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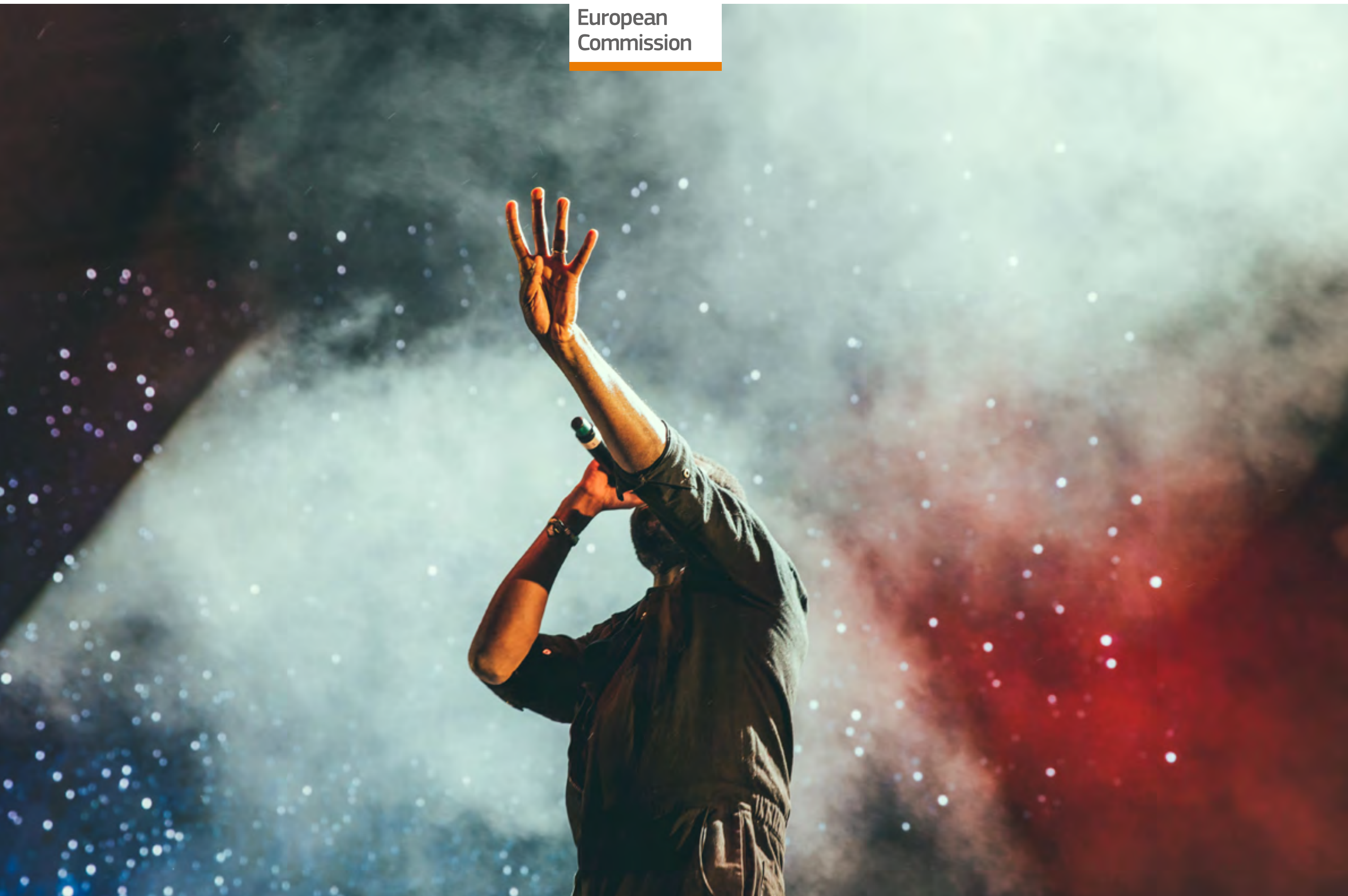

Implementing steps to develop and promote European Music Export

Final Report

Culture

EUROPEAN COMMISSION

Directorate-General for Education, Youth, Sport and Culture Directorate D – Directorate for Culture, Creativity and Sport Unit D1 — Cultural Policy Unit
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European Commission

Implementing steps to develop and promote European Music Export

Final Report

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Disclaimer

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Special Thanks

As president of EMEE, and manager of the EMX project, I would like to thank the great team of music professionals that have been involved in this long journey, either as coordinators, experts or researchers, your time and involvement was key. Thanks also to the member of the advisory committee (ECSA, EJN, EMMA, ESNS, FEVIS, GESAC, IAO, IMMF, IMPALA, Live DMA, Reeperbahn Festival and YOUROPE) who attend our numerous meetings, your inputs and feedbacks were very insightful. I want also to greet all the candidates of our programs for their willingness to get involved in new experiences and for helping us to understand the values of these experimentations.

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And of course, I want to thank the European Commission for their trust, and for allowing us, through this work, to live a learning process, to test several european music export solutions and to make us understand more than ever how important is the european value to level up the playing field for every European artist or music professional. Sharing and solidarity have been the core of EMEE, EMX gave us ways to make this heart beat even stronger.

For all artists and professionals around Europe, we hope these pilot programs for capacity building, networking and understanding foreign markets and the resource center created will create will be followed by many others and will be of great value for your future international steps.

Corinne Sadki

President of EMEE, manager of the EMX project

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European Commission

Implementing steps to develop and promote European Music Export

FINAL REPORT

Authors: Corinne Sadki, Franz Hergovich,
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Foreword by Vice-President Schinas

Music has the remarkable ability to influence our thoughts and emotions and convey powerful messages in a universal language. Resonating with people across borders and cultures, music is an integral part of everyday life, of our European way of life.

Beyond its intangible influence, music also holds significant economic potential. The music sector is one of the key pillars within the cultural and creative industries of the EU, employing a vast number of individuals. In order to fully harness the rich cultural diversity and economic benefits that music offers, we must extend our efforts beyond national and EU borders. By exploring new markets and reaching broader audiences, we can further enhance the careers of musicians, artists, and professionals in the sector.

With the Music Moves Europe initiative, the European Commission recognises the importance of a targeted approach to music. Our primary goals are to promote diversity, support the sector's competitiveness, and address the specific challenges faced in the field of music.

The establishment of music export offices in many countries has provided valuable support and guidance to artists, managers, and promoters seeking to expand their presence internationally. Nonetheless, there is a need to further develop the capacities of the music sector, taking a holistic EU perspective into account.

The present study on "Implementing steps to develop and promote European music export" can play a very useful role in our ongoing efforts to enhance the cross-border mobility of European music within Europe and globally. The study provides valuable insights and actionable steps to drive the internationalisation of European music. We encourage stakeholders from the music industry, public institutions, and civil society to join hands in implementing the suggested measures.

The European Commission is committed to taking a realistic approach in considering the recommendations presented by the authors in this report and to continue exploring practical avenues to support the growth and internationalisation of European music.

I express my sincere gratitude to all those who contributed to this study and wish you a fruitful reading.

1. Introduction

1.1 The context

The importance of the music sector for Europe both on an economic level (employing more people than film and generating more than 25bn EUR revenue annually – Source: Ernst & Young, Creating Growth. Measuring cultural and creative markets in the EU, December 2014, based on 2013 figures), and on a social level, as a crucial pillar of Europe's cultural diversity) is no longer in doubt.

Based on this observation and following a dialogue with the European music sector (AB music group), the Music Moves Europe initiative was launched with a preparatory action, set up within the Creative Europe programme framework to better prepare and inform the 2021–2027 programme with regards to the needs of the music sector. As such, Music Moves Europe launched several calls for pilot projects and tenders for studies over three years, including the study on the European Music Export Strategy (EMES) published in 2019. The main objectives of EMES included making recommendations on tools that would benefit the music sector and boost the capacity of European Music to cross borders, both within Europe and internationally. The study on the European Music Export Strategy was led by Le Bureau Export and MICA, with the participation from KEA European Affairs and with steering from EMEE – the European Music Exporters Exchange.

The EMES study has defined the background, scope, and a set of measures for a European music export strategy; it has pointed out the main obstacles, challenges and opportunities faced by European music when crossing borders and has showed that Anglo-American repertoire appears to be more successful in this context than music from the rest of Europe. The study also focused on key international territories through four market studies (United States, Canada, South Africa and China). Building on this exercise, a "European music export strategy" has been proposed through a set of objectives, target groups and measures, including innovative funding schemes and policy approaches, reflecting the need to include music sector stakeholders and policymakers both at the national and European level. The study finally delivered an EMES Toolbox for European Music Export that presented a clear development path based on the six steps described below:

- LEARN: creating the conditions for the European music sector to access relevant knowledge and understanding of domestic, European and international music markets.
- GROW: laying down the conditions for the European music sector to structure itself, reinforce its operational and professional capacity, and be better equipped to bolster its export potential.
- CROSS: providing the music sector with a relevant and tailor-made framework of support mechanisms to substantially increase its export potential within the EU.
- RISE: providing the music sector with a relevant and tailor-made framework of support mechanisms to substantially increase its export potential in key international markets beyond EU borders.
- EXCHANGE: creating opportunities for the development of a music export framework as a "two-way street", enabling more international music professionals to discover European music through activities organised in the EU.
- MEASURE: developing European indicators, data collection mechanisms and measurement frameworks which enable the accurate assessment of existing economic and cultural parameters, current and future challenges, opportunities and areas of progress in the field of music export.

2. The european music export (emx) project

2.1 THE REQUEST

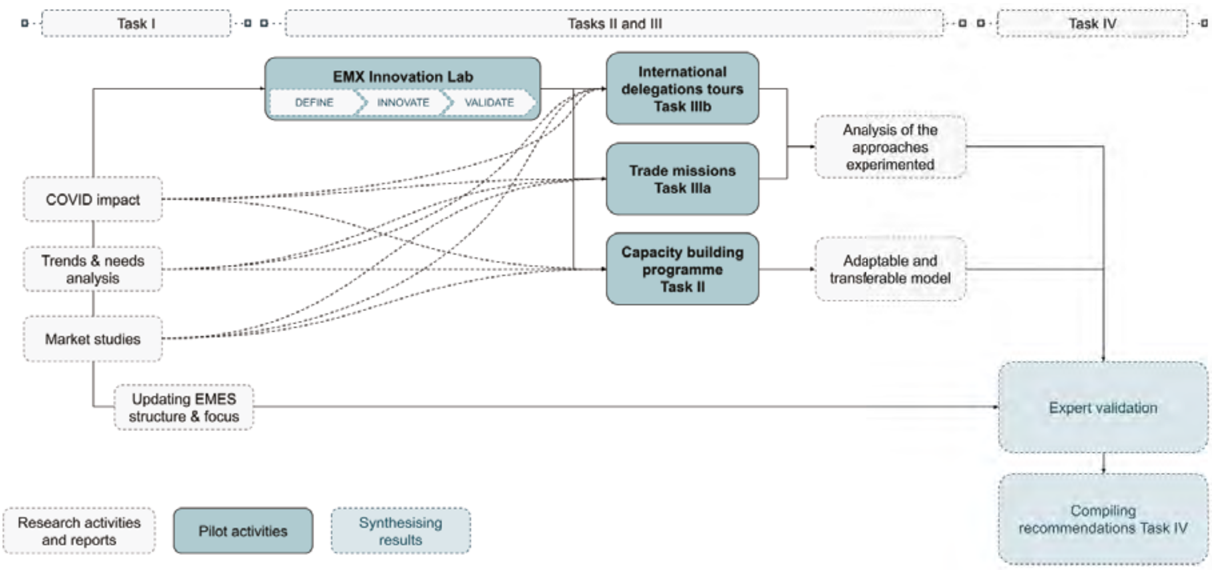
Building on these steps, in 2020 the European Commission issued a new call to understand the post-covid situation, to generate knowledge and to experiment with new approaches to European music export through the pilot implementation of certain elements of the toolbox proposed in the European Music Export Strategy study; through the Music Moves Europe preparatory action, a call to "Implement steps to develop and promote European Music Export" (call for tender EAC/2020/OP/0006) was launched and the consortium selected to work on the project was led by the Austrian Music Export (MICA) in partnership with EMEE, Music Export Poland, Music Finland, PRS Foundation and KEA European Affairs, all already involved in drafting EMES.

2.2 EMX TEAM – an inclusive group of music professionals

The team, selected to work on the different aspects of the process, including a managing team, an administrative team, a research team, an executive group of coordinators and experts from specific requested fields was large enough to involve 6 partners from 6 different countries and EMEE, a network including 29 members from 25 EU countries. In order to include a large scale of genres and sub-sectors of the music sector, an advisory committee gathering European networks representing artists, authors, managers, labels, live actors from popular music, jazz and classic genres was set up and had been consulted all along the progress of the project to amend, propose and validate the proposals made. Advisory committee members: Live DMA, Yourope, IMPALA, GESAC ,IMMF, EMMA, European Jazz Network, Fevis Europe, Eurosonic festival, Reeperbahn Festival, ECSA and IAO Music . A continuous process of validation with the commission was planned with several reports to be delivered all along the 22 months (full team, and advisory committee in annexe 1).

2.3 EMX PLAN – AN AMBITIOUS PLAN

Building on the request of the call, and in accordance with the Committee and the Commission, the project team built a plan where research and activities were impacting on each other as explained in the design hereunder.



The proposed plan consisted of an ambitious set of activities, including: an analysis of the key aspects of the impact of COVID-19 on European music export (task I), designing and piloting a capacity building programme (task II), experimenting with different approaches to reinforce the international foothold of the European music sector abroad, including trade missions (task IIIa) and an incoming delegation tour (task IIIb), developing new approaches and solutions through an Innovation Lab (task IIIc) that also includes a music export resource centre, and finally put forward recommendations for the future implementation of the European Music Export Strategy (task IV). Deliverables were due all along the learning process of EMX (activities, studies and analysis of the experimentation done, recommendations, with the purpose to draw a complete and ready to implement methodology for a European music export strategy).

THIS REPORT TENDS TO DRAW all the comprehensive information on all the activities carried out and presents the analysis, conclusions and recommendations made to the European Commission by the selected consortium. It presents 22 months of work, the process of testing music export programs, analysing them to learn and propose models for ready to implement music export schemes and recommendation to support European Music Export.

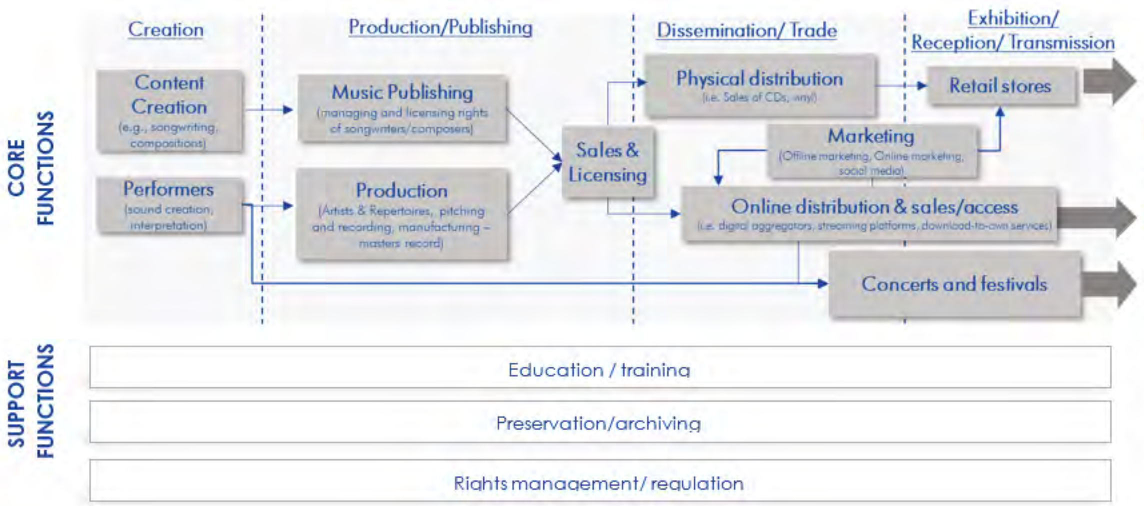
Task I – studies, methodologies and ready-to-implement european music export programs – the learn step

3.1 THE OBJECTIVE – the work started then with **the COVID impact analyses report** and an analysis of up-to-date music sector needs and trends of the sector, to answer the main question: What is the nature of the crisis impact on the music industry in relation to music export and how does it shape the capacity, capability and willingness of the key music exporters to plan and execute export activities, especially to non-EU markets ?

3.2 THE METHODOLOGY – the work, led by the research coordinator, alongside with research experts, consisted in desk research to compile and analyse all the existing reports, and a series of interviews of key music exporters.

A conceptual framework was settled to map the relevant actors and the interrelationships within the creative value chain to describe how music reaches the consumer: Creation, Production, Dissemination/Trade and Exhibition/Reception.

This figure proposed a Stylised music value chain model



As an integral part of the music sector, music export was then studied to understand the impact on its main activities, physical touring and performing in other countries, professional networking and showcasing activities but also digital distribution and marketing, social media channels and platforms activities.

3.3 THE MAIN RESULTS on the impact on the economy and activities of music exporters

A very severe impact on export revenues: though streaming consumption and revenues remained on an upward curve in 2020, the live music sector has been totally devastated. Moreover, the loss of export revenues earned from live concerts will probably outlast the ban on live events, as the return of the live sector to its full capacity will take time, also limiting their capabilities to book international artists.

A aggravation of existing gaps within EU countries: relief measures and policy response was a decisive factor determining the severity of the crisis impact on the music sector and music export and, therefore, the already existing disparities between the countries in terms of support of level of music sector, but also the level of infrastructure and opportunities for artists/creators to pursue a successful and sustainable career in music became worse.

New opportunities and challenges: COVID-19 catalysed digitalisation driven innovation, especially the development of virtual live experiences, bringing new opportunities, especially for promotion, (whereas monetisation appears to be quite challenging for most artists). Professional networking events developed new digital solutions for showcasing and networking. These, however, need to build new capacities and capabilities within their teams.

The complete study (D1) is available in annexe 2.

A large part of the research task was linked to market research, and for a more comprehensive approach of the methodology proposed, this part will be described under Part III

4. Task II – design and pilot implementation of a transferable and adaptable model of capacity-building programme – the grow step

4.1 THE OBJECTIVE – this task, led by the capacity building coordinator, aimed at providing a pilot European export capacity building programme, to reinforce the export capacity for two participant profiles: music sector professionals from all sub-sectors; and professionals (“train the trainers” concept). It also intended to test the innovative complementarities between the capacity building programmes and the resource centre component to be developed mainly through the digital tools on a European export platform (EMX Online Hub), market reports and other contents made available in the newly developed website.

4.2 THE METHODOLOGY – after the finalisation of a program with the task coordinator and the task experts, taking into account the takeaways from the research part (post covid specific needs for development of digital live experiences, other digital tools and trends as part of an export plan, market knowledge and best practices), two calls for participants were launched for professionals (exporting artists and catalogues in their companies) and exporters (working in exporting activities on a regional or national level) (https://www.europeanmusic.eu/capacity-building-programme/) .

30 professionals and 15 exporters were selected (a balance in term of gender, geographical origin, music genre was respected) and became involved in a 5-months programme, including online workshops, 2 days of physical meetings in Amsterdam, with seminars, working groups and case studies on export topics. It also included mentoring sessions for professionals and job-shadowing periods for exporters, for a selection of candidates.

Getting the more complete insights from each activity was key to evaluate each methodological proposal and every tool tested. Therefore, several layers of gathering of feedbacks were developed through a questionnaire, dedicated to each activity, to be filled not more than 5 days after the activity, a group online feedback lead by the research coordinator and 1 to 1 feedback meetings with the coordinator of the task and the research coordinator.

The evaluation focuses on three aspects of the pilot action:

- the quality of the action: how the participants valued the design, content and implementation of the programme;
- the added European value: do participants and the project team see a clear added European value to organising such programmes on a European, rather than national or regional level;
- meeting the requirements set out in the project contract, i.e. were the diversity and inclusion criteria met.

4.3 The outcome – out of the key takeaways from the evaluation, a transferable model for a european music export capacity building program should be delivered.

The learnings outline the following points:

NETWORK WITHIN EU PROFESSIONALS AND THE COHORT EFFECT were two of the highest values for the participants, as bringing practical on-the-ground knowledge and experience from their respective countries, peer-to-peer learning. This strongly confirmed the added European value of doing such programmes on a European level.

SPECIFIC PROGRAMMES FOR EACH TARGET GROUP: While the mixing of music sector and music export professionals in a joint capacity building programme has its values, in general the differing needs of the two target groups are best served with independent (if at crucial points intersecting) capacity building programmes.

PRACTICAL FOCUS LEARNING: live programme should be mainly targeted to largely practical learning around a single or a few highly focused topics, featuring a lot of workshopping, peer-to-peer learning, guided practice, etc. to make sure that the received knowledge can be put to practice by the participants.

TAILOR MADE AND 1-to-1 LEARNING TOOLS. Mentoring, job-shadowing, are very valuable and need to be supported by a bursary.

ALUMNI NETWORK. In order to maintain the network value gained from participating could be conceptualised as another add-on value offer.

FLUID ADMIN MODELS. Efficient administrative models, as e.g. lump sums, are important to reasonably handle and administer payments, bursaries, establish and monitor eligibility, etc.

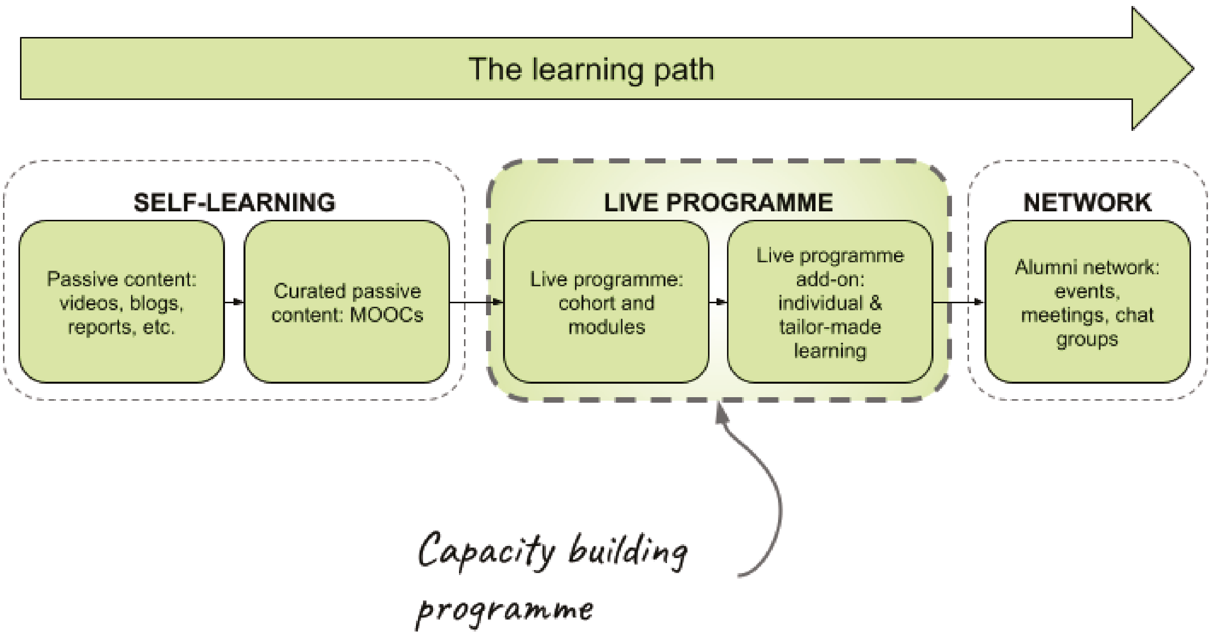
Based on these insights, the following design principles and structure have been deployed when designing the programme model:

- Knowledge creation is viewed as a longer term "learning path" and encompasses self-learning resources, a live capacity building programme and an alumni network.
- All insights and knowledge that can be delivered through ready-made content in various formats, should be pre-produced and made available in an asynchronous on-demand mode. A certain set of self-learning resources can be made mandatory as an introduction to a live programme to ensure that the participants are all more or less on the same level in terms of certain basics about the music sector in general and about the particular focus theme of the programme. For example, a preparatory MOOC could be provided as the preliminary step of the programme.
- The live capacity building programme focuses on a chosen key topic and makes use of an array of learning formats to ensure that on the one hand expert knowledge and insights are provided to the participants, but on the other they are supported in contextualising the received knowledge into their own particular needs, strategies and opportunities. The latter requires some amount of co-learning with a strong peer-to-peer component, but also an individual learning path which can be provided by either mentoring, job-shadowing or other elements. To achieve both aspects, the programme is divided into two stages:

- Cohort- and module-based group learning: this stage provides a set of modules and a fixed group learning schedule and plan. The participants go through the programme as a cohort and much use is made of various group learning methods and formats. In between the modules the participants are required to do homework that relates to their own strategies and needs.
- Individual & tailor-made learning: for some participants an optional second stage of the programme can be provided. This part of the programme is based on the participants personal learning strategy (which can be the base of selecting them into this stage). The key goal is to strengthen and further develop the learnings achieved in the first stage of the programme and to apply them more deeply to the participants' own strategy and context.

- The alumni network can function as a chat group or an email list in a most basic version or also as a set of more or less regular events organised either by the group itself or by the organisation or consortium managing the programme and perhaps also the wider learning resources.

The EXM team delivered a methodology with a learning path (that can also apply to other capacity building programs on any music topic) and a tailor-made programme that are presented here , *A comprehensive learning path concept with a 2-stage capacity building programme*



A proposed live program schedule

MODULE 1: Music as a Business - 2 days		
Content / themes: **Seminars:** How music works / Exporting by Genre/Creating a global mindset / how to build an export strategy / **Workshops:** Fundamentals – preparing for export / Opportunities in Country Reports / How to enter a new market / Pitch Yourself **Music Export Case Studies**	**Delivery methods:** Seminars Small group workshops	**Participants:** 30 Music sector professionals
MODULE 1a: mentoring for Music as a Business – 4 sessions of 1h by mentee		
Content / themes: Based on the mentees needs	**Delivery methods:** 1-on-1 mentoring, online sessions.	**Participants:** Music sector professionals: 10 participants out of the 30 get the additional mentoring programme

MODULE 2: Navigating the "New Normal". New trends, challenges and opportunities in the post-COVID world for music export – 1 day		
Content / themes: Key trends and challenges in the music sector; digital tools: what exists and how to find the most useful ones; Monetisation in the digital channels: trends and realities; New music economics: changes in the revenue streams and investment capacities + strategies to cope with the changes;	**Delivery methods:** Keynotes seminars (presenting results from task I + experts presentations) Panel discussions and debates Small group workshops (for peer learning, brainstorming and innovating)	**Participants:** All 45 participants
MODULE 3: Music export from a European perspective – 1 day		

MODULE 2: Navigating the "New Normal". New trends, challenges and opportunities in the post-COVID world for music export – 1 day		
Content / themes: Key trends and challenges in the music sector; digital tools: what exists and how to find the most useful ones; Monetisation in the digital channels: trends and realities; New music economics: changes in the revenue streams and investment capacities + strategies to cope with the changes;	**Delivery methods:** Keynotes seminars (presenting results from task I + experts presentations) Panel discussions and debates Small group workshops (for peer learning, brainstorming and innovating)	**Participants:** All 45 participants

MODULE 3: Music export from a European perspective – 1 day		
Content / themes: Building European collaborative trade missions – strategies, methodologies and implementation.; Identifying common markets, also sub-sector or genre specific approaches	**Delivery methods:** Presentations (best practices) Small group workshops (developing concrete ideas for future joint trade missions)	**Participants:** All 45 participants

MODULE 4: In-depth look at a foreign market- 1 day		
Content / themes: music market: Live music sector Recorded music sector Music publishing and synch sector Media and PR landscape Legal environment (copyright etc) How to enter the Indian market? Other music market specifics	**Delivery methods:** Expert presentations and seminars Panels of Indian professionals Virtual networking with India's music professionals	**Participants:** All 45 participants

MODULE 5: Learning from the past and designing the future – 1 day		
Content / themes: Designing music export capacity building activities: from past and current best practices to new solutions. Leadership, coaching and mentoring as a skill set Programme and activity design principles: design thinking and other innovative practices	**Delivery methods:** Seminars Small group workshop (innovating on new solutions)	**Participants:** 15 exporters
M5a : job shadowing program : 5 exporters will get the opportunity to spend 10 to 20 days in a host export office to work with another export organisation to develop new projects, gain a better understanding of how the organisation is run, and work on innovative new ideas.		

Time planning and the event programming are key for such a program which requires at least 5 months to be implemented and 3 to 5 days of physical event. Full planning is available in D2 in annexe 3.

5. Task III – experimentation with different approaches to reinforce the international foothold of the eu music sector abroad and foster exchanges – the rise and exchange steps

5.1 THE OBJECTIVE – within task III of the EMX project, the main objective was to test programs that would, on a European level, enhance international exchange within and outside of Europe, while experimenting ways to foster new and existing professional connections between European and international music sector professionals in the age of uncertainty and potential crisis.

Regarding international networking, looking towards leveraging digital technology and innovative solutions to make up for limitations in physical interactions and substituting physical travel when possible did not only look like a temporary crisis period necessity, but in the wider context of the Sustainable Development Goals, a move towards permanently more ecologically sustainable means of connecting across the world. An innovation approach would then be fully part of this task, as a continuous process to enable the activities and to create new opportunities.

The team decided to split the task in different parts, managed by 2 different teams to optimise the experiment and focus on specific learnings from the experiences.

5.2 THE METHODOLOGY – one part (**Task IIIAB**) will aim at developing new international markets, notably the Experimentation with Different Approaches to Reinforce the International Foothold of The Eu Music Sector Abroad And Foster Exchanges, including two Shared European Trade Missions and an Incoming Delegation Tour

The second part (Task IIIC) would focus on developing new solutions and approaches of European Music Export through a new solution, that we will call the Innovation Lab. It will include two sub-activities:

- Generating new solutions and approaches through an Innovation Lab process
- Developing the EMX Resource Centre concept

5.3 TASK IIIAB DEVELOPING INTERNATIONAL MARKETS

As learned through the EMX team export experience and studied through EMES, approaching a new market needs several steps: the market needs to be mapped, then a fact-finding mission is needed to complete the information through in situ experience, then an export trade mission can be organised with a better impact .

The update of the methodology of the market research and two new country reports, part of the research activities (and so included in TASK I) were developed.

5.3.1 STEP 1 – MARKET RESEARCH UPDATED METHODOLOGY

As mentioned before, as part of the EMES study, four different market studies were delivered following different methodologies. One of the key findings was that, as part of the development path for exporting music, the 1st step LEARN was essential before spending energy and resources in entering a new market and that it should follow a 3 steps method: the 1st step is to proceed in desk research on the market, then to lead interviews of EU professionals to understand the already existing exchange and then organise fact finding missions, involving a researcher and an music exporter, to gain a deeper understanding of the country’s context and local music market.

Updating this methodology started with the harmonisation of the desk research method, specifying the contents to be delivered to prepare any further approach on the targeted market.

The proposed methodology aims to ensure that a report on the music industry of a specific country answers the needs of professionals and helps them to easily understand a market, strengthen their capacity to approach it and identify the local key actors. To achieve this, such a report must provide common and up to date analysis on social and macroeconomic data, both the general and the specific figures about the music industry. It is also necessary to compare one country to another and building a common framework is the key to make this possible. However, the music industry is often more complex than quantitative figures and thus qualitative information based on different perspectives is vital to interpret the data and trends correctly and to deepen the knowledge of a local music industry. Consequently, a common framework needs to be flexible enough to allow for some specificities of a country in focus to be considered.

The complete methodology is available in annexe 4 and is quite exhaustive. In a very short summary, it includes:

- A general national context (social, economic, political, administrative, geographic…)
- Information on different sub-sectors and dimensions of the music industry, including:
    - Recorded music industry.
    - Live music industry.
    - Music publishing, including synch and other licensing opportunities.
    - Media and social media environment.
    - Legal environment, including copyright regulation
- Advice on promotion, digital marketing, tour planning, budgeting, (if relevant) visa issues,

5.3.2 STEP 2 – MAPPING TWO NEW MARKETS

As determined within the research team and validated by the advisory committee and the European commission, MEXICO and INDIA were designed as the two new reports to propose, using the new methodology. Therefore, after a period of desk research and interviews with music professionals already connected with the two targeted countries, two fact finding missions were planned during the program.

A. MEXICO

In Autumn 2021, the desk research done by the EMX team on the Mexican music economy tends to show an interesting specificity with Electronic Music as a vivid part of the Mexican music industry. The research team and the international team, with the agreement of the admin team decided to propose to match this open potential of the Mexican electronic scene with this very creative genre in Europe, The EMX Mexican Trade Mission would focus on bringing together the best creative minds and visionaries in Mexican and European electronic music scenes.

Therefore, the fact-finding mission focused on identifying high value Mexican contacts in electronic music and festivals, and on discovering the club scene to organise visits with the participants to valuable places. It was conducted from December 4th to 12th, led them to Mexico City, and met with more than 20 music professionals. Prior to the mission and in order to collect general information, meetings with music business representatives from Guadalajara were organised at BIME in Bilbao to cover the Mexican music ecosystem from all sorts of areas and music genres, including labels, publishers, management, agencies, festivals, live promoters, clubs and venues, sync agencies, PR agencies, composers and musicians, media, associations, and academic researchers.

As a first conclusion, main observations are as follow:

- huge potential as a digital music market with an extremely high digital music consumption;

- Mexico can also become a good strategic entry point for Europeans working towards the southern states of the US market or some parts of Latin America;
- The festival landscape is big and full of variety, offering options for almost all music genres.

The complete report is available in annexe 5.

B. INDIA

The fact-finding mission to India was conducted from April 24th to May 3rd and led to Delhi and Mumbai, to join EARS (Europe-Asia Roundtable Sessions) in Mumbai, a platform supporting creative industry collaboration by introducing the latest trends from Asia, and the professionals behind them. They met with more than 30 high level professionals from the Indian music ecosystem from all sorts of areas and music genres, including labels, publishers, management, agencies, live promoters, clubs and venues, ticketing companies, aggregators, digital service providers, composers and musicians, media, collecting societies, associations, intellectual property lawyers and the Ministry of Law & Justice. Joining EARS, which worked closely with an excellently connected local professional to develop the schedule opened a lot of doors.

As a first conclusion it can be said that there is a big interest in setting up artistic collaborations, connecting professionals and capacity building programs as an entry point to each other's territories and that especially working with electronic music from Europe seems promising. The common European approach is seen very positively, people said it will help to generate public funds to set up exchange projects and even the Indian branch of a big US player like Netflix showed real interest in cooperating. There are challenges for European artists and companies too, starting with administrative barriers, a strong dominance of local repertoire and local languages or a still less established system of royalty collection compared to European countries.

The complete market study is available in annex 6.

5.3.3 STEP 3 – INTERNATIONAL MISSIONS

There are two ways of meeting international professionals and artists: either you travel to their countries or to events they attend, or you invite them to visit your home country. Both approaches were tested during the EMX project with a European set up.

5.4 Task IIIA. Shared European Trade missions

Two European trade missions had been conducted in two different regions of the world, on different genres and testing different methodology to implement them. Both had the same objective to pilot the ways European trade missions would be organised with the support of European funding

5.4.1 The Canadian Export Hip Hop & Rap Lab

It involved 15 European music professionals (a selection balanced in terms of Gender and geographical origins), working in the Hip-Hop and Rap music genres, including all sub-genres, from Hip-Pop to Afrobeat, Afro-swing, Drill and anything in between to participate in a week-long digital trade mission to Canada, with a Mission preparation day planned for 18th November, to gather market information on Canada and best practices to prepare the mission.

A bursary was proposed to the participant to use as they see fit to promote their company / professional activity to the Canadian delegation, as well as a free pass to digitally attend Indie Week, a Canadian Music conference (2021 was a full online edition).

The trade mission was organised from 6th–10th December 2021, on a virtual world (Bramble) as advised by the innovation Lab team, consisted of several brainstorming sessions with Canadian music professionals working across the same music genres, networking opportunities through a specific tool (Around the World), as well as the option for an artist/ writer represented by a participant to work with creators in online collaborative sessions

Key learnings from this mission

Digital event – despite difficulties much can be achieved also in a fully online mission. The preparatory event and possible follow-up events can be done digitally, enhancing the effectiveness of a trade mission.

Trade mission as Capacity building opportunities – despite being the leading "music genre" commercially, Hip-Hop and Rap music scenes both in Europe and Canada seem to be fragmented and independent with many artists and professionals lacking developed professional industry structures around them. This manifested in a heightened need for knowledge exchange and discussions in addition to business networking. For this and possibly other music scenes, such aspects need to be researched and taken into account when designing music export events in the future.

European networking opportunities – the participants valued very highly the geographical diversity of the European group, meeting each other was as valuable as meeting the Canadians, one significant added European value in doing such missions on a European level.

Long term process needed – engaging high level professionals in the target market is not easy, requiring a very good local partner and a longer-term process to build up the contact base. It could help to establish closer partnerships with target country professionals.

5.4.2 The Mexican Trade Mission

15 European music professionals, working in the electronic music genres, including all sub-genres, from Electronica to Techno, House to Ambient and anything in between were selected to participate in the Mexican trade mission, a hands-on, week-long physical trade mission to Mexico City from May 23–29, 2022, with an online Mission preparation in April.

It consisted of curated market introduction sessions, matchmaking 1-1 meetings, group brainstorming sessions, networking dinners as well as on-site visits to local music industry companies as well as major local clubs and venues together with Mexican music professionals working across the same music genres, with networking opportunities.

A travel bursary to cover travels and accommodation was delivered to participants.

This mission took place physically and was therefore closer to a traditional trade mission in format. Still, the fact the group of participants was geographically diverse and had such a broad scope (a Europe wide open call) and as the mission had a preparatory online seminar, it featured some new approaches and yielded valuable learnings. The mission was preceded by a fact-finding mission to gain market knowledge and understanding, scout key contacts, establish partnerships and visit locations. The programme was diverse, also leaving room for personal networking. A valuable addition was a joint reception and networking organised with the Mexico Delegation of the European Union, which allowed the participants to meet with cultural institutions.

Key learnings from this mission

The value of targeted trade missions. It allows a crucial focus of the profiles of the target market professionals, places, and events to visit, etc. which means a large overlap in both delegations' profiles and interests.

European networking opportunities. The participants valued very highly the geographical diversity of the European group.

Enlarge opportunities for all EU professionals. The European level allowed participation from lesser developed music markets, and at the same time a well-adjusted level of professionalism.

The Necessity to understand the targeted country. It was important to use the fact-finding mission prior to the trade mission for preparation and scouting of local partners, venues, key contacts, safe areas, transport issues, etc.

Added value of European institution collaboration. Collaborating with other European institutions can be highly beneficial, in this case with the Goethe Institute and Mexico Delegation of the European Union.

Follow up needed. For sustained effect, follow-up activities are needed. Through follow-up funding for those participants who can show highly promising results already immediately after the mission.

On and offline, EMX team shaped an ideal list of activities to implement in such pan-european trade missions allowing a large understanding of the market and the local professionals .

These activities are as follow:

- preparation day before the mission for all participants
- curated market introduction sessions
- matchmaking 1-1- meetings
- group brainstorming sessions
- creative sessions (in case artists are involved to allow Artistic collaboration)
- networking events dinners
- on-site visits to local music industry companies as well as major local clubs and venues.
- connection with the local European Embassy is a plus

5.5 Task IIIB. International delegation tour (IDT)

As already mentioned in the EMES Study (cf Ireland Music Week, Bureau export Days in France), the experience of hosting in your home country an international delegation of professionals is a real bonus: the high level choice of the professionals selected for the tour, a better attention from the delegation during the mission, high possibilities of networking sessions, a discovery of artists in their home venues in front of their local audience etc. The idea of this task was to pilot such a proposal on European level, allowing more countries to experience incoming delegation tours and offering more value for the invited professionals at the same time.

To test this type of program, EMX proposed an open call for Consortiums of professional music organisations or companies to organise the tour.

The call for proposal was launched in early June, in order to select the winning application mid-September, to let them organise the IDT. We looked for applications from a consortium of music-related organisations from at least two different EU countries, which will organise, with advice and financial support (35k euros), a week-long event in the first half of 2022.

The IDT should consist of an incoming delegation of 20 international (non-EU) music industry professionals visiting at least 2 EU countries and taking part in a mix of 1-1 meetings, networking events, company visits, live music with European music professionals, as well as any other activity or event that the partners would deem fit for purpose.

The Key Objectives of the International Delegation Tour were as follows:

- provide European music organisations with a regional framework for collaboration in the field of music export through the programming of an incoming trade mission, which will model pilot European added value collaborative projects;
- create a program of dedicated, high-value networking opportunities between EU and non-EU professionals, which matches the export interests of EU music business professionals;
- help revive cross-border collaboration and create new business opportunities post Covid-19 for European music professionals.

The candidates should propose concrete tour "routes" and ways to host them. The most well justified and innovative proposal will then be organised by the project team together with the applicant Consortium. Therefore, in Task IIIb, not only will an international delegation tour be piloted, but also the mechanism for finding the best proposals through an open call.

The selection was made with the project Waves Central Europe , proposed by Waves Festival from Austria, in partnership with HOTS from Hungary, SIGIC from Slovenia, BACH from Czech Republic. The project was being developed with a program scheduled, the international delegation selected and calls for EU delegates open and can be found here https://www.wavescentraleurope.com/

Planned in April 2021, due to the war in Ukraine, the tour had to be cancelled: it had been built on welcoming mainly professionals from the post-Soviet states' region including Russians, Belarusians, and Ukrainians which of course was not possible. The partners tried to reschedule, with different international delegates. But it has been impossible to find a solution for our partner (and their partners who were involved and funding a big part of the project) for Covid reason: after Covid-19 pandemic, lots of postponed concerts and events were already rescheduled and too many upcoming festivals and conferences, organised by the partner organisations themselves, but also by other regional organisation(like Pohoda festival) took place in the months after the original date of Waves Central Europe. Though they tried, they were not able to find a date in the time range given by the project and all together came to the conclusion that the only possible option would be to cancel the project.

However, the preparatory process for the IDT– open call, selection of the winning bid and working with them to prepare the action – reached an advanced state of readiness and therefore still yielded learnings, even though the main event never took place.

THE OUTCOME

A STRONG INCENTIVE FOR EU IDT ORGANISATION. In general, the open call process proved that real and actionable proposals can be incentivised for incoming delegation tours, as shown by the winning applicant presenting a proposal with in total 5 partners from 5 countries.

THE NECESSITY OF LONGER OPEN CALL. The open call process was successful, with few but very valuable proposals. The timeline for planning and calls for such projects needs to be unusually long to allow the gathering of partners and prepare a high-level tour proposal. The research of the co-funding part also claims for a longer time.

A MORE IMPORTANT BUDGET. The fund allocated from the EMX project (35,000 €) was likely too small, representing approximately 40% of the programme costs. In the case of the current winner, they managed to secure the 60% additional funding, but a lower co-funding would allow more diverse projects. The provided grant should be larger to incentivise more proposals (between 50 000 to 100 000 € would be advisable, with a co-funding part of 30% from the organisers).

A PART OF THE MARKET ENTRY STRATEGY. The most strategic learning relies on the understanding that incoming delegation tours should be tied with the comprehensive market entry strategies and organised as part of the larger cycle of opening and developing a market.

A MODELLED SCHEDULE

the Tour should include a minimum of 12 events in total, over the 6 days of the Tour (excluding travel days):

- **2 X Working brainstorming group sessions:** to encourage international and European music professionals to work in groups about current trends and the future of the music industry. (roundtable discussions, a hackathon, workshops, etc.)
- **2 X Music Tourism activities highlighting local music industry players:** like a city tour of local venues, clubs and record stores, or it could be company visits to local studios or record labels, or other local music initiatives.

- **2 X European music markets highlights:** to put the spotlight on several European music markets and how they work. (conference, panel or workshop, and should include other European countries than the Tour host countries).
- **2 X Live music elements:**(private showcase, ticket allocation for existing concerts or local festivals. Bands performing will need to be EU-based ones, active in their local community)
- **2 X 1-1 bespoke networking sessions:** between select EU nationals and international professionals from the delegation – curated speed meetings, individual meetings, 1-1 listening sessions, etc.)
- **2 X Group networking sessions:** high quality, original networking session or event between the international delegation and selected EU music professionals (a dinner, cocktail or group activity.)
- **1 introductory online session:** this would take place ahead of the physical tour. This session would be hosted by the hosting partners and aimed at the selected international delegates confirmed for the Tour. The goal of the session would be **to introduce the hosting countries' music markets and detail the program to come on the Tour.**

5.6 Task IIIc developing new solutions and approaches

5.6.1 The innovation lab

THE OBJECTIVE of this task was to find ways to propose solutions for capacity building and networking activities and build sustainable solutions for future export activities. It was the most experimental component of the project and, accordingly, has required quite a lot of testing and learning.

5.6.2 The activity

Expert meetings and discussions were organised, including the EMX team and outside professionals involved in new technologies or having experimented with new solutions already, to get their insight and advice on solutions to get used for the project capacity building and networking activities. The solution chosen was to use ad-hoc existing technologies, fitting the need of each activity (online workshops, match-making online tools etc…) and we used existing virtual word tools, networking tools such as Zoom and Bramble.

The feedback from the candidates was very positive on the efficiency of the solution, especially for the online trade mission.

The Innovation Lab was about testing new technologies but also innovative processes.

We experimented with **innovative capacity building methods** (such as Module 5 in its shape and the job shadowing experimentation). The one-day event of M5 tested a multi-step workshop, with a preparatory survey of the participants to map the biggest challenges to music export activities, both within and outside of Europe, a presentation of the results, identifying most important and commonly shared challenges. Then best practices to face these challenges were shared among the participants, two outsourced experts presented how digital innovation and technology could be used to develop solutions. The final delivery of the day was new solutions designed by small groups of participants to answer a selected challenge.

KEY TAKEAWAYS

THE VALUE OF EXISTING SOLUTIONS. The experimentation showed that tried and tested solutions were always a safer option and that they were time and money savers. Building a competitive platform would extend the project duration and budget and furthermore be very expensive and risky.

THE NECESSITY OF DYI RESEARCH. From the capacity building testing, and through the networking activities, the necessity of an accessible and ready to be used platform for individual gathering of reliable export information and knowledge has been settled.

CROSS SECTORIAL ADDED VALUE. Bringing in experts from other fields and providing fresh insights and information to think about challenges is very valuable. It would have been more valuable with experts from really different fields (from another industry far from ICC) but it would need more time to study these fields.

PHYSICAL AND LONG MEETINGS. While some discussions can be done digitally, physical gathering that can allow genuine discussion, small groups brainstorming and exchanges, with 1 or 2 days of maturing the ideas discussed is more valuable

5.6.3 Developing the emx resource centre concept

THE OBJECTIVE. All along the EMX activities, through feedbacks of participants and research, it appears that the gaps within the European countries, in terms of development of the music sector, professionalisation of the professionals and, very important, in terms on funding schemes (that the Covid crisis even widened) was crucial in creating **unequal access to European music professionals and artists to a full export capacity**. Levelling up the access for export tools and information for the whole European music sector was one of the key findings of the EMES Learn and Grow and testing an online platform to answer these needs was part of the EMX project.

THE ACTIVITY. The platform, primarily aimed at proposing new technological tools for export activities, took the shape of the skeleton for a resource centre, with a wide variety of information, studies, capacity building modules etc. From EMX discussions and feedbacks, it appears that the most obvious and needed solution to develop European music export on a larger scale, and despite the unequal investment that can be made in different European countries, was to propose a common European music export resource centre.

The delegated team, which included export specialists as well as a UX designer and web developer, worked throughout the project on methodological and technological solutions that would allow this ambitious task to be completed within the limited project timeframe and strict budget.

THE METHODOLOGY

An essential feature of RC is the two-pronged approach of sourcing content from external sources and creating "tailor-made" content of its own.

(a) External sources

Many music market organisations have existing resources that can be an invaluable source of knowledge for artists and professionals interested in exporting. However, their scattered and sometimes fragmented nature makes them difficult to find, as well as to use. By bringing these existing materials together in one place, we give less experienced music market players the chance to access them more easily. This approach also allows for the involvement of as many music industry players as possible in the creation of RC by establishing partnerships with them to redistribute content.

Data (including figures, text excerpts, and download links) from external sources indicated by the RC management team has been collected using BOT (a program that extracts the indicated data/information from the content available in the free area.

A significant source of external information for RC are data and reports created/obtained by export offices. Based on these reports, the profiles of European countries will be created.

(b) New content created for the Resource Centre

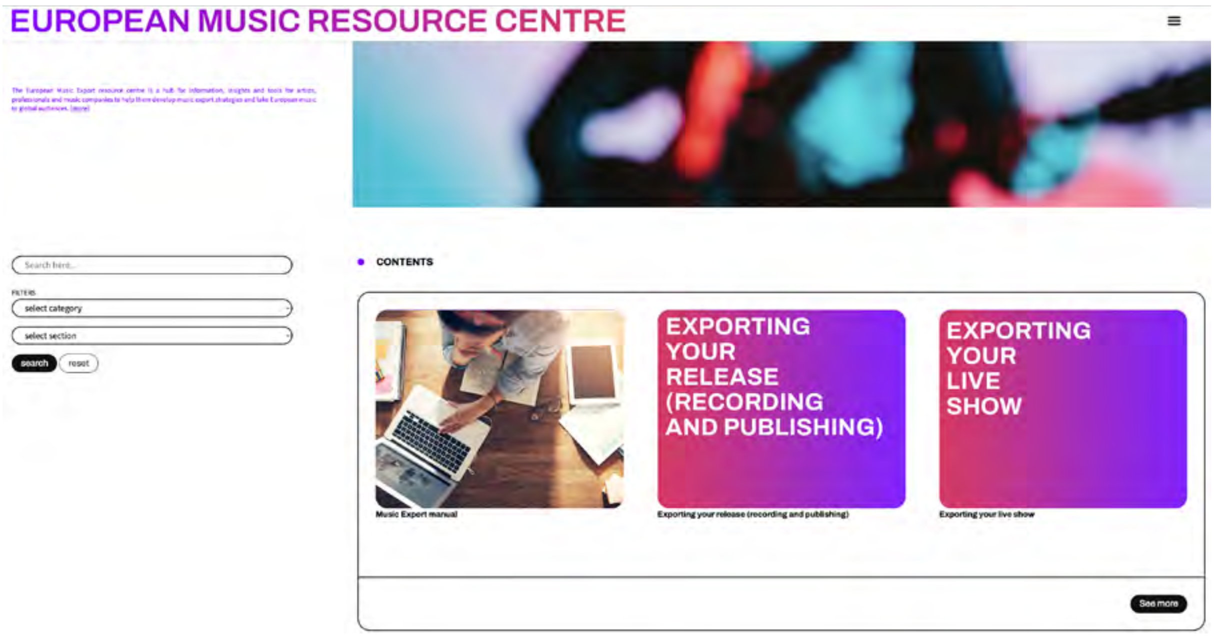
Tailor-made materials have also been created for the project – studies of issues diagnosed throughout the project and requiring a new, innovative approach.

A system of tags and categories has been used for easy and precise cataloguing. At the same time, efficient content searching is enabled by a search engine designed and created especially for the project. This tool not only allows a search of the entire portal based on keywords (both in the titles and in the entire content) but also allows the presentation of results based on the mentioned tags and categories.

Importantly, it has also been equipped with an autocomplete system, which will make it easier to use also for less experienced users.

In addition, the portal is equipped with the breadcrumb – secondary navigation scheme that helps reveal the user's location in a website.

THE EUROPEAN MUSIC EXPORT RESOURCE CENTRE STRUCTURE



In its pilot version, the portal includes the following modules/subpages:

1 Market reports – based on the 6 market studies conducted within EMES and this project and the consolidated methodology, the resources are made more web-friendly, that contain live links, infographics etc;

2. Web pages for the pilot activities, such as the capacity building program, trade missions and international delegations' tours. The program web pages will host all relevant and up-to-date info on the activities, open calls, any open online resources, and links to webinars etc.

3. European music sector information and resources collects relevant info regarding visa, taxation and laws for temporary workers or artists in each country in and out of the EU, also info regarding the different music networks existing in Europe (IMPALA, live DMA, EMEE, etc) and different music export offices.

4. Learning resources is an ever-growing section of second-hand and original content on every aspect of the music sector, directed for self-learners of every level.

5. News about pilot activities and other relevant topics.

6. Calendar of industry events, important from the point of view of building a presence in European and global markets.

Due to the perceived need to create space also for people who are at the beginning of their careers or have only recently become interested in export, but also taking into account the terminological differences in various countries or organisations, a glossary containing key terms on this subject is a significant part of the portal.

KEY TAKEAWAYS
Certainly, the work on the European Music Resource Centre was one of the most difficult components of the project to precisely plan and implement due to technological, budgetary and time constraints.

Thanks to the dedication of the entire team involved in working on the RC, a very satisfactory pilot version was created, which in the future, with increased time and budget, has the potential to become an invaluable tool for music industry representatives interested in exporting.

However, a number of issues arose during the course of the project which should already have been addressed at this stage

LACK OF UNIVERSAL TERMINOLOGY APPLICABLE TO THE MUSIC INDUSTRY INTERESTED IN EXPORTING. In the course of developing the portal, it became apparent that a lot of the available content uses different terms to describe the same phenomena or, conversely, the same terms describe different matters. It therefore became necessary to create a glossary to make these nuances easier to understand for the less advanced.

THE PROJECT INVOLVED THE USE OF TECHNOLOGICAL SOLUTIONS, SO IT WAS NECESSARY TO WORK WITH A UX DESIGNER. Only such a person was able to translate the content into a language that developers could understand and create satisfactory solutions.

LIMITATION TO USE MAINLY ENGLISH-LANGUAGE SOURCE MATERIAL. The vast majority of documents available online are produced in English and from an Anglo-Saxon perspective. This imposes a particular point of view on some issues (such as copyright) that would not be dominant if more time and financial resources were devoted to translating source texts.

IT IS NOT POSSIBLE TO USE SOURCE MATERIAL FROM OTHER SERVICES 1:1, THERE IS ALWAYS A NEED FOR COMMENTARY, HARMONISATION AND ADAPTATION OF CONTENT. Although a lot of the data within RC comes from external sources, time and resources had to be spent on processing it. The cost of creating bots to automate this process would have exceeded the project budget many times over.

MAINTENANCE ISSUE. A created tool without curation, data supplementation and creation of new content (e.g. adding events to the calendar, news, supplementing content with new export-relevant topics) will cease to fulfil its function over time.

D. PILOT RESOURCE CENTER. The creation of the Resource Centre was certainly an ambitious task for the planned financial resources and team composition. Despite the limitations of time, budget and human resources allocated, a pilot version was created, which would reach the maximum functionality if one of the following solutions would be adopted:

- have a two-person team working on the project full-time supplemented by a dedicated programmer and designer;
- partner with a large technology company that creates bespoke solutions, which would develop an advanced IT system complemented by contracting specific content authors based on current needs.

Certainly, the issue of Resource Centre maintenance and development should be addressed as a priority to reach a very large audience of european music artists and professionals willing to gain export knowledge. .

Link to the portal: https://www.europeanmusic.eu/resource-centre/

6. General takeaways for EMX

The several pilot actions carried out in the EMX project, and the learnings thus achieved align very well with the need for the implementation of a European music export strategy. The necessity of a European level coordinated action in developing music export capacity in Europe has been well established before, notably also in the study of European Music Export Strategy. This was reconfirmed again by the current results. The following section features a synthesis of the key learnings from the EMX project

- **Disparity between music ecosystem development levels in European countries persists and was made worse by the pandemic**. This was confirmed by the research done in the beginning of the project and was mainly due to important differences in national policy responses to the crisis, especially in the cultural sectors. Furthermore, the various factors impacting music export capacity of professionals in European countries are only partly attributable to national cultural policy. The size of the country, access to international expertise and maturity of the local sector all play a role. In order to level the playing field for music professionals in Europe, European level coordinated action is of key importance.
- **Music export begins at crossing the border of one's home country**. Interviews with European artists and managers about their export strategies showed that from the perspective of the key music exporters there is no structural difference whether they are exporting to another European or to a non-EU country. Therefore, the policies to develop music export capacity in Europe must correspond to this logic and provide support to crossing borders both in and out of Europe.
- **Pan-European actions work and are highly valued by the participants**. The EMX pilots brought together geographically diverse groups of participants in all pilots and the feedback assigned consistently very high value for this aspect. Also, for many professionals, European programmes are the only option to gain such experiences and access, noting that there are simply no national or regional level organisations able to provide similar opportunities. In summary, the pilots consistently proved that there is significant European added value to organise such actions on a European level.
- **Highly integrated activities are needed to achieve optimal results**. While the project consisted of several separate pilots – a capacity building programme, two trade missions, innovation labs and developing a resource centre – it became very clear that an integrated approach is needed. Trade missions depend on knowledgeable and experienced participants; therefore, capacity building is needed to help them get ready. Also, knowledge in the form of market studies and seminars supports the trade missions and thus a resource centre is required. Opening and developing new markets require a several steps strategic approach, on a long-term basis.

7. Recommendations and conclusion

A- TOWARDS A TAILOR-MADE SCHEME

Learning from these takeaways, our general recommendation would be to provide a European support vehicle in the form of a dedicated music sector strand in the Creative Europe programme (post-2027). This "MUSIC" strand that would also include a "music export" cluster, will allow for the stability and sustainability needed for long-term strategic development processes. This would also support a more consistent programme brand that would help to reach the sector better. Finally, it would provide more organisational stability thus enhancing the impact of the funds provided.

In synthesis, the following key takeaways summarise the most important overall learnings from the research and pilot actions in the project:

- **Disparity between music ecosystem development levels in European countries persists** and was made worse by the pandemic;
- **Music export begins at crossing the border of one's home country, not the EU's.** Therefore, the policies aimed at developing music export capacity in Europe, whether on the Member State of European level, should correspond to this logic and be coordinated to provide support to crossing borders both in and out of Europe;
- **Pan-European actions work and are highly valued by the participants.** For many professionals such European level programmes are the only option to gain such experiences and access, as there are simply no national or regional level organisations able to provide similar opportunities. The pilots consistently proved that there is significant European added value to organise such actions on a European level;
- **Highly integrated activities are needed to achieve optimal results when opening and developing new music markets**. Several steps are required, from market research and fact-finding missions to prospecting missions by music export professionals and incoming delegation tours to develop and strengthen relationships with high level contacts in the target markets. Finally, trade missions for professionals need additional follow-up funding to take the most value out of the leads generated.
- **Music export development requires a long-term vision and coordinated action.** The high level of integration can only be achieved if there is a long-term vision in place that guides not only the implementation of particular music export actions, but sets a medium-to-long-term strategic path for developing music export capacity across all European countries. Acting on such a vision, in turn, requires a coordinating centre: a well streamlined organisational structure and a professional team contracted for sufficiently long periods.

Thus, the European Music Export Strategy needs a leader with sustained administrative capacity to plan, implement, evaluate, and develop activities foreseen in the toolbox. This is key to sustainable and effective implementation, including bringing other stakeholders on board such as the EU member states and various music sector organisations. The above mentioned recommendations are highly dependent on a professional, well-organised structure.

- **Consistent branding is needed to effectively reach and engage target groups**. Music professionals across European countries are scattered and the general sector landscape is fragmented. A branded programme or initiative that provides for certain types of activities in certain ways over time and many editions will serve to gradually build awareness across a broad and diverse landscape of music professionals in Europe.
- **A European Music Export Strategy is more relevant than ever.** While European level initiative and support is key to drive ambitious and longer term developments in enhancing music export capacity in Europe, others need to do their part – the national and regional governments through their cultural policy levers and the music

sector support organisations both on national, regional and European level have a role to play.

Combining the key learnings from the EMX project with the evolving framework of the European Music Export Strategy has resulted in the following vision for an **EMX Hub** – a highly integrated organisational solution for long-term strategic action to develop European music export capacity.

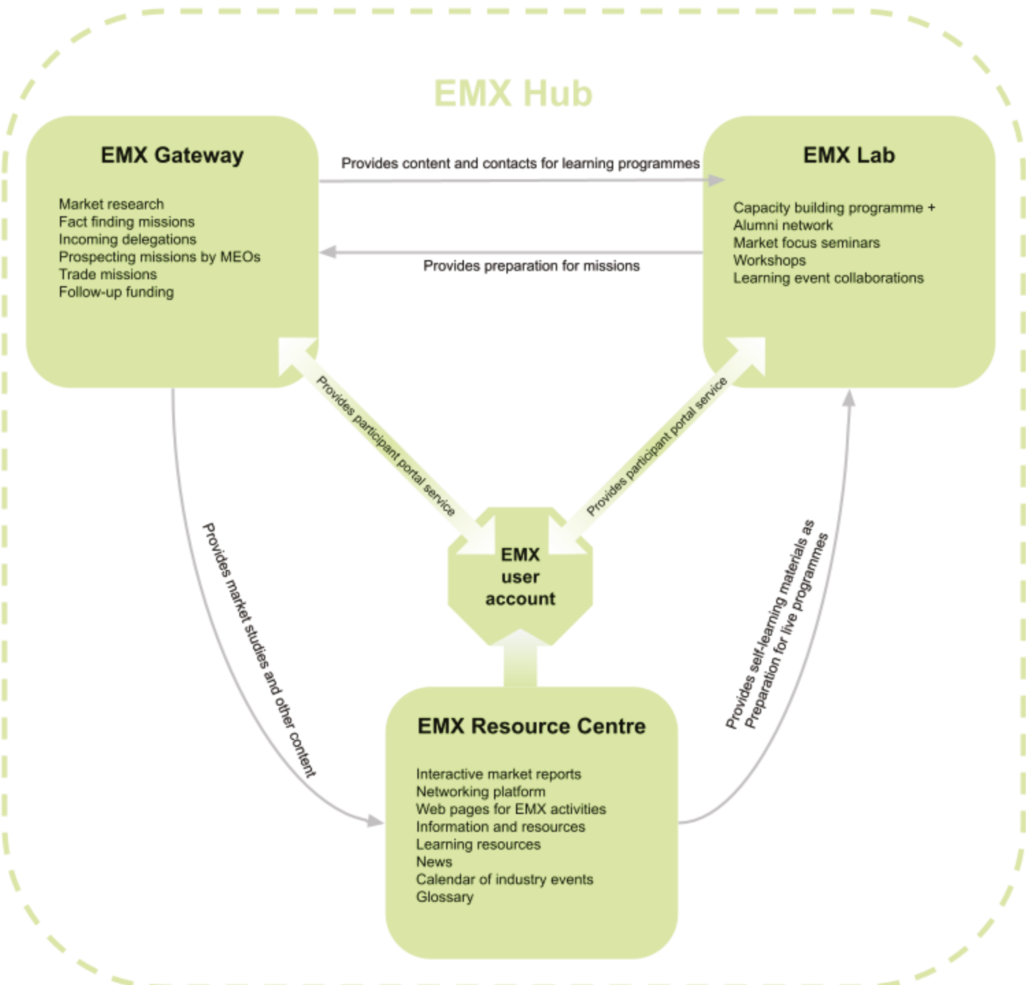
The **EMX Hub** would be a European organisational structure meant to implement the European Music Export Strategy through a set of different actions (the toolbox) and providing a coordinating framework for the efforts of many other stakeholders across multiple levels (the EU institutions, Member States and sector organisations).

The EMX Hub would be built from three interconnected units:

1. **EMX Gateway** – a system of opening and developing international music markets for European artists and professionals. The EMX Gateway consists of market studies, trade missions, international delegation tours and follow-up actions.

2. **EMX Music Export Lab** – a regular capacity building scheme including learning programs and events, and innovation labs for ideation and brainstorming on new development and ideas.

3. **EMX Resource Centre** – a web-based hub for knowledge and other resources, providing a user account that integrates into EMX Lab and EMX Gateway activities as well.



B – POLICY RECOMMENDATIONS

In order to move towards the vision outlined above, a set of policy recommendations have been made within the EMX project (specific report annexe 7).

A successful and impactful support scheme should be shaped for every European cultural industry as it is done for the audiovisual sector through the MEDIA program. Each sector has its specificities which require targeted programs all along the value chain of creation, production, promotion and distribution. Since 2017, the European Commission has opened the way to consider European support for music through the Music Moves Europe initiative, the 3 year preparatory action (2018-2020) shaped a sectoral approach to support music, and was supported by the European Parliament. The new creative Europe program includes specific MME calls to keep on shaping the tailor-made programs music deserves. Post-2027 MME developments should validate the music scheme with the ambition for the very creative, vivid european music sector deserves.

On the Council level, the inclusion of the topic of export in the recently adopted Council Conclusions on "Building a European Strategy for the Cultural and Creative Industries", although not specifically focused on music, identifies the issue of export as a major field of EU cultural policy development for the coming years and gives a clear indication on the prioritisation of export as a major theme in future funding opportunities, visibility initiatives and cooperation mechanisms.

The EMX consortium notes that the actual collective sectoral advocacy in the music sector, the institutional consensus, and the results of the EMX project creates a unique opportunity to roll out more precise recommendations in the field of music export, with the objective of achieving realistic and tangible results.

With this new landscape in mind, the report provides a three-step policy plan for music export at EU level: immediate (I), mid-term (II) and long-term (III) policy proposals.

I. Immediately actionable proposals

a) EU level cooperation on culture, including music, with/between the Member States

The EMX consortium notes that the Council, in its Resolution on the EU Work Plan for Culture 2023-2026, of 29 November 2022, did not include any action targeting specifically music export. The consortium therefore recommends that the Commission, the Presidency and the Member States include the subject of "**export and international market consolidation**" as part of their cooperation at EU level, at relevant events or workshops involving Member State representatives and/or experts, and in the context of Music Moves Europe.

b) Music Moves Europe Structured Dialogue 2023-2026

The new Music Moves Europe structured dialogue (following up on the Creative Europe call in 2022), to be implemented as from 2023, is a very timely opportunity to give the topic of music export a more prominent place on the cultural agenda of the European Union.

The EMX consortium therefore recommends that the Commission, in agreement with the selected consortium to implement the new dialogue, establishes the subject of music export as one of the key discussion threads of this new dialogue. This could take the form of (i) including a module on the concrete deployment of a "European Music Export Strategy"; (ii) organising of at least one session on music export solutions as part of the cycle of sectoral dialogues; and (ii) including music export specialists as part of the pool of experts appointed to supervise the curation and the reporting of the various activities organised during the four-year period of the dialogue.

In this perspective, the EMX consortium will ensure that every useful resource is made available to the contracting organisation(s).

c) "Music Moves Europe" 2022 call in Creative Europe

Perhaps the closest target within this set of immediately actionable recommendations, the dedicated "Music Moves Europe" funding line of the 2022 Creative Europe work programme provides the opportunity to upscale directly some of the activities tested as part of the EMX programme.

In this respect, the EMX consortium recommends that when evaluating proposals for this call, the criteria should take into account the main learnings from the EMX project. Most notably, when providing cascading grants for music export activities, the aspect of longer term strategic and knowledge-driven planning is a crucial element of the programme designs. Also, when providing capacity building for the recipients of the cascading grants, these activities are focused on making the projects informed, involved, strategic, targeted and also linked where synergy is possible.

II. Mid-term proposals

a) Establishing a long-term partnership with EU Member States on developing export support at national level

Anchoring support from Member States in the process of setting up a coherent and lasting European music export strategy will be paramount. The EMX consortium recommends conducting consistent advocacy work through the newly EU-funded EMEE network. The campaign should be carried out directly by the EMEE secretariat, with clearly identified objectives and milestones, as part of the activity programme of a possible future network grant from 2025.

b) "Music Moves Europe" calls in Creative Europe until 2027

The EMX consortium recommends to include the following themes into Creative Europe calls:

- Developing European presence in international markets through **International market development projects.** These are strategic sequences of several steps needed to establish a sustainable presence at a target market, containing music market studies, fact finding, prospecting and trade missions and also follow-up funding for especially promising projects;
- **Support the development of a music export resource center** that would build out the tentative vision and architecture piloted in the EMX project;
- **Allowing the development of a music export capacity building programme** as envisioned in the transferable and adaptable model drawn up as a deliverable of the EMX project.

III. Long-term proposals

a) A dedicated "MUSIC" strand with an export "cluster" in a future Creative Europe Programme post-2027

Following a preliminary phase (2023-2027) of the implementation of three key elements of the 6-step development path (the music export trade missions, the music export resource centre, and the music export capacity building programme), the EMX consortium considers that the most impactful approach to follow-up on the European music export strategy is to create an ad-hoc strand dedicated to the music sector ("MUSIC") in the next generation of the Creative Europe programme (starting in 2028), covering in particular cross-border mobility and circulation of artists.

The "Music Export" cluster, which would be funded for the full programme period (supposedly 7 years) with a stable legal basis, could be split into six themes, following the model provided in the "European Music Export Strategy Study". Each theme would cover one of the six steps in the development path and use one or several calls to deploy the activities of the "music export toolbox" outlined in the study.

Operationally, the ”Music Export” cluster within a ”MUSIC” strand in Creative Europe post-2027 could enable the following steps:

- Framework-type multi-annual calls (3 to 4 years) for the management of long-term activities described in the “music export toolbox” and tested in the EMX project;
- Annual calls enabling a steady and regularly distributed funding for shorter-term activities (e.g. cross-border mobility grants, marketing grants, etc.);
- A considerably improved accessibility of funding for music export organisations, which will favour healthy competition, emulation and growth in the sector.

b) Streamlining music export in future EU programmes
In conjunction with the efforts carried out through the “MUSIC” strand of the future Creative Europe Programme post-2027, the EMX consortium calls on the EU institutions to prioritise the topic of music export through funding mobilisation within various EU support vehicles:

- **InvestEU post-2027** – enhance access to credit and finance for music sector companies by (i) organising capacity-building and training regarding the economic and especially export potential of the European music sector to banks and financial intermediaries; (ii) developing capacity, including financial capacity, assessment tools that are designed and attuned to the specifics of the modern music industry business models and markets;
- **European Regional Development Fund post-2027** – several steps could be taken to unlock the potential of this programme for the music sector: (i) introducing a clear reference to the economic potential of the cultural and creative sectors (including music) in the Regulation on the European Regional Development Fund and on the Cohesion Fund; (ii) At member States level, ensure that operational programmes reflect the importance of the cultural and creative sectors (including music); (iii) At regional level, by encouraging the development of peer-learning and knowledge exchange mechanisms to ensure that the importance of supporting music export is well acknowledged.
- **Horizon Europe post-2027 –** in order the overall economic and social potential of the music sector, and the CCSI-s in general, can be convincingly articulated in sector mapping and analysis reports, impact analysis reports, etc. more and consistent research is needed. To follow up the first-ever music specific research call in the current Horizon programme, more such targeted research grants are needed also in the future iterations of the programme. In addition, including a call for a Research Infrastructure (RI) dedicated to music in (what is currently) pillar 1 of the Horizon programme would provide a more stable basis for long-term research agenda in and about the music sector.

C – FINAL CONCLUSION

European music creativity and diversity are key assets for the construction of identities and togetherness, as was demonstrated once again the high levels of attendance at music festivals this summer, after a long period of lockdown and social seclusion. This power of music can strongly impact the process of European cohesion and belonging for the youngest generation.

To stay strong and vivid, the European music sector, from creators to professionals, from venues to festivals, from record-shops to clubs, needs to be more competitive on an international level, and needs more than ever a coherent approach to develop, showcase and grow within Europe and beyond European borders through a comprehensive European Music Export Strategy and tools.

A coherent and strong support needs a sectoral approach, a long-term strategic scheme providing a development process to level up the ground for each individual European music artist or professional, from the Balkans to the Balearics, from the Nordics to the southern parts of Europe. EMX has reaffirmed such a need, proposes a tailor made solution, and expects continuous support from the European Commission as well as a real engagement from the Member States.

ANNEXES

1. **EMX Team and advisory committee organisation**
2. **D1- Analysis of the key aspects of the impact of COVID-19 on European music export**
3. **D2 – towards a transferable capacity building programme model**
4. **New market research methodology**
5. **Mexico Report**
6. **India Report**
7. **D4 – Policy Recommendations**

European Commission

ANNEX 1

EMX Team and advisory committee organisation

Culture

ANNEX 1- CONSORTIUM, TEAM AND ADVISORY COMMITTEE

CONSORTIUM

- MICA as the leader of the Consortium
- Czech Arts and Theatre Institute / SoundCzech
- Music Export Poland
- EMEE
- KEA European Affairs
- Music Finland
- PRS Foundation

EMX TEAM

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- Research Expert Benoit Jacquemet (KEA)
- Research Expert (Market reports): Margaux Demeersseman (CNM)

Task coordinator: Capacity building : Jess Partridge (independent)

- Experts:
    - Nuno Saraiva (WHY Portugal)
    - Kaisa Rönkkö (Music Finland)
    - Rainer Praschak (MICA)

Task coordinators: Trade missions and delegation tours :

- Geraldine Zanaska (independent, Compass Music) for TM Canada
- Philip Grefer (independent) for the TM Mexico
- Experts:
    - Marton Naray (SoundCzech)
    - Jani Joenniemi (EARS Asia)
    - Joe Frankland (PRS)

Task coordinator: EMX Innovation Lab:

- Nur Al Habash (Music Export Italia)

- Jan Oslislo (MStudioSC) for the web management of the Resource Center

Communication coordinator: Chiara Gallerani (Music Export Italia, EMEE)

ADVISORY COMMITEE

- Live DMA https://www.live-dma.eu/
- EJN https://www.europejazz.net/
- Yourope https://www.live-dma.eu/
- FEVIS EUROPE https://www.europejazz.net/
- IMPALA https://www.impalamusic.org/
- ESNS https://esns.nl/en/
- GESAC https://authorsocieties.eu/
- REEPERBAHN FESTIVAL https://www.reeperbahnfestival.com/en/frontpage
- ECSA https://composeralliance.org/
- IAO https://www.iaomusic.org/
- IMMF http://immf.com/
- EMMA https://emma.community/

ANNEX 2

D1 – Analysis of the key aspects of the impact of COVID-19 on European music export

Culture

(D.1)

Funded by
the European Union

Authors: Virgo Sillamaa and KEA, Benoit Jacquemet

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Acronyms and abbrevations

EMES - European Music Export Strategy
CMO - Collective management organisation
IFPI - International Federation of the Phonographic Industry
CNM - Centre national de la musique
EFA - European Festival Association
CISAC - The International Confederation of Societies of Authors and Composers
ECSA - European Composer and Songwriter Alliance
FIM - International Federation of Musicians
NFT - Non-fungible token
CCS - Cultural and creative sectors
CCI - Cultural and creative industries
GESAC - European Grouping of Societies of Authors and Composers
PRO - Performing rights organisation
IMPF - International Music Publishers Federation
NOMEX - Nordic Music Export
SACEM - Société des auteurs, compositeurs et éditeurs de musique
PRS - Performing Right Society
MEO - Music export office
CRII - Corona Response Investment Initiative
RRF - Recovery and Resilience Fund

1. Introduction

1.1 The objective and the context of the study

This report is the Deliverable 1 (D1) of the project “Implementing Steps to Develop and Promote European Music Export” and outlines the findings of the research sub-tasks Ia, the impact of COVID crisis on the European music export activities; and Ib, the new challenges and opportunities that have risen in the “new normal” of the current and most likely near-future situation.

The key research question is[1]:

RQ1: **What is the nature of the crisis impact on the music industries in relation to music export and how does it shape the capacity, capability and willingness of the key music exporters to plan and execute export activities, especially to non-EU markets?**

In order to provide context for concepts such as “crisis impact on the music sector” or “key music exporters”, a conceptual framework has been outlined and some key terms defined in the next section.

1.2 The conceptual framework and key terms

Understanding and analysing the impact of COVID crisis on the music export activities and the music sector in general first needs a conceptual framework serving as the map of relevant actors and interrelationships. In the section below, a creative value chain approach updated and organised according to four revenue categories has been proposed. The crisis impact is most importantly economic in nature and this can be best analysed on a sub-sector level where the asymmetry of the impact on the different sub-sectors comes into clear view. However, to move closer to understanding how music export activities in particular are impacted, focus on the key music exporters becomes crucial as the strategic decisions are taken and also the investments into export activities often made by the artists/creators and their management.

The creative value chain

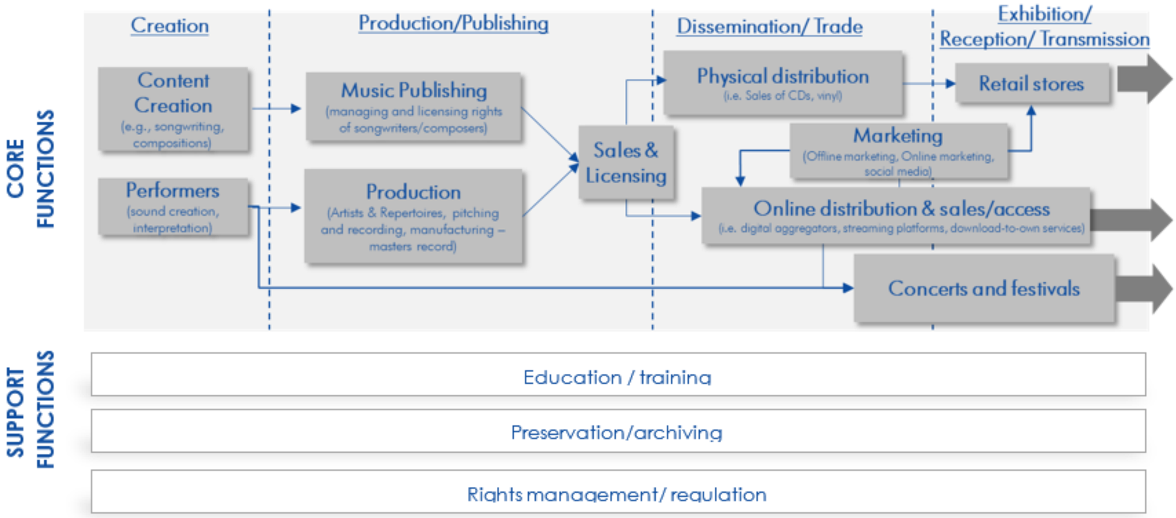
As already articulated in the Study on EMES, the music sector is a complex ecosystem. In order to analyse the impact of the COVID crisis on the European music export activities in particular, a reasonably detailed mapping of the key actors, functions and revenue streams will be necessary. An often used approach for this is the creative value chain conceptual framework[2]. In this model four core functions have been distinguished to describe how music reaches the consumer: Creation, Production, Dissemination/trade and Exhibition/reception. These are accompanied by

[1] The full table with all the research questions can be found in the annex 1 of this report.

[2] Directorate-General for Education, Youth, Sport and Culture (European Commission) et. al. (2017) - Mapping the creative value chains - A study on the economy of culture in the digital age : final report

a number of support functions and relations with other sectors for the supply of ancillary goods and services that are critical for value creation in the creative value chains[3].

Figure 1: Stylised music value chain model



While useful, the functional creative value chain does not outline the specific revenue streams in sufficient detail to allow pinpoint the way the COVID crisis impacts one or other sub-section of it. In order to better serve the purpose of this study, the conceptual framework has been updated to outline four revenue categories.

Revenue categories as the organising principle of the value chain

It has been common to describe the structure of the music industry as being largely made up of three sub-sectors: recorded music, music publishing and live music. This reflects the legacy of the music industry and has roots in the pre-digital era, when at least recorded music and music publishing were highly developed and consolidated verticals with a handful of multinational corporations controlling large shares of the market and operating along several functions of their branch of the value chain. This is still largely true, but the music industry is seeing increasing diversification in terms of business models. An important and growing area is synchronisation, or synch, – direct licensing into audiovisual productions such as films or games. Another notable revenue category that is often neglected in the three sub-sector model is based on the artist persona as a brand, leading to brand deals, merchandising, etc. and also to direct-to-fan monetisation models.

Independent artists, creators and their management

Independent artists are a growing part of the ecosystem[4]. While the term "independent" might carry several meanings depending on the discussion, in the context of the current paper it refers to artists and creators who steer the development of and manage their careers and business,

[3] ibid.

[4] https://www.midiaresearch.com/blog/smaller-independents-and-artists-direct-grew-fastest-in-2020

including providing largely the investment needed for it. Such independence, thus, can reflect the choices of the artists/creators (and their management teams) on the one hand, but also the lack of options to find partners on the other. Independence also was and still is used to denote an artist or creator who is "unsigned", that is has not (yet) got a contract with a label or a publisher – partners that in the previous eras would bring in investment and offer signed artists/creators advances to allow them time for creative work.

In today's music business artists and creators are more often and in the emerging phase for longer periods retaining and licensing the rights to their creations and productions rather than assigning them in perpetuity in exchange for early advances (as was the norm in the previous eras of the industry). Again, while this might reflect a choice, it can often also point to a lack of options. Many artists and creators cannot find partners until much later in their careers when their work has reached some levels of success. This reflects the changing business models and practices of the contemporary music industry. Due to changed nature and dynamics of revenues, the record labels and publishers cannot afford to make as big investments in emerging artists/creators with the ensuing risks as before. Neither do they have to with more digital data available to guide their A&R choices with higher precision. As a result – in both the good and the bad, more artists/creators have to manage their business and career development independently with all the challenges and risks this entails and also for longer periods of development.

Due to the interchanging and somewhat vague way terms are used when talking about artists and creators, brief explanations are offered in Annex 3.

It is common that "artist" is being used to mean all the creative functions. However, as not all creators, that is composers and songwriters are artists in the sense (defined in Annex 3), we have decided to use the twin term of "artist/creator" throughout this report to signify the persons or groups who create the music that is being exported in the first place.

Management is the function of shaping the artists' career and business. Many artists are initially self-managed before finding a manager or even a management team to help steer the artist business coherently across all the different revenue streams and partnerships. Management refers to many aspects directly related to building artists/creators careers and is mainly related to the business development side of it. The key management functions are (i) strategic planning and execution, which in music export context might include choosing target markets and developing comprehensive entry strategies and partnerships; (ii) partnerships and contractual relationships, including with labels, publishers, agents, PR and marketing and other service providers; (iii) administrative assistance, including managing calendar and email, mediating communication with business partners etc; (iv) creative development, including actively seeking new opportunities for creative partnerships (pitching works etc).

In summary, in the context and for the purposes of this report the artists, creators and their management (if they have one) are considered as the unit of strategic decision making[5],

[5] It must be acknowledged that this is a simplified position. The music sector displays more diversity in terms of activity and business models than ever. Artists/creators and their management have more ways to collaborate with record labels or label services providers, publishers or publishing services providers, synch agencies, PR, marketing, branding, etc. service providers than in any previous era. Also, this can

especially regarding export matters – they are the so-called key music exporters (as used throughout this report). Therefore, in seeking to understand how the crisis impacts European music export outlook, it is first and foremost these key music exporters who's assumptions and aspirations need to be investigated. It is through understanding their positions, challenges and opportunities, immediate circumstances and near-future outlooks that will allow us to shape the understanding and strategic support for European music export in the years to come.

1.3 Music export

It is important to underline that "music export" is an integral part of the music sector as a whole. What is an "export market" to one music company is "domestic" to others. While for example the massive losses carried by the live music venues and festivals, both in Europe and internationally, are largely a "local" issue of the music sector, it can also be seen as a significant collapse of export markets for any artists and companies targeting these venues and festivals from a cross-border position.

Furthermore, as almost all music activities were pushed online, the non-geographical nature of digital platforms makes the distinction between domestic and export even more fuzzy. Artists/creators seeking to connect with their audiences digitally enter a potentially global information space and marketplace. Therefore, it is not possible to draw any clearly distinguishing lines between export and domestic, or export and other "parts " of the music sector.

Given the general focus and interest in exporting to non-European markets, underlying the rationale of the current project, it must be kept in mind that for the key music exporters export starts from crossing their national border. Intra-European music export is a vital and integral part of any export strategy of most artists/creators and music companies. Any national or European policies seeking to support the European music export capacity development must be designed to meet this reality to be effective.

Music export activities

While it is not meaningful to strictly distinguish between export related and non-export related activities, some comments to that end can still be made:

- Physical touring and performing in other countries is an obvious set of export activities. Strategies and investments made for this can be considered export strategies and investments;
- Professional networking and showcasing activities with the aim of building international networks and showcasing talent can also be considered export activities;
- Digital distribution and marketing of music content (audio or video) is not bound by national borders, rather the service areas of the digital companies used. For example, getting an album distributed to Spotify means it will be available in 170 countries[6], but

be different depending on the country. For example, France has a unique set-up and there it can still often be a record label or tour promoter who invests in export development, fronting the costs and taking risks.

[6] https://support.spotify.com/us/article/where-spotify-is-available/

not, for example, in China. And in many other Asian countries there are other more successful platforms in local languages that need to be accessed for a more effective distribution there.

- Similarly, social media channels and platforms needed to connect to fans and audiences have their own "geography" (more takeup and reach in some markets than in others) as do all new livestreaming and other digital platforms.

In conclusion, an artist/creator strategy will most likely contain both aspects – those to do with physical export markets, the live concert circuits and local media there, as well as digital with its own and different (less geographical) logic. The first might seem as more to do with export than the second. However, in seeking to understand how crisis impacts music export activities, artist/creator strategies need to be viewed holistically across physical and digital dimensions.

2. Economic impact on the music sector.

2.1 Global state of the music sector (pre-COVID)

The state of the music industry is generally assessed by combining turnover estimations of its three main sub-sectors (recorded, live, publishing). If the three sub-sectors do catch the biggest part of the industry revenue structure, aggregated data on some revenue streams is missing. For example, to assess the size of synchronisation, branding deals or other direct-to-consumer or to fan revenues, company level data would need to be collected[7]. Some of these have seen a strong push during the crisis, for example branded livestreaming deals[8].

According to the different sources the global music industry (before the crisis) is worth at least 54,4 billion USD. It has to be noted, though, that many revenue streams are missing due to lack of global, national or sub-sector level aggregated data. For example, the share of branding deals income, various direct-to-fan revenues or also corporate revenues (i.e artists performing for private events, etc.) or sponsorships are missing as it would require aggregating artist / management company level financial data. Another obviously important aspect is the music related public expenditures. While this information is in theory public (assuming public expenditure data is available), aggregating runs into significant methodical problems as there is no generally used way to structure such information. Short sections on the recorded music, live music and music publishing sector global pre-COVID economic estimates can be found in Annex 4.

Table 1 : The global music industry modelled across several sources and years.

Recorded music industry	IFPI (2020 data) with Will Page's reallocation of the mechanicals to the publishing.	US$ 19.6 billion

[7] https://www.midiaresearch.com/blog/ifpi-confirms-global-recorded-music-revenue-growth
[8] https://www.rollingstone.com/pro/features/music-brand-partnerships-coronavirus-1021174/

Live music industry	PricewaterhouseCoopers (2018 data)	US$ 22.9 billion
Music publishing industry	According to Will Page's calculations	US$ 11.9 billion
In total for 3 sub-sectors		**US$ 54.4 billion**
Other revenues	Brand deals, direct-to-fan related revenues, corporate revenues/sponsorships, music related public expenditures	No aggregated data

2.2 Economic impact on the key music exporters

2.2.1 Impact on the different music industry subsectors

This section is providing key insights of the impact of COVID-19 on the European music sector as a whole. Overall the COVID-19 pandemic heavily impacted the revenues of the music sector and hence the export revenues as well. It is important to note that at the time this report is being written, the pandemic is still ongoing and the music sector is not able to operate at its full potential. Therefore, assessing the negative impact of Covid-19 on the music sector is provisional at best. Still, the literature gathered by the desk research allows already to pin down the following elements about the economic impact on the music sector itself.

a. Overall Impact on the music industry

The first major impact of the COVID-19 pandemic is that it stopped the re-emerging growth that the music sector knew since 2015.

According to the study "Rebuilding Europe" the music sector is the second most hard hit sector after performing arts which lost 90% of its turnover in comparison with the previous year (-EUR 37 billion).[9] It forecasts a drop of 76% in turnover for the music industry in 2019-20, representing EUR 18 billion of revenue loss for the European music industry only.

If the music sector has been globally heavily hit by the COVID-19 pandemic, the impact is very different among the key music revenue streams.

b. Continuous growth rate for the recorded music industry

According to the IFPI the global recorded music revenues grew by 7.4% in 2020 to $21.6 bn, recorded music revenues in Europe grew by 3.5% in 2020. The strong streaming growth offset

[9] Ernst & Young (2021) Rebuilding Europe, p.4

declines in all other revenue streams and continues to be spearheaded by the three bigger markets (UK, Germany and France) which represent 59.5% of the European recorded music market revenues.

2015	2016	2017	2018	2019	2020
+3.6%	+9.2%	+7.2%	+10.0%	+7.8%	+7.4%
Source: IFPI (2021) Global music report 2021, p.46					

However, according to the calculations by MiDIA, the recorded music market grew at a slower pace than in previous years (7% in 2020 instead of 11% growth in 2018 & 2019) and reached $23.1 billion in record label trade revenue terms.[10]

Music streaming, which was initially negatively impacted when strict lockdowns were established around the world, quickly returned to multi-annual growth with a surge in subscriptions. These represented 75% of all streaming revenues already in 2019.[11] Spotify like other streaming platforms saw an increase in subscription also in 2020.[12] At the same time, on-demand music video platforms also showed an increase adding round 47 million new subscribers during 2020[13]. Online content platforms have profited from the increased demand for cultural content streaming during lockdown.

MiDIA reports that streaming revenues grew by 7% in 2020 to reach $14.2 billion, up 19.6% from 2019. Streaming represents in 2020 61% of all recorded music revenues and continues to grow its importance in the global recorded music market revenues.

The lockdowns have led to the closure of record stores, thus causing a further decrease in physical music sales as compared to digital. In the music sector, physical sales (CDs and vinyls) will be down 35%[14]. For instance, in Italy, figures reveal that the market value of music in physical formats dropped by 51% for CDs and 37% for vinyl between the first half of 2020 compared to the first half of 2019.[15]

[10] Midia (2021) Recorded music revenues hit $23.1 billion in 2020, with artists direct the winners – again. https://midiaresearch.com/blog/recorded-music-revenues-hit-231-billion-in-2020-with-artists-direct-the-winners-again (last accessed on 19.3.2021)

[11] Goldman Sachs (2020) Music in the Air, p.18

[12] World Economic Forum (2020)

[13] https://www.statista.com/statistics/1107704/svod-users-coronavirus-worldwide/

[14] Ernst & Young (2021) Rebuilding Europe, p.7

[15] https://www.statista.com/statistics/1180965/percentage-change-in-income-of-the-music-industry-in-italy-by-sector/ cited in : IDEA et. Al (2020) Cultural and creative sectors in post-COVID-19 EuropeCrisis effects and policy recommendations

Another reason for the negative impact of COVID-19 on physical music sales is that many artists have postponed their releases due to the impossibility to promote their album on European or world tours, hence negatively affecting the industry and the artists revenues.

c. A devastated live music sector

As long as bans on smaller or bigger events are ongoing, the live music industry revenue is almost zero. At the time of writing this report, the ban on cultural activities gathering an audience is still ongoing in many of the European Countries.[16]

The European Live music Venues network Live DMA forecasts a 76% decline in audience visits to European live music venues between 2019 and 2020 only (17 million visits instead of 70 million planned).[17] Overall, the 2600 venues members of Live DMAs network will have an estimated loss of income of almost 1.2 billion euro, which consists of an estimated: EUR 496 million less income from ticket sales EUR 521 million less income from food & beverages sales EUR 172 million less other income. This leaves only 36% of their total income (a 64% decline) compared to last year.

A study by Goldman Sachs estimates the live music revenues to decline by 76% in 2020.[18] -75% in live music revenues. This figure is based on an already partial recovery in Q42020 which was not the case in the end. So, the impact of COVID-19 on the Live music industry is likely to be higher than the given negative growth rate.

The French National Centre of Music (CNM) estimates the losses generated by COVID-19 on live performances in France to be between EUR 1.7 and 2 billion.[19] The French Ministry of Culture is reporting a 43% loss of turnover in 2020 in comparison with 2019 figures, representing a decrease of EUR 2.5 billion in turnover.[20] This figure is however still counting the sale of tickets for postponed events (which will not generate additional revenue in 2021) as well as the selling of tickets for events taking place in 2021.

According to the European Festival Association (EFA), the average value of the estimated loss is EUR 150,000 and the median is EUR 40,000 per festival, with significant repercussions for the tourist sector and local economy. For instance, in the Netherlands, Germany and the UK the number of cancelled festivals amounted to 121, 84 and 86, respectively.[21]

d. Music publishing

The music publishing sector has also been impacted by the COVID-19 crisis.

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[16] https://webcritech.jrc.ec.europa.eu/modellingoutput/cv/eu_response/eu_response.htm

[17] Live DMA (2020) COVID-19 IMPACT – KEY NUMBERS

[18] Goldman Sachs (2020) Music in the air

[19] KEA (2020) Impact of COVID-19 pandemic on CCS

[20] Ministère de la Culture (2021) Note de conjoncture, p.2

[21] Viberate (2020), The economic impact of the coronavirus on the music festival seasons. https://eufcn.com/guidelines-production-duringcovid-19/

Performing rights revenues have been first negatively impacted due to lower collections from public venues and broadcasters, and also because of the widespread closure of music venues, bars, restaurants and shops.

The synchronisation of music in advertising and movies slowed down due to many film or series shootings being halted and also a strong decline of the advertising market.[22] In France only, the turnover of the advertising sector decreased by 16% in 2020 in comparison with 2019.[23] The study estimates the global sync revenue to decline by 8% in 2020.[24]

Also, CMOs will not remain unscathed from the crisis. “Even though they have done everything possible to adapt their structure and reduce their fixed costs, they have emerged extremely fragile from this dramatic period.” [25]

CISAC is predicting a global decline in revenue from music collections of 20-35% for 2020. It is very likely that the effects of COVID-19 crisis will affect collections also in 2021 and even 2022[26].

2.2.2 Economic impact on the key music exporters - key insights from the interviews

Live music

The COVID-19 put a sudden stop to all live activities, which represents the biggest export revenues for the vast majority of the European music exporters. The interviews revealed that export revenues from live range from 60 to 100% of the ones interviewed. Many couldn’t (and still cannot) earn any export revenues as the live music industry has been devastated and no concerts are possible.

Streaming

The interviewees did not in general report any growth in their streaming revenues, thus not reflecting the global increase of income earned from streaming. This might be easily explained as export strategies are often built around a release, some artists tried to rethink their way to promote their releases in order to extend the momentum and be able to organise a tour when the activity will start again. This is especially relevant for albums that were planned to be released during the pandemic, but the release date kept being postponed as it was impossible to be sure whether the entire planned production was doable or not.

The artists who already had an album out, but were not able to promote it, experienced cancellations for example by major summer music festivals. The latter in general represent the biggest part of the artists’ activities in terms of the live performing calendar.

[22] Goldman Sachs (2020) Music in the Air

[23] Ministère de la Culture (2021) Note de conjoncture, p.2

[24] Goldman Sachs (2020) Music in the Air, p.47

[25] Ernst & Young (2021) Rebuilding Europe, p. 20

[26] COVID-19: Crisis, Resilience, Recovery. CISAC Global Collections Report 2020

The artists interviewed didn’t report a significant increase of their streaming revenues. If an increase was observed, it is hard to link them to a potential COVID-19 effect as remuneration from streaming depends a lot on the popularity of a particular release (and more precisely a particular song.

Music publishing

The interviews revealed that the publishing revenues were mainly restricted to synchronisation revenues. As was the case before Covid, the revenues earned from synchronisation mainly concern “pop” artists, depend heavily from the ability of the artist (or more particularly his publisher) to sell the song to a movie, a TV show, a series or an advertisement. However many artists used the time suddenly available due to the stopping of live concert activities, to work on other creative projects, including synchronisation deals and commission work for TV, series for example. Artists that haven’t earned any revenue from synchronisation did, however, receive the royalties from the previous collection period. These will likely decrease in the collection period corresponding to the period of the COVID-19 crisis and paid out in 2021.

Merchandise

Music scenes and genres where merchandise[27] is an important part of interaction with the fans and also a revenue source (mostly rock, jazz and other niche genres) experienced a wave of solidarity from their fans who increasingly bought merchandising to support their favourite artists.

Most of the exporters interviewed experienced very good sales of their merchandise, without even advertising it. They unanimously welcomed the Bandcamp Friday campaign, where the platform once a month waives its commission fee in order to indirectly support the artists. The degree of export revenues earned from merchandise sales depends on the artists' popularity abroad.

Key takeaways

State of play of the music industry before the COVID-19 crisis

- The recorded music industry which went through a period of chaotic transition is now structured around streaming which represents 62.1% of global music revenues in 2020.
- Live revenues became one of the main income sources for artists who benefitted from a steady growing live music sector. At the same time, the live music sector is increasingly concentrated by major promoters.
- The music publishing sector revenues are earned in the vast majority in Europe which represent 52.5% of the global music publishing collections. The main part of music publishing earnings are generated by various pop music genres.

[27] In this study report, merchandising has been taken to also include the sales of physical records (most notably vinyls) directly by the artists as these are often being bought by the fans more as a fan product, while listening the music still in digital channels and the direct-to-fan sales channels are the same as for other kinds of merch, allowing bundling, etc.

Economic Impact on key music exporters

- COVID-19 had a differentiated impact on the different key revenue streams. Streaming consumption and revenues remained on an upward curve in 2020 whereas the live music sector has been totally devastated. Moreover, the loss of export revenues earned from live concerts will probably outlast the ban on live events, as the return of the live sector to its full capacity will take time, also limiting their capabilities to book international artists.
- The COVID-19 economic impact has been very severe on the interviewed key music exporters as live represents from 50% up to 100% of their music export revenues.

3. Crisis impact on music export capacities and activities

In order to analyse the crisis impact on music export activities, as explained in chapter 1, the focus will be on the key music exporters as it's their strategic decisions and investments first and foremost that initiate and drive export activities. As already noted in the study on EMES:

"Music export capacity (of artists and music companies) depends heavily on the local music sector ecosystem and its level of development (is there education, training, support, funding available, access to international professional networks, well-functioning CMOs, supportive governmental policies etc.)"[28].

Based on the interviews conducted in the current research, the factors influencing and shaping the music export capacity of the key music exporters and their strategy making can be developed further.

3.1. Key factors of export capacity

Firstly, all music export strategies and activities need to take into account any global music sector trends and developments, such as the emergence and dominance of music streaming services over the past decades, forcing a significant shift in business models in the recorded music sector. Beyond that and more closely related to the specific factors influencing the European music exporters, the key factors can be organised into three groups[29]:

1) country level factors, including the size of the domestic market, the level of development of the domestic music sector infrastructure, regional markets, cultural policy support and cultural specificities (i.e languages, cultural preferences, country "image", etc.);
2) scene / genre level factors; and

[28] A Study on the European Music Export Strategy, p 10.
[29] Each of the factors have been analysed in more detail in annex 5.

3) artist level factors, including the motivations and aspirations of the artist/creator, the level of development in artists' career, (emergent vs established scale) and the business model (including revenue structure) of the artist/creator business.

3.2 Crisis impact on export capacity

In addition to the economic impact on the music exporters' revenue streams addressed in chapter 2, based on some of the relevant factors influencing music export capacity and activities presented above, the COVID crisis impact is analysed in the following table.

FACTOR	CRISIS IMPACT
Country level factors	
(A) The domestic market and (C) regional markets	The lockdowns and closure of all or most event-based cultural activities meant losses of main revenue for most artists. Therefore, for the period of the crisis, the domestic market size uniquely lacks any significant impact - the hardships are felt everywhere based on the lockdown regimes. The large domestic market advantage will return as cultural life opens, however, it muct be kept in mind that the live sector might not regain its momentum fast nor fully, as in many European countries there have been possibly permanent closures of venues and festivals. This, as many other factors, will most likely be different from country to country.
(B) The level of development of the domestic music sector infrastructure	The crisis impact was hard everywhere, irrespective of the level of development of the music sector infrastructure. However, some aspects do merit attention: (i) More developed sector means more formal structures and professional relationships. If there are more companies offering sector professionals employment, these companies are most likely more eligible for crisis support and therefore stand a higher chance of retaining at least some of the workforce. Of course, it must be mentioned this depends on other aspects as well – most importantly the kinds of crisis support measures available. Still, in countries where most music sector professionals operate on a self-employed freelance or even informal basis, the likelihood of qualifying for support measures is lower. (ii) More developed sectors in general have more established and professional sector representation in place. Such organisations, whether trade associations, musician unions or often also music export organisations proved useful, often crucial during the crisis in reacting and organising an early response while liaising with the government institutions. It was often thanks to these efforts by the sector representative

	organisations that the crisis measures were achieved or improved.
Cultural policy support	**The most important factor was and is the level and nature of public support and crisis relief structures put in place for the sector**. As weaker cultural policy support often mirrors a less developed music sector infrastructure (as there has been less time to organise and drive interest representation and shape policy) the lack of adequate support hits the sector even harder in comparison with many other countries. For example, countries where creative persons and culture sector professionals receive a monthly unemployment benefit experience the crisis very differently than those without. The latter often need to start looking for additional or alternative income. On top of this, if one assumes that the level of support corresponds to the degree of development of the music sector, the countries with less developed music sectors will be more heavily impacted by the crisis, thus reinforcing the disparities in terms of music sector among the different EU countries
Music scene and genre level factors	
(F) Genre-specific export strategies	The crisis impact differs according to the music scene and genre specificities to the degree that the business models (including revenue structures) are different. (See point (I) below for further comments). On the other hand, as also referred to above, some music scenes and genres are in general better supported by public funding and therefore artists and professionals from these could potentially find more support opportunities to fall back on.
Artist/creator level factors	
(G) The motivations and aspirations of the artist/creator	As the interviews showed, there is great variety in the aspirations and ambitions of an artist/creator. To some degree, this could (arguably) be seen also in the way artists and creators approached the crisis period where “normal” activities were disrupted. Some actively sought new ways to connect to their fans to keep the relationship active. Some turned towards more creative activities, sometimes finding alternative output for it (for example in audiovisual media, etc). There are artists who wait to get back on stage, while others have realised that the previous touring schedule is not mentally nor physically healthy and will seek a change in their creative lives. Moreover, the COVID-19 pandemic let them realise that live activity can stop from one day to another and that it is also economically

	reasonable to diversify their revenue streams to decrease their dependence on live activities.
(H) The level of development in artists' career, (emergent vs established scale)	While the lack of possibilities to perform concerts was the same for all, the more established artists with already existing fan bases and audiences stand a better chance to connect to them in alternative ways and also will most likely return faster to the live concert circuit. The more emerging artists inevitably find themselves in an even more narrow choice of ways to build new audiences as the digital platforms are overcrowded with content and more established artists command the attention of audiences more successfully.
(I) The business model (including revenue structure) of the artist/creator business	The crisis impact on artists/creators differs to the degree the business models (including revenue structures) are different. For some, recorded music revenue makes up a bigger share and as these were impacted only partially (sales of physical to some degree, streaming less so), such artists saw relatively smaller cuts in their revenues. However, even those artists would still plan new releases around at least some concert activity and these were similarly disrupted, potentially costing artists and management any investments that were made into these plans. Another aspect to note is whether the audiences and fans of a particular artist are more or less online-friendly and which digital platforms (if any) they prefer.

In conclusion, based on the analysis by far the most important factor determining how severe the crisis impact is on the music export capacities and activities, or on the music sectors in general, is how fast and well-designed were and are the cultural policy responses and crisis relief measures. All other aspects, including the level of the music sector infrastructure development, are secondary as the crisis disruption was deep enough to essentially stop these activities that make up the overwhelming share of the revenues of most artists and creators.

Given the above, the crisis impact seems to aggravate the existing disparities between the European countries when it comes to the music sector development in general and opportunities for artists and creators to fully develop their talent and potential, also through export activities, in particular.

3.3 COVID-19 impact on other business practices

Due to the suddenly available time during the pandemic, artists who didn't have to find other sources of income to avoid bankruptcy, started to think about new activities to undertake and continue their career.

The interviews revealed that many musicians decided to engage in other musical activities such as sound design, composing music for series, TV shows or advertisements, etc. Some got contacted for diverse requests, others developed a portfolio to promote such services in the future. These activities can be seen as a way to make artists/creators less dependent on touring, which due to the intense pace and volume of traveling involved is often negatively impacting their mental health. In hindsight, the lifestyle driven by intensive touring schedules prevented them from engaging creatively in these other activities.

Key music exporters also used the time left by the cancellation of live shows to work on their merchandising. Some artists started to develop their merchandising either by creating a more elaborate strategy around it for example by producing the merch items in eco-friendly materials and finding ways to produce them in Europe, by creating an apparel line… Some others worked on the package of their CDs or Vinyls in order to create unique objects, sometimes handcraft and in limited editions to mobilise their fanbase.

Key takeaways

- The effectiveness of crisis relief measures and policy response is a decisive factor determining the severity of the crisis impact on the music sector and music export capacity and activities in particular in the different European countries
- The crisis aggravates the already existing disparities between the countries in terms of the level of music sector infrastructure and opportunities for artists/creators to pursue a successful and sustainable career in music
- The advantages regarding the sector infrastructure development level, the domestic market size, etc. will once again start to matter when the sectors will start to recover from the crisis as the societies open. However, this will take time and will be achieved at a different pace in different countries
- The COVID-19 impact is not only economic but has also influenced other business practices such as the engagement in other music related activities and new strategies of merchandising

4. New Opportunities and Challenges - Focus on the digital live experiences

4.1 Crisis as the catalyst for digitalisation-driven innovation

The continuous development of digital technologies has disrupted and shaped the music industries for the past 20 years. When the COVID crisis hit and essentially forced a freeze on all live performances, artists and creators rushed online to keep the connection with their fans, to try to find alternative ways to make an income from music and simply to have channels for their artistic creative expression. And it wasn't only the artist who logged in, it was the rest of the societies too. The share of citizens using the internet jumped from 81% on average to 94% in Europe.[30]

While the crisis has brought on significant hardships for music sector professionals nearly across the board (with perhaps the exception of those record labels with bigger and digitally well-performing catalogues), there has also been a lot of good examples of innovativeness and adaptiveness in finding new ways to produce music and make it available by using various digital means. Therefore, the crisis can also be viewed as a catalyst for inventiveness and innovation. Finally, with the collapse of live performance revenues, the meager incomes from digital streaming for most of the artists and creators was thrown into a sharper relief. While the discussion around potentially fairer streaming model, most importantly the so-called user centric one, has been developing over the past years, it was given a new impetus by the severity of the crisis impact on the music sector. There have been calls for a fairer streaming environment from, for example, IMPALA[31], ECSA[32] and FIM[33] among others.

Among the most prominent new opportunities are the various ways live experiences can be offered and experienced digitally, from livestreamed concerts to fully immersive virtual reality experiences. Another and broader avenue of new solutions is in the many new licensing opportunities as manifested in the many digital platforms, from video shorts to esport. It is safe to say these developments were in the pipeline already before the crisis. Livestreaming was already developed as early as 2012 by companies such as StageIt – admittedly ahead of time[34]. However, at least for the livestreaming sector, the crisis has certainly provided an impetus for development and growth.

Various new solutions, such as licensing music into various apps, NFT's as new types of digital merchandise, etc. are intensely discussed in the specialised music industry media sphere of blogs, opinion pieces and podcasts, both in Europe and globally. They are seen as potential new sources of revenue, which could play a part in offsetting losses caused by COVID-19, but also helping artists to grow and deepen their relationships with fans and audiences, while selling merchandise. However, out of these trends key music exporters only seem to have engaged in livestreaming while the other new licensing opportunities and NFTs appeared not to be used by the key music exporters interviewed for this study. Some do have these new opportunities on their radar, but these are more seen as novelties and do not represent a new trend in music export yet.

30 Europe's digital migration during COVID-19: Getting past the broad trends and averages, McKinsey, July 2020, Cited in : Ernst & Young (2021) Rebuilding Europe, p. 34

31 https://impalamusic.org/its-time-to-challenge-the-flow/
32 https://composeralliance.org/music-streaming-and-its-impact-on-composers-and-songwriters/
33 https://www.fim-musicians.org/congress-22-fim-statement-on-online-music/
34 Tony Hartman (2021). Beyond the band-aid: How to create the music livestreaming platform of the future, now. *Water & Music.*

4.2 Digital live experiences

Digital live experiences can take the form of livestreaming (the online live broadcast of a music performance either on social media or specialised platforms) and virtual live experiences (such as augmented reality (AR), virtual reality (VR), mixed reality or computer altered reality)[35][2]. Digital live experiences are thus different from “traditional” concerts captured in video recordings or other videos. The latter have existed for a long time, but are a different media format. It must be mentioned, however, that in many cases virtual performances are in fact pre-recorded thus making the distinctions between these formats fuzzy at best.

a. Livestreaming

The Covid-19 pandemic strongly catalysed the digitalisation of the music industry and especially the practice of livestreaming. As live concerts were impossible, livestreaming was often the only way for artists to connect with their fans and audiences. Livestreaming in general underwent a huge growth in lockdown. For example, the hours watched on the platform Amazon owned platform Twitch increased by 56% from Q1 to Q2 2020. The number of broadcasters creating music content tripled between Q2 2019 and Q2 2020[36]. YouTube also experienced an increase of livestream use during the first lockdown.[37]

Livestreaming can refer to a diversity of practices such as:

- **The kitchen or living room concert**: Broadcast from a telephone or with light technical equipment on social media.
- Livestreaming on **special-purpose platforms** where fans can “tip” the artists (i.e. on Twitch) or subscribe to creator channels (i.e on Patreon).
- **Filmed live performance**: Filmed performance which puts the focus on the high production quality. This includes high quality audio capture and video production, for example working with a director, high quality cameras and professional teams, etc.
- **Livestreaming series organised by local music scenes or festivals**: Some festivals or local music scenes decided to collaborate and create dedicated livestream platforms which allowed artists to perform in local venues and clubs. For example, the Clubcommission Berlin created the platform “United We Stream " which is regularly broadcasting livestreams from different local clubs. This format has been replicated and is now available in 113 cities and in 466 locations. In total “United We stream” enabled 2271 online performances to continue reaching their audience. Another example is the Jazz Festival Moers who livestreamed the entirety of its festival on Arte Concerts.

While social media represents one major way livestreamed concerts are being viewed, some platforms such as Dice or Bandsintown are also promoting livestreamed concerts. A whitepaper by MIDEM “Music Industry Insights " on the matter referenced more than 40 livestreaming

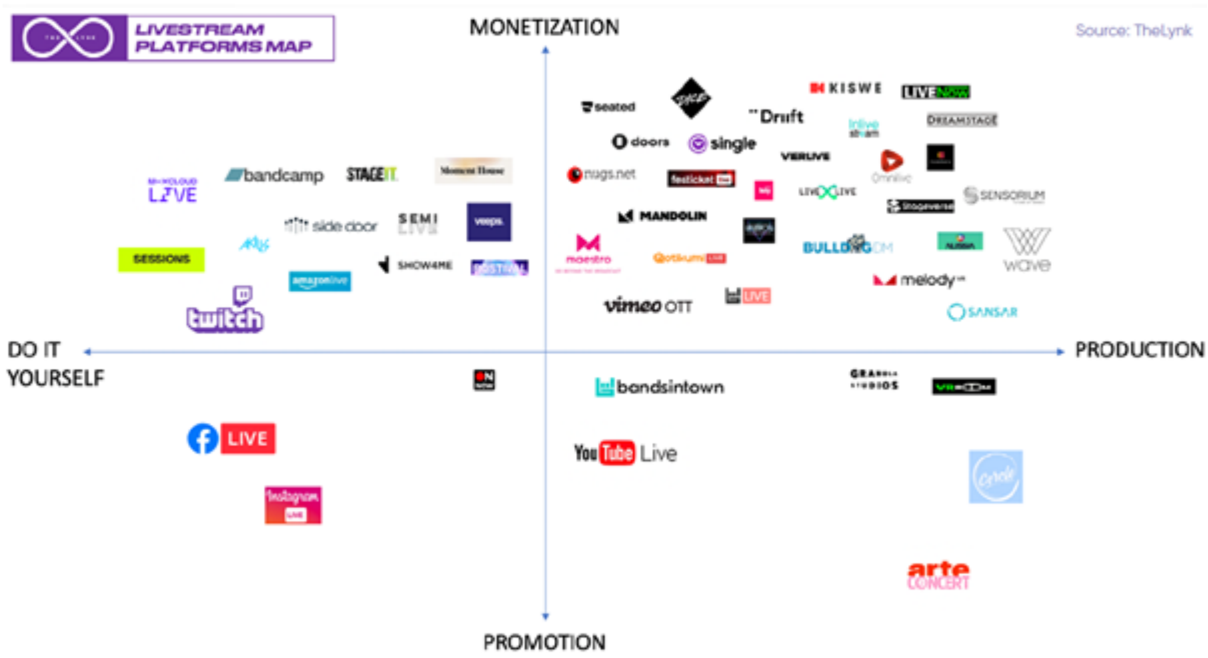
[35] MIDEM (2021) LIVESTREAMING & VIRTUAL LIVE EXPERIENCES: EXPLORING THE NEW FRONTIERS OF LIVE MUSIC, p.4

[36] MIDEM (2021) LIVESTREAMING & VIRTUAL LIVE EXPERIENCES: EXPLORING THE NEW FRONTIERS OF LIVE MUSIC, p.6.

[37] MIDEM (2021) LIVESTREAMING & VIRTUAL LIVE EXPERIENCES: EXPLORING THE NEW FRONTIERS OF LIVE MUSIC, p.7.

platforms. With significant boost from the COVID-19 crisis, these platforms are either trying to enhance the experience of livestream by allowing to choose the camera angle, offering an HQ experience both visually and audibly, creating new types of monetisation; or by creating a premium offer of exclusive concerts ‘like the platform Bandsintown PLUS. Livestreaming has also the potential to increase the accessibility to live events, for example to audience outside or far from the cities, but can also play a role in increasing the venues accessibility.

The following graph presents a non-exhaustive landscape of the livestreaming platforms, organised around their key features (do-it-yourself – production / promotion – monetisation)



Source: MIDEM (2021) LIVESTREAMING & VIRTUAL LIVE EXPERIENCES: EXPLORING THE NEW FRONTIERS OF LIVE MUSIC,

b. Virtual live experiences

Virtual live experiences is the second pillar of the digital live experiences, comprising a variety of solutions such as:

- **Digital avatars**: Digital avatars are animated doubles of artists, allowing them to play in one location while being physically elsewhere. This practice has been increasingly used during the pandemic. The use of digital avatars allowed for example the French artist Woodkid to perform on Magazin Royal, a German late night satire show, without having to travel. Other example is digital avatars used in online concerts as done for example by Jean-Michel Jarre in his performance at a New Year’s Eve virtual concert from a digital version of Notre Dame cathedral in Paris; or the British Jazz artist Theon Cross who performed with a 3D Digital avatar at the online version of the American showcase festival

South by Southwest.[38] Authentic Artists, a company currently developing 12 anthropomorphic virtual artists, has a vision quite different from those of other music avatar startups — namely, they're building artists whose music is not only 100% generative, but also interactive, using technology to allow fans to play a role in creating the music itself[39].

- **In-game concert performances:** In-game concert performances are live performances of music concerts within a video game. The artist is embedded in the video-game via an avatar, allowing the gamers to see the avatar of their favourite artists performing. The video game industry is the only creative industry to have grown in 2020 (+9% in turnover representing an increase of EUR 2 billion) and has been on an ascending path between 2013 and 2019 (+5.8% per year). Esports and online gaming represents a new means to interact with audiences and we are witnessing increasing crossovers between music and esports and leading games, including Fortnite and Minecraft. Esports activity increased significantly during lockdown, while its streaming numbers rose by 69% year-on-year across 2020.

4.3. Music export and new opportunities

Based on the interviews conducted for this study, livestreaming was the one out of all new opportunities that has been adopted or at least tried by the most. This boom of livestreaming events created an urgent need for new knowledge and skills. Many of the interviewed European organisations set up dedicated webinars through which they shared resources and good practices for their members to organise livestreams, allowing to quickly build capacity.

4.3.1 Livestreaming offers new opportunities and new challenges

These are some of the key takeaways regarding the livestreaming from the interviews:

Economics of livestreaming doesn't yet work for the average artist. Almost all the artists interviewed for this study participated in livestreaming concerts, mostly streamed over social media and without any or at least significant revenue. For them livestreaming will not be a sustainable revenue stream for at least some years to come (until the sector matures). However, given how many years it took for streaming to develop and become mainstream, it is too early to make definitive conclusions on the scalability of livestreaming economics.

Livestreaming as a promotion tool. Livestreaming is at the intersection of live and recorded music, creative technologies and social media.[40] The interviewees understand livestreaming as a good opportunity to promote a live show and also a new interesting way to create innovate artistic content, for an example by investing in higher production quality, which would have more of a chance to "cut through the noise" and distinguish itself from the enormous amount of live

[38] https://www.rollingstone.com/music/music-news/theon-cross-sxsw-performance-digital-avatar-1134197/

[39] From an interview with Jeff Nicholas, Executive Creative Director at the Authentic Artists, by Cherie Hu for Water & Music Discord community (May 20121).

[40] MIDEM (2021) LIVESTREAMING & VIRTUAL LIVE EXPERIENCES: EXPLORING THE NEW FRONTIERS OF LIVE MUSIC, p.3.

performances available online for free. The biggest challenge will be to get the attention of the fans and the consumers in the context of peak attention in a saturated attention economy[41], and to establish effective promotion strategies.

Contracts is another aspect that needs clearing up in the future livestream sector. In many cases contracts were not provided for livestreamed concerts, preventing the artists from getting neighbouring rights on the future broadcast of their work. This was often the consequence of the continuation and not cancellation of the engagement of the musicians, which prevented them from negotiating a proper contract for changed circumstances.

Implementation lag. While livestreaming is a fast-developing sector and a hot topic for the expert media discussions, the interviews with the key music exporters revealed a strong gap in taking up these new opportunities. This might be explained by a certain lag between the early adopters with the means and teams to do it and those for whom the investments of resources are relatively larger and the potential revenue earned relatively marginal.

In conclusion, livestreaming will play an important role in the promotional toolkits of European key music exporters, but not as a financial gamechanger for export revenues and business models, at least for the near future.

4.4 Professional networking during the crisis

A crucial aspect in developing export strategies and capacity is access to an international network of professionals for showcasing talent and forming new or developing existing business partnerships. A wide array of events in various formats and sizes, from - showcase festivals, co-creation camps or residencies to music industry conferences or also targeted trade missions, have served this function for European and international music sector communities. In order to analyse how some of these met the COVID crisis induced need to transfer the events partly or fully online, the various features have been divided into four core functions: (i) showcasing talent, (ii) co-creation formats, (iii) professional networking and (iv) capacity building. Below a general synthesis of the findings is given, while a more detailed analysis is provided in annex 6.

Main takeaways:

- Many professional networking events were either cancelled, postponed and/or forced to organise their festivals and conferences either partially or totally online. This often harmed their financial sustainability as the ticket revenue and sponsorships were lower or non-existent even when the public support was made available in a flexible manner.
- Going fully or partially digital brought on its challenges, yet also presented some opportunities. The biggest challenge is to create semi-structured, yet high potential social networking opportunities online. The biggest opportunities are in engaging new digital audiences for conference programmes and also potentially for livestreamed

[41] Music industry Blog (2019) The Attention Economy Has Peaked. Now What? https://musicindustryblog.wordpress.com/2019/11/12/the-attention-economy-has-peaked-now-what/

showcases. Also, the availability of high profile professionals for digital appearance in a conference programme who would otherwise not be able to attend the events.

- Many events plan to retain and develop further some digital elements of showcasing and networking. This, however, means that the event organisers need to build new capacities and capabilities within their teams.

4.4.1 European added value

An aspect analysed in the interviews with showcase, conference and trade mission organisers was the added European value of organising European music export activities towards non-EU markets on a European level or at least in a cross-border collaborative way. There were several reasons the interviewees pointed out why a European level approach can be beneficial and in some ways is unavoidable.

Long-term vision, strategy and presence

Those with experience of organising trade missions and events in non-EU markets stressed the importance of having a high level and long-term vision and strategy in place for a particular national or regional target market. Nothing substantial can be achieved with a single mission. Developing contacts and then partnerships takes time, as does building a real, experience based understanding of how to do business in those markets. Even the bigger EU countries cannot sustain a music export strategy for all global key markets at the same time over a number of years. An overarching EU level coordination can ensure regular presence in all key markets via a framework project or a platform for partnering up with local events, organising trade missions and engaging regularly in direct network development.

Pooling resources, including coordination levels the playing field

As mentioned above even the bigger EU countries cannot keep up regular presence at key non-EU markets. For most of the smaller countries, doing even a single trade mission to a non-EU market might be impossible for both lack of funding and not having a critical amount of participants able to co-finance at any given time. This leads to an uneven playing field where an artist or a professional from a smaller EU country will face higher barriers in developing an international music export strategy. EU level coordination and pooling of resources would make it possible for even single delegates to join an EU level mission, thus somewhat offseting the barrier.

European delegation represents volume

Understandably, looking from a Chinese, Indian or Canadian market, it is impractical to develop separate networks and projects with all the European countries. A coordinated approach would make any EU delegation a much more optimal endeavour to engage with for all international partners.

In-group networking

While the main goal of missions to international markets are to build networks in the target market, a significant spillover value is so-called in-group networking. If a European trade mission is done to India, including delegates from a number of European countries, these participants also create connections between each other and this has often been observed to be as beneficial as the primary objective of the mission.

Coordinating incoming delegations and conference programming

There is much value to be gained in developing ways to coordinate incoming delegations or simply for showcase festivals and conferences to collaborate to optimise engaging international professionals. Joint incoming delegations can be one way. Carrying a topical focus from one conference to another could be another way to ensure that discussions evolve and are not merely repeated in each event.

Key takeaways

- COVID-19 catalysed digitalisation driven innovation, especially the development of virtual live experiences
- If digital innovations are discussed as being very promising by journalists of the specialised music press and music industry thought leaders, the key music exporters only seem to have engaged in digital live experiences, especially in livestreaming, so far.
- Digital live experiences are bringing new opportunities, especially for promotion, whereas monetisation appears to be quite challenging for most of those interviewed, reflecting an implementation lag between major and well established artists who are early adopters of these solutions and the rest of the industry.
- For professional networking events, going fully or partially digital brought on its challenges, yet also presented some opportunities. Many events plan to retain and develop further some digital elements of showcasing and networking. This, however, means that the event organisers need to build new capacities and capabilities within their teams.
- There is clear European added value in coordinating and collaborating when organising European level trade missions, both outgoing and incoming, to non-European markets. While beneficial for the larger countries as well, these can be the only feasible way for music sector professionals from smaller member states to access such activities at all.

5. Support Measures

Below, an analysis of support measures at national level is provided while an overview of such measures at EU level can be found in annex 7.

5.1. Analysis of support measures at national level

Policy responses to mitigate crisis impacts have been put in place in all EU countries either in the form of **general support measures** or **targeted support measures** (to the CCS in general or more specifically to the music sector or even some particular actors within the music sector (artists, labels, concert venues, festivals, etc.). Overall, there are some good initiatives across Europe, but there are some **large discrepancies** which might be explained by different sizes of the domestic music and cultural sectors in general.

Cultural policy is set up differently in every EU country. It can vary depending on whether the country has a more centralised tradition of administration or on the contrary decentralised, with regions and sub-national levels of administration playing an important role. This is especially the case for federal countries who very often have their dedicated support measures to the CCI or to the music sector decided at sub-national levels. For instance, in Spain, culture is a regional competence, which means the music sector may benefit differently from support measures which are set up among the 17 different regional governments. Also in Germany, where cultural policy is a prerogative of the Länder, the German interviewees refer to important disparities. The German Cultural Council (Deutscher Kulturrat) used to have an overview of aid programmes across regions, but this was discontinued, because of the difficulty to keep track of all developments.

There is also a strong diversity in legal status for artists in Europe. While some countries created a dedicated status for the artists (like in France or Estonia for instance), which allows the policy makers to have a better understanding of the persons active in the creative sectors, some others consider the artists as freelancers (and are therefore included in special support programmes for freelancers, if such did/do exist). Also in some countries, the artists need to have several legal statuses for the different activities they are undertaking. All this diversity creates a major challenge for policy makers to shape support programmes that accurately take into account the diversity of the artists' status.[42]

Finally some countries have different traditions in supporting the culture and the arts. For example the Italian interviewees explained that music is an activity that is considered free and private, and hence not much supported by institutions. With the COVID-19 pandemic some support programmes were created but a lot remains to be done to appropriately capture the diversity of the sector.

[42] This extract from the interview with a Greek musician is pretty eloquent to this extent: "*My activity relies on a number of codes. For the Greek authorities; I own a, let's say, a small booking agency, I'm a musician, I rent some equipment.. It makes it really difficult even in terms of bureaucracy. In plain terms of finance and bookkeeping, it makes it very hard for me to keep it organised.*"

A number of **studies and reports about this topic** (either for the EU as a whole or for particular countries) collected and analysed the support measures for different periods covering March 2020 until September or December 2020. For example, the KEA visualisation map of COVID-19 emergency support measures analyses the support measures by type, by country and CCI subsector.[43] This report shows that dedicated support to the music sector by national governments at national level has been provided in 6 countries (France, Italy, Estonia, Romania, Austria, Spain).

The support provided by national governments takes the form either of prolongation of already existing support measures even if the concerts couldn't take place, additional funding to music organisations or already existing support programmes, new grants to organise "COVID-proof" musical events, be it online or in presence. The extent of the support provided by the government varies by type of support and budget, roughly corresponding to the degree of development of their domestic music market. A recent study for the European Parliament on the impact of COVID-19 on the CCS states that public actors generally supported the sector via income generating support and cost reduction measures.[44]

As the crisis is still ongoing at the time of writing this report, it is impossible considering the time and the resources available to provide a detailed presentation of the support measures by countries. The music industry professionals interviewed for the study all stated that they struggled themselves to keep up-to-date with the continuous announcements of support schemes and recovery support measures which are announced every time the restrictions get tighter. They also sometimes struggle to understand how far their particular sub-sector is covered by these measures. The continuous announcements of support or relief measures by European governments has also been recognised as a challenge to access accurate information sources.[45]

The following paragraphs below are examples of how the music sector has been supported in a number of European countries.

5.2 Support from collecting societies

Almost all CMOs reacted in one way or another to the crisis with a few exceptions mainly restricted to very small countries. The first kind of help put in place was to ensure that royalties were paid quicker or even in advance and provided information for the creators or performers to better navigate the support from the government. Based on the information provided by the GESAC mapping and IMPALA COVID-19 Mapping[46], CMO also provided additional financial support to their members in 13 countries.

[43] https://keanet.eu/kea-unveils-visualization-on-national-measures-to-mitigate-covid-19-impact-on-ccs/
[44] See p. 55 in IDEA Consult, Goethe-Institut, Amann S. and Heinsius J. (2021) *Research for CULT Committee – Cultural and creative sectors in post-Covid-19 Europe: crisis effects and policy recommendations*, European Parliament, Policy Department for Structural and Cohesion Policies, Brussels.

[45] Ibid, p. 57
[46] https://authorsocieties.eu/covid-19-response/ and https://www.impalamusic-covid19.info/

It is important to underline the role of recorded associations who either set-up dedicated funds to help record labels (as for example in Austria) or partnered with the local CMO or PRO to provide a one-stop emergency fund.

This support from CMOs comes from the historical mutuality and solidarity provisions which are enshrined in many CMOs' statutes. On top of this, in several EU countries, the law requires that certain parts of royalty collections are dedicated to solidarity purposes as well, for instance:

- 25% of the revenues generated by the private copying levy in France or
- 25% of the revenues generated by cable retransmission in France
- 10% of the revenues generated by cable retransmission in Germany

One major issue is that in some countries the help provided by CMOs or sector organisations could not be combined with the support provided by governments. The emergency support measures provided by the sector or the CMOs were considered in some cases as revenues which either lowered the governmental support or in worse cases disqualified the artists to receive additional support.

Country-per-country overview across the EU - solidarity measures by Collective Management organisations can be found in annex 8.

Key takeaways 5

- Support for the music sector has been provided to some extent across the EU, be it in the form of general economic support measures or via dedicated support to the CCS. However, the extent and shape of the support varies greatly depending on the cultural policy set-up.
- A more fine-tuned analysis is hindered by the lack of appropriate data sources, and the successive waves of the crisis and of the support measures.
- Support from CMOs was provided in total in 17 EU countries. Here again the extent and shape of the support varies greatly.
- The variation in the extent and shape of support is likely to increase disparities among the domestic music sectors in the EU as countries with a well-developed music infrastructure and larger music support will be potentially better covered by emergency support measures.

6. Key findings

In this final chapter a general analysis of the crisis impact on music export activities is provided. A more detailed analysis based on 8 elements and considerations of music export strategies synthesised from the interviews is provided in annex 9.

Crisis impact on music export activities

Physical touring and performing abroad was not possible during the crisis and it is as of yet very unclear when, in what manner and capacity this will return to any kind of normal. Given that key music exporters rely mostly on live performance revenue, the crisis impact has been very significant, pushing the artists/creators and in many cases other music sector actors, from freelancers to music companies, on the verge of bankruptcy. Returning to physical export activities will require investments that key music exporters will have to be able to earn again, whether from domestic or export markets. However, as the live sector has been significantly damaged everywhere, expecting a quick rebound is not well justified. And as live sector of any given country is a crucial export market for artists coming from elsewhere, this could potentially mean a structural and long-term shift in what’s possible for European artists in terms of exporting to markets both within and outside of the EU.

Crisis impact: severe and potentially structural, requiring a longer period to rebound. Also most likely requiring post-crisis strategic policy support.

Professional networking and showcasing activities with the aim of building international networks and showcasing talent, were either canceled or organised in a hybrid or fully digital format. As detailed in annex 6, there are many challenges regarding both showcasing and networking via digital channels and all sides are looking for and testing solutions that would work best for them. However, as was revealedby the interviews, there are also potential upsides and opportunities. Many event organisers are considering keeping some aspects of digital participation and tools for their events even when returning to otherwise physical events becomes possible.

Crisis impact: significant, but also potentially transformative. Some crisis-induced innovations have potential for also post-crisis implementation.

Digital distribution and marketing of music content (audio or video) is seeing a major wave of innovation with the crisis-driven fast-paced development of virtual live experiences. Over time, livestreaming will most likely become a regular part of the many digital formats, even if perhaps not embraced equally quickly by all artists, creators and also their fans and audiences. Livestreaming possibilities probably become part of export strategies for many key music exporters, but not mainly as a new or alternative source of revenue, but as a promotional tool and a new, potentially very creative and exciting medium to express their creativity and connect with their fans. In so doing, livestreaming opportunities can empower key music exporters to reach new audiences while not always travelling to them physically.

Crisis impact: major push for innovation in the virtual live experiences, otherwise indirect or non-essential.

Social media channels and platforms needed to connect to fans and audiences became arguably even more important for key music exporters during the crisis. Music creators and artists are also looking towards new models to enhance their direct relationship to their fans and also monetise these through subscriptions, tipping or other means. Twitch and Patreon are more prominent examples, but there are a lot of new startups aiming to continuously disrupt this space.

Crisis impact: major push for innovation in the direct-to-fan platforms and services, otherwise non-essential.

Annex 1 – Key terms

- Creator: refers to an author (also composer) of a musical work, therefore the original owner of the copyright of that work. One musical work might have several authors with equal or differently shared splits of the copyright to that work. Creators are almost always registered with a collective management organisation (CMO) for collective representation and collection of royalties and often also have signed their rights to some or all of their musical works, or catalogue, to a music publisher. The latter offers several kinds of services to the creators they represent, including administrative (registering new works, monitoring collection, etc), promotional (actively pitching the creators catalogue to possible users of the works, seeking new commissions, etc.) in exchange for an agreed commission, whether percentage or flat fee based. In terms of export revenues it is important to note that these accrue to the creator through two main channels: collecting societies and music publishers.
- Artist: There is some confusion to the way “artist” is used as it very often is overlapping with the concept of being a musician and/or also being the creator of the music performed. It is useful to clarify the term as it does have some bearing on understanding the complex set of music (export) revenues. An artist[47] is an audience-facing, publicly used persona or a brand name for a person or a collective. An artist is usually a performing musician, very often, though certainly not always, a singer. However, not all performers are necessarily artists. It is only if they choose to build a public persona and an image behind their name (or any other name taken for this) that using the term “artist” is fully meaningful. There is no clear line of distinction between the categories, but there clearly is a scale. There are many performers who are well known in their professional communities by their peers, but are unknown to the general audience, even while they might be performing on the recordings or in the concerts attended by these audiences. In the context of (export) revenues this matters because artists (as brand names and public personae) do not hold any copyright by themselves, only to the degree they also are the creators and/or performers of the work. However, artist as a brand certainly has a meaningful market value, earning revenue from performance fees and merchandise sales and drives a lot of the other revenues associated through her work. It is important to note, however, that many highly popular artists are not always the authors or at least sole authors of the music they perform. Therefore, if there is an artist achieving success in exporting, the revenues thus generated and earned might also accrue to other creators (authors) and performers associated with the work of that artist.
- Performer and musician are often used interchangeably while the latter is often much wider and might also stand for creator as well as a performer. A performer (of music) might be performing her own material, also be an artist or a member of a group that is an artist

[47] This concept can be broadened for the whole breath of cultural and creative sectors, but in this work when using the term „artist“ we always refer to music or musical artist.

(a band etc), or might also work for an orchestra, etc. When performing for a recording session, a performer will develop performers rights (not be confused for performing rights), internationally recognised as part of the "neighbouring rights". "While a number of countries have domestic legislation that grants certain rights to performers in audiovisual works, including the right to be paid when these works are copied, distributed or broadcast, there is no international treaty giving performers control over how and when their work is used abroad, or any legal right to payment"[48].

It is necessary to clearly outline the meanings of the key terms used and their relationships to the copyright and neighbouring rights as the regulation and remuneration is not globally uniform. In order to analyse real and potential export revenue streams that are connected to the various rights, basic understanding of the differences of regulatory and business practices is needed.

When referring to artists/creators and their management teams we refer to creatively active artists/creators that have a well performing management function – without necessarily specifying whether that function is carried out by a separate manager, management company or by artists/creators themselves.

Annex 2 – Research questions

RQ1: What is the nature of the pandemic impact on the music industries in relation to music export and how does it shape the capacity, capability and willingness of the key music exporters to plan and execute export activities, especially to non-EU markets?
Sub-task Ia: Study of the COVID impact on music export activities
RQ2: What has the economic impact from the crisis been on the European music sector relevant for music export?
RQ3: How has the crisis impacted other business practices and trends?
RQ4: What have been the main policy responses to the crisis? In Europe and in the non-EU markets studied, relevant for music export activities?
RQ5: What are the main gaps still not addressed in the music sector by any policy response and what could be the medium to long-term implications of this?
Sub-task Ib: Music sector needs and trend analysis
Research questions regarding the digital solutions and approaches, tools and strategies artists/creators and their professional teams are discovering and developing:

[48] WIPO, https://www.wipo.int/pressroom/en/briefs/performers.html

RQ6: What are the most important new digital solutions and approaches, tools and strategies artists/creators and their professional teams are using to connect to their audiences internationally and presenting their music abroad via digital means (due to the COVID crisis induced circumstances)?
RQ7: What are the biggest challenges relevant to music export that these new ways present for the artists/creators and their professional teams?
RQ8: What are the most effective and efficient ways artists/creators and music companies can be supported to increase their capacity in terms of using new digital solutions for music export etc?
Research questions regarding the strategies and practices to organise professional networking and capacity building music export events in hybrid of fully digital formats, including conferences, showcases, trade missions etc:
RQ9: What are the main challenges, also potential benefits in organising professional events in hybrid or fully digital formats? This includes ways to organise ways for professionals to network, exchange practices, showcase talent, whether in live streaming or recorded means etc.
RQ10: What are the existing practices, already developed and tested within the crisis period?What can be learned from them and are these learnings transferable or particular to the event/organiser context?
RQ11: What are the most effective and efficient ways to support the sector actors to adapt to the hybrid or fully digital ways of professional networking?

Annex 3 – Methodology and sources of information

This research report mainly relies on i) a literature review of a wide array of previous research and expert media and ii) interviews with various music sector professionals. The methodological steps undertaken include:

1) <u>A rapid evidence assessment</u> - reviewing the literature and forming a set of initial assumptions
2) <u>Interviews with European music sector networks</u> to scope further context, information and data
3) <u>Interviews with key music exporters and networking events and trade mission organisers</u> to gather new information and test the initial assumptions
4) <u>Initial validation interviews with music managers' association representatives</u>

Literature

While the digitalisation trend has now lasted for two decades and there is some academic literature tackling the early phases of this, the changes under review in the current research – namely the impact of COVID crisis and the policy responses to them in various European countries – are obviously very recent and ongoing as we are writing this report. Therefore, the main sources have been:

- Previous research reports by European Commission, OECD, World Economic Forum and national cultural ministries.
- A wide array of professional music industry research reports and media, including, but not limited to Ernst & Young Water & Music (Cherie Hu and guest writers), MiDIA, Music X, Music Ally, SynchTank, etc.
- Newspapers from the specialised music industry press (Digital Music News, The Rollingstones, BBC
- Reports and studies by professional music organisations (GESAC, IMPALA, LIVE DMA, IMPF...)

The literature review and initial scoping of evidence within the rapid evidence assessment led to forming the initial assessments that were tested and built upon in the interviews.

Interviews

In total 42 interviews were undertaken with three different target groups:

- European music sector networks representatives:

The research team contacted some European music sector networks representatives in the scoping phase of the project. In total 10 organisations have been contacted (cf. annex n°3)

- Key music exporters - artists/creators and managers. Each member of EMEE sent a list of 2 to 7 music exporters to the research team who then contacted around 40 artists and managers for an interview. In total the research team managed to interview 22 managers representing a balance geographical representation of EU countries, as well as genres and degrees of establishment.(cf. Table in annex)

Given the limited number of interviews that was feasible for this project, the takeaways are in no way fully representative of national music ecosystems nor genre scenes – for this a significantly larger number of interviews per country or per genre needs to be undertaken. Still, they yielded good indications of important similarities and differences across the several variables and gave good grounds to make some initial observations and analysis of the COVID crisis impact on the European music export activities.

- Organisers of professional networking events and trade missions. In total 10 interviews were undertaken, among these were the representatives of Eurosonic Noorderslag, Ireland Music Week, Reeperbahn Festival & trade missions, EARS, WISE, Waves Vienna, Nylon Connect & Sandbox (Music Ally), Future Music Forum, Hokuo Music Fest and NOMEX trade mission to LA.

List of interviewees

Music sector associations contacted for an interview / consultation

Reach	Name	Organisation	Sector	Itw.
EU	Giambattista Tofoni	European Jazz Network	Jazz festival and venues	1
EU	Burak Ozgen	GESAC	Authors and composers societies	1
EU	Audrey Guerre	Live DMA	Live music venues, clubs and festivals	1
EU	Matthieu & Angel	IMPALA	Labels	1
EU	secretariat	IMPF	Music publishers	1
FR	Louis Presset	FEVIS	Free ensembles and orchestras	1
EU	Fruzsina Szép	Yourope	Festivals	0
DE	Lena Krause	FREO (Free ensembles and orchestras from Germany	Free ensembles and orchestras	1
World	Jake Beamont Nesbit	IMMF	Music Managers	1
EU	Frank Kimenai	EMMA	Music Managers	1
			Organisations interviewed / consulted	**10**

	Name of the manager / Management company	Artist	Genre	Status	Itw
BE	Jarri Van der Haegen (Disco Naïveté)	Charlotte Adigéry, Sylvie Kreusch, Tsar B, WWWater	Alternative	Emerging	1
GR	Serafim Giannakopoulos (self managed band)	Planet of Zeus	Alternative	Established	1
CZ	Magdaléna Samková (Freelance artist manager)	Floex	Alternative	Emerging	1
FR	Clémentine Richard & Clément Ledoux (l'Agence management)	Classical music soloists and ensembles	Classical	Other	1
FR	Clémentine Richard & Clément Ledoux (l'Agence management)	New music ensembles	Contemporary music	Other	
AT	Martin Kainrath (Manager)	Klangforum Wien	Contemporary music	Established	1
BE	Alexander Vandriessche (DBNR)	Charlotte de Witte	Electronic	Established	1
EE	Marili Jogi (Moon management)	Tommy Cash (day to day management)	Rap, hiphop	Established	1
EE	Marili Jogi (Moon management)	Kadri Voorand	Jazz	Emerging	
UK	Federico Bolza (New Soil Music)	Theon Cross	Jazz	Emerging	1
IT	Nicola Conte	self managed	Jazz	Established artist	1
PL	EABS (self-managed band)	EABS	Jazz	Emerging	1
PT	António Cunha (UGURU)	Rodrigo Leão	World	Established	1
BG	Boyan Robert Pinter (Boyan Arts)	Diverse	Rock	N.A	1

AT	Hannes Tschürtz (Ink Music)	My Ugly Clementine	Rock	Established	1
FR	Clotaire Buche (Junzy Arts)	Woodkid / Aaron and much more	Alternative	Other	1
SP	Martín Boragno (Entrelineas)	Bad Gyal	rap, hiphop	Other	1
UK	Ali Raymond (Beatnik)	Arlo Parks	Pop	Other	0
IT	Daniele Citriniti (The Goodness Factory)	Andrea Laszlo de Simone	Pop	Other	1
CY	Louvana Records (agency & label)	Eleni Era & Freedom Candlemaker	Pop	Emerging	1
SL	Damen Holc (self-managed band)	Koala Voice	Rock	Emerging	1
HU	Platon Karataev (self managed band)	Szabolcs Czeglédi	Rock	Established	1
NL	Ronald Keizer (Blip Agency)	ALTIN GÜN	World	Emerging	1
GR	Monika Papadatos	Kid Moxie	Electronic	Emerging	0
LT	Creative Industries	The Roop	Pop	Established	0
LT/UK	Twin Music	Beatrich	Pop	Emerging	0
NL	Firfly Management	Duncan Laurence	Pop	Emerging Artist	0
IE	Phil and Annette Udell	Tebi Rex	Rap, hiphop	Emerging	0
IE	Aws	JyellowL	Rap, hiphop	Emerging	0
UK	Alison Lamb (Prolifica Management)	You Me At Six	Rock	Established	0
FI	Till Dawn They Count Ltd	Nightwish	Rock	Established	0

FI	Fredi Lunden	Isaac Eliott	Pop	Emerging	0
LX	Florence Martin (Manager)	United Instruments of Lucilin	Contemporary music	Established	1
DE	Andreas Richter Cultural consulting	Diverse classical music orchestras and ensembles	Classical	Other	1
DE	Andreas Richter Cultural consulting	Diverse contemporary ensembles	Contemporary music	Other	
CH	David Burger	Zeal & Ardor	Alternative	Established	0
				Total interviewed	22

Annex 4 – Global music industry pre-COVID

Recorded music sector

The recorded music industry which was significantly disrupted by the digitalisation wave since the late 1990-ies, turned finally to growth in 2015. This was driven by the emergence and growth of the digital music economy and business models. First via legal and paying download platforms,[49] allowing the consumer to download an album, or a single track and followed by the birth of music streaming and UGC platforms.[50]

These new digital revenue streams have been increasingly driving the global revenues the recorded music industry since 2015 and according to the latest IFPI figures, the streaming share accounted for 62.1% of global music revenues in 2020.[51] Spotify, the most popular audio streaming service has 356 million users (including 158 million subscribers. According to March 2021 info)[52], Apple Music had 60 mln users in June 2019[53] & Amazon Music over 55 mln users in January 2020.[54]

Live music sector

[49] One could cite for example Apple's iTunes store, amazon.com, emusic.com and even Napster which has emerged as a legal download service under a new owner and operator.

[50] MySpace was created in 2003, Youtube has been created in 2005, Spotify in 2006, Deezer in 2007

[51] IFPI (2021) Global music report 2021

[52] https://newsroom.spotify.com/company-info/

[53] Latest data available for Apple music : https://www.digitalmusicnews.com/2021/04/29/apple-music-paying-subscribers/

[54] Latest available data for Amazon in GoldmanSachs (2020) Music in the Air, p.22

The overall restructuring of the recorded music industry made artists more dependent on revenues earned from touring and performing live concerts. According to Goldman Sachs, live concert revenue has continued growing at 4% CAGR globally over 2000-2019, and in 2013, for the first time ever, live music revenue surpassed total recorded music revenues. This growth is correlated with a surge of live music events such as concerts and foremost festivals, which started in the 1980's and continuously intensified since then.[55] This shift has made live performance revenues crucial for artists. For example an average musician in the US reportedly derives 42% of their income from live and only 1.5% from streaming royalties[56]. Similar data is missing for European music sectors.

In 2018, PricewaterhouseCoopers estimated the value of the global live music business at EUR 22.9 billion worldwide, most of which comes from ticket sales and sponsorship[57].

The last years have been characterised by concentration trends in the live music sectors where smaller concert promoters tend to be increasingly bought by major concert promoters such as Live Nation.

Music publishing

The digital transformation of the music industry has steered consumers towards cheaper ways of accessing music.[58] The increasing number of digital music platforms led music publishers to conclude increasing amounts of digital licensing deals, engage in multi-territory licensing, which increasingly multiplied but also at the same time made accounting for the income sources more complex, as each platform has a different royalty rate and payment terms.

According to the calculations of the IMPF based on CISAC global collection report, Europe represents the biggest music publishing market with 52.5% of global music publishing collections, followed by North-America (25.6%), the Asia-Pacific region 15.1%, Latin America (5.4%) and Africa (0.8%).[59]

According to a study published by the French music publishing trade associations, music publishing is mainly focusing on "pop" genre, representing 81% of the industry's turnover in 2017-2018, while 10% is generated by the sales of sheet music and rental of orchestra equipment and 9% by production music, i.e. the production and development of music works for audio-visual and media professionals[60].

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55 KEA et. al. (2020) Analysis of market trends and gaps in funding needs for the music sector, p. 12)

56 Digital Music News, June 27, 2018. Cited in Goldman Sachs (2020) Music in the Air, p.22)

57 https://static.billboard.com/files/2020/02/Is-The-Music-Copyright-Business-Worth-More-Than-Ever-1582909901.pdf Cited in IMPF p.11

58 Synchtank (2021)
59 IMPF (2020) Independent Music Publishing Global Market view 2020
60 Focus on Music Publishing in France 2017 – 2018 (p.8) https://drive.google.com/file/d/1Ofc5G1-QThUjABzDVMBC3QNnk-vkFwS2/view

In a study “The Global Value of Copyright”[61], the music industry expert Will Page is assessing the value of the recorded music industry and the publishing industry, which represent two sides of the same coin. His estimation refers to US $31.6 with 53%, with streaming representing 47% of the total figure (or US$ 14.85 billion) and US$ 16.74 billion to other copyright related revenues other than streaming.

Annex 5 – Key factors influencing music export capacity

Country level factors

A. The size of the domestic market. Developing a strategic and sustainable international career supported by a long-term export strategy requires investment. A crucial aspect is whether the domestic music market is large and well developed enough for artists to be able to earn sufficient revenue locally, before undertaking any export activities. Artists from smaller countries, especially working in more niche genres, are often pushed to aim for a more international career much earlier in their development. This can be mitigated by a well developed music sector infrastructure with a lot of expertise, experience and international networks accessible through local peers (such as in Sweden, etc.).

B. The level of development of the domestic music sector infrastructure. A key factor shaping the music export capacity of artists/creators and their management is how well the local music sector infrastructure is developed. Whether and how easily are relevant expertise, experience and international networks accessible through local peers is crucial. Most importantly for export development, the local music sector infrastructure can include music export organisations, targeted funding for international activities and many kinds of trade associations combining and making available high level sector expertise.

C. Regional markets. A smaller country can still benefit from a larger neighbouring market in case the barriers of entry are very low, such as sharing a language, etc. Examples include the German Speaking Area of Germany, Austria and Switzerland, the francophone area of France, Belgium and Switzerland. Higher regional integration can be noted in the Nordics (for example via the work of NOMEX). Another example is Ireland that benefits from the leading position of anglophone music on the global scale and also the proximity of the UK music market and industry - one of the biggest and most developed in the world. The latter presents also a challenge through a potential talent drain.

D. Cultural policy support. As also reflected in the variety of policy responses to the COVID crisis, the existence of national and/or regional (including city level) cultural or music policies and strategies varies greatly from country to country. However, the national and/or regional policy level support is key to ensure the functioning of sector organisations and also making available direct public funding for export activities.

E. Cultural and language specificities.

[61] https://tarzaneconomics.com/undercurrents/copyright

Language

As confirmed also by the interviews, language differences matter. Countries with native languages that have large and multinational audiences have a natural advantage in making music in their own language. Anglophone repertoire has been in a special status with audiences listening to English language songs globally. Yet, other "big" languages benefit from larger markets as well. In contrast, artists and creators from smaller countries with a "smaller" language often need to make a choice whether to focus on domestic market or try to break to an international level, making music in English (or other foreign language). Few artists have managed to build multilingual careers (perhaps a good, but rare example is Brainstorm or Prata Vetra from Latvia with committed audiences from three different language bases: Latvian, Russian and English for international).

The language barrier can be exacerbated when the local alphabet is different from the near universally used Latin alphabet in the Western hemisphere.

The "Western" repertoire is increasingly facing the same challenges when trying to enter the fast growing Asian music markets. Not only is there less demand for songs in English or other western languages, but setting up a career will require a full set of services being able to manage all the communication and other services in local language and on the local digital platforms, etc.

Local repertoire – cultural preferences and legislation

Also, artists faced with the choice of whether focusing on domestic (language) market or international, need to navigate the limits set in some countries on local language repertoire in local media, etc. Another aspect can be whether there is any preference in the local market for non-native language repertoire. In some countries in Europe, the local music audiences are very much preferring only local language repertoire.

Country "image"

In addition to the internal cultural specificities, stark differences in the country "image" in terms of whether the music from there is perceived to be "professional" or at least marketable seem to persist even in Europe.

<u>In conclusion</u>: it still very much matters in which country a particular artist is trying to develop and export oriented career and business. In most cases in Europe, the strengths seem to converge in big markets (such as Germany, France and the UK) where big domestic markets have enabled the growth of strong and well developed music sector infrastructure, including export oriented capacities. This is in some cases also strengthened by strong cultural policy support[62]. In contrast, many smaller European markets struggle with limited local market size accompanied by higher cultural and language barriers to export development. Some smaller or medium sized European

[62] Most notably in France and Germany. In Italy, the public support is distributed asymmetrically with some music scenes and genres supported and others not.

countries benefit from being adjacent to a larger market, however the downside being a potential talent and copyright drain[63].

Scene/genre level factors

F. Genre-specific export strategies.

   Music export potential and the appropriate strategies to develop it are very different depending on the music genre and the way a particular scene works. For example, is it song or album driven, popular with larger audiences or more niche, native to digital platforms or still highly dependent on live performance, whether the audiences are more active in social media or not, and many other aspects. Therefore, in addition to the many factors arising from where the artist is based, she has to tailor the business and export strategies according to the logic of a particular music genre and scene.

The case of classical / contemporary music

The "classical" music world, an umbrella term for all heritage and contemporary academic, lyrical or "art" music, has a slightly different approach to export than the rest of the industry.

For instance, opera singers and classically trained musicians start their career in the conservatory, where they meet professors who can be already internationally established and embedded in international circuits. The different music competitions organised by festivals or conservatories can help to boost their international visibility and attract potential labels and/ or agents. Depending on the subfield of the classical music world the artists are active in, the markets can be too small to establish a career, even for artists coming from the biggest European music markets.

The rule to establish locally and then to go abroad is also true for independent music ensembles[64] who need to gain the attention of public authorities in order to get the necessary subsidies to survive in the niche market of contemporary music. Strategies to export can be for example to work with a foreign composer which would open the doors of a foreign market and start making concerts and being recognised in a foreign country. Moreover, the musicians of contemporary music ensembles are often freelancers (very few ensembles manage to have their members as employees as it is the case for state or regional orchestras for instance), and often originate from different countries. Thus, each musician can make the ensemble benefit from their domestic network which can help to foster internationalisation.

As for the other part of the music industry, the classical and contemporary music world also has their own professional networking events, conferences and "showcase" festivals of sorts.

The International Artists and Managers Association (IAMA) has been organising every year since 1991 an international conference where classical music agents and presenters from all over the

[63] https://journalofmusic.com/focus/how-transform-ireland-s-music-business

[64] Music ensembles not directly funded by a municipality, a region or a State, with a permanent management and office team.

world are meeting during intense days of speed meetings in order to find new business opportunities and partners.

Classical:NEXT (Rotterdam), Musicora or the New Deal (Paris) are also among the major classical music conferences where professionals have the possibility to meet their peers and attend panel conferences with (classical) music industry experts. The Karajan Institute has organised since 2017 together with the University Mozarteum in Salzburg the Karajan Music Tech conferences, which highlight every year how the classical music world interacts with the newest technological trends. As such, it can be considered similar to what the MIDEM conference in Cannes among others offers for the rest of the music industry.

In the contemporary music world, some major festivals are also playing the role of a "marketplace" for new music ensembles. Such as the Donaueschingen Festival in south-West Germany, which is considered the oldest festival for contemporary music, the Wittener Tage für neue Kammermusik (Witten days for contemporary chamber music), or Darmstadt Summer Course for New Music – all in Germany. Some other major contemporary festivals are also Festival d'Automne in Paris and Musica in Strasburg, both in France; or the Huddersfield Contemporary Music Festival in the UK.

High asymmetry in public support

As previously highlighted in the study "Market trends and Gaps in Funding Needs for the European Music sector", Each European country relies on very different support architecture and degree of support. Furthermore – and unfortunately for a level playing field for European artists and creators – very often it is the music scene or genre that seems to be the distinguishing factor. For instance, the classical music sector is able to have musicians who are employees, in most cases of public funded orchestras or ensembles at local, regional or national level which is having a strong influence on the export capacity and strategies of the music exporters in the classical music scene.

Artist level factors

While the most obvious factor of export success can be seen as talent and the artistic accomplishments of a particular artist/creator, it has not been listed below as an element of an export strategy. The rationale for this relies on assuming that while artists/creators can cultivate their talent and managers can pick who to work with, this can be seen to precede the considerations of an export strategy.

G. The motivations and aspirations of the artist/creator. There are differences in terms of what artists/creators value and look for from their careers. These differences carry over to the way the artists' business is shaped and also export activities are planned.

H. The level of development in artists' career, (emergent vs established scale). An emerging artist will tend to have a more reactive export strategy and go where the bookings and other engagement comes from whereas more experienced artists can also afford to be more proactive and pick a market and region depending on the strategy they are implementing and on their personal motivation and aspiration.

I. The business model (including revenue structure) of the artist/creator business. While for almost all of the artists/creators and managers interviewed for this study live performance revenues were overwhelmingly the key income, there can be very different business models for a particular artist. Music scene and genre specifics can play a large role here, but also strategic priorities of the artist/creators.

Annex 6 – Professional networking during the crisis

Context

A crucial aspect in developing export strategies and capacity is access to an international network of professionals for showcasing talent and forming new or developing existing business partnerships. A wide array of events in various formats and sizes, from - showcase festivals, co-creation camps or residencies to music industry conferences or also targeted trade missions, have served this function for European and international music sector communities. In order to analyse how some of these met the COVID crisis induced need to transfer the events partly or fully online, the various features have been divided into four core functions: (i) showcasing talent, (ii) co-creation formats, (iii) professional networking and (iv) capacity building.

Showcasing talent

For a professional talent showcase to function, a well curated selection of artists are invited to perform in front of relevant industry professionals, most often festival bookers, but also representatives of agencies, labels, publishers, etc. For such a showcase to work a considerable amount of preparation and coordination is needed on all sides. When physical concerts were not possible, showcase organisers had two main paths to choose: either organise livestreamed showcases for professional audiences participating digitally; or pre-record performances and make them available for viewing at a given time for a targeted audience. While livestreaming would potentially offer an experience a bit closer to the live concert as the artists are performing real time, doing pre-recorded sets offers more options and reduces the risks of technical failure. There are challenges linked to both, though.

Challenges:

- Digital showcases lack the visceral experience and atmosphere of real live shows and getting delegates to engage them via a screen can be a challenge for showcase festivals. Furthermore, there is a lot of scepticism among both artists and managers and also "buyers" whether a digital showcase can actually deliver the experience needed for a future booking.
- Livestreaming is technically challenging as despite a crisis-driven rush of development in this sector there are still no mature solutions available that would offer an easy to use and streamlined option without all the technical risks, whether due to connectivity related or other problems. Furthermore, to produce a high quality livestreaming event, a professional service provider is needed and this is very costly.

- Pre-recording shows offer more options, but is also costly and similarly requires professional service providers to produce the videos.
- In either case a new issue arises regarding the rights to the videos. Livestream that is recorded and made available for viewing also later (which can be an extra value for the artist) creates a complex bundle of rights and licensing these is an almost virgin territory to tread for all sides. In Europe, some CMOs introduced preliminary licensing solutions, most notably SACEM and PRS, but clarifying the regulative space is only half of the challenge - all parties, from festivals to artists need to become aware of these new legal settings and be able to operate within these.
- While livestreamed showcases would normally be organised by the festival (assuming the artists are local), offering possibilities for artists to showcase via pre-recorded videos can place the financial burden to produce these mostly on the artists and their management, or in some cases (like in France) on the booking agents or live producers or as in some countries it was sometimes also assumed by the MEO. Here, the significantly different levels of development of national music sectors come into play. While in some countries, existing organisations and support measures exist that can and did support artists in producing such videos, in other countries similar support is missing. Therefore, such a situation - if not addressed with appropriate policies - can perpetuate or even aggravate imbalances between the opportunities of European artists based on where they are from.
- In order to realise the strategic benefits from performing at a showcase event, artists and their management teams need to know and have access to the data on who was present at the showcase. In digital channels data can potentially be much richer, however, collecting and making it available has several hurdles. Firstly, it is a question of which data can be collected by whom and to whom does it belong to? Events often rent platforms as a service and do not own them. Secondly, a clear standard of rules with opt-in / opt-out possibilities for delegates would be useful, but if at all, can be designed and harmonised in the sector by a number of years of practice. Finally, it is also a technical challenge, even if perhaps most easily solvable of the three. Once it can be clearly established which data is useful to collect, who does it belong to and who has the right to make it available and there is full transparency and opt-out options available for the delegates, the technical solutions shouldn't be too hard to solve, at least in principle.
- While many showcase festivals also receive public funding, a significant part of the budget usually still relies on ticket sales and also sponsors. While public funding might have been flexible, the lost ticket revenues and diminished sponsorships hurt the financial sustainability of the events.

Opportunities

- Pre-recorded showcase performances, if produced on a high quality, can potentially offer artists valuable material that outlasts that one showcase and can be used also in the future, whether as a standalone content or bundled with other assets or content. That is assuming that exclusivity clauses will not limit the use of such videos disproportionately.

- Either recorded livestreams or pre-recorded showcases can be made available for professional delegates also after the event, thus increasing the chances that more interested delegates can view them. In a physical event the time of the delegates is highly competed for and therefore the chance to watch videos also after can be beneficial for all sides.
- Digital participation leaves a data trail. Assuming all the above-described challenges can be overcome, having more nuanced data on who attended can potentially be very useful for both artists and their managements and the event organisers.
- With a right approach and an incentive package (possibly involving a motivational fee), delegates can be engaged to attend digital showcases. For example, instead of the usual 50, around 600 international delegates participated virtually in the Ireland Music Week online version in 2020.
- While most festivals intend to return to physical showcasing when possible, there are ideas to livestream and record concerts (as for example in Waves Vienna 2021). For Eurosonic 2022 there are plans to maintain a virtual pre-recorded showcase option even if the festival can otherwise also do physical events. This can create an extra tier of sorts for artists who otherwise might not have any funding to travel to the festival. Also, this can potentially serve as a pre-step to physical showcase in subsequent years.

Professional networking

Making new and developing existing professional contacts is a core function of these events. Professional networking takes place through a variety of ways, some organised and curated, some through chance meetings and ad hoc interactions. The events often use various formats of curated match making, such as speed meetings, or also networking receptions where more informal exchanges can take place.

Challenges:

- Various aspects of the social dimension of networking are missing in any digital format. While effective and efficient business meetings are part of these events, professional partnerships are also fostered through other more informal ways, such as having lunch or dinner conversations, experiencing a showcase concert or a visit to a local company together, etc.
- Making new contacts seems to be especially hard through digital tools. Having randomised small group or 1-to-1 video rooms can help, but is not a good substitute, at least with the current tools available.
- The ad hoc nature of networking has been pointed out as a crucial component and, at least so far, there are no solutions to enable this digitally.
- Engaging and committing delegates to attend online networking can be a challenge

- Effective online tools to allow virtual networking are only emerging and are still mostly not very intuitive or attractive. They can also be very costly to rent or develop in house for the event organisers. It is likely the market will sort this out over the longer term, but meanwhile, a lot of potentially costly trial and error needs to be undertaken by the events to figure out what works for them.
- Even if the technology will develop (and it most certainly will), there is also a cultural barrier – it will take time for the professionals to become aware of and adept in using any new solutions.

Opportunities

- One-to-one meetings could potentially be more effective, as testified by many event organisers interviewed. This mostly depends on how well the delegates know who they want to meet and what for, so it serves best already pre-existing contacts or requires more experience and very clear rationale for the meetings. Good preparation, i.e knowing whom you're meeting also helps to keep focus. For making new contacts, whether through a randomised or curated method, thorough preparation by the organisers will be helpful to make sure that the odds for mismatches are minimised.
- While there is much scepticism towards virtual informal networking, there are also those seeing some potential. For example, Music From Ireland used Bramble[65] on their online trade mission. The team behind WISE festival has developed a virtual networking space of sorts and
- While engaging professionals to commit for longer periods of time during an online event can be challenging, it does open new opportunities to invite professionals who are otherwise too far or too busy to have ever attended a physical event, but can take a few hours to attend online. This can potentially significantly broaden the scope of professionals such events can engage for networking.
- Making hybrid events with delegates attending both physically and digitally really work for networking offers both challenges and opportunities. The attention competition will favour anything physical over online, but there are settings where a chance to reach a delegate even online can be very valuable. For example, highly valued buyers check in on showcases via online and artist managers can later have a chance for even an online meeting with them to connect and ask feedback. This balances the motivations and can create a valuable "digital tier" of professional attendance.
- Another very useful way to combine online and physical networking, is to spread them out on a timeline. Not every kind of interaction needs to happen physically. Some meetings or also knowledge sharing can be done online before a physical event, such as now planned for Hokuo Music Festival in the future (a webinar introducing the Japanese market will precede the actual physical trade mission). Or, as done and potentially planned for the

[65] Bramble https://www.bramble.live/ is a platform offering virtual rooms for networking and online gatherings.

future by the Ireland Music Week team, an online trade mission can serve as a follow-up to physical on-site event.

- One emerging opportunity is an online digital community around the events, keeping the network together through-out the year or at key moments. For example, Future Music Forum in Barcelona cancelled the event, but created an online community using Mighty Networks platforms. Similarly, the Reeperbahn Festival has in many ways turned the online platform that is used for the festival and conference as well as the trade missions, into a kind of online community with some 2000 users registered.

Capacity building

The range of activities that seemed to transfer online the easiest are the capacity building activities that form a crucial part of the professional networking events - the seminars, workshops, panels, etc. usually making up a conference programme.

Challenges

- For more workshop-like settings, the challenge of replicating direct discussions that would normally evolve in a physical room, in an online setting can mean a loss of interactivity which is at the heart of the value offered by such formats.
- While producing online panel discussions is easier than livestreaming showcases, it still requires a new type of technical capacity of the event's organisers' teams. As many interviewees remarked, next to being an event organiser they now also need to develop the competencies of a media production company. Some activities can and must be bought in as a service which is expensive, but there are core skills that events need to develop to run such productions.

Opportunities

- Making the conference programme digital can substantially increase the potential reach. This can be achieved via allowing online viewers in real time or also making the content available after the event. This is an element that seems to carry over to a post-crisis reality. While the exact technical solutions are still being tried and tested, in principle, a digital layer of the capacity building aspect seems a clear upside.
- As with professional networking, doing at least part of the programme digitally allows the conference programme to feature speakers that otherwise would not be able to attend, whether due to time or distance (costs) reasons.

Annex 7 – Overview of the main support measures at EU level

The EU immediate emergency response

The EU adopted a temporary framework for State Aid measures on March 19 and approved 127 State Aid measures on April 30, 2020. These measures allowed EU Member States to temporarily freeze activities while mitigating the negative impacts in terms of long-term growth prospects. The temporary framework which has since then been regularly updated to adapt to the different phases of the crisis, allowed the member States to deliver direct grants (or tax advantages) as well as diverse types of loans or loan guarantees. At the time of drafting of this report, the framework for temporary State Aid measures will be active until 31 December 2021.[66]

Next to this temporary framework for state aid measures, the EU adopted a series of mechanisms to mitigate the impact of the COVID-19 pandemic on the European economy. The main mechanisms are[67]:

- The EU adopted at the beginning of April 2020 the Corona Response Investment Initiative (CRII) which aims to mobilise the EU structural funds to mitigate the impacts of the COVID-19 pandemic and foster investments. The CRII consisted of three main elements: about €8 billion of immediate liquidity to leverage up to €37 billion of European public investment, flexibility in applying EU spending rules and extension of the scope of the EU Solidarity Fund.[68]
- The CRII was quickly complemented by the CRII+ on April 2, 2020 which introduced extraordinary flexibility to allow that all non-utilised support from the European Structural and Investment Funds can be mobilised to the fullest.
- In April 2020 the European Commission set up SURE, an instrument which makes loans available to Member States to protect jobs at risk during the coronavirus pandemic.

EU action towards the CCS

The EU also adopted a series of support measures directly targeted to the CCS, including music. First of all, a platform called Creatives Unite was created following a virtual meeting of EU Ministers of Culture, held on 8 April 2020. Creative Unites aims to gather in one place all initiatives and information related to the cultural and creative sectors in the EU and beyond in response to the COVID crisis.

The European Commission also announced maximum flexibility for Creative Europe activities in light of COVID-19 pandemic, extended deadlines along with a Q&A document.[69]

Other emergency measures relevant for the music sectors were taken in the scope of Creative Europe. This includes the speeding up of the evaluation of 2020 cooperation projects, and the adaptation of the CCS guarantee facility to mitigate the effect of the crisis and to make it more attractive and useful.

Finally, the European Commission reprogrammed the preparatory action Music Moves Europe to help the music sector. It published therefore in July 2020 a call for proposals entitled “Music Moves

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66 https://ec.europa.eu/info/live-work-travel-eu/coronavirus-response/jobs-and-economy-during-coronavirus-pandemic/state-aid-cases_en

67 For more information please consult : https://www.impalamusic-covid19.info/eu-measures

68 https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_574

69 https://ec.europa.eu/programmes/creative-europe/sites/default/files/creative-europe-covid19-qa2-11-04-20.pdf

Europe – 'Innovative support scheme for a sustainable music ecosystem" which aims to develop a support scheme around three main recovery themes: green, digital, just and resilient.[70]

A new EU budget

The new EU budget which has been agreed in November 2020 by the three EU institutions which result in additional support to the CCS. This support takes the form of budget increases for three key European programmes

- +€600m for Creative Europe, the only EU programme fully dedicated to culture (an increase worth almost half of its current budget), bringing the total budget to €2.2bn.
- +€1bn for InvestEU, which will deliver (among other things) loans for cultural and creative businesses.
- +€4bn for Horizon Europe, the EU's innovation and research programme, with its new cluster for culture and creativity which will have a budget of €2.3bn.

Towards the recovery plans

Besides emergency support measures, the EU has proposed on May 27th 2020 an ambitious temporary recovery instrument called "NextGenerationEU".

Budgeted with EUR 750 billion, The NextGenerationEU allows the cCommission to raise funds to help repair the immediate economic and social damage brought about by the coronavirus pandemic.

The centrepiece of NextGenerationEU is the Recovery and Resilience facility which will make up to EUR 672.5 billion (of which up to EUR 312.5 billion in grants and up to EUR 360 billion in loans) to support public investments and reforms. At least 57% of the funds should be allocated to the green and digital transition[71] (also called the twin transition). On top of this priority on green and digital transition, the Commission encourages Member States to put forward investments and reform plans in 7 key areas[72] of 14 priority ecosystems, which include the CCS along with 13 other industrial ecosystems.[73]

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[70] https://ec.europa.eu/culture/calls/music-moves-europe-preparatory-action-2020-innovative-support-scheme-sustainable-music-ecosystem

[71] A minimum of 37% of expenditures should be earmarked for climate investments and reforms and a minimum of 20% of expenditure should be dedicated to foster the digital transition.

[72] (1) Power up: Clean technologies and renewables: (2) Renovate: Energy efficiency of buildings; (3) Recharge and refuel: sustainable transport and charging stations; (4) Connect: Roll-out of rapid broadband services; (5) Modernise, digitalisation of public administration; (6) Scale-up: Data cloud capacities and sustainable processors, (7) Reskill and upskill: Education and training to support digital skills

[73] The 14 priority ecosystems include : Tourism, Cultural and Creative Industries, Aerospace and Defence, Textiles, Electronics, Mobility – Automotive, Low-carbon – energy intensive industries, Renewable energy, Agri-food, Health, Digital, Construction, Retail, Proximity & Social Economy.

ReactEU is the second pillar of NextGenerationEU with a total budget of EUR 47.5 billion. It is a new initiative that continues and extends the crisis response and crisis repair measures delivered through the Coronavirus Response Investment Initiative and the Coronavirus Response Investment Initiative Plus. These funds will be made available through EU funds such as the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the European Fund for Aid to the Most Deprived (FEAD).

Finally, NextGenerationEU makes additional funding available for European programmes such as Horizon Europe (+ EUR 5 billion), InvestEU (+EUR 5.6 billion), Rural Development (+ EUR 7.5 billion), Just Transition Fund (+ EUR 10 billion), RescEU (+EUR 1.9 billion)

Analysis of support measures at EU level

The EU reacted fast and gave member States the possibility to quickly organise emergency support measures thanks to the temporary framework for state aid measures. The increased budget for programmes relevant to the CCS are also crucial elements to alleviate the losses of the CCS and ensure their recovery.

Increased flexibility for the activities of existing Creative Europe projects is certainly very helpful and welcome for the running projects. However the programme is highly competitive, especially for smaller music operators.

According to EU Commissioner in charge of Innovation, Research, Culture, Education and Youth, Mariya Gabriel, the Recovery and Resilience Facility under NextGenerationEU will play a pivotal role for the recovery of the sector. If culture has been identified as one of the 14 ecosystems that have been the hardest hit by the crisis, there is however no obligation for the Member States to provide CCS specific measures in their recovery plans that have been presented in May 2021 to the European Commission for approval despite intense advocacy work of the CCS which pledged to allocate at least 2% of the RFF for the CCS.

The shape of each national recovery plan will hence be crucial in addressing the needs of the CCS, including the music sector, in the future. The effectiveness of the EU measures to mitigate the impact on key European Music exporters depends hence on the emergency support measures and the recovery plans adopted in each EU Member States. Whilst few countries have published their recovery plans, some have clearly included the CCS and music in their priorities. In France, EUR 2 billion are earmarked to the CCS as part of the EUR 40 billion “France relance” plan. This includes an EUR 200 million envelope for the music sector, covering the whole value chain of the industry, from recorded music to live performances.

Annex 8 – support from the CMOs

Country-per-country overview across the EU - solidarity measures by Collective Management organisations (Based on the information provided by the GESAC mapping and IMPALA COVID-19 Mapping).

Country	Emergency support provided by CMOs
Austria	Emergency Fund of EUR 15 Million (AKM)
	Loans for up to EUR 15,000 per persons/publishers (AKM)
	Emergency fund from a local PRO (OESTIG)
Belgium	Emergency Fund of EUR 18 Million (SABAM)
Croatia	Emergency fund of EUR 72,000 (HDS ZAMP)
	Loans (HDS ZAMP)
Czechia	Emergency fund (OSA)
	Emergency fund for performers only from a local PRO (INTEGRAM)
France	Several Emergency funds from (SACEM)
	Emergency funds from local PRO (ADAMI)
Germany	Two emergency funds of EUR 40 millions in total (GEMA)
Hungarian	Emergency fund of approx. EUR 250,000 (ARTISJUS)
	Emergency fund from the local PRO (EJI)
Ireland	Emergency fund in partnership with the local PRO and the recording association (IMRO)
Italy	Emergency fund of EUR 500,000 (SIAE)
	Additional support fund EUR 60 Million (SIAE)
	Other financial measures were put in place for a total of EUR 110 million (SIAE)
	The local PRO created a special fund for artists (NUOVO IMAIE)
	Special support for artists earning less than EUR 10,000 per year in the form of commission reduction of 50% (SCF)
Netherlands	Emergency fund of EUR 2.75 million (Buma/Stemra)
Poland	Emergency fund (ZAikS)
	Emergency loans (ZAikS)
Portugal	Emergency fund of EUR 110,000 & EUR 1 Million from two different CMOs (GDA & SPA)
Spain	Emergency fund of 8 million (SGAE)
	Emergency grant from the local PRO (AIE)
	Emergency loans provided by 1 other PRO (AGEDI)

Annex 9 – New opportunities and challenges shaping the European music export outlook

Interviews with the key music exporters brought forth a number of elements and key considerations regarding the way they strategise around export development. Given the many factors, but most importantly the artist level career goals, business models and strategic objectives, an export strategy of an artist can consist of any combination of the elements and considerations listed below. These have been analysed in terms of what the crisis impact potentially has been and most importantly what the post-crisis outlook could be for each element.

Leverage the knowledge, experience and international networks of the domestic music sector

The key music exporters can access the knowledge, experience and international networks via direct informal means, i.e peer-to-peer relationships; or through more or less mediated formats, such as music sector organisations (for example, music export organisations, trade associations, manager forums, etc). conducting seminars, workshops, providing mentoring, etc. While informal experience sharing will always remain a part of any sector ecosystem, the quality, regularity and reach of various capacity building activities organised by the many sector associations is a key indicator of the music sector infrastructure development.

Crisis impact	Post-crisis outlook
A key threat of losing the informal knowledge, experience and networks collectively held in a national or a regional music ecosystem comes from professionals having to switch jobs and leave the sector due to inadequate crisis response policy measures. The crisis impact on the national or regional music sectors' ability to maintain the sector organisations vital for the mediated sharing of experience will most likely vary as well as it was already vastly different pre-crisis. However, based on 2020, almost none of the European MEOs (in the EMEE) were significantly harmed yet by the crisis[74].	As the crisis is still ongoing and a crucial period to monitor is the immediate after-math of relief support measures ending, but the sector still having to rebound, it is too early to make conclusions. However, it is already clear that the various crisis policy responses in European countries have and are deepening the disparities between the European music sectors. The post-crisis capacity of music sector organisations will mostly depend on whether there will be cuts or extra funding available in the national and regional music ecosystems. Here, the national/regional policy response will be key, as participating in any European level collaborations, etc. will also be undercut by insufficient domestic funding.

Establish locally and grow towards an international following

This strategy works better for those in the medium and bigger markets. Also, some music scenes and genres are by nature more international than others (such as EDM and jazz for example) and as such can cross borders more easily. At the same time, for some niche genres

[74] This is based on EMEE members' mapping interviews conducted in November and December 2020

(for example jazz and improvised music, etc.) it is hard to develop a sustainable career even in a bigger market and internationalisation is an imperative.

Crisis impact	Post-crisis outlook
The near-closure of cultural life everywhere pushed the artists/creators online to keep connected to their fans and audiences. While the internet is clearly less bounded by national borders, the size of your fanbase, which often is still mostly the local community, still matters. However, in terms of building new audiences, the quickly overcrowded online environments are not favouring new talent over an already established one.	In order to be able to draw on the benefits of the local market, the way the national and regional music sectors and markets emerge from the crisis will be crucial. An important factor for this will be the continued strategic cultural policy support to the music sector. A quick rebounding should not be assumed and if the support measures are ended abruptly, there is even an increased danger of many sector actors facing hardships and possibly bankruptcy.

Focus on and foster exchange with the music markets and sectors in neighbouring countries

Building locally, then moving to neighbouring countries is a rational and cost-wise efficient strategy. Naturally, this also depends on a number of geographical, cultural, and language-related aspects. In case the immediate neighbouring country shares the language, it is very likely the first export step. If, however, the neighbouring country is different enough in terms of music sector infrastructure, market size and openness, local cultural preferences, etc simply sharing a border might not be enough for an effective regional export strategy.

Crisis impact	Post-crisis outlook
The near-closure of cultural life everywhere made any kind of cross-border touring impossible, even if the border could've been crossed with a tour bus. Therefore, the neighbouring markets strategy faces the same barriers as any cross-border strategy.	In the times of uncertain travel restrictions, likely to persist for a while, neighbouring markets that can be reached by a car or a tour bus will become possibly more important than ever. Touring locally was mentioned as a possibly preferred option for an immediately post-crisis period. Also, cutting the emissions from international travel is increasingly a factor considered by key music exporters.

Develop a strategy to use showcase festivals

Showcase festivals can be a valuable element of an export strategy, if used well. As artists are rarely paid fees for showcase performances and even so they almost never cover the costs of participating (unless the showcase takes place in one's own country), a rationale to justify the investment is usually based on networking benefits and potential new partnerships (bookings, contracts, etc.) as a key result.

This will be subject to the same arguments laid out in the previous point. If the professional networking and showcasing events will in the future also feature possibilities to showcase virtually then options to use these platforms to develop export activities will potentially widen.

Crisis impact	Post-crisis outlook
Many showcase festivals were cancelled or postponed, some moved to fully or partially virtual versions. While virtual showcase opportunities, whether through pre-recorded or livestreamed formats, were offered, the number of slots were fewer than in usual years. The festivals met with various challenges in transferring showcase and professional networking opportunities online, while also discovering some potential upsides. A lot of testing via trial and error was undertaken by the festivals, and this in conditions of extreme uncertainty and in many cases contracted budgets. The attitudes among the key music exporters towards virtual showcases were ambivalent, often due to scepticism rather than real experiences. A separate crisis impact on the showcase festivals is that in many cases the results coming out of the festivals for the key music exporters in the form of bookings were lost as other festivals were also cancelled, postponed, etc. It is yet uncertain how many bookings from a 2020 showcase event will for example be carried over to 2021 or 2022 when the festival can finally put on a full event or how many will be simply dropped.	Most showcase festivals hope to return to mainly physical format, while some are also thinking about keeping some virtual participation options open. This will require the festival teams and organisations to build new skillsets and also rethink the budgets. Flexible funding towards them will be helpful, if provided by the funding bodies. As creating high quality pre-recordings or organising livestreaming is fairly expensive, new funding models need to be worked out. As shown above, the disparities among European countries in terms of the music sector infrastructure development and existing funding structures are aggravated by the crisis, it is to be expected that opportunities available to European artists will also be very different to find support to produce quality digital content, including pre-recorded videos for showcasing. For key music exporters returning to showcase festivals will have to be well justified strategically. It is possible that if the main goal is to seek bookings, such showcases are not reasonable until the overall live music sector outlook will be clearer. Given that the festivals, venues, etc., as also export markets for cross-border artists, are probably most damaged by the crisis, the recovery of the live sector will be influencing the making of export strategies for many key music exporters.

<u>Develop an international team and strategic partnerships</u>

Entering a new market or a region, both physically and digitally (especially if the language and digital services used are different) usually requires finding some key local partners who are able to organise bookings, physical and digital distribution, PR and marketing, collection of royalties (as in finding a sub-publisher) and other services (local legal advice, etc.). Finding such partners can be made much more effective by professional networking events, targeted trade missions, etc. – especially in the case of non-EU markets.

Crisis impact	Post-crisis outlook

Many events and trade missions were cancelled or postponed, some were moved online. Also, with the closures and travel restrictions, making international export plans was largely suspended. Still, some trade missions and digital networking events took place and reported also some positive outcomes, at least given the circumstances. There is much testing to be done to find and finetune new value propositions in terms of participation in the digital events.	Developing international partnerships will require at least some degree of physical interaction and so many are waiting for borders to open to return to physical travelling. At the same time, there were also positive experiences in the digital connectivity and several trademission organisers interviewed are planning to hold some networking activities digitally in the future, thus building hybrid formats (not necessarily synchronous, but spread out over the timeline with digital interactions taking place pre- and/or post-physical). For the key music exporters, the crucial factor is the general reopening of music markets, especially if live performance and touring remains at the center of the export strategy. Meanwhile, both digital, physical and hybrid events and missions can offer them opportunities for developing new and existing contacts.

Develop a smart touring strategy, both proactive and reactive

Many key music exporters interviewed indicated that their international touring plans are largely reactive, that is built on and around incoming bookings that can be an anchor for a tour. Some still outlined the need to focus on a target market for a longer period, make investments and find partners before any real results can be expected. Finally, building a touring strategy can be informed by digital data on where large enough communities and fan bases are.

Crisis impact	Post-crisis outlook
Physical touring became impossible. Many bookings were canceled, some postponed. For key music exporters this might mean lost potential revenue or real investments turning into losses. Some managed to keep advances and postpone bookings to next year. Still, for others with no advances even postponed bookings are an uncertainty as the festival or promoter might not be able to run the concerts after all, or might close down entirely. There were a small number of successful livestreaming "tours" that were geographically targeted.	The uncertainties around reopening, the recovery of the live sectors everywhere will keep any touring strategies from being finalised. Whether geographically targeted livestreaming or "digital touring" will be a feasible option to more than just a very few highly successful artists, remains to be seen. For this the whole livestreaming sector needs to develop, from the technical side of what can be done with what budgets, to marketing strategies, to how to successfully engage virtual audiences within the highly competitive marketplace of online attention, to how these could be monetised.

Develop a strategy to build an international or at least cross-border audience using digital platforms and tools

Depending on the nature of the artist, the music and the preferences of their particular audiences and certainly not suitable for all, key music exporters can sometimes build digital export strategies. With the livestreaming option now fast developing and with more and more artists and their audiences discovering and trying out various direct-to-fan platforms, there is certainly potential. However, as the interviews showed, there is a sizable gap between the possibilities and potential being discussed in the music expert media and what is actually happening among the artists/creators and their management teams (at least in Europea, as based on the interviews done for this study).

Crisis impact	Post-crisis outlook
In the sense that the crisis drove more artists and audiences online, the various platforms saw increased usage and growth. Some platforms, such as Twitch and Patreon previously not in the focus of music artists and fans, were increasingly tested during the crisis 8even if more so in the EU than Europe).	Many digital platforms, tools and strategies will very likely remain in use also post-crisis and the pace of innovation in this sector will continue. How fast also European key music exporters will test and embrace these new tools remains to be seen. There is very likely a need for a lot of capacity building towards these new opportunities and the many music sector organisations, both on national/regional and European level, are best placed to come up with programmes and projects to that end.

Use data from digital platforms to inform the export strategy

With music consumption being increasingly digital, now even to a degree in live performance via livestreming, the data trail can and is being used by the key music exporters to uncover and understand better potential export markets. There is significant innovation taking place in the space of digital services for all aspects of music value chain, from creator tools, to distribution, marketing, licensing, direct-to-fan, livestreaming and other virtual experiences, ticketing, reporting publishing and usage information and bundling various services together. This will in theory create an ever-increasing variety of data for the key music exporters to inform their strategies.

Crisis impact	Post-crisis outlook
As the crisis drove more artists and audiences online, it would mean more traffic and engagement data. However, the access to data is largely an open question. Existing platforms usually enable some sort of dashboards for artists/creators and their management to be able to access the data in an analytical way. However, when it comes to livestreaming, including the virtual showcases and conferences, collecting and	In general, given the pace of innovation across all the digital tools and services, the outlook of more data, both in variety and quantity, being made available for the key music exporters is good. However, there are a number of challenges to be met that are not unique to the music sector, but rather need to be addressed in the light of the whole digitalising of the economy. An important aspect for music and possibly other creative

making available audience (including professional delegates) data is still an unsolved challenge.	sectors is how to empower the creators themselves with full access to the usage data. While the most recent upgrade in the European copyright policy tries to address the exchange and making available of data by the rights holders and the platforms regarding remuneration, there are other aspects of usage data that can be strategically valuable for the creators directly. In general, as mentioned before, there will be significant capacity building needs throughout the European music sectors to be able to keep pace with the new opportunities, tools and services made available.

Utilise export funding and other support measures where and if possible to strengthen the export strategy

As also confirmed by the interviews and already mentioned throughout the report there are significant disparities among European countries in terms of the existing support structures and funding available for the development of the music export infrastructures. In order to level the playing field at least to some degree, European measures can help, however, it is the national culture policy level measures that are of key importance for any given national music sector ecosystem. Such differences between countries and their respective music sector ecosystems mean that the opportunities for developing one's talent and realising its full potential, also internationally are dependent on where one is from. This is a problem for the European cultural diversity and also export potential.

Where there are various support measures in place for the music sector, some asymmetry can still be noted in terms of which music scenes and genres are supported and in which way. Finally, regular capacity building is needed to help younger sector professionals to develop the knowledge and skills to be able to apply for appropriate grants and other measures.

Crisis impact	**Post-crisis outlook**
Many support measures in many European countries were transformed in order to be still able to support the sector. Often already distributed support was treated very flexibly in terms of changing the eligibility criteria and/or timeline of the use. In some cases, investments (also into export activities) turned to losses were still accepted as eligible costs in case these were funded from a grant, or were to some degree remunerated if proven. New targeted crisis support measures were introduced in many countries, but these were	Whether and to what degree key music exporters can strengthen their export strategies with support measures will be highly dependent on the particular measures made available in the European countries. As of yet, it is highly uncertain which these will be and who will be eligible and for what activities.

often met with a wide array of problems and challenges. Very often self-employed freelancers fell through the eligibility cracks or “non-artistic” professionals (managers, technical service providers, i.e recording studio engineers, producers, etc.) were left without any support. The crisis response in terms of support measures to the sector was and is varied, thus aggravating the disparities between European music sector ecosystems.	

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European Commission

ANNEX 3

D2 – towards a transferable capacity building programme model

Culture

EMX task II report – towards a transferable capacity building programme model

Funded by
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Author: Virgo Sillamaa

Document information

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1. Introduction – what's in this report

The EMX project task II focuses on piloting a capacity building programme consisting of the following elements:

- Main programme consisting of 5 modules for 30 music sector professionals (modules 1-4) and 15 music export professionals (modules 2-5)
- An add-on mentoring component for 10 music sector professionals
- An add-on job shadowing component for 5 music export professionals

The pilot was initially planned to be concluded by January 2022. However, due to COVID crisis related restrictions, several components were extended. In the following table the current status of all the programme components has been noted:

Programme component	**current status**
Modules 1-4, for music sector professionals	Completed by February 2022
Modules 2-5, for music export professionals	Completed by July 2022
Mentoring	Completed by October 2022
Job-shadowing	Completed by October 2022

2. Achievement of objectives

2.1 Pilot project goals in Task II (as set in the proposal)

1) Pilot a European export mentoring programme aimed at two participant profiles: 1) music sector professionals from all sub-sectors; and 2) capacity building professionals ("train the trainers" concept).

2) Test the innovative complementarities between the capacity building programmes and the resource center component, mainly through the digital European mentors networking platform (EMX Online Hub) and market reports and other content made available in the newly developed website.

2.2 Meeting the objectives

The first objective of a capacity building (or mentoring as called in the proposal) programme is largely met with a few components yet to complete. The key learnings synthesised from the feedback gathered so far provide good input for designing a transferable model for a capacity building programme.

The second objective is met only partially. The EMX participant portal as a part of the wider EMX resource center was created and used effectively within the programme implementation. However, due to some delays in the development of the wider EMX resource center concept, not all complementarities envisioned in the proposal have been tested. Furthermore, additional analysis in the initial phase of the project revealed that not all functionalities planned would actually bring enough added value to justify the costs. For example, having a more fully functional mentoring platform with participant portal, profiles, video call functionalities, etc. – all in all, making use of existing solutions such as Zoom calls, shared documents in Google drive, etc. is mostly enough to provide the technical and administrative functionalities needed to carry out the programme.

3. Detailed description: Comprehensive information on all the activities carried out

3.1 Finalising the programme
The content of each module was finalised by the task coordinator and task experts with input from the EMX admin team and some advisory committee members. In total, *34* speakers were engaged to deliver presentations, panel discussions or workshops in the first four modules of the programme. The full programme can be found in Annex 1.

3.2 Enrolling the participants
The participants were enrolled through an open call process through the following steps:

- Distribution: the open call was published on June the 14th and shared through EMEE, EMEE members and partners channels, reaching more than 3800 through social media..
- Selection: Overall, *57* candidates applied from *18* countries. The selection was done based on clear criteria and a point system. By the selection committee, consisting of 7 members. In the end, 30 professionals and 15 music export professionals were selected and confirmed for the programme. The full list of participants and countries represented can be found in the annex 2.

3.3 Implementing the programme
The full programme is added in Annex 1, but the general timeline is as follows:

MODULE	TIME	FORMAT
Module 1	September 15/16	Digital
Module 2/3	October 19/20	Hybrid
Module 4 – Market focus on India	November 23	Digital

Module 2/3 took place physically in Auditorium and Library spaces in the Generator Hostel Amsterdam, but was also available for online participants.

4. Preliminary evaluation – methodology and results

4.1 Evaluation goals, methodology and results
The evaluation focuses on three aspects of the pilot action:

1) The quality of the action: how did participants value the design, content and implementation of the programme.

2) The added European value: do participants and the project team see a clear added European value to organising such programmes on a European, rather than national or regional level.

3) Meeting the requirements set out in the project contract: were the diversity and inclusion criteria met.

4.1.1 The quality of the action

The evaluation methodology used was:

- feedback surveys to the participants after every module (the 2nd and 3rd modules were organised jointly)
- focus group discussions with (i) a group of participants; (ii) the task team

The main aspects addressed in the evaluation:

INDICATOR	AVERAGE MARK (OUT OF 5)
The relevance of the chosen topics for the participants	4
The suitability of the formats chosen for the topics	3.9
Qualification of speakers	4.2
Project communication and administration	4.7
Digital tools and technical environment	4.5

Annex 3 contains a fuller survey results grid.

4.1.2 The added European value

The evaluation methodology used was:

- focus group discussions with (i) a group of participants; (ii) the task team and (iii) the admin team.

A key takeaway regarding the European added value (see also 4.4.1): In the view of the participants, the highest value in a pan-European capacity building programme is the **network of professionals coming from different European countries**, bringing practical on-the-ground knowledge and experience from their respective countries, and the peer-to-peer learning that is made possible by such a joint programme. **This strongly confirmed the added European value of doing such programmes on a European level**.

4.1.3 Meeting the requirements set out in the project contract

The evaluation is based on the actual project results in the key indicators.

INDICATOR	TARGET VALUE	RESULT
Geographical diversity	15 countries represented in the selection of participants	18 countries represented
Inclusion of participants from the less developed European music markets.	Was not specified numerically	23 from well-developed 8 from medium level developed (Italy, Spain) 14 from less developed

		markets (mostly CEE)
Gender balance among the participants	(Near-)equal division	23 women / 22 men
Sub-sectorial diversity	Representatives from at least the key sub-sectors: live music, recorded music, music publishing, artist management	Based on keyword analysis*: • Management (14) • Live (12) • Other** (7) • Label (6) • Artist/creative (5) • Music PR/marketing (4) • Publishing / sync (3) *Most represent several roles and functions ** Project manager, creative director, consultant, digital music distributor, etc.
Participant selection process is open and transparent	N/A	The evaluation process was a two-stage procedure (advisory committee members were also involved), based on clear criteria placed in an open call.

4.2 Summaries of the focus group discussions

4.2.1 Summary of the focus group discussion with participants
The focus group discussion included four music sector professionals.

- The **network**, meeting new people among the participants – that is the most important aspect of such a programme and the main reason for joining.
- More possibilities to meet fellow participants, learn more about them, have more time to network, etc. would be essential. The diversity of the group is an asset, not only geographically, but also profile wise, also experience wise
- Such a programme should start with a physical meeting to get everyone acquainted, after that online is easier.
- High level expert content is good, but this can also be found elsewhere (YouTube, conferences, buying into Music Ally subscription, etc.) – how to **translate and make use of the knowledge in my personal case**, this the key issue and could be the main focus of such programmes. Peer to peer learning, experience sharing, group learning is important for this.
- More focus on **peer to peer** and less time for lectures and presentations. A full day could be spent on one focus topic where most of the time is in small groups, workshopping the practical application of the key knowledge points. Preparation, homework, watching pre-recorded material – all this could work, helping to free up the physical time together for more interaction.

- For such a programme the **cohort effect is essential**. Just having an open network with events that come and go gets too loose, when you don't or can't know who your fellow participants are, it gets less personal and interesting.
- Understanding how the **different markets, both in Europe and elsewhere work**, is an important aspect. This needs both market presentation, but also more practical connection to people from these markets to figure out practical detail. The Indian focus session was great, because it is such a clear profile – if you're interested in that market, you turn up, if not then not. These could happen regularly and on an independent schedule (as EMX content).
- The participants have now **invested (time) into this network** and it is important to try to keep it. They already have a whatsapp group. An EMX led Slack etc. group could be good. Other ideas include meetups at industry conferences (EMX meetup at ESNS etc) or regular online sessions with or without a focus topic; using participants as curators for topics and experts from their country.

<u>4.2.2 Summary of the focus group discussion with the task team</u>
The focus group discussion included the task coordinator Jess Partridge and the task experts Nuno Saraiva, Rainer Praschak and Kaisa Rönkkö.

- Topics wise, more **focus** is needed to make it more in-depth, practical and useful for the participants.
- **How to make an export strategy** seems the core topic that an EMEE should build this programme around.
- The programme should be based on participants' own export plans (or ideas for them) so as to have more practical focus. Then, the programme can offer more workshops, more personal tailor-made elements (including mentoring). It would amplify the MEOs general functions of having to support their artists, companies in learning how to build an export strategy.
- As a general comment, music professionals (especially amid the crisis) tend to lose sight of the medium- to long-term (strategic) goal setting. Our programme can support having that dimension.
- Group **coherence** is important. More narrow profile of participants is needed to make it more useful (i.e a beginner manager, someone from Fuga and a very successful marketing prof are not easy to cater to). Mixing professionals and exporters overall doesn't work well, even though there are moments where their mingling can be very useful.
- Participants always have big enthusiasm for the **network** that is created in such a programme, but it is not very rational nor sustainable. They usually don't sustain it far beyond the programme either (cause there is no real big reason to). So, the big highlight on this aspect from the participants is expected. They find it easy to latch on to a pre-created network. And while certainly an important aspect, we still shouldn't over stress this aspect over others.
- **Commitment**: The programme needs more work by the participants and with them, also peer-to-peer. Homework between events is necessary, but it needs to be planned well. It's hard for the participants to find and put in time (and commit). The commitment from them needs pre-agreement (they need to know what they sign up for). Also, there is the question of **value** – how can the chance to participate be made

valuable to drive more commitment? If the programme will rely more on personal input, including homework, this is crucial.

- There should be an **element of a bursary**, so on top of the programme content and activities, which includes sessions, tools, workshops, teaching, homeworks, etc. the participants would have a set of personal funds to use as they see fit to fulfill their personal learning plan (work on the strategy). This can be spent on mentoring, job-shadowing, participation at some events, etc.

- **European added value**: **diversity of the cohort is very important**. There are areas such as strategy making that cross borders and comparative learning is really valuable here. Also, if information and resources are organised in a uniform way, it really helps (like Music Ally country profiles).

- The **exporters should also have their programme**, key topics could include all digital skills, like how building an audience works in the digital. Then MEOs can be useful in advising artists and companies.

- Could there also be a **follow-up to participants**? Perhaps an alumni network for which we can provide some network events (EMX meetups at industry conferences, etc), also invite them to other EMEE seminars and so on.

4.2.3 Summary of the focus group discussion with the administrative team
The focus group discussion included the project manager Corinne Sadki, the project administrator Tamara Kaminska and the project supervisor Franz Hergovich.

- The current model of handling payments including collecting the necessary documentation from all the participants is too complex and time-consuming. A more efficient administration model for payment-related aspects needs to be identified. Lump-sum bursary needs to be considered (including analysing whether this is eligible in the European Commission funding framework). Another option to be analysed is to outsource the support function to EMEE members.

- The capacity building programme should target only music sector professionals. For the exporters, EMEE's own activities, funded from the Creative Europe network programme can be a more efficient and effective solution.

- The target group needs to be more precisely and narrowly defined.

4.3 Synthesised key takeaways from the pilot evaluation

4.3.1 Capacity building programme

- In the view of the participants, the highest value in a pan-European capacity building programme is the **network of professionals coming from different European countries**, bringing practical on-the-ground knowledge and experience from their respective countries, and the peer-to-peer learning that is made possible by such a joint programme. This strongly confirmed the **added European value of doing such programmes on a European level**.

- The **cohort effect** of a group of people going through a programme together and learning from each other is considered a highly valuable aspect of the programme design.

- While the mixing of music sector and music export professionals in a joint capacity building programme has its values, in general the differing needs of the two target groups are best served with **independent** (if at crucial points intersecting) **capacity building programmes.**

- The very different needs and interests of various music sector professionals can be met through different approaches – from self-service learning resources (passive online content) to MOOCs, etc. The limited opportunities of a **live programme** should be mainly targeted to largely **practical learning around a single or a few highly focused topics**, featuring a lot of workshopping, peer-to-peer learning, guided practice, etc. A key aspect according to the participants is that while received expert knowledge is valuable, time and guidance should be allocated to also making sure that the received knowledge can be put to practice by the participants.
- In order to achieve deeper and practice-oriented learning outcomes, following the programme up **with a more tailor-made learning opportunity** (i.e mentoring, job-shadowing, etc.) is very valuable and this needs to be supported by a bursary.
- In order to maintain the network value gained from participating in the programme, an **alumni network** of sorts could be conceptualised as another add-on value offer.
- More efficient **administrative model** needs to be found to administer payments, bursaries, establish and monitor eligibility, etc.

4.3.2 Mentoring

- Both mentors and mentees found that mentoring is a **valuable addition to a larger programme** that will ensure that mentees also have a chance to meet each other and would have group activities as well as 1-on-1 sessions.
- Mentoring is a **highly personal process** and depends on many factors, including the match quality between the mentee and the mentor. There is no clear consensus whether mentoring should be a well-structured or a more open-ended casual process – it all depends on the particular persons involved, the expectations of the mentee and the topics chosen as the focus of the whole process. However, the guidelines for structure provided to the mentors by the task coordinator was deemed useful by those mentors who used them.
- **Matching mentors and mentees requires a streamlined process** with the coordinator team first mapping the needs and goals of the mentees, possibly helping them to articulate them well. Assigning the mentors might be done by the programme team or there might be an application process where mentees get to apply to mentors from a shortlist, etc. – in both cases it is clear however that the matching process is of key importance and requires a well thought-through process, structure and a significant effort from the programme team. Adequate working days have to be assigned to this component in any future implementation.

4.3.3 Job shadowing

- The programme proved useful for both hosts and visitors, there is a lot of **mutual value exchange and learning**, especially if this is a conscious design choice. For example, in a few cases the visitors also made a presentation of their music market to the host organisation teams, etc.

- The Job shadowing programme requires a clear focus whether it is for personal development of the visitor or an organisational knowledge exchange. This will lead to more coherent programme setup, brief for both the hosts and visitors.

- The main components of the **programme's value offer** for the visitors were: (i) a good and in-depth overview of the host organisation, structure, processes, activities, etc.; (ii) a chance to see and experience the actual workflow and office culture of the local team; (iii) a chance to get new knowledge in the specified areas of interests for the visitor; (iv) the chance to also get meetings and attend organisations, venues, etc. outside of the host organisation.

- A crucial component in the quality of the programme design is **mapping the interests of the visitor into a clear brief** for the host organisation. This could be made into a multi-step process: (i) expression of interest (visitor); (ii) 2-hour zoom with the candidate visitor with programme's expert to articulate the needs, help select potential hosts based on existing profiles; 3) apply; 4) get selected. This can be helped by host organisation profiles already created in the programme with basic outlines of what they could offer and on what conditions, including basic visual charts of the organisation's structure, key activities, etc..

- **Time planning** needs to be flexible. Given that the visitors are also working professionals, it would be most useful to split visits into two periods of *ca* one week each. This would allow for more flexible planning, but also some valuable reflection in between of the two periods. Also, it might make for a more interesting programme when the visitor can see a planning phase of an activity and then later return when it is implemented for example a showcase programme, trade mission, etc.). Also, it is vital that the visitors are left with ample time to take care of their own work duties, so the programme of the visit has to be fairly balanced and not too heavy.

- For **full immersion** in the local team and workflow, the visitor would have to speak the local language. However, given that this is not possible for all exchanges in Europe, several approaches can work. For example: the visitor attends certain meetings with the local team that are on purpose held in English. The visitor gets to meet each or some of the team in individual meetings.

- There is a clear need for **central programme office support** in various aspects, in addition to the preparatory phase and matching. The host organisation needs clear guidelines and a programme description to be able to adequately weigh whether and on what terms they could become a host. Also, the visitors might need extra help with various administrative aspects of setting up the whole process, from booking accommodation to other planning aspects. Programme support is also needed to help the hosts to set up and get ready to receive the visitor, from advising on particular aspects of planning and programming to administrative issues.

- While for some organisations in the pilot extra budget was not necessary to become a host, it might be needed for those smaller organisations who cannot spare valuable and very limited staff hours to engage in hosting. The future job shadowing programme should be able to provide some support to incentivise also smaller or less supported organisations to become hosts.

4.4 A key methodological principle for effective capacity building programme design

A key finding from the pilot can be generalised into the following principle:

An effective capacity building programme successfully combines two levels: (i) the participant's personal level, reflecting the specific and particular needs, goals, strategies and opportunities unique to each participant; and (ii) the generalised sector expertise level, which reflects the insights and knowledge synthesised on a high level and captured in general descriptions and analysis of the overall (sub)-sector or some aspects of it.

Any learning process that sets as its goal for the participants to internalise the learned (general) insights and be able to apply them in their particular situation and context, requires to make space and offer guidance in the following learning steps:

1. Expert information and knowledge, delivered in presentations, lectures, panel discussions, etc.
2. Received knowledge is analysed by each participant to identify and understand which elements could be relevant for them and how to contextualise them as practical insights.
3. The personalisation and internalisation of new knowledge and insights is tested and validated through expert and peer-to-peer feedback.
4. The participant changes the way they operate through putting the received and applied insights and knowledge into practice in their artistic career and business processes.

In a traditional one-way learning situation, the programme delivers the first step and then assumes that all participants manage the rest of the step, or the internalisation of new knowledge and insights, on their own (figure 1a). This is often a too tall order. As also shown by the EMX pilot feedback, if there is too little time allocated for individual and collective reflection, formats specifically targeted to help the participants make sense of the new knowledge and insights and "make it their own", the learning effectiveness can be lower for many participants. An effective capacity building format design includes time and formats to support the participants the entire way on internalising their learned knowledge (figure 1b).

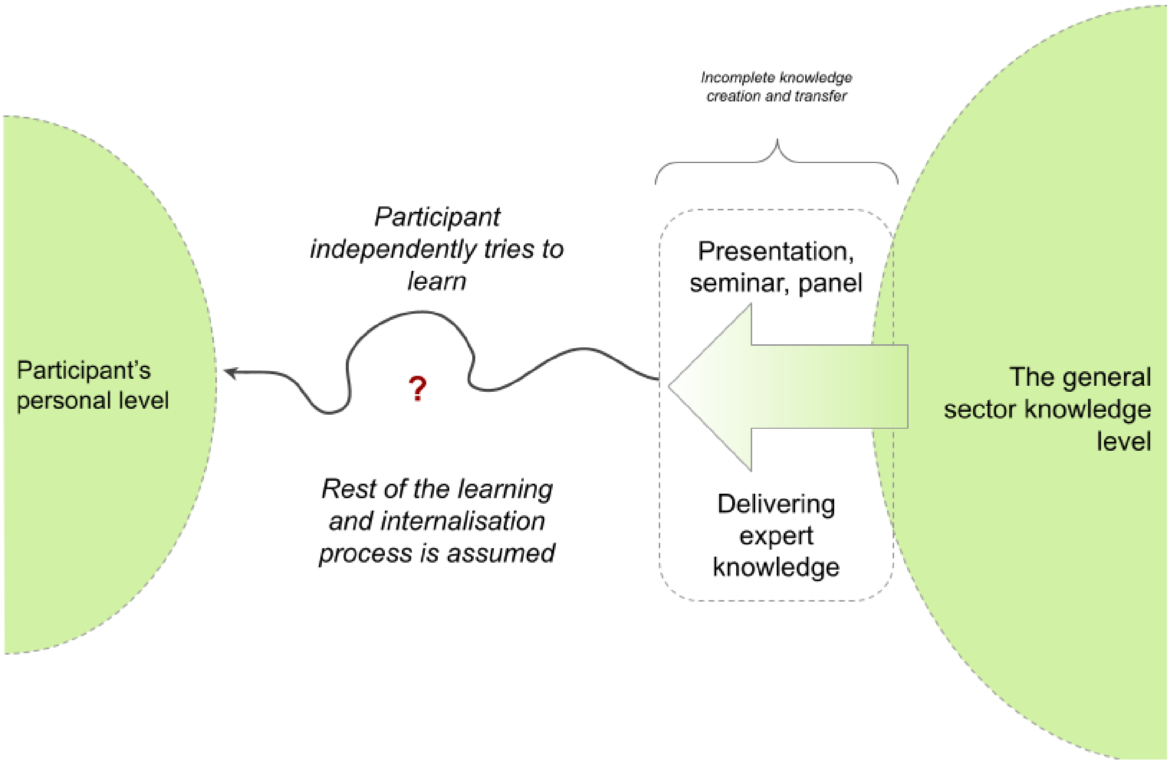

Figure 1a. Incomplete knowledge creation and transfer

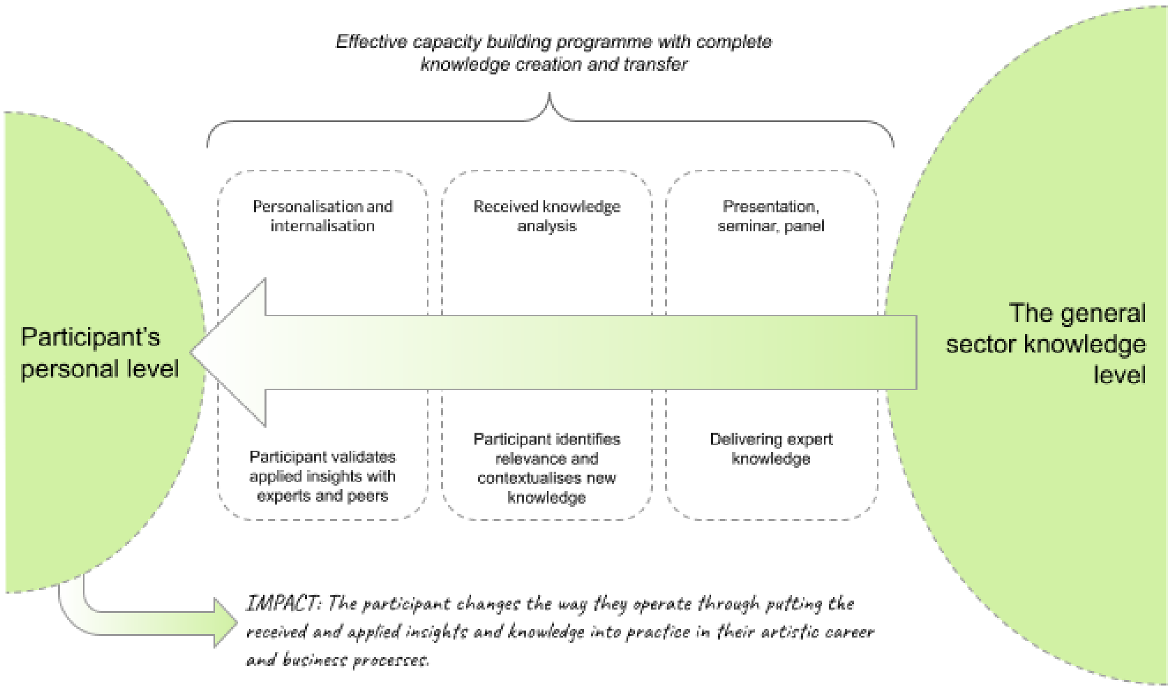

Figure 1b. Complete knowledge creation and transfer

5. Transferable model for a capacity building programme

5.1 What is meant by "capacity building" in this context?

"Capacity" in the music sector can be defined as having the industry knowledge necessary to navigate all the different (export) strategic opportunities in an artists' career. Increasingly, this also means having a mastery of digital tools and digital marketing so that your export activities, no matter under which field or sub-sector, are well communicated and promoted.

While capacity is mainly about knowledge building, it can also include access to professional networks, both locally and internationally, and to financial capital. Furthermore, knowledge is not simply about information, but also practice based skills and experience.

Capacity thus defined can be built with a well-balance set of training activities that:

- Present new and relevant information and insights about the music sector in general and also about particular markets or sub-sectors, etc.
- Engage participants to articulate their own particular challenges and opportunities, giving the needed guidance and tools for this.
- Provides guidance and tools to the participants so they can put the knowledge gained in their particular context. This can be achieved through independent assignments or group works, individual and group feedback, workshops and other peer-to-peer methods where the participants not only receive, but actively co-create the needed knowledge and its practical uses.

In summary, an effective capacity building programme must be designed in such a way that the participants receive high value expert insights and knowledge on the one hand, and guidance on how to use these in the context of their own particular needs, strategies and opportunities.

5.2 What is an adaptable and transferable model?
As already specified in the proposal, adaptability and transferability refers to such quality of the programme designs that enables using them in a fairly broad range of circumstances, from European to national, regional or city level, across sub-sectors or focusing on a certain genre community or scene. Naturally, the programme design in detail must organically match the content and objectives of a particular case, but certain key learnings and structural proposals are more universally applicable.

Based on key learnings from the EMX project task II pilot, a preliminary adaptable and transferable model for a capacity building programme has been developed.

5.3 What is the scope of the proposed model?
There are two key dimensions along which the model can be adapted and transferred: (i) scale (from European level to national or regional level); and (ii) sectorial range (from music to other CCI sectors and beyond).

The key learnings and the programme model based on them reflect the specific needs and opportunities of the music sector. It is possible that a similar model could also work well on a national or regional/city level, however, this has some limitations:

- Not all European member states have big and well developed music sectors with organisations able to provide capacity building in a comprehensive way or even at all on national and even more so on regional/city level.
- Not all themes and aspects can effectively be tackled with a national or regional/city level programme, mainly due to the high level of specificity and therefore a narrow profile of the target groups. As an example, a market focus on music creation for animation for the South Korean market might only have one or two (or zero) potential participants in many smaller European countries at any given time. However, when offered as a pan-European focus theme, a reasonable group of participants can be engaged.

These limitations aside, the main features of the proposed model can be transferred also to a national or regional level.

There are other cultural and creative industries sectors that share the same key parameters as the music sector. It is possible that the programme model could be adapted to these as well. These key parameters are:

- **A high concentration of freelancers and micro companies** make up the bulk of the sector. This means that capacity building and even onboarding of new talent cannot easily happen in private corporations (the way it works in the tech or finance sector, for example) as they are simply too small and resource-constrained. Developing new talent (both artistic and professional) thus requires “external” support measures and structures.

- **Highly volatile, fast-moving market** with high risks for all participants. The high uncertainties combined with micro size means the sector actors cannot accumulate and set aside enough reserves through profit margins to invest in their own capacity building, especially in a fast-moving market context where learning needs to be near-constant.

- A **European single market** and frictionless cross-border artistic and business activities are needed to unlock the full potential of the sectors. Due to highly limited national markets and music (or other creative) ecosystems, the full artistic and business potential of talent from many European countries can only be realised fully when the actors can achieve reasonable cross-border success.

In addition to the music sector, other CCI sectors such as design, photography and arts and crafts can be viewed as having similar dynamics.

5.4 An adaptable and transferable capacity building model and its context
Based on the key learnings from the pilot, the following **insights** have been taken into account when designing the model:

- There is a very **high level of diversity** in the:
    - knowledge profiles of the participants – what they already know and have experience in
    - needs and interests – what they want to know and learn
    - professional strategic goals – how and in which practical context they'd like to use their learned knowledge and skills
- The "live" aspect of a capacity building programme (a cohort of participants going through the same programme, forming a tight-knit group) is highly valued especially for the opportunities to make new contacts and to learn from each other as well as from experts provided by the programme.
- The scarce physical and real-time contact provided by the live programme should be spent on those aspects of learning that are hard to achieve otherwise, most importantly:
    - Learning in groups and through discussion, also being able to have Q&A with experts
    - Receiving guidance for putting the received insights and knowledge from the experts into one's own specific context and situation. Expert guided individual and small-group learning.
    - Have real-time feedback from experts and peers to particular issues and questions arising from the themes learned, including feedback to assignments done individually.
    - Networking with peers and experts.
- The live programme should have a single focus topic to allow for a more in-depth approach and also have enough space for collaborative learning in addition to receiving expert knowledge.
- Such knowledge content that can be learned independently from videos, text, etc. should be left for self-learning. If there are certain aspects that participants need to know beforehand before the live programme, such knowledge could be provided in some passive self-learning format and be a requirement to start the programme.
- In order to achieve deeper and practice-oriented learning outcomes, the programme provided should be followed up with a more tailor-made learning opportunity (at

least for those willing to put in the effort). This could be mentoring, job-shadowing, guided visits to certain networking events, etc.

- Given that the network of contacts made through the live programme is highly valued by the participants, thought should be given to how to support them in sustaining such a network.

Based on these insights, the following **design principles and structure** have been deployed when designing the programme model:

- Knowledge creation is viewed as a longer term "**learning path**" and encompasses self-learning resources, a live capacity building programme and an alumni network.
- All insights and knowledge that can be delivered through ready-made content in various formats, should be pre-produced and made available in an asynchronous on-demand mode. A certain set of **self-learning resources** can be made mandatory as an introduction to a live programme to ensure that the participants are all more or less on the same level in terms of certain basics about the music sector in general and about the particular focus theme of the programme. For example, a preparatory MOOC could be provided as the preliminary step of the programme.
- The **live capacity building programme** focuses on a chosen key topic and makes use of an array of learning formats to ensure that on the one hand expert knowledge and insights are provided to the participants, but on the other they are supported in contextualising the received knowledge into their own particular needs, strategies and opportunities. The latter requires some amount of co-learning with a strong peer-to-peer component, but also an individual learning path which can be provided by either mentoring, job-shadowing or other elements. To achieve both aspects, the programme is divided into two stages:
    - **Cohort- and module-based group learning**: this stage provides a set of modules and a fixed group learning schedule and plan. The participants go through the programme as a cohort and much use is made of various group learning methods and formats. In between the modules the participants are required to do homeworks that relate to their own strategies and needs.
    - **Individual & tailor-made learning**: for some participants an optional second stage of the programme can be provided. This part of the programme is based on the participants personal learning strategy (which can be the base of selecting them into this stage). The key goal is to strengthen and develop further the learnings achieved in the first stage of the programme and to apply them more deeply to the participants own strategy and context.
- The **alumni network** can function as a chat group or an email list in a most basic version or also as a set of more or less regular events organised either by the group itself or by the organisation or consortium managing the programme and perhaps also the wider learning resources.

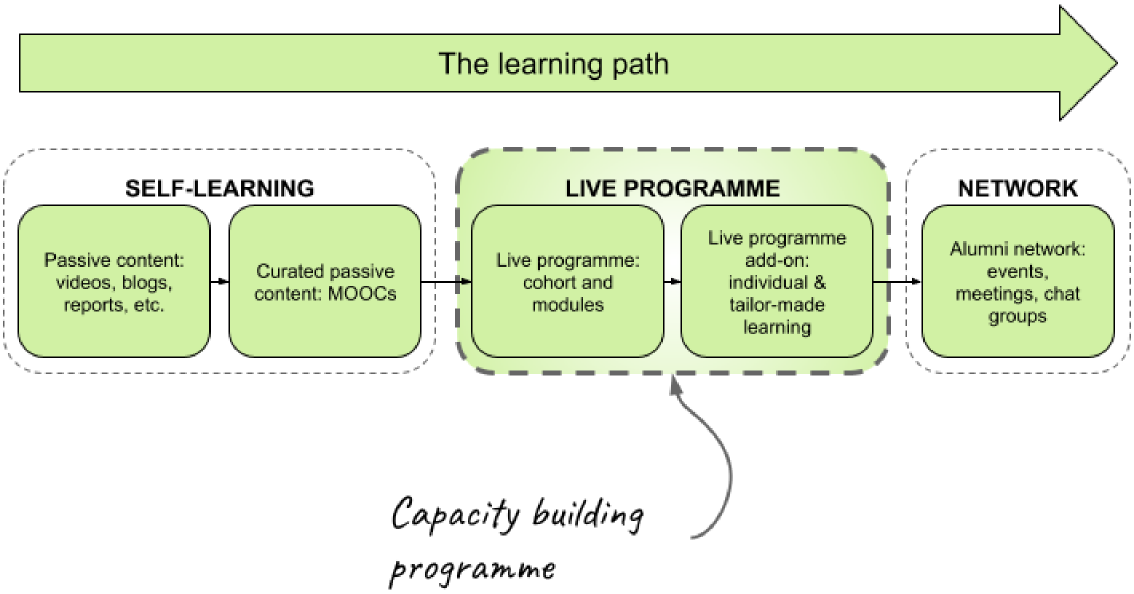

Figure 2. A comprehensive learning path concept with a 2-stages capacity building programme in the center.

5.4.1 Time planning

The live capacity building programme requires at least 4-5 months to be implemented. In case the two stages are to be implemented consecutively (which can be the best solution), then another 3-4 months would be a reasonable timeframe. In total, the full 2-stage cycle of the programme works very well when placed over a traditional academic study year, starting in September and ending in May or June. Given that there needs to be an enrolling and preparation period as well, the following time frame template is proposed:

ACTIVITY	TIME
Open call + preparatory resources	May/June (Y1)
Selection and confirmation of the participants	August (Y1)
Programme stage 1	September - December (Y1)
Programme stage 2	January - May (Y2)
Concluding & evaluation of the programme	May/June (Y2)

It might be advisable to design the programme to be implemented every other year and the in-between year can be used to learn from the previous cycle and upgrade the programme. Also, to create new content for self-learning and work on marketing and communication of the next programme cycle.

5.4.2 Events planning

By default all the events in the programme stage one would take place in a physical format. While some of the presenting experts might be delivering their interventions via online, the mostly active, group-based learning requires physical proximity of the participants and the learning facilitators. The particular module events can be designed based on the content provided, but at minimum, the following should be provided per event:

- Arrival on day 1 and a networking reception in the evening, making sure all participants meet each other. A speed meeting format can be used for this as well.
- A full programme on day 2 with another informal networking opportunity in the evening
- Wrap-up sessions in the morning of day 3.

In total and including travel it takes 3 days of participants' time and offers 1.5 days worth of learning content with still enough opportunities for informal networking.

The space used for the events should have the following parameters (assuming a cohort of 25 participants)

- A presentation room where all participants + experts can be present and listen to presentations (this includes hybrid functionality, that is the presenter can present online with the participants being able to ask questions and otherwise interact in a reasonably efficient way)
- 5 rooms for group work of 6 people (5 participants+facilitator). The rooms should be equipped with a table and/or flip chart for collective writing.

5.5 Governance of the programme model

The following key functions and roles need to be included in the programme implementation:

- Programme manager – taking care of all administrative aspects, leads the team and the project, also is the lead communication person for the participants in terms of all administrative aspects.

- Learning programme & content curator – is responsible for the learning content and process design, oversees the implementation of the programme activities, acts as a facilitator in the programme and communicates with the participants regarding all learning related issues.

- (Optional): Content experts & learning facilitators – a group of theme experts that on the one hand bring certain key expertise into the programme and can serve as resident speakers on these topics. On the other hand these experts serve as learning facilitators in the various group learning formats. While such experts can be recruited every time afresh, given the time it takes to familiarise with the particular learning programme design and logic, it can be efficient to have a group of such experts and facilitators serve as resident (and not guest) experts.

- Guest speakers: experts of a certain theme invited to present in the programme

- Communication and marketing support: this role can be filled by a person recruited into the programme team, or by the communication and marketing person/team of the organisation leading the programme project.

- Technical support: On site this function is expected to be provided by the venue. However, to achieve hybrid or fully online capability, a separate team member is required to set up the systems and provide real-time technical support during the events.

5.6 Programme budget model

As referred to above, the budget presents a 2-year cycle model. First year is mainly for the programme in two stages. In the second year there are extra events such as various learning collaborations and workshops and also new learning content creation. Alumni network activities, EMX market focus seminars and EMX Innovation Lab events would take place every year.

	YEAR 1 MODEL	YEAR 2 MODEL
EMX Lab		
Staff		
EMX Learning manager	€84,000	€84,000
Learning programme & content curator	€84,000	€84,000
Administration & financial management	€15,000	€15,000
Communication	€15,000	€15,000
TOTAL	**€198,000**	**€198,000**
Main activities		
Capacity building programme stage 1	€125,000	
Capacity building programme stage 2	€125,000	
Alumni network activities	€30,000	€30,000
EMX market focus seminars (hybrid+recording)	€30,000	€60,000
EMX learning collaborations & workshops (hybrid+rec.)		€30,000
EMX Innovation Lab events	€20,000	€20,000
Learning content creation per year		€75,000
TOTAL	**€330,000**	**€215,000**
Support		
Design	€24,000	24000
Web design	€24,000	24000
IT (participant portal, etc.)	€12,000	12000
Legal fees	€6,000	6000
TOTAL	**€66,000**	**€66,000**
EMX Lab total (average of years 1 and 2)	**€594,000**	**€479,000**

6. An example – EMEE's music export capacity building programme

6.1 The EMX Music Export Lab – a concept

Rationale: A comprehensive approach to capacity building requires a well-defined and narrow thematic focus in order to allow for sufficient space and depth in knowledge creation and transfer. EMEE represents music export development related expertise and experience and it is natural that EMEE and its members take the lead in developing capacity in the European music sector in this particular aspect. Furthermore, the EMX pilot showed clearly that there is a clearly felt need among European music professionals from all around for help and support in developing their music export strategies.

Objective: to support European music sector professionals in developing their music export strategies. This will be achieved through launching a comprehensive capacity building programme offering expert knowledge, support in contextualising the received insights and applying them in developing participants' own export strategies.

Target groups: European music export professionals who are (i) working with European talent that is reasonably ready for export; and (ii) have at least minimum experience of working in the music sector. The participants can be professionals working in artist management, label or music publishing (seeking to export catalogs as well as artists or authors) or in marketing, communication or other areas of artist services. The participants are expected to bring their own export strategy draft plan or ideas for it to the programme and work on it through-out the modules.

6.2 The EMX Music Export Lab in the wider resource center context

The EMX Music Export Lab as a 2-stage capacity building programme is embedded in the wider content ecosystem of the EMX resource center which provides an array of self-learning content, some of it designed to prepare participants specifically for the Lab programme, some for more general learning about select topics.

The EMX resource centre should contain self-learning materials and other resources on the following topics:

- Market profiles and studies: overviews of both European and international markets that will give a basic understanding of the specifics of each market.
- Basic introductions and how-to's: thematic sections on various aspects of developing your export activities, provided as simple guides and collections of existing resources.

6.3 The programme design and elements

The programme has two stages: a cohort based set of modules (stage 1) and an individual learning extension (stage 2).

6.3.1 Stage 1: cohort based set of modules

The first stage of the programme consists of 4 modules and has 20 places. Each module consists of:

- focus themes on music export development that progress in a logical sequence from M1 to M4
- Preceding homework assignments for the participants
- Compact presentations by a selection of experts followed by discussion sessions
- Group workshop sessions where participants are guided through applying the received insights into the context of their own export strategy project
- Peer-to-peer sessions where participants share their progress and ideas and get feedback and validation
- Informal networking between participants.

The modules take place as physical events and require a minimum of 2 nights stay from the participants.

6.3.2 Stage 2: an individual learning extension

The second stage is not a mandatory part of stage 1. It is an extension and potentially offered only for some participants (possibly through a competitive application and selection process). The second stage offers an individual learning path for the participant which will be proposed in a preliminary draft form by the participant and completed after selection with the programme learning curator. The individual learning plan is accompanied by a bursary that the participant can allocate to eligible activities (subject to the approval of the programme team). Therefore, the participant is empowered to use some of the following options:

- mentoring
- job shadowing
- supported visits to music industry events to network

6.3.3 Programme content: focus on the music export strategy development
EMEE will focus on the question of how to support music sector professionals in developing their music export strategies in the 2022 EMEE forum. The resulting materials will serve as the foundational research and development input for the capacity building programme. However, the following learning content needs to be developed for the programme:

- An introductory MOOC on the basics of what a strategy is and what music export involves, including the basics of the music sector as well.
- The key themes for the modular programme structure.
- The workshop formats, including toolkits for interactive sessions.
- The homework assignments.
- Guidelines for the facilitators and guest speakers so they know the context where their input is placed.

While the first programme requires a separate learning content development budget, the following cycles also need moderate budgets to develop and update the content.

6.4 The programme governance
As laid out in 5.5, the programme requires the following functions:

- Programme manager: would be hired specifically for the programme implementation
- Learning programme & content curator: would be hired specifically for the programme implementation
- (Optional): Content experts & learning facilitators: would be hired specifically for the programme implementation (most likely from within EMEE membership)
- Communication and marketing support: this role can be filled by EMEE team
- Technical support: As part of the venue service on site. Hired for hybrid or fully online capability.

6.5 The programme budget and funding model
The budget is modeled after the same plan as shown in 5.6.

Annex 1 – Full programme of the capacity building programme M1-4

	Digital		Physical				Digital
	Module 1: Sept 15th	Module 1: Sept 16th	Module 2: October 19th		Module 3: October 20th		Module 4: November 23rd
Time	Track 1	Track 1	Track 1	Track 2	Track 1	Track 2	Track 1
10:00	**Welcome & Networking** Speaker: **Jess Partridge**	**Welcome & Networking**	**Wecome & Coffee** Speaker: **Jess Partridge**		**Welcome & coffee** Speaker: **Jess Partridge**		**Welcome & Networking**
10:30		**How To Build an Export Strategy** Speaker: **Geraldine Zanaska** (Founder & CEO, Compass Music)			**Merging Competences for International Success** Speaker: **Géraldine Zanaska** (Founder & CEO, Compass Music), **Jani Joenniemi** (Ears Asia), **Detlef Schwarte** (Director, Reeperbahn Festival), **Kaisa Rönkkö** (Music Finland)		**Market Overview: India** Speaker: **Ritnika Nayan** (CD Baby)
11:00	**How Music Works** Speaker: **Nuno Saraiva**		**Integrating New Solutions & Using Data** Speaker: **Henriette Heimdal** (Family In Music), **Christine Osazuwa** (Strategy Director, Pollen Presents)				**Case studies: Collaborations between India & Europe** Speakers: **Emmanuelle de Decker** (Founder, Gatecrash) with **Nicola Morgan** (Wales Arts International) **Atul Churamani** (Managing Director, Turnkey Music & Publishing Pvt.)
11:30		**Workshop: Country Reports** **Speaker: Joe Sparrow** (editor, Music:Ally)			**Workshop: Mapping Sector Specific approaches and needs** Speaker: **Géraldine Zanaska** (Founder & CEO, Compass Music)		
12:00	**Exporting By Genre** **Speakers: Erlend Buflaten** (CEO and co-founder, Propeller Management) [Pop] **Peter Åstedt** (Festival Booker, A&R, Editor in Chief, Radio programmer, Musichelp, Record World, Cashboxradio) [Rock] **Tiina Vihtkari** (CEO, Sublime Music) [Classical]		**Presentation & Workshop | Past the Pandemic: Live streaming, Direct to Fan and Future Trends** Speakers: **Marlen Hüllbrock** (Head of Marketing Services, Music Ally)				**Panel: Opportunties in the Indian Market** Speakers: **Jani Joenniemi** (Founder, Ears Asia) – moderator; **Rafael Pereira** (Managing Partner, TINNUTS): **Soumini Paul** (Senior Vice President, Hungama Digital Media Entertainment): **Tej Brar** (Founder & Managing Director, Third Culture Entertainment)
12:30		Lunch			Break		
13:00	Lunch		Break				Break
13:30		**Workshop | How To Enter a New Market** **Speakers**: **Christoph Storbeck** (Manager, Striker Entertainment / Linecheck Music Meeting & Festival / Ypsigrock Festival Sicily)			**Making the Future of Export Green** Speaker: **Karin Koopmans** (Dutch Music Export)		
14:00	**Creating a Global Mindset** Speaker: **Danny Kier** (Founder/Director, Enki Music (Ex- Sound Diplomacy))		**Past the Pandemic continued…**				**Company Pitches: India** Thomas Sehested (Director, Hobson, Jobson) Alick Sethi (Director, Retox Music) Anu Anna George (Artist Manager) Sanjoy Roy (Director, Teamwork) Rufy Ghazi (Byte Dance) Subarna Roy (Head of Music Marketing, Artist Relations, Moodagent)
14:30		**Music Export Case Studies** **Speakers**: **Robert Meijerink** (Head of Program ESNS Conference & Festivals & Booker, ESNS)					

15:00	Break	**Ed Horrox** (Head of A&R, 4AD / Co-Founder, 4AD Songs) **Carina Sava** (Founder & Artist Manager, Watermelon Agency)	**Monetisation Trends and Challenges** Speaker: **Jake Beaumont-Nesbitt** (Manager & Consultant)		Break	Break/overflow
15:30	**Workshop | Fundamentals: Preparing for Export** **Speaker: Marine De Bruyn** International Project Manager, Centre National de la Musique), supported by EMEE Staff	Break			**Increasing the European Market Share** Speaker: **Kees van Weijen** (IMPALA, Chairman – STOMP), **Kaisa Rönkkö** (Music Finland), Moderated by Jess Partridge (EMX Capacity Building Coordinator)	**Networking Rooms** Each company and speakers from earlier in the day will host a networking room – participants will be able to meet and discuss companies with each one as they wish.
16:00		**Pitching Yourself** Speaker: **Isabel Sachs** (Founder, I Like Networking)	BREAK			
16:30			**Professionals Workshop | Internationalising with innovation** Speaker: **Henriette Heimdal** (Family In Music)	**Exporters Workshop | Developing innovative programmes** Speaker: **Geraldine Zanaska** (Founder & CEO, Compass Music)	**Workshop | Designing Programmes for European Export** Speaker: Jess Partridge	
17:00	Sign Off	Sign Off				Sign Off

Annex 2 – Lists of participants

#	First Name	Last Name	Professional / Exporter	Gender	Country	Subsector
1	Arianna Fleur	Kronreif	Exporter	W	Austria	Exporter
2	Julien	Fournier	Exporter	M	Belgium	Exporter
3	Boyan	Boiadjiev	Exporter	M	Bulgaria	Exporter
4	Heidi	Kuusava	Exporter	W	Finland	Exporter
5	Pedro	Aibeo	Exporter	M	Finland	Exporter
6	Salomé	Besse	Exporter	W	France	Exporter
7	Sarah	Karlikow	Exporter	W	France	Exporter
8	Lucia	Nagyová	Exporter	W	Hungary	Exporter
9	Letizia	Angelini	Exporter	W	Italy	Exporter
10	Agnese	Cimuska-Rekke	Exporter	W	Latvia	Exporter
11	Anna	Ceynowa	Exporter	W	Poland	Exporter
12	Inês	Silva	Exporter	W	Portugal	Exporter
13	Anca	Lupes	Exporter	W	Romania	Exporter
14	Arkaitz	Villar	Exporter	M	Spain	Exporter
15	Sandra	Wall	Exporter	W	Sweden	Exporter
16	Susanne	Schwarz	Professional	W	Austria	Music PR and Label and Publishing
17	Alexandra	Wachek	Professional	W	Austria	Music Project & Programme Manager
18	Hans	Zoderer	Professional	M	Austria	Musician, Manager
19	Daniel	Verstappen	Professional	M	Belgium	Musician
20	Sara	Davidsen	Professional	W	Denmark	Artist Manager & Freelance Event Coordinator
21	Naomi	Baudy	Professional	W	France	Artist booking & management
22	Paul	VERDELET	Professional	M	France	Manager / Production Assistant
23	Tolga	Tolun	Professional	M	Germany	Producer
24	Tim	Joppien	Professional	M	Germany	Project & Event Manager
25	Clémentin	Diard	Professional	M	Germany	Management & International Marketing
26	Dimitrisz	Topuzidisz	Professional	M	Hungary	Records, Management & Booking
27	Balazs	Weyer	Professional	M	Hungary	Live Booking
28	joe	Clarke	Professional	M	Ireland	Production /

						Management / Promotion
29	Silvia	Nocentini	Professional	W	Italia	creative director, A&R, Management
30	Jacopo	Beta	Professional	M	Italy	Live Booking
31	Alberto	Zordan	Professional	M	Italy	Publishing, Management
32	Katia	Giampaolo	Professional	W	Italy	Live & Management
33	Guna	Zucika	Professional	W	Latvia	Artist management
34	Aija	Auskapa	Professional	W	Latvia	Music management, record label
35	Alex	ter Horst	Professional	M	Netherlands	Manager
36	Andra	Iacob	Professional	W	Netherlands	Consultant
37	Anneke	Stulp	Professional	W	Netherlands	Digital Music Distribution
38	Ron	van de Kerkhof	Professional	M	Netherlands	Manager, Booking, Artist Services
39	Marcin	Groskiewicz	Professional	M	Poland	Record Label (A&R)
40	Antonio	Fernandes	Professional	M	Portugal	Music Agent / Producer
41	Alexandru	Stoica	Professional	M	Romania	Production, Management
42	Miran	Rusjan	Professional	M	Slovenija	Records & Booking
43	Jeanny	Ricci	Professional	W	Spain	marketing, promotion
44	Ermanno	Panta	Professional	M	Spain	Composer
45	Dina	Liberg	Professional	W	Sweden	Sync agent

#	COUNTRIES	Number of representatives
1	Austria	4
2	Belgium	2
3	Bulgaria	1
4	Finland	2
5	France	4
6	Hungary	3
7	Italy	5
8	Latvia	3
9	Poland	2
10	Portugal	2
11	Romania	2
12	Spain	3

13	Sweden	2
14	Denmark	1
15	Germany	3
16	Ireland	1
17	Netherlands	4
18	Slovenia	1

Annex 3 – the evaluation grids

	RELEVANCE						FORMATS					
	Average score	How many respondents rated with these marks:					Average score	How many respondents rated with these marks:				
		"5"	"4"	"3"	"2"	"1"		"5"	"4"	"3"	"2"	"1"
MODULE 1	4.0											
How Music Works	3.8	4	9	2	3	0	3.9	6	6	5	0	1
Exporting by genre	3.7	4	5	8	1	0	3.7	5	5	5	3	0
Creating a Global Mindset	4.4	11	5	1	1	0	3.9	5	7	5	1	0
Fundamentals: Preparing for export	4.1	8	7	1	1	1	3.6	4	7	4	2	1
How To Build and Export Strategy	4.3	10	5	2	1	0	4.1	5	10	2	1	0
Opportunities in country reports	3.9	5	4	4	1	0	3.9	5	7	3	2	0
How To Enter a New Market	3.7	5	4	5	1	1	3.6	5	6	4	1	2
Music Export Case Studies	4.1	8	6	1	1	1	3.8	7	3	4	3	0
Pitch Yourself	3.9	5	3	4	1	0	4.2	6	6	1	1	0
MODULE 2/3	3.9											
Integrating New Solutions & Using Data	4.1	9	12	7	0	0	4.0	9	12	6	0	1
Past the Pandemic: Live streaming, Direct to Fan and Future Trends	4.0	10	9	9	0	0	4.0	9	12	5	1	1
Monetisation Trends and Challenges	4.1	13	6	9	0	0	4.1	8	14	6	0	0
Internationalising with innovation	4.2	13	9	3	2	0	4.1	10	13	2	2	0
Developing innovative programmes	4.0	13	9	3	2	0	3.9	7	10	6	2	0
Merging Competences for International Success	4.0	11	6	10	1	0	3.8	7	10	10	1	0
Mapping Sector Specific approaches and needs	4.1	11	11	4	2	0	3.9	8	10	9	1	0
Making the future of export GREEN	2.4	2	5	4	6	9	2.7	2	9	3	4	8
Increasing The European Market Share	4.0	8	11	5	2	0	3.8	6	11	9	1	0
Designing Programmes for European Export	4.2	13	7	4	2	0	4.0	9	9	8	1	0
MODULE 4	4.2											
Market Overview: India	4.2	4	6	2	0	0	4.2	4	6	2	0	0

Case Studies: Collaborations between India & Europe	4.1	3	8	0	1	0		4.2	4	7	0	1	0
Panel: Opportunities in the Indian Market	4.3	5	5	2	0	0		4.3	6	4	2	0	0
Company Pitches: India	4.1	3	5	2	0	0		4.2	4	5	0	1	0
TOTAL													
Average score of all	4.0							3.9					

ANNEX 4

New market research methodology

Culture

Market research methodology

A comparative framework for mapping a country's music sector

Margaux Demeersseman (CNM)

EMX research task team

2022

Introduction

The following methodology aims to ensure that a report on the music industry of a specific country answers the needs of professionals and helps them to easily understand a market, strengthen their capacity to approach it and identify the local key actors. In order to achieve this such a report has to provide common and up to date analysis on social and macroeconomic data, both in general and the specific figures about the music industry. It is also necessary to compare one country to another and building a common framework is the key to making this possible. However, the music industry is often more complex than quantitative figures and thus qualitative information based on different perspectives is vital to interpret the data and trends correctly and deepen the knowledge of a local music industry. As a consequence, a common framework needs to be flexible enough to allow for ome specificities of a country in focus to be taken into account.

The common methodology proposes three chronological steps:

– Desk research: the desk research provides an organised collection of information and data available about a country and its music market. It is exclusively based on existing reports and contents from reliable articles, panels, podcasts and so on available online. It is the first step to prepare for the following interviews and fact-finding mission. It results in a first draft of the country market report structured according to the common framework and points towards gaps in data and information. These gaps will need a special focus in the interviews and during the fact-finding mission. It also provides a first mapping of the local music sector actors.

– Interviews with European professionals: Interviewing European music sector professionals is crucial to understand the existing links between the European music industry and the country under study. It helps to map and understand the opportunities and current challenges of European professionals in exporting to that particular market. It extends the knowledge of local actors and deepens the analysis of the market under study in a more qualitative way by taking into account the perspective of a panel of European professionals who already work in that market and are potentially able to give advice.

– Fact-finding mission: The fact-finding mission is a key element for market research, especially when there is only limited data and information available about the music industry in the country under study. It allows for a deeper understanding of the country's context and local music market. The aim of a fact-finding mission is to complete the profile of the music market through interviews with local professionals and additional focus on aspects for which little or no data is previously available. It can be conducted remotely but a physical visit even within a short period of time remains a real advantage for the researcher to better understand the environment and local culture.

The comparative methodology has to address the needs of music sector professionals with all kinds of profile and thus focus on the different sub-sectors and dimensions of the music industry, including:

- Recorded music industry;
- Live music industry;
- Music publishing, including synch and other licensing opportunities;
- Media and social media environment.
- Legal environment, including copyright regulation

It also includes advice on promotion, digital marketing, tour planning, budgeting, (if relevant) visa issues, etc.

Comparative framework for a market report

Here is the proposed comparative framework for a market report. It contains 7 sections. The first section presents general information and data about a country while the subsequent sections will focus on a particular dimension of the music sector.

1. General national context

Society		**Source**
Population		
Official language(s)		
Other important language(s)		
Recommended language to communicate with local professionals		
Currency		
Currency exchange rate with € (past three years average)		
Demographic growth		
Life expectancy		
Average age		
Human Development Index		
Gini coefficient		
Economy		
GDP		

GDP per capita		
YOY growth		
Unemployment rate		
Minimum wage		
Average wage		
Communication		
Smartphone in use (number of)		
Mobile use (number of)		
Broadband subscriptions - household penetration - Mobile subscriptions		

Social and economic context description

This part focuses on the recent evolution of the social and economic trends of the country. It allows us to narrow the description towards specificities of the country. If relevant, a description of the social class and major economic pillars, the ethnic population and languages, inequalities analysis are possible.

Political and administrative context

This part provides a general understanding of the administrative organization of the state and the political priorities of the current government. Any political instabilities need to be approached here and an historical reminder can be developed as well.

Geography and demography

In this part, the geography of the country leads the reader to understand the hubs for music, the spread of the population on the territory but also the local transportation possibilities. If relevant, the security issues have to be underlined here.

Internet infrastructure

The internet infrastructure and equipment used by the local population to access web services is crucial when addressing music consumption patterns. The quality of the telephone and internet networks, data costs and the telco ecosystem will be covered in this section.

Creative Industries context

The music industry is part of the creative industries and maintains strong and daily relationships with other actors from the film and media industry for example. The economic profile of these creative industries in comparison to the music industry can be developed here. As well as a general mapping of the key actors.

Pandemic context

In an unstable pandemic context, it is important to notice the level of crisis that the country is going through. The political response and strategy in the struggle against coronavirus spread needs to be detailed. If any government funds are allocated to the creative industries and more specifically to the music industries, it has to be described here.

2. Music ecosystem and institutional structure: organizations, unions and copyright collection societies

Diverse organisations related to music

The exhaustive list of music organisations (governmental and regional) is compiled with information and details (aims, budget, date of creation). Other state cultural institutes can also be listed here (Institut Français, Goethe Institute, Instituto Cervantes, British Council…) with their funding programs.

Collection Societies

All the collection societies are listed with some information (name, date of creation, monopoly or not; short description, type of collected rights, Cisac rank). For the copyright collection societies, a table of the reciprocal agreement with European counterpart needs to be filled in. Also, it will be noted which copyright or intellectual property conventions the CMOs of the country are signatories of.

Reciprocal agreementW	YES/NO
PRS	
Sacem	
Gema	
SGAE	
….	

A summary of the types of collected rights in the country has to be completed:

Types of rights	
Copyright	
Radio	Yes/No
TV	Yes/No
Public spaces	List to raise
Mechanical rights	Yes/No
Digital rights on DSP	List to compile
Digital rights on UGC services	List to compile
Neighbouring rights	
Radio	Yes/No
TV	Yes/No
Public spaces	Yes/No
Private copy	Yes/No

Music industry trade bodies/unions
The list of the music trade bodies is compiled here with their name, date of creation, aim, type of actors represented.

Music industry professional events and conventions
List with date of creation, name, attendance, city, music genre.

3. Recorded music industry

Recorded Music revenues	
Recorded music revenues	
Recorded music revenues growth	
Recorded music sales revenues	
Share of streaming	
Share of ad-supported streaming	
Share of paid streaming	
Share of video streaming	
Streaming focus	
Number of subscribers to DSPs	
Number of DSP users	
Royalties for recording rights collected (for artists and labels) by the local CMOs	
Performance rights revenues (labels)	
DSP focus	
Number of subscribers	
DSP 1	
Number of subscribers	
Number of MAUs	
DSP 2	
Number of subscribers	
Number of MAUs	
...	
YouTube MAUs	
Consumption Focus	
Top 5 listening genres	
Share of international music on top 200 YouTube	
Share of international music on top 200 Spotify	
Share of international music on top 200 local DSP leader	
Music distribution	
Share of *Majors*	

Recorded music revenues

This part is based on the industry local representative data. As sub-part, the researcher recounts the following elements:

– Recorded music of revenues ;

– Recorded Music revenues (broken down by product/service types, i.e CDs, vinyls, streaming (ad-supported, premium, bundles), downloads, other);

– Recent evolution of music revenues and factors that inhibit the revenues growth ;

– Revenues forecast.

Music consumption mediums

This part focuses on the average time spent on listening to music per week and the importance of different types of broadcasts used to do so (radio, streaming…). It also analyzes the video music consumption. The favorite devices mobilized to listen to music are also described (smartphones…).

Music genre consumption

The analysis focuses on the favorite genre listened in the country based on local reports but also with a sample of data from the top 200 Spotify charts (if available), the top 200 YouTube charts (if available) and the top 200 of other locally relevant DSPs (if available). It also provides the international music share (with artist nationality) versus local music consumption. Some information about two important niche genres in Europe are welcomed: jazz music and classical music, while other niche genres can be studied according to their importance in the country (ex : electronic music, world music, folk...).

Music audio streaming ecosystem

This part presents the streaming services market shares. It explains the type and cost of the different offers, the partnerships with telcos (bundles) and provides data about subscribers and MAUs per service. It also identifies where the consumers are located (biggest streaming cities).

Recorded music industry actors

This part details the record labels and distributors shares as well as the Majors versus independent share in the market. It provides a list of the main actors and also focuses on the degree European companies have been established in the market.

Artists and label collecting societies figures

– Right collection amount of revenues from the local collection society ;

– Collection share by sector: radio, tv…

– Recent evolution of the music rights collection and factors that inhibit the revenues growth.

COVID impacts

On the one hand, the COVID situation enhanced some ways of consuming music and slowed down others: these trends have to be described. On the other hand, the general impact of the pandemic on the capacity to spend money on creative content needs to be underlined if necessary.

Other focus

Depending on the specificities of the country, focus can be developed: music piracy, YouTube consumption, retail network, ringtones downloads and so on.

4. Live music

Live music industry revenues

This part describes the ticketing revenues of the live music industry and its evolution. It also details the way people buy tickets and provides a list of the ticketing key players. Some fiscal and administrative details are announced here (VAT, artist status…).

If relevant data is available:

Live music revenues (ticket sales + sponsorship)	€
Live ticket sales	€
Live sponsorship	€
VAT on music concerts	%

Consumption patterns and live music scenes

This part assesses the profile of live music consumers (age, cities, social class…). It provides information about the live music consumption culture of the country, its level of curiosity for emerging artists and the readiness of the population to pay for a concert. It elaborates a description of the strongest music scenes in the country.

Venues and infrastructures

This part describes the types of venues on the territory and its geography. It distinguishes between small capacity venues and big ones, between clubs, venues and arenas and the type of artists performing there. It provides information about classical and other niche genre music venues as well. Some possible touring routes can be presented with the type and cost of local transportation.

A list of booking agencies and promoters is expected with some advice on how to link and negotiate with the local professionals.

If relevant data is available:

Number of music venues with a 200 or less capacity	
Number of music venues with an in-between 200 and 1100 capacity	
Number of music venues with a more than 1100 capacity	

Festival network

A description of the festival music ecosystem leads to understanding the state support versus private sponsorship, the stability of these events from one year to another, the types of festivals covered and their geographical spread. A focus on music genres and international versus local music festivals can be assessed.

Coronavirus impact

The pandemic directly affected the live music sector. In this part, any state support for the festivals needs to be described as well as any data about the economic impact of the crisis on the live music industry. In this part, the new way of listening to live music can be developed (livestreaming…).

Visas and taxes

This part gives advice about the relevant visa to ask for and the visa procedure. It also describes the taxation on live music ticketing and artist fees.

5. Publishing and neighboring rights

Common expected data

Local collection society revenues	€
Publishing revenues	€

Copyright law and its recent evolution

Copyright law part aims to relate the basis of copyright management in the studied country and the possible specificities.

Collection society figures

The aim is to give an overview of the copyright revenues with relevant additional breakdowns:

- Copyright royalties revenues and CISAC rank
- Collection shared by sector: radio, tv, public performance, mechanicals…
- Recent evolution of the copyright royalties collection and factors that inhibit the growth of revenues.

The collection society context is a crucial point (collection society management rates, agreement with other collection societies) as well as putting the light on digital rights management.

Music publishing revenues and key players

- Music publishing revenues
- Music publishing market shares
- Key majors and independant local music publishers

Synchronization

This part focuses on the synchronization activities in the country.

Advice on management of copyright in the country

The advice towards rights management will be based on the interviews with local professionals.

6. Media environment

The following chapter describes the consumption of music through media (radio, tv, newspaper and magazine) and through the new digital media (social media, webzines, blogs). It also gives information about the discovery of music and music diversity on tWhis different sort of media.

Social medias

Social Medias		
Facebook	YES/NO	Amount of users
Instagram	YES/NO	Amount of users
Twitter	YES/NO	Amount of users
Snapchat	YES/NO	Amount of users
Twitch	YES/NO	Amount of users
Tik Tok	YES/NO	Amount of users
Other	YES/NO	Amount of users

An analysis of social media consumption with the top social media app in the country is presented. The time spent on these medias and the interaction of the population with this media can be related. A focus on the major social media for music has to be developed.

Radio

Knowledge and understanding of the radio ecosystem is very important as in most parts of the world, this medium remains very powerful for broadcasting music. The number of radio channels and types of content available is a key element to be provided (national vs local, languages, music broadcasts, private vs public) as well as consumption data. A focus on the radio station dedicated to music is also important.

TV

This part is a transposition to TV of the radio analysis.

Press

This part relates the key players for:

- General print press and society magazine
- Culture and music specialized press
- Music blogs and webzines

It provides figures on the music specialized press consumption.

Marketing strategies and PRS

A list of PR and relevant marketing agencies can be raised here. Some cases studies can enhance the possible strategies on the territory (band content, playlists…) and related investment budgets. Good practices and strategies to avoid should be mentioned as well as the elements and contents to create and communicate to the local professionals.

7. Public sector funding

In this chapter a mapping of the state funding schemes for music in the country under study is provided (if relevant).

European Commission

ANNEX 5

Mexico Report

Culture

Mexican music industry

Market report

Funded

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Introduction: How to work best with Mexico as a European music Exporter

This report is the result of a desk research and a fact-finding mission to Mexico in the winter of 2021. The report gives an overview of how the music market and the music ecosystem works in Mexico. In this introductory chapter, some insights are provided for those seeking key elements to understand how to start exporting music to Mexico.

Geographic situation and its opportunities

Geographically Mexico is part of North America but also Latin America. So, on the one hand Mexico is very connected to and influenced by the USA, and on the other it is part of the Latin world. This positions Mexico to be an attractive market for Latin-American artists who want to break into the US market, as well as international artists who come down south from the US to Latin America. For European acts, it can represent an extension of their tours in the US and an open door to other Latin American markets. In fact, an artist who has already registered a good digital consumption in Mexico and has already played in Mexico will have many more possibilities to be booked on Latam festivals.

Music and Mexicans

Mexicans are strongly engaged with music and it is part of their daily life. This is a strong specificity of the Mexican market. Mexicans listen to a lot of music from domestic and international repertoires. It is an accessible market for European artists since all the major DSPs are also operating in Mexico, with Mexico City often called the streaming capital of the world. Spotify is the leader of the market and the main social networks are also available in Mexico, with a growing interest for short video content (TikTok). Building an artist's profile could be done prior to live appearances with the help of a local PR agency. But if you can afford coming over, it will help the agency to reach better results. Some of the companies offering PR will also be able to help you with finding live shows and connecting you to festivals, as they're multi-service agencies.

Mexicans also go to concerts and festivals. The main live music cities are Ciudad de Mexico (CDMX), Guadalajara and Monterrey but there are also a lot of opportunities in intermediate cities and tourist places. Mexico presents good infrastructure with venues varying in size (even if intermediary venues are lacking - from 400 to 900 seats) and a lot of festivals. Among them, some private festivals are booking international acts.

Travelling in Mexico

Mexico is a huge country so distances can be overwhelming. Therefore, a lot of routes are done by plane. If you travel by land, it is generally advisable to check the current security risks. Places where rival cartels are having a turf war are the most dangerous. At the time of writing those are: Michoacán, Guerrero or Sinaloa. A drive from e.g. Guadalajara to Mexico City is about 6 hours and is usually safe. But travelling to Monterrey, Mexico's third biggest city can easily take more than 10 hours by car. Distances from Mexico City to the Caribbean or to Baja California are also massive, so that those routes are often done by air. There exist several low-cost airlines.

Doing business in Mexico

Mexico is a market where Europeans can do business in a good environment: Mexican professionals are open to international relationships and acts, the market is relatively structured with music professionals for all the activities of the music industry (synchronisation, PR, digital marketing, promoters, bookers and so on).

Nevertheless, some elements are important to take into account because there is a lot of informality in the sector which can be difficult to navigate:

- Most professionals do not speak English, so it is better to communicate in Spanish to work with Mexico.
- Since Mexico is a very Catholic country, family values play a very important role. Therefore friendship is key for later business transactions. Food & Drinks are a vital part for forging relationships with the Mexican professionals.
- Not all the promoters are reliable. It is important to be sure of the skills and trustworthiness of your Mexican partners before working with them.
- Everything needs to be negotiated in Dollars and part of your negotiations will probably be on WhatsApp.

There might be differences when it comes to reaction times in communication or preliminary lead times within project planning. Mexicans sometimes avoid bringing up difficulties directly, but in the end most things work out fine even at short notice. In general, Mexicans are extremely friendly and kind, it's a pleasure working with them.

The professional live music sector is a rather new one in Mexico. Before 1990 it was hardly possible to organise live music events legally due to governmental restrictions regarding public gatherings of bigger crowds. Therefore it was initially local actors, who started working on establishing the sector and international actors started rather late to invest in the territory.

Mexico offers huge potential as a digital music market with an extremely high digital music consumption. But be aware that streaming figures might be misleading. As one local PR expert put it: "A lot of artists and labels realise that Mexico City is within the top 3 of their cities worldwide when it comes to streaming figures. What they're not aware of is that this doesn't mean much. Due to the incredible high streaming numbers almost every artist that appears in international playlists has Mexico City in his top 3 cities worldwide!". Nevertheless it is not only a market with great potential itself, but can also become a good strategic entry point for Europeans working towards the southern states of the US market or some parts of Latin America. If you build a fanbase in Mexico with comparatively reasonable expenditure it will help you find shows and media attention in the US, because they will notice your presence in Mexico.

Regarding safety: drug cartels are strongly involved in the music business. You won't find public information on this sensitive issue, but you can hear from various local professionals about the diverse aspects of this involvement in a very discreet way – music venues, clubs and festivals are suitable outlets for their business. Venue owners or event organisers are often urged to make this possible, otherwise they're facing serious threats or have to close their venues. It has been expressed that more music venues have been closing down in the last few years due to these sorts of incidents than problems related to the pandemic. Some cartels are in charge of organising private music events too. We have been told that cartels also directly invest in building artist's careers, that as a countertrade release songs that are glorifying drugs. Saying all that, one has to state that as a tourist, foreign visitor of music events or an act performing at music events these connections will not be visible or affect your business. There are unsafe areas that should be avoided and of course one should avoid getting in touch with drug business, but the Mexican music business in total does not seem dangerous for rational acting people from Europe.

Festival and concert ticket prices are lower than in most European countries or the US, that reflects in offers for fees and should be included in the financial calculations if a tour is affordable or reasonable. Sponsorship is a common way to acquire extra budgets. The technical standards and availability of equipment, while generally considered high, at venues and events sometimes still require the preparedness for compromises.

1. General national context

Society		Source
Population (2021)	130 262 000	UN data
Official language(s)	Spanish	
Other language(s)	68 national languages, 63 of which are indigenous	
Recommended language to communicate with local professionals	Spanish	
Currency	Mexican Peso (MXN)	UN data
Exchange rate (First semester 2022 average)	EUR 1 = 22.1653	European Central Bank
Population growth rate (average annual % – 2021)	1,1 %	UN data
Urban population (% of total population)	80,4 %	UN data
Life expectancy at birth (females/males, years – 2021)	77,8 / 72,1 %	UN data
Population age distribution (0-14/15-59/60+ years old, % – 2021)	25.5 / 63 / 11,5	UN data
Human Development Index (2021)	0.758	UNDP
Gini coefficient (2020)	45,4	World Bank
Economy		
GDP (million current US$ – 2021)	1 256 441	UN data
GDP per capita (current US$ – 2021)	9 848.6	UN data
YOY growth (annual %, const. 2015 prices – 2021)	-0,3 %	UN data
Unemployment rate (% of labour force – 2021)	3,6 %	UN data
Minimum wage (per month – 2022)	MXN 5,258.1 (US$ 256.3)[1]	Country Economy
Communication		
Smartphone in use (% of users aged 16 to 64)	98,5%	DATAREPORTAL
Mobile use (number of – in millions)	119.8	DATAREPORTAL
Individuals using the Internet (share of population)	70.1%	UN data

1.1 Social and economic context description

Mexico is the second largest economy in Latin America and the fifteenth largest economy in the world. The country has been showing a steady but moderate growth before the pandemic (an average of 2%) and is expected to experience the same moderate post-Covid growth according to OECD (+1,9% in 2022 and + 2,1% in 2023)[2]. While the economic fundamentals remain solid, the Mexican economy was affected by the pandemic (-8,2% GDP in 2020) but was also characterised by high level of informality (55% approx. of the workers are under informal employment status in 2020), financial exclusion (63% of the population aged over 15 has an account at financial institution in

1 This is a national floor-level wage – and will vary depending on geographical areas and other criteria.

2 OECD ECONOMIC OUTLOOK, VOLUME 2022 ISSUE 1: PRELIMINARY VERSION, OECD, 2022.

2017) and corruption. What is more, women's labour market participation is way under the OECD average (47% for Mexico, 69% for OECD average)[3] and inequalities stand quite high (its Gini index stands much higher than most of advanced economies and close to the emerging economies median).

Nevertheless, Mexico remains one of the strongest and most stable economies of the American continent. It is a very open country, defending free trade and involved in 12 free trade treaties with 46 countries. The United States is Mexico's main economic partner, receiving 80% of Mexican exports.

1.2 Political and administrative context

Mexico, officially The Mexican States, is a federal Republic composed of 32 states. It is a democracy where the President is elected for 6 years and cannot renew its mandate. Mexico is divided into three levels of government: the federal Union, the states and the municipalities.

Last presidential elections took place in 2018 with Andrés Manuel López Obrador elected as the first left wing President in 9 decades. The federal legislature is composed of the Senate of the Republic and the Chamber of Deputies.

1.3 Geography and demography

Mexico is the most populated Spanish-speaking country in the world with 130M inhabitants according to UN Data. Urban population represents 80,4% of the global Mexican population and the most populated areas are Valle de Mexico (21M inhabitants), Monterrey (5,3M inhabitants), Guadalajara (5,2M inhabitants)[4]. These are the most important cities for the music industry. But Mexico also has 35 cities with more than half million inhabitants and these cities are also very important for music: Tijuana, Puebla, Juarez, Ecatepec, Leon and others..

Figure 1. Main cities in Mexico
Source: maps-mexico-mx.com[5]

3 Economic Survey of Mexico, OECD, February 2022

4 https://www.citypopulation.de/en/mexico/metro/

5 Source: https://maps-mexico-mx.com/mexico-map-major-cities

The surface area of Mexico is 1 964 375 km² (four times the size of France, for example). Between the different urban areas and cities (see the map) trains are not really available so there are two options for transport: roads or flying. The main federal roads are good in Mexican territory but the secondary states' roads are mixed and the quality depends on the states. So the roads are good between Guadalajara and Mexico and these cities can be connected in 6 hours' drive. But the distance between Monterrey and Mexico City easily leads to a 10 hours' drive and one needs to verify the quality and safety of the roads to go in Northern cities for example. As a consequence, flying is often the preferred mode of travel. There are several airports in Mexico and Aeroméxico, the local airline company is operating 600 flights per day between the most populated or touristic cities[6].

1.4 Climate

Mexico has an enjoyable climate, mostly relatively hot (yearly average of 17,4° in CDMX) and sunny. Half of the territory has a dry climate, one quarter a mild climate and the rest a hot climate. The north observes stronger temperature variations (winters are colder) than the south more characterised by stable temperatures. However, the variation of climate from a city to another also depends on the altitude since Mexican territory and regions have very different terrain and the distance from ocean (Pacific and Atlantic). Which leads Mexico to be composed of a lot of different climates. Between June and November, Mexico can also observe hurricanes. The dry season takes place from October to May and the rainy season is from June until September.

1.5 Media and Entertainment context[7]

According to the PWC entertainment and media (E&M) report, the E&M sector will continue to grow in the next four years driven by internet access growth, traditional TV revenues and internet advertising. The country will observe one of the strongest growth rates in the world.

The report estimates that Over-the-top media (OTT)[8] services will continue to grow. Mexico currently has the biggest OTT market of Latin America with local and international companies. Despite this concurrence, traditional TV will also observe a growth with new subscription offers and new types of contents. Music, radio and podcast segments will also continue to grow and exceed 1 billion dollars in 2026 led by music. As a result, Mexico will continue to be a leader in the Region.

7 Global Entertainment & Media Outlook 2022–2026 Capítulo México, PWC, 2022. Online: https://www.pwc.com/mx/es/industrias/tmt/gemo.html

8 OTT or over-the-top media service is a media service offered directly to viewers via the Internet. See more: https://www.wikiwand.com/en/Over-the-top_media_service.

2. Music ecosystem and institutional structure: organisations, unions and copyright collection societies

2.1 Collective Management organisations

SACM (*Sociedad de Autores y Compositores de México*) was created in 2007 but emerged from its precursors known as *Sindicato Mexicano de Autores, Compositores y Editores de Música (SMACEM)* created in 1945. SACM is the only authors, composers and publisher's collection society authorised by the Mexican copyright law in Mexico. It collects public performance rights and mechanical rights. http://www.sacm.org.mx/

EMMACSACM was created in 2009 and is the result of the union of Sociedad de Autores y Compositores de México, Sociedad de Gestión Colectiva de Interés Público (SACM), who represents all Mexican authors of musical works, as well as its counterparts from all over the world, through international collaboration agreements, and Editores Mexicanos de Música, A.C. (EMMAC), which represents major, and independent publishers. It issues licences for digital music and collects the corresponding rights. http://www.emmacsacm.com.mx/EMMAC2_EN/index

SOMEXFON (Sociedad Mexicana de Productores de Fonogramas, Videogramas y Multimedia) is the collection society for record labels. It collects for its licensed members sound recording rights for communication to the public in the areas of public performance and broadcast.

ANDI (Asociación Nacional de Intérpretes) and **EJE** (Sociedad Mexicana de Ejecutantes de Música) are two performers rights collection societies in charge of the collection in the arenas of public performance and broadcasting.

Types of rights in Mexico	
Copyright	
Radio	Yes
TV	Yes
Public performance	Yes
Mechanical rights	Yes
Digital rights on DSP	Yes
Digital rights on UGC services	Yes
Neighbouring rights	
Radio	Yes
TV	Yes
Public spaces	Yes but non-efficient collection
Private copy	No

2.2 Music industry trade body/union

AMPROFON is representing Mexico's recorded music industry and is affiliated with the International Federation of Phonographic industry.

EMMAC represents the publishers in Mexico. The biggest publishers in Mexico are part of this association: Azteca, Peermusic, Warner Chappell, Universal Music Publishing, Sony Music Publishing, etc.
https://www.emmac.mx/

Coalición por el acceso legal a la cultura is a cross creative industries association whose aim is to represent the interests of the creative industries in the domain of intellectual property.
https://www.calc.mx/quienes-somos

2.3. Music conventions

Feria Internacional de Música (FIMPRO) – May – Guadalajara
https://www.fimguadalajara.mx/#!/en

FIMPRO was created in 2012 and offers artist showcases (rock, pop, indie, world, jazz), panels, workshops and networking sessions.

In 2019, there were 1537 delegates from 25 countries at this convention. It is one of the leading conventions in Latin America. Delegates mostly come from Mexico, USA and Latin America and all the music industry sectors are represented. The convention is well organised and connections with local professionals are easy to build. It is highly recommended for an European professional wanting to develop its activity in Mexico to join this conference.

MARVIN FESTIVAL – May (but October in 2022) – CDMX
https://festival.marvin.com.mx/

MARVIN festival is before anything else a music festival with local and international acts. Two days before the public festival, there is a professional convention mostly gathering local indie professionals. In 2019, there was a Spanish and Argentinian delegation.

Before the pandemic, the **NODO** convention was associated with the NRML festival. It used to be a very important meeting for the indie scene in Mexico. The Nodo did not take place in 2019 and the NRML festival was cancelled again in 2022 so the NODO convention is quite insecure. But it is an event to keep an eye on!

Smaller and niche professional events such as the **DJ World Music Business** taking place in October in CDMX focusing on electronic music or the very recent **Cancún Music Week** also focusing on electronic music are also taking place in Mexico.

3. Recorded industry in Mexico

Key points

- Music consumption is very high in Mexico with Mexicans strongly engaging with music. Most of this consumption is happening on DSPs even if radio is still strong in the country.
- Spotify is far from the leader in the country. Mexicans are also willing to pay for music, adopting the subscription model. YouTube is also very important in Mexico.
- Mexicans are very open to international music. They used to mostly listen to a lot of rock and music from North America (international pop). They now listen to more and more Latin American music (reggaeton, Latin pop, Latin trap) and also local music (Regional Mexican pop) plus electronic music and music from Europe.
- Having a good PR stratégy in Mexico often results with a strong increase of streams for an artist.
- Majors are still representing the biggest market share.

3.1 Recorded music revenues in Mexico

In 2021, Mexico observed the same trends as the rest of Latin America with an impressive year-on-year growth of 27.7% in comparison to 2020. This growth is slightly inferior to the region (+31,2%) and led Mexico to stay part of the top 15 markets in the world. With a market size of $284,7 million, Mexico is the second biggest market of Latin America behind Brazil and we can expect a continuing year-on-year growth in the next few years for the Mexican market. (source: AMPROFON).

3.1.1. Recorded music revenues share by sector

The revenues of the Mexican market are almost exclusively composed of digital music from audio and video streaming platforms. It represents nearly 90% of the revenues.

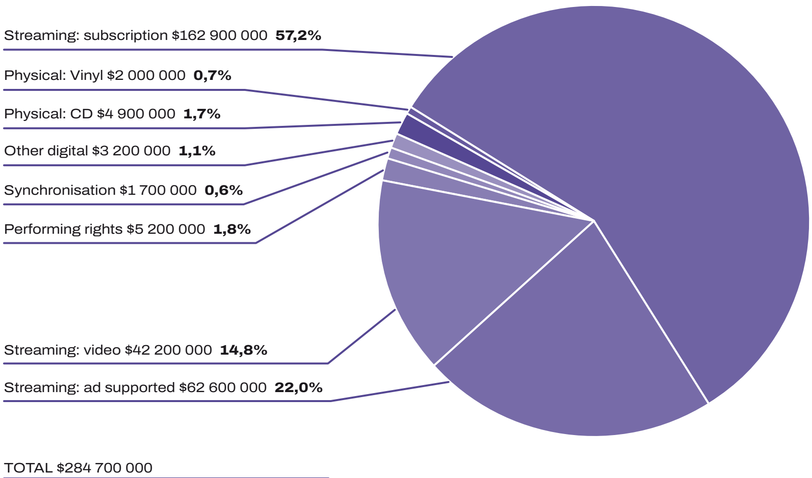

Figure 2. Recorded music revenues share by sector

Source: AMPROFON, 2022[9].

9 Graph based on: AMPROFON. El Reporte Música México, Industria 2022, Amprofon, Fimpro, Relatable, Casete, Universidad de

Mexico is a thriving market because of its subscription audio streaming services segment that represents a solid share of the market (57%) and because this segment is steadily growing. Part of the Mexican population is willing to pay for music and the result is visible in the figures. This does not mean that conversion to payment is easy in Mexico as one can see with the ad-supported audio streams segment still representing 22% of the market and video stream 15%. But Mexican consumption has switched from piracy to streaming video and is now switching to audio consumption (in freemium and premium). Nota bene: piracy is still present in Mexico according to different sources (IFPI data on music consumption per medium, United States Trade Representatives – USTR watch list).

3.1.2. Evolution of music revenues in Mexico

The market used to be composed of physical sales but this segment suffered a strong decrease during the last decade that fortunately is now compensated by streaming revenues. Income from synchronisation and public performance rights are very low and decreasing in Mexico (-16.5% and -38% respectively). As a result, the market is driven by digital. However, it is interesting to notice that vinyl revenues are growing even if it only represents $2M, the equivalent of 1% market share.

3.2 Music consumption medium and demography in Mexico

What makes Mexico very interesting is the relation Mexicans have to music. Mexicans are strongly engaged with music and music is part of their daily life. In fact, they spend much more time than the rest of the world listening to music and Mexico is the leader in terms of music consumption among the 20 biggest markets. It is also the leader among the countries that spent the most time listening to music through paid subscription streaming and among the countries with highest monthly use of short form video apps (68% of this time involves music such as lip syncing and dance challenge). All the consuming data is available in the "Comprometidos con la música 2021", a report by IFPI and Amprofon[10].

Another interesting fact is that with the pandemic, live-streamed concerts proved to be very popular in Mexico with Mexicans' engagement being the highest after Brazil.

The fact that the Mexican population is heavily listening to music and more and more through subscription models (and as we will see later also in live and for a wide range of music) reinforces the value of its markets for internationals. As a result, recorded music is listened to in various ways in Mexico but the artist development in Mexico has to be focused on DSPs and playlists strategies and social media with short video contents.

3.3 Music genre consumption

Mexico is characterised by a large representation of music genres consumption. It is a very pop-rock country and of course a very Latin music country with 7,1% of the population choosing Regional Mexican representing as very important genre and 10,8% Latin pop or 3,9% reggaetón in 2019.

Guadalajara. Online: https://www.musicamexico.org/reporte/reporte-musica-mexico-04.pdf

10 https://amprofon.com.mx/es/media/boletines/comprometidos/ifpi_mcs.pdf

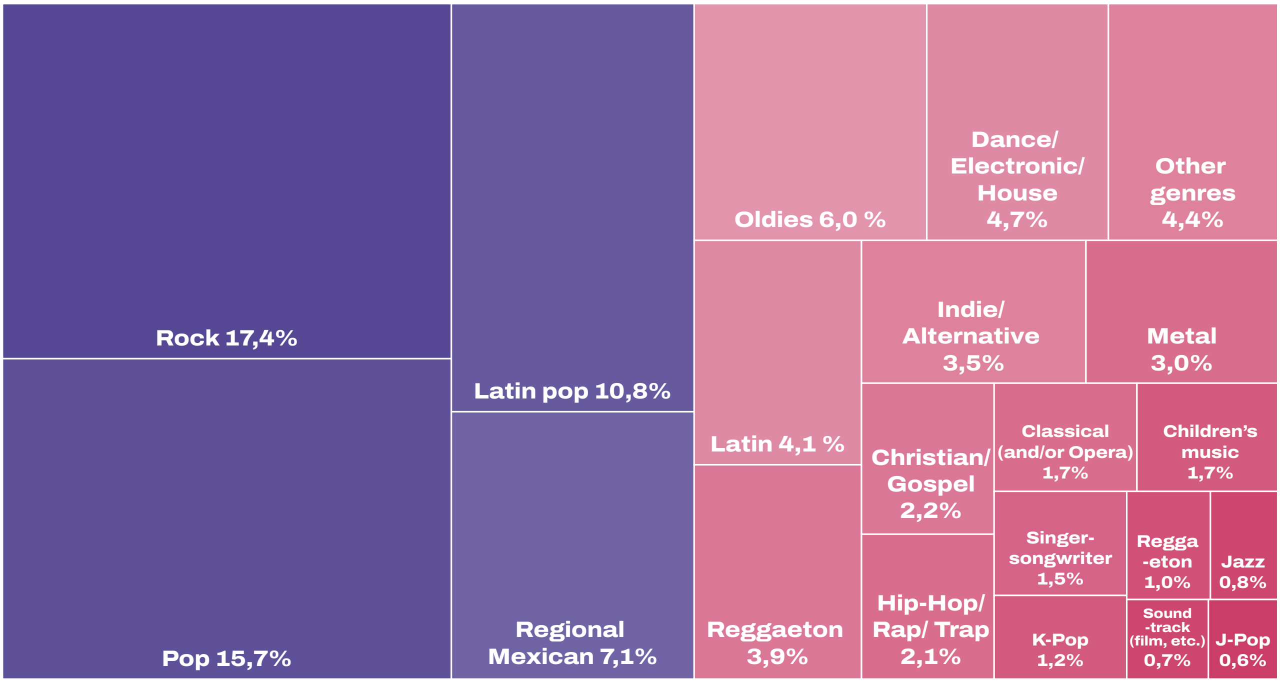

Figure 4. Music listening preferences by genres (% of survey responses)
Source: AMPROFON, 2020[11].

If this strong music diversity taste is a specificity of Mexico, it hides another reality: the consumption is also local and Spanish. What is more, GenZ is listening to a lot of Latin trap and other types of Latin urban music as well as reggaetón and Regional Mexican Pop (RMP). Observing a top 200 as we speak, it results that one-quarter of the tracks are reggaetón music followed by Latin music and Latin Trap/hip hop. Pop and Dance music represent almost a quarter of the tracks. In terms of artists nationalities, one quarter is from Puerto Rico, another quarter is from Mexico. Then from the USA and Columbia. The rest are coming from Argentina, UK, Panama and Spain.

Focus on Regional Mexican Pop (RMP)

Beside Latin trap, reggaeton and pop-rock music, the Regional Mexican Pop is the main consumption genre on DSPs and represented in 2019 39 billion streams. RMP is composed of a lot of sub-genres, it encompasses sub-genres from the different regions of Mexico, from Mariachi to Cumbia for exemple. These are traditional music genres but played by a younger generation revisiting sounds and styles. It allows a stronger local consumption, rising from year to year (+540% increase in 5 years on Spotify). This genre is an opportunity for the local scene to develop and for the indie record label to reinforce their strength and economy in the Mexican marke[12].

11 Graph based on: Panorámica de la Industria de la música grabada en México, AMPROFON, 2020 Online : https://amprofon.com.mx/es/media/documentos/gmr_2020.pdf

12 "Unleashing the power of local potential: the global rise of Regional Mexican", Believe, JUN 16, 2022 Online: https://www.believe.com/blog/unleashing-power-local-potential-global-rise-regional-mexican

3.4 Music audio streaming ecosystem in Mexico

In Mexico, half of the internet users listen to music on an audio streaming platform[13]. As a result, Mexico is estimated to have 57 million audio streaming users and among them 16 million subscribers[14]. Most of the international DSPs are available in Mexico: Amazon Music (2018), AppleMusic (2015), Tidal (2015), Claro Musica (2014), Napster (2014), Deezer (2013), Google Play Music (2013), YouTube Music (2018), Spotify (2013). Spotify is by far the leading DSP in Mexico. Most of the estimations consider that half of the music audio consumers are on Spotify, and a CIU study estimated that 80% of the consumers are listening music on Spotify[15]. It is also estimated that a little bit more than half of the subscribers are on Spotify. The second DSP in Mexico is YouTube Music with between 5% and 15% according to different sources and studies, closely followed by AppleMusic. The other DSPs have a very small market share. However Deezer has been observing a strong growth recently thanks to its partnership with Azteca TV

YouTube is also a big player in Mexico and the country is a very video centric-market. According to Datareportal[16] 83% of the internet users are using YouTube in Mexico. It is one of the most visited websites after Google. What's more, music is the second aim to watch YouTube videos and 69,8% of the internet users aged 16 to 64 watch music videos every week (with a growing trend). This population spend an average of 22,8 hours per month on YouTube[17]. YouTube registered the most important music consumption of all DSPs and social networks. It is a millennial platform.

Focus on Spotify

Spotify is the leading platform in Mexico and the country is also one of the biggest markets for Spotify. Even if only 21% of the monthly active users of Spotify and "only" 21% of its subscribers are based in Latam, the region is a fast growing one for the company and led Spotify to exceed their expected result in Q3 2022: "The firm's subscriber growth, meanwhile, was partly chalked up to "outperformance across all regions led by **Latin America**" as well as better than expected Q3 promotional campaign results across all regions."[18]. Spotify has several offices in Latam: CDMX (Mexico), Bogota (Columbia), Rio de Janeiro and Sao Paulo (Brazil), Buenos Aires (Argentina). Mexico represents almost 40% of the Latam Spotify subscribers and is certainly in the top 5 or 10 countries for Spotify after the US, UK, Germany, Brazil. In 2020; Spotify launched its first Spotify award in CDMX.

Most of the Latam catalogue is available on Spotify and Mexicans listen to a lot of playlists. The most famous ones with Latin American music are « ¡Viva Latino! » and « Baila Reggaeton » with more than 10 million subscribers.

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13 Anuario estadistico 2021, Instituto Federal de Telecomunicationes.
Online: https://www.ift.org.mx/sites/default/files/contenidogeneral/estadisticas/anuarioestadistico2021_1.pdf

14 El Reporte Música México, Industria 2022, Amprofon, Fimpro, Relatable, Casete, Universidad de Guadalajara.

15 Study: Spotify has 80.7% of Mexico's music streaming market, Stuart Dredge, January 28, 2021. Online: https://musically.com/2021/01/28/study-spotify-has-80-7-of-mexicos-music-streaming-market/

16 Digital 2021, Kepios, Hootsuite and We are Social, 2022. Online: https://datareportal.com/reports/digital-2022-mexico

17 Digital 2021, Kepios, Hootsuite and We are Social, 2022. Online: https://datareportal.com/reports/digital-2022-mexico

18 "Spotify added 7M premium subscribers in Q3 – and has added 15M in 2022 to date", Tim Ingham, October 25, 2022. Online: https://www.musicbusinessworldwide.com/spotify-added-7m-premium-subscribers-in-q3-and-has-now-added-15m-in-2022-to-date/

3.5 Neighbouring rights

Mexico has a relatively good legislation around neighbouring rights and is part of the following conventions and treaties:

- Rome International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, 1961[19]
- Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms, 1976[20]
- WIPO Performances and Phonograms Treaty, 1996[21]

Neighbouring rights are recognised for record labels and performers. The term of performers rights is 75 years after the first recording of the songs or first interpretation of the creation or the first broadcast of the creation. The term of recording rights is 75 years after the first recording. SOMEXFON is the collection society for record labels and ANDI/EJE are the collection societies for performers.

Neighbouring rights collection over radio and TVs is working in Mexico, but the collection is more complicated when it comes to public performance in bars and public spaces. A significant part of these places refuse to pay the music licence.

In Mexico, ISRC code is delivered by AMPROFON, the representative of Mexico's Recorded Industry.

3.6 Recorded music industry actors

Majors are established in Mexico and they are leading the market. It is considered that they own three quarters of the market share. As a result, for a long period of time, most of the leading music in Mexico was international music, mostly coming from the USA, since the majors were focusing on international acts' development in Mexico. Indie record labels are developing themselves thanks to the rise of local consumption on DSPs.

A selection of Mexican independent labels:

- **Alternativa Representa** (various local and international acts) is a 360 record label also doing booking, PR, distribution and so on. https://alternativarepresenta.com/
- **Altafonte Mexico –** (various) the company is originally a music aggregator from Spain. It is also a record label.
- **Discos Intolerancia –** (various) https://www.facebook.com/discosintolerancia/
- **Finesse Records** – (latin american electronic music) http://finesse.mx
- **DaFuture** – (local and international music) https://www.facebook.com/dafuture.mx/
- **Electrique Music** – (international and Latin-American electronic music) https://www.facebook.com/electriquemusic/
- **Rock Juvenil –** (Mexican and Latin American artists rock) https://www.facebook.com/rockjuvenilmx/
- **Duro** – (electronic music from Latin-America) https://durolabel.com/
- **Movic Records** (Mexican rock) https://movicstore.com

19 https://wipolex.wipo.int/es/text/289795

20 https://wipolex.wipo.int/es/text/288579

21 https://wipolex.wipo.int/es/text/295477

- **Lizos Music** (based in Mexico and the USA, dedicated to Regional Mexican Pop) https://www.facebook.com/lizosmusic/
- **Vástago Producciones** (local pop) https://www.facebook.com/vastagomusic/

3.6.2. Main record shops:

There are still some shops selling Cds and vinyls in Mexico:

- **Mixup**: twenty shops approx in CDMX and around. It also sells books and other cultural goods. https://www.mixup.com.mx
- **Gandhi:** shops in all the Mexican territory. It sells all kinds of cultural products and it has a partnership with Ticketmaster for ticket sales. https://www.gandhi.com.mx/
- **Sanborns:** shops selling cultural products and other types of products (perfumes, clothes and so on). They are located in several Mexican cities. They have a strong focus on regional and Mexican music. https://www.sanborns.com.mx/

3.6.3. Digital music aggregators

Most of the international aggregators are developed in Mexico: **Believe Digital, ONErpm, Altafonte, CD Baby, Cassette, Ingrooves Music Group, The Orchard, TuneCore LATAM, Ditto, ADA LATAM.**

Believe is one of the leading indie distributors in Mexico. Most of these aggregators have an office and a large team in Mexico. They offer distribution services but some of them also offer label services (PR and marketing services, etc.).

4. Live music industry

Key points

- Mexico has a strong live music scene for local and international artists. Mexicans go to concerts and venue infrastructures are very good in Mexico.
- The most important cities for live music are CDMX, Monterrey and Guadalajara.
- OCESA (now Live Nation) is leading the market in Mexico, owning a lot of venues and festivals, being a booking and artist management company as well. This fact has created for a while a complicated access for emerging artists outside of OCESA ecosystem to access venues. It is changing with new promoters and live companies.
- The festival scene is impressive; it is divided into two types of festivals: cultural and public festivals (mostly welcoming local artists) and private festivals (often welcoming international acts).
- In Mexico, artists' fees are negotiated in Dollars and it is highly recommended to do so. It is very important to work with promoters you can rely on in Mexico and who prove to have worked well for international artists tours or concert production in Mexico.

Mexico is known for having a strong live music scene for local and international artists. On the one hand, Mexico represents a good opportunity for international artists to continue a tour after being in the US. On the other hand, Mexico is often seen as a strong opportunity for Latin American artists to try to get a foot in international leading markets afterwards (US, Canada, Europe). But more and more artists are also now going to Mexico for the Mexican market, because they already have an important audience there and because they see opportunities in this market. As a result, Mexico represents a good opportunity for European artists: there is a strong festival and venues network welcoming international artists and it can also open doors for the rest of the Latin American continent.

The professional live music sector is a rather new one in Mexico. Before 1990 it was hardly possible to organise live music events legally due to governmental restrictions regarding public gatherings of bigger crowds. Therefore it was initially local actors, who started working on establishing the sector and international actors started rather late to invest in the territory

The most important cities for live music are CDMX, Monterrey and Guadalajara. These are the cities offering the biggest number of concerts and festivals. There are two main festival seasons in Mexico, one from March until May and the other from September until November avoiding the rainier summer months. Famous beaches are also places where, during the summer season, artists are booked (Tulum, Cancun, Acapulco). The winter season welcomes concerts in venues, theatres, auditoriums and different kinds of places since Mexico presents a very good concert infrastructure. Tourist destinations such as Puerto Escondido, Tulum, Cancun, El Cabo, Playa del Carmon or Acapulco also sometimes hold festivals, some of them, like especially Tulum, being essential for the international electronic music scene and gaining similar status as Ibiza. The best period for a tour in Mexico is October, November.

To begin with Mexico, the main cities to reach are Mexico city, Guadalajara and Monterrey. Mexican tours are facilitated in the west and centre of the country with CDMX and Guadalajara being a 6 hour drive and many cities on the way having good infrastructure and strong music audiences where an artist can stop and play. Going to Monterrey takes much more time by road and is usually reached by plane. In the north and south of Mexico, the city infrastructures are less developed and the distances between cities are higher. There is still an audience for music in these areas even if tours are more complicated to settle there. In some areas, it is not recommended to travel by the roads because of the organised crime risks.

In Mexico, artists' fees are negotiated in Dollars and it is highly recommended to do so. But the tickets are sold in Mexican pesos and there are no public funds so the artists fees are often inferior to what one can expect in Europe or North America. Mexican promoters work a lot via mobile WhatsApp groups for booking (rather than emails), often together with several countries of LATAM to share artists costs.

4.1 Live music industry revenues

Mexico has an impressive live music market like no other in Latin America. There is no precise data about ticket sales revenues in Mexico but the last estimations from IQ International Ticketing Yearbook revealed that Mexico was the leader for live music in Latam, recently overtaking Brazil. Ticket sales have been increasing for the last fifteen years before the pandemic and the Mexican live market is part of the top 10 markets globally.

In terms of live ticket sales, the performance of the Mexican market and its strongest players is outstanding. The Pollstar charts are showing that several Mexican festivals, arenas and promoters are global leaders in terms of ticket sales.

Venues[22]:

- Auditorio Nacional (Ranked 1 in 2019 | 73 in 2021) with 20 983 tickets sold in 2021 and 1 277 839 tickets sold in 2019
- Auditorio Telmex (Ranked 14 in 2019 | 52 in 2021) with 27 700 tickets sold in 2021 and 372 430 in 2021.
- Pepsi Center WTC (Ranked 54 in 2019 |93 in 2021) ; Auditorio Pabellon M (Ranked 66 in 2019 | 24 in 2021),
- Teatro Diana (Ranked 84 in 2019 | 96 in 2021)

Arenas[23]:

- Arena Monterrey (Ranked 5 in 2019 | 30 in 2021) with 104 497 tickets sold for $2.5M in 2021
- Arena Ciudad de México (Ranked 7 in 2019 | 50 in 2021) with 75 761 tickets sold for $1.5M in 2021

Stadiums[24]:

- Autodromo Hermanos Rodriguez (Ranked 23 in 2019 | 33 in 2021) with 47 086 tickets sold in 2021 but 180 092 in 2019.
- Parque Fundidora (Ranked 24 in 2019 | 10 in 2021) with 120 530 tickets sold for $8M

According to PWC forecast, 2022 will not generate the revenues of 2019 in tickets sales and sponsoring in the live music industry. What's more, even if live music sector will observe a strong growth the next years, it will reach its pre-pandemic level only in 2026[25].

The main ticketing companies are Ticketmaster (Live Nation), Superboletos (Avalanz group) which operate on the internet and as shops. Most of the tickets are sold on the Internet and via smartphones. Ticketing tax is 16%.

4.2 Consumption patterns and live music scenes

Mexicans are really open to a lot of genres of music and to international acts, more than in the rest of Latin America. They are consuming a lot of audio streaming music and having concerts in Mexico can easily increase the audience on audio platforms for international acts.

4.3 Venues and infrastructure

Venue infrastructure is considered in general very good in Mexico, above all in the biggest live cities. The venue network used to be mainly managed by OCESA and other very strong promoters. It used to be (and it remains) a very monopolistic market which made it complicated for the indie promoters to book their artists in venues or festivals. However, the last two decades brought new venues, opening doors to various promoters which allowed new acts to play in these venues. At the same time, local governments began to allocate new areas in the public spaces to create events

22 Worldwide Ticket Sales, Top 200 Theatre venues, Yearend 2019, Pollstar, December 2019 https://data.pollstar.com/chart/2019/12/121619Theatres_803.pdf

23 Worldwide Ticket Sales, Top 200 Arena venues, Yearend 2019, Pollstar, December 2019. https://data.pollstar.com/chart/2019/12/Top200Arenas_797.pdf

24 Worldwide Ticket Sales, Top 200 Outdoor stadiums/sites, Yearend 2019, Pollstar, December 2019 https://data.pollstar.com/chart/2019/12/Top100StadiumOutdoor_800.pdf

25 Global Entertainment & Media Outlook 2022–2026 Capítulo México, PWC, 2022. Online: https://www.pwc.com/mx/es/industrias/tmt/gemo.html

and concerts. So Mexico has been experiencing in the last decades an opening and a diversification of live music programming.

There are a lot of venues in Mexico with good infrastructure. However, one can notice a gap between small venues from 100 to 500 and the ones from 2000 to 5000. There is another gap when it comes to venues with a superior capacity than that and the ones with a +15000 capacity (stadiums and Arenas). In other words, Mexico has a lot of small and very big capacity venues but very few middle capacity ones. However, the proliferation of independent music in Mexico helped the opening of new music spots with bars and venues of mid-size capacity. For example, in Monterrey there is the Café Iguana welcoming electronic, rock, reggae and ska, in Guadalajara C3 and Foro Independencia which are concert halls very important for emerging acts or Primer Piso Bar, important for Jazz music. In Mexico there are **Multiforo Alicia** welcoming national and international independant bands, **The Lunario,** operated by a trust fund has a 1000 capacity and opened to national and international artists, **The Roberto Cantoral Cultural Center,** a modern venue founded by SACM (Society of Authors and Composers of Mexico) and operated by a private company or the classic **Bulldog Café,** a more than twenty years venue for pop rock music.

A list of the biggest Mexican venues is available in the annexes of the report.

4.4 Promoters and booking agencies

In Mexico, most of the companies propose different activities combining management with booking, concert production and tour management and so on. Even if tours for international artists are often booked by US agents, there are some booking agencies in Mexico and Europeans can also work directly with promoters in Mexico.

It is nevertheless very important to work with promoters you can rely on in Mexico and who prove to have worked well for international artists tours or concert production in Mexico. The biggest Mexican promoters are usually also booking agencies and there are also independent booking agencies. Even if a tour can be done without a Mexican booking agency, it is recommended to find one to organise the travel, the visas, artists fee negotiation.

Two companies dominate a large part of the live music market in Mexico:

OCESA (now Live nation) was created in the 90s as a subsidiary in Mexico of Inter-american Entertainment Corporation (CIE), the leading company in the entertainment market in Central America. CIE was operating in relation with US companies and artists. OCESA produces concerts, theatre, sporting events and other cultural events. The company also manages several most prominent venues and festivals in Mexico: Teatro Metropolitan, Auditorio Nacional, Auditorio Coca Cola, Vive Latino festival and so on. The promoter has experienced exponential growth since its creation until the pandemic. It used to be the third biggest promoter in the world in 2019 after Live Nation and AEG with more than 4.6 million tickets sold and $240M revenues[26]. **Live nation acquired a 51% share of the company at the end of 2021 for $416 million**[27].

Zignia is the second biggest entertainment company in Mexico. It was created in 2007 by Avalanz Group, a media and entertainment company also owning the ticketing company Supertickets. Zignia is operating very important venues such as Mexico City

26 Worldwide Ticket Sales, Top 100 Promoters, Yearend 2019, Pollstar, December 2019. https://data.pollstar.com/chart/2019/12/2019WorldwideTicketSalesTop100Promoters_796.pdf

27 "Live Nation Buys 51% Stake In Ocesa, The World's Third Biggest Concert Promoter, For $416m", Tim Ingham, December 6, 2021. https://www.musicbusinessworldwide.com/live-nation-buys-51-stake-in-ocesa-the-worlds-third-biggest-concert-promoter-for-416m2/

Arena. It was ranked 9th biggest live music company in 2019 according to Pollstar with 2.3 million tickets sold in 2019 and $56M revenues.

Even if these two companies have a strong hegemony in Mexico, other promoters are operating venues and festivals andbooking international acts from all around the world. **ALIVE ENTERTAINMENT** in Monterrey, for example, presents electronic, alternative and live music events with internationally famous artists (for example, they operated David Guetta tours). **SHOW TIME** has been organising concerts for more than three decades in Mexico and collaborated with OCESA to organise international acts' concerts. **APODACA ARTISTIC REPRESENTATIONS** is a strong promoter, focusing on Mexican and regional music but operating the Pal Norte festival. **SICARIO GROUP**, responsible for the Ceremonia Festival and the Blackberry Auditorium, having grown for years now and operating an advertising company, Sicario TV blog and so on. **ECO**, a company that developed different type of activities (artist management, festivals, bar management in venues, branding, etc.) and which is the result of a merger of three agencies (Tape, Sicario and Marketen) is operating Ceremonia Festival, Tropico Festival, Sonar México and Radio Bosqué festival and also new types of cultural venues in CDMX like Sala or popular nightlife spot Bar Oriente.

4.5 Festival network

The festival network is highly developed in Mexico and there are very important festivals welcoming the biggest international acts of the world. As with the venues network, most of the festivals are owned by the top Mexican promoters. They are also mostly taking place in CDMX, Monterrey and Guadalajara. But more and more mid-sized festivals are appearing, operated by independent promoters. Most of them are taking place in the big cities but the growing interest of beer sponsors and other brand sponsors towards festivals allowed the creation of a lot of new festivals in smaller cities before the pandemic (Queretaro, Tijuana, Juarez, Puebla).

There are different types of festivals networks:
- the cultural and public festivals founded by the cities and local administration. These are almost never programming international acts. One needs to acknowledge that each state has its own festival and most municipalities as well, all publicly funded.
- the private festivals that are festivals sponsored by brands. A lot of them are open to international acts.
- the celebration parties: they welcome music and other cultural activities, drinks and foods and a place to dance.

The Mexican government estimates a total of 673 cultural public festivals in Mexico. Among them 135 are dedicated to music[28]. These festivals are mostly located in Mexico city (131), Jalisco (41) and Michoacán (36). No data about ticket sales, audience and revenues are available for these festivals.

They are organised, booked and managed by the government. Each state has its "feria" annual events and each municipality has its own festival as well. They almost never book international acts. For example, *Bahidorá Carnival, a sustainability themed festival in* Las Estacas, Morelos, 3 hours from Mexico City, is usually held the second week of February. One of the most important city festivals is the *International Cervantino Festival* in Guanajuato, running since 1972. It is funded by the Secretariat of Culture and supported by the government of the state of Guanajuato, as well as the University of Guanajuato.

28 https://sic.gob.mx/?table=festival&estado_id=0

Private festivals: they look like the European festivals with ticketing representing 40% approx. of the budget and sponsoring 40% as well. But they do not have money from the Mexican state. They depend on brands and it leads them to sometimes not being able to maintain a yearly edition. Some major festivals of Mexico are part of the Pollstar festival ticketing charts. For example, Pa'l Norte used to rank 7 before the pandemic with 131 584 tickets sold in 2019. In 2021, it sold **120 530 tickets.**

A lot of festivals are programming international artists.

In Mexico City: Vive Latino is one of the oldest festivals of Mexico programming local and international acts and with Corona Capital (which) is only programming international artists they are one of the biggest festivals of Mexico. They both tend to reach the size and fame of Lollapalooza or Coachella. EDC is programming international artists of electronic music (EDM) and is one of the biggest festivals in Mexico, Coca Cola Flow is a festival around urban music. All these festivals belong to OCESA/Live Nation. Next to these massive festivals, there are more indie, eclectic and smaller sized festivals: Marvin Festival which is taking place in diverse venues and spaces of the city, Hypnosis is a festival around psychedelic rock music, NRMAL, created by the Nrml Collective, focus on offering very high-quality music and could be seen as an equivalent of Pitchfork Festival in Europe and MUTEK around visual digital arts and electronic music.

In Monterrey: Hellow Fest began as an independent event that brought fairly unknown bands to play in Monterrey and welcome international pop rock music. Tecate Live out is important for Latino and international artists and Tecate Pal Norte which is one of the biggest festivals in Mexico as well.

In Guadalajara: Corona Capital, Coordenada are two major festivals as well.

A list of the 50 biggest festivals is available in the annexes of the report.

4.6 Coronavirus impact

PWC forecast estimates a loss in ticketing revenues in Mexico in 2020 due to the pandemic. The lack of public funds for the private live music industry (which is the only part of the sector programming international acts) could have resulted in a disaster. However, according to a recent report conducted by some key players of the Mexican music industry[29] Mexico is experiencing a good recovery after the pandemic. Most of the major festivals and events were sold out in 2022 and the number of concerts is increasing with more and more diverse offerings from local music to international mainstream but also international non-mainstream and more niche music. However, the prices are also increasing. As a result, the early months in 2023 will be crucial for the Mexican live music market since the audience will have more (and maybe too much) concert options with higher prices of tickets. What's more, the report does not bring information about smaller or middle live events in Mexico.

29 El Reporte Música México, Industria 2022, Amprofon, Fimpro, Relatable, Casete, Universidad de Guadalajara.

5. Publishing

5.1 Copyright law

Author rights protection is part of the United States of Mexico constitution in article 73, paragraph XXV. As most of the Latin American countries, Mexico is part of the following international treaties and convention toward copyright protection:

– Inter-American Convention on the Rights of the Author in Literary, Scientific and Artistic Works, 1946[30]
– Universal Copyright Convention 1952[31]
– Convention Establishing the World Intellectual Property Organization, 1967[32]
– Berne Convention for the Protection of Literary and Artistic Works, 1971[33]
– Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), 1994
– WIPO Copyright Treaty (WCT), 1996[34]

The Federal Copyright Law (1996) is the main statutory law governing copyright and neighbouring rights. This copyright law follows European authors' rights logic more than US copyright law tradition. It created a Public Copyright Registry and every music work needs to be registered in **INDAUTOR**[35] to be protected. It recognizes moral rights. Two collective management organisations (CMOs) are operating the collection of music copyrights for authors, composers and publishers: SACM[36] (Mexico's Society of Authors and Composers) and SACM/EMMAC[37]. These CMOs are non-profit organisations authorised by the Mexican copyright law and INDAUTOR.

Type of collection rights:
– public performance: live music, bar, restaurants, shops, public spaces and so on (SACM)
– mechanical rights: recordings (SACM)
– digital rights (EMMAC)

There is no private copying levy in Mexico.

SACM is part of CISAC, OMPI and BIEM. It is allocating the ISWC to the music works in Mexico. However, it is not part of Latinautor which is a federation of collection societies for online collection since EMMAC Mexico has its own infrastructure to collect digital rights. To know more about the licence fees:

– EMMAC list of licences and fees: http://www.emmacsacm.com.mx/EMMAC/Index

– SACM index: https://www.sacm.org.mx/Home/Docs?p1=Cuotas&p2=Tarifario2017.pdf

30 https://wipolex.wipo.int/es/text/215229
31 https://wipolex.wipo.int/es/text/172836
32 https://wipolex.wipo.int/es/text/283833
33 https://wipolex.wipo.int/en/text/283693
34 https://wipolex.wipo.int/es/text/295157
35 http://www.indautor.gob.mx/
36 https://www.sacm.org.mx
37 http://www.emmacsacm.com.mx/EMMAC/Index

5.2 Collective management in figures

According to the 2021 CISAC report, Mexico has the second biggest rights collection in Latin America, right after Brazil. In 2021, the Latam region observed a 2.1% decrease of music collection rights. It was the only region observing a decrease in this period[38]. But in 2021, the Mexican collections grew up (+9.6%) in comparison to 2020 and contributed to more than one-quarter of the region's revenues. Music collections in Mexico are led by digital rights representing one-third of the revenue. Then, as concerts reopened in 2021, a growth was visible in public performances.

5.3 Synchronisation

The Mexican market offers a lot of opportunities for advertising and film synchronisation. On the one hand it is the leader in Latin America in terms of advertising revenues[39] and on another hand it presents a local film industry and a strong development of OTT services[40]. Furthermore, the musical openness of the Mexicans allows a wide range of music genres to be synchronised. Of course, music with Spanish lyrics represents the strongest share of synchronisation but music with lyrics in English comes next and there is still a room for other languages, above all French, Portuguese and Italian.

There are more and more music supervisors in Mexico and the sync activities are being more and more professionalised (film production being more aware of the necessity to think early about the music and the budget allocated to it in a movie). Nevertheless, the budgets are often lower than one can expect and it can be an issue for European professionals and artists.

The growing market of production leads the market to have open doors for any type of music. Music supervisors are curious about discovering new music from all around the world,even "niche" music. Some of the campaigns can begin in Mexico and then extend to the rest of Latam as well[41].

It can still be a good opportunity to get a foot in the door of the Mexican market. This issue has been reinforced by the recent increase of film production costs linked to sanitary constraints (linked to Covid) and the global economy slowing down. It affects the budget available for music in the productions. To get in touch with music supervisors, a short email and the playlists of your catalogue are enough[42].

38 Global Collections Report 2021, CISAC, 2022.

39 https://www.ift.org.mx/sites/default/files/contenidogeneral/estadisticas/anuarioestadistico2021_1.pdf

40 Global Entertainment & Media Outlook 2022–2026 Capítulo México, PWC, 2022. Online: https://www.pwc.com/mx/es/industrias/tmt/gemo.html

41 El Reporte Música México, Industria 2022, Amprofon, Fimpro, Relatable, Casete, Universidad de Guadalajara.

42 LATAM Ya! How to click with LATAM: Getting to Grips with Sync, Centre national de la musique, 2020. Online video: https://youtu.be/0P3AFO2CkWk

6. Media

Key points:

- Radio is still strong in Mexico but it is almost only opened to majors-signed artists
- Social networks have proved to be an important way to develop artists in Mexico, with short videos format being very significant.
- Music press is very dynamic in Mexico.
- As a result, having a good PR and marketing strategy in Mexico often brings very good results. This strategy needs to begin 6 months before a tour.

Mexico is a powerful media country with a wide media landscape from Radio to music blogs. It is considered as the biggest media market of Spanish speaking countries in Latam. Having a presence in the most popular media and communication outlet is necessary to make a strong entrance to the Mexican music market.

6.1 Social media

Name of the social Media	Available in the country?	Amount of users (Million)	Share of the population in the age of being an user (+13 – 2022)
Facebook	YES	89,70	88%
Instagram	YES	37,85	37%
Twitter	YES	13,90	14%
Snapchat	YES	16,95	16%
Twitch	YES	-	-
TikTok	YES	46,02	50%*
LinkedIn	YES	17,00	19%
Facebook messenger	YES	61,8	60%
Whatsapp	YES	-	-

Figure 5. Social media platforms in Mexico[43]

** The percentage of population for TikTok is based on the +18 users.*

There were **102.5 million** social media users in Mexico in January 2022, which represents 78.5% of the overall population and a 2.5% yearly growth in comparison to 2021. These users are mainly young with more than 50% of them being between 18 and 34 years old[44].

These users spend an average of 3h20 minutes per day on social media (it decreased in comparison to 2021). Kepios analysis also reveals that social media users in Mexico increased by 3 million (+2.5 percent) between 2021 and 2022 which shows that the market is now mature but with slow growth in terms of number of users. The average

43 Digital 2021, Kepios, Hootsuite and We are Social, 2022

44 Digital 2021, Kepios, Hootsuite and We are Social, 2022

number of social platforms used each month reach 7.0. The Internet users favoured WhatsApp (94.3% using this app every month), Facebook (93.4% using it every month), Facebook messenger (80.5%) and Instagram (76.5% using it every month).

Mexicans also spend a large average time on these platforms: 20 hours per month on WhatsApp, 26.2 hours on Facebook and 23.4 hours on TikTok.

Focus on WhatsApp:

If you go to Mexico or work with Mexican professionals, you need to download WhatsApp. This messaging and live chat app is used by most Mexicans for connecting with friends, family but also for professional use by texting, sending vocal messages or calling. Most professionals use it to communicate through "stories'' or messages about upcoming tours, shows or albums. Most of them also easily give their WhatsApp number to communicate as per email about conditions, fees and sometimes even send contacts via WhatsApp.

More than anywhere in the world, Mexicans really engage with artists. They listen and share a lot of music and social media is the second way to discover music for Mexican music lovers after the music platforms and friends' word of mouth. Shazam is also a strongly used app to discover new music in the public space.

Mexican social media users followed the global trends by making more and more interest on the content created by users themselves and the content created by artists to build a "fan-artist" relationship. In the same way, short videos became very efficient for music discovery and a prominent social media format to communicate.

The lockdown also helped develop live streaming on Twitch, YouTube Live, BandsinTown, Vimeo Livestream and so on and new paying live streaming platforms have been emerging as well as live streaming events. For example, **ReventonLive** is a virtual festival celebrating Latin music.

As a result, marketing and digital promotion in Mexico can rely on campaign-focusing platforms or social networks of all sorts: from WhatsApp to Spotify, from Instagram influencers to sync from TikTok user-generated challenges, from Twitch to YouTube partnership. Having Mexico as a goal for an international artist's career development abroad often provides good results if a long-term strategy is built with some local PR and marketing agencies. However, artists' data are important in Mexico, which means that the artists often need to be established in his/her country or in Europe before being able to correctly enter the Mexican market and have the Mexican professional's attention.

6.2 Radio

In Mexico, half of the households possess radio equipment according to the Federal telecommunication institute of Mexico. In 2020, there were 2,984 radio stations in Mexico, among them, 397 were AM radio and 1,728 FM radio. There were 1 115 commercial FM radio stations and 282 public ones. Mexico is considered as one of the biggest advertising markets in Latin america[45].

There are approximately 400 companies operating radio stations in Mexico but only a handful are reaching the strongest audiences: Radiorama, RadioCentro, GTV, Grupo

45 https://www.ift.org.mx/sites/default/files/contenidogeneral/estadisticas/anuarioestadistico2021_1.pdf

MVS, Grupo Formula, Grupo Acir, Radio Mil, Multimedios. According to a Nielsen IBOPE report, the time spent by Mexican people listening radio reached 3 hours per day pre-Covid and increased a little during the pandemic period[46]. News and music are the favourite types of programs.

Most of the broadcast is concentrated on Mexican music (more than half) and then music from US, UK and other Spanish countries. Still, radio is one of the important ways to promote international music in Mexico. It is a very important medium to break an artist nationwide. Some radios are easily reachable but in order to work on this media a good PR is necessary. These PRs are able to guide your project through commercial but also university and community radios[47]. There are also a lot of local and regional radio stations in Mexico.

6.3 Television

In Mexico, 29% of households possess analog television equipment and 44% a digital TV according to the Federal telecommunication institute of Mexico. Over the 885 available TV channels, 607 are commercial ones, 257 are public channels and 21 are social channels. Most of the commercial channels belong to Grupo Televisa, TV Azteca and Grupo Imagen. The market is very concentrated around these players[48]. According to the Mexican Federal telecommunication, public television reaches more than 90% of the population possessing a television and less than 15% of the Mexican people are paying for subscription channels.

6.4 Magazines and webzines

Mexico is one of the Latin American countries accounting for the biggest number of music-specialised media. Most of them are online. Among the most important music websites:

- Sopitas (https://www.sopitas.com/musica/page/2/) : this is dedicated to general news but has a strong focus on music and international acts. It was created in 2008 and its Facebook account has 2 million followers.
- Marvin (https://marvin.com.mx) which is also available in a print format is a music and culture magazine focusing on national and international acts of pop, rock and electronic music. Marvin is also a festival in CDMX.
- Indie Rock ! is a website specialised in music art and culture following the trends of Mexican and international music indie scene.

46 https://www.nielsenibope.com/2020/07/13/consumo-de-tv-y-radio-en-contingencia/

47 Fiche Mexique : Promotion & marketing, Centre national de la musique, mai 2021.

48 La concentración del mercado televisivo de México bajo la lupa, Bnamericas (17 avril 2020). Online : https://www.bnamericas.com/es/reportajes/la-concentracion-del-mercado-televisivo-de-mexico-bajo-la-lupa

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COUNTRYECONOMY:
https://countryeconomy.com/national-minimum-wage/mexico

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ANNEX 1 – Main Mexican venues (by size)

City	Name	Capacity	Genre
Mexico	Arena Ciudad de Mexico	22 300 seats	All popular music
	Auditorio Nacional	10 000 seats	All popular music
	Sala Nezahualcoyotl	2 230 seats	Classical music
Puebla	Acropolis Puebla	10 230 seats	All popular music
Guadalajara	Auditorio Telmex	9 000 seats	All popular music
Monterrey	Arena Monterrey	17 600 seats	All popular music
San Luis de Potosi	El Domo	11 000 seats	All popular music
Merida	Foro GNP Seguros	9 500 seats	All popular music
Acapulco	Forum de Mundo Imperial	4 000 seats	All popular music
Orizaba	Auditorio Metropolitano	4 000 seats	All popular music and classical music

ANNEX 2 – 50 main Mexican festivals

Name	Period	City	Description	Website
Carnaval de Bahidorá	February	Tlaltizapán	Pop, rock, electro	http://bahidora.com/es
Roxy Fest	February	Guadalajara	Rock, jazz, alternatif	https://festivalroxygdl.com/
Festival Adverso	February	Guadalajara	Indie	https://www.festivaladverso.com/
EDC	February	Mexico DF	Électronique	https://mexico.electricdaisycarnival.com/en/
Tecate Pa'l Norte	March	Monterrey	Indie/rock	https://www.palnorte.com.mx
Bravo Festival	March	Valle de Bravo	Varie/electro	http://www.bravognp.com/
Festival Vaiven	March	Cuernavaca	EDM	https://festivalvaiven.com/
NRML	March	Mexico	Varié	http://festivalnrmal.net
Ecoparque Fest	March	Salamanca	Varié	https://www.ecoparquefest.com/
Rock X la Vida	March	Guadalajara	Rock	https://www.facebook.com/rockporlavida/
Festival Vive Latino	March	Mexico	Varié	https://www.vivelatino.com.mx/

Name	Period	City	Description	Website
Cumbre Tajin	March	El Tajín	Varié	http://cumbretajin.com
Jazztival Michoacan	April	Morelia	Jazz	www.jazztivalmichoacan.org
Beyond Wonderland	April	Monterrey	EDM	https://mexico.beyondwonderland.com/
Festival Videosonora	April	Cuernavaca	Video / musique	https://www.facebook.com/videosonora/
Festival Akamba	April	Tequila	Electro By Distrito Global	https://www.akamba.mx/
Festival Rock x La Vida	April	Guadalajara	Indie/Rock	https://www.facebook.com/rockporlavida/
Ceremonia GNP	April	Toluca	Varié	https://www.facebook.com/festivalceremonia/
Tecate Supremo	April	Cd Juarez	Varié/ Mainstream	https://www.tecatesupremo.com/
Feria Nacional de San Marcos	April/May	Aguas Calientes	Varié	www.feriadesanmarcos.gob.mx/
Tecate Location	May	Cancun	Varié/ Mainstream	https://tecatelocation.com/
Tecate Location	May	Tuxtla Gutierrez	Varié/ Mainstream	https://tecatelocation.com/
Tecate Location	May	Veracruz	Varié/ Mainstream	https://tecatelocation.com/
Festival Internacional Volare	May	Orizaba	Indie/Varié	https://festivalinternacionalvolare.com/
Festival Pulso GNP	May	Tequesqui-tengo	Varié	https://www.pulsognp.com.mx/
Festival del Viento	May	Pachuca	Varié	https://www.festivaldelviento.mx/
Festival LTDO	May	Queretaro	Rock/Indie	
Festival Marvin	May/June	CDMX	Indie/Varié	https://www.facebook.com/festivalmarvin/
Cosquin Rock Mexico	June	Guadalajara	Rock	https://www.facebook.com/CosquinRockMx/
Machaca Fest	June	Monterrey	latino	http://www.machaca.mx/
Festival Internacional de Jazz	June	Córdoba	Jazz, World	N/R
Festival Zapal	July	Saltillo	Varié/ Mainstream	https://www.zapal.mx/
Boderland	July	Cd Juarez	Varie/indie	http://www.festivalborderland.com/
Bud Light Hellow Festival	August	Monterrey	varié	https://hellowfestival.com/
Sin Fronteras	August	Cd Juarez	Varie/indie	https://www.facebook.com/festivalsinfronterasjuarez/
Tecate Panorama	August	Orizaba	Indie	

Name	Period	City	Description	Website
Atypical Fest	August	Monterrey	Rock/Indie	https://www.facebook.com/atypicalfest/
Jalisco Jazz Festival	September	Guadalajara	Jazz, RnB, blues, etc.Gilberto Cervantes	http://jaliscojazzfestival.com/
Phono-cinema	September	CDMX	Festival cine + musique	http://www.phonocinema.com/
Festival Machaca	September	Monterrey	Mainstream	https://www.machaca.mx/
Tecate Península	October	Tijuana	Varié (focus latam)	https://www.tecatepeninsula.com/
Tecate Arcadia	October	Merida	Indie	https://tecatearcadia.com/
Tecate Comuna	October	Puebla	Indie	https://www.tecatecomuna.com/
Tecate Republica	October	Chihuahua	Indie	https://tecaterepublica.com/
Encabritados	October	Monterrey	Varié	https://www.encabritados.mx/
Festival Ruido Aberrante	October	Guadalajara	Rock et dérivé	https://www.facebook.com/FestivalRuidoAberrante/
Festival Revueltas	October	Durango	Varié	http://festivalrevueltas.mx/
Festival Internacional de Arte y Cultura Quimera	October	Metepec	Festival multidisciplinaire	https://www.facebook.com/FestivalInternacionalQuimera/
Festival Cervantino	October	Guanajuato	Varié, festival très institutionnel	https://festivalcervantino.gob.mx/
Entijuanarte Festival Cultural	October	Tijuana	Varié	https://www.fundacionentijuanarte.org/
Sonar Mexico	October	CDMX	Electro/Techno	https://sonarmexico.com/
Festival Tecate Coordenada	October	Guadalajara	Varié	https://tecatecoordenadagdl.com.mx
October Fest	October	Monterrey	Rock/indie	https://www.facebook.com/OktoberfestMX/
Knot Fest	October / November	CDMX	Metal	https://www.facebook.com/knotfestmexico/
Festival 212	November	Guadalajara	Varié	N/R
Corona Capital	November	Mexico DF	Varie/indie	https://www.coronacapital.com.mx/
Tecate Sonoro	November	Hermosillo	Varié	https://www.tecatesonoro.com.mx/
Festival Tecate Bajío	November	León	Varié	https://tecatebajio.com/
Festival Area 43	November	Tamazula de Gordiano	Rock, Punk, underground, metal	https://www.facebook.com/festivalarea43/

Name	Period	City	Description	Website
Corona Northside	November	Monterrey	Metal/Rock	http://www.northsidemty.com/
Hell & Heaven	November March	CDMX	Metal	https://hellandheavenfest.com/
Mexico Metal Fest	November	CDMX	Metal	https://mxmf.com.mx/
Festival Catrina	December	Puebla	Pop, rock, alternatif	http://www.catrinafestival.mx
Festival Tropico	December	Acapulco	Electro	https://tropicomx.com/
ForceFest	December	CDMX	Metal	https://forcemetalfest.com/
Festival Internacional Trova	N/R	Mérida	Jazz, world, folk	http://www.festivalinternacionaltrova.com
Indie Fest	N/R	Campeche	Varié	https://indiefest.lacaverna.net/

ANNEX 3 – List of people interviewed for the report

Sergio Arbelaez **(FIMPRO)**

Paco Arriagada **(Casete / Topica)**

Clemente Pina Cabello **(AMPROFON)**

Patricia Carrera **(Control Freaks)**

Frederico Crespo **(Japan Club)**

Malfi Dorantes **(Malfico)**

Cynthia Flores **(Foro Indie Rocks)**

Guillermo González King **(AMPROFON)**

Mariela Martinez **(Producer)**

Hector Mijangos **(Noise Lab)**

Fabrizio Onetto **(OCESA Seitrack)**

Felipe Perez Santiago **(Composer)**

Damián Romero **(MUTEK Mexico)**

Gerry Rosado **(Relatable)**

Ulises Sanher **(Equal Media)**

José Luis Sedano **(Managers Anónimos)**

Michael Spanu **(UNAM)**

Luis Trejo **(Goethe-Institut Mexiko)**

Cecilia Velasco **(Marvin Festival)**

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ANNEX 6

India Report

Culture

Indian music industry Market report

Funded

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Table of contents

Introduction – How to work best with India as a European music exporter

This report is the results of desk research and a fact-finding mission to India in the spring of 2022. The report gives an overview of how the music market and the music ecosystem works in India. In this introductory chapter, some insights are provided for those seeking to understand better how to start exporting music into India.

Bollywood and the music industry's structure
India's music industry is historically strongly linked to Bollywood, the film industry based in Mumbai. Music is an extremely important part of Bollywood movies, as in musicals. The songs are "sang" (lip syncing) by famous actors and actresses. Movie producers used to own all rights of the titles and recordings being used in their movies, composers and musicians were only delivering services in the background, pre-recording the songs. The rights owned by the movie producers were given to local labels for exploitation. Also a strong part of the live music sector was dominated by shows, where (movie) actors were performing playback. Therefore the industry's structure was (and to a certain degree still is) very different to the one in Europe. There was no need for (performing) artist management, a relevant part of live music, besides spiritual, was mainly happening in theatres, international labels and international repertoire had no significance.

Since the rise of the internet with its various distribution opportunities for music and audiovisual content, being a part of a Bollywood movie is no longer the only option for music to reach audiences. A growing number of artists started independent careers, the use of regional languages became an important factor in reaching audiences, structures such as labels, managers, agencies, or venues began to spread.

Although almost 80% of India's music industry's revenue is still connected to music from Bollywood movies (see section "Music genre consumption", page 19), (and regional music genres and devotional music are very strong), it still leaves an interesting market for international music, simply due to the size of the country and a changing framework.

Visuals
Another important thing, that is connected to the historic development of India's music market and an often bright and colourful culture, is the importance of images and visual content. This is reflected in music consumption habits – Indians spend 5.3h a week watching music videos, with the global average at 3.5 hours per week (see "Music consumption medium and geography in India" page 18). It will be difficult to break a song or an artist in India without a proper music video and a visual concept and strategy, with YouTube being the most important platform.

Languages and regions
With a population of almost 1.4 billion people, more than 100 different languages and differing cultures and traditions from region to region, one should see India as diverse as Europe to understand that breaking the Indian market would require a lot of different approaches, and those being adjusted to regional specifics. The use of regional languages already proved to be a good way for Indian artists outside of Bollywood to reach new audiences. One has to know that Bollywood movies (and the songs in

them) are in the Hindi language, with modern productions often use a hybrid of Hindi and English. There are also big movie productions outside of Bollywood, e.g. in Tamil or Telugu language, but still there seems to be a huge demand for songs in other languages, that are spoken by millions of people in India.

Another aspect connected to languages that is worth mentioning: everyone in the music industry speaks English very well and the main online distribution platforms and social media channels are the same as in Europe (besides TikTok being banned in India, see page 38–39). That means Europeans can easily communicate with partners and audiences through the channels they're already using, and there's no need for translators or intermediaries allowing access to local platforms as in other Asian markets.

Co-production and co-songwriting

One strategy to enter the Indian market could be working with local artists, especially if they take the part of the vocal performance using a local language. This could be e.g. a hip hop producer from Europe working with an MC rapping in Panjabi. Indian artists and management companies explicitly expressed mutual interest in artistic cooperation to the authors of this report. They're facing similar problems reaching audiences in Europe outside of the diaspora audience in some countries. Collaborations of artists and the companies working with them could open up new markets for both sides.

Local partnerships

The comparably small presence of Major labels in India is a chance for independent artists and companies to find appropriate partnerships; without gatekeepers there are more opportunities. Having local partners will be inevitable for a successful market entry. You can have your repertoire available in India through a European digital distributor, but building a fanbase will require strategic marketing activities, and that should be done with the support and advice of locals.

Plenty of room for niches

Traditional channels, such as TV and radio, that were very focused on playing mostly Bollywood songs, lost their predominance. One can now reach new audiences through social media platforms and digital services with diverse audiences that listen to all sorts of music genres. There is plenty of room for niche genres, such as Jazz or Electronic music. In these niches there is also local concert promoters and festivals that are open to working with acts from outside of India. As travelling from Europe is cheaper than from the USA, they are very interested in acts from Europe. Still this is financially challenging, especially so for new talent, so it will help being able to offer some kind of travel support (get in touch with your local Music Export Office to explore possibilities).

1. General national context

Society		Source
Population	1 393 409 000	UN data
Official language(s)	22 constitutional languages including Hindi and English	
Other important language(s)	Figures can vary but there is an estimation of 122 prominent languages in India	2001 Census of India
Recommended language to communicate with local professionals	English	
Currency	Indian Rupee (INR)	UN data
Currency exchange rate with € (past three years average)	1€ = INR 82.9916	European Central Bank
Demographic growth	1%	UN data
Life expectancy	70.5 / 68.1	UN datal
Average age	26.2 / 63,7/ 10.1	UN data
Human Development Index	0.645	UN data
Gini coefficient	35,7 (2011)	World Bank
Economy		
GDP	2 779 352	UN data
GDP per capita	2 054.8	UN data
YOY growth	6.8%	UN data
Unemployment rate	5.4%	UN data
Minimum wage	INR4,576 (US$62)[1]	India Briefing[2]
Average wage	INR32,800 (US$437)	India Briefing
Communication		
Smartphone in use (number of)	500M	
Mobile use (number of)	1,1Bn (79%)	Hootsuite[3]
Broadband subscriptions household penetration Mobile subscriptions	34.4%	UN data

1 This is a national floor-level wage – and will vary depending on geographical areas and other criteria.

2 https://www.india-briefing.com/news/guide-minimum-wage-india-2021-19406.html/

3 Digital 2021, Kepios, Hootsuite and We are Social, 2021

Key points

- India is a large country composed by federal states where culture, traditions and languages differ. As a consequence, India could be considered as diverse as Europe and one needs to remember that behind national figures and data, India remains a pluralistic, multilingual and multi-ethnic society.
- India is ranked third largest (after China and USA) as well as among the fastest growing economies of the world. India is the 10th economic partner of the European Union.
- With more than 1.3 billion people, India has the second largest population in the world and is set to become the most populous country of the world by 2035 (UN forecast). The population is relatively young (on average 29 years old) and urbanising fast (34.5% in 2021, set to become 43% by 2035, UN forecast).
- In the last two decades, the Indian government has been very proactive in developing global telecommunication in the country, however, several parts of the country do not have a high speed connection quality. There were 658.0 million internet users in India in January 2022 (Kepios) and internet penetration rate stood at 47.0 percent of the total population at the start of 2022. 91% of the internet users access the internet through their mobile phone.
- India is and will continue to be the fastest growing Media & Entertainment industries market in the world with an increase of 19,1% for the music, podcast and radio segment between 2020 and 2025 (PWC).
- When it comes to evaluating international content opportunities in India, one needs to acknowledge the scale of young and connected urban people. Since the urban population represents 34.5% in India, this results in a niche in India. But a niche that represents millions of people.

1.1. Social and economic description

After growing at very high rates for years (except during the Covid crisis), India has become one of the largest forces in the world economy. The country is ranked third largest economy in the world after China and USA with a GDP PPP of $9,301 billion according to the World Development Indicators database of the World Bank. In 2021, its GDP grew by 8.9% in comparison to 2020 putting India among the fastest growing economies in the world. This growth has been driven by the progressive shifts in the structure of its economy led by state policies: India moved away from agriculture to the service sector and has achieved recognition in several service sectors. For example, the Indian Pharmaceutical sector is known for low cost and good quality production of generic medicines. During the Covid crisis, India was a leader in the production of vaccines. India has also earned recognition for information technologies, chemicals and so on. This move benefitted a part of the population but India is also characterised by a very high level of informal sector where much of the Indian population works according to the OCDE[4]. The GINI index of India is also quite high (49,5) proving that

4 Economic Policy reforms 2021: Going for a growth, OECD, 2021

inequalities remain a strong issue in a country where the poorest 20% of households earn 4.1% of total income. In terms of international commerce, India is the 10th economic partner of the European Union.

1.2. Political and administrative organisation

In its constitution of 1949, India, officially the Republic of India, is an Union of States which led India to have a federal organisation of the 28 states and 8 union territories that compose the country, but with a strong centre. Since its independence from Great Britain in 1947, there has been a parliamentary system of government and the country is the most poplulous democracy of the world. The President is elected indirectly for a five-year term and the Prime Minister is the leader of the majority party in the parliament. All states, as well as certain union territories, have elected legislatures and governments following the Westminster system of governance.

Since Indian independence, the country has been mainly led by the National Congress Party, the oldest Indian party created in 1885, and first led by Mahatma Gandhi, principal leader of the Indian independence movement. The party's first Prime Minister was Jawaharlal Nehru and the party was leading the country till the 1990s. The Bharatiya Janata Party (BJP), founded in 1980, represents the Hinduism right-wing and won the legislative election in 1998, 2014 and 2019. Narendra Modi is currently Prime Minister of India. Its interior politics is a mix of liberalism and conservatism (in favour of Hindu culture). In terms of foreign relations, the Modi administration has been trying to reinforce its power in the region. Its borders with China are still a source of conflicts, and there tensions with Pakistan. The Modi administration highly reinforced the Indian army, its presence in regional and international summits and deepened its economic relationships with strategic partners such as the European Union.

1.3. Geography and demography

With more than 1.3 billion people, India has the second largest population in the world and is set to become the most populous country of the world by 2035 (the United Nations projects a population of 1.6 billion inhabitants before 2035). Its area represents 3 287 263 km². Uttar Pradesh (north-east) is India's most populous state (200 million people in 2011) followed by Maharashtra (states of Mumbai). Delhi, Bombay (Mumbai), Calcutta (Kolkata), Madras (Chennai), Bangalore (Bengaluru) Hyderabad and Ahmedabad are the main cities of the country. Roads are the dominant transportation network in India. The highway network is very developed but often narrow and congested. Public transport is not well-developed (no metro in Mumbai for example). The railway network is the 4th longest in the world and offers different classes of ticket – some Indian trains are very comfortable. Flying is a good transport for touring artists as well thanks to airports in all the major cities of India.

The proportion of Indians living in urban areas reached 34.5% in 2021 (a low rate in comparison to other emerging economies). The United Nations projects that India's urbanisation rate will rise to 42 per cent by 2035 [5]. The population is quite young in India with an average age of 29 years-old.

5 World urbanisation prospects. s.l: United Nations; 2014

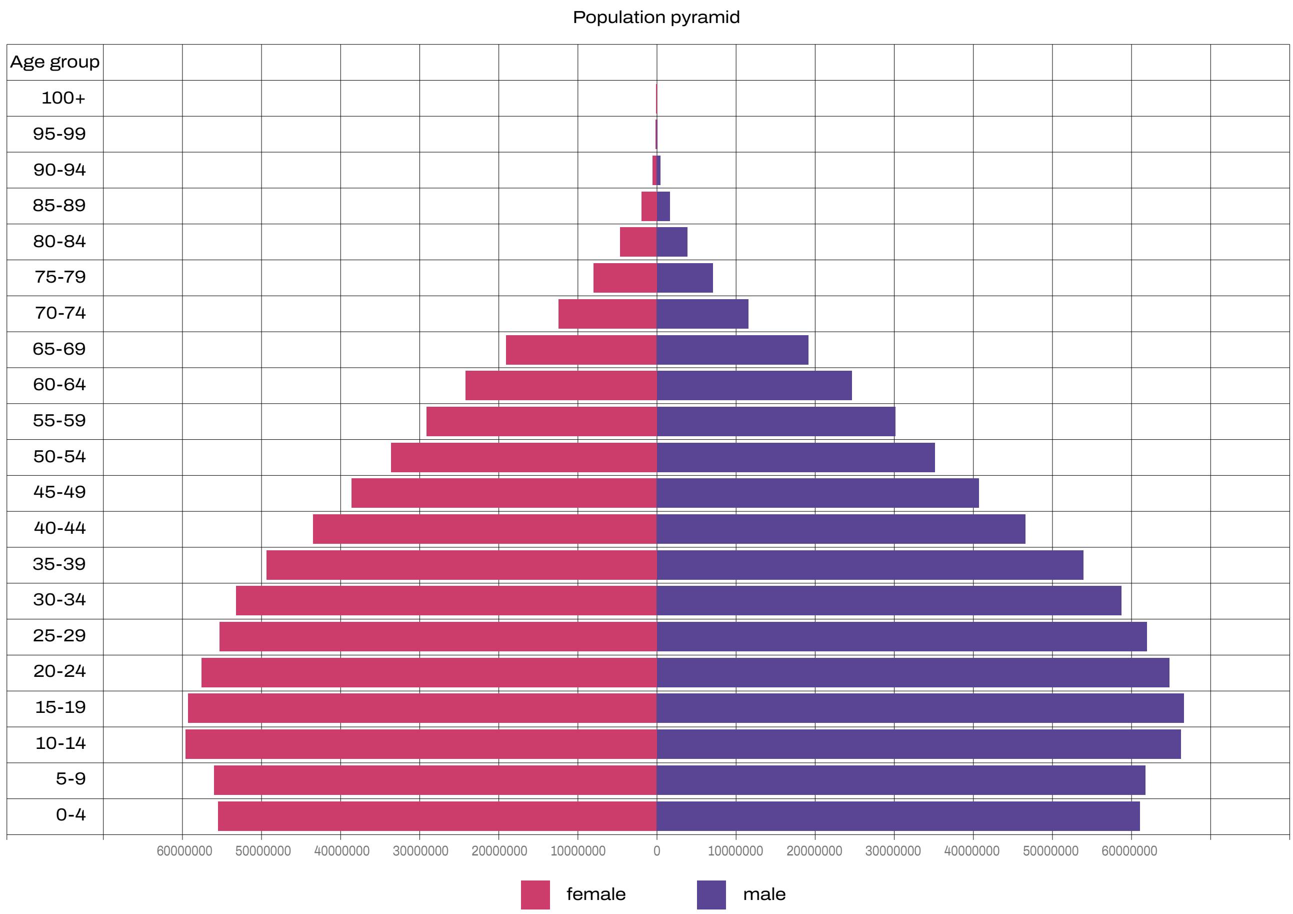


Figure 1.1. **Indian population in 2019. Source: UNFPA Population Data Portal.**

India has a large majority of Hindus (80% approx) and smaller shares of Muslims (15% approx), Christians, Sikhs, Buddhists, Jains and other groups. Even though India has a long term history of pluralism, the country is suffering from religious conflict between Hindus and Muslims, notably related to its independence history and the India and Pakistan partition during this period.

1.4. Internet infrastructure

In the last two decades, the Indian government has been proactive in developing global telecommunication in the country. India has a huge national telecommunications network and the top three mobile operators (Reliance Jio, Airtel, Vodafone-Idea) are extending coverage to address a surge in data consumption. However, several parts of the country do not have a high speed connection quality. According to Kepios, there were 658.0 million internet users in India in January 2022. India's internet penetration rate stood at 47.0% of the total population at the start of 2022. It is worth noting that 53.0% of the population remained offline at the beginning of the year. Most internet connections come from mobile phones (91% of the internet users access the internet through their mobile phone). Data from GSMA Intelligence shows that there were 1.14 billion cellular mobile connections in India at the start of 2022 (+3.1% year-on-year change)[6]. The smartphone user base is expected to reach 829 million in 2022, accounting for 60% of the population.

1.5. Climate

December – March : winter with moderate cold temperatures
April – June : Summer with very high temperatures in April and May
July – September : monsoon season (above all in Southern India)
October – November : calm and moderate weather

1.6. Media & Entertainment Industries

According to an EY report, the Indian media and entertainment (M&E) sector stood at Rs.1.38trillion (~US$18billion) in 2020 and is estimated at Rs.1.79trillion (~US$24billion) in 2021. It is projected to grow to Rs.2.23trillion (~US$29billion) by 2023, due to acceleration of digital adoption among users across the country. The market is expected to increase at 17% from 2020 to 2023. Following the same trends, the PWC Global Entertainment & Media Outlook: 2021–2025 states that India is and will continue to be the fastest growing M&E market in the world. Segments like Internet advertising, OTT, gaming, digital music and podcasts etc. will experience the highest growth due to the increased interest level of growing audiences, platform owners & advertisers. The report estimates an increase of 19.1% for the music, podcast and radio segment between 2020 and 2025.

When it comes to evaluating international content opportunities in India, one needs to acknowledge the scale of young and connected urban people. Since the urban population represents 34.5% in India, this results in a niche in India. But it is a niche that represents millions of people.

Pandemic and other geopolitical impacts

India has been hardly impacted by the Coronavirus crisis with a lockdown affecting the economy in 2020 (-6.6% growth)[7] and also in 2021 with a massive second wave leading to job losses (and strong difficulties for a lot of informal workers), decrease in consumption and establishment closure. In response to the COVID-19 shock, according to the world bank, the government took several monetary and fiscal policy measures to support vulnerable firms and households, expand service delivery and cushion the impact of the crisis on the economy. Taking into account the GDP growth in India, the economy has already rebounded.

According to the OECD *The direct impact of the war in Ukraine is relatively limited, as trade between India and both Russia and Ukraine is small. (...) The indirect impact, through global commodity and energy market shifts, is much larger. (...) These forces, together with the lockdowns in China and the EU embargo, are contributing to high inflation.*

Both crises will certainly have an impact on the music industry, the first one directly affecting the live music industry and the second one, the purchasing power.

6 Digital 2021, Kepios, Hootsuite and We are Social, 2022.

7 India economic snapshot, OECD. Online: https://www.oecd.org/economy/india-economic-snapshot/

2. Music ecosystem and institutional structure: organisations, unions and copyright collection societies

Key points

- The main CMOs in India are IPRS for authors and publishers and ISRA for singers. Due to some confusion and ongoing unclarity around government licences to copyright societies, there are two de facto operating CMOs licensing sound recordings – PPL and RMPL.

- The main trade association for the recorded music industry in India is The Indian Music Industry (IMI). There are no trade associations for live music or publishing sectors. In 2019 artist managers started MMF India.

- The post-Covid conventions remaining in 2022 was All About Music and Music Inc. both taking place in Mumbai and welcoming local and international players.

2.1. Collective Management Organisations

The Indian Performing right society (IPRS) – Created in 1969, IPRS is a representative body of Owners of Music (Composers, Lyricists (or Authors) and the Publishers of Music) and is also the sole authorised body to issue licences for usage of Musical Works & Literary Music within India..
https://iprs.org/

A summary of the types of collected rights in the country:

TYPES OF RIGHTS	
Copyright	
Radio	No
TV	Yes
Public performance	Yes
Mechanical rights	Yes
Digital rights on DSP	Yes
Digital rights on UGC services	Yes
Neighbouring rights	
Radio	Yes
TV	Yes
Public spaces	Yes
Private copy	No

There is an ongoing lack of clarity in India regarding the collective licensing of sound recordings. While the courts and the government are processing the issue of which organisation should ultimately be granted a collective management licence for neighbouring rights[8], there are de facto two CMOs representing rights holders and granting licences – PPL and RMPL. It is possible that once the issue is officially settled, one of the organisations will remain licenced.

Phonographic Performance Limited India (PPL) – Founded in 1941 PPL India, is a performance rights organisation licensing its members' sound recordings for communication to the public in the areas of public performance and broadcast. PPL owns and/or controls the Public Performance rights of 350+ music labels, with more than 4.5 million international and domestic sound recordings[9].
https://www.pplindia.org/

The Recorded Music Performance Ltd. (RMPL) is authorised and exclusively controls public performance rights and radio broadcasting rights (sound recordings) of its member companies, including both non-film and film songs of its members, who are music labels. All licences granted and issued by RMPL are conditional, non-exclusive and for limited period and purpose[10].

Indian Singers' Rights Association (ISRA) – It is the performers rights organisation, incorporated in 2013.
https://isracopyright.com/

2.2. Music industry trade body/union

The Indian Music Industry (IMI) – Trade body representing India's Recorded Industry and affiliated with the International Federation of Phonographic Industry. It represents 204 record labels.

India does not have a national live music trade body to lobby the government and regional authorities on behalf of promoters.

There is also a Music Managers Forum India: **MMF India**

2.3. Diverse organisations related to music

Federation of Indian Chambers of Commerce and Industry (FICCI) – The organisation is not dedicated to music but it is worth noting because this non-government and not-for-profit organisation presents reports, publications and resources for the music industry. FICCI provides a platform for networking and consensus-building within and across sectors and is the first port of call for Indian industry, policy makers and the international business community. Two divisions are related to music FICCI's Entertainment division –
https://ficci.in/sector.asp?sectorid=13 and the Art & Culture division https://ficci.in/sector-chair-co-chair.asp?sectorid=2#SectorChair https://ficci.in/index.asp
British Council – The British Council is present in different parts of India: New Delhi, Chennai, Kolkata, Mumbai, Gurgaon (administration centre). It has different programs

8 RMPL was granted a licence in 2021, while PPL has been applying for a licence since 2013. The case is still open with the Delhi high court reviving PPL's application. See https://www.asiaiplaw.com/section/in-depth/battle-between-indian-copyright-societies-sparks-question-how-many-copyright-societies-does-a-country-need or https://spicyip.com/2022/03/delhi-high-court-revives-ppls-copyright-society-registration-application-sets-aside-registration-of-rmpl.html

9 Source: PPL website https://www.pplindia.org/s/what-is-ppl

10 Source: RMPL website https://www.rmplindia.org/

dedicated to or towards music such as the Festival For The Future that aims to develop artistic and cultural exchanges with the UK and to internationalise India and UK festivals in partnership with festival leaders, artists and major stakeholders to provide access to skills development and training. They developed a database of Festivals in India: https://www.festivalsfromindia.com/

Institut Français (French Institute) and Alliance Française – The French Institute is located in Jaipur and Delhi and the Alliance Française has a strong network in India (https://ifindia.in/alliance-francaise/). Both offer cultural events.

Goethe Institute – The institute has offices in Bangalore, Chennai, Kolkata, Mumbai, New Delhi, Pune. It offers a residency program and organises events.

2.4. Music industry professional events and conventions

All About Music (Taj Land Ends, Mumbai) usually takes place in September. It is a BtoB international music conference with Keynotes, Panels, Workshops, Masterclasses... It brings together national music professionals as well as international players.
https://allaboutmusic.in

EARS (Mumbai) takes place in Mumbai and turned into a trade mission in 2022 for international professionals to meet Indian players.
http://ears.asia/2018/03/13/ears-on-mumbai-2018/

Music Inc. (Mumbai) takes place in June. It is organised by Loudest.in and exchange4media is focusing on brands, technologies and music industry. It gathers most of the Indian key players for talks, panels, masterclasses and some international players as well.
https://www.exchange4media.com/marketing-news/music-inc-20-set-to-return-this-world-music-day-97265.html

The Exchange is an initiative from UK Trade & Investment (UKTI) along with Submerge. Together, they organised a two day-long conference with panels between key industry heads and some international speakers.
https://m.facebook.com/theexchangeIndia/

3. Recorded music industry in India

Key points

- While India is among the biggest recorded music markets in Asia, the growth is slow. Based on the recorded music revenue per capita the Indian music market is underperforming. Streaming makes up 85.1% of Indian recorded music revenue (compared to 61% of global average) with subscription revenues growing very slowly, but ad-supported revenues are rising fast. Other important revenue streams are sync and video streaming.
- Indian consumers spend a lot of time listening to music, especially enjoying engaging with music visually (watching music videos more than the rest of the world).
- Historically the Indian music market has been dominated by Bollywood and film music in general which continues to represent 80% of music consumption. However, the relatively good internet infrastructure, affordable cost of data and openness to various digital services is driving a transition to digital music – with decreasing Bollywood market share leaving more space for international music, indiepop, hip hop, regional music and niche genres.
- The Indian audio streaming ecosystem is fragmented and lively. Established local services such as Gaana, JioSaavn, Hungama and Wynk compete with Amazon Prime, Spotify, Apple Music and other international DSPs. In general, the ad-supported revenue model dominates with the share of subscribers according to some accounts hardly reaching 4% of the population.
- The Indian recorded music industry structure is specific due to the historically strong ties between the film and music industries. The leading labels are T-Series focusing mainly on Bollywood film music, and Saregama (film music, Carnatic, Hindustani classical, Devotional and so on), commanding together more than 50% of the market share (Statista). The major labels are present, but their market share is not comparable with other large music markets. Sony Music Entertainment is the most established, having a market share of approximately 19%. Notable international digital distributors active in India are The Orchard, Believe, TuneCore and more recently CD Baby.

3.1. Recorded music revenues in India[11]

India is one of the biggest markets in the Asian region alongside Japan, South Korea and China. With a revenue of INR 1620 Cr in CY21 (€147,77 million approx) it is part of the Top 20 markets of the world. With a population of 1.3bn inhabitants, this performance is way below what could be expected. The country could be part of the Top 10

11 11 India Trends 2021, IMI, 2022. Online : https://indianmi.org/activities/india-trends/

markets, as China is for example. Several factors explain this “underperformance”, the most important one is the value gap. However, as the world’s leading emerging market, India’s musical industry is showing signs of growth. The industry grew in 2021 (+ 20.3% in comparison to 2020) and has grown 15.78% over the past five years.

Recorded Music revenues share by sector

The recorded music revenues by sectors in India reveal a very important role for streaming (which largely exceeds the global average) and a notable share for synchronisation revenues (5.6%) which lead the country to reach top 20 biggest markets in this segment.

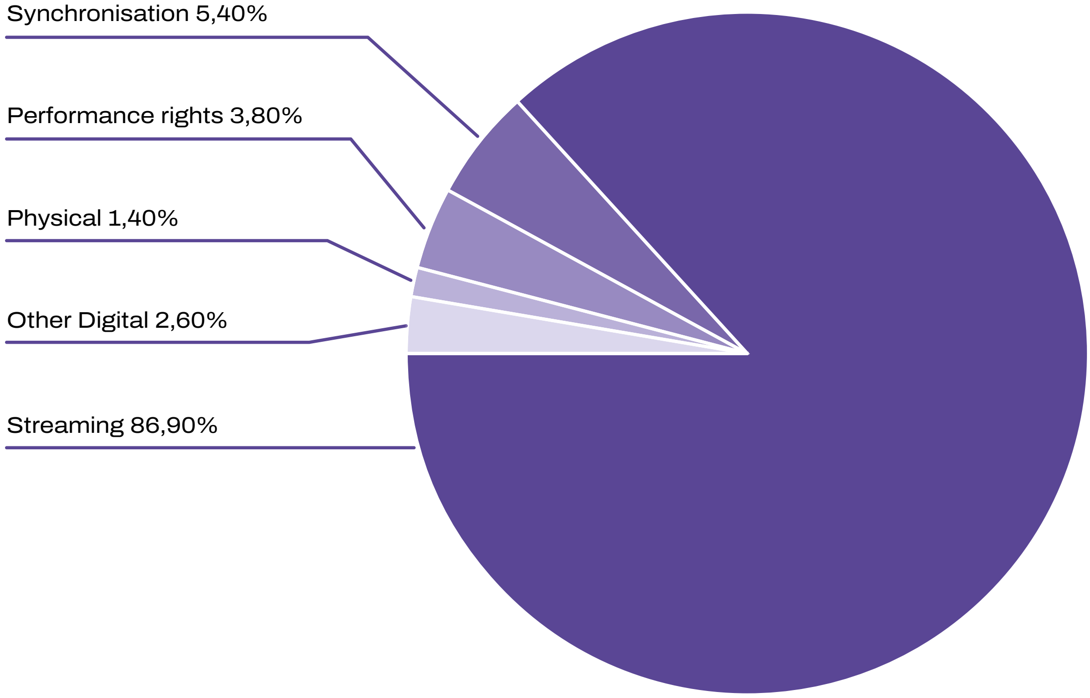


Figure 3.1.1. *Recorded music revenue share in India. (Source: IMI, India Trends 2021)*

Even if streaming revenues are the main industry revenue in India, they are considered to be way under what we could expect from from a one billion inhabitants country. According to the interviews conducted with key players in India, the subscriptions revenues are still very low in India and the number of subscriptions stagnates. India’s population is accustomed to not paying for music and as a consequence, the total recorded music revenue per capita is very low. The streaming revenues are considered to be mostly composed of video streaming and ad-supported streaming. In 2020, the pandemic restrictions affected the performance rights of the recorded music industry with a drop in the public performance rights and the synchronisation revenues mainly because of the postponement of many film releases and cinemas closures.

Evolution of music revenues in India and factors that inhibit its growth

	MUSIC	FILM
2005	8,3	66,9
2006	7,8	81,7
2007	7,4	96,4
2008	7,3	109,3
2009	8,3	104,4
2010	8,6	83,3
2011	9	92,9
2012	10,6	112,4
2013	9,6	125,3
2014	10	126
2015	11	138
2016	12	122
2017	13	156
2018	14	175
2019	15	191

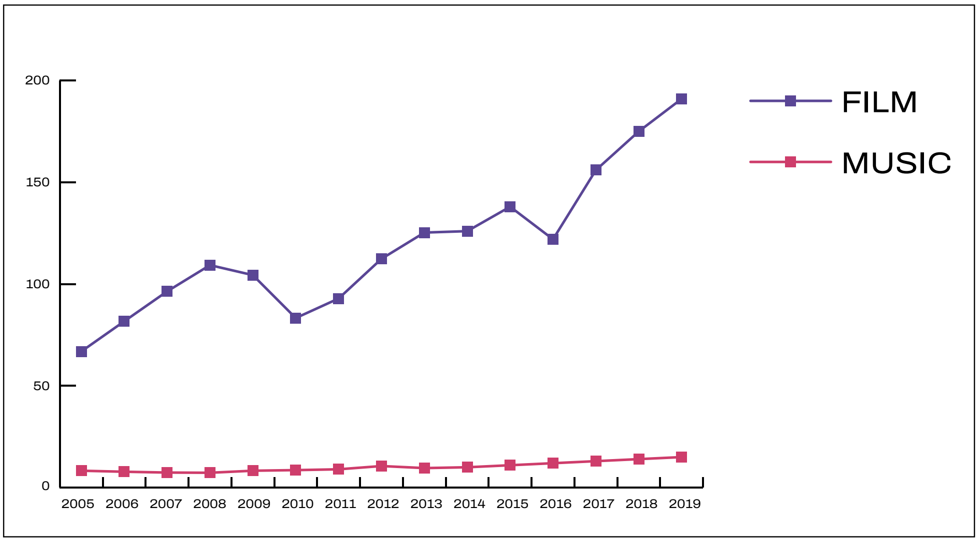


Figure 3.1.2. *Recorded music yearly growth compared to film industry (% – 2005-2019)*[12]

The Indian music industry is characterised by a continuous year on year growth. With a high consumption of music - largely online - and one of the cheapest average costs for Internet data in the world, the growth remains under that of the Indian film industry even though both industries are deeply related. In "A case for free market economics in the Indian recorded music industry" report from IMI, the factors are a mix of non-voluntary licensing on radio stations, the exemption of rights payments from weddings, music piracy and the value gap observed in social networks and short video apps. The fact that the strongest part of the online music consumption is on YouTube is another factor.

Piracy is an issue in the Indian music industry. 67% of music listeners in 2019 pirated music contents, compared to a global music piracy rate of 27%[13]. Stream-ripping remained the key method of piracy with 66% of pirated music accessed through stream-ripping sites. The revenue loss estimation stands between `217 cr. to `300 cr (between 2,17 and 3 billion rupees) annually for the recorded music industry[14]. However, with the streaming boom, piracy is no longer the first explanation of the underperformance of India. The fact that most streaming consumers are not willing to pay for music and never subscribe to any DSP is the main reason why. As a result, monetization remains very low in India. One needs also to acknowledge that the streaming music market concerns most of all the urban population (even if the trend is changing) while the rural population, representing almost ¾ of the Indian population, mainly consume music through radio and TV. What is more, another explanation comes from a very low royalty rate on radio stations and rights tariff deductions based on the category of city the music is broadcast in.

12 FICCI Frames M&E Reports.

13 Digital Music Study, International Federation of the Phonographic Industry (IFPI) and the Indian Music Industry (IMI), 2019.

14 A case for free market economics in the indian recorded music industry, The Indian Music Industry (IMI), April 2021.

3.2. Music consumption medium and geography in India[15]

Indian music consumption is very high and exceeds the world average. Indian consumers enjoy visually engaging with music and spend almost one quarter of their listening time per week on YouTube. Still, audio streaming consumption is increasing with smartphones being the most used device to consume music and 97% of music listeners using it for this purpose. Radio remains an important way to listen to music, and social media to watch or listen to music.

A study from IFPI India studied the way Indian consumers listen to music and the share of time spent by medium. Streaming is by far the most important way to listen to music with YouTube leading the game.

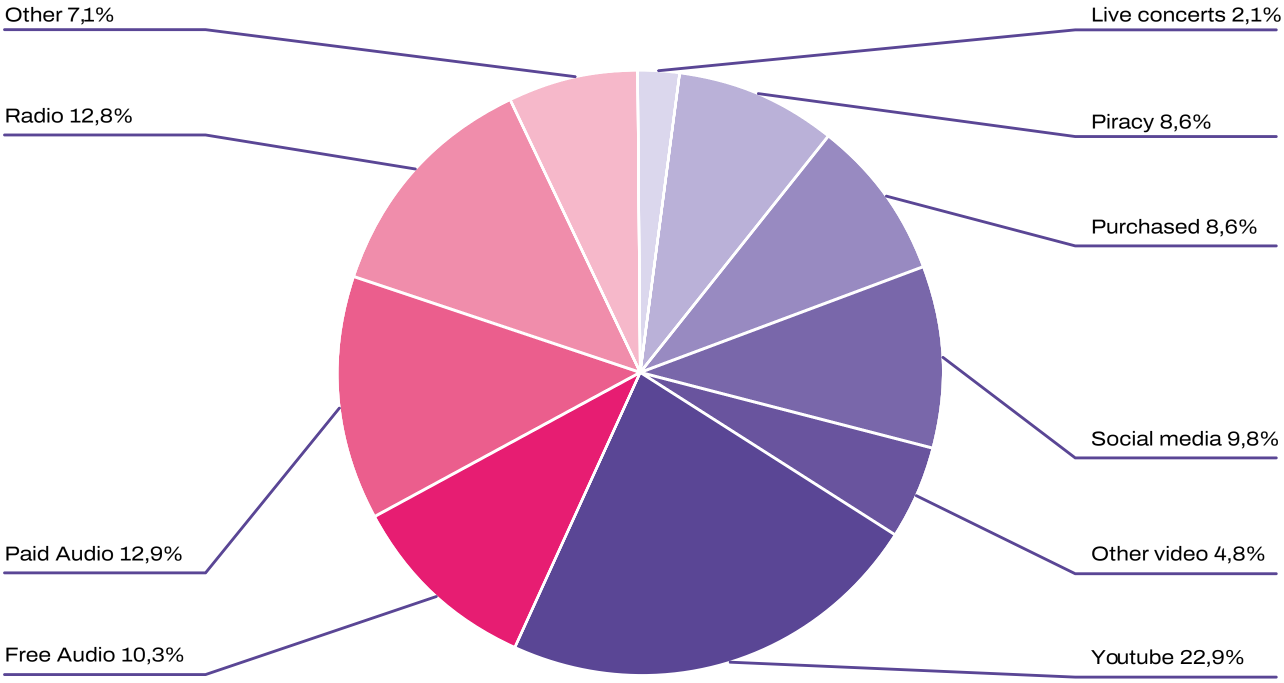


Figure 3.2. Music consumption by medium. *Source: Music Listening 2019, International Federation of the Phonographic Industry (IFPI)*[16]

In terms of geography, online music consumption is not limited to metro cities according to an EY and FICCI report from 2020[17]. Some online music services report that 50%-75% of their audiences come from non-metros and grow faster than metro audiences. Delhi, Mumbai and Pune were three Indian cities identified by Chartmetric as “trigger cities”. This concept of “trigger city” put the light on a streaming phenomenon: though some cities have almost no impact on global music revenues, they register very high streaming activities in global music services such as Spotify or YouTube, and as a result, they have a strong impact in influencing the hits of tomorrow (since the streaming platforms global charts only take into account plays). Among the top 20 cities of the world counting the most YouTube views of music videos, seven are Indian cities (Lucknow, Patna, Pune, Indore, Delhi, Jaipur, Ahmedabad)[18].

15 Digital Music Study, International Federation of the Phonographic Industry (IFPI) and the Indian Music Industry (IMI), 2019.

16 Music Listening 2019, International Federation of the Phonographic Industry (IFPI), 2019. Available: https://indianmi.org/towards-fair-compensation-for-music-in-private-radio-in-india%E2%88%97/

17 The era of consumer A.R.T. (Acquisition | Retention | Transaction), India’s Media & Entertainment sector, Ernst & Young (EY) and Federation of Indian Chambers of Commerce & Industry (FICCI), March 2020.

18 JOVE J. “Music “Trigger Cities” in Latin America & South/Southeast Asia (Part 1)”, Chartmetric, 2019.

3.3. Music genre consumption

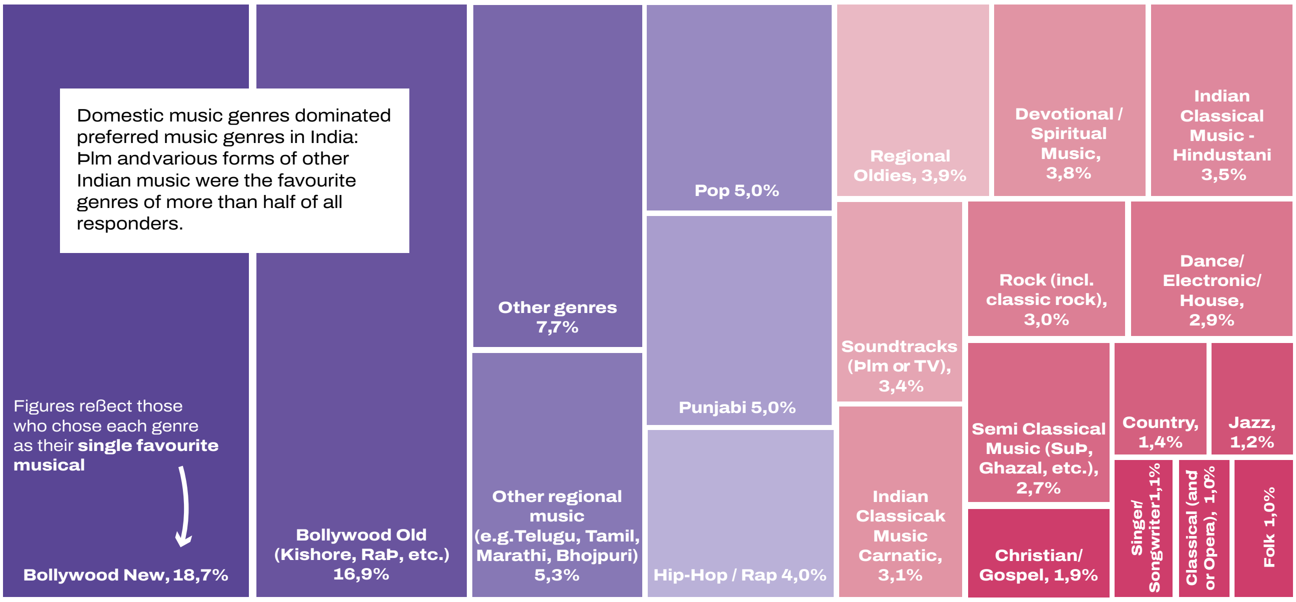
Local music represents the largest part of the music sales and consumption in India. Studying the top 10 songs of 2020, 100% were Indian songs. But interestingly, this local consumption is not related to some specific genres or famous local artists with a strong fanbase, it emerges from Bollywood and other local film-producers. In India, the film industry is a major pillar of the creative industries and one cannot understand music consumption in India without acknowledging the close relationships between film and music. It is more than a trend; Bollywood has deep cultural roots in India since the beginning of the 20th century. Before the 90s, apart from some traditional folk artists (who were usually not commercialised), there was almost no "non-film music" and music sales (vinyl or CDs) were not standalone products. They were merchandise related to a film. According to the research of Cherie Hu, *"local music industry is essentially synonymous with Bollywood, which releases over 1,000 movies annually, and soundtracks account for nearly 80% of the country's [music industry] revenue*[19]". Music and cinema work as a "two-person team". On a one hand, the success of a movie partly relies on its soundtracks, often released before the film as a powerful promotion tool. On the other hand, the music industry depends on Bollywood industry which can ensure a wide broadcast of the produced soundtracks in cinemas but also on radio, TV and more recently VOD. What's more, the film industry is much more diverse than Bollywood. Famous soundtracks emerge from other areas, sung in other languages than Hindi. This includes Tollywood (Telugu), Kollywood (Tamil) and Sandalwood (Kannada) with the production of soundtracks in different languages proving that India is a very diverse country. As a result, the film industry and the soundtracks address the local needs for creative content and Indian consumers are accustomed to "watching music". The strong local culture and availability of local content make it hard for an international artist to develop in India and to find an engaged fanbase there.

The domination of Bollywood has lasted for years. The most popular and consumed genre in India remains "playback" - songs sung by a playback artist for an actress to lip-sync the track in a movie. As a matter of fact, the music industry has never been artist-centric but rather based on soundtracks and films. Film-music continues to represent 80% of the music consumption[20] and produces around 10,000 songs a year in India.

According to the Indian Music Industry (IMI), the most consumed genres in India are:
– Bollywood (new)
– Bollywood (old)
– Regional (Telugu, Tamil, Marathi, Bhojpuri)
– Pop
– Punjabi

19 HUE C. "How India, The Global Music Industry's Sleeping Giant, Is Finally Waking Up", Forbes, 2017.

20 GURBAXANI A. "The best of Music Inc 2019: Discussions on the dominance of film music, streaming services in India" First Post, 2019



Source: IMI-IFPI Digital Music Study 2019

Figure 3.3. *Music consumption by genre.*

But things are rapidly changing in India. The country is characterised by a relatively good internet infrastructure accessible with an affordable cost (data is one of the cheapest in the world) with 1.3 billion inhabitants, 723 million internet subscribers and 400 million smartphone users in 2019 (the world's second-largest smartphone market) according to EY India[21]. The media and entertainment industry is going through a significant transformation. The Internet is expected to be the primary way to distribute and consume content. The availability of diverse applications, from social media to music services, gives access to very new content from the small but growing non-film music scene in India to international music. According to Shridhar Subramaniam, President, Strategy and Market Development, Sony Music Asia and Middle East "*as India is one of the youngest countries in the world with 54% of the population below 25 years of age, we are now witnessing a new generation of artists expressing their creativity on social media and gaining public recognition. (...) This has allowed us to bypass some of the traditional mainstream channels, such as TV and radio – that would have been very focused on playing Bollywood songs – and allows us to build direct connections with fans*". With the transition to digital music, Bollywood music observes a decreasing market share leaving more space for international music, indiepop, hip hop, regional music and niche genres (such as Jazz). One can now observe in India the rise of local hip hop scenes with local artists performing in the variety of the regional languages (Hindi, Punjabi, Kannada, Bhojpuri...). The market is steadily moving on a regional scale in India with artist-centric strategies. The evolving way of discovering and consuming music is leading the Indian music industry to observe structural changes and a new logic of artist development that is closer to the western music industry.

21 The era of consumer A.R.T. (Acquisition | Retention | Transaction), India's Media & Entertainment sector, Ernst & Young (EY) and Federation of Indian Chambers of Commerce & Industry (FICCI), March 2020.

3.4. Music audio streaming ecosystem in India

The streaming ecosystem in India differs from the biggest industry markets of the world. The music streaming market is young but characterised by a mixed key players system, with strong local services (Gaana, JioSaavn, Wynk) in competition with international players (Spotify, Apple Music, Amazon Music). Concurrently, YouTube (video) registers a very strong and always-increasing consumption - most of the music consumption occurring on this platform is video-music and film-music. But with a growing audio streaming market, India is home to a real battleground for streaming services. The most important local services are owned by telco providers (Reliance Industries and Bharti Airtel) or Internet companies (Times Internet, Hungama Digital Media) and have an important reach partly thanks to bundled offers. But in 2019, Spotify, YouTube Music and Resso were launched and India observed a 13% increase of music app downloads. However, most of the time the consumption in India remains ad-supported. When asking a panel of 1000 Indian consumers if they listened to one or several music streaming services last week, MIDiA research related YouTube led the consumption[22]. But our interviews revealed that audio music consumption is also strong on JioSaavn and Gaana.

Following this assessment, the streaming services below are described in a user's top-down ranking estimate thanks to different open data sources and the DSPs declarations. The figures depict India as a not (yet) subscription model market but rather a (still) advertising-led model. The subscribers hardly reach 4% of the overall population[23]. Accounting firm Ernst & Young (EY) and the Federation of Indian Chambers of Commerce and Industry (FICCI) in their annual Media and Entertainment Report, state the number of monthly active users (MAUs) of audio-streaming services reach at a mere 197 million, data attributed to Comscore[24].

Gaana (1st) (local music service)

-> The platform was estimated to have between 180 and 200 million users and less than 2 million paying subscribers. It is difficult to know now the number of users in the platform since it shut its free tier offer in September 2022[25].

Gaana is owned by Times Internet, the digital venture of The Times Group and was launched in 2010. In 2018, Tencent (Chinese company) invested in the service. Gaana is available for desktop and mobile and is no longer offering an advertising-supported tier. The subscription costs INR99 (1,11€) for one month (INR399 for an annual subscription – 4,49€). The service developed other subscriptions with a gaming option, a voice assistant and the recent launch of a short video platform called HotShots. According to The Economic Times, Gaana had reached 185 million monthly active users (MAUs) in August 2020.

22 India music Consumer Behavior, MIDiA, April 2020. https://www.midiaresearch.com/reports/india-music-consumer-behaviour

23 Declaration of Devraj Sanyal, the MD and CEO of the Universal Music Group in India and South Asia during the IFPI press conference for the release of the Global Music Report 2021.

24 The era of consumer A.R.T. (Acquisition | Retention | Transaction), India's Media & Entertainment sector, Ernst & Young (EY) and Federation of Indian Chambers of Commerce & Industry (FICCI), March 2020.

25 DREDGE S. "Gaana ditches free streaming in favour of paid subscriptions" Musically, September 12, 2022. Online: https://musically.com/2022/09/12/gaana-ditches-free-streaming-in-favour-of-paid-subscriptions

JioSaavn (2nd) (local music service)

-> The platform is estimated to have between 125 and 150 monthly active users and less than 1 million subscribers.

JioSaavn was launched in 2018 after the acquisition of Saavn, a leading streaming service, by mobile operator Reliance Industries (who already owned the music service Jio). Reliance Jio is the telco leader in India with 418.2 million mobile subscribers. However, no discounted bundle deals are available to its subscribers. A monthly subscription costs INR99 (1,11€) (annual subscription costs INR399- 4,49€).

Hungama (local music service)

-> The platform is estimated to have around 60 to 70 million users and less than 1 million subscribers.

Hungama is a local music streaming service owned and operated by Hungama Digital Media. The service has a strong focus on regional markets and contents and provides its platform in 11 regional languages. It also offers an audio-video format. The Chinese company Xiaomi invested in Hungama Digital Media.

Wynk (local music service)

-> the platform is estimated to have around 30 million users and less than 0.5 million subscribers.

Wynk is owned by Bharti Airtel and was launched in 2014. Bharti Airtel, with 302.3 million mobile subscribers, is the second largest mobile operator. In a 2019 press release, Bharti Airtel stated that Wynk was the leader in terms of daily active users. In terms of consumption, *"while Bollywood and International music continue to be the biggest categories on Wynk Music, it is Indian regional music that is witnessing the fastest growth. Overall, there has been a 75% surge in the number of users streaming regional music (...) the demand for regional language songs and local artists is seeing massive surge."* In 2019, Bharti Airtel announced the launch of Wynk Tube, a service that offers access to a very simple interface for songs in an audio and video format and that is developed for towns and villages with a vernacular interface. On one side, Airtel offers Wynk Plus as part of a bundle (which includes Wynk Music among other applications) and on the other side, it offers Wynk for INR29 (Android – 0,33€) and INR60 (iOS – 0,68€) per month. More recently, Bharti Airtel published the 2020 financial result of Wynk. At the end of March, the service had 72.5 million users (MAUs).

Spotify (international music service)

-> Estimation of Spotify users is between 30 and 45 million users with approximately 1 million subscribers.

Spotify was launched in India in 2019 and is becoming one of the most important markets for the DSP. The company doubled the number of subscribers in this market since its launch in India[26]. Monthly subscription costs INR119 (1,34€). A two-user Duo offer is available for INR149 (1,68€) per month, with a six-user Family plan costing INR179 (2,02€) per month.

26 DREDGE S. "Spotify has doubled its subscribers in India over the last year", Musically, February 28, 2022 Online: https://musically.com/2022/02/28/spotify-has-doubled-its-subscribers-in-india/

Top 200 Spotify (May 21') repartition by artist nationality and music genre [Source : Chartmetric]

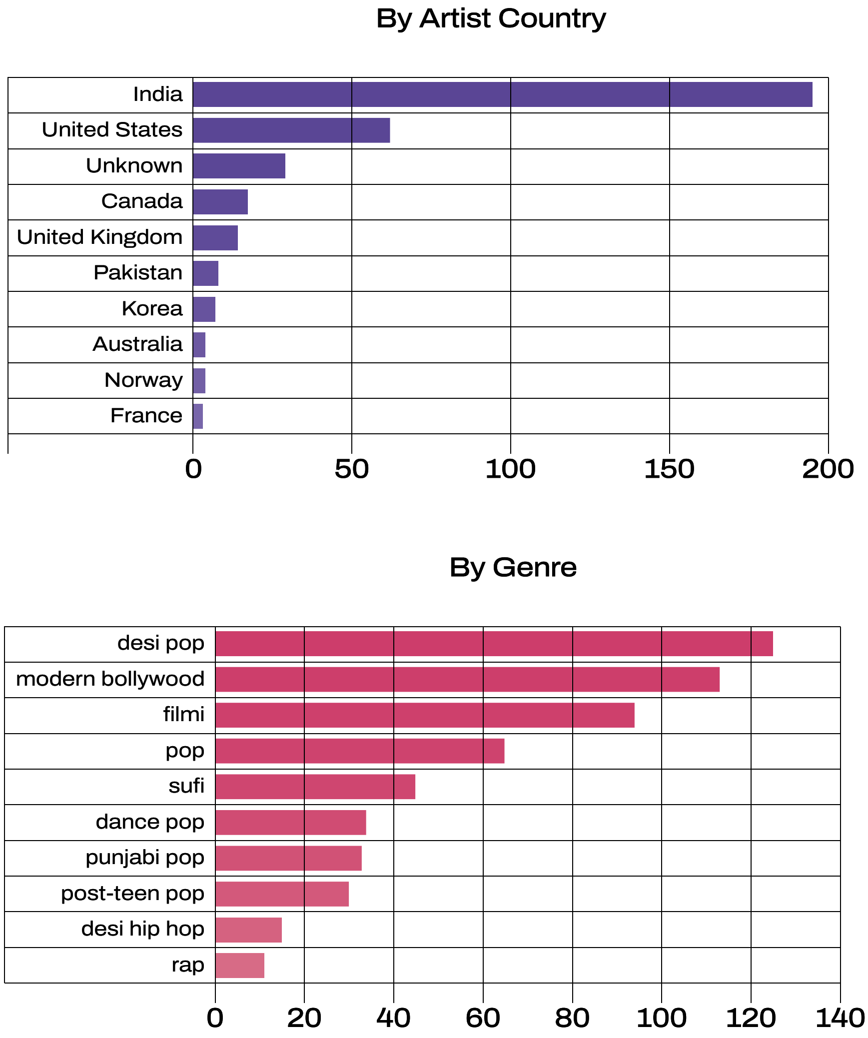


Figure 3.4. *Top 200 Spotify by country.*

Amazon Prime Music (international music service)
-> Less than 1M users
The music service of Amazon was launched in India in 2018, two years after Amazon Prime. It is one of the favourite DSPs for Indian consumers.

Apple Music (international music service)
-> Less than 1M users
Apple Music launched in 2015 in India. Monthly subscription costs INR99 (1,11€) , with a six-device family option priced at INR149 (1,68€) per month. Students are charged INR49 (0,55€) per month.

YouTube Music (international music service)
-> Less than 1M users
YouTube Music was launched in 2019 and costs INR99 (1,11€) per month.

Focus on YouTube

YouTube is the preferred streaming service to listen to music. Indian music consumers spend 22.5% of their listening time on YouTube (it is more than the time they spend on audio music services or radio) and 94% of the consumers use it to listen to music. YouTube not only covers urban areas, it's also available in smaller towns in India and it is consumed across all demographics. There are three major interconnected explanations of this phenomenon in India: the strong link between music and video, the cheap tariff of the data and the fact that YouTube is free.

With the second largest population in the world, India is a major market for YouTube. From April 30th to May 6th 2021, 6 of the 10 most listened artists of the world on YouTube service were Indian and together they accounted for 962 million streams globally. This data depicts the strong penetration of YouTube in India, as a daily used service. Channels are very important in YouTube consumers' music discovery. One of the most important channels is T-Series, a label releasing Bollywood music, with 134 million subscribers.

Focus on music piracy and ad-supported music

Piracy of recorded music (cyberlockers, P2P, stream-ripping) has long been a concern and a major issue in India. The last report from the International Intellectual Property Alliance (IIPA) stated that an increasing number of users are reported to be downloading apps that facilitate infringement despite the growth of licensed streaming services. The piracy rate is one of the higher of the world with 67% of internet users pirating music[27]. In the third quarter of 2020, the music pirate website *pagalworld.mobi* received 37 million visits from India and the stream-ripping, Savefrom.net received more than 58.4 million visits. Stream ripping remains the major music piracy threat in India despite a fall of 11% in use[28]. At the same time, even if the number of users of licensed music streaming apps is increasing, the conversion rate to paying subscriptions is still minuscule (about 1%).

3.5. Recorded music industry players

Record labels
Because of the strong relationship between the music and film industries, the Indian landscape of record labels is very specific. The leading music record labels are local labels that have been building their hegemony over the film industry. In fact, movie producers hire the artists to record the music before selling the rights to record labels and publishers. Few record labels have the capacity to buy these rights. This explains why a few local labels possess the majority of film music catalogue and have a very

27 Digital Music Study, International Federation of the Phonographic Industry (IFPI) and the Indian Music Industry (IMI), 2019

28 Digital Music Study, International Federation of the Phonographic Industry (IFPI) and the Indian Music Industry (IMI), 2019

strong back catalogue. This also explains why most of these record labels are publishers and why the copyright law favours the record label and publisher instead of writers and composers (see Publishing chapter).

According to diverse sources, the leading music record label in India is **T-Series**, a subsidiary of Super Cassettes Industries (SCI). The label focuses on Bollywood film-music production. No financial details are available but one can notice its huge presence in India through YouTube data. According to HypeAuditor[29] T-series channel is the most subscribed one in India with 113.4M Indian subscribers.

The second key player in India is **Saregama** that developed a repertoire in film-music, Carnatic, Hindustani classical, Devotional and so on, in different Indian spoken languages but also signed some of the most prominent Indian artists. The company used to be the Indian branch of EMI's Gramophone and is the oldest music label in India. It is based in Kolkata with offices in Mumbai, Chennai and Delhi. It extended its activities towards publishing, film production under the name of Yodlee Films and also multi-language Television content.

Majors are established in India but do not reach the same market share as they do in the biggest music markets of the world (USA, France, UK...). **Sony Music Entertainment** (SME) is the most set-up Major in India with a presence since 1996 (and now offices in Delhi, Mumbai and Chennai). SME has a strong focus on Bollywood and soundtracks but it recently began to develop its catalogue towards hip hop and regional music. **Universal Music Group** (UMG), based in Mumbai, expanded its business in India and South Asia in 2020 after launching WYRL Originals, a non-film dedicated music label and, in collaboration with **Mass Appeal**, Mass Appeal India (urban culture-focused entertainment company) to amplifying India's burgeoning hip hop culture on a global scale. **Warner Music Group** (WMG) also launched in 2020 Warner Music India in Mumbai in charge of India, Afghanistan, Bangladesh, Bhutan, the Maldives, Nepal, Pakistan and Sri Lanka.

Here is the label market share in India according to Statista:

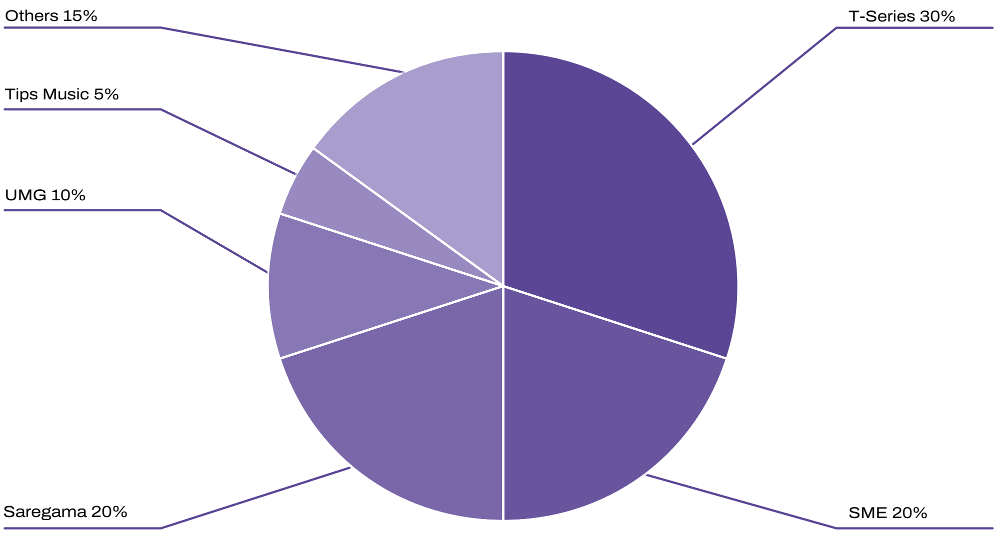


Figure 3.5. **Recorded music market shares in India in 2016. Source: Statista[30].**

29 https://hypeauditor.com/top-youtube-music-india/

30 https://www.statista.com/statistics/694791/record-company-market-share-india/

It is also worth noting the other independent labels:

- **Times Music**: Based in Mumbai, the label is a division of The Time Music Group launched in 1998. It is also a publisher. The label initially focused on devotional and spiritual genres but also released regional, Bollywood, folk and traditional music in different languages. More recently, the label began to be one of the pioneers in electronic music licensing local and international EDM labels in India and has been associated with the indie music scene in India.
- **TIPS industry limited**: Founded by Kumar S. Taurani and Ramesh S. Taurani, the label is based in Mumbai and is also a film production, film promotion and film distribution company.
- **Zee Music**: The company is a subsidiary of Zee Entertainment Enterprises based in Mumbai. It is a leader of film-music in India from Bollywood to regional films.
- **Venus Records (Believe)**: Founded by Ganesh Jain and Ratan Jain in 1988, the label is known for Bollywood music and Indie Pop music. Venus was acquired by the French company Believe in 2019.

The recent mutation of the Indian music industry from Bollywood supremacy to the increase of regional enabled the launch of emerging record labels as for example WhiteHill Music (Punjabi), Humble Music (Punjabi), Riddhi Music World (Bhojpuri) and RNM Bhojpuri. A wide range of new labels is now emerging in India.

Digital music aggregators

- **The Orchard**: the Sony owned aggregator is the leader in India
- **Believe Music**: the Paris-headquartered music distribution and marketing company had a recent strong development in India with the acquisition of Mumbai-based Canvas Talent (artists-services and talent management management organisation) and Entco (live-music production). The distributor has international digital-distribution deals with local label Indie Music.
- **TuneCore**: Founded in 2005 and acquired in 2015 by Believe, it is an aggregator dedicated to independent musicians and has an office in India.
- **CD Baby**: The US-based aggregator entered India in 2019.

4. Live music industry

Key points

– The traditional live music industry in India has been divided between corporate events, sponsored festivals and very limited ticketing events. In terms of popular music, there are two scenes : lip syncing and film music concerts, and indie music (non-film music). The sector has been growing since 2010 and progressively shifted from traditional free and private towards ticketed events, followed by the appearance of new promoters and increased investment.

– The live music industry has largely relied on sponsorship, however ticket sales revenue has been growing at least since 2015 (8.7% growth in 2019). Ticketing market is dominated by one local company BookMyShow and most tickets are bought online via mobile.

– According to FICCI & EY young people in India enjoy live music concerts and they estimated (pre-pandemic) that the ca 8000 concerts in 2018 will double to 16 000+ by 2025.

– Apart from major international acts playing in stadiums, it is hard to perform in India for international artists. Important challenges are transport costs, international artist fees being low, the highly regional structure of India with its regulative and logistic complexity and lack of concert venues. At the same time, there are certain genres that have found audiences, such as metal and hard rock, electronic music, especially EDM and drum-n-bass and also in some cities vibrant jazz scenes.

– The festival scene in India was flourishing before the pandemic, however, it is also fairly volatile with new festivals emerging and disappearing a few years later. Next to the approximately 25 major festivals taking place every year, there are new types of festivals comparable in quality and scale with European events that invite more and more international artists.

The live music economy is divided into different scenes and types of events. A lot of tours and concerts are made for lip syncing music (in other words, film-music performed by the actors of the movie) attended by a lot of Indians. Film-music is a very lucrative scene in India for artists and promoters while indie artists are part of a growing but still emerging scene facing issues to find the right infrastructure and venues to give concerts. Indian concerts and events are divided between corporate events, sponsored festivals (generally medium-sized festivals) and very limited ticketing events. The live music sector has been growing since the 2010s according to an IQ International Ticketing Yearbook . The number of music events was increasing before the pandemic with a better inclusion of international music and indie music. This move has been followed by the appearance of new promoters and stronger investment from sponsors.

4.1. Live music industry revenues

According to a PWC forecast, before the pandemic the Indian live music industry registered a yearly growth of ticket sales revenues since 2015, with 8.7% growth in 2019 and $84.4 million. **BookMyShow** is the leading company for ticketing in India with a more than 80% market share. It is in competition with the Alibaba-backed mobile giant Paytm which acquired Insider.in and TicketNew.

Most of the tickets are bought online and via mobile[31]. But the live industry in India does not rely on ticket sales, it rather relies on sponsoring.

There are many factors that inhibit the live music sector:

1. There are few venues dedicated to live music performances (rather bars and restaurants), and the infrastructures are not well equipped with often low quality of sound engineering. The medium sized venues are almost non-existent.
2. The prices for live music concerts are usually low but most of the important festivals are expensive for the local population.
3. There is also a complex system of authorization to organise a concert as well as complicated procedures for security. Most concerts taking place in hotels and restaurants are not declared in order to avoid author rights costs and concert taxation. The Entertainment tax can be expensive as well for a declared concert. This tax, established by local states, is a share of ticketing sales and can differ from one concert to another (exemption for classical Indian music and high rates for international artists that can vary for a state from another for example).
4. In the cities, the traffic jams can inhibit the people from coming afterwork to a concert.

As a result, India venues or promoters try to build an experience around music: with food and so on.

4.2. Consumption patterns and live music scenes

A huge number of Indians go out to film-music concerts in theatres and auditoriums. This is a strong live scene, generating revenues and gathering big audiences in India. Apart from this phenomenon, when observing India's behaviour towards live music, the culture of live music concerts is not very strong in India even if it is evolving. What we know is that a share of the population never goes to concerts in India whatever the type of music on offer (pop/rock, classical music or electronic music). MIDiA research studied the Indian behaviour and habits toward live music and the results correspond to the discussion the EMEX research team had in India: there is the same proportion of people who never go to concerts as the ones who go often and frequently[32].

Electronic is nevertheless following a new trend in India, gathering a younger generation willing to go out and listen to music in clubs on a monthly basis at least. The same happened with the recent development of the number of festivals available that corresponds to the type of event a section of the population will attend. More generally, western music is mostly appreciated in the cities and by the younger generation. In fact, a recent report from FICCI & EY India observes that the youth enjoy live music concerts. Before the pandemic, the report evaluated approximately 8000 concerts in 2018 in India and expected growth[33].

31 International Ticketing Yearbook, IQ Mag, 2019

32 India music Consumer Behavior, MIDiA, April 2020

33 The era of consumer A.R.T. (Acquisition | Retention | Transaction), India's Media & Entertainment sector, Ernst & Young (EY) and Federation of Indian Chambers of Commerce & Industry (FICCI), March 2020.

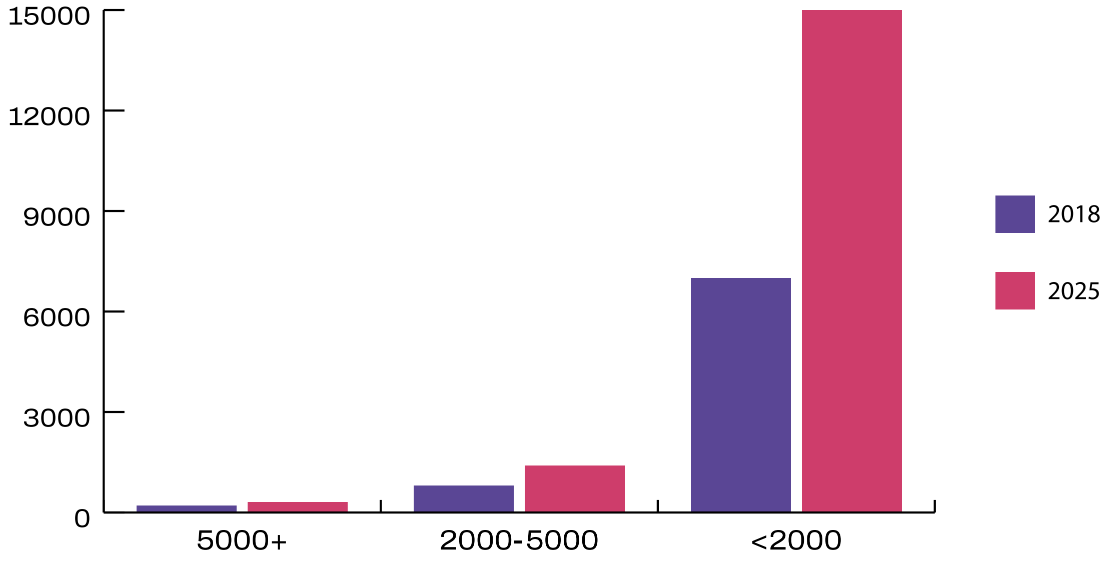


Figure 4.2.2. **Live music concerts. Source: Industry discussions, IPRS, EY estimates**

The global trend is a growing number of music concerts on offer with a strong increase in smaller concerts (less than 2000 capacity). It is not a surprise since India lacks infra structures for larger size concerts.

There are niche genres Indians are fond of. During the 2000s, the country discovered metal and hard rock music and the genre became very successful. Since then, a lot of international artists of this genre have played in India in front of big crowds and metal fans have emerged everywhere in the country. This, though, appears now to be less the case. Electronic music is another genre that brings an important audience in India, driven by EDM and drum'n' bass music. Calcutta also has a jazz scene and there are several Jazz festivals in India.

Mumbai is the place where the music scene is the most developed in India. It is considered to have the highest number of proper indie music venues in India (around 20). Before the pandemic, one could attend several concerts the same night. Delhi possesses the approximate same number of indie music venues and Bangalore is ranked next. But then, Pune, Chennai, Goa all have fewer than 10 venues and the last cities where it is possible to play - but in very few venues - are Kolkata, Hyderabad, Chandigarh, Jaipur and Indore.

4.3. Venues and infrastructure

There are not many performance-oriented music venues in India. Most of the concerts take place in bars, restaurants, hotels or clubs from 200 to 600 capacity. There are also auditoriums presenting all sorts of performing arts that can reach a 1500 capacity. There is a shortage of international-standard arenas in India. An exception remains with venues exclusively dedicated to Bollywood artists or classical Indian music. As a result, most of the big concerts (with a 2000 capacity and more) take place in open air venues and can be produced between October and March. The club season takes place from June to September. The first performance-orientated venues (mixing a real stage, a restaurant and a bar) with a large spectrum of music genres emerged in 2007 with BlueFrog in Mumbai (now closed) one year after the establishment of the Hard Rock Café. Some other venues followed this trend: Humming Tree in Bangalore, Bonobo in Mumbai, TLR Café in Delhi.

Clubs and Bars:
In India, it is possible to find networks of brand venues. These networks allow tours in India and enable acts to reach other cities than Delhi or Mumbai.

- Kitty Su (Bangalore, Chandigarh, Mumbai, Delhi, Kolkata)
- Social Offline (Bangalore, Chandigarh, Mumbai, Delhi)
- Hard Rock Café (Delhi, Mumbai, Bangalore, Pune, Hyderabad, Chennai).

Then, other venues can be found in the different cities of India:

- **Delhi:** Out of the Box, Turquoise Cottage, The Anti-Social, Lodi Restaurant, Auro Kitchen and Bar, Summer House Cafe ;
- **Mumbai:** Mehboob Studios, Bonobo, Cool Chef Café, Aurus Restaurant Juhu, Flea Bazar Cafe, Jio – Gardens ;
- **Bangalore**: Opus, Counter Culture, The Humming Tree, Indigo Music Bar ;
- **Pune**: Kue Bar, The High Spirits ;
- **Hyderabad**: Bottles & Chimney, Syn Club ;
- **Kolkata**: Jamsteady, Someplace Else.

Auditoriums are also very important for live music in India but they mostly book Indian classical music or film-music. Here are the main auditoriums: Siri Fort Auditorium (Delhi); National Centre for Performing Arts (Mumbai); Manpho Convention Centre (Bangalore); Shilpa Kala Vedika (Hyderabad).

It is worth noting the Royal Opera House as well (Mumbai).

Open air places:

- Delhi region: HUDA Grounds, Gurgaon; Buddh International Circuit, Noida;
- Mumbai: Mahalaxmi Race Course;
- Bangalore: Palace Grounds, Freedom Park.

4.4. Festival network
Before the pandemic, the festival network was flourishing in India even if the festival sector was relatively small given the size of the country's population and unstable with new festivals from one year to another, and festivals disappearing at the same time. There are famous major festivals in India and approximately 25 major festivals each year (Sunburn, NH7 Weekender) and also new types of festivals that offer new experiences (in the desert or Indian valley). These festivals managed to reach the same quality and scale as European ones and invited more and more international artists. They address an international crowd and can offer VIP access. They are expensive for the average Indian consumer even if the spending power increases in India generally once you reach the middle class, which can afford entertainment such as concerts or festivals. A lot of festivals are founded by individuals from the Indian diaspora with western education. They benefit from important sponsor investment from brands, telcos or banks and are strongly dependent on these revenues as ticketing does not generate enough money to cover the festival expenditures, and public funding is almost nonexistent.

Festival	Localisation (city)	Music genre	Capacity	Period
NH7	Multi-city (Pune; Delhi; Bangalore; Kolkata; Hyderabad; Shillong (and 1 day-long festival in other cities)	Multi-genre + comedy	approx. 50 000 (per city)	October - December
Sunburn	Goa	EDM	1 million	December
VH1 Supersonic	Pune	EDM, jazz, rock, pop, reggae, indie		July
Magnetic Fields	Alsisar Mahal (Rajasthan)	EDM, techno, hip-hop, folk, indie pop	500	December
Electric Daisy Carnival India	Great Noida (close to Delhi)	EDM	350,000	November
Road to Ultra	Hyderabad, Delhi	EDM		March
Enchanted Valley Carnival (EVC India)	Aamby Valley City (Maharashtra)	EDM, techno, pop, Bollywood, folk, rock, jazz		December
Saarang (student festival)	Chennai (IIT Madras)	Folk, contemporary, rock, hip-hop, EDM		January
Mood Indigo (student festival)	Mumbai (IIT)	Rock, sufi, indian classical, Bollywood		December
Mahindra Blues	Mumbai	Blues		February
Storm	Bangalore	Rock, folk, indie, electronic		
Hornbill	Kisama Heritage Village (Nagaland)	Rock, pop, EDM, rock, hip-hop, blues, folk	12,000	December
Ragasthan	Jaisalmer (Rajasthan)	Folk, world, rock, pop, electronic	2,000	February
Covelong Point	Kovalam (Tamil Nadu)	Rock, EDM		August
Xchange IndiEarth	Chennai	Indian classical, folk, hip-hop, reggae, jazz, rock		December
Jamsteady's Big Sunday	Kolkata	Pop, rock, hip-hop, indian classical, folk		December
Sula Fest	Nasik (Maharashtra)	Electronic, dubstep, reggae	9,000	February
Ziro	Ziro Valley (Arunachal Pradesh)	Indie, pop, folk, world	6,000	September, October
Locals DISTRICT	Kalwar (Rajasthan)	EDM, techno		March

Table 4.4.1. A list of festivals. Source: own research.

4.5. Touring in India: Booking agencies, promoters and artist management agencies:
Apart from major international acts playing in stadiums, it is hard to perform in India. Bringing international artists in a context where local music is very strong and where there is a lack of venues for a tour is a challenge. With transportation costs and international artists fees, an act often needs an anchor in India to be able to tour there. Often this anchor is a festival to afford transportation costs, because then, a tour can be built around it. For international acts, one needs to take into account that the country is strongly divided with regions governed by their own laws and with a large number of languages and cultures more or less open to international acts and non-film music. Sometimes, showing adaptation to Indian specificities can be necessary. This is why working with a booking agency is always better. There are not a lot of reliable booking agencies in India. When negotiating with them, it is important to speak in dollars.

Example of booking agencies:
- Percept Live (EDM, Bollywood, international acts)
- Submerge (EDM)
- OML Entertainment
- KRUNK (dubstep, drum n bass, drumstep etc)
- blueFROG
- Mixtape (Rock)
- Liquidspace Entertainment
- Amarrass Records
- Music Gets Me High
- Audio Aashram

Some major promoters: Wizcraft, DNA Networks, Teamwork Arts, Krunk, Mixtape, Submerge Music.

4.7. Coronavirus impact
PWC forecast estimates a loss of 58.9% in ticketing revenues in India in 2020 due to the pandemic. With the economic impact of the pandemic, and the lack of public funds for the live music sector, the recovery of the sector will certainly be complicated.

5. Publishing

Key points

- The copyright law in India has for a long time differed in important respects from the standards set out in various international copyright and IPR frameworks. The industry practice has relied on film producers hiring composers to create music and thus becoming the rights holders of these musical works. The concept of an author holding exclusive rights for their works is fairly recent. A number of ongoing disputes in the copyright domain make it difficult to get a clear picture, including a dispute around licensing musical works to commercial radios and granting government licence to copyright societies licensing the use of recordings.
- India is ranked 36th in the world with ca EUR 20 millions in collections. IPRS was readmitted to Cisac in 2018 after a strong reorganisation. IPRS made efforts to strengthen the copyright collection system in India before the pandemic, improving its governance, developing licensing with digital DSPs and facilitating the promoters, venues and festivals declaration through an online system. The pandemic resulted in a 77% decrease in public performance collections.
- Due to the prominence of film music in the music industry, the Indian music publishing sector is deeply interconnected with recorded music production (very often for films). Therefore, the largest recorded music companies are also managing publishing rights – T-Series, Sony Music Publishing, Times Music and others. IMPF estimates music publishing revenues in India for 2018 to have been around EUR 25–26 million.

5.1. Copyright law and its recent evolution

The primary source governing copyright law in India is the Copyright Act of 1957. In terms of music, the copyright system in India is non-standard and results from the long term music and film industries' relationship. Copyright law in India has been evolving until very recently and is getting closer to what we experience in Europe but it still presents some weakness when it comes to songwriters, composers and performers rights. Considering the situation of authors in India, it is worth noting that the exclusivity culture between a songwriter and their publisher or a musician or singer with a record label is not relevant in the Bollywood context. At the same time, the idea of long-term copyright ownership for authors is recent because they used to see their rights removed in favour of the producer

For a very long period of time, the Copyright Act has been defining "musical work" as any combination of melody, harmony or both together. This definition completely excluded the presence of lyrics and voice as part of a "musical work" which removed all singers or lyricists rights from the musical work. At the same time, the Copyright Act has been providing copyright protection for both "musical compositions" and "sound recordings". When it comes to composition, in a country where music is strongly related to cinema and where film producers are hiring composers and musicians to create a song, most of the songwriters and composers never had any right over their lyrics or compositions. In fact, according to the Copyright Act, the first owner of the copyright in a musical work is the composer. If the work is composed in the course of employment under a contract of service, then usually the employer will own the copyright and no counterpart is defined. As a result, film producers would own the full rights and sell them to a record company who exploited the records in different ways and not only for the movie exploitation. This records company usually bought the master and publishing rights.

The Copyright Law was amended in 2012 to deal with the evolution of the music and film industry and to improve some archaic portions of the Copyright Act. It eliminated the unequal treatment between composers and lyricists. It also made clear that the authors owning the copyrights can claim the royalties for their works and extend the rights of the performers and broadcasting organisations.

This Copyright (amendment) Act, 2012, is now preventing authors and composers from assigning or relinquishing their rights and tries to secure reception of royalties for the utilisation of the work. By recognizing the difference between the usage of a work in the cinematography, film and other mediums and modes, it reinforces the author as owner of the copyright and gives a bigger importance to Indian CMOs for collecting royalties from other mediums of exploitation. Rates of royalties collection are now suggested by the Copyright Board. It also had an impact for the performers, securing royalties for each type of exploitation of their work. It is important to remember that prior to 1994 and India's accession to the TRIPS, performers' rights in their performances were not recognized in India.

The copyright amendment also focused on the digital area with the scope of reproduction rights having been widened to include storing of the work in any medium by electronic means. It introduces digital rights management (with IPRS licensing the catalogue it represents to DSPs and collecting the rights).

The Copyright (amendment) Act also broadened the scope of statutory and compulsory licensing provisions and the right to the broadcasters to broadcast any prior published musical work just giving a prior notice to the copyright owner and paying royalty at the rates prescribed by the Copyright Board to the owner of the work.

Despite this important amendment, Indian music copyright is still facing some difficulties. Music industry players would like to see a reinforcement of the law against online piracy with access control measures and prohibition of illicit streaming devices and apps and services related to them. Recent evolutions brought some progress with the government enabling judicial site blocking, but its scale remains insufficient to tackle the issue.

In practice, the industry is also affected by certain broadcasters, venues and promoters who do not pay royalties to rights owners because of strong fights between IPRS and radio broadcasters (see below). Last but not least, the Copyright Act assigned music copyrights to the songwriters and composers, but the practices in the core leading industry remain old fashioned and since the entertainment industry functions as per contractual relations between various stakeholders, the reality can be very different.

Focus on the radio licensing dispute:

For a long period of time, the India radio broadcasters used to pay royalties to the Indian Performing right society (IPRS) and to the Phonographic Performance Limited India (PPL) for the use of music. Since the amendment act, the rates are defined by the Copyright Board and the broadcasters would need a licence for the use of musical works from IPRS members. However, radio collections were affected by High Court judgements in Bombay, Kerala and Delhi in 2011 ruling that IPRS is not entitled to collect royalties upon private radio companies for the broadcast of recorded songs since the works of the lyricists and music composers are incorporated into the recording that is owned by the record label. So IPRS can claim only for live performances and remixes. The only CMO entitled to collect royalties on radio broadcasts for recorded songs is PPL. This situation was thrown into confusion at the end of 2020 when the Intellectual Property Appellate Board (IPAB) ruled in a case between Music Broadcast Limited and Tips Industries Limited, that FM radio broadcasters have to pay royalties to IPRS. But right after, at the beginning of 2021, the Delhi High Court in two cases (IPRS against Entertainment Network India and PPL against CRI Events Private Limited) went back on the 2011 position ruling that rights from FM radio stations need only to be paid to master rights owners. This situation explains why IPRS collections of royalties on FM radio broadcasters is close to zero.

International treaties:

India has signed a number of treaties and conventions related to copyright:

- Berne Convention 1886.
- Universal Copyright Convention 1951.
- Rome Convention 1961.
- WTO Agreement on Trade-Related Aspects of Intellectual Property Rights 1994 (TRIPS) (to which India is a signatory).

5.2. Collecting society figures

India is ranked 36th in the world with EUR 20 millions in collections. IPRS was read-mitted to Cisac in 2018 after a strong reorganisation.

Before the pandemic, IPRS announced in its last business report for the 12-months ending March 2020 that the society registered a record number of collections and distribution. With an increase of 3.9% of its collection, IPRS ended with INR1,72bn (EUR 19M). The domestic incomes encompass performance, mechanical and local synchronisation fees while foreign incomes (from affiliated societies) encompass web-casting, streaming, synchronisation and foreign income of IPRS repertoire. Domestic incomes had a 20.4% increase, foreign ones fell 23.3% and royalties distributed were up 167.6%. IPRS registered a strong growth in broadcast because of the finalisation of negotiations with broadcasters (a situation that did not last afterwards).

Repartition of the IPRS rights collection [34]

	2020 (IND)	2021 (EUR)	2019 (IND)	2021 Share	YOY growth
Performing & Mechanical Right Licence Fees (Domestic)	1059940544	11 659 346 €	863380621	61%	23%
Broadcasting – Radio – FM	8320147	91 522 €	4829094	0%	72%
Broadcasting – Television	490000000	5 390 000 €	293606890	28%	67%
Webcasting/Streaming	46778105	514 599 €	44781576	3%	4%
Mechanical Rights	209524	23 040 €	4255770	0%	-51%
Public Performance	512747768	5 640 225 €	515907291	30%	-1%
Performing & Mechanical Right Licence Fees (Oversees)	477013586	5 247 149 €	626089589	28%	-24%
From Affiliated Societies	24869934	273 569 €	1084611230	1%	-77%
Webcasting/Streaming	452143652	4 973 580 €	517628359	26%	-13%
Synchronisation Right Licences Fees (Domestic)	188943445	2 078 378 €	171572677	11%	10%
Synchronisation	160254162	1 762 796 €	156380177	9%	2%
Performing Right for Synchronisation	25422783	279 651 €	15192500	1%	67%
Synchronisation (Oversees)	3266500	35 932 €		0%	
Total	1725897574	18 984 873 €	1661042887	100%	4%

Figure 5.2.1. Breakdown of IPRS collection

Before the pandemic, IPRS made a lot of effort to strengthen the copyright collection system in India. It improved its governance, steadily developed licensing with digital DSPs and facilitated the promoters, venues and festivals' declaration through an online system. Some of the major local publishers were reluctant to register as members of IPRS which meant that the collection society did not control the majority of the publishing market share in India. For example, T-Series was collecting its own share of rights directly from the sources of exploitation. It recently changed with T-Series registering itself as a member in 2021. IPRS now represents the biggest local publishers/labels: Saregama, Times Music, Aditya Music etc. along with localised international giants: Sony Music Publishing India and Universal Music India.

In 2021, the results were very different and showed to what extent the collection system is still facing difficulties in India. Of course, the Covid crisis is a major cause of a drop in collections in 2021. Since India went through a long-term lockdown and political restrictions, the country is suffering from the same loss of collection rights than the rest of the world (Cisac estimated a loss of 20-35% in 2020 for the creators) due to:

- Live events on hold
- Public performance slow return
- Cinemas closing of without a full capacity reach

It resulted in a decrease in the public performance of 77%. But the 2021 results also show a big room for improvement in the amount collected.

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Repartition of the IPRS rights collection [35]

	2020 (IND)	2021 (IND)	2021 Share	YOY growth
Performing & Mechanical Right Licence Fees (Domestic)	₹ 1 059 940 544	₹ 261 939 559	15%	-75%
Broadcasting – Radio – FM	₹ 8 320 147	₹ 2 890 000	0%	-65%
Broadcasting – Television	₹ 490 000 000	-		-
Webcasting/Streaming	₹ 46 778 105	₹ 140 500 256	8%	200%
Mechanical Rights	₹ 2 094 524	-		-
Public Performance	₹ 512 747 768	₹ 118 549 303	7%	-77%
Performing & Mechanical Right Licence Fees (Oversees)	₹ 477 013 586	₹ 1 360 874 473	80%	185%
From Affiliated Societies	₹ 24 869 934	₹ 35 076 372	2%	41%
Webcasting/Streaming	₹ 452 143 652	₹ 1 325 358 421	78%	193%
Mechanicals		₹ 439 680	0%	-
Synchronisation Right Licences Fees (Domestic)	₹ 188 943 445	₹ 75 623 883	4%	-60%
Synchronisation	₹ 160 254 162	₹ 42 395 509	2%	-74%
Performing Right for Synchronisation	₹ 25 422 783	₹ 32 919 875	2%	29%
Synchronisation (Oversees)	₹ 3 266 500	₹ 308 499	0%	-91%
Total	₹ 1 725 897 574	₹ 1 698 437 915	100%	-2%

Figure 5.2.2. Breakdown of IPRS collection

The results of IPRS in 2021 benefited from new licensing agreements signed with local music streaming service Hungama Digital Media and the OTT video broadcaster Alt Digital Media. 2021 also saw an increase in the international webcasting and streaming total thanks to a deal with Google Ireland Ltd for the use of IPRS-member content by YouTube. What is more, IPRS concluded new agreements with foreign CMOs in 2021.

5.3. Publishing revenues and key players

Since the music and film industry have been partnering for a century now, publishing and recorded music have been stuck together with major film record labels signing the publishing part. According to Independent Music Publishers International Forum (IMPF), there were very few options to contact a separate publisher in India and the most important record labels of India also managed copyright. The network estimates a music publishing collection for 2018 of EUR 25–26 million. The publishing companies are also underperforming because of the weakness of the Copyright Act towards songwriters, composers and publishers.

The biggest publishers are the same companies as the biggest labels : T-Series, Sony Music Publishing, Times Music (which is also the Indian sub-publisher for Warner Chappell Music, Peermusic, Wixen Music, CTM Publishing and Cloud 9 Music Publishing). There are also some key independent publishers such as Turnkey Music & Publishing founded in 2013 and working with both songwriters and copyrights owners. The publisher recently signed a deal with Kobalt bringing a large number of contemporary and classic international hits into the Indian music publishing market. There are also music publishing administration companies, for example Songtrust. Some smaller sized publishers can be mentioned as well : Muzik 247, Aditya Music India…

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6. Media

Key points

- Music consumption in India is taking place on YouTube, DSPs and Instagram. Even if the TV and radio landscapes are well developed in India and channels of both media broadcast music, international and indie music can only see opportunities through social media and digital media.
- Radio and TV are either Bollywood and Hindi-centric or very locally focused. New forms of music discovery are emerging, following the global trends: podcast listening continues to gain in popularity in India and short videos on social media are, as everywhere in the world, a new form for music discovery.
- In 2020 TikTok was banned in India. Until this time, it was the only app proposing short-from videos, Indians were accustomed to this new format and formed one of the largest markets for the Chinese app. TikTok's exit has been widely compensated by Indian short videos applications (for example Mx TakaTak) or other international apps such as Thriller.

6.1. Social medias

Name of the social Media	Available in the country ?	Amount of users (Million)	Share of the population in the age of being an user (2022)
Facebook	YES	329,7	30.10%
Instagram	YES	230,3	35.00%
Twitter	YES	23,6	2.20%
Snapchat	YES	126,0	11.50%
Twitch	YES	--	
TikTok	NO		
LinkedIn	YES	83,0	8.60%
Facebook messenger	YES	122,5	11.20%
Whatsapp	YES	487,5	

Figure 6.1. Social media platforms in India (Hootsuite)

There are 467 million social media users in India in 2021 (33.4% of the total population and 42.6% of the population in age of using a social media- +13) according to Kepios, Hootsuite and We are Social report [36]. These users spend an average of 2h 26 minutes per day on social media. Kepios analysis also reveals that social media users in India increased by 19 million (+4.2 percent) between 2021 and 2022. The average number of social platforms used each month reach 8.6. India is one of the largest users of Instagram, Facebook and Snapchat in the world.

The Internet users favoured WhatsApp (81.2% using this app every month), Instagram (76.5% using it every month) and Facebook (74.7% using it every month).

Indians also spend a large average time on these platforms: 19.8 hours per month on WhatsApp, 19.5 hours on Facebook, 13 hours on Instagram. But the platform retaining the most Indian attention is YouTube with 29.6 hours spent each month on the platform. On these platforms, 7.1% of the users are following a band, a singer or a musician.

Indians are very keen on spending time watching videos online: 95% of internet users say that they watch video content every week, and music is their favourite video content with 61.5% of internet users watching music videos every week. As mentioned in the interviews, Indians watch music. In comparison to this figure, 49.7% are watching meme comedy or viral videos every week, 32.1% watch live streams every week, 32.9% watch video gaming and 31.7% influencer videos or vlogs.

Focus on TikTok ban :

The TikTok app was banned in India in 2020. At this period, it was the only app proposing short-form videos, Indians were accustomed to this new format and formed one of the largest markets for the Chinese app. TikTok's exit has been widely compensated by the creation of Indian-owned short-videos applications such as Mx TakaTak and other foreign apps such as Thriller. The challenge for these apps is the music catalogue offer. They are facing the challenge of the number of deals they need to achieve. Nevertheless, YouTube also developed YouTube Shorts and Meta launched Instagram reels covering the gaps left by TikTok ban.

List of short-video apps in India : Moj, Mx TakaTak, Roposo, Josh, and Triller.

6.2. Radio

Although India is best known for having a consumption of music through video [37], the FM radio landscape is well developed, and radio is the most accessible media for a widest range of the Indian population. For a long period of time, radio was run and owned by the government. The entry of the private sector slowly began in the 90s with some experimentation. The two private players involved at this period were Times of India and Mid-Day Group. In 1998, the government began to draw a policy for a full-fledged entry of private broadcasters. Before that, the sole broadcaster in India was public: All India Radio. Prasar Bharti's public broadcaster now operates 470 broadcasting centres

36 Digital 2021, Kepios, Hootsuite and We are Social, 2022

37 33% of Indians discovered music in film which is the world's highest figure according to the IFPI's "Engaging with music" report, 2021.

in 23 languages reaching 92% of the territory and 99% of the population. In parallel, India has 36 private FM broadcasters operating in 113 cities and 383 radio stations. In 2019, India had 349 operational community radio stations [38].

COVID-19 crisis did not negatively affect the radio landscape in India. The COVID-19 crisis improved the engagement of the listeners to radio stations: the private radio industry has managed to increase its number of listeners by 23%.

Private broadcasters broadcast a lot of music on their radio stations, above all because, historically, music was a strong source of content to bring listeners to private radios since sport and news contents were reserved to the public broadcaster. According to the Digital Music Survey of 2019, radio was responsible for 21.7% of music listening time in India [39]. However the relationships between the radio industry and music industry are complicated since the radio broadcasters are not paying any songwriters and composer royalties to IPRS and are paying a very low rate of royalties to PPL (2%).

Despite a large number of radio channels, FM radio in India is primarily focused on Bollywood music and Hindi-language content. Few radio stations are in English and the international music broadcast is limited since this type of content is usually costly for Indian radios. Most of them will choose to only broadcast a few global and already very famous and mainstream songs. However, some radio stations created in the mid-2000s are more open to indie music:

– 94.3 Radio One (7 cities, international programs in Delhi and Mumbai)
– HIT 95 FM (Delhi)
– Indigo 91.9 (Bangalore, Goa)
– Chennai Live 104 (Chennai)

The Internet also improved the radio landscape. First, according to a FICCI-EY report *"Internet provides radio users music search capabilities, curated and personalised radio channels and playlists based on their listening habits along with enhanced sound quality. While most radio players have an online presence, they are also collaborating with online streaming portals to offer both online radio as well as curated streaming music services to users via the same platform"* [40]. In 2021, 20.3% of the Internet users in India were listening to online radio each week. Podcast listening continues to gain in popularity in India as well with 21.3% of the internet users listening to podcasts every week. The Internet also brought online radio players.

6.3. Television

The TV landscape is composed of 918 channels (2019).

As with radio, TV is strongly watched on the Internet with 97.2% of Internet users streaming TV content each month, at an average of 1h 44 min. However, in terms of music, Bollywood has a central place in Indian TV programmes. Only a few channels broadcast concerts or music of international artists (VH1 and 9XO for example). Even MTV is only broadcasting music from Bollywood movies and Indian music.

38 The Indian Telecom Performance indicators, Telecom Regulatory Authority of India (TRAI), 2022

39 Digital 2021, Kepios, Hootsuite and We are Social, 2022

40 The era of consumer A.R.T. (Acquisition | Retention | Transaction), India's Media & Entertainment sector, Ernst & Young (EY) and Federation of Indian Chambers of Commerce & Industry (FICCI), March 2020.

6.4. Newspapers and music websites

There is no specialised music magazine on offer in India. Most of this type of press is online. Rolling Stone India was launched in 2008 and focuses on rock and electronic genres but no longer has a printed version. Struti Magazine focuses on performing arts, Rock Street Journal focuses on rock news in the country and The Score on Indian music. Some newspapers have a music section: Deccan Chronicle, The Hindu, Times of India, Hindustan Times or The Telegraph. Some lifestyle magazines have music sections: GQ India, Platforme Magazine, Elle India, Vogue, Grazia India. Some music websites: The Wild City, Homegrown, Radio and Music, Savaal Magazine, What's The Scene.

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Annexe

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Ankur Bhardwaj	TEAM-WORK ARTS
Anuj Gupta	BOOK MY SHOW
Aradhana Mahtani	BOOK MY SHOW
Arjun Sankalia	Sony Music India
Ayush Arora	BIG BAD WOLF
Bhanuj Kappal	Freelance journalist (Rolling Stone, Pitch-fork, etc)
Blaise Fernandes	IMI
Chandi Soni	MUSIC PLUS+, All About Music
Deepak Bali	RMPL
Emmanuelle de Decker	GATE-CRASH
Mandar Thakur	TIMES MUSIC
Manisha Dey	GAANA
Neeraj Roy	HUNGAMA
Nevil Timbadia	BONOBO
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ANNEX 7

D4 – Policy Recommendations

Culture

Deliverable 4:
Policy Recommendations

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Introduction

Recent sectoral and institutional developments indicate a momentum for the inclusion of music export as a key topic in the policy work at EU level.

"One Voice for European Music" initiative

The first noticeable shift in this context is the publication of the first wave of recommendations resulting from the "One Voice for European Music" process. The initiative, spearheaded by the French "Centre National de la Musique" and bringing together more than 30 representative European music organisations, brought to light multiple sectoral priorities, which are summarised in a consensus paper published on 6 April 2022.

Among the core topics highlighted by this innovative advocacy process, the issue of music export was put forward as one of the main themes according to participating organisations, who called for the following actions to be taken at EU level:

- "Develop scaled-up and ambitious cascading grant schemes to increase European programming and cooperation (on the model of Liveurope and European Talent Exchange Programme) in the current and future Creative Europe programmes";
- "Build on the "European Music Export Strategy study" (2020), to deploy an ambitious set of support measures for the international circulation and visibility of European music in the current and future Creative Europe programmes";
- "Increase coordination between Member States on administrative and social issues (e.g. double-taxation, visas, work permits) to encourage a harmonious post-COVID recovery of international mobility".

An important aspect of this set of recommended measures, championed by a widely representative panel of sectoral actors, is that it was supported by the Cultural Creators Friendship Group of the European Parliament, a cross-committee coalition of MEPs consisting of 28 members from 6 different political groups, representing 14 different countries.

Council Work Plan for Culture 2019-2022

Although the theme of music export was not part of the six priorities of the Work Plan for Culture 2019-2022, EU Member States did dedicate some of their work on the subject and discussed new approaches in the field - especially following the publication of the European Music Export Strategy Study" (2020). They put the topic of music export on the agenda during three distinct events:

- The Romanian Presidency Conference "Music Moves Europe – Opportunities and Challenges of the Music Sector in the Digital Era" held in Bucharest in June 2019;
- The "Music Moves Europe: Diversity and Competitiveness of the European Music Sector" conference, organised by the Commission on 4-5 March 2021;
- A dedicated session organised in the framework of the Portuguese Presidency cultural conference in June 2021.

Council Conclusions on "Building a European Strategy for the Cultural and Creative Industries"

Additionally, an important aspect of the current policy landscape is the inclusion of the topic of export in the Council Conclusions on "Building a European Strategy for the Cultural and Creative Industries", adopted in May 2022. Although not specifically focused on music, the document clearly identifies the issue of export as a major field of EU cultural policy development for the coming years.

Underlying the key role played by cultural and creative sectors in external relations and the necessity to "promote the emergence of European players of the requisite critical size in order to become leaders in emerging new markets", the conclusions invite the EU institutions to act in the following areas:

- "Launching European immersion schemes aimed at supporting European CCIs' export strategies and strengthening their establishment in high-potential markets";
- "Supporting CCIs' attendance of important sectoral events, such as fairs and trade shows, for example through pooled resources, targeted cross-border cooperation or a network approach";
- "Promote partnership and cooperation opportunities between European cultural and creative industries and those from emerging countries, leaning on EU partnership and development instruments".

The conclusions give a clear indication of the Council's wish to have export as a major theme in future funding opportunities, visibility initiatives and cooperation mechanisms.

Creative Europe 2021-2027

The 2021-2027 "Creative Europe" legal basis, which now incorporates a sectoral approach on music, which translated into two targeted "Music Moves Europe" calls in the first two years of the Programme's implementation, provides space for more consequent deployment of music export funding tools.

As recommended in the "European Music Export Strategy Study" (2020), the 2022 Creative Europe annual work programme specifically mentions music export among the priorities: through a 4.500.000€ funding line managed through a single call for proposals, the Commission will support "sustainable music distribution", with a focus on live music and an emphasis, for at least one of the three years of expected funding, on music export.

Two of the provisional actions listed in the 2022 work programme are directly inspired from the "toolbox" laid out in the European Music Export Strategy Study:

- "Exchanges between music professionals within and beyond Europe";
- "Promotion of European music at international fairs".

This call, which encourages music export organisations and professionals to build a credible proposal to manage at least part of the provisioned grant, is a positive signal toward progress on the path of an EU-championed European music export strategy.

Another noticeable evolution in the Commission's approach in the context of "Creative Europe" is the launch of a "structured dialogue" with the music sector in 2023, which will allow for more regular thematic discussions between EU institutions and representative organisations of the sector on the one hand, and between music professionals, on the other.

Summary of key findings from the EMX project

The several pilot actions carried out in the EMX project and the learnings thus achieved align very well with the main themes and proposals referenced in the introductory section. The need for European level coordinated action in developing music export capacity in Europe has been well established before, notably also in the European Music Export Strategy study. This was reconfirmed again by the EMX project results. The following section features key learnings from this project synthesised on a very high level.

Disparity between music ecosystem development levels in European countries persists and increased with the pandemic. This was confirmed by the research done at the beginning of the project and was mainly due to important differences in national policy responses to the crisis, especially in the cultural sectors. Furthermore, the various factors affecting music export capacity of professionals in European countries are only partly attributable to national cultural policy. The size of the country, access to international expertise and maturity of the local sector all play a role. In order to level the playing field for music professionals in Europe, European level coordinated action is of key importance.

Music export begins at crossing the border of one's home country, not the EU's. Interviews with European artists and managers about their export strategies showed that from the perspective of the key music exporters there is no structural difference whether they are exporting to another European or to a non-EU country. Therefore, the policies to develop music export capacity in Europe must correspond to this logic and provide support to crossing borders both in and out of Europe.

Pan-European actions work and are highly valued by the participants. The EMX pilots brought together geographically diverse groups of participants and the feedback assigned consistently very high value for this aspect. Also, for many professionals European programmes are the only option to gain such experiences and access, noting that there are simply no national or regional level organisations able to provide similar opportunities. In summary, the pilots consistently proved that there is significant European added value to organise such actions on a European level.

Highly integrated activities are needed to achieve optimal results. While the project consisted of several separate pilots – a capacity building programme, two trade missions, innovation labs and developing a resource centre – it became very clear that an integrated approach is needed. Trade missions depend on knowledgeable and experienced participants, therefore, capacity building is needed to help them get ready. Also, knowledge in the form of market studies and seminars supports the trade missions and thus a resource centre is required. Opening and developing new markets require several steps, from market research and fact finding missions to prospecting missions by music export professionals, incoming delegation tours to develop and strengthen relationships with high level contacts in the target markets, and finally trade missions for professionals need additional follow-up funding to take the most value out of the leads generated. In summary, developing music export capacity in all of its facets cannot be achieved through isolated projects, but needs to be strategic and integrated.

Music export development requires a long-term vision and coordinated action. The high level of integration mentioned above can only be achieved if there is a long-term vision in place that guides not only the implementation of particular music export actions, like missions or programmes, but sets a medium-to-long-term strategic path for developing music export capacity across all European countries. Acting on such a vision, in turn, requires a coordinating centre: a well streamlined organisational structure and a professional team contracted for sufficiently long periods.

A European Music Export Strategy (EMES) is more relevant than ever. While European level initiative and support is key to drive ambitious and longer term approaches in developing music export capacity in Europe, others need to do their part – the national and regional governments through their cultural policy levers, and the music sector support organisations both on national, regional and European level have a role to play.

The outlines of an EMES were sketched in the 2019 study and have been developed further as part of the current EMX project. The EMES lays out a 6-step development path, offers a toolbox of actionable programme blueprints – several of them tested in the current EMX project – and integrates stakeholders on multiple levels into a single strategic framework of coordination. It can serve as a guide for various operators as to how to do their part in the overall development of European music export capacity.

* * *

In summary, the EMX consortium notices that such an alignment between collective sectoral advocacy in the music sector, the institutional consensus and the results of the EMX project creates a unique opportunity to roll out more precise recommendations in the field of music export, with the objective of achieving realistic and tangible results. With this new landscape in mind, this report provides a three-step policy plan for music export at EU level: immediate (I), mid-term (II) and long-term (III) policy proposals.

I. Immediately actionable proposals

a) EU level cooperation on culture, including music, with/between the Member States

The EMX consortium notes that the Council, in its Resolution on the EU Work Plan for Culture 2023-2026, of 29 November 2022, did not include any action targeting specifically music export. The consortium therefore recommends that the Commission, the Presidency and the Member States include the subject of "export and international market consolidation" as part of their cooperation at EU level, at relevant events or workshops involving Member State representatives and/or experts, and in the context of Music Moves Europe.

The consortium's appreciation is that this theme, which was not covered per se in the 2019-2022 Work Plan, is consensually embraced by European cultural and creative industries as a priority in the coming years.

Following two years of lockdowns and restrictions, and in a context of international concentration of distribution channels, the EU should invest in a more coherent approach to develop, showcase and grow its cultural and creative sectors beyond European borders.

With regard to music, the topic is more urgent than ever. On the one hand, the pandemic-induced crisis decimated the live music sector revenues which most of the European independent artists and managements, but also other actors, have come to rely on as their primary source of income. On the other, the fruits of the digital streaming boom tend to accrue to global artists and music companies mainly headquartered in the US and the UK and also US and China based digital platforms. Europe will lose out from the digital music market growth unless efforts of the European music sector to keep pace will be significantly upscaled and coordinated with policy makers. It is important to develop sector-specific approaches and schemes to meet the particular needs of each sub-sector in the cultural and creative industries. Championing the international development of European music through Member State coordination as part of the Work Plan or other relevant EU level processes could spur more cultural diversity, reinforce international cultural relations, increase the EU's soft power in the world, and bring forth international champions in the field of music, as recommended in the recent Council Conclusions on a European strategy for CCIs.

Member States in their EU level cooperation on culture could indeed examine how to, inter alia:

- Better coordinate and upscale the development of immersion schemes for music professionals in high potential markets (e.g. Africa, Southeast Asia, Latin America);
- Multiply and collectively reinforce their presence at international music markets and trade fairs (notably through pooling of public funding to support live showcases and digital presence of European artists, and professional delegations);
- Develop new methodologies and instruments to establish ties with professional music ecosystems beyond the EU (e.g. neighbouring and Eastern Partnership countries).

Such actions would align with the above Council Conclusions, enable for the rationalisation of national resources and immediately benefit professional organisations and individuals in the music sector in the context of their internationalisation strategies. Furthermore, it would align with and mutually reinforce the European Commission's "Music Moves Europe" initiative, making sure that artists and professionals from each European country stand to gain from the benefits of it.

b) Music Moves Europe Structured Dialogue 2023-2026

The new Music Moves Europe structured dialogue (following up on the Creative Europe call in 2022), to be implemented as from 2023, is a very timely opportunity to give the topic of music export a more prominent place on the cultural agenda of the European Union.

By creating a framework of regular consultation and collegial work between European music organisations and the EU institutions, this new vehicle, inspired by the successful tenure of the "European Film Forum", can become a solid launching pad for music export organisations to better voice their priorities directly to European policy makers and present the already accumulating results and learnings from pilot projects undertaken in the "Music Moves Europe" initiative and elsewhere.

The EMX consortium therefore recommends that the Commission, in agreement with the selected consortium to implement the new dialogue, establishes the subject of music export as one of the key discussion threads of this new dialogue. This could take the form, inter alia, of the following activities:

- The inclusion of a module on the concrete deployment of a "European Music Export Strategy" as part of the programme of the two Brussels-based conferences foreseen in the deliverables of the dialogue in 2023 and 2025;
- The organisation of at least one session on music export solutions as part of the cycle of sectoral dialogues which will be held in professional music events around Europe until 2026;
- The inclusion of music export specialists as part of the pool of experts appointed to supervise the curation and the reporting of the various activities organised during the four-year period of the dialogue.
- In this perspective, the EMX consortium will ensure that every useful resource is made available to the contracting organisation(s).

c) "Music Moves Europe" 2022 call in Creative Europe

Perhaps the closest target within this set of immediately actionable recommendations, the dedicated "Music Moves Europe" funding line of the 2022 Creative Europe work programme provides the opportunity to upscale directly some of the activities tested as part of the EMX programme.

This 2022 call (which closed on 12 January 2023) will be a clear opportunity for music export organisations to deliver credible and quick results for music professionals, artists, and the music ecosystem as a whole, based on the key learnings from studies and pilots over the last three years.

In this respect, the EMX consortium recommends that when evaluating proposals for this call, the criteria should take into account the main learnings from the EMX project. Most notably, when providing cascading grants for music export activities, the aspect of longer term strategic and knowledge-driven planning is a crucial element of the programme designs. Also, when providing capacity building for the recipients of the cascading grants, these activities are focused on making the projects informed, involved, strategic, targeted and also linked where synergy is possible.

II. Mid-term proposals

a. Establishing a long-term partnership with EU Member States on developing export support at national level

Anchoring support from Member States in the process of setting up a coherent and lasting European music export strategy will be paramount. Beyond the necessary inclusion of export in the list of priorities of EU level works, including future Work Plans for Culture, and notwithstanding the necessary deployment of new funding vehicles at EU level, a consistent advocacy campaign is needed and should be implemented in all 27 EU Member States.

The EMX consortium recommends conducting this advocacy work through the newly EU-funded EMEE network, which brings together 29 music export offices from 25 different European countries. The campaign should be carried out directly by the EMEE secretariat, with clearly identified objectives and milestones, as part of the activity programme of the network grant.

Such lobbying will be necessary to achieve the following milestones:

- Equipping relevant national or regional administrations with music export related knowledge, comparable data and KPIs, in order to inform and facilitate their work on the matter;
- Raising awareness on a necessary cooperation between Member States within the EU Council structures to bring forth new targeted policy approaches, favourable regulatory decisions and ambitious funding allocations for music export through various EU programmes;
- Reinforcing the visibility and the credibility of EMEE as a strong European player and creating new connections in the policymaking environment to represent better the impact of music export in the public debate.

Without such work, it is unlikely that Member States will be sufficiently mobilised on the issue of supporting the creation of new funding tools and an overarching sectoral policy in the field of music at EU level. This advocacy activity should therefore be a key priority of EMEE in the coming years.

b. "Music Moves Europe" calls in Creative Europe until 2027

i. Developing European presence in international markets

One of the main themes in developing music export on European level is naturally connected with increasing the presence of European music, that is talent and professionals, in international markets. In this perspective, the EMX consortium recommends that the Commission, when drafting future "Music Moves Europe" calls, earmarks a specific budget for International market development projects, more specifically to opening and developing international markets for European music exporters. Building on the successful experiences of the Mexico and Canada trade missions organised as part of the EMX project, the consortium projects that in order to fully develop and realise the potential of the approach and reach a scaling point which would benefit the European music sector as a whole, at least 8 new international markets should be opened and developed in the next five years. Funding should provide for a comprehensive entry strategy for each of those markets. Such a strategy combines fact-finding, prospecting and trade missions and incoming delegation tours as best suited for each market. All missions are preceded by market research and followed by funding to projects showing the highest potential to capitalise on the connections established.

Based on the strategic approach adopted for the pilot activities tested in the EMX project, a comprehensive entry strategy for opening and developing an international market should include the following elements:

- A preliminary music market study based on desk research;
- Fact finding mission – a mission of 2 experts to scout initial key contacts, establish local partnerships, interview local music professionals and supplement the market study with the results;
- Optional, based on the needs:
    - Prospecting mission – a mission for music export organisations to scout the market, map potential and establish relevant first contacts;
    - An incoming delegation of international music professionals – after fact finding

and prospecting missions (if conducted), key target market contacts can be brought to European showcase events, conferences and tailor-made delegations to strengthen professional ties, create new partnerships and showcase European talent;

- Trade mission – a mission for European music professionals;
- Follow-up funding – for those trade mission participants showing most promise and good results from the mission, funding should be made available to carry out the crucial follow-up activities so as to make the maximum out of the connections established;
- Evaluation and reporting.

The market entry strategies should also incorporate transversal activities:

- Make use of a digital platform (see the next section for music export resource center) to provide participants a portal for open calls, information, networking, etc.;
- Communication activities so as to develop the brand of the actions and make it clear and known to target groups across Europe;
- Regular presence of the contracting organisation(s) at EU cultural events to share experience and good practices.

With this set of activities in mind and based on the experience from the Mexican and Canadian missions organised as part of the EMX project, the necessary budget for one full international market development project, from market research through all the missions to follow-up funding, can be expected to amount to approximately EUR 300.000.

ii. Developing a music export resource center

As thoroughly analysed and to some degree developed, tested and reported in deliverables of the EMX project, one of the key components of the 6-step development path of the European music export strategy is to build a European music export resource centre. The first architectural blueprints and elements have been created and there is a first vision for further development (outlined in the Deliverable 3 report).

The EMX consortium suggests continuing the activity on a new level as early as 2024, through an open call for proposals, with funding provided by the "Music Moves Europe" sectoral action of Creative Europe, until 2027. The advantages of starting this 4-year activity in 2024 would be three-fold:

- The project can build on the initial vision and architectural blueprints developed in the current EMX project and therefore do not need to start from scratch.
- The international market development projects (see I.c) following the first year of deployment would provide, on the one hand, a targeted user base (crucial for development) and, on the other, a source for more comparable data, contacts and resources;
- An initial 4-year publicly funded project would give the contracting organisation in charge of creating this resource centre enough perspective, information and experience to consider the establishment of a permanent structure in the future – a European Music Observatory, a body for which the music sector has been advocating strongly in recent years.

With regards to funding, the EMX consortium considers, based on initial assessments as part of the EMX project, that the costs for such a project could amount to approximately EUR 750.000 per annum, based on a 4-year public contract projection. In this hypothesis, the funding would cover the following expenses carried out by the contracting organisation:

- Creation, development, maintenance and update of an integrated information infrastructure;
- Human resources (management, outreach, data collection, data analysis, research, content and community management, maintenance);
- Representation costs (communication, conferences, events);
- Overhead costs.

iii. Developing a music export capacity building programme

Another identified "low hanging fruit" which could be targeted in the next five years is the European music export capacity building programme, which successfully closed its pilot phase as part of deliverable 2 of the EMX project ("Towards a transferable capacity programme model").

Under this hypothesis, the model developed by the EMX consortium would serve as the basis for a call for proposals, issued in 2024 as part of the "Music Moves Europe" budget line of Creative Europe, with competing consortia applying to manage a project which would deliver cohort-based learning modules and individual learning extensions for at least three generations of applicants until 2027.

This modus operandi offers the following advantages:

- Putting into practice a key component of the 6-step development approach laid out as part of the "European Music Export Strategy" study;
- Ensuring the emergence of a new generation of expertly trained and market-ready export music professionals by 2027;
- Complementing the more operational activities carried out through the international market development projects and the music export resource centre and the EMEE advocacy activities, and therefore creating more momentum for the deployment of a fully-fledged European music export strategy.

In terms of funding needs for this programme, the EMX consortium suggests, based on the test phase of the capacity building model rolled out as part of the EMX project, that such an action could represent an envelope of roughly EUR 750.000 per annum, based on a 4-year contract. The funding could be deployed as such:

- Web platform (user profiles, personalised learning path management modules, subscription);
- Content (online modules, MOOCs, etc.);
- Human resources (management, selection jury, trainers, experts, speakers, outreach, communication);
- Travel and accommodation support for project participants (trainers and trainees)
- Representation costs (communication, conferences, events);
- Overhead costs (room rentals, etc.)

III. Long-term proposals

a. A dedicated "MUSIC" strand with an export "cluster" in a future Creative Europe Programme post-2027

Following a preliminary phase (2023-2027) of the implementation of three key elements of the 6-step development path (the music export trade missions, the music export resource centre, and the music export capacity building programme), the EMX consortium considers that the most impactful approach to follow-up on the European music export strategy is to create an ad-hoc strand dedicated to the music sector (“MUSIC”) in the next generation of the Creative Europe programme (starting in 2028), covering in particular cross-border mobility and circulation of artists.

Based on the successful experience of the MEDIA programme dedicated to the audiovisual sector since 1990, and the more recent and promising NEWS initiative for the news media sector, the EMX consortium considers that the optimal way to support the music sector in the future is a dedicated strand, with distinct guidelines and a budget reflecting the importance of the music sector in economic, societal and cultural terms.

As described in the introduction of this report, the EMX consortium is confident that there is growing momentum for such a shift in the EU’s approach to music funding, thanks to an increasing alignment between music sector priorities (as observed in the proposals formulated in the “One Voice for European Music” policy document) and recent EU policy developments (“Music Moves Europe” sectoral action, support by the Cultural Creators Friendship Group”, discussions within the Council of the EU, etc.).

The “Music Export” cluster, which would be funded for the full programme period (supposedly 7 years) with a stable legal basis, could be split into six themes, following the model provided in the “European Music Export Strategy Study”. Each theme would cover one of the six steps in the development path and use one or several calls to deploy the activities of the “music export toolbox” outlined in the study:

	Learn	Grow	Cross	Rise	Exchange	Measure
Tool A	**European Music Export Resource Centre**	**European export mentoring programme**	**European cross-border mobility fund**	**European Music Promotion Initiative**	**International music delegations tour**	**European Music data collection and analysis structure**
Tool B	**European fact-finding missions**	**European music professionals exchange fund**	**European cross-border marketing fund**	**International Music Showcase Fund**		
Tool C		**European music co-creation fund**		**European Music Trade Missions**		

Operationally, the ”Music Export” cluster within a ”MUSIC” strand in Creative Europe post-2027 could indeed provide an appropriate framework to create stable results in the implementation of the “music export toolbox”, by enabling the following positive evolutions:

- Framework-type multi-annual calls (3 to 4 years) for the management of long-term activities described in the “music export toolbox” and tested in the EMX project (e.g. music export resource centre, capacity building programme, international market development projects etc.)
- Annual calls enabling a steady and regularly distributed funding for shorter-term activities (e.g. cross-border mobility grants, marketing grants, etc.)
- A considerably improved accessibility of funding for music export organisations, which will favour healthy competition, emulation and growth in the sector.

Concerning budget, while the EMX consortium is aware that the future Multiannual Financial Framework negotiations will not begin before 2024, an initial projection can be formulated based on the EMX test phase and discussions with other sectoral organisations on the opportunity of creating a dedicated strand for the music sector. It is estimated that in order to reach a scaling effect, the "MUSIC" strand should be allocated at least EUR 200.000.000. This figure considers that future music projects should not be considered as part of the horizontal actions of the "Culture" strand.

As far as the "Music Export" cluster is concerned, given the importance of this activity in economic terms, its contribution to the EU's soft power in the world and its considerable European added-value, the EMX consortium believes that an envelope of no less than EUR 50.000.000 covering the 7-year period of the programme would be a reasonable starting point in this perspective.

b. Streamlining music export in future EU programmes

In conjunction with the efforts carried out through the "MUSIC" strand of the future Creative Europe Programme post-2027, the EMX consortium calls on the EU institutions to prioritise the topic of music export through funding mobilisation within various EU support vehicles.

i. InvestEU post-2027

Concomitant to more traditional EU funding tools, an efficient way to equip music sector organisations and professionals active in the field of export is access to private financing, a domain in which there is still a strong margin for improvement in Europe.

The EMX consortium considers that this solution should be explored by the EU as part of the InvestEU mechanism in the next Multiannual Financial Framework. Stimulating investment in and credit available for music companies working with export as part of their business models could not only help achieving market-oriented objectives, but also generate virtuous spill-over effects in the wider landscape of the European economy and contribute to the advancement of the European Green Deal and Just Transition agendas.

In order to achieve this, InvestEU should be equipped with dedicated instruments to ensure that funding is actually channelled towards the music sector. The experience of the Creative Europe Guarantee Facility shows that capacity-building and training is an essential component to convince banks and financial intermediaries to invest in the music sector, help them to understand how the sector works and ultimately its underlying investment potential.

Therefore, two action trajectories can be considered:

1. Organising capacity-building and training regarding the economic and especially export potential of the European music sector to banks and financial intermediaries already signed up for the mechanism or showing interest in doing so;
2. Developing capacity, including financial capacity, assessment tools that are designed and attuned to the specifics of the modern music industry business models and markets. Such projects could very well be feasible in the context of the new CCI KIC that is launching in 2023.

ii. European Regional Development Fund post-2027

As demonstrated in the "European Music Export Strategy" study and through the EMX project, a key challenge for European music to thrive in a highly competitive international environment is the fragmentation of the European music industry.

In this context, the creation of sufficiently targeted support instruments in the future regional funding framework of the EU could be the opportunity of developing mechanisms aiming at bridging the geographical gap between more advanced national music sectors and less developed areas, thereby creating a more level playing field for export organisations in Member States currently lacking competitive export infrastructures.

In order to unlock the potential of the European Regional Development Fund to support the music sector more adequately, several steps could be undertaken:

- At EU level, by introducing a clear reference to the economic potential of the cultural and creative sectors (including music) in the Regulation on the European Regional Development Fund and on the Cohesion Fund (e.g. in the first priority objective of the current regulation 'a more competitive and smarter Europe');
- At Member States level, ensure that operational programmes reflect the importance of the cultural and creative sectors (including music). Importantly, this requires cooperation between various ministries (Finance, Culture, Entrepreneurship in most EU countries), which could be initiated as part of the structured dialogue on music.
- At regional level, by encouraging the development of peer-learning and knowledge exchange mechanisms to ensure that the importance of supporting music export is well acknowledged. Ensuring that music is part of strategic agendas at regional level will help to unlock support for music export, and that funding instruments developed at regional level under the European Regional Development Fund adequately take into account the specificities and needs of the sector.

It is important to underline that both recommendations outlined above rest on the assumption that the overall economic and social potential of the music sector, and the CCSI-s in general, can be convincingly articulated in sector mapping and analysis reports, impact analysis reports and other research. Such research needs to rely on a data collection framework that is highly integrated across Europe so as to make country-based data comparable; also, the data collection and analysis needs to have a long-term perspective to enable longitudinal studies and trend analysis in addition to snapshot case studies and cross-sectional sector analysis. This requires a professional research infrastructure dedicated to the music sector, a concept often referred to as European Music Observatory. Without proper data collection, analysis, research and strategic communication, including coordinated advocacy, it is very difficult to back up the popular claims of the social and economic value and potential of the music sector, in ways that would empower policy makers to take action on higher levels.

iii. Horizon Europe post-2027

It is a commendable first step towards music sector research on a European level to have had the call "Towards a fair, competitive and sustainable European music ecosystem" in the current pillar 2 of the Horizon programme.

The EMX consortium encourages the Commission to take steps to take this further in the next Horizon programme (2028-2035). Firstly, further research calls dedicated to music sector themes will be crucial to mobilise both academic and sectoral competence for building new knowledge. Secondly, include a call for a Research Infrastructure (RI) dedicated to music in (what is currently) pillar 1 of the Horizon programme. This would inevitably require a stronger positioning of the CCSI-s in the RI Destinations through linking them with the priorities of green and digital transformation as well as increasing societal resilience. It is likely that the CCI KIC, kicking off from 2023 will also provide increasing input into that.

A more thorough overview and analysis of research needs in the music sector could be a topic for discussion in the structured dialogue.

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