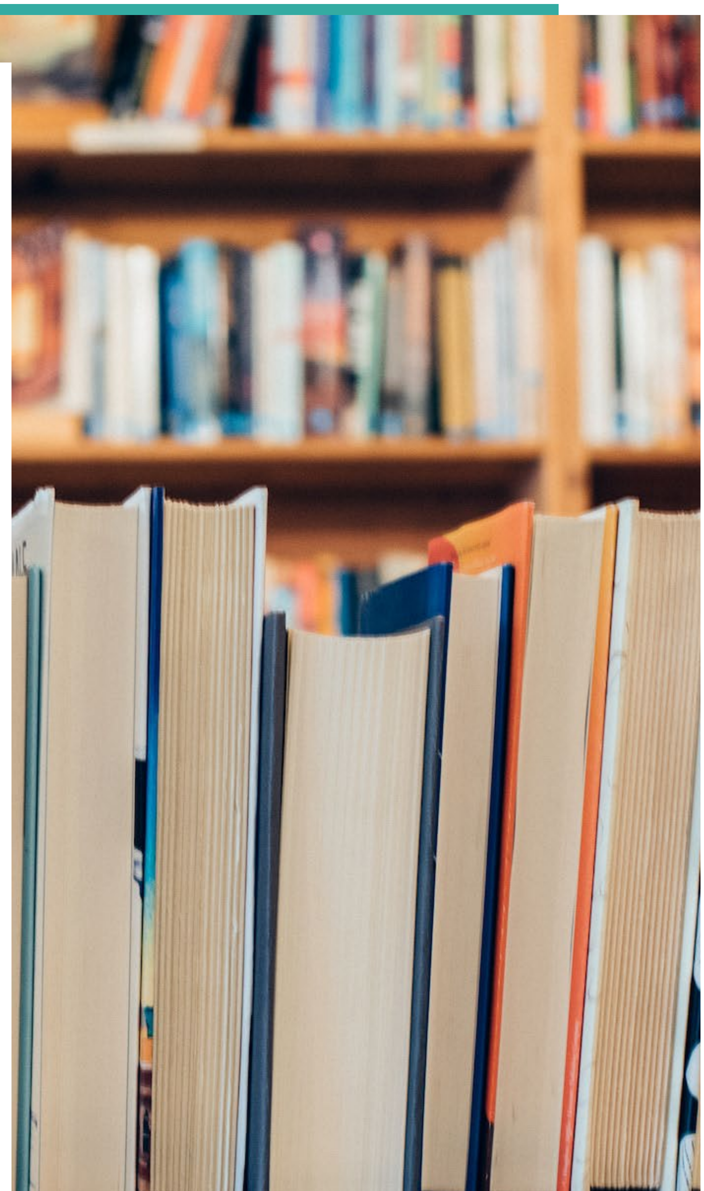

SOUTH AFRICAN BOOK PUBLISHING INDUSTRY SURVEY

2021 - 2022

APRIL 2021 – MARCH 2022

Compiled by: Elizabeth le Roux, Sibusiso Tshuma and Savannah Harvett

PASA
PUBLISHERS' ASSOCIATION OF SOUTH AFRICA

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Make today matter

This research was conducted on behalf of the Publishers' Association of South Africa by the Department of Information Science, University of Pretoria

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Contents

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.

The report covers three key sectors: Educational, Trade and Academic. Unlike most large publishing industries globally, where Trade (general retail publishing) accounts for around 50% of income, in South Africa, the Education sector accounts for more than 60% of revenue.

The methodology of the research is a survey of South African publishers, using a questionnaire to collect data on their turnover and production patterns from the previous financial year, as well as ownership and employment. The scope is limited to publishers operating in South Africa, although their main ownership may not be local, and to books published within South Africa.

The total number of active publishers in South Africa is unknown, but is thought to be between 150 and 200, from micro-enterprises to multinationals. The PASA membership directory used as the basis for the respondent sample listed 98 separate publishers, many of which represent a larger number of imprints and subsidiaries. Around 70 non-PASA members were also added to the initial list. This year, around 20 large and 65 SMME publishers were invited to participate; the response rate was 75% for large (generic) publishers (n = 15) and 22% for SMMEs (n = 14). As the industry is heavily dominated by a small group of very large publishers, the data collected represents more than 90% of all production and revenue.

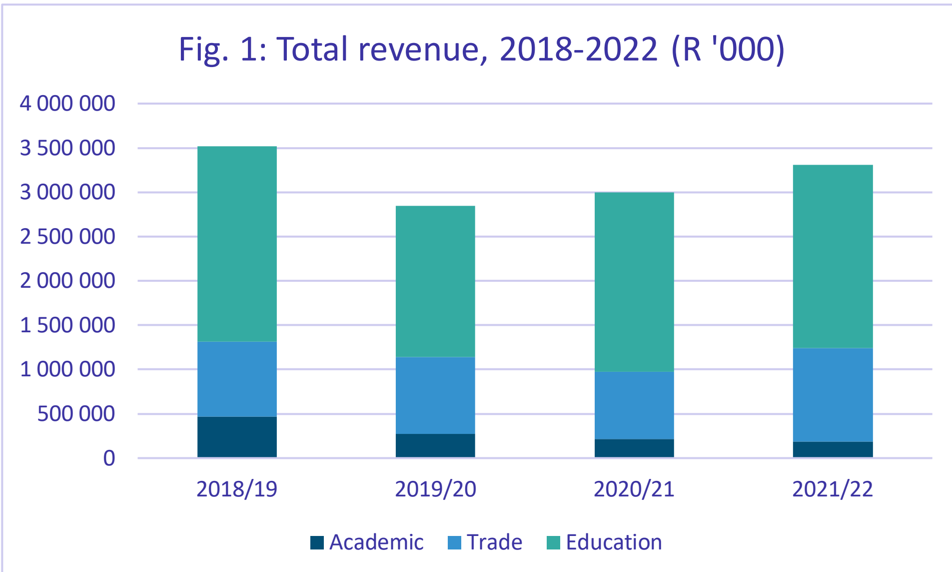
This report highlights findings from the data submitted for the 2021/2022 financial year (April to March). It should be noted that, while trends and patterns are highlighted, the data for previous years are not always precisely comparable.

To triangulate and supplement the survey data, data from additional sources are compiled, for example Department of Basic Education figures, Nielsen's BookData sales figures, economic or market indicators and trends.

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.

Overview

In 2021/22, the South African publishing industry produced around R3.3 billion in revenue. This is an improvement on the income levels achieved in 2019/2020 and 2020/21, but has not yet recovered to levels prior to that. These figures are in keeping with seasonal improvements against a background of an overall declining trend in production volumes for the publishing sector recorded by Stats SA for the period to end March 2022.



The Education sector (including schoolbooks, technical colleges and adult education) is responsible for 61% of the revenue for this period, with Trade accounting for 32% and Academic for just 7%.

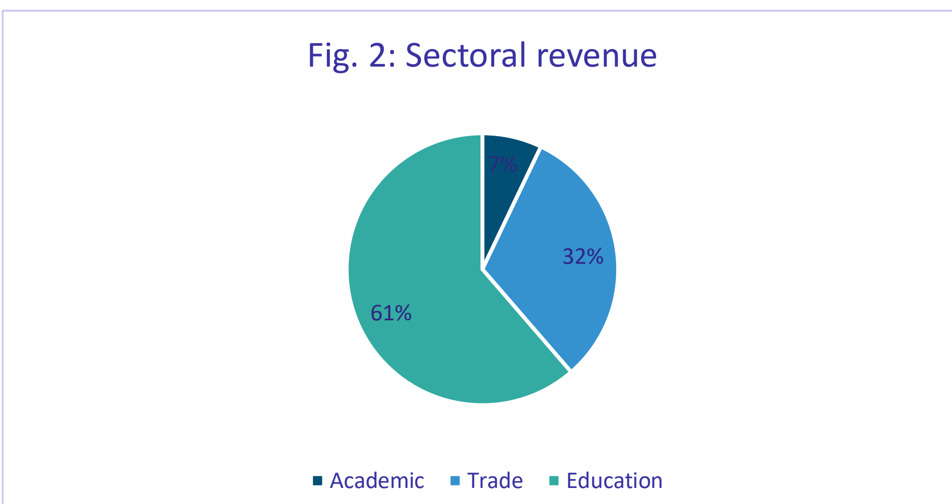


Table 1: Total net publishing industry revenue, 2021 – 2022 (ZAR '000)

Sector	2020/21	2021/22	Change
Academic	214 709	238 494	+11%
Trade	758 441	1 060 462	+40%
Education	2 027 373	2 061 834	+2%
Total	**3 000 523**	**3 360 790**	**+10%**

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

Publisher Profiles

In this survey, 14 large (generic) publishers; 1 medium-sized publisher; and 13 SMMEs participated. The larger publishers represent many different imprints and publishing brands. The participation of SMME publishers, while still low, is improving over time.

Table 2: Business size and category (n = 28)

SMME (Less than R5m)	EME (Between R5mn and R10mn)	QSE (Between R10mn and R50mn)	Generic (Greater than R50mn)
13	0	1	14

The improvement in B-BBEE ratings shows that the industry is making some progress with transformation – nine out of 14 respondents indicated that they now have an AAA rating.

Table 3: B-BBEE level (n = 14)

B-BBEE rating	Number of publishers
Level 1 >100% AAA	9
Level 2 85 - 99% AA	0
Level 3 75 – 85% A	3
Level 4 65 – 75% BBB	0
Level5 55 – 65% BB	0
Level 6 45 – 55% B	0
Level 7 40 – 45% C	0
Level 8 30 – 40% D	1
Not compliant <30% E/FF	1

Employment

Employment in the sector has declined, with more than 100 jobs being shed in the period of the survey. This is probably mostly due to fluctuations or reorganising of departments at some of the larger, as well as a general economic downturn. The decline can also be attributed to an increased use of freelancers in place of full-time staff. The employment profile shows a slight improvement in term of representativeness of the South African population.

Fig. 3: Employment profile, 2021/22

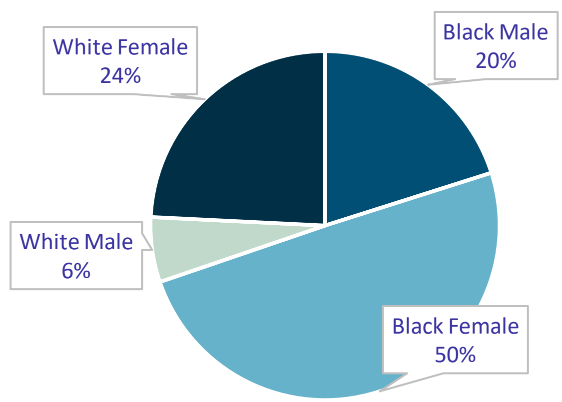


Table 4: Employment profile (as of 31 March 2022)

Job Category	Black Individual		White Individual	
	Male	Female	Male	Female
Chief executive officer	2	1	1	5
Functional heads of department	26	32	2	52
Editorial staff	11	99	3	95
Design and production staff	19	66	4	30
Marketing, promotion and sales	51	151	7	84
Finance staff	17	72	6	19
Human resources	6	18	7	1
Office administration	15	63	8	10
Information technology staff	17	12	9	3
Warehousing and distribution	78	56	10	4
Other support staff	15	58	11	6
Part Time	7	24	11	9
Total	**264**	**652**	**79**	**318**

Publishing revenue streams

Table 5: Book-related revenue streams (n = 28)

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	26
Local distribution of locally published print books published by third parties (not related to self or holding company)	5
Local distribution of imported print books published by third parties (not related to self or holding company)	5
Local e-book distribution (i.e. electronic format content downloaded onto user-owned reading devices and apps)	5
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.)	6
Local production of digital book-related brand or character extensions (CDs, DVDs, audio-books, etc.)	8

Note: Publishers could select more than one option.

Table 6: Non-book-related revenue streams (n = 28)

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	0
Research or trade report publishing	0
Professional training services provided to external parties	4
Professional consulting services	4
Publishing services to third parties: Editorial and/or production	6
Publishing services to third parties: Marketing and sales	6
Publishing services to third parties: Warehousing and distribution	1

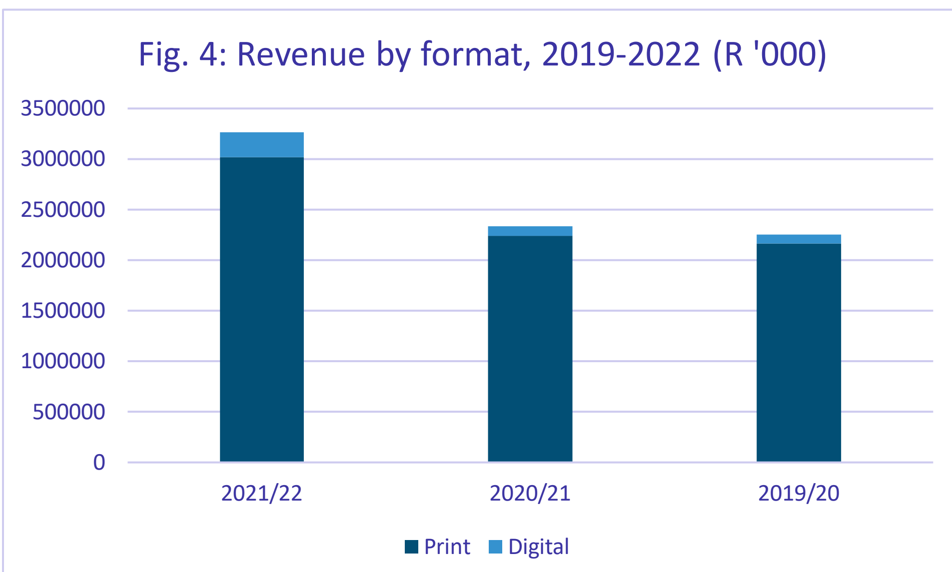
Production

Revenue by format and language

The Production Profile in this survey is focused on revenue, mostly from the sales of locally published books, rather than the number of titles published. This is due to under-reporting on numbers of new titles by publishers participating in the survey.

The tables and figures below provide a summary of the revenue obtained from both print and digital formats, sub-divided according to the local languages. The figures show that there has been a significant rise in book revenue from digital publications, from around 4% of the total to just over 8%. Publishers participating in the survey attributed this increase largely to the effects of the lockdown restrictions from 2020 onwards.

In terms of language, South African publishing remains dominated by English and Afrikaans, although there has been an increase in revenue from books in the other official languages over time. The figures for Afrikaans have shown particular growth in the reporting period.



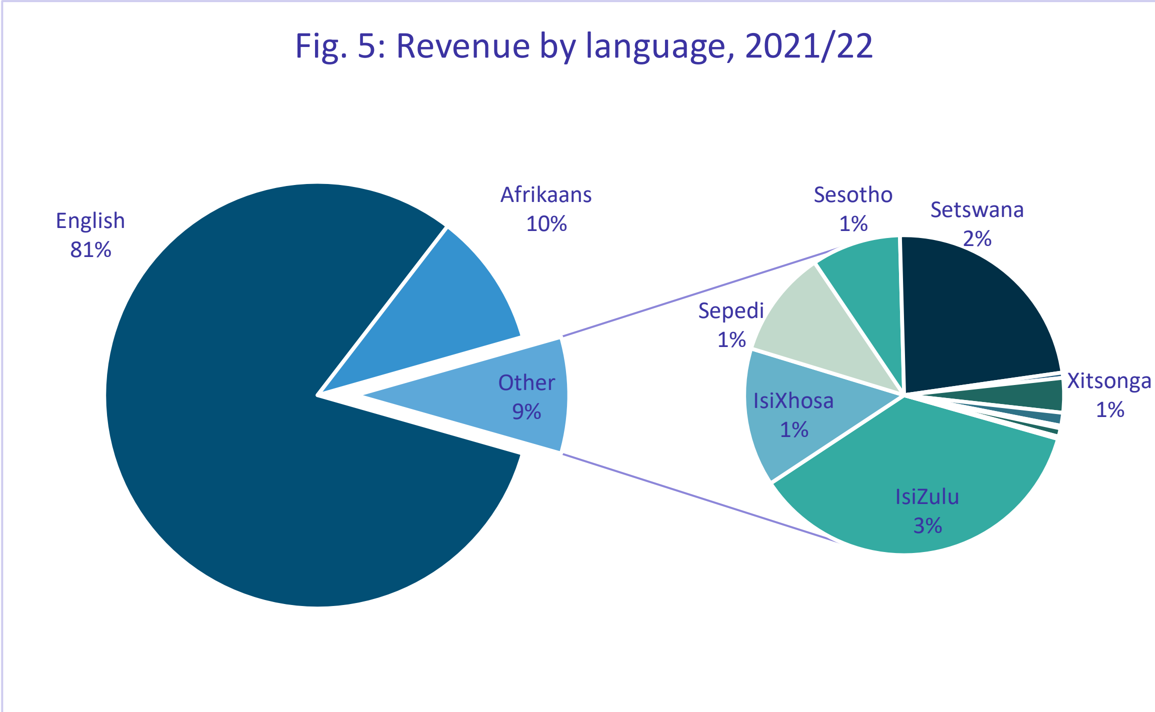


Table 7: Revenue from local titles, by format and language (R ’000)

Language	2021/22		2020/21	
	Print	Digital	Print	Digital
Afrikaans	300 281	13 984	215 080	78 830
English	2 396 403	259 933	1 741 892	12 873
IsiNdebele	1 378	12	106 079	832
IsiXhosa	36 494	1 177	40 965	1 020
IsiZulu	94 628	1 208	25 026	347
Sepedi	28 245	1 858	19 645	491
Sesotho	23 548	571	59 128	411
SiSwati	686	2	3 037	9
Setswana	60 347	548	9 594	142
Tshivenda	3 402	33	2 770	14
Xitsonga	9 117	140	10 989	59
Multilingual	2 200	164	1 939	93
Other	609	212	1 306	181
Total	**2 958 507**	**272 180**	**2 237 450**	**95 301**

Table 8: Average royalties

Royalties are calculated as an average, because they vary so widely among publishers, even within the same sector.

Product Category	Minimum Percentage	Maximum Percentage	Average Royalty
Trade	2%	21%	8%
Education	2%	15%	10%
Academic	5%	25%	12%
TVET	9%	15%	12%

Distribution Channels

The fluctuations in the use of certain distribution channels can be ascribed to the impact of lockdowns, but also the growing use of alternative sales and distribution methods world-wide.

Table 9: Revenue and discount per sales channel (R '000 and %)

Type of outlet	2019/20	2020/21	2021/22	Mean discount
	Aggregated Revenue			
National or regional bookseller chains	1 155 410	975 712	921 499	35%
Independent booksellers and other book retailers	214 987	290 224	304 494	31%
Non-book retail outlets	60 320	53 499	51 550	31%
Internet booksellers	74 990	130 584	82 712	26%
Book clubs and direct mail booksellers	27	18 107	22 391	11%
Businesses and corporations (direct sales)	26 533	3 147	68 534	20%
The public (direct sales)	44 654	47 630	75 979	27%
Libraries	10 745	9 050	4 583	35%
State and provincial departments	851 640	803 736	837 936	19%
Schools and educational institutions	133 986	105 399	117 305	24%
School book distributors and tenders	132 049	398 989	298 561	28%
Export sales	19 632	18 692	910	15%
Other	68 757	45 136	23 354	22%

Table 10: Import and export revenue (R ’000)

Channel	2019/20		2020/21		2021/22		
	Local	Imported	Local	Imported	Local	Imported	Totals
Sales of print books	2 375 953	369 700	2 635 221	164 273	2 902 520	211 790	**3 114 310**
Sales of digital book products	53 456	35 311	62 189	36 359	172 880	64 829	**237 709**
Rights sales	6 571	497	6 072	366	5 680	1 076	**6 756**
Distribution of locally published books	906	134	649	0	365	130	**495**
Other book-related income	211	0	281	230	172	0	**172**
Total	**2 437 097**	**405 642**	**2 705 341**	**201 228**	**3 081 618**	**277 826**	**3 359 444**

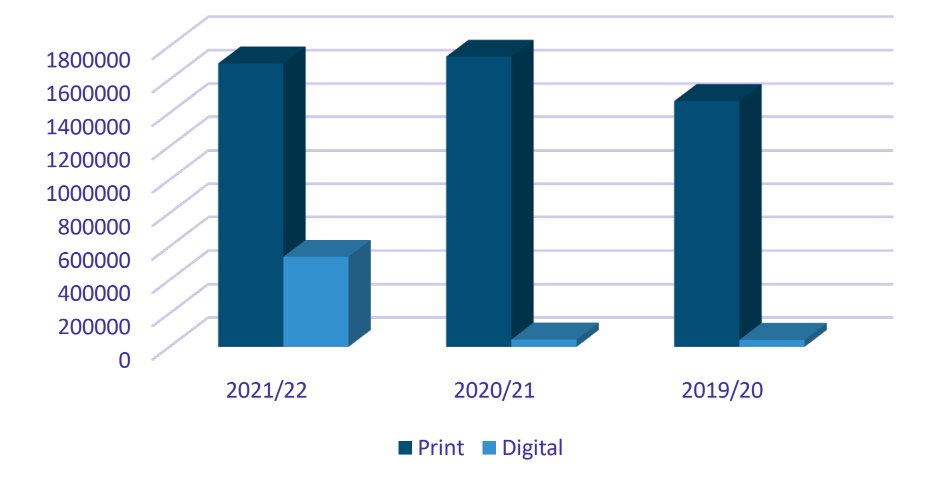
Sector Reports: Education

The Education sector is the largest publishing sub-sector in South Africa, accounting for 61% of total revenue. In 2021/22, the sector recorded revenue of more than R1.75 billion, with the vast majority of this income coming from sales of local products, i.e. learner and teacher support materials (LTSM) for local schools.

The sector is dominated by a few large and medium publishers and a large number of micro-publishers focusing on niche subjects and often using partners for distribution. This sector is highly dependent on the state's education budgets and procurement processes, via the national and provincial Departments of Basic Education. A lack of curriculum revision and ongoing renewal of textbook provisions ("top-ups") by the DBE continues to reflect in the recorded revenues and production figures.

The past year has shown a considerable increase in the sales and use of digital products. In part, this may be a reflection of shifts to online schooling during the pandemic. In addition, some provinces elected to order a larger proportion of digital books during the recording period, while the DBE continues to roll-out online learning platforms and devices at selected schools (see DBE Annual Report, 2022).

Fig. 6: Revenue by format, Education sector



Production

The following tables provide a summary of revenue from both print and digital formats, sub-divided according to the local languages. These are both significant factors in the Education sector.

As can be seen from the tables, English dominates the production of textbooks, especially after the Foundation Phase – in fact, English-language books have risen from just over 60% to 76% of the total production in the reporting period. However, local languages make up an important part of Education publishers' lists, and the number of books in African languages has also risen, from 6% to 15% of the total, largely thanks to digital sales and increases in a few select languages.

Table 11: School textbook production by language and format (number of titles)

Language	2020/21		2021/22	
	Print	Digital	Print	Digital
Afrikaans	19 224	3 138	21 225	3 777
English	29 265	11 096	32 472	5 815
IsiNdebele	27	2	29	9
IsiXhosa	521	236	536	89
IsiZulu	412	252	307	29
Sepedi	243	104	6	0
Sesotho	102	106	2	0
Setswana	218	57	254	50
SiSwati	81	4	236	95
Tshivenda	28	5	338	119
Xitsonga	46	19	69	1
Multilingual	7	-	24	23
Other Languages	2	1	110	24
Total	**50 176**	**15 020**	**55 608**	**10 031**

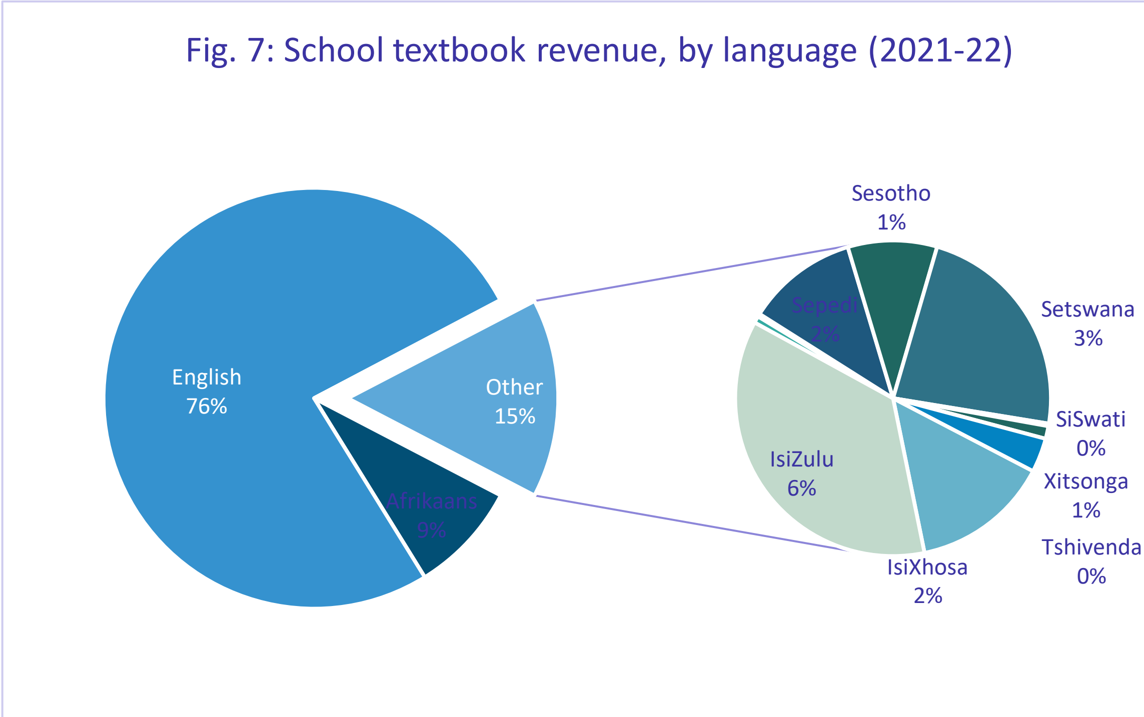


Table 12: Revenue from locally produced school textbooks (R'000)

Language	2019/20		2020/21		2021/22	
	Print	Digital	Print	Digital	Print	Digital
Afrikaans	115 293	5 904	129 103	6 295	140 708	6 698
English	1 104 959	31 724	1 307 595	33 739	1 266 414	47 061
IsiNdebele	2 882	4	3 037	9	1 378	12
IsiXhosa	29 468	1 436	40 952	1 020	36 192	1 175
IsiZulu	89 653	603	105 868	831	94 249	1 205
Sepedi	11 739	274	25 014	347	1 769	80
Sesotho	6 743	416	19 633	491	576	208
Setswana	36 288	344	59 124	411	28 223	1 858
SiSwati	10 762	1	10 989	58	23 548	571
Tshivenda	857	15	2 770	14	60 321	546
Xitsonga	7 105	82	9 594	142	686	2
Multilingual	1 828	91	1 169	68	3 401	32
Other Languages	436	0	1 272	181	9 117	140
Total	**1 418 011**	**40 895**	**1 716 119**	**43 605**	**1 603 928**	**62 770**

Table 13: Revenue from book-related activities, Education sector (R ’000)

Activity	2019/20		2020/21		2021/22	
	Local books	Imported books	Local books	Imported books	Local books	Imported books
Sales of print books	1 439 309	32 689	1 703 239	34 396	1 637 803	59 473
Sales of digital book products	39 605	2 310	40 473	3 375	51 197	2 746
Rights sales	254		370		136	205
Hybrid/Blended Products				230		678
Total turnover	**1 479 168**	**34 999**	**1 744 082**	**38 001**	**1 689 136**	**62 424**

Table 14: Average royalty paid on locally published books, Education sector

Product Category	Minimum Percentage	Maximum Percentage	Average
School print books	2%	15%	12%
School digital books	0%	15%	10%

Distribution channels

While Education 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.

Table 15: Turnover and average discount per sales channel, Education sector (R '000)

Type of sales outlet	2019/20	2020/21	2021/22	Average discount %
National or regional bookseller chains	308 044	259 548	289 773	36%
Independent booksellers and other book retailers	122 828	208 623	259 792	32%
Non-book retail outlets	26 381	22 960	23 461	34%
Internet booksellers	5 099	11 479	12 099	28%
Book clubs and direct mail booksellers			20 607	10%
Businesses and corporations (direct sales)			4 100	15%
The public (direct sales)	32 341	43 194	56 259	24%
Libraries	527	435	507	30%
State and provincial departments	851 589	803 735	794 494	20%
Schools and educational institutions	11 735	11 982	16 484	21%
School book distributors and tenders	129 001	394 766	277 104	26%
Export sales	267	1 261	562	17%
Other	8 566	7 333	1 029	20%
Total	**1 515 775**	**1 781 955**	**1 752 177**	

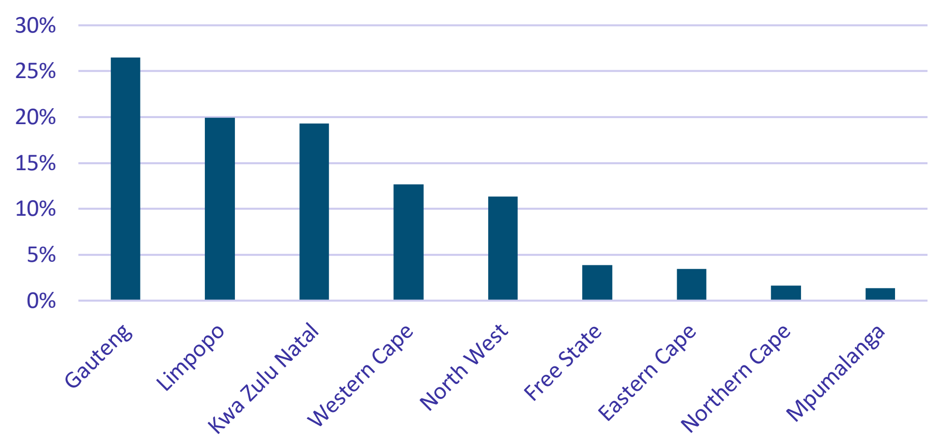
Revenue by province

The figures recorded in this survey are similar to those reported in an internal survey of the sales of educational publishers. However, there are discrepancies for some of the provinces, in particular the Free State Notably, too, the spending pattern per province can vary from year to year depending on the allocation of LTSM budgets by the provincial authorities – this may be seen, for instance, in the rise in spending in Limpopo for the reporting period, and a decline in spending in Mpumalanga.

Table 16: Total revenue by province, Education sector (R ’000)

Province	2019/20		2020/21		2021/22	
	Locally Published	Imported	Locally Published	Imported	Locally Published	Imported
Eastern Cape	115 758	329	138 850	1 922	57 687	2 369
Free State	50 038	43	66 829	415	66 460	1 131
Gauteng	333 360	7 538	405 127	26 173	430 626	29 804
Kwa Zulu Natal	360 120	974	388 688	6 159	323 199	12 298
Limpopo	163 769	19	273 547	506	333 793	12 476
Mpumalanga	123 274	59	90 807	271	22 408	830
Northern Cape	27 368	99	12 395	118	28 123	473
North West	156 579	298	197 717	2 369	190 220	6 688
Western Cape	171 278	3 134	159 979	10 082	208 075	11 942
Total	**1 501 544**	**12 493**	**1 733 939**	**48 015**	**1 660 591**	**78 010**

Fig. 8: Proportion of LTSM spend per province, 2021-22



Revenue by province, according to product sub-category (R ’000)

Table 17: Eastern Cape

Book Category	2020/21 (R ’000)		2021/22 (R ’000)	
	Local	Imported	Local	Imported
Grade R	7	46	125	41
Grade 1-3 core	12 870	43	5 964	44
Grade 4-6 core	42 531		13 706	0
Grade 7-9 core	43 822		12 479	57
Grade 10 core	7 509		2 171	0
Grade 11 core	7 991		2 209	0
Grade 12 core	10 138		8 333	0
Grade 10 Prescribed literature	624		1 008	0
Grade 11 Prescribed literature	1 250		1 189	11
Grade 12 Prescribed literature	1 556		1 116	332
FP Reading schemes	4 595	1 340	4 207	1 267
IP Reading schemes	680	207	479	113
SP Readers (non-core)	442	13	352	0
Dictionaries (Primary)	346	37	450	30
Dictionaries (Secondary)	265	11	360	14
Atlases (Primary)	137		124	0
Atlases (Secondary)	104		108	0
Posters	38		37	0
Supplementary and Library	763	126	995	185
Other	3 181	99	2 275	274
Total	**138 850**	**1 922**	**57 687**	**2 369**

Revenue by province, according to product sub-category (R ’000)

Table 18: Free State

Book Category	2020/21 (R ’000)		2021/22 (R ’000)	
	Local	Imported	Local	Imported
Grade R	114	30	186	12
Grade 1-3 core	7 094		5 306	1
Grade 4-6 core	21 354		20 039	
Grade 7-9 core	21 839		21 085	18
Grade 10 core	6 720		3 600	
Grade 11 core	3 297		4 082	
Grade 12 core	3 304		2 966	
Grade 10 Prescribed literature	74		74	
Grade 11 Prescribed literature	125		204	175
Grade 12 Prescribed literature	97		186	4
FP Reading schemes	1 732	231	984	296
IP Reading schemes	232	6	203	30
SP Readers (non-core)	119		104	
Dictionaries (Primary)	87	22	159	24
Dictionaries (Secondary)	41		111	1
Atlases (Primary)	101		118	
Atlases (Secondary)	54		61	
Posters	34		28	
Supplementary and Library	250	88	334	73
Other	159	38	6 630	497
Total	**66 829**	**415**	**66 460**	**1 131**

Revenue by province, according to product sub-category (R ’000)

Table 19: Gauteng

Book Category	2020/21 (R ’000)		2021/22 (R ‘000)	
	Local	Imported	Local	Imported
Grade R	905	74	2 397	763
Grade 1-3 core	19 667	55	20 187	56
Grade 4-6 core	93 589		96 172	7
Grade 7-9 core	130 811	55	123 905	251
Grade 10 core	29 397	28	29 029	
Grade 11 core	25 768	25	29 927	
Grade 12 core	24 737		30 559	
Grade 10 Prescribed literature	2 808		3 668	25
Grade 11 Prescribed literature	3 412		2 492	257
Grade 12 Prescribed literature	3 090		1 869	35
FP Reading schemes	10 254	5 970	11 714	5 961
IP Reading schemes	3 892	2 072	2 597	621
SP Readers (non-core)	1 457	222	2 617	385
Dictionaries (Primary)	11 565	2 604	8 779	2 588
Dictionaries (Secondary)	6 361	148	7 961	165
Atlases (Primary)	2 254	11	2 635	29
Atlases (Secondary)	1 346	6	1 575	49
Posters	199		198	3
Supplementary and Library	18 643	4 009	22 434	4 349
Other	14 972	10 893	29 912	14 261
Total	**405 127**	**26 173**	**430 626**	**29 804**

Revenue by province, according to product sub-category (R ’000)

Table 20: KwaZulu-Natal

Book Category	2020/21 (R ’000)		2021/22 (R ’000)	
	Local	Imported	Local	Imported
Grade R	8 900	185	4 636	1 532
Grade 1-3 core	41 413	105	32 276	122
Grade 4-6 core	95 540		84 384	112
Grade 7-9 core	110 031		84 170	101
Grade 10 core	29 295	43	22 342	
Grade 11 core	32 690		22 530	
Grade 12 core	53 575		22 125	
Grade 10 Prescribed literature	2 744		2 988	
Grade 11 Prescribed literature	3 649		4 214	1
Grade 12 Prescribed literature	1 281		995	11
FP Reading schemes	7 562	4 021	4 061	4 267
IP Reading schemes	853	290	1 213	261
SP Readers (non-core)	1 979	25	1 584	44
Dictionaries (Primary)	1 801	331	2 866	434
Dictionaries (Secondary)	2 334	51	3 034	1
Atlases (Primary)	659		1 366	4
Atlases (Secondary)	524		640	690
Posters	134		281	
Supplementary and Library	3 730	328	3 830	352
Other	5 119	780	23 665	4 364
Total	**388 688**	**6 159**	**323 199**	**12 298**

Revenue by province, according to product sub-category (R ’000)

Table 21: Limpopo

Book Category	2020/21 (R ’000)		2021/22 (R ’000)	
	Local	Imported	Local	Imported
Grade R	68		1 561	110
Grade 1-3 core	4 144		4 997	
Grade 4-6 core	39 510		35 415	
Grade 7-9 core	86 747		85 146	1 389
Grade 10 core	33 118		27 943	
Grade 11 core	52 903		37 449	
Grade 12 core	47 107		52 538	
Grade 10 Prescribed literature	1 396		2 312	227
Grade 11 Prescribed literature	2 472		2 606	3
Grade 12 Prescribed literature	862		1 065	
FP Reading schemes	1 782	363	3 548	109
IP Reading schemes	281	9	3 480	48
SP Readers (non-core)	348	1	582	
Dictionaries (Primary)	286	55	435	65
Dictionaries (Secondary)	198	5	329	6
Atlases (Primary)	84		149	
Atlases (Secondary)	58		90	
Posters	9		14	
Supplementary and Library	271	10	989	39
Other	1 904	63	73 147	10 480
Total	**273 547**	**506**	**333 794**	**12 476**

Revenue by province, according to product sub-category (R ’000)

Table 22: Mpumalanga

Book Category	2020/21 (R ’000)		2021/22 (R ’000)	
	Local	Imported	Local	Imported
Grade R	714		209	4
Grade 1-3 core	13 396		1 404	
Grade 4-6 core	22 961		4 123	
Grade 7-9 core	25 966		10 370	5
Grade 10 core	7 861		817	
Grade 11 core	6 544		956	
Grade 12 core	8 152		1 396	
Grade 10 Prescribed literature	60		30	
Grade 11 Prescribed literature	27		17	
Grade 12 Prescribed literature	29		39	
FP Reading schemes	627	77	179	242
IP Reading schemes	36	4	93	14
SP Readers (non-core)	8		233	
Dictionaries (Primary)	268	48	390	36
Dictionaries (Secondary)	167	4	315	10
Atlases (Primary)	163		222	
Atlases (Secondary)	102		565	
Posters	188		1	
Supplementary and Library	1 833	54	572	83
Other	1 705	83	473	436
Total	**90 807**	**271**	**22 408**	**830**

Revenue by province, according to product sub-category (R ’000)

Table 23: Northern Cape

Book Category	2020/21 (R ’000)		2021/22 (R ’000)	
	Local	Imported	Local	Imported
Grade R	22		93	5
Grade 1-3 core	593		1 114	2
Grade 4-6 core	3 967		8 726	
Grade 7-9 core	3 426		8 485	8
Grade 10 core	513		1 289	
Grade 11 core	433		2 040	
Grade 12 core	547		1 891	
Grade 10 Prescribed literature	335		504	
Grade 11 Prescribed literature	463		518	
Grade 12 Prescribed literature	502		428	
FP Reading schemes	664	68	785	233
IP Reading schemes	40	9	287	2
SP Readers (non-core)	155		260	
Dictionaries (Primary)	162	23	176	46
Dictionaries (Secondary)	101	5	134	
Atlases (Primary)	46		52	
Atlases (Secondary)	17		39	
Posters	20		57	
Supplementary and Library	330	7	383	10
Other	58	6	924	165
Total	**12 395**	**118**	**28 183**	**473**

Revenue by province, according to product sub-category (R ’000)

Table 24: North West

Book Category	2020/21 (R ’000)		2021/22 (R ’000)	
	Local	Imported	Local	Imported
Grade R	6 733	147	6 772	190
Grade 1-3 core	17 671	113	14 802	111
Grade 4-6 core	55 862		48 980	
Grade 7-9 core	63 521		54 723	104
Grade 10 core	12 146	13	11 734	
Grade 11 core	11 730		12 167	
Grade 12 core	11 439		9 749	
Grade 10 Prescribed literature	984		927	
Grade 11 Prescribed literature	1 387		1 123	8
Grade 12 Prescribed literature	1 058		744	127
FP Reading schemes	5 084	987	4 208	1 082
IP Reading schemes	820	670	2 194	171
SP Readers (non-core)	850		1 325	3
Dictionaries (Primary)	242	102	2 761	674
Dictionaries (Secondary)	178	39	625	172
Atlases (Primary)	254		1 718	6
Atlases (Secondary)	177		2 542	2
Posters	205		856	
Supplementary and Library	2 598	189	5 837	225
Other	4 778	108	10 450	3 812
Total	**197 717**	**2 369**	**190 220**	**6 688**

Revenue by province, according to product sub-category (R ’000)

Table 25: Western Cape

Book Category	2020/21 (R ’000)		2021/22 (R ’000)	
	Local	Imported	Local	Imported
Grade R	251	6	300	24
Grade 1-3 core	5 793	11	8 452	87
Grade 4-6 core	35 675		43 766	
Grade 7-9 core	45 444	35	58 642	97
Grade 10 core	9 698	10	14 106	
Grade 11 core	9 805	18	12 365	
Grade 12 core	11 017		14 073	
Grade 10 Prescribed literature	699		1 267	10
Grade 11 Prescribed literature	841		1 314	33
Grade 12 Prescribed literature	1 593		2 341	73
FP Reading schemes	3 579	1 368	5 193	2 195
IP Reading schemes	619	195	1 160	320
SP Readers (non-core)	935	175	1 608	182
Dictionaries (Primary)	1 411	547	2 121	678
Dictionaries (Secondary)	1 421	155	2 119	137
Atlases (Primary)	606		903	1
Atlases (Secondary)	452	1	638	23
Posters	38		123	1
Supplementary and Library	26 895	2 008	26 414	1 959
Other	3 205	5 552	11 171	6 121
Total	**159 979**	**10 082**	**208 075**	**11 942**

Sector Reports: Trade

Trade publishers produce books for the general reader. In South Africa, the Trade sector is characterised by a few large international publishers with local subsidiaries or imprints – which effectively function as semi-autonomous local publishers – as well as several small to medium-sized specialised niche publishers. The multinational publishers working in this sector use a variety of distributors to import their books for the local market. Only a small proportion of these imports are captured in this survey, as the focus is on the local production of books.

Production

Production in this sector, as measured by sales revenue, declined in 2020/21, but has recovered well in 2021/22, especially in terms of digital formats.

Table 26: Revenue from book-related activities, Trade sector (R ’000)

Activity	2020/21		2021/22	
	Local	Imported	Local	Imported
Sales of print books	647 647	95 112	828 47	118 083
Sales of digital book products	8 055	5 128	93 551	17 562
Rights sales	1 310	259	638	795
Total turnover	**657 012**	**100 498**	**922 686**	**136 441**

Table 27: Other revenue, Trade sector (R ‘000)

Activity	2020/21	2021/22
Distribution of locally published books	649	495
Other book-related income	281	172
Total other turnover	**930**	**668**

Table 28: Average royalty paid on locally published books, Trade sector

Product Category	Minimum Percentage	Maximum Percentage	Weighted Average
General trade print books	2%	21%	12%
General trade digital books	3%	25%	15%

Revenue by format and language

Print remains the format of preference for South African book buyers, although sales of digital books has risen sharply in the reporting period. This rise mirrors a world-wide trend, and has contributed to an overall improvement in sales in this sector.

In terms of language, Afrikaans and English dominate – during the reporting period, sales from English-language books rose from 73% to 89% of total revenue. Small runs of books in other languages are produced from time to time, often with the same title being translated into several local languages rather than new title development taking place.

The sector is further divided by genre – non-fiction and fiction, and aimed at an adult or children's market. Non-fiction also includes religious books, such as Bibles.

Fig. 9: Revenue by format, Trade sector, 2021/22

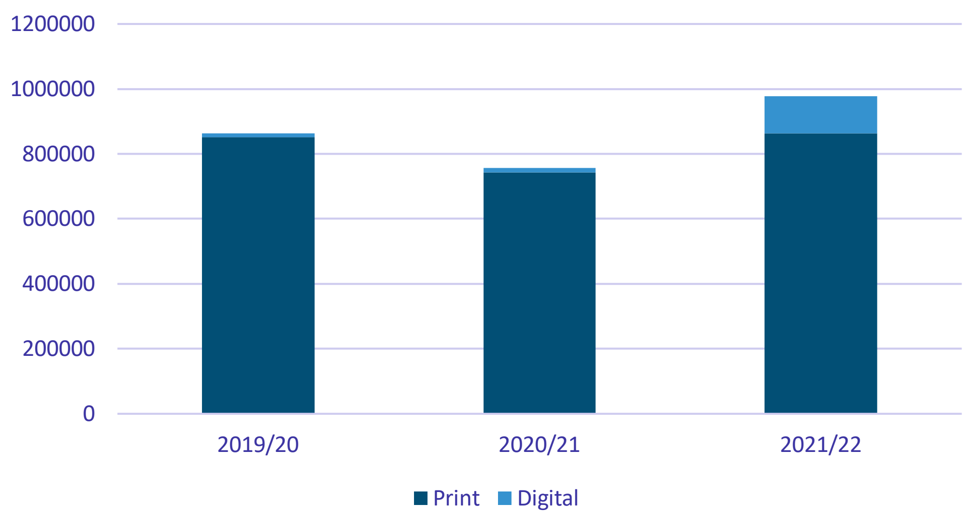


Fig. 10: Revenue by language, Trade sector, 2021/22

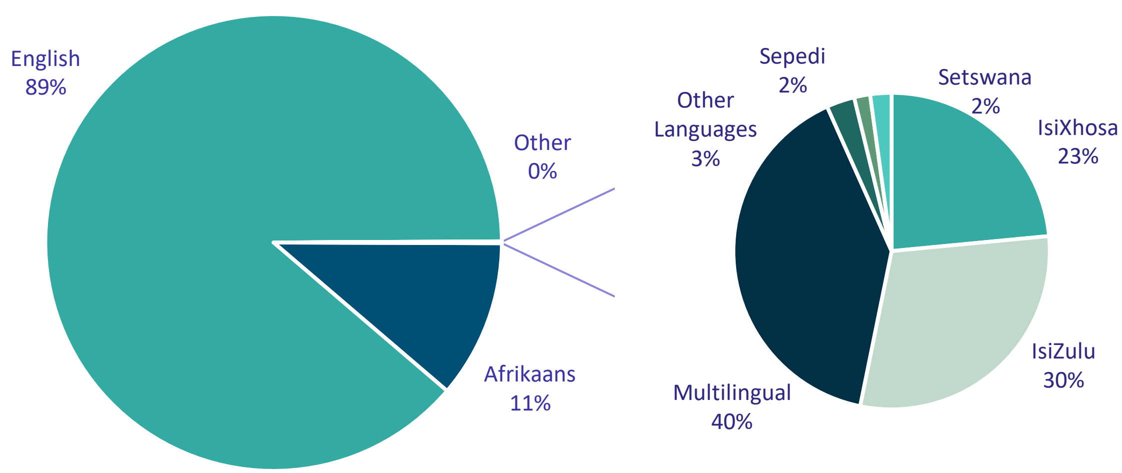


Table 29: Revenue by genre and format, Trade sector (R '000)

Genre	2020/21		2021/22	
	Locally published	Imported	Locally published	Imported
Adult non-fiction print	272 981	26 286	368 292	44 125
Adult non-fiction digital	3 674	1 762	90 882	11 554
Adult fiction print	197 272	28 541	267 551	28 560
Adult fiction digital	3 163	3 060	1 354	5 254
Children's non-fiction print	21 581	12 078	31 651	11 742
Children's non-fiction digital	91	4	868	140
Children's fiction print	152 924	28 210	161 216	34 450
Children's fiction digital	1 126	399	574	614
Total	656 854	100 498	922 390	136 441

Table 30: Revenue from adult fiction books, by format and language (R ’000)

Language	2020/21		2021/22	
	Print	Digital	Print	Digital
Afrikaans	35 150	4 960	40 188	4 988
English	65 471	1 666	247 940	4 991
IsiXhosa	3		4	
IsiZulu	8		9	
Setswana	2		0,6	
Multilingual	315	25	432	
Total	**100 949**	**6 651**	**288 573**	**10 065**

Table 31: Revenue from adult non-fiction books, by format and language (R ’000)

Language	**2020/21**		**2021/22**	
	Print	**Digital**	**Print**	**Digital**
Afrikaans	16 564	587	20 214	479
English	151 201	4 489	366 133	101 188
IsiXhosa			3	
IsiZulu	103		238	
Multilingual	455			
Other Languages	34		33	
Total	**168 356**	**5 078**	**386 622**	**101 672**

Table 32: Revenue from children's fiction books, by format and language (R '000)

Language	2020/21		2021/22	
	Print	Digital	Print	Digital
Afrikaans	27 354	915	32 244	254
English	47 906	36	123 781	92
IsiXhosa	5		33	
IsiZulu	97		118	2
Sepedi	3		21	
Sesotho	4			
Setswana	2		25	
Other Languages	12			
Total	**75 370**	**952**	**156 233**	**349**

Table 33: Revenue from children's non-fiction books, by format and language (R '000)

Language	2020/21		2021/22	
	Print	Digital	Print	Digital
English	17 239	26	22 149	25
Afrikaans	4 437	69	10 138	982
IsiXhosa	6		261	
IsiZulu	4		14	
Sepedi	9			
Sesotho	8			
Total	**21 704**	**95**	**32 562**	**1 008**

Distribution channels

Trade books are sold through a variety of distribution channels, including traditional booksellers. Increasing numbers of books are being sold through non-traditional channels such as supermarkets and other retailer that do not specialise in books, as well as online or e-commerce retailers. Even online, however, the majority of books sold are in print formats.

Direct sales, to both businesses and the public, are becomingly increasingly important and attractive to publishers as they typically involve lower discounts.

Table 34: Turnover and average discount per sales channel, Trade sector (R '000)

Type of sales outlet	2021/21		2021/22		Mean discount %
	Locally produced	Imported	Locally produced	Imported	
National or regional bookseller chains	256 226	280 858	251 823	336 171	43%
Independent booksellers and other book retailers	28 606	10 617	29 976	30 842	35%
Non-book retail outlets	7 200	13 602	12 921	22 661	43%
Supermarkets and department stores	6 964	2 576	15 672	16 515	37%
Internet booksellers	48 167	47 369	50 595	59 499	42%
Book clubs and direct mail booksellers	1 489		1 738	15	22%
Businesses and corporations (direct sales)	926	1 688	68 530	4 332	32%
The public (direct sales)	3 368		17 343	4 055	30%
Libraries	2 887	5 026	4 077	6 135	40%
State and provincial departments	1		43 442	6 414	19%
Schools and educational institutions	5 729	2 427	10 782	3 897	27%
School book distributors and tenders	89	2 539	21 457	2 870	30%
Export sales	9 663	7 111	348	8 963	13%
Other	7 959	3 246	22 324	4 419	30%
Total	**379 273**	**377 058**	**551 172**	**506 789**	

Sector Reports: Academic

The Academic sector publishes textbooks and other products for students at the tertiary or higher education level. While it has shown an improvement in the reporting period, the sector is facing numerous challenges. The absence of dedicated student funding for textbooks, especially for students receiving NSFAS grants from government, continues to constrain the sector.

In addition, campus lockdowns affected this sector in the 2020/21 year, but a spill-over effect can still be seen in 2021/22. These lockdowns restricted student access to university campuses for long periods, and many lecturers made solutions to provide students with alternative study material. It would also appear that the lack of ready access to academic bookstores and heavy reliance on online forms of communication over the last two years exacerbated the existing distribution of pirated study material among students.

While this sector also typically publishes professional products, databases and books for continuing professional development, as well as scholarly books, insufficient data prevent us from reporting on those sub-sectors for the year 2021/22.

Revenue

Revenue from tertiary-level textbooks showed a recovery in 2021/22 from a low base in the previous year. However, the increase may be skewed by unusual sales patterns due to the effects of the pandemic: in particular, delayed matric results led to a late start to the 2021 academic year. The late start to the 2021 university year meant that first-semester sales (which would ordinarily have fallen into the 2020/21 reporting period) continued into the 2021/22 reporting period. The return of students to campuses mid-2022 also boosted sales.

Table 35: Revenue from book-related activities, Academic sector (R ’000)

Activity	2020/21		2021/22	
	Local	Imported	Local	Imported
Sales of print books	136 531	34 766	140 529	34 234
Sales of digital book products	11 057	27 856	14 229	44 521
Rights sales	4 392	108	4 906	76
Total turnover	**151 980**	**62 729**	**159 663**	**78 831**

Revenue by format and language

Print remains the format of preference for textbooks, although all of the Academic publishers have invested in digital technologies and new digital products. The proportion of digital materials increased sharply in the past year. In this sector, e-books were widely seen as a solution to lockdown restrictions. For many students who were studying from home, e-books were more accessible than campus-based libraries and bookstores.

The sector is heavily dominated by the production of English-language books, a trend that mirrors the global use of English as the dominant language of academia and university education.

Fig. 11: Revenue by format: Academic sector, 2019-2022

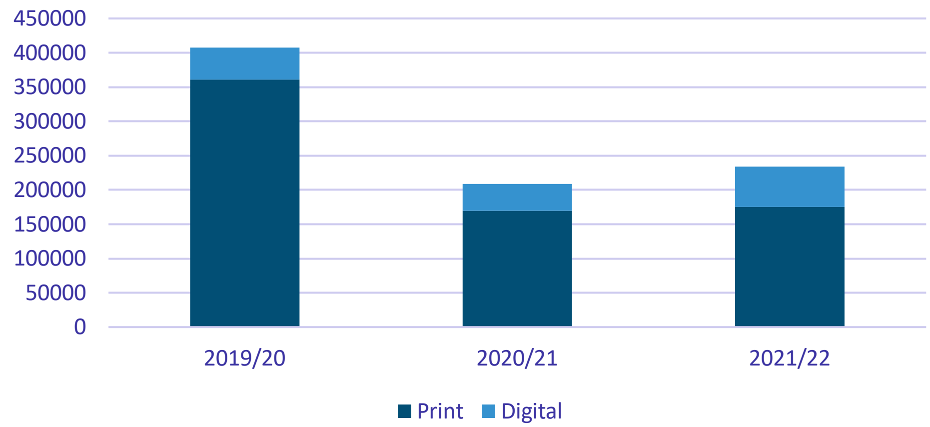


Table 36: Revenue by format and language, Academic sector (R ’000)

Language	2019/20		2020/21		2021/22	
	Print	Digital	Print	Digital	Print	Digital
Afrikaans	170	11	939	37	1 420	186
English	149 445	33 262	149 193	38 858	129 664	93 068
Total	**149 615**	**33 273**	**150 131**	**38 895**	**131 084**	**93 255**

Table 37: Average royalty paid on locally published books

Product Category	Minimum Percentage	Maximum Percentage	Weighted Average
Textbook print books	5%	25%	12%
Textbook digital books	4%	25%	14%

Distribution channels

Academic books are mostly sold through dedicated bookseller chains, many of which are located on or near university campuses. The sales through these different channels reflect more than 500 000 units of local books being sold.

Table 38: Turnover and average discount per sales channel (R ’000)

Type of sales outlet	2019/20	2020/21	2021/22	Mean Discount %
Primary Retail Outlets	125 387	147 598	178 407	32%
E-commerce (direct sales)	4 537	499	227	24%
E-commerce (retailer sales)	10 928	20 091	18 876	31%
Other	49 847	26 467	37 392	
Total	**190 700**	**194 655**	**234 902**	

Sector Reports: TVET

The Technical and Vocational Education and Training (TVET) sector produces textbooks for students at the TVET colleges in South Africa, which offer technical or vocational training. The TVET sector produces books – overwhelmingly in print, and almost entirely in English – for two different levels: the National Certificate (Vocational), or NCV, and the National Accredited Technical Diploma (NATED).

Public TVET colleges are not badly affected by piracy because colleges receive a textbook budget and students are not expected to purchase any of their own learning materials. However, private TVET colleges make up a small percentage of total TVET sales, and this sector reportedly experiences widespread photocopying.

In spite of a drop in enrolments, the sector saw a strong recovery in terms of revenue, aided by an increase in the sales of digital books. As with the Academic sector, sales were likely delayed from 2020/21 into 2021/22, so the increase may be somewhat skewed.

Revenue

Table 39: Revenue by TVET level (R ’000)

Category	2019/20		2020/21		2021/22	
	NCV	NATED	NCV	NATED	NCV	NATED
TVET books print	72 557	112 127	77 006	99 482	141 328	154 364
TVET books digital	280	101	653	2 694	9 435	4 469
Total	**72 837**	**112 229**	**77 659**	**102 176**	**150 764**	**158 832**

Table 40: Revenue by format, TVET sector (R ’000)

Format	2019/20	2020/21	2021/22
Sales of print books	184 684	238 117	295 691
Sales of digital book products	389	3 347	13 904
Total	**185 073**	**241 464**	**309 595**

Table 41: Revenue by format and language (R '000)

Language	2019/20		2020/21		2021/22	
	Print	Digital	Print	Digital	Print	Digital
English	157 452	382	196 013	2 410	240 322	13 508
Afrikaans	27 299		42 209	938	55 369	397
Total	**184 751**	**382**	**238 222**	**3 345**	**295 692**	**13 904**

Table 42: Average royalty paid on locally published books

Product Category	Minimum Percentage	Maximum Percentage	Average
TVET print books	9%	15%	11%
TVET digital books	10%	14%	11%

Distribution channels

During the reporting period, sales patterns were heavily concentrated at booksellers. While many of these are campus-based, they also offered online sales during the lockdown periods. Smaller, independent booksellers, which may not have been able to offer the same flexibility in terms of sales, seem to have been more directly affected by campus closures.

Table 43: Sales channels and discounts, TVET sector (R '000)

Type of sales outlet	2019/20	2020/21	2021/22	Mean Discount %
National/regional booksellers	25 448	29 829	201 495	31%
Independent booksellers	47 536	64 887	14 727	32%
Non-book retail outlets	239	198	1	15%
Internet booksellers	108	2 617	1 141	17%
The public (direct sales)	718	643	2 194	12%
Schools / education	111 016	143 282	90 038	30%
Total	**185 066**	**241 455**	**274 036**	

Sector Reports: SMME Publishers

Currently, there is little data available on the estimated 100 or more small and micro-publishers in South Africa. A shortened, simplified version of the questionnaire used to gather data on book publishers was used and distributed among SMME publishers. The number of participants is slowly improving, with 14 publishers participating (an increase from ten in 2019/20, and just six in 2020/21).

The respondents are based mostly in Gauteng, and have very small staff complements – many have just one full-time staff member. While they report constant precarity in their finances and sustainability, the majority have managed to remain in business for more than seven years (some as long as 20 years).

Publisher profiles

Table 44: Sector participation (SMMEs)

What sectors were you active in?				
Trade	Education	TVET	Academic	Self-publishing services
7	5	0	1	5

Note: Publishers could select more than one option.

Table 45: Geographic distribution of SMMEs

Province	Number of publishers
Gauteng	8
KwaZulu Natal	2
Limpopo	1
Western Cape	3

Table 46: Employment in SMMEs

	1-5 staff members	6-10 staff members
Full-time	14	
Part-time / freelance	3	5

Table 47: Years in business, SMMEs

How long have you been active as a publisher?		
1-3 years	4-6 years	7 years or longer
1	3	10

Revenue and distribution

The majority of SMME publishers that responded report an income of less than R1 million per year. Almost all of the publishers produce books in both print and digital formats, but two of the respondents produce only printed books. While all of the respondents publish in English, many are also actively involved in promoting African languages, and produce books in a diversity of languages, usually for niche markets or communities.

Table 48: Annual turnover, SMMEs

< R1 m	R1-2 m	R2 – 4 m	> R4 m
8	3	1	1

Table 49: Production by language, SMMEs

What are the main languages you publish in?	
Language	Number of publishers
Afrikaans	7
English	14
isiNdebele	1
isiZulu	4
isiXhosa	6
Sepedi	3
Sesotho	4
Setswana	1
Siswati	1
Tshivenda	2
Xitsonga	2
Other	2

Note: Publishers could select more than one option.

Table 50: Distribution, SMMEs

Distribution Agents	Online	Direct Sales to Readers	Direct Sales to Book Stores	Government / schools	Provincial libraries
7	4	9	10	2	1

Note: Publishers could select more than one option.

Key challenges and training requirements

The SMME publishers were also asked to provide details of the key challenges they face and their training requirements. In order of priority, they indentified the following training needs:

Table 51: Training requirements

Financial and business skills	4
Technical skills, e.g. digital publishing	2
Editorial skills	1
Marketing skills	1
Administrative skills	1

Main challenges

A summary of the main challenges identified is provided below:

1. Government

- Lack of funding and institutional support
- Up-front costs for submissions
- Bureaucracy related to submissions
- Slow and late payments, and 90-day payment terms
- Perception of preferential focus on larger publishers, leading to their continued market dominance; linked to a lack of enforcement of preferential procurement among SMMEs and black-owned businesses
- Over-reliance among small publishers on limited range of subjects and grades

2. Retail

- High discounts required, with no space for negotiation
- 90-day sale or return policies, and late returns from bookstores
- Unwillingness to stock books from SMME publishers, based on the decisions of a small group of bookshop managers and their selection criteria
- Lack of distribution avenues outside of traditional bookstores
- Prohibitive distribution costs

3. Small market

- Low sales, especially for African languages
- No guaranteed library sales
- Perception of a shrinking market

4. Internal challenges

- High staff turnover, due to lower salaries offered and poaching from established, larger publishers
- Lack of capacity, due to few staff
- Poor cashflow and rising costs
- Limited funding options and lack of understanding of the sector from financial institutions
- Digital piracy

Regular follow-up surveys and increased participation by respondents will help to develop a clearer picture of the state of SMME publishing in South Africa.

Participants in the survey

African Perspectives

Bhiyoza Publishers

BK Publishing

Blackbird Books

Bookstorm

Cambridge University Press

Cengage Learning

Chase Education Solutions

Future Managers

ILIMA

Jonathan Ball

Juta

Macmillan

Malherbe Uitgewers

Modjaji Books

Mthombothi Studios

NAM

NB Publishers

Oxford University Press

Pan Macmillan

Pearson

Penguin Random House

Shuter and Shooter

Uhlanga

University of Johannesburg Press

Van Schaik

Via Afrika

Vivlia

Zachen Books