



Sales and Distribution

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This section discusses the functions of a record label artist development / tour marketing department. At this point, you may also want to review the StarPolish dedicated section on [Performance Marketing / Tour Support](#) for more details and do-it-yourself tour marketing tips.

Some labels refer to product management or marketing as “artist development” (which sounds nicer than “product management”), but at most labels artist development is the touring department. This area not only deals with touring, but also non-recoupable performances like promotional tours, special artist appearances and label events and presentations.

First off, if you don't already have a booking agent, the artist development department can undoubtedly help you find one. There is a finite number of major booking agents in the country, and major- label touring departments maintain excellent relationships with all of them. If you need an agent, your artist development representative can help you find the right match.

Once you are paired up with your ideal agent, Artist Development can also help you find your ideal touring situation. The label's muscle and promise of marketing support will help you to secure a good tour. If you're up for an opening slot, other agents, headline acts and venues all want to know that their opening artist will have label funds behind them to support the tour with advertising, promotion and visibility to help sell tickets.

Label vs. Distribution

The record label has a relatively small sales staff - usually between 4 and 10 "national" sales people in the main office, and four regional sales managers out in the field. The sales department devises the sales plan for each artist and communicates it to the distribution company, whose sales reps in the field then execute the plans.

The distribution company is a massive conglomerate that has between 8 and 10 branch offices around the country in major markets. Each branch is structured the same and generally consists of a Branch Manager, a Sales Manager, Sales Reps (quantity varies on market size), Marketing Managers, a couple of Genre-Specific Marketing Managers (alternative, urban), Field Marketing Reps, College Reps and other support staff. The Branch office is also host to the label's regional sales people and local promotion people. The branch is somewhat of a microcosm of a label.

Field Reps/College Reps

Within the distribution company, there are staffers that are usually young, bright, ambitious kids in entry-level positions at the branch. They are worth mentioning because as a new artist, they will be invaluable to you. The Field Marketing Reps are those who physically put up posters in retail accounts, at venues, and wherever you are appearing. They work in tandem with the branch to help execute promotions and make sure their marketplace is blanketed with tools like stickers, postcards and music samplers.

The College Reps are part-time employees of the distribution company who are still in college. They focus on campus marketing, campus events, distribution of promotional materials on campus, and visibility in the campus co-op retail store if applicable. They also work closely with the branch to help cover any bases, and try to be involved wherever they can.

For more details on the functions of College Reps and how you can put one of these teams together for your own dedicated use, see the StarPolish section on Starting and [Running a Marketing / Street Team](#).

The Process of Selling

The first introduction of the artist to the Sales Department is through music. "Advance CDs," which are generically packaged full-length CDs, are sent to the entire sales staff approximately two months before a

release date. The advance CD is accompanied by a New Release Sheet (the term for this thing is different at every label, but "New Release Sheet" makes the most sense to me), which is a brief summary of the artist's bio, history and marketing, promotion, press and touring plans for the album. Other information, like any sales history, strong past sales markets or a strong local following, is helpful to a sales person. The well-informed sales rep is now capable of selling the product to his accounts, targeting certain regions in the country or certain stores that lean toward the musical genre of the artist.

The sales reps in the branches, the label's regionals, and national staff alike are now armed for the first phase of selling a record: the initial shipment. Sales reps sell to their accounts (i.e. record stores and in some cases, online record retail) about a month in advance of a release date. The amount of product ordered by the buyers across the country determines the initial shipment of an album. After the in-store date, as the album's profile builds with airplay, touring, press, marketing and general visibility, the initial quantity starts to sell off and accounts reorder the album through their sales reps. Because it is an ongoing process, the Sales Department relies heavily on the other departments within the label to feed them information and updates so that they can continue to encourage accounts to reorder product. Among the information valuable to accounts are tour dates, airplay updates, press highlights, TV appearances, video play, and good sales stories.

Store Support

The sales rep has responsibilities to the retail account. After he has sold them a load of product on a new artist, he helps the account to actually sell it to consumers. There are several ways to support the account:

- **Advertising:** By providing advertising funds to the store, the label is able to help the store advertise itself. Labels pay for print, radio and even television advertising and "tag" the account ("available at Tower Records," for example). In turn, the account will put the record "on sale" for the period of time the advertising is running.
- **In-store P&P:** Price and Positioning. Labels pay to be included in programs that the accounts develop to support new releases. Programs vary from account to account, but they usually include sale pricing and visibility inside the store, including in-store displays, custom signage, posters or other P.O.P. material, flyers, bag stuffers and in-store play.
- **Artist visits:** When a popular artist is in town, a retail store would welcome an in-store appearance. Usually new artists benefit from performing in the store. Acoustic performances are common, but some stores have stages for full electric performances. Superstar artists rarely perform, but rather sit for a few hours of autograph signing. In-store appearances are supported by local print and radio advertising and are an excellent way to sell product in the right situation. In addition, the account enjoys the increase in store traffic. Sometimes a new artist will benefit from a "retail walk-through," which is basically just a visit and introduction to the buyers and clerks of the store to get them excited about the release.

SoundScan

A monumental change in the way we sell records occurred in 1991 with the creation of SoundScan, a company that uses bar codes and in-store scanners to accurately report over-the-counter sales of all music and video product every week. We now know almost exactly how many records were sold in one week, and these indisputable numbers are what make up the *Billboard* Top 200 Album chart. Prior to SoundScan, store managers would provide their own account of their top selling product, leaving them susceptible to bribes or gifts (formerly considered payola) from labels for reporting certain high-priority projects at #1.

In addition to providing the total number of album (or single) sales for a particular release in one week, SoundScan can break down those sales by market in the top 100 U.S. cities. Analysis of SoundScan reports and charts goes much deeper than counting pieces each week. A multitude of highly specific reports are available that enable the smart sales department to identify trends, analyze buying patterns, see results (or lack thereof) from advertising campaigns or promotions and apply the information to maximize sales for any artist.

Venue Sales

Just a quick note to let you know something very important for touring artists -- SoundScan can also count CDs that you yourself sell at a venue. Your label can set you up as an "account" in their system and you can buy CDs directly from them at cost and sell them at your shows (at whatever price you want to). SoundScan has a form to fill out and a deadline to adhere to, but lo and behold your venue sales appear in your weekly SoundScan report just as if they had sold through a retail account. It's so totally worthwhile that I will even deem it *mandatory* for any touring artist.

