

What The Beatles Taught Us About Growing A Business.

Sunday, February 9, 1964. That was when the Beatles shook the world with their first performance on the Ed Sullivan Show. Over 73 million viewers tuned in, making it one of television's largest viewing audiences.

It's been 50+ years since they landed in America. Today's business leaders could learn from the business model the Beatles created that turned the music industry upside down.

Here are the 7 best practices that turned the Beatles into the world's most successful rock n' roll band.



#1) Find An Advocate

Every business needs an advocate – someone that goes to bat for them 24/7. He/she is your go-to person for mentoring and advice. For the Beatles it was their manager Brian Epstein, who played a pivotal role in their rise to international superstardom. His four major accomplishments were:

- Signing the Beatles to a record contract.
- Cleaning up their image.
- Booking them on the Ed Sullivan Show.
- Created a publishing company: Northern Songs.

#3) Teambuilding

A company's leadership must ensure that all employees, regardless of status, are viewed as team members rather than just individual workers. For the Beatles, John Lennon and Paul McCartney were the leaders. Their vision that led to the creation of the band. Their products were writing, recording and performing songs. John and Paul created a culture in which junior teammates George Harrison and Ringo Starr could grow and prosper. They did so by ensuring that every Beatles album had at least one George Harrison and Ringo Starr song.

Apple co-founder Steve Jobs believed in teambuilding and once said the Beatles were his business model: "Great things in business are never done by one person, they're done by a team of people," said Jobs. "The Beatles kept their negative tendencies in check and balanced each other. The total was greater than the sum of their parts."

#2) Perseverance

According to Napoleon, "Victory belongs to the most persevering." Perseverance is a key ingredient when seeking business success. Brian Epstein persevered, having shopped the Beatles to every record label in England. His last shot was EMI Parlophone records, headed by record producer George Martin.

Recognizing the band's potential, he signed them. Also known as "the fifth Beatle", George helped them on their song arrangements, song structures and instrumentation.

#4 Innovation

Companies use innovation to meet and exceed customer expectations, and differentiate their products from the competition. The Beatles constantly stretched the boundaries of pop music. Their engineers and producers invented new ways of recording music, paving the way for studio techniques still used to this day. Four of the more popular innovations they either pioneered or discovered were:

- **Sampling:** Cutting and pasting a portion from one song and reusing it on a different song.
- **Automatic Double Tracking (ADT):** Recording technique that automatically double-tracks the singer's voice to make it sound larger or bigger.
- **Guitar Feedback:** When a distorted sound reverberates from the guitar through the amplifier.
- **Guitar Effects Pedals:** Electronic devices that modify the tone, pitch, or sound of an electric guitar.

#5) Outsourcing

Outsourcing is a cost-effective way for companies to meet their needs by hiring independent contractors rather than adding employees to the payroll.

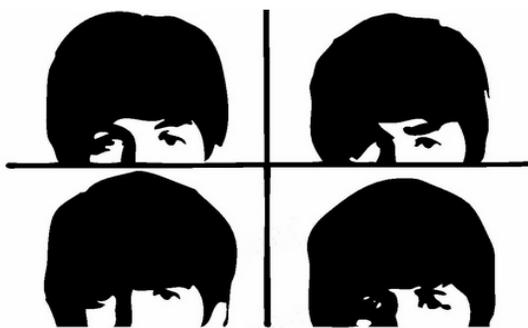
The Beatles employed this practice, augmenting their three guitar/drum sound by adding strings, brass, harps, synthesizers, sitars, accordions, etc. The Beatles used independent contractors – session musicians – who played on the recordings but didn't join the band.



#7) Practice Makes Perfect

Author Malcom Gladwell claims that all successful people have at least 10,000 hours of experience before they make it big. He used the Beatles as example in his book. When the Beatles burst onto international scene in 1964, they had played over 1,200 concerts. By comparison, most bands today don't play 1,200 times in their entire career.

Conclusion: There is a direct statistical relationship between hours of practice and achievement. No shortcuts. No naturals. No "overnight sensations".



About The Author:

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#6) Value-Added Strategy

Economist Warren Buffet once said: "Price is what you pay, value is what you get." The Beatles embraced this concept by employing a "value-added strategy", which means adding a feature to a product that gives it a greater sense of value without raising the selling price.

The Beatles did so by releasing double A-sided singles (or 45's), which changed record company distribution strategies. The A-side usually featured the song that was intended to be a "hit" record. The B-side was usually filler.

The Beatles songwriting was so dominating that they released hit songs on both sides of their records, which became known as double-A singles. Consumers saw this as two hits for the price of one.

But There's More!

The Harvard Review ran an article about how mature businesses need to reinvent themselves as market conditions change, i.e. new products, owners, partners, mergers. For the Beatles, their biggest market change was that they broke up. So here it is 40+ years after the Beatles went their separate ways and their holding company – Apple Corps. - continues to push out products. Examples:

- iTunes
- Beatles Rockband
- Las Vegas production "Love"
- New NetFlix show in 2016: "Beat Bugs"

Conclusion

Musically, the Beatles changed how we listen, compose, record and play music. From a pop-culture perspective they influenced how we look, dress and view the world around us. Business-wise they revolutionized the music and recording industry. Based on what was discussed in this narrative, I will leave you with one question: What can you and your company do today to:

- 1) Manage change
- 2) Stay ahead of your competition, and
- 3) Reinvent yourselves?