

The dark side of Web 2.0

From self-marketing to self-destruction of music artists

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The main consequences of the fast-paced development in Web technology

**the overall amount
of music items
available increased
drastically**

- **tens of millions of music items available at consumers' fingertips**

**overall
deterioration of
quality**

- **the ratio between (professional) high-quality music and low-quality music shifted towards an overall deterioration**

Impacts from the viewpoint of the consumer

- **supply of music → perceived as overwhelmingly large**
- **novel recommender systems → still, based on music meta-data cannot satisfyingly handle the diluted offer of high and low-quality music**
- **for consumers it is more difficult and complex to find the “good” music in the ocean of the diluted offer**
- **“for free” mentality since the “Napster era” towards digital goods/music**

Impacts from the viewpoint of the industry

- **availability of free music on the Internet and an overall increased amount of music items led to losses on the music market**
 - although more music items consumed, overall revenues decreased → music has become cheap(er)
- **new players have entered the music market such as those who**
 - ① make their music directly available on the Internet; or
 - ② those who sell music through aggregators; and
 - ③ aggregators that are also new players in the music business
- **new players initiated a power shift by circumventing the few big players from the “old” music business**
 - “old” players have to invest more resources in holding their market position; and
 - have less money to be invested in new acts

Impacts from the viewpoint of the “average” artist

- **Web 2.0 and social media have highly influenced artistic activities and the way how music is presented and made available.**
 - current and future artists have to adopt such activities
 - this also affects education programs, as artists have to be prepared for these activities including the development of appropriate management and technological skills
- **music market is a ‘winner take all’ market (‘superstar phenomenon’)**
 - income of “average” artist is much lower than income in comparable professions
 - on average, music artists are threatened by “precarity” (in German: *Prekariat*)
 - lack of job security, underemployment or undertaking extensive low or unremunerated activities that are essential if they are to retain access to jobs and to decent earnings
 - phenomenon has become more widespread due to the massive appearance of new amateur/hobby “artists” on the market

Conclusion

- **platform owner is the only “winner”**
 - (initial) intention of platforms (e.g., YouTube, SoundCloud, MySpace, etc.) is to offer music (with video) for free to draw (new) audience
 - providing free music results in a consumers’ expectation that music is free of charge (especially as many (amateur) productions are available)
 - precarity is also stimulated implicitly, but to a major degree, by the online behavior of artists themselves
 - platform owner does not even contribute to the value of any music/art; he generates enormous profit through advertising revenues
- **artists seem to “dig their own grave” by making music available for free → makes it impossible to get fair pay for online music**

What seems to be a good possibility and marketing activity for an individual artist in the short run, turns out to be an irresponsible act of self-destruction for the entire community of music artists in the long run.

Options for future work and respective methods

conceptual work

- leave it as it is?

qualitative work

- interviews with representatives of all involved stakeholders

economic strategy

- economic calculations for each stakeholder
- strategy evaluation with scenario technique

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