



# Digital Book Clubs as a Bookselling Business: A study of Portuguese book consumers' perceptions and intention to adopt

Ana Rita Carvalho

Dissertation written under the supervision of Daniel Fernandes with  
the collaboration of industry expert Miguel Fontes Rita

Dissertation submitted in partial fulfilment of requirements for the MSc in Management with  
specialization in Strategic Marketing, at the Universidade Católica Portuguesa, January 2021.

## Abstract

**Title of the dissertation:** Digital Book Clubs as a Bookselling Business: A study of Portuguese book consumers' perceptions and intention to adopt

**Author:** Ana Rita Gonçalves Carvalho

**Keywords:** Book clubs, digital, reading groups, books, bookselling, purchase of books, subscription, book subscription boxes, curation, community, online shopping, Portuguese consumers

Book clubs have existed in the society for centuries and the appearance of the Internet allowed them to expand to the digital. Currently, many digital book clubs are more than a simple reading group where people get together to discuss books online. It is possible for digital book clubs' curators to create a bookselling business by associating an online shop to the club where they sell the books of the month directly to club's members, allowing curators to monetize their suggestions. Motivated by the expansion of this type of business abroad and recent introduction in the Portuguese market, this study proposes to identify Portuguese book consumers' perceptions and intention to adopt.

For this purpose, the founder of the biggest digital book club in Portugal was interviewed to gather insights about the business, 12 in-depth interviews with book consumers were conducted, and an online questionnaire was distributed, resulting in 464 valid answers. Among the participants there were both customers and non-customers of a digital book club to identify the drivers and barriers to join one.

The curator's recommendations, the desire to be part of a community, to read different books, to read more books, and the possibility to subscribe a monthly book box are the drivers which lead book consumers to become customers. The lack of time to participate in book discussions, dissatisfaction with recommendations, unawareness about the business and available options in the market, and lack of time spent reading prevent book consumers from becoming customers.

## Sumário

**Título da dissertação:** Clubes do Livro Digitais como Negócio de Venda de Livros: Um estudo sobre as percepções e intenção de aderir dos consumidores Portugueses de livros

**Autor:** Ana Rita Gonçalves Carvalho

**Palavras-chave:** Clubes do livro, digital, grupos de leitura, livros, venda de livros, compra de livros, subscrição, caixas de subscrição de livros, curadoria, comunidade, compras online, consumidores Portugueses

Os clubes do livro foram introduzidos na sociedade séculos atrás e o aparecimento da Internet permitiu que se expandissem para o digital. Atualmente, muitos clubes do livro digitais são mais do que um simples grupo de leitura onde as pessoas se juntam para discutir livros online. É possível os curadores de clubes do livro digitais criarem negócios de venda de livros, associando uma loja online ao clube, onde vendem os livros do mês diretamente aos membros, permitindo-lhes monetizar as suas sugestões. Motivado pela expansão deste negócio no estrangeiro e recente introdução no mercado Português, o propósito deste estudo é identificar as percepções dos consumidores Portugueses de livros e a sua intenção de aderir.

Desta forma, a fundadora do maior clube do livro digital em Portugal foi entrevistada para reunir informação sobre o negócio, 12 entrevistas com consumidores de livros foram realizadas e um questionário online foi partilhado, resultando em 464 respostas válidas. Entre os participantes havia tanto clientes como não-clientes dum clube do livro digital, de forma a identificar as motivações e barreiras para aderir.

A curadoria, o desejo de fazer parte duma comunidade, de ler livros diferentes, de ler mais livros e subscrever uma caixa mensal de livros são as motivações que levam consumidores de livros a tornarem-se clientes. A falta de tempo para participar em discussões sobre livros, insatisfação com as recomendações, desconhecer o negócio e opções disponíveis no mercado e dedicar pouco tempo à leitura são as barreiras que impedem consumidores de livros de se tornarem clientes.

## Acknowledgements

I would like to take this opportunity to express my gratitude to everyone who contributed to the success of this dissertation. Firstly, I would like to thank my parents for their support and encouragement throughout my whole academic career and for their investment in my education.

To my friends, thank you for your support, motivation, and interest in my work during these last few months. A special thanks to my friends Beatriz Cadete, Inês Pereira, and Teresa Tavares, who were always available to help me when I felt a bit lost, and Filipa Camarão, who was kind enough to review my entire work. To my friends who agreed to be interviewed, I want to thank you for your time and availability.

I also want to acknowledge my advisor, Miguel Fontes Rita, not only for his guidance, motivation, honesty, constructive feedback, and positive attitude during the whole process, but also for helping me find a way to write the dissertation about a subject that I appreciate so much, which was the key factor to be motivated during these four months. Moreover, professors Isabel Moreira, Fernando Machado, and Daniel Fernandes provided me with valuable assistance during the results' analysis.

Furthermore, I want to thank Helena Magalhães, the founder of Book Gang, for her availability to help me since the first moment I shared my project with her. It would not have been possible to understand the business so well without her willingness to answer all my questions and to have as many participants in the study without her help. I also wish to thank Helena for introducing this innovation in the Portuguese market and to encourage people to read more every day.

Lastly, I would like to thank everyone who willingly participated in my research. I want to leave a special note to Book Gang's members who did not know me before but still agreed to participate in the study, especially those who were interviewed, and to everyone who shared my questionnaire, making it possible to reach more people and allowing me to draw more accurate conclusions.

**Table of Contents**

Abstract ..... I

Sumário ..... II

Acknowledgements ..... III

List of Tables..... V

List of Graphics..... V

List of Abbreviations..... VI

1. Introduction..... 1

2. Literature Review..... 3

    2.1. Online Shopping..... 3

    2.2. Evolution of Book Clubs to the Digital ..... 4

    2.3. Subscription business model ..... 5

        2.3.1. Book subscription boxes ..... 6

    2.4. Consumer Behavior ..... 7

        2.4.1. Factors that Influence the Purchase of Books..... 7

        2.4.2. Adoption of Innovations ..... 7

    2.5. Customer Trust and Loyalty ..... 8

    2.6. Literature Review Conclusion and Hypotheses..... 9

3. Methodology ..... 12

    3.1. Qualitative Research..... 12

        3.1.1. General perceptions about digital book clubs ..... 12

        3.1.2. Customers’ perceptions about digital book clubs as a bookselling business..... 13

        3.1.3. Non-customers’ perceptions about digital book clubs as a bookselling business .. 14

        3.1.4. Qualitative Research Conclusion ..... 15

    3.2. Quantitative Research..... 15

    3.3. Data Analysis..... 15

4. Results..... 17

|  |    |
|--|----|
| 4.1. Demographic Data .....                      | 17 |
| 4.2. Drivers to join a digital book club .....   | 17 |
| 4.3. Barriers to join a digital book club .....  | 20 |
| 4.3.1. Other barriers .....                      | 25 |
| 4.4. Quantitative Research Conclusion.....       | 27 |
| 5. Managerial Implications and Limitations ..... | 28 |
| 5.1. Managerial Implications .....               | 28 |
| 5.2. Limitations and Future Research .....       | 31 |
| 6. Main Findings and Conclusions.....            | 33 |
| 7. References.....                               | 36 |
| 8. Appendices.....                               | 39 |

## List of Tables

|  |           |
|--|-----------|
| <i>Table 1 - Description of five digital book clubs .....</i>                                  | <i>5</i>  |
| <i>Table 2 - Binary Logistic Regression to relate Adoption and Drivers.....</i>                | <i>18</i> |
| <i>Table 3 - Relationship between ideal number of books of the month (Q19) and WTP (Q21) .</i> | <i>20</i> |
| <i>Table 4 - Crosstabs to study the relationship between Q15 and Q23.....</i>                  | <i>21</i> |
| <i>Table 5 - Chi-Square Tests to study the relationship between Q15 and Q23_2 .....</i>        | <i>22</i> |
| <i>Table 6 - Chi-Square Tests to study the relationship between Q15 and Q23_3 .....</i>        | <i>23</i> |
| <i>Table 7 - Chi-Square Tests to study the relationship between Q15 and Q23_5 .....</i>        | <i>24</i> |
| <i>Table 8 - Chi-Square Tests to study the relationship between Q15 and Q23_4 .....</i>        | <i>25</i> |

## List of Graphics

|   |           |
|---|-----------|
| <i>Graphic 1 - Answers given by respondents in the option "Other" in Q23_6.....</i> | <i>25</i> |
|---|-----------|

## **List of Abbreviations**

US – United States

UK – United Kingdom

RQ – Research Question

EU – European Union

H<sub>1a</sub> – Hypothesis 1a

H<sub>1b</sub> – Hypothesis 1b

H<sub>1c</sub> – Hypothesis 1c

H<sub>1d</sub> – Hypothesis 1d

H<sub>1e</sub> – Hypothesis 1e

H<sub>2a</sub> – Hypothesis 2a

H<sub>2b</sub> – Hypothesis 2b

H<sub>2c</sub> – Hypothesis 2c

H<sub>2d</sub> – Hypothesis 2d

H<sub>2e</sub> – Hypothesis 2e

SPSS – Statistical Package for the Social Sciences

WTP – Willingness to Pay

## 1. Introduction

Book clubs are not a recent trend, they appeared centuries ago (Scharber, 2009). In the 19<sup>th</sup> century, many women's book clubs were created due to progressive movements and a desire to self-educate (Burger, 2015). Later, book club members started to view their participation in these groups as an opportunity to keep educating themselves after finishing their studies (Sedo, 2003).

When the Internet appeared, it changed society and book clubs were not an exception. The Internet presented an opportunity for the appearance of digital book clubs and these evolved from being reading groups where members could read books together and discuss them to become businesses that allow curators to sell their personal recommendations, which are known to influence the purchase decision. The group activities in these clubs which used to require members to get together in person were transferred to the online. Following the regular concept of book club, every month one or more books are chosen to be read, and members who want to join the discussion can purchase them directly from the club. This allows curators to monetize their literary suggestions.

Frequently, digital book clubs' founders opt to create subscription boxes so that members can automate their purchase of the books of the month, as this is a recurring activity and makes it more convenient for customers. Consequently, the concepts of digital book club and subscription e-commerce are often linked.

In countries such as the US or UK, multiple digital book club businesses exist, but this trend has only recently arrived in Portugal. Helena Magalhães, a Portuguese author, created her own digital book club in 2019, Book Gang. After realizing her book suggestions on Instagram were selling very well on existing retailers' shops because her followers trusted her recommendations, she decided to create her own business. Besides creating a digital community to share recommendations and discuss books, Helena's goal was to create a subscription box that would provide customers with books curated by her which would help them acquire a regular reading habit without having to worry about choosing new books each month. It is already possible to buy this box every month, and the subscription will become available in January. Considering the success of this type of business abroad and Book Gang's growth in the last months, the present study proposes to identify:

*What are Portuguese book consumers' perceptions of digital book clubs as bookselling businesses and their intention to adopt this service.*

Therefore, the research questions are the following:

RQ1: What are the drivers to become a customer of a digital book club?

RQ2: What are the barriers to become a customer of a digital book club?

It is expected that the dissertation's conclusions are especially useful considering the lack of research about this topic and to provide current and future founders of digital book clubs in Portugal with relevant insights regarding consumers' reaction to the concept, which can help them better understand the opportunity presented by the national market and national consumers' needs.

For the research, primary and secondary data were collected. Firstly, Book Gang's founder was interviewed by e-mail to better understand how the business works, how consumers are reacting and what are her goals. Then, secondary research was developed by studying existing information about the subject from previous literature. Lastly, primary data was collected once again, in the format of in-depth interviews followed by an online questionnaire.

Six chapters compose the present dissertation. The second chapter presents the literature review collected from previous research and tackles online shopping, evolution of book clubs to the digital, subscription business model, book subscription boxes, and consumer behavior concerning the purchase of books, adoption of innovations, and customer trust and loyalty. The hypotheses established are introduced at the end of the chapter. The third chapter describes the methodology used for the research, detailing the qualitative and quantitative methods, as well as the qualitative research results. Chapter four presents the findings of the quantitative research. Chapter five includes managerial implications, limitations faced during the investigation, and suggestions for further research. The conclusion is presented in the sixth chapter.

## 2. Literature Review

### 2.1. Online Shopping

Internet has changed the way people buy goods and services with the introduction of online shopping. Many people prefer to shop online instead of going to physical stores because it presents many advantages (S. Chen & Chang, 2003; Monsuwé et al., 2004; Swinyard & Smith, 2003). Every year, there are more Internet users who also become online buyers; in Portugal, 76% of the population uses the Internet and 39% buys online (Eurostat, 2020).

The two main reasons that drive people to buy online are convenience and price (S. Chen & Chang, 2003). People can buy almost everything without leaving their houses and the products are delivered to their door (Monsuwé et al., 2004). Consumers can find products online that they want to buy at discounted prices, it is possible to compare multiple products in one place (S. Chen & Chang, 2003; Shanthi & Kanniah, 2015), they can make more informed decisions by reading reviews, and it is a more comfortable environment to buy sensitive products (Monsuwé et al., 2004).

As for the motives driving people away from online shopping, the two biggest problems include privacy and security issues (Chen & Chang, 2003) and the inability to feel, touch, smell or try on the products (Monsuwé et al., 2004). Formerly, the lack of trust in the security of the payment process and fear of financial loss were the main barriers (Swinyard & Smith, 2003). Nowadays, only 24% of the European population justifies their preference for shopping in person with payment security and privacy concerns, while 73% say it is because they prefer to shop in person, like to see the product, are loyal to shops, or due to force of habit (Eurostat, 2020). In fact, product characteristics are one of the exogenous determinants that influence the purchase method choice (Monsuwé et al., 2004). There are products consumers usually must smell or try on before purchasing, like perfumes, so they are less likely to be bought online. Products like books are highly standardized, the uncertainty level about them is low and, usually, there is no need to sense them or be assisted by an employee, so they are easily bought online (Monsuwé et al., 2004).

Nowadays, when it comes to books, it is possible to buy them in multiple online channels. When considering the category “Books, magazines, newspapers”, in the EU-28, in the age groups 25-54 and 55-74 years old, approximately 35% bought these products online, while roughly 25% of the individuals in age group 16-24 years purchased them online (Eurostat, 2020).

## 2.2. Evolution of Book Clubs to the Digital

Book clubs have existed for a long time, but, in 1996, when Oprah Winfrey founded Oprah's Book Club and drew a lot of attention from the media, it gave an immense boost to the trend (Norrick-Rühl, 2020) and other celebrities later followed suit, such as Reese Witherspoon (Nicolaou, 2020), Andrew Luck, and Emma Roberts, creating completely digital communities. This type of movement encourages people to read as part of social engagement, since they are meant to discuss the content as a way of socialization (Scharber, 2009).

People join book clubs not only because they want to read more and discover new books which they would not normally read (Burger, 2015), but also for the chance to belong to a community and connect with others (Hoffert, 2006). Moreover, consumers are attracted by curation because it helps them narrow down the long list of available options and select the most suitable for them (Norrick-Rühl, 2020).

On the other hand, social media has the tendency to describe book clubs as a female activity where women get together to talk about female issues, which often leads to prejudice towards book clubs (Sedo, 2003) and drives male book consumers away. A study also revealed that two of the main reasons driving people away from book clubs are the lack of time to participate in discussions, although there exists flexibility regarding this issue in digital book clubs, and the dissatisfaction with book choices (Sedo, 2003).

There are thousands of digital book clubs that readers can join, although many of them are not a business since they do not own an online shop where members can buy the books. Some examples of digital book club businesses are Book of the Month, Belletrist, Literati, Feminist Book Club, and Book Gang (Appendix 1), being the first four from the US and the last one from Portugal. Literati has a slightly different concept from the others, since it offers readers the option to choose from 5 different book clubs, each of them curated by a different celebrity. Belletrist is the only one which does not sell the book of the month as a subscription, so those who want to join the reading must buy the book each month. Although Book of the Month allows customers to buy older books, these must be included in the monthly box, whereas Belletrist and Book Gang allow customers to buy every book recommended by the club in the past whenever they want. Literati, Feminist Book Club, and Book Gang provide customers with more than books in the box, namely secret gifts, curators' notes, and bookmarks.

| Club Name          | Books of the Month             | Product Portfolio  | Community  | Activities   |
|--------------------|--------------------------------|--|--|--|
| Book of the Month  | 5 newly-released books         | Subscription box with 1 new book, with the option to add 1 or 2 new or old books   | Website, Instagram, and smaller clubs created by users | Monthly discussions in the smaller clubs if desired  |
| Belletrist         | 1 recently released book       | Individual books: monthly pick, older picks, and other recommendations   | Website and Instagram                                  | Newsletter, giveaways, live interviews with authors, takeovers, share of weekly bookshelves and recipes from cookbooks                             |
| Literati           | 1 book for each of the 5 clubs | Subscription box with 1 book and curator's notes   | Exclusive App  | Discussion among members and with the curator  |
| Feminist Book Club | 1 book                         | Subscription box with 1 book, 3-5 gifts, pamphlet about the featured brand, note from the founder, and access details to digital channels and live discussion, or only the book, or only the digital content | Slack, Facebook, Videoconference, Podcast              | Discussion among members on the digital channels, live discussion by videoconference in the end of the month, and author interviews in the podcast |
| Book Gang          | 2/3 books                      | Subscription box with 2 or 3 books, 2 secret gifts, 1 bookmark, and a note from the founder; Individual books: monthly picks, older picks, and other recommendations   | Website and Instagram                                  | Newsletter and discussion on Instagram posts or website forum  |

*Table 1 - Description of five digital book clubs*

### 2.3. Subscription business model

From the 17<sup>th</sup> century until recently, subscription products included mostly periodicals, books, and telecommunications plans, but subscriptions of digital products were introduced in the market in the beginning of the century by companies like Netflix and Spotify (Rudolph et al., 2017). Currently, there are many more products being sold via subscription, namely physical goods.

The subscription box market had a slow start, but when Birchbox (beauty products) was launched in 2010, it received a lot of attention and quickly acquired a vast number of subscribers, leading the way to many other companies – between April 2014 and April 2018, the subscription box industry grew by 890% (Panko, 2019).

Nowadays, consumers have less free time and they want the shopping process to be as simple as possible (Panko, 2019), and to reduce search costs as much as they can (Harris & Blair, 2006), which is a problem subscriptions can solve. Besides that, subscriptions attract more

consumers every day because of convenience, consumers' desire to be delighted with their purchases, and their appreciation of access over ownership (Rudolph et al., 2017).

There is a lack of research in this field and most studies about subscription services consider only intangible ones (Rudolph et al., 2017), such as telecommunications. However, existing literature distinguishes three categories of subscriptions (Bischof et al., 2020; T. Chen et al., 2018; Panko, 2019), which are replenishment, curation and access. Replenishment subscriptions allow customers to automate the purchase of convenience items, such as razor blades (T. Chen et al., 2018), making sure they can fulfill a regular need (Rudolph et al., 2017). Curation subscriptions contain all the surprise-based subscriptions (Bischof et al., 2020), and the goal is to surprise and thrill subscribers, providing them with new items chosen by a curator or extremely personalized experiences (T. Chen et al., 2018). Access subscriptions require customers to pay a fee to become members of a community which gives them access to exclusive products (Bischof et al., 2020) or obtain advantages for members-only, such as lower prices (Chen et al., 2018).

In the subscriptions market, the churn rate is high and consumers are quick to abandon services which do not meet or exceed their expectations (Chen et al., 2018). To contradict this reality, subscription businesses can develop a cross-selling strategy and create a web shop where they sell additional products that fit inside the category and are not sold through subscription, as well as create a community to connect with subscribers in the case of curated subscriptions, facilitating the attraction of long-term customers (Rudolph et al., 2017).

Although the US has fueled the trend of subscription commerce, in Portugal there are already many national subscription boxes for different product categories. Some examples are Book Gang for books (Silva, 2020), BBox Sports for football, Tuga Box for food and drinks, Meyash for socks, Freda for personal care, Nosy for wine, and Mimobox for baby's products (Proença, 2019). Nevertheless, subscription boxes are not very popular in the national market and they receive no special attention from the media yet.

### **2.3.1. Book subscription boxes**

Inside the subscription boxes market, the ones specialized in books and literature represent only a small share (Lehmann, 2020). Thus, there is a gap in research about the topic and the existing material is mostly about children's book subscription boxes.

What makes book subscription boxes attractive for consumers is the surprise they entail, the curation aspect and the visually appealing products (Noorda, 2019). Gifts are also an important feature of book subscription boxes, since they are meant to intensify readers' experience and help them immerse more in the reading activity (Lehmann, 2020).

Some book subscription boxes are sold by book clubs, and this is another reason for readers to join book clubs (Norricks-Rühl, 2020). Consumers receive a box with surprise books and gifts, which they read alongside a community with whom they can share their opinions (Lehmann, 2020), that is conveniently delivered to their door every month without needing to repeat the purchase, and curation assures customers they will be receiving books recommended by a person they trust (Noorda, 2019).

## **2.4. Consumer Behavior**

### **2.4.1. Factors that Influence the Purchase of Books**

The number of books supplied is much higher than the demand, which requires bookselling businesses to fight for consumers (Leitão et al., 2018). Consumers looking to buy books are faced with millions of choices and there are some factors which influence the decision-making process: buying and reading habits, personal use versus gift giving, physical characteristics of the books, recommendations, being a bestseller, author, awards and prizes, publisher, price, subject and genre, and display in a bookstore (Leitão et al., 2018).

Concerning the purchase channel, 46% of the Portuguese bought Books, Music, or Stationery online in 2018 (Nielsen, 2019), which means that more than half of these products are still bought in physical stores. Consumers usually opt for online channels when they already know what they want to buy and do not want to lose time, but brick-and-mortar stores have the advantage of offering an in-store experience, such as autograph sessions, and the environment is more favorable for consumers to discover new books (Leitão et al., 2018).

### **2.4.2. Adoption of Innovations**

There are factors which consumers rely on to decide whether they will adopt an innovation and these can act either as drivers, following a positive assessment, or as barriers, following a negative assessment from the consumer (Claudy et al., 2015). The factors are relative advantage, compatibility, complexity, trialability, observability, perceived usefulness, and perceived ease of use. Relative advantage considers the improvements of the innovation when compared to existing alternatives; compatibility is the level to which consumers consider the

innovation as a good fit with their values, past experiences, lifestyle, and desires; complexity refers to how difficult it is for consumers to understand and use the innovation; trialability refers to the possibility and ease to test an innovation before consumers adopt it; observability refers to the outcomes of adopting the innovation and whether they are visible to others (Rogers, 2003); perceived usefulness is the extent to which the innovation can assist consumers to perform their tasks better, and perceived ease of use is the result of the comparison between the performance benefits added by the innovation with the effort it takes to adopt it (Davis, 1989).

Innovations imply a change for consumers, whether it is because of variations in price, performance, or design, or because it forces them to change specific habits to adapt to a new reality. When evaluating the adoption of an innovation, consumers tend to place more value on barriers than drivers because of their aversion to loss (Claudy et al., 2015).

## **2.5. Customer Trust and Loyalty**

Digital book clubs face a lot of competition from well-established stores, such as Fnac and Wook (in Portugal), when entering the market, as the founder of Book Gang explained in the interview. Often, consumers look for book recommendations in these clubs but purchase them elsewhere. There are multiple reasons for this situation, such as higher discounts, cheaper or non-existent shipping costs, or the possibility to buy them in physical stores. Digital book clubs can only match their competitors when the business grows, and costs decrease for the company, allowing it to decrease costs for customers as well. For example, the more orders the company ships, the lower the shipping costs will be for both the company and the customers. To be able to grow the business and offer the same advantages as the competitors, digital book clubs must have a strategy to develop customer trust and loyalty. Moreover, it has already been established that subscription businesses need to acquire long-term customers and depend on them to survive, because there is a very high initial investment that is only compensated after a few purchases from the customer (T. Chen et al., 2018; Rudolph et al., 2017), so this issue becomes even more crucial for digital book clubs which sell subscription boxes.

Previous research has found that perceived reputation and perceived security control are the two most important elements which influence customer trust. When consumers visit an online store for the first time, they cannot see the physical products displayed in shelves or be welcomed by employees that build a reputation for the business, so they need to rely on the

digital features and online feedback available. Concerning financial transactions, customers usually worry when they need to pay on a website for the first time, since they have no guarantee it will go well. In this case, companies can display security seals awarded by third parties to ensure safe transactions. Besides these two elements, perceived willingness to customize, perceived ease of use, and perceived usefulness have a positive influence on customer trust (Koufaris & Hampton-Sosa, 2004).

When studying digital book clubs with a bookselling business, the concept of social shopping must be considered, which is a space where consumers engage with each other and exchange ideas about products (Stephen & Toubia, 2010), generating word-of-mouth. It is known that word-of-mouth is extremely relevant for companies and there is evidence it is the most powerful communication channel to impact consumers' actions, either positively or negatively (Godes & Mayzlin, 2004). When consumers receive positive feedback through social shopping, they are more prone to trust the company and feel more confident in their purchases (Wasko & Faraj, 2005). The communities created by digital book clubs are social shopping platforms, which can make the business more profitable by generating positive word-of-mouth and customer trust if well explored.

Previous research about customer loyalty suggests service customization as a contributing factor (Coelho & Henseler, 2012), because it shows that the company cares for customers' needs (Koufaris & Hampton-Sosa, 2004). A higher level of customization leads to a higher level of customer loyalty, because it represents a high switching cost (Coelho & Henseler, 2012) since customers have already spent time sharing their wants and needs with the company. During the online customer journey there are multiple attributes which can influence customer experience and satisfaction: website design and structure, visual appeal, hyperlinks, product assortment, information available, security, and after sales customer care (Koo, 2006). However, product assortment is the only variable among these with a significant positive influence on loyalty towards an online store (Koo, 2006), so, ultimately, what keeps a customer from switching from one company or brand to another is the product portfolio.

## **2.6. Literature Review Conclusion and Hypotheses**

The previous research was developed considering two main research questions:

RQ1: What are the drivers to join a digital book club as a customer?

RQ2: What are the barriers to join a digital book club as a customer?

One of the main motivations that leads people to join digital book clubs is the opportunity to be part of a community and being able to share the reading experience with other readers (Hoffert, 2006). Moreover, digital book clubs are also a place that allow consumers to discover more and different books (Burger, 2015). Since people read alongside a community, they are more open to read books they would not normally read.

The curation aspect is another relevant characteristic (Norrick-Rühl, 2020). Consumers know the person suggesting the books and become members because they trust these recommendations, as the person is normally seen as an expert in the area.

More recently, with the appearance of subscription e-commerce, many clubs opt to sell the books of the month as a subscription. This is also a driver for consumers, since they do not need to repeat the purchase every month and the secret gifts which are often included in the box delight them, so it is like receiving a present every month. Due to the experience they provide, book subscription boxes are also a motivation to join digital book clubs (Norrick-Rühl, 2020).

Thus, the following hypotheses were established for RQ1:

*H<sub>1a</sub>: The desire to read more books influences Portuguese book consumers' intention to join a digital book club.*

*H<sub>1b</sub>: The desire to read different books influences Portuguese book consumers' intention to join a digital book club.*

*H<sub>1c</sub>: The desire to be part of a community influences Portuguese book consumers' intention to join a digital book club.*

*H<sub>1d</sub>: Curation influences Portuguese book consumers' intention to join a digital book club.*

*H<sub>1e</sub>: Book subscription boxes influence Portuguese book consumers' intention to join a digital book club.*

Centuries ago, women did not have access to the same education as men and they were not allowed in many events, so book clubs were born from their need to self-educate, to learn more about literature, history, arts and other relevant issues, and to seek equality (Burger,

2015). Ever since then, book clubs have been viewed as an activity more adequate for women than men, and the digital version is not an exception (Sedo, 2003).

Before joining a book club, people search for information and compare different alternatives to find the best option. It is possible to see a digital book club's book picks for past months, so, if people dislike the books that were chosen previously, they will not want to join the book club as it is likely they will not like the next chosen books (Sedo, 2003). Moreover, if people do not have enough time to join book discussions, they may not want to join digital book clubs, since they will not be able to benefit from this feature (Sedo, 2003).

Therefore, the following hypotheses were established for RQ2.

*H<sub>2a</sub>: The perception that participating in a digital book club is a female activity prevents male book consumers from joining a digital book club.*

*H<sub>2b</sub>: The dissatisfaction with previous recommendations prevents Portuguese book consumers from joining a digital book club.*

*H<sub>2c</sub>: The lack of availability to join book discussions prevents Portuguese book consumers from joining a digital book club.*

The hypotheses established were the focus of the qualitative and quantitative research described next.

### **3. Methodology**

To develop a better understanding about the business, the first stage of the research was an e-mail interview with the creator of Book Gang, the biggest digital book club in Portugal (Appendix 2), and this is included in the primary research. This was followed by secondary research through the review of existing literature about the relevant topics. Qualitative research was conducted using in-depth interviews (Appendix 3) to understand which are the perceptions regarding digital book clubs as a bookselling business, including the drivers and the barriers to join one. In-depth interviews were the chosen research method due to their advantages, such as the possibility to dive deeper in the topic with the participants, direct attribution of responses to the specific individual, inexistence of social pressure to conform with other participants' opinions like in focus groups, and easy to schedule since it involves only two people (Malhotra et al., 2017). Lastly, an online questionnaire (Appendix 5) was developed for the quantitative research to test the hypotheses previously established. It was chosen to distribute the questionnaire online because of this technique's high speed, low cost, and capacity to reach more people in the target group more easily (Malhotra et al., 2017). For the in-depth interviews and online questionnaire, a convenience sample was used, which is a nonprobability sampling technique adequate to obtain information quickly and without spending money, reducing the impact of time constraints, lack of resources, and the current pandemic (Malhotra et al., 2017).

#### **3.1. Qualitative Research**

For the in-depth interviews, twelve people (Appendix 4) were involved, four male and eight females. Six are currently clients of a digital book club and the other six are not. The mean of the participants' age is 24, with eleven participants aged 21-28 and one participant aged 37. In this group, there are 5 students, 6 employed and 1 student-worker.

Participants were asked about their opinions regarding digital book clubs as reading groups and as businesses. Members and non-members were asked different questions to understand, simultaneously, what are the drivers to become a customer and the barriers preventing people from becoming customers.

##### **3.1.1. General perceptions about digital book clubs**

Although not all the participants had heard about digital book clubs before, they were all familiar with the traditional concept of a book club, so they were able to understand this new concept effortlessly. Eight participants believe that these clubs encourage people to read

more, because it is a good fit in the digital world we currently live in (female, 21) and it is easier to reach consumers digitally (female, 28).

None of the participants spontaneously stated that digital book clubs are more adequate for women. However, when asked directly about it, 4 participants believe that the existing digital book clubs target women. One participant says this idea is encouraged by movies and tv shows, where digital book clubs' members "are usually the wives" (male, 22). All the participants agree that this idea is present in the society, along with the prejudice that reading is more adequate for women, and this is a cultural problem (female, 24). The 12 participants state that this idea probably exists because there are more women who read than men, as they know more female than male readers. In fact, a study developed by Marktest, in Portugal, in 2018, reveals that 54.4% of the male respondents had read at least one book in the previous 12 months, while this percentage increased to 68.3% among the female respondents (Redacção, 2018). Among the participants of the interviews, there exists the perception that digital book clubs are meant for women, although it did not present a barrier for any of the male participants. Therefore, H<sub>2a</sub> must be studied further.

### **3.1.2. Customers' perceptions about digital book clubs as a bookselling business**

When explaining the reasons why they joined their digital book clubs, all 6 members mention the desire to belong to a community of readers and the curator's suggestions. Five out of six participants truly feel a sense of belonging after joining their club, and this has brought them advantages, such as the possibility to share their opinions and receive feedback from fellow readers. Concerning the curator, 4 out of 6 members trust her because they consider she is an expert in literature. Since the curator is an author and she also reads a lot of books, they believe she is more well-informed about the books available in the market and can judge their quality better than them. Half of these club members say they explored the club's posts on social media before making their first purchase and read multiple comments from satisfied customers, so they trusted it enough to buy for the first time and kept buying after a good first experience. Four out of six participants also trust the curator's recommendations because they consider them very inclusive. Therefore, H<sub>1c</sub> and H<sub>1d</sub> are supported.

Four out of six participants state they joined their digital book club because they wanted to read more and different books, supporting H<sub>1a</sub> and H<sub>1b</sub>. Five out of six participants confirm they started reading more after becoming members and 4 out of 6 participants claim they started reading books they would not buy otherwise. Two out of six members already knew

the concept of book subscription boxes from other countries and this was a driver for both, since “the subscription box is perfect, because it adds a lot of magic to the experience” (female, 28), supporting H<sub>1e</sub>. When asked about which type of products they prefer to buy, 3 members choose the subscription box, because they are buying an experience instead of a product. The other 3 members prefer to buy individual books because of flexibility.

### 3.1.3. Non-customers’ perceptions about digital book clubs as a bookselling business

The participants who are not customers of any digital book club were first presented with a description of the concept. When asked if they would like to become customers, 3 said no and 3 said yes. The members who would not like to join a club affirm it is because they do not invest enough time in reading and feel like they would not be able to keep up with the monthly readings and participate in the club’s activities. Therefore, a new hypothesis was established for those who are not customers and do not wish to be:

*H<sub>2a</sub>: The lack of time dedicated to reading prevents Portuguese book consumers from joining a digital book club.*

One of the three participants who said they would like to become customers, stated he would do it if the books were in audio format and cheap. His reasons for wanting to join a digital book club are the convenience presented by the curator’s suggestions and a desire to read more and different books (male, 22). Another participant said he would join if the membership was flexible and he did not have an obligation to buy books every month. This participant would like to become a customer for the chance to be part of a community, since he enjoys debating with other people (male, 22). Concerning the third participant, she would join a digital book club due to a desire to read different books and be part of a community of readers with whom she could discuss her readings (female, 22).

Considering that 3 out of 6 participants are motivated to become customers, but they are not, the main barrier preventing them from doing so is their lack of awareness. One out of three participants did not know the concept before and the other 2 knew almost nothing about it. None of them has a good idea about the available options and what the membership to one of these businesses means. For those who are not customers but wish to be, a new hypothesis was established due to this reality:

*H<sub>2e</sub>: The lack of awareness regarding the available options in the market prevents Portuguese book consumers from joining a digital book club.*

Moreover, when asked directly about it, all 3 state they would not join a club which did not have likable recommendations in the past and 2 say the lack of availability to participate in discussions would prevent them from becoming customers, supporting H<sub>2b</sub> and H<sub>2c</sub>.

#### **3.1.4. Qualitative Research Conclusion**

All the hypotheses established for RQ1 are supported by the participants. Six out of six members state they joined their digital book club to be part of a community (H<sub>1c</sub>) and because of curation (H<sub>1d</sub>). Four out of six members confirm they joined to read more (H<sub>1a</sub>) and different books (H<sub>1b</sub>). Finally, two out of six participants say they joined because of the subscription box (H<sub>1e</sub>).

Concerning the barriers studied with RQ2, no male participants decided not to join a digital book club because they perceive it as a female activity, but all 12 participants agree this prejudice exists and is likely to influence other people, so H<sub>2a</sub> must be studied further in the quantitative research. The 3 participants who are not customers of a digital book club and do not want to join one state it is because they do not spend enough time reading. This was translated into H<sub>2d</sub> to be studied in the quantitative research. All 3 participants who are not members of a digital book club but would like to join one say they would not do it if they were unsatisfied with previous recommendations (H<sub>2b</sub>) and 2 out of these 3 also indicate the lack of availability to participate in discussions as a barrier (H<sub>2c</sub>). However, the main reason why these 3 participants are not customers yet is their lack of awareness about the business and the available options in the market, so this motive was used to build H<sub>2e</sub>.

### **3.2. Quantitative Research**

The questionnaire for the quantitative research targeted Portuguese book consumers who use social media and shop online. It was developed considering the guidelines of the in-depth interviews and followed a similar structure, but additional questions were asked regarding book buying habits, reading habits, and WTP, to analyze how these characteristics influence the perceptions towards digital book clubs as a bookselling business. The questionnaire was distributed using multiple social media networks.

### **3.3. Data Analysis**

The questionnaire was distributed using Qualtrics and the only language available was Portuguese to prevent people who were not part of the target from participating. Respondents were first asked some screening questions to further ensure they were part of the study's

target. If the respondents were not Portuguese, did not speak Portuguese, did not use social media, and did not shop online, they were automatically excluded from the research. From the 532 respondents who initiated the survey, 34 did not pass the screening questions. Respondents who never buy books (23) and never read books (11) were also eliminated from the analysis, leaving 464 valid answers. The IBM SPSS software and Microsoft Excel were used to analyze the data collected (George & Mallery, 2016; Malhotra et al., 2017).

## 4. Results

### 4.1. Demographic Data

Among the 464 valid answers of the questionnaire, 88.6% are from female consumers and 11.4% from male consumers (Appendix 7). Most of the respondents are aged 18 to 24 (40.5%), while 33.6% are aged 25 to 34 and 14.2% are aged 35 to 44 (Appendix 8). Concerning the current occupation, 52.4% are employed, 25.4% are students, and 17.2% are student-workers (Appendix 9). As for the highest level of education (Appendix 10), the majority completed either a bachelor's degree (45.5%) or a masters' degree (20.5%). When asked about their gross annual income (Appendix 11), 46.6% say they earn less than 10,000€ and 33.8% chose the range 10,000€ to 19,999€.

Regarding the respondents' adoption of digital book clubs (Appendix 12), 26.9% are currently customers, 58.8% are interested in adopting and 14.2% have no interest in becoming customers. Among the 125 customers, only 2 (1.6%) are male, while the remaining 98.4% are female. Most customers are aged 25 to 34 (47.2%) and 18 to 24 (32.0%), 64.8% are employed, 40.0% have a bachelor's degree as the highest education level completed, and 41.6% earn a gross annual income between 10,000€ and 19,999€.

### 4.2. Drivers to join a digital book club

To test the hypotheses established for RQ1, digital book clubs' customers and non-customers who are interested in adopting the service were asked to rate their level of agreement with five statements using a 7-point Likert scale, where 1 corresponds to "strongly disagree" and 7 corresponds to "strongly agree". To study if the independent variables (metric) have a statistically significant effect in the dependent variable (non-metric), a Binary Logistic Regression was conducted (Appendix 14), where customers are coded as 0 and non-customers who want to join a digital book club are coded as 1. Since the p-value in the Omnibus Tests of Model Coefficients is 0.000 ( $<0.05$ ), the predictors have a significant effect on the outcome variable. The Nagelkerke R Square indicates the explanatory power of the model, which is 27.5%. Since the p-value in the Hosmer and Lemeshow Test is 0.192 ( $>0.05$ ), it means that the predictors made by the model fit perfectly with the observed group membership. Observing the Classification Table (Appendix 14), it is visible that 76.4% of the cases are correctly classified, which is an improvement from the initial 68.6%. In Table 2, it is observable that all p-values are lower than 0.05, which means that all the independent variables have a statistically significant effect in the dependent variable.

|                     | Variables in the Equation  |       |      |        |      |        |        |
|---------------------|--|-------|------|--------|------|--------|--------|
|                     | B  | S.E.  | Wald | df     | Sig. | Exp(B) |        |
| Step 1 <sup>a</sup> | I would like to join/I joined a digital book club to start reading more books.   | .167  | .081 | 4.195  | 1    | .041   | 1.181  |
|                     | I would like to join/I joined a digital book club to start reading different books from those I usually read.          | -.330 | .105 | 9.966  | 1    | .002   | .719   |
|                     | I would like to join/I joined a digital book club to be part of a community of readers with whom I could debate books. | .259  | .090 | 8.312  | 1    | .004   | 1.296  |
|                     | I would like to join/I joined a digital book club because of the curator's recommendations.                            | -.746 | .120 | 38.702 | 1    | .000   | .474   |
|                     | I would like to join/I joined a digital book club to subscribe a monthly book box.                                     | .256  | .073 | 12.335 | 1    | .000   | 1.291  |
|                     | Constant   | 3.485 | .811 | 18.444 | 1    | .000   | 32.608 |

<sup>a</sup>Variable(s) entered on step 1: I would like to join/I joined a digital book club to start reading more books., I would like to join/I joined a digital book club to start reading different books from those I usually read., I would like to join/I joined a digital book club to be part of a community of readers with whom I could debate books., I would like to join/I joined a digital book club because of the curator's recommendations., I would like to join/I joined a digital book club to subscribe a monthly book box..

*Table 2 - Binary Logistic Regression to relate Adoption and Drivers*

*H<sub>1a</sub>: The desire to read more books influences Portuguese book consumers' intention to join a digital book club.*

Concerning the desire to read more books, the significance of 0.041 (<0.05) indicates that this independent variable has a statistically significant effect in the dependent variable. Therefore, **H<sub>1a</sub> is not rejected**. The beta coefficient means that non-customers who want to join a digital book club are 0.167 units above customers concerning the desire to read more books. When asked to rate their level of agreement with the statement “I would like to join/I joined a digital book to start reading more books”, a total of 66.5% confirm it is a contributing factor (from “Slightly agree” to “Strongly agree”) (Appendix 15).

*H<sub>1b</sub>: The desire to read different books influences Portuguese book consumers' intention to join a digital book club.*

Regarding the desire to read different books, the significance of 0.002 (<0.05) indicates that this independent variable has a statistically significant effect in the dependent variable. Therefore, **H<sub>1b</sub> is not rejected**. The beta coefficient means that non-customers who want to join a digital book club are 0.330 units below customers regarding the desire to read different books. When questioned about their level of agreement with the statement “I would like to join/I joined a digital book club to start reading books different from those I usually read”, a

total of 71.8% confirm it is a motivation (from “Slightly agree” to “Strongly agree”) (Appendix 16).

*H<sub>1c</sub>: The desire to be a part of a community of readers influences Portuguese book consumers’ intention to join a digital book club.*

Concerning the desire to be part of a community of readers, the significance of 0.004 (<0.05) shows that this independent variable has a statistically significant effect in the dependent variable. Therefore, **H<sub>1c</sub> is not rejected**. The beta coefficient indicates that non-customers who want to join a digital book club are 0.259 units above customers concerning the desire to be part of a community of readers. When asked about their level of agreement with the statement “I would like to join/I joined a digital book club to be part of a community of readers with whom I can debate books”, a total of 77.4% confirm it is a contributing factor (from “Slightly agree” to “Strongly agree”) (Appendix 17). Using the statistical test One-Way ANOVA to relate this variable with the reading habits (Appendix 18), it is clear that people who read a higher quantity of books in a month (2, 3, or more than 3) have a higher desire to belong to a community of readers than those who read only 1 book or take more than a month to read one book, and this difference is statistically significant. This suggests that the more books one reads, the stronger the desire to debate them with others.

*H<sub>1d</sub>: Curation influences Portuguese book consumers’ intention to join a digital book club.*

As for curation, the significance of 0.000 (<0.05) indicates that this independent variable has a statistically significant effect in the dependent variable. Therefore, **H<sub>1d</sub> is not rejected**. The beta coefficient means that non-customers who want to join a digital book club are 0.746 units below customers when it comes to the curator’s recommendations. Respondents were asked to rate their level of agreement with the statement “I would like to join/I joined a digital book club because of the curator’s recommendations”, a total of 77.1% confirm it is a motivation (from “Slightly agree” to “Strongly agree”) (Appendix 19). When asked to select the three most important factors that influence them to purchase or read books (Appendix 20), the most selected option was recommendations, with 65.9% of the respondents including it in the top 3, which shows how relevant curation can be. Concerning the factors which make consumers trust the curator (Appendix 21), the most important are good communication on social media (81.9% agree), making broad recommendations (78.6% agree), and reading positive feedback about the recommendations (74.9% agree). This last result reinforces the findings in the

literature review concerning word-of-mouth and how important it is to help customers develop trust.

*H<sub>1e</sub>: Book subscription boxes influence Portuguese book consumers' intention to join a digital book club.*

Concerning book subscription boxes, the significance of 0.000 (<0.05) shows that this independent variable has a statistically significant effect in the dependent variable. Therefore, **H<sub>1e</sub> is not rejected**. The beta coefficient indicates that non-customers who want to join a digital book club are 0.256 units above customers concerning the subscription of a monthly box. Faced with the statement “I would like to join/I joined a digital book club to subscribe a monthly book box”, a total of 48.5% confirm it is a contributing factor (from “Slightly agree” to “Strongly agree”) (Appendix 22). The WTP for a book subscription box was also studied and respondents were asked to indicate the value they would pay for this product considering it included their ideal number of books.

|                         |    | Average WTP (€) |      |               |      |
|-------------------------|----|-----------------|------|---------------|------|
|                         |    | Customers       |      | Non-customers |      |
| Number of monthly books | 1  | €33.33          | N=3  | € 16.23       | N=13 |
|                         | 2  | €35.23          | N=26 | € 28.47       | N=47 |
|                         | 3  | €47.11          | N=19 | € 37.00       | N=25 |
|                         | >3 | €46.54          | N=10 | € 40.56       | N=9  |

*Table 3 - Relationship between ideal number of books of the month (Q19) and WTP (Q21)*

The average WTP among customers is higher than among non-customers, possibly because those in the first group are already familiar with the concept. Considering the club's monthly book picks are usually new releases, and these are normally priced above 15€ in Portugal, the values indicated by non-customers are not realistic, especially if the box includes extra content such as secret gifts. This reality suggests that people must become acquainted with the concept of book subscription boxes and available options to understand the benefits of subscribing and only then they will be willing to pay for the product.

### 4.3. Barriers to join a digital book club

To test the hypotheses established for RQ2, non-customers were asked to indicate the main reason why they are not customers, having the possibility to choose from a set of 6 different options, the last one being “Other”, giving them the opportunity to explain. To study if the

independent variables (non-metric) have a statistically significant effect in the dependent variable (non-metric), Chi-Square Tests and Crosstabs were conducted. The Crosstabs are presented for all the possible answers together, while the Chi-Square Tests were conducted transforming each option into a dummy variable to compare the effect of each barrier on both groups of respondents and study if there are statistically significant differences.

**Which is the main reason why you are not a customer of a digital book club? \* Which of the following situations do you identify more with? Crosstabulation**

|   |  | Which of the following situations do you identify more with? |  |        |       |
|---|--|--|--|--------|-------|
|   |  | I am not a customer, but I would like to become one.         | I am not a customer and I am not interested in becoming one. | Total  |       |
| Which is the main reason why you are not a customer of a digital book club? | I wouldn't have time to participate in book discussions, so I don't think it makes sense to buy from the club. | Count  | 73   | 13     | 86    |
|   |  | % within Which of the following situations...?               | 27.1%  | 19.7%  | 25.4% |
|   | I'm a man and I think it is a female activity.   | Count  | 1  | 0      | 1     |
|   |  | % within Which of the following situations...?               | 0.4%   | 0.0%   | 0.3%  |
|   | I don't know any digital book club business.   | Count  | 76   | 0      | 76    |
|   |  | % within Which of the following situations...?               | 27.8%  | 0.0%   | 22.4% |
|   | I don't know any digital book club with satisfying recommendations for me.                                     | Count  | 57   | 3      | 60    |
|   |  | % within Which of the following situations...?               | 20.9%  | 4.5%   | 17.7% |
|   | I don't spend enough time reading, so I wouldn't be able to keep up with the club's readings.                  | Count  | 5  | 25     | 29    |
|   |  | % within Which of the following situations...?               | 1.5%   | 37.9%  | 8.6%  |
| Other. Which one?   | Count  | 61   | 25   | 86     |       |
|   | % within Which of the following situations...?   | 22.3%  | 37.9%  | 25.4%  |       |
| <b>Total</b>  | Count  | 273  | 66   | 339    |       |
|   | % within Which of the following situations...?   | 100.0%   | 100.0%   | 100.0% |       |

Table 4 - Crosstabs to study the relationship between Q15 and Q23

*H<sub>2a</sub>: The perception that participating in a digital book club is a female activity prevents male book consumers from joining a digital book club.*

Studying Table 6, it is possible to observe that only one person justified not being a customer of a digital book club with the perception that it is a female activity, therefore **H<sub>2a</sub> is rejected**. In fact, when asked if digital book clubs are more adequate for women than men, among the male respondents 13.2% said “Yes”, while this percentage increased to 21.2% among the female respondents (Appendix 23).

*H<sub>2b</sub>: The dissatisfaction with previous recommendations prevents Portuguese book consumers from joining a digital book club.*

Observing Table 6, it is possible to understand that 20.9% of the respondents who are not customers of a digital book club but want to join one justify not being customers with the fact that they do not know any digital book club with satisfying recommendations. This supports that, if people are not satisfied with the previous recommendations, it will prevent them from joining a digital book club. Therefore, **H<sub>2b</sub> is not rejected**. On the other hand, only 3 people among non-customers who do not wish to join a digital book club selected this choice, which is in line with the results from the qualitative research, since this barrier was only indicated by non-customers who would like to join. This makes sense because, since these people state they are not interested in joining a digital book club, finding one with pleasant recommendations should not make a difference.

#### Chi-Square Tests

|                                    | Value              | df | Asymptotic Significance (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|------------------------------------|--------------------|----|-----------------------------------|----------------------|----------------------|
| Pearson Chi-Square                 | 9.735 <sup>a</sup> | 1  | .002                              |                      |                      |
| Continuity Correction <sup>b</sup> | 8.646              | 1  | .003                              |                      |                      |
| Likelihood Ratio                   | 12.339             | 1  | .000                              |                      |                      |
| Fisher's Exact Test                |                    |    |                                   | .001                 | .001                 |
| Linear-by-Linear Association       | 9.706              | 1  | .002                              |                      |                      |
| N of Valid Cases                   | 339                |    |                                   |                      |                      |

<sup>a</sup> 0 cells (0.0%) have expected count less than 5. The minimum expected count is 11.68.

<sup>b</sup> Computed only for a 2x2 table

*Table 5 - Chi-Square Tests to study the relationship between Q15 and Q23\_2*

The Chi-Square Tests in Table 7 were conducted by transforming Q23 into a dummy variable where 1=dissatisfaction with recommendations and 0=remaining options. Considering the Pearson Chi-Square significance (0.002<0.05), it can be stated there are statistically

significant differences between non-customers who want to join a digital book club and non-customers who do not wish to do so when it comes to dissatisfaction with recommendations. As suggested before, this is only relevant for non-customers who want to join a digital book club.

*H<sub>2c</sub>: The lack of availability to join book discussions prevents Portuguese book consumers from joining a digital book club.*

Analyzing Table 6, the lack of time to participate in book discussions is the most relevant barrier for non-customers who want to join a digital book club (selected by 27.1%) and the second most relevant for non-customers who do not wish to join one (selected by 19.7%), therefore **H<sub>2c</sub> is not rejected** and it is supported that the lack of time to participate in the club's discussions negatively influences adoption.

#### Chi-Square Tests

|                                    | Value              | df | Asymptotic Significance (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|------------------------------------|--------------------|----|-----------------------------------|----------------------|----------------------|
| Pearson Chi-Square                 | 1.393 <sup>a</sup> | 1  | .238                              |                      |                      |
| Continuity Correction <sup>b</sup> | 1.045              | 1  | .307                              |                      |                      |
| Likelihood Ratio                   | 1.453              | 1  | .228                              |                      |                      |
| Fisher's Exact Test                |                    |    |                                   | .272                 | .153                 |
| Linear-by-Linear Association       | 1.388              | 1  | .239                              |                      |                      |
| N of Valid Cases                   | 339                |    |                                   |                      |                      |

<sup>a</sup> 0 cells (0.0%) have expected count less than 5. The minimum expected count is 16.74.

<sup>b</sup> Computed only for a 2x2 table

*Table 6 - Chi-Square Tests to study the relationship between Q15 and Q23\_3*

The Chi-Square Tests in Table 8 were conducted by transforming Q23 into a dummy variable where 1=lack of availability to join discussions and 0=remaining options. Considering the Pearson Chi-Square significance (0.238>0.05), it is possible to say that, when it comes to the lack of availability to participate in book discussions, it presents a barrier for both types of respondents, since the difference between both groups is not statistically significant.

*H<sub>2d</sub>: The lack of time dedicated to reading prevents Portuguese book consumers from joining a digital book club.*

Studying Table 6, the lack of time dedicated to literature is the most relevant barrier for non-customers who do not want to join a digital book club, with 37.9% of the respondents from this group selecting this option. Only 5 respondents from the group of non-customers who wish to join a digital book club selected this choice, which was expected since it is in line

with the qualitative research results, so **H<sub>2a</sub> is not rejected**. Not spending enough time reading is a strong compatibility barrier, since becoming a customer of a digital book club does not fit with these people's lifestyle and it would imply a change for them. Considering that only 5 of these respondents state they are interested in joining a digital book club, it can be concluded that the remaining are not willing and do not want to change their lifestyle.

#### Chi-Square Tests

|                                    | Value               | df | Asymptotic<br>Significance (2-sided) | Exact<br>Sig. (2-<br>sided) | Exact<br>Sig. (1-<br>sided) |
|------------------------------------|---------------------|----|--------------------------------------|-----------------------------|-----------------------------|
| Pearson Chi-Square                 | 85.619 <sup>a</sup> | 1  | .000                                 |                             |                             |
| Continuity Correction <sup>b</sup> | 81.209              | 1  | .000                                 |                             |                             |
| Likelihood Ratio                   | 65.265              | 1  | .000                                 |                             |                             |
| Fisher's Exact Test                |                     |    |                                      | .000                        | .000                        |
| Linear-by-Linear Association       | 85.367              | 1  | .000                                 |                             |                             |
| N of Valid Cases                   | 339                 |    |                                      |                             |                             |

<sup>a</sup> 0 cells (0.0%) have expected count less than 5. The minimum expected count is 5.84.

<sup>b</sup> Computed only for a 2x2 table

*Table 7 - Chi-Square Tests to study the relationship between Q15 and Q23\_5*

The Chi-Square Tests in Table 9 were conducted by transforming Q23 into a dummy variable where 1=lack of time dedicated to reading and 0=remaining options. Considering the Pearson Chi-Square significance ( $0.000 < 0.05$ ), it can be stated there are statistically significant differences between non-customers who want to join a digital book club and non-customers who do not wish to do so when it comes to the lack of time spent reading. As suggested before, this is only relevant for non-customers who do not want to join a digital book club.

*H<sub>2e</sub>: The lack of awareness regarding the available options in the market prevents Portuguese book consumers from joining a digital book club.*

Observing Table 6, the lack of awareness concerning the existence of digital book clubs and the available options in the market is the second most relevant barrier for non-customers who want to join a digital book club. None of the non-customers who do not wish to join a digital book club selected this option, which is in line with the qualitative research results, since this justification was only presented by those participants interested in joining. Therefore, **H<sub>2e</sub> is not rejected**. For those who do not want to become customers, it should not make a difference if they discovered a club, like in the case of dissatisfaction with recommendations.

### Chi-Square Tests

|                                    | Value               | df | Asymptotic Significance (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|------------------------------------|---------------------|----|-----------------------------------|----------------------|----------------------|
| Pearson Chi-Square                 | 23.683 <sup>a</sup> | 1  | .000                              |                      |                      |
| Continuity Correction <sup>b</sup> | 22.110              | 1  | .000                              |                      |                      |
| Likelihood Ratio                   | 37.886              | 1  | .000                              |                      |                      |
| Fisher's Exact Test                |                     |    |                                   | .000                 | .000                 |
| Linear-by-Linear Association       | 23.613              | 1  | .000                              |                      |                      |
| N of Valid Cases                   | 339                 |    |                                   |                      |                      |

<sup>a</sup> 0 cells (0.0%) have expected count less than 5. The minimum expected count is 14.80.

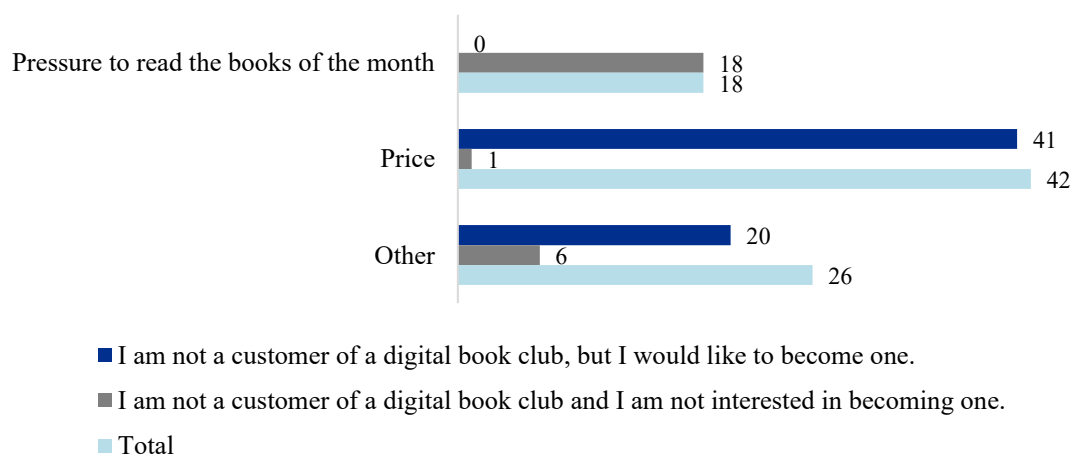
<sup>b</sup> Computed only for a 2x2 table

*Table 8 - Chi-Square Tests to study the relationship between Q15 and Q23\_4*

The Chi-Square Tests in Table 10 were conducted by transforming Q23 into a dummy variable where 1=lack of awareness and 0=remaining options. Considering the Pearson Chi-Square significance ( $0.000 < 0.05$ ), it can be stated there are statistically significant differences between non-customers who want to join a digital book club and non-customers who do not want to join one when it comes to the lack of awareness about the business. As suggested before, this is only relevant for non-customers who do want to join a digital book club.

#### 4.3.1. Other barriers

When asked about the main reason why they are not customers of a digital book club, some respondents did not identify with any of the reasons provided and a total of 25.4% chose the option “Other”. These respondents were asked to write the main barrier preventing them from becoming customers and the answers were further analyzed to identify barriers which were not suggested in the literature review or qualitative research. Many respondents described the same reasons, so the answers mentioned more times were grouped in categories.



*Graphic 1 - Answers given by respondents in the option "Other" in Q23\_6*

A total of 42 respondents mentioned issues related with price, such as higher prices practiced by digital book clubs and less promotions in comparison with retailers like Fnac or Wook, higher shipping costs, high subscription price, and the lack of financial ability to buy books every month. Considering that the digital book clubs' business is mainly focused on new releases and there is a law in Portugal which prevents all book sellers from applying discounts above 10% during the first 18 months, except in 20 days during the year (Agência das Letras, 2017), the perception that digital book clubs apply higher prices is mostly incorrect. When the books are new releases, the prices are the same everywhere and digital book clubs usually apply the 10% discount to match the competition. The only books which can be more discounted in larger retailers are older ones, which are usually not included in the monthly picks, since discounts above 10% can be applied and small businesses like those of digital book clubs do not have the financial ability to match them. Concerning the answers which mention the subscription price and incapacity to buy books every month, respondents are assuming they can only become customers by subscribing the monthly box, which is not true. Most clubs offer the option to buy the books individually, which offers customers the freedom to choose how many books to buy and when, and some clubs do not even sell a subscription box.

Regarding the respondents who affirm they would feel pressured to read the monthly books, they are also assuming they must read the book picks of the month every month, which, again, does not correspond to the reality. Therefore, these two barriers indicated by the respondents should not prevent them from becoming customers because they originate from a lack of knowledge about the business and what it implies to be a customer.

The answers included in "Other" are more dispersed and some examples are bad experiences with deliveries from online purchases, living abroad, preference to read e-books, preference to buy books in English, preference to buy in physical stores, buying second-hand books, among others, and some people do not answer what the question is asking. Considering the barriers which prevent people from buying online described in the literature review, only one of them is mentioned, the preference to buy in physical stores to see the products before buying, but only by two people. Privacy and security concerns do not seem to worry these respondents specifically.

#### **4.4. Quantitative Research Conclusion**

The results of the quantitative research present evidence to support all the hypotheses established for RQ1 and none were rejected. Therefore, it is possible to conclude that the desire to read more books (H<sub>1a</sub>), the desire to read different books (H<sub>1b</sub>), the desire to be part of a community of readers (H<sub>1c</sub>), the curator's recommendations (H<sub>1d</sub>), and book subscription boxes (H<sub>1e</sub>) have a statistically significant effect in the intention to adopt and are all drivers to join a digital book club.

Conversely, not all hypotheses established for RQ2 were supported with the questionnaire's results. The perception that digital book clubs are a female activity (H<sub>2a</sub>) does not present a barrier for male book consumers, so this hypothesis was rejected. In contrast, there is evidence to support that the dissatisfaction with the club's recommendations (H<sub>2b</sub>), the lack of time to participate in book discussions (H<sub>2c</sub>), the lack of time dedicated to reading (H<sub>2d</sub>), and the lack of awareness about the business and available options in the market (H<sub>2e</sub>) are barriers to join a digital book club, since all four have been indicated by a big number of respondents as reasons for not being customers. However, not knowing any digital book club or not knowing one with satisfying recommendations is only significant for those who want to join a digital book club and not spending enough time reading is only significant for those who are not interested in joining a digital book club.

## **5. Managerial Implications and Limitations**

### **5.1. Managerial Implications**

This dissertation studies the existing drivers and barriers which influence Portuguese book consumers' intention to join digital book clubs. This is useful to help current club owners and future founders understand how to take advantage of drivers and minimize obstacles.

Concerning the drivers to join a digital book club, the most relevant are the desire to be part of a community and the curator's recommendations. It is important to develop the sense of belonging and understand which activities attract customers (Appendix 24). The most selected options were book discussions on social media posts, literary podcast, book giveaways, interviews with authors, and website forum for book discussions. If a digital book club has some of these activities, it is more likely that people will be interested in joining. It is even possible to group two of these activities and interview authors in a podcast, like in Belletrist.

Consumers value recommendations and it is important that the club has a curator, so consumers know exactly who is suggesting the books. Curators should communicate well on social media, make broad recommendations, and show they read many books, as it will make it easier for consumers to trust the recommendations. The participants of the questionnaire also place a lot of importance on positive feedback from other people, so it would be important to encourage customers to share their experience with their friends, family, and followers on social media to spread the word about the business.

To take advantage of the other drivers, the online store should also have a good portfolio of books in terms of quantity and diversity. Consumers resort to digital book clubs because they want to read more and different books, so it is important to not focus on specific genres and introduce people to books they would not know otherwise. However, this should be done cautiously, so people do not think the club only suggests books which are outside of their comfort zone and stop buying.

Subscription boxes are also a relevant driver, although many people still seem suspicious of the concept. Those who already know book subscription boxes from other countries or subscription boxes for other products may be more open to the idea, but the analysis of the WTP shows that current customers are more willing to pay for it than non-customers who want to join a club. Therefore, it is important to offer the option to buy the books of the month as a subscription box or individually to address different types of customers. If a subscription

box is indeed offered, it should include secret gifts and other additional content to have a relative advantage in comparison with competitors and be visually appealing to intensify the experience and the feeling of receiving a present every month, which is something that consumers appreciate. Moreover, it can be valuable to offer the option “Skip this Month”, like the club Book of the Month, but for a limited number of times during the year for when customers have a more difficult month in financial terms or when they go on vacation and cannot receive the order. This option could be chosen three times per year, for example, and it could prevent customers from cancelling the subscription. For those purchasing the books of the month for the first time and would like to try the box but are afraid to subscribe yet, it would be good to give them the option to pay only for the month’s box and subscribe after if they are satisfied. This would improve the offer in terms of trialability, make it easier to understand the relative advantage in comparison with buying individual books, have an accurate perception of the complexity of the product, and possibly increase the WTP among non-subscribers. Concerning the ideal number of books of the month, the suggestion is 2, considering the opinion of the questionnaire respondents.

Regarding the obstacles, the lack of awareness about the business and available options in the market, the dissatisfaction with previous recommendations, the lack of time spent reading, and the unavailability to participate in book discussions were found to be relevant. As mentioned before, it is important to make broad recommendations and not focus on a niche, since it is more probable to attract people when the product assortment is diversified. Relating this barrier with the importance placed on broad recommendations, it would be important to make sure customers are satisfied with the club’s recommendations and ask them to answer surveys occasionally, for example, to measure their satisfaction level. If club owners measure this index, they can have a proactive approach to this problem should it occur, preventing customers from leaving the club due to dissatisfying recommendations.

Furthermore, many people are still unaware this type of bookselling business exists, so they do not even know to look for options, while others have heard about the concept but do not know an actual business. Although these businesses start as small businesses and their financial abilities are not great, it is important to develop a marketing strategy from the beginning to reach more consumers and educate them about how the club works and what it means to be a customer. The other barriers presented by the questionnaire participants show they have an inaccurate perception about digital book clubs, and this is also a result of lack of

awareness. It would be useful to have a section on the website explaining everything in detail, even if it seems obvious for some. The information should also be available on social media (e.g.: Instagram profile's Highlights) and be shared again every time that a relevant number of followers arrives to the account.

Many people are affected by the lack of time to participate in book discussions, so they feel like it does not make sense to become customers because they would not be able to benefit from the whole experience. Therefore, there should exist a discussion format that does not require club members to spend a lot of their time on it, such as comments on social media posts or a written forum. Although online discussions by videoconference are interesting for many people, they also take up a lot more time. It would be ideal to offer different alternatives for members to participate in the most suitable way for them.

Concerning the obstacle of not spending enough time reading and not being able to accompany the club's readings and activities, there is no way to eliminate this obstacle for those not willing to change their lifestyle. However, for those who want to change their habits, the club can develop a marketing strategy focusing on how it can help these people change and acquire regular reading habits.

Customer trust must not be forgotten. Although the great majority of the questionnaire's respondents does not seem to have a problem with online financial transactions, it is still an issue for some. Therefore, it is essential to make customers feel safe when paying through the website and, if possible, display security seals awarded by third parties. It can contribute very much to make customers trust the website and develop a good first impression. Furthermore, if the website is easy to use, it is also a contributing factor to develop trust. Since word-of-mouth is the communication channel with more impact on consumers' actions and it helps build a reputation for the business, it could be valuable to ask customers to write a review about their purchases on the website and assign a rating from 1 to 5 stars. Some reviews could then appear on the first page (like in Forall Phone's website) so the visitors, especially new ones, can read them immediately without having to go looking for the corresponding section on the website.

As for loyalty, customization is key. Despite being difficult to customize the products, the service can be customized. There could be a section on the website with small quizzes that would recommend a book from the shop based on the answers. This could be based on "How

are you feeling today?”, “Who is your favorite character?” (from a set of famous characters), “Which is your favorite drink?”, among others. It would have to be possible to make a connection between the answers and the books sold, such as recommending a book with a character who is always drinking the customer’s favorite drink. Additionally, first-time visitors could have the possibility to answer a more complex questionnaire to better understand their tastes and recommend the top 3 books, for example, that would be compatible. Customization is a driver towards loyalty that should not be disregarded. It is also suggested in the literature review that product assortment can create loyalty and a suggested strategy to improve the product offering is to develop cross-selling by adding other products to the shop which complement books, such as bookmarks, reading lights, and book holders.

## **5.2. Limitations and Future Research**

The present dissertation was faced with some limitations that may influence the results and should be considered when interpreting and applying them.

Firstly, the existing literature about digital book clubs and book clubs in general is very scarce. Although these are not recent trends, they have not been studied in extent. When considering digital book clubs as bookselling businesses, the theoretical background is even more limited. There are more studies concerning subscription e-commerce, but they focus mostly on subscription services or subscription boxes for other products, such as fashion. The most relevant study regarding this thesis’ subject is about children’s book subscription boxes, which is not the focus of the present dissertation. Overall, there is a lack of academic literature on which to support the study.

Due to the current pandemic situation, the in-depth interviews had to be conducted online, which prevented the observation of body language, something that might have been useful. Moreover, problems with Internet connection led to some interruptions and the interviews were not as smooth as they could have been in person.

The sample of the questionnaire is not representative of the population, since there is a big discrepancy between genres and male book consumers are poorly represented. This could be related to the fact that men read less than women and were eliminated from the survey due to their answers confirming this. Moreover, a convenience sample was used, which made it more difficult to get a diversified sample in demographic aspects.

Among the 464 valid respondents of the questionnaire, 119 had never heard about digital book clubs as a bookselling business (Appendix 25). Although an effort was made to describe the business as clearly as possible, the description had to be very summarized, so the respondents would not quit answering. Therefore, these respondents could have gotten a wrong image about the business and what it means to be a customer. Indeed, there are indications of this in some open answers concerning the barriers.

During the months of lockdown in Portugal, book sales decreased 65% in comparison with the same period in 2019 (Marcela, 2020). Although it was expected that the lockdown would increase book sales, Portugal was already one of the European countries where people read less, so the effect was the exact opposite. After the lockdown and until June, the losses were around 30% and the industry has not yet recovered (Marcela, 2020). However, 32.8% of the questionnaire's respondents who are customers of a digital book club confirm they were influenced by the lockdown/quarantine to become customers (Appendix 26). It is evident that the current Covid-19 pandemic influenced the responses to the questionnaire, but it remains unclear if the effect was positive or negative.

In the future, it would be useful to repeat this study, but using a sample that accurately represents the target population. It should be more diversified in terms of age, occupation, highest level of studies, annual income, but especially gender. Moreover, it would also be valuable to conduct the study when the pandemic is no longer affecting consumers' habits, since the book industry was strongly affected in Portugal.

## 6. Main Findings and Conclusions

Book clubs have been a literary trend for a long time, but the concept has evolved over the years, especially when the Internet appeared. It became possible to create completely digital communities, with the traditional book discussions happening online, and to transform them into businesses. It is now possible for digital book clubs' curators to sell their recommendations directly to the club's members, which allows them to be compensated for their suggestions. This type of bookselling business has become very common in countries like the US and UK and it has also arrived in Portugal during the last year. Considering its success abroad and the fact that it is an innovation in Portugal, the goal of the present dissertation was to study Portuguese book consumers' perceptions about the business and the drivers and barriers to become a customer of a digital book club.

Many times, digital book clubs choose to sell the books of the month in a subscription box to make the purchase more convenient to customers. It is also a way for digital book clubs to differentiate their offer from competitors, since these boxes usually include more content such as curator's notes, secret gifts from partner brands, and bookmarks, for example. It is more than a product; it is a literary experience. Consequently, subscription e-commerce was also studied.

The great majority (89.3%) of the questionnaire's respondents buys books online (Appendix 13), which is more than suggested in the literature review. Only 10.7% of the participants state they never do so. Conversely, 38.1% make more than half of their book purchases online. This should be an indication that Portuguese book consumers should not have a problem with the business being completely digital, despite still being important to ensure them it is a safe way to shop.

Concerning the adoption of digital book clubs as a bookselling business by Portuguese book consumers, it is still very low. Although the great majority (74.4%) of the questionnaire's participants were aware the business exists, only 26.9% are customers. This could be an indication that Portuguese consumers place more value on barriers to join a digital book club than they place on drivers, as it is suggested in the literature review regarding the adoption of innovations.

The driver to join a digital book club which most people agree with is curation. When choosing a book to buy or read, suggestions are the most relevant factor, which can explain

why people value having a trusted person recommending books to them every month. The second driver which gathered more agreement is the desire to be part of a community of readers. It was found this is especially important for people who usually read more books during the month, which can indicate these have a stronger desire to share their opinion. The desire to read different books and more books are the third and fourth drivers most agreed with, respectively. Therefore, it is important to include in the club's book picks recommendations from different genres and diversify the product portfolio. Finally, the fifth most relevant driver is the subscription box. Although most respondents prefer to buy the books of the month individually, it still influences some people's intention to adopt, probably because they already know the concept from other countries or subscription boxes for different types of products and identify a relative advantage. As for the WTP for book subscription boxes, it is higher among digital book club customers than non-customers who want to join one, which indicates this last group is not familiar enough with the concept to want to pay for it and must get to know it better.

Regarding the barriers, the most relevant for those who want to become customers is the lack of awareness about the business and available options in the market. Although most of the respondents had heard about the business previously, most of those who are not customers show a lack of knowledge about how it works and what it implies to be a customer. Many participants indicated other barriers for not being a customer and most of them are due to a wrong image people have about the business, such as higher prices and the compulsory requirement to buy books every month or to buy the subscription box. Therefore, it is essential to educate Portuguese book consumers about this new way of selling books to eliminate any prejudice that may exist and drive consumers away. Another relevant barrier for these respondents is the dissatisfaction with the recommendations, since people will not join a digital book club if they are displeased with previous suggestions. This is another reason why it is important to make broad recommendations, so the business will attract people who like different genres and eventually they will be available to try new things. As for non-customers who are not interested in joining a digital book club in the future, the main barrier is the lack of time spent reading since these people would have to change their lifestyle to become members, which is something they are not willing to do. Finally, the unavailability to participate in book discussions is a barrier for both groups of respondents, since they feel they would not be getting the full experience.

This dissertation is expected to present relevant insights for current and future digital book clubs' founders, especially considering the lack of theoretical background on the subject, and to give them an initial perception about Portuguese book consumers' intentions to adopt this innovative way of selling books. However, the limitations concerning the sample used in the questionnaire and the Covid-19 pandemic should not be disregarded and further investigation should be done to develop the results obtained.

## 7. References

- Agência das Letras. (2017). *Este ano escrevo um livro*. Agência das Letras.
- Bischof, S. F., Boettger, T. M., & Rudolph, T. (2020). Curated subscription commerce: A theoretical conceptualization. *Journal of Retailing and Consumer Services*, 54, 101822. <https://doi.org/10.1016/j.jretconser.2019.04.019>
- Burger, P. (2015, August 12). *Women's Groups and the Rise of the Book Club*. JSTOR Daily. <https://daily.jstor.org/feature-book-club/>
- Chen, S., & Chang, T. (2003). A descriptive model of online shopping process: Some empirical results. *International Journal of Service Industry Management*, 14(5), 556–569. <https://doi.org/10.1108/09564230310500228>
- Chen, T., Fenyo, K., Yang, S., & Zhang, J. (2018, February 9). *Thinking inside the subscription box: New research on e-commerce consumers*. McKinsey&Company. <https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/thinking-inside-the-subscription-box-new-research-on-ecommerce-consumers>
- Claudy, M., Garcia, R., & O'Driscoll, A. (2015). Consumer resistance to innovation—A behavioral reasoning perspective. *Journal of the Academy of Marketing Science*, 43(4), 528–544. <https://doi.org/10.1007/s11747-014-0399-0>
- Coelho, P. S., & Henseler, J. (2012). Creating customer loyalty through service customization. *European Journal of Marketing*, 46(3/4), 331–356. <https://doi.org/10.1108/03090561211202503>
- Davis, F. D. (1989). Perceived Usefulness, Perceived Ease of Use, and User Acceptance of Information Technology. *MIS Quarterly*, 13(3), 319–340. <https://doi.org/10.2307/249008>
- Eurostat. (2020, January 30). *E-commerce statistics for individuals*. Eurostat - Statistics Explained. [https://ec.europa.eu/eurostat/statistics-explained/index.php/E-commerce\\_statistics\\_for\\_individuals](https://ec.europa.eu/eurostat/statistics-explained/index.php/E-commerce_statistics_for_individuals)
- George, D., & Mallery, P. (2016). *IBM SPSS statistics 23 step by step: A simple guide and reference*. /z-wcorg/. <http://site.ebrary.com/id/11177168>
- Godes, D., & Mayzlin, D. (2004). Using Online Conversations to Study Word-of-Mouth Communication. *Marketing Science*, 23(4), 545–560. <https://doi.org/10.1287/mksc.1040.0071>
- Harris, J., & Blair, E. A. (2006). Consumer Preference for Product Bundles: The Role of Reduced Search Costs. *Journal of the Academy of Marketing Science*, 34(4), 506–513. <https://doi.org/10.1177/0092070306288405>
- Hoffert, B. (2006). The Book Club Exploded. *Library Journal*, 131(12), 34–37.

- Koo, D. (2006). The fundamental reasons of e-consumers' loyalty to an online store. *Electronic Commerce Research and Applications*, 5(2), 117–130. <https://doi.org/10.1016/j.elerap.2005.10.003>
- Koufaris, M., & Hampton-Sosa, W. (2004). The development of initial trust in an online company by new customers. *Information & Management*, 41(3), 377–397. <https://doi.org/10.1016/j.im.2003.08.004>
- Lehmann, M. (2020). A Box for 'Bad Readers'? Bookish Gifts in Subscription Book Boxes. *Publishing Research Quarterly*, 36(3), 365–377. <https://doi.org/10.1007/s12109-020-09735-z>
- Leitão, L., Amaro, S., Henriques, C., & Fonseca, P. (2018). Do consumers judge a book by its cover? A study of the factors that influence the purchasing of books. *Journal of Retailing and Consumer Services*, 42, 88–97. <https://doi.org/10.1016/j.jretconser.2018.01.015>
- Malhotra, N. K., Nunan, D., & Birks, D. F. (2017). *Marketing research: An applied approach* (5th ed.). Prentice Hall; /z-wcorg/.
- Marcela, A. (2020, September 8). *Quebra de consumo de livros na pandemia faz desaparecer 20 milhões de receita*. Dinheiro Vivo. <https://www.dinheirovivo.pt/empresas/quebra-de-consumo-de-livros-na-pandemia-faz-desaparecer-20-milhoes-de-receita-12895406.html>
- Monsuwé, T. P., Dellaert, B. G. C., & Ruyter, K. (2004). What drives consumers to shop online? A literature review. *International Journal of Service Industry Management*, 15(1), 102–121. <https://doi.org/10.1108/09564230410523358>
- Nicolaou, E. (2020, August 19). *Literati Just Launched Five New Celebrity Book Clubs*. Oprah Magazine. <https://www.oprahmag.com/entertainment/a33623165/literati-celebrity-book-clubs/>
- Noorda, R. (2019). The Element of Surprise: A Study of Children's Book Subscription Boxes in the USA. *Publishing Research Quarterly*, 35(2), 223. <https://doi.org/10.1007/s12109-019-09641-z>
- Norrick-Rühl, C. (2020). *Book Clubs and Book Commerce*. Cambridge University Press; Cambridge Core. <https://doi.org/10.1017/9781108597258>
- Panko, R. (2019, September 30). *Subscription Box Services Statistics 2019: The Most Subscribed-to Brands* | Clutch.co. Clutch. <https://clutch.co/logistics/resources/subscription-box-service-statistics>
- Proença, M. (2019, August 13). *10 caixas de subscrição mensal que vai querer receber em casa*. MAGG. <https://magg.sapo.pt/atualidade/atualidade-internacional/artigos/10-caixas-de-subscricao-mensal-que-vai-querer-receber-em-casa>
- Redacção. (2018, April 24). Qual é o perfil dos leitores em Portugal? *Comunidade Cultura e Arte*. <https://www.comunidadeculturaearte.com/qual-e-o-perfil-dos-leitores-em-portugal/>
- Rogers, E. M. (2003). *Diffusion of innovations* (5.<sup>a</sup> ed.). Free Press.

- Rudolph, T., Bischof, S. F., Böttger, T., & Weiler, N. (2017). Disruption at the Door: A Taxonomy on Subscription Models in Retailing. *Marketing Review St. Gallen*, 5, 18–25.
- Scharber, C. (2009). Online Book Clubs: Bridges Between Old and New Literacies Practices. *Journal of Adolescent & Adult Literacy*, 52(5), 433–437. <https://doi.org/10.1598/JAAL.52.5.7>
- Sedo, D. R. (2003). Readers in Reading Groups: An Online Survey of Face-to-Face and Virtual Book Clubs. *Convergence*, 9(1), 66–90. <https://doi.org/10.1177/135485650300900105>
- Shanthi, R., & Kannaiah, D. (2015). Consumers' perception on online shopping. *Journal of Marketing and Consumer Research*, 13, 14–21.
- Silva, R. D. (2020, May 6). *Cinco caixas de subscrição com livros para todas as idades*. Time Out Lisboa. <https://www.timeout.pt/lisboa/pt/compras/caixas-de-subscricao-com-livros-para-todas-as-idades>
- Stephen, A. T., & Toubia, O. (2010). Deriving Value from Social Commerce Networks. *Journal of Marketing Research*, 47(2), 215–228. <https://doi.org/10.1509/jmkr.47.2.215>
- Swinyard, W. R., & Smith, S. M. (2003). Why People (Don't) Shop Online: A Lifestyle Study of the Internet Consumer. *Psychology & Marketing*, 20(7), 567–597. [10.1002/mar.10087](https://doi.org/10.1002/mar.10087).
- Wasko, M. M., & Faraj, S. (2005). Why should I share? Examining social capital and knowledge contribution in electronic networks of practice. *MIS Quarterly: Management Information Systems*, 29(1), 35–57. <https://doi.org/10.2307/25148667>

## 8. Appendices

### Appendix 1 – Detailed description of the five digital book clubs used as example

| Club Name  | Description  |
|--|--|
| <p>Book of the Month<br/>Founded 1926<br/>From USA</p>     | <p>Each month, 5 new books are chosen, and consumers select their favorite. If they want to receive more than one book, it is possible to order 1 or 2 more, including older picks. They allow consumers to create their own online book clubs and automate monthly purchases for all members, so they can discuss the club's book picks among them, and there is a community on Instagram. There is also an option to skip months without paying.</p>   |
| <p>Belletrist<br/>Founded in 2017<br/>From USA</p>         | <p>The book club is curated by Emma Roberts (actress) and Karah Preiss (producer). Each month there is a new book pick that members can buy on the club's website. There are also multiple stacks in the online bookshop, from categories such as YA, older picks, and recommendations by other famous people, such as Lena Dunham (actress). Members subscribe a newsletter which includes: The Weekly Belletrist quote, Belletrist Brief (favorite authors and influencers share their current reads), and the possibility to win giveaways. The community is mainly built on Instagram, where the curators host live author interviews, share their weekly bookshelves, have takeovers, and share recipes from their cookbooks.</p> |
| <p>Literati<br/>Founded in 2020<br/>From USA</p>           | <p>Literati gives readers the option to choose from 5 book clubs, each one curated by a different celebrity: Malala, Stephen Curry, Susan Orlean, Richard Branson, or Joseph Campbell. Each club has a different genre and purpose, and members choose the one they identify more with, having the possibility to switch later. Subscribers receive a monthly box with 1 book, the curator's notes about it, and then they can discuss it with the curator and other club members on the exclusive app.</p>  |
| <p>Feminist Book Club<br/>Founded in 2018<br/>From USA</p> | <p>Each month, members suggest and vote on the book pick for the next month, so they are not necessarily new releases. Subscribers can choose from 3 different plans: subscription box (1 book, 3-5 gifts from women-owned businesses, pamphlet with introduction about the brand, note from the founder, access to digital channels and live discussion, and possibility to add gifts from the members-only shop), just the book (same content as the previous one except for the gifts), virtual membership (access to online channels and live discussion). There are groups on Slack and Facebook where the members can discuss the books, an online discussion at the end of the month, and a podcast with author interviews.</p> |
| <p>Book Gang<br/>Founded in 2019<br/>From Portugal</p>     | <p>Each month, 2 or 3 books are suggested by the curator Helena Magalhães, an author, and shipped to customers on a themed box that also includes a letter presenting the content, a bookmark for the month, and 2 surprise gifts. The books can be either new releases or older books that went unnoticed. Club members can discuss the books on the website forum and on Instagram. It is also possible to buy book picks from previous months and suggestions the curator adds to the online shop, which are usually older books and therefore not included in the box. The box will only become a monthly subscription in January. Currently, customers must purchase each month.</p>  |

## **Appendix 2 – Email interview with Book Gang’s founder**

1. Do you have to pay the publishers beforehand, to put the books in the online shop, or do you only pay them when you sell the books?
2. Between Book Gang and the publishers, who makes more profit with a book’s sale?
3. If you are not able to sell the books in a specific period of time, do you keep them in shop until you can sell them, or do you return them to the publisher?
4. Why do books always have a 10% discount?
5. What is more profitable: the box or individual books?
6. How did you define the price of the box?
7. What is the profit margin of the box?
8. Are the secret gifts from partner brands offered by the brands or do you have to pay to be able to include them in the box?
9. What is your relationship with these brands?
10. What has been Book Gang’s growth in the last months?
11. How many boxes do you usually sell per month?
12. How many boxes do you need to sell to make a profit?
13. When the box becomes a subscription, are you going to announce the books of the month before the box is shipped to customers or after?

## **Appendix 3 – In-Depth Interview Guidelines**

### **Introduction**

Hello [Name] and thank you in advance for agreeing to be interviewed. I am currently finishing my master’s in strategic marketing at Católica Lisbon SBE and, for the last stage of the master’s, I am developing a dissertation about digital books clubs as a bookselling business. For this, I am interviewing some people to better understand the buying habits in this industry and the perceptions of Portuguese consumers about this type of business. I have some general questions to ask you and to lead the conversation, but feel free to add everything important that you think is missing, and please keep in mind that there are no right or wrong answers. What matters is your opinion and views about the subject.

The interview will last, approximately, 20 minutes.

Would you mind if I recorded the interview, so I can analyze it later? Don’t worry about your answers as they will remain anonymous.

Thank you and let's start!

## **1. General attitudes towards digital book clubs**

1.1. What are your thoughts and opinions about digital book clubs and their purpose?

1.2. Are you a member of a digital book club or were you ever in the past?

1.2.1. Why?

1.2.2. Why not and would you like to join one?

## **2. General attitudes towards the digital book club business**

Currently, with the possibilities offered by the digital, many book clubs are more than just a space to read books alongside other people and discuss them. It is possible to create a business as a way to monetize the curator's recommendations. There is a website associated to these clubs where curators sell their book suggestions and club members can buy the book picks of the month directly from the club, as well as past recommendations or other occasional recommendations that are not included in the monthly readings. Some clubs choose to sell the books of the month in a subscription box, to automate this regular purchase (monthly) and make the process more convenient for the club's members. These boxes may include curator's notes and secret gifts from partner brands to intensify the reading experience. Some activities associated with digital book clubs are video conferences at the end of the month to discuss the readings of that month, discussions on social media posts, live interviews with authors, podcasts, and giveaways.

Would you like me to clarify anything about the business?

### **Questions for members:**

2.1. What is your opinion about this type of business?

2.2. Why did you become a customer of your digital book club?

2.3. Did you start reading more and different books after joining the club?

2.4. Which products do you prefer to buy: individual books or the monthly subscription box? Why?

2.5. Why do you trust the curator's recommendations? Was it one of the reasons why you joined the club?

2.6. Do you feel like you are part of a community by being a member of the club? What advantages has it brought you?

- 2.7. Do you think there are disadvantages or less good aspects of being a member of the club? If yes, which ones?
- 2.8. In your opinion, is there any activity or characteristic missing in your digital book club which could make it more interesting to you?

**Questions for non-members:**

- 2.9. What is your knowledge about this type of business? Had you ever heard about it?
- 2.10. What is your opinion about this type of business?
- 2.11. Would you like to become a customer? Why/why not?
- 2.12. Which products would you prefer to buy: individual books or the monthly subscription box? Why?
- 2.13. Would you feel comfortable buying books based on the curator’s opinion? Why/why not? Which are the required characteristics in the curator to make you trust this person?
- 2.14. How would you describe a customer of this type of business?
- 2.15. In your opinion, which are the most important activities a digital book club must have to attract your interest as a customer?

**Appendix 4 – Demographic data of the interviews’ participants**

|                | Gender | Age | Occupation     | Member? |
|----------------|--------|-----|----------------|---------|
| Participant 1  | Female | 21  | Student        | No      |
| Participant 2  | Female | 22  | Student        | No      |
| Participant 3  | Female | 22  | Student        | Yes     |
| Participant 4  | Male   | 23  | Employed       | Yes     |
| Participant 5  | Female | 22  | Student-worker | No      |
| Participant 6  | Male   | 22  | Student        | No      |
| Participant 7  | Female | 28  | Employed       | Yes     |
| Participant 8  | Female | 37  | Employed       | Yes     |
| Participant 9  | Male   | 22  | Employed       | No      |
| Participant 10 | Male   | 22  | Student        | No      |
| Participant 11 | Female | 26  | Employed       | Yes     |
| Participant 12 | Female | 24  | Employed       | Yes     |

## Appendix 5 – Online questionnaire

### Start of Block: Introduction

Q1 Dear Participant,

Thank you for your time and availability to answer this survey.

This questionnaire was developed for my master thesis and the goal is to study Portuguese book consumers perceptions concerning digital book clubs as a bookselling business. The questionnaire takes, approximately, 6 minutes to complete.

There are no right or wrong answers, and your answers will remain confidential. This way, I ask you to give an honest answer to all the questions.

If you have any questions or feedback about the study, please contact me at:

152119098@alunos.lisboa.ucp.pt.

Thank you very much,

Rita

### End of Block: Introduction

---

### Start of Block: Screening questions

Q2 Is your nationality Portuguese?

Yes (1)

No (2)

*Skip To: Q4 If Q2 = Yes*

---

Q3 Do you speak Portuguese?

Yes (1)

No (2)

*Skip To: End of Survey If Q3 = No*

---

Q4 Do you shop online **and** use social media? (You should only select "Yes" if both conditions apply.)

- Yes (28)
- No (29)

End of Block: Screening questions

---

Start of Block: Book buying habits

Q5 How frequently, approximately, do you buy books?

- Never (1)
- 2 or less times per year (2)
- 3 to 6 times per year (3)
- More than 6 per year and less than once a month (4)
- Once a month (5)
- 2 or more times per month (6)

*Skip To: End of Survey If Q5 = Never*

---

Q6 When you buy books, how many of those purchases are online?

- None (1)
- Less than half (2)
- Half (3)
- More than half (4)
- All of them (5)

Q7 How many books do you usually read on a normal month?

- 1 (1)
- 2 (2)
- 3 (3)
- More than 3 (4)
- It takes me more than a month to read 1 book (5)
- I never read books (6)

*Skip To: End of Survey If Q7 = I never read books*

---



Q8 From the following factors, which are the 3 main ones which usually influence your purchase/reading of books?

- Price (1)
- Cover (2)
- Author (3)
- Publisher (4)
- Title (5)
- Synopsis (6)
- Recommendations (7)
- Genre (8)
- Prizes/Awards (9)
- Store display (10)

End of Block: Book buying habits

---

Start of Block: Digital book clubs

Q9

Traditional book clubs appeared centuries ago. In these reading groups, there is normally a predominant genre and every month one or more books are chosen to be read by the club's members during that month. At the end of the month, the members get together to discuss the book(s). Currently, with the possibilities offered by the digital, digital book clubs have appeared. The concept remains the same, but the debates about the books are now online and there is a lot of activity on social media (e.g.: live interviews with authors, giveaways, podcasts) and a curator is normally responsible for the suggestions.

Q10 Did you already know the concept of "digital book club"?

- Yes (1)
- No (2)

*Skip To: Q12 If Q10 = No*

---

Q11 Currently, are you a member of a Portuguese digital book club, this is, do you follow the club's recommendations **and** share your opinions with other members?

- Yes (1)
- No (2)

Q12 In your opinion, are digital book clubs more adequate for women than men?

- Yes (1)
- No (2)

End of Block: Digital book clubs

---

Start of Block: Digital book clubs as a bookselling business

Q13

Currently, many digital book clubs are more than just a space to share readings in a community. Sometimes, curators create a bookselling business associated to the club as a way to monetize their recommendations. The clubs have an associated website where curators sell the recommended books, and members can buy the books of month directly from the club, having the possibility to buy past recommendations or other occasional recommendations as well. Some clubs choose to sell the book(s) of the month in a subscription box, as a way to automate this regular purchase. These boxes sometimes include curator's notes, bookmarks and secret gifts from partner brands which intensify the reading experience. As an alternative to the subscription box, the books are sold individually, and customers can buy the quantity they want whenever they want.

Q14 Had you ever heard about the concept of digital book clubs as a bookselling business before?

- Yes (1)
  - No (2)
- 

Q15 Which of the following situations do you identify more with?

- I am a customer of a digital book club. (1)
- I am not a customer of a digital book club, but I would like to become one. (2)
- I am not a customer of a digital book club and I am not interested in becoming one. (3)

*Skip To: Q23 If Q15 = I am not a customer of a digital book club and I am not interested in becoming one.*

Q16 Please indicate your level of agreement with the following statements:

|  | Strongly disagree<br>(8) | Disagree<br>(9)       | Somewhat disagree<br>(10) | Neither agree nor disagree<br>(11) | Somewhat agree<br>(12) | Agree<br>(13)         | Strongly agree<br>(14) |
|--|--------------------------|-----------------------|---------------------------|------------------------------------|------------------------|-----------------------|------------------------|
| I would like join/I joined a digital book club to start reading more books. (1)  | <input type="radio"/>    | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/>              | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/>  |
| I would like join/I joined a digital book club to start reading different books from those I usually read. (2)             | <input type="radio"/>    | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/>              | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/>  |
| I would like to join/I joined a digital book club to be part of a community of readers with whom I could debate books. (3) | <input type="radio"/>    | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/>              | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/>  |
| I would like to join/I joined a digital book club because of the curator's recommendations. (4)                            | <input type="radio"/>    | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/>              | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/>  |
| I would like to join/I joined a digital book club to subscribe a monthly book box. (5)                                     | <input type="radio"/>    | <input type="radio"/> | <input type="radio"/>     | <input type="radio"/>              | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/>  |

*Display This Question:*

*If Q15 = I am a customer of a digital book club.*



Q17 Please indicate your level of agreement with the following statement:

|  | Strongly disagree<br>(1) | Disagree<br>(2)       | Slightly disagree<br>(3) | Neutral<br>(4)        | Slightly agree<br>(5) | Agree<br>(6)          | Strongly agree<br>(7) |
|--|--------------------------|-----------------------|--------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| I joined a digital book club because of the quarantine/lockdown due to the pandemic. (5) | <input type="radio"/>    | <input type="radio"/> | <input type="radio"/>    | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Q18 Please indicate your level of agreement with the following statements:

|   | Strongly agree (8)    | Agree (9)             | Somewhat agree (10)   | Neither agree nor disagree (11) | Somewhat disagree (12) | Disagree (13)         | Strongly disagree (14) |
|---|-----------------------|-----------------------|-----------------------|---------------------------------|------------------------|-----------------------|------------------------|
| To trust the curator of my digital book club, he/she must be an expert in the area (e.g.: writer, journalist, critic, editor, teacher, etc.). (1) | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>           | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/>  |
| To trust the curator of my digital book club, he/she must read a lot of books (2)   | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>           | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/>  |
| To trust the curator of my digital book club, he/she must give broad recommendations. (3)   | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>           | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/>  |
| To trust the curator of my digital book club, I need to read positive feedback about his/her recommendations. (4)                                 | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>           | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/>  |
| To trust the curator of my digital book club, I need to identify with his/her personality. (5)  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>           | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/>  |
| To trust the curator of my digital book club, he/she must communicate well on social media.   | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>           | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/>  |

Q19 In your opinion, which is the ideal number of books of the month?

- 1 (1)
- 2 (2)
- 3 (3)
- More than 3 (4)

Q20 How do you prefer/would you prefer to buy the books of the month?

- Individual books (1)
- Subscription box (2)

*Skip To: Q22 If Q20 = Individual books*



Q21 How much are you willing to pay, in euros, for a monthly subscription box with the ideal number of books you mentioned previously? (Please answer only with the intended value without including the monetary symbol)

\_\_\_\_\_

Q22 In your opinion, which activities are essential in a digital book club to attract you as a customer?

- Discussions on social media posts (1)
- Online debates, by video conference, at the end of every month to discuss the month's readings (2)
- Video interviews with authors (3)
- Online sessions with authors (4)
- In person meetings with the community members (5)
- Literary podcast (6)
- Giveaways (7)
- Written forum on the website (8)
- Other. Which one? (9) \_\_\_\_\_

*Display This Question:*

*If Q15 = I am a customer of a digital book club. Is Not Selected*

Q23 Why aren't you a customer of a digital book club? (Please note that being a customer only implies buying books from the club. All other activities are optional.)

- I am a man and I think it is an activity for women. (1)
- I don't know any digital book club with satisfying recommendations for me. (2)
- I wouldn't have time to participate in book discussions and, this way, I don't think it makes sense to buy from the club. (3)
- I don't know any digital book club business. (4)
- I don't spend enough time reading, so I wouldn't be able to keep up with the club's readings. (7)
- Other. Which one? (6) \_\_\_\_\_

End of Block: Digital book clubs as a bookselling business

---

Start of Block: Demographic Data

Q24 What is your gender?

- Female (1)
- Male (2)
- Other (3)
- I prefer not to say. (4)

Q25 To which of the following age groups do you belong?

- Less than 18 (1)
- 18 - 24 (2)
- 25 - 34 (3)
- 35 - 44 (4)
- 45 - 54 (5)
- 55 - 64 (6)
- 65 or older (7)

Q26 Which is your current occupation?

- Student (1)
- Student-worker (2)
- Employed (3)
- Unemployed (4)
- Retired (5)
- Disabled (6)

Q27 Which is the highest level of education you have completed?

- Less than high school (1)
  - High school (2)
  - Professional degree (3)
  - Bachelor's degree (4)
  - Post-graduation (5)
  - Masters' degree, MBA, or equivalent (6)
  - Doctoral degree or equivalent (7)
- 

Q28 What is your gross annual income/allowance?

- Less than 10,000€ (1)
- 10,000€ to 19,999€ (2)
- 20,000€ to 29,999€ (3)
- 30,000€ to 39,999€ (4)
- 40,000€ to 49,999€ (5)
- 50,000€ to 59,999€ (6)
- 60,000€ to 69,999€ (7)
- 70,000€ to 79,999€ (8)
- 80,000€ to 89,999€ (9)
- 90,000€ to 99,999€ (10)
- 100,000€ or more (11)

End of Block: Demographic Data

**Appendix 6 – Screening questions: Q2, Q3, and Q4**

**Do you have Portuguese nationality?**

|       |       | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------|-----------|---------|---------------|--------------------|
| Valid | Yes   | 523       | 98.3    | 98.3          | 98.3               |
|       | No    | 9         | 1.7     | 1.7           | 100                |
|       | Total | 532       | 100     | 100           |                    |

**Do you speak Portuguese?**

|         |        | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|--------|-----------|---------|---------------|--------------------|
| Valid   | Yes    | 7         | 1.3     | 77.8          | 77.8               |
|         | No     | 2         | 0.4     | 22.2          | 100                |
|         | Total  | 9         | 1.7     | 100           |                    |
| Missing | System | 523       | 98.3    |               |                    |
| Total   |        | 532       | 100     |               |                    |

**Do you shop online and use social media?**

|         |        | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|--------|-----------|---------|---------------|--------------------|
| Valid   | Yes    | 498       | 93.6    | 94            | 94                 |
|         | No     | 32        | 6       | 6             | 100                |
|         | Total  | 530       | 99.6    | 100           |                    |
| Missing | System | 2         | 0.4     |               |                    |
| Total   |        | 532       | 100     |               |                    |

**Appendix 7 – Demographic question about gender: Q24**

**What is your gender?**

|         |        | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|--------|-----------|---------|---------------|--------------------|
| Valid   | Female | 411       | 77.3    | 88.6          | 88.6               |
|         | Male   | 53        | 10      | 11.4          | 100                |
|         | Total  | 464       | 87.2    | 100           |                    |
| Missing | System | 68        | 12.8    |               |                    |
| Total   |        | 532       | 100     |               |                    |

**Appendix 8 – Demographic question about age: Q25**

**To which age group do you belong?**

|         |              | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|--------------|-----------|---------|---------------|--------------------|
| Valid   | Less than 18 | 14        | 2.6     | 3             | 3                  |
|         | 18 to 24     | 188       | 35.3    | 40.5          | 43.5               |
|         | 25 to 34     | 156       | 29.3    | 33.6          | 77.2               |
|         | 35 to 44     | 66        | 12.4    | 14.2          | 91.4               |
|         | 45 to 54     | 26        | 4.9     | 5.6           | 97                 |
|         | 55 to 64     | 14        | 2.6     | 3             | 100                |
|         | Total        | 464       | 87.2    | 100           |                    |
| Missing | System       | 68        | 12.8    |               |                    |
|         | Total        | 532       | 100     |               |                    |

**Appendix 9 – Demographic question about occupation: Q26**

**Which is your current occupation?**

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Student        | 118       | 22.2    | 25.4          | 25.4               |
|         | Student-worker | 80        | 15      | 17.2          | 42.7               |
|         | Employed       | 243       | 45.7    | 52.4          | 95                 |
|         | Unemployed     | 22        | 4.1     | 4.7           | 99.8               |
|         | Retired        | 1         | 0.2     | 0.2           | 100                |
|         | Total          | 464       | 87.2    | 100           |                    |
| Missing | System         | 68        | 12.8    |               |                    |
|         | Total          | 532       | 100     |               |                    |

**Appendix 10 – Demographic question about level of education: Q27**

**Which is the highest level of education you have completed?**

|         |                       | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-----------------------|-----------|---------|---------------|--------------------|
| Valid   | Less than high school | 11        | 2.1     | 2.4           | 2.4                |
|         | High school           | 84        | 15.8    | 18.1          | 20.5               |
|         | Professional degree   | 15        | 2.8     | 3.2           | 23.7               |
|         | Bachelor's degree     | 211       | 39.7    | 45.5          | 69.2               |
|         | Post-Graduation       | 45        | 8.5     | 9.7           | 78.9               |
|         | Master's degree       | 95        | 17.9    | 20.5          | 99.4               |
|         | Doctoral degree       | 3         | 0.6     | 0.6           | 100                |
|         | Total                 | 464       | 87.2    | 100           |                    |
| Missing | System                | 68        | 12.8    |               |                    |
|         | Total                 | 532       | 100     |               |                    |

## Appendix 11 – Demographic question about gross annual income: Q28

### How much is your gross annual income/allowance?

|         |                    | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|--------------------|-----------|---------|---------------|--------------------|
| Valid   | Less than 10.000€  | 216       | 40.6    | 46.6          | 46.6               |
|         | 10.000€ to 19,999€ | 157       | 29.5    | 33.8          | 80.4               |
|         | 20.000€ to 29,999€ | 45        | 8.5     | 9.7           | 90.1               |
|         | 30.000€ to 39,999€ | 21        | 3.9     | 4.5           | 94.6               |
|         | 40.000€ to 49,999€ | 12        | 2.3     | 2.6           | 97.2               |
|         | 50.000€ to 59,999€ | 5         | 0.9     | 1.1           | 98.3               |
|         | 60.000€ to 69,999€ | 2         | 0.4     | 0.4           | 98.7               |
|         | 70.000€ to 79,999€ | 1         | 0.2     | 0.2           | 98.9               |
|         | 80.000€ to 89,999€ | 1         | 0.2     | 0.2           | 99.1               |
|         | 100.000€ or more   | 4         | 0.8     | 0.9           | 100                |
| Total   |                    | 464       | 87.2    | 100           |                    |
| Missing | System             | 68        | 12.8    |               |                    |
|         | Total              | 532       | 100     |               |                    |

## Appendix 12 – Adoption of digital book clubs: Q15

### Which of the following situations do you identify more with?

|         |  | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|--|-----------|---------|---------------|--------------------|
| Valid   | I am a customer of a digital book club   | 125       | 23.5    | 26.9          | 26.9               |
|         | I am not a customer of a digital book club, but I would like to become one         | 273       | 51.3    | 58.8          | 85.8               |
|         | I am not a customer of a digital book club and I am not interested in becoming one | 66        | 12.4    | 14.2          | 100                |
|         | Total  | 464       | 87.2    | 100           |                    |
| Missing | System   | 68        | 12.8    |               |                    |
|         | Total  | 532       | 100     |               |                    |

## Appendix 13 – Online shopping habits: Q6

### When you buy books, how many of those purchases are online?

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | None           | 51        | 9.6     | 10.7          | 10.7               |
|         | Less than half | 81        | 15.2    | 17.1          | 27.8               |
|         | Half           | 96        | 18      | 20.2          | 48                 |
|         | More than half | 181       | 34      | 38.1          | 86.1               |
|         | All of them    | 66        | 12.4    | 13.9          | 100                |
| Total   |                | 475       | 89.3    | 100           |                    |
| Missing | System         | 57        | 10.7    |               |                    |
|         | Total          | 532       | 100     |               |                    |

## Appendix 14 – Binary Logistic Regression to study the drivers of adoption

### Omnibus Tests of Model Coefficients

|        |       | Chi-square | df | Sig.  |
|--------|-------|------------|----|-------|
| Step 1 | Step  | 86.801     | 5  | 0.000 |
|        | Block | 86.801     | 5  | 0.000 |
|        | Model | 86.801     | 5  | 0.000 |

### Model Summary

| Step | -2 Log likelihood    | Cox & Snell R Square | Nagelkerke R Square |
|------|----------------------|----------------------|---------------------|
| 1    | 408.564 <sup>a</sup> | 0.196                | 0.275               |

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

### Hosmer and Lemeshow Test

| Step | Chi-square | df | Sig.  |
|------|------------|----|-------|
| 1    | 11.173     | 8  | 0.192 |

### Classification Table<sup>a</sup>

| Observed |  | Predicted  |   |                    |
|----------|--|--|---|--------------------|
|          |  | Which of the following situations do you identify more with? |   | Percentage Correct |
|          |  | I am a customer of a digital book club.                      | I am not a customer of a digital book club, but I would like to become one. |                    |
| Step 1   | Which of the following situations do you identify more with? | 55   | 70  | 44                 |
|          | Overall Percentage   | 24   | 249   | 91.2               |
|          |  |  |   | 76.4               |

a. The cut value is .500

## Appendix 15 – Frequencies for H<sub>1a</sub>: Q16\_1

### I would like to join/I joined a digital book club to start reading more books.

|         |                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-------------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly disagree | 19        | 3.6     | 4.8           | 4.8                |
|         | Disagree          | 35        | 6.6     | 8.8           | 13.6               |
|         | Slightly disagree | 19        | 3.6     | 4.8           | 18.3               |
|         | Neutral           | 60        | 11.3    | 15.1          | 33.4               |
|         | Slightly agree    | 79        | 14.8    | 19.8          | 53.3               |
|         | Agree             | 123       | 23.1    | 30.9          | 84.2               |
|         | Strongly agree    | 63        | 11.8    | 15.8          | 100                |
| Missing | Total             | 398       | 74.8    | 100           |                    |
|         | System            | 134       | 25.2    |               |                    |
|         | Total             | 532       | 100     |               |                    |

**Appendix 16 – Frequencies for H<sub>1b</sub>: Q16\_2**

**I would like to join/I joined a digital book club to start reading books different from those I usually read.**

|         |                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-------------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly disagree | 5         | 0.9     | 1.3           | 1.3                |
|         | Disagree          | 24        | 4.5     | 6             | 7.3                |
|         | Slightly disagree | 27        | 5.1     | 6.8           | 14.1               |
|         | Neutral           | 56        | 10.5    | 14.1          | 28.1               |
|         | Slightly agree    | 98        | 18.4    | 24.6          | 52.8               |
|         | Agree             | 133       | 25      | 33.4          | 86.2               |
|         | Strongly agree    | 55        | 10.3    | 13.8          | 100                |
|         | Total             | 398       | 74.8    | 100           |                    |
| Missing | System            | 134       | 25.2    |               |                    |
|         | Total             | 532       | 100     |               |                    |

**Appendix 17 – Frequencies for H<sub>1c</sub>: Q16\_3**

**I would like to join/I joined a digital book club to be part of a community of readers with whom I could debate books.**

|         |                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-------------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly disagree | 8         | 1.5     | 2             | 2                  |
|         | Disagree          | 16        | 3       | 4             | 6                  |
|         | Slightly disagree | 18        | 3.4     | 4.5           | 10.6               |
|         | Neutral           | 48        | 9       | 12.1          | 22.6               |
|         | Slightly agree    | 100       | 18.8    | 25.1          | 47.7               |
|         | Agree             | 126       | 23.7    | 31.7          | 79.4               |
|         | Strongly agree    | 82        | 15.4    | 20.6          | 100                |
|         | Total             | 398       | 74.8    | 100           |                    |
| Missing | System            | 134       | 25.2    |               |                    |
|         | Total             | 532       | 100     |               |                    |

**Appendix 18 – ANOVA to study the relationship between Q16\_3 and Q7**

**Descriptives**

**I would like to join/I joined a digital book club to be part of a community of readers with whom I could debate books.**

|  | 95% Confidence Interval for Mean |      |                |            |             |             |         |         |
|--|----------------------------------|------|----------------|------------|-------------|-------------|---------|---------|
|  | N                                | Mean | Std. Deviation | Std. Error | Lower Bound | Upper Bound | Minimum | Maximum |
| 1  | 82                               | 4.87 | 1.585          | 0.175      | 4.52        | 5.21        | 1       | 7       |
| 2  | 93                               | 5.35 | 1.204          | 0.125      | 5.11        | 5.60        | 1       | 7       |
| 3  | 74                               | 5.65 | 1.494          | 0.174      | 5.3         | 5.99        | 1       | 7       |
| More than 3                                  | 84                               | 5.68 | 1.381          | 0.151      | 5.38        | 5.98        | 1       | 7       |
| It takes me more than a month to read 1 book | 65                               | 4.98 | 1.281          | 0.159      | 4.67        | 5.30        | 2       | 7       |
| Total  | 398                              | 5.32 | 1.425          | 0.071      | 5.18        | 5.46        | 1       | 7       |

### Test of Homogeneity of Variances

| I would like to join/I joined a digital book club to be part of a community of readers with whom I could debate books. | Levene Statistic                     | df1   | df2 | Sig.    |       |
|--|--------------------------------------|-------|-----|---------|-------|
|  | Based on Mean                        | 1.538 | 4   | 393     | 0.190 |
|  | Based on Median                      | 0.809 | 4   | 393     | 0.520 |
|  | Based on Median and with adjusted df | 0.809 | 4   | 384.074 | 0.520 |
|  | Based on trimmed mean                | 1.042 | 4   | 393     | 0.385 |

### ANOVA

I would like to join/I joined a digital book club to be part of a community of readers with whom I could debate books.

|                | Sum of Squares | df  | Mean Square | F     | Sig.  |
|----------------|----------------|-----|-------------|-------|-------|
| Between Groups | 43.125         | 4   | 10.781      | 5.553 | 0.000 |
| Within Groups  | 762.986        | 393 | 1.941       |       |       |
| Total          | 806.111        | 397 |             |       |       |

### Robust Tests of Equality of Means

I would like to join/I joined a digital book club to be part of a community of readers with whom I could debate books.

|                | Statistic <sup>a</sup> | df1 | df2     | Sig.  |
|----------------|------------------------|-----|---------|-------|
| Welch          | 5.074                  | 4   | 190.851 | 0.001 |
| Brown-Forsythe | 5.53                   | 4   | 369.875 | 0.000 |

a. Asymptotically F distributed.

### Appendix 19 – Frequencies for H<sub>1a</sub>: Q16\_4

I would like to join/I joined a digital book club because of the curator's recommendations.

|         |                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-------------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly disagree | 8         | 1.5     | 2             | 2                  |
|         | Disagree          | 17        | 3.2     | 4.3           | 6.3                |
|         | Slightly disagree | 21        | 3.9     | 5.3           | 11.6               |
|         | Neutral           | 45        | 8.5     | 11.3          | 22.9               |
|         | Slightly agree    | 67        | 12.6    | 16.8          | 39.7               |
|         | Agree             | 144       | 27.1    | 36.2          | 75.9               |
|         | Strongly agree    | 96        | 18      | 24.1          | 100                |
|         | Total             | 398       | 74.8    | 100           |                    |
| Missing | System            | 134       | 25.2    |               |                    |
|         | Total             | 532       | 100     |               |                    |

## Appendix 20 – Factors which affect the purchase/reading of books: Q8

### 3 Main factors Frequencies

|  |                    | Responses |         | Percent of Cases |
|--|--------------------|-----------|---------|------------------|
|  |                    | N         | Percent |                  |
| 3 Main factors which affect the book purchase/choice | Price              | 194       | 13.9%   | 41.8%            |
|  | Cover              | 86        | 6.2%    | 18.5%            |
|  | Author             | 199       | 14.3%   | 42.9%            |
|  | Publisher          | 13        | 0.9%    | 2.8%             |
|  | Title              | 66        | 4.7%    | 14.2%            |
|  | Synopsis           | 288       | 20.7%   | 62.1%            |
|  | Recommendations    | 306       | 22.0%   | 65.9%            |
|  | Genre              | 207       | 14.9%   | 44.6%            |
|  | Awards/prizes      | 28        | 2.0%    | 6.0%             |
|  | Store presentation | 5         | 0.4%    | 1.1%             |
|  | Total              | 1392      | 100.0%  | 300.0%           |

a. Dichotomy group tabulated at value 1.

## Appendix 21 – Characteristics that make people trust curator: Q18

### Statistics (To trust the club's curator...)

|      |         | He/she must be an expert (e.g.: writer, journalist, critic, editor, professor, etc.) | He/she must read a lot of books | He/she must make broad recommendations | I need to read positive feedback about the recommendations | I need to identify with his/her personality | He/she must communicate well on social media |
|------|---------|--|---------------------------------|--|--|---|--|
| N    | Valid   | 398  | 398                             | 398                                    | 398  | 398   | 398  |
|      | Missing | 134  | 134                             | 134                                    | 134  | 134   | 134  |
| Mean |         | 3.9  | 5.05                            | 5.41                                   | 5.24   | 4.85  | 5.54   |
| Mode |         | 6  | 6                               | 6                                      | 6  | 6   | 6  |

## Appendix 22 – Frequencies for H1e: Q16\_5

### I would like to join/I joined a digital book club to subscribe a monthly book box.

|         |                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-------------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly disagree | 26        | 4.9     | 6.5           | 6.5                |
|         | Disagree          | 70        | 13.2    | 17.6          | 24.1               |
|         | Slightly disagree | 41        | 7.7     | 10.3          | 34.4               |
|         | Neutral           | 68        | 12.8    | 17.1          | 51.5               |
|         | Slightly agree    | 81        | 15.2    | 20.4          | 71.9               |
|         | Agree             | 80        | 15      | 20.1          | 92                 |
|         | Strongly agree    | 32        | 6       | 8             | 100                |
|         | Total             | 398       | 74.8    | 100           |                    |
| Missing | System            | 134       | 25.2    |               |                    |
|         | Total             | 532       | 100     |               |                    |

### Appendix 23 – Perception that digital book clubs are a female activity

**In your opinion, are digital book clubs more adequate for women than men? \* What is your gender? Crosstabulation**

|   |       |                               | What is your gender? |        |        |
|---|-------|-------------------------------|----------------------|--------|--------|
|   |       |                               | Female               | Male   | Total  |
| In your opinion, are digital book clubs more adequate for women than men? | Yes   | Count                         | 87                   | 7      | 94     |
|   |       | % within What is your gender? | 21.2%                | 13.2%  | 20.3%  |
|   | No    | Count                         | 324                  | 46     | 370    |
|   |       | % within What is your gender? | 78.8%                | 86.8%  | 79.7%  |
|   | Total | Count                         | 411                  | 53     | 464    |
|   |       | % within What is your gender? | 100.0%               | 100.0% | 100.0% |

### Appendix 24 – Essential activities in a digital book club: Q22

**Activities that are essential in a digital book club Frequencies**

|  |  | Responses |         |                  |
|--|--|-----------|---------|------------------|
|  |  | N         | Percent | Percent of Cases |
| Essential activities in a book club <sup>a</sup> | Book discussions on social media posts                               | 272       | 21.6%   | 68.3%            |
|  | Online book discussions by video conference at the end of each month | 126       | 10.0%   | 31.7%            |
|  | Interviews with authors  | 154       | 12.2%   | 38.7%            |
|  | Online talks with authors by video conference                        | 80        | 6.3%    | 20.1%            |
|  | In person meetings with the club members and curator                 | 84        | 6.7%    | 21.1%            |
|  | Literary podcast   | 212       | 16.8%   | 53.3%            |
|  | Giveaways  | 184       | 14.6%   | 46.2%            |
|  | Website forum  | 143       | 11.3%   | 35.9%            |
|  | Other. Which one?  | 7         | 0.6%    | 1.8%             |
|  | Total  | 1262      | 100.0%  | 317.1%           |

a. Dichotomy group tabulated at value 1.

**Appendix 25 – Awareness about digital book clubs as a bookselling business**

**Had you ever heard about the concept of digital book clubs as a bookselling business before?**

|                |               | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------|---------------|-----------|---------|---------------|--------------------|
| <b>Valid</b>   | <b>Yes</b>    | 345       | 64.8    | 74.4          | 74.4               |
|                | <b>No</b>     | 119       | 22.4    | 25.6          | 100                |
|                | <b>Total</b>  | 464       | 87.2    | 100           |                    |
| <b>Missing</b> | <b>System</b> | 68        | 12.8    |               |                    |
|                | <b>Total</b>  | 532       | 100     |               |                    |

**Appendix 26 – Influence of Covid-19 on the adoption of digital book clubs**

**I joined a digital book club because of the quarantine/lockdown due to the pandemic.**

|                |                          | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------|--------------------------|-----------|---------|---------------|--------------------|
| <b>Valid</b>   | <b>Strongly disagree</b> | 33        | 6.2     | 26.4          | 26.4               |
|                | <b>Disagree</b>          | 33        | 6.2     | 26.4          | 52.8               |
|                | <b>Slightly disagree</b> | 8         | 1.5     | 6.4           | 59.2               |
|                | <b>Neutral</b>           | 10        | 1.9     | 8.0           | 67.2               |
|                | <b>Slightly agree</b>    | 27        | 5.1     | 21.6          | 88.8               |
|                | <b>Agree</b>             | 7         | 1.3     | 5.6           | 94.4               |
|                | <b>Strongly agree</b>    | 7         | 1.3     | 5.6           | 100                |
|                | <b>Total</b>             | 125       | 23.5    | 100           |                    |
| <b>Missing</b> | <b>System</b>            | 407       | 76.5    |               |                    |
|                | <b>Total</b>             | 532       | 100     |               |                    |