

Doing Business in China:

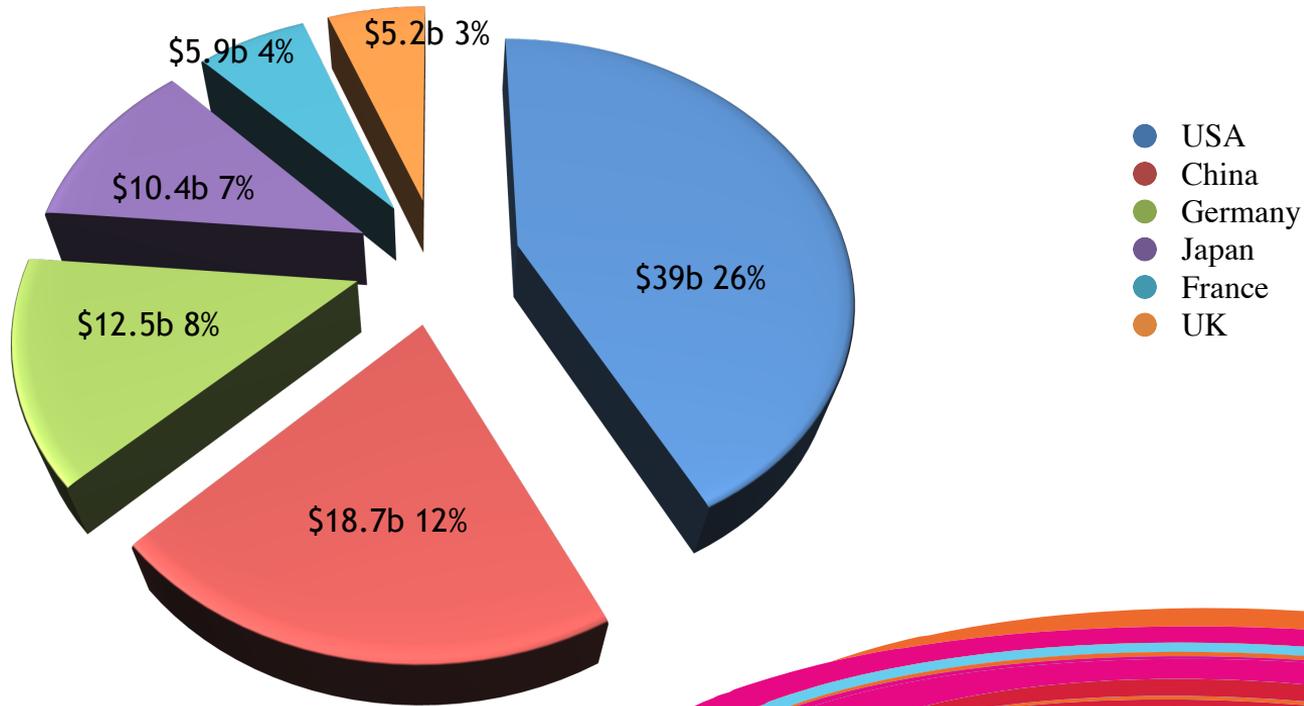
A general overview of the Chinese children's book publishing market



Important Topics to Cover

1. The Big Differences between the Chinese and the Western Book Market
2. How to Work with Chinese Publishers
3. Outstanding Characteristics of the Current Chinese Book Market
4. Chinese Book Market in 2014: Copyrighted Titles' Market Share
5. Outstanding Characteristics of the Chinese Children's Book Market
6. An Analysis of Children's Titles Sold in the Chinese Book Market
7. Leading Children's Publishers in Sales Revenues
8. Top 20 Foreign Publishers having the Strongest Influence in the Chinese Children's Book Market
9. Top 20 Chinese Children's Publishers having the Best Performance in Copyright Trading
10. Trends in Chinese Children's Book Publishing: Keep growing Stably

Top 6 Book Markets Account for 61% of Book Sales



The Biggest Differences between the Chinese Book Market and the Western Book Industry

1. The control and censorship from the Chinese government
 - 1) Buy ISBN numbers directly from state-owned houses
 - 2) Private publishers collaborate with state-owned publishing houses
 - 3) government support to state-owned publishing houses
2. The whole structure of the Chinese publishing industry
 - 1) the vast majority of the state-owned publishing houses are concentrated in Beijing
 - 2) publishers in each province
3. Sales channels: a lack of cross-nation large scale book distributors

Outstanding Characteristics of the Chinese Children's Book Market

1. Among 582 publishing houses in 2014, 546 published children's books.
2. 367 million children in China. 668 million Internet users, 594 million cellphone users, 100 million children constantly use internet.
3. Young readers prefer local authors' works.
Leon Image and Yang, Hongying are the top two favourite authors for young readers.
- Jan. to Jun. 2015, among top 100 children's bestsellers, 79 titles composed by local Chinese authors.
4. Concentration rate still low, slightly increased in the past a few years.
5. RMB 15-20 Yuan is the preferred list price for bestselling children's titles.
6. Copyrighted titles from English-speaking countries are more popular.

Outstanding Characteristics of the Current Chinese Book Market

1. Globally, number one in title output and number two in total sales.

China book market size: 18.7 billion USD (114.4 billion RMB).

2. The Chinese government has initiated big financial support and book grants to book publishing industry.

3. Three major online booksellers enter into a stable competition stage: dangdang, jd, amazon.

4. Digital publishing faces bottleneck. Self-publishing increasing quickly, with a lack of professional aid.

5. Financial investment into the cultural industry increases tremendously. Publishing and media industry are top investment priorities.

6. In March 2014, the initiative of "Nationwide reading promotion" was written into premier Li, Keqiang's government report.

New Children's Titles Output per Year

Years	New Titles Published
1977	192
2013	47000
2014	57000
2015	48000

As a Foreign Publisher, how to Work with Chinese Publishers

1. Selling rights

- 1) can sell rights to both state-owned and private publishers
- 2) apply for copyright registration numbers and ISBN numbers from state-owned publishers

2. Selling printed books

only government-authorized book import & export companies can sell books published in other countries

3. forming joint ventures

Macmillan Century, Hachette-Phoenix

4. setting up representative offices

HarperCollins, Oxford University, etc.

Chinese Book Market in 2014: Copyrighted Titles' Market Share

1. Copyrighted titles accounted for 16.32% of the total sales revenues, and 13.8% of total titles sold in 2014.
2. Compared to 2013, the share of copyrighted titles in total sales decreased 2.37%, while titles sold increased 0.4%.
3. Top three bestselling copyrighted titles:
 - One Hundred Years of Solitude
 - The Little Girl at the Window by Tetsuko Kuroyanagi (a children's book)
 - Oxford Advanced Learner's English-Chinese Dictionary (8th edition)

An Analysis of Children's Titles Sold in 2014 in the Chinese Book Market

	2014	2013	2012	2014 compared to 2013 (%)	performance
Total titles sold	101,740	97,291	85,569	4.57	keep increasing
	2014 (%)	2013 (%)	2012 (%)	2014 compared to 2013 (%)	performance
Percentage of children's titles sold in the entire market	11.20	10.12	8.95	1.08	keep increasing

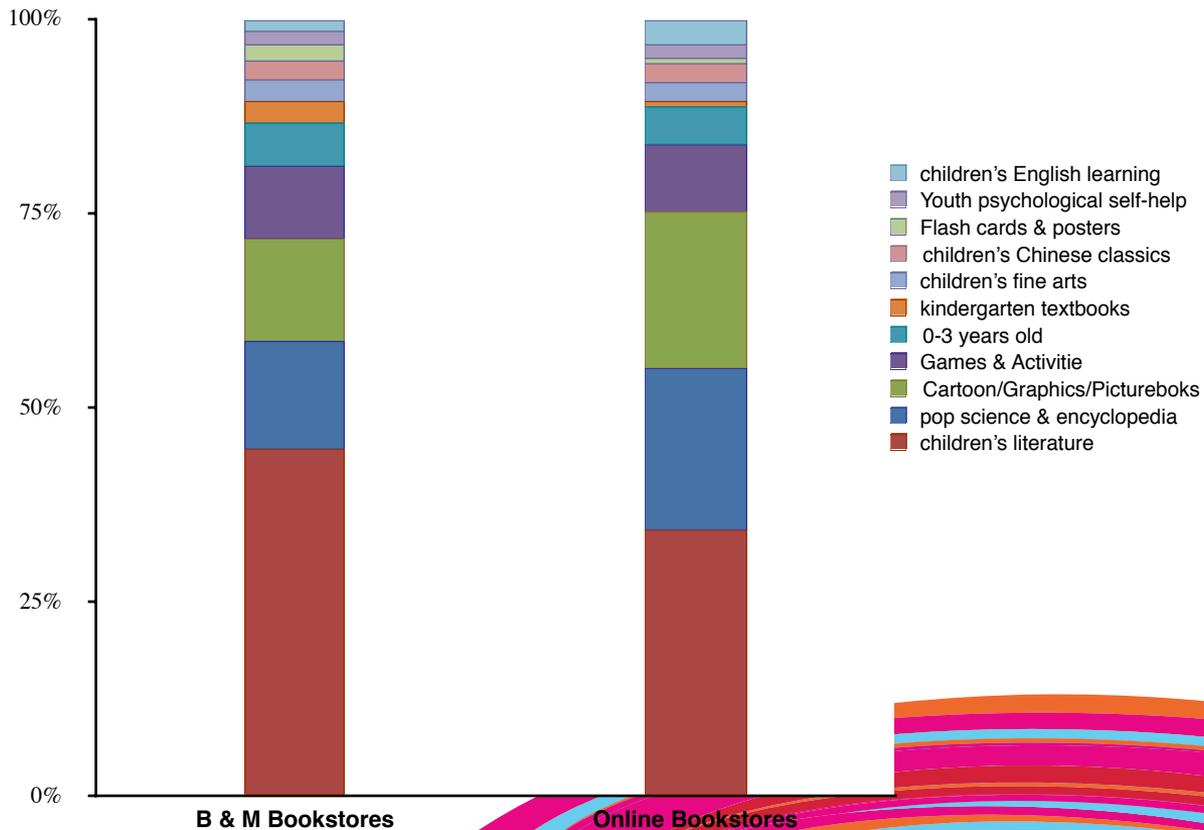
Leading Children's Publishers in Sales Revenues in 2014

Rank	Publishing houses	Sales Revenues (%)	Titles Sold (%)	Titles sold	Rank in 2013
1	Zhejiang Juvenile & Children's Publishing House	10.02	2.88	2932	1
2	Changjiang Children's Publishing Group	5.31	3.22	3277	5
3	Tomorrow Publishing House	5.09	1.34	1359	3
4	21st Century Publishing House	4.96	3.00	3055	6
5	Posts & Telecom Press (Children's Fun Publishing Co. Ltd.)	4.89	2.82	2873	2
6	China Children's Press & Publication Group	4.81	2.08	2111	4
7	Jieli Publishing House	3.29	1.51	1536	7
8	Anhui Children's Publishing House	2.51	2.36	2396	11
9	Tongxin Publishing House	2.14	0.74	754	10
10	Huaxia Press	2.04	0.82	829	115

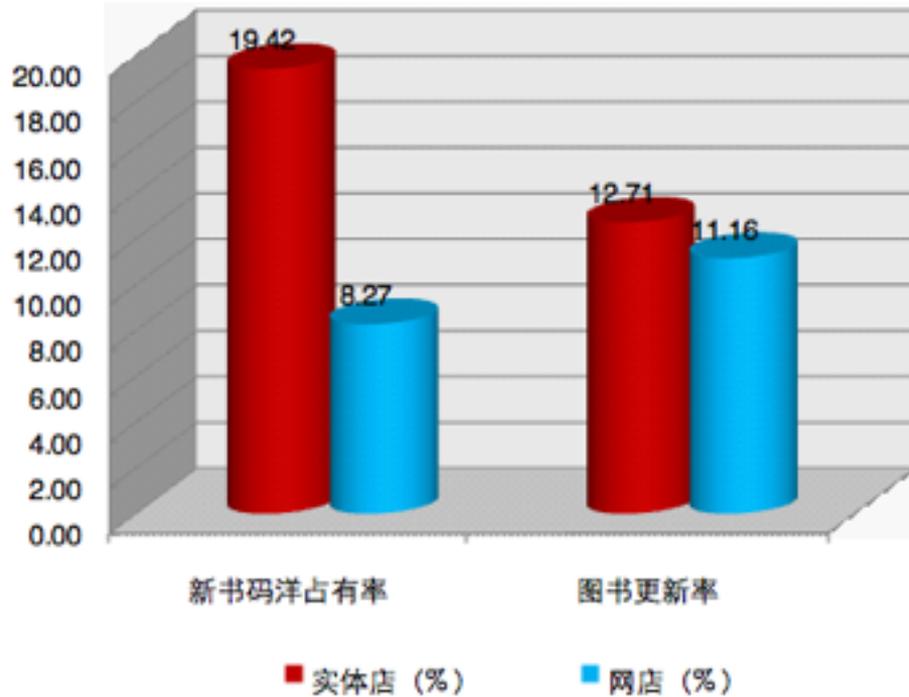
Latest Data: Jan. -Sep. 2015 Top Selling Categories in Sales Revenues and Title Output

Book Categories	Brick & Mortar Bookstores		Online Bookstores	
	sales rev. proportion	title proportion	sales rev. proportion	title proportion
children's literature	44.55	29.84	34.02	30.46
pop science & encyclopedia	13.94	17.14	20.74	16.59
cartoon/graphics/ picturebooks	13.22	16.19	20.39	17.58
games & activities	9.04	10.6	8.5	10.98
0-2 years old	5.57	8.74	5.03	8.17
kindergarten textbooks	3.02	2.62	0.44	1.77
children's fine arts	2.76	4.86	2.5	4.81
children's Chinese classics	2.39	3.2	2.32	2.9
flash cards & posters	2.08	2.04	0.85	1.67
youth psychological self-help	1.74	2.07	1.76	2
children's English learning	1.69	2.71	3.45	3.08

Different Categories Sales Revenue Proportion



Jan. to Sep. 2015 New Titles Market Performance



Jan. to Sep. 2015, Top 10 Bestselling Children's Titles

Rank	Latest title release date	Title	List price (RMB)	Author	Publisher	Copies sold
1	201411	Title No. 24, Charles IX & Dodomo	15	LEON IMAGE	Zhejiang Juvenile	405073
2	201012	The Little Girl at the Window	25	Tetsuko Kuroyanagi	Nanghai Publishing	354310
3	201411	School on the Cloud—The Diary of a Smiling Cat	15	Yang, Hongying	Tomorrow Publishing	348267
4	199807	Grass House	18	Caro, Wenxuan	Phoenix Publishing	250271
5	201506	Title No. 25, Charles IX & Dodomo	15	LEON IMAGE	Zhejiang Juvenile	240534
6	200909	The Dream of a Wolf King	18	Shen, Shixi	Zhejiang Juvenile	232982
7	201301	Little Prince	32	Antoine de Saint-	Tianjin People's	216599
8	201409	Title No. 23, Charles IX & Dodomo	15	LEON IMAGE	Zhejiang Juvenile	208188
9	200903	Fantastic Mr. Fox	10	Dahl, R	Tomorrow Publishing	201670
10	201308	Guess How Much I Love You	35.8	Sam McBratney	Tomorrow Publishing	200436

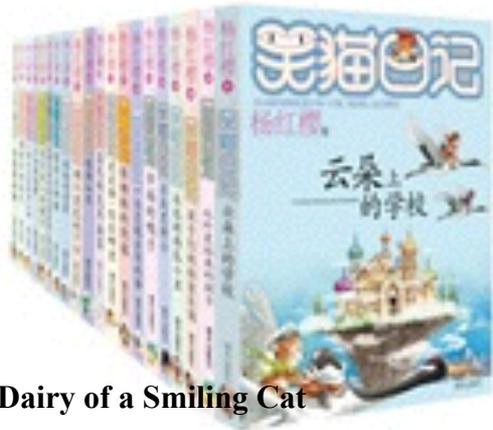
Two Bestselling Series by Leon Image



Charlie IX & Dodomo



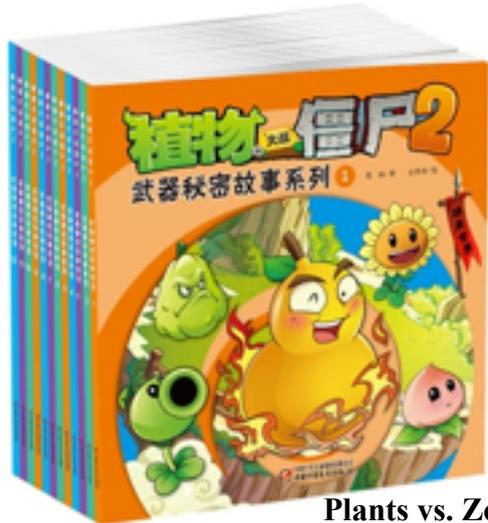
Monster Masters



The Dairy of a Smiling Cat



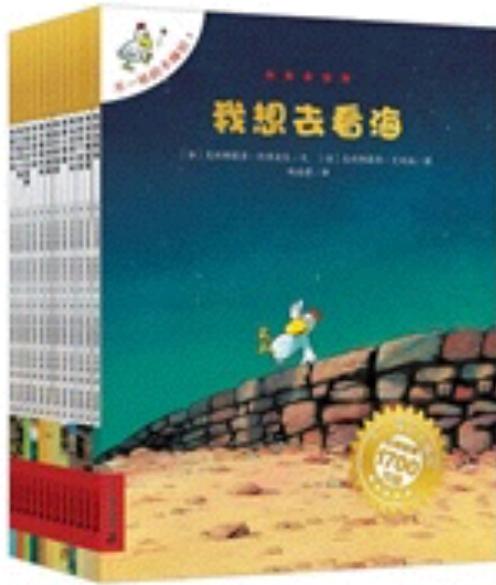
Mischievous Ma



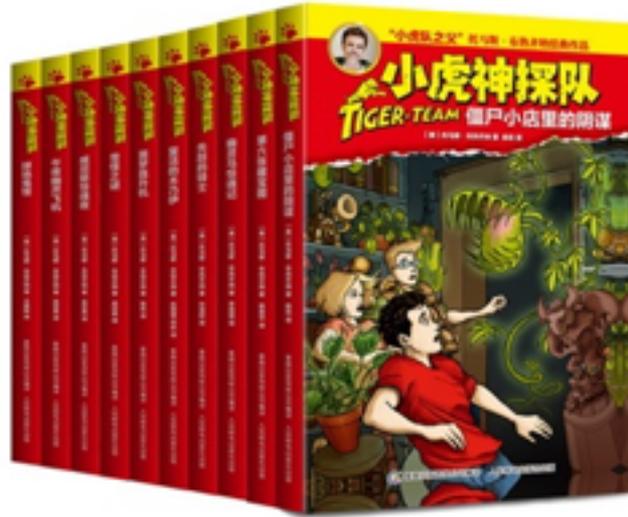
Plants vs. Zombies



Pleasant Goat and Big Big Wolf



Les Petites Poules



Tiger Team



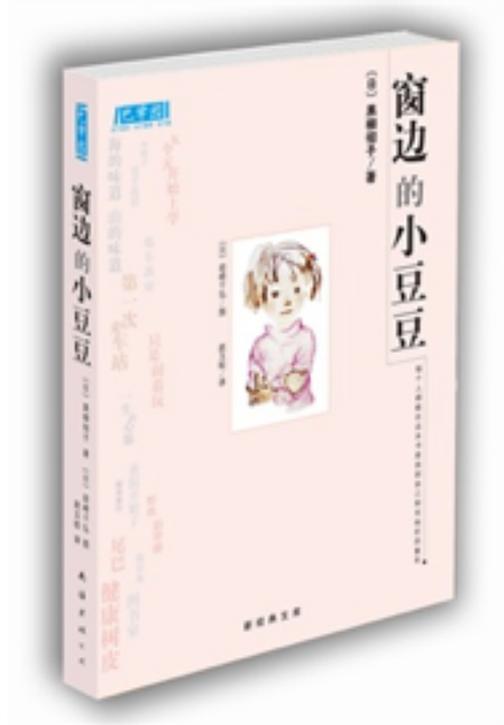
Barbie



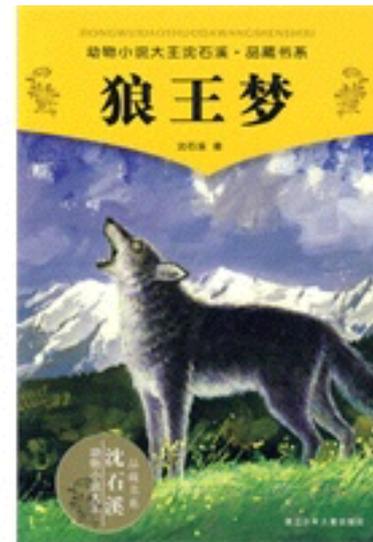
Pipilu



Grass House



The Little Girl at the Window



The Dream of a Wolf King

Top 20 Strongest Influencing Foreign Publishers in the Chinese Children's Book Market

Rank	Publishing Houses	Rank	Publishing Houses
1	Scholastic Inc. USA	11	Groupe Gallimard, France
2	Penguin Random House, USA	12	Macmillan, USA
3	Casterman, Belgium	13	Groupe Dargaud, France
4	Bloomsbury Publishing, UK	14	Piemme, Italy
5	Egmont, Denmark	15	Poplar, Japan
6	Bonnier, Sweden	16	Kondansha, Japan
7	Editis, France	17	Mirar-N, Korea
8	Thienemann, Germany	18	Fukuinkan, Japan
9	Hachette Book Group, France	19	Walker Books, UK
10	HarperCollins, USA	20	Oetinger, Germany

Top 20 Chinese Children's Publishers Best Performed in Copyright Trading

Rank	Publishing Houses	Rank	Publishing Houses
1	China Children's Press & Publication Group	11	New Buds Publishing House
2	21st Century Publishing House	12	Juvenile & Children's Publishing House
3	Zhejiang Juvenile & Children's Publishing House	13	Phoenix Juvenile & Children's Publishing House
4	Changjiang Children's Publishing Group	14	Nanhai Publishing Co.
5	Jieli Publishing House	15	Fujian Children's Publishing House
6	Anhui Children's Publishing House	16	Xinjiang Juvenile Publishing House
7	Tomorrow Publishing House	17	Daylight Publishing House
8	Children's Fun Publishing Co. Ltd.	18	Publishing House of Electronics Industry
9	Sichuan Children's Publishing House	19	New Century Publishing House
10	Hunan Children's Publishing House	20	Hope Publishing House

Children's Books Sold more than 10 Million Copies in China

Name of series	publisher	Original foreign publishers	Original Chinese publisher
Tiger Team	Zhejiang Juvenile & Children's	Egmont	
Charles IX & Dodomo	Zhejiang Juvenile & Children's		
Pipilu	dangdang.com + Zhejiang Juvenile		21st Century Publishing
Les Petites Poules	21st Century Publishing	EDITIS, France	
The Dairy of a Smiling Cat	Tomorrow Publishing		
Mischievous Ma	Tomorrow Publishing		Jieli Publishing
Berenstain Bears	Thkingdom	Penguin Random House, USA	Xinjiang Juvenile & Children's
Shen, Shixi Animal series	Zhejiang Juvenile & Children's		
The Rainbow Cat and the Blue Rabbit	Anhui Juvenile & Children's Publishing		
Magic School Bus	Guizhou People's Publishing House	Scholastic, USA	Sichuan Juvenile
My First Science Graphic Books series	21st Century Publishing	Korean,	
Plants vs. Zombies	China Children's Press & Publication		

Bestselling Series' Sales Contribution to Total Sales of the Publishers

Publishers	Series names	Contribution to total Sales of the company (%)
Zhejiang Juvenile & Children's Publishing House	Charlie IX & Dodomo	29.09
Children's Fun Publishing Co. Ltd.	Pleasant Goat and Big Big Wolf	10.48
China Children's Press & Publication Group	Plants vs. Zombies	41.54
Tomorrow Publishing House	Diary of a Smiling Cat	26.63
Changjiang Children's Publishing Group	Barbie	15.95
21st Century Publishing House	Pipilu	8.06
Jieli Publishing House	Monster Masters	12.98

Trends in Chinese Children's Book Publishing: Keep Increasing Stably

1. Children's books account for only 16%, a great potential for development.
2. The second-child policy, keep increasing of children's population
3. The shift of the family consumption structure
4. Good news on government cultural policies





《大耳朵和小伙伴》 阅读时长:20分钟

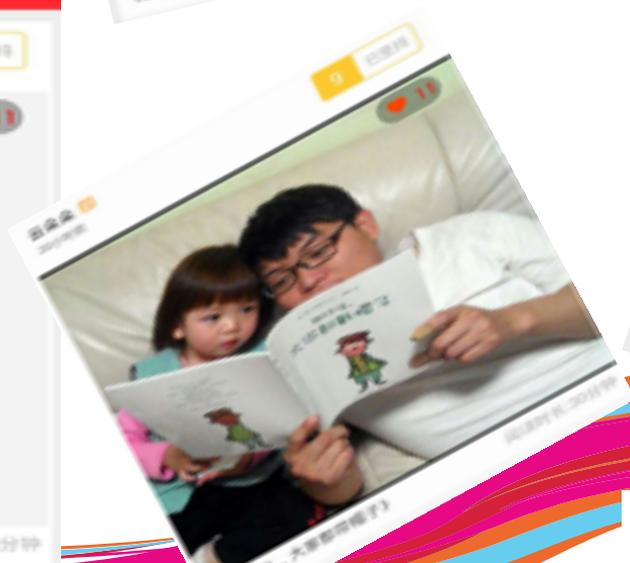


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Grace 2015-4-26

《熊爸爸》 阅读时长:20分钟



吴金金 2015-10-10

《大家都爱孩子》 阅读时长:20分钟



《野果图》《懒豆大哥的床》系列 阅读时长:30分钟



《月亮的味道》 阅读时长:30分钟