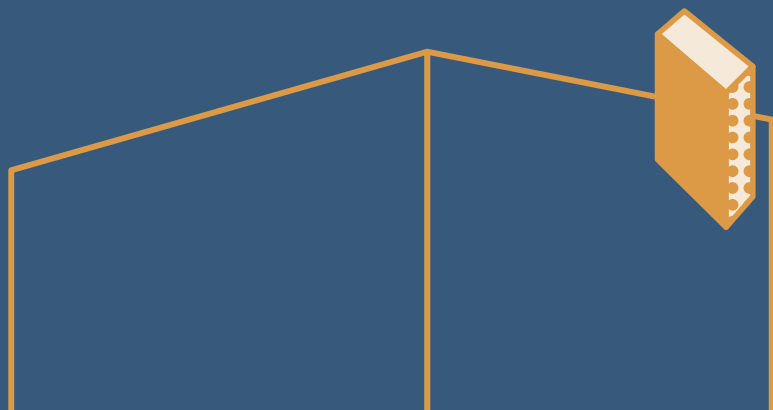


# KPIPA Publishing Industry Trends

H2  
2019



한국출판문화산업진흥원  
Publication Industry Promotion Agency of Korea



## Korea's Publishing Industry in the Second Half of 2019

- **KPIPA Publication Statistics for 2H** : Publication of new books in the second half increased year on year (by 40 titles)
- **Production·Sales·Consumption Index** : Production increased year on year, while sales and consumption decreased
- **Revenue[Publicly Listed Publishers]** : Revenue for the second half was 1.3431 trillion KRW, an increase of 2.5% year on year

### ● KPIPA Publication Statistics for 2H

- New Book Publication : 39,182 titles were published in the second half of 2019 with an average of 6,530 titles published per month; 25.2% or one fourth of all new books were published in the education category  
※ 0.1% increase (40 titles) compared to the second half of 2018
- Active Publishers : A total of 5,771 publishers were active in the second half of 2019, with 40.3% (2,325 publishers) issuing one title and 76.7% (4,425 publishers) publishing five or fewer books  
※ 2.1% decrease (93 publishers) compared to the second half of 2018

#### KPIPA 2019 2H Publication Statistics

(unit : titles, %)

Top Category	Basic Category	Number of Titles Published				
		2018 2H	2019 2H	Mix	Change	Percentage of Change
Early Childhood	Toddlers, Children	3,652	4,070	10.4	418	11.4
Education	Educational Materials Foreign Languages Test Prep/Accreditation	9,675	9,855	25.2	180	1.9
Literature	Fiction/Poetry/Essays/Drama	7,625	8,013	20.5	388	5.1
Humanities	Philosophy/Psychology History/Culture Religion Other	5,900	5,734	14.6	△166	△2.8
Art/Pop Culture	Art/Pop Culture	1,815	2,111	5.4	296	16.3
Practical/Hobbies	Self-Development Home/Lifestyle Cooking/Hobbies Health/Sports/Leisure Travel	2,461	2,372	6.1	△89	△3.6
Social Sciences	Politics/Society Economy/Business Management	4,845	4,028	10.3	△817	△16.9
Science and Technology	IT/Computers Natural Sciences Technology and Engineering	3,169	2,999	7.7	△170	△5.4
Total		39,142	39,182	100.0	40	0.1

## KPIPA Overview of Publishers by Number of Issues in 2019 2H

(unit : count, %)

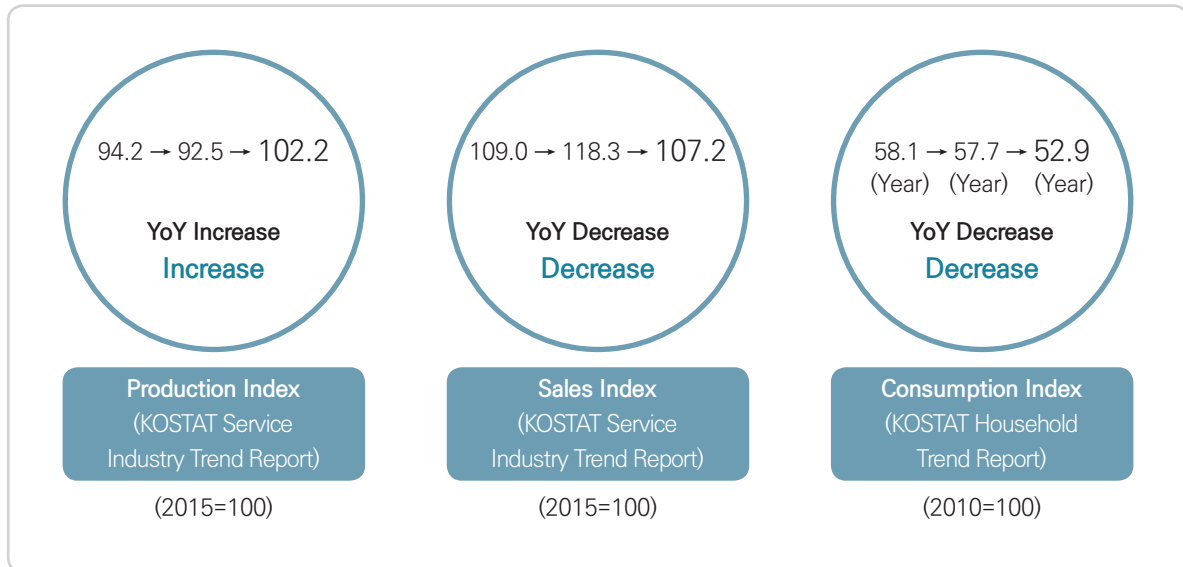
No. of Books		2018 2H		2019 2H		Change
		Publishers	Share	Publishers	Share	
1-5	1	2,354	39.9	2,325	40.3	△1.2
	2	948	16.1	941	16.3	△0.7
	3	542	9.2	557	9.7	2.8
	4	397	6.7	351	6.1	△11.6
	5	277	4.7	251	4.3	△9.4
	Subtotal	4,518	76.7	4,425	76.7	△2.1
6~10	6	191	3.2	198	3.4	3.7
	7	159	2.7	159	2.8	0.0
	8	132	2.2	102	1.8	△22.7
	9	86	1.5	88	1.5	2.3
	10	74	1.3	72	1.2	△2.7
	Subtotal	642	10.9	619	10.7	△3.6
11-30	11-15	267	4.5	252	4.4	△5.6
	16-20	135	2.3	124	2.1	△8.1
	21-25	72	1.2	93	1.6	29.2
	26-30	51	0.9	469	0.8	△9.8
	Subtotal	525	8.9	515	8.9	△1.9
Over 31	31-40	58	1.0	71	1.2	22.4
	41-50	40	0.7	40	0.7	0.0
	51-100	63	1.1	55	1.0	△12.7
	Over 101	48	0.8	46	0.8	△4.2
	Subtotal	209	3.5	212	3.7	1.4
Total		5,894	100.0	5,771	100.0	△2.1

## ● Production · Sales · Consumption Index

- Production Index : Compared against the 2015 benchmark (100), the production index for the second half of 2019 was 102.2 for a 9.7p increase year on year
- Sales Index : Compared against the 2015 benchmark (100), the retail sales index for books and stationery supplies for the second half of 2019 was 107.2 for a 11.1p decrease year on year

- Consumption Index : Compared against the 2010 2H benchmark (100), monthly average purchases of books by Korean households (with 1 person or more) in 2019 was 52.9 (Following a 2017 adjustment to household trend reports to incorporate annual statistics instead of half year statistics, half year statistics are no longer provided)

#### Changes in 2H Production·Sales·Consumption Index in the Last 3 Years (2017 2H – 2019 2H)



#### ● Analysis of Publicly Traded Publishers

- Revenue : Revenue for 2019 2H was 1.3431 trillion KRW, posting a 2.5% increase year on year and 3.8% increase quarter on quarter
  - ※ Since 2017 2H, the industry has recorded quarterly fluctuations but saw an uptick in 2019 2H
- Per Capita Revenue : In 2019 2H, per capita revenue was approximately 168 million KRW for a 2.4% increase year on year and 2.5% increase quarter on quarter
  - ※ Per capita revenue has been trending upwards quarter on quarter since 2017 2H
- Operating Profit : Operating profit for 2019 2H was approximately 70.9 billion KRW for a 13.4% increase year on year and a significant 82.8% increase quarter on quarter
  - ※ Significant fluctuations have been recorded since 2017 2H followed by a robust increase in 2019 2H
- OP Margin : Operating profit margin was approximately 5.3% in 2019 2H, representing a 0.5%p growth year on year
  - ※ Margin levels have been fluctuating after 2017 2H, with a 2.3%p increase in 2019 2H quarter on quarter
- Current Ratio: Current ratio in 2019 2H was approximately 120.1%, a significant 26.8%p decline year on year and a sharp 27.1%p decrease quarter on quarter
  - ※ The current ratio has been on a decline since 2017 2H

- Exports : Export volume in 2019 2H was approximately 14.7 billion KRW for a 9.6% increase year on year and a 9.7% increase quarter on quarter  
 ※ Since 2017 2H, exports have consistently rose
- Workforce : Number of persons employed in this sector was 7,982 in 2019 2H, a 0.1% increase year on year and 1.3% increase quarter on quarter  
 ※ Since 2017 2H, the number of persons employed in this sector has been recording quarter on quarter decline, before reverting to positive growth in 2019 2H

#### Key Changes in Financials for Publishing Industry (Publicly Listed Companies)

(unit : 100 million KRW, persons, %, %p)

Category	2017	2018		2019		2019 2H (YoY)
	2017 2H (QoQ)	2018 1H (QoQ)	2018 2H (QoQ)	2019 1H (QoQ)	2019 2H (QoQ)	
Revenue	12,769.1 (3.9)	12,576.3 (△1.5)	13,102.1 (4.2)	12,939.3 (△1.2)	13,431.1 (3.8)	2.5
Average Per Capita Revenue	1.54 (△10.1)	1.55 (0.4)	1.64 (6.3)	1.64 (0.0)	1.68 (2.5)	2.4
Operating Profit	710.8 (15.9)	183.9 (△74.1)	625.8 (240.3)	388.0 (△38.0)	709.4 (82.8)	13.4
OP Margin	5.6 (0.6p)	1.5 (△4.1p)	4.8 (3.3p)	3.0 (△1.8p)	5.3 (2.3p)	0.5p
Current Ratio	161.5 (△13.8p)	160.4 (△1.1p)	146.9 (△13.5p)	147.2 (0.3p)	120.1 (△27.1p)	△26.8p
Exports	123.1 (△2.5)	124.0 (0.7)	134.6 (8.5)	134.5 (△0.1)	147.5 (9.7)	9.6
Workforce	8,301 (15.5)	8,140 (△1.9)	7,975 (△2.0)	7,881 (△1.2)	7,982 (1.3)	0.1

## KPIPA Annual Statistics

- **KPIPA Statistics for 2019**

A total of 81,715 new books were published in 2019, a 0.2% decrease (175 titles) year on year

- **Active Publishers in 2019**

In 2019, there were 7,930 active publishers (82.2% of which published 10 or fewer books), a 1.6% decrease year on year

– New Book Publication : 81,715 new titles were published in 2019, with the education category accounting for the largest share at over a quarter (28.3%) of the total volume, whereas the science/technology genre saw the largest decline with 9.7% (709 titles)

※ 0.2% decrease (175 titles) compared to previous year

– Active Publishers : In 2019, there was a total of 7,930 active publishers, with 37.0% (2,936) printing one title and over one third of total publishers or 70.4% (5,580) publishing five or fewer books

※ 1.6% decrease (128 publishers) compared to previous year

### KPIPA Annual Statistics (2018~2019)

(unit : titles, %)

Top Category	Basic Category	Number of Titles Published				
		2018	2019	Share	Change	Percentage Change
Early Childhood	Toddlers, Children	7,298	7,337	9.0	39	0.5
Education	Educational Materials Foreign Languages Test Prep/ Accreditation	22,617	23,146	28.3	529	2.3
Literature	Fiction/Poetry/ Essays/Drama	14,637	14,997	18.4	360	2.5
Humanities	Philosophy/ Psychology History/ Culture Religion Other	11,677	11,417	14.0	△260	△2.2
Art/Pop Culture	Art/Pop Culture	3,835	3,764	4.6	△71	△1.9
Practical/ Hobbies	Self-Development Home/ Lifestyle Cooking/ Hobbies Health/Sports/ Leisure Travel	5,110	5,150	6.3	40	0.8
Social Sciences	Politics/Society Economy/ Business Management	9,434	9,331	11.4	△103	△1.1

## 2019 KPIPA Publishing Industry Trends

Top Category	Basic Category	Number of Titles Published				
		2018	2019	Share	Change	Percentage Change
Science and Technology	IT/Computers Natural Sciences Technology and Engineering	7,282	6,573	8.0	△709	△9.7
Total		81,890	81,715	100.0	△175	△0.2

### KPIPA Overview of Publishers by Number of Issues (2018~2019)

(unit : count, %)

No. of Books	2018		2019		Change	Percentage Change
	Publishers	Share	Publishers	Share		
1-5	5,628	69.8	5,580	70.4	△48	△0.9
6-10	967	12.0	934	11.8	△33	△3.4
11-30	980	12.2	918	11.6	△62	△6.3
Over 31	483	6.0	498	6.3	15	3.1
Total	8,058	100.0	7,930	100.0	△128	△1.6

## ● In-Depth Analysis of Industry Trends

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- Production Trends : The total volume of new titles in 2019 declined slightly year on year, although books in the vocational/test prep/accreditation category saw a 12.4% increase. This trend reflects the challenging employment situation in Korea. In literature, fiction production has gone down while publication of poetry, essays, and drama works increased, with particular emphasis on the burgeoning demand for essay collections. With the media landscape shifting more and more to YouTube, popular YouTubers and YouTube-related content are making their way into the publishing market. In humanities, the most popular titles were books offering general knowledge and life coaching tips; in social sciences, the most noteworthy development was the growing increase in books related to the youth generation and socially relevant issues such as justice and inequality.
- Online Retail Trends : Major online bookstores have seen consistent revenue growth on the back of the overall growth of e-commerce, but they have recently posted slower growth following the decreasing demand for physical books. Online bookstores have therefore been branching out into new relevant businesses such as e-book subscription services and audiobook production and distribution. In 2019, as with the year before, essays have been steady-sellers, and with primary and secondary schools launching the One Semester, One Book initiative, sales of books for children and young adults have increased. Books on developing children's reading skills have also been immensely popular. Books and content introduced on popular YouTube channels have also risen to the bestseller lists.
- Offline Retail Trends : According to the findings of the "Local Bookstore Survey & Study on Promotion Policies," one out of five local districts across Korea have either one bookstore or none at all. After the books, newspapers, and magazine retail industry was designated as an immediate priority sector in terms of job protection, big conglomerates have been effectively banned from acquiring, expanding, or launching businesses in this industry until 2024. In regards to the issue of intermediating sales of books in the open market, the Supreme Court has ruled that open market operators should also be regarded as sellers of published material. KPIPA has established a Publication Retail Information Committee, a public-private cooperation initiative to install an integrated publication and retail system, and is planning to establish the Korea Publication Retail Information Center in 2021 to operate the relevant IT networks for this system.
- Copyright Export Trends : In 2019, the industry saw a marked increase in the sales of Korean titles overseas, with Korean literature making strong inroads in the global publishing market. In the Anglo-American market, genre fiction has been quite popular, while in Europe, the initial interest in Korean fiction later spread to Korean essays. In Japan, the most popular Korean books were about the female perspective and narrative, but the recent trade disputes between Korea and

Japan slowed this growth. Ever since the issue of THAAD deployment became a controversial topic for Korea and China, the first signs of recovery have been witnessed centering on children's books and educational comic books. In Southeast Asia, titles on K-pop, self-help, hobbies and interests, and children's books were highly popular.

- Listed Companies : In 2019, the overall Korean economy saw a decline due to challenges in both the domestic and overseas markets, but the service industries achieved significant year on year growth. Unfortunately however, the publishing industry has remained stagnant. The nine publishers that are publicly listed in the Korean market posted growth for the past 3 years on the back of accumulated capital and a flexible response to the latest technological trends. However, as there are still limits to scalability in publishing compared to other industries, new innovations are required to secure a growth engine for the overall publishing market.

## Trend in Book Copyright Export

Richard Hong / BC AGENCY Head

### (1) Quality Export of Book Copyright

- One outstanding development in 2019 was the enhanced quality in copyright exports. *Please Look After Mom* by Shin Kyung-sook was translated/published in 2011 by Knopf, one of the most prestigious publishing houses in the United States, and *The Hen Who Dreamed She Could Fly* by Hwang Sun-mi was released by the distinguished publisher, Penguin Books. The global publishing market was then beginning to see Korean literature as a “promising market.” When Han Kang’s *The Vegetarian* won the Man Booker International Prize in 2016, Korean literature made a leap from a “promising market” to a “market watched by the whole world.” It was a signal that Korean literature was moving away from the margins, both in quality and quantity. This trend was later joined by novel *The Plotters* by Kim Un-su, which was sold to Doubleday, a company part of U.S. Penguin Random House, for hundreds of millions of won in royalty, and its publishing right was sold to over 20 countries including France, Germany and Japan. Good news has been coming from all parts of the world, and now Korean literature is advancing toward the center of the global publishing market.
- In 2019, Korean literature fired a salute in the global market with *Kim Jiyoung, Born 1982*, being released in Japan, Taiwan, China, Spain, Hungary, and the U.S. In Japan, the translated version published by Chikuma Shobo sold a whopping 130,000 copies. In China, with as many as 40,000 copies printed just for the first edition by Xiron Books, the book placed itself at the top of best seller list at the biggest online bookstore in the country. Such records suggested that the popularity of the novel could possibly go beyond Japan and China, onto the global stage. Today’s Korean Wave in literature, dubbed “K-Literature,” is undergoing the process of “quantity-quality transition.” It is high time that we move on from our quantitative assessment of “how many” were exported to “how many” countries to demonstrate and introduce the excellence of Korean literature through proper selection and sophisticated translation.

### (2) Exports to English-Speaking Countries: Rise in Genre Fiction

- *The 2019 Publication Industry Survey* conducted by the Publication Industry Promotion Agency of Korea revealed that the number of annual copyright exports to North America amounted to somewhere around ten for the past few years. Though it was a small survey for 15 copyright agencies, it does present a valid point that exporting to English-speaking countries carries a number of challenges. Nowadays, such countries are turning to Korean novelists in the thriller, science fiction and fantasy genres. Kim Un-su, Jo Kyung-ran, Bae Su-ah, Pyun Hye-young, and

Jeong You-jeong are some of the genre fiction writers who are on the rise. The copyrights of their works are sold to renowned publishing houses for an expensive advance payment.

- Other genre fiction writers not widely known within Korea are also delivering impressive performances. *The Only Child* by the professional mystery/thriller writer, Seo Mi-ae, is a unique thriller novel featuring a psychopathic girl. It was translated and published in the U.S. in February 2019, and the publication rights were sold to 14 countries. In the U.K., the right for TV series adaptation was sold to Carnival Films, the producer of the popular show, *Downton Abbey*. Kim Bo-young's *I'm Waiting for You* is the first short story by a Korean sci-fi writer to be featured in the world's most famous sci-fi webzine, *Clarkesworld Magazine*, and it signed a contract with Harper Collins Publishers, one of the largest publishing houses in the U.S. Due to its creative subjects and speedy story development, genre fiction is more likely to be produced into derivative works such as movies or TV shows, which means it has a larger potential to be exported to English-speaking countries. The interest and base for this genre have been expanding in Korea as well, and this trend is expected to create a positive influence on the copyright exports to English-speaking countries.

### (3) Exports to European-Speaking Countries: Expanding from Novels to Essays

- France has been ahead of English-speaking countries in actively translating Korean literature. Veteran male authors such as Hwang Sok-yong and Lee Seung-u continue to be fairly popular in the country. They are solidifying their status as leading authors of Korean literature, with the greatest number of works translated into French and having been mentioned several times as nominees for major literary awards. In German-speaking countries, the spotlight is on Kim Young-ha and Jeong You-jeong. Jeong was highly praised with *Seven Years of Darkness* and *The Good Son*, and *Kim's Diary of a Murderer: And Other Stories* was published in Germany by Cass Verlag. German media had hailed this novel by Kim, expressing passionate interest in Korean thrillers. Meanwhile in Russia, author Kim Dong-shik's short story collections, *Gray Human Beings*, *The Weakest Monster in the World*, and *Honest Confession* were published by AST. Kim is an author who made the literary debut online by posting bizarre and mysterious stories that he had come up with while working in factories for ten years. His novels are presenting an opportunity to test the potential of K-Literature in Russia.
- The interest in Korean literature started out from novels and is currently expanding to include essays. As Hyemin Sunim's *The Things You Can See Only When You Slow Down* became a best seller in the U.K., Germany, Italy, Spain and the Netherlands, Korea's comforting essays are drawing more attention across Europe. Scorpio Verlag, the German publisher of *The Things You Can See Only When You Slow Down*, has chosen Ryu Shiva as the next-generation essay writer

of Korea following Hyemin. It signed copyright contracts for three works including *Who Knows If It's Good or Bad* and *Do Not Put a Period Where God Has Put a Comma*, which will be introduced to German readers starting from 2020. *Who Knows If It's Good or Bad* was also sold to Bertrand Editora of Portugal as well. Given the geographical proximity of European countries, the “domino strategy” may be an appropriate approach.

#### (4) Exports to Japan: Female Narrative and Comforting Essays

- The most notable market for book copyrights in 2019 was Japan. The door to the Japanese publication market has finally opened up after being tightly shut for the past 50 years. The reason behind this development is the “*Kim Jiyoung, Born 1982* effect,” or the “BTS effect.” The former caused a sensation in the country, with 130,000 copies sold in just three months after the release, leading to an upsurge in popularity of Korean literature—books with strong feminist colors, to be more precise. In particular, it is the young women authors whose copyrights are sold at a rapid speed. Some examples are: *Almond* by Sohn Won-pyung to *About My Daughter* by Kim Hye-jin, *School Nurse Ahn Eun-young* and *Meet at the Balcony* by Chung Se-rang, *Someone Harmless to Me* by Choi Eun-yeong, Didi’s *Umbrella* by Hwang Jung-eun, *The Heart of Love and Respect* by Kim Keum-hee, and *Your Neighbor’s Table* by Gu Byeong-mo. Books with a female narrative are not the entire story. Author Kim Cho-yeop who had burst into the scene got a good press for her “heartwarming and beautiful science fiction.” The copyright for her first novel, *If We Cannot Move at the Speed of Light*, was sold to Hayakawa Shobo for over two million yen after fierce competition among Japanese publishers.
- Kim Soo-hyun’s essay *I Decided to Live as Me*, also known as “the book BTS Jung Kook read,” achieved massive sales of nearly one million copies, topping the best essay list on Amazon Japan. This is highest record among all Korean books that had been translated into Japanese. Subsequently, copyrights of many essays were sold to Japan for a variety of reasons—be it a recommendation by a popular K-pop idol, or a best seller in Korea. *I Want to Die but I Also Want to Eat Tteokbokki* by Baek Se-hee and *I Almost Lived Hard* by Ha Wan received an advance payment of over one million yen for their copyrights each from Kobunsha and Diamond, both influential publishers in Japan. Other examples include, *Thanks to Me* that was sold to Kodansha; *The Power of Words* to Kanki; *Self-Esteem Lesson* to Diamond; and *The Secret of the Top 1% in Harvard* to Bunkyoisha, all on highly satisfactory conditions. However, the trade conflict between Korea and Japan triggered by the retaliation for Japan’s trade ban from July 2019 undermined the cultural exchanges, and unfortunately, the copyright exports to Japan that had just begun to flourish are facing obstacles.

**(5) Exports to China: Gradual Recovery from the THAAD Incident**

- THAAD incident seemed to have destroyed our exports to China permanently, but warm breeze has started to blow again. During the past few years, book copyright exports to China had faltered due to the “Zouchuqu (Go Out)” policy led by the Chinese government with the aim of spreading the Chinese culture around the world, and the international publishing community’s interests in the Chinese market. Amid such difficulties, children’s books and educational comics managed to show signs of recovery, leading to quite some significant copyright contracts. The Britannica Cartoon Encyclopedia series published by Mirae N was exported to China, Taiwan, Indonesia and Malaysia, in recognition of its effective learning method and creativity. It also ranked sixth in the best seller list for the first half of 2019 at JD.Com, a Chinese online shopping mall. Visang Education’s science education comic book series, *The Unexpected Science Adventure by the Fantastic Brother and Sister*, signed a contract with BABEL PUBLISHING COMPANY of Taiwan, and JEL Corporation’s picture book, *On the Way to Buy Chocolate Powder*, was sold to ALVITA Publishing Co., Ltd., a Taiwanese publisher that mainly translates best-selling picture books from English-speaking countries. Best sellers in self-help are also exported to China and Taiwan at a steady pace. As a steady seller in self-help and psychology published in 2016, *Self-Esteem Lesson* was sold to China’s Xiron Group for over \$10,000 in advance payment. The copyright for *90’s Kids Are Coming* that sparked zealous analyses into generational characteristics in Korea was sold to both China and Taiwan.

**(6) Exports to Southeast Asia: Strong Demand for K-Pop, Self-Help, How-To, and Children’s Books**

- In Vietnam, the best sellers at major bookstores are those about K-pop bands such as BTS, EXO, GOT7, and BLACKPINK. The book about Vietnam’s heroic football manager from Korea, Park, Hang-seo, has also gained in huge popularity, written by former football reporter Han Jun who used his 10 years of expertise in analyzing Park’s leadership. The self-help books of Korea continue to be the most popular genre in Southeast Asia. Copyrights of many self-help and comforting essays have been sold to Vietnam, including *I Thought It’d Get Better When I Grow Up*, *I Decided to Live as Me*, and *The Power of Words*, the last two essays being the best sellers in Japan as well. As the value and awareness of Korean brands increase, a growing number of people in the younger generation are seeking to study Korean, resulting in a constant demand for Korean language books. Vietnam has, without a doubt, become the bridge for K-books to enter the Southeast Asian market, signing up a robust amount of copyright contracts.
- Thailand is another country where the interest in Korea’s self-help books remains strong. Lee Ki-joo’s *Temperature of Language* emerged to be a best seller, and the copyrights of *How to Clean up inside My Head* by Kim Kyung-rok, *I Want to Be a Good Person Only for You* by Yoo Kwi-sun, and *Why Should We Be Happy?* by Lee Seung-seok were sold to major publishing houses of

Thailand. In addition, Indonesia is an attractive market for book copyright exports as well, given that translated works account for as much as 50%. Children's books and self-help books of Korea have also been receiving attention lately, with the copyright of *On the Way to Buy Chocolate Powder* released by JEI Corporation being sold to Gramedia, the biggest publication and media group of Indonesia.