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Business Development in the Music Industry:
Leveraging In Flames' Brand to Generate New Sources of Income

Master of Science Thesis
in the Management and Economics of Innovation Programme

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Abstract

With musicians' revenues from record sales falling since the turn of the millennium, the need for touring and selling branded merchandise has increased dramatically. In Flames is one of the music bands that have experienced this, and they have expressed a desire to reduce the time and resources spent on touring, which creates the need for new sources of income in order to sustain revenue. This study aims to identify such new sources, while contributing to the academic field related to brand extensions of cultural brands.

The study has its foundation in a brand audit, which provides an understanding of the brand, the organization and its customers. The brand audit was performed through interviews, focus groups, a content analysis and a survey. With the foundation established, the study continued into the next stage: idea generation and evaluation. Ideation workshops and other methods were used to generate ideas, while an evaluation matrix was applied to filter the ideas, resulting in two remaining business ideas.

The two ideas that scored the highest in the evaluation were (1) the branding of gaming peripherals and (2) improvement of In Flames' e-commerce. The two ideas take basis in the characteristics of the customer profile, which contains a large number of technology-friendly gamers. The ideas have the potential of being profitable over a long period of time, with high profit margins and a good fit with In Flames' brand. Prior to launching branded gaming peripherals, it is recommended that In Flames' brand's relation to gaming is strengthened, mainly with signaling and marketing efforts. The release of an individual category of branded products is expected to be able to generate several hundred thousand SEK in profit.

Improving In Flames' e-commerce is recommended due to the many and apparent flaws identified with the existing solution, as well as the low risks related to improving an idea that has already been tested and has a proven demand. The suggested improvements are estimated to be able to generate an additional 1 800 000 SEK per year. The improvements also have positive side effects, such as strengthening the brand and the community, and establishing a foundation for the marketing and sales of additional brand extensions.

Lastly, the main contributions to the field of study include the observation that cultural brands may be characterized associated with softer values, compared to traditional brands, and there were also indications that a cultural organization's ability to exploit its brand may be disproportionately low, in relation to the strength of the brand.

Keywords: Business development, brand extensions, music industry, cultural organizations, In Flames, brand audit, e-commerce development, gamification, gaming peripherals

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1. Introduction

The following introductory chapter will present the background and purpose of this study. Specific research questions, which will guide the study, as well as the project's delimitations are provided. A brief overview of prior research within the main academic areas of the study will also be presented.

1.1. Background

The music industry has been plagued by software piracy for the past several years (Arvidsson, 2007). A significant decrease in album sales has made it critical for Swedish artists to find new sources of income or to increase touring efforts in order to sustain their revenue (Johansson & Larsson, 2009). In Flames is one such band, looking for ways to maintain or increase their levels of income. They are considered one of Sweden's largest bands (Ekerot, 2006), with over 2.5 million albums sold globally and a strong international brand, while Sweden is considered the world's largest music export nation (Haag, 2010). The band's main revenues come from touring, recorded music and merchandise, with merchandise being sold on tour, through external retailers and in two official webshops provided by the German Merchland for Europe and the American JSR for the rest of the world.

However, In Flames has the ambition to reduce the time and efforts spent on touring, and with the decreased incomes from recorded music, they wish to identify additional business opportunities that could generate stable, passive income by utilizing their brand. Past efforts to achieve this have not been particularly successful and have sometimes resulted in financial loss, which is why low-cost and low-risk investments have been stated as a priority.

1.2. Purpose

The purpose of this study is twofold. The first purpose concerns the business idea selection and implementation, while the second focuses on the academic contributions.

The research conducted for this thesis resulted in two potential business opportunities that were deemed most promising for In Flames. The first purpose of the thesis is to present how and why the two ideas were chosen, as well as how they can be implemented. The ideas are: (1) the branding of gaming peripherals products, and (2) an improvement of In Flames' online merchandise sales channel.

The second purpose is to contribute to the academic area related to management of cultural brands. More specifically, the purpose is to identify important considerations and characteristics associated with cultural brands, and to highlight how these may differ from traditional brands.

1.3. Research Questions

The three first research questions guided the study in order to identify the most promising business opportunities, while the fourth was aimed towards the contributions to academia. The four research questions are:

1. How is In Flames' brand perceived by the fan base?
2. What potential business opportunities are most suitable, considering the prerequisites and the image of the band?
3. How can those ideas be implemented successfully, to maximize the associated benefits?
4. What are the essential contributions to academic research?

1.4. Two Parallel Theses

This report was written in parallel to another study conducted by Henriksson and Nordsjö (2012), also aimed towards In Flames and increasing their passive revenue, however by non-ICT means. The data gathered from the research conducted for the two studies has been shared between the authors. The brand audit was mainly carried out by the authors of this report, while the mapping of internal capabilities and resources, as well as interviews with experts in brand management and the music industry were done by Henriksson and Nordsjö (2012). Dividing the data collection efforts between the two groups allowed for more extensive research to be conducted during the limited time frame of the study, with some additional efforts required for coordination between the groups.

After a set of potential business ideas had been generated, the two studies diverged and this study was limited to focusing on filtering and evaluating the ICT-related ideas, while the other study focused on the remaining ideas. The division was based on the competencies of the researchers for each report. As a result, the ideas presented in this report may not necessarily be the most appropriate for In Flames overall, but rather the two ideas deemed most suitable within the ICT-segment.

1.5. Prior Research

The sections below present the state of prior research within the three main areas of knowledge in this report, and identify gaps for and between these.

1.5.1. Brand extensions

In the search for literature concerning branding and brand extensions for musical and cultural brands, no literature of sufficient scientific reliability was found. This absence of sophisticated research of the area was later confirmed in interviews with professors and

other experts in the subject of brands[1,2]. However, there is an abundance of research and literature available covering brand management and extensions in general. Two of the most well-established authors within the area are David Aaker and Kevin Lane Keller. In general, most literature mentions the process of brand auditing as essential to brand extensions, to gain a deep understanding of a brand and its customers. Keller et al. describe this process thoroughly in Strategic Brand Management (2008), which provides the foundation for the brand audit in this study. Applying general brand theory to a music band may contribute to filling the academic void concerning management of cultural brands.

1.5.2. Music and videogames

Due to the relatively recent rise of music synchronization in video games, there is contemporary research available regarding the historical and cultural value of music in videogames. Collins (2008) provides an extensive review of the evolution of music synchronization in games, as well as the relationship between the two. Collins (2008) also presents important factors when considering synchronization of music in a videogame. Furthermore, there is established literature available concerning the financial and legal aspects of music synchronization. Cerrati (2006) provides a comprehensive overview of the typical structures of synchronization deals, the compensation models and other practical considerations.

However, the literature and research related to the extension of a music brand into the gaming market is very limited. As described, the literature that exists focuses on the cultural, financial and legal aspects of music in videogames, but leaves out the brand-related issues and considerations associated with establishing or extending a music brand in the gaming market. Furthermore, although there are significant amounts of literature available regarding the history and structure of the gaming market, there is little or no established literature concerning the gaming peripherals market specifically. According to Ward[3], this may be due to fact that the gaming peripherals market is very diverse and difficult to define.

1.5.3. E-commerce

The research of e-commerce, which has existed for more than 20 years, is deemed rich and well-developed, containing scientifically proven methods and best-practices of marketing and selling goods and services online. It is a wide area of research touching upon other subjects, such as web design, online presence management, customer relations and marketing (Becker, 2008).

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[1] Peter Zackariasson, Marketing Researcher, face-to-face interview held 7th of September, 2012
[2] Lars Lillienstam, Professor in Music Science, face-to-face interview held 20th of September, 2012.
[3] Lewis Ward, Research Manager at IDC, e-mail interview conducted 30th of January, 2013.

However, being an area of inherently high technological degree, development is progressing at a fast pace, with new techniques and methods to sell and market online being invented continuously. Some of these methods are invented by actors in the industry, while academic research of the inventions lags behind. One such subject is the gamification of e-commerce, where the mechanisms that make video games addictive and enjoyable are incorporated into e-commerce. There is literature available which describes gamification, its advantages and provides examples, but Korolov (2012) argues that there is currently an issue with this literature; the printed literature of gamification is written by commercial actors with a financial stake in the concept's acceptance and adoption. This makes the trustworthiness of the literature uncertain, and academic research with scientifically valid methods supporting the positive effects is yet to be seen. Nevertheless, there are successful businesses incorporating these mechanisms, and most successful video games do indeed contain them. There are also interaction design experts, such as Anderson (2011), supporting game mechanisms in modern web design in a more objective manner.

While there is research conducted on digital music and the e-commerce of music, academic research of e-commerce strategies for branded music merchandise, specifically, could not be found. While there are blogs and online articles touching upon the matter, there is room for contributing to the academic knowledge gap.

1.6. Delimitations

This study is limited to investigating brand extensions related to ICT, in order to differentiate the results of this study from those of Henriksson and Nordsjö (2012). Based on the prerequisites provided by In Flames, the business ideas are limited to those which have the potential to generate continual revenue without any significant time commitment from the band members or the current staff. Also, as a wish from the band members, the ideas should require minimal financial investments.

The study is limited to analyzing and proposing business ideas and suggesting implementation strategies, while the actual implementation and analysis of such is excluded. However, some customer validation and initiation of the process will be made, such as establishing contacts with potential manufacturing partners.

Lastly, those business ideas collected during the study that are not analyzed in depth or deemed relevant to the context will not be included in this report. This is partly due to the limited significance of such a presentation, but mainly due to secrecy for In Flames, in case they intend to work with any of those ideas in the future.

2. Theory

2.1. Brand Management

According to Elliot and Percy (2007), the success of a brand is reliant on the brand equity as derived from the customer's point of view, as it is the customers' perception of added value that affect the financial consequences. A strong brand can be considered attractive despite poor economic performance, since it can provide a potential source of future profits. Brand products can also be sold at higher prices, with lower price elasticity than competitors as well as higher margins and returns, and distributors and retailers will be more inclined to offer the product.

Elliot and Percy (2007) state that brands with a strong brand equity usually have a very loyal core segment of consumers. A high degree of loyalty will help provide sales that are strong and stable over time, and will also decrease the risks coupled with introducing new extensions. Loyalty is traditionally assessed by measuring the consumers' purchasing behavior. Loyal brand users provide the foundation of the brand franchise and should not be taken for granted, but the most common type of users will be "switchers". These users buy the brand, but also buy competitor brands, and will provide a large share of the brand's growth. Therefore, marketing efforts should be aimed at stimulating "switchers" to increase their usage, while keeping the loyal users positive and satisfied (Elliot & Percy, 2007).

By profiling brand users, firms can gain an understanding of who uses the brand and develop their marketing plans accordingly (Elliot & Percy, 2007). This can be achieved by applying quantitative research methods. The most commonly used measures used when profiling, are what Antoniandes and Raaij (1998) describe as general level characteristics, such as demographics and lifestyle. The profiling can also be used to understand how the brand is used, e.g. how often and in what form.

A *branding strategy* may involve considerations regarding how to *stretch* or *retrench* the brand in order to maximize the potential of the company or brand. This can either result in complex strategies where different brand names are used and positioned over time, or in a simple strategy concerned with one brand. Regardless of complexity, the general purpose of the strategy is to build up the brand equity and the overall product portfolio (Elliot & Percy, 2007).

When considering a change in the branding strategy, Elliot and Percy (2007) present three main questions to evaluate:

1. Does the change make strategic sense?
2. Does the change fit the brand?
3. Will the change be profitable?

Regarding the first question, there may be several strategic reasons for stretching or retrenching a brand. For instance, the change can fill a gap in the market or could be used to anticipate a change in the market. It is also important to consider the effects of the extension on the brand, as it could change the meaning of the brand or other products under the same brand.

There are several advantages to introducing brand extensions (Elliot & Percy, 2007):

- Lower costs of new product introduction, compared to new brands, due to easier distribution and greater brand awareness and attitude.
- Lower trial risk, because the product brand is already known and thus easier to accept, when tried on a smaller part of the customer base.
- Can increase customer base.
- Can strengthen the parent brand.
- Opens up possibilities to more brand extensions from that product.

A poor brand strategy can sometimes create disadvantages. If the connection between the brand and the new extensions is not apparent, there could be confusion regarding what the brand stands for. Furthermore, if a brand extends into segment where there already are several strong brands, there could be resistance from the trade. These factors could decrease the customer base either by generating a more negative brand attitude or by cannibalizing on the existing base. Lastly, it is important to remember that a new extension is limited by the parent brand, according to Elliot and Percy (2007), and may not have some of the opportunities as it would have had independently.

When considering a business development strategy that is closely connected to the brand, as is this study, it is important to take into account the considerations that have been discussed in this section. Therefore, the study's process of generating, selecting and evaluating potential brand-related ideas will have a foundation in the theory presented above.

2.2. Brand Audit

By knowing the market and its perception of the brand, it is easier to create a good fit and target the right customers. As described by Keller et al. (2008), a brand audit consists of a brand inventory and a brand exploratory. The purpose of the brand inventory is to provide a comprehensive view of how all the products and services offered by the firm are marketed and sold. The brand exploratory provides detailed information as to what customers think of the brand, by performing the following steps:

1. The first step is to assemble existing data, such as previous reports and research, that may provide an overall understanding of the brand.

2. Secondly, it is important to interview members of the organization, to gain an understanding of their beliefs about the customer's perception of the brand and its rivals. This may also expose any diversity of opinions within the organization.
3. The third step is to collect qualitative data from customers in order to better understand and verify how they purchase and consume the products and services offered by the brand, as well as their perception of the brand.
4. The fourth and last step is to conduct a quantitative study, which will provide a more thorough and conclusive evaluation of the brand

The process used in this study to explore and examine the In Flames brand and its fan base is largely based on the brand audit process described above. However, due to the limited size, marketing and product range of In Flames, compared to a traditional, large organization, the brand audit process will focus on the three last steps described in the brand exploratory.

2.3. Mapping of Internal Capabilities and Resources

Any potential extension will have to be considered in light of the resources and capabilities available to the firm, since these will affect the feasibility, suitability and difficulty of implementing new business. According to the resource-based view of the firm, differences in performance between firms can partially be explained by the three following components[4]:

- Resources - Assets owned by the firm. These may tangible, intangible or human.
- Capabilities - The capabilities granted by the set of resources.
- Core competencies - Strategically important capabilities that are central to the performance of the firm.

Sarasvathy (2001) suggests three categories that constitute the means by which entrepreneurs assess possible business opportunities:

- Who they are - Tastes, abilities, and traits.
- What they know - Education, training, experience, and expertise.
- Whom they know - Network of professionals and social contacts.

2.4. Music in Games

Collins (2008) states that there exists a symbiotic relationship between the music industry and the games industry, where games are used as a channel for promotion and sales of music, while music and artists are used to market and sell games. There are three broad categories of music-driven games (Collins, 2008):

[4] Henrik Berglund, lecture in resource based view, 19th of January 2012.

- Musician-themed games, where artists and bands appear as characters in the game. There have been many games released in this category since the early 1980s, with artists and bands such as Michael Jackson, Journey, Aerosmith and 50 Cent. These games' focus is on the artists' personas and fame, placing less focus on the music itself. In some games, artists make a smaller in-game appearance for promotional purposes.
- Creative games, allowing users to mix and produce remixes of popular songs. The player is provided with samples, beats, vocals etc. from a variety of popular music.
- Rhythm-action games require players to match the beat and melody of the game with different actions on the input controller. The music can either be original or licensed and the game may require special controllers, such as guitar-like controllers and drum pads. The popular game series Guitar Hero and Rock Band fall into this category and include dozens or hundreds of licensed songs. Following the success of Guitar Hero and Rock Band, the more recent game Rocksmith allows players to plug in and play real electric guitars and bass guitars, with focus on learning to play the instruments.

Artists may also be involved by re-recording songs or creating original soundtracks for video games. However, the most favored method of integrating music into video is to license existing music or remixes. This has been enabled by technological advances of video games and distribution media, as well as the resolution of copyright issues. Following the rise of the CD in the mid-1990s, it became increasingly popular to release game soundtracks as separate music CDs. Furthermore, video games may constitute an effective channel for music discovery, by launching new artists, introducing established artists to new markets, or by revitalizing interest in previously released music.

According to Collins (2008), it is important to consider what effects video game music may have on the consumer's perception of the music. For instance, the act of repetitively listening to a song while playing a game may affect the impression of it. Some music may also start being associated with certain types of games, which may limit artists to being licensed in only some, or no, game genres. Moreover, due to the linearity of pre-recorded music, licensed songs may also be limited to feature in specific parts of the game, such as cutscenes, cinematics and credits. When trying to adapt a licensed song to fit a nonlinear game, the artist may have to provide samples and cuts of the song, which some may be unwilling to do, as it decreases their creative control. In the future, games may have an increased support for automatically mapping songs and playing these at appropriate times during the game.

Although it is established that licensing music may boost music sales, it is not apparent that having certain music in a game will create any significant increase in sales for that game.

Music licensing may thus be more related to necessity and practicality, from the game developer's perspective (Collins, 2008).

Lastly, Collins (2008) explains that conflicts may arise when establishing deals between game developers and record labels. If the artist or band is dropped by the record label, if the song release is postponed, or if the band is broken up, the release of the game may be affected as well. Record labels may also have different incentives as to what music they promote. A label that derives most of its income from licensing may be more inclined to license older music contained in their back catalog, while labels that gain most of their revenue from album sales, may prefer to boost new artists. This may force game developers to license music that is not best suited for that particular game.

2.4.1. Music licensing

The following section presents an overview of some of the financial and legal aspects of music synchronization in games, based on the review provided by Cerrati (2006).

A music licensing deal may include several parties from both sides of the negotiations. Firstly, there are the composers who write the music and the artists who perform the compositions. In some cases, these two may be the same individual. Secondly, the sound recordings are owned by record companies and the musical compositions are owned by publishers who, depending on the intended use, may be involved in the negotiations. The parties involved in utilizing the music are the game developers, who create the intellectual property that is the game, and the game publishers, who acquire and market intellectual property. Some larger publishers, such as Electronic Arts, may have music departments dedicated to identifying and acquiring music for their games.

Music may be licensed from the owner of the sound recording, usually the record company. Earnings are then shared with the owner of the copyright, often the publisher, songwriter or composer. Music from established artists and popular songs are usually priced higher, but are already accepted by the public and carry less risk. New artists' music is usually less expensive, but allows for games to integrate unique and innovative music. There are also databases that provide music licensing for use in different media.

When licensing a song, a "master recording license" must be acquired from the record company, or whoever owns the sound recording, which allows the licensee to use the recording in the game. The cost of the master recording license depends on the popularity of the artist and the song, as well as the type of game it is to be used in. The game publisher will also have to obtain a "synchronization license", which allows for synchronizing the music with visual images, as well as reproduction and distribution of the composition. The licensing fees are most commonly paid as a one-time lump sum, regardless of the number of copies sold, which may vary between 2 500 USD and 20 000 USD per song. Among other

factors, the amount of compensation is based on the duration of use, budget, calculated sales, and the bargaining power of the different parties. The terms of the agreement will also dictate for what amount of time the licensee is allowed to include the music in new copies of the game. Typically, the term is fixed and ranges between five years and until the copyright expires, but developers may agree to relatively short terms of five to ten years, depending on the anticipated lifespan of the game.

2.4.2. Composing for games

A game developer may hire a composer to create original music for a game. Based on the game's budget, the skill of the composer and the work required, the composer is usually paid a fixed compensation ranging between 1 000-1 500 USD for 30 to 60 minutes of music. However, the composer can be paid on a royalty basis instead, or in combination with a fixed fee. For instance, the composer may receive a royalty for each unit exceeding a certain number of copies, in addition to the fixed fee, or the composer can be awarded bonuses at certain milestones in sales. Furthermore, the composer can receive additional compensation if the game is to be released on a different platform as well (Cerrati, 2006).

Most composing deals are treated as "work-made-for-hire", which under the United States Copyright Act leads to the resulting copyrights being owned by the commissioner of the work. Thus, music composed for games, under this agreement, will accredit the game developer as the author of the music. Unless the artist has negotiated rights to ancillary uses, such as public performance, ringtones, advertising, etc., the game developer or publisher will be entitled to earnings from these uses, which limits the artists' potential income from music composition. As opposed to licensed music, work-made-for-hire compositions are owned by the developer or publisher, who will control distribution until the copyright expires (Cerrati, 2006).

2.5. E-commerce

With today's Internet penetration and the many choices that customers are presented with, Becker (2008) states that customer loyalty plays a vital part in the strategy of firms. This section will present several methods that can increase customer loyalty and help convert a greater share of In Flames' fan base to consumers of merchandise. The purpose if this is to increase In Flames' e-commerce sales in a sustainable manner and to further capitalize on the economic potential of their online following. The methods are based on customer and user involvement, which according to Becker (2008) has become essential for sustainable e-commerce profitability.

Before presenting the methods in detail, the management and design of e-commerce will be discussed. Firstly, there are several advantages to consolidating the number of vendors into fewer. According to Johnson (2010), consolidation may help reduce the costs and time

associated with managing the systems, as the number of systems decreases. The lower number of systems to update will also make it easier to implement changes in the systems, while redundancy is reduced (Riverbed Technology, 2006). Higher system security can be achieved, by limiting access to a single group of experts. Accountability can be improved while conflicts and finger-pointing between vendors can be reduced by unifying them into fewer (Kamen, 2011). Disadvantages include the risk of reduced flexibility, with the vendors sometimes having to abandon some of their locally adapted way of operations to conform to the centralized management's vision of operations (Kamen, 2009). Although there are long term savings to be made, consolidation projects are challenging, with practical and legal obstacles having to be dealt with, requiring both time and financing, while an internal resistance from the employees affected can arise and must be managed (Riverbed Technology, 2006).

Furthermore, a proper web design has a profound impact on the success of e-commerce (Davie, 2012). The most important components of e-commerce web design are presentation, content, interactivity and navigation. If navigation is difficult or users get lost, they will abandon the site, leading to the loss of a potential purchase (Becker, 2008). The appeal of the web design will have an impact on users' acceptability of the webshop. A sophisticated look of the webshop, and a design implying that it has had significant development costs, will increase the customer trust. To increase trustworthiness additionally, it is important that the domain name is consistent with the brand (Egger, 2001). As for the design itself, it is beneficial that the presentation is coherent with the brand's general graphical profile, to increase familiarity and trust. This design should be coherent throughout the entire user experience of the site, and if there are multiple sales channels, they should all convey the same image (Egger, 2001), since different designs can create confusion for the user and about the brand's graphical profile (Gaines, 2011).

Lastly, to increase the number of visitors, the web site should implement appropriate search engine optimization techniques, to achieve high results on search engines such as Google. Techniques include the use of meta tags, frequent use of keywords, and linking back and forth between different sites (Ledford, 2009). Having the domain name and URL structure similar to expected search terms can also improve search results (Da Vanzo, 2008).

2.5.1. Gamification

Burton and Allega (2012) of the IT research firm Gartner define gamification as "the use of game mechanics to drive engagement in non-game business scenarios and to change behaviors in a target audience to achieve business outcomes". Game-mechanics, if implemented correctly, can increase the enjoyment of usage and thus the likelihood of loyalty and engagement (Anderson, 2011). Some early adopters of gamification within ICT-applications have reported a significant increase in user engagement (Burton & Allega, 2012).

Areas of use include retailing, to increase recurring purchases and revenue over time, as well as online communities to increase member participation. Gamification can also be used in education to increase learning motivation, and in enterprises to increase employee performance (Zichermann & Linder, 2010).

The concept of gamification is relatively new, rising to popularity in 2010, even though similar mechanics have been seen earlier in "frequent-flyer" and "employee of the month"-programs. According to Goh (2012), some have claimed that gamification is a temporary fad, while others believe that there are good arguments for its longevity. Burton and Allega (2012) place gamification at the peak of expectations in the Gartner hype cycle, which may indicate that the current expectations of gaming are inflated, and there are some challenges to overcome before gamification is widely adopted. However, they recognize that gamification, once established, is expected to be of significant importance and impact for IT-organizations.

Gamification is claimed to increase in relevance as "Generation G", people born after 1998, are becoming customers with their own purchasing power (Zichermann & Linder, 2010). These customers are more used to technology and gaming than any other generation; 97% of today's youth are playing video games (Herger, 2012). A recent study from SIFO shows that 63% of children between 4 and 11 years old have access to a smartphone, and that gaming is the most common application (Löfgren, 2012). Customers of this generation will expect game-like experiences, such as challenges and rewards, in most parts of life (Zichermann & Linder, 2010). However, older customers are receptive to game mechanics as well, with gamers' average age being 30 years (Entertainment Software Association, 2012).

The theory of gamification is rooted in motivating people to perform tasks that they normally would not be motivated to do, by introducing game mechanics such as rewards and status. As an example, Zichermann and Linder (2010) mention games where player do tasks similar to real life work for free, such as playing as a coordinator of an airport. The assumption of gamification is that this increase in motivation could exist in situations outside of games, if similar challenges and rewards would be used. The reason game-mechanics work as motivators is rooted in fundamental human psychology (Anderson, 2011). Self-expression, altruism, sense of achievement, status among the group, competition and reward are psychological needs that can be met with successfully implemented game-mechanics.

The game-mechanics can be divided into two categories: actions and rewards (Anderson, 2011). Actions can be entertaining tasks or challenges to engage users, such as quizzes and mini-games, but can also be tasks that directly benefit the host of the gamified system. These can be purchasing items or services, inviting or referring a friend to a community, frequent visits as well as participating in or contributing to the community. One of the most powerful applications for gamification is crowdsourcing (Korolov, 2012), where users' motivation to

contribute to the sourced project can be increased, or to vote on others' contributions, with little or no expectation of monetary rewards (Liu, 2011).

The actions should in turn be rewarded. There are four types of rewards in gamified online communities according to Zichermann and Cunningham (2011): Status, Access, Power, and Stuff. Status within the community can be important to some members, which can be represented with the use of badges that are shown on members' profile pages, to represent the completion of an action or the reach of an achievement. Status can also be granted with the use of public leaderboards and level systems, where advancements in level can grant the members new perks. The reward of access can be that members get the chance to see exclusive site content, purchase items that others cannot, or that they get a head start of sales when they occur. Rewarding people with power can be exemplified with promotions on forums, to positions such as moderators. The last of the four rewards is stuff, which can for instance be an exclusive t-shirt for reaching the highest level, but it can also be granting loyal customers with free shipping or giving away digital items.

Real-world examples of gamification include the prominent online storage service Dropbox, where users are rewarded additional cloud storage space by completing different challenges. These actions include inviting a friend to Dropbox and installing Dropbox on your mobile device amongst others. One of the most popular professional social networks, LinkedIn, also uses game mechanics, motivating users to set up their profiles thoroughly and connect with others, by giving users simple missions and a progress bar (Crawford, 2012). Stack Overflow is another site that has had much of its success by making good use of game-elements. Stack Overflow is a community where members can ask and answer questions regarding programming, and where members are rewarded points for having their answers and questions up-voted by others, unlocking extra features and bonuses at each new level (Anderson, 2011). Webhallen, one of Sweden's major online retailers of electronics, has also made use of gamification, where customers reach new levels by gaining points through purchases, rewarding them with perks such as free shipping and discounts, as can be seen in the figure below.

Figure 1 A screenshot of an example customer's online profile on webhallen.com.

Gamification can also implement a team structure, which is exemplified by a recent university contest by Dropbox, where universities competed by registering as many students as possible as Dropbox users. Each registration granted the university points, and at certain milestones, the university's students were all granted with extra storage space. The contest could be monitored on a leaderboard on the Dropbox homepage, where each university was listed with their amount of points. Game-mechanics including teams can increase user motivation additionally (Korolov, 2012).

In order to maintain user innovation in a gamified system, it is crucial that there is a balance between actions and rewards. Making it too hard to achieve rewards can be discouraging, while making it too easy can make users bored (Jamsa, 2011). There must also be a balance between virtual, physical and status awards for the gamified system to be sustainable. Too much physical rewards could make it economically unsustainable for the host, while too few physical rewards could decrease user motivation (Korolov, 2012). Which actions and rewards to offer is different for each organization, as there needs to be a proper fit with the organization's brand and customer profile. What type of reward to give customers also depends on what action is taken. Altruistic actions, such as helping someone with their problem on a forum, should be awarded with social status and reputation, and not with external rewards, since the altruistic motivation can be diluted. Physical rewards have a better fit with economical actions such as purchases (Anderson, 2011).

While some have dismissed gamification as a business buzzword used by consultants, used to exploit the game industry hype to make money (Bogost, 2011), there is more concrete criticism against gamification and its pitfalls. A common critique against gamification is that it appears to be manipulative, by exploiting human psychology. This risk is increased if the rewards feel superficial and the users feel taken advantage of. If this occurs, or if the mechanics brought into the system are not coherent with the brand's values, brand dilution

can occur (Della Costa, 2012). To avoid this, the rewards and incentives must feel natural and have a sense of logic to them. Furthermore, organizations wishing to implement gamification should not treat it as a quick fix, as it requires thorough planning, knowledge of game and web design and skillful execution to succeed.

Another potential drawback of gamification is the risk of over-justification, which is a psychological phenomenon which can occur when a user's inner motivation and satisfaction to perform a task is undermined by the introduction of rewards for the completion of the task (Zichermann & Cunningham, 2011). Motivation to complete the task shifts to external rewards and if the external rewards would seize, no motivation would remain. Thus, inner motivation is likely to have been fully undermined in the process. The only way of avoiding this risk is to either never stop rewarding users with external rewards, or to never introduce them at all (Anderson, 2011).

A more obvious drawback with gamifying a system is the cost of the development and implementation of gamification, which can either be done in-house or by hired gamification consultants. To keep users engaged over a long time, updates of the systems are crucial, as the users require new challenges and rewards to stay motivated. This will incur further costs for development of patches (Zichermann, 2011). Managing and monitoring the system is also required, which makes for additional costs.

2.5.2. Crowdsourcing

The term crowdsourcing was first seen in 2006, and was defined by Jeff Howe as follows:

"Crowdsourcing is the act of taking a job traditionally performed by a designated agent (usually an employee) and outsourcing it to an undefined, generally large group of people in the form of an open call." (Sloane, 2011, p. 15)

Requiring a healthy community, crowdsourcing can provide significant advantages to organizations, if used correctly, by drawing on the diversified skill and experience that cannot be obtained as easily in any other way as from the crowd. Not all required competency can be found within one single organization, and crowdsourcing can be a way to access a large number of talents outside the organization. When the crowd feels appreciated and motivated, the rewards for the organization can be dramatic, creating a mutually beneficial situation for both parties. Crowdsourcing is facilitated by the way it satisfies the community members' need for self-actualization, which is an incentive of the community members' participation and activity, in addition to challenge, creativity and affiliation. (Sloane, 2011).

One of the most prominent examples of successful crowdsourcing is the e-commerce company Threadless (Sloane, 2011). Being both a retailer of t-shirts and a design community, users are able to upload their own t-shirt designs, while other users can vote on the designs.

The designs with the most votes are manufactured by Threadless and then sold and marketed on their website, sharing part of the revenue with the designer. In the example of Threadless, crowdsourcing is the foundation of the business model of a profitable company (Saadi, 2010).

There are different types of crowdsourcing. With the example of Threadless, two types of crowdsourcing are being used: crowd creation, where the crowd contributes with the product development, and crowd voting. Letting the crowd vote can be seen as a form of market prediction, showing what products are most likely to be adopted by customers. The two other types of crowdsourcing are crowd wisdom, where ideas are gathered from the crowd, and crowd funding, where the organization seeks micro loans from their crowd to finance their operations (Sloane, 2011).

Providing contributors with financial rewards may not always be beneficial in crowdsourcing, since it requires an intrinsically motivated community. According to Sloane (2011), the most effective crowdsourcing comes from the use of amateurs who do not expect to be paid proportionally to the time they have invested in the crowdsourcing project. To achieve this kind of participation, tasks should preferably be small, simple and stimulating, so that they can fit in the contributor's spare time. A mixture of extrinsic and intrinsic rewards is recommended to achieve maximum motivation from the crowd and results for the organization, but finding a proper balance between the two can be a significant challenge for the organizer (Sloane, 2011).

According to Becker (2008), the financial savings for using crowdsourcing are often exaggerated, and crowdsourcing can be at least as expensive as using the organization's own employees. Instead, the power of crowdsourcing lies in the possibility of offering customers more interesting products, while engaging them at the same time. The costs of crowdsourcing come from initiating and managing the community and projects. Costs for selection and management of contributions can be reduced by using crowd voting, which can be useful since a large share of the contributions will most likely be of no value (Sloane, 2011).

3. Method

The following section presents the research methods used to generate and gather data relevant to the study. The actual collected data will be presented in chapter 4.

3.1. The Process

The research methods presented in this section constitute the overall work process by which the brand audit and subsequent idea generation, selection and development have been performed. The brand audit process is based on the process proposed by Keller et al. (2008), as described in the theory chapter above, and is supplemented with methods for idea generation, selection and evaluation. The overall process can be divided into four phases, as depicted in the figure below.

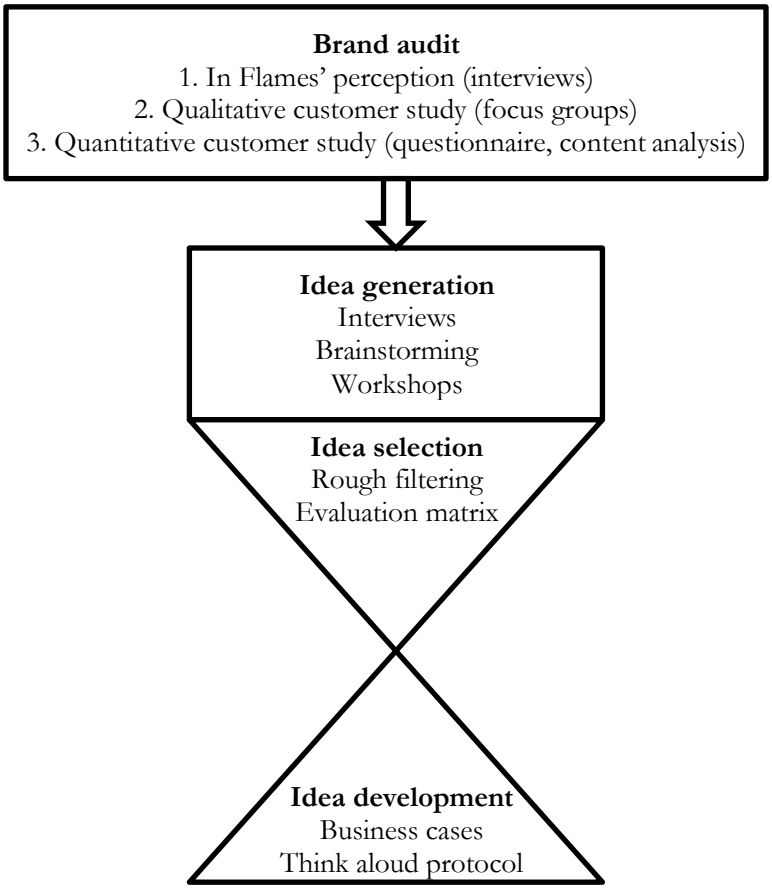

Figure 2 The process which provided the basis for the selection of the final ideas.

3.2. Interviews

As part of the first phase, personal semi-structured interviews were conducted with each member of In Flames, as well as other members of the organization, individually. The interviews concerned their perceptions of the band's image, In Flames' fan base and their internal capabilities and competencies. Interviews were also conducted with experts and

subjects experienced in the subject of brands. Interviews were conducted with the following individuals:

In Flames

- **Magnus Strömblad** - Financial manager, personal interview conducted 11th of September, 2012.
- **Daniel Svensson** - Drummer, personal interview conducted 11th of September, 2012.
- **Peter Iwers** - Bassist, personal interview conducted 19th of September, 2012.
- **Anders Fridén** - Vocalist and songwriter, personal interview conducted 20th of September, 2012.
- **Björn Gelotte** - In Flames' songwriter and guitarist, personal interview conducted 24th of September, 2012.
- **Niklas Jansson** - In Flames' assistant, personal interview conducted 24th of September, 2012.
- **Niclas Engelin** - In Flames guitarist, personal interview conducted 27th of September, 2012.

Experts

- **Peter Zackariasson** - Marketing researcher, telephone interview conducted 7th of September, 2012.
- **Elisabet Widlund** - CEO Musiksverige, telephone interview conducted 18th of September, 2012.
- **Lars Lilliestam** - Professor of Musicology, personal interview conducted 20th of September, 2012.
- **Niklas Bondesson** - PhD assistant in brand management and equity, telephone interview conducted 21st of September, 2012.
- **Francesca Dall'Olmo Riley** - Kingston Business School, e-mail interview conducted 21st of September, 2012.
- **Jonas Bjälesjö** - Researcher Economics and Culture, personal interview conducted 28th of September, 2012.
- **Michael Brandvold** - Former marketing manager for Kiss, telephone interview conducted 1st of October, 2012.
- **Patrik Larsson** - Artist and repertoire manager Playground Music, telephone interview conducted 4th of October, 2012.
- **Petter Askergren** - Rap artist and entrepreneur, personal interview conducted 5th of October, 2012.

- **Martin Ridderfors** - Brand strategist, telephone interview conducted 30th of October, 2012.
- **Agnes Stenberg-Schentz** - Art Director Forsman & Bodenfors, telephone interview conducted 30th of October, 2012.

3.3. Focus Groups

Two online focus groups were performed in order to gather indications of how In Flames is perceived by their fans. These results were later used as basis in the formulation of a questionnaire. The focus groups were conducted as online group audio conversations via Skype. Prior to the sessions, participants were sent instructions regarding the topic of the conversation, and how to set up a microphone and connect to the conversation. The participants were also asked to fill out a short form and provide basic information about their demographics, consumption behavior and relationship to In Flames' music.

The first focus group session was initially intended to be a pre-test and the results not included in the report. However, the results were deemed to be useful to the study and have thus been included. The participants were selected by convenience sampling and consisted of six fans of In Flames living in proximity to the Gothenburg area. The participants had listened to In Flames for several years and were familiar with the band and its music. However, they did not consider themselves part of the most loyal fans.

The second focus group consisted of seven of the more dedicated fans of In Flames, who were active in the In Flames online Jesterhead community. The participants selected were considered suitable by a Jesterhead community manager, who also acted as the moderator of the focus group. There were two participants each from Norway, the USA and Sweden, and one from the UK. The participants were selected from some of In Flames' largest markets in order to represent the global fan base and differences that may exist therein. However, the sample size for each nation may be deemed too small to be representative for that geographical region.

3.4. Content Analysis

The qualitative data was complemented with an inductive content analysis of online reviews of In Flames' full-length music albums. Reviews of EPs and other albums, such as live albums or compilations, were excluded since only full-length albums were deemed to have a significant impact on the style and direction of their music. It is important to note that reviews of older albums were often written in more recent years, which means that these may also analyze the album in relation to the band's more recent albums.

In total, 52 reviews of ten albums were analyzed and the contents were categorized based on common themes and descriptions of the music. The reviews were accessed on five different music-related sites providing staff-reviewed critique of music albums. Three of those sites

were niched towards music in the metal-genre. The results of the analysis were used to establish any major shifts in style and perception, over time, that may have formed the fan base.

3.5. Questionnaire

Based on data gathered in the qualitative study and the content analysis, an online questionnaire was constructed and distributed to a large segment of In Flames' fans. The survey was distributed via the band's Facebook and Twitter page, as well as the Jesterhead community page. When the questionnaire was posted, the band had circa 65 000 Twitter followers and more than 840 000 Facebook fans. The survey gathered 1363 complete and 161 partial answers during four days. At the beginning of the questionnaire, respondents who had not listened to In Flames' music actively during any period were disqualified. This resulted in eleven respondents being disqualified, in addition to those presented above. Subjects covered in the survey were; demographics, interests and hobbies, perception of In Flames, and consumption of music and music-related merchandise in general and that of In Flames as well.

Lastly, the respondents were posed an open-ended question, where they could express anything they thought that In Flames should do. This question was included in order to detect what concerns were at the top of the mind of the fans, regarding In Flames, that could be relevant to the selection and evaluation of business ideas. This question resulted in 1044 open text answers, which were scanned roughly to identify potential business ideas.

Since the survey was made available only via In Flames' social media and community, the results were expected to exclude a large segment of the band's fan base, which may include more casual fans who do not follow In Flames on social media and do not visit the community, as well as older fans who do not use or visit online channels as regularly as younger people. Thus, the age distribution is expected to be disproportionate, with a larger share of young fans. Consequently, it will be difficult to draw conclusions regarding the relative distribution of the fans, but the data collected regarding each group of respondents can be considered accurate.

Furthermore, as stated, the survey excludes a share of the mainstream market that is not particularly active on social media. However, In Flames social media followers constitute a majority of the fans to which In Flames readily has access. Any potential brand extension or idea will most likely be marketed on In Flames social media and geared towards the fans that are available there. Therefore, this fan base may be the most relevant to study.

3.6. Ideation Workshop

Subsequent to the brand audit process, an idea generation workshop was conducted with two members of the band and others involved in the project. In total, there were eight participants who in two separate groups implemented a "brainwriting process" to generate a set of ideas, which involved each participant writing down one idea to pass on to the next participant, who then developed the idea or used it as inspiration for new ideas. The participants were instructed to generate the ideas with foundation in the respective customer groups and their needs. These ideas were later discussed, grouped, and voted on in accordance with the so called KJ Shiba model, where participants in silence grouped related ideas and then freely distributed six points to the groups they considered the most interesting. At the end of the seminar, which lasted for two hours, the two groups joined and presented their results to each other.

3.7. Idea Selection and Evaluation

After an initial review and rough filtering of all ICT-related business ideas, the seven most appealing ideas were entered into an evaluation matrix. Each idea in the matrix was evaluated and given a rating between 1-3, based on 15 parameters. Each parameter was attributed a weight between 1-3, depending on the importance of the parameters to the final decision. The rating was then multiplied with the weight, for each parameter, providing the overall score of the idea. The ideas that were deemed superior by this process were then pursued further. The parameters and weights used were the following:

Table 1 The parameters used in the idea evaluation matrix.

Parameter	**Weight**
Is In Flames familiar with the market?	1
Can the business provide income without the band members' involvement?	3
Does the business fit In Flames' brand?	2
Does the business fit In Flames' fans?	2
Will the business be able to provide a substantial profit?	3
Is the investment cost low?	2
Can the incomes be sustained over a long period of time?	3
Will it interest the band members?	1
Does it fit with In Flames' resources and capabilities?	1

Are the projections for the industry promising?	1
Is it a low-risk investment?	1
Do we have the influence to convince In Flames to implement the idea?	2
Does it have potential for modification and expansion	1
Does it facilitate other future business opportunities?	1
Is there any apparent demand?	2

3.8. Think Aloud Protocol

In order to evaluate In Flames' online sales channels, the think aloud protocol method was applied to 15 participants, who were given one of two sets of instructions to complete. Half the participants were directed to the inflames.com webpage, where they were told to locate the webshop and select the item that appeals to them the most. The other group was instructed to start from a blank page and find a piece of In Flames merchandise that they find appealing. As a result, the latter group was forced to find a webshop without any guidance and they were not limited to the official In Flames webshops. Both groups were told to treat the exercise as they would when they otherwise purchase products online, and were thus instructed to consider price, product design, website design, reliability, shipping options, etc. when selecting a product. Prior to performing the exercise, all participants were given a warm-up task to make them comfortable and ensure that the process had been properly understood.

The 15 participants were selected by convenience sampling and were all from Sweden, ages 20-30 years. Fourteen of the participants were students and 3 participants were female. None of them stated that they were fans of In Flames, but they were familiar with the brand and their music. The sessions were conducted in private, individually, and were recorded. The subjects were provided with clear instructions and notified that their responses would be anonymous. The participants' behavior and statements were written down and codified, in order to identify patterns and relevant observations.

A concern regarding the use of this method is that the participants were not specifically In Flames fans. There is a possibility that In Flames fans have a different purchasing behavior than an average customer. This was mitigated by having seven of the participants start from the In Flames homepage when searching for merchandise, since that was considered a more likely starting point for a more accustomed fan. If there exists a difference between the test participants and In Flames fans, it is deemed to not be so significant that it affects the conclusions of the study.

4. Empirical Results

The results from the empirical investigation using the methods described above are presented in this chapter. The chapter is divided into five sub-chapters which separately present the findings regarding In Flames' brand, their fans, their resources, the results of the idea selection phase and the results of the think aloud protocol. Each sub-chapter will be concluded with an analysis.

4.1. Customer Profile

To assemble information regarding In Flames' fans, essential when evaluating identified business opportunities, data was gathered in four primary ways: interviews, focus groups, Facebook statistics and a survey. The results are presented below.

4.1.1. Interviews

The band members of In Flames estimate that they have a wide audience in the ages 13-50 years old, around 30% of which are female. The age group 13-16 years is believed to have become more prominent in recent years. According to the band members, these are more active in purchasing merchandise and streaming music, but are less likely to buy physical albums. In contrast to this fan group, there is also an older base of more loyal, long-time fans who are more willing to purchase exclusive merchandise and primarily consume the music on physical media, such as CD albums.

Lastly, it is believed that there exists a large group of more ordinary fans, referred to as "Average Joes". It is difficult to identify the characteristics of these fans, since it is a relatively heterogeneous group. However, these fans are typically expected to be between 18 to 30 years old and are attracted to In Flames' partly "folksy" image.

4.1.2. Focus groups

The focus groups revealed possible differences in the composition of the fan base in different regions. Most participants agreed that it is currently common to see female In Flames fans in their respective regions, and some stated that the female fan base has increased due to the music becoming "softer" over the years. However, the participants from the USA indicated that the fan base is still more niched in that market and that mostly the newer music is popular there.

The Swedish focus group proposed three categories of fans, in accordance with the band's categorization: "Average Joes", "metalheads" and "youngsters". The American participants identified three categories, while excluding the mainstream segment:

- "Young and rebellious" - Young people looking for a message they can identify with.
- "Got a few years under my belt" - Need an outlet for life's frustrations.
- "Old school" - Older people, appreciate the older music.

4.1.3. Facebook

Statistics from the In Flames Facebook page may indicate the composition of the In Flames fan base, to the extent that it is reachable via Facebook. The page has more than 868 000 followers at the time of writing, and thus constitutes the overwhelmingly largest online channel by which In Flames can reach their fan base and statistics may be gathered. The table presented below specifies the age and gender distribution of the Facebook fans.

Table 2 Facebook age and gender statistics.

Age	Male	Female	Overall
13-17	10%	4%	14%
18-24	40%	11%	51%
25-34	22%	5%	28%
35-44	4%	1%	5%
45-54	1%	0%	1%
55-64	0%	0%	0%
65+	1%	0%	1%
Total	78%	22%	100%

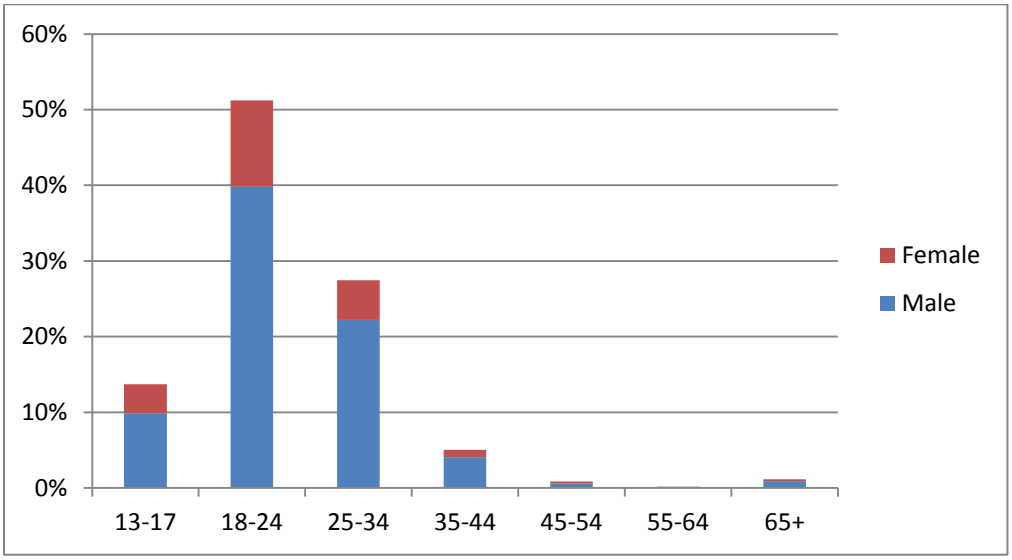

Figure 3 Visualization of the age and gender distribution of the Facebook fan base.

Facebook also provides statistics regarding the nationality of the fans. The figure below shows the ten most common nationalities of the fans, based on the number of likes from each country

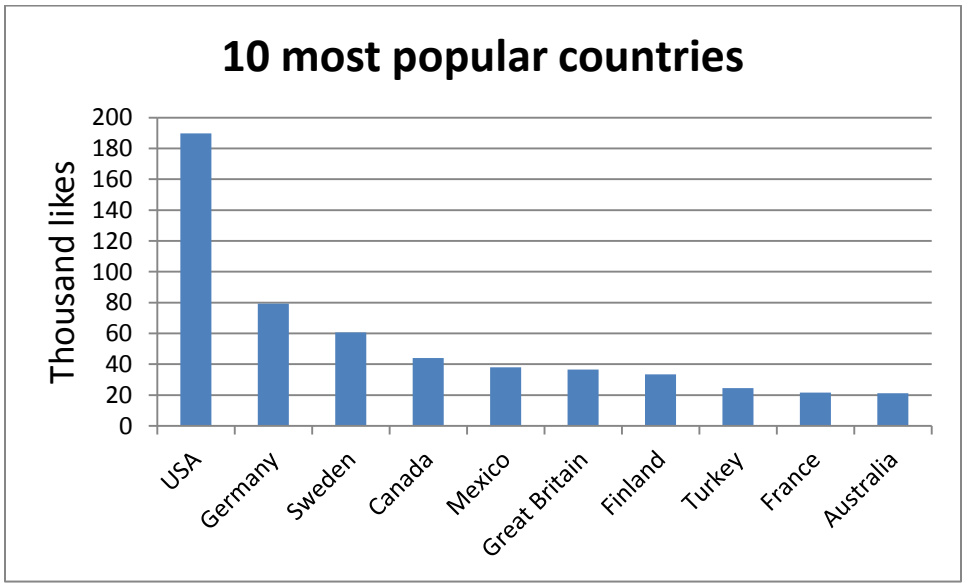

Figure 4 The ten countries with the most "likes" on the In Flames Facebook page.

4.1.4. Survey

The gender and age distribution of the survey respondents differs from the overall Facebook statistics, which may affect the results of the survey. The table below shows the age and gender of the respondents. The last column presents the age distribution of the respondents who have indicated that they are interesting in gaming on PC or console, including handheld devices. This group is referred to as "gamers" and will be relevant to the gaming peripherals business case.

Table 3 Age and gender distribution of respondents.

Age	Male	Female	Overall	Gamers
Under 14	0%	0%	0%	0%
14-17	11%	14%	11%	12%
18-24	54%	45%	53%	59%
25-34	29%	32%	29%	25%
35-44	5%	8%	5%	3%
44-54	1%	1%	1%	1%

55-64	0%	1%	0%	0%
65+	0%	0%	0%	0%
Number of respondents	1194	168	1362	907

The respondents were asked to specify their hobbies and interests from a predefined list. This may inspire or help evaluate potential business ideas, since it is important for the success of the project that there exists a demand for the product in the fan base.

Table 4 The ten most common hobbies and interests of fans, divided by age group. Age groups with a very small number of respondents have been excluded.

What are your hobbies and interests?	14-17	18-24	25-34	35-44	Overall
Listening to music	97%	92%	91%	86%	92%
Gaming (PC games or consoles, including handheld)	71%	74%	57%	41%	67%
Movies or TV-series	53%	66%	64%	59%	63%
Literature (novels, comics, poetry etc.)	23%	38%	44%	42%	38%
Social media (Facebook, Twitter etc.)	41%	34%	32%	39%	35%
Producing, playing or writing music	45%	36%	30%	23%	34%
Beverages	15%	30%	38%	21%	30%
Arts (photo, painting etc.)	27%	28%	33%	32%	30%
Personal fitness (bodybuilding, running, yoga etc.)	25%	28%	34%	32%	30%
Playing sports	26%	31%	30%	18%	29%
Number of respondents	155	720	395	71	1341

The following statistics show the consumption behavior of the fans, as it may indicate the different age groups' loyalty, while highlighting differences in consumption. It also provides information that may be useful for achieving success in the implementation of a project.

Table 5 The number of physical music albums bought each year, on average, divided by age group.

Number of albums	14-17	18-24	25-34	35-44	Overall	Gamers
0	20%	19%	18%	18%	19%	21%
1-3	39%	38%	31%	21%	35%	37%
4-7	17%	22%	26%	24%	23%	21%
8-16	13%	11%	15%	20%	13%	11%
More than 16	11%	10%	10%	17%	10%	10%
Number of respondents	155	720	395	71	1341	907

Table 6 The number of live music shows/festivals attended each year, on average, divided by age group.

Nr. of shows/festivals	14-17	18-24	25-34	35-44	Overall	Gamers
0	22%	7%	4%	3%	8%	9%
1-3	44%	49%	45%	48%	47%	49%
4-7	25%	31%	30%	30%	30%	29%
8-16	6%	9%	13%	10%	10%	9%
More than 16	4%	4%	8%	10%	6%	4%
Number of respondents	155	720	395	71	1341	907

Table 7 How much money the respondent spends on band- or artist-related merchandise each year, on average, divided by age group.

Money spent on merchandise	14-17	18-24	25-34	35-44	Overall	Gamers
I buy very little or no merchandise	20%	17%	21%	24%	19%	18%
Less than 15 USD	10%	9%	9%	6%	9%	9%
16-75 USD	36%	43%	39%	39%	41%	40%
76-225 USD	23%	25%	26%	17%	25%	26%
226-750 USD	10%	6%	4%	11%	6%	6&

More than 750 USD	1%	1%	1%	3%	1%	1%
Number of respondents	155	720	395	71	1341	907

Table 8 How many hours a day the respondent listens to music on a streaming service, on average, divided by age group.

Number of hours.	**14-17**	**18-24**	**25-34**	**35-44**	**Overall**	**Gamers**
I don't use music streaming services	39%	41%	35%	25%	38%	37%
0-2	16%	22%	37%	41%	27%	25%
3-5	23%	19%	17%	30%	20%	21%
6-10	14%	11%	7%	4%	10%	11%
More than 10	8%	7%	4%	0%	6%	7%
Number of respondents	155	720	395	71	1341	907

Table 9 If the respondents participate in any online forums or other communities where they are able to discuss with other In Flames fans.

Participates in online forums or communities	**14-17**	**18-24**	**25-34**	**35-44**	**Overall**	**Gamers**
No	48%	56%	56%	52%	55%	56%
Yes, but very rarely	26%	27%	34%	35%	30%	29%
Yes, every other month	7%	6%	5%	4%	6%	6%
Yes, about once a week	8%	5%	3%	3%	4%	4%
Yes, several times a week	10%	5%	3%	6%	5%	5%
Number of respondents	155	720	395	71	1341	907

Table 10 From what sources the respondents gather news or information about In Flames. Top ten sources have been included.

Source of news or information	**14-17**	**18-24**	**25-34**	**35-44**	**Overall**	**Gamers**
The band's Facebook page.	97%	96%	91%	86%	94%	95%
The band's web page	54%	57%	61%	61%	58%	58%

(inflames.com)						
Music-related news sites	43%	38%	33%	24%	36%	37%
Music-related magazines	27%	24%	25%	24%	25%	23%
The band's Twitter page.	24%	24%	23%	38%	24%	23%
The Jesterhead web page (jesterhead.com)	26%	21%	25%	28%	23%	22%
The individual members' Twitter pages.	10%	13%	12%	18%	13%	12%
Music-related blogs	14%	13%	12%	10%	13%	13%
Online forums or communities (other than Jesterhead)	15%	12%	9%	7%	11%	13%
Radio	10%	9%	8%	7%	9%	9%
Number of respondents	155	720	395	71	1341	907

4.1.5. Analysis

The brand audit showed that In Flames' biggest markets are North America and Northern Europe, e.g. the UK, Germany and France, and that the most common In Flames fan is a 18-24 year old male. However, the band claimed in interviews that they have seen a noticeable increase if female fans during recent years. Statistics from the band's Facebook page show that the online fan base now consists of 22.5% females.

Three different types of customer categories, each with different purchasing behaviors, were identified during the brand audit, the first being the "new school". This category consists of 13-17 year old fans and has the highest share of female fans at 28%. They buy a lot of merchandise, but very seldom physical albums. They stream or listen to the music through other digital alternatives. The second category is called "old school" and these fans are in the ages of 25 to 45 years. They listen to their music in physical form and have a high willingness to pay for exclusive and limited products. Between these two categories, there is a third called "mainstream" fans. They range from the ages of 18 and 30 and are the biggest group of fans, making up for more than half of the total fan base. However, indications suggest that this group is not as faithful to the brand as the other two, having a lower willingness to pay and listening to the music more sporadically. The questionnaire revealed that fans' primary hobby, other than listening to music, were playing video and computer games.

4.2. Internal Resources and Capabilities

To get an understanding of In Flames' internal resources and capabilities, a necessity when evaluating brand extensions, interviews with all band members were conducted. The findings of the interviews are presented below.

4.2.1. Interviews

Interviews with all band members revealed the individual experiences and personal interests of each member:

- Björn Gelotte - Education in automatic control engineering. Runs the Gothenburg restaurant "2112" together with Peter Iwers.
- Anders Fridén - Whiskey connoisseur and runs his own beer brand called "frEQuency Drinks".
- Daniel Svensson - Founder and co-owner of the newly-formed interior design firm "Ågersten & Svensson interiör". Has studied marketing and has carpentry skills. Also has a great interest in football.
- Peter Iwers - Runs the restaurant "2112" together with Björn Gelotte.
- Niclas Engelin - Works part-time as a decorator.

The band in general has expressed an unwillingness to invest any substantial amounts of money in a potential business opportunity. Furthermore, due to the band members' individual business ventures and commitment to musical performances and related tasks, the band has a very limited amount of time available to invest in new business opportunities. However, they may be able participate in promotional and marketing-related efforts, such as interviews and photography or recording of marketing material.

The interviews with the band members revealed that In Flames has access to a wide network of potential business partners, offering different business opportunities or promotions. However, most offers have been short-term opportunities, a few of which have been implemented. The members of the band have stated that for a potential project, it is likely that the competencies or contacts required exist within In Flames' professional network.

In addition to the competencies employed directly by In Flames, the organization has established a contract and close relationship with Crows & Allies, which is a small firm responsible for handling the band's IT and PR. In turn, Crows & Allies has the ability to recruit additional competencies relevant for different projects.

4.2.2. Analysis

Based on the interviews with the band members, in combination with the prerequisites of this project, it is possible to conclude that the suggested business ideas should consume a minimal amount of time from the band members, while requiring little financial investments,

at a low risk. These factors will be taken into account in the process of filtering business ideas. However, it is also important to weigh them against the potential benefits. If the filtering process is based too strictly on those factors, it may be difficult to identify ideas that are able to generate a significant amount of money over a long period of time, as was the overall objective of the project. It is possible that the band underestimates its ability to handle the risks associated with brand extensions. It may also be possible to circumvent the issue of financial investments, by securing financing from alternative sources, or by modifying the idea or restructuring deals with business partners.

Regarding the competencies available within the organization and its network, the band members themselves are experienced in establishing and running a business. In addition to the expertise of Crows & Allies, necessary competencies and contacts are available in the organization's professional network. Thus, access to necessary skills and contacts are not considered imperative in the evaluation and filtering of ideas.

4.3. Image

In order to evaluate potential business opportunities for In Flames, it is necessary to have an understanding of the image and associations of the brand. Four methods contributed to building this understanding: interviews, focus groups, content analysis and the survey. The results from these are presented below.

4.3.1. Interviews

The band members expressed that they did not have any particular message that they wish to convey with their music, other than joy and a sense of hope, and believe themselves to be relatively imageless. The band believes that they are perceived as being down-to-earth and regular guys that are easy to relate to, with a strong connection to Gothenburg and Sweden. The band is also perceived as being "folksy" in Sweden and the music is not "dark", but rather positive and may provide a sense of hope for some listeners. Compared to other bands in the same genre, the music is more accessible and modern. Over time, the band believes that their image has become more innovative, tolerant and open, while the brand has grown stronger and stronger. The perhaps most established perception of the band is that they provide consistently good and entertaining live shows.

4.3.2. Focus groups

The focus groups enforced the belief that the band members are down-to-earth and humble, and that they provide good live shows. The band's music was also described as being varying, innovative and influencing. However, the band was criticized for becoming too mainstream and "poppy". It was the feeling of some of the participants that the newer music was too commercial and that the quality of the album releases has been inconsistent. The focus group participants from outside of Sweden also indicated that there was a connection

between In Flames and Gothenburg and Sweden. The participants agreed that the band's music and attitude has matured and that the band members look more "corporate" than in their earlier years. In conclusion, In Flames music was perceived as conveying a feeling of personal strength, altruism and hope.

4.3.3. Content analysis

The content analysis of In Flames' studio albums revealed that there has been a shift in what words are used to describe In Flames music over the years. With the release of the album Reroute to Remain in 2002, the descriptions changed from using words such as "intense", "heavy" and "aggressive", to using words like "creative", "innovative", "mainstream" and "accessible" to describe the music.

Table 11 Overview of the number of times different words were used to describe In Flames' albums in reviews.

Album	Intense, aggressive, heavy	Renewing, creative, innovative	Mainstream, accessible, younger audiences
Lunar Strain (1994)	3	1	0
The Jester Race (1996)	4	2	2
Whoracle (1997)	4	1	0
Colony (1999)	0	2	0
Clayman (2000)	5	2	0
Reroute to Remain (2002)	2	5	6
Soundtrack to Your Escape (2004)	1	1	2
Come Clarity (2006)	0	4	1
A Sense of Purpose (2008)	0	3	4
Sounds of a Playground Fading (2011)	1	3	3

4.3.4. Survey

The survey respondents were asked to select a maximum of five options that they think best describe In Flames, in order to study what associations are most commonly made with In Flames. This is useful when evaluating a potential business opportunity, since it is important that the characteristics of the product match the characteristics of the brand.

Table 12 What words the respondents think best describe In Flames, divided by age group.

What words do you think best describe In Flames?	14-17	18-24	25-34	35-44	Overall
Good live shows	49%	62%	63%	58%	61%
High quality	65%	55%	55%	46%	56%
Skilled	60%	52%	51%	44%	52%
Creative	57%	48%	43%	55%	48%
Professional	48%	40%	32%	34%	38%
Close to their fans	46%	37%	27%	35%	35%
Genuine	19%	24%	33%	39%	27%
Innovative	20%	24%	23%	24%	23%
Down to earth	12%	22%	23%	20%	21%
Modern	16%	18%	17%	8%	17%
Number of respondents	155	720	395	71	1341

4.3.5. Analysis

The band members stated that they are not trying to send a message with their music and that their brand is imageless, while standing for quality and a spectacular live show. The rest of the brand audit showed that some fans interpret In Flames' message as promoting altruism, enjoying life and finding strength and courage in dark times. The band members on a personal level are known for being humble, kind and thankful.

The band's opinion of standing for a good live show and quality is shared by their fans. Fans also regard In Flames as being creative, professional and genuine. However, some parts of the fan base question the quality In Flames later albums and feel that the music has become too mainstream. This opinion was also shared by some of the reviewers in the content analysis.

In conclusion, In Flames have renewed themselves, by being creative and modernizing their sound. They have managed to attract the new generation of listeners, but to some extent this may have disappointed the older fans. The reason the music may be considered more mainstream and accessible, is that the sound has become less intense and aggressive. The change seems to have occurred with the release of the album "Reroute to Remain" in 2002,

which was less regarded as being a heavy and aggressive album, and more renewing and accessible.

4.4. Idea Generation and Evaluation

The idea generation phase resulted in 72 ideas in total, 16 of which were ICT-related and thus relevant for further analysis in this study. With consideration to In Flames and secrecy issues, all ideas will not be presented in this report. When analyzing the ideas, the results presented above regarding the fans, the brand and the band's resources, were taken into consideration.

4.4.1. Evaluation

Seven of the 16 ICT-related ideas passed the rough filtering. For instance, one of them, an application for smartphones, was already in the process of development, while others had an apparent absence of economic potential. One factor that eliminated two potential ideas regarding collaboration with other big actors was that In Flames' brand was deemed too weak compared to the potential collaborators, giving them an unfavorable negotiation position.

The evaluation matrix was applied to the remaining seven ideas. The average scoring of the matrix was 58.7 points, with 26 points being the minimum and 78 being the maximum of potential points. The ideas scoring the highest were the improvements of e-commerce, which scored 69 points and was given full rating on 10 of 15 factors, and the branding of gaming products, which scored 66 points. The third most popular idea scored 57 points.

4.4.2. Analysis

Two ideas were chosen due to their significantly higher scoring compared to the others, as well as having both benefit from the many young fans interested in gaming. They both received the highest rating throughout most criteria, having few weak scoring criteria. These two ideas were also the only ones given full rating on the criterion of being able to sustain profits over a long period of time, which was a criterion with the highest weight.

4.5. Think Aloud Protocol

The think aloud protocol was conducted in order to evaluate the usability of In Flames' online sales channels, and to identify the behavior of the users and what they consider important when trying to buy In Flames merchandise. The following section presents the results of that test.

4.5.1. Results

Seven of the fifteen participants were instructed to find appealing In Flames merchandise without being provided with a starting page. They were thus free to decide how to find the merchandise and from where to buy it. All seven participants used the Google search engine using queries similar to "In Flames t-shirt" or "In Flames merchandise". The other users were instructed to navigate to inflames.com and get to the band's official webshop from there. The following observations were the most common:

- Only one of the participants that used Google was directed to JSR in the search results.
- None of the participants that used Google were directed to Merchland in the search results.
- Seven participants stated that they prefer to buy the merchandise from a Swedish webshop, for instance due to delivery time and costs or trustworthiness. Note that all participants lived in Sweden.
- When introduced to Merchland, twelve participants remarked or criticized that the default language of the site was German.
- Eight users criticized the design of the Merchland webshop.
- Four users criticized the navigation structure of the Merchland webshop.
- Seven of the subjects remarked that the official webshops were external and not hosted by In Flames. A few elaborated that they would prefer to feel that they are supporting In Flames.
- Five participants complained that the range of products offered was too limited.
- Four of the participants who visited Merchland stated that they would prefer that the local currency was displayed, instead of EUR.
- Six participants actively declined to purchase the merchandise via one of the official webshops, due to the factors above.

4.5.2. Analysis

There are several points of criticism that can be addressed in order to resolve the current issues with the online sales channels. The investigation suggested that the Google search engine is perhaps the most important channel by which fans find In Flames merchandise. The criticism against the language, currency and location of the Merchland site suggests that a sense of locality is important for the trustworthiness of the site. Lastly, the design of the site is deemed important for the experience of buying merchandise.

5. Business Cases

The ideas that were found to be most suitable were

- Branding of gaming peripherals
- Additional features and restructuring of In Flames' current webshops.

As stated earlier, the two ideas were chosen with a customer focus and have a common ground in the fan base, which was discovered to largely consist of young males with an interest in gaming and a high technological familiarity. Furthermore, systematic evaluation of all identified ideas resulted in a clear advantage for these two ideas. The cases presented below are structured to provide a comprehensive view and to include all essential aspects of the business opportunities. Due to the different natures of the two proposed ideas, one being the branding of products and the other one being an improvement of an existing sales channel, the cases have differences in the way that they are presented. However, they will both elaborate on the business idea, discuss its benefits and risks, and suggest a method of implementation.

5.1. Branding of Gaming Peripherals

The gaming industry has witnessed a strong growth over the past decades (Entertainment Software Association, 2012), and gaming as an activity has expanded further and further into the mainstream in recent years. The popularity of games is also reflected in the In Flames fan base. The following sections will provide a concise, general case for the implementation of In Flames-branded gaming peripherals, such as gaming headsets, keyboards and mouse pads. This is achieved by discussing the potential of the idea, combined with financial estimates, suggestions for how it may be implemented, and factors that are considered vital to the success of the project. Lastly, a general overview of the business model is presented in Osterwalder's business model canvas.

5.1.1. Why brand gaming peripherals

The aim of entering the gaming market is to introduce a line of gaming peripherals carrying the In Flames brand. In order to achieve this goal, it is necessary for In Flames to establish a foothold in the industry, with partners in different areas and a connection between gaming and In Flames' image. The purpose of achieving such a position is for the product line to generate a stable flow of passive income over a longer period of time, while enabling future related business opportunities. In addition to the financial benefits, entering the gaming market is expected to generate feedback effects where the In Flames brand and its relationship to the existing fan base is strengthened, while introducing the band to new fans in the gaming segment. These soft benefits may indirectly provide financial benefits for the band. Lastly, there may also be additional revenue generated by individual promotions and projects related to the abovementioned efforts.

A poorly executed and marketed strategy for entering the gaming market may carry several risks and disbenefits. Independent of the financial success of the project, an unsuccessful strategy may dilute the In Flames brand, instead of strengthening it, which will decrease the potential value of the brand. However, as presented earlier, this risk is often not extensive and a strong brand has the ability to implement unsuccessful brand extensions without suffering any significant damage to the brand. In addition to the risk of dilution, entering the gaming market may further niche the In Flames brand. If In Flames were to create a strong profile in gaming and strengthen their relationship to young males, other fan segments may feel alienated. This will limit the band's ability to extend into other product categories.

5.1.2. Implementation

For any extension in the gaming market to be successful, it will first and foremost have to be regarded as being genuine from the perspective of the In Flames fan base. Otherwise, the product will fail to leverage the brand and its fan base, and the brand may be damaged. Therefore, this study suggests a progressive approach consisting of two main phases that will provide a steady transition to the desired position of the band and its brand. The first phase is designed to prepare the market and the fan base for the introduction of In Flames-branded gaming peripherals. At the end of this phase, a strong connection between In Flames and gaming should be established in the mind of the fan base. This can be achieved by continuous marketing efforts from the band towards the fan base, using social media and different outlets, such as music- or gaming-related magazines and news sites.

There are several means available to In Flames that can be subject to such marketing. Firstly, individual band members have an existing relationship with videogames, which can be highlighted in interviews with media outlets. As an example, an in-depth interview with a major international gaming magazine could provide a strong signal to the existing fan base, while creating brand awareness among potential customers.

Secondly, In Flames' music, and music in general, is suitable for synchronization in a range of videogames, such as sports-, action-, racing- or music-related games (Collins, 2008). The band's music has previously been featured in the sports game Madden NFL and the music-related games Brütal Legend and Guitar Hero, among others. Synchronization could provide a relatively simple method of building a gaming image, without any extensive commitment from the band members, depending on how strongly the synchronization effort is marketed. The benefits related to synchronization are thus derived from the marketing and signaling it enables. As described in chapter 2, synchronization may not provide any substantial revenue for the band, but could expose the target segment to In Flames' music, which may provide indirect financial benefits.

Lastly, closer and more committed endorsements or promotions can be performed in combination with In Flames' music being synchronized in that game. Otherwise, there needs to be a genuine connection between the band and the game. For instance, due to one of the band members' experience with the game World of Warcraft[5], it would be possible to endorse such a game without damaging the brand or having the endorsement seem disingenuous. There is also an apparent connection between In Flames and music-related games, allowing for endorsements of games such as Rocksmith.

The second phase concerns the development, release and marketing of In Flames-branded gaming peripherals. When the connection between gaming and the In Flames brand has been firmly established, the In Flames brand can be applied to a line of gaming peripherals. Initially, a single product, such as headphones, can be launched and if the partnership is successful, the business can be extended to include additional product categories.

The implementation process will roughly follow the pattern outlined in the figure below.

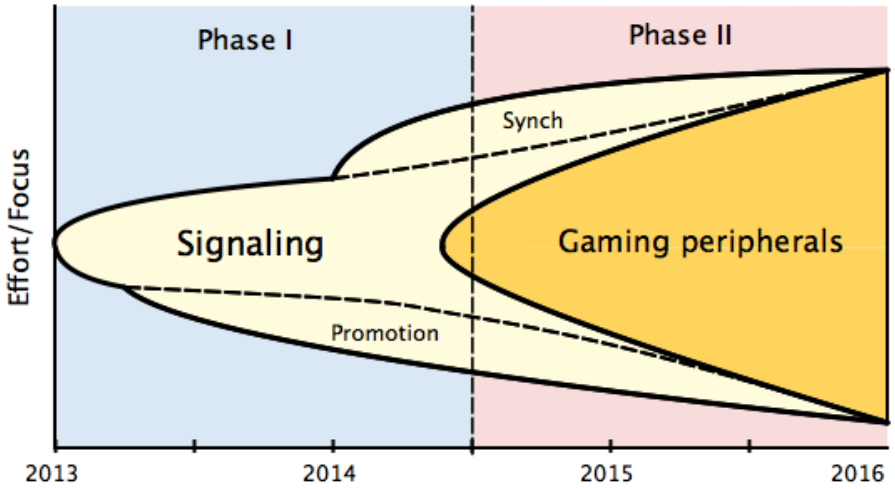

Figure 5 A rough time plan outlining where to focus efforts over time.

During 2013, the main focus will lie on communicating the band's existing relationship to gaming. As described earlier, this can be achieved by utilizing social media and gaming- or music-related outlets. Activities would include:

- Individual band members uploading gaming-related posts on social media, which are subsequently linked on the band's Facebook page.
- Band members participating in interviews with gaming- or music related magazines and outlets, highlighting their relationship to gaming.
- The Facebook page uploading posts related to gaming in general.

[5] Andreas Werling, Crows & Allies, telephone interview conducted on 24th of October, 2012.

The attractiveness of music synchronization in games is heavily dependent on the availability of newly-released music[6]. Therefore, the majority of synchronization deals will be negotiated around the release of the band's next album, scheduled for release in early 2014. Due to In Flames' relationship and history with the publisher Electronic Arts, there are several major games and franchises available for synchronization. Featuring the music in rhythm-action games may be more complicated, since there may be technical and gameplay requirements that need to be fulfilled. In the case of Rocksmith, the featured songs need to be in E standard or Drop-D tuning, among other requirements, and the songs need to be suitable for teaching the players to learn the guitar or bass instrument[7]. Ubisoft has already expressed interest in featuring In Flames' music in the next iteration of Rocksmith, if the requirements are met. Rocksmith 2 is aimed for release in 2013[7].

Endorsements and other promotions can be performed and marketed from the beginning of the first phase, as well as in combination with synchronization efforts during the transition to the second phase. There have previously been discussions regarding an endorsement of the game World of Warcraft[8], and Ubisoft has also expressed an interest in having the band provide an endorsement of Rocksmith[7]. The latter can be executed either prior to, or in combination with, the release of In Flames' music in the game. Other promotions could include efforts such as hosting or attending gaming-related events.

The second phase of the implementation process will as described be prepared in the first phase, and it is important to early on initiate a discussion with gaming peripherals manufacturers, due to the potentially long time to market. Following the time plan described above, the first product is expected to be released near the middle of 2014. Based on the success of the first set of In Flames-branded products, the partnership can gradually be extended to include a full line of products, such as earplugs, headsets, mousepads, mice, and keyboards. In the long term, it is important to also consider possible extensions into console-specific gaming peripherals. Due to the popularity of console accessories, such as peripherals for the Nintendo Wii and music games, the console market may provide significant growth. Examples of potential branded products would be console-specific headsets, controllers or instruments for music games. The manufacturer for computer peripherals may not be the same as the manufacturer of console-specific accessories. Consequently, the relationship with a peripherals manufacturer may not be beneficial in both markets. However, establishing the brand in any of the two markets may have positive effects in the other.

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[6] Chris Lakey, VP Synchronization & New Media at Kobalt Music, e-mail interview conducted 16th of November, 2012.
[7] Michael Madavi, Community Developer at Ubisoft, e-mail interview conducted 28th of November, 2012.
[8] Andreas Werling, Crows & Allies, telephone interview conducted on 24th of October, 2012.

5.1.3. Financial estimates

Both the gaming market and the gaming peripherals market are in steady growth. According to the Entertainment Software Association (2012), in the U.S.A, 65% of households that own a PC use it to play games, while 70% of video game console owners use consoles for gaming. The average gamer is 30 years old and the share of male gamers is slightly higher than that of females. 64% of gamers are under 35 years old, which may explain the correlation between the high interest in gaming and the young age of the In Flames fans that participated in the brand audit survey.

The console accessories market has grown steadily during the past years. This increase has mainly been driven by Nintendo Wii-related products and instruments for music games (Klosek, 2009). Ward[9] estimates that the worldwide spending on gaming peripherals will amount to 8 billion USD in 2013. Although all these may not be potential business opportunities for In Flames, they indicate a strong and growing will to purchase gaming peripherals.

Furthermore, gaming peripherals may offer relatively high profit margins. A gaming accessory may achieve a margin of 40 to 50 percent (Hope, 2010). An In Flames-branded gaming peripheral could be sold at a higher price and produced at the same cost, and thus reach an even higher profit margin. Ward[9] states that more high-end product is usually preferable when branding or licensing gaming peripherals. If In Flames is able to maintain a 20% royalty rate, a premium headset sold for 1 000 SEK, excluding VAT, would result in a 200 SEK royalty. With the current number of Facebook fans, where half are reached, there are currently 300 000 gaming-interested fans reachable through Facebook. If one in a hundred of those purchase the headset, the total profit will amount to 600 000 SEK for that product. By offering a wide range of products that appeal to a majority of gamers, this number can be increased. It is important to remember that the number of buyers is based solely on the fans reached via Facebook, and does not include potential customers reached via other channels and promotions.

The investment costs of the project will depend on the structure of the deal with the manufacturer. The main investments will be the In Flames brand, as well as the time of the band members and employees, depending on the marketing efforts and responsibilities. Prior to product release, the most time-consuming activities will be negotiations and product development with the manufacturer. After the first product has been announced, marketing, promotions, and evaluation and development of new concepts will take focus. The forecast presented above is only relevant for the release and sales of the initial product. Future

[9] Lewis Ward, Research Manager at IDC, e-mail interview conducted 30th of January, 2013.

extensions will have to be evaluated and forecasted anew, based on the success of the previous products.

5.1.4. Success factors

In order to ensure a successful end-product that will generate stable income without damaging the In Flames brand, the end-product will need to possess several characteristics:

- The product must seem genuine from the perspective of the existing fans. An extension into gaming peripherals should be derived from the passion and interests of the band or the band members. If the extension is perceived as being unnatural or unrelated to the band, it will be difficult to leverage the brand and the fan base to launch the product.
- The product should be high quality. In Flames is regarded as being professional, skilled and maintaining a high quality. The In Flames brand has been used sparsely in commercial contexts and has preserved a high level of integrity. Fans will likely be willing to pay premium prices for a high-quality product that In Flames has endorsed. If a low-quality product is released, regardless of price, the band's credibility may suffer.
- The product should appeal to a large segment of the fan base. Compared to other bands in the same genre, In Flames' music is accessible to a relatively wide audience and the band has conveyed a neutral, non-extreme image. If the product is too niched, e.g. if it is aimed at hardcore professional gamers, casual gamers may feel alienated by it. The accessibility of the product depends on the type of product, its design, the brand of the manufacturing partner and how the product is marketed. Thus, the manufacturer should be established in the mainstream market and the product should have a sleek design.

An important challenge will be to create a position that will help the brand generate revenue over a long period of time, spanning more than several years. An In Flames-branded gaming peripheral can be sold for a limited period of time, and it is possible to continue expanding the product line to drive sales. However, in the long term, it is critical to strengthen the brand in the gaming market, and have it regarded as being more than a promotion limited to In Flames fans. As a result, the branding and marketing should be performed in a way that leverages the existing fan base to penetrate the market, while avoiding alienating potential customers in the long run. A feasible option would be to mainly apply the "Jester" or "Jesterhead" brand, rather than the In Flames brand, to the gaming peripherals. Jesterhead is strongly connected to the In Flames brand, but may be less restricted and more accessible to gamers that are not fans of In Flames.

Considering the importance of the brand to In Flames' success and growth in the gaming market, it is essential that the agreement with the manufacturing partner is structured in a way that allows In Flames to remain in control of the brand equity generated over time, as it will determine the leverage and royalties attributed to In Flames in future negotiations.

The choice of gaming peripherals partner will be one of the early questions that need to be pursued. When evaluating a potential partner, there are several key characteristics of the firm that need to be considered:

- Range of products - The potential for expanding any In Flames-branded product line will be limited by the capabilities of the manufacturer. If the manufacturer is not established in a certain product category, such as headsets, the risks associated with entering such a category will be greatly increased.
- The image of the brand - Manufacturers may brand themselves as being geared towards professional gamers and e-sports. By associating themselves with such a brand, In Flames may alienate casual gamers and existing fans. Preferably, the partner's brand and products should appeal to the large majority of gamers.
- The market share of the firm - Manufacturers vary in size and market share, and some are niched towards individual geographical regions. A potential partner should be established in the same regions as the majority of In Flames' fans, namely Europe and North America. If the manufacturer has a strong presence in a region with a large potential for growing In Flames' brand, such as the USA, this may help increase the fan base in that region.

5.1.5. Business model canvas

The business model for the gaming peripherals idea can be summarized in Osterwalder's business model canvas. The canvas can be used as a guiding document to provide a structure and an overview of the business idea and its different components. However, since the implementation of the idea requires negotiations and discussion with potential manufacturing partners, several aspects of the canvas may be subject to change in the future. Therefore, it is important to regard the canvas as dynamic, instead of static, and to be willing to iterate on its content with future developments.

<table>
<tr>
<td rowspan="2">Key partners
• Peripherals manufacturers
• Publishers
• Game developers</td>
<td>Key activities
• Marketing
• Promotions</td>
<td rowspan="2">Value propositions
• Identify with the brand
• High quality gaming peripheral
• Newness
• Performance
• Design
• Brand/status</td>
<td rowspan="2">Customer relationships
• Long-term loyalty
• Jesterhead community
• Service from manufacturer</td>
<td rowspan="2">Customer segments
• Niche market
• Young males
• Existing fans
• Potential Fans</td>
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<tr>
<td>Key resources
In Flames
• The brand
• The fan base
Partner
• Financial
• Human
• Physical</td>
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<tr>
<td>Channels
• Stores
• Social media
• Online media
• Festivals</td>
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• Promotions require time from band members
• Mostly fixed costs (salary)</td>
<td colspan="2">Revenue streams
• Premium prices
• Royalty
• Feedback effects for album and live sales</td>
</tr>
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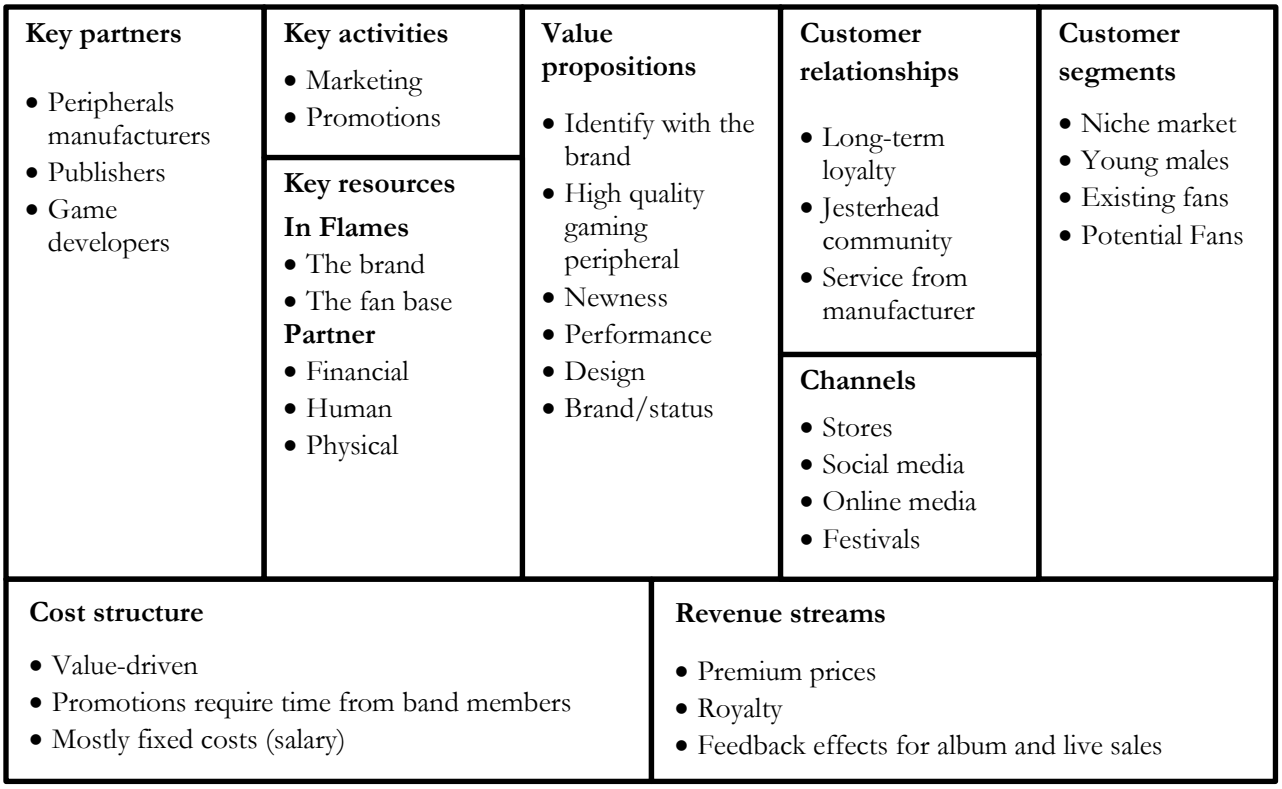

Figure 6 Osterwalder's business model canvas for the branding of gaming peripherals.

5.2. Improving In Flames' E-commerce

Branded merchandise, such as clothing, has already been proven to be a viable brand extension that generates significant passive income, 8,75% of In Flames' total revenue, but the study has shown indications that these incomes could be increased in numerous ways. Combining the theory and findings from the study, the suggestion of improving In Flames' e-commerce consists of a package of changes, including redesigning, restructuring, implementation of game mechanics and crowdsourcing, search engine optimization, business intelligence improvements and changes in the product range. These changes aim to result in a webshop with a more sophisticated presentation and an easier and more engaging customer experience that is more integrated with the rest of In Flames online presence, while being easier for customers to find. The expected resulting e-commerce will be summarized with Osterwalder's business model canvas in the end of the chapter, as it is deemed to provide a suitable overview of all its components.

The different sub-ideas of improving In Flames' e-commerce will each be examined thoroughly and analyzed from different perspectives. An analysis of In Flames' current e-commerce solution will be presented in the beginning of the chapter. The chapter will also include an analysis of potential benefits and risks identified, as well as details of what to implement specifically for each sub-idea. An implementation process will be presented,

discussing the chronological order of implementing all sub-ideas, as well as financial estimates for each.

5.2.1. Why change the webshop

The idea to develop In Flames' e-commerce was selected for several reasons, one of the main reasons being the untapped potential that was identified in the statistics of their merchandise sold online. The statistics showed that of all merchandise sold online in Europe, only 9.4% was sold by their official webshop, despite being marketed through In Flames' homepage, and the rest was sold through external retailers, such as CDON, similarly priced. While selling merchandise through external retailers has its advantages, such as outsourced marketing and economies of scale, it also results in a significantly lower marginal profit; 17% instead of the 30% when sold through their own webshops. Thus, a way to increase passive profit for In Flames through e-commerce, besides increasing the total sales, would be to get the customers buying from external retailers to buy from In Flames' official webshops instead. Furthermore, with an online following of 850 000 fans, the total of 14 000 units sold per year online is considered to have the potential to increase significantly.

5.2.1.1. In Flames' current e-commerce

The main cause for the relatively low share sold through In Flames' own webshops is thought to be the numerous flaws identified within the web design and management of their current solution. Both Merchland and JSR are linked to from In Flames' official web page inflames.com, which is managed by In Flames' IT provider Crows & Allies. Inflames.com is based on the content management system WordPress, which enables efficient installation of existing modules. Merchland and JSR are governed by external IT suppliers.

One of the most prominent flaws of Merchland is deemed to be its search engine results. Although search results from modern search engines can vary from user to user, there were clear indications of undesirable search results during the think aloud protocol-study. As an example, the search term "In Flames t-shirt", t-shirt being the most sold type of merchandise, consistently showed other retailers among the top results, while Merchland was absent on the first page of results. Even if Merchland would show up in the top results, it is not certain whether it would be perceived as an official webshop, compared to an URL like inflames.com/shop.

The think aloud protocol-study showed that there are issues with selling other bands' merchandise on the same webshop as In Flames, as the numerous links to other bands created confusion for the participants. Complaints about unprofessional photographs with uninspired models were also made, as well as German being the default language of the site and EUR being the only available currency to be displayed.

Merchland has the inherent disadvantage of not having the name "In Flames" in its name or URL, which results in a poorer search engine results (Da Vanzo, 2008). Having the webshop under the inflames.com URL would improve results for search strings including the brand name, such as "in flames t-shirt". Another drawback is that an unfamiliar URL can create customer insecurity (Egger, 2001). One of the participants in the think aloud protocol study expressed such an insecurity, also mentioning the web design as generating insecurity due to its low level of sophistication. The web design was also found to be inconsistent with In Flames general graphical profile, which can be an issue, according to Gaines (2011). Participants of the think aloud protocol expressed a reduced willingness to buy because of the web design, mentioning it looking aged.

During the think aloud protocol-study, as well as in interviews band members and staff, complaints were made about the assortment of products on Merchland and other retailers. The most common complaints were that the assortment mostly consisted of black t-shirts with extreme designs and unfashionable shapes. A female participant of the think aloud protocol expressed disappointment about there only being two products under the category "Girlie". This lacking product range for girls is present on JSR too, and is especially undesirable considering the increasing share of female In Flames fans, combined with the fact that women spend almost twice as much on clothing as men, 85% more (Duval, 2012). Additional facts that support the importance of serving female customers are that women's online clothing purchasing habits are growing twice as fast as men's (McMahon, 2012), while women spend twice as much time in webshop (Rigby, 2012) and are more than twice as prone to make impulse purchases (Smith, 2011).

Another issue with Merchland, which also creates an issue for this study, is the absence of an accessible statistic analysis tool. Implementing such a tool on the current webshop would require Merchland to pay a fee to its external IT provider, which they have chosen not to do. Having the webshops under the governance of external IT providers reduces the flexibility and agility of changes for these sites, and makes integration with inflames.com and its community more cumbersome. Having two webshops to manage, e.g. during change and integration projects, increases complexity additionally and could increase costs for such projects (Johnson, 2010).

In conclusion, the current e-commerce solution can be summarized in a business model canvas, presented below, to provide an overview. One of the highlights are that the current solution of official webshops is that it is deemed to mainly serve only most dedicated fans, who finds them through the official webshop and are willing to endure their flaws. The possibilities of building deeper relationships with customers are limited by the external IT providers and the value proposition of the current solution is simply to provide the ability for fans to buy In Flames merchandise online. The main key activity is to communicate with

JSR and Merchland, who are also the key partners, together with Crows & Allies. The current solution has a relatively lean cost structure for In Flames, since they are not required to manage the webshop and are able to share costs with other bands. The business model canvas for the new e-commerce solution will be presented later at the end of this chapter.

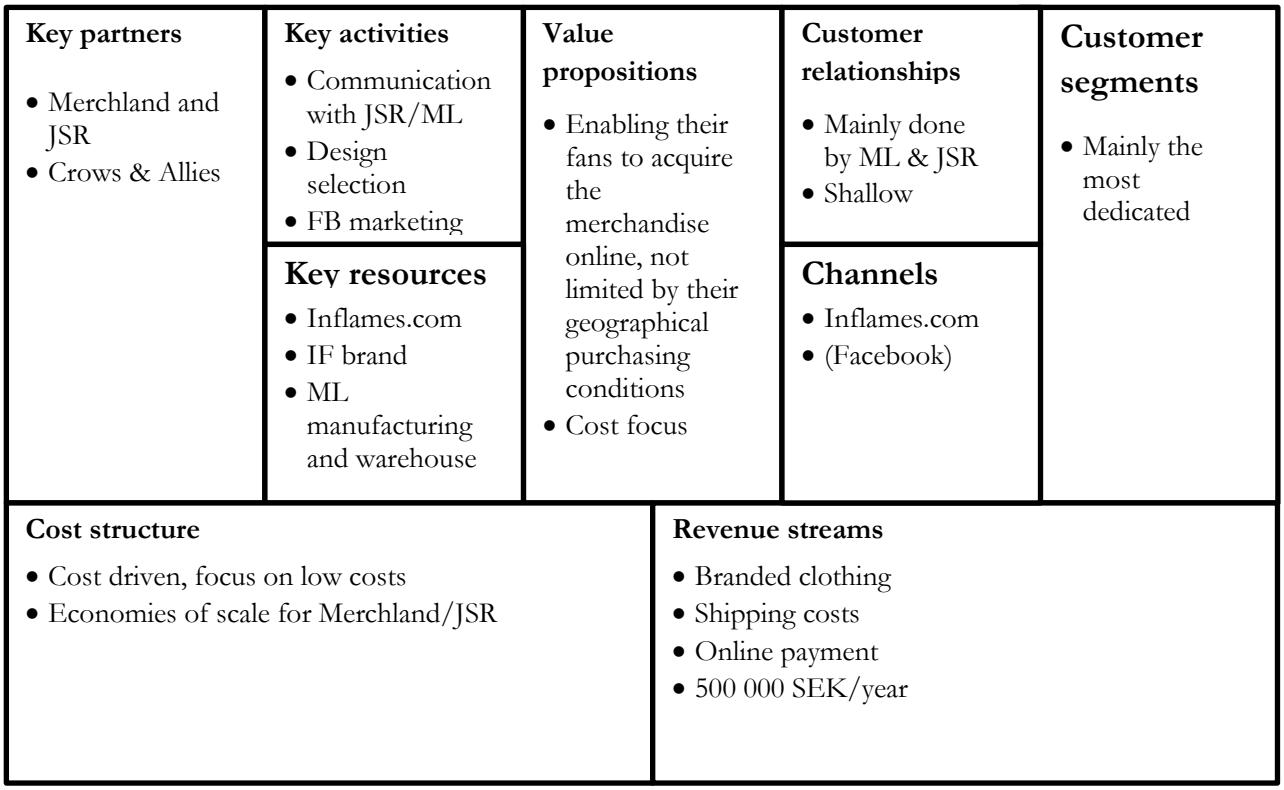

Figure 7 Osterwalder's business model canvas for the current e-commerce solution.

5.2.1.2. Potential benefits

There are several potential benefits associated with the improvement of In Flames' e-commerce solution. Firstly, the profits can be increased by moving customers from retailers to the official webshops, where margins are higher, and by converting a share of the relatively large online following into loyal customers, by using more engaging and involving marketing. Sales are estimated to have the potential to be increased by a more appealing web design, while sophistication can increase customer trust. Furthermore, the suggested improvements are also thought to have the potential to increase customer loyalty, increasing the likelihood of recurring purchases over time, and less one-occasion buyers.

Beyond the improvements' expected contribution to revenue increase in the short run, a sophisticated and sufficiently functional e-commerce solution will serve as a foundation for all of In Flames' future brand extension endeavors. Both the gaming peripherals and other future brand extensions could be sold through this channel.

Apart from the sheer economic potential of the improvements which will be presented in a following section, there are several indirect effects which may be beneficial for In Flames. A more sophisticated and appealing design of In Flames' online presence is considered to have the potential to strengthen the brand, while a consistent design throughout all the parts of the online presence will decrease the customer insecurity (Gaines, 2011). Integrating the webshop with their community, and implementing game mechanics and crowdsourcing, is deemed to have the ability to enrich the community. New incentives to participate in the community will be introduced, and visitors of a more integrated webshop might not only make a purchase, but also become members of the community and commit to a more long-term relationship.

In Flames could benefit from having an exclusive official webshop, instead of sharing it with other bands, as is the current situation on both JSR and Merchland. The links to other bands are suspected to create confusion and compete for the attention of the user. Dedicating the web shop to In Flames could provide a sense of exclusivity and credibility for fans.

5.2.1.3. Risks

Branded merchandise is a brand extension that has already been proven to be successful over a long period of time, so investing in its improvement is estimated to a have a relatively low risk of failure, compared to extending the brand into an entirely new market. Furthermore, since no significantly new, untested product is being branded, the risk of brand dilution is low. However, there are still risks to consider when implementing the improvements. As with all development of software, the threat of viruses and hacking is present (Murch, 2000). Users finding unforeseen ways to abuse the game mechanics is another concern which must be considered when designing these. Further uncertainties lie within the legal aspects of restructuring In Flames' e-commerce, as some contracts and other legal agreements may prohibit the suggested changes. Investigation and mapping of the legal obstacles is suggested before investing in these changes.

There may also be key actors involved in the different parts of In Flames' e-commerce who have the power to hamper or complicate the implementation. These must be identified and talked to before investments are made, to reach consensus about the changes. One such actor could be the current IT suppliers, who, if necessary, will be able to facilitate a convenient transition to a new site. Another risk for the implementation can be the failure to provide enough authority to key people, and the failure to disarm those who can obstruct their authority. Additional risks could be that too many changes are made too soon. The changes should be rolled out in a pace that is natural for the users (Murch, 2000), and also feels comfortable for the band. There are also financial risks, such as exceeding development costs or the rise of unexpected maintenance and update costs. Also, there is a risk that the profit increase could have a positive bias and be overestimated. However, since there is a

proven demand for In Flames merchandise e.g. in the sales statistics of external retailers, and a clearly dysfunctional search engine optimization, the profit increase is deemed likely.

The various suggested changes have different risk profiles associated with them. Despite having the potential to contribute to In Flames' e-commerce significantly, the search engine optimization and business intelligence improvements are estimated to be relatively small projects with low costs, although the mandate to implement them must be received by the current suppliers of their webshops. Conducting crowdsourcing projects is expected to have low financial risks, with the use of existing software modules and crowd voting to filter input, while having the risk of not achieving the desired levels of participation and contribution from fans due to poorly designed incentives. The implementation of game mechanics shares the risk of low participation, but also has the risk of damaging the brand if the game mechanics are designed or implemented in a way contradictory to In Flames' image, such as feeling exploitive. While being the potentially most rewarding, restructuring the webshops into a single one under inflames.com and with a new design is thought to be the biggest project of the suggested changes, and is suspected to have legal and organizational obstacles and risks due to the many affected actors of such a change. There may also be a risk that there are advantages to having Merchland and JSR as partners which have been overlooked.

5.2.2. Implementation

The following section will provide a more detailed description of what changes need to be implemented, and will also offer advice on how they can be implemented.

Regarding the management of In Flames' webshop, there are three main possibilities available. The first alternative is to develop a new webshop and host it under the inflames.com domain, but to integrate it with the systems of Merchland and JSR, who would continue to manage production and distribution. The customer will only interact with the webshop and will not be concerned with the underlying logistic structure. This would give In Flames more control over the design and marketing of their official webshop, and increased autonomy to implement changes over time.

If Merchland and JSR are unwilling to cooperate with regards to the suggested changes, a second alternative, which would require the greatest effort, could be to end the collaboration with JSR and Merchland. In Flames would then have to develop the new suggested webshop and find new partners who are willing to work under the new circumstances.

The third alternative is to keep Merchland and JSR as the official webshops and implement whatever changes are possible, depending on their and the IT suppliers' cooperation. This alternative is estimated to require less effort than the others, but would still make In Flames dependent on Merchland and JSR and their ability to adapt. Depending on their flexibility,

the SEO, design, game mechanics, crowdsourcing, product range and business intelligence improvements can still be implemented. The recommended statistic tool for In Flames to use to gather business intelligence is Google Analytics, which is free and deemed to provide all necessary business intelligence for In Flames. Regardless of where and how In Flames' webshops are hosted, they should have a design coherent with In Flames' graphical profile. The sense of familiarity and exclusivity could be increased further by photographing the band members as models for the products.

To improve search engine results, meta tags and frequent keywords should be used throughout the site, and there should be links to the official webshops from more of In Flames' other sites. Linking from inflames.com may have a significant impact, since it is the official home page with an URL containing the brand name. The minor effort of changing a link saying "Europe" to "Buy In Flames t-shirts and other merchandise in Europe", thus matching frequent search terms better, can greatly improve search results for Merchland[10]. Also, the URL structure should be changed to include frequent search terms as well (Ledford, 2009). Having the webshop under the inflames.com domain and having the webshop's URL be similar to inflames.com/shop/t-shirt would improve search results even more. The possibility of purchasing Google ad-space could be explored if these SEO measures are regarded as being insufficient.

To improve the offering, the product range should be diversified to better suit all main customer groups. More female merchandise should be introduced, as well as more sophisticated and minimalistic merchandise for the "old school" and "mainstream" fans. To access more exclusive and fashionable merchandise to brand, a collaboration may be initiated with clothing designers and manufacturers.

One way to develop t-shirt prints and designs with higher customer demand is to crowdsource the designs and let fans vote for their favorite design. This engages the community while at the same time generating designs that are appealing to the fans. Crowdsourcing for In Flames could go beyond t-shirts design, e.g. to include prototype sketches for new types of merchandise or other brand extensions. Crowdsourcing can be done using external web services or by installing new modules to the current website. It is important to choose proper rewards and incentives for contributions and votes. The process for a crowdsourcing campaign could include the following:

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[10] Erik Thorsen, SEO consultant, e-mail interview conducted 13th of December, 2012.

1. Choose and implement the technology to host the crowdsourcing.
2. Market the campaign through Facebook and other channels.
3. When contributions start to wear off and votes are starting to show apparent winners, the top contributions are evaluated by In Flames and/or its staff, choosing one or more designs which they find appealing and fitting the brand.
4. Initiate contact with the winners, who are acknowledged and rewarded for their contribution, while the designs are sent for manufacture.

Incentives to contribute and vote in crowdsourcing campaigns could be increased by the implementation of game mechanics, e.g. awarding members with community status or webshop perks for their crowdsourcing participation. Status can be represented by points, which after a certain amount results in a new level, which grants new perks. It can also be represented by badges that are presented on the member's community profile, representing certain achievements, or public leaderboards where top collectors or top community contributors are listed. The levels and achievements could have titles inspired by the image and poetry of In Flames to feel more genuine and close to the brand.

Other actions that could be encouraged through game mechanic rewards include making purchases, collecting items, engaging in games and projects, or contributing to the Jesterhead community. The rewards for purchases should be different to those for community contributions, and designed in such a way that no loss can be made. For instance, it should not be possible to redeem merchandise for just community participation, especially if there is a risk for abuse of game mechanics. However, even though recognition for being a dedicated fan, through levels, achievements and leaderboards, can be a desired reward in itself for some fans, recognition and status should be mixed with other types of rewards. If designed and balanced correctly, rewards for achievements and levels could include free shipping, discounts and physical gifts. Access can be granted as a reward as well, e.g. access to exclusive digital items, such as videos and photographs and to exclusive parts of the webshop containing merchandise not available to others. Earlier access to weekly flash sales can also be given to top customers and community contributors.

The different types of customer groups might favor different types of rewards. The younger fans are believed to have a higher appreciation for digital challenges and rewards, while older fans are thought to have a higher interest in exclusive physical items, such as getting access to limited vinyls. They may also favor different actions to be rewarded for. Younger fans with more time available than money could favor repeatable community actions, while older fans with a stronger economy, day jobs and other time consuming obligations might favor to be recognized for their consumer loyalty and collection of physical items.

The table below summarizes the suggested implementations and what issue they aim to solve. The suggested SEO measures are considered to solve most of the SEO issues of the

current solution, while the narrow product range will be dealt with by introducing new kinds of merchandise. The web design will be improved by the suggested design changes and the low conversion rate of In Flames' total fan base is deemed to be able to increase with gamification and crowdsourcing. Autonomy of the webshop would drastically be increased if a new webshop is developed, and the lack of business intelligence would be solved with the implementation of a statistics tracking tool, such as Google Analytics.

Table 13 Overview over what issues each implemented change mainly address.

Issue	Solved by
Undesirable search engine optimization	Suggested SEO measures
Narrow product range	Broadening of product range
Unappealing webdesign	Suggested webdesign measures
Low conversion rate	Gamification and crowdsourcing
Lack of control of webshop	Developing a new webshop
Lack of business intelligence	Installation of Google Analytics

5.1.3.1. Implementation process

The recommended first step in the implementation process is to initiate a discussion with the involved actors, such as Merchland and JSR, about what changes are possible to implement, and then decide between the three presented options regarding where and how to host In Flames' webshop. The implementation process will look different depending on what option is selected. Choosing an option including the development of an entirely new webshop under inflames.com would require some substantial web design to be made initially. The alternative to find new distributors would require a thorough investigation of suitable partners. Continuing having Merchland and JSR as official webshops would require discussions with their management and current IT suppliers regarding how to get the permission and access required to implement the desired changes.

The first change to implement is recommended to be the installation of a proper statistics tracking tool, so the effects of the subsequent changes can be monitored, followed by search engine optimization efforts. The process of diversifying the merchandise assortment which would entail finding and negotiating with new partners, and the implementation of game mechanics are estimated to be more time-consuming and require more effort. The gamification process can however be made sequentially, starting on a small scale and introducing more mechanics over time.

To achieve an initial interest and draw attention to the implemented changes, generous discounts and offers could be made. This will get fans to visit and learn to use the updated webshop and game mechanics. Marginal profits during this early promotional campaign will be lower than before, but can create long-term advantages by establish new potential long-term customer relationships. To engage fans additionally and create expectations, the crowdsourcing campaign could be initiated before the launch of the updated webshop.

The project of improving In Flames' e-commerce includes a number of important milestones. These include establishing a suitable project leader, having chosen where and how to host In Flames' official webshop and getting sufficient rights to implement the intended changes. Other important milestones are the implementation of a business analysis tool, such as Google Analytics, and a placing in the top three search engine results for the search term "in flames t-shirt". Further milestones include conducting the first crowdsourcing project and having updated all merchandise photographs.

The project's stakeholders should also be considered, to get a picture of the project requirements that need to be met (Maylor, 2010). Questions that should be kept in mind include who they are, what they want and how they can influence the project. The most relevant stakeholders are the band members, whose requirements to achieve passive income without diluting the brand must be thought of, and Merchland and JSR who, depending on which e-commerce strategy is chosen, can influence how many of the changes can be implemented. Other stakeholders are the band's management, who must approve that the changes fit with the band's strategy and finances, the fans, whose view of the brand must not be diluted, and Crows & Allies, who will be part of the implementation of the changes. The project can also have an impact on external retailers, due to the risk of cannibalization on their sales. A way to manage stakeholders is to organize them by their interest in the project outcome and by their power to influence the outcome, in a two-by-two matrix (Maylor, 2010). The stakeholders' power and interest in the project are summarized in the matrix below.

High power	Merchland/JSR (depending on hosting strategy chosen)	Band members
Low power	Fans External retailers	Management Crows & Allies
	Low interest	**High interest**

Figure 8 Stakeholder matrix of the improvement of In Flames' e-commerce

5.2.3. Financial estimates

This section will present the potential profits that could be made from the suggested implementations, compared to investments required. Emphasis has not been put on making the estimates as accurate as possible, as predicting customer behavior with high precision often is impossible, even for experts in the field (Armstrong, 1991). Instead, the estimates are intended to give a picture of different scenarios that could occur with the implementation of the different changes.

The potential profit increase can either come from increased total sales or by having the official webshops cannibalize on other retailers' sales, or a combination of both. The alternative to increase profits through cannibalization is estimated to require the least effort, since it uses an already existing demand, instead of attempting to increase demand, to increase profit by getting customers to make purchases through the official webshops, which have higher profit margins. The sales figures for merchandise sold through the official webshops and online retailers, in 2012, are presented in the table below. According to Merchland, sales for that year can be considered representative for other years as well.

Table 14 In Flames' current e-commerce profit, by region and retailer category.

Merch units sold 2012	Official webshop (30% MP)	Online retail (17% MP)
Merchland (Europe)	1000 units	9600 units
JSR (Worldwide)	521 units	2888 units
Profit	127 719 SEK	380 640 SEK

The data suggests that a large majority of the merchandise is sold through external retailers. Based on the user tests of the online sales channels, this is to a large extent attributable to the poor search engine optimization of the official webshops, combined with several different design flaws.

5.2.3.1. Potential profit

A best case scenario could be that the SEO changes result in a 50% distribution between the official webshops and external online retailers' sales. Keeping total sales constant, the results would be 5300 units sold through Merchland's webshop and 5300 through European online retailers, and 2950 units sold through JSR's webshop and 2950 through other online retailers. This best case scenario would result in the total e-commerce profit increasing from 508 000 SEK to 654 000 SEK, a profit increase of 146 000 SEK per year. However, even if search engine results are improved, potential customers could be deterred from the sites due to design flaws. Furthermore, 100% cannibalization of online retail sales is deemed impossible due to the larger retailers' economies of scale in distribution and marketing, and some

customers' behavior may be unaffectable. Pursuing such a high degree of cannibalization would also be inappropriate, due to the benefits that In Flames derives from the operations and marketing of such retailers.

10% of all merchandise currently sold through Merchland is female merchandise. If this is also true for JSR, in the absence of such statistics, 1400 female units are sold per year. Approximately 22.5% of In Flames' fan base is female, who statistically are almost twice as likely as men to purchase clothing, with online shopping increasing twice as fast for women compared to men. If the female merchandise customers would be proportional to the female fan base, and assuming that women purchase twice as much merchandise as men, the figure of 1400 could at best be increased fourfold, to 5600 units. If these additional 3800 units are sold through the official webshops, this would result in a profit increase of 228 000 SEK per year. However, these estimated best case figures are likely to be too high, due to the unknown number of female customers buying non-female merchandise, and could thus as well cannibalize on general sales. Further investigation of female customer behavior is thus recommended.

Another consumer group that has been indicated to feel alienated by the current product range are the older male fans. Data of exact consumer demographics could not be found due to lacking business intelligence. However, statistics of their online following shows that 25% of their fan base consists of males older than 25 years. Due to the alienation of this group of fans, as was indicated in interviews, it is regarded as being unlikely that the consumption of this group is proportional to the size of the group. As an example, if this share would turn out to be 5%, the older consumer group would constitute 700 sales per year. If an additional 700 units could be sold to this consumer group, with exclusive merchandise being priced at 400 SEK and having a profit margin of 50%, e-commerce profits would increase by 140 000 SEK.

There may also be male fans of the younger and mainstream fan groups that find the current product range unappealing. As an example, if young and mainstream males stand for 70% of the merchandise sold online, i.e. 9800 units, and 10% of this group currently feels alienated by the product range, a product range diversification could lead to increased sales of 980 units per year, resulting in a profit increase of 58 800 SEK per year.

The number of total units sold online per year, 14 000, is considered relatively low compared to the number of fans actually reached via In Flames' online marketing. Currently, approximately 425 000 are reached by the band's Facebook posts, which equals 50% of their Facebook fan base. With 14 000 units sold yearly, the conversion rate amounts to 3.3%, if Facebook were the only channel through which In Flames' marketed their merchandise. If this share could be increased from 3.3% to 5% with the implementation of crowdsourcing,

gamification and improved presentation, profits would increase by 420 000 SEK per year, while a best case scenario, reaching 6.6%, would increase profit by 840 000 SEK per year.

As mentioned, the suggested changes may also lead to an increase in recurring purchases and purchase frequency of the existing and future webshop customers. With gamification being a relatively new concept, not enough reliable data is available to make estimates with a satisfying reliability. However, as mentioned, there are indeed examples of successful online services that use game mechanics and indications of its potential, while the characteristics of In Flames' fan base provides a good fit with game mechanics. For instance, if the purchase frequency of each customer is increased by 25%, annual revenues would increase equally.

The table below provides a combination and summary of the estimated best cases for the suggested changes. It is important to consider that these estimations are used to help build an economic scenario which may provide a realistic goal and help guide the development projects. However, the numbers are rough estimates and have little factual basis. Lastly, it is also possible that there is some overlap between different estimates, since some customers may belong to multiple fan categories.

Table 15 Estimated best case scenarios of the suggested changes

Change	Units, Official webshops	Units, Retailers	Profit increase of change
Merchland SEO/Design Cannibaliz.	5300	5300	114 380 SEK (495 000 SEK total)
JSR SEO/Design Cannibaliz.	1705	1705	31 481 SEK (159 000 SEK total)
+ Diversification female	3800		228 000 SEK
+ Div. mainsteamr/young	980		58 800 SEK
+ Div. exclusive merch older (400 SEK, 50% MP)	700		140 000 SEK
Purchase freq. increase +25%	+ 6623		421 903 SEK
Total	33117	7005	1 835 104 SEK

The result of all the best case scenarios occurring would be a profit increase of 1 835 104 SEK, from 508 359 SEK to 2 353 463 SEK per year. If the estimates are lowered and the effects of the changes would be half of those for the best case scenario, the resulting total profit would be 1 326 000 SEK, as shown in the table below.

Table 16 Low expectation scenarios of the suggested changes.

Change	Official webshops (units)	Retailers (units)	Profit increase of change
Merchland SEO/Design Cannibaliz.	3150	7450	+ 57 190 SEK
JSR SEO/Design Cannibaliz.	2150	3750	+ 15 950 SEK
+ Diversification female	1900		+ 114 000 SEK
+ Div. mainsteamr/young	490		+ 29 400 SEK
+ Div. exclusive merch older (400 SEK, 50% MP)	350		+ 420 000 SEK
+ Making 5% of online followers customers with design, crowds, gamif.	7005		+ 70 000 SEK
Purchase freq. increase +25%	3852		+ 111 000 SEK
Total	17859	9746	+ 817 780 SEK

5.2.3.2. Costs

With the potential benefits of the different discussed scenarios, the costs for the changes are estimated and presented below. While some changes are possible to implement without additional cost, the search engine optimization changes are estimated to cost 8 000 SEK. A worst case scenario would thus be a loss of 8 000 SEK, if the optimization efforts have no effect on sales. It is considered unlikely that the search engine optimization would have a negative effect on sales profits.

If the option to develop a new webshop under inflames.com is pursued, this would, according to Crows & Allies, require an additional full time employee to manage and update

the site. The yearly cost for this would, including salary, employment fee and other fees, amount to 400 000 to 500 000 SEK per year[11]. No additional costs for development of the webshop are required, since the costs are included in the agreement between In Flames and Crows & Allies. If the official webshops are to remain at JSR and Merchland, the changes in the presentation and design of the webshops could be financed, or co-financed, by JSR and Merchland, since they may benefit from them as well. However, there lies a significant challenge in persuading them to implement the suggested changes and see the need for them. Updating In Flames' photographs, changing the default language to English and implementing a specific design for In Flames' Merchland page are considered relatively minor changes, estimated to cost around 20 000 SEK.

When implementing game mechanics and crowdsourcing, the costs can be reduced by adding existing modules to the site. The implementation of these would according to Crows & Allies amount to around 85 000 SEK. The active work required to engage fans with game mechanics and crowdsourcing is expected to fit under the existing contract between In Flames and the potential webshop employee, thus not generating any significant additional costs. However, it should be mentioned that it is highly difficult to estimate web development costs, and it is possible that the estimated development costs will be exceeded, since statistics have shown that 24% of all web development projects result in higher costs than estimated (Krigsman, 2008).

Diversifying the product range could in a best case scenario require no significant additional investments, compared to the merchandise currently sold. Having sophisticated shirt prints, instead of the more traditional prints currently used, makes for no cost in itself. However, having a more diversified product range may lead to higher costs related to the handling of the product range. Furthermore, according to Merchland, t-shirts with more fashionable shapes generally cost 30% more than the cheapest designs. However, having more sophisticated and minimalist prints can reduce the purchasing prices. If the collaboration with JSR and Merchland is continued, their consent to these changes would have to be granted. If they are skeptical towards diversifying, In Flames could be forced to make the necessary investments and take the financial risks themselves, but would also be able to retain a higher profit margin.

[11] Andreas Werling, Crows & Allies, telephone interview conducted on 7th of December, 2012.

5.2.3.3. Cost-benefit analysis

When comparing the potential profits to the potential costs, the SEO efforts are considered very favorable and investments in these are highly recommended, while the diversification of the product range is estimated to be lucrative and of low risk, if Merchland and JSR's cooperation is provided. A deeper investigation of product range differentiation is presented by Henriksson and Nordsjö (2012).

Since the design changes, game mechanics and crowdsourcing efforts are estimated to provide a potential profit between 420 000 and 840 000 SEK per year, the investment costs of 105 000 SEK for these changes are recommended. However, the effects of the game mechanics and crowdsourcing are considered more uncertain than the other suggested changes, due to the lack of statistics and research conducted on those subjects. Furthermore, Crows & Allies' cost estimation of the development of game mechanics, 85 000 SEK, is suspected to be optimistic, especially considering the necessary maintenance and management costs that could have been overlooked in the estimation. On the positive side, as mentioned, the implementation of these can also have a positive effect on the purchasing frequency of current and future customers. The design changes, with costs of 20 000 SEK, are deemed to have an indubitably positive impact on the user experience, although their exact economic benefits are challenging to estimate.

The greatest cost suggested is the employment of a new webshop manager, who would cost 500 000 SEK per year to employ. This would facilitate and make it significantly easier for the suggested changes to be implemented, not being dependent on Merchandise and JSR, and also make it more likely for the best case scenarios to be achieved. However, many of the suggested changes can also be done without this significant yearly cost, such as the product range diversification and some of the SEO. Much of this is due to the economies of scale that Merchland and JSR achieve by working with multiple bands. The question of whether or not to invest in a new webshop relies on the willingness to take risk. The best case scenarios become more likely to occur if the new shop is chosen, with a profit gain of 1 335 000 SEK per year after the costs of managing the webshop. If the low expectation scenario would occur instead, yearly profit would still increase by 317 000 SEK.

With none of the expected positive effects taking place, despite investing in a new webshop, the cost of 500 000 SEK per year would decrease In Flames' current e-commerce profit from 508 000 SEK to 8 000 SEK. With a lower willingness to take risk, it is still considered possible to achieve many of the estimated profit increases without the new webshop. SEO, design changes, product range diversification, some gamification and some crowdsourcing could still be implemented, as long as sufficient cooperation is provided by Merchland and JSR. This could generate 800 000 SEK of additional yearly profit, while only requiring a minor one-time investment of 105 000 SEK, plus minor maintenance costs.

5.2.4. Project evaluation

As mentioned earlier, to properly evaluate the effects of the suggested changes, a tool such as Google Analytics could be added to In Flames' webshops. This tool is free, but could, if used properly, facilitate to adapt the e-commerce, its design and product range to better fit customer demand and behavior. With Google Analytics installed, it is recommended that the amount of visitors of the shop(s) is monitored, as well as the amount of unit sales, to be able to monitor the conversion rate. In order to observe the effects of the SEO, the traffic sources of the visitors should also be monitored. It is also critical to look at the sales of the different product groups, including those that have been recently introduced, and to identify the demographics of the corresponding customer groups.

The time and costs of implementing and managing the game mechanics and crowdsourcing should be followed closely, in order to identify any risk of these exceeding the available project budget. The costs should be evaluated in relation to the number of members who participate in the crowdsourcing project and engage in the game mechanics. It will also be interesting to monitor recurring purchases, i.e. how many purchases a customer makes on average, over time, to see how customer loyalty is affected by these efforts.

5.2.5. Business model canvas

The new e-commerce solution is presented below, summarized in a business model canvas. The main changes compared to the current solution are that customer segments are expanded to a broader audience, including more female customers. The relationship to these customers will become deeper and more sophisticated with the integration of the community and the webshop, and the web design becoming more coherent with In Flames' brand. Google is added as a channel for customers to find the official webshops. The value proposition is expanded to go beyond just selling merchandise, and becomes an integrated part of In Flames' online presence, that is enjoyable to use. Managing SEO, as well as the game mechanics, becomes a key activity. The cost structure goes from being cost focused to value driven, removing the economies of scale that are present at Merchland and JSR, and adding a premium web design and shopping experience. The direct revenue streams are increased from 500 000 to 2 300 000 SEK per year, while indirect revenue is added from the strengthened customer relationship and community.

<table>
<tr>
<td rowspan="2">Key partners
• Crows & Allies
• Fashion partners
• ML/JSR or new distributors</td>
<td>Key activities
• Web development and marketing
• SEO
• Merchandise diversification</td>
<td rowspan="2">Value propositions
• Ability to buy more attractive merch online
• Enjoyable shopping experience
• Letting fans show their collection and dedication.</td>
<td>Customer relationships
• Deeper, through community integration</td>
<td rowspan="2">Customer segments
• New school
• Mainstream
• Old school
+ Those earlier alienated, especially female.</td>
</tr>
<tr>
<td>Key resources
• Jesterhead
• Inflames.com
• Facebook-page
• IF brand</td>
<td>Channels
• Inflames.com
• Facebook
+ Google</td>
</tr>
<tr>
<td colspan="3">Cost structure
• Value driven, focused on value creation, premium value proposition
• 500 000 sek/year for in-house web shop</td>
<td colspan="2">Revenue streams
• Branded clothing
• Online payment
• 2 300 000 sek/year
• Indirect through strengthening of customer relationships.</td>
</tr>
</table>

Figure 9 Osterwalder's business model canvas for the improved e-commerce.

6. Academic Contributions

The conducted study has mainly been practice-oriented and has placed a focus on providing a contribution to In Flames as an individual actor. However, some general knowledge has been identified, which may be of academic value and contribute to the academic field.

Firstly, there have been indications that brand extensions for artists differ from traditional brand extensions. Artists have to put a greater focus on their integrity and credibility as artists, compared to traditional corporate brands, when considering brand extensions. There have also been indications that artist brands are associated more with softer values, such as feelings and ideologies, whereas corporate brands are often related to more concrete values, such as price levels, performance, build quality etc.

Most cultural organizations are characterized by core operations which do not have the main purpose of creating economic value, and they produce a core product which is difficult to make a living off. This makes it necessary for many of these organizations to deviate from the core products, e.g. by offering brand extensions, in order to create significant economic value. However, a popular core product, such as an album, is a prerequisite for these side activities to be lucrative. This is different from most traditional corporations, where the core activity and the core product are designed to create economic value. Furthermore, many cultural organizations, such as rock bands and more independent artists, are significantly

smaller than the organizations discussed in brand theory, both in terms of revenue, employees and internal resources. The leaders of these organizations are often artists themselves, who also know the organization and the brand best. However, their expertise lies in artistic creation and not within business management, and with the core activities consuming most of the time available, little time is left for identifying and contemplating business opportunities. At the same time, artists have an interest in being involved in all business decisions regarding their brand, to make sure they are in line with their will and their view of the brand, making it a challenge to assign full responsibility of business operations such as brand extension to someone else.

The result is that, for many cultural organizations, the brand may be much stronger than the resources available to exploit it. The findings indicated that cultural brands have a significant latent value, in relation to the abilities to leverage them. The brand may have millions of loyal fans, e.g. fans of the music, but the limited resources of the organization make it difficult to utilize the fan base to its full potential and extract revenue. In comparison, corporate brands might have fewer passionate fans of the brands per se, but are able to leverage the brand due to the nature of their offering. Therein lies a great challenge for artists; to convert a strong brand and a strong following to financial value. In conclusion, the issue is not that fans are too few or have a limited purchasing power, but in the limited means of leveraging the brand and exploiting the latent willingness to pay.

With creativity being inherently associated with being an artist, and the taboo of creative stagnation, indications were found that creative and innovative brand extensions are of greater importance to artist brands than to brands in general. For instance, there are many manufacturing corporations basing their whole business model on following, offering little or no creativity in the product offering. Instead, they are innovative in their internal operations and processes, since their brand may be associated with low price.

Compared to corporate brands, there is a more persistent unwillingness or taboo among artists to commercialize their brand and make money off it. However, an interesting observation, which may be relevant for future studies of brand extensions, is that there appears to be a surprisingly high willingness among fans to support artists financially. One reason for this could be that the difficult financial situation of many artists has been exposed in the media frequently during the past years, creating awareness amongst customers that their favorite artists' ability to make a living from music is decreasing. The fear amongst artists of being perceived as greedy when making brand extensions could thus be exaggerated, as fans seem to be more understanding and forgiving than initially thought.

There are also some relevant similarities between artist brands and traditional brands, which have been important during the study. Firstly, there should exist a fit between the associations of the brand and the fan base profile. Also, the brand extension should be

genuine and credible with a trustworthy background story, motivating the brand extension. Furthermore, brand extensions cannot always be expected to provide significant profits early on. Therefore, it is suitable to outline an implementation process spanning several years, with a long-term vision.

7. Recommendations

The following chapter presents a set of general recommendations related to the implementation projects, as well as specific recommendations for continuing with the individual ideas.

7.1. General Recommendations

Based on the information collected regarding In Flames as an organization, several general risks have been identified which are important to consider when proceeding with the implementation of the suggested business ideas. The main obstacle is considered to be the potential lack of initiative and commitment required to successfully implement the ideas, which is largely due to In Flames' expressed lack of free time and resources. To mitigate this risk, it is critical to assign a dedicated project leader who is allocated the time and resources necessary to carry out the project, as well as the authority to implement the changes and to represent In Flames without having to confer with the band members recurrently (Murch, 2000). However, it may be beneficial to involve one of the band members, or an authority in the organization, in the project to a limited extent. By having such a person hold a personal stake in the success of the project, whether the interest is financial or related to time, status or personal interests, it becomes easier to secure the resources and attention necessary to complete the project successfully.

As the project leader becomes essential for the project, it is important that knowledge and information about the project is maintained and managed properly. This is so knowledge and information can be transferred to a new project leader, if the key person would leave or be absent from the organization, so that the project can continue with minimal interruption.

Furthermore, it is recommended that both projects progress in a pace that feels natural to the band members and the fans, in order to reduce the risk of customer alienation and brand dilution. To ensure this, prototypes can be developed and tested with users to validate how engaging the solutions are. This should be iterated with the customers with the intention of eventually finding a design that is approved by the customers.

Lastly, there is a risk of underinvestment in the projects, as some members of In Flames have expressed an unwillingness to make significant investments. This could lead to lucrative opportunities not being pursued despite having a high chance of financial success. Thus, it is recommended that any investment decision is carefully and rationally evaluated, based on sufficient and reliable data.

7.2. E-commerce

The recommendations for In Flames' e-commerce depend on their ambitions and the longevity of their brand extension strategy. If the goals are modest and short-term, the recommended first step is to critically consider the collaboration with the current webshop providers. A dialogue should be initiated with Merchland and JSR to see what changes they are willing and able to implement. If there is a possibility and willingness to cooperate with most of the proposed changes, it is suggested that the collaboration is continued. This would drastically reduce the need for a new webshop, saving In Flames approximately 500 000 SEK per year in operating costs, which is a good fit with In Flames due to their emphasis on low risk and investment.

If JSR and Merchland are unwilling or unable to implement the most important changes, such as improving search engine results, In Flames should either develop a new webshop or look for a new suitable webshop provider. Switching webshop providers is estimated to entail far lower costs than the development of a new webshop, but inherits the disadvantages of less flexibility and autonomy. It is recommended that this process results in one single webshop, unlike the current solution with two webshops. If a new webshop is developed instead, the development would preferably be managed by Crows & Allies, since their handling of the official webshop and the homepage and community can provide synergetic effects.

However, if In Flames' goals are more ambitious and long-term, and they wish to continue offering more brand extensions in addition to those presented, the suggestion would all the same be to develop a new webshop. The webshop should act as a platform and the main selling and communication channel for most of In Flames' brand extensions and would provide the autonomy and flexibility required.

Once it has been decided where and how to host In Flames' webshop, the implementation of the suggested changes should be initiated to the greatest extent possible. The more concrete changes should be implemented first, as they are estimated to provide tangible results relatively quickly, while they have lower development costs. The first step should thus be to implement a business intelligence tool, such as Google Analytics, to be able to monitor and evaluate the effects of the consequent changes to the website. Subsequently SEO-measures can be introduced and improved over time.

Prior to the marketing efforts, including gamification, the diversification of the webshop product range should be initiated, so that customers are more likely to find products appealing to them. The products should also be photographed and presented in a more professional way, on a webshop that has an appealing design. The diversification could also be combined by a crowdsourcing campaign to engage customers. Before launching the new

shop, some basic game mechanics could be implemented, such as a point system and a few rewards.

Some discounts should be offered initially in order to attract fans to the new webshop, with the game mechanics encouraging users to return even after the launch discounts have ceased. When the updated webshop is launched, customers will find an expanded product range including more sophisticated merchandise, some designed and chosen by themselves, presented in an appealing way and with game mechanics that encourage consumption. The updated webshop should be marketed through all possible channels, such as Facebook, their home page and music-related news sites.

The performance of the updated webshop should be evaluated with the installed business intelligence tool, and analyzed to see what improvements could be made, e.g. how many visitors have purchased a product and what products are the most appealing. Having analyzed the statistics, proper actions should then be taken, such as adjusting the product range, changing or possibly removing crowdsourcing if effects are undesirable, or introducing new game mechanics and rewards. This process should be iterated to finally result in a webshop that generates significant passive profits.

7.3. Gaming Market

With basis in the research conducted thus far, there are several potential ways of moving forward into the gaming market. Firstly, negotiations may be held with different gaming peripherals manufacturers in order to explore specific collaboration opportunities. The negotiations should reveal what volume of sales, in what regions and with what profit the manufacturer is able to forecast. Specifically, In Flames next progression could be to establish contact and a discussion with manufacturers such as SteelSeries, Razer and QPad, the last of which has already expressed an interest in a collaboration with In Flames. In parallel to these efforts, it is important to increase the band's marketing related to gaming. In addition to the continuous use of social media, it is recommended that one or several members of the band participate in a more extensive interview with a respectable, major international gaming magazine, such as PCGamer.

Furthermore, following up to the In Flames' next album release, the band should also put a conscious effort into including their music in video games. The band already has a good relationship with the major game publisher Electronic Arts, enabling the band's publisher to negotiate synchronization deals for their games. The band has also initiated a discussion with the publishers of the rhythm action music game Rocksmith, concerning the possibility of recording a promotion of the game and including the band's music in the next release. These negotiations should be continued and may provide multiple opportunities for future iterations.

Before making any significant commitments to the branding of gaming peripherals, it is vital that a more specific survey is conducted amongst the fans, in order to properly test the business idea before investing any resources. The purpose of the survey is to test the assumption that the fans would be willing to purchase In Flames-branded gaming peripherals. The survey could also reveal what gaps there are between the current perception of the brand and how the brand needs to be positioned when announcing the new product category. The survey should be conducted discreetly among a select number of fans and could for instance include some of the following topics:

- The fans' consumption behavior
    - How much do they play?
    - What types of games?
    - On what platforms?
    - Do they buy gaming peripherals?
- What types peripherals the fans would be willing to buy, and for what platform
- What characteristics they consider important when purchasing a gaming peripheral
- If they would be interested in buying an In Flames-branded headset (or other peripherals)
- What their willingness is for a premium, exclusive In Flames headset.

8. Summary of Conclusions

To conclude this report, the answers to the research questions of the study have been summarized below.

In Flames' fans perceive the In Flames brand as standing for high quality and good live shows. Altruism and hope are associated with their image, while they're viewed as innovative and accessible by media.

The most suitable business ideas that have been identified in this study are the branding of gaming peripherals and the improvement of their e-commerce. The branding of gaming peripherals was chosen mainly due to the strong market, the high margins as well as the customers' profile and the band members' interest in gaming, which makes for a genuine and credible brand extension. The suggestion to improve In Flames' e-commerce was chosen due to the many identified flaws of their current e-commerce solution, which was deemed to not require much effort to correct and could result in significant profit increases. Furthermore, an improved e-commerce was seen as a necessity to market and sell future brand extensions as well.

The report suggests several concrete implementation strategies for the two specific business opportunities. Prior to the launch of the gaming peripheral products, In Flames should

further strengthen their brand's association with gaming by signaling through their online communication channels and media and magazines. As for implementing the e-commerce improvements, three main options are available: continuing the collaboration with the current partners, finding new partners or developing a new webshop. Which of these to choose is dependent on the willingness to invest, to take risk and the financial ambitions. Generally, implementation of these suggested opportunities should be led by a project leader who is assigned sufficient responsibility and authority, and is able to proceed in a cautious but effective pace, continuously working with customer development.

The study's main contributions are the findings that cultural brands generally may have softer values, such as feelings and ideologies, associated with them, compared to traditional brands. Musicians are in some cases characterized by the fact that the core activity, i.e. producing and selling music, is unable to generate sufficient economic value. At the same time, the core product must be of high artistic value in order to build a strong brand and enable profitable brand extensions. Furthermore, cultural brands may be stronger than the organization's ability to leverage them. Despite having a base of millions of loyal fans using the core product, it can still be a challenge for these organizations to generate substantial revenue, due to the nature of the core product. However, there were indications that there is a latent willingness to pay amongst fans, which could be exploited with the right offerings. Finally, many cultural organizations are organized differently than corporations in general, as they are smaller and have less in-house resources. Independent artists will often have to act as the CEO and final decision makers in the organization, despite lacking the business competencies required, which may prove disadvantageous when implementing brand extensions.

9. Discussion

To some readers, the presented ideas may be perceived as somewhat modest and cautious. However, while not being able to make the band members of In Flames financially independent from touring in the short term, both ideas are scalable and have a strong future potential. Also, with the wishes of the band members to maintain a low risk and low requirement for investment, the ideas are considered solid and staunch, as opposed to a more risky idea that could generate higher profits short term, but requires higher investments and a lower chance of success.

A future implication for In Flames, other than those presented in the business cases of the different opportunities, is that they can apply the study's process and methodology to generate and evaluate new business opportunities. A significant part of the study is generalizable to other business opportunities than those presented. The systematic approach of generating and evaluating ideas is most likely more successful than the band's earlier ad

hoc methodology of trying brand extensions. Furthermore, the process could also be applied to other bands as well, as much of the process is non-specific for In Flames.

As this study was limited to only generate, evaluate and suggest implementation strategies for ideas, a suggestion for further research is to take a more empirical approach, where the business opportunities are implemented and the results are analyzed. This could provide additional understanding of brand extensions within the music industry. Also, further and deeper academic research could be done on the academic contributions derived from this study. This includes further research on the potential latent value of cultural brand and how that can be leveraged, and how cultural organizations can deal with the organizational challenges from often having artists, who are specialized in artistic creation, as managers of the organization. This research could provide a better understanding of cultural organizations, their brands and how they can find new sources of income.

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11. Appendix

11.1. Interview Template

- What would you consider the best case, worst case and realistic outcome of this project?

Image

- What categories you would divide In Flames' fanbase into?
- What characterizes the different categories? E.g.:
    - Age
    - Sex
    - Nationality
    - Loyalty
    - Lifestyle
    - Social status
    - Political opinions
    - Willingness to pay
    - Consumption patterns
- How do you think the different segments perceive your band?
    - What words would you use to describe In Flames?
    - What words do you think your fans would use to describe In Flames?
    - What is the difference between you and other bands in the same genre?
    - What makes them attend your gigs and/or buy your records?
    - If In Flames were an animal, what animal do you think your fans would regard you as? Why that animal?
    - How has the brand changed over time and why? What influenced that change?
    - How do you think the perception of your brand differs across the different customer segments?
    - What message are you trying to convey?
        - What messages do you think reach the fans?
    - Through which channels do you think customers are primarily receiving information about your products and services?
    - Are there in your opinion any misconceptions regarding what In Flames stands for?

Mapping of previous extensions

- What notable examples of brand extensions do you know of in the music industry?
- What examples do you think/know of that have been successful, i.e. profitable or brand strengthening?

    - What do you think made these successful?
- What examples do you think/know of that have been failures, i.e. unprofitable or brand diluting
    - What do you think made these brand extensions fail?
    - Generally, what do you think should be avoided for In Flames' brand extensions/business ideas?
- Have you encountered notable books/articles/other sources of information that deal with brand extensions in the music industry?
- Do you know of any person who is particularly knowledgeable in the field, who you think we should talk to?

Mapping of internal capabilities and resources

- What can you as a band and organization contribute in terms of:
    - Time?
    - Skills?
    - Contacts?
    - Effort?
- Do you prefer high risk/high reward or low risk/low reward?
- How much money would you or the band be willing to invest in an extension idea?
- What are you really good at, except for music?
- Do you have any particularly good contacts, like investors or people high up in companies that could promote an extension, help out with production or distribution or invest in an extension?
- Do you know any other person that you think could be valuable to a future brand extension?

11.2. Focus Group Questions

Image

- If In Flames were an animal, what animal would it be? Why, what are their shared attributes? Take a moment to write down your answers.
- Write down at least 2-3 good and 2-3 bad things about In Flames and their reputation, as generally perceived by fans.
- What message do you think In Flames is trying to convey (not just their music, but their entire image)? (for instance, any political message, or any ideology or emotion).

Fans

- Try to divide In Flames fan base into a couple of categories.
    - For each category, put a label on the category and write down a few characteristics for each category.
    - What categories of fans would you say are most common in your country? (What are their characteristics? What makes the fans in your country special, compared to those in other countries?)
- How is In Flames' image perceived by the fans in your country?
    - What words would they use to describe In Flames?
    - What feelings to you think fans associate with In Flames? (Hope, rage, sadness, discontent etc.)
    - What aspects today, do you think attracts people to start listening to In Flames?
- How has In Flames' image changed over time?

Brand extensions

- What do you think is the best product or service that In Flames has offered (except for albums and gigs)? Why?
- What areas do you think In Flames' fans would appreciate them expanding into and offering more of?
- What do you think In Flames should avoid when expanding their business into new areas (for instance selling new products), in order to not deter or alienate their fans?

Exit question

- Is there anything else you think is relevant about In Flames' that should be brought up today, that already hasn't?

11.3. Survey Template

1. Gender ***This question is required.**

- Male
- Female

2. Age ***This question is required.**

- Under 14
- 14-17
- 18-24
- 25-34
- 35-44
- 44-54
- 55-64
- 65+

3. Country ***This question is required.**

Please select where you've lived for at least 3 years, or where you consider "home".

-- Please Select --

4. Marital status

Please select the answer that best describes your current marital status.

- Married
- Divorced/Widowed
- Separated
- Cohabitation (living together long-term, but not married)
- Never married

5. Do you have any children or step-children?

- Yes
- No

6. What is your current job function? *

7. What are your hobbies and interests?

Please select all categories that you consider a personal hobby or interest.

- ☐ Arts (photo, painting etc.)
- ☐ Beverages
- ☐ Board games or card games
- ☐ Cooking
- ☐ Dancing
- ☐ Extreme sports (snowboarding, skateboarding, downhill skiing etc.)
- ☐ Gaming (PC games or consoles, including handheld)
- ☐ Gardening
- ☐ Hifi/audiophile
- ☐ Home improvement
- ☐ Listening to music
- ☐ Literature (novels, comics, poetry etc.)
- ☐ Motor sports (racing cars, motorcycles etc.)
- ☐ Movies or TV-series
- ☐ Personal fitness (body building, running, yoga etc.)
- ☐ Pets (including horses)
- ☐ Playing sports
- ☐ Producing, playing or writing music
- ☐ Religious activities
- ☐ Sailing
- ☐ Sewing
- ☐ Social media (Facebook, Twitter etc.)
- ☐ Socializing
- ☐ Traveling
- ☐ Volunteer or organizational work
- ☐ Watching sports

- [ ] Wildlife (fishing, hunting, hiking etc.)

8. What music genre(s) do you listen to regularly?

- [ ] Classical
- [ ] Country
- [ ] Electronica
- [ ] Hip-hop & Rap
- [ ] Jazz & Blues
- [ ] Metal
- [ ] Pop
- [ ] Punk (incl. Hardcore Punk, Emotional Hardcore and Screamo)
- [ ] Reggae
- [ ] Rock
- [ ] Soul, R&B & Funk

9. How many physical music albums would you estimate that you buy each year, on average? *This question is required.

Only count physical media, such as CDs, vinyl records and cassette tapes. Please include EPs, albums and collection albums.

- ○ 0
- ○ 1-3
- ○ 4-7
- ○ 8-16
- ○ More than 16

10. How many live shows and festivals would you estimate that you attend each year, on average? *This question is required.

- ○ 0
- ○ 1-3
- ○ 4-7
- ○ 8-16
- ○ More than 16

11. How much money would you estimate that you spend on band- or artist-related merchandise each year, on average? *This question is required.

Examples of merchandise are hoodies, t-shirts, pins, posters etc.

- I buy very little or no merchandise
- Less than 15 USD
- 16-75 USD
- 76-225 USD
- 226-750 USD
- More than 750 USD

12. On average, how many hours a day would you estimate that you listen to music on a streaming service? *This question is required.

Examples of music streaming services are Spotify, Rdio, WiMP and Grooveshark.

- I don't use music streaming services
- 0-2
- 3-5
- 6-10
- More than 10

13. Around what year did you first start listening to In Flames? *This question is required.

14. How many physical music albums by In Flames would you estimate that you've bought? *This question is required.

Only count physical media, such as CDs, vinyl records and cassette tapes. Please include EPs, albums and collection albums.

- 0
- 1-3
- 4-7
- 8-16
- More than 16

15. How many In Flames live shows would you estimate that you've attended, in total? *This question is required.

- 0
- 1-3
- 4-7
- 8-16
- More than 16

16. How often do you listen to In Flames on a music streaming service? *This question is required.

Examples of music streaming services are Spotify, Rdio, WiMP and Grooveshark.

- Never
- Rarely
- Several times a month
- Several times a week
- Several times a day

17. How much money would you estimate that you've spent on In Flames merchandise, in total? *This question is required.

Examples of merchandise are hoodies, t-shirts, pins, posters etc.

- I've never bought In Flames merchandise
- 0-15 USD
- 16-75 USD
- 76-225 USD
- 226-750 USD
- More than 750 USD

18. Do you participate in any online forums or other communities where you're able to discuss with fans of In Flames? *This question is required.

Please select the option that best fits you.

- No
- Yes, but very rarely
- Yes, every other month
- Yes, about once a week

- Yes, several times a week

19. From what sources do you gather news or information about In Flames?

You may select several options.

- The band's Facebook page.
- The band's Twitter page.
- The band's Myspace page
- The individual members' Twitter pages.
- The band's web page (inflames.com)
- The Jesterhead web page (jesterhead.com)
- Music-related magazines
- Music-related news sites
- Music-related blogs
- Online forums or communities (other than Jesterhead)
- Television
- Radio
- Mainstream newspapers
- Other, please specify Please enter an 'other' value for this selection.

20. What words do you think best describe In Flames?

Please select a maximum of 5 words that best describe In Flames. If you have more than 5 words, please select the ones that you consider the most important.

- Skilled
- Rebellious
- Enjoy life
- Close to their fans
- Sophisticated
- High integrity
- Cheerful
- Entrepreneurial
- Honest

- ☐ Modern
- ☐ Professional
- ☐ Genuine
- ☐ Tough
- ☐ Old school
- ☐ Innovative
- ☐ Accessible/broad appeal
- ☐ Humble/thankful
- ☐ Down to earth
- ☐ Creative
- ☐ Humorous
- ☐ High quality
- ☐ Good live shows

21. Lastly, we'd like to ask you an open question where you can answer anything you want:

If you could tell In Flames what they should do, what would you say? We're not looking for any specific type of answer, feel free to write whatever you think.