

MEMO

To: David Thomson

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RE: Creating and Nurturing Online Communities: Best Practices in Social Media for Independent Musicians

The music industry has faced many technological changes over the years. The phonograph, player piano, commercial radio, jukebox, and blank cassettes and CD's were all inventions that were supposed to "kill" the music industry, yet it has managed to survive and adapt to new business environments (Whitaker, 2013). Although the Web and illegal downloading have impacted record sales significantly in recent years, the Internet has revolutionized the way that we find, consume, and experience music.

The digital era has made large record companies less profitable, but the Internet has allowed for many new innovations that have fundamentally changed the business model and relationships between record companies, musicians, and fans. The launch of Myspace in 2003 created an open communication channel between artists and consumers. This allowed for fans to become participants in the music industry, rather than just consumers of a product. Innovations have continued since then, with the launch of sites like YouTube, Facebook, Twitter, Last.fm, Pandora, and Spotify (Parr, 2009).

Today, the music industry has a much lower barrier to entry; it is more dynamic and flexible than ever before (Salo, Mantymaki, Lankinin, & Kajalo, 2011). Although the ratio of illegal to legal downloads of music sits at about 20:1 (Salo, Mantymaki, Lankinin, & Kajalo, 2011), some musicians like Scott Bradlee argue that people do actually want to financially support the music industry. Bradlee states that the true issue is that consumers no longer want to support an archaic industry structure that is irrelevant to how consumers want to support the musicians that they love (Bradlee, 2013). Independent musicians now have many different tools and opportunities available to promote their work without the help of a record company.

Social media allows musicians to personally, easily, and profitably connect directly with current and potential fans. Not only can these tools be updated instantly and constantly, they can be integrated with one another to create a "frictionless sharing of information" (Howard, 2010). When done correctly, social media helps musicians cultivate a loyal army of fans who are emotionally invested and deeply motivated to financially support their favourite artists in all of their endeavours.

This report will discuss social media best practices that independent artists can implement immediately to help them build their online community of fans, and ultimately lead them to a more profitable, rewarding musical career. The following discussion will first outline

general best practices for social media, and then briefly speak of specific tactics for selected online tools.

Social Media Fundamentals

Many people make the same mistake when it comes to social media. They hear the word “media” and think that it is simply just a vehicle to push out the message that they want to send out, like traditional channels like TV and newspapers. Social media is different. It is about creating and participating in conversations and building relationships with people (Stratten, 2012).

Scott Stratten (2012) suggests that in order for social media users to be successful in generating revenue for their product or business, they must first build up “social currency”. Social currency is the time invested in online relationships before asking for something in return from your network. Stratten uses the example of a bank account: “you wouldn’t open a business bank account and ask to withdraw \$5000 before depositing anything” (p. 29). The principle of reciprocity (our desire to return a favour to someone who has done something for us) is a guiding principle in online interactions, and is a factor in building effective communities. Stratten (2012) says, “People don’t care about your business until they know you care about them” (p. 29). Creating and maintaining an online community is the result of continuous social interaction (Salo, Mantymaki, Lankinin, & Kajalo, 2011).

With easy access to millions of potential fans online, it is tempting to try to market to everyone possible. Unfortunately, that doesn’t really work. It is expensive, inefficient, and is essentially a “push and pray” marketing strategy (Stratten, 2012). Instead, a better strategy is to target two types of people: “Mavens” and “Connectors” (Howard, 2010).

Mavens can be considered information specialists. These are people who actively search out new content. What’s special about Mavens is that they do not just passively collect information, but they take great pride and joy in sharing what they have found with others (Gladwell, 2000). In the context of the music industry, Mavens are people who read music blogs, and are connected on multiple social media channels to not just individual musicians, but also record labels, bloggers, and promotional groups (Dugan, 2011). Dugan (2011) surveyed people who demonstrated Maven-like behaviours and discovered the following strategies to be effective in generating a music-related purchase. The percentage in parentheses indicate the number of people who stated which strategy motivated a purchase:

- Watching a music video online (82%)
- Receiving a free mix, EP, or album (68%)
- Receiving a free digital download (62%)
- Watching a documentary about the artist (54%)
- Personal message sent by the artist (50%)

Mavens are not necessarily the biggest group on social media, but their function in disseminating information is crucial: they are linked to Connectors (also called “Early Adopters”).

Connectors, by name, know lots of people. They adapt more quickly to new trends than the general population, but are generally not the people who initially discover new things. Because they are more connected to the general population than Mavens, they are more influential in spreading the word about new trends (Dugan, 2011). Connectors are also important because of the types of people they know. They are connected to people in many different worlds, subcultures, and niches, allowing for new ideas to spread to new people (Gladwell, 2000). Artists should know where their Mavens and Connectors congregate both online and offline. Knowing this will allow the artist to bridge the online and offline worlds, which will then compound the effects of any efforts made (Howard, 2010).

With each media channel, the artist should think about the value proposition they are offering to their audience. Each tool will have inherently different strengths and weaknesses, and the audience on each may be slightly different. For example, for an artist's website, in exchange for giving some sort of contact information (an email address), the artist should provide their fan with something of value (a free song or entry into a contest). Facebook's value, on the other hand, is engagement, and works well for promoting contests, polls, and short videos (Howard, 2010). Each channel can be integrated with one another to drive the audience to other areas where they can also connect. Specific strategies for each media channel will be discussed in further detail later, however, a common thread throughout each communication channel should be the encouragement and facilitation of sharing the information (Howard, 2010). Each point of contact with an audience should be seen as an opportunity to invite them into your community by offering them something of value.

Making information shareable is not just about making sure you have a "share this" widget on your content. The important part is to actually create content that people *want* to share without you having to ask them to. Stratten (2012) states that viral content must include only one of the following three themes:

1. Humor
2. Wow factor
3. Evocation of emotion.

Without one of these three themes, the audience doesn't have any motivation to share. Content is shared if the material is something we value or that we think other people will value, and when it is relevant to conversations that are already happening (Jenkins, Ford, & Green, 2013).

Additionally, content must be available when and where the audience wants it (Jenkins, Ford, & Green, 2013). This relates back to Howard's (2010) argument that artists should know where their fans congregate, both online and offline. Another component of this is immediacy: strong communities and relationships are built when you, the leader of the community, respond as quickly as you can to any conversations with your fans. Nothing is worse than having someone take a near eternity to respond to a Tweet or Facebook message. It doesn't show fans that you are grateful of them or that you make them a priority. Social media is about building relationships with people, which means that you show fans that it is all about them, not about you.

Promotional Tactics

The following section will outline specific tactics that have been shown to be successful within different social media and online promotional tools available to musicians. This list is by no means exhaustive, however the strategies discussed below are actionable immediately and have a good chance of generating income for the artist.

YouTube

As previously mentioned, posting music videos online is a successful way to drive music sales. By creating a YouTube channel, the artist has control over presentation of the videos, can create a strong brand, and allows for content to easily be shared on other social media channels and websites.

YouTube videos can be monetized by participating in ad revenue sharing programs (when an ad plays before the video, a portion of the ad revenue is given to the video owner), or through signing up for sync licensing programs (royalties are received when people watch videos using the artist's music that was not uploaded by the artist themselves).

CD Baby (n.d.), an online distributor of independent music, states that when creating a YouTube channel, the following are best practices to consider:

- Personalization: Give it a good name and choose a custom background image and colours that match the branding of the artist
- Customization of the audience experience: Changing the default settings to control what videos people see first.
- Make it searchable: Fill out descriptions and tags for the channel so that it can be easily found within YouTube.

Within the YouTube channel, playlists can be created where videos can be organized for viewers. Playlists can include videos created and posted by the artist and can also be used to showcase videos from friends within the online community. Playlists are effective when they are themed and have keywords included to make them searchable. If other artists are included in playlists, letting them know about it can allow for linking and cross-promoting as well.

With each video posted, links to other social media channels and websites should be included in the description field. This allows for easy re-direction to other media channels to potentially connect and engage with fans in a different way. Keywords should be included as much as possible, such as in descriptions and titles. Finally, any comments on videos should be responded to.

Facebook

Howard (2010) states that an artist's Facebook page should offer a clear value proposition and engage users with rich content. Within Facebook, the content that is shared most are music videos, concert footage, and interviews (Dugan, 2011). On Facebook, Mavens and Connectors not only follow artist pages, but also music bloggers, record labels, and

promotional group pages. Being connected to these other pages can also help to drive people to an artist's page.

The key to success on Facebook is generating engagement: likes, comments, and shares. This is due to a Facebook algorithm called EdgeRank, which filters out content to only display what it thinks users want to see. Higher levels of engagement will encourage EdgeRank to display content to more users (Kim, 2012). Kim (2012) states that the following strategies are effective in creating higher engagement:

- Photos that accompany status updates
- Geo-targeting posts to different regions (posts reach a higher percentage of people in that region)
- Shorter posts work best
- Create intrigue: including an out of context quote generates interest and more clicks.

Twitter

Micro-blogging site Twitter is the place where people can establish their voice in the community. This voice comes not just from what you tweet, but who you follow and who follows you (Howard, 2010). Twitter users are more likely to be Mavens or Early Adopters who try or buy products first. These users share music videos, concert footage, and free MP3 downloads most (Dugan, 2011).

CD Baby (n.d.) gives best practices for musicians when composing Tweets:

- Interact with people by asking questions and joining existing conversations
- Post interesting content that is related not just to music but to life as well
- Be useful to others first to generate motivation to help you
- Consistency is key; 2-20 Tweets per day is reasonable
- Measuring success of Tweets can be done using shortened URL's and Google Analytics

Stratten (2012) also suggests that all Tweets be a maximum of 120 characters instead of Twitter's actual 140 character maximum. This allows for space for the "RT @mention" text to be included without having to modify the original message.

Bandcamp.com

For die-hard music fans (especially in niche genres), Bandcamp.com is a popular place to purchase digital music. Because of its transparency in how it directly supports artists, Bandcamp potentially creates more value for the consumer. Selling music on Bandcamp allows for control over pricing (a pay what you want model is available), and lower commissions than iTunes (15% on digital files and 10% on merchandise, compared to iTunes' 33%) (Lyday, 2013).

On "name your price" albums, fans generally pay 50% more on average than the minimum price. The platform is also more successful in selling whole albums over other platforms. On Bandcamp, albums outsell singles 5:1, whereas the music industry as a whole sees a

ratio of 16:1 of singles to album sales (Bandcamp.com, n.d.). Bandcamp has also begun to make their platform more “human” and community-oriented. Users have the ability to follow other users’ collections of music and receive recommendations based on what people you follow have purchased. It also allows users to write comments on why they love specific albums, which encourages others to listen and purchase as well (Griffin, 2014). As an artist on Bandcamp, you can also create your own user page to showcase other artists that you have supported, which shows participation and investment in the community.

An independent artist, Andy Othling, experimented with his music on Bandcamp. He sent an email out to his fan base announcing that he would be putting his entire catalog of music for free on Bandcamp for 24 hours. The experiment was a success. Yes, free downloads rose significantly. However, he also discovered that:

- People still paid for his music even though it was free (some paid more than the previous list price), and he made twice his average monthly revenues in a single day
- The surge in downloads (paid or free) placed his catalog on the daily bestsellers list, which drove 150 new people to his page, resulting in new fans and sales
- He gained 446 new subscribers to his email newsletter list (Othling, 2012).

Another possible strategy would be to follow up with those who purchased for free with an offer to purchase something (such as a discount on a new song or album). People may be willing to purchase something since there was a “gift” of free music previously.

Another strategy is what is referred to as “windowing”. This is when an artist staggers the availability of releases between different platforms in an effort to promote exclusivity and price discriminate between fans at different levels of engagement. Making a release available exclusively on Bandcamp for the first six months allows the artist to reap the most profits from fans as the pricing structure is customizable, and has the ability to bundle album and merchandise sales together (Thompson, 2012).

Kickstarter

Crowd funding is a platform that allows independent musicians to collect seed capital for projects such as new albums or tours. Donors want to contribute to projects because they receive incentives for donating (physical rewards, recognition), they enjoy being a part of a community and the creation of a project, and they build a relationship with the people that they are funding (Mitra & Gilbert, 2014). As an independent musician, crowd funding is a great way to strengthen your established community by bringing them together to participate in creating something new.

Thousands of projects are listed on crowd funding websites, however there are certain factors that lead to a successfully funded project. Mitra and Gilbert (2014) examined how language used in the campaign contributes to successful funding. Their study showed that projects with large fundraising goals and long project durations were less likely to be funded. Including a video on the campaign page increased chances of being fully funded. However, the language in the fundraising pitch itself is critical. Projects that included positive phrases such as “good karma”, “all supporters”, “encouragement”, and “project will be” were more likely to receive their funds. Those that used negative language that

sounded like begging (“even a dollar”, “need one”, “not been able”), or lacked assurance (“later, I hope to get”) are not likely to be funded (Mitra & Gilbert, 2014).

Conclusions

Emotional connections have always been at the heart of music. Social media has the ability to strengthen emotional connections more than ever by linking users directly with the artists that create the music they love. No matter what social media channel is being used, these principles should be applied to ensure success:

- **Integration:** cross-promoting communication channels to easily connect with fans in new ways
- **Engagement:** creating content that fans want to talk about and share with their friends (without asking them to), and participating in conversations with fans regularly
- **Immediacy:** Demonstrating gratitude to fans by responding as quickly as possible to comments and questions
- **Relevancy:** Sharing meaningful content that contributes something positive to a larger conversation within the community
- **Reciprocity:** Being helpful to others first, before expecting others to help you
- **Authenticity:** Creating a personal touch with social media content, rather than using it as an ad-serving machine.

Success on social media is a direct result of the amount of quality time and effort invested in cultivating relationships with real people. When done with the right strategy, the artist’s investment will continue to pay off for years to come.

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