The Media Streaming Journal

November 2023

Covering Audio and Video Internet Broadcasting

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Welcome to The Media Streaming Journal

Welcome to the latest edition of The Media Streaming Journal.

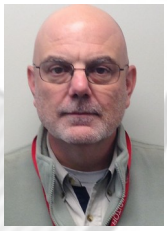
It is essential to understand the importance of the methodology of financially compensating multimedia rights owners and the various approaches that can be used in this endeavor. With the multimedia rights owner receiving proper financial compensation, they receive the financial incentive to continue creating and producing their unique content, which cheapens and degrades the final unique content.

Please feel free to contact either the Publication Director (Derek Bullard) or myself if you have any questions or comments regarding The Media Streaming Journal.

Namaste

David Childers

The Grand Master of Digital Disaster
(Editor In Chief)



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The Media Streaming Journal

What is in this edition of the Media Streaming Journal

Revenue Distribution And Transformation In The Music Streaming Value Chain

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Revenue Distribution And Transformation In The Music Streaming Value Chain

This policy brief provides a critical overview of the challenges and opportunities posed by different revenue-sharing systems for the music sector’s main stakeholders, including artists, composers, labels, and distributors, while also identifying how these systems, can have an impact on the diversity of cultural expressions more generally.

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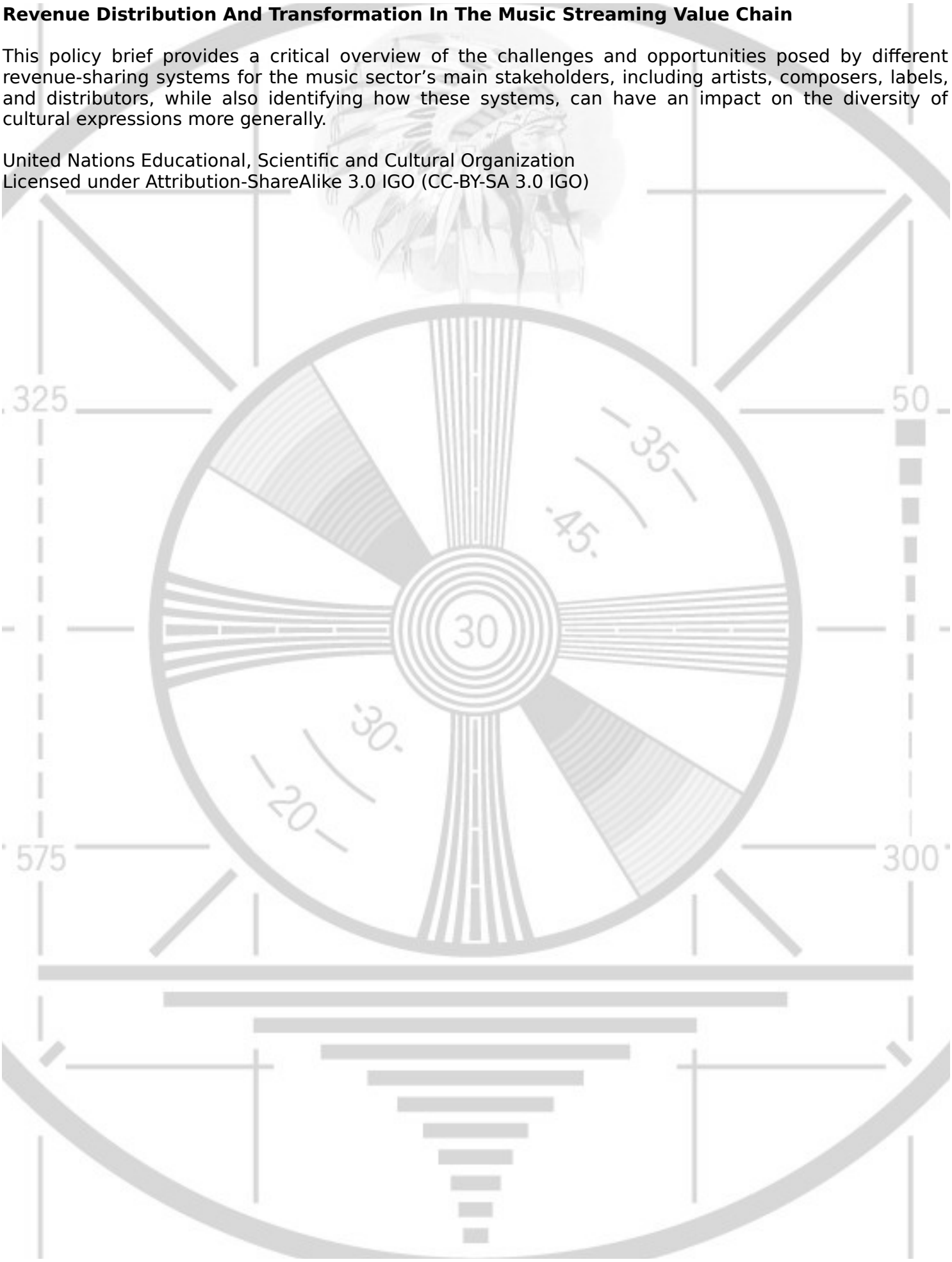

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Revenue distribution and transformation in the music streaming value chain

PERSPECTIVES

FOR THE DIVERSITY OF CULTURAL EXPRESSIONS

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SHORT SUMMARY

PERSPECTIVES for the diversity of cultural expressions is a series of policy briefs designed to inform and inspire discussions among Parties of the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions. Its objective is to identify and analyse emerging trends in the creative sectors.

While music rights holders are collectively being remunerated more than ever before, the (re)distribution of revenue in the music streaming value chain remains extremely uneven and opaque. When the COVID-19 pandemic curtailed live performance opportunities, it became clear that despite the success of music streaming, the great majority of artists remain unable to rely on digital revenues alone to sustain their livelihoods.

In 2021, the global recorded music market grew by **18.5%** with streaming accounting for **65%** of the total global recorded music revenues (16.9 billion USD)

This policy brief provides a critical overview of the challenges and opportunities posed by different revenue-sharing systems for the music sector's main stakeholders, including artists, composers, labels, and distributors, while also identifying how these systems, can have an impact on the diversity of cultural expressions more generally. Building upon secondary research and interviews conducted with a variety of industry experts, it sheds light on existing initiatives which serve to improve diversity in the sector, summarise the main trends observed, and offers perspectives to ensure that the industry not only operates in a sustainable manner, but that it is ultimately representative of all those who desire to participate in it.

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"Since wars begin in the minds of men and women it is in the minds of men and women that the defences of peace must be constructed."

Authors

Vialma is an international team of passionate music lovers working together to build the world's first streaming service dedicated to classical and jazz. Established in 2015, its mission is to bring culture to life and to empower thousands of subscribers through the wonders of art. Vialma also partners with musicians and ensembles, offering them visibility and a digital platform through which to encounter their audience.
The team who worked on this project includes Guillaume Descottes, Eric Denut, Cheryl Kwok, and Eva Klein.

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PERSPECTIVES FOR THE DIVERSITY OF CULTURAL EXPRESSIONS

Revenue distribution and transformation in the music streaming value chain

TABLE OF CONTENTS

Key messages 7

Introduction 8

I. SCOPE OF REFLECTION AND ACTION 10

A Types of stakeholders **10**

B Types of revenue generation and distribution models **14**

- Revenue generation 14
- Revenue distributions 16

II. OVERVIEW OF INITIATIVES, MEASURES, AND POLICIES 18

A Measures and initiatives to promote more equitable and transparent revenues distribution **18**

B Measures and initiatives to promote diversity in the music streaming ecosystem **20**

C Measures and initiatives to promote discoverability **22**

D Measures and initiatives to promote data generation, accessibility, and transparency **24**

III. OBSERVED TRENDS 26

IV. PESPECTIVES FOR FUTURE ACTION 28

Key messages

The music streaming sector has experienced exponential growth since the beginning of the 21st century, especially thanks to the development of large multinational digital platforms with ever-expanding catalogues. The popularity of music streaming rose even further with the onset of the COVID-19 pandemic in 2020, which curtailed live performance opportunities and intensified the digital consumption of culture. In 2021, streaming accounted for 65% of the total global recorded music revenues (16.9 billion USD)[1] and 109.5 million new subscribers started to stream music, bringing the total to 523.9 million subscribers worldwide.[2]

While the development status of the music streaming ecosystem varies greatly between regions, the current music streaming landscape is dominated by large multinational companies that are, with a few exceptions, based in Asia, Europe, and North America, and a constellation of smaller specialized streaming services that usually focus on a specific region or music genre. Factors such as the availability and accessibility of technological and data infrastructures, and the development of adapted regulatory frameworks play an important role on the development of the music streaming sector, and there is a demonstrable need for regionally targeted initiatives that are tailored to local contexts, especially in the Global South. The dominance of multinational platforms raises important regulatory challenges at the national level, as well as issues of diversity and discoverability of cultural content.

Current streaming remuneration models tend to favour artists who already have access to robust financial resources or who have large fan bases. At the core of the discussion on streaming revenue redistribution is therefore the issue of diversity – the diversity of creators who are able to participate in the streaming environment, and the diversity of platforms and their ability to represent a wide variety of cultural expressions. Despite abundant opportunities and growing revenue, technological barriers to entry and inadequate remuneration models make financial sustainability a challenge for most stakeholders, especially creators – in comparison to income generated from live music engagements, artists and songwriters earn three times less on paid subscription services.[3] From the development of user-centric remuneration models to public enquiries into the economics of streaming and civil society advocacy movements, there are many opportunities to promote fairer revenue distribution in the music streaming sector.

Fast-paced technological development and the complexity of the music streaming industry requires a broad range of regulatory and policy tools that must be consistently updated and adapted. While regulation is a necessity and needs to be implemented and tailored to this rapidly changing environment, additional tools, such as education and funding, are also required to maximise the impact and scalability of successful initiatives worldwide.

Introduction

Since the entry into force of the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions, cultural and creative industries have undergone significant changes which have altered how value is distributed throughout the cultural value chain. As underlined in UNESCO's 2022 flagship global report *Re|Shaping Policies for Creativity: Addressing culture as a global public good*, although the majority of countries have policies aimed at the digital transformation of cultural institutions and cultural and creative industries, **more action is needed to ensure that a diverse range of actors (especially in terms of size, geographical location and gender) can participate in the digital creative economy.** In particular, as more and more consumers turn to digital streaming methods to access cultural content, it is essential to develop and implement tailored policies, measures and initiatives to ensure that artists are fairly remunerated amidst the rapid emergence of new business and creator remuneration models.

Streaming – the process by which media content is distributed and consumed over the internet in a continuous manner – has seen rapid growth since its inception in the early 2000s with the emergence of on-demand video-hosting platforms such as YouTube in 2005 and Netflix in 2007. Seen as a way to distribute media more quickly and easily, video streaming reached a global market size of USD 376.06 billion in 2020, and is projected to reach USD 932.29 billion by 2028.[4] Similarly, music streaming has also seen rapid growth and development, beginning with the emergence of platforms such as Spotify in 2006 and Amazon Music in 2007. **In 2021, the total revenue of the global recorded music industry was USD 25.9 billion, with streaming accounting for 65% of the total at USD 16.9 billion.**[5] This growth was only accelerated by the COVID-19 pandemic, which led people to turn to at-home consumption of culture. The pandemic saw an 18% increase in music streaming revenue against a 75% drop in live music revenue, and 109.5 million new subscribers started to stream music by mid-2021, bringing the total to 523.9 million subscribers worldwide.[6,7] It is evident that the music streaming industry is expanding – both in terms of market size and revenue – at an expeditious rate, offering an unprecedented variety of ever-evolving opportunities and business models for music sector.

Paradoxically, despite this promising outlook of abundant opportunity and growing revenue, current remuneration models make financial sustainability a challenge for most stakeholders. This is particularly the case for artists – in comparison to income generated from live music engagements, artists and songwriters earn three times less on paid subscription services.[8] Additionally, only a small proportion of artists are able to rely on streaming as a significant source of income; in Spotify's case, for example, only 52,600 of the 11 million creators on its platform are reported to have generated more than USD 10,000 in royalties from its platform by the end of 2021.[9] **Growing imbalance between the substantial amount of remuneration received by streaming platforms, major labels, and distributors, and the revenues distributed to independent creators and labels has become increasingly apparent, exacerbating concerns from artists and creators about the possibility of building a sustainable career based on earnings from streaming.** With creator royalties proposed by major platforms projected to reach an all-time low for the 2023-2027 cycle, it is urgent to find avenues that promote a fairer and more sustainable working environment for artists.[10]

Current streaming remuneration models tend to favour artists who already have access to robust financial resources or who have large fan bases. At the core of the discussion on streaming revenue redistribution is therefore the issue of diversity – the diversity of creators who are able to participate in the streaming environment, and the diversity of platforms and their ability to represent a wide variety of cultural expressions. This Policy Brief provides an overview of the advantages and disadvantages of the different remuneration models that currently exist and sheds light on initiatives currently in place to promote fair remuneration and diversity in the music streaming sector. Drawing upon insights offered by a variety of sources including secondary research reports and semi-structured interviews from both prominent industry experts and emerging stakeholders, it also outlines strategic avenues to support the just and transparent distribution of revenues in the music streaming industry for all stakeholders.

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I. SCOPE OF REFLECTION AND ACTION

From films and television series to music and books, streaming has transformed the ways in which media is consumed. However, the streaming industry is structured differently for each creative sector and therefore presents unique challenges and opportunities that require tailored and adapted responses.

The following section sheds light on the various types of stakeholders who are involved in the music streaming sector as well as the various revenue distribution models that currently exist in order to contextualize the types of initiatives that can be put in place to promote diversity and fair remuneration.

A Types of stakeholders

Creators

- **Artists** are named performers on a music track. In most cases, they receive their share of revenue through the label companies they have signed to (subject to pre-existing agreements), placing them at the very end of the remuneration chain.

- **Composers and songwriters** are known as authors of a music track. In most countries, their remuneration is negotiated through representation by syndicates; around 10-15% of total streaming revenue will go to composers, songwriters, and publishers.[11]

- **Non-featured artists and production staff** are also involved in the creative process, they are usually paid on a project basis and do not receive any additional remuneration from streaming.

Labels (also known as record labels/record companies) and publishers

- **Labels** are the entities responsible for marketing and promoting artists, coordinating the production, recording, distribution of music, and managing copyrights for recordings. The market is dominated by **Major labels**, while **independent labels** accounted for 33.9% of global market share in 2020.[12]

- **Publishers** manage rights for composers and songwriters. Their remit includes promoting tracks to recording artists, licensing and monitoring use of tracks, and collecting and distributing royalties to composers and songwriters. In general, revenue is paid to a rights collecting organisation, where it is then redistributed to publishers and writers either evenly or according to pre-established percentages. Publishing agreements in general are more generous for writers as opposed to record agreements for artists.[13]

Distributors

- **Wholesale digital distributors** obtain the right to sell a particular label's recordings, then take a proportion of the generated income from the recordings' sales. The remaining proportion is paid back to the label. The digitisation of distribution has eased the process for artists who are now able to release their own music to any major streaming service. While this has increased the amount of music made available to end-users, other related issues (such as increased competition) have also led to significant impacts on artists' remuneration rates.

- **End-user distributors**

Download websites, such as iTunes (International), KuGou (China), Portaldisc (Chile), and Presto Music (United Kingdom), allow users to pay a fixed amount to acquire a copy of a track or album and access it locally on their own devices. However, as audio files can easily be copied and redistributed, this form of distribution saw a heightened amount of piracy that was detrimental to fair remuneration – streaming thus emerged as an answer to this issue, and progressively replaced downloads worldwide.

Streaming services, such as Anghami (Arab States), Boomplay (Africa), Mdundo (Africa), QQ Music (China), Spotify (International), Yandex Music (Russia), and YouTube (International), are digital platforms that host media content. Users pay a fee, usually in the form of a subscription, to access a vast catalogue of music at a fraction of the cost of the pre-streaming era. In most cases, streaming services pay labels to access and host music from their catalogue. On-demand streaming services recommend tracks to users, usually through playlists made by curators according to a certain theme, region, or genre of music; or through the use of recommendation algorithms, which are based on factors pre-determined by a streaming service's values and objectives as well as users' music tastes, listening preferences, and social habits. Though both methods can allow artists to gain visibility, they have also been criticised for their inherent biases and putting users into "bubbles", which inhibits the diversification of consumption.

Social media platforms, such as TikTok (China) and Twitch (United States) have become increasingly prominent tools for artists to share their music. Their emergence has further lowered the barrier to entry to the music streaming market for artists and has facilitated access to a much wider audience base, including in the Global South.[14] The development of the metaverse has also seen video game platforms such as Roblox and The Sandbox become alternative venues for event hosting and, by extension, music streaming.

Rights organisations and syndicates

- **Rights organisations and licensing companies** allow rightsholders and creators to register their work. These organisations licence the recorded music with users and when this music is played, royalties and fees are collected then distributed to rightsholders. Criticised for their lack of transparency and their struggle to audit distributors, they are nevertheless involved in negotiations with digital distributors to ensure the highest collective remuneration possible.

- **Syndicates and industry-based associations** monitor and regulate the industry, sometimes alongside government bodies. In Brazil, the International Federation of the Phonographic Industry and Pró-Música Brasil formed an alliance to combat streaming manipulation services. In Cambodia, the government partnered with The Sound Initiative to provide a public platform for dialogue through the .WAV [Women's Amplified Voices] Status of the Artist forum. The initiative is supported by the United States Agency for International Development. Regulatory partnerships also take place through voluntary commitments such as the Worldwide Independent Network's Fair Digital Deals Declaration, which commits voluntary signatories to treat artists fairly. In Chile, IMICHILE, a guild of labels, distributors, promoters, online stores, communications agencies, and more, seeks to promote and develop the Chilean independent music industry.

Public sector

- **Intellectual property regulatory bodies** usually operate at the government level. Their role is to monitor and protect the welfare of intellectual property, such as through copyright and patents, and will also campaign for the development of intellectual property laws and policies in some instances.

- **Policymakers** are responsible for law-making and regulation of the music streaming industry, including through the development of regulatory frameworks and policies. In Germany, a judicial injunction prevented the operations of a streaming manipulation service (known as streaming or click farms, streaming manipulation services fraudulently generate streams, manipulating streaming data to favour targeted songs or content, thus increasing their share in the market-centric revenue model). The Indonesian government has also developed Regulation Number 56 of 2021 Concerning the Management of Copyright Royalties for Songs and Music, which asserts the need for all commercial venues which play or stream music to obtain the appropriate copyright licence, as well as facilitating the creation of a centralised data centre to ensure that all copyright details regarding Indonesian songs are accurately catalogued.[15]

Intergovernmental bodies

Intergovernmental bodies such as the World Intellectual Property Organisation (WIPO) and the United Nations Educational, Scientific, and Cultural Organisation (UNESCO) play a role in the music streaming industry through their normative instruments (Conventions, Recommendations, and other normative frameworks). They also support evidence-based decision-making, notably through research and knowledge-sharing, and strengthen the capacities of stakeholders through international cooperation programmes. The ARIPO-CISAC Africa Strategic Plan developed by ARIPO (the African Regional Intellectual Property Organisation), for instance, aims to ensure that all rightsholders receive fair remuneration based on their work.[16]

Users/consumers

Users and consumers generate the primary source of revenue which fuels the music streaming value chain. In the first quarter of 2021, the number of subscribers to music streaming services worldwide was 487 million.[17] In 2020, paid subscription streaming revenues increased by 18.5%.[18] As such, they exert key influence over the types of content streaming platforms host and recommend, as well as shaping artists' creative outputs by extension.

Figure 1 **Flow of revenues in the music streaming value chain**

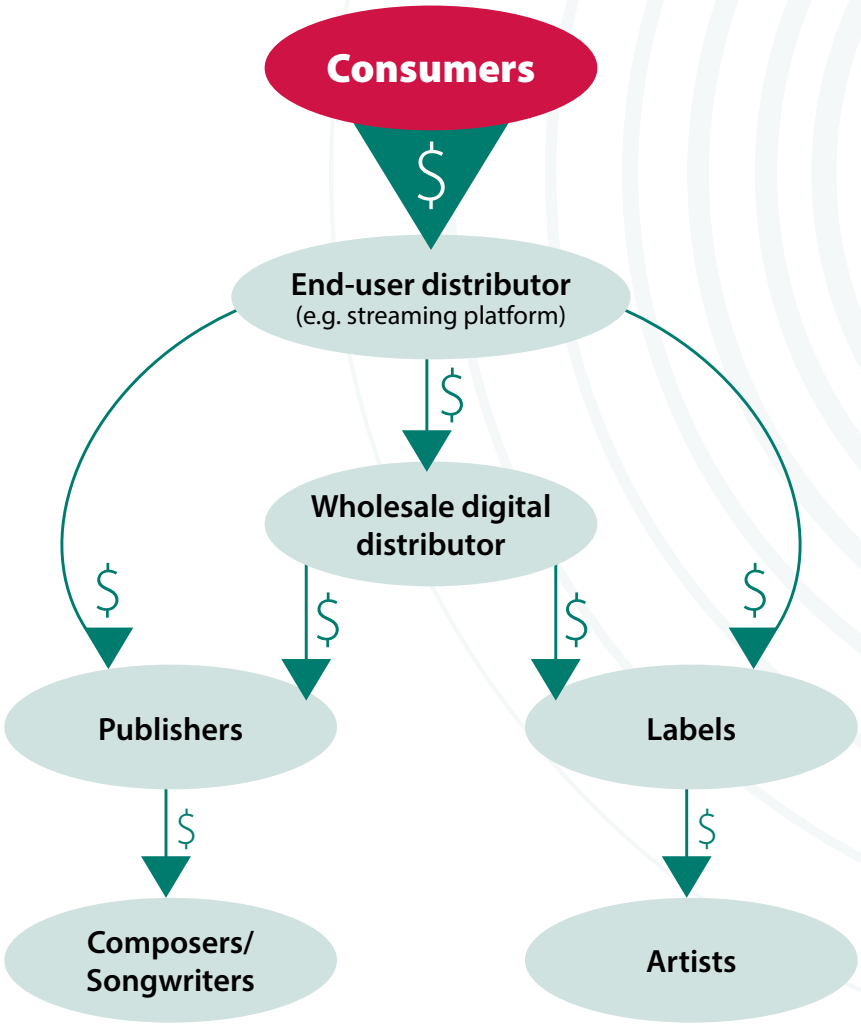

Figure 2 Top 20 global digital distributors in music in 2020

No.	Service	Country	Monthly users	Year	Type
1	YouTube	USA	2,000,000,000	2020	Audio-visual
2	Musical.ly	China	689,200,000	2020	Audio-visual
3	iQiyi	China	570,000,000	2020	Audio-visual
4	Tencent Video	China	482,960,000	2020	Audio-visual
5	Vevo	USA	400,000,000	2016	Audio-visual
6	Spotify	Sweden	320,000,000	2020	Audio
7	KuGou	China	296,510,000	2020	Audio
8	iHeartRadio	USA	275,000,000	2019	Audio
9	QQ Music	China	238,780,000	2020	Audio
10	Gaana	India	185,000,000	2020	Audio
11	SoundCloud	Germany	175,000,000	2019	Audio
12	bilibili	China	172,000,000	2020	Audio-visual
13	Kuwo	China	125,000,000	2020	Audio
14	JioSaavn	India	104,000,000	2019	Audio
15	NetEase Cloud Music (163 Music)	China	82,440,000	2020	Audio
16	TuneIn	USA	75,000,000	2019	Audio
17	Pandora	USA	63,500,000	2019	Audio
18	Apple Music	USA	60,000,000	2019	Audio
19	Amazon Music	USA	55,000,000	2020	Audio
20	Anghami	Lebanon	21,000,000	2019	Audio

Source: BOP Consulting (2021).

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B Types of revenue generation and distribution models

There are models for revenue generation and distribution in music streaming. While the subscription model is the most common globally, significant differences can be observed at the sub-regional level. Within Asia, for example, subscription-based streaming far exceeds the usage of ad-supported streaming in Japan and the Republic of Korea; whereas the opposite is observed in countries such as the Philippines, Cambodia, and Bangladesh.[19] Some streaming platforms use a combination of models to maximise their revenue streams and to optimise revenue generation.

Revenue generation

Subscriptions

Description	Users pay streaming platforms a recurring subscription fee to gain access to the platform's content and features such as music tracks, playlists, and podcasts. The platform will keep a portion of the revenue generated and will distribute around 55% of the gross revenue pot to labels and distributors, usually according to the market centric payment system (see below).[20] The portion which is distributed to artists will depend on agreements that they have with their labels.
Examples	Anghami (Middle East), Gaana (India), Portaldisc (Chile), Spinlet (Africa), Spotify Premium (International), QQ Music (China)
Evaluation	Users demonstrate a form of loyalty and commitment to the streaming platform by agreeing to pay a recurring subscription fee, resulting in a consistent and regular source of income for streaming services. A dedicated user base also suggests/guarantees a certain amount of user interaction with the platform, which is particularly desirable for rightsholders whose channels for revenue generation are usually based on royalty payouts as a result of user interaction with their music. In general, this user base can be easily accessed by artists (regardless of whether they are represented by a label), provided that they have the logistical means to do so (i.e. access to a label-based/DIY distributor). However, ease of access to these platforms leads to an increasingly vast amount and variety of content available for user consumption. For creators, achieving visibility in a catalogue can therefore be a challenge; artists who have promotional support from major labels both in and outside the platform have a much higher chance of getting streams and therefore revenues. This disparity between well versus lesser-known artists is thus particularly exacerbated by the use of the market-centric payment system, as it does not provide any incentive for labels and marketing teams to invest in artists who do not already have a following, or are not already being streamed.

Free/ad-supported

Description	Users pay a discounted fee/do not pay any fee to access a streaming platform's content and features. The majority of revenue is instead generated by the placement of advertisements, which the user encounters while accessing the platform. This model has been chosen by many subscription services as an alternative revenue stream, where the primary purpose of using the ad-supported model is to encourage users to trial the platform before converting to becoming paying subscribers.
Examples	Free tiers of Anghami (Middle East), KuGou (China), Mdundo (Africa), Mkito (East Africa), Spotify (International), TrackDrip (Latin American and the Caribbean), YouTube (International)
Evaluation	Without financial commitment, there is no barrier to entry for users to access content on ad-supported platforms. However, the lack of subscription-based revenue reduces the overall amount of revenue per user. As such, it is a more accessible but less lucrative model for revenue generation. It is expected that by 2022 YouTube will generate more revenues for rights holders than Spotify, which would significantly change the dynamics of this business model. It is noteworthy that the ad-supported model for streaming platforms is growing in popularity, but that it remains dwarfed by the radio advertising market, despite radio consumption declining in recent years. In 2019, for instance, the US radio advertising market was worth 16.6 billion USD compared to 1.2 billion USD for ad-supported streaming.[21]

Non-fungible tokens (NFTs) and cryptocurrency-based

Description	Decentralised remuneration models empowered by blockchain technology, such as non-fungible tokens (NFTs), have seen a meteoric rise. To put it simply, digital art NFTs consist of a digital work (audio, video, multimedia) which can be permanently and uniquely identified and traced. The owner of the digital asset stores it in a digital ledger, called blockchain. On top of granting an ownership, NFTs have another core benefit: the owner can sell, or licence for instance its digital art to third parties.
Examples	Audius (United States), OPUS Audio (United Kingdom), Roblox (United States)
Evaluation	These models pose great benefits to artists both in terms of remuneration and creative freedom. By hosting and sharing content on a decentralised platform, traditional remuneration-based barriers are bypassed; artists are allowed to retain full ownership of their creative work and have control over how they are monetised. The use of NFTs has also promoted closer engagement between artists and fans. In the case of DJ Diplo, for example, fans are able to buy a token for a particular song in exchange for benefits such as receiving a set share of streaming royalties, additional content, or access to behind-the-scenes events.[22] By allowing fans to own a fraction of their favourite artists' music, artists are able to more easily build their audience following and consolidate their revenue streams. Countries with rapidly-growing art markets (such as those in Africa) have seen a sharp increase in demand – and subsequent adaptation – towards NFTs.[23] However, these models are also implicated by issues relating to the digital divide. With the majority of NFTs being cryptocurrency-based, artists who wish to utilise this remuneration model are required to possess particular access and skills, presenting an additional barrier which could be inhibitory to their participation.

Revenue distributions

Market-centric payment system (MCPS)

Description MCPS is a remuneration model most commonly used by ad-supported or subscription-based platforms. In essence, revenue generated from users or subscribers is pooled by the platform; it is then redistributed and paid out to rightsholders (usually labels) based on the market share they claim of the total number of streams on a platform. Depending on the agreement that the artist has with the label, an average of 20% of this revenue will go to the artist, though this percentage can be as low as 2% for artists with agreements from the pre-streaming era.[24]

Examples Anghami (Middle East), Apple Music (International), Claro Música (Latin America and the Caribbean), Ragya (India), Spinlet (Africa), Spotify (International)

Evaluation MCPS is a model that works heavily in favour of artists and rightsholders who already have a prominent presence on streaming platforms as they account for a greater percentage of the total number of streams. In 2020, Spotify confirmed that 57,000 artists in its catalogue account for 90% of streams on their platform – the remaining lesser-known artists, who represent the majority of the total number of artists on Spotify, are left to share the revenue generated by the remaining 10% of streams.[25] The highest-earning 800 artists on Spotify receive 20% of the total revenue.[26] This means that in 2020, roughly 20.7 billion USD was paid to 57,000 artists, and the remaining 2.3 billion USD was distributed among the platform's remaining 7.94 million artists.[27] The biases with MCPS against artists' fair remuneration are evident: while it favours artists who are more heavily streamed per user, this model is also more susceptible to fraud through use of click farms, where one fraudulent account (e.g. an automated bot) can be used to stream one particular artist's tracks and falsify engagement for increased royalties, therefore affecting the market share of other artists.

User-centric payment system (UCPS)

Description Unlike the market-centric payment system where revenue paid to rightsholders is dependent upon their market share of total streams, the user-centric payment system, otherwise referred to as the fan-centred or fan-powered royalties mode, ensures that the revenue generated by users goes only to the rightsholders of the tracks they have streamed.

Examples SoundCloud (International), Tidal (Norway/United States), Deezer (International)

Evaluation This system is particularly beneficial for artists who have less market share due to their size, experience, or if they work in less mainstream genres of music. Deezer CEO Hans-Holger Albrecht noted of the model in 2017 that it is 'better for mid-sized artists, smaller artists and upcoming artists as it gives them a good chance'.[28] For users, the transparency offered by this system can be an incentive to sign up to paid streaming subscription services. Research conducted by the Centre national de la musique in France has also shown that this system can minimise the impact of fraudulent behaviour, such as click-farming (where bots are used to artificially inflate the number of streams for individual tracks). While research continues to be conducted into the benefits of this model, it remains unclear what the financial burden for stakeholders such as streaming services would be to move towards and sustain the user-centric payment system.[29] The top 10 most-paid artists are predicted to lose 17.2% of earnings; convincing major stakeholders of the benefits of such a change will prove challenging. Concern has also been expressed by stakeholders at the impact of recommendation tools and how value will be distributed between autonomous streams and recommended streams.

Fee for service

Description	Users pay platforms a one-off charge each time they access or purchase a digital file or service (e.g. pay-per-view, pay-per-listen, file downloads).
Examples	Amazon (International), Bandcamp (United States), Claro Música (Latin America and the Caribbean), iTunes (International), Mkito (East Africa), Spinlet (Africa)
Evaluation	Consumers typically buy a digital file (a song or an album) which they then own, as with an ordinary physical transaction. Artists get paid a set fee for each download depending on prior agreements with labels, rather than receiving remuneration from a share of a larger pool of revenue. Unlike digital streaming, consumption thereafter is irrelevant in determining remuneration. As such, this more traditional means of payment is fairer (artists are paid for what they make) and offers artists greater transparency on the way that they receive payment; there is a clear split that is most often predetermined in contractual terms. Losers of this system are those who make music with which consumers interact more and for longer periods, as this continued interaction will not be reflected directly in the artist's revenue. Fee-for-service or pay-per-product services are a more unsteady source of income for artists as these offer only one-off payments. In the absence of curated playlists, artists have more control over the way their works are advertised on these platforms.

Donations/patron-based

Description	On some platforms, users are able to give (or pledge) as much as they believe a creator's content is worth directly to them – these payments will sometimes be one-off for a product (e.g. a music track or a piece of merchandise), or termly on a subscription-like basis. Creators pay the platform a set fee and other administrative costs on a termly basis to host their content. Built-in community features, such as forums and chat boxes, are also common to promote a closer relationship between creator and fan.
Examples	Bandcamp (United States), Mixcloud Select (United Kingdom), Patreon (United States)
Evaluation	A significant benefit of this model is the direct access between creators and users. On the one hand, it enables creators to receive a higher percentage of royalties – Bandcamp, for example, pays out an average of 82% of revenue gained to artists.[30] On the other, its community-based focus also allows for closer fan interaction, which is particularly beneficial in the long term for securing revenue gain by building loyal fanbases. For users, knowing that they are directly impacting the livelihood of their favourite creators is also an incentive to make regular contributions. For creators, as their market share/popularity relative to other artists is not a factor (as is the case with MCPS), this model is especially beneficial for independent artists with fewer financial and promotional resources. It is important to note as well that these models offer a quicker payout time (Bandcamp aims to pay artists 24-48 hours after receiving payment from the user) as opposed to digital distributors, who usually pay out quarterly. While extremely favourable to artists, this model still has a disadvantage: it relies mainly on a community of engaged fans which accept to be monetised. Many musicians do not have either the skills or narrative needed to build such a community.

II. OVERVIEW OF INITIATIVES, MEASURES, AND POLICIES

The following section provides an overview of the main initiatives, measures, and policies around the world that seek to ensure fair revenue distribution in the music streaming value chain. They are articulated around four broad categories of intervention: remuneration, accessibility, discoverability, and data generation.

A Measures and initiatives to promote more equitable and transparent revenues distribution

The main factor in promoting the financial sustainability of all stakeholders in the music streaming value chain, particularly artists, is the development of methods, models, and measures which aim to distribute revenues in a more equitable and transparent way across the value chain.

Objectives

- To build upon pre-existing remuneration models in the multimedia sector to inspire new or improved revenue distribution models in music streaming
- To implement policies, measures and initiatives that promote diversity throughout the music streaming value chain (particularly for creators) by ensuring fair and equitable remuneration opportunities

Formats

Development of new or improved remuneration models; developing or updating copyright legislation for the digital environment; leading advocacy and awareness-raising campaigns for fair remuneration; undertaking fraud protection initiatives; formation of alliances within the sector

Examples

- **Facilitate and support the implementation of fairer remuneration models, such as the equitable remuneration model.** Emerging as a top recommendation of the parliamentary inquiry into the economics of music streaming held in the United Kingdom in 2021, the equitable remuneration model draws upon pre-existing remuneration models used in the broadcasting sector (e.g. radio). Instead of relying on labels to distribute their share of royalties to them (20% on average), in this model, artists would receive 50% directly from a rights collection society (such as Phonographic Performance Limited (PPL) in the UK), while the label company would receive the other 50%. This model therefore ensures that artists are able to maintain a stream of income which is independent from pre-existing agreements with labels, while also particularly benefiting legacy artists whose agreements, signed in the pre-streaming era, have resulted in significantly lower royalty rates than those of modern artists. Article 108 of the Spanish copyright law, which implemented the European Union Information Society Directive 2001, came into force in 2006 and extended equitable remuneration from broadcasting and performances to digital music streaming.[31]

Examples (Continued)

◢ **The development or revision of copyright legislation to ensure that artists are fairly paid in the digital environment.** Pre-existing copyright laws such as the Digital Millennium Copyright Act in the U.S. (1998) have enabled safe harbour provisions which exempt, to an extent, user-generated sites from being liable for content that infringes copyright. While its initial purpose was to protect small, start-up-like businesses from severe copyright liabilities,[32] in the age of music streaming, this has in turn led to a disparity between royalties paid by user-generated, ad-funded sites and those paid by paid-for streaming services for the same content. In recognition of these new developments, Article 17 of EU Directive 2019/790 increases the responsibility of user-generated sites to obtain authorisation for the content or remove it if authorisation is withheld, ensuring that rightsholders are fairly remunerated regardless of the platform they choose to share their content.[33] Another avenue for addressing these concerns is through the revision of existing international treaties and normative instruments, such as Article 8 of the World Intellectual Property Organisation Copyright Treaty, which will encourage a revision of domestic laws.[34]

◢ **Advocacy by industry stakeholders can also bring awareness to injustices of fair remuneration in the industry and lead to change.** Recent advocacy and awareness-raising campaigns include #BrokenRecord, a social media movement against the current distribution of wealth in the cultural value chain.[35] Founded by Tom Gray, a musician and composer, the movement arose to highlight the problem that, exacerbated by the cancellation of live events during the pandemic, music streaming revenues are insufficient to sustain a career in music, despite streaming being the leading way that music is consumed. The movement, supported by the Musicians' Union and Ivors Academy, has been credited with catalysing the aforementioned parliamentary inquiry into the economics of streaming in the United Kingdom.

◢ **Fraud protection also plays a crucial role in ensuring that standards of fair remuneration in the industry are maintained.** The International Federation of the Phonographic Industry and Pró-Música Brasil, an official representative body of the record labels in the Brazilian phonographic market, formed a partnership to protect the interests of artists and record labels by shutting down streaming manipulation services. Under the market-centric payment model, streaming manipulation services allow stakeholders to fraudulently inflate their number of streams, therefore increasing their share of the market and leading to added revenue gain. As a result, in 2019, IFPI formed a broad coalition of major and independent labels, publishers, digital streaming platforms, and artist organisations to commit to a code of best practice in tackling the fraudulent activity of streaming manipulation.[36] According to the IFPI website, by July 2021, the alliance had been responsible for impacting the operations of 65 streaming manipulation services, with 10 sites shutting down and 20 no longer offering the service.[37]

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B Measures and initiatives to promote diversity in the music streaming ecosystem

Accessibility accounts for the ability of stakeholders to get access to, participate in, and benefit from the music streaming market. To promote diversity in the music streaming ecosystem, it is essential that the industry be accessible to all, including those who are already part of it.

Objectives

- To create spaces that allow audiences to interact with artists directly
- To establish strong professional networks and mentoring opportunities
- To ensure that all stakeholders, and especially creators, know how to best utilize the opportunities offered by streaming platforms

Formats

Skills-based workshops; artist incubator programmes; networking opportunities; feedback forums and open dialogue with policymakers

Examples

- **Training/incubator programmes for artists improve accessibility and entry to the music streaming industry** by helping creators to access resources and gain technological skills that are not commonly available or taught. Music creation in the digital landscape, for example, requires a different skill set than performing live.

- **Technical and vocational education and training (TVET) can significantly reduce barriers to entry in the music streaming industry.** Gender@Work, a three-year training programme in Ghana and South Africa, teaches women fundamental and technical skills for participating in the industry.[38] While this course focuses on providing an all-encompassing package of skills, The Sound Initiative (TSI) aims to equip its trainees with specifically digital know-how. TSI is a charity and academy based in Cambodia that offers a specific training programme entitled 'Digital Education for Artists and Producers' that teaches musicians digital skills such as distribution, branding, marketing, business, and communication.[39] Instead of working with a particular demographic, the course (which is online and in-person) is open to musicians of all skill levels, ensuring that both emerging, as well as experienced musicians who feel the need to retrain for music streaming, are able to acquire specific skills for digital streaming. With 45 people trained by TSI across all programmes since its inception in 2018, a lack of resources and capacity may have limited the impact and reach of these training programmes.

- **Establishment of inter-sector communication and collaboration platforms can improve inclusion and encourage peer-learning within the music streaming sector.** Inspired by UNESCO's 1980 Recommendation concerning the Status of the Artist, the .WAV [Women's Amplified Voices] Status of the Artist forum is a platform of collaborative communication and discussion between Cambodian government representatives and members of the Cambodian creative industries.[40] The purpose of this forum is to encourage dialogue to assess ways in which to improve the working conditions of artists, particularly female artists, thereby creating a more accessible working environment for female artists. This type of open-forum advocacy in an ongoing dialogue establishes a monitoring system that allows for change in the industry and in the interests of stakeholders.

Examples (Continued)

◢ **The development of independent music distributors can simplify the music streaming value chain and help artists distribute their music on their own terms.** The development of independent, do-it-yourself style distributors such as DistroKid, TuneCore, and CD Baby also allow artists to upload their music to streaming platforms independently without needing to go through a label. While these self-releasing artists do not benefit from promotional, logistical, or financial resources that labels provide, for less-experienced artists who do not wish/are unable to receive label representation, this process is more straightforward, less costly, and allows them to retain all the rights to their music. Independent music distributors are also useful tools for smaller streaming services, particularly those specialising in more niche regions/genres of music, which have found difficulty in accessing and hosting music catalogues from major labels and distributors. Deedo, a streaming service offering a catalogue of Pan-African music, has created its own distribution service where artists can directly upload their music onto Deedo's platform.[41] By acting as both streaming platform and distributor, they not only have undisrupted access to their own independent catalogue, but also play a role in providing opportunities for lesser-known artists to have their music on a streaming platform.

◢ **Improving accessibility in the music streaming market also requires measures to close the digital skills and access gap.** With 96% of the 2.9 billion people still living offline coming from the developing world, initiatives in developed countries benefit from greater access to resources, technology and data, and are thus typically more established and well-promoted than those in developing countries.[42] However, within that divide, there is a further rift between urban areas, where 77% of the population has access to 4G, and rural areas, where only 22% of the population has access to 4G.[43] Thus, the digital skills gap means that the effects of these new tools are felt unequally across the globe.

◢ **Funding opportunities for creative investment, especially seed-funding for emerging projects, is essential to enable a wider diversity of stakeholders to participate in the music streaming value chain.** The music industry is seen as a high-risk sector by many banks, thus making it difficult to obtain loans. Afreximbank, a pan-African financial services institution, launched its USD 500M Creative Industry Support Fund to provide much-needed infrastructure and facilitate the monetisation and commercialisation of creative activity, including the production and trade of creative goods.[44]

◢ **International frameworks can improve diversity in the music streaming ecosystem by setting norms and standards to guide governments in the development or revision of inclusive, fair, and transparent legislation.** Relevant international frameworks include, amongst others, the UNESCO's 2017 Operational Guidelines on the implementation of the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions in the Digital Environment and the UNESCO 2021 Recommendation on the Ethics of Artificial Intelligence.

C Measures and initiatives to promote discoverability

Access to the music streaming market alone is insufficient to generate sustainable and significant revenue generation for creators. Indeed, musicians must be able to make themselves known and let their music be heard by users in a crowded and highly competitive market. Initiatives to promote discoverability are therefore crucial to ensure that a diverse range of stakeholders is not only able to participate in, but also benefit from this ecosystem.

Objectives

- Put in place measures to promote diversity and discoverability, and to reduce bias, notably in algorithmic recommendations
- Introduce listeners to a diversity of music and break siloes

Formats

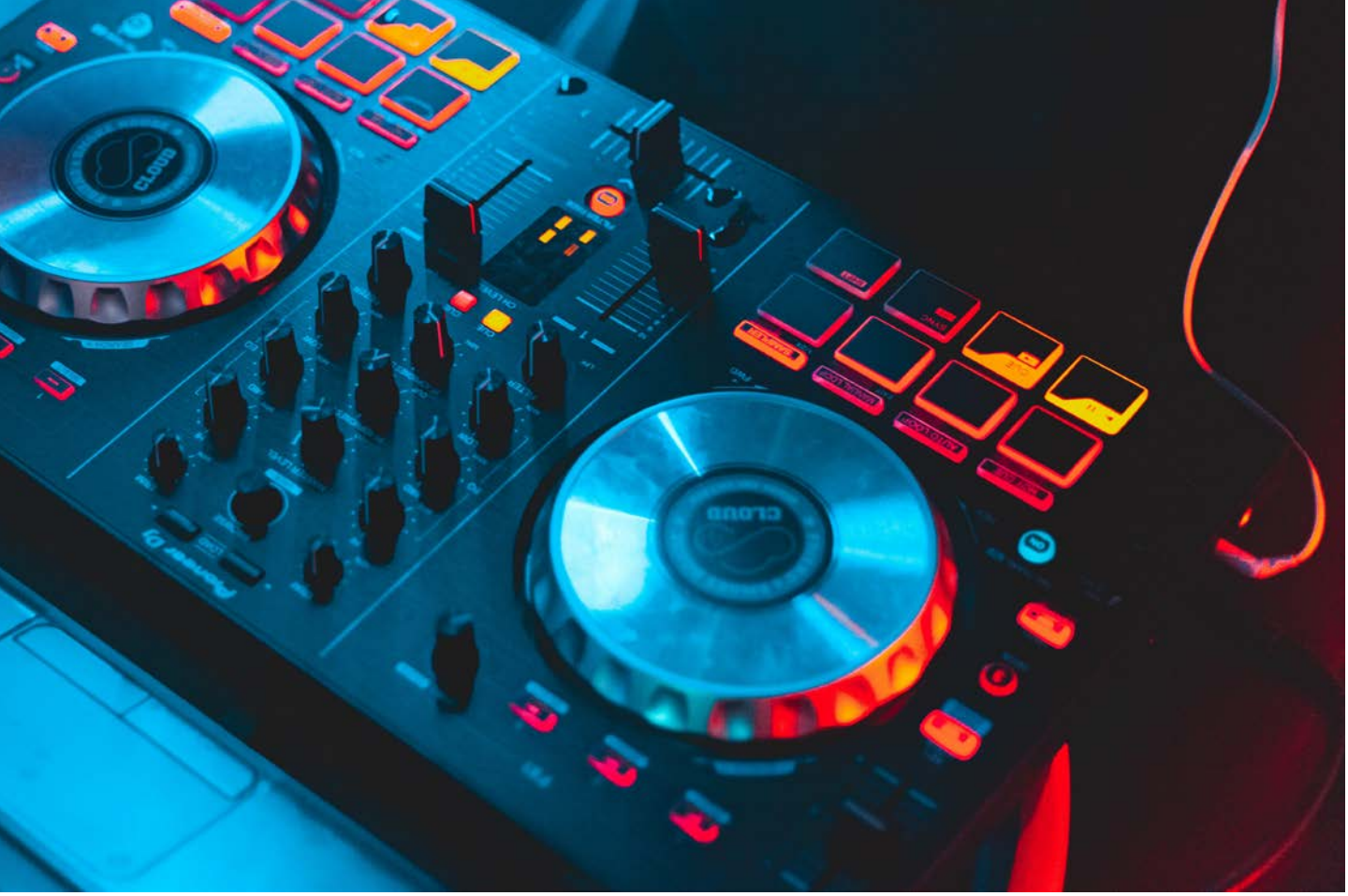
Diversity-driven algorithms; supporting the emergence of specialized streaming platforms for particular niches; playlist curation according to specific characteristics (e.g. gender/genre etc.); initiatives to promote data-gathering and transparency

Examples

- **Playlisting initiatives implemented on a local/regional scale can have a significant impact on the discoverability of artists.** The significance of playlisting was particularly highlighted by initiatives which took place during the COVID-19 pandemic, such as Apple Music's 'Stream Local' initiative in South Africa and India.[45] Introduced in April 2020, the platform curated region-specific playlists featuring music by local artists. By promoting artists within their local communities, this initiative helped to increase the market share of local musicians and create proximate, geolocalised fanbases which have the potential to bring longer-term benefits, such as continued streams or attendance at live shows.

- **Transparent diversity-driven algorithms for music recommendations should be designed and implemented, and their impact should be monitored over time to inform future action.** Algorithms, or recommender systems, are designed to help users navigate a streaming service's catalogue by automatically creating playlists and providing personalised recommendations with a specific objective, for example to promote new releases. Algorithms have been criticized for their lack of transparency and their inherent biases. The implementation of diversity metrics in recommendation algorithms, for instance, the popularity or 'nicheness' of a track or artist, as a way to enhance discoverability is a path that is being explored by streaming platforms such as Deezer. However, diversity metrics are complex and likely to change rapidly over time, and the success of algorithms also depends on users' willingness to interact with algorithmic recommendations. As a result, the use transparent and diversity-driven algorithms to improve discoverability is a powerful but contextual tool that is currently left at the hands of the streaming platforms themselves, and further research into its impact, as well as the metrics that should be used to quantify it, is therefore needed. The possibility to develop a regulatory framework for algorithms at the policy level, including guidelines for quotas (gender, language, origin) and other measures inspired from public broadcasting services, can also be explored.

- **The implementation of legislation can significantly increase the visibility of local and regional content on streaming platforms.** National legislative instruments can be enacted to ensure that a certain amount of local content is made available by and discoverable on streaming services. An example of this is the Canadian Government's introduction of Bill C-11, referred to as the Online Streaming Act, which is a bill introduced by the Minister of Canadian Heritage that seeks to amend the Broadcasting Act (S.C. 1991, c.11) to incorporate online undertakings.[46] The Bill would subject streaming services to the same standards as traditional broadcasters, that is, to "contribute to the creation and availability of Canadian stories and music".[47] The Bill, which seeks to promote, and increase its visibility of, Canadian content, will empower the Canadian Radio-television and Telecommunications Commission to establish a regulatory framework on the types of content promoted by streaming services. The Bill aims to create more opportunities for Canadian artists and foster greater diversity and inclusivity in the online streaming sector.



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Examples (Continued)

◢ **While the development of specialised streaming platforms is a powerful tool to promote lesser-known musicians working in more niche genres/regions, audience fragmentation is a significant risk.** In India, with the majority of music consumption being popular music such as Bollywood, it is more difficult to make alternative genres more 'discoverable', rendering them less attractive for major streaming platforms and record labels to onboard and promote. In establishing a separate platform dedicated specifically to hosting Indian classical music, Ragya creates an environment which allows for new and existing Indian classical musicians to be discovered in a less competitive environment, while also cultivating a tailored and dedicated fanbase for a less mainstream genre.[48] In theory, this provides artists with accessibility, discoverability and the potential to generate revenue, however, in practice, users are unlikely to be willing to pay subscriptions for multiple niche streaming services to satisfy their consumption. While this may lead to a fragmentation of audiences in some cases, alliances between smaller platforms can help cross-pollination and relying on ad-based revenue generation models and public or private subsidies rather than paid subscriptions can reduce the barrier to access specialized platforms.

◢ **The diversification of digital channels beyond the streaming platforms themselves is key for the discoverability of diverse content.** While curation through algorithms can affect discoverability, in reality, around 68% of total streams on major services are user-driven.[49] Increasing discoverability on other platforms (social media platforms and video streaming platforms, among others) can also be highly effective for increasing discoverability on music streaming services. Midem Africa runs a number of workshops, seminars, and courses teaching musicians how to market their music successfully using social media.[50] Similarly, Station Beirut (a Lebanese cultural space and exchange platform for artists) is working with Music Ally (a London-based music skills and knowledge company) to offer a selection of independent Lebanese musicians training in digital music marketing to increase their discoverability in the digital landscape and build a fanbase.[51]

D Measures and initiatives to promote data generation, accessibility, and transparency

The purpose of data generation is to encourage evidence-based decision-making at the local, national, and international level. Data can help to shed light on the current state of the industry, to monitor the impact of policies, initiatives and measures through time, and to inform future projects and regulatory frameworks to ensure the sustainable and inclusive growth of the music streaming sector.

Objectives

- To encourage evidence-based decision- and policy-making
- To monitor the impact of initiatives and policies through time, notably on the diversity of the sector
- To maximise efficiency and boost the transparency and sustainability across the music streaming value chain

Formats

National reports and monitoring exercises; data tools for artists to track their earnings in real time; third-party data aggregators; remuneration-driven data platforms; segmented data reports to assess diversity

Examples

- **Monitoring exercises at the national level should enable global monitoring of the music streaming industry.** IFPI's Global Music Reports provide a brief overview on the state of the global recorded music market and highlight the industry's value.[52] Economic measures allow stakeholders to identify key markets and regions and allow policymakers to monitor the performance of the industry. Broader reports focused on the cultural and creative industries, such as UNESCO' flagship global report series *Re|Shaping Policies for Creativity*, enable stakeholders to get an overview of the main trends shaping the sector, and the resulting opportunities and challenges.

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Examples (Continued)

◢ **The generation and sharing of data are at the core of transparency and infrastructure-building:** The generation and availability of transparent and digestible data is an essential tool to inform policymaking on the one hand, and help artists identify and exploit the best revenue streams for them on the other hand. RSFAM (Revenue Streams for African Musicians), a project run by the Music in Africa Foundation, is conducting data-led research into reliable revenue streams for South African musicians. RSFAM will "collect and analyse data on the earning trends of music creators to identify and optimise the practises that generate income across South Africa's nine provinces".[53] The project is in its pilot phase in South Africa, however, if successful, it will be extended to other African countries. The music sector in Africa continues to suffer from a lack of reliable statistics and data. As a result, many music practitioners are unable to monetise their work with maximum efficiency. The project has two phases. Firstly, research and data gathering will be conducted. Secondly, the data will be made available to music practitioners and inform the nature and direction of workshops, training, and advocacy carried out by RSFAM.

◢ **Data-led reports can drive advocacy and awareness-raising campaigns.** A UK Parliamentary inquiry, conducted by Members of Parliament on the House of Commons Digital, Culture, Media and Sport Committee, into the economics of music streaming examined the impact that music streaming is having on musicians.[54] The inquiry heard from creators, industry experts, streaming services, and major UK record labels and tech companies. The research has allowed the committee to make informed policy recommendations, particularly regarding fair remuneration, resulting in an investigation of the industry by the Competition and Markets Authority.

◢ **Third-party aggregators can bridge the gap between data and artists, empowering the latter to make informed choices about their career.** Data gathered by private entities (such as Chartmetric and UnitedMasters) can help music practitioners to better market themselves on digital streaming platforms and social media. By showing how fans are interacting with their music, data providers give artists a clearer picture of consumer preferences and the performance of their work, allowing them to monetise their work more efficiently.

◢ **Remuneration-driven data platforms, often led by rights collection societies, offer an important tool to improve the transparency of how remuneration data is collected, analysed, and displayed.** The Republic of Korea's Music Copyright Association (KOMCA), for example, has developed an application which acts as "a transparent copyright royalty distribution system".[55] Rightsholders are able to access a payment statement which includes data that has traditionally been inaccessible and difficult to comprehend, such as the total amount of royalties paid out per month, the frequency in which tracks are licensed, and the royalties generated per licence directly on their phone, allowing rightsholders to better understand and optimise their income streams.

◢ **Gathering disaggregated data is essential to monitor diversity in the music streaming sector.** Isolating data groups allows stakeholders and policymakers to assess the diversity of the industry in finer detail and make informed decisions. For instance, research conducted by Spotify shows that female and mixed-group artists are streamed less than their male counterparts.[56] Female representation is slightly higher in algorithm-generated listening than it is in organic listening, but the study also showed that algorithm trends generally predict and consolidate consumer habits. While this data sheds light on the disparity of female representation, most existing data only comes from large European or North American streaming services where consumer habits differ greatly from the rest of the world. There is also the challenge of assessing gender representation, as in the absence of self-identification (which itself is unreliable, as band members, gender identities, and other complexities are changing regularly and artists might not comply with self-identification protocols) there are few ways to identify gender, sexual orientation, ethnicity, and other measures of diversity.

III. OBSERVED TRENDS

■ **There are significant asymmetries in the remuneration of artists in the music streaming industry.** Major labels, such as Universal Music Group, Sony Music Entertainment, and Warner Music Group, which hold 66.1% of global market share collectively,[57] are able to devote more financial and logistical resources to support artists and are more likely to invest in artists who have demonstrable potential for return on investment. Artists signed to a major label thus become more visible on major streaming platforms, leading to increased exposure and revenue gain. The most common revenue sharing model used in the streaming industry, the Market-centric payment system (MCPS), favours a small number of artists who have strong pre-existing fan-bases. This is illustrated by the fact that in 2020, Spotify distributed roughly 20.7 billion USD amongst its top 57,000 artists, while the platform's remaining 7.94 million artists received 2.3 billion USD amongst them.[58]

■ **The majority of initiatives promoting fair revenue distribution in the music streaming industry are based in, or have substantial connections to, developed countries.** Initiatives currently in place in the developing world tend to rely more heavily on assistance and funding from developed countries (e.g. The Sound Initiative; Station Beirut). The digital access and skills gap has resulted in a different emphasis for initiatives in the Global South, which tend to promote accessibility to the wider music industry and skills development, whereas the Global North world sees more initiatives around the music streaming industry itself, such as syndication, data generation, and regulation.

■ **While the pandemic has laid bare the challenges the music industry is facing, consequently leading to a surge of new initiatives (e.g. #BrokenRecord; Stream Local), the trajectories and results of these initiatives will undoubtedly take time to appear.** The streaming industry rose to new heights during the pandemic as an alternative source of income for many artists, but not all were able to benefit from it equally. As a result of the acceleration of the digital shift caused by the pandemic and the growing recognition of the disadvantages of traditional revenue distribution models such as the market-centric payment system (MCPS), increased emphasis has been placed on business models which favour direct monetisation and empower creators; such as the patronage remuneration model, which improved remuneration rates, and encouraged closer artist-fan relationships. As the search for more equitable and fair remuneration models continues, it is expected that this phenomenon will continue to develop as the world moves into a post-COVID era.

■ **The maturity of regulatory and monitoring frameworks differs greatly between regions.** Some countries, especially (but not exclusively) in the Global North, have established authorities which are dedicated to monitoring every step of the value chain, nurturing the development of processes such as data reporting and publication which have in turn helped to foster a more robust and transparent ecosystem. Others, however, lack infrastructure such as enforcement of legislations against copyright infringement, syndication, and intellectual property rights protection which are adapted for the digital ecosystem. The discrepancy has particularly affected the extent of which fair remuneration and diversity has been accounted for throughout the value chain of the music streaming industry.

■ **While there is an increasing amount and variety of revenue streams and payment methods available online for musicians, regulation and policy regarding these models have lagged behind.** New technologies such as non-fungible tokens and blockchain have presented themselves as alternative streams of revenue for artists. These new methods of revenue distribution are often decentralised, meaning artists receive remuneration faster and with fewer middlemen. However, the rate in which these new technologies have emerged and evolved has exacerbated the gap between what has been put into practice and corresponding regulation. As challenges to regulate the streaming industries persist, these developments continue to highlight the need for regulatory bodies to liaise with and develop regulatory frameworks alongside industry professionals and other stakeholders within the technology industries.

■ **Data transparency and availability is an ongoing challenge with implications for every link of the music streaming value chain.** The emergence of streaming platforms and data-gathering services such as Chartmetric has led to greater quantifiability and availability of data. However, data – particularly regarding remuneration and diversity – is often difficult for all stakeholders to gain access to and might not always be passed onto artists at the end of the cultural value chain in a clear and comprehensible manner. While vast amounts of streaming data exist through publications such as Spotify's annual Loud&Clear reports, ensuring that this data is comprehensive, accurate, consistent and presented in a digestible and actionable way for policymakers is another important step in the formalisation of regulation and monitoring. There is also a general shortage of reliable data for assessing diversity and gender representation

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IV.

PERSPECTIVES FOR FUTURE ACTION

■ **Access to robust data must be democratised for all stakeholders in the music streaming value chain.** For some markets, the continued lack of data generation, accessibility, and transparency has prohibited clear understanding of the local music streaming landscape; this has had particularly severe repercussions for artists and fair remuneration. Data initiatives such as Revenue Streams for African Musicians could thus be helpful for assisting artists in identifying the most efficient avenues through which creators can seek revenue. For policymaking, there is also the need for additional data disaggregation (e.g. by gender, age, ethnicity etc.) so that more specific data can be collected, published, and used to formulate targeted policies. On an international larger scale, clear and quantifiable indicators should be collectively developed by industry stakeholders and implemented to help coordinate actions around common goals of improving the fairness and transparency of remuneration models and support diversity.

■ **A holistic and collaborative approach must be employed to ensure that individual initiatives have optimal impact.** In consideration of challenges which are more prevalent in certain regions than others (such as lack of access to technology and the digital skills gap), an integrated approach – both within the music streaming industry and geographically – must be pursued. Within local streaming industries, all stakeholders (including those who work in label companies and streaming platforms) must be given the opportunity to get involved in strategic discussions, such as through the creation of syndicates or through participatory policy-making and open forums, to collectively determine how fair remuneration and diversity can be better supported at all levels in the music value chain. These initiatives can be extended globally through international networks and peer-learning initiatives to help mitigate regional challenges. Additionally, policymakers can help stakeholders who place fair remuneration and diversity at the core of their business model thrive through investments, subsidies, or training to help scale proof-of-concepts, while also helping to fund research which serves to continuously improve these two objectives.

■ **Artists should be empowered to leverage the impact and significance of patronage or fan-centred remuneration models.** Initiatives should seek to support artists who want to invest in building a relationship with their fans through streaming platforms and equip them with the tools and skills to monetize those relationships. In the current landscape, it is likely that the best road to generating revenues through music streaming for artists is to multiply the digital channels in which their music is made available and to diversify their digital strategy.

■ **Support diversity within and beyond music streaming.** Investing in diversity-centric training, developing support schemes that empower stakeholders who belong to marginalized groups, involving equality, diversity, and inclusion specialists in policy development, and enhancing cultural and artistic education are essential steps to protect and promote the diversity of cultural expressions, both within and beyond music streaming.

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PERSPECTIVES
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