

Barnes & Noble introduces eReader device

Wednesday 21 October 2009

Patrick Stafford



American book chain Barnes & Noble has released its answer to Amazon's Kindle eReader, with the "Nook" device now available for sale in the US.

The release comes as a number of companies are preparing to release their own eReader devices in an attempt to have their own pieces of the growing market.

Nathan Burley, research analyst with Ovum, says the market is definitely a growing one but he is unsure whether it can be sustained for much longer.

"From what we've heard from Amazon, there has been strong traction around their product. There have been strong sales and they are trying to extend that to other markets. There is certainly a large enough niche for them to make the model work, but whether we can support a number of different competitors... I'm not sure."

The first eReader devices were introduced to the US market about three years ago, but have failed to achieve the same success overseas. The handheld devices, which are usually dedicated to content in forms such as books, magazines and newspapers, have catered for demand from executives who travel without physical books to save space.

Telsyte managing director Warren Chaisatien **told SmartCompany recently** that the Amazon Kindle "is a niche device...and so far in the US it has done okay but not phenomenally".

He predicts the introduction of tablet computers from large companies such as Microsoft and Apple will negate the demand for eReaders.

"I think what's going to happen is that next year, we will see a number of tablet computers, including a device from Apple. That device is to be the "fourth screen" after the television, PC and mobile phone, to fill a void. I think these will overtake the need for dedicated eReaders, which is a niche device with a shelf life of about 18 to 24 months. Not bad, but very niche."

But despite the predictions of the death of the market, figures from several research companies indicate the take-up of eReader devices and eBooks is growing.

Forrester Research released a report earlier this month in which it predicted three million eReaders would be sold in the US this year, an increase from a previous forecast of just two million units.

It also said it expected about 900,000 units to be sold in the upcoming Christmas season, while total eReader sales are set to increase to six million units during 2010. Currently the Amazon Kindle controls the market with a 60% share, followed by the Sony Reader at 35%.

However, the newly released "Nook" device, and an upcoming gadget from Plastic Logic are expected to be solid competitors for the two leading devices. Tech blogs are also circulating rumours that Google may release its own eReader gadget.

Burley says the motivation behind the growth is the difference in experience between a smartphone or tablet computer and a dedicated eReader.

"If you look at the experience these eReaders offer, the idea is that it is very tailored to providing the same experience as a book. Whereas, if you're reading a smartphone that may not necessarily be the same experience. That is what these companies say is their competitive advantage."

It is the same tactic used by Barnes & Noble, which has been a dominant bookseller in the US market for years. The "Nook" device boasts a six-inch screen, touchscreen capabilities, Wi-Fi connectivity and 2GB of internal memory. It also has a 10-day battery life, and runs on Google's Android operating system.

26/10/2009

Barnes & Noble introduces eReader d...

The device can hold 1,500 eBooks with its inbuilt memory, and has the capacity to contain up to 17,000 books with the addition of an SD memory card.

Users will be able to access the Barnes & Noble online directory through AT&T's 3G wireless network in order to download books. As of yet, no Australian release data has been announced, but the device is on sale in America for \$US259.

"We asked our customers what they wanted in an eBook reader, and specifically designed nook to be the most full-featured, fun, stylish and easy-to-use eBook reader on the market," William J. Lynch, president of Barnes & Noble.com said in a statement.

"With our nationwide footprint, Barnes & Noble customers can see, touch and hold Nook. Our 40,000 booksellers are ready to help customers discover how easy it is to download and read eBooks on Nook, and what a pleasure it is to have access to their favorite eBooks, magazines and newspapers any time and anywhere."

Read more on:

Warren Chaisatien
Telsyte
Nook
Barnes & Noble
Information Technology
