

Waka

E-BOOK MARKET REPORT
QUARTER II & III/2018



THE MOVEMENT OF
E-BOOK PUBLISHING FIELD

CONTENT

1. THE MOVEMENT OF GLOBAL E-BOOK PUBLISHING FIELD

- * Movement trend**
- * Reading behavior**

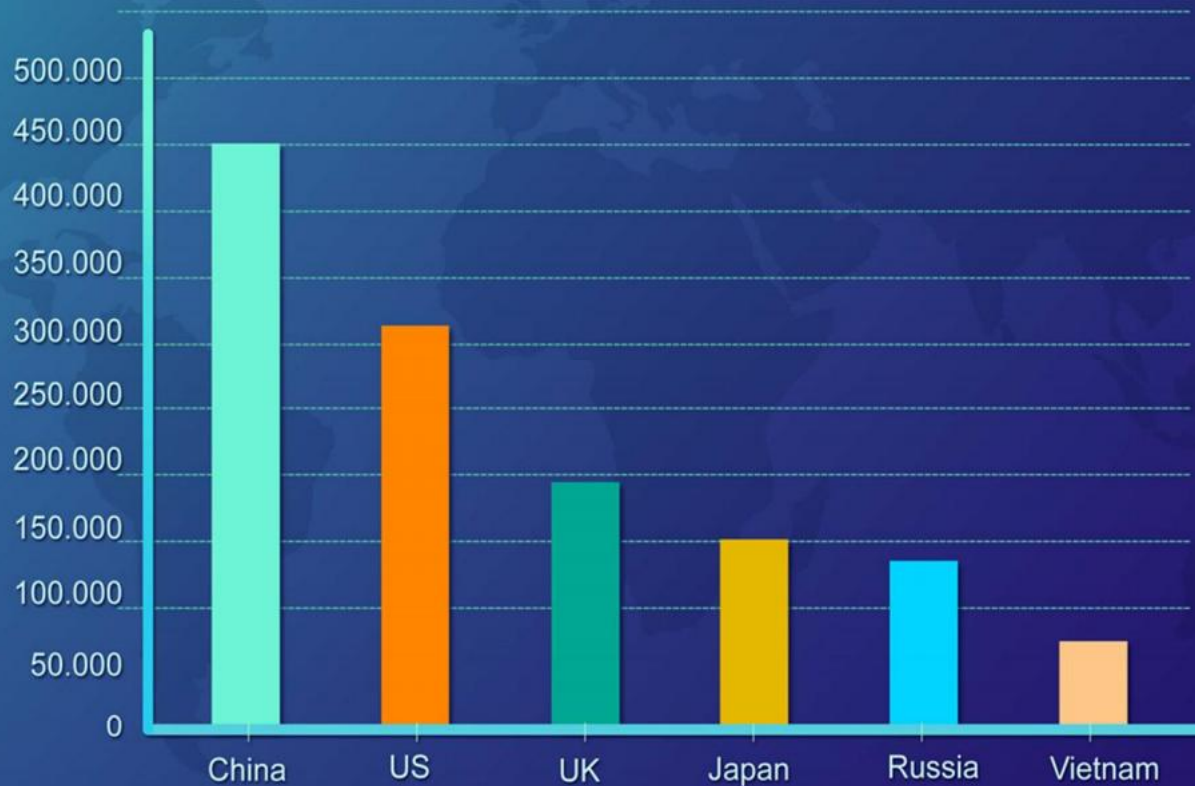
2. E-BOOKS IN VIETNAM - CHANGE IN TREND

- * Change in trend**
- * Reading habit**



**THE MOVEMENT
OF GLOBAL E-BOOK PUBLISHING FIELD**

THE NUMBER OF NEW TITLES PUBLISHED PER COUNTRY PER YEAR



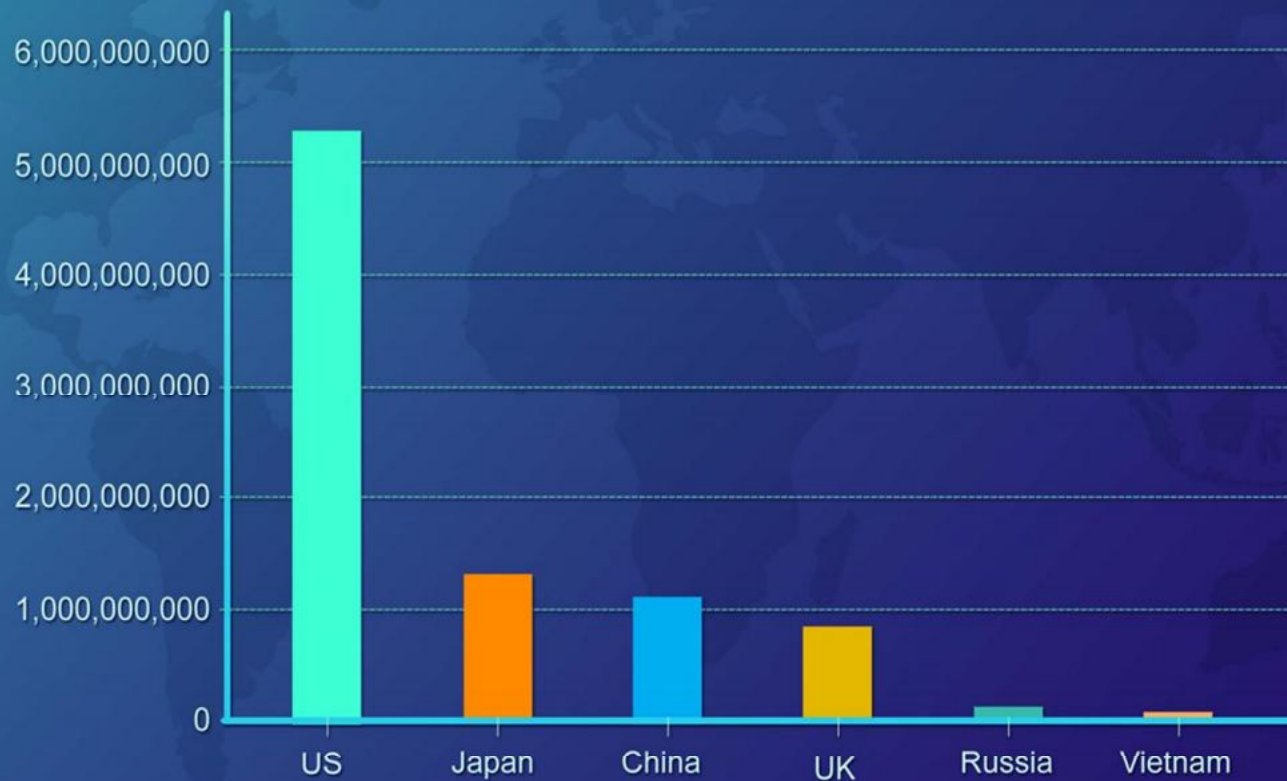
With the biggest population in the world, China is also the most active book market with 440,000 new books published per year, far surpassing the second-largest US with more than 300,000 books. Vietnam is relatively modest with 68,200 books published every year. [1], [2], [3].

GLOBAL E-BOOK MARKET SHARE FORECAST IN 2018



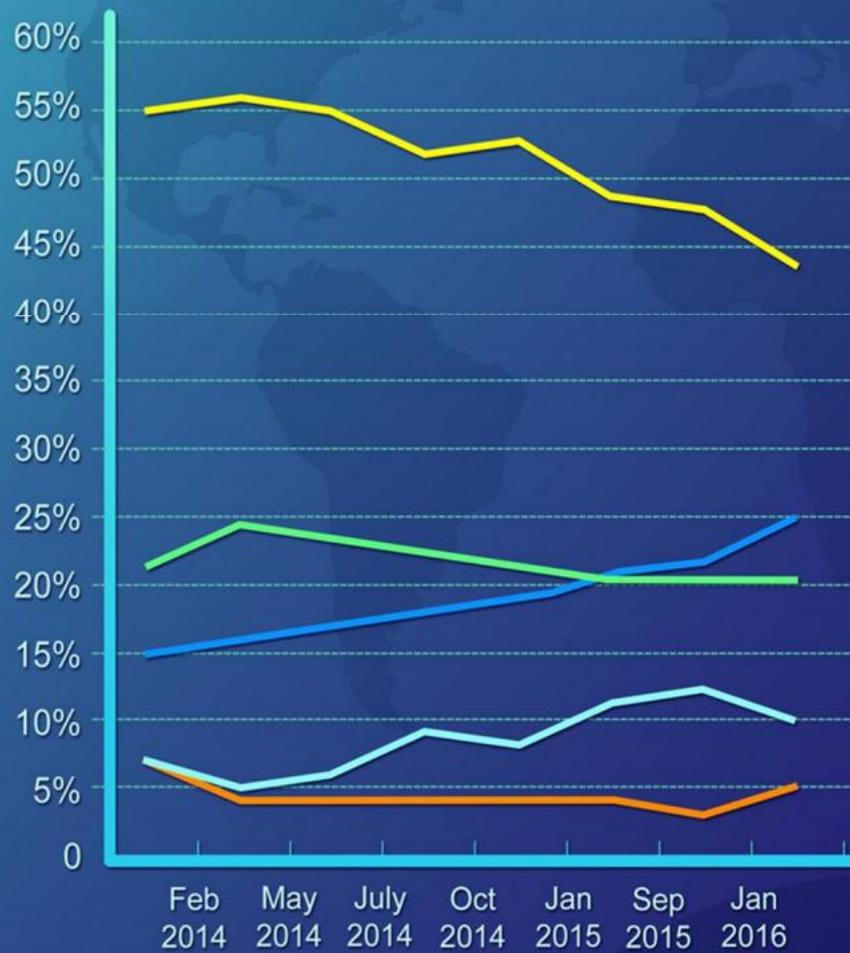
The global e-book market share is continuing to grow, gradually taking over the piece of paper books. In 2013, sales of e-books only accounted for 12% of total book sales, but by the end of 2018, the rate is expected to more than double. [4]

COUNTRY RANKING ACCORDING TO E-BOOKS REVENUE IN 2018



Although its total number of book published each year ranks second in the world, the e-book segment in the US has been growing early and strongly. The revenue in e-book segment of this country is expected to be four times as high as that of Japan that is the second highest country. Meanwhile, Vietnam is expected to have just US\$5 million in revenue from e-books (charged downloads of paper books' digitized versions) in 2018. [5]

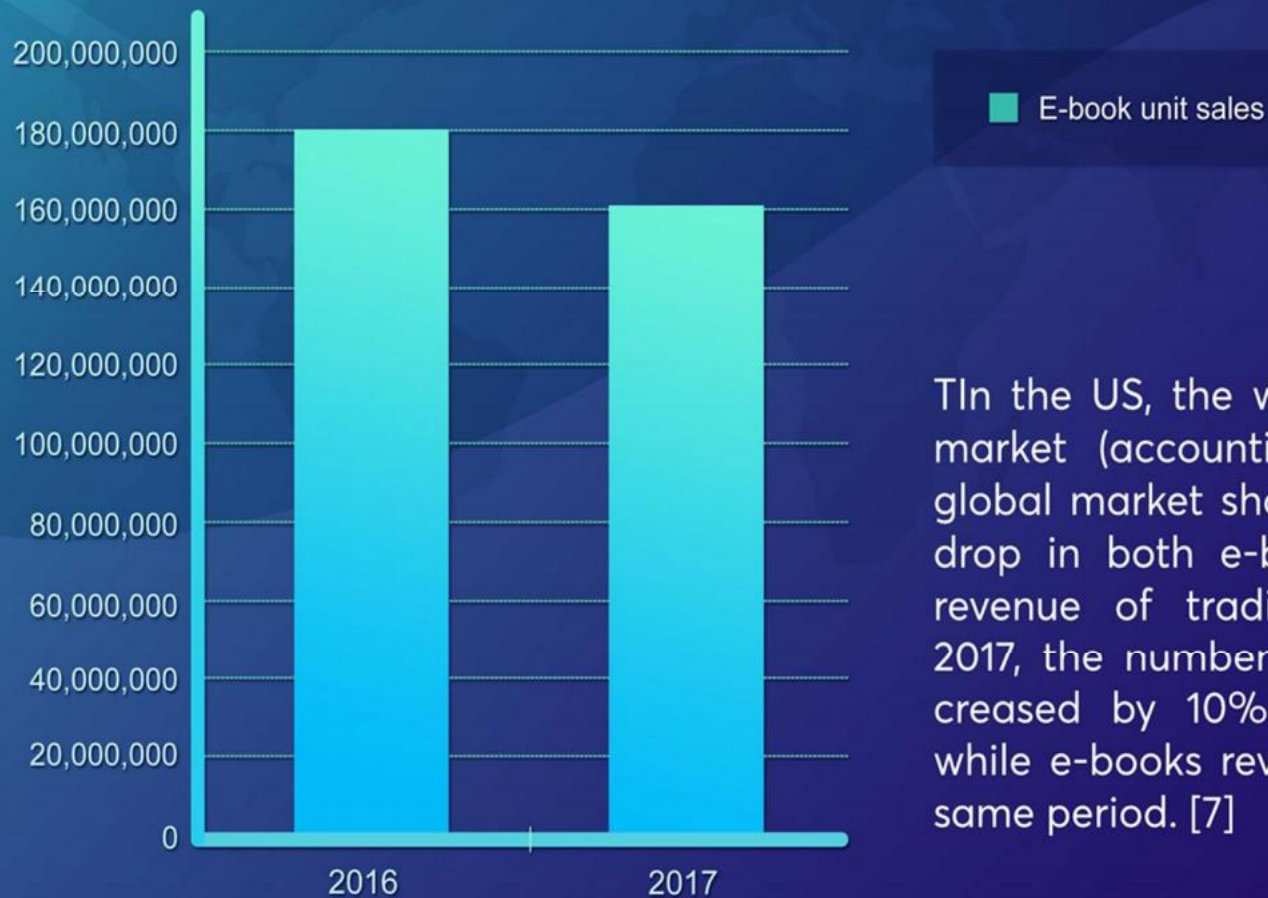
MARKET SHARE OF PUBLISHER TYPES



- 5 big published
- From Small or Medium Publisher
- Indie published
- Amazon published
- Uncategorized single-author publisher

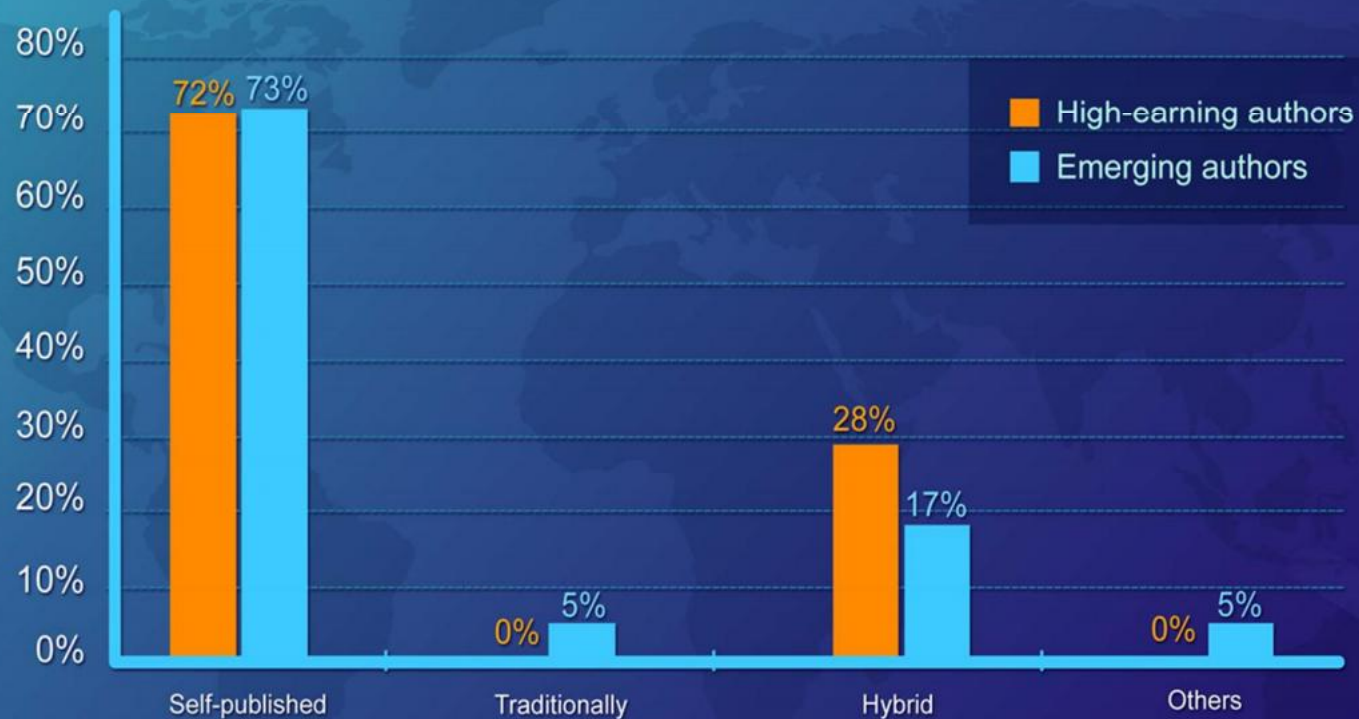
The market share of major traditional e-books publishers is on the decline, giving room to other forms of publishing. While most traditional or small e-book publishers are on the decline or just slightly increasing their market share, self publishing has been maintaining its steady growth. It means that the effectiveness of this form of publishing has been recognized and its role in the field of e-books is growing. [6]

EBOOK SALES OF TRADITIONAL PUBLISHERS ON THE DECLINE



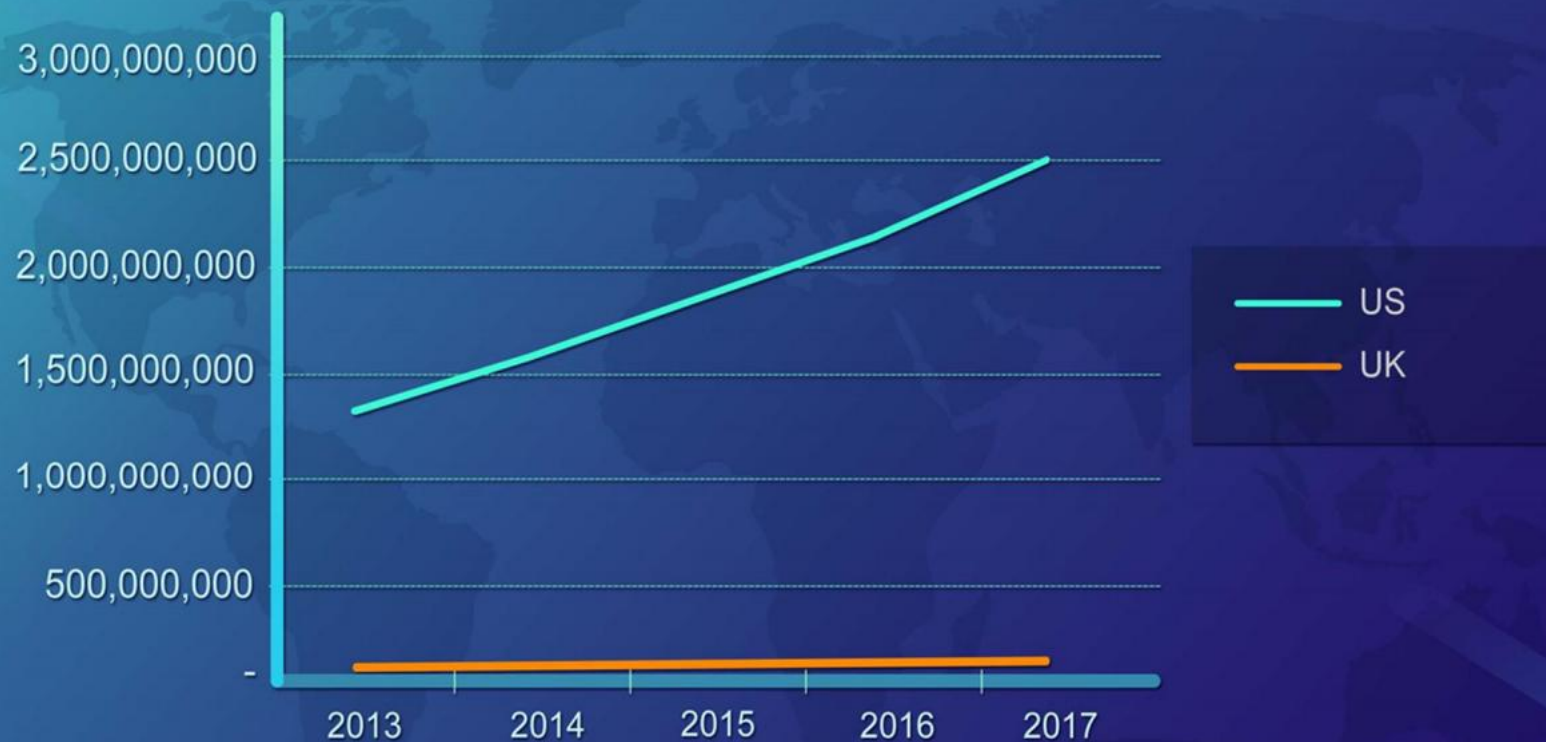
In the US, the world's largest e-book market (accounting for 30% of the global market share) is seeing a sharp drop in both e-book downloads and revenue of traditional publishers. In 2017, the number of e-books sold decreased by 10% compared to 2016; while e-books revenue fell 4.7% in the same period. [7]

EARNINGS OF INDIE AUTHORS



According to a survey by Written Word Media, 72% of high-earning authors (over US\$100,000 per year) choose self-publishing and 28% are hybrid (combining both self-publishing and traditional publishing). None of them are solely based on traditional publishing. Meanwhile, among the emerging authors (earning less than US\$500 a year), only 17% chose the hybrid form, and another 10% based solely on traditional publishing or other forms. This means that self-publishing will lead to better earnings thanks to higher royalties. Furthermore, it will also be a good stepping stone for authors to sign contracts with traditional publishers at a higher royalty rate. [8]

AUDIOBOOKS SALES



For recent years, the segment that has achieved the highest growth in e-book publishing is audiobook. The US continues to be the market leader in this segment, accounting for more than 50% of the global audiobook market share. In 2017, the US audiobook sales are up nearly 20% from 2016. Other countries's audiobook sales, such as Britain, are still low but they have kept up with this growing trend, increasing by 25% over the period from 2016 to 2017. [9], [10], [11]

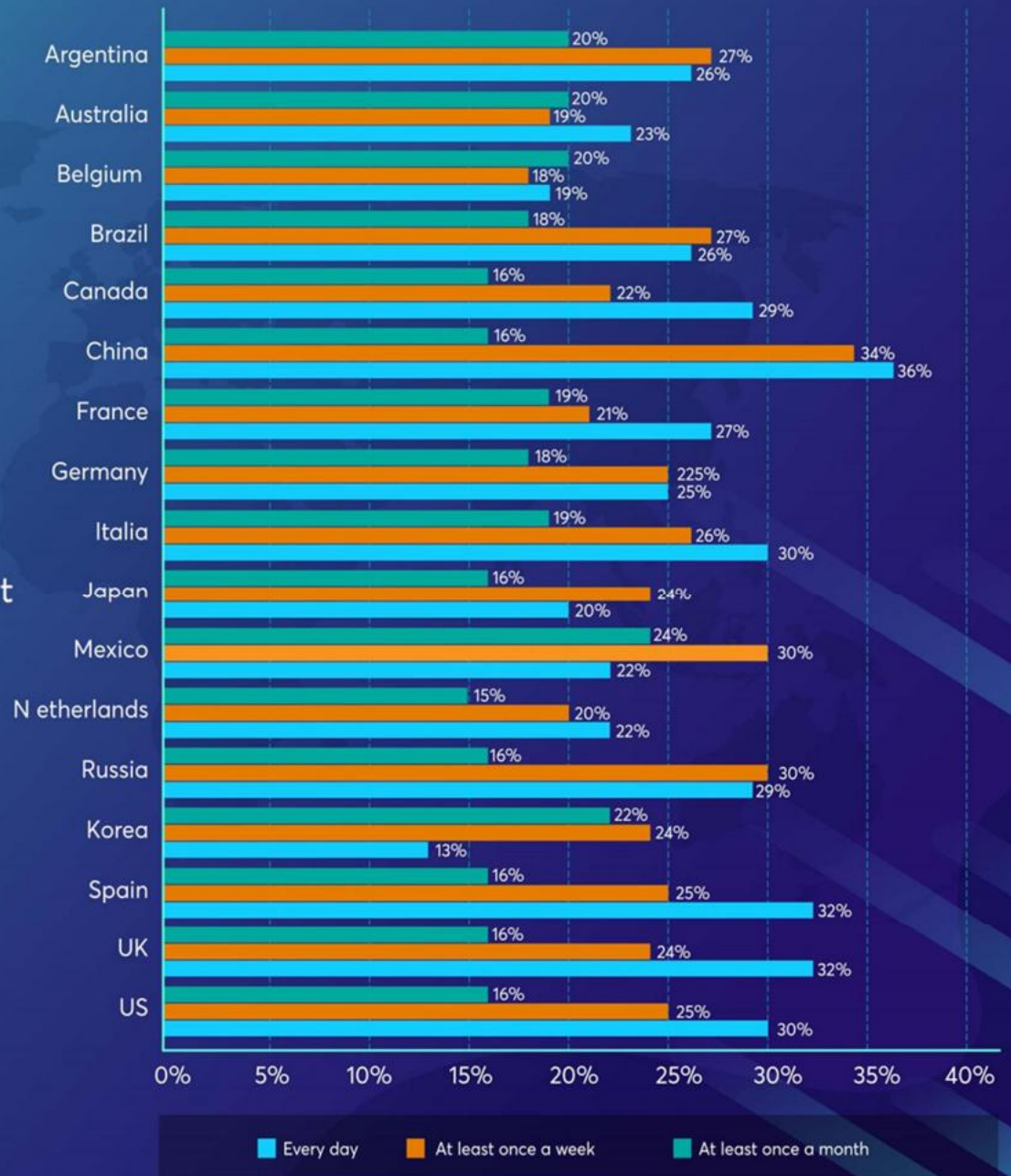
COUNTRY RANKING ACCORDING TO ITS PEOPLE'S AVERAGE READING TIME

India has the highest average reading time in the world, up to 10.7 hours per week. The Chinese and American figures are 8 hours and 5.7 hours, respectively. In the UK, 80% of people read at least one book a year. Despite of dominating the global publishing market, 27% of Americans do not read any book in a year - this figure is comparable to that of Vietnam of 26%. [12]



BOOK READING FREQUENCY IN THE WORLD

China, Spain, the United Kingdom and the United States are the highest reading people in the world, respectively. As many as 36% of Chinese people read almost daily and 34% read at least once a week. Meanwhile, people in the largest global e-book market - the United States - have a slightly lower reading frequency, 30% read daily and 25% read at least once a week. [13]



WHERE IS THE GLOBAL E-BOOK PUBLISHING FIELD GOING TO?



In conclusion, the world e-book market is witnessing the obvious movement in many aspects:

1. E-book is gaining more and more share of the overall book industry
2. The role and market share of traditional publishers has declined, leaving room for the explosion of self-publishing.
3. Audiobook has become the fastest-growing segment of the e-book market in recent years.

These movements mostly started in the US - the largest e-book market in the world - and then quickly spread to other countries. Although experiencing slower pace, Vietnam is no exception.

A stylized graphic featuring a light grey tree with many leaves in the background. In the foreground, there are dark blue, rounded shapes representing hills or a landscape. The text "E-BOOKS IN VIETNAM - CHANGE IN TREND" is centered over the tree.

E-BOOKS IN VIETNAM - CHANGE IN TREND

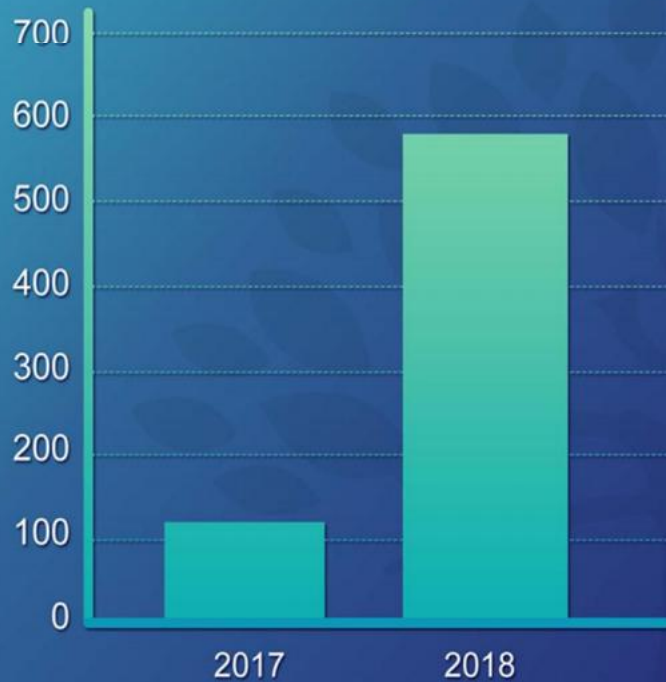
WAKA SALES BY QUARTER



Waka growth in comparison with Q.I/2017

Given the strong growth of e-book worldwide, the e-book market in Vietnam has been experiencing the strong development for the past few years. The electronic publishing platform Waka are continuing to achieve three-digit growth rates in 2017 and 2018. This prove that the market potential and volume are being exploited by Waka in the right direction and effectively. [14]

AUDIOBOOK GROWTH BY YEARS



Number of audiobooks



Audiobook listening

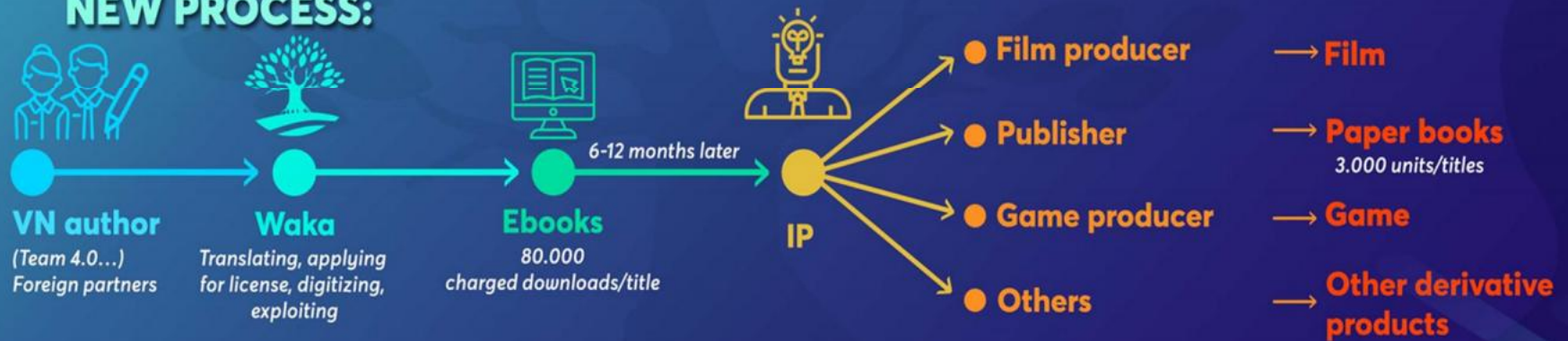
In Vietnam, though audiobooks appeared rather late but were soon accepted by readers and have grown rapidly. On the platform Waka, the number of audiobooks increased nearly four times between late 2017 and the third quarter of 2018. In addition, the number of listening turns increased nearly 5 times during this period. [14]

THE PROCESS OF BOOKS FROM AUTHORS TO READERS

TRADITIONAL PROCESS



NEW PROCESS:



Previously, with the traditional process, paper books were published and sold first; ebooks appeared one or two years later just to sell to limited number readers. Recently, Waka has been involved to change the order: ebooks published first and paper books come later. Time intervals between ebooks and paper books are also shortened by 1/2. With the e-books' advantage of the readership, the new process has created a significant change in the overall exploitation efficiency of a work.

E-BOOKS EXPLOITED FIRST APPEAR



The growth in number of e-books exploited first in comparison with 2016

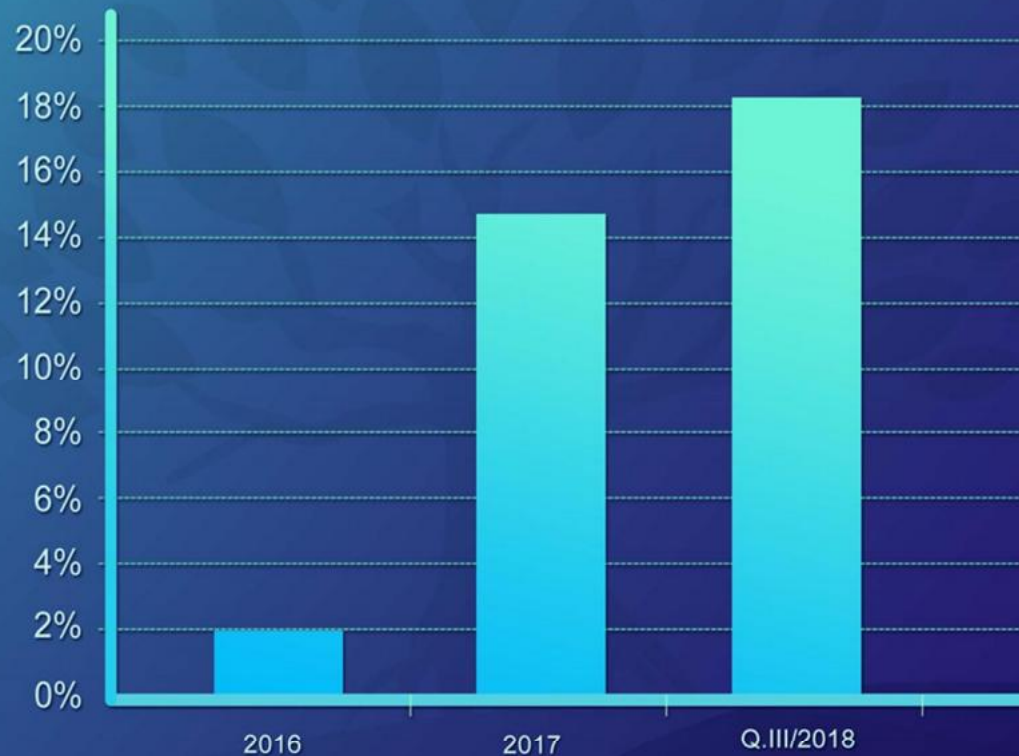
In Vietnam, the publishing market still prefers paper books; e-books are only considered derivative products and are often exploited later. However, in recent years there have been cases where e-books have been published and exploited first. On the platform Waka, the number of that kind of e-books has been growing rapidly.

THE GROWTH IN READING TURNS OF E-BOOKS EXPLOITED FIRST



The total reading turns of e-books exploited first on Waka has grown strongly over the last three years. From a few thousand in 2016, it jumped to nearly 2 million in the first 3 quarters of 2018. In addition to the attractiveness of the content of the works, this also shows the attractiveness and competitive advantages that this kind of e-books has in comparison with traditional e-books. [14]

THE RATE OF REVENUE FROM E-BOOKS EXPLOITED FIRST



In addition to the increase in quantity and reading turns, the rate of revenue from e-books exploited first on Waka platform also increased dramatically. In 2016, this kind of e-books almost did not bring significant sales to Waka, but in 2017, it accounted for approximately 15% of Waka's revenue and by the third quarter of 2018, it was up to 18.2%. These numbers demonstrate the success of e-books exploited first compared to e-books which are merely derivative products of paper books. [14]

NEW PROJECT OF WAKA: TEAM 4.0



Self Publishing is a trend that has begun to prove its effectiveness in the world. Participating in the e-book market, Vietnam will follow the trend. However, the Vietnam e-book market is too young to have the resource to copy the model at this time. In the initial stage, it is necessary to have the support of competent and experienced organizations in this area.

Understanding this need, by the end of 2017, Waka formally established Team 4.0 - specializing in writing internet literature; pioneering the model of writing in group in Vietnam. The project pursues three main goals:

- Compose in group to be able to deliver big works in the future;
- Write long stories, explore various genres
- Train young writers to become professional writers and be able to live up to the writing profession.

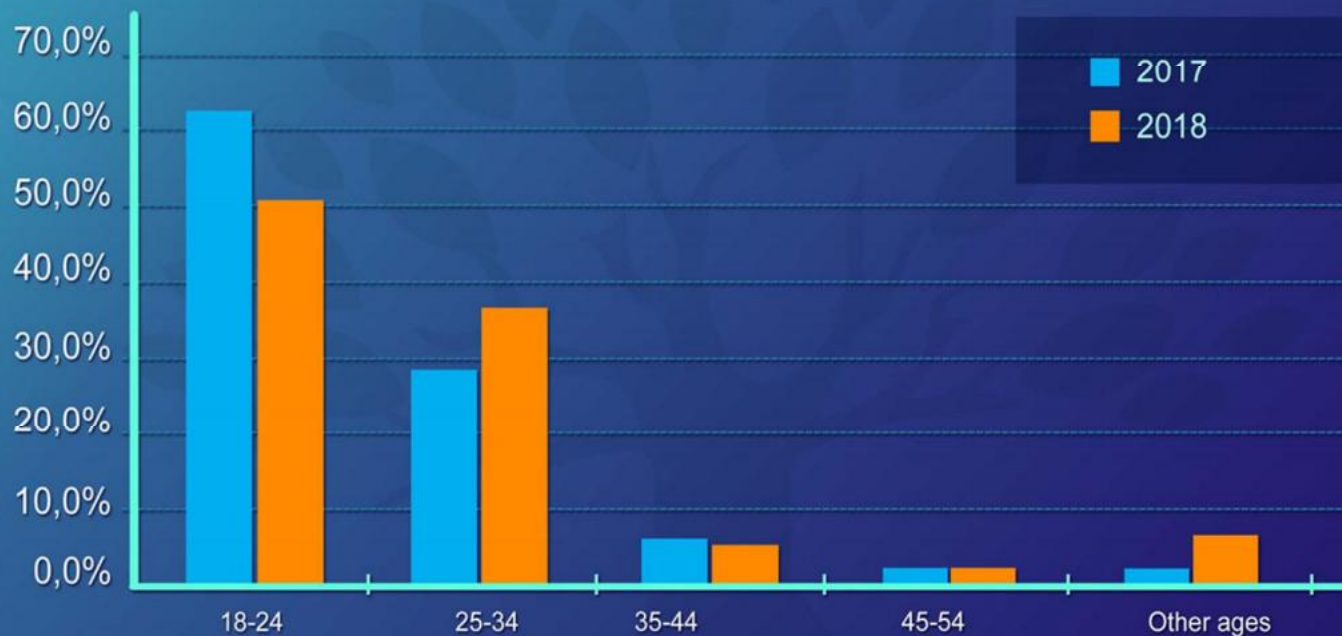
So far, Team 4.0 has introduced readers to four works and has attracted hundreds of thousands of readers.

PLATFORM PROVIDERS INDEPENDENT FROM E-BOOK EXPLOITERS



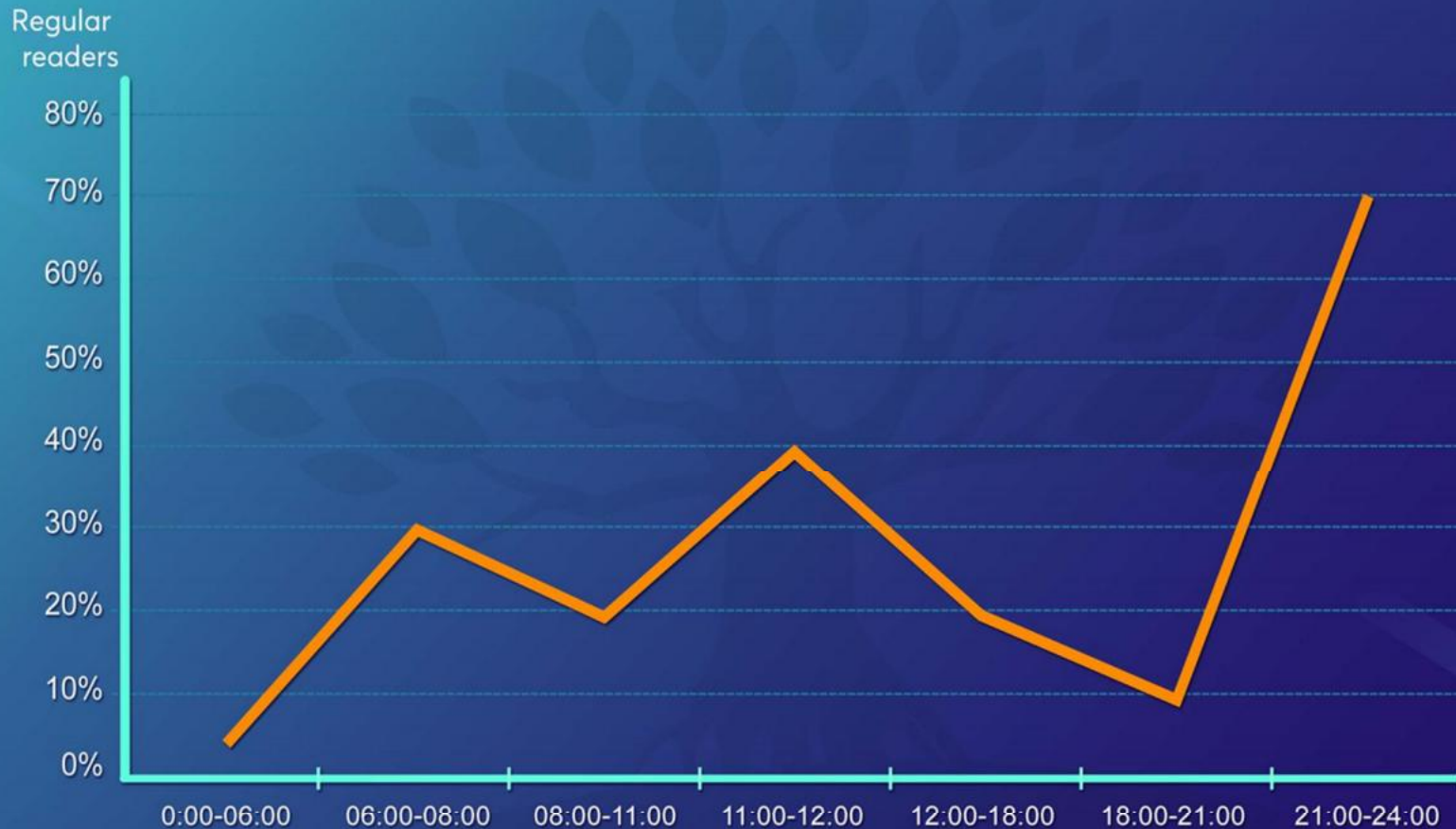
Previously, Waka only distributed e-books of publishers. Recently, it has begun to move into another development phase: operating under the standard model of platform by allowing other publishers and distributors to sell e-books on Waka's website and application systems. This move was marked by the announcement of a new cooperation model with Saigon Books. In addition, its project "Community Bookshelf" currently deployed at universities is, although not for business purposes, oriented to follow the model above.

THE GROWTH IN NUMBER OF MATURE READERS



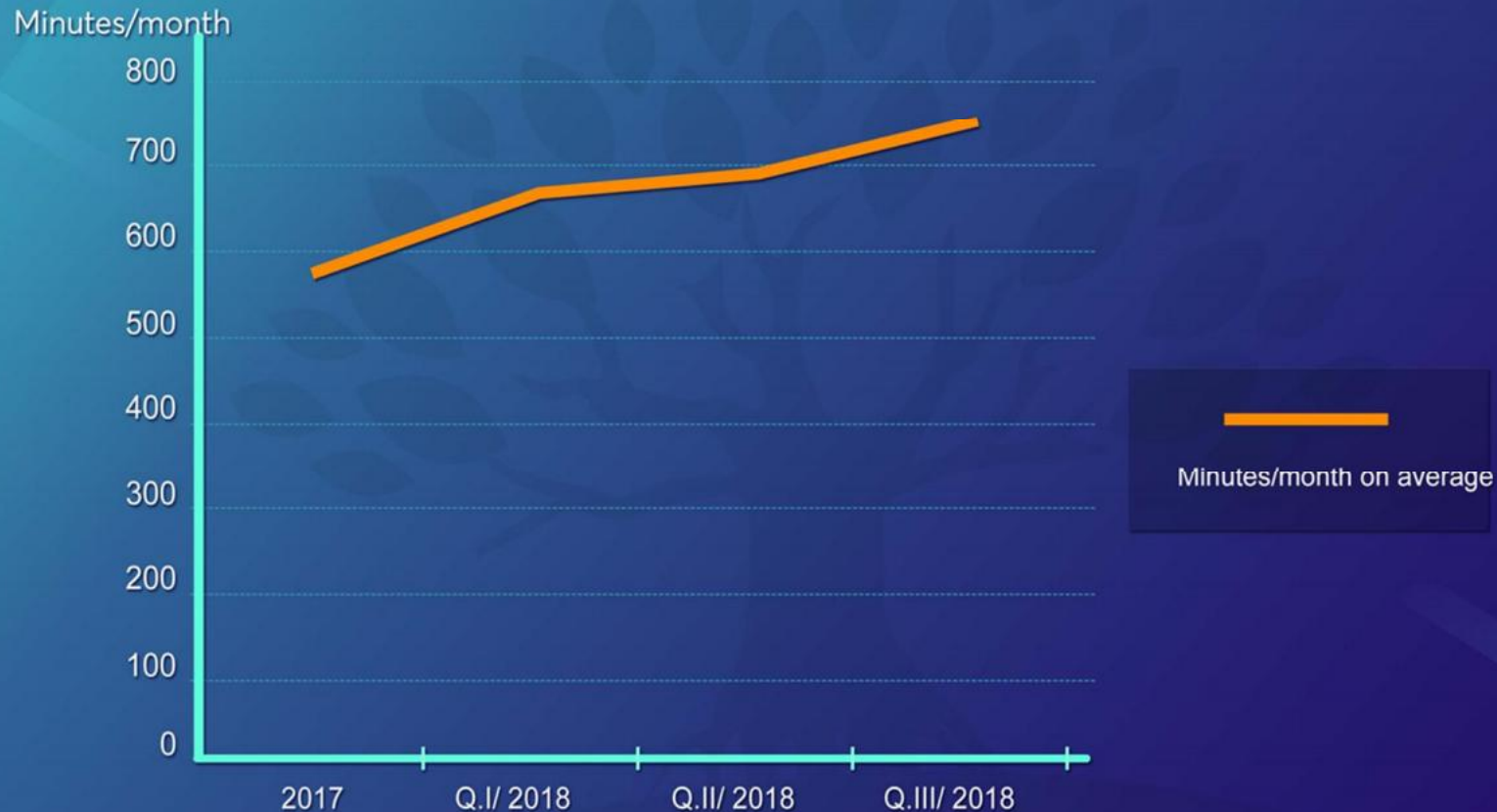
The age of Waka's readers has shifted to have more mature audience. In 2017, 62% of Waka readers aged from 18 to 24, and this number was down to 50.5% in the first three quarters of 2018. Meanwhile, the rate of 28.2% of readers aged 25-34 in 2017 rose to 36.3% in the first three quarters of 2018. This shift shows that more and more mature readers (early years of careers and families) choose e-books as a means of self-improvement and entertainment. The factor of technological development is one of the prerequisites for changing the habits of the readers. [14]

FAVORITE READING TIME OF READERS



Evening is Waka readers' favorite reading time as the system records the highest number of visits between 20:00 and 24:00. A large number of readers also choose books to start the day. Other times during the day are less likely to be selected for reading. [14]

AVERAGE READING TIME ON WAKA



The variety and updating of content as well as enhanced reading habits may be the key factors explaining why Waka readers spend more time on the platform. 12.4 hours/month is the average reading time of Waka readers in the third quarter of 2018, up more than 30 percent from 2017. [14]

WAKA

E-BOOK MARKET REPORT
QUARTER II & III/2018

WAKA ELECTRONIC PUBLISHING PLATFORM

4 years operating in Vietnam

Established in October 2014

Be the N0.1 electronic publishing platform in VN

- 3,5 million readers
- 3,9 millions installs
- 98% readers in Vietnam
2% in other countries



REFERENCES

- [1]. Wikipedia. 2017. Books published per country per year. https://en.wikipedia.org/wiki/Books_published_per_country_per_year
- [2]. Piotr Kowalczyk. 2017. Which countries publish the most books? (infographic). <https://ebookfriendly.com/countries-publish-most-books-infographic/>
- [3]. Đức Huy. 2018. Ngành Xuất bản Việt Nam: Triển khai công tác xuất bản và phát hành năm 2018. <http://nxb-gtvt.vn/tin-tuc-su-kien/nganh-xuat-ban-viet-nam-trien-khai-cong-tac-xuat-ban-va-phat-hanh-nam-2018-746.aspx>
- [4]. Statista. 2018. E-book sales as a percentage of total book sales worldwide in 2013 and 2018. <https://www.statista.com/statistics/234106/e-book-market-share-worldwide/>
- [5]. Statista. 2018. Ebooks. <https://www.statista.com/outlook/213/117/ebooks>
- [6]. Rudiger. 2016. The global ebooks report 2016. http://publishersforum.de/wp-content/uploads/2016/04/Wischenbart_Welcome.pdf
- [7]. Frank Catalano 2018. Traditional publishers' ebook sales drop as indie authors and Amazon take off. <https://www.geekwire.com/2018/traditional-publishers-ebook-sales-drop-indie-authors-amazon-take-off/>
- [8]. Ferol. 2017. What makes a \$100k author: 8 findings every author should know. <https://www.writtenwordmedia.com/2017/06/07/100k-author/>
- [9]. Statista. 2018. Audiobook sales revenue in the United States from 2009 to 2017 (in billion U.S. dollars). <https://www.statista.com/statistics/249854/audiobook-industry-size-in-the-us/>
- [10]. Statista. 2018. Consumer audiobook download sales revenue of publishers in the United Kingdom (UK) from 2009 to 2017 (in million GBP). <https://www.statista.com/statistics/305733/consumer-audiobook-download-sales-revenue-in-the-uk/>
- [11]. XE. 2018. <https://www.xe.com/currencyconverter/convert/?Amount=1&From=GBP&To=USD>
- [12]. Gabrielle Segal. 2017. Find out who reads the most with this global reading guide. <https://www.bookstr.com/reading-habits-around-the-world-infographic>
- [13]. Statista. 2018. Frequency of reading books in selected countries worldwide in 2017. <https://www.statista.com/statistics/696925/book-reading-fr>
- [14]. Waka. 2018. <http://data.vega.vn/bi/Waka>

The logo for Waka, featuring a stylized 'W' composed of three vertical bars of varying heights, followed by the lowercase letters 'aka' in a bold, sans-serif font. The background is a dark blue gradient with faint, repeating leaf patterns.

E-books by side, make your reading style

Website: <https://waka.vn/>

Email: support@waka.vn

Hotline: 1900 545482 (line 5)