

THE SONGLAB: MUSIC BUSINESS DEJARGONISED

COSTING AND BUDGETING FOR EMERGING ARTISTS



Managing Your Spend

MULTIFACETED THINKING

- There is a certain sense of pressure on emerging recording artists in the modern era to become multifaceted. Whilst it is important, knowing where to start can be overwhelming.
- One of those facets is the outlay of costs and how to budget in order to make good decisions that fall inline with a strategy. After all, that is exactly what a record company would do.
- Many of the artists that go on to sign with a major record company are often successful in getting their business off the ground before it was picked up by the record company. In fact that is one of the facets that makes artists more appealing as a proposition for investment.
- Imagine an inventor going into the TV show Dragon's Den. Investor one has a great idea and investor two has a great idea that he or she has already tested on the market place and it seems to be working. Which one is the more appealing investment? There are several exceptions to this rule but it is both fair and accurate to say that proof is often required in order for a company to invest and take risk.
- One of the key things that underpins this is knowing that you have to spend and building an expectation of what that might look like.

RECORDINGS

- Acquiring your master rights is a crucial asset for an emerging artist. (see WHAT ARE MASTER RIGHTS doc).
- By being your own master rights holder you are putting yourself into a position where by you can industrialise the approach to your career. Licensing your rights to a record company is not an option if you don't own them so think carefully about what you own.
- Consider paying professional engineers and producers when creating your songs and then ask those professionals to sign a master release document. This approach gives you a water tight pathway to the future.
- If you have a producer working on a speculative basis with you for free then be very clear about what your working relationship is and put it in writing. That friend, uncle or that family friend is happy right now to “do it for free to help you” but may well change their point of view when you license the recording into a movie soundtrack. This type of situation can and does arise regularly so try and start a project with a professional intention so that it creates professional outcomes.
- Costs per track can and do vary enormously dependent upon the status of the producer or studio, whether or not its a master rights buy out or a split deal and whether or not they charge by the hour or for a flat fee. It also depends on the role of the producer and if they are making an entire track or part of a track for you.
- If you are using a track that you have leased from an online database then you only need to cover the recording cost of your vocal recording, mixing and mastering. However, check the terms and conditions of your license very carefully. The last thing you need is to put your heart and soul into your song and then find that out 400 other artists are using the same track.
- Costs per track can range from £100 upwards to £1,000 on a grass roots level.

DISTRIBUTION

- Distribution will cost you a small amount and it is worth researching what type of deal you wish to enter. (See DIGITAL DISTRIBUTION doc).
- If you wish to work with a digital aggregator such as Spin Up, Distrokid, CD Baby or any other platform of this level then be sure to know what you are paying for. It could be that you are paying a flat fee in exchange for delivery to the digital stores and some analytics to gauge your growth. However, some distributors take royalty commission in addition to a fee so it is worth doing your research.
- Typical fee: £15-40 per annum.

ARTWORK AND BRANDING

- Artwork can be as expensive or as inexpensive as you wish for it to be.
- The way in which you go about gaining your artwork can vary enormously from DIY designing to hiring a freelance photographer to hiring a graphic designer on fiverr to buying your own assets from library platforms such as shutterstock.
- What is key here is understanding what right you are acquiring before using it. If you are using a library stock image with your own branding then be aware that you are more than likely buying the non-exclusive license to that image for commercial purposes.
- If you are hiring a photographer be sure to discuss what the mechanics of the business transaction are. Is this an exclusive arrangement? Perhaps they are willing to work for half the price if they can make that image available to others elsewhere online?
- Your branding works in much the same way. Imagine you have paid a third party company or individual for a style of font on InDesign that fits well with your brand. Do you have the commercial right to use it for a release? It is always worth exploring this before any transaction is made.
- Customised graphic design can be a little easier to handle as its unique to you and your project but always be transparent about your purpose of use to whoever is hired so that this can be factored into what they charge.
- Artwork can range from £10-£250 on a DIY level.
- Logo designing can range between £50-£500.

SOCIAL MEDIA SPEND

- Managing your social spend has never been as easy as it is right now.
- However, the strategy you use to go about it has never been so complex.
- The common mistake that many emerging artists make is to plough money on the awareness of a release once it is live. This can be effective but usually isn't because you're selling to people who don't know you.
- A much more sophisticated approach to this would be to be more strategic about how you communicate. For instance, building likes, traffic and engagement on facebook offers a much more effective route to people's consciousness than making people aware of your latest single before they know you.
- This requires strategy and patience but often yields far greater results than a simple one time marketing punt.
- Another aspect to think about here is who your target demographic is. It is important to build an understanding of this before you start. (see **BRANDING AND ARTISTIC IDENTITY** doc). Targeting copycat audiences are often a great way of gaining potential new fans rather than just targeting age groups. For instance, if you're in an indie rock band maybe targeting followers of Catfish and The Bottlemen might be a better approach than merely targeting age groups.
- Average spend on a DIY campaign: £25-90

DIY PR

- **Before you can gain any form of press you will need a press release. (see DIY PRESS RELEASE doc).**
- **A press release can be written by yourself in third person if you are good at this type of task. If you are not then consider hiring someone that is. There are many professionals available for this type of work or you might find some more cost effective copy writers on platforms such as Fiverr.**
- **Once a press release has been created and you are happy it contains everything that it needs to, then it is time to start sending it to organisations or individuals who you think might be interested in covering your campaign. To do this well, you will probably find that you need to spend some money. Start this process 6 weeks prior to release.**
- **There are lots of PDF documents that can be bought online which contain the contact details of various press outlets. Another option would be use to centralised platforms such as MusoSoup or SubmitHub where you can upload your campaign and pay micro costs.**
- **Average spend per single release: £30-90**
- **Average cost of a press release creator: £150-350**

PLAY LIST CURATORS AND TASTE MAKERS

- One of the most effective things you can do when releasing new music is to plug your song into networks and channels where it may be suitable.
- This process can be done in pre release or post release dependent upon the type of platform it is.
- Any artist with a Spotify for artists account can pitch their song to the editorial playlist teams at Spotify through their app but this must take place at least 7 days prior to a release. This process is not only a good practice and habit to build but it also puts your song onto the release radar playlist of your followers. (see THE SPOTIFY ALGORITHM doc)
- There are some very influential taste makers on youtube, many of whom try and keep their fanbase engaged with new releases that are suitable to their tastes.
- There are also a huge array of independent playlist curators on Spotify that cover a huge range of genres and styles.
- Submit Hub, Daily Playlists and Sound Plate are good examples of platforms where many of these curators like to receive submissions rather than being contacted directly.
- Costs: Submit Hub use a credit based system where you pay micro payments to submit your song. Credit bundles on this platform can range from \$30-\$500 dependent upon how many taste makers you wish to pitch for but many of the other platforms are free to use.

RADIO

- Radio has been a platform for music discovery for several decades now. It could be argued that perhaps in recent years it has lost some of that influence due to the rise of digital.
- With that said, radio is still a platform which should not be ignored completely for a DIY artist.
- Radio pluggers can often be approached and hired by independent artists in the same way that they can be by record companies. However, be aware that so much of the mainstream radio space is still dominated by the major record companies which renders radio pluggers slightly less useful to unsigned artists.
- There are other more cost effective options though such as influential internet radio sites and regional radio stations, many of whom have DJs and presenters that represent the next wave of media talent making their way to the mainstream in the same way that you might hope to. It can be very useful to build friendships with DJs, presenters and producers at radio stations as your career progresses.
- There are other options which offer regional radio campaigns which last for 2-4 weeks. These are companies such as Deuce Promotions who have a solid reputation behind them.
- There is also the BBC Introducing show which covers your local area and scales up to a national level show. You can upload your song on their website for consideration of airplay on your local BBC Introducing show. This can lead to interviews, live performances, festival endorsements and further airplay in the BBC network such as BBC Radio 6 even Radio 1 if successful.
- Costs: Radio Pluggers can cost anything between £200-£1500 per month. Small campaign runners such as Deuce cost around £70 per campaign and uploading to BBC is free of charge.

VIDEO

- **A music video is a great tool for marketability and growth. If you have the budget to get one created then it may well stand you in good stead for further discovery, especially if it tells a good story that falls inline with your artistic message.**
- **However, music videos can often be expensive and perhaps don't always give a substantial return on investment.**
- **There are alternatives though and they come in the form of lyric videos or animation videos which are a much more cost effective option for gaining presence on YouTube.**
- **Uploading your song to YouTube with your artwork is still a good idea even if none of the other options here are economically viable because it means that the song can still be accessed for free and discovered.**
- **Cost: Music videos can range from £200-£10,000. Lyric videos can range from £20-£500.**

SUMMARY

- It is you that is in charge of managing your creative and marketing spend and the nature of that sentiment is still true even if you're signed to a major record label. It is therefore a good idea to build an understanding of what things cost and why they are important.
- When building a release strategy (see **RELEASING YOUR MUSIC** doc) it is important to think about what the goal and purpose is and then factoring in budget around that to see what is or what is not possible.
- One thing is for certain though, dropping a single onto streaming platforms and waiting for it to be discovered is a surefire route to despondency. Not because the music is not good enough but because people won't know its there and that can lead to a drop in motivation.