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Music Streaming

2. What are the reasons that music labels didn't embrace streaming in its early days and were not leaders in launching streaming services that survive today?

Music streaming has made its way into the music industry in the 21st century; it is the process of transmitting audio and video files through a wireless internet connection. It makes everything easy for users who want to access audio and video files without paying anything, but music labels do not appreciate its evolution. They found that "it generates inadequate compensation and devalues music in the eyes of the consumers when they pay nothing" (Baskerville and Baskerville 263). Although it is a key pillar of the music industry, they also did not embrace streaming because it was free to use and did not guarantee they would gain money from the digital streaming services. And finally, they were not satisfied with the "paltry revenues per play" (Baskerville and Baskerville 279).

4. When artists complain they get too small a piece of the revenue pie from streaming, are they right or wrong? What percentage royalty is fair? Why?

People will likely complain when they do not gain much from their work, seeing that they work many hours per year, so artists have every right to complain when they get too small a piece of the revenue pie from streaming. Streaming platforms may allow songs to travel to countries faster and be beneficial to users, but gaining money is not profitable for anyone outside of the users. According to the textbook, “right holders get 50% to 70% of advertising revenue” (Baskerville and Baskerville 274), and we know that record labels would ask for 50% of streaming revenue, which leads the artists to gain at least 10% to 15% if not less of the revenue. Knowing that artists have to pay the producer a portion of their royalties makes it difficult to accept. I think a 20% royalty is fair because many right holders will want their pay.

Work Cited

Baskerville, David and Timothy Baskerville. *Music Business Handbok and Career Guide*. 12th. 2019.