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Music Ally Bulletin :: Chartmetric 6mo report, Ampled guest column, free Netflix and more

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In today's Music Ally Bulletin

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LEAD STORY

Ampled co-founder: "Artist ownership is the way to fix Spotify's broken streaming model"

In a guest column published by Music Ally, Austin Robey - co-founder of Ampled, the cooperative Patreon-like platform for artists - takes aim at [Spotify's ownership model, and offers an alternative](#). His critique is clear, and it's structural: "As a for-profit, publicly traded corporation, Spotify has no responsibility to artists."

His accusations are provocative and blunt: "All of Spotify's \$47bn market cap is created by artists, but not a single artist sits on the board and has any real say." (Spotify would probably argue that their value is at least partly due to the technology and user-facing services it provides, not just the artists' music.)

Robey's platform - [profiled by Music Ally here](#) - is collectively owned by its artists and workers, and his solution for Spotify also involves artist ownership to, "address the underlying problem that drives [Spotify's] incentives and decision making." He's not suggesting turning Spotify into a co-op - he just wants artists on the board.

If this sounds like a radical step, he points to Germany, where, "companies with over 2000 employees are required to have half the supervisory board of directors as worker representatives."

The Ampled founder is explicitly targeting Spotify, but his proposal would apply to many DSPs. And Spotify, it must be noted, pay approximately 65-70% of their revenue to rights holders. In [Q2 2020, that total revenue was \\$1.89bn](#).

This is the complexity at the heart of some artists' complaints about streaming payments. In [his interview with Music Ally in July](#), Spotify's CEO Daniel Ek observed that while he heard a lot of criticism, he hadn't, "ever seen a single artist saying 'I'm happy with all the money I'm getting from streaming.'" Perhaps bringing artists onto the Spotify board would be useful in helping bridge this perceived communication gap.

Spotify also see themselves to be, "[in the still early days of growth](#)," and would argue that this potential continued growth is only a good thing for artists: the more money that comes in, the more they will get.

So could Robey's modest proposal actually happen? He says it requires Spotify to, "issue new shares and create a significant trust of ownership for artists... \$1bn worth of non-trading shares and place it under the control of artists on its platform."

The next step would be persuading Spotify to do it. Robey says that artists will need to place pressure on the company to do so - and there is already significant momentum building in focused campaigns like [#brokenrecord](#).

This is a provocative and polarising suggestion - but it's also a useful thought experiment: if Spotify is indeed still in the early days of growth, a call for worker representation at board level in developing businesses is not without historical precedent. [Read the full guest column here](#).

Music Ally archive: [Spotify](#)

MORE MUSIC NEWS

Chartmetric releases their trends analysis for the first half of 2020

Music analytics service Chartmetric has released their [semi-annual report on music industry trends](#), and is reflecting on one of the most turbulent periods in the industry's recent history.

TikTok, of course, looms large in their analysis, and the report points out both the importance of the platform as a discovery mechanism, but also that TikTok is “far from a music consumption platform.”

If TikTok is the point of discovery and virality, then long-form consumption of trending songs takes place elsewhere. Top trending TikTok song, [Conkarah's Banana \(feat. Shaggy\) \[DJ Fle - Minisiren Remix\]](#) had 25 million posts in the first six months of 2020, which translated into 87 million listens on Spotify and a combined 31 million views on Youtube. But that doesn't mean TikTok users then flock by default to follow the artist on other platforms. On Spotify, Conkarah had a (very respectable) 57,105 followers by the end of June.

The industry, it notes, is only just starting to figure out how to best use TikTok, and its high impact will surely continue in the short term. For now, it's the starting point for many artist teams to create excitement around a song. Extending interest around the artist across platforms is a separate challenge, and suggests a compartmentalised approach to artist growth.

But tastes and consumption habits change quickly (insert obligatory MySpace reference here) and that extends to genre too. Rock music is looking a bit green around the gills, with Chartmetric noting that “rock artists are virtually non-existent in terms of top growth percentages,” on the platforms they look at.

Those looking to the long-term future may spot an opportunity here: rock music hasn't become bad overnight, and streaming catalogues are full of classic songs - so how can it be reinvigorated for today's audience? Viral TikTok videos featuring rock music may require some creative thinking.

Some of the data points are a fascinating insight into how success in the modern music industry happens: you may have suspected beabadoobee was set for bigger things back in January when she had 1.5 million monthly listeners, but would you have gambled on 1,932% growth to just under 30 million in June? And would you have guessed that the most-synced track on TV would be The Who's 42-year old *Who Are You*, getting twice as many syncs as Lizzo's *Juice*?

[Read the full Chartmetric report here.](#)

Music Ally archive: [Chartmetric](#)

MARKETING NEWS

Everything Everything launch new album with multi-platform VR event

Launching a new album in the Covid-era has sent many artist teams scrambling back to the drawing board now that the traditional nationwide tour isn't possible. Unsurprisingly, VR is a common starting point, and British band Everything Everything are [performing two VR live shows](#) on September 10th and 11th in support of their new album *Re-Animator*.

It's worth keeping an eye on events like these as the live industry rejigs itself in the wake of Covid, and figures out how much can be charged for livestream gigs, what type of virtual experience fans actually want, and how interactive they want them to be.

Access for Everything Everything's launch shows is wide-ranging and multi-tiered: pretty much any modern VR headset can be used to join in the fully immersive version of the gig, created in collaboration with Sansar, the VR social platform. Laptops and mobile phones will work too, albeit without quite so much interactivity. And the band are also streaming the first song of the set on the band's [Twitch page](#), so that the curious can check it out, perhaps before upgrading to a full ticket.

Everything Everything's approach follows the tried-and-true formula of fans paying more for extra connectivity. The band are selling two tiers of ticket: General admission at \$12 or VIP access at \$25, which includes a VR meet-and-greet with the band. In the future, artists may start to offer extra-pricy options for the "whales" - [the tiny percentage of big-spending mega-fans](#).

This period, as [analyst Cherie Hu explores at length](#) in her latest newsletter, shows the fragmentation that exists as livestreaming has its "moment." There's many competing platforms, and discovery is only starting to be addressed by companies like [OnNow•tv](#) - so there's possibly a lot of consolidation to come.

Music Ally archive: [Virtual Reality](#)

WIDER ANGLES

Netflix offering limited content for free (but not on iOS)

Netflix has often been held up as an example of a streaming platform that is able to do a few things music streaming apps can't do: increase prices without alienating audiences, create popular original content - and without a default freemium option.

Now, Netflix is offering [a limited number of its biggest shows](#) - including Stranger Things and Bird Box for free, without needing users to log in.

It's *very* limited, and more of a taster service - viewers can only watch the first episode of these shows - and you need to watch [via computer or Android device](#) (iOS browsers are not supported).

However, free is a good price, and this move could suggest that Netflix, when faced with effective competition from the likes of Disney+, is not immune to the allure of freemium to pull in new subscribers.

It might also reinforce Spotify CEO Daniel Ek's view that Spotify's free offering, "[makes us more appealing](#)," and may be a "bridge" for users to transition to subscribers.

Music Ally archive: [Netflix](#)

Large office-based businesses eye transition away from rental agreements

Office overheads are not the most glamorous part of the music business, but in an industry of large multinationals with glitzy offices in capital cities, the money paid in rent and property upkeep is enormous.

Of the many disruptions caused by Coronavirus, one of the most visible has been the closure of big office spaces - and the lack of disruption that has generally caused. So when international office-based businesses in other industries start scaling back their office rental commitments, accountants in the music business will take note.

[Pinterest has cancelled a nearly half-million square-foot office lease](#) in San Francisco at a cost of \$89.5 million - a penalty that doesn't seem as huge when you consider that they'd have paid "at least \$440 million" in rent over the course of the lease. They're not the only tech companies to radically change their office policies: Twitter and Slack now say that [staff can work "from anywhere."](#)

In an industry that enjoys delivering a little "client theatre" in the form of an impressive office space, many big players in the music industry may want to retain a city-centre presence. But do they need big open-plan rooms if operations can continue with most staff working from home for much of the time?

Music Ally archive: [Coronavirus](#)

FURTHER READING TODAY

- Facebook phishing schemes [charge fans to view events' free live streams](#)

- "I'm addicted to Instagram scams" - and [it's the fault of our rampant consumerism](#)

- Mariah Carey solidifies her position as First Lady Of Christmas, with a [Christmas Special for Apple TV+](#).

A LITTLE SOMETHING EXTRA

[Antyfest](#) is made up of audiences of ants reacting to performances from 11 festivals - which should have happened - on miniature replica stages.



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