, selling or closing its stores in the UK, Ireland, Australia, New Zealand, and Singapore by 2008. By then, Borders was already in serious trouble.

With its 2011 bankruptcy and unsuccessful attempt at reorganization, Borders closed 627 stores over a 7-month period of time. This massive and sudden loss of shelf space causes considerable problems for the already unstable book world. For some neighbourhoods, Borders represented the only bookstore option they had, and with the current climate is unlikely to be replaced any time soon by a new entrepreneur. More seriously for the book industry as a whole, the loss of Borders represents debts that publishers and wholesalers will never recover. At the time of its bankruptcy, Borders' book business had close to \$400 million in debt to unsecured non-priority creditors (meaning those the court deemed low priority in recovering money they were owed); much of this group was made up of publisher and wholesaler suppliers (United States Bankruptcy Court 2011). Additionally, the disappearance of publishing's third-largest customer (following Barnes & Noble and Amazon) signalled a major loss of future revenue as well. At the point it declared bankruptcy, Borders accounted for about 8 per cent of all book sales (Milliot 2011c). The contraction of bookstores could potentially benefit other booksellers, but it could also lead to a contraction in publishing if some presses close down or scale back their operations.

Proliferating more than the market could support was not the only problem facing the chains. They also developed a number of strategies that helped to change what book consumers thought about bookstores (Miller 2006). This allowed them to successfully compete with independents, but it also paved the way for other organizations to adopt similar strategies and use

them against the chains. Perhaps the most important of these was discounting. The chains had always used discounts selectively, but they promoted bargains as an important part of their brand identity, for instance when promising low prices on bestsellers. In a repeat of a problem that booksellers confronted decades earlier with department stores and variety houses, other retailers were adding books to their mix of merchandise and discounting them heavily. Not even the chains could compete against these retailers in the discount game.

Mass merchandisers have several advantages when it comes to discounting. On the one hand, they can afford to use books as loss leaders; designed to please customers by selling them below cost, while counting on other goods to bring in the profits. One 2009 price war between Wal-Mart, Target, and Amazon brought the price of highly popular books down as low as 75 per cent off the list price (Rich 2009c; Rich 2009b). These retailers were clearly willing to lose money in an effort to gain customer loyalty. Of course, Wal-Mart and Target have made their names by offering their entire selection at cut-rate prices. Still, books are hard to sell at the volume needed to make a profit while maintaining a discount. The mass merchandiser can do so by carrying a limited number of popular titles that can be counted on to sell in high numbers. Since they are not full-service bookstores, customers do not expect them to carry a complete line. This allows these retailers to keep inventory low and turn over stock quickly. Shelf space is not taken up by titles that sell only occasionally, and staff time is not taken up with managing inventory from a complex assortment of publishers and wholesalers.

Although they had significantly grown in strength through the 1990s, mass merchandisers, warehouse clubs such as Costco, and supermarkets accounted for a smaller share of book sales over the course of the 2000s. By 2010, these three segments had a total of 9 per cent of book sales (Milliot 2011a, p. 4). When viewing just the trade book market—that is, books intended for the general public—Wal-Mart had a 5.8 per cent share and Target accounted for 1.9 per cent. This still left both of them among the top six retail firms for books (Milliot 2011b). But their impact went beyond their actual market share; the mass merchandisers also added

significantly to a desire among book consumers for a permanent discount and helped advance the idea that asking consumers to pay full price is to take advantage of them. The discount mentality certainly goes well beyond the book industry, affecting innumerable consumer goods, from clothing to electronics. But books had once shared with luxury items the quality of being hard to find. Yes, the latest bestsellers and perennial classics were easily available, but in the not-so-distant past, finding more specialized titles, backlist, and out-of-print books was a matter of luck and perseverance, as well as a willingness to pay whatever the cost might be when the desired volume finally turned up. In the present era, when books are seemingly available everywhere, and when online searching makes it possible to find even the rarest items, the idea of what constitutes a fair price on books has changed dramatically.

Books for sale do now seem to be everywhere. From museums increasingly counting on merchandise sales (including books) to fund operations, to restaurants and cafés looking to cash in on their diners' lifestyle interests, commercial and not-for-profit enterprises of all kinds are selling books. These various merchants do not claim to carry a broad selection or to replicate what the bookstore does. But the sense that books can be found anywhere helps to make the concept of the bookstore seem irrelevant. Of course, a significant factor in this is the growth of online bookselling.

Digitizing book delivery

When looking at recent changes in market share of book sales, the biggest winner is the online segment. In 2010, electronic commerce accounted for 30 per cent of the dollar sales of books (Milliot 2011a, p. 4). Amazon.com accounts perhaps for slightly more than half of those e-commerce sales. The rise of online bookselling was actually not as meteoric as people tend to assume. Amazon started in 1995 and other online bookselling ventures arose around the same time. Growth was mostly gradual and steady, though it has quickened in the last few years. But online bookselling's impact is realized as much in perception as in reality. For one thing, it has altered book consumers' understanding of scarcity. If a basic reading copy is all a reader is after, anyone with an internet connection can now look for obscure and out-of-print books without the aid of a

rare book specialist (though locating specific editions and conditions may be a different story). Not only is it possible for consumers to search the inventory of new and used book dealers, but also of fellow readers, as individuals hoping for a little extra cash clear out their attics and make books available through sites such as eBay. With such plenitude, it seems to matter less who is in charge of selling them.

Secondly, online bookselling has also deepened the discount culture. In part that comes from the ability to compare prices easily, sometimes through the use of comparison shopping engines. But Amazon has played an active role in this, as it willingly lost its investors' money for years while it attempted to establish dominance through the use of discounts or the enticement of free shipping.

Online bookselling has also pushed the notion of convenience. At least since the 1980s, when both independent and chain bookstores remade themselves into inviting destinations, book shopping was rarely considered a chore in the same way that something like grocery shopping is, but instead was seen as a pleasurable experience that brought one into a public setting, and where one could browse for hours without the obligation to buy. But the promotion of online shopping stressed the wonders of never having to leave one's home in order to obtain goods. Thus, the act of going to a physical bookstore was reconfigured as something onerous, requiring effort that was better spent elsewhere. And as Americans, already facing long work hours, were spending ever more time on new entertainments—many of those based online—their time crunch was real, and the notion of consumer convenience was eagerly embraced.

Online bookselling presents direct competition to the physical bookstore. A different kind of challenge comes from another aspect of digital technology, the development of electronic books. The first serious attempt to convert readers to ebooks came in the late 1990s with the introduction of several ebook devices and numerous publishers and authors supporting them with content. But after a few years, the ebook was deemed a failure, as readers showed little interest in using the technology. The ebook push that commenced in the mid-2000s was much more successful. In part this was because the technology behind ebook devices had

improved, providing a better reading experience. But another factor that distinguished this phase from the earlier one was the significant role played by a major book retailer, Amazon.com. Amazon sold the Kindle, a new-generation ebook reader that quickly became the market leader. Amazon was well positioned to promote the Kindle because it also sold (and in many cases, gave away) the electronic books that the Kindle used. Much to publishers' dismay, Amazon discounted its ebooks heavily; its strategy apparently was to lure people into trying out the expensive Kindle by promising ebook prices that could be one-third as much as a new hardback. In other words, ebooks themselves were initially loss leaders for the Kindle. As it did with its early online sales of print books, Amazon hoped to use discounts to quickly establish itself as the dominant retailer of ebooks, paving the way for a time when ebooks themselves could be a source of profit.

For publishers, this pricing strategy was alarming. Even though they too were betting on a future where electronic books played a major role, and even though it was Amazon that was losing money by offering such heavy discounts, publishers rightfully feared that the public was coming to think of Amazon's \$9.99 as the 'real' price of a book, and anything higher, whether in electronic or print form, as price gouging. Indeed, a year after Amazon was pressured into changing its pricing policy, discussion boards continue to be filled with outraged commentary from consumers furious that 'greedy' publishers contested the \$9.99 standard.

Increasingly rancorous relations between publishers and Amazon were finally defused in 2010 when Apple introduced the 'agency' model to its pricing scheme for ebooks for its iPad device. In this model, publishers agreed that ebooks for the iPad would be priced between \$12.99 and \$14.99, and that the publisher could determine the precise price at which a book would be sold to the public within this range. Apple, now technically a sales agent rather than a retailer, would then get a 30 per cent commission for selling the ebook. Although publishers would have received more per book if they had stayed with the old 'wholesale' system that included higher list prices, at least this way they were assured that the price to the public would not fall below the price they set. Gradually, all the major publishers agreed to these terms with Apple, and other ebook pro-

viders also came to adopt the agency model for at least some of the ebooks they sold. Amazon initially resisted, going so far as to temporarily remove the ability of its customers to buy books published by Macmillan after that publisher insisted on the new model. But refusing to sell the books of a major publisher undermined Amazon's claim to be a one-stop bookseller, and it too finally conceded to publishers' demands to make available agency pricing. This change helped to create more serious competition for the Kindle, especially from Apple's iPad, Barnes & Noble's Nook, and Sony's Reader.

Although regular bookstores remained on the sidelines during the struggle between Amazon and publishers, they were nonetheless affected. Barnes & Noble, with its Nook reader, was a serious contender in the device business. And in 2009, Barnes & Noble introduced a massive expansion of the ebooks for sale on its website, surpassing what Amazon had at the time, and including formats that could be read on a range of devices (Rich 2009a). Barnes & Noble's aggressive pursuit of the ebook market, by its own admission, took away some of its physical bookstore sales (Barnes & Noble 2010, p. 2). This willingness to stimulate 'cannibalization' marked a significant shift in Barnes & Noble's digital strategy. Whereas its online bookselling activities were originally as much, if not more, about marketing its physical bookstores than operating a profitable online branch, the company was now willing to sacrifice bookstore sales for what it saw as a future of ebooks purchased online. Indeed, there was speculation that a 2011 offer from Liberty Media to acquire Barnes & Noble was made because of an interest in the Nook, not the bookstores. In this scenario, the bookstores could be transformed into adjuncts of electronic devices and content (D'Innocenzio 2011).

Meanwhile, independents were trying to figure out whether and how to get in on the ebook craze. The independents were clearly an afterthought for publishers when it came to devising ways to sell ebooks. Many independents had their own websites they could utilize, and some created in-store displays of ebooks the customer could purchase, though independents were shut out of selling the popular Kindle and iPad formats. But a more fundamental question remained: would the heavy promotion of ebooks simply be an invitation to abandon bookstores completely? And might it seem

superfluous to display ebooks in a bookstore, since it is not as if a customer could flick through them in the same way as a printed book? The way in which ebook developers described the technology cast ebooks as conquerors of print rather than as co-existing alternatives. And bookstores, at their core, were about the printed word.

Unquestionably, ebook sales have grown at a rapid rate. But it is important to remember that they are still a small part of the overall book market. Accurate and up-to-date statistics are hard to come by, but in the first part of 2011, ebooks probably made up only 10–15 per cent of book sales. This was an impressive showing, considering how recently they had been introduced. But their growth was not a case of the industry simply responding to consumer demand. Book and electronics professionals worked very hard to create that demand through marketing campaigns and discounts. Publishers took a number of visible measures to signal their expectations about the future direction of the industry. They invested considerable resources into converting backlist to electronic form and establishing new ebook imprints. They risked alienating authors and agents by interpreting contracts to give publishers better control over electronic rights. And they joined in what was becoming a reflexive proclamation, that the future of books must be electronic because electronic is the wave of the future. The publishing industry, anxious about always being behind the curve and chronically chastised for its archaic ways, was for once going to be out in front, riding the wave of progress. The spectre of the recorded music industry loomed as a reminder of what could happen if publishers did not seize the moment. These efforts were reinforced by news media stories about the death of print and forecasts by prognosticators, such as those by Nicholas Negroponte and Chris Anderson, that the majority of reading would be done on electronic devices within five to ten years (Mims 2010).

With publishers committed to an electronic future, they encouraged book buyers to follow sooner rather than later. Educators and librarians were told—well before signs of it actually occurred—that their students and patrons would demand ebooks, and such institutions began shifting budgets away from print, even though publishers' policies limited ownership rights

over electronic textbooks and library copies in ways these customers deplored. As for individual readers, once ebook devices came down in price, many people, especially older readers, seemed inclined to add them to their media mix; frontlist fiction in particular is popular in electronic form. And with bookstores failing and libraries cutting back on print acquisitions, the incentives to abandon print continue to grow. At this point in time, consumers have an extensive choice of what and how they read. But if it becomes too expensive for publishers, distributors, retailers, libraries, and schools to support multiple formats, consumers may find themselves with a much more restricted environment for obtaining reading material. Bookstores have hard choices to make about what choices they will provide to readers.

Selling cultural relevance

Bookstores have been besieged by increased competition and economic instability. They have also been affected by cultural trends that put a premium on convenience and bargains, and that equate new technology with progress. Related to this, bookstores find themselves in the unenviable position of being associated with the old in a society that esteems novelty, youth, and innovation. But this is also an era of intense fascination with the very concept of information—how to acquire it, own it, and deploy it for personal gain and public welfare. This respect for discrete information joins with an older regard for education and, at least for some, real pleasure to be gained from the act of reading. In each of these areas, books—and bookstores—still play an important mediating function. The future of bookstores depends on how Americans perceive this function.

American society is in many ways ambivalent about its intellectual symbols. Print books are not cool in the same way that the latest technology is. But authors do sometimes achieve celebrity status, and political and entertainment celebrities often burnish their images by publishing books. Familiarity with books and authors is no longer, if it ever was, a requisite marker of a social elite. But the kind of knowledge and verbal agility that is gained from books can still trigger populist resentment towards those who hold economic and social power. With such ambivalence about books them-

selves, it is not easy for those institutions involved in producing and disseminating books to project their own distinct image.

As a result, the bookstore tries to straddle the line between cool purveyor of entertainment and serious bulwark of literacy, between embracing the future and honouring the past, between serving readers and publishers and demanding that these groups take action to preserve the bookstore's future. It is hard not to be pessimistic about the fate of the bookstore; it is likely that this sector will become a smaller part of American cul-

tural and commercial life. However, it is doubtful that the physical bookstore will disappear altogether, just as print books are likely to remain for the long term. People's needs, desires, and means are too diverse to be easily satisfied with one type of communication medium or one way of accessing such media. What also remains unchanged is that bookselling is an occupation people enter into more because of the personal and social value they find in it than because of high expectations for financial remuneration. That is a very powerful incentive to seek out a way to survive. ■

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