

# **Different Types of Quality Signals: Awards in the book and movie industry**

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## **Abstract:**

This paper analyzes the role of awards as quality signals in the book and movie industry. Drawing on earlier research on movie awards and introducing a novel dataset of book awards it examines the level of consensus between expert juries (as measured by awards and nominations), active consumption (as measured by consumer ratings), passive consumption (as measured by sales) and long-term consecration (as measured by inclusion in anthologies) in the book industry of the United States, France and the Netherlands/Flanders and the American movie industry. It finds that there is virtually no overlap in the books that receive recognition by different expert juries, in stark contrast to similar research in the movie industry. Only in the U.S. we find some evidence of a consensus between expert book juries, active and passive consumption and long-term consecration. From this comparison we draw theoretical implications, drawing on the theory of economic coordination regimes by Karpik, about the different meaning of awards as signals of quality. In particular we argue that when authenticity is important, we should not expect quality signals to converge, but when authenticity is less important, quality signals should be expected to converge more.

**Keywords:** book industry, awards, economic coordination regimes, segmented markets, signaling

# **Different Types of Quality Signals: Awards in the book and movie industry**

## **1. Introduction**

Awards are attracting attention from a variety of scholars in sociology, economics and the humanities more broadly. They are studied as signifiers of cultural value (English 2005; Schmutz 2005), and as signals of quality in a market dominated by quality uncertainty (Ginsburgh 2003a; Frey and Gallus 2015; Gemser, Leenders, and Wijnberg 2008; Ackerberg 2003; Peltoniemi 2015). A number of studies have analyzed the effect that awards have on the success of products in markets, especially in the film market (Ponzo and Scoppa 2015; Zhuang et al. 2013; Nelson et al. 2001). And there is a gradual development of the role of awards in a broader economics of attention (English 2005; Dekker and Popik 2014; Frey and Gallus 2015; Muniesa and Helgesson 2013). What unites these studies is the emphasis on interrelations between commercial success, cultural or expert validation, valorization and ultimately consecration. As such they take what has recently been dubbed a pragmatic approach to valuation (Antal, Hutter, and Stark 2015).

These studies also highlight that various stakeholders engage in valuation ranging from consumption to the production of ratings and more formal recognition such as awards. Both within the process of overcoming uncertainty in the consumption of cultural goods and within the process of cultural valorization and consecration we expect it to be important that there is some congruence in the valuation of experts and other stakeholders (even when such evaluations are based on heterogeneous individual standards). Such congruence might furthermore be expected since award juries typically claim to be looking

for similar ‘characteristics’ of cultural goods such as ‘excellence’, ‘achievement’ or ‘merit’. Contagion between different juries, or between juries and consumers leads us also to expect some degree of consensus on quality to emerge (Pardoe and Simonton 2008).

Seen from a cultural-economic perspective, however, there are obvious reasons to expect some level of disagreement between award juries and other audiences as well. Different audiences value different aspects of cultural goods, and they use different criteria. Some standards are close or identical with market success, while some are closer to purely artistic criteria drawn from intellectual and artistic traditions, yet others look to the social or societal impact a good has had (Klamer 2001). Such different values might match different types of coordination regimes, or ways in which quality is established for different goods (Karpik 2010). Furthermore in an attention economy, in which attention is scarce, a simple agreement between different juries will not attract much additional attention, so there is an incentive for juries to diverge, at least to some extent, from rival juries (Dekker and Popik 2014). This point is vividly made by James English who argues that literary award ceremonies are at least partly aimed at “delivering annual scandals” (English 2005, 114). Moreover award juries are not infrequently established as a counterweight to the perceived dominance of one particular prize. In a similar fashion one might expect a certain divergence between different types of audiences looking to ‘distinguish’ themselves from other groups and perceived experts (Bourdieu 1984).

This paper studies the level of consensus in the book industry of the United States, France and the Dutch market consisting of the Netherlands and Flanders. This industry has been generally understudied within cultural economics (Blaug 2001; Towse 2010). It demonstrates that by all available measure the level of consensus between expert juries, as

well as that between expert juries and books included in relevant anthologies is low. This is in stark contrast with earlier research which points to more consensus, although that research is focused on the movie industry (Simonton 2011; Dekker and Popik 2014; Wanderer 2015). We furthermore demonstrate that there is virtually no overlap between commercially successful books and award-winning books, which suggests that the book market is best thought of as a segmented market where awards are only targeted at a (relatively) small subset of consumers. These results shed further light on the different types of economic organization of the book industry in different countries (Weber 2000).

The discussion section is mostly devoted to explaining the differences between the levels of consensus between juries in the movie and the book industry. It is suggested that book awards and movie awards might give different types of quality signals, even though they are similar in appearance. Using the notion of different economic coordination regimes as developed by Lucien Karpik (Karpik 2010), we argue that the book awards are best thought of as sending quality signals about the authenticity and originality of the work, while movie awards are best thought of as signals indicating a more uniform notion of excellence for films.

## **2. Theoretical Framework**

Measuring congruence or ultimately consensus between juries and other stakeholders is no straightforward task. It requires us to conceptualize what we mean by consensus more precisely than we typically do. Concepts of consensus might also differ between fields, in earlier research we have for example demonstrated that the operationalization of consensus within psychology carry over poorly into cultural economics (Dekker and Popik

2014). It is useful to distinguish between two basic types of consensus, first consensus across space, and consensus across time. Space should be interpreted broadly here to refer to judgments made by different individuals or panels roughly around the same time.

Consensus across time refers to the idea that what is regarded as of high quality is stable across extended periods, in some cases across the ages (Vermeulen, Dijck, and Laet 2013).

Within both space and time we can further distinguish between consensus between similar audiences and different audiences. Consensus might, for example, be thought of as different experts across time. Ginsburg, for example, studies the relation between expert judgments and long-term recognition (Ginsburgh 2003b). But it might also refer to consensus between a group of experts and popular opinion at a given moment. Such studies might study popular judgments on sites such as IMDB or Goodreads with those given in professional reviews.

Yet another aspect of research into consensus is how such judgments might arise in group processes. It might be argued that markets for cultural goods somewhat resemble such processes via bandwagon and snob effects, but such concerns are beyond our scope here. There is also a growing literature within game theory on consensus decision-making within groups, such research has typically focused on well-defined choice settings (Bacharach 2006). Such settings resemble to some extent the decision-making processes of award juries, which typically consist of multiple individuals, but these decision processes are, at least for our cases, not transparent.

Most of the literature deals with just one dimension of consensus without consideration of complementary dimensions. This article cannot deal with all these different aspects of quality consensus, but it will deal with a substantial portion of them:

agreement between expert juries, agreement between expert juries and consumers, as well as long-term agreement between award juries and inclusion in anthologies of contemporary literature. That does not yet settle what the best way is to measure this consensus (Stemler 2004). Two methods are currently used aside from some more obvious basic statistics. Firstly the standard regression methods as used by Ginsburgh in his attempt to explain the long-term recognition of cultural goods (Ginsburgh 2003a). Secondly the variation of movies awarded has been studied using methods of qualitative variation, such as IQV (Wanderer 2015), and an variant of IQV  $\beta^1$  (Dekker and Popik 2014). The IQV method, and the adjusted versions, are particularly of use when we are comparing the dichotomous judgments of for example award juries (or near dichotomous when there is also data on nominations), while scaled judgements (such as stars or customer ratings) allow us to use more traditional statistical measures. In this paper a combination of both will be used.

### **3. Data**

Consensus within an award jury is usually reached through discussion. In the case of book awards, the juries (which typically consists five to six jurors) first decide which jurors are going to read which books. This is necessary because the amount of submitted books is typically so large that it is impossible for them to read every book. Based on this initial judgment by one or two members of the jury it is decided which books are going to be read

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<sup>1</sup>  $\beta = (pw-aw)/(pw-mw)$ , where pw is the number of potential winners, aw the number of actual winners, and mw the minimum amount of winners (in most instances equal to the amount of years in which awards were given out).

by all jurors (this sometimes comprises the longlist). Subsequently, the jurors meet on several occasions to decide on the longlist nominees, shortlist nominees, and finally the winner. Thus, the announcements of the book award juries are already the outcome of an interpersonal agreement between different members of a jury. This is different from the process in the movie industry in which awards are typically the outcome of voting procedures by larger panels. For instance, the famous Oscars conferred each year by the Academy Awards are based on the votes of hundreds of experts in various domains of cinematic achievement (Simonton 2004). Some researchers claim that independent voting is the more powerful way to come to an agreement because it reduces the chance of group-think and differential power relations to influence the results (Larrick and Soll 2006). From an economic perspective, however, the incremental procedure of announcing first a longlist, then a shortlist and finally the award generates various 'media moments' which generate attention for the book industry and confer recognition of a larger number of books.

The data consist of all American books in the 1981-2015 period, all French books from the 1985-2015 period and all Dutch-language books released in the 1995-2015 period which received awards or shortlist nominations. Furthermore, the award or nomination had to come from at least one of the professional societies that were taken into account for each country/language area: the Pulitzer Prize for Fiction, the National Book Award for Fiction and the PEN/Faulkner Award for Fiction for America<sup>2</sup>, the Prix Goncourt, Grand Prix du Roman, Prix Femina, the Prix Renaudot and the Prix de Médicis in France and the AKO

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<sup>2</sup> The National Book Critics Circle awards, another major award, was excluded because it gives awards in six separate categories, and unlike the other awards this one is awarded based on a larger scale-voting procedure.

Literatuurprijs, the Libris Literatuurprijs and the Gouden Boekenuil for the Netherlands/Flanders. The American dataset consisted of 384 works, the French of 291 and the Dutch-language dataset of 270 books.

These award juries were chosen for three reasons. First, all organizations have consistently granted annual awards. Second, all awards have been long in existence: at least 20 years for the Dutch/Flemish awards and at least 34 years for the American awards, sometimes longer than 100 years in France. Third, they all covered the same group of contending books: American, French or Dutch-language literary fiction for adults published in the year prior to the award ceremony<sup>3</sup>. This is crucial for the measurement of consensus, as looking for an overlap in the announcements would otherwise not make sense

For all books, additional data were collected. First, consumer preference was taken into consideration by consulting annual bestseller lists. Data collected by Publishers Weekly on the ten bestselling novels per year were used for the American dataset, which were available for the entire period. For French books data published by *Livres Hebdo* on the five best-selling novels per year were collected. For the Dutch-language announcements, data collected by the *Stichting Collectieve Propaganda voor het Nederlandse Boek* (CPNB) on the ten bestselling books (so not only novels) per year were used, which were available as of 1999. For the 1995-1998 period no reliable source on the commercial success of books was found. A second indicator of consumers' taste that was used are ratings on the world's largest site for readers and book recommendations "Goodreads.com". Goodreads.com is comparable to the website IMDB.com where general information as well as consumer

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<sup>3</sup> In a few cases collection of stories, poetry or non-fiction won these awards, but exclusion of these did not alter our results in significant ways.

ratings of films are collected. Average ratings composed of less than ten individual ratings were excluded. As a consequence of that threshold no user ratings could be collected for 6 American books, 112 French books and 57 Dutch-language books. We have not studied the spread of these ratings for individual books, which could be regarded as a measure of consensus between consumers. Third, the number of evaluators rating each book on Goodreads.com was noted for all remaining books. Finally, we considered important anthologies to see whether award-winning books were included in these. For the American dataset, an online anthology compiled by Daniel Immerwahr on the most 'critically acclaimed and historically significant books' of the 20th century by year of publication was used. Immerwahr is a scholar and teacher and composed this list by consulting numerous sources, including the Modern Library's list of the hundred best novels and nonfiction books of the 20th century and the chronobiology of historically significant books listed in the back of Hollinger and Capper's (2006) book *The American Intellectual Tradition*. The second 'anthology' that was used was a survey by the New York Times held under 125 authors and critics asking them to identify 'the single best work of American fiction published in the last 25 years'. For the French books a recent anthology by Dominique Viart (2013) that collects the best French literature since 1980 and a list compiled by the prestigious newspaper *Le Monde*, which collects the most important literary book per year, from 1980-2009 are used. For the Dutch-language region only one relevant source was available, a recent anthology collected by renowned literary critic Wim Brands (Brands 2015), who collected sixty books by the most talented Dutch/Flemish authors of the 21st century. This anthology is skewed toward recent authors, and includes no works by authors who established a reputation in the 20<sup>th</sup> century.

## 4. Results

### *Inter-jury Consensus*

Table 1 provides some general statistics about our findings for the period 1981-2015 for the U.S., 1985-2015 for France (from 2003 it was possible to also include data on nominations) and 1995-2015 for the Dutch-language market. We see that very few books win multiple awards, respectively 6, 3 and 3 for the different countries. The percentage of books that are nominated multiple times is somewhat higher, but only in the Dutch-language market it is above 20%, so that in all markets about 80 to 90% of the shortlisted books are only recognized by one jury.

**Table 1.** *Overview nominations and awards (3 awards organizations for U.S and NL/BE, 5 for FR)*

	N	N winners	2 Awards	% of Wins	Nominated by at least 2 organizations	% of Total Amount of Books	Nominated by (at least) three organizations	% of Total Amount of Books
U.S.	398	100	6	6.0%	55	13.8%	8	2.0%
FR*	291	156	3	1.9%	31	10.7%	7	2.4%
NL/BE	276	61	3	4.9%	61	22.1%	12	4.3%

This overall picture is reflected in the  $\beta$ -values, which are presented in table 2. We see that out of the three regions consensus between juries is lowest in France, despite the fact that we have looked at five instead of three juries for that country. The somewhat higher overlap is for nominations in the Netherlands, is reflected here in the highest  $\beta$ -value of 0.32. But when we compare that value to those found for the movie industry in an earlier study, we see a stark contrast (Dekker and Popik 2014). In the movie industry, where we analyzed six juries (three for nominations), moderate levels of consensus were found in all

categories<sup>4</sup>. Part of this could be caused by the fact that more books are published annually, so that overlap is less likely to emerge, a suggestion supported by the fact that consensus on nominations is somewhat larger in the smallest book market in our study, the Dutch-language market. Some rough figures suggest that indeed the book market is much larger (tens of thousands if not hundreds of thousands of books are published each year) compared to 560 Hollywood films released in 2014. But such figures tend to be misleading, because only a small number of the books published each year are eligible for the awards. For the Dutch prizes for example each year between 200 and 300 books are submitted (Broer 2008). A similar number is cited by the jury of the Pulitzer prize (Cunningham 2012).

**Table 2.**  $\beta$ -Values for Book and Movie Industry Awards

	US Books	French Books	Dutch Books	Best Picture (Film)	Best Director (Film)	Best Actor (Film)	Best Actress (Film)
<b>Award Winners</b>	<b>0.10</b>	<b>0.02</b>	<b>0.07</b>	<b>0.52</b>	<b>0.53</b>	<b>0.54</b>	<b>0.55</b>
pre-2000	0.15	0.03	0.09				
post-2000	0.03	0.02	0.06				
<b>Award Nominees</b>	<b>0.20</b>	<b>0.17</b>	<b>0.32</b>	<b>0.61</b>	<b>0.72</b>	<b>0.55</b>	<b>0.56</b>
pre-2000	0.26	-	0.32				
post-2000	0.14	0.17	0.32				

Instead it seems that either quality is harder to recognize or that prizes are a different type of signal in the book market, than they are in the movie market, something which we will explore in the next section.

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<sup>4</sup> The finding of moderate consensus is confirmed by a more recent study (Wanderer 2015). The IQV-method used in that study is only applicable if juries use the same time period over which they award prizes, so that data can be generated per, say, year. That is not the case for book awards discussed here.

**Table 3.**  $\beta$  -values, winners and nominations (nominations include winners), bold values indicate higher consensus without this jury

	American awards				French Awards						Dutch-language awards			
	Overall	PL	N	PF	Overall	PG	GPdR	Pfem	PR	PM	Overall	A	L	G
Winners	0.10	0.05	0.06	0.08	0.02	0.00	0.01	<b>0.03</b>	<b>0.03</b>	0.02	0.07	0.05	<b>0.10</b>	0.00
Nominations	0.20	0.11	0.16	0.20	0.17	0.06	<b>0.22</b>	0.08	0.11	-	0.32	0.27	0.30	0.18

Note: PL = Pulitzer Prize, N = National Book Award, PF = PEN/Faulkner Award, A=AKO/ECI Literatuurprijs, L=Libris Literatuurprijs, GB = Gouden Boekenuil, PG = Prix Goncourt, GPdR = Grand Prix du Roman, Pfem = Prix Femina, PR = Prix Renaudot, PM = Prix de Medicis.

We have also explored the extent to which all juries contributed to the consensus. This can be done by eliminating the awards/nominations by a particular jury to see how the level of inter-jury consensus is affected. The results in table 3 suggest two interesting things. Firstly the PEN/Faulkner, the Grand Prix du Roman, and the Libris prize are the awards in each country that contribute least to the consensus, in some cases consensus even goes up when they are removed (indicated in bold in the table). Furthermore twice the consensus drops to zero when particular verdicts for award winners are removed, indicating that these juries (the Prix Goncourt and the Gouden Boekenuil) are always part of the consensus when a book is awarded multiple times.

#### *Awards and popular recognition*

Generally speaking there can be said to be two types of consensus or overlap between the choices of award juries and that of the wider public. The first type is that between buying behavior (passive consumption) and awards/nominations. In that case we would look for congruence between sales figures and awards data, or we could look more specifically whether the fact that a product is granted an award has a positive effect on sales. The second type is that between ratings by the public (active consumption) and

awards/nominations. In that case we would look for congruence between relatively high consumer ratings and recognition by award juries.

We have studied both types of consensus for the book industry, although passive consumption somewhat limited. A number of studies has tried to relate awards to sales, which is beyond our scope here (Clement, Proppe, and Rott 2007; Ashworth, Heyndels, and Werck 2010; Ponzio and Scoppa 2015). We have only looked at the overlap between best-seller lists and award winners. The results show that little to no overlap of this type exists. Out of the books in the American data-set only two books are also in the fiction best-seller lists of 10 most sold books of the year (John Irving's *The Hotel New Hampshire*, nominated for an NBA and Charles Frazier's *Cold Mountain*, winner of an NBA). In the Netherlands the situation is somewhat different, 14 books out of 214 (6.5%) are also on the best-seller list.

**Add French and revisit Dutch (any pattern in which award correlates?).**

For active consumption we have looked at Goodreads ratings and compared them to a random sample of 80 books for each country<sup>5</sup>. The results in table 4 show that contrary to what we might expect, award-winning novels do not generally receive higher ratings by readers, except in the U.S. We have looked at significant differences in the average scores of the winners and nominees and the control group. In the American market we find that award winning books score higher, by a margin of 0.2 points (on a five-point scale), with an effect size of .8, and the least variance of all the average scores. The effect is smaller but still significant and moderate for the nominations. Furthermore notable is that in both the U.S.

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<sup>5</sup> The books were compared to an additional sample of randomly selected novels from Goodreads. These were sampled by looking for the first ten American/French/Dutch/Flemish novels on WorldCat for the years 2008-2015 (when the GoodReads website was in operation). This resulted in three control groups of eighty novels. For the American novels those appearing in a series and bundled novels (typically romance stories) were excluded, to make the sample more representative.

and France, award-winners and nominees are more frequently rated than our control group, despite the fact that our control group contains only novels with at least 10 ratings.

The site GoodReads was launched in 2006, grew in 2007 and in 2008 was clearly established as market leader. Therefore we have constructed our control group from 2008 onward, to prevent the inclusion of retro-active ratings that would be skewed to people's favorite books. We have also looked at the average score of nominees from 2008 onward, respectively the 4<sup>th</sup>, 7<sup>th</sup> and 10<sup>th</sup> column US2008, FR2008, D2008 in table 4b, because a similar effect might influence ratings of older award-winning book upwards. This effect seems to be present, because average-scores since 2008 are consistently lower than scores for pre-2008 books, although the differences are minor (0.04, 0.01 and 0.04).

**Table 4b.** Award-winning novels and GoodReads Scores

	US-Winners	US-Noms	US2008	FR-Winners	FR-Noms	FR2008	D-Winners	D-Noms	D2008
N	100	392	101	110	179	86	57	219	107
Missing Score	0	6		46	112		4	57	
Average Score	3.81	3.73	3.69	3.53	3.49	3.48	3.45	3.43	3.39
GR-Score S.D.	0.23	0.28	0.29	0.37	0.35	0.33	0.41	0.38	0.37
Median No. Voters	6574	1451	3850	102	76	79	276	132	151
Control-Group Score	3.59			3.43			3.33		
Control-Group S.D.	0.38			0.38			0.36		
Control-Group Median	988			92			64		
P-value difference	0.000012	0.002	0.046	0.082	0.228	0.402	0.07	0.037	0.402
Cohen's d - Effect-Size	0.82	0.65	0.33					0.24	

An explanation for these results is not straightforward. It could be that the GR-scores for the French and Dutch market are less representative, because the website is less popular in these countries and that there is some general tendency for award-winning books to be rated higher that is not as pronounced because the website attracts more expert critical readers, but such an explanation could equally be used to argue that there should be a more pronounced difference. Different audiences might look for different qualities in

books, and therefore we would not always expect award-winning books to score higher, but given the amount of raters we would expect that Dutch and French ratings would be closer to the views of expert-juries than in the U.S., not the other way around. Another explanation might be that ratings on the website are not independent, since new raters are aware of the current average score, and this might explain the lower variance we find for the award-winning and shortlisted books in the U.S. But here too, an alternative explanation might argue that more ratings would increase variance, because new raters would attempt to 'correct' the average score in their preferred direction.

#### *Consensus over time*

The final aspect of consensus which we analyzed is that between anthologies and the measures of awards and active consumption. That type of consensus can be considered a test of time, although the time-span is still relatively short; three decades for the oldest books (Vermeulen, Van Dijck, and De Laet 2013). The results, in table 5, demonstrate once again that there is most agreement in the U.S. In both anthologies a great number of books are included that have also been recognized by award juries and that moreover are highly appreciated by consumers. The average Goodreads-score for both anthologies exceeds that of the award winners by about 0.1 point (with even less variance), which was already significantly different from that of our control group. Out of the six books that won two awards, four are included in the Immerwahr anthology, and two in the NY Times survey. So we see that generally there are clear signs of a consensus over time between award juries, active consumers and contributors to these anthologies.

That overall picture is more complicated for the other two markets. In France the average Goodreads-scores of the books included in the LeMonde anthology are higher than those of the control group and the award winners ( $t = 3.346$ ), but the size of that difference is only 0.16 points on a five-point scale. Both French anthologies show some overlap with the books recognized by award juries. But this overlap is meagre if we consider the relatively large number of books that are nominated/awarded by juries compared to the number of books in the LeMonde anthology. While the overlap with the Viart anthology, which is explicitly concerned with recognizing the most important contemporary French fiction, is remarkably low (only 12 out of a 116 novels included in the anthology).

**Table 5. Anthologies, Awards and Active Consumption**

	Period that anthology covers	Number of books in dataset for this period	Number of books in anthology	Number of books that appeared both in anthology and dataset	% overlap between anthology and samples	Multiple nominations /awards for overlap	GR-Average Anthology	GR-Median no. of Rankers	Standard Deviation of GR-score
Immerwahr's Books of the Century (US)	1981-1999	206	24	16	66.67%	8 (50%)	3.88	43567	0.17893
NY Times Survey (US)	1981-2006	285	20	16	80.00%	8 (50%)	3.92	19721	0.21577
LeMonde Book of the Year (FR)	1985-2009	200	25	9	36.00%	2 (22%)	3.58	201	0.35685
Viart Anthology (FR)	1985-2012	245	116	12	10.34%	0	3.64	56	0.34244
Brands Anthology (NL/BE)	2000-2014	234	60	16	26.67%	5 (36%)	3.42	92	0.28691

The Dutch anthology is more specific in its aim of introducing a new generation of authors to the Dutch public, frequently by inclusion of their debut novel. But even so, the amount of overlap is very low, and the average GR-score is very similar to that of the award-nominees and the control group, although the variance of the scores in the anthology is somewhat

smaller. Both in France and the Netherlands judgment are more diverse and no consensus seems to have emerged yet about the most important novels of the past decades.

## **5. Discussion**

The quality consensus in the book industry in three major markets make clear that only in the United States there is some level of consensus over time, in which both expert juries, active consumers and contributors to anthologies recognize similar books as possessing superior quality. That consensus, especially between award juries, is not nearly as large as in the American movie industry, but is still remarkable in comparison with the results for France and the Dutch-language market. This suggests that awards might provide different types of quality signals in different markets. Not only might awards have a different functions in the book and movie market, but also in different segments of the book market.

In a recent book about the valuation of unique goods, such as books, Lucien Karpik has suggested that we might understand these different types of signals as belonging to different coordination regimes (Karpik 2010). He distinguishes between three different regimes that are relevant here: the common-opinion regime, the expert-opinion regime and the authenticity regime. Karpik recognizes that each market might be a mixture of these regimes, and it is easy to see that in the book market both best-seller list (common-opinion), awards (expert-opinion) as well as authenticity (the reputation of authors and publishing houses) are important factors. But the way in which the book market is structured might have consequences for the relative importance of these different regimes in different countries.

Karpik argues that in the authenticity regime the primary markers of quality are names and designations. As an example he provides the following listing of a classical music piece: "J.S. Bach – The Well-Tempered Clavier by Sviatoslav Richter", in the case of a symphony he could have added the name of the conductor, the orchestra and the concert hall in which the piece was recorded. In such markets notions of quality are varied, and the existence of rival interpretations adds to the value of the good. As an another example Karpik uses the French wine market, which is strongly organized around designations, names, years and claims of authenticity. In a study of the differences between the French and the American publishing industry, Daniel Weber observes that French publishers are more likely to distinguish between 'popular' and 'noble' books. And that: "American interviewees see the audience and book retailers as the main forces behind the construction of new genres and classifications. By contrast, French interviewees appeal more to literary and intellectual heritage and how a new book, author, or genre relates to that tradition" (Weber 2000, 128). It is remarkable that in France not only books and publishing houses are concerned with such notions of authenticity, but that the prizes similarly pride themselves on distinctiveness and on their history, which typically goes back to the early 1900's. The names of the members of the Académie that give out the prizes are typically known and are of importance for the value of the prize.

These aspects are all suggestive that the book market, at least the segment which is eligible for the awards, is a type of authenticity regime. Within this regime distinctiveness is more important, than a shared notion of quality, in such a coordination regime it is more likely that juries diverge in the works they recognize. This in contrast to the movie industry in which award juries converge more and the voting procedure is meant to reflect a shared

notion of quality. Although Karpik's theory is not so far developed that it provides clear distinctions between the coordination regimes, or the role of prizes within those regimes. But it is clear from his theory that the differing notions of quality in the expert- and common-opinion regime are different from the authenticity regime. Within such a regime, based around distinctiveness we might expect awards to send a different type of quality signal. Rather than signaling a shared notion of quality, it signals the distinctiveness of this particular book.

In the Dutch-language market there are also clear signs that stakeholders in the market resist the common-opinion regime and the associated standard of quality. The resistance to the publication of best-seller-lists, which would take away attention from 'good' books, was substantial in the Netherlands (Boven 2015). Such lists, however, are a more important guide, and hence quality signal in markets which are closer to Karpik's common-opinion regime. Sales ranking and user ratings as well as reviews (preferably in star-systems) are more widely accepted. In such an economic coordination regime, which characterizes the American book market, both sales and the rating-system of a website like Goodreads suggests, is more prominent. There is less emphasis on established but distinct notions of quality and more emphasis on rankings. In such a culture we might expect more convergence, as both Simonton and Wanderer expect in the movie industry (Simonton 2011; Wanderer 2015).

If the interpretation of our results is correct then that would lead to further testable hypotheses about differences between these markets. First of all it should be fairly straightforward to segment the book market into the segment that is eligible for the major awards, and the segments which are not. Secondly we would expect association with

particular publishing houses to be more important in markets characterized by the authenticity regime, while self-publishing should be more widespread in common-opinion regimes. We should also expect the awards to have significant effect on sales within the relevant segments of the market, although such effects might be negligible in the wider market.

Further research would be needed to establish the extent to which these different economic coordination regimes shape the book industry. And it would be wrong to look at the book market as one monolithic thing. As our study demonstrates, there is very little overlap between best-sellers and books that are recognized by award-juries, even in America. This suggests at least one important split in how different segments of the book market are organized. This is also evident from the fact that fiction has become a segment of the market, next to fantasy, crime and romance novels, all of which are organized somewhat differently. The segmentation of the book market should, but usually is not, taken into account when the sales effects of awards are measured. Such studies typically focus on the market as a whole, while the relevant section of the market, might be a much smaller segment. That worry extends to how we compare the winners to the rest of the market, for how do we determine the relevant control group?<sup>6</sup> One answer would be the books that are eligible for the prize, but that will differ between juries, even when they use the same formal criteria. And different audiences will use different notions of similarity and quality to compare books.

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<sup>6</sup> It was an issue that also came out as a major methodological choice in our previous study and critique of awards in the movie industry (Dekker and Popik 2014)

We have explicitly not paid much attention to the criteria stated by award juries, and instead opted to compare their decisions to see whether there was some form of agreement. That strategy proves fruitful in identifying the level of consensus and the extent to which different juries diverge or converge toward that consensus, regardless of their stated aims. But once we start moving beyond this narrow concern, the question of a consensus on 'what precisely' crops up again, because these books exist in relation to other books and other goods. The economic way of posing the problem is to question what the close substitutes for books are. The most relevant substitute are probably other books, but might be other types of art, rather than some distinct segment of the book market.

## **6. Conclusion**

This paper has examined the level of consensus between award juries and other audiences in the book industry based on an original dataset. It has found that few signs of such consensus can be found, in particular in the Dutch and French market. In the U.S. there is more convergence, especially between award juries and long-term consecration. The virtual lack of consensus between award juries in the book industry is surprising given the fact that similar consensus was for more prominent in the movie industry. This suggests that book awards are a different type of quality signals than book awards.

We have suggested that the difference could be explained by different quality standards in both markets. Whereas the book market, at least the segment eligible for awards, is structured based on authenticity, awards are quality signals of distinctiveness. In the film market on the other hand, awards are quality signals of more broadly shared

standards of quality in filmmaking. These differences are reflected in the status of the awards, as well as the way in which award juries deliberate.

The paper has also broadened existing studies of consensus which have typically looked at one particular aspect of consensus. To the contrary this paper has suggested that consensus can be measured between within particular audiences, between different audiences and across time. It has offered innovative empirical ways of doing so.

The paper suggests further lines of inquiry into the function and meaning of awards in different (cultural) industries. It is suggested here that the differentiation between economic coordination regimes by Lucien Karpik provides a useful theoretical framework to do so. This can be done in other book markets, but especially in markets for other types of cultural products.

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