## Business Strategy for SoundReeler.com

This project was originally to be called SoundFile.com, but that domain name was taken. The domain name SoundReeler was chosen as an alternative. It is descriptive of the site's purpose and is memorable. SoundRealer.com was also chosen in case of user misspelling. The site will be created and managed by a two-man team using WooCommerce and WordPress.

# Objectives

- Create an e-commerce website selling digital audio downloads. The site will be created and managed by a two-man team using WooCommerce and WordPress. The team will work on spec and split any profits evenly. The site will be small in the beginning and will grow slowly over time.
- Provide a selection of high quality sound effects and orchestrations for use in theater productions, corporate industrials, films, animations and apps. The content will be made up of an archive of sound from an award winning sound designer and composer with nearly 30 years of professional experience. Content cost will be negligible.
- It will be a boutique business relying on low costs and high quality content to establish a foothold in the market. The site will be built on a free WordPress theme and free plugins.
- The market has free low quality sites like <u>soundbible.com</u> and expensive professional sites like <u>sound-ideas.com</u>. We will create an alternative niche to these models.
- New content will be added at a slow pace unless other sound designers' archives are added to the content available for purchase. This will occur if the site is a success and finds the need to grow. In this case a flat fee will be paid to the designer along with a royalty payment based on sales.
- In the future, clients will be able to commission original content once the business is established and the site is a success. The designer will negotiate these sales independently of the website. A small commission will be paid to the website.
- Include a blog giving technical advice on the subject of producing and editing digital audio. The goal is to drive new and repeat traffic to the site. The cost will be in man hours needed to create the blog posts.
- Keep costs low. The staff will be made up of the web designer and sound designer working on spec. If the site continues to grow additional staff for sound production, site design, site maintenance and administration will be added as needed.

### Outsourcing

- The site will outsource payment processing to PayPal. The cost will be 1.1% 2.4% + \$0.30 per transaction.
- Mail Chimp will be used to handle email for customer service and email campaigns. The service is free up to 2,000 subscribers.

# Web Hosting

• The site will be hosted on a Dedicated IP at Bluehost.com. The cost will be \$40.00 a year.

## Hardware

• The computers and recording equipment will be comprised of equipment that is already owned by the team.

## Software

• Both team members will use the Adobe Creative Cloud suite of software. Each member currently leases Adobe CC for other purposes so the cost will be negligible. The software can handle encoding, editing, graphics, and all other foreseeable needs.

### Security

- A Dedicated IP will be used with a SSL certification.
- Database table prefixes will be changed from the standard wp\_ prefix used in WordPress. This will help to mitigate any malicious hacker accessing the database files.

### Payment Processing

• Payments will be handled by PayPal.

### Advertising

- Announcements on social media.
- Links from team's portfolio websites.
- Google AdWords.

### International, Legal, and Ethics Issues

• Sales Tax on digital downloads is extremely murky. It varies from state to state in the U.S. and from nation to nation internationally. In most cases, due to the low cost of digital audio downloads, the cost of collecting and sending the tax

payment to the state is more than the revenue itself. Avalara.com <u>discusses this</u> <u>complex issue.</u>

- The team members live in different states. The actual address of the business needs exploration. Should it be where the website is managed by the web designer or where the producer of the audio files resides and works?
- The digital files are of an artistic nature. The First Amendment protects this content in the U.S. Certain nations may feel differently about the content for whatever reason. Sales to these particular nations may become difficult if the material is deemed offensive and/or unlawful.