The Publishing Landscape in China: New and Emerging Opportunities For British Writers

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Executive Summary

The Publishing Landscape in China: New and Emerging Opportunities for British Writers

This report maps out the market for British publishers and writers in China, identifies the barriers to entering and operating in the market, and considers how much of an opportunity digital transformation represents for British publishers and writers in reaching Chinese audiences.

China’s current publishing landscape is at once exciting and complex, and is in the midst of a significant transformation through its opening up to the world in commerce and culture, and through the impact of technology that is, as elsewhere, radically changing the way its readers consume and share written content.

Understanding the market

The value of the Chinese book (print and digital) market is reported to be €15,3 billion (£11.5 billion). Classic British fiction such as Jane Eyre has always performed well in China, and contemporary British writer J. K. Rowling ranked as China’s highest earning foreign fiction writer in 2012, with royalties of over $2.4 million (£1.6 million) for The Casual Vacancy, and the debut UK novelist S. J. Watson ranked 15th with royalties of over $161,000 (£106,000). The growth of China’s middle classes, and their apparent thirst for Western brands and culture, represents, in principle, a major opportunity for British publishers and writers.

In addition, China is producing 20 million new English speakers every year, which could offer British publishers and writers an English-reading audience that rivals that of the US. Almost a quarter of students on full-time taught postgraduate courses at English universities are Chinese, indicating future generations of an English-speaking, educated market for British book content.
Executive Summary

Following China’s ‘Go Out’ policy in 2009, designed to assist domestic companies in developing a global strategy to exploit local and international markets, state publishers now work more widely in the commercial international rights-dealing world with foreign agents and publishers. Their lists of book titles have been widened and diversified through working with smaller independent publishing companies.

But the transformation of China’s traditional publishing system is only one half of the story, with Chinese readers avidly consuming content on mobile devices that has not been commissioned through China’s traditional publishing channels, but instead provided by online literature platforms such as Cloudary (also known as Shanda or Shengda), which merged with Tencent Literature in 2015.

Traditional publishers in China might be dismissive of online literature, as confirmed in our interviews, with some describing it as poor quality content for genre fiction, but the success stories and the great number of readers are impressive. Online fantasy author Jiang Nan ranked as China’s highest-paid author in 2013, with royalties of 25.5 million Yuan (£2.7 million). According to statistics from EnfoDesk, an Internet think-tank, revenue from China’s mobile-reading market surged by 90.7% year-on-year to 1.47 billion Yuan (£156 million) in the second quarter of 2013. The number of active users rose to 434 million during the same period.

This huge market, however, does not yet appear to be creating opportunities for British fiction writers, with Chinese genre fiction writers, adept at long-form serialised fiction on Chinese themes such as Ancient Chinese history, dominating the market.

Barriers to entry

Despite the potential for British publishers and writers in the Chinese market, there are still a number of barriers to operating within it successfully. Issues surrounding piracy, translation costs, import legislation and fears surrounding censorship are all factors that have traditionally discouraged British publishers and writers from operating in China, and that continue to act as sticking points.

There are, however, encouraging signs that some of these barriers are breaking down. Piracy and copyright are high on the agenda for the Chinese government, demonstrated by a 2010 memorandum of understanding between the UK Intellectual Property Office and the Chinese National Copyright Administration ‘acknowledging the necessity of promoting, improving and strengthening national copyright systems’. This commitment is further demonstrated by the creation, in Guangdong, of China’s first court dedicated to handling intellectual property disputes. According to some, this will be ‘a welcome move in a country long criticised for insufficient protection of such rights’.
Executive Summary

On censorship, government control of the publishing industry is arguably shifting, with greater responsibility being placed on the publishers and platforms themselves in deciding what constitutes government-sensitive content. The policing of digital content now falls under the merged Chinese government’s State Administration of Press, Publications, Radio, Film and Television (SAPPRFT). The Chinese government’s retraction of Sina’s online publication licence in April 2014, however, demonstrates its ability and intention to continue controls on digital content.

The quotas set by the Chinese government on other imported media (such as film) do not apply to books, and the processes of translating written content into English are being disrupted, making it easier and cheaper to make translated editions available in China.

Digital transformation

Digital transformation of China’s publishing industry does, however, create challenges for UK publishers and writers. Of the 414,000 books published in China in 2012, only 2.7% were e-books, the digital content form that is most familiar to UK publishers. China’s relatively slow adoption of e-books is due in part to the strength of the print market and bricks-and-mortar retail, and a reluctance from Chinese publishers to make digital editions available, due to fears about piracy and disruption of their own print market. Amazon Kindle, which has driven rapid e-book adoption in the UK and the US in the past five years, has only recently started operating in China and is now working proactively with Chinese publishers to acquire foreign e-book rights regularly.

In addition, in April 2015 the Chinese government released a document, published by SAPPRFT, encouraging traditional publishing houses to move more rapidly into the digital space. It proposes the building of several digital publishing groups that are ‘strong, influential and credible in three to five years’, saying that ‘the integration of traditional and digital publications was key to meeting the challenges brought about by the rapid development of information technology’.

Some anticipate that China’s e-book market is set to take off, but a major challenge for British publishers and writers will be the low prices paid for e-books, which will make it hard for all but the bestsellers to turn a profit. With so much pirated material available, e-books remain at very low prices, with consumers seemingly unwilling to pay much for digital content. In other countries where pirated material has been widely available, such as Russia and India, the establishment of a wide-ranging, legal e-book market has seen piracy noticeably reduced, with gradual increases in the prices paid for e-books. This pattern bodes well for China’s e-book market: with legal e-book distributors determined to reach the Chinese market, British publishers and writers with solid engagement strategies in place stand to gain.
Executive Summary

One first step might be to establish social media profiles on China's own social media platforms such as Weibo, WeChat and Douban. Chinese publishers are already actively engaging readers on these platforms, creating online profiles across all the major social media platforms. Many British fashion brands, media companies and institutions have also already started to engage with Chinese audiences directly, notably on Weibo with its 61.4 million daily active users.

Some British brands are establishing their Chinese social media strategies and seeding out marketing content before launching products into China: this strategic approach might offer an interesting methodology for British publishers and writers to begin to engage with Chinese readers.

In January 2014, an article in The Economist magazine concluded:

Future consumer markets everywhere are going to look more Chinese. They will increasingly be cosmopolitan, luxury-minded and online. Firms that can flourish in China are not only winning today’s toughest market, but are also positioning themselves for tomorrow’s.

With the explosion of China’s social media channels, and the proliferation of Chinese online and e-book channels, British writers and publishers will undoubtedly find faster and more direct ways to reach Chinese readers. How these ways translate into revenue streams is currently less clear, but the sooner that British publishers and writers try to understand how to engage with this enormous online audience, the more quickly they can begin to understand how to monetise their relationship.
Introduction

Like other content industries, the global book publishing industry has experienced a wave of technological innovations in the past ten years. Sony launched its e-reader in 2006 in the US, and Amazon launched the Kindle in 2007. Apple followed in 2010 with its e-book offering, iBooks for iPad and iPhone. These devices have in many ways revolutionised reading, with readers now having access to entire libraries at their fingertips. The ways in which readers discuss and share interests in books have also changed dramatically through the rise of social media, and social groups now converge online around different interests. In the UK today, one in four books is bought in e-book format.  

This period of major disruption has affected publishing systems in different ways around the world, with the US seemingly leading the way in terms of e-book growth, and with US technology giants Amazon and Apple racing to better understand their consumers. Viewing the international e-book market as an international race, however, does not take into account the cultural nuances, socio-economic contexts and the ways in which publishing industries in different countries respond quite differently to digital technology. As Octavio Kulescz explains in his report Digital Publishing in Developing Countries:

*Given the enormous population, and above all the accelerated economic growth observed in many countries of the South, it is hard to believe that the developing world isn’t making its own contribution to the electronic age. In addition to the countless IT service providers in India and hardware manufacturers in China that support the Western platforms from behind the scenes, there are original and innovative digital publishing projects being carried out at this very moment in the South—local platforms that will one day be able to compete with foreign ones. In fact, some of these ventures are so dynamic that instead of debating who will be the future Apple of China or the Amazon of South Africa, perhaps we will soon be asking ourselves who will be the ‘Shanda’ of the US or the ‘m4Lit’ of the UK.*

In this report, we look at the potential market for British publishers and writers in China, investigating how technology is transforming the Chinese book publishing market, and how online literature platforms are disrupting the way literature is both commissioned and consumed.

The report also identifies the barriers to entering and operating in the market and explores the ways in which information related to books and reading is disseminated in China today, considering whether these might open up new opportunities for British writers, and whether
Chinese social media platforms in particular might offer ways to quickly develop and grow audiences for British writers.

The impact of technology on the Chinese publishing industry is of particular significance because it breaks down formerly rigid business practices and governmental processes. In this new era of an increasingly accessible Chinese market, and with a growing middle class population keen to consume British brands and culture, we consider whether this marks a new era of significant opportunity for British publishers and writers.
1.0: China’s Market Potential

In 2014, China overtook the US to become the world’s largest economy, when measured by purchasing power parity (PPP), according to the International Monetary Fund.\textsuperscript{16}

According to marketing and media network Mindshare, part of the WPP group, in order to do business in China effectively and successfully, marketing strategies must focus on where consumers are digitally.

\textit{China has nearly 1 billion mobile users and 100 million of these consumers use their devices for Alipay—the online payment service for China’s largest e-commerce site Taobao. Alipay already generates double the transaction volume of PayPal globally. China today offers brands the largest expansion opportunities in comparison to other markets. This, paired with the high level of governmental control and regulations in traditional media, has many international brands questioning where and how to allocate their marketing budget. Brands are turning to digital as the key to unlock the China market.}\textsuperscript{19}

By December 2014, the number of internet users in China had reached 649 million, of which the number of mobile internet users was 557 million (or 85.8%), according to the 35th \textit{Statistical Report on Internet Development in China}.\textsuperscript{20} Data from Nielsen’s 2013 \textit{Mobile Consumer Report}\textsuperscript{21} showed that 89% of Chinese consumers aged 16+ had a mobile phone.

The Chinese Ministry of Education estimates that the business of English-language learning is worth 30 billion Yuan (£3.2 billion), with more than 50,000 companies operating in this area.\textsuperscript{22}

The International Publishers Association puts the value of the Chinese book (print and digital editions) market at €15.3 billion (£11.4 billion), naturally making it a market that all foreign publishers are looking to better understand.

\textit{China alone, by now the second largest publishing market worldwide, accounts for more than half of the BRIC countries’ global market share (to be exact, over 12% of global publishing). The Chinese publishing industry is expected to grow further, driven by domestic consumption and the aspiration for a better education of the expanding middle class in China’s large urban regions.}\textsuperscript{23}

According to a survey conducted by the Chinese Academy of Press and Publication, the average
1.0: China’s Market Potential

Chinese adult read 4.77 books in 2013, about 0.38 books more than the equivalent figure in 2012. Reading times for an adult on a mobile phone averaged 21.7 minutes a day in 2013, 5.18 minutes longer than in 2012.24

The same 2013 survey put the ‘Book Reading Rate’ (defined as ‘the population of readers who read at least one book every year divided by the population of educated people in China’) at 57.8% of the population in 2013. Just over half (50.1%) of the Chinese population reads digitally (including reading online on PC, mobile phone, e-reader and other devices). When reading digitally, 44.4% of adult Chinese read online via desktop computers, 41.9% on mobile phones, and 5.8% on e-readers.

For British publishers and writers to understand the potential of China’s digital market, however, it is imperative not only to understand how traditional Chinese publishers are changing, but also to understand the strength and popularity of China’s online literature market, which sits outside of China’s traditional publishing sector.
2.0: Overview of the Chinese Publishing Market

2.1 The Chinese Book Market

China’s publishing market has ‘opened up more and more in recent years’. There have been several dimensions to this opening up—from reforms to Chinese government policy on state publishing, ISBN distribution and copyright protection, to concerted engagement efforts from organisations such as the British Council, the UK Publishers Association, London Book Fair, Arts Council England, as well as British publishers and literary agents.

Contributing factors have included:

2001 – China enters the World Trade Organisation (WTO); state publishers are directed to become more competitive in order to operate in international markets.


2005 – Penguin China sets up its China office, the first foreign trade publisher in China.

2009 – China initiates the ‘Go Out’ Policy (also referred to as the ‘Going Global’ Strategy) to promote Chinese investments abroad. China Classics International (CCI) is one of the major initiatives set up as part of this policy by the GAPP (General Administration of Press and Publication), to ‘bring Chinese culture to the world’.

2009 – London Book Fair (with the British Council and the UK Publishers Association) begins three-year lead-up activity programme preparing for China to be the London Book Fair ‘Market Focus’ in 2012.
2.0: Overview of the Chinese Publishing Market

2010 – Chinese state-run publishing houses gradually transform into commercial enterprises. ‘Increasing copyright sales to China show that an interest in foreign books is growing and thus, chances for Western publishing companies are also on the rise.’

2010 – Memorandum of understanding on Strategic Cooperation on Copyright is concluded between the UK Intellectual Property Office and the Chinese National Copyright Administration.

2012 – China is ‘Market Focus’ at London Book Fair.

2013 – Increase in the number of Chinese publishers taking stands at London Book Fair following ‘Market Focus’ year (a key objective met by London Book Fair).

2013 – Beijing Book Fair reports 50% more UK representatives.

2013 – Chinese government merges GAPP and State Broadcasting Film and Television Administration (SARFT) into State Administration of Press, Publications, Radio, Film and Television (SAPPRFT)—responsibilities included ‘promoting the digitizations of publications and supervising online and mobile publication, including books’ placing ‘a greater emphasis on promoting Chinese press and publications, radio and television abroad’.

2013 – China announces it will open the nation’s first intellectual property court in Guangdong.

2.2 The Chinese Publishing System

International publishing is built around the trade in selling foreign and serial rights. Traditionally in the US and the UK, literary agents handle foreign rights, but many publishing houses have developed well-connected rights departments that also sell the rights of a book to other countries. Book fairs are key venues for the sale of foreign rights where participating countries meet to form a rights ‘bazaar’ and editors hear about and buy new books from publishing houses all over the world.

Selling rights into China has traditionally been more complex, namely because Chinese publishers have worked within the censorship regulation of the government agency GAPP (now merged with SARFT). This agency is responsible for regulating print and internet publications in China, and exercises control by limiting on the number of book ISBNs that are issued.
2.0: Overview of the Chinese Publishing Market

Following the 2009 ‘Go Out’ policy, Chinese state publishers have been working increasingly in the commercial international rights-dealing world, and widening their range of titles by working with ‘cultural agencies’ that are smaller, privately-run Chinese publishing companies. This broadening out of the traditional remit of state-run publishers has in turn had an impact on the publishing process.

2.2.1 The Chinese Publishing Process

Within the state-run publishers, there are two levels of hierarchy: ‘central’ publishers, which directly belong to a ministry or governmental institution and are based in Beijing; and ‘regional’ publishers, located at provincial levels and, with a few exceptions, based in the provincial capitals.

The People's Republic of China today has 581 official publishers, all of whom are state-run. The number of official publishers has been almost static for years, as the founding of new publishing houses is bound to an extremely strict application procedure with the General Administration of Press and Publication. The centre of publishing is Beijing. More than 40% of Chinese publishers are located in Beijing, Shanghai ranking second—falling far behind Beijing with only 7%. Together with ‘private publishing houses’ they published more than 370,000 titles in 2011, of which about 56% were new titles.

The transformation of the Chinese publishing industry has brought with it the following key changes:

• The ‘regional’ publishers have become affiliated with bigger publishing groups;

• Private publishing houses have emerged, working under the label of ‘culture agencies’;

• As state publishers are the only companies issued with a limited number of ISBNs, a market in ISBNs has developed between cultural agencies and state-run publishers.

Margie Seale, Managing Director, Random House Australia and President, Asia Development, Random House globally explains:

Those larger publishers in the major provinces are changing. They are forming partnerships through ISBN allocation and more with entrepreneurial, independent publishers who are by nature more nimble. These smaller publishers are taking greater risks with rights purchases from international markets and in many cases reaping the rewards. The larger publishers in some instances are one-stop shops: publishers, printers, distributors, and freight companies.
The number of private publishing companies working as ‘culture agencies’ is reportedly growing:

The amount of quasi-private publishers working under the name of a “culture agency” has grown rapidly in the past few years. They publish under ISBN numbers which they do not own and which has become a trade commodity between private and state-run publishers on the invisible market. Thus, private publishers are forced to co-operate with state-run publishers, and every book is being released under the name of an official publishing house. Private publishers play a crucial role on the Chinese market and show a high degree of professionalism and market orientation. Even the GAPP tries to make use of the private publishing companies productivity. Since 2010, the cooperation between state-run and private publishers is no longer limited to the ISBN trade: state-run publishing groups often take over important private publishers or hold shares in them.35

Alongside these changes, GAPP developed a more arm's-length relationship with publishers. As Liu Feng, the international business development director of Phoenix Publishing and Media Group, one of China's largest publishers, explains:

Probably the most significant strategic development of the last decade in Chinese publishing has been the move, inspired by GAPP, to draw together many of China’s 570+ official publishing companies into ‘groups’, or conglomerates, and move them to an arm’s-length relationship with the state as stand-alone enterprises.36

This new arm’s-length relationship is one factor that contributes towards British publishers and literary agents looking to understand new opportunities in the Chinese market. As Daniel Hahn, Director at the British Centre for Literary Translation, concludes:

Chinese publishing is being creative, and I think there will inevitably be space for people who will sell well.37

2.2.2 Main routes for British titles into China

Currently, the three main routes of taking British titles to China are as follows:

• Export Editions—English-language books exported to China, facilitated by partnerships between British and Chinese publishers

• British books in translation—British titles translated into Mandarin with rights sold to Chinese publishers (normally facilitated by bridging agencies such as Big Apple, Bardon Media Agency, Grayhawk Agency, etc.)

• British books bought directly via UK online retailers by Chinese readers using Virtual Private Networks (VPNs) or ‘using domestic third-party payment platforms’ where export editions are not available in China38
Reportedly, the direct sales route is rapidly growing; with Chinese readers buying English-language titles directly from sites like amazon.co.uk and from UK book publishers' own websites.

### 2.2.3 Bridging Agencies

All British agents and publishers who sell rights into China—non-fiction as well as fiction—are likely to work with one of the bridging agencies that operate in China. These agencies include Big Apple, Grayhawk Agency, Andrew Nurnberg Associates and Peony Literary Agency. Some of the Chinese agencies work with American agents and publishers, but the majority work mostly with British and European literary agencies. With the UK literary agencies, for example, the bridging agencies acquire an entire list of titles, sell them into China and Taiwan, and then promote the titles separately.

*Any single British writer is represented by one of these four agencies because they basically divided up all the major clients. The reality is that all agencies have an incredible number of clients.*

Anna Holmwood, Grayhawk Agency

Despite the opening up of the market, and a surge in interest from foreign publishers, China continues to be perceived as a complex market for British publishers and writers to penetrate, predominantly because publishing ‘remains one of the most controlled industries in China’, and due to ongoing fears from British publishers of piracy and copyright contraventions of both print and digital editions, as well as the cost of translation. E-books and online literature are easily shared and the Chinese reader's willingness to pay for digital content is uncertain: an issue we explore further below (Section 7.4.3).

### 2.3 Online Literature and Mobile Reading

Online literature, with its roots in China’s self-publishing platforms, emerged in 1990. It has grown rapidly since then, with companies like Cloudary leading the way. Readers in China now regularly access online literature, predominantly long-form serialised fiction, on their smartphones and tablets (rather than on their desktops). In the past ten years, online literature sites have grown substantially, and this publishing system acts independently of the state-run publishers.

The China Internet Network Information Centre (CNNIC) reported that China had 293 million online literature readers in 2014, an increase of 7.1% year on year. This rapid development is attributed to the increase in mobile phone use in China, and to the platforms being widely supported by mobile companies.
Mobile reading, defined by China Publishers as ‘the act of reading and consuming digital content on mobile devices’\(^{41}\) such as phones, tablets, PCs, and e-readers, also covering e-books, e-newspapers, e-magazines and mobile cartoons, hit its stride in 2012, with total revenues of 6.89 billion Yuan (£730 million), the cumulative number of users that year surpassing 600 million.\(^{44}\)

The process of commissioning content for mobile reading platforms operates outside of ‘traditional’ publisher processes, with very different kinds of writers being commissioned.\(^{45}\) As such, these new platforms for literature and writing might signal an additional route into China for British writers. However, as we discuss below, the nature of the content, and the way in which it is commissioned and disseminated, makes it a complex market for British writers to navigate.

### 2.4 How British Writers Engage with Chinese Audiences

The role of live events in reaching and developing Chinese audiences for British writers is crucial. Face-to-face meetings and regular visits to China remain an important component in developing successful business relationships, explored in *guanxi* (good business relationships) below. One of the ways that British authors have managed to get profiled in China with some success has been through initiatives organised by the British Council.

Susie Nicklin, Literature Director for the British Council in 2012, the year China was the Market Focus at London Book Fair, explains:

*The British Council runs a substantial ongoing programme of events with British authors in China including recent trips from Jeanette Winterson, Catherine O’Flynn, and Francesca Beard, and upcoming visits as part of their major ‘UK Now’ pan-arts programme from A.S. Byatt, David Mitchell and Robin Robertson that does much to raise the profile of authors published in translation. Last year the literature team also organised a tour of seven British publishing directors, who met authors, editors and publishers in China and another for the editors of Granta, a publication much admired in China.*\(^{46}\)

A lot of interest can come from author tours in China, later supported by peer-to-peer recommendation and social media buzz. Physically being in China, it appears, has been important for writers trying to build audiences there, and also for publishers looking to develop *guanxi* with Chinese publishing partners. The importance of this face-to-face contact continues to be significant. Madeleine Sturrock was Deputy CEO of the China-Britain Business Council until she formed her own company, PanCathay Consulting Ltd (www.pancathay.com), which assists companies in China and the UK wishing to access each other’s markets. In 2012, Sturrock wrote:
2.0: Overview of the Chinese Publishing Market

If there’s one characteristic which is key to understanding how Chinese business culture works, it is guanxi, or relationships. The Chinese have a much more structured and sophisticated sense of their place in a network of relationships than we do. Even now, it’s often who you know, not what you know, that brings success. To do business in China effectively, you need to pay attention to the relationships you’re building—they will help you get things done. Take your relationships seriously and you’ll be given generous assistance. But be sure to fully understand the motivation of those doing business with you, as relationships bring with them an obligation to reciprocate.47

The current Director of the China-Britain Business Council, Lise Bertelsen agrees:

You have to go and show them, it’s no good trying to do it from far. There are other countries who send out huge delegations. With anything in China the face-to-face thing is the most important thing. China will assume that if you want to do business there, you go there.48

There are, however, a small number of British writers currently beginning to engage digitally with Chinese audiences through Chinese social media platforms. Often these writers have engaged with audiences through platforms such as Weibo during an author tour to China. The extent to which British writers and publishers might be able to engage remotely with Chinese digital audiences is something we explore in the following section.
3.0: The Chinese Publishing Industry and Digital Transformation

The digital transformation of China’s publishing industry has the potential to open up new channels to Chinese readers, bypassing traditional gatekeepers, and is therefore critical context in any assessment of market opportunities for British literary content.

Of course China’s industry is not alone in this. The disruption has been global, and across the value chain—from content format to distribution, and from curation to marketing.

Perhaps the impact of digital technology has been most apparent in China in the huge surge in mobile reading, as we will see in Section 6. Mobile reading is being led by China’s mobile phone industry, with most reading on mobile phone devices, while e-readers such as Kindle do not yet occupy the same market dominance in China as they have had in the UK and the US.49

Of all the developing countries, China is perhaps the most advanced in terms of digital publishing. E-reader manufacturers, digital ecosystems and mobile phone companies have a huge market volume, as well as plentiful economic resources. The state, for its part, keeps an iron grip on all the players’ movements and actively encourages the restructuring of the book sector, through both investments in infrastructure and training programmes. The new global giants of digital publishing will very likely emerge from China and the rest of the Asia-Pacific region.50

Octavio Kulesz, Digital Publishing and the Developing World

This is highlighted in China where a dual publishing system is emerging—the traditional state publishing system, led by state publishers working with ‘cultural agencies’ and, from a foreign perspective, acquiring rights from foreign publishers; and the mobile reading industry, which channels content in huge volumes via online reading platforms such as Cloudary to consumers.
3.1 Gatekeepers for Literature in the Digital Age

The experience of reading and writing is changing around the world, with new platforms and social media playing a big part in the way that readers consume and share books, and in the creative process of writing itself.

One of the other major impacts of digital technology on the publishing system is how the gatekeepers for reading are changing and shifting in power. Digital technology and social media have, for example, had an impact on how literary judgements are made, particularly in fiction. There are now new decision-makers and influencers in the print and digital publishing world who challenge established gatekeepers. In the UK, for instance, the past decade has seen the national newspaper reviews pages systematically cut, bookshops and libraries closing every week, and literary magazines struggling to survive.

Meanwhile, readers and writers continue to gather in online communities, and in some cases themselves perform the role of gatekeepers of fiction, as a new kind of reader/writer ‘prosumer’ emerges. Publishers understand that in order to sell more books they need to better comprehend where these audiences already exist online, and devise ways to engage and market to them.

More generally, the gatekeeper role traditionally played by the newspaper and magazine literary editors, and commissioning editors at literary publishers and book prizes, is being disrupted by the mass of online readers growing more verbal and powerful. This power shift is also having an impact on how ‘quality’ writing is defined in the digital age, with the power of popularity and monetisation of writing seemingly usurping craft and quality.

Some traditional Chinese publishers, such as Shanghai 99, are dismissive of the quality of writing on China’s online literature platforms, stating that, ‘mobile reading is more geared towards the mass market and often devoid of any quality.’

While traditional Chinese publishers might dismiss the quality of fiction being published on online literature sites, the lines between the traditional Chinese publishing industry and its grassroots online literature counterpart appear to be blurring, and the ways in which ‘quality’ is judged is also in transition. Dr Xiang Ren explains:

_‘I don’t agree that the quality of content, particularly online user-generated literature should be assessed by traditional criteria. They have value because millions of readers enjoy reading them.’_ 

In the UK, British publishers have been spotting talent in the self-publishing pool and bringing these authors into the traditional publishing fold. Similarly, Chinese publishers are also beginning to commission the stars of Chinese online literature platforms.
3.0: The Chinese Publishing Industry and Digital Transformation

In a 2013 article in *The Economist* on China’s online literature platforms, Jo Lusby said, ‘there are no authors under the age of 35 who were not discovered on the Internet.’

Simultaneously, mobile companies are looking to commission ‘quality’ non-fiction content beyond online literature for their mobile readers, with publishers such as Citic Publishing Group making large numbers of its high-quality titles in management, economics, and social sciences available for mobile reading. This indicates that mobile companies are looking to increase the amount of non-fiction content coming from traditional publishers in China but this could quickly extend to fiction, and then foreign fiction, creating new opportunities for British writers and publishers (see Section 6.0).

3.2 The Impact of Social Media Channels on Media Consumption in China

*It’s very expensive going to China and it’s a very big market, it’s not just one market—it’s a cliché but it’s a continent not a country and so trying to get into a whole market like China is expensive and doing it through social media it gives you access to a lot more of China than you’ll get sitting in Shanghai or Beijing.*

China-Britain Business Council

Social media recommendation is an important mechanism by which Chinese readers find out about foreign writers, both in the traditional print and e-book market, and born-digital reading platforms. Social media is ‘making promotion more customer-orientated and immediate’, and is creating a communications network that can connect hitherto disparate communities across China. A better understanding of how China’s social media channels work is therefore important for creating opportunities for British writers to reach Chinese readers. The Chinese government blocked Western social media platforms such as Facebook and Twitter in 2009 following riots in Xinjiang, and its own versions such as Weibo and WeChat have developed.

Literary criticism, literary reviews and literary magazines, routes that were traditionally very influential to the book-buying process, have all been disrupted by digital transformation. In addition, experience suggests that Chinese readers are more likely to listen to peer recommendations than they are professional criticism. According to the British Embassy’s Digital Communications Department:

*Professional criticism works fine, but readers still tend to be influenced by friends, influential people (celebrities, businessmen etc.) and other Internet users.*

The Publishing Landscape in China: New and Emerging Opportunities for British Writers
Lise Bertelsen expands:

*When you meet people, you don’t just randomly meet people, you are introduced to people and in a sense that’s what digital media does, it introduces you—it’s somebody you know introducing you, whether it’s a physical meeting or a product, or whatever—I think (social media) feeds into that slightly—that you can trust it more because you know somebody who has introduced you to it.*

These peer-to-peer recommendations for Chinese consumers translate directly into reading and writing transactions.

*Chinese people like to follow influential people. When influential people who have a massive number of followers on Weibo (Chinese Twitter equivalent) recommend something, people would go and try it out. It is not only for books, but for everything.*

The Chinese author Han Han is a good example of an influential writer on Weibo boasting 11 million followers.

British Council China reported in November 2013 that China had over 590 million internet users. Most of them live in urban or developed areas, and are aged under 45. The younger (18–34) generation is more likely to buy items online, a cheaper and more convenient alternative to bricks-and-mortar shopping, while older generations still prefer to shop in physical stores.

The role of social media in Chinese cultural consumption is hugely significant. The China-Britain Business Council recognises the power of social media platforms for foreign brands wishing to reach new audiences.

In a related matter, increasing numbers of Chinese readers now obtain their news and information from social media platforms such as Weibo and WeChat, a phenomenon being attributed to the decline of newspaper content.

*In 2012, mobile e-books (including online works) accounted for 3.358 billion Yuan in revenues, while e-newspapers accounted for 2.01 billion Yuan (1.98 billion of which can be traced to communications firms). However, as customers turned to news client servers and social networks like weibo.com for their news, revenues began to decline for mobile newspapers in 2012.*

### 3.2.1 Weibo

Weibo remains at the heart of China’s social media landscape with its 61.4 million daily active users. Like Twitter, it acts as a micro-blogging platform whose audience consists primarily of urban white-collar workers, and is the natural choice for major campaigns. Western luxury brands that have successfully used Weibo include Coach, Bottega Veneta and Burberry.
3.0: The Chinese Publishing Industry and Digital Transformation

former head of Google China, describes it as ‘the media of choice that people flock to find or share information and to voice or hear opinion.’

Weibo is also being used by the British Embassy, the British Council and British publishers working in China to try and reach and understand Chinese audiences.

In terms of British publishers engaging: the British Council are very good at using Weibo, we have a partnership to publish Jamie Oliver now in Chinese and we are largely trying to sell it by targeting Chinese people who have spent time in the UK, Australia and Germany, and online is the great unifying community. There is little or no data for foreign businesses to use when looking at Chinese publishing.

Jo Lusby, Penguin China

For foreign writers, engagement on Weibo offers a unique opportunity to reach a wider audience. Anna Holmwood, literary agent at Grayhawk Agency, says:

I have noticed that on Weibo any figure, writer, sportsperson who opens an account, people react and are desperate to speak to them.

Some attempts have been made by the British Council to continue building social media profiles for British writers beyond author tours. This is best demonstrated in Weibo accounts created for David Mitchell, Jeannette Winterson and Joe Dunthorne, increasing their Weibo following and offering those British writers a platform to continue a dialogue with Chinese readers.

3.2.2 WeChat

China’s fastest-growing platform WeChat or Weixin (owned by Tencent) is social, mobile and reaches over 400 million registered users. According to the official Impact Report published by Tencent in January 2015, the platform now boasts 468 million monthly active users around the world. 55.2% of users open WeChat more that 10 times a day.

WeChat is an instant messaging app giving users free texting, voice messages, and video calls. It is China’s most popular app for interpersonal interaction, and customers can use it to create their own profiles.

The success of WeChat is based on Tencent’s oldest bedrock business, QQ, the country’s most dominant instant messaging service with access to over 95% of China netizens.

Companies and brands can have a public account and engage with customers and fans directly. According to the official Impact Report, almost 80% of users subscribe to public accounts. Nearly all Chinese publishers and reading platforms already have a WeChat account. Users can subscribe to a public account by searching or scanning a QR code. Harrods is one British brand that has already set up its own public account.
The commercial uses of WeChat are only just emerging. Commercial customers can open a ‘public account’, creating a new conduit for brand promotion or a ‘new mobile social marketing tool’. It can also act as a content provider or reading platform. In August 2013, WeChat launched WeChat 5.0 with changes to the subscription account and moves to develop a revenue stream from companies using the channel as a marketing tool.

In a new development, several Chinese publishers are now opening bookstores on WeChat, marketing their books directly to readers. As China Youth Daily-Global Times reports:

On March 16, the new edition of A Bitter Journey Through Culture, a bestselling essay collection by well-known writer Yu Qiuyu, became the first book to be sold on WeChat. By logging into the shopping section of the app, users can click to buy the book for 28 Yuan (£2.96), which is 10 Yuan lower than in the bookstores; delivery fees are included in the price. Within three days, a total of 4,000 copies had been sold on the platform, according to its publisher Media Times. However, the potential of the WeChat bookstores is still unknown, with some arguing that the ultimate problem behind the downturn in the Chinese book market is that people are no longer interested in buying physical books when they can download the digital versions for free or at low cost from the Internet.

Douban uses a WeChat public account to promote its reading platform. It publishes new content for subscribers every day, providing previews and book reviews. Content includes columns, translation projects, bedtime stories, poems, book reviews, photography and ‘new works this week’. It also links from WeChat to the mobile version of Douban where users can then search e-books and log into their Douban account to find out more there. Evelyn Wang from Douban explains:

WeChat is one of our important promotion channels. It includes daily recommendations, real-time reading and sharing, and sometimes further purchasing. Douban Read’s account on WeChat now has nearly 200,000 followers. Each day we push 1–3 (sometimes 4) posts to the followers, including self-publishing works (30,000 to 50,000 Chinese characters), digitized books, translated works from the Hermes Project, and sometimes interactive activities and songs from Douban FM. Readers could read samples of recommended works and share with their friends. We also have the mobile bookstore which enables WeChat users to search and buy the book they want directly on their phones.

3.2.3 Douban, a Cultural Social Media Platform

Douban has a strong focus on cultural content and as a social media platform it operates in a slightly different way to Weibo and WeChat. Douban boasts over 100 million registered and anonymous users, with nearly half actively using the site. Its 68 million registered users engage in online discussions about film, music and books, either reviewing products or taking part in discussions with other users. It is perceived as a powerful platform for cultural content.
businesses. Holmwood broadly compares its users culturally to ‘Guardian readers’ in the UK—but it remains largely untapped by English language publishers.

The Douban platform works in a similar way to the US platform GoodReads (now owned by Amazon)—so when a book is newly published the coverage on the site will refer to the English language edition. Then, often, the Taiwanese version will come out, and people will discuss that online. Then the simplified character version (mainland China) will be added. At each stage the conversation will be widened to a bigger and bigger group.

Douban is very powerful within a more narrow interest group. And these are the main ways people are learning about their reading choices, no question.

Jo Lusby, Penguin China

With Douban’s ambitions to secure its own publishing licence (see Section 7.2), its position as both cultural a social media platform and a foreign-writer publisher could be enormously significant for British publishers and writers.

3.3 Disruption of the Translation Process

Digital technology is also disrupting the translation process. As Dr Xiang Ren explains:

Language is a big barrier. There is a popular website called Yeeyan (translators). What they are doing is translating interesting articles published in English by crowdsourcing. Their content is very popular in China and they even sell e-books translated from Gutenberg project titles. For the readers who can read English content, they have abundant sources in the digital age, buying e-books directly from overseas platforms like Kindle, iTunes, Google Books and, of course, from digital piracy as well. 74

Yeeyan is the biggest translating community in China. The crowdsourcing translation platform recruits translators and project managers for different translation projects. Yeeyan received a lot of publicity when it co-operated with Citic Publishing House to publish the biography of Steve Jobs, for example, crowdsourcing a translation by four different translators in order to get the Chinese edition out as quickly as possible. This is an interesting example of a traditional Chinese publisher following a traditional rights-buying process and interacting with a new business model for translation in order to get English written content to Chinese audiences more quickly.

Beijing Today75 reported that ‘many readers expressed concern about the quality and consistency of the translation due to the compressed time frame, the presence of four translators’ voices and their amateur background.’76 Yeeyan’s founder, Zhao Jiamin, defends the quality, however, explaining that:

We invited professionals to proofread, so the translation came out to be of very high quality… Every translation project has a project leader who is selected by a Yeeyan
3.0: The Chinese Publishing Industry and Digital Transformation

editor. The project leader is responsible for the project from selecting translators to guaranteeing quality, and ensuring the project finishes on schedule. After the translation process, content will be assigned by the project leader for corrections and proofing. It will aim to reflect the style of writing. We have some standards, for example, the project leader has to have the experience of translating at least three books and the quality of translations must be obtained first approval by Yeeyan. Quality testing committee is responsible to improve the translation book to a better level. The committee will choose 10% of the books after to check the quality.

Yeeyan cites the translation of Steve Jobs’ biography as a successful example of cooperation between Yeeyan and an established Chinese publisher, Citic Press.

With Yeeyan’s crowdsourcing business model, five translators were chosen from more than 400 translators. The translation was accomplished in only one month, which can be published to the public globally at the same time as the English version.

Yeeyan has also translated out-of-copyright titles from Project Gutenberg and Creative Commons by crowdsourcing translations. These titles then go on to be published as e-books on reading platforms including Douban Read, Duokan, Zijieshe and the Kindle Store. The Dongxi Collection, for example, a traditional publisher focusing on technology and digital society books, uses the Yeeyan platform for crowdsourcing translations for their print titles.

Yeeyan translators retain the copyright of the translation and the right of signature. For Creative Commons-licensed books, the ‘volunteer’ translator owns copyright and translations can be read for free. Yeeyan’s business model is that after sharing the profit with the online retailers, 50% is then retained by Yeeyan, with 10% going to the project leader and 40% to the translator(s).

Yeeyan is also looking beyond out-of-copyright books.

Books in the Gutenberg Project are all public domain books. But apart from translated books in e-book market, Yeeyan also cooperates with traditional publisher(s) to publish printed books. For example, books in the Dongxi Collection are all under copyright and have published printed versions.

The crowdsourced approach has its advantages:

From topic selection, translator choice, translation process, quality testing to draft finalising, every process is contributed by translators in the Yeeyan community. This business model improves the translation efficiency to a large extent. Normally, traditional publishers have to spend about a year or even more to accomplish the translation of foreign language books. But crowdsourcing solves this problem well by dividing the work, cooperating and supervising with each other.

Douban has also experimented with crowdsourced translations. In November 2012, users were invited to translate a short excerpt of Paolo Coelho’s The Manual of the Warrior of Light. Those
who were interested had to register and were sent an excerpt to translate (2,500 words or 15% of the final piece). The contest ran for only three weeks but attracted 600 expressions of interest and 350 final submissions.

A committee made up of professional Chinese writers who had a presence on Douban (there are over 3,400 ‘mini-sites’ established by professional writers) selected the top three translations, which were then put to a public vote. The winner was invited to translate the novel in full, which was then made available for purchase as an e-book on Douban Read. Douban has also run a similar contest with the French novelist Marie Nimier and, as part of this research, with the novelist David Mitchell, Nesta and The Literary Platform.79

These major shifts in the way books are being translated into Chinese, coupled with the growing number of Chinese learning English, represent a huge opportunity for British writers and publishers looking at the Chinese market; so understanding historical and current demand for British writers in China is key.
4.0: Understanding Demand for British Writers in China

In 2010, 13,274 titles were acquired through foreign rights deals and of these, 5,284 were from the US, 2,429 were from Great Britain, 1,766 from Japan, 1,027 from South Korea, 739 from Germany, and 737 from France. China acquired 16,115 book titles and 100 digital publications through foreign rights deals in 2012.

Table 1 shows the most popular foreign writers in China, based on revenue earned in 2012, and includes British writers J.K. Rowling and S.J. Watson.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Writer</th>
<th>Title</th>
<th>Country</th>
<th>Revenue (in $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>J.K. Rowling</td>
<td>The Casual Vacancy</td>
<td>UK</td>
<td>$2.4m (£1.5m)</td>
</tr>
<tr>
<td>2</td>
<td>Gabriel Garcia Marquez</td>
<td>One Hundred Years of Solitude</td>
<td>Colombia</td>
<td>$962k (£617k)</td>
</tr>
<tr>
<td>3</td>
<td>Walter Isaacson</td>
<td>Steve Jobs</td>
<td>US</td>
<td>$800k (£513k)</td>
</tr>
<tr>
<td>4</td>
<td>Christian Jolibois,</td>
<td>Les P’Tites Poule</td>
<td>France</td>
<td>$530k (£340k)</td>
</tr>
<tr>
<td></td>
<td>Christian Heinrich</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Haruki Murakami</td>
<td>I.Q84</td>
<td>Japan</td>
<td>$480k (£308k)</td>
</tr>
<tr>
<td>6</td>
<td>Keigo Higashino</td>
<td>Byakuyako</td>
<td>Japan</td>
<td>$450k (£288k)</td>
</tr>
<tr>
<td>7</td>
<td>Thomas Brezina</td>
<td>A Mystery for You and the Tiger Team</td>
<td>Austria</td>
<td>$420k (£269k)</td>
</tr>
<tr>
<td>8</td>
<td>Tetsuko Kuroyanagi</td>
<td>Totto-chan: The Little Girl at the Window</td>
<td>Japan</td>
<td>$320k (£205k)</td>
</tr>
<tr>
<td>9</td>
<td>Dan Brown</td>
<td>The Da Vinci Code</td>
<td>US</td>
<td>$260k (£166k)</td>
</tr>
<tr>
<td>10</td>
<td>Kazuo Inamori</td>
<td>A Compass to Fulfillment</td>
<td>Japan</td>
<td>$240k (£154k)</td>
</tr>
<tr>
<td>11</td>
<td>Khaled Hosseini</td>
<td>The Kite Runner</td>
<td>US</td>
<td>$210k (£135k)</td>
</tr>
<tr>
<td>12</td>
<td>Naoko Takagi</td>
<td>Alone for the First Time</td>
<td>Japan</td>
<td>$200k (£128k)</td>
</tr>
<tr>
<td>13</td>
<td>Kim Rando</td>
<td>Youth, Painful Splendor</td>
<td>Republic of Korea</td>
<td>$194k (£124k)</td>
</tr>
<tr>
<td>14</td>
<td>Rhonda Byrne</td>
<td>The Secret</td>
<td>Australia</td>
<td>$177k (£113k)</td>
</tr>
<tr>
<td>15</td>
<td>S.J. Watson</td>
<td>Before I Go To Sleep</td>
<td>UK</td>
<td>$161k (£103k)</td>
</tr>
</tbody>
</table>

Table 1: Most Popular Foreign Writers in China in 2012
4.0: Understanding Demand for British Writers in China

4.1 Demand for English Language Texts

In understanding current demand for British writers in China, it is important to distinguish between English language texts and translated fiction, education and trade, adults and children.

According to Chinese publisher Shanghai 99, reading foreign fiction is still considered ‘elitist’.83 With China’s middle classes swelling in size, and improved levels of literacy, reading foreign fiction is an aspirational activity that could represent an opportunity for British writers. George Lossius, CEO of Publishing Technology PLC says:

> These are exciting times to be working in China. The new middle classes are booming, literacy rates are healthier than ever and there are several new digital trends that are already proving to be extremely noteworthy.84

China produces 20 million new English speakers every year, more than the population of many countries.85 This fact helps to explain the increase in sales of books in English in China. 14,708 export editions, mostly in English, were imported by China in 2012, up 7.2% on the previous year.86 These export editions are in addition to foreign titles that China acquired through foreign rights deals.

Many British publishers now have offices in China, according to Jo Lusby, Managing Director of Penguin China, who is responsible for overall North Asia business for Penguin Books across sales, publishing and digital business, in local and English languages. For all foreign companies looking to work in China, establishing local publishing partnerships is essential in order to operate there. In 2013, prior to the Penguin Random House merger, Penguin China employed nineteen people in three cities, and worked by acquiring Chinese titles for international publication, establishing local publishing partnerships, and developing retail and distribution channels for English language sales, as well as seeking new digital channels and opportunities. Lusby explains:

> Many publishers have offices—Hachette, Penguin/Random House, HarperCollins, Macmillan—all have people here. Penguin works in three main areas—imported books from the UK and US, Chinese language partnership publishing, and English language books on and from China. We unite these three strands under the Penguin brand, both in print and digitally.

Anticipation of a potentially enormous English-reading market is fuelling British publishers’ interest in export editions to China. Margie Seale of Random House (now Penguin Random House) explains:

> Sales of Random House’s global English titles in China are skyrocketing, particularly beyond traditional physical channels where the online retailers are highly successful and big players in anyone’s terms.87
4.0: Understanding Demand for British Writers in China

4.2 Specialist Chinese Publishers and Foreign Fiction

The British Centre for Literary Translation, Britain’s leading centre for the development, promotion and support of literary translation, believes that many Chinese readers have sophisticated tastes in foreign fiction. Daniel Hahn, its National Programme Director, argues that many Chinese readers have ‘an impressive knowledge of really quality writers there’.88

There are a number of Chinese publishers specialising in translated foreign fiction, notably Shanghai 99, which ‘has been at the forefront of the private publishing movement since it was officially recognized by the Chinese government in April of 2009’.89 Shanghai 99 was established in 2004, and is today one of China’s fastest-growing publishers. It aims to publish ‘the greatest selection of foreign titles, including bestsellers, but also high-quality literary fiction, modern classics and narrative non-fiction’.90 It publishes around 400 titles per year covering literary and commercial fiction, some non-fiction and children’s books. British writers on its list include J. K. Rowling and Zadie Smith.

According to Anna Holmwood, ‘there’s always space for (translated) literary fiction’, while crime fiction ‘isn’t very popular’. Sales figures for translated fiction, however, are reportedly surprisingly small, with Holmwood explaining that ‘a good seller would sell 20,000–30,000. If doing really well, it would sell 100,000 and if you’re getting to the million level, then there are very few who sell that well’.91

Jing Meng, Manager of the General Administrative Office, Phoenix Publishing & Media Group, points out that after China began to open up its market, it was flooded with Western literature. While this sudden influx made reading ‘dynamic and diverse’, Meng also suggests that the range was confusing for Chinese readers, with ‘modernist and postmodern literature all flooding into China at the same time’.92

In 2012 Paper Republic’s annual report on the Chinese Book Market reported:

*Elements of the fantastic are much in evidence: popular foreign fiction includes Life of Pi and The Hobbit, both riding high on movie tie-ins; two older works by Gabriel García Márquez (the newly-authorized translation of One Hundred Years of Solitude is rising on the charts); J. K. Rowling’s non-fantastic novel, A Casual Vacancy, is losing ground.*93
4.3 Demand for Non-fiction and Brands

Other popular non-fiction genres in China include high-quality, popular science and education, and aspirational literature—that is, lifestyle, psychology and self-help. With the fiction market—both Chinese and foreign fiction—severely disrupted by the amateur online literature market, some publishing ventures such as Douban Read, which launched with a view to publishing professional fiction, are now shifting their focus to non-fiction titles where demand appears to be greater.

If you look at the Chinese book market, especially non-fiction content, you’ll find it very rare. Especially those with true (real-life) experiences in it, written by working professionals. We think this kind of non-fiction is in shortage and in need. So we think we can focus our short-term strategy on this kind of content.94

Richard Wiseman, the British philosophy writer, is one of China’s best-selling authors, with his book Rip It Up regularly appearing on China’s bestseller lists.95

Table 2 shows the top ten bestselling foreign non-fiction titles in China in 2012.96

<table>
<thead>
<tr>
<th>#</th>
<th>Title</th>
<th>Author</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Steve Jobs</td>
<td>Walter Isaacson</td>
</tr>
<tr>
<td>2</td>
<td>The Secret</td>
<td>Rhonda Byrne</td>
</tr>
<tr>
<td>3</td>
<td>The Greatest Salesman in the World</td>
<td>Og Mandino</td>
</tr>
<tr>
<td>4</td>
<td>Rip It Up</td>
<td>Richard Wiseman</td>
</tr>
<tr>
<td>5</td>
<td>Youth, Its Painful</td>
<td>Rando Kim</td>
</tr>
<tr>
<td>6</td>
<td>On China</td>
<td>Henry Kissinger</td>
</tr>
<tr>
<td>7</td>
<td>Dale carnegie’s Lifetime Plan for Success</td>
<td>Dale Carnegie</td>
</tr>
<tr>
<td>8</td>
<td>Life Without Limits: Inspiration for a Ridiculously Good Life</td>
<td>Nick Vujicic</td>
</tr>
<tr>
<td>9</td>
<td>A Global History: From Prehistory to the 21st Century</td>
<td>L. S. Stavrianos</td>
</tr>
<tr>
<td>10</td>
<td>A Brief History of Time</td>
<td>Stephen Hawking</td>
</tr>
</tbody>
</table>

Educational publishers looking to work in China face specific challenges because many of the traditional routes to market (schools and colleges) are closed to foreign content. In terms of other genres selling well in China, really big names and prizewinners are popular.

The importance of brand in Chinese culture, especially in signifying taste and social status, and as an outlet for individuals to belong to a specific social group, should also be noted in relation to demand for foreign books. British brands with ‘heritage’ appeal such as Downton Abbey and Sherlock perform well in China for precisely this reason, though they must also contend with a consumer base that in many ways seems fickle and is happy to switch loyalties.97
4.0: Understanding Demand for British Writers in China

The notion of creating ‘brands’ specifically around writers and lists is an ongoing publishing phenomenon, not restricted to China. Speaking in September 2011, Penguin (now Penguin Random House) UK’s Tom Weldon said: ‘Books are not dying, but adapting and innovating. Media is no longer about format, but content, and consumers want brands and experience.’

4.4 Demand and the Online Fiction Market

In the UK, fiction has performed exceptionally well in the e-book market. The PA Statistics Yearbook 2013 (PASY) shows that in a pattern repeated for the past four years, the two best-performing digital sectors remained Fiction and Academic, making up 39% and 42% of the £509 million digital sales market respectively. In fiction, ‘the share taken by digital has leapt from 25% to 33% and by even more in some categories’.

The market for fiction in China, however, is complex due to the ‘fiction vacuum’ created during the Chinese state publishing system before the ‘Go Out’ reforms in 2009, a thesis explored by Dr Lucy Montgomery and Dr Xiang Ren. This ‘vacuum’ nurtured a range of born-digital, direct-to-reader fiction platforms bypassing traditional publishing processes, and these fiction platforms have exploded in popularity with the shift to mobile.

The kind of fiction being read and commissioned in the born-digital arena differs widely from that produced by the state-owned publishers. The Economist reported in March 2013 that ‘while many state publishers continue to stubbornly view literature as a vehicle for propaganda or self-improvement, online sites are driven by market forces and the interests of readers have encouraged niche genres, from teen romance to time travel. On the online literature platform Qidian, the top three ranked novels in January were a Chinese knight-errant novel, fantasy fiction and historical fiction.’

While there are many British writers of fantasy and historical fiction, the way in which these online and mobile stories are commissioned and delivered to Chinese readers is a process dominated by Chinese writers. Foreign writers are, however, using the Cloudary platform, with British writers making up nearly 6% of its writers in 2013.

Table 3 (overleaf) breaks down the geographical location of writers based on analysis of IP addresses. The closest equivalent to online literature in the English-speaking world is Canada’s Wattpad, a publishing platform reaching over 21 million readers per calendar month.
4.0: Understanding Demand for British Writers in China

<table>
<thead>
<tr>
<th>RANKING</th>
<th>COUNTRY</th>
<th>PERCENTAGE OF TOTAL NUMBER OF WRITERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Singapore</td>
<td>32.03%</td>
</tr>
<tr>
<td>2</td>
<td>United States</td>
<td>19.04%</td>
</tr>
<tr>
<td>3</td>
<td>Japan</td>
<td>8.05%</td>
</tr>
<tr>
<td>4</td>
<td>United Kingdom</td>
<td>5.81%</td>
</tr>
<tr>
<td>5</td>
<td>Malaysia</td>
<td>5.40%</td>
</tr>
<tr>
<td>6</td>
<td>Korea</td>
<td>4.98%</td>
</tr>
<tr>
<td>7</td>
<td>Germany</td>
<td>2.71%</td>
</tr>
<tr>
<td>8</td>
<td>New Zealand</td>
<td>2.67%</td>
</tr>
<tr>
<td>9</td>
<td>France</td>
<td>2.23%</td>
</tr>
<tr>
<td>10</td>
<td>Italy</td>
<td>2.16%</td>
</tr>
</tbody>
</table>

Table 3: Geographical Distribution of Foreign Writers, March 2013 Source: Cloudary

What is clear about online literature platforms everywhere is that there is an expectation that writers will interact with their readers. This is where the opportunities for British writers on Chinese literature platforms might be logistically challenging, given that genuine audience interaction is in most cases impossible due to the language barrier.
5.0: Online Literature

Understanding China’s online literature scene is essential to get a full picture of China’s publishing market.

5.1 Chinese Online Literature

The dominant digital reading companies in online literature are Tencent Literature, ChineseAll and Cloudary (or Shengda). These popular genre fiction sites attract huge audiences, and writing can be searched by author, genre or by popularity (measured by the number of hits and comments).

In March 2015, Tencent Literature and Cloudary announced that they would merge to become the Yuewen Group, China’s largest online publishing and eBook company. In terms of the ambitions of the newly formed Yuewen Group, which has 1,200 employees and more than three million books, its CEO Wu Wenhui said, ‘it expects to attract around 100 million readers a year generating more than 200m Yuan (£21.2m).’

Prior to the merger Cloudary accounted for 72% of China’s original literature content reaching specific genre audiences, while Tencent Literature provided a platform for fiction writers, including amateur novelists, to showcase their work online.

Figure 1 shows China’s best-known online literature websites in 2013.

Q. When you think about online literature, what are the first sites you think of?

Figure 1: Most Popular Chinese Online Literature Sites in 2013
5.0: Online Literature

5.1.1 Cloudary

In 2011, the research agency iResearch estimated that Cloudary accounted for 72.1% of the Chinese online literature market.\textsuperscript{106} It owns the Cloudary platform with community-generated content and content from third parties, and acts as a community-driven platform for storage and discovery, analysis, recommendation and distribution of content. Within this platform Cloudary operates multiple revenue models.

Cloudary also owns Qidian, the largest online destination for original online mostly amateur, Chinese literature, with a focus on the fantasy, sci-fi, martial-arts and military genres, targeting male readers and writers.

According to Lisa Zhang at Cloudary, speaking at London Book Fair in 2012, the top 10 novels on Qidian had collectively generated 680 million page views to date. Cloudary also owns Hongxiu, which focuses mainly on women’s literature and specialises in romance and career genres.

5.1.2 Tencent Literature

Tencent owns WeChat and QQ. It is the most widely used communication application in China, giving Tencent a distinct advantage over other publishers, namely its own distribution channel. For mobile reading, having this distribution channel is essential, and one of the key reasons why online literature publishers have wanted to work with mobile companies.

Tencent Literature can use its own distribution channel instead of cooperating with mobile companies, making it a major competitor in the online literature market. Four prominent Chinese writers, Mo Yan, A Lai, Su Tong and Liu Zhenyun have signed contracts with Tencent Literature Master Group.

5.1.3 ChineseAll

ChineseAll’s core business is acquiring rights from publishers and authors, and then publishing content on different platforms. Profits are shared between publishers, authors and ChineseAll. The ChineseAll online literature platform is reputedly receiving 50 million page views per day.\textsuperscript{107} Its secondary business focuses on digital publishing services and on developing different digital platforms, predominantly focused on personal reading experiences. As well as online literature, ChineseAll also hosts audiovisual and online game content. For example, it hosts 20,000 hours of audio books from well-known Chinese writers, which can be listened to across different platforms (e.g. PCs, mobile phones, and digital tablets).
5.2 Genre and Audience Types for Online Literature

Popular genres for Chinese online literature writers include Fantasy Fiction, Urban Fiction, Time-Travel Fiction, Romantic Fiction and Historical Fiction (see Figure 2 below).\(^{108}\) According to Dr Ren Xiang and Dr Lucy Montgomery, this fiction is written predominantly “by unknown amateurs and quality can be difficult to judge in advance”.\(^{109}\)

Other popular genres for online literature include wuxia (a genre of Chinese fiction focusing on the adventures of martial artists and knights errant), science fiction and mystery (See Figure 2 below).\(^{110}\)

Audiences for online literature consist of 63.4% male readers and 36.6% female readers, mainly between 18 and 35 years old. The top three occupations of readers are labourer worker/waiter/shop assistant (25.8%), student (22.6%), and office worker (15%). Over a third of readers are estimated to have a secondary school education (37.6%), followed by college education (27.1%), undergraduate (18.5%) and a junior high school (12.9%).\(^{111}\)

Perhaps most striking is the depth of engagement, with 42.1% of readers estimated to access online literature more than three times a day (See Figure 3 below).
39.3% all online literature readers (see Figure 4 below) spend 30 minutes to an hour in one single reading, with just under 3% spending more than two hours reading. Online literature is evidently engaging readers.

![Figure 4: Length of Time of Average Reading Session](source)

### 5.3 Online Literature and Traditional Mainstream Publishers

Though the two worlds of online literature and traditional state publishing might seem at odds, there appears to be some shift in attitudes and an increasing level of crossover activity between the two.

An example of a title that has made the transition from online literature to traditional publishing is *Ghost Blows Out the Light* (Gui Chui Deng). Originally posted online, this novel has now been published by mainstream publishers and turned into an audiobook, an online game and a movie.

There has also been recognition of online-only writers, such as Tan Jia San Shao, by the Chinese Writers Association. In 2012 San Shao was the first online literature writer to be elected to the organisation.

### 5.4 Business Models for Online Literature

Online literature made available via sites like Qidian tends to begin as serialised fiction that readers can access without any charge. Once a series becomes popular, it is converted into ‘VIP content’ and readers are required to pay to read the latest instalments. The price of online paid reading is extremely low by Western standards, as illustrated below, and revenue is split between
authors and website operators. As early as 2006, Qidian is estimated to have had over 100 million daily page views and made more than 30 million Yuan (£3.2 million) in profit. Qidian’s successful combination of a ‘freemium’ approach and a micropayment system was regarded as one of the most significant commercial innovations made in China that year.\textsuperscript{114}

Online mobile reading platforms like Tencent Literature, Cloudary and ChineseAll have all developed their own user-friendly payment systems in cooperation with mobile communications companies, which are widely accepted by readers.\textsuperscript{115}

5.4.1 Payment System Case Study: Cloudary

The Cloudary platform’s business model is built around three revenue models:\textsuperscript{116}

5.4.1.1 Subscription

Readers can pay for content using Cloudary’s virtual currency supported by different payment mechanisms such as Alipay, PayPal, online banking (international bank cards are supported), mobile phone bills and top-up cards.

Cloudary’s payment systems included:

A micro-payment policy:

\begin{itemize}
  \item ¥0.05 (less than 1 pence) per 1,000 characters (Non-members)
  \item ¥0.04 per 1,000 characters (Basic members)
  \item ¥0.03 per 1,000 characters (Intermediate members)
  \item ¥0.02 per 1,000 characters (Supreme members)
\end{itemize}

(Memberhip requirements vary slightly among Cloudary’s different websites.)

Other pricing models:

Monthly subscription: (available in Hongxiu, Xiaoxiang, ShuYuan and Jinjiang)

\begin{itemize}
  \item 1 Month \ ¥15.00 (approximately £1.60)
  \item 3 Months \ ¥36.00 (£3.80)
  \item 6 Months \ ¥63.00 (£6.70)
\end{itemize}
5.0: Online Literature

12 Months ¥108.00 (£11.40)
24 Months ¥180.00 (£19.10)

(Subscribers may read all chapters of the 'monthly subscribed books'. Prices vary slightly among different websites e.g. Qidian etc.)

Complete e-book purchase: (available for some completed books i.e. not serialised content):

¥1.00 (11 pence) to ¥10.00 (£1.06), depending on the titles

5.4.1.2 Pay What You Can: ‘Reward from Readers’

Cloudary also operates a ‘pay what you can’ model, giving readers the power to reward specific authors. Only a low proportion of readers use this option, however, though some readers have been willing to pay up to 60 Yuan (£6.40) in a month.

5.4.1.3 Advertising

Advertisements appear widely across the Cloudary platform in pictures, texts, links and other forms. Advertising income from Cloudary’s desktop version is more mature than the mobile, attributed by Cloudary to complications in selling advertising on mobile device screens, but it is actively trying to establish a revenue stream here too.117

In 2011, Cloudary also sold the rights of 651 of its works, with nearly 100 movies or TV series adapted from Cloudary works launched or in development by 2013. In China’s top 10 most popular TV episodes in 2011, four were adaptations from online literature, and most adapted online original literary works originate from the Cloudary platform.

5.5 How authors get paid for Online Literature

China’s leading online writers earn high royalties with the top writers such as Tang Jia San Shao earning over 26.5 million Yuan a year (£2.8 million) Reportedly, San Shao has been writing every day constantly for nearly 100 months over an eight-year period. During this time, he has finished 12 Fantasy Fiction titles containing more than 21 million words and is said to be looking to apply to enter the Guinness World Records book.118

In the UK and the US, a number of self-published writers have been equally successful in nurturing careers outside of the traditional publishing process, but most of these writers have
made their income through selling full-length e-books via publishing programmes such as Kindle Direct Publishing (KDP). Wattpad, the closest Western equivalent to a Chinese online literature platform, does not yet have as clear revenue streams for authors, but successfully acts as a launchpad for some writers who go on to monetise their work through traditional publishing deals.¹⁹

Table 4 shows China’s Top 5 Internet writers in terms of royalties (Nov 2012 – Nov 2013).²⁰

<table>
<thead>
<tr>
<th>RANKING</th>
<th>PSEUDONYM</th>
<th>ROYALTIES (MILLION YUAN)</th>
<th>AGE</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Tang Jia San Shao</td>
<td>26.5</td>
<td>32</td>
</tr>
<tr>
<td>2</td>
<td>Tiancan Tudou</td>
<td>20</td>
<td>24</td>
</tr>
<tr>
<td>3</td>
<td>Xuehong</td>
<td>14.5</td>
<td>34</td>
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<tr>
<td>4</td>
<td>Wochi Xihongshi</td>
<td>13</td>
<td>26</td>
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<tr>
<td>5</td>
<td>Mengru Shenji</td>
<td>12</td>
<td>29</td>
</tr>
</tbody>
</table>

Table 4: China’s Top 5 Internet writers

5.5.1 Author Case Study: Tang Jia San Shao

2004: Becomes a part-time online writer, writing fantasy fiction in Huanjianshumeng. Payment: 18 Yuan (under £2) per thousand words. First title: Son of the Light.

2005: Moves to write on Cloudary (Qidian), becoming one of their ‘platinum’ writers—writing content for Cloudary’s platinum subscribers.

2006: Becomes a full-time online writer.

2011-12: Becomes the first online writer elected to the Chinese Writers Association.

2012-13: Becomes the first online writer partnering with Shengda Literature to start up his own studio, looking after all rights, including digital media, print publishing, movies and games. According to Shengda Literature, profits from the studio will be divided 50/50 between Shengda and Tang Jia San Shao.²¹

From November 2012 to November 2013, Tang Jia San Shao earned 26.5 million Yuan (about £2.8 million) from royalties.²²
6.0: The Mobile Reading Market

6.1 Development of the Mobile Reading Market

For mobile communication companies in China, mobile reading has strategic value, both as a tool for retaining and expanding their customer base, and as a route to diversifying their business towards internet service provision. China Mobile’s mobile reading division—Mobile Reading Base—is now in Hangzhou, Zhejiang, and $74 million (£49 million) has been invested over five years to develop a mobile reading infrastructure and service offer. China Telecom and China Unicorn have also set up their own divisions in Hangzhou and Changsha, respectively.

6.2 How Mobile Reading Content is Commissioned

Nearly 69% of China Mobile’s commissioning goes through a service called ChineseAll, supported by a hundred-strong team working at China Mobile Reading Base in Hangzhou, the mobile reading division set up by China Mobile in late 2008. ChineseAll is also the digital content copyright audit organisation for Mobile Reading Base, and China Mobile works closely with ChineseAll under a revenue share model.

One of the major content providers for mobile reading content is Motie, a privately-operated independent publisher that partners with state publishers to publish books. This long-established company specialises in mass-market bestsellers and self-help books.

Sub-brands within Motie’s platform include:

**Tiehulu** – focusing on high-quality reading

**Black Swan** – focusing on management, business, biography and personal development
6.0: The Mobile Reading Market

**Wenzhi** – focusing on pushing new potential writers and repackaging classic literature

**Super Nice** – a magazine for short stories by well-known writers with Nan Pai San Shu (one of China’s most famous online writers) as its chief editor

**Motie China** – a social reading platform with blogs, reading and writing sites grouped into the platform

**Wild House** – focusing on crime/noir

Motie China has three key channels: a channel aimed at men (Fantasy Fiction, Crime Fiction, Urban Fiction, Historical Fiction etc.); a channel targeting women (Modern Romantic Fiction, Ancient China Romantic Fiction); and a ‘published books’ channel. This channel—for fiction, management, lifestyle, social science titles, etc.—might be an opportunity for foreign fiction writers who write full-length books to participate, rather than the serialised fiction typified by online literature platforms.

6.3 Mobile Reading Business Models

Chinese readers are increasingly used to paying for content on their mobile phones, with the charges added directly to their mobile phone bills, arguably one of the main reasons China Mobile dominates in mobile reading.  

Dr Xiang Ren explains:

*Regarding business models, China Mobile Reading Base employs cross-subsidy models and sells big bundles to readers. For example, readers can buy reading cards (accessing all content for a month or a year) or buy a bundle of e-books and other information services like mobile phone games, etc. The sustainability of such models depends on China Mobile’s monopoly. The huge scale of users is a big bonus, with over 500 million mobile Internet users in 2013 in China. Even (though) the average subscription fee is low, the total amount of revenue is still reasonable.*

*China Mobile does have a good reputation in terms of paying Chinese publishers quickly. Some content providers like Motie made a lot of money from this, which encouraged them to launch its own mobile reading platform later on. However, I don’t think China Mobile really made a lot of profits through its e-book business. The strategic goal is to provide value-added information services as a bundle to its consumers and mobile reading helps attract Internet traffic, attention, and loyal users, which is similar to Amazon’s strategy.*
The distinction between this commissioning of publisher content and serialised, user-generated online literature is an important one. Although the audience figures for online literature are staggering, for many British writers outside of the popular genres these platforms do not, at least currently, offer a realistic route to market. With the growth in mobile reading, and mobile companies looking to commission as much content as possible, this might in practice offer better opportunities for British writers.
7.0: Barriers to entry in the Chinese Market

Despite changes in China’s publishing system, there are still ongoing fears from British publishers about piracy and copyright contraventions in China. As e-books are easily shared, China’s digital market is a particular challenge, especially given the very low prices currently paid for e-books. Other barriers to entering the Chinese market include the cost of translation and discoverability.

7.1 Intellectual Property, Copyright and Piracy in China

According to the Organisation Economic Co-operation Development (OECD), ‘Asia emerges as the largest source for counterfeit and pirated products, with China as the single largest source economy.’

The Chinese government is following up its commitment to stronger regulation on copyright with a new Law for Protection of Rights and Interests of Consumers. This new law puts the responsibility onto the sales platforms responsible for selling pirated books and other cultural content.

For big brands, China’s track record on piracy is still problematic, however. Writing in Forbes, reporter Kenneth Rapoza says: ‘Cheap knock-offs is sort of a thing in China. They call it the shanzhai—imitation and piracy of name brands, be it Gears of War for PlayStation or the latest Adobe Photoshop.’

Wei Qing, head of Microsoft’s Windows Business Group in China, tells Tom Doctoroff in his book What Chinese Want that the company is trying to ‘create a new religion, a new standard of civility in China,’ and that ‘it will take a long time’.
7.0: Barriers to entry in the China Market

Websites dealing in online literature in China frequently bypass copyright restrictions, as Dr Xiang Ren explains:132

*Online literature in China is associated with the proliferation of profit-making websites that are simply ignoring copyright and finding other ways to make money. Conservative estimates suggest that while there are just 20 portals providing licensed access to online literature, there are around 530,000 websites providing unlicensed access to the same content. This means that the vast majority of economic activity related to online literature is occurring outside regulated copyright space. The abundance of profitable online literature websites that are simply ignoring the existence of copyright raises important questions about the kinds of business models that are best suited to the realities of publishing in a digital world, where users not only consume, but are also active creators of both content and value.*133

Some Chinese online publishers, such as Douban Read and Duokan Read, are trying to protect content using Digital Rights Manager (DRM).134 Online publisher Zijieshe has its own DRM technology too, which it applies when publishers request it.135

The way in which Chinese authorities respond to copyright infringements will play a major part in influencing British publishers and literary agents looking to sell rights to China. Literary agents working regularly in China believe that the opening up of the market and increased prosperity will encourage readers to pay for content. Andrew Nurnberg, literary agent, explains:

*While book piracy is a much-publicised problem in China, it is borne out of economic conditions rather than the lack of a robust legal response. As such, Chinese publishers are confident that, as incomes rise, book sales will continue to grow at a healthy rate, and readers will be more prepared to pay for good quality, published material rather than consume unreliable pirated editions.*136

Many believe that the development of a varied, legal e-book market is the best way to bring down piracy levels. In the UK, Richard Mollett, head of the UK Publishers Association, affirms that:

*What (UK) publishers were very quick to do, is to make works available, that’s the key to succeeding in the digital world, and having them available to read on any device and on any platform, that’s what readers said they wanted and that’s what publishers have been able to provide, and it’s now a case that a quarter of all fiction is read on e-readers.*137

With China’s still-emerging e-book market, the lack of available works is arguably a contributory factor in the high levels of piracy.

The eBook distributor Vearsa (previously ePubDirect), believes that China’s growing e-book market will indeed have an impact on piracy levels, a trend it has seen in both Russia and India.
7.0: Barriers to entry in the China Market

Patrick Crowley from ePubDirect explains:

*China is different but there are still similarities with other markets. In any territory, as the e-book market begins to grow then piracy is a challenge, and once the market becomes a little bit more mature, and goes past the introductory stage then piracy (and) the threat of piracy becomes less of an issue. India would be a primary example of a market where piracy was a huge concern in the first couple of years in that market place, and while it's probably still more a concern than it is in established markets like the UK and the US, it is less of an issue for publishers these days. You know the story with piracy is that basically any tech-savvy individual can pirate anything at any time, there's nothing anyone can do to stop it whole scale, but one of the things that the industry has been trying to do is developing the proper channels and creating the price points that will encourage people to purchase the book rather than to pirate it.*

In March 2015, Shanghai-based Tencent Literature and the US eBook distributor Trajectory announced a major import and export programme of Chinese and English-language e-books. Trajectory also recently partnered with Gardners, the UK’s largest book wholesaler in order to help UK publishers reach the China ebook market. James Bryant, CEO of Trajectory, explains:

“I think piracy really was a big issue 5 years ago, it was more of an issue than it is today. Fortunately today, we have the Chinese government behind us and they're behind us for the simple reason they're encouraging publishers to export, and their quid pro quo is that if they don’t protect English content in China then we’re not going to protect theirs. So, I think there is this mutual level of respect that is evolving which is really unique and the intellectual property world and its happening more with books than with any other format.”

Amazon China’s Senior Digital Content Manager, Viola Wang, shares this view:

“…that people will want to buy something if they can find the convenient way, and before we (Amazon) were (in China) there was no legal platform for this. And even if you want to find some (pirated ebooks) you have to do a lot of searching, to compare the quality and that kind of thing, it’s not user-friendly.”

How China’s e-book market develops will depend also on Chinese publishers’ willingness to release e-book editions, something that Amazon China is working on with Chinese publishers.
7.2 Government Control

Chinese publishers worked within the regulation of the government agency GAPP. GAPP was previously responsible for regulating print and internet publications in China, and exercises a limitation on the number of book ISBNs that are issued. This responsibility now falls under the newly formed SAPPRFT following the merger with SARFT, which also covers radio, film and television.

As explained in Section 2.2, ISBNs have traditionally only been granted by the Chinese government to state publishers, with these publishers in turn granting ISBNs to smaller publishers. Government control of Chinese publishing is widely criticised by freedom of expression organisations such as PEN International. When China was the Market Focus at London Book Fair there were many protests both inside and outside the Fair criticizing London Book Fair and the British Council over the authors who had been chosen to come to London, which had excluded ‘independent, dissident voices from the discussions’.

The new digital book market—both e-books and online literature—however, poses a significant challenge to the Chinese government. Jo Lusby from Penguin China explains:

> The new e-book market is regulated in a similar way to print books, through ISBNs, although this is more challenging than for print. In print, if an item has a spine and a price, then it is legally a book, so it requires an ISBN. For digital, the line between an online article, an extract, a news item, a blog, and an e-book is very difficult to legally define, so while e-ISBNs are part of the picture, the authorities also take something of a carrot and stick approach to the platforms, incentivising ‘harmonious’ behaviour and punishing misdeeds to ensure compliance. (cf. Section 2.2.1)

Because of the difficulty in defining an e-book, sites like Douban Read have in practice had more space to experiment. According to Jo Lusby, it is possible, for example, that Fifty Shades of Grey will be officially published in China as an e-book before it gets approved for print publishing.

Genre fiction, such as fantasy, time-travel, etc. on online platforms was particularly quick to gain popularity in China because there were fewer legal restrictions on online literature platforms than on state publishers. Writing in 2012, Lisa Zhang from Cloudary explains:

> In contrast to the traditional media industry in China, which is directly owned and operated or controlled through government regulation at various levels, online literature provides authors with greater autonomy and control. Its development has been fuelled by trends such as the rapid adoption of Internet and Wi-Fi, rising disposable income, migration of consumers online, development of e-commerce infrastructure, the digitization of literary content and supportive governmental policies for the creative industries. Online platforms have transformed the process through which literature is created, distributed, consumed and monetized.
7.0: Barriers to entry in the China Market

The Chinese government has realised that the popularity of online literature is a mass phenomenon. As a result, the government is encouraging and supporting online literature while continuing to monitor and penalise those involved in illegal publishing and copyright infringement.

As a 2013 article in The Economist magazine explained:

While all books published in the mainland are subject to scrutiny by cautious editors and zealous censors, online literature sites are watched less carefully. They still operate behind the ‘great firewall’, China’s internet-filtering system which blocks sensitive words or topics, but the sheer volume of works produced, combined with the lack of editorial oversight, creates an important loophole. 146

Independent e-book operations by foreign firms have not until now been permitted in China. For example, GAPP investigated Amazon’s bid in December 2012 to obtain a Chinese licence for its Kindle store. The ruling was that Kindle would need a Chinese partner to start a mainland business, and only through working with ChineseAll is it now able to operate in China. 147 As Dr Ren Xiang of the Australian Digital Futures Institute, University of Southern Queensland, demonstrates:

Amazon Kindle has to cooperate with ChineseAll in order to operate its Kindle store legally in China. Regarding Amazon’s impact, some Chinese publishers worried that ‘the wolf is coming’, but the fact is, Amazon is not powerful because the overall publishing system in China is controlled by the government.

In a government document of November 2013, SAPPFRT announced that it would be strengthening control of digital content. 148 The government’s strategy appears to be in partnering with related organisations, monitoring the quality of e-books and setting up related regulations, but currently there are no specific laws or regulations for self-publishing. According to the academic Roger Creemers writing in China Copyright and Media, an online resource 149 providing access to and insight into Chinese law and policy regarding public communication:

Convergence (of GAPP and SARFT) had stimulated both organizations to expand bureaucratic remits and control emerging, lucrative markets such as Internet broadcasting, leading to large amounts of red tape and licensing procedures for enterprises in the field. It should not be expected, however, that this merger will lead to any form of liberalization or deregulation. It is likely that cultural and media policy will remain in line with the Central Committee Decision on Cultural Reform of late 2011, which aimed to combine commercial success with enhanced political control. Also, problems of administrative overlap and dual licensing remain, particularly in the field of Internet management, as the Ministry of Culture and the Ministry of Industry and Information Technology maintain their respective Internet portfolios. 150

Dr Xiang Ren explains further: 151:

The Chinese government keeps pressure and reminds the online literature world
of the political/pornographic bottom line by frequent anti-porn and anti-piracy campaigns, which closed many websites every year. As a result, self-censorship is effective. Both authors and editors of online literature platforms would not publish content the government does not like but focus on fantasy, romance, history, and other genres instead.

According to China’s Publication Laws, print and e-books need to be approved by government agencies and to have obtained an official ISBN to publish. How the Chinese government may prevent readers from buying specific e-books directly from foreign publisher websites is unknown. Currently there is nothing in principle to stop a UK publisher selling an e-book directly to a Chinese reader through its own retail platform. Self-publishing also remains a grey area, with no specific regulations or approval mechanisms in place. The Chinese government approach appears to lie in placing more responsibility onto the platform owners themselves. Cloudary was able to operate its self-publishing platform through a special publishing licence granted by the Chinese government. In 2013, it was one of the few companies to receive the official business licence for e-book publishing. Maja Linnemann, writing for the Frankfurt Book Fair, reported in 2013:

This demonstrates how carefully the Chinese government is dealing with the new media in a book market that, even in the private sector, is still subject to censorship. Online literature websites in China need a licence to operate and only a few such licences have been granted so far.  

At London Book Fair in April 2014, Dai Qin, co-founder of Douban Read, stated that it was also hoping to be granted a special publishing licence.

Whether these licences relinquish or distance any control by the Chinese government remains an open question, as demonstrated in the government’s retraction to Sina’s online publication license in April 2014, with Xinhua.net, China’s official news service, reporting that:

China’s Internet giant Sina.com will be stripped of its online publication license, a penalty that might partially ban its operations, after articles and videos on the site fell prey to the country’s high-profile anti-porn movement. According to a statement released on Thursday by the National Office Against Pornographic and Illegal Publications, 20 articles and four videos posted on Sina.com were confirmed to have contained lewd and pornographic content following ‘a huge amount’ of public tip-offs. As a result, the State Administration of Press, Publication, Radio, Film and Television decided to revoke the company’s two crucial licenses on Internet publication and audio and video dissemination and impose a large number of fines. Last year, Sina.com received administrative punishments twice for spreading online publications with banned contents, and its latest offense seems to have pushed authorities over the edge, with the statement describing the website as ‘having not learned a lesson at all and turning a cold shoulder on social responsibility.’

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This demonstrates the Chinese government’s intention to maintain controls on digital content, and reflects its policy of putting the responsibility squarely onto the platforms themselves.

7.2.1 ‘Win Win’, ‘Go Global’ and Quotas

Currently, there are no official quotas for imports of British books into China. Consumer publishing is challenging, but in this way less restricted than film or television, where the channels are very narrow and imported content is restricted by quota. This has been most acutely felt traditionally by foreign film companies hoping to export to China, though such restrictions are being gradually relaxed. In 2012, for example, China enlarged its quota for revenue-sharing imports of foreign films from 20 per year to 34 per year.

In 2004, China launched The Confucius Institute affiliated with the Ministry of Education of the People’s Republic of China to promote Chinese language and culture, supporting local Chinese teaching internationally and facilitate cultural exchanges. This was followed five years later by China’s ‘Go Out’ Policy to promote Chinese investments abroad. As part of this, China Classics International (CCI) is one of the major initiatives set up by GAPP to bring ‘Chinese culture to the world’. In a special report for Frankfurt Book Fair 2013, Xing Mingxu writes:

In order to strengthen the appeal and impact of Chinese culture on the world, increase China’s power in international debates, better familiarize other countries with China’s basic reality, development plans, values and concepts, and domestic and foreign policies, the Chinese news and publishing industry has implemented a ‘going global’ strategy.155

This soft-power initiative fits into the wider context of China’s ‘win-win’ economic diplomacy strategy.

The ‘win-win’ concept represents the two basic tenets of China’s current economic diplomacy: to assuage concerns about China’s rise and to secure important new markets abroad for Chinese companies. This concept alludes to the fourth principle of China’s principles of peaceful coexistence—equality and mutual benefit—through which the country has sought to augment its position in global affairs.156

An understanding and consideration of ‘win-win’ was clearly reflected in London Book Fair’s 2012 Market Focus China activity, with special attention given to helping Chinese publishers find routes to market in the UK.

In the China Market Insight report produced for London Book Fair 2012, Cortina Butler explained:

This year we hope to go a long way to mitigate the frustrations sometimes expressed by Chinese publishers and authors who see a relatively healthy flow of British titles into China and barely a trickle coming the other way. The series of author events at the Fair provides a once-in-a-lifetime opportunity for British editors to find out about
7.0: Barriers to entry in the China Market

the contemporary Chinese literary scene across all genres and have direct contact with Chinese authors.157

With both China and the UK working towards greater understanding and increased rights deals between the two countries, this should represent new opportunities for both.

7.3 Translation

The requirement to translate is an obvious challenge in getting British books to market. The process of making a translated book available in China might typically involve:

(Grayhawk Agency) deal(s) directly with the Chinese publishers who are buying the translation rights to books, they’ll read the assessment, read the manuscript, decide if they want to buy them, and then will approach us about purchasing the rights in advance and we will arrange the contracts with the UK agency (if we’re talking specifically UK) and then the Chinese publisher will go off and translate and publish a Chinese edition.

Anna Holmwood, Grayhawk Agency

The British Centre for Literary Translation works to encourage translation of books into English, but many of its international partnerships, including with China, work to encourage translation both ways. Penguin China is currently working with the University of East Anglia and the British Centre for Literary Translation on training for literary translators, continuing a programme started in 2008 that encourages translation from Chinese to English and English to Chinese, as well as providing training to editors.

Kate Griffin from the Centre explains:

With the translation from English to Chinese it was difficult trying to find a similar demographic of participants (to our existing translation programmes) really because most of the translators in China are paid so little that they’re often editors themselves or working to such tight deadlines so that they can translate enough to earn a living or come anywhere close to it. It’s quite a different situation the other way around. One of the things we would like to explore with Chinese publishing partners, is what professional development we can give to them particularly.

According to Penguin China, understanding demand for foreign fiction in China is equally affected by the way in which these books are presented to Chinese readers. Jo Lusby explains:

The big problem with literature, particularly foreign fiction in translation [is that it is] not merchandised, it’s not packaged so it’s partly just about the process, people don’t get behind it. The idea of presenting an author as a brand is still relatively new, and
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mainly it is being applied to very commercial writers, Chinese celebrity memoirs and business books, etc.

Translation may in the future become less of a barrier for two key reasons. First, the number of Chinese people who prefer to read, and can read, in English is rapidly increasing; secondly, new low-cost channels are appearing for translation (cf. Section 3.3).

7.4 China’s e-book Market

In his 2011 report, *Digital Publishing and Developing Countries*, Octavio Kulesz notes that:

According to Zhang Yanan, an expert in electronic devices from the consulting firm Analysys International, foreign e-readers have little penetration as yet in China, since companies like Amazon or Sony are proceeding with caution, whether it is because of copyright issues, because of the lack of sales channels or because of difficulties related to Chinese fonts. 158

With the Chinese book retail market currently in decline, and with negative growth in the traditional bookstores of -1.05% in 2012 and -1.39% in 2013,159 Chinese publishers are reportedly looking to better understand the e-book market.

According to James Bryant from Trajectory:

"Ebooks emerged in China, the best we can see, about three years ago and amongst the first publishers to arrive were academic publishers, science publishers whose works seem to be in demand. They entered the market and the books didn’t sell. And there wasn’t a lot of communication it seems back and forth between the science publishers and the markets that were trying to sell them."

The invoiced value of UK publisher sales of books fell 2% in 2013 to roughly £3.4bn, but this fall was accompanied by a 19% growth in digital sales. Digital sales, driven predominantly by Amazon, now represent 15% of UK publishers’ total digital and physical book sales. 160

Amazon’s strength in the UK and the US was the rapid adoption of its Kindle reader, with access to an unlimited number of e-books through its Amazon retail platform. In China, however, Amazon already has a number of established competitors to its Kindle e-reader, and a limited number of e-book titles to offer its customers.
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7.4.1 e-Reader Adoption in China

In China, many publishing houses developed their own e-readers with exclusive access to their own e-books. The e-reader market has been dominated by Hanvon Technology Company, which according to a 2012 OECD report had over a 70% share of the e-reader market in China, an 8.2% share of the worldwide e-reader market. [61]

Timelines of the availability of key e-readers, excluding Amazon Kindle, on the Chinese market since 2008, are shown below.

**Hanvon**

- **2008** – Launches the first e-reader in China
- **2009** – Launches more than 10 other e-readers

**Doucon** (produced by Dangdang)

- **25.07.2012** – First generation Doucon e-reader
- **07.06.2013** – Second generation Doucon e-reader

**Bambook** (produced by SNDA – Cloudary being one branch)

- **24.07.2013** – Bambook BBQ
- **26.12.2013** – Bambook Bright

Amazon Kindle has had to cooperate with ChineseAll to operate its Kindle store but the general feeling among Chinese publishers is that Amazon will never be as powerful as it is in the West, not just because the overall publishing system in China is controlled by the government, but also because competitors have been able to firmly establish themselves in the market (see below).

**Amazon China Timeline**

- **2004** – Amazon.com takes over Joyo for $75 million
- **2007** – 'joyo.com' is renamed as 'amazon.cn' and its Chinese name is changed from Joyo Network to Joyo Amazon
- **2011** – Amazon China’s Chinese name is changed from Joyo Amazon to Amazon China
- **13.12.2012** – Amazon Kindle store launches in China by cooperating with ChineseAll
07.06.2013 – Kindle Paperwhite and Kindle Fire tablets launch in mainland China

10.12.2013 – New generation of Kindle Paperwhite launches in mainland China

13.12.2013 – Amazon launches Google Android and iOS versions of their reading apps in China

24.02.2014 – Kindle Fire HDX launches in China

Having only just fully launched in China with both e-reader and Kindle store in place, Amazon’s impact on its e-book market is yet to be seen.

Looking at the English language book penetration, however, Amazon China is already leading the way in terms of availability of English language books across all formats through its online bookshop.

English language titles in Chinese online bookshops (Quantity):\[162\]

<table>
<thead>
<tr>
<th>Online Bookshop</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amazon.cn</td>
<td>3,849,736</td>
</tr>
<tr>
<td>Dangdang.com</td>
<td>3,816,978</td>
</tr>
<tr>
<td>Jd.com</td>
<td>Over 22,000</td>
</tr>
</tbody>
</table>

Amazon Kindle is confident in building on this performance and developing their market share in China, with Viola Wang of Amazon China explaining:

*We think that the first priority is that we should bring enough content legally to our readers, and then we will beat them internationally—it will happen. After 15 months running the whole bookstore it proves that. A lot of the readers switch to our store and buy something from us… After 15 months running I think our revenue just keep(s) on increasing, just beyond our expectations.*

Amazon’s Kindle Direct Publishing programme (for self-published titles), however, does not exist in China and is unlikely to launch unless the Chinese government grants it a special publishing licence.

Wang continues:

*We do not have any intention to do that at this stage, because the copyright issue is very complicated in China. It is better to hand it to the publisher to handle this kind of thing. So now in China (that’s what) we do—only sell books.*
7.4.2 Self-published e-books in China

A key player in China’s e-book self-publishing market is Douban Read. Douban Read provides several ways in which writers can publish on their platform: original content, translation, blogposts or column writing, and serialisations. As a general rule—though with some exceptions, for example the David Mitchell short stories that are being studied in the current research project—in a translation experiment to understand Chinese demand for British cultural content, Douban offers writers a 70% share of profits.

Douban has the added advantage of having built a sophisticated recommendation engine since 2005, and it is now able to make good use of the data it has accumulated. Douban editor, Evelyn Wang, explains:

We have been working on the in-depth integration of Douban Book and Douban Read. The accumulated data from 2005 enables Douban Read to push the right e-book to the right person. Up until now we have inserted recommendation modules such as ‘if you liked this e-book you might also like…’, with the help of the algorithm on Douban Book. A book’s reviews and comments from Douban Book can also be seen on its e-book page.

7.4.3 Willingness to Pay for Content

One issue for all publishers is the low prices paid for e-books in China. James Bryant, from Trajectory, the global e-book distributor, explains:

I think there was mutual misunderstanding as to what initial terms would work both on pricing and on retail terms and on issues as DRM.

Dangdang, Jingdong and Su Ning are currently the three most successful online retailers in China looking to take a share of the e-book market. All of them have their own applications that can be applied to multiple operating systems including iOS, Android and Windows 8. Jingdong and Su Ning also offer e-books with online literature content. Jingdong signed famous authors such as Tianxiabachang (an online literature writer), Naduo (both traditional writers) and Caijun (traditional writer). These authors will publish new short articles or serialisations exclusively and directly for Jingdong.

Jingdong asks readers to become VIP members for a month, season, half year or one year and the package allows a reader to read up to 1,000 e-books in the whole store except foreign language e-books and some other excluded titles. According to Jingdong’s monthly bestseller list, classic foreign literature is performing well, but at low prices.

Jingdong has around a dozen English language publishers already selling e-books through its platform and has also struck a partnership deal with the e-book distributor ePubDirect (now Vearsa).
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The experience of Jingdong, a leading Chinese online retailer that has been at the forefront of efforts to build out e-book capabilities, is symptomatic. Its annual bestseller list shows that top British novels such as The Unlikely Pilgrimage of Harold Fry and a Sherlock Holmes anthology – ranked 7th and 17th place respectively in 2014 – sell for little as 0.99 yuan (10p).\(^{166}\)

Price promotions on e-books are a regular occurrence, with Dangdang putting 100,000 e-Books on sale for only 1 Yuan (around 10p) during the 8th Dangdang Scholarly Festival in April 2014, for example. In one price war, Dangdang and Jingdong gave nearly every book in its system away for free for three days.\(^{167}\) The giveaway was supposedly to help promote commercial e-books and raise reader awareness, but was criticised by publishers and authors alike, especially as neither Jingdong nor Dangdang had sought permission of the publishers beforehand.

Patrick Crowley, from Vearsa, the e-book distributor that partnered with Jingdong:

> Pricing is definitely going to be a challenge for publishers in the Chinese market. The average price, (according to) the information we got, would be about a US dollar for an English language e-book. I would think that the average RRP is going to have to be very low to develop the market place and to help prevent piracy. Publishers might get scared looking at their title selling for 30 cents in China, but obviously the promise is around volume, because you are hoping that you will be able to sell units in the hundreds of millions because the market is so large.

The online literature platforms are also demonstrating that readers are willing to pay for content, albeit in very low prices, with 28.9% of online literature readers stating that they are willing to pay for online content.\(^{168}\)

This willingness to pay should demonstrate to British publishers and writers that despite the oft-cited complications surrounding online content of piracy and copyright, Chinese audiences still represent a potentially large revenue stream.
Conclusion

The opportunities and entry points for writers to publish are changing radically everywhere as a result of digital disruption. In China, online literature platforms such as Cloudary and equivalent platforms in the West such as Wattpad are beginning to challenge traditional publishers in their role as gatekeepers.

China is, however, much further ahead in trying to develop innovative business models and revenue streams around these online literature models, enabling some Chinese writers to make careers out of writing while bypassing traditional publishing channels.

Specific genres such as Fantasy and Science Fiction are dominant on China’s online literature platforms, and there continues to be a gulf in the kind of foreign literature being bought by traditional Chinese publishers (such as prize-winning literary titles) and the genre fiction by amateur writers surfacing on online literature platforms. For British writers of full-length novels, or short story collections outside of the popular Chinese online literature genres, the traditional processes via bridging agencies still appear to be the most likely route to market.

How non-fiction fits into these online literature platforms is still to be determined, and might offer an opportunity for British non-fiction writers of content aimed at particular interest groups. Cloudary has already demonstrated how it can develop clear audience groups around different genres of fiction, so for audiences to begin to form interest groups around non-fiction subject areas too is perhaps an inevitable development.

The nature of China’s online literature platforms—with reader engagement being an integral part of the process—also means that, for the foreseeable future, the language barrier will make it difficult for many British writers to take advantage of engaging Chinese readers this way.

However, mobile companies are looking to commission and license an increasing amount of content from publishers: this might be where British writers can create opportunities. This would mean that British writers would still need to go through the traditional routes to the Chinese market, most likely with representation of a bridging agency unless mobile companies begin to commission content directly from them. How the new State Administration of Press, Publications, Radio, Film and Television decides to control publication on mobile platforms—as yet undetermined—will have obvious bearing on this.

At the same time, Britain is clearly not the only country keen to understand and penetrate the Chinese market for books. Lise Bertelsen, China-Britain Business Council explains:
Conclusion

One of the things that I always say to people is China is being wooed by everybody—we are not the only people out there. So we have to have a very specific offering and be aware that not all of China is going to want this and maybe focus on a particular area or particular sector, which is a lot smaller. But you are still talking about relatively large numbers—because you are talking about a country which has a population of 1.3 billion, so you know there is a lot of potential in China. In addition, there is a growing interest because people are travelling.

British cultural exports such as *Sherlock* and *Downton Abbey* have been famously successful in China, and it seems self-evident that China’s growing aspirational middle classes should be creating new and wider audiences for British cultural content.

How British writers can exploit this change is more complex, however, than the examples of *Sherlock* and *Downton Abbey* suggest. Although the huge numbers of readers making use of Chinese online literature sites are impressive, what they are reading is particular: genre fiction, serialised for digital platforms, and written in Chinese characters, which works well for mobile devices. Commissioning foreign fiction writers to produce content for these platforms does not appear to be a priority in China at this moment.

However, China’s new social media platforms with their sprawling reach into corners of China that have hitherto been impossible to penetrate might offer British publishers and writers a place to start to engage. In the same way that social media platforms are hosting content about British brands, there are ways in which British publishers and authors might be able to ‘seed’ content to Chinese audiences. These new direct-to-reader interactions could play an important role in cultivating new audiences for British writing.

In addition, China’s emerging business models for translated writing might also offer a shortcut to getting British literary content into e-book format on China’s growing number of e-book retailer platforms. Amazon Kindle’s emergence on China’s e-book market may also push e-reader and e-book adoption, and with its vast experience in making the broadest range of books available to its customers, it may represent a lift in British e-book sales to Chinese readers.

The issue of discoverability in the online environment, however, will be even more pronounced for British writers in China, having to negotiate numerous online platforms and to compete with self-published Chinese writers. Having a better understanding of taste, and where specialist reader groups are meeting online, might help to launch more British names to Chinese readers.

In the meantime, the traditional gatekeepers of China’s market remain powerful, with state publishers still usually preferring to buy rights for prize-winning British writers via an agent. Such practice is unlikely to be disrupted in the short term, not least because it is a much easier system for Chinese authorities to control.
Conclusion

With this in mind, it is clear that consideration of the bilateral relationship between China and Britain is as important as ever, as literary agent Toby Eady explains:

*If Western publishers want to expand in China, they need editors like Jo Lusby of Penguin. I have watched her at work, her taste dictating her buying; watched her operation flourish. She speaks fluent Mandarin and understands publishing both inside and outside China. It’s the relationships she’s built over time that have helped Penguin China to grow. They are the same sort of relationships that make publishing successful the world over, relationships formed by meeting people face-to-face and learning their different tastes. As Western publishers, we need to work on building our relationships with Chinese editors, to find a successful way to make lasting business contacts with a working culture that is so vastly different to our own.*

With the growth in China of crowdsourced translations, an explosion in social media and a proliferation of Chinese online and e-book channels, British writers will undoubtedly find faster and more direct ways to establish and engage with Chinese reader audiences. How these audiences translate into revenue streams for British writers is less clear, however. If the commissioning of content for mobile devices continues to fall outside of the authorities’ normal ISBN processes, and if mobile companies continue to expand their commissioning pool, this might well create direct opportunities for British writers or publishers in the future.

If China’s e-book market moves into a period of rapid growth, as predicted by distributors, and if this growth does begin to help the reduction of piracy with the support of Chinese government initiatives, then China represents a very exciting market for British publishers and authors. In anticipation of this eventuality, a wider group of British publishers and writers could begin start thinking about how they would start building audiences with Chinese readers. A simple first step would be to establish social media profiles on China’s own social media platforms such as Weibo, WeChat and Douban, and to mirror the actions of traditional Chinese publishers in beginning to develop long-term reader engagement strategies.
Methodology

Nesta briefed The Literary Platform to:

• Conduct interviews with key industry stakeholders including Douban Read, publishers (both native Chinese publishers and China-based subsidiaries of global publishers) and agents; and

• Write an in-depth landscape review of the Chinese e-book market and publishing landscape using industry and academic sources.

We conducted stakeholder interviews that enabled us to understand digital transformation of China’s publishing industry from a UK perspective, and also from a Chinese perspective (see full list below). Interviewees were selected to represent stakeholders from the traditional publishing sector, new kinds of publishers, and academics specialising in this area.

We worked with Nesta to develop the interview questions, initially focusing on understanding the Chinese publishing landscape, and then later focusing specifically on digital transformation. We also drew on source material from the Publishers Association, the International Publishers Association, Frankfurt Book Fair, Biz Beijing, EnfoDesk and more.

We used a number of online media sources and company websites in our research methodology. In this fast-moving environment the internet was a vital tool for surfacing developments as they happened and where websites are cited, they have been accessed during the period August 2013 – May 2015.

We attended a number of talks on Chinese publishing at Frankfurt Book Fair and London Book Fair, and hosted our own seminar entitled ‘China, Social Media and the Mobile Revolution’ at London Book Fair 2014, with speakers Alicia Liu from Singing Grass, Lucy Montgomery, Vice Chancellor’s Research Fellow at the Australian Research Council-funded Centre of Excellence for Creative Industries and Innovation (CCI) at Queensland University of Technology (QUT) and Dai Qin from Douban (China).

We employed King’s College MA intern, Xin Lin, from the MA in Digital Culture & Society from February 2014 – June 2014. Xin Lin conducted research from online sources and reports in Mandarin and was able to translate relevant information for the report.
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There were a number of obstacles to obtaining information, including:

- Little statistical information about current demand for British writers in China. Often this data is grouped together with ‘foreign writers’ or ‘English-speaking writers’.

- Difficulties in getting up-to-date information on levels of piracy of book content in China.

Financial figures in this report have been converted into GBP via XE Currency Converter at May 2015 exchange rates.
Interviews

Our thanks to those interviewed for *The Publishing Landscape in China: New and Emerging Opportunities for British Writers*.

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