With the effectiveness of school systems to prepare youth for 21st-century academic and career opportunities coming increasingly under scrutiny, youth who demonstrate a keen ability to learn new skills, adapt to new situations, and envision emerging career possibilities seem best poised to succeed in the digital age. In this landscape, entrepreneurship, or the capacity of individuals to undertake and execute an independent creative business venture, is increasingly regarded as a necessary skill for today’s youth, regardless of whether they want to start a tech firm, form an ensemble, or run a private studio. This entry explores the history and current exemplars of successful entrepreneurship within the context of music, arguably one of youths’ most pervasive passions. By presenting various forms of entrepreneurship as well as examples of projects, genres, and organizations that have used entrepreneurial action to operate in innovative and sustainable ways, this entry speaks to the overarching principles that make entrepreneurship a necessary life skill.

The music industry has been powerfully affected by cultural, economic, and technological changes of the early 21st century. Consumption and production of music is being transformed and disrupted in just about all ways imaginable—from the emergence of digital platforms, through a dizzying array of social media apps, through the increasing cross-pollination of styles and genres, through changes in how we educate and train artists and nurture audiences. So much seems to be happening simultaneously. On one level, music seems to run like water through our everyday lives. On the other, there is a sense of urgency and excitement as artists, large and small ensembles, education institutions, and cultural organizations adapt, sometimes even morph, as they respond to the changes around them.

Entrepreneurship—the ability to imagine and identify opportunity, combined with the skills to creatively build something of sustaining value—is now a central and necessary part of the lives of artists, the development of organizations, and the future of music ensembles. Simply knowing how to do one thing well, such as performing an instrument, teaching in a classroom, or doing research, often is no longer enough to find long-term and satisfying employment or to succeed as a performing arts organization. Artists and organizations today thrive when they combine talent and hard-earned skills with deep situational and cultural awareness, proficiency in marketing and promotion, and knowledge of technology and social media.

Key to an entrepreneurial mind-set is a pro risk-taking attitude, which enables one to be more likely to take advantage of opportunity. The most successful artists of the 21st century are adaptive, responsive, and flexible, which make it possible for them to recognize and add value to emerging opportunities.

Entrepreneurship in the Arts

The word entrepreneur surfaced in France in the mid-18th century to define someone who undertakes a project. Through the centuries and decades since, it has come to represent innovative business practice and, more recently, an approach to inventive value creation. Entrepreneurial action in the arts requires what is sometimes referred to as “opportunity creation,” the means by which artists, creative collaborators, producers, promoters, and audiences find one another to add value to their lives.

Like social entrepreneurs, music entrepreneurs learn to combine the passion for creativity and problem solving with business discipline, innovation, and production within a larger context. They are aware that the act of music making takes place within a framework of relationships.
They improve systems of music making, come up with new ways to solve problems, and explore ways of changing organizations, ensembles, community, and society for the better. They have the ability to be visionaries and realists simultaneously and are passionate about transforming an idea into reality.

In the realm of the arts, success in entrepreneurial action—the creation of value—can have a double or triple bottom line. Financial sustainability and profit is one area of success. Societal benefit can be considered, too, as can the intrinsic power of the art itself. Key to entrepreneurial success is the generation of new ideas and new modalities. The entrepreneur is able to think boldly, question assumptions, and challenge the status quo.

The Creative Economy

The creative economy is understood to involve socioeconomic activities inherent in creativity, knowledge, and information that add and are sometimes crucial to the global economy. Advertising, art, design, fashion, film, music and the performing arts, radio, and television are all part of the creative economy, providing the cultural arena and society in which we live. Arts entrepreneurship and entrepreneurial thinking are embedded in the fabric of the cultural economy.

Intrapreneurship

Intrapreneurship, a term often used to describe an individual’s ability to act and think like an entrepreneur while working within an organization, performing in an ensemble, teaching in a classroom, and so on, can be useful to the advancement of a group’s mission. Often, independent entrepreneurs first find their foothold in creative thought while working within an organizational or educational structure and then move on to a professional life that is made up of multiple projects, sometimes referred to as a portfolio career.

Personal Entrepreneurship

Personal entrepreneurship involves characteristics and methods that describe successful entrepreneurs as they lead innovative and creative lives: They recognize opportunity. They are adaptive, self-aware, and good at reading others. Through their actions, they are catalysts for change are visionaries, and take initiative. They multitask and can build teams that both inspire and challenge. On an emotional level, they tend to be resilient, learn to handle risks, and tend to be competitive and goal oriented. They also have an ability to temper their creativity with realistic assessments. Personal entrepreneurship involves being able to develop innovative solutions, recognize opportunity, create demand, attract attention, and grow the number of consumers.

Examples of Music Entrepreneurship

Within the music arena, there are many examples of musicians, projects, genres, and organizations that have used entrepreneurial action to explore, discover, and present music in sustainable and innovative ways.

Genres

The early music field, emerging in the 1960s and blossoming toward the latter half of the 20th
century, involved a high degree of experimentation and risk: the rediscovery and recreation of ancient instruments and a performance practice (initially shunned by the establishment) that grew out of a combination of research and experimentation. The discipline slowly gained credibility in concert halls and institutions of learning, transitioning from early adopters to mainstream acceptance. As a result, the pioneers of the early music world have added immense value to the field of Western art music. Performance practice of music from the 16th to the 19th century has been forever changed.

Jazz, a quintessential American art form, emerged through highly entrepreneurial artistic, economic, and social collaborations between musical communities who saw opportunity in the merging of African American and European American musical languages. Empowered by improvisation and inspired by the convergence of cultures, those involved in the new style embraced polyrhythms, syncopation, American popular music, Ragtime, African traditional music, and much more. A melding of performance traditions that were simultaneously highly risky and liberating led to a revolution of creative entrepreneurial thought and action that had a powerful impact on much of the world’s music industry through the late 19th and early 20th centuries.

Popular music, likewise, has quickly morphed, especially during the late 20th and early 21st centuries as music trends went global and the Internet became a powerful force in the music industry. Both the practice of entrepreneurship and a digital mind-set have expanded pop into a realm that seems to occupy a myriad of locations: on the radio, everywhere in social media, on all video platforms, in games, in advertising, and so much more. The entire media world is suffused with pop, or pop-inspired, music.

Organizations

The Sphinx Organization, initially formed by young Black violinist Aaron Dworkin as a classical music project to confront issues of diversity on stage and in audiences, has evolved into an organization with a mission that focuses on “transforming lives through the power of diversity in the arts” (Sphinx Organization, n.d.). The Sphinx Organization now works to create positive change in the arts field and in communities across the country through an increasing number of programs.

Fractured Atlas “empowers artists, arts organizations, and other cultural sector stakeholders by eliminating practical barriers to artistic expression, so as to foster a more agile and resilient cultural ecosystem” (Fractured Atlas, n.d.). Founded in the late 1980s, the organization’s original activities involved support for theater companies in New York. The organization later reinvented itself as an arts service organization, with the goal of influencing a wider segment of the arts community in a manner that was both scalable and sustainable. Today, Fractured Atlas is one of the leading organizations for artistic development in the United States.

Ensembles

Chicago-based Fifth House Ensemble “taps the collaborative spirit of chamber music to create engaging performances and interactive educational programs, forging meaningful partnerships with unexpected venues, artists of other disciplines, educational institutions, and audiences of every type” (Fifth House Ensemble, n.d.). Over the past decade, the ensemble has engaged theater groups, visual artists, animators, living composers, astronomers, folk musicians, and corporate innovators through transformative cross-media performance experiences for audiences of every type.
**Roomful of Teeth** is an award-winning vocal project dedicated to mining the expressive potential of the human voice. Through study with masters from singing traditions the world over, the eight-voice ensemble continually expands its vocabulary of singing techniques and, through an ongoing commissioning process, forges a new repertoire without borders.

**Projects**

*El Sistema*, a life-changing music education program in Venezuela founded in 1975 by Venezuelan musician, economist, and activist José Antonio Abreu, has become a worldwide phenomenon. Currently in more than 25 countries, the program offers underserved children a purpose, a voice, and an alternative to life on the streets. Abreu and those around him have established a societal movement that offers art music instruction to many in society who otherwise would not have access to it.

*Street Pianos* is a cross between an art installation and a performance opportunity for pianists and communities worldwide. Started in 2008 by British artist Luke Jerram, the project has reached more than 10 million people. More than 1,500 pianos have been installed in public places in more than 50 cities, bearing the simple instruction, *Play Me, I'm Yours*. A musical equivalent of Facebook, Street Pianos provides an interconnected resource for people to express themselves.

**People**

Yo-Yo Ma, a Chinese-American virtuoso cellist, is transforming what it is to be a classical musician. With a focus on cultural intersections, he established the Silk Road Ensemble in 1998 and, more recently, codeveloped a cultural entrepreneurship initiative at the Harvard Business School. Ma's life as a world-class classical musician powerfully introduces a new way to think of the art form in the 21st century.

Beyoncé (Beyoncé Knowles-Carter) is an American singer, songwriter, record producer, and actress redefining what it is to be a pop star. A solo artist with more than 20 Grammy Awards and more than 100 million in record sales, she has become a cultural icon who fearlessly engages in political activism and cultural commentary. With a deeply entrepreneurial mindset, she has converted her artistry and fame into a business that includes touring and merchandise, sponsorships, album sales, music publishing, films, endorsements, and fashion.

**The Business of Music Entrepreneurship**

As Donald Kuratko (2017) has written, successful entrepreneurship requires “the creative skill to marshal needed resources” and “the fundamental skill of building a solid business plan” (p. 5). The business side of music entrepreneurship is just as important as the more conceptual side of the discipline. This section briefly outlines some of the approaches to developing successful projects.

**Design Thinking**

Design thinking is an iterative approach to problem solving that opens up the exploration of perspectives by people with different experience, knowledge, and skills. Through a series of...
processes, the collaborative group works to create a practical solution for a real-world problem. Music entrepreneurs have begun to use this method of problem solving for organizational development, professional development, and education. Design thinking uses five areas of discovery: (1) empathize, (2) define, (3) ideate, (4) prototype, and (5) test.

Situational Awareness

Artists and organizations today can thrive by developing deep situational awareness that enhances entrepreneurial action. A kind of 3D mind-set—the perception of environmental elements and events with respect to time or space and the comprehension of their meaning—situational awareness opens up a range of possibilities that enables projects, organizations, or individuals to be innovative, adaptive, and culturally responsive.

Organizational Structures

Various business organization structures in the United States support music entrepreneurship. An individual can register a business under a fictitious name (a name that does not include his or her surname but is a DBA [doing business as]). Other for-profit entities include an LLC (limited liability company, which helps protect personal assets in case of a failed enterprise), a C corporation, and an S corporation. A trend in for-profit organizations over the past decade is to be more culturally responsive and to use the arts as a way to do so. Many advertising campaigns with a social purpose now fold in ideas of creativity through the arts. One of the most successful is the 2013 Dove Real Beauty Sketches: You’re More Beautiful Than You Think.

A substantial amount of organizational activity in the arts falls under the not-for-profit category, which generally refers to organizations that do not earn profits for owners or shareholders but use any money earned or donated toward their mission.

The not-for-profit category usually used by arts entities is the 501(c)3 corporation, which is defined as an organization involved in activities that are charitable, religious, educational, scientific, or literary. In the United States, 501(c)3 corporations are considered to be tax exempt for the most part. Key to the formation of a 501(c)3 corporation is that neither does any member directly own the organization nor does any individual benefit from its proceeds, except through payment for services rendered. Perhaps the most attractive aspect of a 501(c)3 is that donations in cash and in kind in support of the organization can be considered as deductible amounts from personal income taxes. Revenue streams for 501(c)3 corporations typically include contributions from individuals, grants, corporate sponsorships, merchandise, and ticket sales. For larger organizations, an endowment allows for a small but stable proportion of annual income to derive from investments.

Business Plan Development

A SWOT analysis is a method of evaluating strengths, weaknesses, opportunities, and threats for a particular project, organization, or person. As a ubiquitous and universally accepted planning tool, the exercise helps identify internal and external factors that help or hinder the stated objectives. Entrepreneurs also use templates to develop new business models. Business Model Canvas is one such template. It includes nine basic building blocks: (1) customer segments, (2) value proposition for each segment, (3) channels to reach customers, (4) customer relationships, (5) revenue streams, (6) key resources involved in creating value,
key activities involved in creating value, key partners, and the cost structure. Mapping these elements on a “canvas” helps a team design, discuss, and implement a project in a way that is aligned with strategic goals.

Budget

Key to the success of any project is a realistic budget, for both income and expenses. Being as specific as possible about fees for services, expenses, and tools necessary to complete the project helps clarify realistic objectives. Comparing other similar projects in detail also gives one a concept of what is possible.

Many arts-related projects rely heavily on both cash income and in-kind contributions. In-kind contributions can be in the form of professional activity, services, and goods not involving money or not measured in monetary terms. Typical in-kind support for arts projects includes rehearsal space, housing, transportation, reception catering, and instrument loans. Even though in-kind contributions are not considered as having monetary value, it is extremely important to keep track of them in order to realistically evaluate value. New projects often involve a higher percentage of in-kind support when revenue generation has not yet fully developed.

Fund-Raising

Effective fund-raising efforts involve an ability to convince supporters that one’s project or organization is deeply valuable not only in terms of financial viability but also in terms of social, educational, and cultural good. If the vision is strong and the values within a project align with the values of those in a position to help, attracting funds becomes much easier. Fund-raisers are best when they have a preexisting relationship with funders, cultivated through special events, receptions, advisory boards, and memberships. Thinking of the needs of the donor should be part of any conversation. Over the past few decades, donors, foundations, and other granting organizations have become more attentive to outcomes: reports that confirm the value of a project, and projects that align with community, social, and educational development.

Income sources for arts projects vary widely but can be generally organized in the following ways: ticket sales, project and organizational grants, contributions from individuals, corporate sponsorships, merchandise, and partner funding.

Crowdsourcing and Crowdfunding

Crowdsourcing, a revolutionary way to both fund ventures and to develop creative partnerships, is a process of sourcing the collective knowledge of a network of individuals to solve a problem.

Within crowdsourcing is crowdfunding, a way to raise small amounts of money from a large group of supporters in aid of a new project or product. This often helps build a community of fans in support of upcoming albums, tours, recording projects, and so on. Among the most prominent platforms used for crowdfunding creative projects are Kickstarter and Indiegogo. More recently, Patreon has become popular. Typically, the services charge a fee of around 5% to 10% of the funds raised for a successfully funded project.

Kickstarter is an “all-or-nothing” service in which, if the artist does not meet the goal, they end
up empty-handed (and supporters are not charged). This can be a powerful motivating factor as the projects are promoted and discussed. Kickstarter has a rewards program, allowing contributors to receive special tokens of thanks from the artists. The site accepts only around 60% of the approximately 2,000 projects that apply each week.

Indiegogo has a relationship with artist support organization Fractured Atlas, which allows for seamless coordination between supporters and a not-for-profit organization that can be a fiscal sponsor of the artist or ensemble. The system allows both “flexible funding” (raise whatever is possible within a period of time) and “fixed funding” (all-or-nothing).

Patreon, a relative latecomer, is strong when it comes to building support for a variety of projects, anything from music compositions and music lessons to large recording and performance projects. Artists can choose a “per-month” or “per-creation” campaign.

Other crowdfunding platforms include PledgeMusic, GoFundMe, Tilt, and Razoo.

Branding and Marketing

Simply put, a brand is an identity that is embedded in a set of values that leads to a point of view and actions. Depending on the scope of the project, it can apply to all aspects of how an individual, project, ensemble, or organization represents itself through logos, text treatment, colors, fonts, and character of copy. Branding is a discipline connected to a mission statement, which applies to both internal and outward appearances. In other words, an effective brand is authentic and true to core principles and values. Entrepreneurial branding in the 21st century is highly responsive to context, trends, and cultural context.

Using the foundation of a brand, marketing is the way to promote awareness of an individual, project, or organization. A successful marketing campaign motivates customers (or audiences) into action, empowers a more meaningful relationship with them, introduces values and services to their orbit of influence, and gains their trust in an individual, ensemble, or organization’s ability to serve their interests. More so than ever, a marketing campaign is a conversation in which producers and consumers discuss and sometimes co-create a perception of value in the art they share.

Publicity, a core component of marketing, can be developed through earned media—a concept that refers to articles, blog items, and other publications in support of a project that do not come at a cost to the artist. The platforms for this can include television, radio, and the Internet, in a variety of formats such as news articles or shows and editorials. Social media is a huge arena for earned media; viral sharing of information about an event, individual, organization, or project can amplify awareness more than any paid media.

See also Design Thinking; Digital Music Composition and Out-of-School Learning; Informal Learning in Music; 21st-Century Skills
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