

PAUL ALLEN

ARTIST MANAGEMENT

FOR THE MUSIC BUSINESS

MANAGE YOUR CAREER IN MUSIC
MANAGE THE MUSIC CAREERS OF OTHERS

FIFTH EDITION

Artist Management for the Music Business

Anyone managing an artist's career needs to be well versed and have a savvy understanding of the moving parts of the music business. Learn how and why those moving parts "move," as well as how to manage and navigate a music-based career.

Artist Management for the Music Business gives a comprehensive view of how to generate income through music and how to strategically plan for future growth. The book is full of valuable practical insights. It includes interviews and case studies with examples of real-world management issues and outcomes.

Updates to this new edition include a new chapter for independent, self-managing artists, expanded and updated sections on networking, social media, and streaming, and a basic introduction to data analytics for the music business.

This book gives access to resources about artist management and the music business at its companion website, www.artistmanagementonline.com.

Paul Allen is an associate professor in the Department of Recording Industry at Middle Tennessee State University and co-author of *Record Label Marketing*, published by Focal Press. He is also a frequent lecturer at other universities on artist management and other music business subjects.



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Artist Management for the Music Business

Manage Your Career in Music
Manage the Music Careers of Others
Fifth Edition

Paul Allen

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Dedicated to Cindy, Paige,
David Taylor, Maliyah and Cayden



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Introduction

This book is intended to be the definitive guide to the student of management of artists in the music business, those artists who choose to manage their own careers, as well as to those seeking to become professional artist managers. Some of the tools developed for this book are found nowhere else, and active artist managers will find them to be helpful planning and organizational tools. The companion website for this book, www.artistmanagementonline.com, is a continuing resource for both the artist manager and artists. The site includes a free directory of artist management firms, advice, and links to help the manager be a more effective manager in the music business. And most importantly, the website is the portal to an online course on artist management based upon this book. Music business veteran and professor at the Frost School of Music at the University of Miami, Christopher Palmer, developed the course with assistance from videographer Jon Grimson. It is an interactive multimedia experience with you as a student. You learn at your own pace. Visit the website for more information.

Information presented in this book has been drawn from the experiences of many scholars who work or who have worked as artist managers, as well as from the author's career managing people, assets, companies, organizations, projects, performers, and performances. My wish is that the words that follow will be your guide to a successful experience and career in the music business.



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Artist Management and Its Principles

1



PLANNING A SUCCESSFUL CAREER IN MUSIC

Defining your future success as you begin or restart a career in the music business is a specific measure only you can make. It's easy to put it in monetary terms. But that's about the most speculative way to define success in an industry that is of very high risk. And because of the high rewards to the very few at the top of the industry, there are millions of artists from Seoul to Cape Town and from London to every small town and megacity in the United States and Canada with dreams of making music and making money. The competition is intense.

While affluence is a measure of success by some, consider just a few of these other measures of success. For example, a booking agent will measure their success perhaps in terms of how many performance

opportunities they've booked for artists helping to boost their careers. Artist publicists may measure their personal success in terms of how they've helped grow the careers of their clients. A studio music producer may measure their success by helping artists to express themselves musically. A church music director may view success with their work if it is inspirational instead of merely being "part of the job." An artist manager may view their success in terms of how well they develop the careers of singers and songwriters so that their creative work has commercial appeal. These and others in the music business have two things in common. First, they help create value from the creativity of the artist. And second, the life experiences of *others* are better because of how your art connected with their lives through shows, streams, downloads, your social media, or maybe from that special vinyl album you created for your fans.

You will learn that finding your measure of success as an artist or an artist manager is truly hard work. It also requires what I call "smart work." You can't wait for your success to find you; you need to harness and drive your passion by using time to move you along with your goals, and that's smart work. Make regular improvement with your music and how you present it, and make it one of your goals. In fact, make using smart work one of your goals.

Having lofty but reasonable goals is a great way for you to begin your planning. Artists with talent who wish to move it to their next level of success—however they define success—must use a measure of goal-setting, and then have the commitment to the effort to move your talent to the next level. The balance of this book is dedicated to giving you an understanding about the music business and to giving you guidance on the tools that can help you toward your own success in music.

CONSIDERING ARTIST CAREER MANAGEMENT IN THE MUSIC BUSINESS

Whatever your title—manager, personal manager, artist manager, music manager, brand manager, representative, or self-managed artist—managing a career in the music business means music becomes a part of every facet of an artist's life. There is virtually no aspect of the professional and personal corners of an artist's life that the duties of managing aren't encountered on a regular basis. Helping direct the career success of an artist requires significant involvement in their

life. A manager or artist who is new to the profession will find it to be immensely time-consuming and slow to deliver rewards, yet energizing with its fast pace and regular challenges. As you read this book, whether from the perspective of someone who wants to manage their own music career, or from the perspective of someone who wants to manage the careers of musicians, everything presented in this book will apply to career management, whether you do it all yourself (DIY) or whether you hire others to perform necessary support services for you or your company. The music business swirls in its own continuous change. Streaming continues to be the primary way of monetizing recorded music. Before streaming became the principal earning source for the recording industry, managers were at the hub of the artist's career, providing many of the services formerly handled by labels. Labels have traditionally cornered the distribution of music, but tools provided to artists and managers by digital streaming service providers (YouTube, Spotify, and others) are often linked to large labels. We'll look at those management tools and how to use them in an artist's career later in the book. Traditional labels share a partnership with the artist or the artist manager with the goal of success in all aspects of their music careers. Success in artist career management requires a continuing—almost daily—education by paying attention to what is happening in the music business and other industries and events that affect it, and what that means to artists and artist managers.

Artists in the music business are sometimes managed by attorneys. But there is a reason as to why professional managers are the better choice to manage an artist's career or to give advice to self-managed artists. A top entertainment attorney once said over lunch that attorneys are not necessarily the best choices to provide career management to artists, primarily because of their conservative nature as practicing professionals. Lawyers are often inclined to advise their clients on ways to conduct business without creating conflict. Today's artist and artist manager, in order to stand as the strongest advocate possible for a career in a highly competitive industry, must be able to push that advocacy to the limit—without overstepping the boundary of business ethics. Attorneys have become effective managers, but doing so generally requires that they step away from practicing law.

Be Creative, Informed, and Connected

Today's artist career managers must be willing to take calculated risks. This doesn't mean taking chances with a career. Rather, managers and

mentors to artists should involve the artist in promotional ideas that get the artists outside of their comfort zone, and encourage them to be open to opportunities to help them reach their goals.

If you're managing someone else's career, you also must manage your own. This means that you must keep up to date on the entire music business. Certainly, technology and changes in the legal environment of the music business create new directions and challenges for artist career management, but they also provide opportunities. Managing a music career requires that you be aware of trends and how they affect career goals. That means regularly reading publications and the websites for *Billboard* and *Pollstar Pro*, attending industry conventions, and subscribing to online industry headline services like those provided by www.billboard.biz, Jay Gilbert's www.morningcofee.com, and www.allaccess.com.

The late veteran artist manager Ken Kragen (1994) titled a book he co-wrote *Life Is a Contact Sport*, and in it, he discusses the importance of developing and servicing a personal network of contacts. Being able to get that telephone call returned is among the most important assets an artist manager has. Without the connections—either direct or indirect—it is difficult to get business done on behalf of the artist. For the aspiring artist manager and self-managed artist, yesterday wasn't too soon to begin building that network. We'll have more on that later in this chapter.

Understand People and Business

Developing meaningful interpersonal relationships can be challenging, but it is more important for the artist manager than any other skill or talent. The work of an artist in the music business is a web of negotiated deals that requires the manager to have patience and a trusted entertainment attorney, an understanding of human nature, great communication skills, and a solid reputation of dependability. Each of these traits requires cultivation, but each will also become the foundation of a successful music career or a profession in music career management.

Aside from the music, business is the other constant in the career of an artist manager. As surely as music connects with an individual's passion, it doesn't become commercial until it builds a strong fan base and proves that it's good for business. To conduct business on behalf of the artist, an artist manager must develop an understanding

of team-building, marketing, budgeting, and sales as they apply to the income streams available to the artist.

There are frequent references in this book to a *360 deal*, also known as a *multiple-rights recording contract*. This term means that a company/label is entitled to a percentage of some or all of the income streams of an artist in the music business. It is most often applied to recording contracts that give labels part of the nontraditional earnings of new artists that they sign, such as part of their merchandise or ticket sales in addition to profits from marketing their recorded music. Similar arrangements are part of some artist management contracts that provide the manager a small percentage of ownership in an artist's songwriting. As you read this book, you will see that the artist and the artist manager in today's music business are actually in the best position to direct, profit from, and control the 360 degrees of the artist's career.

Let's begin with a look at the business and science of management. For the reader who is relatively new to management science, this chapter is the starting point. It puts the balance of this artist management book into the context of the basic principles of management. As you will see in the chapters that follow, managing an artist in the music industry—whether it is your own band or an independent artist—uses science, business, and a good measure of creativity to achieve success. This is especially true of the music business because of its nature as an industry that can offer high rewards for those who have a measure of success—where success is often measured by affluence.

As we consider principles of management, it is important to understand that the goals of artist management are different from those of other areas of the music business. Record companies are in the business of marketing and selling recorded music and related products, and promoting online streams of the company's audio products. Traditional radio companies are in the business of building audiences to lease to advertisers. Advertisers then purchase spot advertising from the radio station that airs within the programming. Concert promoters present live entertainment experiences. Online streaming services like Pandora and Spotify sell access to massive song databases, and earnings from those subscriptions are shared with everyone associated with a recording. Artist managers are in the business of developing long-term careers for their artists, which includes touring, merchandising, sponsorships, licensing, recording, songwriting, and the full

exploitation of all of their talents. Some artist management companies combine all of these functions for the artist under one umbrella.

As we look at management principles, it is important to understand that the work of an artist manager in the music business is somewhat different from other kinds of managers. The traditional relationship a manager has with their company is one that has a reporting hierarchy, and by definition is very structured and “corporate” in nature. For example, a copy writer reports to a creative services manager, who reports to the director of marketing, who reports to the vice president of sales, who reports to the president; an artist manager only reports to the artist. Traditional managers use the resources of owners of a company to ultimately sell their goods or provide services for a profit, and, in many ways, that is what the artist manager does.

Much of the work of an artist manager is product development, sales and promotion, planning, and managing the work of the team around the artist. The relationship between the artist (employer) and the manager (employee) is considerably closer than that of typical managers in business, and is much more like a partnership. The level of trust and the strength of the relationship between the two are often compared to those found in successful marriages. This kind of association of a manager with an employer can also be found in politics, but is rarely found in the business world. However, there are times when an artist manager takes on most of the traditional roles of management as he or she oversees the management of the artist as a brand, with the artist being a creator of art and entertainment experiences.

FUNCTIONS OF MANAGEMENT

Nearly every text, research paper, and discussion on the topic of management embraces four classic functions: planning, organizing, directing, and controlling. These functions all apply to artists in the music business.

Planning

The difference between success and failure in any endeavor can often be tied to planning. Luck by itself can sometimes deliver success, but coupling it with a well-designed plan can put the artist or the artist manager in a position to take advantage of opportunities when they present themselves. It is very satisfying when opportunity opens a

door to implement an active plan to be in a position to take advantage of it. For example, a young Josh Groban was asked by award-winning producer David Foster to replace an ailing Andrea Bocelli in the 1999 Grammy television rehearsals with Celine Dion. His performance at the rehearsal was powerful enough to help launch his multiplatinum recording career as an artist. Groban's planning and preparation for a career as an artist put him in a position to benefit from the lucky timing of Foster's telephone call. Eight years later, he had the top-selling album in the U.S., and by 2021 the U.S. career sales and streams of his recorded music were nearly US\$500,000,000¹ (MRC Data 2021).

When an artist or a manager identifies worthy goals, he or she often collaborates with stakeholders (those who stand to profit or lose from an endeavor). Stakeholders can be the members of a self-managed performing group or band, or members of a management team guiding the career of an artist to develop a set of logical steps to achieve them. The planning becomes the framework for successfully meeting goals. I credit Dr. Carter McNamara with saying, "Planning is identifying where you want to go, why you want to go there, how you will get there, what you need in order to get there, and how you will know if you're there or not" (McNamara 2014). His ideas on planning in this simple sentence are the best guides you will find. His current website is a treasure trove about planning and is listed at the end of this chapter.

It is easy to see why planning is often viewed as a road map that helps define the route to success. A career plan results from collaboration between the manager and the artist, which provides direction and milestones to reach goals. This book frequently addresses career planning essentials.

Organizing

Organizing the manager's work is closely tied to the planning function. Organizing is assembling the necessary resources to carry out a plan and to put those resources into a logical order. It also involves defining the responsibilities of the artist's team, hiring those people, and managing everyone's time for efficiency—especially the artist's. The manager allocates the amount of time necessary to follow each step of a plan to get the intended results.

The manager of any enterprise also seeks the funding or financing necessary to pay for the plan. The grandest example—long before the great recession—is Chrysler Chairman Lee Iacocca's successful

plan to pursue hundreds of millions of dollars in loans from the U.S. government in the late 1970s to save his ailing company from bankruptcy. It was a never-before solution he negotiated to save the company. The same creative initiative is often necessary for the artist manager on behalf of artists. For the artist manager, financing and funding the plan for a new artist's career could include a combination of (1) an accelerated touring schedule, (2) finding sponsors, (3) relying on assistance from fans who offer financial help through crowdfunding websites like Patreon or KickStarter, (4) asking for help from friends and family, and (5) helping the artist secure loans. Managers also recruit and employ labor and expertise to put the plan into operation and to see it through to its success.

The manager of a band or an artist in the music business forecasts the need for members of the artist's team, and plans for the time when their services will become an expense to the operating budget for the artist. The manager also draws any other necessary resources together, creates a logical structure for the organization of those resources, develops a career plan, and executes it. An artist looks to the manager to take the chaos of a prospective career and organize it into the prospect for success.

Leading and Directing

Managers provide a leadership function for the artist and their team by ensuring that the talents and energy of the team are directed toward the career success of the artist. The work of a manager in directing activities is to take the resources needed to reach goals and use them efficiently to achieve success. For example, an artist manager often hires a company or an employee to oversee the successful application of digital media strategies to the promotional plan for the artist's career. (Promotion and marketing are elements of the overall career plan.) This means the manager coordinates the energies of the professional team members working toward the artist's career goals, monitors income and the expenditure of funds, and plans and manages time. All of this work requires that the artist manager keeps everyone directed toward achieving the career plan objectives.

Some of the team members chosen for the artist are on the active payroll and others are used to support the plan on an "as needed" basis. The term "team" as applied to the group of professionals who support the artist is indeed a group with a common goal: a successful career for

the artist. However, it is rare that the team as a group will assemble for a meeting about the artist, unless band members are the team of a self-managed group. In either case, the manager provides each team member with continuous communication about the activities of the artist, and draws expertise or assistance from each member of the artist's support team as their help is needed. Members of the team communicate with each other as necessary. For example, the artist's booking agent forwards budgets and performance offers from promoters to the artist's manager, business manager, and perhaps accountant, and then waits for feedback.

Controlling

Any manager who has created a plan follows its implementation by controlling all of the resources required to achieve the goals of the plan. When the resources (time, people, equipment, and financing) have been assembled and the plan is underway, the manager monitors how effectively the plan is being carried out and makes any necessary adjustments in order to be efficient with the use of resources and to be effective in advancing the plan.

The business of managing an artist in the competitive world of the music business means developing plans and an implementation strategy in an effort to control as much of the artist's developing career as possible. The manager must be realistic in what he or she feels able to control, but it also means that he or she must be flexible enough in encounters with reality to adjust to the circumstances. For example, a manager should anticipate that a new and promising artist will not be able to give a powerful performance at each audition, and should be prepared to put the most positive "spin" on the result.

ARTIST MANAGEMENT SKILLS: NETWORKING IS KEY TO A CAREER IN MUSIC

Getting any career started—especially as a manager of an artist in the music business—requires a functioning network of business contacts. Without that network, you truly don't have a path to any measure of career success. You can't get phone calls or messages returned. People simply are not connecting with you, your career, or your management company. To build a network, a manager must be willing to become involved in both the business and the social sides of the music