The Digital Publishing Distribution Market in Japan

Mr. Kazuyoshi TAKEUCHI
CEO - VIZ Media Europe Group
Who are our Parents?

小学館
SHOGAKUKAN

集英社 | SHUEISHA Inc.

ShoPro
Publishing context

Source: Shuppan Geppou, November 2017
USA: Nielsen, Germany: BDB, UK: PA, France: SNE, China: Newspaper Publishing Organisation
* JAPAN = Books and Magazine combined
* Conversion 1000 JPY = 7.64 EUR
Do you know Japan?

126,985,000

Train and book culture, says Alexia Liu, have contributed to a meteoric, dramatic rise in phone-reading in Japan. Image - Stockphoto Viewpart

377,962 km²

4,070 billion EUR GDP (2016)

Age

- 14 - 64: 60%
- 65 +: 27%
- 0-13: 13%

Source: An Introduction to Publishing in Japan 2017-2018
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www.jbpa.or.jp
Overview - Media Industries

Books & Magazines
99 bn EUR approx.
Physical Books and Magazines
- Publishers face challenges from the growing use of the Internet and digital content.
- Both the book and magazine markets have been shrinking, with a decrease of 1.1 trillion yen in 2015 from the peak year of 1996.
- At the end of FY 2015, there were 3,489 publishing companies of which 2,660 in Tokyo. Many are small and specialized houses.
- A characteristic of the industry is its reliance on wholesale book distributors.

Source: Photos and charts, Mr. Seichi Higuchi
An Introduction to Publishing in Japan 2017-2018
© Japan Book Publishers Association 2017
www.jbpa.or.jp

Tohan, Okegawa SCM Center

Nippon Shuppan Hanbai, Inc. or Tohan Corporation
(60% of Distribution Market)

Nippan, Oji Logistic Center
742 bn JPY = 5.6 bn EUR approx

Digital 221 bn JPY = 1.6 bn EUR approx

Source: Shuppan Geppou, January 2018

Source: An Introduction to Publishing in Japan 2017-2018
© Japan Book Publishers Association 2017
www.jbpa.or.jp
Have you ever read an eBook?

- **YES**: 19%
- **NO**: 81%

**Contents read on eBook**

- **comic**: 10%
- **novel**: 14%
- **magazine**: 43%
- **newspaper**: 33%

**Device**

- **smartphone**: 52%
- **iPad**: 22%
- **PC**: 21%
- **Kindle**: 5%

**eBook Readers' age**

- **Late 10s**: 8%
- **20s**: 4%
- **30s**: 16%
- **40s**: 21%
- **50s**: 21%
- **60s**: 21%
- **70s**: 1%

Source: An Introduction to Publishing in Japan 2017-2018 © Japan Book Publishers Association 2017

www.jbpa.or.jp

Source: Opinion survey, Mainichi Newspaper, 2016
### Breakdown of the sales of eBooks (unit: 100 million yen)

<table>
<thead>
<tr>
<th></th>
<th>YEAR</th>
<th>2016</th>
<th>2017</th>
<th>Year-to-year Comparison (%)</th>
<th>Share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PAPER</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Books</td>
<td></td>
<td>7,370</td>
<td>7,152</td>
<td>97.0</td>
<td>44.9</td>
</tr>
<tr>
<td>Magazines</td>
<td></td>
<td>7,339</td>
<td>6,548</td>
<td>89.2</td>
<td>41.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>14,709</td>
<td>13,701</td>
<td>93.1</td>
<td>86.1</td>
</tr>
<tr>
<td><strong>DIGITAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E-comics</td>
<td></td>
<td>1,460</td>
<td>1,711</td>
<td>117.2</td>
<td>10.8</td>
</tr>
<tr>
<td>Other eBook</td>
<td></td>
<td>258</td>
<td>290</td>
<td>112.4</td>
<td>1.8</td>
</tr>
<tr>
<td>E-magazine</td>
<td></td>
<td>191</td>
<td>214</td>
<td>112.0</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>1,909</td>
<td>2,215</td>
<td>116.0</td>
<td>13.9</td>
</tr>
<tr>
<td><strong>PAPER + DIGITAL</strong></td>
<td></td>
<td><strong>TOTAL</strong></td>
<td>16,618</td>
<td>15,916</td>
<td><strong>95.8</strong></td>
</tr>
</tbody>
</table>

Source: Special edition, Electronic publishing, Shuppan Geppou, January 2018
A milestone in the industry

- Manga eComics drive Digital Contents overtaking paper!


Digital sales: 3,568,285,740,000 JPY
Paper sales: 2,258,325,000,000 JPY

Digital sales exceed paper sales by approximately 1,975,740,000 EUR.

Source: Shuppan Geppou, February 2018
http://www.ajpea.or.jp/information/20180226/index.html

Source: An Introduction to Publishing in Japan 2017-2018
© Japan Book Publishers Association 2017
www.jbpa.or.jp
Free comics & advertising

Source: https://www.impress.co.jp/newsrelease/2017/07/20170727-01.html
Reading Devices

Digital Publishing Market

Source: E-books business survey and report, Impress

Photo Source: As manga goes digital via smartphone apps, do paper comics still have a place? | The Japan Times 1/23/2018

Source: An Introduction to Publishing in Japan 2017-2018
© Japan Book Publishers Association 2017
www.jbpa.or.jp
Over 200 eBookstores

<table>
<thead>
<tr>
<th>Overseas firms</th>
<th>Printing Companies &amp; Bookstores</th>
<th>Mobile phone company</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Kindle</td>
<td>• BookLive! (Toppan Printing)</td>
<td>• d-book/ d-magazine (NTT docomo)</td>
</tr>
<tr>
<td>• iBooksStore</td>
<td>• honto (DNP)</td>
<td>• SmartBook Store (SoftBank)</td>
</tr>
<tr>
<td>• Google Play</td>
<td>• Kinoppy (Kinokuniya bookstore)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Publishers</th>
<th>Distributors</th>
<th>Pure e-books store</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Book Walker</td>
<td>• RakutenKobo</td>
<td>• eBookJapan</td>
</tr>
<tr>
<td>(KADOKAWA)</td>
<td>• Yahoo!Bookstore</td>
<td>• Papyless</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Specialized only in e-comics</th>
<th>Major distributors of e-books</th>
</tr>
</thead>
<tbody>
<tr>
<td>• comic cmoa (NTT solmare)</td>
<td>• DPIJ</td>
</tr>
<tr>
<td>• LINE Manga(LINE)</td>
<td>• MobileBook.jp</td>
</tr>
<tr>
<td>• Mechacom (amutus)</td>
<td>• MediaDo</td>
</tr>
</tbody>
</table>

Source: An Introduction to Publishing in Japan 2017-2018
© Japan Book Publishers Association 2017
www.jbpa.or.jp
## Digital and Paper Bestsellers

### RAKUTEN

<table>
<thead>
<tr>
<th>Rank</th>
<th>Title</th>
<th>Author</th>
<th>Publisher</th>
<th>Field</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Attack on Titan Vol. 22</td>
<td>Hajime ISAYAMA</td>
<td>Kodansha</td>
<td>Comics</td>
</tr>
<tr>
<td>2</td>
<td>Kingdom Vol. 45</td>
<td>Yasuhsa HARA</td>
<td>Shueisha</td>
<td>Comics</td>
</tr>
<tr>
<td>3</td>
<td>Tokyo Tarareba Musume vol. 7</td>
<td>Akiko HIGASHIMURA</td>
<td>Kodansha</td>
<td>Comics</td>
</tr>
<tr>
<td>4</td>
<td>Nigeruwa hajidaga, yaku ni tatsu Vol. 9</td>
<td>Tsunami UMINO</td>
<td>Kodansha</td>
<td>Comics</td>
</tr>
<tr>
<td>5</td>
<td>HunterxHunter Monochrome Vol. 34</td>
<td>Yoshihiro TOGASHI</td>
<td>Shueisha</td>
<td>Comics</td>
</tr>
</tbody>
</table>

### KINOKUNIYA Excl. COMICS

<table>
<thead>
<tr>
<th>Rank</th>
<th>Title</th>
<th>Author</th>
<th>Publisher</th>
<th>Field</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mitsubachi to enrai</td>
<td>Riku ONDA</td>
<td>Gentosha</td>
<td>Literature</td>
</tr>
<tr>
<td>2</td>
<td>Let me eat your pancreas</td>
<td>Yoru Sumino</td>
<td>Futabasha</td>
<td>Literature</td>
</tr>
<tr>
<td>3</td>
<td>Akira to Akira</td>
<td>Jun IKEIDO</td>
<td>Tokuma Shoten</td>
<td>Financial Fiction</td>
</tr>
<tr>
<td>4</td>
<td>Remains of the day</td>
<td>Kazuo ISHIGURO</td>
<td>Hayakawa</td>
<td>Literature</td>
</tr>
<tr>
<td>5</td>
<td>Tadouryoku</td>
<td>Takafumi HORIE</td>
<td>Gentosha</td>
<td>Business</td>
</tr>
</tbody>
</table>

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**#1 Manga:** *Kimitachi wa douikiruka – How will you live?*

Genzaburo Yoshino, Shoichi Haga, Magazine House

Sources: rakuten.co.jp nippan.co.jp kinokuniya.co.jp
### Anti-Piracy Action

<table>
<thead>
<tr>
<th>Company</th>
<th>Logo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Animate Corporation</td>
<td><img src="http://www.japanmanga.co.jp/" alt="Animate Logo" /></td>
</tr>
<tr>
<td>KADOKAWA CORPORATION</td>
<td><img src="http://www.japanmanga.co.jp/" alt="Kadokawa Logo" /></td>
</tr>
<tr>
<td>Kodansha Co., Ltd.</td>
<td><img src="http://www.japanmanga.co.jp/" alt="Kodansha Logo" /></td>
</tr>
<tr>
<td>Shueisha Co., Ltd.</td>
<td><img src="http://www.japanmanga.co.jp/" alt="Shueisha Logo" /></td>
</tr>
<tr>
<td>Shogakukan Co., Ltd.</td>
<td><img src="http://www.japanmanga.co.jp/" alt="Shogakukan Logo" /></td>
</tr>
</tbody>
</table>

Source: [http://www.japanmanga.co.jp/](http://www.japanmanga.co.jp/)
Immersive AR/VR - Future digital publishing contents

MANGA EXPERIENCE

• Promotional video niche experiment (2:09)  
  Source: SQUARE ENIX THE WEDDING RING  
  http://www.jp.square-enix.com/mangainvr/special/1802weddingring/  
  https://youtu.be/orghIMjubjQ
This is the end of my story. ‘One’, ‘Another’ and ‘Many’. We have looked at human nature that creates our social relations. It’s time to start your story. Who is your ‘Another’ and ‘Many’? That is your future created by how you establish relations with other humans.

Source: MIRAIKAN National Museum of Emerging Science and Innovation
http://www.miraikan.jst.go.jp/en/exhibition/
Digital Publishing Initiatives Japan

Target: Digital Publishing Initiatives Co., Ltd.
Outline: New company that will develop a platform for digital publishing
Authorized investment: ¥15 billion (maximum)

Founding companies of DPIJ (11 companies)

Other participating publishing companies
250 +
(As of March 25, 2012)

• Investment
• Permission of copyright holders, provision of copy-text data

publish + bridge =
Digital Publishing Initiatives Japan
A bridge for all devices, all stores and all publishers

• Digitalization of books and publications
• Storage of data
• Distribution to ebook stores and agencies
• Promotion (bibliography creation, distribution, etc.)
• Management of distribution of earnings

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Thank you! Arigato!

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