

Love of bookshops in a time of Amazon and populism

Written by Nathan Hollier, Director, Monash University Publishing, Monash University



Saturday is Love Your Bookshop Day – but bookshops face many challenges. Shutterstock

There was genuine positivity at this year's Australian Booksellers' Association Conference in Melbourne in June. The mood was one of camaraderie and optimism at the sharing of good news. And it only brightened with the news that our National Bookshop Day was to be rebranded this year as [Love Your Bookshop Day](#) . Why not?

Saturday is that day. Expect to see your local bookshop buntinged, postered, streamered and perhaps offering special bargains. Assuming, of course, you have a local bookshop.

Store numbers have steadied in recent years and, as was reported at the conference, both independent and chain or franchise booksellers are expanding. Children's book sales in particular are performing well. ("The bookshop is dead. Long live the bookshop," reads a plaque at Embiggen Books in Melbourne's CBD.)

But over the past couple of decades the sector has wrestled with the challenges of superstores, GST, the GFC, one-sided international post deals, ebooks and online-only undercutters.

Now the greatest of these online stores, certainly in terms of market share, will soon be competing with Australian bookstores from a new base here. Amazon has secured a massive distribution centre site near Dandenong in outer-eastern Melbourne. Dire predictions for parts of the Australian retail sector [have already been made](#) .

Local booksellers too will need to adjust to this new environment, in which Amazon will likely reduce its delivery time and charges significantly. This will place downward pressure on book prices, and thus booksellers' margins and capacity to survive.

Amazon has itself experimented with physical bookstores in recent times, to underwhelming

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reviews, but its primary focus has, of course, been on being able to offer [“everything” at the “everyday low prices”](#) of its American precursors (and sometime role models), Walmart and Costco.

Today’s booksellers must choose what to put on their shelves from around 7,000 new releases each month. As all of these will be on the “shelves” of Amazon, local booksellers will need to maintain an intimate knowledge of what will appeal to their customer base.

This curatorial role, which has always been part of what good booksellers do, takes on extra importance in the digital age. Curating, one might say, is the opposite approach to that of Amazon, which instead expertly removes barriers to purchasing, encouraging impulse buying. The extra services local booksellers provide, in addition to low prices and the range of stock, will likely need beefing up also. Community building will be the order of the day.

The current shrinkage of review pages of broadsheet newspapers will also hurt many bookshops, as they depend on a degree of consensus as to what is important and valuable to read.

Price instability may well grow in Australia with the arrival of Amazon. Publishers have argued over the decades that this instability also discourages consumer confidence.

The Productivity Commission doesn’t accept arguments in favour of maintaining price levels for some products in order to keep the costs of others down. But regulatory bodies have special challenges when confronted with large, diverse conglomerates, such as Amazon. It has the capacity to drop prices for products in one category (such as books) to maximise competitiveness, while the overall bottom line is propped up by more profitable parts of the business (such as Amazon Web Services).

In the face of aggressive price cutting from firms like ... well, Amazon ... regulatory bodies concerned with fair prices for consumers are yet to find an effective means of properly accounting for the fact that its success has been partly based on exploiting publicly developed (and funded) technology and infrastructure, determined strategies of tax minimisation, aggressive use of IP and patent law, and sustained intransigence towards its workforce’s self-organisation and unionisation.

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