

TILEYARD EDUCATION

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1. Introduction

Music has been around probably almost as long as humans have. The oldest found instrument is 40,000 years old. However, it is possible that people had the ability to sing and perceive music for much longer than that. (Barras, 2014) During the history of humankind music has played an enormous role in humans' lives and it still does today. That is something that has not changed in centuries. What has changed however, is the way we engage with music and the way music is utilized in our everyday lives. These changes go hand in hand with new inventions and the development of technology and during the recent years this development has sped up drastically. Technology from 10 years ago is already outdated and this process continues constantly. This essay will analyze how our relationship with music has changed during the past century and how we engage with it today. Furthermore, it will evaluate how new technology has turned the music industry from a product to a service focused sector and look at some of the challenges and benefits this shift brings.

2. Important Definitions

Before diving into the history of the development of technology in music, it is necessary to define what a product and a service are. According to the Cambridge Dictionary a product is "something that is made to be sold, usually something that is produced by an industrial process". (2020) When putting this in the context of music, examples are Vinyl disks, Cassette tapes, CDs and other forms of physical distribution. Music itself however is not a product. People usually do not purchase music - they buy a product that contains music such as a CD or a product that is related to music such as merchandize. Music therefore is a type of content. There are many products that each suit different consumer needs and adding music to said product is what gives it content and value. (Grasmayer, 2012)

A service can be defined as a "valuable action, deed, or effort performed to satisfy a need or to fulfill a demand." (BusinessDictionary, 2020) A music-related example is the platform YouTube. The website is a service provider that enables users to watch videos and music that others have uploaded for free as well as the option to share their own videos with the world.

It should also be stated, that even though this essay talks about shifts within the market sectors, this does not completely eliminate the need for both products and services but rather describes which sector the Music Industry more strongly falls into as a whole.

3. The History of the Music Industry as a Consumer Sector

For over a century, the music industry heavily relied on the production and sale of products, as copies of recorded music could only be purchased in physical form. The first tangible, purchasable product that enabled people to listen to music at home was an early version of the vinyl disc in the late 19th century. This was a revolution and marked the beginning of the music industry as a product-based sector. During the roughly next 150 years the ways in which music recordings could be bought, developed and improved constantly. The Vinyl disc did not reach its most common design until 1948 and has since seen even further improvements. (DMS, 2017) In 1963, the cassette tape was introduced to the public and it brought two revolutionary developments with it. Firstly, people were now able to record their own tapes at home. Secondly, with the introduction of Sony's Walkman it was now possible to take music anywhere. (Sommerfeld, 2020) In 1983, the cassette tape was overtaken by the CD. The audio quality was improved and furthermore, it was made possible to easily create your own CD by burning mp3 song files onto an empty CD with the help of a computer. (Waniata, 2018)

With the fast development of technology, it was possible to continuously improve the way in which music could be listened to. But even though there were differences in the features of each of these products, what they had in common was that they are tangible, physical products that contain music content. During this period of time, the music industry was based on recording artist's new album releases on one or more of the tangible products. The demand was extremely high and all marketing strategies were focused on this principle. A successful release was one that sold many physical copies.

The nineties brought two of the biggest and most significant inventions onto the market that changed the way how the music industry operated immensely - the Internet and the mp3 file format. With the Internet in place it was now possible to communicate with other people and access information online and the mp3 file enabled the digital purchase and download of music recordings. Together, they changed the way in which music could be shared and received. (Press, 2015) The most famous example, that introduced file sharing and online downloads to the world, was the program Napster in 1999. Napster enabled peer-to-peer sharing of mp3 music files. No longer was it necessary to purchase CDs at the store. Instead, songs could simply be downloaded from Napster for free and burned onto an empty CD. While this widened the available music database immensely, unfortunately, it also led to a large number of copyright infringement cases. In 2001 Napster was shut down because of it. (Harris, 2019)

Even though the concept 'Napster' did not work out, it was the first shift within the music industry towards a more service-based sector. The platform was one of the first online music service providers. Furthermore, it proved that there was a high demand for fast and convenient online access to music. The challenge was to create an online service that provided an equally large music database as Napster with an easy, user-friendly interface while getting people to

pay for the downloads and therefore eliminating the copyright infringement issues. The first successful attempt to provide a platform for online music downloads with payment was the 2001 introduction of iTunes by Apple. (McElhearn, 2016) In addition with the shortly after available iPod, music sales on the site rose to high numbers and rang in a new era of music consumption. Until that point, two products had to be used to replay music – the carrier such as a CD and the playback device such as a CD player. Now, music could be played straight from the device without the need of an additional, physical carrier. An mp3 file, while digital, is still a product that contains music though. Digital downloads quickly became the number one format of purchasing music.

Obviously, this would not remain the norm for very long either as technology constantly keeps moving forward. In addition, the needs of the people started to change as they were getting used to having instant access to a large library of music. Very soon after the normalization of paid digital downloads, the concept of streaming was released to the public. Different platforms such as Last.fm, Pandora or Soundcloud all provided different services based on the concept of streaming music online – some for free and some paid. No longer did listeners have to choose which music to purchase and download and where to store it, they could instead simply listen to their choice of music online. This was revolutionary as there was no specific product involved that needed to be purchased. People could use a technical device they already owned and simply choose a service provider that suited their needs.

All of the first streaming programs provided very specific and limited services. The first comprehensive provider that combined most services into one was Spotify in 2009. (Grannell, 2018) For the past 11 years Spotify has remained the number one streaming platform with 170 million users and 96 million paid subscribers. (Field, 2020) Other competitor providers are Apple Music, Youtube Music and Amazon Music. With over 35 million tracks available on Spotify (Camacho, Sayer, 2020) and many more on platforms such as YouTube and Soundcloud, we are now in age where people can listen to what they want, when they want for an extremely low price. Apple music for example charges £ 9.99 a month with cheaper concession prices available to provide unlimited access to millions of songs. In comparison, this equals the price of an mp3 download of one 7-12 song album by an artist.

While streaming probably will not disappear any time soon, new technologies are being developed every day and some of them have already reached the public. Augmented Reality (AR) is ever-present in our use of technology. A very common use is the use of AR filters on Snapchat or Instagram Stories. And not only can they be used by anyone; they can also be created very easily with applications such as Spark AR Studio. (Mustafa, 2020)

Another new technology that seemed very futuristic not long ago is Virtual Reality (VR). It is starting to become a relatively common technology that has a big potential to create new possibilities within the music industry. Several artists such as Ariana Grande and Snoop Dogg

have already been creating live concert VR experiences. Imogen Heap took it a step further by creating an animated concert rather than a realistic one. Especially now, during the 2020 Covid-19 lockdown, where live concerts are currently not an option, VR could create a new way of connecting artists with fans and also provide a new source of income for musicians.

Two other types of technology that are still being experimented with are Artificial Intelligence (AI) and Blockchain. Prototypes on how to use them within the music business have already been published.

4. Challenges and Possibilities

Technology and innovation constantly move forward. The fast development of technology and the needs of the people go hand in hand. When cars were invented the need for car dealers, car mechanics, petrol stations and the production of car equipment grew in demand while jobs such as horse smiths and products such as carriages, saddles, stables etc. decreased in demand. The same principle can be applied to the music industry. With the shift from tangible copies to invisible copies of music, the needs of the listeners therefore changed too which opened new challenges as well as opportunities for businesses.

Competition has always been a part of the consumer market. During recent years however, it has risen to new levels as technology now enables a faster, easier and cheaper manufacturing process as well as the possibility for almost anyone to offer new products and services via the Internet. For the market to remain lucrative, new models need to be developed constantly and businesses need to remain extremely flexible to keep up with the competition.

This is furthermore aided by consumerism and the effect that it has on people. The more possibilities and options are being provided to consumers, the more they get used to having this wide variety of entertainment at their fingertips. Nowadays, people are used to having access to millions of songs on their mobile phones whereas just 50 years ago they were limited to the number of songs on the cassette tapes they owned or that were currently available at a physical store. While this can be seen as a big enhancement to people's lives, it is a never-ending process and it will not stop here.

In our constantly advancing, consumerist and competitive world, it is being advertised to people that they are happier the more, new products they own and that they are missing out if they are not constantly purchasing new devices and using new services. For one, this constantly pushes companies to compete, advance and invent new ideas and secondly it targets consumers to keep buying and adapting. This is not just valid for products, but also for services. For example, if a teenager constantly sees their friends creating and sharing videos from app TikTok, they will feel a sense of missing out if they are not following the trend themselves.

5.Changes within other Fields of the Music Industry

New technology has not just changed the way we consume music, but also the way that music is being produced and published. Until recently, the music recording process was very expensive and limited to people signed to labels. Only they had access to studios and expensive equipment as well as connections to music industry people such as publishers and broadcasters. While it was possible for artists to buy certain products such as instruments and microphones, it was almost impossible to release music without being signed. Therefore, for the average person, the availability was product-based. In recent years, home-recording and self-releasing have not just become a very affordable, but also very common and often successful practice. This is thanks to the vast range of services and programs that have become available in recent years and the improvement of technology which makes the use of these programs possible in the first place. These services cover all aspects of a successful release from production of music, artwork, music videos and more, to release and post-release including marketing and promotion. Examples are digital aggregators such as CD Baby or Tunecore, music production programs such as Ableton and Logic or services like Wix and Bandzoogle, which allow artists to create their own website. Furthermore, it has become extremely easy to advertise a campaign online on social media or search engines such as Google. These paid online ads are hyper personalized and targeted at very specific audiences.

6. Conclusion

Over recent years the music industry has shifted from being product-based to service-based. The three main aspects that caused this shift are the vast advancement of technology, more affordable prices as well as more options due to increased competition and increased consumerist behavior due to the large number of different products and services available.

Technology has improved so drastically, that it does not require the use of many products to create a good performance anymore. Just one device can do what five devices combined could not do just a few years ago. Furthermore, the use of technology has become more affordable as well as more user-friendly. Almost everyone owns at least one and often several technical devices and easily knows how to operate them. But not just the consumer can benefit from these advancements. It is becoming simpler and cheaper to produce and offer services and products online which causes competition to rise. This leads to new services and programs constantly being brought onto the market.

With this constant advancement, people's needs also change quickly. Listeners are getting used to having instant, convenient access to music and limitless options of service providers.

Furthermore, with new technical devices coming on the market frequently, new services that compliment these new technologies are needed and vice versa.

This never-ending process has many positive impacts on people's lives as well as the music industry as it makes many processes in life easier and more convenient and boosts the market. The constant movement however also brings certain challenges with it such as fear-of-missing-out behavior in consumers or the fear of being overtaken by competitions in businesses. The most important factor, how to remain successful in today's service-based music industry is to remain flexible and be ahead of the market as new technologies are changing the field constantly. What is modern today might be outdated by tomorrow.

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