



UNIVERSAL MUSIC GROUP



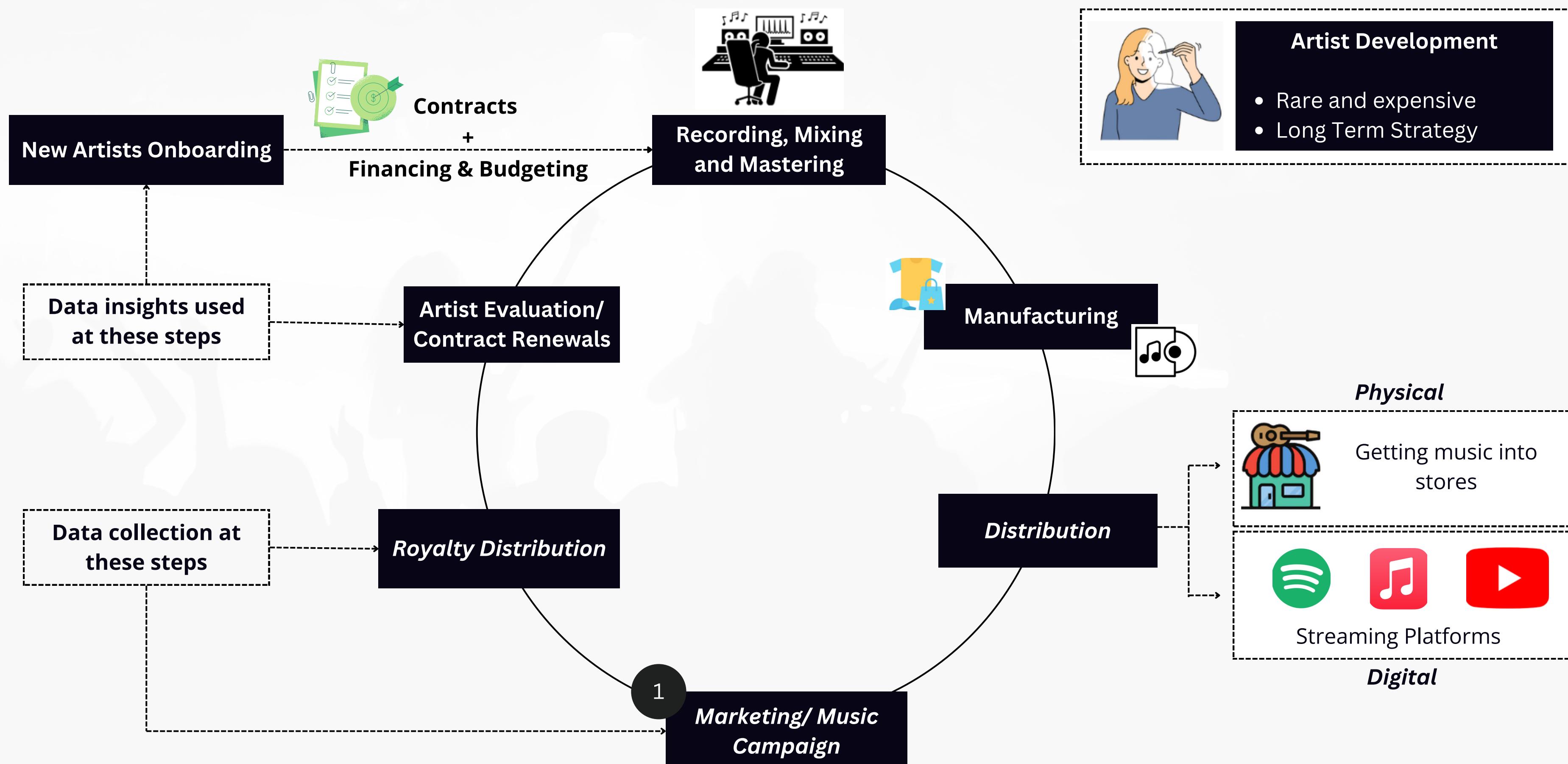
ESTABLISHING A DATA-DRIVEN FAN COMMUNITY, FOR PERSONALIZED ENGAGEMENT

Agam Pandey | Hemanth Reddy Gajjala | Hardik Chawla | Krish Sharma | Satyam Sinha

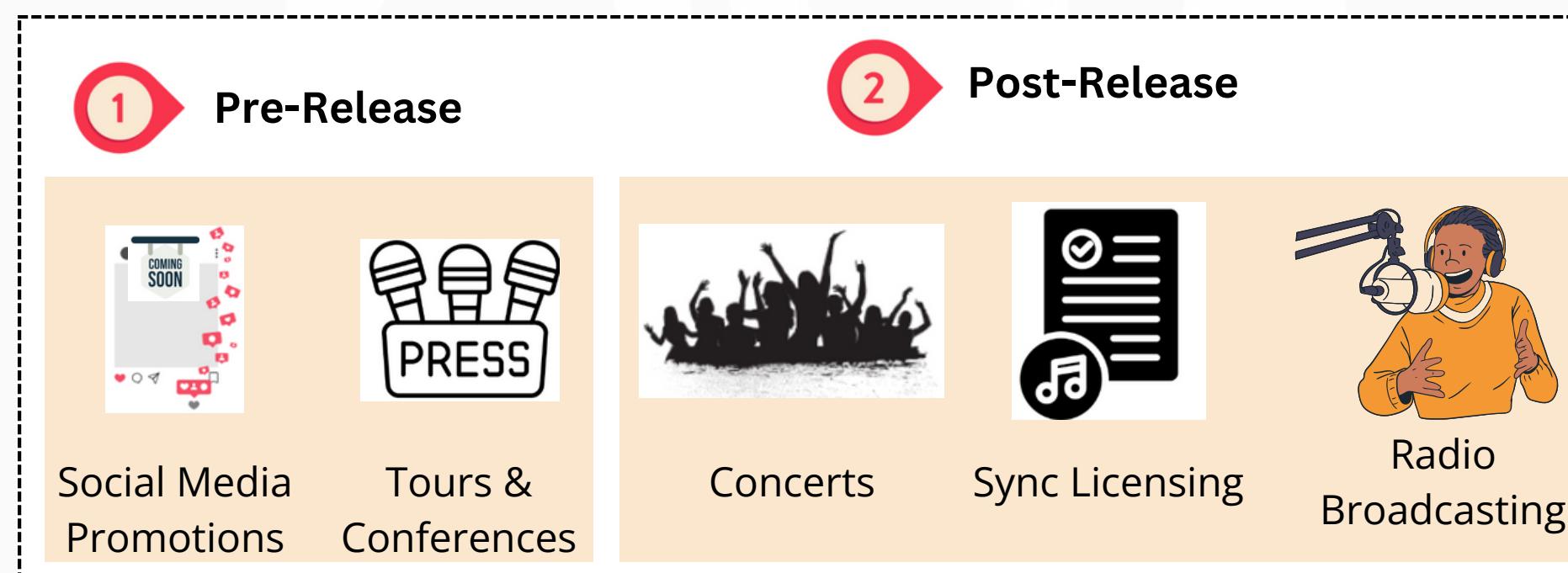
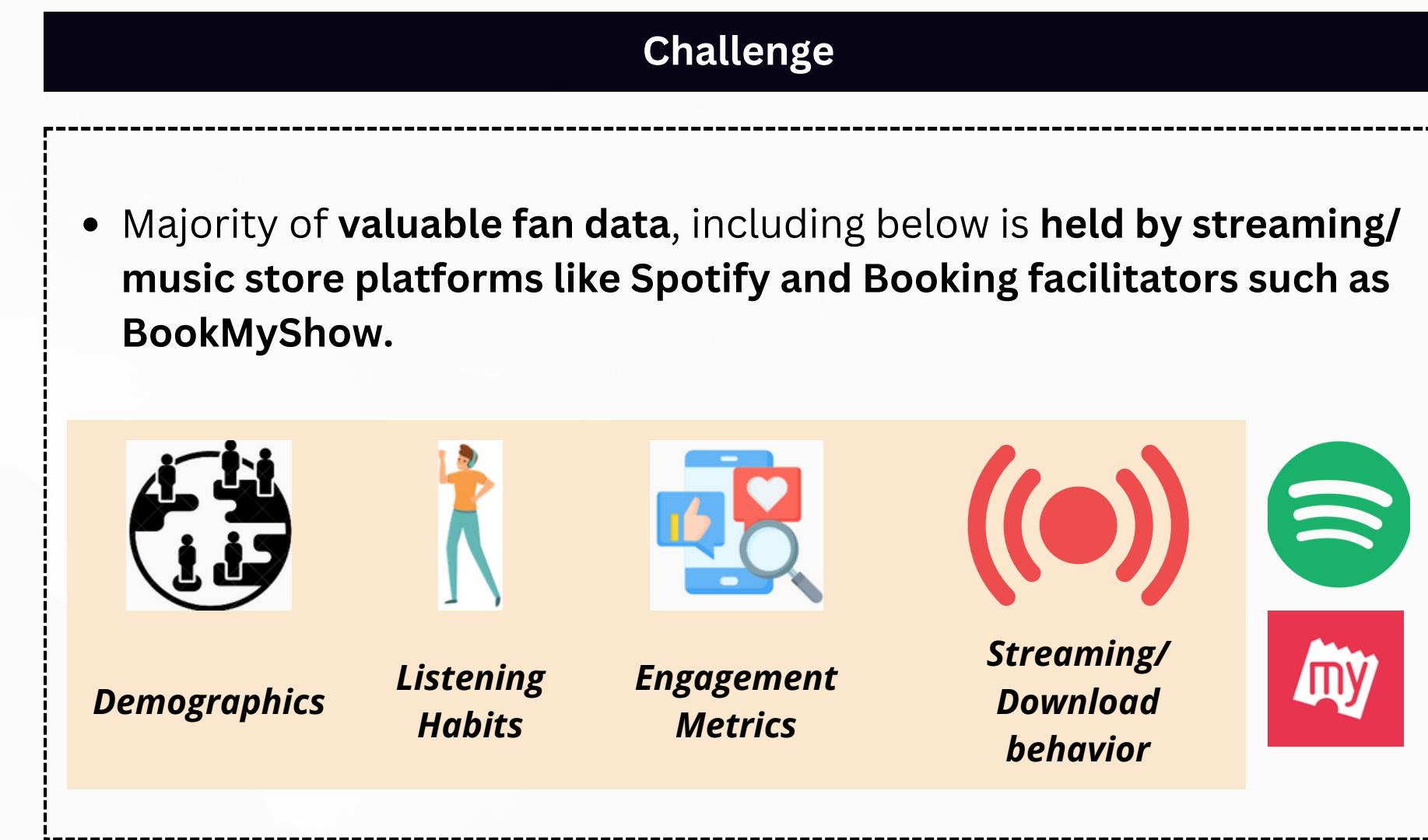
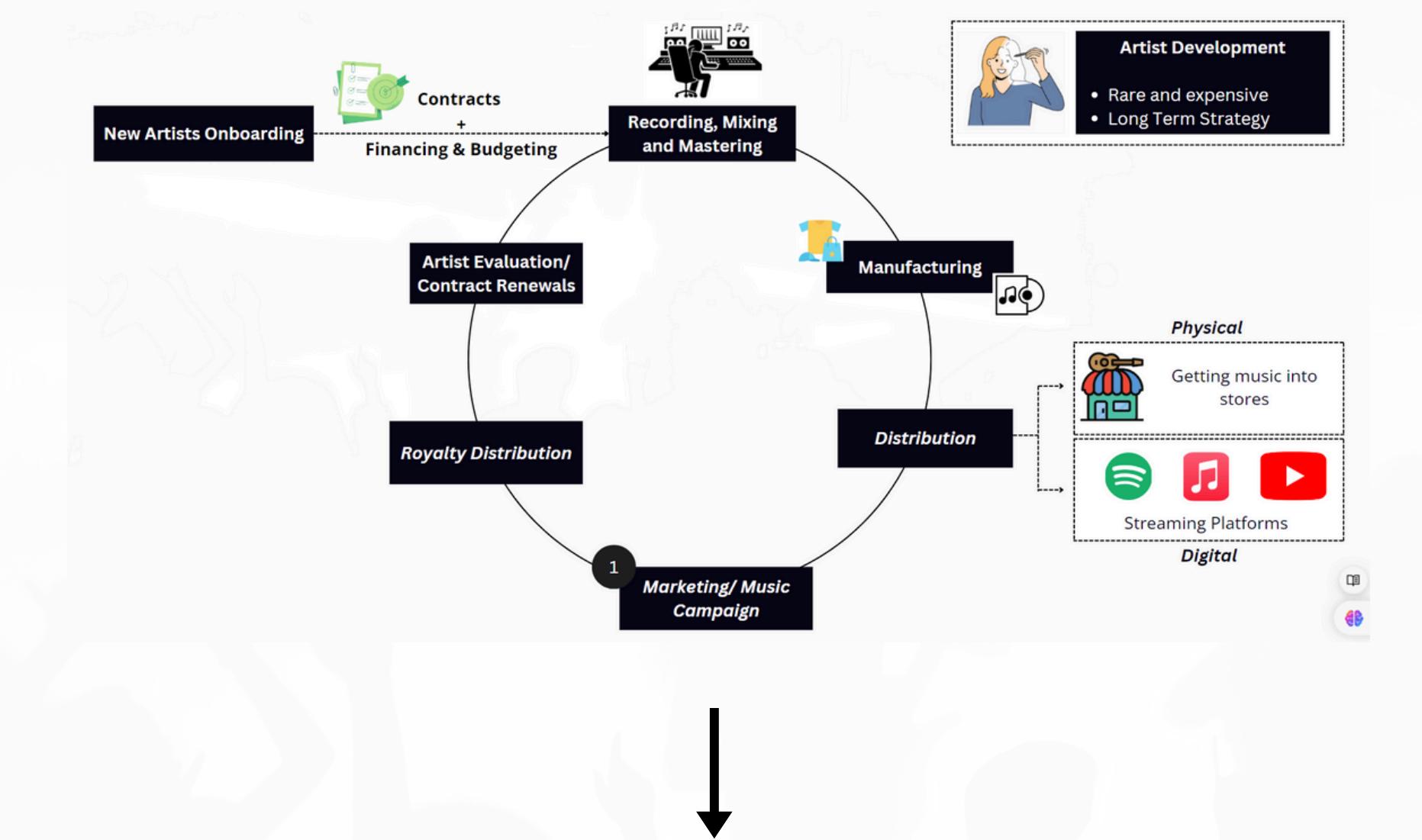
EXECUTIVE SUMMARY

- The music industry's value chain encompasses **talent identification, development, promotion, marketing, distribution, sales tracking, royalty management, and intellectual property licensing**.
- However, a major challenge faced by music labels is the **lack of comprehensive fan data**, primarily held by streaming and music platforms, forcing them to **rely on limited public metrics** to assess artist viability.
- Proposed strategies, focussed on leveraging short-term collaborations while concurrently building a proprietary **superfan platform** to access direct fan data and enable personalized engagement.
- Creating an all-in-one D2Fan platform offering **exclusive content, experiences**, and fostering vibrant communities around artists.
- Effective **referral program** with rewards like premium access and more.
- Leveraging **virtual concerts** through AI, AR, and VR to offer immersive, cost-effective, and scalable digital experiences, deepening fan connections, and unlocking new revenue streams.
- User-generated **storytelling and vlog-style content** to build authentic connections with audiences.
- Engaging fans through **direct, transparent, and humanizing communication with artists** on social media.
- **Understanding public sentiment and emotional responses** to artists and their music, aiding in service personalization and popularity tracking.
- Dedicated **regional/language-specific channels** with localized content strategies, partnerships, and promoting diverse cultural music talents worldwide.
- **Partnering with Spotify and regional platforms like TME and REPRESENT** to access local markets and leverage cross-promotion opportunities.
- Collaborations with **streaming services like Hotstar** to leverage marketing benefits during major events and increase conversions.
- **Cross-artist collaborations** to bring exclusive content to the fan-based platform and gather more user data.

IDENTIFYING & DEVELOPING TALENT, PROMOTING & MARKETING THE MUSIC, DISTRIBUTING IT THROUGH VARIOUS CHANNELS, TRACKING SALES & ROYALITIES, & LICENSING THE INTELLECTUAL PROPERTY



LACKING ACCESS TO COMPREHENSIVE FAN DATA, MAJORLY HELD BY STREAMING/ MUSIC PLATFORMS, RELYING INSTEAD ON LIMITED PUBLIC METRICS TO ASSESS ARTIST VIABILITY



Currently

We rely on publicly available metrics to assess artist viability, like **Monthly listeners on Spotify, Social media follower count, and regular engagement levels, public Spotify stream counts and other public metrics (Soundscan, charting)**

Partial picture and lacks depth

LEVERAGE SHORT-TERM COLLABORATIONS WHILE CONCURRENTLY BUILDING YOUR OWN SUPERFAN PLATFORM TO ACCESS DIRECT FAN DATA AND PERSONALIZED ENGAGEMENT



UMG recent collaboration with HYBE, exploring synergies in platform space and potential integration of UMG artists into HYBE's Weverse Platform, raises question on whether UMG plans to

Build own platform similar to Weverse

Existing infrastructure, user base, etc.

Or merely onboard their artists onto weverse-like platforms

- Control over the fan data
- Better monetization
- Fan engagement tailored to our needs

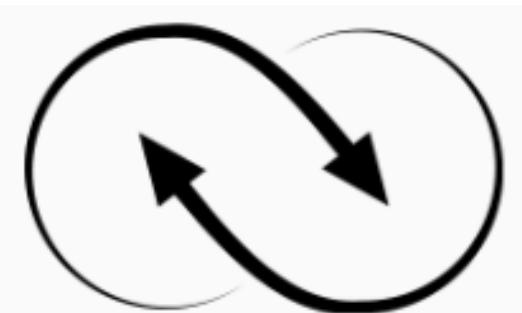


Long Term Hybrid Approach

1

Explore more synergies with HYBE-like platforms

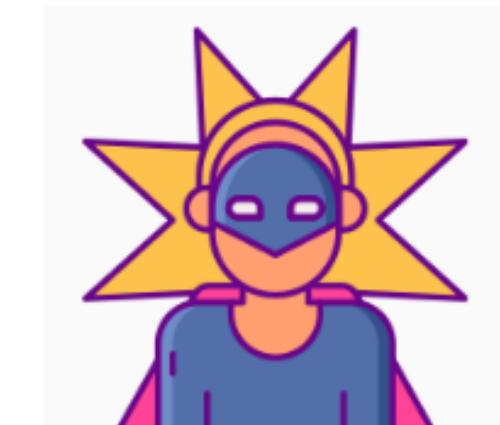
Deal granting UMG exclusive distribution rights to HYBE's music for next 10 years



2

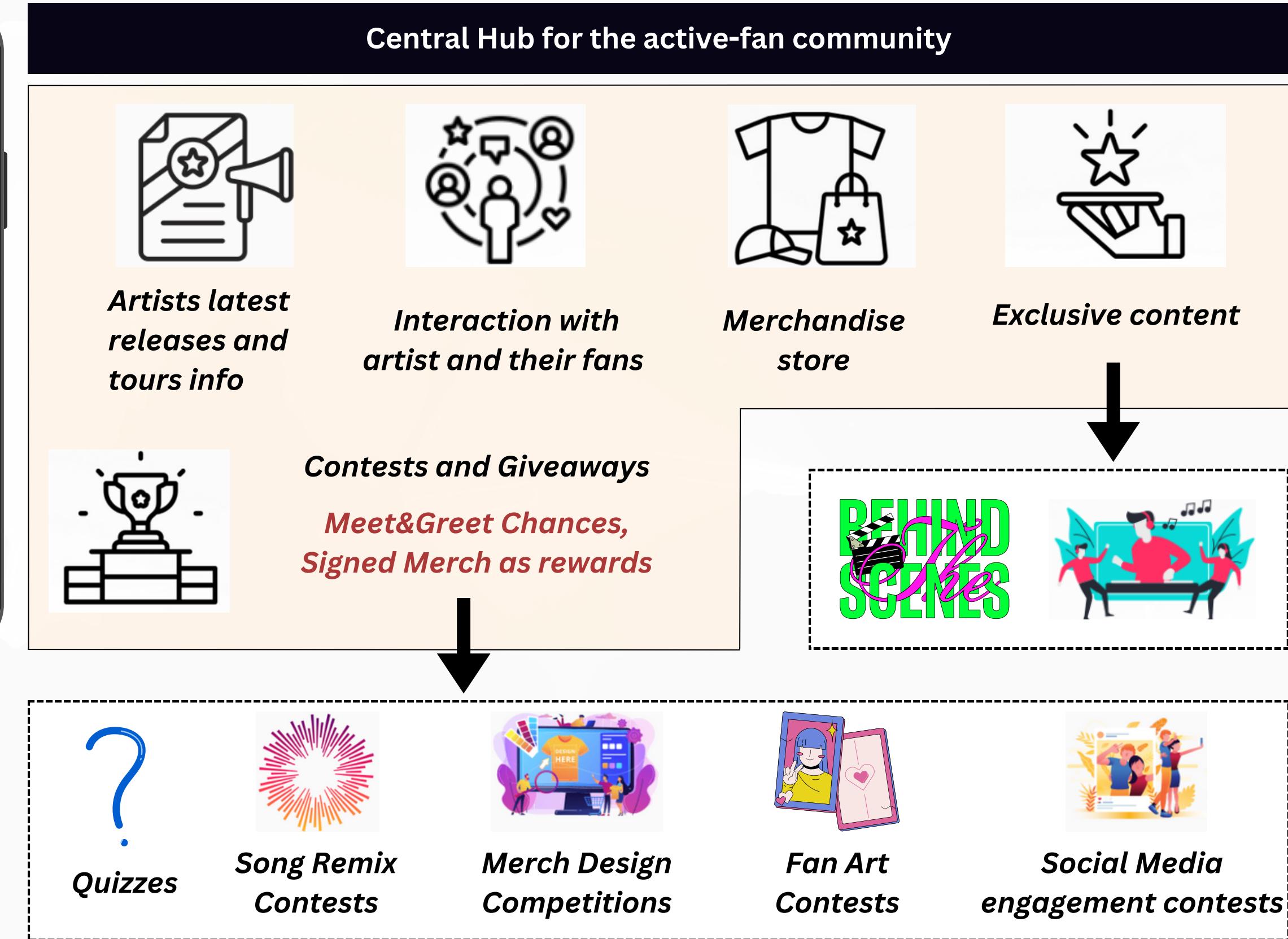
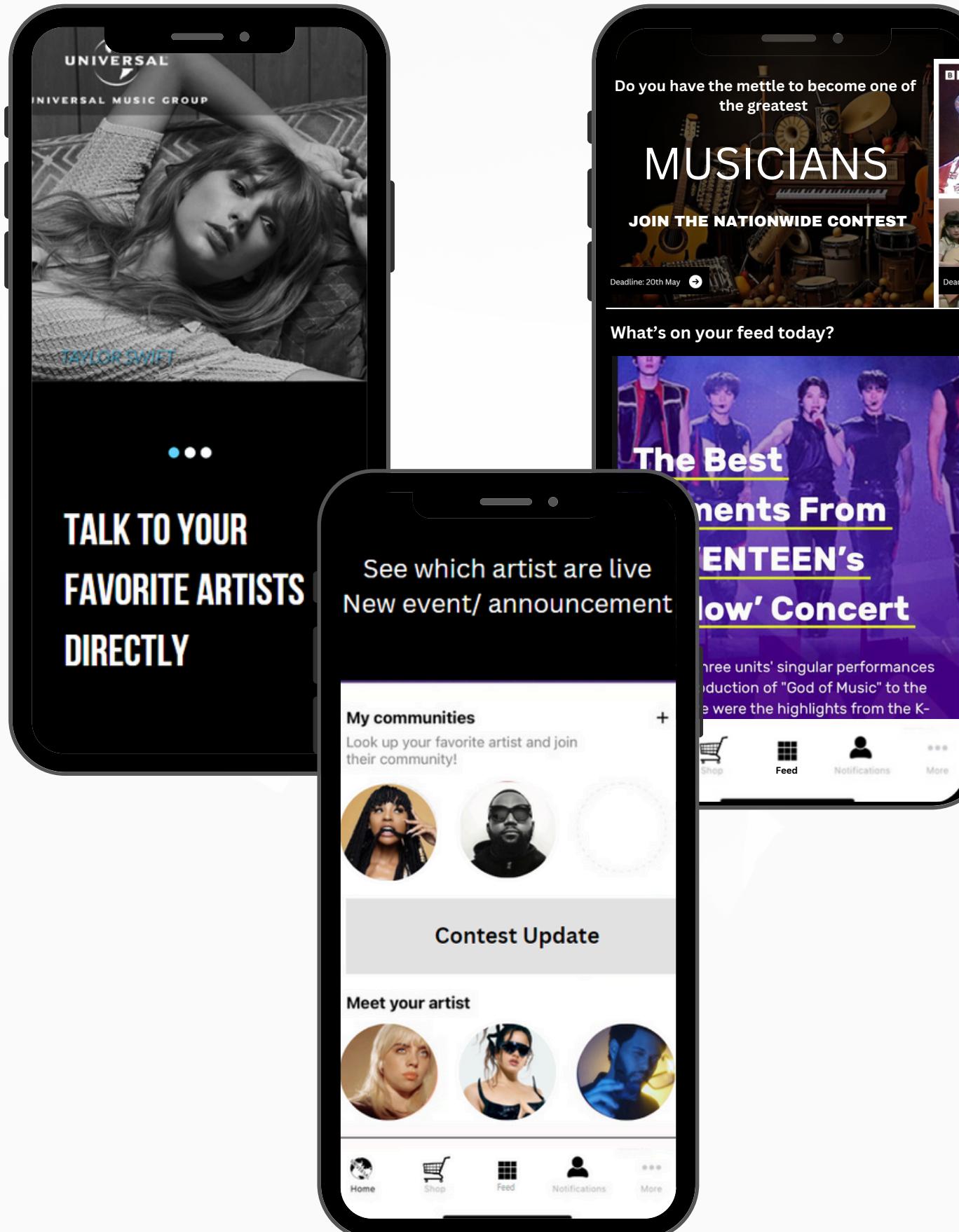
Superfan platform exclusively for UMG artists

Central Hub for the active fan community



Since the platform is a long-term strategy, UMG will still need to invest in strategies for community building

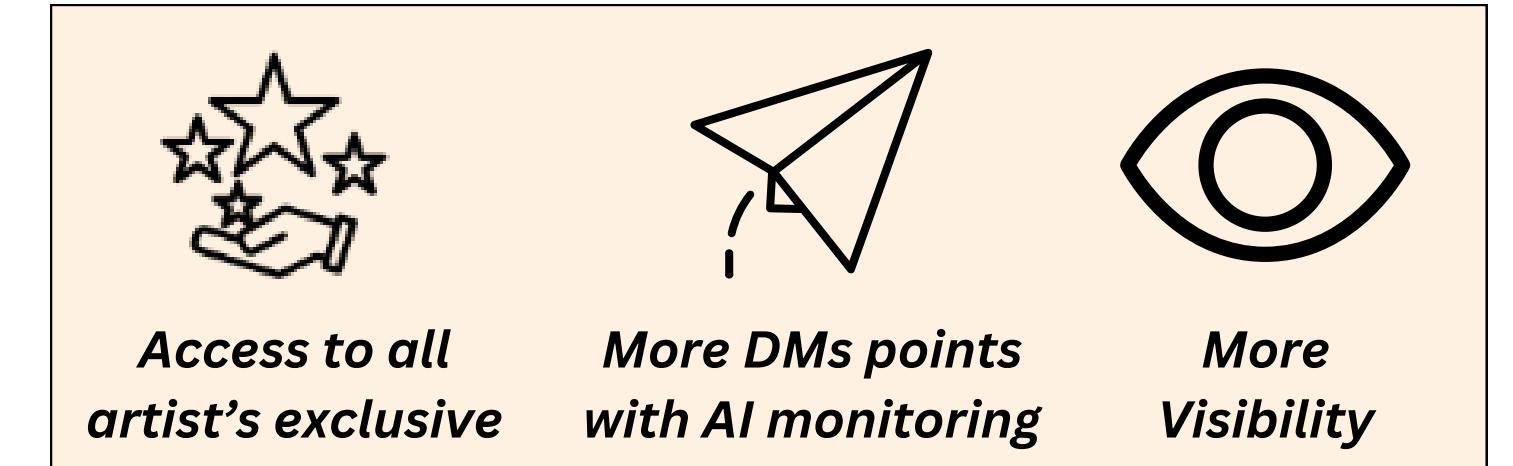
CREATING AN ALL-IN-ONE D2FAN PLATFORM OFFERING EXCLUSIVE CONTENT AND EXPERIENCES BY LEVERAGING FIRST-PARTY DATA AND FOSTERING VIBRANT COMMUNITY AROUND THE ARTISTS



EFFECTIVE REFERRAL PROGRAM WITH REWARDS LIKE PREMIUM ACCESS FOR 1 MONTH, LTV SHOULD BE MARGINALLY HIGHER THAN THE PER-REFERRAL COST TO ENSURE VIABILITY



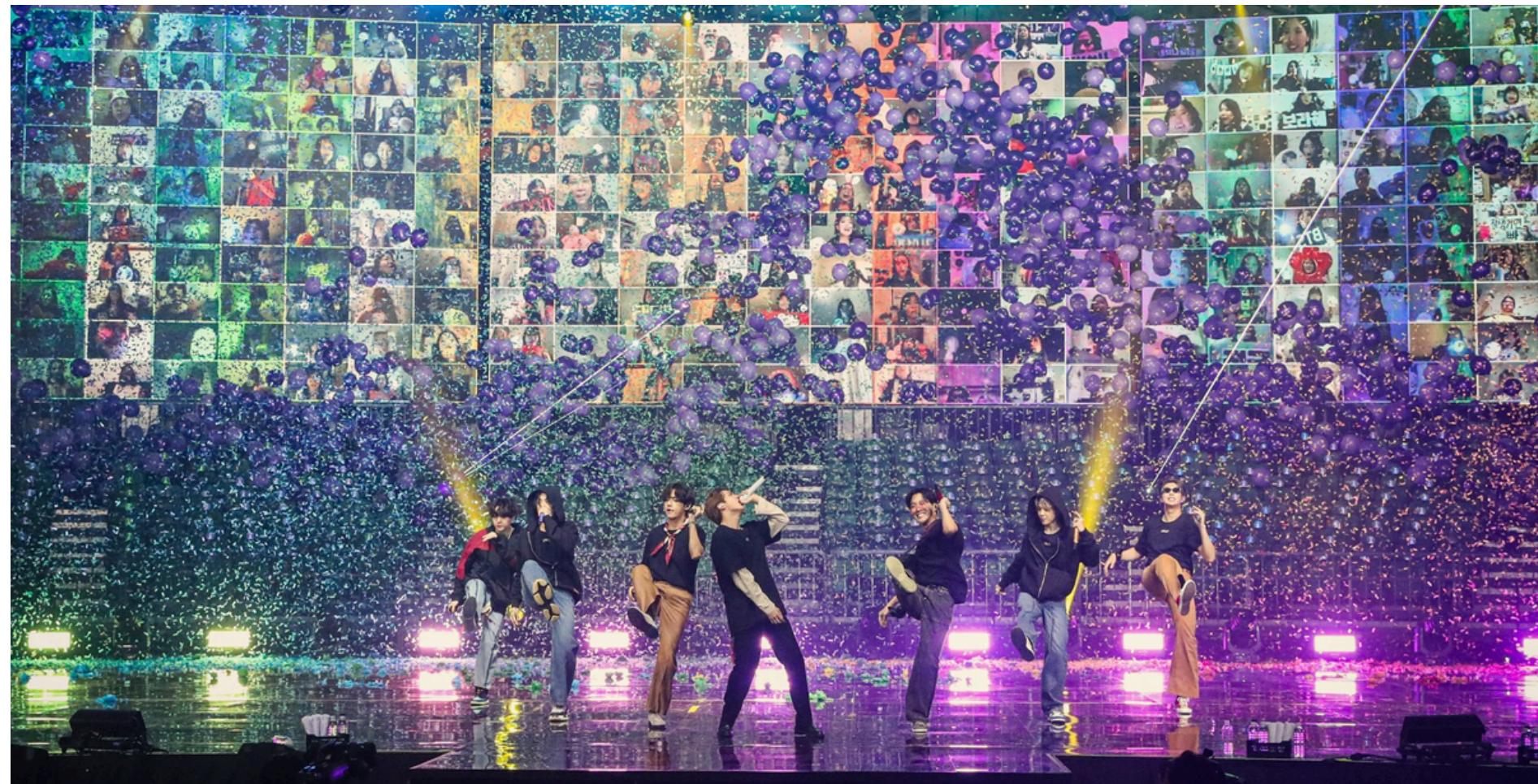
Reward Users with one month of app premium for referring to 5 friends to the platform.



LTV should be marginally greater than the total cost of referral												
Active Users on the platform (from base time)	Conversion rate (%)	Referred Users (5 each)	1 month premium cost per user	Discount rate for the referee	Cost of referrer	Cost of referee	Total cost of referral	Total Active Users	LTV	Revenue	Viable or not?	
100000	30	150000	500	40	15000000	30000000	45000000	180000	300	54000000	Viable	
200000	20	200000	699	40	27960000	55920000	83880000	240000	320	76800000	Not Viable	

Time investment analysis: Variable Maintenance Cost												
Description	No of employee to oversee	Job Profile	Total Annual Employee Cost	Hourly wage (\$)	Daily working hours	Time Devoting per day (Hrs)	Cost for 1 month	Cost for one year	Initial Development (\$)	Tech Cost in maintenance (\$)	Total Variable Maintence Cost	
Referral Program	1	Full Stack Developer	165837.28	19.2	6	0.42	241.8	2942.5	10000.0	1000.0	3942.5	

VIRTUAL CONCERTS THROUGH AI, AR, VR, ETC., OFFERING COST-EFFECTIVENESS, DEEPENING CONNECTION WITH FANS, AND POTENTIAL REVENUE STREAMS FOR BOTH ARTISTS AND LABELS

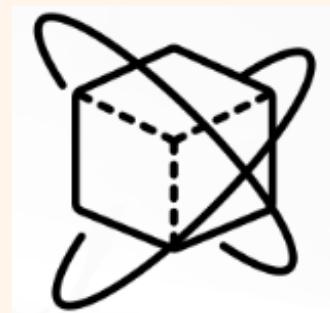


“BTS MAP OF THE SOUL ON:E”

Two-day online event streamed live on various platforms, including Weverse.



Multi-view screens



Stage Design using AR

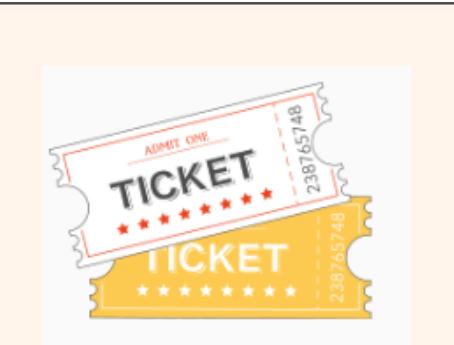
\$20
8X Cheaper Space

Economically viable



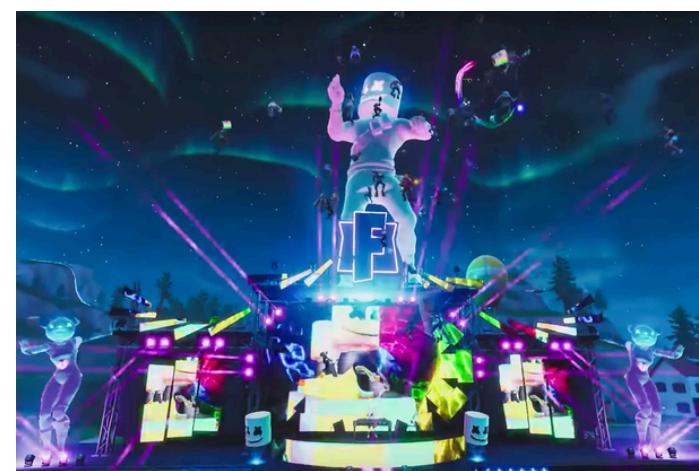
\$600M ticket

sales in US alone in 2020 for virtual concerts



Ticket Sales

Rise of VCs within popular video games & metaverse platforms



Live-
Streamed by
~11M
people



\$20M
through merch sales like character skins & emotes



In-game purchases

VIRTUAL CONCERT STRATEGY TO OFFER IMMERSIVE AND SCALABLE DIGITAL EXPERIENCES, CONNECTING ARTISTS GLOBALLY, UNLOCKING NEW REVENUE STREAMS

Concept of virtual concerts in the metaverse is gaining traction in India, accerlated by COVID19 & Global trends



Key Events

- Invest your artists in the virtual concerts ecosystem.
- Live streamed offline/virtual concerts, exclusive BTS, metaverse integrated concerts on superfan platform.
- Partner with online live streaming platforms like **Stageit**, **Airgigs**, **Bandcamp**, etc. and popular video games & metaverse platforms, following success of artists like Travis Scott, Ariana Grande, Justin Bieber in platforms like **Fortnite** and **wave**.



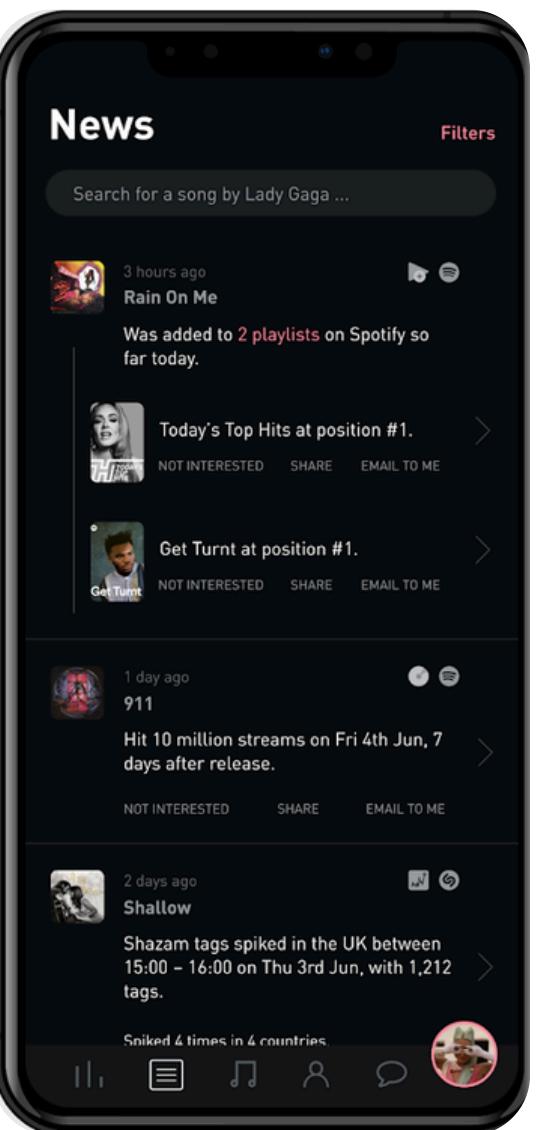
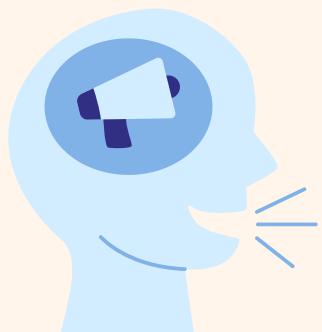
20M
viewers
worldwide

T-Series X Hefty Entertainment, division of **Hungama- A Web3.0 Initiative**, transitioning consumers into the metaverse

FREE for
~25-30 people
Cryptic Entertainments
hosted virtual music
concert with artist Sparsh
Dangwal on Somnium
Space VR

HOW UMA HAS BEEN ABLE TO PROVIDE A COMPLETE MUSIC CONSUMPTION & ENGAGEMENT PICTURE FOR THEIR ARTISTS, ALL IN ONE PLACE?

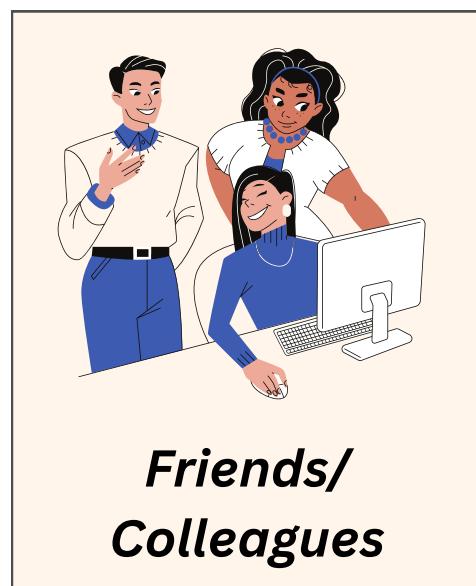
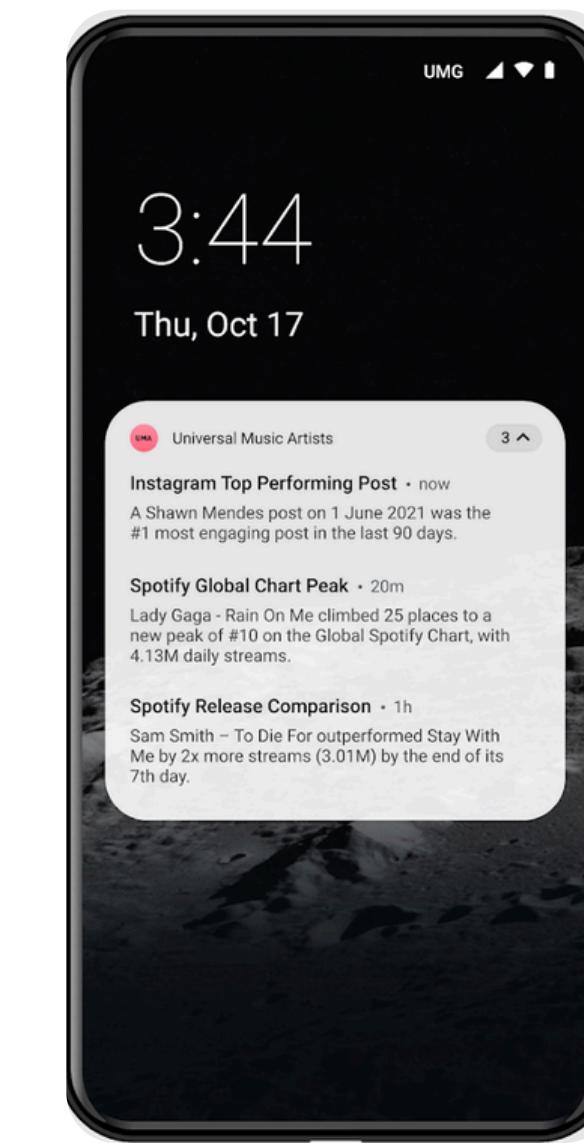
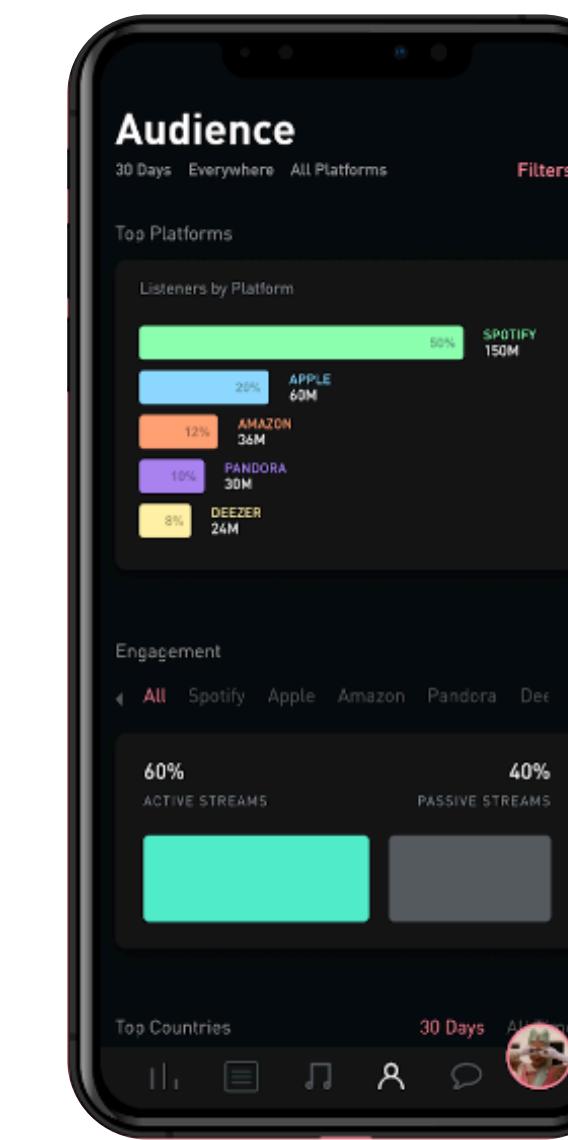
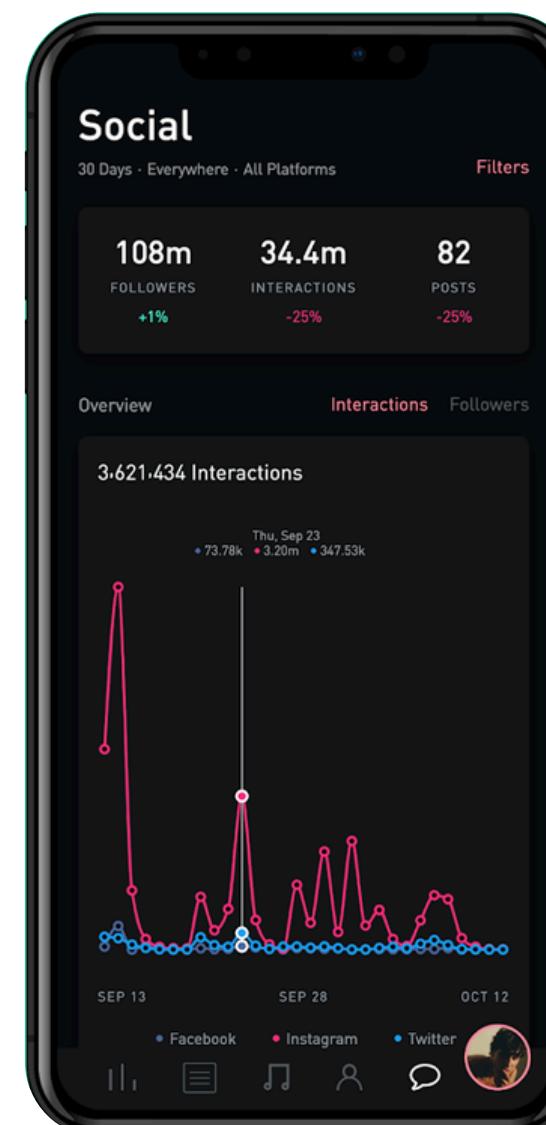
Word-of-mouth publicity



Streaming royalty rates by Spotify like platforms negotiate inherently account for the value of the consumption data accessed

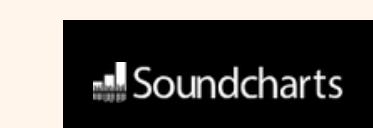


Provides data from all major streaming services & social media platforms around the world



Friends/ Colleagues

May also utilize data from third-party music analytics companies & public metrics available (aggregating data from various music services)



LEVERAGE TRUSTWORTHY, USER-GENERATED STORYTELLING & VLOG-STYLE CONTENT TO BUILD DEEPER CONNECTIONS WITH THE AUDIENCE THROUGH AUTHENTIC, NON-INVASIVE MESSAGING

Text recommendations are no longer blindly accepted by people nowadays

More about if who's behind is trustworthy, it can become source of information, for their audience

Vlog-style content is well appreciated and foster deeper connection



AS SEEN IN THE VIDEO
ON ME
Lilysilk silver trench dress: lilysilk.sjv.io/B0GeN4
Use code 12MARLENE for 12% off Lilysilk
Heart necklace: <https://rvlv.me/q9KvQk>

LOOK 1
Cashmere crop top: <https://quince.sjv.io/B0abx0>
Cashmere skirt: <https://quince.sjv.io/EK1J99>
Brown boots: <https://rvlv.me/3wa20N>



321,622 views Aug 6, 2022 #TXT #animations #texttospeech
It's been a year and a half since I last made any sort of video that's solely dedicated to Weverse, I know it's so sudden 😅 There were a couple of people on Twitter who requested me to do it so here you go! 😄 I used to dodge making it because it requires much more effort editing wise... But still, TXT and MOAs are so hilarious that I wanted to compile a few since these made me laugh so much 😅

Notes: This is a compilation of their responses starting from August 2021 'til July 2022! Specifically, there are 50+ responses here soooo it's a lot, honestly HAHAHA I hope you like it! I really took my time compiling, conceptualizing and editing this for you guys so enjoyyy hehe :3

11:56 also correction, it's just *one year later sheeshhhh I lost perception of time 🤦‍♂️ forgive me

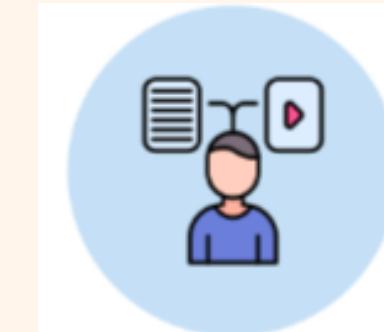
Previous videos:

[TXT] Good Boys Gone Wild this era!
➡ [TXT] Good Boys Gone Wild this era!
TXT in a series of unfortunate events ➡ TXT in a series of unfortunate events

Getting closer to your audience



Non-invasive

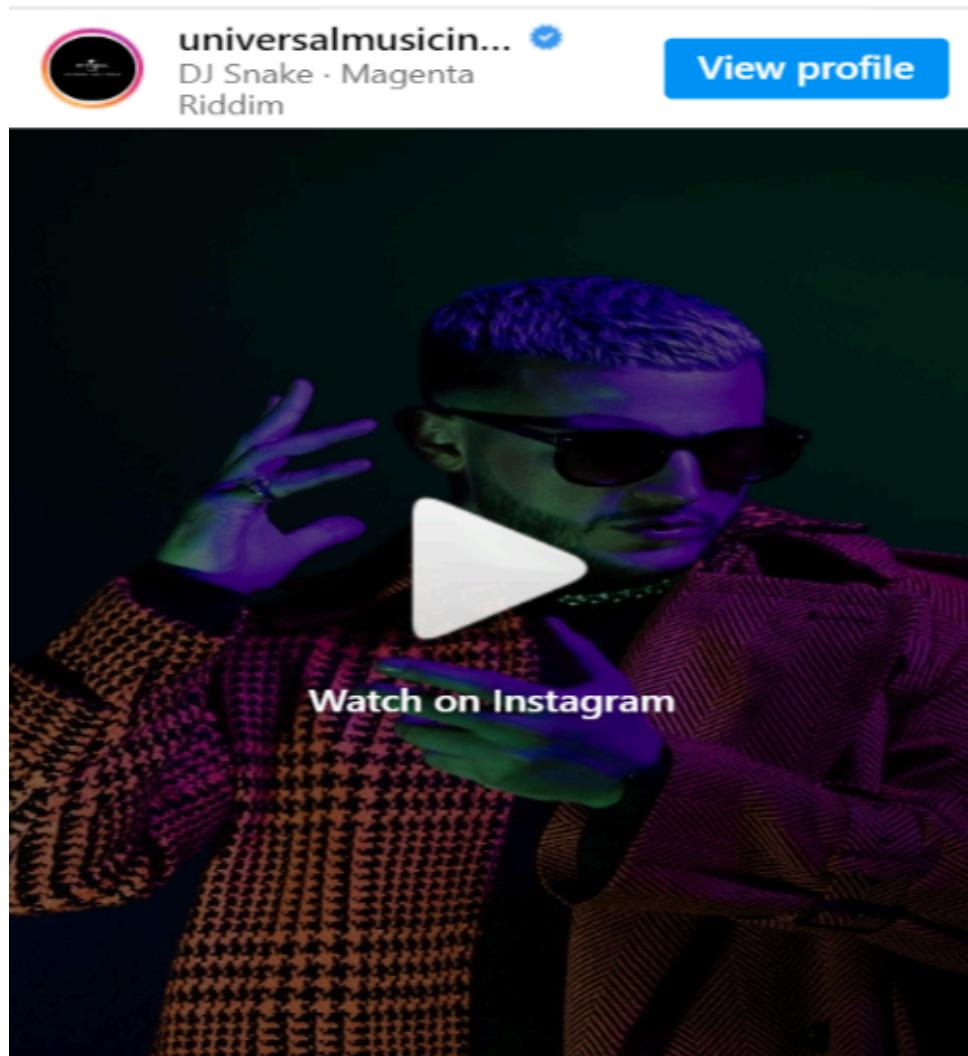


User-generated storytelling



Natural & focused message

ENGAGE AUDIENCE THROUGH AUTHENTIC CONTENT COLLABORATIONS AND NON-INVASIVE STORYTELLING, THROUGH BOTH UNOFFICIAL AND OFFICIAL PARTNERSHIPS WITH CONTENT CREATORS



Typical post/reel featuring an artist's content, without the direct involvement of the artist themselves

Do not receive significant interactions, despite getting similar number of likes, receiving fewer comments

1 **Unofficial Brand**



“Individual discussing the Ambani's pre-wedding budget and its economic impact”

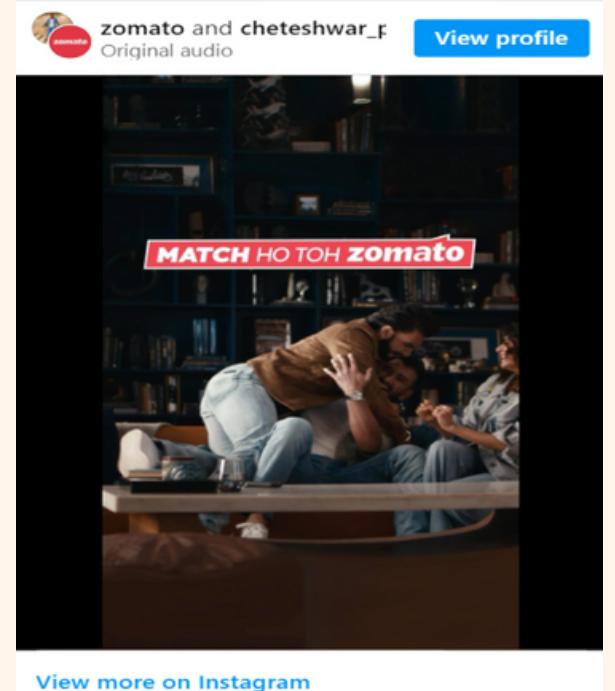
- Valuable & Genuine community engagement through effective storytelling
- Do not impose direct promotion/endorsement

→ **5X**
more engagement



Better in both likes & comments

2 **Collaborations through your own official media channels**



“Comical take on IPL auction, with actors playing team owners, featuring Ranveer Singh, Samantha and Cheteshwar Pujara”

- Ability lies in its ability to integrate the brand naturally within a compelling narrative
- More control over your own media channels

UTILIZE SOCIAL MEDIA FOR DIRECT COMMUNICATION WITH ARTISTS IN A TRANSPARENT, AUTHENTIC, AND HUMANIZING WAY

 **Elon Musk**   @elonmusk · 7h

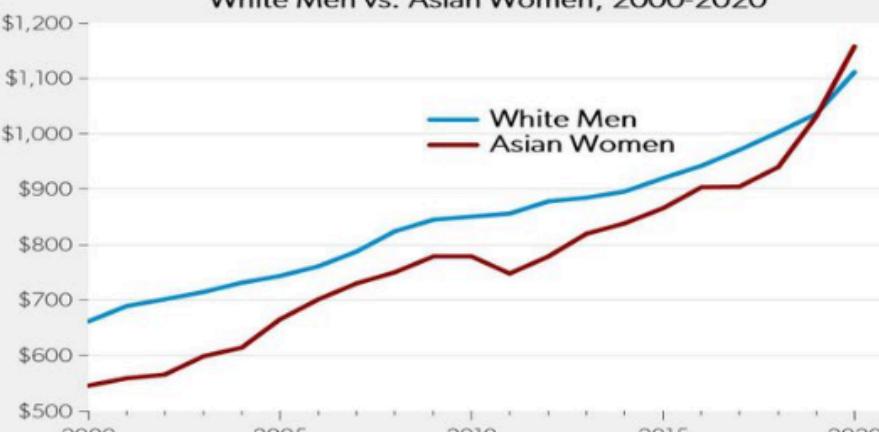
Asian women earn more than white men

 **i/o**  @eyeslasho · 21h

Question: Ever wonder why Asian women aren't mentioned by the left when it lectures us about race and gender pay gaps?

Answer: Because Asian women are the stone that kills both of those pay gap narratives.

Median Weekly Earnings of Full-time Workers, White Men vs. Asian Women, 2000-2020



Year	White Men (\$)	Asian Women (\$)
2000	680	550
2005	750	620
2010	850	780
2015	920	880
2020	1120	1150

Source: BLS

Carpe Diem 

Establishing a strong social media presence

“Relatable memes about the struggle of language learning”

 **Ky Tiger**  @KyTyger · May 21 ...
Hi Duolingo!

Due to a medical emergency, I was unable to continue my 360+ day streak as I had no access to my phone for the past few day and now my streak has reset :(

Is there any way you can help me out?

2 replies 1 like 337 views Bookmark 

 **Duolingo**  @duolingo · May 22 ...
We've repaired your streak as a one-time courtesy.

1 reply 1 like 83 views Delete 

ne shayad world cup hi hai

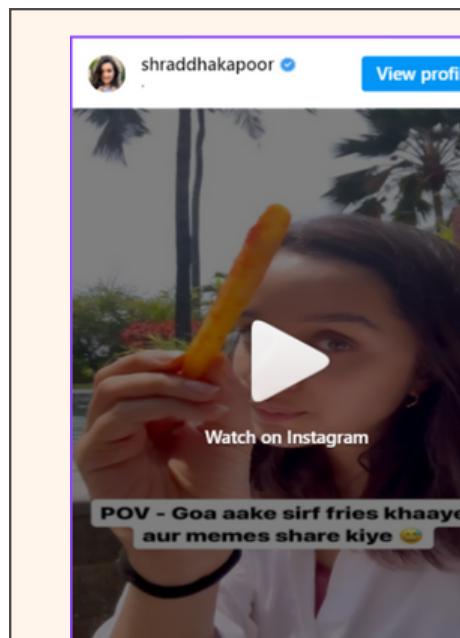
4K Views

“Witty observations resonating with the everyday user experiences”

*“Witty
observations
resonating with the
everyday user
experiences”*

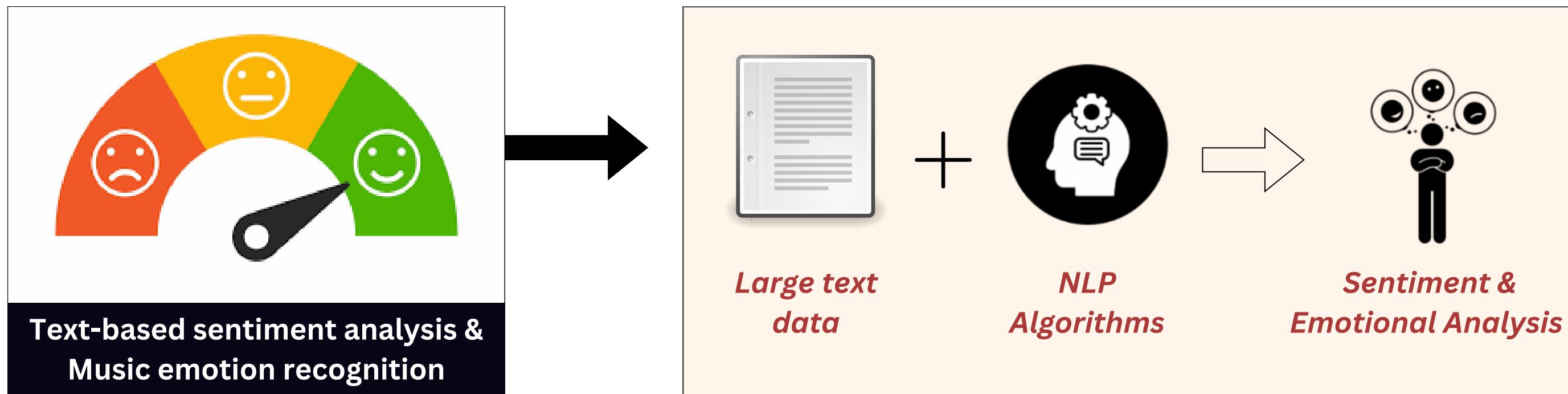
Musk, through his social media presence, keeping his audience engaged and creating a sense of accessibility and transparency around him and his work.

Cultivates a loyal community + turns followers into brand ambassadors, who are eager to spread the word.



- Encourage your artists to be active on social media, fostering direct connections with the fans
 - **Respond to comments and messages** on social media
 - Show the artists as people, share your stories, passions, and interests to be more relatable
 - Incorporate **humour** tactics in the interaction

UNDERSTANDING PUBLIC SENTIMENT AND EMOTIONAL RESPONSES TO AN ARTIST AND THEIR MUSIC, AIDING IN SERVICE PERSONALIZATION AND TRACKING POPULARITY & ENGAGEMENT



- Analyze **social media** posts and other **publicly available text-based content**
- Indication of how the public is responding to your artist and their music.
- Better Service Personalization
- Tracking artist's popularity

- 
- Integrate the analysis into UMG's existing **FAME** & **FAN360** platforms, the self-owned brands.
- Evaluating the reception of new releases, trend-identification and understanding which songs/ artists are resonating with the audience the most

**FAN
360**

- **Fan Analytics, Marketing, & E-Commerce**
- Centralized information about marketing campaigns, and related D2F revenue from music & merch sales.

- Comprehensive view of what can be known about each fan
- Access to accurate & timely data on the **effectiveness of the marketing campaigns**

DEDICATED REGIONAL/LANGUAGE-SPECIFIC CHANNELS WITH LOCALIZED CONTENT STRATEGIES, LOCAL PARTNERSHIPS, CELEBRATING & PROMOTING DIVERSE CULTURAL MUSIC TALENTS WORLDWIDE



Leveraging Indian musical diversity and promoting regional artists



Regional channels to cater to different languages and cultures



- Create **separate YouTube channels**, dedicated to different languages, cultures, and regions.
- Localized content strategy resonating with the target audience
- Facilitate **collaborations between local artists & global talents** (both domestically & internationally)



Discover exceptional/ undiscovered singing talents, transitioning it into live one-on-one interaction feature, exclusive for the superfan app

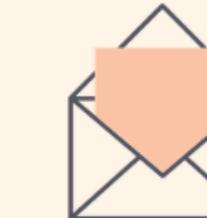
- Identify **key regions** with rich musical heritage
- Partner with **local artists, producers & industry experts**, fostering cultural exchange & appreciation.



Identifying young, creative artists (e.g. viral videos of unexpected singing talent)



Feature their work on your social media handles



Invite renowned artists to react/ appreciate/ provide encouraging comments



One-on-one live mentorship/ talk on the app (Limited slots, premium service)

HOW CAN UMG PROVIDE A COMPLETE MUSIC CONSUMPTION & ENGAGEMENT PICTURE FOR THEIR ARTISTS, ALL IN ONE PLACE WITH STRATEGIC 2-WAY COLLABORATION?

Streaming services like JioSaavan, Amazon Music, iTunes are backed by largely profitable entities, which becomes a challenge for Spotify in itself



REPRESENT

Strategic Recommendations for UMG

- Partner with Spotify and similar services that rely heavily on music streaming for revenue.
- **Engage Regional Distributors:** Work with regional platforms like TME and REPRESENT to access local markets.
- **Promote Regional Artists:** 2-way Deal to put regional artists to UMG's Fan Community app and streaming services with collaboration

Regional/ Small labels and distribution agencies



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Streaming services (Sole revenue of company)

Benefits of Two-Direction Collaboration



Gain market insights through fan interactions.



UMG gains more artists on app, helps streaming platforms with portfolios.

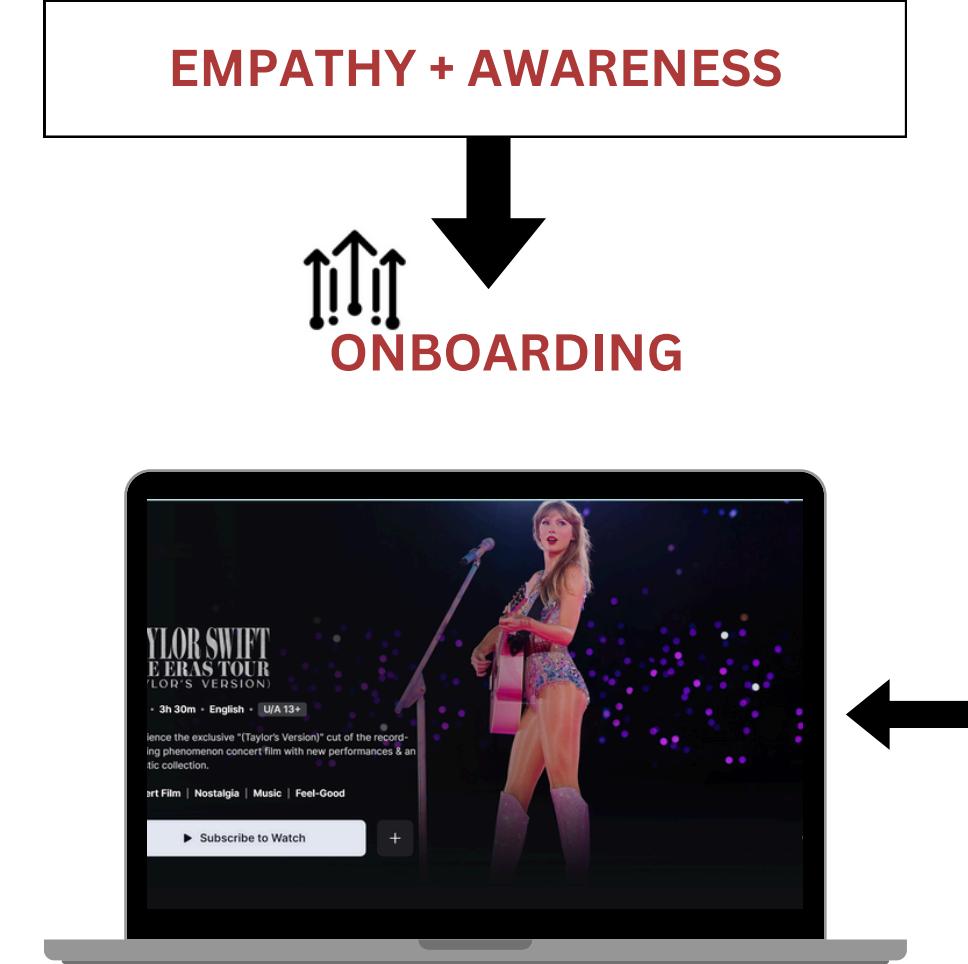


Negotiate deals for lower data purchasing costs due to increased artist supply.

FOSTERING COLLABORATIONS WITH STREAMING SERVICES LIKE HOTSTAR TO LEVERAGE THE MARKETING BENEFITS DURING EVENTS SUCH AS WORLD CUP TO INCREASE CONVERSIONS

Features	Youtube	Hotstar + Hotstar
CPCV	0.20	0.08
CPM	60-80	80-120
Brand Uplift	X	2.7X
Memorability	X	1.5X

With higher CPM and awareness during WC 24 Disney + Hotstar becomes a prominent player to partner with for conversion and awareness



- Utilize advertising slots between cricket match-overs to capture high viewership.
- Since Hotstar is hosting a **concert** by **Taylor Swift**, a UMG artist, we can enhance brand alignment and audience reach.
- Focus on increasing our connection with the audience** to boost awareness of our platform.
- Our final goal is to convert increased audience engagement into successful platform conversions.

CWC'23 Campaigns delivered 26% higher success compared to industry benchmark

BRAND BRILLIANCE: BRANDS WHO ADVERTISED ON WORLD CUP WITNESSED FAR HIGHER BRAND UPLIFTS

1.6X

Brand Awareness Uplift

1.2X

Ad Awareness Uplift

1.3X

Message Association Uplift

1.3X

Brand Favours Uplift

1.3X

Purchase Intent Uplift

Success rate of digital(YT,FB) campaigns



Success rate of Disney + Hotstar Campaigns



Success rate of ICC CWC'23 Campaigns



COLLABORATIVE STRATEGIES WITH DIFFERENT LABEL MUSIC ARTISTS TO BRING EXCLUSIVE CONTENT TO THE FAN BASED PLATFORM AND CONVERT THEM TO GATHER MORE USER DATA

1

BTS Scenes and interviews with artists

2

Rap battles and collaborative songs between various artists

3

Personal vlogs and tour videos

~70K

Views for each interview on average



300K+

Views for each interview with a popular artist



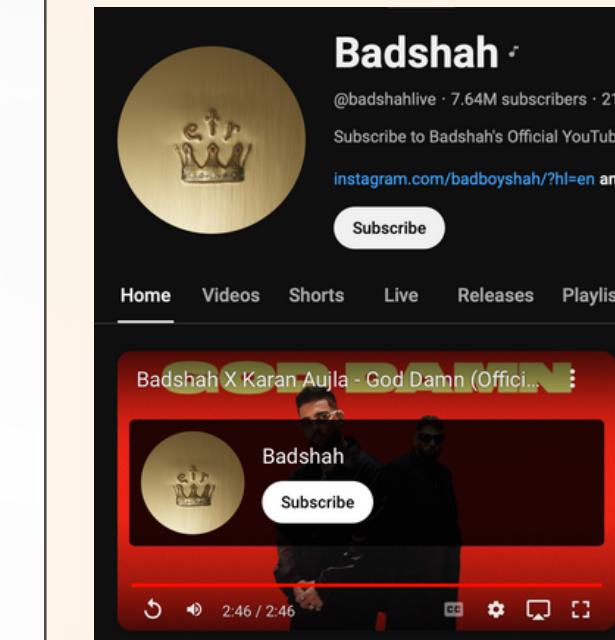
Interviews post-show are great content for fans.



Artist sentiment can be gauged by analyzing comments, likes, and reactions.



- As Hip Hop grows in India, rap battles like MTV Hustle are on the rise.
- Collaborations between UMG artists and others can happen for rap battles and songs on fan platforms.



Solution:

Create vlog-type content where the artists have live interaction with the audience, especially just before concerts and album releases.



current scenario: the social handles of artists only consist of releases and sponsorships. There is a lack of personalised content

THANK YOU

Agam Pandey | Hemanth Reddy Gajjala | Hardik Chawla | Krish Sharma | Satyam Sinha