

Effects of Music Streaming Platforms on New and Existing Artists

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ABSTRACT

The music industry has undergone major changes throughout the years. Now music streaming platforms such as Spotify and Apple music are ruling the market and constantly try to understand their consumers and even artists. The major findings of this research describe how only few significant artists are getting promoted with the help of streaming platforms and not all existing artists have the same outcome. It also describes how much consumers are loyal to the streaming platforms, whether they get curated recommendations and how willing they are to pay for subscriptions.

Keywords: Music streaming platforms, Music industry, Artists, Royalty, Subscription

INTRODUCTION:

Music is a language on its own. It is a universal means of connecting and communicating irrespective of where the person is from or what their age is. Music has even helped in human development and well being. It helps in reducing anxiety, blood pressure and also improves mood, sleep quality and memory. The music industry has gone through many changes over a period of time. From sheet music to vinyl records, to radios, to cassettes, to CDs, to Youtube and now different music streaming platforms. Before music streaming platforms came into existence, there were many platforms available where consumers could buy individual songs and download them. This even led to piracy where people had the access to download songs for free which also led to significant decrease in revenue. In today's generation, music streaming platforms play a major role in people's lives. These platforms have not only helped musicians grow and promote themselves, but also helped customers discover artists, both national and international and enjoy their music at any given moment of time. Musicians have a choice of various streaming platforms where they can upload their music and where customers can access the same. This research paper will talk about all the positive and negative aspects and how they have impacted both artists and consumers. Some of the

prominent music streaming platforms are Spotify, Youtube Music, Apple Music, Amazon Music etc.

There are broadly two types of music streaming platforms:

Freemium Services: These kinds of platforms provide limited services for free and ask for subscription fees for upgraded services. These platforms will contain ads in between songs and won't allow downloading of the music. They may also allow limited shuffles and skips.

Subscription Services: These kinds of platforms are fully subscription based. They provide various subscription models like weekly, monthly or even yearly. Customers get full access to the functions and can even download the songs on their device.

STATEMENT OF PROBLEM:

The music streaming industry is quite diverse and dynamic and includes many aspects which may not have been fully researched. These aspects include what roles do streaming platforms play in artist discovery and promotion, what kind of platforms do customers prefer and how do they discover musicians. It also includes how new artists are trying to promote themselves and grow through these platforms and compete with the existing artists. It includes whether artists are getting enough royalty for the music to get streamed on different platforms. This research will include the analysis of all these aspects and provide a comprehensive report.

REVIEW OF LITERATURE:

Ailey Butler (2019) in her article “**Why Streaming is a Good Thing for the Music Industry**” stated that physical sales and downloading of music has declined a lot over the time with music streaming platforms coming into light. Although the artists should be paid better royalties for streaming their music, these platforms still have been very helpful. The platforms have not only helped new artists to get their music heard but reduced piracy to a great extent, but also helped customers get access to a vast music library on the click of a button.

Aoife Coffey (2016) in her research “**The Impact that Music Streaming Services such as Spotify, Tidal and Apple Music have had on Consumers, Artists and the Music Industry Itself**” described how customers are able to access a large catalog of music both online and offline and even duplicate copies not getting made. It also includes the positive and negative aspects that the streaming platforms have on artists and how the artists publish their music with or without the help of record companies.

Jack Webster (2021) in his article “**Exploring How Music Streaming Platforms are Shaping the Performance of Class Identities and Distinction**” stated how digital platforms have disrupted the market globally and have captured customers' attention. He also talked about the way music platforms have taken personalisation to the next level and recommend music or artists as per the consumption preferences and also how they promote new

music or even artists.

David Hesmondhalgh (2021) in his article “**Streaming’s Effects on Music Culture: Old Anxieties and New Simplifications**” stated how there is still a presence of radio and television as an important source of music globally but music streaming platforms act as the core of the industry. The article also includes the analysis of various controversies, debates and commentary these platforms have received regarding the music business and future of the industry.

Nell Jones (2020) in his research “**User Loyalty and Willingness to Pay for a Music Streaming Subscription**” describes what kind of changes digital music went through over the years including revenue changes and the kind of attitude consumers have towards the streaming platforms. He also talked about how loyal consumers are towards streaming platforms and how willing they are to pay for subscriptions.

Goldman Sachs (2023) in their article “**Music Streaming Services are on the Cusp of Major Structural Changes**” gave in depth analysis of how the music streaming market will continue to grow in the future. They also talked about how the platforms will have to increase their subscription prices gradually and what would be the other ways to boost revenue.

Sophie Freeman, Martin Gibbs and Bjorn Nansen in their article “**Don't Mess with my Algorithm: Exploring the Relationship Between Listeners and Automated Curation and Recommendation on Music Streaming Services**” talked about how various platforms depend on algorithms that help in curating recommendations for consumers and how they interact with the curation. They also talk about the socio-technical relationships between algorithmic systems and various human factors.

OBJECTIVES OF THE STUDY:

1. To study how music streaming platforms are helping in the discovery and promotion of artists and their music.
2. To study the customer preferences in terms of the platforms they like to use.
3. To study the various means through which customers discover different artists.

RESEARCH METHODOLOGY:

- Significance of the Study:

The significance of the study is to understand the role various music streaming platforms are playing to help in artist discovery and promotion of musicians. This will also include the kind of platforms customers prefer to use to listen to music on and through which mode do they discover different musicians.

- Sample Design:

Sample Universe	India
Sample Area	Delhi, Telangana, Maharashtra
Method of Sample	SnowBall Method
Sample Size	100
Instrument	Structured Questionnaire

- Tools of Analysis

The data will be analyzed through tables, charts and diagrams

- Limitations of the Study

1. The study does not cover a very large sample size.
2. Limited time to conduct the research.
3. Since this environment is very dynamic, the analysis of the data can be fluctuating.

DATA ANALYSIS AND INTERPRETATION:

Table 1: Demographic profile of respondents

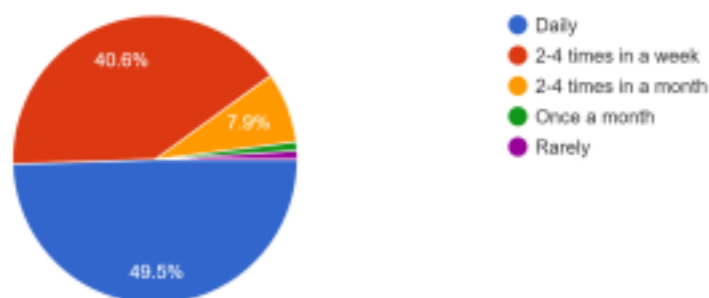
Basis	Percentage
Gender	Male 42.6
	Female 56.4
	Others 1
Age	17-20 9.9

	21-24 43.6
	24-27 32.7
	27 and above 13.9
State	Delhi 12.9
	Telangana 20.8
	Maharashtra 22.8
	Others 43.6
Occupational Status	Student 43.6
	Working 45.5
	Others 10.9

Frequency of listening to music:

How frequently do you listen to music?

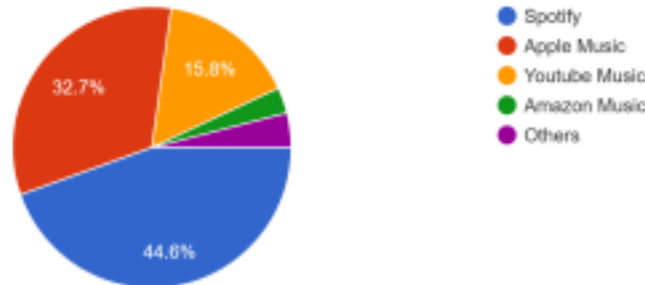
101 responses



The above chart shows how frequently consumers listen to music. It was found that most of the respondents listen to music daily or at least 2-4 times a week.

Preference of streaming platforms:

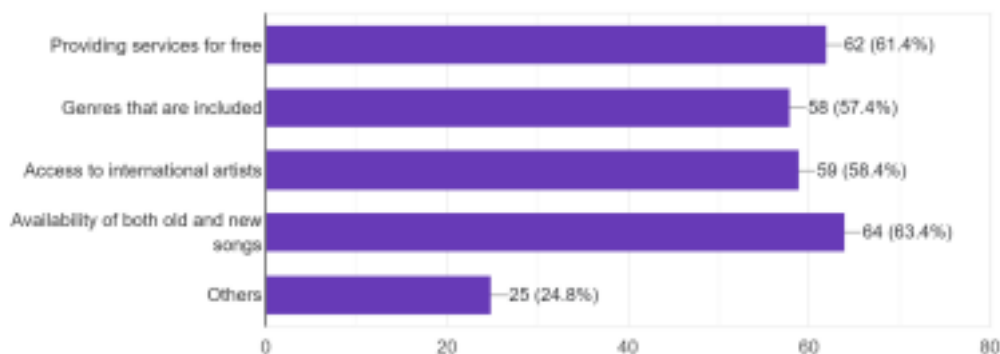
Which streaming platforms do you prefer to use?
101 responses



The above chart shows which music streaming platforms the consumers prefer. It was found that most of the respondents prefer Spotify. It was also found that a significant number of respondents also prefer Apple Music.

Factors to be considered while choosing streaming platform:

What factors you consider while choosing a streaming platform?
101 responses

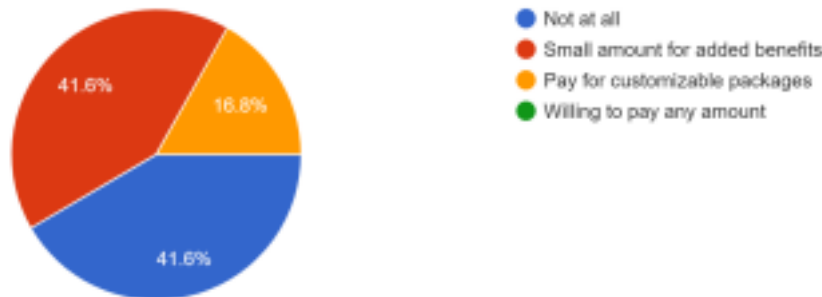


The above graph shows the various factors consumers consider while choosing streaming platforms. It was found that the respondents evaluate various factors like subscription fee, genres, global artists etc and are cautious while selecting a certain platform.

Willingness to pay for subscription:

How much are you willing to pay for subscription for streaming platforms?

101 responses

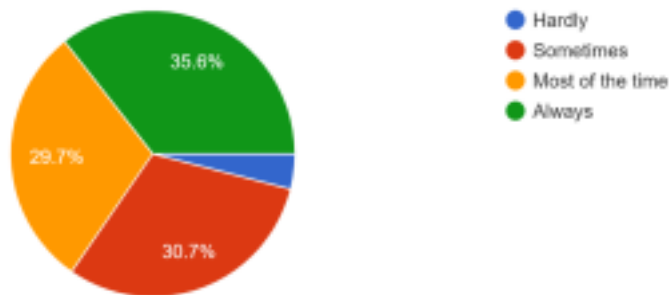


The above chart shows how much consumers are willing to pay for subscription fees for streaming platforms. It was found that the majority of the respondents are not willing to pay any amount and the rest are willing to pay a minimal amount or want to customise their own packages.

Music recommendations as per consumers's likings:

Are the music recommendations as per your preferences or liking?

101 responses

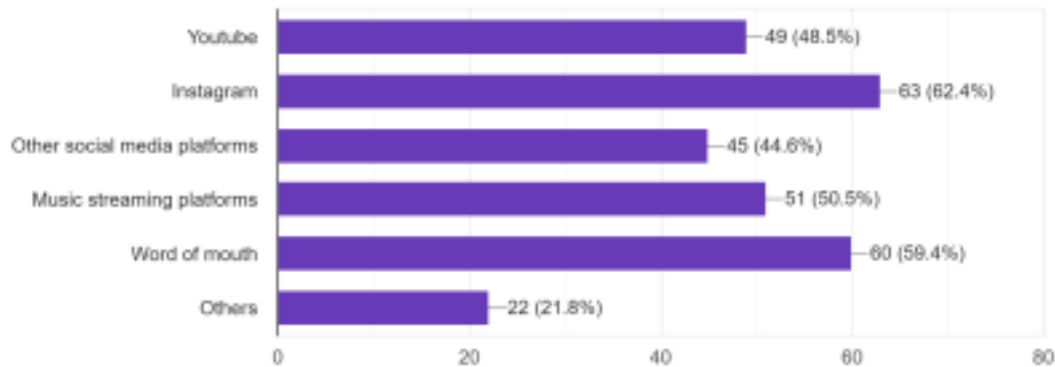


The above chart shows whether consumers get music recommendations as per their preferences. It was found that most of the respondents always get music recommendations as per their liking. The rest of the respondents most of the time get recommendations as per their choice.

Means of discovering new artists:

How do you get to discover new artists?

101 responses

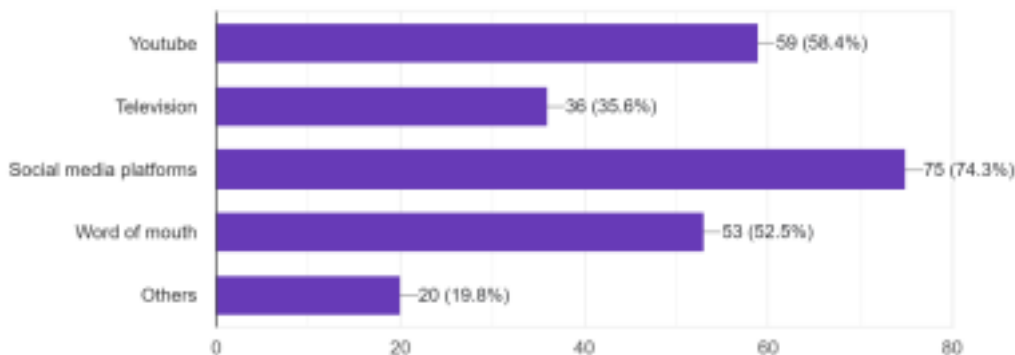


The above graph shows through what means do consumers discover new artists. It was found that most of the respondents discover new artists through social media platforms or Youtube. The rest of the respondents discover artists by word of mouth and streaming platforms.

Means of discovering new songs or albums:

How do you get to discover newly released songs or albums?

101 responses

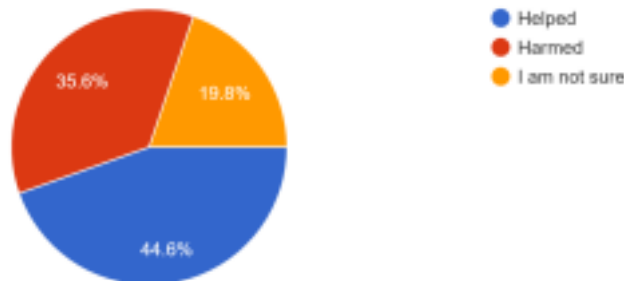


The above graph shows through what means do consumers discover new songs or albums. It was found that most of the respondents discover new songs or albums through social media platforms or Youtube. The rest of the respondents discover artists by word of mouth or television.

Music streaming platforms helping or harming artists:

Do you think music streaming platforms have helped or harmed artists?

101 responses

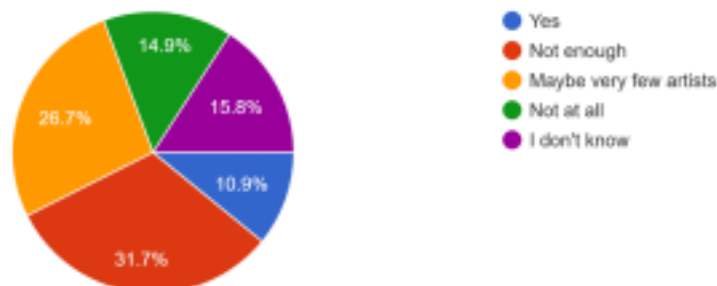


The above chart shows whether music streaming platforms have helped or harmed artists. It was found that many of the respondents think that artists were helped. A significant number of respondents think that artists have been harmed by streaming platforms.

Artists getting enough royalty for their music getting streamed on different platforms:

Do you think artists are getting enough royalty for their music getting streamed on different platforms?

101 responses

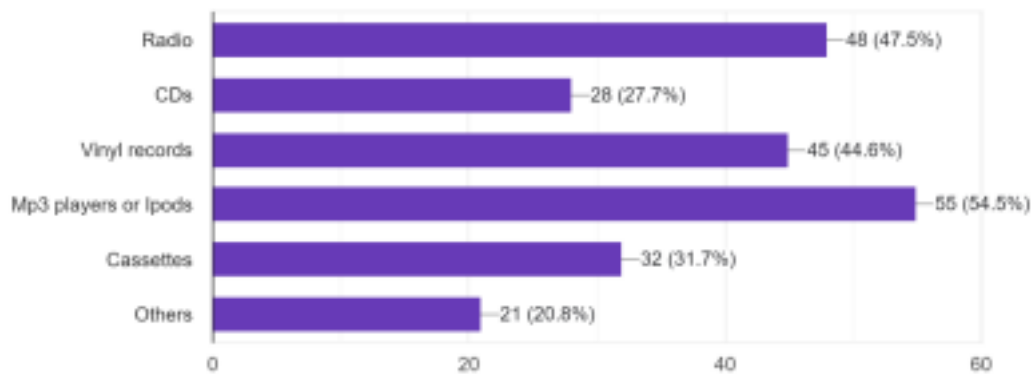


The above chart shows whether artists are getting enough royalty or not for getting their music streamed on various platforms. It was found that the majority of the respondents think that artists do not get enough royalty for streaming music. A significant number of respondents think that maybe few artists get the right amount of royalty. Rest of the respondents are not aware regarding information about the same.

Means of music to choose other than music streaming platforms:

Which of the following means of music would you like to use other than streaming platforms?

101 responses



The above graph shows what other means of music do consumers prefer other than streaming platforms. It was found that most of the respondents prefer radio or mp3 players or Ipods. Many other respondents prefer more traditional means like vinyl records, CDs or cassettes.

FINDINGS:

It was found that most of the respondents listen to music daily and most of them prefer either Spotify or Apple Music. Majority of the consumers want services on the music streaming platforms to be free and some are ready to pay a small amount of subscription for a few added benefits. Most of the consumers get music recommendations as per their preferences. Most of the consumers discover new artists or consumers through Instagram or other social media platforms. Music streaming platforms have helped many of the artists. Very few prominent artists are getting enough royalty and getting promoted whereas new artists are not getting promoted enough and their music being heard. Many consumers would prefer mp3 players or Ipods as means of music other than music streaming platforms.

RECOMMENDATIONS:

Music streaming platforms should take steps to help new artists get promoted and earn more royalty. They should improve upon transparency and discoverability for artists. They can also support artists by providing better analytics and improving direct fan engagement. Music streaming platforms should curate services as per the needs of the consumers and try providing some services for free or for a minimum subscription fees. They should enhance their user interface for a seamless listening experience. They can also work on their algorithm so that consumers can discover new artists or songs easily. This would be beneficial for both parties.

CONCLUSION:

Music is a part of many people's daily lives. Consumers are very conscious these days in selecting a music streaming platform. Music streaming platforms have both negative and positive impacts on consumers and artists. Majority of the consumers are not willing to pay subscription fees or are willing to pay a minimum amount for a few added benefits. Streaming platforms should consider the same and try to come up with features or packages accordingly to attract more customers. Small or new artists find it difficult to compete with the existing artists even after promoting themselves on streaming platforms and even social media platforms. The platforms should put in more efforts to help new or small artists in getting promoted and getting their music streamed so that they compete with the existing artists. Artists may find it difficult to earn enough royalty from streaming platforms as other means of music such as cassettes, CDs or other digital means have decreased and it may not be possible to earn enough from them. The platforms should also look into the royalties the artists are getting and improve upon the same.

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