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BUS349 Week 5 Assignment

1. Discuss why streaming often provides lower-quality audio than downloads.

Streaming services often provide lower-quality audio than downloads because they compress audio files to reduce the amount of data that needs to be transferred over the internet. This compression is typically lossy, meaning that some of the audio data is lost in the process, resulting in a lower quality audio file. On the other hand, downloads are not subject to the same level of compression as streaming, which allows for higher-quality audio files. Downloaded files can be made available in a variety of formats, including lossless formats like FLAC and ALAC, which preserve the full quality of the original recording. However, many streaming services are now offering higher-quality audio options for subscribers, such as lossless streaming and high-quality streaming options that offer better sound quality than standard streaming. Finally, internet connection speed and stability can also affect audio quality during streaming, with slower or unstable connections resulting in more buffering and interruptions, and thus a lower-quality listening experience.

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

The early days of streaming music services were met with skepticism and reluctance from music labels. One reason for this was their fear that streaming would cannibalize album sales, which were a major source of revenue for labels. Additionally, labels were wary of giving up control of their music to third-party streaming services, and were concerned about the potential for piracy and copyright infringement. Another factor was the complex and often contentious relationships between labels, artists, and publishers, which made it difficult to negotiate the terms of streaming deals. Labels also had significant investments in physical infrastructure, such as CD manufacturing plants and distribution networks, which made it challenging to shift to a digital-first business model. Furthermore, the technical challenges of delivering high-quality audio streaming at scale were significant, and labels were hesitant to invest in new technology that might not be widely adopted. In some cases, labels were also slow to recognize the changing habits and preferences of music consumers, and were caught off guard by the rapid growth of streaming services. Finally, some industry experts argue that labels were simply too focused on short-term financial gains and were not willing to take risks on new business models. This reluctance allowed new players like Spotify and Apple Music to establish dominant positions in the streaming market, while labels struggled to catch up.