



Unit 2:
**Entrepreneurial
Practice – Modelling a
CCI enterprise**

Theme: 2.5

**Management: team
and change
management in the
CCIs**

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The training contents at a glance:

FENICE Program

Unit 1: Management and Entrepreneurship in CCI

Theme 1.1. Understanding CCI. Cross-Sectoral Collaborations.

Theme 1.2. Creativity and Innovation. Accountability and Ethical Behavior

Theme 1.3. Cultural Policies and Institutions. Intellectual Property

Theme 1.4. Entrepreneurial Mindset and Process.

Unit 2: Entrepreneurial Practice – Modelling a CCI Enterprise

Theme 2.1: Designing a business for the CCI: preparing a business plan and pitching business

Theme 2.2: Product or Service from economic point of view. Economic Value. Product and service in arts. Cultural Value.

Theme 2.3: Market, Competition, Consumption and Branding in CCI

Theme 2.4: Business models, systems, partnerships

Theme 2.5: Management: team and change management in the CCI

Theme 2.6: Financing. Opportunities and Risks

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CASE STUDY



MBOX

(Andrey Pavlov)

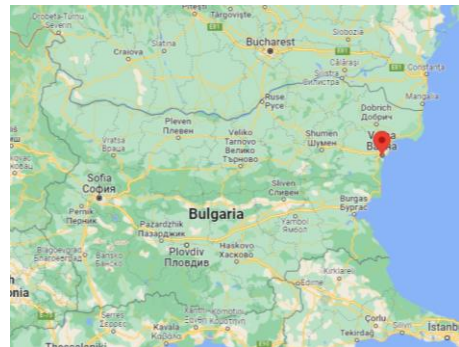
<https://soundcloud.com/m-box-studio/>

<https://www.facebook.com/recycleartacademy/>

✚ **Country/region of operation:** Varna, Bulgaria

✚ **CCI area:** Music

✚ **Description**



Music is Andrey Pavlov's vocation. Something that initially started as a hobby was transformed into first job, then profession, to become a successful business venture today.

In 2008 when he already had experience, knowledge, contacts and emotional charge and after years of reflection and analyses, Andrey gives shape to an innovative business idea called MBOX (Studios).

Today this is one of the most popular media partner on the regional market that offers:

- (a) full audio and video branding, consistent with the concept for development of on-line sites and physical sites (entertainment facilities in particular) and with guaranteed copyrights for broadcasting of content;
- (b) information and entertainment video-channel that enables each user to launch his/her/its own media for advertising, information and entertainments at the point of sale;
- (c) support in the implementation of media projects.

Initially Andrey worked alone as he was managing a few sites and could handle all the activities by himself. After the third years of existence, he started to gather partners and entrust them with managing the sites. Now the company works with a team of 14 professionals who are specialized in different music styles and each of them manages their own sites. All team members work at different locations and in different offices e.g. the company has never had a single office or a head office.

With the increased monitoring and requirements on the entertainment facilities (such as restaurants, bars, hotels, beauty shops, etc.) in Bulgaria to air only copy-right licensed music in late 2018s-2019s, an additional market niche for MBOX was created.

An important feature of the business is that it is project-based and the team for each project is gathered ad hoc and depending on the project's essence. Very often the implementation of the project is divided into phases that are implemented by different professionals. The critical points most often refer to the permeability between the phases – when a professional hands over the work to next fellow colleague and in case of incompatibility between the approaches the different experts take. In that the task of the project manager is to make the phase compatible while answering the clients' preferences and to convince the team members to adapt their approaches to the clients' needs.

Andrey works with a constant team of professionals and with the years they have learned to communicate and cooperate fluently while solving emerging problems efficiently and without conflict.

Marketing approach

MBOX is an on-line service and is distributed mainly in the on-line environment. Of course, the venues that use the MBOX services also serve as excellent demonstration of the company's facilities.

Financial situation

In fact, the MBOX idea emerged as a concept in 2004 but he did not consider that the market in Bulgaria was ready for it. The first five years were the most challenging ones and associated with the company's survival as a business. Only afterwards, it started to raise profit and establish itself a business

Key success factors and challenges

MBOX Studios operates in the area of digital media – an expanding market niche that became even more attractive after 2020 and Covid-19 pandemic with many traditional arts going on-line. The company stated and operated in Varna - the third large and most developed city in Bulgaria which also has a very well-developed cultural, IT, entertainment and tourism/food and beverage sectors. The need for music branding has remained constant but any way the company is able to work with clients from the entire country and abroad as it is digitally based. In 2020-2021 (during the Covid10 pandemic) the on-line sales for music digital content have increased enormously – with over 150%- and the on-line concerts have become the new popular form of “consumption” of music products as the majority of the artists streamed their performances on-line.

In 2022 the trend was reversed backwards as the audience again started to demand live performance and experiences. The severe downturn in the service sector and tourism, caused by the pandemic, entailed reluctance on behalf of both business and individual users to pay for digital content and the unauthorised use have been in place.

Plans for future development

MBOX Studios keeps to its original concept but has begun to diversify its projects and offer combined music and video-content both for business and home use. The team is brainstorming on new projects that are more focused on video-information.