The influence of book advertising on sales in the German fiction book market

Shehu, E., Prostka, T., Schmidt-Stolting, C

Literature review

- Hirschman and Holdbrook, 1982 (publishers advertising)

- Chintagunta, 2006 (celebrity status)

- Whether publishers' advertising investments lead to a significant increase in book sales beyond the effects related to the already existing high profile of an author
- Whether selection exist and its influence

- Based on potential book sales
- Most of the advertising budget is concentrated on books of bestselling authors, leading less for promotion of books be lesser-known authors

Method

- PSM approach
- Group- dependent sales differences
- PSM estimated by logit (or probit) regression

Data

- 598 newly released fiction books in Germany

- Hardcover published between 2003-2005

- For the first time in German language

- Minimal sales volume of 1500 books in 1st year

Print announcements

- 3 market leaders daily newspapers (Suddeutsche Zeitung,Frankfurter Allgemeine, Die Zeit)

- 2 national journals (Der Spiegel, Brigitte)

Print announcement

- 32,8% of dataset advertised

	Bestselling authors	**Lesser-known authors**
%	49	27
number	1,82	0,89
size	786 cm^2	336 cm^2

Product			Total ($N = 598$)	Treated ($N = 196$)	Control ($N = 402$)
Category	Variable	Source	Mean (SD)	Mean (SD)	Mean (SD)
Genre	Novel[d]	GfK	0.627 (0.484)	0.592 (0.493)	0.644 (0.479)
	Thriller[d]		0.231 (0.422)	0.286 (0.453)	0.204 (0.403)
	Biography[d]		0.100 (0.301)	0.092 (0.290)	0.104 (0.306)
	Fantasy[d]		0.038 (0.176)	0.026 (0.158)	0.035 (0.184)
	Other[d]		0.010 (0.100)	0.005 (0.071)	0.012 (0.111)
Design	Cover	Independent rater ($N = 4$)	2.685 (0.491)	2.655 (0.512)	2.699 (0.481)
	Title		2.702 (0.609)	2.708 (0.602)	2.699 (0.613)
Author	Fame	Independent rater ($N = 11$)	1.181 (2.325)	2.153 (3.093)	0.706 (1.647)
	Celebrity[d]		0.206 (1.290)	0.327 (1.738)	0.147 (0.999)
	Bestseller[d]	Spiegel.de	0.278 (0.448)	0.418 (0.495)	0.209 (0.407)
	Sex[d]	Google.de; Wikipedia.de	0.471 (0.500)	0.454 (0.499)	0.480 (0.500)
Sequel	Sequel_1[d]	Amazon.de	0.012 (0.108)	0.015 (0.123)	0.010 (0.099)
	Sequel_2[d]		0.102 (0.303)	0.112 (0.316)	0.097 (0.296)
Translation	Translation[d]	Amazon.de; Google.de	0.664 (0.473)	0.684 (0.466)	0.654 (0.476)
Content quality	Quality	Amazon.de	3.555 (1.543)	3.685 (1.213)	3.492 (1.679)

Blurb: informational	B_AuthNote[d]	Amazon.de	0.053 (0.225)	0.061 (0.240)	0.050 (0.218)
	B_AuthComm[d]		0.013 (0.115)	0.020 (0.142)	0.010 (0.099)
	B_IndReview[d]		0.457 (0.499)	0.429 (0.496)	0.473 (0.500)
	B_Citation[d]		0.047 (0.211)	0.031 (0.173)	0.055 (0.228)
Blurb: technical	B_Words		130.811 (58.007)	137.031 (62.249)	127.704 (55.701)
	B_Point[d]		0.641 (0.480)	0.673 (0.470)	0.627 (0.484)
	B_Question[d]		0.075 (0.264)	0.066 (0.249)	0.080 (0.271)
	B_PPP[d]		0.285 (0.452)	0.260 (0.440)	0.296 (0.457)

Promotion, place, and price			Total (N = 598)	Treated (N = 196)	Control (N = 402)
Category	Variable	Source	Mean (SD)	Mean (SD)	Mean (SD)
Promotion					
Critics	Critics[d]	ZDF (German TV station)	0.050 (0.218)	0.071 (0.258)	0.040 (0.196)
Literature awards	Awards	Web sites of awarding institutions	0.067 (0.500)	0.102 (0.590)	0.050 (0.449)
Place					
Publisher strength	Publisher	GfK	35.537 (40.394)	42.445 (43.785)	32.170 (38.239)
Release quarter	Quarter_1[d]	Amazon.de	0.485 (0.500)	0.469 (0.500)	0.493 (0.501)
	Quarter_2[d]		0.064 (0.244)	0.066 (0.249)	0.062 (0.242)
	Quarter_3[d]		0.376 (0.485)	0.413 (0.494)	0.358 (0.480)
	Quarter_4[d]		0.075 (0.264)	0.051 (0.221)	0.087 (0.282)
Price					
Price	Price	GfK	19.94 (3.13)	20.98 (2.54)	19.43 (3.27)

(variable)

Category	Variable	Coef.	Std. err.	$p > z$
Product				
Genre	Thriller	0.39	0.26	0.13
	Biography	−0.30	0.40	0.45
	Fantasy	−0.27	0.67	0.68
	Other	−0.55	1.21	0.65
Design	Cover	−0.10	0.21	0.63
	Title	−0.39	0.17	0.03**
Author	Fame	0.21	0.05	0.00***
	Celebrity	0.15	0.08	0.06*
	Bestseller	0.52	0.26	0.04**
	Sex	0.17	0.20	0.41
Sequel	Sequel_1	0.62	0.86	0.47
	Sequel_2	−0.25	0.36	0.49
Translation	Translation	−0.18	0.23	0.42
Content quality	Quality	0.11	0.07	0.10*

Blurb information	B_AuthNote	0.85	0.48	0.08*
	B_AuthComm	1.41	0.85	0.10*
	B_IndReview	−0.24	0.22	0.28
	B_Citation	−0.47	0.53	0.37
Blurb technical	B_Words	−0.01	0.01	0.19
	B_W2	0.00	0.00	0.10*
	B_Question	−0.05	0.39	0.91
	B_PPP	−0.19	0.24	0.43
Promotion				
	Critics	0.99	0.44	0.03**
	Awards	0.13	0.18	0.47
Place				
	Publisher	0.01	0.00	0.02**
Release quarter	Quarter_1	−0.07	0.22	0.75
	Quarter_2	−0.38	0.44	0.39
	Quarter_4	−0.86	0.45	0.06*
Price				
Price	Price	0.18	0.04	0.00***
	Const.	−3.45	1.12	0.00***

Sales	
Unmatched treatment group (advertising)	35,748.65
Unmatched control group (no advertising)	10,215.52
t-value	7.57***
Matched treatment group (advertising)	30,257.65
Matched control group (no advertising)	15,203.33
t-value	4.14***
Offsup	
Books outside the common support area	7
Bias	
Mean standardized bias before	13.88
Mean standardized bias after	4.23
Goodness of fit	
Pseudo-R^2 before	0.156
Pseudo-R^2 after	0.012
LR χ^2	6.30
$p < \chi^2$	1.00

Matching estimation results within groups of bestseller authors/authors without bestsellers

	Bestseller authors	Authors without bestsellers
Sales		
Unmatched treatment group (advertising)	48,433.95	23,911.04
Unmatched control group (no advertising)	16,301.75	8,236.51
t-value	3.50***	6.03***
Matched treatment group (advertising)	41,693.85	21,937.62
Matched control group (no advertising)	38,097.93	8,611.89
t-value	0.40	3.61***
Offsup		
Books outside the common support area	12	7
Bias		
Mean standardized bias before	15.37	13.30
Mean standardized bias after	7.64	3.01
Goodness of fit		
Pseudo-R^2 before	0.187	0.128
Pseudo-R^2 after	0.037	0.009
LR χ^2	6.69	2.80
$p < \chi^2$	0.999	1.000

- Substantial selection effects
- Promotion of lesser-known authors

- What books should promote
- Writers' self-promotion