

# Product Attributes of Books and Industrial Features of Publishing

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**Abstract** This paper studied product attributes of books and industrial features of publishing, and thought that the books duality of both spiritual and material product is reflected as a unique attribute throughout the process of their producing, exchanging, and consuming. Such a product attribute determines that publishing creates not only social value but also economic value, which are merging and conflicting. The industrial features of publishing appear to be the integration of spiritual production and material production, and the intersection of monopoly and competition.

**Key words** books, publishing, product attribute, industrial feature

## 1 Introduction

In January 2006, the document from CPC Committee and State Council—"Some Views on Deepening the Reformation of Cultural System"<sup>[1]</sup> states that the whole nation is to enhance the vitality of cultural institutions so to sharpen cultural enterprise competitiveness. Books is the import cultural product, and books publishing is the role cultural industry. Research on product attributes of books and industry features of publishing is of great theoretical and practical significance to books publishing systematic reformation, mechanic innovation, and internal management.

## 2 Product Attributes of Books

Books is spiritual product as well as material product. It reflects different properties at different stages throughout the overall publishing process. From topic selecting, plotting, writing, to editing, refining and revising, the process is considered reflection and recreation of knowledge. Instead of the producing process of commodities, it is the producing process of knowledge product, in which books is spiritual product without material property. On the other hand, the refined and revised manuscripts are converted into books only after printing and copying on a great scale. This process, involving manufacturing in printing houses, is typically the producing process of commodities. And books now, is purely material product.<sup>[2]</sup>

Therefore, books is material product in form, and spiritual product in content. It is characterized as separated and united in form and content, which demonstrates the dualism with material product and spiritual product.

Due to this dualism, books manifest some unique features in producing, exchanging and consuming processes.

### 2.1 Peculiarity of Books in Producing Process

The producing process of books consists of two distinct stages---knowledge (spiritual) producing process and material producing process. The former involves the formation of the knowledge and content in books. It is a process of knowledge (labor) producing, a process of cognizing humans, society and nature, which makes quantification of the invested labor impossible. And the value of its intangible product is hard to evaluate with social necessary working time, which determines that the knowledge producing, the non-commodity producing, is peculiar. While the regularized and standardized manufacture of books is virtually a material producing process. It is marked as commodity production.

Consequently, the overall process of manufacturing books is the unity of knowledge producing process and material producing process, and the combination of noncommodity production and commodity production in respective stage.

### 2.2 Peculiarity of Books in Exchanging Process

#### 2.2.1 Deviation between price and value

Generally, the price of commodity fluctuates around the value. The exchanging price is able to reflect the value by and large. However, the price of books--- the fixed price---can only reflect the consumption of labor in the material producing process, with no or little labor consumed in the spiritual producing process. Usually, the price of a book is fixed according to the number of pages, regardless of the quality of the content; the writer is rewarded according to the number of words or royalty. In this case, the writer's spiritual labor consumption cannot be evaluated by social necessary working time, or

social and economic benefits.

#### 2.2.2 Peculiarity of the use value of books

From the angle of reflecting area, the use value of books is mainly reflected in spiritual area and ideological area. It is intangible. Through the knowledge and information concerned, books influence people's thought, idea and cognition, improve people's level of knowledge, and thus satisfy their demand for spiritual civilization.

From the angle of reflecting range, the use value of books transcends time and space. Books do not necessarily produce as instant influences as other commodities. However, the inconsumable, shared and permanent knowledge in books is beyond the limitation of time and space. Thus, this value is continuous, penetrating and multidimensional.

From the angle of reflecting method, the use value of books is potential. Different from the direct, obvious effect produced by general commodities, the use value of books is realized through indirect and potential effect on people.

### 2.3 Peculiarity of Books in Consuming Process

#### 2.3.1 Multi-level of consumers

Because of different backgrounds in politics, culture, nationality, religion, faith, experience, education, life and career, a individualized, multi-leveled consumption pattern is established by different consumers, from general to specific, from master to public, from comprehensive to specialized.

#### 2.3.2 Diversity of consumer goods

The meaning of diversity is reflected not only on individualized consumption demand of different consumers, but also on different psychology, different consuming preference of the common consumer at different phases and different regions. It is difficult to find the all - people - mad - one - single - book public consumption in book consumption. To consumer's individualized demand for books with variety, which determines that books are individualized product, rather than standardized product, and thus results in the diversity of books and individualization of content.

#### 2.3.3 Randomness of book consumption

Book consumption mainly refers to the demand for the content in books. Since books is spiritual product in content, what the consumers need is the softness of spiritual consumption, instead of the stiffness of material consumption, and their subjective judgment will necessarily lead to selectiveness, exclusiveness, alternativeness and dissociation. This randomness of book consumption will result in randomness of demand, and create the market risk in the field of press.

#### 2.3.4 Dualism of payment

Apart from the money paid to purchase the value of the book itself, book consumption requires considerable time to consume the contained knowledge and information.<sup>[3]</sup> If the readers just pay money, yet do not spend time, they cannot acquire the use value of books, though money and time are both statue resource to readers. Because of the deviation between the value of the book itself and the use value, readers express no symmetry on the payment of money and time. If the publishers only want to make great profit and do not provide readers with the use value of books which is no less than the payment of money, they will plunder or waste the readers' time, and then produce a negative demand for books. As a result, books in this sense, possess both economic value and social value.

And what is more, the social value is greater than the economic value, that is, books possess excessive benefit, what the publishers pursue is not only the economic benefit, but more importantly, the social benefit.

#### 2.3.5 Intersection of consumption quality

In accordance with the definition of consumption quality made by consumption economists, commodities fall into two classes---private commodities and public commodities. Private commodities include the possessed or purchased product and service, the consumption of which will reduce the possibility of consumption by others, that is, exclusiveness. Public commodities refer to those which can be consumed without possession or purchase. The consumption of public commodities will not reduce the possibility of consumption by others, that is, inclusiveness.

On the hand, books is material product in form. It is the feature as private commodities on consumption quality, so books is private commodity in form.

On the other hand, books is spiritual product in content. It is the feature as public commodities on consumption quality, so books is also public commodity in content. Due to the separated and united features in form and content, the consumption quality of books indicates the intersection and deviation of private and public commodities. For instance, your purchase of one of the copies from a bookstore reduces the possibility of other's purchasing the copy (the particular

number of the copies in the bookstore). However, the knowledge and information entailed in the books is the brainchildren shared by all humans. You can search the information you need free of charge in the library or on the Internet.

### **3 Industrial Features of Publishing**

The product attribute of books determines the industrial features of publishing industry.

#### **3.1 Publishing Industry Is the Industry with Compatible and Contradicting on Social Value and Economic Value**

The social value of an industry is the reflection of its social attribute on the level of value. It is dependent on the essential needs with which the industry exists, and develops in the society. At the stage of existence, its social value depends on the ideology, of the ruling class, because the social norms and social value that serve for the ideology of class create a great leading effect on industrial development and consumption. The social value of publishing industry mainly indicates: as an industry considered “the eyes full of wisdom”, the publishing industry, with the function of recording knowledge and the power of spreading information, must represent the ideology of the ruling class, the mainstream of the social value, and the social norms and traditions, must demonstrate the public demands and appeals, and must stand for the national will and the people's interest in international relationships.

In the modern economic system, the publishing industry possesses not only the peculiarity of social value, but the generality of all industries, the economic property. This industry itself, as a “profitable literal business”, can create economic value and social wealth. The economic value is then the reflection of its economic property on the level of value. It indicates the status and function of the publishing industry in national economy. This value is usually reflected by some economic means.

The social value and economic value of publishing industry are not only compatible and united, but also contradicting and opposite.

The consistency between them is realized through the consistency of the product value of books. That is, books possess social value as well as economic value, and the social value develops as the economic value increases.

As a result, to reach the ideal mode of the product value, “eat the cake and have it”, and “valuable and profitable” become the target of value creating of books. And it is helpful to realize the organic unity of social value and economic value in publishing industry.

However, they are still contradicting and opposite to each other. Due to the deviation between the price and the value of books, some books with relatively high social value possess little even no economic value at a certain time. For instance, a cross-century, national key-project of ethnic culture---*the Outline of Ancient Books of Chinese Minorities*---is of great beneficence and social value. But from the angle of economic value, the practical economic return cannot be obtained in spite of the vast investment. On the contrary, some books with higher economic value possess rather low even negative social value, such as some violent, pornographic, or even reactionary books, which, though meet some people's special consumption demand and create some economic value, damage the public interest and go against the social value.

Meanwhile, the realization of the economic value in publishing industry is characterized as gradual and perpetual, that is, the return of the investment in this industry is a “delayed effect”. Considerable investment can hardly produce a direct return, which requires that the investor must deal with short-term benefit.

In a word, the publishers must deal with the relationship between social value and economic value, between short-term, simplistic orientation and long-term benefit, and avoid the short-term, simplistic orientation. Singly pursuing social value and ignoring economic value may result in a total loss of the investment and then a decline, or even collapse, bankruptcy of the publishing; singly requiring economic value and forgetting the social value, or paying attention only to the short-term interest, may lead to vulgar publishing, repeated publishing of even political errors. If the result is rectifying and disqualifying the business, that is “more haste, less speed”.

#### **3.2 Publishing Industry Is the Industry Integrated with Spiritual Production and Material Production**

Different from other material industries, as the above, dualism is marked on the product made and managed in publishing industry---with the property both as material product and as spiritual product. In comparison with other material production, the production of publishing is also the process in which the laborer uses tools and acts on the objects. This production, though, is not fulfilled within one effort. It

is divided into two stages: the former stage--producing knowledge, the latter stage---producing material. As material product, it must observe the general law in production, exchange and consumption of material products. As Carl Marx puts forward, "all artistic and scientific products such as books, printings, sculptures, are embodied in the material products, if they are in form of material", "religion, court, state, law, moral, science, art, etc. are the special forms of production, and they are subject to the general law of production." This general law is the law of value, namely, the value of commodities are determined by the social necessary working time within which the product is produced. Commodities are exchanged equally on the basis of value. Price fluctuates around value. The law of value in publishing industry is shown as: the production of books is regulated by market; the mechanism of demand and supply, of price and of competition will greatly influence the producing orientation and efficiency, especially the behavioral choice of the publishers.

### **3.3 Publishing Industry Is the Intersecting Industry**

Intersecting industry refers to those, which, in the great - socialized production process, possess the features of other related industries, express the common demand and have high homogeneousness and compatibility with them. They are integrated with each other, infiltrated into each other and dependent on each other. As an intersecting industry, publishing industry carries the features of the tertiary industry, information industry and knowledge industry.

To begin with, according to Clark' s classification of industry, the primary industry refers to generalized agriculture whose economic actions are mainly and directly from nature; the secondary industry refers to generalized industry, which deals with the product derived from nature. The tertiary industry refers to generalize service industry, which is the service sector to produce intangible wealth. The publishing industry, which produces knowledge product, spreads knowledge information and provides knowledge service certainly belongs to tertiary industry.

Then, analyzed in the aspect of production factors, information industry refers to an industrial community producing, exchanging and allocating information. Researchers usually regard publishing industry as information industry. For instance, in USA, those that convert information into commodities, including publishing industry, picturing and recording industry, broadcasting service, are generally called information industry. Publishing industry has its typical features:

(1) The purpose is to provide the public with knowledge and information product and knowledge and information service.

(2) The object is knowledge and information, the function is to collect, arrange, process, store and spread knowledge and information.

(3) It is an intellectually intensive industry, the employed are laborers with special knowledge.

Therefore, publishing industry falls into the category of information industry.

Lastly, analyzed from the angle of proportion of knowledge, publishing industry belongs to the category of knowledge industry. In the 1960' s, after systematic research on production, exchange, allocation and consumption of knowledge, American economist F. Mathlup suggests the concept of "knowledge industry". He believes that knowledge industry includes 5 sectors: education, development, information media, information processing equipment, and information processing and service. Book itself is the information medium to spread knowledge and information. The aim of publishing industry is to provide knowledge and information, and serve the public. The proportion of knowledge in books is extremely high in each stage. Compared with the high dependence of other material production sectors on natural resources, publishing industry is undoubtedly a low energy- consumed, ecotypical and sustainable emergent industry.

### **3.4 Publishing Industry Is the Industry with Monopolistic Competition**

Since books possess the property of spiritual product, and represent the ideology of ruling class and the positive social value, publishing industry demonstrates firstly a monopolistic feature based on policy.<sup>[4]</sup>

(1) Publishing houses are established for executive examination and approval, rather than registration. The entrance barrier is quite solid. Foreign capital and privately owned capital are usually not permitted to enter the field of publishing. After establishment the publishing houses will be protected by the trade and local authorities, and limited with division of special labor and allocation of copy number.

(2) Actually, real enterprise management and commercial operation are not carried out in publishing houses. Under system of so - called "enterprise management in state - owned unit", generally the employed are entitled to the special treatment on housing, welfare, medicare, etc, even the same treatment as the leading cadres in administrative unit.

(3) Soft restraint on financial budget. Even if unavoidable financial crisis occurs, the publishing house cannot be bankrupt. They will be guaranteed by the department responsible for the trade, or the managing department of the local publishing industry.

However, books, exchanged and consumed on the market, also have the same competitiveness as other material commodities.

(1) There are many publishers and booksellers on the book market. The producing and selling amount of each publishing house makes up only a small share, and each publisher and bookseller has only a limited influence on the price of books. When making a decision, it is unnecessary to think of other competitors' reaction because one's marketing behavior usually does not influence others to a great extent (this is essentially different from oligopoly).

(2) The products of different publishers are not homogeneous. Rather, they have difference in form and content of the books, and in consumers' taste for the same product.

(3) Publishers are relatively free to enter some field and market. The barriers in some monopolistic trades do not exist in this industry. Thoroughly driven by profit (economic or social), the publishers enter or exit some publishing field. When the monopoly and competition market becomes constantly even, their monopolistic profit tends to vanish, and they acquire normal profit.

As a result, publishing industry is a monopoly and competition trade on policy. It shows great monopolisticness in certain fields, while it generally shows great competitiveness.

#### **4 Conclusions**

The duality of books is reflected as a unique attribute throughout the process of producing, exchanging, and consuming. This product attribute determines that publishing creates not merely social value but economic value, which are merging and conflicting. The industrial features appear to be the integration of spiritual production and material production, and the intersection of monopoly and competition. The above research is of great theoretical and practical significance to books publishing systematic reformation, mechanic innovation, and internal management.

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