
Are You Using Music Properly?

Answers to the most frequently-asked business music questions

BY GREG NISBET



Music connects people, and many Canadian businesses big and small use the power of music every day to help build relationships with their customers.

But ask many of the owners of those businesses whether they're using that music legally, and they often won't know. This can be a problem. In today's transparent business world, where social media and constant customer engagement can expose and magnify organizational flaws in an instant, it has become more important than ever to ensure that your organization is on the right side of what has become an important issue to Canadian consumers.

Then there's the matter of doing music properly. Even once all the legal bases are covered, there are a host of other considerations, especially when operating across multiple locations that each may have their own important local considerations. These can include technical difficulties, lack of buy-in at franchisee level, and identifying a "sound" for the brand that will complement but not overpower core brand messaging.

I've put together a short list of frequently asked questions (FAQ) that we hear as a music supplier, in order to help you determine whether your organization is using music legally and properly.

First, a few statistics on the importance of music and its use in businesses across Canada.

- Three-quarters of Canadians feel that the music businesses play impacts their brand, and 84 per cent agree that playing the right music can be beneficial to a business (Leger 2015).
- 87 per cent of Canadians agree that they would prefer to patronize businesses that support musicians by using music legally and ethically (Re:Sound 2015).
- More than two-thirds of Canadians (68 per cent) agree that the atmosphere created by music impacts their decision to return to or recommend a restaurant (2015 SOCAN/Leger).

Now, some of the questions we hear about using music in a business setting:

Q Can I just turn on the radio or use Sirius XM or a streaming service like Spotify, Apple Music or YouTube?

A Regular AM/FM radio is fine, but that's it. You aren't permitted to use other services for your business unless you're specifically paying that company for a "music service for businesses." With AM/FM radio, each station is geared toward a very broad demographic which is unlikely to closely match the one in your place of business. Worse yet, there are commercials, which can not only annoy your patrons but also, in some cases, actually advertise for your competitors!

Q My customers won't know whether I'm paying for my music. Why add an expense to my business that isn't necessary?

A You might be surprised at what your customers think about your choice of music, especially if there happen to be any musicians among your guests. Think of the small fees of a music service the same way you think of insurance – the cost certainty of a nominal fee that precludes the likelihood of an event much costlier to your business.

Q One of my locations got a visit from someone the other day wanting me to write a cheque for using music. Should I pay them?

A If this happens, the first thing you should do is take down the name of the organization they claim to represent and do some preliminary research. Unfortunately, not all rights organizations that come calling are legitimate, so it's important to either do your homework or contact a knowledgeable music provider.

ARE YOU USING MUSIC PROPERLY?

Q Can I play my own commercials, or existing radio creative I have running?

A Generally yes, as long as you have a system and a music supply service that facilitates this. With some of the great audio recording technologies available today, in-store radio can be a much richer experience for your customers than it was in the past.

Q I recognize the value of music at head office, but this is a cost my franchisees pay, so how can I get them on board?

A It can be challenging to demonstrate concrete return on investment when operating margins at location level may already be slim. Statistics certainly help. Each of Canada's two main organizations for licensing music in businesses (SOCAN & Re:Sound) publish regular reports on the value and use of music. Testing helps even more. With the right tools, it can be quite simple to run some simple A/B testing between locations with different music environments. If a franchisee knows that another location is getting demonstrable bottom-line results, they're much more likely to feel comfortable with a music-associated expense.

Q What are the pros and cons of hardware-based and internet streaming solutions?

A Hardware-based solutions are more traditional and tend to be viewed as a little more reliable than streaming solutions. The downside is that an element of control is given up, and updating content can be more challenging. Internet-based solutions usually have a much broader range of options in terms of both control and measurement/analytics, but are perceived as less reliable because of the need for a reliable internet connection. Many solutions these days are a hybrid of the two systems, using web-based technologies to affect greater control and measurement, but with a "back-up" physical component that kicks in when the reliability of an internet connection might be an issue.

Q How important is sound quality in a busy environment?

A It depends on several physical aspects of the environment, including customer traffic flow, ceiling height, number of speakers, and target ambience. Broadly speaking, two factors affect the quality of the sound: the sound source (eg. quality of receiver or stream, bitrate of song files) and the hardware delivering the sound. If you're considering an upgrade, make sure that you take both into account.

Q We already take our in-store music seriously. Are there ways to carry that over into the existing marketing and/or digital initiatives of our brand?

A There are many creative ways to incorporate more music into your brand, including bringing in live music to your location(s), partnering with artists on brand promotions, and using your brand's social media channels to talk about what's playing in-store. Because of the powerful emotional connection created by music (and the artists who make it), the engagement rate with such promotional activities as contests or coupons can be higher, thus making the associated campaign that much more effective.

To summarize, pitfalls for a business using music improperly include:

- Poor brand messaging with mismatched music
- Possibility of damage to your business with misuse
- Organizational inconsistency across multiple locations
- Technical problems with delivery or sound

Positive effects of proper integration of music into your business include:

- Creates a powerful emotional connection with your customers
- Fosters a better in-store environment
- Demonstrates support of artistic creation
- Provides an effective tie-in to other promotional activities

The next time you hear a song you love, think about how it makes you feel. Then, think about the value of each and every one of your customers sharing that feeling while experiencing your brand. Isn't it worth putting some time and effort into incorporating music properly? 🌟

ABOUT THE AUTHOR

Greg Nisbet is the Founder & CEO of Mediazoic, creators of RadioMogul, a unique custom radio solution that allows businesses to connect with their customers within a fully-customized music and audio broadcasting space. Businesses using RadioMogul can create and schedule programs, broadcast live, stream in-store, and distribute a graphic "tuner" pointing to their radio station anywhere that the internet reaches. Greg can be reached at cfa@mediazoic.com.



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