

## MUSIC PROMOTION WITH A PROFIT-SHARING TWIST



Music fans are increasingly being recruited to fund the recording efforts of their favourite bands (to wit, for example: [Sellaband](#)), so it's no surprise to see that they're now being explicitly involved on the promotion side as well. Similar to [GoodStorm's MixTape](#), which we covered earlier this year, [Mixaloo](#) is an online venture that lets music lovers create, distribute and sell custom mixes of the tracks they love and receive a share of the profits in return. Mixaloo, which just opened its doors to the public a few weeks ago, allows music fans to choose from more than 3 million songs when they create their mix, including every major label and thousands of independent artists. Based on their searches, Mixaloo also suggests related artists to consider. Once users finalize their mix, they can distribute it with 30-second song samples inside a widget to any personal or social networking website, or email it directly to their friends. Creating and distributing the mix is free, and users can personalize its appearance by uploading images, adding titles and selecting from different widget formats. Visitors and friends can then listen to the clips for free; if they like the mix, they can purchase and download it. Best of all, when someone makes a purchase, the original compiler of the mix receives half the profit from each sale—generally between 8 and 20 cents per track, Mixaloo says—along with points that can be redeemed for Mixaloo merchandise such as T-shirts and audio gear. “Everyone’s favourite songs are closely tied to the experiences and memories they represent, which makes creating and sharing mix tapes such an enjoyable way for people to express themselves,” explains Mark Stutzman, Mixaloo’s cofounder and CEO. “We created Mixaloo to merge that experience with the viral nature of blogs and social networking communities, giving users the added incentive of earning cash for popular mixes. This ‘social record store’ creates a vast network of personal recommendations to increase sales and visibility for artists of all sizes.” Poughkeepsie, N.Y.-based Mixaloo is open to advertising and partnerships, but it currently offers its service only to US users. As fans continue to play ever-larger roles in the music industry, however, it’s a good bet this type of service will spread quickly. With one part crowdsourcing, one part viral marketing, one part profit-sharing and one part great music, sounds like this mix could be a hit... (For more on rewarding consumers for their valuable efforts, see [trendwatching.com's Generation C\(ash\)](#) briefing.)

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