

How To MAKE MORE MONEY WITH MUSIC

VOLUME TWO

Merch Strategies

to Build your Artist Brand
and Earn more Revenue



By Randy Chertkow and Jason Feehan

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Revenue from merchandise sales is a cornerstone of any musician's income, so it makes sense to create a compelling mix of merch that speaks to all your fans—from the big spenders down to the impulse buyers—in ways that make them open their wallet. To do this, you'll need a select set of basic and advanced merch options priced at various levels. And, to boost sales, you'll need to apply the same pricing strategies that businesses successfully use every day with their customers.

Whether you're just starting out or looking for ideas to bolster your merch sales, read on for some of the best ways to make the most money with merch. Or, [click here](#) for the free video version of everything covered in this guide!



1. Your merchandise strategy

To make the most money from your merchandise sales, you need to understand *why* fans buy merchandise from artists in the first place. While fans *do* buy merch to support their favorite artists, that's not the primary reason—otherwise, you'd be able to save tons of money on printing costs by simply selling them plain white t-shirts!

To truly get your fans excited enough to open their wallets and get your cash register ringing, you have to *focus your merch on them*, not you. This means creating merch that speaks to some part of their *identity* or their *experience*.

Creating merch that speaks to your fans' identity starts with understanding them well enough to know what images represent them so that they'll want to wear, use, or show it off in their daily life. To create merch that speaks to your fans' experience, you need to create mementos that remind them of your shows and live events to help them relive the moments they loved.

Although it seems backward, understanding your fans and what they want starts from understanding yourself. The best inspiration to create merch starts from your musical *persona*: the identity you create for yourself and your music that you want people to carry around in their heads. It's the essence of this persona that influences the type of fans you attract and ultimately helps you to understand what they will relate to and see themselves reflected in.

To use a musical analogy, think of your persona as an EQ for your personality, where you can boost just a few key aspects to make it easy for an audience to easily grasp what you and your music are about. This lets you tap into the magic of how people become such die-hard fans, they want to get a tattoo of your logo.

Pro Tip!

For more about developing your artist persona, read [“Define Your Persona, Find Your Voice, And Build Your Artist Brand”](#) on the Disc Makers Blog and check out our book, [Making Money With Music](#), which explores “The 10 Qualities Every Persona Should Have” as well as “The Six Questions You Can Answer To Develop A Persona.”

The more distinct and focused your persona, the easier it is to invent all aspects of your artist brand, including all the tangible elements your fans can see, feel, and touch. Your artist brand includes your logo, images, colors, fonts, and all the things that make up your online presence, as well as your music and merch.

Everything you produce should evoke your persona and the emotions you want people to feel when they experience you and your music. The better you understand yourself and your fans, the easier it will be to create merch they'll be attracted to and be willing to buy.

Once you have your persona and brand defined, you need to classify your potential customers into segments by their spending habits so you can create merchandise to satisfy all of them. Here's a quick way to categorize your fans based on what they spend:

- **Minnows:** \$1 to \$20 
- **Dolphins:** \$20 to \$100 
- **Whales:** \$100 or more 

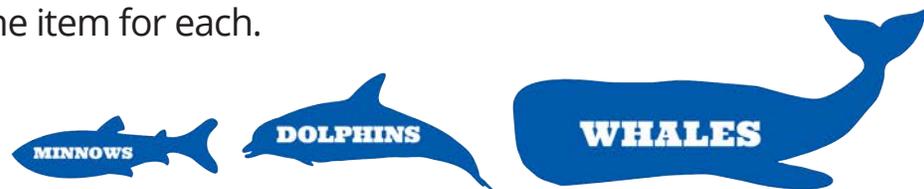
You should create at least one merch option in each category so each type of fan has something they can buy in their range. Minnows want inexpensive items like stickers, while dolphins can afford CDs, t-shirts, and hoodies. But you also want to make sure your whales have desirable, higher-end

items to buy. In fact, for many businesses, whales account for 50%-80% of their income, yet, most musician's merch tables and online stores lack any offerings in the whale category, such as one-of-a-kind or rare items which justify the higher cost. And don't forget, your whale items will make all your minnow and dolphin merch seem even more affordable in comparison, so just having them available can improve your overall sales.

When it comes to what to sell, fans expect to see:

- Physical music and video media such as [CDs](#), [USBs](#), [DVDs](#), and [vinyl records](#).
- A mix of mass-manufactured and exclusive/limited-availability merch (including one-of-a-kind items or limited-run items)
- A mix of practical (i.e. clothing, lighters, and bottle openers) and impractical (i.e. bobbleheads)

Having analyzed your audience and listed potential merch options, you are now in a position to establish what specific merch you want to offer. You can boil this down to three columns listing the minnow, dolphin, and whale segments and multiple rows listing the categories of merch items you want to offer. Then it becomes an exercise of brainstorming which item in each category you can create that will appeal to each segment (as well as analyzing profit margins and start-up out-of-pocket expenditures). You should have at least one item for each.



Apparel	Hat	T-Shirt	Jacket
	Bandana	Sweatshirt	High-end apparel
Poster	Scarf		
Music	Small Poster	Full-Size Poster	Framed Poster
	Download Card	Custom USB	Deluxe Custom USB
Impulse Buys		Limited Run CD	Limited Run CD with Extras
	Stickers	Books	Vinyl
	Patches	Bobble heads	Limited-edition or one-of-a-kind items
	Buttons		Electronics
	Magnets		
	Bottle Openers		
	Lighters		

2. Prep steps and creating basic merch

Once you have a direction, now you get to tap into your creativity to create designs for your merch. You will also decide who you'll be partnering with to [create your branded merch](#) and determine how you'll sell it online and at your merch table.

Most of your merch will be based on your imagery, so consider having some of the following on hand:

- Your band logo
- Pictures of the musicians
- Album covers
- Key lyrics from your songs
- Mottos
- Your mascot
- Tour cities and dates



We go into greater depth detailing prep steps in our book, [Making Money With Music](#), but here's a high-level overview of things to consider:

- Research and know your online sales and fulfillment partners who will help you sell online.
- Research and know your payment vendors who can handle credit and debit card sales (at your merch table) and online payments.
- Reserve some money for start-up costs like graphic artist fees, production costs, proof costs, and shipping fees.

With the prep out of the way, let's now dive into some of the most common merch items people look for from musicians and how to make them.

T-shirts

If you create only one merch item, t-shirts are an obvious choice (and hoodies are a great next-level item). There are endless numbers of things you can put on t-shirts and hoodies that your fans may want to buy, so make sure to test out your designs in advance at shows or on social media to determine what people actually like best.

Once you have a design tested and picked out, here are a few simple steps to make t-shirts:

1. Choose an apparel service partner (such as [Merchly.com](https://www.merchly.com)).
2. Use your service partner's online tools and templates to create your design.
3. Choose the style, quality, colors, and size mix. (Save and track these specs and sales to help with future orders.)
4. Produce a sample. This is an important step to ensure your merch meets your design and quality expectations.
5. Place your order!

Stickers

Stickers are one of the most inexpensive and versatile pieces of merch you can make because they can include your website URL, social media links, and/or contact information and can also include QR codes and Spotify, Snapchat, or other social media codes. This helps send people directly to your music, websites, and social profiles. And since stickers are inexpensive to make, you can create many different designs featuring different information.

Because of all this, stickers make perfect minnow items as well as giveaways. In fact, they can be used to entice people to buy other merch by bundling them as an incentive.

The steps to create stickers are similar to creating t-shirts:

1. Choose a service partner
2. Use your service partner's online tools and templates to create your design.
3. Choose the type and quality. Stickers have a surprising number of options—including vinyl, metallic, glow-in-the-dark, clear, transferable/removable, die-cut, and many others.
4. Consider making a proof if they offer it.
5. Place your order!

Posters

If you play out and make promotional posters for your events, why not turn all that hard work into something you can sell? You can even make posters for milestones you've achieved (new single, EP, or album release, your 50th or 100th show). And, similar to stickers, these should contain your URL, QR codes, or social media handles so people can easily learn more about you and discover more music and videos.

You'll want to buy posters in bulk so you can make a good margin, and if you do, they're great as incentives for bundles or giveaways. The steps are similar to creating t-shirts:

1. Choose a service partner (such as [Disc Makers](#)).
2. Use your service partner's online tools and templates to create your design.
3. Choose the type and quality. Posters also have a surprising number of options, depending on the quality you choose, such as glossy, matte, canvas, mesh, mounted, framed, LED, electronic, and more. The variety can help satisfy your minnow, dolphin, and whale options.
4. Consider making a proof, especially if you're creating a large production run.

Physical media

When it comes to the margin you can make on your basic merch, nothing beats selling physical media of your music in the form of [CDs](#), [USB drives](#), [DVDs](#), and [vinyl records](#). Each of these, when priced right, can turn a significant profit. If you play live or hold listening parties or other events, your fans will want to purchase your music and videos while caught up in the thrill of the night. Although many people consume their music through streaming services, physical items are mementos and souvenirs—especially vinyl.

As most musicians know, there's a lot that goes into creating physical product, which we cover in detail in [Making Money With Music](#), but the high-level beats are similar to most merch. Here are a few things to consider:

1. Decide on the type of physical product you want to offer based on your knowledge of what your fans want. This might include a combination of CDs, USBs, DVDs, Blu-ray, or vinyl. USBs are particularly flexible since they allow you to include more than just your music. You can include things beyond what the streaming services can offer, such as behind-the-scenes videos, alternate versions of your songs (acoustic versions, live recordings, demos), photos and images, documents (lyric sheets, recording journals, etc.), and more.
2. Choose a service partner (such as [Disc Makers](#)).
3. Call or use your service partner's online tools and templates and follow their instructions carefully to create the physical product you chose.
4. Make your order!

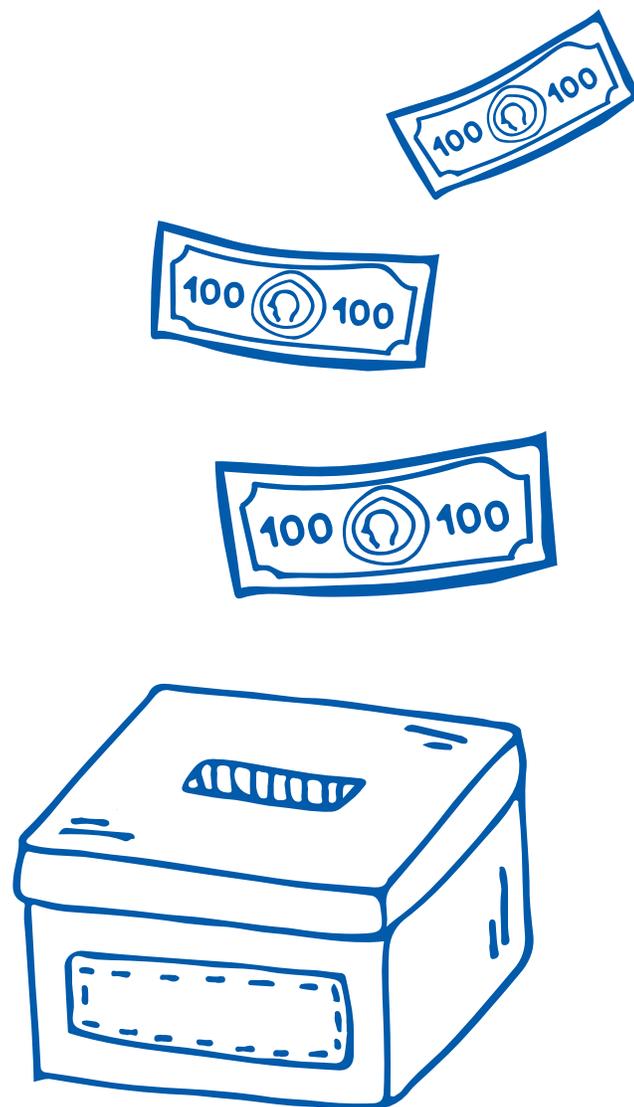


3. Advanced merch

Once you have some basic merch items available, you can consider adding some of the more advanced or out-of-the-ordinary merchandise. Nearly everything we buy today can be obtained from a wholesaler, in bulk, with customizable options. Of course, not every type of merch will fit your persona, but this is where your creativity comes in. The main thing is to know what's possible beyond the basic items. The following list can help get you started by sparking ideas.

- **Food.** You know those little candy hearts you see around Valentines Day? Wouldn't it be cool if they had your band or artist name? Well, they can. You can produce those with any words you want on them at sites like [My Custom Candy](#). Same with [M&Ms](#). In fact, nearly every kind of food with a label on it can be branded with your name and imagery, including beer and alcohol, coffee, sauces, and more.
- **Lighted merch.** Lighted merch items are a great choice if you play live. They stand out in dark venues, provide something fun for your fans to dance or move around the floor with, and create an item that draws people to your merch table since they can see it from across a dark room. Even better, there are different lighted merch options for your minnows (glowsticks and bracelets), dolphins (glowing fidget spinners, LED sunglasses, lighted bandanas), and whales (LED Bluetooth speakers).
- **Books.** You can create photo books for specific shows and events, coloring books based on your music, books of lyrics or poems, your artwork (if you're also an artist), or books you've written (novels, memoirs, behind-the-scenes tell-alls). Sales can spike, especially if the fans are included—such as in a photo book or through quotes. Professional books can be self-published, and services like [BookBaby](#) make this process simple.

- **Electronics.** Similar to lighted merch, there are vast array mass-manufactured electronics options. Electronics, in particular, provide one of the best ways to create high-end, customized branded whale items like branded Bluetooth speakers, headphones, plasma balls, LED signs, and more.
- **Jewelry and accessories.** From costume jewelry to the real thing, there are wholesalers that provide custom items at a low price and with a huge number of options. This includes rings, necklace pendants, and more with your logo, artist name, or image.



4. Boosting merch sales using pricing strategies

Every time you go to a store, you come face-to-face with pricing discounts, two-for-one offers, bundles, and other strategies designed to get you to *buy now* or *buy more*. You can use these techniques to help sell your products and merch. Once you have things for sale, it's time to design a pricing strategy that will trigger sales and boost the amount of money you make.

Below are four of the most prevalent pricing strategies. You can mix these up any way you wish. In fact, we encourage you to try different combinations. Businesses do this all the time, experimenting, tracking sales, and then improving on what works and dumping what doesn't.

Here are the things that you should do to sell more merchandise, whether it's online or in-person at a merch table.

1. Upsells

You can turn your minnows into dolphins and your dolphins into whales by using the upsell technique. When a fan is about to buy an item, offer the next level up at a discount or with an incentive. Minnow items are cheap to make, so you should consider offering them for free if your customer buys something the next level up. For example, if they are about to buy a magnet, tell them they can get it for free if they buy a t-shirt. And if they are eyeing that \$150 jacket, but are on the fence, throw in a poster or hat as an incentive if they buy the jacket *now*. Come up with upsells for every level of item as a way to entice each buyer to a larger purchase.

2. Bundles

To get your customers to buy more when they come to the table, try using the bundling technique. Bundles are usually only offered for minnow and dolphin items since it gives them incentive to spend *just a little bit more* money to get even more merch. Here are some examples:

- **Minnows:** Get three for the cost of two (or two-for-one, four-for-three, etc.) of a combination of stickers, posters, and other impulse items.
- **Dolphins:** Bundling a few dolphin items for a slightly lower price than if they bought them separately is a great strategy. For example, sell a t-shirt and hat (or two t-shirts) for a lower price than if they bought both and you'll get more sales from the people who wanted to buy either one individually. Just make sure you know your margins so you still make your desired profit when pricing bundles at a discount off the standard unit price.

3. Limited availability

While most of your merch will be common, mass-manufactured items, your dolphin and whale fans also want rare items. The more limited any particular item, the more you should charge for it. Of course, the most limited type of merch you can make is a one-of-a-kind item. If that's the case, then this should always be offered at whale pricing.

4. Limited-time offer

Nearly every type of pricing strategy relies on the fact people *hate to lose something they already have*. The way you can trigger this feeling in your customers is to "give" them something at the outset that they'll lose if they don't act now. To do this, offer something for a limited time or at a special, one-time discount. That way if they don't make the purchase right now, they'll lose the chance. Once you create the "fear of missing out," they'll be more likely to buy.

Another way to trigger this is to turn your flyers into a limited-time coupon offering a merch discount or special offer. If they get a flyer, they'll not only come to the concert, they might head straight for the merch table.

There are a lot of limited-time examples you can borrow from, such as the one-time offer, while-supplies-last offer, a holiday-related offer, an album release or special event offer, the one-time free gift, and many more. If you're creating a coupon, always include an expiration date.

Conclusion

Merch gives you a lot of benefits beyond just generating revenue and can even help you determine what to offer your fans for patronage/crowdfunding rewards, amp up your social media outreach, give you new ideas for your live shows, and influence the release of your music. Consider the following:

- Use the customer segments for more than merch. The minnows, dolphins, and whales concept can be applied to patronage/crowdfunding rewards and services and experiences you offer at shows and events. For example, regular tickets are for minnows, premium seats or special access can be offered to dolphins, and whales want to pay for backstage access or personal time with you.
- Leverage the fact that your merch markets you to your fans constantly, since people think of you every time they see one of your merch items in their daily lives. Seeing your name or logo on their favorite t-shirt will make it more likely that they'll stream your music, visit your site, check your feed to see what you're up to, or come to your next show.
- Make every new piece of merch you create part of your release strategy. By thinking of your merch as a release event, you create something new and exciting to talk about and share on social media. *(To see how to make the most of this, see our post, "[A release strategy to fill your yearly calendar](#)," on the Disc Makers Blog.)*
- Get inspiration for more engaging stage shows using your merchandise concepts. Some bands sell percussion instruments so fans can play along, others offer items the band wears onstage or costumes (think Juggalos—love them or hate them, ICP are geniuses at merch sales, including makeup and costume materials.) Lighted merch, such as bracelets, can become part of a fan-participation section in your set if you invent a dance they can do to one of your songs.

These are just a few ideas. Beyond generating revenue, the more you integrate merch into your overall music business strategy, the more your fans will make you and your music a part of their lives. This will make them want to experience your music, shows, and events again and again—and bring their friends!

About the Authors

Billboard magazine called Randy Chertkow and Jason Feehan “the ideal mentors for aspiring indie musicians who want to navigate an ever-changing music industry.”

Chertkow and Feehan are musicians, authors, columnists, professional speakers, and consultants. They've written three books: *Making Money With Music* (Sept 2018, Macmillan); *The Indie Band Survival Guide: The Complete Manual For The Do-It-Yourself Musician* (Macmillan); and *The DIY Music Manual* (Random House). They're the also creators of the 15-hour online educational course, “[Making Money With Music](#)” on CreativeLive, are regular contributors to *Electronic Musician* magazine and the [Disc Makers Blog](#), and are working on their 21st album with [Beatnik Turtle](#), their band of 21 years.



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Beyond being a musician, Randy is also an enterprise-class IT professional with over 20 years' experience as an infrastructure architect in Fortune 500 companies. He's a consultant and has worked as a pre-sales systems engineer for a major software vendor as well as a start-up. He has a business bachelor's degree and an M.S. in Computer Science: Data Communications, with a secondary concentration in Artificial Intelligence.



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Beyond being a musician, Jason is also a licensed attorney and a business professional who specializes in project and program management, product management, change management, business operations, technology, and consulting. He has a Bachelor of Science in Political Science & Psychology, a J.D., and is a certified Project Management Professional.

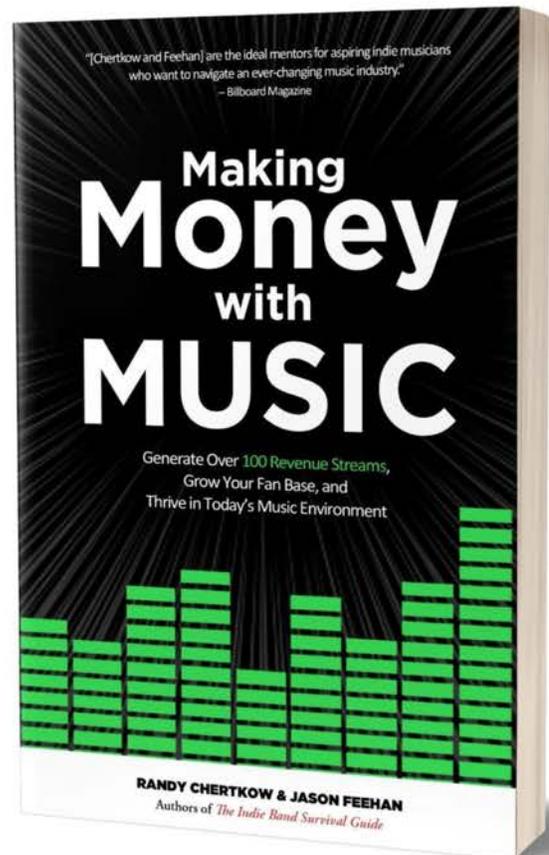
[Beatnik Turtle](#) is a horn-powered pop-rock band based in Chicago that has released over 500 songs and has written music for TV, commercials, films, podcasts, theater (including Chicago's world-famous Second City), and has licensed music to Disney/ABC Family and Viacom.



Are you ready to make a living from music today?

"[Chertkow and Feehan] are the ideal mentors for aspiring indie musicians who want to navigate an ever-changing music industry."—**Billboard Magazine**

Making Money With Music gives you over 100 revenue streams and the knowledge on how to tap them. Whether you're a solo artist, band, DJ, EDM producer, or other musician, this book gives you strategies to generate revenue, grow your fan base, and thrive in today's technology-driven music environment. Plus, it lists hundreds of services, tools, and critical resources you need to run your business and maximize income.



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