

HAVE YOU HEARD?

AUDIOBOOKS ARE ON THE RISE. HERE'S HOW TO CASH IN ON THIS RISING MARKET.
BY KERRIE FLANAGAN



With the prevalence of mobile devices like smartphones, MP3 players, and smart speakers, technology makes it easy to listen to an audiobook while driving, cooking, gardening, exercising, or relaxing at home. Although you receive the same story or information when you read, listening is a different experience than reading. A great narrator can bring a book to life, creating a personal experience for the listener.

Audiobooks make up a small percentage of digital sales, but they are on the rise. According to the Audio Publishers Association (APA), audiobook sales in 2017 totaled more than \$2.5 billion, up 22.7 percent over 2016, and unit sales were up 21.5 percent. Over 46,000 audiobooks were published in 2017. (Like in print fiction, the most popular genres continue to be mystery/thriller/suspense, sci-fi/fantasy, and romance.) For indie authors, or for traditionally published authors who kept their audio rights, this may be the perfect time to expand to audiobooks. With resources like Findaway Voices, ListenUp Audiobooks, and Amazon's ACX, authors can be in charge of creating their own audiobooks.

A NEW FRONTIER

Since the inception of digital audiobooks, Audible has been at the forefront of this movement. In 2003, the company made an exclusive deal with Apple to sell its catalog of audiobooks through the iTunes Store. In 2008, Amazon stepped in and bought Audible; a few years later, it launched Audiobook Creation Exchange (ACX) as a way for authors to create audiobooks. This happened around the same time as the ebook "gold rush," when \$0.99 digital books were a hot commodity. All of this paved the way for individual independent publishers to begin staking a claim and control the destiny of how their books – audio OR print – entered the marketplace.

"With the audiobook marketplace only continuing to grow, having your book available as an audiobook opens you up to a new audience of listeners," says Diane Lasek, senior vice president at ListenUp Audiobooks. "It's an investment that definitely pays off in the long run."

The success of digital and audiobooks inspired other companies to hitch up their wagons and join the race, bringing a healthy dose of competition for Audible. In 2017, Apple ended its exclusive contract with Audible and recently began working with

other distributors, like Findaway Voices. Walmart partnered with Kobo in 2018 to distribute ebooks and audiobooks to its customers. Wanting a stake in this growing arena, Hallmark recently joined forces with Dreamscape Media, with plans to release over 20 audiobooks this year.

Mark Lefebvre, director of business development at Draft2Digital, believes this helps the industry as a whole. "The move Apple has made will allow them to do independent things related to audiobooks that can challenge the industry and make the whole industry better," he says. "All we really need is for Google and Apple to apply a little bit of their expertise and smarts, and we can really see a boom in the audiobook industry."

This is great news for indie authors and authors with audio rights to make their books available on multiple platforms. "I like that I have another format out there, another way to reach readers and get these stories told," says Rachel Amphlett, best-selling U.K. indie author of the Kay Hunter crime thriller series that is available on a wide variety of audiobook platforms, including Audiobooks.com, iTunes, and Audible.

As Amphlett shows, Audible is no longer the only option for distributing audiobooks. But Lefebvre notes that while the barrier for entry for ebooks is low (take a word document, use a free conversion program to create an ePub file, then publish), the cost and experience required to record and distribute audiobooks means the barrier for entry is much higher – and therefore not as many people will jump on the bandwagon. "It is not going to be a similar gold rush that we saw with Kindle," he says. "It will be a gold rush of higher quality."

Ebooks versus audiobooks

Crossover between readers of print books and digital books is common; readers often have just as many unread books on their ereader as they do their nightstand. Still others have both print and digital versions of the same book,

WHAT ARE AUDIO RIGHTS?

Most people know that when they sign a book deal, they are giving a publishing company "print rights:" the rights to print and publish a manuscript. Fewer consider subsidiary rights, which provide either the company or the author permission to produce the work in another format besides the main hardcover book, including translation in other languages, merchandising opportunities, film/TV options, and, of course, audio rights, which include permission to turn your book into an audiobook.

Some publishing companies pursue audio rights aggressively, especially as the audiobook market grows. (You should receive separate audiobook royalties if they do turn your book into an audiobook of their own accord.) But generally, if a publisher owns audio rights and releases an audiobook, they'll retain it for the term of copyright; it won't revert to you.

If you retain your rights – or if they can revert back to you, which is sometimes an option for out-of-print books, you have an older publishing contract, or your agent fought for this in the negotiating stage – you can attain an audio publishing deal with an audiobook producer or you can produce an indie audiobook on your own. The first step is to check your contract, contact your agent, and see if your audio rights are on the table. Sometimes it's as simple as sending a letter to your publishing company requesting your rights revert.

WORKING WITH A PROFESSIONAL NARRATOR

So we know a great narrator is key to a successful audiobook. With fiction, experts generally recommend hiring a professional narrator versus reading it yourself. Nonfiction has more leeway, because those authors are extraordinarily well-researched on their topics and listeners want to hear from an expert. It is isn't a hard-and-fast rule that all nonfiction authors record their own books, but it is a common option.

When looking at costs for hiring a professional, the fee is calculated on a per-finished-hour (PFH) rate, which means you are not charged for all hours the narrator spent in the studio but rather by the number of hours that make up the finished book. The average PFH rate varies depending on the experience and popularity of the narrator, but you can expect to see costs between \$150-\$300. One finished hour generally ends up being about 10,000 words, so an 80,000-word book with these rates will average around \$1,200 to \$2,400. These costs include the narrator's fee, studio time, and editing.

allowing them to read one chapter in print before bed and the next on their phone in a waiting room.

With audiobooks, however, the audience can be very different from the print and digital readership. Some listeners only consume audiobooks, wanting to be absorbed in the book's world yet also be able to do other activities while "reading." Because of this, a great narrator is critical to the success of an audiobook. Will Dages, head of product for Findaway Voices, says an audiobook is a different product than an ebook because the narrator becomes an *additional character* in the story. When a certain voice resonates with a listener, it creates a unique connection that cannot be experienced in print.

Amphlett agrees with Dages. "What I have found, and other authors have also found, is that once listeners find a narrator they like, they will listen to everything that narrator has done, no matter the author," she says.

SEEKING PROFESSIONAL HELP

If you are considering creating an audiobook but need support, there are plenty of companies willing and able to help.

Findaway Voices

Based in Ohio, Findaway Voices helps authors with each part of the audiobook journey. Once you create your free account, you will provide information about your book and the type of narrator you want. The Findaway casting team sorts through its files to provide you with five to 10 choices. Once you choose your ideal narrator, you sign a contract, and the book is produced by Findaway in about six to eight weeks.

Findaway then distributes your audiobook file to Audible, Apple Books, Kobo, and more. They also have over 30 international and library markets, which offer alternative outlets for authors. English-language content is in high demand around the world – great news for U.S. authors aiming to sell in international markets. As for libraries, they have also recognized the

popularity of audiobooks and have created a new "cost per checkout" model. (In the past, a librarian would purchase an audiobook for two to three times the retail price and then could circulate it forever. With the new model, authors get paid every time the audiobook is downloaded, regardless if the consumer ever opens it and listens to it.)

Dages says he sees more libraries moving toward this model. "We have seen authors really run hard with those campaigns, and they are making 30-35 percent of their royalties from the library market," he says. The company is always on the lookout for new distribution channels, including library markets, and has about 15 others in the pipeline they hope to roll out soon.

In 2017, Findaway partnered with Draft2Digital to provide D2D customers a discount on Findaway audiobook services. Findaway authors get to set their own price and receive 80 percent of the royalties. There is no exclusivity contract, and they retain all rights to the content.

For authors who are excited about the possibility of venturing into the audiobook market but may not have all the funds necessary for the full investment, Findaway plans to launch a new royalty share program called Voices Share that competes with ACX. "Authors who choose Voices Share will pay half price for their audiobook," he says. "The narrator of the audiobook will receive half their normal rate as payment on completion of the book, and the author will share 20 percent of their royalties with the narrator for 10 years – that's royalties from 30+ retailers, not just Audible. There's also going to be a buyout option for authors who may want out of the 10-year commitment for any reason."

Dages believes this is a well-balanced approach because everyone's incentives are aligned. Unlike a full royalty split where narrators don't receive any money until the audiobooks sell, this approach is less of a gamble for the narrators, who receive an upfront payment instead of only

being paid by royalties. "We believe that will attract more great narrators and result in really high-quality Voices Share productions," said Dages.

"There's a lower barrier of entry to the authors, while providing a buyout option that doesn't lock them in if their book finds really great success."

ListenUp Audiobooks

For more than 15 years, ListenUp has worked with major publishers to create high-quality audiobooks for their authors. Now it aims to offer the same services and level of quality to independent authors at a reasonable cost. "We've always set the bar high in terms of our standards," says Lasek. "We have a large voice-actor talent pool and our studios and sound equipment are top-notch. Our staff of degreed audio engineers strive for perfection."

ListenUp's goal is to make it as easy as possible for authors to choose a narrator, produce the book, and make it available on the various audiobook platforms. "Distribution is always expanding into new territories as the whole world has caught on to how popular audiobooks have become in the last few years," Lasek says. She gets excited speaking with indie authors and publishers from around the world who are interested in having ListenUp produce and distribute their audiobooks. "It's a wide-open terrain now and in one day, our staff may speak with someone from Cameroon, New Zealand, Canada, and Qatar."

Authors retain the rights and receive 80 percent of the royalties for each sale. In 2016, ListenUp partnered with Kobo to offer special discounts to Kobo Writing Life authors interested in turning ebook content into audiobooks.

ACX

Audiobook Creation Exchange is an Amazon platform that offers an indie audiobook service similar to that of self-publishing an ebook through Kindle Direct Publishing (KDP). You can choose to narrate the project yourself or hire your own voice artist. If you do

it yourself, you must follow the ACX audio guidelines and upload a quality file that meets its requirements. If you work with a narrator, they are responsible for recording and editing the file. Once created, your audiobook is distributed through Audible, Amazon, and iTunes.

ACX requires a seven-year commitment with them for all audiobook files. If you opt to publish exclusively on ACX and no other platforms, you receive royalties of 40 percent of retail sales. With a non-exclusive option, the royalty is lower (25 percent of retail sales), but authors can publish through other distributors. Either way, your book stays in the Audible store for those seven years.

Like Findaway Voices, ACX also offers a royalty share option with the narrator, popular among those with smaller budgets. But there are some definite differences. First, you have to be exclusive with ACX; secondly, the narrator/producer and the author split the royalties 50/50 (giving each party 20 percent), but there are no upfront costs.

Going the indie route

For authors who want more control over the production of their audiobooks, there is the DIY option. This is the route Amphlett eventually found to be the most successful for her. In 2011, she began publishing her Dan Taylor spy novel series. Back in 2016, she read about audiobooks and how they were predicted to be the next big boom in publishing.

"I didn't want to feel like I was on the back foot with audiobooks like I felt I had with ebooks," she says. "I wanted to position my business so I could take advantage of this burgeoning demand for audiobooks."

Although popular, the Dan Taylor books weren't bringing in the income to justify the cost of Amphlett creating an audiobook on her own. The only option that felt feasible to her was the royalty split with ACX. She found a great narrator and, over the course of three to four months, he recorded the books. They

released them together through ACX in 2016. Around this same time, she released the first book in her new Kay Hunter series. This series became a game-changer for Amphlett.

"By the time the third book came out in June 2017 – I had three books released in a very short space of time – they were bringing in enough money I could take another look at audiobooks. But this time, I would have complete control and complete ownership of copyright and have the freedom to publish them wherever I wanted to," she remembers.

She approached a local production company, Audio Factor, and found she liked their attitude and professionalism. After finding her ideal narrator, she negotiated with Audio Factor to produce the first three audiobooks in her series in succession. She then reached out to Findaway Voices about distribution and clicked with the team right away. "I love working with them," Amphlett says. "They are always looking for more opportunities for indies to reach more listeners around the world."

Within a few months, she earned back her initial investment on the first three books and reports her sales through Findaway are much higher than ACX. "The majority of my sales through Findaway are not coming through Audible," she says. "They are coming through other platforms, like Playster and Hibooks. My library sales are doing well, too."

Amphlett is excited about the continued growth with audiobooks. By having her books available to listeners, she feels she's keeping up with technology and gaining more readers as a result – a mindset that all authors should embrace. 🎧

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