

New platform for musicians streamlines royalty revenue tracking

Henry Marsden is a former musician who toured with Elton John and runs record label Bespoke Records. During lockdown, he launched Creatr to help musicians and songwriters track their royalty revenue from plays.

Temps de lecture : minute

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What was your background prior to launching Creatr?

I have a degree in Aeronautical Engineering and came close to working in Formula 1, but ended up travelling the world as a session musician instead. I've played at some pretty special places such as The Royal Albert Hall, The O2 and Glastonbury in the UK, as well as arenas and stadiums in US, Canada, Australia, Singapore, South Africa and across Europe.

The highlight of this adventurous decade was a whistle-stop summer supporting Elton John (with a quick jaunt to Cannes ending on the owner of HMV's yacht... A story for another time).

During this season, I'd wanted to build some form of business to help creative friends, to grow a bigger brand than myself, and to provide a stable income that would allow me to spend more time at home.

I coalesced the work I'd been doing as a music producer into a record

label by lowering upfront fees for my services in exchange for me owning and distributing the subsequent recordings. It sounded like a win-win, but the reality was that none of my artist friends needed a record label because the tasks typically under the label remit were more within the artist's grasp than ever – production, distribution, marketing and manufacture.

It quickly became apparent, however, that they all were asking about music publishing: the so called dark side of music, contributing over a third of the industry's total value but unknown to the public and even many laymen.

It was painfully clear that the creatives I wanted to help all encountered friction when it came to publishing, so I pivoted my label into the songs business. I've run this music publishing company, Bespoke Records, for six years. It's grown very organically, but now represents songs that have been on Gold records, recorded by artists including Avril Lavigne, The Vamps and Machine Gun Kelly, and in total have amassed over 100M streams.

What is Creatr?

We're a platform helping creatives to take control of their career. This is initially focused on songwriters, who feel the industry friction points very acutely, but we also have in mind artists and musicians with parallel experiences in trying to build traction.

One facet of the core problem is that creatives typically struggle to engage with data. Administration tasks don't necessarily come easily to them, yet they are required to manage and register their data for revenue to be able to flow.

Intriguingly, even the prospect of unlocking money isn't always enough

incentive to overcome the data entry barrier that creatives face. I have a guitarist friend who has never registered with PPL (the society that pays royalties from radio play to musicians). He's pretty prolific and his creative works have had extensive usage. He would almost certainly unlock £1,000+ if he could overcome a few days of administration, but the task continues to elude him.



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Creatr will help these kinds of creatives manage the details about what they're writing, recording, producing in the necessary way without it feeling like a data-entry system.

We're incredibly focused on the platform experience for songwriters, which is what sets us apart. We're never ones to over-promise and under-deliver, so we're working hard behind the scenes with alpha testers to

build something that actually helps creatives and doesn't hinder and won't fall by the wayside.

There is (at worst estimates) currently \$2.5B stuck in the plumbing of the music industry.

This is down to poor data because platforms like Spotify have difficulty in identifying the owners of songs, though this is an oversimplification. It's pretty egregious in a digital world. We'll be able to unlock this value by creating a transparent and efficient system with songwriters at its core. They are the true originators of value (and data!) for the entire ecosystem, so they should be centralised in any effort to improve efficiency.

What was the catalyst for launching Creatr? What was it like launching a business during lockdown?

I'd been musing on the idea for about three years, using my existing business to leverage relationships and bootstrapping product ideas to understand better the status quo. I investigated why the issues hadn't been solved yet and ways the problem had been unsuccessfully tackled previously. It's a well known and high value space, so there's a lot of history, context and nuance to submerge into when getting to grips with why the wider macro issues are as they are.

No business is an overnight success – the stealth building phase (in knowledge, relationships and tangible product/service) takes time to cultivate. We just made people aware of Creatr when it became more fruitful for us to do so than hiding it, particularly in getting us more target

customer conversations. There's been no big launch – more of a carefully choreographed reveal, piece by piece.

The pandemic has been interesting. From an internal perspective, it's been a shame not to have the camaraderie of a shared office to bandy live ideas around in, but the acceptance of digital communication has certainly helped the team to thrive. Communication is always key!

For *the industry*, the lack of live music has created a huge focus on the remaining revenue streams for creatives, in particular music streaming. The #fixstreaming and #brokenrecord campaigns have helped highlight the unfair balancing of the industry inputs and outputs, and the parliamentary Department of Culture, Media and Sport inquiry has also shone a light onto how the digital pie is currently allocated. These have helped grow awareness of the issues that we're helping to tackle; education is a key part to empowerment, and it's an area where creatives have historically been taken advantage of.

What has been the most challenging moment since launching Creatr?

Every day is a challenge in startup world! Fundraising is a necessary evil – a peculiar dance of continuing to run and develop the business while full-time hunting down resources to accelerate that process and create a shift in momentum.

Most of last year was taken up with investor conversations, though these were helpfully framed through an accelerator, Propelia. I'm not a programmer by training, but taught myself Javascript to flesh out rough versions of the tools I was conceptualising, using these to demonstrate traction to investors.

The whole season was tough and a steep learning curve; learning how to

program, learning to take rejection, learning enterprise sales, learning how to structure funding rounds, alongside actually entertaining and closing investment conversations.

There was a terrible moment in the back half of the year where it looked like a significant investment deal would fall apart, but thankfully we pulled through with a very supportive set of backers who support the vision and believe in our ability to execute.



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What has the uptake been like so far?

We've worked through round after round of market research, building on the experiences I had in helping creatives get paid through my original

music publishing business. Users are utterly fascinating, and marrying up a product to their needs is a rewarding undertaking – particularly when they can't necessarily consciously identify those needs.

We did a round of concept testing recently and the response was overwhelmingly positive. This was mainly because we'd taken such diligent care when diving deep into understanding the market segments previously. We already had high confidence we were on the right track.

It's so easy to produce a feature list as long as your arm, but knowing what to say 'no' to is the key. Then, it's building out what's left in an efficient manner that consistently marries up the customer need with the proposed feature set.

The proof will, of course, be in the pudding, and there'll be significant hurdles to adoption along the way, but we're continually building confidence as a team that we're already well down the right path.

What are your aspirations for the business in 2021 and beyond?

At the end of the day, the entire business is geared to helping creatives unlock their potential and receive fair reward for their creative output. That's our yard stick and will continue to be the aspirations of the business well into the future.

For now, as the private alpha becomes a public beta, it'll be very exciting to watch product adoption like a hawk. Our eyes will be on what's working, what isn't, and 'pruning' the product to double down on where there is traction with users.

Alongside this, there'll be some further hires to accelerate the business and more wider industry conversations to marry up the community we're

building with better integrations and data sharing. Whatever happens, it'll be a rollercoaster ride I'm sure!

Henry Marsden is founder of *Creatr*.

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