

best practices of the online promotion of new musical content

5 product launch case studies
by [Bas Grasmayer](#)



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Foreword

I wrote this paper as part of an assignment for the International Communication Management course of INHOLLAND University of Applied Sciences Amsterdam/Diemen, The Netherlands. The task to look into and analyze a product launch. As I was already in the process of writing my thesis, about the future of music distribution, I decided to deviate a little from the original assignment and instead create five case studies of the online promotion of new musical content.

Not short after I started composing this paper, I realized that it should be made public for all those people on Twitter, Facebook and other places I've been connecting with over the last half year. Our interactions and your comments have been helpful and insightful and if it wasn't for these social networks, I might never have known about some of the case studies in this paper.

I hope this paper inspires artists struggling to make money and helps them find new ways to do it (if not, [check out what Trent Reznor has to say for beginning bands](#)). I hope this paper makes music consumers think twice about how artists are trying to reach them and how they can help artists connect with them. I hope this paper makes people realize that filesharing does not mean the death of the music industry, even if organisations like the RIAA don't manage a stop to it (they won't) and finally give up. I also hope it makes content creators (musicians) realize that the internet is not their enemy, neither are filesharers.

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Introduction

This paper will look at the best practices of the online promotion of new musical content. The paper compares 5 'product launches' of new music albums. These products are:

- Radiohead's album "*In Rainbows*";
- Nine Inch Nails' albums "*Ghost I-IV*";
- Groove Armada's EP "*Drop the Tough*";
- Dangermouse and Sparklehorse' "*Dark Night Of The Soul*";
- Mos Def's album "*The Ecstatic*".

The paper will explore the commonalities and differences of these product launches and will analyze why some of these have been more successful than others based on theory put forth by several experts on the matter.

For every 'product', the paper looks at the following factors:

- What's its place in the product lifecycle;
- What are the risks of launching the product in this way;
- Why might the artist/company have chosen to release it in this way;
- What did the launch achieve;
- What trends spawned this product and its promotion?

Before the analyses of the product launches, you'll find a theoretical part first. This theory will help understand the later analyses and the rules of the new media environment that these product launchers have to play by.

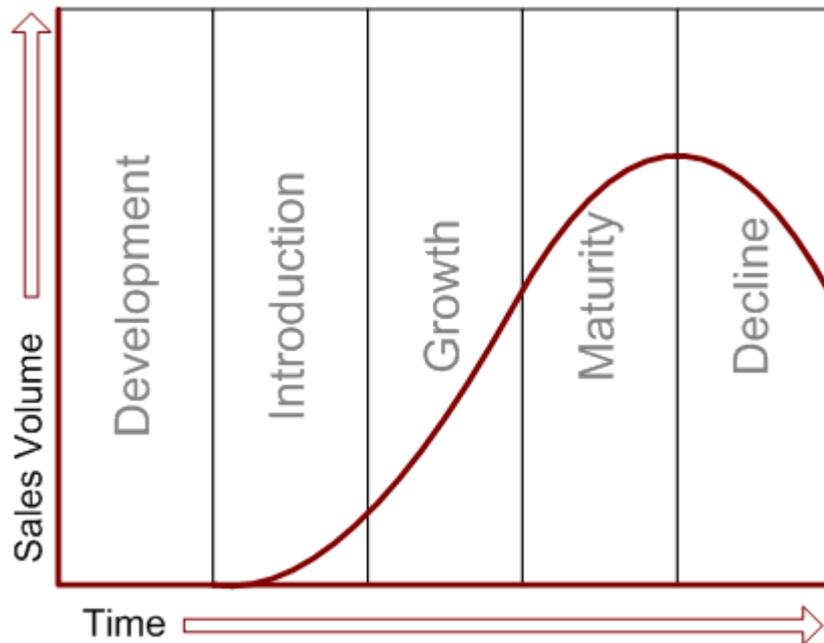
Finally, a summary comparing the different trends and practices used in these product launches will highlight the commonalities of the varying products' successes.

The Theory

This section explains the returning phrases and concepts used in this essay. If a concept is referred to in all or most of the following chapters, then it is explained in this chapter. If not, then it will be explained whenever the particular concept is first touched upon.

Product lifecycle

The graph below points out the five stages in a product's lifecycle, according to product launch experts and theorists.

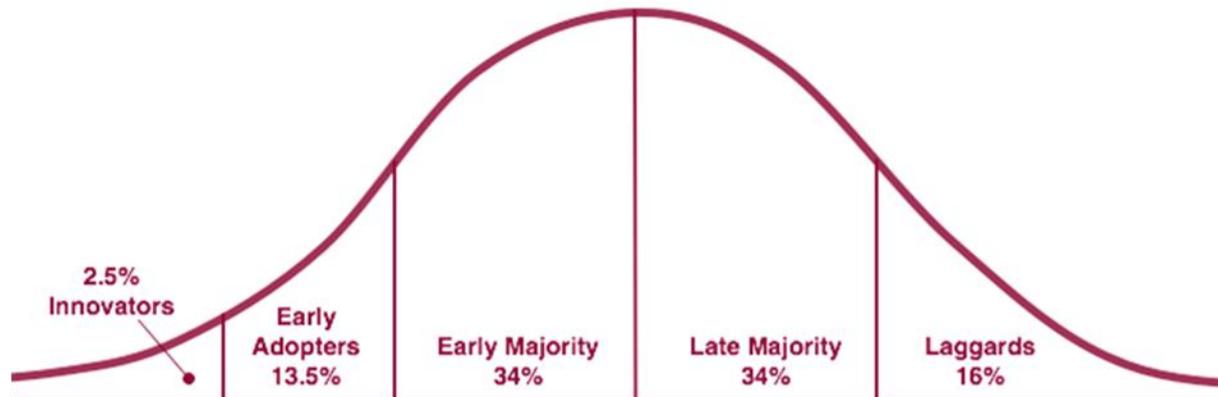


Development when the product is created, introduction when it's first launched, growth when it gets picked up by the early adopters, and maturity when it reaches its peak. The market will then get saturated and ultimately, the product's demand will decline again. This is not a hard rule and there are some exceptions, but for the music market, this model appears to be generally valid. For pop music, the line in the above model could even be a lot steeper.

The artist itself is also a product on the macro level, but at the same time it's a brand of its shows, merchandise and music releases, whether physical or digital. For this reason, the artist as a product will be ignored and this paper will focus on the product launches of musical releases.

The main product launches analyzed in this paper are in the introduction phase, although some also touch upon the growth phase, because the repackaging of products and re-releasing them is not uncommon in the music industry.

Diffusion of innovations



The diffusion of innovations goes together very well with the product life cycle. It argues that the first 2.5% of a new product are the innovators, who easily try new things out. The second group is the early adopters group. These two groups are very important, especially with unusual product launches, like the ones in this paper, because they are the trendsetters and the ones that spread the word. They have a lot of influence. A good example of innovators relevant to this case study are (some) music bloggers and (some) technology journalists or bloggers.

Most of the product launches discussed here are quite clearly aimed at innovators and early adopters and tend to rely on generating buzz. One logically deduced rule of this model is: the bigger the early groups, like the innovators and the early adopters, the bigger the size of the later groups and thus more sales.

Key trends

The product launches in this paper all have a few things in common. What those things are, will be revealed further on (why spoil the fun and excitement of anticipation now), but the following trends apply to most, if not all of the cases.

Digitization

This megatrend is by far the most important trend in this entire paper. It has both enabled artists to be innovative by releasing things with a digital edge in an innovative way, as well as forced them to be innovative, since digital music is very easy to copy compared to music 50 years ago, 30 years ago, or even 15 years ago. Specifically, digitization as a trend is the increasing amount and ratio of information available that's ultimately represented in digits, namely 0s and 1s (binary code).

Centralization & Decentralization

Digitization and the internet created a centralization of information as well as a decentralization of control. On the one hand, information or content (including music) is available to people via one channel, the internet. On the other hand, the nature of the internet makes it very difficult, if not impossible, to control the spreading of this information – because this channel itself has many smaller channels (the bigger ones being Facebook, Twitter, YouTube, Wikipedia and blogs).

This has spawned the following factor for content creators, owners and marketers: *competing with free*. A phrase seemingly first used by technology journalist and new media consultant Mike Masnick¹. In other words, those that want to make money with music now have to figure out how to make money in an economical environment without the principle of scarcity.

Premiums

Although the concept of premium packages isn't something new, it has become increasingly important to the music industry as a way to make money. Since artists are now finding themselves competing with free, they try selling special items or even musical subscriptions to fans that are willing to spend a little more on the artists they truly support.

Buzz Marketing

With people becoming more interconnected due to the rising popularity of social networks, such as Facebook and Twitter, it's becoming easier to share 'something cool'. Bands and musicians are trying to create that 'something cool', so that people will talk about it and create a buzz. When it's sent from person to person it is also called 'viral'.

There are, of course, many other trends at play here, such as the increasing interconnectedness of people, and the increase of speed and availability of internet worldwide.

Further trends will be discussed while analyzing the product launches that they apply to.

1. See: <http://www.techdirt.com/articles/20070215/002923.shtml> - last accessed July 28, 2009

The Product Launches

Radiohead - In Rainbows

Perhaps the most famous of the launches looked at in this paper, is Radiohead's launch of "*In Rainbows*". Already a famous and very popular band, Radiohead said goodbye to their record label and decided to release their new album themselves. They had a website designed where you could donate some money (the amount was up to you) and in exchange, you could download the album.



A while later they released the album physically.

Product lifecycle

The product was in the market introduction stage or alternatively the growth or maturity stage when the "*In Rainbows*" album is considered as an extension of an existing product line (Radiohead albums). Besides this, Radiohead at the time was a more than established brand with a lot of returning customers and potential customers. When combined these two groups form a group often referred to as 'fans'.

A main factor separating this album from other Radiohead releases is the fact that it was released digitally with a pay-what-you-want model first and physically later. Other albums were released the other way around; physical first, digital later.

Risks

There's a few things that could have happened which would have been detrimental to the success of the "*In Rainbows*" product launch. First of all, consumers could have decided to all donate the minimum, which was one cent or penny, leading to a low turnover. Second, the album might not get a lot of attention, because it wouldn't enter the charts because of its sales model, leading to a low amount of attention with potential customers and thus lower sales. Thirdly, physical sales might have been very low after the physical release of the product.

Then why?

There were definitely some risks to consider, so why did Radiohead make the choice to do it this way? They were probably taking into consideration a number of factors:

- **Strong fanbase.** Radiohead has a big fanbase and these fans are very loyal.
- **Honesty.** Radiohead expected that although people could get away with donating just the bare minimum, a lot of people would actually pay more. The book *Freakonomics* by Levitt and Dubner speaks about an economist who became a bagel salesman and used a pay-what-you-want model. He put a box of bagels at offices and left a box in which people could put however much they wanted. He was told his scheme wouldn't work and that people would take for free what they could, but he has been very successful instead ([Dubner & Levitt, 2004](#)).

- **Renewing the business model.** Radiohead wanted to update their business model, as said by the band's singer Thom Yorke:

"I like the people at our record company, but the time is at hand when you have to ask why anyone needs one. And, yes, it probably would give us some perverse pleasure to say 'F___ you' to this decaying business model."
([Tyrangiel, 2007](#))

- **Buzz.** They must have thought that their idea was so radical at that point in time, that they'd get a lot of buzz going in the media as well as on social media networks such as discussion boards, Facebook, MySpace and Twitter.

Achievements

Initially they told fans they could download it and pay as much as they wanted for it. This resulted in an average donation of £4 according to a survey among 3000 customers ([Sherwin, 2007](#)). It turned out that although most people decided to donate nothing, the online release still generated more money within roughly 2.5 months than the total sum generated by the sales of their previous album ([NME News, 2008](#)).

When they released the album on CD, they topped the UK Album Chart ([Reuters, 2008](#)) and the US Billboard Top 200 (Billboard, 2008). Even though the music was available practically for free, they still managed to top CD sales charts with it. A special boxset made for the fans, containing tracks not available on the standard physical and digital releases sold 100,000 copies ([NME News, 2008](#)).

Trends

Of course digitization played a big role here; else the band couldn't have offered the album online in the first place. Secondly, the premium trend is reflected here by selling this special boxset which sold 100,000 copies, this is partly because they've been competing with free due to the aforementioned decentralization of control over content (when it's digital). Thirdly, as already established earlier, Radiohead were looking for buzz – and they got it.

So what other trends were Radiohead playing into?

- **Pay What You Want.** It seems to become increasingly popular to use or at least try out a pay what you want model. To celebrate their opening (and maybe create a little buzz), the Singapore Ibis hotel, used a pay what you want model for a while for a limited time each day for online reservations ([Thomson Reuters, 2009](#)). There are also pay what you want restaurants reported in places like Vienna, Melbourne and Salt Lake City ([Meng, 2007](#)). In Connecticut, you can even find ballet shows with a pay as you wish model, as reported by the New York Times ([Gold, 2009](#)).

Nine Inch Nails - Ghost I-IV

Perhaps aforementioned Mike Masnick has been responsible for bringing Nine Inch Nails' Trent Reznor's genius marketing strategy to the eyes of the greater public during his speech at MidemNet in 2009. Midem is the world's largest music trade fair and MidemNet is a conference which precedes it, discussing how to monetize on music in the digital age. During his speech he added that when competing with free, you have to connect with fans as an artist (or brand, from a marketing perspective) and at the same time you need to give people a reason to buy, which Trent Reznor does very well according to Masnick ([Masnick, 2009](#)).



Like Radiohead, Nine Inch Nails left their label before releasing this album, although in a more violent manner. They had previously had some run-ins with their label and organizations protecting copyrights and have actually told fans at concerts not to buy their music, but to 'steal it' from the internet, "because one way or another these mother f---ers [Universal Music Group] will get it through their head that they're ripping people off and that's not right" ([Moses, 2007](#)).

So for Ghost I-IV, they did something different and released it independently. Before getting into the risks and achievements of the product launch, here's a look at the entire 'product' they were offering. They gave fans a bunch of options:

They could get the first 9 tracks (out of 36) from the site for free. The 36 tracks were released under a Creative Commons license, which means fans could share them legally after obtaining them in any of the following ways. They gave fans a bunch of options:

- For \$5 you could get all 36 tracks, plus a 40 page PDF file, offering a lot more value than iTunes' 1 dollar per track model.
- For \$10 you could get a 2 disc CD set plus a 16 page booklet.
- For \$75 you would get a deluxe set, including all of the above plus a DVD, blueray disc, a nice booklet, in a nice package.
- For \$300 you would get the ultra deluxe limited edition package, including all of the above plus a bunch of other stuff. There were only 2500 of these and were all signed by Trent Reznor himself.

Product lifecycle

These products were all in the introductory stage and especially the more expensive products were targeted towards the hardcore fans, which fall under the innovators and early adopters according to the diffusion of innovations curve. The cheaper packages, while interesting for Nine Inch Nail collectors or people who just want to preview, work especially well for the early majority and those groups that follow (see page 6, diffusion of innovations), because they have a low barrier to buy cost/value-wise.

Risks

The main risk here is that for this product launch, Nine Inch Nails could have overestimated their brand popularity, meaning that some people would buy the \$5 option and all others would download it or copy it from them, legally. They could have been stuck with the more expensive packages and still have to pay for the production costs.

Then why?

Nine Inch Nails are popular and have a hardcore fanbase. They must have noticed the effect of raging against the major labels with their fans, who were enthusiastic about the fact that an artist actually understood them. Besides, Reznor knows how to generate buzz and cash in on it.

During an earlier tour, he put unheard, unreleased Nine Inch Nails (NIN) tracks on USB sticks and dropped them around bathrooms at the venues where NIN were performing. Fans would find these USB sticks, plug them in at home and find exclusive NIN tracks, which they would then share. This generated buzz. Unfortunately, [an agency representing their record label](#) started threatening fans with lawsuits for uploading and sharing the music – which is one of the reasons why Nine Inch Nails were so outraged with the big labels in the music industry later on.

They must have believed that their connection with their fans was so strong and they gave them such great value, that people would be happy to spend their money on the products.

Achievements

Turns out they were right. The \$300 packages sold out within 30 hours. This means that just the sales of these packages grossed \$750,000 in little over 1 day, for music they were practically giving out for free, because of the Creative Commons (CC) license enabling fans to upload it legally to filesharing sites. The total amount earned via the above products after the first week was 1.6 million dollars. Even though the album was available for free, legally, it became the number 1 bestseller of music albums on Amazon.com ([Masnick, 2009](#)).

Trends

Nine Inch Nails played into a couple of trends here, most notably the premium trend by giving people a range of products with different values and costs. They also played into the growing unpopularity of big labels caused by lawsuits against downloaders by releasing these products independently. There's more:

- **Freemium.** They essentially offered their music for free, but had premium options for those that want more value and don't mind spending something on it. Venture capitalist and popular blogger Fred Wilson provided the first explanation of the freemium business model and had this to say about it:

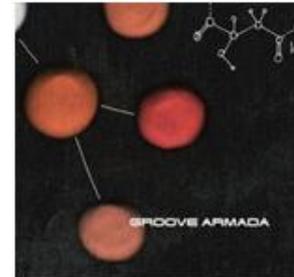
"Give your service away for free, possibly ad supported but maybe not, acquire a lot of customers very efficiently through word of mouth, referral networks, organic search marketing, etc., then offer premium priced value added services or an enhanced version of your service to your customer base." ([Wilson, 2006](#))

This of course doesn't just go for services, but also for content which can be made available for free easily, such as digital music (or newspaper articles). Note that Radiohead also made use of this model, although not as extensively as Nine Inch Nails.

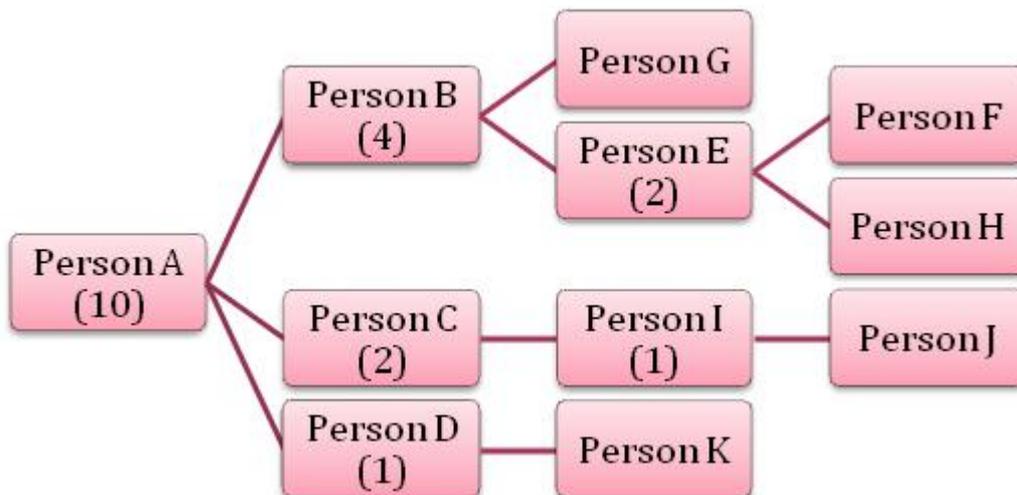
- **Buzz.** By putting a CC license on the songs, Reznor told people: it's okay to share this with others; it's okay to download it. This way, he can reach a bigger audience, connect with this audience and offer them reasons to buy. Even if 99% don't buy it, Reznor still gets the 1% on board that does - the other 99% can help spread the buzz.

Groove Armada - Drop The Tough EP

The popular British electronica producers Groove Armada teamed up with Bacardi to offer people their new EP for free via an innovative platform called B-Live Share. This was an extension of an already standing deal in which Groove Armada signed to Bacardi instead of a record label, Bacardi taking care of Groove Armada's tour (B-Live) and music releases. They're not the only ones signing to a brand label instead of a conventional record label. In 2007, Paul McCartney signed to Starbucks (BBC, 2007).



By just signing up to the site, you'd get the first track of the EP for free. You'd then get a personalized URL and by sharing this URL, the system would recognize when you'd get other people to register. After getting 20 people to register, you'd get yet another track. If the people you registered shared the music with other people, those people would also count towards you. The following model explains it - behind brackets, it shows how many people signed up via a particular person, according to their system.



If Person A had 200 people on the right side of themselves, they'd get the 3rd track enabled. Once they'd have 2000 people on the right side of themselves they'd get the 4th and last track.

Product lifecycle

The product, when launched, was in the introductory phase of its life cycle. Not only that, but the sharing platform, B-Live Share, was also introduced to the public for the first time. It wasn't clearly directed at any group like innovators or early adopters - it seems they thought that almost every type of music fan would be sharing these songs, regardless of their rates of adoption. The product was actually a pre-release. B-Live Share ran for 6 weeks after which the tracks went on sale in digital music stores (Youngs, 2009).

Risks

There were a few very considerable risks they took. First of all, they set up their own branded social network, instead of making use of the networks that are already out there. Of course those networks offer less control over the campaign's content, but as established before, the trend is a decentralization of control and there's no escaping that. By creating their own network for it, it decreases convenience for people to get the music, which leads to less sign ups. After all, isn't it easier and more efficient to make use of existing networks instead of building your own? Secondly, it appears that B-Live Share was slightly rushed and not well-thought out and one 'bug' reveals this clearly.

Per territory, they said the person or people that shared the most tracks with others would receive a small prize as a thank you. The problem is that if Person A invites Person B and they're both from the same territory, it doesn't matter how many people Person B invites, because they'll all be counted towards A also, thus A will always have at least 1 more point than Person B. So if someone was invited by someone else from the same country, they'd have no chance at winning from the moment they signed up to download the first track.

Then why?

Groove Armada is an established name, so is Bacardi. They might have thought their names together would attract enough attention and due to the fact that you'd get rewards if you shared the hyperlink to the music, they thought it would go viral. Besides that, to be able to download the first song, you'd have to enter your email address. To get more songs, you'd have to get friends to enter their email addresses. This gives Groove Armada and Bacardi two things:

1. It gives them a big database of email addresses per territory;
2. It gives them an overview of who influenced who and they might identify influential people to target for future campaigns.

Another reason for doing it might simply be the group's desire to innovate. Groove Armada's Tom Findlay comments:

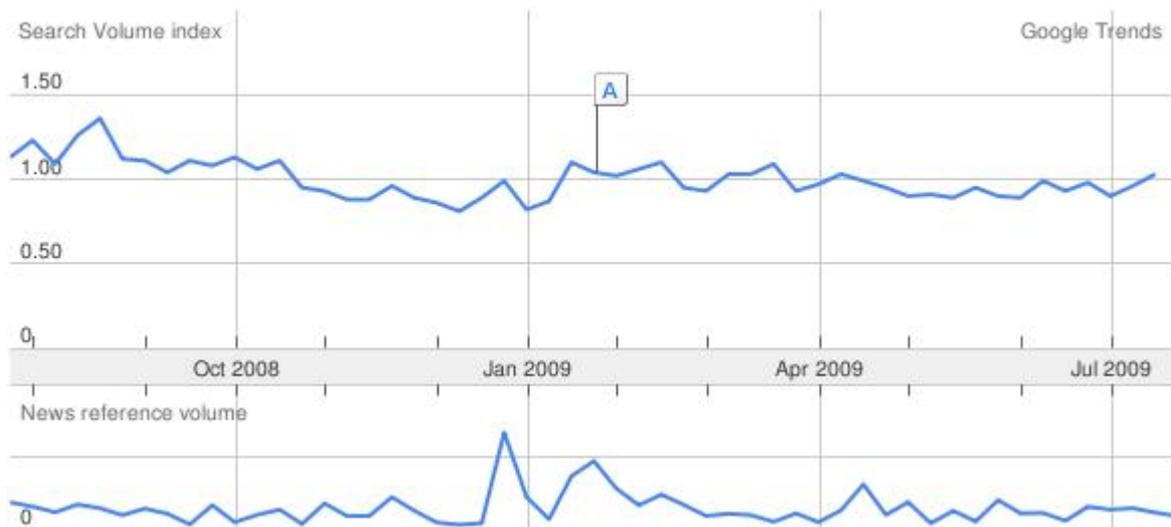
"The sharing thing is nice because I think it encourages people to interact with the music in a slightly deeper way than just nicking and downloading it." ([Youngs, 2009](#))

They realized that since the songs are going to be shared anyway, then it might as well happen primarily via a branded system that they (both Bacardi and Groove Armada) can control.

Achievements

First of all, they must have generated a big database of email addresses and an insight into who are influencers in certain networks of people. It's not exactly clear how many downloads or how much interest they generated via B-Live Share, since it's hard to find statistics, case studies or analyses on the matter.

What is clear is that they managed to generate some buzz, according to the graph below from Google Trends, point A being when they announced giving away their music:



[Google Trends results for Groove Armada in past 12 months \(July 30, 2009\)](#)

Although the search volume index (the number of times people Googled for Groove Armada) didn't rise much, the news reference volume did. This means that the number of times Groove Armada was mentioned in online news articles from news media and blogs increased. The buzz seems to have died down quickly though. No glamour stories here. It's not very clear what the goal of the campaign was, other than promoting Groove Armada and Bacardi. Had Groove Armada played in to existing social networks and offered premium deals, they might have been more successful. Maybe the model itself was not that reasonable in the first place:

- Sign up, get a free song. Reasonable & feasible.
- Sign up 20 people, get another free song. Reasonable & feasible.
- Sign up 200 people, get another free song. That's a gap of 180 people, not so reasonable, although if everybody that signs up in turn invites their own friends, this should not be too hard to achieve.
- Sign up 2000 people, get another free song. That's a gap of 1800 people and for most internet users it's absolutely inconceivable to achieve in the time-span of 6 weeks. Not reasonable. Being the territory leader for The Netherlands, I can safely say nobody has topped 500 sign-ups in this region, let alone 2000. I personally believe it's likely that nobody unlocked the fourth track.

2000 people is a ridiculous number given the ease of downloading music through a peer-to-peer filesharing networks. Recruiting such a big number of people, within 6 weeks, costs so much energy, the track might have been 'cheaper' if they had charged \$5 for it – although the real price is probably around \$1 in iTunes. A counter-argument would be that that's simply the price of getting a pre-release for free. However it also displays a lack of understanding of the way people use the internet by Bacardi's management team, or it displays an arrogance of the publishers of the music for thinking that it's so good that people would be willing to invest so much time and energy to get just one song. Had they made it easier for people to get all songs and offered premium products for fans, who would be attracted by the buzz, they might have been more successful.

Trends

Groove Armada didn't use the centralization/decentralization trend too well. They might have been a little naive about how much trouble people are willing to go through to access content which is also available in easier ways. Those people who were not hardcore fans of Groove Armada would even settle for similar content (competition?). This means they didn't maximize the buzz potential that they could have generated by releasing the 4 songs in a more open way. There is a trend at play here that hasn't been mentioned earlier in the report though:

- **Co-branding.** Musicians and brands seem to be getting into more intricate deals. Groove Armada and Bacardi, Paul McCartney and Starbucks, or Nike's *Nike+ Original Run* series in which bands and artists like The Hives, De La Soul, Aesop Rock and The Crystal Method mixed their music into +/- 45 minute mixes perfect for running ([Inside Nike Running, 2009](#)).

Danger Mouse and Sparklehorse Present: Dark Night of the Soul

This album was produced by two not so well-known artists in collaboration with very famous artists such as Iggy Pop, Nina Persson of The Cardigans, David Lynch, Frank Black of the Pixies, The Flaming Lips and more. The contributors also played a role in the composition of their tracks. The album is accompanied by a limited edition book (5000 copies) containing over 100 pages with original photographs by David Lynch. The book functions as a 'visual narrative' for the music.



Due to a dispute with the EMI record label, the album may never be released officially, so what they did was they're offering two packages to fans:

- The book, plus a poster, plus an empty recordable CD with a special design.
- Just the poster plus the empty CD-R with an alternate design.

All the copies of the CD are labelled "For Legal Reasons, enclosed CD-R contains no music. Use it as you will" ([BBC, 2009](#)). The album is available to listen to online via a streaming service² and via a [work-around](#) it can even be downloaded from the service ([ruari, 2009](#)).

Product lifecycle

Again, this product is in its introductory, but perhaps more so than the previously mentioned products due to the fact that Danger Mouse and Sparklehorse don't enjoy the same amount of fame as the other artists. However, a lot of the artists they worked with for this album, like The Flaming Lips, Iggy Pop or David Lynch, are already 'established brands' in music. This helps propel the product's success onto further phases of the product lifecycle.

Risks

The brand itself (Danger Mouse and Sparklehorse) is not well-known. However, Danger Mouse is part of the popular Gnarls Barkley group, responsible for hits like 'Crazy' and

2. Listen to it at this location: <http://www.npr.org/templates/story/story.php?storyId=104129585> – last accessed July 30, 2009

many of the artists featured on the album are very famous. Danger Mouse is also well-known for "The Grey Album" on which he mashed up Jay-Z's "The Black Album" with The Beatles' "The White Album". Even though their product is a musical one, what they're actually selling is not music at all. It's artwork and packaging.

Then why?

They likely thought what they had created had great value. They were probably proud of their product, so they wanted others to hear what they had created. Besides that, they knew that the energy invested in the total package, so not just the music, would pay off. As seen with earlier cases, the product that's sold is not necessarily the music. The music has to be good, so that an artist keeps their reputation, but what they're really making money with is special packages, since the music can be downloaded for free anyway. Musicians are thus offering added value, something more than just the music. In this particular case, Danger Mouse and Sparklehorse couldn't sell the actual music, so they just went on and sold the 'added value', in this case the packaging and merchandise.

Achievements

According to the official website of Dark Night of the Soul (www.dnotes.com) the limited edition book is now sold out (July 30th 2009). Besides this fact, it's hard to find more information. They've got a good buzz going on, which can help their reputation and thus their future projects. Registered users of the aforementioned site that streams the CD have recommended the album over 450 times ([Hilton, 2009](#)) and even months after the release, people are still talking about it on Twitter³, which is long considering the high pace of changing trends in online social networks. The Hype Machine, a website that tracks what music is hot on music blogs, reveals that songs from the Dark Night of the Soul have been blogged about frequently and are still being blogged about ([The Hype Machine, 2009](#)).

Thus, even though the official CD release was cancelled and the music was blocked from sales, Danger Mouse and Sparklehorse did what they could with great success – the songs won't make the pop charts though, since they're not officially for sale.

Trends

Danger Mouse and Sparklehorse played into the **Premium** trend well by releasing the book with photography from David Lynch alongside the album. Well, alongside the empty recordable CD, because they weren't allowed to sell their music. They've also played into another music industry trend which has not been mentioned before, but certainly applies to some of the previous products:

- **The package IS the product:** in an age where music can be downloaded for free, that which cannot be downloaded becomes the product. The book could be scanned and downloaded as a PDF (Acrobat Reader) file, but people simply prefer to have it as a physical copy, this is also a reason why vinyl sales are up ([Dell, 2008](#)).

3. See: <http://search.twitter.com/search?q=danger+mouse+sparklehorse> – last accessed August 6, 2009

Mos Def - The Ecstatic

Although this album was also released in conventional ways, Mos Def also took a more innovative approach and bundled the album with a t-shirt:

"Music innovator Invisible DJ has teamed up with fashion designer LnA to create The Music Tee, a T- shirt that is creatively designed to contain "album art" on the front, and a track list on the back. Each shirt comes with a hang tag printed with a URL and a unique code; each code will allow the owner of the shirt to download one copy of each of the tracks printed on the shirt from the Music Tee Room on LnA's website." ([LnA, 2009](#))



It's not the first time an album has been bundled with a t-shirt, but it is the first time it has been done to this extent and with unique URLs to download the music.

Product lifecycle

Although the album had been released physically for a few months before launching the shirt, this product is in its early stage of the product lifecycle since it's a separate product and thus has its own timeline. The bundle offers a different value to consumers and it's a different type of consumption than downloading or buying the album (or a few songs from it).

Risks

The price might be a risk – although \$39 isn't much for a t-shirt AND a CD, it is a lot for just a t-shirt (people can easily find the same digital audio files for free on filesharing networks). The deal has to be interesting and innovative enough to actually get people to buy it. Besides that, if the design of the t-shirt doesn't appeal to the fans of the music, nobody might buy it since the design itself is not that unique to attract people just interested in fashion, but not in Mos Def's music.

Then why?

Mos Def is a well-established hip-hop artist and enjoys worldwide fame. Besides that, he's not scared to try out new things, as can be heard throughout his musical releases. Over the years he must have built up a fanbase who would love to hear the new album plus show off their love with an innovative t-shirt and the product's marketing team probably figured \$39 is the right price for that.

One of the designers of the shirt mentioned another advantage of selling the album via the shirt, you bypass the middle man, so you actually limit some costs ([Tardio, 2009](#)).

Achievements

It's hard to measure the exact effects of the t-shirt campaign because it launched less than one month ago. The album itself reportedly sold well on AmazonMP3 when released ([Wikipedia, 2009](#)), although this information is based on a Wikipedia and should be taken with a grain of salt. It entered the US charts (the Billboard 200) at No. 9 upon release ([Madison, 2009](#)). This says less about the release of the t-shirt than it says about

Mos Def's popularity, which by itself could be an indicator that the t-shirt sales will be successful.

Another indicator of the success of the shirt might be the buzz it has caused on weblogs. Using Google's Blog search functionality (blogsearch.google.com) with the phrases *Mos Def Ecstatic Tee OR Shirt* delivers nearly 3500 unique blog posts (Google, 2009). Just this fact means that people are talking about the album and even if those people don't buy the shirt, others might and if they don't, maybe they'll buy the album itself (or talk about it themselves) and the shirt's product launch thus functions as a promotional stunt for the whole album.

Trends

Especially since the 90s, hiphop brands (artists) started expanding themselves by creating a fashion line, usually specializing in streetwear. Famous examples of this are P. Diddy's *Sean John* brand, Wu-Tang Clan's *Wu Wear* brand, and B-Real from Cypress Hill setting up *Joker* with two other hiphop artists. Using their fame, which comes from their music, they sell their clothing, which is not as easily 'piratable' as music.

Mos Def's move is a similar type of **brand extension**, but he also made use of **bundling**, giving fans a reason to buy the music, as opposed to expecting them to just buy the album if they like the music. Mos Def understood, a lot like Danger Mouse and Sparkle Horse, **that the package IS the product** and turned one product (the t-shirt) into a package for the bundled product (the music album).

Conclusions

The above case studies have shown a number of things. The following section is divided into two parts: *what works* and *what does not work*. The different points will all be explained using the earlier stated facts, examples and theories.

What does NOT work (well)

- **Not going all the way.** Fans love free music and so do people that are not familiar with an artist's work, but if you're going to give something away then *really* give it away. If you don't, you won't get the attention you were hoping for and might even disappoint some fans instead of connecting with them.
- **Creating unnecessary mediums instead of utilizing existing ones.** While the Bacardi B-Live Share application looked cool (now offline), it was completely unnecessary. Instead of creating a digital dashboard with meaningless graphics, it could have been executed in a much simpler fashion by utilizing existing social networks or filesharing websites. IF you're going to set up such a thing, then at least make it interactive, social (in terms of enabling users to interact with each other) and add value (with videos or a game for instance). You could even use it to sell other products of the band or artist.
- **Expecting people to pay for what they can get for free.** People might pay, but most will pick whatever way is most convenient. Usually, this is by remaining seated at your computer and by avoiding complicated online payment procedures. Sure, people *should* use legal ways to buy music, but the reality is that people go for convenience.

What does work (well)

- **Giving fans a reason to buy.** Instead of expecting people to pay for something which they can, perhaps more easily, get for free, create added value. This is what Nine Inch Nails, Mos Def and Danger Mouse and Sparklehorse all did very well. Instead of expecting people to pay for the music, they all created something besides the music which people would be more willing to pay for.
- **Freemium.** By offering something for free, one connects with fans and they will spread the word about you (as long as what you're offering has value). Once attention has been garnered, and perhaps sympathy has been won, you can offer a premium product. This is how Radiohead and Nine Inch Nails have been successful with aforementioned albums. First you give something for free, then you market your premium; freemium.
- **Understanding that the package IS the product.** This goes for all of the cases, except for Groove Armada. In the case of Danger Mouse and Sparklehorse as well as Mos Def, the package was actually the reason to buy the product. In the case of Radiohead and Nine Inch Nails, they marketed the package as premiums, perhaps understanding that it's hard to make money if you have to compete with free, meaning music downloads.

- **Buzz.** By generating buzz, you can turn people just turned on to your product into fans. These fans can then later be marketed to when trying to sell premium packages (or subscriptions for example). Even if they don't buy, having them talking about your brand or product increases the buzz. This works best if they can give others free samples (free music) to see for themselves how great the brand or product is.
- **Co-branding.** By co-branding, the two brands can both benefit of each others' resources and skills. In the case of Groove Armada and Bacardi, the latter benefits mostly from Groove Armada's image and the ability to promote themselves on all Groove Armada-related products, this includes live performances. Groove Armada on the other hand, benefits from the resources Bacardi has, for instance to set up the website and network for the distribution of the music, as well as their marketing capacities. Both are connected to different audiences and by working together, they can promote each other to their respective audiences, perhaps new ones.

About the author

Glad you're taking a moment to learn about me!

The name is Bas Grasmayer. Born in The Netherlands to a Dutch dad and an Irish mom, I grew fascinated with human communication psychology and the things you can do with computers at a young age. During my studies in International Communication Management at the INHOLLAND University of Applied Sciences Amsterdam/Diemen, I've had quite a few fantastic (yet educative ;-)) adventures.

In 2007 I lived in Sofia, Bulgaria for half a year to do an internship at the [Bulgarian National Radio](#) (BNR). I helped out at the editors room for the internet site of Radio Bulgaria, the international branch of BNR. Besides doing some journalistic activities, one including brunch with Philip Kotler and some other journalists, I also developed some PR tools for Radio Bulgaria and gave them advice on how to deal with new media.

In 2008 I did an analysis of the internal communications at the corporate center of E.ON, in Dusseldorf, Germany together with students from the University of Duisburg/Essen.

Later in 2008 I attended [Yeditepe University](#) in Istanbul, Turkey for a semester and studied public relations, cross cultural communications, new media and political campaigning. After this, I went to Bulgaria to write my final dissertation about the future of music distribution and looked at how it can be applied for [2AM](#), a Sofia-based record label.

As for music, I've rapped in 2 bands, but nowadays I stick to DJing electronic music, posting my sets at [TheMixfiles.com](#) under 3 different monikers.

After I graduate, I'd love to start my career in the music industry and changing it from within, setting an example on how to promote new music in the age of new media. Hopefully then, we will learn to embrace technology, instead of fighting it... and we'll all move on and focus on what's really important: the music!

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If you want to talk about this paper, the music industry or you just want to tell someone how your day was... do drop me a line! :-)

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