PASA
PUBLISHERS' ASSOCIATION
OF SOUTH AFRICA

2018-2019

Annual Book Publishing Industry Survey

UNIVERSITEIT VAN PRETORIA
UNIVERSITY OF PRETORIA
YUNIBESITHI YA PRETORIA

This research was conducted on behalf of the Publishers Association of South Africa by the Department of Information Science.
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Introduction

The annual book publishing industry survey provides information on the growth and development of the South African publishing industry. It is the most comprehensive survey available of the publishing industry in South Africa, providing information for planning and lobbying purposes since 2002.

The data collected annually is invaluable for understanding the publishing industry in South Africa, especially as transformational shifts take place across the key publishing sectors – Education, Trade and Academic.

This survey reports on the period April 2018 to March 2019.

The data is collected from an intensive survey of South African publishers, focusing on their turnover and production patterns from the previous financial year, as well as ownership and employment. The survey is conducted by an independent research team at the University of Pretoria, who maintain strict confidentiality of all data submitted. All the data reported is aggregated, and no individualised data may be gleaned from the report.

The total number of publishers in South Africa is unknown, but is thought to be between 150 and 200. The survey targets active publishers, both PASA and non-PASA members, from micro-enterprises to multinationals. This year, around 150 publishers were invited to participate. The industry is heavily dominated by a small group of very large publishers, who together represent more than 80% of production and revenue. This representation is reflected in the participation in this survey. The 31 responses represent more than 50 local imprints, and more than 90% of the total revenue generated by the industry. They also account for nearly 2 000 full-time employees. A few small publishers participated, which is encouraging given their general lack of capacity and inadequate management information systems.

Overview

In 2018-19, the South African publishing industry produced around R3.5 billion in revenue. Comparative data from other studies indicates this growth is higher than expected, although it still falls within the range estimated by the Industrial Development Cooperation (around R3.4 billion) and PwC (R3.8 billion).

The three main publishing sectors are Education, Academic, and Trade. Unlike the international situation, where Trade or general retail publishing accounts for around 50% of income, in South Africa the Education sector accounts for around 60% of revenue. Of this revenue, just 3-4% represents sales of digital books.

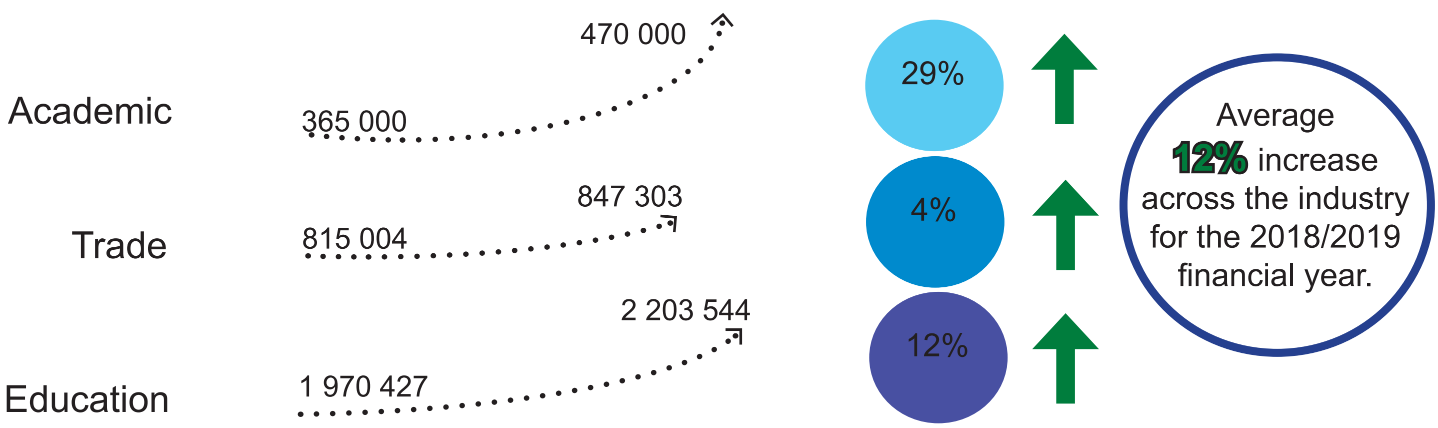
In the overall graphs below, Education includes schoolbooks, the technical colleges and adult education, while Academic includes higher education textbooks, professional books and scholarly books.

All revenue quoted is net, i.e. discounts and VAT have been deducted.

Total Revenue

Sector	2017/2018 (R '000)	2018/2019 (R '000)	YoY Change
Academic	364 519	469 974	29%
Trade	815 004	847 303	4%
Education	1 970 427	2 203 544	12%
Total	**3 149 950**	**3 520 821**	**12%**

(Note: here Education is a broad category including TVET and ABET; Academic includes Scholarly)



Publisher profiles

The survey provides an overview of the ownership and employment profiles of the publishing industry in South Africa. In general the respondent companies are locally controlled, or when internationally owned may have a stake owned by a local, often black-owned, share-holding scheme. The BBBEE ratings have improved markedly over the past few years, which reflects transformation across the industry.
The survey shows a rise in employment figures, in contrast to predictions of a drop of around 1% in formal employment (IDC Economic Trends Report for 2018).

Annual Book-related NET turnover

Less than R 10mil (EME)	9
Between R 10mil and R 50mil (QSE)	5
Greater than R 50mil (Generic)	16

Industry Association Membership and Previous Survey Participation

	Yes	No
Were you a member of the South African Publishers' Association (PASA) in 2018?	28	
Did you participate in the 2018 Book Publishing Industry Survey?	22	6
No response	2	

BEE Level

Participants rated for BEE: 20

BBBEE Rating	Rated
Level 1 >100% AAA	8
Level 2 85 - 99% AA	3
Level 3 75 – 85% A	2
Level 4 65 – 75% BBB	4
Level5 55 – 65% BB	2
Level 6 45 – 55% B	0
Level 7 40 – 45% C	1
Level 8 30 – 40% D	0
Not compliant <30% E/FF	1

The BEE ratings from respondents show a distinct improvement, with more companies achieving higher ratings. Hopefully this is a good indication of transformation in the industry.

Employment

Employment Profile

The survey shows a rise in employment figures from 2017/18, in contrast to predictions from reports e.g. -1% formal employment (Industrial Development Cooperation (IDC) Economic Trends Report for 2018).

Employment at 31 March 2019				
Job Category	Black Individual		White Individual	
	Male	Female	Male	Female
Editorial staff	26	129	21	132
Design and production staff	33	46	16	35
Marketing, promotion and sales staff	100	216	71	128
Finance staff	21	97	13	25
Human resources staff	3	25	0	6
Office administration staff	31	101	4	16
Information technology staff	84	36	52	20
Warehousing and distribution staff	84	57	2	3
Other support staff	53	140	21	56
Part Time including Freelancers	125	385	31	128

Note: Chief Executive officer and similar positions are not reflected in this table.

Production

This section focuses on revenue rather than the number of new titles produced each year. The survey requests the total number of new titles produced by each publisher, but insufficient data is provided by the publishers to generate a full picture of production figures.

Data was collected on revenue per format (print and digital) and per language. Publishers are making more digital titles available, and the revenue received from digital titles has risen slightly. However, it remains below 5% of total revenue, indicating the local market's ongoing preference for print-based titles.

In terms of languages, we continue to see domination by English and Afrikaans, although the figures for these fluctuate annually due to changes in demand – and they are often swayed by a single bestseller, such as Jacques Pauw's The President's Keepers. The majority of new editions in African languages are produced by the Education sector. The increased new digital editions in these languages are likely a result of increased focus on the development of African language digital publications in this sector.

Revenue from print and digital titles produced locally

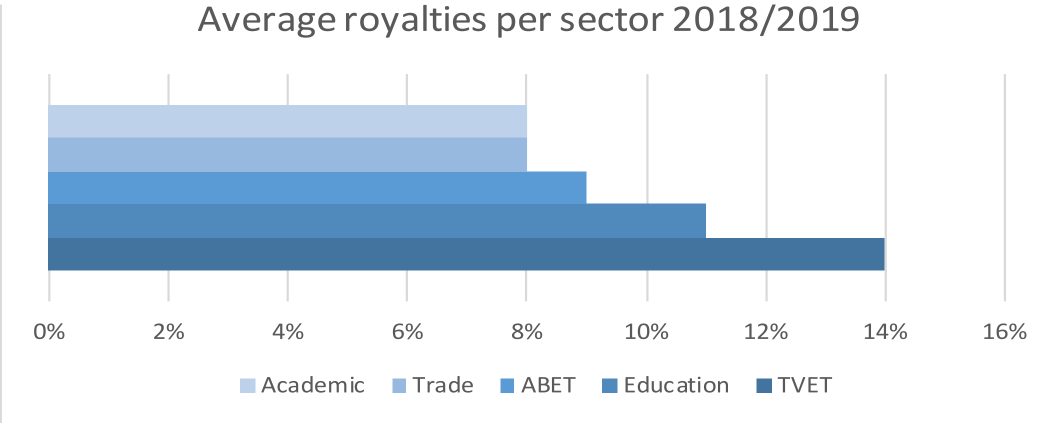
Revenue	2017/2018 (R '000)		2018/2019 (R '000)	
	Print	Digital	Print	Digital
	2 581 344	76 866	3 265 349	111 645

Digital as a share of the revenue from locally produced titles has risen very slightly.

Language

Language	Income 2017/2018 (R '000)		Income 2018/2019 (R '000)	
	Print	Digital	Print	Digital
Afrikaans	913 222	23 448	298 229	11 689
English	1 380 676	50 317	2 182 779	92 747
IsiNdebele	1 312	14	1 655	19
IsiXhosa	32 162	1 325	42 407	857
IsiZulu	124 708	516	121 675	1 093
Sepedi	37 163	247	32 485	695
Sesotho	19 807	551	20 864	710
SiSwati	2 431	1	6 077	83
Setswana	42 805	271	50 956	624
Tshivenda	6 556	35	9 192	116
Xitsonga	16 472	81	11 091	274
Multilingual	2 429	15	6 363	121
Other Languages	1 601	45	577	13
Total	2 581 344	76 866	2 784 351	109 041

Note: some of the totals are less than the overall income reflected in Table 1, for a few reasons: not all publishers fill in every table; some publishers provide different total amounts of revenue in different places; some tables include additional revenue such as rights sales, non-book products and hybrid products.



Royalties

The survey reports on aggregated and average royalty rates. These vary across the sectors, but represent an important source of income for a wide range of authors

Product Category	Average Minimum Percentage	Average Maximum Percentage	Weighted Average
Trade	3.5%	12%	8%
Education	5%	16%	11%
Academic	4.4%	12.4%	8%
TVET	12%	15%	14%
ABET	4%	14%	9%

Publishing Revenue Streams

The publishing industry does not only rely on the production and sales of new books. Due to fluctuating support from the Department of Basic Education, a relatively small reading market, and unstable economic conditions, the publishing industry is increasingly pursuing alternative revenue streams. While still content-related, these channels are not necessarily related to traditional publishing.

Book related revenue streams

Book related economic activity engaged in on a commercial basis	Active in market
Local print book publishing	28
Local eBook publishing of electronic format content downloaded onto user owned reading devices and apps	27
Local distribution of locally published print books published by third parties (not related to self or holding company)	7
Local distribution of imported print books published by third parties (not related to self or holding company)	8
Local e-book distribution (i.e. electronic format content downloaded onto user-owned reading devices and apps)	9
Online subscriber access services to professional and educational content databases	5
Local production of book-related material, title or character extensions (loose-leaf ring books, posters, maps, activity sheets etc.)	9
Local production of digital book-related brand or character extensions (CDs, DVDs, audio-books, etc.)	12

Non book-related revenue streams

Non-book related economic activity engaged in on a commercial basis	Active in market
Local production of non-paper-based book related product / brand / character extensions (soft toys, gift items etc.)	1
Academic journal publishing	1
Trade magazine publishing	1
Research or trade report publishing	1
Professional training services provided to external parties	8
Professional consulting services	5
Publishing services to third parties: Editorial and/or production	6
Publishing services to third parties: Marketing and sales	5
Publishing services to third parties: Warehousing and distribution	5

Distribution Channels

Publishers provide a breakdown of their income according to the various sales channels. The discounts referred to represent mean or weighted discounts, based on the aggregated figures provided by the respondents.

Turnover and discounts per sales channel

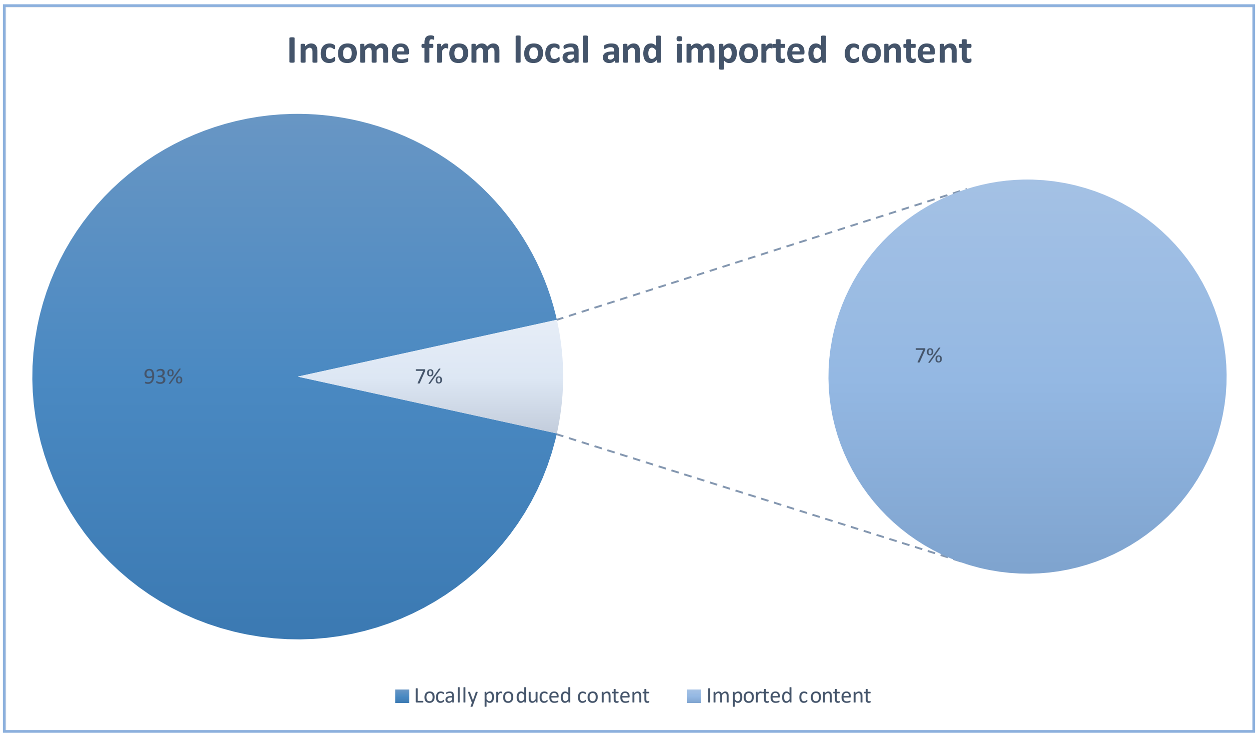
Type of outlet	2017/2018 (R '000)	2018/2019 (R '000)	Mean discount
	Aggregated Revenue		
National or regional bookseller chains	699 540	1 262 699	33%
Independent booksellers and other book retailers	189 504	346 313	31%
Non-book retail outlets	7 246	60 847	26%
Supermarkets and department stores	20 505	10 018	6%
Internet booksellers	9 427	80 941	30%
Book clubs and direct mail booksellers	43 884	362	7%
Businesses and corporations (direct sales)	3 008	29 868	15%
The public (direct sales)	80 704	73 211	14%
Libraries	7 672	13 314	11%
State and provincial departments	9 280	1 022 577	15%
Schools and educational institutions	294 945	190 328	23%
School book distributors and tenders	198 501	214 202	18%
Export sales	181 152	20 504	16%
Other	131 548	36 235	16%
Total	1 876 916	3 361 420	

Import and Export Revenue

The table shows an increase in revenue from locally produced books, and a drop in revenue from imported books.

Import and Export Revenue

Channel	Local 2018/2019 (R '000)	Imported 2018/2019 (R '000)
Sales of print books	3 089 849	195 046
Sales of digital book products	64 256	48 935
Rights sales	12 294	348
Distribution of locally published books	109 281	-
Other book-related income	813	-
Total	3 276 493	244 329



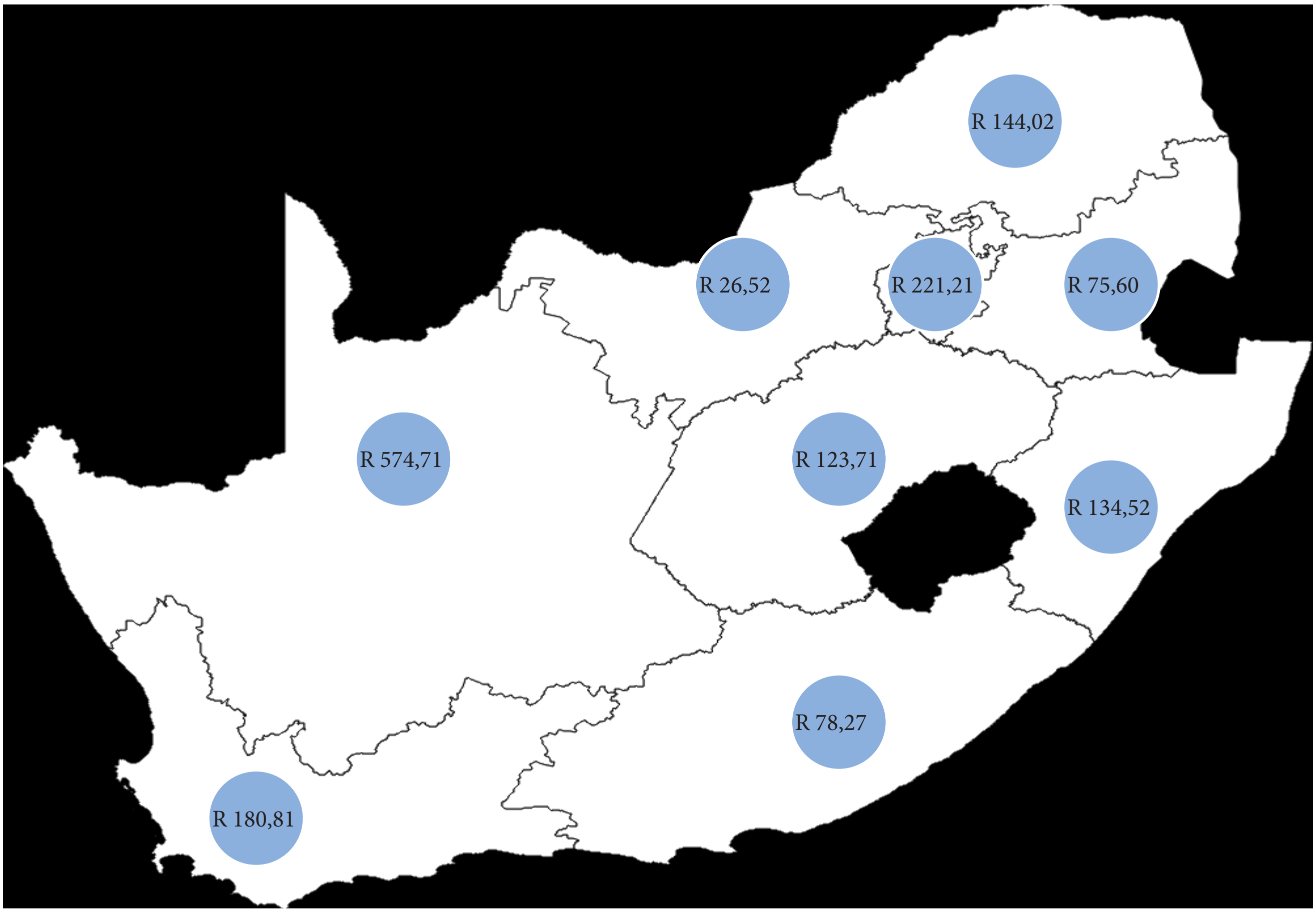
Education

The Education sector is largely concerned with producing school books for the Department of Basic Education (DBE) as well as private schools. Publishers respond to tenders or calls for new books, and are regulated by a set curriculum. The sector is dominated by a few large publishers, several medium-sized publishers and a large number of very small publishers focusing on niche subjects and often using partners for distribution. Because the sector is so reliant on the DBE, changes in government policy have a direct effect on income, production and employment in this sector.

The DBE continues to investigate state-sponsored publishing of textbooks, and has developed workbooks and readers in a number of different subject areas. These include, for instance, Technical Mathematics and Science textbooks as well as Grade 1-3 Graded Readers and Big Books. A framework for state-sponsored textbooks for Information Technology (IT), Computer Application Technology (CAT) and Music (Mus) in Grades 10-12 has been developed. The DBE is also experimenting with various digital projects, and reported in 2018-19 that 409 PDF digital resources were converted for use on mobile devices; 180 African Storybook Readers were added to the DBE's digital content repository; six offline digital textbooks were developed for Grade 12 Technical Mathematics & Science, Grade 7-9 Mathematics and Grade 7 Natural Science; and 12 offline digital content packs were distributed to each of the nine provinces.

For accessibility purposes, provinces source textbooks directly from the publishers for conversion to Braille or other accessible formats.

Provincial spend on Learner Support Material per learner



Per learner expenditure based on the 2018 Education Management Information System School Masterlist data provided by the Department of Basic Education. National average spend per student is R 145,67.

Turnover derived from all book-related activities

As it is tailored for the South African schools market, production in this sector is almost entirely local, with historically less than 1% of income being derived from imported books. The sector is also still largely print-driven, although this may change if government initiatives to introduce digital school books are more widely rolled out. Currently reports from this sector range from 1.8% to 2.5% when reporting on income from the sales of digital products.

Activity	Local turnover (R '000)	Imported turnover (R '000)
Sales of print books	1 791 166	36 137
Sales of digital book products	50 904	1 159
Rights sales	834	-
Distribution of locally published books	51 744	-
Total turnover	1 931 943	37 295

Production

This table records data on revenue from new editions, and the languages and formats in which they are produced. It also records the format and the division between imported and exported books.
The actual numbers of new titles or editions produced during the year cannot be accurately reported due to incomplete responses obtained.

Sales of locally produced school textbooks per language

Language	Print (R '000)	Digital (R '000)
English	1 325 805	38 352
Afrikaans	145 412	5 826
IsiZulu	120 388	1 092
IsiXhosa	42 287	856
Sepedi	32 472	695
Sesotho	20 663	710
Setswana	50 933	624
IsiNdebele	1 654	19
Xitsonga	11 089	274
Tshivenda	9 185	116
SiSwati	6 069	83
Multilingual	3 689	0
Other Languages	226	0
Total	1 769 872	48 647

Royalties

Royalties are recorded per book category and aggregated here. The average royalty rate for this sector is usually between 10–12%.

Value of royalty paid on locally published books

Product Category	Minimum Percent	Maximum Percent	Weighted Average
School print books	5%	17%	11%
School digital books	5%	15%	10%

Turnover and discounts

While publishers are dependent on state and provincial government departments for the vast majority of orders, they also distribute their products through a variety of other sales channels. Discounts can vary a great deal according to different kinds of suppliers. For the state and provincial departments, publishers provide individual prices in response to government tenders. Because publishers are required to provide their absolute lowest prices, no discounts are applicable to those prices. It is only in the case of supplementary materials that the old catalogues show recommended retail prices (RRP) with a discount.

Turnover and average discount granted according to sales outlet category

Type of sales outlet	Turnover (R '000)	Discount %
National or regional bookseller chains	295 714	34%
Independent booksellers and other book retailers	199 214	31%
Non-book retail outlets	26 730	27%
Internet booksellers	7 813	30%
Businesses and corporations (direct sales)	22 788	21%
The public (direct sales)	52 401	15%
Libraries	1 115	20%
State and provincial departments	1 015 144	20%
Schools and educational institutions	25 504	17%
School book distributors and tenders	194 200	28%
Export sales	1 187	21%
Other	210	18%
Total	1 842 020	

Total turnover by province

Province	2017/2018 (R '000)		2018/2019 (R '000)		2018/2019 Total
	Locally Published	Imported	Locally Published	Imported	
Eastern Cape	58 725	665	143 425	659	144 084
Free State	26 229	1 015	86 160	1 207	87 367
Gauteng	364 775	1 416	516 835	11 997	528 832
Kwa Zulu Natal	382 752	1 198	378 010	1 441	379 451
Limpopo	276 988	118	248 239	128	248 367
Mpumalanga	58 575	107	78 932	200	79 132
Northern Cape	3 578	14	22 266	29	169 688
North West	158 138	242	168 315	1 373	22 295
Western Cape	158 096	2 411	198 874	7 440	206 314

Revenue by province, according to product sub-category

Eastern Cape		
Book Category	**Local (R '000)**	**Imported (R '000)**
Grade R	443	42
Grade 1-3 core	22 884	1
Grade 4-6 core	27 627	0
Grade 7-9 core	35 252	0
Grade 10 core	11 260	0
Grade 11 core	12 230	0
Grade 12 core	11 026	1
Grade 10 Prescribed literature	2 363	0
Grade 11 Prescribed literature	1 688	0
Grade 12 Prescribed literature	1 767	0
FP Reading schemes	12 007	336
IP Reading schemes	829	44
SP Readers (non-core)	754	40
Dictionaries (Primary)	631	0
Dictionaries (Secondary)	389	25
Atlases (Primary)	154	0
Atlases (Secondary)	205	0
Posters	132	0
Supplementary and Library	1 492	104
Other	292	67
Total	143 425	659

Free State		
Book Category	**Local (R '000)**	**Imported (R '000)**
Grade R	189	16
Grade 1-3 core	11 162	28
Grade 4-6 core	25 550	0
Grade 7-9 core	24 540	0
Grade 10 core	6 329	0
Grade 11 core	3 121	1
Grade 12 core	5 648	0
Grade 10 Prescribed literature	223	0
Grade 11 Prescribed literature	296	0
Grade 12 Prescribed literature	217	0
FP Reading schemes	2 566	20
IP Reading schemes	3 469	277
SP Readers (non-core)	369	1
Dictionaries (Primary)	340	0
Dictionaries (Secondary)	122	15
Atlases (Primary)	74	0

Limpopo		
Book Category	**Local (R '000)**	**Imported (R '000)**
Grade R	367	8
Grade 1-3 core	11 294	0
Grade 4-6 core	64 445	0
Grade 7-9 core	77 099	0
Grade 10 core	24 613	0
Grade 11 core	29 775	0
Grade 12 core	23 348	0
Grade 10 Prescribed literature	2 666	0
Grade 11 Prescribed literature	2 214	0
Grade 12 Prescribed literature	1 013	0
FP Reading schemes	4 327	0
IP Reading schemes	459	6
SP Readers (non-core)	518	0
Dictionaries (Primary)	1 213	31
Dictionaries (Secondary)	266	0
Atlases (Primary)	101	0
Atlases (Secondary)	65	0
Posters	9	0
Supplementary and Library	1 757	59
Other	2 693	22
Total	248 239	128

Atlases (Secondary)	69	0
Posters	64	0
Supplementary and Library	1 264	687
Other	549	162
Total	86 160	1 207

Gauteng		
Book Category	**Local (R '000)**	**Imported (R '000)**
Grade R	2 400	128
Grade 1-3 core	38 693	205
Grade 4-6 core	119 375	291
Grade 7-9 core	126 353	827
Grade 10 core	35 772	134
Grade 11 core	33 695	113
Grade 12 core	30 809	51
Grade 10 Prescribed literature	3 482	18
Grade 11 Prescribed literature	3 376	9
Grade 12 Prescribed literature	3 384	4
FP Reading schemes	53 859	129
IP Reading schemes	5 629	293
SP Readers (non-core)	2 297	486
Dictionaries (Primary)	9 655	25
Dictionaries (Secondary)	7 683	307
Atlases (Primary)	2 500	29
Atlases (Secondary)	1 969	1
Posters	190	0
Supplementary and Library	27 923	2 178
Other	7 792	6 769
Total	516 835	11 997

KwaZulu-Natal		
Book Category	**Local (R '000)**	**Imported (R '000)**
Grade R	15 673	154
Grade 1-3 core	50 917	135
Grade 4-6 core	87 255	0
Grade 7-9 core	93 044	1
Grade 10 core	27 135	0
Grade 11 core	28 508	0
Grade 12 core	26 560	0
Grade 10 Prescribed literature	2 995	0
Grade 11 Prescribed literature	3 113	0
Grade 12 Prescribed literature	1 523	0
FP Reading schemes	10 652	9
IP Reading schemes	6 566	44

SP Readers (non-core)	3 909	60
Dictionaries (Primary)	1 928	2
Dictionaries (Secondary)	5 116	120
Atlases (Primary)	853	14
Atlases (Secondary)	1 032	46
Posters	185	0
Supplementary and Library	5 109	373
Other	5 937	483
Total	378 010	1 441

Mpumalanga		
Book Category	**Local (R ‘000)**	**Imported (R ‘000)**
Grade R	728	0
Grade 1-3 core	507	0
Grade 4-6 core	27 484	0
Grade 7-9 core	23 511	0
Grade 10 core	7 788	0
Grade 11 core	7 000	0
Grade 12 core	7 674	0
Grade 10 Prescribed literature	10	0
Grade 11 Prescribed literature	41	0
Grade 12 Prescribed literature	95	0
FP Reading schemes	383	3
IP Reading schemes	27	14
SP Readers (non-core)	6	0
Dictionaries (Primary)	195	4
Dictionaries (Secondary)	237	24
Atlases (Primary)	186	0
Atlases (Secondary)	60	0
Posters	259	0
Supplementary and Library	2 405	50
Other	339	103
Total	78 932	200

Northern Cape		
Book Category	**Local (R ‘000)**	**Imported (R ‘000)**
Grade R	10	0
Grade 1-3 core	329	0
Grade 4-6 core	3 721	0
Grade 7-9 core	9 188	0
Grade 10 core	2 211	0
Grade 11 core	1 568	0

Grade 12 core	1 716	0
Grade 10 Prescribed literature	618	0
Grade 11 Prescribed literature	420	0
Grade 12 Prescribed literature	695	0
FP Reading schemes	107	0
IP Reading schemes	579	1
SP Readers (non-core)	276	7
Dictionaries (Primary)	32	0
Dictionaries (Secondary)	44	10
Atlases (Primary)	4	0
Atlases (Secondary)	2	0
Posters	19	0
Supplementary and Library	313	2
Other	415	9
Total	22 266	29

North West		
Book Category	**Local (R '000)**	**Imported (R '000)**
Grade R	3 479	86
Grade 1-3 core	20 289	149
Grade 4-6 core	42 792	0
Grade 7-9 core	44 501	0
Grade 10 core	11 239	0
Grade 11 core	9 246	0
Grade 12 core	6 757	0
Grade 10 Prescribed literature	1 464	0
Grade 11 Prescribed literature	1 069	0
Grade 12 Prescribed literature	921	0
FP Reading schemes	7 321	18
IP Reading schemes	2 301	4
SP Readers (non-core)	685	0
Dictionaries (Primary)	1 780	107
Dictionaries (Secondary)	2 039	361
Atlases (Primary)	214	0
Atlases (Secondary)	1 731	0
Posters	1 499	0
Supplementary and Library	5 000	107
Other	3 988	540
Total	168 315	1 373

Western Cape		
Book Category	**Local (R '000)**	**Imported (R '000)**
Grade R	678	0
Grade 1-3 core	8 242	2
Grade 4-6 core	40 510	34
Grade 7-9 core	49 214	770
Grade 10 core	17 417	780
Grade 11 core	19 945	589
Grade 12 core	16 090	617
Grade 10 Prescribed literature	1 410	31
Grade 11 Prescribed literature	9 480	53
Grade 12 Prescribed literature	1 848	42
FP Reading schemes	10 817	19
IP Reading schemes	3 282	254
SP Readers (non-core)	787	231
Dictionaries (Primary)	4 218	27
Dictionaries (Secondary)	3 166	216
Atlases (Primary)	1 085	1
Atlases (Secondary)	822	0
Posters	229	0
Supplementary and Library	6 906	1207
Other	2 728	2565
Total	198 874	7440

Trade

Trade publishers produce books for the general reader. The sector is characterised by large multinational publishers with local offices as well as a variety of local imprints. In addition, some local publishers act as distributors for international publishers, but only a small proportion of these imports is captured in this survey, as the focus is on the production of local books. The Trade sector includes specialist publishers focusing on the religious market, which is an important sub-sector in South Africa.
Estimates suggest that the proportion of e-book sales is set to grow to nearly 10% of sales over the next five years, while audiobooks continue to gain market share (The PWC Entertainment and media outlook:2018 – 2022). However, the figures captured in this survey imply that this forecast is overly large, as the disparity between print and digital book sales remains very high.

Revenue

Turnover derived from all book-related activities

Activity	Local turnover (R '000)	Imported turnover (R '000)
Sales of print books	730 872	99 311
Sales of digital book products	6 339	7 664
Rights sales	2 100	228
Total turnover	739 311	107 203

Other turnover derived from business activities

Activity	Local turnover (R '000)
Distribution of locally published books	674
Other book-related income	116
Total other turnover	789

Revenue from books

Sales of locally produced books by category

Adult Fiction Books

Language	Print (R '000)	Digital (R '000)
English	78 435	2 703
Afrikaans	41 703	4 512
IsiZulu	269	0
IsiXhosa	7	0
Sesotho	4	0
SiSwati	7	0
Multilingual	620	23
Total	121 045	7 238

Adult Non-Fiction Books

Language	Print (R '000)	Digital (R '000)
English	162 410	4 353
Afrikaans	29 836	1 034
IsiZulu	200	0
IsiXhosa	35	0
Multilingual	1 865	98
Other Languages	211	13
Total	189 889	5 385

Children's Fiction Books

Language	Print (R '000)	Digital (R '000)
English	59 362	99
Afrikaans	21 281	238
IsiZulu	192	0
IsiXhosa	55	0
Sepedi	13	0
Sesotho	59	0
Setswana	24	0
IsiNdebele	1	0
Xitsonga	2	0
Tshivenda	7	0
SiSwati	1	0
Multilingual	90	0
Total	81 085	338

Children's Non-Fiction Books

Language	Print (R '000)	Digital (R '000)
English	16 194	5
Afrikaans	5 839	0
IsiZulu	125	0
IsiXhosa	23	0
Sepedi	0	0
Sesotho	4	0
Total	20 884	5

Revenue by format

Genre	2017/2018 (R '000)		2018/2019 (R '000)	
	Locally Published	Imported	Locally Published	Imported
Adult non-fiction print (Including religious)	214 714	164 792	20 758	12 352
Adult non-fiction digital (Including religious)	4563	1 738	335	160
Adult fiction print	32 036	158 247	354 502	42 195
Adult fiction digital	1 411	687	5 190	6 759
Children's print	33 684	113 683	179 825	29 847
Children's digital	548	489	500	468

Distribution channels

Turnover and average discount granted according to sales outlet category

Type of sales outlet	Locally produced books (R '000)	Imported books (R '000)	Mean discount %
National or regional bookseller chains	289 633	294 643	37%
Independent booksellers and other book retailers	41 394	40 607	41%
Non-book retail outlets	26 973	7 097	42%
Supermarkets and department stores	7 226	2 792	28%
Internet booksellers	21 693	23 360	37%
Book clubs and direct mail booksellers	255	107	24%

Businesses and corporations (direct sales)	3 979	948	32%
The public (direct sales)	17 738	2 492	35%
Libraries	4 738	7 441	37%
State and provincial departments	3 192	29	19%
Schools and educational institutions	5 633	248	34%
School book distributors and tenders	14 592	5 247	33%
Export sales	10 534	8 529	38%
Other	1 341	982	39%
Total	448 922	394 522	

Royalties paid on locally produced books

These percentages do not represent the royalty rate of any specific publishers, but rather an average on the figures reported from all publishers.

Product Category	Minimum Percentage	Maximum Percentage	Weighted Average
General trade print books	4%	22%	13%
General trade digital books	9%	22%	16%
Religious trade print books	2%	7%	5%
Religious trade digital books	2%	7%	5%

Academic

The Academic sector publishes textbooks and other products for university students, as well as professional products and books for continuing professional development, used by doctors, lawyers and accountants, for instance. Books produced by the Scholarly publishing sector are also included here.
This sector is dominated by a few major players locally, as well as by imported textbooks. This survey is not able to capture a full picture of the trade in imported textbooks, as that data can only be provided by booksellers and distributors and is beyond the scope of this study. The PWC Entertainment and media outlook: 2018 – 2022 continues to predict growth in Professional publishing, with a 1.1% increase predicted by 2022.
The Academic sector is differentiated by category (textbooks and professional books) as well as by format (print or digital), and by language. Print remains the format of preference, although all of the Academic publishers have invested in new technologies and new digital products. The sector is heavily dominated by the production of English-language books, a trend that mirrors the increasing use of English as the language of academia and university education.

Revenue

Book Category	Local books turnover (R ‘000)		Imported books turnover (R ‘000)	
	Print	Digital	Print	Digital
Academic	255 951	928	58 687	39 291
Professional Books	36 969	5 266	443	665
Scholarly books	3 849	300	468	157
Sales of non-book products	4 441	0	119	0
Total	301 210	6494	59 718	40 113

Turnover derived from all book-related activities

Activity	Local turnover (R’000)	Imported turnover(R’000)
Sales of print books	323 724	59 599
Sales of digital book products	6 499	40 113
Rights sales	9 360	119
Distribution of locally published books	57 561	0
Total turnover	397 144	99 831

Royalties paid on locally published books

Product Category	Minimum Percentage	Maximum Percentage	Weighted Average
Textbook print books	5%	22%	14%
Textbook digital books	4%	20%	12%
Professional print books	4%	24%	14%
Professional digital books	2%	22%	12%
Scholarly print books	7%	19%	13%

Distribution channels

Academic books are mostly sold through bookseller chains, many of which are located on or near university campuses. In contrast, professional and scholarly books are often sold directly to businesses and the public, in addition to other sales channels through traditional retail chains. There is a significant market to state and government departments as well as educational institutions.
Changes to the funding provided to needy students in early 2019, which have resulted in a huge drop in sales of academic books at bookshops, are not yet reflected in these figures but may be expected to have an impact in 2019-2020.

Turnover and average discount granted according to sales outlet category: **Academic**

Type of sales outlet	Turnover (R '000)	Discount %
Primary Retail Outlets	325 796	31%
E-commerce (direct publisher's sales)	1 739	13%
E-commerce (retailer sales)	27 512	31%
Other	31 075	24%
Total	386 122	

Turnover and average discount granted according to sales outlet category: **Professional**

Type of sales outlet	Turnover (R '000)	Discount %
National or regional bookseller chains	13 262	30%
Independent booksellers and other book retailers	15	30%
Internet booksellers	173	20%
Businesses and corporations (direct sales)	303	0%
Libraries	20	0%
State and provincial departments	382	15%
Schools and educational institutions	449	5%
Export sales	136	20%
Other	1 933	15%
Total	16 672	

Production

Note: All of the turnover reported for Scholarly books was for English-language titles.

Revenue from locally produced titles: **Academic**

Language	Print (R '000)	Digital (R '000)
English	301 637	45 053
Afrikaans	2 658	5
IsiZulu	250	0
Sesotho	35	0
Multilingual	50	0
Other Languages	139	0
Total	304 769	45 057

Revenue from locally produced titles: **Professional**

Language	Print (R '000)	Digital (R '000)
English	15 354	1 083
IsiZulu	250	0
Sesotho	100	0
Multilingual	50	0
Total	15 754	1 083

ABET

This sub-sector focuses on local literacy and other basic training needs. Books are seldom produced as a stand-alone product; rather, they are incorporated into training programmes and projects at public adult learning centres or private companies.

The ABET market mostly comprises young adults who need to complete their basic education qualifications or supplement their existing literacy and numeracy skills. Many of the publishers are either private training providers, or Educational publishers working in partnership with non-government organisations.

Revenue

Activity	Local turnover (R '000)
Sales of print books	8 433
Total turnover	8 433

Turnover according to product sub-category

The National Qualifications Framework recognizes four ABET levels, which correspond approximately to the General Education and Training (GET) phase. The sector produces books or training material only in print. The lack of digital content is likely due to the lack of infrastructure, training and funding to implement infrastructure and training. The majority of books produced in the past year were in English.

Level	Turnover (R '000)
Level 1	746
Level 2	74
Level 3	437
Level 4	7 176
Total	8 433

Distribution channels

Type of sales outlet	Turnover (R '000)	Mean Discount %
National or regional bookseller chains	1 389	30%
Independent booksellers and other book retailers	632	32%
Non-book retail outlets	0	30%
Internet booksellers	2	30%
Businesses and corporations (direct sales)	102	20%
State and provincial departments	3 784	28%
Schools and educational institutions	2 344	25%
School book distributors and tenders	163	30%
Other	18	0%
Total	8 433	

Royalties paid on locally published books

Product Category	Minimum Percentage	Maximum Percentage	Weighted Average
ABET print books	4%	14%	9%

Production by language

Language	Print (R'000)
English	8 280
Afrikaans	152
Total	8 433

TVET

The TVET sector produces textbooks for students at the TVET colleges in South Africa, which offer technical or vocational training. The procurement and distribution model is completely different from that of the Academic textbook sector, as the TVET system is more centralised. There was little additional government spending on this sector during 2018-19. The opening of 13 new TVET college campuses for enrolment in the 2018/2019 financial year shows increased funding going to this sector, although there is not yet a significant correlating impact on the publishing for this sector. Increased standardisation of funding available to students in this sector for 2018/2019 will likely have an effect on this sector in the coming years, as will the intriduction of an additional Pre-Vocational Learning Programme (PLP) focusing on maths and science.

Revenue

Activity	Local turnover (R '000)
Sales of print books	262 654
Sales of digital book products	513
Total turnover	263 168

Turnover according to product sub-category

The TVET sector produces books – overwhelmingly in print – for two different levels: the National Certificate (Vocational), or NCV, and the National Accredited Technical Diploma (NATED). The vast majority of books are in English.

Book Category	Local turnover (R '000)	
	NCV	NATED
TVET books print	136 816	125 839
TVET books digital	354	159
Total	137 170	125 998

Distribution channels

Type of sales outlet	Turnover (R '000)	Mean Discount %
National or regional bookseller chains	41 717	31%
Independent booksellers and other book retailers	64 417	31%
Non-book retail outlets	47	30%
Internet booksellers	357	25%
The public (direct sales)	580	10%
Schools and educational institutions	156 050	30%
Total	263 168	

Royalties paid on locally published books

Product Category	Minimum Percentage	Maximum Percentage	Weighted Average
TVET print books	8%	14%	11%
TVET digital books	16%	19%	18%

Production by language

Language	Print (R '000)	Digital (R '000)
English	211 329	439
Afrikaans	51 348	75
Total	262 677	513

List of Participating Publishers

Bookstorm(Pty) Ltd

Cambridge University Press

Cengage Learning EMEA Ltd

Camilla Sign Editing & Publishing

Dancing Pencils

Deep South

Future Managers (Pty) Ltd

HSRC Press

Jonathan Ball Publishers

Juta and Company (Pty) Ltd

Lexis Nexis Publishers

Macmillan SA (Pty) Ltd

Marumo Publishers

NB Publishers

Oxford University Press

Pan Macmillan

Pearson South Africa

Penguin Random House

Pulseed Publishers

Shuter & Shooter

Sifiso Publishers

Seyfferdt Publishers

Troupant Publishers

The Answer Educational Publisher

UCT Press

Umsini Press

Van Schaik Publishers

Via Afrika

Vivlia Publishers

Wits University Press

Zachen (Pty) Ltd