



Survey on the Regulation of Book Prices

Montreal Economic Institute

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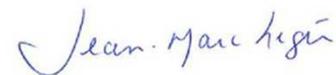
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We are proud to present you with this research report, which was produced under the stringent quality standards of our company and those of the Marketing Research and Intelligence Association (MRIA). We are confident that this report will address your concerns and we hope to have the privilege of serving you again in the near future.



Jean-Marc Léger
President

The largest
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CONTEXT
AND OBJECTIVES



CONTEXT AND OBJECTIVES

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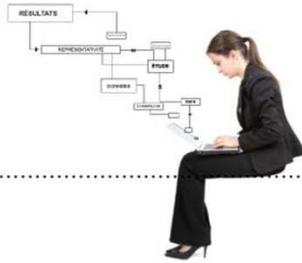
How is the regulation of book prices suggested by the Parti Québécois government perceived by the general population of Quebec?

The Montreal Economic Institute has commissioned Léger to conduct a study among Quebecers to understand their opinion on the implementation of book price regulations that would protect smaller bookstores, but that might increase the average price of books sold in stores.

More specifically, this study aims to:

- Determine the reading habits of Quebecers;
- Understand the opinion of Quebecers towards the regulation of book prices suggested by the Marois government;
- Understand how Quebecers would react to an increase in the average price of books sold in stores.





RESEARCH METHODS

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This poll was conducted online in all regions of Québec with a representative sample of **1,001 Quebecers** between **February 23 and 25, 2013**.

Final data were weighted by age, gender, language, education level, household composition (with or without children) and region, using 2011 Census data, to ensure a representative sample of the population of Quebec.

A probabilistic sample of 1,001 respondents would yield a **margin of error of 3.1%, 19 times out of 20**.

Survey respondents were selected randomly from the LegerWeb Internet panel, which has over 400,000 Canadian households (185,000 in Quebec). A stratification process was applied to invitation lists to ensure optimal representation of respondents. The panelists were recruited randomly during Leger Marketing telephone surveys. Several quality control measures ensure the representativeness and accuracy of Leger Marketing's surveys with its panel members. Many quality controls ensure the representativeness and reliability of Leger Marketing from the Web panel. Leger Marketing is a Gold Seal certified firm by the Marketing Research and Intelligence Association (MRIA), the highest reliability rating of the association.

In the tables, numbers in bold **red** indicate a significantly higher proportion than that of other groups. Numbers in bold **blue** indicate a significantly lower proportion than that of other groups.

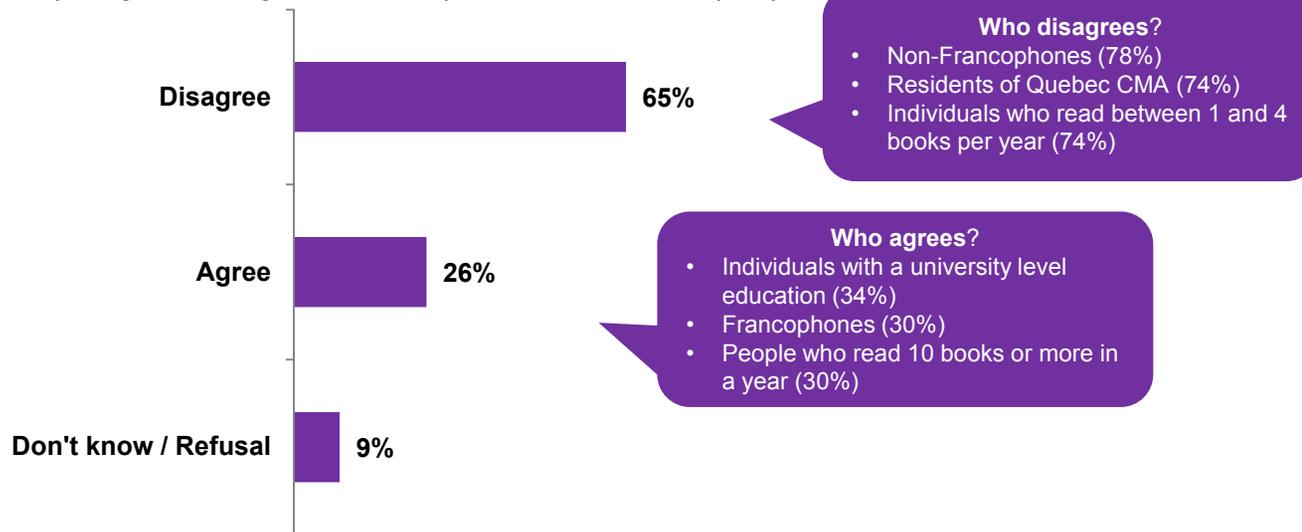


KEY INSIGHTS

Opinions Towards Regulation of Book Prices

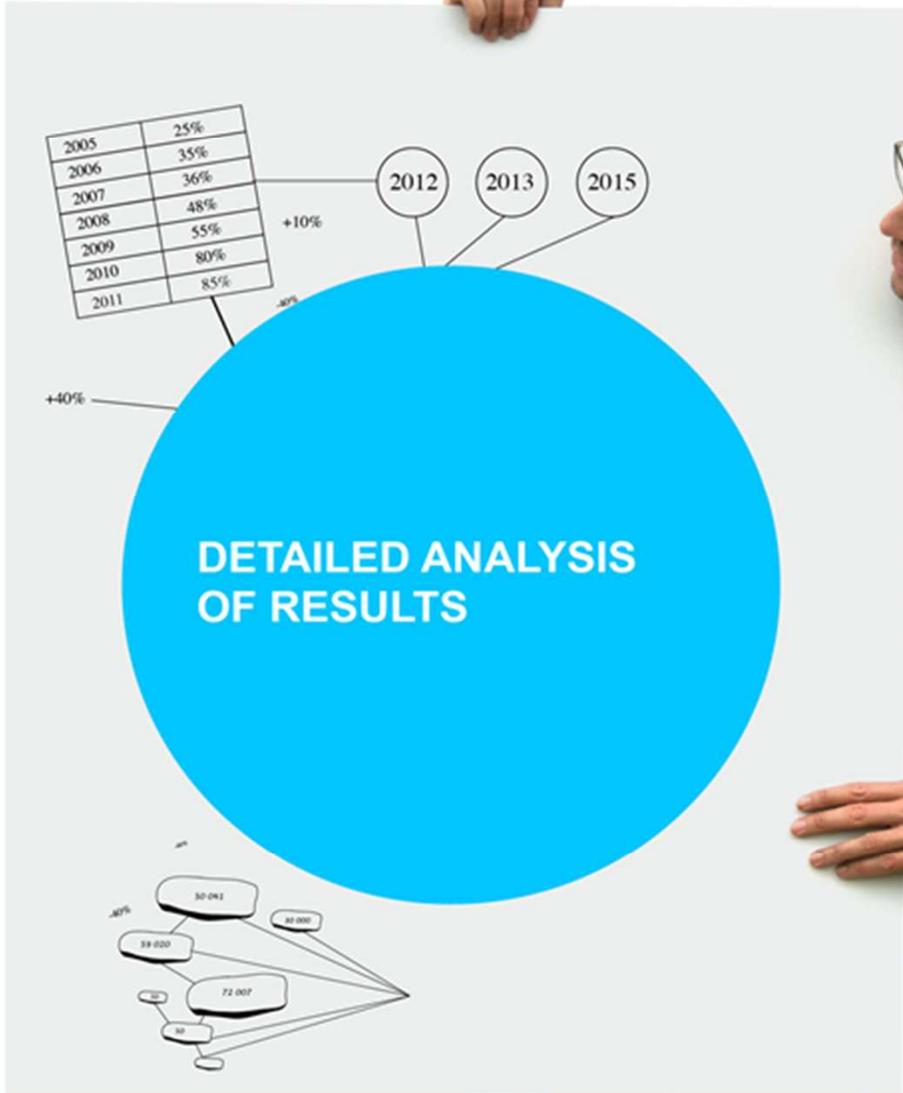
More than two-thirds of Quebecers (65%) are not in favour of regulating book prices to protect smaller bookstores, which might also increase the average price of books sold in stores.

Do you agree or disagree with the implementation of such a policy?



The above results show that individuals who have a university level education (34%), Francophones (30%) and people who read 10 books or more per year (30%) are more likely to be in favor of the regulation of book prices, as proposed by the Parti Québécois.

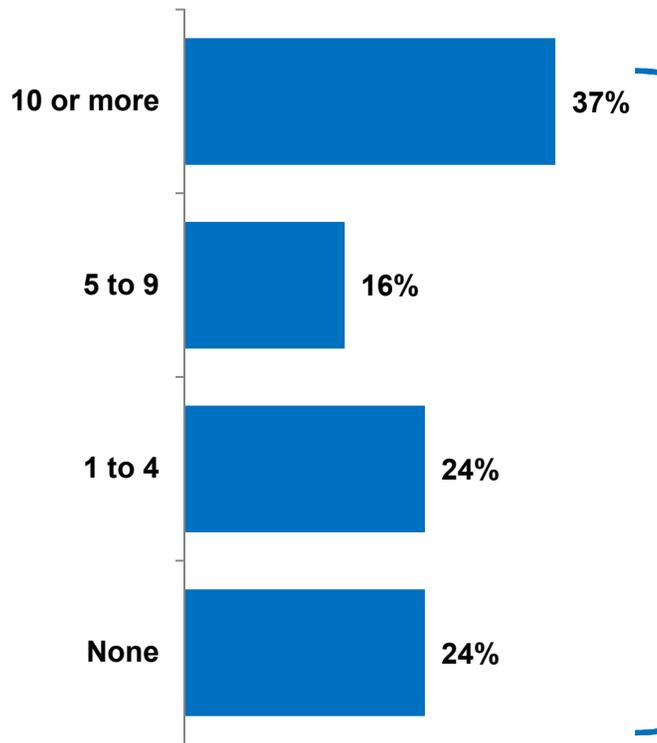
However, such regulation could have a negative impact on all bookstores in Quebec, including smaller ones. Specifically, this regulation could increase the average price of books sold in stores, which would encourage Quebecers to buy fewer books at the store. In fact, if the average book price were to increase, most Quebecers would borrow more books from the library (37%) or order them on the Internet (31%).



On average, Quebeckers read 15 books per year.

It should also be noted that more than two-thirds (37%) read 10 or more books within a year.

Question 1 : How many books have you read in the past year (including digital books)?
 Base: All respondents (n=1,000)



**Average:
15 books**

The average is higher among:

- People over 65 (22.5)
- Retirees (19.5)
- Women (18.1)
- Residents of Montreal CMA (17.4)
- Individuals with a university level education (17.5)

The average is lower among:

- Men (11.1)
- 18 to 24 year olds (10.1)
- 18 to 24 year olds (11.6)
- Students (11.5)
- Manual workers (6.0)

Most Quebecers (65%) are against a regulated of book prices that could increase the average book price in stores.

Non-Francophones (78%) and those who read between 1 and 4 books per year (74%) are most likely to disagree.

Question 2 – By regulating book prices, the Marois government wishes to curtail competition on the part of large retail stores so that readers will buy their books in smaller bookstores. This regulation would prohibit discounts greater than 10% on new book titles in the nine months after their publication, which would increase the average retail price of books sold in stores. Do you agree or disagree with the implementation of such a policy?

Base: All respondents

	Total	Language		Number of books read per year			
		Franco	Non-Franco	None	Between 1 and 4	Between 5 and 10	10 or over
	1,000	838	159	216	235	163	386
Total Agree	26%	30%	13%	25%	20%	29%	30%
Totally agree	9%	11%	3%	8%	6%	8%	13%
Somewhat agree	17%	19%	11%	17%	14%	21%	17%
Total Disagree	65%	62%	78%	52%	74%	69%	66%
Somewhat disagree	23%	23%	22%	13%	33%	21%	25%
Totally disagree	42%	38%	57%	39%	42%	49%	42%
Don't know / Refusal	9%	9%	9%	22%	6%	2%	4%

More than one-third of Quebecers (37%) would borrow more books from the library if the average price of books sold in stores were to increase, while 31% would order more books online.

Noticeably, people who read more than 10 books per year (46%) and Francophones (39%) would be more likely to borrow more books from the library.

Question 3 – How would you react to higher prices for books sold in stores?

Base: All respondents

Several mentions	Total	Language		Number of books read per year			
		Franco	Non-Franco	None	Between 1 and 4	Between 5 and 10	10 or over
	1,000	838	159	216	235	163	386
Take out more books from the public library	37%	39%	27%	25%	34%	35%	46%
Order books online on platforms that can offer discounts (like Amazon for example)	31%	28%	41%	21%	38%	41%	27%
Buy fewer books	29%	29%	29%	21%	32%	34%	29%
Buy books outside Québec	15%	8%	41%	11%	12%	23%	16%
Read digital books (on iPad or Kindle for example)	14%	12%	23%	9%	13%	18%	17%
Buy more books	1%	1%	0%	0%	1%	1%	1%
No changes	22%	25%	11%	32%	16%	17%	21%
Don't know / Refusal	5%	5%	4%	13%	3%	4%	2%

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