STATE OF PLAY

2008 - 2009

Your journey starts here

EXECUTIVE SUMMARY

LIVE MUSIC IN MELBOURNE

An annual report prepared by NMIT's Advanced Diploma of Music (Business) students - 2009

STATE OF PLAY

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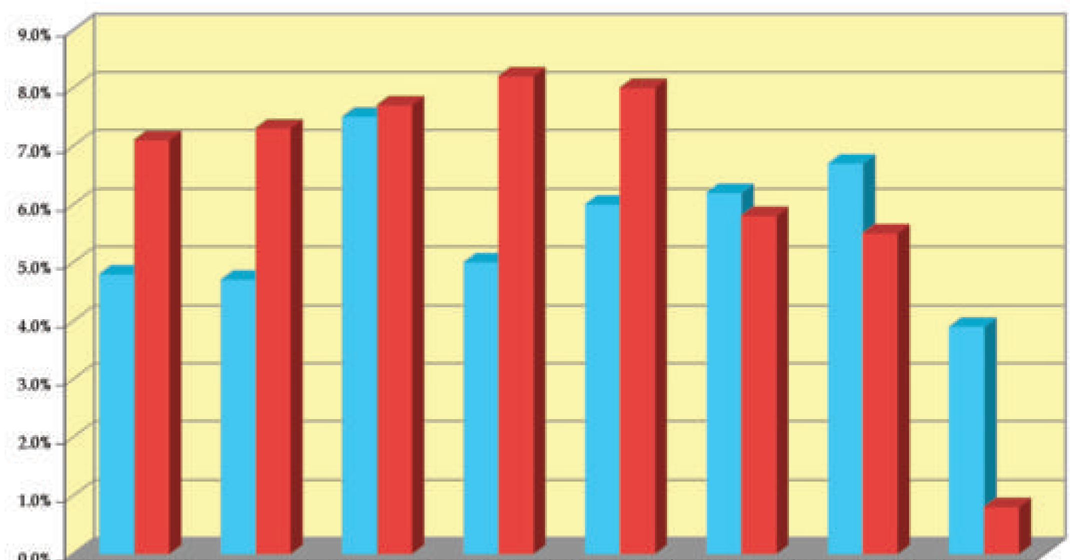
Using our major indicators - the number of advertised gigs for musos and DJs in the Street Press and the $ expenditure advertising those gigs in the free and commercial press, Melbourne's live music scene has grown every year since 2000.
In that year, an estimated $10 Million was spent advertising 46,993 gigs.
In 2008/2009, an estimated $25.5 Million was spent advertising 77,813 gigs.

To complete the summary, 1,000+ consumers were surveyed on their opions and behaviour, as were 100+ indie/grass roots musicians.

Growth Indicators 2000 - 2009



	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
$ Advertising Growth	4.8%	4.7%	7.5%	5.0%	6.0%	6.2%	6.7%	3.90%
Gig Number Growth	7.1%	7.3%	7.7%	8.2%	8.0%	5.8%	5.5%	0.80%

EXECUTIVE SUMMARY

Using our traditional indicators - the number of live music performances advertised in the street press; advertising dollars spent promoting those gigs in the major print media; the results from our extensive Consumer & Musician surveys and data collected from radio stations and venue operators, we are lead to conclude that statistically, Melbourne's live music scene continued to enjoy relative 'good health' in 2008/2009, despite being affected - as were all sectors of the economy, by a very challenging environment for businesses and consumers.
Whilst there have been a variety factors negatively impacting on live pub/club/bar performance over the 10 years of our study, the evidence is clear that this vibrant sector has not only adapted to changes and challenges, but has in fact prospered, growing every year since 1999.

LIVE GIGS

- In the twelve months, September 2008 to August 2009, there were 77,813 listed/advertised performances in Melbourne venues featuring solo artists/duos/groups and DJs. This represented a very modest increase of 733 (0.8%) on 2007/8's total of 77,080.
  Despite this difficult year, since 2001, over 25,000 additional live performance have been created (49.2% increase overall), with an average annual rate of growth of 6.25% per year.
- There were 37,432 listed performances by musicians (11,378 solo/duo; 26,054 group) - an overall 1.1% (372) incease on 2007/8's total of 37,060.
- There were 39,873 listed performances by DJs - a 0.3% decrease (-144) on 2007/8's total of 40,020.
  So, although there were 2,441 more DJ gigs in total listed for the year, this was the third time in the last six years that the rate of growth in Musician-based gigs exceeded that for DJs.

PRINT MEDIA - GIG ADVERTISING

- Over $ 25.5 Million (excluding GST) was spent in 2008/2009 on advertising/promoting live music gigs in the music-specific print media (street press) and music entertainment sections (Age *EG*, *A2*, Sunday Age *M* and Herald Sun *Extra HIT* and *PLAY*) of commercial newspapers.
  Removing first-timer *PLAY's* $4.1 Million leaves $21.5 Million - a $ 0.8 Million increase (3.9%) on the 2007/2008 total of $20.7 Million. This growth rate for paid advertising - down from the consistent 5%+ for previous yeras, is consistent with the modest growth recorded in total performances.
- The $ $6.71 Million spent in the street press represented an increase of 4.2% on 2008/2009's total of $6.44 Million. *Beat*'s $3.72 Million represented a 3.9% increase, and *InPress's* $2.99 an increase of 4.4% on the corresponding period last year.
- The $ 14.75 Million spent in the major newspapers (minus *Play*) in 2008/2009 was 3.7% up on last year's $14.2 Million. An increase of 1.5% for the Age *EG* ($3.4 Million), 2.5% for the Herald Sun's *HIT* ($5.1 Million), 5.7% ($3.6 Million) for the Age's *A2* and 3.4% ($2.7 Million) for the Sunday Age's *M* Magazine.
- During the period of reporting - 2000-2009 - over $ 138 Million in paid advertising has been spent promoting 424,000+ live performances.

CONSUMER SURVEY

- **Radio:**
  After briefly being unseated by Fox FM in 2006/7, perennial winner Triple J (favourite for 9 of the 10 surveys) was voted the clear favourite radio station (33%), followed by RRR (12%) and PBS (11%).
  When all listening is considered, the loss of audience experienced by commercial stations in recent years continues, with Nova' share having halved in the last 5 years. Melbourne's support for public/community radio continues to distinguish the local market in an industry dominated by national networks.
  Although it's share is down from a high-point in 2004/5, Gold 104 continued it's somewhat surprising popularity among original music fans (the majority of our respondents).
- **TV:**
  Perennial favourite Rage was voted No.1 by 44% of our audience. ABC's J TV (16%) although a distant second, did well after debuting with 10% in 2007/2008. MTV was in third place (10%). Music reality TV (Idol etc) at 5% has had little impact on our respondents, and Video Hits has lost significant ausdience.

EXECUTIVE SUMMARY

- **Music Print Media:**
  Beat Magazine (38%) maintained its dominant position as the most popular music print media. Perennial runner-up *InPress* (24%) maintained it's lead on third-placed *Rolling Stone* (10%). *J Mag* made a promising debut, gaining a 9% share.
  Despite significant threats from digital/electronic competitors, the traditional print music media leaders ontinue to perform strongly.
- **The Internet:**
  Broadband access/connection continues to grow across all age groups, from a 'low' of 75% in the under 18s to a high of 87% among 19-24 year olds. P2P Sharing - at 68% is slightly down from last year's 71%. The most significant change has been the 90% usage (up from 55% two years ago) of social networks - MySpace, Facebook, YouTube etc. This has seen a significant rise in music website visits - 72% - up from 50% three years ago. 49% pay nothing for the music they download and 22% pay for it all.
- **Gig Information:**
  Given the the continuing adoption of digital communications - particularly social networking, it was only a matter of time before these would overtake 'traditional' sources for gig information. This is the year. Facebook/Myspace is now the most-used source (75%), followed by Word of Mouth (63%), Websites and Beat (59%), Posters (43%), Radio (42%), InPress (41%), Email (33%) and SMS (24%).
- **Live Gigs - Attendance & $$ Info:**
  93% of those surveyed attended at least one live performance per month (92% last year).
  Of those, 62% attended between 2 and 12 gigs per month (average 5). Far more than the much smaller numbers recorded by the Australian Bureau of Statistics for other performance-based artforms - ballet, classical music, theatre.
- In 2008/9, live music goers spent an average $28 per month on entry to club/pub gigs and an extra $86 on food, drink, transport etc. An increase of 12% on 2007/8.
  Concerts/festivals goers spent an average $98 per month on tickets, plus an average $150 on 'extras'. An increase of 19% on 2007/8 figures.
- **Venues:**
  Despite the popularity of Bars (86%), Concerts (81%) and Festivals (79%) as preferred venues for seeing live performances, their rise has NOT been achieved at the expense of pubs (79%) which amazingly have built on the audience share (69%) recorded in the 2000 survey. Cafes and restaurants (23%) continue to gain popularity - up from 11% in 2004/2005. Music Theatre made a strong debut at 25%.
  The figures would seem to confirm the evidence (see Gigs section) of the continued growth (albeit smaller than previously) in live music gigs in a difficult economic environment.
- Long time favourite, The Corner was again the most popular pub venue (22%), from the The Hi Fi (17%) and The Espy (16%), with The Tote and Northcote Social Club maintaining popularity (11%).
  The Forum (38%) was a clear winner as concert venue from Festival Hall (20%) and Rod Laver (15%).
- **Support for Australian Music:**
  73% of music fans think the percentage of Australian music on commercial radio should be increased (72% last year) - 8% decreased, 19% stay the same. 77% think the % of new music (last 12 months) should be increased (62% last year) - 7% decreased and 16% stay the same.
- **Suggested Government Funding/Assistance:**
  There were dramatic increases in several areas - All ages gigs (57% up from 35% last year), Late Night Transport 54% (from 42%), Local Marketing 66% (from 44%), Overseas Marketing 44% (from 29%) and Web Development 54% (from 42%).
  Venues & Recording continued to attract strong support (60%), as did Touring and Business education.

MUSICIAN SURVEY

- **Profile:**
  The 128 'indie' musicians surveyed were typically 18-30 years old (76%); have been in the industry an average 6 years; 82% have released commercial recordings which they sell mainly at gigs (89%) and through their own website (72%). 27% are full-time, 35% part-time and 38% casual, and perform an average of 3-4 paid gigs per month - earning an average of $150 for duo/solo work and $310 for band gigs.

EXECUTIVE SUMMARY

- **Musicians & Business:**
  Of the 62% who identified themselves as full or part-time, 88% are self managed, 62% have an ABN (up from 49% last year), while only 29% are registered for GST. 23% are "not sure" what business structure they're operating and only 24% have any formal business training (as opposed to 62% for music train-
- Given the high level of self-management, it is interesting (worrying?) that 56% rate their industry knowledge as 'Below Average' (31%) or 'Poor' (25%), and only 11% as 'Excellent'.
- Again, given that we targetted the 'indie' sector where it is reasonable to assume a high degree of self-composition - and therefore royalty generation from live performance/'broadcast', it is surprising that 40% are NOT registered APRA members - however, better than last year's 65%!
- **Musicians & The Internet:**
  93% having access to broadband (95% last year); 73% have their own website where they offer - Videos (54%), CDs for sale (51%), Audio Samples (82%), Free Audio Downloads (61% up from 46%). 38% offer paid downloads (up from 22%). 90% have a MySpace page, 68% a Facebook profile, and 33% Tweet.
- Assuming that Indie musicians would be more 'sensitive' to the industry's copyright piracy messages than general music consumers, it is surprising that of the 68% involved in downloading music, 74% share it P2P - several % points up on general consumer figures recorded in 2008/9.
- Although they still use traditional word of mouth and street press free listings (preferring *Beat*) to promote gigs, web-based methods are increasingly dominant. When asked to identify issues impacting on their ability to play gigs/earn income, noise-related 'development' dominated the responses.
- **When asked to comment on the live gig scene compared to 12 months ago, 38% voted for 'Growing' (down from 44% last year); 42% for 'The Same' and 20% for 'Shrinking'. 38% reported 'Increased' gigs, 27% 'Decreased', and 35% 'The Same'. This is in line with data and opinion from all other sections.**

VENUE SURVEY

- Although pub venues utilise the 'traditional' promotional tools - posters (80%) and the Street Press (89%), they are increasingly turning to the internet to promote gigs, with 93% of those surveyed having their own site. At 78% usage, Social networks (MySpace, Facebook etc) built on their debut last year as a means of promoting gigs.
- Many of the venues surveyed have issues which impact on their operation as live music presenters - 52% Noise-related problems, 44% Parking, 33% Health and Safety regulations, 36% Building/Development issues and 39% Zoning/Local Govt regulations.
- **Smoking Ban** - Mirroring last year's results, 25% of venues reported 10-20% increase in audience; 20% reported 10% decrease; 55% reported no discernable difference.
- **Venue Assistance/Support:**
  A number of our most prominent live music venue operators were interviewed for their opinions on the state of the live music industry.
  The vast majority confirmed the 2008 Report's findings in terms of a 'healthy' - though slightly reduced, level of activity for the previous 12 months.
  When asked to comment on how local/state government could best asssist their business, there were three dominant suggestions which featured in the majority of answers -
  1. Reduced bureaucracy and regulation in planning/development area. 2. Increased support for local festivals and artists. 3. A stronger, better resourced music industry body.
- **Health of the Scene:**
  The response from venue operators was remarkably similar to that of musicians - both confirming the data collected and presented in the Advertising & Gig sections of the Reoprt.
  When asked to compare their live music audiences with 12 months ago, 35% voted for 'Increased', 25% for 'Decreased' and 40% for 'The Same'.

RADIO SURVEY

Melbourne's radio stations report an average 35% Australian content - ranging from 47% at PBS to 23% at GOLD. Community stations devote an average 14% of programming to exclusive Australian music shows, while commercial FM manages an average 3.8%. All stations are active sponsors/promoters of live gigs, and with 53% reporting increased promotional activity, and 37% the same level as last year.