

Rootnote

Business Plan

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Company Purpose

Empower groups with tools to explore and gamify their collective musical tastes.

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Section One

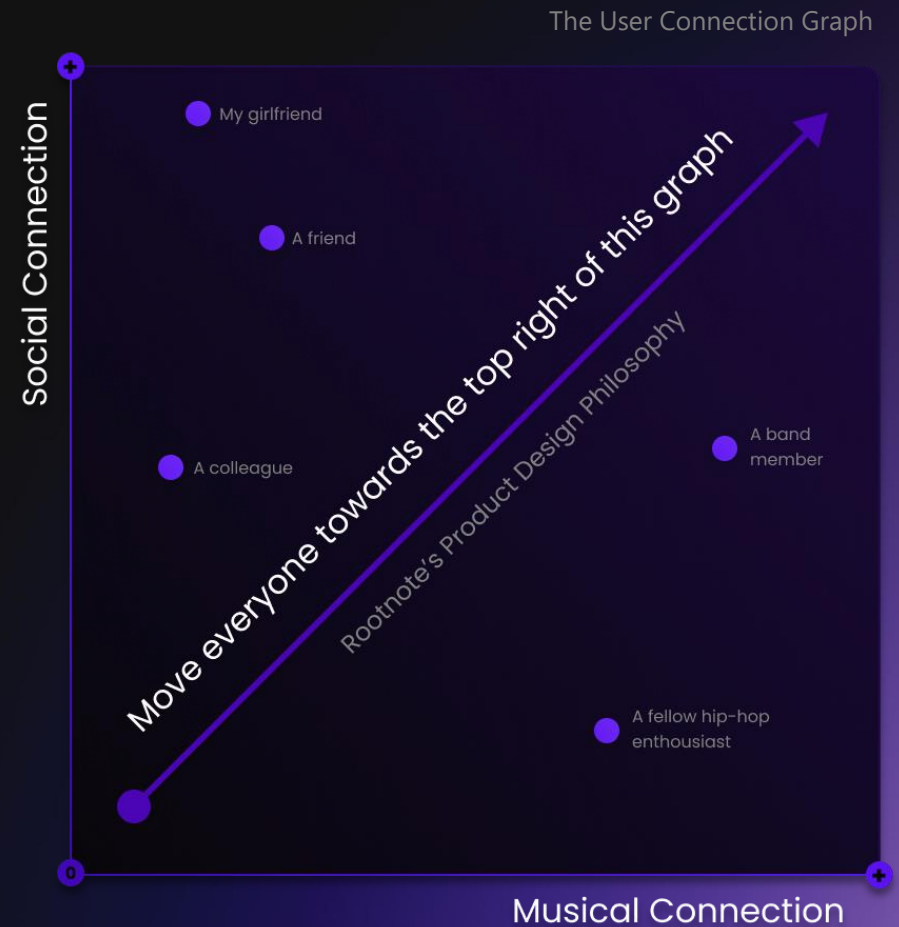
The Opportunity

Problem & Mission

The music streaming services of today very much focus on the individual experience. Their recommendation engines, specifically catered to you, can be a blessing. They can help users find music they would not have ever found on their own. Methods such as collaborative filtering (Schafer et al., 2007), and content-based filtering (Van Meteren & Van Someren, 2000) have made music discovery easier than ever. Yet, I argue that there are certain social aesthetics that were lost in the digitization and personalization of music listening. In the shift towards personalized playlists and algorithms, we've lost the communal experience of shared discovery that was once enabled by visiting music stores and sharing mixtapes. Additionally, the serendipity of encountering diverse genres and artists through friends' is diminished by our reliance on recommendation engines.

The same internet that took away some of the social interactions of music listening, also created a bunch more. Online forums, social media pages, chatrooms, websites, and more, all dedicated to the discussion of music (Nast, 2022; Vendrell, 2022). These groups often have a strong sense of community. Despite this fact, there are currently almost no ways for these groups to gain insight into their collective music streaming habits. They often resort to posting their personal listening statistics, hoping to find someone who is interested. Currently, there are no widespread tool that allow for

these communities to peak into their *collective* music listening hivemind. Through Rootnote, we aim to provide communities with the tools they need to augment what they currently enjoy so much: discuss music.



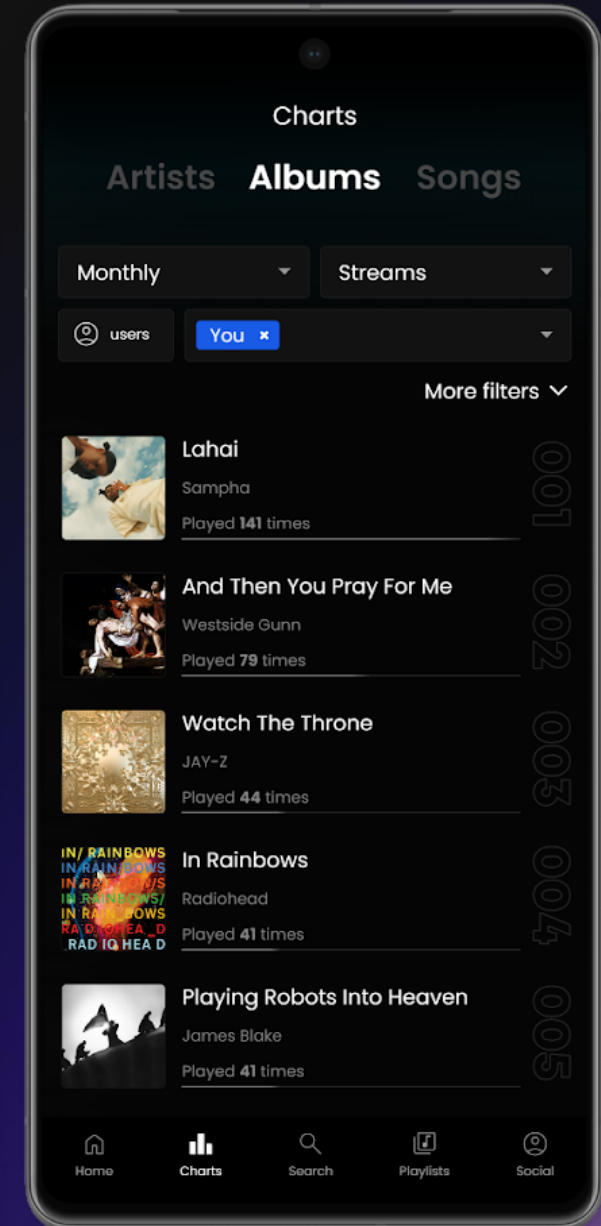
Solution

Enter Rootnote. Our mission is not just to fill this gap, but to redefine the way these communities interact, share, and explore music together.

Rootnote is designed with the music lover at its core. We aim to offer features that allow groups to delve into their collective musical hive mind, providing insights and analytics that aren't found on any other platform. Imagine understanding the listening patterns of a community or discovering the most loved tracks of a group at a glance. Rootnote can even generate automatically updating playlists – instead of national top 100 charts, communities can now create their own.

Furthermore, Rootnote's allows for 1-click gamification of listening habits, as opposed to the current, manual approach. This not only speeds up the creation of said games, but also improves their relevancy, due to being based on actual listening data, instead of one user's subjective selection.

The 'Charts' tab on Rootnote.



Market Space

Rootnote's functionalities target a market between the aggregating nature of national top 100 charts and the personalized nature of recommendation engines. National charts share similarities with Rootnote playlists, since they both allow for insight into the collective musical hivemind of the group. Yet, Rootnote's strength lies in allowing communities to form these kinds of insights for themselves. We argue that people care more

about such insights when it regards a group they are emotionally connected to. Rootnote also shares similarities with recommendation engines, however. We envision the platform as a way to discover the music you like, with suggestions having a socially connected underpinning. Bringing back a human touch to the magic of music discovery.

Recommendation
Engines

Individuals

Rootnote

Communities

National Top
100 Charts

Socially-disconnected
Groups

Why now?

Streaming's Critical Mass

Over the past few years, music streaming has not only gained popularity but has reached a critical mass, becoming the primary mode of music consumption for millions globally. Platforms like Spotify, Apple Music, and others have amassed huge user bases, signifying a cultural shift from traditional music consumption methods like radio, CDs, or downloads to instant, on-the-go streaming. Spotify Q2 2023 results show 551 million users globally (Spotify, 2023), up 27% year-over-year. While we, for now, focus on Spotify, the trend at large is clear: over 64% of individuals worldwide choose to play music over the internet, with 41% being the streaming of music (IPFI, 2022)



Image retrieved from: <https://newsroom.spotify.com/2023-07-25/spotify-reports-second-quarter-2023-earnings/>

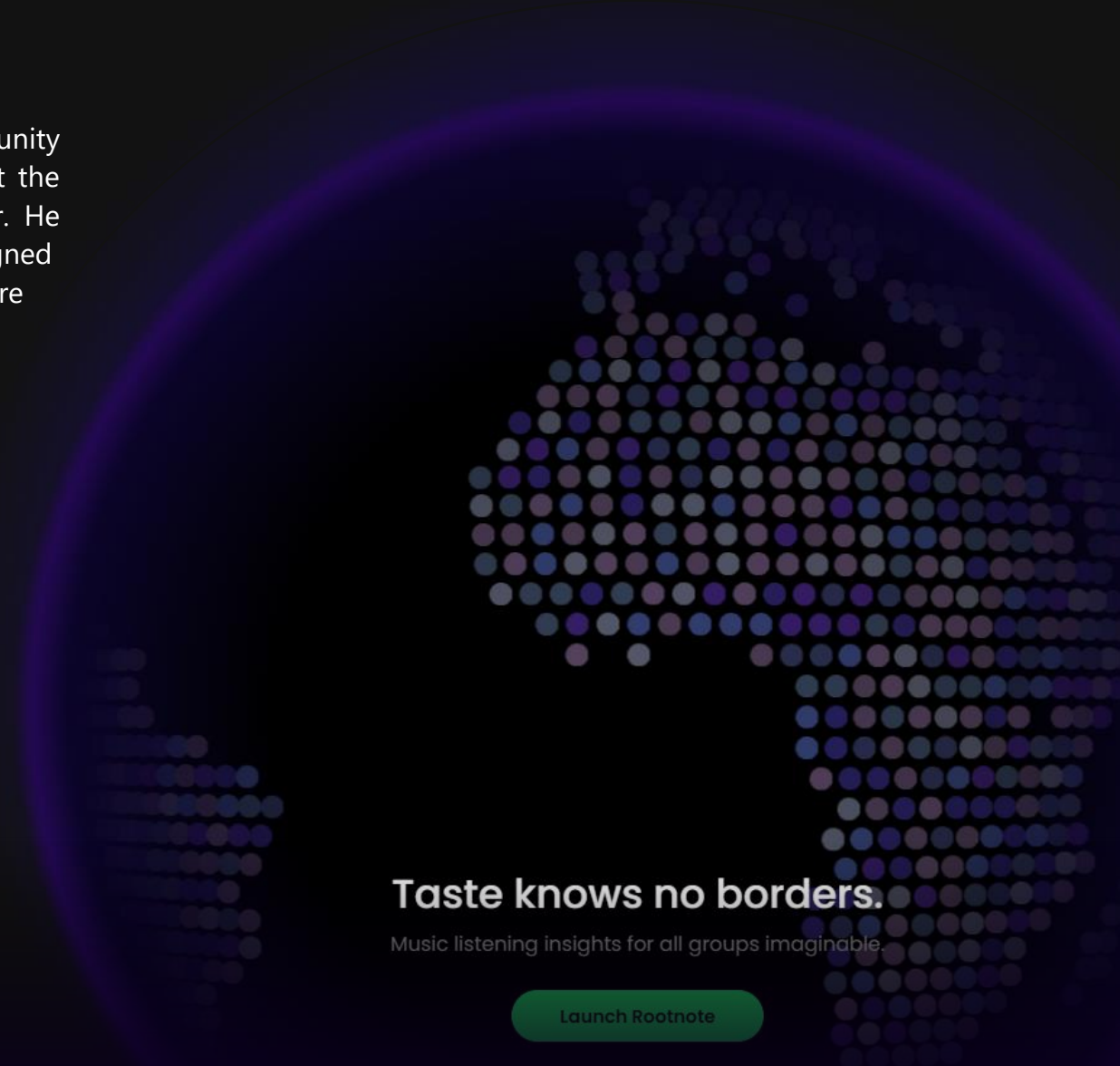
No Tools for Community-Centric Insights

While streaming has become ubiquitous, there's a noticeable gap in platforms that facilitate community-driven music discussion. With music being such a powerful medium for connection, there's an evident market demand for tools and platforms that allow users to better discuss the music they so dearly love.

As described by Balaji Srinivasan, a network state is a community not bound by geography (Srinivasan, 2022). He argues that the internet has made locality of peers less relevant than ever. He envisions a future where these communities become so aligned that they even gain diplomatic recognition. If this is the future we are headed towards, then why are our music listening insights still mostly based on nations? While diplomatic recognition might still be far away for online communities, we have seen an increase in online friendships over the last decennium.

The geographical boundlessness of current day communities is core to Rootnote's philosophy, which can even be seen in the hero section of the landing page, (pictured on the right) It should be noted that purely online connections are still perceived as lower quality as compared to offline friendships (Antheunis et al., 2012). Mixed-mode friendships (friendships that originate online and extend to offline settings) are

perceived as of the same quality as purely offline ones. We therefore also create functionalities for offline friendships. For online ones, our mission is to allow people to find each other through their shared love of music, which could lead to a mixed-mode friendship.



Taste knows no borders.

Music listening insights for all groups imaginable.

[Launch Rootnote](#)

Section Two

The Features

The Features

Rootnote currently has multiple features already deployed that aim to help achieve the vision laid out in the previous chapter. This section will summarize the existing features, as well as present some concepts that are to be implemented in the near future.

The 'Office Floor 5' group on Rootnote.



Stream Tracking

Charts

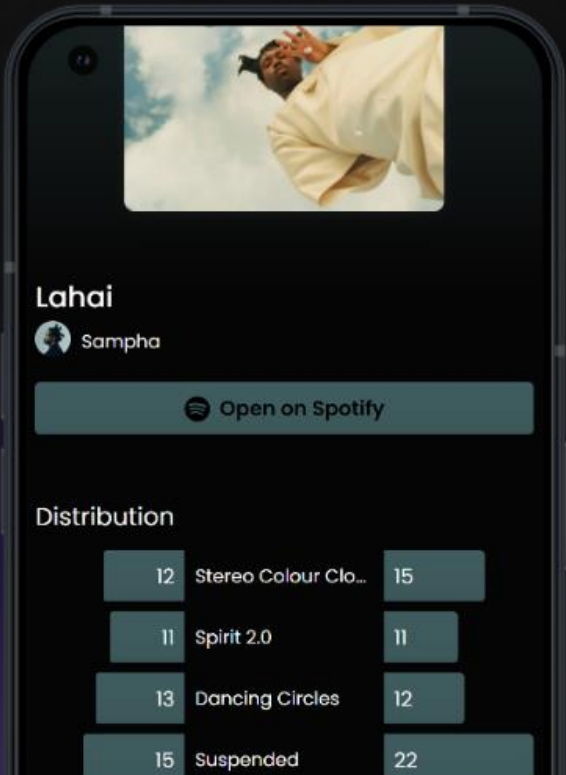
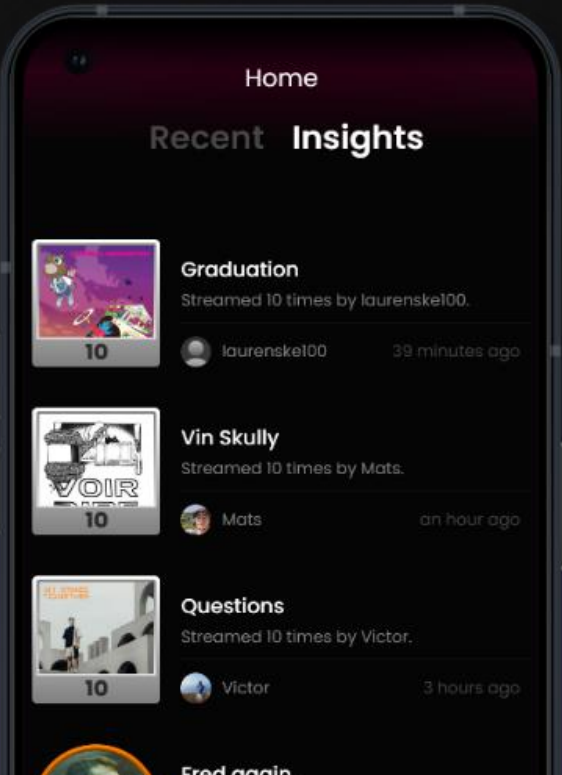
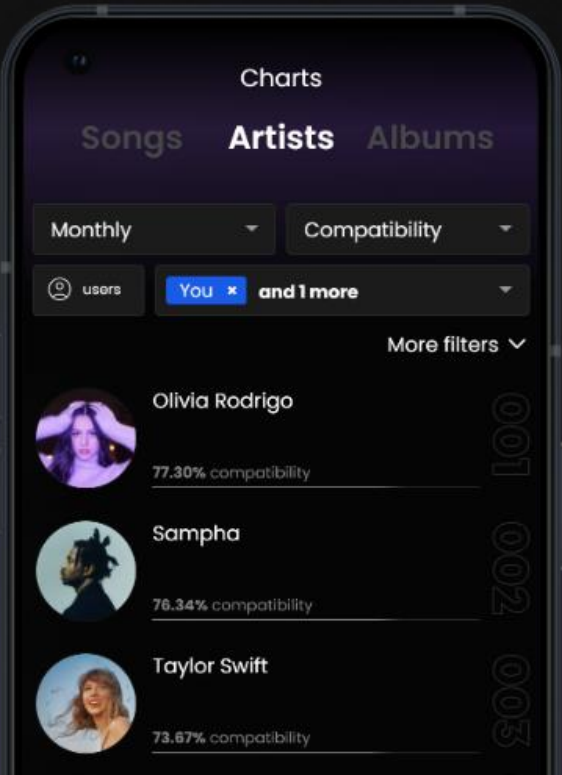
Monitor your music streams and those of friends and groups. Users can examine the raw stream counts or delve into the "compatibility" metric, an newly designed algorithm that evaluates if songs, artists, or albums are popular among a broad range of selected users, rather than just individual listeners.

Insights

To simplify the consumption of streaming data, we created the insights feed. A first of its kind feed that highlights the current streaming habits of your friends and groups.

Comparisons

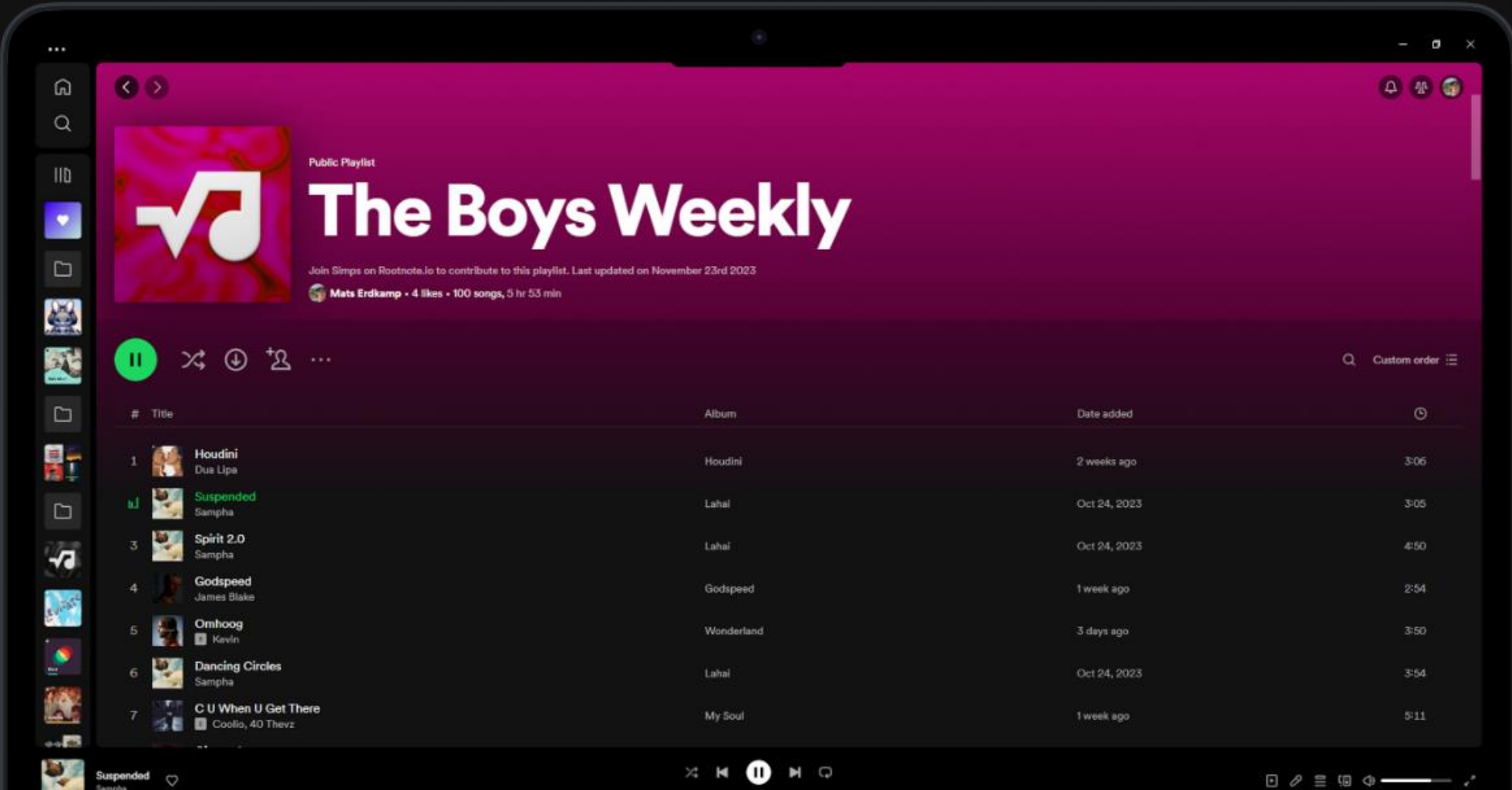
Additionally, the album and artist detail pages provide an easy and intuitive way to compare streaming habits with a friend.



Automated Playlist Creation

The aforementioned data can be used to create automatically updating playlists in Spotify. Like national top 100 charts, these playlists update daily, and allow users to gain insight into what their musical hivemind is currently preferring.

When building the playlist, you can customize it by selecting the timeframe of streams to be included, with choices extending from 'weekly' to 'all time'. Additionally, there's the flexibility to sort songs based on various criteria like genre, energy level, danceability, mood, artist, and more. These features enable users to easily craft personalized playlists tailored to specific vibes.



Stats Export

Stats Export is a tool that allows groups to create visualizations of their (recent) streaming behaviour. Currently, Stats Export can show the top 10 songs, albums, or artists within a selected timeframe. This can serve as the catalyst to start music discussion.

As an example, a subreddit might be inclined to make a Stats Export of the most listened songs, released in the past week. This way, members can gain insight into what others have been streaming, thus serving as a conversation starter.

Additionally, we plan to create a service that can automatically generate and send Stats Export updates on a schedule (e.g., every week). We believe that this can strengthen the foundational knowledge that these groups have about each other, making their music discussions more fitting.

Lucid TU/e's



TOP ALBUMS

QUARTERLY

August 24th 2023
November 23rd 2023

1



channel ORANGE
Frank Ocean

2



Blonde
Frank Ocean

3



Rumours
Fleetwood Mac

4



Ik Zou Voor Veel K...
Sef

5



The Forever Story
JID

6



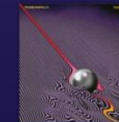
Actual Life 3 (Janu...
Fred again..

7



Not Waving, But Dr...
Loyle Carner

8



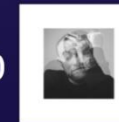
Currents
Tame Impala

9

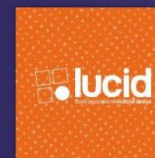


Volcano
Jungle

10



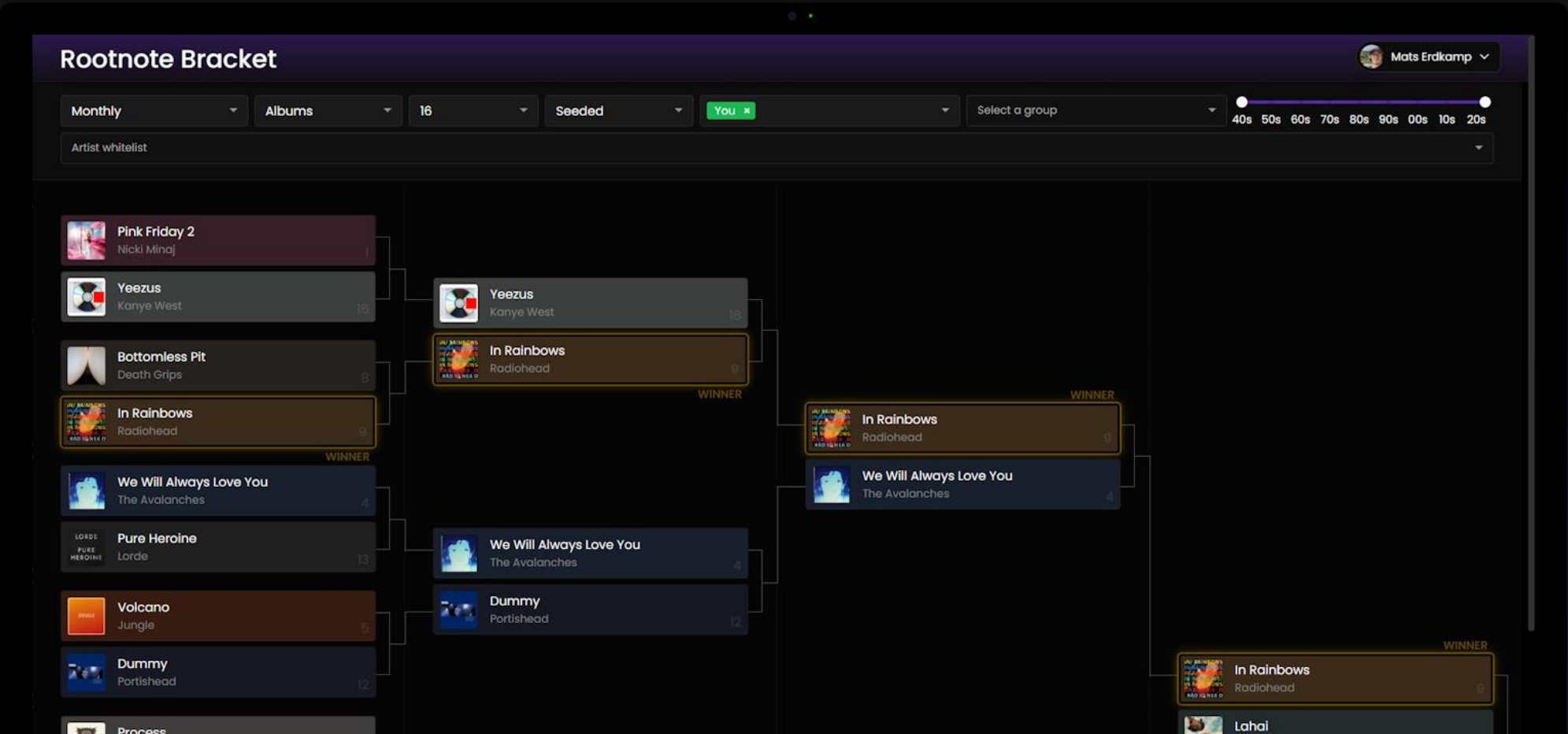
Circles
Mac Miller



Contribute to these charts by joining
Lucid TU/e
on Rootnote.io

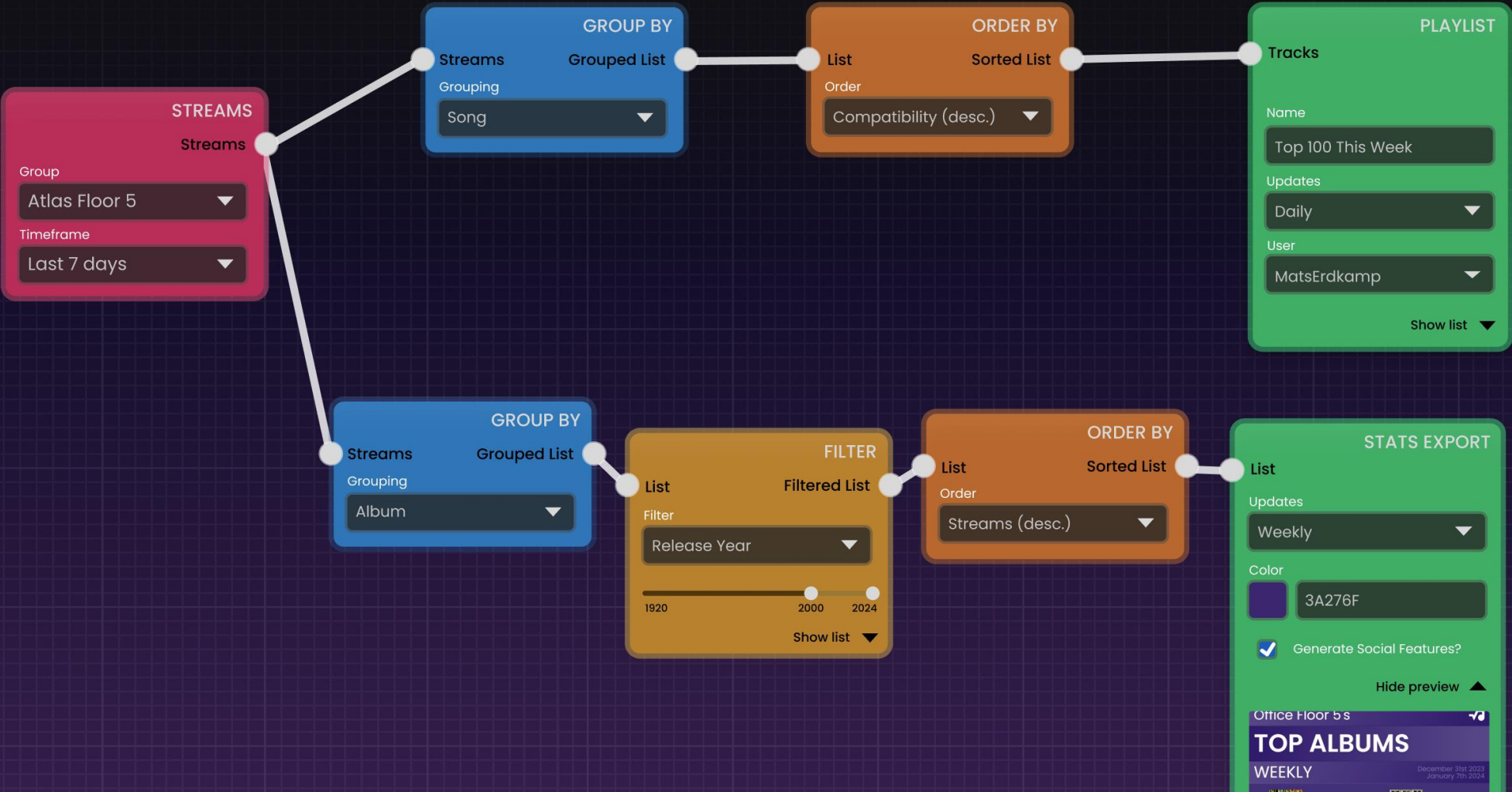
Tournament Bracket

Rootnote also provides the ability to gamify a group’s streaming data. Again based upon the aforementioned streaming or compatibility rankings, users can generate a tournament bracket at the click of a button. Music communities tend to do these quite often, But creating the bracket is a huge time investment. Rootnote simplifies this massively. What takes one minute with the Rootnote Tournament Bracket Creator, could take hours without. Additionally, with Rootnote, the selection is informed by the group’s listening history, making it more accurate as well. Additional functionality is planned to let users create a share link, so that voting online can happen effortlessly, with each next phase of the bracket happening after a preselected timeframe (every 24 hours, for example).



Advanced List Creation

Currently, the playlist creator is quite basic. It served its purpose as a minimum viable product, but there are many changes that can be made to make it more expansive, and fit better with our company mission. The new version under development uses visual scripting to allow for a more modular approach when designing lists. Additionally, it streamlines using the same filters for multiple goals, such as a Stats Export and a Rootnote Playlist.



Section Three

The Market

Market potential

In today's digital era, the intersection of technology and music has redefined how we consume, share, and engage with audio content. Rootnote stands at this crossroad, with the ambition to not just serve an existing market but to carve out its unique space.

Identifying the Customer Types

1. Music Communities

Demographic: Online music forums, subreddits, YouTube channel communities, and other niche music groups.

Needs: A platform that allows them to gain insight into their collective streaming habits. Features that convert the group's musical hivemind into various functionalities that can help the group bond over their shared love of music (playlists, gamification, etc.)

2. Social Communities

Demographic: Groups of friends that have integrated music streaming into their daily lives.

Needs: A platform that caters to their diverse tastes, offers them tooling to create advanced shared playlists, and helps them gain more insight into each other's streaming habits.

3. Influencers & Content Creators

Demographic: YouTubers, podcasters, and social media personalities who have a significant following based on music recommendations or discussions.

Needs: A platform where they can create groups, to extend their brand. Various tools to allow the community to strengthen their emotional connection to the group (and thus indirectly to the brand).

4. Record Labels & Independent Artists

Demographic: Music labels and emerging artists looking to promote their content, and gain insight into their fanbase.

Needs: Data insights on listening patterns, targeted advertising opportunities, and various tools to strengthen the emotional connection that their core fanbase has to each other, and them (similar to 'Influencers & Content Creators').

5. Enterprise & Brands

Demographic: Larger entities see music as a pivotal part of their brand engagement strategy.

Needs: Custom tools, branded experiences, and premium features to engage their audience at scale.

Addressable Market Size

How many potential users are out there? There are a few estimates we can make, based on various statistics. While we could later expand to other streaming services such as Apple Music, Tidal or Deezer, we will do these calculations with only Spotify in mind. As an ultimate upper bound, Spotify currently has 220 million premium users (Spotify, 2023). Looking at alternative stream trackers, they seem to have a user base between of somewhere between 2 and 20 million¹. Our estimated calculations show a need for between 16.000 and 48.000 users to earn a liveable wage (see: Potential Profit). This would come down to converting 0.07% and 0.21% of Spotify premium users to Rootnote users. Moreover, Spotify is still growing, thus this fraction is only to decrease over

time. Looking to the competitors, we would need to gain a market share that is a fraction of theirs. This also is deemed achievable. As I see it right now, the addressable market size is not a limiting factor in the immediate growth of Rootnote, as long as we set ourselves apart from competitors (see: competition and alternatives)

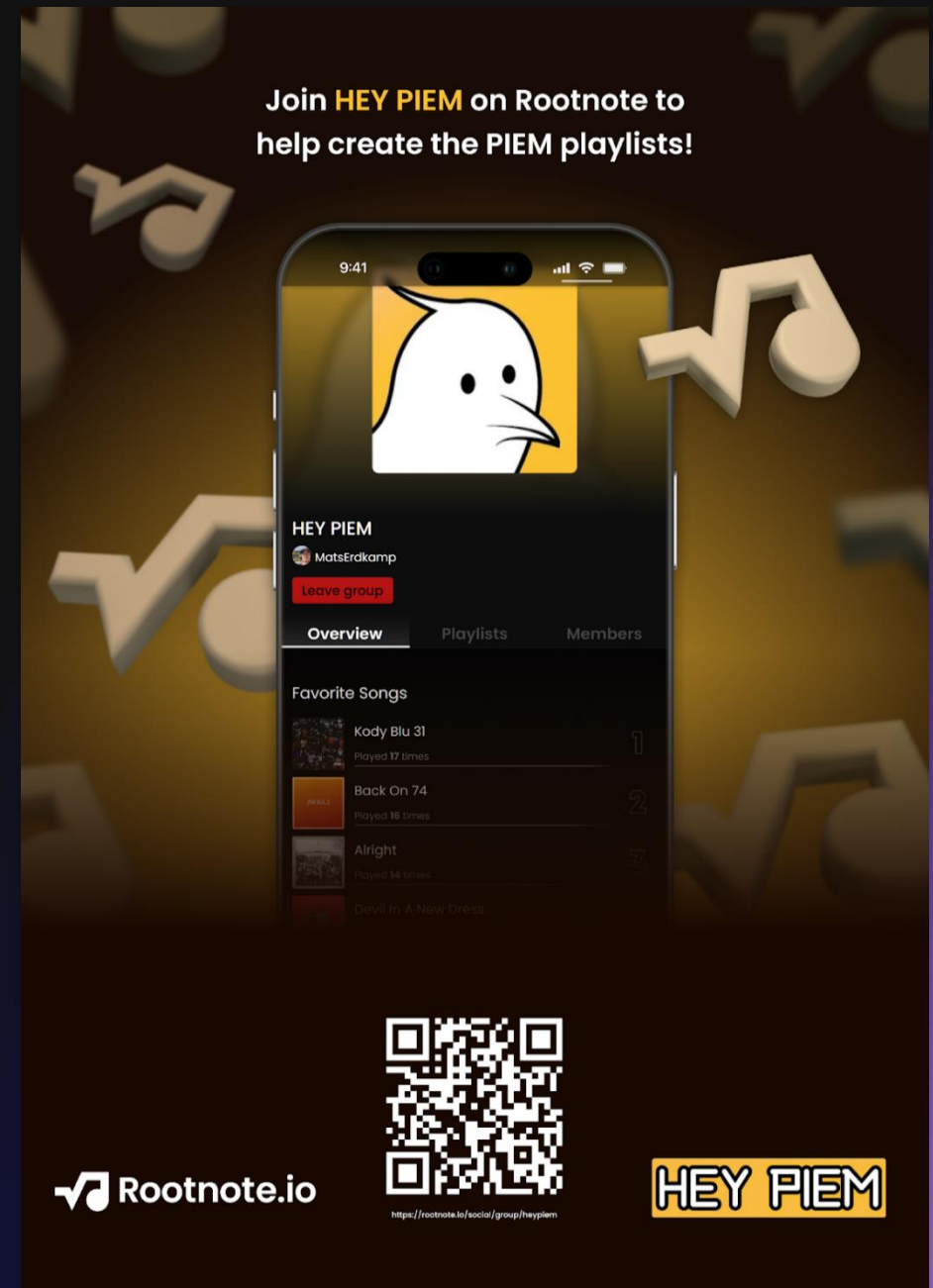
¹ I extrapolated the yearly streams on Rootnote to their yearly stream numbers found on their homepages. Giving an estimate of the amount of users that they have.

Brand Example: Hey Piem

Hey Piem is a clothing brand whose focus is on spreading positivity. By using Rootnote, they were able to create a playlist, based on the streams of their members, that only includes happy and danceable songs. This fits perfectly with their brand identity, and provides an extends their mission of spreading positivity into the realm of music. Furthermore, by seeing what music members listen, they can better curate what songs they should play at one of their 'Piem Parties'. We envision the following benefits for the Hey Piem brand:

- **Brand Awareness:** Their brand would have a presence in (customers') Spotify.
- **Brand Extension:** Hey Piem would extend their mission of spreading positivity to the realm of music.
- **Brand Association: Customers** would associate Hey Piem with the happy music, helping steer the brand towards being perceived as positive.
- **Emotional Connection:** the social functionalities of Rootnote would strengthen the group's interpersonal connections, in turn strengthening their connection to the brand

Further larger scale collaboration of Rootnote and Hey Piem is planned sometime in the future.



Influencer Example:
@SavingConnie

SavingConnie is an Instagram page that aims to provide its followers with new music. They do this through the creation of playlists, posts, and more. There are a lot of Instagram pages with similar goals [source]. These pages often have followings with a specific music taste. Owners of such pages could benefit from using Rootnote in a couple of ways:

Insight: Rootnote allows the page owner to identify what their followers are actually listening, which in turn can help them fulfill their role as a music curator better.

Automation: Rootnote’s playlist creation tools can simplify the creation of playlists by letting owners take a data-driven approach.

Gamification: Rootnote can help owners with gamifying the communities

streaming data, resulting in a more socially connected and engaged audience.

Stats Export: Rootnote can export the listening habits of their followers to an image, which they can subsequently post to their socials. This can be a great tool for members to gain insight into the musical hivemind of the group, and can be a great conversation starter for discussing the currently trending music.



Image retrieved from @savingconnie on Instagram

Competition & alternatives

Stream Trackers

If we look at the currently prominent 'stream trackers', there are two main players as of today: Last.fm and Stats.fm.

Last.fm is older, as it launched in 2002. Originally, last.fm allowed users to get recommendations based on their listening habits. As of today, most of those functionalities have been made native to the streaming services (that did not exist yet when they launched). Last.fm was bought by Paramount Global in 2007, and its main revenue now supposedly lies in data mining the listening trends among users. Last.fm has almost no social functionalities.

Stats.fm feels like a more modern version of Last.fm. Its functionalities are more focused on listening history insights, and not on music discovery. Stats.fm does have some socially oriented functionalities, such as a leaderboard and the ability to find people with similar musical tastes. Additionally, you can see your friends' listening history as well.

Both of these do not focus on communities, and have little to no aspects of gamification present within their platform. The Blue Ocean Strategy (Kim & Mauborgne, 2007) Canvas found on the next page highlights some of Rootnote's strengths as compared to

the aforementioned alternatives. The Blue Ocean Strategy is a business strategy that prioritizes creating new market spaces, instead of competing in existing markets. The aim is to create demand, rather than fight over it. For now, the most opportunity lies within the creation of a new market by providing three main functionalities not found within the competitor's music insight solutions:

Community-driven Music Insights: Rootnote aims to fill the gap between music streaming and social interaction, making music discovery more organic and community-driven. Rootnote will be the first service to allow groups to peek into their collective music listening hivemind.

Gamification of group streaming data: By utilizing group streaming data, we are uniquely positioned to gamify the streaming habits of the community as a whole, as opposed to the one-off tools who can only focus on individual users.

Updating Lists: No competitors allow for the creation of playlists based on the streaming behaviour of a group. While in concept similar to Spotify Blend, our functionalities reach beyond what is possible in Spotify (bigger groups, various filters, etc.) This will attract a crowd of music (insight) enthusiasts. We hypothesize that these enthusiasts have a lot of overlap with the users found in music communities, thus giving them more reason to make Rootnote their platform of choice .



Blue Ocean Strategy Canvas

Near term vision for Rootnote's offerings as compared to competitors.

Rootnote 
Stats.fm 
Last.fm 

Offering Level 

Recommendations
(with recommendation engine)

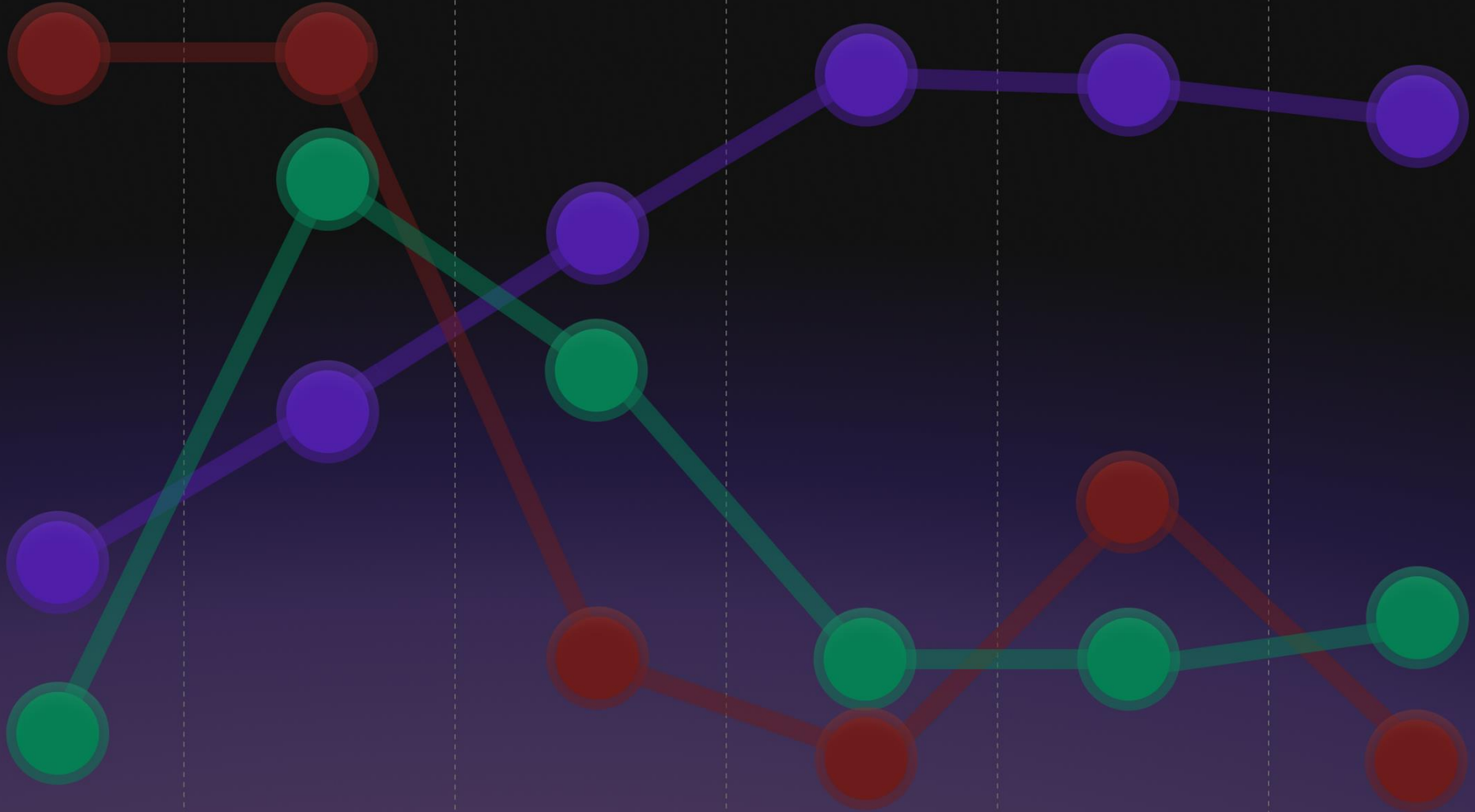
Personal Insights

Friend Insights

Group Insights

Updating Lists

Gamification



Gamification

Games have not really been able to be commercialized yet. They are usually one-off passion projects. Rootnote could actually provide these games with a home.

Shown on the right are Receiptify and Instafest respectively. Both went viral within music communities. The figure on the next page lays out a blue ocean (Kim & Mauborgne, 2007) business move. By capitalizing on the hype these games create, we can grow our platform quicker and set ourselves apart from the currently available stream trackers. Additionally, this could be a win for parties such as Receiptify and Instafest, since our user base could serve as the initial adopters needed for virality. The Game Hub would be a two-sided marketplace (Eisenmann et al., 2006), where music-based games can finally see profit due to the economies of scale. The network effects of a two-sided marketplace fits well with our reliance of viral (freemium) growth. (Eisenmann et al., 2006)



Instafest: <https://www.instafest.app/home>

Receiptify: <https://receiptify.herokuapp.com/>



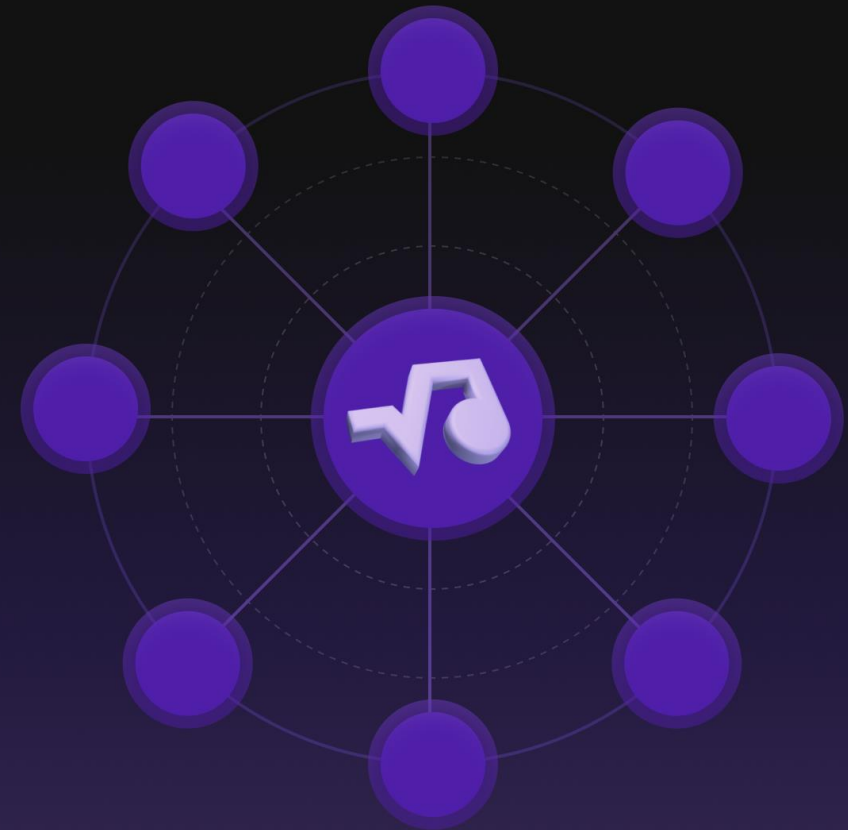
Rootnote Game Hub

Unified in one place.



Status Quo

Every now and then, games/experiences based on streaming data pop up. These tend to be made by individuals, who are utilizing the Spotify API directly. This limits the functionalities that are available to them. Moreover, it makes all the games focused on individual users, and not on communities.



Proposed

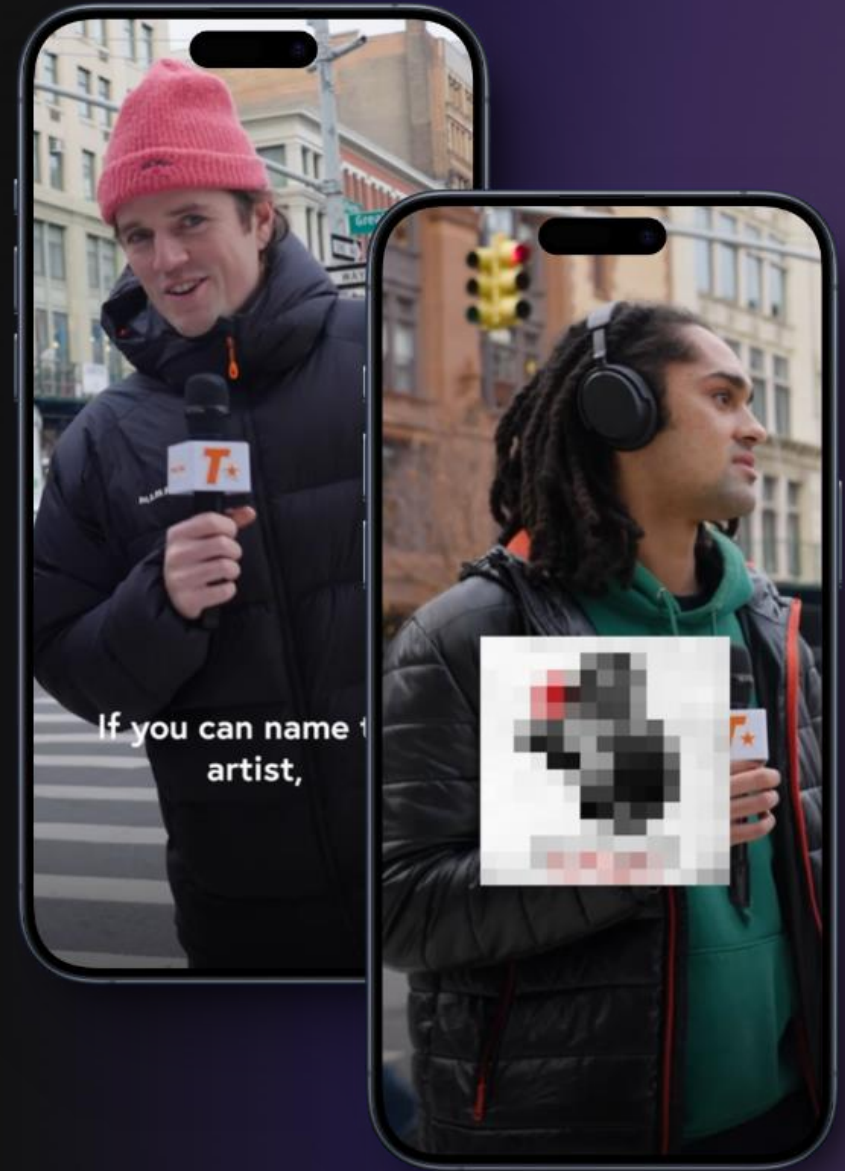
By creating a hub for these games, Rootnote can create a win-win scenario, where our existing users can provide the user base, and virality can grow it. Additionally, there are more opportunities available to developers, such as making games for groups. To further incentivize solo developers to join, Rootnote could share revenue with the creators.

Gamification Example: Trackstar*

Trackstar* is a music quiz by the content creators of Public Opinion. Within this music quiz, random New Yorkers get to listen to a song. If they correctly guess the artist, they win \$2, with each subsequent correct answer doubling the prize money. A wrong answer means leaving the quiz empty handed.

I am currently in talks with Jack (the host) to digitize their concept. By hosting it on Rootnote, we would drive adoption of the service. Their fans might be inclined to check out the other features Rootnote has to offer. This way, we can also keep the upfront costs of development low for them. This gives us an advantage as opposed to a regular software development firm, since they have nothing to gain from the end product. Additionally, the more games we make, the more code will be available for utilize.

The exact details of the deal are not yet confirmed, but the back-and-forth shows that various brands have a need for these kinds of solutions. Rootnote can extend their brand beyond short-form content, to a music trivia powerhouse.





SWOT Analysis

SWOT Analysis of Rootnote and its future.

Strengths

- Strong vision
- Playlist Creator
- Community-centric approach
- Gamification
- Strong focus on social media integration

Weaknesses

- Behind on adoption
- Resource constraints (1 man team)
- No (large) capital for pre-revenue phase of freemium

Opportunities

- Creating a Game Hub
- Data monetization
 - Data Sales
 - Targeted Playlist Advertisements
- Partnerships with music brand and influencers
- Mobile app

Threats

- Platform Reliance (Spotify)
- Established Players Pivoting

Section Four

Business Model

Business model

At the heart of Rootnote's growth strategy lies our commitment to providing a tiered system of access that caters to a diverse range of users. From individual music enthusiasts to large music communities, our business model focuses on creating multiple streams of revenue while ensuring maximum user engagement and satisfaction. Here's an in-depth look into our strategy:

Free User

We believe that the key to rapid user acquisition is the Freemium model. By offering a free tier, we drastically reduce sales friction and entice a larger demographic to test our platform. Our free tier aims to:

Rapidly Increase User Base: The no-cost approach facilitates organic growth, allowing many to try our product risk-free. (Ries, 2014)

Collect Valuable Data: A larger user base equates to a richer dataset. We intend to harness this data to refine and enhance the product. Additionally, this data could be used to allow artists to gain insight into the streaming behaviour of their fans.

Conversion Potential: Over time, free users will recognize the value of our premium features, leading to potential upgrades. The

preliminary list of features that would be premium-only can be found in appendix D.

Word-of-Mouth Marketing: Our aim is to transform our free tier users into ambassadors of Rootnote, triggering viral growth. (Ries, 2014)

Premium User Value-Added Proposition

Our premium users are central to our revenue stream. The benefits they receive are twofold:

Enhanced Features: Exclusive access to advanced tools and content that amplify their music experience. (see appendix D for a list of potential premium only features.

Ad-Free Interaction: A smoother, more enjoyable platform experience without the disruptions of advertisements.

Group Features: A Community-Centric Approach

We believe in the power of community. Our group feature allows influencers and communities to create their niche within our platform. Premium features for groups, such as history logs, custom branding, and social media bots, provide value and enhance community engagement. Recognizing leaderless groups, like certain subreddits, we're exploring options like crowdfunding

models, where the community can collectively sponsor features or use such groups as advertising opportunities.

Enterprise Tier

Beyond the regular premium features, there would be an exclusive Enterprise tier. This tier would provide ultra-premium features, such as the creation of custom tools for these clients. The enterprise tier would most likely utilize a tiered pricing system, where larger corporations pay more (due to also using more computational and company resources). The details of this revenue opportunity are yet to be finalized, since it is likely to only become relevant in the far future.

Data Utilization: Monetizing Insights

In today's digital age, data is invaluable. With the vast streaming data Rootnote accumulates:

Data Sales: Streaming insights could realistically be sold to interested parties, such as artists wanting to know what their core audience listens to most.

Targeted Playlist Advertisements: We foresee a unique opportunity in allowing labels and artists to place their songs in specific community playlists, enhancing the user experience while monetizing playlist placements. [Appendix A]

Conclusion

Rootnote's business model is strategically designed to cater to a diverse range of users, from individual music enthusiasts to large enterprises, thus creating multiple revenue streams. Our approach is anchored in the Freemium model, which serves as a catalyst for rapid user acquisition and organic growth (Ries, 2014). By offering a free tier, we not only reduce barriers to entry but also create a vast pool of data that is instrumental in refining our product and understanding user behaviour. This data, in turn, opens up potential opportunities for artists and labels to gain deeper insights into their audience's streaming habits, as well as streamlining the process of advertising new music [Appendix A].



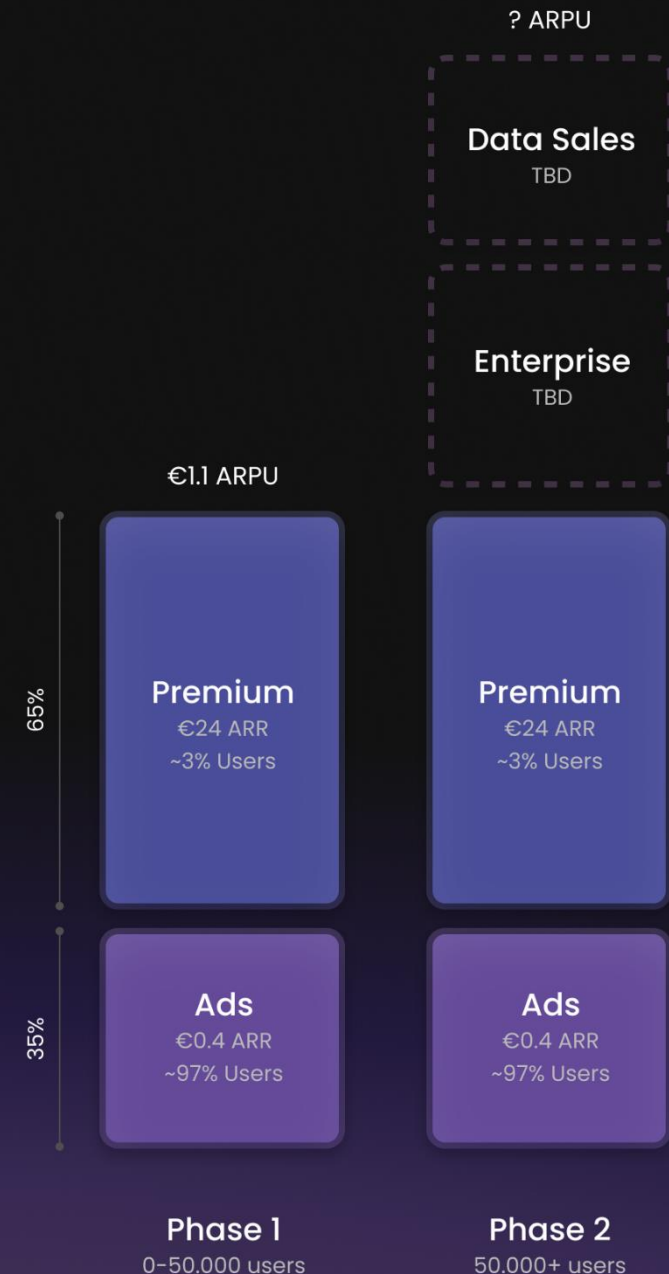
Potential Profit

The calculations in appendix C show an estimated €0.4 ad revenue per user per year. We target a premium conversion rate of 3%, at €24 per year. This results in an annual revenue per user of **~€1.1**

Currently, server costs are the only recurring costs. This ends up being about €0.05 per user, today. Due to economies of scale, this number should only decrease. This assumes that I will be able to maintain the system myself, without the need for recruited engineers. To allow for some unforeseen costs, we will assume a cost of €0.1 per user, putting the annual recurring profit per user at €1. If we add margins of error of 50%, we find annual recurring profit per user to be **€0.5 – €1.50** for phase 1. This phase focuses on commercializing the users. Phase 2, focuses on commercialization of the business-to-business side. Rootnote is currently not far enough developed to create meaningful estimates of these revenue streams. According to our calculations, to pay Dutch minimum wage, Rootnote would need, somewhere between 16.000 and 48.000 users. Hence why 'Phase 2' was put at 50.000+ users. Additional revenue beyond this point can be used to build out these revenue streams.

All of these numbers are estimated figures. During the feasibility checks (see: schedule 2024) these will be recalculated once we have more data.

Estimated Revenue



Section Five

Future Plans



Schedule 2024

The planning for the rest of the year.

Notes

Feasibility check: A checkpoint where we evaluate the current path.
See if it still holds up, or if we need to pivot.

Scaling User Base Targets: Three targets for scaling:
red = minimum, yellow = goal, green = remain committed full-time

BUILD

SCALE

MARKET

VENTURE

GROW

Backend Improvements

The last improvements needed to scale the platform to 10.000+ users.



Mobile App

App store apps have better usage rates than progressive web apps. DAU are crucial for Rootnote.

New List Creator

Implement the new version of the (play)list creator that is more expensive and aligns better with the company mission.

Scaling User Base

Using public leaderless online communities to scale the user base.

Targets

10k

2k

500

Targets

50k

5k

2000

Targets

100k

20k

5000

Collaboration Test

Collaborate with a (small) influencer to figure out the business logicstics (contracts etc.)

Email List

Create an email (weekly) update service.

Collaborations

Collaborate with more groups to further grow the user base.

Checkpoint

Calculate the value of collaborations. If too low, cancel further collabs.

Investment

If feasibility check 1 highlights the need for investment, we will actively start searching for venture capital / government subsidies.

Find Cofounder(s)

Find a cofounder.



Version 1.0 launch



Feasibility checkpoint 1



Feasibility checkpoint 2

2024

Q2

Q3

Q4

2025

Future Plans

Business Growth

Rootnote is currently entering a phase of maturity where it can be published publicly. With the revenue model being akin to 'low margin high quantity', Rootnote's most crucial activity the coming year is getting as much users as possible.

While the 21st century has seen a lot of 'growth first, revenue later'-startups, we will have to concurrently implement monetization strategies. Rootnote is not backed by venture capital and can thus not lose millions in its 'growth stage'.

There are three targets specified each quarter within the 'Scaling user base' activity in the schedule. These targets provide a minimum, a realistic, and an ambitious goal. Being under the minimum is reason to reevaluate the feasibility. Being above the ambitious goal means we will commit ourselves fulltime to the development of Rootnote. Scaling the user base in this phase will be done by creating Rootnote groups for 'leaderless' communities, such as subreddits. Appendix E gives a short synopsis on online music communities, and the different intricacies of platforms such as Reddit, Discord, TikTok, Instagram and more.

Additionally, two feasibility checkpoints are defined, where the current state of the company will be evaluated. Here, we decide if we need to slightly alter strategy, or pivot entirely (Ries, 2014). Based on feasibility check 1, we will see if we need to start looking for investors and/or cofounders.

Product Development

Plenty of features have been laid out in the business plan, but two are deemed the most urgent: a mobile app and an improved playlist creator.

The mobile app is necessary due to the daily active user (DAU) rate of apps as compared to websites. Logically, the friction to open an app is lower as compared to opening a website. The plan is to use Tauri to convert the Progressive Web App into an app that can be deployed to the Google Play Store and Apple App store.

Secondly, the (play)list creator will be reworked to become more extensive. These new functionalities are thought to attract the music enthusiast crowd, which can be the seed needed for viral growth.

Section Six

The Conclusion

Conclusion

By focusing on community-driven insight, Rootnote offers a fresh perspective in an industry dominated by individualistic algorithms. Its innovative features not only enhance the individual music experience but also foster a sense of belonging and connection within music communities.

Rootnote stands out in its market space, targeting a unique niche between the aggregation of national charts and the personalization of recommendation engines. Its functionalities cater to various customer types. From music and social communities to influencers, content creators, and even corporate brands. The platform's potential in creating new market spaces and providing community-centric music insights is substantial, addressing the unmet needs of modern music listeners who crave more social interaction and communal engagement.

Through the use of a freemium model, we set ourselves up to do everything we can to achieve viral growth. Various monetization strategies are proposed, such as premium-only features, enterprise solutions, and data sales.

In conclusion, Rootnote looks forward in the ever-changing landscape of music consumption, redefining music community interactions in the digital age.

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Appendix A: Targeted Playlist Placements

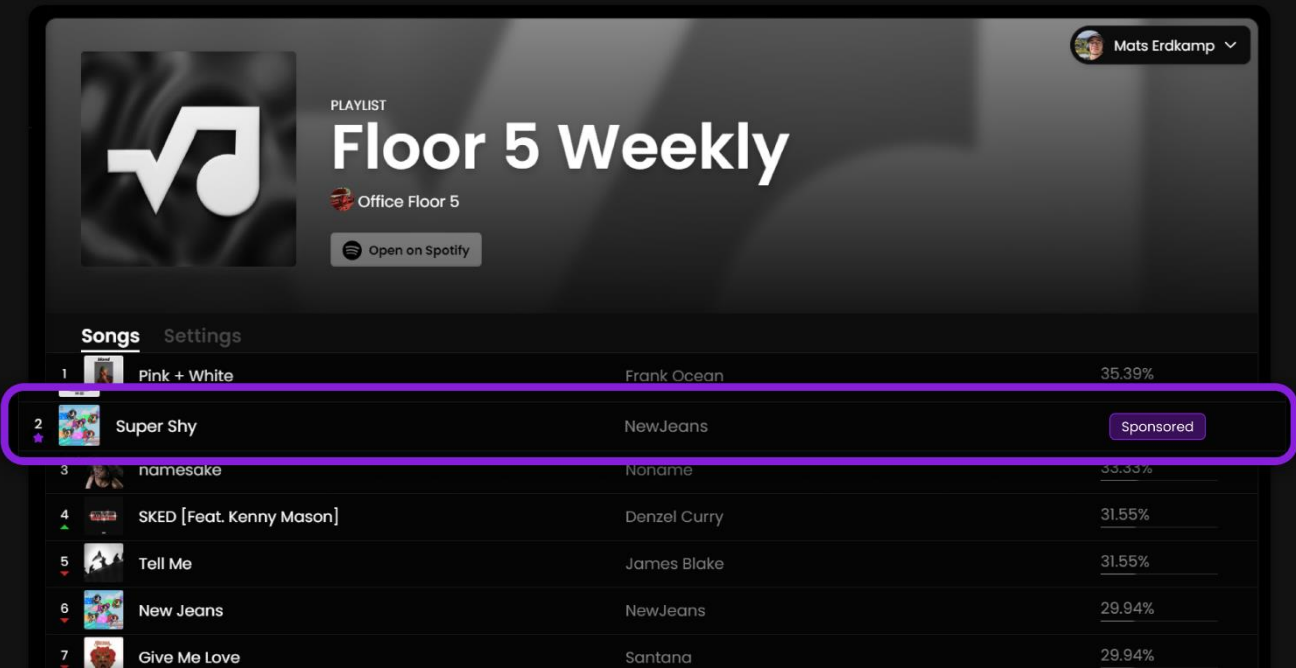
Rootnote is proposing an innovative approach to music advertising by integrating sponsored songs directly into user playlists, akin to Facebook ads but specifically for music. This method is based on analyzing streaming data to suggest songs to relevant users, placing them seamlessly into their playlists. The idea is to streamline the process of discovering new music, eliminating extra steps and potentially allowing users to encounter new tracks accidentally.

This concept stands out from existing platforms like Submithub, PlaylistPush, and SoundCampaign, which connect artists with playlist owners or 'tastemakers' for song promotion. (see

appendix C for the full list) Rootnote's method automates this process, utilizing its own playlists for advertising without the need for external tastemakers. This not only simplifies the process but also opens up a direct revenue stream for the platform.

There are several advantages to Rootnote's approach:

- 1. **Potentially better conversion rate:** Songs are added directly to playlists, making new music discovery effortless and integrated, as opposed to running ads on e.g., Facebook.
- 2. **Targeted Relevancy:** Using user data allows for highly relevant song suggestions, increasing engagement.
- 3. **Bigger scale:** Advertisers can more easily select a huge scope of playlists, instead of just being connected to one tastemaker.
- 4. **Automated:** Rootnote's system would be data-driven and automated, thus eliminating the need for tastemakers (which in turn would reduce costs for advertisers)



Appendix B: Playlist Advertisement Status Quo

The following platforms were identified as two-sided marketplaces that aim to connect tastemakers/curators with artists trying to promote their music. These parties seem to have a steady revenue stream, although the exact numbers are unknown. We imagine that automating their service (appendix B) could potentially be quite fruitful.

Submithub	https://www.submithub.com/
PlaylistPush	https://playlistpush.com/
SoundCampaign	https://soundcamps.com/
Soundplate	https://soundplate.com/
DailyPlaylists	https://dailyplaylists.com/
MySphera	https://www.mysphera.co/
Musicto	https://www.musicto.com/
IndieMono	https://indiemono.com/
Groover	https://groover.co/en/

Appendix C: Advertisement ARPU calculations

Adsense: "5M page views per month → €520.000 annual revenue"

Source: <https://adsense.google.com/start/#calculator>

Extrapolating the current median page views per month (4) leads us to 138889 users needed for €520.000 annual recurring revenue:

Monthly views / monthly views per user = users

5.000.000 / 4 = 1.250.000 users

This can be rewritten to the annual revenue per user (ARPU)

€520.000 / 1.250.000 = €0.416 ARPU

It should be noted that the current users are early adopters / power users! Real median usage will most likely be a bit lower. On the other hand, making it an app and adding new features will make the app more engaging. For now, we will use an ARPU of **€0.4**. Better estimates will be made once the user base grows.

Appendix D: Premium-only feature exploration

Higher 'Score' is better.

Product	Feature/Limitation	Prohibits viral growth? (1-5)	Estimated desirability? (1-5)	Score
Playlists	playlist ads	1	4	16
Beta	early access to features	1	4	16
Ads	show ads	1	3	12
Stats Export	more themes	2	4	12
Playlists	maximum amount	2	4	12
Playlists	song limit	2	4	12
Filters	custom time range	1	3	12
Share Target Remix	daily cap	1	3	12
Profile	customization	1	3	12
List creator	maximum amount	2	4	12
Text-to-nodes	maximum amount	1	3	12
Group	custom dashboard	2	4	12
Stats Export	Partial social features	2	4	12
Stats Export	automatic export	3	5	10
Playlists	creation	3	5	10
Group	max members	3	5	10
Stats Export	more dimensions	2	3	9
Insights	usage	2	3	9
Playlists	update frequency	3	4	8
Stream Import	Import	3	4	8
Text-to-nodes	creation	3	4	8
Bracket Creator	customization	3	3	6
AI Games	maximum amount	2	2	6
Share Target Remix	usage	3	3	6
Group	tags	2	2	6
Stats Export	limit	3	2	4
AI Games	creation	4	4	4
Stats Export	creation	5	4	0
Bracket Creator	creation	5	4	0
Group	creation	5	5	0

Appendix E: Where are the users?

Rootnote aims to provide tooling for music communities. As described earlier, plenty of these communities have a mostly online presence. What platforms do they utilize? We highlight the following few as important especially in the early stages of Rootnote's development.

Discord (discord.com)

Discord has emerged as a central platform for music fandoms and artist-fan interactions. Artists use Discord for a variety of purposes, such as connecting with fans, hosting virtual events, beta testing new projects, and even teasing new music.

Rootnote could strongly improve the tools that these communities have. Currently, .fmbot [<https://fmbot.xyz/>] is the most prevalent, being active in over 330.000 servers. [<https://top.gg/tag/lastfm>].

[<https://pitchfork.com/features/article/discord-music-fandoms/>]

[<https://futureparty.com/discord-best-place-music-fans/>]

Instagram ([instagram.com](https://www.instagram.com))

Instagram is a more visually-oriented platform, where an account owner curates the experience of the page. Plenty of pages pride themselves in 'music curation'. Like a Radio DJ, they are known for a certain style and their followers trust their opinion on newly released music. For these

pages, it would be invaluable to gain better insight into the community's musical hivemind.

TikTok ([tiktok.com](https://www.tiktok.com))

For music communities, TikTok acts as a dynamic space where new songs and artists can be discovered through viral challenges, dance routines, and user-generated content. Music snippets used in popular videos can quickly become trending, creating an organic promotion mechanism. This aspect of music discovery is particularly important for younger audiences who are increasingly turning to TikTok as their primary source for finding new music. The structure of the platform is similar to Instagram, with creators having an audience that follows them.

Reddit ([reddit.com](https://www.reddit.com))

Reddit is a social platform that takes a topic-centric approach. Subreddits are pages where everyone is free to post. Within the context of music, subreddits often exist for artists, genres, production techniques, and more. To gain insight into the music Reddit landscape, we crawled the website and logged the member counts of music related subreddits. This list can be found in appendix F.

'Leaderless Groups'

Some of these communities do not have clear leaders. These groups, such as various subreddits, do not have a central entity that is incentivized to pay for premium for the whole group. We call these 'leaderless groups'.

Appendix F: The Top Music Subreddits

A script was written to access the about.json file of the subreddits present in a post categorizing the biggest ones. This is not a complete index of all music subreddits but it provides a good basis. The image on the right show the top 30 according to our research. The full document includes the top 300. This list will be used during the 'scaling the user base' phase of the 2024 schedule. Free Rootnote groups will be provided for a multitude of subreddits present in this list.

Link to the list of music subreddits:

<https://www.reddit.com/r/Music/wiki/musicsubreddits/>.

1	subreddit	members	type
2	/r/Music	32631342	general
3	/r/ListenToThis	18025857	general
4	/r/hiphopheads	2913142	genre
5	/r/Indieheads	2706022	genre
6	/r/WeAreTheMusicMakers	2685188	general
7	/r/ElectronicMusic	2612527	genre
8	/r/kpop	2470132	genre
9	/r/TipOfMyTongue	2377085	request
10	/r/EDM	2207841	genre
11	/r/metal	2112750	genre
12	/r/Audiophile	2026189	niche
13	/r/Guitar	1800934	instrument
14	/r/popheads	1630715	genre
15	/r/vinyl	1551660	niche
16	/r/classicalmusic	1519869	genre
17	/r/LofiHipHop	1394867	genre
18	/r/mashups	1312172	niche
19	/r/Spotify	1220956	platform
20	/r/Rap	1191370	genre
21	/r/TaylorSwift	1139683	artist
22	/r/ifyoulikeblank	1089386	recommendations
23	/r/hiphop101	927637	genre
24	/r/Kanye	782025	artist
25	/r/EDMproduction	742975	production
26	/r/indie	684872	genre
27	/r/indie_rock	649439	genre
28	/r/Bangtan	640902	artist
29	/r/AudioEngineering	575462	production
30	/r/MusicTheory	548973	production