

Rüdiger Wischenbart



Content and Consulting

with **Thad McIlroy**  
[thefutureofpublishing.com](http://thefutureofpublishing.com)

# PUBLISHING BEYOND PUBLISHERS

**How diverse, how big and how relevant  
are today's non-traditional models in the  
global book business?**

Readmagine, Madrid, May 31st, 2024

“The book publishing business in which I have spent my working life since the early 1960s is disappearing”

Mike Shatzkin

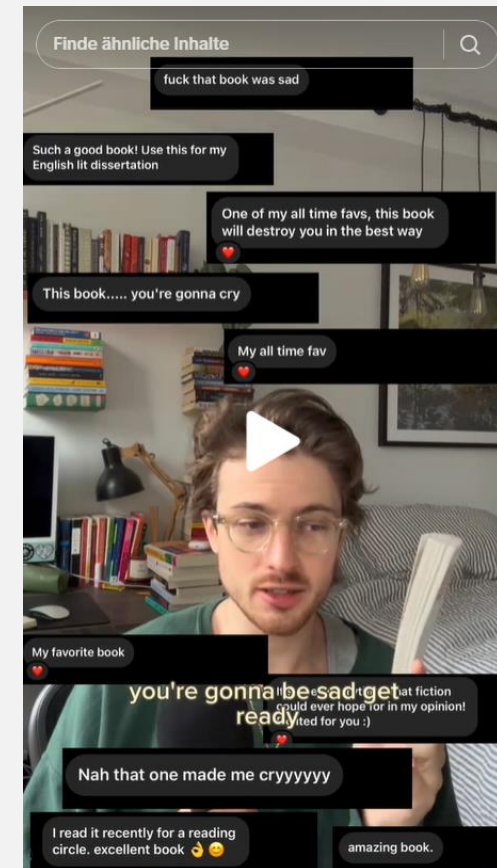
(*Idealog.com*, 2023)

## OUR QUESTIONS

- What do we often miss when we talk about the ‘Book Business’?
  - How do we define a ‘book’ today? And why does this matter?
  - How can we understand market developments when ‘self-publishing’, ‘subscription’ and ‘streaming’ are not included in book statistics?
  - How do platforms like Spotify and Webtoons compare to a publisher, a bookshop, or to Amazon?
- What is the ‘book business’ component of a Netflix series?
  - How, and why are platforms like TikTok so popular for promoting print books via digital videos?
  - How big are these ‘non-traditional’ publishing sectors?
  - How can I measure the scope of this activity in a ‘Global Publishing Ranking’?

# OUR MENU

1. The new circuits that connect authors with their audience.
2. Platforms for specific target groups.
3. How big is all this?
4. Defining and assessing the new.  
A new book industry: services, not products.



## LET A BOOK SURPRISE YOU



- More and more often, we encounter **books** in ways and circumstances other than we expected.

Books

## LET AN AUTHOR SURPRISE YOU



- More and more often, we encounter **authors** in ways and circumstances other than we expected.

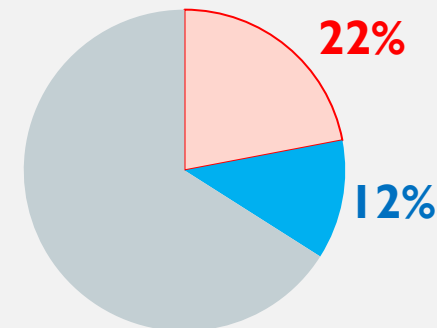
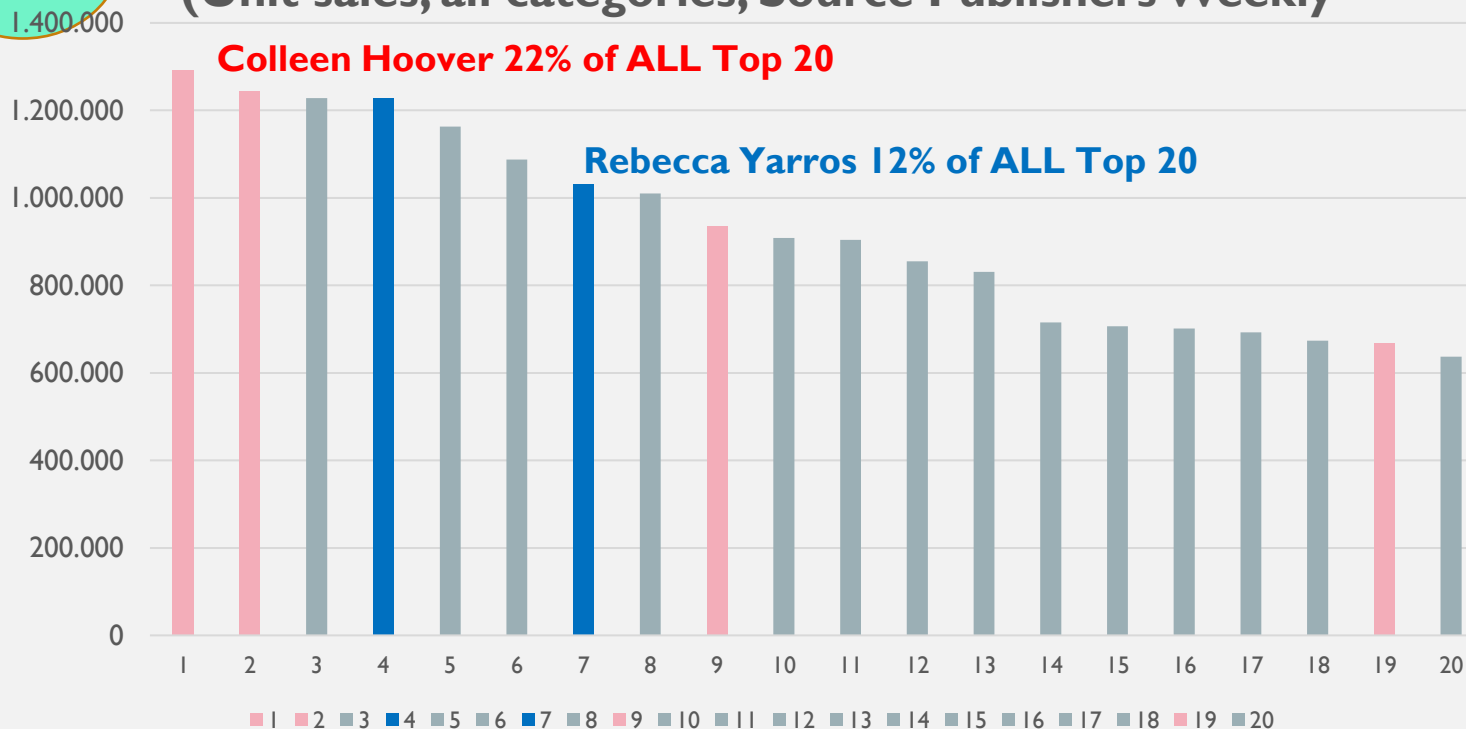




## 2 WOMEN RULED THE 2023 (US) BESTSELLER LIST

*How big are these authors?*

US Top 20 titles 2023  
(Unit sales, all categories; Source Publishers Weekly)

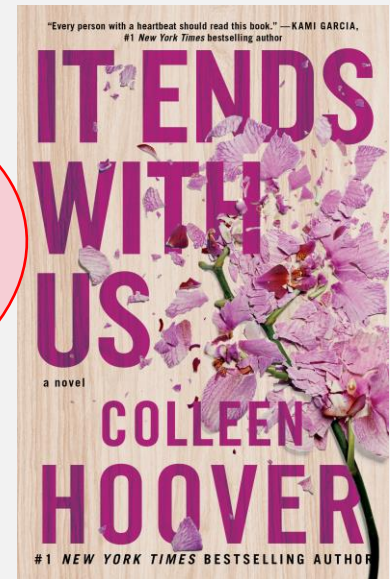


Top bestsellers for the year 2023  
(Publishers Weekly)



# COLLEEN HOOVER

“...where ideas flourish...”



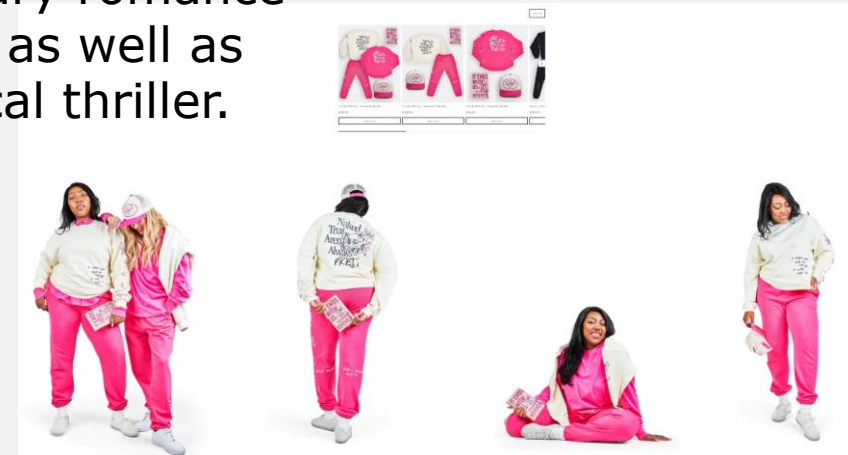
## Publishers

- US
  - **Atria** (= Simon and Schuster)
  - **Montlake** (= Amazon Publishing > Romance, Love Story)
- Germany: **dtv**
- France **Hugo Publishing**

- Colleen Hoover is the #1 New York Times bestselling author of twenty novels and novellas.
- Hoover's novels fall into the New Adult and Young Adult contemporary romance categories, as well as psychological thriller.

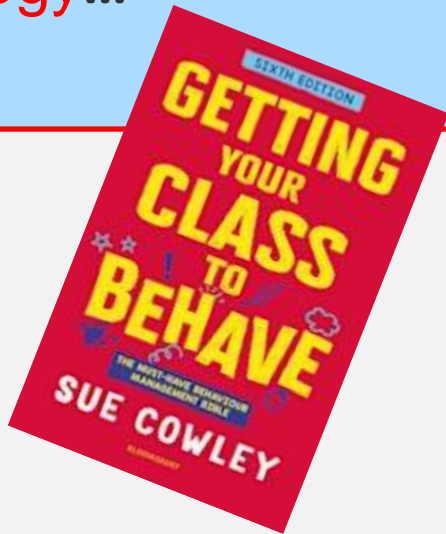
Source: [www.colleenhoover.com](http://www.colleenhoover.com)

You can SHOP here!



**“BLOOMSBURY’S REVENUE UP 30% AS  
PROFIT SOARS TO £49M IN RECORD  
YEAR”**

„... our  
entrepreneurial  
diversification  
strategy...”



- Even very 'traditional' publishers tell their success stories by pointing to the rather 'non-traditional' career paths of their 'hit authors'.



“Publisher says cover of **House of Earth and Blood** was prepared by in-house designers unaware the stock image chosen was **not human-made**”

„... with sales of  
**Sarah J Maas’**  
titles up 161%.”

(The Guardian)

„*Rebecca Yarros tops most listened audio*“  
(BöBla, Nov. 2023)

... WHEN LOOKING AT  
**A**UDIOBOOKS OR  
DIGITAL **L**IBRARY LOANS

*Specialised publishing brands*

OverDrive®

Rank	Title	Author	Publisher
1	Fourth Wing	<b>Rebecca Yarros</b>	Audible (Subscription)
2	Mein Leben in deinem	<b>Jojo Mojes</b>	Audible (Subscription)
3	Westwell	<b>Lena Kiefer</b>	LYX
4	Berühre mich. Nicht.	<b>Laura Kneidl</b>	LYX
5	Verliere mich. Nicht.	<b>Laura Kneidl</b>	LYX

Rank	Title	Author	Publisher
1	Weißer Flieder	Cecilia Sahlström	Saga (Egmont)
2	Zum Bösen verurteilt	Adrian Bednarek	Saga (Egmont)
3	Eine Frage der Chemie	Bonnie Garmus	Piper
4	Der Hausmann	Wlada Kolosowa	Leykam
5	Rehragout Rendez-vous	Rita Falk et al.	dtv

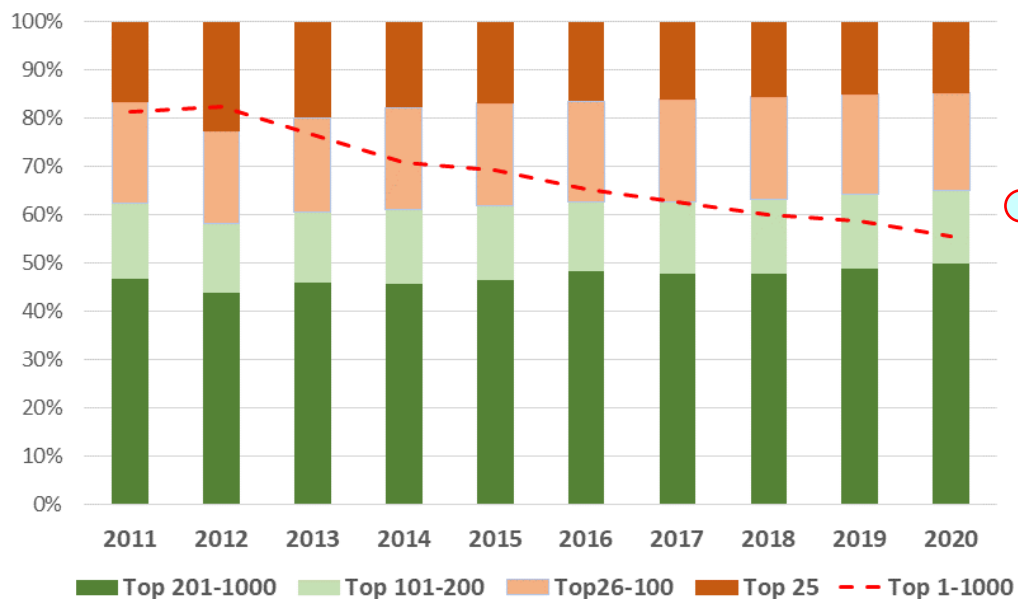
**BookBeat**

Bestsellers 2023 in audiobooks from BookBeat

Top library titles 2023 at Overdrive Germany + Austria

# CRITICAL TRENDS IN TRADITIONAL PUBLISHING (01)

German language full year print top 1000 unit sales, fiction, 2011 to 2020 (data courtesy by MediaControl)



**Between 2019 and 2023 German brick and mortar book shops lost -14,5% in revenue!**

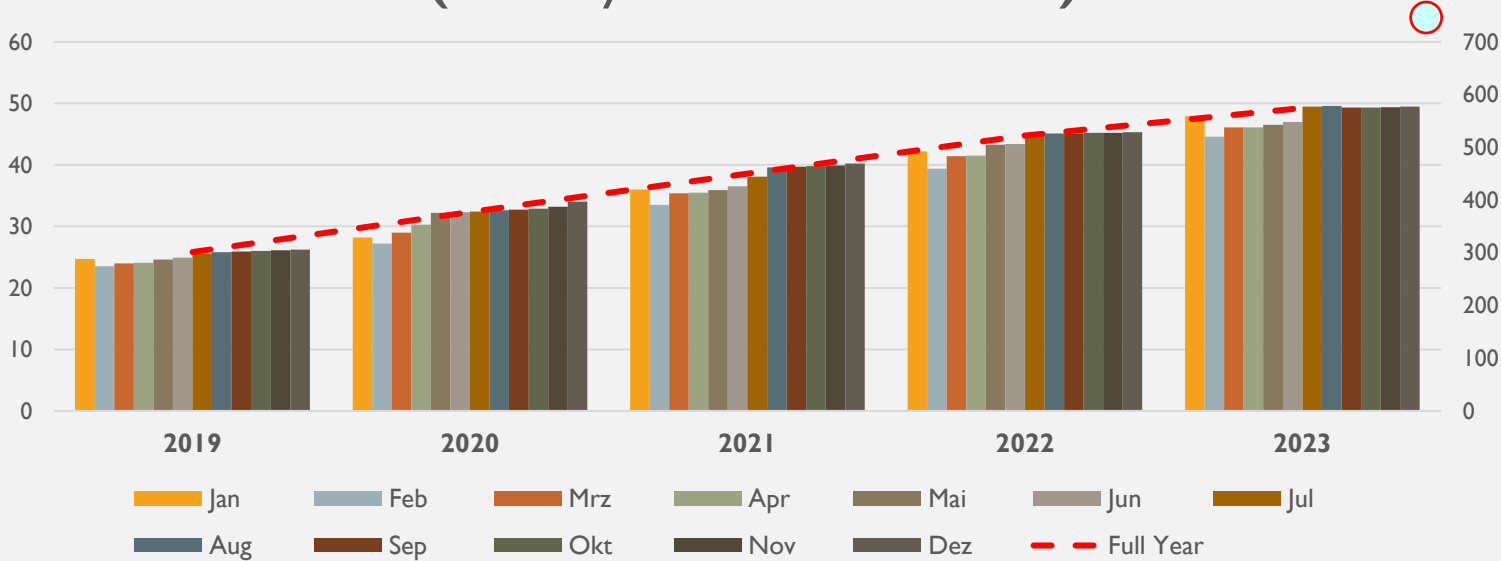
(MediaControl)

**...and why the hell is this important?!**

# SELF PUBLISHING REVENUE

**...and why the hell is this important?!**

**KDP Select payout to small presses and authors 2019 > 2023**  
(monthly and annual increase)



**ANNUAL 'PAYOUT'**  
**575 M\$ IN 2023**  
**(UP FROM FROM 301 M\$ IN 2019)**

**VERSUS**

**US 'TRADE' EBOOK REVENUE**  
**DOWN -6.5% IN 2022,**  
**AND UP JUST 0.6% IN 2023**  
**(AAP DATA \*)**

Sources: Amazon and AAP (\*AAP numbers do NOT include many small presses or self publishing)

## CRITICAL TRENDS IN TRADITIONAL PUBLISHING (02)

			Change in value (YOY)	Inflation	Change in Volume (YOY)
<b>Germany</b>	2023	Total market	2,90%	5,90%	-1,90%
	2023	Book stores	2,80%		
	2019>2023	Total market	1,60%	16,90%	-8,40%
	2019>2023	Book stores	-4,70%		-14,50%
<b>France</b>	2023	Total Market	0,50%	4,90%	-2,90%
<b>Italy</b>	2023	Total market	0,80%	5,40%	-0,70%
	2019>2023	Total market	14,10%	16,30%	12,60%
<b>Spain</b>	2022	Print sales	5,50%	3,56%	2,50%
<b>Sweden</b>	2023	physical bookstores	2,90%	8,63%	-7,10%
	2023	Online bookstores + book clubs			-10,20%

Various  
data  
sources,  
compiled  
for this  
report

## OUR MENU

1. The new circuits that connect authors with their audience.
2. Platforms for specific target groups.
3. How big is all this?
4. Defining and assessing the new.  
A new book industry: services, not products.



## SO WHAT DO WE MEAN WHEN WE SAY „BEYOND“?

*It's all  
about the  
audience, isn't  
it?!*

- Today, a number of different models and approaches have emerged, both **competing** and **coexisting**.
- In particular, **consumer habits** have evolved beyond the one-way street of traditional publishing.
- Consumers are finding **many ways to access a book**, in addition to the traditional distribution channel of bookstores.
- **Self publishing**", for example, received a tremendous and lasting boost when Amazon's **Kindle Direct Publishing** platform ('KDP') was introduced in 2007, to coincide the the launch of Amazon's Kindle e-reader.
- Since then, self-publishing has been **integrated** into the broader spectrum of the book business.

*Platforms offer books alongside other media!*

## SO WHAT DO WE MEAN WHEN WE SAY „BEYOND“?

*It's all about the audience, isn't it?!*

- Over the past two decades, **entirely new businesses** have emerged that are reconfiguring, reshaping, and accelerating the book business.
- The transformation spans the **entire value chain**, from authoring, to production to distribution to consumption.
- Books cannot be seen isolated, without perceiving the ubiquitous **smartphone** as a wider context.
- **Serialization** has broken the limitation of a first and last page.

### Exemplary new players and model

- **Authoring** and **reading** platform;
- Platforms for **highly targeted** audiences;
- Platforms developing content from **written text** into **any other media**, including animated video, games or interactive tools for engaging the individual consumer;
- Social media providing dedicated **book related channels**.
- **Aggregation** platforms based on other business models than unit sales (e.g. **subscription, streaming**)

Platforms offer books alongside other media!

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## HOW BIG IS THIS?

“**One in four books** that we sell in English is a self-published title, which means that effectively for us self-publishing is like having a whole other Penguin Random House sitting out in the market that no one sees. It’s like the **dark matter** of publishing.”

*Michael Tamblyn (Kobo Rakuten) at the Global 50 CEO Talk in Frankfurt 2022*



Credit: photo Rüdiger Wischenbart

## HOW BIG IS THIS?

Some platforms  
grew into huge  
publishing ecosystems!

Amazon	
Amazon Publishing	Traditionally ,curated‘ titles
Kindle Direct Publishing	Self-published by authors (and small presses)
Audible	Audiobooks
Kindle Unlimited	Digital subscription

Rakuten Kobo	
Rakuten Kobo	eBook store
Kobo Plus	Subscription service
Writing Life	Self-publishing
Retail Partnerships	Local book chains

# HOW BIG IS AMAZON IN BOOK PUBLISHING (\*)



(\*) Estimates by Thad McIlroy

What	Revenue (estimates, m\$, per year)	Notes: All these estimates are meant to be ,conservative‘
Amazon Publishing	\$ 100 m	Just the traditional, ,curated‘ publishing arm
Kindle Unlimited	\$ 2,000 m	KU annual ,premium‘ payouts ca. 600 m\$/yr (Amazon data)
Kindle self-publishing (KDP)	\$ 1,400 m	Amazon controls ca. 75 to 80 % of US ebook sales
<i>OTHER: Amazon book retail revenue Germany</i>	<i>\$ 1,300 m</i>	<i>Estimate by buchreport for 2019</i>
<i>OTHER: Audible</i>		<i>Not included are Audible ,originals‘</i>

# HOW BIG IS WATTPAD WEBTOON STUDIO (\*)



What	Revenue (mEUR, per year)	Notes:
Webtoon revenue	€ 735 m	1067 bnKRW, incl. Wattpad, with significant growth expected for 2023 (2021: 660 mKRW)
Global users	85 m	
Global titles	1.4 m	
Creators (worldwide)	830,000	
Authors	5 m	
Demographics		75 to 80% GenZ
Wattpad reader community	90 m	

(\*) Data from „Naver Integrated Report 2022“ and company information for this report

# HOW BIG IS YUEWEN CHINA LITERATURE (\*)



What	Revenue (mUSD, per year)	Notes:
Yuewen revenue	\$ 1,106m	AR 2022 (7,626 mRMB)
Global users	530 m	End of 2023 (company information)
Global titles	1.4 m	
Authors (worldwide)	Ca. 1 bn	200,000 newly added writers in 1HY2022
Growth	600,000	Addition of literary works in 1HY2022
Demographics		
International	2,600 works	Translated from Chinese

(\*) Data from „Yuewen Annual Report 2022“



## HOW BIG IS TONIES (\*)

What	Revenue (mEUR, per year)	Notes:
Tonies sold		5.7 million Tonieboxes 72 million Tonies
Target revenue for 2023	€ 358 m	+39% y-o-y
Markets (targets for 2023)		Germany + Austria + Switzerland 56% / International 44 % (3Q2023)
US (target for 2023)	€ 108 m	+77% y-o-y

(\*) Company data

# HOW BIG IS STORYTEL (\*)

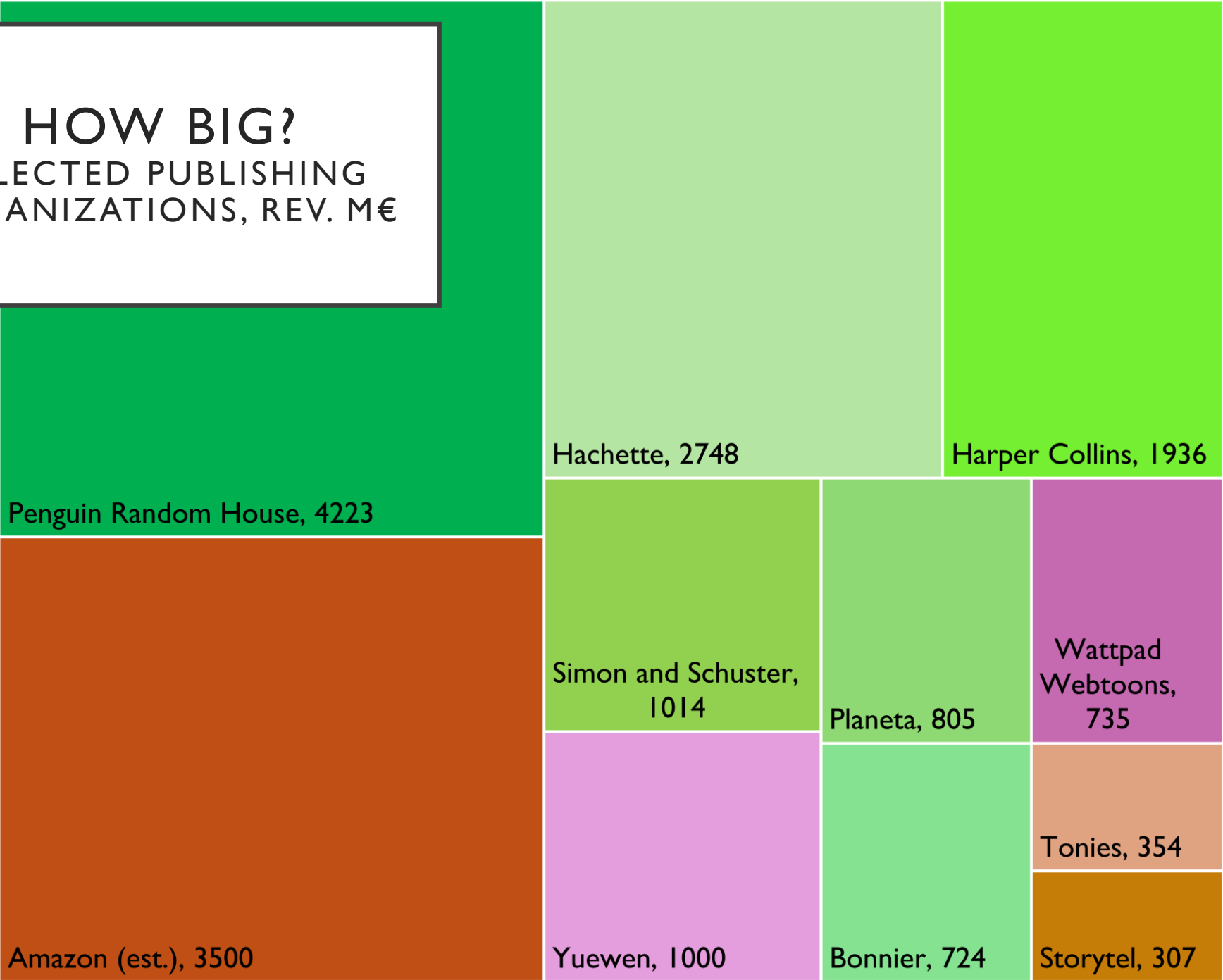


What	Revenue (mEUR, per year)	Notes:
Storytel revenue	€ 310 m	Kr 3.489 (AR2023)
Streaming revenue	€ 288 m	Kr 3.242 (AR2023)
Markets		25 markets, with „Nordics“ ca. 2/3 of all revenue
Home market		Sweden
Global titles	Ca. 1 million	
Subscribers	Ca. 2 million	

(\*) *Company data*

# HOW BIG?

## SELECTED PUBLISHING ORGANIZATIONS, REV. M€



- Amazon (est.)
- Wattpad Webtoons
- Yuewen
- Tonies
- Storytel
- Penguin Random House
- Hachette
- Harper Collins
- Simon and Schuster
- Planeta
- Bonnier

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# What is a book?

## And, what's really in it?

„RIPPING OFF THE COVER“  
(2008)

(...) a **shift of paradigms**, from the book to the library from the container to the format, from individual items to linked bodies of content , and from individual readers to communities of users in networks (...)

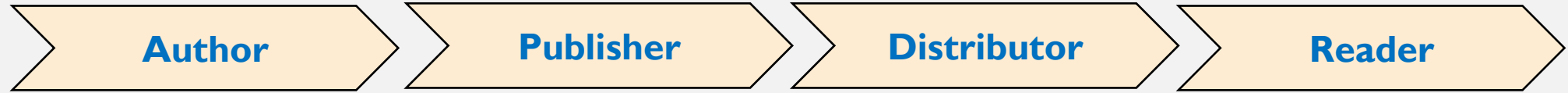
- (...) a multitude of new manifestations of the book, initiatives on the book, book-related gadgets and uses (...)
- A book is indeed a closed container in one respect, but very much an open format in another.
- (...) we can recognize how immensely rich direct encounters between books — and therefore between authors — and readers can potentially be developed through digital networks (...)
- **Buying** the book, or **accessing** it? (...)  
subscription (...)

BEYOND  
THE LINEAR PUBLISHING MODEL

PUBLISHING  
IS ABOUT  
**PRODUCING**  
AND  
SELLING  
BOOKS

>>>

PUBLISHING  
IS ABOUT  
**SERVICING**  
AUTHORS  
AND  
AUDIENCES



## BEYOND THE LINEAR PUBLISHING MODEL

PUBLISHING IS ABOUT  
**PRODUCING** AND SELLING  
BOOKS

- **All under one roof**
- **The bigger the better**
- **Print is best**
- **Warehouses**
- **One copy at a time**

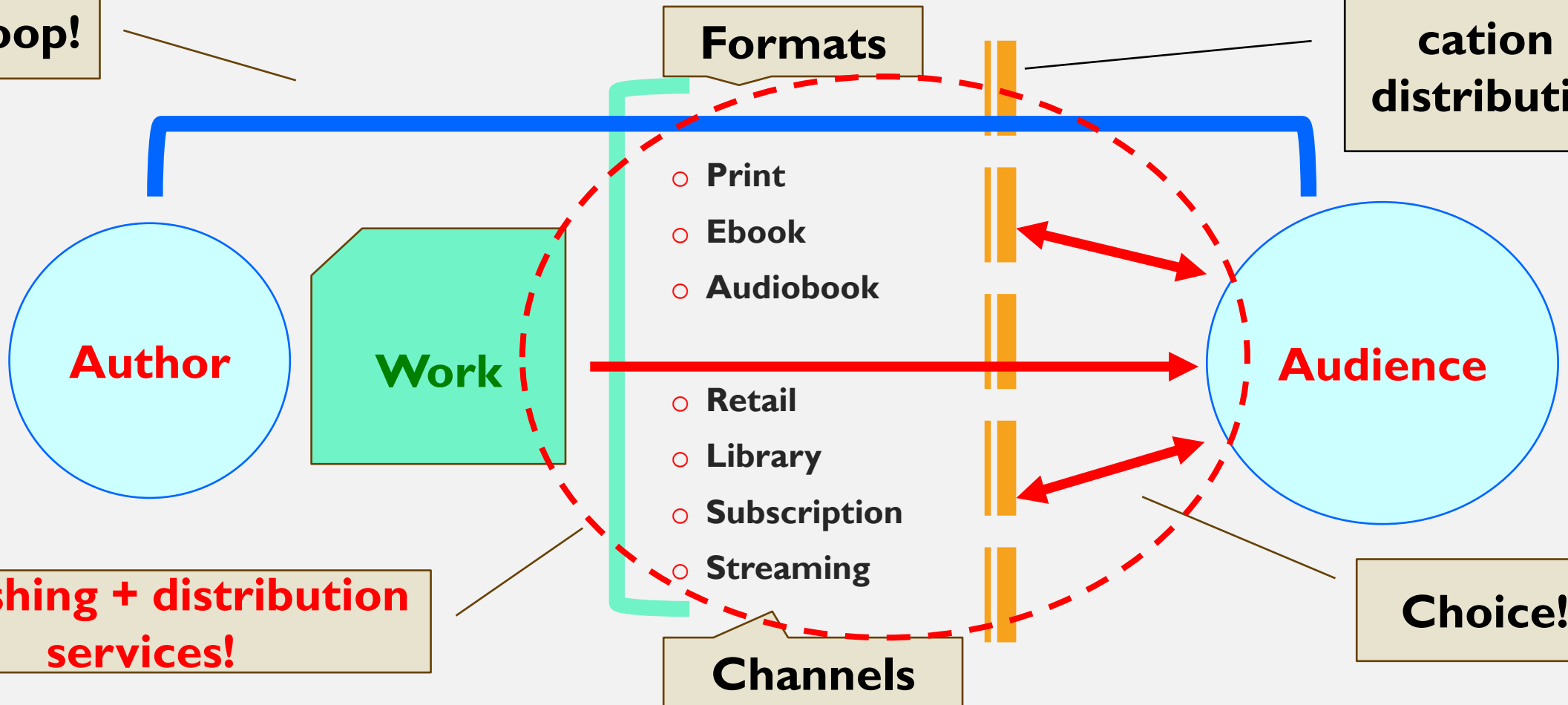
PUBLISHING IS ABOUT  
**SERVICING** AUTHORS  
AND AUDIENCES

- **Distributed and connected**
- **Scale can be fluid**
- **Multi multi**
- **Organizing access**
- **Continuous**

# FROM A **LINEAR** VALUE CHAIN TOWARDS AN **ECOSYSTEM**

**Direct  
interactive  
communi-  
cation loop!**

**Platforms  
channeling  
communi-  
cation +  
distribution!**



**Publishing + distribution  
services!**

**Choice!**

# PARADOXICAL LEARNINGS: WHAT CAN WE TAKE AWAY?

## 1. BOOKS ARE NOTHING SPECIAL

- **The strength of the platforms lies in the fact that they integrate all of these formats, channels and stories and still appeal to individual users:**
- Books may lose their 'exclusivity', but
- Books gain in value through personalisation and directness;
  - This applies not just to digital media;
  - Print and digital serve equally different modes of use!
- Each individual book is aimed at its unique reader!

## 2. THE TARGET AUDIENCE IS KEY

- **Instead of 'selling books', we create access to a personal library of books for each individual:**
- Each target group expects their specific expectations to be addressed;
  - Whether in print or digital;
  - Through unit sales, or by subscription;;
- This requires utilising all available formats, channels and implementations;
- As a service provider, publishers must be smart and attentive without playing the gatekeeper.

Rüdiger Wischenbart



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