

Culminating Experience Reflective Paper:



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Global Entertainment and Music Business

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## 1) Summary of the project

This Culminating Experience was dedicated to the elaboration of a Business Plan for an online digital music discovery platform that goes by the name of P(I)ayback. The aim of this platform is to promote unsigned artists through a web and mobile-based platform in an unprecedented way. Each artist has his own dedicated page that allows him to showcase all of his artistic and artist-related material – from music to merchandise, lyric sheets, tour information etc. – in a platform-standardized but non-generic, customizable way.

P(I)ayback represents an idea that spoke to me as an independent artist, but also came along as my interpretation of solving the issue surrounding artists receiving substantial financial reward from streaming platforms.

P(I)ayback is not only a streaming platform, it also allows for the purchase of the content, which therefore gives the customers more ways and choices as to how he wants to consume the material, and furthermore creates additional revenue streams for the business itself and in turn, the artist. Therefore the listeners and music-discoverers are relieved from the hassle of having to spend countless hours across the Internet in the hopes of finding their favorite artists' entire breadth of content. They can achieve that in our one-stop shop type of platform and access artist-related exclusive additional content by the means of a subscription fee. Therefore creating a more immersive, meaningful, and resonating experience for the artists and the fans alike.

This consolidating platform aims to promote unsigned music directly from the artists and musicians with the hopes of dis-intermediating the digital distribution industry. By doing so, we are able to re-distribute 80 percent of the profits generated directly to the artist without any fees, cuts or loss on the way.

However, P(I)ayback also aims to have a strong brand identity and image that allows the company to resonate with its customers and clients. Therefore it is essential that we follow a process of curation of our catalog in a

fashion very similar to A&R work. We want to showcase the unsigned talent which we believe is to become 'the next big thing' in order to create a P(I)ayback seal of approval that consumers can believe and rely on. And because we believe that a 'know-it-all' approach to music discovery hinders greatly the process itself – and kills cultural enrichment – we offer our customers the possibility to offer their suggestions as 'pre-A&R' talent scouts if they subscribe to our services.

In order to start the project, we believe that we need to focus our efforts on a particular music market. We have therefore chosen the United Kingdom as our initial market for offering, as the consumption trends and culture surrounding music best aligns what we have the intention of delivering.

## **2) Summary of the process**

The process behind the development of the project P(I)ayback has been a year-long venture. It was initiated in mid-September 2013 after we had received our first assignment in the Emerging Entertainment Business Models class. The objective of the assignment was to deliver a business idea, along with a business model that applied to the entertainment industry. I pitched a very rough idea of what I envisioned, and Mikaela pitched a rough idea of an idea that would fit perfectly in combination with mine. Later after joining our ideas, we agreed upon developing a joint Business Plan as part of our Master's Culminating Experience.

The Emerging Entertainment Business Models class was the perfect opportunity for us to understand the development of a business model, how to create revenue streams, how to deliver value to our consumers, and also fine-tune the skeleton of the business idea. The original skepticisms from classmates and teachers alike pushed us to think outside the box and believe in our instinct that this idea had potential.

The justification for choosing the United Kingdom as our specific market to launch through came with the completion of the International Marketing and Branding module earlier in the year. The class allowed us to understand the importance of brand image as a competitive advantage and key factor for differentiation, as well as the importance of choosing the right

demographics and therefore the right geographical location to implement a business. The interaction between all of these elements was what pushed us to make that decision. The consumption habits of British people with regards to music, as well as music being prominent in the country's culture, and the distinct 'British sound' were factors that correlated with one another and our business intentions.

Our first business venture day at the end of the Fall semester allowed us to have our first try at pitching our idea to fresh ears. Unfortunately, we were not successful in this endeavor, but it has allowed us to realize the importance of failing in making an idea better.

The following semester we decided to integrate P(l)ayback into the Entrepreneurship & Innovation class as part of our innovation project. This time around, we were able to run interviews among our classmates to determine who we thought would best fit the entrepreneurial spirit common to Mikaela and I. After successfully pulling a great team together, and accomplishing great work throughout the semester on the basis of weekly Sunday meetings, we were able to further the project to great measures. We were able to conduct market analyses, target the right demographic groups, and further develop and consolidate the Business Plan.

The Economics of Entertainments class allowed me to conduct a brief financial analysis that allowed us to set a few key figures as our starting milestones. In the end, it allowed us to realize that the project isn't financially unrealistic, as opposed to what colleagues might have put forth in the earlier semester. It also allowed us to determine what the next steps were going to be if we were to further our research and bring the project to life.

Outside of the realm of classes, our supervisor Alexandre Perrin was tremendously helpful in boiling down the essence of what we considered P(l)ayback to be. Exchanges via e-mail and meetings with him allowed us to come to the conclusion that every decision we would make for P(l)ayback was in the aims of strengthening the brand image of the service; as it had come clearly apparent by then that it would be a key success factor for this enterprise. Additionally, having guest lecturers by the likes of Benji Rogers come inform us about music aficionados and their consumption and spending habits was greatly informative and encouraging in our work. It allowed us to

come to the realization that consumers respond to choice positively and are willing to spend if you present them with the right spending options.

The final business venture day, which ended the Entrepreneurship & Innovation class, marked the paroxysm to the learning experience of entrepreneurial skills. Throughout this second module, we were able to accelerate the process of developing the business model into something more concrete than just an exercise. And much to the difference of the first module, we (and the development of the project) benefitted greatly from having a strong team of members aligned in work ethics and focused on a common objective.

### **3) Results: How the project did or did not align with the expectations**

There are a few ways the project did not align with our expectations, concerning primarily the project and time management side of the process.

As part of the first deliverables, our proposal included a Gantt chart of how we planned the project to move along as the year progressed. We also had to deliver a timeline reflecting how we intended on implementing the project once the business plan was complete and the academic year was over. Unfortunately, our timeline projections were inaccurate for multiple reasons.

Firstly, we had not envisioned applying our culminating experience project to the exercise of Entrepreneurship & Innovation. Mikaela and I were expecting to continue working on our Business Plan aside from the classes, and thusly had projected accordingly over the course of the year. We benefitted greatly from having a great team working on the project and as a result were able to fit the work that would have extended over two semesters, into one. As a result, we were unable to align with our Gantt chart projections.

Secondly, we thought we would be able to start developing the actual company straight out of school by applying for loans and opening company account by the beginning of August. As it has turns out, this project still requires maturing for some time and we will therefore, not be able to commit fully to our future timeline either.

While Gantt charts are a useful way to turn ideas into actions, I feel strongly that they are bound to be inaccurate by nature as they are highly formulaic and engrained into theory.

#### **4) Next Step**

The future for P(l)ayback does not end with the school year. On the contrary, we believe that the intention with which we delved into the project is genuine, that the path and area of activities is one that speaks to our minds as future professionals in the industry, and that the research we have done was highly conclusive. However, we will let the project 'simmer down', so to speak. We will let the idea develop organically, benchmarking it over time with the parallel ongoing trends of the sector and make adjustments and changes over the course of time if it is required.

As mentioned previously, the intention is to release the service in the United Kingdom, therefore one of the first items on the agenda to pursue P(l)ayback is to move to England and start working there in the industry. This will allow me to gain experience and knowledge of the industry on a professional level, as well as work within the UK market and understand the consumer trends more fully. It will also allow me to be build-up a starting capital through savings and invest it into the realization of the project.

We will be starting off by making the purchase of domain names in order to secure the name of our website as well as those of similar websites. Mikaela is in charge of developing a basic prototype of a functioning website, and I am reading-up and educating myself on the subject of coding. The domain name we are going to acquire is 'playbacknw.co.uk', along with similar ones such as playbacknw.info, or playbacknw.net and playbacknw.org.

This area of the industry, namely the digital distribution sector, is a branch both Mikaela and I believe will have an integral part in the future of the music industry. This is why we intend on keeping the idea of P(l)ayback alive and keep developing the project.

## 5) Contribution to the discipline and profession

The research conducted throughout this project allowed us to contribute positively to the discipline and profession in a few ways.

Firstly, we were able to highlight consumer trends specific to the UK market that are highly encouraging to domain of digital music sales. With the help of past studies from Nielsen & Midem (2011), and IPSOS Media CT (2013), we were able to determine that our target customers, namely the music aficionados or lean-forward music discoverers, still believed in purchasing music and music-related goods as a means of consumption. As a matter of fact, a reasonable majority believed in ownership of music over ubiquitous access to music as a preferred method of consumption. Moreover, by undergoing an analysis of our market and our competitors, we were able to see that a few concepts similar to that of P(l)ayback were slowly arising. This allows for the understanding that we are not the only ones thinking in this direction; competitors who have undergone market analyses themselves are deciding to put their business plans into action. This is comforting in the idea that there is room for a product or service like P(l)ayback in the industry. This is particularly interesting to discipline and myself as I have previously dedicated a dissertation paper, entitled *An evaluation of the effects of the Internet on the music industry; case study of iTunes Store*, by the end of which research was suggesting that mobile and ubiquitous access to music was to take over content ownership. We are therefore able to conclude that there are a number of consumption methods that haven't faded out despite what the general trends tend to indicate. It all depends on the target segment, obviously, but also the choice of ways in which to consume a product as well as the experience that comes along with the products or services.

In addition to contributing to the discipline in a theoretical sense, P(l)ayback also contributes positively to the development and betterment of the truly independent arts. It allows us to act as patrons of artists that we think deserve recognition, as well as a living out of what they enjoy doing and have a gift for. The professional contribution that we envision P(l)ayback to be, is to trigger a response in the realm of unsigned musicians. We want to encourage and allow them to distribute their content digitally without any intermediaries

so that they can get substantial financial returns for the work they have put in. When the idea first came to mind, we were aiming that through the concept making its marks and showing success, we would convince slightly bigger artists to abide by this philosophy of disintermediation and drop their distribution agreements with their labels. Instead of receiving a meager 10 percent of what a stream generates, P(l)back offers the idea that an artist can directly retrieve eight times that amount by not relying on corporate models of distribution.

P(l)ayback also aims to fill a long-dating gap in the digital distribution sector where no consolidation of content discover has ever taken place. All of the different types of media have existed separately on different platforms. However, the model of our platform relies on the aggregation of these different types of media, in the attempt of delivering a fuller, more immersive experience. We believe that the reason why this has never been achieved before is because of the lack of brand image and philosophy behind the concept of just having a consolidating service. By adding the P(l)ayback mentality and ethos to such a service, we are able to ensure that we prevent competitors from simply copying our model. This, in turn, acts as a perfect example of the importance of brand identity for future or current entrepreneurs.

## **6) Impact on the student completing the work**

Having undertaken the year-long task of developing the project jointly with a colleague has been a learning experience with tremendous leaps. Being assigned a work-group in the framework of the Emerging Entertainment Business Models class was somewhat of a cumbersome process. However, it allowed both Mikaela and myself to learn a great deal about how to work with others who might, but most importantly might not share the same business mind. Our group of four was completely diverse culturally; learning about cross-cultural business practices was already a challenge in itself.

Sharing the weight of the work with a fellow student and friend has been extremely helpful. However, I was quite reluctant at first. I have always had doubts in sharing leadership within the realization of a project.



Nevertheless, finding that Mikaela and I had the same expectations for this project as the year went by, eased me into thinking that co-leadership can be beneficial depending on the task at hand. I have also learnt to trust others with an idea of my own. Despite the first semester not being very conclusive in terms of group work, the second team we worked with really allowed me to ease into the idea that other people might be equally as motivated as I am for a project that is not theirs.

Being able to believe in an idea from its inception, constantly work back and forth in re-designing its model and the way it works, and push through despite evident skepticisms from teachers and colleagues alike has given me the ability to look at a project on a greater scheme. Having tackled some of the entrepreneurial issues faced throughout the year acts as a great lesson of humility, objectivity and professionalism.

Some of the more tangible skills that have resulted out of this experience were my ability to formulate an idea and communicate it in a clear and eloquent way. The use of the canvas model was the turning point in my understanding of how to develop a business model, and how to express an idea in a concise and efficient manner. It allowed me to put down all of the components of our business idea, trace interactions between each one of them, and present it to my peers adequately.

Overall, being able to take theoretical concepts that I have learnt about in my previous studies and apply them to a project with concrete elements has been helpful in acquiring new skills, but also in identifying what I want out of this industry and the remaining skills I need to do so. And the remainder of the skillset I need can only be acquired through working rather than studying. This project has allowed me to gradually bridge the two worlds and make me realize that what I need resides in the professional world.

## **7) Bibliography**

Nielsen & MIDEA, 2011, *The hyper-fragmented world of music: Marketing considerations and revenue maximization*, p.5

IPSOS Media CT, 2013, *Digital Music Consumer – A Global Perspective*, p.6