

# **THE TWO KEY APPROACHES TO MAKING MONEY WITH A BOOK – AND WHY YOU NEED TO KNOW THE DIFFERENCE**

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A good book is the ultimate symbol of expertise and knowledge. Therefore, when developed correctly, a book can be the ultimate marketing tool and “business card”.

Most authors do not realise there is more than one way to make money from their book – and that it is important to choose the way that’s best for them.

## **1) The Way of the Writer**

Most people, when they set out to create a book, assume the role of “writer”. But writers are amongst the lowest paid of all professions. They tend to assume that royalties will make them rich.

Unfortunately, most times they will not.

On average, out of every 1000 writers who contact a literary agent, only 10 will be published, i.e. 1% – and only one will make any serious money. That’s an overall success rate of 0.1%.

Think about it.

Assume a book costs £10. The wholesaler takes an average of 50%, sometimes 40% and sometimes 60%. That leaves the publisher with £5, out of which they have to meet all the overheads of production and distribution. Author royalties are 6-10% depending on volume. Most books have a print run of only 3,000 copies, which will attract the lowest rate of royalties. But assuming an average of 8%, this means the author gets only 40p for every book sold.

N.b It used to be that royalties were based on the recommended retail price, which would have given the author 80p a book. But those days are largely gone due to massive discounting by supermarkets and book chains, and now most contracts are for a percentage of “net receipts”.

Many creators of information products often fall into this category also. They get so enamoured with their idea that they fail to properly research the market. They fail to determine whom they are selling to and why. Most such products fail.

### **The Way of the Writer will work for you if**

- a You want to author a book for the pure pleasure of creative self-expression, and don't want it to get clients or promote your business
- b You don't care whether you earn money from your book or not.

Most authors unknowingly adopt this strategy because they do not know another way.

## **2) The Way of the Entrepreneur**

What you know is probably worth thousands of times more than you are currently doing with it. You can create multiple spin-off products based on your book and enjoy residual – or so-called “passive” income for years to come.

There are only two profit centres in any business: innovation and marketing. Many authors fail because they focus only on innovation – i.e. the idea they want to get into the world.

Writing your book is only 10% of the work. The rest – 90% - is marketing.

When you follow the way of the entrepreneur the chances of making more money from your book dramatically increase because you will naturally see countless opportunities to create multiple income streams from the same core information.

## **The advantages of self-publishing**

- ~ It's *much* quicker to get a book into print
- ~ You receive a higher return on investment from each book you sell
- ~ You maintain creative control over every aspect of your book
- ~ Literary agents will take you much more seriously when you show them a well-produced book than if you only give them a manuscript
- ~ You stand more chance of getting a publishing contract with a traditional publisher because they are looking for pro-active authors willing to engage in marketing

**Note:** For most business people a self-published book that acts as a client-magnet is the best way to go in the beginning. You can always sell the rights to one of the multi-national publishing companies later.

## **Some basic principles to start you on your journey to self-publishing success**

- 1 List the problems you are good at solving
- 2 Define your ideal target market. They will be people who
  - ~ have a dream or a problem
  - ~ are aware of their dream or problem, so you don't need to educate or persuade them
  - ~ are easily accessible, so you can identify and contact them
  - ~ have money to spend
  - ~ have a history of spending money to fulfil that dream or solve that problem
  - ~ are the kind of people you would enjoy working with

## **How to develop the content of your book**

You can turn the content of your book into a series of books and higher-priced written and audio information products. This gets your knowledge out to a greater number of people to maximise your impact in the world and generate multiple streams of long-term residual income.

If you are good at writing you may want to simply get on and write your book. Or, if speaking is what you love most, record your talks and seminars and turn them into audio and written products.

There are two key strategies for creating your content.

1 You can write your book first and create your information products out of the book material. This is the fastest way to get your book produced.

2 Or, you can create the information products first and turn them into a book later. You simply take the products that sell best and turn them into a book. This has the advantage of generating cash flow while you are developing the various sections of your book. However, in the short-term you lose out on the kudos of becoming a published book author.

## **Au Revoir**

I hope this information is helpful to you. Above all I hope it helps you on your journey to successfully publishing your book. Aside from the birth of my children, there are few things in this world I have found more fulfilling than creating and publishing books.

You can contact me on +44 (0) 117 968 3130, or email me via the Contact page on the Global Alchemy website: <http://www.GlobalAlchemy.com>

I'm pleased to answer your questions and show you the Way that is best for you.

Wishing you happiness and a successful book,

