

## **EPISODE 89: MASTERCLASS – THE VALUE OF A SALE**

Speaker 1: Two writers, one just starting out, the other a bestseller. Join James Blatch and Mark Dawson and their amazing guests as they discuss how you can make a living telling stories. There's never been a better time to be a writer.

James Blatch: Hello and welcome to the Self-Publishing Formula podcast with Mark and James, sitting in our respective homes, I'd like to say, studios, in our respective studios.

Mark's already criticized the audio quality from my brand new expensive garden office. You think it's a little echoey in here?

Mark Dawson: It does sound a little bit echoey. Actually, since we've just switch record on James's voice is now sounding several octaves lower, so we're struggling with internet and new offices at the moment, but hopefully when we put it all together the magic of James's editing will make this sound as high quality as ever.

James Blatch: We'll fix it in post, as we say in the industry.

Welcome along to another episode. We're feeling energized apart from the fact that you're struggling a bit with a cold at probably the busiest period of your life, but you always look like you're smiling.

Mark Dawson: I'm not smiling inside James. No, it is very busy though.

As we were just chatting off-camera and the Dawson family welcomed a new puppy on Saturday called, Scout. He is doing puppy things at the moment, so he's not sleeping through the night, weeing and poeing everywhere.

Then there's two children, one of whom has a birthday very soon.

There's the course launch. I launched a book yesterday. I've got a contract to finish a book by the end of the month. I'm quite close that I have signed the film deal now, so there's that.

James Blatch: Oh, all right. Just to check, it wasn't with Harvey Weinstein?

Mark Dawson: Do you know, that's actually quite funny James? I can't comment on that. It's more complicated and you might be closer to the truth.

**James Blatch: Have you got something to tell us Mark?**

Mark Dawson: Possibly. We'll do an episode on this whole film deal once I know I'm can talk about it, once it's signed that I know everyone is happy for me to go on the record. It has been very complicated and he may or may not have been involved at one point. I'll leave it at that.

James Blatch: Yeah. Okay. I had a chat with Hugh Howey yesterday and he did a quite similar situation, quite similar sounding film deal with you and had big names who wanted it, and sort of held it up and so on, but anyway, people will hear Hugh and we'll talk to you about your film deal in time.

We've got a few things to get through today, so **the main subject that we're going to talk about is the value of a reader.**

This is a really important subject for people to understand because I know people often get bogged down with the immediacy of an advert or a campaign working, and they've got to take into account the holistic nature of marketing and the value in the longterm, so that's going to be the main juice in this episode. But we've got a few things to get through before then.

First of all, I just want to mention that we had J. Thorn a few weeks back. You might remember he did this amazing train journey with Jo Penn and a couple of others where they got on a train, I think in Chicago and down to New Orleans and wrote a book. They plotted it as they went along and they finished it off in New Orleans and that book is now out and for sale. It was a really good story.

It was a fun thing to do and they organized a public one, if you like, one that you could apply to, to be a part of. That has sold out.

It's actually happening next month, Authors on a Train Retreat, it's called. What J. and the crew have done is they have set a date for next year. They're going to do one next year.

That's just opening and they wanted us to know first because we featured him on the podcast. Those dates, if I've got them here, I think will be June the 3rd to the 8th 2018.

To be New Orleans via Chicago again. If you're interested and you would like to know more about that you can go to, [authorsonatrain.com](http://authorsonatrain.com). I think some early bird pricing until the beginning of December, so if you want to get in there quickly.

I have to say, if our lives weren't quite as busy as they are that would be a really fun thing to get involved in, but it would be great if a listener does get involved in it. Do let us know, drop us an email at this podcast and we'll feature a mention of you.

Talking of featuring mentions Mark, we're going to talk about Patreon, because our Patreon audience is growing.

That's basically becoming a VIP listener of the podcast and supporting the work of the podcast. As you can see lots of equipment, lots of time. We

really rely on your support and it's absolutely fantastic that you've done that.

We're coming up to one of the big giveaways, which is going to be a free course, so **Ads for Authors will launch at some point in November, a date to be revealed as yet.**

During that launch, right at the beginning of it we'll draw one of our gold subscribers to get a free enrollment in that course, then we'll do that again for 101 next year.

**Mark, you've got an even more exciting idea for our Patreon audience.**

Mark Dawson: Yeah, so at the moment we do, or I do a monthly Q&A, and that means that Patreon subscribers get the chance to ask me a question and I record every month answers to those questions and these go out to the Patreon subscribers.

Other people do that in this space, Jo Penn, in particular does that. I thought it would be nice to do something a bit different, so what I've been thinking of and this depends on a few things coming into place, but I've got an idea of something that I'm tentatively calling, The Book Lab.

What that would entail would be, Patreon subscribers would have the opportunity to apply and once a month, one of those subscribers would have their entire book platform critiqued, so that might be cover, blurb, author page, mailing list, platform social presence, ads perhaps.

Instead of just having my voice drone on for half an hour to access those things and break them down and see how they could be improved, I thought it would be interesting to get people with specific expertise to look at them individually.

We could have for example, and I haven't asked these people yet so I'm going to be asking them, but Stuart Bache, who is my designer and has designed the covers for quite a few SPF students. Stuart could look at the covers, and Stu's got tons and tons of experience in book design.

We could get Bryan Cohen to look at copy and suggest blurb amendments and things like that. Obviously, I can look at things in a more holistic level. Look at author pages and even look at ads and suggest tweaks that might improve ad performance.

We'd put all that all together and we'd edit it. I think we'd broadcast that out to the community as a whole, perhaps as a part of this podcast, or perhaps as a bonus podcast. I'd perhaps go with the income reports that I'm doing, or to replace those once we're out of the launch period.

I think it could be really interesting. No one else that I know of is doing that and it would be very helpful for the Patreon subscriber who's getting the individual feedback, but also to the community as a whole. Because lots of these lessons will be things that could be applied more generally to book platforms and author careers as a whole. That's what I'm thinking.

I've got to sit down and find a little bit of time to start scoping that out a bit more, but that would be something that would be an exclusive benefit for Patreon subscribers because they would be the ones who would be eligible to put their platforms forward.

James Blatch: Yeah, that sound really good. What we would call an MOT in the UK. There must be a vehicle inspection, annual vehicle inspection you get in the UK just to make sure that everything under the bonnet is running in an optimal way.

Mark Dawson: Under the hood.

James Blatch: Under the hood, yes. The bonnet would be what the Amish wear when they go shopping.

Do you want to put some criteria on that? Do you need at least two books out or three books out or would it be ... because once we draw somebody, it might be somebody who's just published their first book, but I suppose that would still be relevant.

Mark Dawson: Yeah, I think it is relevant for everybody. I don't think I'd put any criteria on it at the moment.

As I say, it's back of the envelope stuff at the moment, but I think it's a quite interesting idea that might be fun.

James Blatch: Great. That sounds a really, really good plan. Again, before we get into the value of a reader I want to quiz you on something that happened yesterday.

Where's my phone? I don't know how easily I'll be able to show this, was an instant message.

Of course, being a good person, in fact what you can see if you watch it on YouTube you might just be able to see, there is the Amazon page for the book that Mark launched yesterday.

The reason that's actually within Messenger because I clicked on the link being a good follower of Mark. **There is the message that popped up from Mark. You can't see it very well in this light, but it basically said, "Hello from Salisbury. I've got a brand new John Milton novella."**

It was very easy to scroll down, very tempting to click on, "Tell me more", it's a polite message that said I didn't have to if I didn't want to. Then the easiest thing in the world to then click on an Amazon link and at least go through and read the blurb on the new book.

Now, I recognize whilst this popped up and we think a lot about resistance points in sales funnels and so on, that this was one of the key ways of getting through, but it seemed to work in a way that lots of other ways don't work.

Email open rates are pretty low across the industry. I wanted to quiz you a little bit about this before we get into other things. I think probably there's a full podcast episode on this at some point.

### **But just tell me, I think this was the first time you used it fully for a launch?**

Mark Dawson: Yeah, it was. What it is, it's Facebook Messenger is now, there are various bits and pieces of software that would enable you to send messages at scale in the same way that you can with a mailing list. Anyone who's interacted with my author page becomes effectively a subscriber on Messenger.

I've been trying to build up that subscriber base by encouraging people in my mailing list to cross over and to interact with me on Facebook Messenger, and there's a few ways that I've done that.

Also, I've been running Facebook ads encouraging people to interact with me on Messenger. The fun thing is, there's loads and loads of really cool stuff at the moment that you can do with that.

I've got a bot, a Facebook Messenger bot setup using a piece of software called, ManyChat, that for example if someone sends me a message with a trigger word the bot will spot the trigger word and take them through a curated process whereby I'll recommend one of my books to them depending on what they're interested in reading.

It might be geographical, and then I'll send them to a particular Milton book depending on where they'd like it to be set, or tone or reader reviews, or anything like that.

But it seems like it's a curated experience, whereas in fact, it's just something that's been set up in advance that takes them through that part and then deposits them at end, at the relevant Amazon page where they can then buy the book.

**I've found that that has been quite a cheap way to generate interest in sales.**

The other benefit to that is that as soon as anyone goes through their process they become a subscriber. Then when I have a launch, as I did yesterday with a book called, Scorpion, it enables me to send out messages through Messenger to them.

The massive benefit to that as you've hinted at, is that the open rates and the click rates and the general interaction is stupendously high compared to any other means that I've used before.

On the mailing list side of things, obviously I sent out mailing list notifications as I normally would yesterday, and had say maybe open rates of 40% across all of the lists, which is fairly standard, then a click rate of perhaps between 10% and 15%, again reasonably standard. There's ways that I'll be able to increase that as I go through the next couple of weeks.

The open rates on the Messenger messages that went out was well over 90% and the click rate was something like, I don't know, top of my head, about 30%, so way, way, better than mailing lists in both senses, both open rate and actual interacting by way of going to the Amazon page. It's just really, really powerful.



Now, not many people are doing that at the moment, so it doesn't have the same kind of clutter that you get with email. Some people are worried that it's intrusive, but it's all as you said, you got the email, the message was quite polite.

It makes it very obvious that you don't have to do anything with it. It makes it very obvious that it's easy to unsubscribe if you don't want to get any more of those messages.

I think out of about 2,500 that went out yesterday, I had 50 unsubscribes, which is nothing really in the grand scheme of things. So we'll see, it's something I'm really interested in.

Loads of potential here. It's actually going to be one of the bonus courses we have for Ads for Authors, will be something based on how to set up a Messenger bot and how to do this kind of broadcast to increase traffic when you've got something, maybe a promotion or a sale, or something like that. Very, very encouraging right now how it's gone and I think there's tons more that we can explore with this.

**James Blatch: So it's a subscription service is it, the bot organizer?**

Mark Dawson: Yeah, many shared costs, depending on the amount of subscribers that you have it's pretty cheap. I think I'm paying about \$25 a month at the moment, but in grand scale of things it's not significant really.

James Blatch: Yeah. Good. It seems very effective.

**Off the top of your head do you think it's because it's new and not many people are using it at the moment and it will lose its effectiveness over time or do you think this is always going to be quite a good way of getting in touch with people?**

Mark Dawson: It's quite hard to say, but I think there's a bit of that, but one of the things is, we've all got our phones with us and one of the things you can do with ManyChat when you're sending out these broadcasts is, you can select how intrusive you want the message to be, that's not really the right word, but how easy it is to notice it.

I set it yesterday to make phones make a noise, so it would ping as the notification came in. It's on the screen so you can't avoid seeing it, providing you've got notification switched on for Facebook, it comes on the screen. You can't avoid it.

You will at least it and then you obviously swipe through to ignore it or open it and read it. Those open rates, over 90%, I think over 95% actually, it just indicates that people will at least read the first message. It's very difficult to avoid seeing at least the notification that I've got a new book out.

James Blatch: Yeah. That's great. Okay. I wanted to quiz you about that, having had that popped up.

**Do I have to buy the book by the way too?** I did notice you had 313 clicks, one of those was mine, so it's really you had 312.

Mark Dawson: Oh I see, yes. Yeah, that's more than that actually, that's when I sent that screen grab there-.

James Blatch: That was early on, yeah.

Mark Dawson: ... it was way more than that by the end of the day. It did very well, the book got into the top 100 in the UK, top 200 in the States, so a pretty decent launch.

It's the first one that I've done as a collaboration, so that's going to be really interesting and there's definitely a podcast episode there, it was with Steve Cavanagh, who we've had on the podcast before.

James Blatch: Yes.

Mark Dawson: The next one is with Scott Mariani who is again, a Sunday Times bestselling author, so writing in my world, which is pretty fun.

**James Blatch: You had a mini thrill this morning when one of your friends sent you a photograph snapped on a train of a passenger reading one of your novels.**

Mark Dawson: Yeah, that's never happened before. I was speaking, I was at a festival last week with LJ Ross, who is a very prolific and big selling indie mystery writer over here and she said the other day, she saw someone on a train reading one of her books and she asked whether the passenger enjoyed it, but she didn't say that she wrote it.

Now, I would have been completely the opposite, I would have been like, "I wrote that." I always wanted to, it's never happened to me though, I've seen someone reading one of my books before.

We were talking about this at the festival, given that I've sold well over a million copies, almost certainly someone would have been reading on their Kindle whilst I was around, but I wouldn't know that. One of the things about the Kindle is you can read, no one knows what you're reading, which is why smut does so well on Kindle.

James Blatch: Erotica's done so well.

Mark Dawson: Exactly. Yeah, this was a CreateSpace book and yeah, my friend was on the train this morning and he snapped a picture, and the book looked great.

Then he took the wind out of my sails a little bit saying that the bloke who was reading it was actually asleep, so but still ... No, that was a nice moment.

James Blatch: I wouldn't take that.

Mark Dawson: I would have woken him up.

James Blatch: Yes, exactly. I think every author would be thrilled with that. I saw a tweet from Judy Murray, Andy Murray's mother, the other day snapping somebody on the Tube reading her autobiography opposite her. Of course, her head was down here in the autobiography and she just looked up and realized the author was sitting opposite her. She said, "Do I say something?"

Mark Dawson: Yes you do. She was at the festival actually.

James Blatch: Oh she was? Okay.

Mark Dawson: She was. Yeah, it's quite weird, we'll perhaps talk about it another time, but I ended up, it was amazing at Althorp House, so that's Earl Spencer, who is Princess Diana's brother. A really amazing house, plenty of interesting guests. I had lunch with Earl Spencer and his wife and Pam Ayers, who will be of no interest to anyone outside the UK.

James Blatch: Oh, we love Pam Ayers in the UK.

Mark Dawson: My mother loves Pam Ayers. Boycie, from Only Fools and Horses. Again, of no interest to anybody outside the UK, but quite cool for those of us who grew up in the '80s, like me.

James Blatch: People will remember, people old enough will remember Earl Spencer's eulogy at Diana's funeral as being a moment in history.

Mark Dawson: Yeah.

James Blatch: Yeah, beautiful grounds. Obviously, as a BBC reporter on this patch, at that time I spent a lot of time at Althorp, or Althrip, as I think he wanted it to be pronounced for a while. I think he's given up on that now.

Mark Dawson: Oh right.

James Blatch: As being the old-fashioned pronunciation. Where they've buried Diana is very beautiful on the island and it's very peaceful. Yes, I know you struggled through all of that worse for wear in terms of cold.

Mark Dawson: Yeah. I've had a stinking cold for a week, which meant unfortunately I had to leave on the Saturday, and so I was replaced by Mel Sherratt, who listens to the podcasts, hello Mel.

I got an email the next day from Louise saying that they'd all been taken by surprise when the Earl invited the Amazon team and the authors to have dinner with him at the house and then stay overnight, which was very nice given that the hotel that we were staying in was basically the Linton Travel Tavern from Alan Partridge-

James Blatch: Right.

Mark Dawson: ... so I definitely missed out on that.

James Blatch: Well Mel had a great time and she posted on that. It looked absolutely amazing. We're delighted for her that she enjoyed it even if it might have been something that you would have enjoyed as well.

Mark Dawson: You might be delighted, I was furious.

James Blatch: Yeah. There you go. It's tough to share, share the love. Good. Okay. Look, I wanted to talk to you about those couple of things, but the meat in this episode that we need to get on to is this question about the value of a reader.

Mark Dawson: Of a sale.

**James Blatch: The value of a sale rather, yes. Like I said at the beginning, it's something that people often don't take into account but they need to, don't they?**

Mark Dawson: They do. This is something that I didn't use to take into account either. Basically, what we're talking about here is read through. When we sell a book, so say the first in the series, the conservative and the safe way of calculating what that's worth to us is to look at the sale of that one book, deduct the delivery charge, work out the royalty. Then take that royalty and use that in our calculations to work out what the return on investment was.

At least until about six months ago that's what I did because I'm quite cautious by nature. When I'm assessing whether an ad is working or not, I like to remove speculation as far as I can.

I know that if I sell a 6.99 box set, I know that I'm going to get 4.80 back. That is given, unless the book is returned as a refund I know that that is what I'm banking, so provided that my cost of acquiring that sale is less than the amount that I know I'm going to receive, I know that that ad has been successful.

Now, the more I thought about that, and I've spoken to other authors as well. There's one Michael Cooper, who's doing really well. He's got a good book on Facebook Ads, called, *HELP! My Facebook Ads Suck*, which I recommend. Michael's wife is in the SPF community and I've spoken to Michael and to her for a quite a bit.

What authors like Michael have done and Brian Meeks as well also does this, is to look at how readers behave once they've had the first book. If you think, if you're buying a series, and this is quite easy to just extrapolate this from your own experience. So I'll ask you James; you like Douglas Adams, so let's think, the first Douglas Adams book that you bought back in 1953 would have been whatever it was, but it wouldn't have been the last-

James Blatch: The Hitchhiker's Guide to the Galaxy, 1982.

Mark Dawson: Yeah, it's probably something around that time, but that wouldn't have been the last book you read. You would have gone on to read, Dirk Gently's Holistic Detective Agency probably and all the other Hitchhiker's books, so maybe you've ended up reading eight or nine of his books. Fair?

James Blatch: I've read every one of his books, including The Meaning of Liff, coauthored with John Lloyd.

Mark Dawson: There you go. If say, let's move this forward into the present day, so let's just say he was still around and he was using Facebook Ads to sell Hitchhiker's, he could have said, "The only thing I'm going to take into account is £3.00 that I make from the sale of every copy of Hitchhiker's."

That would be wrong because for you, he didn't make £3.00 off you, maybe he made £30.00 because you've gone through and bought everything else that he's written.

**A 100% read through is unusual**, but there's definitely an element that we can take into account when we're working out what the sale of one book is actually worth.

I started to look into this. Now one of the benefits, this is certainly easy to do if you write in series, although it's not necessarily exclusive to series

because Douglas Adams didn't just write Hitchhiker's Guide, he wrote lots of other things, and you've gone through all of those.

Ian Banks, for example in his literary works didn't just write, The Wasp Factory is not connected to The Road or The Bridge, there's lots of separate stand alones.

As a fan of Ian Banks I would have chewed through all of those books. I started to look at that myself.

Now, I write in series and I'm typically either advertising a box set, which has the first three novels in the Milton series, or at the moment I'm doing a lot of advertising on The Cleaner, which is the first book.

**There are different ways to calculate read-through.** There's a mathematical way, so we can look at percentages as we progress through the series.

If we start with the first book in the series, and let's say we sell a 100 copies of the first book and then 60 copies of the second book, read through from book one to book two is 60%. So 60 divided by a 100 we know that it's 60%.

Then let's say at the end of the series, book 10, we sell 20 copies, so to work out what the read through from book one all the way down to that one is 20 divided by a 100.

Then when we've got those percentage terms, to calculate the actual value of each book in the series, we just take the royalty and multiply it by the percentage. Then at the end of the process we come up with a cumulative figure, which is what the series as a whole is worth.

I've been doing quite a lot of calculations on this and I've actually engaged statisticians to look at it for me to help me make sure that my maths is-



James Blatch: Just on that point, that's quite a complicated figure to come to.

**Whilst I think we all understand the 60%, 40%, 30%, coming up with one figure that represents that overall, how did you get to that?**

Mark Dawson: It'd be much easier if I had a spreadsheet that I could show you how I've done this. We're going to do a bit of this in the course, and that would be something that we include.

You work out on a book by book basis what the read-through is from the first book in the series.

Then to work out what the value is, you just apply that percentage book by book to the value of each sale for each book. Then you come up with a cumulative figure at the bottom.

James Blatch: Okay.

Mark Dawson: There's other ways just before I get onto the actual value, the other ways you can look at read through.

I survey my readers quite a lot, so every year I'll run a survey.

One of the questions that I ask, "How many books do you bought in my series?" I know that my read through is quite high, that my readers tend to read more than just one. I think the median for me was between six and eight books, so I know that if you buy one, the odds are you're going to buy more than just that one.

The other way, the gold standard would be to ask Amazon to tell you how many books on average a person who buys the first book in the series goes onto buy.

Now, Amazon can do that, and indeed I have asked them if they'd tell me that. Unfortunately, they're not able to, there's lots of different reasons why.

I think they're not against the idea of helping authors in that way, but there are company and possibly even legal reasons, data protection reasons why they can't give you that data.

I asked Apple as well, Apple couldn't help either. Then I asked Kobo, and lovely Mark who I know you probably sang some songs with Nick last week, he has provided me with some very useful data that's enabled me to at least backup my suppositions when it comes to how many books people read in my particular series. I'm no different from most authors, and so these kinds of learnings should be fairly standard across the board.

Once we have all that data, then we'd need to work out the value. Again, by using that mathematical model that I mentioned earlier I have an optimistic and a pessimistic read through figure. When I'm calculating, when I'm using those figures I tend, because I'm fairly careful, I'll use the pessimistic figure.

Just back of the envelope stuff, the pessimistic figure for the sale of *The Cleaner*, so the first book in the series, that's actually worth about \$8.00 to me. The optimistic one, which is probably, actually more realistic but I move away from it because it's less safe is about \$14.00.

When you know that and I'm running campaigns with *The Cleaner* at 99 cents at the moment, it isn't a 35% royalty that I'm making every time I make that sale, it's probably between \$8.00 and \$14.00.

That means I can be much more aggressive with my campaigns and much less stringent in terms of conversion and all that kind of stuff. Any questions while I have a quick drink there? I'll finish them. I did a lot testing in August, we'll get on to that when I've wet my whistle.

James Blatch: Yeah, so the bottom line here is when you're running a campaign and you're looking at your ROI on that specific campaign, you would at this point and I've heard this, this week in a couple of the podcast interviews I've done for the future authors saying exactly this, that they will run campaigns at a negative knowing this information.

**In fact, I have a feeling that Dave Cochrane, who we interviewed last week said exactly this, that he will run campaigns at a loss because he understands the holistic picture.**

Mark Dawson: Yeah, exactly, so that's what I've done.

In August, I started to test this a bit more extensively and I dropped the price of *The Cleaner* to 99 cents because that's well within the realm of impulse purchase.

I started to send a lot of Facebook traffic to that book and it was just in the UK. I know, although this is a UK campaign most of numbers are in dollars for lots of reasons I don't need to bore people with, but I spent \$5,500 on Facebook Ads in August sending traffic to that book.

The results were really, really pleasing and impressive. I was monitoring in lots and lots of different ways. The most obvious way was that **ranks of all those books increased almost immediately.**

*The Cleaner* went from something like 3,000 in the store to up to about a 100. That's slightly artificial because I'm sending tons and tons of traffic there, so I'm generating immediate sales on that book.

What was more pleasing because it demonstrated that their logic behind the campaign was sound, was that sales on books two to five, which were the ones that I was covering, I was monitoring most carefully, all increased. If you think about your Dashboard in KDP, so I know you don't have a

Dashboard yet James because you still haven't finished your book, but once you do have you'll be spending a lot of time looking at graphs and figures.

One of the things that you can see is, it's a bar graph, so the sales for Saint Death, for example, for maybe a 90 day period or six months, you can see what it's like, so maybe I'm selling 10 a day of that book. As soon as read-through starts to trickle from book one into book two, sales on that book were really obvious and the bar graph leapt up.

Saint Death previously was selling eight copies a day, which was making me £19.50 a day, almost immediately, within two weeks of this campaign going live it jumped up to 24 copies a day, which was worth £58.00 a day.

There's nothing else that can explain that. There's that Sherlock Holmes quote that, "Once you've eliminated everything else whatever is left, no matter how improbable it is, must be the reason why something has happened." I've completely butchered that quote, but anyway-

James Blatch: It's also Occam's razor, by the way, which it even predates Sherlock Holmes is, "The least unlikely answer is the correct answer."

Mark Dawson: **Exactly. There's no other reason for it. It has to be advertising.**

That was replicated across all of the books that I was tracking, so the two, three, four and five. I've started to see as obviously people need time to read through those books, they're 100,000 word novels, it's going to take a month to read four of them.

But I'm now seeing it going to six, seven, eight, nine, 10, 11. Of course, they will now be readers as I progress and release book 12, book 13, the one I released yesterday, they're going to be interested in that too.

I've seen a really marked increase. Then that's continued into September. I saw what I was doing with those sales through June, July, August, and in September I'm attributing an extra \$4,000 just to that campaign, nothing else could have explained why those books have suddenly starting selling more significantly.

It just goes to show, I think caution when you're working out these kinds of things is a really sensible attribute to have because you want to make sure that you're covering your expenses, otherwise it would be very easy to lose your shirt.

Read-through is a thing, common sense says that it is. Data now, I've tested this extensively, it's really clear to me that this does happen. It's something that we can safely incorporate into our calculations when we're running ads.

That, to be honest, completely revolutionizes advertising, for me anyway. **I don't need to be ROI positive immediately on what I'm selling**, I can take a slightly more speculative view. It's not very speculative because as for the reasons I've just given.

I take a slightly longer view because there are more books that these readers that I'm finding through ads will read, and that means that I'm going to be making more money, perhaps over a slightly longer period, but **it's been a big sea change for how I view things when it comes to advertising.**

James Blatch: I've got a couple of questions on that.

Obviously, as you rudely pointed out, I'm not familiar with the Dashboard on KDP, but monitoring that sort of movement of your books in charts, which is a key indicator for you that there's read through going on.

**Is that something you have to do contemporaneously, i.e., at the time, week to week or can you sit down once every three months and then look back and trot, and then work this out?**

Mark Dawson: Either way. With read-through, typically if you buy a book today, I'm not going to see read-through on book three until you've read books, one and two, and gone into book three.

As I say, the **lag from book one to book two seemed to be about 10 to 14 days**, which seems about right to me. People would buy book one and then 10 days later they'll have finished book one and they'll move onto book two. You can see that really clearly in the graph.

I can say this, patterns are easier to detect when you've got more data to look at. I think the patterns will be more obvious over longer periods of time, certainly easier to pinpoint where, if things start to happen. Yeah, you'll probably notice effects reasonably quickly, depending on how you look at it.

**James Blatch: The other question that occurs to me is, how you promote and encourage read through? I guess this comes down to back matter and the way that you format the books.**

Mark Dawson: That's a very good point. Before I started doing this campaign I looked at The Cleaner and I optimized it as much as I could to make it very, very easy for people to see that there was another book that they could read.

The first thing that they would see wouldn't be a call for reviews, I don't need to do that. I've got the 1,000 reviews on The Cleaner so that doesn't make much difference to me, but I wanted them to know they can go on to buy Saint Death, which is the second one. Or indeed the next, or The Driver, or if they want to I'm happy for them to buy the box set, so they have the next two, three and four and a bonus novella in that box set.

I make that really, really clear, the links go straight to Amazon, or straight to Apple if I'm running this on a different store. I just really make it obvious, because you know at that point, if they got to the end, they enjoyed the book, they finished the book, they are ready and they're primed to think, "What am I going to read next? Am I going to read the new James Patterson or did I like this enough to read the next Mark Dawson?"

You want to make it very easy for them to go, "I'll read James Patterson later, I really want to know what happens to Milton next." You just got to think about that and try and encourage the behavior that you want them to take. That seems to have worked too.

James Blatch: Okay. A lot of this is advertising lore.

If you work in advertising, which is a science in its own right, you start to understand that it's not about the immediate person who walks past the billboard or whatever, they look at trends and bigger pictures.

It's taking some of that science, which is unique to that industry and just applying it to your little world you're running as an indie publisher here. Which is what you're teaching really is all about Mark, and I know you love this stuff.

It's so important to understand that this is not simply, don't get frustrated at one advert not working, always look at what it's doing to you in the long term and why that advert is important to you beyond that one campaign.

Mark Dawson: Yeah, as I say, it changes everything.

Previously, people would say to me, "I'm advertising book one, and I'm not making a positive return on book one." My view would have been to say, "Well, work on the ad because you need to get that ad to convert better."

That was probably too pessimistic because if they had a series and they had multiple books, not necessarily a series, but they had other books for readers to buy if they enjoyed the first one, then the numbers were wrong.

I wasn't looking at everything in the way that I should have done.

Switching their ad off may well have been bad advice because they may have been making what would have looked like a loss on the ad, but if you then incorporate the benefits of getting people introduced to the first book and then seeing them go into the series or into the other books, actually that ad may have been really, really valuable, so it's a funny one.

One of the things I'm going to be doing on the course, is I'll be looking at this in more detail and will be presenting different ways to work out the effectiveness of ads on the one hand from the immediate, "Am I making an immediate profit on this ad?", which is still possible.

I do that on the ads that I'm running quite a lot of the time, or am I making a longterm benefit by sending people, introducing them in to my books and then sending them through the rest of the books? We'll look at both of those in much more detail.

**James Blatch: The bottom line is that people could be switching off ads that are doing well for their careers?**

Mark Dawson: Yeah, absolutely. I'm sure I would have done that before. I'm ramping up ad spend as I've been noting in the income reports, the last couple of income reports, I'm now spending quite a bit on these 99 cent books in the US and the UK.

If I was just looking at what I'm spending, what I'm making, I would be making 80% loss probably, but I know that's not the case. I think I'm actually probably making a 150%, 200% profit, so it really changes things around drastically.



James Blatch: Yeah. That's an extension of the perma free, the loss leader, as they call it in supermarkets. You price your bread and beans and the very common items that people use as a benchmark, price them and you make a loss on them knowing that the rest of the shop is going to make you the profit.

Mark Dawson: Yeah, exactly that. This isn't new advertising theory, people have been doing this 50 years. It's bringing it into the 21st century, applying modern advertising principles to something that has been around for quite a long time.

James Blatch: Good. Excellent. That was a really good chat. You've mentioned the course a couple of times. I want to just make clear at the beginning, **Instant Messenger is something that's going to be added in the future to Ads for Authors**, because as we speak now we're very close to opening the course up for an enrollment period.

It's not going to be added this time around, probably in 2018, but what we are adding this time around, and I'm in the midst of editing at the moment, is a very, very good module on the BookBub Ads platform, which is being authored for us by Adam Croft, who's really cracked it.

Again, there's some really counterintuitive things in there that are not immediately obvious to you. I know I've seen a few people saying, "BookBub Ads don't work for me."

I've seen straight away that they haven't understood some of the things that Adam's been through. He spent a lot of money getting to the point where he is now. That's a very good module and that's going to be added this time around.

At some point we'd like both YouTube, AdWords and Facebook to settle down their platforms so that we can get on with updating that. I can't

believe the AdWords platform, I've been talking about updating that for seven months. I'm still on the old platform, apart from when I logged in, in America and I got the brand new AdWords platform.

Occasionally you're offered an opportunity to switch between them and I don't really understand AdWords, why you haven't made this positive move to switch across to it. I know some people have said that have gone back and they can't get forward again.

I know Facebook are rolling out rather slowly for them, I think it's this switch between Power Editor and Ads Manager, but yeah, we would like that to settle down a bit so we can from where we are now, crack on with the revising.

**People know that if they get a course off SPF it's updated and brought into relevancy as quickly as possible.**

Mark Dawson: Absolutely, yeah. As we sit here recording this in a bit in advance, I still don't have the interface that I need to revisit the stuff.

It just means that at some point in October that's all I'm going to be doing for a week is recording, updating the screen flows. Yeah, just wait for it to happen, that's come on. If anyone knows Mark Zuckerberg, then give him a kick.

James Blatch: He's on Facebook, you could probably ask him.

Mark Dawson: Yeah, good idea. I'll try that.

James Blatch: Great. Look, Mark we've been chatting for over 40 minutes. This has been brilliant. Thank you very much indeed for your time today.

At one point I know you've recorded your voice locally, so when people hear this, they're going to hear this normally ... I'll turn my phone off. I know

it's my wife, who's trying to leave the house. We've got puppy issues as well going on in there. It's stripped all the low frequencies out of your voice, so you sounded like a Dalek.

Then it stripped all the high frequencies out and you sounded quite camp. Oh my goodness, everything's happening here. We're going to have to call this quits. Thank you very Mark.

We'll speak to you next week. Have a great week writing and a great week selling.

Speaker 1: You've been listening to the Self-Publishing Formula podcast. Visit us at [selfpublishingformula.com](http://selfpublishingformula.com) for more information, show notes, and links on today's topics. You can also sign up for our free video series on using Facebook ads to grow your mailing list. If you've enjoyed the show please consider leaving us a review on iTunes. We'll see you next time.