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THE INFLUENCE OF THE DIGITAL ECONOMY DEVELOPMENT ON THE GLOBAL MUSIC INDUSTRY

Iurie BADICU
Academy of Music, Theater and Fine Arts of Moldova
ibadicu.oficial@gmail.com

Abstract
The 21st century music industry uses digital technology in a wide range of applications, including interpretation, composition, recordings and publications. This technology is constantly transforming music and the way people approach many musical activities. The value chain research of the global music industry represents the specialized analysis of the target field constituents. The investigation emphasizes the functional components and subcomponents of the global music industry, their interference and mutual influence. The author specifically addresses the production, distribution and consumption in the global music industry, treating them both theoretically – referentially, and practically – axiomatically. When presenting the study, preference was given to the descriptive method with the application of elements of comparison, analysis and deduction, as well as information sites that capitalize on the music industry. The research completes the range of sources that address the global music industry, especially the sources with reference to the pandemic, post-pandemic and forced digitization of the music industry. The author's conclusions represent a culturological update of the value chain in the global music industry.

Keywords*: consumption; digital economy*; *distribution; global music industry; value chain of the music industry; production;*

JEL Classification: *F12, L11, L13, M11, O14, O30*

I. INTRODUCTION

Nowadays, we are witnessing the emergence of new markets, industries, entities and work practices that are forming a digital economy. This new model of the economy is characterized by the digitization and intensive use of information and communication technologies, coding of knowledge, information exchange and new ways of organizing work and production. This transformation provides access, processing and storage of information at low time cost. At the same time, it is restructuring the interaction between digital content creation and delivery, thus reorganizing the distribution chains, which are characterized as another important element for the growth of the digital economy.

Along with other high-performing industries, the global music industry followed the transformations brought by the post-industrial and the changes required by the information society. Consequently, in 2015, it came out of the global digital crisis. Earlier, the crisis manifested itself socially through the phenomenon of "over 25 million unique users, who exchanged digital music files with each other" (Witt, 2015, pp. 49-56). He also designated the end of the physical media stage for music products. Thereby, after 2016, the global music industry focused mainly on digital media. In this context, we note that similarly expensive products have been and are being replaced by cheaper digital alternatives. For example, music and DVDs were quickly replaced by downloadable media files or streaming services. The quality of the products did not decrease, on the contrary, it increased by adding additional features, such as promptness, frequent access, zero storage space, etc.

Although, the music industry was previously considered an economic field of copyright, it has currently strengthened its cultural identity, becoming an area that can have a direct and indirect impact on the economy, through economic growth and job creation, by stimulating innovation and by contributing to social and sustainable development.

In this sense, the large size of the interference of the music industry with other sectors of human activity has favored the evolution of the global value chain in the music industry. Thus, the music industry remains poorly perceived by the public, which generates distorted reporting of the phenomenon and the processes of appearance of music products to the social-cultural dynamics. This aspect is characterized by the fact that the low-income population considers the music industry as a secondary or extravagant field, thus, it is not promoted as a decisive factor for the education and well-being of the citizen. Therefore, participation in cultural events is relatively at a low level. Society as a whole, including the business community and the authorities, do not fully recognize the possibility of the music industry for social and economic development.

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Noting that the visible change in the method of production and distribution, by intensifying the interactive communication between offered and consumer, has not changed the essence of the value chain in the global music industry. The temporary reconfiguration has kept the previous functionality, based on the same main components: production, distribution and consumption, but only the subcomponents of the music industry have made the difference in the value chain. At the same time, the relationships, mechanisms and institutions attached to the music industry continue to adapt to new challenges, such as pandemic caused by the SARS-CoV-2 virus and digitalization.

Currently, because of the digital economy development, the value chain in the global music industry, as well as the ways of the industry structure normative exploitation are not sufficiently and complexly investigated under the culturology aspect. In this context, it is proposed an extensive research of the global music industry value chain, its functional substructures, production segments, being characterized by a specific activity to the music industry, and having a direct impact on the consumer.

The importance and topicality of the scientific research in this field are conditioned by the abundance of new services and communication technologies, which generate deficiencies in the appreciation of the music industry performance, as a result of the use of advanced technologies and artificial intelligence. At the same time, they are conditioned by the certain problems that are going to be dealt with in a way to provide users with qualitative information regarding the value chain of the global music chain, the cultural impact of valuable elements to the music industry, using new rules and applicable techniques. For instance, a music producer may also have the position of impresario or distribution, production manager or composer, especially in highly commercial music genres.

II. Research Methodology

Within the research methodology used to elucidate the addressed challenges, works of specialists from both the country and abroad were studied and analyzed. This paper is part of fundamental research, which aims to elucidate the evolution of the music industry through the prism of the digital economy, and, on the other hand, in applied research, helping the academic and business environment through practical examples of the value chain in the global music industry. The research results can be used both in the practice of entities in the domain and for teaching purposes. At the same time, when presenting the study, preference was given to the descriptive method with the application of elements of comparison, analysis and deduction, as well as the search engine Web of Science and information sites that capitalize on the music industry - www.ifpi.org.

Each main component taken separately represents in itself a characteristic functional process, which develops through continuous relationship with the other components, influencing and modifying each other. This has led to an increase in the social and scientific importance of the global music industry, generating critical interpretations, including different cultural approaches.

The Web of Science search engine was used to identify international scientific research and assess scientific performance in the music industry. The study of publications on the Web of Science platform was accomplished by setting search criteria to obtain relevant results for research. The first criterion for receiving and examining the data was to establish the keyword "music industry", and the second criterion was to determine the "period" and the data recorded in the last 30 years (1993-2022), which represents an upward curve, illustrated in Figure 1.

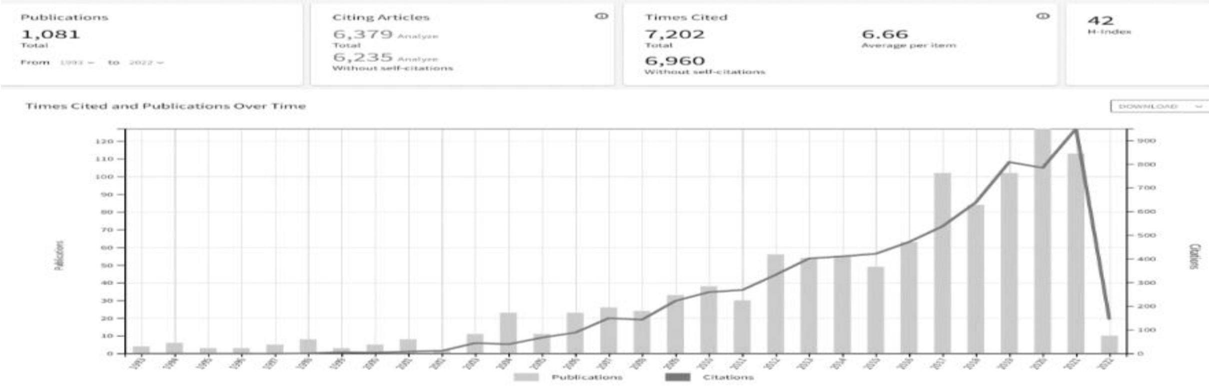

Figure 1 - Dynamics of musical industry publications between 1993-2022 and average number of citations per year

Source: Developed by author based on Web of Science results

Consequently, 1081 scientific papers were selected, which correspond to the indicated criteria, of which, *depending on the category of papers* - 771 papers are articles (71.32% Articles) and 281 papers are presentations

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Issue 1 / **February** 2022 ISSN-L 2344-102X

at conferences, which subsequently, were accepted in journals (25.99% Proceedings Papers), the other categories being insignificant (± 3%).

By the type of categories accepted by Web of Science we observed the following relevant information on the scientific performance in the field of music industry: 208 articles (19.24%) were reviewed in the category "Music", 95 articles (8.78%) were reviewed in the category "Engineering Electrical Electronic", 77 papers (7.12%) in the category "Computer Science Artificial Intelligence" and 72 papers (6.66%) in the category "Computer Science Theory Methods".

From a quantitative point of view, most publications were elaborated in 2020 - 127 publications, followed by 2021 with 113 publications and therefore 2017 and 2019 with 102 publications. Simultaneously, we can deduce that most of the papers, in the last 30 years, have been elaborated by the affiliated researchers National Institute of Advanced Industrial Science Technology AIST - 53 papers with a weight of 4.90%. At the same time, in order to prove the interest of researchers, at international level and to analyze the scientific performance in the field of the music industry, the average number of citations per year of publications was also identified (figure 1), which shows a uniform increase from year to year. The highest number of citations per year was in 2020 - 949 citations.

III. LITERATURE REVIEW

The problems of consumption, distribution and production, but also general aspects of the transformation of music activity in industry, are found in the works of various researchers, such as: Trail (2021), Snejinscaia (2019), Niculescu-Mizil G. (2018), Costromitin (2018), Brennen and Passmand (2015), Daniel Kreiss (2014), Petuhov (2013), Lee Marshal (2012), Tcacenco V. (2012), Margiotta M. (2011), Comendant T. (2009), Starcovici I. (2009), Stoianov and Marinescu (2009), Beuscart (2006), Grușevscaia (2007), Lasica & Darkhet (2006), Kaplinscky and Morris (2002), Breazul (1981), Arnheim (1980), Iurghenson (1928).

The contribution of scientists is significant, but most of the studies do not approach exhaustively and do not reveal, from a culturological point of view, the problems of the functional composition of the global music industry in terms of the development of the digital economy, which highlights the need to revive the value chain in the global music industry, which in 2020 had a positive trend of increasing sales revenue compared to 2019 by 7.4% (IFPI Report 2021).

IV. DIGITIZATION VIS-A-VIS DIGITALIZATION

Based on the topic of the research, we opt without hesitation for the exclusive use of the concept of digitization in the evolution of the music industry. According to research by Scott Brennen and Daniel Kreiss (2014), digitization means "the process of converting from analog (physical / material) to digital". *Digitization* assume „the complex process of using digital technologies and digitized information to influence the way things are accomplished, to transform the way the entity is engaged in interacting with its beneficiaries, in order to create new resources. If digitization refers to the internal optimization of processes (*databases, labor automation, reduction of operating costs*), digitization represents the strategy or process that goes beyond the simple implementation of technology, in order to achieve a deeper change of the core of the entire activity and its evolution over time (Scott Brennen, Daniel Kreiss 2014).

This investigation allows us to notice that digitization is present in the activity of music projects, as this process can be represented by the creation and archiving of a song, the recording of the voice. However, digitization involves integrating the results of digitization activities into the music industry as a whole and transforming them into music products, ensuring the social quality of the music product throughout the value chain, also on the research level, by discovering it, placing it in a system of relations in the domain, capitalization, promotion, administration, public image of the artist, his takeover by a production house, etc.

In 2020, the worst health crisis that mankind has gone through in the last century began, a period in which humanity had to isolate itself, in order to save as many of our fellow human beings from the imminent danger of illness and death. The accelerated pace with which society has had to adapt to the new situation has led to the discovery of the benefits of digitalization in almost all areas of life (education, health, work, music, etc.), including leisure. This moment can be interpreted as a preamble to the society of the future, in which the disappearance of jobs (*against the background of automation and implementation of artificial intelligence in all fields*) led to the establishment of the universal guaranteed minimum income, hence to the occurrence of free time.

Institutions in the music industry have adapted to the new conditions imposed by the pandemic, mainly by broadcasting recordings of concerts from past seasons in their archives. Most music institutions, artists, have resorted to digital platforms such as Facebook or YouTube to broadcast content. However, there were also concerts performed live or recorded through video call platforms that brought together in a virtual environment the members of the orchestras to perform various musical areas together. Some of the institutions in the domain of music

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industry have used human resources to popularize the institution and bring the public closer to the world of music and the life of artists. Thus, in some situations, artists from music institutions presented fragments of music recorded at home. Some of the institutions in the field of music industry have adapted and promoted cultural-educational programs for children. Last but not least, among the institutions in the field of the music industry, humanitarian initiatives and campaigns have appeared to support the medical sector.

Generalizing, we mention that the institutions in the field of music industry have developed strategies and methods to combat the negative effects of the pandemic on the field and to keep in touch with the public. Thus, we can deduce that the most important elements that supported the sequel of the activity of institutions in the domain of music industry during the pandemic depended on technology and online infrastructure as a circumstance of connecting with the public.

V. The Value Chain in the Global Music Industry

The music industry is a specific field of the real economy and represents a distinct socio-cultural phenomenon, which combines a set of complementary and interdependent activities to lead to a final product available in a market. This field is open and multiple, includes several different activities and professions, which in turn can interact with other sectors and areas to which they can add value. This concept may even vary depending on regions, cultures or policies.

The transformation of music activity into industry arose after the change of cultural paradigms of the modern, contemporary and post-industrial world, characterized by a digital economy, where creative work becomes an economic activity in which man is a resource and intellectual effort becomes profitable business. Thereby, as a result of the burst of creativity, in terms of a conflicting socio-cultural relationship between creation and progress, the short-term outline of the music industry has retained its previous functionality, based on the same main components: production, distribution and consumption, the structural difference being made only by the subcomponents of the industry.

The process of "transforming the musical activity into an industry, during the years 1850 - 1950, resulted with the manufacture of musical products and their specific commercialization" (Badicu, 2021, pp. 57-60). At the same time, the relationships, mechanisms and institutions associated with the music industry continue to adapt to new challenges, such as digitization and the pandemic caused by the SARS-CoV-2 virus.

The new digital reality has generated new approaches to the importance of the structural components of the global music industry. Different authors approach its components differently. In order to analyze the evolution of the music industry in the context of the digital economy, it is necessary, first of all, to examine the value chain in the global music industry, because in the literature there are different considerations that prioritize some components process. Concomitantly, the production transformation in the music industry has considerably reduced the path of social and cultural utility of music products.

The critical analysis of the specialized literature allowed the finding that, during over three hundred years, before the transformation into industry, "the musical activity knew the classical structural relation - Asafiev's triad" (Snejinscaia, 2021, p.72) which exemplifies the relationship of the subject with the value chain in the music industry*: the composer being the production, the performer - the distribution, and the listener - the consumer.*

Kaplinscky and Morris define "the value chain as a series of successive activities, having as finality the product, including all the activities from the creation of the concept to the consumption of the product" (2002, p. 4). In the music industry, the first link in the value chain is, of course, the artist, the composer, the person or persons who bring the creative element, those who produce music. However, in order for the music to reach the customer, the production manager or studio master also participates in the value chain, who arranges the music and makes sure that the artist places his creation on the market, being the artist's representative. This is where the magic happens: the music is actually recorded on a medium. Then goes another link in the value chain, the distributor, because music recorded in an electronic file or in another format (video) must be distributed or broadcasted on radio stations that broadcast FM or online. There are various new formats through which music can reach the public, including online streaming, and platforms for it - distributors. Eventually, the consumer is the ultimate destination of the value chain. That is, we who listen to or buy musical creations, or who watch a live concert.

Production approaches. Production is one of the main components of the global music industry that contains cultural value and has a direct influence on music consumption, which is no longer just the satisfaction of an individual need, but a collective one, the individual being dependent on a system of relationships in which it is placed. Thus, it adopts several roles, becoming both a producer and a consumer of aesthetic experiences (Sophia Krzys, 2008).

Western authors prioritize auditory - the recording studio based on rhythms and sounds (sound production), considering it a central element of the process. In this sense, *the share of the sound producer can*

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reach 50 and more[1], within the distribution of copyright over the music intended for assignment. Other authors from Eastern Europe insist on the importance of the composer, the lyricist and the performer as a spearhead, which would guarantee the success of the musical product.

Sound capture, voice recording, instrumental design and studio mixing have evolved quite a lot, nowadays, the master of the product is apparently different or relatively new. The involvement of creative authors, assisted by market research in the music market, generates trends in production. This benefits the *songwriter's pioneers*[2] to become *industry trendsetters* [3]overnight. We mention in this sense that the industrial production during several decades (1965-2005) had more and more alert rhythms, "evolving from analog to digital, through the conversion of the audio format" (Niculescu-Mizil, 2018, p .18-19). This conversion of production considerably shortened the path of social and cultural utility of physical media such as: vinyl, magnetic tape, CD, DVD, etc.

The efficiency of this component is ensured by the involvement of new creative human resources which, as a rule, are the most specialized. And, in the current conditions, the success of industrial production is ensured by the use of advanced technologies and artificial intelligence. The research shows that the productive component of the music industry can be reproduced in three segments, which is shown in Figure 2.

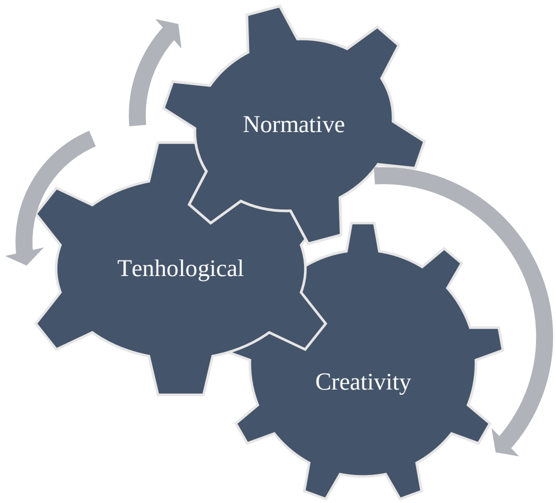

Figure 2 – The productive component of the music industry
Source: Developed by author

The creative segment is the prerogative of the man who proposes new relationships, who produces and gives new meanings to things, phenomena, feelings. Information, ideas and feelings, which are installed with a certain persistence in a fertile psyche, become the driving force of the creative mechanism and are transformed in relation to the motivational background of the whole process. As Umberto Eco argues, "the true content of the work becomes its way of seeing and judging the universe, resolved as a form of formation, and at this level the discussion of the relationship between art and its own universe will be discussed" (Umberto, 1969). , p. 258). The subjects of the creative segment of production in the music industry are: *music authors, songwriters, vocalists, instrumentalists, studio masters (directors), music producers.*

In this context, we mention that the current industry admits that as an author can be any natural person, professional composer or talented creator, including experienced performer, graduate of the Faculty of Letters or teenager who is good at arranging rhymes. In turn, *the music producer* can be both a studio master, orchestrator or sound director, in his capacity as a natural person, and any other legal person, holder of the right in question. Thus, the music producer is the person responsible for printing voices or instruments; elaboration of musical style; creating the concept of public musical image; organizing, monitoring and implementing this work within a music project.

The technological segment. A music production manager is a person (or group of people) who oversees the business of an artist or band and is responsible for all aspects of the music production process, including writing, and recording. In the music industry, the production manager ensures the coordination of the technological

[1] *In the global music industry, the music producer can also become the copyright holder through the subsequent co-production of music with which "the composer or author of a song has entered the studio". Thus, the copyright distribution sheets, for example the DLMs, from UCMR-ADA (Romania), contain quotas of about 50% for producers, sometimes even more. Trend attested in the Republic of Moldova within AO AN Copyright.*
[2] *Subjects of the global music industry, who implement new creative ideas, resulting from human creative effort, advanced technologies or artificial intelligence.*
[3] *Orientation and reference leaders, whether or not connected to other subjects of production in the global music industry.*

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Volume **10** / 2022
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segment between the subjects such as: tracking designer, studio engineer, music producer. The person or a group of people organized under a legal entity that ensures a series of managerial processes, which go beyond the manager qualitatively and quantitatively, is also called – *label.* He will coordinate the management of production, distribution and consumption, following the multiple sales of the music product, as well as ensuring the management of the relations associated with the product and the public image of the artist and music projects. In this context, we note the social role of this intermediary, who must act mandated, for the good of society and not contrary to the interests of authors, performers, producers, etc.

The normative segment. Please note that the label may be a *Transnational Trademark* (Major Label)[4] or an *independent Label*, a *Local Business Agency (licensed exclusively or non-exclusively)* or any other *legal entity* in the music industry, whether or not it operates, depending on *the model full 360º (contract), after Passman.*[5] According to the agreement, the company undertakes to offer in whole or in part services such as: financial support in the form of advances for album recording and production, financial, technical, logistical support for concerts and tours, publishing, distribution, partnerships, marketing and PR, and the artist undertakes to provide, in return, his or her related copyright (Marshal, 2012).

We mention that the organization chart of the major label or of a record company that works according to the 360º model, does not yield through its efficiency to any other commercial company in another field. Thus, the staff lists of the label include: *managers, marketers, lawyers, economists, accountants, tour managers, PR managers and communicators, social media managers, brand managers, social network administrators, entrepreneurs, designers, copywriters, stylists, photographers, clip makers, etc.*

In the context of describing the production process, from a structural point of view, specific to the global music industry, the author systematized topics by segments of the production process, which will contribute to the organization of a reliable system of production process, as shown in Table 1.

Table 1. The structure of the production process specific to the global music industry

Production process segments	Segment subjects
Creative	• *music authors* • *text authors* • *vocalists* • *instrumentalists* • *studio masters (directors)* • *music producers*
Technological	• *tracking designers* • *masters of studies (engineers)* • *music producers* • *production managers* • *intermediate labels* • *independent labels*
Normative	• *independent labs* • *collective management organizations* • *major labels*

Source: Elaborated by the author

It becomes obvious that the social role of the label is due to the elaboration and implementation on its own of the plan of the activity of the musical projects, ensuring in fact the social functionality of the musical product. On the same note, we mention that in its socio-cultural conduct, the label is selective in taking into account or not the cultural value of the product submitted for consumption.

Distribution approaches in the global music industry. The distribution is composed of a variety of commercial platforms interspersed with each other. Prior to the digital stage of the distribution structure were *music kiosks, bookstores, libraries, specialty stores, markets, peco stations, etc.*, as well as traditional media: *print media, radio and television*, other sub structural elements.

Currently, the storage, storage and marketing of the music product is mainly done through new sub structural topics*: social networks, specialty digital stores, mobile and telephone system operators, gadget and artificial intelligence companies and directly online music platforms,* listening, downloading or based on the

[4] *Concentration of music industry resources in only three entities: Universal Music Group - 33%, Sony Music Entertainment - 22% and Warner Music Group - 20%.*
[5] *Concept of legal and economic relationship between the interested subjects of the music industry that includes the whole spectrum of the music activity, in all fields and for the whole duration of rights protection, as a rule, in favor of the Major Label. The concept was first developed by Donald S. Passman and published in 1991 by the Los Angeles Times.*

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subscription service, etc. Music content distributors are entities that provide the intermediation between production and consumption, adding economic value to the music industry.

Given that the music industry is one of the revenue-generating industries, we note that according to the *Global Music Report*, in 2020, the global music industry recorded revenues of about US $ 22 billion, a positive upward trend compared to the previous year by 7.4 % (IFPI Report 2021). Thus, the music industry has returned to the attention of international financial structures, continuing to be an important issue in critical approaches. These arguments and statistical reports increase the importance and timeliness of our research.

Aspects of physical and digital distribution have been pointed out by some authors, such as "important circuits of the music industry" (Beuscart, 2006, p. 159). At the same time, in different countries, different circuits with different ways of capitalization stand out. Thus, England is considered “the country with the strongest festival industry” (Trăilă, 2021, p. 64), and the USA has “a dominant model of governance in the global music industry” (Niculescu-Mizil, 2018, p. 111).

Analyzing the literature sources, we consider that, at the digital stage, the distribution was reconfigured in favor of the listener, reducing the *vertical of the musical order*,[6] in which "record companies cheat in relation to its consumers and lie performers" (Lasica, 2006 p. 44-49). The temporary attenuation of the “power of market dominance of major labels” (Costromitin, 2018, pp. 86-87) and the increased interactivity of social networks have generated the emergence of community platforms that also propagate copyright-free music - *Free! Music.* Under these conditions, the phenomenon of mass consumption was interspersed with that of mass counterfeiting, seeking to obtain music products and services for free, which does not exactly correspond to - *the essence of the true gift*[7]. As a result of these processes and phenomena, performers who declared themselves independent (indie) established a direct connection with their listeners, avoiding the obstacles and barriers imposed by intermediaries. Please note that we are dealing with the subcomponent of independent producers - "per se" (Niculesci-Mizil, 2018, p.159), which operate based on "License Art Libre - LAL" (Beuscart, 2006, p. 167), because they, in many cases, avoid the intermediate platforms of the global music industry's distribution, establishing a direct link with their consumers, while maintaining their editorial and financial independence.

The impact of digitalization on the distribution of music products has benefited other inclusions. Thus, under the pressure of forced pandemic digitalization, the offline segment of the entertainment market *(shows and concerts, live stage performances, etc.)*, which was not previously involved in virtual marketing, crossed the intangible barrier. As a result, the global music industry as a whole offers equal opportunities and conditions to both the professional artist and the valuable performer *(in fact traditional music)*, the DJ who makes music at home and the vlogger or influencer, who more recently - sings in the kitchen.

In the context of the above, in our opinion, at this stage of the music industry, the professional artist is the most disadvantaged and affected by unfair competition, as he is on a "new entry" in the virtual dimension of the global music industry.

The research of the numerous approaches regarding the distribution in the music industry allowed the systematization of the segments and groups of subjects involved, fact presented in table 2.

Table 2. Distribution structure in the global music industry

Segments	Subject groups
Digital distribution	• *specialized online platforms* • *social networks* • *telephone companies, gadgets, artificial intelligence* • *other subjects*
Physical distribution	• *vocalists and instrumentalists* • *concert and business organizations* • *entities specialized in festivals and music tourism* • *stores and physical distribution units* • *other subjects*
Media distribution	• *televisions* • *radios* • *the press* • *other subjects*

[6] *A term used by many authors to highlight the oligopolistic aspect of the global music industry market, caused by the concentration of resources within only three entities: Universal Music Group - 33%, Sony Music Entertainment - 22% and Warner Music Group - 20%.*
[7] *The theory put forward by Luis Hayd, based on the experience of the "Gift of the Church" and published in 1983, according to which the Supreme Creator created everything and those who possess creativity, is only to be distributed to others.*

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Volume **10** / 2022
Issue 1 / **February** 2022

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Distribution associated with the music industry	• *entities in the field of information technology, creative entertainment, commercial and cultural industries - palliatives: commercials, promotion, movies, audio-video synchronizations, computer programs, children's games, cross-marketing, barter, etc.* • *other subjects*

Source: Elaborated by the author

In order to evaluate the stage performance or live music performance, musical performances and concerts, both in terms of public communication and other important segments of the music industry, it is proposed to complete the distribution structure with some ways of normative capitalization, *namely the inclusion of capitalization, provided for in both local (laws and decisions) and international (conventions, treaties, directives) legislation, which are missing.* Completing the distribution in these ways would directly target the target subjects, such as *authors, performers, phonogram producers, videogram producers and broadcasting organizations.*

Consumption approaches in the global music industry. Consumption is the structural component that provides the benefit of music services and products, being *the most numerous element*,[8] with the highest economic power in the value chain in the global music industry. Here are found both individuals - final consumers and legal entities - entities that use musical works, audio-visual, public image of artists, etc. Apparently, the consumer market takes into account the musical and even spiritual preferences of the listener, at the same time the paradigm of consumption in the global music industry is based on making a profit and overhead profit. For the most part, the overhead profit is split between the distribution subjects and the major labels.

Consumption, as the main component of the value chain in the music industry, can be treated differently: through the prism of musical egocentrism, which involves multisegmentation and multifragmentation of the music offer, through the "integrationist vision, which involves grouping consumers according to behavioral, demographic, psychographic and geographical" (Treșcev, 2007, pp. 30-35). A cultural treatise, the user of music products is a consumer of music content, placed at the center of a complex marketing structure, which has a limited critical approach to the system.

The author studied the range of consumers in the music industry and segmented the music market according to the interest / disinterest in music, the level of attractiveness and positioning of the product, depending on revenue generation.

Table 3. Consumption segmentation in the global music industry

Segmentation criteria	**Segments**			
Depending on the interest / disinterest in music	*Consumers not interested in music*	*Consumers interested in music*		
In relation to the level of attractiveness and positioning of the product		*Consumers of other music products and services*	*Target consumers of the music product*	
Depending on income generation			*Participating consumers (without payment)*	*Final consumers (with payment)*

Source: Elaborated by the author

The exercise of consumption ensures the market with the necessary quantity of musical products and services, but also influences the consumer's decision. The trick of attracting attention, stimulating desire and need come to drive sales. Sales scheduling leads to the formatting of the consumption structure, by suggesting that a new form of a new music product follows. Consumption in the global music industry is subject to oligopolistic influence, in which the final consumer benefits from music products and services in exchange for valuable time and payment.

CONCLUSION

Research on the impact of the digital economy on the music industry has led to the following conclusions:

[8] *The share of the music listener is different in different countries and geographical areas. Thus, according to Nilsen (2017), in the U.S. - 95%, in Canada - 93%; according to Левада-Центр (2018), in the Russian Federation - 75%. According to the Global Music Report (Annual State of the Industry / IPFI, 2021), revenue from listening and downloading files increased in 2020 by 15.9% in Latin America, in Africa by 8.4% in Asia by 9.5%, and in Australia by 3.3%, compared to 2019.*

Volume **10** / 2022
Issue 1 / **February** 2022
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1. The rapid development of digital technologies has contributed to the growing complexity of the value chain in the global music industry (production, distribution and consumption), whose value is difficult to quantify, and leads to unpredictable developments both theoretically and practically with significant impact on the life, culture and development of human society.
2. Production is one of the main components of the value chain in the global music industry that contains cultural value and has a direct influence on music consumption.
3. The distribution of the global music industry is a commercial communication based on intangible (digital) and tangible (physical) media. The subjects of the distribution are intermediate entities specialized in the sale of products and the provision of music services.
4. The author systematized subjects by segments of: the production process (creative, technological and normative); distribution process (digital, physical, media, associated with the music industry). Systematization will contribute to the efficient organization of a reliable value chain system in the global music industry in the context of advanced technologies and artificial intelligence.
5. In order to assess the stage performance or performance of live music, musical performances and concerts, both in terms of public communication and other important segments of the music industry, it is proposed to complete the distribution structure with some ways of normative capitalization, *namely the inclusion of capitalization, provided for in both local law (laws and decisions) and international law (conventions, treaties, directives)*. Completing the distribution in these ways would directly target the target subjects, such as *authors, performers, phonogram producers, videogram producers and broadcasting organizations.*
6. In order to obtain additional information on the range of consumers in the music industry, the author systematized all of them by proposing as classification criteria: depending on the interest and disinterest in music, the level of attractiveness and positioning of the product, payments made. This will facilitate the decision-making process in assessing the performance in the music industry of both major and intermediate labels and independent entities.
7. The culturological approach to consumption allows us to find that the user of music products is a consumer of music content, placed at the center of a complex marketing structure, which has a limited critical approach to the system.
8. Consumption in the global music industry is a vulnerable socio-cultural dimension, financially, legally and economically regulated.
9. The development of the structure of the global music industry depends on both the evolution of internal trends and the influence of external factors, which requires further investigation. We prioritize these topics to be researched in the next step.

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