

# CIE152 Project 3: Business Concepts

Your Name:

Your Email:

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# 1. Business Name and Concept

Business name: Sky Sound Studios

## **Business concept:**

My business concept is a music writing retreat situated on a 200-acre, off-grid wildlife refuge property on the coast of Cape Otway. I am leveraging my relationship with my father, who is not only the property owner but also an entrepreneur and musician. He has shown keen interest in supporting my business idea, and as such, he will come on board as my business partner.

The writing/recording space will be housed within a refurbished shipping container. The space will be powered by a solar battery and a generator (as a backup if required).

Initially, my idea was to build a state-of-the-art recording studio where music could be recorded, mixed, and mastered. However, due to budget constraints, I have decided that this may not be a viable option to start with. Instead, I will set up the space as a basic writing space suitable for music writing, as well as recording demos using the basic recording facilities. The initial writing space will include:

- 1 x UAD Interface
- 1 x Studio monitors (Pair)
- 1 x Midi Keyboard
- 1 x Neumann TLM 103 Condenser Microphone on mic stand
- 1 x Computer display (for connecting laptop)
- 1 x Set of headphones

My business partner (my father) and I already possess a variety of additional equipment and musical instruments that will be available for rent.

Clients will also be encouraged to bring their own gear to use at the retreat.

Accommodation is included in the package. There is a self-contained accommodation dwelling that is currently unused on the property. The dwelling is fully equipped with a shower, toilet, kitchen, fridge, etc. It is large enough to comfortably accommodate a band of up to six people.

Aside from clients booking out the space for private writing sessions, I would like to facilitate songwriting and music production workshops, host events and build a community centred around the retreat. All workshops will be recorded so subscribers can tap into this online content. Graduates of the workshops will be invited to perform the songs they have written or produced at the events we will host. I could also tap into the local annual Apollo Bay festival, Winter Wild, offering workshops and live performances as part of the festival agenda. Recordings of events will be used as promotional content and build anticipation among potential/future clients. I could also leverage my relationship with local traders, who I could enlist to provide food and drinks at the events and/or workshops.

## 2. Business Structure and Model

### Partnership structure

A partnership structure between my father and I will be in place for this venture, as the business will require the use of his land and resources, and the two of us will share in the business's income or losses.

A legally binding written partnership agreement will be signed by both parties, outlining the terms of our arrangement. This type of agreement doesn't require a lawyer, although according to Linnane (2014), it is good practice to have a contract drafted by a lawyer.

According to Linnane (2014), having a written agreement in place from the beginning reduces the risk of having partners disagree about the scope of the partnership. Furthermore, if things go sour down the track, a written partnership agreement ensures no confusion about specific terms that the partnership operates under.

The partnership agreement will consider the following:

- Who is involved in the partnership and what each partner will be contributing financially.
- How will we manage and split the partnership's profits and losses among the partners?
- What our intentions are for the venture.
- What aspects of the business is each partner responsible for?
- The intended duration of the partnership and the procedure for termination or dissolution.
- How will we make decisions in the partnership?
- Our expansion plan should the business become highly successful.
- Buyout - what happens if one party doesn't want to continue?
- Worst case scenario - What happens if the business is not working and how would we split it so that both parties are happy, i.e. distribution of assets and the settlement of financial obligations?
- Disputes resolution clause: what is the process in place should disagreements arise.
- Admission of New Partners: The process for admitting new partners, including the criteria, procedure, and potential impact on profit sharing and decision-making.

**Limited liability company:** We will set up the business up as a limited liability company, as this structure offers personal asset protection. According to ASIC (2022), a limited liability company is its own legal entity, so the liability of members or owners is limited. Generally, members will not be personally liable for the debts of the company in their capacity as a member. However, members and directors may still be liable for a company's debts in certain circumstances, such as when they have provided personal guarantees to borrow money (ASIC, 2022).

I would like to record (video and audio) some of the writing sessions to use for promotional content and as such, I will need to obtain copyright clearance, i.e. musicians will share the rights of their music with me so that I can share parts of it. According to Le Rossignol & Wilson (2015), if you seek permissions early, you can avoid potentially damaging issues related to copyright and intellectual property. You may need to pay a fee to the artist if you use someone else's work (Le Rossignol & Wilson, 2015). I will require a lawyer to write up a non-exclusive copyright contract, which I will ask musicians to agree to and sign. According to ContractsCounsel (2023), a non-exclusive license agreement is a legal document between two parties, where one party grants (licensee) the other party (licensor) permission to use their intellectual property. The right granted under this type of license generally lasts for a fixed period of time and may be terminated at any point by either side with reasonable notice (ContractsCounsel, 2023).

The writing retreat will have various business models for generating revenue:

**Retreat Packages:** I will create all-inclusive packages that offer accommodation, studio time, access to instruments and equipment, and additional services like coaching or workshops.

**Educational Model:** We will provide music education programs, workshops, and/or masterclasses, allowing musicians to learn new skills and techniques during their stay. There is also an opportunity to involve the local high schools by providing after-school or holiday programs for music students.

**Subscribers:** I will offer a variety of 12-month subscriptions to customers. Benefits of being a subscriber include: one free piece of merch, free tickets to events, free access to online video content, etc. I have based my subscriber model off the one used by Triple R (community radio station).

**Gift Cards:** There will be gift cards available via the website so that people can pay for part of the price or the full price of another person's experience.

**Collaboration and Events:** Focus on collaborative projects, where artists come together to write, record, and produce music collectively, with the retreat providing the necessary resources and guidance.

**Involving local businesses:**

I want to devise ways to add extra value to the community and get people and local businesses to contribute. I plan to involve local food and beverage vendors, who may be able to cater for my workshops and events. We could design mutually beneficial arrangements. For example, if my clients purchase a coffee from the Apollo Bay bakery, they will receive a small discount on instrument/equipment hire at the retreat.

I could look into putting events on at the local Apollo Bay pub, where graduates of the songwriting and production workshops could perform their music. Not only will this provide value to the pub through food and drink sales, it will provide value to workshop participants by offering a platform to showcase their work. It will also provide value to my business through publicity and potentially additional revenue through ticket sales.

Another idea I am eager to explore is having a photographer in residence. Having a photographer on-site will allow us to document the retreat, capturing memorable moments and experiences. This can provide participants with lasting memories and serve as promotional material for future retreats.

Merchandise: I plan to offer merchandise such as clothing, as well as more niche music-related items, i.e. guitar picks and earplugs. Merch will be available for order from our website and delivery via AusPost, as well as over the counter at the writing retreat, including at events and workshops. I could also try to arrange for the Apollo Bay information centre to stock some of our merch. I will consider donating a portion of merch revenue (10-15% per item) to the Conservation Ecology Center in Cape Otway to contribute to the local environmental initiative.

Educational and music YouTube content production could be used to help show and market the space. YouTube videos can provide a visual and immersive experience of the retreat space.

### 3. Skills and Knowledge

#### **Strengths:**

Contacts: I have various contacts in the music industry that I can leverage to benefit my business. Not only do I have relationships with other music studio owners, whose advice and expertise may prove beneficial, I have formed connections at SAE, such as with my music production facilitator, Davey Norris, who I could potentially enlist to run production workshops at the retreat. Furthermore, my sister is a music publicist and has an arsenal of useful industry contacts that my business could benefit from.

Access to resources: I will never have to pay rent, as the land is owned by my father. Once the power to the studio is set up, I will never have to pay a power bill, and tank water means that I will never have a water bill. Furthermore, much of the gear needed to deck out the writing/studio space is already owned by either my father or me.

Technical expertise and music production skills: I have basic proficiency in audio recording, production, and mixing techniques and I have some experience with home recording studios.

Equipment knowledge: I am familiar with a variety of recording equipment, software, and instruments, allowing for efficient operation and troubleshooting.

Communication skills: Effective communication with artists, clients, and staff, fostering a collaborative and productive studio environment.

#### **Weaknesses:**

Limited financial resources: I may face constraints in terms of acquiring top-of-the-line equipment.

One road in - one road out - may pose a risk if the event of a bushfire was to occur. This highlights additional reason for why having a liability company structure is an important component, as well as insurance for theft or fire.

Marketing and business skills: At this stage, I lack expertise in marketing and business management, which may impact my ability to attract clients and grow the business.

#### **Opportunities:**

Diversification of services: I could explore additional revenue streams such as offering mixing, mastering, or music production courses

Work with community businesses. I could build and leverage relationships with other established businesses in the area and tap in to their audiences.

Expansion - If the business becomes successful I could turn it into a franchise and start one in other remote areas such as Daylesford.

#### **Threats:**

Competition: The music industry is highly competitive, with many studios vying for clients. Larger studios or well-established names may pose a threat to a small studio's market share.

Geographic space: The location means we are susceptible to bushfire

## **4. The Team**

I will be the director, overseeing all aspects of the business.

The initial setup/build will require a small team, most likely a local builder, myself and my father, as well as the power installation company workers, website developer, videographer/photographer, lawyers to write up contracts, etc.

Once the studio build is complete, I plan to be able to run the business with the help of a small team of staff, i.e. workshop facilitators.

As the studio manager, I will oversee the day-to-day operations, schedule studio time, manage bookings, coordinate with clients, and ensure smooth functioning of the studio. If the business becomes very successful, I may have to hire additional administrative staff members to handle tasks such as managing finances, invoicing, budgeting, payroll, and other administrative duties essential for the smooth operation of the business. I will be responsible for all of the aforementioned tasks in the initial stages of the business.

I may need to hire a studio technician, who specialises in maintaining and repairing the recording equipment, ensuring that it functions properly and is up to industry standards. They will also handle equipment setup, troubleshooting, and maintenance.

I may also need to enlist the assistance of a marketing strategist to help promote the business. I would work with the marketing specialist to find ways to promote our services in order to attract clients. I will also need to hire content creators such as a photographer/videographer. As previously mentioned I am exploring the idea of having a photographer in residence.

My father will act as more of a silent partner in the business, contributing funds, resources, and expert consultancy pertaining to business operations.

I will need to hire a cleaner to tend to the accommodation dwelling and writing room after each client/group of clients.

## 5. Product and Services

My role will include product development. I will create and design the retreat experience, as well as the studio space and any events we will host. I will be overseeing and managing the team, although I would like to give autonomy to workshop facilitators, who's expertise lies in the area that they will be teaching.

### 5.1 Unique Selling Point

Sky Studios is a sustainable off-grid writing retreat for musicians/music producers, situated on a 200-acre wildlife refuge property on the rugged coast of Cape Otway (Great Ocean Road). Sky Studios takes pride in being a sustainable retreat, utilising renewable energy sources such as solar power and rainwater harvesting. Our stunning and secluded location fosters uninterrupted creative time, deep connection with nature, and a tranquil atmosphere for artistic expression. Our writing retreat is enhanced by specialised trainers, tutors, and mentors. We run songwriting and music production workshops, as well as events with live entertainment. The retreat provides opportunities for networking, sharing ideas, and collaborating with like-minded individuals. This community aspect enriches the experience and allows for potential creative collaborations or the exchange of knowledge and inspiration.

### 5.2 Pricing

Penetration pricing:

I would like to follow this strategy, which involves setting a low initial price for a new product or service to quickly gain market share. According to Kenton (2023), the goal is to attract customers and encourage them to switch from competitors by offering a lower price point. Once market share is established, the price may be increased gradually. A studio in

Thornbury, Aspire Sound Studio, offered introductory prices for their opening month. They offered an 'Introduction to Ableton Live Suite' 4hr workshop, which is normally valued at \$400, for half price, and one-on-one production tutoring for \$80 per hour, as opposed to the usual rate of \$100. I would like to offer something similar for my first month of business.

Subscription pricing:

Similar to Triple R, my subscriptions will be priced as follows:

Standard - \$85

Passionate (for those who are passionate about the sustainable music retreat and have the financial means to pay extra) - \$195

Concession/strapped/under 18 - \$40

Musician/band/music producer - \$80

**What would it cost to accommodate someone:**

After researching what it would cost to accommodate someone in the nearest town, Apollo Bay, my findings were as follows:

On average, it costs AUD 148 per night to book a 3-star hotel in Apollo Bay for one night.

You'll pay on average around AUD 219 if you choose to stay in a 4-star hotel, while a 5-star hotel in Apollo Bay will cost around AUD 400 (based on Booking.com prices) .

From this, I have decided I would like to charge around \$200 AUD per night for accommodation alone. Food is primarily BYO, as the accommodation dwelling is fully self-contained with a stove, fridge, sink and other kitchen appliances.

In addition, there will be the price of the workshops and/or to rent the writing space. Music related workshops are held in the writing room and as such, the cost of the room is included in the workshop price. There is also the option to rent the writing space alone if the client is not willing to participate in any workshops. I've based my pricing on the cost to hire a writing room at Small Time Studios in Brunswick. Small Time Studios charge approx. \$200 per 4 hour session for a writing room. To achieve a competitive advantage, I would like to charge \$200 for a full day to rent the writing room alone, if the client is staying in the accommodation. Workshop prices will vary depending on length, content and facilitator. I am hoping to come to an agreement with facilitators whereby they will have unlimited access to the writing space when it's available as an additional incentive so that I may not have to pay them as much as I would otherwise. At this stage I am considering an hourly rate for workshop facilitators of around \$50-\$80. According to Ingleson (2021) , small businesses with 5-19 employees for the 2017-18 financial year experienced a 7.9% average profit margin across all industries.

## 6. Audience and Market Research

### 6.1 Client Research

My primary demographic are musicians and music producers from Melbourne, as well as Geelong, Colac, The Bellarine Peninsula and local regional towns such as Apollo Bay and Lorne. The goal is to also build the writing retreat into somewhat of a tourist destination and I



would like to accommodate interstate, as well as international clients. The age of my clients will range from high school age youth to the elderly, although I'm predicting that the majority of clients will be in the 20's and 30's age bracket. According to an article by Jones (2023), only 5% of music producers are women and non-binary people, with the other 95% being men. These statistics are reflected in other parts of the music industry as well and as such, I am expecting my clientele to be primarily male. As we are a female-led studio, I would really like to encourage non-male people to participate in our services as well. Perhaps I will favour non-male clients who apply to be accepted into workshops and I will also opt for non-male workshop facilitators where possible. The education level of my clientele will vary, however, the price of accommodation and writing space hire + workshops will mean that people will either need to be at a medium to high-income level or to have saved up for the experience.

## 6.1 Competitor Profiling

A fundamental issue in this sector is that musicians often lack sufficient funds to spend on writing rooms, accommodation and music education workshops, which are considered more of a luxury than a necessity. According to Holmes (2021), figures provided by The Australia Council show that in 2015, the median income for musicians was a meagre \$4,700 — down from a high of \$15,700 in 2001. A study conducted the same year by peak royalty body Australasian Performing Right Association and Australasian Mechanical Copyright Owners Society (APRA/AMCOS) showed that fewer than 16% of Australian musicians made more than \$50,000 a year (Holmes, 2021).

A key trend in the music and music education industry is streaming and digitalisation of content. The shift towards digital platforms and streaming services has significantly impacted the way music and music education content is consumed and monetised. We will leverage this trend, recording all our educational workshops for clients to tap into online. This presents a great opportunity to capitalise on an additional revenue stream and offer our services to prospective clients who are unable to physically attend.

One segment of competitors includes alternative sites/platforms where people are able to access online educational content relating to songwriting and music production. Sites such as these include LinkedIn Learning, Point Blank Music School and BBC Maestro. While these are direct competitors in that they offer customers a very similar service, they are also indirect, as the experience of the writing retreat is fundamentally different and unique.

**Small Time Studios:** Spaces include a main production studio, three writing rooms and multiple spaces for artist education, artist and industry events. While Small Time Studios offer a similar product/service to my concept, they are located in Brunswick. The main point of difference is location and sustainability practices. The isolation and tranquility of the Great Ocean Road provides a unique, zero distraction atmosphere that can inspire creativity and enhance the recording experience. This type of ambiance is different from the more urban and fast-paced environment of a Brunswick based studio. Furthermore, Sky Sound Studios invites clients to stay for more than one day, whereas Small Time offers sessions lasting for approximately 4hrs. Small Time Studios are a direct competitor, as they offer writing rooms with a similar set up and target Melbourne based musicians and producers. They could also

be an indirect competitor due to the aforementioned points of difference.

**Aspire Sound Studio:** While Aspire Sound Studio offers educational workshops (they are directly competing with my business in this sense) , they are based in a Thornbury warehouse. This business is geared more towards electronic music production, whereas mine is more open to any means of music creation. This business mainly caters to DJs and is owned and run by a DJ, whereas mine is more suited to instrumentalists.

**Hello Daydreamer:** Hello Daydreamer is a boutique Writing Room and Recording space with self contained accommodation set in the beautiful Macedon Ranges. This is a direct competitor in that it offers a very similar product/service with an emphasis on nature and atmosphere, although my business sets itself apart through its commitment to sustainability. Furthermore, my business offers alternative services such as educational workshops and events, whereas this business does not. There is also a difference in geographic location.

## 7. Marketing and Distribution/Selling Plan

I plan to create a unique brand identity that reflects the values and offerings of the retreat. The brand identity will emphasise the sustainability, creative atmosphere, connection with nature and geographic beauty to attract my target audience. My marketing plan places an emphasis on building, fostering and maintaining a strong and supportive community around my business.

### 7.1 Sales & Marketing Strategy

**Website:** I plan to build an engaging, user-friendly website that showcases the beauty of the location, amenities/equipment, workshops, and events. It will include testimonials from past participants to build credibility and trust, as well as a photo gallery, bookings page, and an “about us”/“our mission” page.

**Social Media:** I will leverage social media platforms, specifically focusing on visually-oriented platforms like Instagram and TikTok, as well as Facebook. I plan to focus on a social media strategy that incorporates both organic and paid tactics. According to Gomez (2022), the benefits of utilising organic social media include the potential to build audience relationships, drive brand awareness, and support social customer care, whereas the benefits of paid content include the ability to target ideal customers, drive leads and reach new audiences. Both offer the potential to gain new followers. As such, I will engage with my audience through Instagram posts, and I will also make use of targeted ads to reach a broader audience who may not be familiar with my brand. I plan to share captivating visuals, videos, and stories that highlight the retreat's unique features, community, and artistic experiences. I will connect with my audience by responding to comments, encouraging and sharing

user-generated content, and running contests or giveaways, such as black friday sales or christmas givaways. According to K6 Agency (2022), the cost of Instagram ads depends on your bidding model, such as cost-per-click (CPC) or cost-per-impression (CPM). Typically companies on average pay, \$0.50 to \$1 per link click. In highly competitive industries, like apparel, you'll pay more. The cost of Instagram ads may go up to \$3.00 per click.

Community radio: My business will sponsor both PBS and triple R and I will opt to run advertisements on the radio stations. I would like to partner with the stations in some capacity that will be mutually beneficial. Perhaps the sponsors of one/both community radio stations will be able to obtain a discount on our services. We could also be involved in giveaways - eg. triple r's annual radiothon subscription and donation drive offers prizes to new subscribers during the radiothon period. One prize could be a weekend away at Sky Sound Studios. This way I will be able to leverage the community of music lovers that these stations have already cultivated.

Video content: I plan to set up a webcam of sorts in the studio, to record educational content, which may also be used as promotional content. Prospective clients will be able to tune in and watch the writing process of the artists at the retreat. This is a way to drum up excitement.

Music victoria partnership: Music Victoria provides advocacy on behalf of the music sector, actively supports the development of the Victorian music community, and celebrates and promotes Victorian music. Advertising with Music Victoria will connect my business with a community of music industry businesses, media, musicians and partners, and expose Sky Sound Studio to Music Victoria's sizable audience of passionate music lovers.

Tourism Victoria: As my business aims to drive tourism in the Otway region, I could leverage a relationship with Tourism Victoria. The website includes a "What's on" and a "See and do" category. I could advertise in these sections, in a bid to reach my wider target demographic of tourists and travelling musicians.

Opening party/event: I will host an opening event at the retreat to generate anticipation and buzz around the business, attracting attention from the community and potential customers. An opening event provides an opportunity to connect with customers, local influencers, media personnel, and other businesses in my community. It will provide an means to connect with customers, local influencers, media personnel, and other businesses in my community, as well as gather valuable feedback from attendees.

Music magazines: As previously mentioned, my sister is working in the role of a music publicist and as such, she has an extensive list of contacts including music publications such as Beat Magazine. I will attempt to leverage her relationship with these publications and try to get ad placements. I can also enlist the assistance of my sister to write a press release, perhaps pertaining to our opening party, and ask her to invite all her contacts.

Local Shire Council: I will build and leverage a relationship with the ColacOtway council. The council have resources and services available to provide local business advice and support. They often organise networking events, workshops, and seminars where local businesses

can connect and collaborate. These events provide opportunities to build relationships, share knowledge, and explore potential partnerships with other businesses in the area. The council also promote local businesses through their website, social media channels, and community events

Other ideas I have for marketing my business include having leaflets in tourist towns along the great ocean road, i.e. at the Lorne and Apollo Bay information centers. Perhaps included in the leaflet will be a QR code, which prospective clients can scan for a discount on our services. I will also think about activities we can do that are newsworthy and will generate interest, i.e. a recording studio that is giving back to the environment via tree planting, etc. We will document everything with the intention of our message reaching as many people as possible. I also plan to leverage relationships with musicians that are friends of mine and have large followings, such as Hayley Mary from The Jezebels and her partner, Johnny Took from DMA's. If I could get them to do a writing session at the studio and post about it on social media, it may generate greater interest in my business. I would also share this content on my social channels.

## 7.2 Production Plan and Challenges

Logistics and accessibility: managing logistics such as transportation, meals, and amenities for participants can pose difficulties. Also building logistics could be challenging due to the remote location of the property.

There is a possibility that I will face challenges in outsourcing the materials needed to deck out the studio space. I may need to build bespoke sound absorption panels that are specifically suited to the shipping container, as opposed to buying ready made ones.

Staffing and coordination: Hiring and managing a team of staff members, including facilitators, support/admin staff, and cleaners/repair people/maintenance staff, can be challenging, especially due to the geographic location of my business.

## 8. Financial Plan

### 8.1 Startup & Running Costs

There will be no lease expense, as my business partner owns the land upon which the business is situated.

I will acquire a second-hand 20-foot shipping container for approx \$3,800 from a shipping yard in Whittlesea, Victoria. This price is based on a shipping container that my business partner has previously acquired.

The studio space will be powered by a solar battery and a generator (as a backup if required) . Although the initial cost to set this up is considerable, I will never have to pay a power bill, unlike most other brick and mortar businesses.

After consulting with my business partner, who has previously set up refurbished shipping containers for accommodation dwellings, we have deduced that we will need about 40-50 solar panels, a 30KWH battery, an inverter, and a 9KW backup generator. The company we will use is called Anova energy and we have estimated the cost to be at least \$65,000.

Access to water will be from the accommodation dwelling, which is already connected to a water tank. Again, I will never have to pay a water bill, which will help keep running costs low.

Renovations/fitout and installation costs: The next major expense to consider is the recording booth build, cladding, soundproofing, wiring, and acoustic treatment of the space. In reference to past projects, my business partner has estimated this to cost approx. \$50,000.

Recording Equipment and Instruments:

My business partner and I already own a significant portion of the equipment we need to deck out the studio, such as a mixing console/desk and various musical instruments and amplifiers. The main equipment that we would need to buy is a UAD interface (preferably 16 channel - approx. \$6,300) , a pair of studio monitors (approx. \$1,700) , a midi keyboard (approx. \$150) , a Neumann TLM 103 condenser microphone (approx. \$2,200) , a computer monitor (approx. \$400) , and a set of headphones (approx. \$300) . We will also need various leads, cords and stands. The aforementioned equipment totals at approx. \$12,000 (approximate prices obtained from Manny's and Harvey Norman websites).

Studio Furniture and Decor: I will need to buy a desk, chairs, couches, storage units, lighting, and other aesthetic elements. Having looked on the IKEA website I estimate this to cost approximately \$3,000.

Internet connectivity: We will use satellite internet. The cost can vary based on the provider and the specific plan chosen. The initial setup cost can range from AUD 500 to AUD 1,500, and monthly subscription fees can be between AUD 50 to AUD 200, depending on the data allowance and speed.

Marketing and Promotion: I will need to set aside at least \$3,000 for marketing activities to promote the business prior to its launch. Initially, I will hire a photographer/videographer to create content to post on social channels. According to Cover (2020) , the most engaging type of in-feed content is short form video. On average, video production costs between \$880 and \$1200 but can vary (Cover, 2020) . Further costs may include website development, social media advertising (sponsored ads on Instagram and Facebook) , print materials (eg. paid ads in Beat Magazine) , online listings.

According to the article by West (2020) , the cost to advertise on Instagram depends on several factors like the mobile device you're targeting, demographics, day of the week and whether your ad is running during a major televised event. I plan to keep publicity costs low by leveraging my relationship with my sister, who is a professional music publicist. I will ask

her to share her extensive list of industry contacts with me and I will proceed to reach out to potential clients, partners and backers via email.

**Licensing and Legal Compliance:** I will need to budget for costs associated with obtaining necessary licenses and permits, such as business registration, music licensing, copyright registrations, and compliance with local regulations and tax obligations.

**Insurance:** I will need to consider insurance coverage to protect my studio equipment, property, and liability. This may include property insurance, equipment insurance, and general liability insurance.

**Miscellaneous Expenses:** Budget for other miscellaneous costs, such as office supplies, software subscriptions, professional fees (e.g., legal and accounting), and contingency funds for unexpected expenses.

## How I will fund this business:

I have decided that I will contribute \$40,000 of my own savings towards building the business - a form of financing known as “bootstrapping”. According to the article by Kenton (2020), bootstrapping allows the entrepreneur to maintain more control and ownership of their business while minimising debt and financial obligations to others. GoPro, Facebook, and Amazon are examples of companies with humble beginnings and bootstrapped starts (Kenton 2020). My business partner will match the amount I am contributing towards funding the business.

In addition, I will explore the option of launching a Kickstarter campaign to help provide the seed funding I needed to start my business. According to Song (2022), crowdfunding is generally more efficient and far less risky compared to traditional fundraising from investors. Furthermore, launching a campaign may help me gain early and loyal customers, and build early momentum (Song, 2022). My funding goal for my kickstarter campaign is \$80,000.

I will design a range of rewards for different pledge levels that will provide value to my backers and incentivise them to support the campaign. These rewards will include discounts, exclusive merchandise, or special experiences related to my business.

Finding backers for my Kickstarter campaign will require strategic outreach and effective marketing. I will start by leveraging my existing network, reaching out to friends, family, colleagues, and acquaintances, as well as my peers and teachers at SAE who may be interested in supporting my project. I will ask them to spread the word and share my campaign with their networks.

I will utilise the online global crowdfunding platform, [Kickstarter](#), to reach potential backers. I will create a visually appealing and informative campaign page using high-quality images,

videos, and engaging content to showcase my business idea, explain the benefits of supporting the project, and clearly outline how the funds will be used.

I plan to leverage social media platforms to reach a wider audience. I will create engaging content related to my campaign and share it across the social media profiles I will create for the business, using relevant hashtags and encouraging followers to share posts.

I will identify online communities, forums, and groups that align with my project's target audience, i.e. [Melbourne Musicians facebook page](#) (which has 12.5K members) and share my campaign.

I will identify bloggers, influencers, and content creators who have an audience that aligns with my target market.

I will attend industry events that are relevant to my project, i.e. Music Victoria events. Here I will network with like-minded individuals, share information about my campaign, and collect contact information from potential backers.

I would also like to apply for financial backing from government organisations. I will apply for funding from [The Regional Arts Fund](#), which is an Australian Government program that supports sustainable cultural development in regional and remote communities in Australia. The program is managed by Regional Arts Australia and organisations in each state and territory. I will also look into garnering the support of APRA AMCOS.

## 9. Ethical Implications

**Environmental impact:** There are environmental impacts of operating a recording studio/writing room that must be considered. In addition to utilising renewable energy, we are committed to implementing sustainable practices, such as energy-efficient equipment, recycling, and reducing waste, to minimise the studio's carbon footprint. I plan to donate a portion of funds generated from merchandise sales to the Conservation Ecology Centre in Cape Otway. The funds will contribute towards helping the local initiative plant trees, monitor threatened species, fund research into ecological burning in Cape Otway, and limit the impact of feral predators in the area.

**Privacy and confidentiality:** I am committed to respecting the privacy and confidentiality of artists/clients. I will safeguard their personal information, recordings, and creative ideas from unauthorised access or disclosure. "Acknowledging the copyright of others within your work, and asking for permissions to use parts of the work of others, relates to having respect for and acknowledging the work of professional artists" (Le Rossignol & Wilson, 2015). I will implement an 'End User Licence Agreement' (EULA) covering important aspects such as the scope and limitations of the license, any restrictions on how the product/content can be used, clarification of the ownership of intellectual property rights, and conditions under which the license can be terminated.

Community Engagement: The writing retreat's emphasis on building community, networking, and collaboration provides an opportunity for participants to connect with like-minded individuals and share knowledge and inspiration. Ethical considerations involve creating an inclusive and supportive environment, promoting diversity, and ensuring fair and equitable opportunities for all participants. I would like to be able to provide benefit to local industries as much as possible, and ensure that people are fairly compensated for their contributions towards the business.

## 10. Risk Assessment

RISK	LIKELIHOOD (HIGH/MED/LOW)	IMPACT (HIGH/MED/LOW)	RISK RESPONSE (CONTINGENCY PLANS)	RESPONSIBILITY
Studio equipment failure	Low	High	<ul style="list-style-type: none"> <li>- Network to form and leverage relationships with individuals who have expertise in equipment setup and troubleshooting for effective problem resolution.</li> </ul>	Lakota
Risk of natural hazards, i.e. bushfire	Med	High	<ul style="list-style-type: none"> <li>- Establish clear evacuation routes and have fire extinguishers and emergency kits ready with essential supplies.</li> <li>- Stay updated on fire danger ratings and warnings issued by local authorities, and follow their instructions and recommendations.</li> <li>- Clear vegetation and debris from around the studio, creating a buffer zone that</li> </ul>	Lakota



			<ul style="list-style-type: none"> <li>- reduces the risk of fire spreading.</li> <li>- Insurance</li> </ul>	
Only three out of 10 clients turning up to a workshop/event	Low	High	<ul style="list-style-type: none"> <li>- Have a payment system in place such as a non refundable deposit</li> </ul>	Lakota
Solar power failure or inadequate sunlight.	Med	High	<ul style="list-style-type: none"> <li>- Backup generator</li> <li>- Regular maintenance of solar panels</li> </ul>	Lakota
Health and safety/injuries, i.e. spider or snake bite, falling tree limb on head, heartattack, etc.	Med	High	<ul style="list-style-type: none"> <li>- Ensure staff, including myself, have first aid training.</li> <li>- Ask clients to fill out form including medical history and liabilities prior to attending.</li> </ul>	Lakota
Financial struggles, i.e. insufficient funds or build being more expensive than anticipated	Med	High	<ul style="list-style-type: none"> <li>- Continue researching alternative ways to raise funds, i.e. bank loans, other government grants/programs</li> </ul>	Lakota
Security breach, i.e. trespassing/robbery	Med	High	<ul style="list-style-type: none"> <li>- Impliment surveillance cameras</li> <li>- Locks on doors</li> <li>- Insurance</li> </ul>	Lakota
Copyright infringement	Low	High	<ul style="list-style-type: none"> <li>- Ensure clients sign a form outlining copyright terms and conditions</li> </ul>	Lakota

# Mid-Project Reflection

- **Process:**

I chose to explore a business idea that I have been thinking about doing for real. As a musician, I wanted to choose a business that is relevant to my current profession and area of study. I also wanted to leverage the land resources and expertise of my father, who is also a musician and entrepreneur, having set up and run music studios in the past. My initial idea was for the business to be a recording studio, however, I soon realised that I would need to invest a lot of money into acquiring state of the art equipment to compete with other recording studios that are equipped with high quality gear. After brainstorming alternative options that would be cheaper to set up, I decided I could start with a basic setup that would function as more of a writing room/space with the goal of expansion, as I became able to afford better equipment from revenue generated by the business. I based my writing room setup on the writing rooms offered by local Brunswick business, Small Time Studios. As the property is off grid and my father has set up various dwellings on the land (including refurbished shipping containers, which function as accommodation dwellings), I leveraged his expertise in this area. I consulted with him about the means and cost to power the studio, price and provider of second hand shipping containers and the approximate cost to refurbish the container. Next, I brainstormed ways I could leverage relationships with local businesses and create a community of loyal supporters around my business. I utilised ChatGPT to help generate ideas, which I was then able to flesh out with my own research. The fourth Week 11 before class reading helped me determine why a risk assessment is essential when planning a business. According to the research by Le Rossignol, K., & Wilson, C. R. (2016), by assessing risk, you will be able to establish appropriate measurement criteria and monitoring methods for your project. Assessing risks will certainly help me identify potential challenges and uncertainties that could impact the success of my business. I'm realising the importance of having plans in place for when things don't go as planned.

- **Person:**

In week 10 we had a substitute facilitator running the class and I was the only student in attendance. I was able to have a one-on-one consultation with the facilitator, who helped me flesh out my business concept. We went through each section of the business template document as he provided new ideas and feedback. He placed emphasis on building a community and involving local businesses. He encouraged me to explore the idea of hosting workshops and events, as opposed to just renting out the writing space.

I took advantage of my father's expertise with regard to planning the studio build and amenities such as power and water. Furthermore, my classmate, Selina, shared her business concept with me and I provided feedback on her app.

- **Proficiency:**

Entrepreneurial Mindset: I am currently developing an entrepreneurial mindset, which involves qualities such as creativity, innovation, resilience, and the ability to take calculated

risks. This mindset will allow me to think outside the box, identify opportunities, and navigate challenges.

**Market Research:** Conducting thorough market research is crucial to understand the target market, industry trends, competitors, and customer needs. I am developing my research skills by reading more articles, i.e. the pre-class readings, and taking notes in order to retain useful information.

**Problem-Solving Skills:** Identifying a problem or opportunity and proposing a solution is at the core of a business idea. Strong proficiency with regard to problem-solving will help me address challenges, anticipate potential obstacles, and find innovative solutions.

**Writing and Communication Skills:** Effective communication and writing skills are vital for articulating my business idea in a clear and concise manner. I believe I am proficient in this area, although there is room for improvement. I could develop my writing and communication skills by reading and seeking feedback from teachers and peers.

**Strategic Planning:** Developing a strategic mindset involves setting clear goals, defining a vision for my business, and creating a roadmap to achieve those goals. This includes identifying key milestones, outlining strategies, and establishing action plans.

- **Reference:**

Le Rossignol, K., & Wilson, C. R. (2015). *Freelancing in the creative industries*. Oxford University Press ANZ.

## Project-Completion Reflection

- **Appraisal:**

Overall I believe my project was successful in that I managed to conceptualise an entrepreneurial venture and complete a thoroughly thought out business plan within the time I was allocated. The feedback that I sought from my facilitators was instrumental in helping me flesh out my idea and has reaffirmed my belief that seeking feedback and fresh perspectives is very important when faced with situations that require decision making.

I learnt that instead of mulling over an entrepreneurial idea in my head, it is really helpful to get it out in writing (via a business plan) and seek feedback from others. Creating this business plan helped me clarify my ideas and organise them in a structured manner. It forced me to think through various aspects of my business idea, which provided the clarity I need to be able to make an informed decision about whether this is a feasible idea and set realistic goals.

Until my consultation with the substitute facilitator, Adrian, I hadn't considered hosting and recording workshops and events at the retreat. I had initially conceptualised the business as a writing space that a band, musician or producer would rent and work privately to write music in solitude, while staying in the accommodation. Adrian encouraged me to think of ways I could build a community around my business and get as many people involved as possible. He also encouraged me to consider recording everything to use for promotional content.

When I was researching how much it would cost to start my business, I was shocked by the amount of money I would need to spend on powering the off-grid studio/writing space. Overall, the cost to start a business such as this was much greater than my expectation. Startup funds would be the main setback for me if I was to move forward with this business in real life, although I found it interesting and enlightening to research the ways in which I could raise/obtain funds.

- **Challenges:**

I have been going through some challenges in my personal life for the past two weeks that have made it difficult to focus and create space to complete this assignment. I have been learning that although I have always strived to achieve the highest mark or result in my work, this may not always be possible, as I need to prioritise my health/wellbeing over academic achievements.

Time management was a big challenge for me. I feel that this project took much longer than I had anticipated. Given a few additional weeks to work on the business plan, I am confident that I could delve deeper into various aspects of the potential business idea that I have explored, enhancing the level of detail and analysis. Also, I didn't realise there was a word limit, which is completely my fault. I should have read the unit guide brief in closer detail.

- **Future Goals:**

In future, I will attempt to set aside more time to complete large projects such as this. I believe I could have improved upon the content and writing displayed here if I had additional time. Furthermore, I plan to seek more feedback, especially from people who are already working or undertaking entrepreneurial pursuits in similar industries.

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