

# Research on Derivative Business Modes in Modern Publishing and Distribution Based on Aesthetics of Daily Life

-- A Case Study of Characteristic Hybrid Bookstores in Shanghai

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**Abstract:** Traditional publishing and distribution channels have been challenged by digital reading and e-commerce platforms, prompting transformation through cultural derivatives and cross-sectoral business avenues. "Composite operations" have become a common model for innovative publishing and distribution in China. Bookstores are shifting from "book retailers" to "cultural consumer service spaces," incorporating cultural concepts and creative products into their business scope. This paper conducts field research on the characteristic hybrid bookstores in Shanghai, examining the current state of the industry from perspectives such as types of cultural and creative products, cultural and tourism spaces, and cultural experience services. It explores how aesthetics of daily life can be integrated into publishing and distribution, providing new developmental insights for the traditional publishing industry.

**Keywords:** Publishing and Distribution, Cultural Derivatives, Aesthetics of Daily Life.

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## 1. Introduction

The cultural and creative industries provide not only spiritual consumption but also material cultural enjoyment, making them an effective means of pursuing and shaping the aesthetics of daily life. As an important medium for publishing cultural and creative products, bookstores are now tasked with showcasing modern lifestyles and humanistic spirit. Discussions on the aesthetics of daily life in the West date back to the late 19th century, described as the "ultimate union of life and art." In modern society, aesthetics of daily life reflects the aesthetic values that individuals pursue to enhance happiness once their material needs are sufficiently met. In recent years, a number of distinctive hybrid bookstores have emerged in Shanghai, gaining widespread attention and promoting studies on using bookstores to advance the integration of urban culture, commerce, and tourism [1].

## 2. From Retail Space to Hybrid Space in Publishing and Distribution

### 2.1. Policy Background for Business Mode Integration and Transformation

In 2016, the Central Propaganda Department and 10 other departments issued the "Guidance on Supporting the Development of Physical Bookstores" (hereinafter referred to as the "Guidance"), setting goals for the innovation and development of physical bookstores, emphasizing actively promoting the transformation of state-owned physical bookstores like Xinhua Bookstore through rewards, interest subsidies, and project grants to support innovative projects and the transformation of small specialty bookstores. During the transformation process of physical bookstores, cross-sectoral operations became a primary method. On December

30, 2021, the National Press and Publication Administration released the "14th Five-Year Plan for the Development of the Publishing Industry" (hereinafter referred to as the "Plan"), which clarified the guiding philosophy for the development of the publishing industry during this period. The "Plan" highlighted new tasks, including strengthening digital publishing, enhancing public publishing services, and providing directions for further industry transformation, while also guiding the deep integration of physical bookstores [2-3].

### 2.2. Transition to Hybrid Business Modes in the Industry

The rise of online retail has significantly impacted offline retail, leading to declining sales and mass closures of physical bookstores, which have since embarked on a journey of self-reinvention. Retail products at physical bookstores expanded from publications to include cultural and creative derivatives, thus extending the industry value chain. During the transformation process, cross-sectoral operations became crucial, with bookstores often merging with compatible sectors like leisure and catering, such as the popular combination of bookstores and cafes, which presented new avenues for bookstore development. Physical bookstores leveraged their spatial and venue value to conduct activities like reading clubs and study tours, completing their transformation from retail spaces to hybrid spaces. Bookstores now integrate with other industries, attracting foot traffic by utilizing hybrid industry advantages while also increasing customers' length of stay, thereby enhancing revenue [4].

### 2.3. From Product Consumption to Cultural Composite Consumption

The convenience and lower prices of online book purchasing have transformed readers' consumption habits,

diminishing the competitive advantage of offline bookstores, which have consequently sought transformation. By expanding their business scope, physical bookstores have integrated aesthetic, leisure, and public cultural exchange elements, making bookstores spaces where people are drawn to linger and explore the scene's value. Cross-sectoral integration offers a "composite consumption" experience—people visiting bookstores consume more than books; they engage in the space design, creativity, ambiance, and social enjoyment. Shifting consumption demands have driven industry change, and this transformed industry, in turn, reshapes consumers' habits [5].

According to Lynn Lofland, the primary distinction between modern cities and pre-industrial ones lies in how group identities are categorized. In pre-industrial times, it was based on attire, while in modern cities, it's based on where individuals engage in activities within urban spaces. In today's prosperous cultural environment, entering specific cultural spaces serves as a means for social interaction and self-identification. Therefore, the unique style and cultural atmosphere formed during bookstore transformations also cater to consumers' needs for identity construction [6].

### **3. Constructing the Cultural Space Value of New Hybrid Bookstores**

#### **3.1. Hybrid Consumption Spaces**

The first dimension in the value construction of hybrid physical bookstores is the creation of hybrid consumption spaces. As a single-purpose book retail venue, the physical bookstore suffered setbacks amid the growth of e-commerce. By integrating other businesses, bookstores expanded their consumption value. Coffee and bookstores share similar cultural temperaments, and their combination marked a step toward bookstore transformation—using bookstore spaces to diversify business and attract visitors through multi-business integration, thereby extending customers' length of stay. New hybrid bookstores now encompass not only book and cultural product consumption but also spatial experiential consumption and cultural event consumption [7-8].

Taking the "Sanlian Bookstore • Bookstore at the Foot of the Mountain" in Shanghai as an example, the bookstore is located opposite Fenghuang Mountain, one of the nine peaks of Sheshan, and consists of a three-story building above ground and one basement level. The first floor, named "Gentle Forest," features staggered wooden bookshelves that serve both book display and aesthetic purposes, with a children's activity area and a cultural product display area enriching the spatial value of the floor. The second floor, "Daydream Factory," is an open space for hosting cultural events like exhibitions. The third floor, "Ideal Life Live," provides a homelike reading experience with living room, kitchen, and balcony areas. The basement, "Coffee Workshop," combines a tea bar, coffee bar, and screening area, creating an artsy leisure space. The Bookstore at the Foot of the Mountain blends book, cultural product, and coffee consumption with aesthetic spaces, cultural activities, and lifestyle experiences, forming a hybrid consumption space [9].

#### **3.2. Public Cultural Spaces**

The second dimension of value for hybrid physical bookstores is the creation of public cultural spaces. With books and the immersive reading atmosphere, bookstores inherently possess cultural traits. After integrating various

businesses, the cultural significance of hybrid physical bookstores becomes even more pronounced. Bookstores extend their offerings to include cultural derivatives and establish more inclusive spaces for hosting reading clubs, exhibitions, and study events. Institutions like the Jian Investment Bookstore organize events like Jian Investment Reading Club and JIC Lectures, while Sinan Bookstore holds the Sinan Reading Club, and Zhongshuge promotes various parent-child education activities, providing cultural nourishment for citizens and building public cultural spaces in urban areas.

The "1925 Bookstore" by Xinhua Bookstore holds significant cultural heritage, being the former site of the Hongkou branch of Commercial Press. It was here that Comrade Chen Yun joined the Communist Party of China, embarking on his revolutionary journey. It was also a frequent spot for writer Lu Xun to purchase books and collect his royalties. Through the window, one can see the former residence of proletarian writer Ding Ling. These historical roots give the 1925 Bookstore a positive image, with the Xinhua Bookstore leveraging its cultural resources, such as partnering with the Shanghai Pingtan Troupe for events like "Pingtan and Jiangnan Culture." Monthly events enhance opera promotion and traditional culture, instilling a public cultural attribute in bookstore spaces. In China's urbanization process, kinship-based support networks have weakened, particularly in major cities, leading to a "society of strangers." Physical bookstores create public cultural spaces where individuals connect and identify through cultural exchanges. Scholar Carl asserts that public spaces have a "cohesive function," with bookstores providing platforms for shared values and cultural communication, thus consolidating societal bonds. While the internet facilitates de-territorialized communication, the immersion, ambiance, and in-person exchanges offered by physical spaces remain indispensable for cultural interactions.

#### **3.3. Spaces for Lifestyle Carrying**

Spaces can serve as venues for selling products, cultural exchanges, and also embody specific lifestyles. The third level of value in physical bookstore 3.0 positioning focuses on lifestyle-carrying spaces. As such, hybrid physical bookstores follow two construction paths—one links the space to the concept of a "home," creating a homelike atmosphere, while the other emphasizes integrating the bookstore into the everyday life of nearby residents. An example of the former is the "Sanlian Bookstore • Bookstore at the Foot of the Mountain," which builds a space featuring living areas, such as a living room, kitchen, and balcony, thus skillfully combining reading with home life.

For hybrid physical bookstores to maintain a steady clientele, it is crucial that they integrate into residents' daily lives. Japan's Tsutaya Bookstore is committed to creating a composite cultural lifestyle space, incorporating beauty salons like Uka, coffee shops like Good Meals Shop, and green plant stores like Solsa, establishing a hybrid retail area for household electronics and sundries—Book Street—to seamlessly connect bookstore products with consumers' daily lives. This ultimately fosters a "Tsutaya lifestyle" for consumers. In Shanghai, the Tsutaya Bookstore at Taikoo Li Qiantan continues the philosophy of lifestyle advocacy. The bookstore adopts a natural wood color scheme, with sunlight streaming into the central atrium and large plants placed around, exuding a natural feel. It avoids closed partitions,

relying instead on display stands and installations for zoning. The various services blend naturally with one another; for example, culinary books are placed alongside cookware, and crafting materials are interspersed with handcraft books. By accurately identifying consumer needs and fostering consumption habits through a corresponding lifestyle, Tsutaya Bookstore builds consumer loyalty and recognition.

Additionally, Xinhua Wenxuan adapts to segmented markets and customer groups by developing multiple physical bookstore brands such as Xuanke Club, Wenxuan BOOKS, and Dudu Book Bar, each serving a different market and changing the brand's "one-size-fits-all" approach. In recent years, bookstores in residential areas, museums, and campuses have successfully targeted specific customer groups and maintained stable customer bases. The bookstore serves as an important customer flow entry point, but ultimately, retaining customers depends on providing valuable services that meet their needs. Capturing potential customers, cultivating their reading habits, and continually enhancing customer loyalty are essential for boosting a bookstore's operational capabilities. Expanding the lifestyle-carrying value of hybrid physical bookstores and integrating them into daily life is a source of continuous development.

## **4. Analysis of Cultural Derivative Samples from Hybrid Bookstores in Shanghai: A Case Study of the 1925 Bookstore**

### **4.1. Relationship between Bookstore Characteristics and Cultural Derivatives**

The "1925 Bookstore," located in the "Sichuan North Road Red Culture Ecological Demonstration Area," continues the legacy of the Commercial Press's Hongkou branch, operating continuously for nearly a century. The year "1925" carries special significance as it marks the establishment of the branch. The bookstore excavates and highlights the cultural legacy of writers such as Lu Xun and Ding Ling, connecting them with numerous surrounding cultural landmarks, showcasing its unique character. Upon entering the bookstore, visitors are greeted by an abstractly designed torch, symbolizing the revolutionary spirit's continued existence and representing the spread and inheritance of red culture on this land.

### **4.2. Layout, Types, and Price Ranges of Cultural Products in the Bookstore**

(1) Layout: Various "Red Culture" cultural products in the bookstore are particularly eye-catching, including bookmarks, puzzles, stationery, and lifestyle products that reflect the bookstore's unique character. Cultural products are harmoniously integrated with the book section.

(2) Types: Educational cultural products include pens, ink, notebooks, and various journals. Lifestyle cultural products include badges, hairpins, stamps, postcards, bookmarks, blocks, canvas bags, and panda toys.

(3) Characteristics: Primarily focusing on red-themed products, featuring a wide variety, ranging from daily necessities to educational tools, closely aligning with the bookstore's cultural positioning.

(4) Price Range: From 20 to 2,000 RMB.

## **4.3. Cultural Experience Projects Created by the Bookstore**

The Xinhua Bookstore at the original site of the 1925 Bookstore previously served the reading needs of residents within a 1-2 kilometer radius. Now, after renovation and renaming, it presents a "Bookstore+" multi-business model. In addition to red cultural spaces like Hongkou Lecture Hall and Rainbow Reading Room, the 1925 Bookstore, in collaboration with Shanghai Unicom, has achieved full 5G network coverage and introduced more diverse technological and artistic forms, such as holographic displays, AR interaction, and immersive interactive drama experiences, bringing culture into contemporary life and drawing more young readers into this red-themed bookstore. For instance, a holographic classroom on the second floor enables real-time interaction with the Chen Yun Memorial Hall through Unicom's network, allowing visitors to virtually tour the memorial hall, offering an immersive red party-building experience. The holographic interactive screen from Unicom also plays the short video "1925, Comrade Chen Yun in Shanghai," taking readers back to Shanghai in 1925 to witness Comrade Chen Yun's dedication to revolutionary causes, telling the story of the Commercial Press and Shanghai's red culture. The bookstore also offers cultural experience projects like stamp collecting and journaling workshops, which are particularly appealing to young audiences.

The design theme for the bookstore's first floor is "Shanghai Cultural Brands," divided into three sections that correspond to three major cultural brands: Haipai Culture, Red Culture, and Jiangnan Culture. The bookstore's first floor also features a local Shanghai brand "Shanghai Coffee," which evokes childhood memories of the sweet aroma of coffee brewed in aluminum pots. The bookstore's second-floor exterior lobby area is another type of reading space, providing readers with a relaxed and convenient reading environment where they can enjoy reading, savor coffee, and immerse themselves in Shanghai's cultural ambiance.

## **5. Recommendations for Sustainable Development Based on Bookstore Case Studies**

### **5.1. Emphasizing Bookstore Positioning: Maintaining Cultural Characteristics with Market Demand in Mind**

In the wave of globalization, the issue of "homogenization" is increasingly concerning across various fields, and bookstores face the same challenge, especially large chain bookstores. Retaining regional characteristics in different locations undoubtedly benefits the development of chain brands. Specifically, bookstore architecture, book categories, and cross-sectoral projects should vary depending on local history, culture, and customs. Cultural bookstores should fully leverage the city's historical and cultural resources and famous cultural figures for further derivation and expansion, while cross-sectoral operations should emphasize local characteristics. For instance, in Shanghai, original cultural products can be closely tied to local characteristics. These products not only showcase the bookstore's distinctiveness, drawing customer attention, but also serve as souvenirs for tourists, thus building a unique business identity.

## 5.2. Keeping Up with Times: Innovating Cultural Experiences

With the rapid pace of development and the explosion of information, numerous physical bookstores have ended up being limited in their cultural positioning, offering only cultural "fast food." Bookstores that want to attract younger audiences must continually innovate, enhancing cultural experiences and delivering culture in unique ways. A bookstore serves as an important landmark, potentially becoming a cultural base and witness to a city's heritage. Regions rich in cultural tourism resources can develop and optimize cultural experiences, using "local culture" as the positioning theme. Comprehensive mobile network coverage, introduction of holographic displays, and immersive interactive drama experiences provide young readers with the sensation of "all knowledge gained from books is shallow; experiencing it firsthand matters," thus deepening their cultural understanding through engaging experiences.

## 5.3. Creating Original Products and Promoting University-Enterprise Cooperation

Currently, many bookstores face issues such as a lack of product variety and insufficient creativity, which fail to meet consumer demand and affect bookstore branding. Developing proprietary cultural and creative products is essential for bookstores—by incorporating cultural attributes and differentiation in their products, such as highlighting books the store carries, its aesthetic qualities, humanistic spirit, and artistic atmosphere, bookstores can create distinctive cultural derivatives. This approach enhances economic benefits and improves bookstores' image among consumers. Original cultural products hold greater commemorative value but are often constrained by cost, quality, and other factors. For many small to medium-sized bookstores, establishing "university-enterprise cooperation" with local colleges may be a potential win-win strategy. Bookstores and universities can jointly apply for projects and collaborate on developing original cultural products. Holding cultural product design competitions and awarding winners with certificates and practice acknowledgments provides a practical platform for students while advancing the bookstore's product development efforts.

## 6. Conclusion

The exploration of hybrid business models in physical bookstores has evolved from the simple "Bookstore + Coffee" model of version 1.0 to a 2.0 version that blends various business sectors, and now to the 3.0 version, positioned as a cultural community space connecting interpersonal relationships. The integration of business models enriches the

connotation and extension of physical bookstores while imbuing them with multiple spatial values. The sum and integration of business models have allowed physical bookstores to withstand the impact of online book sales. Cultural creative derivatives have transformed the operational logic of bookstore spaces, while new cultural projects and the rise of socialized reading have expanded bookstores' core business, enhancing the aesthetics of daily life. For urban living, maximizing a bookstore's cultural qualities and spatial atmosphere by transforming it into a cultural-tourism integrated space embedded in citizens' daily lives is a sustainable development approach for bookstores and derivative publishing businesses.

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