

Published based on [How Much Lower Will E-Book Reader Prices Fall?](#)

# How Much Lower Will E-Book Reader Prices Fall?

There must have been a lot of internal debate about what to set the price of the Kindle e-book reader at when Amazon released the original way back in November of 2007. The Kindle wasn't the first e-book reader on the market (not by a long way), but neither was the market mature enough to suggest a clear price point. They also had a variety of different pricing plans that could have worked.

They might have decided to go for a cell phone type of plan with the price of the hardware being heavily subsidised by regular monthly payments over a fixed contract length. Some intermediate arrangement with a charge to download books or surf the web might have also been a viable option. In the end, Amazon decided to charge the full price for the Kindle reader and to have no monthly fee - connection via 3G was included in the \$ 359 selling price. Nor was there any fee for downloading Kindle books, it was pretty much an all inclusive package.

The Kindle was pretty well received - Oprah Winfrey declared it to be her "new favourite gadget" - but it didn't exactly change the world. It was considered to be something of a work in progress - which is exactly what it was. It wasn't until the launch of the Kindle 2.0 in February of 2009 that the e-book market really exploded. The Kindle 2.0 was also sold for \$ 359 and the large display Kindle DX was released in the summer of 2009 with a price tag of \$ 489.

The e-book reader market started to grow exponentially and it seemed that every electronic manufacturer had their own e-book reader in development. Companies such as Plastic Logic, Sony, Barnes and Noble, Bookeen and iRex fought to secure their share of the new and fast developing e-book market. The Kindle had a reported 60% share of the e-book reader market and was the standard to which other e-book reader manufacturers needed to aspire. It seemed that any reader which displayed the slightest potential was instantly christened the "Kindle killer" - but, in reality, the Kindle had no real credible competition.

However, the launch of Apple's iPad changed the scene and, not for the first time, the death of the Kindle was widely predicted. However, and also not for the first time, rumours of the Kindle's impending demise proved to be premature. The third generation Kindle was released in August of 2010 and sold like hot cakes. Shortly after the Kindle 3 launched Amazon were sold out of the new readers and prospective customers were faced with a four or five week wait before their new readers would ship.

In addition to all the usual good upgrades to the technical spec - more memory, faster page turns, smaller and lighter body, higher contrast screen etc. - Amazon launched a brand new entry level Wi-Fi only Kindle with a price of just \$ 139. The price of the 3G plus Wi-Fi model was set at \$ 189 - a big drop compared to the \$ 359 price. More importantly perhaps, the new Kindles are considerably cheaper than even the entry level iPad - and there's no monthly connection fee to pay.

Based on the evidence to date, it looks like the Kindle and the iPad can co-exist. Whether the same can be said for other e-book readers must be highly debatable. The big advantage that Amazon enjoys over some other e-book reader manufacturers is the fact that, being a book seller, it will be able to profit from the ongoing sale of e-books. If it wished, it could choose to support the cost of the hardware from e-book sales.

The e-book market is maturing very quickly. It seems obvious that hardware prices have still got some way to fall, and very possibly in the near future. Could we conceivably see Amazon, and maybe Barnes and Noble, making e-book readers available for free in an attempt to lock in future e-book sales? Is it too fanciful to suppose that customers who join Amazon's premium delivery Prime club or who sign up for an Amazon credit card could find themselves taking receipt of a free, or at least heavily discounted, Kindle reader in the fairly near future? Time will tell.

Learn more about the Amazon [Kindle reader](#) for yourself and view the wide range of [Kindle accessories](#) available to help you personalise and protect your reader.

You can also find this article published on [How Much Lower Will E-Book Reader Prices Fall?](#), and on the tag pages [books](#), [computers](#), [E Books](#), [ebook readers](#), [EBooks](#), [electrical items](#), [ereaders](#), [gadgets](#), [personal electronics](#), [technology](#).