

2007 ROMStat REPORT

Romance is the biggest fiction category in 2007

The United States' book market grew to \$10.71 billion in 2007, according to the Association of American Publishers and Simba Information estimates (on net revenue, excluding book clubs, mail order, or Harry Potter books). R.R. Bowker figures show U.S. title output increased to 276,649 new titles and editions, up from 274,416 in 2006. When you add the 134,773 "on demand" and short-run books to these numbers, there is a projected output of 411,422 books in the

United States in 2007. "Our statistics for 2007 indicate that the book publishing industry has regained its footing since the rough year that many publishers experienced in 2005 ... but clearly they are still being very selective about which titles they believe have the most promise of achieving commercial success," said Kelly Gallagher, general manager of business intelligence, Bowker. Among those titles achieving success in 2007, romance fiction lead the pack.

Romance Fiction in 2007

Romance fiction became the largest share of the consumer book market in 2007 with \$1.375 billion in estimated revenue. A 12.9 percent of all market categories, romance outsells the competition and will grow to a 13.3 percent share of the market in 2008 (according to Simba Information estimates).

The "biggest fiction category of them all" in 2007, publishers released approximately 8,090 romance books—an increase of 25.9 percent over 2006 (Norris 2008, 155). Romance fiction wasn't successful only in terms of sales—the books hit the *New York Times*, *Publishers Weekly*, and *USA Today* best-seller lists. The romance category was number two (based on consolidated ranking across the best-seller lists), and there were "331 editions of 318 titles by 168 authors under 48 imprints" on the lists last year (Norris 2008, 153). Popular romance subgenres included suspense, historical, and fantasy/paranormal.

What accounts for romance's success? A number of factors play into its popularity, but the expansion of the genre to include paranormal, sci-fi/fantasy, suspense, thriller, erotic, and urban fantasy elements increases the pool of available romance readers.

Romance Fiction Sales in Comparison for 2007

Romance: \$1.375 billion

Religion/inspirational: \$819 million

Science fiction/fantasy: \$700 million

Mystery: \$650 million

Classic literary fiction: \$466 million

(Source: Simba Information)

Readers

So who are these readers that both authors and publishers want to reach? According to a Zogby International survey (commissioned by Random House) of the reading and book-buying habits of over 8,000 representative adults:

- Fourteen percent of Americans buy more than 20 books per year for themselves
- “Friends and family” is the most-frequently named factor in making someone want to buy a book
- The single biggest factor in selecting a book to purchase was the “idea of making a special effort to look for other books by an author you have enjoyed, with 89 percent confirming this behavior”

A national consumer survey of over 25,000 respondents (by Simmons Market Research Bureau in conjunction with Simba Information) found 61.3 percent purchased books from a bookstore, 21.5 percent bought them online, and 34.6 percent bought them in “other” locations – such as Wal-Mart, Target, grocery stores, etc.

Publishers

With more demands on reader’s time and attention, publishers are striving to reach readers through services such as DailyLit, which allows readers to read books through e-mail and RSS installments—even on a device like the Blackberry. Publishers have also joined with LibreDigital (an Internet digital warehouse) to digitize printed books into electronic book format. These e-books can then be read on any number of devices, like a PalmPilot or dedicated reading device such as the Sony eReader or Amazon.com’s Kindle. However, the top publishers currently draw 1 percent or less of their net revenue from e-book sales, so they contin-

Net Sales of Books by Type for 2007

Adult hardcover: \$2.8 billion

Adult paperback: \$2.282 billion

Adult mass market: \$1.119 billion

Audiobooks: \$218 million

Electronic books: \$67 million

(Source: Association of American Publishers. Does not include Harry Potter revenue.)

ue to experiment with other ways to reach readers.

One such experiment is Dorchester’s SHOMI line, which launched in 2007 and combines different elements—romance, suspense, and science fiction and fantasy—into one story. Harlequin ventured into the e-book market and created new, online only lines like Nocturne Bites and Spice Briefs.

These methods must have paid off for some publishers as over 18 romance imprints hit the best-seller lists in 2007. In order of rank, these imprints include: Penguin, Random House, Grand Central, Pocket, Simon & Schuster, Putnam, St. Martin’s, Berkley, Warner, Ballantine, Signet, Mira, Jove, Morrow, Dell, Avon, Silhouette, and Tyndale.

The top five romance book publishers (as per Simba Information estimates) in 2007 were the same as 2006:

- Harlequin
- Random House
- Penguin Group
- HarperCollins
- Kensington

While publishers seek new markets for romance books, authors are doing the same.

Authors

As publishers and bookstores continually push best sellers, also known as the “forever frontlist” phenomenon, authors are looking for ways to stand out from the crowd. According to *The Business of Consumer Book Publishing 2008*, “title output has slid in most categories as publishers try to draw more revenue from fewer books” and the result has been a “consolidation of power around certain authors” (Norris 2008, 29). However, authors who aren’t best sellers may look more toward niche markets with devoted audiences for success. With Web sites, blogs, YouTube, and other social media outlets available at low or no cost, the Internet helps authors find their audiences and become connected on a more personal basis with fans. This connection helps drive future sales in a genre where 8,090 romance titles are released in one year.

2008 Estimates

With the U.S. economy in a slowdown, consumers have less discretionary income to spend on books. The publishing industry is expected to decline in 2008 with only \$10.17 billion in net revenue; romance fiction will experience a slight decline to \$1.34 billion. However, the diversity of romance fiction will serve the market well as readers, publishers, and authors look for that something special found only in the pages of a romance novel.

Sources:

Norris, Michael, Lori Coupe, Warren Pawlowski, eds. *Business of Consumer Book Publishing 2008*. Stamford: Simba Information, 2008.

R.R. Bowker. Bowker Reports U.S. Book Production Flat in 2007. <http://www.bowker.com/index.php/pres-s-releases/526>.

The Association of American Publishers. AAP Reports Book Sales

Rose to \$25 Billion in 2007. http://www.publishers.org/main/IndustryStats/indStats_02.htm.

Zogby International and Random House. 82 percent of Readers Prefer Curling Up With a Printed Book To New Reading Technology. <http://www.zogby.com/randomhousefinalreport.pdf> and <http://www.randomhouse.com/rhpg/zogby/>.

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Romance Subgenres Published in 2007

Of the romance releases tracked by Romance Writers of America in 2007:

