



## **Unlocking The True Value of Your Creative Content:**

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**Overview:** The disruptive forces unleashed by the Internet are rapidly undermining the business models of traditional media and publishing companies while simultaneously offering new opportunities for creative artists to independently fund, market and distribute their work directly to their audiences.

In looking to establish a road map for independent creatives to follow in self-distribution, I look to the case studies of ten successful artists who provide insight and inspiration into thinking creatively about our work, our relationship with our audience and the need to embrace a niche for our work and our careers.

#### **Resources:**

Coffee's Economics, rewritten by farmers: <http://nyti.ms/10mMCWk>

Online bibliography: <http://bit.ly/JKunlocking>

### **Part 1: When The Internet Breaks The Media Companies**

For many years, media and publishing companies controlled the means of producing and distributing creative content. The massive costs associated with the distribution infrastructure (satellite trucks, broadcast licenses, etc.) kept smaller, independent creators at bay and concentrated power in large media conglomerates. The high costs for production were offset by advertisers willing to pay to reach large audiences of people who tuned in or subscribed to mass-market periodicals, television and radio programs, or bought tickets to see a Hollywood blockbuster.

Over the past decades, the Internet has undermined and broken the business model for many large media companies. Audiences are fragmented and an upswell of independent tools for creation, platforms for marketing, and options to independently fund and distribution content now allow niche businesses to thrive within smaller audiences.

This doesn't mean that mass media will disappear completely and that all artists need to become independent, Do-it-yourself (DIY) artists. However, this is increasingly becoming a viable alternative for artists and projects that don't appeal to a large mainstream audience.

Additionally, content is being asked to accomplish new strategic roles for businesses online. Increasingly, content is being used to attract larger audiences on social media, improve an organization's search engine placement, decrease customer service calls and pre-qualify customers to expedite the sales process. Surely, these new demands placed on content offer opportunities for savvy content creators to rethink the business model for creating and distributing content and rebuild businesses focused around the innate strengths of the Internet as a publishing

platform.

**Resources:**

VFX firm declares bankruptcy while accepting Oscar: <http://nyti.ms/160nGGv>

Hourly and per-article rates for writers down 81%: <http://bit.ly/160nJSP>

Content is still king: <http://bit.ly/160nYgJ>

**Part 2: A Portrait of the Artist as the CEO of an Internet Startup**

Creative artists need to rethink their business models and business strategies to adapt to this new landscape by building businesses based on the advantages the Internet provides for media distribution. Rather than outsourcing business and marketing decisions, audience building and distribution strategies, artists need to take ownership of these components and see it as a part of the craft of storytelling. Instead of a documentarian who produces a feature-length documentary and moves onto the next project, you're a multi-platform storyteller who produces a feature-length documentary and contributes valuable information on your subject to an interested audience, engages this community in a dialogue around the key issues associated with your film and is an impresario committed to bringing your vision to as wide an audience as possible.

This requires the creative artist to think of themselves as the CEO of a start-up company who's willing to invest the time in building great products, marketing them through their entire lifecycle and navigating the spectrum of distribution options, from traditional "do-it-for-you" (DFY) to do-it-yourself (DIY). A valuable toolkit for making these decisions can be found in *The Lean Startup*, by Eric Ries. Emphasizing iteration, rapid audience feedback and an agile approach to running a business, the core philosophies presented in the book dovetail well with the approaches filmmakers like Tyler Measom, James Swirsky and Lisanne Pijot have proven can be successful. These filmmakers blend business savvy with a deep desire to have the audience engaged for as much of the filmmaking process as possible. This engaged audience becomes the support network for funding, promoting and encouraging the success of the film. In essence, they become a part of the filmmaking team and are deeply invested (financially and emotionally) in helping this work reach a receptive audience.

**Resources:**

Tyler Measom- Utah's Documentarian: <http://bit.ly/16N1D6v>

An Honest Liar: <http://bit.ly/12Ko61N>

The Lean Startup: <http://theleanstartup.com>

Emily Best Interview: <http://bit.ly/14bPkDo>

**Part 3: Planting Orchards, Not Drilling For Oil**

By bringing your work directly to your audience and joining a community of like-minded individuals, you're investing in your audience as a sustainable resource to help your work grow and thrive for the long-term. Think of your work in the community as planting seedlings that will one day grow into a fruit orchard. The trees take time to mature and ripen, require regular care, water and nutrients, but will eventually produce a steady crop to harvest year-after-year. Contrast this approach to the way most creative artists approach marketing. Blast as

many people as possible, as frequently as they'll tolerate throughout the release, then cut ties and move on to the next project. Like tapping an oil reserve, the aim is to pull as much out of the ground, as quickly as possible, then move onto the next pocket of riches.

The creative artists who are building communities successfully who have an authentic fit within the community. They speak the same language, listen to the same music and understand the same cultural touchstones. They exist within the community because they are a part of the community. These intangibles help to define the primary audience for your work. Your secondary audience may not identify themselves directly with the core, but share some of the key beliefs. For example, a documentary about absinthe drinkers has an obvious primary audience—people who enjoy absinthe and all it represents. The secondary audience may include foodies, people who enjoy craft & high quality spirits and art lovers appreciative of the colorful backstory behind famous works of art. The secondary audience is larger and potentially more lucrative, but will be harder to connect with and may not be as invested in your work unless you can make a personal connection with them.

In connecting with your audience on social media, use Twitter to make connections with the community around hashtags, shared events or social memes. Facebook is recommended for people who already know each other. Don't overlook in-person meetings like Meet-up groups, launch parties, industry conferences or fan zines. Be sure that whatever your correspondence with the group, you first listen and engage as a member of the community, not someone looking to market or promote themselves or their product.

#### **Resources:**

Colleen Wainwright: <http://www.communicatrix.com>

Topspin Media/Bones Brigade: <http://bit.ly/ZgnXjd>

Ava DuVernay: <http://bit.ly/Zn0QmO>

Baratunde Thurston: <https://twitter.com/baratunde>

Mike Arauz quote: <http://bit.ly/10TtCMM>

Kevin Kelly, 1,000 True Fans: <http://bit.ly/10M9lKm>

IndeGame: The Movie, case study: <http://bit.ly/ZgpCFs>

#### **Part 4: Trading Analog Pennies for Digital Dollars**

In a reversal of Jeff Zucker's famous quote about trading analog dollars for digital pennies, some content creators are able to use the emerging funding and distribution mechanisms to turn-down deals from traditional media buyers in favor of a more rewarding (and more lucrative) self-distribution model.

Kickstarter and other crowdfunding platforms allow individuals to ask for, and receive, funding from a community of interested individuals. One's success in crowdfunding a given project will largely depend on how vested your community is in your idea and you as an artist. If you've engaged an active, enthusiastic community around your work, your success rate in crowdfunding will be much higher, as will your ability to ask for greater sums of money. Tyler Measom, a Salt Lake City social documentarian recently raised \$250,000 for an upcoming documentary and emphasizes the strong audience engagement is more valuable than the money for the long-term success of the movie.



These grassroots efforts strip away the intermediaries found in traditional media businesses (agents, PR firms, acquisition editors, marketing departments, administrative) and replaces it with a direct connection between fan and artist. The lighter footprint of a filmmaker operating in this manner, without a phalanx of additional overhead, allows smaller-budget, smaller-audience films to be as profitable, if not more so, than traditional methods. Jim and Lisanne, creators of *IndieGame: The Movie*, found that by engaging their audience, they grew an audience of 30,000 members prior to launch and had \$150,000 in pre-orders before the film's debut at Sundance. This early success allowed them to turn down traditional distribution deals because no one could better their current profitability.

As artists assume more of the responsibility in the business, marketing and distribution aspects of their craft, they keep a proportionally larger share of the revenues. But, this additional revenue isn't free, many of the artists warn. Running a successful crowdfunding campaign is a full-time job, as is continuing to promote the film after the release. Tyler Measom, for example, spent a full year supporting his previous film *Sons of Perdition* following the film's initial release.

Ultimately, the time and energy invested in nurturing a supportive community can pay dividends. As the audience meets and interacts with you, they're far more likely to support your current and future projects. Thus, the work you perform today, will continue to support you in the future.

So how much money do you need? This question will have wildly different answers depending upon the scope of work you're undertaking as well as the availability of other funds. The spreadsheets provided can help you to gain a sense for whether or not your crowdfunding campaign will be successful and help you identify prospective revenue sources. It's impossible to forecast your expenses and revenue with a high-degree of certainty, however, the spreadsheets serve as a valuable reality check to ensure your needs are in line with potential funding sources.

**Resources:**

Crowdfunded Photography spreadsheet: <http://bit.ly/10SLEAt>

Traditional vs. self-published book: <http://bit.ly/YkITu9>

Amy Toensing Interview: <http://bit.ly/Xqnl02>

## Part 5: Streams and Tides

In today's economy, it's become increasingly important to diversify your revenue sources to make up for jobs that don't exist anymore and to protect against the loss or withdrawal of an important client. In practical terms, this might mean mixing traditional corporate work with your narrative shorts, teaching a workshop here and there and making your past work available for digital download. Returning to the analogy of the artist as the CEO, you're looking to creatively utilize any and all methods of getting paid for your work to match your content with the distribution options most suitable to the project and your audience.

In broad terms, the distribution options fall in to one of three categories:

1. Publisher, Agent, Broker, Distributor
2. Aggregator/Platform
3. Self-Distribution

In the traditional structure, a publisher, agent or broker will provide funding for the creation of your content and will negotiate the distribution of your product through the appropriate channels. The greater the role this company has in controlling the audience and financing, the smaller the revenue share to the artist.

Content aggregators provide a platform for distribution and a method for transacting with the customer, but little else. Fittingly, their proportion of the proceeds is smaller, which benefits the artist. Aggregators are required to get your film on Netflix or in iTunes.

Direct to consumer carries the greatest risk and requires the most legwork on the part of the artist, but offers the possibility of high rewards for artists with a strong audience. Digital distribution platforms like Seed & Spark and Vimeo pro offer creators 80-90% of the download revenues.

Worth exploring are creative partnerships with companies looking to expand their content collection to engage their online and social media audiences. Provided your content matches their audience, this could prove to be a mutually beneficial relationship for both parties.

### Resources:

Zoe Keating: <http://bit.ly/11UiCm9>

Netflix & iTunes Aggregator: <http://bit.ly/10Lm0Pa>

Seed & Spark: <http://www.seedandspark.com>

Vimeo Creator Services: <https://vimeo.com/creatorservices>

## **Part 6: Sustain, Repeat**

Following the release of your project, the work promoting, engaging and community-building continues. The techniques for doing so have already been covered earlier in this presentation, however, the need to continue investing in your audience and supporting your work will make a lasting difference in the long term success of the project and the support you receive from your community. Tyler Measom considers this to be one of the most important aspects of the filmmaking process--connecting with the audience at the festivals, screenings and online to keep your work from slipping out of the public's attention.

## **Part 7: Conclusion**

Is direct-to-customer the right path for you to take? The answer is a definitive “maybe”. There are many factors to consider, from the niche appeal of your subject matter to your own capacity for unflinchingly building your community one Tweet, email or post at a time.

In thinking through your options, here are a few decision-making questions to consider.

### **1. Does the project align with my personal brand?**

Is this project you're deeply committed to and would pursue because it satisfies a deep creative desire? Or, is this a revenue-generating project to help fund other projects? There's no right answer here, however, the former is more conducive to a self-published project than the latter because you're more personally invested in the idea and community.

### **2. Is there a clearly defined audience?**

Have you thought through who this project is for? Is there a community of people already talking about the subject and engaged in a dialog? If not, progress may be slower as you attempt to catalyze an audience around your ideas.

### **3. Do the numbers add up? (Roughly)**

It's impossible to predict with any certainty the revenue you'll generate from your project. Even Harvard MBA's would only be able to muster a strong guess. So, you are always undertaking an endeavor like this with a sizable risk. Still, it's worth plugging possible scenarios into spreadsheets to see what the numbers could look like? Do you have to sell 130,000 digital downloads of your film to break even? It might work if you have 60,000 active followers on Twitter, but could be a stretch unless your 12 followers happen to be really well connected and passionate about your work.

### **4. Am I willing to commit for the long-term?**

Are you willing to see this project through thick and thin? Your personal passion can carry you through some mighty difficult times, but will likely flag if you're not deeply committed to the project. The documentarian Tyler Measom only takes projects he's willing to spend four years of his life on. He wants to be sure he's committed to the project's success and is mentally ready to invest the time and hard work necessary to make the project a success.



So what can you begin doing today to begin exploring the world of niche, direct-to-audience businesses?

1. Get niche: Look at the communities you belong to. Does your work fit within them? Can you identify a core group of people who would be interested in your work?

2. Get engaged: Begin connecting with the community. Listen, converse and share around the group's common interests. Don't start selling or promoting at this stage.

3. Embrace your skinny jeans: You're a lean, mean internet entrepreneur. Your motto is to fail fast on your way to success. You're going to use the internet as your platform for building your personal brand and experiment using the same philosophies Mark Zuckerberg and other internet phenoms have used to build agile businesses.

4. Channel Edison: Thomas Edison is quoted as saying "I didn't fail ten thousand times. I successfully eliminated, ten thousand times, materials and combinations which wouldn't work." There is no one road to success and there will undoubtedly be many missteps along the way. Just be encouraged that each obstacle, wrong turn and road-block helps direct you toward the path that eventually leads forward.

It is only through an open mind, ability to react quickly to changing circumstances and a willingness to experiment that you will finally unlock the true value of your creative content.