2021

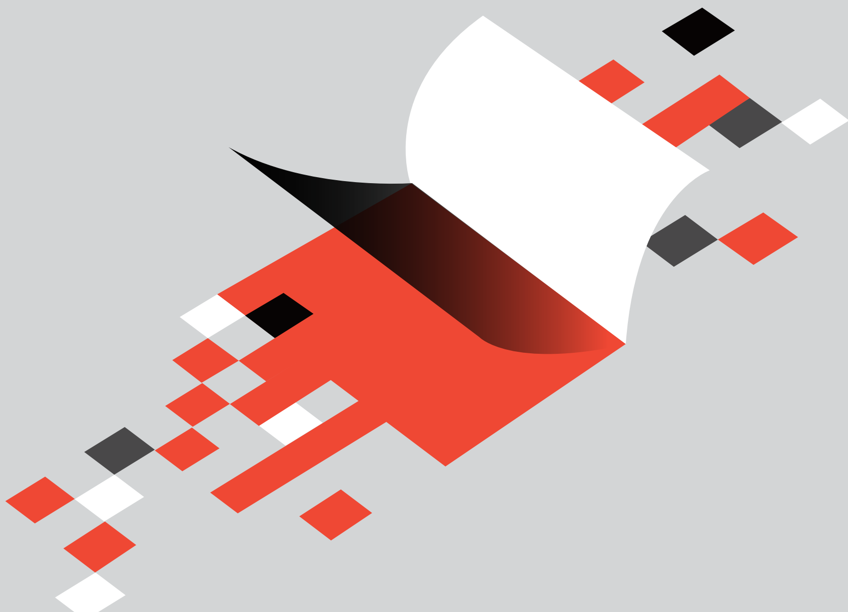
Taiwan Cultural Content Industries Survey Report. 2021. Vol.I

Book · Magazine · Comic · Original Image Industries

TAICCA
TAIWAN CREATIVE CONTENT AGENCY

I

TAICCA



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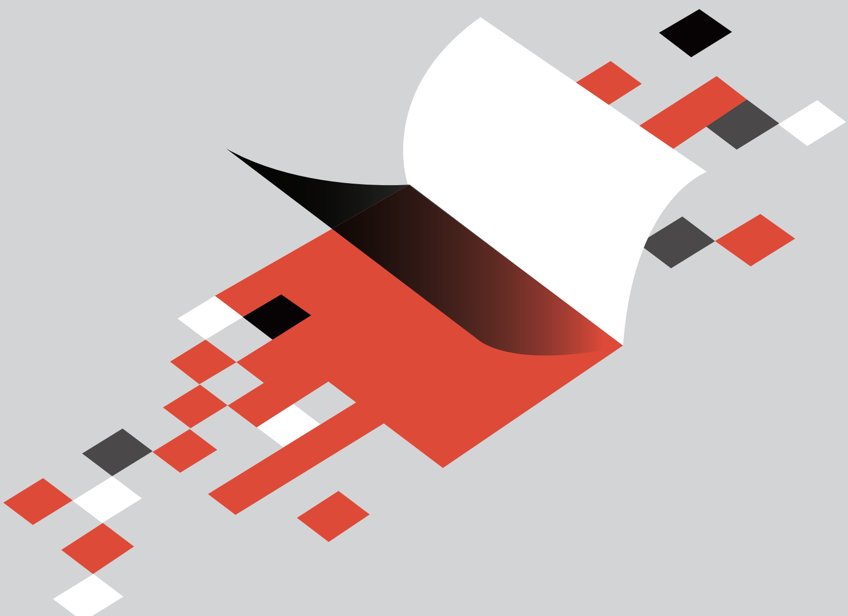
FOREWORD



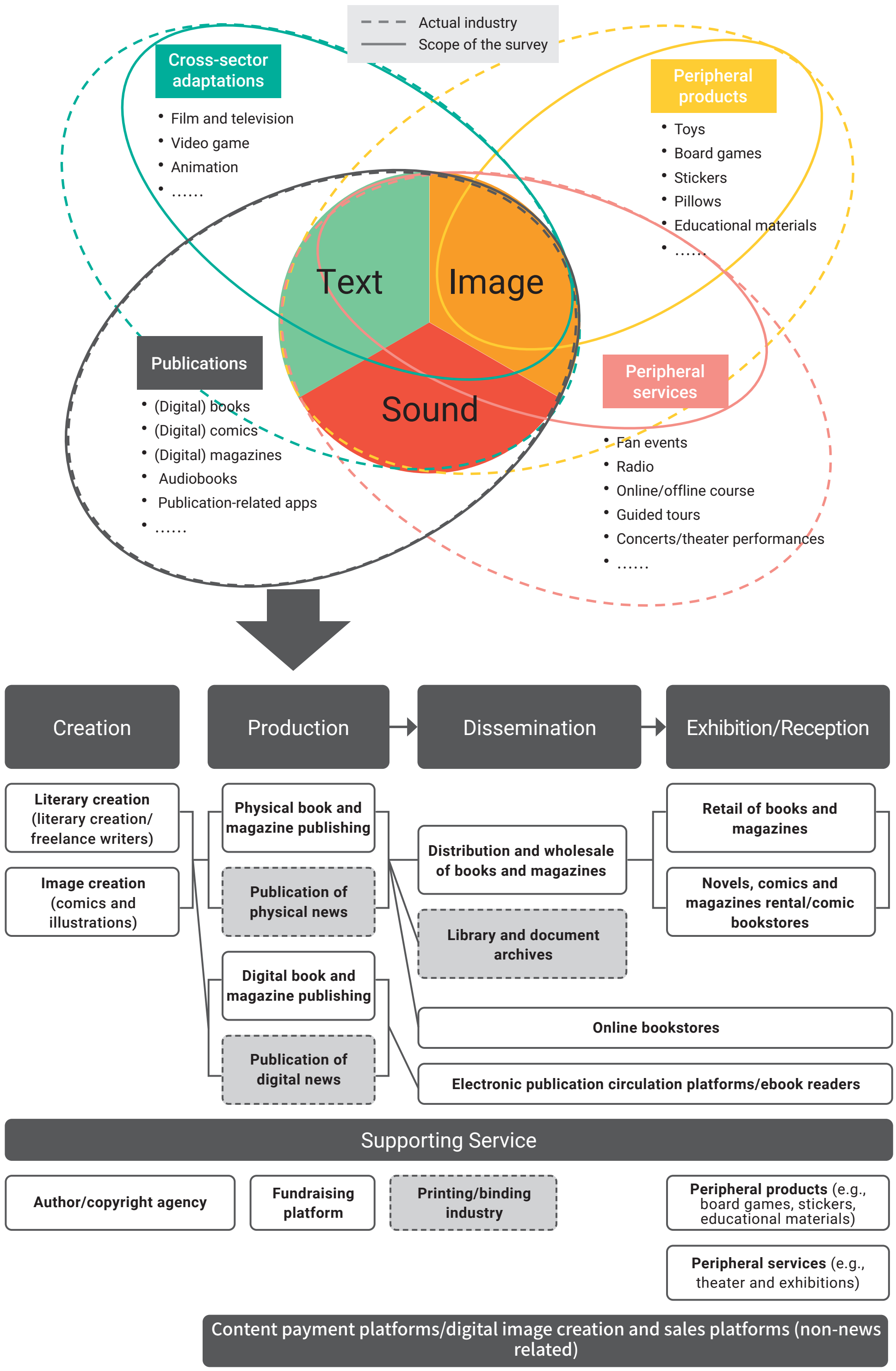
1 Scope of the Survey

This report was created to accurately reflect the current cultural content industry in Taiwan. It provides the government and the industry with the latest industry development trends and serves as a basis for the establishment of industry development goals and the implementation of policies. In 2021, Taiwan Creative Content Agency (TAICCA) conducted the Cultural Content Industry Survey Project and divided the industry surveys into four separate volumes according to their industry relevance, including the Book, Magazine, Comic, and Original Image Industries, Motion Picture, Television, and Animation Industries, the Popular Music and Radio Industries, and the Games and Esports Industries.

This is volume I of the Cultural Content Industry Survey Project of 2021, which covers the book, magazine, comic, and original image industries. Since digitalization trends have created diverse forms of publishing, images and sounds have gradually become important formats for delivering content. The scope of the survey also included related activities in other industries such as the development of merchandise and cross-sector adaptation of content IPs.

The scope of this year's survey is based on the scope of industries specified in the Taiwan Cultural & Creative Industries Annual Report. This includes writing and creative activities during the upstream creative phase. Midstream production includes publishers (who are responsible for editing and publishing printed and electronic publications) and printing companies (who are responsible for typesetting, printing, and binding). Midstream and downstream dissemination includes the wholesale circulation of books and magazines, as well as electronic publication circulation platforms. Downstream exhibition/reception entities include retail, rental, and ebook reader companies, and libraries. In addition, the supporting services include author/copyright agencies, content creation, and payment/fundraising platforms, the printing industry, and exhibition planning.

In terms of the actual targets of the survey, different survey methodologies were adopted due to the different number of companies in each subindustry. In the survey this year, targets were divided into two categories, which were subjects in either the "qualitative and quantitative survey" or "primarily qualitative survey". The targets in qualitative and quantitative surveys included book publishers, magazine publishers, physical stores, online stores, digital publication circulation and sales platforms, and illustration agencies (including independent illustration agents). In addition, targets in primarily qualitative surveys included comic book publishers, distributors, authors and copyright agencies, comic book rental stores, fundraising platforms, and paid content platforms / digital image creation and sales platforms.



Figue 0-1. Scope of industry chain and survey

■ ***Note:***
1. The gray areas indicate that the industry or business model is part of the industry chain but has not been included in the scope of the survey and statistics.
2. The merchandise and peripheral services mentioned here mainly refer to business activities in which upstream publishers authorize or extend development to downstream entities, but not surveys of industries related to the production of peripheral products (e.g., board game stores).

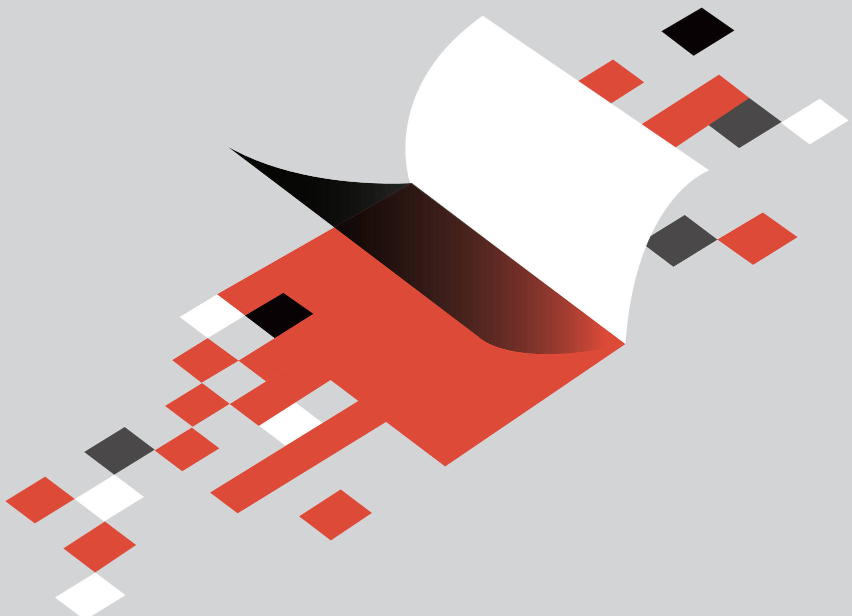
■ ***Source:*** Created by this survey.

2 Chapter Overview

The 2021 Cultural Content Industry Survey Report Vol. I: The Book, Magazine, Comic, and Original Image Industries is split into three chapters. Chapter 1 is a spotlight on significant and relevant statistical results of the survey that are of interest to the industry. Chapter 2 is an overview of the results of surveys conducted on the book, magazine, comic, digital publication, sales and distribution channels, and original image development and brokerage industries. In addition to actual ISBN publishing for the year, the publication of all types of works, pricing, and discounts, this chapter also includes the number of companies, manpower, revenue, and revenue structure of each subindustry. Chapter 3 contains a forecast of possible trends and prospects for the industry based on the current cross-sector development, Intellectual Property (IP) licensing, and digital development in the industry.

To learn more about the business conditions of the book, magazine, comic, and original image industries and gain additional context on their development, this survey adopted the contents and results of the Taiwan Publishing Industry Survey Report conducted by the Ministry of Culture and the 2020 Taiwan Cultural Content Industries Survey Report conducted by the Taiwan Creative Content Agency and made adjustments in survey plans in response to digital development trends and issues of concern to companies. In general, the survey sought to explore the overall conditions in the scope of the industry and conducted quantitative and qualitative surveys on publishing, sales and distribution channels, and other peripheral industries. The core items of the survey included the actual scale of the industry, revenue and business models, IP licensing trends, and digital development trends. The results are provided to related government agencies, the Taiwan Creative Content Agency, and professionals in the industry as references for future policy formulation and information on the current state of development in the industry.

| SPOTLIGHT



1 Number of Titles in ISBN Publishing Applications

The number of applications for the International Standard Book Number (ISBN) has not been able to reliably show the number of titles of new book publications in a given year because ISBNs applied by publishers may not necessarily mean that the books are published in the same year. However, a year-by-year comparison can still be used to observe changes in the publication capacity of books in Taiwan. According to the data provided by the ISBN Center of the National Central Library, 35,041 titles were filed by domestic publishers in 2020, a 4.81% decline from 36,810 titles in 2019.

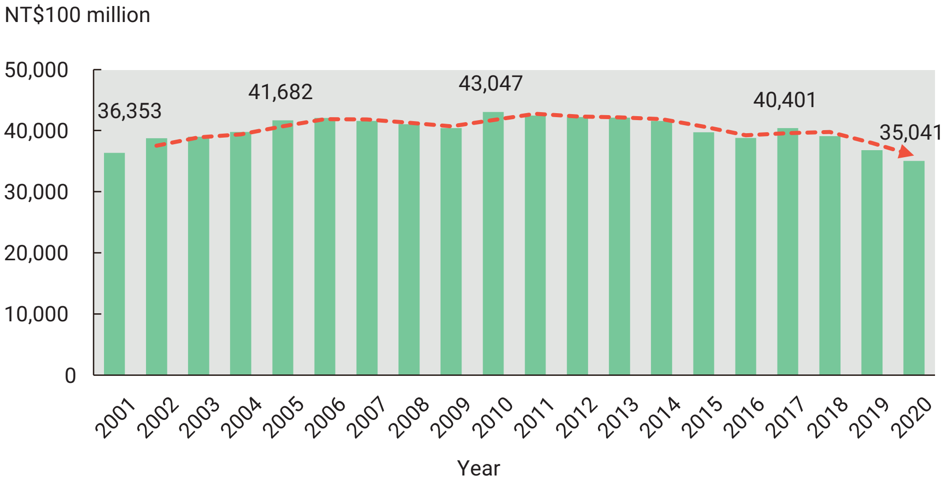


Figure 1-1. Number of titles of books with ISBN application in Taiwan from 2001 to 2020

- ***Note:*** Data after 2012 were added by the survey.
- ***Source:*** National Central Library and data organized by this survey.

2 Number of Titles in Actual Publications in Taiwan

An inventory and comparison of ISBN data and the books offered on the top four online bookstores (Books.com.tw, Eslite, Kingstone Book, and San Min Book) from 2019 to 2020 showed that "ISBN application in 2020 and publication in the same year" accounted for 80.97% of all applications. Based on this ratio, 28,373 titles among all ISBN applications in 2020 were published. If the 6,928 new titles classified as "ISBN application in 2019 but publication postponed to 2020" were included, the total estimated number of new titles published in 2020 would be 35,301 titles.

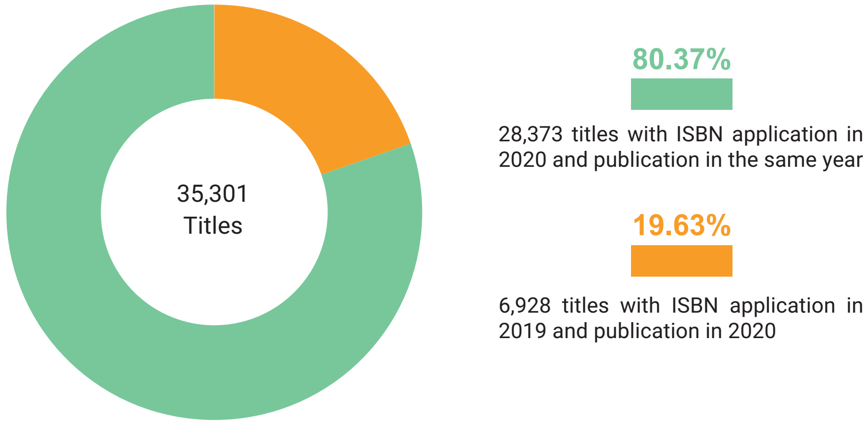


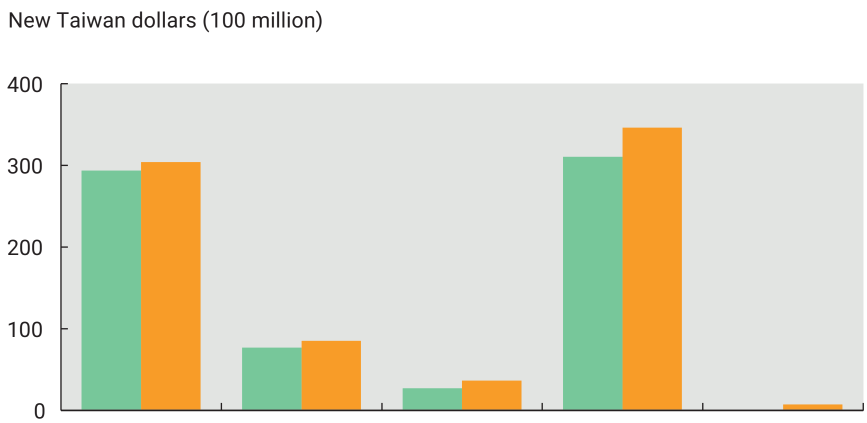
Figure 1-2. Estimated number of new books published in Taiwan in 2020

■ ***Source:*** Organized by this survey study.

3 Overall Scale of Taiwan's Publishing and Original Image Industries

An estimate of the overall scale of Taiwan's publishing and original image industries was added this year. Instead of only presenting the revenue from sales of "publications," operating incomes from cross-sector IP derivatives and application, new business models, diversified management, and upstream and downstream integration of the industry were inspected to aid this estimation, allowing the observation of the overall development of Taiwan's publishing and original image industries under the trends of digital convergence and cross-sector integration.

The overall scale of the publishing and original image industries reached NT$77.330 billion (76.713 billion when excluding the original image industry, an increase of 9.23% over 2019).



	Book publication (including comics) industry	Magazine publication industry	Digital publication platforms	Publishing and marketing channel industry	Original image development and brokerage industry
2019	291.86	75.75	25.98	308.71	-
2020	303.77	83.85	35.26	344.25	6.17
Growth rate(%)	4.08	10.69	35.72	11.51	-

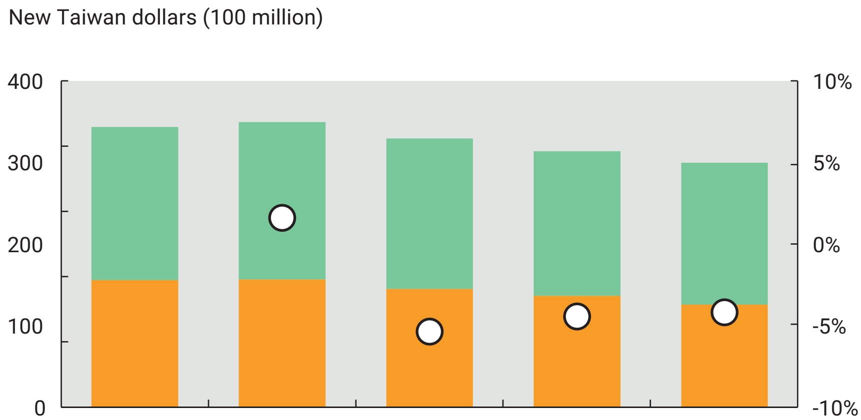
Figue 1-3. Overall scale of Taiwan's publishing and original image industries from 2019 to 2020

■ ***Note:***
1. The overall industry scale was newly added this year, including various publications, derivatives, and other non-publishing-related revenue.
2. The scale of the book publishing (including comics) industry only included the overall revenues of core operators and did not include non-specialized publishers, such as cram schools, kindergartens, legal entities, media companies, etc.
3. The scale of the magazine publishing industry was calculated based on overall revenue of specialized magazine publishers (core businesses) and did not include non-specialized magazine publishers, such as information and communication companies, cram schools, educational institutions, game industries, etc.
4. The scale of the publishing and marketing channel industry was calculated based on the total revenue of physical bookstores and specialized online bookstores (excluding large e-commerce companies such as MOMO).
5. The expanded survey scope of this year's original image industry was different from that of 2019, so there was no data for annual comparison.

■ ***Source:*** Organized by this survey study.

4 Revenue From Book Publications in Taiwan

In 2020, the overall revenue from books (both old and new books) at the "retail end" in Taiwan was NT$21.538 billion, which was a 1.77% decline compared to 2019 (NT$21.927 billion). The overall revenue from books (both old and new books) at the "publishing end" for books was NT$15.571 billion, which was a 7.94% decline compared to 2019 (NT$16.914 billion). The total revenue from the publication of books (the sum of both market and publishing ends) in Taiwan in 2020 was NT$37.109 billion, which was a 4.46% decline compared to 2019 (NT$38.842 billion).



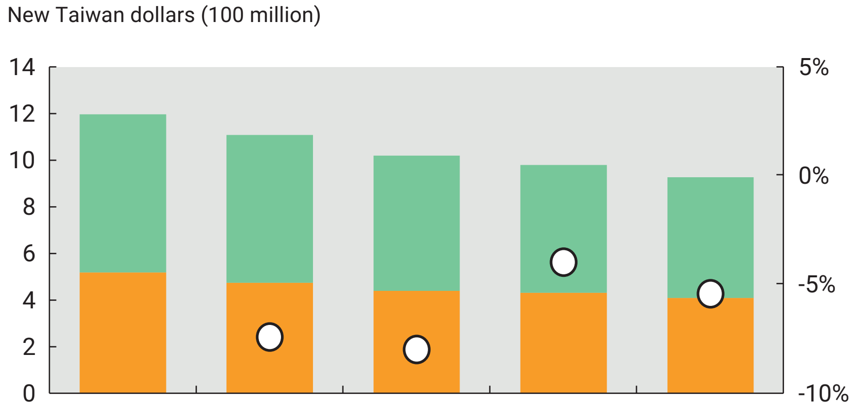
	2016	2017	2018	2019	2020
Retail end revenue	232.09	238.51	228.20	219.27	215.38
Publishing end revenue	192.92	193.99	179.52	169.14	155.71
Total revenue	425.01	432.50	407.72	388.42	371.09
Growth rate(%)	-	1.76	-5.73	-4.73	-4.46

Figue 1-4. Development trend in the revenue of book publishing industry in Taiwan

■ ***Source:*** Organized by this survey study.

5 Revenue from Comic Book Publications in Taiwan

In 2020, the overall revenue of Taiwan's printed comic (both old and new) books at the "retail end" was NT$521 million, which was a 5.62% decline compared to the NT$552 million in 2019. The overall revenue from printed comic (both old and new) books at the "publishing end" was NT$412 million, which was a 5.07% decline compared to the NT$434 million in 2019. The total revenue from the publication of comic books (the sum of both market and publishing ends) in Taiwan in 2020 was NT$932 million, which was a 5.40% decline compared to 2019 (NT$986 million).



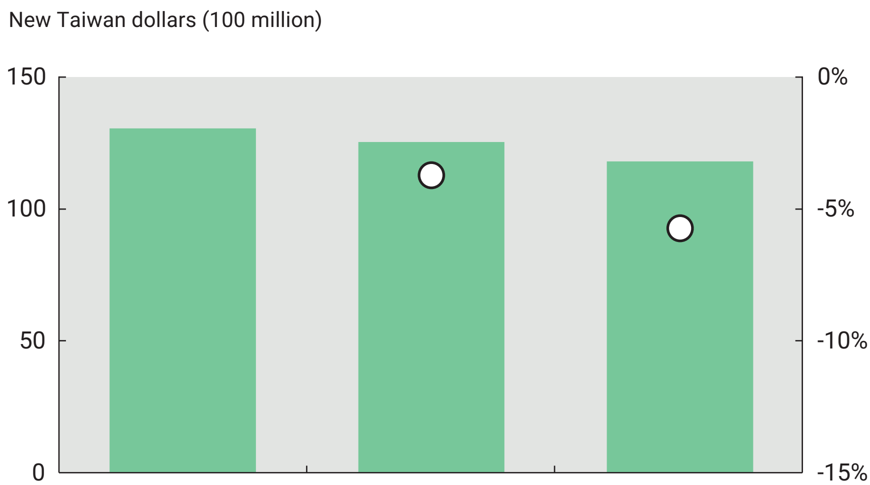
	2016	2017	2018	2019	2020
Retail end revenue	6.82	6.38	5.84	5.52	5.21
Publishing end revenue	5.22	4.77	4.42	4.34	4.12
Total revenue	12.04	11.15	10.26	9.86	9.32
Growth rate(%)	-	-7.40	-7.97	-3.93	-5.40

Figue 1-5. Development trend in the revenue of the comic book publishing industry in Taiwan

■ ***Source:*** Organized by this survey study.

6 Revenue from Magazine Publications in Taiwan

In 2020, the revenue from magazine subscriptions in Taiwan was NT$6.380 billion; revenue from direct sales channels was NT$2.304 billion; revenue from distribution channels was NT$2.92 billion. Total revenue from printed magazine publishing in Taiwan in 2020 was NT$11.675 billion, a decline of 5.91% compared to 2019.



	2018	2019	2020
Revenue from magazine	129.14	124.08	116.75
Growth rate(%)	-	-3.92	-5.91

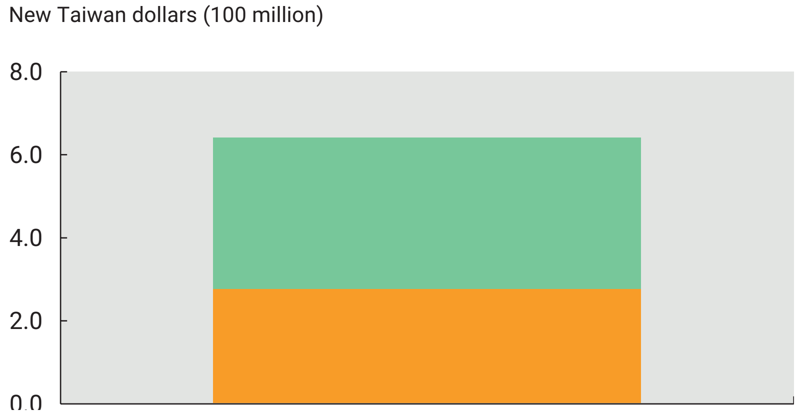
Figue 1-6. Development trend in the revenue of the magazine publishing industry in Taiwan

■ ***Note:*** This survey's "magazine publishing industry scale (core businesses)" has a different definition and scope than "revenue from magazine publications." "Revenue from magazine publications" covers the distribution and sales of magazine publications by both specialized (core) and non-specialized magazine publishers (such as information and communication companies, cram schools, educational institutions, game industries, etc.). "Magazine publishing industry scale (core businesses)" refers to the overall revenue of the specialized (core) magazine publishers, including revenues from the distribution and sales of magazine publications, cross-sector IP derivatives and application, membership subscription systems, corporate consulting, new business models, diversified management, and upstream and downstream integration of the industry, but does not include the overall revenue of non-specialized magazine publishers.

■ ***Source:*** Organized by this survey study.

7 Original Image Development and Brokerage Industry in Taiwan

In 2020, the estimated market scale of the original image industry in Taiwan was calculated based on revenues from original image creation and development, illustration agencies, and revenue obtained from questionnaires given to related businesses. According to the data, the scale of Taiwan's original image development and brokerage industry in 2020 was approximately NT$617 million.



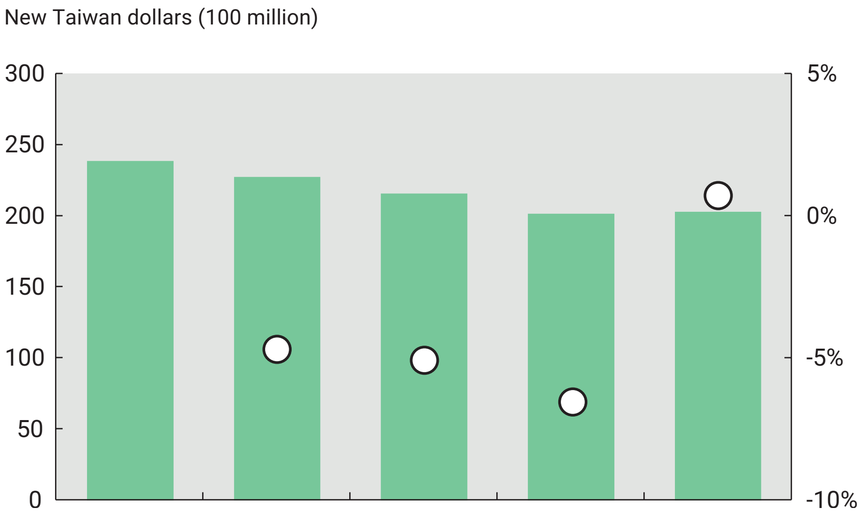
	2020
Original image creation and development	3.52
Original image brokerage	2.65
Total revenue	6.17

Figue 1-7. Scale of Taiwan's original image development and brokerage industry in 2020

■ ***Note:***
1.The scale of Taiwan's original image industry is estimated based on the revenue structure of original image development, creation, and illustration agency.
2.The survey scope has been expanded for this year, and a comparison with data from other years cannot be implemented.
■ ***Source:*** Organized by this survey study.

8 Revenue From Sales and Distribution Channels and Book Sales in Taiwan

In 2020, the market revenue of printed books (both old and new books, including comics) for Taiwan's sales and distribution channels for publications totaled NT$20.162 billion, up 0.62% from NT$20.037 billion in 2019. For the first time in recent years, the revenue decline had come to an end and had stabilized.



	2016	2017	2018	2019	2020
■ Revenue (NT$100 million)	237.18	225.98	214.44	200.37	201.62
● Growth rate(%)	-	-4.72	-5.11	-6.56	0.62

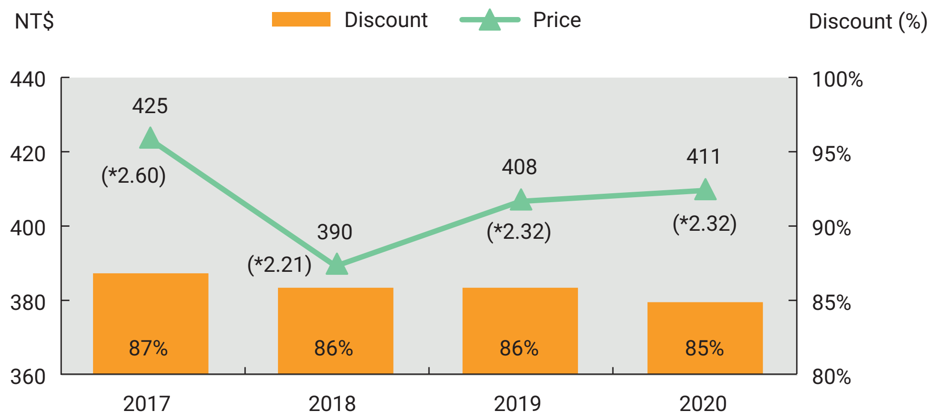
Figue 1-8. Development trend in revenue from sales of books through sales and distribution channels in Taiwan

■ ***Note:***
1. The revenue of sales and distribution channels for publications only represents the revenue from the sales of printed books in traditional physical bookstores and online bookstores during the year. It does not represent the entire revenue from the publication of books and comics in retail. Therefore, it does not include sales revenue from direct sales by publishers, exports, sales by publishers in online communities, libraries, and education markets.
2. The revenue of publishing marketing channels already excluded the sales revenue of traditional physical bookstores and online bookstores for products that are not printed books, such as stationery, cultural and creative products, food and beverages, and consumer electronics.
3. The revenue of sales and distribution channels for publications has been included in the retail revenue of the aforementioned book publishing and comic book publishing sectors, and therefore should not be aggregated with the revenue of other subindustries.
■ ***Source:*** Organized by this survey study.

9 Pricing, Discounts, and Historical Trends in Taiwan's Book Sales

The prices of books in all categories continue to increase, from an average price of NT$390 (with an average single-page price of NT$2.21) in 2018 to NT$411 (with an average single-page price of NT$2.32) in 2020 per book. In terms of discounts, the average discount for all categories of books in 2020 was 15%, the median was 15%, and the mode was 10%, similar to 2019.

■ ***Description:*** *Average price of a single page.



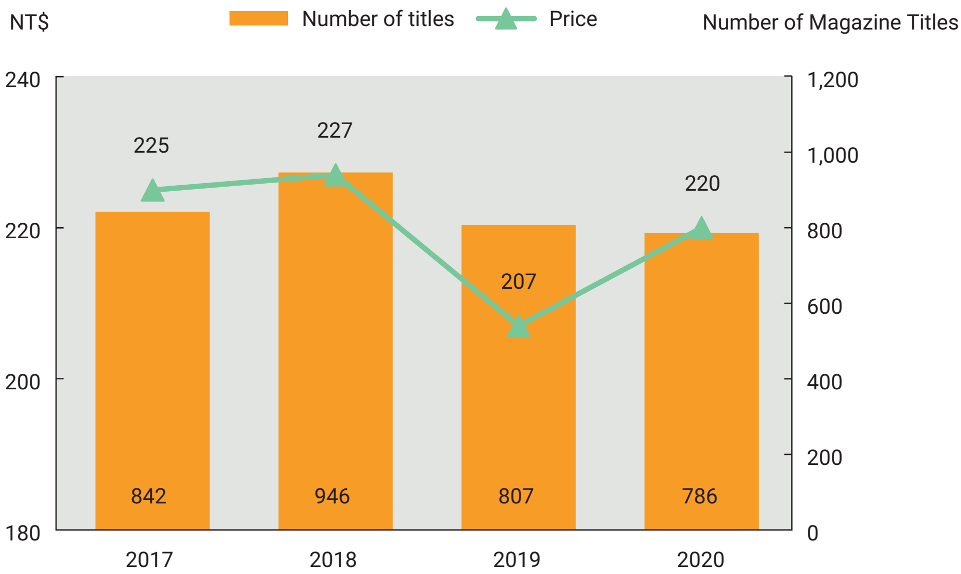
Figue 1-9. Development trend of pricing for various types of books in Taiwan from 2017 to 2020

■ ***Note:*** The formula for calculating the percentage discount = 100 – discount (%). For example, if the discount amount is 87%, then the percentage discount will be 100 - 87 = 13% off.

■ ***Source:*** Organized by this survey study.

10 Number of Titles, Pricing, and Historical Trends in Taiwan's Magazine Sales

The magazines (including special editions, back issue publications, and irregular publications) offered by the top four online bookstores (Eslite, Kingstone Book, TAAZE, and Books.com.tw) in 2020 totaled 786 titles, a decrease from 2019. In 2020, 410 different magazine titles were available in stores, excluding special editions, back-issue publications, and irregular publications (compared to 404 in 2019).

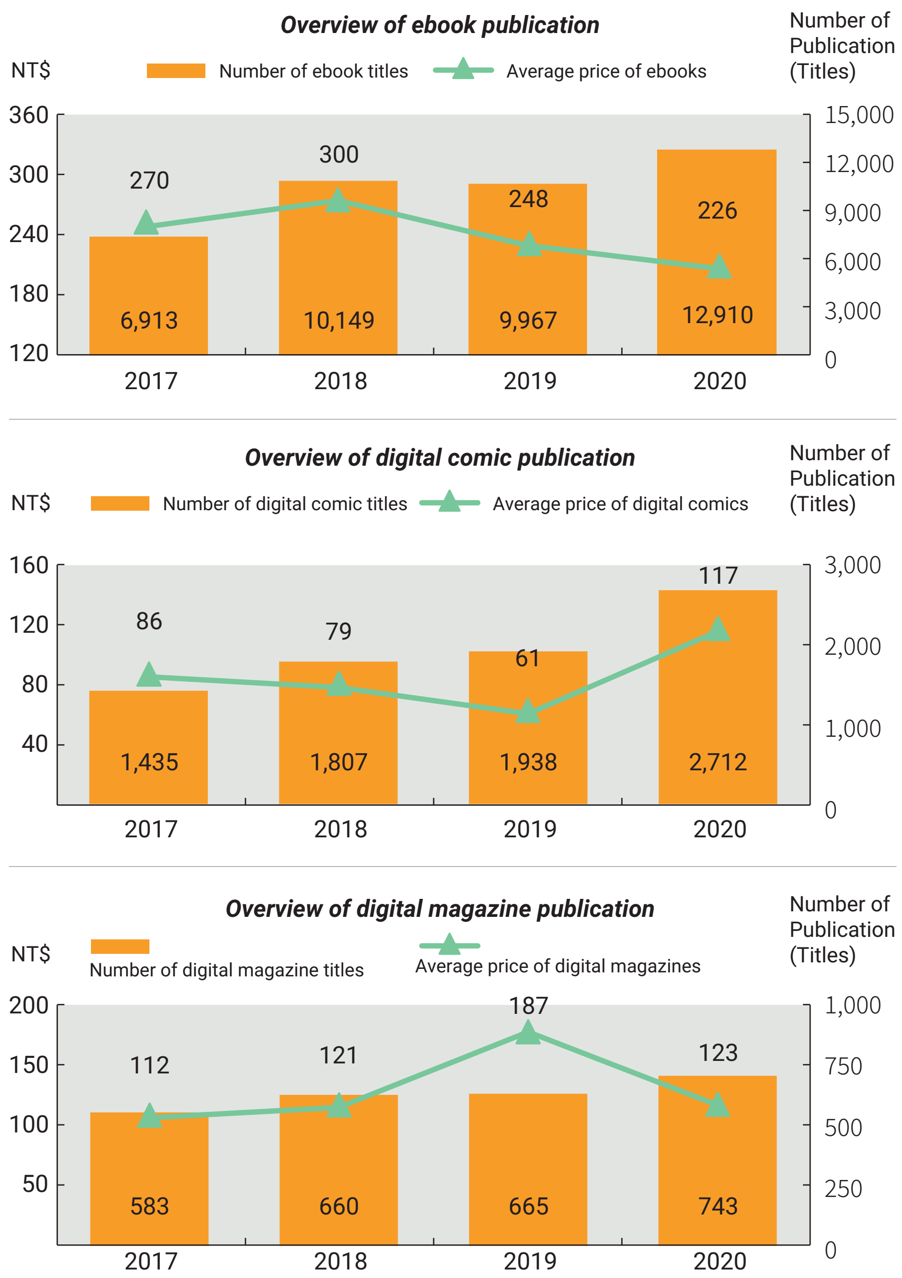


Figue 1-10. Development trend of printed magazine publications in Taiwan from 2017 to 2019

■ ***Note:*** The number of magazine titles does not include publications from non-specialized magazine publishers, such as information and communication companies, cram schools, educational institutions, game industries, etc.
■ ***Source:*** Organized by this survey study.

11 Historical Trends of Digital Publications in Taiwan

The state of digital publishing (ebooks, digital comics, and digital magazines) in Taiwan over the last four years (number of titles, prices, and number of publishers) is as follows.

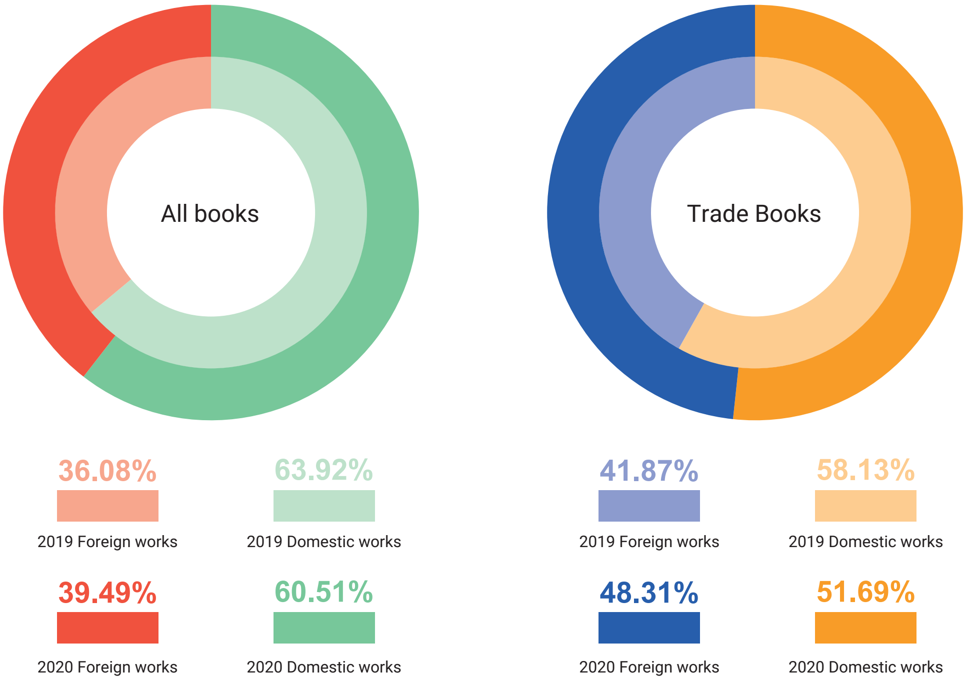


Figue 1-11. Development trend of digital publications in Taiwan from 2017 to 2020

■ ***Source:*** Organized by this survey study.

12 Percentages of Domestic and Foreign (Translated) Books

Among the 23,243 titles offered on the top four online bookstores, 14,065 titles were domestic works, accounting for 60.51% (63.92% in 2019); 9,178 titles were foreign works, accounting for 39.49% of all publications (36.08% in 2019). If we focus only on trade books (excluding publications for examinations, reference and professional books, textbooks, and government publications), among the 18,737 titles offered by the top four online bookstores, 9,686 titles were domestic works, accounting for 51.69% (58.13% in 2019); 9,051 titles were foreign works, accounting for 48.31% of all publications (41.87% in 2019).



Figue 1-12. Percentage of works among newly published domestic and foreign (translated) titles in 2020

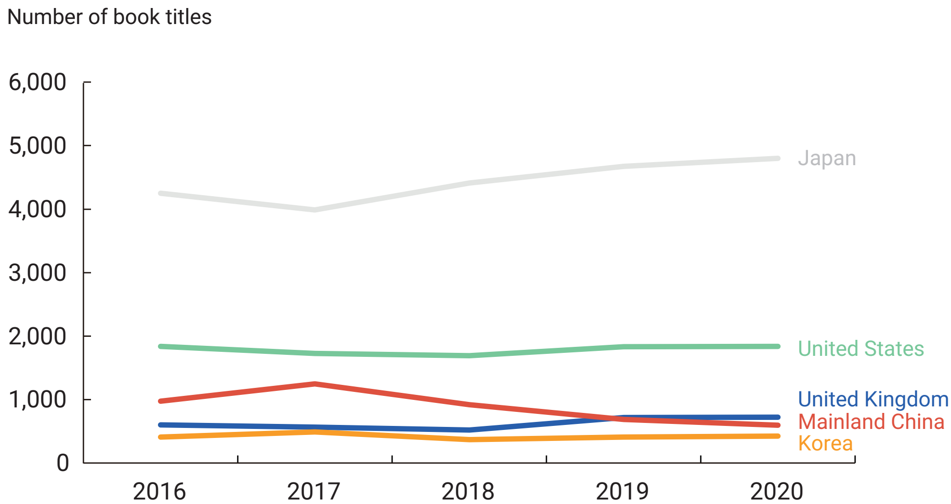
■ ***Note:***
1. The outer circle represents 2020, while the inner circle represents 2019.
2. Trade books do not include “exams/reference books” and “professional books/textbooks/government publications” when compared to all books.

■ ***Source:*** Organized by this survey study.

13 Source Countries of Foreign (Translated) Books

Japan was the leading source of foreign (translated) books in Taiwan in 2020, with 4,799 titles accounting for 52.29% of all titles, up 1.26 percentage points from 2019. Following them were 1,837 American titles (20.02%), 722 British titles (7.87%), 596 Mainland Chinese titles (6.49%), and 425 Korean titles (4.63%).

If we focus only on trade books (excluding publications for examinations, reference books, professional books, textbooks, and government publications), the top source of foreign (translated) books in Taiwan in 2020 was Japan (52.88%), followed by the United States (19.33%), United Kingdom (7.83%), Mainland China (6.57%), and Korea (4.63%).



Figue 1-13. Source countries of foreign (translated) books from 2016 to 2020

■ ***Source:*** Organized by this survey study.

II OVERVIEW

1 Book Publishing Industry

1.1. Industry overview

1.1.1. Survey on the number of book publishers in Taiwan

After the number of book publishers that filed ISBN applications peaked in 2013 (5,117 companies), the number of such applicants quickly fell. A total of 4,694 book publishers filed ISBN applications in 2020, which was a small decrease of 5.21% from 4,952 in 2019.

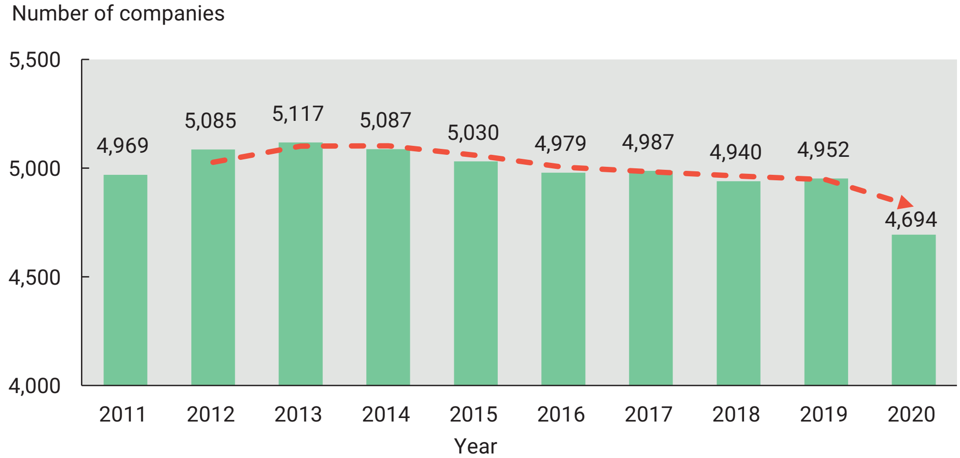
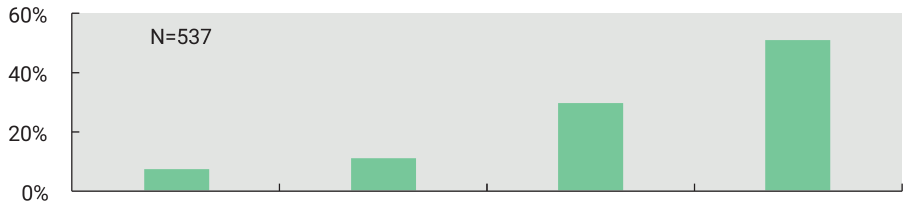


Figure 2-1. Number of book publishers that filed ISBN applications in Taiwan from 2011 to 2020

■ ***Source:*** ISBN Center, National Central Library.

This year, 856 publishers applied for more than four ISBN numbers, but after government agencies, schools, and individuals were removed from the statistics, the number fell to 537, accounting for only 11.44% of all ISBN applications. It is evident that less than half of the domestic book publishers focus on the publication of books as their main business. Despite the fact that Taiwan's publishing industry consists mostly of SMEs, over 80% (81.75%) of them have been in operation for 10 years or more.



Number of years since founding	Less than 5 years (not inclusive)	5 to 10 years (not inclusive)	10 to 20 years (not inclusive)	20 years or more (not inclusive)
Number of companies	39	59	161	278
Ratio	7.26%	10.99%	29.98%	51.77%

Figure 2-2. Distribution of the number of years established for Taiwan's book publishers in 2020

■ ***Source:*** Organized by this survey study.

1.1.2. Average capital of book publishers in Taiwan

The registered capital of 359 companies in the domestic publishing industry was less than NT$10 million, which accounted for 66.85% of the total. It shows that most companies in the domestic publishing industry are SMEs. Large-scale publishing companies with a capital of more than NT$100 million include publishing groups with multiple brands and categories of books as well as information and communication technology companies, foundations, and communication media companies that also operate cultural and creative businesses.

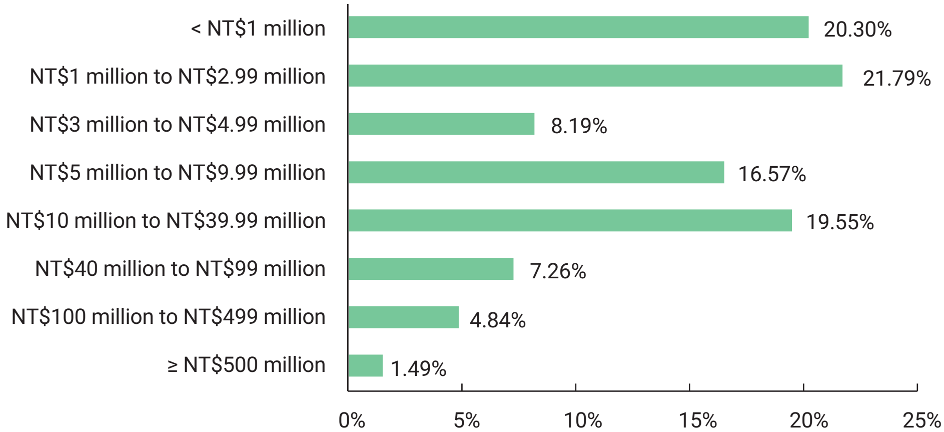


Figure 2-3. Distribution of Taiwan's book publishers by registered capital in 2020

■ ***Note:*** N=537.
■ ***Source:*** Organized by this survey study.

1.1.3. Distribution of book publishers in Taiwan by region

The majority of Taiwan's publishers are concentrated in Northern Taiwan (87.52%), of which Taipei City (54.75%) and New Taipei City (28.68%) have the highest share, for a total of 83.43%. Publishers in other regions accounted for a lower percentage.

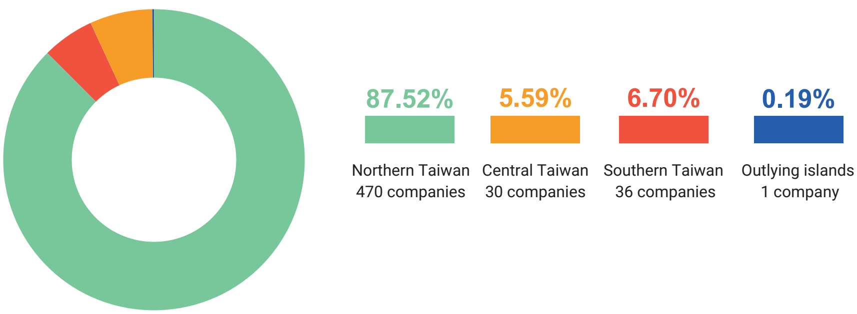


Figure 2-4. Regional distribution of Taiwan's book publishers in 2020

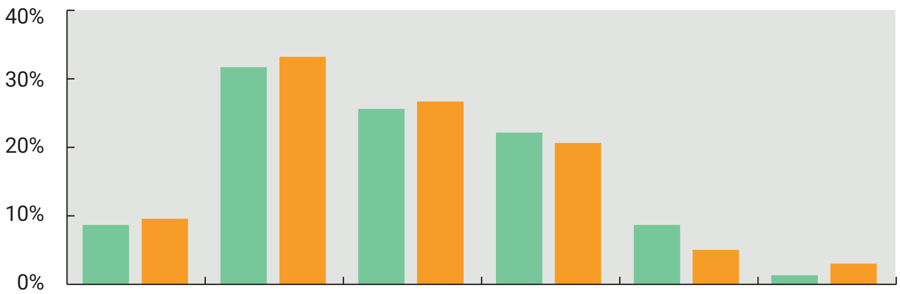
■ ***Note:*** Northern Taiwan includes Taipei City, New Taipei City, Keelung City, Taoyuan City, Hsinchu City, Hsinchu County, and Yilan County; Central Taiwan includes Miaoli County, Taichung City, Changhua County, Nantou County, and Yunlin County; Southern Taiwan includes Chiayi County, Chiayi City, Tainan City, Kaohsiung City, and Pingtung County; outlying islands include Penghu County, Kinmen County, and Lianchiang County.
■ ***Source:*** This Survey.

1.1.4. Overview of employees of book publishers in Taiwan

The number of employees of book publishers in 2020 was concentrated in the two ranges of "2 to 4" and "5 to 9." It is evident that traditional publishers mostly hire fewer than ten employees, implying that the scale of manpower in Taiwan's publishing industry is still mainly on the smaller end. Based on the results of this year's survey, employment by publishers in Taiwan remains conservative due to the influence of the COVID-19 epidemic on the size of the relevant work force.

Furthermore, based on the survey data of book publishers alone, it is estimated [1] that the average number of full-time and part-time employees employed by each firm is approximately 21 [2] . The total number of employees employed by Taiwan's book publishers in 2020 is estimated at around 11,277, a 18.47% decline compared to 13,832 in 2019.

Percentage by number of companies



Number of employees	0 to 1 employee	2 to 4 employees	5 to 9 employees	10 to 24 employees	25 to 99 employees	More than 100 employees
2019 Percentage by number of companies	8.85%	32.30%	26.11%	22.57%	8.85%	1.33%
2019 Percentage by number of companies	9.74%	33.85%	27.18%	21.03%	5.13%	3.08%

Figure 2-5. Scale of manpower of Taiwan's book publishers from 2019 to 2020

- ***Note:*** N=226 for 2019 and N=195 for 2020.
- ***Source:*** Organized by this survey study.

[1] The formula for estimating the number of employees = the average number of employees (both full-time and part-time employees) of the publishers who responded to the survey x the statistical population of book publishers in Taiwan.

[2] According to the 2016 "Industry and Service Census" conducted by the Directorate-General of Budget, Accounting, and Statistics, Executive Yuan, R.O.C. (Taiwan), the number of employees employed in Taiwan's book publishing industry (including book publishing and comic book publishing) is around 14,000 (including full-time and part-time employees). Because of the differences in statistical methods and survey basis, this survey's weighted estimation is based on the number of completed questionnaires, resulting in a different result than the "Industrial and Service Census."

1.2. Revenue and business model

1.2.1. Scale of Taiwan's book publishing industry and estimated revenue of book publications

The estimate of the overall industry scale of Taiwan's book publishing industry (including comic books) was added this year. Unlike previous estimates, which focused solely on book distribution and sales revenue, this year's estimate included revenues from cross-sector IP derivatives and application, new business models, diversified management, and upstream and downstream industry integration, allowing the observation of Taiwan's book publishing industry under the trends of digital convergence and cross-sector integration. In 2020, the scale of Taiwan's book publishing industry (core businesses, including comic book publishing) was NT$30.377 billion, a 4.08% increase over 2019 (29.186 billion).

In terms of revenue estimates from book publications, representative publishers (those who have published more than 100 titles) were selected based on the number of publishers that filed ISBN applications for more than four publications in 2020. The calculation method was based on the average number of copies sold per title multiplied by the average sales price (calculated based on an average wholesale discount) and the number of titles published and released [3] (including those with the application and publication this year and those with the application in the previous year and publication this year). After estimating the income from all new books [4], it was divided by the number of new titles sold to determine the overall income from books for the publishing end. The revenue from books for the publishing end was divided by the average wholesale discount and multiplied by the mode of the best sales discount in distribution channels to obtain the sales amount for the overall book market [5].

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[3] Number of titles sold on the four largest online bookstores = inventory of titles sold on the four largest online bookstores + (titles of new printed books published in 2020 - inventory of titles listed on the four largest online bookstores) x listing rate of the four largest online bookstores.

[4] New titles refer to books published this year.

[5] The sales volume of the overall book market is divided and calculated as follows:

❶ : Average number of copies of each new title sold by representative companies on the publishing end = (revenue registered under the business tax ID x ratio of income from new titles / total number of new titles published) / average price of new titles
❷ : Revenue of the publishing end from the sales of new books in the four largest online bookstores = average number of copies of each new title sold by representative publishers (❶) x number of titles listed on the four largest online bookstores x overall average price of new titles
❸ : Revenue of the publishing end not from the sales of new books in the four largest online bookstores = number of titles not listed in the four largest online bookstores x minimum economic print run (1,000 copies) x book return rate at distribution channels x average sales price.

Based on the above estimation, the overall revenue from sales of new books from the "publishing end" in 2020 totaled NT$10.688 billion, a 17.27% increase from 2019 (NT$9.114 billion). In terms of the ratio of the number of new books sold, the total revenue from books (both old and new) at the book "publishing end" in 2020 was NT$15.571 billion, a 7.94% decline compared to 2019 (NT$16.914 billion). In terms of the "retail end," the overall revenue from new books was NT$14.784 billion, which was an increase of 25.13% from 2019 (NT$10.812 billion). Overall "retail end" book sales (new and old books) totaled NT$21.538 billion, which was a decline of 1.77% from 2019 (NT$21.927 billion). The total revenue from the publication of books in Taiwan in 2020 (total of publishing and retail ends) was NT$37.109 billion, which was a 4.46% decline compared to 2019 (NT$38.842 billion).

Sales of newly published books in the current year continued to rise in 2020, while sales of older books published in previous years fell short. Consumers tended to purchase books through online channels (such as online bookstores) due to the impact of the COVID-19 pandemic, according to industry reviews, and because most of the advertisements on online bookstores focused on promoting new books, consumers were easily steered toward buying new books due to the relevant advertisements. In the past, old books were mostly sold "passively" [6] . The impact of the epidemic reduced consumers' willingness to visit physical bookstores, lowering the odds of discovering old books. Furthermore, publishers are no longer promoting older books, which has had an impact on overall book sales.

Table 2-1. Development trend in the revenue of book publications in Taiwan

Unit: NT$100 million, %

Year	2016	2017	2018	2019	2020
Publishing end	192.92	193.99	179.52	169.14	155.71
Growth rate	--	0.55%	-7.46%	-5.78%	-7.94%
Retail end	232.09	238.51	228.20	219.27	215.38
Growth rate	--	2.77%	-4.32%	-3.91%	-1.77%
Total revenue	425.01	432.50	407.72	388.42	371.09
Growth rate	--	1.76%	-5.73%	-4.73%	-4.46%

■ ***Source:*** Organized by this survey study.

❹ : Overall revenue from new titles for the publishing end = revenue of the publishing end from new titles listed on the four largest online bookstores (❷) + revenue of the publishing end from new titles "not" listed in the four largest online bookstores (❸)
❺ : Overall revenue from titles (new and old books) for the publishing end = overall revenue of the publishing end from new titles (❹) / ratio of copies of new titles sold
❻ : Overall revenue from new titles at the market end = overall revenue from new titles at the publishing end (❹) / average publisher wholesale discount x average sales discount in distribution channels
❼ : Overall revenue from titles (new and old books) at the market end = overall revenue from titles (new and old books) at the publishing end (❺) / average publisher wholesale discount x average sales discount in distribution channels

[6] Passive sales refer to the accidental discovery and purchasing of old books, which mostly occurs in physical bookstores.

1.2.2. Revenue structure and items of Taiwan's book publishers

In terms of the distribution of revenue of Taiwan's book publishers in 2020, 52.69% of the book publishers had an annual revenue of less than NT$5 million, indicating that most of the book publishers in Taiwan are SMEs.

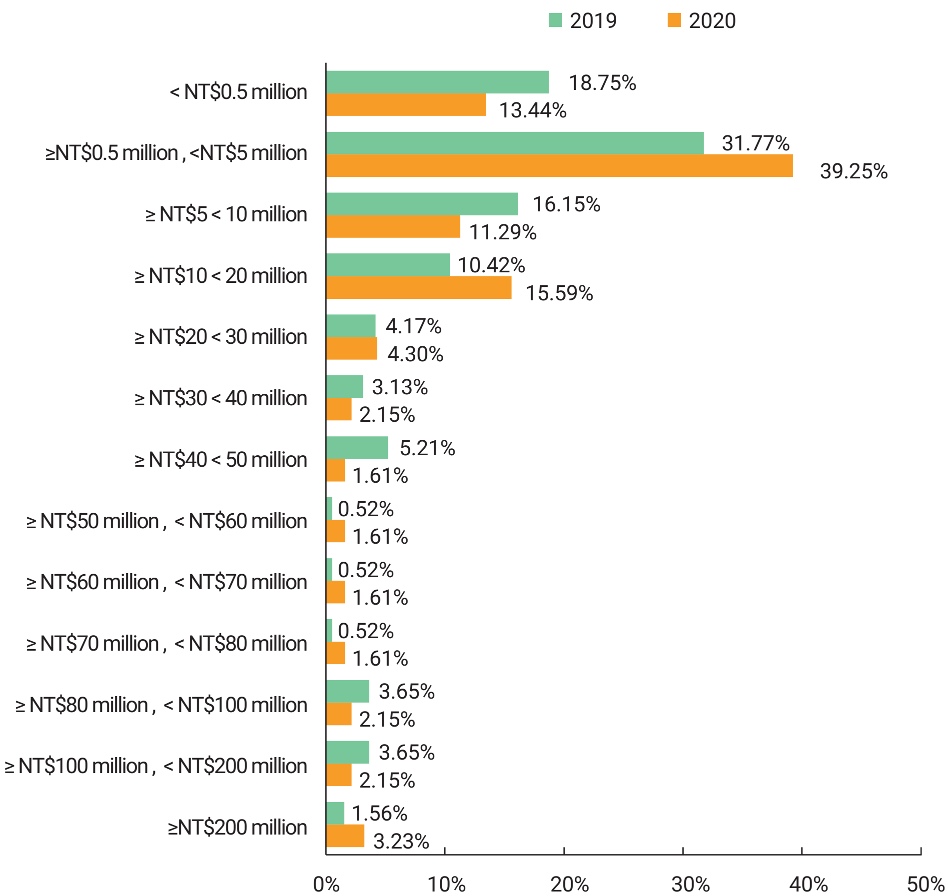


Figure 2-6. Annual revenue of book publishers in Taiwan from 2019 to 2020

- ***Note:*** N=192 for 2019 and N=186 for 2020.
- ***Source:*** Organized by this survey study.

The primary source of income for book publishers in 2020 continued to be book publication related income (63.37%), followed by fundraising, sponsorship, and paid membership related income (8.55%), comic book publishing related income (7.98%), and marketing channel related income (4.42%), etc.

Based on this year's survey, the sources of revenue of Taiwan's book publishers are gradually diversifying. Through the advantages of in-house content creation by publishers themselves, content is released in a variety of media and vehicles, and licensed adaptations are developed to promote said content. A single content is used for multiple purposes, expanding revenue sources, and mitigating the impact of the shrinking market for traditional physical book publishing.

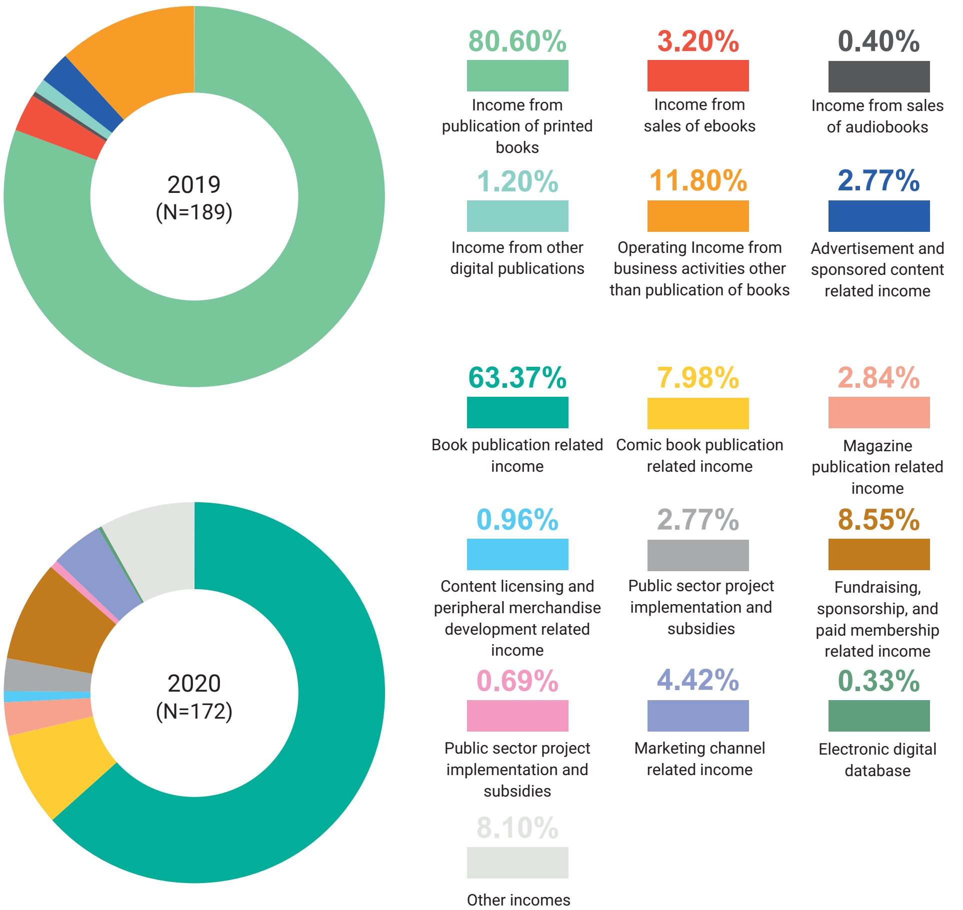


Figure 2-7. Income structure of book publishers in Taiwan from 2019 to 2020

■ ***Note:*** 1.N=189 for 2019 and N=172 for 2020.
2. The survey items and scope were adjusted this year, so annual comparisons should be interpreted with caution.
■ ***Source:*** Organized by this survey study.

In 2020, about 92 percent (91.71%) of book-related revenue for Taiwan's book publishers came from the domestic market. The sales of various types of books, such as printed books, ebooks, audio books, audio-visual books, and so on, accounted for roughly 90 percent (89.66%) of total book-related income, while book copyright sales accounted for about 10 percent (10.34%).

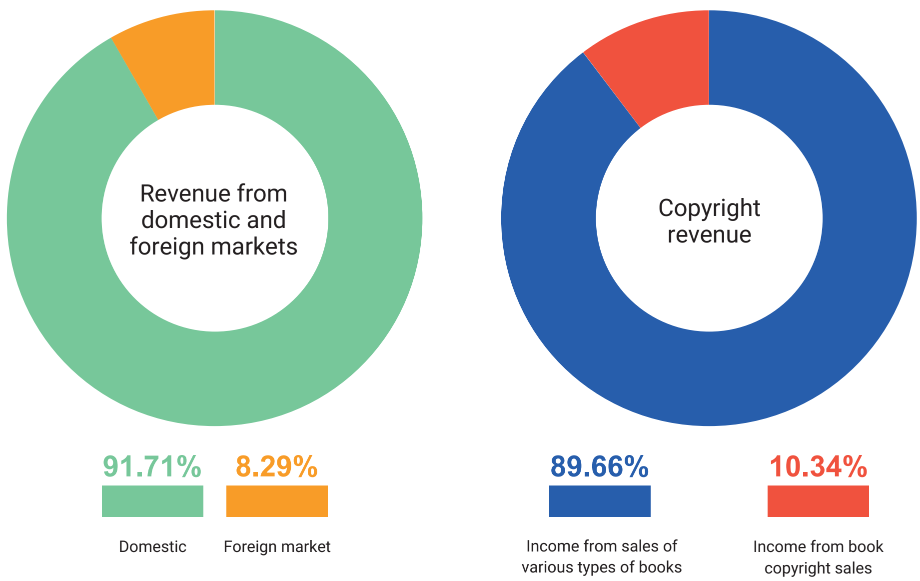


Figure 2-8. Overview of domestic, foreign, and copyright revenues of Taiwan's book publishers in 2020

■ ***Note:*** N=186
■ ***Source:*** Organized by this survey study.

In terms of income from domestic and foreign works, nearly 70 percent (66.64%) of the book sales revenue for Taiwan's book publishers in 2020 came from the contribution of domestic works, and about 30 percent (30.41%) came from foreign (translated) works, followed by 2.95% of Mainland Chinese works. Furthermore, paper books accounted for more than 90% (93.89%) of the total revenue generated by various publications in 2020. The sales revenue of ebooks only accounted for 3.84%, followed by 2.28% of video book and audiobook sales.

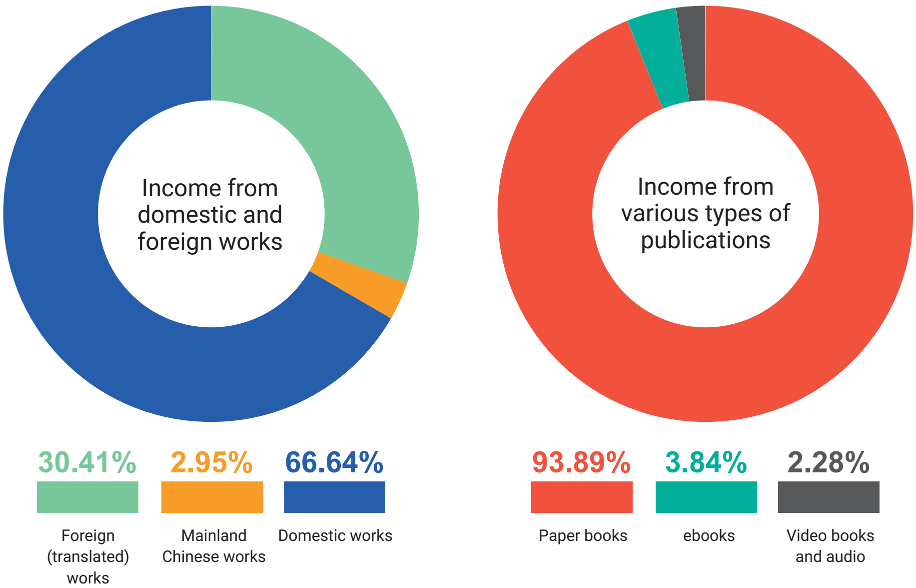


Figure 2-9. Overview of the revenue of various types of publications by Taiwan's book publishers in 2020

■ ***Note:*** N=186
■ ***Source:*** Organized by this survey study.

1.2.3. Expenditure levels and structure of the book publishing industry in Taiwan

In 2020, 54.07% of book publishers in Taiwan had an annual operating expense of less than NT$5 million, and 15.12% had an operating expense of between NT$5 million and less than NT$10 million. In total, nearly 70 percent (69.19%) of the publishers had annual operating expenses of less than $10 million.

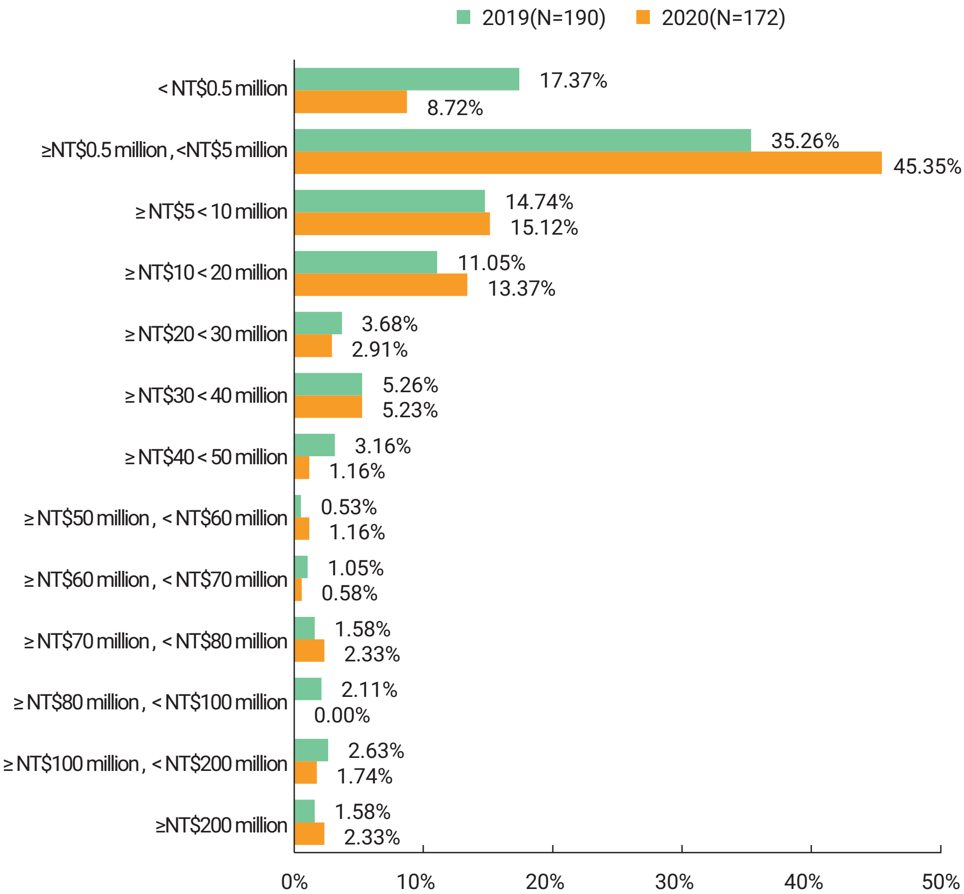


Figure 2-10. Annual expenditure of book publishers in Taiwan from 2019 to 2020

■ ***Note:*** N=190 for 2019 and N=172 for 2020.
■ ***Source:*** Organized by this survey study.

In terms of expenditure breakdown, Taiwan's book publishers spent the most on "company/business internal personnel expenses" (28.55%), followed by "printing and binding production expenses of paper publications" (24.36%), "domestic copyright, royalties, and remuneration expenses" (11.84%), as well as "recurring expenses" (10.39%); the rest of the expenditures account for less than 10 percent.

This year's survey was conducted to focus on the digital development and content derivative related expenditures of book publishers. According to the survey results, "digitalization related expenses" accounted for 1.82%, "digital publication production expenses" accounted for 0.70%, and "content/IP derivatives development related expenses" accounted for 0.24%.

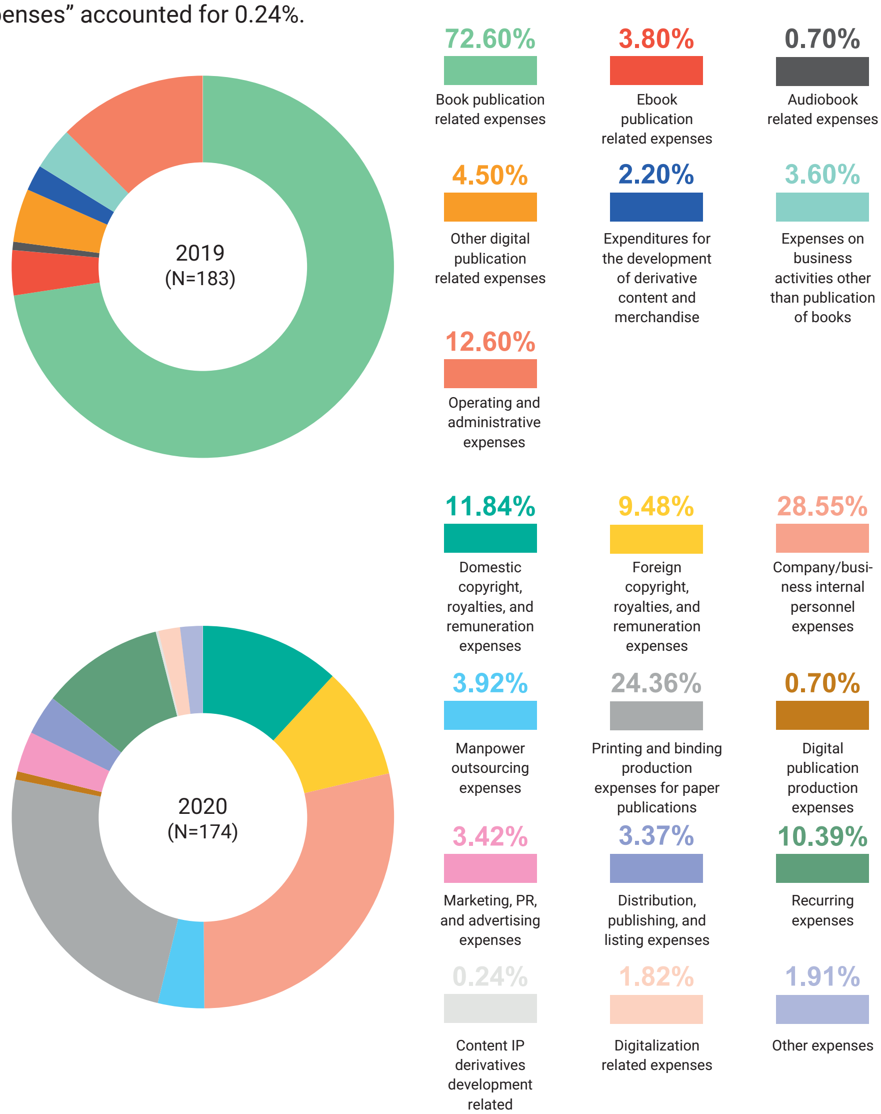


Figure 2-11. Structure of expenditure for Taiwan's book publishers from 2019 to 2020

■ ***Note:*** 1. N=183 for 2019 and N=174 for 2020.
2. The survey items and scope were adjusted this year, so annual comparisons should be interpreted with caution.
■ ***Source:*** Organized by this survey study.

1.2.4. Marketing resource allocation strategies ranked by book publishers in Taiwan

The main marketing channel for Taiwan's book publishers in 2020 was "online bookstores," followed by physical bookstores, online shopping malls, publishers' own websites, and publishers' online group/fan pages. Emerging marketing strategies such as KOL endorsement, product co-branding, and video co-branding were rarely utilized.

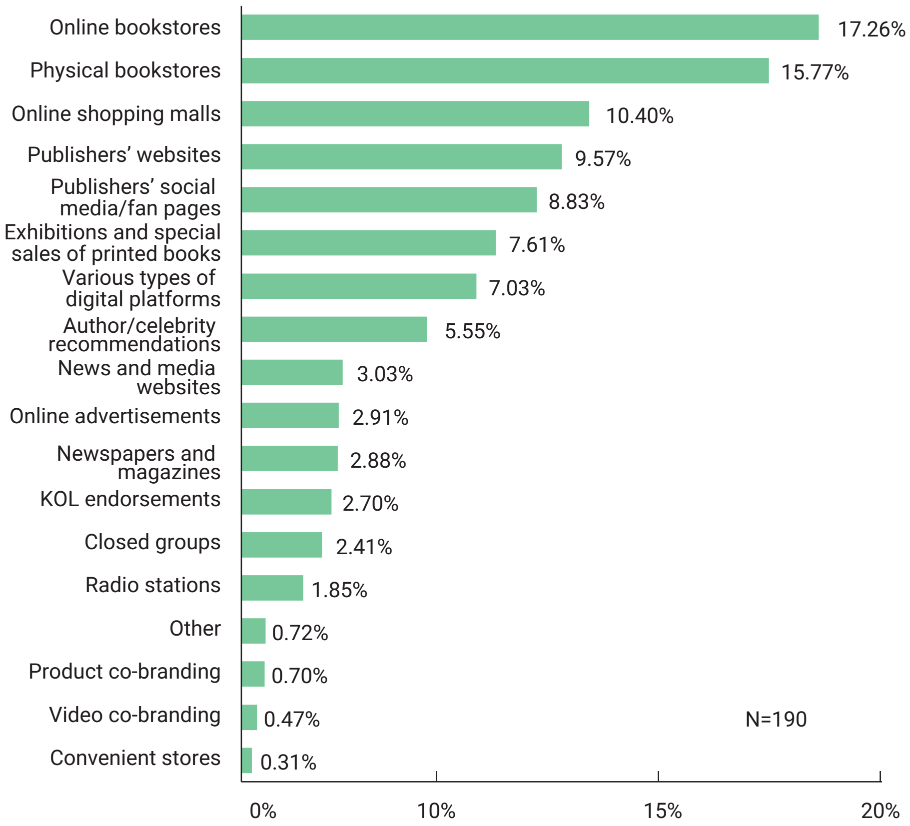


Figure 2-12. Marketing resource allocation strategies ranked by Taiwan's book publishers in 2020

■ ***Note:*** 1. N=190.
2. Each marketing channel was ranked from 1 to 10 by the book publishers and given a corresponding score (10 points for the first place, and 1 point for the tenth place, etc.). Channels that were not ranked in the top 10 by the respondents received no points. The final score for each channel was counted and the percentage compared to the overall score was calculated.
■ ***Source:*** Organized by this survey study.

1.3. IP licensing trends

1.3.1. Types of products and services provided by book licensing in Taiwan

Around half of the book publishers have conducted external licensing in 2020. In terms of domestic licensing, "first copy licensing" accounted for the highest proportion (34.62%), followed by "training courses/seminars" (32.05%), and "licensed product development" (24.36%), etc. In terms of foreign licensing, "first copy licensing" is the most common (61.54%), followed by "translation licensing" (49.23%), and "direct printing of first copy" (21.54%), etc. Among them are certain book publishers who have engaged in the development of licensed content such as "video books and audio books," "digital applications (apps)," and "content subscription services."

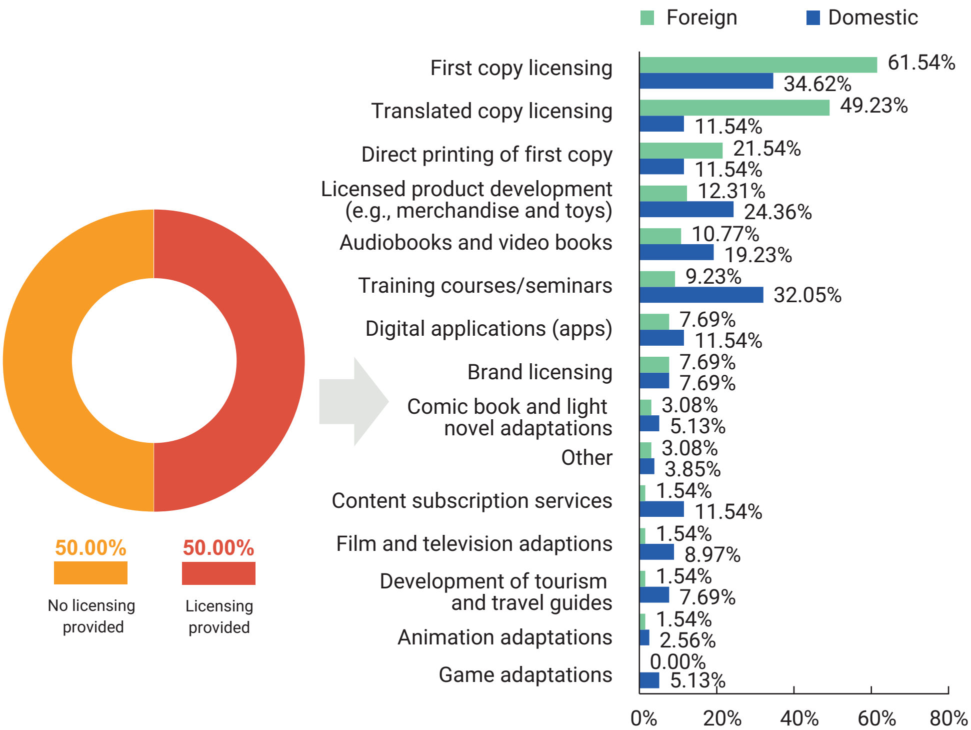


Figure 2-13. Licensed products and services provided by Taiwan's book publishers in 2020

- ***Note:*** N=6 for foreign and N=78 for domestic.
- ***Source:*** Organized by this survey study.

1.3.2. Sales of Taiwan's book copyrights to foreign countries

Almost 70% (69.97%) of book publishers who sold book copyright licenses in 2020 assigned book copyrights to other regions or countries, while the remaining third (31.03%) only provided domestic licensing. Among publishers that sold book copyright licenses to other countries, the recipient countries consisted mainly of Mainland China (44.0%) and Hong Kong and Macao (14.0%) in 2020. The licensing ratio for Mainland China fell by 8.58 percentage points from the previous year's survey results, while the licensing ratio for Hong Kong and Macao increased by 5.72 percentage points. In 2020, the percentage of licensing to other countries increased as well.

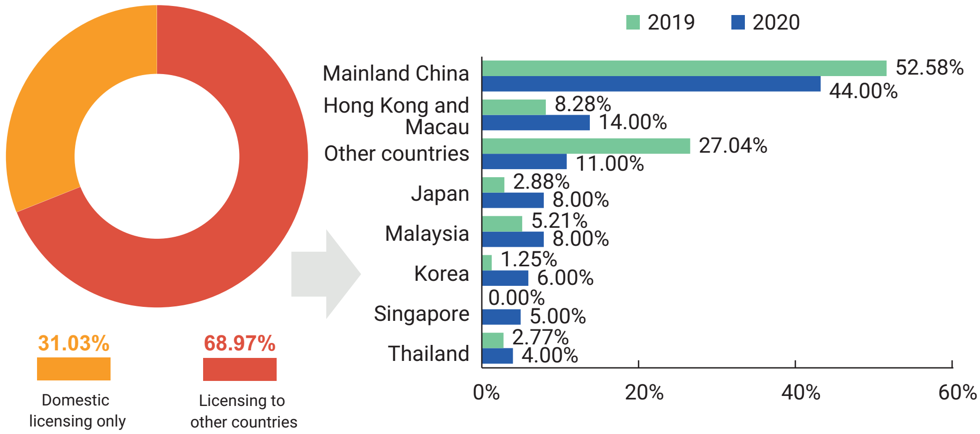


Figure 2-14. Proportion of source countries of copyright income for book publishers in Taiwan from 2019 to 2020

- ***Note:*** N=117 for 2019 and N=60 for 2020.
- ***Source:*** Organized by this survey study.

1.3.3. Domestic and foreign book copyright licensing and acquisition channels

In terms of the domestic and foreign book copyright licensing and acquisition channels, for Taiwan's comic book and book publishers in 2020, domestic copyright licensing mostly occurred through "publishers" (58.10%), followed by "distributors/ copyright agents" (48.57%), and "direct licensing from authors" (47.62%). In terms of foreign book copyright acquisitions, approximately 75 percent (74.42%) were accomplished with the assistance of "distributors/copyright agents," followed by "publishers" (51.16%), and direct licensing from authors (34.88%).

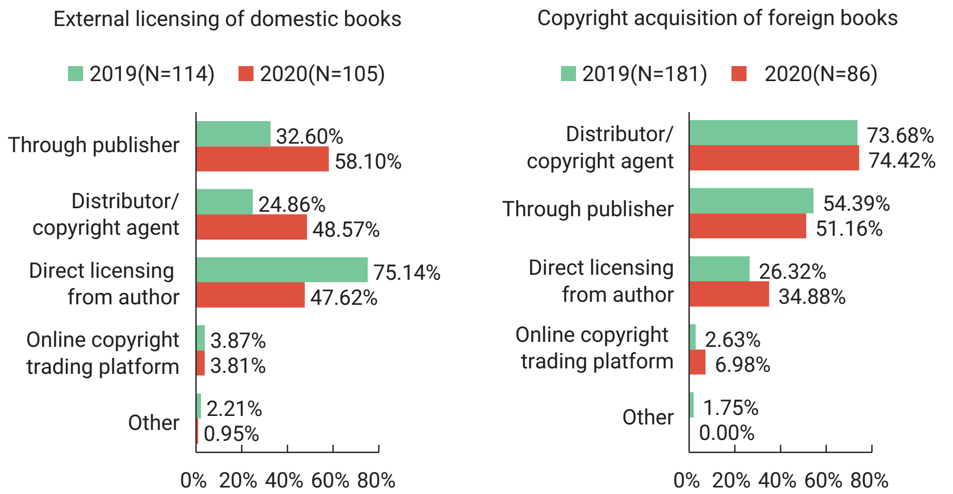


Figure 2-15. Domestic and foreign book copyright licensing and acquisition channels in Taiwan from 2019 to 2020

■ ***Note:***
1. External licensing of domestic books in: 2019 N=114, 2020 N=105.
2. Copyright acquisition of foreign books in: 2019 N=181, 2020 N=86.
3. Multiple selections were allowed.

■ ***Source:*** Organized by this survey study.

1.3.4. Revenue from licensing of books in Taiwan

The external licensing business of book publishers in Taiwan remained predominantly small-scale. Approximately half (50.62%) of the companies had an annual revenue from licensing of less than NT$500,000 in 2020. However, compared to the previous year, the percentage of companies with annual licensing revenue of less than NT$5 million increased by 20.05 percentage points, indicating that the benefits of licensing for book publishers in Taiwan have gradually emerged.

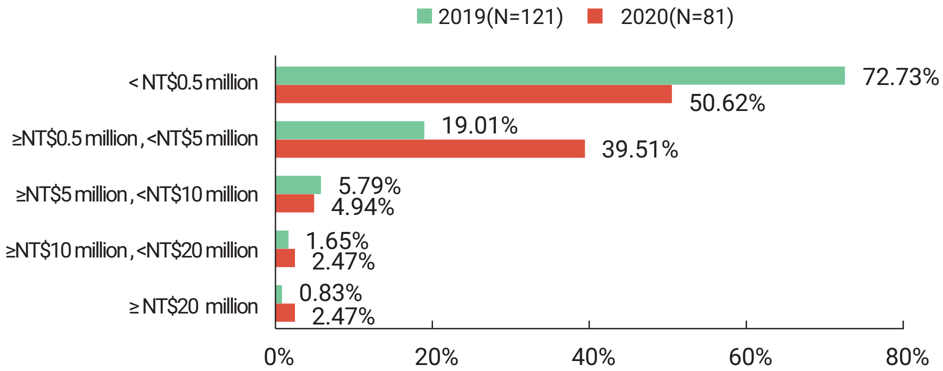


Figure 2-16. Licensing revenue of book publishers in Taiwan from 2019 to 2020

- ***Note:*** N=121 for 2019 and N=81 for 2020.
- ***Source:*** Organized by this survey study.

1.4. Industry observation indexes

1.4.1. Listing rate of books with ISBN application in Taiwan

The ISBN application information provided by the National Central Library's ISBN Center was inventoried in this study. A total of 35,041 books published in 2020 were surveyed, of which 66.33%, or 23,243 books, were listed in the four largest online bookstores. If we focus only on trade books, 18,737 were listed in the four largest online bookstores, and the overall listing rate was 61.14%.

Table 2-2. Listing rate of books with ISBN application in Taiwan in 2020

Unit: Titles, %

Overall					
Channel name	Overall	Books.com.tw	Eslite	Kingstone Book	San Min Books
Number of products	23,243	20,175	19,902	20,057	21,887
Percentage	66.33%	57.58%	56.80%	57.24%	62.46%

Unit: Titles, %

Trade Books					
Channel name	Overall	Books.com.tw	Eslite	Kingstone Book	San Min Books
Number of products	18,737	16,566	16,812	16,825	18,134
Percentage	61.14%	54.05%	54.86%	54.90%	59.17%

■ ***Source:*** Organized by this survey study.

1.4.2.Number of publishers and titles per genre for books in major channels in Taiwan

The genre with the highest number of titles published in 2020 was literary fiction, with a decrease of 552 titles from 2019 and a total of 2,942 titles. It was followed by children's books/youth literature (2,567 titles) and professional books/textbooks/government publications (2,579 titles), both of which show decline compared to 2019. The number of publishers of professional books/textbooks/government publications was the highest in 2020, with 431 publishers, an increase of 181 compared to 2020.

Table 2-3. Listing status of all genres of books in major channels in Taiwan from 2019 to 2020

Unit: Titles, %

No	Genre	Number of publishers		Number of titles(%)	
		2019	2020	2019	2020
1	Business and Finance	304	269	1,423 (5.60%)	1,500 (6.45%)
2	Literature and Fiction	330	316	3,494 (13.80%)	2,942 (12.66%)
3	Light Novels	45	33	869 (3.40%)	1,023 (4.40%)
4	Art and Design	265	273	1,055 (4.20%)	848 (3.65%)

No	Genre	Number of publishers		Number of titles(%)	
		2019	2020	2019	2020
5	Social Science	233	252	1,064 (4.20%)	726 (3.12%)
6	Humanities and History	237	237	1,593 (6.30%)	1,003 (4.32%)
7	Natural Science	151	105	412 (1.60%)	300 (1.29%)
8	Computer Science	46	49	648 (2.60%)	632 (2.72%)
9	Language Learning	151	130	1,263 (5.00%)	747 (3.21%)
10	Psychology and Self-help	165	218	934 (3.70%)	1,014 (4.36%)
11	Religion and Numerology	223	244	678 (2.70%)	825 (3.55%)
12	Healthcare	162	199	748 (3.00%)	704 (3.03%)
13	Food	132	109	518 (2.00%)	438 (1.88%)
14	Lifestyle	143	130	778 (3.10%)	584 (2.51%)
15	Movies and Celebrities	-	14	- (-)	47 (0.20%)
16	Travel	105	70	440 (1.7%)	157 (0.68%)
17	Comics/Graphic Novels	42	82	2,210 (8.70%)	2,448 (10.53%)
18	Parenting	92	98	217 (0.9%)	232 (1.00%)
19	Children's Books/Youth Literature	202	219	2,747 (10.80%)	2,567 (11.04%)
20	Test-preparation Books	106	103	1,616 (6.40%)	1,862 (8.01%)
21	Primary and Secondary School Reference Books	-	25	- (-)	65 (0.28%)
22	Professional Books/Textbooks/ Government Publications	350	431	2,690 (10.60%)	2,579 (11.10%)
	Total	1,649	1,644	25,397 (100%)	23,243 (100%)

■ ***Source:*** Organized by this survey study.

1.4.3. Percentage of domestic and foreign (translated) works in Taiwan

Domestic works made up 14,065 of the 23,243 titles listed on the four largest online bookstores, accounting for 60.51% of all titles; foreign works made up 9,178 titles, accounting for 39.49% of all titles. In comparison to the previous year, the proportion of domestic works listed on major channels in 2020 (63.92%) decreased slightly, while the proportion of listed foreign works increased slightly (36.08%).

Of the 18,737 titles listed on the four largest online bookstores, 9,686 were domestic works, which accounted for 51.69%; 9,051 titles were foreign works, which accounted for 48.31%.

Table 2-4. Percentage of Taiwan's translated books with ISBN application in 2020

Unit: Titles, %

Category	Domestic works		Foreign (translated) works	
	Overall	Trade books	Overall	Trade books
Quantity	14,065	9,686	9,178	9,051
Percentage	60.51%	51.69%	39.49%	48.31%

■ ***Source:*** Organized by this survey study.

1.4.4. Source countries of foreign (translated) works in Taiwan

Japan was the main source of translated works in Taiwan, both in terms of all books and trade books.

Table 2-5. Source countries of books with ISBN application in Taiwan from 2019 to 2020

Unit: Titles, %

No.	Source country	Total number of titles (percentage)		No.	Source country	Number of titles of trade books (percentage)	
		2019	2020			2019	2020
1	Japan	4,676 (51.00%)	4,799 (52.28%)	1	Japan	4,584 (51.9%)	4,786 (52.88%)
2	United States	1,835 (20.00%)	1,837 (20.02%)	2	United States	1,702 (19.3%)	1,749 (19.33%)
3	United Kingdom	719 (7.90%)	722 (7.87%)	3	United Kingdom	686 (7.8%)	709 (7.83%)
4	Mainland China	690 (7.50%)	596 (6.49%)	4	Mainland China	667 (7.6%)	595 (6.57%)
5	Korea	411 (4.50%)	425 (4.63%)	5	Korea	402 (4.6%)	424 (4.68%)
6	Other countries	400 (4.40%)	459 (5.00%)	6	Other countries	381 (4.3%)	455 (5.03%)
7	France	262 (2.90%)	231 (2.52%)	7	France	248 (2.8%)	231 (2.55%)
8	Germany	170 (1.90%)	109 (1.19%)	8	Germany	162 (1.8%)	102 (1.13%)
Total		9,163 (100%)	9,178 (100%)	Total		8,832 (100%)	9,051 (100%)

■ ***Note:*** "Trade books" refer to general books and do not include "professional books/textbooks/government publications," "reference books for primary and secondary schools," and "test-preparation books," etc.
■ ***Source:*** Organized by this survey study.

1.4.5. Pricing and discounts of books listed in major channels

The price of books in the “Humanities and History” category had the highest average price on the major channels in 2020. In comparison to 2019, the overall average price trended slightly upward. This was due to large price discrepancies caused by certain types of books, such as those that were printed in full color or those that included luxurious peripheral merchandise. Some of those books cost more than NT$10,000, and they usually fall under the “Professional books/Textbooks/Government publications,” ”Humanities and History,” “Children’s Books/Youth Literature,” “Art and Design,” and “Literature and Fiction” genres. Furthermore, certain travel books contained small-sized promotional materials or 1-2 pages of travel maps, causing their pricing to be highly inconsistent. Some were even lower than NT$100. Overall, compared with the previous year, the average price of nearly half of the book types has increased. Books in the categories of “Humanities and History,” “Computer Science,” and “Children’s Books/Youth Literature” had a more apparent increase in pricing; books in the categories of “Natural Science,” “Travel,” and “Psychology and Self-help” had a more obvious decline in pricing.

In 2020, the average discount for various book genres was slightly higher than in 2019. Many books were sold with a 10% discount in 2020, according to the mode number, which was higher than in 2019. “Business and Finance,” “Light Novels,” “Food,” “Parenting,” and “Children’s Books/Youth Literature” were the five categories with the more preferable deal (18% off). On the other hand, the averages and modes of book discounts in Taiwan’s online bookstores were concentrated at less than 20% but greater than 5%, which was consistent with the market’s common discount range for general books.

Table 2-6. Overview of pricing and discounts of various genres of books on online bookstores in Taiwan from 2019 to 2020

Unit: NTD, discount amount

No.	Genre	Price category (NTD)					Discount amount*				
		2019		2020			2019		2020		
		Mean	Mode	Mean	Median	Mode	Mean	Mode	Mean	Median	Mode
1	Business and Finance	414	400	410	380	380	8.4	9.0	8.2	7.9	9.0
2	Literature and Fiction	359	170	358	320	170	8.5	9.0	8.4	8.5	9.0
3	Light Novels	257	220	252	240	240	8.5	9.0	8.2	8.5	8.5
4	Art and Design	532	380	558	450	380	8.4	9.0	8.5	8.5	9.0
5	Social Science	454	380	446	400	380	8.4	9.0	8.4	7.9	9.0
6	Humanities and History	510	380	596	420	380	8.3	9.0	8.4	8.5	9.0
7	Natural Science	534	350	475	400	380	8.4	7.9	8.3	7.9	9.0
8	Computer Science	512	580	562	550	550	8.4	9.0	8.6	9.0	9.0
9	Language Learning	436	350	439	380	320	8.4	7.9	8.1	7.9	9.0
10	Psychology and Self-help	390	320	358	350	320	8.4	7.9	8.3	7.9	9.0
11	Religion and Numerology	406	380	439	380	380	8.7	9.0	8.6	9.0	9.0
12	Health	423	380	404	360	350	8.3	7.9	8.4	7.9	9.0
13	Food	447	380	486	420	380	8.4	9.0	8.2	7.9	9.0

No.	Genre	Price category (NTD)					Discount amount*				
		2019		2020			2019		2020		
		Mean	Mode	Mean	Median	Mode	Mean	Mode	Mean	Median	Mode
14	Lifestyle	375	350	388	380	380	8.4	9.0	8.4	7.9	9.0
15	Movies and Celebrities	-	-	544	480	520	-	-	8.3	7.9	9.0
16	Travel	409	380	374	380	120	8.5	9.0	8.4	8.5	9.0
17	Comics/Graphic Novels	176	130	191	140	140	8.9	9.0	8.5	8.5	8.5
18	Parenting	384	320	366	355	320	8.3	7.9	8.2	7.9	9.0
19	Children's Books/Youth Literature	339	280	381	320	320	8.4	9.0	8.2	7.9	9.0
20	Test-preparation Books	489	450	511	480	450	8.8	9.0	8.7	9.0	9.0
21	Primary and Secondary School Reference Books	-	-	331	280	200	-	-	8.1	7.9	7.9
22	Professional Books/ Textbooks/ Government Publications	474	350	482	420	300	9.0	9.5	9.2	9.5	9.5
	Total	408	350	411	350	320	8.6	9.0	8.5	8.5	9.0

■ ***Note:*** *The formula for calculating real selling price = price (NTD) x discount amount x 0.1. The formula for calculating the percentage discount = 100 - (discount mount x 10). For example, if the discount amount is 8.4, then the percentage of discount will be 100 - (8.4 x 10) = 16% off.

■ ***Source:*** Organized by this survey study.

1.4.6. Overview of new ebook publications in Taiwan

In terms of the overview of this year's newly published ebooks, data from Books.com.tw and Rakuten Kobo Ebook Store, the two major digital publication platforms for circulation and sales, were used for compiling the statistics. According to the inventory, 12,910 new titles were published as ebooks in 2020. The majority of new ebooks published in 2020 were in traditional Chinese (81.76%), followed by those in Japanese (14.14%) and simplified Chinese (3.52%). Books published in other languages accounted for less than 1.0%.

Table 2-7. Publishing languages and number of titles of newly published ebooks in Taiwan from 2019 to 2020

Unit: Titles, %

Language		Traditional Chinese	Simplified Chinese	English	Japanese	Others	Total
Overall	2019	9,597 (96.30%)	345 (3.40%)	19 (0.20%)	-	6 (0.10%)	9,967 (100%)
	2020	10,555 (81.76%)	454 (3.52%)	73 (0.57%)	1,825 (14.14%)	3 (0.02%)	12,910 (100%)
Trade books	2019	8,676 (95.90%)	343 (3.80%)	17 (0.2%)	-	6 (0.10%)	9,042 (100%)
	2020	9,910 (80.96%)	430 (3.51%)	72 (0.59%)	1,825 (14.91%)	3 (0.02%)	12,240 (100%)

■ ***Note:***
1. "Trade books" refer to general books and do not include "professional books/textbooks/government publications," "reference books for primary and secondary schools," and "test-preparation books," etc.
2. Two new types of ebooks, "Graphic Books/Illustrations" and "Movies and Celebrities," were added to Books.com.tw this year. The majority of them were Japanese works, thereby increasing the statistics for the number of Japanese ebooks this year.
■ ***Source:*** Organized by this survey study.

1.4.7. Genres of new ebook publications in Taiwan

In terms of genres of ebooks, "Literature and Fiction" category accounted for the highest share, with 2,613 titles (20.24%). It is followed by "Movies and Celebrities" category (14.64%) and "Business and Finance" category (7.57%). In terms of the format of ebooks in 2020, the ebooks of new publications on Books.com.tw and Rakuten Kobo Ebook Store were all published in EPUB format.

The average retail price of ebooks for new titles in 2020 was NT$226, an 8.87% reduction compared to 2019 (NT$248). The median was NT$210. Observing the mode of price, the overall average retail price mode was NT$110, a larger decline compared to 2019 (NT$245). This could be owing to the selling of books by the chapter or the mass-listing of specific and exclusive types of books, which were strategies utilized by certain individual platforms.

Table 2-8. Retail price and number of publishers of all genres of new ebook titles in Taiwan from 2019 to 2020

Unit: Titles, NTD, number of publishers, %

No	Ebook genre	Number of titles		Price (NTD)					Number of publishers	
				2019		2020				
		2019	2020	Mean	Mode	Mean	Median	Mode	2019	2020
1	Literature and Fiction	1,968 (19.75%)	2,613 (20.24%)	193	59	203	196	79	198 (36.73%)	260 (36.57%)
2	Business and Finance	772 (7.75%)	977 (7.57%)	269	245	261	252	224	121 (22.45%)	152 (21.38%)
3	Art and Design	370 (3.70%)	352 (2.73%)	432	280	354	315	315	67 (12.43%)	100 (14.06%)
4	Humanities and History	586 (5.88%)	590 (4.57%)	302	245	307	279	266	109 (20.22%)	121 (17.02%)

No	Ebook genre	Number of titles		Price (NTD)					Number of publishers	
				2019		2020				
		2019	2020	Mean	Mode	Mean	Median	Mode	2019	2020
5	Social Science	469 (4.70%)	510 (3.95%)	252	99	299	277	266	129 (23.93%)	161 (22.64%)
6	Natural Science	162 (1.62%)	254 (1.97%)	315	245	318	280	294	64 (11.87%)	95 (13.36%)
7	Psychology and Self-help	707 (7.09%)	675 (5.23%)	234	250	238	240	224	139 (25.79%)	122 (17.16%)
8	Healthcare	340 (3.41%)	562 (4.35%)	253	245	261	245	210	95 (17.63%)	140 (19.69%)
9	Food	231 (2.32%)	204 (1.58%)	303	266	316	280	266	63 (11.69%)	64 (9.00%)
10	Lifestyle	422 (4.23%)	319 (2.47%)	237	399	233	245	40	87 (16.14%)	104 (14.63%)
11	Movies and Celebrities	-	1,890 (14.64%)	-	-	124	110	110	-	16 (2.25%)
12	Travel	203 (2.04%)	118 (0.91%)	263	315	256	277	390	54 (10.02%)	47 (6.61%)
13	Religion and Numerology	496 (4.98%)	626 (4.85%)	228	50	209	216	266	104 (19.29%)	134 (18.85%)
14	Parenting	216 (2.17%)	212 (1.64%)	241	266	268	245	266	70 (12.99%)	79 (11.11%)
15	Children's Books/ Youth Literature	476 (4.78%)	911 (7.06%)	195	79	165	177	25	75 (13.91%)	111 (15.61%)
16	Graphic Books and Illustrations	-	71 (0.55%)	-	-	285	228	224	-	20 (2.81%)
17	Light Novels	1,096 (11.00%)	741 (5.74%)	148	140	137	130	103	31 (5.75%)	30 (4.22%)
18	Language Learning	342 (3.43%)	413 (3.20%)	227	193	341	280	160	51 (9.46%)	73 (10.27%)
19	Test-preparation Books	540 (5.42%)	608 (4.71%)	388	307	308	315	140	15 (2.78%)	14 (1.97%)
20	Computer Science	186 (1.87%)	202 (1.56%)	326	364	353	364	111	26 (4.82%)	27 (3.80%)
21	Professional Books/ Textbooks/ Government Publications	385 (3.86%)	62 (0.48%)	350	315	347	330	356	23 (4.27%)	23 (3.23%)
Total		9,967 (100%)	12,910 (100%)	248	245	226	210	110	539 (100%)	711 (100%)

■ ***Note:***
1. As a company may publish two or more genres of ebooks, the total number of companies for each type of e-book does not add up to 100.0%. Repetitions have been deducted from the total number of companies.
2. The categories in this table consist mostly of ebook categories on Books.com.tw. Two new types of ebooks, "Graphic Books/Illustrations" and "Movies and Celebrities," were added this year.
New adjustments have been made to this survey accordingly.
3. Information on digital comics is provided in a separate section and is not presented here.
■ ***Source:*** Organized by this survey study.

2 Comic Book Publishing Industry

2.1. Industry overview

2.1.1. Number and geographical distribution of comic book publishers in Taiwan

The 2020 survey included 14 comic book publishers. In terms of their geographical distribution, the highest percentage of publishers were in Northern Taiwan, with 92.86%, with the majority located in Taipei City (64.29%). Only one comic book publisher was located outside Northern Taiwan, in Tainan City (7.14%).

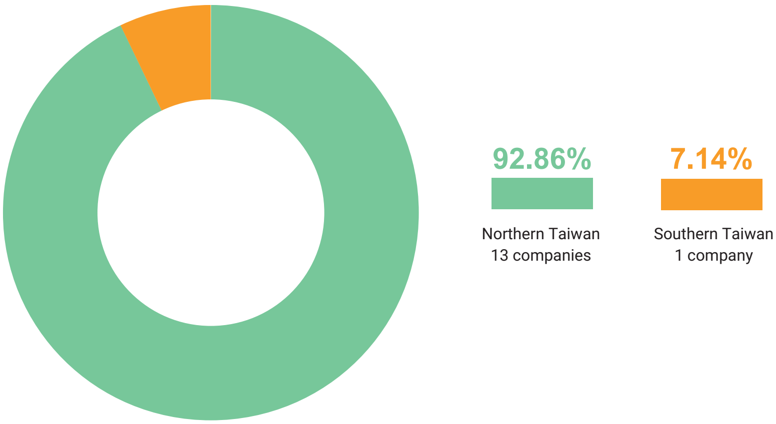
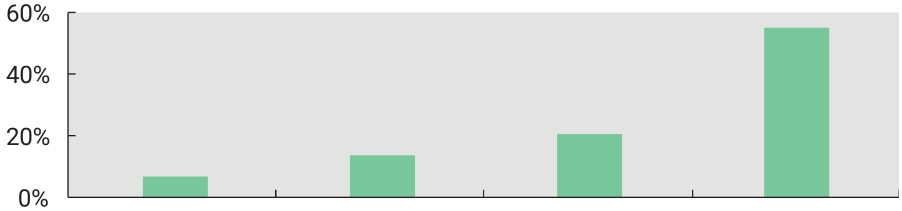


Figure 2-17. Regional distribution of Taiwan's comic book publishers in 2020

■ ***Note:***
1. As a company may publish two or more genres of ebooks, the total number of companies for each type of e-book does not add up to 100.0%. Repetitions have been deducted from the total number of companies.
2. The categories in this table consist mostly of ebook categories on Books.com.tw. Two new types of ebooks, "Graphic Books/Illustrations" and "Movies and Celebrities," were added this year.
New adjustments have been made to this survey accordingly.
3. Information on digital comics is provided in a separate section and is not presented here.
■ ***Source:*** Organized by this survey study.

Almost 80% of Taiwanese comic book publishers have been in business for more than ten years. Several new publishers entered the comic book publishing industry this year [7] , the majority of which, unlike traditional comic book publishers, focused on publishing independent comics or remaking web comics. Existing experienced comic book publishers, however, transformed and adapted their strategies accordingly, as they sought to continue expanding their business and market while also consolidating their market position and existing customer base.



Number of years since founding	Less than 5 years (Not inclusive)	5 to 10 years (Not inclusive)	10 to 20 years (Not inclusive)	20 years or more
Percentage by number of companies	7.14%	14.29%	21.43%	57.14%

Figure 2-18. Number of years established for Taiwan's comic book publishers in 2020

■ ***Note:*** N=14.
■ ***Source:*** Organized by this survey study.

2.1.2. Average capital of comic book publishers in Taiwan

The capital of half of the comic book publishers in Taiwan is less than NT$10 million. Among them, larger publishers with a capital of more than NT$100 million are multinational publishing groups that are active in comics, novels, and various cultural and creative industries.

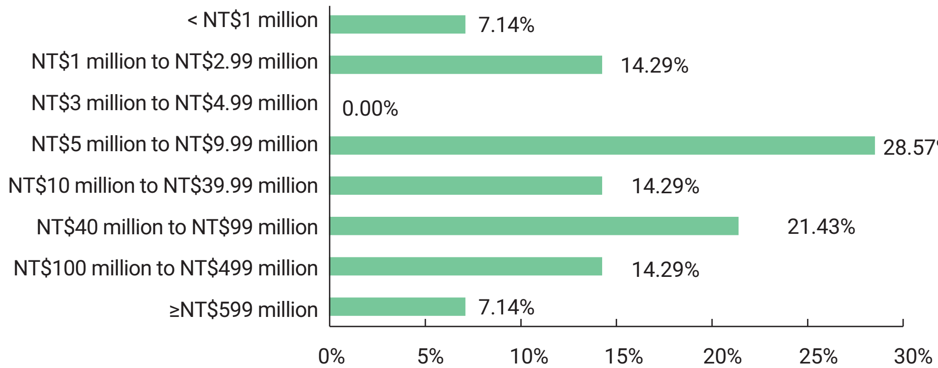


Figure 2-19. Distribution of Taiwan's comic book publishers by registered capital in 2020

■ ***Note:*** N=14.
■ ***Source:*** Organized by this survey study.

[7] Therefore, the number of comic book publishers in 2020 has increased compared to 2019, and most of them were publishers that have been in business for less than ten years.

2.2. Revenue and business model

2.2.1. Estimated revenue of comic book publications in Taiwan

The methodology employed for the estimation of the total revenue of comic book publications is similar to that of book publications. Considering that if a publication survey questionnaire is used to interpolate revenue estimates, it is difficult to determine whether the companies have provided accurate data in the survey, and there may be errors in the estimates. The traditional method of using "industry specific" tax information to obtain revenue data cannot be used to determine whether a tax-filing company is in fact operating in the industry. It may therefore affect the feasibility of the performance analysis of the industry chain. As a result, this survey estimated overall revenue from comic books [8] using actual ISBN information from the current year, as well as the number of titles published, number of copies sold, average wholesale price, average sales discount, and overall number of comic book titles published by the representative companies that responded to the questionnaire.

According to the aforementioned estimates, the comic book industry's overall revenue on the "publishing end" (both old and new books) in 2020 was NT$412 million, down 5.07% from NT$434 million in 2019. The overall revenue (both old and new books) on the "retail end" was NT$521 million, which was a 5.62% decline compared to NT$552 million in 2019. The total revenue (total of publishing and retail ends) from the publication of comic books in Taiwan in 2020 was NT$933 million, which was a 5.38% decline compared to 2019 (NT$986 million).

Table 2-9. Development trend in the revenue of Taiwan's comic book industry

Unit: NT$100 million, %

Year	2016	2017	2018	2019	2020
Publishing end	5.22	4.77	4.42	4.34	4.12
Growth rate	-	-8.62%	-7.22%	-1.88%	-5.07%
Retail end	6.8	6.38	5.84	5.52	5.21
Growth rate	-	-6.46%	-8.53%	-5.49%	-5.62%
Total revenue	12.04	11.15	10.26	9.86	9.33
Growth rate	-	-7.40%	-7.97%	-3.93%	-5.38%

■ ***Source:*** Organized by this survey study.

[8] The formula for calculating overall revenue from comic books is as follows:
❶ : Revenue of representative companies from new comics = number of titles published x number of copies sold x average wholesale price
❷ : Comic book publishing end revenue = (revenue of representative companies from new comics (❶) / number of titles published by representative companies x total number of comic book titles published) / number of new books sold as a percentage
❸ : Comic book market end revenue = revenue of publishing end from comic books (❷) / average wholesale discount x average sales discount

2.2.2. Revenue structure and items of Taiwan's comic book publishers

In terms of the revenue structure and breakdown of Taiwan's comic book publishers in 2020, the primary source of income continued to be "comic book related income" (62.88%), followed by "book publishing related income" (32.45%), "electronic database, digital creation/reading platform operating income" (1.68%), and "content licensing and peripheral merchandise development related income" (1.08%), etc.

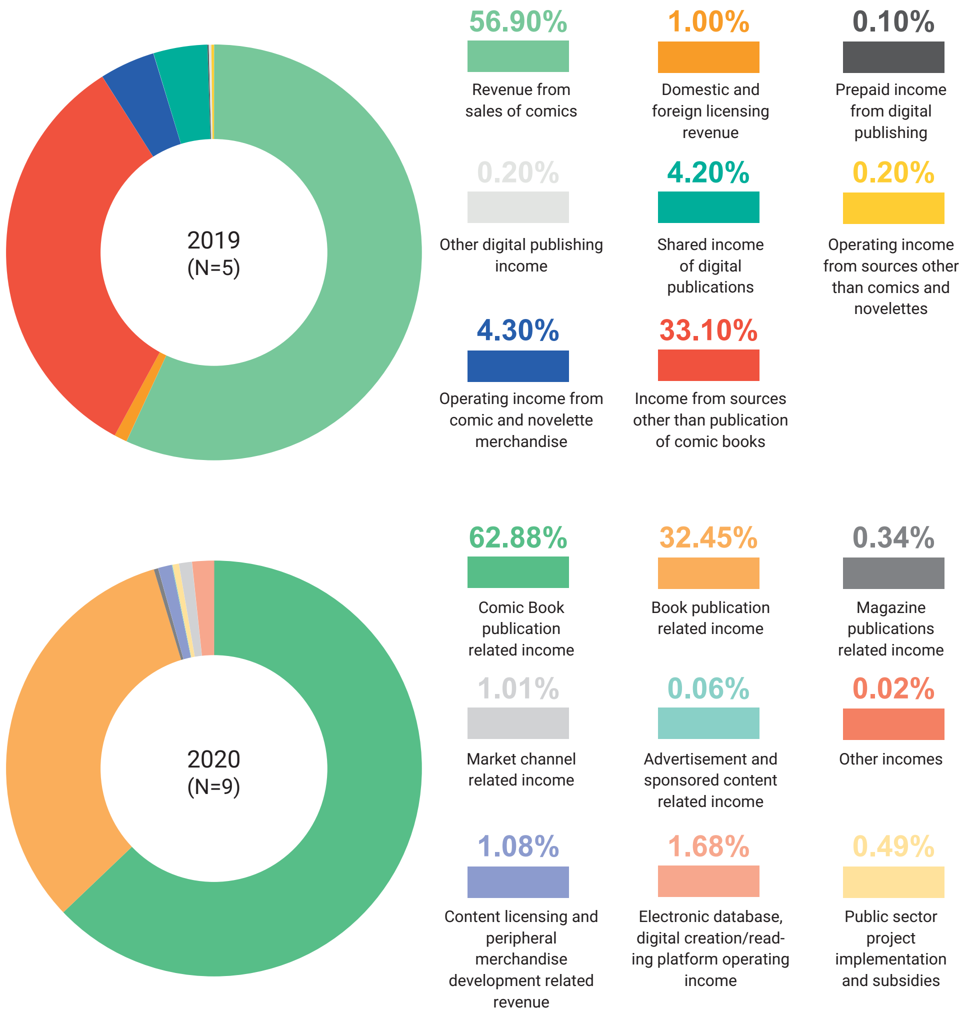


Figure 2-20. Income structure of comic book publishers in Taiwan from 2019 to 2020

■ ***Note:***
1. N=5 for 2019 and N=9 for 2020.
2. The survey items and scope were adjusted this year, so annual comparisons should be interpreted with caution.

■ ***Source:*** Organized by this survey study.

In 2020, about 99 percent (99.44%) of the “comic book related” revenue of Taiwan’s comic book publishers came from the domestic market. The sales of various types of comic books, such as printed comics, digital comics, and so on, accounted for nearly 99 percent (98.86%) of total comic book related revenue, while comic book copyright sales accounted for about 1.04%.

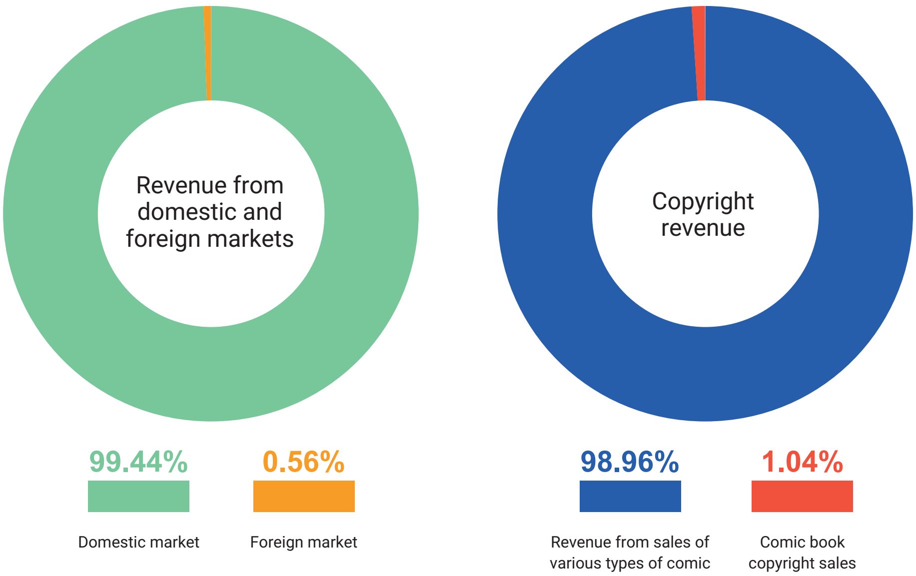


Figure 2-21. Overview of domestic, foreign, and copyright revenues of Taiwan’s comic book publishers in 2020

■ ***Note:*** N=9
■ ***Source:*** Organized by this survey study.

In terms of revenue from domestic and foreign works, nearly 95 percent (94.28%) of the comic book sales revenue for Taiwan's comic book publishers in 2020 came from the contribution of foreign works (translated comic books), and about 5.72% came from domestic works. Furthermore, paper comic books accounted for more than 90 percent (93.88%) of the total revenue generated by various publications in 2020, while sales revenue of digital comic books accounted for 6.12%.

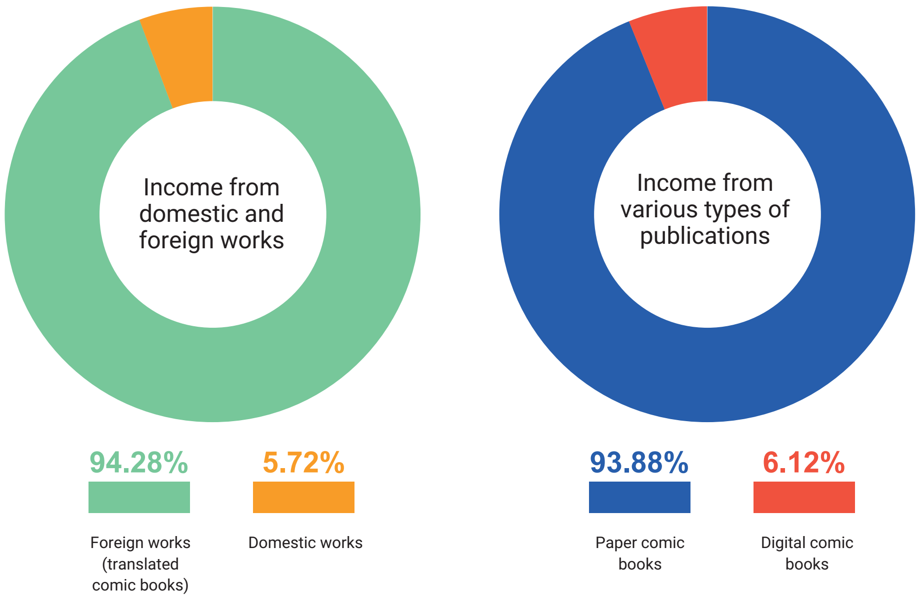


Figure 2-22. Overview of the revenue of various types of publications of Taiwan's comic book publishers in 2020

- ***Note:*** N=9
- ***Source:*** Organized by this survey study.

2.2.3. Expenditure levels and structure of the comic book publishing industry in Taiwan

In terms of expenditures, Taiwan's comic book publishers spent the most on "printing and binding production expenses of paper publications" (31.03%), followed by "foreign copyright, royalties, and remuneration expenses" (22.74%), and "company/business internal personnel expenses" (19.23%), etc.; the rest of the expenditures account for less than 10 percent.

This year's survey was conducted to focus on the digital development and derivative content related expenditures of comic book publishers. According to the survey results, "digital publication production expenses" accounted for 1.68%, "digitalization related expenses" accounted for 0.97%, and "Content/ IP derivatives development related expenses" accounted for 0.18%

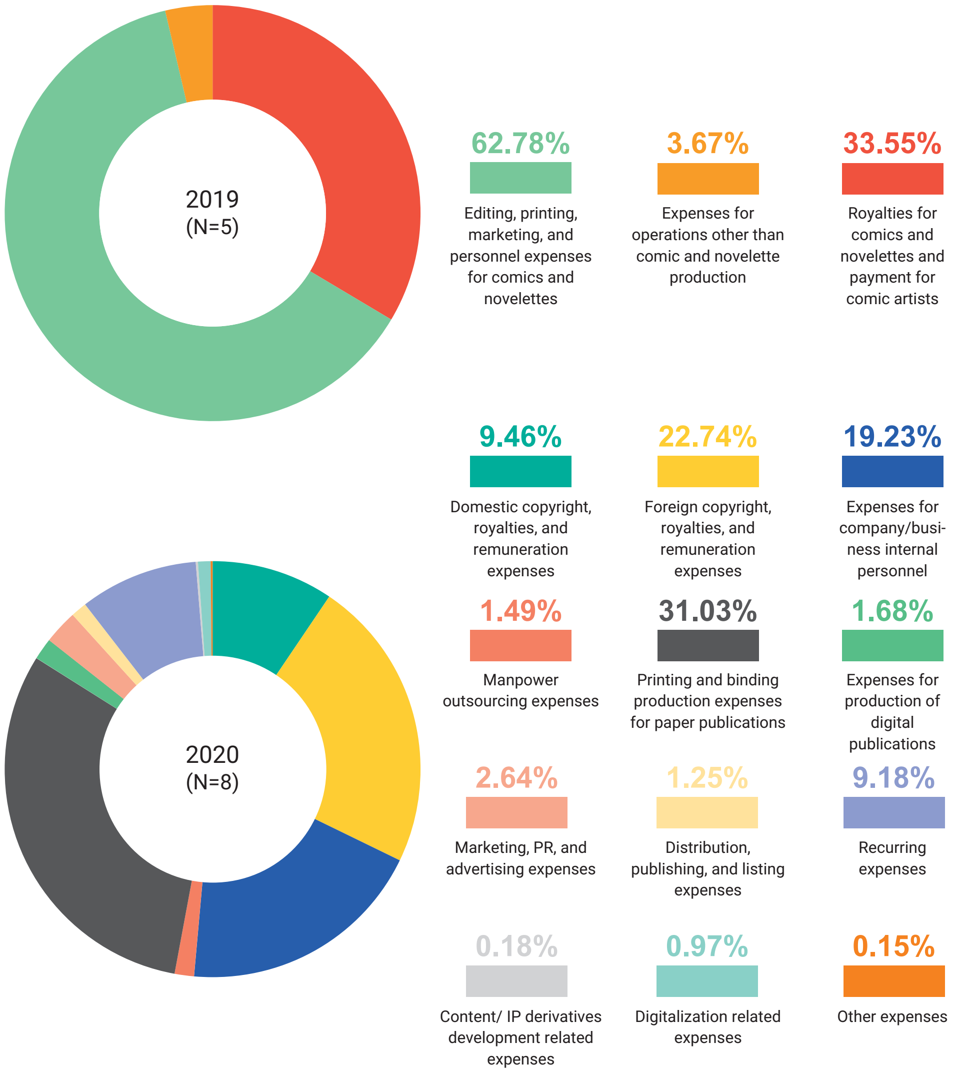


Figure 2-23. Structure of expenditure for Taiwan's comic book publishers from 2019 to 2020

■ ***Note:***
1. N=5 for 2019 and N=8 for 2020.
2. The survey items and scope were adjusted this year, so the annual comparison should be interpreted with caution.

■ ***Source:*** Organized by this survey study.

According to the operating expenditure structure above, Taiwan's comic book publisher placed a greater emphasis on distribution and sales of foreign works, but nearly 10% of expenditures were for "domestic copyright, royalties, and remuneration expenses," implying that a portion of resources were invested in nurturing domestic creators. Furthermore, because the current business is based on authorized and licensed development, the proportion of "Content/ IP derivatives development related expenses" remained low.

2.3. IP licensing trends

2.3.1. Types of products and services provided by comic book licensing in Taiwan

In terms of external licensing provided by Taiwan's comic book publishers in 2020, domestic licensing included "digital applications (apps)," "film and television adaptations," "training courses/seminars," and "game adaptations," etc., each accounting for 16.67%. In terms of foreign licensing, "first copy licensing" accounted for 23.53%, followed by "licensed product development" (17.65%), "digital applications (apps)" (11.76%), and "translated copy licensing" (11.76%).

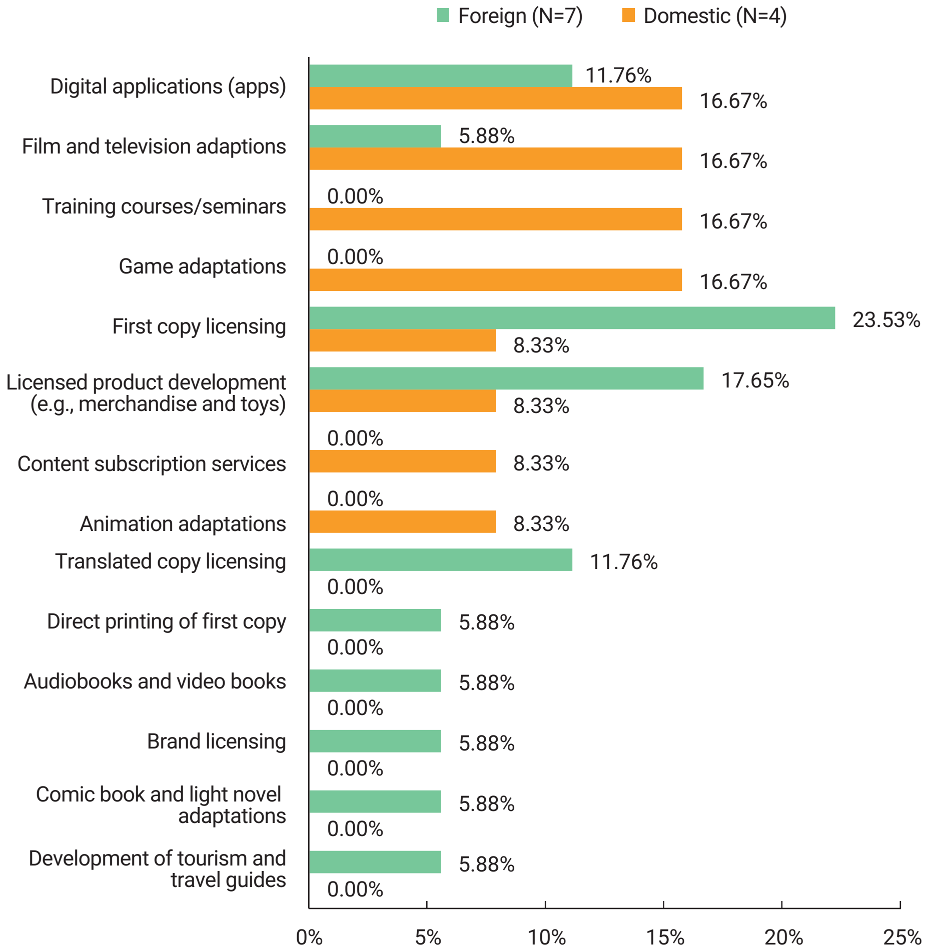


Figure 2-24. Domestic licensing transaction model of Taiwan's comic book publishers in 2020

■ ***Note:***
1. N=7 for foreign and N=4 for domestic.
2. Due to the small number of respondents in comic publishing, the above statistical results are for reference only and should not be interpreted decisively.

■ ***Source:*** Organized by this survey study.

2.3.2. Sales of Taiwan's comic book copyrights to foreign countries

In terms of source countries for income made from external licensing of Taiwan's comic book publications, Japan accounted for the highest proportion (33.33%), followed by Mainland China (23.67%), Hong Kong and Macau (16.67%), France (16.67%), and Malaysia (8.33%).

Local comic books have steadily gained prominence on the world stage as a result of the trend of diverse development of Taiwan's comic book license in recent years. Domestic comic book artists, for example, won gold, silver, and bronze honors at the 14th Japan International MANGA Award, sponsored by the Japanese Ministry of Foreign Affairs in 2020. They were well-received by Japanese publishers and readers, and they had been effectively licensed in the Japanese market. However, when compared to other major content exporting countries, the current status of overseas licensing of Taiwan's comic books abroad is still in its growing phase, causing the licensing trend to fluctuate considerably. As a result, year-to-year comparisons should be interpreted with caution.

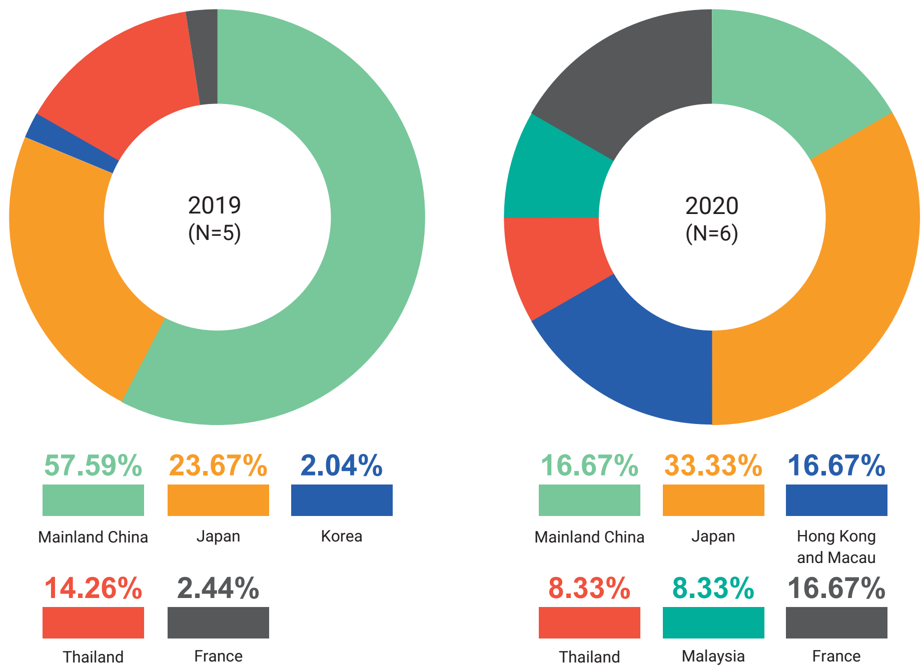


Figure 2-25. Proportion of source countries of copyright income for comic book publishers in Taiwan from 2019 to 2020

■ ***Note:*** N=5 for 2019 and N=6 for 2020
■ ***Source:*** Organized by this survey study.

2.4. Industry observation indexes

2.4.1. Overview of genres and formats of digital comic book publications in Taiwan

The publication status of digital comics in Taiwan is mostly derived from two major platforms: Book Walker and Books.com.tw. A total of 2,712 digital comic titles were published in 2020, which was a 28.54% increase from 1,938 titles in 2019.

All digital comics published in 2020 were in EPUB format. At present, most digital comics are still published in printed form first. Only 241 digital titles were released concurrently with printed comics in 2020 (simultaneous electronic and paper publication), accounting for 8.89% of all digital comic books published that year. 705 titles were digital-only, accounting for 26% of all digital comic books produced in the year and representing a significant 6.71% increase over 2019.

Table 2-10. Genres of digital comic book publications in Taiwan from 2019 to 2020

Unit: Titles, %

Year	Digital comic book genre							Total
	Shounen	Shoji	Seinen	Josei	BL	Yuri	Other	
2019	516 (26.63%)	675 (34.83%)	209 (10.78%)	139 (7.17%)	383 (19.79%)	16 (0.83%)	-	1,938 (100%)
2020	643 (23.71%)	594 (21.90%)	537 (19.80%)	236 (8.70%)	599 (22.09%)	8 (0.30%)	95 (3.50%)	2,712 (100%)

■ ***Source:*** Organized by this survey study.

2.4.2. Retail price and number of publishers in Taiwan's digital comic book publishing industry

The retail price of digital comic books is generally lower than that of printed comic books. The overall average retail price of digital comics was NT$117, a 47.86% growth from NT$61 in 2019. The median and mode were NT$70 and NT$50, respectively. The number of digital comic book publishers in 2020 totaled 50, indicating a growth of 38.0% compared to 2019. Among them, only the number of "shounen comics" publishers decreased, the number of "yuri (GL) comics" publishers remained the same, and the number of publishers for other types of genres grew compared to the previous year.

Table 2-11. Retail price and number of publishers of all genres of new digital comic book titles in Taiwan from 2019 to 2020

Unit: NTD, number of publishers,

No.	Comic book genre	Price (NTD)					Number of companies	
		2019		2020				
		Mean	Mode	Mean	Median	Mode	2019	2020
1	Shounen	65	41	111	69	55	25 (80.7%)	24 (48.00%)
2	Shoji	53	50	150	70	70	11 (35.5%)	14 (28.00%)
3	Seinen	84	69	143	91	40	19 (61.3%)	24 (48.00%)
4	Josei	41	40	75	40	40	4 (12.9%)	6 (12.00%)
5	BL (boy's love)	63	40	69	66	40	10 (32.3%)	11 (22.00%)
6	Yuri (GL)	83	69	120	105	182	4 (12.9%)	4 (8.00%)
7	Other	-	-	200	196	245	-	24 (48.00%)
	Total	61	50	117	70	55	31 (100%)	50 (100%)

■ ***Note:*** As a company may publish two or more genres of digital comics, the total number of companies for each type of digital comic does not add up to 100.0%. Repetitions have been deducted from the total number of companies.

■ ***Source:*** Organized by this survey study.

3 Magazine Publishing Industry

3.1. Industry overview

3.1.1. Number of magazine publishers and geographical distribution in Taiwan

This study surveyed sources such as the top four online bookstores (Books.com.tw, Kingstone Book, Eslite, and TAAZE), the ISSN New & Market (local publication/magazine), the Taiwan Publication Information Network, and the Magazine Business Association of Taipei. After excluding sources that had ceased operations, government entities, personal publishers, those who could not be reached, and nonprofit organizations, 237 effective magazine publishers were identified.

Most of the magazine publishers identified were concentrated in Northern Taiwan (94.51%), including 92.41% in the Greater Taipei area. Other areas account for less than 10% of the total number of publishers.

Almost 70% of the magazine publishers in Taiwan have more than 10 years of history. Many longstanding and iconic magazine publishers remain active in the market, but a number of emerging companies are still joining the industry.

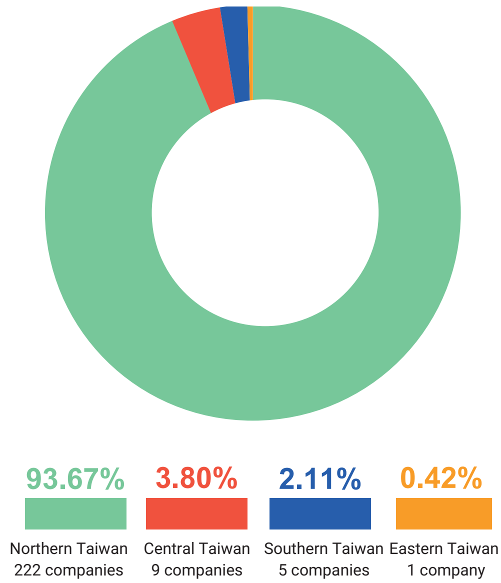
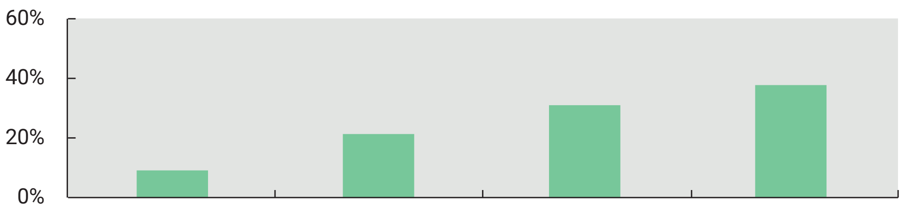


Figure 2-26. Geographical distribution of Taiwan's magazine publishers in 2020

■ ***Note:*** Northern Taiwan includes Taipei City, New Taipei City, Keelung City, Taoyuan City, Hsinchu City, Hsinchu County, and Yilan County; Central Taiwan includes Miaoli County, Taichung City, Changhua County, Nantou County, and Yunlin County; Southern Taiwan includes Chiayi County, Chiayi City, Tainan City, Kaohsiung City, and Pingtung County; Eastern Taiwan includes Hualien County and Taitung County.

■ ***Source:*** Organized by this survey study.



Number of years since founding	Less than 5 years (Not inclusive)	5 to 10 years (Not inclusive)	10 to 20 years (Not inclusive)	20 years or more
Percentage by number of companies	9.28%	21.52%	31.22%	37.97%

Figure 2-27. Number of years established for Taiwan's magazine publishers in 2020

■ ***Note:*** N=237

■ ***Source:*** Organized by this survey study.

3.1.2. Average capital of magazine publishers in Taiwan

A total of 150 companies in the domestic magazine publishing industry had a registered capital of less than NT$10 million, which accounted for more than six tenths (60.93%) of the total, indicating that most companies in the domestic magazine publishing industry are SMEs. Most large publishers with a capital of over NT$100 million are long-standing magazine publishers with significant brand influence.

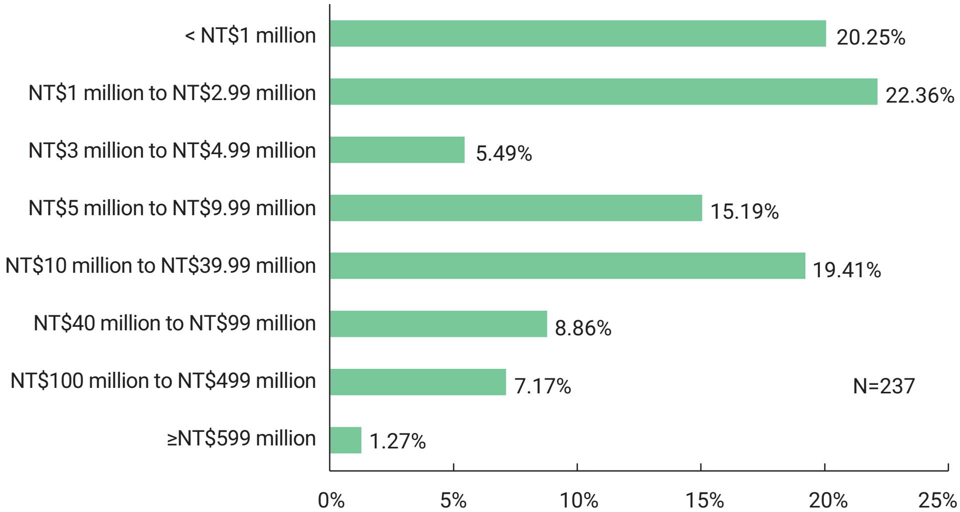


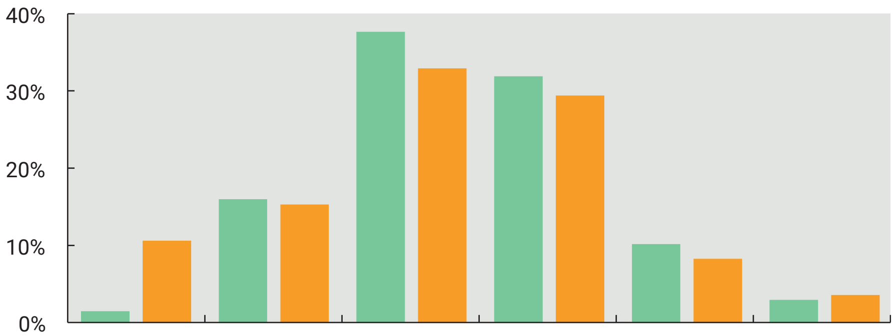
Figure 2-28. Distribution of Taiwan's magazine publishers by registered capital in 2020

- ***Note:*** N=237
- ***Source:*** Organized by this survey study.

3.1.3. Overview of employees of magazine publishers in Taiwan

In 2020, almost six tenths (58.82%) of magazine publishers employed fewer than 10 people (including full-time and part-time employees). For the number of publishers that employed 0-1 employees, there was an increase of 9.14 percentage points compared to 2019. Based on the results of this year's survey, employment by magazine publishers remains conservative due to the impact of the COVID-19 pandemic.

Furthermore, based on the survey data of magazine publishers alone, it is estimated [9] that the number of full-time and part-time employees employed by each firm is approximately 26 [10] . The total number of employees employed by Taiwan's magazine publishers in 2020 is estimated at around 6,162, a 15.39 decline compared to 7,283 in 2019.



Number of employees	0 to 1 employee	2 to 4 employees	5 to 9 employees	10 to 24 employees	25 to 99 employees	More than 100 employees
2019 (N=69)	1.45%	15.94%	37.68%	31.88%	10.14%	2.90%
2020 (N=85)	10.59%	15.29%	32.94%	29.41%	8.24%	3.53%

Figure 2-29. Scale of manpower of Taiwan's magazine publishers from 2019 to 2020

- ***Note:*** N=69 for 2019 and N=85 for 2020.
- ***Source:*** Organized by this survey study.

[9] The formula for estimating the number of employees = the average number of employees (both full-time and part-time employees) of the publishers who responded to the survey x the statistical population of magazine publishers in Taiwan.

[10] According to the 2016 "Industry and Service Census," the number of employees employed (including full-time and part-time employees) in Taiwan's magazine (periodical) publishing industry is around 7,000. Because of the differences in statistical methods and survey basis, this survey's weighted estimation is based on the number of completed questionnaires, resulting in a different result than the "Industrial and Service Census."

3.2. Revenue and business model

3.2.1. Scale of Taiwan's magazine publishing industry and estimated revenue of magazine publications

The estimate of the overall industry scale of Taiwan's magazine publishing industry (core businesses) was added this year. Unlike previous estimates, which focused solely on magazine distribution and sales revenue, this year's estimate included revenues from cross-sector content IP derivatives and application, membership and subscription, business consulting, new business models, diversified management, and upstream and downstream industry integration, allowing the observation of Taiwan's magazine publishing industry under the trends of digital convergence and cross-sector integration. In 2020, the scale of Taiwan's magazine publishing industry (core businesses) was NT$8.385 billion, a 10.69% increase over 2019 (7.575 billion).

In terms of the estimated revenue of magazine publications, the consolidated revenue of publishers was obtained through the fiscal and taxation data from the Ministry of Finance, in addition to the weighted results from the questionnaire survey. The estimated revenue of magazine publications on its "publishing end" (including advertising revenue) in 2020 was NT$10.341 billion, a 12.49% decline from 2019 (NT$11.817 billion).

In addition, based on the estimated results from the magazine's "publishing end" (NT$10.341 billion), the revenue from the subscription end and retail end was estimated [11]. Customers were divided into subscribers and retail customers, and the revenue from each group was individually calculated. In terms of the retail end, the sales ratio was divided into distribution (exclusive distribution plus distribution) and direct sales (all channels except distribution), accounting for 68.66% and 31.34%, respectively.

Based on the aforementioned estimates, the revenue from the "subscription end" of magazine publication in 2020 was NT$6.380 billion; direct sales revenue from the "retail end" was NT$2.304 billion; revenue from the distribution channels of the "retail end" was NT$2.992 billion. Total magazine publication revenue for 2020 was NT$11.675 billion, a decrease of 5.91% compared to 2019.

Table 2-12. Development trend in the revenue of magazine publications in Taiwan

Unit: NT$100 million, %

Year	2018	2019	
Overall magazine revenue	129.14	124.08	116.75
Growth rate	-	-3.92%	-5.91%

■ ***Note:*** This survey's "magazine publishing industry scale (core businesses)" has a different definition and scope than "magazine publication revenue." "Magazine publication revenue" covers the distribution and sales of magazine publications by both specialized (core) and non-specialized magazine publishers (such as information and communication companies, cram schools, educational institutions, game industries, etc.). "Magazine publishing industry scale (core businesses)" refers to the overall revenue of the specialized (core) magazine publishers, including revenues from the distribution and sales of magazine publications, cross-sector IP derivatives and application, membership subscription systems, corporate consulting, new business models, diversified management, and upstream and downstream integration of the industry.
■ ***Source:*** Organized by this survey study.

[11] The process of division and calculation of all revenue from magazine publication was as follows:
❶ : Subscription end revenue = magazine publishing end revenue x share of subscribers
❷ : Publishing end retail revenue = magazine publishing end revenue x share of retail
❸ : Revenue generated by direct sales =❷x share of direct sales in retail
❹ : Revenue from distribution channels =❷x share of distribution in retail / average wholesale discount x average retail discount
❺ : Total revenue from magazine publication =❶+❷+❸

3.2.2. Revenue structure and items of magazine publishers in Taiwan

In 2020, 72.37% of the magazine publishers had an operating revenue of less than NT$10 million, which suggests that most magazine publishers in Taiwan are SMEs. Compared to last year, the proportion of publishers that had an annual revenue of less than NT$500,000 increased by 10.25 percentage points, while publishers with revenue ranging between NT$500,000 and 5 million increased by 6.1 percentage points. In comparison, the proportion of publishers with an annual revenue of more than NT $5 million decreased from the previous year.

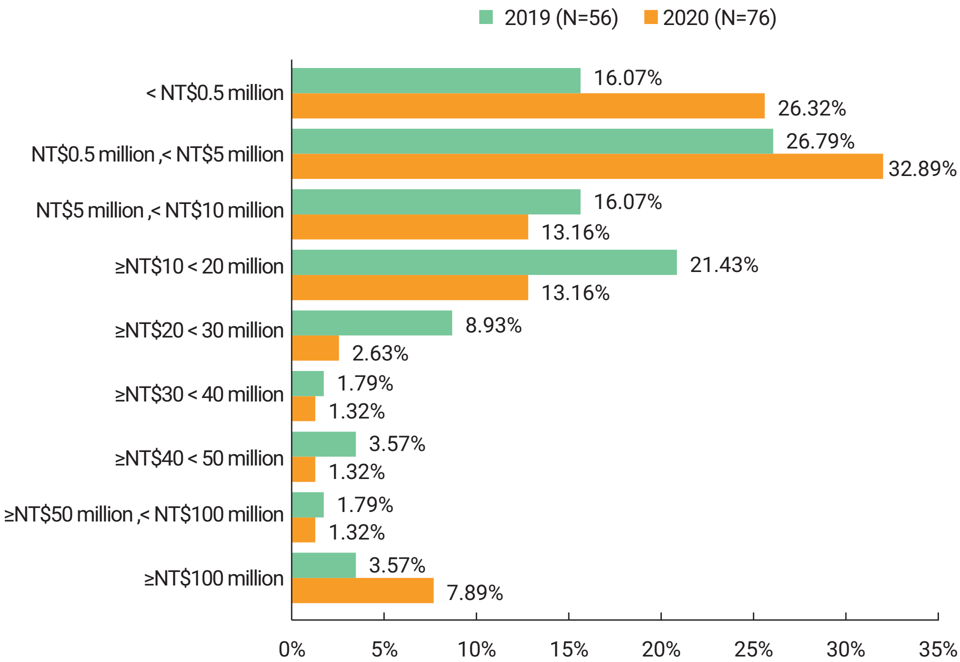


Figure 2-30. Annual revenue of magazine publishers in Taiwan from 2019 to 2020

■ ***Note:*** N=56 for 2019 and N=76 for 2020.
■ ***Source:*** Organized by this survey study.

Out of the magazine publishers surveyed in 2020, "Fundraising, sponsorship, and paid membership related income" accounted for the highest proportion (24.05%), followed by "book publication related income" (22.51%), "magazine publication related income" (12.99%), and "advertisements and sponsored content related income" (10.96%); the remaining sources accounted for less than 10 percent.

Based on recent developments, magazine publishers in Taiwan have changed their business focus away from traditional printed magazine publications. Content is distributed in a range of media and vehicles (such as online platform subscriptions, audio content, etc.) in order to suit market demand. On one hand, publishers are actively developing diversified derivative content and content licensing, such as physical or online courses, tour experiences, event curation, IP and brand development, and so on. On the other hand, they are exploring business developments centered on "market," "consumer," and "membership," such as providing content that meets the needs and demands of readers, or collaborating with employee training courses, company trips, etc., ultimately offering relatable content and services to readers and clients alike, but also always investigating and developing new business models and profit opportunities.

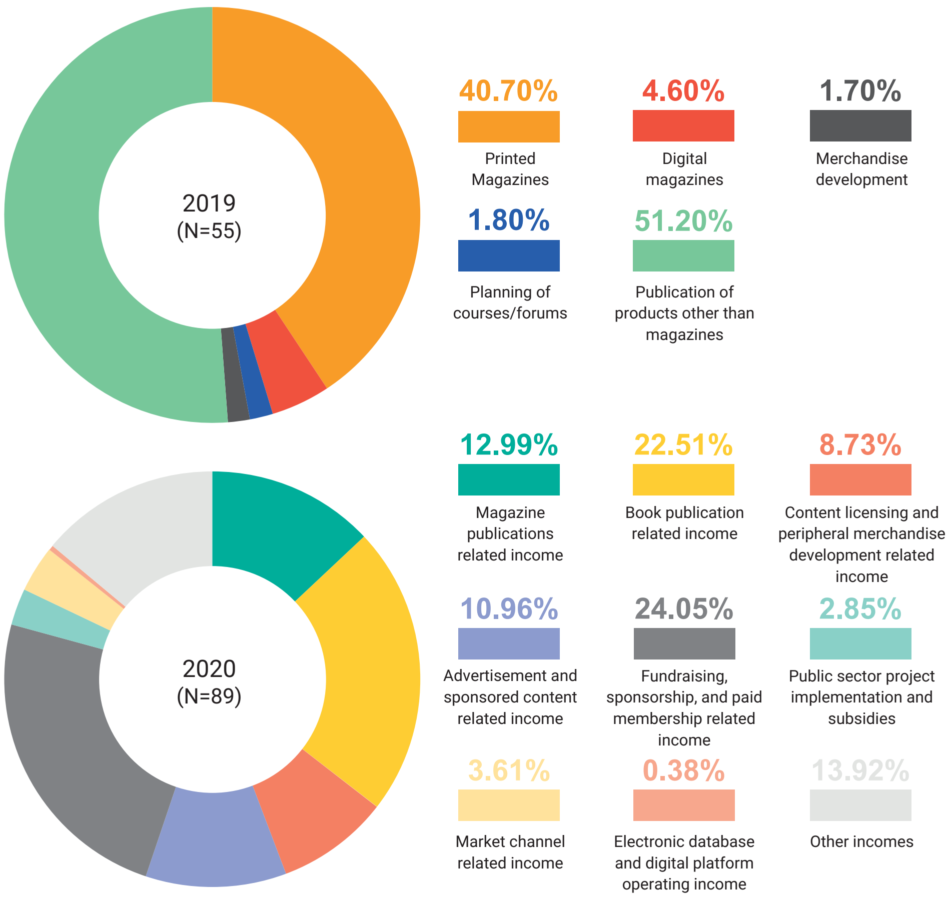


Figure 2-31. Income structure of magazine publishers in Taiwan from 2019 to 2020

■ ***Note:*** N=55 for 2019 and N=89 for 2020.
2. The survey items and scope were adjusted this year, so the annual comparison should be interpreted with caution.
■ ***Source:*** Organized by this survey study.

In 2020, about 97 percent (97.37%) of the revenue generated by magazine publishers in Taiwan came from the domestic market, while 2.63% came from the foreign market. Additionally, in terms of the overall magazine publication related revenue, about 94 percent (93.92%) came from the sales of various types of printed magazines; sales of digital magazines accounted for 4.23% of the entire magazine publication related revenue, and magazine content copyright accounted for 1.85%.

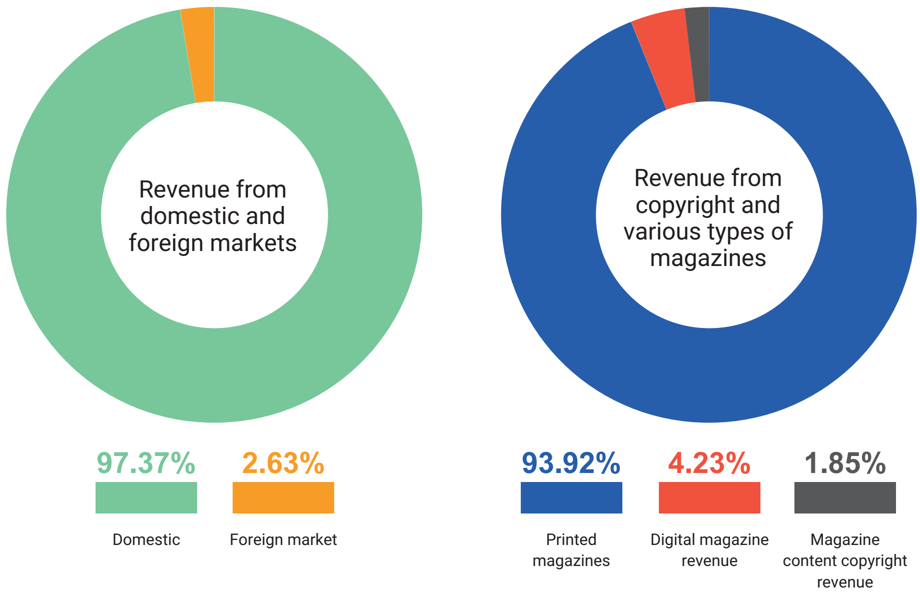


Figure 2-32. Overview of Taiwan's magazine publishers' domestic and foreign revenues for various magazines and copyright in 2020

- ***Note:*** N=76.
- ***Source:*** Organized by this survey study.

3.2.3. Expenditure levels and structure of the magazine publishing industry in Taiwan

In terms of overall expenditure, 70.83% of Taiwan's magazine publishers had annual expenditures of less than NT$10 million in 2020, suggesting that the majority of Taiwan's magazine publishers are SMEs. When compared to the previous two years, those with expenditures of less than NT$500,000 increased by 2.78 percentage points, while those with more than NT$500,000 but less than NT$5 million increased by 8.93 percentage points. The proportion of publishers that spent more than NT$10 million was significantly lower than the previous year.

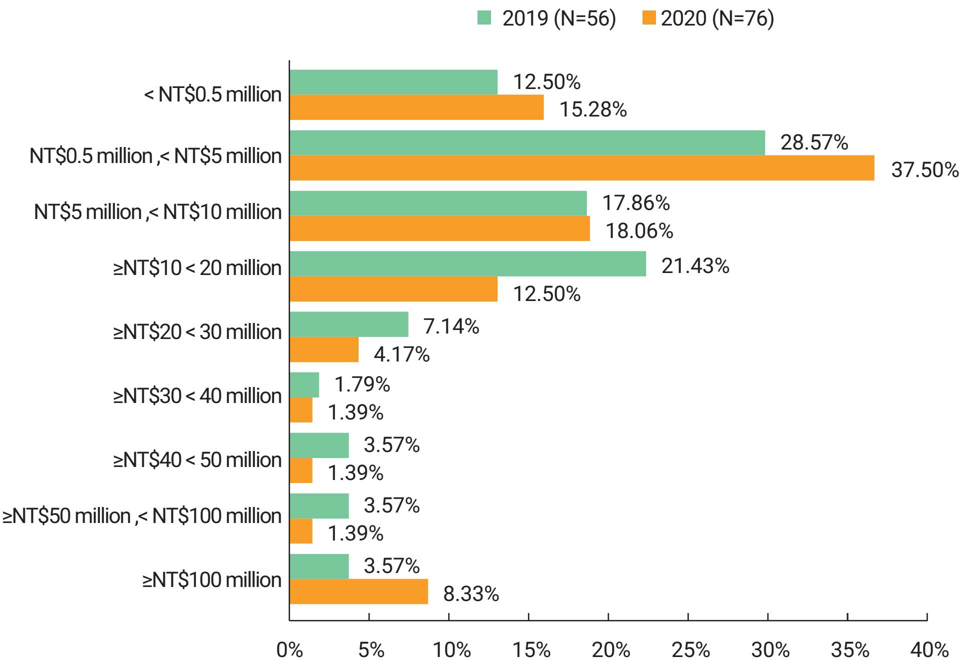


Figure 2-33. Annual expenditure of magazine publishers in Taiwan from 2019 to 2020

- ***Note:*** N=56 for 2019 and N=72 for 2020.
- ***Source:*** Organized by this survey study.

In terms of expenditures in 2020, Taiwan's magazine publishers spent the most on "company/business internal personnel expenses" (30.60%), followed by "printing and binding production expenses of paper publications" (12.88%), and other expenses (12.45%) etc.

According to the survey findings, "content IP derivatives development related expenses" accounted for 7.11% of total expenditure, "digitalization related expenses" accounted for 2.74%, and digital publication production expenditures accounted for 0.58%.

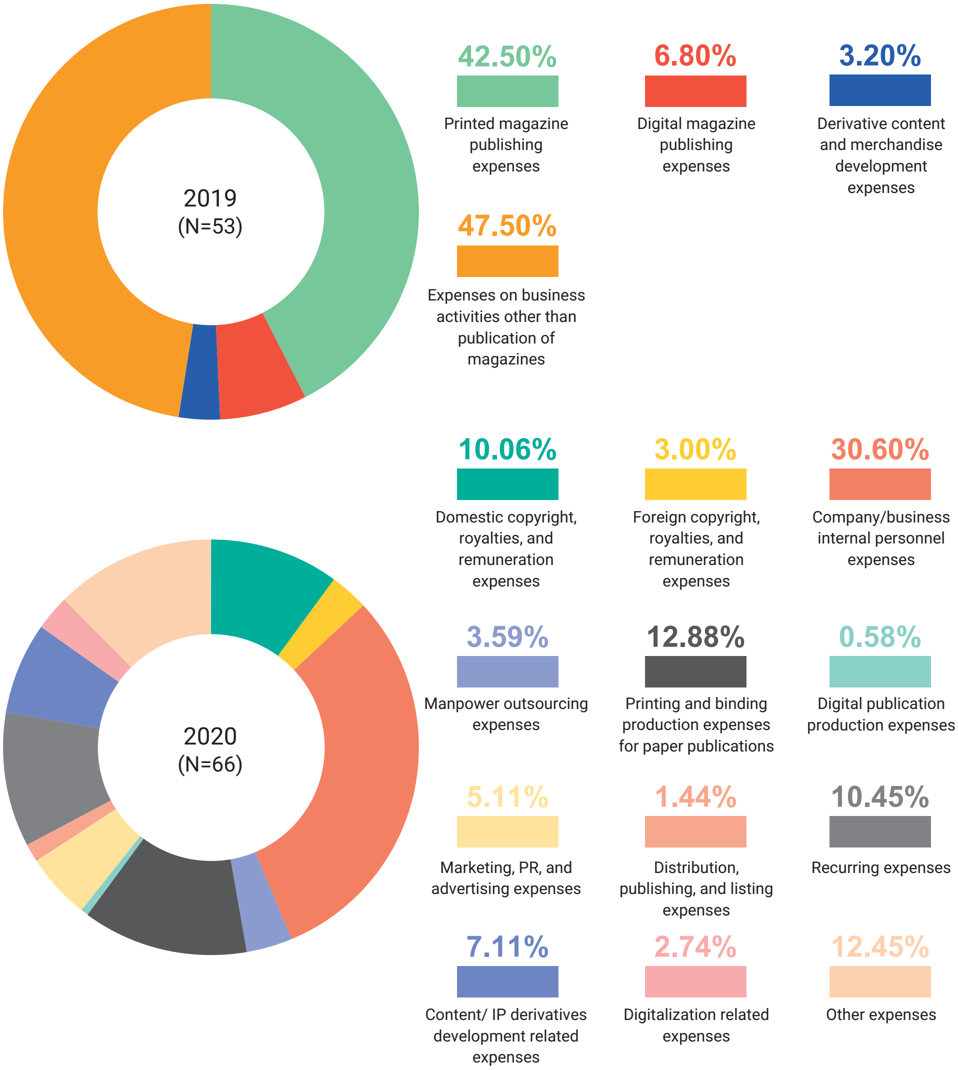


Figure 2-34. Structure of expenditure for Taiwan's magazine publishers from 2019 to 2020

■ ***Note:***
1. N=53 for 2019 and N=66 for 2020.
2. The survey items and scope were adjusted this year, so annual comparisons should be interpreted with caution.

■ ***Source:*** Organized by this survey study.

3.2.4. Marketing resource allocation strategies ranked by magazine publishers in Taiwan

The main marketing channel for Taiwan's magazine publishers in 2020 was "online bookstores," followed by "physical bookstores," "publishers' own websites," and "publishers' online group/fan pages." Compared to book publishers, magazine publishers placed a greater emphasis on internet platforms and social media, such as online bookstores, online shopping malls, various types of groups, fan pages, websites, various digital platforms, and so on.

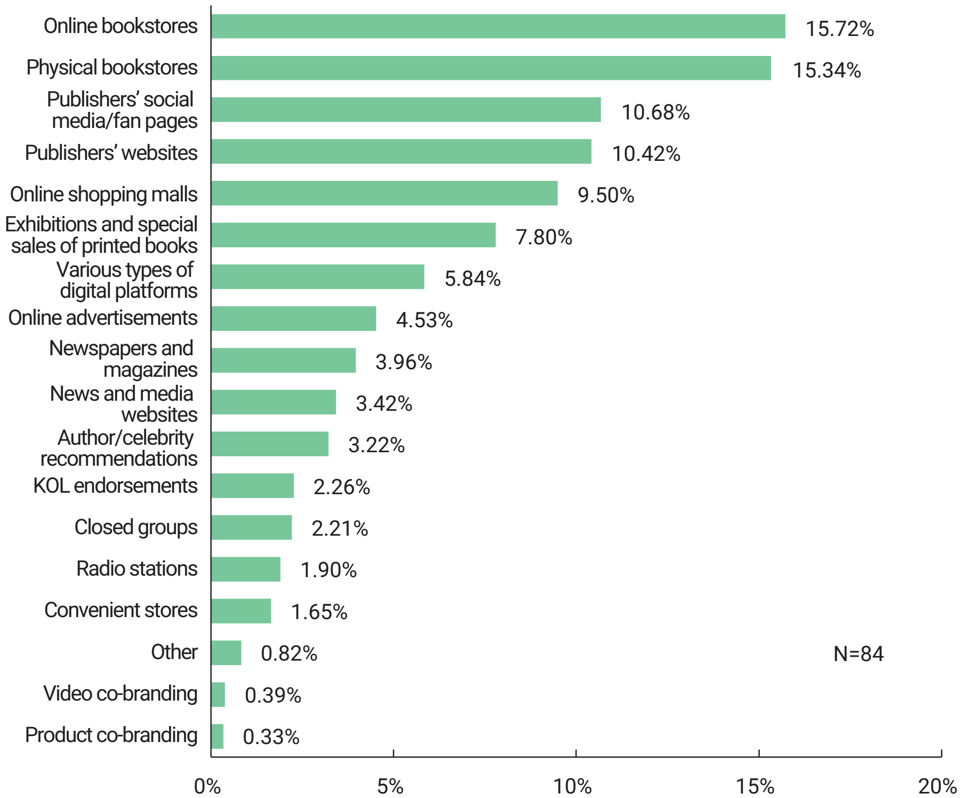


Figure 2-35. Marketing resource allocation strategies ranked by Taiwan's magazine publishers in 2020

■ ***Note:***
1. N=84.
2. Each marketing channel was ranked from 1 to 10 by the magazine publishers and given a corresponding score (10 points for the first place, and 1 point for the tenth place, etc.). Channels that were not ranked in the top 10 by the respondents received no points. The final score for each channel was counted and the percentage compared to the overall score was calculated.
■ ***Source:*** Organized by this survey study.

3.3. IP Licensing Trends

3.3.1. Types of external licensing provided by magazine publishers in Taiwan

34.84% of the magazine publishers have conducted external licensing in 2020. In terms of domestic licensing, "first copy licensing" and "content subscription services" accounted for the highest proportion (17.65% each), followed by "training courses/ seminars" (14.71%), and "licensed product development" (10.29%), while the rest of the products and services accounted for less than 10%. In terms of foreign licensing, "translated copy licensing" had the highest proportion (23.81%), followed by "first copy licensing" (19.05%), and "video books and audio books," "digital applications (apps)" each accounting for 14.29%.

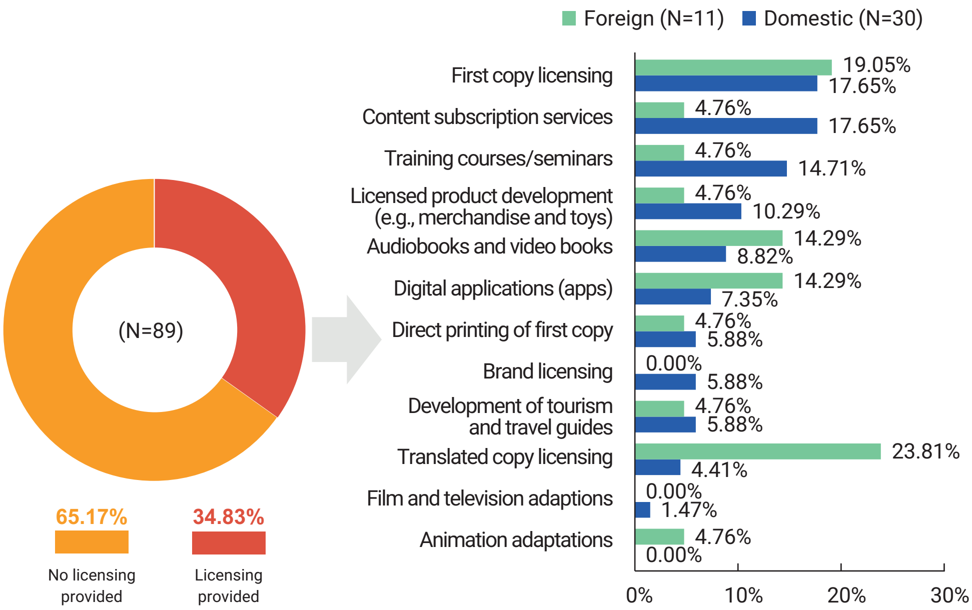


Figure 2-36. Types of external licensing provided by Taiwan's magazine publishers in 2020

■ ***Note:*** N=89 for licensed provision (left figure); N=11 for foreign and N=30 for domestic (right figure).
■ ***Source:*** Organized by this survey study.

3.3.2. Sales of copyright by Taiwan's magazine publishers to foreign countries

Among book publishers that sold book copyright licenses in 2020, 30% were licensed to Mainland China, which accounted for the highest proportion, followed by Hong Kong and Macau (20%), and Japan (10%).

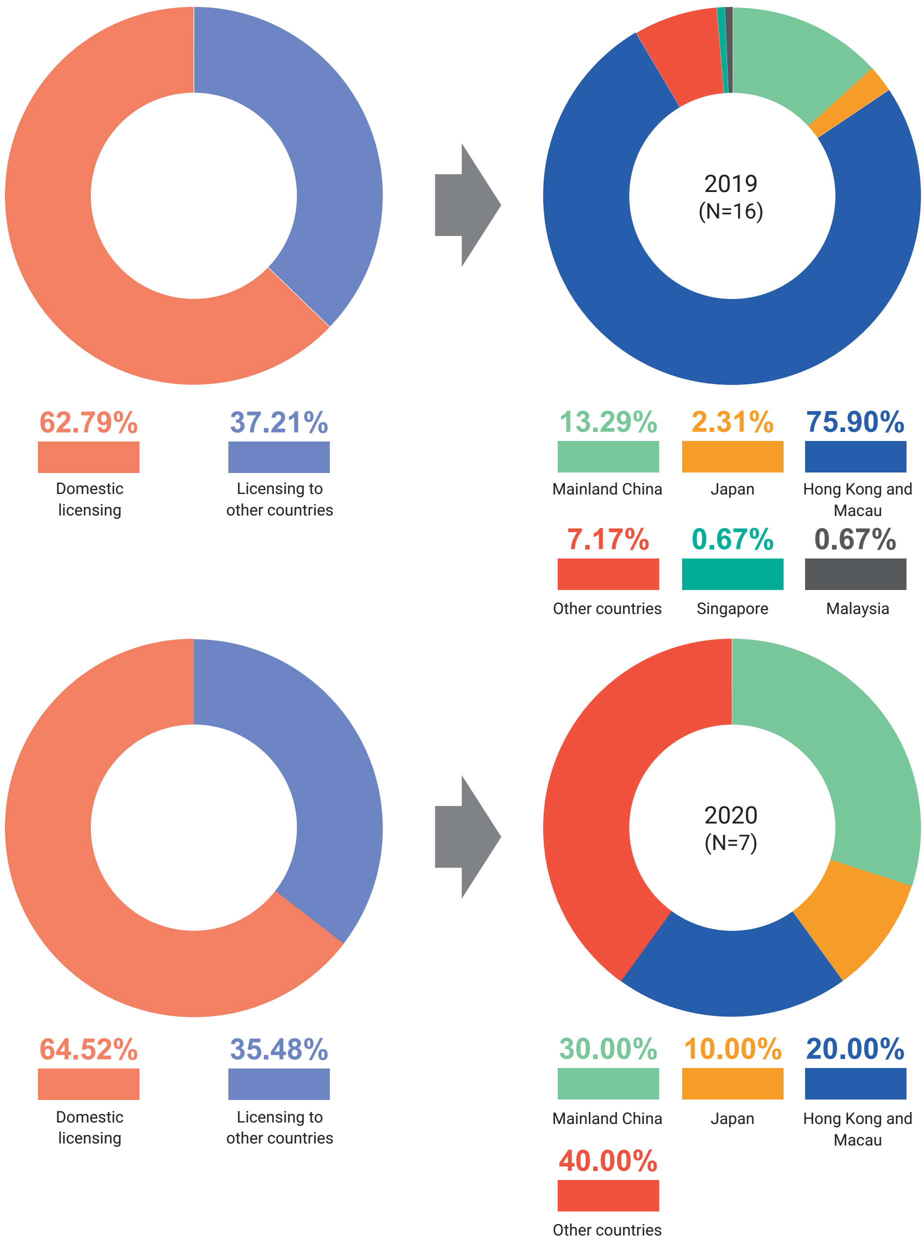


Figure 2-37. Proportion of source countries of copyright income for magazine publishers in Taiwan from 2019 to 2020

- ***Note:*** N=16 for 2019 and N=7 for 2020.
- ***Source:*** Organized by this survey study.

3.3.3. Domestic and foreign magazine copyright licensing and acquisition channels

In terms of external licensing provided by magazine publishers in Taiwan, domestic copyright licensing mostly occurred through “direct licensing from author” (54.55%), followed by “through publisher” (45.45%), and “distributor/copyright agent” (27.27%), and so on. In terms of foreign magazine copyright acquisitions, approximately 55% were accomplished with the assistance of a ”distributor/copyright agent,” followed by channels such as ”direct licensing from author” (35.71%) and “through publishers.”

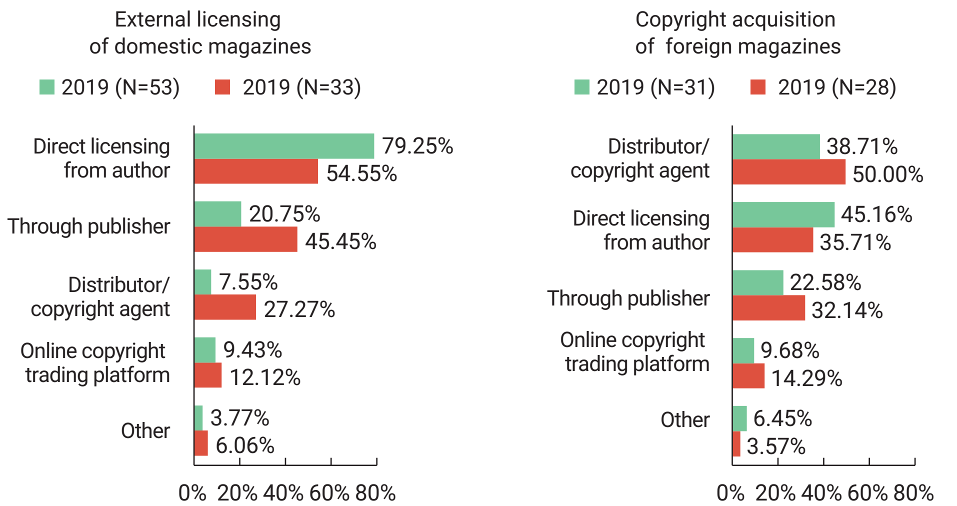


Figure 2-38. Domestic and foreign magazine copyright licensing and acquisition channels in Taiwan from 2019 to 2020

■ ***Note:***
1. External licensing of domestic magainzes: N=53 for 2019 and N=33 for 2020.
2. Acquisition of foreign magazines: N=31 for 2019 and N=28 for 2020.
3. Multiple selections were allowed.

■ ***Source:*** Organized by this survey study.

3.3.4. Licensing revenue of magazine publishers in Taiwan

In 2020, 63.16% of the magazine publishers had an annual licensing revenue of less than NT$500,000, followed by those with more than NT$500,000 but less than NT$5 million (21.05%), indicating that the external licensing business is still small-scaled for magazine publishers in Taiwan. However, when comparing licensing income over the last two years, it is clear that the proportion of companies with licensing revenue of more than NT$500,000 has increased, indicating an increase in content licensing investment from magazine publishers in Taiwan.

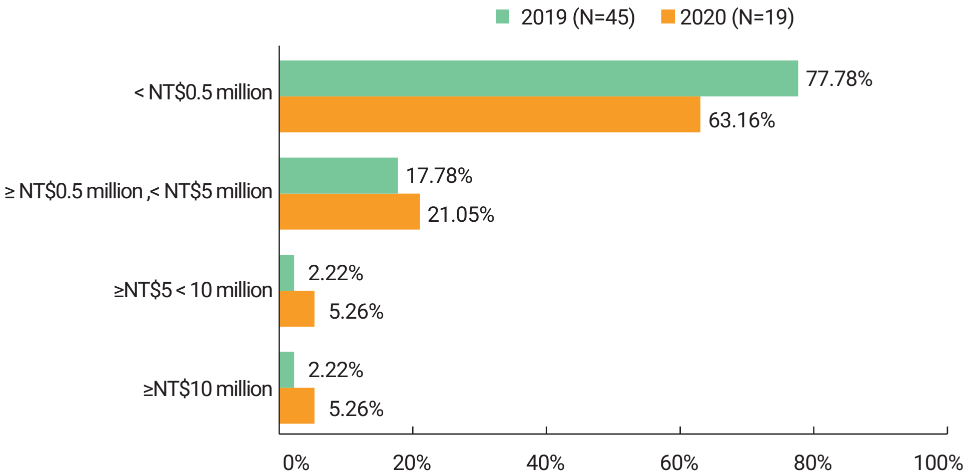


Figure 2-39. Licensing revenue of magazine publishers in Taiwan from 2019 to 2020

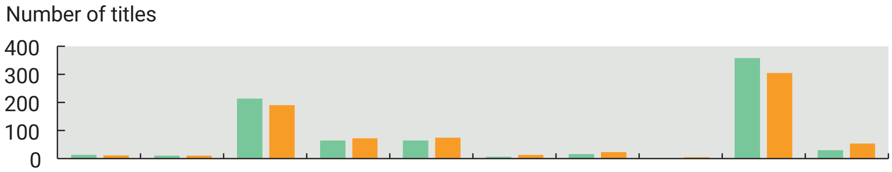
- ***Note:*** N=45 for 2019 and N=19 for 2020.
- ***Source:*** Organized by this survey study.

3.4. Industry observation indexes

3.4.1. Overview of printed magazine publications in Taiwan

At present, the number of domestic magazines with an International Standard Serial Number (ISSN) remains limited, and it is difficult to present a complete overview of magazine publishing in Taiwan. To address this shortfall, we conducted an inventory of the major channels (four largest online bookstores: Books.com.tw, Eslite, Kingstone Book, and TAAZE) to gain more comprehensive and detailed information on magazine publication in 2019.

The number of titles of printed trade magazines published in 2020 was 786, which was 21 titles less (2.60% decline) compared to 2019. Special issues accounted for the highest proportion (315 titles/40.08%), followed by monthly magazines (197 titles/25.06%), quarterly magazines (77 titles/9.80%), and bimonthly magazines (75 titles/9.54%), etc.



	Weekly	Biweekly	Monthly	Bimonthly	Quarterly	Semi-annually	Annually	Irregular	Special	Reissued back issue
2019	14	11	221	67	67	7	17	2	370	31
2020	12	11	197	75	77	14	24	5	315	56

Figure 2-40. Types of publication frequency of printed magazines published in Taiwan from 2019 to 2020.

■ ***Note:*** Trade magazines include magazines published by non-specialized magazine publishers, such as information and communication companies, cram schools, educational institutions, game industries, etc.

■ ***Source:*** Organized by this survey study.

In terms of the year of the first issue of printed trade magazines in 2020 (excluding special issues, reissued back issues, and irregular issues), magazines first published in 2009 and 2017 accounted for the highest share, followed by those first published in 2004, 2010, and 2011. Furthermore, six new titles of printed trade magazines were published in 2020.

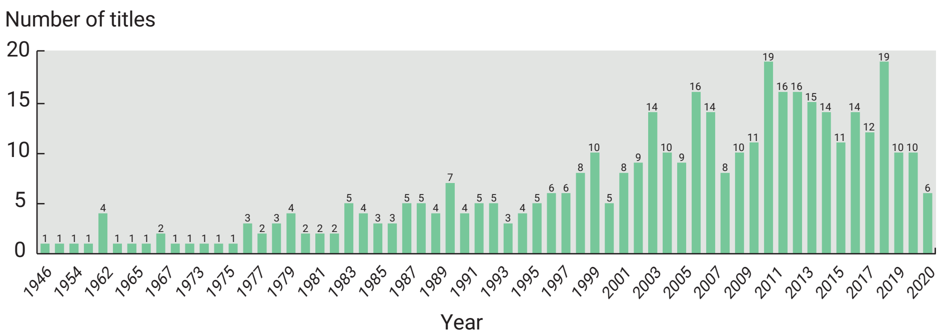


Figure 2-41. Distribution of Taiwan's printed trade magazines in 2020 by the year of first publication

■ ***Note:***

1. Excluding special issues, reissued back issues, and irregular issues of magazines.
2. Trade magazines include magazines published by non-specialized magazine publishers, such as information and communication companies, cram schools, educational institutions, game industries, etc.

■ ***Source:*** Organized by this survey study.

3.4.2. Types of publications and sales price of printed magazines in Taiwan

In terms of the types of publications of printed trade magazines in 2020, "Financial Management" accounted for the highest number of sales (25.45%), followed by "Health & Medical Care" (11.20%), and "Lifestyle" (9.16%), etc. In terms of price, the average price (NT$220) was 13 dollars more than in 2019. The median was 8 dollars higher, and the mode was the same as last year.

Table 2-13. Types of publications, sales price, and number of publishers of printed magazines in Taiwan from 2019 to 2020

Unit: Titles, NTD

No.	Types	Number of titles published				Number of publishers				Price category (NTD)				
		2019		2020		2019		2020		2019		2020		
		Number of Titles	Proportion	Number of Title	Proportion	Number of companies	Proportion	Number of companies	Proportion	Mean	Mode	Mean	Median	Mode
1	Humanities	54	6.69%	51	6.49%	48	14.68%	45	15.79%	211	190	213	180	180
2	Adult Content	8	0.99%	29	3.69%	5	1.53%	6	2.11%	671	-	713	664	759
3	Natural Science	4	0.50%	21	2.67%	2	0.61%	8	2.81%	323	284	267	284	284
4	Fashion Trend	93	11.52%	54	6.87%	46	14.07%	31	10.88%	295	190	191	188	190
5	Lifestyle	179	22.18%	72	9.16%	78	23.85%	52	18.25%	177	94	253	189	143
6	Travel Information	35	4.34%	27	3.44%	21	6.42%	17	5.96%	174	238	185	189	238
7	Financial Management	199	24.66%	200	25.45%	52	15.90%	51	17.89%	146	94	148	123	94
8	Hardcore Style*	86	10.66%	72	9.16%	52	15.90%	46	16.14%	215	284	222	190	190
9	Language learning	37	4.58%	57	7.25%	13	3.98%	11	3.86%	202	284	320	269	284
10	Health & Medical Care	-	-	88	11.20%	-	-	10	3.51%	-	-	123	94	94
11	Family Entertainment	45	5.58%	51	6.49%	18	5.50%	21	7.37%	284	160	272	198	69
12	Art and Design	56	6.94%	64	8.14%	38	11.62%	38	13.33%	241	285	216	189	179
13	Others	11	1.36%	-	-	11	3.36%	-	-	216	209	-	-	-
Total		807	100%	786	100%	327	100%	285	100%	207	94	220	179	94

■ ***Note:*** *Subgenres of "Hardcore Style" include "Sports Athletics," "Cars & Motorcycles," "Computer 3C," and "International Military Affairs."
1. The types of printed magazines were adjusted according to the adjustments made on Books.com.tw. this year.
2. Trade magazines include magazines published by non-specialized magazine publishers, such as information and communication companies, cram schools, educational institutions, game industries, etc.
■ ***Source:*** Organized by this survey study.

3.4.3. Listing rate of printed trade magazines on main channels in Taiwan

In terms of the listing rate of printed trade magazines in 2020, Kingstone online bookstore had the highest number, with 660 titles and a listing rate of 83.97%; this was followed by Books.com.tw, Eslite online bookstore, and TAAZE online bookstore.

Table 2-14. Listing rate of printed trade magazines in Taiwan from 2019 to 2020

Unit: Titles, %

Channel name		Overall (trade magazines)	Books. com.tw	Eslite	Kingstone Book	TAAZE
2019	Number of products	807	505	331	635	422
	Pecentage	100%	62.58%	41.02%	78.69%	52.29%
2020	Number of products	786	480	399	660	381
	Pecentage	100%	61.07%	50.76%	83.97%	48.47%

■ ***Note:***
1. The survey conducted an inventory of the aforementioned four largest online bookstores from April to June 2020 and from July to August 2021.
2. There may be overlaps between the printed magazines listed on different online bookstores and the total does not add up to 100.0%.
3. Trade magazines include magazines published by non-specialized magazine publishers, such as information and communication companies, cram schools, educational institutions, game industries, etc.
■ ***Source:*** Organized by this survey study.

3.4.4. Overview of the types and format of digital magazines in Taiwan

In 2020, 743 titles of digital magazines were published, an 11.73% increase compared to last year's 665 titles. As for the formats used for digital magazines in 2020, although the PDF format still accounted for the largest proportion (51.82%), it decreased by 32.84 percentage points compared to the previous year, while the use of the EPUB format to publish digital magazines increased by 42.18 percentage points. Magazine publishers are driven by market demand to gradually adopt the EPUB format when publishing digital magazines, which is a more friendly format for reading on mobile devices.

Table 2-15. Published titles of Taiwan's digital magazines in different formats from 2019 to 2020

Unit: Titles, %

Year	Publishing format				Total
	EPUB	PDF	PDF/EPUB	Video books	
2019	31 (4.66%)	563 (84.66%)	69 (10.38%)	2 (0.30%)	665 (100.0%)
2020	348 (46.84%)	385 (51.82%)	8 (1.08%)	2 (0.27%)	743 (100.0%)

■ ***Note:*** Published magazine titles include magazines published by non-specialized magazine publishers, such as information and communication companies, cram schools, educational institutions, game industries, etc.
■ ***Source:*** Organized by this survey study.

3.4.5. Retail price and number of publishers of all genres of digital magazines in Taiwan

The average retail price of all digital magazines in 2020 was approximately NT$123, which was a decrease compared to $187 in 2019. There were 227 publishers of digital magazines in 2020, which was a decline of 23.57% compared to 2019.

Table 2-16. Retail price and number of publishers of all genres of digital magazines in Taiwan from 2019 to 2020

Unit: Titles, number of publishers, NTD, %

No.	Magazine genre	Number of titles published				Number of publishers				Retail price (NTD)				
		2019		2020		2019		2020		2019		2020		
		Number of Titles	Proportion	Number of Title	Proportion	Number of Title	Proportion	Number of Title	Proportion	Mean	Mode	Mean	Median	Mode
1	Humanities and social science	8	1.20%	7	0.94%	4	1.35%	5	2.20%	124	198	190	300	300
2	Women's fashion	28	4.21%	24	3.23%	18	6.06%	15	6.61%	172	120	136	88	120
3	Literature and religion	13	1.95%	14	1.88%	10	3.37%	13	5.73%	83	80	72	80	80
4	Leisure and life	105	15.79%	101	13.59%	61	20.54%	56	24.67%	106	99	89	80	99
5	Adult	194	29.17%	344	46.30%	88	29.63%	15	6.61%	333	399	166	140	115
6	Automobile audio systems	22	3.31%	10	1.35%	9	3.03%	6	2.64%	130	181	112	99	99
7	Men's fashion	33	4.96%	16	2.15%	14	4.71%	11	4.85%	126	60	117	120	120
8	Family	38	5.71%	14	1.88%	22	7.41%	13	5.73%	114	129	111	105	90
9	Fashion	10	1.50%	17	2.29%	5	1.68%	12	5.29%	84	88	75	69	88
10	Finance & manage-ment	72	10.83%	66	8.88%	39	13.13%	34	14.98%	138	99	114	99	99
11	Business and finance	18	2.71%	30	4.04%	9	3.03%	18	7.93%	138	99	125	99	99
12	News and enter-tainmen	37	5.56%	26	3.50%	27	9.09%	23	10.13%	114	60	141	75	300
13	Sports and competition	12	1.80%	6	0.81%	5	1.68%	4	1.76%	169	180	159	180	180
14	Languages and computers	47	7.07%	36	4.85%	19	6.40%	17	7.49%	145	180	123	100	80
15	Art and design	27	4.06%	32	4.31%	21	7.07%	23	10.13%	144	120	116	113	120
16	Others	1	0.15%	-	-	1	0.34%	-	-	266	266	-	-	-
Overall		665	100%	743	100%	297	100%	227	100%	187	99	123	100	99

■ ***Note:***
1. The magazines consisted mostly of trade magazines. As a company may publish two or more genres of digital magazines, the total number of companies for each type of digital magazine does not add up to 100.0%. Repetitions have been deducted from the total number of companies.
2. Trade magazines include magazines published by non-specialized magazine publishers, such as information and communication companies, cram schools, educational institutions, game industries, etc.

■ ***Source:*** Organized by this survey study.

4 Original Image Industry

4.1. Industry overview

4.1.1. Number and geographical distribution of original image development and brokerage operators in Taiwan

The statistical population of the original image industry this year was based on businesses that participated in various types of domestic image and illustration-related exhibitions (such as Creative Expo Taiwan, Asian Illustration Fair, and Taipei Illustration Fair, etc.) and platforms for the sales of illustrations and merchandise (such as Pinkoi, Shopping Design, and LINE Stickers). After omitting agencies that had ended operations, suspended businesses, personal agencies, and those that could not be located, the actual number of effective original image development and brokerage operators was 125.

Most of the original image development and brokerage operators were concentrated in Northern Taiwan (75.20%), including 67.20% in the Greater Taipei area. Other areas account for less than 25% of the total number of agencies.

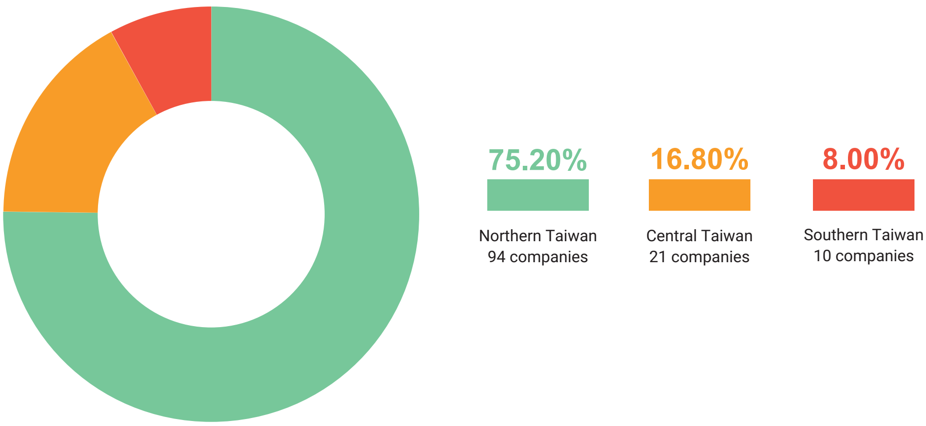
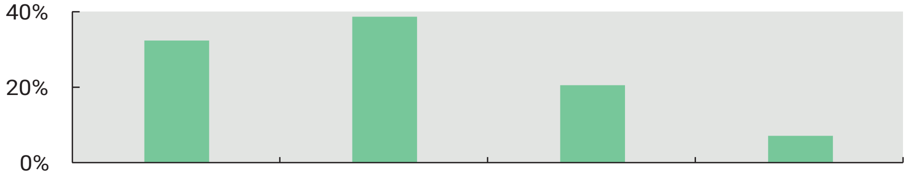


Figure 2-42. Geographical distribution of Taiwan's original image development and brokerage operators in 2020

■ ***Note:*** Northern Taiwan includes Taipei City, New Taipei City, Keelung City, Taoyuan City, Hsinchu City, Hsinchu County, and Yilan County; Central Taiwan includes Miaoli County, Taichung City, Changhua County, Nantou County, and Yunlin County; Southern Taiwan includes Chiayi County, Chiayi City, Tainan City, Kaohsiung City, and Pingtung County.

■ ***Source:*** Organized by this survey study.

In 2020, the original image development and brokerage operators in Taiwan were mostly businesses that had been established for 5–10 years. In addition to this industry phenomenon, more than 70% of the businesses have been established for less than (but not including) 10 years, indicating that the industry composition is still relatively new. Businesses that have been established for more than 10 years consist of large publishing and media groups, as well as businesses that are investing in cross-industry operations.



Number of years since founding	Less than 5 years (Not inclusive)	5 to 10 years (Not inclusive)	10 to 20 years (Not inclusive)	20 years or more
Percentage by number of companies	32.80%	39.20%	20.80%	7.20%

Figure 2-43. Number of years established for Taiwan's original image development and brokerage operators in 2020

- ***Note:*** N=125
- ***Source:*** Organized by this survey study.

4.1.2. Average capital of original image development and brokerage operators in Taiwan

The proportion of original image development and brokerage operators in Taiwan with a registered capital of less than NT$1 million was 38.40%, and more than 80% of the operators had a registered capital of less than NT$10 million. This indicates that the original image development and brokerage industry, like the publishing industries mentioned above, consists mostly of SMEs. Operators with a capital of more than NT$100 million are mostly large publishing groups or businesses that are involved in cross-media marketing, games, music production, or artist management. It is apparent that many industry players have joined in the investment of the original image development and brokerage industry.

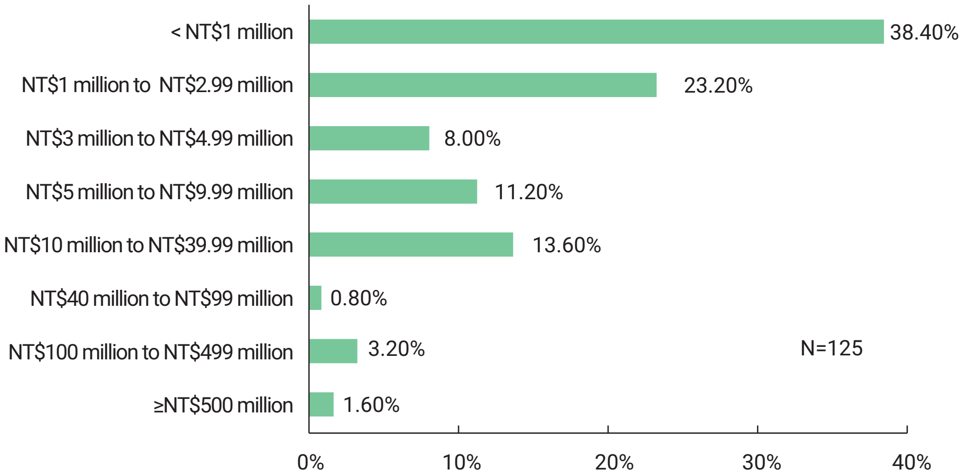
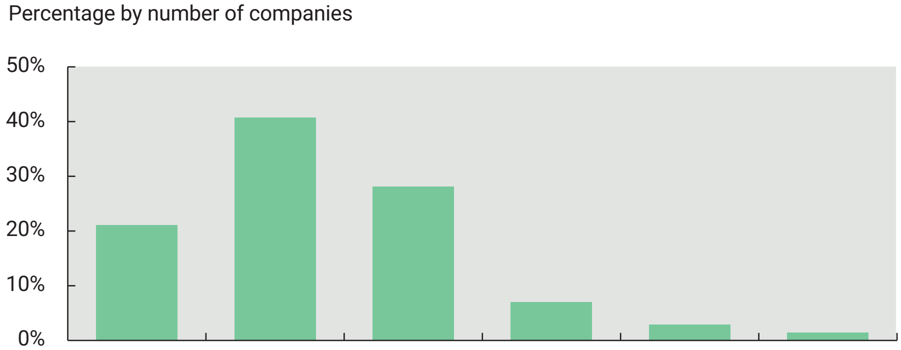


Figure 2-44. Registered capital of Taiwan's original image development and brokerage operators in 2020

- ***Note:*** N=125.
- ***Source:*** Organized by this survey study.

4.1.3. Overview of employees of original image development and brokerage operators in Taiwan

In 2020, more than 90 percent (90.28%) of the original image development and brokerage operators in Taiwan employed fewer than 10 people (including full-time and part-time employees), indicating that the scale of current operations was medium to small. Furthermore, based on the survey results received from industry operators [12], the average number of people employed (including full-time and part-time employees) per firm is 6.58. The total number of employees in Taiwan's original image development and brokerage industry was therefore estimated to be around 823 in 2020.



Number of employees	0 to 1 employee	2 to 4 employees	5 to 9 employees	10 to 24 employees	25 to 99 employees	More than 100 employees
Percentage by number of companies	20.83%	40.28%	27.78%	6.94%	2.78%	1.39%

Figure 2-45. Scale of manpower of Taiwan's original image development and brokerage operators in 2020

- ***Note:*** N=72.
- ***Source:*** Organized by this survey study.

[12] The formula for estimating the number of employees = the average number of employees (both full-time and part-time employees) of the operators who responded to the survey x the statistical population of original image development and brokerage operators in Taiwan.

4.2. Revenue and business model

4.2.1. Overview of the revenue and estimated total revenue of the original image development and brokerage operators in Taiwan

The estimated scale of Taiwan's original image industry in 2020 was calculated based on the fiscal and tax revenue structures of two sources: illustration brokerage and image creation and development. Through the questionnaire, we learned that almost all the sources of the two types of businesses mentioned above were related to image creation. Therefore, the total industry scale of Taiwan's original image industry in 2020 was estimated to be NT$617 million (NT$265 million in illustration brokerage and NT$352 in image creation and development).

In terms of the annual revenue in 2020, almost 80 percent of the industry's annual revenue did not reach NT$10 million, indicating that most of the original image development and brokerage operators were SMEs. Companies with annual revenues exceeding NT$100 million were primarily large-scale video production, media, and publishing companies that engage in original image-related businesses.

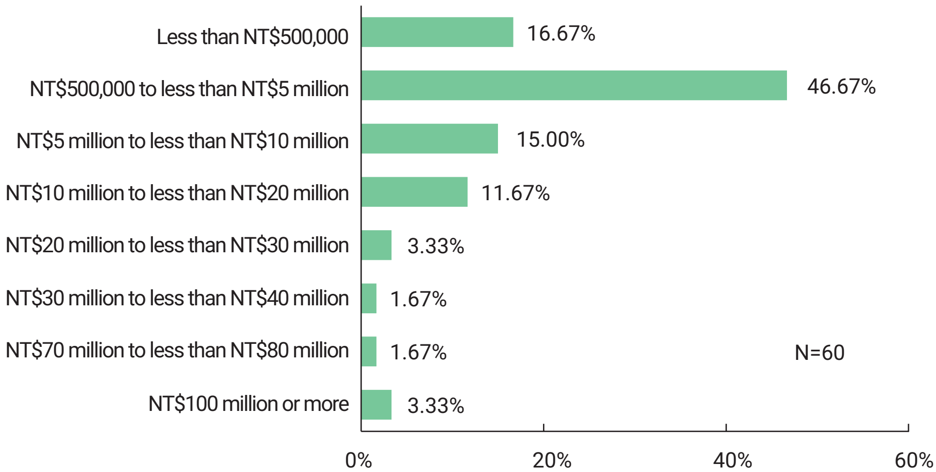


Figure 2-46. Annual revenue of Taiwan's original image development and brokerage operators in 2020

■ ***Note:*** N=60.
■ ***Source:*** Organized by this survey study.

4.2.2. Revenue structure of the original image development and brokerage operators in Taiwan

In 2020, the main source of revenue for original image development and brokerage operators was “licensing and profit from sales of image/character merchandise” with the highest proportion (40.36%), followed by “advertising related income” (10.75%), “marketing channel related income” (10.37%), and “income from commissioned projects/productions/illustrations“ (10.12%). Other sources each accounted for less than 10% of the total revenue.

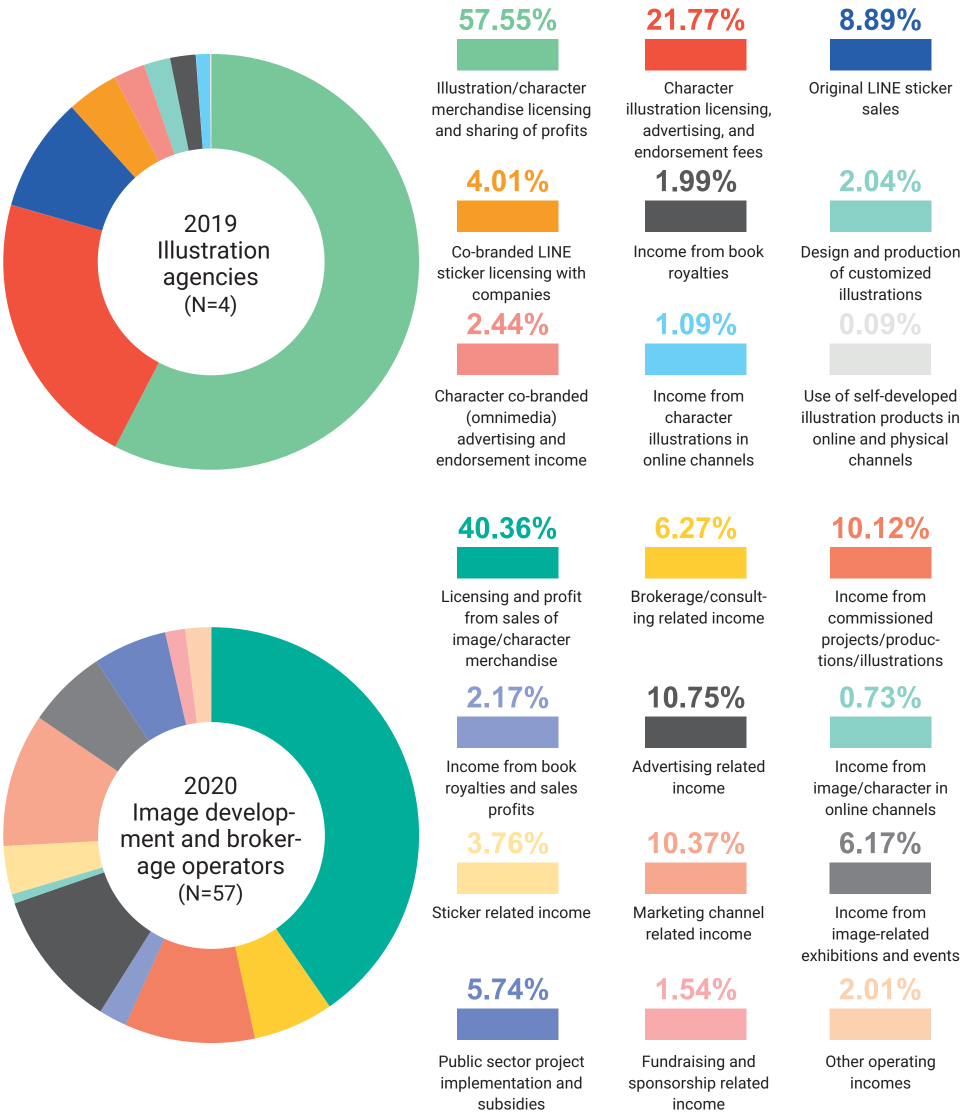


Figure 2-47. Revenue structure of the original image development and brokerage industry operators in Taiwan

■ ***Note:*** 1. N=4 for 2019 and N=57 for 2020.
2. The survey items and scope were adjusted this year, so the annual comparison should be interpreted with caution.
■ ***Source:*** Organized by this survey study.

In 2020, Taiwan's original image development and brokerage operators generated around 92 percent (92.21%) of their revenue from the domestic market, while 7.79% came from the overseas market. Furthermore, the sales ratio of domestic (local) and foreign graphic works revealed that domestic graphic works accounted for almost 93 percent (92.82%) of revenue, while foreign images accounted for 7.18%.

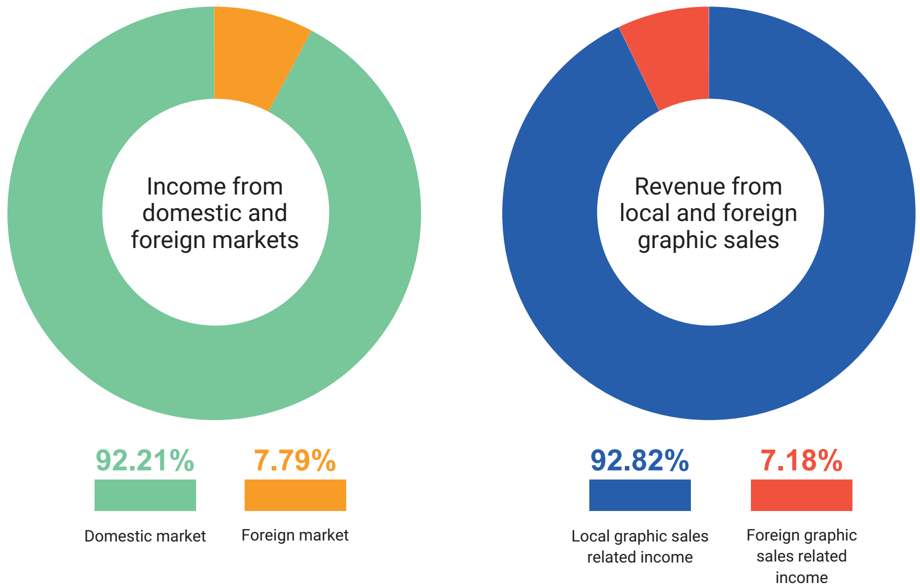


Figure 2-48. Overview of income from domestic and foreign markets and revenue from sales of local and foreign graphic works for Taiwan's original image development and brokerage companies in 2020

■ ***Note:*** N=56.
■ ***Source:*** Organized by this survey study.

4.2.3. Expenditure levels and structure of the original image development and brokerage industry in Taiwan

In terms of the annual expenditures of Taiwan's original image development and brokerage operators in 2020, 85 percent of the companies had an annual expenditure of less than NT$10 million. Annual expenditure of "above NT$500,000 but less than NT$5 million" had the highest percentage (41.07%), followed by "less than NT$500,000" (26.79%), and "above NT$5 million but less than NT$10 million" (17.86%), which corresponded to the fact that the majority of Taiwan's original image development and brokerage operators were SMEs. Companies with annual expenditures exceeding NT$100 million were primarily large-scale video production, media, and publishing companies that engage in original image-related businesses.

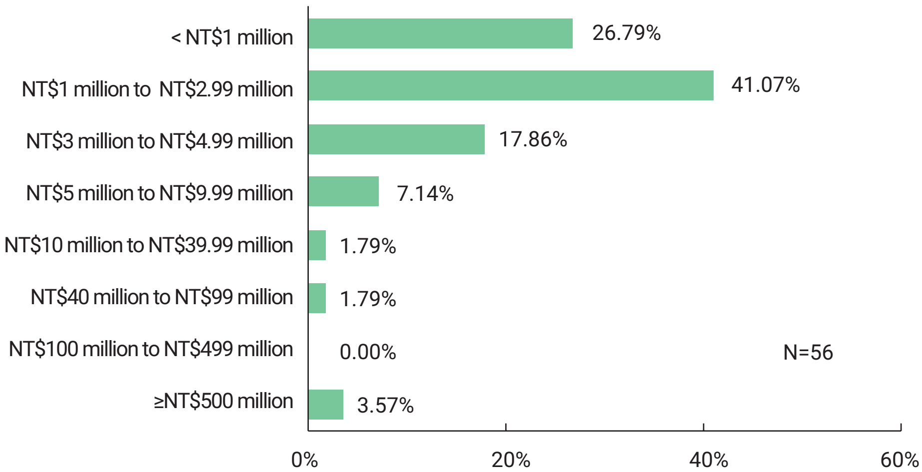


Figure 2-49. Annual expenditure of Taiwan's original image development and illustration agencies in 2020

- ***Note:*** N=56.
- ***Source:*** Organized by this survey study.

In terms of the structure of annual expenditure, "expenses for company/business internal personnel" accounted for the highest proportion (23.19%) of annual expenditure for Taiwan's original image development and brokerage operators in 2020, followed by "expenses for marketing, PR, and advertising" (22.83%), "recurring expenses" (18.07%), and "foreign copyright, royalties, and remuneration expenses" (13.56%), etc.; other items each accounted for less than 10% of the annual expenditure. Additionally, "content IP derivatives development related expenses" accounted for only 1.79% of the yearly expenditure due to the industry's operations being mostly done in the form of licensing development.

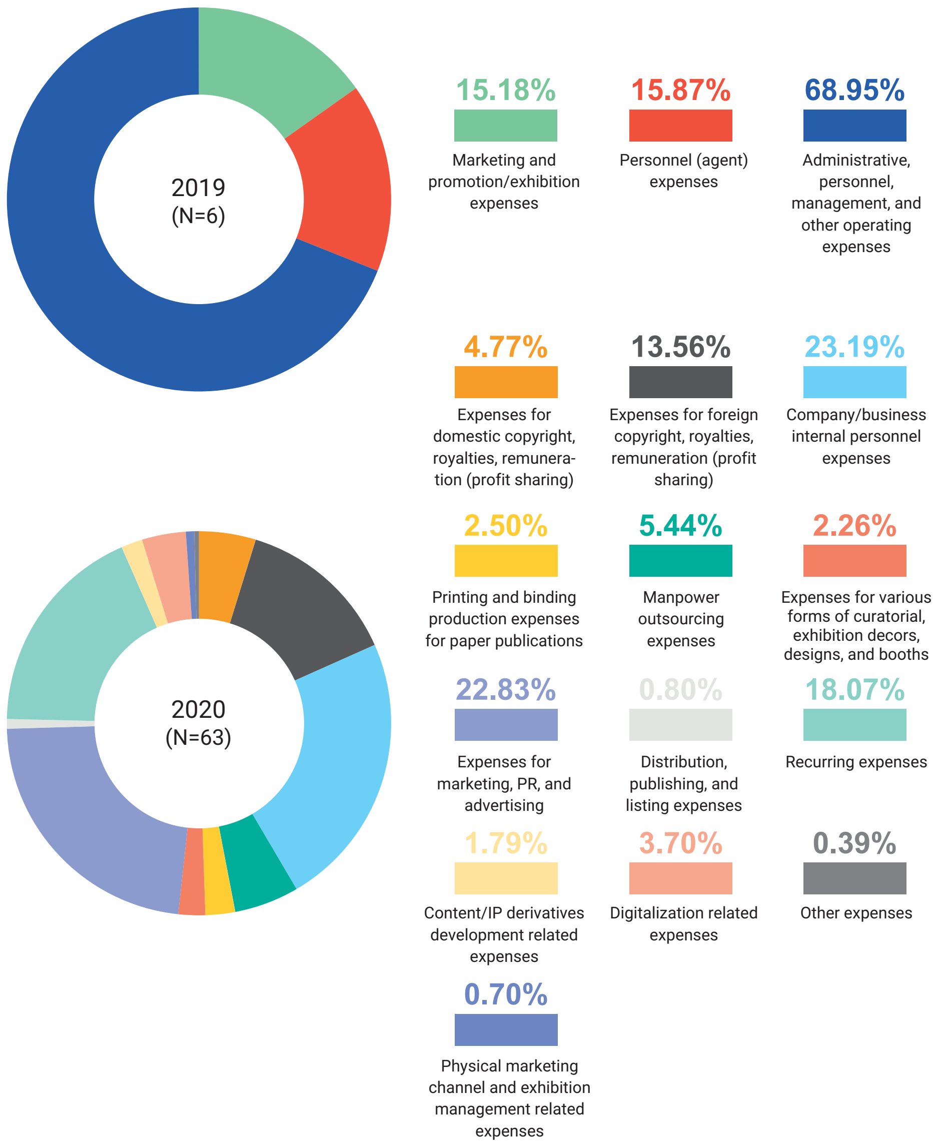


Figure 2-50. Structure of expenditure for the original image development and brokerage operators in Taiwan

■ ***Note:***
1. N=6 for 2019 and N=63 for 2020.
2. The survey items and scope were adjusted this year, so annual comparisons should be interpreted with caution.

■ ***Source:*** Organized by this survey study.

4.3. IP licensing trends

4.3.1. Recipient countries of foreign licensing of original images from Taiwan

In 2020, approximately 40 percent (41.18%) of the original image development and brokerage operators had administrated or assisted content creators with overseas licensing. In terms of recipient countries and regions of foreign licensing, the market in Mainland China accounted for the highest share (57.14%), followed by Japan (42.86%), Hong Kong/Macau (38.10%), and Thailand (19.05%), while the rest of the countries accounted for less than 10% each.

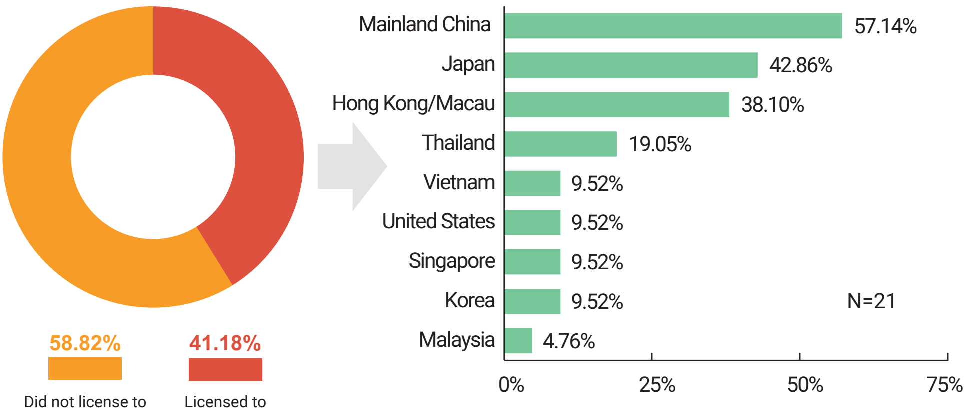


Figure 2-51. Recipient countries of foreign licensing of original images from Taiwan in 2020

■ ***Note:***
1. N=51 for companies that responded to whether they had provided foreign licensing (left figure) and N=21 for number of countries that received licensing (right figure).
2. Multiple selections were allowed for "licensing recipient country."
■ ***Source:*** Organized by this survey study.

4.3.2. Cross-sector licensed products and services of original images in Taiwan

In 2020, 44% of original image industry companies engaged in cross-sector licensing or derivative content production of original images. Animation accounted for the highest ratio (83.33%) in the cross-sector licensing business, followed by "online videos" (36.36%), "comic books" (33.33%), and "games" (30.30%), etc.

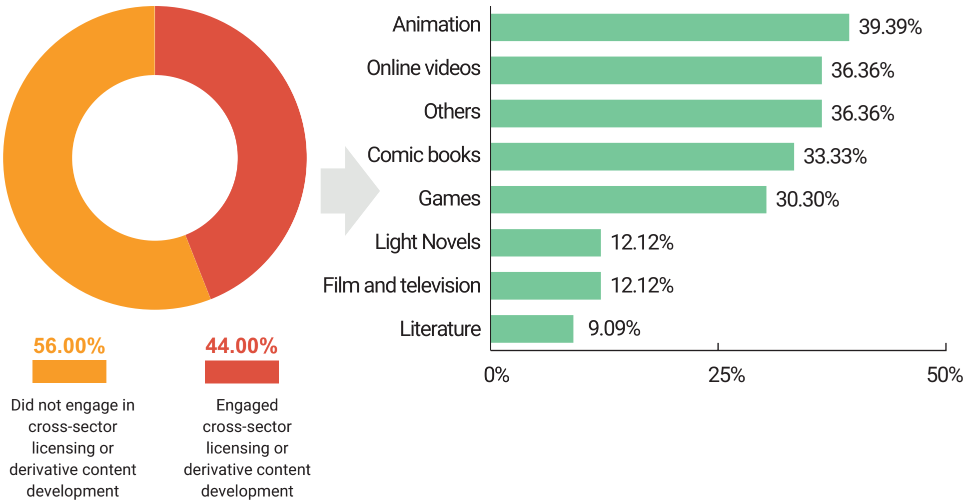


Figure 2-52. Cross-sector licensed products and services provided by original images in Taiwan in 2020

■ ***Note:***
1. N=125 for companies that responded to whether they had provided cross-sector licensing (left figure); N=33 for number of companies that provided licensing for products/services (right figure).
2. Multiple selections were allowed for "licensed products/services."
3. "Animation" refers to animated television shows, animated films, or animated online videos, etc.

■ ***Source:*** Organized by this survey study.

4.4. Industry observation indexes

4.4.1. Scale of brands under (or collaborating with) the original image development and brokerage operators in Taiwan

In terms of the number of brands under or collaborating with Taiwan's original image development and brokerage operators in 2020, around half of the companies (53.42%) had fewer than five brands. Companies with "5 to 10 brands" under them accounted for 20 percent (20.55%). Among them, nearly 95% (94.52%) of the operators own original Taiwanese image brands.

In 2020, nearly half (49.32%) of the collaborative brands mentioned above collaborated with "personal creator brands," around 30% collaborated with "studio brands," and nearly 70% collaborated with "company brands."

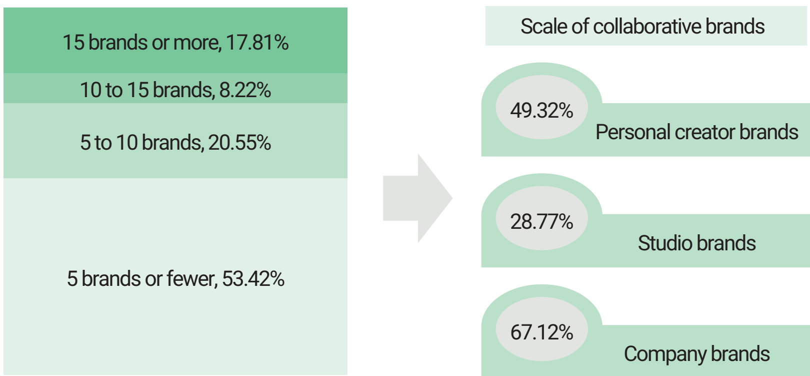


Figure 2-53. Scale of brands under (or collaborating with) Taiwan's original image development and brokerage operators in 2020

■ ***Note:***
1. N=73.
2. Multiple selections were allowed.

■ ***Source:*** Organized by this survey study.

Around half of the brands under (or collaborating with) Taiwan's original image development and brokerage operators in 2020 came from "online creative content" (71.43%), followed by channels such as "messaging app stickers" (48.0%), "various types of publications" (37.33%), and "animation" (21.33%), etc. The rest of the sources accounted for less than 20%.

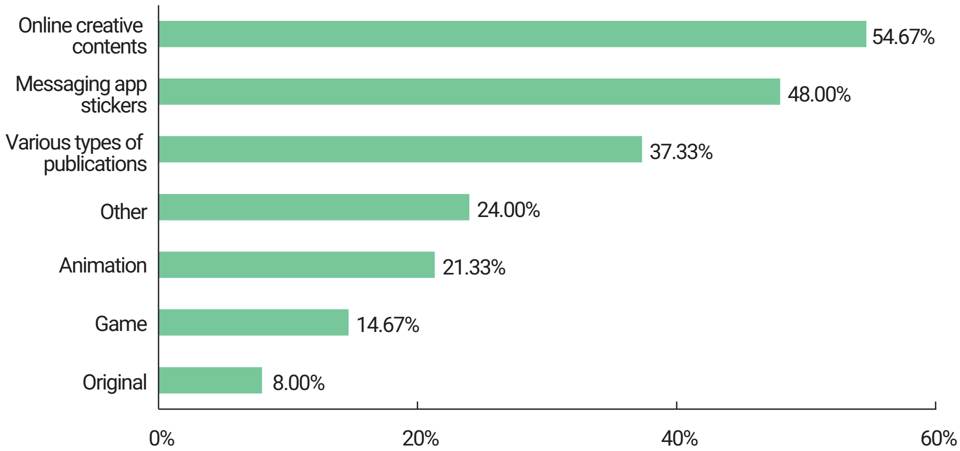


Figure 2-54. Sources of brands under (or collaborating with) Taiwan's original image development and brokerage operators in 2020

■ ***Note:***
1. N=75.
2. Multiple selections were allowed.

■ ***Source:*** Organized by this survey study.

4.4.2. Forms of exposure of brands under (or collaborating with) the original image development and brokerage operators in Taiwan

In terms of the form of exposure of brands under (or collaborating with) the original image development and brokerage operators in Taiwan, “co-branded licensing for characters” accounted for the highest proportion (78.38%), followed by “messaging app stickers” (50.00%), “various types of publications” (41.89%), “commissioned design projects” (25.68%), and “toys and products” (13.51%), etc. The rest of the forms accounted for less than 10%.

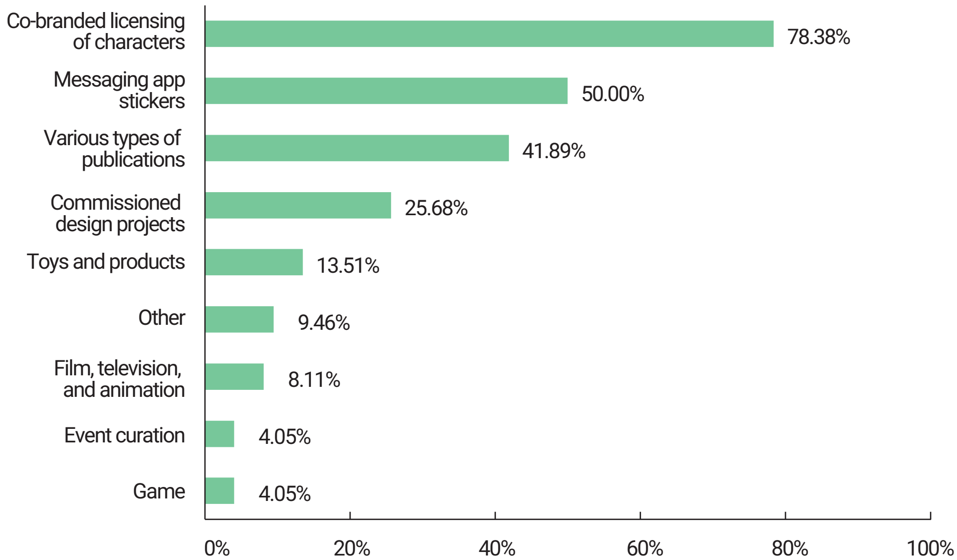


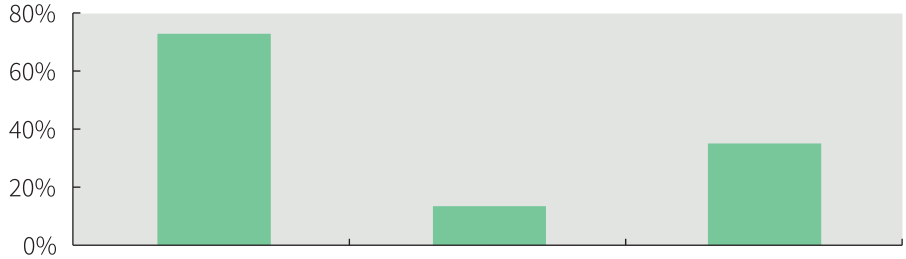
Figure 2-55. Forms of exposure of brands under (or collaborating with) Taiwan’s original image development and brokerage operators in 2020

■ ***Note:***
1. N=74.
2. Multiple selections were allowed.

■ ***Source:*** Organized by this survey study.

4.4.3. Target audience of brands under (or collaborating with) the original image development and brokerage operators in Taiwan

Most companies (72.97%) did not target a certain gender when it came to the target audience of brands under (or collaborating with) the original image development and brokerage operators in Taiwan. For firms that did target specific genders, around 35 percent (35.14%) targeted female audiences, while approximately 10 percent (13.51%) targeted male audiences.

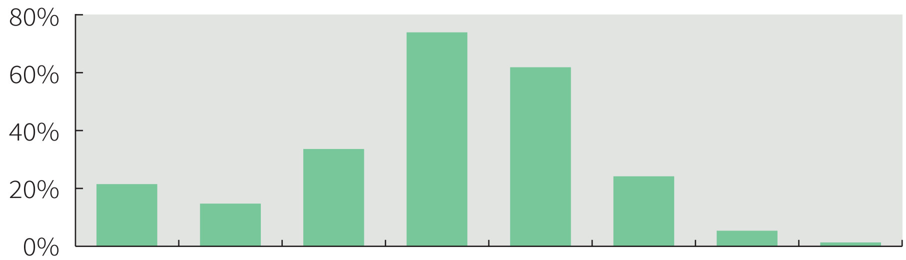


Target audience	No specific gender	Male	Female
Companies	72.97%	13.51%	35.14%

Figure 2-56. Target audience of Taiwan's original image brands in 2020 (Gender)

■ ***Note:***
1. N=75.
2. Multiple selections were allowed.
■ ***Source:*** Organized by this survey study.

Furthermore, 70 percent (73.33%) of businesses targeted customers aged 21-30, followed by 31-40 (61.33%), and 11-20 (33.33%). The remaining age groups each accounted for less than 30%.



Target audience	No specific age group	Under 10 years old	11 to 20 years	21 to 30 years	31 to 40 years	41 to 50 years	51 to 60 years	Above 61 years old
Companies	21.33%	14.67%	33.33%	73.33%	61.33%	24.00%	5.33%	1.33%

Figure 2-57. Target audience of Taiwan's original image brands in 2020 (Age)

■ ***Note:***
1. N=75.
2. Multiple selections were allowed.
■ ***Source:*** Organized by this survey study.

5 Digital Publication Circulation and Sales Platform

5.1. Industry overview

5.1.1. Number of digital publication circulation and sales platform operators in Taiwan and their geographical distribution

A comprehensive list of digital publication circulation and sales platforms (hereinafter referred to as "publication platforms") and related government reports has not yet been prepared in Taiwan. Therefore, we extracted data from past editions of the "Taiwan Publishing Industry Survey Report" by the Ministry of Culture and the "2020 Taiwan Cultural Content Industries Survey Report" conducted by the Taiwan Creative Content Agency, a list of recipients of government subsidies, the Credit Online Database of China Credit Information Service Ltd., and online recommendations and keyword search data as the basis for this survey. The companies that sell or lease digital publications in the digital service platform system were included as the main entities in the survey. After establishing contact and confirmation, we confirmed the number of digital service platform operators that actually used their digital service platforms to sell or lease general books in 2020. We then removed entities that had closed, ceased operations, or dissolved before identifying 20 effective digital platform operators. These operators are all located in northern Taiwan; 70% of the operators (14 firms) are based in Taipei City.

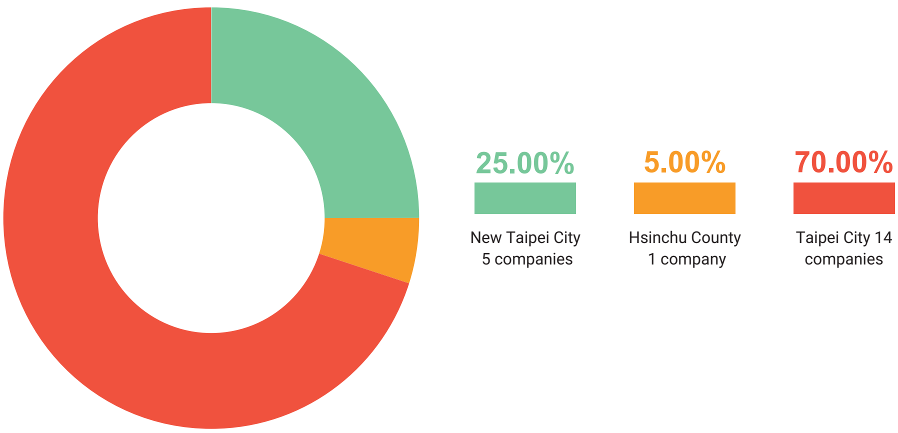
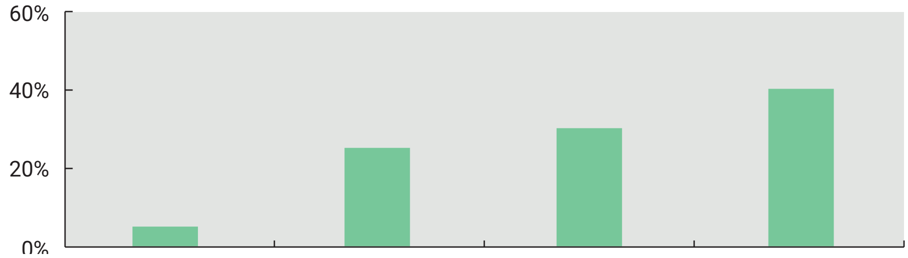


Figure 2-58. Geographical distribution of Taiwan's digital publication platform operators in 2020

■ ***Source:*** Organized by this survey study.

Among the 20 digital publication platform operators, 40% have been in operation for more than ten years, followed by those in operation for more than ten years but less than twenty years (30.00%). This demonstrates that the entry requirements for the digital publication platform sector are high, because the market is mostly dominated by major IT corporations with stable organizational structures, capital, and development capabilities.



Number of years since founding	Less than 5 years (not inclusive)	5 to 10 years (not inclusive)	10 to 20 years (not inclusive)	20 years or more (not inclusive)
Percentage by number of companies	5.00%	25.00%	30.00%	40.00%

Figure 2-59. Number of years established for Taiwan's digital publication platform operators in 2020

■ ***Note:*** N=20
■ ***Source:*** Organized by this survey study.

5.1.2. Average capital of digital publication platform operators in Taiwan

The majority of digital publication platform businesses in Taiwan have a capital of NT$100 million or more, accounting for 60% of the total. This shows that the scale of digital platform operations in Taiwan is bigger than that of general publishers and conventional retailers. The tendency may be linked to their relatively high capital needs as well as the requirement to grasp IT and digital copyright management technologies.

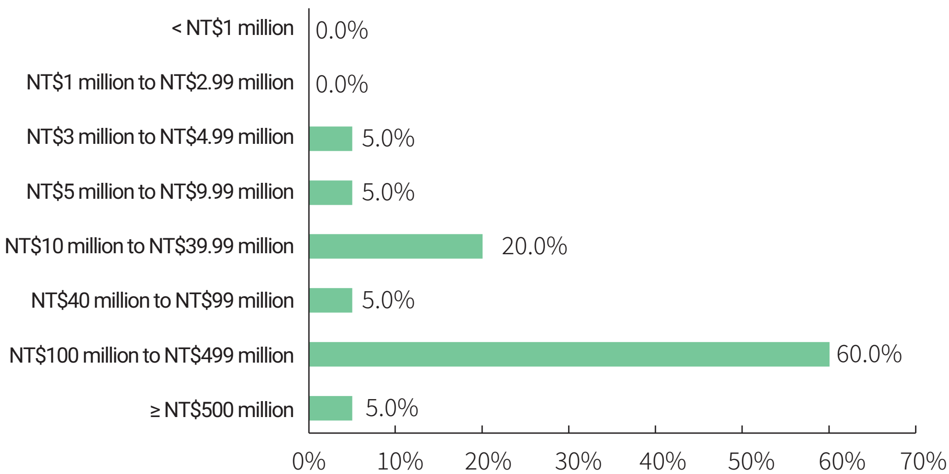


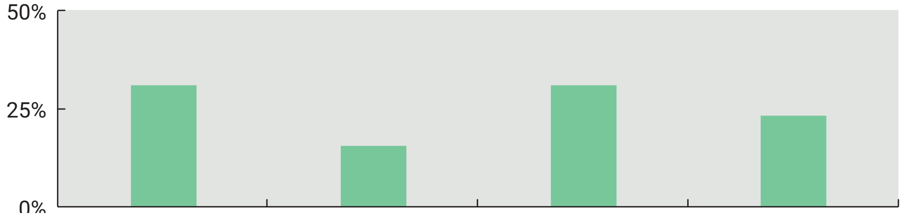
Figure 2-60. Registered capital of Taiwan's digital publication platform operators in 2020

■ ***Note:*** N=20
■ ***Source:*** Organized by this survey study.

5.1.3. Overview of employees of digital publication platform operators in Taiwan

The scale of manpower of Taiwan's digital publication platform operators was concentrated in the two ranges of "1 to 9" and "25 to 99" people, accounting for 30.77% each.

Furthermore, based on the survey data of digital publication platforms alone, it is estimated [13] that the number of full-time and part-time employees employed by each firm is approximately 69.82. The total number of employees employed by Taiwan's digital publication platform operators in 2020 is estimated at around 1,396, similar to 1,399 in 2019.



Number of employees	1 to 9 employees	10 to 24 employees	25 to 99 employees	More than 100 employees
Percentage by number of companies	30.77%	15.38%	30.77%	23.08%

Figure 2-61. Scale of manpower of Taiwan's digital publication platform operators in 2020

- ***Note:*** N=13
- ***Source:*** Organized by this survey study.

[13] The formula for estimating the number of employees = the average number of employees (both full-time and part-time employees) of the operators who responded to the survey x the statistical population of digital publication platform operators in Taiwan.

5.2. Revenue and business model

5.2.1. Estimated total revenue of digital publications in Taiwan

If revenue was estimated solely by a questionnaire survey, it may be difficult to ascertain whether operators entered accurate data, and there may be inaccuracies in the estimate. The traditional method of obtaining revenue information from "industry-specific" tax records cannot be utilized to assess whether a tax-filing company is actually operating in the industry. Furthermore, it may impair the feasibility of the industry chain's performance analysis. As such, the revenue from the publication of books, comic books, and magazines was used as the basis to proportionally calculate the revenue from the publishing end [14]. We then used the ratio for the sharing of profits by publishers and digital platforms (60.0%) to calculate the overall revenue from the digital marketing end[15] . Therefore, the estimated revenue from the marketing end will include the total revenue from domestic and foreign channels, including revenue from retailing to consumers in B to C (business to consumer), as well as large-scale purchase channels for businesses in B to B (business to business), purchase channels for public and private sectors, as well as schools of all levels in B to L (business to library), and third-party collaborative sales channels (e.g., launch of products on ebook platforms on third-party e-commerce platforms).

According to the aforementioned estimates, the revenue of the "publishing end" of digital publications in Taiwan totaled NT$2.010 billion in 2020 (NT$1.490 billion for ebooks, NT$49 million for digital comics, and NT$471 million for digital magazines), which was a 28.94% growth compared to 2019 (NT$1.559 billion). Revenue from digital publications of the "marketing end" (digital publication platforms) was NT$3.526 billion (NT$2.615 billion for ebooks, NT$85 million for digital comics, and NT$827 million for digital magazines), which was a 35.73% increase from 2019 (NT$2.598 billion). The total revenue from digital publications in Taiwan in 2020 was NT$5.536 billion, which was a 33.18% increase compared to 2019 (NT$4.157 billion). Demand for digital reading has increased as a result of digitalization and the COVID-19 pandemic, prompting various types of publishers to accelerate their investment in the production and operation of digital publications, as well as continue to develop digital reading services that improve readers' reading experiences, in order to meet market demand. As a result, the overall scale of Taiwan's digital publications increased.

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[14] The method for estimating total revenue from the publishing end of digital publishing:
❶Revenue from all ebooks on the publishing end = [all revenue from books on the publishing end ÷ revenue from printed books as a percentage of all revenue of book publishers x revenue from digital publications as a percentage of all revenue of book publishers]
❷Revenue from all digital comics on the publishing end = all revenue from digital comics on the publishing end ÷ revenue from the sales of printed comic books as a percentage of all revenue of book publishers x revenue from digital publications as a percentage of all revenue of comic book publishers
❸Revenue from all digital magazines on the publishing end = all revenue of operators in the magazine publishing industry x ratio of revenue from digital publications as a percentage of all revenue of magazine operators

[15] The method for estimating total revenue from the market end of digital publishing: Market end digital publishing revenue (from digital publication platforms) = revenue from digital publications (publishing end) ÷ ratio for the sharing of profits between publishers and digital platforms

Table 2-17. Development trend in the revenue of digital publications in Taiwan
Unit: NT$100 million, %

Year	2018*	2019	2020
Publishing end	11.20	15.59	20.10
Growth rate	-	39.14%	28.93%
Retail end	20.75	25.98	35.26
Growth rate	-	25.22%	35.72%
Total revenue	31.95	41.57	55.36
Growth rate	-	30.10%	33.17%

■ ***Note:*** *According to industry professionals, the estimated revenue of digital publications in the Ministry of Culture's "2018 Taiwan Publishing Industry Survey" may have been exaggerated. As a result, the estimating methodology employed in previous issues of the Ministry of Culture's "Taiwan Publishing Industry Survey" (2015–2017 issues) was applied to estimate digital publication revenue in this survey since 2019. The revenue from digital publications in 2018 was also recalculated using the same approach. Please refer to the recalculated figures for a more accurate result.
■ ***Source:*** Organized by this survey study.

5.2.2. Revenue structure and items of Taiwan's digital publications platform operators

In comparison with the publishing industries mentioned in this survey, the digital publication platform operators in Taiwan had a larger revenue in 2020, with 40% of the companies reporting an annual revenue of more than NT$100 million.

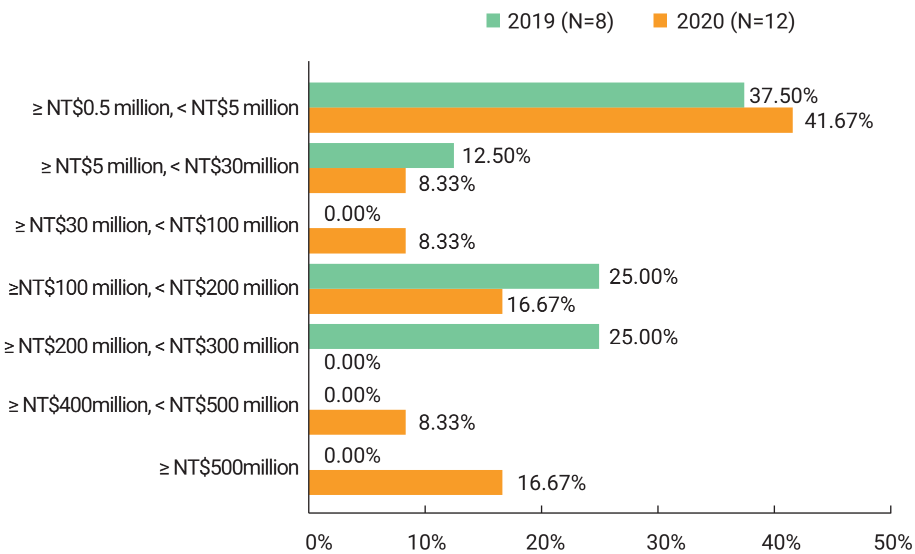


Figure 2-62. Annual revenue of digital publication platform operators in Taiwan from 2019 to 2020

■ ***Note:*** N=8 for 2019 and N=12 for 2020.
■ ***Source:*** Organized by this survey study.

In terms of the various income sources for Taiwan's digital publication platform operators in 2020, more than 60 percent of the revenue came from "digital publication related income" (61.72%), followed by "e-reader hardware sales related income" (21.62%), and "platform or apps related income" (14.24%). The rest of the income sources accounted for less than 10%.

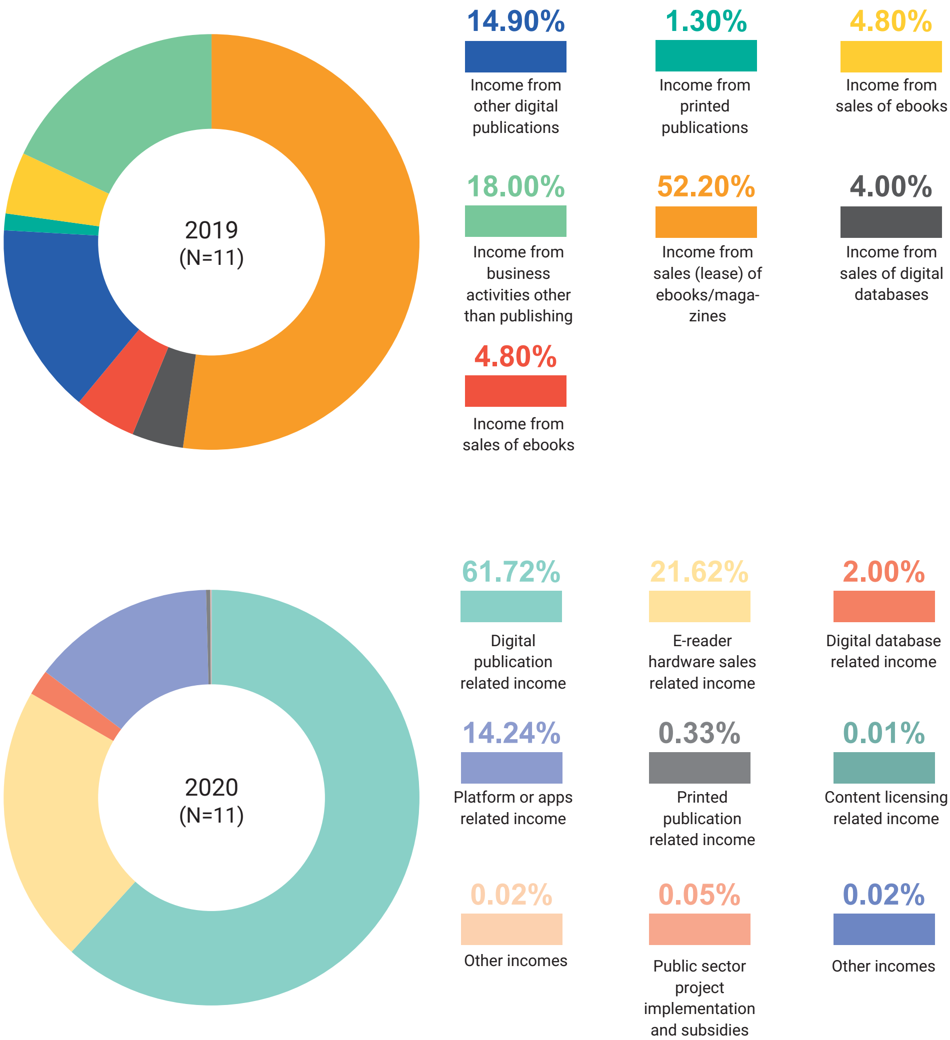


Figure 2-63. Revenue structure of the digital publication platform operators in Taiwan from 2019 to 2020

■ ***Note:***
1. N=11 for 2019 and N=11 for 2020.
2. The survey items and scope were adjusted this year, so annual comparisons should be interpreted with caution.

■ ***Source:*** Organized by this survey study.

In 2020, the digital publication circulation and sales platform operators in Taiwan generated around 77 percent (77.42%) of their revenue from the domestic market, while about 23 percent (22.58%) came from the overseas market. Furthermore, out of the overall digital publication related revenue, around 96 percent (95.77%) came from "ebooks, digital comics, and digital magazines" related revenue, while "audiobooks and video books" accounted for about 4.23%.

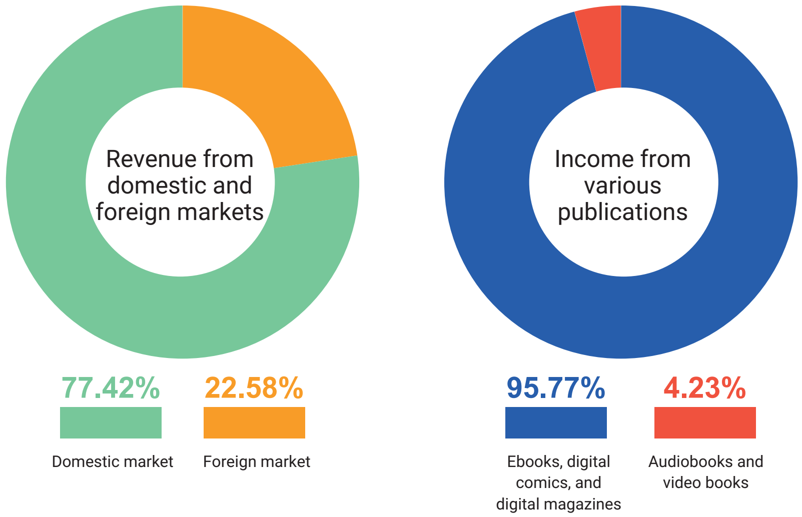


Figure 2-64. Overview of domestic and foreign revenue of Taiwan's digital publication platforms from various publications in 2020

■ ***Note:*** N=186
■ ***Source:*** Organized by this survey study.

Furthermore, around 90 percent (89.91%) of the revenue made by digital publication platforms in 2020 came from the B2C markets, followed by "B2B: Libraries and Educational Institutions" (6.75%), also known as "B2L" (Business to Library) or "B2E" (Business to Education), and "B2B: General Companies" (3.34%).

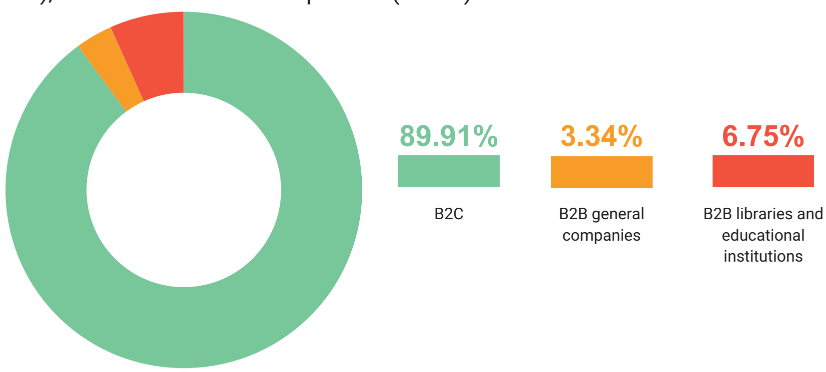


Figure 2-65. Overview of revenue source for Taiwan's digital publication platform operators in 2020

■ ***Note:*** B2C stands for 'Business to Customer,' which is an e-commerce model that involves selling products or services directly from a business to its consumers. B2B is an abbreviation of 'Business to Business,' which means businesses directly face different businesses (firms, institutions, or departments) for sales of products or services (bulk purchases by businesses or institutions).
■ ***Source:*** Organized by this survey study.

5.2.3. Expenditure levels and structure of the digital publication platform industry in Taiwan

In terms of the overall expenditures of Taiwan's digital publication platforms in 2020, operators that spent "more than NT$500,000 to less than 5 million" accounted for the highest proportion (27.27%), followed by "more than NT$100 million to less than 200 million" and "500 million or more" (each accounting for 18.18%).

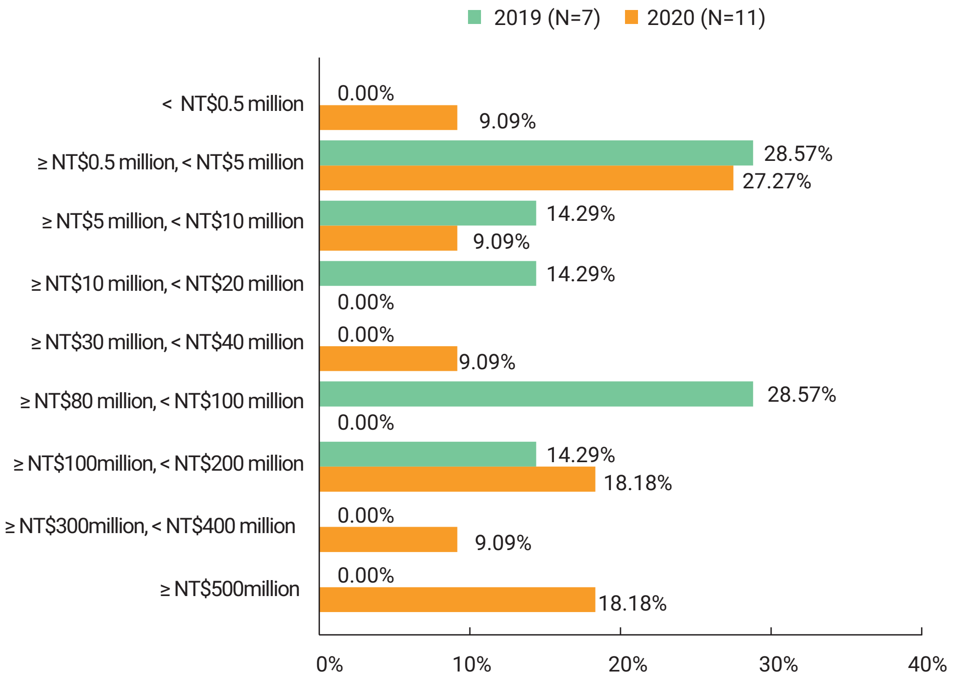


Figure 2-66. Annual expenditure of digital publication platform operators in Taiwan from 2019 to 2020

■ ***Note:*** 2019 N=7, 2020 N=11.
■ ***Source:*** Organized by this survey study.

In terms of the structure of expenditure in 2020, the digital publication platform operators in Taiwan spent the most on "domestic copyright, royalties, and remuneration (profit sharing) expenses" (31.32%), followed by "various marketing, PR, and advertising expenses" (21.82%), and "expenses for company/business internal personnel" (18.07%), while the rest of the items each accounted for less than 10% of the annual expenditure.

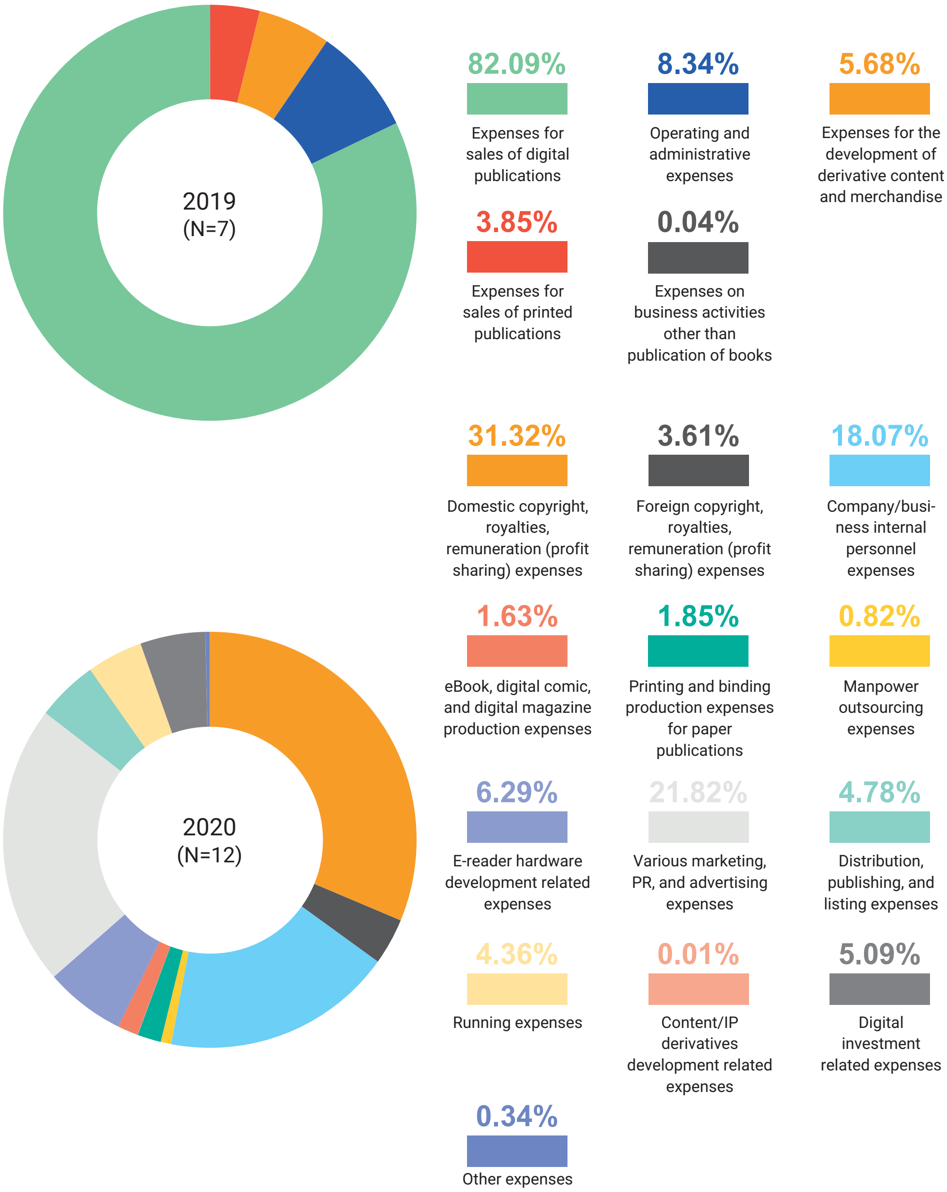


Figure 2-67. Structure of expenditure for digital publication platform operators in Taiwan from 2019 to 2020

■ ***Note:***
1. N=7 for 2019 and N=12 for 2020.
2. The survey items and scope were adjusted this year, so annual comparisons should be interpreted with caution.

■ ***Source:*** Organized by this survey study.

5.2.4. Marketing resource allocation strategies ranked by digital publication platform operators in Taiwan

The main marketing channels for Taiwan's digital publication platform operators in 2020 were "special promotions," followed by "mobile and tablet reading experience enhancement," "homepage exposure on websites and apps," "subscription services," and "free previews," and so on.

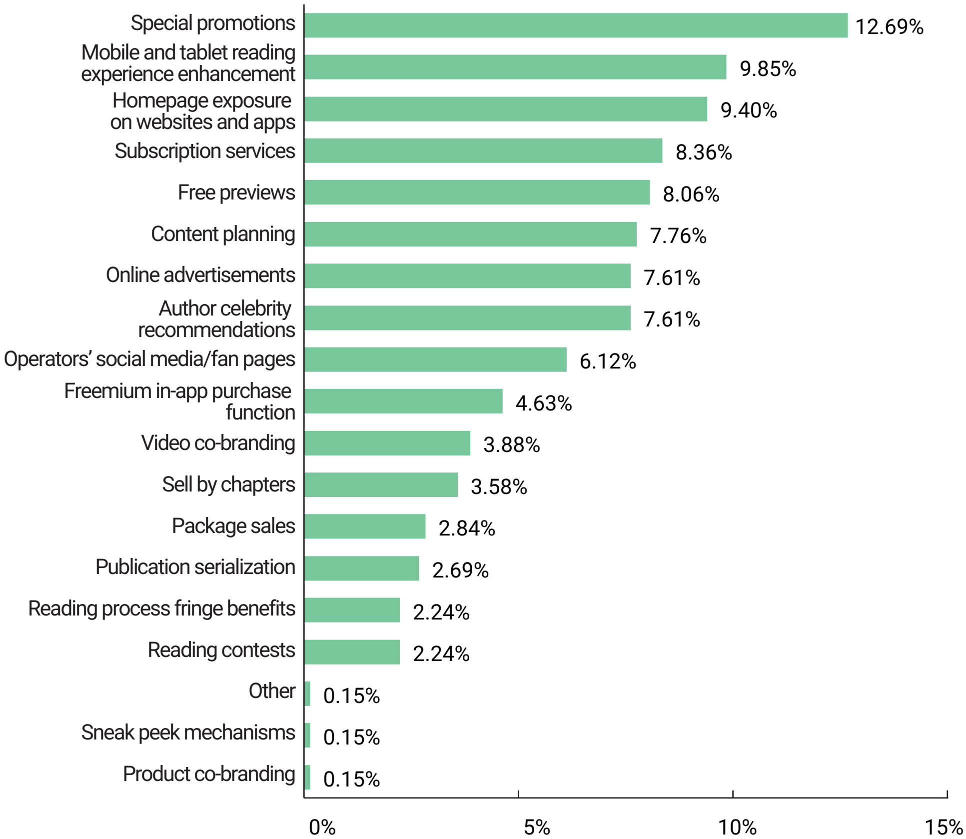


Figure 2-68. Marketing resource allocation strategies ranked by Taiwan's digital publication platform operators in 2020

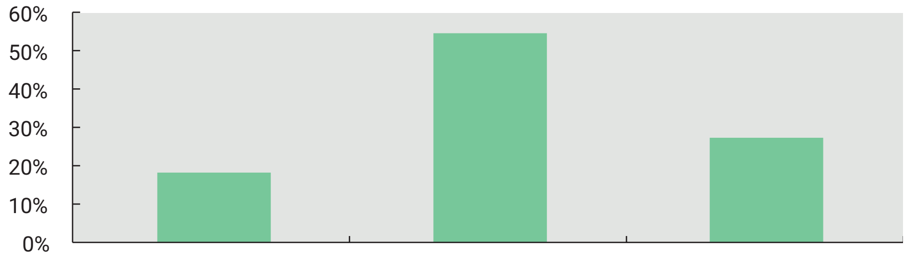
■ ***Note:***
1. N=13.
2. Each marketing channel was ranked from 1 to 10 by the digital publication platform operators and given a corresponding score (10 points for the first place, and 1 point for the tenth place, etc.). Channels that were not ranked in the top 10 by the respondents received no points. The final score for each channel was counted and the percentage compared to the overall score was calculated.

■ ***Source:*** Organized by this survey study.

5.3. Industry observation indexes

5.3.1. Gender ratio of paid memberships on digital publication platforms in Taiwan

In terms of paid membership gender ratios on Taiwan's digital publication platforms in 2020, approximately half of the operators (54.55%) had more male paid members. Operators with mostly female paying members accounted for 27.27%, while operators with paying members of equal gender ratios accounted for 18.18%.



	Equal proportion of male and female paying members	Higher percentage of male paying members	Higher percentage of female paying members
Percentage by number of members	18.18%	54.55%	27.27%

Figure 2-69. Gender ratio of paid memberships on Taiwan's digital publication platforms in 2020

■ ***Note:***
1. N=11.
2. Multiple selections were allowed.
■ ***Source:*** Organized by this survey study.

Furthermore, in terms of the age ratio of paid memberships, around 70% of the operators had more than half of their paid members in the age group of 31-50 years old. This age group makes up the main consumers of the digital publication circulation and sales platforms in Taiwan.

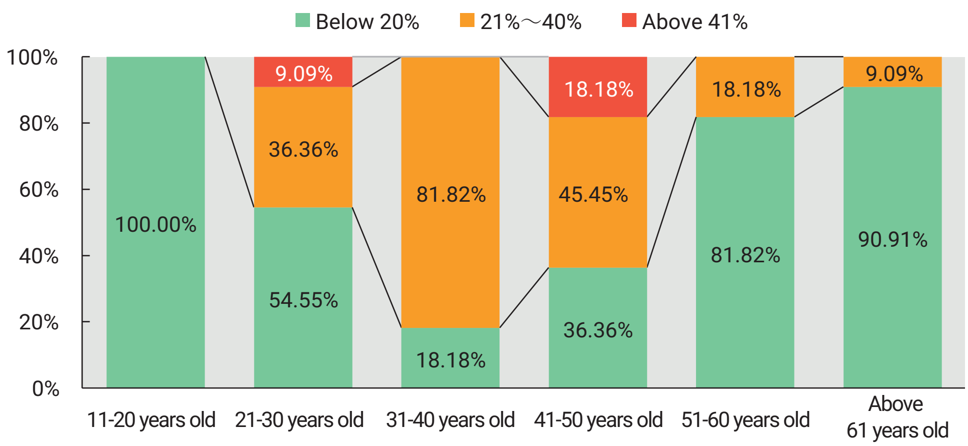


Figure 2-70. Age ratio of paid memberships on Taiwan's digital publication platforms in 2020

■***Note:*** N=11.
■***Source:*** Organized by this survey study.

6 Sales and Distribution Channels for Publications

6.1. Industry overview

6.1.1. New/second-hand/independent bookstores in Taiwan

The subjects of the survey are different from the number of profit-seeking companies and companies with sales revenue from “retail of books and magazines” compiled by the Ministry of Finance. The main reason is that the information from the Ministry of Finance on profit-seeking companies also includes businesses that are not within the scope of the industry and other types of bookstores, such as bookstores that mainly sell stationery.

To verify whether brick-and-mortar channels include operators that engage in the sales of books, we used the lists of marketing channels in the “2018 Taiwan Publishing Industry Survey Report” by the Ministry of Culture and the “2020 Taiwan Cultural Content Industries Survey Report I” conducted by the Taiwan Creative Content Agency, lists of recipients of government subsidies, lists of bookstore members of the Friendly Book Supplies Co-operative, stores listed in the “2020 Formosa Bookstore Guide Map” published by the Taiwan Association for Independent Bookshop Culture, and lists of online recommendations and keyword search data as the basis. After establishing contact and confirmation of those that actually sold books, we removed those that terminated business operations, suspended business operations, or were dissolved and ended business operations in 2020, and identified a list of 602 effective new/second-hand/independent bookstores. In terms of the geographical distribution, companies in Northern Taiwan accounted for the highest percentage (41.69%), with a total of 25.91% in the Greater Taipei area, accounting for more than one quarter of the bookstores in the country.

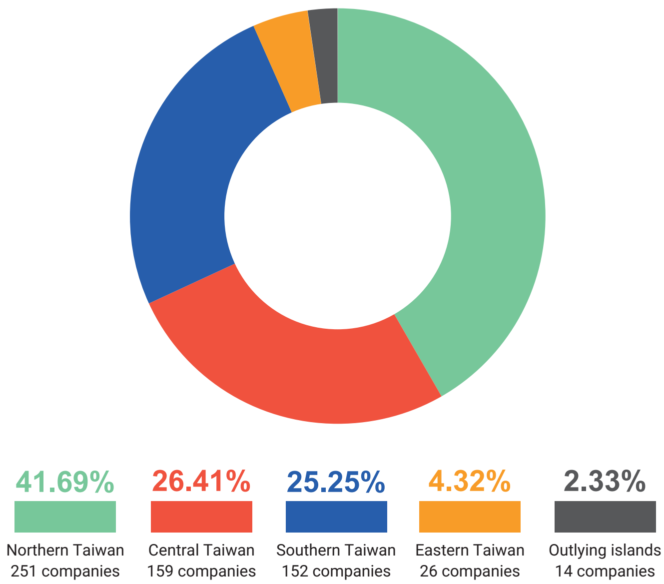
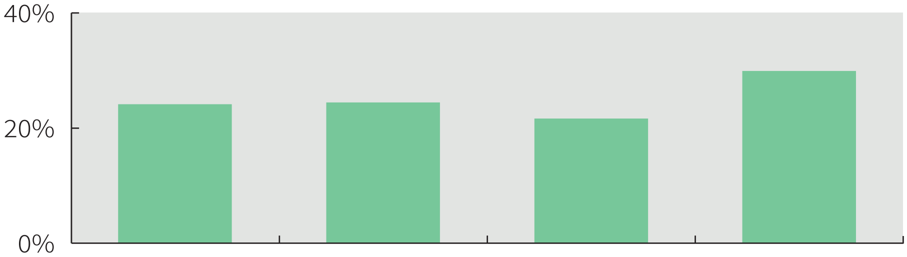


Figure 2-71. Geographical distribution of Taiwan’s new/second-hand/independent bookstores in 2020

■ ***Note:*** Northern Taiwan includes Taipei City, New Taipei City, Keelung City, Taoyuan City, Hsinchu City, Hsinchu County, and Yilan County; Central Taiwan includes Miaoli County, Taichung City, Changhua County, Nantou County, and Yunlin County; Southern Taiwan includes Chiayi County, Chiayi City, Tainan City, Kaohsiung City, and Pingtung County; Eastern Taiwan includes Hualien County and Taitung County; outlying islands include Penghu County, Kinmen County, and Lienchiang County.
■ ***Source:*** Organized by this survey study.

The number of years established for the 602 new/second-hand/independent bookstores was similar in all four categories. The category with the highest percentage consisted of companies with more than 20 years of operation (29.90%).



Number of years since founding	Less than 5 years (not inclusive)	5 to 10 years (not inclusive)	10 to 20 years (not inclusive)	20 years or more
Percentage by number of companies	24.09%	24.42%	21.59%	29.90%

Figure 2-72. Number of years established for Taiwan's new/second-hand/independent bookstores in 2020

■ ***Note:*** N=602.
■ ***Source:*** Organized by this survey study.

The majority (71.59%) of channel operators for Taiwan's new/second-hand/independent bookstores in 2020 had a registered capital of less than NT$1 million, a slight decrease in percentage compared to the previous year (71.90% in 2019). This could be attributed to the impact of this year's epidemic, which drove new entrants to invest more conservatively in the sales and distribution channels for publications. The scope of new/second-hand/independent bookstores with a registered capital of more than $100 million included large-scale publishing groups that also run stores, ICT companies with operations in cultural and creative industries, education institutions, book departments of hybrid businesses, and corporate entities. Although the proportion of these companies is not particularly high, it is gradually increasing each year.

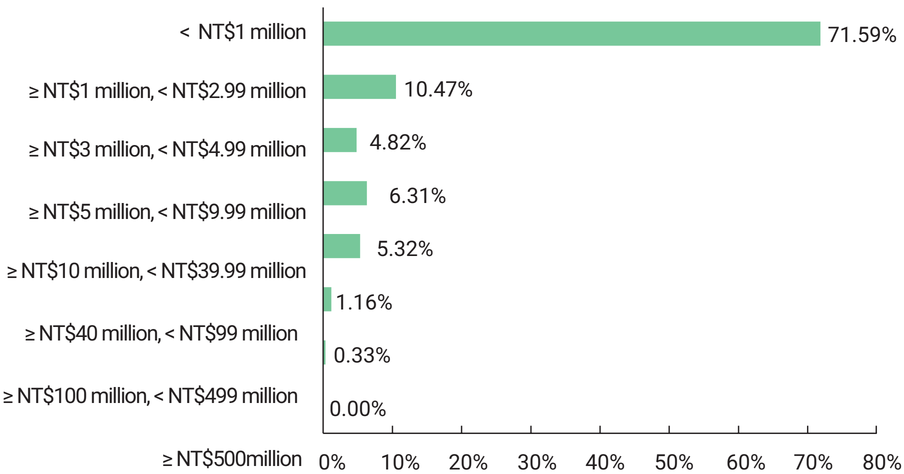


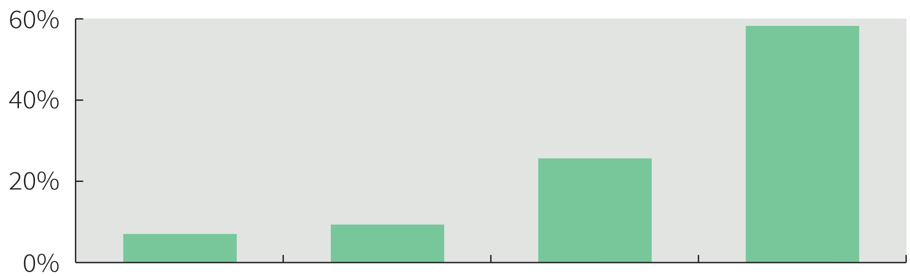
Figure 2-73. Registered capital of Taiwan's new/second-hand/independent bookstores in 2020

■ ***Note:*** 1. N=602.
2. There is no information on the capital of certain channel operators because they do not have a separate business tax ID. They are thus included as those with less than NT$1 million in capital.
■ ***Source:*** Organized by this survey study.

6.1.2. Chain/franchise bookstores in Taiwan (head office)

According to the “Taiwan Chain Store Almanac 2020” published by the Taiwan Chain Stores and Franchise Association, there were 23 chain book and stationery operators (excluding those that only sell stationery). We used information from the lists of marketing channels in the “2018 Taiwan Publishing Industry Survey Report” by the Ministry of Culture, the “2020 Taiwan Cultural Content Industries Survey Report I” conducted by the Taiwan Creative Content Agency, and lists of recipients of government subsidies as the basis, and removed general book stores that mainly sell stationery and reference textbooks. After establishing contact and confirmation of those that actually sold books, we removed those that terminated business operations, suspended business operations, or were dissolved and ended business operations in 2020, and identified a total of 43 effective chain/franchise bookstore head offices.

Among the 43 chain/franchise bookstore head offices, the highest ratio (58.14%) of companies in terms of the number of years since founding was those with more than 20 years since founding; they were followed by those with more than 10 but less than 20 years since founding (25.58%) and those with more than 5 but less than 10 years since founding (9.30%).



Number of years since founding	Less than 5 years (not inclusive)	5 to 10 years (not inclusive)	10 to 20 years (not inclusive)	20 years or more
Percentage by number of companies	6.98%	9.30%	25.58%	58.14%

Figure 2-74. Overview of the number of years established for Taiwan’s chain/franchise bookstore head offices in 2020

■ ***Note:*** N=43.
■ ***Source:*** Organized by this survey study.

Among the head offices of chain/franchise bookstores in Taiwan, approximately six tenths (62.79%) of the companies have a registered capital of less than NT$40 million in 2020. It shows that most chain/franchise bookstores in Taiwan are operated by SMEs. The head offices of chain/franchise bookstores with a registered capital of NT$100 million or more mainly included stores catering to creative lifestyles, stores with hybrid business models, and operators that are licensees for foreign bookstores.

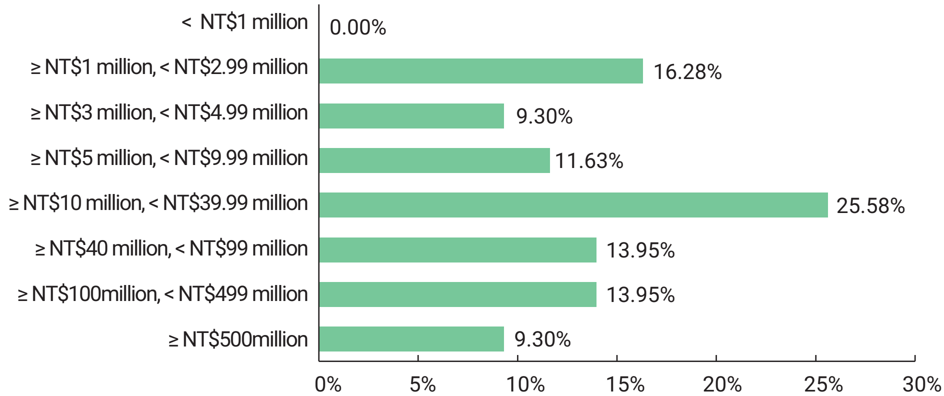


Figure 2-75. Distribution of Taiwan's chain/franchise bookstore head offices by registered capital in 2020

■ ***Note:*** N=43.
■ ***Source:*** Organized by this survey study.

Among the head offices of chain/franchise bookstores in Taiwan in 2020, the highest percentage was located in Northern Taiwan (62.79%), and Taipei City (48.83%) accounted for the highest ratio.

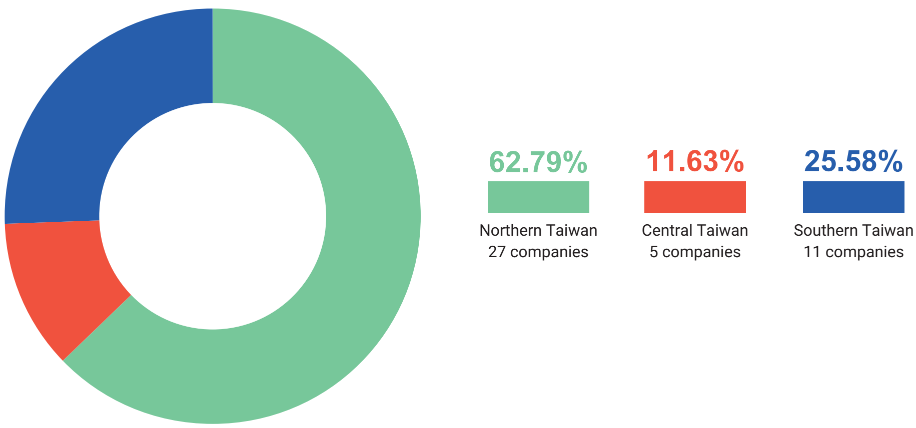


Figure 2-76. Geographical distribution of Taiwan's chain/franchise bookstore head offices in 2020

■ ***Note:*** Northern Taiwan includes Taipei City, New Taipei City, Keelung City, Taoyuan City, Hsinchu City, Hsinchu County, and Yilan County; Central Taiwan includes Miaoli County, Taichung City, Changhua County, Nantou County, and Yunlin County; Southern Taiwan includes Chiayi County, Chiayi City, Tainan City, Kaohsiung City, and Pingtung County.
■ ***Source:*** Organized by this survey study.

6.1.3. Specialized online bookstores in Taiwan

This survey's definition of "specialized online bookstores" refers to companies that sell publications exclusively online and excludes publishers or physical bookstores that have established online sales channels for their consumers. The lists of marketing channels in the "2018 Taiwan Publishing Industry Survey Report" by the Ministry of Culture, the "2020 Taiwan Cultural Content Industries Survey Report I" conducted by the Taiwan Creative Content Agency, lists of recipients of government subsidies, the Credit Online Database of China Credit Information Service Ltd., and online recommendations and keyword search data were used as the basis of this survey. After establishing contact and confirmation of those that actually sold books online, we removed those that terminated business operations, suspended business operations, or were dissolved and ended business operations in 2020, and identified eight effective pure online bookstores in Taiwan, which were mostly concentrated in Northern Taiwan (87.5%).

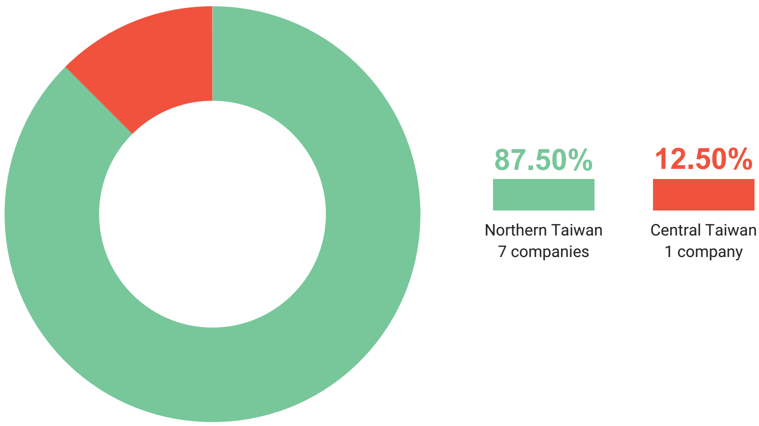
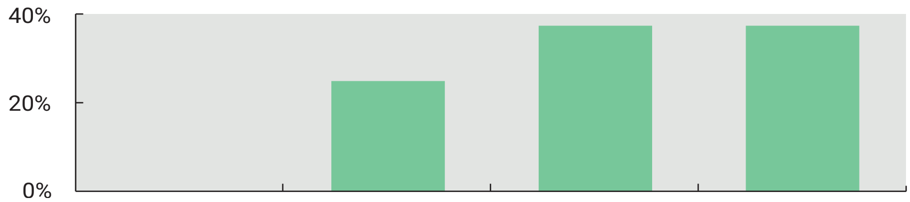


Figure 2-77. Geographical distribution of Taiwan's specialized online bookstore head offices in 2020

■ ***Note:*** Northern Taiwan includes Taipei City, New Taipei City, Keelung City, Taoyuan City, Hsinchu City, Hsinchu County, and Yilan County; Central Taiwan includes Miaoli County, Taichung City, Changhua County, Nantou County, and Yunlin County.
■ ***Source:*** Organized by this survey study.

Most of the eight specialized online bookstores have operated for more than 10 years (75.0% of the total), while those founded for less than 10 years accounted for 25.0%.



Number of companies	Less than 5 years (not inclusive)	5 to 10 years (not inclusive)	10 to 20 years (not inclusive)	20 years or more
Percentage by number of companies	0.00%	25.00%	37.50%	37.50%

Figure 2-78. Overview of the number of years established for Taiwan's specialized online bookstore head offices in 2020

■ ***Note:*** N=8
■ ***Source:*** Organized by this survey study.

In 2020, the capital of specialized online bookstore head offices in Taiwan was mostly over NT$100 million, accounting for 62.5% of the total number of stores.

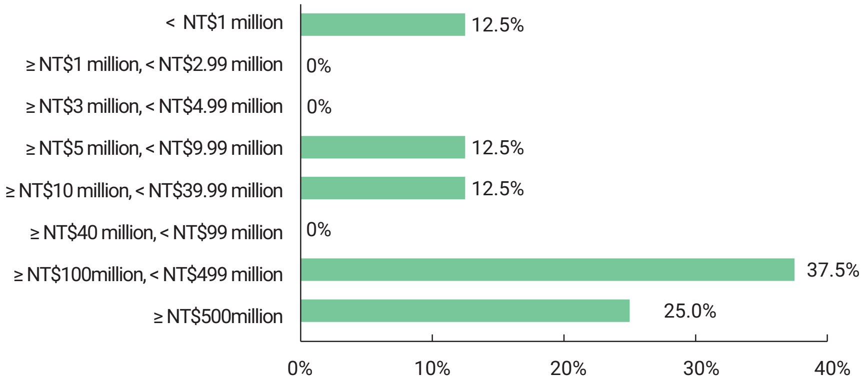
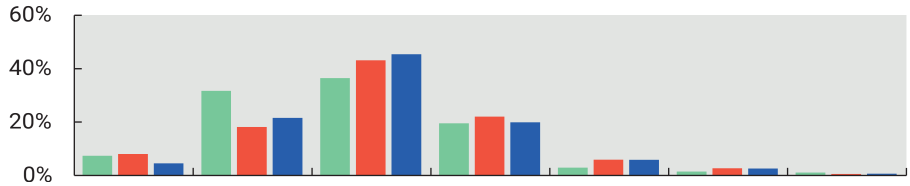


Figure 2-79. Distribution of Taiwan's specialized online bookstore head offices by registered capital in 2020

■***Note:*** N=8.
■***Source:*** Organized by this survey study.

6.1.4.Overview of employees of sales and distribution channels in Taiwan

In 2020, 90.92% of the sales and distribution channels for publications in Taiwan had fewer than 10 employees, showing that the sales and distribution channels for publications in Taiwan were mostly micro-sized to small-and-medium-sized businesses.



Number of employees	0 employee	1 employee	2 to 4 employees	5 to 9 employees	10 to 24 employees	25 to 99 employees	More than 100 employees
2018	7.33%	31.50%	36.26%	19.41%	2.93%	1.47%	1.10%
2019	7.99%	18.05%	42.90%	21.90%	5.90%	2.70%	0.60%
2020	4.55%	21.43%	45.13%	19.81%	5.84%	2.60%	0.65%

Figure 2-80. Scale of manpower of Taiwan's sales and distribution channels for publications from 2018 to 2020

■***Note:*** 2018 N=273, 2019 N=338, 2020 N=307.
■***Source:*** Organized by this survey study.

Furthermore, based on the survey data of the sales and distribution channel operators alone, it is estimated [16] that the average number of full-time and part-time employees employed by each firm is approximately 6.55. The total number of employees employed by the marketing channel (physical book stores) is estimated at 13,495, a 14.76% decline compared to 15,831 in 2019.

[16] The formula for estimating the number of employees = the average number of employees (both full-time and part-time employees) of the operators who responded to the survey x the statistical population of sales and distribution channel operators in Taiwan.

6.2. Revenue and business model

6.2.1. Estimated book sales revenue of Taiwan's sales and distribution channels

In order to estimate the revenue of the printed book market in the publishing marketing channels in 2020, we obtained revenue information in the tax information from the Ministry of Finance, and used the proportion of the revenue of the printed books in recovered questionnaires to project the overall book market (including new and used books) in the publishing marketing channels[17].

The revenue of publishing marketing channels provided in the survey only represents the revenue from the sales of printed books (including comics) in traditional physical bookstores and online bookstores in the year. It does not represent the entire revenue from the publication of books and comics in retail. Therefore, it does not include sales revenue from direct sales and exports by publishers or sales made through the publisher's social media, libraries, and education markets.

According to the aforementioned estimates, the scale of the printed books market (including old and new books) of the publishing marketing channel in 2020 was approximately NT$20.16236 billion, a slight increase of 0.62% compared to NT$20.3732 billion in 2019.

Furthermore, the estimate of the overall industry scale for Taiwan's sales and distribution channels was adjusted this year. Unlike in the previous year, where only revenue from sales of books (including comics) was accounted for, this year's estimate also included income from bookstore space rentals, food and beverages, sales of stationery and cultural and creative products, curatorial income, new business models, diversified management, and upstream and downstream integration of the industry, as a means to observe the overall development of the sales and distribution channels for publications in Taiwan. The overall scale of Taiwan's sales and distribution channels for publications in 2020 was NT34.425 billion, a 11.51% increase compared with 2019 (NT$30.871 billion).

[17] Formula for calculating revenue of the publishing marketing channels = companies' revenues based on business tax ID x proportion (weighted average) of revenue from books (including comic books) from various respondents of the survey.

Table 2-18. Development trend in the sales revenue of printed books through sales and distribution channels in Taiwan

Unit: NT$100 million, %

Year	2016	2017	2018	2019	2020
Publishing and marketing channel revenue	237.18	226.00	214.44	200.37	201.62
Growth rate	-	-4.72%	-5.11%	-6.56%	0.62%

■ ***Note:***
1. The revenue of sales and distribution channels for book sales only represents the revenue from the sales of printed books in traditional physical bookstores and online bookstores this year. It does not represent the entire revenue from the publication of books and comics on the market. Therefore, it does not include sales revenue from direct sales and exports by publishers, sales made through the publisher's social media, libraries, and education markets.
2. The revenue of sales and distribution channels for book sales already excluded the sales revenue of traditional physical bookstores and online bookstores for products that are not printed books such as, stationery, cultural and creative products, food and beverages, and consumer electronics.
3. The revenue of sales and distribution channels for book sales has been included in the market-end revenue of the aforementioned book publishing and comic book publishing sectors, and therefore should not be aggregated with the revenue of other subindustries.
■ ***Source:*** Organized by this survey study.

A further examination of the revenue ratio of specialized online bookstores and physical bookstores revealed that online bookstores generated 42.35% of revenue in 2020, up 9.18 percentage points over 2019. Physical bookstore revenue, including franchise bookstores and new/second-hand/independent bookstores, accounted for 57.65% of total revenue, a slight decrease compared with 2019.

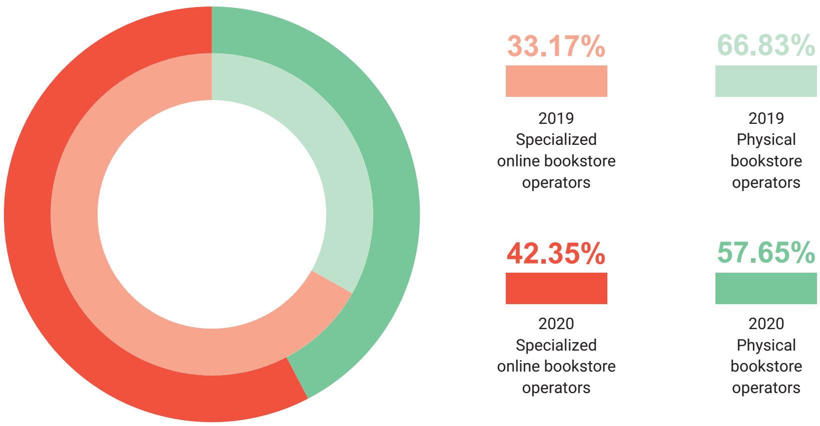


Figure 2-81. Revenue ratio of the specialized bookstore and physical bookstore operators in Taiwan from 2019 to 2020

■ ***Note:*** Book sales revenue for physical bookstore operators may include income from physical stores or online channels (such as online auction sites or their own websites).
■ ***Source:*** Organized by this survey study.

6.2.2. Revenue structure and items of Taiwan's sales and distribution channels

In 2020, only a few of the sales and distribution channel operators had a revenue of above NT$50 million, while those with a revenue of below $5 million accounted for 74.54%, indicating that sales and distribution channels for publications in Taiwan consist mainly of small and medium-sized enterprises.

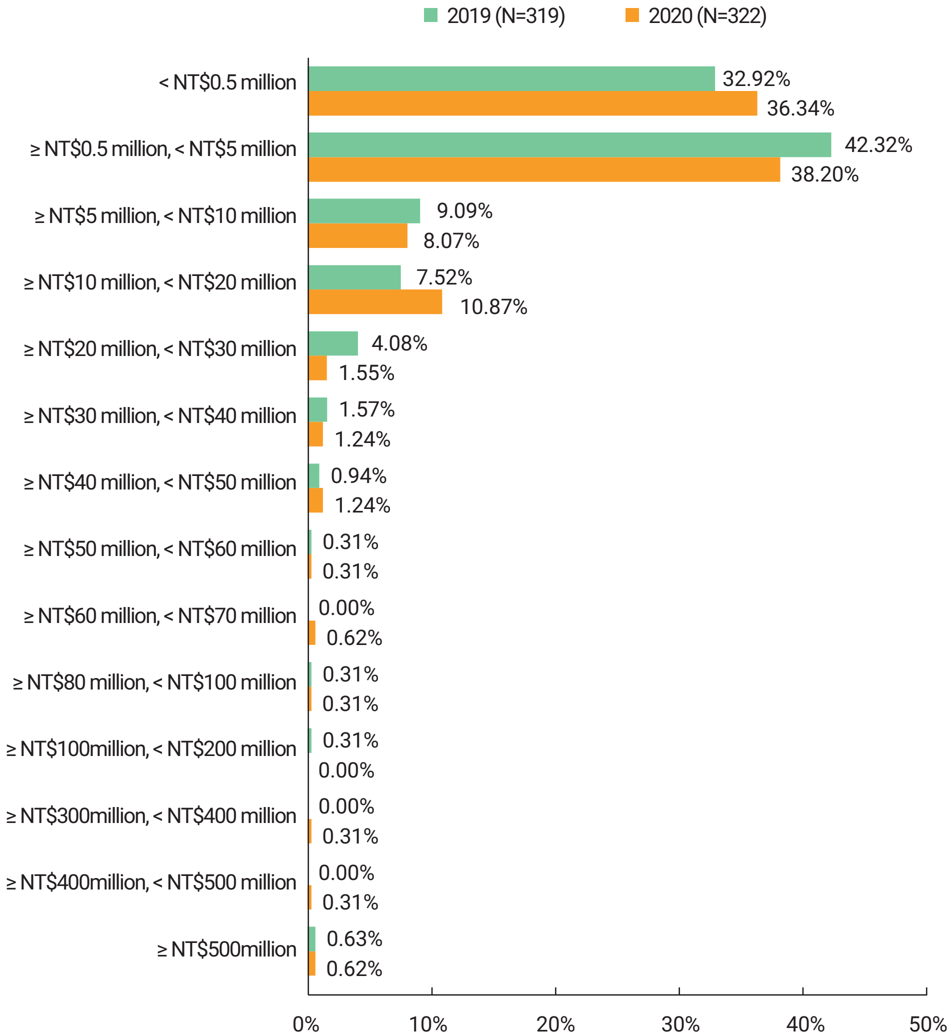


Figure 2-82. Annual revenue of sales and distribution channels in Taiwan from 2019 to 2020

- ***Note:*** N=319 for 2019 and N=322 for 2020.
- ***Source:*** Organized by this survey study.

According to the percentages of revenue from various sales and distribution channels for publications surveyed in 2020, the percentage of revenue from the sale of printed publications increased, revenue from products derived from publications and digital publications both improved slightly, and the percentage of revenue from the sale of creative merchandise (stationery) decreased.

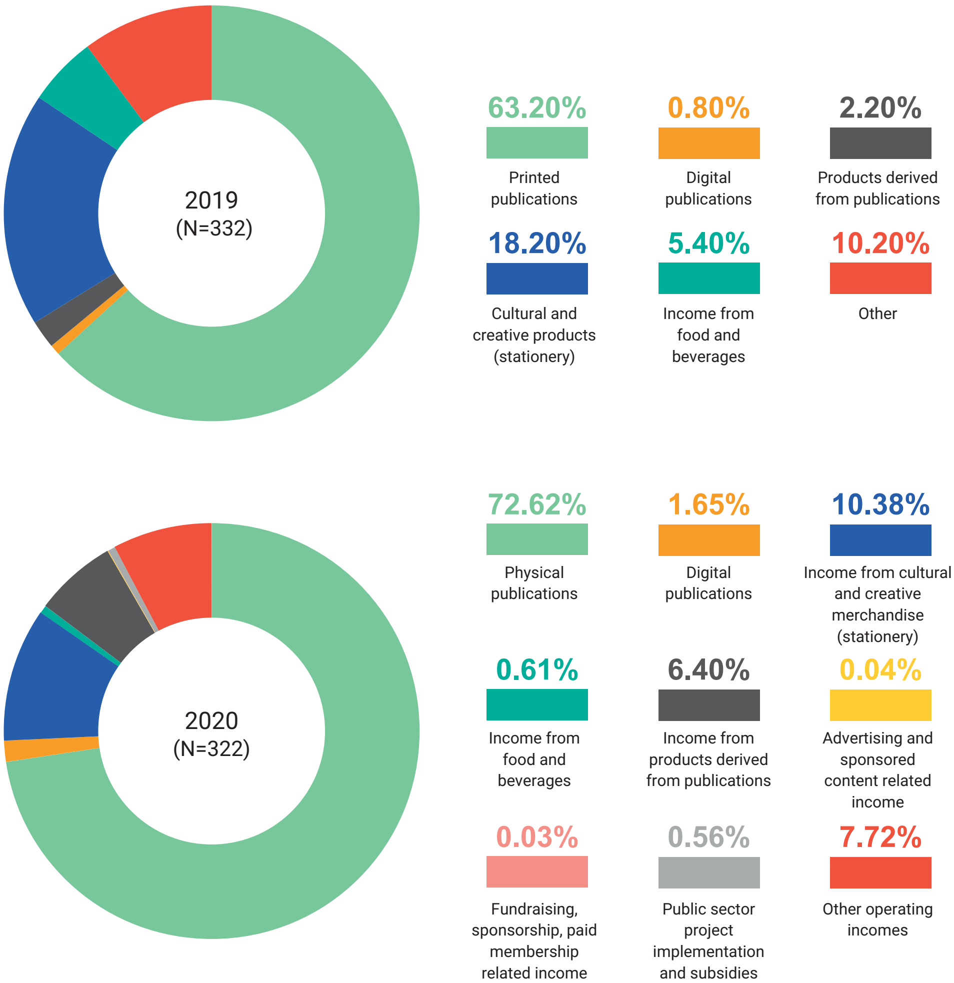


Figure 2-83. Revenue structure of the sales and distribution channel operators in Taiwan from 2019 to 2020

■ ***Note:*** N=332 for 2019 and N=322 for 2020.
■ ***Source:*** Organized by this survey study.

In 2020, Taiwan's sales and distribution channel operators generated around 5.48% of their revenue from the foreign market and 95.14% from the domestic market. In terms of online and physical marketing channels, 49.67% of the revenue in 2020 came from online channels, while 50.33% came from physical channels.

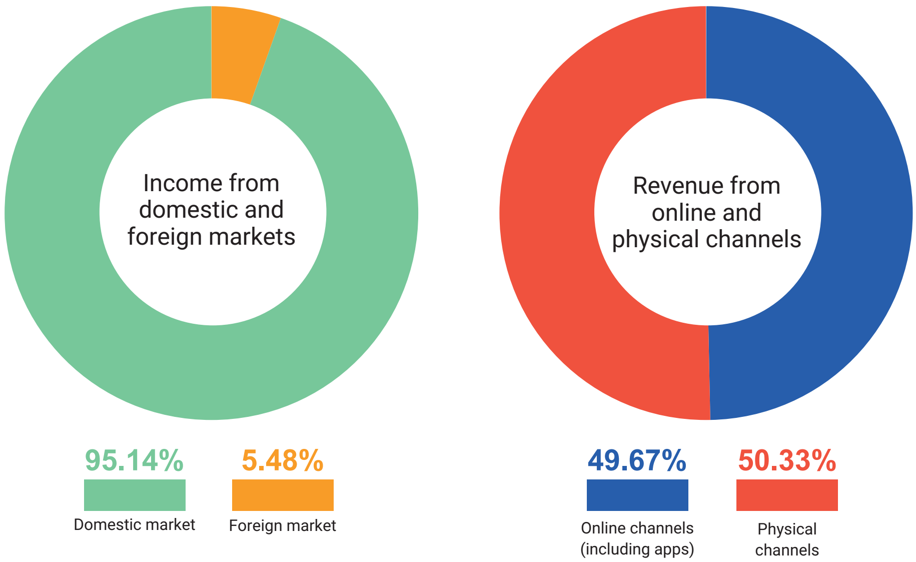


Figure 2-84. Overview of revenue from domestic and foreign markets and online/physical channels of Taiwan's sales and distribution channel operators in 2020

■ ***Note:*** N=324

■ ***Source:*** Organized by this survey study.

In terms of revenue made from various types of publications, around 72 percent (72.26%) of the sales of paper publications from Taiwan's sales and distribution channels in 2020 were paper books, followed by 17.44% of paper comic books, and around one-tenth (10.31%) of paper magazines.

In addition, among the revenue made from the aforementioned printed books, revenue from second-hand books accounted for 0.78%, second-hand magazines accounted for 0.52% of the overall magazine sales revenue, and second-hand comic books accounted for 0.42% of the overall comic book sales revenue.

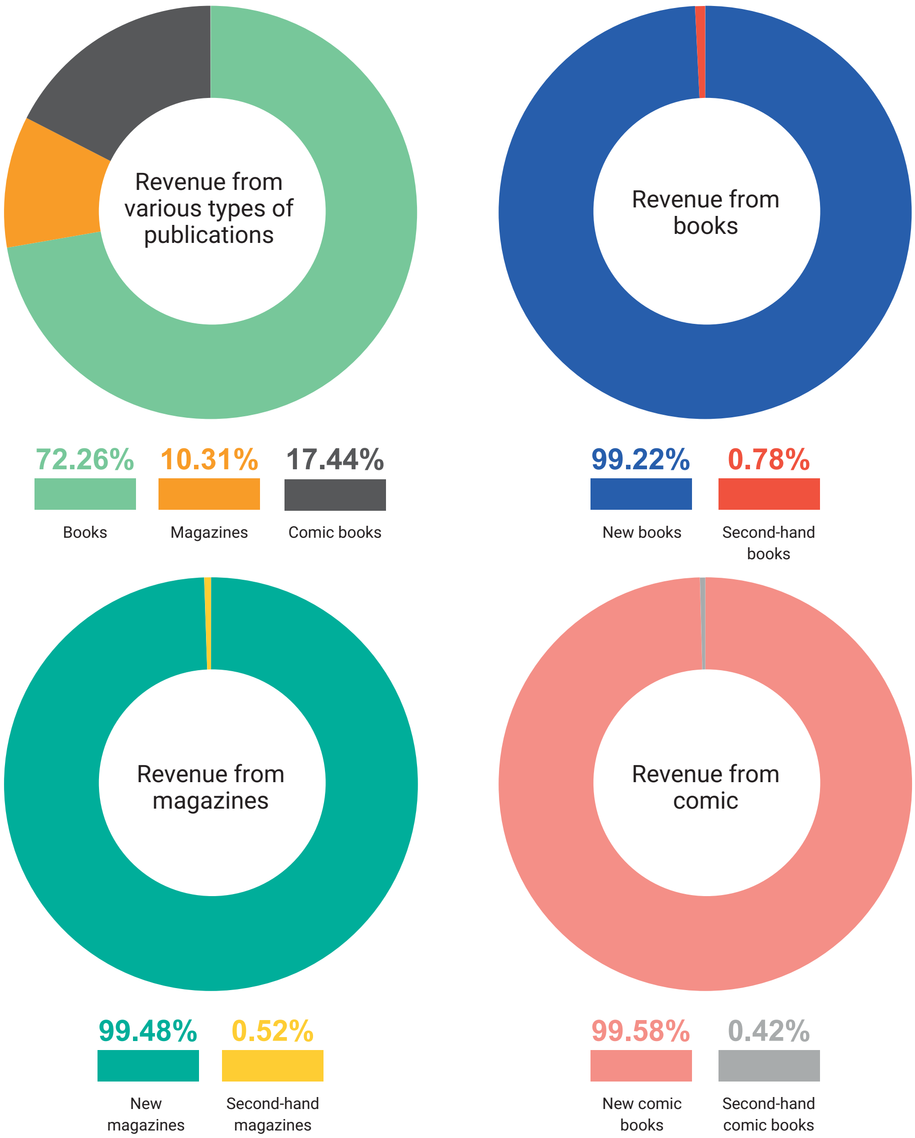


Figure 2-85. Revenue of various types of publications from Taiwan's sales and distribution channels in 2020

■ ***Note:*** N=323
■ ***Source:*** Organized by this survey study.

6.2.3. Expenditure levels and structure of the sales and distribution channels in Taiwan

In 2020, 2.4% of sales and distribution channels for publications in Taiwan had an annual operating expenditure of more than NT$50 million, while 79.19% had an annual expenditure of less than $5 million.

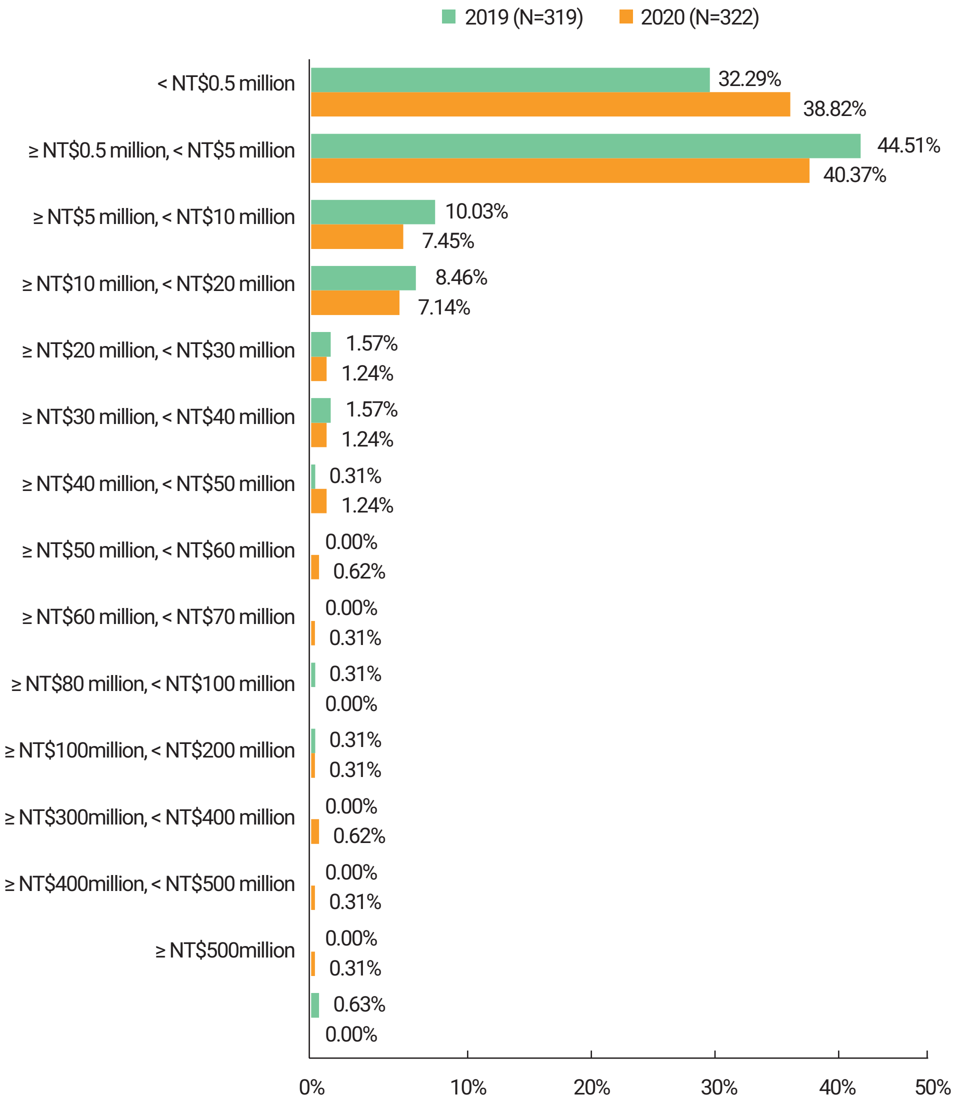


Figure 2-86. Annual expenditure of sales and distribution channels in Taiwan from 2019 to 2020

- ***Note:*** N=319 for 2019 and N=322 for 2020.
- ***Source:*** Organized by this survey study.

In terms of operating expenditures of sales and distribution channels for publications in 2020, expenditures for "physical publication related sales" accounted for the highest proportion, followed by expenditures for "personnel costs, utilities bills, store and warehouse rent, and taxation expenses" and "cultural and creative merchandise (stationery) related sales." The ratio of operating expenditures unrelated to publications in the sales and distribution channels has also increased each year, indicating that businesses have started to make non-publication-related investments, such as digital publications and e-readers.

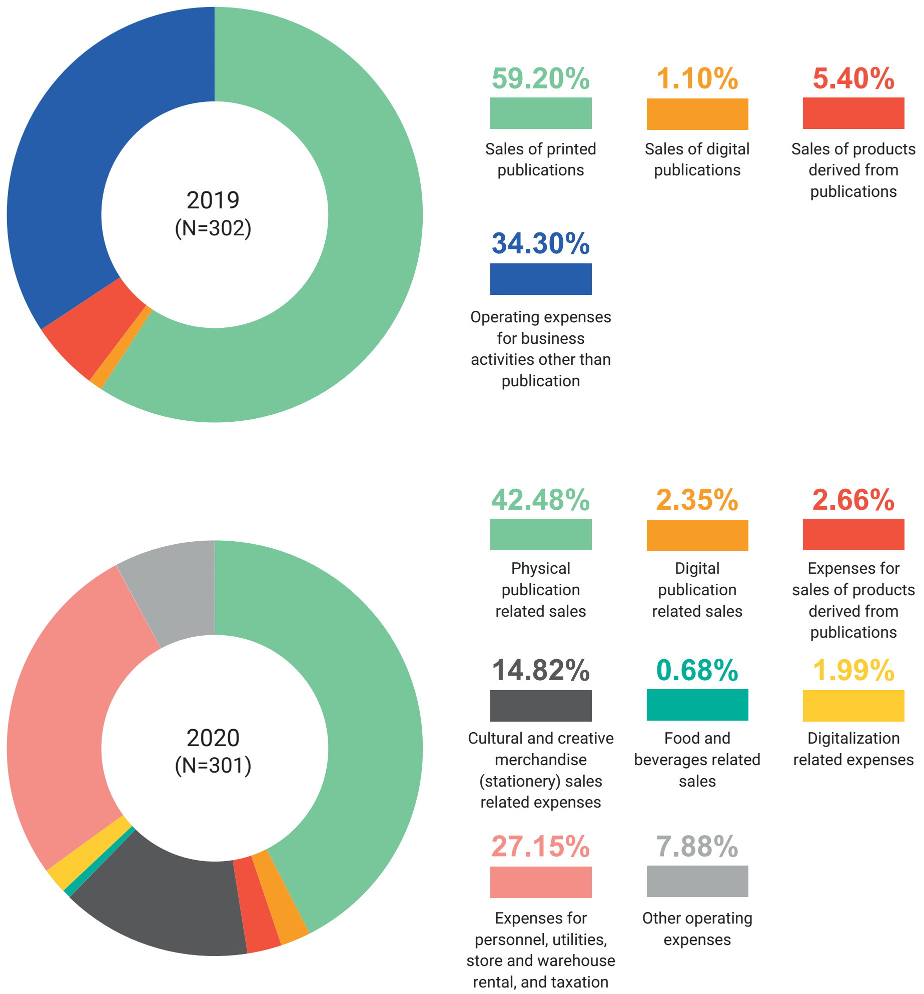


Figure 2-87. Expenditure structure of the sales and distribution channels in Taiwan from 2019 to 2020

■ ***Note:***
1. N=302 for 2019 and N=301 for 2020.
2. The survey items and scope were adjusted this year, so annual comparisons should be interpreted with caution.

■ ***Source:*** Organized by this survey study.

6.2.4. Marketing resource allocation strategies ranked by sales and distribution channel operators in Taiwan

In 2020, the primary marketing strategy used by the sales and distribution channels for publications in Taiwan was "themed discount events." Additionally, some operators have also begun actively investing in social media, such as official websites, group pages, and fan pages.

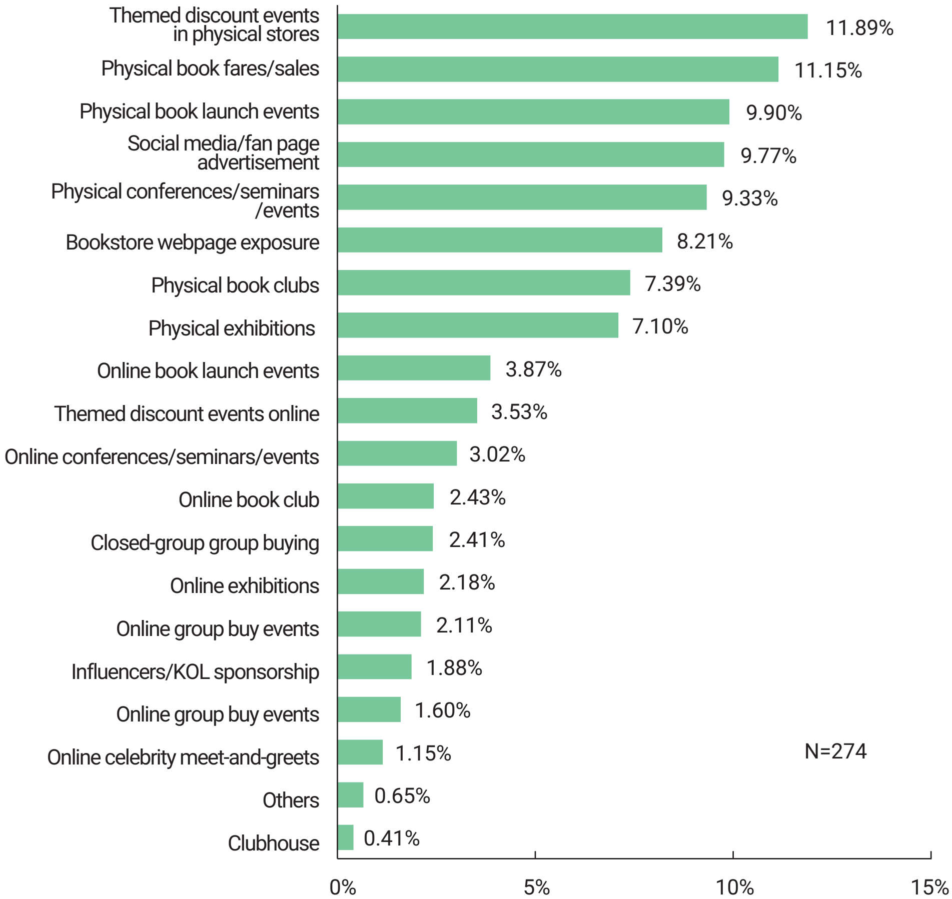


Figure 2-88. Marketing resource allocation strategies ranked by Taiwan's sales and distribution channel operators in 2020

■ ***Note:***
1. N=274.
2. Each marketing channel was ranked from 1 to 10 by the sales and distribution channel operators and given a corresponding score (10 points for the first place, and 1 point for the tenth place, etc.). Channels that were not ranked in the top 10 by the respondents received no points. The final score for each channel was counted and the percentage compared to the overall score was calculated.

■ ***Source:*** Organized by this survey study.

6.3. Industry observation indexes

6.3.1. Publication purchase and sales discounts of Taiwan's sales and distribution channels

In 2020, the average discount on book purchases for sales and distribution channels for publications was 33% (the mode and median book purchasing discounts were both 30%). The average sales discount was 17% (the mode and median sales discount were both 10%). The average best sales discount was 20% (the mode and median of the best sales discount were 10% and 20%, respectively).

Table 2-19. Discounts for the purchase and sales of books by marketing channels from 2018 to 2020

Unit: Discount amount (N= 223 in 2018; N=289 in 2019; N=266 in 2020)

Item	Purchase discount	Sales discount	Best sales discount
2018	7.0 (6.7)	9.0 (8.6)	9.0 (8.2)
2019	7.0 (6.6)	9.0 (8.5)	7.9 (8.2)
2020	7.0 (6.7) 7.0	9.0 (8.3) 9.0	9.0 (8.0) 8.0

■ ***Note:***
1. The numbers on the left of the brackets are the modes, the numbers inside the brackets are the averages, and the numbers on the right of the brackets are the medians.
2. The "sales discount" is the average of the overall book sales discount, and the "best sales discount" is the discount under the best sales conditions.
*The formula for calculating the percentage discount = 100 - (discount mount x 10). For example, if the discount amount is 7.0, then the percentage of discount will be 100 - (7.0 x 10) = 30% off.
■ ***Source:*** Organized by this survey study.

The average discount on magazine purchases for sales and distribution channels was 26% (the mode and median magazine purchasing discounts were 20% and 25%, respectively). The average sales discount was 7% (the mode and median sales discount were both 10%). The average best sales discount was 17% (the mode and median of the best sales discount were both 10%).

Table 2-20. Discounts for the purchase and sales of magazines by marketing channels from 2018 to 2020

Unit: Discount amount (N= 145 in 2018; N=172 in 2019; N=145 in 2020)

Item	Purchase discount	Sales discount	Best sales discount
2018	8.0 (7.3)	9.0 (8.8)	9.0 (8.6)
2019	8.0 (7.4)	9.0 (8.8)	9.0 (8.8)
2020	8.0 (7.4)7.5	9.0 (9.3)9.0	9.0 (8.3)9.0

■ ***Note:***
1. The numbers on the left of the brackets are the modes, the numbers inside the brackets are the averages, and the numbers on the right of the brackets are the medians.
2. The "sales discount" is the average of the overall book sales discount, and the "best sales discount" is the discount under the best sales conditions.
*The formula for calculating the percentage discount = 100 - (discount mount x 10). For example, if the discount amount is 8.0, then the percentage of discount will be 100 - (8.0 x 10) = 20% off.
■ ***Source:*** Organized by this survey study.

The average discount on comic book purchases for sales and distribution channel operators was 28% (the mode and median comic book purchasing discounts were both 25%). The average sales discount was 15% (the mode and median sales discount were both 10%). The average best sales discount was 17% (the mode and median of the best sales discount were both 10%).

Table 2-21. Discounts for the purchase and sales of comic books by marketing channels from 2018 to 2020

Unit: Discount amount (N= 101 for 2018; N=157 for 2019; N=144 for 2020)

Item	Purchase discount	Sales discount	Best sales discount
2018	7.5 (7.3)	9.0 (8.6)	9.0 (8.4)
2019	7.5 (7.1)	9.0 (8.7)	9.0 (8.7)
2020	7.5 (7.2) 7.5	9.0 (8.5)9.0	9.0 (8.3)9.0

■ ***Note:***

1. The numbers on the left of the brackets are the modes, the numbers inside the brackets are the averages, and the numbers on the right of the brackets are the medians.
2. The “sales discount” is the average of the overall book sales discount, and the “best sales discount” is the discount under the best sales conditions.

*The formula for calculating the percentage discount = 100 - (discount mount x 10). For example, if the discount amount is 7.5, then the percentage of discount will be 100 - (7.5 x 10) = 25% off.

■ ***Source:*** Organized by this survey study.

6.3.2.Average book return rate of Taiwan’s sales and distribution channels

The average book return rate of Taiwan’s sales and distribution channels in 2020 was 38.99% (41.6% in 2019), average magazine return rate was 48.28% (51.0% in 2019), and the average comic book return rate was 42.25% (51.7% in 2019).

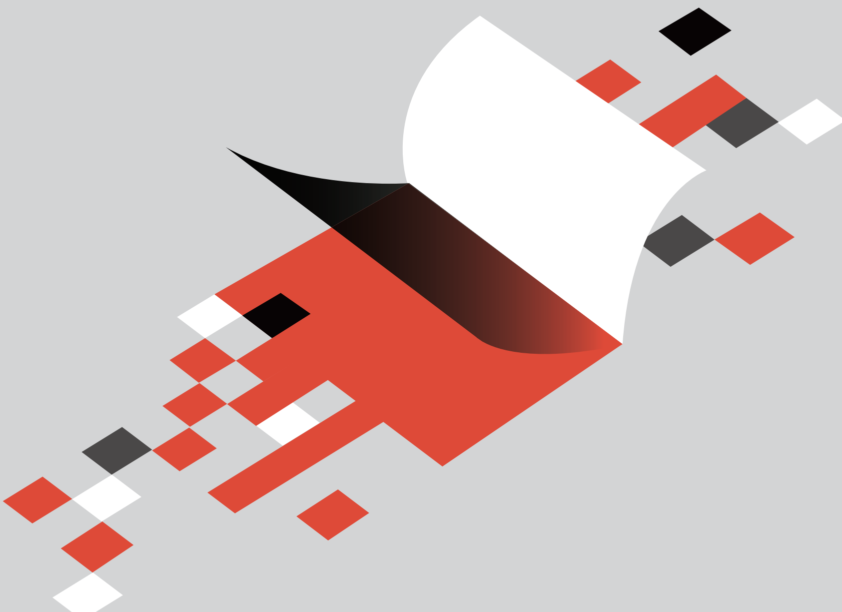
Table 2-22. Average book return rate of sales and distribution channels in Taiwan from 2018 to 2020

Unit: % (N=192 for 2018; N=219 for 2019; N=227 for 2020)

Year	Books	Magazines	Comic books
Average book return rate in 2018	39.90	46.10	40.50
Average book return rate in 2019	41.60	51.00	51.70
Average book return rate in 2020	38.99	48.28	45.25

■ ***Source:*** Organized by this survey study.

III FORECAST



1 The Direction of Future Developments in Taiwan's Publishing Industry

According to this year's survey, approximately 70% of publishers believe that "development of works by local authors" is a necessary direction, while 60% believe that "general ebook publishing" is an indispensable business. Another 40% of publishers expressed that the future of Taiwan's publishing sector is dependent on "acquisition of works by foreign authors" and "multimedia ebook publishing" operations, while the expansion of other businesses received less than a 40% consensus.

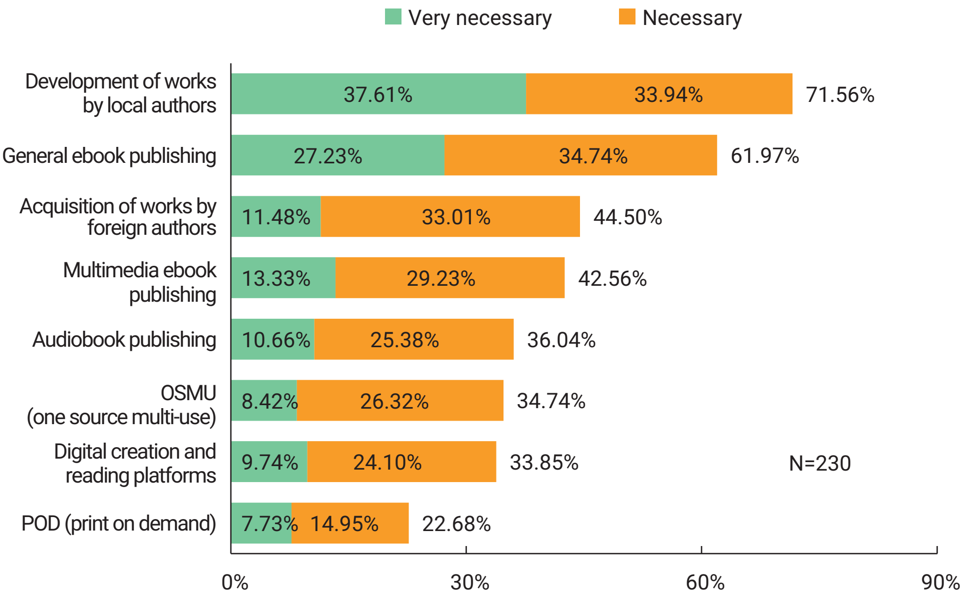


Figure 3-1. Direction of future developments in Taiwan's publishing industry

■ ***Note:***
1. N=230.
2. "Multimedia ebooks" refer to ebooks (apps) with dynamic audio-visual properties. Common formats include but are not limited to EPUB, APK, IPA, Web Book, etc.
3. "Digital creation and reading platforms" are digital platforms used for the uploading, discussing, and reading of works through webpages and apps. Examples are novel platforms, comic platforms, etc.
4. "POD" is the abbreviation of Print on Demand."
5. "OSMU" stands for One Source Multi-Use, which means a single source can be applied for multiple uses, such as using a single material/creation/IP to derive multiple works, products, and commodities. An example is adapting a novel into films, series, games, etc.

■ ***Source:*** Organized by this survey study.

2 The Development Potential of Taiwan's Publishing Market

According to this year's survey, more than half of the publishers believe that businesses pertaining to the "development of works by local authors" and "general ebook publishing" have market potential for further development; more than 40% of the publishers believe that "acquisition of works by foreign authors" and "multimedia ebook publishing" have high development potential for both domestic and foreign markets, while the expansion of other businesses received less than a 40% consensus.

As a whole, over half of the publishers in Taiwan agree on the necessary development and market potential of "development of works by local authors" and "general ebook publishing." "Acquisition of works by foreign authors" and "multimedia ebook publishing" also have support from 40% of the publishers. In comparison, emerging publishing, derivative content development, and new media such as "digital creation and reading platforms," "OSMU (one source multi-use)", "audiobook publishing," and "POD (print on demand)" have less recognition. This could be ascribed to a lack of familiarity with the planning, procedures, and applications of these strategies, as well as a lack of defined business models, making them less appealing for future improvements for certain publishers.

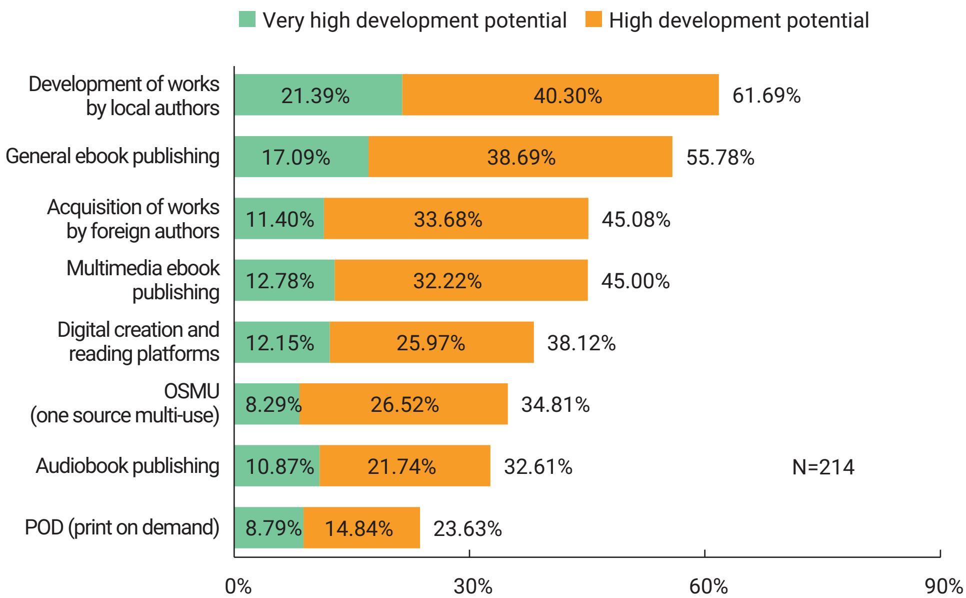


Figure 3-2. Development potential of Taiwan's publishing market

■ ***Note:***
1. N=214.
2. "Multimedia ebooks" refer to ebooks (apps) with dynamic audio-visual properties Common formats include but are not limited to EPUB, APK, IPA, Web Book, etc.
3. "Digital creation and reading platforms" are digital platforms used for the uploading, discussing, and reading of works through webpages and apps. Examples are novel platforms, comic platforms, etc.
4. "POD" is the abbreviation of Print on Demand."
5. "OSMU" stands for One Source Multi-Use, which means a single source can be applied for multiple uses, such as using a single material/creation/IP to derive multiple works, products, and commodities. An example is adapting a novel into films, series, games, etc.
■ ***Source:*** Organized by this survey study.

3 The Impact of the COVID-19 Pandemic on Taiwan's Book and Comic Book Publishers

In 2020, the "overall" and "publishing related" revenues of approximately 60% of book and comic book publishers decreased compared with 2019, due to changes in scale and operations of the industry that were caused by the impact of the COVID-19 pandemic. According to the survey interview, the closing down of physical marketing channels, suspension, or postponement of large-scale physical publishing exhibitions due to the epidemic has resulted in a more conservative stance for some small and medium-sized publishers. These publishers were therefore more hesitant when it came to publishing new books in 2020. On a related note, the larger publishing groups coped with the impact of the pandemic by adjusting their schedules and publishing formats (such as publishing ebooks first).

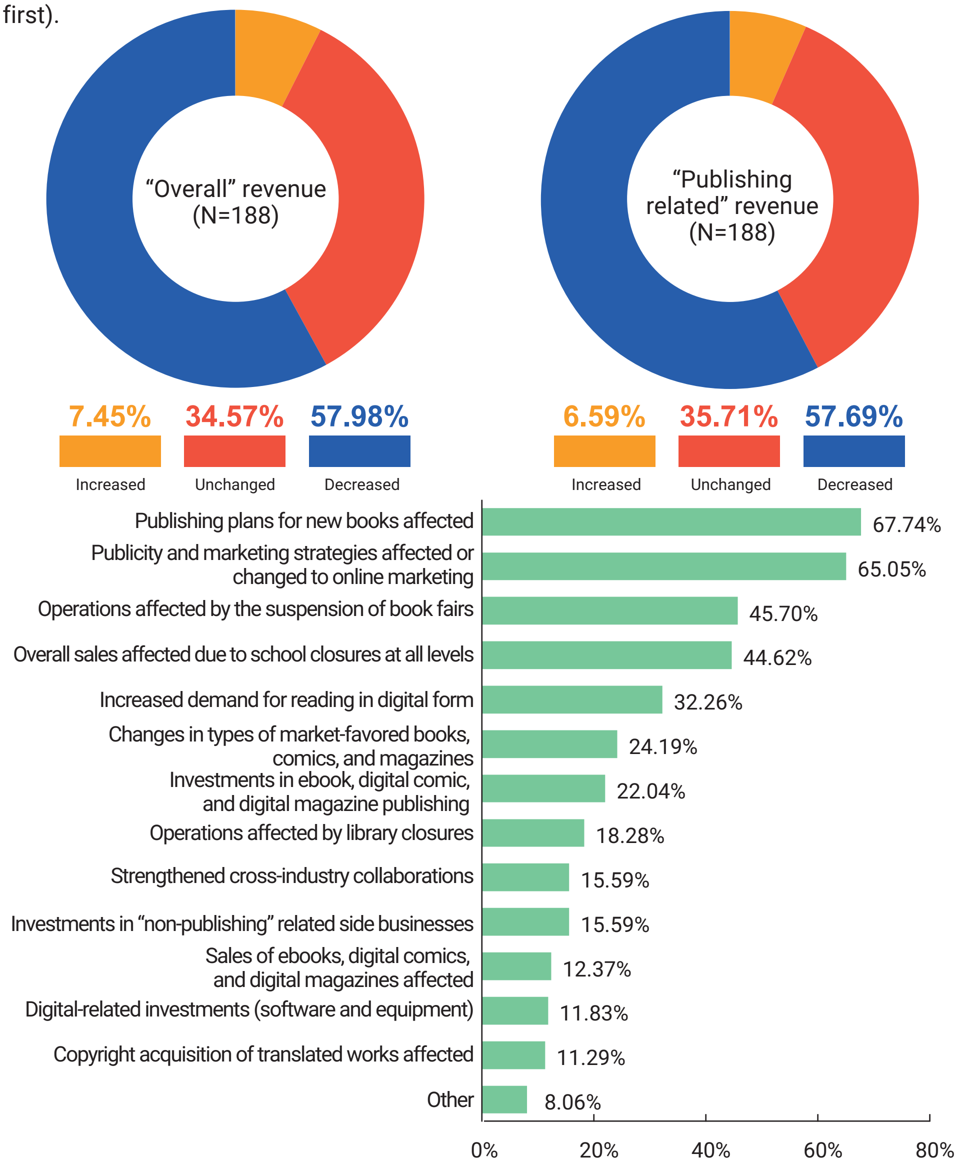


Figure 3-3. The impact of the COVID-19 pandemic on Taiwan's book and comic book publishers

■ ***Note:*** N=188 for overall revenue, N=182 for publishing-related revenue, and N=186 for scope of impact (bottom figure).

■ ***Source:*** Organized by this survey study.

4 The Impact of the COVID-19 Pandemic on Taiwan's Magazine Publishers

In 2020, the "overall" and "publishing related" revenues of approximately 60% of magazine publishers decreased compared with 2019, indicating that the proportion of magazine publishers that grew was not substantial. In terms of the scope of impact, several regions were more obviously affected, including altered publicity and marketing strategies (shifted to online marketing), altered publishing plans, increased demand for reading in digital form, and business operations affected due to the suspension of book fairs. In contrast, the impact of the epidemic pandemic was less apparent in cross-industry collaborations, digitalization investments, and copyright negotiations of translated works.

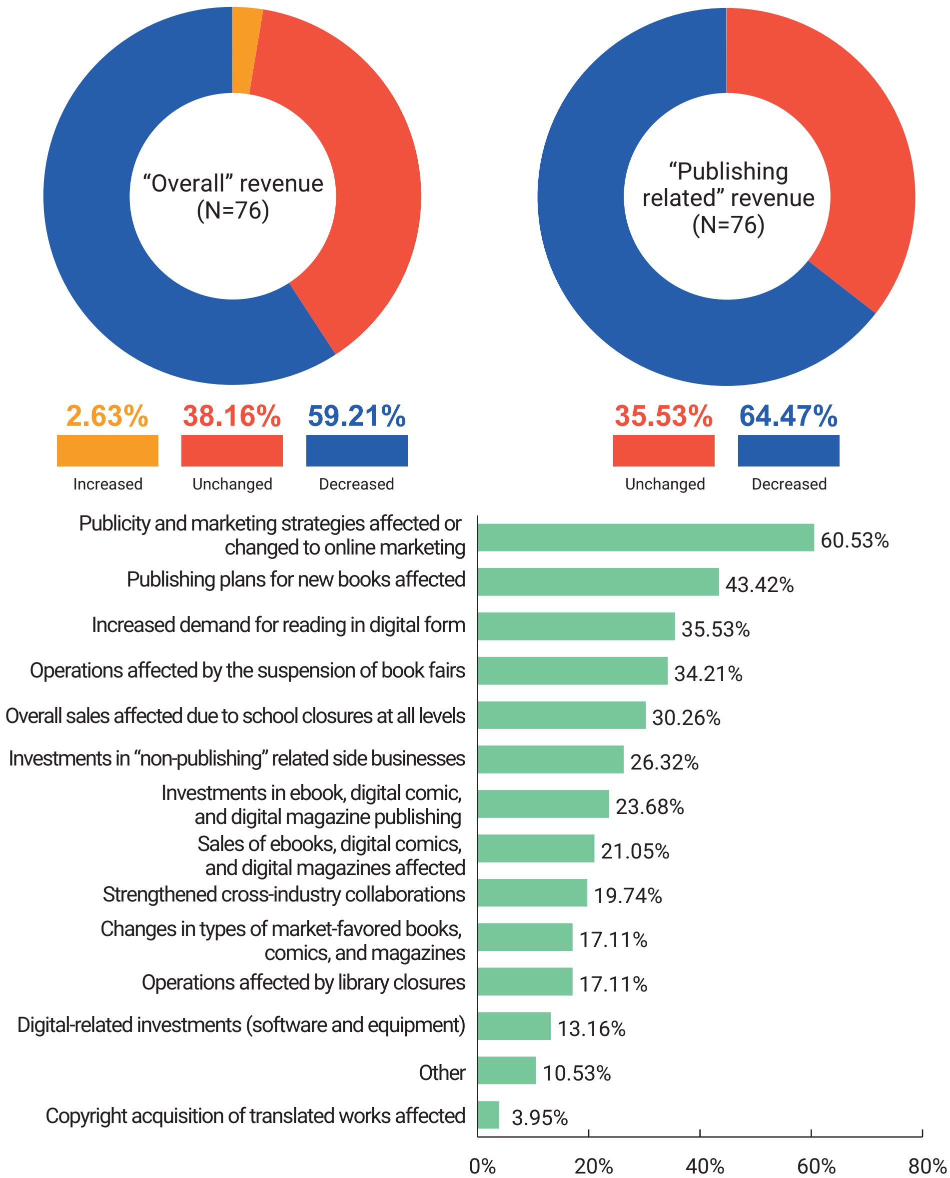


Figure 3-4 The impact of the COVID-19 pandemic on Taiwan's magazine publishers

■ ***Note:*** N=76
■ ***Source:*** Organized by this survey study.

5 The Impact of the COVID-19 Pandemic on Taiwan's Digital Publication Platform Operators

Compared to other publishing sectors in the midst of the COVID-19 pandemic, 75% of the digital publication platform operators claimed that their revenue had increased or remained stable in 2020. In terms of the scope of impact, several regions were more noticeably affected, including increased demand for reading in digital form, altered publicity and marketing strategies, sales of digital publications affected, and sales affected by the closure of schools at all levels. In contrast, library closures, new book listings, book fair suspensions or postponements, and copyright acquisitions of translated works were less affected by the epidemic.

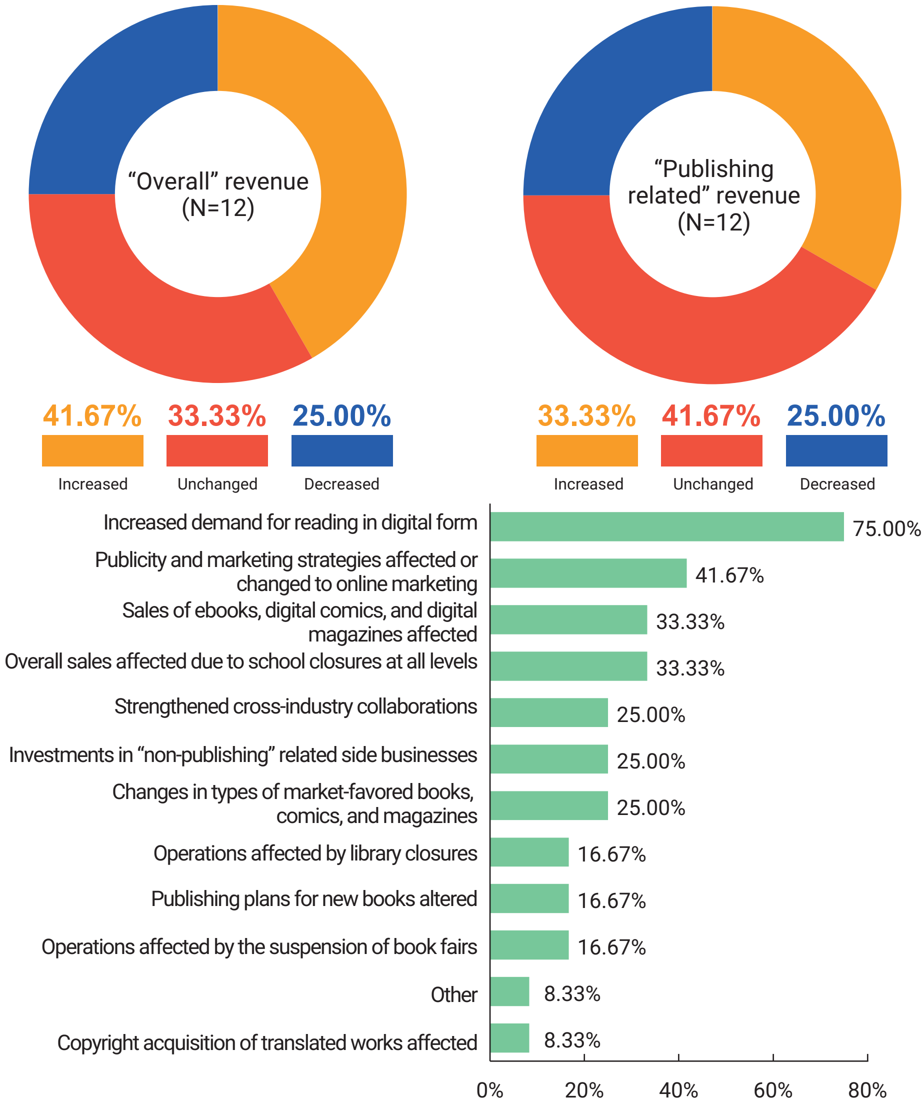


Figure 3-5. The impact of the COVID-19 pandemic on Taiwan's digital publication platform operators

■ ***Note:*** N=188 for overall revenue, N=182 for publishing-related revenue, and N=186 for scope of impact (bottom figure).
■ ***Source:*** Organized by this survey study.

6 The Impact of the COVID-19 Pandemic on Taiwan's Original Image Development and Brokerage Operators

In the midst of the COVID-19 pandemic, around 56 percent (56.52%) of the operators reported a decline in "overall" revenue in 2020 compared with 2019. For "original image related revenue," around half (46.97%) of the operators expressed a decline compared to the previous year. In terms of the scope of impact, the suspension of partial exhibitions, related image licensing collaborations, altered publicity and marketing strategies, and IP launching plans for related characters were the areas most affected.

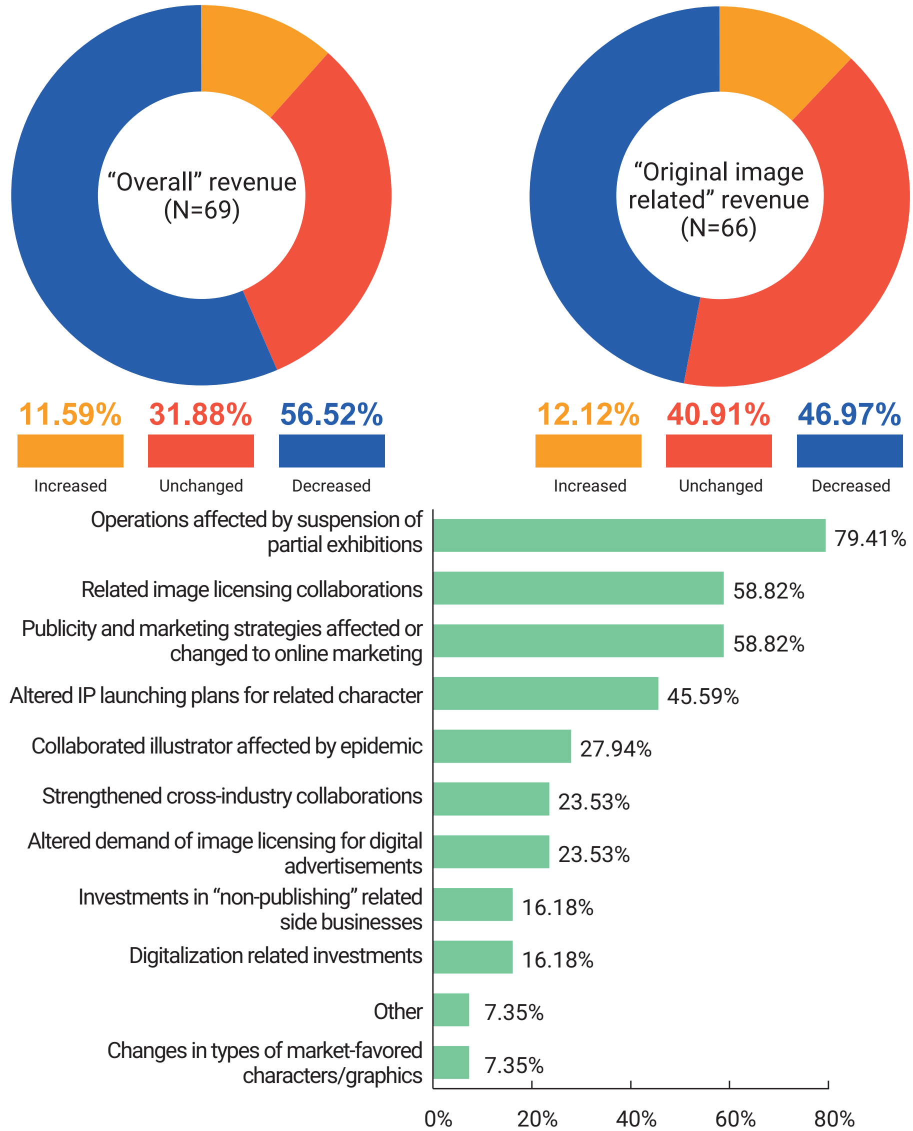


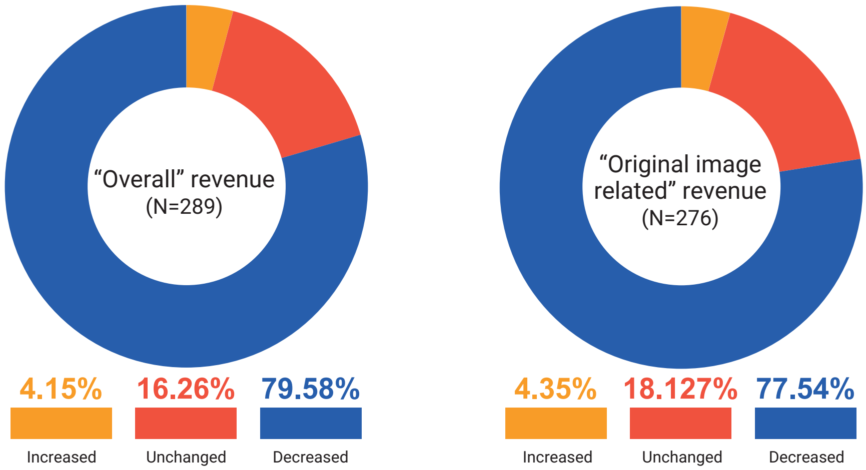
Figure 3-6. The impact of the COVID-19 pandemic on Taiwan's original image development and brokerage operators

■ ***Note:*** N=69 for overall revenue, N=66 for original image related revenue, and N=68 for scope of impact (bottom figure).

■ ***Source:*** Organized by this survey study.

7 The Impact of the COVID-19 Pandemic on Taiwan's Sales and Distribution Channels for Publications

Amid the COVID-19 epidemic in 2020, around 80% of the operators reported a decline in "overall" and "publication sales" related revenue compared with 2019. Some of the more visible areas affected within the industry were the suspension of partial exhibitions, new book listings and purchasing, school closures at various levels, and altered publicity and marketing channels. As a result, some distributors seek to cut the retail space of physical publications or switch entirely to selling online.



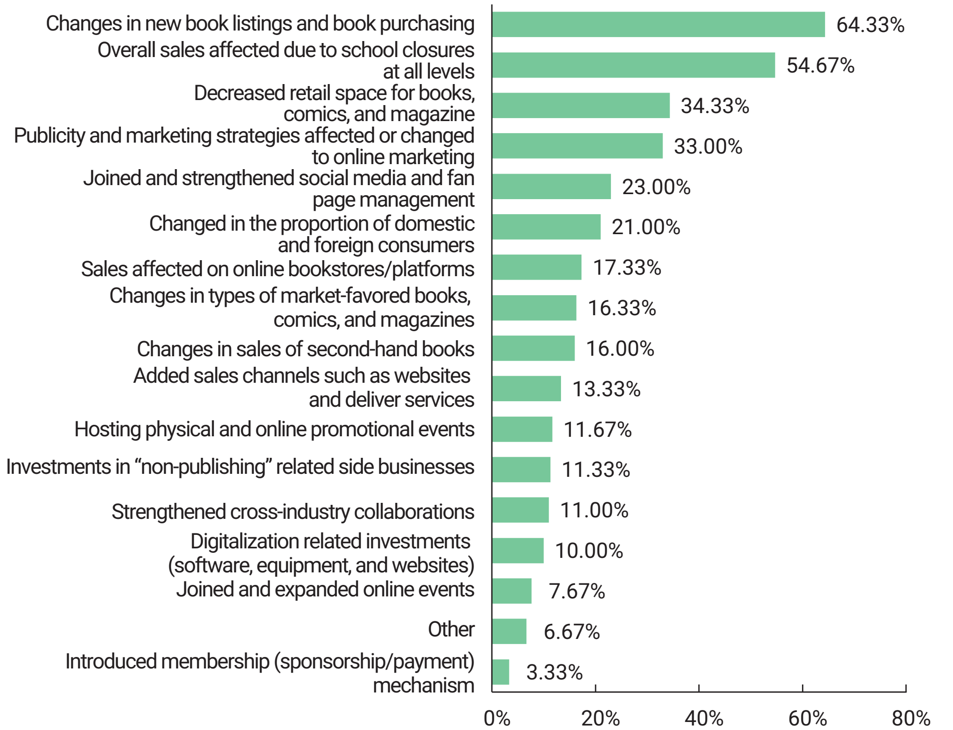


Figure 3-7. The impact of the COVID-19 pandemic on Taiwan's sales and distribution channel operators

■ ***Note:*** N=289 for overall revenue, N=276 for revenue from sales of various publications, and N=300 for scope of impact (bottom figure).

■ ***Source:*** Organized by this survey study.

8 The Prospect of Implementing Book-tax Exemptions in Taiwan

To revitalize Taiwan's publishing industry, promote general readership, and reduce the operational burden of the publishing industry, the Ministry of Culture and the Ministry of Finance jointly revised the "Regulations for Reducing Business and Entertainment Taxes for Cultural and Arts-related Enterprises, adding that cultural and artistic enterprises may apply for a business tax exemption for income generated by the sale of published or imported books. Taiwan aspires to follow major countries such as the United Kingdom, Ireland, Argentina, South Korea, Thailand, and Malaysia in terms of book-tax exemption or zero-tax policies. Verified tax-exempt books (including comic books) sold by businesses will be exempt from business tax starting on March 1, 2021. Through tax concessions, the impact of digitalization and the pandemic can be mitigated, thereby fulfilling the goal of rejuvenating the publishing industry and ultimately promoting reading as the foundation for knowledge acquisition.

9 Taiwan's Digital Publication Platform Operators Continue to Expand the Scale of "Audio Content" Related Businesses

"Audio content" services are gradually becoming the key focus of Taiwan's digital publication platform operators. In 2020, 38.46% of the respondents indicated that their audio content-related business has grown compared to the previous year. Sixty percent of the respondents expressed that they would continue to expand the operating scale of their audio content businesses in the future.

The prospects for the reading-listening market are still unclear, and the real revenue generated from audio content is modest due to the high production costs of audiobooks. There is a scarcity of audio-content-related products on the domestic market, making it difficult to predict Taiwanese readers' changes in demand for audio content and, as a result, making the future development of the total audiobook sector unpredictable. However, given the brisk growth of the digital industry and consumers' demand for all-rounded listening experiences, as well as the impact of the COVID-19 pandemic, audio content may continue to be one of the key businesses for publishers or related enterprises in the future.

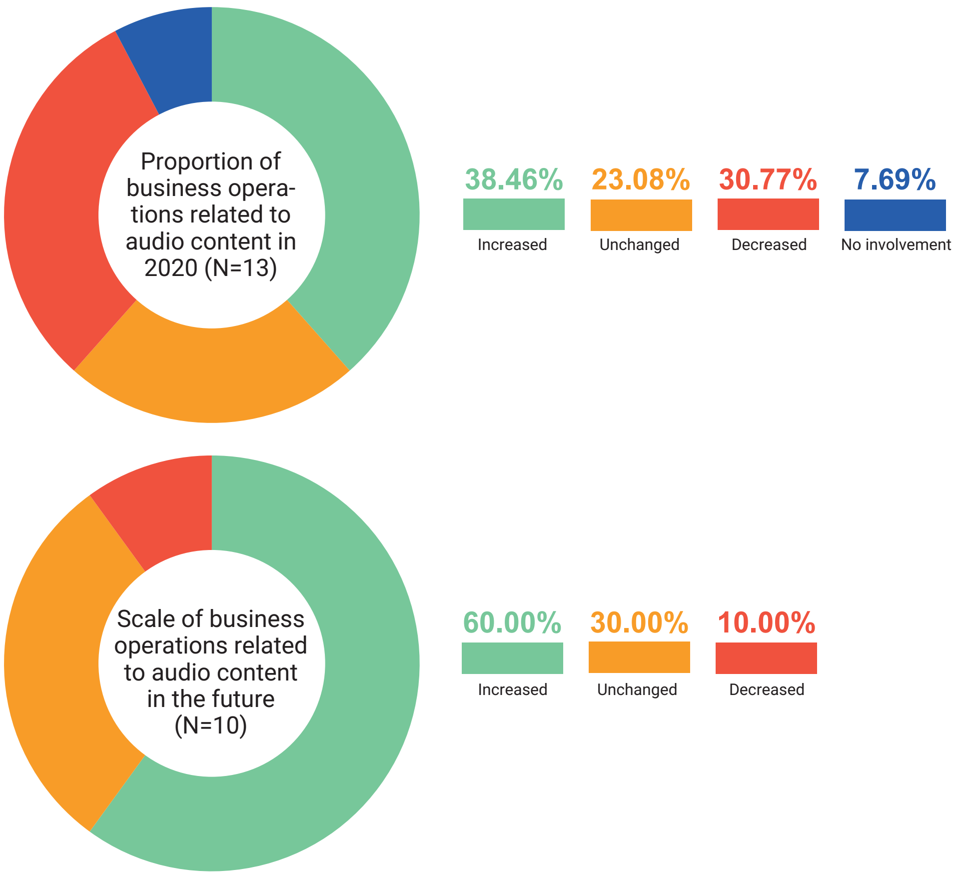


Figure 3-8. "Audio content" business operation of Taiwan's digital publication platform operators in 2020

■ ***Note:*** N=13 for the figure on the left and N=10 for the figure on the right.
■ ***Source:*** Organized by this survey study.

10 The Majority of Taiwan's Original Images are First Published on Social Networking Platforms

According to the results of this year's survey, approximately 90% of Taiwan's original image development and brokerage operators used Facebook as a publishing channel for their original images. Instagram (80.00%), domestic image exhibitions (52.2%), and LINE (50.67%) all account for a sizable proportion. In addition to the websites, platforms, and channels mentioned above, several businesses have noted that e-commerce platforms, short video platforms (such as TikTok), and fundraising platforms are also choices for obtaining exposure.

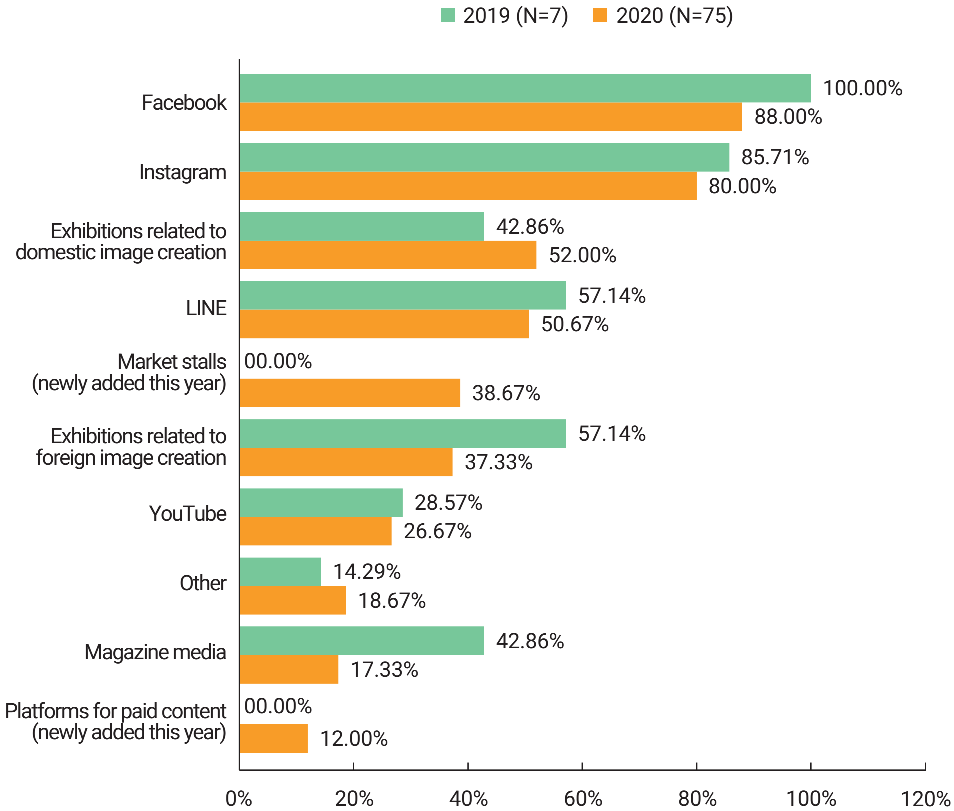


Figure 3-9. Publishing and promotional channels for Taiwan's original image works from 2019 to 2020

■ ***Note:***
1. 2019 N=7, 2020 N=75.
2. Multiple selections were allowed.

■ ***Source:*** Organized by this survey study.

11 Diversifying Sales Channels for Taiwan's Sales and Distribution Channel Operators

The proportion of Taiwan's sales and distribution channel operators (for physical bookstores) with online sales channels has climbed from 25.15% last year to 51.91% this year, indicating that the COVID-19 pandemic has encouraged these channel operators to migrate to online development. Among them, 13% set up their own websites, which is almost 10 percentage points more than last year, followed by those who utilize the Shopee or PChome systems. Furthermore, some operators offer online book purchasing choices via LINE accounts, Facebook fan pages or groups, e-commerce platforms built by convenience store players, and Google Forms.

On the whole, the sales and distribution channels value the basic services, such as logistics and payment flow, provided by the online channels mentioned above. They choose these platforms, websites, convenient stores, or delivery services to build online sales channels and present consumers with a variety of convenient ways to buy books with the aim of extending their client base by reaching customers outside of physical stores.

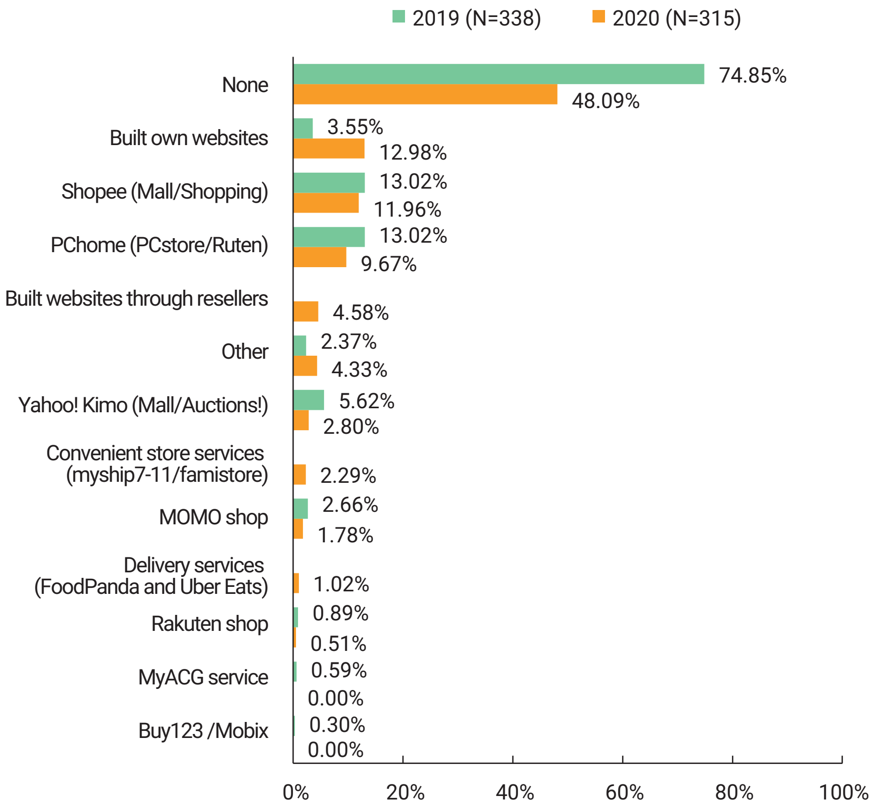


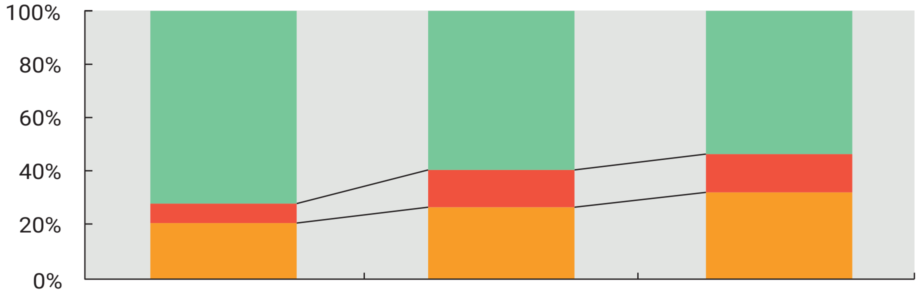
Figure 3-10. Online (non-specialized) bookstores run by Taiwan's publishing and marketing operators from 2019 to 2020

■ ***Note:***
1. 2019 N=338, 2020 N=315.
2. Multiple selections were allowed.

■ ***Source:*** Organized by this survey study.

12 An Increase in the Proportion of Sales and Distribution Channel Operators Whose Main Income is not Based on Book Sales

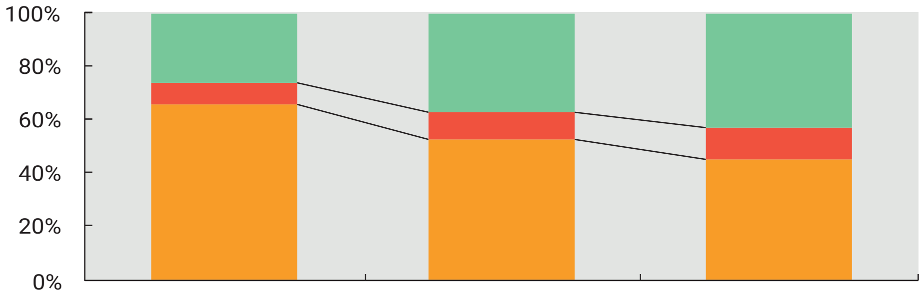
The revenue structure of Taiwan's sales and distribution channels for publications reveals that the proportion of operators relying on physical publication sales has decreased, while the proportion of operators relying on other goods and services has grown. At the moment, the prospects of book retailing are uncertain, prompting many enterprises to diversify their investments in order to retain the stability of their operations. Exhibitions, venue rentals, entry fees, and minimum charges, in addition to supplying products commonly sold by bookstores in addition to books, such as stationery, food, and beverages, are methods used to help manage bookstores.



	2018	2019	2020
above 51%	71.91%	59.34%	53.42%
31%~50%	7.23%	13.86%	14.29%
below 30%	20.85%	26.81%	32.30%

Figure 3-11. Percentage of sales and distribution channel operators in Taiwan with revenue made from physical publications from 2018 to 2020

- ***Note:*** N=235 for 2019, N=332 for 2019, and N=322 for 2020.
- ***Source:*** Organized by this survey study.



	2018	2019	2020
above 51%	25.96%	37.05%	42.86%
31%~50%	8.09%	10.24%	11.85%
below 30%	65.96%	52.71%	45.29%

Figure 3-12. Percentage of sales and distribution channel operators in Taiwan with revenue made from other goods and services from 2018 to 2020

- ***Note:*** N=235 for 2018, N=332 for 2019, and N=322 for 2020.
- ***Source:*** Organized by this survey study.

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Book • Magazine • Comic • Original Image Industries

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