



HOW ONLINE MUSIC MARKETING HAS CHANGED

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It's no secret that the music industry is at a crossroads. For over 50 years the music business model was very simple. Promote a song to radio, take the exposure gained there and leverage it to sell product in retail stores and use the combination of radio airplay and recorded music sales to build a fan base that would come see an artist perform live. This model worked very well for many years.

But in the mid 1990's things started to change. The advent of the Internet allowed music fans to change the way they consumed music. And as technology advanced, the music business began to rethink (or in some cases were forced to rethink) the tools they used to market music to consumers. For reasons both good and bad, the Internet has given nearly all consumers more information and greater access to even more music than ever before, sometimes at the expense of actual sales.

Today; labels, managers, and artists are harnessing the power of the Internet and finding new and unique ways to market their music online and create more opportunities for generating revenue. For today's recording artist it's no longer enough just to have a website that can be used as a depository for information about that given artist. The world of online marketing is becoming more important every day to insure that an artist has greater possibility for future success.

The Internet has introduced additional types of marketing to those in the music business. Many of these marketing strategies have become buzz words for music industry personnel. The ability to understand and implement these new forms of online marketing such as "social media marketing", "email (or permission) marketing", text message (or SMS) marketing", and "viral marketing" are becoming more important to those in the music business each and every day.

Here's a look at these facets of online exposure individually:

SOCIAL MEDIA MARKETING

Social media marketing is one of the fastest growing segments of online marketing and is also one of the most important especially for recording artists. And while everybody's talking about social media and the numerous social networking sites, few truly understand how to harness the power of the free websites like Facebook, MySpace, Twitter and YouTube. While most people tend to want to lump all of these sites together into one simple online marketing strategy, each of these sites does have exclusive characteristics and each should be handled in a unique way.

There is one universal key to a successful social media marketing strategy, and that is two-way communication. By encouraging the artist to actually interact with their fan base, the bond between an artist and their true fans can be strengthened immensely. And, since this communication is now on a real-time basis, the fan perceives that they are building an even stronger bond with their favorite artist

by feeling that they are truly getting to know them better. And this gives them the feeling that they have become a more active participant in the success of that artist.

While these free social networking sites have allowed fans to have unparalleled access to the lives of their favorite artists, researching how each artists' specific fan base utilizes each site is key to maximizing benefits, as strategies within social media can vary widely from artist to artist.

EMAIL MARKETING

No matter whether you call it target marketing, permission marketing, invitation marketing, or even database marketing, the practice of "direct" marketing to consumers has actually been around for nearly 60 years.

And with the advent of email, the cost of directly targeting consumers with marketing messages has dropped drastically. In addition to cost, another upside to direct email marketing is the ability to receive almost instantaneous feedback from the targeted consumer. This allows you to actually build a dialogue with them, and again, perhaps even build a stronger bond with that consumer. While it's taken a long time, artists, managers, and labels are finally realizing the benefits of building this one-on-one relationship with music consumers.

The downside of the email marketing process is that it can be very time consuming. To do it properly, you have to be part marketing person, part web designer, and most importantly truly understand the practice of consumer engagement. Fortunately the tools available to not only build databases for artists, but to incorporate these databases into existing online sites; from each artist's website to the label website to the social networking websites mentioned above are becoming more readily available if you are willing to properly invest the time and money.

TEXT MESSAGE MARKETING

The ownership and use of cellular/mobile phones has gained huge market penetration throughout the world. According to 2010 figures, a staggering 72% of the world's population has some type of cellular phone. In the US, mobile phone penetration has reached over 90%, while in Canada that figure is nearly 65%. Some countries in Europe and Asia have actually amassed over 100% mobile phone penetration!

And the figures for text messaging are equally as staggering. In 2010, the Pew Research Center found that 72% of mobile phone users in the US sent and received text messages on a regular basis while that number is just over 50 percent in Canada.

Text messaging or Short Message Service (SMS) marketing is still in its' infancy. Text message marketing is the practice of taking the marketing message directly to the cell phone or smartphone of the

consumer. To many, text message marketing appears to be very intrusive, so for now, marketers for the most part tend to be treading carefully.

In marketing terms, the cost of text message marketing is similar to that of email marketing. When comparing marketing campaign costs, the average cost of an email averages nine cents per message, while the average cost for text messages is about ten cents per message.

While very few companies are currently using text messaging as a two-way marketing vehicle, the opportunity for artists to further connect with their fans through text messaging is just starting to be explored. As long as the artist, their management, and their label don't overuse this extremely personal form of marketing, it is proving to be a very powerful medium.

VIRAL MARKETING

Viral marketing is truly one of the most difficult forms of online marketing to undertake let alone master. On the surface, the premise behind viral marketing in the music business is very straightforward; getting people (fans) to help you spread a message through a self-replicating viral process.

To put it simply, it's getting a few fans to tell a few of their friends who in turn will tell a few of their friends, and so on, and so on until the message you're spreading becomes impossible to avoid by nearly everyone you come in contact with.

The message or product you're trying to promote virally can be word-of-mouth delivered or of course enhanced through use of the Internet. In the music business, viral marketing messages usually take the form of video clips, audio files (songs), images, or text messages.

In terms of online marketing, viral marketing initiatives tend to be the ones that most people would like to undertake, since they have the potential to generate a greater return in a shorter period of time. But because of the innate difficulty of viral marketing, while viral marketing campaigns have the potential to generate large return, they also they have a greater potential of failing to generate desired results. But even if a viral marketing campaign does not spread as hoped, the assets of that campaign still act as a benefit to other forms of online marketing that are utilized, such as email marketing and social media.

SUMMARY

In recent history, for the majority of artists, radio airplay continues to be the key component to stimulate career growth, and still offers an artist the most rapid ability to advance their career. But, there have been a growing number of musicians who have been able to facilitate very successful careers without radio play simply by using the Internet to grow their fan base. For these artists, the Internet has fast become the career equalizer.

As radio airplay becomes more difficult to achieve, we find that the artists who are able to mix radio airplay with online marketing initiatives tend to be the ones who are experiencing the greatest amount of career growth in the current entertainment climate.

Successful online campaigns aren't necessarily the ones where the greatest amount of money has been spent. Both creativity and proper planning are also important factors in thriving Internet initiatives. But, one thing has becoming abundantly clear; to be a successful artist in today's music business you must embrace a wide variety of online marketing strategies to help grow your career. The longer you delay, the more difficult it will be to advance in the business.