

# Publishers Conquer the Challenge in Market Changes

By Zhang Xinyu

During the three years' epidemic, the global publishing industry endeavored to adapt to the impact of the epidemic. The first two years of the epidemic saw interruption of logistics, the restriction of personnel circulation and the change of users' consumption habits. If these changes have forced the publishers to transform, then in 2022 year, China's publishers accordingly tried to respond to the market changes.

## Publishing: Interruption of warehousing logistics chain has a huge impact

In the first half of 2022, the sudden outbreak of COVID-19 in Shanghai led to the interruption of the publishing chain and the logistics chain, and the huge impact on the manufacture, delivery and sales far exceeded expectations. Whether the print periodicals of the Juvenile and Children's Publishing House (JCPH) could be published on time became the biggest problem at that time. In this regard, JCPH immediately set up a "Special Periodical Working Group from May to June" to discuss and determine the all-digital publishing process and the relocation of printing factories. JCPH soon formulated the "All-digital Process of Periodicals". Then, the editing and publishing department cooperated to finish the work and ensure the timely publication of the periodicals in May and June. In addition, JCPH studied the situation of the original printing factory and logistics company's epidemic control and prevention, made a decision to move the printing out of Shanghai, and thus, flexibly responded to the difficulties caused by the epidemic.

Xinhua Winshare Publishing Media Co., Ltd. has made great efforts in the logistics supply chain to stabilize the supply and flexibly cope with the changes caused by the epidemic. In January and March of 2022, Winshare Online's Tianjin Warehouse and East China Warehouse commenced a lockout under the influence of the epidemic. In order to reduce the impact while actively responding to local epidemic prevention policies, Winshare Online fully utilized the advantages of full-link supply chain services from commodity supply to warehousing and distribution. It made plans in advance and ensured the uninterrupted commodity supply under the normalization of epidemic prevention and control. With regard to customers, Winshare established the mode of a dynamic epidemic control zone to guarantee the stability of customers' orders and released the products as soon as the lockdown was lifted. At the same time, Winshare gave full play to the advantages of multi-warehouses, rationally scheduled the order's distribution and circulation, and strengthened dynamic deployment to ensure the efficiency of commodity distribution and enhance the consumer experience of readers.

Boku Digital Publishing Media Group (BDPMG) also tried to work on the logistics chain. After suffering a sudden outbreak of the epidemic in 2020, BDPMG has set up many warehouses in the past two years, and completed the construction of major storage bases countrywide. On the basis of the first three warehouses in North China, Central China and East China, it added Southwest China Warehouse and South China Warehouse, and expanded North China Warehouse, forming five major storage bases and covering the whole country. BDPMG has fully prepared for the epidemic and strengthened its logistics.

The uncertainty of the epidemic has brought great challenges to the supply chain system of e-commerce platforms. As one of the three major e-commerce platforms, Tmall Books also actively responded to logistics problems during the epidemic. The digital supply chain project was established in 2021, and more than 100 publishers have settled in the platform. Tmall Books has upgraded the previous supplier system and created a brand-new distribution system, including the establishment of certified Tmall Warehouses.

The sales and distribution of textbooks in the educational publishing sector have suffered the biggest impact from the epidemic. Under the guidance of China's University Press Association, the National University Press Book Agency has fully utilized its advantages as an industry channel. The second quarter of 2022 marked the tour season of university textbooks, and all agency stations spared no efforts to carry out textbook promotion activities. Under the premise of complying with local epidemic prevention and control regulations, agency stations in Guangxi, Shaanxi, Shanxi, Chongqing and other places entered college campuses to hold the "2022 University Press Textbook Tour". Other agencies have carried out textbook tours through the Internet. Before the beginning of the autumn semester, in order to let students get books ahead of class, the agent stations mailed the textbooks to students' homes or dormitories, ensuring the needs of online and offline teaching of both teachers and students and flexibly dealing with the epidemic.

## Marketing: Digital Transformation Helps Respond to the Epidemic

The epidemic in the first half of 2022 was a test of the digital transformation for publishers. Deng Xiaolin, chairman of BDPMG, believes that for book retailing, the epidemic has changed the proportion of online sales and offline sales. Before the epidemic, the book retail market was mainly offline, supplemented by online, with a ratio of about 80 Vs 20. But the subsequent outbreak of the epidemic has reversed the ratio to 20 Vs 80. Digital transformation is not only the way for publishers to survive in the context of the epidemic, but also an effective strategy to deal with market changes.

The epidemic has trapped the readers at home, and the broadcasting and short video platforms have caught the free ride. With the sudden hit of New Oriental Online's media account "New-Oriental Selection" in 2022, live e-commerce, platform e-commerce and physical channels have become the major three in markets.

In 2022, "New Oriental Selection" quickly caught public's attention by virtue of "live e-commerce with knowledge spreading". The anchor Dong Yuhui has emotionally recommended the writer Chi Zijian's book *The Last Quarter of the Moon* (《额尔古纳河右岸》), which drove the book to sell hundreds of thousands of copies. Considering the comprehensive

sales volume, users' attention and other factors, this book has become 2022's most popular book on the e-commerce platform in TikTok.

During the epidemic, BDPMG gradually improved its short live video. In the public domain, major sales platforms and self-run shops on traditional e-commerce platforms have attracted lots of fans, while Weibo, Wechat, the news portals and live & short video platforms have attracted fans in the private domain. They integrated the sharing mechanism with "people-goods-platforms" to achieve targeted marketing and sustainable growth. They also utilized technology to boost business, developed their own system to analyze label algorithm and simulated order data. Besides, they operated the product categories with targeted customers to realize the value promotion of consumers in the whole life cycle.

Major publishers are also actively deploying short video & live channels. *Run! The Eighth Day* (《快逃! 星期八》) series came out in the first half of 2022. The writer Peng Yi and the painter Tian Yu conducted online



broadcasting with the directors of Your Bay Library in different cities, held online new book exploration activities with Lifetime Picture-book Library, and carried out online discussions with a WeChat official account which has millions of followers. Besides, the online sharing activities in the official broadcasting room of Jieli Publishing House were very successful, with the cumulative number of viewers exceeding 200,000. Two weeks after the issue, the sales volume of the *Run! The Eighth Day* series surpassed 30,000 copies, achieving remarkable results. Through the author's broadcasting, in less than a month, the news of the issue of *Run! The Eighth Day* series has spread to different platforms and regions, greatly shortening the marketing and promotion cycle of the new book and making the publicity more direct and effective. Not only readers came to look for books, but also dealers came to ask for products, getting this series reprinted in less than a month after it first hit the market. Finally, this series had a total sales revenue of nearly 4 million yuan in 2022.

Almost all publishers that wanted growth have turned to online platforms, so products and users have become the key words of digital marketing. Xinhua Winshare Publishing Media Co., Ltd. dug deeper into the product content from the perspective of users' needs, completed the product line operation, and realized the "accurate matching of users and products".

In 2022, under the influence of the epidemic, the channel providers and publishers worked together to actively deal with the distribution and publicity dilemma caused by the epidemic through digital supply chain and digital operation, and explored the transition from distribution and marketing, which not only minimized the impact of the epidemic, but also achieved growth in the process of positive digital transformation.

