



## Children's Book Buyers Spending More, Buying Less

Consumer spending on children's books reaches seven-year high, Ipsos research shows

**June 9, 2004, New York, NY**— The children's book industry has faced an uphill battle through much of the past decade, though 2003 results give both publishers and retailers some reasons for optimism, according to Ipsos BookTrends<sup>SM</sup>, an ongoing tracking service from Ipsos-Insight, the global marketing research firm and member of the Ipsos Group. The research shows that consumer spending for children's books reached its highest level of the past seven years during 2003.

The year-end results showed that consumer spending on children's books grew to an estimated \$2.1 billion, up by nearly 11% compared to 2002. The gains stemmed largely from a lift in per-book spending, led by a strong fourth quarter. Demand for children's books did not keep pace with spending, with unit gains of just more than 2% over the same period last year (465 million books versus 454 million books).

"Higher per-book spending reflects the popularity of interactive books and sound books, and the emergence of hardcover juvenile fiction titles such as the most recent Harry Potter, and is good news for the children's book industry," said Barrie Rappaport, chief analyst of Ipsos BookTrends. "However, overall market growth was slow, as the number of books being purchased only grew by 3%."

The research shows an industry still struggling with a shrinking consumer base. In 2003, 33% of US households purchased at least one book intended for someone under the age of 14, compared to 35% in 2002. On the brighter side, the declines in customer traffic was most notable during the first half of 2003, whereas the excitement over June 2003's release of *Harry Potter and the Order of the Phoenix* clearly brought customers back to the marketplace. Consumers were also drawn to interactive/sound books to a greater degree in 2003 compared to 2002.

"An eroding customer base continues to plague the children's marketplace," said Rappaport. "Even with exciting, new, and value-added books on the market, the children's book industry has not managed to substantially increase the volume of children's book purchases or share-of-wallet."

The ongoing Ipsos study of more than 16,000 nationally representative households also tracks the top properties, licenses, and series books. The hottest property for toddlers and children three to five years old was the classic favorite Winnie the Pooh, whereas Junie B. Jones books were the favorite for six- to eight-year-olds, and, not surprisingly, Harry Potter took the honors for nine- to thirteen-year-olds.

Publishers produce books in a variety of formats, allowing consumers to find a child's favorite, regardless of age. The Scooby Doo books appeared on favorites lists for three out of the four categories in the Ipsos BookTrends study of children's books. Books featuring Scooby Doo ranked ninth in purchasing for three- to five-years-olds during 2003, third for the six- to eight-year-old age group, and fifth among nine- to thirteen-year-olds.

"Publishers have done a good job with the Scooby Doo franchise," according to Rappaport. "The brand has broad reach across most age groups and product types, ranging from coloring books to picture books, and from early readers up through chapter books."

### Methodology

*Ipsos BookTrends<sup>SM</sup> has been tracking the book industry and providing consumer purchase information for nearly 20 years. Reports are compiled from information gathered from a panel of 16,000 nationally representative households who maintain daily purchase diaries for Ipsos.*



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**About Ipsos-Insight**

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