Music in the Digital Age: Musicians and Fans Around the World "Come Together" on the Net

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Abstract

The convergence of music production, creation, distribution, exhibition and presentation enabled by the digital communications technology has swept through and shaken the music industry as never before. With a huge push from the digital technology, music is zipping around the world at the speed of light bringing musicians, fans and cultures together. Digital technology has played a major role in making different types of music accessible to fans, listeners, music lovers and downloaders all over the world. The world of music production, consumption and distribution has changed, and the shift is placing the power back into the hands of the artists and fans. There are now solutions available for artists to distribute their music directly to the public while staying in total control of all the ownership, rights, creative process, pricing, release dates and more. Geographic distances and national boundaries have become irrelevant in distribution and dissemination of music. Worldwide presence and interactivity now allows musicians, music enthusiasts and critics to discuss and share musical knowledge and actual music files. The vision of musicians and their fans and music lovers 'coming together' without any limitations of time and space, without any interference from meddling record companies, is being realized virtually on the Internet.

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One Thing I Can Tell You is You Got to be Free
Come Together, Right Now Over Me
                              John Lennon

Introduction

The convergence of music production, creation, distribution, exhibition and presentation enabled by the new communications technology has swept through and shaken the music industry as never before. The power seems to have shifted in favor of independent and relatively 'unknown' musicians, and the much neglected fans. Music has been the force which could cut across cultures and transcend borders. With a huge push from the digital technology, music is zipping around the world at the speed of light bringing musicians, fans and cultures together. Musicians have been the first ones to appreciate music of other cultures and to incorporate them in their own repertoire – John McLaughlin merged Indian classical music in his fusion band Shakti, George Harrison brought the Indian sitar into pop music and made Ravi Shankar famous in the West, Led Zeppelin and Sting have infused Middle-Eastern influences in their music. On the other hand, musicians from the Third World and traditional cultures have eagerly mixed hiphop, rock, reggae and western pop music into their indigenous music – Bhangra and Bollywood film music is a good example; Shakira, the latest queen of pop from Latin America was practising a Bollywood dance number for a concert on MTV, and this trend could be seen on MTV-Chi (Chinese version) and MTV-Desi (South Asian version).   The new digital communications technology seems to have accelerated the process of bringing western music to Asian, African and Latin cultures and in reverse, music from Asia, Africa and South America to the western consciousness and culture.

        The convergent communications technology has upset the apple cart and has made music production and distribution more democratic and participatory at the grass roots level. This has happened not just at the national level but transcended borders to become a global phenomenon. As the writer in Wired magazine notes:

                Dragged down by its own bulk and ripped apart by the

rebellious energy of the file-sharing revolution, the recording

industry hit rock bottom. That was three years ago. Today

signs of renewal are everywhere: amazing technologies,

smart business models, even ringtones as hit singles.

The best part? An explosion of creativity from artists and fans

alike. Rock on (Steuer, 2006: 170).

The recorded album as we know is going out of style. The Beatles revolutionized the album with *Sgt. Pepper's Lonely Hearts Club Band* in 1967 by adding a theme and continuity to the songs constituted within the traditional 12/14 tracks album, and now a few adventurous musicians and song-writers are doing the same almost four decades later by expanding the range and potential of the form. Beck, a pioneer in new musical forms, is creating a new path to think about the LP format. Beck's *Guero* was not a static list of 13 songs but a variety of formats peddled around in the market and on the net. There was an unfinished version online leaked in 2004, then an official 2005 Interscope CD release, a CD/DVD deluxe edition complete with seven bonus tracks and an interactive video art, and also many unauthorized re-mixes and "mashups" of the original floating around on the net. This reshaping of the album format has shaken up the industry to its core: "…the very logistics and economics of the music industry are at stake, as one album becomes a long shelf of songs and products, each carrying its own release date, distribution path, and price tag. In the end, fans can create their own versions of the album, stringing fave songs and remixes into one ideal playlist." Beck the musician is doing it again by releasing multiple versions, the multimedia experiments and the audience interactions of his follow up to *Guero* (Steuer, 2006: 172-173). In Beck's own words:

There are so many dimensions to what a record can be these days.

Artists can and should approach making an album as an opportunity

To do a series of releases – one that's visual, one that has alternate versions,

and one that's something the listener can participate in or arrange or change.

It's time for the album to embrace the technology…. Record labels definitely

aren't going to go away, but it will be really interesting to see how their role

changes (Steuer, 2006: 174-175).

This paper outlines the recent trends in the music business, the role digital technology has played in the latest developments in the music industry, and how the new and the old are adapting to each other to form a new business model bringing musicians and fans together on the Internet.

Music Industry in Transition

The music industry was born about a century ago when innovations allowed the capture, storage and replaying of sound. Ever since, the industry adapted to many technological advances in sound technologies which evolved from mono to hi-fidelity stereo to Dolby® surround sound. While storage media technologies evolved from vinyl to audiocassettes to CDs and mini-discs, replay devices evolved from gramophones to large, in-house stereo systems to compact and portable audio devices. During these transitions, industry players either quickly adapted to the changes caused by the newer technologies or simply disappeared (Millard, 1995). Today, the industry is undergoing major changes brought on by the rapid evolution of the Internet and the merger of audio and computing technologies.

The traditional music industry structure had three major components:

Music and song creation: Musicians, lyricists and recording artists with creativity and talents create music. Major Labels (Sony Music, BMG, EMI, Time-Warner Music, and Universal Music) play a major role in all three processes by providing initial capital and marketing know-how to create, promote and distribute music.

Music marketing: Marketing includes branding, information dissemination and community building. Major channels for branding and information dissemination are professional promoters, disk jockeys, dance clubs, television and radio stations. These channels propagate information about new releases and provide samples of music to the music lovers and potential customers. They also help develop communities of music fans with similar tastes.

Music Distribution: Labels, distributors, retailers, DJs/clubs, broadcasters, and others market and distribute music. Music is normally stored in portable medium such as CDs

and audiocassettes, to store and distribute it. Bricks-and-mortar retailers, such as WalMart, Borders and Target, and Internet retailers like Amazon.com keep these "containers" in their stores for the music afficionados (Parikh, 1999).

The music industry structure had evolved over many decades and was relatively inefficient. It incorporated up to three levels of intermediaries between the artists and the customers. Each profit-making intermediary added a layer of cost leading to higher final cost to the customers. Some companies tried to reduce this cost by combining roles of multiple intermediaries. For example, BMG Music Club and Columbia House were selling CDs and audiocassettes directly to their club members at lower costs. The success of this concept showed a need to reduce the cost by increasing transactional efficiency. On the other hand, one could argue that these intermediaries had economies of scale and economies of scope to achieve lower costs (Parikh, 1999).

In addition, to reduce the cost of promotion and distribution, music was sold as a collection in an album of many solo songs or instrumental pieces, forcing artists to develop several tracks to make their music commercially viable. This practice invariably led to inclusion of several "not-so-good" songs and/or instrumentals in an album. This also forced buyers to buy an album in order to get one or two songs or musical pieces of their choice. Under this structure, the most dominating force in the industry was the major music labels. Labels command tremendous power by controlling major marketing and distribution channels and by binding their artists to long-term contracts. Having very limited access to marketing and distribution channels, most emerging artists cannot compete on their own. They either end up joining a label or remain small in a niche market. This allowed music companies to walk away with the lion's share of profit. In general, labels collected about 85 to 90 percent of the profit from music sales (Parikh, 1999).

The pre-digital technology reinforced the separation between professional artist and the audience. A successful artist needed not only creativity and skill but also access to the tools of production – studios, cameras, mixers etc. – and channels for mass distribution. The music business grew and dominated through the economy of scale.

They could spend millions of dollars to make and market blockbuster hits, to get them played on the radio and MTV. They also owned the factories that could press vinyl albums and CDs before home CD burners and MP3 came along (Pareles, 2006).

The last big expansion of the music industry began in the late 1950s when the record sales grew rapidly throughout the industrialized countries and the phonogram or the record player became an established medium worldwide. Worldwide record sales rose from $4.75 billion to $7 billion between 1973 and 1978. The downturn in the industry began actually in the late '70s when the so-called crisis hit the industry after more than 30 years of constant growth (Burnett, 1996: 45). But after that music sales fell by 11% in the USA and by 20% in Britain, and not until 1984 that the total sales picked up and moved upto the 1979 level (Frith, 1988).

World sales of recorded music (vinyl records, cassettes & CDs) steadily increased after the slump in 1979 from approximately $12 billion in 1981 to $29 billion in 1992. But sales of vinyl albums and singles nose-dived with the introduction of a new format – the compact disc. The CDs revived consumer interest in music and allowed record labels to sell their back catalogs and also to increase the price of their products. So for the time being the CD format saved the music industry. CD sales took off in 1985 and the immense popularity of the CD could be viewed within the overall transformation of the music industry at that time. The major music recording companies had by then established an international business of selling their music worldwide. The continuing deregulation of national TV and radio services, the increase of cable and satellite delivery systems, and the spread of VCRs created a huge demand for program material. And music in different forms proved to be an important source of program content, empowering the industry to pre-sell program material for the first time (Frith, 1988).

Music industry watchers predicted that the income generated from publishing and performance rights would constitute an increasing part of record companies' revenue. Thus, in the 1990s, the industry moved away from the selling of products to concentrate on the selling of musical rights and the collecting of royalties (Burnett, 1996: 46). This was reiterated by Menon, president of the IFPI (International Federation of Phonogram and Video Producers) in 1990: " Given the increasing exploitation of sound recordings by broadcasters, it is clear that in the future, income generated from performance rights must

constitute an equally increasing part of record company revenues" (Burnett, 1996: 47). The unending optimism of the music industry unfortunately did not last very long with the advent of digital technology.

Digital Technology

The merger of audio technologies with computing technologies converted music into an information product. Technological innovations changed how music and songs are bought and consumed today. They provided means to create music at very low cost (one can produce music at home), to dub and mix music, and increased the quality of sound by using digital noise filters and balancing that was non-existent a few years back. Digital technologies such as mp3 has become the standard for digital music format. Mp3 is the widely accepted format for music distribution over the Internet and being an open standard (not a patented property of a company), it is well received by many audio software developers. With such technology music files can be compressed to a size that is practical to transfer over the Internet. This ability to compress files has made mp3 very popular among music listeners and producers. Emergence of the mp3 format has led to innovations in portable audio devices that can download music from computer hard disks or directly from the Internet. However, mp3 does not have a provision for a digital signature to identify or stop illegal music download and distribution worldwide which has allowed music consumers to freely download and distribute both legal and pirated music over the Internet.

The consequences of digitization of music for musicians, fans and the industry have been profound especially with the transformation of music production, marketing, distribution and reception. Music and the music business has mutated into something totally different than what we knew before. The Internet has opened up the Pandora's Box of music for the fans and now millions of songs are now available, either for free or for sale, legally or illegally. Major record labels are feeling the shock of this tectonic shift in the business model – they are making less profit out of fewer bands, singers and musicians than before and they are compensating the loss by indulging in a frenzy of mergers and other strategic moves (Blow 2009, Pfanner 2009, Szustek 2009).

Declining Sales

Statistics show that the music industry and the major record labels are in a slow slump. Ever since music sales peaked in 1999, the music industry has been in the doldrums. There has been a broader shift in media consumption amongst the younger audiences – they have moved from an acquisition model to an access model. As critics point out, piracy first gouged out the profits and now streaming music available 'on demand' over the Internet – free and legal – could be the knock-out punch which could seal the deal. According to a study by the NPD Group, a market research firm for the entertainment industry, 13 to 17 year olds bought or downloaded 19% less music in 2008 than they did in 2007. CD sales among these teens were down 26% and digital purchases were down 13%. A survey of British music fans found that that the percentage of 14 to 18 year olds who regularly shared files dropped by nearly a third between December 2007 to January 2009, and two-thirds of the same teens now listened to streaming music "regularly" and a third listened everyday. Another study done last year showed that of the 13 million songs sold online in 2008, 10 million never got a single buyer and 80% of all revenue came from about 52,000 songs – less than 1% of all online songs for sale (Blow, 2009).

Sales of CDs have halved since the beginning of the decade. In 2008, some 361 million CDs were sold, a 20% drop from 2007. Market research firm Gartner reported last year that record companies shifted their focus toward digital downloads and other online content, including streaming video clips (Szustek, 2009). Record companies which relied on CDs for the major portion of their revenues were losing out on CD sales in the US which dropped more than 20 percent from a peak of $13.4 billion in 2000. Reuters recently reported that overall sales of units rose by 14% in 2007, with digital sales up by 45%. Recorded music sales dipped 7.6% worldwide in 2003 after previous three years of decline in sales worldwide but at the same time, pirated music proliferated – global sales of illegal music discs rose to 35% in 2003 (Coren, 2004: 1). As an industry expert points out, the market for music is actually thriving especially with the growth of peer-to-peer networks, the iPod and other digital technologies, and a huge jump in concert ticket sales since 1999. For fans and consumers of music it has been a boon - there is music everywhere and the music industry has more channels of revenue like

ringtones, concert tickets, license agreements with TV shows and videogames than ever before (Howe, 2006: 178).

Fans and consumers of music are making a lot of purchases than ever before but they are choosing selected tracks over whole albums. The album, a compilation of 'good' and 'bad' songs has lost that hold over music lovers and it is no longer a primary product in the digital era. The sales for 'singles' (previously available on 45 rpm and later CDs) in UK, had dropped from 80 million in the late 1990s to a little over 20 million in 2005. By then Apple's iTunes, Musicmatch, Yahoo! Music and other legal download services arrived on the scene, became an instant hit and proved that fans were still interested in buying single tracks. Now downloads account for about 75% of all singles sold. More than 26 million songs were downloaded legally in the UK in 2005 from virtually zero two years earlier. Music impresario Tony Wilson who launched one of the first legal download websites in the UK called Music 33 in 2000, emphasized that the industry had been too slow to deal with downloads. There is no doubt that when internet downloads become the dominant force in the singles chart, the music business is most likely to face a further dilemma (Youngs, 2004: 1).

The consumers of music had been fed up for a while with the exorbitant amount they had to pay to buy CDs and the musicians and distributors tapped into the consumer anger to rewrite the rules of the music business. As Michael Bracy, lobbyist for the Future of Music Coalition, a non-profit group advocating political and technological reform of digital technology says: " There is a major disconnect between the music industry and the reality of the way most Americans relate to music…There is an effort to commodify music which is fundamentally impossible to do." The Recording Industry Association of America (RIAA) acknowledges that most of its new releases fail. An example would be a 2.2 million marketing campaign for an Irish singer whose album sold 378 copies in its first few months (Anderson, 2008).

Much of the 'free' and illegal downloading have been flagrant violation of copyright laws. If the copyright system failed, huge industries could crumble. If it got too strong, it could strangle future creativity and research. It is repeatedly drummed in that copyright law is an "engine of free expression" as the Supreme Court once declared, but more often it is used as an instrument of corporate censorship, according to

Vaidyanathan. Industries that live by copyright such as the music business continue to encrypt CDs and DVDs so that the consumers cannot play them on computers or make multiple personal copies, and they monitor and sue consumers who allow others to share digital materials over the Internet which has turned out to be counterproductive by alienating consumers and listeners. Yet the media companies keep growing and expanding across the globe, and they produce more software, books, music, video games and movies every year. They are not definitely dying even though revenues in the music business dropped from 2000 to 2003 on the average by 6.8%. Millions of people in Europe and N. America continue to use their high-speed Internet connections to download music for free. From Moscow to Mexico City to Manila, music, movie and video piracy is rampant, yet the music industry has recovered from an early decline – revenues for major labels in 2004 were up by 3.3% from 2003 and unit sales were up by 4.4%. Revenues in 2004 were higher than in 1997 and comparable to those of 1998 – a really good year for recording industry – all this happened while illegal downloading continued all over the world (Vaidyanathan, 2006).

Major Record Labels

By the mid-1980s CBS, WEA, EMI and Polygram were all claiming in their annual reports that their international divisions accounted for more than fifty percent of their sales. The transnational companies mentioned above at that time controlled the biggest share of the market pie and marketed, manufactured and distributed their own products. They had the needed technology of pressing and packaging recorded materials, and a sophisticated marketing, promotion and distribution network worldwide.

The 1990s was a period of consolidation and formation of media conglomerates and the record companies not surprisingly belonged to the transnational media and electronics conglomerates. The six biggest firms in the international music industry at that time were: Warner, Sony, MCA, BMG, EMI and Polygram. All six of the phonogram transnationals had branch subsidiaries throughout Europe and the Americas. An oligopoly of the six transnationals basically controlled a major portion of the international market at that time and the trend was towards more concentration of powers in the hands of a few. In 1977, a prominent record executive proclaimed that: "One of

the key trends of the next decade will be the increasing concentration of market shares in the hands of a few large manufacturing/distribution concerns….Soon an oligopoly will exist in our industry" (Burnett, 1996: 51). Of course he could not see further down the road into the 21st century as to what changes the new digital technology would bring to the industry.

Revenues at the four major labels (Warner, Sony BMG, EMI & Universal) have been on slow decline since the turn of the century. From 2002-2006, the major labels' revenue declined by 11% while the movie box office receipts remained constant and sales of video games grew with a surge in demand (Anderson, 2008). Matters were quite bad enough that the labels themselves were demanding change even from their trade groups. EMI recently pushed both the IFPI and RIAA to restructure their operations, for instance, and all four labels have tried to adjust to a new world by dropping DRM and launching innovative programs like 'Comes with music'. Warner music's stock in 2007 went down by 70% from it's IPO price in 2005. And EMI, acquired by private equity firm Terra Nova, was spending $50 million per year just to destroy CDs it couldn't sell, and it planned to lay off as many as 2000 employees (Anderson, 2008). The decline could not be blamed on just file-swapping only or the inability to compete with free products. Digital music sales soared in 2007 and the total number of units sold during the year increased over 2006. In fact, eMusic doubled it's own projections for the Christmas season, pushed out 10 million tracks in Dec. 2007, and added 50,000 new paying customers in the latter half of 2007 (Anderson, 2008).

Despite the bad news, major labels are not fading away as yet. Atlantic, a unit of Warner Music Group reached a milestone that no other major record label had - more than half of its music sales in the United States are now from digital products, like downloads on iTunes and ring tones for cellphones. The Warner Music Group reported that digital revenue for the full fiscal year rose 39 percent, to $639 million, or 18 percent of the company's total revenue. Atlantic, whose artists include the Southern rapper T. I., the rock band Death Cab for Cutie and Kid Rock, appears to be the first of the major labels to claim that most of its revenue is coming from digital sales, and it has done so without seeing a steep decline in compact disc sales as the rest of the industry. This performance is sharply at odds with the trends in the music industry overall where data

show that sales of compact discs still account for more than two-thirds of music sales. With the milestone comes a sobering reality already familiar to newspapers and television producers. While digital delivery is becoming a bigger slice of the pie, the overall pie is shrinking fast. Analysts at Forrester Research estimated that music sales in the United States would decline to $9.2 billion in 2013, from $10.1 billion this year and $14.6 billion in 1999, according to the Recording Industry Association of America (Arango, 2008).

Apart from the six major international players, hundreds of smaller and independent record companies existed in the western countries in the '80s. The independents operated less conventionally than the majors through a network of independent but often short-term contacts and contracts. A key factor in the development of independent labels (indies as they are called now) was provided by cheaper, more compact and efficient technologies for recording music which had an ominous premonition and implication for the established major companies. The indies operated in a space within the commercial market but with an edge towards innovative music and sounds. The gap between the transnational and the indies became more pronounced as time went on. The indies had blossomed on the back of new technology (vinyl records, portable turntables, 4-track recorders, cassette & CD players) only to be cut down by the combined effects of acquisition and recession, in addition to the soaring distribution costs. Distribution of the record/disc was the most expensive part and not the production and pressing of the records. Thus, some indies concentrated mostly on dance music (electronic or disco) which could be pushed in discotheques and on the dance floor by the DJs playing those discs. At times this process established an artist on special dance music charts which was far less costly than trying to break into the mainstream charts. Independent labels thus handled specialized styles and new performers while the major labels got hold of the name brand performers (Pareles,1990: 3).

Online Music Revolution: the Fans

Record company executives indicate that there are three kinds of music fans. There are those who buy music, and those who get a kick out of never paying for it. And then there are those whom Rob Wells at Universal Music Group calls "dinner party pirates" - the vast majority of listeners, those who copy music illegally because it is more convenient

than buying it. Over the past year, however, as sales of CDs have continued to fall and paid-for downloads from services like Apple's iTunes have fallen short, record companies have moved to embrace casual file-sharers. Legal services offering free, unlimited streaming of music, rather than downloads, are proliferating. According to a survey, unlimited streaming is taking some of the wind out of the pirates' sails. "Consumers are doing exactly what we said they would do," said Steve Purdham, chief executive of We7, a streaming service that says it has attracted two million users in Britain in a little more than half a year by offering unlimited access to millions of songs. The music industry has high hopes that the growth of sites like We7, whose investors include the former Genesis musician Peter Gabriel, can change the reputation of Europe as a hive of digital piracy. Similar businesses include Deezer in France, and Spotify which was started by two Swedish entrepreneurs, has grown rapidly in Britain and elsewhere. All of them are licensed by the music industry and hope to make money from advertising (Pfanner, 2009).

Established bands and musicians had objected vociferously to illegal file sharing downloads on the Internet which had reached its peak in 2000. At that time Napster had more than 50 million registered users but after the lawsuits initiated by the five major music companies for copyright violation, Napster was shutdown. Napster's website is now a legitimate subscription based music service. But inspite of the lawsuits, RIAA has not stemmed the flow of illegal downloads (Coren, 2004: 3). However, a survey by IDC looked at digital music habits of listeners in 2008, reported that most preferred sources for music listeners were paid online music services (34.5%) and P2P download services (28.1%). But streaming audio from social networks (26.7%), online sites of terrestrial radio stations (26.6%) and artists' music websites (21.2%) were catching up in popularity (Buskirk, 2009c). Google is also poised to enter the digital music scene with Google audio which will become a one-stop shop for music search – "a playable search service: creating a special box in search results with links to songs to stream and download". The service will be powered in part with streaming music from Lala, recommendations from iLike and also include playable search results from imeem (Buskirk, 2009b).

Among British teenage music fans, 65 percent said they listened to streamed music at least once a month, with 31 percent saying they did so every day. Rather than

cannibalizing existing digital businesses, the new services are often attracting people who previously shared files illegally. According to research by one of the major record companies, nearly two-thirds of Spotify users say they now engage in less piracy. Spotify says it has two million registered users in Britain and another two million in Sweden, Spain and France. In those countries, Spotify would go up against a number of digital businesses that also offer free music in various ways, including MySpace Music, imeem, Last.FM, Pandora and others. While Pandora has said it expects to be profitable by the end of the year, analysts say most other free streaming services are still losing money. Some advertising-supported free music sites, like SpiralFrog, have already gone out of business (Pfanner, 2009).

Music is getting more interactive to cater to the demanding consumers' needs and habits. The Romplr remixable iPhone app is doing exactly that, the first version of which features three songs from Soulja Boy *Tell 'Em* that users can manipulate as they play. The inexpensive app, developed by Bell Rock & Moderati, allows fans to mute or solo eight aspects of the songs and pepper playback with seven extra samples, so they can be played differently each time. You can record your version for later listening and share it via e-mail, Facebook, or the artists' websites using an audio stream from the Romplr site (Buskirk, 2009a). "If you're looking at our target demo, our consumer for music, I think kids are going to be more and more interested in doing something interactive," said Christian Jorg, Head of Digital at Island Def Jam Music Group, a division of Universal. "Obviously, they love games, and they love to interact with music. Now you've got an opportunity there with an iPhone app where you can actually do that. Rather than just listen, which is great, you can also do something with it, and we'd like to be at the forefront of allowing that for the consumer." (Buskirk, 2009a).

Democratizing music

Some scholars have argued that the Internet offers individuals an opportunity to voice their inner thoughts and express their creative urges (Mitra & Watts, 2002). Internet indeed is a space where individuals are able to speak , voice or even sing with the hope that many people around the world will listen to them. Unlike other means of mass

communication, speaking, singing or even playing music in virtual space is a less resource intensive venture and anyone with some computer access and rudimentary knowledge of using the Internet is able to voice themselves. This process has definitely had an empowering effect. It has opened up avenues and channels for individuals who might have been traditionally powerless and voiceless, to be able to gain a sense of power over the discourses and texts (including music) that they are able to produce, distribute and circulate on the net. As one CEO of a music website wrote:

> Getting signed, being managed, being able to write, even being able to play an instrument proficiently are today no longer fundamental prerequisites for artists wanting to record, release and perform their music. Instead the industry is returning to the most basic and exciting element of all, the raw ability of an artist to communicate with their audience on their own merits and not as the subject of colossal media hype. There are no longer any filters, any arbiters of taste any barriers, only artists and consumers whose appetite for music today is insatiable (Walsh, 2007).

Technology has always been the bedrock of the music industry, and the digital technology has transformed the music industry not only in the way music is consumed but also fundamentally in the way music is recorded and performed. Today, low cost, high quality recording, processing and mixing solutions have led to affordable studio time being available all over the nation. Studios are no longer the expensive and hallowed domain of a small and exclusive clientele of signed artists. Artists of all colors and hue are using various music websites to build fan base and to sell their music to the public. There has been a substantial increase in both the quality and quantity of submissions from aspiring artists to music hosting websites like GarageBand. At the same time consumers and music afficionados are discovering, streaming and downloading new 'unsigned' artists and their music on the net, finding out where artists are playing, buying tickets and merchandise promoting the artists and bands. Some of them are turning out to be hidden gems who would never have been discovered if it had been left up to the A & R men and women from the major western record companies. What is so unique about the music websites is that they provide artists, bands and musicians the tools to sell their music,

songs and soundtracks of film/video at a price they determine without losing control of their rights and ownership. Some artists have gone a step further and invited fans to determine how much they would pay for an mp3 track of a song or the complete album. Radiohead released *In Rainbows* (2008) initially on the Net without any price attached to it, and distributed the CD to the stores at a later date.

The music websites like MySpace, GarageBand and others transcend some of the traditional barriers that the entrenched music industry implemented, consequently musicians and artists now feel free and unencumbered by institutional constraints. Artists and bands are now in a position to regain control. Affordable recording and instrument technology enable artists to create high quality product without record company sponsorship and the Internet provides a distribution channel that totally bypasses any product manufacturing costs. The new digital musician in the new digital ecology no longer needs to pass control of their music to the established record companies. Today, artists and musicians want an internet service that empowers them to reach out to the millions, to the global audience. They want to distribute and market their music on their own terms, including price and in the process maintain control of the relationship between themselves and their fans. The musicians now have the ability to manage this relationship to develop their community and ultimately their own success. Out of this turmoil have arisen Napster, Grokster, Kazaa, Snocap, Mercora, LimeWire, iTunes, MusicMatch, Yahoo! Music, Real Rhapsody and GarageBand, some legal and some illegal. GarageBand, once an online community of musicians is now becoming the Internet's answer to a record label but giving much of the control to the musicians. GarageBand uses its community to review each other's songs and tunes in exchange for posting their own music with an expectation that the best music will rise to the top (Coren, 2004: 2).

Struggling and unknown musicians find the Internet a great way of promoting themselves. This is a revolutionary breakthrough for the musicians in terms of producing, promoting and distributing their original music, bypassing the major record labels. A report in the *New York Times* (Heffernan, 2006) about two unknown guitarists from the most unlikely places in the world came as a huge surprise to many fans of electric guitar and guitar playing. The guitar virtuoso from Taiwan, Jerry Chang (Jerry

C. as he wants to be known), turned a well known classical piece, Johann Pachebel's *Canon in D*, into a rock aria and posted his video clip including his *Canon Rock* music on YouTube. Trying to imitate him and often trying to outdo him, guitarists from other parts of the world posted their own versions of the same Jerry C's *Canon Rock*. One of them, a shy and modest young man who goes by the pseudonym FunTwo from South Korea, caught almost every guitar lover's attention with his phenomenal and flawless guitar playing, taking Jerry C's *Canon Rock* one step further. His video on YouTube has been seen by more than 65 million viewers (as of Nov. 2009) since it was posted on YouTube in 2005 (YouTube, 2005). Some even dubbed him the next Jimi Hendrix and it was no surprise that he went on to play with Joe Satriani on YouTube Live (YouTube, 2008).

It is unthinkable that any of these two unknown guitarists would have attained any degree of international fame within a period eight months prior to the availability of digital technology especially the Internet. If the video of Funtwo's *Canon Rock* was on sale, it would have gone platinum long time back.

In small studios, even in homes and garages, artists and bands are busy creating more music than ever before and releasing them on the Net. Gnarls Barkley, Arctic Monkeys, and Nizlopi all reached No. 1 in the UK charts proving that large communities could be established through the Internet and mobilized. The arrival of Gnarls Barkley at No. 1, purely on download sales, was an unequivocal indication that artists no longer required physical manufacture and distribution of CDs to achieve success and be in the spotlight (Walsh, 2007). British rockers like the Arctic Monkeys and Lilly Allen have built huge fan base by making their music available on MySpace where bands can post entire songs and video clips. When the Arctic Monkeys released their first album in 2006, it drew the highest initial sales of any debut in the history of the British charts (Pareles, 2006).

Artists/musicians are moving closer to the center of the power structure. They are gaining more control over marketing and distribution of the music. More and more artists are choosing to remain independent and setting up their own web-sites to promote and distribute their music. Several artists such as Beastie Boys, Public Enemy and Radiohead have been at the forefront of embracing these changes in distribution modes and have offered their songs free of charge to the public using MP3 format. These and

other bands and musicians have disrupted the supply chain and made their copyrighted music freely available on the Internet to win back their fans. This tactical move broke the stronghold of major music labels on the distribution channels and opened up a new one for emerging and 'out-of-favor' artists. Even before the advent of the Internet, the rap music industry was fragmented. Music major labels stayed away from rap music because of the fear of public backlash regarding profanity and controversial music such as *Cop Killer* from Ice-T and *Bush Killa* from Paris. The Internet soon provided independence, flexibility and swiftness to rap artists and independent labels allowing them to move into the digital space (Grove, 1999).

The free-flow self-expression has led to an assault on established notions of professionalism, a legal chaos and technological remix of the folk and popular culture. The super-abundance of self-expression has put an end to the archaic gate-keeping mechanisms of hit-driven recording labels, risk-averse radio stations, ossified movie studios and trend-seeking media coverage. Creativity seems to be flourishing with the old obstacles out of the way. Technology soothsayers predicted long ago that worldwide instantaneous distribution would democratize art as well as other discourses in the virtual world. The virtual painting galleries, free songs, video blogs, hilarious and raunchy clips, online novels and so on followed with the rise of the Internet and the spread of broadband.

Low budget recording and the Internet have handed production and distribution back to the artists, and the music portals have become the one-stop collection of user generated music content giving the audiences and fans a chance to find songs and music. Independent singers and musicians cannot compete with a heavily promoted major-label artist but collectively they are a formidable competition, and multiplying choices provide ever more diversity, possibility for innovation and endless opportunity for aspiring musicians and singers. This has led to an increasingly fragmented audience base, a trend which the radio and cable formats had already begun, creating a separation of pop culture into finer and smaller niche markets. The fragmentation is a problem for the business and it's a strong possibility that the music business will have to remake itself with lower and sustainable expectations along the lines of independent labels. The audiences have a new role of sifting through all the new materials and finding the next big indie sensation, a job

that was earlier done by the A & R department of big music companies and radio stations. A huge number of amateur, professional and in-between songs and musical pieces are uploaded everyday on the Internet. The listener can now spend the rest of his or her life listening to unreleased songs while for the musicians, the Internet has become a continuous, incessant worldwide public audition.

Greg Kot, a music critic for Chicago Tribune and co-host of a rock radio talk-show, described how the music industry evolved in the age of Internet in his recent book *Ripped: How the wired generation revolutionized music.* He noted how established artists like Prince, Nine Inch Nails, Radiohead and Wilco thrived in the digital age and how emerging new artists like Death Cab for Cutie, Arcade Fire and Conor Oberst used the Net to their advantage, and provided music to the fans dissatisfied with what was being served on the radio and at the record store. According to Kot, the music companies committed "capitalist suicide" because "…the executives couldn't get their analog heads around the digital future". The record companies had been at logger-heads with music lovers and fans ever since the days of home taping, sampling in hip-hop music, Napster, iPod and the constant consolidation of music companies eventually led to the industry's implosion. To many music industry researchers and watchers, *Ripped* was another case study in American industrial arrogance where the record companies were not quick enough to be agile and flexible. About calling music customers 'thieves' Kot writes:

> "…the moral posturing was a laughable new wrinkle. Here's an
> industry that had instituted payola, routinely manipulated shady
> contracts to take away publishing from songwriters, and engaged
> in questionable accounting practices to deny royalties from record
> sales to the vast majority of its' artists" (Jennings, 2009).

The advent of mp3 and illegal downloads almost a decade ago ultimately helped up and coming artists as much the same way as did home-taping did earlier. Kot told TIME magazine: "The biggest problem a band has is getting it's music heard…" and the digital downloading has reversed the process by exponentially increasing the number of platforms and sites for the musicians and songwriters to showcase and promote their music and songs. For example, Death Cab for Cutie, an indie band playing small clubs

for "beer money", gained the attention of listeners and TV producers of the show *The O.C.* via Internet downloads; today the band has a major recording contract with Atlantic and recognized worldwide (Szustek, 2009).

Conclusion

Digital technology has played a major role in making different types of music accessible to fans, listeners, music afficionados and downloaders all over the world. The world of music production, consumption and distribution is no longer the same, and the shift is placing the power back into the hands of the artists and fans. There are now solutions available for artists to distribute their music directly to the public while staying in total control of all the ownership, rights, creative process, pricing, release dates and more. Gone are the days of artists having little creative control and making miniscule amount per album sale while waiting months and years for the payment. The music industry and it's modus operandi does not support the 'smaller' artists significantly, and the industry seems to be having a hard time with the famous and well-known, large acts as well. While over the past few years these 'smaller' artists have become empowered like never before by using the Internet, social networking services and blogging that has enabled them to expand their reach from the confines of their local venues to anywhere in the world. Signing a recording contract is beginning to look less and less appealing to more and more artists. Clearly there are conduits now on the Internet allowing artists and musicians to distribute and sell their music directly to their fans while remaining in total control of all aspects. The idea of an independent or 'indie' artist is changing from the 'little guy' to the maker of the market.

On the other end, music fans and music consumers, especially the young, expect digital content to be interactive. Music is becoming more interactive and record companies are releasing tracks by artists that can be customized and manipulated by the fans and listeners. Not only does this approach give the label something new to sell but it lets fans customize music the way they seem to customize everything else in their lives. The Internet has reduced the world into a 'global village' of the kind perhaps Marshall McLuhan had envisioned. Geographic distances and national boundaries have become irrelevant in distribution and dissemination of music. Worldwide presence and

interactivity now allows musicians, music enthusiasts and critics to discuss and share musical knowledge and actual music files. The vision of musicians and their fans and music lovers 'coming together' without any limitations of time and space, without any interference from meddling record companies, is being realized virtually on the Internet.

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