

CMU:DIY

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MAKING MONEY FROM MUSIC

HOW DO YOU MAKE MONEY OUT OF MUSIC?

INTELLECTUAL
PROPERTY

LIVE
PERFORMANCE

FAN
RELATIONSHIP

CREATING AND MONETISING INTELLECTUAL PROPERTY

INTELLECTUAL PROPERTY

SONGS

- Sell sheet music
- License for recording
- License for public performance
- License to broadcasters
- License to streaming services
- License to film, games and brands

RECORDINGS

- Sell CDs or downloads
- License for compilations
- License for public performance
- License to broadcasters
- License to streaming services
- License to film, games and brands

ARTWORK / MARKS

- Sell merchandise
- License to merchandisers

LIVE PERFORMANCE

FAN RELATIONSHIP

STAGING AND MONETISING LIVE PERFORMANCE

INTELLECTUAL PROPERTY

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ARTWORK / MARKS

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- License to merchandisers

LIVE PERFORMANCE

GIGS & CONCERTS

- Sell tickets
- Sell food + drink
- Sell sponsorship

CORPORATE GIGS

- Charge for corporate gigs
- Charge for public appearance

FAN RELATIONSHIP

MONETISING THE FAN RELATIONSHIP

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LIVE PERFORMANCE

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FAN RELATIONSHIP

FAN SERVICES

- Sell membership
- Sell premium products

BRANDS

- Charge for brand endorsement

PRIMARY BUSINESS PARTNERS HELP ARTISTS UNLOCK EACH REVENUE

INTELLECTUAL PROPERTY

MUSIC PUBLISHER

RECORD LABEL

LABEL/PUBLISHING SERVICES

MERCHANDISER

COLLECTING SOCIETY

LIVE PERFORMANCE

BOOKING AGENT

PROMOTOR

FAN RELATIONSHIP

FAN SERVICES

BRAND AGENCY

PRIMARY BUSINESS PARTNERS PROVIDE ACCESS TO SECONDARY PARTNERS

INTELLECTUAL PROPERTY

MUSIC PUBLISHER

RECORD LABEL

LABEL/PUBLISHING SERVICES

MERCHANDISER

COLLECTING SOCIETY

PR/MARKETING AGENCY

RETAILER/DSP

LIVE PERFORMANCE

BOOKING AGENT

PROMOTOR

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VENUE OWNER

TICKET AGENT

PR/MARKETING AGENCY

FAN RELATIONSHIP

FAN SERVICES

BRAND AGENCY

MANAGER HELPS ARTISTS SELECT AND MANAGE BUSINESS PARTNERS

INTELLECTUAL PROPERTY

MUSIC PUBLISHER

RECORD LABEL

LABEL/PUBLISHING SERVICES

MERCHANDISER

COLLECTING SOCIETY

LIVE PERFORMANCE

BOOKING AGENT

PROMOTOR

FAN RELATIONSHIP

FAN SERVICES

BRAND AGENCY

ARTIST
MANAGER

LAWYER
ACCOUNTANT

**DIRECT TO FAN
RELATIONSHIP**

YOUR ARTIST BUSINESS PLAN

BUILD FANBASE

gigging, social, media & marketing, content

UNDERSTAND FANBASE

social, analytics, interact, pre-orders

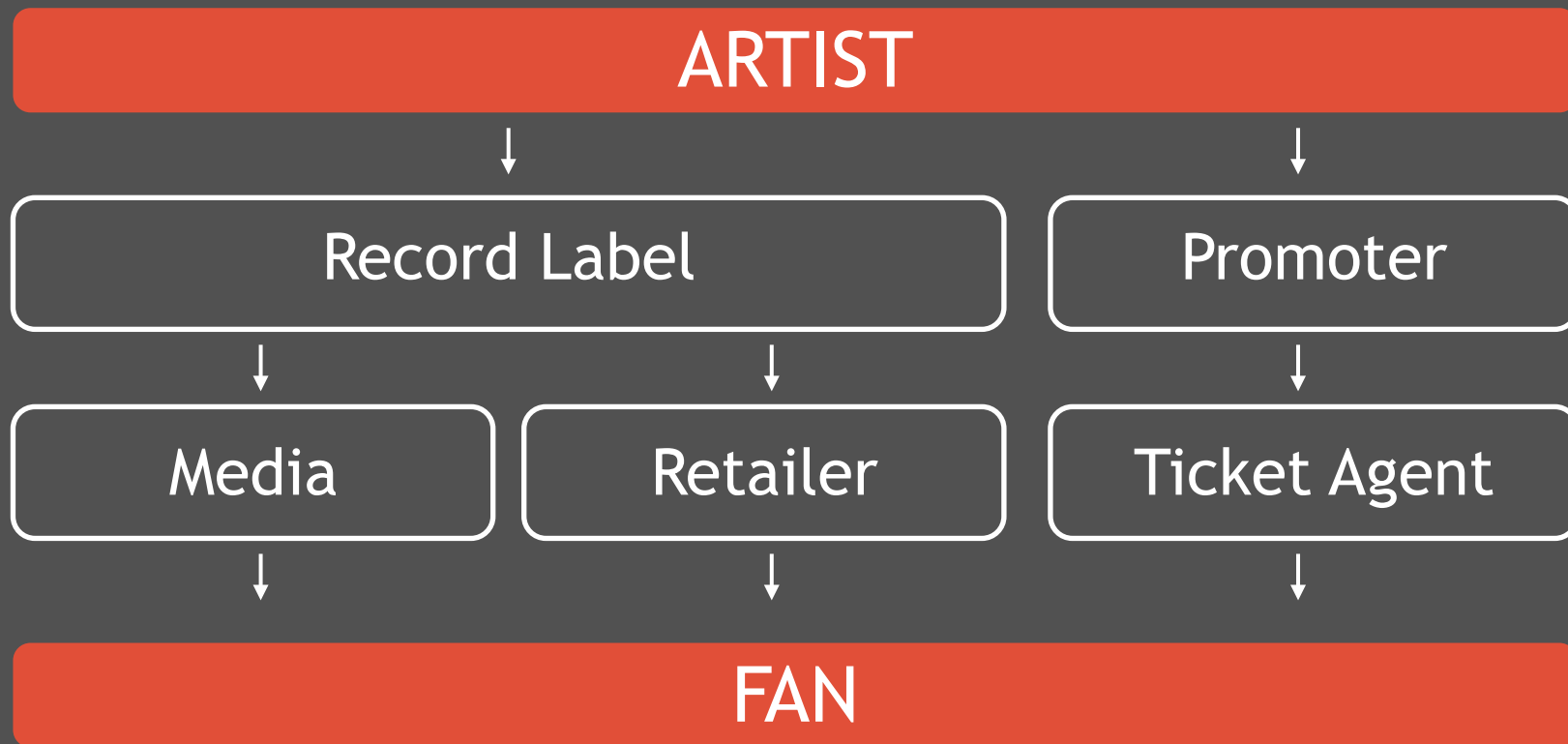
SELL

downloads, tickets, merch, subscription services, VIP

THE TRADITIONAL ARTIST FAN RELATIONSHIP

- Traditionally an artist didn't have much of a direct connection with fans beyond live shows and fan-mail.
- An artist reached fans via business partners.
- Each key business partner developed a 'route to market' based on their product and revenue stream...

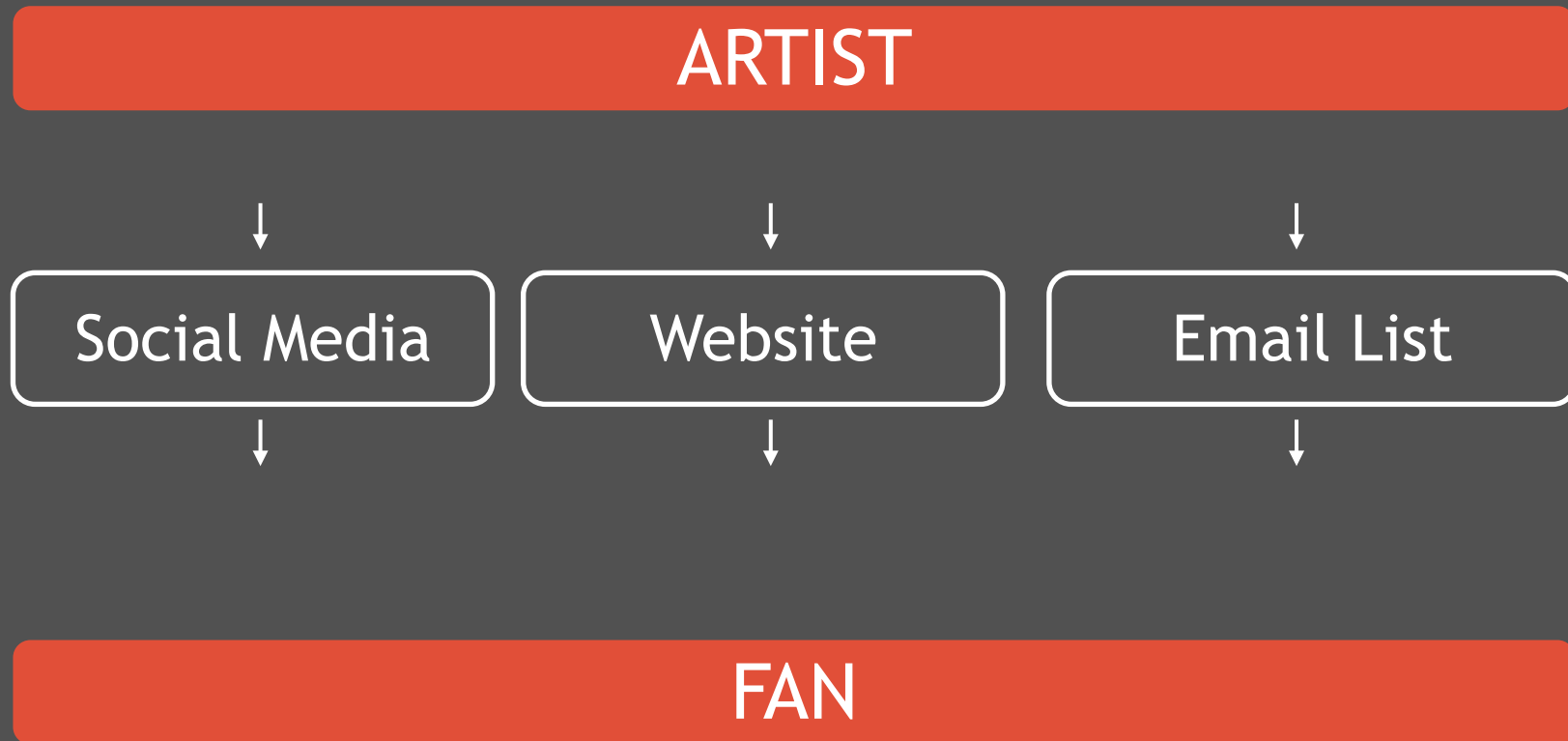
THE TRADITIONAL ARTIST FAN RELATIONSHIP



THE TRADITIONAL ROLE OF THE ARTIST'S BUSINESS PARTNERS

- So artist would deliver content and performance.
- And business partners - mainly label and promoter - would create products and find audience (usually via second level partners).
- Each business partner would create products based on their specialism and the revenue stream they controlled.
- Pricing set by combination of industry standards and perceived demand.
- But all this changed with net and social media...

THE NEW ARTIST FAN RELATIONSHIP



THE NEW ROLE OF THE ARTIST'S BUSINESS PARTNERS

- Therefore artists now provide content, initial fanbase and basic marketing and sales platform.
- Role of business partner changes...
 - To produce and provide fulfilment on product.
 - To provide resource to service initial fanbase.
 - To provide resource and expertise to grow fanbase.
 - To potentially sell key products to mainstream audience.

BUILDING A FAN BUSINESS

STAGE ONE

BUILD FANBASE

gigging, social, media & marketing, content

CMUdiy.com/buildingafanbusiness

CAPTURING FANS ONLINE

- It is crucial new bands begin capturing fan data as early as possible...
 - Engaged online fans can recruit new fans.
 - The direct-to-fan commercial relationship can begin.
 - Business partners increasingly look at size of existing online community before committing to deals.

CAPTURING FANS ONLINE

- First aim once songs and performance sorted...
 - Followers on Twitter.
 - Likes and engagement on Facebook.
 - Followers on Instagram.
 - Followers on Snapchat
 - Views on YouTube.
 - Plays on SoundCloud.
 - Email addresses with permission to email.
 - Collect and analyse data from ticketing and online store.

IMPORTANCE OF ARTIST MAILING LIST & STORE

- Social media does not replace artist website and fan mailing list - though social tools may play a role:
 - Blogging technology can be used to build artist website.
 - Social content can be imported and embedded to provide content for website.
 - Promote website and mailing list on social networks.
- Choose MailChimp or ConstantContact to power fan mailing list.
- Choose Music Glue, ReverbNation, Bandcamp (etc) to commercialise artist website.
- Decide what kind of content for social, and what kind of content for website and mailing list.

STAGE TWO

BUILD FANBASE

gigging, social, media & marketing, content

UNDERSTAND FANBASE

social, analytics, interact, pre-orders

ANALYSING FANS

- Most important element and biggest opportunity: learn about your fans.
- Who are they, where are they?
- What do they like?
- How much money will they spend?
- Are they content, merch or live customers?
- Fanbase can be split into groups...

DISSECTING FANBASE

DEVOTED
FANS

COMMITTED
FANS

CASUAL
FANS

OCCASIONAL
FANS

AFFLUENT
FANS

DISSECTING FANBASE

DEVOTED
FANS

COMMITTED
FANS

CASUAL
FANS

OCCASIONAL
FANS

AFFLUENT
FANS

- How many, who are they, what can they spend?
- Note: not every artist will reach occasional fans, but in D2F age that need not matter...

HOW TO LEARN ABOUT YOUR FANS - MONITORING

- Social media analytics - Facebook, Twitter etc.
- Distributor analytics - combine with social?
- Website analytics - Google Analytics, Clicky etc.
- Email analytics - MailChimp/Constant Contact clicks.
- HTML email analytics the most powerful.

- **IMPORTANT:** Go to data with a question; monitor traffic after specific comms, content or calls to action to assess impact.

HOW TO LEARN ABOUT YOUR FANS - INTERACTION

- Use the core fanbase as a market research panel...
 - Informal surveys on social media.
 - Formal surveys via email or website.
 - Invite fans to join 'inner hub' to share opinions.
- Run realistic project ideas past fans...
 - What are your favourite formats?
 - Would you prefer red or green t-shirts, which artwork?
 - What cities should we gig in?

HOW TO LEARN ABOUT YOUR FANS - INTERACTION

- Involving fans in this way helps you to...
 - Create products there is a genuine appetite for.
 - Make fans feel they are appreciated.
 - Make fans feel they are committed to buy.
- Extend this formula to pre-order campaigns...
 - Platforms like Pledge focusing on pre-order over 'fan-funding'.
 - Reduces risk and cash flow issues.
 - Only use for projects you are confident will come off, and be ready to do big marketing push once pre-orders online.

STAGE THREE - REMEMBER THE ULTIMATE AIM IS TO SELL TO YOUR FANS

BUILD FANBASE

gigging, social, media & marketing, content

UNDERSTAND FANBASE

social, analytics, interact, pre-orders

SELL

downloads, tickets, merch, subscription services, VIP

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