

Royalties & Author Relations:

Five Trends to Follow

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MetaComet® Systems' President David Marlin sets out some key considerations for publishers seeking to satisfy content creators and explains how automated royalty solutions can help.

Keeping authors and other content creators happy and motivated has always been a major priority for publishers, and royalties are a crucial element of those efforts. But in an increasingly complex marketplace, efficient royalty management has never been more important, nor so challenging. It is essential for publishers to stay right on top of big trends in royalties and other aspects of author relations - so here is our guide to five important things to watch in 2022 and beyond.

1. New methods of delivery

Digital formats and platforms have given consumers their widest-ever choice in the way they consume content. While this is very convenient for end-users, it adds many layers of complexity to publishers' royalty calculations.

One particularly intricate model is subscriptions, which have grown in popularity during the pandemic. They are a significant element of many publishers' revenue now - especially those providing academic or audio content, where third-party delivery platforms often dominate sales. Working out the payments that are due to authors on these subscriptions is a complicated business, but good royalty management systems can make intricate calculations much easier.

2. The rapid rise of hybrid publishing

Another complexity in royalty rates lies in the increasingly popular field of hybrid publishing. We are seeing more and more examples of publishers and authors sharing development costs, which reduces financial risk for the former and motivates the latter to promote and sell their books. In return for taking on a greater share of costs, authors generally secure much higher royalties than the standards of traditional publishing models. However, hybrid publishing incorporates a very wide range of agreements that vary according to the level and type of services that the publisher supplies, so royalty rates are far from uniform. Hybrid-published authors may often ask for more detailed sales data than their traditionally published counterparts because they are more invested in the project - so their publishers need to be able to facilitate easy access to information.

3. Electronic payments

As with so much else in publishing, royalty payments have transferred rapidly from paper to digital. Cheques in the mail haven't disappeared completely yet,

but most authors now expect their money to be paid electronically, either by direct transfer or via third party platforms like Tipalti and Exactuals. This provides them with more convenient and faster access to payments, while for publishers it delivers savings on cheque generation, paper, and postage.

Good royalty management systems should be able to accommodate this demand for e-payment by dovetailing smoothly with modern online accounting systems and payment processes. Cloud-based systems are particularly valuable at a time when so many publishing teams are working remotely but still need to collaborate on royalties and other publishing tasks.

4. Author portals

Technology also gives publishers the chance to provide content creators with clear and extensive royalty information. Author portals give authors easy access to insights about their sales and payments, and breakdowns of their increasingly complex royalty statements. This supports the transparency of the publisher-author relationship. Another benefit of portals lies in the practicalities of royalties, like the ability to update personal information or review contracts and other documents. At MetaComet we are seeing more and more authors considering this sort of access as standard.

5. Automation

Publishers grappling with managing the increased complexity of royalty payments and the need to provide rich and supportive experiences for their authors will find these issues all the more challenging and time-consuming if they are relying on manual processes. Automation offers a neat solution, dramatically streamlining the process of calculating royalties based on sales in multiple formats and to multiple channels. The latest iteration of MetaComet's Royalty Tracker® platform provides the highest level of automation yet and takes us closer to our ambition of helping publishers complete royalty runs with the push of a button.

From the perspective of content creators, automation provides the advantages of accurate calculations and on-time payments. It reduces the risk of human errors that can easily affect manual processes, deepens trust, and helps to satisfy and motivate authors. Creators who feel properly rewarded are much more likely to want to work with you in the future, and to recommend you to others. Our customers at MetaComet tell us they have reduced the time invested on managing royalties significantly, some by up to 90%. Just think, what could you do with all the time saved by automation? How would you re-invest that time to have maximum impact on your readers and your business?



David Marlin is President and Co-Founder of MetaComet® Systems, a leading provider of royalty management and revenue sharing solutions for publishers worldwide. To learn more about its solutions and how it can make royalties easier, faster and more accurate, visit www.metacomet.com and contact dmarlin@metacomet.com.



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