

# Analysis and Prospects of the Transformation of Traditional Publishing Industry to Knowledge Services (Postprint)

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## Abstract

Since 2018, the “knowledge service” market has gained tremendous momentum, with internet players such as Zhihu, Fenda, and Dedao entering the space and establishing early positions. In reality, traditional publishing has always been the largest “knowledge service provider.” In the mobile internet era, facing dual transformations in both market and industry, we must actively respond and evolve from traditional book publishers to internet-based knowledge service providers.

## Full Text

### Introduction

Since 2018, the “knowledge service” market has gained tremendous momentum, with internet players such as Zhihu, Fenda, and Dedao entering the space and establishing early positions. In reality, traditional publishing has always been the largest “knowledge service provider.” In the mobile internet era, facing dual transformations in both market and industry, we must actively respond and evolve from traditional book publishers to internet-based knowledge service providers.

Recently, after conducting in-depth analysis of numerous domestic and international knowledge service products, as well as examining the product portfolios, characteristics, target audiences, and resource types of knowledge service platforms developed by 32 traditional publishers in recent years, the product team at Beijing Founder Electronics Co., Ltd. has proposed a “four-step” roadmap for traditional publishers undergoing knowledge service transformation. This framework aims to provide reference and guidance for colleagues in the publishing industry navigating their own “transformation” journeys.

## The Essence of Knowledge Services

The popular “paid knowledge” model in recent years has revealed alternative possibilities for knowledge monetization. In truth, people have always paid for knowledge, previously concentrated offline through print publications, and now expanding online through digital content such as e-books, audio, and video. A precise definition of “knowledge service” can be summarized as: a service where knowledge producers meet the needs and solve the problems of knowledge consumers through knowledge products. It should encompass both product and service components, where products satisfy basic needs and services address advanced demands.

For a long time, the publishing industry has been the primary disseminator of knowledge. However, because publishing has traditionally targeted “conventional knowledge products” (books) as its production goal, the industry as a whole has exhibited more manufacturing attributes than service attributes. Traditional publishing produces standardized, replicable products for users, which may or may not solve user problems. Due to the one-way nature of the product sales model, knowledge producers (authors) and organizers (publishers) receive no feedback whatsoever.

Originally, this knowledge production and provision model presented no issues. Yet with the development of the internet and mobile internet, this balance has gradually been broken and even subverted. Today’s readers have undergone tremendous changes in reading habits and knowledge needs. Contemporary readers no longer settle for merely obtaining knowledge products; they demand more targeted knowledge services. Therefore, as readers change, markets change, and the rules of engagement change—all these transformations are compelling publishing houses to initiate transformation and evolve into “knowledge service” providers.

## Transformation Paths for Knowledge Services

Through extensive research and analysis, we have identified three common paths for current publishers transitioning to knowledge services:

### **Path A: Product Digitalization**

This stage involves converting print products into digital products and promoting them through original channels. It represents a change in product form, but essentially constitutes a change in copyright.

### **Path B: Product + Internet-Based Operations**

This path transforms print products into versions adapted for the internet era, enhances product service capabilities, strategically abandons original channels, and operates through internet platforms. The essence is a transformation in both product service capability and service methodology.

### **Path C: Full Platformization**

This approach integrates upstream and downstream resources to establish an

internet platform-based business model for knowledge production and usage (PGC, UGC). The essence is a shift from a product-centric model to a service-centric model built upon products, as exemplified by platforms like Zhihu and Baidu Knows.

These three paths represent increasing difficulty for publishers, as they require progressively greater organizational change. In Path A, publishers need only change product form while leveraging all traditional publishing advantages. Path B requires changes to both product form and user scenarios, plus internet-based operations. Path C nearly overturns publishers' existing work methods and objectives, yet represents the optimal implementation of knowledge services. This constitutes a major challenge in traditional publishers' knowledge service transformation.

Despite these difficulties, solutions exist. Based on years of industry experience and thorough analysis of industry cases, Founder Electronics recommends that traditional publishers' knowledge service transformation follow this "four-step" route:

**Step 1: Content Service**

Digitize content and develop it into content products, corresponding to Path A.

**Step 2: Scenario Service**

Digitize content and transform its delivery methods according to user content consumption scenarios, forming content-based services. This corresponds to Path B.

**Step 3: Platform Service**

Activate knowledge consumers' demand expression while aggregating knowledge producers to meet those needs. This corresponds to Path C.

**Step 4: Ecosystem Construction**

Following the establishment of the business model in the first three steps, transform traditional publishing models. Restructure internal knowledge production processes and organizational mechanisms with the goal of satisfying end-user needs, thereby fully evolving into a knowledge service provider.

These four steps are progressively interdependent. For traditional publishers, the journey must begin with Step 1 to establish a solid foundation before advancing to Steps 2 and 3. Step 2 builds upon Step 1, and Step 3 builds upon Steps 1 and 2. This incremental approach allows publishers to fully leverage and exploit their strengths—traditional product distribution channels, construction methods, resources, and industry understanding—while minimizing risks. Simultaneously, it enables disadvantage avoidance by steering clear of internet companies' cash-burning user acquisition models in early stages, instead starting from controllable industry product models. Each stage can achieve concrete results and profitability. Most importantly, this construction route represents a comprehensive, natural evolution in publishers' knowledge service transformation, with products, platforms, talent reserves, and operational strategies ad-

vancing steadily in tandem, rather than experiencing “hormone-induced” rapid growth in one area while others lag behind.

## Outlook on Publishing Industry’s Knowledge Service Transformation

Currently, both user and industry environments in publishing have undergone tremendous changes: consumption upgrades and technology upgrades. From the consumption perspective, there is demand for multi-scenario satisfaction, individual participation in community contexts, and personalization. From the technology perspective, cloud-network-end technologies and intelligent technologies provide technical support for knowledge service platforms. Under these conditions, publishing industry knowledge service transformation can achieve continuous product form integration, convergence of product distribution and service channels, integration of knowledge production methods and factors, and cross-boundary knowledge content innovation, enabling diversified innovation.

Looking ahead, knowledge service has moved from simple digital transformation to digital remodeling. This involves deep operations based on products and services, constructing platform-based ecosystems, integrating upstream and downstream ecosystems, planning products from user needs and application scenarios, building user connection platforms, and sensing user needs and experiences. The digital remodeling process encompasses the restructuring of business processes, community-based models, and mobile dissemination systems.

In the future, knowledge service platforms must evolve into knowledge innovation platforms that establish relationships between knowledge producers and knowledge consumers, truly achieving the transition from digital transformation to digital remodeling in knowledge services. This process involves four key elements: content, technology, users, and data.

For many years, Founder Electronics has been dedicated to publishing technology research and development, providing systematic knowledge service product solutions for the industry—from resource construction and knowledge system construction to knowledge service applications and knowledge product production based on knowledge systems. Currently, in serving the domestic publishing industry’s digital transformation, numerous application cases have emerged for different stages, including content resource services, vertical industry scenario services, database product group construction, and platform-based and ecosystem-based knowledge service development.

Within the entire knowledge service system, the most critical component is knowledge system construction. Founder Electronics has developed comprehensive knowledge service solutions to help publishing houses achieve the complete chain from knowledge processing, management, and productization to service delivery, scenario optimization, and platform ecosystem construction.

In conclusion, knowledge service represents the digital future of the publishing

industry. With technological assistance, traditional publishing will undoubtedly complete its role transformation from content provider to internet knowledge service provider, discovering new profit growth points and unlimited development possibilities.

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*Note: Figure translations are in progress. See original paper for figures.*

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