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Developing a Forward-Looking Strategy for the Music Industry

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Honors Thesis submitted to the Peter T. Paul College of Business and Economics

University of New Hampshire

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Abstract

The music industry has had many changes throughout the past few decades, but nobody could be prepared for Covid-19's impact. Music artists have lost the ability to tour and play gigs due to the pandemic, leaving them without their primary stream of revenue. The purpose of this research is to develop forward-looking strategies for the music industry. Specifically, it seeks to answer these two research questions: What pain-points do music artists face in the industry as currently constructed, and what is the next mode of music consumption desired by consumers? Results from surveying music artists found that their major challenges included the devaluation of their music, unstable work, fan engagement, and self-promotion. In surveying music consumers, it was found that consumers enjoy music streaming in its current state and are not looking for new modes of consumption, just cheaper prices. It was also found that consumers have an increased desire to attend live music events due to the pandemic. Additionally, consumers seem extremely disinterested in non-fungible-tokens (NFTs). These findings were what I expected for the most part. Consumers are locked into streaming and would need something that delivers the same experience for less if they were to switch to a new mode of consumption. To prepare for the industry's future music artists should be mass marketing their protests against Spotify to bring awareness to the damage the company is doing. Additionally, music artists should begin framing NFTs as donations so they can maintain income while they are unable to find work.

Keywords: Music Industry, Music Artists, Music Consumption, Pandemic, Consumers

Forward Looking Strategy for the Music Industry

With music labels being exposed for predatory contracts and both signed and independent artists losing a primary revenue stream of touring due to the pandemic, the music industry appears primed for disruption. The purpose of this research study is to determine a new business model that can cause this disruption by creating unique value for both consumers and artists. I am seeking to find answers to the pain-points of music artists as well as examine the appetite of consumers for new methods of music consumption. Streaming disrupted the industry most recently and has become the dominant medium for listening to music. While this provides high accessibility for the consumer, it greatly reduces the earnings of artists, especially when they are locked in contracts that gives their label ownership of most of the streaming revenue. This is especially problematic when artists are unable to tour, as that is often the main revenue stream that supports them. I will be investigating the current function of music labels and how they operate, how some of the major players in the music industry generate revenue, consumer wants, and what music artists are seeking solutions for as they navigate the industry. I will analyze these findings to determine what can be implemented, adapted, and ignored in the development of an innovative strategies to disrupt the music industry.

Literature Review

Music Industry

The music industry consists of many different players including music labels, streaming services, and musicians. Recorded music industry revenue in the United States has steadily grown over the past several years. In 2019 revenue reached \$7.3 billion, an increase of \$2.1 billion from just three years prior in 2016 when revenue was \$5.2 billion (RIAA, 2019).

Worldwide, the breakdown of revenue shares for recorded music is dominated by subscription audio streams. In 2019, 42% of worldwide recorded music revenues were derived from subscription audio streams, 21.6% from physical, 14.1% from ad-supported streams, 12.6% from performance rights, 7.2% from downloads and other digital purchases, and 2.4% from synchronization (IFPI, 2020). While it is clear music streaming has taken over as the primary format worldwide, there is still a lot of value being captured by the other categories.

Synchronization refers to royalties for music that is licensed for commercials, movies, video games, or anything similar that sets a musical composition to a moving picture. Synchronization is directly tied to the music publishing industry, a sub-industry of the music industry at large. Music publishing includes synchronization royalties, mechanical royalties, and performance royalties. Performance royalties are derived from the broadcasting of music on cable and satellite TV and radio, as well as from live performances of licensed songs. Mechanical royalties come from audio compositions such as ringtones, music videos, digital songs, tape recordings, and music used in other recorded items. It is anticipated that in 2021 the US music publishing industry will get 43.6% of its revenue from performance royalties, 26.2% from synchronization royalties, 22% from mechanical royalties, and 8.2% from a combination of other and smaller revenue streams (Schulman, 2021). With these projections, the music publishing industry is set to

see \$6.4 billion in revenue in 2021, even with Covid destroying touring and in-turn decreasing performance royalties (Schulman, 2021). Revenue for the US recorded music industry had been declining over the first decade of 2000 but began to rise again after 2010 due to a resurgence in live music (Naveed, Watanabe, & Neittaanmäki, 2017). Live music has been around since music's beginnings but has recently grown its revenue generation through increased popularity of music festivals and the digitalization of music creating much more exposure for artists.

2020 was brutal for the Musical Groups & Artists in the US, with the industry seeing a massive decrease in revenues of 38.5% from the year prior. In 2019, the industry reported nearly \$7.3 billion in revenue, while in 2020 this figure dropped to about \$4.6 billion. The industry is not expected to return to over \$7 billion in revenue until 2022, with 2021 still being a down year for musical groups & artists. Revenue for 2021 is projected at around \$5.5 billion, but there is still so much uncertainty for the future. Because the pandemic took away touring, artists lost a significant revenue stream. This is the main factor in the massive revenue dips for 2020 and 2021, and projections for the future are banking on live music having a big return post-Covid. 2022 is projected to see a 39.2% increase in revenue from 2021, equating to just over \$7.7 billion in revenue. Coupled with the 2020 revenue dip has been immense job loss, seeing employment for the industry drop by 23.5%. While Covid is the major culprit for this job loss, it should also be noted that the average wage for workers in this industry has been consistently declining over the past 15 years. In 2005, the average wage in the industry was \$34,166. In 2020, it was only \$26,468. Future projections for industry wages are bleak as well, as by 2026 average wages are only expected to reach \$26,888. It is important to note the large disparity between those at the top and those at the bottom, as even with declining wages revenue is projected to increase to an all-time high of just over \$8.2 billion. As musicians are able to tour again, industry profit is

expected to stabilize, but there is still much uncertainty as to when this can be done with and without restrictions such as social distancing. With live performances still off the table, industry players are deriving much of their revenue from merchandise, recording, and royalties (Daly, 2021).

In 2014 revenue for the live music industry was \$24.15 billion and in 2019 it was \$28.87 billion. While Covid-19 has put a halt on concerts in the United States for the time being, the future is expected to see even more of an increase in concert revenue due to consumer demand for these unique experiences, with projections setting revenue for the live music industry in 2024 at \$31.05 billion (IQ Magazine, 2020). Live Nation Entertainment is a leader in live music and has seen their concert revenue increase since 2011. In 2019, Live Nation Entertainment had concert revenue of \$9.43 billion, which is about 33% of all live music revenue from 2019 (Live Nation, 2020). In 2009, Live Nation Entertainment posted concert revenue of only \$3.7 billion, exemplifying the massive increase in touring revenues over the past 10 years that have helped to revive the music industry (Live Nation, 2020). The value chain of touring has a long list of stakeholders that need to be considered when trying to innovate on the current concert model. Beyond musicians and fans, there are entertainment companies like Live Nation Entertainment that promote events and sell the tickets to them.

Venues for concerts play a large role in touring and have been hit tremendously hard by the pandemic. According to the National Independent Venue Association, the pandemic has caused at least 300 independent venues across the United States to permanently close (Pfarrer, 2021). This problem is being addressed by the Shuttered Venue Operators Grant, a program including more than \$16 billion in grants for closed venues through the Small Business Administration. While these grants include non-music venues like movie theaters and certain

museums, the main eligible parties are live venue operators or promoters, theatrical producers, live performing arts organization operators, and talent representatives (Shattered Venue Operators Grant, 2021). Even with this support, there are artists concerned for the future of venues due to successes they are having with small, local livestream shows. Based on a poll of her fans on Facebook, folk singer Tracy Grammer found that many want her to do a mix of live and virtual shows after the pandemic. This is in part due to her fans having limited live venue options where they live, but this is still a trend worth noting. As Tracy said: “This bodes well for the artist who wants to reduce their touring and balance their life a bit, but what does this mean for venues? Are they aware of this shift? Will they have to enter the livestream market, and if they do, what will be the perks of attending live?” (Pfarrer, 2021). Signature Sounds, an independent record label based out of Northampton, Massachusetts, has raised over \$150,000 in donations for musicians participating in their “Parlor Room Home Sessions,” an online music series (Pfarrer, 2021). While this is not a huge number, it is clear there is still passion for live music even if it is digital through livestreamed events. With no clear sign of when things will fully return to normal, it is tough for venues to plan live performances. As Jim Olsen, President of Signature Sounds put it: “It’s just really hard to plan when there’s still so much uncertainty. What kind of restrictions [on public gatherings] will be in place six months from now? How many people will feel comfortable going to a show? We just don’t know.” (Pfarrer, 2021). For now, these online shows seem to be the best bet for keeping small venues and independent labels going through the pandemic.

Record Labels

The three major record labels are Universal, Warner, and Sony. In total these labels make up 68.1% of the total recorded music industry (Music & Copyright, 2020). Universal has market

share of 31.8% which is the highest for any of the big three labels, with Sony having 20.3% and Warner having 16% (Music & Copyright, 2020). The remaining 31.9% of the market is owned by independents.

In 2019 the EBITA for Universal Music Group was 1,124 million euros, which is approximately \$1.364.11 million in US dollars. Along with the United States music industry, UMG saw declines in its EBITA until 2010 when it began growing again (Vivendi, 2020). The music and operating revenue for Sony in fiscal years 2019 and 2020 total \$7,267.32 million and \$7,843.38 million, respectively. For 2019, Sony's music and operating revenue included \$3,902.53 million from recorded music, \$975.03 million from music publishing, and \$2,389.76 million from visual media and platform. For 2020, Sony's music and operating revenue included \$4,369.32 million from recorded music, \$1,472.89 million from music publishing, and \$2,001.17 million from visual media and platform (Sony, 2020). In 2020 Warner Music Group saw its first net loss since 2015. In 2015 WMG had a net loss of -\$91 million but rebounded quickly earning profits through 2019 when it posted net income of \$256 million. For fiscal year 2020, WMG has taken a net loss of -\$475 million (Warner Music Group, 2020a). WMG still had a successful 2020 as far as generating revenue goes, earning \$4,463 million (Warner Music Group, 2020b) with \$3,810 million from recorded music and \$657 million from music publishing (Warner Music Group, 2020c). Even though labels are generating historic revenue figures, their talent have been vocal about the lack of compensation they and their peers receive.

Young artists are most at risk to fall victim to one-sided contracts, often signing over their master royalties for perpetuity. Before Taylor Swift was known she signed to Big Machine Records in 2005. Her contract with them expired in 2018, but they still owned all the master recording rights to Swift's work from 2005 to 2018 until Scooter Braun's private equity firm,

Ithaca Holdings, bought Big Machine Records. This acquisition gave Ithaca Holdings all ownership of Swift's masters, which they quickly sold to Shamrock Holdings in 2019 for \$300 million (Bruner, 2021). Braun has been a longtime music and entertainment manager, representing stars such as Justin Bieber. Swift is just one example of the many artists who have been swindled by labels, as she receives zero compensation for all of her original recordings from 2005 to 2018. This is a backwards model that results in the creative losing more and more equity overtime as their business grows, with the label profiting off the lion's share. In an effort to fight back, Swift is now rerecording her first 6 albums and releasing them under her new deal with Universal's Republic Records, in which she owns her master royalties (Bruner, 2021). This will allow her to make money off of her hit songs for years to come, so long as fans purchase or stream the rerecorded versions rather than the originals. Ironically, a character who Swift has long been at odds with throughout her career has also had significant contractual issues with their record label. As always, Kanye West made headlines when speaking out against EMI and other major record labels, comparing being a rapper to being a modern-day slave. His reasoning: a clause in his contract that forbids him from ever retiring. West signed his contract in 2003 while creating his debut album. Since then, extensions and other hidden clauses have been used by the label to continue the original contract and prevent West from music retirement, the rights to his music, and subsequently fair compensation for his work. West is still working to break out of his contract, suing EMI under a California law that prevents contracts from being over 7 years long (Gardner, 2019). West's contract has been in place for well over double the legal number of years so it is only a matter of time before he is able to get out, no longer being required to deliver ownership of his new music to the record label. West is not only fighting to get out of his contract to protect his future creations, but he also seeks to have the rights to his music created

from 2010 to the present returned to him from EMI since they fall outside of the 7-year law (Gardner, 2019). Song writers and producers have also been battling with labels for fair treatment and compensation.

On March 25, 2021, over 1,450 creatives united by signing an open letter that was sent to the heads of worldwide record companies. The content of the letter asks for better contract terms for both songwriters and producers. They demand for nonperforming songwriters to share in at least 4% of the label's share of master royalties. They also seek revisions of current producer agreements so that the producer's share of royalties is deducted from the label's share rather than the artist's share. Additionally, they want an established minimum budget of \$120 to cover per diem expenses that is not subject to recoupment. Labels such as BMG have been updating contracts with their songwriters to eliminate antiquated provisions like minimum delivery and release commitments, but the songwriters are still pushing for their demands to be met (Olson, 2021).

Streaming

Streaming quickly disrupted the music industry and has further sped the transition away from physical and digital music purchases. In 2017 streaming services accounted for 65% of the United States music industry revenue. In 2020, this number reached 79%. Physical and digital purchases have gone from 17% and 15% to 15% and 8% during this same time period (Medium, 2020). Streaming services are without question the dominant means of music consumption and the biggest players in this market are Amazon Music, Apple Music, Spotify, and Pandora. As of 2020 Amazon Music has 45.8 million active users in the united states and are projected to surpass 50 million active users by 2022. Apple Music has 35.1 million active users and is expected to reach just under 40 million active users by 2023. Spotify has the largest userbase of

any of the platforms by far having 78.5 million active users with projections predicting they could hit just under 100 million active users by 2023. Pandora's active userbase been steadily declining since 2016 when it had 76.8 million active users. In 2020 Pandora had 58.2 million active users with projections dropping this number to under 50 million by 2023 (eMarketer, 2020).

Spotify earns 91% of its revenue from paid subscriptions with the remaining 9% coming from advertisements. This is in stark contrast to Pandora, which earns 82% of its revenue from advertisements and 18% from paid subscriptions (Lozic, 2020). On first glance it appears that Spotify has created the most successful streaming service due to the number of users it has acquired, but further investigation displays the underlying issues with the company and its business model. Spotify was founded by non-record company entrepreneurs which resulted in the company having to trade ownership for music rights from major labels. This has crippled Spotify's bargaining power with suppliers and made them unable to negotiate contractual conditions for royalties as competitors like Amazon and Apple are able to do. Spotify has to pay a royalty for every song streamed and has a much lower paid subscription cost than its competitors. This leads to Spotify losing money by adding new users, resulting in a company that has yet to turn a profit in its 12 years of operation (Lozic, 2020). The music streaming industry is nearly 15 years old but is already close to reaching maturity. A zero-sum game has begun, with the most used vendor Spotify still unable to reach profitability.

In an interview with The Verge, Spotify's CEO Daniel Ek said he knows for certain that in ten years radio as we now know it will be dead and will have pivoted to an on-demand format. This coupled with a lack of profitability sheds light onto recent announcements from the company. Ek shared with The Verge Spotify's three-pronged business model, which derives

revenue from user subscriptions and advertisements through its podcast ad marketplace and music streaming. The third piece to their new business model is being described as a menu of options for creators to use from Spotify, including help with selling merchandise, tour tickets, and subscriptions to the creator's content. It is unclear how many music artists and podcasters on the platform plan to work with Spotify in selling these offerings, but if creator storefronts are integrated into Spotify's app itself, it may increase conversion rates since users would not need to switch to a web browser to find the creator's website or online store. During their February 22nd, 2021 presentation, Spotify announced that there are over 7,500 creators on their platform earning at least \$100,000 per year (Carman, 2021). These numbers support the wage disparities for music artists mentioned earlier, but also display an opportunity to increase the earning potential for the rest of creators on the platform. As Ek describes it, "Obviously, not all of these [creators] are going to be able to support themselves full-time doing this, but our job is to create as many possibilities as possible for these creators to create, to grow, to engage, and to monetize with their fans... How you monetize an average consumer the first time you have them listen to you is going to be very different than how you monetize one of your super fans. And in that future, I think Spotify will recognize all of those different abilities and allow the creator to find the best ways to monetize their fan base based on both their ability and how they think about sustaining their creative endeavors." (Carman, 2021).

Since the introduction of podcasts to the platform in 2015, Spotify has transitioned to heavily emphasize podcasts through inking massive exclusivity deals, acquiring podcast hosting company Megaphone, and creating proprietary ad insertion technology called Streaming Ad Insertion. As mentioned before, Spotify has already amassed the largest listener base of all the streaming platforms. By the end of 2021, analysts project Spotify to surpass Apple Podcasts in

US listeners. Spotify has already led podcast listenership in many countries internationally but had been lagging behind in the US market. Between 2020 and the end of 2021 Spotify is projected to increase their US listener base by 8.3 million listeners (Insider Intelligence Editors, 2021). Apple Podcasts is still growing as well due to the boom in podcast listenership, but its market share continues to shrink as Spotify grows its podcast business. In 2018, Apple Podcasts captured 34% of podcast listeners. By the end of 2021, this number will be about 23.8%, representing a 10.2% decrease in market share over the past three years. In 2021 podcasts will represent 53.9% of monthly digital audio listeners, the first time it has gone over the 50% mark. By 2024, eMarketer expects this figure to reach 60.9%. The increase in listeners is accompanied by billions being spent on podcast advertising. For 2021, \$1.28 billion is being spent on podcast advertising, accounting for 24% of ad spending on digital audio services. By 2024, spending is projected to reach \$1.83 billion, capturing 29% of ad spending on digital audio services (Insider Intelligence Editors, 2021). While Spotify is trying to reposition as a hub for podcasters, musicians, and similar creators, they currently have an extremely negative perception from music artists due to their low pay per stream and unethical business practices such as payola.

Spotify pays music artists \$0.00318 per stream. This is one of the lowest payouts by music streaming services, but it is not like artists are getting lots of money per stream from the other platforms. Amazon Prime pays out \$0.00339 per stream and Apple Music pays \$0.00563 per stream. Pandora only pays less at only \$0.00151 per stream, but they do not offer music on-demand like these other platforms. The highest per stream payout to artists comes from Amazon Music Unlimited at \$0.0119, but the vast majority of Amazon Music subscribers are under the Amazon Prime music plan, as this subscription is bundled with Prime memberships (Pastukhov, 2019). To put these numbers in perspective, it would take 20 streams of a 20-song

album for an artist to earn \$1.27 from Spotify. This number is then further divided amongst the artist and any labels or publishers who also own the rights to the music that was streamed. While artists have voiced their frustrations with the business model of streaming since it began, the anger from low payouts mounted recently resulting in global protests in 31 different cities.

Current Trends

The Union of Musicians and Allied Workers (UMAW) began their campaign “Justice at Spotify” in October of 2020 with a petition. UMAW organizer Mary Regalado states that “The company has tripled in value during the pandemic, while failing to increase its payment rates to artists by even a fraction of a penny. Musicians all over the world are unemployed right now while the tech giants dominating the industry take in billions. Music work is labor, and we are asking to be paid fairly for that labor.” (Ruiz, 2021). On March 15th, 2021, protests were held in 10 US cities, and 21 cities spread throughout Australia, Europe, Asia, Central America, and South America. UMAW’s demands to Spotify include paying artists at least 1 cent per stream (or equivalent local currency), switching from a pro-rata model to payout streams to a user-centric model, ending their legal battles against musicians, and increasing company transparency by making closed-door contracts public, properly crediting the laborers in recordings, sharing their financial statements, revealing their sources of payola, and ending the practice of payola altogether (UMAW, 2021).

Right now, Spotify uses a pro-rata model for paying out stream revenue. A Finnish study from 2017 analyzed Spotify’s pro-rata model, finding that the most popular artists that make up the top 0.4% collected 9.9% of all streaming royalties. If a user-centric model like the one UMAW proposes was used, the same top 0.4% would receive 5.6% of revenues, a 4.3% difference from the current model (Ruiz, 2021). This shift would require support from the major

record labels as they own a majority of Spotify's music catalog. Spotify's reasoning for not using a user-centric model is that it would inflate their administrative costs so much that the new model would eliminate any potential revenue gains for the less popular artists. Spotify has not provided evidence to prove that this is true, which led to the demands for transparency with Spotify's financials and private business deals with major labels. Similarly, the call to reveal all sources of payola, which is the revenue received from bribing management companies through pay-to-play playlists, has been demanded in an attempt to balance an unequal platform and further prove the need for and ability to implement a user-centric model. Spotify self-reported that in 2020, there were only 13,400 artists who made at least \$50,000 on the platform. Of these artists, 7,800 made at least \$100,000 (Spotify, 2021). With such loud public outcry against the company from music artists, it is going to be difficult for Spotify to shift public perception to align with their new position of helping creators.

A developing trend that has proven early usefulness to artists across different creative industries is the rising popularity of non-fungible tokens, also referred to as NFTs. NFTs are digital assets whose authenticity is backed by a blockchain. Similar to an original painting, one person owns a unique copy, except with NFTs, there are often multiple unique copies. Because they are authenticated by a blockchain, an artist can sell multiple NFTs of a digital asset at a low quantity to create a scarce market. This drives up the value and has led to unbelievable sales figures. The band Kings of Leon earned about \$2 million from selling NFTs of their most recent album. Kings of Leon offered multiple price-points for their NFTs, with the highest priced option guaranteeing the holder 4 VIP concert tickets to every future tour (Hissong, 2021).

Ditto Music, a distribution and services company, has created a suite of blockchain tools for music artists called Bluebox. With Bluebox, artists are able divide the ownership rights of a

track amongst NFTs. These NFTs can then be bought, giving the owner a percentage of a track's royalties. Artists such as Taylor Bennett and Big Zuu have partnered with Ditto to release songs through Bluebox. Each will sell off 75% of the recording rights to a track in different NFT percentage chunks. The artists will retain 25% of the copyrights while also profiting off the NFTs, giving them large and immediate payments from a song before it has even been streamed (Kessler, 2021). With payouts per stream being fractions of a penny, selling song rights as NFTs will make artists significantly more money at the time of release, allowing them room to breathe and giving fans a way to gamble on a song's success. Purchasers of these copyright NFTs will be paid monthly royalties for the songs from streaming services through a Bluebox wallet. Bluebox is also launching a copyright exchange platform and an initial release offering (IRO) platform in the future. The IRO platform would allow fans to buy shares of unreleased work, in essence creating a music stock exchange. Bluebox is built on the R3 Corda blockchain, which is used and trusted by some of the largest banks in the world (Ingham, 2021). As currently constructed, Bluebox is the only service that can handle the buying, selling, and payout of royalties for music copyright NFTs. As Lee Parsons, the CEO of Ditto Music put it, "I look at what 3LAU just achieved with NFTs, thanks to a clearly dedicated fanbase; if his fans are paying millions to own an exclusive copy of his music, how much would they be willing to spend to actually own a piece of his catalog?" (Ingham, 2021). 3LAU is a DJ who recently sold an NFT album for \$11.6 million (Kessler, 2021). The ability to create an NFT out of nearly anything gives immense earning potential to artists from something that inherently has no value. The value comes from exclusivity and fan loyalty, things that have already served artists well in merchandise sales. While NFTs are not going to eliminate record labels and music publishers, NFTs are disruptive

due to their abilities to give artists more control over their earnings and quickly track where royalties are supposed to go.

As the pandemic continues, the future for artists is unclear. The rise of NFTs brings potential for artists to earn revenue in ways that were never before possible, but there is no certainty consumers will continue buying these digital assets. Virtual concerts have brought some money in for musicians, but will these become obsolete once Covid restrictions end and consumers can attend in-person shows?

Research Questions

This research is designed to examine what new strategies could disrupt the music industry. A large part of this relies on two key stakeholders, so the following research questions must be answered first:

- (1) What pain-points do music artists face in the industry as currently constructed?
- (2) What is the next mode of music consumption desired by consumers?

In order to develop an innovative strategy for the music industry, the wants and needs of music artists and music consumers need to be focused on. Doing this will allow for development of a strategy that is creating value for both of these parties. I expect music artists' main pain-points will be related to the pandemic's negative effects on the industry. Problems such as loss of touring revenue, uncertainty of the industry's future, and inability to meet with fellow artists and fans due to Covid restrictions will be the most likely responses. I also expect there to be frustrations associated with streaming services and growing a fanbase. For music consumers, I expect they will desire new ways to engage with artists and to interact with their music. I expect most respondents will want to attend more live music events once Covid restrictions are lifted

and interest in virtual concerts will be low. I also foresee interest in NFTs as a way to further engage with artists and their work.

Method

This study was created to examine the pain-points faced by music artists as well as the next mode of music consumption desired by consumers. To do this, two online surveys were developed, one for music artists and the other for consumers. To design the surveys, Qualtrics online survey software was used. The primary data will be analyzed using Qualtrics' reporting software. Secondary data is also being used in order to understand how different business entities within the music industry have performed and operated in recent years. Secondary data will also be used to determine new innovations that have taken place in similar industries, such as non-fungible tokens in digital art. The primary and secondary research will be combined together to determine a new strategy for the music industry.

Participants

Two online surveys were developed and distributed via social media and email. For the music consumers survey, the anonymous survey link was shared through my personal Instagram and Snapchat accounts, texted to friends and classmates, as well as put into Facebook groups for music fans. There were 50 total responses for this survey, with 88.9% of the respondents being between the ages of 18-24 and 83.3% of them being male.

The music artists survey was distributed through direct outreach to musicians' Instagram accounts, an email sent to performers from Prescott Park Arts Festival, and through many local Facebook groups for musicians across the country. This resulted in 81 responses. 51.2% of respondents were between the ages of 25-44 and 48.8% were between the ages of 45-64. 82.9% of the respondents were male.

Procedure: Music Consumer Survey

After giving informed consent, the first question asked of participants was a multiple-choice question asking the weekly frequency that they listen to music. The next question was a multiple-answer question asking respondents which form(s) of music they typically listen to. Following this was a question with skip logic, asking respondents if they use a paid subscription service for music streaming. Those who answered yes were then asked a multiple answer question to determine the paid subscription services they used. Those who answered no to using a paid subscription service were asked if they use a free streaming service. Those who answered yes were asked a multiple-answer question to determine the free music streaming service they use, while those who answered no to using either a paid or free service skipped these multiple answer questions. The next question asked respondents to rank features based on their importance to the respondent in choosing a mode of listening to music. This question included 9 different choices, with respondents ranking 1 as the most important feature and 9 as the least. Following this was another ranking question, asking respondents to rank features from 1 to 7 based on how excited they would be to have while listening to music. After this, respondents were asked a multiple-choice question about the amount of money they spend on music every month. The next question was another multiple-choice one, asking respondents their preferred device to listen to music on. After this it was another multiple-choice question that asked how many concerts or live events the respondent typically attends during a normal non-Covid year. Respondents were then asked if their desire to attend live music experience had increased, decreased, or remained unchanged due to the pandemic. The next question listed 9 statements, asking respondents to answer based on how much they agreed with each statement. A Likert Scale was used, with options ranging from strongly agree to strongly disagree. The statements all

revolved around the topic of live music post-Covid. After this question, respondents were given another ranking question. This ranking question asked respondents to rank the features 1 to 7 based on how excited they would be to have them incorporated with live music. Then, respondents were asked a multiple-choice question on whether they preferred music or podcasts. Next, they were asked how many days a week they listen to podcasts, with the following question asking if the respondent uses music and podcasts as substitutes for one another. After this they were asked if they listen to any podcasts related to music. The next question was another Likert Scale, asking respondents how likely they would be to try out non-music content from music artists. Respondents were then asked a multiple-answer question, which asked how the respondent gets exposed to new music artists. Another multiple-answer question was asked to learn what genres the respondent listens to. The next question was a text entry, asking respondents to describe how they would like to see music consumption change in the next five years. Lastly, three demographic questions were asked to determine the age, gender, and income of respondents.

Procedure: Music Artist Survey

Following giving informed consent, participants were asked a yes or no question on if music is their full-time job. Skip logic was included to skip over the second question if they answered yes to the first. The second question asked if the respondent planned on keeping music as a side-hustle or if they were planning on making it their career. Next, respondents were asked if they were a solo act or part of a band. After this respondents were asked a multiple-answer question about the platforms and formats they release music on. Respondents were then asked if they are signed to a music label. Skip logic was used and those who answered no to the previous question were asked if they had interest in signing to a label or if they preferred to remain

independent. Those who answered yes to being signed to a label were sent to a question asking which label they are signed to. After this, respondents were asked to rank revenue drivers from 1 to 6, with 1 providing them with the most revenue. Next, a multiple answer question was asked to determine the challenges faced by respondents. Then, respondents were asked to fill a text box with what their biggest challenge faced in their music career has been. The next question was multiple answer, asking respondents to select the products and services they use. After this another multiple answer question was asked to learn if they use any digital audio workstations. Respondents were next asked to describe their current marketing efforts in terms of effectiveness, with choices ranging from nonexistent to extremely effective. Following this question was another one asking if they use metrics to track their marketing campaigns. They were then asked a multiple answer question to determine their current marketing activities. Following this, two text entry questions were asked about monthly budgets. The first asked how much money they spend on marketing per month and the second asked how much they spend on accounting per month. Then, more questions about marketing were asked like the platforms respondents use, if they have a marketing strategy, and the frequency that they post. The next two questions used Likert Scales, with the first asking how well respondents understand the likes and dislikes of their fans and the second asking how comfortable they are with producing non-music content for their fans. Then, respondents were asked if they have worked with creators outside of the music industry, as well as the type of non-music creators they have worked with. The next questions asked if the respondent had done livestreams before and if so what types of events they have livestreamed. Following this was a question asking where respondents see the music industry in five years and what they hope to see happen. The last few questions asked for their age, gender, and income.

Results

Music Consumers

The results from both surveys provided interesting findings and possible answers to my research questions. The music consumers surveyed seemed mostly uninterested in changing their current music consumption patterns. There is also an affinity for consuming music via streaming services. Below are some of the key findings from the survey:

- 97.87% of respondents have a paid streaming subscription.
- Unlimited access to music and playlist creation are the two most important factors to consumers when choosing a mode to listen to music.
- 30.56% of respondents ranked remixing and DJ tools as the number 1 feature they would like added to music consumption.
- 72.22% of respondents ranked a non-fungible token (NFT) market as the last feature they would like added to music consumption.
- Majority of respondents ranked virtual concerts 4th or 5th out of 7 potential new ways for music consumption.
- 66.67% of consumers say Covid has increased their desire to attend live music experiences.
- 55.56% of respondents ranked fan voting to determine the setlist as the number 1 feature they would like to see incorporated into live music.
- 83.34% of respondents spend \$15.00 or less per month on music.

When asked how they wanted to see music consumption change in the next five years, respondents gave some interesting answers. Below are some of the quotes received that capture the topics discussed in most of the answers:

- “I want more lesser-known artists to be worked into the major platforms' recommendation algorithms.”
- “Focus on small venues and artists.”
- “More money to artists, less to streaming platforms but also reducing price for non-students.”
- “I sincerely hope NFTs are not a major factor in music.”
- “More easily available / accessible to everyone for cheaper prices!”
- “Streaming has allowed me to stay in touch with a lot of music and discover many new artists and I think that should still exist for that primary reason, but what I don't believe is that you pay something like \$100 a year to listen to songs in this way, or to your favorite artist's new album. I think any smart artist would want to be discoverable for free so they can grow a following, and they should be able to limit their album or whatever releases to fans willing to pay a flat rate.”

Most respondents were content with the current state of music consumption but wished for cheaper prices and artists to receive more money from streaming platforms. This is something that simply cannot be achieved, as streaming services pay so little money to artists with their current pricing models. Many consumers are playing an active role in the low pay of artists by only consuming songs on streaming services. This needs to be communicated effectively by artists to fans if there is going to be any shifts in consumption. The full survey response data can be found in appendix II.

Music Artists

For music artists, it was made clear that the monetary devaluation of music has been an extreme pain point. This is coupled with Covid's crippling impacts on touring, where most

musicians earn the majority of their revenue. Below is a summary of the key findings from the music artist survey:

- 78.95% of respondents were not musicians for their full-time job.
- 85.00% of non-full-time musicians wanted to keep music as a side-hustle.
- 51.22% of respondents ranked concerts/touring as their largest revenue stream.
- Most common pain-points identified were fan engagement and acquisition, devaluation of music, improving record sales/streams, and dealing with the uncertainty of the music industry.

When asked where they hope to see the industry in five years, artists gave a wide range of answers. Below are some quotes pulled from the responses that capture the most common answers received:

- “I would like to see the artists not having to sign up to deals that cut 80% off of their royalties.”
- “Improved remote technology allowing for more digital content creation between musicians.”
- “Hopefully, there will be somewhat of a return to valuing local live performances post-covid. Otherwise, I see it continuing in its trend of requiring so much investment up front in order to engage in currently "normal" ways of marketing, etc. that only rich young people are able to engage in the majority of the field.”

Many of the respondents expressed frustrations with the lack of support for local acts and hopes that they would be able to perform again soon. Changing restrictions in regard to Covid have made it difficult for artists to find work and plan tours. The full survey response data can be found in appendix III.

Discussion

This research study was designed with the purpose of determining a forward-looking strategy for the music industry. To do this, two research questions needed to be answered: What pain-points do music artists face in the industry as currently constructed, and what is the next mode of music consumption desired by consumers?

The results showed that the main pain-points faced by artists are the devaluation of their music, unstable work, fan engagement, and self-promotion. While artists are still largely unable to earn revenue through touring, they cannot make a living with the low payouts from streaming. There is no guaranteed work or benefits such as health insurance which makes it even more difficult for artists to focus on music as a full-time job.

The results indicated that consumers enjoy music streaming in its current state and are not looking for new modes of consumption. Respondents desire cheaper prices for the music streaming services they already use. Additionally, there is large interest in attending live music events after the pandemic ends. Consumers seem extremely disinterested in non-fungible-tokens, but NFTs have some proven use as a means to increase an artist's revenue. If consumer perception is shifted, they could become a powerful tool for easing the pain-points of artists while providing value to consumers.

One potential strategy for artists is to further promote the low payout of streaming services. Now more than ever, brand loyalty is won by consumer trust and supporting causes important to the consumers. Organizers protested against Spotify across the globe, but the needle has yet to be moved on the Union of Musicians and Allied Workers' demands to the company. There are avenues to fracture consumer trust in Spotify such as focusing marketing campaigns on the company's practice of payola and their pro-rata payout system. Both of these negatively

affect smaller artists, who do not have money to pay for playlist placement and do not receive the full value of their music stream. If the public rallied behind artists on this, the bad publicity would force the hands of Spotify and potentially other streaming services to improve conditions for artists. There is great opportunity for marketing campaigns centered around this to go viral because of Spotify's immense userbase. Concerts and festivals could also be planned around this cause to inform consumers while providing them with live music.

NFTs have proved success with large artists, but they will need to be modified for smaller artists. If they are framed as donations to the artist that can provide the purchaser different benefits and the potential for a return on investment, consumer perception may be able to shift. For example, an artist could create a \$60 NFT that gives purchasers a 25% discount on future tour tickets. If the artist becomes successful enough, owners of the NFT could choose to resell and earn back more than the initial \$60 investment. NFTs are also conducive to bundles, which could be used to increase record sales. This is already done by artists through bundling merchandise with albums. NFTs could be bundled with merchandise to further incentivize sales and increase the earnings of artists.

Further research needs to be done to determine what types of benefits would appeal best to different types of music fans. Artists should research their own fanbases to understand what consumers would find most valuable in an NFT and their willingness to pay. Further discussion needs to be had on the poor conditions for artists and unethical business practices of Spotify, the most used streaming service. This study could have been improved by getting a larger number of respondents with more diverse backgrounds. While the music artist survey captured responses from across the United States, the music consumer survey's respondents were primarily from New England. If the survey had gotten more responses from people who live nowhere near

concert venues, there likely would have been increased interest in virtual concerts. Both surveys had far more males respond than females which also affected the results. Additionally, it was hard to get full-time musicians to participate in the survey. The large majority of participants were part-time music artists passionate about their own local scenes. A better perspective would have been captured if the balance of full-time and part-time musicians had been more equal.

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Appendix

I. IRB Approval Letter

University of New Hampshire

Research Integrity Services, Service Building
51 College Road, Durham, NH 03824-3585
Fax: 603-862-3564

04-Mar-2021

Paolucci, Matthew
Paul College
60 Strafford Ave
Durham, NH 03824

IRB #: 8471

Study: Forward Looking Strategy for the Music Industry

Approval Date: 04-Mar-2021

The Institutional Review Board for the Protection of Human Subjects in Research (IRB) has reviewed and approved the protocol for your study as Exempt as described in Title 45, Code of Federal Regulations (CFR), Part 46, Subsection 104(d). Approval is granted to conduct your study as described in your protocol.

Researchers who conduct studies involving human subjects have responsibilities as outlined in the attached document, *Responsibilities of Directors of Research Studies Involving Human Subjects*. (This document is also available at <http://unh.edu/research/irb-application-resources>.) Please read this document carefully before commencing your work involving human subjects.

Note: IRB approval is separate from UNH Purchasing approval of any proposed methods of paying study participants. Before making any payments to study participants, researchers should consult with their BSC or UNH Purchasing to ensure they are complying with institutional requirements. If such institutional requirements are not consistent with the confidentiality or anonymity assurances in the IRB-approved protocol and consent documents, the researcher may need to request a modification from the IRB.

Upon completion of your study, please complete the enclosed Exempt Study Final Report form and return it to this office along with a report of your findings.

If you have questions or concerns about your study or this approval, please feel free to contact Melissa McGee at 603-862-2005 or melissa.mcgee@unh.edu. Please refer to the IRB # above in all correspondence related to this study. The IRB wishes you success with your research.

For the IRB,



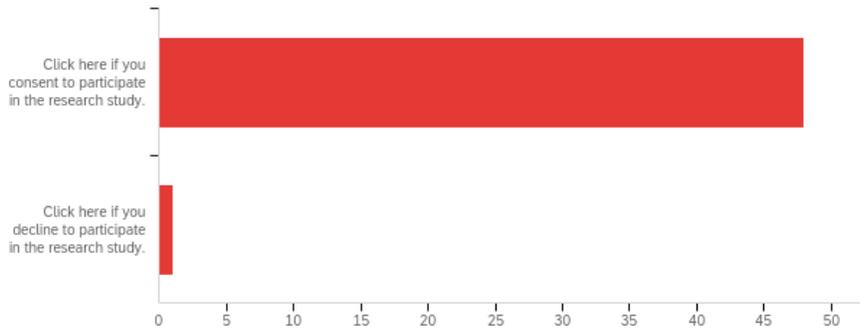
Julie F. Simpson

Director

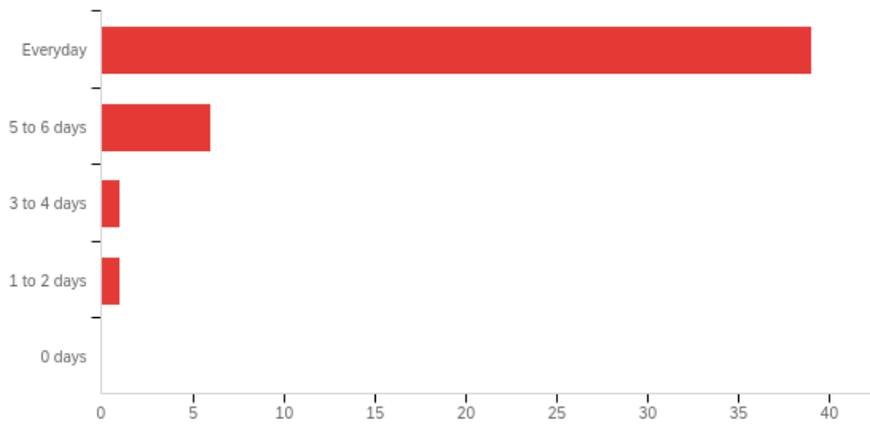
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Earle, Andrew

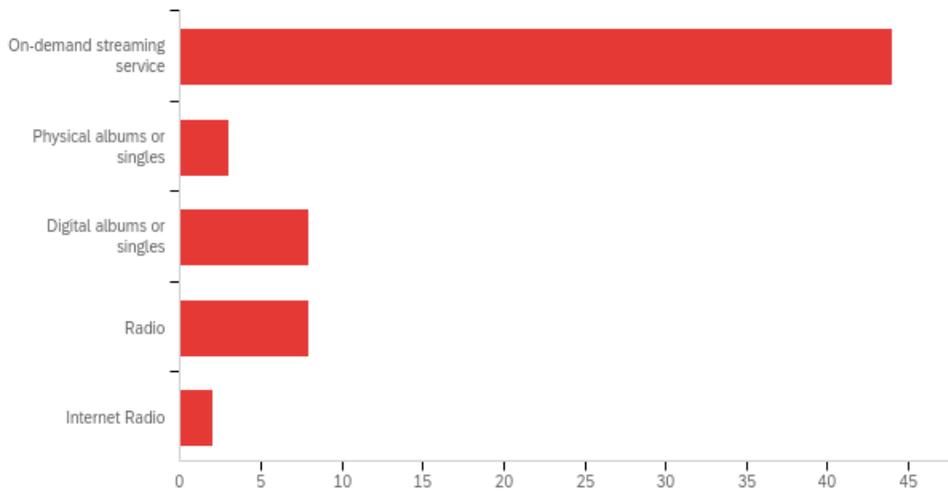
II. Music Consumer Survey



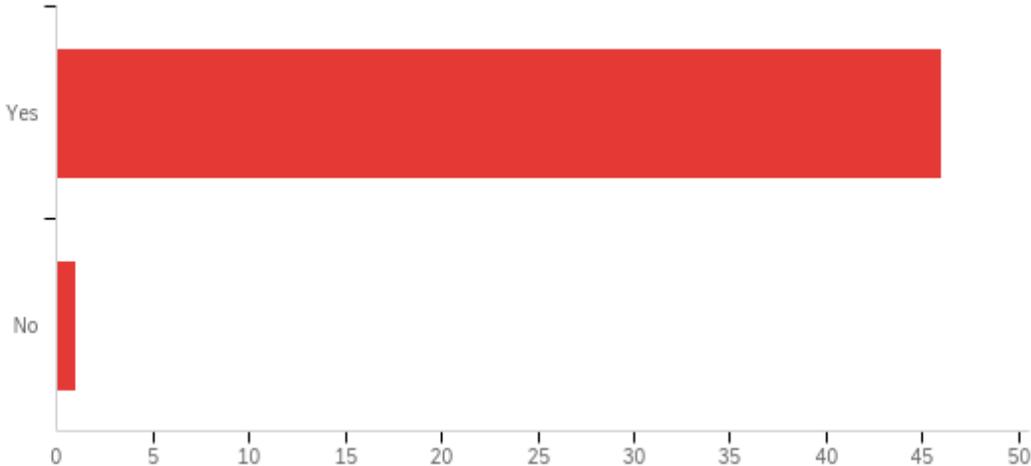
Q3 - How many days a week do you typically listen to music?



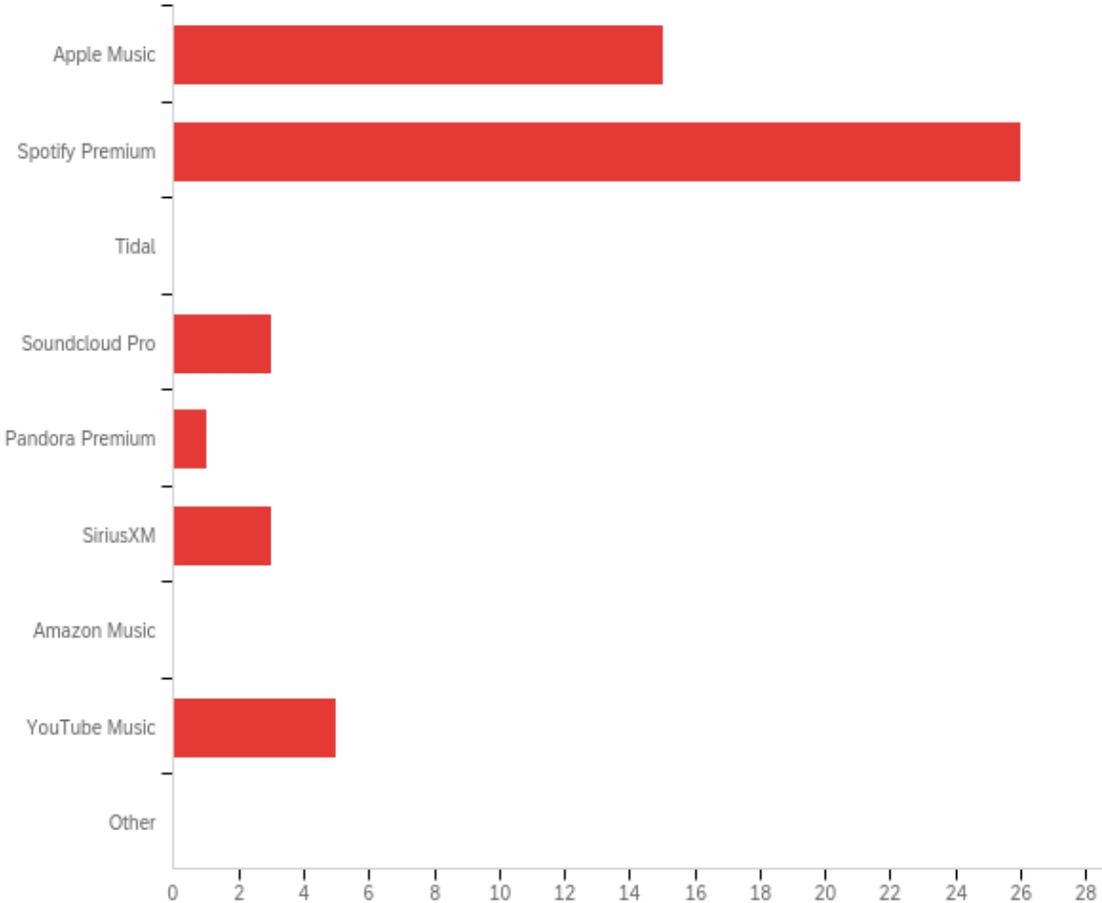
Q4 - Through what form do you typically listen to music? Select all that apply.



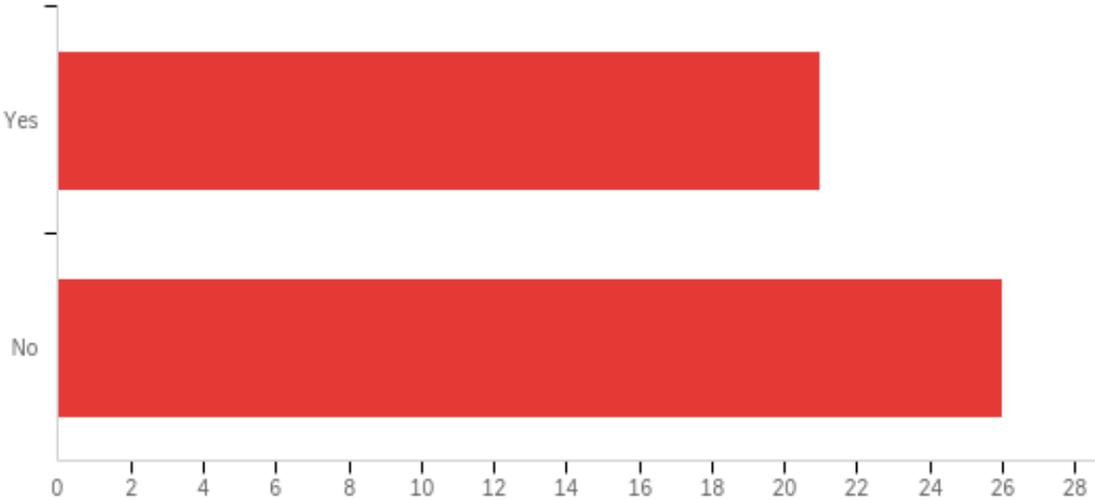
Q5 - Do you use a paid subscription streaming service to listen to music?



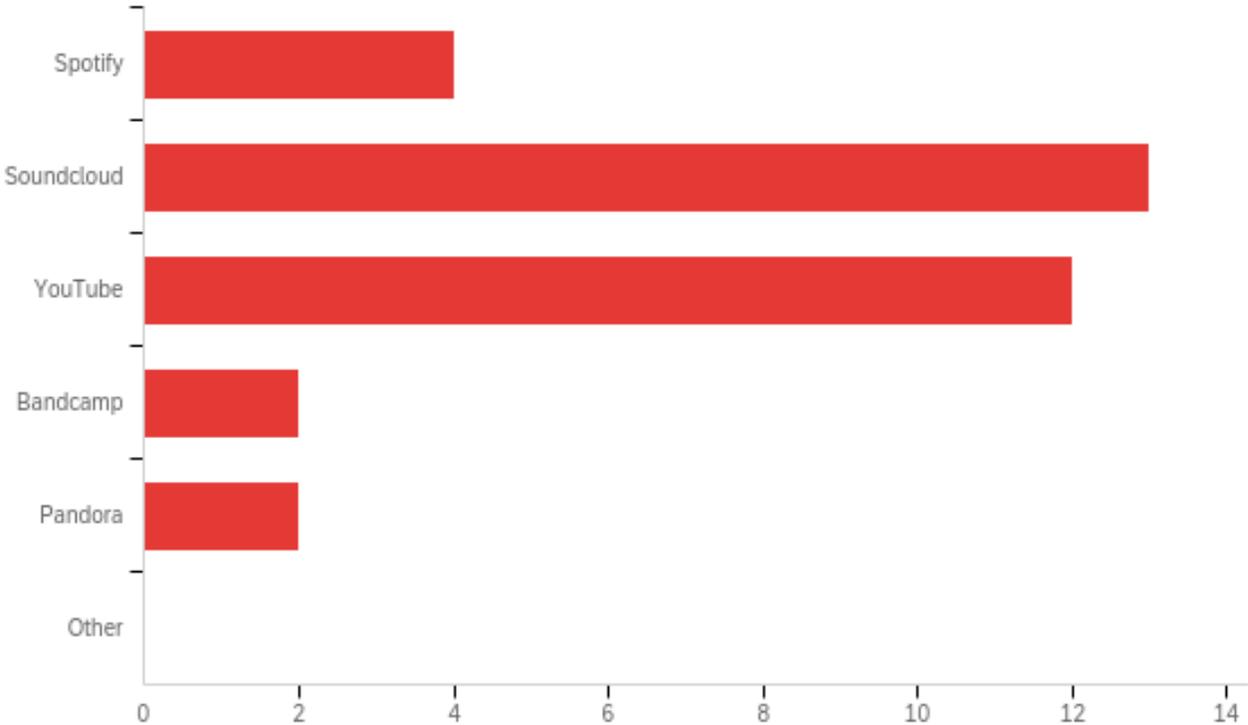
Q6 - Which premium service do you subscribe to? Select all that apply.



Q7 - Do you use an unpaid streaming service to listen to music?



Q8 - Which free streaming services do you use to listen to music? Select all that apply.



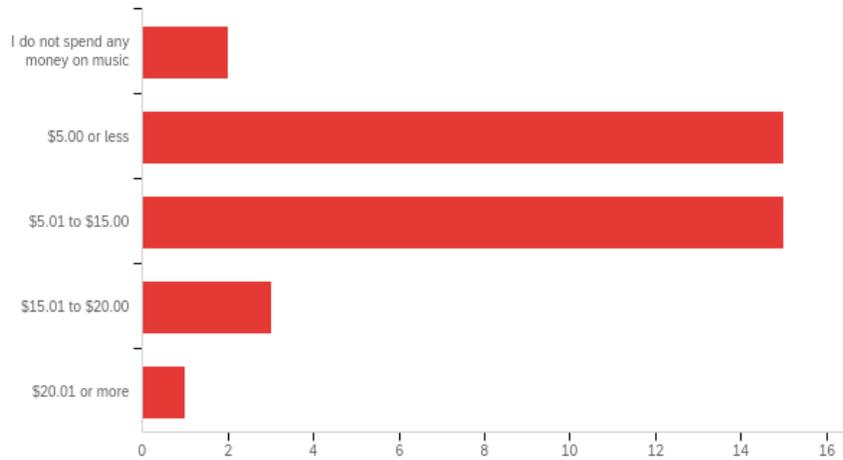
Q9 - Rank the following features in order of importance to you when choosing a mode of listening to music, where 1 is the most important and 9 is the least important.

#	Field	Minimum	Maximum	Mean	Std Deviation	Variance
8	Collectability (Ability to collect music, be it physically or digitally through digital album artwork and booklet downloads)	2.00	9.00	6.47	2.07	4.30
9	Equalizer (Ability to adjust the EQ of the music, changing the levels of sound frequencies played. An example of this would be using a bass boost to increase lower sound levels)	3.00	9.00	7.50	1.83	3.36
5	Visualizers/Music Videos (Ability to watch music videos and/or visuals generated from a song file)	2.00	9.00	6.56	1.74	3.02
3	Recommendation Algorithm (Ability to receive music recommendations based on your listening habits)	2.00	9.00	4.25	1.74	3.02
1	Playlists (Ability to create, share, and listen to custom lists of songs)	1.00	8.00	2.58	1.52	2.30
6	Lyrics (Ability to view a song's lyrics in real time as it is being played)	2.00	8.00	5.36	1.46	2.12
4	User Interface/Ease of Access (Ability to easily navigate and use the platform or physical equipment)	1.00	7.00	3.69	1.43	2.05
7	Lyric Annotations (Ability to view and write comments/opinions on the meaning of a song lyric or line)	4.00	9.00	7.28	1.22	1.48
2	Unlimited Access to a Music Library (Ability to listen to any song or album at anytime, so long as it is available)	1.00	4.00	1.31	0.66	0.43

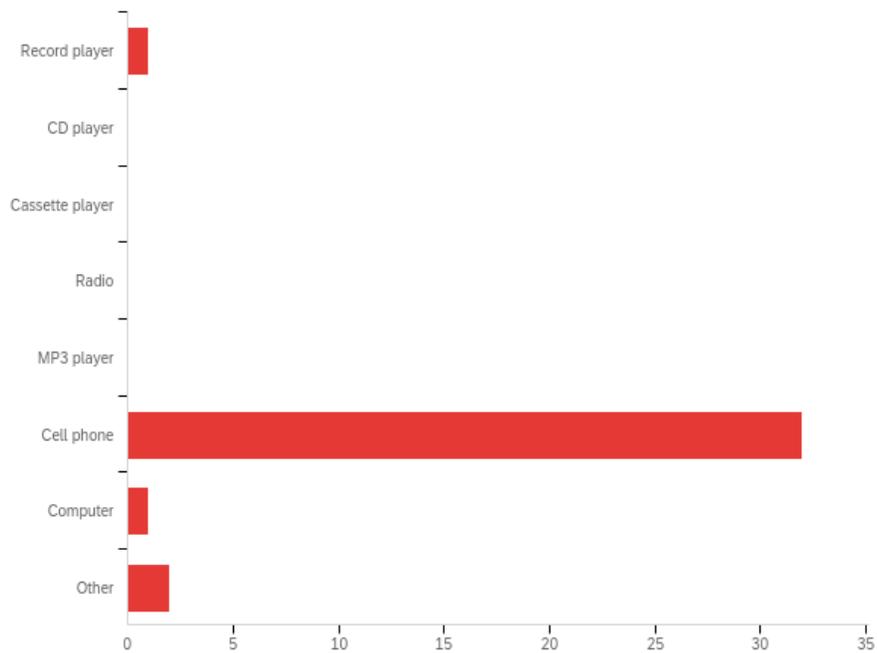
Q10 - Rank the following features in order of which you would be most excited to have when listening to music, where 1 is the most exciting feature and 7 is the least exciting.

#	Field	Minimum	Maximum	Mean	Std Deviation	Variance
1	Remixing and DJ tools (Ability to adjust a song's pitch, beats per minute, crossfade between songs, and more)	1.00	7.00	2.92	1.79	3.19
2	Customizable Visualizers (Ability to watch and customize visuals generated from a song file)	1.00	7.00	3.56	1.64	2.69
3	Virtual Concerts (Ability to watch live streamed or recorded performances by musicians)	1.00	7.00	3.81	1.79	3.21
4	Social Profile/Page Creation (Ability to create, customize, and share your own homepage that showcases your music tastes. Can create posts on your own page, share music recommendations, send friend requests to others, and view a feed of posts from friends and music artists you have added to your library)	1.00	6.00	3.72	1.71	2.92
5	Geographical Chart Toppers (Map of the world showcasing the top charting albums, songs, and music artists by country, region, and state/province)	1.00	7.00	4.14	1.72	2.95
6	Song and User Statistics (Ability to view song or album credits, your monthly and all-time listening habits, and more)	1.00	6.00	3.44	1.96	3.86
7	Non-Fungible Tokens Marketplace (Also called NFTs, which allow for purchase and resale of a unique digital music content/collectibles)	2.00	7.00	6.40	1.25	1.55

Q11 - Approximately how much money do you spend on music every month (Excluding any live events)? Your answer should include the cost of any music subscription services you have.



Q12 - What device do you prefer listening to music on?

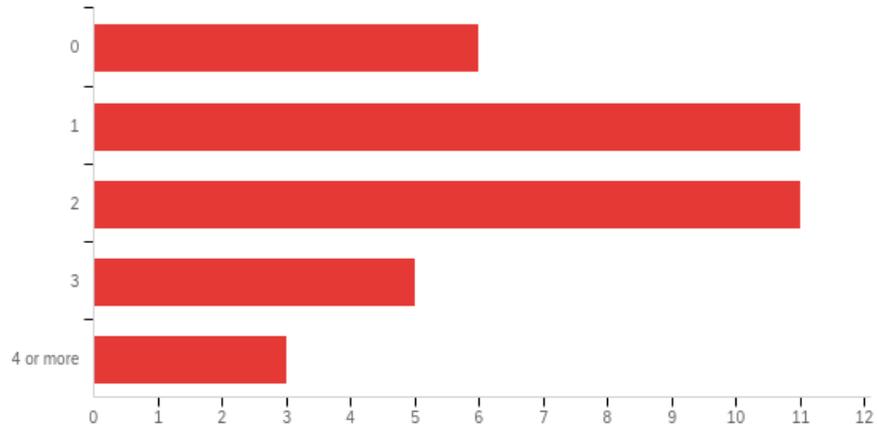


Other - Text

Beats headphones

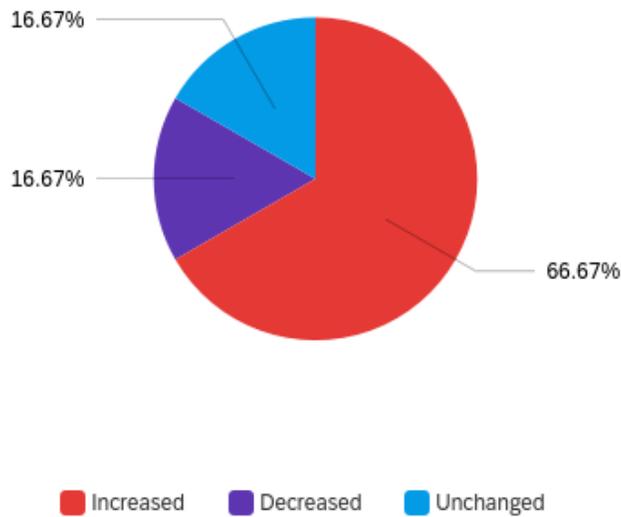
Car speaker

Q13 - How many concerts do you typically attend in a normal year? Please answer without factoring in Covid



Q14 - Has Covid increased or decreased your desire to attend live music experiences such as concerts and festivals?

Q14 - Has Covid increased or decreased your desire to attend live music experiences such as concerts and festivals?



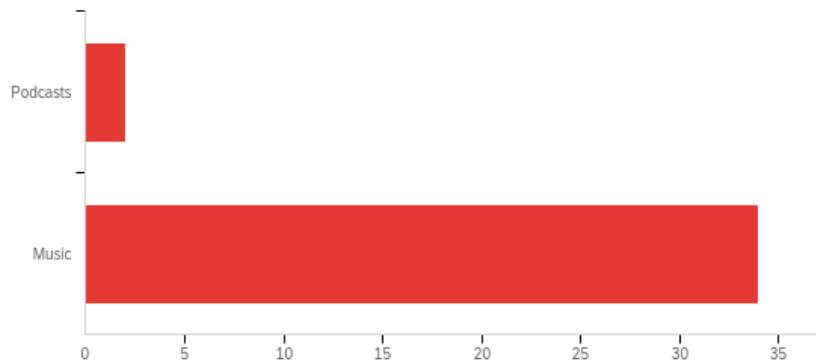
Q15 - Respond to the following statements about live music post-Covid in terms of how much you agree with them.

#	Question	Strongly agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Strongly disagree	Total
1	I will not attend unless there is limited capacity to allow for social distancing	16.67%	5.56%	19.44%	11.11%	47.22%	36
2	I would prefer outdoor concerts over indoor ones	33.33%	36.11%	25.00%	0.00%	5.56%	36
3	I will not attend unless vaccines are required	5.56%	19.44%	27.78%	11.11%	36.11%	36
4	I prefer concerts over music festivals	25.00%	16.67%	38.89%	11.11%	8.33%	36
5	I am more willing to attend smaller events by new artists than I was before the pandemic	11.11%	36.11%	27.78%	19.44%	5.56%	36
6	I would rather spend less money by livestreaming a concert rather than attending it in person	5.56%	11.11%	8.33%	11.11%	63.89%	36
7	I prefer going to smaller venues over larger venues for concerts	2.78%	22.22%	38.89%	25.00%	11.11%	36
8	I would be interested in viewing a concert in virtual reality	8.33%	44.44%	8.33%	13.89%	25.00%	36
9	I would rather watch a virtual concert on-demand rather than livestream it the night of	13.89%	11.11%	30.56%	30.56%	13.89%	36

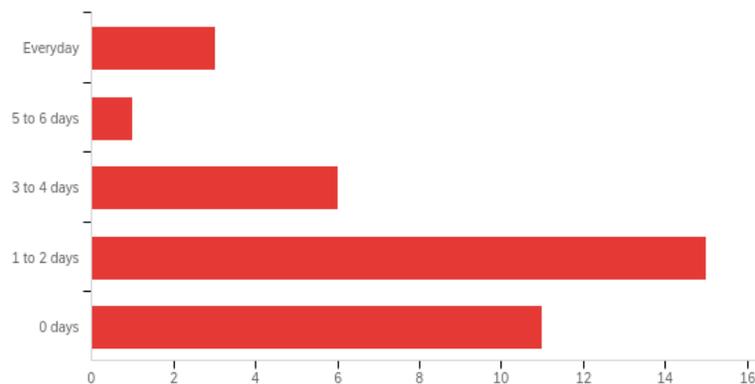
Q16 - Rank the following features for live music in order of which you would be most excited to have, where 1 is the most exciting feature and 7 is the least exciting.

#	Field	Minimum	Maximum	Mean	Std Deviation	Variance
1	Fan voting to determine the setlist	1.00	7.00	1.97	1.44	2.08
2	Interactive polls during the show	1.00	7.00	3.67	1.63	2.67
3	Chat rooms to text with other virtual concert attendees	1.00	7.00	4.94	1.73	3.00
4	Virtual seats (Ability to switch camera views to different seating areas of the venue)	1.00	7.00	4.00	1.62	2.61
5	Unique visuals and effects for virtual attendees	1.00	7.00	3.94	1.47	2.16
6	Giveaways and opportunities for free merchandise	1.00	7.00	3.36	1.83	3.34
7	Community service events	2.00	7.00	6.09	1.48	2.19

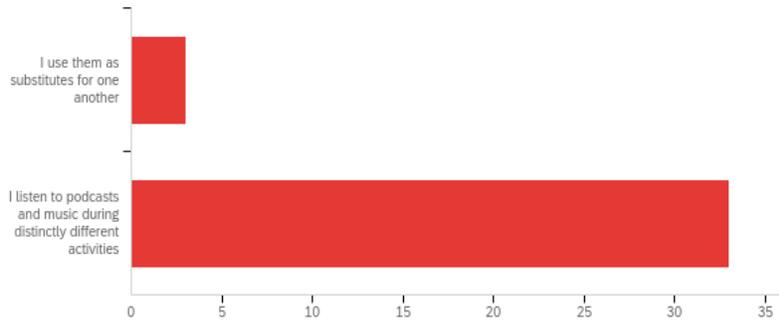
Q17 - Do you prefer listening to podcasts or music?



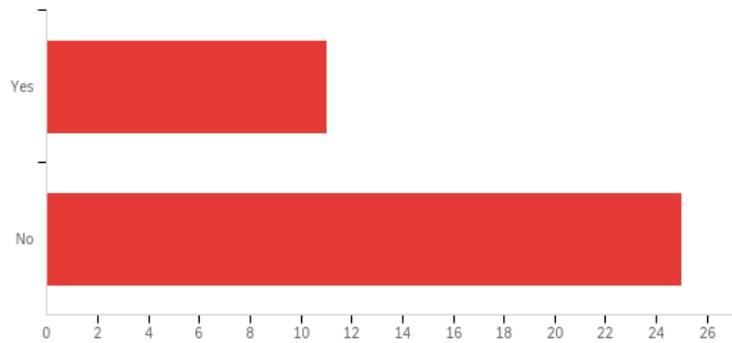
Q18 - How many days a week do you listen to podcasts?



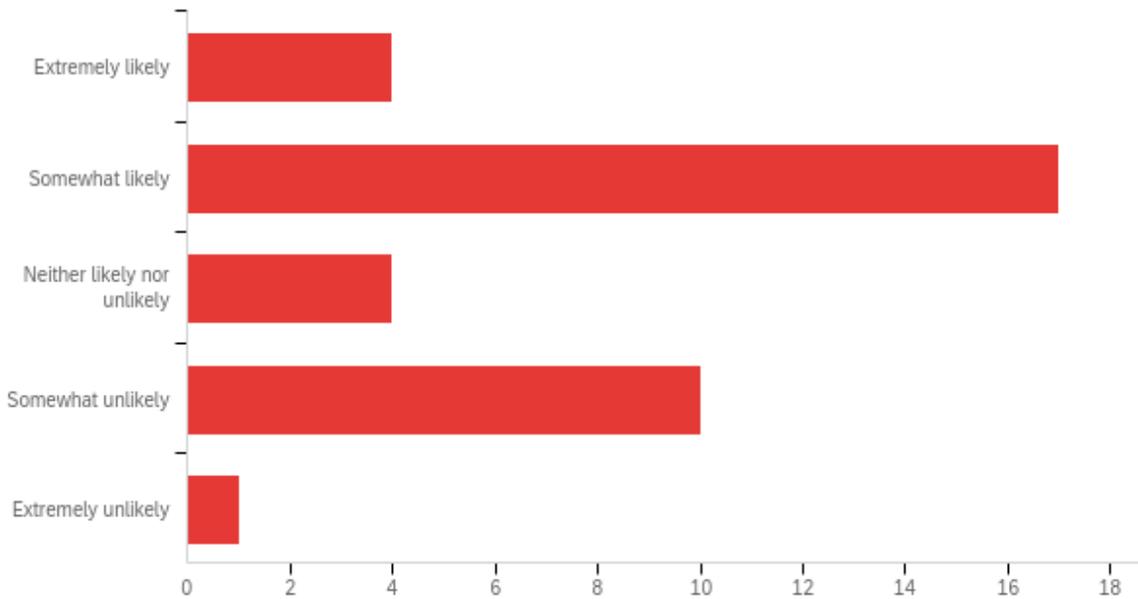
Q19 - Do you listen to podcasts and music interchangeably? Or do you listen to them in distinctly different scenarios?



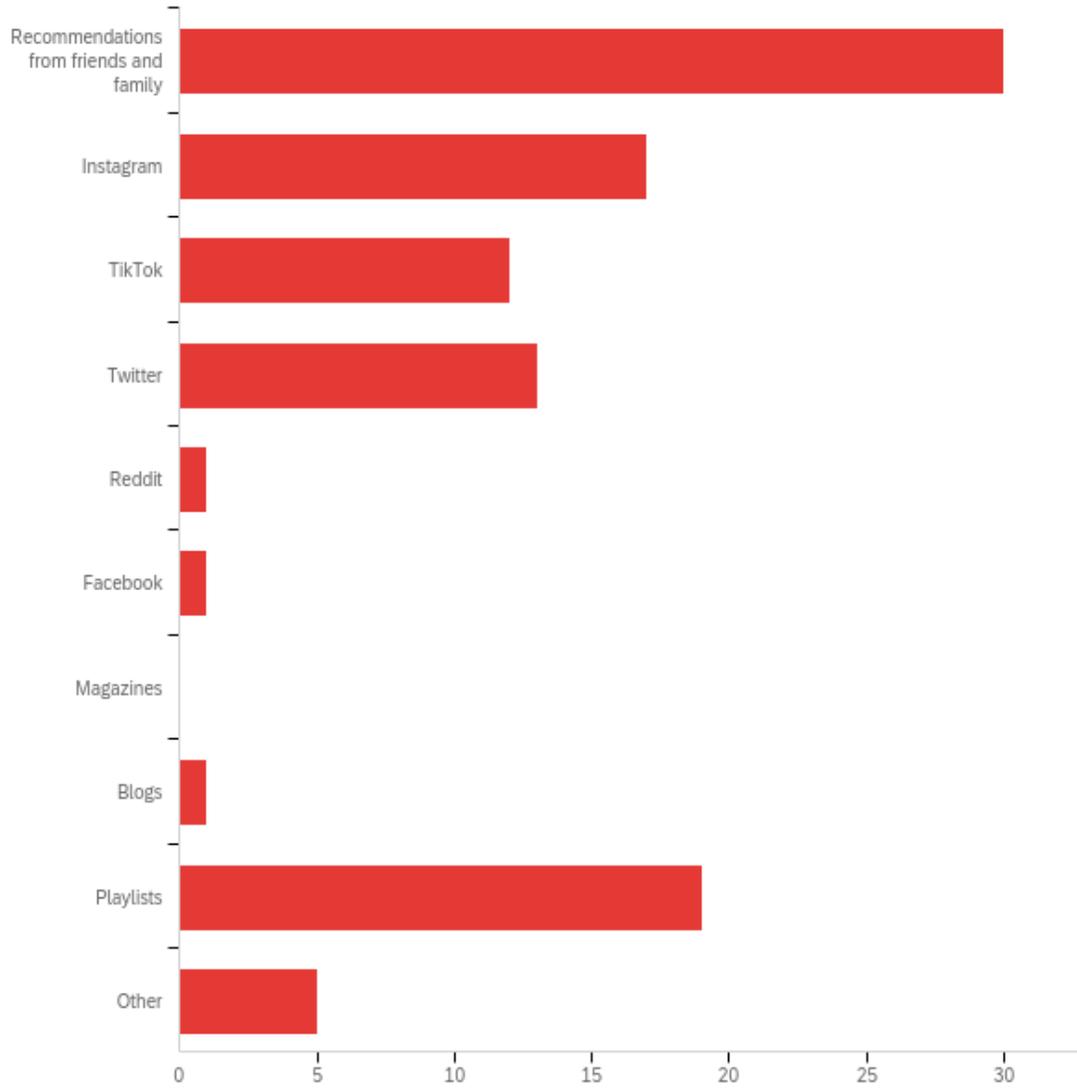
Q20 - Do you listen to any podcasts about or relating to music?



Q21 - How likely are you to try out non-music content from music artists? Some examples of this content could be podcasts, interviews, movies, and livestreams.



Q22 - How are you exposed to new music artists?



Other - Text

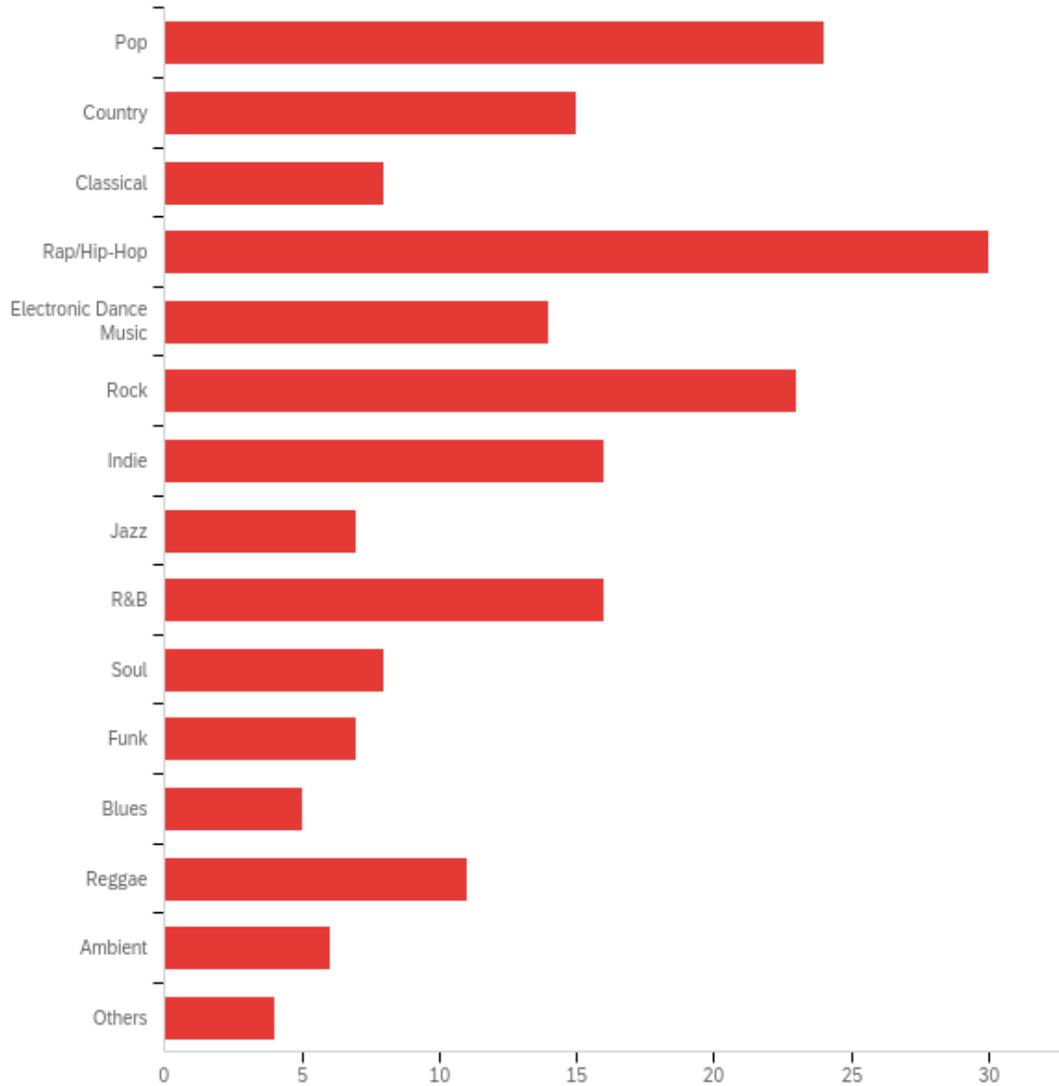
Anime openings

Spotify recommendations (new music friday playlist)

Spotify Discover Weekly

Clip videos

Anime

Q23 - What genres of music do you enjoy listening to?**Q23_15_TEXT - Others**

Others - Text

Lofi Remixes, Heavy Metal, Anime OP's

House!!!!

Jpop & Kpop

Sea shanty's

Q24 - In the next 5 years how do you want to see music consumption change?

In the next 5 years how do you want to see music consumption change?

I want more lesser known artists to be worked into the major platforms' recommendation algorithms.

i'd like for people to appreciate acoustic vocals more (less autotune)

I think that a lot more virtual concerts would be more prevalent

More availability

I want songs to not be overplayed to death on tik tok

With the iPhone, Spotify, beats combo honestly I'm in heaven as is.

More variability

Nothing

More money to artists, less to streaming platforms but also reducing price for non-students

I'd cheaper prices, for example .99 cents a song for every song, to come back. I feel like that was the peak of music, where everyone would buy singles. Streaming has allowed me to stay in touch with a lot of music and discover many new artists and I think that should still exist for that primary reason, but what I don't believe is that you pay something like 100\$ a year to listen to songs in this way, or to your favorite artists new album. People begin to learn who they like as they grow older and listen to select artists and streaming subscriptions take away from that aspect. I think any smart artist would want to be discoverable for free so they can grow a following, and they should be able to limit their album or whatever releases to fans willing to pay a flat rate.

I sincerely hope NFTs are not a major factor in music

I have no complaints, I like how it is now

Focus on small venues and artists

More easily available / accessible to everyone for cheaper prices!

Na

Don't care

More customization on streaming apps

More old stuff released

Unsure

Free music platforms

No

A lot of people see music as a commodity. I would like more people to see it as a piece of art.

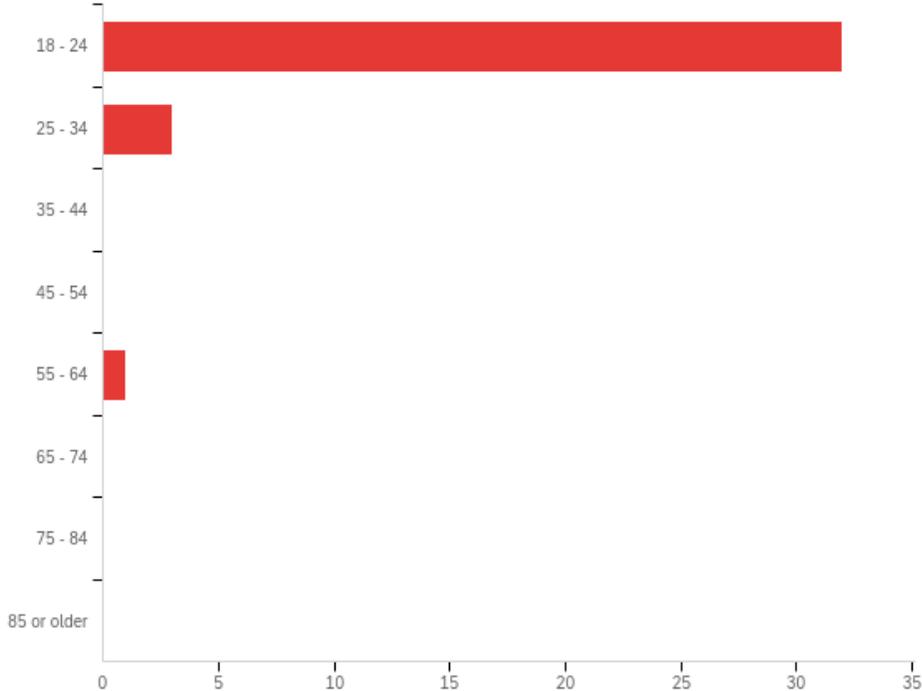
Less albums more singles

Hopefully listen to more music

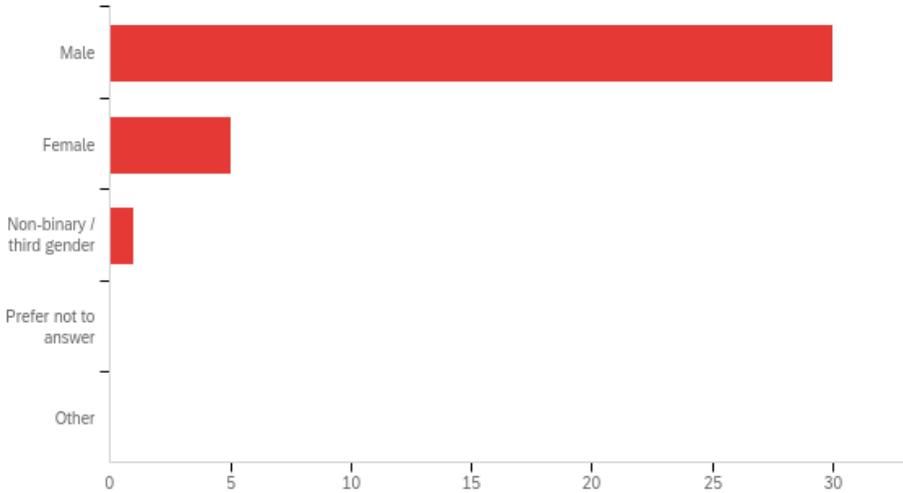
I want Record companies to stop copyrighting music online.

better platforms

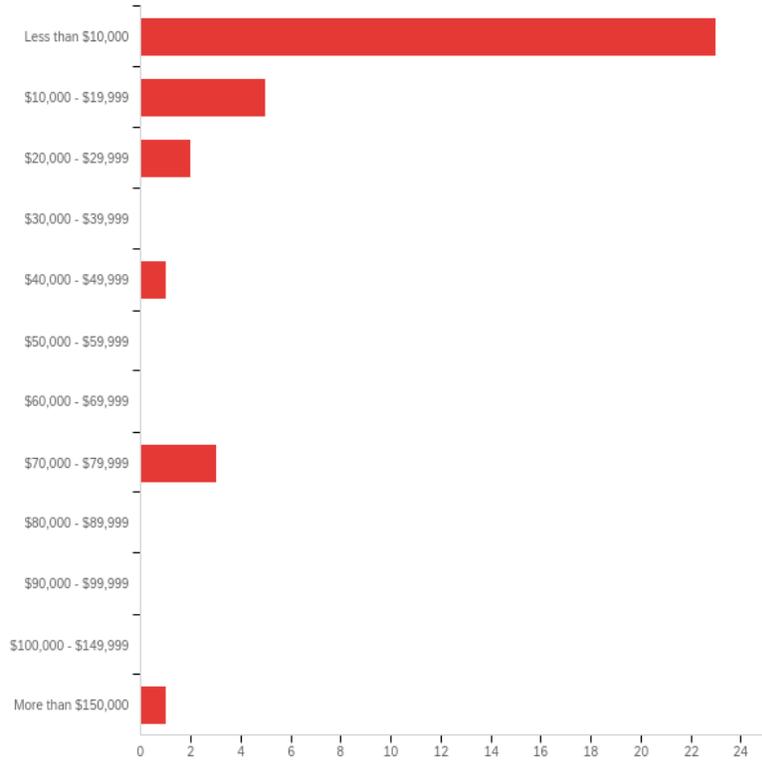
Q25 - What is your age?



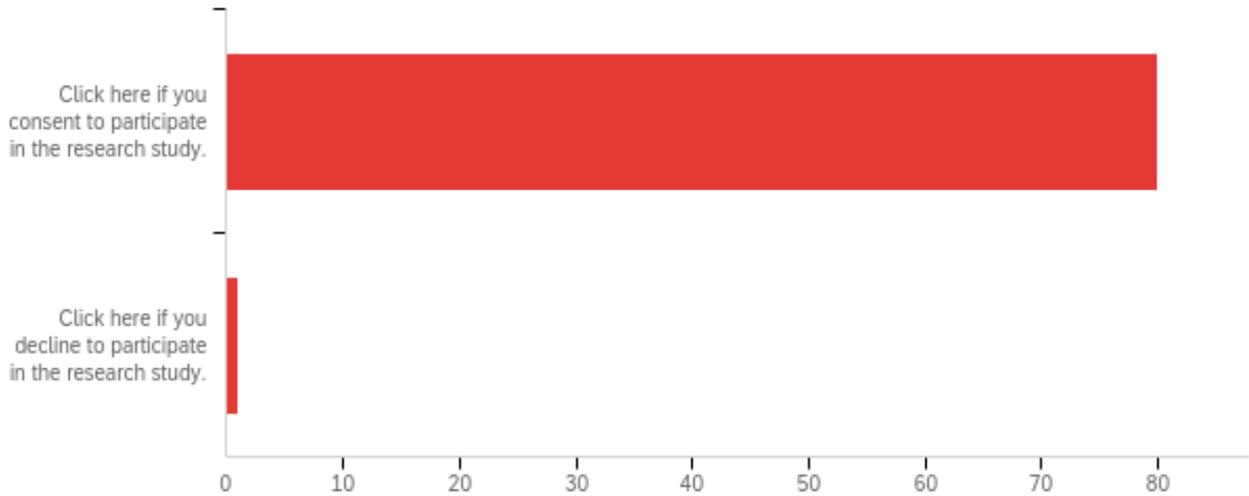
Q26 - What is your gender?



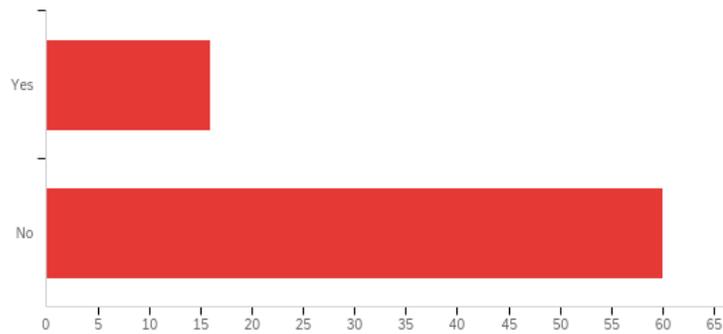
Q27 - What is your yearly income?



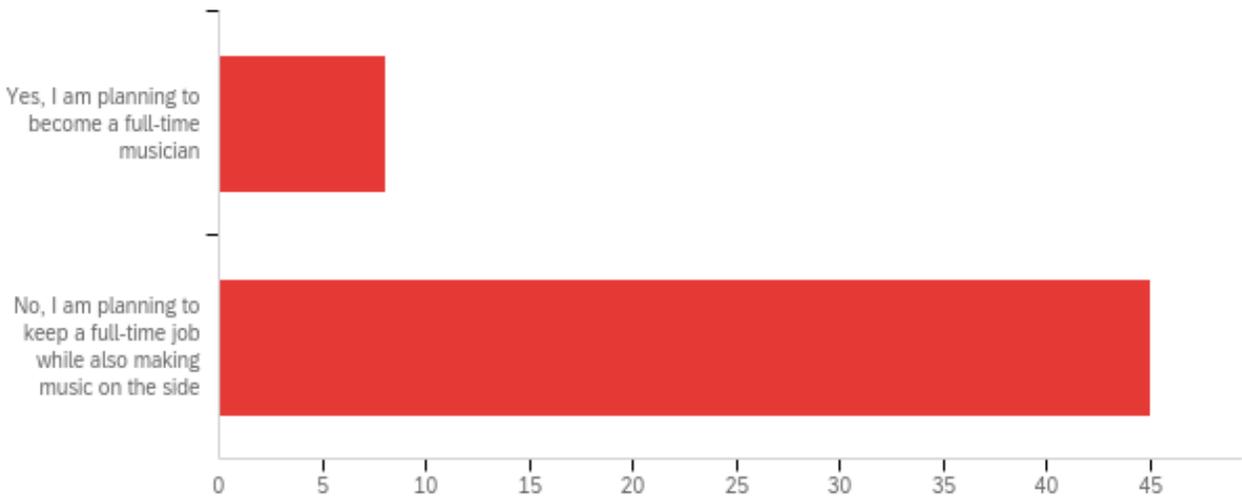
III. Music Artist Survey



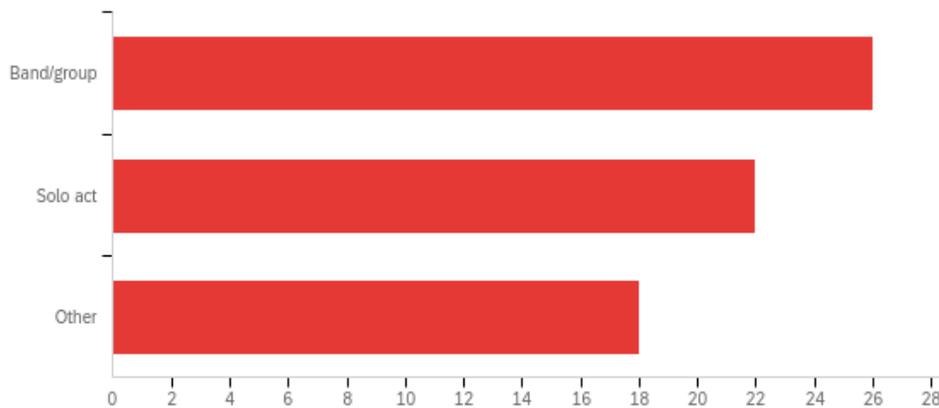
Q3 - Is music your full-time job?



Q4 - Are you planning for music to be your full-time job or are you content with keeping it as a side-hustle?



Q5 - Are you part of a band/group or are you a solo act?



Other - Text

Artist Management/label co-owner

Both (9 responses)

Composer

Duo / Electro Rock Band

Freelancer, called by many bands, often as a substitute player

I get hired or involved as a musician, frontman, producer, coach, etc, in all sort of projects ranging from band to solo act as well as projects of my own.

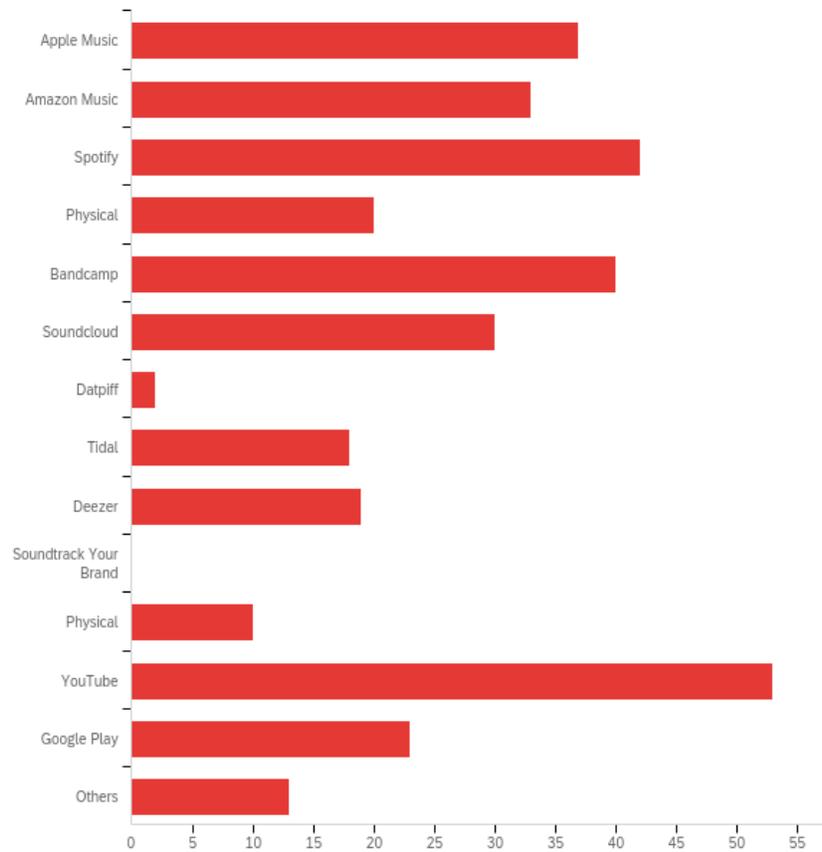
Manage concerts and music festivals for our cause.

Session Drummer

Songwriter + session players

Studio musician

Q6 - Which of the following platforms and formats do you release your music on? Select all that apply.



Others - Text

Audiomack

Facebook (3 responses)

google play no long exists

Have not released music

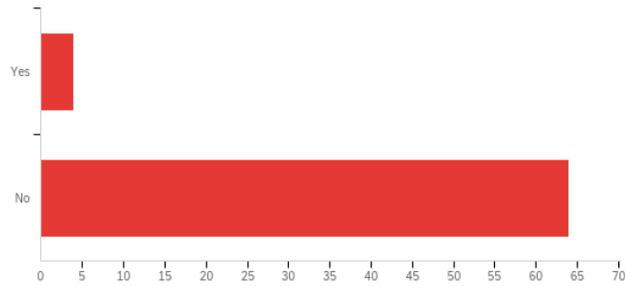
I don't stream

Live performer

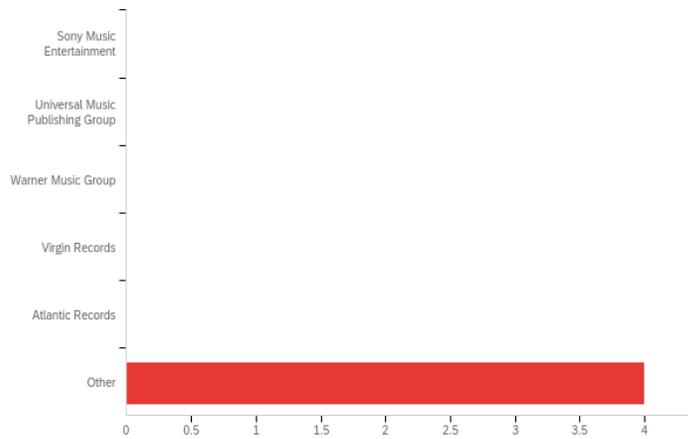
Many that distributor handles, but I do not directly submit to these platforms.

My aggregator push to ~200 platforms

Q7 - Are you signed to a music label?



Q9 - What label are you signed to?



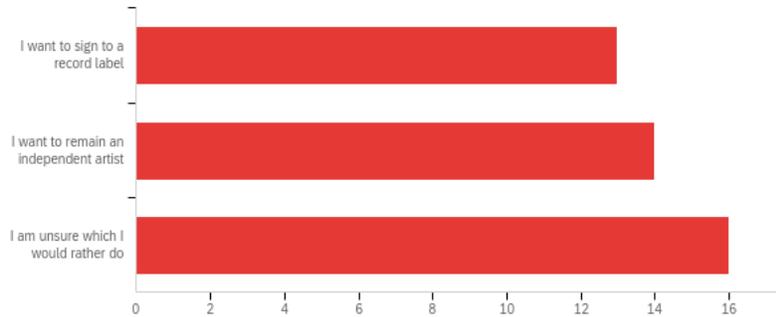
Other - Text

Dionysus Records

Dunk!Records, A1KA Music

Island Records

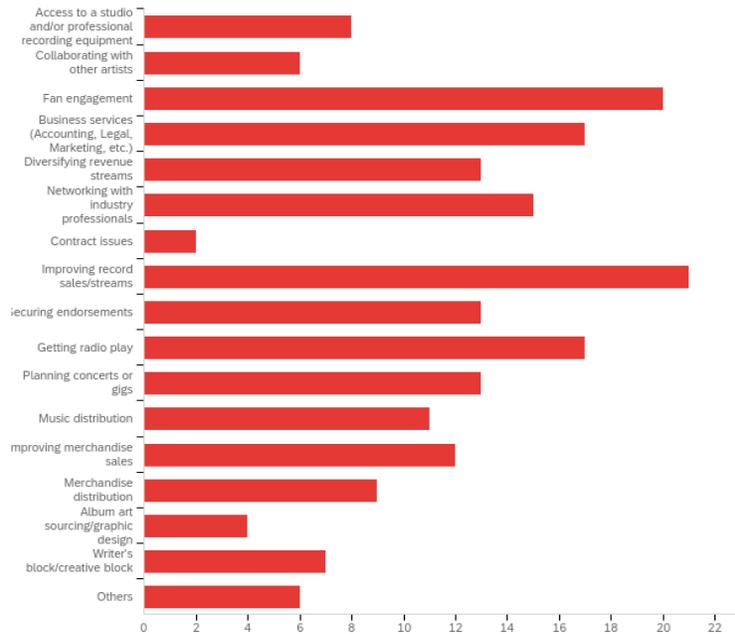
Q8 - Are you interested in signing to a record label? Or do you want to remain an independent artist?



Q10 - Rank the following revenue drivers in terms of which provides you with the most revenue, with 1 earning the most and 6 the least.

#	Question	1	2	3	4	5	6	Total
1	Concerts/Touring	51.22%	24.39%	7.32%	9.76%	7.32%	0.00%	41
2	Record Sales/Streams	29.27%	26.83%	31.71%	4.88%	4.88%	2.44%	41
3	Merchandise Sales	14.63%	34.15%	34.15%	12.20%	4.88%	0.00%	41
4	Endorsements	0.00%	2.44%	4.88%	46.34%	39.02%	7.32%	41
5	Synchronization Royalties/Licensing fees	0.00%	12.20%	12.20%	26.83%	41.46%	7.32%	41
6	Other	4.88%	0.00%	9.76%	0.00%	2.44%	82.93%	41

Q11 - Which of the following are challenges for you? Select all that apply.



Others - Text

Covid/no touring or shows

Health insurance. No retirement plan for the self-employed.

I am not a capitalist and have a very hard time buying into the marketing and selling aspect of music, especially with digital distribution the way it is. I just want to play my shows and sit on my porch, but during Covid that was impossible.

I see no particular challenges in neither

Social media presence

Standards of pay for professional musicians

Q12 - What is the biggest challenge you face in your music career?

Age

Be good

Being female

Budgeting Money

Continued work

Cost of living. Vastly outpaces increases in the pay of music buyers such that they can only pay for an album or merch the same price as they did in 1995. Or less.

Creating interest

Death

Dedicated Musicians

Distribution

Driving through traffic on the road

Fan engagement (2 responses)

Finding "super fans"

Finding a manager and a licensing agent

Finding Fans

Finding like Minded people

Getting good talent that will draw our target deomgraphic

Getting heard

Getting something to really take off, not being in a clear lane

I'm actually pretty happy living a balanced life, working full-time while playing music on weekends. Biggest challenge is finding time to rehearse with my band during COVID.

Keep my social media consistent

Lack of exposure

Music appreciation is dying

Navigating the maze of options for distributing/marketing

No awareness of the area I live

Networking

reaching a hip demographic instead of a bunch of squares

Right now that most venues are closed

Self confidence

Self-promotion (4 responses)

Social media algorithms, getting our music to actual fans, getting connected to the right team of people to help get exposure, fans, etc.

Starting too old

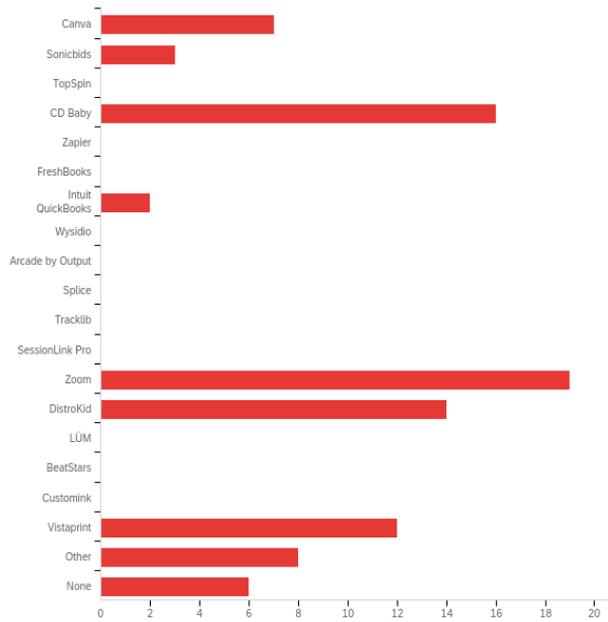
Surprises. Very hard to plan around the unpredictable, such as the pandemic. And change occurs so rapidly that it is challenging to try to predict which directions the market will go.

The current pandemic

To be taken seriously as a professional

Wanting to quit

Q13 - Which of the following products/services do you use?



Other - Text

Amuse

Bandmix (networking)

Facebook live

Ingrid Spark

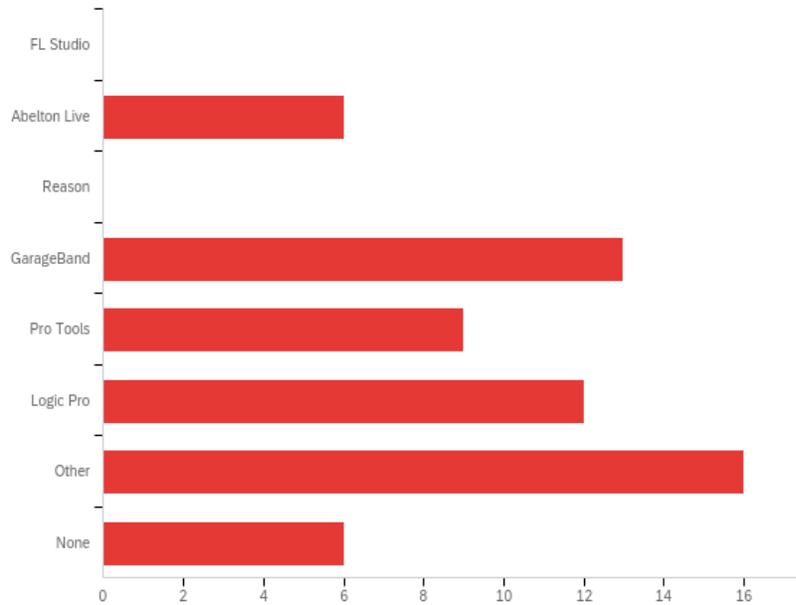
Restream.IO

Songtradr and Bandcamp

submithub, Symphonic

Wave, Google Drive, Photoshop, HitFilm Express

Q14 - Which of the following digital audio workstations do you use?



Other - Text

Ardour (4 responses)

Audacity (2 responses)

Audition

Bitwig (2 responses)

Cunard LE

Digital Performer

Presonus Studio One pro

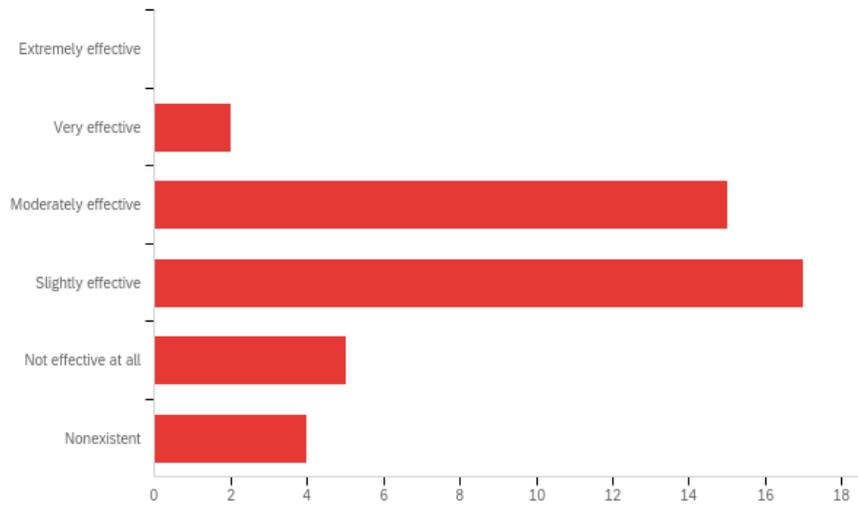
Reaper (5 responses)

Renoise

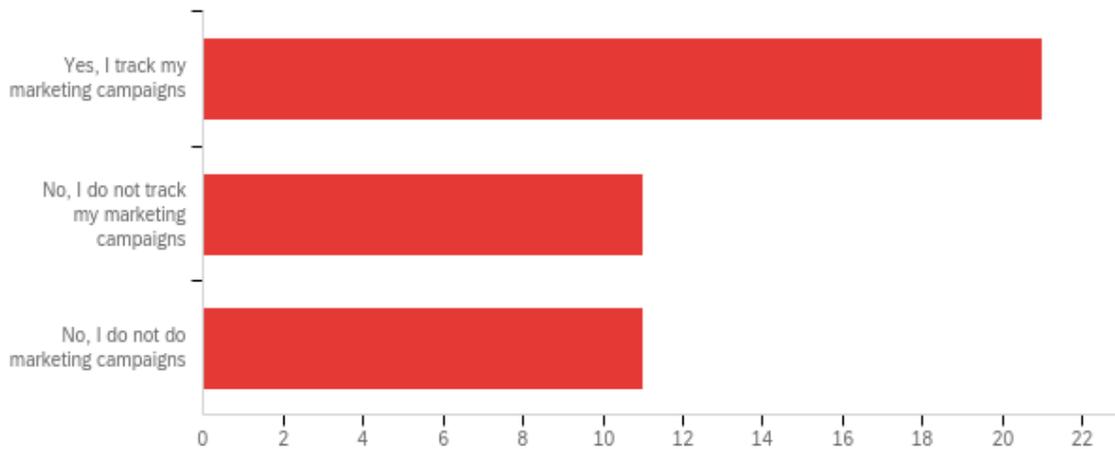
Soundtrap

SunVox

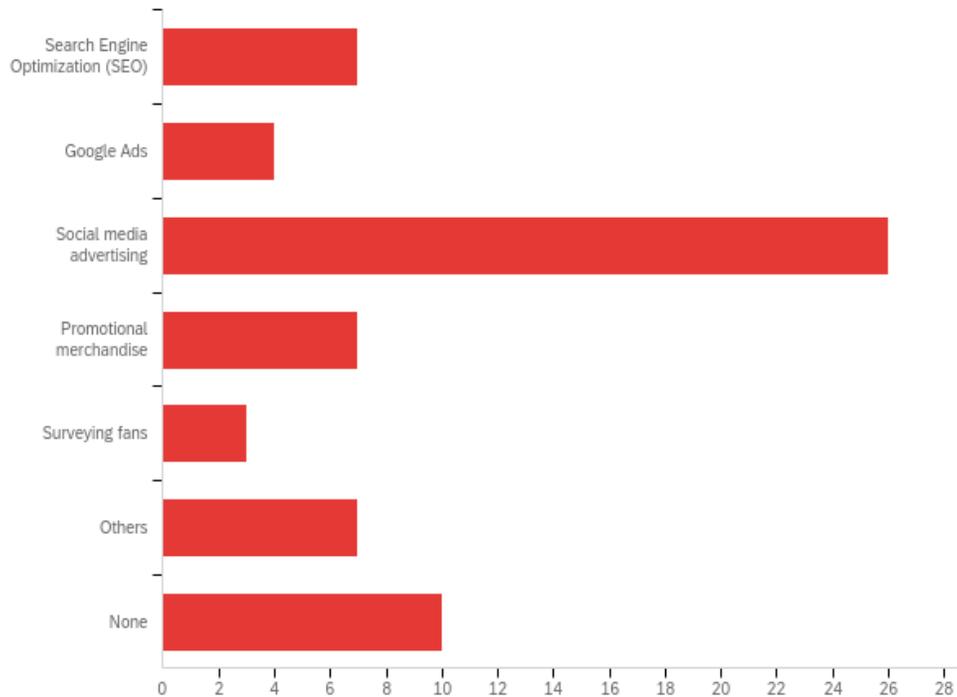
Q15 - How would you describe your current marketing efforts?



Q16 - Do you use any metrics to track the effectiveness of your marketing campaigns?



Q17 - Which of the following marketing activities are you currently doing? Select all that apply.



Others - Text

Announcing song releases on social media

I usually only advertise when I have shows, but I haven't done a show in so long now...

Mail promotion

Mass media to social media

Sponsored FB posts

Submithub (2 responses)

Q18 - How much money do you typically spend per month on Marketing?

\$0 (15 responses)

\$1

\$5

\$14

\$15

\$20

\$40

\$50 (4 responses)

\$60 (2 responses)

\$100 (7 responses)

\$200 (2 responses)

\$500 (3 responses)

\$1500

Q19 - How much money do you typically spend per month on Accounting & Bookkeeping services?

\$0 (33 responses)

\$1

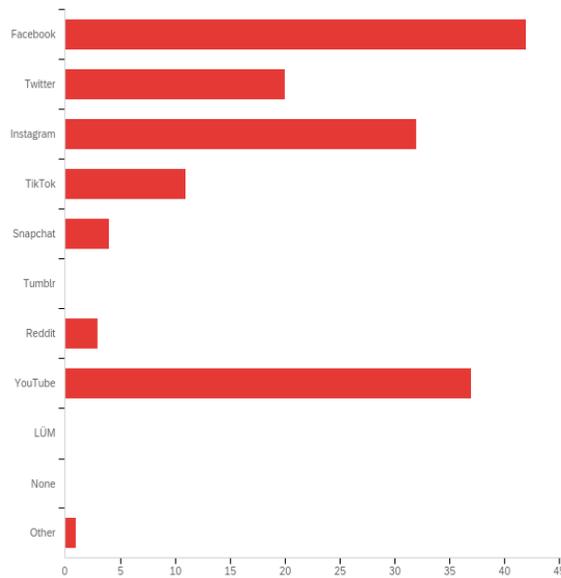
\$10

\$25

\$50

\$300 (2 responses)

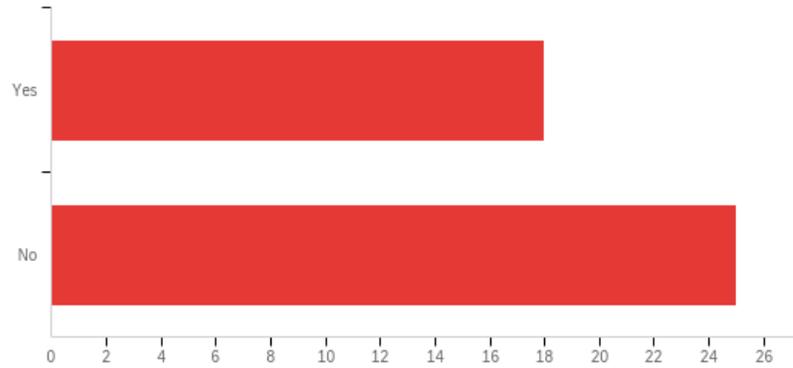
Q20 - Which of the following social media platforms do you have a presence on?



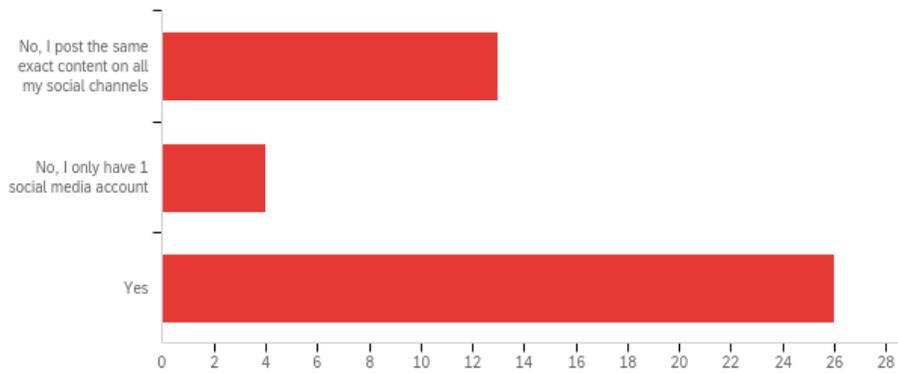
Other - Text

Website

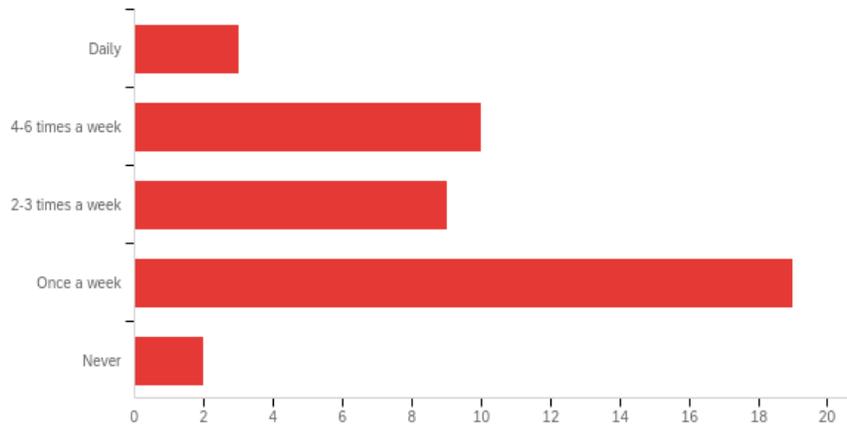
Q21 - Do you have a social media marketing strategy?



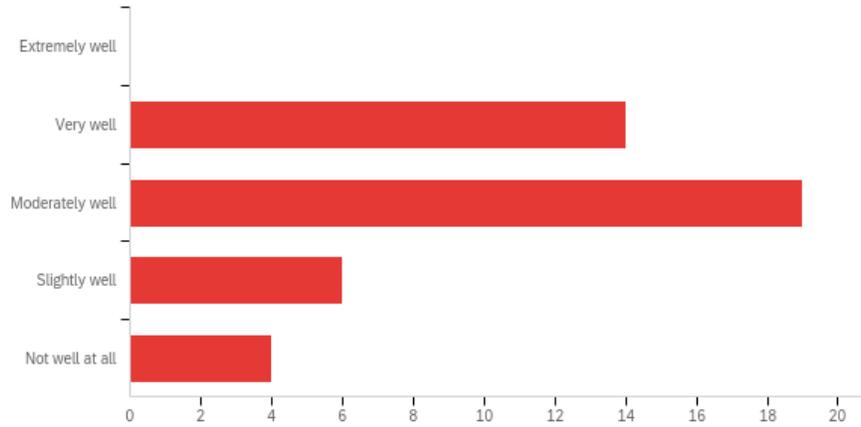
Q22 - Do you post different content on your different social media accounts?



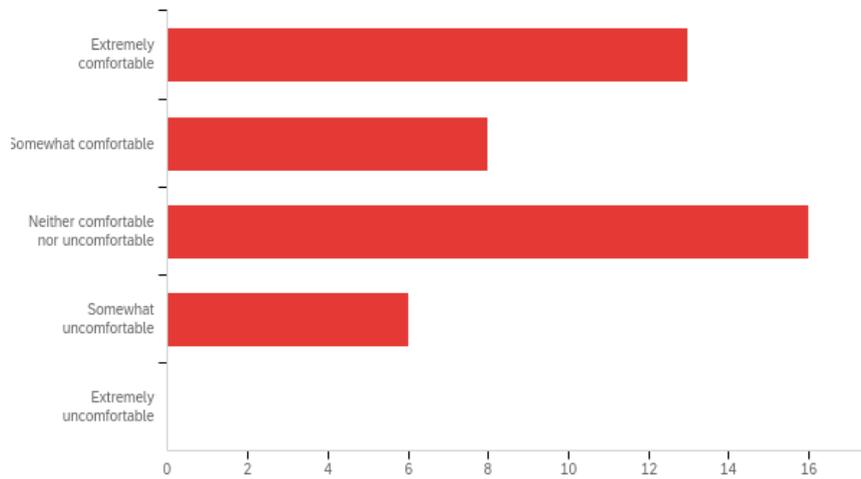
Q23 - How often are posts typically made on your social media accounts?



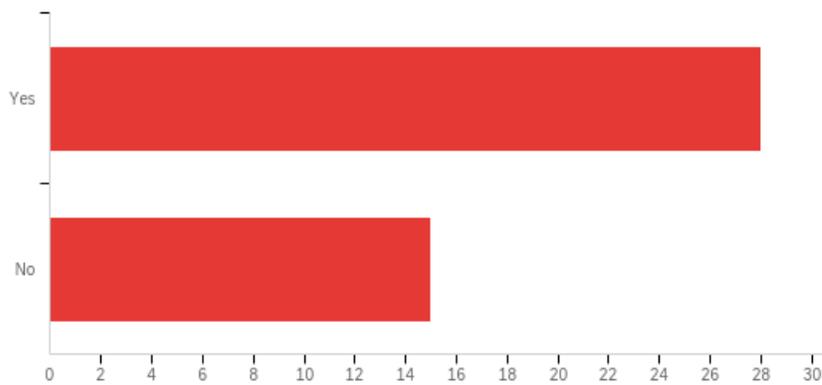
Q24 - How well would you say you understand the likes and dislikes of your fans?



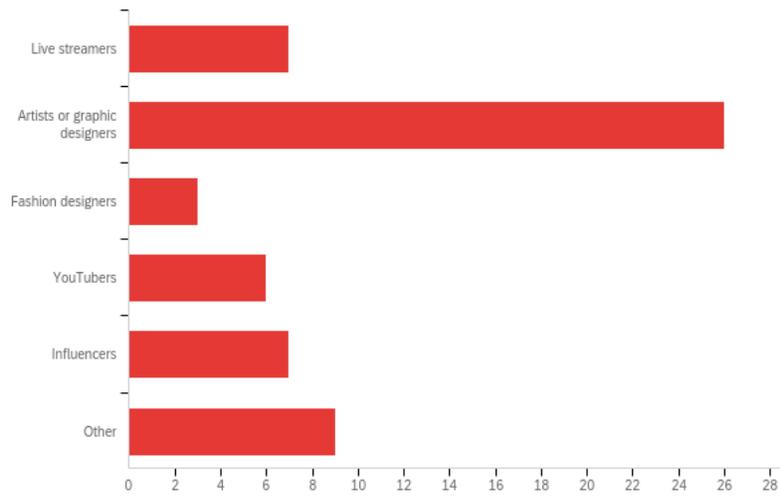
Q25 - How comfortable/open are you to producing content outside of music that align with your fans' interests?



Q26 - Have you ever collaborated with creators outside of the music industry?



Q27 - What kind of non-music creators have you worked with?



Other - Text

Animators

Filmmakers

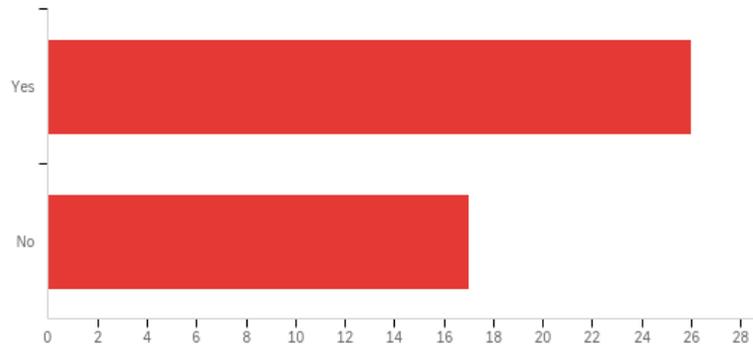
Mass media

None (2 responses)

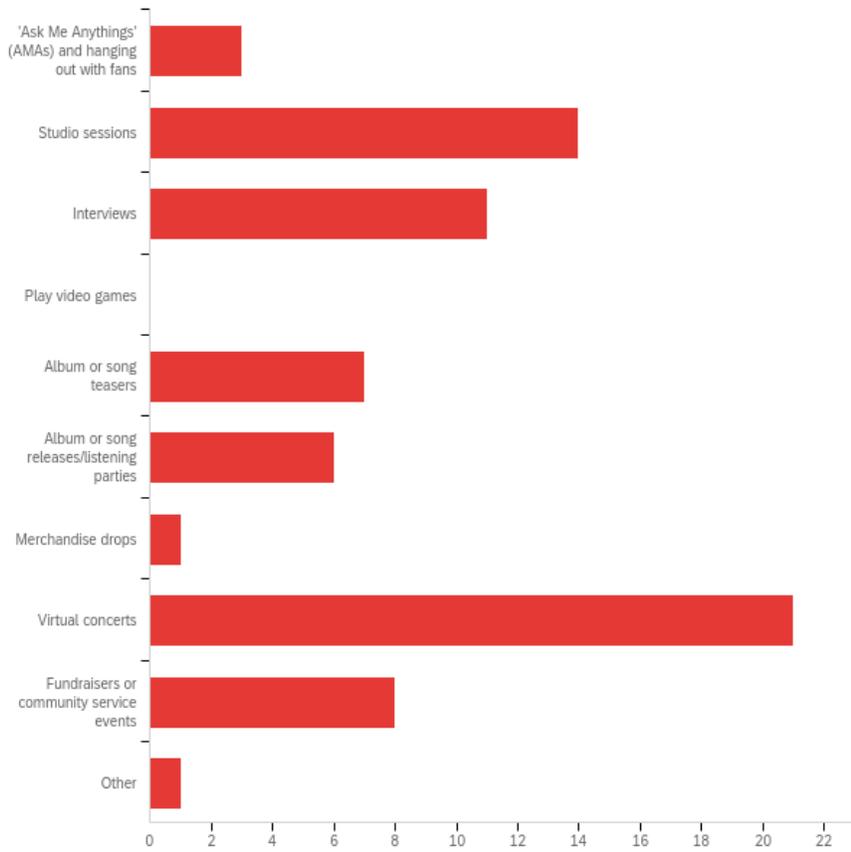
Photography - both those who specialize in bands, and those who do not photograph bands

Songwriters

Q28 - Have you ever done a live stream?



Q29 - Which of the following have you done for live streams?



Other - Text

none

Q30 - Where do you see the music industry in 5 years? What would you like to see happen?

I feel that that the virtual aspect of the industry will continue for quite a while and the industry has to find a way, for particularly the independent musician, to be able to have a singular place for independent music listeners to find music, and for the musician to find their fans.

Would love to see a return to grassroots music sharing and engagement by fans. More active listening.

same as today

a virtual following

Less live music due to covid

equal pay for equal play

Hopefully there will be somewhat of a return to valuing local live performances post-covid. Otherwise I see it continuing in its trend of requiring so much investment up front in order to engage in currently "normal" ways of marketing, etc. that only rich young people are able to engage in the majority of the field.

I don't even know.

No idea. I would like to see easy ways to connect my music with a fanbase looking for what I create.

Dying..would like to see it revived

No idea, I just want to keep recording and releasing music

even more challenging

Universal single payer health care. Even young invincibles should have health insurance, but certainly no sane person over 35 can be without it, which harms musicians, makes touring hard. Plus, the price people pay for music and merch needs to double, which can't happen unless people's pay rises.

I think it'll be even more oversaturated. I would like to see more in the artist such as myself being able to make a living off of music. I would like to see more diverse music breaking through instead of the same garbage that's in the spotlight.

Live shows more responsibly planned

I'd like to see a continued or improved means to connect audiences with their local music scene

Music will become a hybrid of in-person and virtual concerts with more people producing their own music.

I find things have moved from the album oriented music I grew up with and everything seems to be shorter and more fleeting, from tiktok to the new "don't bore us, get to the chorus" songwriting style. I suspect this will continue.

I would like to see the artists not having to sign up to deals that cut 80% off of their royalties

No idea

The industry is a too broad topic.

Major artist doing big arenas

Id like to see a resurgence in live music attendance. I think the pandemic and the subsequent shuttering of the music industry will drive fans to start gong more often, at least that's start I hope happens

90% rev from gigs and sponsorships, 10% download music

Totally digital

I would like to see less influence of corporate music "biz", and more cool teen oriented fun bands become popular

More independent artists

I'd like to see start up bands get chance for exposure and only be artist. Not a marketer, accountant, show booker, etc...

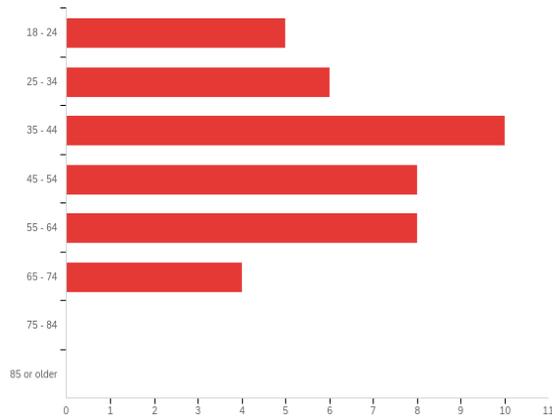
Increased reliance on bots. More actual listening.

Move to Denver and expand my touring schedule

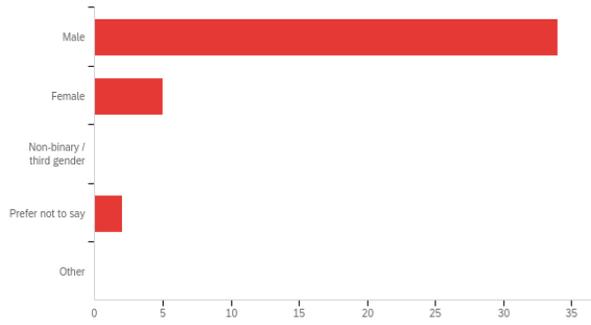
More hyper-local shows for Gen Z

Improved remote technology allowing for more digital content creation between musicians

Q31 - What is your age?



Q32 - What is your gender?



Q33 - What is your yearly income?

