

Survey on Authors' Income in Europe and Worldwide.
International Authors' Forum (IAF) & European Writers' Council (EWC)

Authors' Income in Germany

I. The situation on the German Book market

The German book market with 9,131 million euro sales volume (2018¹), 74,000 new titles each year and 367 million copies* sold (2017²) accounts for 7.8% of total sales in the cultural and creative industries in Germany. The number of sold copies has declined since 2007 from 404 million to today 367 million (-15 %), the percentage of sold e-books and audiobooks had increased slightly. Overall, the German Book market lost 6 million customers since 2012. Significant losses are in the target group of 20-39 year old³, who stopped reading as well buying books.

29.6 million people in Germany are still frequently book-buyers, the average price of the books is 11 euros **, most of the buyers buy ten books a year, women more (16) than men (4). 30 percent⁴ of buyers are used to read daily or every third day, women more (40 %) than men (24 %). **This percentage of daily readers is lowering constantly since 2014; 2014 Netflix was launched, what might be one of the reasons.**

More and more people are online, and much of the online time is used for communication, but movies and online games are also highly relevant. The »attention economy« for books is cut down, while the usage of streaming movies and serials on demand has increased; in the group of 20-39-year-old up to nearly daily use of Binge-Watching – plus being online for 4.5 hours each day⁵.

The position of books has been taken over by series⁶: There is a discourse, recommendations, hypes and nightly Binge-Watching. Books (in comparison to series) do not sufficiently fulfill important needs such as socializing, convenience and flexibility. Moreover, books have often disappeared from the public discourse.

Books are no longer a major topic of conversation, which on the one hand makes non-reading, socially acceptable and on the other also makes the path to the next book more difficult. There is no exchange about books in the media, people are less involved in book topics and feel overwhelmed by the wide range of titles on offer.

The general »hype« of writers is declining dramatically.

* excluding school and learning books, including audiobooks and e-books

** the pricing of the book market in Germany is subject to the fixed book price system

¹ http://www.boersenverein.de/sixcms/media.php/976/Study_Book_Buyer_Quo_Vadis_key_results_english.pdf, GfK Consumer Panel Media*Scope book

² http://www.boersenverein.de/sixcms/media.php/976/Study_Book_Buyer_Quo_Vadis_key_results_english.pdf

³ Publikumsbuchmarkt (ohne Schul- und Fachbücher, ohne Streaming) aus dem GfK Consumer Panel Media*Scope Buch

⁴ Allensbacher Markt- und Werbeträgeranalyse, IfD Allensbach

⁵ ARD/ZDF-Onlinestudie 2017

⁶ http://www.boersenverein.de/de/portal/Studie_Buchkaeuer_quo_vadis_/1476019



II. The situation of writers

- a. Average Income based on self-assessments of »word-workers« registered at the KSK (Künstlersozialkasse, Social Insurance for Artists in Germany)

Numbers of Authors at the CMO VG WORT


The number of authors and publishing houses registered at the German collecting society and CMO »VG Wort« rose by 2.6% in 2018. The complete index of all authors and publishers who had ever published a piece of text-work (a blog, a report, a book, a screenplay, audioplay, science-article, a translation ...) comprises a total of 788,101 names. Among them authors make up about 90 percent of all of these registered names. These could be full, part- or single-time writers as well as only one-time-publications, and also blogs, translations or interviews.

In 2018 246,080 authors⁷ (fiction and nonfiction-writers, journalists, science book authors, screenplay writers, poets, blogger, self-publisher, translators ...) had been entitled to be remunerated by the CMO for their published, copied and lent text-works. However, this does not make a living or a fulltime-writer:

Word-workers in Germany: 41,255 – ca. 9,000 fulltime writers among them

In order to be insured with the KSK and to be entitled to subsidies from pension-, health- and social-insurance, **a minimum annual income of 3,900 euros from freelance full-time »word work« is required. About 9,000 freelance and fulltime book writers (fiction, non-fiction, academic) are insured at the KSK.**

The data of annual income at the KSK is based on self-assessments for the following year. **Currently, 41,255 fulltime-»word-worker« – fiction, non-fiction-writer, screenplays, poets, translators, journalists, lectors, coaches – in Germany reached the minimum of 3,900 Euro and are insured with the KSK⁸:**

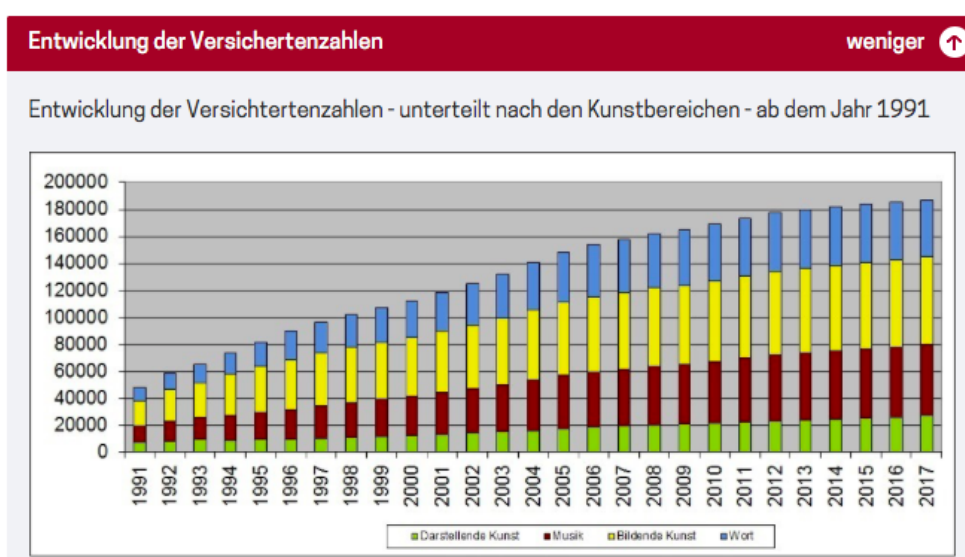
Entwicklung der Versichertenzahlen auf Bundesebene							weniger 
Versichertenbestand auf Bundesebene nach Berufsgruppen, Geschlecht und Alter zum 01.01.2019							
Anzahl der aktiv Versicherten im Alter von:							
Bereich und Geschlecht	unter 30	30-40	40-50	50-60	über 60	insgesamt	in %
Wort							
männlich	253	2.172	4.428	7.162	4.926	18.941	
weiblich	393	3.535	6.116	8.475	3.795	22.314	
insgesamt	646	5.707	10.544	15.637	8.721	41.255	21,91

(current status itemized by gender and age)

⁷ https://www.vgwort.de/fileadmin/pdf/geschaeftsberichte/Geschaeftsbericht_2018.pdf

⁸ <https://www.kuenstlersozialkasse.de/service/ksk-in-zahlen.html>

In 2019 there will be a significant decline in the total number of insured free-lance fulltime »word workers«. In recent years (since 2011) at least 2,000 authors have had to leave the KSK because they no longer reached the minimum income of 3,900 Euro. **The number of up-and-coming writers and word-workers is also declining:** 1999 nearly 8,000 word workers had been registered at the KSK as entrants⁹ into a freelance publishing life, twenty years later, 2019, less than 1,900¹⁰. Taking the risk of being a freelance fulltime-word-worker seems to get less attractive for the younger generations. The average length of the stay in the KSK is rarely longer than ten to fifteen years, which suggests that self-employment, as a professional writer has no stability¹¹.



(blue: writers)

Word-workers' income average (21,842 Euros/year) itemized by gender and age

There is also a gender-gap in authors' average income of 25 % less income for female word-workers in total. Women word-workers over 60 earn the least and male writers over 50 the most. Womens word-workers over 60 years reach also a significant lower pension as male writers.

Durchschnittliches Jahreseinkommen der aktiv Versicherten in EURO im Alter von:

Bereich und Geschlecht	unter 30	30-40	40-50	50-60	über 60	insgesamt
Wort						
männlich	18.407	22.956	27.061	26.714	22.956	25.276
weiblich	19.532	18.222	19.033	19.680	17.674	18.928
insgesamt	19.091	20.024	22.404	22.902	20.657	21.842

⁹ https://www.ssoar.info/ssoar/bitstream/handle/document/33213/ssoar-2000-Bericht_der_Bundesregierung_uber_die.pdf?sequence=1&isAllowed=y

¹⁰ <https://www.kuenstlersozialkasse.de/service/ksk-in-zahlen.html>

¹¹ <https://library.fes.de/pdf-files/managerkreis/10013.pdf>

b. Authors' Income in Germany based on further surveys

General remarks

The data based on self-assessments at the KSK and also the mixed group of »word-workers« – only a 25-30 % of them fiction-, non-fiction- and academic-book-writers (**9,000 writers who earns more than 3,900 Euros yearly**) –, bears the danger of being slightly imprecise on writers' income in the book-business.

A deeper insight of the authors' income

60 % of the freelance writers achieved an annual income of less than the average of 21,842 euros, most of them under 15,000 euros, 30 % earn considerably more (up to 25,000 – 50,000 Euros yearly), ca. 7 % more than 50,000 a year, 3 % more than 100,000¹². In Germany there are currently 150-200 germanwriting bestselling-authors (Fiction, non-fiction), hitting the SPIEGEL-Bestsellerlist frequently; what means it is easier to hit the lottery then having a bestseller. With approximately 1,500 copies sold per week you reach the TOP20 of the Hardcoverlist, with 20.-30,000 per week the TOP3 Hardcoverlist.

Components of the income as a fulltime-writer, in order of importance:

- **front money** (most common advance: 1,500 to 3,000 euros)
- reading fees (average fee: 270 Euro¹³. Men: 290 Euro, Women: 250 Euro)
- holding workshops (a weekend-workshops' fee in average 800 to 2,500 euros)
- similar activities: editing, translating, reports and scouting, coaching ...
- **having an employed partner¹⁴** (numerous writers and artists depend on the economic security of a partner who generates a reliable and continuous income in order to mitigate the income uncertainty caused by fluctuating and possibly low income from artistic activity).
- scholarships (there are currently around 180 literature scholarships in Germany. They are commissioned by the federal government, the federal states, local authorities, institutions or private individuals)
- sales (6 % of purchase price paperback, 10 % of purchase price hardcover, 20 % net receipts E-Book. Average edition in sales market: 2,500 copies overall. Average price: 11 euro. What means ca. **2,750 Euro sales before tax per book**)
- literary prizes (500 German awards for literature, from 1,500 euro up to 50,000 Euro). **The sum of all most important literary prizes in Germany amounts to 9.4 million Euros / year.** Over the last 50 years, they are significantly given more often to male writers (65 %) than to female writers.

¹² German Writers Union's extrapolation on the base of Bundesministerium für Arbeit und Soziales: Bericht der Bundesregierung über die soziale Lage der Künstlerinnen und Künstler in Deutschland.. Berlin. <https://nbn-resolving.org/urn:nbn:de:0168-ssoar-332134>

¹³ Survey by Network Authorsrights 2018

¹⁴ Haak, Carroll (2009): Die bildenden Künstler und ihre Rente – eine Umfrage des BBK Bundesverbandes. In: kulturpolitik 3/2009, S. 11-15.

Self-publishing?

The extent to which selfpublishing may be seen as an independent alternative for writers to make a living remains questionable. According to a survey conducted by the homepage »Selfpublisherbibel.de« in 2018¹⁵, in which 843 users took part, **almost half of all authors surveyed earn up to 100 euros per month. Only 16 declared to generate revenues up to 2,000 Euros monthly.**

This result is in line with a Europe-wide study by the University of Applied Management, Erding, according to which **only 37% of the surveyed authors put a more positive revenue situation as a reason for choosing self-publishing over contracting with a publisher**¹⁶. On the other hand, 90% of all respondents still see their own creative autonomy and freedom to experiment as the main reasons for self-publishing. With this development, more and more »traditional« writers try to work as »hybrids«: half at publishing houses for the income and advance, half in the selfpublishing to care for the backlist, experiments or being independent. On the other hand: Authors who publish independently often move to the classic publishing business as soon as they have a certain success – because the professional partnership promises even more outreach and visibility in bookshops, still the essential for a sales success.

Contractual details and general developments

- e-Books: shares, subscription and e-lending

In the German book industry, the contractually agreed revenues for electronic book exploitation decline. Before the introduction of tablets and high-performance smartphones (around 2008) with reading apps – they amounted to 25 % of the selling price for the writers. **In the meantime, this share for the writers has fallen to 20 % of the so-called net publisher's revenues** – the purchase price minus discounts minus costs, what means practically: 12.5 % of the purchase price.

Flatrates (subscription models) for e-Books published by publishing houses are a sort of commercial e-lending in Germany and licensed by the publishing houses.

The average share for the writers is around 5 % of normal purchase price.

You find currently also around 8,000 titles of Zero-Euro-E-Books on several German online bookshops like thalia.de. The growing marketing-instruments, using the zero-euro-practice on the backlist to promote new titles of an author, has a cannibalizing effect on the e-book-business: there is no need to buy e-books anymore, as long you are able find them for zero money legally.

E-Lending: In 2018 there had been 27 million e-Books sold, but 29 million e-Books lend out by the »Onleihe« in public libraries, and around 19 million e-books lent out by commercial flatrates and subscription lending-models. The e-Book-market in Germany has changed in ten years from buying e-Books to lending e-Books.

¹⁵ <http://www.selfpublisherbibel.de/die-grosse-selfpublishing-umfrage-2018/?highlight=umfrage>

¹⁶ https://www.bod.de/fileadmin/user_upload_de_ch/Landingpages/Self-Publishing-Studie-2016/Europaeische_Self-Publishing-Studie-2016.pdf

Nearly two thirds of self-published and traditional published e-Book in Germany are loaned and not sold.

This leads to a dramatically lowering of sales and net receipts – although the e-lending by public libraries is the most common source for e-reading, it makes the lowest sales-share for authors, at least only 20 % of the one-time-purchase-price.

The public libraries reject to remunerate authors for each loan, trying to extort an exception on E-lending.

- Advanced money

Out of ten books, only one is profitable, two do reach break-even and the rest is loss-making and cross-financed by bestselling titles¹⁷. Only one out of two advanced payments does refund by sales.

Today, debut writers receive an average advanced payment from smaller and middle-market publishing houses of between 0 and 1,500 Euros, in the larger publishing groups between 4,000 and randomly 10,000 Euros. If you are not an actor, a TV-moderator, a soccer star or already bring your fans and followers with you as an extraordinary successful self-publisher, the front money will stay in the four-digit-range.

The advance payment for non-debut-writers depends on the sales of the previous titles. Asserting the dramatically declining sales for midlisters, the ongoing best-seller-hype and the focus on the few big names, cutted also down the advanced payments the last two decades.

Around 3 to 5 % of German writers are constantly selling well and may get advances in between 50,000 up to 200,000 euros. The largest front money is paid by German publishing houses for licenses from US and UK.

- Shares and royalties

The routine of percentages is often a staggering of the according to the increasing number of sold copies, starting with 5 or 6 % paperback up to 9 %, and 10 % for hardcovers, rising up to 13 % and sometimes 15 % or more on the purchase price. Common remuneration rules on the percentage of 10 % on hardcovers as basis are agreed with only seven German publishing houses and -groups (from 12,000).

- CMO VG Wort

The annual distributions amount to ca. 160 million Euros for authors and publishers; 8 million on PLR (353 million print books loaned annually), equipment levies, cable transmissions, METIS (text online), copies and other usages. For about 25,000 authors registered at the VG Wort this means more than 400 Euros/year remuneration. The annual cheque is often declared as »holiday pay«.

¹⁷ Europäische Kommission (2017). Mapping the creative value chains: A study on the economy of culture in the digital age: final report.

III. Conclusion

Reasons for the declining of authors' income (in order of significance)

- smaller advanced payments – because of the loss of sales in the print market, combined with the focus of publishing houses on bestsellers (»self-censored market«)
- smaller shares from the E-Book-sector – because of subscription and e-lending-models as well as E-Book-piracy and Zero-Euro-promotions, price-dumping in the E-Sector, forced by Amazon, and the rejection of public libraries to pay authors for the loan of their e-books.
- royalties are not increasing, and the percentage of share are stagnating – while Amazons get more than 60 % of the purchase price of a hard-cover print book for its distribution, an author stays with his 10 % since 15 years.
- Less author friendly contracts – although nearly 80 % of the latest fictions books are negotiated by a literary agency.
- change in the general consumption of culture and books: less buyers, less sales, less time for reading, less interest
- A general decrease of esteem on the value on literature, what leads into indifference of policy facing the challenges of e-book-piracy, price dumping and monopolies, local bookshops under pressure and not defending authors' rights.
- reduced and stagnating public budgets for PLR
- growing expectations on writers to work unpaid and »for exposure« – or even pay for being visible (book fairs, readings)
- no common remuneration rules
- bear of danger on more expectations and limitations (academic books for ex., e-lending, others) without or with low remuneration