

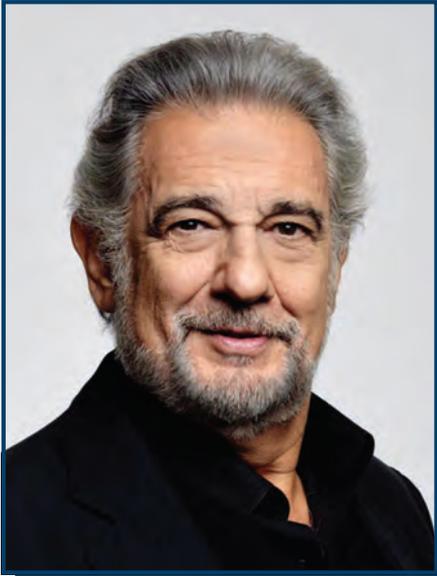


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- ▶ Streams up by 48%
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PLÁCIDO DOMINGO
CHAIRMAN, IFPI

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GLOBAL MUSIC MARKET 2015 IN NUMBERS

GLOBAL MUSIC REVENUE

↑ 3.2%

DIGITAL OVERTAKES PHYSICAL

WITH
45%
OF GLOBAL REVENUES



GLOBAL DIGITAL REVENUES

↑ 10.2%



STREAMING REVENUES

↑ 45.2%

AND NOW ACCOUNT FOR 43% OF DIGITAL SALES

CONSUMPTION IS EXPLODING

STREAMS

↑ 93%

IN US



PHYSICAL REVENUES

↓ 4.5%

AUDIENCE OF AD-SUPPORTED USER UPLOAD SERVICES

900M
(WORLD'S LARGEST ON-DEMAND AUDIENCE)

AD-SUPPORTED REVENUES SECTOR ACCOUNTS FOR AN ESTIMATED

4%

OF GLOBAL MUSIC INDUSTRY REVENUES



DOWNLOAD REVENUES

↓ 10.5%

INTRODUCTION

Music consumption is exploding – but much more is needed for sustainable revenue growth



Frances Moore photo by Graham Flack

FRANCES MOORE
CEO, IFPI

EXECUTIVE SUMMARY

Today we are at a crucial moment in the evolution of recorded music. After two decades of almost uninterrupted decline, 2015 witnessed key milestones for recorded music: measurable revenue growth globally; consumption of music exploding everywhere; and digital revenues overtaking income from physical formats for the first time.

These are positive metrics of accomplishment. They reflect an industry that has adapted to the digital age and emerged stronger and smarter.

This year's IFPI Global Music Report is not a story of "job done", however. The recovery is encouraging, but it comes after nearly two decades of decline during which recorded music revenues slumped by over a third.

To understand our industry's needs for the longer term requires us to analyse what brought us to the inflection point where we find ourselves today.

First, the music industry's return to growth has not happened by accident. It is the result of tireless work and adaptation. Record companies have quite simply transformed to survive and thrive.

They have embraced all forms of digital distribution, giving consumers ever expanding choice of music offerings.

Record labels have also kept their focus on their core mission – investing in artists, creating value for music talent and bringing music to a global audience. And they are working smarter and more creatively, using the amazing potential of streaming to better understand and engage with consumers.

As the four case studies included in this report demonstrate, the digital world has made labels more, not less, important in generating value for artists.

If licensing proactively, investing and working smarter for artists were the only keys to a secure and thriving future, our industry's turnaround might today be complete. In reality, it is nothing like complete. That is because of the problem that is outlined in this report - the "value gap". The message is clear and it comes not only from a united music community but also from a wider group of creative industries: the value gap is the biggest constraint to revenue growth for artists, investors and all music rights holders.

The value gap is about the gross mismatch between music being enjoyed by consumers and the revenues being returned to the music community. Today, music consumption is exploding, driven by streaming services and in particular by the rapidly-growing use of user upload platforms such as YouTube.

This should be great news for music creators, investors and consumers. But there is good reason why the celebrations are muted: it is simply that the revenues, vital in funding future investment, are not being fairly returned to rights holders.

Take the stark illustration cited in this report: advertising-supported user upload services comprise the biggest on-demand music audience in the world, with over 900 million users. Yet they form part of an advertising-supported revenue sector that makes up only four per cent of global music industry revenues. This is, emphatically, not a fair correlation between the consumption of music and the value that it is generating for artists, creators and investors.

Change is needed - and it is to policy makers that the music sector looks to effect change. The "safe harbour" regime designed for the early days of the internet should no longer be used to exempt user upload services that distribute music online from the normal conditions of music licensing. Labels should be able to operate in a fair functioning market place, not with one hand tied behind their back when they are negotiating licences for music.

In early 2015 our sector first laid out its case for policy makers to address the value gap. Today, it is encouraging to see policy makers responding. The European Commission has identified the problem and acknowledged that a legislative fix is needed. The US Copyright Office has launched a study into safe harbours to determine whether they are fit for purpose. These initiatives will be our industry's priority focus over the next year.

As this report shows, our industry's efforts have brought the music industry closer to sustainable growth than we have been for 20 years. This is good news, but much more is needed to turn one single year into a decade of growth. Exploding music consumption is not enough – value returned to the music community is vital too if we are to fund future innovation and creativity. That is why our sector is united in looking for action on the value gap.

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MOST POPULAR ARTISTS AND GLOBAL BESTSELLERS OF 2015

TOP 10 GLOBAL RECORDING ARTISTS OF 2015



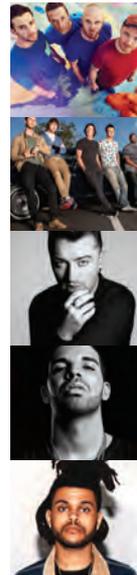
1 ADELE

2 ED SHEERAN

3 TAYLOR SWIFT

4 JUSTIN BIEBER

5 ONE DIRECTION



6 COLDPLAY

7 MAROON 5

8 SAM SMITH

9 DRAKE

10 THE WEEKND

GLOBAL TOP 10 ALBUMS 2015

	TITLE AND ARTIST	UNITS (M)
1	25 – ADELE	17.4
2	X – ED SHEERAN	3.5
3	1989 – TAYLOR SWIFT	3.5
4	PURPOSE – JUSTIN BIEBER	3.1
5	IN THE LONELY HOUR – SAM SMITH	2.6
6	MADE IN THE A.M. – ONE DIRECTION	2.4
7	FIFTY SHADES OF GREY – VARIOUS ARTISTS	2.2
8	A HEAD FULL OF DREAMS – COLDPLAY	1.9
9	TITLE – MEGHAN TRAINOR	1.8
10	BEAUTY BEHIND THE MADNESS – THE WEEKND	1.5

Source: IFPI. Physical and digital albums included. Streams excluded.

GLOBAL TOP 10 DIGITAL SINGLES 2015

	TITLE AND ARTIST	UNITS (M)
1	SEE YOU AGAIN – WIZ KHALIFA (FT CHARLIE PUTH)	20.9
2	UPTOWN FUNK – MARK RONSON (FT BRUNO MARS)	20.0
3	THINKING OUT LOUD – ED SHEERAN	19.5
4	SUGAR – MAROON 5	13.5
5	LEAN ON – MAJOR LAZER (FT MØ & DJ SNAKE)	13.1
6	LOVE ME LIKE YOU DO – ELLIE GOULDING	12.6
7	HELLO – ADELE	12.3
8	BLANK SPACE – TAYLOR SWIFT	9.2
9	CHEERLEADER – OMI	8.3
10	WANT TO WANT ME – JASON DERULO	8.1

Source: IFPI. Units include single-track downloads and track-equivalent streams. For full top 50 global albums and top 20 digital singles please see page 58 and 59 in the 'Data and Analysis' section of the full report.

Adele photo courtesy of XL Recordings; Ed Sheeran photo by Ben Watts; Taylor Swift photo by Sarah Barlow + Stephen Schofield; Justin Bieber photo by Peter Yang; One Direction photo by Cal Aurand; Coldplay photo by James Marcus Haney; Maroon 5 photo by Vincent Perrini; Sam Smith photo by Rankin; Drake photo courtesy of Universal Music Group; The Weeknd photo by Kalen Hollomon

GLOBAL MARKET OVERVIEW

The recorded music industry is investing and embracing change

DIGITAL OVERTAKES PHYSICAL, GLOBAL REVENUE GROWTH

The global music market achieved a key milestone in 2015 as digital became the primary revenue stream for recorded music, overtaking sales of physical formats. Digital revenues now account for 45 percent of total revenues, compared to 39 per cent for physical sales. Performance rights revenues to producers and artists (14 per cent) account for the bulk of the remainder.

In the latest step of the industry's hard-fought and successful evolution in the digital world, digital revenues rose 10.2 percent to us\$ 6.7 billion, helping to offset the falling sales of CDs and leading to the industry's first measurable year-on-year growth in 20 years. Total industry revenues grew by 3.2 per cent to us\$ 15.0 billion.

The increase was primarily driven by a sharp rise in streaming revenues which more than offset declining downloads and physical formats. Revenues from all streams, including from premium and ad-supported services were up 45.2 per cent. Streaming now accounts for 43 per cent of digital revenues and is close to overtaking downloads (45 per cent) to become the industry's primary digital revenue stream.

The positive trend, coming after more than a decade of decline, reflects the transformation of record companies to meet changing consumer behaviour, proactive licensing of new services, continued investment in talent and innovation in bringing artists to a global audience.

The streaming revolution has engaged consumers, including many who were previously outside the licensed music environment, and helped drive growth.

THE VALUE GAP

However, there is a fundamental weakness underlying this recovery. Music is being consumed at record levels across the world – in the US, for example, the volume of total music streams rose 93 per cent to more than 317 billion – yet this surging volume of consumption is not returning a fair remuneration to artists and producers. There are similar disparities recorded in the UK and France. This is the result of a market distortion known as the “value gap”.

At the heart of the value gap is the misapplication of legislative “safe harbour” rules that allow some services, including user upload services such as YouTube, effectively to circumvent the normal rules of music licensing and use copyrighted music content to build their business without fairly remunerating rights holders. As a result, payments to artists and producers are miniscule compared to the massive consumption on these services. The problem also has a serious impact on subscription services such as Spotify, which are forced to compete in a distorted market that limits their ability to attract users to premium services.

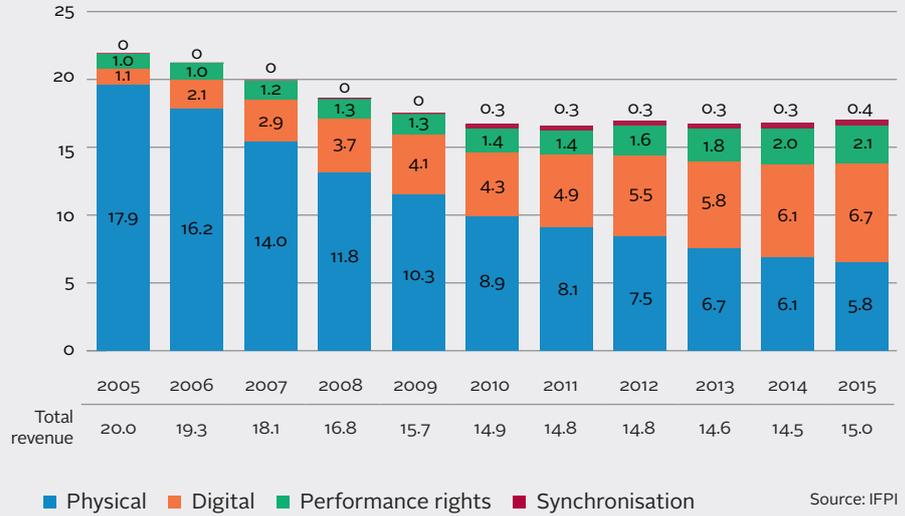


The effect of the value gap is reflected in the dramatic mismatch between the volume of music streamed globally and the rewards that this is generating for rights holders. User upload digital platforms comprise a vast audience for music, with an estimated user base of more than 900 million. Yet this huge volume of consumption generates only a very small portion of industry revenues; it is part of an advertising-supported revenues sector worth just us\$634 million, accounting for only four per cent of global music revenues. The market distorting value gap must be resolved if music is to thrive in the long term (see page 22).



Taylor Swift photo by Chris Polk

GLOBAL RECORDED MUSIC INDUSTRY REVENUES 2005-2015 (US\$ BILLIONS)



Source: IFPI

2015 FIGURES BY FORMAT AND REGION

In 2015, recorded music revenues totalled us\$15.0 billion, up 3.2 per cent on 2014 and resulted in the first significant growth seen since 1995. This increase reverses the previous year's 0.3 per cent market decline. Physical format revenues declined, albeit at a slower rate than in previous years, falling by 4.5 per cent compared to 8.5 per cent in 2014 and 10.6 per cent in 2013.

The 10.2 per cent increase in digital revenues to us\$6.7 billion was driven by a sharp 45.2 per cent rise in revenue from streaming revenues. Digital revenues now account for more than half the recorded music market in 19 markets. In 2015, an additional four countries saw digital revenues cross the 50 per cent threshold. These were Colombia, New Zealand, Philippines and Taiwan.

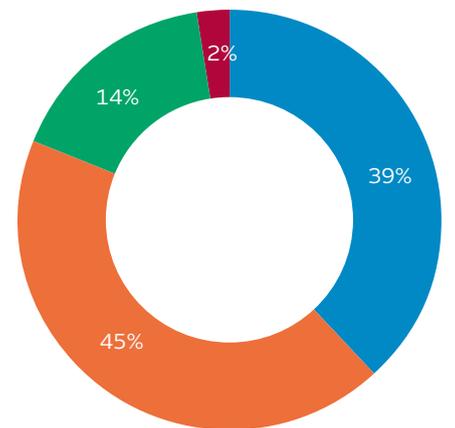
Performance rights – revenue generated by the use of recorded music by broadcasters and public venues – for producers and performers grew by 4.4 per cent, to us\$2.09

billion in 2015. Although the sector's growth slowed slightly last year from the 10.9 and 11.0 per cent increases seen in 2013 and 2014 respectively, performance rights remain one of the most consistent growing revenue sources. The revenue stream now accounts for 14 per cent of the industry's overall global revenue, up from 10 per cent in 2011. The growth reflects the substantial contribution music makes towards third party businesses such as radio, TV, and the hospitality sector. Global revenues to performers and producers have more than doubled over the last decade.

Synchronisation revenue – revenue from the use of music in advertising, film, games and television programmes – rose 6.6 per cent, compared to the 7.6 per cent rise in 2014.

Within these global trends, each region recorded revenue growth and delivered the increases in a variety of ways.

GLOBAL REVENUES BY SEGMENT 2015 (US\$ BILLIONS)



■ Physical ■ Digital ■ *Performance rights ■ Synchronisation

Source: IFPI

"I believe the global music industry has successfully emerged from digital disruption – and the future is bright. We are now a predominantly digital business, we are growing and we are poised to reach new heights."

Edgar Berger, chairman and CEO, international, Sony Music Entertainment

*IFPI has amended its measure of performance rights revenue to include performers' and record company collections. Historical revenues have been restated to provide equivalent year-on-year comparisons.



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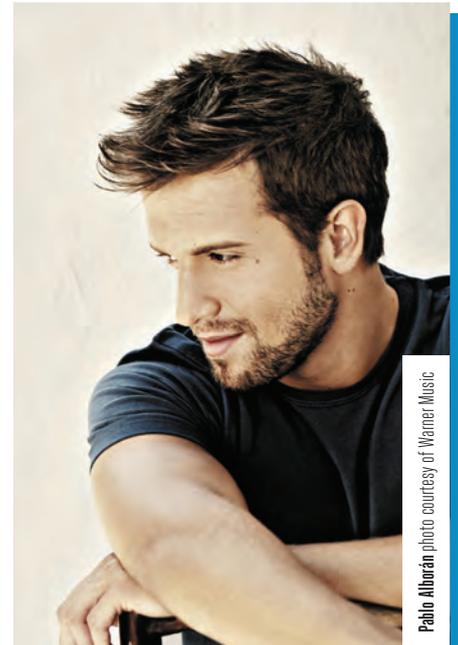
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- Asia** reversed a 1.6 per cent decline in 2014 by recording growth of +5.7 per cent powered by streaming (+29.5 per cent). But the region also reported growth in downloads (+2.1 per cent) and physical (+1.0 per cent) formats. The Japanese market, which at 76 per cent of Asia's trade value is the region's dominant market, returned to growth after two years of significant decline increasing by 3.0 per cent in 2015, while other leading markets, Australia (+6.1 per cent) and South Korea (+12.4 per cent), also grew.
- Europe**, which grew by 2.3 per cent, following a 0.3 per cent rise in 2014, remains a highly diverse region with markets adapting to new formats and channels at different rates. Thus, in Sweden, streaming accounts for 67 per cent of the market, while in Germany, CDs remain the dominant format and physical sales represent 60 per cent of record company trade revenues. Across the region, sharply increased streaming revenue (+43.1 per cent) offset falling download and physical format sales (-11.8 per cent -6.0 per cent respectively).
- Latin America** was, for the fifth consecutive year, the region with the highest level of growth in recorded music revenues (+11.8 per cent). Digital revenues rose 44.5 per cent, more than four times the global average. Streaming revenue increased by 80.4 per cent. The region's two largest markets remain Brazil (-1.8 per cent) and Argentina (+34.8 per cent).
- North America** increased by 1.4 per cent, with digital revenue growth (+4.3 per cent) more than offsetting falling physical sales (-8.8 per cent). Within digital, streaming revenue grew by 46.6 per cent, while downloads fell by 12.0 per cent. Significantly, in the US – the world's largest recorded music market – streaming became the largest source of revenue for the first time and overall revenue grew slightly (+1.0 per cent). The US market has grown steadily over recent years, with digital channels now accounting for 66 per cent of the market in 2015.



Pablo Alborán photo courtesy of Warner Music

"If you walk round Oslo today you will not find any CD stores any more, but you will see vinyl stores popping up all over the place and I guess this is happening all around Europe and America."

Jørn Dalchow, founder and managing director, daWorks



One Direction photo by Sven Jacobsen

Growth in each region in 2015



Europe

2.3%



Latin America

11.8%



North America

1.4%



Asia

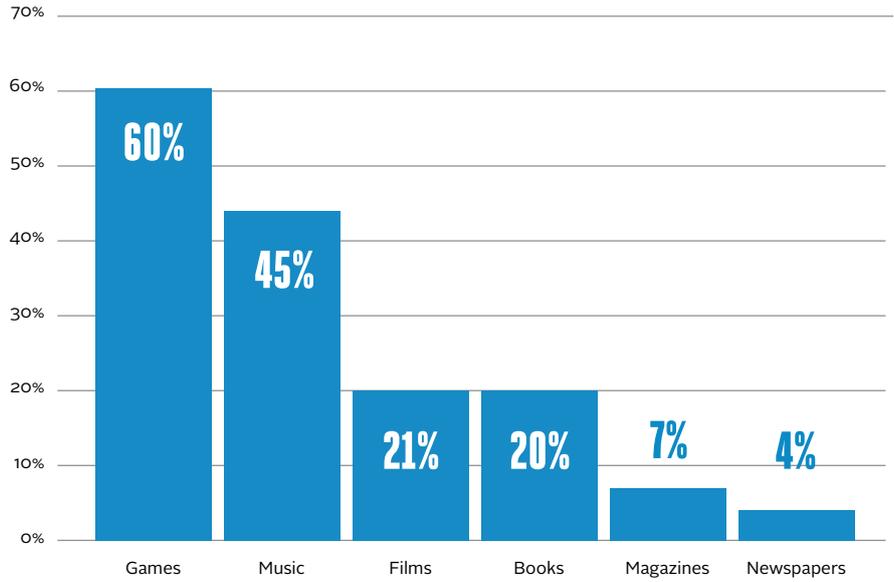
5.7%

MUSIC COMPANIES EMBRACE DIGITAL

Record companies have been amongst the fastest digital adopters, licensing digital music services globally. There were almost 400 music sites available to consumers as of early 2016, according to IFPI's global tracker www.pro-music.org.

As a result, music has a high level of digital penetration compared to other creative and media industries and its digital revenue share is substantially higher than those of the film, book, magazine and newspaper sectors.

MUSIC'S DIGITAL SHARE COMPARED TO OTHER SECTORS 2015



Source: PWC & IFPI

Shawn Mendes photo by Blossom Berkofsky



Meghan Trainor photo by Brooke Niprat



OFFERING CONSUMERS A WIDE RANGE OF FORMATS

The recording industry is a mixed-format business, offering music fans a diverse range of formats, including hundreds of streaming services, and everything from downloads to CDs and vinyl.

While mobile-connected music fans are principally driving streaming, physical formats remain important in some major markets such as Japan and Germany. For example, while still a very small fraction of the market, vinyl has proven successful in some high-streaming markets, reflecting some consumers' appetite for high-quality sound, artwork and a tangible product they can collect and own.

	2012	2013	2014	2015
PAID SUBSCRIBERS TO SUBSCRIPTION SERVICES (MILLIONS)	20	28	41	68

Source: IFPI estimate

"It seems that the public like access models for music in general, but if they are a real fan of the artist they will want something that expresses who they are and that they can put on the shelf as part of their collection."

Glen Barros, president and CEO, Concord Music Group



Coldplay photo by Julia Kennedy

"Fans today want to access music in formats ranging from vinyl to streaming. Look at markets such as Norway, which is driven by streaming, but where almost half our physical sales come from vinyl – a very interesting phenomenon. Our job is to deliver great music to fans in formats that work for them."

Stu Bergen, CEO, international and global commercial services, Warner Music

15 Years *of Streaming Music*



Rhapsody®



napster®

Over 40 million Songs

Available in 34 Countries

3.5 million Paying Customers

THANK YOU

MUSIC STREAMING GOES MAINSTREAM

Music streaming is revolutionising the experience of the music fan

OWNERSHIP TO ACCESS

Today music is available to consumers in all the ways they want to access or own it. Downloads remain a significant offering, accounting for one fifth of industry revenues (20 per cent), but streaming has emerged as the digital sector's main driver of growth. As download revenues have declined (down 10.5 per cent in 2015), streaming – helped by the spread of smartphones, increased availability of high-quality subscription services and connected fans migrating into licensed music – has grown to 19 per cent of global industry revenues, up from 14 per cent in 2014.

"Everything we are doing now, around establishing artist brands, driving preference and marketing is different."

Michael Nash, executive president of digital strategy, Universal Music Group

Senior record company executives believe the streaming revolution is proving more profound and wide-reaching than the industry's shift into the digital sector with downloads.

"With the initial move to digital, people took their physical collections and transferred them to digital, adding a few bespoke digital purchases so a lot of product concepts remained unchanged", says Michael Nash, executive president of digital strategy, Universal Music Group. "But the move from downloading to streaming means consumers have access to millions of tracks. This means everything we are doing now around establishing artist brands, driving preference and marketing, is different."

Streaming remains the industry's fastest-growing revenue source. Revenues increased 45.2 per cent to US\$2.89 billion, and over the five year period up to 2015, have grown more than four-fold.

Subscription services combined with ad-supported freemium revenue on services such as Deezer and Spotify grew 58.9 per cent, while pure ad-supported streaming services (including revenue from video on-demand streaming services) rose 11.3 per cent.

IFPI does not separately identify the contribution of the advertising-supported tiers of subscription services, but these are estimated to be only marginal – representing no more than 10 per cent of revenues from those services despite their substantial number of users.



James Bay photo by Emily Hope

Over the five year period to 2015, subscription and ad-supported combined revenues have grown more than four-fold to

US \$2.89 billion



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Ed Sheeran photo by Ben Watts

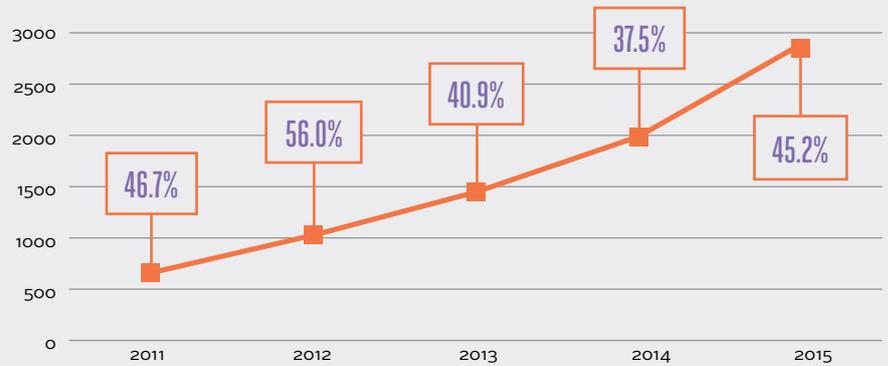
"Streaming has the potential to create a golden era for music, with multiple players establishing a truly competitive digital landscape that will benefit artists, consumers and the industry."

John Rees, VP and head of digital strategy and business development, EMEA Warner Music International



Kendrick Lamar photo by Christian San Jose

STREAMING GROWTH YEAR ON YEAR 2011-2015



Subscription services have seen dramatic expansion in recent years. An estimated 68 million people worldwide now pay for a music subscription service, up from 41 million in 2014 and eight million when data was first compiled in 2010.

Streaming revenues have overtaken income from download sales in no fewer than 42 countries and account for 43 per cent of digital revenues globally.

Music streaming is revolutionising the experience of the music fan and transforming the recording industry. Connected, on-the-move, music fans are dictating the pace of change. "Ultimately we are about presenting the consumer with the greatest music in the world in the way they want to experience it. We are not trying to force people to stream at the expense of other forms of distribution. It is the consumer who decides", says Dennis Kooker, president, global digital business and US sales, Sony Music Entertainment

Streaming has helped reboot many markets such as Sweden and the Netherlands, leading to increased investment by record companies. It has also opened up access to markets where licensed recorded music markets barely existed, such as China and Mexico.

Now global in reach, the impact of streaming has been most influential in the world's major markets. Income from streaming services accounts for 20 per cent, or more, of the industry's revenue in three of the top five world markets - the US (20 per cent), the UK (19 per cent) and France (16

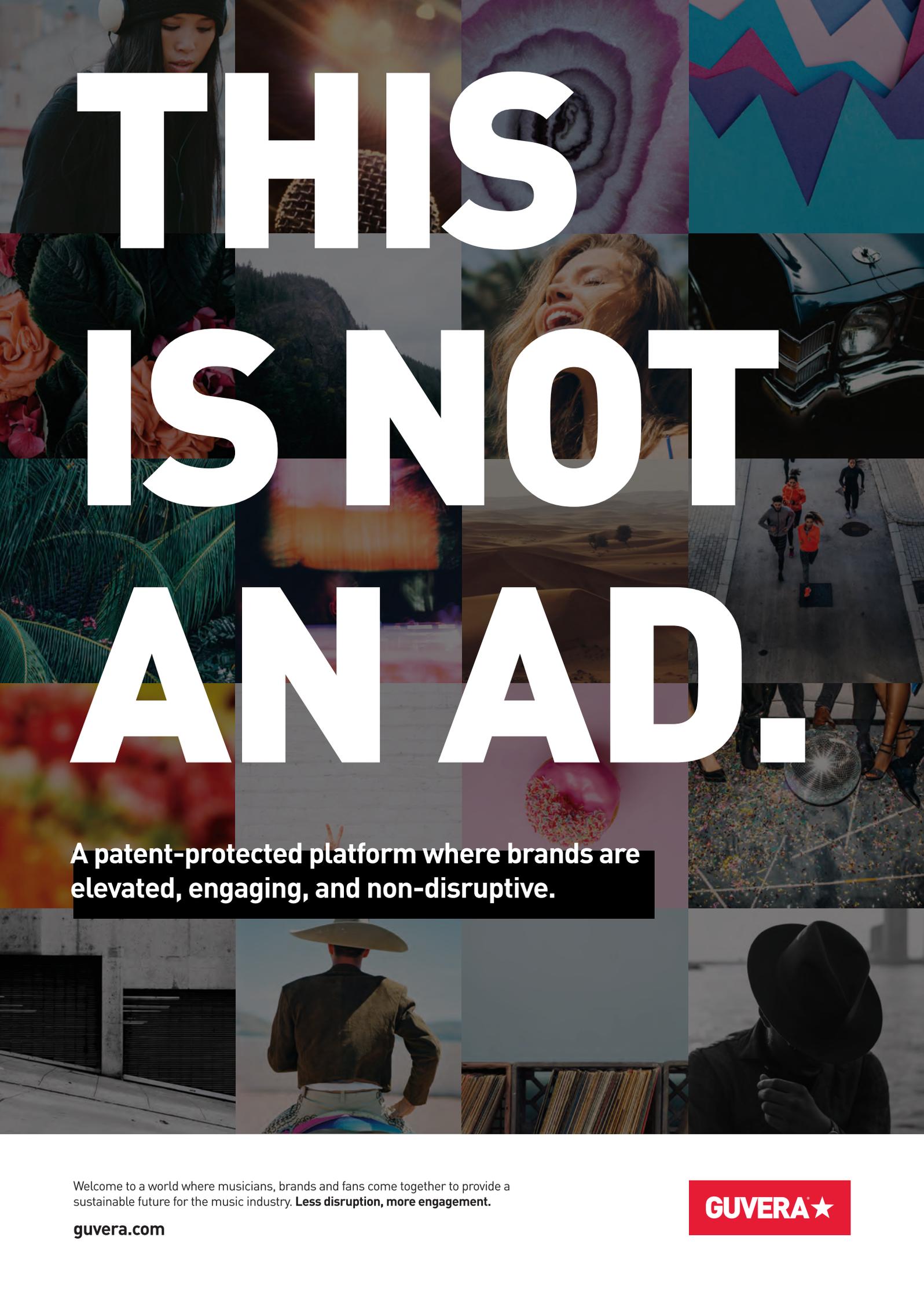
per cent). However, there is a marked variance in streaming's penetration of major markets: in Germany and Japan, which are both markets heavily weighted towards physical product, streaming is soaring but from a low base. Streaming accounts for 11 per cent of revenue in Germany and less than five per cent in Japan, illustrating the enormous potential for future growth.

A COMPETITIVE LANDSCAPE

Several factors are driving the rise of music streaming globally. In particular, the arrival of Apple Music in the second half of 2015 had a transformational impact. Apple Music has seen steady subscriber growth while also raising the profile of streaming generally. By early 2016, Apple had more than 10 million registered subscribers.

John Rees, VP and head of digital strategy and business development, EMEA, at Warner Music International, says having Apple enter the market is a milestone for streaming. "Streaming has the potential to create a golden era for music, with multiple players and a truly competitive digital landscape that will benefit artists, consumers and the industry."

The rise of streaming has inevitably impacted the download and physical markets, but evidence suggests the arrival of Apple Music - with its recognisable brand coupled with vast marketing spend - has not significantly lured subscribers away from other services.



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A COMPETITIVE LANDSCAPE (CONT)

Spotify continues to grow rapidly and has introduced innovations such as its much-praised Discover Weekly feature promoting new music. Spotify announced it had reached 30 million paying subscribers in March 2016. Stefan Blom, chief strategy officer and chief content officer, highlights strong growth in markets including the Netherlands (on the back of its bundling partnership with KPN) and in Mexico and New Zealand. Blom says, "We are planning to launch in more markets in 2016 and beyond, with Japan among those we are looking closely at."

Ethan Rudin, CFO, head of global label relations and business development at Rhapsody/Napster says the Apple launch only caused a "small blip" to its figures. He says, "Apple has raised the awareness of what streaming is. They have participated in what I would call a great education – turning streaming into a mainstream format." Rhapsody/Napster hit the 3.5 million subscriber mark in 2015. The service, a pioneer of digital music, is currently in 34 countries

worldwide. It is available by paid subscription only and is highly focused on extending integration with social media platforms, having been integrated with Twitter in 2015.

Alongside new launches, existing players in the streaming space are pushing the market forward with a combination of new product offers and services. YouTube launched its YouTube Red US\$9.99 subscription service in the US that covers access to both YouTube and Google Play Music. Google Play Music, having doubled user numbers internationally in 2014, launched new features in 2015 and extended to 62 countries including Japan. It offers a \$9.99/month subscription and a \$14.99/month family plan for six members. It has made curation a big focus, extending its concierge song-recommendation service to 15 countries after the acquisition of Songza in 2014. Google has also launched a new advertising-supported radio tier to its service in the US and Canada.

INTO NEW MARKETS

Streaming is taking licensed music into markets where record companies previously were not active. UK-based independent record company, Beggars Group, is now licensing for the first time in Nigeria, Uganda and Angola. Beggars founder and chairman, Martin Mills, says that emerging markets now account for around 20 per cent of the group's streaming revenue (outside the top 12 countries), compared to just nine per cent for downloads and two per cent for physical formats. "We are already seeing bits of the world that you don't see regularly as record markets are much bigger for us in the streaming world than the download or physical world," says Mills.

"Onboarding" music fans is a key strategy of music subscription services looking to engage and retain consumers. Strategies range from the free tier offered by services such as Spotify and Deezer, the free trial offered by Apple Music, telco bundles, family plans offered by Google and others, and incentives such as TV ads, free concert offers and product upgrades.

STREAMING AND THE CHARTS

Streaming is bringing significant changes to the way countries run their music charts. Many countries are now incorporating streaming into their charts to try to better reflect how music is consumed today.

To date, 18 countries – Australia, Austria, Canada, Czech Republic, Denmark, Finland, Germany, Ireland, Italy, the Netherlands, New Zealand, Norway, Slovakia, Spain, Sweden, Switzerland, UK and USA – have integrated audio streaming into their singles charts. Ten of those countries – Canada, Denmark, Finland, Germany, Ireland, the Netherlands, Norway, Sweden, UK and the US – also use streaming data in their albums charts. France has plans to launch streams in their singles and albums chart in summer 2016.

Since streams present a different metric from downloads, based on multiple listens rather than a single purchase, a conversion ratio to harmonize the two metrics is used. This rate differs from country to country to reflect local dynamics, but national chart

bodies are adopting similar methodologies to try to standardise nations' calculations.

Streaming is changing the very nature of the charts where it is incorporated. The turnover of titles has slowed as streaming reflects repeated listens to a track or

tracks rather than their one-off purchase. The success of a project is more likely to be assessed on the basis of whether listeners are still engaged with the music after 18 months, rather than on the initial chart positions achieved by an album or track.



Life Saver photo by Michael Weiler

A&R AND MARKETING IN THE STREAMING WORLD

Streaming has impacted on A&R investment, revolutionised awareness of consumer behaviour and transformed the way record companies market and promote artists. In countries of high streaming penetration – including Scandinavia and the Netherlands – it has increased revenues and investment in artists.

In markets where streaming has delivered a turnaround in industry revenues, record companies can be more ambitious in their A&R strategies. Martin Jessurun, president, Warner Music Benelux, says that the revived market has helped the company's A&R operation in the Netherlands and Belgium develop a more local flavour rather than simply acting as a pipeline for international acts. Recently signed local artists include rapper Ali B, psychedelic rock band Indian Askin and singer-songwriter Kovacs. Jessurun says A&R has become more effective because he is able to track the performance of unsigned bands on streaming services such as Spotify and Deezer.

For A&R and marketing teams, the concept of launching an album as a unit has been supplanted by a very different "always on" concept. Andrew Kronfeld, Universal Music's executive vice president, marketing explains: "Artists and labels have moved on from recording and putting out 12 songs every one or two years, then touring and promoting them, and then starting the cycle once again. Now we're in an "always on" world where artists release one song or three songs, or however many, when it's right for them and we have teams of people constantly monitoring everything that's going on so we can see how best to support our artists and respond in an instant."

Streaming has also revolutionised the ability of record labels and platforms to use data to understand their customers' needs and inform marketing strategies. Record labels and services have more touchpoints of data than ever before and are able to see instantly when and where tracks are played, shared and stored, and the quality and depth of fan engagement.

Beth Appleton, senior vice president, global marketing at Warner Music, says that data from numerous sources, including streaming charts and Shazam tags, can now be accessed and utilised to help marketing. "What's important is how you use that data to communicate with your teams around the world so that they can build a story and excitement which will help them go further with marketing and promoting an act, a song or an album."

Ole Obermann, executive vice president of digital partner development at Sony Music Entertainment, points to the example of OMI's *Cheerleader*, which became a global hit after being featured on streaming playlists in Sweden. Obermann says the reggae-flavored track did not initially attract interest from radio in Sweden. The Sony team believed in the song and when they featured the track on one of the big Sony playlists they saw a remarkably high level of individual listener adds to personal playlists, something the company could identify and track through their analytics team.

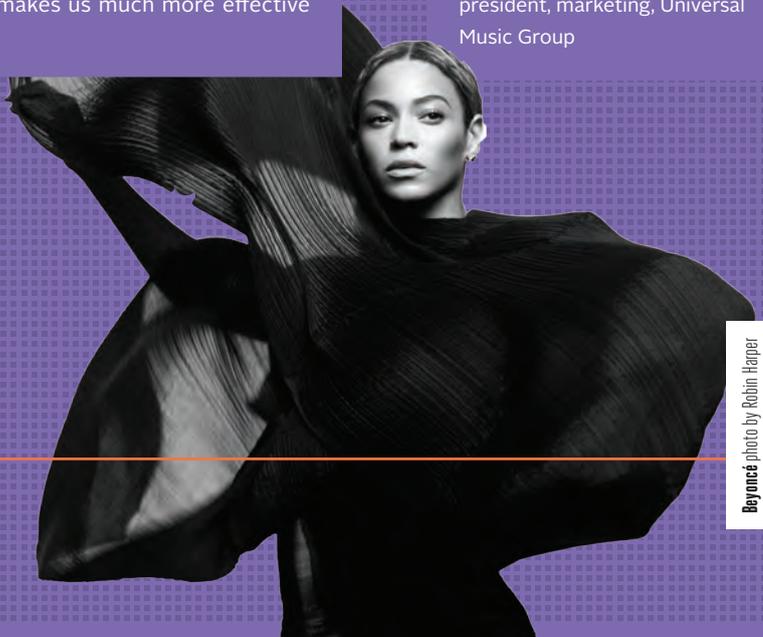
The result was a big hit in Sweden as the track went to number one on the charts. The playlisting strategy was then rolled out throughout the rest of Europe and eventually the US. The song went to number one on Spotify in more than 10 countries including Sweden, the Netherlands, Germany and France and it also enjoyed tremendous success on iTunes where it went to number one in 77 markets. Obermann explains, "We use playlist data to determine which tracks we should chase from a marketing perspective and we can tailor our approach based on the data that comes back from our streaming partners. It makes us much more effective marketers."



OMI photo courtesy of Sony Music

"A&R and promo people have moved from thinking we need to put out 12 songs every one or two years and tour and promote around it. Instead we're in an "always on" world where you release one song, or three songs when you feel like it. At the labels, we now have a new generation of digital natives, it's like a war room, with screens in front of you and everyone looking at what's happening and how to respond".

Andrew Kronfeld, executive vice president, marketing, Universal Music Group



Beyoncé photo by Robin Harper

Kovacs photo by Johan Sandberg



"What's important is how you use that data to communicate with your teams around the world so that they can build a story and excitement which will help them go further with marketing and promoting an act, a song or an album."

Beth Appleton, senior vice president, global marketing, Warner Music

STREAMING & THE "DYNAMIC ALBUM"

The nature of albums is changing fast as streaming opens up new creative options for artists. In the streaming world, the album has become a more dynamic evolutionary phenomenon that acts as an extension of the artist brand. Some artists continue to release albums as integral works. For others, the album grows incrementally over time.

CASE STUDY: HAKUNA MATOMA

Tom Lagergren is a young Norwegian music producer who in less than one year amassed more than a quarter of a billion streams and an ever growing fan base.

Going under the stage name Matoma, he signed to Parlophone imprint FFRR and Atlantic Records' subsidiary Big Beat Records. He began the release of his album Hakuna Matoma in November 2015 by uploading a playlist to streaming services that will expand and evolve over time until the album is complete.

Listeners can subscribe to the Hakuna Matoma playlist to hear the music and get notifications on upcoming additions and be

part of the album campaign as it unfolds.

Lagergren says: "Hakuna Matoma is my living album that will continue growing as I grow with you guys. Many songs are finished, and also some of it will be written as I go, but I want my fans to come along with me on that journey because you are my inspiration and heart!"

The album contains collaborations with artists including Jason Derulo, Jennifer Lopez, Popcaan and Wale. New tracks are being added every few weeks throughout 2016, making a unique approach to the album cycle.



Hakuna Matoma photo courtesy of Warner Music

FIXING THE VALUE GAP: NOW ON THE LEGISLATIVE AGENDA

The music and creative sectors are calling for action

The volume of recorded music consumption today is greater than it has ever been in history. However, as a result of a critical distortion in the market, a large share of music consumption on digital platforms today is not fairly remunerating artists and investors in music. This is the “value gap”, a fundamental anomaly underlying the digital music market on which the international creative community is now focused.

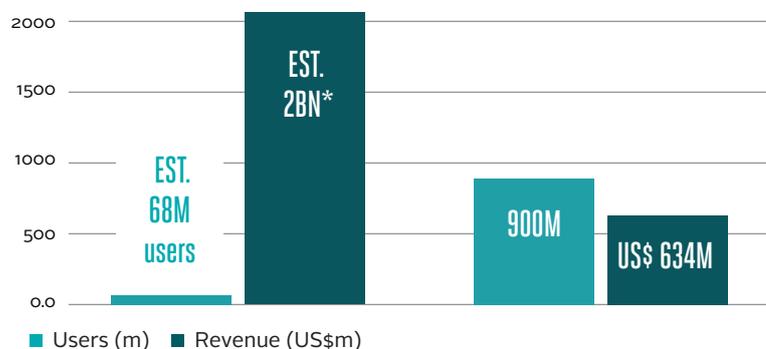
A wide coalition of music sector groups is calling for action from governments on the value gap. They say this problem needs to be fixed if the industry is to achieve sustainable growth in the years ahead. At the end of 2015, the European Commission acknowledged the need for action on the “value gap” in its Digital Market Strategy, and legislative proposals are expected in the summer of 2016.

“The European Commission has now acknowledged that the market isn’t functioning properly, has identified the problem as the value gap, and agreed that a legislative fix is needed” says Frances Moore, CEO, IFPI.

“We need to be diligent in closing the value gap to ensure the revenue generated by music, which brings so much to people’s lives, is appropriately weighted to artists and investors. It is a real step forward that the European Commission has acknowledged this.”

Stu Bergen, CEO, international and global commercial services,
Warner Music Group

SUBSCRIPTION AND AD-SUPPORTED REVENUES VERSUS USERS (2015)



* This figure includes estimated paid subscription revenues only

Source: IFPI

Ad-supported user upload services have the world's biggest on-demand music audience with

900M users

HOW THE “GAP” DEVALUES MUSIC

The “value gap” arises because some major and highly popular digital services are able to circumvent the normal rules that apply to music licensing. User upload services such as YouTube comprise the world’s largest on-demand music audience, estimated at more than 900 million users. YouTube is the largest of these and has more than 800 million monthly music video viewers according to MIDiA, the media consultancy – more than 10 times the 65 million paying subscribers to music subscription services.

However, these user upload services claim they do not need to negotiate licences for the music available on their platforms, or conclude licences at artificially low rates. Instead, they claim protection from so-called “safe harbour” rules that were established in the early days of the internet. These liability privileges, established in both US and European legislation, were intended to protect truly passive online intermediaries from copyright liability. They were not designed to exempt companies that actively engage in the distribution of music online from playing by the same rules as other online music services.

The effects of this abuse of “safe harbours” rules are:

- **An unfair negotiating situation.**
Claiming exemption from liability prevents a free and fair negotiation when those services come to negotiate licences. It allows them to take an “act first, negotiate later” approach, fundamentally distorting the negotiation process.
- **Reliance on an ineffective “notice and takedown” system.**
Most user upload platforms implement a notice and takedown system to remove infringing content but the system is ineffective. The system does not properly protect the rights of artists and labels and instead allows the platforms to build a business on the back of the availability of unlicensed content.
- **Unfair payment to rights owners.**
While the availability of music generates substantial value for large technology companies, rights holders are being deprived of a fair reward for their work.
- **Fair competition undermined.**
Fully licensed digital services and new market entrants have to face unfair com-

petition in the marketplace from services that have access to music at below market rates. This stifles growth, innovation, competition and consumer choice. The misapplication of safe harbours also distorts competition for subscription services subject to normal licensing conditions, such as Spotify and Deezer, limiting their ability to attract subscribers to their premium model.

IFPI research shows that 94% of all takedown requests sent by IFPI during 2015 related to recordings uploaded repeatedly to sites already notified that the content was infringing.

ILLUSTRATING THE “GAP” IN NUMBERS

- The user upload platforms benefiting from the misapplication of “safe harbours” are a vast and global source of music consumption, with an estimated user base of more than 900 million. Yet the advertising-supported revenues sector they are part of generates revenues of US\$634 million, accounting for just four per cent of global music revenues
- By contrast, a much smaller user base of 68 million users of paid-for subscription audio streaming services, that negotiate licences with rights holders before they launch, and do not seek to rely on the “safe harbours”, generated far greater revenues of an estimated US\$2.0 billion in 2015.*
- Public data suggests a striking disparity between the amount of revenues proportionately being returned to rights holders by two leading companies in the different sectors, namely Spotify and YouTube.

From publicly-available data, IFPI estimates that Spotify paid record companies US\$18 per user in 2014, the last year of available data; by contrast it is estimated that YouTube delivered less than US\$1 per user to rights holders in 2015. These estimates provide a realistic illustration of the “value gap” in practice.

- Market data suggests the consumption/revenue disparity is growing. In two of the world’s largest markets, the US and the UK, the consumption of music streams on ad-supported video services increased sharply, by 102 per cent (Nielsen) and 88 per cent (Official Charts Company) respectively; this compares to far smaller increases in value returned to rights holders.
- In some countries the advertising-supported revenue sector generates less or barely more revenue for music rights holders than vinyl records. In the UK, vinyl trade

revenues of US\$38.5 million exceed ad-supported revenues of US\$37.6 million. In France the two revenue sectors are equal in size (US\$12.6 vs US\$12.7 million). In the US in 2015 ad-supported streaming generated trade revenues of US\$385 million, less than the retail value of vinyl albums (US\$ 416 million).

* This figure includes estimated paid subscription revenues only

COALITION FOR CHANGE

Rights holders from across the music sector are committed to changing this legislative anomaly. They say there is no case for digital platforms that have built major businesses on the back of music and other creative content, to be allowed to seek “safe harbour” refuge while they profit from making music available on the internet.

In the EU a coalition of 17 bodies representing authors, artists and producers from across creative sectors has written to European Commission President Juncker to ask for action to address the value gap. In the US a coalition of right holders, including 400 artists, filed submissions for reform of mis-used safe harbours.

A key argument for change is that the current online liability rules are tilted towards ‘enabling’ online services, instead of creating a level playing field between market participants, which in turn erodes investment in creative content. An independent study published by Oxford-based economists, Oxfirst, in 2016 reinforces this argument, identifying a need to review the policy objectives underpinning the current online liability regime. The study calls for a policy shift “from one that seeks to provide enabling mechanisms to one that offers an equal level playing field for all market participants”.

POLICYMAKERS ADDRESS THE “VALUE GAP”

An important step forward was made in December 2015, when the European Commission published its *Communication Towards a modern, more European copyright framework*. While acknowledging that music and other creative content and online services are both important for economic growth and jobs in Europe, the paper clearly identifies the “value gap” as a problem.

It states: “A pre-condition for a well-functioning market place for copyright is the possibility for rights holders to license and be paid for the use of their content, including content distributed online...

There is, however, growing concern about whether the current EU copyright rules make sure that the value generated by some of the new forms of online content distribution is fairly shared, especially where rights holders cannot set licensing terms and negotiate on a fair basis with potential users.”

This is “not compatible with the digital single market’s ambition to deliver opportunities for all and to recognize the value of content and of the investment that goes into it.” The Commission plans to make its first proposals on how to deal with the “value gap” in 2016.

Estimated revenue-per-user:

US\$18



< US\$1



“Safe harbour exceptions are being used for a purpose they weren’t intended for. They are allowing technology companies to build huge businesses on them, which is a major problem for licensed services because they are competing with services that have an inbuilt advantage”

Martin Mills, chairman,
Beggars Group

Arcane Station

GATEWAYS TO A GLOBAL MARKET

Arcane Station is an alternative electronic pop project based in the arctic town of Vadsø, near Norway's border with Russia. The group's first single *Make Me A Bird* was released in early 2015 and – after releasing two more singles – an EP is planned for this year.

Jørn Dalchow at Norwegian indie daWorks says the project demonstrates how streaming has made it possible to break a new band outside the domestic market. A few years ago daWorks focused on finding licensing partners in other markets, who would take care of all distribution and marketing in their specific territories after being supplied with production parts, videos and other marketing tools.

After partnering with digital distributor Phonofile, which opened an office in London in October 2015 to provide Nordic labels with a gateway into the UK, the indie now coordinates campaigns from Oslo using Phonofile's online analytics tools and in-house data expertise to help it track the response to the campaign and to target the right audience.

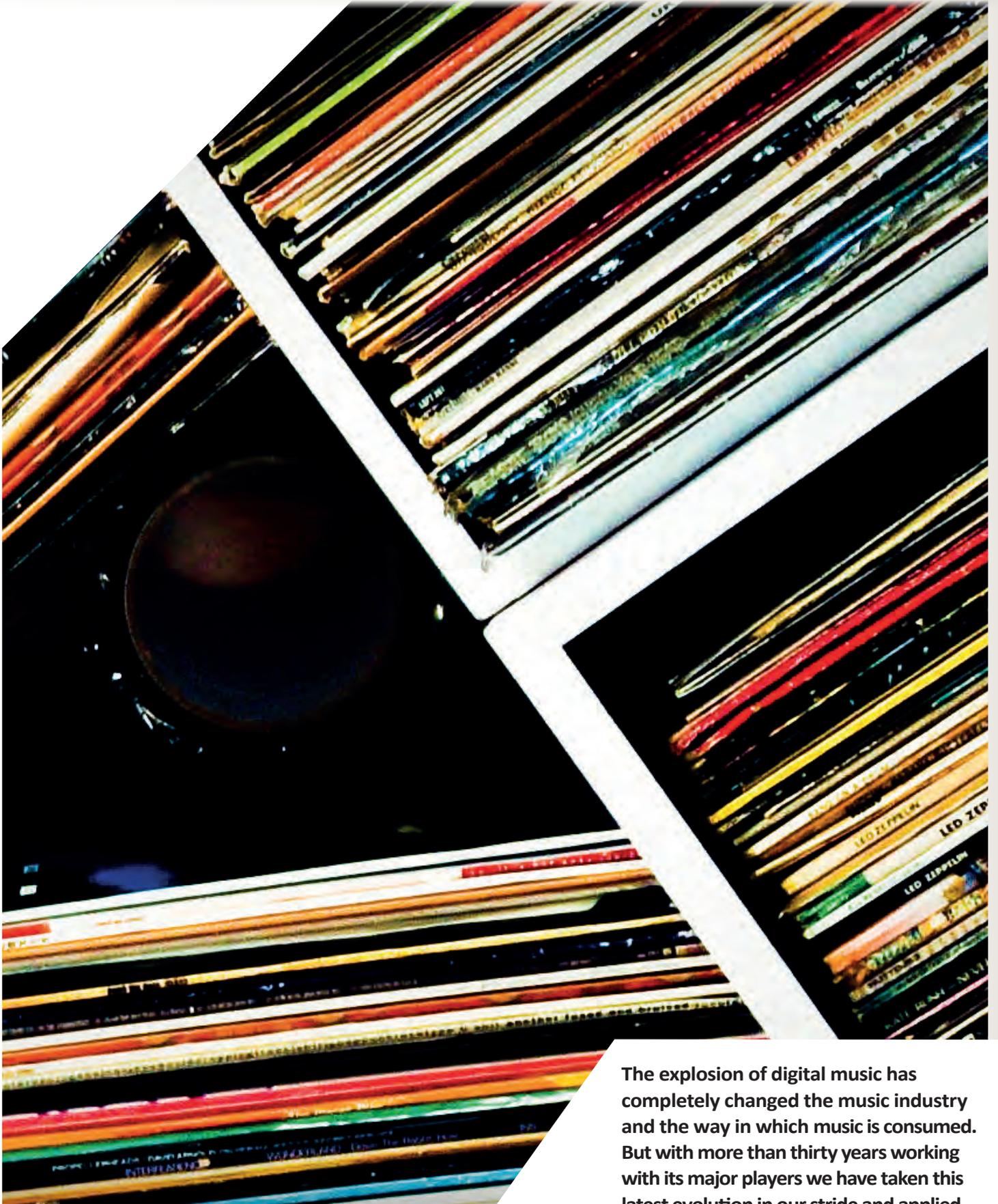
"Social media and online marketing is a part of what we do from Norway. This new way of doing distribution and marketing gives us much more control. If a campaign does not work we get feedback about this in time to either pull the plug or make changes," Dalchow says. "We still do some license agreements but mainly in markets we have little knowledge about and where the digital market is still in the early stages."

An estimated 80 per cent of music streamers in Norway listen to music from their own playlists, cherry picking and storing singles. This informs A&R and marketing in Scandinavia and means daWorks will often work towards producing EPs and artist albums, which are dynamic and continuously updated with new singles.

"Albums like this often start as a single and then later expand into EP and album format. This is how we do it with Arcane Station," says Dalchow. The band was due to release an EP in spring 2016 to continue to build awareness in the Nordic territories, with an album following later in the process. "For many companies in Norway this has become the new norm for developing artists."

"Social media and online marketing is a part of what we do from Norway. This new way of doing distribution and marketing gives us much more control. If a campaign does not work we get feedback about this in time to either pull the plug or make changes."

Jørn Dalchow, daWorks, Norway



The explosion of digital music has completely changed the music industry and the way in which music is consumed. But with more than thirty years working with its major players we have taken this latest evolution in our stride and applied the same values and approach to our work as we always have.

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Robin Schulz

FROM GERMAN DJ TO GLOBAL SUPERSTAR

German DJ Robin Schulz is the most internationally successful German artist in the world. He has more than 90 Gold and Platinum awards worldwide, he was the first German artist to reach the number one spot on the global Shazam chart and he regularly DJs events worldwide with capacities of more than 100,000.

He enjoyed breakthrough success with his remix of *Waves*, while his follow-up single *Prayer in C* was also an international smash, paving the way for the release of *Prayer*, his debut album.

Warner Music worked with Schulz to ensure that his second album *SUGAR* would cement his success as a global star.

Beth Appleton, senior vice president, global marketing, Warner Music, says: “We wanted to push *SUGAR* as a priority title around the world. We knew there was an absolute opportunity with Robin and we knew he deserved a global push. We were able to co-ordinate all markets with a focused strategy on digital platforms and social media to bring *SUGAR* through another global track success.”

A partnership with Spotify enabled a competition that saw winners from countries worldwide fly in to Las Vegas to see Schulz’s show on the day *SUGAR* was released. Schulz also created a dedicated summer playlist which harnessed the power of Apple Music’s Connect to reach fans.

Warner also invested in creating new audio-visual content that appeared on the dedicated Robin Schulz website, as well as providing material for album countdown campaigns on Schulz’s heavily subscribed Facebook page and YouTube channel, which are powerful vehicles to promote his music to fans worldwide.

The campaign was successful with the album’s title track proving a top five hit in more than a dozen countries worldwide and being named Spotify’s most viral hit of 2015. On the back of this success, Schulz went on to win a European Border Breakers Award in 2016.

Schulz’s YouTube channel has more than 680,000 subscribers and attracts some 40 million views per month and his Facebook profile has almost 600,000 likes.



MUSIC RIGHTS MANAGEMENT

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- Robert Ashcroft
CEO at PRS for Music

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The Weeknd

THE STORY OF AN INTERNATIONAL STAR



The Weeknd Photo by La Mar C. Taylor

One of the biggest artist stories of 2015 was multi-talented Canadian singer, songwriter and producer The Weeknd who became a huge breakout star with major hits such as *Can't Feel My Face*, *The Hills* and the very appropriately named *Earned It*.

While great music is the bedrock on which every artist's career is built, The Weeknd's international success shows that careful planning and long term commitment from both the artist and the team around them are absolutely critical.

The Weeknd's first two albums, 2012's *Trilogy* and 2013's *Kiss Land*, firmly established him as an artist to watch with a committed and growing fan base in many different countries, particularly in North America. For the release of his third album, *Beauty Behind the Madness*, featuring guest appearances from Labrinth, Ed Sheeran and Lana Del Rey, in August last year, both artist and label had serious ambitions to grow his success much further.

"Our job is to take artists who are doing well in one part of the world and internationalise their success," says Andrew Kronfeld, executive vice president, marketing at Universal Music Group. "The Weeknd was already well known in the US and Canada and we knew that with the quality of *Beauty Behind the Madness* and a carefully thought out campaign we had the perfect opportunity to build on that globally."

When the soundtrack to one of the most highly anticipated movies of last year, *Fifty Shades of Grey*, was being put together in 2014, The Weeknd and Universal Music knew that it was an ideal platform to expand awareness of his ground-breaking music to new parts of the world.

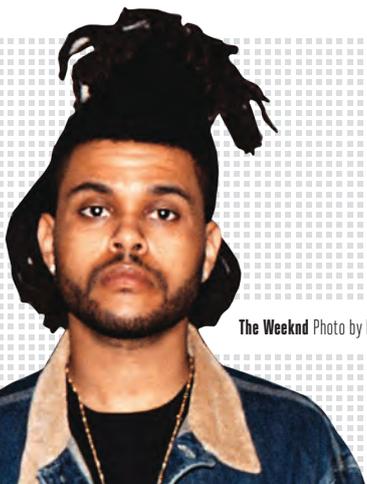
Earned It was released at Christmas 2014 as the lead single from the *Fifty Shades of Grey* soundtrack and the positive reception from fans everywhere was instantaneous. It hit number one on iTunes in 47 territories, reached the top ten on the singles charts in almost a dozen countries, including hits for the first time in the UK (4 in singles chart), New Zealand (7), and Sweden (7) and most impressively was nominated for an Academy Award.

"As soon as *Earned It* came out we could see just how big a global audience The Weeknd was attracting," says Kronfeld. "The song was such a massive hit in so many different countries that it was the spark that set him up to reach so many new fans internationally."

The Hills and *Can't Feel My Face* followed as singles and the campaign to break The Weeknd moved into a higher gear with extended worldwide touring and promotion, including a deal with Uber in The Weeknd's home town of Toronto which gave Uber users the chance to meet the artist and attend his sold out show.

By the time *Beauty Behind the Madness* was released in August The Weeknd's fan base had become so global that the album hit the top ten in over 10 national charts and topped iTunes in more than 80 countries. *Beauty Behind The Madness* was Spotify's most streamed album of 2015 worldwide, contributing to The Weeknd's total to date of well over a billion streams on the service, and in addition to his Oscar nomination for *Earned It* The Weeknd began 2016 with two Grammy Awards for *Earned It* and *Beauty Behind the Madness*.

"The Weeknd has always been incredibly cool," says Kronfeld. "Now he's incredibly cool and the newest global superstar."



The Weeknd Photo by Kalen Hollomon



Nicky Jam

TAKING LATIN MUSIC TO THE WORLD

Nicky Jam Photo by Courtesy of Sony Music

E*l Perdon* by Nicky Jam and Enrique Iglesias demonstrates the power of Latin music to transcend international borders, as well as the role of the record company in helping make that possible.

The Colombia-based Reggaeton singer, who is signed to Sony US Latin, had enjoyed success for more than a decade within Latin America. But it was his collaboration with Enrique Iglesias on the song *El Perdon* that propelled him on to an international audience outside of Latin America.

Nicky Jam first gained attention with the release of *Haciendo Escante* in 2001, and built on that with *Vida Escante* three years later and *The Black Carpet* in 2007. Yet despite collaborations with the Puerto Rican star Daddy Yankee, his career was not breaking further afield.

Afo Verde, Chairman and CEO Sony Music Latin Region, Spain and Portugal says Nicky Jam had also built a very strong base in Latin America primarily via social media and the timing appeared right to push him to the rest of the world. Sony decided to back the track *El Perdon* for worldwide export because it had “simple, yet powerful hooks” on top of a reggaeton beat. “The next natural step was to expand outside the region. We were confident that *El Perdon* had the potential to become a global hit”, Verde says.

The single was released early in 2015 and in each country the local offices built a bespoke marketing plan to support it. In some territories, the focus was on digital platforms while in others, traditional vehicles such as radio and TV syncs were believed to be more effective at launching the single.

Iglesias had heard the song and came on board to record the track as a duet. The Spanish star’s participation on the track, Verde says, also gave the single a massive boost and helped to transform it into a global hit. “Enrique’s international status as a mega-star was key in opening doors outside Latin America and to expanding the natural success of this amazing hit,” explains Verde.

The success for Nicky Jam was overwhelming. The single has already reached number one in countries including the Netherlands, Poland, Portugal and Italy; topped airplay charts in more than 27 countries; hit the top of iTunes in 43 countries; and spent 26 consecutive weeks at number one on Billboard’s Hot Latin Songs chart, edging out Shakira’s 2005 hit *La Tortura* to become the second-longest running number one in the history of the chart.

Jam also won the 2015 Latin Grammy Award for Best Urban Performance on the back of the track. Verde adds, “The numbers are great, but you cannot reach them without the collaborative efforts of an outstanding team comprised of the artist, great producers, managers and a record label working towards the same goal.”

Building on the worldwide success of *El Perdon*, Sony released the follow up single *Hasta El Amanecer*, which has already been a hit in US Latin and Latin America with 148 million-plus views on YouTube. Verde adds that further collaborations between Jam and other major international artists are also being planned.

“The numbers are great, but you cannot reach them without great artists recording great songs, and the strong decision of a record company to invest in the development of music around the world.”

Afo Verde, chairman and CEO, Sony Music Latin Region, Spain and Portugal

ADDING VALUE FOR ARTISTS: BRAND PARTNERSHIPS AND LIVE MUSIC

BRAND PARTNERSHIPS

Brand partnerships have been an area of greater investment for record companies over the last few years. They have expanded their teams responsible for this area, often recruiting people with backgrounds in creative, media and sports agencies to bring in the expertise they need.

Brand partnerships can range from sponsorship deals in which superstar artists endorse products, to arrangements that see record companies bring to bear the breadth of their developing artist rosters and create new content. Successful arrangements can not only benefit the brand that is associated with music, but also help develop platforms through which artists can reach new audiences.

Brand partnerships are a key part of record companies' services to artists. A great deal of work goes into ensuring that the values of the artist and brand are aligned. Part of this is about labels analysing comprehensive data about the reach of their artists, but it is also about bringing to bear the years of experience record companies have of operating in this area.

Music helps develop loyalty among customers reluctant to stick with one brand. Research from the advertising agency Havas Worldwide finds that 72 per cent of consumers would not mind if their favourite brands disappeared tomorrow. The research shows that 97 per cent of marketers believe that music can strengthen their brand.

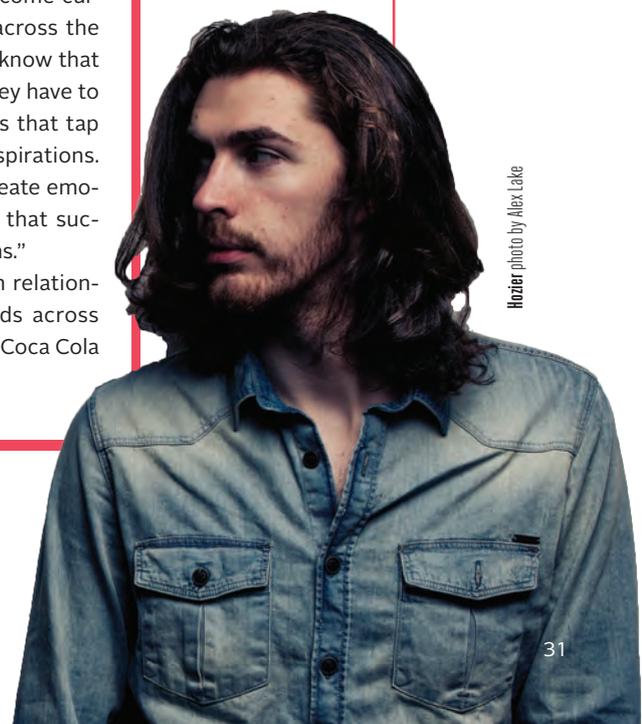
Olivier Robert-Murphy, global head of new business at Universal Music Group, says: "Brands are experiencing a revolution in how consumers interact and engage with them. Entertainment in general and music in particular not only provides access to audiences but also helps brands become culturally relevant and meaningful across the board. The best marketers today know that loyalty is in short supply and so they have to deliver experiences and emotions that tap right into people's desires and aspirations. Those brands that successfully create emotional engagement are the ones that succeed in turning customers into fans."

Universal Music has long-term relationships with more than 300 brands across many diverse industries, including Coca Cola and Hewlett Packard (HP).

"Brands are experiencing a revolution in how consumers interact and engage with them."

Olivier Robert-Murphy, global head of new business, Universal Music Group

Header photo by Alex Lake



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An example of an important partner for Universal Music Group & Brands is Turkish Airlines, one of many airlines who are now using entertainment as a mechanism for getting closer to their passengers. Turkish Airlines asked Universal Music Group & Brands to help them develop, manage and maintain a dynamic and engaging entertainment platform for their growing passenger base. The resulting 'My Music Planet' has helped differentiate Turkish Airlines as a company that provides unique insight into their destinations, delivering music and a wealth of exclusive content from top global artists.

Record companies are aware they have competition from other businesses in this area and that brands have other options. Camille Hackney, head of Warner Music's Global Brand Partnerships Council, says: "Brands have the option of tying in with films, television, social media stars or sports franchises, but music offers an incredible opportunity to harness fans' passion and engagement which is increasingly played out in social media."

Warner Music formed a Global Brand Partnerships Council four years ago to better align its services to meet the needs of its international clients. A major partnership deal was Warner's tie-in with Fiat Chrysler Automobiles. The car manufacturer want-

ed to promote its range of cars in a long form music video. Warner persuaded Fiat Chrysler that the most effective way to do this was to use a range of developing artists. It placed Charlie Puth in a Jeep, Ty Dolla \$ign in a Dodge, Sofia Reyes in a Fiat and Brett Eldredge in a Ram Truck. Warner hired a director with experience shooting both music videos and adverts to produce a commercial and a full-length music video featuring an exclusive remix of a Charlie Puth track. The video and commercial has been watched more than three million times.

Sony Music places a big emphasis on creating original content that can be used with brand partners including Hearst and Marriott/Chase. It has also recently secured a partnership with Verizon, involving music-based original video content from Sony distributed through the gogo mobile platform.

Lee Stimmel, head of original content at Sony Music Entertainment, says: "The advertising world is shifting to a content-based strategy and music is in the right place to capitalise on that. We can leverage their interest to develop intellectual property that we and our artists own, but which also benefits our brand partners."

"We knew we had cracked the formula when we had artists asking us if they could go on the show. It's important to all partners that the branding involved supports the format and is not too intrusive."

– Lee Stimmel, head of original content, Sony Music Entertainment

A long running project for Sony has been Culinary Beats, a music and cookery show that it created for Citibank and which airs on Yahoo! in the US and that the company is now selling around the world. It has featured a range of artists from Foster the People to Ella Henderson. Stimmel says: "We knew we had cracked the formula when we had artists asking us if they could go on the show. It's important to all partners that the branding involved supports the format and is not too intrusive."



Image courtesy of iStock

A GROWING ROLE IN LIVE MUSIC

Record companies have worked closely with the live activities of their artists including helping to fund tours for developing artists. But, essentially the recorded music and live music sectors have remained separate.

However, as labels take a much more integrated approach to all areas of the music business and look to broaden the services and support they offer to artists their participation in the live sector is growing rapidly.

Universal Music launched two major festivals in 2015 to showcase Latin music, art and culture. The inaugural Universal Music Festival in Spain was held at Madrid's Teatro Real in July with artists including Elton John, Caetano and Gil, Raphael, Miguel Poveda, Juanes and El Barrio. This was followed in the US in October with the launch of the

L Festival, in partnership with CMN Events, at the Orange County Fair and Event Center in southern California with a host of Latin acts such as Juan Gabriel, Enrique Iglesias, Zion y Lennox and Julion Alvarez. Both festivals are planned to return in 2016.

Jesus Lopez, Chairman & CEO, Universal Music Latin America and Iberian Peninsula says, "By working with our artists and using our expertise and global relationships we can create amazing events that showcase the incredible diversity of talent we have in the Latin world. Live music has always been an essential part of the music experience and it's an area where we can add a lot of value to both artists and consumers."

MUSIC DRIVING THE BROADER ECONOMY

Music underpins a huge range of economic and social activity from exports to tourism.

MUSIC HELPS BOOST JOBS AND GROWTH

A number of recent studies have sought to quantify the value added by the music industry to national or regional economies.

 In **Germany**, a 2015 study by Friedrich-Schiller-Universität Jena found that the German music industry generated €11 billion in revenues to the national economy and supported 127,000 jobs. The study also found that the music industry's gross value added (GVA) to the German economy was approximately €3.9 billion, which was higher than that of the book, film and magazine publishing industries. Among the seven sub-sectors of the music industry, the highest gross value added was created in the areas of "music events" (27%) and "music recordings" (22%).

 In the **UK**, trade body UK Music published research which showed the music industry contributed £4.1 billion to the British economy in 2014 in GVA and supported more than 117,000 jobs. The global success of artists such as Sam Smith and Ed Sheeran helped recorded music exports increase by 17 per cent, contributing £2.1 billion in revenue. Live music revenues increased by 17 per cent and live music tourism contributed £3.1 billion to the UK economy.

 In **New Zealand**, WeCreate NZ published a report in 2015 from PWC which showed that the

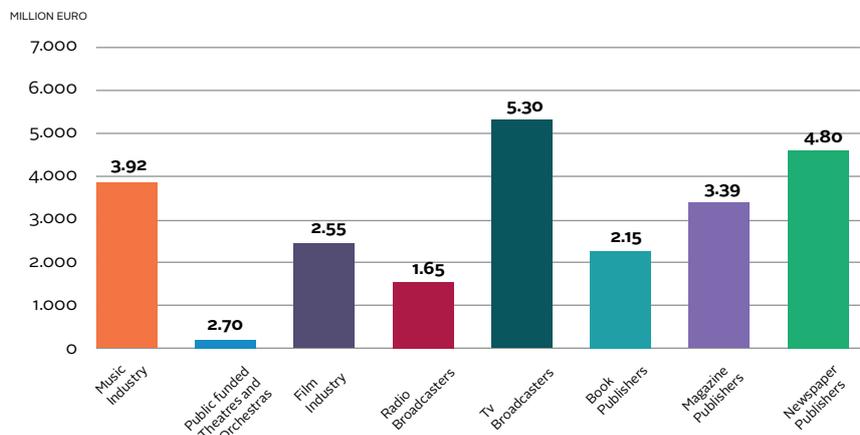
music industry contributed NZ\$472 million to the New Zealand economy in 2014, an increase of 4.4 per cent from the NZ\$452.2 million generated in 2013.

 In **Canada**, a November 2015 study by researchers Nordicity for Music New Brunswick found that music added Cdn\$65.2 million to the Province's GDP and contributed Cdn\$19.6 million in tax revenues to all levels of government. Nordicity also produced a December 2015 study for Music Canada that found the live music industry contributed just under \$1.2 billion to the economy of Canada's most populous province, Ontario, in 2013, and generated a total of 10,500 full-time equivalent (FTE) jobs, with an additional 9,500 FTEs from the tourism generated by music festivals alone.



Sta photo by Mary Ellen Matthews

GROSS VALUE ADDED IN THE GERMAN MUSIC INDUSTRY COMPARED TO OTHER GERMAN MEDIA INDUSTRIES



Source: Music Industry Survey 2015, Calculations by FSU Jena



MUSIC HELPS DRIVE SOCIAL MEDIA

Music and musicians play a huge role in powering social media. Record companies facilitate this by helping artists create the content their fans crave and which keeps them engaged. In April 2016, musicians represented seven of the top 10 most followed people and brands on Twitter, seven of the top 20 most liked people on Facebook and five of the top 10 most followed people on Instagram.

Music is also driving huge economic value for these social networks. Twitter's market capitalisation in February 2016 hit US\$12.3 billion while Instagram, which is owned by Facebook, has been valued by some experts at US\$35 billion.

Music is also the major driver of viewing on YouTube. All of the top 10 most watched videos on YouTube are professionally shot music videos. YouTube has become a major consumption tool for teenagers, with 65 per cent of under 25s in the US saying they use it as a music service.

TOP 10 MOST FOLLOWED PEOPLE ON TWITTER

1	KATY PERRY	86M
2	JUSTIN BIEBER	78M
3	TAYLOR SWIFT	74M
4	BARACK OBAMA	72M
5	RIHANNA	58M
6	LADY GAGA	58M
7	ELLEN DEGENERES	57M
8	JUSTIN TIMBERLAKE	53M
9	BRITNEY SPEARS	45M
10	KIM KARDASHIAN WEST	43M

Source: Twitter (April 2016)

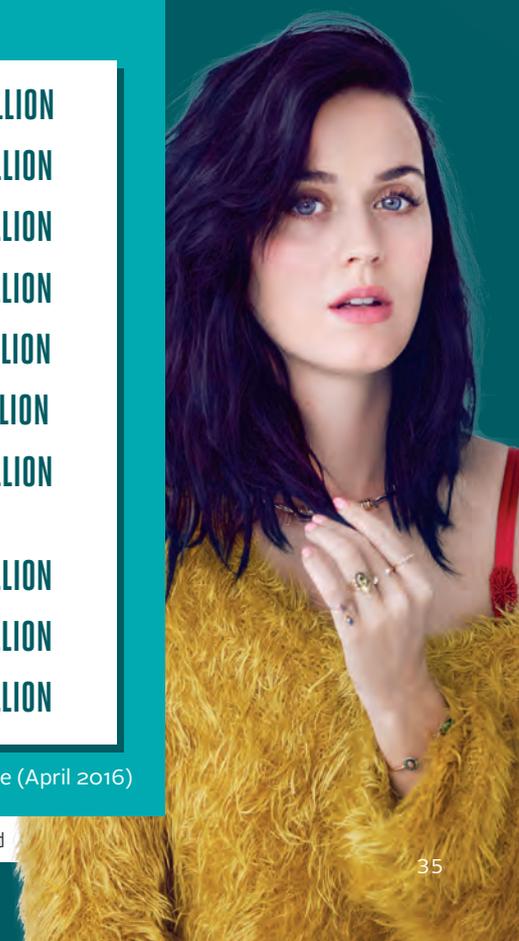


MOST WATCHED VIDEOS ON YOUTUBE

RANK	VIDEO NAME	ARTIST	VIEWS
1	GANGNAM STYLE	PSY	2.55 BILLION
2	SEE YOU AGAIN	WIZ KHALIFA FT CHARLIE PUTH	1.62 BILLION
3	BLANK SPACE	TAYLOR SWIFT	1.55 BILLION
4	UPTOWN FUNK	MARK RONSON FT BRUNO MARS	1.49 BILLION
5	HELLO	ADELE	1.42 BILLION
6	SHAKE IT OFF	TAYLOR SWIFT	1.41 BILLION
7	BAILANDO	ENRIQUE IGLESIAS FT DESCEMER BUENO AND GENTE DE ZONA	1.38 BILLION
8	DARK HORSE	KATY PERRY	1.35 BILLION
9	BABY	JUSTIN BIEBER	1.34 BILLION
10	ALL ABOUT THAT BASS	MEGHAN TRAINOR	1.33 BILLION

Source: YouTube (April 2016)

Katy Perry photo by Cass Bird



FOR A DIRECTORY OF LICENSED DIGITAL
MUSIC SERVICES WORLDWIDE VISIT

WWW.PRO-MUSIC.ORG

PRO MUSIC



The Pro-Music site offers:

- A one-stop guide to getting music online with a comprehensive global list of digital music services
- Links to 400 legal music services in over 150 countries – listed by country and model
- Educational resources – copyright FAQs; a guide for parents and teachers; resources for schools; information about the global music industry

Pro-Music is supported by:



IMPA

MUSIC CITIES

Cities around the world are increasingly realising the economic potential of music alongside its long acknowledged cultural and social benefits.

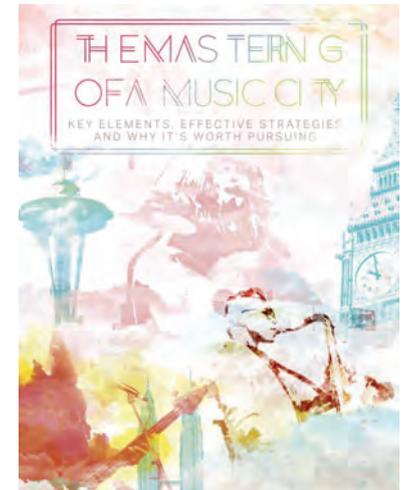
IFPI's national affiliate Music Canada campaigned for Toronto to leverage music to benefit its economy based on the strategies deployed in Austin, Texas. It pointed out that Austin is much smaller than Toronto, the hub of Canada's recording industry, but that the US city was using music far more effectively to generate jobs, taxes and growth. The campaign secured the engagement of City Hall and the Mayor of Toronto, John Tory, has put leveraging music at the heart of his political agenda.

This successful campaign prompted interest from other cities around the world, looking for a "roadmap" so that they too could tap into the power of music. As a result, in 2015 IFPI and Music Canada published their *The Mastering of a Music City* report. It sets out simple steps that policymakers worldwide can take to help develop their music economies.

The report sets out seven key strategies that will help local authorities, businesses, community groups and the creative sector capitalise on the potential of music to build, grow and strengthen their cities.

Music and municipal leaders in communities as diverse in size and demographics as Columbus (Ohio), Sydney (Australia), Aarhus (Denmark), Sheffield (England), Belfast (Northern Ireland), Vancouver (Canada) and Bogotá (Columbia) are utilising *The Mastering of a Music City* to guide their own local strategy development. Even Austin is using the research, amongst other things, to guide its latest efforts to support the music community.

Music related issues have continued to take centre stage in cities worldwide. In October 2015, the Mayor of London announced changes in planning policy to protect music venues, following the loss of more than a third of them in recent years to urban regeneration and transportation projects; in Paris, a new music advisory board (the Conseil Parisien de la Musique) has been established to advise policymakers at all levels of government on issues affecting music; and, in Toronto, Melbourne and Adelaide (Australia) municipal music strategies have been developed with input from a cross-section of music stakeholders.



"Growing our music industry is key to driving economic growth, job creation and investment. A city's passion for music is important in attracting talented people to visit and to stay. The Mastering of a Music City report reinforces in my mind the real potential of what supporting the music industry can do to transform and grow a real 21st century city"

John Tory, Mayor of Toronto



Blue Rodeo photo by Dustin Rabin



DIGITAL MUSIC SERVICES WORLDWIDE

The featured list of licensed music services appears on the Pro-Music information resource (www.pro-music.org) at the time of the report's publication and it is the most comprehensive directory of the world's legal digital music services. The list numbers almost 400* licensed services in over 150 territories.

A [Afghanistan](#) Deezer [Albania](#) Deezer [Algeria](#) Deezer, YouTube [Andorra](#) Spotify, TIDAL [Angola](#) Deezer, The Kleek [Anguilla](#) Apple Music, Deezer, iTunes [Antigua & Barbuda](#) Apple Music, Deezer, iTunes [Argentina](#) Apple Music, CIENRADIO, Claro Música, Daily Motion, Deezer, Google Play, Groove Music Pass, Guvera, iTunes, Larala, Microsoft Music Store, Movistar, MTV, Napster, Personal, Spotify, YouTube [Armenia](#) Apple Music, Deezer, iTunes [Australia](#) 7digital, Apple Music, Bandit.fm, Beatport, Deezer, Getmusic.com.au, Google Play, Groove Music Pass, Guvera, iHeart Radio, iTunes, Microsoft Music Store, Optus, Pandora, SoundCloud, Spotify, Telstra, TIDAL, VEVO, VidZone, Virgin, Vodafone, YouTube [Austria](#) 7digital, Amazon, Ampya, Apple Music, Artistxite, Classical.com, Deezer, DG Webshop, eMusic, Finetunes, Google Play, Groove Music Pass, iTunes, JUKE, Ladezone, Mediamarkt, Microsoft Music Store, MyCokeMusic, MySpace, MyVideo, Napster, Naxos, Planet3, Preiser, Qobuz, Simfy, SMS.at, Soulseduction, Spotify, Teling, TIDAL, T-Mobile, VidZone, YouTube, Zed [Azerbaijan](#) Apple Music, Deezer, iTunes

B [Bahamas](#) iTunes [Bahrain](#) Apple Music, Deezer, iTunes, YouTube [Bangladesh](#) Deezer [Barbados](#) Apple Music, Deezer, iTunes [Belarus](#) Apple Music, Deezer, Google Play, iTunes, Yandex Music [Belgium](#) 7digital, Apple Music, Beatport, Bleep, Dailymotion, Deezer, DJTUNES, Downloadmusic, eMusic, Fnac, Google Play, Groove Music Pass, HighRes Audio, iTunes, Juke, Junodownload, Legal Download, Microsoft Music Store, Napster, Qobuz, Spotify, TIDAL, Traxsource, VidZone, YouTube [Belize](#) Apple Music, iTunes [Benin](#) Deezer [Bermuda](#) Apple Music, iTunes [Bhutan](#) Deezer [Bolivia](#) Apple Music, Deezer, Google Play, iTunes, Napster, Spotify, Viva [Bosnia and Herzegovina](#) Deezer, Google Play, YouTube [Botswana](#) Apple Music, Deezer, iTunes [Brazil](#) Apple Music, Claro Música, Deezer, Google Play, Groove Music Pass, iTunes, Kboing, Microsoft Music Store, Mundo Oi, Napster, Spotify, Terra Musica Powered by Napster, TIDAL, VEVO, YouTube [British Virgin Islands](#) Apple Music, Deezer, iTunes, Spotify [Brunei](#) Deezer, iTunes [Bulgaria](#) Apple Music, Deezer, eMusic, Google Play, iTunes, Muzikata, Spotify, Telenor, Vivacom, YouTube [Burkina Faso](#) Deezer, iTunes [Burundi](#) Deezer

C [Cambodia](#) Apple Music, Deezer, iTunes [Cameroon](#) Deezer [Canada](#) 7digital, Apple Music, ArtistXite, Bell Mobility, CBC Music, Classical Archives, Daily Motion, Deezer, eMusic, Google Play, Groove Music Pass, HMV Digital, iTunes, Mediazoic, Microsoft Music Store, MTV, Napster, Naxos, Pono, Qello, Rithm, Slacker, Spotify, Stingray Music, TIDAL, VEVO, YouTube [Cape Verde](#) Apple Music, Deezer, iTunes [Cayman Islands](#) Apple Music, Deezer, iTunes, Spotify [Central African Republic](#) Deezer [Chad](#) Deezer [Chile](#) Apple Music, Claro Música, Deezer, Entel-Napster, Google Play, Guvera, iTunes, Movistar, Napster, Portaldisc, Spotify, YouTube [China](#) Apple Music, China Mobile, China Telecom, Kugou, Kuwo, Netease, Tencent, TTPod, Xiami [Colombia](#) Apple Music, Claro Música, Codiscos, Deezer, Google Play, Guvera, iTunes, Napster, Spotify, Tigo, YouTube [Costa Rica](#) Apple Music, Claro Música, Deezer, Google Play, Groove Music Pass, iTunes, Microsoft Music Store, Movistar, Napster, Spotify [Croatia](#) Cedeterija, Deezer, Google Play, YouTube [Cyprus](#) Apple Music, Deezer, eMusic, Google Play, iTunes, Spotify, TIDAL [Czech Republic](#) Alza Media, Apple Music, Bontonline, Clickmusic, Deezer, eMusic, Google Play, iTunes, Mixér.cz, MusicJet, O2, Spotify, Supraphonline, TIDAL, T-Music, Vodafone, Youradio, YouTube

*400 – although services are listed in the countries they appear they are only counted once in the overall figure, e.g iTunes is counted once in the figure of almost 400 etc.

D [Democratic Republic of Congo](#) Deezer [Denmark](#) Apple Music, Deezer, eMusic, Google Play, Groove Music Pass, iTunes, Microsoft Music Store, Napster, POBit, Shop2download, SoundCloud, Spotify, TDC Play, Telmore Musik, TIDAL, VidZone, Yousee Play (JUKE), YouTube [Djibouti](#) Deezer [Dominica](#) Apple Music, Deezer, iTunes [Dominican Republic](#) Apple Music, Claro Música, Google Play, Groove Music Pass, iTunes, Microsoft Music Store, Spotify

E [East Timor](#) Deezer [Ecuador](#) Apple Music, Claro Música, Deezer, Google Play, iTunes, Napster, Spotify [Egypt](#) Alamelphan, Anghamy, Apple Music, Deezer, iTunes, Mazzika Box, Yala Music, YouTube [El Salvador](#) Apple Music, Claro Música, Deezer, Google Play, Groove Music Pass, iTunes, Microsoft Music Store, Napster, Spotify, Tigo [Equatorial Guinea](#) Deezer [Eritrea](#) Deezer [Estonia](#) Apple Music, Deezer, eMusic, Google Play, iTunes, muusika24.ee, Spotify, TIDAL, YouTube [Ethiopia](#) Deezer

F [Fiji](#) Apple Music, Deezer, iTunes [Finland](#) 7digital, Apple Music, Deezer, eMusic, Google Play, Groove Music Pass, iTunes, Microsoft Music Store, Musa24.fi, Napster, NRJ Kauppa Mobile, Spotify, TIDAL, VidZone, YouTube [France](#) 121 MusicStore, 1D Touch, 7digital, Altermusique, Amazon, Apple Music, cd1d, Daily Motion, Deezer, eMusic, Ezic, Findspire, FNAC Jukebox, Google Play, Groove Music Pass, Hitster, Ina, iTunes, Jamendo, Jazz en ligne, MegaMP3, Microsoft Music Store, musicMe, Musicoverly, MySurround, Napster, NomadMusic, Pono Music, Psonar, Qobuz, Radionomy, Reglo Musique, So Music, Spotify, Starzik, TIDAL, Urban Music, VEVO, VidZone, YouTube, Zaoza

G [Gabon](#) Deezer [Gambia](#) Apple Music, Deezer, iTunes [Georgia](#) Deezer [Germany](#) 7digital, Amazon, Ampya, Apple Music, Artistxite, Beatport, Clipfish, Col-legno, Deezer, DJ Shop, DJTUNES, Finetunes, Google Play, Groove Music Pass, HD Klassik, HD Tracks, Highresaudio, iTunes, Jamba, Juke, Mediamarkt, MTV, Musicload (Dixero), MyVideo, Napster, Naxos, O2, Onkyo, Qobuz, SCM Shop, SoundCloud, Spotify, tape.tv, Technics Tracks, TIDAL, Tonspion.de, Vevo, Vodafone, Weltbild, zwo3.net [Ghana](#) Apple Music, Deezer, iTunes, The Kleek, YouTube [Greece](#) Akazoo, Apple Music, Cosmote, Daily Motion, Deezer, eMusic, Google Play, iTunes, Junodownload, mpGreek, MTV, MySpace, Napster, Naxos, Spotify, TIDAL, YouTube [Grenada](#) Apple Music, Deezer, iTunes [Guatemala](#) Apple Music, Claro Música, Deezer, Google Play, Groove Music Pass, iTunes, Microsoft Music Store, Movistar, Napster, Spotify, Technics Tracks [Guinea](#) Deezer, [Guinea-Bissau](#) Apple Music, Deezer, iTunes

H [Honduras](#) Apple Music, Claro Música, Deezer, Google Play, Groove Music Pass, iTunes, Microsoft Music Store, Spotify, Tigo [Hong Kong](#) 1010, 3Music, Apple Music, Classics Online, CMHK Soliton, Guvera, hifitrack, iTunes, JOOX, KKBOX, Moov, MusicOne, Naxos, OleGoK, Qlala, SmarTone iN, Soliton, Spotify, TIDAL, YouTube [Hungary](#) Apple Music, Dalok, Deezer, Google Play, Hungaroton, iTunes, Songo, SoundCloud, Spotify, TIDAL, YouTube, Zene! 24/7

I [Iceland](#) Deezer, Google Play, Spotify, TIDAL, Tonlist.is, YouTube [India](#) Apple Music, Artist Aloud, Biscoot, Eros Now, Gaana, Guvera, Hungama, iTunes, Saavn, Saregama, TeluguOne, Wynk, YouTube [Indonesia](#) Apple Music, Arena Musik, Deezer, Guvera, iTunes, Joox, Langit Musik, MelOn, Musikkamu, Volup, YouTube [Iraq](#) Deezer [Ireland](#) 7digital, Apple Music, ArtistXite, Bleep, Deezer, eMusic, Golden Discs, Google Play, Groove Music Pass, iTunes, Microsoft Music Store, MySpace, Napster, Qobuz, Spotify, TIDAL, VEVO, VidZone, YouTube [Israel](#) Celcom Music, iTunes, Musix, Orange, TIDAL, YouTube [Italy](#) 7digital, Amazon, Apple Music, Azzurra Music, Beatport, Deezer, eMusic, Google Play, Groove Music Pass, IBS, InnDigital, iTunes, Jamba, Juke, Microsoft Music Store, Napster, Net Music Media World, Playme, Spotify, TIDAL, TIMmusic, VEVO, VidZone, YouTube [Ivory Coast](#) Deezer

J [Jamaica](#) Deezer, REGGAEinc [Japan](#) Amazon, Apple Music, AWA, Beatport, BeeTV, Best Hit J-Pop, clubDAM, D Hits, d music, Dwango, FaRao, Google Play, Groove, GyaO!, iTunes, KKBOX, Konami, Line, Lismo, mora, mu-mo, Music Airport, Music.jp, Musing, MySound, Naxos, NOTTV, Oricon ME, Reco Choku, Sumaho De Usen, Tsutaya Musico, Utapass, UULA, YouTube [Jordan](#) Apple Music, Deezer, iTunes, YouTube

K [Kazakhstan](#) Apple Music, Deezer, iTunes, Yandex Music [Kenya](#) Apple Music, Deezer, iTunes, Mdundo, The Kleek, YouTube [Kiribati](#) Deezer [Kuwait](#) Deezer, YouTube [Kyrgyzstan](#) Apple Music, Deezer, iTunes

L [Laos](#) Apple Music, Deezer, iTunes [Latvia](#) Apple Music, Deezer, eMusic, Google Play, iTunes, Spotify, TIDAL, YouTube [Lebanon](#) Apple Music, Deezer, iTunes, YouTube [Lesotho](#) Deezer [Liberia](#) Deezer [Libya](#) Deezer, YouTube [Liechtenstein](#) Google Play, Spotify, TIDAL [Lithuania](#) Apple Music, Deezer, eMusic, Google Play, iTunes, Spotify, TIDAL, YouTube [Luxembourg](#) 7digital, Apple Music, Deezer, eMusic, Google Play, iTunes, Napster, Qobuz, Spotify, TIDAL, VidZone

M [Macau](#) Apple Music, iTunes, KKBOX [Macedonia](#) Deezer, Google Play, YouTube [Madagascar](#) Deezer [Malawi](#) Deezer [Malaysia](#) Akazoo, Apple Music, Deezer, DigiMusic, Guvera, Infogo, iTunes, Joox, KKBOX, Maxis Music Unlimited, Milk Music (Samsung), MTV Trax, RAKU, Spotify, The Cube, TIDAL, Yonder, YouTube [Maldives](#) Deezer [Mali](#) Deezer [Malta](#) Apple Music, Deezer, eMusic, Google Play, iTunes, Spotify, TIDAL [Marshall Islands](#) Deezer [Mauritiana](#) Deezer [Mauritius](#) Apple Music, Deezer, iTunes [Mexico](#) Apple Music, Claro Ideas, Claro Música, Corona Music, Deezer, Flycell, Google Play, Groove Music Pass, Guvera, iTunes, Microsoft Music Store, Mientras Contesto de Iusacell, Mixup Digital, Movistar, Napster, Spotify, Terra Live Music, Terra TV, TIDAL, VEVO, YouTube [Micronesia](#) Apple Music, Deezer, iTunes [Moldova](#) Apple Music, Deezer, iTunes [Monaco](#) Spotify, TIDAL [Mongolia](#) Apple Music, Deezer, iTunes [Montenegro](#) Deezer, YouTube [Morocco](#) Deezer, YouTube [Mozambique](#) Deezer, iTunes

N [Namibia](#) Deezer, iTunes [Nauru](#) Deezer [Nepal](#) Apple Music, Deezer, iTunes [Netherlands](#) 7digital, Apple Music, Beatport, Countdown, Deezer, Downloadmusic, eMusic, GlandigoMusic, Google Play, Groove Music Pass, HitsNL, iTunes, Jamba, Juke, Mega Media, Microsoft Music Store, MTV, Muziekweb, Napster, Nederland FM, Qobuz, Radio 538, Spotify, Talpadownloads, TIDAL, Trackitdown, TuneTribe, VEVO, VidZone, Wildhitz, You Make Music, YouTube, zazell.nl [New Zealand](#) 7digital, Apple Music, Bandit.fm, Beatport, Deezer, Google Play, Groove Music Pass, iHeart Radio, iTunes, Microsoft Music Store, Milk Music, MySpace, Pandora, Spotify, The InSong, theaudience, TIDAL, VEVO, YouTube [Nicaragua](#) Apple Music, Claro Música, Deezer, Google Play, iTunes, Movistar, Napster, Spotify [Niger](#) Apple Music, Deezer, iTunes [Nigeria](#) Apple Music, Deezer, iTunes, The Kleek, YouTube [Norway](#) 2L Music Store, 7digital, Apple Music, CDON, Deezer, Google Play, iTunes, Microsoft Music Store, Musicnodes, Musikk Online, Napster, Platekompaniet, Spotify, TIDAL, VidZone, YouTube,

O [Oman](#) Apple Music, Deezer, iTunes, YouTube

Pakistan Deezer, YouTube **Palau** Deezer **Panama** Apple Music, Claro Música, Deezer, Google Play, Groove Music Pass, iTunes, Microsoft Music Store, Movistar, Napster, Spotify **Papua New Guinea** Apple Music, Deezer, iTunes **Paraguay** Apple Music, Bluecaps, Claro Música, Deezer, Google Play, Groove Music Pass, iTunes, Microsoft Music Store, Personal, Spotify, Tigo **Peru** Apple Music, Claro Música, Deezer, Entel, Google Play, Guvera, iTunes, Movistar, Napster, Spotify, YouTube **Philippines** Apple Music, Deezer, Globe, Guvera, iTunes, MyMusicStore, OPM2Go, Smart, Spinnr, Spotify, Sun, YouTube **Poland** Apple Music, Daily Motion, Deezer, Empik.com, eMusic, Gaude.pl, Go On, Google Play, Halodzwonek, interia muzyka, iTunes, Mobila.pl, MTV, Muzodajnia, Muzyka Tu I Tam, MySpace, NuPlays, onet.tv, Orange, Papla.pl, Play The Music, Plus - Muzyka, SoundCloud, Spotify, TIDAL, T-Mobile, Tuba.pl, VEVO, Viva Polska, YouTube **Portugal** 7digital, Apple Music, Beatport, Deezer, Google Play, Groove Music Pass, iTunes, MEO Music, Microsoft Music Store, Napster, Spotify, TIDAL, VidZone, Vodafone, YouTube **Puerto Rico** YouTube

Qatar Deezer, iTunes, YouTube

Republic of the Congo Deezer **Romania** Apple Music, Deezer, Get Music, Google Play, iTunes, Music Non Stop, Orange, TIDAL, Trilulilu.ro, Vodafone, YouTube, Zonga **Russia** Apple Music, Beeline, ClipYou.ru, Deezer, Google Play, Guvera, iTunes, iviMusic, Megafon (Trava), Svoy, Telez, Yandex Music, YouTube, Zvooq **Rwanda** Deezer

Saint Kitts and Nevis Apple Music, Deezer, iTunes **Saint Lucia** Deezer **Saint Vincent and the Grenadines** Deezer **Samoa** Deezer **Sao Tome and Principe** Deezer **Saudi Arabia** Apple Music, Deezer, Guvera, iTunes, YouTube **Senegal** Deezer, YouTube **Serbia** Deezer, Google Play, YouTube **Seychelles** Deezer **Sierra Leone** Deezer **Singapore** 7digital, Apple Music, Deezer, Groove Music Pass, Guvera, iTunes, KKBOX, Microsoft Music Store, Singtel Music Store, Spotify, Starhub Music Anywhere, TIDAL, YouTube **Slovakia** Apple Music, Deezer, eMusic, Google Play, iTunes, MusicJet, Orange, Spotify, TIDAL, Youradio, YouTube **Slovenia** Apple Music, Deezer, eMusic, Google Play, iTunes, TIDAL, YouTube **Solomon Islands** Deezer **Somalia** Deezer **South Africa** Apple Music, Deezer, Google Play, iTunes, Liedjie, MiTracks, MTN Play, MySpace, Simfy, The Kleek, TIDAL, Vlive, YouTube **South Korea** Bugs, Deezer, Genie, Groovers.kr, MelOn, Mnet, Monkey3, MPION, Naver Music, Naver TV Cast, Ollehmusic, Soribada, YouTube **Spain** 7digital, Amazon, Apple Music, Beatport, Cellfish, Deezer, eMusic, Google Play, Groove Music Pass, HighResAudio, iTunes, Microsoft Music Store, Movistar, MTV, Napster, Naxos, Orange, Presto Classical, Qello, SoundCloud, Spotify, TIDAL, VEVO, VidZone, Vodafone, YouTube **Sri Lanka** Apple Music, Deezer, iTunes **Swaziland** Apple Music, Deezer, iTunes **Sweden** 7digital, Apple Music, CDON, Deezer, eClassical, eMusic, Google Play, Groove Music Pass, iTunes, Klicktrack, Microsoft Music Store, MySpace, Napster, Sound Pollution, Spotify, TIDAL, YouTube **Switzerland** 7digital, Amazon, Ampya, Apple Music, ArtistXite, Beatport, Deezer, Ex Libris, Finetunes, Google Play, Groove Music Pass, Highresaudio, Hitparade.ch, igroove, iTunes, Jamster, Juke, Linn Records, Microsoft Music Store, MTV, Musicload, MyVideo, Napster, Presto Classical, Qobuz, Simfy, SoundCloud, Spotify, tape.tv, TIDAL, VidZone, Weltbild, YouTube

Taiwan Apple Music, Emome, Far Eastone, Hami+ Music, Heart Music, HiNet Funplay, iNDIEVOX, iTunes, KKBOX, MTV, muziU, myMusic, Omusic, Spotify, T STAR, Taiwan Mobile, YouTube **Tajikistan** Apple Music, Deezer, iTunes **Tanzania** Deezer **Thailand** AIS, Apple Music, Deezer, DTAC, Guvera, iTunes, Joox, KKBOX, Line, TIDAL, True Music, YouTube **Togo** Deezer **Tonga** Deezer **Trinidad and Tobago** Apple Music, iTunes **Tunisia** Deezer, YouTube **Turkey** Apple Music, Deezer, iTunes, Izlesene, Spotify, TIDAL, TTnetmuzik, Turkcell, YouTube **Turkmenistan** Apple Music, Deezer, iTunes **Tuvalu** Deezer

U **UAE** Apple Music, Deezer, Guvera, iTunes, YouTube **Uganda** Apple Music, Deezer, iTunes, YouTube **UK** 7digital, Album Cards, Amazon, Apple Music, ArtistXite, Beatport, Bleep, Boomkat, Classics Online, Deezer, Digital Tunes, DJ Tunes, eMusic, Google Play, Groove Music Pass, HD Tracks, Highresaudio, HMV Digital, iTunes, Jamster, Junodownload, Mobile Chilli, MTV, MySpace, Napster, Naxos, O2, Onkyo, Presto Classical, Psonar, Pulselocker, Qobuz, Saavn, Sainsburys, SoundCloud, Spotify, Technics Tracks, The Classical Shop, TIDAL, trackitdown, Traxsource, TuneTribe, VEVO, Vidzone, Virgin, YouTube **Ukraine** Apple Music, Deezer, Good'OK, Google Play, Guvera, iTunes, MUSIC CLUB, SoundCloud, Yandex Music, YouTube **Uruguay** Antel Musica, Butia, Claro Música, Deezer, Google Play, Movistar Entretenimiento, Napster, SoundCloud, Spotify **USA** 7digital, Acoustic Sounds, Amazon, AOL Radio Plus, Apple Music, ArtistXite, Beatport, CD Universe, ChristianBook.com, Classical Archives, Classics Online HD, Daily Motion, Deezer, Free All Music, Freegal Music, GhostTunes, Google Play, Groove Music Pass, Guvera, Hastings, HD Tracks, Hoopla, Hulu, iOldies, iTunes, Listen, MetroPCS, Microsoft Music Store, MTV, Music Choice, Naxos, Onkyo, Platinum League, Playster, Pono, Presto Classical, Pro Studio Masters, Pulselocker, Qello, Rhapsody, Rithm, Rokmobile, Shuv, Slacker, SongPop, SoundCloud, Spotify, Sprint, TheOverflow, TIDAL, Verizon Wireless, Vessel, VEVO, VidZone, Virgin, Yahoo! Music, YouTube **Uzbekistan** Apple Music, Deezer, iTunes

V **Vanuatu** Deezer **Venezuela** Apple Music, Deezer, Google Play, Guvera, Ichamo, iTunes, Movistar, SoundCloud **Vietnam** Apple Music, Deezer, Guvera, iTunes, NHACSO, Viettel, YouTube, Zing MP3

Y **Yemen** Deezer, YouTube

Z **Zambia** Deezer **Zimbabwe** Apple Music, Deezer, iTunes

This is a list of licensed digital music services from around the world that appears on www.pro-music.org. Pro-music is endorsed by an alliance of organisations representing international record companies (majors and independents), publishers, performing artists and musicians' unions. The list is compiled by IFPI based on information from its national groups at time of publication. It does not purport to be exhaustive and IFPI cannot guarantee its 100 per cent accuracy. Readers should consult www.pro-music.org for the most up to date information.

The KKBOX logo is positioned at the top center of the page. It features the letters 'kkbox' in a lowercase, white, sans-serif font. The background of the entire page is a vibrant night cityscape with various skyscrapers illuminated in blue and white, set against a dark blue sky with a starry pattern. In the foreground, the silhouettes of a band performing live are visible, including a drummer in the center and a guitarist on the right. The overall aesthetic is modern and energetic, reflecting the digital music scene.

KONICHIWA! JAPAN

*Achieve your loftiest dreams
in Asia.*

KKBOX has been leading the streaming digital music scene in Asia for more than 10 years. Our versatile platform enables us to connect millions of music lovers, artists and professionals, while our entertainment eco system grows vibrantly with KKBOX LIVE and the annual KKBOX Music Awards event that reaches more than 10 million enthusiasts around the world.

Today, we are bringing the world's music to Japan, and we are also introducing Japanese artists to a wider audience across Asia. KKBOX – it's where your music dreams come true.

Thank you!

It's been another massive year for Spotify.
Here are a few reasons why...

- **\$3bn** paid to rightsholders since launch
- **30m** paying subscribers
- **2 billion** playlists and counting

We couldn't have done it without you.

Thank you for your support.

