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Home Studio Owners' Strategies to Compete in the Recording Industry

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Abstract

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MBA, American InterContinental University, 2010

MPH, Emory University School of Public Health, 1992

BS, Dillard University, 1984

Doctoral Study Submitted in Partial Fulfillment

of the Requirements for the Degree of

Doctor of Business Administration

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Abstract

The purpose of this multiple case study was to explore strategies that well-established home recording studio owners in a city in the southeastern United States have used to compete in the recording industry. Four home recording studio owners served as participants. Each participant owned and operated a home studio business in the target area for longer than 10 years. Porter's 5 competitive forces model and Christensen's disruptive innovation theory were the conceptual lenses for this study. Interviews, direct observations, and website documents were the 3 data collection sources used to achieve methodological triangulation. The data were analyzed using Yin's 5-step thematic approach to qualitative data analysis: compiling, disassembling, reassembling, interpreting, and concluding. Four themes emerged from the analysis of the data: doing business and making money with friends, keeping the family safe and the studio secure, decoupling the clock from the creative process, and linking strategy to personal goals. The findings of this study may contribute to positive social change by economically empowering aspiring entrepreneurs to become small business owners and create new jobs that help strengthen their local economies.

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Dedication

I dedicate this doctoral study to my wife Natasha and our three children, Joanelle, Stephen, and Brianna, who prayed for Daddy, believed in me, and encouraged me to complete this work. Family, in your own ways, you each gave me the affirmation, the space, and the encouragement I needed, to hang in there when things got tough. Thank you so much for allowing me to be completely transparent before you, as you watched me conquer my fears and watched my weaknesses grow into strengths. My success is our success. We did this!

Acknowledgments

I would like to now thank some wonderful people to whom I owe an extreme debt of gratitude. To Dr. Richard Snyder, the chairperson of my doctoral study committee, my mentor, advisor, and friend, thank you for being patient with me, believing in me, encouraging me, praying for me, and for never giving up on me. I appreciate you more than words can say. Dr. Michael Campo (Second Committee Member) and Dr. Judith Blando (University Research Reviewer), thank you both for your expert reviews, editing advice, caring, and unwavering support, throughout this doctoral study process. Your excellent feedback and attention to detail truly helped me present a more polished study. To Dr. Michael Ewald, who started this journey with me (preceding Dr. Campo as Second Committee Member), thank you too for your expert reviews, unwavering support, and encouragement. Thank you, team! I could not have done this without all of you.

To my esteemed pastor and friend, Rev. Kenneth Rutledge, and to my beloved family at Glen Haven United Methodist Church, thank you for reminding me of God's Word, "speaking those things that be not as though they were" (Romans. 4:17). Hearing you call me Dr. Polk, long before the manifestation of that earned privilege was even near, gave me not only the courage to dare to dream that it could happen but the confidence to believe that it would happen. Your encouragement and support truly helped me push back the tears and hold my head up through the tough times. Finally, to my siblings, Pamela (Pam), Frank (Butch), and Kathy, thank you for trusting the God in me and for believing far beyond what He allowed you to see. I now invite you to celebrate this accomplishment with me. "Dudie" finally did it!

Table of Contents

List of Tables

List of Figures

Section 1: Foundation of the Study

Before the early 1980s, the cost of owning a music recording studio was so expensive that only large recording companies and major artists could afford one (De Carvalho, 2012). However, since that time, disruptive technological advances that reduced the cost and size of recording studios have been revolutionizing recording industry practices regarding who records music and where music recording occurs (Bell, 2014). Contemporary recording devices are compact, affordable, and simple to use, so more people have been able to set up semiprofessional recording studios in their bedrooms (Bell, 2015).

Innovative uses of technologies can often disrupt established markets by providing new functionality, service trajectories, or access to ownership (Nagy, Schuessler & Dubinsky, 2016). Christensen defined *disruptive innovation* as “an innovation that makes it so much simpler and so much more affordable to own and use a product that a whole new population of people [historically denied access or ownership] can now have one” (Christensen & Euchner, 2011, p. 12). Considering Christensen’s definition of a disruptive innovation and the evolution of the music recording studio, a person might consider the home recording studio a potentially disruptive innovation. With the traditional business model of large recording companies on the decline and the practice of DIY (do it yourself) music releasing on the rise (Bell, 2014), home studios will play a vital role in the future of the recording industry.

Background of the Problem

The music recording industry is in a state of disruptive technological change. The emergence and evolution of digital technologies has led to the decline of traditional record companies and the delocalization of the professional recording studio (Bell, 2015; Kling, 2015; Pras & Guastavino, 2013). The major record label model is declining, and large recording studios are closing, whereas home recording studios are gaining recognition as the new professional recording studio (Kling, 2015). This means that aspiring music artists can forego seeking major record deals and become DIY music releasers instead, which is helpful for unsigned music artists whose music appeals primarily to niche markets, especially because they may often gain more money through DIY music releasing than by signing major record deals (Passman, 2013). Most standard recording contracts preclude artists from receiving royalty distributions until the record company sells enough records to recoup their recording costs, cash advances, and other unrecouped balances of the recording agreement (Passman, 2013). With no definitive home recording studio model in place to serve as a benchmark of best practices for this emerging industry, strategies for successful business practice are unclear. For these reasons, especially considering the increasing popularity and inevitable diffusion of this innovation, the home recording studio ownership phenomenon warranted further exploration, which this study addressed.

Problem Statement

The evolution of digital technologies democratized access to music recording technologies across a broad spectrum of industry participants and delocalized the professional recording studio from large commercial workspaces to private bedrooms, basements, and garages (Bell, 2014). The digitization of music gave rise to a file storage format for which the marginal costs for copying and distributing music was near $0.00 (Waldfogel, 2017). This contributed to a surge in independent music production that created such an oversupply of music that infinite choice and intense competition characterized the marketplace (Hracs, Jakob, & Hauge, 2013). The general business problem is that the increase of novice home recording studios has fragmented (split-up and decentralized) the recording industry and created a home-based recording industry that does not have clear strategies for success. The specific business problem is that some home recording studio owners lack strategies to compete in the fragmented recording industry.

Purpose Statement

The purpose of this qualitative multiple case study was to explore strategies that well-established home recording studio owners used to compete in the fragmented recording industry. The target population consisted of home recording studio owners in a city in the southeastern United States who competed for at least five years under the conditions of industry fragmentation that followed the 2011 collapse of the recording industry's *Big Four* oligopoly. The study population consisted of four home recording studio owners, each of whom had run an established home studio business for over 10 years. The participants had insight from their experiences about how they survived in their fragmented industry sector with no distinct industry leader in place to influence trends in the marketplace. The implications for positive social change include the economic empowerment for aspiring entrepreneurs by presenting home recording studio ownership as an innovative home-based businesses option for creating new jobs and helping strengthen the local economy.

Nature of the Study

This study involved a qualitative research methodology with a multiple case study design. Using this qualitative multiple case study approach helped me understand what influences competitive strategies, especially regarding how home recording studio owners have competed in the fragmented music recording industry. Further, qualitative research is an inductive form of research in which the researcher listens to participants and builds an understanding of the problem based on what they say, whereas quantitative research is a deductive form of research commonly used for testing hypotheses based on empirical data (Denzin & Lincoln, 2011). Qualitative research is rarely used for testing hypotheses (Ingham-Broomfield, 2015). The mixed methods approach combines both qualitative and quantitative data collection and provides greater understanding of research problems than either approach could provide alone (Bryers, van Teijilingen, & Pitchforth, 2014). I rejected both the quantitative approach and the mixed methods approach for the same reasons; in this study, there were no hypotheses to test or quantitative empirical data to collect.

Choosing this multiple case study design allowed me to use methodological triangulation using multiple sources of evidence to increase the reliability and validity of the research. Case study designs allow the researcher to incorporate a wider variety of evidence documents, artifacts, interviews, and observations (Yin, 2014). Case study designs also offer researchers greater flexibility and adaptability than other approaches (Yin, 2014). I rejected phenomenology because typically the design relies on individual interview data to explore the meaning ascribed to a phenomenon (Myers, 2013). Although the narrative research and ethnographic designs both allow the use of multiple sources of data collection (as required to achieve methodological triangulation), their respective focuses did not align with the focus of solving an applied business problem. Thus, the narrative design, which is focused on creating detailed stories or life experiences of a single event, and ethnography, which is focused on examining the shared patterns of behavior, beliefs, and language within an entire cultural group did not fit this study.

Research Question

What strategies do well-established home recording studio owners use to compete in the fragmented recording industry?

Interview Questions

1. How did you become involved in the home recording studio business?
2. How does owning a home studio help you compete in the recording industry?
3. What challenges (if any) does operating a recording studio in your home present?
4. How has the decline of traditional recording companies affected your business?
5. How do you use your studio to generate supplementary or replacement income?
6. Who are your targeted or primary customers (including yourself if applicable)?
7. How do you attract new customers and keep your business in their minds?

8. Please share anything else you wish about competing in the recording industry that we have not talked about.

Conceptual Framework

In this study, I combined the five competitive forces framework by Porter (1979) with the disruptive innovation theory by Christensen (1997/2016) to view the home recording studio ownership phenomenon. Porter describes five forces that shape the structure of all industries and establish the rules of competition and profitability within an industry: the rivalry between existing competitors, the threat of new entrants to the market, the bargaining power of buyers, the bargaining power of suppliers, and the threat of substitute products or services. Porter's model also describes that the most intense force (or combination of forces) at work within a given industry determines the profit potential for that industry. Force configurations differ from one industry to the next. Understanding the intensity and configuration of the forces is vital to strategy formulation. If the competitive forces in an industry are intense, virtually no company profits, but if the forces are mild, many businesses profit. Industry structure drives both competition and profitability. Using Porter's framework aided my understanding of the competitive, structural, and power dynamics of the recording industry.

The principle tenets of disruptive innovation theory (Christensen, 1997/2016) are the notions of (a) sustaining versus disruptive technologies, (b) non-breakthrough innovations making historically inaccessible products or services simpler and more affordable, (c) inferior products in the near term improving with technology, (d) low-end market disruption with a subsequent move upmarket and, (e) disruptor firms competing against nonconsumption. Disruptive innovation theory helped me appreciate how emerging firms approach strategy formulation in an industry challenged by disruptive technological change.

Operational Definitions

Disruptive innovation: A disruptive innovation is an innovation that makes owning and using a product simpler and affordable, so a new population of people who historically did not have the money or skill to be in the market can own or use one (Christensen & Euchner, 2011). Disruptive innovations usually spur the creation of new markets and business model strategies that are unattractive to powerful incumbents because the disruptive products or services appeal to customers who welcome simple and affordable products (Robles, 2015).

Fragmented industry: A fragmented industry is a segment of business in which no distinct leading firm exists to influence market trends (Porter, 1980).

Home-based business: A home-based business is a business run out of a person's home, with some business activities perhaps conducted at other locations as well (Small Business Administration, 2014).

Small business: A small business is an independent business with fewer than 500 employees (Small Business Administration, 2014).

Assumptions, Limitations, and Delimitations

This subsection contains some basic beliefs, weaknesses, and boundaries pertinent to this study. I included this subsection to place the study in context and attribute a level of credibility to the study through my transparency.

Assumptions

Assumptions are basic beliefs or presumed truths about aspects pertinent to a study that are beyond the researcher's control (Kirkwood & Price, 2013). I assumed that combining inclusion criteria with a snowball sampling method would yield qualified cases and that a sample size of three to five cases was enough to gather meaningful data. Another assumption was that the format of the interview questions and the interview process would inspire the participants to share in-depth information. Another assumption was that all participants would answer honestly. Regarding the recording industry, the main assumption was that most home recording studio owners in the target population area were novice owner-entrepreneurs with no employees having an outside source of sustainable income. Another assumption was that most home recording studio owner-entrepreneurs recently attracted by the low entry barriers were DIY musicians or singer/songwriters. Additionally, I assumed that home recording studio owners were like other new market entrants and would behave as such. The final assumption was that the home recording studio, or home studio ownership (as a behavior), qualified as a disruptive innovation, which would make low-end market disruption with an eventual move upmarket a practicable strategy consideration for home studio owners.

Limitations

Study limitations are self-reported delineations of weaknesses, uncovered during the investigation process that place the study in context and attribute a level of credibility to the study through authors' admission, which highlights the importance of the weaknesses (Brutus, Aguinis, & Wassmer, 2013). For instance, the limited scope of this study did not allow me to assess the comparative effects of profit motivation on competitive strategy formulation and firm profitability between home recording studio owners who have outside sources of full-time income and those who do not. Respecting the presumed private nature of home-based business affairs, I limited the scope of the document collection efforts to point of contact information such as business cards, brochures, sales promotions, and online materials available to the public. Another limitation was the brief time limit within which to complete the study.

Delimitations

Delimitations are the conscious decisions that determine the scope and define the boundaries of a research study (Shukla & Jharkharia, 2013). I focused on capturing the perspectives of home recording studio owners only. Capturing the perspectives of large commercial studio owners exceeded the scope of this study. Whereas a vast amount of data exists in the literature about the impact of disruptive technologies on the music distribution model, there is a knowledge gap regarding the impact of disruptive technologies on the music recording model. For this reason, I limited the scope of this study to gathering information about recording studios and the recording of music, not record labels and the selling of records. Home studio owners in a city in the southeastern United States exclusively made up the target population of the research sample.

Significance of the Study

The home is becoming widely recognized as a legitimate place of business for individuals who choose to engage in economic activity from their places of residence. Home-based businesses are gaining recognition as an important form of entrepreneurial activity (Vorley & Rodgers, 2015). Though literature documents the importance of home-based businesses (Vorley & Rodgers, 2015), there is a gap regarding home recording studio ownership as a viable home-based business option or as an important form of entrepreneurial activity. This study was conducted to decrease this gap.

Contribution to Business Practice

The findings of this study may fill gaps in the literature about competitive strategy formulation and business model innovation under conditions of industry disruption and fragmentation as well as the challenges of managing disruptive technological change. Information gained from this study might help promote the establishment of business practice standards on a national basis for the emerging home-based music recording industry. This study could also promote other research that leads to a sustainable business model for the home-based subset of the music recording industry, which is significant because home recording studios are home-based businesses and as of 2014, more than half of all the small businesses in the United States were home-based businesses (Small Business Administration, 2014). Information derived from this study could help position home-based music recording businesses to become recognized by the Small Business Administration as micro-enterprises capable of working successfully and worthy of small business funding, which can affect the economy and help create new jobs.

Implications for Social Change

The implications for positive social change include the potential to establish the home recording studio as a viable home-based business option through which aspiring entrepreneurs can become self-employed and empowered to create new jobs that help strengthen their local economy. These implications for positive social change are significant because displaced or aspiring music professionals can gain access to music careers in addition to people who might never have considered a career in the music industry before.

A Review of the Professional and Academic Literature

The purpose of this study was to explore strategies well-established home recording studio owners have used to compete in the fragmented recording industry. A fragmented industry is a business segment in which no distinct firm exists to influence market trends (Porter, 1980). For this study, the focus on the fragmented structure of the industry was deliberate because the structure of an industry drives competition and profitability (Porter, 1979). I conducted this review in alignment with Porter’s (2008) statement that a good industry analysis should carefully explore the structural underpinnings of profitability.

The purpose of this literature review was to assess systemic activities in the U.S. recording industry and to gain insight on home recording studio owners’ building strategies to compete in their fragmented industry. The focus of this review was the innovative process by which small or entrant firms could successfully challenge and topple larger incumbent firms, disrupting their business model, or entire industry, despite the smaller firms having fewer resources.

The Dual Lens Conceptual Framework

The conceptual framework used for this study was a hybrid of two seminal frameworks for viewing the home recording studio ownership phenomenon. The first framework was Porter's (1979) five competitive forces framework. I selected this framework to,

- explore how five competitive forces contributed to the reshaping of the competitive landscape of the recording industry,
- highlight the strongest of the competitive forces at work in the recording industry because the strongest forces become the most important to strategy formulation (Porter, 2008), and
- understand how the fragmented structure of the recording industry influences the competitive practices of home studio owners.

This last point of Porter's framework is important because understanding industry structure can help strategists find highly profitable competitive niches and determine the basis of competition and the drivers of profitability (Porter, 2008).

The second framework was Christensen's (1997/2016) disruptive innovation theory. Used to explain how new businesses thrive while mature companies fail, disruptive innovation theory is effective for predicting the future success of new ventures (Robles, 2015). Despite the broad dissemination of the theory's core concepts and essential refinements, disruptive innovation theory has remained misunderstood and the label *disruptive* has been indiscriminately applied (Christensen, Raynor, & McDonald, 2015). To ensure the proper application of the label *disruptive*, I examined the tenets of disruptive innovation and the published criteria for disruptive innovations to determine whether the label *disruptive innovation* applied to the home studio phenomenon. In this section, I present the essential modifications in disruptive innovation theory to help preserve the integrity of the theory and describe the theory's core concepts.

Strategy for Searching the Literature

To compile information for this study, I conducted an extensive review of the literature via the Walden University online library using the following business and management databases: Business Source Complete, ABI/INFORM Complete, and Emerald Management. Also used in the search process were the multidisciplinary databases Academic Search Complete and ProQuest Central. Additionally, I searched the Walden University Scholarworks database of dissertations and doctoral studies, pertinent government websites, and music industry websites. This review encompasses content of the literature obtained from various scholarly sources, such as journals, seminal books that cover a broad range of subjects related to management theories, and pertinent music industry subject matter.

The search strategy for this literature review involved keyword searches, using conjunctions to combine or exclude keywords to achieve more focused and productive search results. The keyword combinations included: *disruptive innovation, disruptive technologies*, *music industry*, *recording industry*, *record business*, *sound recording industry*, *major record labels*, *independent record labels*, and *home studios*. I used the search term combinations that tended to yield the greatest numbers of pertinent articles to search many databases, and abandoned combinations that seldom yielded relevant material, eventually replacing them by more effective keyword combinations. I found additional pertinent reference articles by searching the reference sections of peer-reviewed papers previously identified to contain large volumes of pertinent information.

This doctoral study includes information gathered from a total of 117 sources, of which 101 (86%) are peer reviewed, 16 (14%) are not peer reviewed, and 100 (85%) have a publication date less than five years from the anticipated CAO approval completion date. The literature review component of this study comprises information from 60 of the peer-reviewed sources. The frequencies and percentages achieved in this study meet or exceed the minimum requirements established by Walden University in each category.

Organization of This Literature Review

This literature review has four main subject categories:

1. The restructuring of the competitive landscape of the recording industry
2. The five competitive forces framework,
3. Disruptive innovation theory, and
4. Additional perspectives on competing in changing environments.

I address the significance of the business problem and the concept of competitive strategy formulation in business practice. I explored the perspective of home recording studio owners competing in a new sector of a declining industry in which (a) no proven business model has been there to guide their business practices, (b) no distinct industry leader has existed to control market trends (fragmented industry), and (c) the strategies that lead to success have been unclear.

In the first part of this review, I address the existing industry structure and competitive dynamics at work in the music recording industry and explain the importance of including structural considerations in competitive strategy formulation. I tie in Porter's (1979) thinking on competition in fragmented industries and describe the setting in which the home studio business operates. I begin the discussion by exploring how the evolution of digital technologies have influenced the restructuring of the competitive landscape of the recording industry. I then explain how three key factors—the democratization of recording technologies, the delocalization of large recording studios, and the decline of traditional record companies—have contributed to bringing the industry to its current fragmented state (Figure 1).

The next part of the review includes an in-depth critical analysis and synthesis of the literature pertaining to each of two supporting conceptual models. Throughout the review, I bridge between the models and relate them to the literature on the recording industry, offering supporting and contrasting conceptual models where applicable. The review concludes with added perspectives on competing in changing environments as they relate to issues such as business model innovation, supply chain management, and building personal branding platforms.

The Restructuring of the Competitive Landscape of the Recording Industry

Bell (2015), Kling (2015), and Pras and Guastavino (2013) suggested that the emergence and evolution of digital technologies has led to three fundamental occurrences that have contributed to reshaping the competitive landscape of the recording industry:

- *the democratization of music recording technologies* across a much broader spectrum of industry participants (skilled and unskilled),
- *the delocalization of the professional recording studio* from large commercial spaces to people's private bedrooms, basements, and garages, and
- *the decline of traditional recording companies* because of the competitive pricing and rival sonic quality of home recording studios.

The economic evolution of the recording industry has been traced through technological advances (Pras & Guastavino, 2013). Both the decline of large recording studios and the decline of the traditional business model of record companies has been attributed to digital technology and Internet file sharing (Pras & Guastavino, 2013). Digital technology has also led to the delocalization of the professional recording studio and the decline of studio professionals. There is now a virtual studio in which almost anyone with a computer can participate in the recording of music (Pras & Guastavino, 2013). Likewise, the democratization of digital recording technology can be linked to digital devices such as the digital audio workstation (DAW), which brought music making to the masses (Bell, 2015).

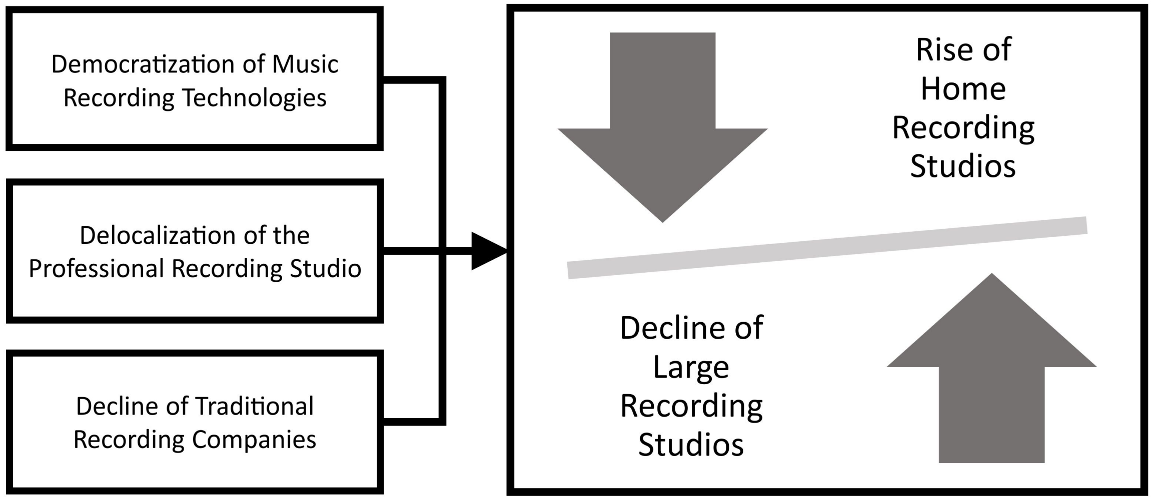

Figure 1. The evolution of digital technologies and the effect on the recording industry.

Understanding democratization. Through democratization of technology, a DIY music artist could build an inexpensive in-home recording studio and begin producing and self-releasing his or her records via the Internet with zero intervention by a record label. The democratization of technology addresses technological needs while reducing unnecessary complexity (Kelly & Farahbakhsh, 2013). In-home recording studios have a rivalled sonic quality and there is an increasing number of popular music releases that were recorded in in-home recording studios (Harkness, 2014; Kling, 2014). The authority that major recording company executives used to have now spans a broader spectrum of players, with individual music artists claiming the larger share of creative control (Galuszka, 2012).

Modern music artists have increased control over the likelihood of their songs becoming hit songs. The art of writing a hit song has evolved into a science known as *hit song science* (Tough, 2013). Songwriters have access to comprehensive information on hit songwriting that allows them to create their own formula or follow a formula for writing a hit song (Tough, 2013). With advantages such as virtually unlimited access to recording studio technologies and the technology to improve the likelihood of writing a hit song, a person might not perceive any problem with democratization.

The dilemma of democratization. Digital technologies that alter the way people produce, promote, and distribute goods has led to the dilemma of democratization (Hracs, Jakob, & Hauge, 2013). Although democratization has increased access to music-making technologies, the associated rise in new market entrants has created competition and has hindered the ability of these cultural producers to command top dollar for their creative goods and services (Hracs, Jakob, & Hauge, 2013). Declining entry barriers, competition from an incursion of music producers, and abundant substitutes have caused independent music producers to shift their primary attention from music making to developing promotional strategies to help artists stand out in the crowd (Hracs, Jakob, & Hauge, 2013).

The dilemma of democratization relates to music sales and product placement not necessarily recording studio activity. What happens on the artistic and creative music recording side of the business is not necessarily what happens on the competitive music sales and distribution side of the business. Over decades of use, the term *the music industry* has become an umbrella term used to refer to both the *music business* and the *recording industry* (Galzuka, 2012). Although people often use the terms interchangeably, the music business and the recording industry are two distinctly different industries that serve different core functions and produce different end products (Galzuka, 2012). The music business consists of three distinct parts: the recording industry, the music publishing business, and the live performance business (Galuszka, 2012). The music business is a system composed of three primary income streams: the sale and use of songs, live performance of songs, and the sale and use of recordings (Hull, Hutchison, & Strasser, 2011). These three income streams have in common three distinct creative events around which they each revolve: the writing of a song, live performance of a song, and the making of a recording of a song (Hull et al., 2011). The primary focus of this study was centered on recording studio practices and the making of a recording of a song.

The rise of home recording studios. Before the emergence of the DAW in the 1970s, many people considered home recording studio owners to be hobbyists, and home studio recordings were synonymous with amateur recordings (Bell, 2014). However, as DAW technologies evolved, so did the sound quality of music that was recorded in home studios. Capitalizing on disruptive advances in music recording technologies, these home studio hobbyists can produce recordings of the same sonic quality as music produced in a professional studio (Kaloterakis, 2013). Though professional sound engineers have asserted that the commercial studio is a better place for recording music, they have acknowledged the sound quality of music produced in home studios (Kaloterakis, 2013). Many popular music artists record exclusively in their home studios (Kaloterakis, 2013).

The decline of large recording studios. The professional recording studio, formerly characterized by expansive rooms, expensive equipment, skilled professional staff, and massive recording budgets, no longer fits that former description. The multitracking capability of DAWs, which has allowed users to asynchronously record individual instruments and microphone input onto individual tracks, has reduced the need for recording studios to be big enough to accommodate large numbers of musicians simultaneously (Kling, 2014). The widespread practice of unpaid music file sharing has led to the slashing of major-label recording budgets, the primary source of funding for most large recording studios (Harkness, 2014). As large recording studios' executives have been unable to compete with the competitive pricing of smaller home and project studios, the number of large recording studios has declined to the point where relatively few large studios remain (Kling, 2014). Hundreds of large recording studios have closed, with a corresponding rise in the number of commercial releases of music projects recorded in private bedroom, basement, and garage studios (Harkness, 2014).

The decline of studio professionals. After the introduction of digital recording technologies in the late 1970s, the popular music framework has changed recording studio practices and the role of session musicians (Campelo, 2015). The emergence of the DAW and subsequent innovations in music recording technologies has diminished the gap between audio engineer and music producer to the point of consolidating both roles (Kling, 2014). In the modern home studio, a single musician–engineer hybrid can handle the multiple functions that once required numerous studio professionals (Bell, 2014). The technology available in the typical modern home recording studio can empower one person to perform every studio function, from preproduction to mixing and mastering a finished product, with a sonic quality that rivals that of big studio operations (Bell, 2015; De Carvalho, 2012). The ability to download inexpensive consumer versions of popular DAW software applications, such as Cubase, ProTools, or the freeware Audacity, empowers even amateurs and non-musicians to excel at the art of semiprofessional music recording (De Carvalho, 2012).

The professional sonic quality achievable via home recording studio technologies is distinct from the *lossy* quality inherent to the popular MP3 file compression format used to facilitate the online transfer and distribution of digital musical files. Lossy audio compression formats, which discard information unperceivable by the human ear anyway, became popular among file sharers because they are easily downloadable, and they take up considerably less space on computer discs and portable storage devices (Pras & Guastavino, 2013). Home studio engineers have a variety of other *lossless* file storage formats available to them that do not diminish/sacrifice sonic quality at all. The Waveform (WAV) audio file format is an example of a lossless file format that delivers compact disc (CD) quality sound, but WAV files are usually quite large and take a long time to download (Lu, 2015).

Findings by Bell (2015), Kling (2014), Pras and Guastavino (2013), and others suggested that factoring home recording studio ownership into a DIY music releasing strategy is an increasingly advisable consideration for aspiring music makers. Watson (2013) said that finding gainful employment in the fragmented recording industry is increasingly difficult for both experienced and inexperienced music producers and audio engineers. Whereas new entrants and displaced industry workers might find the exploitable opportunities presented by home studio ownership attractive, with no well-established business model yet in place, some home studio owners lack strategies to compete in the fragmented recording industry.

Porter's Five Forces Framework

Porter (1979) described five distinct forces that help business leaders formulate effective strategies and set up the rules of competition and profitability in their industry. During the two decades that followed, Porter updated and extended his five forces model (Porter, 2008). The forces include the rivalry among existing competitors, the threat of new entrants to the market, the bargaining power of suppliers, the bargaining power of buyers, and the threat of substitute products or services (Figure 2). Porter (2008) said that understanding these five competitive forces and the structure of their industry may help strategists carve out highly profitable competitive niches and render their companies less vulnerable to competitive attacks. According to Porter (2008), managerial discernment and attentiveness to the impact of forces affecting a firm's industry are central to successful use of the five forces framework. Porter (2008) explained that creative strategists, who are more proficient in the use of the five forces framework than their competitors, are likely to spot new and potentially profitable industry opportunities long before their competitors.

Figure 2. Five forces framework. From "The Five Competitive Forces that Shape Strategy," by M. E. Porter, 2008, *Harvard Business Review*, p. 27. Copyright 2008 by the Harvard Business Publishing Corporation. Reprinted with permission.

Misapplication of the five forces framework. Dobbs (2014), Gould and Desjardins (2015), and Rajasekar and Al Raee (2013) used Michael Porter's competitive strategy model as their conceptual framework for industry analysis. As with other conceptual frameworks; however, misapplication of the five forces framework is common (Dobbs, 2014). According to Dobbs (2014), who developed a comprehensive set of templates for applying Porter's five forces framework, misapplication can lead to misanalysis or incomplete analysis and result in poor decision-making and undesirable outcomes. Assessing whether an industry is attractive or unattractive is not the primary use for the five forces framework (Dobbs, 2014). Instead, the primary reason for using the five forces framework is to gain strategic insight about how individual firms can compete more effectively within an industry (Dobbs, 2014). Gould and Desjardins (2015), who studied the Canadian telecommunications sector as an example of refurbished generic strategy, considered Porter's view of competitive strategy generic and not adapted to industries that have thrived in the Internet age. Gould and Desjardins presented a modified version of Porter's framework that accounts for the dimension of *complexity* alongside the original dimensions of *target market* and *type of advantage*.

Rajasekar and Al Raee (2013) also used Porter's five forces framework to conduct an analysis of the telecommunications industry. Rajasekar and Al Raee collected data primarily from secondary sources such as published interviews of chief executive officers in the industry, government reports, and the Telecommunication Regulatory Authority (TRA) of Oman, a country about which little was known in terms of strategic management. Rajasekar and Al Raee (2013) found that Porter's five forces model provided a framework to study the industry structure regarding the competitive forces at work in the industry under analysis. To gain an understanding the competitive forces at work was why I focused on industry structure as a vital component in the analysis of the home recording sector of the music recording industry.

The main concept in brief and in practice. To ensure proper application of the five forces framework, and to provide a few important takeaways to sustain long-term profitability, here are a few key points to remember when using Porter's (1979) five forces framework for industry analysis:

- Keep tabs on the firm's established rivals while constantly scanning the competitive arena looking beyond the firm's direct competitors.
- Remember that shrewd buyers can force down prices by playing the firm against its rivals.

- Understand that powerful suppliers may impede the firm's profits simply by charging higher prices.
- Understand that aspiring new entrants can raise the investment needed for the incumbent firm to remain in the market.

To enhance a firm's long-term profits, the firm's decision makers must first understand how the five forces influence profitability in their own industry. Porter recommended the following steps:

- Identify where the forces are weakest and position the firm there.
- Exploit changes in the forces.
- Reshape the forces in favor of the firm to reduce profits leaking to other players.

Rivalry among existing competitors. Regarding the competition-shaping dynamics explained in Porter's (2008) five forces model, the cycle of rivalry among existing competitors is the principle component upon which the remaining four forces exert their respective effects from every side. Porter's classic configuration of the five forces, with the rivalry among existing competitors positioned in the center of the other forces (see Figure 1), seems to hold true for the music recording industry. The rivalry among existing competitors was so intense that mergers and acquisitions among major recording companies became commonplace activities (Mihaela, 2012).

Prior to 1987 and the onset of both Internet influence and digital disruption, six major record companies EMI, CBS, BMG, PolyGram, MCA, and WEA (the Big Six) comprised a powerful oligopoly that dominated the global music industry (Mihaela, 2012). In 1987, the Big Six dwindled to five (the Big Five) when Sony bought CBS and PolyGram merged into Universal Music Group, which was formerly MCA (Mihaela, 2012). Some of the remaining large record companies eventually merged and hostilely acquired smaller record companies while others simply collapsed because of the negative effects of disruptive technological change (Mihaela, 2012). Although some companies got bigger, the overall number of major record companies declined markedly. The impact of disruptive technological change negatively affected both the size of the oligopoly and the power it wielded to shape industry outcomes and influence market trends (Mihaela, 2012). In 2004, when Sony acquired BMG (becoming Sony BMG), the Big Five oligopoly effectively declined to just four major record companies (Mihaela, 2012). For nearly a decade thereafter, Sony BMG, Warner Music Group, EMI, and Universal Music (The Big Four) were the chief influencers of market trends throughout the global music recording industry (Pras & Guastivino, 2013).

Together these four rival competitors controlled upwards of 76% of the worldwide wholesale music sales market (Moreau, 2013; Tennent, 2013). However, in November of 2011, rival competitors Sony BMG and Universal Music Group purchased EMI (Mihaela, 2012; Tennent, 2013). In lieu of foreclosure, EMI’s bank brokered a $4.1 billion deal in which Universal Music Group acquired EMI’s operations division, and Sony acquired EMI’s publishing division (Mihaela, 2012; Tennent, 2013). This industry-consolidating reduction of the number of major record companies from four to three (Sony BMG, Universal Music Group, and Warner Music Group), effectively dismantled the Big Four oligopoly and marked the historic collapse of the recording industry (Mihaela, 2012; Tennent, 2013).

The threat of new entrants. New market entrants threaten market share and exert pressures that influence prices, costs, and rates of investment necessary to compete (Porter, 2008). It is the mere threat of new entrants that holds down profitability, not whether new firms enter the market or not (Porter, 2008). The threat of new entry is highly dependent on the existing barriers to market entry, and those barriers to market entry are advantages that incumbents have over new entrants (Mathooko & Ogutu, 2013). Camacho (2013) defined an entry barrier as anything that requires a financial outlay by a new entrant into an industry that does not impose an equivalent cost upon an incumbent. Porter listed seven major entry barriers: supply-side economies of scale, demand-side benefits of scale, customer switching costs, major capital requirements to enter or exit the market, incumbency advantages independent of size, unequal access to distribution channels, and restrictive government policies.

Manral (2015) stated that new entrants into low-end markets face two choices of entry. New entrants can choose to imitate the incumbents by offering attractive consumer discounts to offset the charges that incumbent firms impose on their customers as penalties for switching. This strategy would not be an advisable strategy for new entrants because entrant firms typically do not enjoy supply-side cost advantages over the incumbents. New entrants to low-end markets can also choose to differ from the incumbents by offering compliments to the incumbent’s products or services. This strategy of offering compliments would allow new entrants to benefit from any increases in the consumption of the incumbent's products or services while avoiding direct competition with the incumbent firms. For these reasons, Manral (2015) advised that firms with no experience in the incumbent's market formulate a differentiation strategy rather than an imitation strategy.

New entrants diversifying from other markets pose an additional threat because they can often leverage their extensive resources to gain market share or increase their competitive advantage (Porter, 2008). When the barriers to entry are high the threat of new entrants is usually low, and when the barriers to entry are low the threat of new entrants is usually high (Porter, 2008). Such is the situation in the music recording industry. The democratization of access to recording technologies (Bell, 2015; Kling, 2014) has made the dream of someday owning a music recording studio attainable for a whole new population of individuals who historically could not afford to do so. Recording technologies have become so compact, affordable, and easy to use that a typical semi-professional home recording studio can fit easily within a standard sized bedroom. In response to disruption by the incursion of small home recording studio businesses, offering customers virtually unbeatable costs, most large commercial recording studios have closed (Harkness, 2014).

The threat of substitute products and services. A substitute is a rival product or service that meets the same customer needs or performs a similar function as the incumbent's mainstream offering but does so by a different means (Fountoukidis, 2015; Rajasekar & Al Raee, 2013). The existence of a substitute product or service poses a threat to industry profitability because substitute offerings possess qualities or pricings that lure customers away from incumbent firms (Porter, 2008). The greatest threat occurs when substitutes offer buyers better service at lower costs (Rajasekar & Al Raee, 2013). A high threat of substitution negatively impacts profitability (Mathooko & Ogutu, 2015). Fountoukidis (2015) considered illegal music downloading from websites that offer music free of charge a good example of a substitute for the recording industry.

Apple's iTunes music store as a substitute service. Perhaps the most popular substitute service impacting the music recording industry is Apple's iTunes music store. As the Internet age made worldwide digital distribution of music a reality for unsigned artists, digital distribution of music via the Internet became an appealing substitute for the once coveted distribution deals major record companies usually provided their artists (Porter, 2008). After record companies tried, unsuccessfully, to develop their own digital distribution platforms (Porter, 2008), Apple stepped into the market with its substitute music store iTunes in support of its compliment music player iPod. With digital distribution costs to the artist approaching zero, Apple's iTunes store lists millions of albums, compared to about 15,000 albums listed by the largest offline music store (Hracs, Jakob, & Hauge, 2013). The success of substitute services such as iTunes contributed in part to a drop in the number of major labels from six in 1997 to three between the end of 2011 and the beginning of 2012 (Porter, 2008).

The home studio as s substitute service. Whereas the success of Apple's iTunes is well documented, a gap exists in the literature regarding the home recording studio as a substitute for the large commercial recording studio. However, a growing body of evidence suggests that, with improving technology driving the rival sonic quality of home studio offerings, music producers no longer need large studios or specialized skills to achieve high-quality music recordings (e.g., Bell, 2015; Harkness, 2014; Kaloterakis, 2013; Kling, 2014; Pras & Guastavino, 2013). Modern music artists and producers can completely bypass major label involvement if they desire (Pras & Guastavino, 2013). Poplar websites such as the Apple's iTunes website provide a means for artists to bypass record companies and sell their songs directly to consumers. Shifting power hierarchies and increasing amateur activity in music promotion and distribution have complicated the roles traditionally played by record labels and industry executives (Morris, 2014), reducing the need for major labels. The typical DIY musician is a multiskilled studio professional who independently performs duties that previously required a team of highly skilled studio professionals and provides his or her own value-added component in the supply chain (Pras & Guastavino, 2013). The delocalization of the recording studio, from large commercial spaces to private bedroom studio spaces gave rise to a decline of specialized professionals and the rise of the musician-engineer as a multiskilled professional (Pras & Guastavino, 2013).

Arditi (2014) studied the downsizing effects of digital music production on labor and concluded that the digitization of music has caused a devaluation of skilled labor. Arditi suggested that the digitation of music removes intermediaries in the distribution chain and eliminates the need for musicians in the recording process. For example, though many producers might play some instruments well enough to record their own sessions, few producers play drums at a level of precision suitable for recording sessions. The power of digital recording technologies; however, enables producers to replace drummers in the production of some genres of music (Arditi, 2014). In view of the home recording studio a substitute product, and the services performed therein substitute services, it would stand to reason that home recording studio ownership also poses an encroaching threat of substitute products and services. That is, at least, at the low end of the market.

The power of suppliers. The power of suppliers is yet another salient force that can shape competition and help determine the profitability of an industry (Porter, 2008). Powerful suppliers can increase their profits from the goods or services they supply in one of three ways, or any combination thereof:

- increasing their prices,
- reducing the quality of the services they provide or
- passing on costs to industry participants (Porter).

Porter also stated several conditions under which the power of suppliers increases. The power of a suppliers group increases if,

- only a limited number of suppliers serve many buyers,
- the suppliers' revenues are not majorly industry dependent,
- the suppliers can themselves threaten market entry,
- changing suppliers is very expensive for industry groups,
- no substitute exists for the supplied products or services, or
- the supplier group offer products or services which are more differentiated than the available (common or generic) alternatives (Porter, 2008).

Only the strongest of the competitive forces at work at any given time contribute noticeably to shaping the strategy and profitability of an industry (Porter, 2008). Regarding the comparative intensities of the competitive forces impacting the music recording industry, this review yielded no data to suggest that the power of suppliers ranks high among the strongest of the competitive forces at work in the industry. That does not mean the power of suppliers is an insignificant force in the competitive force dynamics of the music recording industry, only that less documentation exists regarding its industry-shaping involvement.

The power of buyers. Mihaela (2012) talked about music as a commodity that consumers must experience in some way to understand and appreciate it, making their opinions impactful upon demand. Mihaela submitted that music companies are becoming increasingly sensitive to consumers' opinions and responsive to their demands. In highly competitive markets, buyers can pressure suppliers to lower their prices by demanding better quality or more service or by playing industry participants one against the other (Porter, 2008). While this consumer demand drives up costs for the suppliers, consumer demand can also force prices down to keep customers happy and loyal to brands, again demonstrating the power of buyers (Porter, 2008). For highly standardized or highly undifferentiated products, buyers can often find equivalent products or services, giving buyers considerable negotiating power to help force prices downward (Porter, 2008). Perhaps a good example of the power of buyers exists in the music market where consumers can choose between downloading music files for free or paying for music physically affixed to a compact disc.

Disruptive Innovation Theory

The findings which led Christensen (1997) to formulate his disruptive innovation theory stemmed from a series of case studies he conducted toward the completion of his doctoral dissertation. Christensen used multiple sources of data collection: (a) analysis of archival studies, (b) historic research on the disk drive industry, (c) reviews of models of change in a wide range of academic disciplines, and (d) interviews with 46 officials of leading disk drive manufacturers. Presented as a supporting conceptual model to the five conceptual forces framework, this literature review comprises an exhaustive critical analysis and synthesis of sources in the extant literature pertaining to disruptive innovation theory. When used together, these mutually supportive frameworks provided a uniquely informative perspective and a dual conceptual lens through which to view the home recording studio ownership phenomenon. Despite the many ways in which the two conceptual models are mutually supportive, there is a point at which the two models radically diverge. To truly understand disruptive innovation theory, especially compared to Porter's five forces framework (Porter, 2008), it might help to first understand the radical divergence between Porter's thinking and Christensen's thinking regarding why successful firms sometimes fail.

Where Porter and Christensen contrast. As mentioned previously, Porter (2008) asserted that managerial discernment and attentiveness to the impact of forces impacting a firm's industry is central to success using the five forces framework. Deeply embedded in Porter's (2008) five forces framework is the notion that the success or failure of a firm is dependent upon the specific activities and decisions of a firm's executives. This apparent need to assign blame suggests that the failure of an incumbent firm is somehow the fault of the firm's executive decision makers (someone did something wrong). In stark contrast to that way of thinking, but central to Christensen's teaching on why successful businesses fail, is the notion that incumbent failure does not necessarily mean that the firms' executives did something wrong. Christensen (2016) explained that ironically some of the best firms fail for having done exactly what caused them to succeed in the past. They invested too much time and resources in trying to meet their customers' current and future needs (Christensen, 2016). Christensen warned that blindly following the adage that good managers should keep close to their customers can sometimes be a critical mistake. Christensen referred to this irony as *the innovator's dilemma*. Successful company leaders can experience this dilemma when deciding between pursuing the sustaining strategies that made their companies successful and changing strategies to manage disruptive technological change. Christensen developed a preliminary framework, based on the innovator's dilemma, to explain why leading companies fail. Christensen referred to that framework as a *failure framework*.

The innovator's dilemma. Christensen (2016) built his failure framework upon the following findings from his research:

- the difference between sustaining technologies and disruptive technologies,
- the realization that the pace of technology can overshoot what the market needs, and

- the customers and financial structures of successful companies influence the types of investments company leaders find attractive when assessing the potential threats posed by the business models of new market entrants.

Jameson (2014) stated that the innovator's dilemma occurs because newer and cheaper technologies threaten more profitable older technologies and make it difficult for large firms to substitute the newer game-changing disruptive technologies.

Sustaining versus disruptive technologies. In a study on technological change over the history of the disk drive industry, Christensen (1997) identified two types of technologies that had very different effects on the industry's leaders. The first type, sustaining technologies, sustained the industry's product performance improvement trajectories. In other words, when sustaining technologies improve the performance of established products or services, they do so along a trajectory of product performance that mainstream customers have historically come to expect and value (Christensen, 2016). The types of changes brought on by sustaining technologies ranged from discontinuous or radical changes to incremental changes, but they still fell within the expected trajectory path. Established firms in the industry (firms practicing the prior technology) usually led the development and adoption of sustaining technologies. The second type of technologies, disruptive technologies, disrupted or redefined product performance trajectories and consistently caused leading firms to fail. Firms new to the industry at the point of the technological change generally led the development or adoption of disruptive technologies (Christensen, 2016).

***Market need versus technology improvement*.** The observation that market need can outpace market demand represents the second element of Christensen's (2016) failure framework. Reiner (2013) explained that as the disruptive offerings improve in quality or functionality, mainstream customers become attracted, especially if the price remains lower than the incumbent's offering. The impact of sustaining and disruptive technological change, illustrated in Figure 3, demonstrates that,

- suppliers, in their efforts to outshine their competitors and increase their profit margins, often overshoot, and give their customers far more product features and functionality than they need and are ultimately willing to pay for
- disruptive technologies that may underperform in the near term, regarding the performance and functionality consumers demand, may be fully performance-competitive in that same market in the future.

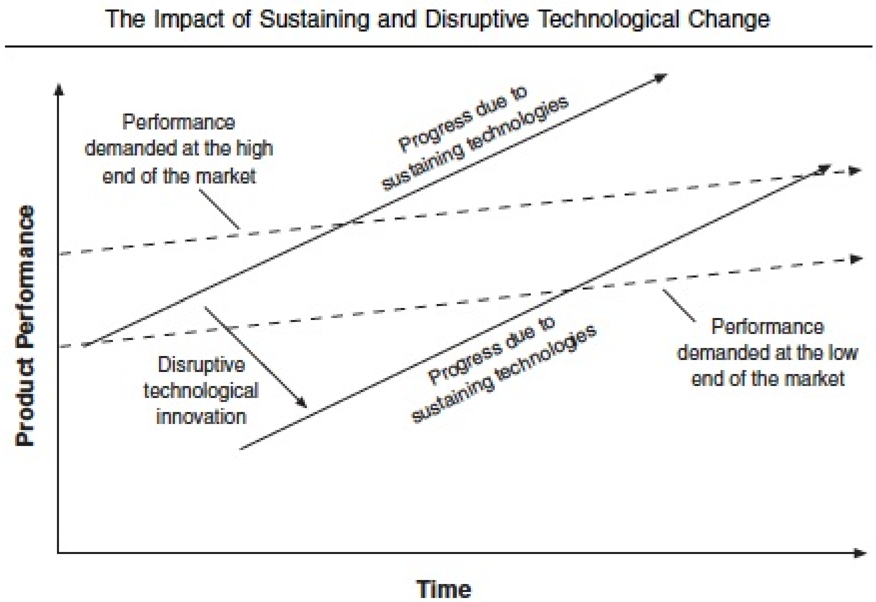

Figure 3. Impact of technological change. From "The innovator's dilemma: When new technologies cause great firms to fail," by C. M. Christensen, 2016, *Harvard Business Review*. Copyright 2016 by the Harvard Business Publishing Corporation.

***Disruptive technologies versus rationale investments*.** This last element in Christensen's (2016) failure framework centers on the conclusion that established companies have four reasons why investing aggressively in disruptive technologies does not make sense for them. Christensen explained that (a) though disruptive products which are cheaper and simpler promise lower margins, they do not yield outstanding profits; (b) disruptive technologies tend to be more easily monetizable in new and developing markets, (c) a firm's most profitable, high-end, customers seldom desire or can use products based on disruptive technologies; and (d) established companies have little incentive to invest in disruptive technologies until it is too late to change their unfavorable outcomes.

Lessons learned from the hard disk drive industry. Christensen (2016), in his search to understand how leading firms can fail, used insight from the hard disk drive industry to accomplish an acclaimed analysis of changing technology and its importance to the future success of a firm. Christensen stated that never had there been an industry in which changes in technology, market structure, global scope, and vertical integration, were so prevalent, rapid, and unrelenting, as the hard disk drive industry. In a revised edition of his seminal work, Christensen (1997, 2016) stated that if someone wants to understand why something happens in business, that person should study the disk drive industry. Perhaps, the same is true regarding the modern music industry, particularly regarding its complexity and how changes in technology cause certain types of firms to succeed or fail. Therein lies the central reason for choosing disruptive innovation theory as one of two conceptual models for this study.

Disruptive innovation overview. To understand the concept of disruptive innovation better, a person should think about simplicity and affordability and understand what a disruptive innovation is not. A disruptive innovation is not a breakthrough innovation that makes good products better (Robles, 2015). A disruptive innovation is an innovation that so simplifies and increases the affordability of a product or service that a whole new population of consumers can gain access to that product or service (Christensen & Euchner, 2011). This definition approaches disruptive innovation from the perspective of consumers. In a conversation with Denning (2016) though, Christensen redefined disruption from the perspective of business leaders as, a theory of competitive response that tells business leaders what they can expect depending on the type of innovation they mount. If competitors introduce a sustaining innovation, incumbents will try to mount a defense response, but if they introduce a disruptive innovation, the incumbents will likely ignore the disruptor or flee rather than fight (Denning, 2016). Regardless of one's perspective, the disruptive innovation theory provides its users a powerful way of thinking about innovation-driven growth. By way of disruptive innovation, a small company can take on a much larger competitor and win, despite the smaller company having fewer resources (Christensen, Raynor, & McDonald, 2015).

The disruptive process. Technologies tend to advance much faster than market demands (Christensen et al., 2015). As established firms focus on improving their products and services to meet the demands of their more profitable high-end customers they often overshoot, exceeding the needs of some segments of their market while ignoring the needs of others (Christensen et al., 2015). The resulting underserved, low-end, segment of the market, typically perceived as less profitable or unattractive by incumbents, becomes a potentially exploitable target market for entrant firms.

Entrant disruptor firms gain their initial footholds by providing low-end customers with a *good enough* product or service, frequently at a lower price than the incumbent's mainstream offering (Christensen et al., 2016). Markides (2012), studied the disruptiveness of innovations from emerging markets and reported that what incumbents do to influence customer expectations of what is good enough can influence the perception of what is good enough. However, incumbents who focus on meeting the demands of their more profitable high-end customers tend to not respond vigorously to defend the low end of their respective markets. Disruption is a process for which the onset is gradual (not instant), which might explain why incumbents often underestimate the gravity of the slowly encroaching threat (Christensen et al., 2016). Successful disruption centers on exploiting overlooked or unserved segments of the market that, if exploited by new entrants, will not provoke a marked defensive response from the incumbent firms (Christensen et al., 2016). As these entrant disruptor firms improve the quality of their disruptive product or service to the point where they begin delivering performance levels that mainstream customers require, the firms slowly begin moving upmarket to gain increased shares (Christensen et al., 2015). Once mainstream customers begin choosing the disruptive product over the incumbent's product or service, disruption has occurred.

Christensen et al. (2015) described disruption as a process that can progress swiftly or sometimes take years. A disruptive innovation is not a product or service confined to some arbitrary fixed point in time when it reached the market (Christensen et al., 2015). Instead, a disruptive innovation involves the evolution of a product or service over time (Christensen et al., 2015). Even so, technologies still tend to advance much faster than market demands (Christensen et al., 2015).

When the disruptor becomes the disruptee. In their attempt to attract mainstream customers and move upstream claiming market share, disruptors must focus on improving the performance of their disruptive products while still maintaining a sustainable cost advantage (Markides, 2012). Disruptor firms must avoid the mistake of overshooting the needs of their own low-end customers. To prevent becoming disrupted themselves, disruptor firms must remember to preserve the product or service advantages that initially attracted their low-end customers in the first place (Christensen et al., 2015). Lacourbe (2013) stated that a firm can be both a disruptor and a disruptee at the same time. Occasionally, there develops a cycle in which the move upstream leaves customers at the low-end of the market again unserved and creates a new market for even newer technologies to potentially disrupt the existing disruptive product (Lacourbe, 2013). Such is the encroaching threat encountered by well-established home recording studio owners faced with risk of disruption by even small bedroom studios owned by DIY musicians. Lacourbe (2013) explained that disrupting firms must deal with the dilemma of how to strike a balance between their profit and their risk of becoming disrupted. Lacourbe suggested two strategies for disruptive firms to prevent themselves from becoming disrupted: (a) slowing down the firm's migration upmarket or (b) offering a low-end version of its own product in lieu of price cutting.

Lacourbe (2013) noted that even at the risk of their own disruption, disruptor firms are more likely to focus on disrupting than on defending against becoming disrupted because disrupting is more profitable. Lacourbe suggested that to avoid the same fate as the incumbents they disrupted, disruptors must balance their dual role of disruptor and disruptee. Though that holds true for entrant firms that become disruptors, the rules are a bit different for incumbent companies. Whereas incumbent companies should respond defensively to active disruption, they should avoid overreacting and changing their whole company posture to a disruptive posture. Incumbent companies engaging in disruption should create entirely new divisions through which to identify and exploit disruptive growth opportunities (Christensen et al., 2015). These new divisions should be led by people expressly empowered by top management with the autonomy to think differently and make decisions on behalf of the company without myopic concerns about immediate profitability consuming their thinking and impeding innovation (Christensen et al., 2015).

A whole new way of thinking. As alluded to previously, understanding disruption requires a whole new way of thinking. In typical markets, suppliers of comparable products or services target the same customers and aggressively compete for their business. In a disruptive situation, the disrupting firm targets consumers who are not using a product or service (Markides, 2013). The low end of the market, predictably unattractive to large incumbents because of its low profitability, remains wide open to newcomers (Robles, 2015). Therefore, low-end market disrupters, attempting to attract the nonusers of a service or product, are not truly competing against other suppliers of a good or service, but against *nonconsumption* (Markieds, 2013; Robles, 2015).

Whereas most companies focus on improving their existing products via sustaining technologies, by thinking disruptively, companies can gain a competitive advantage through creating new products or making existing products available to people who do not have access to them (Robles, 2015). That means going after the consumers at the lower, less profitable end of the market, a strategy that industry leaders would typically not pursue (Robles, 2015). This nearly predictable lack of response by industry leaders is something disrupting firms count on to ensure the success of their disruptive strategy. Robles (2015) advised firm leaders seeking to formulate disruptive competitive strategies to make their strategies as unattractive to incumbents as possible. This way, disruptor firms can attract customers at the low end of the market and eventually attract mainstream customers as their product quality improves, without the incumbents perceiving the need to mount a defensive response until it is too late (Robles, 2015). Many small organizations, with their comparatively lower overhead and greater flexibility than larger organizations, can better afford to place meeting customer needs before earning profits (Christensen et al. (2015). Firms that do not find protecting that less profitable low end of their market a strategically attractive option leave their firms vulnerable to low-end market disruption (Robles, 2015).

Three types of disruptive innovations. Christensen et al. (2015) described two types of disruptive innovations: (a) those that originate in low-end footholds and (b) those that originate in new-market footholds. Later, during an interview with Denning (2016), Christensen described efficiency innovations as a third type of innovation, unmentioned in earlier versions of disruption theory. Efficiency innovations help firms do more with less, thereby increasing efficiency and eliminating jobs (Denning, 2016). For example, Walmart's business model disrupted department stores from a growth point of view by making retail much more efficient, and that resulted in fewer net jobs (Denning, 2016). Low-end footholds developed because incumbents attempted to provide their most profitable and demanding customers with so many product or service improvements and special offerings (bells and whistles) that their offerings often overshoot the performance requirements of their less-demanding customers (Christensen et al., 2015). For example, as the large IBM mainframe computers became so difficult to house and expensive to access, potential users at the low end of the market became that underserved segment of the market described earlier by Christensen (2016). When Microsoft developed their line of personal desktop computers, they gained a firm foothold in the low-end segment of the market (Christensen et al., 2015). New-market footholds developed when disrupters innovatively exploited technologies and developed entirely new markets that never existed before. For example, Xerox targeted large companies and offered copiers that provided performance features or options only large companies could typically afford. Small customers and users such as school librarians and front office professionals resorted to using carbon paper or mimeograph machines. However, Cannon created a new market when they diversified into the copier market and introduced personal copiers at a price these small customers and users could afford (Christensen et al., 2015).

Kyoseva, Poulkov, Mihaylov, and Mihovska (2014), researchers who explored disruptive innovation in the telecommunications industry, also observed two classes of disruptive innovations. Their descriptions of the two classes of disruptive innovations and Christensen's descriptions of low-end and new-market footholds are similar. Innovations that displace incumbent technologies and eventually become adopted over time comprise the first class of disruptive innovations observed by Kyoseva et al. (2014). Innovations that create a new market or capability in a place where none had existed previously comprise the second class of disruptive innovations.

Ever since Christensen's (1997) ground-breaking discoveries in the computer hard drive industry, countless other industries (such as the wireless telecommunication industry) have reported disruptive developments (Kyoseva et al., 2014). Included are the publishing industry (Hargrave, 2013), the science and medical industries (Jameson, 2014), the film industry and many more. A supporter of the notion of thinking differently, Jameson (2014) also supported the notion of continuous innovation. This was the same strategy used by Steve Jobs at Apple, who focused on bridging art and technology to develop products that people did not even know they wanted (Jameson, 2014). Jameson explained that through continuous innovation, the mission of the organization becomes redefined such that generating a short-term benefit should not be the primary goal. However, if the strategy works, profits will follow. Instead of focusing on immediate profits or short-term benefits, the driving force behind disruptive business models should be the belief that if the firm meets their consumers' needs well, the profits will follow (Christensen et al., 2015).

As innovative technologies arise, disruption theory can help inform competitive strategy formulation (Christensen et al., 2015). Disruption theory is not a guide that tells managers what to do. Instead, disruption theory helps managers decide between taking a sustaining or a disruptive path and predict the intensity of the response they can expect from incumbents (Christensen et al., 2015). Newly developed technologies are not inherently sustaining or disruptive because technology itself is not what creates the disruptive impact, but rather the business model enabled by the technology's existence is what creates the disruptive impact (Christensen et al., 2015). This idea of new technologies not being inherently sustaining or disruptive aligned with Markides's (2012) statement that determining, at a product launch, whether the product will be disruptive is not possible. What makes a product disruptive is how the product develops and how incumbents react to it (Markides, 2012). Hargrave (2013) similarly asserted that disruptive products or services are disruptive because, unlike incumbent firms, disrupting firms do not seek to meet the needs of high-end customers.

Criteria for consideration as a disruptive product or service. Markides (2012) and Gans (2016) listed the same criteria for determining whether a product is disruptive. To be considered disruptive, the product (a) must initially be inferior in performance to what mainstream customers expect but be superior in price, and (b) must evolve to become “good enough” in performance to attract mainstream customers yet remain superior in price. Hargrave (2013), in a study of the history of the history of papermaking to digital printing, reported that to consider a paper a disruptive technology the product had to meet five criteria. The product had to be (a) cheaper, (b) smaller, (c) more convenient to use, (d) initially inferior in performance, and (e) undesirable to established incumbent firms (Hargrave, 2013). Customers who are not interested in superior product performance (usually nonconsumers of the incumbent products) tend to respond to the low price of the disruptive product or other product attributes that meet needs they deem more important than mere product performance (Markides, 2012). Some disruptive productive products surpass the incumbent technology on important accessory dimensions with attributes that add value for low-end customers, though high-end customers might not deem them particularly important (Lacourbe, 2013).

Whereas Hahn, Jensen, and Tanev (2014), also assigned criteria for disruption, they took their discussion a slightly different direction. They explored the disruptive potential of the value propositions of 3D printing technology startups. They developed a complex *Disrupt-O-Meter* that assigned points, ranging from 0-10, to measure the relative disruptive potential of each of nine evaluation criteria. Instead of determining whether a product of service was disruptive, Hahn et al. provided empirical support for the conceptualization of the degree of disruptiveness of a firm's value proposition as a metric for evaluation of the business potential of newer technology startups.

The win-win misnomer of disruption. Established firms tend to be reluctant to protect that low and less profitable end of the market and would rather spend their resources serving the needs of customers in their considerably more profitable high-end markets (Bergek, Berggren, Magnusson, & Hobday, 2013; Robles, 2015). For these and similar reasons, low-end market disruptors experience little challenge in claiming the low end of the market (Bergek et al., 2013; Robles, 2015). As the quality and functionality of their disruptive products or services improve, those low-end disruptors begin moving upmarket attracting mainstream customers (Cuitiene & Thattakath, 2014). At the same time, sustaining technological advancements keep improving product performance trajectories at the high end of the market, providing established firms increased justification for preferentially serving the ever-growing needs of their considerably more profitable high-end customers (Robles, 2015). A seemingly win-win situation develops, in which incumbents dominate the most profitable segment of the market without competition from the disruptors, and disruptors dominate the less profitable segment of the market without retaliation from incumbents. Meanwhile, as the quality of their disruptive offerings increase, the disruptor firms continue moving upstream attracting mainstream customers and amassing larger shares of the market without retaliation from incumbents (Cuitiene & Thattakath, 2014; Markides, 2013; Robles, 2015). Disruption, as a process that evolves over time, poses such a slowly encroaching threat that incumbents frequently overlook or ignore disrupters until it is too late for the incumbents to mount a successful defense (Christensen, 2016). There eventually comes a point in the disruptive process at which widespread mainstream customers preferably choose the entrant firms' disruptive offerings over the incumbent firms' mainstream offerings, and some larger firms fail (see Christensen, 2015; Cuitiene & Thattakath, 2014; Markides, 2013; Robles, 2015). Although it is not impossible for incumbents to respond successfully to disruptive attacks by emerging market disruptors, the task is difficult, and few incumbents are good at it (Markides, 2012).

Disruption can come in many forms. Behaviors can be disruptive, and even people can become disruptors. For example, Christensen (2016) listed nurse practitioners as a disruptive threat to medical doctors, on-line retailing as a disruptive threat to brick and mortar retailing, downloadable greeting cards as a threat to printed greeting cards, and handheld digital devices as a disruptive threat to notebook computers. Christensen's list goes on to include wireline telephony (disrupted by mobile telephony) and the notebook computer (disrupted by hand-held digital appliances). Corporate universities and in-house management training programs threaten even graduate schools of management.

The competitive lessons. Successful disruption centers on exploiting the needs of those over served and overlooked segments of the market in a manner that does not incite a defensive response from the incumbent firms (Christensen, 2016; Christensen et al., 2015). Aspiring disruptors should start with the low-end segments of their desired market and slowly make their way upmarket by improving product performance to the point that mainstream customers become attracted and deem the product performance *good enough*. The success disruptors will experience depends on the degree to which incumbents retaliate or defend the lower (less-profitable) end of the market, to avoid becoming disrupted themselves.

Criticisms of disruptive innovation theory. Disruptive innovation theory, widely used in prominent business circles, is a powerful tool for explaining and predicting the success of industry entrants (Christensen et al., 2015; Gobbel, 2015; Weeks, 2015). Unfortunate, disruption is a concept widely misconstrued and a label far too indiscriminately applied (Christensen et al., 2015; Gobble, 2015; Weeks, 2015). Since its publication, the disruption innovation theory has received both extensive praise and strong criticism (King, Baljir & Baatartgtokh, 2015; Parry, Vendrell-Herrero & Bustinza 2014; Takahashi, Shintaku & Ohkawa, 2013; Weeks, 2015). According to Christensen et al. (2015), people criticized the theory at times for weaknesses already addressed as thinking on the subject evolved.

Perhaps the most widely publicized critiques of disruptive innovation theory were also the most controversial critiques of the topic. Weeks (2015), in an analysis of critiques of disruptive innovation theory, responded to a commentary published in *The New Yorker* magazine by Jill Lepore (2014). Lepore accused Christensen (1997) of ignoring contradictory evidence and handpicking case studies to match preconceptions. Weeks (2015) stated that Lepore's most severe criticisms, which questioned the academic integrity of Christensen's work and the reliability of the case study method, "stopped short of presenting root causes" (p. 417). Weeks suggested that the reason Lepore's criticisms received instant international attention was not because of their merit, but because they appeared in *The New Yorker* magazine and not "a sleepy peer-reviewed journal" (p. 417). Weeks stated that Lepore seemed to lack a fundamental understanding of the nuances of case study research strategy. Weeks questioned why Lepore (a historian) would forego seeking primary source information, especially when that primary source (in this case Christensen) was at the same university. Although Weeks concluded that Lepore's criticisms went too far, he acknowledged the benefits of healthy skepticism when examining broad claims about innovation and admitted that the disruptive innovation framework is not perfect. Weeks also acknowledged that Lepore (2014) raised critical issues about the disruptive innovation framework and how researchers should seek and validate knowledge in their scholarly discipline. Parry, Vendrell-Herrero and Bustinza (2014), in a quantitative study on using data in decision making, warned that drawing erroneous conclusions from empirical data without accurately fully understanding said data is potentially industry-damaging because it can compromise future managerial decisions.

Weeks (2015) explained that, although the Harvard Business Review (HBR) ranks among the most influential publications in the field of business, HBR is not a peer-reviewed journal. Instead, HBR articles receive editorial reviews. Weeks referred to the selection of publication venues for his research as one problem with Christensen's work. The focus of most HBR articles is on impact for practitioners and readability, and details about research methods are often sparse (Weeks, 2015). For this reason, much of

Christensen's work (published by HBR) seldom received the scrutiny of peer-review received by most academics (Weeks, 2015).

Gobble (2015), who also criticized Lepore's (2014) attack on Christensen's work, interviewed several experts and researchers and encouraged them to share their views on the concept of disruptive innovation. The analysis of their responses suggested that the use of the term disruptive innovation as an all-purpose concept can distract focus from legitimate issues with emergent companies. Christensen et al. (2015) acknowledged certain limitations of disruptive innovation theory but predicted that the theory's predictive and explanatory powers would continue to improve as research continues.

King, Baljir, and Baatartgtokh (2015) acknowledged that few academic management theories have had as much influence on the business world as the disruptive innovation theory, but they questioned how well the theory describes what happens in business. King et al. (2015) surveyed and interviewed 79 experts, of which 58% were academics, 18% were authors of non-academic book-length historic analyses, 10% were financial analysts of the industries under study, and 14% were participants in the industries. Each expert responded to surveys and interviews regarding one or more of the 77 classic cases of disruption reported by Christensen (2016). In the study by King et al. (2015), their leading research question was: "How widely applicable is the theory of disruptive innovation?" King et al. found that the essential validity and generalizability of the theory seldom received testing in the academic literature and that many of the theory's classic cases did not fit the theory's conditions and predictions well. Though theories can provide warnings of what might happen, they are no substitute for thoughtful analysis (King et al., 2015).

Additional Perspectives on Competing in Changing Environments

The final portion of this literature review includes a variety of peer-reviewed perspectives on competing in ever-changing business environments. The topics range anywhere from disruptive business model innovation and supply chain management to building personal branding platforms. These topics could potentially inform home studio ownership strategies because the type of business strategy and supply chain configuration a firm adopts depends on the type of innovation (sustaining, discontinuous, or disruptive) the firm faces (Pagani, 2013).

Carvalho and Scavarda (2015), studying topics on music production by way of literature review, historic analysis, and theoretical analysis, determined that music is an experience commodity that has gradually transformed into an industrial commodity. Carvalho and Scavarda reported that music is a complex phenomenon that impacts and is impacted by society, culture, business, art, and technology, which provides the means of music production, distribution, and consumption. In the music supply chain, music production-consumption falls somewhere between a good and a service (Carvalho & Scavarda, 2015). The digital revolution and globalized communications shifted the relationships between music production and music consumption from goods-oriented to service-oriented (Carvalho & Scavarda, 2015).

Business model innovation. Prior to the fragmentation of supply chains, large incumbent firms (as users of a dominant or sustaining business model) would commonly take responsibility for coordinating their own value and supply chains (Moreau, 2013). Large incumbent firms centralized control of their core activities through vertically stratified alliances (Moreau, 2013). In the face of disruptive innovation; however, vertical integration constitutes a handicap for users of the dominant (sustaining) business model unless that vertical integration centers on the modern technology (Moreau, 2013). This aligns with Pagani's (2013) suggestion that, in the face of disruptive innovations, historically static vertically integrated networks should reorient to become loosely coupled networks.

Pagani (2013) conducted an empirical analysis of digitally enabled networks using panel data to determine when to execute a digital business strategy. Pagani analyzed three types of value networks: a closely vertically integrated model, a loosely coupled model, and a model based on a multi-sided platform. Pagani integrated and broke the models down into their functional components to determine which played a critical role in controlling the dynamics of core and edge competencies of the players. Pagani studied how the components changed in response to diverse types of innovation strategies and constructed a view of the value network as a configuration of control points and analyzed how they created and captured value and in what forms.

Pagani (2013) found that to achieve long-term success, firms within value networks must occasionally reorient themselves and adopt new strategies and structures that accommodate the ever-changing environmental conditions. For example, in response to incremental innovations that either improve upon an existing technology or reconfigure an existing technology to serve some other purpose, static vertically integrated supply chain networks tend to shift toward loosely coupled networks. However, the supply chain configuration shifts from vertical integration to horizontal stratification in response to discontinuous innovations and the ability to achieve above average profitability shifts in favor of companies that reduce distribution, transaction, and search costs, incurred when different subsystems interact (Pagani, 2013). The third type of value network, the multi-sided platform, emerges in response to disruptive innovations which spur entirely new services and new business models. The multi-sided platform exists whenever a company serves two or more groups that need each other in some way. The company builds an infrastructure that reduces the distribution, transaction, and search costs, associated with the groups interacting with each other. Christensen (1997) observed that the emergence of digital platforms enables disruptions that cross industry boundaries and inspire new forms of business strategies. Cross–boundary industry disruptions lead to the emergence of new business models (Pagani, 2013).

Under conditions in which consumers are less demanding of functionality and innovations exist that reconfigure an existing technology to serve a different function or purpose (e.g., disruptive innovation), emerging business models should centralize core activities through horizontally stratified alliances (Pagani, 2013). Industry structure affects industry profitability (Porter, 2008) and affects how companies structurally integrate to control their core activities and coordinate alliances (Moreau, 2013).

Supply chain management. In the process of business model innovation, no one can overstate the importance of supply chain management. Saldanha, Mello, Knemeyer, and Vijayaraghavan (2015) explained that supply chain technology helps firms facilitate information transfer within and across firm boundaries. Seo and Dinwoodie (2014) suggested that the strategic success and long-term survival of a firm are integral to the firm's level of innovativeness in supply chain management. Perhaps that is because firms do not compete individually, but their supply chains do (Nag, Han, & Yao, 2014). Seo and Dinwoodie considered supply chain management a key component of competitive advantage, but a firm's supply chain management efforts must connect with striving to improve overall productivity and profitability through the internal supplier and customer integration. Saldanha, Mello, Knemeyer, and Vijayaraghavan (2015), using a grounded theory study, interviewed 50 supply chain managers to develop an institutional theory perspective on implementing supply chain technologies in emerging markets. Saldanha et al. found that firms in emerging markets that were early adopters of supply chain technology experienced unmet expectations of the SCT implementation, suggesting the need for additional research in this area.

Understanding industry fragmentation. Porter (1980) described a fragmented industry as an industry in which no distinct firm holds enough market share to strongly influence industry outcomes. Freelance service providers, who work independently of the established firms in an industry, frequently dominate fragmented industries (Ceci & D'Andrea, 2014). Many large companies have moved away from the rigid hierarchical integration of their supply chains in favor of fragmented networks.

Although the reasons for fragmentation of an industry may vary, such as the lack of resources to make the necessary strategic investments or myopic or complacent behavior on the part of incumbent firms, economic forces are often the underlying causes

(Porter, 1980). One or more of a host of economic causes, including but not limited to the following, accompanies fragmentation.

- *low entry barriers* (true of nearly all fragmented industries), which explains why fragmented industries become populated by so many small firms,
- *high exit barriers* (which can cause marginal firms to stay in the industry),
- *an absence of economies of scale or experience curve* (such as the economies of scale accessed by major recording labels regarding music marketing and distribution),
- *diverse market needs* (such as the fragmented tastes of music consumers regarding what they desire of their music experience, such as free downloads), and
- *newness* (if no firm or firms have yet acquired the skills and resources to command a significant market share (Porter, 1980).

Competing in fragmented industries. Overcoming fragmentation requires ingenuity and creativity in finding ways to deal with the root causes of fragmentation (Porter, 1980). For example, innovations that create economies of scale or a significant experience curve (particularly in marketing) can spur industry consolidation (Porter, 1980). When the causes of industry fragmentation center on the production or service delivery process, firms should decouple their production from the rest of their business (Porter, 1980). Brown (2015), questioning whether industry structure leads to collective behavior, determined that firms in fragmented industries tend to engage in franchising to gain industry level power through collective action.

Laakso and Nyman (2014) advocated standardizing industry practices as a means of mitigating both technological and market fragmentation. A *standard* is an approved specification of a limited set of solutions to actual or potential matching problems intended for widespread use across an industry platform (Laakso & Nyman, 2014). Standardization helps reduce diversity in situations where multiple solutions to a specific problem compete (Laakso & Nyman, 2014). Laakso and Nyman cited standardization in the global video game industry in which the combined industry revenues in 2013 totaled $93 billion USD. That figure amounted to more than the global box office revenues for films ($35.9 billion) and recorded music sales ($15 billion) combined for that same year. Standardization opened the video gaming industry to third party development, and technological innovations enabled the spanning of platforms, making games easier to develop for multiple standards and more available across several platforms (Laakso & Nyman, 2014).

Maintaining communication and cooperation is another effective way to address fragmentation (Blokker, Bek, & Binns, 2015). In the Agulhas Plain, in the Cape Floristic Region in South Africa’s Western Cape Province, the wildflower harvesting industry provides for the livelihoods of farmers from poor households and communities where the unemployment rate approaches 80%. Intense competition among the farmers resulted in fragmentation of the industry and a breakdown in communication (Blokker, Bek, & Binns, 2015). Based on interview data and meetings they conducted with stakeholders, Blokker, Bek, and Binns argued that the wildflower industry needed to restore communication and cooperation to address their shared challenges collectively.

Business model innovation and new market creation. To achieve successful business model innovation, creating a new business model is a more advisable strategy than to trying change an existing business model (Christensen, Bartman, & van Bever, 2016). Baden-Fuller and Haefliger (2013) conducted a study on business models and technological innovation to determine the components of a business model and to understand how business model innovation occurs. They eventually defined the term business model in the context of what a business model should help a firm accomplish. According to Baden-Fuller and Haefliger (2013), the business model should serve as a tool to help firms identify who their customers are, engage with their customers' needs, deliver satisfaction, and monetize the value. Moreover, a business model should link the firm's value creation activities and its value capture activities. Effective business model innovation should involve mediating the link between technology and firm performance and address issues of openness and user engagement (Baden-Fuller & Haefliger, 2013). Moyon and Lecocq (2015) advanced the notion of reinventing business models to create new sources of value. Moyon and Lecocq explained that an emerging firm would be ill-advised to attempt to compete with an incumbent firm using strategies based on the incumbent's sustaining business model. Building a cost advantage that is based on a different and conflicting business model gives disruptors the best chance of moving upmarket and eventually displacing incumbents (Markides, 2013).

Ciutiene and Thattakath (2014) and O'Connor and Rice (2013) suggested that people should no longer think of disruptive innovation only regarding its business model disrupting abilities, but regarding its potential uses for business model innovation and competitive strategy formulation. Christensen (2016) explained that disruptive innovation in the hands of industry leaders can serve as a strategic tool in the management of disruptive technologies. He encouraged strategists to seek opportunities to create disruptive innovation. Gans (2016) explored company options for avoiding potential disruption. Gans stated that to avoid potential disruption companies can either invest aggressively in the latest technology, acquire, or cooperate with the market entrant, or leverage critical assets that entrants lack to buy themselves time.

Christensen (2016) noted that company leaders should learn to anticipate disruption and respond proactively (or perhaps disruptively) to the challenges of managing disruptive change. Christensen explained that the attributes that caused disruptive technologies to be unattractive to managers in established markets are the same attributes that managers in emerging markets found of greatest value. Christensen, by studying how successful managers harnessed disruptive principles and used them to their advantage, learned that successful managers embedded projects to develop and commercialize disruptive technologies. These managers aligned disruptive innovation with what Christensen termed the right customers to increase customer demand. Successful managers presented disruptive projects to organizations that were small enough to appreciate small opportunities and small wins. In addition, when seeking to commercialize disruptive technologies, successful managers actively identified or established new markets that valued the attributes of the disruptive products (Christensen, 2016).

Sun (2013) published a warning regarding a phenomenon called “herd behavior’ in the adoption and continued use of technology. Sun explained that people often embrace and adopt innovative technologies (such as Amazon’s Kindle, or Apple’s iPad, iPhone, or iPod) in imitative patterns like the adoption of new fashion trends. Just as prevailing fashion trends might be in one day and out the next, abandonment of the latest technologies might occur in similarly imitative patterns (Sun, 2013). In other words, regarding the adoption and rejection of the latest technologies, people tend to herd together imitating each other’s choices, following the crowd, and doing what everyone else is doing, only to abandon those same technologies later. Sun explained that, creating herding effects can have a dramatic effect on boosting the potential for adoption of an innovative technology because early adopters often determine the choices and initiate the trends that others follow. Perhaps such herd behavioral considerations can help predict the longevity of disruptive trends in the music industry, such as the free downloading of music and DIY music releasing behaviors.

Rethinking business models in creative industries. Due to ever changing market linkages and technologies that transformed how consumers access and use creative content such as music, films, and software, leaders in these creative industries had to rethink their business models to remain profitable and competitive (Moyon & Lecocq, 2015). Throughout the extant literature, a new school of thought is emerging regarding competitive strategy formulation. Companies that want to create new growth businesses should out seek disruptive opportunities and develop disruptive business models to exploit those opportunities (Moyon & Lecocq, 2015; Robles, 2015).

Business leaders, most likely spurred by Christensen's (1997) seminal book *The Innovator's Dilemma*, have long debated the advantages of firms being customer-oriented. Strategists trapped in traditional business mindsets might find the prevailing schools of thought regarding profit disconcerting because profit motives are no longer the sole consideration leading strategy formulation (Robles, 2015). The cost structure, operating processes, and distribution system of an effective disruptive business model results in thinner profit margins but higher net asset turns (Robles, 2015).

Bourreau, Gensollen, Moreau, and Waelbroeck (2013) presented a similar *thinner profit margin yet higher net asset returns* type of thinking in their study on the impact of digitization on record companies. Bourreau et al. found that adaptation to digitization has a strong and positive impact on the numbers of new albums produced, though no net effect on the sales of record companies. In other words, labels that adapt to digitization tend to release more new albums (the creative output) but sell fewer units of the new albums they release (the commercial output). Bourreau et al. described this improvement in digital efficiency (though perhaps unconventional) as *selling less of more*.

In a study on the carnival sector of the entertainment industry in Trinidad and Tobago, Francis (2015) presented a case for channeling creative industries into a viable industry sub-sector within a diversified economy. Perhaps a person could make a similar case for channeling the home recording studio business, as an emerging creative industry, into a viable sub-sector of the music recording industry. According to Francis, not only were the creative industries in Trinidad and Tobago thought to account for higher than average growth and job creation, they helped frame the country's cultural identity and fostered cultural diversity. Francis explained that creative industries, particularly in small island developing states, are based on an essential renewable resource - human capital.

Competitive strategy formulation. Regarding current trends in competitive strategy formulation, the commitment of resources toward the development of new business divisions specifically empowered to think differently is evidence of a trend toward the creation of a top-down corporate climate of disruptive thinking. Ciutiene and Thattakath (2014) spoke regarding creating disruptive innovation by exploiting a firm's dynamic capabilities, which is the firm's capacity to purposefully create, extend, or modify its resource base. Christensen and Euchner (2011) explained how to identify disruptive opportunities and how to craft strategies to exploit them.

Crockett, McGee, and Payne (2013) used a cross-sectional survey research design to study the interplay between characteristics of the corporation and the venture management team. Crockett et al. (2013) suggested that to understand the mechanisms needed to increase the success of their corporate ventures better, a business leader should consider the corporate characteristics of the firm alongside the characteristics of the venture management team. Also, to exploit disruptive innovation and improve the performance of corporate ventures, incumbent firms should establish entirely new business divisions and extend decision autonomy to the venture management team (Crockett, et al., 2013). Jameson (2014) also recommended that firms develop smaller business units within their existing business structure to incubate innovation. In an interview with Denning (2016), Christensen explained that companies not driven by the goal of short-term profitability could create value by adopting the goal of continuous innovation and engage in disruption without setting up separate business units.

Sometimes, successful competitive strategy formulation results from activities that defy popular logic. For example, despite the serious penalty for willful copyright infringement of up to $25,000 and one year in prison, records of devastating revenue losses date back to the 1960s, when an underground *bootleg* industry wreaked havoc on the record industry (Melton, 2014). The annual data for pirates and counterfeits increased from $20 million lost to the industry in 1960 to more than $500 million by the end of the 1980s (Melton, 2014). On October 19, 1976, President Gerald Ford signed into law a complete revision of copyright law (Melton, 2014). Then in 1992, via a series of home taping hearings, Congress acted to affirm the right of consumers to engage in analog taping for personal use (Drew, 2014). During that time, cassette tapes were the ideal open format medium for sound recording and playback for personal use and combination cassette-radio units became popular compliment devices because they permitted consumers to record music as they listened (Drew, 2014).

With onset of widespread online peer-to-peer (P2P) file sharing, music industry officials again experienced a sizeable drop in music sales, which they blamed on piracy and intellectual property rights infringements (Hong, 2013). In an unprecedented attempt to deter piracy industry officials sued thousands of individual consumers who shared digital music online (Vermeulen, 2014). To protect against further losses, the big record companies (Sony, EMI, Warner, and Universal) embedded a digital rights management (DRM) technology into all their music files purchased online, that made the copying of music files virtually impossible (Vermeulen, 2014). However, in 2007, EMI made a completely unexpected move that sent their record sales soaring. EMI removed the DRM restrictions and re-enabled consumers to search and share music digital files, and their three competitors also removed DRM restrictions two years later (Vermeulen, 2014). Further investigation into the matter revealed that removing the DRM restrictions stimulated the sales of lower-selling albums by approximately 30%. Apparently, granting consumer access to sample products allowed people to discover fringe artists or rediscover old artists (Ciutiene & Thattakath, 2014).

Online sharing and distributing of music via the Internet have changed the traditional role of users in music distribution (Lu, 2015). The music industry is shifting from an ownership-based access model to a context model that creates value by empowering music consumers to do things with music rather than simply providing them access to sample products (Redhead, 2015). The music industry is moving toward the development of an interactive music release format that invites user participation via sanctioned consumer access (Redhead, 2015). Some copyright holders; however, provide free music to encourage online music sharing, but they do so without controlling access to their music in any way (Lu, 2015). Unrestricted access to music offers music owners no means of protection from rampant copyright infringement (Lu, 2015). Lu (2015) envisioned a technological safe harbor for both users and cloud service providers that would make users and cloud service providers immune from copyright liability so long as they follow certain rules. Lu's (2015) access control system would empower cloud service providers to distinguish high aural-quality music files from low aural-quality music files and make only low aural-quality music files accessible for sharing, since music with low aural quality music has limited economic value.

Building a durable and lasting artist brand. There is a growing trend in the music recording industry toward music artist building their own brands and creating businesses to support those brands. Artists are increasingly using either their true names, stage names, or the music they create, as branding platforms to promote their music or acquaint audiences with their lifestyles (Gloor, 2014). According to Perice (2012), the strategy for building successful music careers in the 21 century is the combination of artistry and entrepreneurship or *strategic brand management*. Making albums and selling records in not enough. Each music artist must build a business to support his or her brand (Pierce, 2012). Perice highlighted the career of successful music mogul and entrepreneur Shawn Carter (better known as Jay-Z) whom she quoted as saying, “I’m not a businessman, I’m a business, man” (Perice, 2012, p. 234).

Transition

A summary of the contents of Section 1 is as follows. Since the early 1980s, the competitive landscape of the music recording industry has changed dramatically. This change was due largely to disruptive innovations that lowered key entry barriers and spurred a massive influx of home recording studio businesses into the music recording business. This disruptive technological change affected both the music distribution model and the music recording model. The results included,

- the decline of both the traditional recording company and the traditional commercial recording studio,

- fragmentation of the music recording industry,
- the decline of specialized professionals, and
- the rise of the musician-engineer (Pras & Guastavino, 2013) as a multi-skilled professional.

Bell (2014) referred to this combined role as a musician-engineer hybrid role. Bell attributed this change to the emergence of the DAW, which enabled home recording studio owners to rival the sonic results of the professional recording studio. The specific business problem presented in section one is *some home recording studio owners lack strategies to compete in the fragmented music recording industry*.

I conducted a thorough review of the professional and academic literature to determine the relevancy of the literature regarding the home recording ownership phenomenon. The major elements of this review of the relevant prior literature included a critical analysis and synthesis of the literature regarding disruptive innovation theory (Christensen, 1997/2016) and the five competitive forces conceptual framework (Porter, 1979). I used information derived from this review to inform the interview questions and the overarching research question for this study. The specific focus centered on

- the use of low-end market disruption and the subsequent move upmarket as a proven way for small emergent firms to displace large incumbent firms and
- perspectives on how the changing structure of the music recording industry and the redistribution of power from the hands of industry incumbents to individual music artists contributed to the emergence of a DIY home-based music recording industry subset.

Section 2 includes details regarding the research method, research design, target population, sampling strategy, data collection techniques, data collection instruments used, data analysis techniques, and the specific quality indicators used.

Section 2: The Project

This section contains the plan I used for conducting the research project. In this section, I present the research methodology, research design, ethical considerations, measures used to mitigate researcher bias, and measures used to maintain confidentiality and protect human subjects. Also included are the strategies used to increase the trustworthiness, transferability, and reproducibility of the research study.

Purpose Statement

The purpose of this qualitative multiple case study was to explore strategies that well-established home recording studio owners have used to compete in the fragmented recording industry. The target population consisted of home recording studio owners in a city in the southeastern United States who competed for at least five years under the conditions of industry fragmentation that followed the 2011 collapse of the recording industry's *Big Four* oligopoly. The study population consisted of four home recording studio owners, each of whom had run an established home studio business for over 10 years. The participants had insight from their experiences about how they survived in their fragmented industry sector with no distinct industry leader in place to influence trends in the marketplace. The implications for positive social change include the economic empowerment for aspiring entrepreneurs by presenting home recording studio ownership as an innovative home-based businesses option for creating new jobs and helping strengthen the local economy.

Role of the Researcher

The primary role of the qualitative researcher is to serve as the data collection instrument (Cheraghi, 2014; Kyvik, 2013; Malagon-Maldonado, 2014; Sanjari, Bahramnezhad, Fomani, Shoghi, & Isaacs, 2014; Yilmaz, 2013). For this study, I served as the primary data collection instrument, conducting the initial interviews, summarizing, and interpreting participant responses, and verifying that my interpretations reflected the participants' perceptions. Additional sources of data collection for this study included documentation and direct observations of the participants in their natural setting, with field notes describing those observations. According to Isaacs (2014), Kyvik (2013), and Malagon-Maldonado (2014), these are the types of responsibilities typically comprising the role of the researcher serving as the data collection instrument.

In full disclosure of my relationship with the research topic, I am a home recording studio owner with over 20 years of experience operating a home recording studio in the same geographic area in which the study participants reside. Biases could have affected my view of the modern music recording industry. However, I adhered to the ethical principles and guidelines for the protection of human subjects of research (Belmont Report, 1979) by

- acknowledging and respecting the autonomy of all study participants while specifically protecting those participants with diminished autonomy (if any),
- treating all participants in an ethical manner, respecting their decisions, protecting them from harm, and making reasonable efforts to secure their well-being,

- extending acts of kindness or charity that go beyond strict obligation,
- securing informed consent prior to participation, while allowing participants to decline participation or voluntarily withdrawal from the research study at any time (before or even during the study) without the threat of penalty or retaliation, and
- maintaining the confidentiality of all study participants, through the assignment and use of pseudonyms and the intentional omission of any information or other materials that could potentially disclose the identity of any study participant.

Additionally, I took steps to mitigate bias. Case study researchers are prone to supporting a preconceived position (Yin, 2014). Researchers' should not allow what they understand about their research topic to lead them toward supportive evidence and away from competing evidence. Researchers can avoid bias by remaining sensitive to contrary evidence and knowing how to conduct research ethically (Yin, 2014). Therefore, I attempted to clear my mind of any preconceived positions and approach the interpretation of the data as naively as possible while remaining sensitive to the possibility of data or perspectives emerging that might expose contrary evidence.

Despite my efforts, it is possible to introduce researcher bias inadvertently, even during the designing (including the wording and the posing) of survey or interview questions (Yin, 2014). However, grounding research questions in the literature can help mitigate researcher bias and lead to the development of questions that answer gaps in the literature, thereby creating meaningful data (Jacob & Furgerson, 2012), though researchers must be careful to avoid inadvertently introducing a bias toward only looking for what is in the literature. To help mitigate researcher bias and avoid viewing data through my personal lens, I incorporated insight gained from literature to help me formulate effective open-ended interview questions; disclosed to the participants my experience as a home recording studio owner; cleared my mind of any preconceived notions and approached the interpretation of the data as naively as possible. I also remained sensitive to data or perspectives that might expose contrary evidence; conducted the research as ethically as possible; and developed and followed an interview protocol.

Qualitative researchers use some form of interview or case study protocol to guide them through data collection or their entire case study (Jacob & Furgerson; Yin, 2014). Using a protocol can guide data collection for a study and help increase the reliability and validity of case study research (Yin, 2014). Therefore, I used an interview protocol (see Appendix B) to guide me through the data collection process, allowing insight from the literature to inform the creation of that interview protocol. I encouraged the participants to lead the discussion in whatever direction they wanted, or to even change directions if they desired, by prompting them using phrases such as “Tell me about” (see Jacob & Furgerson, 2012).

Additionally, becoming a good listener and asking good questions can help researchers prevent their personal experience or perspectives on the topic from overshadowing participants’ responses (Jacob & Furgerson, 2012; Yin, 2014). It is important for researchers to gain insight from the participants’ point of view without influence from their own point of view (Malagon-Maldonado, 2014). To accomplish this, researchers should permit interviewees to somewhat control the direction of the conversation (Dexter, 2008). By having some control over the direction of the discussion the interviewee might teach or lead the interviewer into a newer understanding of what the true problem, question, or situation is. This approach can also make the interviewee more willing to provide information he or she might not share otherwise. The interviewee might also answer questions that the interviewer did not realize were important to ask, providing a new line of inquiry for subsequent interview questions (Dexter, 2008). Conversational style interviewing allows participants to steer the conversation and bring up ideas, impressions, and concepts the researcher might not have thought of previously (Isaacs, 2014). Therefore, I followed previous researchers' suggestions to use open-ended questions to spur in-depth discussion by interviewees (Denzin & Lincoln, 2011; Dexter, 2008; Yin, 2014).

Participants

Eligibility Criteria

When defining the target population for a research study, selecting a purposive sampling strategy allows researchers to specify categories of persons from which a smaller study sample will come (Robinson, 2014). For example, the target population for this study was all studio owners in a city in the southeastern United States who met the eligibility (inclusion) criteria. Purposive sampling reflects the researcher's selection of a case that will illuminate the theoretical proposition of his or her case study (Yin, 2014). The more inclusion and exclusion criteria, the more homogeneous the target population becomes (Robinson, 2014). For this study, the purposive sampling strategy involved two inclusion criteria for participation in the study. To meet the eligibility requirements within the scope of the population identified, each study participant (a) must have owned and operated a home recording studio in the target area for a minimum of five years, under the conditions of industry fragmentation that followed the 2011 collapse of the recording industry's Big Four oligopoly; and (b) must have actively operated a home recording studio as a for profit business involved in the provision of music related goods or services to consumers. The five-year minimum home studio ownership criterion served to confirm the participants as established home studio owners and potentially information-rich contributors to the study. The active operation of the home studio business served as a measure of proof of the studio owners' perceived abilities and incentive to operate competitively in the market. These eligibility requirements aligned with the overarching research question: What strategies do well-established home recording studio owners use to compete in the fragmented recording industry?

Gaining Access to Participants

The strategy to gain access to participants from the target population was snowball sampling, which involves cases (believed to be information-rich) identified from people who know people who meet or exceed the predetermined inclusion criteria (Emerson, 2015; Robinson, 2014; Yin, 2014). The study participants themselves can recommend additional people for the interviewer to interview and possibly identify other sources of evidence (Yin, 2014). To gain initial access to people who might know people believed to be information rich, I gained referrals from my colleagues in the home studio business, recording musicians, and artists who completed their recording project(s) in a home recording studio. My secondary strategy involved collecting business cards, brochures, and other contact information of musicians, singers, and recording studio owners from the promotional posting boards of local music stores and similar places where music professionals hang out and network. The nature of this study was voluntary with no incentives for participation offered.

Strategy for establishing a working relationship with participants. To help researchers establish a good working relationship with participants, they can use a case study or interview protocol (Yin, 2014). Additionally, researchers should exercise good listening skills and not allow their personal perspectives on the research topic to eclipse the perspectives of the participants (Yin, 2014). Researchers should also follow an interview protocol to let interviewees somewhat control the direction of the discussion (Dexter, 2008). To establish a working relationship with the participants, I designed and followed an interview protocol based on suggestions from previous researchers such as constructing interview questions that allow the interviewee to provide a fresh perspective on the topic (Yin, 2014); establishing neutrality and attempting to speak the informant's language regarding the study topic (Dexter, 2008); and encouraging participants to initiate in-depth discussion about a topic by beginning some interview questions with "Talk about" (Jacob & Furgerson, 2012). I set up a working relationship with the participants to mitigate researcher bias and capture rich data reflective of each participant's perspective, helping ensure data saturation.

Research Method and Design

This section contains a description of the research method chosen for this study and my justification for it over other research methods. Also presented is a similar description and justification for the research design chosen for this study.

Research Method

This study followed a qualitative research method. The social constructivist philosophical worldview assumptions I brought to this study influenced my decision to choose a qualitative approach instead of a quantitative or mixed methods approach. Social constructivists seek understanding of the world in which they live and work (Cunningham, 2014; Denzin & Lincoln, 2011; Yilmaz, 2013). I desired to understand the factors that influence competitive strategies in the fragmented recording industry from the perspectives of other experienced home recording studio owners. It is important to integrate these philosophical and practical elements into social research design (Cunningham, 2014; Yilmaz, 2013).

Since the early 1990s, qualitative researchers have listed ontology, epistemology, and methodology as philosophical assumptions that are instrumental for qualitative research methods and designs (Cunningham, 2014; Denzin & Lincoln, 2011; Yilmaz, 2013). Qualitative approaches are useful when little information exists about a subject or when the researcher's aim is to understand the phenomenon from the participants' perspectives (Malagon-Maldonado, 2014). I chose a qualitative methodology over quantitative or mixed methods approaches because the latter methodologies involve a priori theories and typically require the developing and testing of hypotheses (see

Cunningham, 2014; Denzin & Lincoln, 2011; Yilmaz, 2013). Quantitative methodologies are also generally unsuitable for studying social phenomena that someone cannot reduce into isolated variables (Yilmaz, 2013). For this study, little information existed, there were no hypotheses to test, and I could not reduce the phenomenon into isolated variables.

Research Design

The research design for this study was a multiple case study. It is common for researchers developing case studies to be familiar with the case before beginning the study (Malagon-Maldonado, 2014). As an experienced home recording studio owner, my familiarity with cases that met the eligibility criteria for participation aligned with the case study design. Additionally, case study research is the preferred approach when examining contemporary events over which the researcher has no control over participant behaviors (Yin, 2014). When I explored the strategies used by experienced home recording studio owners to compete in the fragmented recording industry, I had no control over their experiences.

Phenomenology. Phenomenology is more of an approach to philosophy than a specific qualitative research method (Malagon-Maldonado, 2014). The phenomenological approach centers on describing the essence of the lived experience with the phenomenon from the perspective of individuals with direct experience with the research phenomenon (Malagon-Maldonado, 2014). Phenomenologists typically use interviews as their primary means of data collection, so I did not choose a phenomenological design because I used multiple forms of data collection to achieve methodological triangulation. This is why I chose a case study design, because it allows researchers to use of a greater variety of evidence than other qualitative research designs such as documentation, archival records, interviews, direct observations, participant observations, and physical artifacts such as films, photographs, videotapes, or audio recordings (Yin, 2014).

Ethnography. Ethnography (among the oldest of the qualitative methods) is the in-depth description of a group, culture, or behavior, from the perspective of the participants (Malagon-Maldonado, 2014). The desired outcome of ethnography is to derive an understanding of cultural rules, norms, and routines (Malagon-Maldonado, 2014). Ethnographies require extensive observational evidence. Researchers immerse themselves in the culture they study for prolonged periods of time (sometimes months or years) to see the world from the cultural members' points of view (Malagon-Maldonado; Yin, 2014). Because home studios are, by definition, positioned inside people's places of residence, I rejected the ethnography approach because I considered the amount of prolonged immersion required in each participant's private home studio too impractical a request.

Narrative. Narrative researchers work closely with study participants for prolonged periods of time to capture their stories and engage in storytelling of their lived experience (Denzin & Lincoln, 2011). In narrative research, researchers focus primarily on interview data and not on other forms of data collection that could be used to help corroborate the interview data (Yin, 2014). Using a narrative approach would result in a shift from a traditional theme-oriented method of analyzing qualitative material (Denzin

& Lincoln, 2011). Therefore, I rejected the narrative design in favor of the qualitative case study.

Measures to Ensure Data Saturation

A fundamental objective of the qualitative researcher is to capture, understand, and descriptively communicate the research phenomenon, as through the eyes of the participant (Englander, 2012). The challenge was to do so in a manner that credibly mitigated the researcher bias admittedly inherent to qualitative research. However, researcher bias was not the only obstacle to overcome regarding capturing this idyllic emic perspective (Malagon-Maldonado, 2014). Getting participants to become comfortably engaged in the interview and to share their stories end experiences with the phenomenon openly and honestly presented an entirely distinct set of challenges. In qualitative research, during initial interviews, it is not uncommon for participants to offer only surface level information during initial interviews (Fusch & Ness, 2015).

Jacob and Furgerson (2012) recommended that researchers develop interview protocols, and they presented tips for active listening, effective question formatting, and conducting effective interviews. Dexter (2008) recommended allowing the interviewees to control the conversation and (to a degree) steer the direction of the interviews. Dexter explained that, by allowing the interviewees to steer the conversation, the interviewer could potentially learn from the interviewee what the true problem is or questions to include in later interviews that he or she never even considered. To ensure data saturation, I set aside my personal preconceived notions, asked probing follow-up questions, listened actively to the participants' responses, followed an interview protocol, and disclosed my relationship with the home recording studio phenomenon.

Sample size considerations. According to Fusch and Ness (2015), data saturation occurs when there is no new data to collect, no new themes emerge, no further coding is feasible, and the ability to replicate the study exists. Researchers can achieve data saturation by collecting more in-depth information from a small number of information-rich participants than is achievable with less in-depth data from a larger number of participants (Fusch & Ness, 2015). Fusch and Ness (2015) explained that (a) data saturation occurs more readily for a small study than for a large study, and (b) there is no one-size-fits-all solution, but (c) failure to reach data saturation negatively impacts the validity of one's research study results. Based on this rationale, I focused on collecting in-depth information from three to five information-rich participants rather than gathering shallow information from many participants. Each participant in the study had owned a home recording studio for longer than 10 years, making them presumably information-rich contributors to the study. To help ensure data saturation, during the interviews, I allowed the participants to do most of the talking, with me asking probing follow-up questions as needed to ensure indepth discussion of each topic. After interviewing the first three participants and analyzing the data, I began interviewing one additional participant at a time until no new data, new coding, or new themes emerged during data analysis and interpretation. After interviewing the fourth participant, with no new data, themes, or coding emerging, I felt confident about having reached data saturation.

Procedure for collecting other forms of data. Documentation (as available) and direct observations of the participants in action in their natural setting served as other forms of data collection for this study. Researchers can use items such as flyers, brochures, business cards, or online materials, along with field notes of the observations to develop converging lines of inquiry to corroborate the interviews and strengthen the validity of the findings (Yin, 2014). Denzin and Lincoln (2011), Jacob and Furgerson (2012), and Yin (2014) recognized direct observations and documentation as acceptable sources of data collection in qualitative studies.

Population and Sampling

Number of Participants

Defining the sample universe. The population from which I drew the sample was all the home recording studio owners in a city in the southeastern United States who met the minimum inclusion criteria established for the multiple case study (see the participant criteria header that follows). Robinson (2014) referred to the process of delineating the total population of possible cases for the sample as *defining the sample universe*. I estimated that there were approximately 40 official home recording studio businesses in the target population for which the studio owners met the participant criteria.

Sampling method. I used a snowball sampling strategy to physically locate and actively recruit a small sample of four qualified home recording studio owners from the larger sample universe to participate in the study. Though a purposeful sampling strategy would also have been an appropriate consideration, I decided to use a snowball sampling strategy with inclusion criteria to more easily locate potentially hard-to-find participants who might comprise part of a suspected hidden population. To initiate the snowball process and locate my first participants, I asked my colleagues who own home recording studios and professional musician friends who have recorded in home studios to recommend acquaintances who might qualify for participation. To qualify, each potential participant must have owned and operated a home recording studio as a business, providing music related goods or services to consumers, for a least five years following the 2011 collapse of the recording industry's controlling oligopoly. A detailed delineation and justification of the inclusion criteria appears under the header *participation criteria*. Emerson (2015), Robinson (2014), and Yin (2014) described snowball sampling in terms of people (including active study participants) who know other people who meet or exceed the minimum inclusion criteria for identifying cases (people) believed to be information rich. According to Yin (2014), the active study participants themselves can recommend other people for the interviewer to interview and possibly suggest other sources of evidence. To increase the effectiveness of the snowball sampling efforts, Dexter (2008), recommended that researchers ask the identified study participants to ask their friends and colleagues to participate in the study as a personal favor. However, I avoided asking identified study participants to ask their friends and colleagues to participate as a personal favor to eliminate the potential for perceived coercion. My initial contacts with potential participants occurred via email using a separate invitation letter that referenced an attached informed consent form preapproved for this study.

Number of participants. Robinson (2014) recommended that, instead of reporting a fixed sample number, researchers give an approximate range with a maximum and minimum value to build enough flexibility into the study. To that end and focusing more on the composition of the sample than the size of the sample, I projected recruiting a sample size of three to five participants from the identified target population. Elo, Kaariainen, Kanste, Polkki, Utriainen, and Kyngas, (2014), Fusch and Ness (2015), Ingham-Broonfield (2015), and Robinson (2014) suggested that collecting in-depth data from a few knowledgeable participants would yield better results than collecting scant data from many participants. Fusch and Ness (2015) stated that researchers should focus more on the composition of their sample than the size of their sample, as the former will affect the richness of the data far more than the latter. The actual sample size collected was four participants, which fell well inside the projected range of three to five participants authorized for the study.

Ingham-Broonfield (2015) noted that qualitative sample sizes tend to be small, and that selecting cases based on specific inclusion criteria helps ensure that the sample consist of participants who are knowledgeable about the phenomenon under study. Robinson (2014) stated that the use of participant criteria also helps the researcher increase the homogeneity of the target population along key lines of interest. The consensus among qualitative researchers such as Elo et al. (2014), Ingham-Broonfield (2015), and Robinson (2014) was that, when contemplating the appropriate sample size, data saturation (not sample size) is the principal factor to think about. For these reasons, I believed that a sample size of three to five cases (that met or exceed the inclusion criteria) was appropriate for this doctoral study. After recruiting and interviewing the first three participants, a challenging task given that few home studio owners approached consented to participate, I began to analyze the data and found some distinct themes emerging. I decided to increase the sample size in increments of one case at a time until reaching the point of data saturation. Analysis of the data from the fourth case yielded no new coding, and the overall findings aligned directly with the themes that emerged initially.

Strategy to ensure data saturation. Fusch and Ness (2015) reported that, when considering measures to ensure data saturation, the richness (quality) of the data collected is far more important than the thickness (quantity) of data collected. Fusch and Ness also reported that the researcher can consider the point of data saturation reached when no dew data exist, no new themes emerge, no new coding is feasible, and the ability to replicate the study exist (given the same participants, the same questions, and the same timeframe). Three established practices for helping researchers reach data saturation are, (a) using inclusion criteria to recruit information-rich participants, (b) methodological triangulation based on multiple sources of data collection, and (c) member checking of the data interpretation (Elo et al., 2014; Fusch & Ness, 2015; Ingham-Broonfield, 2015; Robinson, 2014; Yin, 2014). One thing these popular practices have in common, as an apparent requirement for ensuring data saturation, is they aid researchers in the collection of rich in-depth data. To ensure data saturation for the multiple case study, I focused more on the composition of the sample than the size of the sample, and on employing practices well-known for delivering rich in-depth data. I believed that using a small sample, consisting of three to five information-rich participants, supports the multiple case study design, and presents the best opportunity to reach data saturation.

To ensure data saturation, I narrowed scope of the study and recruited, from the target population, a small sample of four home recording studio owners who met the established participant inclusion criteria. The intent was to establish a degree of homogeneity regarding the participants' shared experiences with the home studio phenomenon under study. In a familiar, comfortable, and distraction-free interview setting, each participant responded to an identical list of probing, open-ended, semi-structured interview questions (presented in the same order) regarding his or her experiences competing in the fragmented recording industry. After conducting the initial interviews, I interpreted what each participant shared, and then share the respective interpretations with each participant for validation. The emphasis of this verification measure centers on whether the researcher's interpretation of what the participant said validly reflects not only what the participant said but what he or she intended (Shenton, 2004). Shenton noted that member checking should go beyond simple transcript review and reflect verification of researcher's emerging theories, interpretations, and inferences formed during the dialogues.

Finally, to corroborate the interview data and strengthen the trustworthiness of the findings, I conducted methodological triangulation using multiple sources of data collection. According to Fusch and Ness (2015), a direct link exists between data triangulation and data saturation in that data triangulation, or more specifically methodological triangulation (used to correlate data from multiple data collection methods), ensures data saturation. Given that the participants each confirmed that my interpretations correctly reflected their intended responses to the interview questions, and given that no additional information, new coding, or new themes emerged, and the ability to replicate the results seemed possible, data saturation appeared confirmed.

Criteria for Selecting Participants and Interview Setting

Participant criteria. Each participant had to have owned and operated a home recording studio in the target area for a minimum of five years under the conditions of industry fragmentation that followed the 2011 collapse of the recording industry's Big Four oligopoly. Additionally, each participant had to have actively operated his or her home recording studio as a for profit business involved in the provision of music related goods or services to consumers. The five-year minimum home studio ownership criterion served to confirm the participants as established home studio owners and potentially information-rich contributors to the study. The active operation of the home studio business served as a measure of proof of the studio owner's perceived abilities and incentive to operate competitively in the market. For these reasons, I believed the participant criteria were appropriate to the study and that the population aligned with the overarching research question; What strategies do well-established home recording studio owners use to compete in the fragmented recording industry?

Interview setting. I conducted each interview in the participant's home studio because I needed a setting that was as quiet, comfortable, and distraction-free as possible, preferably a setting familiar to the participant. Dexter (2008), Jacob and Furgerson (2012), and Yin (2014) recommended that researchers interview and observe each participant in his or her natural setting. I believed that using a home recording studio would provide a natural setting that was quiet, free from distractions and external interruptions, and thus serve as an appropriate interview setting.

Ethical Research

This component details the plan used to protect the human subjects participating in this research study. Throughout the extant literature, researchers such as Denzin and Lincoln (2011) and Yin (2014), suggested that ensuring the safety and confidentiality of research participants is an active (not a passive) process requiring exceptional care and sensitivity. In compliance with the guidelines for the protection of human subjects of research published by the U.S. Department of Health Education and Welfare (Belmont Report, 1979), I adhered to the ethical principles of respect of persons, beneficence, and justice. As explained in the Belmont Report (1979), adherence to the principle of respect of persons helps ensure that researchers treat individuals as autonomous agents and provide persons with diminished autonomy additional protections. Adherence to the principle of beneficence helps researchers ensure that they do no harm, maximize possible benefits, and minimize possible harm. Adherence to the principle of justice requires researchers to treat individuals and groups fairly and equitably regarding bearing the burdens and receiving the benefits of research.

No aspect of the research proceeded before obtaining approval of this plan, through the Walden University Institutional Review Board (IRB), which reviews and approves all research involving human subjects. I followed the guidance and procedures of the IRB to gain its approval. The Walden IRB approval number is 12-20-17-0258182.

Informed Consent

Upon receipt of IRB approval of the data collection process, I began gaining informed consent from all persons who I wanted to be part of the case study. According to Yin (2014), research subjects have the right to information regarding the nature of experiments in which they might become involved and the potential consequences of their participation. According to Denzin and Lincoln (2011), before inclusion in any research study, each participant must voluntarily agree to participate, without psychological or physical coercion. Prospective participants learned the nature and central purpose of the study, the data collection technique, and any known risks associated with participation in the study. There were no known risks associated with participation in the study.

Procedure for Participant Withdrawal from the Study

I informed the participants that they could decline participation, decline to answer any specific questions, or voluntarily withdraw from the research study at any time without the threat of penalty or retaliation. To officially withdraw from the study, participants needed only provide verbal or written notice. Participants withdrawing from the study would have needed to freely surrender any study-related materials in their possession within 48 hours of their withdrawal from the study. This falls in direct alignment with the guidelines of Belmont Report (1979) and the teachings of Denzin and Lincoln (2011), Dexter (2008), and Yin (2014). For these reasons, both the right of participants to voluntarily withdraw from the study at any time and the procedure for withdrawing appeared on the consent form.

Ensuring Ethical Protection of Participants

To ensure the ethical protection of participants, strict adherence to the guidelines of the Belmont Report (1979) prevailed. To that end, I

- acknowledged and respected the autonomy of all study participants and was prepared to protect those (if any) with diminished autonomy;
- treated all participants in an ethical manner by respecting their decisions; protecting them from harm, and making reasonable efforts to secure their well-being;
- extended acts of kindness or charity, where possible, that went beyond strict obligation;
- alerted participants to any known risks associated with participation in this study;
- secured informed consent prior to participation, and reminded participants of their right to decline participation or to voluntary withdrawal from the research study at any time, before or even during the study, without threat of penalty or retaliation; and
- held confident the identities of all study participants, through the assignment and use of pseudonyms and the intentional omission of any material or discussions that could possibly disclose the identity of any study participant.

As an additional measure to ensure the ethical protection of participants (required by Walden University), I completed the National Institutes of Health (NIH) *Protecting*

Human Research Participants Web-based training course and received an official Certificate of Completion.

Incentives for Participation

Participation in this study was on a voluntary basis. The participants received no compensation for taking part in this study. According to Dexter (2008), the greatest value interviewees received is the opportunity to teach or tell people something.

Ensuring Confidentiality of the Participants

To protect the privacy and confidentiality of the study participants, I assigned coded pseudonyms to replace the names of individuals and conceal their true identities. To distinguish between the participants, each pseudonym consisted of a simple (yet strategic) identification code, SO1 (for Studio Owner 1) through SO4 (for Studio Owner 4). In addition, I decided to mask, omit, or physically remove any information that could disclose the identity of any study participant. Examples of the forms used, appear in an appropriately labeled appendix, with their location listed in the table of contents. To further protect the confidentiality of participants, I will maintain the data in a secure and safe place (such as a locked file drawer or similar safe place) for five years. Computerized data files will be password protected.

According to Denzin and Lincoln (2011), regarding addressing the principle of beneficence, investigators must give forethought to the maximization of benefit and the reduction of risks associated with participation in their research studies. According to Yin (2014), nearly all case studies are about human affairs. Yin noted that this human component obligates the researcher to adhere to the highest standards of ethical practice.

Moreover, Yin advised that researchers go beyond the case study design and technical considerations of his book to conduct their case studies with care and sensitivity. Going beyond the considerations of Yin's (2014) book, giving forethought to the maximization of benefit and the reduction of risks (Denzin & Lincoln, 2011), I drew upon my background as a co-published specialist in medical research to inform my decisions. Therefore, every decision included herein represented a combination of information extracted from the Belmont Report (1979), seminal works by Denzin and Lincoln (2011), Dexter (2008), and Yin (2014) respectively, and personal rationale informed by my background in medical research.

Data Collection Instruments

Serving as the primary data collection instrument and guided by an interview protocol (see Appendix B), I used semistructured interviews, direct observations with field notes, and documentation (as available), as multiple sources of evidence. Yin (2014) described the six sources of evidence most commonly used in doing case study research: documentation, archival records, interviews, direct observations, participant-observation, and physical artifacts. For case study research, Yin considered the interview the most important source of evidence, field notes the most common component of a researcher's database and documents an effective way to corroborate and supplement evidence from other sources.

Interviews

Dexter (2008), Jacob and Furgerson (2012), and Yin (2014) recommended that researchers develop and follow interview or case study protocols as a procedural guide for collecting rich data for case study research. Jacob and Furgerson (2012) and Yin (2014) published protocol tips and templates (respectively) for novice researchers to adapt for their own personal use. In social sciences research, the use of semistructured interviews with open-ended questions allows innovative ideas to emerge during the interview (Jacob & Furgerson, 2012; Yilmaz, 2013; Yin, 2014). Dexter (2008) recommended that researchers relinquish enough control over the interview process to allow the interviewees to teach the interviewer what the problem, question, or situation is based on their perspectives and what they regard as relevant.

In accordance with the interview protocol (see Appendix B) the interviewees received enough control over the direction of the interview to ensure that the data collected reflects their perspectives on the home studio phenomenon and not my own. This helped mitigate the researcher bias inherent to qualitative inquiry. Throughout each interview, I posed probing follow up questions (as needed) to clarify information or encourage more detailed discussions of the subject matter and thereby aid in the collection of rich data. I audio recorded each interview using a standard laptop computer (with a built-in microphone) pre-loaded with the free software recording application, *Audacity*. Speaking from years of personal experience using this software application, I knew that using this user-friendly software recording application would allow me to easily monitor the ongoing recording activity (particularly the recording level and signal strength) during each recording with just a glance at the waveform characteristics on the computer screen. A hand-held digital recorder that was preloaded with new batteries just prior to each interview, served as a backup recording device.

Direct Observations

Direct observations are another data collection source appropriate for qualitative studies (Denzin & Lincoln, 2011; Jacob & Furgerson, 2012; Yin, 2014). According to Yin (2014), observational evidence can provide additional information about the topic under study and convey vital information to outside observers. Yin (2014) stated that observations are so important that taking photographs at the fieldwork site (if permitted) is worth considering. For the case study, I conducted direct observations of the home studio owners in action in their natural setting and observed the participants' behavior in response to each question. I paid attention to the participants' subtle nonverbal behaviors such as hesitation to answer a question or any seeming discomfort with a topic and probed to learn more as per the interview protocol (see Appendix B).

Documentation

Yin (2014) stated that documentation can provide additional evidence to corroborate information from other sources. I collected business cards, brochures, and similar point of contact (POC) information, and searched for online materials from the company websites and social media pages to help corroborate information from other sources. Given that home recording studio businesses are also home-based businesses, documents containing information of a nature any more sensitive than POC and online materials were prohibitively difficult to access. I depended greatly on information that the participants posted onto websites and social media sites as documents to help corroborate the interview data.

Strategy to Enhance the Maximum Benefit for Reliability and Validity

I conducted methodological triangulation of the data using the multiple sources of evidence to corroborate other sources of evidence and did follow-up member checking to help ensure data saturation and achieve maximum benefit for reliability and validity. The member checking process included the following steps: After conducting each interview, I wrote each question followed by a concise interpretation of how the participant responded, then shared a printed copy of the interpretation with the participant to determine if the interpretation represents the participant's intended answer. Each participant assured me, with notable enthusiasm, that my interpretations of their responses validly reflected their desired responses for each of the interview questions and that they had no additional information to add or update. I returned to the data analysis process to ensure that there was no new data to collect, no new themes emerging, no new coding feasible, and the ability to replicate the study exists given the same questions, participants, and timeframe.

Institutional Review Board Approval

Until I received the official IRB approval number 12-20-17-0258182 from Walden University, no contacting of prospective participants, obtaining of informed consent, or collecting of data began. Potential participants received their initial contact via an email communication containing the official informed consent form with instructions to indicate their consent by replying to the email with the words *I consent*. I inserted a copy of the interview questions in Appendix A, and a copy of the interview protocol in Appendix B. The Table of Contents lists appendices.

Data Collection Technique

Semistructured interviews, with an open-ended question format, provided the basis for data collection, and I served as the primary data collection instrument. According to Englander (2012), the interview is the main data collection tool used in association with qualitative human scientific research. Although interviews can help researchers collect targeted information, insightful explanations, perspectives, and perceptions (Yin, 2014), some disadvantages include participants' tendencies to share only superficial information initially and the potential introduction of researcher bias via poorly articulated questions (Fusch & Ness, 2015).

To encourage participants to discuss their experiences in depth, Shenton (2004) advocated that researchers establish a relationship of trust between themselves and the interviewees before collecting any data. Therefore, to help mitigate researcher bias, build rapport, and encourage participants to share their experiences openly, I acknowledged my years of experience as a home studio owner prior to asking any interview questions. After receiving each participant's informed consent agreement, I shared photo clips of me in my home recording studio and related materials or links to provide them a glimpse into my studio world. The participants received that warmly, and it seemed to serve as a great ice-breaker. During the interview, I tried to put aside any preconceived ideas, biases, or preconceived notions I may have had about the home studio phenomenon. I presented the interview questions as simply and naively as possible, approaching the subject matter as though through a freshly purified awareness of the research topic, allowing each interviewee to speak openly with minimal disruption.

The goal was to gain as much information about the participants' experiences with the phenomenon under study as possible. According to Shenton (2004), researchers must take steps to ensure that findings emerge from the data and not from their own predispositions. According to Jacob and Furgerson (2012), interview questions should be open-ended because closed-ended questions do not allow the interviewees to offer any additional information (Jacob & Furgerson, 2012). Asking home studio owners open-ended questions helped encourage interviewees to engage in in-depth discussions and offer information beyond simple yes or no answers. All interviewing took place in surroundings familiar to the participants. Englander (2012) recommended the use of follow-up questions to spur greater depth in the relaying of the participant's experience with the phenomenon. Englander, however, warned that the researcher should remain present to the participant, which means remaining attentive to subtle signs that the interviewee is approaching saturation with his or her description of the experience and is ready to move on. For this reason, I asked follow-up questions as needed to extend the depth of the description of the participant's experience but not so often as to lead to interviewee fatigue. Each interview closed with me thanking each participant for his or her participation in the study and reminding him or her of my commitment to protecting his or her confidentiality and to establishing the accuracy of my reporting.

The Interview Protocol

To improve their data collection efforts via interviews, researchers should follow an interview protocol. Jacob and Furgerson (2012) and Yin (2014) suggested that students new to the field of qualitative research use interview protocols to improve their efforts regarding data collection via interviews. Jacob and Furgerson published tips for writing interview protocols and conducting interviews. Dexter (2008) also encouraged novice researchers to use interview protocols. Therefore, to spur in-depth discussions and maximize the potential for capturing thick and rich data, I utilized an interview protocol to guide the interview data collection process (see Appendix B).

Member Checking

I wrote a brief synthesis of the participant's responses for each of the interview questions and emailed a copy of synthesis to the participant, following up with a phone call to ensure that my synthesis accurately interpreted his or her intended answer for each question. Based on what the participants told me, I either made any suggested revisions and checked back with them or accepted their initial feedback as agreement with my interpretations. Upon verbal confirmation from all the participants that my interpretations were accurate, I thanked them sincerely for their feedback and logged their responses in their respective file folders and ceased additional follow-up activity to avoid possibly disturbing them any further. Yilmaz (2014) considered member checking particularly useful in case study research as a tool for helping researchers reach data saturation. Fusch and Ness (2015) explained that data saturation occurs when there is no new data to collect, no new themes emerge, no further coding is feasible, and the ability to replicate the study exists. According to Shenton (2004), the focus of member checking should center on determining whether the researcher's interpretation of what the participant said validly reflects not only what the participant said, as in transcript review, but what he or she intended. Member checking should also reflect verification of the researcher's emerging theories, interpretations, and inferences formed during the dialogues (Shenton, 2004).

Data Organization Technique

To keep track of all research data, including any emerging understandings, I created a case study database to serve as a separate and orderly compilation of all the data from the case study. According to Yin (2014), Jacob and Furgerson (2012), and Dexter (2008), the creation of a case study database can markedly increase the reliability to one's study. To organize narrative data and preserve other materials collected from the field, I used computer-assisted qualitative data analysis software to handle the narrative data and a portfolio contained in a file drawer to catalogue folders, documents, and other materials. Line by line, I transcribed the data verbatim from the recorded interviews and saved the newly created raw-data files onto my computer hard drive and a backup flash drive using a coded pseudonym system for reliable retrieval.

As a safeguard against accidental loss or data file corruption, I saved duplicate copies of the computerized data files onto two separate password-protected flash drives and stored each flash drive in a separate file drawer or secure file box. I will securely store all raw data, including the portfolio of physical documents and other materials, using adhesive labels for easy identification, in a locked file container for a period of five years. At the end of the required five-year storage period, I will destroy paper documents by cross shredding, computerized data files by deleting them from the hard drive and emptying the computer recycle bin, and back-up flash drives by formatting them. Materials too cumbersome to destroy by either shredding or deletion will become stripped of any identifying information or links to the research study and then crushed or dismantled and thrown away on a locally scheduled trash pickup day.

Data Analysis

To ensure that all the data collected in this study became part of the analysis (not just the interview data), the data from all three sources of evidence (interviews, documentation, and direct observations) became part of a computer database containing major concepts and ideas. The data analysis approach for the study involved the five-step process advanced by Yin (2014): compiling the data, disassembling the data, reassembling the data, interpreting the meaning of the data, and concluding. Presentation I used the MS Excel to aid in mind mapping and diagramming how the identified themes possibly relate one to the other. NVivo, ranked among the top software packages dominating the CAQDAS market, alongside ATLAS.ti and Transana, is a highly interpretive tool for data visualization appropriate for addressing the iterative complexity of the data analysis process (Denzin & Lincoln, 2011; Yin, 2014). I chose NVivo 11 over other packages because NVivo 11 is comparatively inexpensive and user-friendly.

Methodological Triangulation

To enhance the quality of the research I used use methodological triangulation to corroborate data from (a) face-to-face semistructured interviews with home recording studio owners, (b) company documents as available, and (c) direct observations of home studio owners in their recording studio environments. Methodological triangulation is particularly appropriate for use in case study research because the technique is helpful for corroborating data from multiple sources of data collection (Denzin & Lincoln, 2011). An important advantage of using multiple data collection sources is the development of converging lines of evidence because case study findings and conclusions based on multiple sources of evidence are likely more accurate and convincing (Yin, 2014). The convergence of results achievable via methodological triangulation can provide a compelling justification for a researcher drawing the same conclusions from multiple types of evidence (Heale & Forbes, 2013). Also, the use of methodological triangulation promotes a more comprehensive picture of the phenomenon under study than one could achieve by using either approach alone (Heale & Forbes, 2013).

Reliability and Validity

Reliability

Prior to the 1990s, when comprehensive qualitative inquiry approaches began to emerge, many people considered qualitative research a *soft* form of scientific investigation that was inferior to quantitative research because qualitative data are less measurable (Cope, 2014). While the traditional criteria for judging the soundness or *trustworthiness* of quantitative research are validity and reliability, qualitative researchers widely prefer to use the analogous criteria credibility, transferability, dependability, and confirmability (Cope, 2014; Elo et al., 2014; Shenton, 2004). Although these four criteria are not traditionally considered measurable, they reflect the underlying assumptions involved with qualitative research better than the traditional criteria, validity, and reliability (Cope, 2014; Elo et al., 2014; Shenton, 2004). To improve the perceived trustworthiness of their research studies, qualitative researchers conscientiously incorporate the four criteria into their research designs.

Though an array of strategies exists to ensure the trustworthiness of qualitative research projects, follow-up member checking interviews, rich and thick description, and methodological triangulation, have proven particularly effective (Cope, 2014; Elo et al., 2014; Shenton, 2004). To improve the perceived trustworthiness of my research, I combined member checking interviews, rich and thick description, and methodological triangulation, addressing each of the four criteria for qualitative trustworthiness directly.

Dependability

Shenton (2004) noted that the perception of dependability improves if the researcher demonstrates that future investigators will likely be able to repeat the study. Using overlapping methods, such as the interview and focus group, is another way to improve the dependability of a study (Shenton, 2004). The strategy for improving dependability for the study centered on employing methods to enable future researchers to duplicate the study, such as overlapping methods of data collection and in-depth description of the method and procedures. According to Shenton (2004), detailed reporting allows the reader to assess how well the researcher followed proper research practices.

I described the methodological processes in detail, including the research design and the operational detail of data gathering, to enable a future researcher to repeat the study given the same context. In addition, I used an interview protocol to guide the data collection process. According to Yin (2014), using a case study protocol is a case study tactic to improve dependability. Additionally, member checking is a strategy widely used by qualitative researchers throughout the extant literature to achieve data saturation and thereby increase the dependability of their research studies (Cope, 2014; Elo et al., 2014; Shenton, 2004; Yin, 2014). To increase the dependability of the research study, I remained committed to member checking follow-up until there were no new data to collect.

Credibility

According to Shenton (2004), the more truthfully the researcher presents the picture of the phenomenon under scrutiny the higher the perceived credibility of the study. Fusch and Ness (2015) encouraged qualitative researchers to use rich and thick description to present a more truthful picture of the phenomenon under study, thereby adding credibility to their studies. Using rich description helps demonstrate that study findings emerge from the data and not the personal predispositions of the researcher (Yin, 2014).

Transferability

To address transferability, investigators should provide enough detail about the context of the fieldwork for the reader to determine for him or herself whether the findings are transferrable to his or her own setting (Shenton, 2004). According to Marshall and Rossman (2016), determining whether a specific set of study findings applies to another context is a burden best left to the reader and future researchers. Therefore, I left the burden of determining the transferability of the findings to the reader and focused on presenting the findings with rich and thick data upon which to base their determination. My goal was to adhere to time-honored data collection and analysis techniques for my chosen research design and follow an interview protocol to help ensure data saturation.

Confirmability

To mitigate the effect of researcher bias, and thereby increase the confirmability of my study, I triangulated the findings from three data collection sources, individual interviews, observations, and documentation, to provide corroborating evidence of my findings and interpretations. Triangulation of the data helps the researcher demonstrate that his or her findings emerge from the data and not any personal predispositions (Denzin, & Lincoln, 2011, Shenton, 2004, Yin, 2014). According to Shenton (2004), the confirmability of a study increases the more the researcher demonstrates that the findings emerge from the data and not from the researcher’s predispositions.

Data Saturation

I interviewed home studio owners in a city in the southeastern United States who met the inclusion criteria set for this study and then conducted follow-up member checking interviews with the goal of collecting in-depth data from a small number of participants. The steps included interpreting what the participant shared during the initial interview, then sharing that interpretation with the participant for validation and amending as needed until no additional information emerged, no further coding was possible, and enough information existed to replicate the study. Fusch and Ness (2015) considered the point of data saturation reached when there is enough information to replicate the study, when no additional information emerges and when further coding is no longer feasible. According to Shenton (2004), using member checking helps ensure data saturation and increases both the dependability and credibility of a research study. Conversely, failure to reach data saturation negatively impacts the quality of the research conducted and hinders content validity (Fusch & Ness, 2015).

Mindful of the iterative nature of qualitative research, I designed and followed a flexible interview protocol using open-ended questions and a semistructured interview format. Dexter (2008), Jacob and Furgerson (2012), and Yin (2014) advanced the benefits of utilizing an interview protocol designed to extend to interviewees a reasonable amount of control over the direction of the interview. Employing the strategies detailed herein, I got the participants to share openly their perspectives and experiences competing in the fragmented recording industry by building trust and rapport with the participants.

Transition and Summary

Section 2 presents details of the research methodology and the research design to explore the home recording studio ownership phenomenon described in Section 1. Section 2 also contains explanations of my plan for addressing the essential elements of qualitative study validity, which refers to the credibility, transferability, and confirmability of the research findings. Section 3 contains an overview of the findings and the correlation of those findings with the conceptual framework and the body of knowledge in the extant literature (including recent studies published since the writing of the study proposal). Also included are implications for improved business practice, implications for positive social change, suggestions for future action and research, and a concluding statement detailing the key lessons of the study, followed by appendices containing pertinent documents.

Section 3: Application to Professional Practice and Implications for Change

Introduction

The purpose of this qualitative multiple case study was to explore strategies that well-established home recording studio owners in a city in the southeastern United States have used to compete in the fragmented recording industry. The data came from interviews, in-studio observations, and company documents such as point of contact materials and website or social media information. The findings revealed an innovative decision-making process that the studio owners used to link their business strategies to personal goals that conserved valued resources such as time, family, creativity, and autonomy. The findings also revealed how the participants attracted and retained customers, delivered competitively-priced professional recording studio services, and maintained their desired quality of life while operating a recording studio from their homes.

Four skillful musicians made up this study population. Their musician experience gave them competitive advantage over home recording studio owners who are unskilled or less skilled musicians. One participant was a multi-Grammy Award-winning audio engineer, another a Dove and Grammy Award nominee, and another had greater than 30 years music production experience. These respected musicians leveraged their reputations, expert musicianship, industry access, and circles of influence to establish and maintain their competitive advantage as home recording studio owners. The participants had access to a market of people with a predictable need for music and video recording services and a propensity toward doing business with friends and allying with their would-be competitors rather than competing against them.

Overview of Four Cases

This section includes an overview of the cases that comprised the sample population. Each case represented a single participant in the study. Four professional musicians took part in this study. All four participants owned home recording studios in the target area for greater than 10 years and operated under the conditions of industry fragmentation that followed the disruption of the parent recording industry. Each studio owner, identified by the assigned pseudonym SO1 through SO4 (for studio owners 1 through 4), represented an individual case in this multiple-case study. Each three-character code represented the shortened version of a longer coding system used for labeling, cataloging, and retrieving each participant's raw data reliably. All four study participants shared their experiences as home recording studio owners and expressed their willingness to provide additional assistance if asked. When allowed to review my interpretations of what they shared during the interviews and asked to supply their feedback for improvement regarding those interpretations, the participants verified that my interpretations reflected their intended responses to each question.

Studio owner 1 (SO1). Participant SO1 is an accomplished keyboard player and independent recording artist who spent most of his life doing freelance work as a professional musician. Playing many music engagements and spending a lot of time on the road kept SO1 away from his family and two young children. Concerned by this lifestyle hindrance, SO1 explained that before deciding to build his home studio he was trying to figure out a way to spend less time on the road and more time at home with his family. As SO1 put it, “I saw recording as a way to supplement my income from playing gigs around town and not have to go out on the road, so I could be home with the family.” There was nothing about the outside appearance of SO1’s home that indicated there was a full-service home recording studio business operating on the inside. Participant SO1 owned a large full-service basement recording studio that filled the entire ground-floor space. The studio housed an array of pianos, organs, and related recording equipment. Participant SO1 made a point to show me a vintage organ on display in the studio. He explained that the organ, seemingly the most cherished trophy of his collection, was once played by a renowned music artist.

To gain access to SO1’s basement recording studio, customers must walk deep into the family’s living quarters, potentially exposing the family to minor invasions of privacy or possible threats to security. When asked to share his greatest challenge with operating a recording studio in his home, SO1 replied: “Security is one because I know people in the neighborhood, and I’m sure it happens all the time, have been ripped off.” Each of the studio owners interviewed shared similar concerns about security. Their concerns centered on protecting their families, their investment, and their respective livelihoods.

Studio owner 2 (SO2). SO2 is an accomplished keyboard player, trained in classical and contemporary music styles and an independent music recording artist with his own independent record label. This participant plays multiple instruments, has worked as a musical director for many theatrical productions, and like SO1, operates his home studio business as a full-service project recording studio. On his website and social media sites, SO2 promotes himself as a professional music producer, composer, and director.

In the late 1990s, after growing up fascinated by people who were involved in the process of creating recordings, SO2 began recording music in his home, though he lacked the quality of equipment he thought necessary for success. In 2006, after moving to a new address and acquiring a few equipment upgrades, better microphones, and a better space for people to work in, SO2 began recording music seriously. When asked to discuss the challenges of running a recording studio in his home, SO2 recalled that ensuring the security his family and property was a challenge at his old address. This participant's current recording studio, unlike the other studio settings observed in the study, had a separate studio-level entrance and restroom that prevented customers from having to walk through his house to get to his recording studio. According to SO2, regarding his newer setup: "The really nice thing about where I am now is there is a direct entrance on studio level and people don't have to come through the house to come." Isolating his studio from the rest of his house in that manner positively impacted SO2's comfort level regarding opening and keeping his home studio business open to the public as he has done since his studio's inception.

Studio owner 3 (SO3). This studio owner, also an accomplished keyboardist, said that he became involved in the home recording studio business by accident. He runs a thriving recording studio business (which he calls a recording lab) without ever opening his studio to the public. Participant SO3 explained that it all started with a dream of a song he had one night and woke up singing the following morning. He later taught the song to a group of singers he was working with at the time. That song later became a hit. After the song took off, SO3 started getting calls from other artists. Some popular international artists began asking him for song submissions, but their interpretations of what he submitted were often far from what he was trying to say as a songwriter. Soon after, SO3 decided to put together an area to work on the songs. A well-known gospel music producer asked to keep the track and later had SO3 fly to Nashville where they re-recorded the track professionally.

Though this encounter spurred SO3's initial interest in the whole recording process, what actually got SO3 started in the home recording studio business was his personal desire to spend more time with his son. In addition to his full-time job, SO3 had started working long and late-night hours in some large recording studios in the target area. There were often days at a time that he would not see his young son. Thus, after buying a house that had a basement, SO3 decided to build a home recording studio to be home every day, which is how his studio came into existence, and it grew from there.

Studio owner 4 (SO4). From the time she was in the eighth grade, SO4 knew that she wanted to become a recording engineer. She also knew that the field was difficult to get into, especially for women, who industry executives often assigned menial tasks such as sweeping floors long before eventually allowing them access to significant training opportunities. While building her career as a jazz saxophonist, SO4 started reading articles and forging her own way toward becoming a recording engineer. Participant SO4 decided to get into broadcasting, a move that eventually enabled her to get into recording.

Participant SO4 considered herself fortunate to have grown up with technology, having had first-hand experience working with recording devices like two-track and four-track recorders. Many years of experience working in major recording studios and video editing companies eventually led SO4 to become a multiple Grammy Award winner. This studio owner's accomplishments include working on major motion pictures and episodes of popular television programs, all the big projects as she put it. In 1998, after 11 years of running a major recording studio that was declining due to industry disruption, SO4 opened her own free-standing recording studio. Then in 2001, after the 9/11 tragedy, business started falling off. Some clients went bankrupt, and others decided to take advantage of emerging technologies and do their own work in-house. In 2005, unwilling to continue fighting to serve clients who could do their own work for free, SO4 decided to move her studio into her house and focus on doing more radio and TV commercials as her main source of income.

Presentation of the Findings

The study participants, who owned home recording studios in the target area for greater than 10 years, talked openly about their experiences operating under conditions in which no clear business leader existed to influence market trends (industry fragmentation). Their many years of experience spanned the period of industry fragmentation that followed the 2011-2012 collapse of the music recording industry. The purpose of this study was to answer the overarching research question: What strategies do well-established home recording studio owners use to compete in the fragmented recording industry?

The decision to use Porter's (1979) five forces framework and Christensen's (1997) disruptive innovation theory as a conceptual framework was valuable for understanding the nature of the recording industry. The conceptual lens let me easily go between the traditional business mindset and the disruptive business mindset. Due to the dominance of DIY recording practices throughout this creative industry segment, no proven business model has gained widespread recognition as a viable replacement for the disrupted previous model. With no prevailing business practice standards in place, business-as-usual is not an option.

During interviews conducted in their own home studios, the participants shared that they each faced a challenge common to home recording studio business owners: opening their home studios to customers they did not know personally potentially put them and their families in harm's way and exposed their property to the threat of burglary, which posed a threat to their livelihood. At the same time, opening their studios to solely the customers they knew would limit their earning potential and threaten their livelihood. Determining how to retain more studio customers despite the security risks of inviting strangers into the home studio posed a dilemma that required creative thinking and innovation from participants. Though the home studio owners addressed the problem differently, the decisions they arrived at were similar in ways that affected their business practices.

Through inductive analysis of the data, a link between the studio owners' decisions and their resultant business practices emerged. Instead of linking strategy to things like meeting customers' needs or desirable profit margins, these home studio owners linked strategy to achieving personal goals that drove them to behave in ways that helped them conserve the resources they valued most. Hobfoll (1989) referred to this behavior as *conservation of resources* and explained that people tend to collect, protect, or otherwise preserve resources they value to avoid the stress of losing them. The applicability of Hobfoll's conservation of resources theory to the study findings will be discussed in greater detail later in this section.

Major Themes

The following major themes emerged from the data resulting from responses to interview questions, field notes of direct observations made in the participants' home recording studio settings, and documentation obtained from the participants' websites and social media pages (as available):

- Theme 1: Doing Business and Making Money with Friends
- Theme 2: Keeping the Family Safe and the Studio Secure
- Theme 3: Decoupling the Clock from the Creative Process
- Theme 4: Linking Strategy to Personal Goals

The first three themes emerged as personal goals the participants identified as drivers of the way they conduct business. The fourth theme served to link the participants' personal goals to workable strategies that could help the studio owners achieve those goals. To qualify as a major theme, every participant must have shared the same comment, concern, or sentiment. Additionally, the combined number of references made about that comment must have been noticeably higher than the combined references for other comments.

Table 1 contains samples of key studio owner comments that prompted each of the themes.

Figure 4 illustrates the relationships between the themes, including the major difference between the first three themes and the fourth theme. Whereas Themes one through three represent key personal goals articulated by the participants, Theme four represents an innovative decision-making behavior demonstrated by the participants. This behavior involved the participants' habit of linking strategies to personal goals via an innovative decision-making process that ensured that the resultant business practices preserved key resources they valued (see Figure 4).

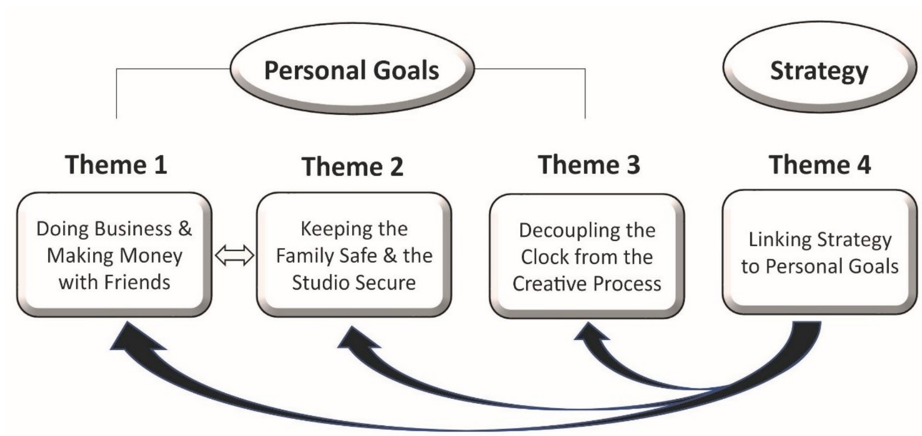

Figure 4. Home studio owners on strategies to compete in the fragmented recording industry: Major themes that emerged from the study.

Table 1

Sample of Participant Comments that Led to Themes

Studio Owner	Doing Business and Making Money with Friends	Keeping the Family Safe and the Studio Secure	Decoupling the Clock from the Creative Process	Linking Strategy to Personal Goals
SO1	I do a lot of live playing around town. I meet a lot of musicians. I know a lot of singers, a lot of vocalists. They are my customers. . . . It is a beautiful thing because I get to do business and make money with my friends.	I made a mistake once, and I let someone in that I shouldn't have. That was a lesson. So, you have to be careful about who you're dealing with. . . . Make sure you know who you're dealing with. Between that and the dogs, that kept me pretty safe.	I can come in the middle of the night, or I can get up in the morning and work half a day in my pajamas if I want, and I do, and it's great! . . . So I like that freedom.	I was trying to figure out a way to not be on the road. I had two young children at the time, and once we got this house, I saw recording as a way to supplement my income from playing gigs around town and not have to go out on the road, so I could be home with the family.
SO2	A lot of what has happened for me has been through relationships that I've had over many years.	The real nice thing about where I am now is, there is a direct entrance on studio-level, and people don't have to come through the house.	It's the comfort and relaxation that comes with being able to, on a personal level, being able to create without a clock.	For me, it's production clients, people who have a substantial interest in bringing their creative ideas to life, and my primary duty is to assist them.
SO3	We do everything on the Internet. I have a network of musicians. . . . We all have drop boxes that we all have access to, and we work that way.	I have never actually opened my studio to the public. . . . It gave me an opportunity to select or be selective about who came into my home. . . . I don't let anybody in because I'm in the main area of my house. . . . In the other houses that I've owned, I have had basements. So, even with those clients that I have scrutinized, they only came in through the basement and exited through the basement.	I'm not on a clock. I'm not spending money because, in that dynamic, time is money. . . . Whenever I get an inspiration, it might be now. It might be three o'clock in the morning. I can't sleep. I come down here. I get an inspiration, or I hear that part that was frustrating me three hours earlier. You know, and it gives me that liberty and that freedom to do [create].	I had a small child, which meant that there were days at a time that I wouldn't see my son. I had purchased a house that had an unfinished basement and decided, just for the sheer fact of being home everyday, building a studio. That's how the studio came into existence because I didn't want to be away from my child.
SO4	I don't have a sound booth. So, what I would probably do is send her to a studio near her, and I would connect with that studio through Access boxes, and it sounds just like they're right here. . . . I do that all the time.	This place is armed like Fort Knox. . . . That's one ot the reasons we've got cameras. . . . There are a few of them right behind you. . . . I can't afford to have somebody come in here and take my business from me.	You call me if you need something fixed right now, recorded right now, or edited right now. All I've got to do is come upstairs, seven days a week, 24 hours a day, and I think it helps a lot. A lot of studios are not available like that.	I wanted to, from the time I was in the eight grade, I wanted to be a recording engineer. . . . So, I got into broadcasting, and eventually that enabled me to get into recording.

Theme 1: Doing business and making money with friends. The participants enjoyed doing business and making money with friends, a practice that helped ensure both the safety and integrity of their customer interactions. These studio owners got to go to work and do what they love, build relationships, and help others reach their dreams. SO1 said, “It’s a beautiful thing!” The inspiration for the wording of Theme 1 was a response made by SO1 who, when asked who his target or primary customers were, replied

> My friends, people I know. I do a lot of live playing around town. I meet a lot of musicians. I know a lot of singers, a lot of vocalists. They are my customers. It’s a beautiful thing in music because I get to do business and make money with my friends.

Participant SO1 explained that there used to be a lot more corporate work for musicians in the target area, but much of that work had gone away. However, owning and operating a home recording studio presented him numerous opportunities to hire his friends to work as studio musicians, and in turn, they hired him to go out and perform at live engagements. SO1 also gave examples of deals he often made with his friends who own home recording studios or commercial recording studios. For example, if they had a project that they were too busy for or could not handle, they would send it to him. Likewise, he sent projects to them that he was too busy for. Similarly, when SO1 ran across a project too big for him to handle, he would usually send it to his friends who owned larger commercial studios or had a grand piano and lots of space, and they reciprocated. Unlike the mainstream recording industry, there appeared to be little to no rival competition among the ranks of these home recording studio owners. Participant SO2 talked about doing business and making money with friends this way, “A lot of what has happened for me has been through relationships that I’ve had over many years.”

During the discussion of this topic, two distinctly different models for doing business and making money with friends emerged, each of which appears herein in the form of an illustration. The first model (see Figure 5), is a home studio customer acquisition model for establishing a loyal customer base and working within a warm market. This model was inspired by my discussions with SO2. The principal strategy behind this model centered on home recording studio owners setting up a network of friends consisting of musically inclined industry professionals with a predictable need for the respective services their companies provided.

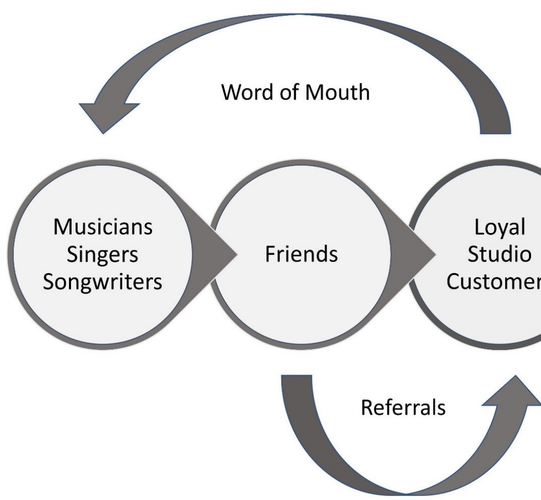

Figure 5. Doing business and making money with friends: A home recording studio customer acquisition model.

The second model was inspired by SO3’s description of an interesting collaborative arrangement he made with several of his colleagues who also owned home studios but specialized in recording instrument groups related to their respective areas of musical ability (see Figure 6). Participant SO3, who closed his studio to the public after moving into a home with no basement, received tracks to work on from major gospel labels and independent artists nationwide. He recorded their tracks in addition to recording music for himself and for his church. One of SO3's friends opened his studio to the public but specialized in cutting (recording) live drums, while another friend specialized in cutting live guitars, and so on. All the musicians had Dropbox folders for sending and receiving music tracks, and they all had equal access to each other's Dropbox folders. This arrangement allowed SO3's colleagues to work with outside clients as well as with each other without ever having travel to or set foot in each other's studios. The participants also had access to each other's PayPal accounts as their means of paying each other or receiving payments from each other for recording services rendered. Participant SO3 said sometimes it might be as simple as saying, "Hey man, I need you to do some strings man. I got fifty dollars. I got a hundred dollars. All right! Just put it in my Dropbox. . . . Dropbox cut." SO3 said he also had the kind of relationship with musicians who were constantly on the road with artists, that they would often cut tracks in their hotel rooms and send them back to him. Sometimes they would say something such as, "Hey man. I don't have any money but look. I'll cut guitar parts for you if you cut keyboards for this song right here." Here, is the best part of that arrangement, according to SO3, "It brings in income, but it also brings resources, which are two different things, and sometimes, the resources are more valuable than the income." The model in Figure 6 depicts how the networking home studio owners exchanged music files for recording and exchanged payment for services rendered.

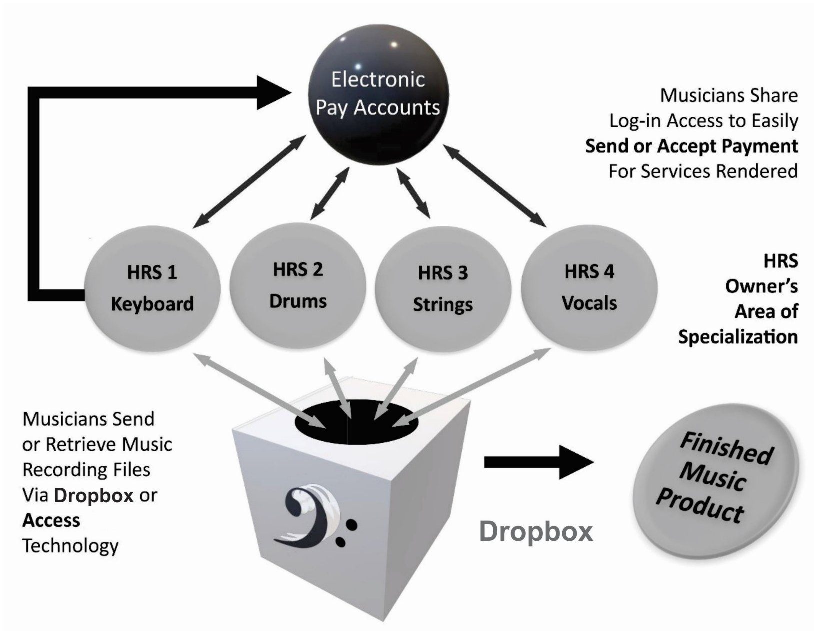

Figure 6. Collaborative alliance between home recording studio owners.

In the business model just described, neither the Dropbox technology nor the PayPal technology was new, but what made this innovative arrangement disruptive was the business model to which the owner applied it. This finding fits with earlier research on disruptive innovations which revealed that what makes an innovation disruptive is the business model by which the technology becomes applied (Christensen et al., 2015: Gobbel, 2016). According to Christensen et al. (2016), creating a new business model is a more advisable strategy than trying change an existing business model. This is exactly what SO3 did.

Theme 2: Keeping the family safe and the studio secure. The studio owners, when faced with the decision as to whether to open their home recording studios to the public or not, had to consider the potential risks of allowing complete strangers into their homes and around their families. Opening their home recording studios to customers they did not know personally put the study participants and their families in harm's way exposing their property to the threat of burglary, which posed a direct threat to their livelihood. When asked to explain the challenges of operating a recording studio in the home, the participants' responses all centered on the same concern, ensuring the safety of the family members, and preventing property or equipment theft.

When analyzing the data that gave rise to this theme, the three things taken into consideration were, (a) where inside the home, the owner physically positioned the studio in proximity to the living quarters, (b) whether customers had to walk through any part of the family quarters to get to the studio, and (c) whether the studio had a separate entrance that could restrict customer access to only the studio-related areas of the home. For example, the path a customer would have to take to get to SO1's basement recording studio led through the family quarters, into a hallway that passed both the kitchen and a bathroom, and down a flight of stairs. Participant SO1 owned a massive basement recording studio that encompassed the entire floor-space. The studio housed so many pianos, organs, and related equipment, that the atmosphere felt more like that of a piano store than a recording studio.

The studio owner who seemed least concerned about security-related matters was SO2, who made only two references to security. The studio owner who seemed most concerned about security-related matters was SO1, who made nine references to security. Both studio owners positioned their studios in their basements of their homes, and both opened their studios to the public, but the differences between their comparative levels of concern about security placed them at polar extremes on the chart (Figure 7). The primary difference between their studio scenarios was the absence or presence of a separate studio-level entrance that would allow customers to gain access to the studio without having to pass through the family quarters. With no separate customer entrance and exit, SO1's customers had to walk through his house to access or leave his studio. His relative level of concern about security was the highest of all the participants in the study. With a separate customer entrance and exit in place, SO2's customers could access his studio without having to walk through his house. His relative level of concern about security was the lowest of all the participants. Statements made by the participants themselves add credibility to the presumption that having a separate customer entrance and exit is what made SO2 less concerned about security than the other participants.

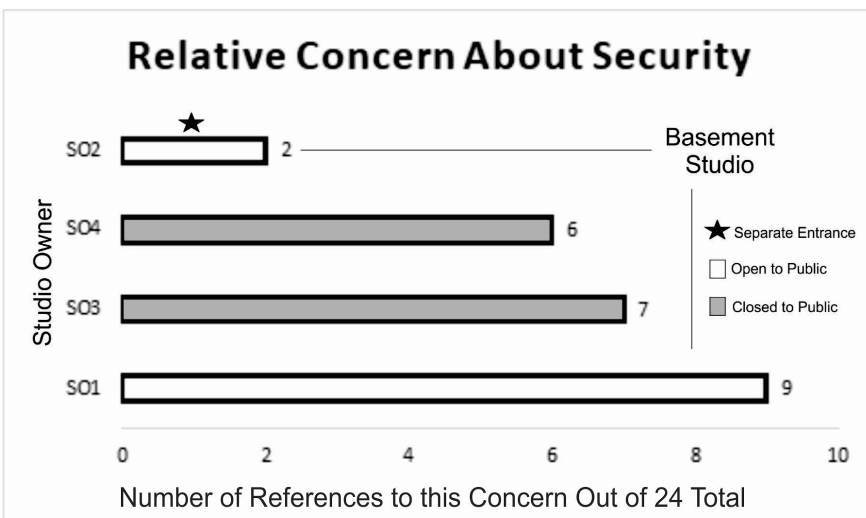

Figure 7. Home recording studio owners' relative concern about security.

Key statements made by SO3 verified his preference for having a basement studio with a separate customer entrance and exit. The room housing SO3's recording studio was positioned in the middle of his living quarters. The room had double doors that opened directly into the foyer, potentially exposing the studio to anyone within the line of sight. It seemed odd that, despite reporting that he never opened that studio to the public, SO3's concern about security was the second highest of all the participants. Reviewing the original transcript of his interview revealed that SO3's previous home studios were basement studios, and each had a separate entrance and exit for customers. Those studios, SO3 opened to the public. It stands to reason that being in a position to compare his previous studio placement scenarios to his current studio placement scenario is what fuels SO3's lingering concerns about security. To follow are some comments made by SO3 that confirm that he considers having a stand-alone basement recording studio with separate customer entrance the preferable scenario:

> You must remain guarded about whom you allow in your home. That's one of the major things that any home studio owner will tell you unless they have some stand-alone thing on your property or some unique entrance and exit.

Participant SO3 went on to say,

> I don't let anybody in because I'm in the main area of my house. In the other houses that I've owned, I have had basements. So, even with those clients that I have scrutinized, they only came in through the basement and exited through the basement. So, they never had access to any of the area that my family is there.

Therefore, the reason SO3 closed his studio to the public was not that he found an innovative remote service delivery method. He simply preferred the security a basement studio with a separate customer entrance provides. In addition to keeping the family safe, SO3 also expressed his concerns about the threat of burglary.

> You open yourself to, if you have someone who comes under the guise of "I wanna do a project" or "I wanna do my stuff," and really, they are scoping your place out to see what they can come back and steal.

A competing theory. Not ruling out other explanations, it is possible that other compelling experiences made some of the participants more inclined to talk about their security concerns than their fellow participants in the study. For example, SO1 shared a frightful experience in which he made the mistake of letting a person into his studio that he should never have allowed inside his home. Although SO1 successfully neutralized a potentially volatile situation that could have put his family in danger, he admitted that the outcome could have been bad. As an example of his lingering concern, SO1 admitted that when he first received the invitation to take part in this study, he deleted it. He thought that someone with sinister motives had sent the invitation to somehow gain access to his home studio and rip him off. It was not until after receiving follow up communications that supplied more information about the person who made the referral did SO1 agree to take the interview. Regardless of what may have brought on the participants' security concerns their concerns were valid and required some solution.

Documents: Moving beyond the interview and observation data. Though much of the data supporting the participants' concern about security came from interviews and direct observations, collecting document data to corroborate the interview and observation data took some creative thinking. Compared to their countless photos, headshots, bios, and video clips showing the participants actively engaged in performance situations with their bands, virtually no conspicuous postings about their own home recording studios appeared on the participants' websites and social media pages. The participants did not post their business addresses, advertisements, directions to their businesses, pictures of their studio setups, video clips of their clients involved in recording sessions, or anything clearly promoting their home recording studio businesses. This overt absence of documentation of promotionally appealing information seemed evidence of the participants' reluctance to publicize the fact that they had music recording studios in their homes. Presumably withholding that information was yet another attempt to keep their families safe and their studios secure.

The potential privacy and safety issues witnessed during my visit to each participant's home studio validated their need to keep their families safe and their studios secure. Awareness of their potential vulnerability made the participants come up with innovative service delivery solutions to increase the safety of their customer interactions. While SO2 chose to isolate the recording studio from the family quarters, SO4 chose to upgrade her home security system by installing an elaborate video surveillance component. Figure 8 illustrates the key strategic considerations and potential benefits of combining the strategies of isolating the recording studio from the family quarters and installing a complex video surveillance system.

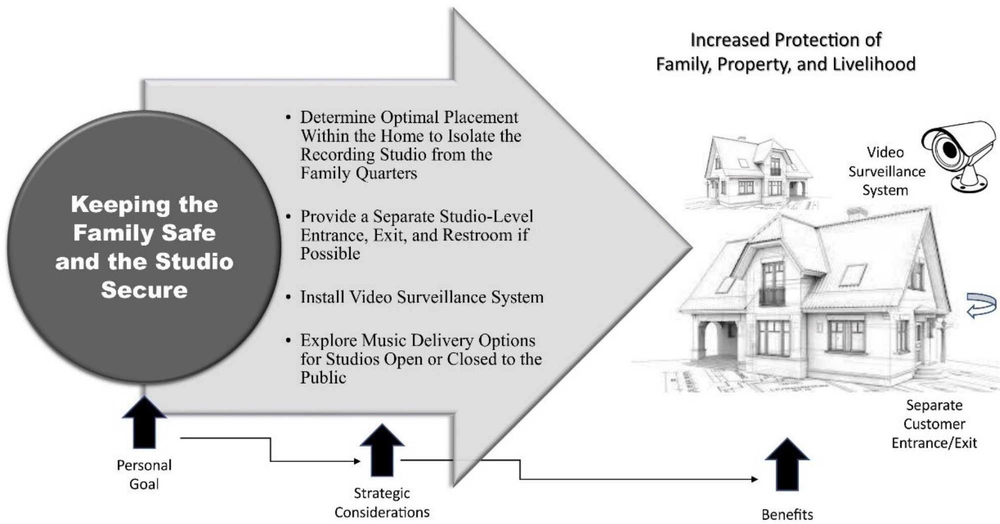

Figure 8. Keeping the family safe and the studio secure: Decision to isolate the studio and install a video surveillance system.

Theme 3: Decoupling the clock from the creative process. This theme emerged from recurring participant comments about the creative and competitive advantages of working without having to worry about a clock. One advantage of decoupling the clock from the creative process was the creation of a low-stress environment devoid of undue pressures to produce or rush to completing creative projects. Another advantage the participants experienced was the convenience of having unlimited access to a recording studio in their homes, 24 hours a day and seven days a week. Three out of the four studio owners found that charging by the song instead of by the hour helped the studio owners attract and keep customers. Not having to watch the clock and worry about accidentally going over budget due to rapidly-accruing hourly fees, allowed the studio owners and their customers to work at a pace conducive to fostering the creative process. For example, SO1 said “I can come in the middle of the night, or I can get up in the morning and work half a day in my pajamas if I want, and I do and it's great! So, I like that freedom."

Participant SO2 made a powerful statement that inspired the name of this theme when he said, "It's the comfort and relaxation that comes with being able to, on a personal level, being able to create without a clock." SO2 also said, "From the standpoint of creating an arrangement, it kind of slows things down if you feel like somebody is looking over your shoulder." Participant SO2 said he charges by the song for his services instead of by the hour so that he can work at his own comfortable pace. Participant SO3 said, regarding when he is working in his home studio, "I'm not in a rush. I'm not on a clock. I'm not spending money." However, regarding his vast experience working in the commercial recording studio setting, where recording fees of $300 per hour were not uncommon, SO3 said "In that dynamic time is money. Every hour you spend is billable time. Whether it's billable to the client or billable to you, it just depends on what type of deal you have set up with the record label." SO3 went onto say (regarding working in his home recording studio),

> Whenever I get an inspiration, it might be now, it might be 3 o'clock in the morning. I can't sleep. I come down here. I get an inspiration, or I hear that part that was frustrating me 3 hours earlier, it [owning a home recording studio] gives me that liberty and that freedom to do.

Being able to create without worrying about a clock restored autonomy and unlocked creative liberties as simple as deciding what material to work on, when to work on it, and how to charge for services delivered. For example, SO1 talked about the convenience of being able to work on his own material. Charging by the song instead of by the hour freed SO2 to schedule intricate tasks such as arranging and tracking for times when customers were not present and watching over every step. He explained that tracking and arranging were easier to do when he was working alone: “I’m here by myself instead of worrying about doing every little step while the person is present.” Figure 9 illustrates key strategic considerations and benefits of decoupling the clock from the creative process.

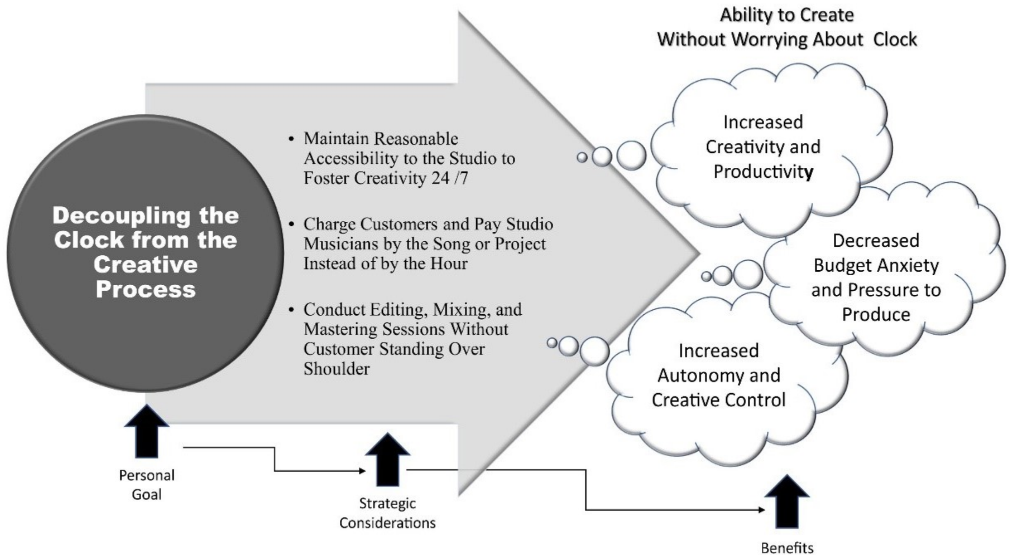

Figure 9. Decoupling the clock from the creative process: Decision to eliminate rigid time constraints as a potential source of anxiety and pressure to produce.

Theme 4: Linking strategy to personal goals. The data revealed a link between the participants’ strategies and personal goals aimed at preserving resources they valued such as time, security, creativity, and autonomy. Goals play a crucial role toward establishing the autonomy to make informed decisions without coercion or pressure to produce. Autonomy helps individuals achieve goals and determine the worth of resources they value (Halbesleben, Nevue, Paustian-Underdahl, & Westman, 2014). Moreover, autonomy-based resources such as creativity and productivity positively impact emotional well-being (Halbesleben, Nevue, Paustian-Underdahl, & Westman, 2014).

The concept of linking strategy to personal goals represents the central finding and the overarching theme of this study because it exposes an interesting management decision-making process that closely addresses the research question. This new concept was an important finding because reflected in the participants' business decisions were underpinning personal values and nonconventional motivating factors that influenced not only what the participants did but why they did it. For example, the participants considered time a highly valued resource, particularly time spent with family or time involved in creative processes such as making music. Moreover, the participants desired that their time not be subject to limitations such as adherence to a clock as some measure of efficiency or productivity. The value (or worth) that the participants assigned to the resource "time" spurred the theme: decoupling the clock from the creative process.

Though no well-established business model yet exists for the home recording studio segment of the recording industry, small innovations such as the ones described herein could lead to business practice standards that eventually comprise a successful business model. This aligns with the thinking of Christensen et al. (2016), who suggested that the key to successful business model innovation is to create new business models rather than alter existing business models to fit a situation.

Figure 10 illustrates a flowchart-style process for making management decisions inspired by the data that home studio owners may use or adapt to create a decision-making framework tailored to suit their own needs. Embedded in this process are key decision-loops to ensure that every strategy formulated by this means reflects deliberate consideration of the personal goals and values that notably influence the studio owner's business practices. The hope is that this flowchart will contribute to the broader framework of understanding regarding business management decision-making for home business owners, particularly those faced with the challenge of safely serving customers whom they do not know (Figure 10).

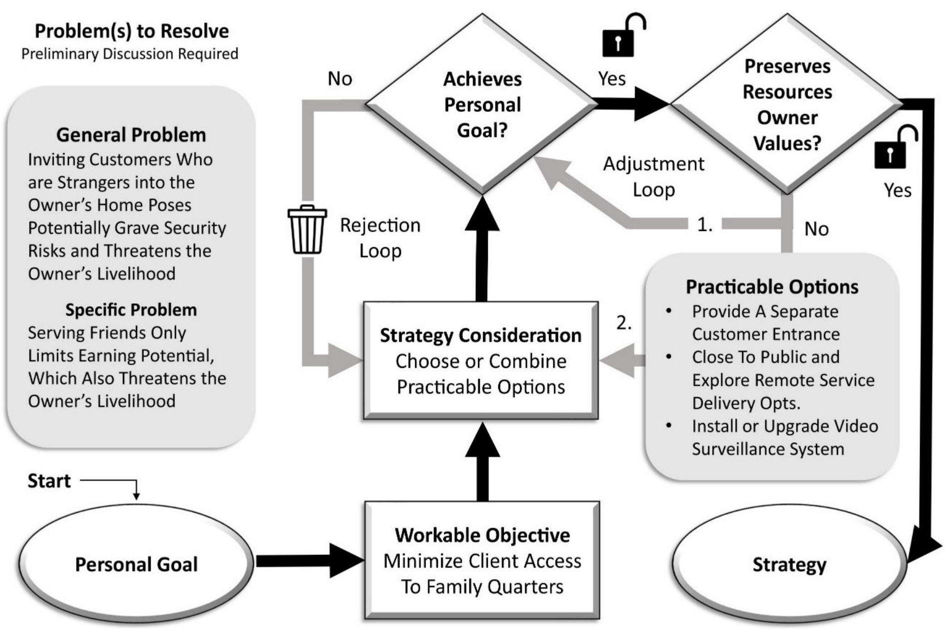

Figure 10. Linking strategy to personal goals: Home studio owner framework for management decisions: Deciding how to safely serve more customers to increase studio revenues.

To follow is a recounting of a few instances when the study participants linked strategy to their personal goals. For example, participant SO1 linked strategy to personal goals when he decided to become a home studio owner as his strategy for spending less time on the road and more time at home. A similar point can be made regarding the participants choosing home recording studio ownership as their way to engage in creating without worrying about a clock or decoupling the clock from the creative process.

Participant SO2 linked strategy to the personal goal of keeping the family safe and the studio secure when he decided to isolate his recording studio in the basement and provide a separate studio-level entrance, exit, and restroom. Study participant SO3 linked strategy to the personal goal of doing business and making money with friends when he decided to close his studio to the public and exchanged recording projects with his musician friends via Dropbox instead. Participant SO4 linked strategy to the personal goal of eliminating recording studio overhead when she decided to dissolve her disrupted freestanding studio business and bring her operations in-home as a home recording studio owner.

Even the decision to become a home recording studio owner is a strategy in and of itself. Each participant's decision to become a home recording studio owner linked strategy to that person's personal goals in some way. Becoming home recording studio owners allowed the study participants to exploit the many personal and competitive advantages that home studio ownership presented over commercial recording studio ownership or usage. For example, participant SO1 explained that he decided against leasing commercial studio space to avoid the overhead expenses such a move would have entailed. SO1 explained that owning a home studio helped him remove the would-be pressure to bring in income every week just to meet the overhead of leasing commercial space. He said that his monthly mortgage payment eliminated that would-be overhead of owning a recording studio. Moreover, SO1 was glad that when he gets busy with live music gigs, the income from those activities does not have to go toward paying the rent for the recording studio space.

Study participant SO2 talked about the comfort and relaxation that comes with being able to create without a clock, a shared perspective that served as the basis for one of the key themes that emerged in this study. In addition, SO2 valued having the tools in his house to paint a picture of the ideas that come to his head, regardless of whether those inspirations arose during the day or in the middle of the night. Participant SO3 who, dissatisfied with the long hours he spent in the commercial recording studio setting, said that his studio came into existence because he did not want to be away from his child. Participant SO4's decision to dissolve her disrupted freestanding studio business and bring her operations in-home was her strategy for overcoming industry disruption and thereby competing in the fragmented recording industry. These and similar examples support the suggestion that home recording studio ownership is itself a strategy for competing in the fragmented recording industry. The focus then shifts to formulating strategies for operating the home studio business in a way that achieves the personal goals of the studio owner while meeting the needs of the customers.

Analysis and Discussion of the Findings in Relation to the Themes that Emerged

The fragmented home studio industry, as a disruptive subset of the recording industry, is non-reflective of the parent industry in terms of the strength and configuration of the competitive forces that impact strategy and the structural underpinnings that impact profitability. To follow is a brief discussion on each of three related topics: (a) the participants' views regarding competition, (b) the participants' views regarding profitability, and (c) the impact of industry fragmentation on their business practices.

The participants' views regarding competition. Before delving into an analysis and discussion of the findings in relation to the themes that emerged in this study, a matter related to the wording of the research question requires clarification. The research question, *What strategies do well-established home studio owners use to compete in the fragmented recording industry,* (formulated using a traditional business mindset) opened a door to possible misunderstanding because of the context assigned to one word. That one word was the word compete. The findings of this study revealed that the participants, representing the target population of well-established home recording studio owners in the target area, did not use strategies to compete *per se* in their fragmented industry. The strategies they used centered on an entirely different means of achieving their desired outcomes. Competing, at least in the context that Porter (1979) described in his five forces framework as the rivalry among existing competitors, was not a behavior the studio owners engaged in on a routine basis. Instead of engaging in a competitive rivalry, an atmosphere of collaboration, working together, and building relationships permeated the participants' home studio business culture. Perhaps SO1 articulated it best when he said,

> I don't really think of myself as competing in the industry that much. The person I'm competing against the most is myself, trying to learn, study music, the technical aspect of recording and becoming a better musician. I have a very non-corporate, non-career-oriented approach, and I always have. I just kind of wing it,

> and it has always worked out. To a certain extent, musicians as freelancers, I guess we all are in competition with each other. To a certain extent, people who do what I do in helping other musicians to record, we're in competition with each other to attract business, but it's more based on relationships.

That does not mean that the study participants did not somehow formulate strategies to succeed because they did. That also does not mean that the word compete is non-applicable to this study because it is if used in the right context. To close the door to possible misunderstanding, the revised context for the word compete used hereinafter will be that of running a personally rewarding business in a manner that protects and preserves key resources the business owner values. This kind of thinking aligns with the conservation of resources (COR) theory (Hobfoll, 1989).

Conservation of resources. COR theory provides insight into people's natural motivation to protect, procure, and preserve resources they value to avoid the negative impact of stressors (Hobfoll, 1989). For example, instead of using the word competing (a potential stressor), the participants described their business practices more in terms of the principles and behaviors they valued such as collaborating, working together, helping people, and building relationships. Perhaps SO2 put it best when he said, "For me, it's production clients, people who have a substantial interest in bringing their creative ideas to life, and my primary duty is to assist them."

As mentioned previously, the participants looked to preserve their desired quality of life while operating a recording studio from their homes. Given the instability and fast-paced groupie-lifestyle some musicians experience, often spending extended periods of time on the road playing gigs away from home, sleeping on buses or in cheap hotels, the study participants valued being home with family. In fact, SO1 and SO3 so valued family-time that they admitted that they decided to become home recording studio owners so that they could spend more time at home with their families and less time on the road. For example, SO1 said:

> I had two young children at the time, and once we got this house, I saw recording as a way, to supplement my income from playing gigs around town and not have to go out on the road, so I could be home with the family.

Participant SO3, who had previously worked in the commercial recording industry, had this to say about spending less time on the road and more time at home:

> You know we would work from 6:00 to 10:00 with the artists. So, when it was time for overdubs and other work, I would stay until 2:00, 3:00, or 4:00 in the morning. But I had a small child, which meant that there were days at a time that I wouldn't see my son. I had purchased a house and had an unfinished basement and decided, just for the sheer fact of being home every day, building a studio.

SO3 went on to say, "That's how the studio came into existence. I didn't want to be away from my child. Even though I was working, he could always come down and see Daddy. From that, it just kind of grew."

The participants' views regarding profitability. Though generating supplemental or even replacement income is an achievable goal in the home recording studio industry, the participants' success motivations were not largely profit-driven. As mentioned previously, each of the participants had a separate sustaining source of full-time income upon which to depend. Regarding the need to sustain his studio activities, SO3 put it this way, “My nine-to-five took care of my home. My royalties and gigs did this.” The participants focus on home recording studio ownership seemed less about making money than about making music. Making music and helping others turn their creative ideas into a marketable music product is what seemed to keep the study participants excited about their home studio businesses. This does not mean that the study participants were not in business to make money, it just means that they did not demonstrate that making money was their primary focus. As mentioned previously, SO3 stated, “At one time, my fee was six hundred dollars a song.” Each album project might have had eight to ten songs. Yes! The home studio owners were indeed interested in making money, and by numerous subtle indications and non-verbal communications, they seemed to be making respectable incomes via their home recording studio businesses. As SO3 said about the way he operated his home studio business, “It brings income, but it also brings resources, which are two different things. Sometimes the resources are more valuable than the income.” Instead of competing to attract business, SO3 said that it is more about building relationships.

To shed light on this observed divergence from traditional thought regarding competition and the firm’s profitability, perhaps reassessing to whom a firm’s value proposition applies would be worth considering. Bohnsack and Pinkse (2017) explored the idea of reconfiguring value propositions to increase market acceptance of disruptive products among mainstream customers. Whereas Bohnsack and Pinkse presented the reconfiguration concept to help attract mainstream customers to disruptive products, the idea of reconfiguring value propositions and my personal experience as a home recording studio owner caused me to think innovatively.

Recognizing when distinct value propositions co-exist. Given that some home recording studio owners, as musicians, become consumers of their own recording studio services, a unique dynamic develops in which two distinct value propositions (DVPs) co-exist. The first or *principal value proposition* (PVP) to consider would be the value proposition developed by the business owner to attract customers and influence their perceived value of the home recording studio services they receive. In concept, the PVP is no new revelation to the business community. The interesting value proposition to consider, however, is what I will term the *lingering value proposition* (LVP), for which the potential applications for business practice are far-reaching. The LVP reflects the initial value someone such as a musician-owner of a home recording studio might have ascribed to owning an in-home music recording studio long before seriously considering the potential profitability of such a venture. Porter (1980) explained that some industries have such a romantic appeal that new entrants become attracted to the industry despite the low or non-existent profitability. An aspiring music artist, for example, who feels unjustly denied a record deal by a major recording company might become attracted by the romantic appeal of owning his or her own home recording studio, regardless of whether the venture is profitable.

The notion of a lingering value proposition is new, and admittedly will require additional research to become proven and accepted as legitimate by the business community, but every innovative idea had to originate somewhere. When outlining the research method and design for this study, my social constructivist philosophical worldview assumptions came into play. Social constructivists seek understanding of the world in which they live and work (Cunningham, 2014; Denzin & Lincoln, 2011; Yilmaz, 2013). Whereas in qualitative research design, researchers generally take measures to mitigate researcher bias during data collection to capture data purely from the participant's perspective, this does not prohibit researchers from later drawing upon their firsthand experiences to interpret the findings. Such was the situation with this study.

The LVP concept presented herein contributes a plausible explanation for how home recording studio owners can operate unapologetically for years with motives that are not expressly profit-driven. A DIY recording musician, for example, who writes his or her own songs might deem the benefits of owning an in-home music recording studio of enough value to not worry greatly about customer acquisition or generating profits. As consumers of their own music recording services, home studio owners might be completely satisfied with the value proposition they perceive due to the free and unlimited access to music recording technologies they enjoy. That alone might provide enough benefit for them to justify owning a home studio, regardless of whether they ever generate studio revenues or not. At the same time, a home recording studio owner who only has revenue from studio clients to justify his or her in-studio activity might compete more aggressively to attract and retain paying customers. This brings up the scenario in which a private home recording studio owner decides to operate his or her home studio more like a commercial recording studio. In alignment with the thinking of Bohnsack and

Pinkse (2017), who recommended that firms reconfiguring their value proposition to attract mainstream customers to their company's disruptive product, home recording studio owners may need to reconfigure or reconsider their LVP.

The impact of industry fragmentation. Porter (1979) reported that it is the structure of an industry, not its age or whether the industry is product or service oriented, that drives both competition and the profitability. For the home recording studio owners in this study, the fragmented structure of their industry worked to their advantage. In the absence of a clear business leader to influence market trends, which is how Porter (1980) defined a fragmented industry, these home recording studio owners could do things their own way and establish their own trends. Porter (1980) reported numerous ways in which industry fragmentation worked to the advantage of small firms, particularly firms with an owner-manager overseeing a small operation. For example, in highly creative industries, small firms may have an advantage over large companies because an owner-manager can more closely supervise the productivity of creative personnel than the manager of a large operation (Porter, 1980). In each of the home recording studios observed, the owner-manager himself or herself (as the sole employee of the company) comprised the entire creative workforce, although they formed teams with others. Therefore, with each studio owner taking responsibility for his or her own productivity and creative output, Porter's requirement for close supervision of the creative personnel was satisfied, making the small firm's stated advantage over larger firm presumably confirmed.

Overcoming industry fragmentation requires the decoupling of production from the rest of the business (Porter, 1980). In the home recording studio industry, a fully produced copy of a mastered music recording is typically the end-product for the business owner. The business of marketing, selling, and distributing the finished music product (even if out of the trunk of a car) typically remains the responsibility of the customer, not the home recording studio owner. Given that the music recording and production side of the business (traditionally handled by large recording studios) exists independently from the music sales and distribution side of the business, (traditionally handled by major record labels) Porter's decoupling requirement is satisfied.

Tax considerations. In addition to numerous ways home recording studio ownership helped the participants eliminate overhead and reduce their operating costs, numerous tax benefits were also available to them as home business owners. The Internal Revenue Service (IRS) entitles homeowners who use part of their homes regularly and exclusively as their principal place of business, or as a place to meet clients, to deduct a part of their operating expenses and depreciation of their homes (IRS, 2017). The designated part of the home, or a separate structure not attached to the home but used in connection with the trade or business, must serve as the principal place of business for any trade or business (IRS, 2017). The IRS allows home business owners to deduct other eligible expenses such as the use of a computer or the depreciation of equipment that meets certain criteria, but the homeowner should keep records, canceled checks, or receipts to prove their claims.

The combined eligible deductions, when subtracted from the home business owner's gross income, reduce the total taxable income to the owner's net income, and the owner then pays income tax on that net profit amount only (Fishman, 2018). Fishman advised home business owners to make sure they are engaged in a business and not a hobby because only businesses can claim business tax deductions. To prevent potential disappointments at tax time, checking their business status might be of interest to home recording studio owners who use their recording studios solely to record and produce their own music. If a person's home business does not turn a profit for more than a few years, the IRS might consider the owner engaged in a hobby rather than a business (Fishman, 2018). The combined eligible deductions, when subtracted from the owner's gross income, reduce the total taxable income to the owner's net income, and the owner then pays income tax on that net profit amount only (Fishman, 2018). Income on which home business owners do not have to pay taxes amounts to potential revenue back in the business owner's pocket.

Tying the Findings to the Conceptual Framework

Viewing the home recording studio phenomenon through the conceptual lens of disruptive innovation increased the understanding that by thinking disruptively leaders of small firms can not only compete against much larger firms but win. The findings of this study confirmed knowledge presented in both Porter's five competitive force framework and Christensen's disruptive innovation theory, which together comprised the dual-lens conceptual foundation for this study.

Disruptive innovation theory. As mentioned previously, Christensen et al. (2015), Gobble (2015), and Weeks (2015) all warned that disruption is a concept often wrongly interpreted and the term disruptive a label arbitrarily applied far too often. To prevent making the same mistakes, careful confirmation of alignment with published criteria went into ensuring the proper use and applicability of these terms throughout this study. Therefore, in alignment with the checks in place, the data confirmed that both the home recording studio (as a business) and home recording studio ownership (as a behavior) fully meet the criteria presented herein for classification as disruptive innovations.

The participants' personally-reported behaviors regarding the inception and growth of their businesses, their responses to the interview questions, and their observed behavior in conjunction with this study aligned with the principal tenets of disruptive innovation. These home recording studio owners started with an inexpensive substitute service of initially lesser quality than the mainstream offering. That service was rooted in an innovative use of an existing technology that met the needs of customers at the low end of the market.

Something important to remember is that disruptive products typically attract customers who are not interested in paying for the extra features and capabilities of the incumbents' mainstream offerings (Christensen et al., 2016). As mentioned previously, entrant disruptor firms gain their initial footholds by providing low-end customers with a *good enough* product or service, frequently at a lower price than the incumbent's mainstream offering (Christensen et al., 2016). The participants in this study attract and retain customers by offering inexpensive solutions to their problems at a level of quality good enough to meet and often exceed their needs. What makes meeting the needs of these unserved customers at the low-end of the market attractive to the participants is not profitability but opportunity. By continuing to meet the needs of this virtually unserved market, the home studio owners maintain a firm foothold in a niche in the music marketplace to which they might have never gained access otherwise. The participants' relentless press to improve the quality of their disruptive offerings further confirmed that the tenets of disruptive innovation were at work and that the endorsed move upmarket strategy entrenched in the disruptive innovation theory was clearly underway.

McDowall (2018) reminded successful disruptors to not overlook or neglect alternative routes to disruption. In addition to claiming low-end market footholds and moving upmarket, disruptors should look for opportunities to claim new market footholds in markets that previously did not exist and thereby serve both under-served populations and new unserved populations (McDowall, 2018). Participant SO4 expanded her focus and identified innovative ways to tap into markets seemingly out of reach for home recording studio owners. Based on the high quality of her disruptive offerings, SO4 does radio broadcasting and produces television commercials.

The five competitive forces model. Using Porter's (1979) five forces framework to comprise an additional conceptual lens provided insight regarding how home recording studio owners compete in their fragmented industry and a tool for better understanding of the key drivers of profitability. As a reminder, Porter described the five forces as rivalry among existing competitors, the threat of new entrants, the threat of substitute products or services, the bargaining power of suppliers, and the bargaining power of buyers. Understanding the intensity and the configuration of those forces is vital to strategy formulation (Porter, 1979). In Porter's classic diagram of the five forces model (see Figure 2 in Section 1), Porter assigned the rivalry among existing competitors the central position, with all other forces drawn as though impacting that strongest force from every side. The observed collaboration between the participants in this study and other home studio owners (their would-be competitors) suggested a different configuration of those competitive forces, one in which the rivalry of existing competitors was not the strongest force at work. Rivalry among existing competitors seemed far less intense in the emerging home studio industry subset than in the parent recording industry. This difference in intensity of the competitive forces aligns with Porter's explanation that the configuration of competitive forces that influence strategy differs from one industry to another. As mentioned previously, Porter (1979) also explained that when the competitive forces in an industry are intense few businesses profit, but when the forces are mild many businesses profit. Apparently, the strongest force or combination of forces driving strategy in the home recording studio segment of the recording industry is simply undetermined yet, warranting additional research in this area.

Regarding the forces that drive profitability and competition, Porter (1979) attributed that responsibility (in large part) to industry structure. Though the fragmented structure of the recording industry has undoubtedly exerted some influence on competition and profitability, the dynamics at work in that regard are still unclear as are the strongest force or combination of forces driving strategy in the industry. Gould and Desjardins (2015) doubted whether Porter's views of competitive strategy are well adapted to industries that thrive in the Internet age. Therefore, rushing to any conclusion at this time would be premature and unwise.

Applications to Professional Practice

Applications to professional practice include the potential for the findings of this study to evoke added discussion or research that leads to the creation of an effective business model for the home recording studio industry. The findings of this study might also lead to the standardization of successful home recording studio practices on a national level. In addition, the findings have applicability in other studio-style home businesses such as home hair stylists and home photography studios because the potential for in-home interactions with customers whom the owner might not know is high.

Potential applications to professional practice regarding the concept of linking strategy to personal goals could help companies increase employee productivity, satisfaction, and retention especially if those goals help conserve resources that employees throughout the company value. Embracing the notions of building relationships and helping people achieve their dreams and reach their full potential could help companies better attract and retain loyal customers. Coming to understand the structural underpinnings that impact profitability in industries with structures different than their own could help company leaders innovate strategies to exploit the benefits of any industry structure, given the near-inevitability of occasional change.

Implications for Social Change

The implications for positive social change, as expressed in terms of tangible improvements to individual behaviors and economic empowerment activities to benefit society, include the potential to,

- provide individuals from various walks of life an innovative small business option for creating new jobs to help strengthen their local economy; and
- improve the quality of life for professional musicians by providing them a practical means through which to conserve the resources they value; such as spending time with family, building relationships, and helping others achieve their dreams and reach their full potential.

Recommendations for Action

Home business owners with studio-style businesses whose business models require them to invite customers they might not know personally into their homes need to pay attention to the results of this study. I recommend that people such as DIY professional and amateur musicians, singers, songwriters, composers, displaced recording industry professionals, or anyone with a desire to own a home recording studio, pay attention to the findings of this study. The study findings could easily be disseminated via popular social media sites, insertion into music-related industry blogs, linked to on personal and business websites, and used as topics for discussion during music industry related conferences for education and training purposes. I will push to get this study, or subsequent studies on this topic published, cited, or otherwise reprinted, in scholarly, peer-reviewed, academic journals to help close the information gap that existed at the time of this doctoral study, completion, approval, and release.

Detailed recommendations. Based on the findings of this study, to follow are a few key considerations for competing in the fragmented recording industry. Home recording studio owners should strive to,

- never lose sight of why they got into the home recording studio business and strive to reflect those goals in all their business activities;
- identify, assess, and reconfigure the company's value proposition (including any lingering value proposition) as needed to keep the company moving upstream attracting mainstream customers;
- let every customer interaction or recorded music project reflect the values that motivate them to do what they do;
- link business strategy to personal goals that conserve resources the owner values;
- innovate strategies to minimize customer access to family quarters to help keep the family safe and the studio secure; and
- explore remote music recording solutions and alternative product delivery options for times when face-to-face interaction with customers is not practical.

Recommendations for Further Research

Researchers looking to repeat this study should recruit a larger study population that comprises a broader demographic and geographic representation of home recording studio owners. Gender would be a particularly informative demographic to include given the family-centered nature of the themes that emerged. Requesting company documents later in the interview process, once the participant has had an opportunity to come to know the researcher better and to trust his or her motives, could aid in the collection of document data.

Using an expanded research design in future studies could also address the limitations delineated in section one of this study. For example, the limited scope of the study disallowed thorough assessment of the comparative effects of profit-driven motivation vs. non-profit-driven motivation on business decision making and strategy formulation. Such a study might compare home recording studio owners who have outside sources of full-time income to those who do not. Additional research, that compares bedroom studio owners who only record their own music to project studio owners who record music for others, would also offer increased applications for business practice. One final recommendation would involve conducting a quantitative survey of home studio users to determine what they look for in their home studio experience and what they expect as their end-product.

Reflections

My experience within the DBA Doctoral Study process changed my life in ways I never predicted. Fortunately, the changes were all for the better. The rigor and demands of the process caused me to finally confront some repressed personal issues that had long prevented me from reaching my highest potential. As a well-respected administrator, I was always great at planning and problem solving, but delegated the required follow through on those plans. I could cast the vision and always count on motivated team members to somehow execute the details. The DBA doctoral study process disallowed that behavior and forced me to re-engage my skills at confronting details and executing my own follow through from start to finish.

During the lengthy research process, I lost four parents: my birth mother and father, and my mother-in-law and father-in-law, who were just as close to me as birth parents. Though their loss slowed me down, it strengthened my resolve to stay the course. Other than eliminating ways in which I wasted valuable time, I would not have changed a thing about the program because everything I experienced helped me to grow into the rising Doctor of Business Administration I so desired to become. I hope that my study contributes to the professional body of knowledge of business and management, that it contributes to positive social change, and that it demonstrates the levels of scholarly achievement and execution rightly expected of a sound doctoral study.

When I began my study, I was an experienced home recording studio owner who understood and faced the same security challenges reported by the home studio owners who participated in this study. Admitting to years of lack luster performance I approached the study with a legitimate desire to learn strategies to compete in the disrupted and fragmented recording industry. Though I had my share of preconceived notions regarding what it would take to solve the problem, I knew that to learn anything from my own study I had to put them aside and approach the topic as naively as possible. Instead of guiding the interviews in the direction conventional wisdom might have had me lead them, I allowed the interviewees to teach me what they knew while I listened and observed without interrupting. That approach must have created the desired effect because my participants openly shared rich and in-depth information. I learned much valuable information that will help me expand my existing home studio business.

I refrained from drawing upon my experience as a home recording studio owner until after I completed my data analysis and was ready to interpret the findings of the study. As I learned about large commercial recording studios becoming disrupted by small home studios, I secretly became concerned that my home studio would eventually become disrupted by even smaller bedroom studios and I would have no one to serve. After completing this study, I changed my thinking and became convinced that growing my home studio was an idea still well worth pursuing. That is because I came to understand that, in the evolving music recording industry, home studio players no longer comprise the secondary team. They are now the primary team, and I am proud to be a part of it.

Conclusion

The key takeaway from this study that I wish to present is this: Instead of patterning what the participants did, pattern how they thought, for therein lies the true strategy behind their success. The data revealed that reflected in participants' business practices are personal goals, important underpinning values, and non-traditional motivating factors that impact not only what they do but why they do it. Understanding why the participants run their businesses the way they do offers greater insight into the participants' ways of thinking and their decision-making processes than any list of strategies could ever provide. Therefore, instead of listing specific strategies the participants used to run recording studio businesses from their homes and concluding that those strategies were the complete answer to the research question, I dug deeper to find meaning in all of this.

When asked to divulge the strategies they used to compete in the fragmented recording industry, the participants explained that competing *per se* is not how they conduct business. The data corroborates that competing, as Porter (1979) conceptualized as the rivalry between existing competitors, is not something the participants engage in on a routine basis. On the contrary, collaborating and forming alliances better describes how the participants spend their time. Instead of engaging in intense competition against their would-be competitors, the study participants join forces with their competitors. This aligns with Pagani's (2013) suggestion that, under situations of disruptive innovation, emerging business models should centralize core activities through horizontally stratified alliances. The participants' practices of joining forces and communicating with competitors align with Blokker, Bek, and Binns' (2015) suggestion that maintaining communication and cooperation is an effective way to address industry fragmentation. Intense competition would instead exacerbate fragmentation and break down communication (see Blokker, Bek, & Binns, 2015).

A quick Google search for antonyms for the word rivalry returned words such as cooperation, partnership, relationship, and friendship. The study participants acknowledge their strong preference for doing business and making money with friends, as evidenced by the theme of the same name that emerged from the data. Successful collaborations between the participants in this study and other home recording studio owners became a key topic of discussion because it corroborated what the participants shared about their business culture.

One interesting development, one that changed the focus of the study, came with the late insertion of conservation of resources theory (Hobfoll, 1989), as a surprisingly applicable and supportive additional lens through which to view the participants' decision-making behavior. After viewing the participants' competitive behaviors in the context of running a personally rewarding business in a way that conserves resources that the business owner values, the findings started to make more sense. Applying COR theory adds great insight toward understanding the participants' interesting practice of linking strategy to personal goals that preserve resources they value. Evidence of the participants linking strategy to personal goals added positive social change applicability to the study. If other business leaders would ground their business practices in strong ethical values, a refreshing moral victory for society might result.

Key Lessons

Decision-making.

- Focus on perfecting the decision-making process, not the specific outcomes.
- Make certain that every management decision ensures the safety of family and security of the property during each customer interaction.
- Link strategy to personal goals that conserve resources the owner values.

Studio positioning.

- Isolate the studio in a space adaptable for recording that minimizes customer access to the family quarters.

- Consider using a space accessible from the inside the home that also provides a potentially separate entrance for customers, such as a basement or garage if available.

Service delivery.

- Innovate alternative service delivery solutions such as online file sharing and remote track recording for times when face to face customer interactions are not practicable or the studio owner closes the studio to the public.
- Eliminate the potential anxiety and stress of working under rigid time constraints by decoupling the clock from the creative process in ways such as charging customers and paying musicians by the song instead of by the hour.
- Keep the recording studio accessible 24 hours a day to foster creative expression and capture impromptu ideas as they occur, regardless of the time of day or night.

The principle idea is to safely serve as many customers as possible with as little stress as possible, while fostering creativity and capturing impromptu ideas as they arise. This will undoubtedly help improve the quality of the disruptive offering and help toward the move upmarket to attract more mainstream customers. The home studio owner should let customers know what he or she values and offer them a value proposition rooted in the owner's personal value proposition. Disclosing the owner's value proposition will give customers a reason, beyond unbeatably low prices, to decide if that is something that they want to become a part of, and tell their friends about, thereby linking the firm's value creation activities and its value capture activities.

Though making money is probably the most common reason people decide to go into business for themselves, it is not necessarily the most common reason people decide to build a recording studio in their homes. To truly appreciate what the participants accomplished will require thinking beyond the profit-driven motive of making money to the purpose-driven motive of making music and then stretching beyond even that to the service-driven motives of helping people and building relationships. This kind of thinking aligns with information cited previously herein, by Christensen et al. (2015) and Jameson (2014), regarding what should serve as the driving force behind disruptive business model innovation. The driving force behind disruptive business models should never be the quest for immediate profits or short-term benefits but rather the belief that if the firm meets their consumers' needs well, the profits will follow later (Christensen et al., 2015). Profit motives are no longer the sole consideration leading strategy formulation because disruptive business models, despite yielding thinner profit margins, yield a higher return on net assets (Robles, 2015). Perhaps SO3 summed it best when he said (regarding this interesting way of thinking), "It brings in income, but it also brings resources, which are two different things. Sometimes, the resources are more valuable than the income."

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Appendix A: Interview Questions

Interview Questions

1. How did you become involved in the home recording studio business?
2. How does owning a home studio help you compete in the recording industry?
3. What challenges (if any) does operating a recording studio in your home present?
4. How has the decline of traditional recording companies affected your business?
5. How do you use your studio to generate supplementary or replacement income?
6. Who are your target or primary customers (including yourself if applicable)?
7. How do you attract new customers and keep your business in their minds?
8. Please share anything else you wish about competing in the recording industry that we have not talked about.

Appendix B: Interview Protocol

Interview Protocol

Opening-Script to Protect Human Subjects

Thank you for consenting to participate in this study. I want to remind you that your participation is entirely voluntary and that you may decline answering any question you feel uncomfortable answering, or you may completely withdraw from the study at any time without fear of penalty or negative repercussions of any kind. I would like to remind you that I am recording this interview but let me reassure you that this entire session will be treated as highly confidential. Is that still okay with you? *(If yes, check recording signal and proceed, if no, stop the recording and assess.)*

The Purpose of This Study

This is a multiple case study to research strategies used by home studio owners to compete in the fragmented recording industry. You have been selected for today's interview because you are identified as someone who has professional experience in the field home studio recording. My research project focuses on how home studio owners compete in an industry segment in which no clear industry leader exists to influence market trends (a fragmented industry). Thus, I am trying to learn from you about your strategy for competing in the fragmented recording industry. I have planned this interview to last about 45 minutes. During this time, it is important that we are undisturbed. I would appreciate if you silence any electronic devices and forward incoming calls. Do you have any questions about the interview, this study, or the informed consent form you already signed by replying to the previous email with the words 'I Consent? [Answer questions]

The Interview Questions - <u>Observe & Make Field Notes</u>, <u>Clarify</u>, <u>Ask Probing Follow-ups</u>

1. How did you become involved in the home recording studio business?
2. How does owning a home studio help you compete in the recording industry?
3. What challenges (if any) does operating a recording studio in your home present?
4. How has the decline of traditional recording companies affected your business?
5. How do you use your studio to generate supplementary or replacement income?
6. Who are your target or primary customers (including yourself if applicable)?
7. How do you attract new customers and keep your business in their minds?
8. Please share anything else you wish about competing in the recording industry that we have not talked about.

Script to Wrap Up the Initial Interview

Thank you very much for participating in this study and for sharing of your experience and perspectives so openly. I appreciate your time and co-operation. You are welcome to offer any relevant documents or additional information we have not covered here in the study, that you deem worth linking to the subject. As I work on the transcriptions of the interview and prepare to begin data analysis, I may call upon you again to provide some clarification to any of your answers and offer some additional feedback Are you willing to participate in those follow-up activities? Again, Thank you for your time today. This experience was very beneficial to me.