

2012 Survey of Taiwan Book Publishing Industry

To provide a static snapshot and reveal future trends of book publishing industry in Taiwan, Ministry of Culture conducted “2012 Survey of Taiwan Book Publishing Industry” during July and August 2013. The survey combined the quantitative and the qualitative research method. The quantitative survey targeted at all significant practitioners in the book publishing, book agent, book distribution industries, and the general public above 12 years old; the qualitative research included in-depth interviews, focus group discussions and seminars of the book publishing industry. The main results are summarized respectively as below:

■ Quantitative Research

About 66,920,000 new books were published in 2012

According to the ISBNnet, 42,305 types of books claimed ISBN in 2012. 737 publishing entities claiming ISBN over 4 types in 2012 (excluding government agencies and personal publications) published 24,971 types of new books¹ estimated based on the data of the survey. Comic books and novels accounted for the highest percentage (each at 20.7%) regarding types of new books, and the estimated aggregate circulation of new books was 66,920,000 with the average price of NTD 350 and the average selling discount of 25%.

As to books with the second printing and the second edition in 2012, 26,463 types were estimated with the aggregate circulation of about 30,750,000 and the average price of NTD 320, among which psychological inspirational / religious books accounted for the highest percentage (15.6%), and Social Sciences & Humanities books the second-highest amount.

In 2012, the aggregate circulation of new books as well as books with the second edition was about 97,670,000 in Taiwan.

Book publishing industry’s 2012 gross output value estimated to be NTD 35.2 billion

According to the survey, the gross output value of the book publishing industry in Taiwan in 2012 was estimated to be NTD 35.2 billion. 5.2% of book publishing entities were at a loss, 70.3% were balanced, and 24.5% earned profits.

In the perspective of the operation of book agent entities, 7.0% of businesses indicated the profits in 2012, 18.5% indicated the balance, and 29.6% were at a loss.

1. The estimated data excluded publishing entities claiming ISBN under 4 types as well as government agencies and personal publications.

In the perspective of the operation of the book distribution channel, 39.9% of businesses indicated the loss, 32.1% indicated the balance, and only 15.0% indicated the profits.

Taiwan book publishers profile

The survey showed that domestic book publishing entities featured for-profit organizations, non-conglomerate members (affiliated companies, branches, parent companies), and individual Taiwanese investors; in the perspective of the business scope, 73.6% were exclusive book publishing entities and 25.6% moved toward the multi-pronged operation.

Regarding the labor power, 60.3% of book publishing entities in Taiwan belonged to the small-sized business with 1 to 9 employees. The headcount accounted for 86.1% of the total employment and the part-time employees were seldom seen. Moreover, female workers accounted for the most proportion (69.7%) in book publishing entities in Taiwan; over 70% of workers held the bachelor degree and above, and young workers within the age range of 20 to 39 years old were dominant, indicating the structure of relatively young labor power in the industry.

Annual aggregate sales of books in 2012 was estimated to be 90,070,000.

The annual sales of new books published in 2012 was about 51,360,000 accounting for 76.7% of the circulation of new books in 2012 estimated according to the survey; in 2012, the sales of books with the second printing and the second edition as well as previous reserves was about 38,710,000, and the annual aggregate sales of books was estimated to be 90,070,000.

In the perspective of the data provided by the business, novels accounted for the highest percentage (29.2%) of sales of new books, and children's books the second-highest amount (11.4%); as to the sales of books with the second edition and the second printing,, novels accounted for the highest percentage (27.1%) among all types of books, and comic books the second-highest amount (20.1%).

41.6% of publishing entities purchased foreign copyrights

The survey showed that 41.6% of publishing entities purchased copyrights from other regions or nations (including translating rights and printing rights). 51.0% and 48.3% of foreign copyrights purchased from the United States and Japan respectively accounted for the highest proportion, and 37.1 % from Mainland China accounted for the third-highest amount.

On the other hand, 24.2% of publishing entities sold copyrights to other regions or

nations with Mainland China being the main trading country (88.6%). Regarding types of books authorizing the translation or printing overseas, children's books / teenagers' books (21.9%) as well as books regarding leisure / tourism / diet / life (19.4%) accounted for the higher proportion, and novels ranked the third (12.4%).

About 2,553 types of new comic books were published in 2012

According to the survey, 2,553 types of new comic books were published in 2012 with the aggregate circulation of new comic books of about 9,270,000. The action adventure accounted for the highest percentage (56.1%) regarding types of comic books published, and the romance and the sci-fi magic accounted for 24.1% and 13.1% respectively. The average price of new comic books was NTD 142, and the average discount was 11%; 570 types of comic books with the second printing and the second edition, among which the romance accounted for the highest proportion with the average price of NTD 132.

In the perspective of the change of the cross-year revenue, the comic book sector in Taiwan seemed to flourish more compared with the past. 60.0% of comic book publishing entities indicated the better operation of companies, 20.0% indicated the similar operation with that of 2011, and 20.0% reflected the worse operation compared with that of 2011. According to the estimation, the output value of comic books published in 2012 was 0.8 billion (excluding income from other books or sources).

In the perspective of works sources, translated comic books accounted for 90.7% of total publications, and new comic books created by Taiwanese accounted for 9.3%; all publications were published in Traditional Chinese.

Foreign copyrights of comic books primarily from Japan and Mainland China

In the perspective of the foreign trade of comic books and their foreign copyrights, domestic primary comic book publishing entities didn't directly import comic books for sale, but 80.0% of publishing entities purchased copyrights of comic books from other regions or nations (including translating rights and printing rights), primarily Japan and Mainland China. On average, copyright books accounted for 93.5% of the aggregate circulation of publishing entities purchasing foreign copyrights of comic books.

On the other hand, 60.0% of primary domestic comic book publishing entities exported comic books for sale to other nations within the scope of Hong Kong, Macaw, Singapore, Malaysia, and Mainland China. Regarding types of books exported, the sci-fi magic (34.0%) accounted for the highest proportion, followed by the action adventure (24.0%), the romance (18.5%), and the light comedy (10.5%). Moreover, 40.0% of comic book publishing entities sold copyrights of comic books to other region or nations with the authorization of foreign comic books in Mainland China, Thailand, other Asian nations, and Malaysia.

The average discount of distribution of all distributing channels was 33%

The survey showed that book agents held the discounts of regular purchase of book distribution ranged between 30% and 50% with the average discount of 41%. Regarding the discount of distribution of channels, the discount of distribution of all distributing channels issued by book distribution and issuance entities in 2012 was about 30% to 40% with the average discount of 33%.

The average book return rate of book marking channels in 2012 was 33.3%

The survey showed that book distribution channels returned books to publishers and agents with the average book return rate of 33.3%, the highest book return rate of 51.9% on average, and the lowest book return rate of 20.2% in 2012. Novels and literature accounted for the highest book return rate among all book types, and comic books and textbooks the lowest.

The internet became the most important reading medium for people in Taiwan

As technology developed, people had increasingly diverse access to reading in current society, and reading activities were no longer restrained to traditional physical media in writing forms. In the premise of the single choice, the internet became the most important reading medium for people in Taiwan. Among people over 12 years old having engaged in reading activities in the most recent year, 38.8% considered the internet to be their most important reading access, followed by the newspaper accounting for 35.3%; books (12.6%) or comic books (1.6%) as the main reading source accounted for 14.2% in total.

68.6% of people above 12 years old read printed books in the last 12 months

Given that “the reading population” meant people having read general books or comic books in the most recent year, the survey showed that the reading population in Taiwan accounted for 68.6% of the population of people over 12 years old.

The average reading volume reached 21 among people having read in recent one year given the calculation of the reading of entire or partial books, and the average reading volume in the past year was 13.5, about 1 per month given the calculation of all the people over 12 years old.

The most popular type of book is those relating to leisure, tourism, diet, and life

In the perspective of what book types people read in the past year, the survey

showed that general books relating to leisure, tourism, diet, and life were the most popular with the reading rate of 60.3%; book types accounting for the reading rate of more than 40% included novels (45.6%), healthcare (44.2%), literature (40.5%), and ppsychological inspirational / religious books (40.2%).

As to the reading preference of the population of comic books, comic books regarding light comedy (44.9%) and action adventure (37.9%) were the most popular, followed by sci-fi magic (37.9%) and detective crime (35.1%).

The average purchasing volume in the last 12 months is 6.7

Among people over 12 years old, 50.6% of them bought general books, and 7.1% of them bought comic books in the most recent year.

In the purchasing volume (including extremes) of all people over 12 years old in the past year, the average purchasing volume of general books was 5.9, and that of comic books was 0.8 with the total volume of general books and comic books of 6.7. On average, the amount of every type of general books (including textbooks and test preparation books) all people over 12 years old spent on the purchase in the most recent year was NTD 1,438, and the amount spent in purchasing comic books was NTD 94; the total amount spent by people over 12 years old in purchasing general books and comic books in the most recent year was NTD 1,532. In the aspect of consumers, the estimated output value of book consumptions (including general books and comic books) in the most recent year was NTD 31.9 billion.

Chain bookstores are still the most important distribution channels

In the perspective of the purchasing location of general books, the survey showed that 68.2% of consumers bought books in chain bookstores, 37.2% bought books through online bookstores, 26.6% bought books required in single bookstores, 9.8% bought books in supermarkets or wholesale clubs, and 4.9% bought books in convenience stores in the past year.

Regarding the total consumption of chain and single bookstores, 80.3% of purchasers bought books in bookstores in the past year; given the all interviewees as the denominator, 41.6% of people in Taiwan bought books in bookstores, and 19.2% bought books through online bookstores in the most recent year.

As to the purchasing location of comic books, the survey showed that chain bookstores still accounted for the highest percentage (50.0%), followed by single bookstores (29.9%) and online bookstores (25.6%), and 9.4% of consumers bought comic books in convenience stores in the past year.

On average, the purchasing discount consumer enjoyed in the most recent year was

17%.

Other access to reading books

The survey showed that purchasing was not the only access to reading books for people; besides half of the people buying books, 37.5% borrowed books from libraries or schools, 34.3% borrowed books from family and friends, and 12.5% read books in rental bookstores in the most recent year.

Among people borrowing books through other accesses in the most recent year, the average volume borrowed from libraries or schools was 13, the average volume borrowed from family and friends was 6, and the average volume of general books and comic books borrowed from rental bookstores was 13 and 16 respectively.

The acceptance of paid reading e-books or e-newspapers was still low

The survey showed that among people in Taiwan over 12 years old, 79.8% of them went online, and 43.9% of them read electronic books or electronic newspapers. However, regarding the willingness to pay, people's acceptance of e-books or e-newspapers was low, and only 23.6% of people were willing to accept this mode of consumption.

As to the perspective from people accepting paid reading electronic books of the rationality of the price of electronic books? The survey showed that among people willing to pay, 63.6% of them considered that electronic books should be cheaper than books; to further explain, among people claiming that electronic books should be cheaper than books, 22.5% of them considered the price to be 50% lower than that of books, 29.1% of them claimed 50% of the price, 22.4% of them considered the price at a discount of 30% to 50% to be the reasonable price, 10.8% of them accepted the price higher than that at a discount of 25%, and 15.2% had no comment.

■ Qualitative Research

The result of in-depth interviewing book publishing industries as well as reviewed the economic climate of the book publishing industry from 2012 to the present showed that the sales of the book publishing industry in Taiwan was not optimistic with the declined performance of general and chain bookstores, the successive close of branches, and even the declined book sales of wholesale clubs and convenience stores; only online bookstores remained barely balanced or had small range of growth.

Although overall book sales market was in the mire, businesses indicated that sales in partial types of books still remained unaffected with the balanced sales or even growing sales in terms of publishing types. For instance, the sales of comic books declined but the sales of light novels performed well.

On the other hand, specific publishing types also had a certain amount of reading population to support the market. For instance, textbooks or test preparation books accounted for certain proportion of the market and the sales of children's books grew on the contrary due to more emphasis on children's education from parents; moreover, the boom of leisure also promoted the continuing growth in sales of travel books.

Although the performance of domestic book market was in the mire, the good news was that progress of sales was made in overseas book markets. Businesses observed the progress manifested by official statistics as well. According to the statistics from Bureau of Foreign Trade, the export amount of books grew from USD 63,000,000 (about NTD 1.89 billion) in 2010 to USD 80,070,000 (about NTD 2.4 billion).

Significant practitioners of book publishing industries also indicated many specific perspectives and methods regarding how to increase people's willingness to pay and integrate the publishing environment in Taiwan. The main points included:

- (1) Increased the public's willingness of consumption, like the tax deduction of books purchased and the issuance of book vouchers
- (2) The minimum bidding was not set up in the book procurement
- (3) Initiated the propaganda and held attractive activities by the government
- (4) Support the export of domestic publications
- (5) Regulated imported books in Simplified Chinese
- (6) Established the correct attitude toward comic books and enhanced the concept of respecting intellectual property rights
- (7) Established the publishing industry park and provided the publishing industry with tax incentives
- (8) Integrated the system of the publishing industry
- (9) Broadly communicated, drew up the blueprint of the publishing industry, drafted the white paper of policies, and clearly illustrated the position of policies
- (10) Cultivated domestic writers and cartoonists and enhanced the proportion of domestic creation to prevent the brain drain
- (11) Assisted in developing electronic books
- (12) Established the publishing databases