

Prospect or Perish, Sage advice for Musicians from an Insurance Salesman

Here are my Thoughts on growing a Fanbase for Musicians from an Insurance Agents Perspective

Since 1989 I have been an insurance agent, being paid commissions negotiated in a contract, in advance by the Insurance Company that I am appointed to represent. I have to do base training to get my license, and bi-annual training in my home state, with special classes for ethics, annuities, and long term care. Then I need special training in subjects like Medicare on an annual Basis, and even more product training for each of the over a dozen companies, that I am a broker for.

This is all items that have to be done before I am even allowed to talk to a customer. Then once I am IN Business, **I have special rules that I have to follow to market to people who I suspect might want to consider one of my products, some will display some signs of interests, and become a Prospect.**

Those folks will let me meet with them, and may even sign up for a plan that I offer, becoming a client. Then I ask those clients that buy from me for referrals to people they may know.

These clients that refer multiple people to me ultimately become a Center of Influence, or in Musicians terms a SuperFan . This group of people are to be cherished as they will yield 80% of your results over time.

I myself was a center of influence for my Life Insurance agent for 7 years , until his Boss grabbed my ear and wouldn't let go, until I agreed to become an agent myself. That was 1989, and I have been an agent ever since for just that one company for Life Insurance, and for Multiple Companies as a Broker for Health Insurance. The difference between Agent and Broker is, as an agent I must always offer that companies products first. As a broker I must analyze and fact find the information for the client that best serves their specific needs. So having multiple companies to work with provides needed options.

Life insurance pays commissions determined by the company, that they pay out after I find a suspect, sort out the prospects, make my approach, obtain an appointment, take an application, and then finally get the case approved by underwriters they pay me a commission. A few weeks later, I deliver the policy and ask for referrals. And start the process all over again with a new suspect.

So how well does an agent get paid, it's by a percentage of the dollars that the policy costs. With a larger percentage in year 1, and much smaller commission in succeeding years. The commission rates are written in the contract some a 1 yr, some 10 years, and some lifetime of client. So for agents it's all about The BOOK of BUSINESS, the bigger the book the bigger the renewals in continuing years. Some commission are regulated like Medicare plans, Health Insurance plans, and annuities. And contacts change, and you get a letter that's says as of x date we are no longer paying commission on these products. But needless to say a \$50 per month payment paying 50% commission in year 1 is \$25 per month, and in succeeding years it may be 5% that's only \$2.50. So the concept is to have a 100 clients paying you \$2.50 in renewals in the contract period, that's \$250. A 1000 clients equal \$2500. If the 10 year ceiling is in place you only get commissions for 10 years and must be replacing the ones that fall off with new clients. **The old expression is : if don't Prospect you will Perish.**

So let's bring an Insurance Prospecting Mentality into the Music Business , because it is the BUSINESS OF MUSIC that we are really talking about, if you want to be a professional music entrepreneur.

Do you want to make your own schedule , to work for yourself, and be self-sustaining in all you do.

It requires great sacrifice in the early years to build a sustaining fan base, to grow beyond once a week gigs, into a full time musician. For my purposes a Fan is someone you have their email address or worst case their cell phone number. Everyone else is a suspect, as you have little control over reaching them directly. So your first step is coming to terms that you have to ask for the data points, you need to build your business.

You should have already Mastered your instrument at this point(whether it's your Voice or a Tuba, you must be a master not a novice, if you want to be paid for performing). You must put in the practice of sharpening your skills, and do the daily exercises to maintain your muscle memory if you are truly going to claim to be a professional music entrepreneur.

You must be trustworthy and show up for gigs early and prepared , for 1 person or a 1000 people in the audience and leave the audience with warm feeling. All for the price you negotiated in advance , or the tips tossed in the bucket. You should never sing for an Audience for FREE , unless it's for a cause that means something to you personally, Many places will try to get you to sing for "exposure".

That's what open mics are for, and songwriting circles, and Jam Sessions. Look for places that these are put on by other artists, and not as a marketing ploy for a business to draw in more customers. They are being skimpy and maybe not even be paying a fee to ASCAP or BMI (who helps to insure proper royalties are paid to the legions of songwriters out there having their songs being sung publicly).

If you are looking for exposure, and playing for free, then find an empty field with 4 or 5 or 20 or 30 friends or even people you have never met. Set up chairs & coolers and perform and let them discover you, This may yield better results than a bar that wants you to perform for exposure. When in reality you are just droning behind all the other activities that revolve around food & alcohol sales.

Many musicians are seduced by this world and lose their way as they get depressed from low fans, no cheering or applause of their music as they perform, and having to work a JOB to support their fledgling music hobby.

So broad picture :

Develop your skills

Develop your brand

Write good music and register it (with ASCAP or BMI and get your ISWC code), as cover songs energize a crowd but don't pay you any future royalties.

**** Note you will also need to decide if you are capable of self publishing with the time and details it takes to do this task or if you need a publisher to assist you for a percentage of the potential future royalties (usually 50/50).**

If its covers that energizes your audience only , then get them to buy your really cool t-shirts and hats, or jewelry and if you have a self-produced burnt CD or copied USB with your own music then get them to buy it. OR Demand 25% to 50% ,more to only play covers from the venue owner. Meaning you'll take a little less to sing only originals.

At 10 , \$10 sales a week , that's \$100 plus the fee you got to play (or tips or both), that's 5200 per year plus fees to sing (and tips or both). Those numbers all scale up with bigger prices for merch., and more additional items and that yield MORE Overall Sales.

Then once you have a solid FanBase , go to a professional studio and record 1 or 2 songs, that are high quality and commercially viable. Take that Master Copy of your music with ISRC codes and start the next step of your professional Music Career.

Choose a distribution method. Do not go directly to Nashville, and pay out exorbitant prices. The phrase Nashville Recording Artist should be reserved for the guys that own their own venues or studios there . That phrase actually turns industry people off as it's SO overused with the folks that apply the Nashville Hype. **Only thing Nashville has is no place to park.**

Distribution

This can be a discount house that releases Millions of songs a year, by self-uploading and have no personal contact , and little support.

Or it can be a Niche Label that works with you to put a proper product out. They should have affiliations with the BIG Labels like Sony , Warner or UMG to expand your worldwide presence.

Your Distributors role is to get your music into the digital world, where you suspect people might want to hear it . Places like Spotify, Deezer, Apple, Amazon, Pandora, Youtube these are all places the public goes to , to listen to music , hopefully yours. There are others too like Amazing Radio.us and tons of other online stations all around the world, **The distributor will lease a percentage of control over your master recording. Bigger labels take bigger percentages (like 80% them and 20% you) Major Minor labels like DKM or Blues Highway will do 20% them and 80% you.**

WHY ??

They understand that PROMOTION COMES NEXT, and they expect **YOU** to have a **BIG part of your promotional efforts and that funding should come from you**. With rates as little as \$125 per week and up to an unlimited amount that you decide is worth the effort for your potential future success.

Promotion is meant to get more ears listening , to develop more local fans that come to gigs and buy merch from you, and to develop worldwide fans that buy your merch thru your online store and ship it to them.

So you can see that marketing and merch sales are like insurance sales paying the first year bigger commission, and new fans being converted thru promotion is replacing the sales that fall off. The royalties for performing your own music come from songwriter royalties, and mechanical royalties from musical performance via streams and airplay . These are your commissions as time goes on and more and more people fill your growing fan base.

1000 fans buying \$50 of merch a year is \$50,000 In revenue, 1000m fans buying a \$100 a year is 100k

Musicians who properly use a proven system, and understand they are a business can go quite far.

There are many millions of people that play golf, but only a percentage get paid to be a golf course pro, and even fewer make the PRO circuit.

It's a very small chance of you ever being a true **Music Superstar that's the Top .03% of all musicians out there**, but there is a big chance that you can support yourself with a steady business income stream from your music, and get enough Super Fans that spread your music all over like the a wildfire, **if you apply the same business skills that insurance agents do, there are NO shortcuts.**

Prospect or Perish

or in Musicians Terminology

Grow your Fanbase or Load out for the last time

A burning desire to be and to do is the starting point from which the dreamer must take off.

Every person who wins in any undertaking must be willing to burn his ships and cut off all sources of retreat. Only by so doing can one be sure of maintaining the state of mind it takes to become successful.