Report on the State of Publishing in Italy
Consolidated statement for the book and digital market in 2020

by the AIE (Italian Publishers Association) research department

Summary

With a turnover of 3.056 billion euros, the book market closed 2020 with practically the same results as the previous year (3.052 billion), proving the great resilience of the Italian publishing industry. This figure includes, as well as the trade book market, (fiction and nonfiction digital and printed books sold in physical and online bookstores and through large-scale retail), the educational sector, professional (books, e-books, databases and internet services), exported books, etc. Despite the difficulties caused by the pandemic, it confirms a growing focus on other countries, with exports up by 0.2%. The pandemic also led to great changes in the sector in terms of both distribution—with growth of online channels—and production, with ground gained by digital products and the increasingly more important role of the catalogue over new titles.

MARKET

During the first year of the pandemic, sales on the Italian publishing market (fiction and non-fiction, but also scholastic, university and professional books) remained above the three billion mark (3.056 million), at the same levels as 2019, thus showing surprising resilience in its capacity to react to the situation by adapting supply.

The market by sector. The basic stability (up by 0.1% on 2019) is the result of good performance by trade (fiction and non-fiction sold in physical and online bookstores and large-scale retail) which posts a year-end growth in sales of 0.3% at 1.43 billion euros. Whereas scholastic books adopted by schools sees a drop of 3.5% (742 million). Strong growth by the digital sector (e-books, audiobooks and databases) at 430.2 million (+10.9%).

The underground market. It must be remembered that these figures are negatively affected by the "underground" market, namely revenue lost due to piracy, both digital and physical. Revenue lost in terms of value stood at 528 million euros in 2019, which is a "careful" estimate by IPSOS and research is still underway for 2020. This translates into 36 million copies, which includes printed books and downloads of e-books and audiobooks. 61% of this lost revenue concerns the trade sector, 20% university and 19% professional.

The boom of digital and the long tail. If we focus our attention on trade in particular, we can see that Italian publishing inherited two main assets from 2020, apart from demand, still very strong and actually growing. The first is the growth of digital, in trade sales of e-books are up by 37% and audiobooks by 94%, digital reading and listening are together worth 7.4% of the market against the previous year's 5.3%. The second consequence is an overturning of the balance between sales channels, with online bookstores going from 27% of the trade market to 43% in just a year. One of the consequences of this growth in online bookstores is an expansion of supply in terms of titles available on the market: this has increased, with growing importance given to catalogue titles, while bestsellers carry less weight than the so-called long tail.

PRODUCTION

Fewer new printed books, more digital books, an increasingly more important catalogue: production of books in Italy in 2020 underwent radical change following lines of development that, on the one hand, were affected by the first year of the pandemic but, on the other, showed an acceleration in trends already evident in previous years.

The digital rise, printed books down. 69,608 new titles were published in the trade publishing, a figure down by 5.6%, and 4,067 in the educational publishing, down by 10.3%. At the same time, however, e-books grew by 7.2%, reaching a total of 52,273. These figures show the effect of the brusque stop during the first lockdown (between 9 March and 17 May we had 59% fewer printed books published and 21.4% more e-books), but at the same time they shift towards changing consumer habits that are gaining ground, with digital reading growing in all age groups.

Less new books, prices down. But sales increased. For the second consecutive year, a decrease in supply goes hand in hand with an increase in sales (up by 0.3% for trade printed books in 2020, 2.4% if you also include e-books and audiobooks); in 2019, the production of trade books dropped by 1.3% compared with a 4.8% growth on the market. This leads to a rethinking of the belief that only a sharp increase in production would bring market growth. Another strengthening trend is lower retail price. In 2020 the average price of books calculated at production (not weighted for circulation) was 19.813 euros (down by 0.6% compared to 2019) and a good 1.79 euros less than in 2010.

In commerce titles are growing. The growth of online retail, on the other hand, is making the long tail more accessible with the result that, today, in commerce titles amount to 1.26 million, up by 4.5%, and this does not take self-publications into account. This figure stood at 716,000 in 2010. E-books total 500,000, compared to 17.000 in 2010. Over the past two years there have basically been fewer new titles published than in previous years, but supply is still bigger as the number of books no longer available year after year has reduced. New titles represented more than 65% of production throughout the 2010s, with peaks close to 70% in some years. In 2019, the last year for which we have this figure, this value drops to 61.4% in favour of reprints and new editions, namely books already "in the catalogue". A catalogue that in fact has grown by 45.9% over the past four years (29.8% of new titles).

Production by genres. Going back to the production of printed books and breaking down the figures by genre, the drop has affected the entire trade publishing, but to varying degrees: at -4% fiction has suffered less than the market average of 5.6% and today accounts for no less than 32% of the total (26% in 2010), as has specialist nonfiction (-1.6%), while practical nonfiction (-11.9%), children and young adults (-7.2%) and general non- fiction (-7.2%) are worse hit. These figures do not take into consideration self-publication, a phenomenon which is continuing to expand. In 2020, 10,320 titles by self-published authors were released by specialist companies. They account for 14.8% of overall production and this figure is up by 30.2% compared to 2019. To these must be added the 17,316 self-published e-books of which 60% is estimated to be fiction.

INTERNATIONALISATION

Even during the year of Covid and the hiatus in international fairs, Italian publishing is growing on foreign markets: in 2020, the rights were sold for an equivalent of 8,586 works, up 0.2% on 2019 and equal to 12% of new publications. In 2001, only 4% of the titles published proved interesting to foreign publishing houses. Last year's good results were influenced by the public support policies, in particular a special funding of 700,000 euros managed by CEPELL, Centro italiano per il Libro e la Lettura (Italian Centre for Books and Reading) for the translation of Italian books abroad, and ICE Italian Trade Agency initiatives supporting publishers on foreign markets in collaboration with AIE (Italian Publishers Association) and targeting SMEs in particular.

Import. There was a setback for imports however: 9,127 titles by foreign authors were purchased by Italian publishers, a 5.4% decrease that must however be set against a more general reduction in titles published during the year. The long period saw confirmation of the trend that leads to equal exports and imports (to date more numerous): over the last 19 years the former have increased at an average annual rate of 19.9%, the latter at 4.3%.

Sectors. We are still buying more publishing rights from foreign publishers than we manage to sell, but in some sectors like children's, illustrated and nonfiction books, the situation has already been overturned. In numbers: 2020 saw narrative imports at 3,349 and exports at 2,420. In the children's and YA sector, 2,812 titles were exported and 2,190 imported, exports of nonfiction stood at 2,027 and imports at 1,460, and, finally, illustrated books saw Italy sell 712 titles abroad and buy 93. With 5,914 works purchased,

Europe top end market. Europe remains by far the top end market, accounting for 69% of all titles sold abroad. Spain bought 1,301, followed by France with 917, Poland with 650, Germany at 591 and the United Kingdom 237.
Italian publishing less dependent from foreign books. In parallel, Italy confirms its role as a country that is very receptive to foreign cultures and books, a country that translates a great amount and that however, as time passes, depends less on foreign books. Between 1997 and 2020, titles by Italian authors grew by 56%, translations by 24%. In 1997, one new books was translated for every 4 published, today this ratio stands at "just" 17%. In 2020, the top language translated was English (62% of all translations), followed by French (16%), German (7%) and Spanish (4%).
Co-editions in difficulty. Compared to 2019, the pandemic crisis mainly affected co-editions, a business that in previous years had always seen growth: in 2020 these numbered 1,037, down by 65.3%. From 2016 to 2019 this figure had constantly increased, going from 1,102 to 2,987 titles.

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Performance and composition of the market (trade, educational, professional, export, and other): 2019-2020. Value in millions of euro and by percentage.