

The Recovery of the Live Music Industry – An imperative to the Future of Tertiary Music institutions in Australia

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February 2022

The impact of COVID-19 in 2020 and 2021 resulted in disastrous years for the live music industry in Australia. Langford (2021) reported that live music attendance suffered a 67.5% decline nationwide between 2019 and 2020 with just 7.7 million tickets sold in 2020, compared to over 23 million tickets in 2019 which caused the Australian live music industry to lose \$1.4 billion in 2020.

The implications of this economic downturn in the sector have impacted on the desire for students to follow their passion into tertiary music studies that may not have the long-term financial security of other university studies. The choice of studying music at a tertiary level has historically been a concern for parents and students alike and the impact of the past 2 years has put further pressure on providers. Some like the James Morrison Academy at Mount Gambier have been forced to close in 2022. If the live music industry fails to recover in 2022, there may be other providers that suffer the same fate.

This paper identifies some of the music industry trends that have emerged since the pandemic lockdown that may change the landscape of the Australian Live Music sector and in turn reinvigorate the tertiary music sector.

Observation 1 - Millennials will drive demand for Gigs

It is not yet known as to the extent to which continued COVID restrictions in Australia will affect tours and live concert events through 2022. Current indications show that there is still a market demand, particularly within the Millennial generation who will attend concerts (13 per cent), live music sessions (10 per cent), and festivals (9 per cent) and more than other age demographics for livestream shows (6 per cent).

A 2021 Deloitte study found that Millennials and Gen Zs believe in their individual power to drive change. Respondents to the study indicated that they are focusing their energies toward meaningful action—increasing political involvement, aligning spending and career choices with their values, and driving change on societal issues that matter most to them.

Millennials, who are Australia's largest generation by population, are currently in their earning prime. With the majority of this generation now in the workforce, they now account for a large proportion of Australia's consumer spending. Harris' (2019) research of millennials reveals this generation not only highly values experiences, but they are increasingly spending time and money on them: from concerts and social events to athletic pursuits, to cultural experiences and events of all kinds.

The combination of this generation's interest in events, and their increasing ability to spend, is driving the growth of the experience economy.

Observation 2 - The Return of the Live Music in the Corner Pub

State governments and councils are designing incentives to entice people back to the CBDs but the Australian live sector maintains consequences of the two-year lockdown will continue but gigs are operating a little differently. As of early 2022, audiences must be seated,

vaccination status must be checked, and fewer tickets can be sold because of the one person per four square metres rule.

Whitson and Lannin (2021) report that the music industry was in for a tough summer and would not get back on its feet until at least the middle of 2022. The industry is already estimated to have lost 36,000 jobs since the pandemic hit. As Dean Ormiston, CEO APRA AMCOS further notes, "Our industry was the first to fall off a cliff with airlines and hospitality last year, but we've got to wait till pubs and clubs are back operating at full capacity before economically, it works for live music, Patrons rediscovered the significant role music venues played in the community during the lockdowns,"

Observation 3 – Evolving ways to find new emerging artists and music

Research has shown that Australians under the age of 30 will increasingly find new music through video games. It's something games developers are aware of, admitting they start sourcing new music a year before a game's release.

Bruce (2022) states that 24% of respondents were already finding new music in games, a figure expected to rise considerably in the next 12 months. 50% of the 18-29 demographic find new music through Apple Music or Spotify (compared to 37% of the general US public), 45% from social media (32% of general public) and one-third from movies and TV shows. 35% of all age groups still get new music from radio (FM, digital and streamed), 31% from recommendations, 14% from ads, 11% from blogs/websites, and 8% off podcasts.

Observation 4 – Access to free content

The pandemic has left most Australians stranded at home and turning to their screens to keep them entertained. However, advertisers have seen their budgets cut or paused as sales continue to plunge. YouGov's 'International media consumption report 2021: Is there a new normal?' white paper examines Australians' generational attitudes towards paid content.

As outline in Ho (2021) although personal data and privacy concerns have become a growing concern, almost one in five (19%) agree that they are willing to give up their personal data for free content. Men are more willing compared to women (22% vs. 15%). Over half (55%) are willing, and the remaining quarter (24%) are undecided.

The data also shows that attitudes towards exchanging personal data for free content is generational. While over one in five (22%) Gen Z-ers are happy to give away their data, this drops to one in ten (11%) amongst Baby Boomers and less than one in ten (8%) from the Silent Generation. Millennials are the most willing, with a quarter (25%) agreeing they have no issue giving up personal data for free content.

Observation 5 - NFTs will become mainstream

Some would insist non-fungible tokens (NFTs) are just a fad or, even worse, a sham but all indications are that having become a US\$58 billion market in 2021 with buyers totalling between 10,000 to 20,000 since March, many people believe it's going to go more mainstream. NFTs can really be anything digital, but a lot of the current excitement is around using the tech to sell digital art, such as videos, drawings and music.

As Clark (2021) explains, at a very high level, most NFTs are part of the Ethereum blockchain. Ethereum is a cryptocurrency, like bitcoin or dogecoin, but its blockchain also supports these NFTs, which store extra information that makes them work differently from, say, an ETH coin. It is worth noting that other blockchains can implement their own versions of NFTs.

NFTs have a feature that you can enable that will pay artists a percentage every time the NFT is sold or changes hands, making sure that if your work gains popularity and increases in value, the original artists see some of that benefit.

Australia is listed as the ninth most NFT-interested nation, based on Google searches behind China, Singapore, and Venezuela which top the list. Industry players expect regulations covering NFTs to be introduced in 2022.

Observation 6 - Higher Concert Prices

Ticket prices were already clambering up before COVID as promoters experimented with tiered payments – to not only take advantage of Australian audiences' penchant for paying top money for concerts, but also to see it as a solution to scalping. According to Live Performance Australia, in 2018 the average ticket price was \$99.03 (from \$90.59 the year before) while Victorians were charged more at \$107.08 per person.

One of the reasons for the greater rise of prices is that promoters are being forced to offer huge fees to road crews and production staff as many have left the industry in the past two years. These staff members have since moved to more traditional jobs which offer regular incomes and normal hours. When they're offered contracts to return for tours and festivals, their demand is now how many hours they're guaranteed and what compensation they'll get if there's a cancellation. McKinsey & Company (2020) state that "it's a Catch 22, they won't come back until the live sectors' back and the live sector won't be back until they return."

Other costs are rising fuel prices, escalating insurance premiums, additional costs for health authorities to attend, and paying for cancellation refunds.

It is unfortunate that this increase in pricing may deter some patrons from attending but for others it may also make the live performance experience even more significant and special.

Observation 7 - TikTok will grow

Research suggests TikTok will reach between 1.5 billion and 2 billion monthly users, after a 59.8 per cent growth in 2020, and a 40.8 per cent uptick in 2021. It reached one billion worldwide in September 2021 while the last Australian figure was 2.5 million in early 2020, with monthly usage at 16.8 hours.

This could be interpreted as an ambiguous trend for future development of the Australian Performing Arts Industry, as on one hand the platform seems to promote the replication of art forms with lip synching and reproductions of existing choreography but on the other hand it can be seen as an avenue for artists to reach a new, wider audience.

Observation 8 - Songs will Become More "Upbeat and Colourful"

One of the consequences of COVID lockdown were more positive and faster pop songs, something which will continue in 2022. The trend began two years ago. In 2020, the Top 20 songs' average tempo was 122 beats per minute, the highest since 2009.

Artists and audiences alike who faced the bleakness of lockdown are now looking life's positives. It is most unusual that a children's musical group wins the Triple J network's annual Hottest 100. On January 22, 2022 and it was The Wiggles' rendition of Tame Impala's "Elephant" that came out on top, ahead of The Kid LAROI and Justin Bieber's "Stay" and Spacey Jane's "Lots of Nothing," respectively.

A McKinsey & Company (2022) report on Covid-19 business implications notes that "There's been some really unusual benefits to COVID. Everyone slowed down for a second and smelled the roses, the Earth breathed for a time, people took stock of what they really appreciated together and fell in love all over."

Observation 9 - Dogs to Sniff Out more than Drugs at Events

In 2022 Sniffer dogs won't be just working at live events to check for drugs, they're also going to be there to detect for COVID. This routine began in the US late last 2021 by Metallica, Tool, The Black Keys and Eric Church after it was discovered that people with COVID have a distinct smell, and the dogs are trained to signal their handlers if they detect the virus.

A company overseeing this is Bio-Detection K9 is headed by Jerry Johnson who worked with dog teams in Iraq and Afghanistan in the 2000s. Johnson is quoted in *Rolling Stone* (2021) "If you understand the instincts of a dog's behaviour, it makes a lot of sense. Dogs sniff each other to see if that other dog has a virus...We're training them to look for something they'd be interested in anyway."

Observation 10 – The Music Industry is Resilient

The following are reflections from some prominent Australian based artists as we move out of the pandemic and seek to breathe new life into the music industry. As Taylor (2022) reports -

Leo Sayer:

(Leo needs no introduction really, you know songs. "You Make Me Feel Like Dancing", "When I Need You", "More Than I Can Say", "Thunder in My Heart", and the list goes on.)

"The creative brain will always have a need to express. Either through art, music or whatever.

The need to write songs was banging on my ear, I couldn't think of anything else I needed to do more. It's been my way of working through this time."

James Morrison:

(Australia's virtuoso multi- instrumentalist jazz superstar)

"We're here to make music and play music and not the instrument. When we teach people music we tend to say, "I like to work on the feel first and then let the technicalities follow."

During the pandemic without the gigs, I haven't been playing as much. For as long I can remember, I've taken the trumpet from the case to do gigs, so it was difficult for me to just practise. Luckily, when I did my first gig out of lockdown, I found I was able to play as I had pre lockdown.

I put this down to the stamina I had developed as a younger musician.

So much of what we are as musicians is in our heads."

Darryl Beaton:

(Darryl Beaton is a multi-instrumentalist and musical director for the likes of Jessica Mauboy, Delta Goodrem, Guy Sebastian, Katie Noonan and Stan Walker.)

This is just the nature of the music industry, you have to weather the storm - it's the jungle we live in. There will always be good and bad times. Luckily, I've found that I could generate an income through song writing and playing on other artists' tracks.

Jade MacRae:

Jade MacRae was born into a life of music. Her mother (Joy Yates - vocals) and father (Dave MacRae - piano) are both exceptional musicians and artists in their own right having toured and recorded with the likes of Van Morrison, Cat Stevens, Gladys Knight, Elvin Jones, Clark Terry, The Buddy Rich Big Band, Chet Baker, Scott Walker, Allan Holdsworth and countless others.

"My vision for the next 12 months is to reconnect establish myself as a soul artist in my own right and get back into the position of performing my own music in quality venues. I was privileged to have had a great music education and to be mentored by some fabulous musicians and that is what I hope for the next generation of young emerging musicians."

One Final Observation

The testimonials of these artists display a commonality in that mentoring, education and experience have helped to guide their careers and made it possible for them to survive the pandemic.

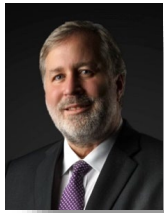
There are indications of a 2022 rebirth of live music in Australia but as this paper identifies, to achieve this some things may never be the same.

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