

# Indiestream Business Case

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## Executive Summary

Indiestream is a **fair-pay music streaming platform** for independent artists. Unlike traditional streaming services where revenue pools benefit major labels, Indiestream uses a **user-centric payment model** where each subscriber's fee goes directly to the artists they listen to.

**Tagline:** *Stream Fair. Support Direct.*

## The Problem We Solve

### Traditional Streaming Is Broken for Indie Artists

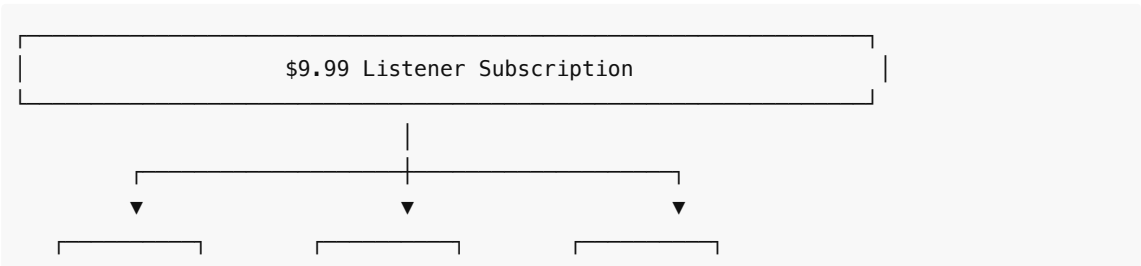
| Issue                 | Traditional Platforms                         | Indiestream Solution                                     |
|-----------------------|---|--|
| Revenue Pool          | All subscriptions go into one pool            | Your \$9.99 goes to artists YOU listen to                |
| Major Label Dominance | ~70% of streams go to major labels            | Independent artists only                                 |
| Artist Share          | <del>\$0.003 per stream</del> (30% to artist) | ~\$0.007+ per stream (70% to artist)                     |
| Transparency          | Opaque payout calculations                    | Real-time earnings dashboard                             |
| Free Tier Loophole    | Unlimited free plays = no royalties           | 30-second previews only; all full plays generate revenue |

### Market Opportunity

- **Global music streaming market:** \$30+ billion (2025)
- **Independent artist segment:** Growing 3x faster than major label content
- **Underserved niche:** Audiophiles and ethically-minded music fans who want to support artists directly
- **Competitive advantage:** First-mover in PRO-compliant, transparent user-centric streaming

## Business Model

### Revenue Split: 70/15/15





|                           |                         |                         |
|---------------------------|-------------------------|-------------------------|
| 70%                       | 15%                     | 15%                     |
| \$6.99                    | \$1.50                  | \$1.50                  |
| Artists                   | PRO/MRO                 | Platform                |
| Direct payout to creators | SUISA, GEMA, ASCAP, BMI | Operations, development |

**Key Differentiator: 85% to Music Rights**

**Indiestream allocates 85% of subscription revenue to music rights** - the highest in the streaming industry:

- **70%** directly to the artist
- **15%** to Performance Rights Organizations (SUISA, GEMA, ASCAP, BMI, etc.)

*Competitors typically allocate only ~70% to rights, with most going through labels.*

**Pricing Tiers**

**For Listeners**

| Tier     | Price        | Features  |
|----------|--------------|---|
| Free     | \$0/month    | 30-second previews, browse artists, create account  |
| Listener | \$9.99/month | Unlimited streaming, high-quality audio, listening history, direct artist support, no ads |

**For Artists**

| Tier   | Price | Features  |
|--------|-------|---|
| Artist | Free  | Unlimited uploads, 70% revenue share, detailed analytics, artist profile, monthly payouts, verification available |

**No upload fees. No hidden costs. Artists keep their rights.**

**Key Selling Points**

**For Listeners**

| Benefit           | Description   |
|-------------------|---|
| Direct Impact     | Your money goes to artists you actually listen to, not a pool               |
| Transparency      | See exactly where your subscription went each month ("My Impact" dashboard) |
| No Ads            | Clean, uninterrupted listening experience                                   |
| Ethical Choice    | Support independent artists and fair pay practices                          |
| Quality Audio     | 320kbps streaming (HiFi lossless planned)                                   |
| Share Your Impact | Public impact stats you can share on social media                           |



### For Artists

| Benefit             | Description  |
|---------------------|--|
| 70% Revenue         | Industry-leading artist share  |
| Direct Fan Support  | Your listeners' subscriptions go directly to you                     |
| No Gatekeepers      | Upload and publish instantly   |
| Keep Your Rights    | You own your music, always   |
| Real-Time Analytics | See who's listening, where they're from, what's trending             |
| PRO Compliance      | ISRC/ISWC support, composer credits, ready for SUIISA/GEMA reporting |
| Monthly Payouts     | Paid on the 15th via Stripe Connect                                  |
| Verification        | Get verified to build trust with your audience                       |

### Competitive Analysis

| Feature           | Indiestream  | Spotify          | Apple Music      | Bandcamp             |
|-------------------|--------------|------------------|------------------|----------------------|
| To Music Rights   | 85%          | ~70%             | ~70%             | 82%                  |
| Direct to Artist  | 70%          | ~30%             | ~30%             | 82%*                 |
| Payment Model     | User-centric | Pro-rata pool    | Pro-rata pool    | Per-sale             |
| Free Tier         | Preview only | Unlimited (ads)  | None             | Full (artist choice) |
| Analytics         | Real-time    | Delayed          | Limited          | Basic                |
| PRO Reporting     | Built-in     | Via distributors | Via distributors | None                 |
| Artist Upload Fee | Free         | Via distributor  | Via distributor  | Free                 |



\*Bandcamp takes 15% but only on sales, not streaming

### Why We Win

1. **User-Centric Model** - Unlike Spotify/Apple's pro-rata pool, your subscription supports YOUR artists
2. **PRO Compliance** - Built-in royalty society reporting (SUIISA, GEMA export)
3. **Transparency** - Both artists and listeners see exactly where money flows
4. **No Free Streaming Loophole** - Every full play generates revenue (no ad-supported free tier)
5. **85% to Music** - Highest allocation to music rights in streaming

### Implemented Features

#### Core Platform

-  User authentication (email/password, Google OAuth)
-  Artist profile creation and management



- ☒ Album/EP/Single upload with cover art
- ☒ Track upload with audio streaming via Cloudflare R2
- ☒ Full-featured audio player with queue management
- ☒ Shuffle, repeat modes (off/all/one), favorites
- ☒ Media Session API (lock screen controls)
- ☒ Stream tracking (counts after 30 seconds)
- ☒ Listening history

## Discovery & Navigation ☒

- ☒ Home page with featured artists and new releases
- ☒ Discover page with artist grid
- ☒ Artists page with search and genre filters
- ☒ Global search (Cmd+K) for artists, albums, tracks
- ☒ Artist public profile pages
- ☒ Album detail pages with track listing

## Subscription & Payments ☒

- ☒ Stripe integration for subscriptions
- ☒ 7-day free trial
- ☒ Subscription management (Stripe portal)
- ☒ Free tier with 30-second previews
- ☒ Payment history page
- ☒ Artist payout system (Stripe Connect Express)
- ☒ Revenue dashboard for artists

## Social Features ☒

- ☒ Follow artists
- ☒ User playlists (create, edit, share, collaborative)
- ☒ Like/favorite tracks and albums
- ☒ Library page (Artists, Albums, Playlists, Liked Songs)
- ☒ Share functionality
- ☒ Artist followers tab

## Artist Tools ☒

- ☒ Detailed analytics dashboard
- ☒ Artist banner and avatar uploads
- ☒ Album/track editing and deletion
- ☒ ISRC/ISWC metadata support (Deezer/MusicBrainz lookup)
- ☒ Composer credits with roles and IPI numbers
- ☒ Cover song flagging
- ☒ Rights confirmation workflow

## User Features ☒

- ☒ User profile pages (public profiles)



- ☒ Listening stats dashboard (This Year/Last Month/All Time)
- ☒ "My Impact" - where your money went breakdown
- ☒ Social sharing of impact stats
- ☒ Privacy controls for public stats

**Admin Dashboard** ☒

- ☒ Platform stats overview
- ☒ User management (CRUD, roles)
- ☒ Artist management (feature, verify, suspend)
- ☒ Content moderation queue
- ☒ Track approval workflow
- ☒ PRO export for SUIA/GEMA reporting

**Mobile & PWA** ☒

- ☒ Mobile-responsive design
- ☒ Bottom navigation bar
- ☒ PWA installable app
- ☒ Pull-to-refresh
- ☒ Haptic feedback
- ☒ iOS/Android ready via Capacitor

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**Future Roadmap**

**High Priority (Next Quarter)**

| Feature                | Business Value          | Complexity |
|------------------------|-------------------------|------------|
| Email notifications    | Engagement, retention   | Low        |
| Release scheduling     | Artist workflow         | Medium     |
| Pre-save functionality | Marketing, anticipation | Medium     |
| Apple login            | Conversion improvement  | Low        |

**Medium Priority (6 Months)**

| Feature                 | Business Value                   | Complexity |
|-------------------------|----------------------------------|------------|
| HiFi/Lossless streaming | Premium upsell (\$14.99/mo tier) | Medium     |
| Offline playback        | Subscriber retention             | Medium     |
| Genre pages             | Discovery, engagement            | Low        |
| Curated playlists       | Editorial voice, retention       | Low        |
| Charts/trending         | Discovery, engagement            | Low        |
| Similar artists         | Discovery, time on platform      | Medium     |



Lower Priority (12+ Months)

| Feature           | Business Value                 | Complexity |
|-------------------|--------------------------------|------------|
| Digital downloads | Additional revenue stream      | Medium     |
| Merch store       | Artist revenue diversification | High       |
| Live streaming    | Events, fan engagement         | High       |
| Podcast support   | Content expansion              | High       |

Key Metrics & KPIs

Growth Metrics

| Metric           | Description                 |
|------------------|-----------------------------|
| MAU              | Monthly Active Users        |
| Paid Subscribers | Users on \$9.99/mo plan     |
| Conversion Rate  | Free → Paid conversion      |
| Artist Signups   | New artist profiles created |
| Track Uploads    | New tracks added to catalog |

Engagement Metrics

| Metric         | Description                     |
|----------------|---------------------------------|
| Streams/User   | Average streams per active user |
| Listening Time | Average minutes per session     |
| Retention Rate | Month-over-month user retention |
| Churn Rate     | Subscription cancellations      |

Financial Metrics

| Metric         | Description               |
|----------------|---------------------------|
| MRR            | Monthly Recurring Revenue |
| ARPU           | Average Revenue Per User  |
| Artist Payouts | Total paid to artists     |
| LTV            | Customer Lifetime Value   |
| CAC            | Customer Acquisition Cost |



# Unit Economics

## At Scale (50,000 Subscribers)

| Metric                 | Value     |
|------------------------|-----------|
| MRR                    | \$499,500 |
| To Artists (70%)       | \$349,650 |
| To PROs (15%)          | \$74,925  |
| Platform Revenue (15%) | \$74,925  |
| Infrastructure Costs   | ~\$150*   |
| Gross Margin           | ~99.8%    |

\*See [ARCHITECTURE.md](#) for infrastructure cost analysis

## Break-Even Analysis

| Expense           | Monthly Cost           |
|-------------------|------------------------|
| Infrastructure    | \$50-150               |
| Stripe fees (~3%) | Variable               |
| Domain & email    | ~\$30                  |
| Break-even point  | ~5-10 paid subscribers |

# Risk Assessment

| Risk                 | Severity | Mitigation  |
|----------------------|----------|---|
| Catalog size         | High     | Focus on quality over quantity; curated indie focus       |
| Competition          | Medium   | Differentiate on ethics, transparency, user-centric model |
| Artist acquisition   | Medium   | Emphasize 70% share, direct fan support                   |
| Listener acquisition | Medium   | Target ethical consumers, indie music fans                |
| Regulatory           | Low      | PRO compliance built-in from day one                      |
| Technical            | Low      | Serverless architecture, managed services                 |

# Summary: Why Indiestream?

## For Investors

1. **Large market** - \$30B+ streaming market with underserved indie segment
2. **Sustainable unit economics** - 15% platform fee with minimal infrastructure costs



3. **Strong differentiation** - Only user-centric, PRO-compliant indie streaming platform
4. **Scalable architecture** - Serverless infrastructure that costs ~\$150/mo at 50K users
5. **Clear growth path** - Premium tiers (HiFi), downloads, merch as future revenue

#### **For Artists**

1. **70% revenue share** - Highest direct-to-artist payout in streaming
2. **Your fans, your money** - User-centric model means your listeners support YOU
3. **No gatekeepers** - Upload instantly, no distributor required
4. **Keep your rights** - Non-exclusive, you own everything
5. **PRO ready** - ISRC, composer credits, royalty society reporting built-in

#### **For Listeners**

1. **Direct support** - Your \$9.99 goes to artists you actually listen to
2. **Transparency** - See exactly where your money went
3. **Ethical streaming** - Support fair pay for musicians
4. **No ads, no compromise** - Clean listening experience
5. **Discover indie** - Curated catalog of independent artists

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*Document prepared by the Indiestream Team*