

Situation Analysis

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Market Summary

The type of music business identified in discussion one was an artist management and advisory company. This classification results in the company's NAICS code being 711410, which encompasses agents and managers for Artists, Athletes, Entertainers and Other Public Figures. (United States Census Bureau, 2017)

My market is comprised of independent artists specializing in Hip Hop, Rap, RnB, and Neo Soul music. Buying habits of any artist looking to be managed are primarily set by industry standard prices for artist managers. According to Donald S. Passman (2019), the standard fee of artist managers is between 15 and 20% of the artist's gross earnings. Moreover, the decision making process surrounding this market specifically pertaining to artists managers, is high-involvement. Artists need to be and are extremely vigilant when choosing a manager, as the relationship is extremely important, and can make or break an artist's career in various ways.

According to Sudakow (2017), "... 90% of decisions are made based on emotion...". From this statistic we can infer that artists are primarily basing decisions off of emotion, like most people. Logical thought will likely have a small place in decision making as well, as coming to business agreements often command logical thinking for their formulation. Furthermore, in the book "All You Need to Know about the Music Business" By Donald S. Passman (2019), it's explained that it is important for artists to have some type of personal connection with their artist manager, as the partnership requires constant communication and most importantly, trust.

When it comes to independent artists who are searching for management they are motivated by the self-actualization and esteem categories. This is mostly because they are early on in their careers, and do not have the kind of capital to draw from that we see big and small names, that are connected to labels use in order to market, distribute and produce content of all kinds, at a high caliber. Without these resources and extensive knowledge behind you, it can be extremely difficult to solidify a great brand through great, high quality content. Furthermore, independent artists are not just looking to actualize their brand, but their career as a whole. As stated before, independent artists do not have the same resources as signed artists. In the article “Creating a Budget for an Independent Artist” (2021), it is explained that a budget of \$500-1000 per release is ideal for independent artists. (p.10) This number compared to the average \$500,000 to 2,000,000 in advances spent on new artists, very clearly shows why independent artists have difficult time actualizing their brand and careers. (Wiebe, 2020, p.7)

Market Trends

Something extremely positive impacting the industry sector of managers is the sheer amount of new artists and music coming out. According to Paine (2021), the independent sector is “... collectively growing at 27% and increasing their combined streaming market share to 31.5%.” (p. 8) Each one of these artists is an opportunity for clientele.

Something negatively impacting managers is COVID. The disease itself is cause for caution with lasting repercussions like long covid, which can leave people disabled. Some of the symptoms are “...fatigue, breathing difficulties, insomnia, pain, and brain fog. Additionally, post-COVID-19 can impact multiple organ systems, including the kidneys, lungs, pancreas, and

heart.” (Shukla, 2021, p. 4) These conditions can be career ending for managers artists, but, on another note, COVID has affected the biggest revenue generator of the music industry. Live music and touring. One of the best examples is that, “...Live Nation, the world’s largest concert producer, has announced that their revenue plunged by 98% in the last financial quarter, after COVID-19 devastated the live music sector.” (Lampert- Greaux, 2020, p. 17) This change in artist revenue directly affects managers.

Target Market

Dare and Defy’s target market is as follows. Eighteen- to twenty-eight-year-old men of color who may have graduated with a bachelor's degree, who make approximately \$45,000 working in the service industry and maintaining their independent careers. Furthermore, these men are optimistic, cannabis smokers that are heavily invested in community the artistic endeavors of their peers. These individuals live in the Orlando, Florida area, a place with a population of 290,520 (World Population Review) and bustling arts and nightlife communities. In respect to artist mangers these individuals seek growth in their career along with personal connections to industry professionals. Moreover, their usage rate of artist managers should be daily, as daily communication is necessary in an artist/ manager relationship, and they must have a deeply established respect and trust for one another.

Customer Persona



Vidar Nordli - Mathisen

This is Masavion. He is a 24-year-old Orlando native who drops off packages for amazon by day and becomes a local superstar at night. Masavion makes roughly \$50,000 a year and lives alone. Most of his friends are also creatives, either working on performing or visual arts, and Masavion is extremely encouraging of them, and they frequently work together. Masavion is an optimistic person whose time is primarily taken up by music and work. His family is extremely important to him and he hopes to make them proud with the success of his music career. In respect to working with a manager, Masavion is looking for growth within his fan base and online presence, along with building relationships with industry professionals.

Competition

An example of a direct competitor to Dare and defy Artists Management and Advisory is the company Olivia Management, based in Nashville, Tennessee. Though Olivia management does not work solely with independent artists, the company offers the same management and consulting services as Dare and Defy.

An indirect competitor to Dare and Defy Artists Management and Advisory would be an artist development company. The services they offer can very well have similar results to that of management and a great example of a company would be Dreamwalker Music Evolution. The company offered a host of services to help solidify artist brands and increase their skill sets, along with an in house recording studio.

Strengths

The strengths of my direct competitor Olivia Management primarily lie within the company's credibility. Olivia Management was founded by Erin O. Anderson in 2012, meaning they've been in operation for about ten years, compared to Dare and Defy which is in the early stages of it's development. (Olivia Management, n.d., p. 1) Furthermore, the company itself along with the founder have worked with various bug names in the industry like, "... Sony Music Entertainment, the Americana Music Association, Nashville Chamber of Commerce, Kind of Blue Music.." to name a few. (Olivia Management, n.d., p. 2)

The advantages and strengths of Dare and Defy's indirect competitor, Dreamalker Music Evolution are the partners they work with. They don't just offer up a factor of credibility, but also is also an enticing factor to the company that draws in customers. One of the folks they partner with is Taylor Swift's former Manager, Rick Barker. Barker has worked with

Dreamwalker Music Evolution on, "...music business guidance and educational opportunities..."
(Dreamwalker Music Evolution, n.d., p. 4)

Weaknesses

The weaknesses of Dare and Defy's direct competitor Olivia Management is the diversity within their clientele. The company represents nine artists/groups and one producer. All white, and primarily male with the exception of three solo female acts. (Olivia Management, n.d.) Though the company operates out of Nashville, a fairly homogenous area regarding music, this clientele makeup begs the question; can they adapt to an industry that increasingly champions diversity. Another weakness of this company is that they lack a price plan. There are many situations where pricing is not set in stone with management companies, especially with contracts. Yet, Olivia management is also a consulting company, with no information about how sessions are priced. (Olivia Management, n.d.)

A weakness of Dare and Defy's indirect competitor, Dreamwalker Music Evolution is their website. It is extremely visually pleasing but lacks important information. One example being, the website has no section dedicated to the companies' clientele or, showcasing projects they have been instrumental in. This does not allow prospective clients to get an idea of the work the company does, and can easily deter them, onto a different company. Moreover, certain social media links on the site do not work. Furthermore, the company could do better when it comes to brand awareness. They have amassed a following of approximately 1,500 on Instagram with an average of 60 like per post. (dmeorlando) This shows the company has not connected well

enough with it's existing audience, and will therefor have a difficult growing the awareness of their company, especially on social media.

Market Positioning

To Independent Artists looking to remain independent throughout their growth, Dare and Defy is an artist management and advisory company that has the resources, knowledge, and culture to educate, empower and elevate out clientele.

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