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Praying Mantis - Business Plan



Introduction

This paper aims to research existing live music events practices to execute a business plan for an independent events company. Cities like London host a high number of events every year, although small-scale shows suffer from a lack of budget and general public engagement. This is due to the extremely competitive nature of the market, with booking agents and promoters trying to reserve their share by booking mediocre bands in mediocre stages. This approach to grassroots events results in poor quality control, and public disengagement with the live music scene. Moreover, ticket prices are higher than what is promised, and this does not incentivise people to attend the shows. Praying Mantis wants to take a new approach to live events and guarantee attendees, fans, and venues outstanding customer service and hospitality practices, in order to both fuel the underground live music scene and generate revenues. By supporting the power of music through synesthetic practices, Praying Mantis aims at establishing itself as an exclusive venture that elevates live music.

Executive Summary

With more than £991 million contributed to the country's GDP in 2017 (UK Music, 2018), live music is one of the most prolific sectors within the music industry. Praying Mantis is a boutique events company that is trying to insert itself in the British capital of live music, London. The city hosts thousands of gigs every day, and music tourism attracts millions of people every year. This makes the city one of the best places in Europe to start a live music business, also thanks to the number of bands and musicians living in the area. Praying Mantis operates as an events company created by people who are fed up with the current situation: the quality of live shows is getting increasingly low, especially for independent and up-and-coming artists. Small promoters do not invest time in the making of gigs, and artists end up frustrated with the lack of promotion, lack of recognition, and lack of aesthetics in their shows. At the same time, the public does not have options to see new or recognised artists in settings that are different from standard pubs and venues with poor drink choices, no decorations, and nothing to remember apart from the music. As the market is saturated, playing live is not enough anymore to make a lasting impression on people, and that is the reason behind Praying Mantis' efforts in creating a more complete experience for customers. The British landscape for what concerns promoters and booking agents is not complex, as most of the underground and independent companies operate similarly. Acts are booked upon asking and need to bring a certain number of people to the shows in order to keep their position on the lineup and get offers for more gigs. In fact, if not enough tickets are sold, artists might also get downgraded to smaller venues. A small percentage of the sales gets given back to artists if they reach the sales threshold. This means that bands do not have many chances when booking shows unless they can demonstrate they have an engaged fanbase. Praying Mantis, acting as an independent booking agent and promoter, gives bands more options to play in more impressive settings, with no obligation to bring people, and a set fee paid back to bands after break-even. Moreover, if artists need someone to book their party for them, Praying Mantis also offers this kind of service: in this way, if artists need release shows or any other kind of party, they can put their trust in our company as opposed to booking shows with standard promoters that do not put in the same care. The target market will be reached on social media through advertising campaigns, giveaways, and social media and PR marketing strategies. We will also be using traditional marketing methods such as flyers and banners to reach the audience directly outside other shows. The business, acting as a Limited Company, will rely on the founders' investments for the first year: all the money invested in each show will be recouped and re-invested in the next one until we can

start to generate bigger profits that will allow us to increase our ROI and expand the company to bigger stages, festivals, and tours. Financing will be sought after the first run of shows during the second year.

Company Overview

Praying Mantis is a boutique events company. We consider our events to be “experiences” more than standard shows, as they include all five senses to make the music an all-around art. Music is part of our everyday lives, and as a music lover, I feel the need to see bands and experience sounds to the best of my abilities. When I first went to a live show, I felt an adrenaline rush to just be able to scream, dance, and feel the notes in the air. As years went by, and I started to go to gigs every week, I realised that what is missing is a thorough, complete immersion in sounds. Naturally, loud music can completely surround the audience, in a feeling that resembles swimming in open water. As such, I think that live music can be experienced with all five senses, and certain acts deserve to be experienced outside the standard venue setting. When listening to music, it is possible to project a specific vibe and location where that kind of music would be at the best of its delivery. That is also the reason why artists often record live sets in peculiar locations: Ludovico Einaudi with his piano in the Arctic Ocean, Rufus Du Sol in Joshua Tree at sunset, Max Richter with his sleep session concerts, and many more went out of their way to deliver their music as it deserves to be experienced. However, not everyone has the budget to enhance their live experience. This is where Praying Mantis comes into action by bringing the five senses to life during performances. Even in independent and underground scenes, smell, taste, sight and touch can be linked to sound to increase the musical experience and absorb and understand music on a deeper level.

The name Praying Mantis comes from the need of two women to reserve their spot in the live music scene. Historically, live music has always been associated with males, from crew to industry executives and artists. There are not enough live companies made by women, and moreover the two partners are also from a different backgrounds than most British promoters. This comes with benefits such as a wider understanding of cultural practices and what is lacking in this industry, but it also brings limitations as it is harder for two immigrant women to be treated seriously in the music industry. Hence, Praying Mantis represents the strong and perseverant side of the company: we are not to be stopped by anyone, and the praying mantis is the perfect example of female emancipation in the animal world.

Business Structure

When researching the type of business structure Praying Mantis should lay its foundations upon, I made sure to give the utmost importance to two factors: not risking personal capital and allowing

for both partners to keep an equal share of the company. There are four types of business structures in the UK: Sole Trader, Partnership, Limited Liability Partnership and Limited Company. The first one that was crossed off the list is the sole trader. I then analysed the remaining three business structures. A Partnership involves two or more people who share all risks, benefits, costs and responsibilities within the company. Both partners in this case would be self-employed, and share responsibilities for any eventual loss or debt of the company. Although the partners will be personally responsible in case of bankruptcy or misconduct, the Partnership gives infinite freedom and requires less paperwork than other business structures, simplifying the process of finding investors and paying taxes. It is clear that the more partners enter the business, the more capital will be available, and the more chances to make the company grow. Similarly, hired staff will be more likely to stay with the prospect of becoming a partner (Korchak, 2017). This solution works well if both partners can initially agree on a sum to invest in the company, and if all risks have been carefully considered against the odds of failing. A similar business structure is the Limited Liability Partnership, where the partners' liability is limited to the amount of money they invest in the company. This means that individual partners are not responsible for partnership debts, and are protected in case of other partners' negligence. Moreover, this business structure comes with tax advantages: each partner is responsible for their own tax return, making it extremely beneficial for partners who have a limited interest in the company. However, this structure is not suitable for those wishing to grow the business through shares, and profits cannot be retained by the business (Harper James, 2019). The Limited Liability Partnership could be a possible option if I was looking to have more partners join the venture, but the business structure does not need additional heads to oversee operations. The last type of business structure in the UK is the Limited Company: this type of structure acts as an independent 'person' which can enter into contracts and is responsible for its own finances and liabilities. The owners of the company are protected by limited liability, which means that they can be responsible for the company's debts up to the amount of money they own in shares. These companies can be registered as limited by shares or by guarantee: if the company is limited by shares, it is owned by two or more shareholders and managed by two or more directors. The shares can be as low as £1 and do not determine how much the company is worth. Companies that are limited by guarantee, on the other hand, are owned by one or more guarantors and managed by one or more directors (they can be the same person). Guarantors promise a set amount of money to the company in case of debt, and usually do not take profits from the company but reinvest their shares in the company's activities ([gov.uk](https://www.gov.uk), 2022). This overview on types of business structure made me reflect on how to best protect not only the company's growth but also my and my

partner's interests. As this will be my first venture in the world of independent business, I decided to have my company registered as a Limited by Shares, in order to both protect my capital and attract investors.

Business Model

KEY PARTNERS	KEY ACTIVITIES	VALUE PROPOSITIONS	CUSTOMER RELATIONSHIPS	CUSTOMER SEGMENTS
- Venues - Artists - Musicians - Sound technicians - Photographers / Videomakers - Charities - Local music scene community	- Events planning - Concepts creation -A&R - Marketing - Charity contributions	The company aims to deliver outstanding events tailored to the genre of music, location, and more. The company takes pride in always reserving space for underrepresented groups within the music industry, and to include unsigned artists in bigger stages. All this happens thanks to a constant collaboration with charities and ethical partners. Events can also be booked by private individuals who need event planning.	- Social media - Email marketing - Website - Traditional marketing	- Party-goers - Music fans -London -21-35 - Music industry people - Can change depending on brand, artists, and more
COST STRUCTURE		INCOME STREAMS		
- Venue - Artists - Technicians - Marketing - Website - Freebies - Ticketing fees - Taxes		- Rider - Licences - Transport - Tickets -Booking - Merch - Sponsorships		

The business model I created outlines all aspects of the company for easy access and visualisation. Starting from the right, we have the customer segments: as I will explain in the next chapters, the customers have been segmented based on demographic, geographic, psychographic, and behavioural parameters. A buyer persona has also been constructed to better understand the customer segments. The first three segments refer to people who provide the most revenue: party-goers and music fans from London. The kind of music is crucial to understanding the behaviour of these people, and as we will see further down, the main activities will be revolved around underground, Rock, Punk, Metal and subgenres.

The second section to look at is the value propositions. Here, we can see a simplified and condensed explanation of the products and services that the company offers. The value propositions are at the heart of the company and will be listed under different forms in most of the communications of the

business. We then have the revenue streams, which mainly will come from ticket sales and booking fees provided by the bands. The secondary revenue streams can be considered merch sales and sponsorships, which will help cut costs where possible.

Channels and customer relationships refer to how the value propositions will be delivered to our customers pool. The main channel of communication will be social media and venues. Social media will be used as the main form of communication with the customers to keep them updated on the company's schedule. However, the main channel used to deliver our value propositions will be the venues. I consider the venues to be one of the most important factors when it comes to a show. The lineup, combined with a good setup and a nice location will leave the customers with positive memories that will facilitate their return to our events. The other channels of communication and customer relationships methods will be via email marketing and traditional marketing. Email marketing serves to affiliate the customers to the brand, and the updates sent will provide an extra outlet for ticket sales. Traditional marketing will also be considered to reach new customers, especially those queueing outside other shows or relevant club nights. A more detailed explanation will be given in the dedicated chapter.

Key activities refer to the main tasks conducted to run the company. As we can see, the main activities will be booking, scouting new acts, and planning the events. As these activities unfold, I will keep a log of what has been done to obtain an organised overview of the company's progress over time. In order to run these activities, we need key resources: money and knowledge will be the first ones, followed by venues, channels of communication, and artists. Wholesalers will also be a key resource to access competitive prices for what concerns food, drinks, and gifts. The key partners, on the other hand, refer to the people needed to successfully run and deliver all the aforementioned activities. Venues and artists will always be the priority, followed by sound technicians and photographers. It was also important for me to add local communities: as we will see later, communities are crucial to the well-being of venues and could help our events gain more popularity.

Vision, Mission, and Value Proposition

Praying Mantis aims at tackling the need for more thorough experiences within the live music environment. With more than 28 million people (Statista, 2022) attending gigs each year in London, it is becoming increasingly hard for artists to deliver outstanding performances in well-rounded environments. The venue crisis following Covid-19 and the gentrification of neighbourhoods is

forcing venue owners to allocate less and less time to the planning of concerts. The competition among promoters and booking agents is also a factor that is leading to increasingly worse shows, where the main goal is to recoup money rather than entertain customers. Praying Mantis is joining the market to allow artists a better platform to perform. The value of the company relies on the curation of events from top to bottom, in what can be considered “boutique shows” that focus not only on music, but on taste, smell, sight, and touch as well. Each Praying Mantis show follows a theme that covers all aspects of the show, from the entrance into the venue to aftercare on social media.

Praying Mantis’ mission is to revolutionise underground and grassroots events giving them the same care, attention to detail and quality of major shows. We pride ourselves on working alongside the artists to bring their vision to life and create immersive, one-of-a-kind experiences. We have dedicated customer service both for our clients and target audience. Coming from a creative background, we can efficiently create concepts, design stages and venue settings as well as interactive and engaging packages. Our team is well-rounded and does not need external collaborators to survive, allowing us to source the best professionals in the field at our discretion. Furthermore, we aim to create and expand a network of new and upcoming professionals to support each other and grow together, creating a community, and facilitating our work, as well as giving worthy musicians the chance they deserve to be heard at the standard they deserve. We’ll only source goods and services from brands and collaborators in line with our ethos. Our focus on inclusivity and sustainability will always be part of our events which will always try to give back to the community and raise awareness on relevant issues. We aim to entertain as much as educate people for a better future for the industry and humanity. No unnecessary policies and no money grabbing, we want people to play well in cool settings. We believe that music is for more than just ears, so we will provide an experience for each sense, from textures to touch to tailored drinks, olfactory experiences and visually stimulating surroundings. Everything will be taken care of. The Praying Mantis experience begins when someone buys the tickets and it barely ends when the show ends, leaving you wondering what is next to come. Praying Mantis is more than a concert, it’s a kaleidoscope of textures and flavours tied together by the best upcoming acts in the scene.

Objectives

When creating a strategy for the company, objectives and goals are one of the first things to have in mind. I analysed my goals through a SMART analysis:

Specific	Measurable	Attainable	Relevant	Time-Bound
Launch the company with a run of 6 tailored shows.	Sell enough tickets to break-even by booking relevant bands.	Book up and coming acts and market the event correctly.	It will kickstart the company's reputation.	Within the first 6 months.
Upgrade the company's schedule to 4 shows a month.	Generate profit by booking relevant bands.	Book up and coming acts and market the event correctly.	It will increase the company's budget and possibilities.	Within the first 12 months.
Work with bigger acts in well-known stages.	Generate profit by booking relevant bands.	Increase company's budget and network.	It will give us access to the next phase of the company and more financial possibilities.	Within 18 months.
Set up a strict schedule of shows working with different people, bands of different sizes, and venues.	Generate profit by booking relevant bands.	Increase company's budget, audience and network.	It will start generating a fixed income for the two partners.	Within the first 2 years.
Increase size of shows and create tours.	Generate profit by booking relevant bands.	Increase company's budget, audience and network.	It will give the company reputation and generate more money.	Within 5 years.
Build a fanbase.	Increase social media followers and mailing list subscribers + website traffic.	Marketing campaigns and shows.	More fans means more engagement and more chances to reach the right people and find clients.	Within the first 2 years.

The first year will be focused on kickstarting the company by raising funds through ticket sales and finding investors. This will strengthen the company's reputation among bands and customers, allowing us to reach the second stage of the business plan: upgrading the lineups and venues. By upgrading to bigger stages and acts, not only we will be able to increase our ROI, but also find more investors and bring a higher budget into the company's activities. The funds raised will fuel the quality of the shows, and within five years we are expecting to be fully independent and able to bring the shows to other cities and countries. A crucial point for the plan will be building a fanbase: it will serve as a guarantee to future customers and it will also bring stability to sales. The fanbase will grow through each show as we are expecting people to trust our ethos in a way that is similar to Sofar Sounds, where customers buy tickets without knowing who is playing. In our case, customers are expected to come to shows for the overall experience rather than just the lineup. This will affiliate people to the brand, and advertising will take our name to other cities as well. Bands are expected to pick up the brand's promises and value propositions and this will allow us to expand to

other cities quickly. Artists will also be sourced from other cities in the United Kingdom and Europe to both give them the opportunity to play in London and spread our name outside of the local scene. Moreover, when the budget allows it, we will commence touring: this will be crucial to connect to different crowds and strengthen the brand's reputation

Team and Salaries

The company is made of two partners, with additional collaborators sourced externally based on necessity. As the initial operations of the company unfold, we will not be paying ourselves a salary apart from covering our expenses. The aim is to recoup and find funds to reinvest back into the company to nurture future activities and reach goals and objectives. As the company's operations become bigger and the first milestones are reached, we will be paying ourselves according to our finances and budget.

We will also try to meet our collaborators' demands on their rates. At the same, we will be trying to create healthy relationships with our engineers, photographers, and so on, in order to have fixed prices throughout the year independently from the number of gigs we put on. This will give us leverage as we will be relying upon and working with the same people (meaning a better service as they know what they are doing), while also giving assuring them in the form of a fixed income each month. Moreover, the sound engineer, photographer, and DJs will be initially sourced from past collaborators with whom we already have an established relationship. This will ensure initial costs are low, thanks to the pre-existent deals.

Market Analysis

Industry Trends and Trajectory

The music industry can be divided into three main sectors: recorded music industry, publishing, and live. According to a market research conducted by the IFPI (2021), streaming royalties account for more than 62% of the global recorded music revenues, making the recorded music industry the strongest sector of the broader music industry. On the other hand, performance rights dropped by 10.1% in 2020 (IFPI, 2021) reporting revenues of £225 million (Paine, 2021), following the catastrophic consequences of the pandemic and lockdowns. However, the same report put together by the IFPI in 2019 shows a growth rate of 8.7% compared to 2017 for performance rights. This goes to show that, if the pandemic had not forced venues to shut down and downscale concerts for the past two years, this side of the industry would certainly prove to still be profitable and steady growing. It is not only the music industry to benefit from events: the live music sector contributed £991 million in GVA to the country's GDP in 2017, and £80 million in exports (UK Music, 2018). Although these numbers are not comparable with the £2 billion brought by musicians, we can see that in 2017 the recorded music industry was just behind the live one with £700 million in GVA contribution (UK Music, 2017). A forecast by PwC (2021, cited in Paine, 2021) stated that the live music industry is set to grow its revenues to £846 million at a growth rate of 1.7% in the next four years, before reaching pre-pandemic levels in 2025. This is a consequence of pent-up demand for live shows: although live music found a way to be consumed through streamed concerts during the pandemic, the feeling and experience of music in real-life settings cannot be replicated through a lens. A report by Nightingale (2021) conducted for ticketing platforms Festicket, Ticket Arena, and Event Genius, shows that music fans are spending nearly three times more on event trips in 2022 compared to pre-pandemic levels. The average order value for international bookings now stands at over €550, and 31% of international orders in 2022 came from the UK, followed by the USA (28%), France and Germany (4%), and Ireland (4%). Being the report from November 2021, it is only fair to assume that these numbers will be higher closer to the summer when more trips are booked. On the other hand, audience behaviour also changed for what concerns local events: The Audience Agency (2022) surveyed music fans to discover a shift to more local events, with 33-40% of the participants agreeing they would attend more local events. Working from home is a likely contributor to this factor.

Live events are also extremely important for unsigned artists and up-and-coming talents. Musicians and songwriters in the digital age need to connect with audiences on a more personal level than what social media can provide; live performances help form deep bonds between the crowd and the artists, facilitate the birth of local scenes, and connect audiences. All these factors could not be accessed during the two-year stop to social events. Moreover, live shows and more specifically local shows are the starting point for small acts to expand to other cities and regions (Borg, 2020). This goes to show that the quality of small-scale concerts is crucial to a band's career opportunities in the long run. Playing a mid-quality show hinders not only the band's performance (common problems are faulty equipment, below-average live sound, and poor crowd engagement) but also the chances of making a good impression on the audience. Considering the newfound popularity of local shows after Covid-19, artists now seem to have access to more opportunities to connect with communities.

In order to establish the market size for *Praying Mantis*, it was decided to use triangulation in the form of a top-down and a bottom-up study. The top-down market sizing looks to obtain an overall size of the market that includes the specific area of interest, while bottom-up studies take into account the number of units, customers, and average price and build them up to calculate which share of the market the company can reserve for itself. This section will be based on a top-down market sizing, while the bottom-up study will be further discussed in the body of this paper. I decided to use both methods to achieve a more accurate and complete overlook of the market. This will influence decisions on the company's operations.

The live music sector in the UK collapsed in 2020, dropping revenues by around 90% overnight when the first lockdown was announced. This not only affected musicians, but also music workers: a 35% decline in employment was registered (UK Music, 2021). Moreover, 70% of the people working in music before the pandemic is self-employed: not having access to furlough money led many to abandon their music careers. Music venues were particularly harmed by the consequences of lockdowns: more than 500 venues across the UK were and still are at risk of closing (Save Our Venues, 2020). 93% of the venues in the UK are not owned by their operator (Music Venue Trust, 2022), meaning that they are not safe against noise complaints, gentrification, charges, and rent demands on top of the two years of complete stop. Grassroots music venues are essential for small promoters and booking agents, as well as for local talents trying to break out. The lack of workers and the lack of support for venues are harming this important environment. Many associations came

together to tackle the issue by starting campaigns such as #saveourvenues, which aim to raise awareness and funds. However, iconic spaces such as Nambucca in Holloway, or Crobar in Soho had to close their doors after facing the consequences of the lack of business.

At the same time Coronavirus hit the country in 2020, the industry was already dealing with a seemingly bigger issue: Brexit. Leaving Europe came with many consequences that UK citizens, workers, and businesses had to prepare for in advance. However, the live music sector was badly hit by the lack of support from both the UK government and the European Commission. In late 2020 a commission formed by over 250 cultural leaders and British associations wrote an open letter to UK's Secretary of State Dowden to try and reverse the decision to take the UK out of Creative Europe. Creative Europe is a funding programme led by the EU for the cultural and creative sectors. However, the motion was rejected. The campaign had previously helped fund 376 UK cultural and creative organisations, reaching audiences of 61 million people (Live DMA, 2020). A report by the European Commission (2019, pp. 19-21) further highlights that the UK is the leading market in Europe for recorded music. British acts dominate the European market - specifically for the use of the English language. However, the report argues that music export in Europe prevalently comes from the US. It is important to define music export, which according to the same report by the European Commission (2019, p. 6), happens when revenues are gathered by selling music outside national borders. The main revenue streams for this sub-sector are international touring fees, performing royalties, and recorded music revenues. The export capacity of any given country is assessed by a series of criteria, including training and access to education, funding, government resources in support of music organisations, and efficacy of collection societies. The growth and development of a country's music sector are strictly tied to the alignment of these key factors. The three major live music markets based on estimated market value from 2018 to 2023 are Germany, the United Kingdom, and France (European Commission, 2019, p. 24). However, the German Association of Concert Promoters (BDV) applied to become the country's 13th collection society in 2014, securing a share of royalties in the form of neighbouring rights for the shows promoted (IQ, 2017). As argued by attorney Ulbricht (2011, p. 10), the new source of revenue will encourage promoters to put in place better shows. In fact, the law now grants promoters substantial property rights, including the possibility of prohibiting the recording of audiovisual content at their shows. As mentioned above, the quality of a concert is crucial for small acts, which in Germany might now access more curated opportunities. Moreover, non-native promoters can also apply for the licence, encouraging promoters from other countries to participate in the live sector of the country. It is possible to see that this new category protected by copyright law adds new income to the market

value, and could be one of the reasons why the German market is greater than the UK's. The lack of government support following Dowden's refusal to the open letter, and the data on which the European Commission is basing its evaluations upon, puts the UK's music export in great danger. Not only musicians but also their entourage now require VISAs to play outside of the UK. Cabotage rules state that trucks coming from the UK are only allowed three stops in one week before having to return. Despite the travel exemptions offered by the EU, only Spain managed to negotiate a deal with the UK so far, under which visas are no longer needed for periods of less than 90 days (Daly, 2022). On the other hand, some of the UK's biggest trucking companies can now work and travel freely across European borders providing they switch their EU operator's license when coming back to the UK (Aubrey, 2022). This does not apply to European trucking firms, which are only permitted three stops on British grounds, increasing the costs of international touring for European musicians. Furthermore, this also does not apply to small-scale and upcoming UK acts, who do not have access to greater touring funding.

To this day, a long-term plan has yet to be put in place. This uncertainty damages both European acts trying to play in the UK and British musicians with plans to tour in Europe. The UK live music industry is then tied between historically strong and profitable live music activities, the consequences of Covid-19, and an ever-growing lack of consideration for musicians and workers in this sector.

The threats against grassroots music venues also endanger the future of small booking agencies and promoters: the lack of premises to host concerts fuels competition, and accessing venues is now harder than ever. I could test this hypothesis by contacting venues directly to enquire about their availability. Of the 10 venues I contacted, only one could get back to me and confirm they do not have any available space in the forthcoming months. Adding to the scarcity of spaces to host gigs is Brexit and the consequent lack of European and American acts in the UK. However, this gives more space to local bands looking to tour in their own country. Moreover, the end of the pandemic seems to fuel a newfound need to play live and attend gigs, especially with the hot season coming. The British grassroots live music industry is therefore tied between the lack of venues, the competition among promoters, and the number of new acts looking to play. Praying Mantis can confidently enter this scene and start working with local bands to start building its own customer pool that can differ from other promoters' for its peculiarity. However, it is important to monitor what the competition does, the number of shows they put on, and to analyse current trending bands to put on the bills.

Moreover, the company needs to start building relationships with venues to ensure a residency or priority over other older promoters.

Customer Profile

As a person who goes to at least 3 to 4 gigs a week and works in a venue, I have had the chance to experience different crowds and habits, depending on the lineup and the type of venue. When going to big-scale events (for example stadium or arena concerts), it seems that customers can be divided into two profiles: people who prioritise the music, and people who try to enhance their experience with what the venue has to offer. The first category of people usually spends time queueing outside the venue and does not care for drinks, food, or other amenities. Their goal is to have good visibility of the stage and to get to the front rows. The second category, on the other hand, is more likely to spend money on drinks and food and makes up for a good percentage of the crowd. Behaviour at medium-scale gigs is similar, although it is less likely for people to queue outside for a long period of time before the gig. Both types of gigs encourage customers to drink, especially during opening acts.

Grassroots venues shows differ from the other two kinds of demographics. People are less likely to queue, and oftentimes only stay for the band they want to see. Depending on the genre, the venue and its location, and how the show is promoted, customers might remain for the duration of the show, spend on drinks and attend afterparties, or leave as soon as the band is done playing. This behaviour can be caused by the prices of the tickets, which are often considered too expensive for the kind of show provided, or by the poor choice of artists on the lineup, who might not match the genre or the talent of others. It seems that one of the main deterrents to not enjoying grassroots gigs is the event's design, including choice of venue, ambience, lineup, tickets and drinks prices. Moreover, most of these gigs happen on weekdays, which means that people who work will be less likely to stay longer or spend money on drinks. Getting drunk with the prospect of going home straight after is not appealing to most people.

It was then possible to outline a buyer persona based on the company's value propositions and based on personal experience. The buyer persona, as opposed to the customer profile, is a representation of the ideal customer based on market research and real company data. It would have been safer to define customer profiles if more gigs had been put in place by the company, however my long experience of attending gigs in London and the rest of the United Kingdom and Europe helped me define a sample of the typical customer. A more detailed buyer persona and customer

profile will be generated in the future when enough data about the typical customers is obtained by the company. Information on the customers will be collected through Facebook Pixels, e-mail leads, and ticket sales in order to achieve a more accurate and up-to-date customer profile.

Here, we can see the projected buyer persona. Our customer segment can be defined as follows:

Tilly Smith
General Buyer Persona



Demographics

- 25
- Part time worker / Student
- Lives in London / could be originally from another country
- She/they

Identifiers

- Instagram
- Dice
- Email

Personality Traits

- Enjoys hanging out after work
- Needs to have fun on weekends
- Open to new type of experiences to break the boredom

What can we do?

- Encourage new kind of fun
- Provide excellent lineups and safe spaces
- Build sense of community

Background

- Enjoys music
- Wants to make the most of their nights out
- Trying to save money
- Lineup, location, and cost is very important
- Will spend money on drinks

- Between 18 and 35 years old (we aim to have people between 21 and 30 years old to encourage a more mature approach to shows, however understanding that a younger crowd benefits the events in terms of money spent on drinks);
- Any gender / sexual preference; inclusive lineups will attract non-cis and queer people, and the company will try to build a safe space for everyone;
- Single / dating apps user;
- Initially based in London, could be from other countries and cities as well;
- Student (mainly arts or music) or part-time worker;
- Music fan, involved in the music industry;
- Wants to have a good time with friends (re: getting drunk on weekends or the rest of the week).

Competitors Analysis

Live shows are mainly put in place by three entities: venue bookers, booking agents, and promoters. Venue bookers usually work on a set venue and negotiate with booking agents. Their role is solely focused on booking artists to play in their venue, which typically has access to sound engineers, production, and so on. Booking agents, on the other hand, work on the artist's requirements and contact promoters, working out deals. Booking agents work on a set percentage of the band's gross fee, and take a cut from the splitting of tickets, if any. Promoters operate locally and are those who book the venues, put in place the shows, hire equipment, and deal with the promotion. The role of promoters is particularly risky as they advance all monies, and rely on ticket sales to recoup the money invested. For this reason, they are also often on a variable split of the ticket revenues with the artists and work on net fees (Herstand, 2020, pp. 268-269). Booking agents can be considered middlemen between artists and promoters, who are expected to know and be in good relationships with a vast number of local venues. Promoters are more invested in their events, as booking agents do not benefit nor suffer from the number of tickets sold. One of the biggest challenges for promoters is to put in place outstanding events that can outrun the competition. The popularity of the acts booked and good marketing practices are therefore key to successfully conducting events.

Being London one of the most sought-after cities to play in, the live music scene is popping with many different promoters and booking agents competing with each other. I interviewed one act based in London to understand their views on the local scene. The interview (which can be accessed in Appendix 1) was conducted in the form of emails after having the interviewee sign a consent form (Appendix 2). Email interviews are a reliable method of data collection, and can improve the quality of the experience for both the interviewers and the participants, therefore improving the quality of data collected (Fritz and Vandermause, 2018, p. 1640).

The participant argued that promoters in London hardly promote gigs, and pressure artists into selling tickets on the premises that, if not enough tickets are sold, they will not be booked again. The price of tickets has also been brought up as an issue, with the artist stating that they could buy tickets for established musicians in bigger venues for a little less than what underground gigs cost. The experience of this artist is similar to my own experience as an artist manager: dealing with lots of different promoters in the London underground scene, I could experience first-hand the hassle of playing in half-empty rooms for a few friends who are willing to buy overpriced tickets for mediocre nights. With tickets priced from £8 to £12, standard pub settings ruin the whole experience. Moreover, it is harder for the artists to build a fanbase in these circumstances, and unless shows are free and in busy locations, their performances will not be seen by larger crowds.

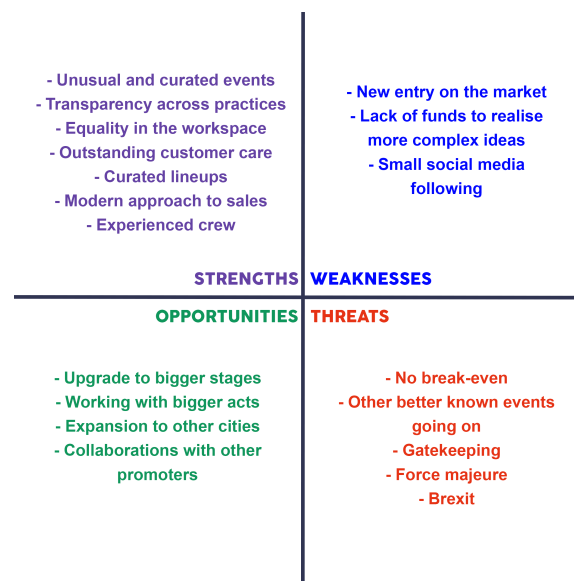
Case Study: Sofar Sounds

One of the most distinguished companies in the world of live music promotion is Sofar Sounds. Created in London in 2009 from the mind of Rafe Offer, Sofar Sounds started with an intimate gig in a city flat. Offer was clever in understanding that small gigs hardly ever offer complete, first-class experiences: from bad sound quality to negative customer experiences, local shows do not help artists convey their message. Set on trying to bring the magic back to live music, Sofar Sounds now puts in place over 600 events per month in 430 cities across the world (Sofar Sounds, 2022). The unique selling point of the company is the intimacy of the gigs, which are hosted in secret locations (such as penthouses or hotels), with secret performers playing. While the secrecy of the gigs acts on the consumers' curiosity, it also helps foster a positive environment during the performances, which are attended by true music lovers who seek a connection with the artists. In 2019, the company raised \$25 million through Battery Ventures, Union Square Ventures, and pre-existing investors Octopus Ventures and Virgin Group (Ingham, 2019). The funds are now being used to build infrastructure and support artists in promotion. In fact, Sofar Sounds is also a media content company, with over 225 million views and 900,000 subscribers on its YouTube channel (Ingham, 2019).

The company's business model relies on revenues from ticket sales, priced from £15 to £30 per ticket. Sofar Sounds lists 75 employees globally, as the event managers, sound engineers, and photographers are hired on a freelance basis and therefore do not have access to any benefit that a regular contract implies. Many of the people who make up the Sofar Sounds crews are unpaid volunteers. Musicians, on the other hand, are guaranteed \$100 per band, per set. As argued by Constine (2019), although the company is certainly enriching the live music panorama, it is also contributing to the downpayment of artists, who are often rewarded in "recognition" more than cash. This fuels a greater narrative of medium-scale promoters and booking agents who promise bands live opportunities and little to no compensation. Although the Sofar Sounds stages connect artists to new audiences, this cannot make up for the small payments the company gives musicians compared to the ticket sales revenues. However, the company needs to be praised as it demonstrated an excellent understanding of the job of promoters: it minimised the risk of not recouping investments by working with private hosts and volunteers, and it successfully marketed itself to both artists and fans resulting in a now 13-years long series of remunerative shows. This goes to show that the business model it adopted proved to be incredibly successful. However, I would not

want to contribute to the ongoing exploitation of artists. The fact that Sofar Sounds could rapidly grow and expand outside London and in the rest of the country, to later move to the rest of the world, is a great indicator of the cash flow and revenues of the company. If it was not for artists, its business model would crumble: artists are seen as mere tool to deliver a service, but the reality is much more complex. At the stage of booking unknown, up-and-coming, and fairly small acts, I want Praying Mantis to proudly pay artists more if the budget consents it. The reputation of the company will benefit from this choice initially, encouraging more artists to book shows with us and hire us to organise their parties. The same goes for sound engineers, photographers, and anyone else involved in the event setup. Even if it will initially cap the revenue streams, publicity and reputation will contribute to the long-term success of the business. This plan will be revised in case the initial cash flow is less than expected, to later go back to the initial proposition.

SWOT Analysis



The SWOT analysis looks at the strengths, weaknesses, opportunities, and threats of the company. The first panel shows the strengths of the company: what makes it different from the competition is the care in the design of the events. Most promoters and booking agents follow a set pattern for their gigs, while Praying Mantis curates each event as a one-off showcase of excellence and thoughtful party planning. However, being a new entry in the market, the company suffers from a lack of money and recognition, which can only be built by actively working on the promotion of the events and through advertisement and partnerships with relevant brands. In fact, this is one of the main opportunities at this stage: collaboration with other promoters, access to bigger stages and

acts, and the eventual expansion to other cities in the UK and Europe only initially are bound to help the company grow. The right set of circumstances, however, can be harmed by external threats outside of our area of control. These threats include political factors (like the impact of Brexit on touring bands and booking agents), environmental factors (new pandemic outbursts might force venues to close down once more), or a general lack of acknowledgement by the public. Some controls can be put in place to help mitigate the impact of these factors. For what concerns the clash of bigger events with ours, the use of afterparties and discount codes, along with flyering activities at the competitors' shows might help redirect people to our venues once their events are done. In the case of another virus outburst or environmental factor, online shows have been considered. However, the design of our events would not work online. The structure of a Praying Mantis event includes sensorial effects that cannot be reproduced through a screen. A solution to this would be to have all customers attending the online event purchase a goody box that can be shipped to their house. The goody box would include foods, drinks, smells, and decorations. However, this would significantly increase the price of tickets, adding to the weaknesses of the company. I therefore consider this to be a risky way of conducting business and would prefer the company to keep its events offline, with the chance to live stream them for free when possible.

Competitive Analysis

The competitive analysis aims at evaluating the strengths and weaknesses of the competition in the market through comparison with the strategies of other companies. Conducting this analysis is a fundamental step in understanding how the competition operates and will help frame the place of the company in the current market. I identified five competitors and analysed some aspects of their business model in the chart below:

	Praying Mantis	Face Down	Underground Sound	Slam Dunk	Big Richard Records	Live Nation
Type		Direct	Direct	Indirect	Indirect	Tertiary
Positioning	"Tailored events and curated brand"	"Straightforward partying"	"Making unsigned artists play"	"Perfect Rock lineups and festival"	"Showcasing bands they sign"	"World's largest concert search engine"
Price point	£8-£20	£10-£15	£10	£20-£100	£4-£10	£15-£200

	Praying Mantis	Face Down	Underground Sound	Slam Dunk	Big Richard Records	Live Nation
Target audience	Unsigned bands / Scene	Pop punk/ Emo/Metal fans 18-30	Unsigned bands	Pop punk/ Emo/Metal fans 18-50	Small bands + fans	Almost any music fan
Offering	Gig + afterparty + goodies + party stunts	Gig + club night + afterparty	Small gigs in grassroots venues	Festivals + pre-festival shows	Small gigs with perks	Signed artists
Key competitive advantages	Rising bands, great venues, party planning	Well-known artists and bands	Taking on almost anyone	Unique festivals and gigs for the scene	Showcasing their bands + other bands in packed venues	Major artists lineups
Sales channels	Social media / Ticketing platforms / Website / Blockchain	Social media / Dice	Social media / Ticketing platforms	Social media / website	Social media	Social media / Website / Email
Marketing strategy	Social media / Website / Email / Flyering	Social media / Flyering	Social media	Social media / Flyering / Partnerships	Social media	Social media / Website / Email
Strengths	Unusual and curated events	Unique party for target audience	Good venue network	Access to artists from the US, great engagement with audience	Curated lineups with great underground artists	Classic big concerts in famous venues
Weaknesses	New entry on the market, low budget	Same party each month, no communication channels	No promotion, casual lineups, expensive	Only put on shows once a year	Limited to small bands	No small artists / Prices
Opportunities	Partnerships / Working with bigger bands and brands	Brand partnerships / aftershows for bigger events	Launching artists	Partnerships / Showcasing big artists in unconventional contexts	Partnerships / taking on bigger bands	Partnerships / Working with music industry
Threats	Other events	Easily repeatable format	Other companies' more competitive prices	Force majeure / Bands dropping out	Other bigger events / companies	Other events

The competitors have been divided by type first: direct competitors are those who offer similar services to a similar audience. Indirect competitors offer a high-end or low-end version of the service to a different audience, while tertiary competitors are brands that market to the same

audience but do not compete directly with the company. The positioning of the competitors looks at how the companies communicate with their customers and target audience. Good positioning is indicative of stronger and healthier relationships with customers, which eventually leads to more sales: understanding the positioning of competitors allows the company to differentiate itself from the rest, increasing brand awareness (Moore, 2021). Each company's positioning has been summarised in a short phrase that encapsulates this data.

The two direct competitors (Face Down and Underground Sound) are building a legacy in London through a continuous series of shows catering to the right audience. Face Down puts on club nights that are preceded by a live performance from either local or touring bands (mainly from the UK). The DJ sets are often presented by international artists, and the venue where they put on these shows (Scala in King's Cross) offers different rooms that can host different DJs simultaneously, allowing for different audiences to attend the event at the same time. However, their events are easily repeatable: their only competitive advantage is access to well-known artists. Moreover, their marketing strategy is mainly based on flyering outside other gigs or social media posts, with no customer care or interaction besides what is on social media. The second direct competitor that has been analysed is Underground Sound, one of the main booking agents and promoters in London. Their business model includes booking almost any artist that is just starting out. Artists do not get paid to perform, and are offered a split on the tickets if enough tickets are sold. The lineups also work on a sold tickets basis, encouraging artists to promote the gig to access a better spot on the schedule. It seems that they are contributing to the lack of curated shows in the capital, and they are also adding to the issue of artist exploitation. Artists are encouraged to promote the shows on their own, often spending money on social media advertisement, while the company limits the promotion to a couple of posts on social media. Their prices are also higher than other similar companies in London, although the split on tickets remains low and does not favour the artists. Analysing these two companies helps in the design of Praying Mantis, as it is possible to see what areas they are lacking, and how to fix them. It was also important to understand how companies that cater to the same audience or offer similar products interact with their customers to map out a list of possible tactics, including:

- Price range: profits can be maximised by offering lower prices for the same products. The value of a Praying Mantis event will always be greater than other competitors for what the event has to offer to both the bands and the attendees. Other companies do not curate their events as much as Praying Mantis, unless they have bigger budgets (Slam Dunk, Live Nation);

- Differentiation: although the lineups may be similar to the direct competitors, the service offered by Praying Mantis is a 360 curated look of the event, including all possible areas of improvement and taking care of customers;
- Segmentation: traction will be initially built on unsigned or small bands' followings, to later move to a broader market inclusive of more genres and bands.

Services

The company primarily offers two services: events booking and events organisation. We will be acting as booking agents and promoters for bands performing at the nights we organise, which will be used to showcase the endless possibilities that come with a Praying Mantis night. On the other hand, artists, labels, managers, and so on will be able to book us to organise their gigs, one-off shows, release parties and so on.

Focussing first on events booking, we will start by finding a residency in a small to medium-sized venue in London. Starting in London is crucial to attracting a crowd of artists (from all types of backgrounds), industry people, and influencers who can indirectly help the company grow. The residency will consist of a monthly show followed by a club night. The show will feature three to four acts that play the same genre, with a good mix of undiscovered, rising and up-and-coming artists. This will ensure smaller bands visibility, and it will create trust in the company. Each show will be followed by a club night with selected DJs from bands.

The second service is events organisation, which will primarily revolve around organising events for bands that need help with special occasions. As much as I would have liked to offer packages to make the process easier, each event will be considered from ground zero and will be tailored to the act and necessity: prices will vary with the amount of preparation and organisation required. In this case, artists will be paying us a set fee based on the work, and we will retain a small percentage of the tickets according to the size of the event.

Customer Segmentation

Customer segmentation is a helpful tool to understand the company's audience. Understanding the company's target audience not only helps market the services and products through the correct channels, but also allows to refine the products to better benefit the customers and increase sales (Indeed, 2021). In fact, customer segmentations allow to communicate better with customers through personalised messaging, especially for what concerns marketing tactics. A further evaluation should be conducted on the effectiveness of communication, which ultimately helps understand which customer segment provides the largest return on investments. The analysis allows for improved customer targeting, which leads to better marketing investments as the audience is already clearly defined. The ultimate reason behind the need to perform customer segmentation is to create a strategy: the company's goal is to reach underground and mid-size artists to organise gigs for them, and to become a leading name in events organisation. As such, we need to understand how to best connect with the audience.

There are four types of customer segmentation: geographic, demographic, psychographic, and behavioural segmentation. After having identified the customers profile in the previous chapters, I proceeded to divide them into the aforementioned groups. Geographic and demographic dimensions obviously include young adults from London. This is due to the kind of lineups we chose, which cater to a younger audience. For the same reason, psychographic and behavioural segmentations include people who like a certain genre of music. We would not market our events to RnB, Rap, or Rave fans. The branding of the events will be more likely to attract a crowd who is into Rock, Punk, and subgenres.

However, the accuracy of this data cannot be proved. When the company is launched, I will be able to collect real-life data through social media, website analytics, and ticket sales. This will provide me with constant information on my customers, and it will allow me to create more detailed segmentations that I can use to implement my strategy.

Marketing Plan

The marketing plan is divided into two separate operations. The first one is the go-to-market. In this phase, we will launch the company and start gathering followers who can be turned into customers. This campaign will be kickstarted with the announcement of the comeback. The company already has social media profiles open from previous activities. These profiles have been silent for the past two years, hence the first step will be to cryptically announce the comeback through a Reel, after rebranding the look of the accounts. According to recent studies, Reels get 22% more engagement than traditional videos (Lau, 2022), and have 50% more chance of ending up on the Explore page. Instagram is currently pushing Reels as a new functionality, and therefore they are expected to perform better than other types of posts. During the first week, we will post two Reels with footage from previous gigs. We will then announce the first show through a post with the lineup tagged on it, and we will then encourage people to follow us through a giveaway to boost engagement. The giveaway will include three tickets to be won. Stories will also be used at the same time to increase engagement rates. We will use polls asking people who would they like to see, or what events concepts would they want to participate in. In this way, not only our engagement will improve, but we will also be able to conduct marketing research easily. In order to maximise the effectiveness of this campaign, we will start a follow-unfollow operation. The follow-unfollow method focusses on following accounts in the niche to gain social proof: the accounts you follow through this method will notice your profile, and if they like it enough they will stay even after you unfollow them (especially because Instagram does not notify you if someone unfollows you). The follow-unfollow campaign will be boosted by targeted ads in London, focussing on our niche of customers defined in the customer segmentation. We will run two ads at the same time to monitor which one performs better and adjust the budget accordingly to maximise the click rate cost. A bunch of hashtags will also be chosen first to find the niche for the follow-unfollow campaign and secondly to increase reach on the posts. A list of hashtags can be found in Appendix 3. The event will be marketed for a total of 5 weeks, leading to the day of the event. After the event is done we will proceed to post pictures, links to crowd photos for them to download and tag us, and more Reels. We will also be resharing content from our fans, and encourage them to tag us. After one week of cool down, we will start marketing the next event and will proceed with this method unless we find that it needs tweaking. The budget for the ads will vary depending on the size of the gig and how well the ticket sales are performing. As the names on the bills become bigger, we can allocate less budget to the advertisement and more budget to the operations.

Another channel we will use is TikTok, as it allows to reach an even wider pool of customers. TikToks will be made by ourselves or in collaborations with the artists performing. We will use a casual and funny tone in the TikToks to promote our “small business”. Concepts include BTS footage, how we come up with ideas and our experience as women in the music industry. These kinds of TikToks usually perform well as people in the niche tend to be supportive.

Traditional marketing will be used in the form of flyers that will be distributed outside local gigs in the two weeks leading up to the event. We will also hang the flyers in the venues and leave some in the local shops, bars, and restaurants hoping to attract a more local crowd. This method will be tested also because people now tend to spend more time outside after the lockdown.

We will start a PR campaign as soon as we can allocate enough budget for it. We will work alongside a PR company to reach magazines, radios, and blogs and have our events advertised on more channels. This will also benefit the bands playing as it will bring visibility to their names.

Here is the standardised timeline for our social media marketing activities. Everything will be monitored and ready to be changed when needed. Stories will change accordingly to the content collected and will mainly include polls, questions, and quizzes. Stories will also be shared every time we post to increase exposure, and tagged content will be shared as well straight away.

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Carousel with pictures of the nights / crowd (so fans can reshare)	Reel in collaboration with bands playing	Flyer + pictures carousel	Stories	SHOW DAY Reel (Getting the venue ready) Stories from the day / night and with the artists	Thank you post Reposting fans	Stories
Carousel with pictures of the nights / crowd (so fans can reshare)	Reel in collaboration with bands playing	Flyer + pictures carousel	Stories	Carousel with bands pictures	SHOW DAY Reel (Footage from previous nights) Stories from day / night and with the artists	Thank you post Reposting fans

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Carousel with pictures of the nights / crowd (so fans can reshare)	Reel in collaboration with bands playing	Flyer + pictures carousel	Stories	SHOW DAY Reel (with bands) Stories from the day / night and with the artists	Thank you post Reposting fans	Stories
Carousel with pictures of the nights / crowd (so fans can reshare)	Reel in collaboration with bands playing	Flyer + pictures carousel	Stories	Carousel with bands pictures	SHOW DAY Reel (Footage from fans) Stories from day / night and with the artists	Thank you post Reposting fans

We will also launch our website, developed by a website designer. I chose to get a website developer to create the website as I wanted to boost the SEO and website creation services are limited in the options and cannot guarantee a high Google ranking. The website will be designed following the branding and colour palette of the company.

Financial Plan

Pricing Strategy

While researching a pricing strategy for the company, I found myself frustrated with other companies' strategies. Coming from a DIY, independent background as a project and artist manager, one of my biggest concerns has always been fair pay for artists. I consider artists the ones to fuel the cogs of the machine, although they are often overlooked and seen as something to milk until they run dry. However, without underground artists there would not be major labels, streaming platforms, and promoters as we know them to be today. This is the reason behind my choice of allowing artists to be compensated for their work, as opposed to attracting them through the mere offer of a stage to perform. Of course, I had to keep into consideration the fact that, by remunerating artists fairly, my ticket pricing strategy would have to be higher than the competition. This caused me a slow start, as I had to come up with a way that would still look attractive to customers.

While other booking agents and promoters propose flat fees that do not take into account the differences among events, Praying Mantis opted to change its prices depending on the type of event and bands on the bill. In this way, we can ensure customers get their money's worth, all while providing artists with a small remuneration for their services.

The second main concern I had when designing the pricing strategy was to find a way to affiliate customers so that they would come back to future events. I found that memberships could be a way to keep them engaged in the company. As I was trying to understand how to price memberships, I found Go To Beat's strategy ground-breaking. Go To Beat is a UK-based promoter that, on top of single tickets, offers a monthly membership priced at £15/person. The membership allows customers to attend up to five events per month for free: standard tickets are priced between £7 and £10. This consents members to access four gigs a month for free, encouraging their return and thus sustaining the venues as well. A similar strategy has therefore been adopted by Praying Mantis.

Different membership tiers will be available to customers:

Tier #	Tier Name	Price	Benefits
2	Runner Up	£10 / month	30% discount Early bird tickets Drink token
3	Holy Mantis	£15 / month	Drink token(s) Unlimited access to events Goody bag upon RSVP
4	NFThot	Fluctuates with crypto market	Unlimited access to all events for life Reserved place at all events for life Free + 1 upon RSVP Complimentary drink tokens

The first two tiers are aimed at affiliating customers who would usually only attend one gig. The monthly subscription not only allows them to save on tickets, but it also gives them a complimentary drink token (tier 2). This will make customers want to join even if they do not plan to come back initially. The third tier is a more thorough membership that also allows customers to show up later and still get their free goody bag - standard organisation requires customers to come early as goody bags are limited to a number of people for events. The fourth membership will be realised in collaboration with Goth Girlfriends. Goth Girlfriends is a Metaverse project which provides customers with the chance to own an NFT and get access to events. By partnering with them we will gain more visibilit, while attracting a more diverse audience and mutually supporting the two businesses. The NFTs will be designed by Goth Girlfriends, and the prices will vary according to the type of NFT and market circumstances.

Budgeting and Financing

When designing the budget for the company, I took into consideration the projected sales revenues forecast for the first year:

	September	October	November	December	January	February	March	April	May	June	July	August
Sales Revenue	£1,600	£4,000	£3,200	£1,600	£1,600	£3,200	£6,000	£7,200	£7,500	£8,000	£3,200	£1,600
Variable costs	£800	£1,700	£1,600	£800	£800	£1,600	£2,400	£2,400	£2,400	£2,400	£1,600	£800
GROSS PROFIT	£800	£2,300	£1,600	£800	£800	£1,600	£3,600	£4,800	£5,000	£5,600	£1,600	£800
Fixed Costs												
Website	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5
E-shop	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5
Sound engineer	£30	£200	£200	£100	£100	£200	£300	£300	£300	£300	£300	£300
Photographer	£30	£200	£200	£100	£100	£200	£300	£300	£300	£300	£300	£300
Marketing	£50	£200	£200	£200	£200	£200	£300	£300	£300	£300	£300	£300
Total Fixed Costs	£120	£610	£610	£410	£410	£610	£910	£910	£910	£910	£910	£910
NET PROFIT (Loss)	£680	£1,690	£990	£390	£390	£990	£2,690	£3,890	£4,090	£4,690	£690	(£110)

As we can see, the first month will rely on one show to launch the company. After the initial show, more dates will be added to each month, with a projected spike in sales in October due to Halloween, and a consequent decline in December and January as the Christmas holidays will see people occupied with other activities. From February to July we will upgrade the number of shows to three, all while upgrading the venues and adjusting the ticket prices accordingly. At the same time, our fixed costs will change, reflecting an increase in sound engineer and photographer wages to match the increased number of shows. As mentioned before, it is important for us to pay workers fairly, also to ensure their availability and loyalty to the company. August is the first month that is projected to report a loss in profits as we will only have one small show as we do not want to risk having empty houses due to the summer holidays. However, we will be selling cocktails and coolers tailored to the summer party. The profits of the cocktails will cover the loss and help us break even. Variable costs include band fees, venue hire, and props and goody bags. We hope to close deals with the venues as to cut the hire costs and afford to pay bands more. Until then, bands will be paid a fixed fee based on projected ticket sales and individual traction.

At this stage, it will not be possible for the partners to earn money, and all profits will be reinvested in the company's activities. However, this budget does not take into account bookings made by artists, which will greatly increase profits. These sales will happen on a casual basis at first, and all revenues and costs will vary according to the type of booking needed, hence it is not possible to include them in the forecast.

If bookings made by artists proceed as expected, we should be organising the first parties within the first three to six months from the launch of the company. Targeted ads will be run to reach up-and-coming bands and increase the company's chances of being chosen for these services. When these activities start, the profits will be maximised and we will start seeking investors. The financing activities will allow us to buy a PA and backline, which will guarantee us the possibility to play outside of standard venues and start creating experiences in peculiar locations such as churches, skate parks, fields, and more. This will make our value propositions stronger, as we will be able to afford one-of-a-kind settings and thus attract a larger crowd. The other crucial point will then be to be able to hire bigger stages in order to work with larger acts. Bigger stages will also require bigger productions and a larger number of goody bags and location enhancers, increasing our costs. Even if we predict to always break-even, the initial investments will give us leverage when organising shows and they will also allow us to give bands guarantees. The initial ask will be for £14,200 to increase venue size, number of shows, and achieve more ticket sales within six months. These

activities will help strengthen the brand and build trust in customers. We will then seek funds for an additional £50,000 for a basic PA to expand to new locations in festival-like settings. We expect a return of £30,000 after the first two shows and after expenses recoupment, with a linear increase in ROI within the next six months, reflecting an increased number of shows and ticket sales.

Month	February	March	April	May	June	July
Funding from investors	£1,000	£3,000	£3,200	£3,000	£3,000	£1,000
Own funds	£410	£610	£910	£910	£910	£910
Predicted Income from sales	£2,400	£6,000	£7,000	£6,000	£6,000	£1,000
TOTAL MONEY IN	£3,810	£9,610	£11,110	£9,910	£9,910	£2,910

Funding Budget

Conclusions

This business plan outlining the fundamentals of live events management is the starting point for a creative business that can prove to be sustainable in the long run. The possibility to expand the business outside of the starting city has been proven by case studies such as Sofar Sounds. The live events sector is one of the most profitable within the music industry, and the rising number of artists on the scene makes running events a safe business idea. Although the competition is now stronger than ever, Praying Mantis benefits from a unique selling point in the form of tailored, boutique experiences that cater to both artists and music fans. The knowledge gathered from creating a business plan of this nature can help me reserve a spot in already established business companies, especially for what concerns the understanding of how a company of this kind operates. The company is also bound to expand and offer job openings following the steady growth and expansion in other markets. Moreover, the company operates ethically and thus proves to be different from the competition, gaining more chances to attract underground artists who are trying to navigate live music. As demonstrated by the interview conducted with a local artist, the live music industry lacks in care for the musicians, and Praying Mantis aims to fill this gap in the market by putting the utmost attention on fair pay and promotion.

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Appendix 1 - Interviews

The questions have been designed to entice honest and argumentative responses in the participants.

- Has it been easy to start gigging in London?
- How would you describe your experience with promoters in London?
- Have promoters provided backline, were the houses set up correctly?
- How was the communication with promoters? Were the sets generally on time or did you experience delays?
- Do you consider the marketing tactics of promoters effective, or have you had to deal with most if not all of the promotion by yourself?
- Have you ever felt pressured into “spamming” friends and followers with your tickets in fear of losing your spot in the lineup?
- Do you think the prices of tickets are fair for customers?
- Were you paid for the gigs? If so, do you consider the splits on tickets fair?
- Can you tell us the names of promoters you worked with in London?

Interview with a London-based alternative artist:

-Has it been easy to start gigging in London?

It's been fairly easy to start gigging in London. There are opportunities in every corner of the city, that being open mic or else

-How would you describe your experience with promoters in London?

I would describe my experience with promoters as “bitter”. Yes, they provide gigs but most of these, if not all, require you to bring people in order to play good shows. Now, I understand people need to pay to come to these nights but the tickets' price is ridiculous, I go see some of my favorite semi-established acts for less or slightly more money. Moreover, promoters expect you to bring the whole crowd, their work is very minimal when it comes to promoting, which is what they should be doing. They advertise the gigs as “not pay to play” but that's exactly how it feels to me.

-Have promoters provided backline, were the houses set up correctly?

They have provided backlines and everything was set up correctly.

-How was the communication with promoters? Were the sets generally on time or did you experience delays?

The communication with promoters has been fairly simple. Some were taking extra time to reply and I had to send chaser emails but others were probably faster than me so overall it's been fair.

-Do you consider the marketing tactics of promoters effective, or have you had to deal with most if not all of the promotion by yourself?

I do not consider their marketing tactics effective at all. I would argue they do not promote anything. A picture on their social media account is not magically going to bring people to the night. They do not do anything in terms of marketing. At least not that I have been able to see.

-Have you ever felt pressured into "spamming" friends and followers with your tickets in fear of losing your spot in the lineup?

I definitely have felt pressured into stressing my friends to come to my gigs, for sure. It's such a horrible feeling because I already know the promoters might not book me again if I don't bring enough people along.

-Do you think the prices of tickets are fair for customers?

Tickets's prices are super unfair. I sometimes pay less to see semi-established acts or slightly more to see established ones.

-Were you paid for the gigs? If so, do you consider the splits on tickets fair?

I was paid for the gigs but it was honestly crumbs, which was expected from the start.

-Can you tell us the names of promoters you worked with in London?

Underground Sound and Hot Vox.

Appendix 2 - Consent Form

Consent to take part in research

I..... voluntarily agree to participate in this research study.

I understand that even if I agree to participate now, I can withdraw at any time or refuse to answer any question without any consequences of any kind.

I understand that I can withdraw permission to use data from my interview within two weeks after the interview, in which case the material will be deleted.

I have had the purpose and nature of the study explained to me in writing and I have had the opportunity to ask questions about the study.

I understand that participation involves an understanding of my experience in the London live music scene.

I understand that I will not benefit directly from participating in this research.

I understand that all information I provide for this study will be treated confidentially.

I understand that in any report on the results of this research my identity will remain anonymous. This will be done by changing my name and disguising any details of my interview which may reveal my identity or the identity of people I speak about. I understand that disguised extracts from my interview may be quoted in a dissertation and business plan.

I understand that if I inform the researcher that myself or someone else is at risk of harm they may have to report this to the relevant authorities - they will discuss this with me first but may be required to report with or without my permission.

I understand that signed consent forms and original email conversations will be retained in Tileyard Education until until the exam board confirms the results of the dissertation.

I understand that a transcript of my interview in which all identifying information has been removed will be retained for [specific relevant period two years from the date of the exam board.

I understand that under freedom of information legalisation I am entitled to access the information I have provided at any time while it is in storage as specified above.

I understand that I am free to contact any of the people involved in the research to seek further clarification and information.

Signatures

Appendix 3 - Hashtags

List of hashtags used to promote the company on social media:

#gig #gigs #londonlivemusicscene #londonnightlife #livemusic #liveshow #indierock
#independentartist #womeninmusic #indie #underground #soundoftheunderground #show #concert
#indieconcert #indierockshow #band #bands #artist #lights #livesound #production #stagedesign
#experience