



Accessing the US Retail Book Market

A Guide for Canadian Publishers, 4th edition



**Livres
Canada
Books**

Contents

- 1 Introduction**
- 4 The American Landscape**
 - 6 Where Are All These People?
- 8 The American Retail Book Market**
 - 8 Independent Bookstores
 - 9 Online Booksellers
 - 10 Chain Bookstores
 - 11 General Retail Stores
 - 12 Museums
- 13 Your Distribution Partners**
 - 14 Working Out the Math
 - 15 The Players
 - 17 Distribution Tips
- 18 Conferences, Associations, and Book Fairs**
 - 19 Regional Associations
 - 19 The American Library Association (ALA)
 - 20 Book Fairs and Festivals
 - 20 The Independent Book Publishers Association (IBPA)
- 21 Appendix — US Cities Ranked by Population**
- 23 About the Author**

Introduction

It has been many years since the previous edition of this guide was published, and a great deal has changed not just in publishing but in many facets of life across the globe. Beyond economic uncertainty, the world has experienced a global pandemic, supply chain shortages, and the outbreak of war in both Ukraine and Israel. Natural disasters and political tensions have also troubled the US.

Despite these challenges, the publishing business has survived. In 2021, a “pandemic bounce” provided a solid increase in sales and some relief after a tough decade. Book sales reached record levels as people sought distractions and entertainment during the pandemic. While 2022 saw a slight decline in sales, they remained near record highs.

As we review the 2022 book sales figures (the last full year available) and look forward, these are times of great opportunity for all publishers in all genres. According to the Association of American Publishers’ annual Snapshot report, book sales in the US came in at just over \$USD28 billion in 2022.¹ While this was a 2–3% drop from 2021, it was an improvement of 8.6% over 2019 (pre-pandemic) sales figures. The \$USD28.1 billion also represents the second-highest sales total (after 2019) in over ten years. Suffice it to say that the book business is alive and well in the US.

From a sales perspective, many options exist to reach end readers. These include online and brick-and-mortar outlets, schools, libraries, and book clubs. Despite myriad options for web-based stores, Amazon continues to dominate online bookselling in the US, commanding a 65% market share, according to 33rdsquare.com.² This position is likely to strengthen gradually in the coming years.

1 “AAP StatShot Annual Report: Publishing Revenues Totaled \$28.10 Billion for 2022,” Association of American Publishers, May 31, 2023, <https://publishers.org/news/aap-statshot-annual-report-publishing-revenues-totaled-28-10-billion-for-2022/>.

2 Terry Williams, “The Complete Guide to Amazon Book Sales: Statistics, Trends and Insights for 2023,” 33rd Square, October 22, 2023, <https://www.33rdsquare.com/the-complete-guide-to-amazon-book-sales-statistics-trends-and-insights-for-2023/>.

Where Are All These People?

Even after 200+ years of westward expansion, the US population is mainly concentrated in the Eastern Time Zone. Ten of the fifteen most populous states are in that time zone and have a combined population of nearly 124 million.⁷ California and Texas are two notable exceptions, each almost qualifying as a distinct market.

Including California and Texas, you can reach over half the US population by concentrating on the top nine most populous states. Below is a list of those nine states and their estimated 2021 populations.⁸

State	Population
California	38,965,193
Texas	30,503,301
Florida	22,610,726
New York	19,571,216
Pennsylvania	12,961,683
Illinois	12,549,689
Ohio	11,785,935
Georgia	11,029,227
North Carolina	10,835,491

Moreover, exploring cities within the US is crucial. The US boasts nine cities with a population of over 1,000,000, compared to only three in Canada. When considering cities with populations over 500,000, the US has 37 spread across 22 states and the District of Columbia, while Canada only has 12. This comparison emphasizes the vast market potential in the US and underscores the importance of strategic planning when approaching these markets. Refer to the Appendix for the list of these 37 cities.

As you look to penetrate or expand your US presence, it's best to segment the population into more manageable areas based on population density and geography. In doing so, you can tailor your approach to specific regions, optimizing your resources and maximizing your potential for success.

For instance, California, with its nearly 40 million people, scores of colleges, and hundreds of bookstores, presents a market of equal size to Canada. It's conceivable to build a sizeable US business by targeting this one state alone.

7 "State Population Totals and Components of Change: 2020-2023," United States Census Bureau, last revised December 18, 2023, <https://www.census.gov/data/tables/time-series/demo/popest/2020s-state-total.html>.

8 Williams, "Complete Guide to Amazon Book Sales."

General Retail Stores

Many books are sold in larger, general retail stores in the US. The main players are Walmart, Costco, Target, and Walgreens. While book sales at these general retailers are a modest part of their overall sales, the total revenue is so huge that even single-digit percentages can make a big difference in the bookselling marketplace. And because they are not bookstores, they do not return unsold copies, which is an excellent incentive for publishers.

Walmart

Walmart has over 5,300 stores in the US alone, with just under 1,000 in Texas (601) and Florida (386). Walmart has at least one store within a ten-minute drive of 90% of the US population. While groceries continue to be Walmart's top-selling category, entertainment, including movies and books, represented over \$USD43 billion in sales in 2022. The projection is that this category will grow beyond \$USD50 billion by 2027. Walmart's book selection spans everything from hardcover bestsellers, children's books, and cookbooks to puzzle books and crosswords.

Costco

Costco has almost 600 stores in the US. Costco's total sales in 2023 were more than \$USD237 billion. Again, the category breakdowns are general, with books falling into the non-food segment, totalling just under \$USD61 billion. If we estimate that just 2% of those sales are books, that represents just over \$USD1.2 billion in sales. It is essential to understand that Costco is famous for stocking huge amounts of its merchandise. In addition, Costco is very good at in-store promotions. In the case of books, this could mean an author signing or a book launch.

Target

Target has 1,948 stores in the US, but its sales breakouts do not allow for projections on the size of its book business. The focus of its book collection is children's books, typically very low-priced offerings such as Golden Books, along with some YA and adult bestsellers. However, with almost 2,000 stores, if Target picks up one of your books, you will place thousands of copies.

Walgreens

Walgreens has over 8,700 stores in the US with total sales of over \$USD110 billion. Walgreens only breaks out their sales figures between the pharmacy and retail categories, but these numbers are still significant. Walgreens reported that 74% of total sales came from their pharmacy operations. This leaves over \$USD28 billion for the retail category. If only 2% of those sales were for books, that would be \$USD56 million. Walgreen's bookselling focus is primarily children's books, especially those with character/movie tie-ins and puzzle/activity books.

Conferences, Associations, and Book Fairs

Now that BookExpo America has closed forever, there is no longer a single nationwide publishing conference in the USA. This makes the regional bookselling association meetings and conferences all the more important.

As referenced earlier in the guide, the American Booksellers Association (ABA) has a series of regional conferences you should consider attending. These conferences allow publishers, especially smaller ones, to interact directly with key bookstore personnel by having a table or booth. While focused on bookstores, these conferences offer great opportunities for publishers to interact with store owners, book buyers, and other publishers and learn from the folks on the front line of selling directly to readers.

You can learn a lot about what bookstore personnel think, their main challenges, and the type of content they are most interested in stocking. You can also gain critical insights into how American bookstores function and potential opportunities for your books.

Depending on your budget and where your publishing house is located, attending one or more of these regional conferences may be relatively simple. Check with Livres Canada Books to see if funding is available to help underwrite the cost.

Appendix

Rank	City	Population
30	Baltimore, Maryland	569,931
31	Milwaukee, Wisconsin	563,305
32	Albuquerque, New Mexico	561,008
33	Tucson, Arizona	546,574
34	Fresno, California	545,567
35	Sacramento, California	528,001
36	Mesa, Arizona	512,498
37	Kansas City, Missouri	509,297

About the Author

Michael Johnson is a seasoned executive with nearly 40 years of experience in the technology, publishing, and education markets. He currently serves as the Vice President of Content for Benetech, a global charity that uses technology to make digital books accessible to readers with print disabilities.

In addition to his role at Benetech, Michael is the founder of Full Potential Partners (FPP), a strategic consulting firm established in 2008. Prior to forming FPP, he served as the Chief Operating Officer of Follett Digital Resources, a division of Follett Corporation. He ran the Digital Strategy Initiative for Follett Corporation and served on the Follett Corporate Technology Leadership group.

Michael has a wealth of experience helping businesses use technology more effectively and profitably. He has worked with Livres Canada Books for several years—including mentoring independent Canadian publishers to better understand the various opportunities for selling books in the US.



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