

# Study Shows More Music Downloads, Less Piracy, and More Legal Alternatives

Music tuition agency from Perth reveals what anti-piracy measures and legal alternatives mean to musicians, in Australia and worldwide.

Spin Magazine recently commissioned a music business study by Strategy Analytics. The study found that revenues produced by digital downloads increased 8.5% in 2012. As of recent years, the music business has seen revenues from music sales decreasing, partially due to millions of illegal downloads. Although the Recording Industry Association of America (RIAA) has spearheaded much of the battle on piracy, the Recording Industry Association of New Zealand (RIANZ) has been the most successful at discouraging piracy, instituting a "three-strike" policy. In New Zealand, the fine for a third piracy offense can be as much as \$11,500. In 2013, US Internet providers are tentatively slated to institute the Copyright Alert System, in which their major Internet providers will start cracking down on users who share files on peer-to-peer networks. The main clearinghouse is the IFPI, which is based in Switzerland. They are enabling all of the recording industry associations, such as the Australian Record Industry Association (ARIA), the aforementioned associations, and those from other countries not mentioned, to band together, stem the tide of music piracy, and let musicians start making money from all of their music again. In 2005, approximately 20% of those with an Internet connection were using the Internet for illegal downloads. In 2013, the number is expected to dip below 10%. As more legislation goes into effect, piracy is expected to decrease even more. With the battle against piracy taken care of, the industry is now looking at the largest trend that affects revenue: online music streaming. This is the legal alternative that is becoming the most popular, and has the most potential to ensure that musicians are paid all of the royalty fees they deserve. Spotify, Pandora, Deezer, YouTube, and Mog are all examples of streaming services which offer free and/or subscription-based online streaming. Pandora alone claims a 7% market share in the US, which is the world's largest market. The music industry study in Spin also reported that up to 36% of everyone who has an Internet connection uses streaming websites to listen to music. Australians streamed more than 500,000,000 music videos in 2012. As more services begin to charge for online streaming, more money will go into musicians' pockets. Danny Achurch, owner of Monster Music, a network of guitar, drum, voice, piano, and various music teachers based in Melbourne and Perth, thinks that the recent developments could usher in an exciting time for the industry: "The Internet age turned the music business upside down, and shook it until all of the change fell out of its pockets. The Internet changed how people buy and listen to music, and piracy threatened to prevent musicians from being paid even close to what they deserve for their recordings." Achurch continued, "The recent anti-piracy measures are helping to turn things around, but the biggest factor may be that the industry is finally listening to the customer again. People would rather stream music than own it. If services charge monthly fees, and then pay royalties for songs as they are played, it will be like the golden days of radio all over again." Achurch concluded, "The business has been hurting for a while, but has finally decided to embrace the Internet age instead of fighting it. Congratulations." Monster Music is an online network of music teachers based in Perth and Melbourne, that extends across Australia into most cities. Call 08 9335 8881 or visit their website for more info: <http://www.monstermusic.com.au/>.

## Contacts

Danny Achurch  
(08) 9335 8881  
mailto: [danny@monstermusic.com.au](mailto:danny@monstermusic.com.au)