

1 Upz Background

Upz Concerto offers an immersive VR live concert experience, enabling ticket sales beyond the capacity of the venue. Etc etc.

1.1 Vision

To make the concert-going experience more accessible without compromises.

1.2 Mission

To provide easy access to VR technologies, enabling an immersive concert experience at home.

1.3 Objectives

- To partner with 5 concert holders in Singapore in order to help performers reach out to more fans each year.
- To enable increased ticket sales of 20% at sellout events in Singapore by providing a VR experience as an alternative.

2 Value Proposition and Innovation

2.1 Problems Faced by Concert Industry

There are 3 main problems that the concert industry faces:-

- Scalpers re-sell tickets at expensive rates, preventing fans from acquiring tickets at the original, affordable rates.
- There is limited seating capacity at concert locations in Singapore, and concert tickets are frequently sold out.

2.2 Products

Our product, Concerto, offers a 360-degree panoramic, immersive concert live experience, that works on existing Virtual Reality (VR) devices. These live concerts will be streamed over a reliable network just by using a user-friendly mobile application, which is readily available on the Apple App Store or Google Play Store.

At the same time, this application makes the process of buying affordable concert tickets more convenient. Users will be able to buy tickets from within the app. They can then collect the tickets along with concert paraphernalia from our premises, however no physical ticket will be required to enjoy the concert experience.

Unique Selling Points:

- Good R&D Headset
 - Aesthetically pleasing
 - Light weight
 - Comfortable
- First VR Concert Streaming company in Asia (Novelty) to provide immersive live stream services from the comfort of home using VR headsets
- Defensive-published software

2.3 Services

2.3.1 Ticket Sales

Tickets will be one of the main revenue streams of the company, which will be made available as a new Concerto VR class of tickets. Tickets will be available via existing sales channels and via our app. We will take a 20% cut of the ticket price.

2.3.2 Headset Provision

Prior to the concert date, customers will be allocated a VR headset from Upz and collect it from our premises along with other concert paraphernalia. Additionally, they can opt for a third-party self collection service using existing parcel self collection infrastructure islandwide at additional cost.

2.4 Big Value to Stakeholders

2.4.1 Customers

Customers who are not able to get tickets due to lack of availability will still be able to enjoy the concert. Moreover, customers could use our services to rewatch and relive concert moments recorded by our platform.¹

2.4.2 Concert Holders & Investors

Concert holders would be able to utilize our solution to increase their reach to fans and achieve a wider audience globally. Investors would be able to gain high return on investments (ROI) due to the market size, which will be further explained in Section 3.2. Moreover, this would help concert holders reduce the cases of scalpers profiteering from the sales. Lastly, customers being able to experience the concert at home would mean location size constraints become less of a limiting factor in profits.

3 Market Identification and Analysis

3.1 Market Positioning & Growth

According to Global Music Report 2017, the growth in streaming revenue rocketed by 60.4% due to the evolving global market and it is forecasted to rise to \$7.4 billion in 2021 (Resnikoff, 2017). From Figure 1 in Annex B, the streaming revenue is gradually increasing from 2009 to 2014. The numbers are increasing possibly due to factors such as convenience, availability, mobility and affordability.

Upz would be positioning its market in the Asia-Pacific market while it remains untapped, starting from Singapore. Karp (2016) claimed that there is a growth in concert goers in the music industry and fans are not hesitant to pay for music.

Eg of sellout concert in Singapore

- Both Céline Dion's concerts in Singapore were sold out in just a day (Gwee, 2018).
- Demand for tickets to homegrown singer JJ Lin's concert remains strong even after two shows were added. Concert tickets for his two additional shows on Aug 15 and 16 went on sale at 10am on Monday (June 25), and the 16,000 tickets were sold out by 12.20pm (Yan, 2018).
- Ed Sheeran concert tickets sold out in 40 minutes (The Straits Times, 2017)

Eg. of scalping concert tickets

- Scalpers reselling JJ Lin's concert tickets for up to S\$3,343 even before General Sales started (Ong, 2018). Original Cat 1 ticket is S\$348
- Scalpers were reselling Ed Sheeran's concert Cat 1 tickets are going for up to \$13,516.17 each on online ticket marketplace Viagogo, a whopping 54 times more than the original \$248 price (The Straits Times, 2017).

Thus, our company believes that the opportunity to enter this market is ideal while it is untapped and when demand is high.

3.2 Market Size

The initial target market is one for which success is highly probable, thus, the target will be the concert fans who are unable to purchase tickets from sold out concerts in Singapore. The massive demand for live music concerts has caused rapid sell outs which results in approximately 60% of fans to miss out on purchasing tickets (Patel & Rossen, 2016). For one concert, an estimation of 9,000 out of 15,000 fans is unable to attend concerts due to sold out concerts (based on the 60% statistics mentioned in the previous sentence).

Total market: Fans who cannot attend concerts due to sold out tickets, korean fan army and fans who wishes to rewatch past concerts.

¹ Defensive publishing will help to protect products from threats such as patent trolls who collect license damages and also competitors who may incrementally improve our core patent to erode its value. To ensure exclusionary rights to the product's lifecycle by remaining strong, our company will be applying for patents to protect IP investments.

3.3 Customer Archetype

These fans demographically are within the age of 18-34, who psychologically has a lifestyle towards celebrity fandom or 'worship'. Mostly fans of current popular celebrities such as Coldplay, Bruno Mars etc. as well as K-Pop celebrities.

3.4 Competitors

LIVE Nation, is the only competitor who provides live concert streaming for a limited period and only dominates the United States (US) market. Therefore, our company still has the opportunity to dominate the Asia Pacific region's market.

4 Operation and Management Plan

Following which, the company shall embark on the development phase, whereby Research & Development(R&D) are carried out on the development of the application.

4.1 Milestone of the Incubation(Funding) Period

Refer to Annex A for the milestones for the 2-year incubation period from 2018-2020.

4.2 Sustainable Competitive Advantage

Our company will be leveraging on Intellectual Property (IP) strategy, such as applying for patents and optimizing R&D operations, in order to mitigate any new competitors into the market.

4.3 Team

Our team consist of three co-founders who has expertise in product engineering, business, design and marketing.

Afiqah graduated with a bachelor's degree in Information Systems from NUS. Has 1 year of UI/UX Designer experience in doing web-app wireframes and mobile application development from past internships in Ministry of Home Affairs and Edupod Pte Ltd. Was a diploma graduate in Architecture hence, possesses design skills. Moreover, was a Team Leader of the Brand and Marketing department in a non-profit youth-led international organization, AIESEC in NUS. Currently working as a UI/UX design consultant in Kelton Tech and in this startup, she is the mobile application developer and UI/UX designer.

Jeremy graduated with Highest Distinction in Computer Science from the National University of Singapore. He is experienced working with Virtual Reality technologies, networking, and app development coming from an internship at Google and will be leading the development of the apps and new technologies in Concerto. He is currently a software engineer at Kelton Tech.

Bryan graduated with a bachelor's degree in Information System from the National University of Singapore. He worked as a software developer at Paypal for 2 years in various aspects of large scale enterprise systems. He currently works in Kelton Tech as an IT business analyst where he helps businesses improve their competitive edge through technology. His role in this startup is to harmonise the use of software in the business model of Upz through his experience in both software development and liaising with business owners

4.4 Advisors & Partners

Upz will be partnering with concert holders to handle profits negotiations as well as marketing of our platform. We will also be under the mentorship of a VR specialised company, IgniteVR to increase our branding and reputation, as well as ensuring good quality of R&D.

5 Marketing Strategies

5.1 Endorsement from partner concert holders

Upz will be leveraging our partner concert holders to approach the performers and endorse our VR services. This promotional period will occur for a month before the actual concert date to garner attention and boost sales. The endorsement media material will be published along with their TV commercials and digital advertisements.

5.2 Social Media

Upz will be leveraging on popular social media marketing channels such as performer's social media and our company social media to reach out to our target audiences. This will also help keep our audiences updated on upcoming events and promotions.

6 Financial Plan

6.1 Capital Fundings Required

Upz aims to raise \$150,000 in the first round of funding, for which investors can expect to receive 10% of the company's shares. This capital will be used to purchase the initial stock of headsets, cameras, and cover a year of office space rental.

Below is the cost breakdown, where the normalised price is calculated as a cost component of every ticket sold, given a conservative view of 2000 tickets sold per concert.

Cost Breakdown

Item	Cost (SGD)	Payoff Period (No. Concerts)	Normalised Price	Quantity	Total Cost
VR Headset	43	3	14.33	2000	86,000
VR Cameras	700	3	0.35	3	2100
Office Rental (1 yr)	24,000	-	1	1	24,000
			15.68		112,100

6.2 Revenue and Profits

We aim to peg the price of the Concerto VR ticket class to the Class 3 ticket class, which is approximately \$160, from which we take a 20% cut of the ticket price, or \$32. The following figures are based on a conservative YoY growth in ticket sales of 30% given 1 concert a month.

	Year 1	Year 2	Year 3	Year 4	Year 5
Tickets Sold	0	0	24,000	31,200	40,560
Revenue	0	0	768,000	998,400	1,297,920
Cost of Revenue	0	(112,100)	(376,400)	(489,320)	(636,116)
Net Profit	0	(112,100)	391,600	509,080	661,804

6.3 Expansion Plan

The expansion plan down the next five years would be to expand the team size to improve R&D efforts and expand our

partnerships for entertainment companies, as well as to increase the outreach to more fans.

References

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Annex A

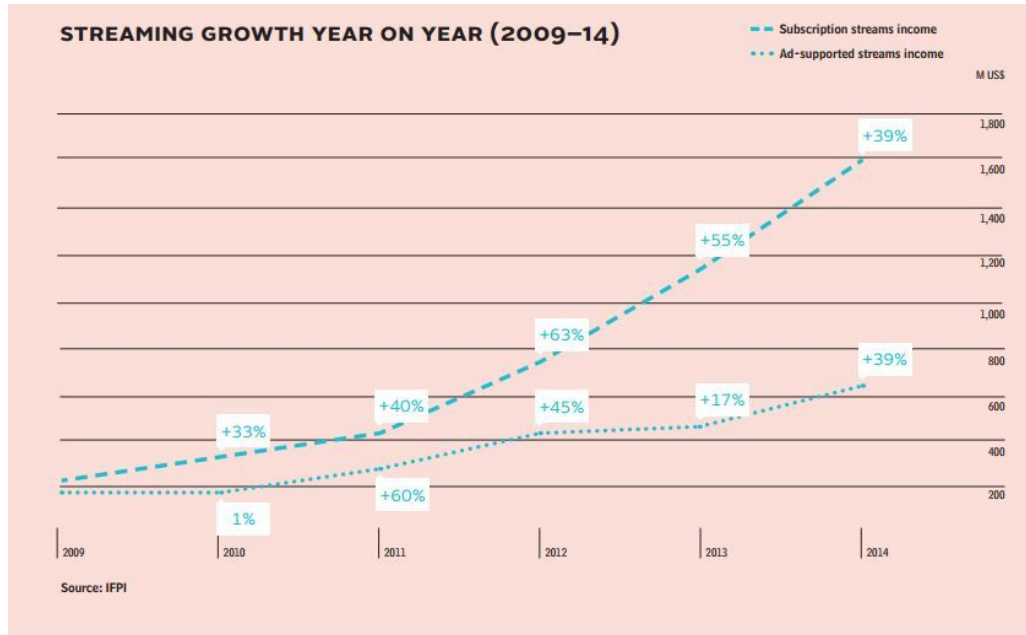
Time	Milestones
Month 1-4	Application Prototype
Month 4-8	Seed Funding
Month 4-16	Create Minimum Viable Product (MVP)
Month 8-16	Company Setup
Month 16-18	Raise Funds
Month 18-20	Marketing Efforts
Month 20-23	Beta Testing

Month 24	Product Launch
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Annex B

Tables and Figures Referred to in Main Report

Figure 1: Streaming Growth (IFPI Digital Music Report 2015, 2015)



Annex C

Important Pieces of Information

Product name **Concerto**:

definition - a musical composition for a solo instrument or instruments accompanied by an orchestra, especially one conceived on a relatively large scale.

this instrument = vr headset helps many artists = orchestra = impact large scale of fans

Company name **Upz**:

Singaporean lingo to represent competency and high standard

How the team met: We met each other in IS2101 and had the startup idea but didn't have the chance or experience to execute. Since we met up again by fate, we have the passion to pursue this as we believe this idea will go far. We believe strongly that the music industry could grow and we have the solution to mitigate all the scalper trolls destroying the concert ticketing scene.