

TILEYARD EDUCATION

MA INTERNATIONAL MARKETING

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DEVELOPMENT

ESSAY

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Executive Summary

The author analyses the rise of independent music in the global market by taking into consideration the overall trends with a particular focus on the growing importance of digital music distribution services. The second part of the essay presents four competitors in the market i.e. Amuse, Ditto Music, TuneCore and CD Baby, and conducts an analysis based on the performance and perception of the brands. The last part of the essay gives an overview of the potential areas of improvement for the four companies.

1. INDEPENDENT MUSIC IN THE GLOBAL MARKET

1.1. THE TRENDS IN THE MARKET

Independent music is a growing force in the global market. In fact, according to new numbers from trusted analysis platform Midia Research, DIY artists (i.e. artists that independently upload and therefore promote their own music via music distribution platforms) generated \$873m across the last year (Music Business Worldwide, 2020). The “artist-direct” sector currently holds 4.1% market share of the global industry (\$21.5bn), up from 1.7% in 2015 (Midia, 2020). The co-founder and CEO at Amuse, Diego Farias, stated that this exponential growth signifies an important change to come in the music industry, as there will be less of an adherence to labels, there will be new key players and new ways of doing business (Forbes, 2019). Furthermore, Justin Kalifowitz, CEO of Downtown Music Holdings stated that the strong sentiment by artists of an independent career is not only possible, but is rather preferable (Rolling Stone, 2020) — and that kind of empowerment means that artists no longer see signing to a label as the road to success. In fact, all technological advancements, such as streaming, social media and artist distributors signify that artists can independently find global audiences without the support of a label (Midia, 2020). In other words, they have the power to build their own career on their own pace, and with their own style.

1.2. THE RISE OF MUSIC DISTRIBUTION SERVICES

Streaming services dominate the way we consume music these days. In fact, there were 341 million users of paid streaming services at the end of 2019 accounting for 42% of total recorded music revenue (IFPI, 2020). In addition to that, a research conducted by Mintel shows that younger people have the strongest preference for the streaming model, which suggests that more people will adopt the format in future (Mintel, 2017). It has therefore become

a necessity for independent artists to have their music available to stream. Nonetheless, in order to get their music on digital streaming platforms, artists are required to lean on digital music distribution companies. They act as intermediaries and submit music to streaming services on artists' behalf and give them the chance of not only connecting with international audiences but also getting their music the attention it deserves.

2. THE COMPETITIVE LANDSCAPE

The rising empowerment of independent artists has led to a fierce competition between digital music distribution companies. This chapter presents the four companies Amuse, Ditto Music, TuneCore and CD Baby.

2.1. A FEW WORDS ABOUT THE COMPETITORS

2.1.1. Amuse

Amuse is a new player in the market and was launched in 2015 as the world's first mobile record label by Diego Farias in Stockholm, Sweden (Music Ally, 2019). Shortly after, in 2017, the company added will.i.am as a co-founder (Amuse, 2017). The company provides free music distribution and record label services to independent artists around the globe. It has been named to Fast Company's prestigious annual list of the World's Most Innovative Companies for 2020 (Fast Company, 2020) and is listed as the fifth biggest digital music distributor in terms of release share, globally (My News Desk, 2020).

2.1.2. Ditto Music

Ditto Music is a global music distribution company that distributes music to 160 digital music stores, including Spotify, Apple Music, Amazon, Google Play, VEVO and many more. Founded back in 2005 in Liverpool (UK), Ditto Music states to be on a mission to make the music industry fairer for independent musicians (Ditto, 2020). Artists that collaborate with Ditto Music are assured to

be able to release their music onto the most relevant streaming platforms of the moment, while always maintaining all the rights and sales profit. The company has helped launch the careers of numerous global artists (e.g. Stormzy, Ed Sheeran, Dave and Sam Smith) (Rolling Stone, 2018) and its roster of artists also includes Chance The Rapper and Yxng Bane (IQ, 2019). Last year alone, the English music distribution company paid out more than \$100 million to independent artists (Billboard, 2020).

2.1.3. TuneCore

The New York-based independent digital music distribution, publishing, and licensing service TuneCore was founded back in 2005 with the aim to empower artists, labels and managers to reach worldwide audiences, maximize their music sales revenue and access the tools they need to grow and sustain their careers without surrendering their independence (TuneCore, 2020). In 2015, the company was then acquired by rival distribution service provider Believe (Believe, 2015). The two companies decided to remain autonomous, however entered into a strategic partnership agreement with the intent to benefit from each other's infrastructure (Believe, 2015). When it comes to its roster of artists, the company states that thousands of artists, including rap superstars Drake and Jay-Z used TuneCore (TuneCore, 2020).

2.1.4. CD Baby

CD Baby was founded by a musician named Derek Sievers in New York 22 years ago, when creating a website that sold his friends' as well as his own music. And although, CD Baby started as a marketplace that sold physical copies produced by independent artists, today the company is considered to be one of the biggest players in digital music distribution (Music Distribution Guru, 2019). In fact, notable artists that have released their music via CD Baby include Aloe Blacc (CD Baby, 2017) and Macklemore & Ryan Lewis (CD Baby,

2012). With the rising power of streaming platforms and the decline of the traditional business model, the company decided to shut down its retail store in March 2020 (Digital Music News, 2020), while continuing physical distribution through outlets like Amazon and Shopify (Variety, 2020). CEO Tracy Maddux said in a statement “We are going to focus on what is making a difference for musicians today – our distribution, monetization, and promotion services” (CD Baby, 2020).

3. A CLOSER LOOK AT THE BRANDS AND THEIR POSITION IN THE MARKET

The Customer-Based Brand Equity (CBBE) Model (Keller, 2003) has been applied to the digital music distribution companies in order to conduct an accurate analysis of the four brands and to better understand their position within the market.

3.1. THE BRAND ANALYSIS OF AMUSE

SALIENCE: IDENTITY – WHO IS AMUSE?

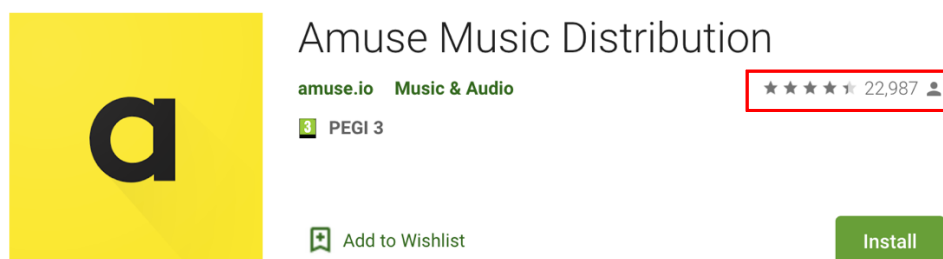
“For the Artists. For the Pros” – Amuse presents itself as the reinvented record label that gives free music distribution and empowering tools to artists across the globe (Amuse, 2020). The following table outlines its current follower base on the various social media channels and streaming platform Spotify:

Channel	Instagram	Twitter	Facebook	YouTube	Spotify
Foundation date	2016	2015	2016	2016	2016
Follower base	61.3 K	6.1 K	31 K	5.7 K (996.4 K views)	4.2 K

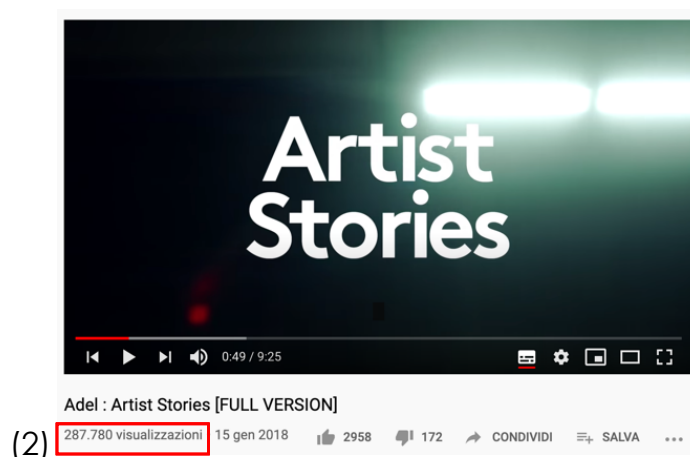
PERFORMANCE AND IMAGERY: MEANING – WHAT IS AMUSE?

The Swedish company offers artists that intend to get their music on platforms a free distribution service. It also recently launched Amuse Pro, a new service that provides technology-driven solutions to a growing set of needs among independent artists and their respective teams. In fact, the new subscription tier (\$5/month) includes features, such as royalty splits, team accounts, multiple artist profiles, quicker releases and support. Amuse Pro users can also distribute their music to social media platforms Instagram and TikTok (Amuse, 2020). An additional exciting feature is their “Fast Forward” option, where the app analyses the streaming numbers and calculates future royalties, which artists can then borrow in advance for promoting their music (Amuse, 2020). However, Amuse's main aim is to discover artists that they collaborate with and offer them a record deal that includes marketing, promotion and playlist pitching. The service, nonetheless, does only operate on an app and does not provide any of its services and empowering tools via desktop. It is known that direct experiences create the strongest brand attribute and benefit associations and are particularly influential in consumers' decisions when they accurately interpret them (Keller, 2015). If we analyze the performance of the app, it has overall a very positive rating (4.4/5), meaning that it does offer its promise (see picture 1). Furthermore, with almost 23'000 reviews, it can be stated that the brand awareness of Amuse is notable, even though there are no mainstream artists, except for co-founder will.i.am, that actively support or promote the brand.

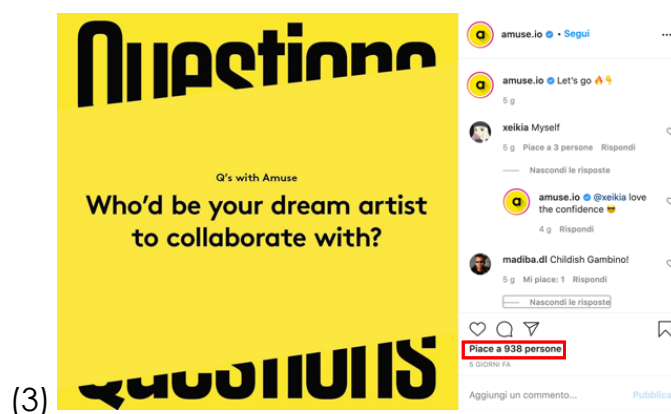
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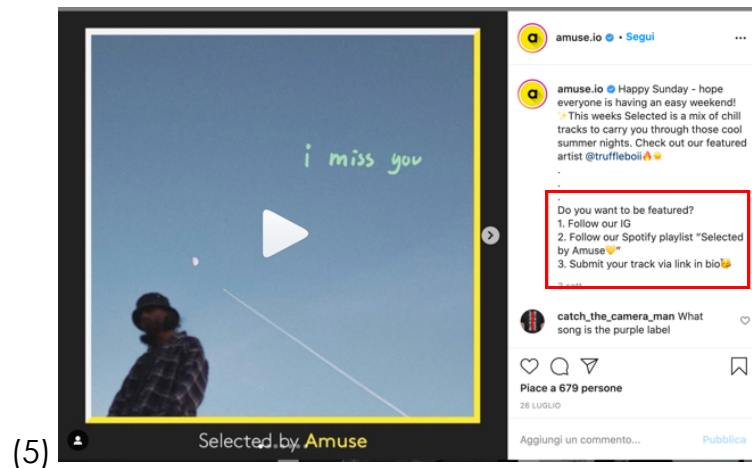
When it comes to the imagery of the brand and its content, the website for example, appears to be very modern and user-friendly. As far as its YouTube channel and the videos uploaded, we can say that they are very relevant to the audience as well as engaging (e.g. Artists Stories, Fast Forward) (see picture 2). However, the content is not uploaded regularly, which means that the algorithm penalizes the brand, as regular upload slots have been missed (Shopify, 2019) and therefore subscriber growth is harder to be reached.



The brand is very present, very engaging and focused on community-building on Instagram and Twitter (e.g. Q's with Amuse) (see picture 3 and 4).



Amuse is also very attentive in being inclusive and supportive towards its follower base and therefore independent artists (e.g. Selected by Amuse), which definitely increases the credibility of the brand (see picture 5).



In fact, Amuse has the “Selected by Amuse” Spotify playlist with over 16'000 followers, that could eventually increase the desire of independent artists to be part of that community. The brand, however, receives less engagement on social platform Facebook (see picture 6), which could be due to the fact that the target audience is more active on Instagram.



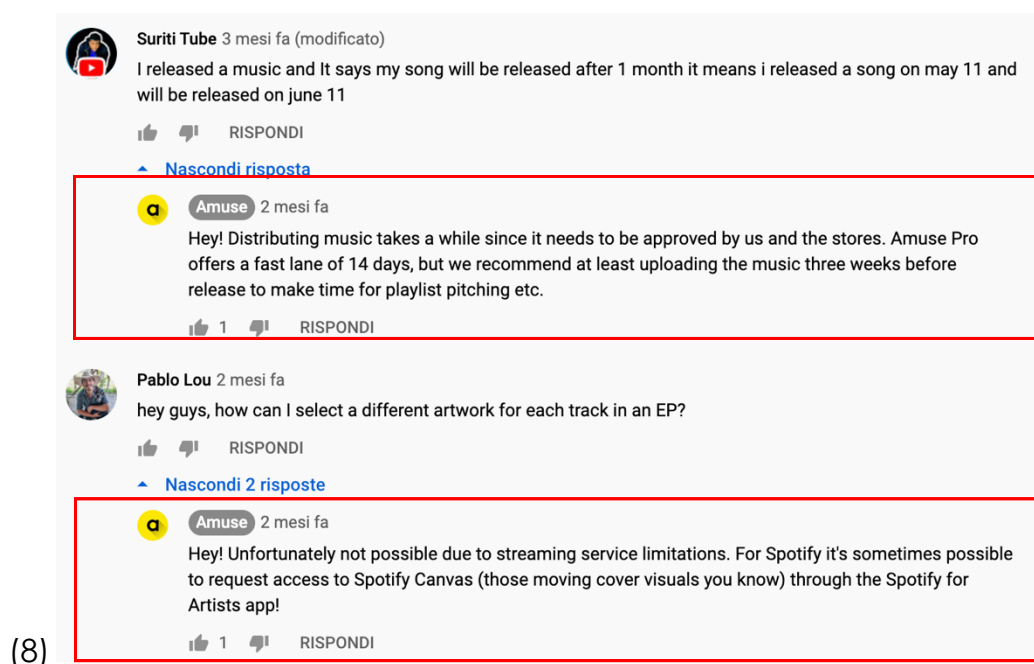
JUDGEMENTS AND FEELINGS: RESPONSE – WHAT ABOUT AMUSE?

Based on its imagery and performance on social media, it can be said that the brand does generally leave a good impact on its audience. In fact, a

strong brand equity can be perceived on Instagram and Twitter, where Amuse regularly interacts with the audience (see picture 7).



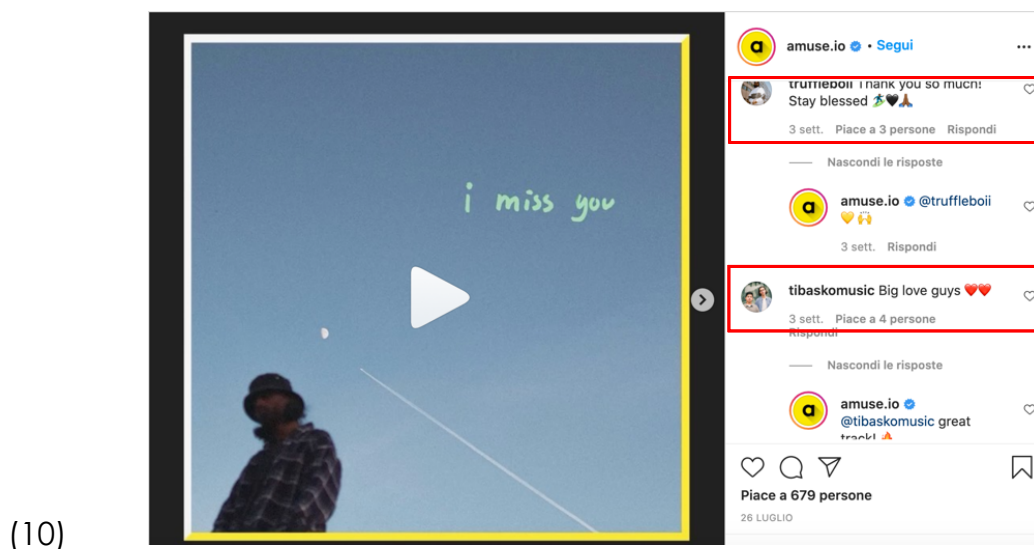
The same thing can be said for the channels YouTube (see picture 8) and Facebook, even though there is a lower engagement rate.



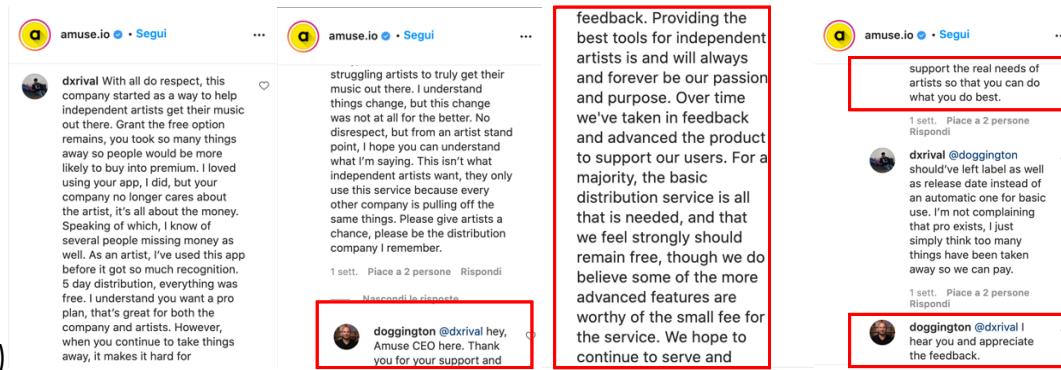
This approach creates a positive brand image that ultimately links strong, favorable, and unique associations to the brand in memory (Keller, 2013).

RESONANCE – WHAT ABOUT AMUSE AND THE CONSUMER?

Brand benefits are the personal value and meaning that consumers attach to the service attributes (i.e. the descriptive features that characterize the service) and based on the analysis conducted on Amuse's social media channels, we can argue that there are numerous independent emerging artists that are aware, like, and elevate the brand through word of mouth marketing (i.e. serve as brand advocates) (see pictures 9, 10).



Furthermore, the brand is able to highlight its very available and down to earth image by being attentive to the audience's opinions and criticism. (see picture 11).



3.2. THE BRAND ANALYSIS OF Ditto Music

SALIENCE: IDENTITY – WHO IS DITTO MUSIC?

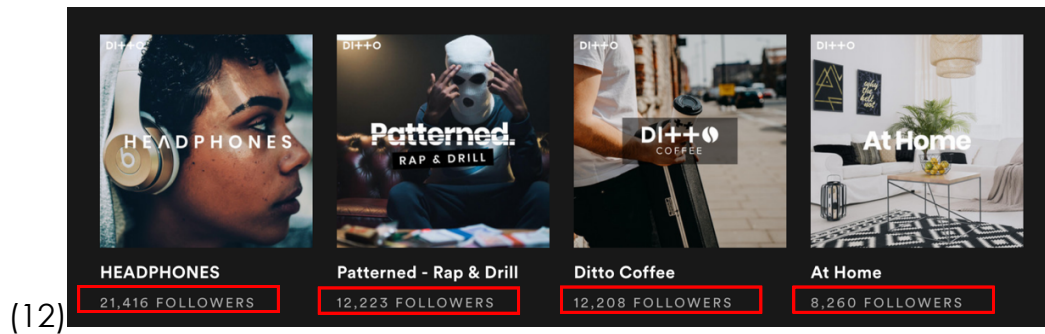
“Independent, transparent and simple music distribution” – that's how the brand presents itself. Ditto Music is an award-winning global music distribution and record label services company, supporting over 200,000 artists, including Ed Sheeran, Dave, Chance The Rapper and many more, with more than 20 offices across the UK, Europe, Australia, Asia, Africa, North and Latin America (Ditto Music, 2020). The brand's current social media numbers are the following:

Channel	Instagram	Twitter	Facebook	YouTube	Spotify
Foundation date	2012	2008	2005	2008	n/a
Follower base	89.3 K	38.4 K	50.6 K	4.7 K (290.0 K views)	19.7 K

PERFORMANCE AND IMAGERY: MEANING – WHAT IS DITTO MUSIC?

The British brand helps artists to release their music worldwide to all major stores and keep 100% of their royalties (Ditto Music, 2020). Furthermore, it enables artists to have full track-record of the earnings and royalties as well as of the projected sales through daily analytical reports. Another unique benefit is that

Ditto Music actively and carefully monitors every release in order to ensure its originality, content and formats. Artists have also a good chance to be featured at all the popular playlists as well as at the brand's playlists, as they are quite popular and fast-growing (see picture 12).

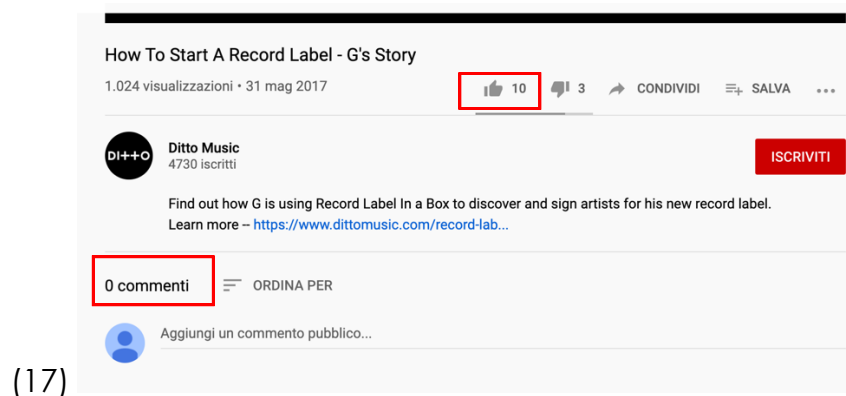


Lastly, Ditto Music covers artists' chart registration around the world and takes care of their copyrights. When it comes to its pricing structure, it is possible for one artist to distribute an unlimited amount of music for \$19/year. However, there are some extra costs associated with features that are crucial for the release of new music (e.g. promotional services) (Ditto Music, 2020). In both 2017 and 2018, Ditto Music was nominated by the Music Week Awards for Best Label/Artist Services Company. When it comes to its imagery, it can be argued that the interface of the website is very modern and full of vibrant colors, which might want to represent the identity of the brand. Based on its social media numbers, it is possible to say that the level of awareness is very high. This could be because of its very engaging (see pictures 13 and 14), positive, community-building (see picture 15) and supportive content (see picture 16) provided to its followers besides its services.



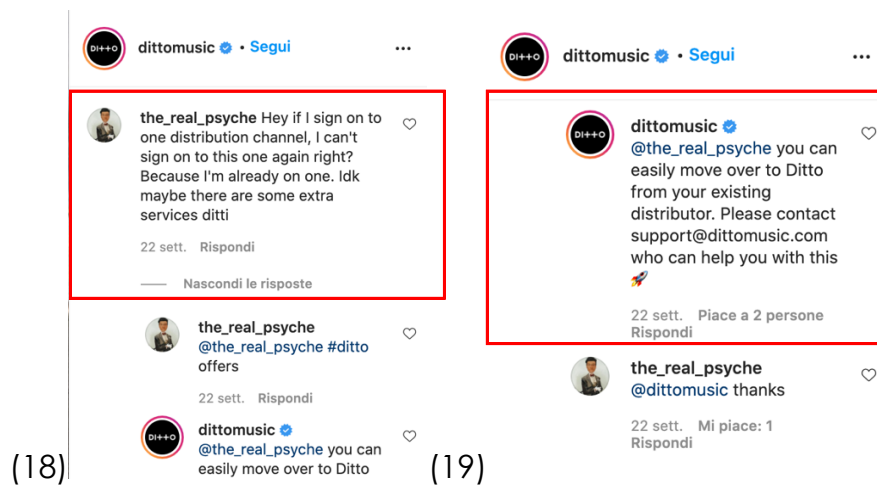


However, Ditto Music has not been very consistent on creating content for its YouTube channel, as it has uploaded only 27 videos since 2008. In consequence, the impact is not strong, and the engagement rate is very low (see picture 17).

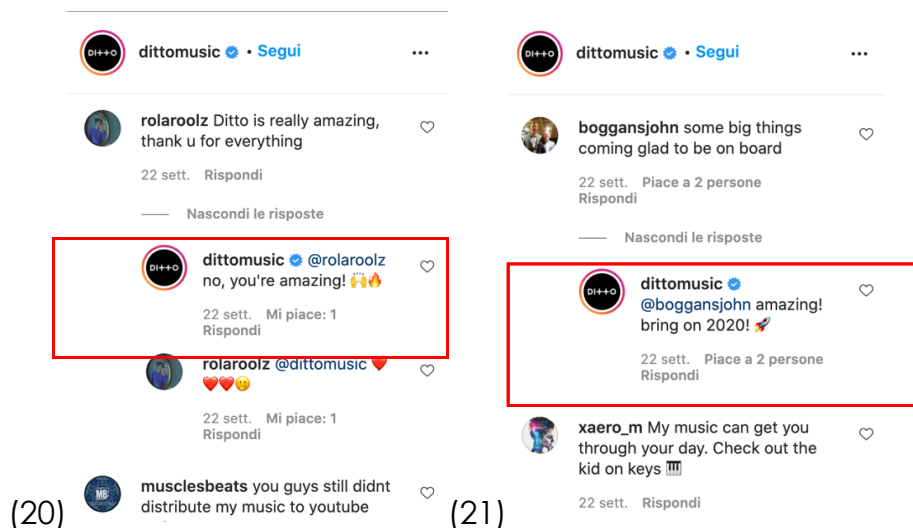


JUDGEMENTS AND FEELINGS: RESPONSE – WHAT ABOUT DITTO MUSIC?

It is known that digital interactions between brands and their (potential) customers have become a major feature in customers' buying journey. In fact, given the various customer interactions, which occur via different channels or touchpoints, it is possible to influence the choice of the customer and Ditto Music is very attentive towards potential new customers (see pictures 18 and 19).



Furthermore, the brand interacts and empowers its individual followers (see pictures 20, 21 and 22) and is therefore perceived as very credible and supportive, as a digital music distributor for independent artists should be.

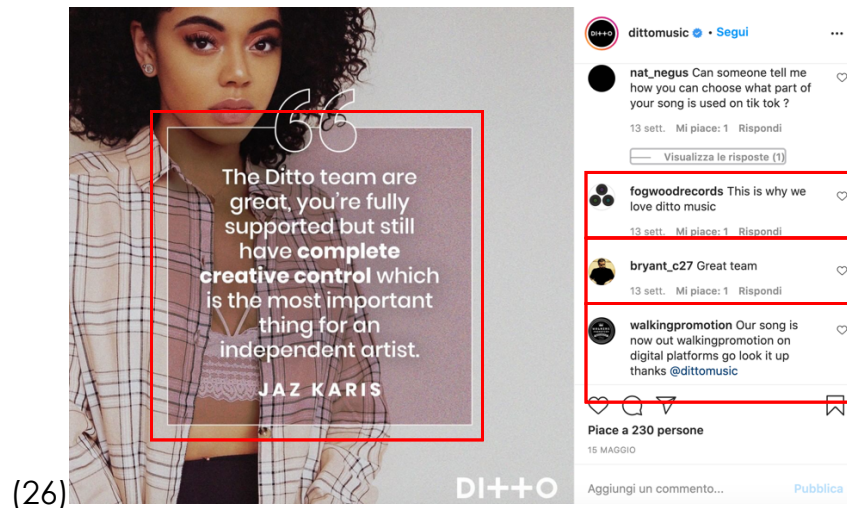




RESONANCE – WHAT ABOUT DITTO MUSIC AND THE CONSUMER?

Service quality is often highly ambiguous and difficult to judge without an expertise or prior experience. In these cases, potential consumers will use whatever heuristic to make their buying decisions (Keller, 2013) and advocates of a brand can be especially powerful, as they are a credible and trustworthy source to convince others to actually engage with a brand. Ditto Music has innumerable artists that recommend and therefore promote the brand (see video 23 and pictures 24, 25 and 26).





3.3. THE BRAND ANALYSIS OF TuneCore

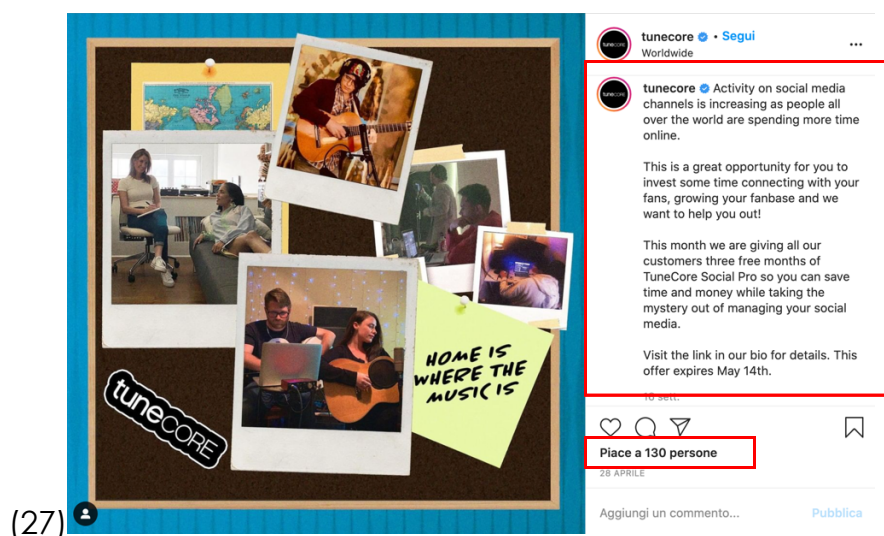
SALIENCE: IDENTITY – WHO IS TUNECORE?

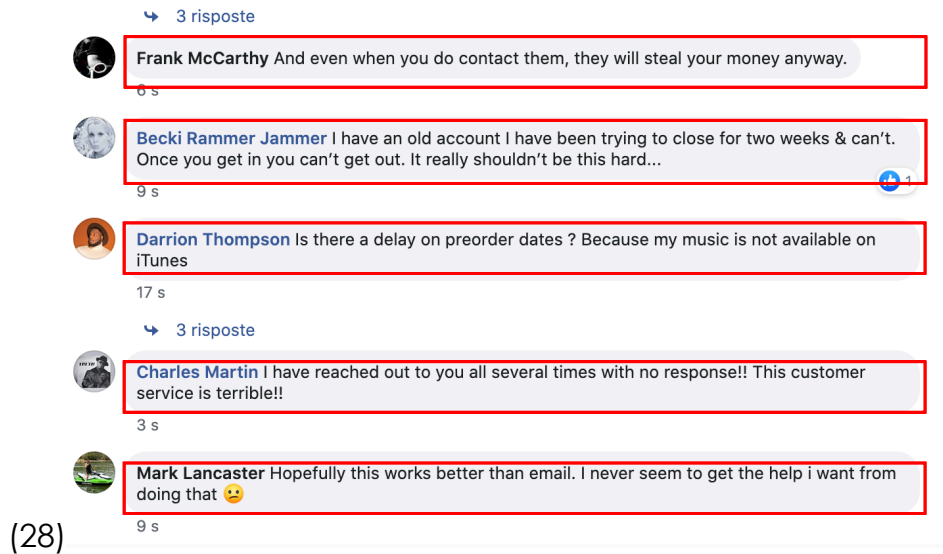
TuneCore’s mission is to “**bring more music to more people around the world**” (TuneCore, 2016). The company offers distribution services and support in key markets worldwide. The brand is followed on social media as follows:

Channel	Instagram	Twitter	Facebook	YouTube	Spotify
Foundation date	2012	2007	2005	2006	n/a
Follower base	83.6 K	129.2 K	284.1 K	9.2 K (496.0 K views)	1.4 K

PERFORMANCE AND IMAGERY: MEANING – WHAT IS TUNECORE?

Besides its distribution services, TuneCore offers Publishing Administration (i.e. worldwide songwriter royalty collection and sync licensing), YouTube Monetization, Facebook and Instagram Music and a variety of additional promotional services and tools for artists (TuneCore, 2020). Artists can sign up for free, but then are required to pay a subscription fee before accessing their services. The distribution fee for a single song is \$9.99. For an album that has more than two songs on the other hand, artists are required to pay \$29.99. They also charge an annual fee of \$29.99 for an album and \$9.99 for a single. For Social Pro, which is the new all-in-one platform (TuneCore, 2017) designed exclusively for TuneCore artists who want to reign in control of their social media channels as well as Soundcloud and Mixcloud profiles and therefore have an easier place to plan, schedule, publish and engage with their fanbase, artists are required to pay \$10.99 for a monthly subscription and \$118.99 annually (TuneCore, 2020). Based on the social media numbers, TuneCore is the most followed brand in comparison to its competitors Amuse, Ditto Music and CD Baby. Although the brand has this competitive advantage and creates content with interesting and useful advices for artists (see picture 27), the engagement rate is quite low (e.g. likes or number of comments per post) (see picture 27) and the brand does not interact, engage nor offer any support to its followers on social media (see pictures 28, and 29).





However, TuneCore works on creating a cool and supportive image by collaborating with music blog HotNewHipHop and developed a 12-month series named “Heat Seekers” that shows off some incredible up and coming talent in the music industry (HotNewHipHop, 2020). For artists that are interested in potentially being featured, they can submit their music to enter the contest on TuneCore's website (see picture 30).

(30)

tuneCORE x **hnnh**
HOT NEIGHBOURHOOD

GET FEATURED ON HNNH

- Monthly prize: Be considered by HNNH to get featured in their Heat Seekers playlist. HNNH will also put a spotlight on a select artist each month.
- Grand prize: Get a chance to be treated to a studio session with one of the game's hottest producers. The entire experience will be filmed and shared on the HNNH homepage.

Must be 18+ to enter. If you're new to TuneCore, sign up now and distribute your first release. If you're an existing TuneCore artist, sign up and distribute your next single/album between March 11, 2020 at 12:01am ET and December 16, 2020 at 11:00pm ET. HNNH will review all eligible submissions and will select track(s) based on the quality of the musical production and overall professionalism of the music.

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JUDGEMENTS AND FEELINGS: RESPONSE – WHAT ABOUT TUNECORE?

Brand attitudes are consumers' overall evaluations of a brand and often form the basis for brand choice (Wilkie, 1994). Consumer can hold a host of attitudes toward a brand, but the most important relate to its perceived quality and its customer value and satisfaction (Keller, 2013). Based on the analysis conducted in relation to TuneCore's performance towards its audience on social media and the evaluation of the comments posted by many of its followers, it can be stated that the quality of the service is mostly not perceived as satisfactory.

RESONANCE – WHAT ABOUT TUNECORE AND THE CONSUMER?

Brand performance influences consumer feelings and consumer judgements and consumer feelings as well as judgements influence brand resonance. The analysis of TuneCore's performance shows that the brand does not engage enough in conversation with its audience and is therefore missing opportunities to reinforce brand messages as well as attributes and garner potential sales.

3.4. THE BRAND ANALYSIS OF CD Baby

SALIENCE: IDENTITY – WHO IS CD BABY?

“Independent music distribution and artist resource” is the company's descriptor. CD Baby refers to itself as the “anti-label” for musicians as well as “one of the most trusted names in the music business, and the go-to educational resource on topics, such as music marketing, rights management, and more (CD Baby, 2020). The table below presents CD Baby's current social media following:

Channel	Instagram	Twitter	Facebook	YouTube	Spotify
Foundation date	2014	2009	2009	2008	n/a
Follower base	51 K	91.9 K	193.7 K	28 K (1.8 M views)	4.5 K

PERFORMANCE AND IMAGERY: MEANING – WHAT IS CD BABY?

CD Baby has been around the longest in comparison to its competitors. They were the first non-label company to offer to artists distribution to iTunes. Artists that have an account with CD Baby have no fees, as the company charges pro submission (i.e. \$29/album and \$9.95/single) that they list with CD Baby (CD Baby, 2020). The CD Baby Standard submission type offers worldwide digital and physical distribution, YouTube Monetization and free sync licensing for TV, film and games (CD Baby, 2020). If artists decide to sign up for the CD Baby Pro submission type, they will benefit from additional services, such as Performing Rights Organization affiliation or admin, song registration with global collection agencies, worldwide publishing royalty collection, and 15% cut of publishing royalties (\$69/album and \$29.95/single) (CD Baby, 2020). However, artists don't get to keep all of their sales, as the company charges a 9% commission fee from download and streaming revenues and 30% of

YouTube, Facebook and Instagram (CD Baby, 2020), which means that the bigger audience an artist has, the more money he or she makes, the more he or she has to pay to CD Baby. Besides the regular uploads and posts on all social media platforms, CD Baby offers a so-called “DIY Musician Blog”, a “DIY Musician Podcast” and a “DIY Musician Conference”.



THE DIY MUSICIAN BLOG

A living guide to music marketing, updated with daily promotion tips, industry news, and much more.



THE DIY MUSICIAN PODCAST

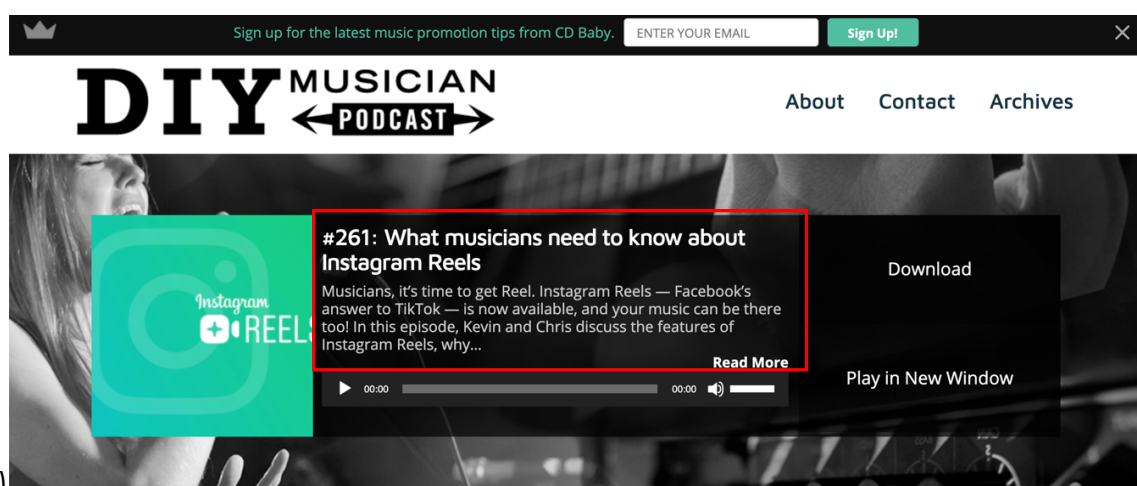
Hundreds of episodes – with new ones added regularly – that dive deep into building and sustaining your music career today.



THE DIY MUSICIAN CONFERENCE

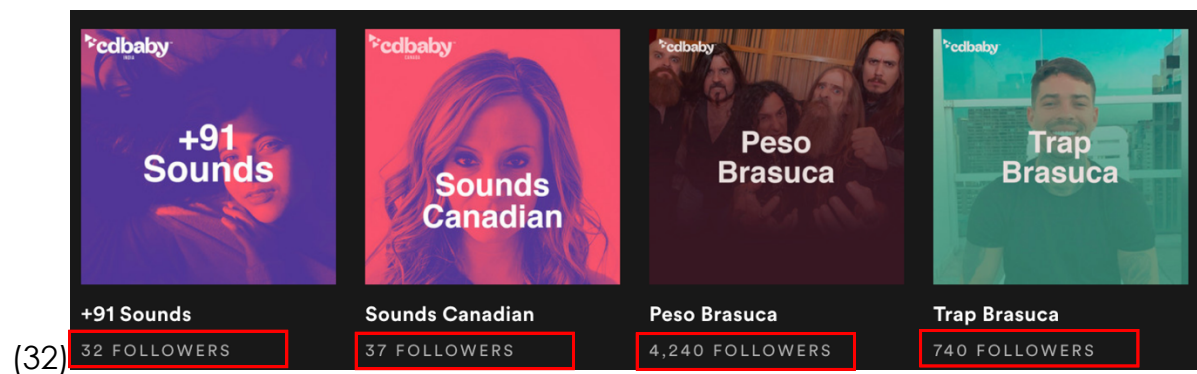
An annual event custom-tailored for independent, DIY musicians in search of mentorship, community and knowledge.

The high-quality content (e.g. DIY musician blog) developed by CD Baby allows the brand to become an attractive resource for consumers. In fact, it increases the likelihood of being found on the first pages of search engine results. Because of its educational and friendly approach towards its audience, CD Baby's image can be described as such (see picture 31).



(31)

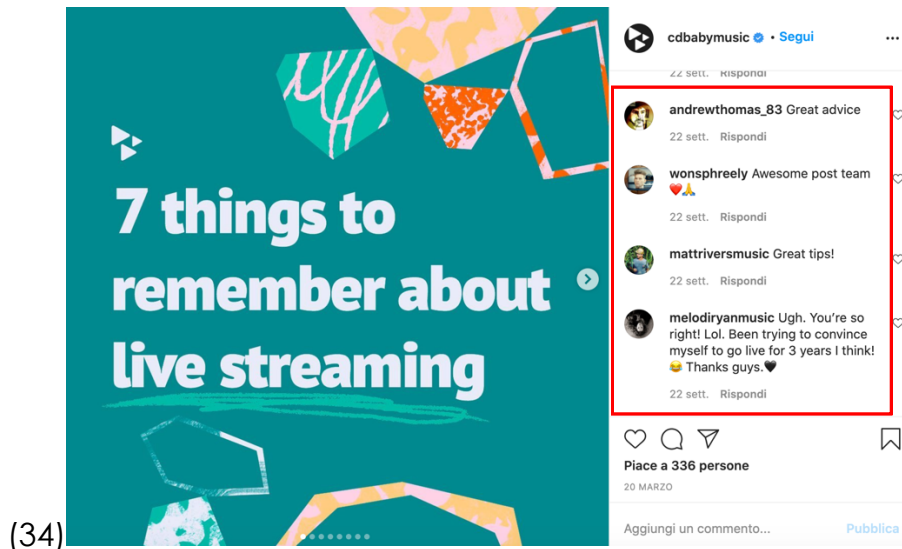
On the other hand, CD Baby's Spotify playlists have not reached a high number in following (see picture 32), which could be due to the fact that the company does not promote it enough.



JUDGEMENTS AND FEELINGS: RESPONSE – WHAT ABOUT CD BABY?

On the basis of CD Baby's performance and imagery associations, it is possible to say that the brand is predominantly perceived as qualitative, credible and superior (see picture 33 and 34). This judgement ultimately lets consumer develop emotions of security and friendliness towards the brand (see picture 35).

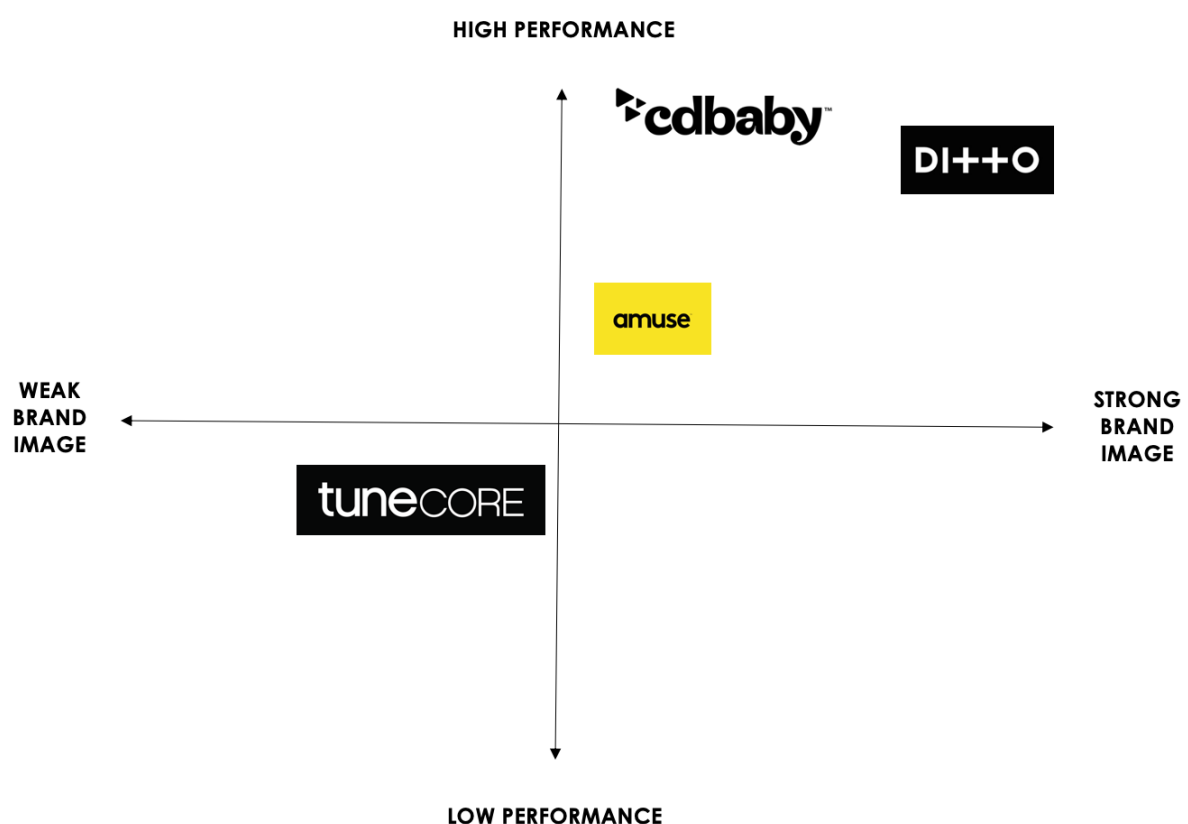




RESONANCE – WHAT ABOUT CD BABY AND THE CONSUMER?

CD Baby focuses on cultivating deeper, more meaningful relationships with customers to ensure long-term satisfaction and brand loyalty. This is achieved through the focus on delighting its potential and current customers with educational and informative content that is always highly appreciated by the audience.

In conclusion, after having conducted an in-depth analysis of the various brands in relation to their Salience, Performance and Imagery, Judgements and Feelings, and Resonance, a perceptual map has been created with the intention to better outline how consumers potentially perceive each brand that has been analyzed. The horizontal axis is characterized by characteristics in relation to its performance (content creation, engagement with audience etc.), whereas the vertical axis is characterized by the image (e.g. credibility, quality, professionalism etc.).



4. AN OVERVIEW OF POTENTIAL AREAS OF IMPROVEMENT

The last chapter outlines the potential areas of improvement for the four competitors.

4.1. AMUSE

Amuse is very strong in terms of relationship marketing with its current follower base. However, it would be beneficial for the brand to be more active in creating and delivering useful and relevant content. This approach would help the brand to increase its social media growth, as Amuse is on average the company with the smallest audience. Furthermore, the company should focus on collaborating also with well-known artists, as they could ultimately serve as brand advocates and therefore increase even more the credibility and trustworthiness of the brand among the target audience.

4.2. DITTO MUSIC

In terms of digital marketing and CRM, Ditto Music is the best performing brand in comparison to its competitors. The company is empowering, supportive and engaging, which are brand associations that highly increase the likeliness of a brand. Furthermore, the innumerable number of brand advocates (e.g. Chance The Rapper, Jaz Karis and many more) increase the credibility of the brand. However, the brand could create more interesting content on YouTube and build a bigger audience, as the channel is not regularly updated.

4.3. TUNECORE

Because of the digitization, the focus in marketing has shifted from companies to consumers, individuals to communities, nodes to network, publishing to participation, and intrusion to invitation (Berthon et al., 2012). Therefore, it is crucial for TuneCore to not simply claim its superiority in comparison to its competitors but to regularly demonstrate its values to the audience. Through a marketing strategy that focuses on generating credibility, trust and preference towards the brand and service, TuneCore should listen to the

audience's needs and establish a dialogue as well as build relationships with and among consumers (Keller, 2009).

4.4. CD BABY

CD Baby is next to Ditto Music the best performing brand among its competitors. The brand is very informative, engaging and trusted. Its friendly, humble but yet educational approach towards its followers strongly increases its likelihood. However, although the company is very strong in relationship marketing and in delivering relatable and informative content, it has a very little following on streaming platform Spotify. As we know, music playlists are a great marketing tool for independent artists to gain more exposure. It is therefore important for CD Baby to promote its playlists and make them more attractive to its audience.

5. APPENDICES

5.1. PEST ANALYSIS

Political factors

Digital media trends in regard to music consumption have helped to establish sustainable political effects. In fact, the Digital Economy Act 2010, addresses media policy issues related to copyright infringement. However, the so-called “Value Gap” (i.e. the disparity between the value that music-streaming platforms extract from musical content and the revenue generated by those who create and invest in the creation of such content) still remains a threat for artists. In addition to that, even Brexit could have consequences on the music industry, whether people consume music digitally or collect vinyl records (BBC, 2017). Streaming services whose pricing policies are decided elsewhere than in the United Kingdom, could eventually increase their subscription fees in future (BBC, 2017).

Economical factors

Independent music is a growing force in the global market. In fact, according to new numbers from trusted analysis platform Midia Research, DIY artists (i.e. artists that independently upload and therefore promote their own music via music distribution platforms) generated \$873m across the last year (Music Business Worldwide, 2020). The “artist-direct” sector currently holds 4.1% market share of the global industry (\$21.5bn), up from 1.7% in 2015 (Midia, 2020).

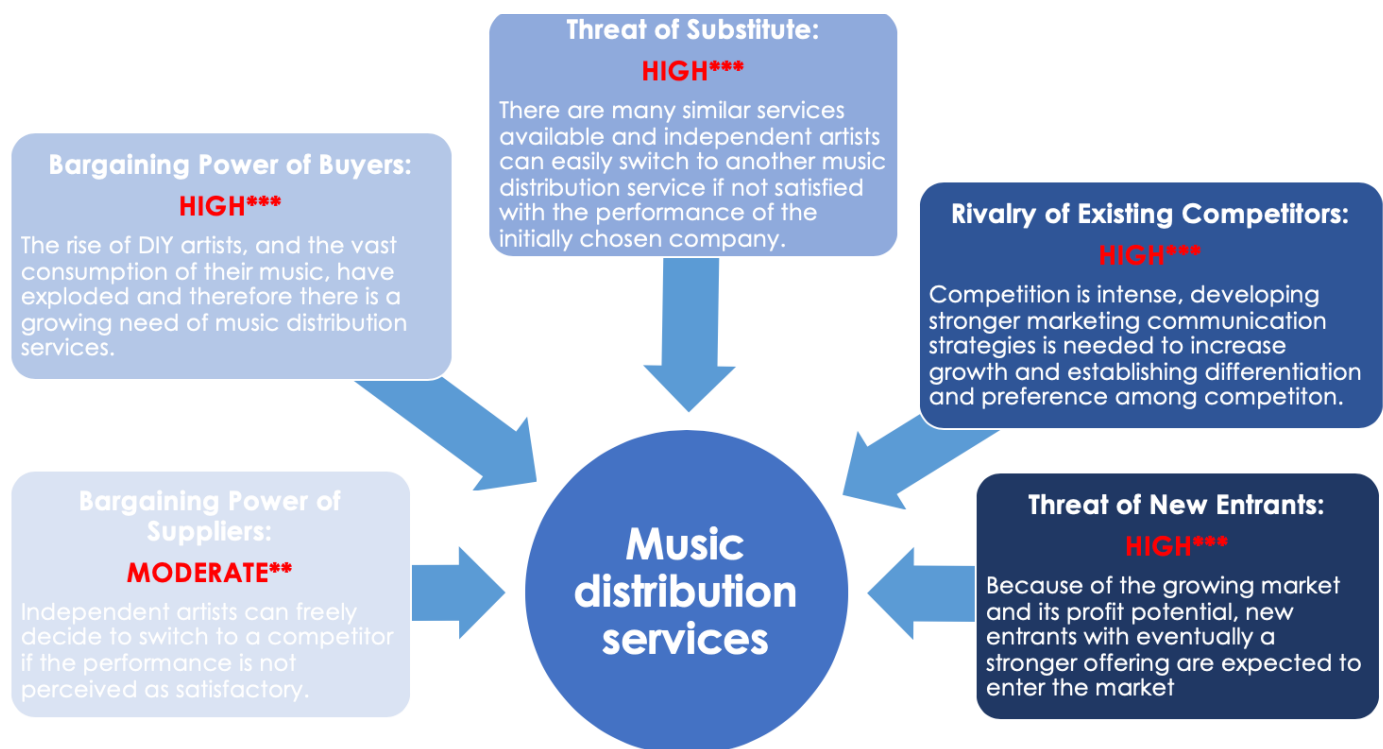
Social factors

Decrease of releases, as artists like Lady Gaga, Alicia Keys and many more have delayed albums due to the pandemic COVID-19, despite the ability to release music digitally (Rolling Stone, 2020). This is mostly due to the inability to use tours to promote their albums, and live music in general has been strongly affected.

Technological factors

The music industry has undergone a major transformation process since the rise of digital channels for media distribution (Elberse, 2010). In fact, it was strongly characterized by an exponential growth in streaming subscriptions (IFPI, 2020). Furthermore, independent artists have now the power to put their fate in their own hands, by bypassing labels and independently upload their projects online (EConsultancy, 2019). Digital music distribution services allow therefore artists to distribute music directly to online stores, as they function as a pipeline between services like Spotify and the artist. Social media on the other hand, helps artists to independently promote their music.

5.2. PORTER'S 5 FORCES



Note *to*** ranks from lowest to the highest

5.3. THE COMPETITIVE LANDSCAPE

Factors	Amuse	Ditto Music	TuneCore	CD Baby
Launch	2015	2005	2005	1998
Mission statement	to change the music industry for the better	to make the music industry fairer for independent musicians	to bring more music to more people around the world	to empower artists, labels and managers to reach worldwide audiences, maximize their music sales revenue and access the tools they need to grow and sustain their careers without surrendering their independence
Service	Amuse Free: Worldwide digital distribution, 100% royalties, 4-week releases, customer support, one artist profile Additional services for Pro (\$5/month): Automatic royalty splits, fast lane releases, music on Instagram, music on TikTok, multiple artist profiles, fast lane support, royalty advance service (Fast Forward)	Worldwide distribution, free Pre-Save links to share, 24/7 artist support, 100% royalties, playlist inclusion, copyrights protection, analytics and trending reports, free ISRC and UPC codes Additional services: Set Up Vevo channel + upload video (+\$99), upload video (+\$29), 4-week social media campaign (+\$349), 6-week social media campaign (+\$1,699), radio plugging and PR (+\$3,199), Spotify advertising, store promo campaign, Vevo, social	Worldwide distribution, 100% of royalties, customer support Additional services: YouTube Monetization (+\$9.99 one-time fee), TuneCore Social (+\$7.99/month), TuneCore Social Pro (+\$10.99/month) Music Publishing Administration (+\$75)	Standard Submission: worldwide digital and physical distribution, YouTube Monetization, free sync licensing for TV, film and games Additional services for Pro Submission: Performing Rights Organization affiliation or admin, song registration with global collection agencies, worldwide publishing royalty collection, and 15% cut of publishing royalties

		media, Radio PR, PR (+\$3,999)		
Pricing model	Album cost: free Single cost: free Annual Fees for Albums: \$0 Annual Fees for Singles: \$0	Album cost: \$19/unlimited Single cost: \$19/unlimited Annual Fees for Albums: \$0 Annual Fees for Singles: \$0 Commission on digital sales: 0% Commission on physical sales: 0%	Album cost: \$29.99 Single cost: \$9.99 Annual Fees for Albums: \$49 Annual Fees for Singles: \$9.99 Commission on digital sales: 0% Commission on physical sales: N/A Sync licensing: \$10	Album cost: \$29 Album cost Pro: \$69 Single cost: \$9.95 Single cost Pro: \$29.95 Annual Fees for Albums: \$0 Annual Fees for Singles: \$0 Commission on digital sales: 9% Commission on physical sales: \$4 Sync licensing: \$0
Brand Positioning	inclusive, engaging	supportive, empowering, engaging	cool, absent	educational, informative, friendly
Social Media Presence (23.08.2020)	Instagram: 61.3 K Twitter: 6.1 K Facebook: 31K YouTube: 5.7 K Spotify: 4.2 K	Instagram: 89.3 K Twitter: 38.4 K Facebook: 50.6 K YouTube: 4.7 K Spotify: 19.7 K	Instagram: 83.3 K Twitter: 129.2 K Facebook: 284.1 K YouTube: 9.2 K Spotify: 1.4 K	Instagram: 51 K Twitter: 91.9 K Facebook: 193.7 K YouTube: 28 K Spotify: 4.5 K
Marketing Com- munications	Social media (on average: 1 post all two days) YouTube Content Spotify playlists	Social media (on average: 1 post per day) Spotify playlists YouTube Content Strong brand advocates (various artists)	«Heat Seekers» collaboration with HotNewHipHop Social media (on average: 1 post per day) YouTube Content	DIY Musician Podcast DIY Musician Blog DIY Musician Conference Social media (on average: 1- 2 posts per day) YouTube Content

5.4. SWOT ANALYSIS

5.4.1. Amuse

STRENGTHS	WEAKNESSES
- Strong relationship marketing with current follower base - Strong playlists on streaming platforms (e.g. Selected by Amuse) - Very trusted and liked brand among current consumers	- One of the newest entries in the market - No strong brand advocates (i.e. very well-known artists) - Smallest social media following
OPPORTUNITIES	THREATS
- Rising market, as “artist-direct” sector is growing	- New entrants in the industry, as business model is expected to grow

5.4.2. Ditto Music

STRENGTHS	WEAKNESSES
- Strong brand advocates - Engaging, supportive and positive brand image - Strong digital marketing and CRM - Big following on streaming platform Spotify and its playlists	- Weak presence on YouTube - Many additional hidden costs, besides the simple distribution fee
OPPORTUNITIES	THREATS
- Rising market, as “artist-direct” sector is growing	- New entrants in the industry, as business model is expected to grow

5.4.3. TuneCore

STRENGTHS	WEAKNESSES
- High brand awareness - Attractive collaborations (e.g. with HotNewHipHop)	- Low engagement rate with (potential) customers / followers - Perception of being absent and not delivering a satisfactory customer service
OPPORTUNITIES	THREATS
- Rising market, as "artist-direct" sector is growing	- New entrants in the industry, as business model is expected to grow

5.4.4. CD Baby

STRENGTHS	WEAKNESSES
- Longest presence in the industry - Strong marketing communication throughout all social media channels - Delivery of relevant and informative content - Positive brand image	- Weak presence on Spotify - Playlists are not regarded as relevant in the eyes of the consumer
OPPORTUNITIES	THREATS
- Rising market, as "artist-direct" sector is growing	- New entrants in the industry, as business model is expected to grow

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