Self-Publishing vs. Traditional Publishing

Pros and Cons

Deal With My Wife

- I started out as an engineer
  - PhD; worked at NASA, RCA, Microsoft
- Took science fiction writing course
  - Wrote my first novel, The Catalyst, during dissertation research
- My wife was beginning pre-med courses
- Deal: I would support her through nine years of pre-med, med school, and residency; when she was done, I would quit my job to write full-time
  - Goal: to get published in nine years
- Quit Microsoft in 2005
  - Wrote two more books, Rogue Wave and The Ark

How I Got Published

- Wrote three books before I got agent in 2007
- The Ark was rejected by 25 publishers in 2008
  - Rave rejections
  - Wouldn't stand out in crowded thriller market
- Developed web site
- Put all three books on Kindle store in March 2009
  - Very few self-published ebooks at the time
  - No Nook or iPad
- In three months sold 7,500 copies
  - The Ark was the number one technothriller
  - Was selling at the rate of 4,000 books per month

How I Sold So Many

- Little competition
- Edited with the help of my agent
- Low prices
  - $0.99 for The Catalyst and $1.99 for Rogue Wave and The Ark
- Blurbs from bestselling authors
  - Douglas Preston, James Rollins, Jon Land, and Chris Kuzneski
- Word of mouth
  - Discussion forums spread the word
  - Introduced myself when I found discussions mentioning my books through Google
- Good reviews

Publishing Deal

- Already had an agent, so could go back to publishers quickly when books started selling
- Simon and Schuster signed me to two-book hardcover deal
  - The Ark and The Vault, the first two books in the Tyler Locke series
- S&S also signed me to a two-book paperback original deal
  - Standalones Rogue Wave and The Catalyst
- The Ark published in 22 foreign markets
  - Including with Little, Brown in UK and Random House in Germany

Current Status

- Third book in the series, The Roswell Conspiracy, canceled by Simon and Schuster
  - Even though it was under contract
- Little, Brown UK loved it
  - Published in English worldwide outside of North America
- Published in German by Random House and as an audiobook in North America by Audible
- Self-published in North America
- Under contract with Little, Brown UK and Audible for book four

Types of Rights

- Hardcover
- Trade paperback
- Mass market paperback
- Ebook
- Audiobook
- Serial
- Book club
- Large print
- Foreign language
- Film and TV
- Video game
- Merchandising
- Theme park

Foreign Deals

- Types of publishing deals
  - Worldwide
    - Main publisher sells rights to foreign publishers
  - Worldwide English
  - North American English only
  - US and Canada separate
- Can take years for foreign editions to be released
  - The Ark still to come in ten foreign markets
- Foreign deals make up 80% of my total earnings
  - Pounds and Euros are just as good as dollars

Advances

- Advance against future royalties
  - You don't earn anything over advance until the book "earns out", meaning it has sold enough copies for royalties to cover advance
  - Most books never earn out
  - Books don't have to earn out for publisher to make a profit
- Paid in installments
  - A third on signing contract
  - A third on delivery of book
  - A third on publication
  - Sometimes a portion is reserved for paperback publication
  - Could take three years to get entire advance
  - $100,000 deal means $33,333 on signing
    - Minus 15% agency commission and taxes (assume 25%)
    - Author nets $21,250

Royalties

- Usually paid every six months along with royalty statement
  - But paid six months in arrears, so you get paid in October for your March royalties
- Typical percentages, but can vary
  - 15% of hardcover cover price, not what it's sold for
    - Royalty on $25 hardcover is $3.75
  - 10-12% for trade paperback
    - $1.50 royalty for $15 book
  - 6-8% for mass market paperback
    - $0.48 for $8 book
  - 25% of net revenue for ebook
    - $12 ebook results in 70% revenue share for publisher
    - 25% of that 70% is $2.10
    - $1.40 for $8 ebook
  - 10-15% for audiobook
    - $3.50 for $35 audiobook

Publishing Process: Delivery

- Deliver draft to editor
  - Revision notes come back
  - Comments in document, usually accompanied by an editorial letter with major feedback points
  - All comments are suggestions; it's up to the writer whether to take them
- Deliver revision to editor
  - Editor signs off or does another round of notes
  - Continue process until signoff
- Editor officially accepts delivery
  - Author gets second portion of advance

Publishing Process: Copyediting

- Upon delivery, goes to copyeditor
  - Copyeditor is a different person from your editor
  - Copyeditor returns manuscript with typos, suggested word changes, repeated words, inconsistencies (name changes, timing issues, etc.), and typesetting notes (italics, bolding, etc.)
  - Author accepts each suggestion or changes it back by writing "stet"
  - Can be done on print manuscript or digitally
  - This non-typeset version, called a "galley", can go out reviewers and authors for blurbs
- After copyediting, it goes to typesetter for a "proof"
  - What the book will actually look like in print
  - Author gets to proofread again (called "proofing")
  - First proof can be used for an advance reader copy (ARC)
    - Sent out to reviewers and bookstores; looks like final book, but paperback
  - Can go through a second proof
- Once it's approved, it goes to printer

Publishing Process: Marketing

- Approve cover
- Write jacket/back cover summary
- Write bio
- Approve/write publicity release
- Approve/write marketing materials
- Approve/write website materials and Q&As
- Approve/write book trailer
- Recruit authors for blurbs

Publishing Process: Book Release

- Write blog posts (can be done as part of a blog tour)
- Keep Twitter and Facebook followers engaged and informed
- Respond to written Q&As
- Do radio and TV interviews
- Book tour
  - Appearances
  - Booksignings
  - Writers conferences
  - Fan conventions
- Write next book!
  - Often the publisher wants an outline and/or synopsis before agreeing to next book

Print Runs and Sales

- Print run = how many books are actually printed in a "printing"
    - A single edition of a book can go through multiple printings
    - A new *edition* means something has changed about a book (cover, content, formatting, etc.)
- Sell-in vs. sell-through
    - Sell-in is the number of copies that actually go to bookstores
        - Usually lower than print run
    - Sell-through is the number of copies stores actually sold
        - Sell-through is usually less than sell-in
        - 50% sell-through is considered good

Co-op and Placement

- Co-op is what publishers pay to booksellers to place books at front of store
  - Octagon at B&N
  - Table displays
  - Floor displays
  - Counter displays
  - End-caps
- New release shelf
- Bestseller shelf

Returns

- Bookstores basically work on consignment
- Hardcovers and trade paperbacks are returned to warehouse for full refund
- Mass market paperbacks have covers ripped off to send back and then pulped
- Reserve against returns
  - Royalty statements estimate that a certain number of copies sold will eventually be returned and withhold that amount
- Remainders = any unsold books
  - Can be sold to outlets at reduced price
  - Author doesn't get royalties from remainders
  - Author can buy remainders

Traditional Publishing Pros

- Advance payment
- Support team
  - Editor
  - Copyeditor
  - Cover designer
  - Production team
  - Marketing and publicity
- Distribution to bookstores and libraries
- Shelf awareness
- Locked-in royalty rate for the life of the book

Traditional Publishing Cons

- Can take a long time to find an agent and get publishing deal
- Low royalty rate, particularly for ebooks
- Contract terms can be onerous and inflexible
- Glacial pace for royalty statements
- Author has little control over anything other than the text itself
- Book has to perform well in first eight weeks, and then gone from shelves
- High ebook prices

Self-Pub Process: Prep

- Editing
  - Has to be hired out or done by friends and family
- Copyediting
  - Difficult for an author to do alone; friends and family can help
- Cover design
  - Also need spine and back cover if self-pubbing a print version
  - Do-it-yourself covers can look amateurish unless you're a graphic designer as well
  - $300-500 for a decent cover
  - Can use designcrowd.com to hire freelancers for cover design
- Book formatting
  - Need both ePub (Nook, iBooks, Kobo) and Mobi (Amazon) formats
  - They each have their own format generators, but can be tricky to format properly
  - I use Kristen Freethy (klfpub@gmail.com)

Self-Pub Process: Uploading

- Have to do it separately for each store
- Usually takes 24-48 hours to come online in the store
- Amazon (KDP), Nook (PubIt), and Kobo (Writing Life)
  - No ISBN required
  - Online upload
  - Can see preview of the document
  - Choose book description, categories, and pricing
  - Can sell books in multiple countries
- iBooks (iTunes)
  - Requires ISBN ($125 per title, or $250 for ten from Bowker)
  - Upload process is arcane and requires iTunes Producer
  - Can go through Smashwords for iBooks, but they charge a fee per copy sold

Self-Pub Process: Marketing

- Your own website
  - SEO (search engine optimization) is important to get on Google
  - I use Xuni.com for web design and maintenance
- Facebook
  - Both fan page and friends page
- Twitter
- Blogging
  - Your own blog and for other bloggers
  - Blog groups where you only blog once a week or every two weeks
  - I blog for Huffington Post and Kill Zone Authors
- Discussion forums
  - Kindleboards, Mobileread, Amazon forums

Self-Pub Process: Marketing

- Paid marketing
  - Kindle Nation Daily
  - Net Galley
  - Author Buzz
- Subgenre bestseller lists
  - Mine are in technothriller and men's adventure
  - Two choices on Amazon, more on other platforms
  - Bestseller lists are a prime way for readers to find your books, so choose categories that best fit your story

Self-Pub Royalties

- Amazon
  - Less than $2.99 or greater than $9.99 = 35% of the price you choose
  - Between $2.99 and $9.99 = 70%
- Nook
  - $2.99 and $9.99 = 65%
  - Anything else = 40%
- iBooks = 70%
- Kobo
  - $1.99 to 12.99 =70%; else 45%
- Smashwords = 60-85%
- Can change at any time
- Paid monthly, 60 days in arrears
  - Direct deposit
- Can track royalties in real time

Self-Publishing Pros

- Total control of the process
- Can publish whenever the book is ready
- High royalty rate
  - My self-pubbed ebook earns more per copy than my S&S hardcover-priced ebook
- Can fix typos in ebooks and print-on-demand (POD) books by uploading a corrected copy
- Can change your price at will
- Can change the cover if it's not working
- Shelf life is not important
- Can self-publish books at a rapid pace

Self-Publishing Cons

- No advance
- Upfront costs
  - Either in time or money
- Have to do all the work yourself
  - Or hire someone to do it
- Very hard to get attention for a self-published book
  - Low price isn't enough any more
- Publishing terms can change at will of online store
- Little chance of bookstore or library distribution

Which path is right for you?

- Depends on your goals
  - Control
  - Patience
  - Finances
  - Recognition
  - Risk
- Mid-list authors *can* make more self-pubbing
  - Mid-list authors are ones who don't get the big marketing push from publishers and have renewed careers with self-pubbing
  - But many others don't
- Big bestselling authors still make much more than the biggest self-pubbers

Conclusions

- Each person needs to make a conscious decision whether traditional publishing or self-publishing will help reach his or her goals
- Finish the book first, *then* think about how to publish it
- These methods of publishing are not necessarily mutually exclusive in a career
- A good book will sell itself by word of mouth
- Focus on the writing is always the most important factor