

Kharma45: Music Fan Engagement

1. The Bioteam

Kharma45 – A Music Band and its fans



Kharma45, an exciting young UK band from Derry, on the Warner Brothers Label, used bioteaming to form a unique partnership with their top fans, to promote their new single “Where’s Your Spirit Man.”

2. Background and Context

It is well reported that the Music Industry worldwide is in crisis (e.g., *The Cult of the Amateur* by Andrew Keen. [51]) This is visible in number of ways, for example:

- For every legal (paid) download there are 40 illegal copies.
- CD Sales are significantly down due to the ending of the “vinyl replacement” era.
- There’s an explosion of music available (the “Long Tail”), but individual artist volumes are low, with even the major stars not selling anything like the volumes of CDs they used to.

For the up-and-coming or independent musician or band, this creates a very difficult environment where the chance of them landing some kind of deal with one of the major labels is not what it used to be. This is simply the economic consequences of the shrinking revenues at the majors (such as Universal, Warner and EMI) that make them reluctant to invest in new talent, as they seek less risky ways to make money. For example, the current industry focus on exploiting and licensing existing portfolios over new channels to market, rather than commissioning new talent.

So, the “catch-22” is that if the independent musician can show success, then they have a much better chance of a deal with a label. But, it is very challenging to reach this level of success with-

out the backing of a label in the first place! So if an independent musician is to “succeed,” then they probably will have to do it without the backing of a major label. Their success will depend on the ability and commitment of the musician/band (and their “management,” to the extent such exists), to grow and manage a viable and passionate fan base that they can use to publicize/sell their music/merchandise, to recruit other fans, and to promote live activity .

In recognition of this problem, *NESTA* (The National Endowment for Science, Technology and the Arts), with the backing of a number of music labels, generously agreed to sponsor a selected number of UK bands and musicians to use Swarmteams (a multichannel community engagement system, based on biological principles) for free, for up to 12 months. Kharma45 was the first UK band to be accepted into the NESTA program!

3. Objectives

Johnny Davis, Kharma45 Band Manager, decided to take a radically different approach to fan engagement, using the bioteaming model and Swarmteams (www.swarmteams.com). The goal was to enhance Kharma45’s existing social network strategies, based on popular sites such as Facebook (www.facebook.com) and Bebo (www.bebo.com), to fully include mobile devices and to make it more cost-effective:

1. Extend the Kharma45 fan base (The ‘Kharma Army’)
2. Create more dedicated and hard-working “superfans”
3. Create more ‘buzz’ around live and promotional events
4. Electronically sell new music tracks and merchandise through embedded e-commerce links in the messages

4. How bioteaming was used

Kharma45 centered their fan engagement strategy on three key bioteaming principles – Symbiosis, Clustering and Always-On.

Rule#5: Symbiosis

By Symbiosis, bioteams fully include all parties, whether they are customers or suppliers, as full and trusted partners in the team. When you think of a music band using the bioteaming approach, you automatically include their fans as part of the team. That way

you are able to take full advantage of the fans' networks of relationships.

So it was decided right from the onset that there would be one Kharma45 bioteam that would include their fans as well as the band members. In Swarmteams terms, this translates into one Kharma45 "Swarm Community" consisting of multiple Swarms owned by band members and top fans.

The evolution of the Kharma45 Swarm Community is summarized in the diagram below that shows how the community evolved through the five stages in its development.

Swarm Maturity Model

	LEVEL	Main Characteristic
1	Mobilising	Core Team trained, roles & goals agreed
2	Core Swarm Ready	Community Owner and Team live
3	VIP Swarm Live	X Alpha members joined and trained
4	Alpha Swarms Live	X Alpha swarms live with Y Members
5	Community Buzzing	Z messages sent, forward and engaged

A key aspect of the Kharma45 strategy was, instead of broadcasting key messages to the entire fan base, to broadcast only to the Swarm of top fans in the VIP Swarm. Then these VIP fans would forward these messages to their own swarms with personal comments. This produced a much higher sense of intimacy for all messages and significantly improved open rates and click through. Message quality was maintained by a message ranking system, where the Alpha fans digital reputation would be impacted by whether the message recipients liked what they were being sent or not!

Rule#6: Cluster

The decision to have one Kharma45 team laid the foundations for the second bioteaming principle, Cluster. In bioteaming, this

means using the natural relationships of the whole team as the best way to engage with the rest of the community.

To make this work, the band members identified the key connectors, the Alpha Fans, who could be used as the engines of word-of-mouth marketing to the rest of the fan base. (For more on this see the Team Ties technique).

Johnny Davis, Kharma45 Manager, explains the compelling mathematics, “I call our initial strategy 25^2 – imagine you can identify and take care of just 25 alpha fans really well. Then you encourage, and equip, and reward each of these 25 to take care of 25 other fans equally well. So you reach 625 fans. But if you do it properly, you don’t have to worry about looking after the whole 625 fans, just the 25, that’s just 4% of the fan base. And this is just Phase 1 – the real prize for us is 25^3 – to reach 15,625 fans ($625 * 25$) and still only worry about looking after the 25 – that’s just 0.16% of the fan base!”

Rule#4: Always On

Kharma45 has a fan base, like many other bands, in the 15-35 demographic. For this demographic the preferred channel is mobile phone text message during the day, and instant message during the evening.

The band was able to stay in constant touch with the fans using Swarmteams’ ‘smart messaging’ facility that first checks if a message recipient is online, and if so pings them an instant message. If it does not find them online, only then does it send them a text.

5. Results Achieved

The project has only been running for a couple of months, but the bioteaming approach has already resulted in a number of concrete and specific benefits for Kharma45 including:

- The active partnership and support of 25 Alpha Fans
- Over 500 fans signed up in a matter of a few weeks by these Alpha Fans
- An *instant hotline* to all known Kharma45 fans to promote new tracks, concerts, special events and band news at a single click
- A way to identify and reward the most dedicated fans
- Much higher open rates and response rates than other

approaches to fan engagement

- A way to differentiate the band by using Open Swarms to recruit new members via their existing online profiles in *Facebook*, *Myspace*, blogs and the web

6. Lessons Learned

Johnny summed up the main lessons learned:

- First, you need to take care of the social aspects of bioteaming. If you just send out a message to someone's mobile phone there is about a one in ten chance they will act on it. So, what we did first was to have the actual band members call their small select group of superfans to sell them the benefits of joining the VIP Swarm, and to tell them to expect a message to follow in a minute. This way we got nearly a 100% sign-up!
- Second, you need to make the Alpha Fans feel special – we put a huge amount of effort into recognition and rewards and this really paid off.
- Third, you need to be flexible – you try a type of message or some link or some promotion and it does not work, so you change it a bit and try again. If it works then you put more resources into it, if it does not work you put your resources elsewhere. That's the way nature works – I think the technical term is a "Genetic Algorithm." (See Bioteams Rule 9 for more).

7. Team Member Feedback

According to lead Vocalist, *Glenn Rosborough*, bioteaming worked for the fans: "It's now big kudos to be a Kharm45 Alpha Fan because you also get to distribute this information to others, and are rewarded for signing up new fans. So it was a great way to increase our fan base and also to let them feel more involved with the band."

Peter Doherty (lead guitar) thought the bioteams approach worked for the band too: "As well as showing our top fans how much we appreciate them, Swarmteams gives us an instant, mobile SMS channel for promoting our music and concerts."