Published research by CCP members
Policy Brief

Digitalisation and Intermediaries in the Music Industry: The rise of the Entrepreneur

KEYWORDS: Copyright, Music Industry, Self-Publishing, Retailers

TYPE OF PUBLICATION: Journal Article


BACKGROUND
- The music industry has changed dramatically in the last few years with changes in technology and the popularity of streaming.
- This paper analyses the effect this has had on the market structure of the music industry and what this means for consumers.

METHODOLOGY
- The paper explains the recent technological changes in the music industry and discusses the effect this has had on copyright law.
- It then gives a qualitative analysis of how the structure of the music industry has changed.
- It then concludes by reviewing the potential effect of these changes for consumers.

KEY FINDINGS
- There used to be a large number of artists whose songs were supplied to a small number of large record labels who produced CD’s and other physical music and as a result obtained a significant share of profits from the music industry.
- Now streaming sites and other forms of digital download form a larger part of the music industry, this gives more power to creators as they now have the ability to sell content directly to consumers.
- Copyright law, as stands, still typically benefits powerful industry actors such as record labels and established artists.
- This new structure of the music industry may harm consumers as a high degree of control for industry record labels, streaming sites and artists could, in theory, lead to increase the cost of music to consumers.

POLICY ISSUES
- Policy makers need to be aware that the changing environment of the music industry may not benefit consumers.
- Consumers and possibly creators could benefit from a reform to copyright law to reflect the shift in power from traditional industry powers to creators and streaming platforms.
Published research by CCP members
Policy Brief

ABOUT CCP
The Centre for Competition Policy (CCP), at the University of East Anglia, undertakes competition policy research, incorporating economic, legal, management and political science perspectives, that has real-world policy relevance without compromising academic rigour.

FOR MORE INFORMATION
More information about CCP and its research is available from our website: www.competitionpolicy.ac.uk

To discuss this policy brief, please email: ccp@uea.ac.uk

ABOUT THE AUTHORS

Morten Hviid: Professor, Centre for Competition Policy, School of Law, University of East Anglia, Norwich NR4 7TJ

Sofia Izquierdo Sanchez: Senior Lecturer in Economics, Huddersfield Business School, University of Huddersfield HD1 3DH

Sabine Jacques: Lecturer, School of Law and Centre for Competition Policy, University of East Anglia, Norwich NR4 7TJ