

Women Entrepreneurs In the Music Industry

Kimo Williams — June 2009

Objective of this paper: To foster an understanding of entrepreneurship as a path to success in the music business and illuminate the key characteristics of music entrepreneurs, with specific attention to gender-based considerations and challenges.

Problem this paper addresses: Women continue to struggle in this male-dominated industry. They must develop a different set of entrepreneurial tools to take advantage of its opportunities.

Historically, the music business has perpetuated the idea that artists need only “do their art” and they will be discovered, or that the art as a product can sustain itself simply because it is quality art. The industry also continues to suggest that people other than the artist or music entrepreneur will handle all aspects of a song’s success and keep them out of the artist’s control. The entrepreneur as artist or arts manager must understand this paradigm in order to see and overcome the challenges that the industry faces, now and in the future.

Current State: The industry has gone through a major change with the advent of digital technology that now offers the entrepreneurial individual (artist or record-industry professional) new tools and resources. From a gender perspective, women are now able to compete in a non-gendered arena (the Internet), and with mastery of these digital tools they can meet the challenges inherit in an industry perceived as highly gender-biased.

Audience for this paper: Managers, artists, entrepreneurs and investors interested in the music industry and the opportunities it holds for women.

Proposal: Drawing on the author’s personal experience educating successful female students (graduate and undergraduate) and working as an entrepreneur in the music industry, this paper will help readers or seminar attendees lay a foundation for themselves and their colleagues and contacts to develop an entrepreneurial approach to their work in the music business.

Contributions: In that the music industry has moved to a more interactive environment, women can better manage their art or business and not have to compromise their artistic aesthetic or cater to gender driven attitudes to find success. Which in turn will contribute to the self-preservation of the artist-entrepreneur-arts manager.

I. Overview

This paper will consider the entrepreneur's relationship to the recording industry as it relates specifically to women.

The term "music business" is sometimes used synonymously with "recording industry." But while both terms treat music as the product of an industry, one has a broad focus and the other has a narrower focus. The music business includes a host of activities related to creating, producing, and purveying music: for example, the retail sale of musical instruments, the music education system, sheet music publishing, chamber orchestra management, and so on. The recording industry focuses on just one activity: the creation and dissemination of recorded music. In the recording industry, the song is the product over which all the participants hover. True, a song is a gift that originates with a songwriter, but the songwriter is in fact an entrepreneur, one who creates a product that requires talent. That product is available for consumption by a multitude of other participants in the industry—managers, producers, promoters—who may also be, or wish to be, entrepreneurs.

A woman in this industry, whether she is an artist or a businessperson, is a woman first and an entrepreneur second. Even today, an organization may have a place for the "token woman," or a woman may have a particular opportunity specifically because a man has helped her get there. Gender roles are based on the patriarchal society that we still live in, and they have not materially changed for centuries. In 1975, the critic Laura Mulvey, in her famous essay "Visual Pleasure and Narrative Cinema" (*Screen* magazine), said this about gender as Hollywood renders it on film: "...the male gaze projects its fantasy on to the female figure which is styled accordingly....women are simultaneously looked at and displayed, with their appearance coded for strong visual and erotic impact so that they can be said to connote to-be-looked-at-ness". In this view, women's part in the patriarchal society is to cater to the desires (not always and not only sexual) of men.

II. A Historical Perspective

The recording industry dates back to the turn of the 20th century, when the 78-rpm (rotations per minute) vinyl record was introduced. The “78,” which held only about three minutes of recorded content on each side, was more than just a physical product to sell; it created a new means for consumers to experience music. Classical pieces were the most popular, and many art songs and arias were presented in this way. Entrepreneurs in the industry soon realized that the 78 was very limited—these three-minute records were not appropriate for longer pieces or full-scale classical works. In the 1930s and 40s, the LP (long playing) disc was developed, initially as a medium for listening to political speeches and grand operas (which lasted considerably longer than three minutes) without so much changing of discs.

Once the LP, at 33 1/3 rpm, was introduced, the race was on for record companies to bring out new formats (much like HDTV and Blu Ray today). In addition to the 78, which was still available, producers brought out the 45-rpm disc and the 16-rpm album. The competition was over which format consumers would prefer. The victory of one format over another was decided by musical genre and marketing considerations.

For business purposes, such as speeches and education, the “33” was the format of choice, as it could hold approximately 20 minutes of content on each side. This format was preferred for classical music too, for the same reason—so a long soprano aria could be heard in its entirety without interruption. For popular recordings, whose audience was increasingly focused on “the song” as the major musical form, the 45, also three minutes to a side, replaced the 78 as the main format. The concept of the “single” was born.

Blues, growing in popularity at this time, helped to usher in the phenomenon of the “hit song.” In fact, one of the first true women entrepreneurs in the music industry was the prolific blues singer, Ma Rainey. She recorded hundreds of songs that were just long enough for one side of a 45. Some entrepreneurs realized that the public would pay as much for individual songs as they would for an entire LP’s worth of music. They also discovered another source of revenue—from advertisers who wanted to pitch their products in tandem with these popular songs. Soon advertising content was being broadcast on radio, for pay, for consumers to hear alongside the plays of their favorite 45s.

This established the paradigm of the recording industry as we know it today, in which the song has become a product and its availability to the public is managed and controlled by a business manager with a marketing plan, not by the quality of the art itself or its execution by the artist.

The modern industry has been shaped not by artist-entrepreneurs (who might be men or women) but by business entrepreneurs, who are most often men. If art were the driving force, the divide between male and female would not be so wide, since gender is irrelevant to the quality of the product. But an industry driven by business, based in what remains basically a patriarchal society, is bound to view women through tinted glasses. If we realize this, we must also see that an inextricable element of success in the music industry has sexuality as its base and women are generally the object of this focus.

Sex sells. This is a cold, hard fact. It is an integral part of almost every music-oriented marketing plan and every image-driven promotion strategy; the marketplace demands it. Women are sexually objectified according to our patriarchal values as they have been established since the beginning of time. During the 1960s the feminist movement made dents in this perception, and change was inevitable, but it came as societal change always comes, in small, imperceptible steps; true change in the infrastructure of society did not materialize.

Today, though, something significant *has* changed. A new technology called MPEG (MP3, Motion Picture Experts Group), together with the founding of MP3.com by Michael Robertson in 1998, is paving the way for the emergence of the artist as entrepreneur and making it possible for women to take on new, less gender-determined roles. The implications of this change for entrepreneurs in the business of music will be the focus of this paper.

III. The Entrepreneur

What do we mean by entrepreneurship? Not every person who takes initiative to obtain some business result can necessarily be considered an entrepreneur, though independent success is often seen as an important criterion.

Is the self-employed artist an entrepreneur simply because she wants to earn money from her art? Or is she simply in need of employment and using her art as a source of income like any other? We may each answer these questions differently, based on our own frame of reference. The questions are intended, not to develop a precise definition of entrepreneurship, but to help us understand our attitude toward its many forms.

What Makes an Entrepreneur?

Anyone can learn and emulate the characteristics of a successful entrepreneur. However, the true entrepreneur has certain innate characteristics that manifest at a young age—a set of traits and values that are uniquely different from those who are not entrepreneurial. An understanding of these characteristics will help music professionals and amateurs develop and implement strategies for successful entrepreneurship in the recording industry.

For women, there are special barriers to developing the traits of an entrepreneur. The young man is told he can grow up and be President, or if he works hard he can earn money to take care of the woman; both levels of expectation reinforce the idea of taking responsibility through self-initiative. The young woman is told (mostly by the media) to look good for the man; she may achieve self-reliance, but only within the patriarchal paradigm.

What I would like to do here is discuss the characteristics of an entrepreneur generally, then examine the function of the entrepreneur within the recording industry, along with the specific challenges and opportunities that women entrepreneurs face in the business of music.

Entrepreneurship Characteristics

An entrepreneur:

- Is innovative and creative in his approach to even the most basic tasks
- Invests in strategies that can be developed beyond the initial objective
- Is unique and different from a manager who uses existing resources well
- Is often more impatient and spontaneous than a manager

Additional characteristics for many female entrepreneurs:

- Does not wear feminist activism on her sleeve, but believes in the spirit of feminism
- Is inquisitive in areas that are traditionally male-dominated
- Is educationally, intellectually and technically proficient in many different areas of the music industry

According to the Small Business Association, entrepreneurs are marked by these additional personal traits: leadership, decisiveness, competitiveness, will power, self-discipline, comfort with the planning process, and an ability to work well with others. From my observation, women are also a bit more stubborn, emphatic, and aggressive in professional life, and they are often acute observers of gender-based societal constructs.

As I said earlier, anyone can learn what these characteristics are—but success takes more than learning. It is very important to remember that holding a degree in Entrepreneurship does not make one an entrepreneur. The application of learned knowledge to one's internal and external environment is a better measure of an entrepreneur's acumen.

The Road to Entrepreneurship

There are many reasons why people go into business for themselves. They may want to be exempt from the work routine that is the norm in a “9-to-5” job; they may desire freedom from management; they may like the notion of reaping financial rewards in their entirety, not simply earning an hourly wage or an annual salary.

Women may have particular reasons for wanting to start their own business: for example, if they are offended by the emphasis on sex in the industry, put off by what they perceive

as limited opportunity, or repulsed by the sexual innuendo, inferences, implications, and even harassment that seem to be acceptable in the workplace.

For most music industry entrepreneurs, then, the desire to be free from upper-level management or from unacceptable gender bias is the predominant reason to go out on their own.

What Does It Take to Be a Recording Industry Entrepreneur?

The recording industry can no longer sustain someone who specializes in only one area—who can only manage talent, or only produce records, or only manage financial or legal processes. The music entrepreneur must be proficient in all these areas, able to write a marketable song (or obtain one), get it recorded, and then make it available to identified song consumers such as music publishers, artists, and record companies.

It is still possible for a regular songwriter to be successful in the music industry, but the odds in today's high-technology realm are ever more slim. Thanks to increasingly innovative technology, the songwriter can not only write the song but perform the song, record the song, mix the song (several tracks into one), manufacture the song on a physical medium (CD), upload the song to the internet (MP3), and sell the song to a publisher, or directly to the end consumer, without input or aid from any industry professional. He can do all this with a computer right from his home.

The record companies that used to carry out the aforementioned steps are no longer essential to the success of the song. This artist is, in fact, his own record company. To function this way, he has to start thinking like an entrepreneur, considering each step, how it connects to the genres that sustain the recording industry, and how it relates to the needs of the identified end user.

Consider the following questions:

- *Have you stopped soaking in knowledge?*

Entrepreneurs are always seeking new ways of doing things; sometimes they find these methods through research and sometimes they come to them by intuition. The music industry entrepreneur must constantly review the industry literature and find ways to exploit what she learns, even without any hard facts. The more you know about the ever-changing industry, the better your decision-making process, your ability to calculate risks, and your readiness to exploit opportunities.

- *Are you an expert in any aspect of the industry?*

As I said earlier, the concept of specialization in one particular area of the industry is passé. Even in the traditional job market, organizations are seeking employees who do not simply complete the day-to-day tasks they are assigned, but bring a spirit of entrepreneurship to their work. This is called *intrapreneurship*. But though it is no longer wise to specialize exclusively, you do need to have a focus. For example, your focus might be business management, contract negotiations, song writing, singing, guitar playing, producing recorded music, and so on. Beyond your focus, you need a good grasp of managerial practices, accounting practices, human psychology, and marketing, as well as the many creative aspects of the industry.

- *Can you see opportunities outside your comfort zone—are you a visionary?*

If you do not stay current with changing technology and form your own ideas as to how technology will affect the industry, you will fall behind the changes as they are happening. The music industry entrepreneur must have a vision for the future at all times. The most appropriate way to gain this visionary attribute is to scour the Internet. You must “Goggle” (search) for information specific to your area of interest. You need to become an expert so that you can see beyond the current state of things.

- *Are you inquisitive, patient and persistent?*

The infrastructure of the recording industry still operates on the concept of networking. You must constantly introduce yourself to various types of people and let them know what you have to offer. The best way to network is to be inquisitive (so that you ask the

right questions of the right people at the right time). Though a first impression can develop into an opportunity, the follow-up contact is often more important than the initial meeting. In order to follow up with a client, the entrepreneur must be persistent, but also know when to back away—and this takes patience. As you are developing a vision or concept, you may find that the people who can help you realize it are quite busy and tend to prioritize their responses to e-mails or phone calls. They know they must meet their regular day-to-day obligations before venturing into new relationships. If someone gives you a card or provides contact information, this indicates their interest and they expect further contact.

- *Can you control the interpersonal dynamics among professionals?*

For a woman, networking is the most critical area and yet the most controversial. To many men you come in contact with, you are a woman first and a colleague second. How do you network persistently and put yourself forward aggressively without the risk of being asked for something more than a business relationship? Often a relationship that starts as a business conversation can move on to uncomfortable or unclear advances from male patriarchs. The female entrepreneur must develop a professional demeanor that quickly establishes the conversation as knowledge-based. This is in contrast to many networking environments in which men thrive, where the conversation starts socially (in a bar, men talk about women or football) and then moves to the professional. The woman entrepreneur must control the conversation from the start and refrain from reacting to the flirtatious behavior that so many men slip into when they are not interacting in a strictly professional context or when they are in a dominant position due to their stature in the industry. The woman cannot afford to send overt feminist signals, but at the same time she must hold the position (through rhetoric) that she is the man's professional equal. Of course, she can talk about wanting to learn from him; she might ask about internships or suggest meeting to discuss possible opportunities. But she must firmly and convincingly establish that there are no open doors to anything other than a professional interaction.

- *Do you know that your competition is always just a phone call or a resume away?*

The industry has changed exponentially over the last 20 years. The concept that only the fortunate few can get a contract with a record company is now obsolete. As a result, many more aspiring artists are entering the industry, and many of them are becoming

successful. Entrepreneurs are always observing their surroundings to determine what needs have not been met, then creating the product or service that meets that demand. If there are already products that seem to meet a particular need, the entrepreneur looks to see if she might improve on the product or service and perhaps increase her market share. To do this, she must fully understand who her competition is and what they bring to the table.

- *Do you maintain a constant sense of urgency in all that you do as an entrepreneur?*

As fast as the industry is moving, you cannot keep up with all changes in all areas—which makes it all the more important to strive to keep up as much as you can. The entrepreneur cannot afford to procrastinate or wait for change to happen. She must meet every day ready to investigate the industry and challenge the status quo, to seek out new and exciting information that will feed the entrepreneurial spirit. She must remember that seeing possibilities and not acting on them is what makes us complacent.

- *Do you know mediocre when you see it?*

Mediocrity is a virus that has infected not only the music industry but also our society as a whole. To rise above this, you need a philosophy that every day is a challenge and a drive to excel at everything you do. This is easy to say but truly hard to live by. You must excel at time management (always on time and never late), excel at planning and processes, and exercise stringent quality control in all your responsibilities, both personally and professionally. Always be evaluating and adjusting to meet the highest standards.

- *Can you rise above failure or rejection and continue to push forward?*

The recording industry has always been and will always be a breeding ground for failure or rejection. Thousands of people are constantly vying for a limited number of opportunities; each individual must be able to rise above his or her ego and adjust to failure. The entrepreneur knows the volatile nature of the industry and is always prepared for failure or rejection. He realizes that in some cases the rejection is not based solely on the quality of the product, and that many decisions made by potential benefactors are sometimes just bad decisions. (Decca Records and their decision-maker Dick Rowe

passed on the Beatles.) The true entrepreneur must not give up; he must readjust and try again. The best response to failure is adaptation. Often, industry professionals will give feedback explaining why a proposal, application, or song was decided against; a true entrepreneur will take this feedback as constructive, even if it hurts at first.

- *Can you cope with rejection that seems biased or unfair?*

The female entrepreneur faces special challenges when it comes to coping with rejection. She will inevitably be subject to gender bias as well as to a kind of physical bias that I feel is even more prevalent—is she pretty, blonde, chubby?—and will find doors shut before she has a chance to show what she can do. It is here that her perseverance will truly be tested. To play the “gender card” and call attention to the treatment she’s received will not change the situation. If anything, it may limit her other opportunities, as there may be a stigma (though undeserved) as attached to her for being too strident a feminist or too sensitive to the normal interplay of the industry. Being rejected is a staple in the music business; a woman must remember that the *reason* for rejection is not relevant unless she can grow from it personally or professionally. When you are absolutely sure that gender bias played a part in your rejection, you must carefully consider the consequences of any action you decide to take. Never make a decision based on principle alone; never take a stand to “make sure no one else has to go through what I went through.” This may be good citizenship, but it will not help your career.

- *Can you separate the failure of a vision from your failure as an entrepreneur?*

Sometimes, in the recording industry successful entrepreneurs are created by chance. Someone who is not entrepreneurially inclined may have an idea that mushrooms into the latest big thing. When that idea runs its course (because consumers’ habits change or technology moves on), it does not mean that that person is a failure as an entrepreneur.

There is no royal road to success as an entrepreneur, though the media and many academic programs perpetuate the myth that there is. Will a degree in music business help you? Yes—it will allow you to compete for one slot against 3,000 potential applicants instead of 10,000. Your success is in your hands alone.

There are two types of entrepreneurs that will have the most influence on the future of the Recording Industry: The Artist Entrepreneur (creative) and The Business Entrepreneur (non-creative). As I mentioned earlier, the concept of “The Record Company” has shifted; the corporate entity is no longer the deciding factor in the success of a song. That success can now be in the control of the artist entrepreneur, if she chooses to take advantage of the entrepreneurial process. The business entrepreneur should make her main focus the management of the song and how it can best find its audience and generate revenue. She must also realize how decision-making has changed and how important it is to engage the artist in the entrepreneurial process.

IV. Technology and the New Record Industry: A Snapshot

P2P (Peer to Peer)

In 1999, a college student named Shawn Fanning wanted to trade music files with his friends. There were only two electronic mechanisms for him to do this: he could save MP3s on disks and then send the disks via regular mail, or he could e-mail the files. Even the latter took quite some time, depending on the modem’s speed.

Then Shawn discovered that he could upload his files to a centralized FTP (File Transfer Protocol) server and direct his friends to this server via a URL (Uniform Resource Locator). He had his friends upload their favorite MP3s to the FTP site too, placing them in a folder that he could view and then download. He soon realized that the server would at some point be inundated with MP3 files from thousands of people who wanted to share music with each other and could overload and shut down. Additionally, with so many people uploading, he knew there would be many duplicate files taking up disc space that he would have to pay for.

So Shawn came up with a new concept. He wrote a program and called it Napster (a high-school nickname). The idea was to replace a centralized server (the FTP site) with a network of users, each constituting a server of sorts. Any user who wanted to connect to another user’s computer could do this with the Napster application. Each user provided a “share access” folder that any other user who was online could look in and download from.

Soon millions of users were sharing files and the recording industry took notice—but, interestingly, only of Napster’s legal implications, not of the promise and possibilities of the new technology. Those possibilities continue to develop, and with ever-increasing bandwidth, the ramifications for the industry are far-reaching.

Social Web Portals

For most of its history, ever since the invention of the player piano, the recording industry has isolated artists from their fans. Prior to that, listening to music required physical attendance at a performance. Soon, marketers and businessmen realized that consumers would pay to have easier access to this entertainment. They looked to publishers to create sheet music so that consumers could play their favorite songs at home.

Of course, not every household had a piano or a person who could play. So an entrepreneur saw a need and invented the player piano, a mechanical means of playing music by way of piano rolls and sprocket holes.

In this moment, art was transformed into a complex product, something to be managed, sold, and owned instead of simply enjoyed. Sheet music was an interactive medium, a conduit to recreating the art, but the player piano with its mechanical rolls did not have any artistic component or connection to the creative process. The recording industry was launched, on its way to becoming a product-driven business tied to profit margins.

Now, with the power of the Internet and social networking websites, we have come full circle. Consumers can now interact directly with creators and provide immediate feedback, via guestbooks and e-mail and blogs, as if they were watching a live performance on a stage. The record industry is inevitably moving back to the time when music was free.

Leveling the Field

There are thousands of Internet promotion/marketing organizations promising to make a fledgling band or songwriter rich—if the artist subscribes, for a fee.

What many of these organizations are doing is perpetuating the old industry saying: “Sign with me and I will make you famous.” They cater to that cultural phenomenon, so deep-seated in the U.S., of waiting to “be discovered.” They tell you that they will make you known to this radio station and that record company. They will get you reviews in this magazine and have you playing in this or that club.

What the young artists tempted by these promises fail to realize is that the Internet has leveled the playing field, and that with self-motivation, computer savvy, and the entrepreneurial process, they themselves can accomplish all the things that these promotion organizations claim to do. In many cases, these companies have no special industry knowledge in the first place; they may have collected their data from websites, but they imply to the artists that they have important contacts, when in fact their “contacts” are nothing more than a mailing list they’ve bought.

These Internet promotion companies will disappear as artists and industry professionals become more familiar with the Internet and (through increasing bandwidth) even more connected to their fan base. In time, all artists will effectively have their own record labels and will sell individual tracks to contacts they’ve made through concerts or Internet dialogue such as podcasts and blogs.

Technology has also leveled the field for women. Gender bias will still exist, of course, but in a change like that of the ’60s, women are now able to make a significant impact on the male-dominated music industry paradigm. The number of women in managerial positions within the industry has grown exponentially. More importantly, women can start their own businesses without ever showing their faces or revealing their gender. The Internet is gender non-specific. Women entrepreneurs can embrace this technology and use these tools to construct a viable business void of gender bias.

V. Conclusion

The female entrepreneur is in a better position than ever to break down the barriers of the patriarchy that have made it so hard for her to compete. With advances in technology and other changes in the dynamic of the recording industry, face-to-face interaction is less a factor than ever. Women can take advantage of this to sidestep gender bias, play a significant role, and enjoy significant success in every area of the music business.

For entrepreneurs in this age, there is still a need to manage the gender divide, but that divide is so small as to leave those who adhere to the old ways more and more out in the cold. Women entrepreneurs with knowledge, perseverance and focused direction are in a position of strength. They should take advantage of new paradigm shift and start setting the course for the new music industry.