

FROM EMOTION TO CONNECTION

Examining Artist Branding in the Finnish Independent Recording Industry

Tuomo Tähtinen

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JYVÄSKYLÄN AMMATTIKORKEAKOULU
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Abstract <p>The music industry is undergoing a major structural change, and the role of the artist in the value chain is developing in a similar fashion. Several sources indicate that the artist brand has to be considered from various new perspectives in order to successfully adapt to the changes in the industry framework, and to gain competitive advantage in a marketplace, which is becoming ever more crowded and aggressive.</p> <p>Artist branding at two Finnish independent record companies was investigated and analysed in this Bachelor's Thesis, on both practical and theoretical levels. Strategic brand management theories and specifically the ones originating on the sender's side of communication were used as a theoretical reference point when the artist branding practises were being evaluated and interpreted. The focus was on three theoretical concepts of brand management; brand identity, brand positioning and brand equity.</p> <p>The empirical part of the research consisted of a qualitative study on two companies; Gaea Records and Fullsteam Records. The results indicated that artist branding practises in Finnish independent record companies were driven by experience and substance rather than theoretical knowledge, which still did exist at a certain level in both companies. Although strategic brand management tools seemed to be known to both companies, they had created their own codes of practice to steer their brand development. Furthermore, although the implementation of the existing practices in the companies seemed to produce attractive and sustainable artist brands, one of the aims of this study was to lead the companies to utilising the available brand management tools as well.</p>		
Keywords Brand, Brand Management, Artist Branding, Music Industry, Recording Industry, Independent Record Company, Indie Record Company		
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Tiivistelmä <p>Musiikkiteollisuus käy läpi merkittävää muutosvaihetta, ja artistin rooli arvoketjussa kehittyä rinnakkain käynnissä olevan muutoksen kanssa. Useiden lähteiden pohjalta voidaan arvioida, että kilpailukyvyä saavuttamiseksi artistibrändiä on lähestyttävä uusista näkökulmista. Uusia lähestymistapoja tarvitaan myös, jotta alan muutoksiin ja lisääntyvään kilpailuun voitaisiin vastata menestyksekkäästi.</p> <p>Tässä opinnäytetyössä tarkasteltiin ja analysoitiin artistibrändäystä kahdessa suomalaisessa itsenäisessä levy-yhtiössä sekä teorian että käytännön tasolla. Tulosten arvioinnissa teoreettisena pohjana tutkimuksessa hyödynnettiin brändinhallintateorioita. Tarkemman viitekehysten tutkimukselle antoivat erityisesti ne brändinhallinnan osa-alueet, jotka ovat yrityksensä itsensä määriteltävissä, kuten brändi-identiteetti ja brändin asemointi. Lisäksi tutkimuksessa tarkasteltiin artistibrändin arvoon liittyviä kysymyksiä.</p> <p>Opinnäytetyön empiirinen osuus koostuu kahdelle yritykselle – Gaea Records ja Fullsteam Records – tehdystä laadullisesta tutkimuksesta. Tutkimustuloksista voidaan päätellä, että artistibrändäys suomalaisissa itsenäisissä levy-yhtiöissä pohjautuu paljolti kokemukseen ja substanssiosaamiseen, eikä bränditeorioita tai -työkaluja juurikaan hyödynnetä käytännön toiminnassa. Vaikka bränditeorioita tunnetaan, hyödynnetään artistibrändien hallintaprosessissa lähinnä yhtiöiden itse kehittämiä toimintamalleja. Myöskään artistin brändi-identiteetin määrittelyssä ei käytetä teoriaan pohjautuvia työkaluja. Vaikka levy-yhtiöissä käytössä olevilla toimintamalleilla saavutetaan hyviä tuloksia ja niillä on onnistuttu rakentamaan kestäviä artistibrändejä, ohjataan tässä tutkimuksessa myös olemassa olevien brändinhallintaan suunniteltujen työkalujen äärelle.</p>		
Avainsanat (asiasanat) brändi, brändinhallinta, artistibrändäys, musiikkiteollisuus, itsenäinen levy-yhtiö, indie-levy-yhtiö		
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1 INTRODUCTION

“Artists have always been brands.” (McBride & Muhle 2008, 25)

Performing artists appeal to people on many levels, and from a music consumer's point of view, an attachment to an artist is emotionally valuable. On the one hand, artists are musical messengers but on the other hand much more – they have an ability to establish deeper connections with their fans. Besides the music itself, these deeper connections grow from a variety of elements, which altogether constitute the total interactive artist-fan experience (McBride & Muhle 2008, 25). As McBride and Muhle (2008, 6) state, all the means by which the artist appears in public represent the artist's brand. Therefore, ultimately, buying music is just one way of buying into the artist's brand.

In order to make the most out of the idea of an artist as a brand, the brand has to be developed and nurtured, just like any other brand. The complete process of coordinating a brand's actions – starting from defining its core identity and continuing throughout its life cycle and development – is called strategic brand management (Kapferer 2008, 2). Not limited to any singular action, but inclusive of every step taken in order to enhance the experience and the value the customer receives from interacting with the brand, brand management approaches brands as strategic assets (Kapferer 2008, 4).

Artists have always been just one – yet irreplaceable – part of the music industry's value chain. Traditionally they have produced music, which has been sold as recordings and as live experiences. However, according to McBride (Future Of Music 2009), the structural change which the industry is currently undergoing requires a wider approach to the artist as a concept. McBride states that content is no longer king, as it used to be. Instead, all the dimensions which are connected to the artist should be paid attention to and, subsequently, leveraged. According to McBride, the future of the business is in

the context – in the way music is consumed and in the related value which the music consumer obtains from interacting with the brand.

Therefore, more than ever, it is essential to consider artists as brands. Branding is about creating the context around the brand; the related emotion and value attached to the entire music consuming experience.

In terms of the Finnish music industry, independent record labels have traditionally had a significant role in scouting talent and establishing new artists. The situation has not changed. Instead, as the business models of the industry change and develop, the independent players have good chances of obtaining a competitive advantage, because they are flexible and quick in adapting new ways of monetising their assets. Further, Holst (2007, 112) suggests that in the future the independent companies will bear even a bigger role in artist development for the whole industry, whereas the multinational major companies will concentrate more on the marketing and distribution of the product.

This thesis examines Finnish independent record companies' branding processes in practical and theoretical terms. Two case examples are presented and analysed in the empirical part of the study.

2 RESEARCH OBJECTIVES AND LIMITATIONS

The primary goal of this study was to explore, to which extent the researched independent record companies currently execute artist brand management on both the practical and theoretical levels. In addition, the existence of a brand management strategy was studied, as well as the level of theoretical knowledge about branding and brand management within the companies.

The secondary objective was to study the applicability of branding theories on the independent recording industry and the recording artists. There is currently quite little information available on the usage of brand management tools and theories within the given framework.

Further, the study investigates how Finnish independent recording artists currently are labelled as brands. Several sources indicate that recording artists can be a subject of branding. This assumption was used as a hypothetical basis for this research.

The study concentrated on independent record companies only, instead of extensively examining how branding is approached by the entire scope of the music industry. Two companies were interviewed in order to form an initial perception on the relevance of artist branding for the business. Geographically, the study was limited to Finland only.

Concentrating on the recording industry is an intentional approach, and the relevance of other sectors in the business is well recognised. Further, it is acknowledged that the artist branding process involves and is often initiated by various parties other than record labels, such as artist managers, publishers and agents. The development of digital music especially has been rapid, which is currently shaking the power balance of the music industry. However, even if we do not know where the industry is headed, the record companies must still be considered as important players in terms of developing the artists' careers.

As its theoretical basis the study utilises brand management theories and concentrates especially on theories which focus on brand management from the sender's perspective. The most relevant concepts of branding for this research are brand identity, brand positioning and brand equity. It is recognised that brand management is a vast set of theories, so keeping focused and narrowing down the approach was considered essential in order to achieve valid results. In terms of relevance it also has to be pointed out that no research has been carried out before on this specific subject in Finland.

3 LITERATURE REVIEW

3.1 Introduction to Branding

A 'brand' as a term has been in use for centuries. Traditionally, a brand has been perceived as a name, sign or symbol which distinguishes a product or a producer of goods from the others of the same kind (Keller 2008, 2-3). Further, according to Kapferer (2008, 10-11), in legal terms, brand is purely an attribute, the purpose of which is to determine a company's product, certify its origin and differentiate it from the competition. Therefore – legally – a brand's value for a company lies merely on registration and conformity.

However, Kapferer states that in a commercial sense the concept of a brand can be observed from a much broader perspective:

Brands have financial value because they have created assets in the minds and hearts of customers, distributors, prescribers, opinion leaders. These assets are brand awareness, beliefs of exclusivity and superiority of some valued benefit, and emotional bonding. (Kapferer 2008, 10).

Thus, branding is not a new phenomenon. It was, however, only in the 1980s when the management of corporations discovered brand equity; the financial value of a brand (Kapferer 2008, 3-4). Due to the introduction of brand equity, the total financial value of a company was not anymore measured only by its tangible assets, but also in terms of the value that was hiding behind the actual business – in the minds of existing and potential customers. Various examples show how strong brands increase the company's market value far beyond the figures appearing in the balance sheets (Ibid).

It is therefore the intangible, emotional power of a brand, which makes branding such an effective, and essential marketing tool. According to Kotler and Armstrong (2010, 31), branding is essentially about creating experiences by looking beyond the attributes of the products and services that are being

sold. Further, Keller (2008, 10-11) states that consumers do perceive differences between different brands, and, therefore, branding is also a way to help consumers organise their knowledge about products. This does not mean, however, that differentiation is always an easy task. Especially when trying to brand commodities – something that the consumers already are used to – it is essential to succeed in convincing the consumers that not all the products offered in the marketplace are alike (Ibid).

According to Keller (2008, 27), virtually anything can be branded. A brand can be connected to the company itself, to the product the company produces or to some completely different entity. It is not only the tangible products which can be subject to branding, but an array of items ranging from people, places – such as cities and countries – to ideas, causes, sports and arts. Therefore, in the context of this research, Keller's statement is a vital piece of information and a basis for this thesis' empirical part. Hence, it can be argued that also artists who perform music can be subject to branding.

3.1.1 The Concept of Brand Management

Building a brand, nurturing it and maintaining its value and position is a matter of successful 'brand management'. It is a process of strategic brand management that is considered as the practice of taking control over a brand's actions and the way the brand is perceived by the public (Temporal 2002, xiii). In business, marketers and brand managers use strategic brand management techniques to add differentiating dimensions – either tangible and intangible – to their products in order to improve the way the products are perceived and valued by the consumers (Keller 2008, 5).

Keller (2008, 39) suggests that the strategic brand management process should be divided in four main steps (See Figure 1). This thesis, however, concentrates primarily on the first step of the process; identifying and establishing brand positioning and values. Although the emphasis is on the first step, the other three steps are also discussed, because all the parts of the process are considered integral in successful brand management.

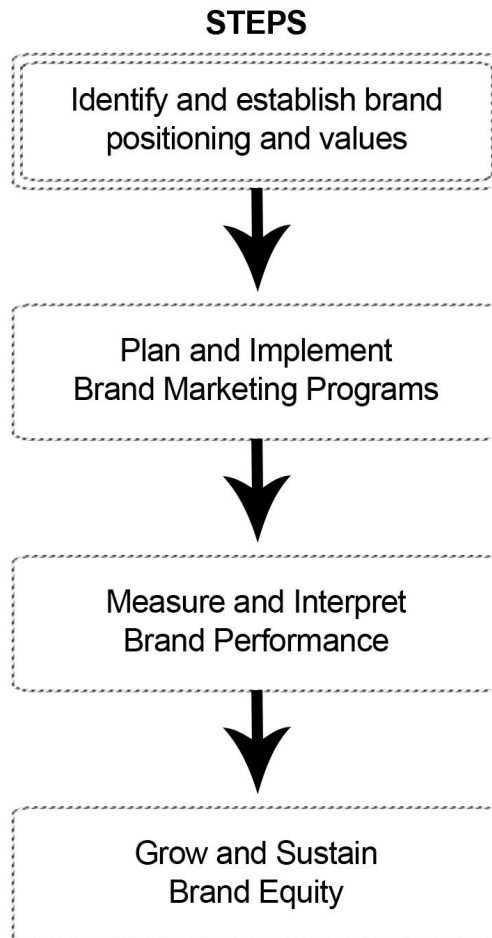


FIGURE 1. The Strategic Brand Management Process. Adapted from Keller (2008).

Strategic brand management should not be confused with marketing management or marketing communications – the concepts are intertwined, but have distinctive qualities. From a branding perspective, according to Keller (2008, 230), marketing communications are the means of delivering the brand message, establishing a dialogue and building a relationship between the brand and the customers.

3.2 Brand Identity and Positioning

Modern competition calls for two essential tools of brand management: 'brand identity', specifying the facets of brands' uniqueness and value, and 'brand positioning', the main difference creating preference in a specific market at a specific time for its products. (Kapferer 2008, 171)

The concept of brand identity is one of the major elements of the empirical part of this research. Therefore two very different – yet renowned and academically acknowledged models are presented in this chapter.

According to Kapferer (2008, 171-172), the 'brand identity' concept was first introduced over two decades ago. However, he argues that it is still a fairly new concept for many, and that its importance is under-recognised and often also misunderstood. Kapferer also criticises the fact that it took a long time for many branding specialists to endorse the idea of brand identity.

3.2.1 Kapferer's Brand Identity Theory

Brands can become loved – they can become something that consumers are passionate about. It is not, however, obvious that every brand achieves this position in today's extremely competitive marketplace. Kapferer (2008, 182) states, that for a brand to reach such a status, the brand must have a deep inner inspiration. Further, the brands should have their own characters and related beliefs, as well as be able to help consumers in their lives and in discovering their own identity (Ibid).

The essence of brand identity resides in the attributes presented above. Although reaching a position where a brand genuinely possesses all these qualities is not always easy, there are theories and tools designed for brand identity planning. As his tool for defining brand identity, Kapferer (2008, 183) introduces the Brand Identity Prism. The idea of the six-faceted prism is to demonstrate six sides of brand identity, which according to Kapferer are physique, personality, culture, relationship, reflection and self-image.

Kapferer's Brand Identity Prism digs deep into the brand's soul. It is, however, a rather complex model, which involves thorough investigation of the brand. Therefore, in order to understand what elements brand identity includes, Kapferer (2008, 172) suggests that a set of supportive questions should be answered. The brand identity questions do not directly communicate with the Brand Identity Prism, but offer help with defining the core elements of a brand's identity. Furthermore, these questions feel more relevant for this research than the more complex six-faceted prism, as they are rather universal and are, therefore, also more applicable with the artist brand. The brand identity questions are presented in Figure 2.

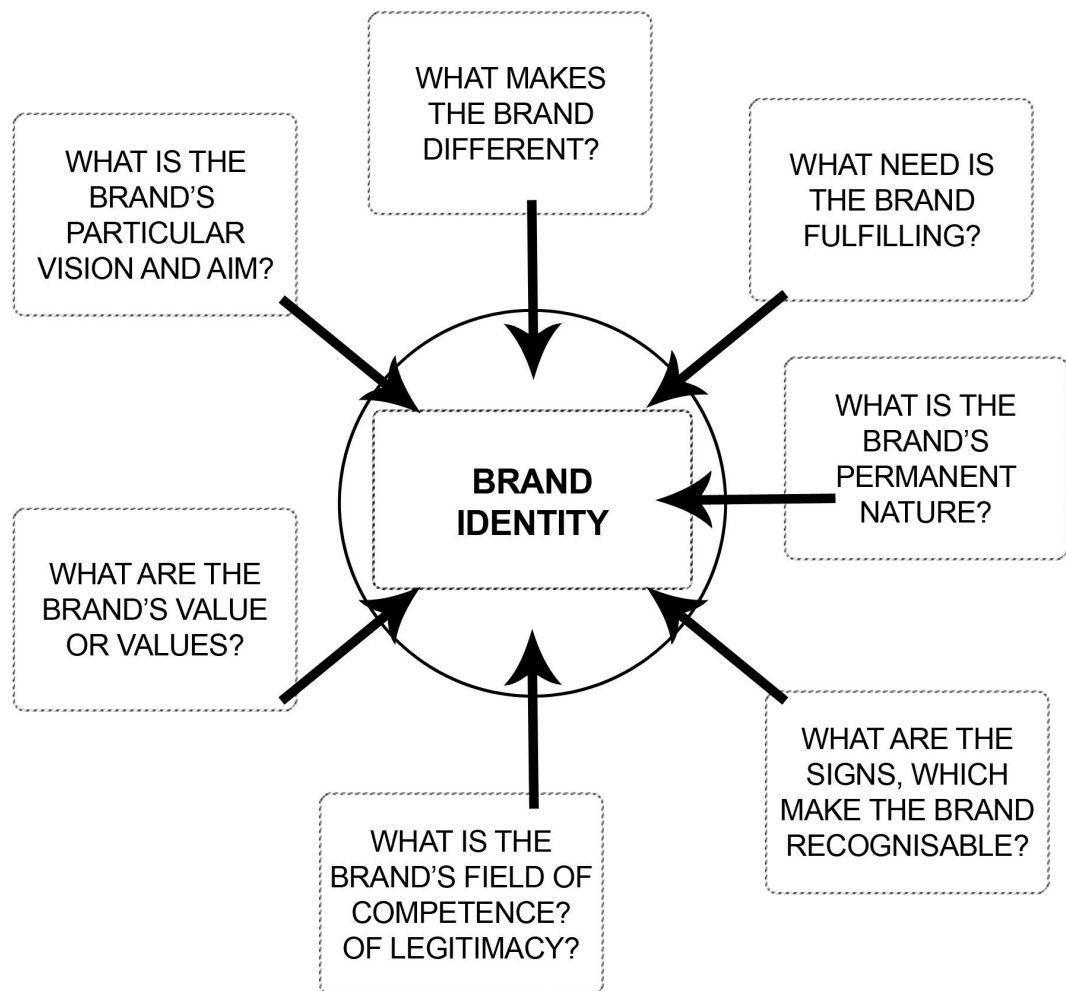


FIGURE 2. Brand Identity Questions, adapted from Kapferer (2008)

It should be kept in mind that Kapferer's questions are not a comprehensive presentation of his brand identity concept, but more like a set of tools, which

can be used when starting the brand identity building process. In the context of an artist brand, it can be presumed that it is possible to find an answer to each of the questions presented in Figure 2.

3.2.2 Aaker's Brand Identity Model

Aaker (1996, 78-79) has introduced a much-used model for planning brand identities. According to him, a company should observe the brand from four perspectives: as a product, as an organisation, as a person and as a symbol. However, Aaker notes that every brand identity does not need to consist of all four, or even several of the elements. All the perspectives should, however, be considered in order to create an identity that helps the most in articulating how the brand should be perceived by the consumers (Ibid). Aaker's model is illustrated in Figure 3.

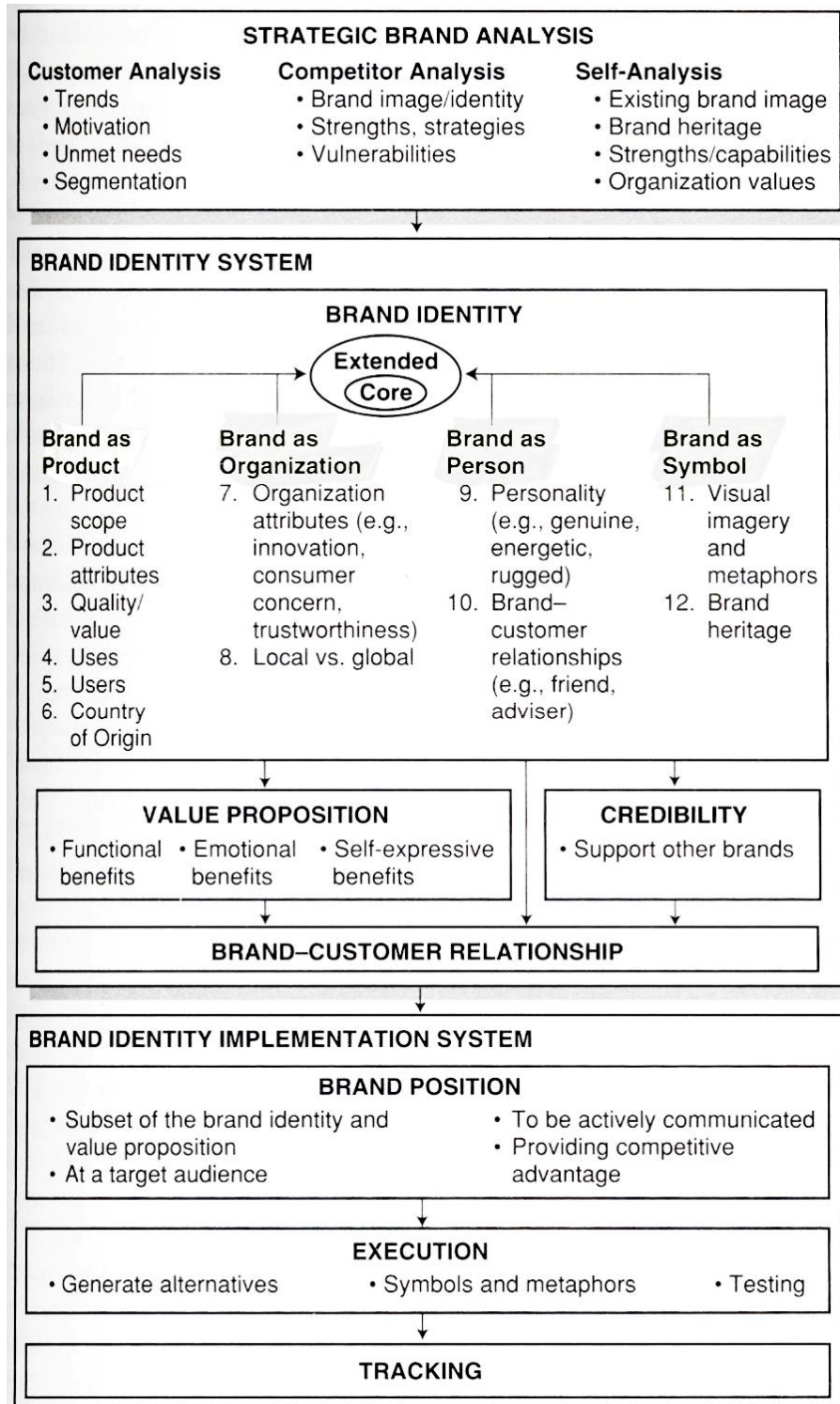


FIGURE 3. Brand Identity Planning Model. (Aaker 1991)

This study primarily utilises Kapferer's Brand identity questions model. However, elements from Aaker's Brand identity planning model are used as a reference in the course of the study.

3.2.3 Identity and Image

Kapferer (2008, 174-175) notes that brand identity should not be confused with brand image. The most significant difference is that while identity is on the sender's side and up to the company to define, the brand image is on the receiver's side. Thus, the image results from decoding a message and refers to an array of brand messages originating during the line of communication: on the sender's side, on the way and at the consumers' end. Further, image is the consumer's interpretation of all the messages. Therefore, it is essential to work on defining the brand's identity, in order to be able to coordinate what kind of an image precedes the brand communication (Ibid).

Further, according to Nandan (2005, 5), a strong identity-image linkage enhances customer loyalty. Therefore, the gap between a company's reality and the customer's perception should be minimised or preferably, completely removed. Nandan (2005, 13) continues that having a superior product and a unique vision is not always sufficient; being able to translate the core benefits of the brand to the consumer is as crucial as building the brand identity.

This study recognizes the importance of the linkage of brand identity with brand image. However, the overall focus of the study is on the sender's side of the communication: brand identity and brand positioning.

3.2.4 Brand Positioning

A brand's positioning is much connected with the brand's identity. According to Kapferer (2008, 175), positioning a brand is an analytical process of distinguishing the brand from its competitors by emphasising its most distinctive qualities. Thus, the positioning process is vital when trying to establish the competitive advantage. In order to position a brand, Kapferer (Ibid) states that four questions should be answered:

- ◆ **For what benefit:** What is the brand's promise to the customer?
What does the customer benefit from connecting with this brand?

- ◆ **For whom:** Who is the brand for? Which group of people?
- ◆ **Reason:** What elements support the claimed benefits? Why is the brand promise what it is?
- ◆ **Against whom:** Who is the main competitor?

According to Trout (2009), ultimately, positioning is how the customer perceives the brand in relation to other similar brands in the marketplace and it will happen whether it is proactively steered by the company or not. Therefore, the importance of positioning correlates with competition, whereas identity is something residing inside the brand. Thus, positioning concentrates on the outlook of the outside perception.

For this study, positioning is a secondary, yet an important theoretical element. It is integral to any brand and essentially connected to the brand's identity. In regard to artist branding, positioning defines where the artist stands in comparison with other similar types of artists – all competing of the attention of the same potential fans.

3.3 Brand Equity

A brand's power to capture consumers' preference and loyalty can be measured, and it is usually referred to as 'brand equity'. Aaker (1991, 7-8) states that in essence brand equity is a set of brand assets and liabilities linked to a brand. These assets differ from one context to another, but can be grouped into four categories: brand loyalty, brand name awareness, perceived quality and brand associations (Ibid).

According to Kotler (2010, 260), a brand has positive brand equity if the consumers prefer it as opposed to generic or unbranded versions of the same product. Further, brand equity is negative, if the consumers favour other unbranded products more (Ibid).

In the context of the music industry, measuring brand equity might not be an easy task. However, examining the importance of the immaterial value of an artist brand is interesting and of some importance to this study. Ultimately, it could be even argued that also artist brands have an ability to produce extra value for the company, in terms of frontline and catalogue value. The subject will not, however, be covered very thoroughly in this study, as the measurement of such value often happens only in the context of company or catalogue acquisitions.

3.3 Current Challenges and Opportunities in Brand Management

According to Keller (2008, 30-36), there are six major challenges that brand managers and marketers face in the current business environment. These issues are:

- ◆ **Savvy customers:** Consumers have become more marketing-aware than ever and demand more value for their investment. They are constantly dissatisfied with what brands deliver compared to their advance expectations.
- ◆ **Brand proliferation:** New brands and products appear on the marketplace at a growing pace. In the music industry, the same phenomenon is clearly noticeable; there is more music available than ever before in the history.
- ◆ **Media fragmentation:** In a situation where advertising and communication budgets are being cut, media is becoming extremely fragmented, and new technologies enable a growing number of communication channels online.
- ◆ **Increased competition:** The marketplace has become very competitive, to which both demand-side and supply-side factors have contributed. Further, new competitors have emerged due to factors such as globalisation and brand extensions.

- ♦ **Increased costs:** It has become challenging to match the investment, as costs of introducing a new product have increased rapidly.
- ♦ **Greater accountability:** Many marketers and brand managers are obliged to meet short-term profit targets, which often leads to creating short-term benefits but long-term costs, such as cutting advertising expenditures.

Also, some theories suggest that traditional marketing does not completely meet the expectations of today's business environment, and state that marketing should be regarded more 'pull-driven' instead of 'push-driven'. Subsequently, this applies to branding as well. As stated in chapter 3.1, brand management should be a process, which is an integral part of a company's marketing strategy. According to Gilbreath (2010, 18-19), marketing as it is generally known has become irrelevant and too offensive for people – now they do not need, and are even unable to absorb all the marketing they see and hear. Gilbreath continues, that companies spend great amounts of money in selling products that people find unnecessary, or cannot connect or interact with.

In order to tackle the marketing challenge, Gilbreath (2010, 46-47) has come up with a model called 'Marketing with Meaning'. Although the model offers a new approach to the whole scope of marketing instead of branding only, it feels very relevant, as it bites into similar issues that are discussed in this study. In his theory, Gilbreath states that most consumers now can fulfil their basic needs and therefore seek higher meaning; content, value, connection, causes and the feeling of being connected to the brand.

The music industry experts and visionaries McBride and Muhle (2008, 12) describe the development of the artist branding process in their study *Meet the Millennials: Fans, Brands and Cultural Communities*, and are in line with Gilbreath's theory. They argue that in order to succeed in the future business of music, it is essential to create an emotional, direct and authentic

relationship with the consumer. Further, they list examples of key attributes for building and monetising the artist brand in the future:

The challenge will be to create appreciable value that cannot be copied. Emotional connections – trust, privileged access, immediacy, cause-alignment, interpretation, interdependence, authenticity, organised data, up-selling, karma, personalisation and searchability – are the new values that will replace the scarcity of the controlled 'push' distribution models. (Mc Bride & Muhle 2008, 12)

3.4 Artist as a Brand

This study focuses on recording artists who perform music. In this case, an artist can refer to a solo artist or to a performing group. The focus is not on the tangible product that record companies produce, which is – in this case – only considered as a carrier of the music; such as the CD, an mp3 file or a vinyl record. The study is limited to artists who perform popular music, ranging from different styles of pop and rock to electronic music.

McBride and Muhle (2008, 6) suggest, that it is essential to consider artists as brands, especially now as the current business environment of the music industry is undergoing drastic changes. In order to establish a working business model and a productive framework to operate within, businesses are obliged to recognise the power of the artist brand and its different dimensions. Whereas before companies could succeed by just producing and selling a single artist-related product, such as a CD, it is becoming more and more difficult to maintain a lucrative business by adhering to traditional business models. Instead, it is suggested that the businesses will have to learn new strategies and ways to monetise the brand as well as to take an advantage of as many possible income streams as possible. Therefore, according to McBride and Muhle (Ibid), the only way to survive in the business is to recognise the power of the artist brand and start expanding the brand horizontally.

According to McBride and Muhle (2008, 25-30), an artist brand is built from eight different elements:

- ◆ **Cause alignment:** A brand can be associated with social causes. If fans support the brand, they will gain associated cause benefits.
- ◆ **Authenticity:** An artist has to be true to him/herself; in the core of an authentic brand is a discovered, not invented identity.
- ◆ **Interdependence:** Every action creates multiple reactions; recognising these actions allows the artist to understand and take advantage of interdependence.
- ◆ **Direct relationships:** Artists should create a direct relationship with their fans. Strong artist-fan relationships resemble the one-to-one relationships between fans.
- ◆ **Searchability:** Search-friendly content is becoming more and more important. A good searchability provides a more pleasurable and useful user experience.
- ◆ **Interpretation:** Traditional formats can now be accompanied with multiple new variations of the product, providing more selection and added value for the fan.
- ◆ **Immediacy:** Fans expect to receive the most current information about their favourite artists, and they expect to be first in the line to receive it. Providing them with this information will again reinforce the artist-fan relationship.
- ◆ **Personalisation:** Answering to fans' personal demands and interests has become easier due to enhanced technology. This possibility should be taken advantage of.

Also Turner (2009) states that it is obvious for artists to be considered as brands because an artist is essentially a creator of experiences. Branding is, therefore, a way to profit from the experience associated to an artist, and a way for a fan to create a connection with the artist. Further, Turner suggests that coordinated branding helps the fans understand and engage with an artist.

According to Silverstein (2010), a good example of a current artist who leverages her personal brand at an exceptional level is Lady Gaga. Albeit she is a major label artist, and, therefore, budget-wise not at all comparable with the artists recording for the independent labels, her case is one of the most interesting of the past few years. Silverstein states, that Lady Gaga's brand comprises multiple elements, not only the music, which actually is a part of the brand story, being written by the artist herself. It is the ability to charm, irritate and even offend, which makes her so interesting. Further, Silverstein continues, she has successfully partnered up with a number of commercial brands and been able to monetise the digital media to an extent very few other artists have been able to.

Although this paper focuses entirely on artist brands, it should be kept in mind that there are various different brands associated with the music industry, and they can be observed from a number of different viewpoints. Examples of such brands are songwriters, producers or production teams and the companies themselves.

It is also important to bear in mind that although artists are often the faces of commercial brands, artist branding should not be confused with brand tie-ins. Association with another commercial brand can, however, have a strong influence on the artist's brand identity. Multi-million dollar marketing campaigns, such as Pink starring a car sports V8 Supercars campaign (Brandle 2010) or more engaging co-operations, such as fashion label Fred Perry's collection designed by Amy Winehouse (Paine 2010), often associate the artist with the other brand's ideology or values. Furthermore, collaborations between two artists – or in other words two artist brands – can influence the artist's brand. One of the best known examples of such a case is possibly the hard rock band Aerosmith's phenomenal comeback, owing much to their appearance in a cover video of their own song Walk This Way, re-worked by the rap duo Run-D.M.C. in 1986 – nine years after the original song was released. This face wash introduced Aerosmith to a new generation of music fans and was a start for the second boom of their career (Rolling Stone 2010).

3.5 Overview on the Recording Industry in Finland

According to Suomen ääni ja kuvataallennetuottajat ÄKT ry (2010) – the Finnish national group of IFPI – the total value of sales of recorded music in Finland in the year 2009 was €41.8 million. The figure only includes the sales of the members of the Finnish IFPI, but still gives a reasonable reference in terms of the market size, because a vast majority of the Finnish market is covered in their research. Further, according to a recent study commissioned by Music Export Finland (2010), the total turnover of the exports of recorded music in 2008 was €6.5 million, which can be added to the total value of the recorded music sales of the Finnish record companies.

A recent report reveals that 76.37% of the market is controlled by the multinational major companies; Sony Music, Universal Music, Warner Music and EMI (see Table 1). The remaining market is shared by independent record companies, of which the biggest – measured by market share – are Playground Music Scandinavia, Johanna Kustannus and Bonnier Amigo Music Finland. Two of the top-three independent enterprises are owned by international companies (Suomen ääni ja kuvataallennetuottajat ÄKT ry 2010).

RECORDING INDUSTRY MARKET SHARES 2009 FINLAND	
	Market Share %
Warner Music Finland	25,65
Sony Music Ent. Finland	21,08
Universal Music	15,49
EMI Finland	14,15
Edel Records Finland	7,85
Playground Music Scandinavia	3,87
Johanna Kustannus	3,05
Bonnier Amigo Music Finland	2,59
Fg-Naxos	2,35
Karaoke Service Finland	2,05
Ondine	0,89
Siboney	0,66
Fullsteam Records	0,26

TABLE 1. Recording Industry Market Shares 2009. (Suomen ääni- ja kuvatalennetuottajat ÄKT ry 2010)

Most of the albums released by the record companies are done by domestic artists. The four major record companies also release a substantial number of international albums, but in terms of turnover the domestic material controls the Finnish market.

As far as export income is concerned, most of it is collected through licenses, as Finnish record labels have traditionally conducted quite few distribution-driven releases abroad. In addition, they have rarely established any subsidiaries or offices abroad. If there is no license, the release is usually coordinated by a local distributor, while the public relations and marketing are taken care of by a local PR company, and the whole process is controlled by the Finnish label.

Although the independent sector does not cover a vast proportion of the overall market of recorded music in Finland, the independent companies play a significant role in keeping the industry alive. They are often able to develop their artists with a substantially smaller investment than the majors, allowing

them to move more quickly and release albums with less financial risk. Further, in the current business environment the independent labels are expected to adapt faster to the changes, which enables them to test and leverage new business models more effectively than multinational companies.

3.6 Previous Research

In order to find out how much artist branding had been researched before in Finland, previous studies around the topic were searched at all main Finnish universities, as well as in the libraries of universities of applied sciences. Further, commercial studies and publications on branding music artists were charted on a global level. It was discovered that only a few studies were made, and research on artist branding appeared to be scarce. Internationally, the topic has been more extensively studied, but no major publications or books have been released about artist branding specifically. The most relevant papers and publications for this study are listed in this chapter, including both, commercial and academic studies.

The most relevant reference point for this study has been a master's thesis called "It's All about the Song: The Praxis of Artist Branding in the Finnish Recording Industry", written by Haaranen (2005) for The Sibelius Academy. In her thesis, Haaranen approaches artist branding from the points of view of marketing communications, branding theories as well as social and cultural sciences. She also discusses the differences between image and brand management and, in terms of branding, has an emphasis on public relations and communication.

Haaranen's thesis is focused only on major labels' artist branding practices. Therefore, she suggests that it would be interesting if artist branding was studied from the independent labels' perspective as well, taking into account the potential competitive advantage the independent labels might gain from effective artist branding. Haaranen's suggestions play a major role as an initiating and steering factor for this research. However, competitive advantage

against major labels is not a subject of this study, although some conclusions about the subject are drawn in the following chapters.

Recently, long-term music industry executives McBride and Muhle (2008) released their study "Meet the Millennials: Fans, Brands and Cultural Communities". The paper was assigned by MusicTank, which is a business development network for the UK music industry, established by the University of Westminster. Both, McBride and Muhle have a history at Nettwerk Music Group – one of the most successful independent international music companies in the history. McBride is currently the CEO of Nettwerk, while Muhle now works in digital entertainment with a strategic consultancy company TAG Strategic. The paper itself is current and offers a number of suggestions for artist and brand development. For this study, McBride's and Muhle's theories offer important insights from inside the music industry. Many of their concepts are in line with the current thoughts of brand management theorists, which makes the resource very relevant in the context of this thesis.

The concept of artists and brands was also studied by Valtanen (2003) in the thesis called "Merkituotteen johtaminen ja viestintä ääniteollisuudessa" (Brand Leadership and Communications in the Recording Industry). In his case study, Valtanen discusses the brand strategy of the record company BMG Finland and the brand identity of the Finnish group HIM.

Further, Vilpponen (2009) has conducted a research on the branding of artists and arts organisations. The focus of Vilpponen's study is, therefore, not only on individual artist brands, but strongly on organisations, such as theatres, opera houses and museums. Only one individual artist case is covered in Vilpponen's study, and altogether the paper cannot be considered as a relevant reference point for this thesis.

4 METHODOLOGY

Only a very limited amount of research has been done on artist branding in Finland before. Hence, studying and evaluating the applicability of branding theories within the given framework was considered essential in order to find out what the current practices were and to define some perspectives from which artist branding could be approached in the future.

Due to lack of research and written material on artist branding in Finland, interviewing people who work in decisive positions at independent record companies and work with artist branding was considered to be the best way of obtaining answers to the posed questions. Therefore, a qualitative approach was chosen as the primary method for the empirical part of the study, in order to form an overview as precise as possible of the current state of artist branding with independent record labels in Finland.

The data, including the insights and thoughts of industry executives who work on brand management processes on a daily basis, was collected through face-to-face interviews. Two cases were carefully selected and in these cases both of the interviewees had extensive experience on running a record label in Finland. They also work with artist development, marketing and communications.

Silverman (2005, 109-110) states, that it is essential for the chosen research method to reflect the overall research strategy. Therefore, in order to obtain unbiased and valid answers it was considered very important to enable the interviewees to tell about their work without being tied to a theoretical framework. Further, according to Silverman (Ibid), with studies of exploratory nature and with a small sample size, open-question interviews often lead to better results. He also states, that in such a situation cross-case comparison will also inevitably be limited, so there is less need for standardised research instruments (Ibid).

In order to allow sufficient freedom of answering, but to still remain sufficiently structured and focused, semi-structured theme interviews were chosen as the interviewing method. According to Hirsijärvi, Remes & Sajavaara (2007, 203), a theme interview stands somewhere between open question and fixed-choice question interviews and allows the researcher to coordinate the direction of the interview without interfering with the flow of the interviewee. Hirsijärvi and co-workers (Ibid) also advise that it is typical for a theme interview that the themes are set by the researcher, but there is no strict order or shape for the questions.

4.1 The Interviews

4.1.1 Selection of the Cases

The both two cases selected for this study, Gaea Booking & Records and Fullsteam Records & Agency, represent an established record label operating actively in Finland as well as internationally. Both are between 4 – 8 years of age and have made their mark on the independent marketplace by building up a sustainable business and by creating products that appeal to the public.

Measured by turnover, Fullsteam Records & Agency is significantly larger. Based on this knowledge, it can be said that the two above mentioned companies represent both ends of the independent labels' circuit, Gaea Records being a two-man company and Fullsteam Records employing altogether 15 people. Further, the researcher's work experience in the music industry supports the assumption that both companies are forward-looking and well-recognised in the context of Finnish music business, which makes cross-comparison of theoretical knowledge and implementation of business practices easier.

4.1.2 The Interview Structure

According to Hirsijärvi & Hurme (2000, 66), a theme interview is structured around themes instead of exact questions. The themes help the interviewer to direct the conversation, but do not limit the flow too much. Further, the themes provide a benchmark if the direction of the conversation starts heading too much off-topic, and some steering is needed.

Another point of importance – besides allowing free conversation flow – was to prevent the interviewees from being tied to theoretical or terminological issues. Therefore, all the themes and theme-related questions were formed in a way that no previous theoretical knowledge was needed in order to answer the questions. The only requirement was that the interviewee had to be familiar with the structure and logistics of the music industry, a point which was taken into account when selecting the interviewees.

The themes chosen for the interview were the following.

1. Background information of the company / interviewee
2. Overall significance of artist branding for the company
3. Theoretical knowledge about branding
4. The artist development / brand management process
5. How to measure the value of an artist brand

Although the interviews were rather loosely structured, it was not difficult for the interviewees to speak about the topics. Some steering was, however, done when there was need to spark up the conversation or keep it on track.

The interviews followed the planned structure, but not all the questions posed to the interviewees were exactly equal. The concentration was on following the thematic structure and not on specific questions. All themes were covered in both interviews.

The interview data was thereafter analysed and divided into themes. Hirsijärvi & Hurme (2000, 193) state that a thematic breakdown is one of the most common ways to report on qualitative interview material.

The language used in the interviews was Finnish, as it was the mother tongue of both of the interviewees. Although a translation process was required after conducting the interviews, using Finnish was regarded as more natural and convenient in order to allow relaxed conversation to take place. Moreover, it was not known if the interviewees were comfortable with speaking English and able to explain everything in detail in a language other than their mother tongue.

5 CASES

5.1 Case 1 – Gaea Records

The first case study was conducted on Gaea Booking & Records. The record label division of the Gaea group has been operating since the year 2007 and has this far released 13 individual records. The label mainly releases indie and electronic music and the current roster includes artists such as Pintandwefall, Jesse, Jermaine, Ka-so-re and I Was A Teenage Satan Worshipper.

The interview was made with Esa Tontti, the CEO of Gaea Booking & Records and the co-founder of the Gaea group of companies. The company was originally founded in 2005 as a booking agency, and now accommodates also recording, publishing and merchandise arms. Tontti holds a Bachelor's degree in Advertising and Corporate Communications and comes from a background of an enthusiastic music fan and a musician. He started Gaea Booking after having already booked shows for various acts while being a member of a band himself.

The interview was conducted face-to-face in the record label's home town Tampere at a local café. The complete interview was recorded on tape.

5.2 Case 2 – Fullsteam Records

Fullsteam Records & Agency is a group of music companies, operating in nearly all sectors of the music industry; recording, publishing, distribution, merchandise, management and live sector; as both an agency and a promoter. Further, they operate a rehearsal studio complex as well as a car rental. The company was started in 2003 as a record label, but has expanded heavily since the establishment.

The record label division, called Fullsteam Records works with around 15 active recording artists, which include acts such as Disco Ensemble, Ismo Alanko, Lapko, Rubik and Jaakko & Jay.

The interview was made with Johannes Kinnunen, the Managing Director of Fullsteam Records. Aside from running the company's affairs, Kinnunen is also responsible for marketing and communication. Thus, he takes care of all the media relations, corporate communication and artist promotion. Kinnunen holds a Bachelor's degree in Marketing and a Bachelor's degree in Cultural Management. He has been working in the recording industry for six years, aside which he has worked for festivals in production and communication. Moreover, he is a long-time music and film enthusiast.

The interview was done face-to-face at the Fullsteam Records office in Helsinki. The complete interview was recorded on tape.

6 FINDINGS

6.1 Defining Artist Branding

According to both interviews, branding is not a strange concept for either of the interviewees. Instead, both consider themselves as familiar with branding, both as a concept and as a term. However, from the very beginning of this study it became clear that the concept of branding can be perceived from various different viewpoints. The principles of branding were mutually agreed upon, but in terms of approaching the subject from a more practical perspective, there were some distinctive differences too, in the way the two companies approach and deal with building up their artists' brands.

As for the terminology, Tontti (2010) states, that the term branding is sometimes slightly misinterpreted by people, as it is considered by many as a major label driven process comprising the building of artificial mainstream brands. According to Tontti, people often observe branding in such matter, instead of considering it as something integral to every artist's development process.

Tontti (2010) however believes that everyone in the music business thinks about artist branding on some level. According to him, even unsigned artists now consider themselves as brands and are more aware of the message they want to deliver to the public than they used to be.

According to Johannes Kinnunen (2010) of Fullsteam Records, artist branding is the complete process of building an artist's career. He states that it is not possible to consider branding only as means of visual appearance, but instead it should be regarded as everything connected to launching and nurturing the artist's career. Further, Kinnunen describes that branding is equally the process of defining the message, targeting the message as well as the one of translating the message to the recipients with the tools available.

When asked, Kinnunen (2010) tells that he considers most of their recording artists as brands. Further, he explains that although Fullsteam Records initially started as a punk and alternative label and thus operated within a scene where branding and business thinking is generally not warmly welcomed, branding becomes more or less obligatory when the business grows above a certain level.

“En ehkä ihan kaikkia, mut valtaosaa kyllä. Et kyl niinku se että on bändi niin kyl kai sen periaatteessa pitäis olla brändi, mut ehkä meiän kaikki bändit ei oo viel päässy siihen asti urallaan, että voi puhua että se on jo niin tunnettu tuotemerkki tai tuote, että se niinku, jo nimi herättää niin vahvoja mielikuvia.” (Kinnunen 2010)

“Maybe not all, but most of them yes. I guess, in principle, all the bands should be regarded as brands, but maybe all our artists have not reached the point of their careers yet, where you can say that their brand or product is so well recognised that even their name evokes conceptions in people's minds.” (Kinnunen 2010)

According to Tontti (2010), branding is not a one-directional process. Instead, he underlines the communication between the label and the artist and emphasises the artist's role in the branding process. He notes that artists should think about their strengths and find ways to differentiate from other bands. Some of the most important elements of a brand, according to Tontti, are the looks and appearance of the artist. Moreover, he states these elements are something that all the bands should think of. As an example, Tontti describes the way Pintandwefall – a band signed to Gaea Records – discovered their unique looks themselves. The band came up with a concept of always wearing eye masks; on stage, in pictures and in videos. The concept was not Tontti's or anyone else's idea at Gaea Records. According to Tontti, Pintandwefall also distinguish themselves with their live show, which can easily be described good or bad, yet undeniably unique.

Likewise Tontti, also Kinnunen stresses that artists themselves are an integral part of the brand's evolution:

“Ei mikään keissi voi mennä niin, että vaan me brändättäis se täält meiän päästä, vaan kyl se menee niin, että artisti on siinä äärimmäisen vahvasti mukana, tuo ne omat toiveensa mukaan. Eikä me ruveta rakentaa mitään juttua niin et se artisti ei voi ite allekirjoittaa sitä, koska

siloin mennään väärään suuntaan ihan suoraan välittömästi, ainakin meikäläisen mielestä.” Kinnunen (2010)

“No branding can be done by our team only, but the artist always is extremely heavily involved in the process and brings in his own wishes. And we don't start building up anything which the artist cannot underwrite, because that would mean taking the wrong direction from the beginning, at least in my opinion.” (Kinnunen 2010)

6.2. Artist Branding in Practice

Previous research on artist branding shows that building up and nurturing an artist brand is not usually perceived as a very theoretical process within the Finnish recording industry. It seems that conceptualising the process is considered challenging and the theories very difficult to apply in the framework of the music industry (Haaranen 2005).

Although Haaranen only studied major record companies in her paper, it can be assumed that the situation is not very different in the independent sector either. There has been many successful and well-built brand stories initiated by the independent record labels, but it is likely that not all the companies find the theoretical aspects of artist branding easy to apply to practice or even relevant for their operations.

According to Esa Tontti (2010) of Gaea Records, artist branding is implemented at all levels of record label communication and even small operations can have an impact on building the artist brand. He states that most independent labels do artist branding, some however without noticing it. Further, he points out that even small actions have an effect on the artist brand, such as deciding where to send promotional records or which venues to approach in terms of live shows or showcases.

Although the interviewees state that branding is in the mindset and that it is essentially connected to building an artist's career, there does not seem to be any systematic way of coordinating the process. According to Kinnunen (2010), no specific tools or theories are used in brand management at

Fullsteam Records. He explains that certain practices have, however, become more established during the years. He states that the company's overall practices reflect the branding process: the way artists are launched and developed, the way media is taken use of and how the know-how, which resides in the company, is being utilised. Further, Kinnunen continues that the best practices are commonly repeated with new artists and certain patterns and principles apply to most of their projects.

Therefore, 'practice makes perfect' seems to be the best way to describe the methodology of artist branding at both Gaea Records and Fullsteam Records. Substance and experience are considered much more important than theoretical knowledge about brand management, although both companies do possess a certain level of knowledge about branding theories. Perhaps it is the artistic nature of the industry, the challenge of applying the theories to practice, lack of resources or some other factor which contributes to the preference of not operating by any standards which other industries are used to follow.

“Kyl mä nään, että me ollaan onnistuttu aika hyvin, paitsi brändäämään itsemme, myös monet meidän bändeistä. - Oikeestaan se, meidän tapauksessa, jo et kun liittyy Fullsteam-bändien joukkoon, ni se niinku, on ehkä ensimmäinen isompi askel siihen tekemiseen.” (Kinnunen 2010)

“I think we have succeeded quite well in branding – not only branding ourselves – but also many of our artists. In our case, actually, joining the roster of Fullsteam bands is already the first big step for an artist. (Kinnunen 2010)

6.2.1 The Brand Building Process

According to the interviewed industry professionals, building an artist brand at a record label starts from the very moment of making the signing decision. All the small steps, such as deciding where and how much to do shows, how to connect with fans and selecting who the artist works with add up to the artist's identity.

The interviewees were asked to present an example case of an artist who has, or a group who have, released an album recently. In this chapter, Esa Tontti tells about their garage rock girl group Pintandwefall, who have released two albums and are quite well established in their respective niche scene. Johannes Kinnunen presents the case of Rubik, an indie band who also just released their second album. The band has gained some recognition outside Finland as well and has toured in Europe and North America.

According to Tontti (2010), the most significant elements of an artist brand are the image and the music itself. These elements also reflect the artist's values and causes. He explains that Pintandwefall, for example, have a very open-minded attitude towards music, which allows them to experiment and do virtually anything. This correlates with the brand identity too, and Tontti believes that the fans consider Pintandwefall as a band who dare to try new things and explore new musical dimensions. Furthermore, Tontti states that the company has sometimes tried to coordinate and set a direction for the band, but according to him, too much coordination often only makes the artist angry.

“Se välittyy se tunnehomma, mikä tossa kysyit siitä yleisöstä ja muusta, siinä että niitten keikoilla ehkä ihmiset uskaltaa vähän helpommin niinku sillai irrotella, koska ne itekkin, niinku, tavallaanhan ne niinku rokkiposeeraa siinä missä muutkin bändit ja muut, mutta ne niinku tavallaan heittäytyy siihen ni sit se on ehkä yleisöllekin helpompaa niinku vähän sekoilla. Et ne ottaa sen nii että, tääl ei oo pakko olla niin niinku, niinku sillai niin vakavasti.” (Tontti 2010)

“The emotion – which you asked about – gets translated to the crowd at their shows and it is maybe a bit easier for people to throw themselves in. On the one hand, the band pose like all the rock stars but on the other, they also throw themselves in, so it's easier for people to get crazy. So the punters feel no pressure to take it too seriously.” (Tontti 2010)

For Kinnunen (2010), the question about artists' values and causes, is a more complicated one. He points out that he is well aware of the message, which the band wants to deliver, but thinks that he is not in a position where he would know all the causes his artists support. However, Kinnunen stresses the

fact that all the all artist-related communication is always cross-checked with the artist before sending out any messages. This applies to music too – a choice about a radio single song, for example, is always made together with the artist. Kinnunen continues, that for Rubik, personal values do not play as big role as for some other Fullsteam Records artists, who are committed to causes which are for example political or religious.

“Et ehkä Rubikissa, tota, emmä kyl mitään niinku arvoja oikein osaa sanoa, mitä ne on. Ehkä mä nään sen bändin, millä kentällä se liikkuu, ja mikä sen bändin tavallaan viesti on; ne tulee sieltä niinku marginaalista, tekee haastavaa, kokeellista musiikkia, siltikin joku Arcade Fire on breikannut isosti ja muut Radioheadit ja tämmöset.” (Kinnunen 2010)

“As for Rubik, I can't really mention any specific causes or values they represent. But I do recognise the scene within which they operate and the message they want to address; they come from the marginal, make challenging and experimental music and thus follow in the footpath of the likes of Arcade Fire or Radiohead, who have made it big from the same scene”. (Kinnunen 2010)

Further, when speaking about brand positioning, Kinnunen (2010) stresses the importance of uniqueness and the ability to differentiate from other acts within the same genre. He points out that all the bands, which Fullsteam Records have signed have had these qualities – their own voice and sound, and thus the potential to grow from a demo group to a real band and build up their own following. Therefore, the decision of committing to working with an artist requires thorough investigation and genuine belief in the artist's appeal and ability to build up a career. In Rubik's case – Kinnunen continues – it took a fair amount of time before Fullsteam Records reached the conclusion of working with the band. Many shows were seen by the staff over a year's time, and a long discussion took place – finally resulting in a mutual will to work with each other. Further, according to Kinnunen, even although it was a long course signing the band, Fullsteam Records still did not want to rush to the first album release, but they started building up the launch with patience.

Another good way of differentiating oneself in the Finnish marketplace, according to Kinnunen (2010), is to communicate an artist's international

recognition and success to the Finnish audience. He states that it usually increases the appreciation towards and the overall interest in the artist, especially among the media.

Mut ehkä nyttten niin, painotus oli Suomen kohalla yhä enemmän ulkomailla. Eli että, se on semmonen bändi, mikä voi Suomessa myydä sen muutaman tuhatta levyä, mutta ei paljon enempää. Niin lähetettiin yhä enemmän hakemaan sitä ulkomaista kontaktia ja tuomaan sitä niinkun, kun bändi noteerataan ulkomailla, niin se huomataan myös Suomessa yleensä – se menee niinku sen kaavan mukaan. Eli, mitä enemmän bändi huomattiin – tuli kommenttia ulkomailta – sitä enemmän niitä myös suomalainen media huomaa, ja ehkä kiinnostu bändistä enemmän.” (Kinnunen 2010)

“Maybe now, the emphasis was more on the international than the Finnish market. It's the kind of a band which can sell some thousands of records in Finland, but not much more. So we decided to go after the international contacts instead. When a band gets recognised abroad, they usually get recognised in Finland as well, that's the formula. The more they got noticed and commented on outside Finland, the better the Finnish media noticed them and got more interested in the band.” (Kinnunen 2010)

The beginning of an artist's career seems to play a big role as the definitive phase in brand building. It is the period of time when the essential brand elements are – or should be – defined and also the moment when the public make their first impressions about the artist. Both Tontti (2010) and Kinnunen (2010) state that people tend to stick to the image they receive of an artist in the first place. According to Kinnunen, it is possible to do a major launch of an artist only once, after which the steering is done by updating the artist profile, introducing new elements to the brand and communicating the change to the fans. Tontti also draws attention to the fact that re-branding an artist can be difficult on many levels and can come down to very practical issues, such as finding new outlets for the product, or new venues for the artist to play.

Whereas the launch of a brand is greatly important, it appears that maintaining and nurturing an artist brand is completely a different kind of a challenge. Finding new viewpoints for marketing communication is crucial and there has to be something new to the brand on top of what people are familiar with already. Kinnunen's (2010) view is that a band always has to have novelty

value when a new campaign is launched, and that news about a new album release are not interesting enough on their own. Therefore, Kinnunen argues, adding new dimensions to the brand and its message is crucial, however, sometimes extremely challenging. He stresses the artist's responsibility in this respect too and points that it is very difficult to develop the brand if the band have hard times recognising themselves where and how the development has happened since their latest step.

Developing and constantly building the brand is considered essential for the future of the artist. It is recognised that without any brand development, there is a high risk of becoming uninteresting and something the fans do not want to associate themselves with anymore.

“Brändiähän niinku, sitä pitääkin kehittää vuosien saatossa, levyjen saatossa, keikkojen saatossa. Et tota, hyvin niinku, suunnitelmallinen juttu yleensä myös tuottaa niit tuloksia. Et pitää pystyy miettimään pidemmälle ku vaan siihen että missä nyt ollaan, vaan pitää koko aika kuvitella et minne me mennään seuraavaks. Millä keinoin me mennään sinne, millä me päästään sinne ja entä jos me ei päästäkään sinne, niin mitäs sit tehään – vaihetaanko suuntaa siinä vaiheessa? Missä kohtaa luovutetaan, et tää ei vaan meekkään läpi tälleen miten me kuviteltiin et tää viesti menis.” (Kinnunen 2010)

“A brand has to be prospered during the years and as records and shows go by. Like, a well-planned strategy usually leads to good results; one has to be able to think further than the current situation and see where to go next and by which means. And what to do if you don't get there as planned – should you change the direction? Or should you back off and admit that you couldn't get the message through as you planned?” (Kinnunen 2010)

According to Kinnunen (2010), branding is integrally connected to all the steps of an artist's career. Therefore, even practical decisions – for example postponing the next album in order to achieve more substantial growth – are branding decisions. He states that it is not possible to make new moves and avoid their effect on the artist brand – in either positive or negative matter.

Kinnunen continues, that for Fullsteam Records, a band – or a brand – is a long-term commitment. He affirms that they are not after a quick jackpot, but

try to support the artist's development on all levels in the course of the artist's career.

6.2.2 The Brand and the Fan

For a record company, defining and keeping up with artists' fan bases are tasks of great importance. On the one hand, the fans can be buyers but on the other, they are also brand messengers. From a branding perspective, recognising the existing and potential new fans should be in the core of every brand positioning process. As Kapferer (2008, 178) argues, a definition of the target market – the potential buyers or in this case fans – is fundamental part of the positioning plan and an element of competitive advantage.

Due to the current boom of social networking sites on the Internet, there are numerous tools around, which help record labels define who the artists' fans are, what they want and how they behave. Therefore, one would think that it has never been easier to define and mobilise fan groups as well as target brand messages to certain groups of potential new fans. There is, however, so much information available that it has become challenging to distinguish genuine and relevant activity, which could help analyse fan behaviour.

According to Esa Tontti (2010), defining the demographics of a fan group is merely an empirical task. He states that the only way of finding out who the actual fan is, is to go out and see who come to the shows. The internet can be utilised here too, but only to certain extent, Tontti proposes. He explains that the statistics on the internet can give indications of the fans' profiles and activity, but can be misleading too, because the authenticity of the data is often impossible to define.

Kinnunen (2010) agrees on the fact that the targeting process is mostly based on previous knowledge, experience and hunch. Moreover, he points out that Fullsteam Records has never signed an artist who has not had an existing fan base – even a small one – or a buzz around him. According to Kinnunen, an

existing foundation for a fan base helps define who the potential future fans are and where the band's brand currently stands in the fans' minds.

Kinnunen (2010) states that using existing services such as Facebook or MySpace as analytics tools is helpful. He however stresses the fact that these services cannot be regarded as definitive information sources. According to Kinnunen, the statistics derived from these social networking sites, can help follow the artists' development and measure fan activity, but rarely correlate with sales figures.

Fullsteam Records holds a register of people, who are interested in the label's artists. According to Kinnunen, they have branded a concept called 'Fullsteam Family', which is built on the idea that people are likely to be interested on more than one Fullsteam artist. Kinnunen believes that acts from very different genres, such as alternative death metal and Finnish rock, can appeal to same people. Further, grouping many artists under a same promotional umbrella saves resources; a small label cannot handle multiple simultaneous releases at the same time unless certain processes are merged and intertwined.

6.2.3 Measuring Brand Equity

This chapter examines the interviewees views on artist brands' equity. The question about the value and equity of an artist brand puzzled both interviewed companies and was approached with mixed emotions. On the one hand, building up the brand's non-monetary value is considered important, whereas on the other, its relevance as a sales driver is seen questionable.

According to Kinnunen (2010), an artist brand can be valuable on many terms, including the elements which do not directly correlate with sales. He states that although an artist brand's equity is difficult to quantify, it is of great significance for the company to build it up. Kinnunen points that obtaining more positive recognition and critic is desirable and always adds up to the

brand's value. He however continues that there is no scale to measure artist brand value with and notes that such estimates are based on a hunch only.

Also Tontti points out that, on some level, critical acclaim adds up to the artist brand's equity:

“Tottakai voi jokaisen päässä sen arvottaa ihan mihin haluaa, mutta tota, varmaan sillä voi niinkun tavallaan arvottaa sitä et onhan paljon bändejä mitkä niinku saa joka levystä joka paikassa viis tähtee, mut se ei korreloi yhtään sen myynnin kanssa. - Et tavallaan onhan sekin niinku silloin arvostettu. Mut silloinhan ei oo niinku rahaa siinä tai siis silleen.” (Tontti 2010)

“You can of course define the value as you wish, but it's in your own head then. There are a lot of bands who get five star from all the critics, but this does not correlate to the record sales at all. In a way this is added value for the brand. But there's no money involved here.” (Tontti 2010)

Although Tontti (2010) criticises the significance of media exposure in terms of brand building on some level, he also considers critical acclaim as something which is desirable and useful in terms of gaining extra exposure. According to Tontti, both artists and labels want to achieve good reviews and positive exposure, although it does not automatically generate profit. Further, Tontti agrees that such intangible value boosts the brand's development as a part of a bigger picture. Altogether, however, Tontti's approach towards the relevance of artist's non-monetary value is more critical than Kinnunen's.

Kinnunen (2010) also sees a brand's value as an important indicator of the status of an artist's career. According to him, it is sometimes obligatory to make decisions based on other indicators than balance sheets, and he stresses that Fullsteam Records strongly emphasises a long-term commitment to their artists. He continues, that it usually takes time until an artist turns profitable, so therefore, it is essential to measure the career development by basing the evaluation on the brand's current status and potential, instead of relying completely on economic facts.

“Jos ei oo kuhinaa bändin ympärillä, niin on hirveen vaikee perustella et miks tähän sijottais lisää työvoimaa, lisää rahaa, lisää aikaa, vaivaa –

jos ei oo semmosii merkkejä, et joku odottaa tän bändin, tai seuraa tän bändin uraa ja odottaa sen tulevia juttuja, vaikka tähän mennessä myynnit ei ois ollu merkittäviä. - Sinä aikana kun bändi kasvaa, niin se niitten oma ilme löytyy pikkuhiljaa. Niitten fanikunta kasvaa ja muuta.” (Kinnunen 2010)

“If there is no buzz around the band, it is very hard to justify the extra investment; more work, more money, more time, more efforts. There have to be signs that someone follows the band's career and waits for their new material, although the sales that far would not have been significant. - When the band grows, their image clarifies a bit by bit along with the growth of their fan base.” (Kinnunen 2010)

7 DISCUSSION

The purpose of this thesis was to examine how Finnish independent record companies execute artist branding and look into the theoretical framework within which they operate in terms of branding. Further, brand management theories and their applicability on the record labels' brand development practices were studied in the course of the research.

Investigating something, which has not been explored very thoroughly before, becomes easily a venture of hits and misses. One of the most important lessons learned during the making of the study was that for a research such as this one, it is essential to grasp the day-to-day operations at the companies, instead of being only tied to the information about the companies' strategies and ideas. Thus, the way from planning to implementation is often long, so all the ideas might not even materialise when it comes to the actual daily business. Therefore, the concrete examples gave the most accurate answers to the posed questions, whereas distinguishing the genuine content from the more theoretically formulated answers was a more challenging task.

Prepared for this matter, however, most topics and themes were approached from a very practical angle. Moreover, the interviewees were asked to tell about their theoretical knowledge about branding and describe how relevant they consider the theories and branding tools to be for their businesses. The answers show that a certain level of theoretical knowledge about brands and brand management exists at both companies, but it seems that it is often considered – if not completely irrelevant – at least insignificant for most of the day-to-day business.

Either Gaea Records or Fullsteam Records uses no brand management tools or theories when initiating, steering or monitoring the branding processes. However, despite the lack of any theoretical approach, both companies have managed to, and helped their some of their artists to build strong and unique brands. Mentioning the artist here too is important, as both companies seem

to consider that the roots of every branding process reside in the strengths and distinctive qualities of the artist. Further, it appears that no branding decisions are ever made completely from outside, by the record label only.

All of the above implicates that artist branding is recognised at both companies, also on a terminological level, and the need for it is agreed upon as well. Moreover, the effect of different business decisions on the artist brand is acknowledged, yet not monitored in any systematic way. The same unstructured and non-systematic approach seems to apply to all the branding procedures at the interviewed companies.

7.1 Applying Theory to Practice

Brand management theories offer multiple tools for controlling and monitoring the branding processes. However, many of the tools have been developed for managing major-level brands, and might feel a little stiff when applied to the practice of the music business. It is, after all, traditionally a business built around artistic intelligence and creative skills. Neither has it been a tradition of the music industry to take use of other analytical tools than those of its own creation – of which charts of different types are a good example. Further, although the concept of branding overall is a rather new phenomenon, it has actually been implemented by the music industry for a long time. The solid basis of artist development processes lie in common sense and in vast experience instead branding theories. Therefore it might be difficult to think of artists as anything other than they have always been considered as – be the term 'brand' or something else.

7.1.1 Brand Identity and Positioning

One of the fundamental basis for this study was a statement, according to which all artists can be considered as brands and, thus, have a brand identity. Some have a stronger, and some a weaker one. In order to create an

emotional connection with a fan, a strong brand identity is essential. The competition in the marketplace is increasing all the time, and now all artists have the whole world at their hands – through the internet. Furthermore, in addition to the growing selection and offering, people have better chances to choose which brand they engage with. As Gilbreath (2010, 33) argues, the key to success is to create brands, which add personal value to people's lives.

Both Fullsteam Records and Gaea Records have been able to come up with brands that have the ability to connect with people. No theoretical framework is however used when defining the essential elements of a brand's identity. Both artist cases presented by the interviewees show that many angles had been thought of, yet the brand identity planning procedure was mostly based on previous experience and learned through success and failure.

As for cause-alignment – one of the elements of brand identity – there was no acknowledged procedure which would provide the brand managers with information about the causes and values which their artists support. In some cases, artists themselves had brought up the causes they stand behind. The labels involved in the study did not, declare cause-alignment irrelevant, but no action had taken place in order to effectively integrate it with brand development.

If a theoretical framework for building brand identity is virtually non-existent at both involved companies, neither do they accommodate any systematic market research or data collection procedure, in terms of gathering in-depth information about potential fans. In terms of positioning the brand, much of the practice is again based on previous knowledge and hunch. The practice of collecting data is more developed at Fullsteam Records, however, as they collect and manage an email database under their conceptualised 'Fullsteam Family' umbrella.

At both companies, the brand building process includes the definition of potential target groups. Accordingly, 'brand positioning' as a theoretical framework is not, however, recognised as its own entity, but considered more

as a process which is an integral part of marketing communications, rather than brand development.

7.1.2 Brand Equity

Defining an artist brand's value appears to be a challenging task. According to both interviewees, brand equity is hard to measure, and sometimes also difficult to turn into profit. For example, positive exposure in media is appreciated by both companies, but does not always correlate with sales.

Kinnunen's view on the importance of an artist's intangible value however shows that it is valid to study its significance for the brand. There are, accordingly, various ways of building up the brand's profile, and thus, its value in the minds of the consumers and competitors.

Although brand equity is an integral element of brand management, this study concentrated mainly on the concept of brand identity. Furthermore, the aspect of intellectual property in relation with an artist brand's equity was not taken into account. Although catalogue and company acquisitions do happen occasionally in the recording industry, investigating an artist brand's equity in these terms was not considered relevant for this study.

7.2 Conclusions

If the companies are able to create success stories as well as develop and maintain sustainable artist brands, do they then need theory-based branding know-how, or do they accommodate enough vision and knowledge already? Most have developed their own tools for artist development, and have established practices for communicating the desired message to the public. Further, they often know the target market rather well and have benchmarks from previously implemented branding cases. Lack of time – one of the most scarce resources at many small independent labels – might be a problem too.

Although a company would like to invest time and efforts in brand building, the daily operations often seem to be prioritised above the time-consuming brand development processes.

The answer to the question above is probably yes and no. Although Haaranen (2005, 102) states that the theoretical framework of branding is difficult to apply in the practice of music industry, it is obvious that artist branding happens all the time at the record companies. Accordingly, the process is often quite practically orientated and rarely very systematic. However, it is impossible to say what kind of results could be achieved if the branding processes followed a specified theoretical plan. Some resources might be saved too, if the methods were systematic on all levels of brand development.

It could even be argued that the lack of theoretical approach correlates to the lack of branding tools designed for the music industry, and, especially for artist branding. Furthermore, the music business has been traditionally based on sharing information and knowledge, instead of learning the practices from a text book.

6.3 Limitations

This thesis discusses the aspects of artist branding on a national level. However, only two people were interviewed for the study. Therefore, it cannot be assumed that the results apply to all the independent record companies in Finland. Because the sample was narrowed down to two companies only, it is more reasonable to consider the study as a thorough research on artist branding at these two Finnish companies instead of considering it as a reflection of the whole Finnish independent recording industry.

In terms of strategic brand management, this study only concentrates on some steps of the process. The focus was intentionally on brand identity, brand positioning and brand equity. It is therefore not possible, based on the results of this thesis, to define how brand management overall is executed at the researched companies.

The interview method allowed the interviewees to talk freely about the research topics and was intentionally chosen as the most applicable approach. Although all the planned themes were covered, it is possible that there were some topics, which the interviewees could have wanted to talk about but did not bring up, for some reason. Further, it is recognised that this methodological choice limits the cross-comparability between the results, because the interviews were not structured exactly similarly.

It is also important to consider the fact that the author actively works in the music industry in Finland and has a business relationship with many independent record companies, including the two interviewed in this study. Therefore it is possible that the existing relationship has affected the interview situations, the answers or the objectivity of the analysis of the research.

6.4 Recommendations and Suggestions for Future Research

Based on the findings of this study, it is very difficult to define, whether the companies involved in the study should change or develop their practices in terms of artist branding. There are, however, many tools available, which enable effective brand planning and provide various viewpoints on brand development.

Especially in terms of brand identity, using some kind of an theoretical scheme could help approach the brand from new perspectives. It should be kept in mind that no brand process is ever finished, so new dimensions can be added to the brand anytime. An example of an accordingly under-utilised brand dimension is cause-alignment – a concept introduced by McBride and Muhle (2008, 25-30) and also included in Kapferer's brand identity model (2008, 172) as 'brand's values'. Connecting the brand with a cause can be helpful when establishing or enhancing the emotional connection with a fan, and it can help boosting the brand's immaterial value.

It would be interesting to see if the music industry was able to take more advantage of branding tools, if there were instruments specifically designed for the business. Therefore, studying brand identity tools and developing one tailored for artist branding would be a relevant topic for future research.

Bearing in mind that the empirical part of the study comprised only two companies, investigating the subject on a broader scale would be a logical follow-up to this thesis. Although the two companies represent the desired research group well, there might be a number of differences in the means by which Finnish independent record companies approach branding.

Further, a topic of interest in terms of artist branding, but not covered in this study, is a brand's equity in relation to its effect on the monetary value of the company who owns the intellectual property rights. There is allegedly no research done in Finland on record label acquisitions and the artist brands' role in the definition of the company's total value.

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