

Controversial Study Claims that Piracy Does Not Hurt Music Industry

Music teacher in Australia offers unique perspective, reveals whether European study is valid.

Perth, April 15, 2013 - Recently, the European Commission Joint Research Centre released a study which analysed the purchasing and downloading statistics of approximately 16,000 European online music consumers. The study analysed an assortment of metrics, and most of its conclusions were of no surprise to those in the music industry. However, the Commission dropped a huge bombshell on the music industry when it claimed that its findings prove that illegal downloads have no negative effect on the sale of online music. The report went even further, and concluded that illegal online downloads actually stimulate the sales of online digital music. Numerically, the study found that whenever the amount of clicks on illegal download sites increases by 10%, the clicks on legal downloading sites increase 0.2%. The study's authors, Bertin Martins and Luis Aguiar, offered a series of possible reasons for this behaviour. In the past, the most common argument supporting illegal online downloads has been that many consumers like to use illegal downloads as "try before you buy" copies. Another possible reason given by Martins and Aguiar is that those who participate in illegal downloading were not going to buy any product in the first place, and thus represent no loss of revenue because they weren't going to buy any product. Another finding that disagrees with the music industry's collective opinion is that when clicks on legal streaming websites increased 10%, clicks on legal digital retail websites had a corresponding increase of 0.7%. The study also concluded that those who download music illegally consume more than twice as much music products as those who do not participate in illegal downloading. Many of those in the study tended to click through more to sites such as iTunes, Soundcloud, Vimeo, and YouTube, using multiple portals to access both free and paid music. The music industry, which has long contended that piracy is partially responsible for a decrease in profits over the last decade, was swift in its rebuttal. According to the International Federation of the Phonographic Industry (IFPI), both the research and its message are not only invalid, but could cause more damage to the industry. Recently, international statistics have indicated that global music sales are headed in an upward direction, but the IFPI is adamant that illegal downloading and piracy still damage the music business by providing free product, thus removing the necessity for consumers to buy those products. Danny Achurch, musician, music teacher, and owner of Monster Music, offers a unique perspective on the current debate over the validity of the report. According to Achurch, "The report has some good points, but appears to jump to an unreasonable conclusion. As a musician, I believe that musicians should be well paid for their product. Recorded music is one of those products, and is one of the few products that can give the performer market leverage by providing passive income." Achurch continued, "I have heard all of the arguments contending that piracy and illegal downloads don't affect sales, and I can see how someone could come to that conclusion. However, it is my contention that, if the market is flooded with free product, it devalues the product that people are charging money for." Achurch concluded, "I do not ever want to see music become devalued." Monster Music is a network of music teachers in Australia. They provide violin, guitar, singing, and piano lessons in Sydney, Perth, Brisbane, Melbourne, Adelaide, and most Australian cities. For more information, please call 08 9335 8881 or visit their website: <http://www.monstermusic.com.au/>

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