<u>KDP Royalties Explained</u>

Please realize, when publishing through KDP, the royalties are figured after Amazon takes their percentage, and after printing costs have been deducted.

<u>For example (all prices are estimates except for Amazon 40%)</u>

Self- Publishing/No Publisher:

Price of book $15.99 – Amazon 40% ($6.40) = $9.59

$9.59 – Printing of each book $5.00 = $4.59

$4.59 royalty for each book sold through KDP

Publisher with a percentage coming out of royalty:

Price of book $15.99 – Amazon 40% ($6.40) = $9.59

$9.59 – Printing of each book $5.00 = $4.59

$4.59 – Publisher 40% ($1.84) = $2.75 royalty per book for author

$4.59 – Publisher 50% ($2.30) = $2.29 royalty per book for author

$4.59 – Publisher 60% ($2.75) = $1.84 royalty per book for author

Price of book: This may be determined by current trending prices of books in the same genre and categories. The author will have say as to what they think the book should be priced at, and it will be discussed and agreed upon between the author and publisher if there is a publisher involved. It will have to be enough for Amazon's cut, printing, possible publisher royalty and royalty for the author. Amazon has recently gone to no paperbacks being priced under $9.99. If you are planning on a paperback, it will need to be priced at least $9.99. If it is under $9.99, Amazon takes 60% royalty instead of 40% royalty, and that leaves nothing for the publisher or author.

Printing cost of each book: This amount per book will not be known until the book is uploaded into KDP for printing. It is different for every book depending on pages, colors needed, size, etc. There is a place on KDP that you can estimate these numbers, but they will not be exact until your book is uploaded in KDP.

Questions or comments can be sent to <u>ceo@crossroadspublishingllc.com</u>.

How to figure KDP royalties:

List Price of Book x .40 = ____________________ (A1)

A1 – cost to print book = ____________________ (B1)

If you do not have a Publisher, B1 is your royalty amount per book.

If you have a publisher:

B1 x .?? = _________________ (C1)

If you receive 40% royalties, the publisher receives 60% royalties and the number needed to get the C1 amount would be .60 in the question marks area.

If you receive 50% royalties, the publisher receives 50% royalties and the number needed to get the C1 amount would be .50 in the question marks area.

If you receive 60% royalties, the publisher receives 40% royalties and the number needed to get the C1 amount would be .40 in the question marks area.

And so on.

B1 – C1 = your royalty amount per book