

Awareness Among Artists about Music Business in the New Age Music Industry



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Abstract

This Research paper aims to examine the awareness among artists towards the Business of Music especially generating revenue out of the recorded music. There are various ways to generate revenue in the field of music. This paper focuses on recorded music and several ways which can be learned by the artists directly to make money and protect their rights of music. In the modern time of music industry, artists are being more independent. It means the need of mediators to distribute and publish recorded musical work for the artists is not needed anymore. Because of the accessibility of all these tools like distribution and publishing tools independently, artists can generate a good amount of royalty for their music without the help of a label company. Music is considered an Intellectual Property. There are some laws to protect it from piracy, unauthorized sales etc. This paper examines the different type of rights in the field of Music, what they are, which rights they are protecting, but this paper majorly focuses on the revenue generation from different channels. If artists are not aware about the music business, someone else will earn money from their music. In this research, some tools have been discussed which should be accepted by the artists to earn more royalties.

Keywords: Royalty, Distribution & Publishing, Revenue, Independent Artists, Music Business

Research Paper

Introduction

Recorded music is like the performance of music in modern time. Because in the past, music was something which can be performed live only in front of audience. But recording of music started after Edison's invention of the Phonograph. After that, we started earning money by selling recorded music. Recording systems evolved from wax cylinders to the modern-day technology and became the essential part of our life. Business models also evolved with the different recording systems. Owing to unawareness, artists were making music and others were making money with the artist's music. But today most of the artists are working independently in the music industry. Now the dependency of artists for their earnings has reduced over these music label companies. Now they can distribute and publish their music of their own. But still there is a great need of awareness among artists to understand the business. In this research it is examined that there are several ways to explore the independent side of the music business. Today, when the world is being considered a global village because of the

internet, artists also must be educated about their music, business and their rights.

Rights and Revenue

Different Type of Rights: In the field of music there are basically two categories of rights which protect the music. First is "Compositional Rights (C-LINE)" and second is "Sound Recording Rights (P-LINE)" (Barry).

When a composer composes a melody, it means the he/she already owns the composition. Composer is the first and only owner of that composition. It means composer owns the right to provide licenses of that composition. Composer because he is the only owner can do anything with his/her composition. This right of monetizing the composition and earning through the sale/performance of that composition (Performance, print in book, Grant permission to others who want to use that composition) is called C-LINE Rights. This right is generally owned by the composers but in some cases, Publishers also owns this right (RouteNote).

Other right is known as the "Sound Recording Right"

also known as “PHONOGRAPHIC Right”. When someone records the composition and creates a particular master recording file of that composition, then it comes to the phonographic rights. It means someone who owns rights of the recorded version of that composition, owns the P-LINE Rights. This Right is usually owned by the record labels, but nowadays most of the composers and musical artists own their P-Line too (Pepin).

Both of these categories also have some subcategories which defines it more specifically.

- ❑ **Compositional Rights (C-LINE):** Compositional rights protect the musical work of the artists. For example, Lyrics and Composition.
- **Subcategories**
- ❖ **Mechanical Rights:** This is the basic right of composition and lyrics. This right allows to reproduce musical work in a tangible form, such as CDs, vinyl records, digital downloads, or sheet music.
- ❖ **Public Performance Rights:** Right to control how and where the musical work (lyrics or composition) is publicly performed (live concerts, radio broadcasts).
- ❖ **Sync Rights (Synchronization Rights):** Right to synchronize the music with visual images (TV, film soundtracks, commercials, video games).
- ❖ **Derivative Works Rights:** Right to create secondary works based on the original composition (arrangements, remixes, covers).
- ❑ **Sound Recording Rights (P-LINE):** These rights are pertaining to the specific recorded version of the musical work, usually it is called master recording.
- **Subcategories**
- ❖ **Reproduction Rights:** This right allows to reproduce the recording in the Physical form (CDs, vinyl) or digital format.
- ❖ **Distribution Rights for Recordings:** Right to control the distribution of recording.
- ❖ **Public Performance Rights:** Right to control, that is, how and where the recorded work (particular version or a recorded song) is publicly performed (Saini).

Distributors and Publishers: There is always a confusion between these two entities to identify which of them is providing which services.

When an artist creates a song, it contains lyrics, composition etc. Publisher is someone who creates

business around the music. It means publisher has to register the music world-wide to collect all the possible royalties for composition and lyrics. A publisher also performs the function of music promoter. The main focus of the publisher is to promote the music and get it registered to all the places from where it can earn royalties.

A Distributor is someone who deals with the recorded versions of the songs. In simple words distributor’s primary function is to provide a platform to your recorded songs and collects royalties from the stores earned by the recordings. There are several platforms like Spotify, Amazon, Pandora where you cannot upload your song directly. You will need a mediator to reach them. And that mediator is called Distributor (Gamma).

Revenue Collection from Different Mediums

Nowadays: Firstly, Revenue is being generated by Distribution. There are several platforms where the artists can upload their recorded music directly without the support of the third party and can earn according to their streams/views. The major examples of these platforms are YouTube for videos and SoundCloud for audios. But to get the access of giant streaming platforms of music like Spotify, Apple Music, there is a need of a distributor. There are some distribution services in the market which helps the artists to distribute their music independently on these giant platforms. Artists just need to pay a minimal fee and distributors will distribute their music to these platforms and will collect royalties on behalf of artists without involving music label companies in between (Soundcharts Team).

Some famous distributions services are Distrokid, TuneCore, Amuse, CD Baby etc. This gives independency to the artists. Where artists can get all the earnings by their music directly in their wallet without paying it to mediators (Music Label Companies). This is how an artist will get more pays because now there is no music label in between. All these royalties by distribution are managed with the help of a code which make royalty collection easier. This code is ISRC (International Standard Recording Code) (Amuse).

Secondly, Revenue is being generated by Publishing Licences. If the artists are publishers themselves, then it becomes more beneficial to the artists. Being the publisher of their own musical work is easy as being the distributor of their own music with the help of independent publishing services like SongTrust, CD Baby Pro Publishing etc. They collect all the possible royalties if the song is registered with them. After

becoming the publishers of their own music, artists can earn by providing licenses of their music. Majorly there are six common licenses.

- Synchronization License
- Public Performance License
- Mechanical License
- Master Recording License
- Print License
- Blanket License (Shih)

What Interviews & Data says

Interviews: In order to get more insights about music business for independent artists, online Interviews cum Podcasts were conducted with the Industry Professionals.

NYN Music – Nayan Jaiswal also known as NYN MUSIC is Faridabad (Haryana) based Independent musical artist. He has many songs on all the DSP's (Digital Streaming Platforms) but most of the people know him for his song "KITSE" which has more than 6 million views on YouTube today. He is a multi-genre music producer and singer.

In conversation with him NYN shared his experience of making a hit song and earnings without help of any music label company involved in it. NYN said he is an active member of IPRS which is a PRO (Performing Rights Organization) in India. IPRS collects the performing royalties for his music (except streams/views). He is using a distribution service named "CD BABY". He distributed his viral song "Kitse" through CD BABY. Nyn also disclosed the amount he earned from his song "Kitse" which is around \$5000 till the date of this interview. Before the release date of this song a music label offered him around 3-5 lakhs rupees for this song. The company wanted to buy that song exclusively (with all the rights), but he refused and published his own song independently and generated the amount around 4-5 lakhs. This amount is only generated by the distribution. In this case, he generated around 5 lakhs Indian rupees only with the Sale/Streams of his recording (P-LINE) and he is also earning from other rights like Performing Rights etc. It means if he had accepted the offer of rupees 3 lakhs by the company, he would have to give all his rights to the company. But he chose to release his song independently. He earned around 5 lakhs INR (till the date of this interview) and solely owns all the rights (Jaiswal).

V-Shaedy – Vishal Sisodiya also known as V-SHAEDY an Independent artist (Rapper) based on Delhi. He is an eminent member of the crew "We Are Apex" and

"Gentlemen's Club". He has performed at various music fests such as "Hindustan Times City Unwind 2024" in JLN Stadium along with the crew and various clubs all around Delhi. He has above 200K streams (Spotify) on albums with the crew.

In the interview with V-Shaedy, he unfolded the life and earnings of Hip-Hop artists in India. He as a rapper, composer and lyricist experienced Pros and Cons of being an independent artist and artist in a contract with label. He is getting money from his releases, but the major problem of being an independent artist is the lack of marketing strategies and promotions. He said that there is a liberty in your art when you are working independently, but less chances that your music will get fame. On the other hand, if an artist is assigned to a label, it helps the artist to go famous. He also explained that as an independent artist you need to get at least 600K streams per track on spotify to make living. And maybe it's not possible for all the independent artists to reach that limit. Further, he also mentioned some hip-hop artists like "CHAAR DIWAARI" who made it possible with their unique appearance in the music and their different style without involvement of any music company. To get the reach, Chaar Diwaari made his music by understanding his targeted audience while keeping his music unique from the others. According to V-Shaedy this is how Chaar Diwaari an independent artist solely managed to drag the listeners to his music (Sisodiya).

These were the examples of where artists were aware about their rights and the basic structure of Music Business. On the other hand, there are some artists who are working with music labels as well as independently, but without the awareness of music business. They are lagging behind in earnings as compared to those artists who understand music business.

Isha Panchal – Isha Panchal is an eminent member of the musical group "YAAR SUDAMA GROUP".

This group performed a song named "Bata Mere Yaar Sudama Re" and has 130 million views on YouTube. Isha has worked with several music label companies. There are more than 20 songs sung by her that have crossed millions of views/streams on Youtube and Spotify. But without enough knowledge of music business, she has been not able to make money out of it. Only record labels are generating revenue with her music, she only ends up with live shows (Panchal).

Data & Survey: Let's take a look at the data obtained through surveys among musicians. In this survey

population of 112 musicians is examined. There are Industry professionals, Academicians, Students and Researchers involved in this survey.

Q.1 You are?

- (71.4%) An Independent Artist
- (2.7%) Artist Bounded by a Record Label Company
- (7.1%) Academician
- (1.8%) Industry Professional
- (17%) Student

Q.2 Do you know the process of distribution of your songs to the DSPs like Spotify?

- (35.7%) Yes
- (45.5%) No
- (18.8%) Not Sure

Q.3 Is your music generating royalty and revenue on Internet (YouTube, Spotify, Facebook, etc.), are you getting that money?

- (17.9%) Yes
- (82.1%) No

Q.4 Do you understand Mechanical Rights, Sync Rights and Performing Rights?

- (24.1%) Yes
- (42%) No
- (33.9%) Not Sure

Q.5 Do you know the benefits of Copyrighting your music?

- (58%) Yes
- (25%) No
- (17%) Not Sure

Q.6 Do you know the legal process of copyrighting your music and how to copyright music in India?

- (27.7%) Yes
- (42%) No
- (30.3%) Not Sure

Q.7 Do you know C-line and P-line rights of your music?

- (13.4%) Yes
- (86.6%) No

Q.8 Do you understand what is a PRO (Performing Rights Organization) and how it works?

- (17.9%) Yes
- (57.1%) No
- (25%) Not Sure

Q.9 Are you a member of any PRO?

- (92%) No
- (8%) Yes

This data has been obtained by the survey with the help of online google form (Lout).

This data shows that there is a lack of knowledge among the artists about music business where most of the people in this survey are working independently in the field of music. They don't know how to reach DSPs (Digital Streaming Platforms), unaware about the music distribution services, only 8% of this population are the members of any PRO.

Conclusion

By the interview section of this paper, it can be concluded that some independent artists like Nyn making a good amount of royalty with their music just because they have basic understanding of music business. On the other hand, artists like Isha Panchal still didn't get the way to monetize their music on the internet because of the lack of awareness about music business.

There are several ways to earn more with the music in this modern age. Among the musical artists, only problem is found unawareness of modern tools of earning. There are various sources from where the artists can generate a good amount of pays with their music. In this research, it is found that there are several ways like distribution tools, publishing services, PROs which help the artists to earn more money independently. Although, musicians are getting education in the field of music and in particular subjects, but "Music business" should also be the part of their educational programmes (Graduation/ Post-Graduation). On the individual level artists must educate themselves about the Music Business with the help of information available on Internet.

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