

International Journal of Music Business Research

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AIMS AND SCOPE

The International Journal of Music Business Research (IJMBR) as a double-blind reviewed academic journal provides a new platform to present articles of merit and to shed light on the current state of the art of music business research. Music business research involves a scientific approach to the intersection of economic, artistic (especially musical), cultural, social, legal, technological developments and aims for a better understanding of the creation/production, dissemination/distribution and reception/consumption of the cultural good of music. Thus, the IJMBR targets all academics, from students to professors, from around the world and from all disciplines with an interest in research on the music economy.

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Editorial

*Peter Tschmuck*¹

This new issue of the International Journal of Music Business Research (IJMBR) features one theoretical and two empirical papers on different aspects of music business research.

In the first article "A methodology for cultural music business research", Lorenz Grünewald-Schukalla of the University of Applied Sciences of Media, Communication and Management Berlin proposes a promising methodology for cultural music business research. For better understanding of the transforming music cultures within the new modes of music production, music distribution and music reception, he refers to practice theory and multi-sited ethnography. The author also proposes a set of methods and a tool kit for interpretation of the data generated by such a methodology. Grünewald-Schukalla concludes that cultural music business research can provide insights on the new boundaries, cultural and social dimensions of carrying out the business of music.

In the second article Juko-Mart Kõlar of the Estonian Business School in Tallinn analyses disparities in recorded music consumption among different age and gender groups in Estonia by conducting a survey with 1,544 respondents from all age groups. The study's results suggest "*... that different communication messages might be applied to reach these distinct consumer groups in order to monetise their recorded music consumption more effectively*".

The third article by Arilova A. Randrianasolo of the Boler School of Business at the John Carroll University in Ohio and Jeremiah Sala of the

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University of Missouri in Saint Louis link musicological analyses with econometrics. In "Song product characteristics and music commercial performance", they investigate how tempo, song key and genre influence a song's commercial performance. They analysed all the Billboard number 1 hits from 1958 to 2015 as well as the Billboard Hot 100 songs of 2012 and 2013. Although the authors did not find the ultimate formula for hit song, the results revealed a specific pattern of tempo, song key and genre that increases the probability for chart success. Thus, they conclude: *"The findings of this current study not only provide theoretical advances to music marketing theory but also provide guidance to music marketing managers seeking to select songs to promote."*

The book review by Daniel Nordgård of "The New Music Industries: Disruption and Discovery" by Diane Hughes, Guy Morrow, Sarah Keith and Mark L. Evans of Macquarie University Sydney rounds up the IJMBR's April 2017 issue.

The IJMBR is aimed at all academics around the world, from students to professors, from all disciplines and with an interest in music business research. Interdisciplinary papers will be especially welcome if they address economic and business-related topics in the field of music. We look forward to receiving as many interesting papers as possible and request that you send paper proposals to:

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A methodology for cultural music business research

Lorenz Grünewald-Schukalla²

Abstract

In the light of the constant, media driven transformations of the music business and culture, the contexts and practices, where and through which music is produced, circulated and used, change constantly. To detect and analyse these new forms and processes related to the music business and to research their meaning for the people involved with them, this article proposes a methodology for cultural music business research. It suggests practice theory as a fruitful starting point to research a transformed music culture as modern practices run across increasingly blurred lines between music producers, businesses, media, brands and prosumers or fans. It then provides insights into the methodology of multi-sited ethnography that fits this kind of cultural music business research and finally proposes a set of methods and tools for interpretation of the data produced through this methodology.

Keywords: music business, music culture, practice theory, cultural studies, methodology, media studies

1 Introduction

Along with the transformation of the music industries since 2000 research on music businesses has also evolved to understand the changes in music production and consumption. Since the 'Digital Music Revolution' (Tschmuck 2012), economists have been developing new models to include the peer to peer networks used to share music (Hummer & Lechner 2001, Tschmuck 2002). Media scholars have offered new views on how prosumers reconfigured the forms of value in a networked music culture (Potts et al. 2008, Winter 2012, Jenkins, Ford & Green 2013) and turned to the practices of music sharing to understand business strategy (Haupt & Grünewald 2014). Cultural sociologists have re-

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searched how non-traditional music businesses joined the music industry to build their brands (Holt 2015). Others have investigated self-management and entrepreneurship approaches outside the established institutions like record labels or orchestras (Engelmann, Grünewald & Heinrich 2012, O'Hara 2014). Essentially the production, circulation and uses of value and meaning in the context of music have become complex, distributed processes. This means we can no longer just concentrate on researching the institutions and markets that were once the centre of the music business and culture. While this concept of blurring boundaries is not new, we still need better methodologies to enable us to switch between foci on (new) actors, markets or networks and the analysis of new music business practices across established fields of research. Furthermore, in a transformed music business, to understand what music business now *means*, both for observers as well as practitioners, we need to re-examine the culture of music business practices.

In the light of these constant transformations, I argue here for a definition of music business practice that is not static and narrow but open to any practice linked to a form of business activity involving music. Such practices might not involve the exchange of money, even indirectly but could involve other forms of exchange, creation of value, self-management and rationalisation etc.

The aims of this paper are:

- To propose practice theory and cultural studies as a fruitful starting point for researching a transformed music culture as practices run across the increasingly blurred lines between music producers, businesses, media, brands and prosumers.
- To provide insights into the methodology of multi-sited-ethnography that fits this kind of cultural music business research.
- Propose a set of methods and tools for interpretation of the data produced through this methodology.

Echoing Diaz-Bone (2006) in what he calls 'methodological holism' I see these elements as an interrelated, coherent methodological trinity,

which is why in this paper I will talk about theory as well as method. Methodological holism implies that, as our theories determine through their terms and concepts the ways in which we grasp 'reality', empirical science *realises* theories much more as it tries to refute or falsify them. As what counts as empirical is then a product of theory, theory also determines the methods and ways of interpretation employed in scientific analyses. Therefore, not every theory can be combined with any method. Rather than developing or describing 'just' methods of a specific discipline or field, developing a methodology means to construct a coherent combination of theory and method that reflects on the ways in which it constructs a specific view of the world (Diaz-Bone 2006: 4, see also Gobo 2008: 15-18).

This paper does not discuss music businesses in economic terms but rather turns to cultural studies to offer a unique approach for researching business *culturally*. Keith Negus was arguably a pioneer of this kind of research and it is worth citing his approach to the cultural analysis of the music industry at length, as he identifies some of the key features of cultural music business research. His work

"is a deliberate attempt to try and steer a course away from the dichotomy between modernist despair at the power and influence of corporate commodity production and postmodernist celebration of the possibilities provided by cultural consumption and appropriation. It is also an attempt to suggest that the politics of culture need not simply be waged on one side or the other, but during a significant series of connections and relational practices which connect production and consumption and the articulations through which the corporate organization and music industry occupations are linked to broader cultural formations" (Negus 1999: 87).

Negus thus concentrates not on the economics of music production but on the questions of how music related *practices* relate to each other and with 'broader cultural formations'. In the following sections I outline the theoretical foundations for doing exactly that, starting with the question of what practices are and why they should offer a non-

essentialist way of researching music business processes (section 2 and 3). After that a short introduction to the research approach for cultural studies follows (4-6). After the section on theory, the methodology of multi-sited-ethnography is then set out (7-8) accompanied by a commentary on suitable methods. Finally, the ideas proposed here will be located within a concrete research context. The article concludes with a critique of the somewhat neglected dimension of media in music business research.

2 Social practices

The profound transformation of the music business over the past decade or more begs the question as to what constitutes a music business and what this might mean. Culturally informed theories of practice in combination with qualitative methods offer a methodological perspective that determines the boundaries of music business processes from the bottom up. Negus and other scholars researching the music businesses or related fields with respect to culture therefore focus less on the actors or the structures of markets and industries and more on the meaningful practices through which actors create, maintain and change these structures (Du Gay 1997, see also Du Gay & Pryke 2002).

Ever since the cultural studies discourse on the cultural economy several social theories have been developed that deal explicitly with the issue of *practices* (Reckwitz 2002). Practices are events that are observable as "*bodily doings and sayings*" (Schatzki 1996: 22). They are not singular actions but collective patterns of routinized action. Practices interlock and constitute social practice or 'reality'.³ Practice is therefore a performative reality in which agency and meaning is continuously created through the re-enactment of practices (Hörning & Reuter 2004, Hillebrandt 2014).

Practice theory thus does not assume a transcendental subject that carries out actions. (Reckwitz 2002: 282, Giddens 2000: 44-45). Subjects

³ For example, practices like DJing, dancing or taking a selfie constitute parts of the practice of club culture.

are also not placed by discourse or by some other type of structure e.g. markets or corporate culture as in some types of post-structuralism. They are individually participating in routine practices with their own habitual or embodied dispositions. These dispositions are both a result of the practices that they participated in as well as a source of openness or irritation of practices (Hillebrandt 2014: 72, Schatzki 1996: 68). In comparison to theories of action, intentions or rationality are an effect of practices that routinely apply intentions to recurring actions. But practices are also not a structure that determine action. Giddens' notion of the duality of structure and action is important here, as practices are the 'hinge' between the two (Pentzold 2015: 231). Structural elements, e.g. what can be done or thought, with what resources or competences, are instead contained in the practices themselves and in their interrelations (Shove et al. 2012: 134-136).

Shove et al. (2012) identify three elements or dimensions of practices that one must analyse to understand the constitution and dynamics of practice:

1. **Material:** Building on assumptions from science and technology studies or actor-network theory, practices are always material practices. No one practice is comprehensible without the materiality of bodies, technologies, architectures, tools etc. Contemporary practices related to music might include that of cross-promoting YouTube videos through mimicking or covering existing music videos. Independent artists as well as those contracted to commercial music businesses participate in this practice, leading to an increase in followers and clicks, as YouTube's algorithms channel the viewers from one to another related video.⁴ This practice is dependent on cameras, instruments, network infrastructures, algorithms and so on, which are material elements that influence how music video is being produced today.

⁴ This is exemplified by videos for tracks like the 'Harlem Shake' or countless interpretations of 'Somebody I used to know' by Gotye.

2. Competence: Practices are intelligible through shared orders of knowledge or culture. Knowledge here is practical knowledge, located in routinized, embodied and often implicit behaviour; a 'know-how' in a sense of competence (Shove et al. 2012). Practices are not determined through these orders of knowledge. Rather practices express the collective orders of knowledge that structure and are being structured by the meaning of an individual action (Reckwitz 2000: 265, Reckwitz 2002). Cross-promotion practices for example encompass specific capabilities like that of performing music well or knowing how to create a humorous parody. These kinds of knowledge can of course be codified and represented in multiple ways. However, what matters is how it is adopted in actual practice in real contexts.
3. Meaning: Practices at the same time structure and are structured by the meaning of a singular action (Reckwitz 2000: 265, Reckwitz 2002). This is the *cultural* dimension of practice that was central to cultural theories.⁵ Coming back to the example of online video, people, through producing and commenting YouTube videos, negotiate what it means to be an 'authentic' YouTuber and not one making videos solely for commercial reasons (Grünewald & Haupt 2014).

As the example of cross-promotion shows, practice theory offers a starting point for the analysis of music businesses that do not start with economic structures like existing music markets or actors like record labels but rather with music business practices. For example, we can ask what other practices cross-promotion is connected to, such as the practices of signing and licensing musicians that do particularly well in cross-

⁵ The focus on the symbolic has sometimes been criticised for overlooking the material dimension of cultural practice that has been picked up in other theoretical developments like ANT (Wieser 2012: 241-243). Therefore, it is important to note that the focus is not on the symbolic dimension alone but in the ways that the cultural side of practice interrelates and structures other dimensions of practice, most importantly the material configurations of the elements of practice like (media) technologies (Bräuchler & Postill 2010) or physical effects and states like passion (Grossberg 1992: 21, 398).

promotion or formatting a YouTube video for better ad integration (Grünewald & Haupt 2014). These practices are not necessarily located in the traditional institutions of the music industry and YouTubers are not the traditional actors that music business research would look at.

3 Articulation & formation

Practice theories have been criticised for their small-scale particularism (cf. Schatzki 2016a). This becomes evident, when we look at how music cultures have been conceptualized in cultural studies:

"Rap, Hip-Hop or Rave can be understood as formations of popular music produced within the institutions of record company and advertising agencies. The mode of production of popular music would include the technical means of studio recording and the social relations within which such practices are embedded. Clearly, Hip-Hop or Rave are musical forms that involve the specific organization of sounds, words and images with which particular social groups form identifications." (Barker 2011: 46).

If practices are 'small', routinized and situated bundles of action, exactly how does one manage "keeping track of large phenomena" like an industry or a culture (Schatzki 2016a)? Different practice theories/theorists provide different answers. However, what they all have in common is that they are 'flat ontologies' where there is no micro or macro but only somehow *connected* practices (Schatzki 2016b). The terms employed to describe connected practices to bigger, intelligible forms differ from nexuses and plenums (Schatzki), networks (Latour) or complexes (Reckwitz). In this article, I use the cultural studies' term *articulation* that Hillebrandt (2014) refers to when developing his terms of *praxis forms* and *praxis formations*. For him, a *form* of praxis is a "*nexus of doings and sayings*" (Schatzki 1996: 89) thus an articulation of singular actions. His example is the praxis form that we understand as 'exchange', meaning a combination of giving, taking and returning. Exchange can then be articulated to other forms of practice like contracting or the like. Larger phenomena are described as *praxis formations*

that are "*assemblages of various discursive, symbolic, material and habitual elements that in their specific association unfold a meta-situational effects*" (Hillebrandt 2014: 103, transl. LG). A formation resembles what is commonly understood as a structure in that it affects certain practices, like in Giddens theory of structuration however, formations consist out of articulated practices and are continuously reforming as practices change.

In cultural studies formations are formed from practices through *articulation*, a term conceived by Stuart Hall (1980), but most compellingly defined by Grossberg:

"Articulation is the production of identity on top of differences, of unities out of fragments, of structures across practices. Articulation links this practice to that effect, this text to that meaning, this meaning to that reality, this experience to those politics. And these links are themselves articulated into larger structures, etc." (Grossberg 1992: 54).

The term hints at the critical research style of cultural studies. Thinking in articulation manifests on the layer of epistemology, in the critique of processes of power and in interventionism. From an epistemological perspective, the social world is comprehended and analysed as contingent articulations of elements of the social as in praxis formations. This helps cultural studies to research processes of power in their structuration (which will be discussed a little bit further below). Finally, some cultural studies scholars engage in a critical interventionism and are not only interested in analysing articulations but also in revealing alternative ones (Slack 1986).

In the context of music business research, articulation can be used to link the heterogeneous practices of producing, circulating and consuming music and to understand, how they lead to 'bigger' formations, e.g. the culture of the Sony Walkman (Du Gay et al. 2013) a genre (Negus 1999), a digitized music industry (Tschmuck 2012) or an on-demand music culture (Winter 2012). Articulation, like other relational and contextual social theories, also provides the means to show not only that but also how something is connected. The practices of designing the

Sony Walkman for instance were articulated with various ways of using it, through their articulation within various practices of market research or advertising (Du Gay et al. 2013/1997).

Conceiving the world as articulated practices allows us to find and connect new music business practices outside the usual places and concepts that dominate traditional music business research. Practice-based research starts with analysing the *actual* practices of doing something with music and then looking for the other elements of practice that are articulated along with it. The methodological part of this paper therefore discusses how practice oriented research starts with analysing the actual practices of 'doing' music by researching their constitutional elements and how they are articulated to music formations.

4 Cultures of production/production of culture

It is important to note here, that 'culture' is not a term used frequently in the founding work of early practice theorists.⁶ On the contrary: Some practice theories are a critique of cultural studies 'culturalism', trying to extend it through a consideration of the materiality of practice as is shown in the recognition of the three dimensions of practice above. However in my opinion there are two reasons that legitimize a continuous use of the term 'culture'. The first lies in cultural studies understanding of culture as the symbolic dimension of practice (meaning) *as well* as texts, music, products or artefacts. The second reason in the critical re-

However, the development of cultural studies as an interdisciplinary project ran in parallel to and crossed over with other cultural theorists and theories, subsequently reconstructed as theories of social practices. In Germany, this was done most prominently through Reckwitz (2000), who speaks in this regard of 'cultural theories' (Kulturtheorien), stressing the symbolic dimension of all practice and the cultural turn in social theory. Even though Reckwitz does not systematically incorporate cultural studies in this undertaking, under the influence of those like Raymond Williams and the post-structuralist reception of Stuart Hall and other scholars, conducting cultural studies has always been oriented towards cultural or signifying practices (Pentzold 2015, see also Grossberg 1992 who explicitly centres practices as his analytical focus). This meant researching culture as something connected to all human activity as opposed to a superstructure or structure (cf. Williams 2002, Hall 1980). Recently, Hillebrandt (2011, 2014) explicitly used cultural studies to develop his version of practice theory.

search style employed on cultural studies which I will outline a little bit later.

Cultural music business research is interested in these dimensions and their interplay with the processes of cultural production and products. One authoritative example of cultural music business research is the work of Keith Negus (1997, 1999) and his attempt to study the production of culture (Peterson 1979, Peterson & Anand 2004) by focusing on the cultures of production. As with scholars who adopt the production of culture approach, cultural music business research focuses "*on the processes by which elements of culture are fabricated in those milieus where symbol-system production is ... the center of activity*" (Peterson 1979: 672).

This approach thus deals more with the processes of symbol production than with the symbols itself. Cultural studies however have a circular and contextual understanding of culture in which texts are produced with certain meanings (encoded) in one context, and consumed (decoded) in another. Therefore, the meanings need not to be the same as in the moment of production. This model leads to an on-going process of encoding and decoding texts where it is never a finished product (Hall 1980, Johnson 1986: 46).⁷ Texts, like a song, therefore never exist on their own but only within the practice of doing something with it.⁸

If we return to Negus' way of researching music businesses, this is a balanced and culturally informed approach to articulate the ways of producing, consuming or using music. Although the cultural studies field is interested in the analysis of cultural artefacts, they understand these

⁷ This model of communication has been rightly criticised for its epistemological roots in Kantian philosophy, presupposing a positive identity of readers and texts before a process of communication begins (Grossberg 1992: 43-44). As the circuit of culture has its roots in Halls (1980) model of encoding/decoding (a critique of linear theories of mass communication), the circuit with its context in production and consumption is suitable for a music culture that is, though only partially, organised through a music industry. Approaches to analysis of music production and consumption beyond the music industry other than in practice theories could include Howard Becker's (2008) concept of Art Worlds (cf. Finnegan 1997).

⁸ Let us turn to the issue of what in the production of culture paradigm is termed cultural products. These, due to the history of cultural studies in literary studies are called 'texts', a term that could mean a YouTube video, a specific dress or a dance (Barker 2011: 10-11, Hesmondhalgh 2013: 4).

as articulated to culture in the broad sense of the symbols, meanings or identities attached to the practices of production or consumption, speaking of the ordinary, 'whole ways of life' (Williams 2002). While the cultural studies approach to music business research does not ignore the economic structures of ownership, it is more interested in questions of how our more common cultural meanings, as in Negus' 'broader cultural formations' influence what and how texts are produced.

Negus (1999) suggested that creative processes in the music industry were neither purely structured by economic interest nor the corporate culture of the record labels. Whilst both are important, Negus showed, that the processes of music production are embedded in a broader cultural environment; what he describes as *genre culture*, where music genres are the outcome of "*a complex interplay of musicians, listeners, and mediating ideologies, and [where] this process is much more confused than the marketing process that follows*" (Frith 1996: 88). Genres are not created by record labels. Only the articulation of the production practices of a label with genre-specific practices in different places produces a genre (e.g. listening, dancing, dressing).

Analysing music businesses through the lens of cultural studies involves using a perspective to determine not only the practices with which music is produced or consumed but also through linking them to other practices through which people make sense of and produce the meanings of their (work) activities and lives.

The analysis of musical texts for example can be articulated with broader formations. During the era of slavery in the USA, blues lyrics often spoke about the collective desire for freedom. Yet in post-slavery blues, both men and women were represented as sexually independent individuals, within the wider context where women could also become recording artists and performers and where black people could buy and listen to records (Davis 1999: 4-5). Thus, the original moments of the cultural formation of blues music and their articulation changed. This example also shows that representations are not just texts to be read or enjoyed but are always linked to certain forms of identity and subjectivity. Again: The broader context, in this case slavery, without which an

analysis of the blues genre would be incomplete, must be articulated with this analysis too.⁹

As culture is reflected in the symbolic dimension of music business practice and in the texts or products that are produced in these practices, it seems appropriate to call this kind of practice-oriented music business research, cultural. More succinctly this means cultural music business research researches the material culture of cultural practices linked to music business.

5 Processes of power

The second characteristic of cultural music business research lies in the critical research style of cultural studies. Cultural music business research therefore not only encompasses the practices itself but also the people involved with them. It aims to know, "*how practices transform groups, individuals and the conditions of their articulation*" (Hobart 2010: 73). This interest in people and power is adopted in cultural studies which, due to an anti-disciplinary self-concept, share a specific, critically motivated research style more than shared theories or methods (Du Gay et al 2013/1997, Johnson 1986: 42, Grossberg 1992: 16-17). In his article "What is Cultural Studies Anyway", Johnson (1986: 42) clarifies that cultural studies are an "*intellectual-political connection*" that *should* analyse the inter-relationship of culture, power and social (im)possibility. According to him, this is achieved by analysing the forms through which human subjectivity is produced and these forms today have a lot to do with capitalism, popular culture and media.

This focus is still important. Music business practices are located at sites within and outside the cultural industries, often articulated today through various forms of digital media (Potts 2008, Winter 2012). As such they are also articulated with various capitalist practices that influence and re-articulate the cultural and business practices that produce music. Music business practices are thus not just immersed with culture

⁹ That the organization of music businesses are essentially linked to such cultural dimensions is shown tellingly in Tschmuck's (2012) historical account on innovation in the music industry.

(as all practices bear a symbolic side), they are also the practices that produce culture as texts. Texts, such as music, are themselves a specific form of media and representation that matter for people and their identity practices or, in Johnson's words, their subjectivities (Hesmondhalgh 2013: 4).¹⁰ Therefore, music is connected to processes of power in all the contexts of its production, distribution or use.

In cultural studies, power is often understood in the ways agency is enabled or hindered (Barker 2011: 10). It can be researched as the ability to participate in certain practices in a meaningful way. This might be from an economic stance such as the question of who has the resources to record and distribute a record or whether the new means of production (e.g. Napster, YouTube etc.) enable the development of new forms of practice (cf. Negus 1999: 29, Winter 2012). As practices are always in articulation with other practices each one can influence the other in enabling or constraining ways (Shove et al. 2012: 134-136).

Ismail-Wendt's (2015) article about the regulation of sampling practices for example shows how the critique of sampling is rooted in specific ideas about value in creative practice, and making use of specific representational strategies such as presenting sampling as 'stealing'. Finally, power can relate to symbols and identities and thus representations such as whether a performer is 'black enough' to be marketed as a rapper.

All these dimensions cross over each other. Negus again provides a music business example where institutional power is legitimised culturally. He explains the formation of the rap genre by tracing the organisation of separate label divisions to not just encompass the economic or management considerations but also the associated cultural and politi-

¹⁰ This focus on people and their subjectivities or identities should be clarified, because practice theories de-centre actors and subjects in favour of tacit knowledge and competence, meaning and materials (Shove et al. 2012). As shown above the notion of accountants as 'boring' relates to the analysis of processes of power negotiated through culture. Organizations like music businesses are often in a sense multiple cultural sites, where different ways of life and approaches are situated, often in conflict with each other (Negus 1997: 92, cf. Thompson 1961). Although cultural studies understand human identities as performative articulations of practice, they also see them as somewhat stable and embodied features with real, experienced consequences that are often subject to processes of power (Hall 1996).

cal issues. He explains how the articulation of black identities, racist practices, political organisations and attempts by the industry majors to keep black music labels and its staff at a distance played a significant role in the historical formation of the 'race music' genre. Negus then links this to similar practices encountered during his research that led to a structural disadvantage for black rap music artists and staff who (in accordance with the 'myth of the street') were not represented in the boardrooms of major labels and accordingly suffered the most from uneven resource allocation and staff layoffs (Negus 1999: 88-97).

In my opinion this critical style of research is the second feature that justifies the term cultural music business research even though practice theories have helped to overcome the culturalism of cultural studies.

6 Methodology

Following the theoretical part of the methodological trinity, it is now appropriate to examine the research style for use in cultural music business research. One of the methodologies most prominently associated with the research of practices are ethno-methodological methods (Pink et al. 2015: 41-43, Hillebrandt 2014, Reckwitz 2008) and there are two reasons for this; the first based on the notion, that practices are sets of routinised, implicit actions articulated out of meanings, materials and competences. If this is true, then the physical part of a practice can be observed while its implicit social meanings and competences can only be researched indirectly. The second reason for using ethnographic methods is the research style of ethnography, which follows a circular approach of empirical research and reflexive episodes, thus mediating the tension between building theoretical arguments and the observation of practices. "*[T]heories of social practices gain their concepts from the tensions between theory and practice*" (Lengersdorf 2015: 183-184, translation LG).

However, it must be made clear that ethno-methodological research, undertaken 'at home' in our contemporary societies or cultures involves sociological not anthropological ethnographies (Knoblauch

2005). There are challenges requiring (and allowing) a divergence from classic ethno-methodologies. Firstly, in sociological ethnographies it is difficult to articulate what it means to live "*as the 'natives' do*" (Falzon 2009). How am I, the researcher, 'different' or 'other' from the 'native'? Is music not an omnipresent feature of the contemporary society that I live in? Yes and no. It is especially the case, when ethnographic research moves from cultures or societies to practices that some of us participate in every day. For example, one feature of today's mediated music businesses is the involvement of practices like 'liking' or 'sharing' music through digital networked media. Practices that for most of us are not 'alien' at all and thus run risk of falling out of the analytical agenda. This is less the case in the cultures of production, that most of us do not participate in on a regular basis.

While some practices therefore must be 'alienated' during ethnographic research (Reuter & Berli 2016), another challenge arises for music business research, which is its multi-sitedness, meaning that, as practices run across contexts, the researcher must encounter them at different sites and links these together. A central challenge for contemporary music business research is the heterogeneous sites where music related practices exist (e.g. where it is produced and where it is used). These can be remote from each other both in space and time. Researching the contexts of music business involves researching several sites that have to be both determined and connected/articulated.¹¹ A formation such as branded music culture, that forms around the music business practices employed by commercial brands like Red Bull (Holt 2015) is not an anthropological field where a culture and a locus converge, if that ever existed.¹² It is instead a 'fuzzy field' (Nadei & Maeder 2005) to be constructed through the strategies, decisions and movements of the researcher (Wittel 2000). These challenges can be met through multi-sited-ethnography (Marcus 1995).

¹¹ For example, practices of producing amateur lip-synch videos can be articulated with licencing practices in YouTube networks and to big-data practices of advertising businesses.

¹² Although this was never true for classical Malinowskian ethnology, today, and especially in sociological ethnographies that are undertaken in a field at home, there are no particular connections between a group or society and time/space (Appadurai 1990).

7 Multi-sited ethnography

Multi-sited-ethnography "*moves out from the single sites and local situations of conventional ethnographic research designs to examine the circulation of cultural meanings, objects, and identities in diffuse time-space*" (Marcus 1995: 96). This has considerable effects on what can be asked from ethnographies. Usually the strategy considered most suitable to reconstruct the practices of a culture would be participant observation, with either long stays and deep immersion *or* focused ethnographies of field interactions leading to thick descriptions (Geertz 1994, Knoblauch 2005). Multi-sitedness restricts the possibilities of being present at a site for a long time. In the example of music and branding, one usually cannot work at a branding agency for six months when also researching the practices employed by brand manager, a music fan, a copywriter or a music journalist (cf. Nadai & Maeder 2005: 20). At the same time, many situations like meetings between management and agencies are too restricted and too spontaneous to conduct focused ethnographies or videographies (Knoblauch 2005). Cultural music business research involving multi-sited research is unlikely to aim for lengthy descriptions of single sites. It is interested in the articulations of practices across different contexts and it is exactly here, where this method meets the demands of distributed music business processes that were laid out as the central challenge for contemporary cultural music business research.

Multi-sited-ethnography meets this demand of cultural music business research as the most common way of structuring a multi-sited field is the 'following approach', undertaken by the researcher (Marcus 1995). The analyst can follow certain objects as they move through and are articulated in different practices across several contexts (Appadurai 1988, Lash & Lury 2007). To follow an object means to stay with the manifestations of an object to trace "*the shifting status of things ... in their circulations through different context*" (Marcus 1995: 107). In the case of objects, it might therefore be conceivable to follow blockchain algorithms through their heterogeneous interactions: How are they being developed? What political ideas and agendas are transcribed into the

algorithms, how is the blockchain being picked up and by whom? How does its meaning change? Who and what practices does this blockchain favour and which practices and identities does it disadvantage etc. We can then start to articulate these practices and its contextual elements into a cultural formation that forms around the blockchain, some of which will be relevant to the music business and some not. Other following strategies are connected to actors (Latour 2005, for music related practices see DeNora 2003: 156), products like the Sony Walkman (Du Gay et al. 2013/1997) or events like the Monterey Pop Festival (Daniel & Schöfer 2015). Different strategies of following will be articulated with other research questions.

8 Methods

After outlining the theory and methodology of practice based cultural music business research the final element of the trinity of theory, methodology and method can be outlined (Diaz-Bone 2006). Cultural studies have never focused on one methodological paradigm as the sites and topics researched demand a variety of methods (Johnson et al. 2004: 41). At the same time ethnology has employed methodologies within which a variety of methods and data can be used. These are a "*situational combination of field techniques (note taking, audio-/visual recording, interviews, examination of indigenous literature, observation, and such)*" (Falzon 2009: 1). In his attempt to articulate insights from music production and consumption, Negus draws not only on his own experiences as a songwriter, but also heavily on interviews with music business staff, music fans, artists as well as on the discursive patterns in music and music business magazines that play a part in describing and thus constructing 'social facts' like corporate cultures or genres (Negus 1999: 3, 85). Thus, in accordance with Grounded Theory 'everything is data' (see also: Gobo 2008: 239-241). The integration of such diverse types of data however is not without certain challenges (Glaser 2007). Firstly, data collected through multi-sited ethnography must be conceptualized and interpreted to reveal the practices of a formation and an analyst

always must consider, that talking about a practice is not the same as the practice itself. That does not mean, that interviews or field protocols are not a legitimate method to draw conclusions about practices. However, the interview, the observation, the magazine has itself to be conceptualized as part of a practice that reports about practices. The analyst must therefore *interpret* from it the knowledges of the practices talked about (Reckwitz 2008: 196-197). In this sense, data is not a representation of 'reality' but it is reality itself, it

"is what is occurring, it is socially produced and it is up to the [...] researcher to figure it out, BECAUSE the participants are doing it, talking it, using it, think it, are it, respond to it, offer it and so forth. It is going on right in front of the ... researcher! For example, treating talk (an interview) as data comprises not just what was said, but that the talk was given, in a certain way, in a certain context, with a certain endurance, in a culture, with talk story attached etc." (Glaser 2007: para. 7, emphasis in original).

As businesses often rely on *not* being transparent about their situation, we often must rely on secondary material to make conclusions on their practices e.g. through news reports, interviews with journalists etc. Data, both secondary and primary, therefore also must be contextualized for increased validity e.g. through thoroughly researching its origin, intended purpose, the situation where it was supposed to be used by its creators etc. (Ralph et al. 2014). The data can be analysed through constant comparison and by building categories and concepts that relate to practices (for the analytical process of Grounded Theory see Strauss & Corbin 1998). The categories and concepts should answer questions about the practices and the ways they are articulated with each other. For instance, we must find out, what it means to produce a certain sound of music (and not another) for a certain individual and we must find out, how a music marketing manager conceives marketing something to a certain target group (and not another). And we would have to find out, how this music and the meanings attached to it occurs in or is articulated with the practices of music fans consuming or sharing it. Cul-

tural analysis switches between the practices, the meanings, the materials and the people participating in them. How, for example might it become important, that music is listened to in a certain way while commuting and how are certain technologies or media enabling certain music listening practices and not others. It is through constantly questioning and comparing the available data that insights can be gained and that practices and their elements can be articulated.

9 Application of the research design

As stated earlier, a developed methodology can never be fully abstracted from the research contexts in which they have been developed (cf. Diaz-Bone 2006). Therefore, the aim of this section is to highlight the context from where it has been developed. The project from which these considerations originated is based in a field not yet fully identified within the music business namely that of brands taking over and re-designing established practices usually employed by actors from the music industry (Meier 2017). As an example, Holt (2015) discusses the 'evolution of sponsorship' looking at the case of the *Red Bull Music Academy (RBMA)*. The RBMA started with a DJ-workshop and evolved into an event where now over 60 musicians are flown in from all over the world to 'cosmopolitan' places like New York, Sao Paulo or Tokyo. There they engage in workshops, studio sessions, concerts and lectures for a period of six weeks. The workshops are extended by an ongoing series of branded concerts and festivals in various regions of the world. There is also an *RBMA Radio* archiving concerts and DJ-sets, a blog curated with content written by professional music journalists et al. Besides Red Bull, the number of brands participating in music business practices beyond sponsorship is increasing.

Here there is a formation where branding practices are related to music and articulated with existing elements of other music formations that span less across the labels, publishers or distributors and increasingly across marketing and brand management, branding agencies, agents, artists and brand consumers. As Leslie Meier (2017) shows, in this new

paradigm music business practices are transformed in a way that music is no longer valued and produced as a marketable commodity but for the sake of its ability to promote another commodity, typically a branded consumer good. Her work describes (through the re-articulation of practices typical of music businesses with practices undertaken by brands) how new cultural forms like branded entertainment clips, branded concerts and jingles are being produced. This is due to an articulation of marketing practices with new forms of subjectivities for artists that need to employ branding-practices themselves to produce value for another brand.

Meier's analytical framework is one from political economy therefore she is culturally sensitive and provides highly critical work on the political effects of these processes. However, the main reason she provides for the convergence of branding and music is an economic one: In the digital transformation of the music industries, business models, driven by recorded music products are no longer viable so the music industries are working towards new, license-driven models that brands can link to. Brands on the other side see music as a means to link meaning and affect to their products.

Building on her work, the research project, from which the methodology proposed here is sourced, asks how we can describe and explain the formation of branded music culture with respect to the meanings and politics connected to these new practices. As a first step, the project asks what practices are important when brands meet music and how these practices are articulated together. How, for example, are new forms of mediated data collection embedded in organisations that own brands and what kinds of meaning are connected? In a second step, analysis turns towards the question of identity and power and what kind of identities are produced through these new practices? Who can, based on what identity, participate in this formation and who is allowed or not allowed the resources to engage in certain practices? Finally, the project looks at the effects and affects produced through the formation of branded music culture: How do the artists, managers and fans experience their participation in branded music?

The method employed is a multi-sited-ethnography that uses one of the approaches described above, namely to follow brands like Deutsche Telekom, Red Bull, Seat or Audi in their interactions with music. These interactions can be concerts organised by the brand, festivals sponsored by the brand, the development and implementation of music marketing strategies by brand managers, music fans taking and sharing pictures at branded events, or music journalists writing content for a branded music magazine. This strategy leads to several places where research can be undertaken, e.g. strategy meetings, branding agencies, festivals and concerts, the backstage rooms where artists will be present after a branded concert. To gather data the project relies on in-depth interviews with brand managers, agents, artists and fans as well as observations and short ethnographic interviews at concerts or record studies. Where possible there should be an effort to connect participant observations with follow-up interviews to let the informants provide context for the activities observed. The collected material is then analysed using the coding strategies developed within grounded theory and its advancement, the situational analysis (Strauss & Corbin 1998, Clarke 2005).

As this is an ongoing project it is still in flux. First impressions suggest that extensive tracking of consumers' media activities is at the core of contemporary music marketing. However, rather than believing, that consumer tracking produces an accurate representation of the world, brand agents and marketing managers rely on these practices more to legitimise their own cultural practice of curating music events than using the data just to make decisions for further managerial activities. As their management positions are increasingly precarious, the development of tracking methods and research practices offers a way to secure their working positions and activities through translating qualities of meaning and affect into communicable quantities. Looking at questions of identity, these practices are subject to negotiation of goal-orientation and aesthetics, as some of the managers both as cultural and managerial actors, are often in conflict with other departments and actors from their organisations and networks.

Regarding the power relations embedded in this formation, the artist perspective provides some early insight. For musicians, it is questionable to associate themselves with a brand as cultural questions of authenticity and autonomy are of high importance in their field. Here, discursive practices are emerging where brands and artists build narratives that produce a cultural 'fit' between the two. However, the conditions of a legitimate fit produce new forms of inclusion and exclusion, where certain artist-identities are more likely to become part of a brand partnership than others.

Practices of branding through music therefore at times produce conflicts and contradictions. This is also reflected in the experiences and affects. The contradictions that are negotiated through questions of authenticity and 'fit' while participating in the formation of branded music culture produce feelings of ambivalence that are expressed by almost all the participants, including some, though not all, of the music fans.

10 Conclusion

As shown above, carrying out cultural music business research cannot necessarily inform the economics of these new practices, nor should it. However, it can provide insight on the new boundaries of carrying out music business and the cultural and social dimensions of the music business. In conclusion, it can be said that there is no *one* methodology for practice-based cultural research. Other ways of researching the specific formations of music businesses and cultures will certainly need to be developed and adapted to the specific research context.¹³

One feature that could not be developed and discussed in depth in this article is a perspective that also must be included in contemporary music business research. This relates to the spaces we create through our digitally networked media practices (Wittel 2000) and I have only

¹³ This has in fact always been a feature of Cultural Studies which means the methodology presented here must also be critically adapted and advanced for different appropriations (Grossberg 1992: 16-17).

mentioned these implicitly until now, as neither the streams of cultural studies nor the material presented on practice theory and multi-sited-ethnography provide a coherent framework for the recognition of media and media practices. However, every aspect of our lives and especially of those working within and with the cultural industries are involved beyond recognition with (digital) media. Moreover, as music and its production, promotion, and consumption circulates through mediated networks of co-creation, we also need to create more knowledge of how media make possible, influence, afford or transform music business practices and the formations that exist around music.

These methods cannot solely be about researching communities formed online, as in early forms of netnography (Kozinets 2010) or singular analyses of media technologies or content. All these features need to be absorbed into and articulated with other practices that make up a music related formation. Such methods are certainly being developed for example in anthropology, where everyday interactions (practices) with media are researched through various ethnographic methods (Pink et al. 2015). Another strain of methods is being developed in media studies. Burgess & Greens' (2009) book on YouTube might stand as an example where economic figures are being linked to quantitative and qualitative analyses of YouTube content and the identity practices articulated to producing and watching online video.¹⁴ However, as Nick Couldry states, we should understand media as articulated practice and not as something that is just material or symbolic (Couldry 2004). If we see media as something that is produced in our everyday routines and contexts we can better de-essentialise contemporary media studies from looking only at either media texts or the material capabilities of media. This is certainly the way to go as media belong to the most important forms of practice with which music businesses and cultures, in fact all aspects of our societies and the ways they are lived and experienced are being reconfigured at the moment (Winter 2012, Couldry

¹⁴ Since then, the digital methods that can be employed here have grown and diversified tremendously. See for example <http://mappingonlinepublics.net/category/culture/> for one strain of digital methods that is currently being developed.

2012). Cultural music business research needs to think about how media as practice can become a part of their practice.

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The impact of digitalisation on the recorded music consumption. An Estonian case study

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Abstract

Digitalisation has radically changed how recorded music is produced, distributed and consumed. While physical sales have been declining globally, music subscription continues to be a key driver for digital growth, even though the viability of the "freemium" business model has not yet been proven to be sustainable. A survey questionnaire with 1,544 respondents was carried out to study the changed recorded music consumption patterns in Estonia. The analysis revealed disparities in recorded music consumption among different age and gender groups. It follows that different communication messages are needed to reach these distinct consumer groups in order to monetise their recorded music consumption more effectively.

Keywords: music industry, digital music consumption, digitalisation, digitisation

1 Introduction

This article aims to contribute to the understanding of how digitalisation has affected recorded music consumption. "Digitisation" and "digitalisation" are closely associated terms that are sometimes used interchangeably. However, there is a difference in meaning, as *digitisation* refers to "the action or process of digitising; the conversion of analogue data ... into digital form", whereas *digitalisation* is defined as "the adoption or increase in use of digital or computer technology by an organization, industry, country ..." by Oxford English Dictionary. Digitalisation in this context can be understood as the introduction of digital sound recording, editing and playback capabilities along with the development and spread of corresponding digital communication infrastructure.

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The introduction of digital audio formats are arguably the most important driving force of the music industry, not only because digital technology has allowed music to be heard almost everywhere and on a multitude of devices, but because it has fundamentally changed how music is produced, distributed and consumed. Dolata (2011: 9) argues that the true music industry's technology-driven transformation began at a point in time when the world of the music business still conformed to its traditional working order. He refers to the two technological developments at the end of the 1990s that laid the basis for what began as a loss of control over production and distribution of music. As a digital file, music could be copied numerous times without any loss in quality, distributed over the internet and managed from a computer. This created new challenges and opportunities for the recorded music industry, but also raised some major concerns, as the cost of reproduction and proliferation of digital files is almost nil.

Various authors (McDonald 2016, Leurdijk 2012, Bourreau, Gensollen & Moreau 2008) have tried to summarize the effects of digitalisation on the music industry. Most authors agree the effects include the following: (i) music consumption shifted online and thus traditional music business models were disrupted; (ii) music became cheaper, more easily accessible and easier to purchase for consumers globally; (iii) artists had increased opportunities to produce and distribute their music independently and free of intermediaries; (iv) record companies lost importance as the key distributors and promoters of recorded music. The IFPI reports between 2012-2016 revealed the extent of these developments varied significantly between markets. While revenues from music streaming have been growing by two-digit margins annually, the global music market is still very diverse in terms of various consumption models. For example, Ipsos found that South Korea (42%) and Sweden (40%) were the leading countries in terms of paid subscription services, with only 15-16 per cent using such services in Germany and Great Britain and a mere 6% in Japan (IFPI 2015: 19).

Various authors have discussed the effects and impact of digitalization to the music industry's business models from different perspectives.

For example, Dolata (2011) argues that the gradual transformation of the sector occurs as a longer process of restructuring, characterised by the diversification of music marketing methods, the creation of new types of distribution, and the redefinition of the sector's institutional framework. He studied the outcomes of digitization from the socio-economic perspective, especially the reasons for the industry's failure to adopt, but his approach concentrates on the institutional structure of the supply side without exploring these changes from the demand side. Perritt (2011) was among the first authors to go beyond the debate focused around the viability of access-based model and the question of whether online subscription services make traditional ownership-based music distribution models obsolete. He was also among the first to discuss the "rise and fall" of the online subscription-based model. However, some of Perritt's conclusions have proven too ambitious, such as the total demise of physical music mediums, or the lack of copyright potential in the 21st century. Wikström (2012), among others, proposed a typology of new music distribution models to provide additional perspectives on the on-going transformation of music industry, but his research is exploratory and conceptual in character and calls for additional empirical research. This paper aims to fill this gap by exploring the effects of digitalisation on the recorded music industry from the consumers' perspective. It investigates the changed patterns of digital music consumption in Estonia, but also explores and discusses the trends and business opportunities inherent to the dominate business model of paid subscriptions. Additionally, this paper analyses the reasoning adopted by different age and gender groups for switching or for a reluctance to switch to digital music consumption, especially to paid subscription, which is essential to the long-term viability of the whole recorded music industry.

To create a context for the Estonian case, the following table provides an overview of the global physical and digital recorded music revenues from 2011-2015 and highlights how digital music surpassed physical sales in 2014 for the first time.

Global revenues (in billion USD)	2011	2012	2013	2014	2015
Physical	8.1	7.5	6.7	6.1	5.8
Digital	4.9	5.5	5.8	6.1	6.7

Table 1: Global physical and digital music revenues from 2011-2015. Source: IFPI Digital Music Reports 2011-2016

The following breakdown of global digital music revenues reveals that music streaming has become the key growth driver for the global recorded music industry.

Breakdown of global digital revenues	2011	2012	2013	2014	2015
Digital revenues (in billion USD)	4.9	5.5	5.8	6.1	6.7
Permanent downloads	N/A	3.9	3.9	3.2	3.0
<i>in % of digital revenues</i>	<i>N/A</i>	<i>70%</i>	<i>67%</i>	<i>52%</i>	<i>45%</i>
Streaming (subscription and ad-supported)	0.7	1.1	1.6	2.2	2.9
of which subscription	0.4	0.7	1.1	1.6	2.3
<i>in % of digital revenues</i>	<i>14%</i>	<i>20%</i>	<i>28%</i>	<i>36%</i>	<i>43%</i>
Other (e.g. mobile)	N/A	0.5	0.9	0.9	0.8
<i>in % of digital revenues</i>	<i>N/A</i>	<i>10%</i>	<i>15%</i>	<i>15%</i>	<i>12%</i>
Share of streaming in the global recorded music revenues	5%	7%	7%	14%	19%

Table 2: Breakdown of global digital music revenues from 2011-2015. Source: IFPI Digital Music Reports 2012-2016

According to the IFPI (2012-2016), global physical recorded music revenues between 2011 and 2015 decreased by 28.4%. 2014 was the first year when the industry revenue was derived equally from physical

and digital channels. 2015 signified a key milestone, as digital became the primary revenue stream for the recorded music industry. The breakdown of digital revenues suggests that music streaming has become the growth driver for the recorded music industry, while revenues from physical sales and permanent downloads are decreasing. In 2011 streaming's share of digital revenues was 14%, but in 2015 it reached 43% of the total digital revenues. Music streaming's share of total recorded music industry revenues was only 5% in 2011, but increased to 19% by 2015. Significant growth in streaming and subscription revenues now outweighs the decline in digital download sales for the whole industry. However, the business model based on music streaming has not yet proven to be sustainable, as none of the major services as of 2015 has managed to earn net profits. For example, the analysis of Spotify conducted by Tschmuck (2016) revealed that, despite an annual revenue growth of 80%, the cost of revenue increased by more than 85%, further widening the net losses for the company to 184.5 million EUR in 2015. He argued that Spotify's business model relies on the conversion of the Freemium users to become paid subscribers to increase average revenue per user (ARPU). Even though the "freemium" business model of music streaming has not yet proven sustainable, both revenues and the number of paying subscribers have grown substantially over recent years, while music ownership (both physical and digital) has decreased, signalling an important transformation in the distribution and consumption phases of the recorded music industry's value chain.

2 Methodology

A survey questionnaire was carried out to study the impact of digitalisation on recorded music consumption in Estonia. The questionnaire consisted of 29 questions and the process of conducting the survey and analysing the results included the following steps.

Selecting the type of survey. The purpose of the survey was to gather information on evolving consumers' habits, expectations and limitations in recorded music consumption. The questionnaire included struc-

tured and unstructured questions: (i) dichotomous yes/no questions, (ii) multiple choice questions, (iii) Likert Scaling (unidimensional scaling questions using 1-to-7 rating), (iv) Guttman Scaling and (v) open-ended questions. The questionnaire also contained contingency questions, where respondents were asked one question in order to determine if they were qualified to answer a subsequent one.

Constructing the questionnaire. The number of questions varied between 19-29, depending on respondents' answers to contingency questions. To avoid confusion and ambiguity, short explanations were added to the questions, which contained potentially ambiguous terms, such as "subscription service" or "P2P services". Open-ended questions were also used to allow deeper exploration of related topics that the respondents considered important to explain in more detail.

Age group	Male	Female	Total	Percentage of total
...-14	1	3	4	0.2
15-24	79	167	246	15.9
25-34	238	301	539	34.9
35-44	172	198	370	24.0
45-54	78	144	222	14.4
55-...	68	95	163	10.6
Total	636	908	1544	100.0

Table 3: Respondents in different age and gender groups

Sampling. Snowballing was used to distribute the questionnaire. The snowballing method inherently implies the danger of over-representation of a single, networked group of respondents. However, the following aspects need to be considered. Firstly, the questionnaire was sent to over ten different institutions, social media networks, blogs and email lists with a request to distribute it further among their members, colleagues, friends and relatives. The types and backgrounds of the recipients varied greatly, ranging from public institutions, universities,

blogs and social media communities from different fields of life, including a group of people with physical disabilities. Secondly, all age groups and genders had an equal opportunity to become involved in the survey. The analysis of the diversity of recipients' backgrounds revealed that there was under-representation in only one group (ages 0-14), but both gender groups and all the other age groups received sufficient number of replies to conduct quantitative analysis.

Distributing the survey and collecting the results. The questionnaire was distributed on September 29-30, 2015. There was no specific deadline by when the responses had to be submitted, but the initial target was to receive at least 1,000 responses. As Google Forms provides statistical overview about the response rate, it revealed that the target was achieved during the first week after distributing the questionnaire. The collection ended on October 17 as the daily accrued number of responses had been less than ten for seven consecutive days by then. The total number of responses increased to 1,544.

Analysing the results. The analysis of respondents' age groups revealed that only one group (ages 0-14) received 4 responses, which does not allow quantitative analysis, but all the other groups received an adequate number of responses to conduct quantitative analysis.

3 Analysis and discussion

The aim of this paper was to study the impact of digitalisation on the consumption of recorded music in Estonia with a special focus on the music consumption habits, expectations and limitation of different age groups and genders. Although the survey was carried out in Estonia, analysis of IFPI reports (2011-2016) suggests digitalisation has had similar effects on the consumption of recorded music in other countries as well.

Listening to music plays an important role in the everyday lives of respondents. 69.4 per cent of the respondents claimed to listen to music every day. In comparison, Nielsen's study (2014) found that three-quarters actively listen to music, and many do so while at work, doing

chores, and in the car. On the other hand, only 32.3% of the respondents claimed that legal access to music had increased the time dedicated to listening to music. 67.7% replied that the time dedicated to listening to music had not significantly changed or even declined. Therefore, although music plays an important role in the majority of respondents' lives, free, legal access to music had increased the time dedicated to listening to music among only 1/3rd of respondents. Therefore, free and legal access to music has had a limited impact on the time dedicated to music listening.

Age group	Gender	Number of respondents	Have you bought a physical CD in the past 12 months?		Have you bought any digital music files in the past 12 months?		Have you used any music streaming services in the past 12 months?	
			YES (%)	NO (%)	YES (%)	NO (%)	YES (%)	NO (%)
15-24	M	79	46	54	24	76	96	4
	F	167	48	52	18	82	99	1
25-34	M	238	61	39	35	65	100	0
	F	301	53	47	23	77	99	1
35-44	M	172	62	38	29	71	94	6
	F	198	70	30	20	80	93	7
45-54	M	78	67	33	24	76	92	8
	F	144	72	28	7	93	85	15
55-...	M	68	63	37	9	91	82	18
	F	95	64	36	6	94	68	32

Table 4: Consumption of recorded music in different formats in Estonia

The analysis within table 4 reveals only minor (0-10%) or moderate (11-20%) differences existed in the consumption of recorded music in different formats between genders and within particular age groups. However, major differences existed between the different age groups in terms of purchasing digital music files and using music streaming services. While less than half of the respondents in the age group of 15-24 had purchased a physical CD over the past 12 months, the number increased to up to 72% for the older age groups. A total of 60.1% of the respondents had purchased a physical CD within the last 12 months, while approximately 2/3rds of them spent more than 20 EUR on CDs.

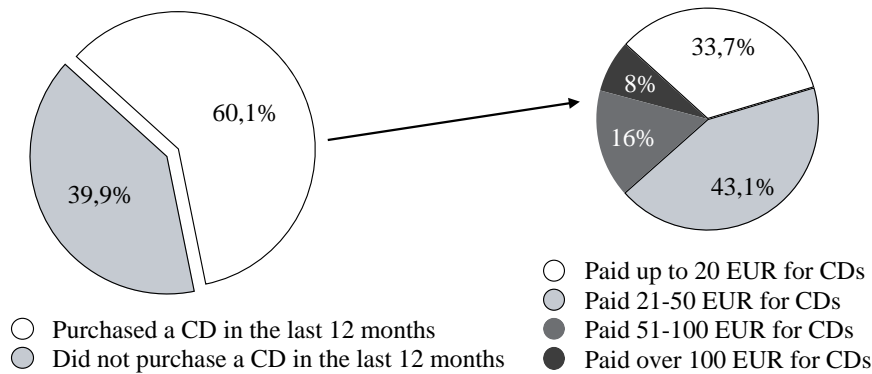


Figure 1: Consumption of physical CDs in Estonia. Source: author

During the same time period that Spotify has been available in Estonia (since 2013) and even though the annual rate for Spotify's premium account equalled the retail price of 3-4 physical CDs, there was still a large group of respondents, who preferred physical CDs to streaming services for various reasons.

Minor and moderate differences existed among younger age groups of respondents, of whom 18-35% had purchased digital music downloads over the past 12 months. The same number decreased to less than 10% among the oldest age group. Variances between age groups in recorded music consumption delineate most clearly in the use of music streaming services, as 18-32% of the respondents in the oldest age group had not used any music streaming services, including YouTube, over the previous 12 months. By comparison, over 90% of the respondents in the age groups from 15-44 had used music streaming services in the previous year.

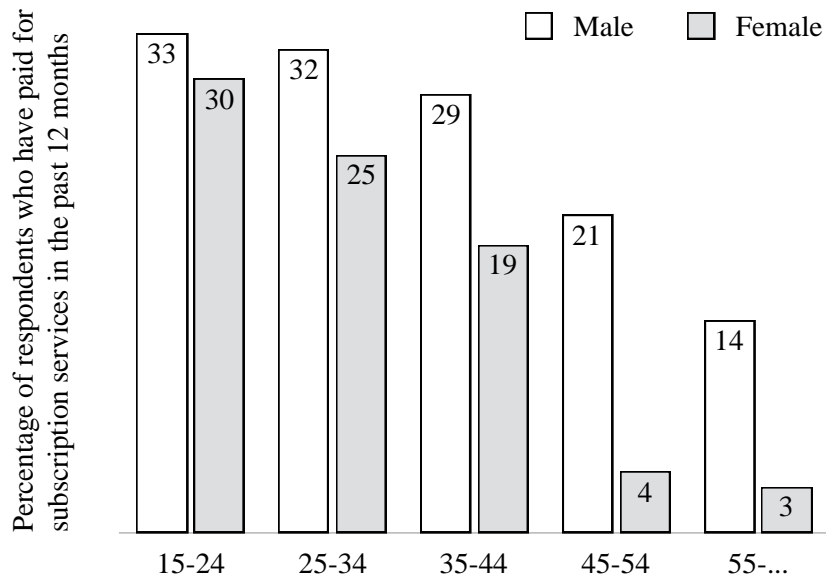


Figure 2: The use of paid subscription services among different age groups in Estonia

The above table reveals the use of paid subscription services is in inverse correlation to the age of respondents. Only minor differences among different genders exist in using paid subscription services for respondents between 15-44, but the gap becomes significantly wider in the age groups of respondents over 45 years old as only 3-4% of the female respondents in these groups have used paid subscription services. The analysis also reveals that 54-59% of the female respondents in these two groups were not willing to pay for recorded music in digital music services, but 36-39% of the same group recognized that although they are not currently paying, they would be willing to do so in the future. The following two tables provide an insight into why variances in willingness to pay for recorded music in digital music streaming services might exist among the different age groups and genders.

Age group	Gender	Number of respondents	Would you be willing to give up physical music mediums entirely?		
			I am ready to switch entirely to digital music consumption (%)	I will use physical music mediums at least for a while in the future (%)	I would never give up physical music mediums entirely (%)
15-24	M	79	44	25	30
	F	167	34	33	33
25-34	M	238	31	21	49
	F	301	31	34	35
35-44	M	172	27	28	44
	F	198	14	43	43
45-54	M	78	18	23	59
	F	144	6	44	50
55-...	M	68	9	32	59
	F	95	6	33	61

Table 5: Respondents' willingness to switch to digital music consumption entirely

Table 5 reveals that younger age groups are more willing to switch entirely to digital music consumption than the older age groups, while a similar proportion of respondents claimed to use physical music mediums for a while in the future. The older age groups' reluctance to switch to digital music consumption might be for different reasons. For example, Wikström (2012: 9-10) has emphasized the importance of the record collection as an identity marker that corresponds to the logic of the ownership model, but not to the access model. According to him, in an era of social media, the act of listening to recorded music becomes increasingly social and public and the role of music listeners' record collections as manifestations of their music identity is replaced by a steady flow of information about their real-time musical experiences. Some physical music mediums, for example vinyl records persevere as long as they are meaningful for the consumers only as physical products. The whole process of selecting and putting on a good vinyl record could be compared to the process of opening and serving a vintage wine, as it creates a story and meaningful context for the whole event.

The following table reveals the most common reasons for not using paid subscription services.

Age group	Gender	Number of respondents	Why have you not used paid versions of music subscription services so far?				
			I don't listen to music enough to pay for it (%)	Paid versions do not have enough benefits (%)	I haven't had time to figure out how it works (%)	I don't like to pay a monthly fee for services (%)	It seems too expensive for me (%)
15-24	M	79	14	67	18	55	18
	F	167	12	59	21	26	34
25-34	M	238	16	59	27	37	19
	F	301	17	54	36	36	17
35-44	M	172	16	51	20	24	15
	F	198	21	45	45	31	16
45-54	M	78	14	43	13	32	16
	F	144	15	35	17	31	15
55-...	M	68	21	46	40	21	19
	F	95	17	40	41	17	8

Table 6: Reasons why respondents have not used paid for music subscription services so far

Insufficient benefits of the premium versions were considered by 50.6% of the respondents in all age groups to be the most important reason why they had not so far paid for subscription services. It was followed by lack of willingness to pay a monthly fee for services. However, there is a clear difference between age groups: paying a monthly fee was not considered an important problem by older respondents, as only 17-21% of the oldest age group saw it as a reason for not using paid versions of music streaming services. There were also significant differences between genders among particular age groups, as only 26% of the female respondents in the youngest age group considered it to be the reason for not using paid subscription services, compared to 55% of their male counterparts. However, only 18% of the male respondents considered the subscription fee to be too expensive, compared to 34% of the female respondents in the same age group. It follows that this particular age group–male respondents between 15-24–could be provided with different kind of offerings (e.g. an annual subscription fees) to motivate them to become paying subscribers, as they do not consider the subscription fee to be too expensive, but are reluctant to paying a monthly fee. Among other respondents, only 8-19% considered the price to be an important factor in using paid subscription services, regardless of the age group or gender. Compared to other groups, a relatively high percentage of female respondents in the age groups of 25-34 and 35-44

(36% and 45%, respectively) claimed that they have not had time to figure out how paid subscription works. Therefore, service providers could increase the likelihood of turning these distinct groups into paying subscribers by clearly communicating on this particular issue to these target groups.

Finally, the survey questionnaire examined what were the most valued functionalities of music streaming services that the respondents considered worth paying for.

Age group	Gender	Number of respondents	What kind of functions would you be willing to pay a monthly subscription fee for?				
			Ad-free music listening (%)	Listening to music offline (%)	Access to higher quality music files (%)	Possibility to create and share playlists (%)	Various social functions (%)
15-24	M	79	94	83	81	60	12
	F	167	90	81	77	42	9
25-34	M	238	84	72	75	39	20
	F	301	81	70	69	52	15
35-44	M	172	77	54	71	32	11
	F	198	74	70	57	40	9
45-54	M	78	67	43	55	17	12
	F	144	67	56	53	25	8
55-...	M	68	59	26	51	18	3
	F	95	51	18	54	8	5

Table 7: Functionalities of music streaming services that respondents consider worth paying for

This analysis reveals that ad-free music listening was the most valued function of streaming services that respondents would be willing to pay for, followed by access to higher quality music files and listening to music offline. Although listening to music in the digital era has become largely a social experience, none of the respondents' groups valued it more than 20%, while only a small fraction of 3-12% considered this functionality important within the age groups of respondents over 35 years old. Ad-free music listening was considered especially valuable among younger age groups and decreased gradually among older age groups. The same pattern appeared in listening to music offline, access to higher quality music files and possibility to create and share playlists. Therefore, younger age groups consider various functionalities of streaming services more worth paying for.

4 Conclusion

Digitalisation has radically transformed both the distribution and consumption of recorded music. There is a clear tendency to move from music ownership (both physical and digital) to music access, as music subscription services have become a major driver of growth for the recorded music industry globally.

A survey questionnaire was carried out in Estonia, where 1,544 respondents from different age groups answered the questions about the changes in their recorded music consumption habits, expectations and limitations. The analysis of the survey results reveals that digitalisation has had the following effects on the recorded music consumption in Estonia.

Firstly, although listening to music plays an important role of the majority of respondents' everyday lives—69.4% of all respondents claimed to listen to music every day, free, legal access to recorded music has had only a limited impact on the time dedicated to music listening, as fewer than 1/3rd of respondents claimed to dedicate more time to listening to music as a result of free legal access to recorded music.

Secondly, CDs still play an important role in the recorded music consumption in Estonia, as 46-64% of all respondents in all age groups had purchased at least one CD within the past 12 months. Among those who had purchased CDs, over 60% had paid more than 21 EUR for CDs in the past year. Even though streaming services that provide free legal access to recorded music have been available since 2013 in Estonia, over 40% of respondents still preferred physical CDs to music streaming services for various reasons.

Thirdly, although listening to music in the digital era has become largely a social experience, less than 20% of respondents considered social functions worth paying for.

Fourthly, the long-term viability of the music streaming services depends on their potential to increase average revenue per user (ARPU) by converting freemium users into premium subscribers. 38% of the respondents who are currently not paying for subscription services claimed to be willing to do so in the future, given the proper communi-

cation and offering. The analysis revealed different age and gender groups are currently not paying for listening to music in digital channels for different reasons. For example, male respondents in the youngest age group of 15-24 do not consider the premium services to be too expensive, but they are reluctant to pay a monthly fee. They also value different functionalities of the music streaming services to be worth paying for. Therefore, distinct communication strategies that address particular age and gender groups could help convert freemium users into paying subscribers and thus monetize digital music consumption more effectively.

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Song product characteristics and music commercial performance

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Abstract

The purpose of this paper is to investigate how the time-related factor known as tempo, the pitch-related factor known as song key, and the texture-related factor reflected by genre influence a song's commercial performance. The authors utilise Poisson and ordinal regression analyses across two samples to test the influences of tempo, song key, and genre on commercial performance. Sample 1 is composed of the #1 songs from 1958 until 2015, and sample 2 is composed of the top 100 songs of 2012 and 2013 in the United States. Results of the regression analyses indicate that song key and genre influence different aspects of performance. The findings of this research provide implications to music managers faced with the decision to select a song to promote for an artist or album. Specifically, this research indicates that managers seeking to select singles to promote for an artist or album should consider song product characteristics that may influence commercial success.

Keywords: music marketing, music product management, music promotions, music tempo, music pitch, music texture

1 Introduction

Within the music industry, independent artists and record labels make strategic decisions to select songs to promote from an album, known as singles, in order to create awareness for new albums and artists (Kaplan & Haenlein 2012). This strategic marketing management decision has

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been especially crucial to music commercial performance in the past decade due to continually declining record sales and shifts in music retailing trends and platforms, as well as the unbundling of music products (Elberse 2010; Sinha & Mandel 2008). Particularly, in 2004, the revenue for the global recording industry was \$33.6 billion (IFPI 2005); yet by 2014, this number has decreased to \$15 billion (IFPI 2015). In fact, within the calendar year 2015, no album was certified platinum by the Recording Industry Association of America (RIAA) until the month of August when Drake's album entitled "If You're Reading This, It's Too Late" finally reached sales of 1 million units after 6 months of release (Caulfield 2015). This continual decrease in music retail sales, along with the continued unbundling of music products makes the question of what produces a successful single extremely relevant to music marketing managers seeking to gain commercial success. This paper investigates this question from the context of song product characteristics. Specifically, in the research reported here, we examine how tempo, song key, and music genre influence commercial success.

Investigating these song characteristics is crucial to music marketing because it enforces the idea that music is a consumer product that can be created with its unique product characteristics. Within business research, music has been discussed within contexts of advertising (e.g. Alpert et al. 2005; Gorn 1982; Kellaris & Cox 1989; Dunbar 1990), retail environments (e.g. Morrison & Beverland 2003), services (e.g. Caldwell & Hibbert 1999; Caldwell & Hibbert 2002), social media (e.g. Hanna et al. 2011; Mangold & Faulds 2009), online piracy (e.g. Appleyard 2015; Sudler 2013), and online shopping (e.g. Elberse 2010). Business research, however, has relatively ignored the perspective of music as a consumer product that can be conceived, created, marketed, and managed to target customers. From this perspective, we investigate music product specifications that may influence commercial performance.

Drawing from previous findings in marketing and music research (e.g. Bruner 1990; Caldwell & Hibbert 2002; Meyer 1956), we investigate how the time-related factor known as tempo, the pitch-related factor known as song key, and the texture-related factor represented by music

genre influence music commercial performance, and give insight to answering the research question: what song characteristics produce successful singles?

The following sections first review the literature on music product characteristics, develop hypotheses of how the characteristics influence success, empirically test the hypotheses, and finally discuss the managerial and theoretical implications of this research.

2 Music product characteristics

As in most consumer goods, product characteristics are proposed to have an influence on the product's sales (Baltas & Saridakis 2009; Poon & Joseph 2000; Zhu & Zhang 2010). Music products, however, are not similar to other tangible consumer goods because they are consumed through intangible audio. This intangible audio has been found to stimulate specific brain processes within consumers (Clynes & Nettheim 1982; Seidman 1981). Bruner (1990) finds that music is "not simply a generic sonic mass, but rather a complex chemistry of controllable elements" (Bruner 1990: 94). Consistent with this logic, Bruner (1990) highlights that music is a stimulus of moods; and further proposes that time-related, pitch-related, and texture-related expressions all affect the consumer's mood. Similarly, marketing research concerning message execution tactics through methods such as music, humour, and imagery have found that these tactics influence consumers' feeling states (e.g. Gorn 1982; Alpert & Alpert 1990). This research stream finds that when a conditioned stimulus such as a brand is matched with an unconditioned stimulus such as music, an emotional response is produced by the consumer, which is then associated with the brand (Alpert & Alpert 1990). Music thus influences affective states (Kellaris & Kent 1993).

Since music is found to influence affective states, it can be proposed that music characteristics can be constructed to influence these states. For example, it is well-known in music research that songs in major keys typically trigger positive moods, while songs in minor keys trigger negative moods (Husain et al. 2002). Influencing affective states is extremely

relevant to music marketing because affective states such as mood have been found to influence behaviour (Bendapudi et al. 1996; Gardner 1985). Supporting this stance, Alpert and Alpert (1990) find that music not only influences mood, but also attitudes and behaviour. Music thus not only directly influences affective states such as mood, but also may indirectly influence consumer behaviour (Yalch & Spangenberg 2000). Similarly, Krishnan et al. (2012) find that the number of tones in a sonic logo, or "sogo", influences consumer willingness to pay for a product. Building off of these previous findings, this paper takes the perspective that music product characteristics such as those highlighted by Bruner (1990) (time, pitch, and texture) influence consumer affective states such as mood, which influences consumer behaviour such as music purchase or streaming. We thus posit that music product characteristics influence commercial performance due to the characteristics' influence on consumer behaviour. The following sections discuss three specific product characteristics (tempo, key, and genre) and their influence on performance.

Tempo

Tempo is a time-related expression in music. It has been found to be an important musical characteristic that directly affects consumer behaviour. In their study of how music tempo affects restaurant patron behaviour, Caldwell and Hibbert (2002) find that slow-tempo music played in restaurants influence consumers to spend more time in the restaurant than fast-tempo music. Milliman (1982) finds that music tempo affects the speed at which people move around in a store. Similarly, several researchers have highlighted the influence of music in retail settings (i.e. Chebat et al. 2001; Dubé & Morin 2001; Garlin & Owen 2006; Morrison et al. 2011; Spangenberg et al. 2005). Roballey et al. (1985) found that music tempo affected the speed at which people ate at a university cafeteria. Music tempo thus has been shown to affect consumer behavior, and this current paper takes the perspective first established by Bruner (1990) to posit that music tempo significantly influences music commercial performance.

Musicology researchers have found that there is a specific tempo that human beings prefer, known as *preferred tempo* (Collyer et al. 1994; Fraise 1982; Moelants 2002). Although researchers have generally agreed on the existence of preferred tempo, there is disagreement about what the level of beats per minute (bpm) actually is for this phenomenon. For example, Fraise (1982) finds it at 100bpm, while Moelants (2002) finds it at around 120bpm. Although there is no real consensus among musicologists on the exact level of preferred tempo; there is some consensus that preferred tempo lies in a range of bpm where human beings prefer (Van Noorden & Moelants 1999; Moelants 2002). Some researchers have stated that preferred tempo lies between 70-110 bpm (e.g. Dowling & Hardwood 1986); thus, above and below this range is not preferable. From this perspective, we posit that successful songs fall within a range of preferred tempi, and although we do not hypothesize on the exact level of preferred tempo, we do hypothesize that there is a curvilinear relationship between tempo and song success.

The theoretical position here is that there should be an inverted U-shaped relationship between tempo and commercial performance. This theoretical position is based on the logic that (1) human beings have a preferred range of tempo, and therefore (2) songs within a preferred tempo range should be more successful than songs above or below this range. The first hypothesis is formalized:

H1: There is a curvilinear (inverted U-shape) relationship between tempo and song commercial performance

Song key

One important aspect of pitch-related expressions is the key of the musical composition. Researchers have found that major keys are more happy and exciting; while minor keys are more plaintive, angry, and mysterious (Bruner 1990; Hevner 1935). Consistent with these results, Meyer (1956) proposes a theory of deviations from expectations in music where it is stated that consistent expectations of normative music progressions are reflected in major keys, while minor keys are character-

ized by more forceful, complex departures from the tones in major scales (Alpert & Alpert 1990; Meyer 1956). Adopting the implications of these findings, we propose that songs in major keys gain more commercial success than songs in minor keys. This perspective is supported by the stance that music which evokes happy and exciting emotions is more likely to have success than sad or angry music.

Happiness is described as the experience of joy, contentment, and a sense that life is good, meaningful, and worthwhile (Lyubomirsky 2001; Hellen & Saaksjarvi 2011). Marketing researchers have found that positive affective values such as happiness positively influence consumer behavior (e.g. Adaval 2003; Meloy 2000; Mogilner et al. 2012). Adopting this logic, we thus hypothesize that songs in major keys, which evoke positive emotions, are more successful than song in minor keys, which evoke less positive emotions.

H2: Songs in major keys are more commercially successful than songs in minor keys

Genre

Within this paper, we propose that musical genre represents a texture-related factor of music products. Texture refers to the music's timbre and orchestration (Bruner 1990; Kellaris & Kent 1993). Timbre is the difference in sound between instruments, while orchestration is the configuration of instruments utilized in a composition (Dowling & Hardwood 1986; Kellaris & Kent 1993). These elements which make up music texture have been stated to shape responses to music (Cooke 1959; Gundlach 1935). Texture, however, is complex and offers countless combinations of timbre and orchestration. In order to classify different types of orchestration and timbre, music has been classified into groups which have common characteristics, known as musical genre (Tzanetakis & Cook 2002). For example, in the rock genre, electric guitars may heavily influence music texture; while in the hip-hop genre, 808 drums may be more prominent in music texture. Musical genre is thus a categorical variable which reflects the textural characteristics of music products.

Consistent with this logic, music technicians have utilized texture to classify musical genre (e.g. Tzanetakis & Cook 2002; Xu et al. 1998). Genre thus can be utilized to indicate musical texture; and since texture has been stated to influence consumer mood and behavior (Bruner 1990); we propose that musical genre influences commercial performance.

H3: Musical genre significantly influences commercial performance

3 Methods

To empirically test the hypotheses, two samples were collected. The following sections describe each sample and the analyses conducted.

3.1 Sample 1

Data for sample 1 was collected for successful songs in the Billboard chart era. The #1 song in the United States each year since the Billboard era started (1958-2015) was collected; which yielded a sample of 58 observations. In order to determine song key, a professional musician was asked to name the key of each song, and to classify each song to be either in major or minor key. Each observation was thus coded 1 for minor key and 2 for major key.

The tempo for each song was collected from a database constructed by the University of British Columbia's Department of Computer Science; which includes the tempo information for each song (Tompkins 2013). This database only consisted of songs up until 2013, thus the tempo for the top songs for 2014 and 2015 were taken from songbpm.com. Since there is hypothesized to be a curvilinear relationship between song tempo and performance, a quadratic term for tempo was computed.

The billboard information for each song's genre was utilised to classify the songs into their respective genres. There were 7 categories for genre: pop, rock, hip-hop, country, R&B, and jazz. 7 binary variables were included to represent genre. Specifically, a variable was created for each genre where observations that represented the genre was coded 1, while the rest of the observations were coded 0. So, for example,

for the Hip-Hop genre variable, all observations that were in the Hip-Hop genre were coded 1, while the rest were coded 0.

	Frequency	Percent	
Key			
G	9	15.5	
A	6	10.3	
C	5	8.6	
D Minor	5	8.6	
E Flat	5	8.6	
F	5	8.6	
B	4	6.9	
A Flat	3	5.2	
B Flat	3	5.2	
D	3	5.2	
A Minor	2	3.4	
C Minor	2	3.4	
F Minor	2	3.4	
A Flat Minor	1	1.7	
C Sharp	1	1.7	
E Flat Minor	1	1.7	
F Sharp	1	1.7	
Artist Classification			
Individual Male	22	37.9	
Male Group	16	27.6	
Individual Female	12	20.7	
Mixed Group	6	10.3	
Female Group	2	3.4	
Genre			
Pop	25	43.1	
Rock	15	25.9	
R&B	8	13.8	
Hip-Hop	6	10.3	
Country	2	3.4	
Classical	1	1.7	
Jazz	1	1.7	
Tempo			
Minimum	-	-	83.9
Maximum	-	-	171.5
Mean	-	-	118.97
Standard Deviation	-	-	22.1

Table 1: Descriptive Statistics of Sample 1 (n=58)

The number of weeks each song spent at #1 was utilized as the dependent variable as a measure of commercial success. Before the data was analysed, we made some initial observations. First, 14 songs were number 1 on the charts for 10 weeks or more during the Hot 100 era, and of those 14 songs, 10 were either in the key of G or they were in a minor key. Second, the key of G is the most common exact key with 9 of the 58 songs, however, the key of A is actually the most common form with 12 of the 58 total songs if A, A Flat, A Minor, and A Flat Minor are included. Third, 13 of the 58 songs examined were in a minor key instead of major; thus, there are certainly more songs in major key that have been the top songs of the year they were released than in minor key. Finally, the most common genre was pop, with 25 of the 58 songs fitting in the pop genre. These observations are shown in table 1.

Analyses. A Poisson regression in SPSS 23 was conducted to predict the number of weeks a song spent at #1 based on genre, music key, and tempo. For tempo, both the linear and quadratic terms were included as predictors. The results showed that song key and genre had significant effect on the weeks the songs spent at #1, yet tempo did not significantly influence this dependent variable. As shown in table 2, the results provide evidence that songs in minor keys spent significantly more time at #1 than those in major keys, and songs in the R&B genre spend significantly more time at #1, while Jazz songs spend less time (more on this next) than the genre of reference (Pop). These findings show support for H3, but not H1 nor H2. In fact, the results actually show the opposite of what is proposed in H2. Since the hypothesised relationship for H1 is proposed to be curvilinear, a curve estimation was conducted for a linear and quadratic curve on the effect of tempo on weeks spent at #1. The regression estimation results showed no significance, therefore no support for H1 was found.

To further investigate the relationships, two analyses of variance (ANOVA) were conducted since the nature of the song key and genre variables were categorical. The first ANOVA was conducted to test if there was a difference in weeks spent at #1 between songs with minor and major keys. The results showed that song key significantly influ-

enced weeks spent at #1, $F(1, 56) = 3.67, p = .10$. The mean for minor key songs for weeks spent at #1 were higher than the means for major keys. This again provides support that songs in minor keys stay longer at #1 than songs in major keys. The ANOVA results are shown in table 3, and the means are shown in table 4.

		B Coefficient	Standard Error	Exponentiated Coefficient [Exp(B)]	Confidence Interval	
					Lower	Upper
Song Key	Minor Keys	-0.36*	0.15	0.7	0.52	0.94
	Major Keys	0	-	1	-	-
Tempo	Tempo (linear)	0.002	0.002	1.002	1.00	1.01
	Tempo (Quadratic)	-0.02	0.03	0.98	0.93	1.03
	Classical	0.41	0.35	1.51	0.75	3.02
	Country	0.05	0.33	1.05	0.55	2.02
	Hip-Hop	-0.01	0.19	0.99	0.68	1.45
	Jazz	-1.89†	1.01	0.15	0.02	1.09
	Rock	0.004	0.13	1.004	0.78	1.30
	R&B	0.51***	0.14	1.67	1.26	2.21

† $p < .10$, * $p < .05$, ** $p < .01$, *** $p < .001$

Note: B Coefficients were set to 0 for those parameters that are redundant, or that were used as the base comparison for the category

Table 2: Results of Poisson regression for the effects of song key, tempo, and genre on weeks a song spends at #1

Source	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>p</i>
Between groups	1	42.30	42.30	3.67	0.06
Within groups	56	647.08	11.56		
Total	57	689.38			

Table 3: One-way analyses of variance of the influence of song key on weeks a song spends at #1

	<i>n</i>	<i>M</i>	<i>SD</i>
Major Key	45	6.64	3.43
Minor Key	13	8.69	3.30

Table 4: Means and standard deviations for the influence of song key (major/minor) on the weeks a song spends at #1

In the second ANOVA, the effect of genre on weeks spent at #1 was tested. The results showed that genre significantly influenced weeks spent at #1, $F(4, 53) = 2.66$, $p = .04$. Tukey's HSD post hoc test was conducted to investigate which genres spent more time at #1. Results from the Tukey HSD post hoc test showed that the mean for songs in the R&B genre ($M=10.13$, $SD= 3.68$) was significantly greater than the means of songs in the pop ($M= 6.44$, $SD= 3.68$) and rock ($M= 6.27$, $SD= 2.12$) genres. None of the other genre comparisons were significant. It is important to note here that although jazz was found to be a significant predictor in the results of the Poisson regression, there was only 1 observation categorized as jazz, so this was not a significant effect in the ANOVA. Table 5 displays the ANOVA results and table 6 shows the means.

Source	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>p</i>
Between groups	4	115.07	28.77	2.655	0.04
Within groups	53	574.31	10.84		
Total	57	689.38			

Table 5: One-way analyses of variance of the influence of genre on weeks a song spends at #1

	<i>n</i>	<i>M</i>	<i>SD</i>
Pop	27	6.44	3.68
Rock	15	6.27	2.12
Hip-Hop	6	8.67	3.56
Country	2	5.50	0.71
R&B	8	10.13	3.68

Table 6: Means and standard deviations for the influence of genre on the weeks a song spends at #1

In sum, the results of the analyses conducted on sample 1 showed that (1) tempo does not influence the weeks each song spent at #1, (2) songs in minor keys spend more time at #1 than songs in major keys,

which is the opposite of what was hypothesized, and (3) and genre has an influence on the number of weeks each song spent at #1. It is important to note that within this current paper, the ANOVA results are supplementary to the regression results since ANOVAs only consider one covariate at a time, while the regression analysis considers multiple covariates.

These results, however, may be influenced by the limitations of the data collected. Specifically, there were only 58 songs from each of the 58 years. This shows small variance in the tempo variable. Similarly, a large number of the songs were in the pop genre, and only 1 was in the jazz genre. Finally, performance was measured only with the number of weeks spent at #1; however, other measures such as weeks spent total on the charts and peak positions for songs that did not hit #1 may also be appropriate measures of performance. Thus, a second sample was collected to address these issues.

3.2 Sample 2

Results from Sample 1 provide some evidence for the premise that specific music characteristics influence commercial performance. However, sample 1 has several limitations. First, it is a relatively small sample. There were only 13 observations with songs in minor key, and there was a large percentage of the sample in the pop category. Second, the songs were taken from a period of 58 years. Trends, sounds, and preferences may have changed throughout these years. Finally, sample 1 had only one measure for performance. Measures such as peak position on the charts (which may not be #1) and longevity on the charts may also be influenced by song characteristics. In order to address these issues, data on the top 100 songs of 2012 and 2013 in the United States, as ranked by Billboard, were collected. Duplicates of songs that appeared in both years were eliminated. Songs from 2012 and 2013 were selected to ensure that each song has gone through the product life cycle. The exact tempo for each song was collected from a database constructed by the University of British Columbia's Department of Computer Science; which includes the tempo information for each song (Tompkins 2013).

	<u>Frequency</u>	<u>Percent</u>	
<u>Control variables</u>			
Artist Classification			
Male	64	47.4	
Female	34	25.2	
Male Group	31	23.0	
Male/Female Group	5	3.7	
Female Group	1	.7	
Label			
Universal Music Group	59	43.7	
Sony Music Entertainment	46	34.1	
Warner Music Group	21	15.6	
Independent	9	6.7	
<u>Predictor variables</u>			
Genre			
Pop	48	35.6	
Country	22	16.3	
Rock	22	16.3	
Dance	19	14.1	
R&B	13	9.6	
Hip-Hop	11	8.1	
Song Key			
Major	76	56.3	
Minor	59	43.7	
Tempo			
Minimum	-	-	60
Maximum	-	-	155
Mean	-	-	107.29
Standard Deviation	-	-	23.95

Table 7: Descriptive statistics for sample 2 (n=135)

Since H1 states that the relationship between tempo and song success is curvilinear (inverted U-shape), the quadratic term for tempo was calculated. Data on whether each song was in major or minor chord was collected from www.e-chords.com. As was done in sample 1, minor key songs were coded as 1 and major key was coded as 2. Data for the genre of each song was collected from Billboard's website. Genre was collected as a categorical variable. As was done for sample 1, binary variables were included to represent genre. Specifically, a variable was created for each genre where observations that represented the genre was coded 1, while the rest of the observations were coded 0. Songs that did not have tempo information in the database were eliminated. For dependent variables, the peak chart position and number of weeks spent on the charts were collected for each song from Billboard's website. Finally, observations with missing data were deleted. The final sample yielded 135 usable observations. Table 7 shows the descriptive statistics.

Along with the independent and dependent variables, control variables were also collected for this sample. First, each observation was classified into an artist classification: individual male, individual female, male group, female group, and mixed group. This was done because the type of artist that sings the song may influence commercial performance. Second, the parent record label for each song's artist were recorded. The classifications were Sony Music Entertainment, Warner Music Group, Universal Music Group, or an Independent label. This was done because different labels may have different marketing strategies for their artists and songs.

Analyses. As was done for sample 1, a Poisson regression in SPSS 23 was conducted to predict the number of weeks a song spent on the charts based on genre, music key, and tempo. For tempo, both the linear and quadratic terms were included as predictors. The results of this analysis showed that (1) songs in minor keys spent more time on the charts than songs in major keys, (2) genre (country, hip-hop, rock, and R&B) decrease longevity on the charts, and (3) tempo has no influence on a song's longevity on the charts. These findings support H3, but not

H1 nor H2. As was in sample 1, the opposite of H2 was found. Table 8 shows the results.

	B Coefficient	Standard Error	Exponentiated Coefficient [Exp(B)]	Confidence Interval		
				Lower	Upper	
Control variables						
	0	-	1	-	-	
Label	Warner Music Group	-	1	-	-	
	Sony Music Entertainment	-0.14**	0.05	0.87	0.78	0.96
	Universal Music Group	-0.06	0.05	0.94	0.85	1.04
	0.38***	0.08	1.46	1.26	1.70	
	0	-	1	-	-	
Artist Classification	Individual Male	-0.11*	0.05	0.9	0.81	1
	Individual Female	-0.11*	0.05	0.9	0.81	1
	Male Group	.31***	0.06	1.36	1.22	1.52
	Female Group	-0.70**	0.23	0.5	0.32	0.79
	.20*	0.09	1.22	1.01	1.46	
Predictor variables						
	0	-	1	-	-	
Song Key	Minor Keys	-	1	-	-	
	Major Keys	-0.08*	0.04	0.93	0.87	0.99
Tempo	Tempo (linear)	-0.01	0.01	0.99	0.98	1.01
	Tempo (Quadratic)	0.00002	0.00003	1	1.00	1.00
	Country	-0.48***	0.06	0.62	0.55	0.7
	-0.03	0.06	0.97	0.87	1.09	
	-0.23*	0.07	0.80	0.69	0.92	
	-0.12†	0.07	0.89	0.78	1.01	
	-0.23**	0.07	0.80	0.69	0.91	

†p<.10, *p<.05, **p<.01, ***p<.001

Note: B Coefficients were set to 0 for those parameters that are redundant, or that were used as the base comparison for the category

Table 8: Results of Poisson regression for the effects of song key, tempo, and genre on weeks a song spends on the charts

An ordinal regression analysis in SPSS 23 was conducted to test the effect of genre, tempo, and song key on chart peak position. An ordinal regression was selected as the appropriate method because the dependent variable is a rank on the Billboard charts, not a continuous variable. For tempo, both the linear and quadratic terms were computed and included in the analysis. The dependent variable representing chart peak position was subtracted from 100 since a lower chart number indicated higher success. For example, if a chart position was 1, then it was subtracted from 100, and was entered as 99; conversely, if the chart position was 99, then it was subtracted from 100 and was entered as 1. The results yielded a significant model with R-Square (Nagelkerke) = 0.31, $p < .001$. The parameter estimates showed no significant effect of tempo nor song key on the peak chart position, providing no support for H1 nor H2. Genre was found to influence chart position. Specifically, the

probability of a country song to reach higher positions is less than the base or reference case, supporting H3. Table 9 displays these results.

		Estimates	Standard Error
Control variables			
Label	Warner Music Group	-0.97	0.77
	Sony Music Entertainment	-1.38†	0.76
	Universal Music Group	-1.08	0.70
	Independent	0	-
Artist Classification	Individual Male	1.50†	0.86
	Individual Female	1.70†	0.90
	Male Group	1.37	0.90
	Female Group	-0.2	2.08
	Mixed Group	0	-
Predictor variables			
Song Key	Minor Keys	-0.02	0.33
	Major Keys	0	-
Tempo	Tempo (linear)	-0.02	0.06
	Tempo (Quadratic)	0.00	0.00
	Country	-3.70†	1.95
	Dance	-1.08	1.92
	Hip-Hop	-1.76	1.96
	Pop	-0.87	1.87
	Rock	-1.41	1.97
	R&B	-2.17	1.94

†p<.10, *p<.05, **p<.01, ***p<.001

Notes: B Coefficients were set to 0 for those parameters that are redundant, or that were used as the base comparison for the category; The DV Peak Chart Position was reverse coded (100-x) since lower chart value indicated higher commercial success

Table 9: Results of ordinal regression for the effects of song key, tempo, and genre on chart peak position

In sum, the results of the analyses from both samples provide evidence that tempo does not predict any measure of commercial performance. For songs that reach #1, song key influences how long the song stays at #1; however, songs in minor keys have stronger longevity at #1 than songs in major keys. Similarly, song key influences the longevity on the overall charts, however, minor keys have greater longevity. Song key does not influence peak chart position. Genre was found to influence longevity at the #1 spot for songs that reached #1, longevity on the overall charts, and overall peak position. However, there are different genres that may be more successful in each measure of performance.

These findings induce implications for music marketing managers, as discussed in the following section.

4 Discussion

Within the music industry, certain songs such as Kanye West's "Stronger" peak at the top of the charts yet don't have much longevity on the charts (7 weeks). Other songs such as West's "All of the Lights" don't peak very high on the charts (#18 peak), but spend longer periods on the charts (25 weeks) (Billboard 2016). The product life cycle for songs thus may range from high peak/low longevity to low peak/high longevity, and everything in between. When selecting singles to promote artists and albums, music marketing managers thus need to be aware of the factors which influence peak and longevity on the charts. The research reported here provides insight into one aspect which affects peak and longevity: song product characteristics.

The findings of this research provide a perspective into music product management that has previously been ignored. This paper proposes that individual songs are products that have specific characteristics which influence consumer behavior. The empirical analyses from this current paper show that tempo has no influence on commercial performance, song key influences longevity on the charts, and genre influences both peak and longevity on the charts. These findings induce several theoretical contributions to music marketing research and also several strategic implications for music management, as discussed below.

4.1 Theoretical contributions

In his impactful research, Bruner (1990) theoretically proposes that the time-related, pitch-related, and texture-related characteristics of music influence consumer moods. Similarly, Alpert and Alpert (1990) state that music characteristics influence behavior. From these theoretical foundations, business research has examined the effect of music in different circumstances such as retail environmental settings (e.g. Baker et al. 1992), buyer-seller interactions (e.g. Dubé et al. 2005), product

presentation (e.g. Park et al. 2005), and advertisements (Alpert et al. 2005). These previous research papers view music as a peripheral cue which affects a central stimulant such as an advertisement or product presentation. However, within this current paper, we depart from the view that music is a peripheral cue and focus on music as a consumer product which has specific characteristics. Thus, we contribute to music research by finding how tempo, song key, and genre influence difference aspects of performance.

In terms of tempo, the findings indicate that there is no relationship between tempo and commercial performance. This finding is surprising since tempo is known to influence consumer behavior. One possible explanation of this finding is that perhaps a majority of the songs in the samples collected fell within the preferred tempo, and therefore no significant effects were found due to lack of variance in tempo. Specifically, the tempo of songs in sample 1 ranged from 83.9bpm to 171.5bpm with a standard deviation of 22.1, and the tempo of songs in sample 2 ranged from 60bpm to 155bpm with a standard deviation of 23.95. This indicated that a majority of the songs may have had preferred tempo, and therefore, there was not much variance in this variable. We encourage future research to further explore the effect of tempo on commercial performance by examining songs that may not have been on the billboard charts in contrast to those that were, and testing differences in tempo.

In terms of song keys, the results of this study indicate that songs in minor keys remain longer in their peak position and on the overall charts than those in major keys, thus contradicting the stance that songs in major keys are more successful. This finding indicates that songs in minor key may actually have a stronger resonance with consumers than songs in major keys. Thus, songs which may evoke less happy emotions may actually resonate better with consumers than songs that evoke happy emotions. This is an interesting outcome given marketing research typically states that products which evoke happy emotions tend to positively influence commercial performance (Adaval 2003; Meloy

2000; Mogilner et al. 2012). We encourage future research to further explore the dynamic of song key and commercial performance.

With respect to genre, the findings provide evidence that certain genres actually spend more weeks at #1, more weeks on the overall charts, and have higher chart peak positions. These genres however were different for each measure of performance. This finding indicates that song texture influences commercial performance, and different genres influence different measures of performance. We invite future research to further explore this dynamic.

It is important to note that this research does not state that tempo, song key, and genre is the formula for hit records. Instead, this research takes an inside perspective of music as a manageable product with characteristics that do influence the product's commercial performance. Thus, the findings show that different characteristics influence different aspects of performance. These findings induce several managerial implications.

4.2 Managerial implications

The goal of this research is to provide insight into which song characteristics influence commercial performance to offer insight to managers seeking to answer the question of which songs to promote as singles. The findings of this research imply that managers should focus on different characteristics when aiming for different commercial results.

Overall, it can be stated that song key and genre all influence commercial performance in some way, however, each element may influence a different aspect of commercial performance. Although this research does not solve the complete question of what makes a hit record, we provide an avenue for discussion within music research on a perspective of song success. This study, however, is not void of limitations, which provides future research with opportunities for discovery and investigation.

4.3 Limitations and future research

Several limitations in this study provide opportunities for future research. First, the size of sample 1 was relatively small. Future research should further explore how song characteristics influence longevity at the #1 spot. Second, future research should further explore the relationship between tempo and song success. Tempo was found to not have an effect on commercial performance, however, the variance in tempo may have been limited in the samples of this research. Finally, future research should investigate the relationship between song key and performance. This study found that songs in minor keys have longer runs at #1 than songs in major keys, and future research should investigate why songs which evoke sad emotions have longer runs at the #1 spot than songs that evoke happy emotions.

5 Conclusion

This current paper conceives a conversation that takes the perspective of music as a consumer product that is composed of different characteristics. In the long run, this stream of research should further explore other song characteristics which may influence commercial performance in order to shed light onto the key question of what causes songs to be successful. The findings of this current study not only provide theoretical advances to music marketing theory but also provide guidance to music marketing managers seeking to select songs to promote. Thus, this paper provides insight into the phenomenon known as a hit record.

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**The New Music Industries: Disruption and Discovery by
Diane Hughes, Mark Evans, Guy Morrow and Sarah Keith,**
Palgrave Macmillan, ISBN 978-3-319-40363-2

Book review by Daniel Nordgård

With their book, *The New Music Industries: Disruption and Discovery*, Hughes et al provide an interesting and insightful description of the current changes that have taken place in the music industries. Across seven chapters, the authors describe key concepts and theories relating to the digital disruption of the music industries, while continually assessing the interpretation of these changes and questioning certain established views of digitalisation's effects.

A first, and very welcomed, point is evident in the book's title: The music industries. By stressing the plurality of a sector commonly referred to in singular terms, the authors signal from the outset their appreciation of the complexities that characterise these businesses (as well as their digital progressions). This diversity is further expanded to include new businesses and intermediaries integrated in their descriptions of 'the new business of music'.

Even within the first and second chapter, the authors assess the meaning of the new music industries, how the sector has traditionally been viewed as well as organised around a set of revenue-streams and risks, and finally how the new digital tools and platforms enable new business- and career models. Here, Hughes et al provide a compelling description of how the new music business has provided a more artist-centred logic, where the DIY-model and self-management empower the artist and provide greater control over career-paths and revenue-streams. The second chapter also elaborates briefly on how 'the new music business' has gone from a linear, top-down business to a more circular one encompassing artists, fans and industry. The authors argue that this circular model better encompasses the relationship between fans, the artists and industries than the models of disintermediation and

artist-to-fan promised, which dominated much of the earlier discourses about the music industries (p. 29).

This is further elaborated in chapter three, where the authors continue to explore the new music business and the new models for business- and career development. In particular, the authors make a compelling recommendation (cit. Ries 2011) that rather than talking about DIY and self-management, one should look at the new music businesses as 'hypothesis-driven entrepreneurship' (p. 46-52). This is particularly due to the new potential for data-driven business development in collaboration with new digital platforms (such as Music Glue). The new possibilities for acquiring and owning data and knowledge about one's fans are the centre-stage for an artist-centred economy. However, here too, the authors highlight the potential of online platforms and new digital tools while simultaneously pointing out the challenges involved with acquiring the required skills and the difficulties of standing out in the crowd. The growing complexity of the new business of music has also resulted in a portfolio of responsibilities for the artist.

The fourth chapter provides a brief exploration of creativity and new digital technologies. By drawing on Csikzentmihalyi (2014), the authors argue that, although technology has provided the artist with new tools and platforms for creativity, this is not necessarily an individual process. Rather it's the results of three forces: domain, field and the individual.

Chapter five's, 'The realities of practice', explores a highly important, often overlooked and ignored topic, namely that of the health, safety and well-being of musicians and others involved in the music industries. Building on a broad range of academic work (their own and others' research), the authors describe the problems associated with career sustainability, drugs and alcohol, long work-hours, hearing loss or economic vulnerability. Again, linking back to the celebration of an artist-driven economy, the DIY mantra, the authors also cite Dr. Daniel Robinson's notion that sometimes career development is too hard and artists/bands 'burn out' because they do not have the infrastructure around them to be sustainable in their art (p. 87).

This article claims that while the opportunities to perform, share and/or distribute ones music have never been better, the challenges to be heard and to sustain a consistent income from music have never been greater (p. 86). This important consideration draws on different angles and approaches but always returns to this inherent complexity and duality represented within the new music industries.

It is therefore appropriate that chapter six looks at popular music education and how contemporary music education needs to reflect the convergence between the artist and business. Building on the five earlier chapters, the authors propose an integrated education model that focuses more thoroughly on artistry, individuality and the artist-entrepreneur. In other words, given the changing framework for artists and musicians together with the complexities of the new music industries and the range of skills required, developing a career will depend more than ever on contemporary music education.

And this neatly leads to the final chapter where the 'new' artist is described as one possessing a broad range of skills aligning art as well as business together with a greater capacity to adapt to changing technologies and the adjacent connected sectors and industries. Rather than just being music producers or performers, the authors argue the 'new' artists are independent media producers (p. 121).

Today's artists and industry practitioners have a wealth of opportunities provided by new technologies. However, these developments also present certain challenges and dilemmas. This book examines these issues by identifying the problems at the same time as celebrating the positive aspects of these developments. As such it provides a good framework for debates on important issues, in the issues described in chapter five. The book is a really interesting read and one which manages to identify a range of issues related to digitalisation and the 'new' music industries. It does so by drawing on a broad range of research and by keeping a balanced approach to subjects too often described through dichotomies.

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