

A SYNOPTIC VIEW OF MUSIC SALES MANAGEMENT

OANA MIHAELA BĂLAN¹

SUMMARY. The notion of marketing has a solid history and potential applicability in many fields. Literature has provided over time many definitions, directing the idea of marketing both to the scientific field, especially toward economic trends, and toward the social area, trying to influence the attitudes related to product marketing. If the domain in which we apply the marketing system is a musical one, its functions cannot be understood before clarifying the conditions under which the market is organized or the trade in goods is conducted, just as we cannot define some basic concepts without knowing the demands and needs of the people, or how to communicate and negotiate to satisfy their desires.

Keywords: management, professional music, target groups, branding, market flow advertising.

Introduction

The connection between marketing and management is achieved through the education and motivation of human resources from an artistic institution, so that the employees can adapt to all long-term behavioural changes of consumers.

The marketing concept emerged with primitive forms of trade (which in ancient times were known as “barter”) having as actors the present day marketers, called at the time merchants, traffickers, traders, exchange agents, advertisers, negotiators, market analysts etc. The development of marketing occurred simultaneously with the evolution of society, specifically with the advent of capitalism with its “mass production,” the moment when we may talk about the idea of “capital” (= set of goods and values). The subsequent stage was that of standardization of products, a step that proved to be necessary when the “subsistence” economy has been replaced by “over-consumption,” generated by population growth and development of

¹ Univ. Lecturer Professor, PhD, „Gh. Dima” Academy of Music, Cluj-Napoca, Romania.
E-mail: oana.balan@amgd.ro

transportation routes. During this period emerged the terms of branding, packaging, and became visible the persuasion or manipulation tools of the population and the several forms of advertising and public relations, in order to seize market needs. Since then the target of marketing has been to identify ways of attracting consumers or to direct the flow of goods to them, respectively.

Of the many definitions formulated after marketing was established as science, we consider that the definition offered by Philip Kotler is the most concise and suggestive, namely that "marketing is a social process by which individuals obtain what they want through creating and exchanging products of value with others," while the definition emerging from Dennis Adcock's theories is in our opinion the most realistic one: "invention of the right product, in the right place, at the right time, sold at the right price." In other words marketing represents all those factors that bear the intention to satisfy customers, starting from identifying their needs to producing goods in accordance with their aspirations.

Since the 1960s Western specialists in marketing, seeing themselves in a majority society with surplus of cash resources, generated a number of support methods to perfect the marketing domain and implicitly to manage with greater security the products and services on the consumer market. Thus, research were conducted aimed to analyze customer behaviour in certain situations, market research on audience and competition position, the importance played by the brand in the role of the product etc.

1. The music marketing concepts

To make ourselves understood we shall reformulate some notions, such as the needs, wants, communication, etc., as close to materializing, emphasizing the effects they exert on ordinary people when they are missing or, conversely, when they are offered in excess.

1. *People's needs.* Most often they are perceived as an uncomfortable state (lack or poverty) which can be removed by the consumption of goods or services. The overall needs may be: primary (physiological/ absolute) or secondary (social-cultural/ relative).

Therefore the music domain falls between those receiving less attention.

Going forward in analyzing the types of needs that a man can express in relation with society, they can be divided into: positive and negative needs, manifest or latent needs and conscious and unconscious needs. This enumeration adjoined to the idea that music was always part of people's lives (accompanying their memories, feelings, past, in fact

complementing the beautiful part of life) launches the solution for the first major problem of musical marketing: the care for the audience. Musicians, as they step towards professionalism, lose contact with the needs of the public.

In the artistic field negligence in relation with the customer is one of the major reasons for which the types of music (classical, folk, pop, rock, etc.) self-select and radically limit their categories of listeners. The audience is mostly formed of connoisseurs and practitioners of the genre that are present in the concert hall to listen to their peers, teachers, competitors etc. How come nothing changed for such a long time?

In other words, trying to educate and convince a stranger does not seem to be evidence of development or improvement but rather of pointless fatigue. Taken step by step all the answers are logical and substantiated but when we get to a whole and ask ourselves “Why weren’t all the tickets to concert X sold?” or “Why wasn’t my music project credible for sponsor Y?” or “Why isn’t my institution able to develop itself as well as institution Z?” – we only grope in search of the truth that in fact we have omitted from the very outset.

2. *People’s wants.* Compared to the needs, people’s wants can be influenced by social and cultural status. These arise irrationally in the consciousness of each individual and depend on the assessment criteria of each person. For example, a physician is proud to receive an invitation to the opera, whereas for a labourer this may seem a tiresome duty.
3. *Communication.* In the sense used in marketing, negotiation or communication denotes the direct confrontation between two or more parties coming from different positions (producers, managers, customers, competitors etc).
4. *Other more concrete notions.* In addition to the processes mentioned above, marketing operates with other terms easier to locate and characterized, such as: market (all buyers), products and services (everything that can be offered on the market to be used and purchased), solvent demand (demands for which there are enough money to cover the costs), trade (such as active partnerships which call for services in exchange for products with similar value).

2. The music marketing stages

The entities within the frame (performers, audience, distributors - agencies organizing concerts, consumers, competition) are in fact external agents who assemble the marketing microenvironment, while the socio-cultural, legal, political and technological aspects define what the literature calls macro environment marketing.

Prior to being launched on the market, a musical product or service must go through a series of stages:

1. *Research*. In music marketing research is the foundation needed to build public performances.

Marketing research covers the analysis of the product which is to be promoted and identification of the target market.

It is essential in this regard to study competing products, consumer behaviour when subjected to a musical event, the impact of pricing policies on society and not least the position of the media in relation to the object (CD with classical music, international festival, private rock school etc.).

2. *Design*. Prior to realization of the product there should be conducted an analysis of the research results. If they were sufficiently diversified and made with care, they will be able to define the shape, design and functionality of the new product.
3. *Distribution*. The choice of communication networks is a sore point with customers, who often draw lessons after experiencing several suppliers. From press agencies that organize and sell concerts, the distribution policies can be different and risky. In the marketing process this step of the distribution channels should be achieved with patience and attention.
4. *Promotion*. This is the most exciting phase of the marketing plan because it requires imagination to produce media messages, to select advertising actions, to set promotional strategies etc.

When we refer to marketing we address specific actions of the music institution, which can be influenced by the market flow. The micro-environment is essential in the construction of any institution since without its existence the organization could not achieve its objectives. Because each participant factor can influence aspects of the micro-environment by the position it holds at a point in time, it is necessary to take care, equally, of the role they play in the process of developing and promoting music products. Consequently from the standpoint of marketing theories, for the musical institution the performers have an equal importance with the audience, consumers, distributors or the competition. The reason that this statement must be accepted is that all actors of the micro-environment have the power of decision-making and intermediation in the sale of the musical product. The success of the organization or of a musical event depends on the level and quality it was organized and operated with, and on the relationship maintained with the marketing micro-environment.

3. Music sales – factors affecting consumer behaviour

The marketing macro-environment refers to the external environment of the musical institution, where the influence derives primarily from the development of the society. Here are identified four important elements:

1. *The socio-cultural environment* - represented by all those values, traditions, norms, etc., that affect members of a society. Most often this medium is determined by the location and demographic issues. A realistic analysis of the socio-cultural environment may anticipate consumer behaviour faced with a certain musical product, since to a great extent the flow of needs and wants in individuals is expressed by age, occupation, residence, marital status etc.
2. *The technological environment* – 20th century society has made some huge leaps in technology. It is absolutely vital to align music with new technology offers given that all market actors have the access and opportunity to test innovative products. In a computer-dominated age conservatism has little chance of survival.
3. *The legislative environment* – the same way as the legal field provides protection and opportunity in conducting music activities, this environment also addresses the consumers in that it obliges investors to raise the minimum qualitative and quantitative standards, starting from the shape of the product itself and ending with the logical framework on which the pricing policy was build.

4. A case study of influencing the audience behaviour: branding the Mozart identity

We live in a world where we are surrounded by brands, from the clothes we wear, the food we eat, the car we drive, to the music we listen etc. *Branding* is a contemporary concept, part of the science of marketing, defined by the relationship between specific products and their consumers, based on stances of primary representation (in the form of images and attitudes), developing into innovative communication strategies, most often materializing in the most effective tools of promotion. A product becomes a brand when its image transcends the visual perception and endures in our minds, associating values and unique features of the product it represents. The value of a brand is given above all by confidence. In fact a brand is

formed and developed by the consumer and its purpose is to fulfil a promise or an existing need. In the world of business the benefit of branding translates into the effectiveness of the sales. In this direction a successful product needs a solution to impose itself over the competition. If the brand is represented by a popular and solid image, then the product will be surrounded by the feeling of trust which is turned into a stability factor. Whatever the election way and the manner in which it is expressed, the name of the brand, namely the cognitive support, is charged with emotions, associations, meanings and reflects much of the identity used (in our case the personality of Mozart), defining values and aspirations with which it is credited.

The term “brand” comes from the ancient inhabitants of Scandinavia where “brandr” had the meaning “to burn.” The oldest reference is dated to 3200 BC in pharaoh Egypt where such inscriptions appeared on the bricks used for building walls. Since the quality of those bricks varied from one manufacturer to another, they were inscribed with a distinctive mark to prevent counterfeiting. The history of marketing records, closer to present day, the year 1862 as a major moment in the development of the theoretical concept of brand, the *Bacardi* phenomenon in Santiago. Linked with this moment, the bibliographical notes relate the story of Dona Amalia Lucia Victoria Moreau, who, entering the distillery of her husband, notes with surprise a fruit-bat colony which found shelter in the eaves of the roof. Familiarized with the traditions of Santiago, where the bat was considered a sign of prosperity, unity and health of the family and a representation of good luck, she immediately understood the opportunity to brand the rum produced in the small distillery with the representation of a bat. The proposal was accepted immediately by her husband, given the very low level of literacy of those times. The rum produced under the symbol of the bat became known bestowing miraculous powers, good luck and health through the easily recognizable logo. Sales grew more and more. Don Facundo Bacardi's name (Mrs. Amalia's husband) stretched over time, being nowadays one of the best known brands (in 1993 it ranked among the top 10 largest brands in the world).

Entered the Top 50 of global brands, with average sales between 4.5 and 5 billion dollars recorded annually by companies that have used the identity of Mozart to sell their products and services, *the Mozart brand* is a powerful phenomenon of the present age, interconnecting the musical domain with sociology, medicine, gastronomy, mathematics, politics etc. This paper aims to provide the pros and cons of the “trade repertoire” towards which is directed the new way of survival of cultivated music. Nowadays more than ever, the word, image, sound, aided by the infinite presence of media, put

the world in motion, in any corner of the globe. It is a motion of which some are aware and know how to cultivate it. Others participate unconsciously in a show they do not understand.

The Austrian composer has always been a pioneer of those who believe that art can unify. Under the *Mozart brand*, Vienna organized in 2006 a conference on political issues which was entitled “The Sound of Europe.” The purpose of this conference was to support European integration and participation, Mozart being present in the position of a model European due to his activity, mobility and personality that the Commissioners have characterized as being in a permanent pro-unification. Mozart has shown his strength through the diversity of emotions created by his work and thus became, from a marketing perspective, the most exciting classical composer in the world, being at present at the top of film companies, records, record companies or other hundreds of producers who have chosen his image to promote their business.

The Mozart brand was most heavily promoted by Mozartkugel, a chocolate candy, created for the first time more than 100 years ago in Salzburg by Paul Fürst, a business idea that was awarded the gold medal in Paris in 1905. Since he did not care to obtain a protection for his invention, Fürst’s idea was taken up by many other manufacturers. Even nowadays his originality resides in the fact that the products are handmade following a unique recipe. After the award in Paris, the Mozart candy industry flourished, so that in addition to Mirabell, the original company,² there appeared the German company Reber³ and Henry Lambertz.⁴ However the leading position in turnovers is still kept by the original version.

The Mozart distillery with its chocolate drinks appeared in Salzburg as a result of the first ideas of the candies, half a century later, in 1954. The liquor manufacturers Harald König say they chose the image of Mozart as it highlights best the idea of complexity, of blend, that Mozart expressed in his works and personality. In their view the diversity emanated by the composer renders best the characteristics of their products. To be even more convincing they declared that during the manufacture of the drink, *the Andante of Quartet No. 2 in D Major* is running in the background for the start of each new series of drinks, so that the piece could be repeated even 380 times over 24 hours. Moreover, those of the distillery say they employ ultrasounds to homogenize the chocolate and to provide the fine consistency of the products. *Accordingly here we have a musical component in the*

² (<http://www.mozartkugel.at/mozartkugel/page?siteid=mozartkugel-prd&locale=aten1&PagecRef=162>),

³ <http://www.reber.com/chocoladen-spezialitaeten-feinste-reber-confiserie.html>

⁴ <http://www.lambertz-shop.de/henry-lambertz/mozartkugeln-200g.html>

production of the Mozart liqueur. After an immediate and fulminating spread on European level in 1990, the idea of the Mozart distillery was taken over by companies from China, India and the United States, currently being evaluated as the second global business that is promoted by using the image of the Austrian composer.

In recent years the imprinted Mozart products have widened and diversified into paintings, posters, telegrams, clothing, mugs, key chains, buttons, aprons, bags etc. A recent study by a research institute in California analyzed the representation of the Mozart brand in relation to the global social context. Yorgen Edholm, as researcher but also violinist in a US philharmonic, tried to explain in a scientifically-motivational way why Mozart reached the packaging of the best-selling products in the world, comparing his music with the current businesses flow. As an exercise for assessing human capacity, Edholm narrated how he placed himself as subject of his own research, which was aimed to perform a self-test in order to see how performant could become violin playing, while learning works by Mozart. Thus, for five years he studied consistently for 6-7 hours a day in order to master a repertoire of concertos that are very difficult to play. During this time of individual practice the analysis was conducted both in terms of the effort invested and in the quality of the results. The first association he made between passages of virtuosity from the works of Mozart and the business environment was related to decision making: "when you play 10 notes per second you must make decisions really fast and, if you happen to play a wrong one, you have to stop, start over and play again and again until the passage is perfect; I believe the same can be applied in business, you need discipline and an enormous amount of hard work to succeed; if I were to make an average, I think it takes a minimum of 10,000 hours of hard work to reach quality threshold, regardless of the field." He afterwards discussed the psychological factor regarding introspection. It results from his study that we are endowed with an intuitive ability to assess and most often to catalogue the phenomena in an unconscious manner, so we are always ready to offer an opinion on a situation with which we interact. This insight also applies to management, where if the director is able to assess the situation of the organization or of the products in advance, the development process as a whole can be achieved quickly, and equally the same presumption may be harmful if intuition is distorted and does not have a real relation with the context.

But to return to to the study on the industry of the thousands of Mozart products. Are buyers who encourage it subjective? Are they victims of manipulation by advertising? Why is a product more important than others? What makes individuals not to accept any substitute for their

favourite product? Just as mentioned above, the brand also has an important psycho-social function, positions us and assures us of a certain social status, transferring all values with which it is credited to the one who uses it, namely it gives the consumer a part of its representation. Companies nowadays have grounded their success relying on the impact of the first business, which we mentioned above (the chocolate factory and the distillery) then relied on the trust that the composer gained in his lifetime and which history has amplified in all directions. At present Mozart is a very popular composer on multinational level, able to fit the most nonconformist ideas of promotion, from the role of therapist (see the vast neuro-psychological literature entitled “the Mozart effect from early childhood development to periods of convalescence”) to motivational examples in business (found by accessing the slogan “become a genius like Mozart”) and to tourist guides found on the streets of Vienna at present dressed like Mozart etc.

What does advertising? It changes lives, changes perceptions, and changes people. We mentioned previously that confidence is the one which credits the consumer and is in fact a crucial component of a successful sealing management even in music. Leaving aside the products it was identified with, of which we picked only a few, and considering only the promotion process, we have identified that the most important influence factors in developing a consumer behaviour are: the satisfaction, the reliability seen as a factor that differentiates similar products and everything that promotes a familiar image. The more substantial public exposure a brand has, and a living presence in the collective memory, the higher the confidence is. People generally trust what they know, as that something is reflected in their cognitive universe and gives them an essential psychological comfort when it comes to selling and buying musical products.

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