

**Author Platform Rocket
-Podcast Transcription-**



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Voiceover: Welcome to Author Platform Rocket, the highly acclaimed source for actionable business, marketing, and mindset strategy for authors, delivered in 20 minutes or less most of the time. In other words, this is how you sell more books while building a bigger fan base the right way. Here's your host and author, marketing veteran, Johnny Andrews.

Johnny Andrews: All right and welcome to the Author Platform Rocket. Today we are going to discuss something that might come off as a little doomy and gloomy, but it is something that we need to acknowledge. Now this is a situation where I'm going to have to spend a moment focusing on the problem. I know that I rail against this almost every time we talk, but today we have to look at the problem, and we have to look at why it's happening, and we have to look at what happened leading up to it. Then, and then, we are going to focus on the solution. What that is is quite possible, hopefully you're sitting down for this, if you were doing Facebook ads in your business, in your author business, or to your book or to whatever it is that you were doing, that you could see a very rapid 45% increase in costs across the board. That is a massive increase, so let's get into how this happened, where it came from, and then let's look at how you can change it. Okay, here we go.

A lot more money you're going to be forking out for those people to send them to your things. Now, here's where all this stuff happened. About a week and a half, maybe two weeks ago, Facebook announced that they had slashed 55 million viewing hours off of their platform. Now I have a feeling this came because they've gotten some pressure because of the addictive nature. It's definitely been reported that Facebook is addictive, that social media is addictive. That's a bad thing, probably not in the foreseeable future, but there could come a time where social media goes down like the cigarette companies did. I'm just saying. I don't know if that's the case, but anyway that kind of bad press is not good press. The good old Zuck, what he said was that they're slashing 55 million viewing hours to reduce the quantity of time spent on the platform and replace it with quality of time.

That came on the heels of them also announcing that they're going to favor friends and family over businesses and whatnot. That's one piece of this. Basically what just happened was supply went down and demand continues to remain high. Now let's take this a step further. Facebook, and I've been saying this for several years now, Facebook has achieved what we like to call advertiser saturation, meaning they really can't do much more to support the advertisers pouring into their platform. Let's face it, it's literally the best platform the world has ever seen. It's freaking incredible.

I love it to death as an advertising platform, but you probably notice this now is you could be in the middle of watching a video and all of a sudden an ad, like it's a mid-roll ad in the middle of a three minute video. I mean how obnoxious is that. As an advertiser, I'm like come on man, I don't want to ... If someone is watching a video, I don't want to interrupt them while they're doing it because these videos are so short, but that's just mindset. That's just my particular thing. Maybe we'll try it out, we'll see how it works. But my point in all this is they're trying to shove ads wherever they can, but at the same time reduce the amount of time people are spending on the platform, so it's interesting.

Now another situation has happened, once again involving Facebook. That was last year at some sort of weird time there was a massive update to their system, which was a huge improvement for everybody except authors. I'll explain to you why that is the case. Then on top of that we have Amazon and their algorithms and all their algorithm shifting, and sometimes authors doing great, they're riding the wave like woo hoo I'm king of the world, and the next thing you know boom, they get blown out the airlock because there's a shift. Nothing personal, but sorry about your business. I've seen that happen lots of times. When you deal with the thousands and thousands of authors that we do, you get to see it, and you hear about it, and all sorts of things. It's one of those unfortunate realities that you just sort of have to live with. If you are publishing on other people's platforms, that's the problem.

As you can see, there's kind of what we call pressure from above and pressure from below. Now the biggest concern here is that if you are an author and you make a living off of selling your books, you have the world's crappiest margins. I mean dude, what like 35 cents to maybe like 5 bucks on a good day kind of thing. You can't control your pages. I've mentioned this before in a couple things. If you have an ad running, and you're basing it on these clicks and these click through rates and things like that, you don't know what's happening. If you're driving that traffic to your Amazon page, you're just literally sending people into this black hole. You have no idea what's happening afterwards. So when you combine all of these factors together you get what is basically the author apocalypse.

I have mentioned a lot of these factors before, but today I really want to drive this stuff home because it's happening now. I've been talking about this for years, but it's happening right freaking now. Is that this industry has been, as new as it is, as innovative as it has been, has gotten left behind the rest of the world. You can look at this situation with Facebook and the advertising and be like well that was fun while it lasted and kind of give up, or you can do what I'm training our agency clients to do, which is look at it as a megalithic opportunity, the opportunity that it really is to get in there and just take the freaking power back. It's just an incredible opportunity right now to do this if you're willing to make some shifts.

Here is the reality of the situation. Once again we're going to do a little problem focus so that we can get to the solution. I want you to be aware of what this problem is. You've heard me before say that Amazon is a black hole of data. I've mentioned this a few times, but I want you to really get this. What that means is you have no control over your life, over your own business when you're on Amazon, or any of these publishing platforms to be perfectly honest. I know Amazon is sort of like, you know how McDonald's is always the first one to get pounded in the media because they're the biggest. Burger King is probably doing the same stuff, but they're like oh thank you so much. It's like McDonald's is the shield that protects the rest of the industry. Well Amazon is the shield that's protecting the rest of the industry in this particular rant, but all of them are equally guilty.

You have no idea what's happening to the traffic that you send. In fact, AMS ads, I mean if you're running these things, let's be perfectly frank here, those things are like brutally inefficient when it comes to any form of reporting, and it takes forever. I mean come on, it's 2018, we need near instant reporting on those kinds of things. It's ridiculous not even to be there, but that's a story for another time. If you can't see what's happening with your ads, then you don't what advertisement is actually working. This is the number one problem with authors who are struggling. I literally, back in the day, it was very difficult to meet an author who was willing to do any level of promotion.

It was, but now, fast forward 11 years, y'all get it. This industry, you get it, you need to run ads if you want to have a successful business, and I applaud you. That has been a radical shift in thinking from the days of your when folks didn't really understand that and didn't really do it. Now it's almost everybody's like, "Oh my word, if you're not running Facebook and AMS, and you're not doing email, you got nothing." All right, so that's great. Please take that mindset and let us walk it forward. With this advertisement comes this blindness, comes a complete inability to know what's happening.

Well, if you remember earlier I said Facebook evolved, it got better. What happened was in every other industry out there, every other industry, people are able to put these businesses. You can use tracking pixels, meaning you can put these things on your webpage and when you run ads you can actually see the results of the ads. Here's what happens with that. You can adjust your marketing with complete, your eyes are open. It's amazing. Let the scales fall away, and you can see what is happening with your ads. It's an amazing thing. Like I said, this is what we've started doing with our agency clients. It's becoming completely ridiculous to try to drive any kind of Facebook traffic to an Amazon page because Facebook, you're bidding on clicks, and Facebook has come out openly now and even said that there is a .007% correlation between a click and a sale.

What happened was is that that data finally, that's over 200,000 experiments with billions of dollars in ads spent, and they're like yeah there's literally nothing to do here with that. That's why you can do ... CPC is a joke. If you are boasting a low CPC, it's a joke metric. If you are seeing a return on your investment from that, you just got lucky that you happened to hit a pocket, but you really have no idea, and if you're doing the right thing and testing say six different ads at once, you don't know which one of those ads is giving you your result. This is what we're now seeing across the board, almost 100% of the time, is in most cases your cost per click is higher, your click through rate is lower, but your cost per acquisition, meaning your cost to acquire a lead or a buyer, is going to be the lowest. There's no correlation between that click cost and that outcome you want, none whatsoever.

Often times what happens is authors are going to look and say oh well that's the lowest CPC, that must be the best ad. They shut off the rest of them, and next thing you know their business goes to pot. Well, that's because they actually shut off the ad that was working. On top of that, one of the reasons why Facebook ads stop being effective after a while is because Facebook is going to optimize for the outcome you asked for. If you asked for clicks, it will optimize for those clicks. But the problem is one of those other ads is probably the one that are giving you the results you want, but you don't know it and neither does Facebook because there's no pixel on Amazon to tell you any different. It's really, really freakish.

This is the solution, and this is something that has started to gain just a tiny little foothold, but you must start selling through your own website. In fact, on the 25th I want to say, I have to check my own notes on it, it's either the 24th or the 25th of February, my little Victoria Night books are completely out of Kindle Unlimited and we will begin marketing them. I have been teaching a class on how to do this, that the first student to implement this ended up making \$111. I'm going to have to check with her and make sure that's the right amount, but I believe if I am not mistaken she made about \$111 on her first run with this because here's ... There's a couple of mindsets that we have to crush them because they're wrong.

Number one is that people will not buy anywhere but Amazon. That is completely untrue. Now there's always that very loyal group, so yes you're correct that they're won't be 100% of people all the time, but yeah, people buy from Amazon. In fact, what's already starting to happen for a lot of these people that have learned how to do this. That's the first one is that, and especially if you have a rabid fan base, they're going to buy from you. They will buy off your site. What's cool is when you use something, like for example I use Lead Pages, Book Funnel, you could use Stripe, and then I also have a shopping cart that I've been able to get for the students for like a super cheap one time fee instead of a monthly recurring, which is awesome. I mean literally they're going to save like thousands of dollars on this thing. But this shopping cart gives you the ability to give affiliates so other people can actually promote this stuff.

The experiment that we're about to run, and I'll talk about the results of this maybe in the next show, but what I'm doing is I am paying 100% commissions on the first book instantly. Meaning when they send traffic to this, anybody who buys and when they make a sale, the system sends them that money immediately. Then here's what's cool about this. You could do an upsell. That's sort of like would you like fries with that, which comes right afterwards. They get \$2 from that sale. They can earn more money instantaneously than they would have seen promoting from an Amazon affiliate program because Amazon doesn't, they pay like 5%, and they do it after 60 days.

I mean think about the difference. I'm going to be able to walk into pretty much any group of authors who are doing like newsletter swaps and cross promotions and say, "Hey listen, I've got this awesome thing," and I'm going to be able to show them the numbers. Say listen, "These affiliates promoted it, this is how much they made. How about you guys do the same?" They'll be like, "Yeah." Think about that, instant payment on commissions for this stuff. The readers can read this book on any device they like, including Kindle. There's no hurdle here. This is the thing that authors have sacrificed is Amazon has coddled the entire industry. It has literally reduced your learning curve to be like okay let's just upload a

book to Amazon, and let's get reviews for it, and then let's, this that and the other thing. Okay that's great, here's the problem.

They have taken away your business. They have stripped you from the core thing that's going to make you powerful, which is getting the email of your buyer. Amazon gets the email of your buyer. Why do you think they're a multi-billion dollar company that owns everything? They know what you buy and what you like. The reason is because they have all the buyer data. It is the most valuable element. This is why I'm willing to give away 100% of the first book sale. Number one, I'll end up being profitable when the people buy the box set afterwards, but number two I am getting all of my buyer data, and number three there are conversion pixels, there are Facebook pixels on my website that will allow me to build another list inside of my marketing and actually bid for the outcome I want.

I'm going to be able to tell Facebook send me buyers. I don't care about clicks. I want people to buy my stuff. So I can see what my cost per acquisition is. How much does it cost me to get a buyer to this set? Where does this become profitable? I can see it, literally my eyes are open. I can see what it's going to cost me to do this and I can make adjustments, I can change the marketing, I can test different landing pages. None of these things you can do with Amazon. Now, very quickly, I am not saying don't go sell on Amazon. All right, I'm not saying don't sell on Amazon, but I'm saying don't sell on Amazon first.

Even if you're in Kindle Unlimited, and we were checking this out, so if you want to you can check my data on this, but if you are in pre-order you can do whatever you like with that book up until it goes live in Kindle. Then you're contract with the KU, the Kindle Unlimited thing, kicks in. In fact, it says that right on the, when you go to pop it in or out of Kindle Unlimited. All that legalese commitment stuff starts when the book goes live. If you're in pre-order, there's no benefit to being in Kindle Unlimited at all, none. I'm not even sure why you're in pre-order, that's crazy because you're probably going to lose money on whatever page reads and clearly you're not going to get the rankings that you need.

One way that we're training people to do this, and most of our, a lot of authors are wide, only a couple are in KU, but we're training them to about three to five days before it goes live on Amazon, you sell it through your own website directly to your super fans. You can do it at a discount, or you can do it just under the love of hey, you can get this early and read it because you're a fan. Literally you just hit send, make money. You're paid, here's the cool thing about this, you get paid instantly because you're either running it through say like a PayPal thing, or you're running it through a Stripe, which is another great payment processor. Stripe allows for Apple Pay by the way, which is really neat. I enabled that the other day to test it out, and it was super awesome. Apple Pay is great, but it comes through Stripe. This is a very important distinction.

Here's why this adds into everything that I'm talking about. If you are flying blind, if you are advertising to Amazon using Facebook, you're going to get crushed because you're not going to be able to get those cheap clicks for very much longer. Your ad costs are going to increase. If you don't know what ads are actually working, you're going to be in a world of hurt because you're going to lose ... I mean, think about this. The majority of book buyers are going to be 35 to 55. They're really within that range is the hot zone. Those are the people that are still on Facebook. The young kids and stuff like that, within 5 to 10 years absolutely we're going to be talking about marketing on different platforms and stuff because a lot of the Facebook people are going to age out. That's why Facebook bought Instagram and things like that.

It's very important that you keep this in mind. If you cannot see what ads are producing results for you, you are flying blind and you are literally, you might as well be driving a car down a steep winding road in the dark while blindfolded because eventually you're going to make a wrong turn and go flying off the cliff, and you're going to detonate your career. You have got to start doing this. This is the next evolution of publishing and if you don't get on board with this, you're going to be left behind. This is just a fact. I've been saying this for a very, very long time now, and now people are starting to hear me, which is nice. It's great.

Before I was the crazy guy on the street corner wearing the sandwich board saying "The end is near. The end is near," but now the end is near and people are like, "Whoa, is that the Earth I smell burning? Whoa, what about that? Oh my word, that guy cut his hair and took off his sandwich board. He now has a church, and they're actually listening to him." It's not saying I'm starting a cult, or maybe I am, but my point is crazy sandwich board dude is now starting to get taken seriously, and you need to take this seriously because the world is changing again. All right, Amazon gave us tons of opportunities. They made a lot of people very wealthy, but the times are a changing. The times are a changing and we need to change with them because if you don't, I'm sorry, you'll burn. Well, maybe not burn, but your career is probably going to take a massive turn for the worst.

If you aren't successful right now, if you are struggling to become successful, this is why. Because you can't see the results of your ads. I mean think about this. If you could actually go out there and run ads and do tests, and what I like to call spelunking, like you go find these little audience pools and run these ads, and this is the biggest frustration people have. They're like, "I ran Facebook ads and they didn't work for me." It's like of course they didn't work for you because you can't see what you're aiming at. You're bidding for stuff that's irrelevant to the outcome. Okay? we've got to start doing this. You've absolutely got to start doing this.

All right, that's all I've got for you today. Let's focus on some doom and gloom, but let's also look at a solution. I'm actively working the solution, you're welcome, for this problem, and it so far has worked out brilliantly. All right, so I'll have more data for you in the next show. This is going to be awesome. For now, me amo Johnny Andrews, audience, Author Platform Rocket. That's funny, I almost named off my last podcast. All right, I'll be talking to you in the next show. Toodles.

All right, that does it for another round of authorplatformrocket.com. Remember, we're here to help you with your business marketing and mindset. If you have a question, want us to cover a topic, or interview a special guest, just shoot over an email to show@authorplatformrocket.com. As always, we need your reviews and support. If you like what you're hearing, please leave us a glowing review on iTunes and forward the show to an author friend who might need the love and assistance. But most importantly, if you're an author who needs help with marketing, why not let us do it for you. Check us out at authorplatformrocket.com. Always affordable, effective, done for you author marketing so you can get back to writing your books. I'm Johnny Andrews, and that's it for today. I'll see you on the next show.

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