

Final Project Proposal

In October of 2012 the Live Music Act changed the laws regarding venues playing live music. Prior to the passing of the act venues had to hold a license to play amplified music. Now no such license is needed to hold live events of up to 500 attendees. Therefore, the number of potential venues has increased up to a staggering 33,000 (UK Music, 2012). This marked increase was the basis for my previous place of employment to set up shop. Live&Loud attempted to make an online platform that would connect artists with this influx of potential venues and therefore take advantage of this new market. However, it did not go to plan and Live&Loud has never come close to turning a profit since its inception. From my two years working there as an important part of a 5 person team I came to understand everything that made the company work, but more importantly everything that failed - there was a lot that failed. And so, I propose that for my final project I will create a business plan for a company (name pending) that will take on board those mistakes and as a result become a profitable leader in putting on low capacity gigs at pubs, bars and restaurants. To make this proposal easily digestible I will format it using the 5 W's.

What?

The business will be a website/app that provides an online booking platform to connect venues and artists. The basic experience for a user obviously differs whether you are an artist or a venue. A venue owner creates a profile with pictures and tech specs and then posts an event which is advertised to the most suitable local artists via an email or a notification. An artist creates their profile which includes live videos as well as a short description of their style, the amount of members and their usual price etc. They can then access all the nearby events in their area and send requests to play whichever ones they desire. When a venue receives a request they can look at the artist's profile, watch their videos and listen to their music, and make a decision. If they accept, the event is locked in and the venue and an artist are able to contact each other over the app.

Who?

The website/app hopes to market itself towards a considered user base of musicians and venue owners. Unlike Live&Loud the users will initially have to be vetted. One major issue that befell Live&Loud and its competition were their platforms being open to any and all musicians regardless of their quality and experience playing live. This resulted in venues being overwhelmed with requests that did not fit the brief which caused the venues to lose faith in the platform. While artists of a higher quality were getting lost in the numbers. By vetting the users we can roll out the platform slowly and ensure that venues are seeing the right artists and that those artists are getting enough gigs. In regards to venues, the focus will be on striking up partnerships with pub and restaurant chains and rolling out the platform locally rather than nationwide.

Where?

Live and loud only worked via a website, their reasoning being they didn't want the inevitably disgruntled artists who weren't getting any gigs to poorly review the app. Due to the open nature of their site, this was an entirely plausible concern as we constantly received emailed complaints from artists, who were frankly of very low quality. However, with this new business only having a user base of vetted partners and artists you would expect there to be no issue regarding poor reviews. Nor would the app and its reviews directly inhibit marketing the platform to new clients.

When?

Oddly enough the current pandemic provides us with a unique business opportunity. Live events do not appear to be coming back any time soon. Therefore, we are afforded the time to design and test the platform. Furthermore, when it appears that pubs and restaurants are able to open to full capacity and put on events, there will be a strong desire from artists and venues alike for a platform such as ours. There is one final benefit, which is on the more cynical side. Very few, if any, of our potential competitors were turning a profit. I know for a fact that Live&Loud relied solely on investment to stay afloat. This means that unfortunately most of them will have had to

shut down. And so, we potentially have the opportunity to be the only company offering such a service.

Why?

As mentioned at the beginning of this proposal there are now a huge number of potential venues across the country. However, as studies have shown, the majority of their owners are unaware of their newfound ability to put on events (UK Music, 2012). By offering them a simple to use platform to connect with local artists, we can become their primary directory. Additionally, as the country moves out of this pandemic, musicians whose sole income stems from performing live will need a way to reconnect with venues. Therefore, we can hopefully offer a way to reinvigorate a small sector of the live music industry.

How?

The business would rely on two income streams: a 15% commission from the artists and a small (as of yet to be decided, but ~5%) handling fee from the venue. At a basic level the income works out as so: If we have 10 pubs in an area each putting on 2 gigs per week costing £200, we will receive £40 in fees per gig. This results in £800 per week and £3,200 per month. Obviously as we grow in scale the income grows exponentially. From experience the company could even run with a team smaller than the five I was part of. The team would need to consist of a coder, a CEO/COO and an assistant. Perhaps at the outset there will need to be a larger team of freelance coders to assist with the development of the platform. Yet beyond the initial development period you would only need one to stay on for maintenance and to improve levels of functionality. The team could also rely initially on hotdesking and remote working to offset any extra costs such as office rent. Therefore, it would take partnerships with a relatively small number of committed venues for the company to turn a profit.

Bibliography

UK Music, 2012, *Live Music Act*, Accessed on 10/05/2020,
[<https://www.ukmusic.org/policy/past-campaigns/live-music-act/live-music-act>]