

Key Resources

- Human
 - Recording artists
 - Song writers
 - Business development personnel creating and managing key partnerships with film studios, streaming services, retailers, TV shows, etc.
 - Creative personnel responsible for artwork and creative marketing
 - Creative directors and record producers
- Intellectual
 - Catalog of recorded music including film soundtracks
 - Rights to digital recordings
- Digital/Physical
 - Music Unlimited – cloud-based, digital music service
 - Their website on which they can sell and/or stream digital music
- Physical
 - Retail stores
 - CDs, DVDs, Vinyl records
 - CD manufacturing equipment
 - Their website on which they can sell digital music

Key Activities

- Physical Production
 - Creating physical CDs, DVDs, and vinyl records – Includes packaging and artwork
 - Distribution to retail partners
- Music Production
 - Ensure music is recorded and produced at a standard required of a major music label
- Music Rights Acquisition
 - Ensure the successful cost-effective acquisition of the rights to film soundtracks
 - Ensure that Sony can correctly identify with some measure of accuracy which films' will be successful to help with targeted acquisition
- Form Key Partnerships
 - Partnerships – including digital rights partnerships – are an important piece of Sony's revenue. Ensuring that Sony receives favorable contract terms on licensing agreements with services like Pandora and Spotify will help ensure Sony's long-term success
- Artist Development and Promotion

- Financially backing artists - including recording advances and touring promotion
- IT Development
 - Ensuring that Sony.com and Music Unlimited are properly developed and allow for a good user experience including ease of payment to download and pay for songs

Key Partnerships

- *Strategic alliances between non-competitors*
 - Movie Studios - partnering to acquire film soundtracks
 - Retailers and Broadcasters - to distribute physical music (CDs, cassettes, etc.)
 - Indian Music Industry (IMI) - partnering to collect royalties
 - Mobile Phone Companies and Cellular Networks - allowed the distribution of ringtones and caller ring backs
 - Broadcasting companies - partnership allowed for songs to be used in TV shows and commercials
 - YouTube - distributed music videos which could earn money
- *Coopetition: strategic partnerships between competitors*
 - Freemium Streaming services like Pandora and Spotify
 - Digital marketplaces like iTunes
- *Joint ventures to develop new businesses*
 - Independent Online Distribution Alliance (IODA) - offer Indian artists and labels the ease of global distribution and marketing by connecting them to blogs, Internet radio stations, social networking sites and music websites
 - Sony Music Unlimited - partnered with PS3, PSP BRAVIA TV, PS Vita, and Blu-ray to provide access to music across a variety of devices
- *Buyer-supplier relationships to assure reliable supplies*
 - Traditional Retailers - Ensures physical retail sales were carried out
 - Radio stations

Cost Structure

Sony India's cost structure varies across types of sales transaction and key activities. For example:

Purchasing Song Rights From Film Producers

- Fixed Costs - Sony could purchase the rights to songs from movie soundtracks up front

- Variable Costs – Sony could enter into a revenue sharing model with film producers

Non-Film Music – Varied On A Per-Band Basis

- Variable Costs
 - Album production
 - Music video production
 - Artist management
 - Contract negotiation
 - Live performances
 - Marketing
 - Artist payments

Retail and Merchandising

- Fixed costs – salaries, rent, etc.
 - Merchandising – CD and DVD production
 - Distribution