

TILEYARD EDUCATION

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CREATIVE BUSINESS PROJECT – BMTY7006
PROPOSAL

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Introduction

For my dissertation, my goal is to create an in-depth proposal for a new online-based business model including plans to the immediate pre-launch stage of the project.

As we are currently experiencing market-influencing external circumstances during this Covid-19 crisis, I would like to use this shift within the music industry as an opportunity to create a business model which can prove beneficial in a post-covid-19 environment. The recent music industry landscape relied heavily on live-performances and international tours as one of the main sources of income. As music streaming - the most common format of consuming recorded music nowadays - is unfortunately not the most lucrative way to make profit, artists are currently experiencing a great loss of income with concerts, tours and festivals being cancelled. These large-scale events will very likely not return any time soon and also not in the same way as they had until just recently.

Besides them being a good way to make profit, live concerts are also a great way for artists and fans to personally connect with one another and share a mutual experience. For this reason, many artists have started doing regular live streams via Facebook or Instagram from their homes which is a nice way to connect with fans as they are able to have a peak into the musician's life and can communicate directly via comment sections. While it is a nice experience, it is completely unpaid. Fewer artists have started experimenting with paid live streams, which are being held via direct video calls on e.g. Zoom. This format is however only suitable for small audiences and these sites were not created for concerts but rather for conference calls and the technical performance can be bumpy.

There is a gap in the current market and a high demand for a solution. My business idea is to create a digital live music and entertainment agency and application. The goal is to offer several types of services that fit any artist whether they have a small or large fanbase.

Application

The application can be seen as an online concert hall. Basically, it is a free to download online video communication program that is focused on streaming music and other live performances. Delivering quality sound and an undisrupted video stream are two of the main features. However, the application is not just about the video stream but also attempts to mimic a live concert experience by offering features such as easy, direct purchase of merchandize, separate chat rooms before and after the concerts for fans to communicate with one another and more.

The program also supports Virtual Reality (VR) for artists who want to create an even closer to reality experience.

The goal is to create a smooth service for large groups of up to a few thousand attendees but it has to be tested which number is the highest achievable and realistic number to not overburden the connection.

Services

Some of the other services offered are different, personalized packages depending on the size of the concert and number of attendees, the option to collaborate with several other musicians as opening acts, a support service for artists, sale of tickets and merchandize directly through the site as well as different options for advertisement.

Sources of Income

The download of the application and basic services are free of use. However, for concerts above 50 viewers and some specific other services such as advertisement there will be fees. There will also be charges for VR concerts as they require more technical planning and support. Furthermore, the site will take a small percentage of every ticket and merchandize sale. In addition, on site ads will create a source of income. There will only be ads on the website though and most likely not in the application to create a smooth, valuable experience. In the end this is all about enjoying live music in a new format.

Overview of Steps Required to Create and Publish the Service

To transform this basic idea of an online business model into a detailed business plan in the immediate pre-launch state, certain steps are required. Firstly, further market research needs to be done. This includes activities such as carrying out surveys with musicians as well as concert goers, the use of and experimentation with currently existing online platforms and programs and doing research on all of the technical possibilities and limitations.

As I am able to carry out all of the research and planning of the exact business model myself, I will not need a large team around me. However, as I am not a technical expert, I will need to acquire the help of a specialists such a web engineer, app developer and VR specialist.

Conclusion

My goal is to create an online live music and entertainment service that helps recreate the experience of live concerts. For one, it will help artists regain one of their main sources of income and secondly, it will provide a platform for artists and fans to connect and share a mutual experience. The main feature will be an “online concert hall application” which will require most of the planning and testing as the aim is to eliminate and improve some of the technical limitations that other, already existing platforms have. There will be several other services offered as well, that are there to make the experience better and easier for both artists and the audience. With this business idea I hope to fulfill a need that has very suddenly appeared within the music industry and help shape the future landscape of live music and entertainment.