



FOR IMMEDIATE RELEASE

AUDIO PUBLISHERS ASSOCIATION RELEASES MAJOR CONSUMER SURVEY AND ANNOUNCES INCREASE IN AUDIOBOOK USAGE

Nearly 25% of US Population is Listening to Audiobooks

McLean, Va (September 12, 2006) —The Audio Publishers Association (APA) today released a consumer study, *Audiobook Market Survey: Customer Profile, Usage Patterns, and Experiences*, that profiles audiobook customers to help better understand their behavior. The new data indicates that nearly one in four Americans (24.6%) have listened to an audiobook in the past year.

The market is estimated at \$871 million (see *2005 sales survey*), a 4.7 increase from the previous year. In a telling sign of the adoption of new technology and industry's ability to reach a younger audience, downloads and other new media are up markedly since the last survey in 2001.

The Audiobook Market Survey defines the typical audiobook listener in the United States. Compelling demographic data show **younger listeners, split evenly between male and female, who live in slightly larger households (many with children) and command a higher income than has been reported in previous surveys. Audiobook listeners also have more education and buy and read more printed books than non-listeners**, thus proving that audiobook listeners are well-read and ardent fans of both the spoken and the written word.

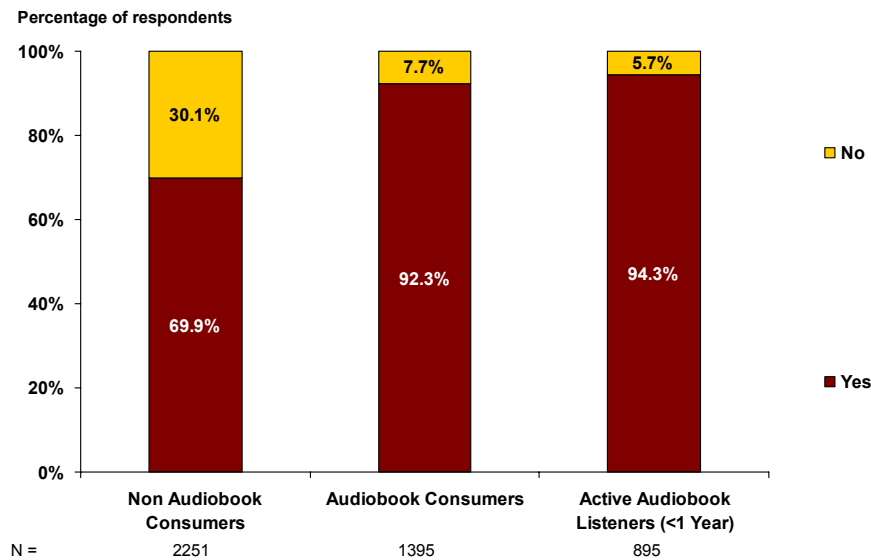
FINDINGS

Audiobook Behavior

- 24.6 percent of respondents have listened to an audiobook in the last 12 months.
- Active audiobook listeners, when compared to non-audiobook consumers tend to:
 - Be slightly younger (44.7 vs. 46.9 years old)
 - Have higher household income (\$57,300 vs. \$49,500)
 - Have higher educational attainment (83.9% have gone to college vs. 71.3%)
 - Live in slightly larger households, most have children
 - Tend to read more printed books (94.3% have read a book in the last 12 months vs. 69.9%)
 - Approximately half of audiobook listeners with children between the ages of 4 and 17 indicated their children have listened to an audiobook in the last 12 months.

Read Printed Books

Have you read any printed books over the last 12 months?

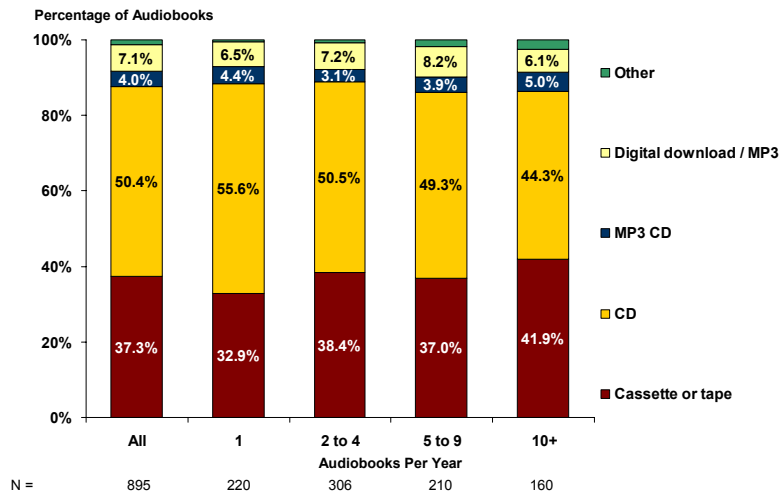


Audiobook Digital Downloads

- 34.8% of the audiobook respondents indicated they have an iPod or an MP3 player. As expected, younger listeners are more likely to have an MP3 player than older listeners.
- Of the people that own an MP3 player, 31.3% indicated they have downloaded a digital file of an audiobook for listening on their MP3 player.
- 27.2% of the respondents with an MP3 player indicated they have downloaded a podcast, a digital recording of a radio broadcast or similar program, made available on the Internet for downloading to a personal audio player.

Comparison of Formats

Over the last 12 months what PERCENTAGE of audiobooks did you listen to in the following formats?



- The most common reason given for listening to one's first audiobook was entertainment for a long trip followed by recommendation from a friend, activity to do while commuting, and activity while doing other tasks such as exercising.
- Audiobook listeners listen to books an average of 4.9 hours per week.
- Respondents indicated approximately 54.4% of their audiobooks are on CD (including MP3 CDs) and 37.3% are on tape or cassettes with 7.1% as digital downloads, and the remainder in "other formats" (e.g. preloaded media).
- Respondents indicated over 68% of the audiobooks they listen to are in unabridged format. 17.4% are abridged and 14% are not book based (e.g. collection of speeches, comedy routines, professional, training, motivation, religious seminars).

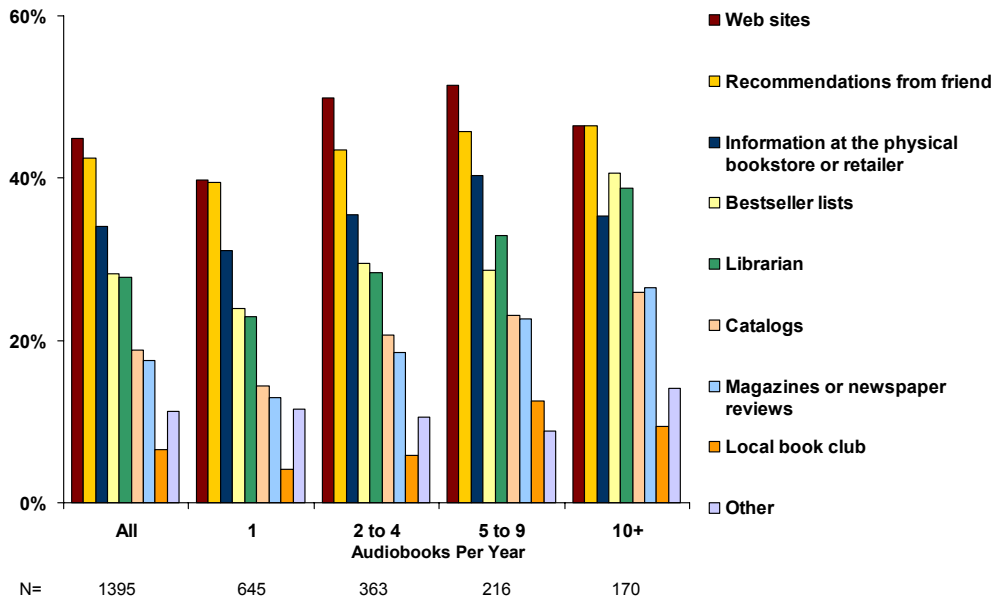
Audiobook Acquisition

- Of the audiobooks that are purchased, 63% are bought at physical stores, 31% are purchase via the Web, and 6% via phone or mail order.
- As audiobook usage continues to grow so does usage of libraries as a source. Respondents indicated 51.8% of audiobooks that are listened to are borrowed from the library, as compared to 38% in 2001.
- The most important factors for consumers when selecting audiobooks are price, availability on CD, author, description, and narrator.
- The most commonly used information sources for selecting audiobooks include web sites, recommendations from friends, physical bookstore, bestseller lists, and librarians.

Information Sources for Selecting Audiobooks

Which of the following information sources do you typically use when selecting an audiobook? (check all that apply)

Percentage of respondents



METHODOLOGY

The independent research firm, InfoTrends, interviewed 3,646 U.S. consumers via a web-based survey between May 12 and 21, 2006. InfoTrends worked with a leading on-line panel company to generate a sample that would reflect the U.S. Census related to age, gender and income. The objective of this study was to develop a profile of audiobook customers and non-users and to better understand their usage patterns, preferences, and purchasing behavior.

About the Audio Publishers Association:

The Audio Publishers Association (APA) is a not-for-profit trade organization whose primary goals are to promote awareness of the audiobook industry, gather and disseminate industry statistics, encourage high production standards, and represent the interests of audiobook publishers. Since 1986, the APA has worked to bring audio publishers together to increase interest in audiobooks.

www.audiopub.org

The APA wishes to thank Simply Audiobooks and MediaBay for their generous sponsorship of this survey



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About InfoTrends: InfoTrends is the leading worldwide market research and strategic consulting firm for the digital imaging and document solutions industry. We provide research, analysis, forecasts, and advice to help clients understand market trends, identify opportunities, and develop strategies to grow their businesses.

For more information on the sales survey data and to schedule an interview with an APA spokesperson, contact Shawn Taylor Zelman at the Audio Publishers Association (APA) at (703) 556-7172, szelman@audiopub.org.