

# Record Label Business Plan Template

**You can use this Record Label Business Plan Template as a guide for writing your own business plan.**

This guide will take you through the most important points you'll need to cover in your business plan.

The most effective business plans aren't overly long and complicated. You'll want to cover only the most essential information, including your main aims, how you'll get there and what you'll need to achieve along the way. Don't forget to include a front cover and contents page too, to give your plan a professional look and feel.

Don't rush your plan either. A good business plan may take weeks to complete, if you're going to take the time necessary to develop it properly. Some parts will be simpler to complete than others, so it's a good idea to approach it one section at a time.

Once it's complete, you will have a useful overview of your label, your finances, and how you will achieve your goals.

This template is divided into nine important sections, with prompts on **what to include for each section in red** and *example text written in italics*.

# 1. Label Overview

Record Label Name

*Bog Off Records*

Owner(s) Name

Address & Postcode

Email

Phone number

Your previous experience

Qualifications & training

Any further information

## 2. Executive Summary

Sum up the content of your business plan, your label and its aims in a paragraph or two.

### Label summary

*Bog Off Records is an independent record label based in East Yorkshire, UK. Our aim is to support and promote emerging and established artists across the North of England; releasing music, helping artists organising tours and securing PR and media coverage for the acts signed to the label.*

*After more than twenty years' working in the music industry, Director of Bog Off Records John Smith has developed the contacts and experience necessary to propel this new label and its artists to success. This business plan will demonstrate how New Label Records will create strong brand recognition within the music scene and generate profit long-term through royalties, music sales, merchandise and other revenue streams.*

### Label aims

### Unique selling points

### Financial targets

# 3. SWOT Analysis

## Strengths

- *Multiple acts with large social media followings interested in signing to the label*
- *Distribution to major music stores through Emubands*
- *Industry support and advice*

## Weaknesses

- *Current lack of investment & funding*
- *No major brand awareness*

## Opportunities

- *Long list of influential press, media and music industry contacts*
- *Large number of aspiring musicians and popular music venues in the local area*

## Threats

- *Competition from other high-profile independent and major labels*



## 4. Key Objectives

### Main Objectives

1. Achieve both regional and national media coverage
2. Increase engagement with Apple Music, Spotify and other streaming platforms
3. Increase iTunes downloads
4. Help Organise a successful UK tour

### KPIs (Key Performance Indicators) for the next 1 – 3 years

1. Secure at least 3 high-profile media stories within the first year
2. Reach a combined total of 50,000 streams and downloads
3. Generate profit from event ticket sales and merchandise

## 5. Products & Services

### Overview of your products/services, eg:

#### Distribution

- Music distribution to all major online stores secured via Emubands, including iTunes, Spotify, Apple Music, Tidal, Deezer and Google Play.

#### Management

- Artist management provided by label owner John Smith, a successful independent musician with over 20 years' experience working in the industry.

#### Events

- Events and tours will be organised through John Smith's contacts within the music industry, including venue owners and promoters. Events will be promoted through both local and national media coverage and social media.

Average ticket price: £10 per person

#### Merchandising

- Merchandising will be organised and implemented by Bob Shirt. An expert in music merchandising, he will create products through his own merchandising company and sell items during gigs, tours and online.

Merchandise pricing:

**T-shirt:** RRP: £15 | Cost: £5 | Net profit: £10

**Hoody:** RRP: £25 | Cost: £10 | Net profit: £15

**Poster:** RRP: £5 | Cost: £1 | Net profit: £4

### Any further information

# 6. Operations & Management

Who'll be managing your label?

## **Bog Off Records Team**

### **John Smith – Director of New Label Records**

- Responsible for scouting, signing and managing new artists
- Managing the labels finances and music distribution
- Overseeing the planning of tours of events

Any other team members involved? What are their responsibilities?

### **Jane Smith – PR executive**

- Responsible for all PR strategies and media coverage
- Creating new business opportunities for the label to generate business growth

### **Bob Shirt – Merchandising Manager**

- Responsible creating and ordering artist merchandise
- Running the merchandise stand during gigs and tours and tracking sales

Do you have access to useful facilities and equipment?

## **Facilities and Equipment**

Generic Recording Studios in East Yorkshire 24/7 access

Generic Rehearsal Rooms in North Yorkshire: 24/7 access

Equipment owned:

- Guitars & Amps x 2
- Bass & Amp x 1
- Electro-acoustic Guitars x3
- Synthesizers x 3
- PA System x 1
- Mixing desk x 1

# 7. Marketing Strategy & Analysis

## Marketing goals and objectives

- *Identify and reach out to new business partners and media publications to create brand recognition and new marketing opportunities*
- *Develop, implement and evaluate plans promote releases to increase sales*
- *Increase gig ticket sales through PR strategies and social media campaigns*
- *Secure sync deals for TV, films and games*

## Your target market

- *Rock/indie music fans and regular gig attendees within the UK's main cities*

## Any market research findings

- *Spotify currently pays out around £5,000 per 1 million streams*
- *On average, artists earn 60-70% of their iTunes revenue*
- *The average independent label earns £XXX from sync deals in the first 3 years*

## How will you advertise and promote your label/artists?

- *Local and national press coverage*
- *Web and social media advertising campaigns*
- *Physical posters and leaflets*

## Your competitive advantage

- *Influential contacts already established at publications including Music Mag 1, Music Mag 2, Music Blog 3 and Music Blog 4.*

## Any clients, deals or opportunities already lined up

- *Sync deal for Band 1 already secured with Company 2*
- *Access to recording studio and rehearsal space arranged*

## Any further information

# 8. Financial Forecast

You'll need to think very carefully about your label's financial forecast. You can work out your startup costs and expenses, as well as how much you could earn from various revenue streams by watching the Ian J Cole YouTube video series.

We've created a Financial Planning Spreadsheet for record labels, which you can use to plan your own label's finances for the first two years. It includes the following information:

- Startup costs
- Sales forecasts
- Areas of Income
- Expenses
- Funding/Loans

**You can find a Financial Planning Spreadsheet template at the link below, create your own copy, and replace the data with your figures:**

Enter your own figures into the template

**You can then insert your Cash Flow Forecast Charts into your business plan below:**

Insert > Chart > From sheets... > Select your spreadsheet > Select your chart

**Cash Flow Forecast - Year 1**

**Insert chart here**

**Cash Flow Forecast - Year 2**

**Insert chart here**

# 9. Plan overview

## Short-term plan

*Within 6 months:*

*Sign 3 – 5 new bands and artists, secure studio production and distribution to the major online music stores, arrange tour dates and approach press publications.*

## Long-term plan

*Within 3 years:*

*Generate enough revenue to become profitable through royalties, sync deals, merchandise and tickets sales. Secure high-profile press coverage for artists signed to the label to create nationwide awareness and brand recognition.*

## Contingency plan

*If the objectives and KPIs are not met within the first year of operation, the label will be streamlined and cuts will be made to stop further loss of revenue.*