

Personal Reflection on Portfolio Submission

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CREATIVE MUSIC MANAGEMENT

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Introduction

For the group element of this module we were tasked with forming a four person team and creating a portfolio containing the elements of a digital marketing campaign for a new single and it's remix. The portfolio contained elements including the two songs, artwork for the tracks, a marketing strategy, an electronic press kit (EPK), a video plan and an operating budget. In order to complete all of these tasks, we employed a combination of our own knowledge and experience from the course and industry standard practices and strategies.

Group & Role Allocation

Choosing a team is a very important element of this project as we are required to coordinate our different roles to achieve our goal. In deciding the team members, the four of us assessed our skill sets and our abilities in relation to the set task and evaluated that our experience and knowledge was complementary to each other's and that we would work well together on this task. A team with a diverse skill set is optimal as every team member brings something valuable to the team and there is no deadweight. This allows team members to complete their jobs and coordinate effectively to ensure successful delivery of the project elements. When teams do not have a diverse skill set, it can be difficult to function and complete goals effectively. The roles were decided based on our previous experience and knowledge after a straightforward discussion. It was decided that I would act in a business manager type role, coordinating the different incomes and expenditures of the project and individual budgets for project tasks. This role was well suited to my experience and I am strongest working on financial management aspects of a project as well as coordinating between different tasks and making decisions. The other roles decided upon were the artist, marketing manager and video production where other members of the

team were best suited to those roles. If the team was expanded for a future project, the addition of more specialised roles would allow for greater focus on individual tasks and likely result in a better operation. Despite assigning roles, all of the team members worked together on all elements of the project, ensuring that all of the assets combined detailed a cohesive marketing strategy and supported the same goals.

Project Strategy and Coordination

In our initial meeting to discuss the project, Ollie presented an unreleased track from his artist project Cool Kicks as a possibility for the original single. It was decided this would be a good fit for the project as the song had a summery vibe with the potential to create a good club remix. Using the song as the starting point, we discussed some potential different strategies for aspects of the project, and agreed upon some key elements such as a rough marketing timeline, video plan, and concept ideas for the graphics. Having made some of these decisions, we discussed the funding for the project and what our spending priorities should be in relation to the discussed ideas. Using those spending priorities, I could create a preliminary budget demonstrating the expected costs of marketing at each stage of the project, and allocate funds according to the goals of the campaign. A preliminary budget can be then tweaked in order to ensure that all of the expected expenditure will be within the budget and the project does not overspend.

The project schedule covers a period of six months, spanning the creation of assets, the release of the single, the release of the remix EP, as well as the production of a video and coordinated secondary marketing push. This follows a relatively standard campaign timeframe, separating the release of content in order to maximise the impact. This structure determines the allocation of budget, and is always subject to change as expenditure and income is predicted. In cases where there is a monthly budget surplus, additional funds can be allocated to boost the marketing or video production, and in the case of a deficit budgets can be scaled back. Using a budget to keep track of this information is vital in managing the financial aspect of this release.

Creating the Budget

Several factors and methods were considered in order to develop a budget sheet that can track the progress and success of the project, and ensure it represents the realistic expectations of income and expenditure over the course of the campaign. The budget was created using microsoft excel, allowing the formatting of cells such that as new information is entered, the rest of the budget updates to reflect that change. The budget accounts for all six months of the campaign, detailing the predicted and actual expenditures and incomes for each month, as well as a column indicating the effect on the budget if the actual value is different to the predicted value. These cells are formatted such that a monthly overspend is highlighted in red, and a surplus in green, allowing straight forward tracking. A third table tracks the overall balance of the project, taking into account when money is received and spent and revealing whether any additional costs will be outside of the budget. The final table allows sales figures for each month to be inputted. The real sales figures when inputted update the 'actual' column in the income table for sales and streaming. The income is calculated using the standard income from a digital sale via iTunes and the average income per stream for an unsigned artist on Spotify. As this campaign focuses on a young audience, the majority of listens are likely to occur via a streaming service, and with Spotify the most popular service, the income from smaller streaming services can be considered negligible for the purposes of the budget. In a more detailed budget, exact income for each service could be entered and would result in a more accurate financial picture, as well as the tax owed on income. For the purposes of this task, sales tax was omitted as it is affected by a variety of factors outside of this campaign and does not act as a current liability of this project.

Preliminary costs for services were researched to provide a more accurate picture of the expenditure on different aspects of the project. Costs for graphic design, paid online marketing, distribution and video production were all considered to find companies that offered the best value for money, and allowed predictions for the cost of services. The cost of marketing and video production are scalable, and therefore more flexible than the cost of graphic design or distribution. The two major distributors considered were CD baby and Tunecore. On analysis of their pricing models, Tunecore was chosen as the distributor as it

offers one off annual pricing for distribution and does not take a cut of sales. CD baby takes 9% of sales in addition to a fee and does not provide the best value for money. Having chosen the distributor, the timeframe for distribution expenditure and income is established, and can be used in combination with sales figures to provide projected monthly revenue.

Liquid capital for the project will fluctuate as the balance between income and expenditure shifts. Income from digital sales and streaming of the release will only arrive three months after they have occurred due to the distributor's policy. This need to be accounted for in the budget and marketing and video plans in order to ensure the project does not overspend at a time where the balance may be low. As an initial budget we were granted £500, 40% of which must be allocated to song writing and production which is £200. As we were left with just £300 for the rest of the assets and marketing for four months of the project, some different funding options were assessed in order to access extra capital during the early stages. This funding would cover the period between release and receipt of income from the project. Once income from sales of the single arrive, this capital will support the creation of the main video, as well as a secondary marketing push for the video in month 5 of the budget.

1. Approaching a Label for funding

This option presents the most obstacles, however could provide a large investment to the project, as well as valuable service in coordinating marketing and distribution to stores. They would also collect royalties, and the artist may not receive any of their cut until the cost of the advance has been recouped. In order to secure funding from a label, the artist would have to find a label interested in the project, then likely have to sign a recording contract which them may lock in an artist for multiple projects. This funding model was considered to complex and costly for the size of the project, and requires the backing from a third party which may not come to fruition.

2. Crowdfunding

Crowdfunding is a relatively new concept, but has become mainstream with major companies and projects turning to the public for investment. Donations are an ideal source of capital as they are tax free and they do not need to be returned after a period of time. Crowdfunding allows anyone to donate to a project, or invest in return for a reward such as a digital copy of an album. In order for the income to be tax free, contributors must receive nothing in exchange for the donations. If rewards were offered, it would likely raise greater capital but this income would be taxed. A low target of £500 was set, but with the expectation that closer to £1000 would be raised through friends and others supporting the project. As crowdfunding is not guaranteed income, it should not be relied upon solely.

3. Personal Financing

A lot of new artists use personal funds to pay for the creation of a record, covering any costs associated with the project from studio time to graphic design. Personal capital is easily accessible, however the money is at risk if the project does not succeed as expected. It was decided not to allocate any personal funds, but use a loan from a family member to be repaid after six months. This loan would carry no interest, and would also cover the revenue gap between release and payment. A loan of this nature is less risky than relying on money obtained from a short term loans company as it is not a legally binding debt. Money from family members can also lead to falling outs, but based on previous streaming numbers from the artist's other projects the success of the project is likely to be able to cover the repayment by month six, as the loan is only intended to cover the shortfall in capital during months two and three of the campaign.

Using Crowdfunding and the familial loan, the expected income in the first month totals £1500. With that information, the expenditures in the budget were adjusted to keep the project within the budget. Upon discussion with the group, some of the initial marketing budget for the first month was spread across the second and third months to cover the planned marketing costs, as well as a portion of the initial video budget as a lower cost production company was chosen. Costs were also saved on graphic design, with Ollie producing the designs himself rather than contracting a third party.

For the demonstration of the budget, the 'actual' columns apart from the first month are assumed to be the predicted values, but these columns are designed to be updated as the venture progresses.

Impact of New Digital Technologies on Creative Projects

In the process of working on this project, I realised how much the industry is shifting from a model that revolves almost entirely around the role of a label to a model where artists are able to fund, create and release their content without the help of a label. A label was considered as one of the available options to support this project, however it was possible to find very low cost, high quality services that could fulfil the roles a label would traditionally fill. This is only possible due to the rapid development of new technologies simplifying the various elements associated with a creative project, including a huge shift from physical to online sales, simplified electronic distribution and the huge marketing platforms and reach that social media provides. Having specialist services for both the creation and marketing of content allows artists to remain in control of their works, and operate and manage a campaign how they want to, and not according to the labels plan. The advent of tokenised blockchain technology combined with the current crowdfunding model is set to cause an even bigger shift in control back to artists, potentially solving the larger question of sourcing major funding which still remains currently in the control of the labels. This continuous evolution of technology may in the future cut out even more stakeholders, potentially harming the music industry overall and reducing the number of roles in the industry. It also however presents great new opportunities for creating new roles in the support of the creative industries.

Conclusion

The project overall ran very smoothly, with team members using constructive discussion and coordination to create a strong potential marketing campaign for the tracks. With our combined knowledge of different aspects of the music industry, many different ideas were

considered and researched in order to define a strategy that was best suited to the tracks and coordinated the media assets contained in the final submission.

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