

Creative Business Project

Proposal



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BUSINESS PRPOSAL: D.I. LIVE – BOOKINGS & TOUR MANAGEMENT IN ASIA

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BUSINESS PROPOSAL

Proposed Title of Business Project:

D.I. Live – Booking Agency and Tour Management Services for unsigned and emerging artists touring in South-East Asia

WHAT IS D.I. LIVE AND WHAT SERVICE DOES IT AIM TO PROVIDE?

D.I. Live is an independent booking agency and tour management company that aims to help new, emerging artists reach a new audience by scheduling small venue tours across Asia. The service includes tour routing, scheduling flights/transport, performance visa applications, booking accommodation (where applicable), tour budgeting, itineraries and tour management.

D.I. Live will provide new experiences for artists by exposing them to new crowds. The company also aims build culture capital and event tourism across Asian communities by offering affordable live music shows to venues and promoters. As these tours will not be able to provide support acts due to the financial implications of scheduling two or three bands for each tour, local musicians will be given the opportunity to support the headline acts. This will ultimately help build and support the local music scenes, and potentially provide extra promotion and hype for the events.

INSPIRATION BEHIND THE BUSINESS

Having lived in Hong Kong for two years, predominantly working as a prominent Music Journalist, I experienced first-hand how live music was growing in frequency and attendance within the Special Administrative Region. These ranged from 200-300 capacity club shows such as MOM Livehouse and The Hub, to arena-size productions at the Asia World-Expo Exhibition Halls and Macpherson stadium.

In 2017, I arranged a week-long tour in Hong Kong and South-East China provinces for an unsigned indie-rock band of which I have been involved with writing and tour-managing for the past six years. Each show provided a full backline (drums, bass amp, guitar amp, microphones, PA system, sound engineer) for the band's use, hotel accommodation and guaranteed fees for most performances. Despite being an unknown band 6,000 miles from their home country, this became the group's first profitable tour – performing to enthusiastic crowds, gaining new fans and selling out of merchandise.

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The business would be primarily based in the UK, but if the team expands, a Tour Manager could be hired and located in SE Asia to save on travel costs and delegation of duties. D.I. Live would allow me to build up an extensive contact list of industry professionals in both the UK and Asia, while allowing for me to travel to new regions and integrally assist in the development of music scenes around the world.

CHALLENGES & OPPORTUNITIES

With a rapidly expanding appetite for live entertainment throughout the continent (Hamilton, 2019) prior to the COVID-19 pandemic, combined with the uncertainty of European touring imposed by Brexit regulations on UK musicians for the foreseeable future, there appears to be a huge gap in the market to simultaneously satiate the touring needs of British-based artists, Asian promoters and music fans.

China is currently considered the most dynamic national music market with an annual growth rate of 30%, which could soon establish China as one of the top five markets globally (Wikström, 2020). Gordon (2015) suggests that China is the “greatest potential market in the world,” while Eric de Fontenay (2015) of China.MusicDish.com claims festivals have been spreading across China, with the number of independent acts touring China is growing, as they often exposed to responsive audiences.

Political instability in China and Hong Kong could prove to be an obstacle for potential touring schedules as tensions between China and the US are particularly high over the controversial National Security Law in 2020, in response to the Hong Kong protests throughout 2019. Similarly, acts will need to submit all song lyrics to the Chinese authorities before any visa applications will be approved which could deter any politically charged bands from wanting to travel to China or Hong Kong.

However, with the expansion of music streaming services in Asian territories, access to music in this region is seeing an exponential growth (Twigg, 2020). Thus, the establishment of music fans and communities will be succeeded by an even greater desire for access to live music entertainment. It would therefore be sensible to approach and utilise venues throughout the wider regions of South East Asia such as Taiwan, Thailand, The Philippines, Kuala Lumpur, Singapore, Malaysia and/or Vietnam as potential avenues to secure further performance opportunities.

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TARGET AUDIENCE

There are two target audiences. First are emerging UK acts who will have gained momentum on a regional or national level through music releases, press, radio, streaming and/or gigging. For these acts, D.I. Live would likely be providing their first experience of international touring.

The second target audience are venue owners and promoters based in China and South East Asia. These can be found through researching small-medium size artists who have toured the region in recent years and taking note of the venues and locations they visited during their respective tours. Most venues and promoters will have their own website or social media pages with relevant contact details, so many of these potential clients' information should be attainable with relative ease.

A third potential target audience to consider would be UK-based booking agencies who primarily focus on UK and EU tours. D.I. Live could pitch their services to these agencies to give new artists on their roster the opportunity to travel to a new region and develop a global fanbase, rather than domestic, and help them develop their live shows through this experience.

RESEARCH METHODS

The research for this business project will be conducted through analysing statistics, reports and papers on the live music and overall music markets of China and South-East Asia, and through researching and interviewing experienced promoters, venue owners and musicians within the region. These avenues should provide a clear indication of what specific details need to be considered when arranging tours, and ultimately the costings and potential profitability of the business.

COMPETITORS

There are two Hong Kong-based companies that have attempted a similar service in recent years.

Adapt Asia is an Emerging Artists arm of Live Nation (Fuchs, 2020), ran solely by Tour Manager Abram Deyo. Adapt has predominantly focussed their tour management on European/UK-based indie, pop and rock acts touring through Chinese provinces, although the company has booked shows in other Asian countries too with their most recent acts including the likes of Rhys Lewis, Glades and Allman Brown. Although Deyo has been successfully tour managing through China for the

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past 15 years, alongside the support of Live Nation, the company remains relatively unknown with tours being inconsistently scheduled. This could have been improved by being more active on social media (there have been few posts since 2019) and by investing in creating a website for the business, instead of a solitary Facebook business page.

Songs For Children (SFC) is a booking agency and promotions company which has reached a similar level of success as Adapt Asia, but focusses on regions outside of China, such as Hong Kong, Taiwan, Thailand and Singapore. Further, the company has previously organised for a Hong Kong indie band to perform in the Western market (UK and US). Similarly, SFC lacks an online presence with information only being available on their respective Facebook page. The company were regularly holding events in these regions through 2016 and 2017 but have reduced the frequency of their shows significantly since then.

Both companies have shown how the South East Asian markets are welcoming of independent (and often unknown) artists and the potential that this region offers. However, their activity has since ground to a halt – in part due to COVID-19. Due to their lack of online presence, resuming their operations on a consistent basis could prove difficult for both companies - once it is considered safe to do so.

From this primary research and personal experiences, I believe there is vast potential for budding artists and musicians to profitably tour throughout Asian countries while simultaneously supporting the growth of those regional music communities.

Word Count: 1,291

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APPENDIX

A) SWOT Analysis

<u>STRENGTHS</u> • First-hand experience of performing in HK & China. • Established Music industry contacts in Hong Kong. • Previously organised profitable short tour for an unsigned band.	<u>WEAKNESSES</u> • Currently no established contacts in wider SE Asian region. • Reliant on seasonal/weather conditions. • Reliant on off-peak flight pricings.
<u>OPPORTUNITIES</u> • Impacts of Brexit forcing artists to look to other regions. • Appetite for live music throughout SE Asia. • Growth in region prior to COVID-19.	<u>THREATS</u> • Resurgence of COVID-19 in UK or Asia causing travel restrictions • Continued/further political instability in China & Hong Kong • Other competitors • Unpredictable weather (Monsoon season) • Mass venue closures

B) PEST Analysis

<u>Political</u> • Tensions between US and China. • Unrest in Hong Kong through 2019 protests and 2020 National Security Law. • Rising EU-China tensions. • Political/military coup in Myanmar late 2020. • Some acts may not be welcome in China due to political songs	<u>Economical</u> • Rising SE Asian wealth pre-COVID • ASEAN-5 economies set to be 6% below GDP target by 2024 • Vietnam had positive growth since 2019. • Philippines lost 14% GDP • SE Asia exports have rebounded quickly • Average unemployment rate 3.55% in SE Asia.
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Some acts may be reluctant to play in particular areas for political reasons.	- HK economy contracted 6.1% in 2020 - China continued GDP growth despite pandemic - Unemployment 7.2% in HK (highest since 2004) - Unemployment increased 0.6% to 4.2% in China 2020.
<u>Social</u> - Vaccine rollout relatively slow compared to Western societies. - Music events and festivals growing within the region pre-COVID-19.	<u>Technology</u> - Email and video conferencing make for easy communication - Cloud-based drives will make all files/contracts easily attainable from any location - Website and social media contact information will make B2B contacting swift and direct - Firewall in china will make some social media/sites/platforms redundant such as Google/Facebook and YouTube. - Will need to engage with Chinese social media and search engines

(Rajah, 2021) (Nunley, 2021) (The Global Economy, n.d) (Staffing Industry Analysts, 2021)

C) Porters 5 Forces

Threat of New Entrants	Potential boom in independent promoters and bookers trying to capitalise on gap in the market post-COVID. May be more locally based in regions and have wider range of contacts to utilise. Could dilute the market and relinquish such high demand for live music from upcoming artists.
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	More established acts could satiate promoters and concert goers needs.
Threat of Substitutes	Similar to new entrants. Potentially undercut the cost of services offered by D.I. Live. May be more locally based in regions and have wider range of contacts to utilise.
Bargaining Power of Suppliers	As new and emerging artists, these acts likely won't have a large team around them to negotiate lower agency percentages. Even if manager is present in discussions, currently no other UK-based agencies focussing primarily on breaking new acts in SE Asia – no alternative options. Artists have final say on locations they are willing to travel to – less shows could mean tighter budgetary restrictions to make the tour profitable.
Bargaining Power of Customers	Promoters/venue-owners often have an expense ceiling for securing acts – particularly new or unknown. May try negotiating guarantees down or ticket splits. They are aware that if deal falls through, they will likely receive other offers from different artists, agents, promoters, etc.
Competitive Rivalry	Could heavily impact profit margins of the D.I. Live company through lost customers/clients or through needing to reduce rates to remain competitive.

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