

IPA Global Publishing Statistics

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The 20 Largest Publishing Markets

A list of the 20 largest publishing markets therefore highlights complex dynamics between publishing, the general economy and the size of the included countries:

Country	Year	Publishers' total net revenue (m€)	Total market value at consumer prices (m€)	New titles & re-editions per 1m inhabitants	2012 GDP per capita PPP in US\$ (Worldbank)	Population
World			114,000		12,189	7,046,368,813
USA	2012	20,750	29,643	1,080	49,965	313,914,040
China	2012		14,200	306	9,233	1,350,695,000
Germany	2012	5,407	9,520	1,115	40,901	81,889,839
Japan	2012		7,878	617	35,178	127,561,489
France	2012	2,771	4,534	1,321	36,104	65,696,689
UK	2012	3,736	3,975	2,459	36,901	63,227,526
Italy	2012		3,072	1,049	33,111	60,917,978
Spain	2011	1,820	2,890	1,692	32,682	46,217,961
Brazil	2012	1,884	2,810	339	11,909	198,656,019
Korea, Rep.	2012		2,734	1,257	30,801	50,004,000
India	2010	1,675	2,500		3,876	1,236,686,732
Canada	2010	1,535	2,342		42,533	34,880,491
Turkey	2012	1,096	1,682	564	18,348	73,997,128
Australia	2011		1,520	877	44,598	22,683,600
Russian Federation	2012		1,494		23,501	143,533,000
Netherlands	2012		1,363	1,412	43,198	16,767,705
Poland	2012	654	1,053	775	22,162	38,542,737
Belgium	2011	519	850		39,788	11,142,157
Switzerland	2011		806		53,367	7,997,152
Norway	2012		743	1,486	65,640	5,018,869
Top 20 Publishing Markets			95,609			
Other Markets			18,391			

Table 01: The 20 largest publishing markets worldwide, ranked according to domestic market value at consumer prices. (Various sources; research and compilation by IPA. Estimated values in italics.)

With a total market value of €95.6 billion, we estimate that the 20 largest publishing markets account for just under 84% of global spending on books.

The figures for the United Kingdom show how, a comparative ranking of markets sometimes throws up paradoxes, depending on the metric chosen. In this case, British publishers' net sales are much closer to the domestic market value at retail prices, due to exceptionally strong exports worth £1,211 million (or €1,480 million). (For a more detailed discussion, see the UK case study below.)

Books and publishing thereby closely reflect the evolution of a global knowledge society. Together with access to the Internet and to modern communication networks, published book content is a measure of a country's or a region's position in the global commercial exchange of knowledge, which must be seen as the true global currency in the early 21st century.

To understand in more detail what publishing and book markets represent, we have started to juxtapose market size to the number of new titles (and re-editions) released per one million inhabitants (as a measure for domestic production), and to the GDP per capita (PPP or Purchasing Power Parity) as an indicator of a country's relative affluence.

The Rise of Emerging Markets in Global Publishing

Over the past decade, several new centres of gravity for global publishing have emerged. The demand for books and educational material reflect overall economic growth patterns with remarkable precision.

» Share of global publishing industry, by region

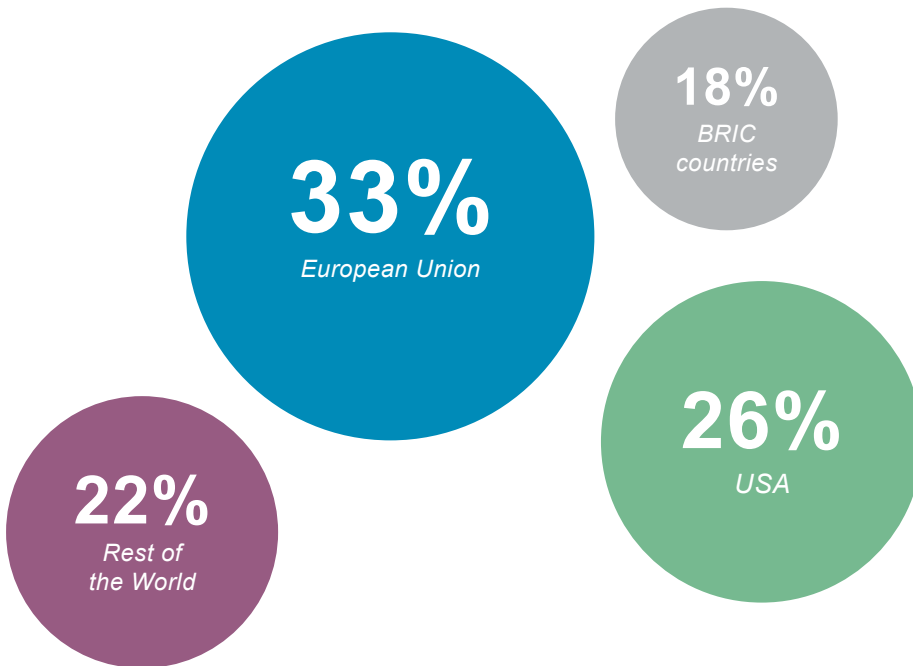


Chart 02: Market share in global publishing industry of selected regions, at consumer value. (Source: IPA research.)

China alone, by now the second largest publishing market worldwide, accounts for more than half of the BRIC countries' global market share (to be exact, over 12% of global publishing). The Chinese publishing industry is expected to grow further, driven by domestic consumption and the aspiration for a better education of the expanding middle class in China's large urban regions. Meanwhile, other BRIC countries, notably Brazil, have recently hinted that the expansion of their book sectors could be coming to an end.

Such growth patterns—including an eventual a slow-down in publishing, in accordance with overall development—can be observed in several other countries after stupendous recent growth, notably in Turkey and Mexico, as we will show in case studies, below.

Unfortunately, for some of the most dynamic markets—for example India or Korea—a continuous overview of trends and developments is almost impossible due to gaps in availability of reliable data.

A Global Digital Expansion

In 2012, e-books worth US\$3.5 billion were sold in the United States, equalling 13% of all publishers' combined net sales. In the United Kingdom, digital revenues were worth £411 million, as compared to £2,932 million for sales of physical books. In a largely mature publishing market which has seen declining revenues in recent years, digital sales clearly helped balance the losses in revenue from printed books for the first time in the UK in 2012.

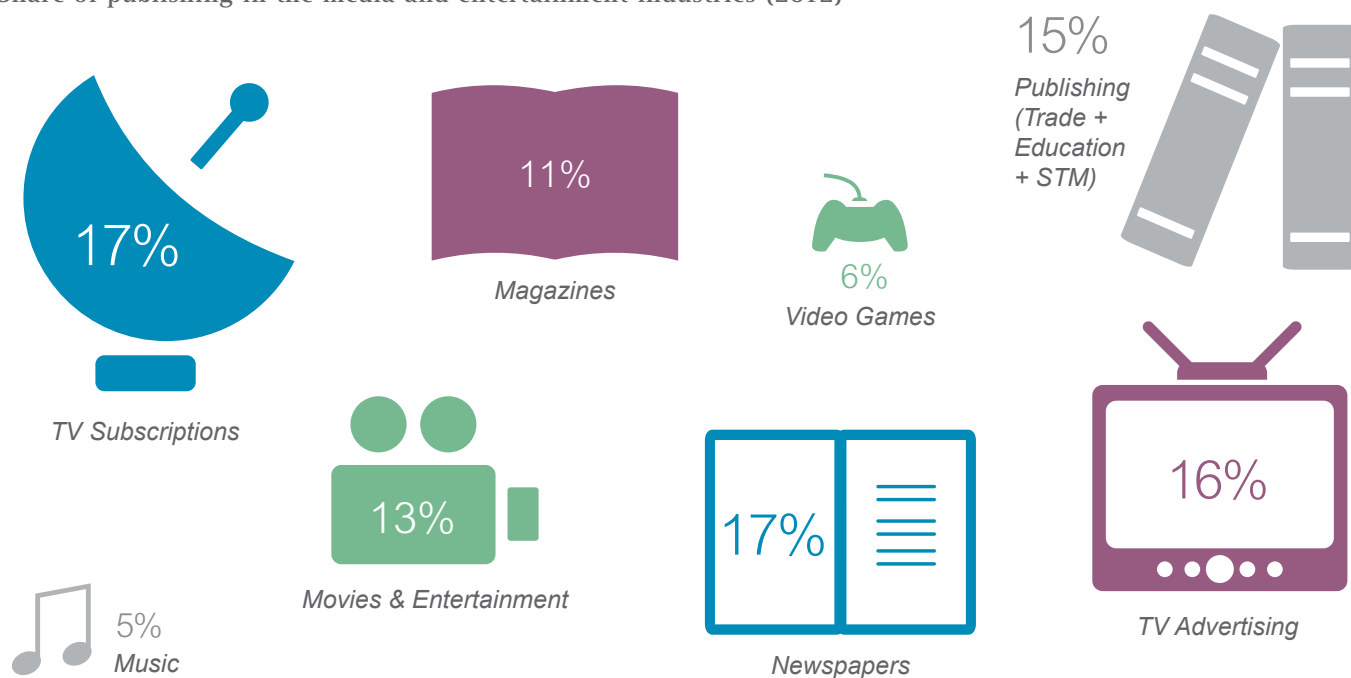
This is even more remarkable as e-books only started to gain significant market share in North America and Great Britain as recently as 2010. The music industry, by comparison, had to wait much longer before digital sales (by rising to 34% of income) helped to tip the overall market into new growth for the first time in over a decade in 2012.

No other markets can boast comparable market share for digital publishing as the US and the UK. But in contrast to trade (or general consumer) publishing, other sectors of the industry have already largely and successfully completed their digital migration. Leading companies in scientific, technical and medical publishing (STM) as well as professional publishing, today get over 80% of their revenues from digital. Educational publishing is now closely replicating this pattern, driven particularly by strategic government programs in both developed and emerging economies.

Publishing Plays a Particularly Strong Role in Global Media and Entertainment

In the global publishing, media and entertainment industries—in total, worth over US\$1,000 billion—books account for 15% of the value.

» Share of publishing in the media and entertainment industries (2012)



	US\$	Share in %	Source ¹
TV Subscriptions	\$172	17%	PwC Global Entertainment and Media Outlook 2013 - 2017
Newspapers	\$170	17%	IbisWorld, Global Newspaper Publishing industry
TV Advertising	\$162	16%	PwC Global Entertainment and Media Outlook 2013 - 2017
Publishing (Trade + Education + STM)	\$151	15%	IPA (RW): Global Publishing Markets 2013
Movies & Entertainment*	\$133	13%	Lucintel, Global Movie and Entertainment Industry 2012-2017: Trends, Profits and Forecast Analysis
Magazines	\$107	11%	Lucintel, Global Magazine Publishing Industry 2013-2018: Trend, Profit, and Forecast Analysis
Video games	\$63	6%	PwC Global Entertainment and Media Outlook 2013 - 2017
Music	\$50	5%	PwC Global Entertainment and Media Outlook 2013 - 2017
Total publishing, media & entertainment	\$1,008	100%	
* broader definition than PwC			
Book Publishing (Trade + Edu)	112		IPA (RW)
Book Publishing (Trade + Edu)	104		PwC Global Entertainment and Media Outlook: 2013-2017
Recorded music (net industry sales, not market value; excl. Live revenues)	16.5		IFPI
Filmed Entertainment	106		PwC Global Entertainment and Media Outlook: 2013-2017

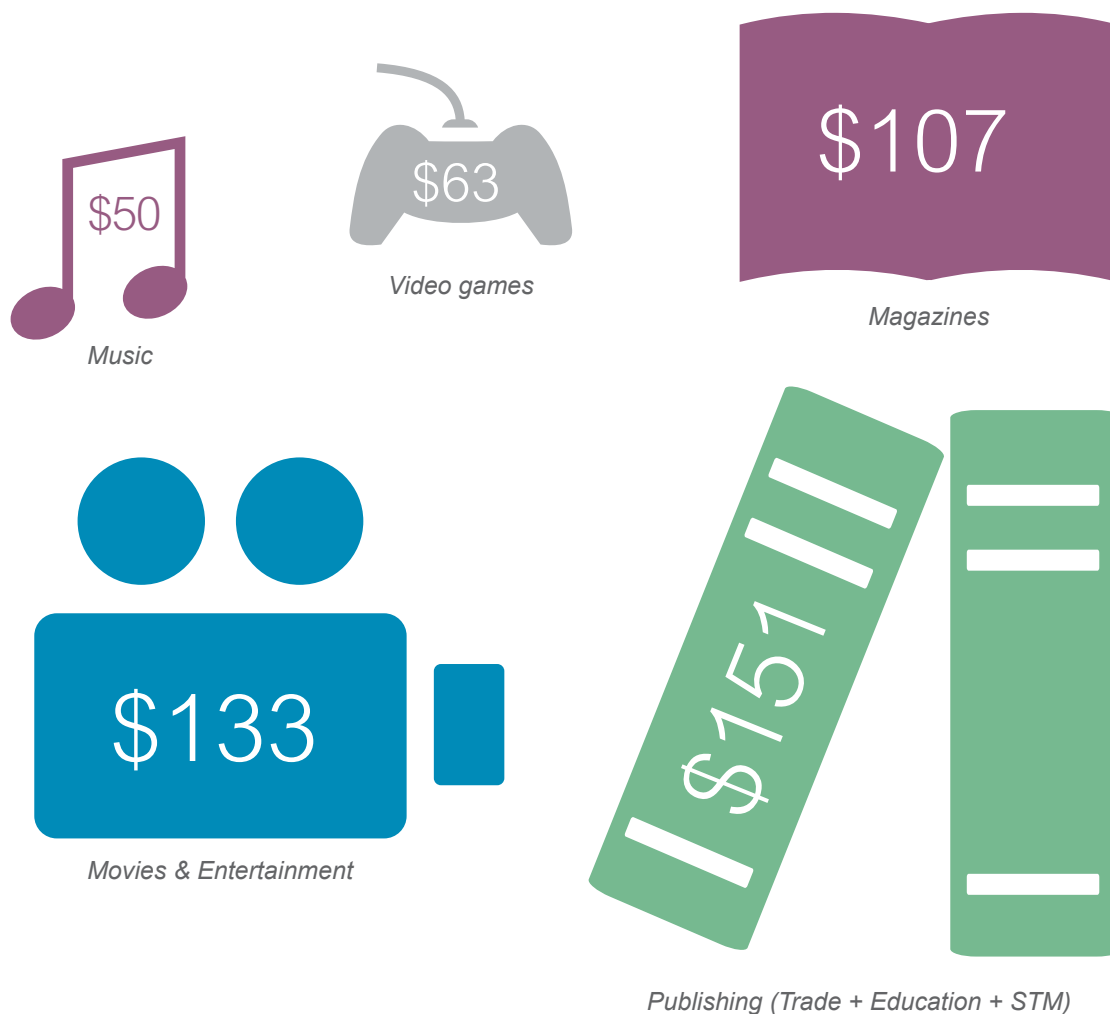
Table 02, Chart 03: Consumer spending on TV, filmed entertainment, video games, music, and all sectors of publishing. (Various sources, compiled by IPA/RW)

¹ Research from various sources, and IPA/RW research for book publishing, including the following:

- PwC Global Entertainment and Media Outlook: 2013-2017, www.pwc.com/outlook
- Lucintel (Movies & entertainment) - http://www.researchandmarkets.com/reports/2172264/global_movie_and_entertainment_industry
- Lucintel (Magazines) - <http://www.prweb.com/releases/2013/3/prweb10565084.htm>
- IbisWorld (Newspaper) - <http://www.prweb.com/releases/2013/6/prweb10834034.htm>

Among entertainment products, book publishing is clearly the largest industry, equalling roughly three times the turnover of the global music industry, and almost 14% more than the value of global movies and entertainment.

» Publishing and entertainment media (bn US\$, 2012)



	US\$ bn	Source ²
Publishing (Trade + Education + STM)	151	IPA (RW): Global Publishing Markets 2013
Movies & Entertainment	133	Lucintel, Global Movie and Entertainment Industry 2012-2017: Trends, Profits and Forecast Analysis
Magazines	107	Lucintel, Global Magazine Publishing Industry 2013-2018: Trend, Profit, and Forecast Analysis
Video games	63	PwC Global Entertainment and Media Outlook 2013 - 2017
Music	50	PwC Global Entertainment and Media Outlook 2013 - 2017
Total	504	

Table 03, Chart 04: Market share of book publishing, as compared to filmed entertainment, video games and music (Various sources, IPA/RW research)

² Research from various sources, and IPA/RW research for book publishing, including the following:

- PwC Global Entertainment and Media Outlook: 2013-2017, www.pwc.com/outlook
- Lucintel (Movies & entertainment) - http://www.researchandmarkets.com/reports/2172264/global_movie_and_entertainment_industry
- Lucintel (Magazines) - <http://www.prweb.com/releases/2013/3/prweb10565084.htm>

Case Studies and Close Ups

Comparing Complex Developments: Mature Versus Emerging Economies In Publishing

A comparison of mature book markets from across Europe, plus the United States, clearly shows how most European markets recently suffered the consequences of the economic crisis of 2008, while the US market experienced a recovery largely driven by the recent strong expansion of its e-book market segment.

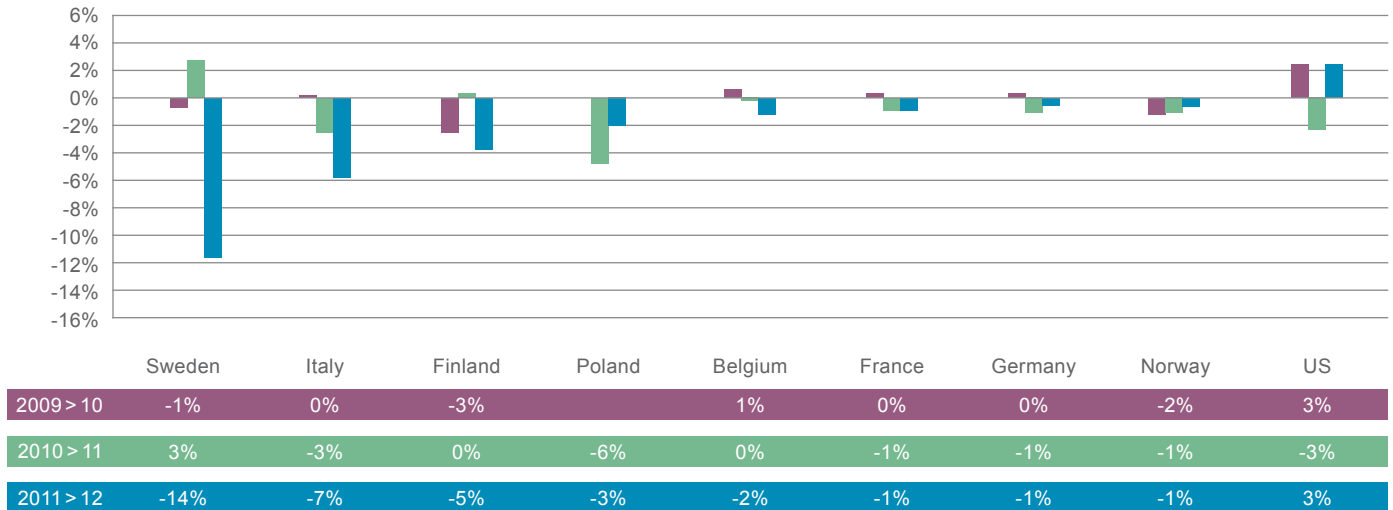


Chart 05: Selected mature markets: Relative annual growth or decline between 2009 and 2012, in local currencies, in %. (Sources: Various national statistics.)

The picture is significantly different for selected emerging economies, where growth had been much more vibrant, before a harsh slowdown hit in 2012.

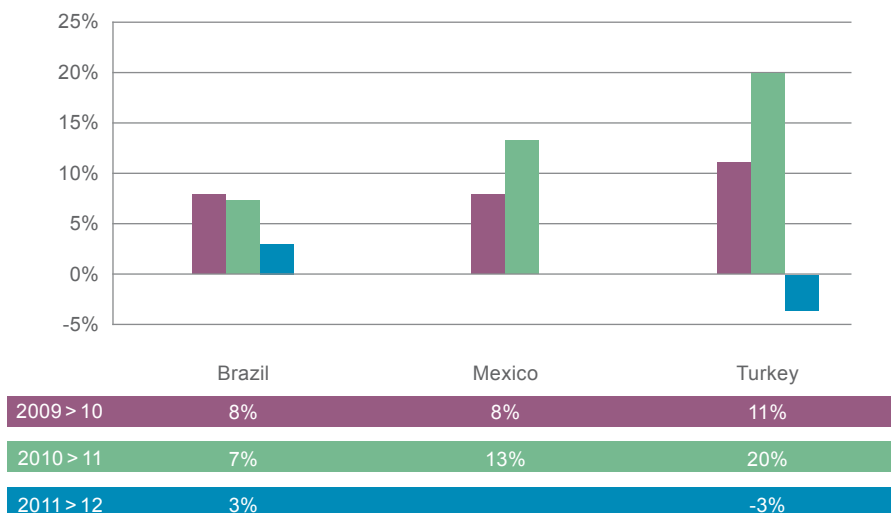


Chart 06: Selected emerging economies: Relative annual growth or decline between 2009 and 2012, in local currencies, in %. (Sources: Various national statistics.)

The United Kingdom: The Role of Digital and Exports

The US example highlights how the evolution of an e-book market can make good for lost ground in print once e-books have evolved beyond their very early stages.³ Recent numbers from the United Kingdom showcase some remarkable details:

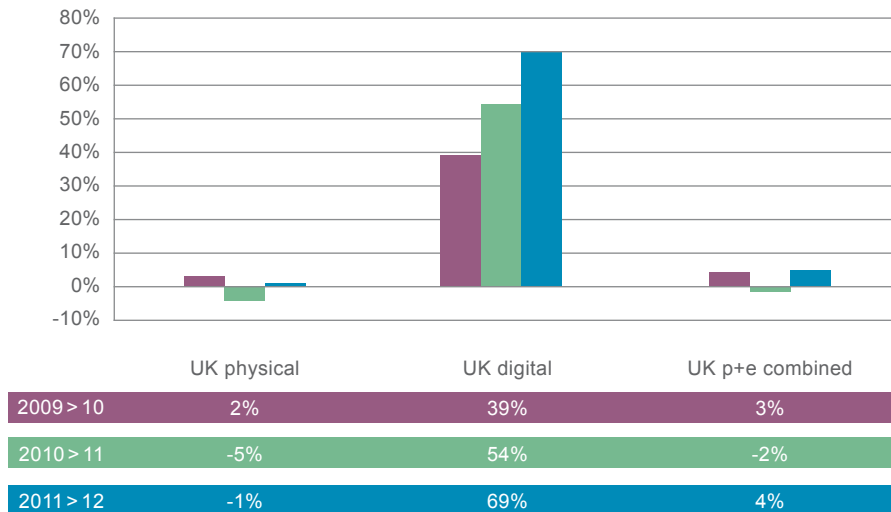


Chart 07: Evolution of print and digital in the United Kingdom. (Source: The Publishers Association.)

In these UK figures, we see a declining print book market being counter-balanced by e-book sales, resulting in overall growth in 2012, as compared to 2011.

Also, the United Kingdom example is even more relevant as it allows us to show the impact of exports. The UK is traditionally one of the strongest exporting markets for several sectors in the cultural industries, and notably for books.

Analysing the total value created by the UK book industry in 2012 reveals that exports (£1,211 million) were a particularly significant portion of the £2933 million generated in overall net sales, plus another £125⁴ million coming from digital domestic revenues.

	2012 (m£)
UK domestic print sales	1,721
UK domestic digital sales	125
UK exports	1,211
Total	3,057

Table 04: British publishers' value creation. (Source: The Publishers Association.)

Overall the UK publishing industry clearly stands out among all international markets by virtue of the important share of overall revenue generated by both digital sales and exports.

The Data Challenge

This report looks at an old cultural industry—rich in traditions and characterized by deep regional differences— from a truly global perspective.

Its ambition is to collect existing data from a wide array of sources, always aiming to identify the best and most reliable statistics, retrieving the information either directly from local professional and government organizations, or, as a second-best choice, from authoritative professional publications. In many cases, we have had detailed discussions with those local information providers, aiming at a well-founded understanding of what their data represent.

With standardized definitions missing even for the most basic identifiers—such as what is included under the term 'book publishing', and what needs to be excluded (e.g. newspapers and magazines)—the International Publishers Association has begun a process engaging with its members to define a set of basic identifiers. A working group was established in 2012, with members representing both professional trade and commercial market research organizations to oversee best practices and provide valuable conceptual as well as technical advice. All research has been conducted by Rüdiger Wischenbart and his team at 'Content and Consulting'.

Still, users of this report should be aware of the complexities and uncertainties involved, and their critical feedback is therefore highly encouraged.

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³ All data as reported by the UK Publishers Association in 'The UK Book Publishing Industry in Statistics 2012', www.publishers.org.uk

⁴ The total digital revenues of £411 million in 2012 includes digital exports. Domestic digital sales account for £125 million. Clarification by PA, for this report.