



Music industry perspectives on fairness in Europe

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List of abbreviations

- AI: Artificial Intelligence
- CMO: Collective Management Organisation
- EU: European Union
- IR: Independent Researcher
- MBE: Music Business Expert
- MSS: Music Streaming Services
- UGC: User-Generated Content



Executive summary

The music industry is at a pivotal juncture, with the rise of Music Streaming Services (MSS) reshaping how music is accessed, distributed, and monetised. The COVID-19 pandemic accelerated this transformation, intensifying the reliance of artists and rightsholders on streaming as their primary revenue source while reducing income from traditional live performances. These rapid changes have sparked urgent debates over fairness. The emergence and integration of Artificial Intelligence (AI) in the music industry have also introduced new layers of complexity to longstanding debates on fairness and remuneration. Against that background, this report addresses a critical gap: understanding how professionals across the sector perceive and prioritise fairness within the music industry, and identifying their key demands for reform.

This research adopts a political sociology approach in order to explore the governance of fairness in the European music industry. Rather than dealing with fairness as a static or universally agreed-upon principle, this study examines fairness as a dynamic and context-dependent concept – one that is negotiated and contested among diverse stakeholders with competing logics and priorities. Key to this approach is the understanding that fairness in the music industry does not arise deterministically from digital technologies, corporate strategies, or historical trajectories. Instead, it is a political act, marked by conflict and the contestation of competing worldviews, with each stakeholder advancing its own values and objectives.

Recognising the music sector's complexity, the study employs a mixed-method approach, integrating both qualitative and quantitative data collection to capture the multidimensional perspective on fairness in the music industry. The report combines two primary research methods: a large-scale survey conducted among composers, songwriters, performers, and music business experts (MBEs) based in European countries, as well as semi-structured interviews with European-level industry representatives. This dual approach provides both a broad overview of trends and a deeper, qualitative understanding of key tensions within the industry. Through the survey, the study gathered responses from a wide array of music creators and professionals, while the interviews offered insights from stakeholders that included major and independent record labels, Collective Management Organisations (CMOs), MBEs, public sector representatives, and EU-level music associations. This comprehensive methodology enhances the report's reliability and depth, offering a nuanced view of fairness as it is perceived across the European music industry.

The research notably reveals that perceptions of fairness in the music industry are highly multifaceted, with differing views often tied to stakeholders' underlying values and roles. Three key elements emerged as central to the concept of fairness: remuneration, transparency, and diversity. Remuneration was the most prominent concern, with widespread dissatisfaction over the current revenue distribution model, which many perceive as disproportionately benefiting major record labels and MSS while marginalising independent artists and smaller players. Transparency was also identified as essential, with strong calls for greater visibility into algorithmic systems that influence content promotion, artist visibility, and revenue allocation. Diversity is closely tied to fairness. To achieve greater



diversity in the digital music industry, we need an inclusive and representative cultural landscape that goes beyond commercial success, in order to support a broader range of artists and genres.

These tensions are deeply rooted in existing power imbalances within the industry, particularly in the negotiation power held by major players like MSS and record labels. The COVID-19 pandemic further exposed and intensified these disparities, as live performances were cancelled, and artists became increasingly reliant on streaming revenue – though this is often inadequate to sustain their livelihoods. Similarly, the role of User-Generated-Content (UGC) platforms such as TikTok and YouTube adds another layer of complexity: these platforms are frequently criticised for undervaluing music and contributing to a value gap in remuneration. These criticisms are often made by record labels concerned about the impact of UGC platforms on traditional models of artist development and promotion. The rise of Artificial Intelligence (AI) has further compounded these challenges, raising concerns about how AI-driven recommendations and content generation may reinforce existing hierarchies, limit visibility for emerging artists, and challenge current frameworks for copyright and remuneration.

The findings of this research provide valuable insights into the diverse perspectives of stakeholders within the music industry, offering a nuanced exploration of how fairness is conceptualised and experienced across different roles. By addressing gaps in the literature and integrating viewpoints from a wide range of industry professionals, this study enriches the ongoing debate about fairness, transparency, and diversity in the digital music landscape. The perspectives captured here can inform discussions on remuneration models, algorithmic transparency, and cultural representation, while underscoring the importance of considering broader systemic inequalities. By highlighting how fairness extends beyond economic considerations to encompass cultural and societal dimensions, this research contributes to a more comprehensive understanding of the challenges and opportunities within the music industry. Ultimately, this study aims to support more informed decision-making and foster collaborative efforts, with the goal of creating a fairer, more inclusive, and sustainable industry for all stakeholders.



1. Introduction

The music industry has undergone profound transformations over the past two decades. This has been driven largely by the digital shift and, more recently, the rise of Music Streaming Services (MSS) and advanced technologies like Artificial Intelligence (AI). MSS, such as Spotify and Apple Music, have fundamentally reshaped how music is distributed and consumed, mainly replacing physical sales (vinyl records and CDs) and traditional broadcast channels with on-demand access to vast music libraries. In addition, the increasing digitisation of technologies followed by a platform shift has significantly disrupted the carefully established equilibrium among the different actors involved in the music value chains, thus posing significant challenges for rightsholders and legacy industry players ([Vlassis et al., 2024](#)). These changes have brought new challenges and tensions, particularly surrounding concepts of fairness, remuneration, and transparency within the music industry ([Hesmondhalgh, 2021](#); [Mazziotti & Ranaivoson, 2024](#)).

Fairness is a concept that underpins various legal frameworks, particularly in relation to fair competition. Embedded in European Union (EU) regulations such as the Copyright Directive and the Digital Markets Act, fairness aims to address structural imbalances and promote equitable practices among stakeholders ([Henry et al., 2024](#)). In the music industry, this principle directly intersects with the debate on remuneration, where tensions over revenue distribution reflect broader concerns about fairness in sharing the benefits of digital transformation ([Mazziotti & Ranaivoson, 2024](#)). The debate on remuneration in the music industry lies at the heart of broader concerns about fairness, reflecting tensions between stakeholders over how revenues are distributed across the value chain.

Central to this debate is the perception that current revenue-sharing models disproportionately benefit major stakeholders such as record labels and MSS, often at the expense of artists, composers, and smaller industry players ([Antal et al., 2021](#); [Carter, 2024](#)). These challenges have sparked discussions on alternative remuneration models and mechanisms to ensure a more equitable distribution of revenues.

Currently, the pro-rata payment model is being challenged, whereby revenue is distributed based on total streams. This results in income favouring high-streaming, often major-label artists, while marginalising independent or emerging musicians ([Aguiar & Waldfogel, 2018](#); [Hesmondhalgh, 2021](#)). This model is criticised for deepening existing disparities in the industry, as it fails to account for factors like diversity or song length.

Alternative models, such as the user-centric payment system, which allocates a user's subscription fee directly to the artists they listen to, have garnered attention as potential solutions to these disparities ([Meyn et al., 2023](#)). The debate around this model highlights challenges in implementation, including the need for sophisticated user modelling and machine-learning techniques ([Schedl & Flexer, 2012](#)), alongside conflicting stakeholder views on this model's impact ([Gamble et al., 2019](#)). Recent experiments with SoundCloud have brought the user-centric model into focus, sparking debate and emphasising the need for further assessment in order to better understand the model's potential and implications ([Page, 2023](#)). Furthermore, the debate extends beyond the choice of payment model,



centring on the negotiation and distribution of revenue shares among stakeholders, thus revealing deeper structural tensions within the music industry ([Nicholson, 2019](#)).

The debate on remuneration is further complicated by the impact of User-Generated Content (UGC) platforms on the valuation of music. UGC platforms like YouTube and TikTok are often perceived as devaluing artistic work as well as disrupting traditional remuneration and transparency frameworks ([Negus, 2019](#)). Unlike MSS, these platforms operate under safe harbour provisions, which allow them to distribute user-uploaded music with fewer royalty obligations, frequently resulting in lower payments to rightsholders ([Beard et al., 2017](#); [Liebowitz, 2018](#)). Industry stakeholders, particularly record labels, argue that UGC platforms fail to compensate music at levels comparable to MSS, creating a 'value gap' ([Bridy, 2019](#)). Additionally, artists and rightsholders have only a limited idea of their earnings, due to obscure ways in which UGC platforms calculate and distribute royalties, not to mention algorithms that prioritise high-engagement content ([CMA, 2022](#)).

Transparency within MSS and other influential players in the music industry has become a critical focus, with increasing demands for openness in their operations. As streaming platforms now dominate music consumption, artists and rightsholders often have limited insight into how algorithms and business models affect their revenue and visibility. The complex chain of third parties involved in royalty distribution further exacerbates transparency issues, causing dissatisfaction among musicians despite the industry's revenue growth ([Dinnissen et al., 2023](#); [Pramod, 2021](#)). Uncertainties around MSS mechanisms – i.e. how recommendations are determined, revenue is allocated, and engagement is measured – have led to more calls for accountability ([Hesmondhalgh, 2021](#); [Prey, 2020](#)). For several stakeholders, this lack of transparency creates a 'black box' effect, which is disadvantageous to artists and smaller players who cannot properly assess MSS fairness or optimise content for market reach. Stakeholders argue that clearer MSS practices are essential for fairer revenue distribution and artist empowerment in the digital music economy ([Dinnissen & Bauer, 2023](#)).

The transparency debate is linked to the role of algorithms and recommendation systems in music discovery on MSS. These algorithms, which personalise playlists and recommendations, are often seen as reinforcing industry hierarchies by favouring popular or major-label artists: this potentially limits exposure for emerging or independent talent. Research indicates that collaborative filtering algorithms commonly prioritise high-streaming artists and genres, thus creating barriers for newer or less mainstream musicians ([Ferraro et al., 2021](#)). International label affiliations can further influence visibility, affecting an artist's exposure and positioning within recommendations ([Tofalvy & Koltai, 2021](#)). Moreover, the combination of human and algorithmic curation – sometimes referred to as 'ensembles' – raises concerns about replicating offline inequalities within digital platforms ([Goldschmitt & Seaver, 2019](#)).

Algorithmic recommendations are also criticised for reinforcing a 'feedback loop' that prioritises popular music based on past user engagement, thereby entrenching existing industry dynamics and limiting genre diversity ([Bonini & Gandini, 2019](#); [Prey, 2020](#)). While MSS argue that these algorithms enhance user experience through personalised content, critics contend that such mechanisms marginalise less mainstream music and restrict listener exposure to diverse genres, impacting their remuneration ([Hesmondhalgh, 2021](#)).



Consequently, the fairness of these algorithms is increasingly questioned (Ranaivoson et al., 2024), with some stakeholders pushing for transparent practices that reflect the entire music landscape and provide fair opportunities for lesser-known artists.

The COVID-19 pandemic further accelerated society's reliance on MSS, turning them into the primary channel for music distribution when live concerts and physical music sales were largely paused ([Brooks & Patel, 2022](#), Vlassis 2021). This transformation has led to greater dependence on these platforms, making their role more critical – and often contentious – in the lives of music creators and professionals. In this context, the dominance of streaming platforms has increased the need to balance distinct values and interests as well as to establish a new equilibrium. These have driven the concept of 'fairness' ([Vlassis et al., 2024](#)) and debates over fairness, especially for artist remuneration, have intensified. Studies have highlighted stark income disparities, with the top 10% of popular artists accounting for 98% of streams, while many others struggle to earn a living ([CMA, 2022](#)). Although streaming platforms increase artists' visibility, they do not necessarily translate to substantial income for emerging artists.

The emergence and integration of AI in the music industry have introduced new layers of complexity to longstanding debates on fairness and remuneration. AI-powered tools, from content generation to recommendation systems, could revolutionise music creation and distribution. However, they also raise pressing concerns about equity, transparency, and intellectual property rights ([Drott, 2021](#)). Moreover, AI can harm music creators' revenues by generating content that competes with human-created music ([CISAC & PMP Strategy, 2024a](#)). Stakeholders worry that AI may exacerbate existing inequalities, favouring established players and reinforcing algorithmic biases that limit visibility for niche and emerging artists ([Senftleben, 2023](#)).

Although various actors are united by a broad commitment to fairness, they often have distinct needs and objectives. So the practical implications of fairness may differ widely among groups, including artists, composers, and business professionals ([Deldjoo et al., 2024](#); [Dinnissen & Bauer, 2023](#)). The academic literature on fairness has investigated this concept, particularly through two dominant theoretical approaches. From a management and economic perspective, extensive research has explored the curatorial power of platforms in cultural sectors, focusing on algorithmic fairness and the development of fairer recommendation systems ([Jin et al., 2023](#); [O'Dair & Fry, 2020](#); [Prey 2020](#); [Veale & Binns, 2017](#)). In parallel, legal scholarship has scrutinised fairness in the context of EU digital regulation, examining the intricate relationships between data, platforms, and fairness ([Busch & Twigg-Flesner, 2024](#); [Crémer et al., 2023](#); [Tombal, 2022](#); [Twigg-Flesner, 2018](#)). These perspectives provide valuable insights into the structural and procedural dimensions of fairness, particularly about algorithmic design and regulatory frameworks.

However, these two approaches do not closely match the actual professional experiences and perspectives of stakeholders who are directly engaged in the music industry. While these approaches highlight important macro-level dynamics, such as platform governance and legal frameworks, they often fail to address how fairness is understood, approached and experienced by actors within the music industry – particularly in the context of MSS. This disconnect underlines a significant empirical gap in the literature: the absence of an



integrated perspective that bridges theoretical analysis with stakeholder experiences and perceptions.

Prior studies, such as those by [Ferraro et al. \(2021\)](#) and [Dinnissen & Bauer \(2023\)](#), have explored artists' and music professionals' perceptions of fairness. But their scope was limited to specific geographic contexts, and smaller, homogeneous samples, focusing primarily on the perceived impacts of MSS recommender systems on artists. However, a significant gap remains in the broader discourse: a comprehensive examination of fairness perceptions that encompasses the diverse range of stakeholders across different regions and roles within the music industry. This lack of consensus on what fairness means for the music industry as a whole must be addressed, as concepts of fairness directly influence policymaking, remuneration structures, and the industry's long-term sustainability. By examining perspectives across a wider spectrum of actors, this research seeks to fill that gap, with the aim of contributing to a more nuanced understanding of fairness and providing insights into how the industry might evolve towards fairer practices.

This research adopts a political sociology approach, in order to explore the governance of fairness in the European music industry ([Vlassis & De Beukelaer 2019](#)). Rather than treating fairness as a static or universally agreed-upon principle, this study examines it as a dynamic and context-dependent concept – one that is negotiated and contested among diverse stakeholders with competing logics and priorities. Drawing on the framework of political sociology in media studies ([Saurugger, 2013](#); [Vlassis, 2022](#); [Puppis, 2010](#)), the analysis highlights how the framing, debate, and institutionalisation of fairness are shaped by the interplay of political, cultural, and market forces ([Ganter & Löblich, 2021](#); [Just & Puppis, 2019](#); [Fernandes, 2022](#)).

Policies in the cultural and media sectors are not simply the result of technical or administrative processes; they emerge from the pressures, actions, and interactions of diverse stakeholders ([Béland, 2009](#); [Steemers, 2017](#); [Fernandes et al., 2022](#)). These stakeholders bring varying degrees of influence and competing interests to the policy-making process, shaping outcomes through negotiation, advocacy, and collaboration ([Bakir et al., 2021](#); [Brink Lund, 2016](#); [Fernandes & Albornoz, 2023](#)). At the core of these interactions lie the values, ideas, and ideologies of the actors involved ([Béland & Cox, 2011](#); [Carstensen & Schmidt, 2015](#); [Schmidt, 2008](#)). The framing of fairness, in particular, reflects underlying cultural norms and power dynamics, revealing how competing interests influence policy debates and outcomes (Hesmondhalgh, 2019).

This research sees the governance of fairness as a political process rather than a fixed structure, thus shedding light on how institutional norms, professional practices, and technological advancements intersect to shape governance outcomes. By examining fairness “in situ and in action” ([Guiraudon, 2000](#)), it emphasises the agency of stakeholders – such as artists, record labels, CMOs, and MSS – in defining problems and advocating for solutions. This research emphasises the importance of examining the governance of fairness in the European music industry through a political and social lens, recognising how changing contexts create opportunities for stakeholders to reshape the standards and institutions that underpin fairness ([Jenson & Mérand, 2010](#); [Saurugger, 2016](#)). Central to this approach is the understanding that fairness in the music industry does not arise deterministically from digital technologies, corporate strategies, or historical trajectories. Instead, fairness is a political act, marked by conflict and the contestation of competing



worldviews, with each stakeholder advancing its own values and objectives ([Freedman, 2008](#)). Notions of fairness are thus continuously shaped and negotiated through stakeholders' interactions within specific social, economic, and political contexts ([Ganter & Löblich, 2021](#); [Fernandes, 2022](#)), with the ideas and norms they promote playing a crucial role in shaping policy outcomes ([Fernandes & Albornoz, 2023](#); [Schmidt & Radaelli, 2004](#)).

This approach offers a comprehensive lens that integrates political analysis with governance perspectives. By situating fairness within the broader dynamics of market reach and legal frameworks ([Acharya, 2017](#); [Vlassis, 2022](#)), this approach highlights the economic and cultural dimensions embedded in the stakeholder priorities. Ultimately, this research underscores the importance of treating fairness as a multifaceted concept rooted in the social, cultural, and political fabric of the music industry, offering insights into how contested ideas and practices influence its governance (Vlassis et al., 2024).

This study employs a mixed-method approach, integrating both qualitative and quantitative data collection to capture a multifaceted perspective on fairness in the music industry. A survey was distributed across several European countries, to gather insights from music professionals about their perceptions of fairness. The second component of data collection involved 22 in-depth and semi-structured interviews with a diverse group of stakeholders in the music industry, including authors, composers, songwriters, performers, representatives from CMOs, streaming services and record labels.

Together, the survey and interview data offer a cross-level analysis that combines a macro perspective on industry-wide trends with in-depth, nuanced insights from individual stakeholders. This dual-method approach allows for a broader understanding of fairness in the industry, while highlighting the contrasts between general industry trends and the unique challenges faced by distinct groups within the sector. By capturing both the collective and individual dimensions of fairness, this study aims to contribute valuable knowledge to ongoing discussions and potential reforms in the music industry.

The report is structured as follows: Chapter 2 presents an analysis of the survey data, structured around six primary areas that align with the survey's focus topics. Chapter 3 shifts to the qualitative insights drawn from the interviews, structured around themes identified in the literature review and emerging patterns from the data. Each section provides a detailed examination of the viewpoints held by various industry sectors, thereby offering a nuanced understanding of fairness within the music industry. Chapter 4 integrates the findings from both the survey and interviews, offering a comprehensive discussion that connects these insights to broader debates within the field. Finally, Chapter 5 concludes the report, reflecting on the implications of the findings. Together, these chapters aim to offer a comprehensive overview of industry perspectives on fairness, setting the stage for a broader discussion on how the music industry might evolve towards more equitable practices in the face of continued digital transformation.



2. Survey

2.1 Introduction

This study employs a mixed-method approach, integrating both qualitative and quantitative data collection. A survey was distributed across several European countries to gather insights from music professionals. It was available in six languages: English, French, German, Italian, Greek, and Spanish. A total of 360 respondents completed all of the attitude-, sociodemographic-, geographic-, and professional-related questions and their answers were included in the final dataset for multivariate analysis. The complete questionnaire is available in Annex I. Participants in this survey were randomly selected from open-access databases. The survey was also disseminated with the assistance of representatives of music industry associations, such as the European Grouping of Societies of Authors and Composers (GESAC), the Association of European Performers' Organisations (AEPO-ARTIS), the European Music Council, and the Independent Music Companies Association IMPALA. Between 23 April 2024 and 18 September 2024, the Fair MusE team distributed over 3,400 questionnaires via email. In total 2,440 successful survey invitations were sent. Each questionnaire included a consent form, inviting recipients to participate in the study. Some responses were not recorded in the dataset, as they did not meet the eligibility criterion of providing sufficient demographic information.

The sample is representative in terms of gender, age, and professional role and it represents more than 19 European nationalities, thus contributing to a broad and diverse dataset. The data was managed and recorded in Qualtrics. The survey explores the market dynamics due to platform shift, plus critical aspects of the music industry, including fairness, platformisation, piracy, revenues, market accessibility and market domination, the role of AI, the impact of the COVID-19 pandemic on the music sector, as well as possible policy solutions to improve fairness in the European music sector. When necessary, the survey results also consider variations in responses across different demographic categories, such as gender and age, to better understand the diversity of perspectives within the industry.

As shown in Figure 1 below, most respondents completed the survey in English (46,94%) or German (28,06%). Other languages used were French (9,72%), Italian (7,50%), Spanish (6,67%), and Greek (1,11%).



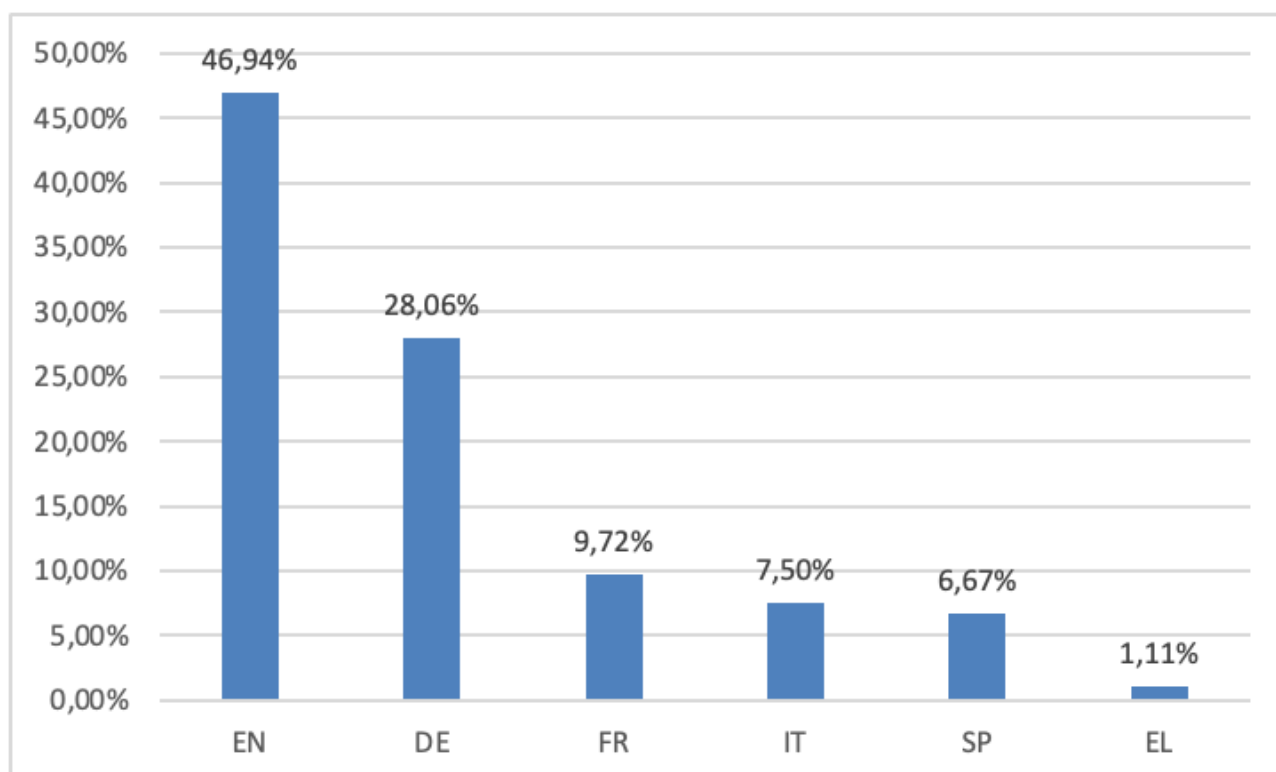


Fig. 1 Survey completion languages of respondents

The survey questionnaire included a range of questions designed to assess demographic characteristics such as gender, age, and professional role. Regarding gender, the survey sample mirrors the notable gender disparity in the music industry. However, the proportion of women respondents is higher than the general industry ratio of music creators and MBE: for example, in the UK, in 2018, only 12,3% of songwriters and 2,1% of music producers were women ([Brereton et al., 2020](#); [Wang & Horvát, 2019](#)). Consequently, the sample is considered representative and comprises 257 men (71,39%) and 94 women (26,1%), as shown in Figure 2. Additionally, four respondents identified as non-binary or third gender, and five preferred not to disclose their gender. The analysis also takes into account differing perceptions according to gender, following recommendations from previous research ([Dinnissen et al., 2023](#)).



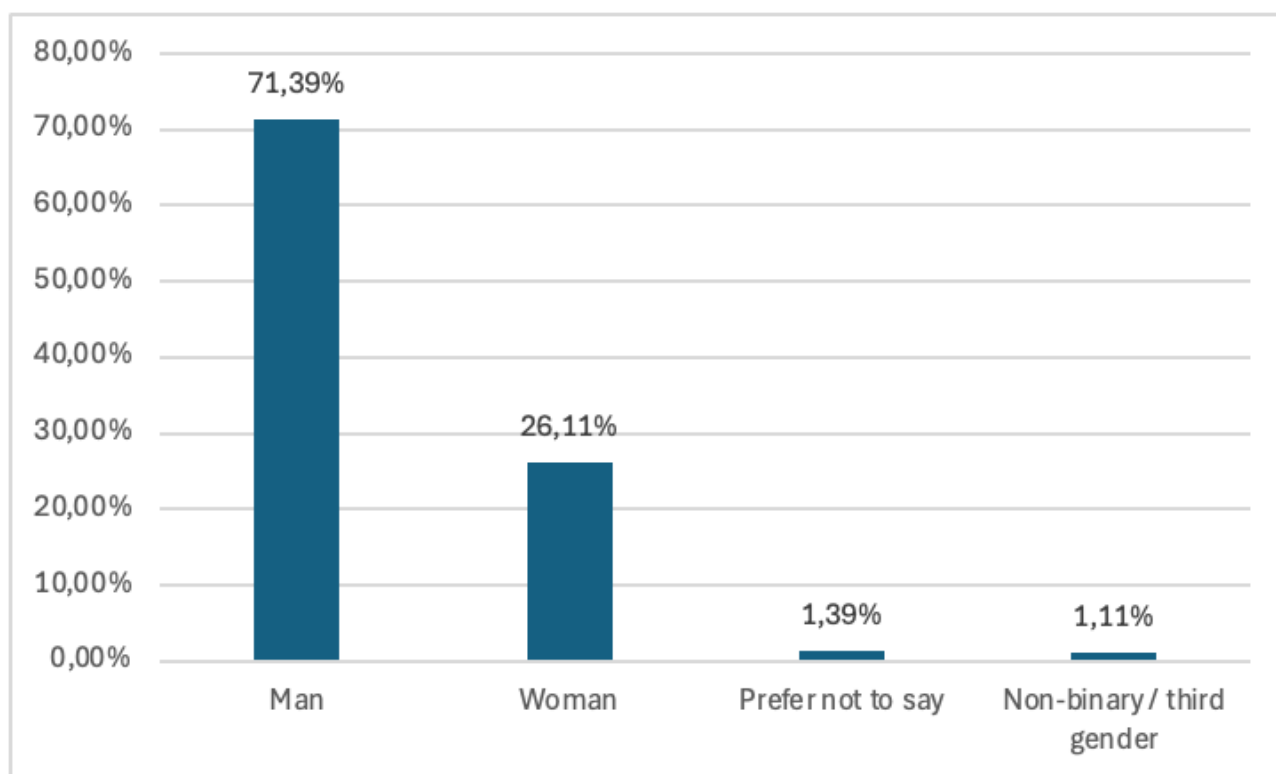


Fig. 2 Gender distribution among respondents

The age distribution of the survey respondents, as shown in Figure 3, reflects a balanced representation across different stages of professional experience. Approximately one-third of the participants were under 45 years old, and another one-third of the participants were over 55 years old, contributing to the insights of seasoned professionals with substantial experience in the industry's evolution. This diverse age range provides a comprehensive understanding of how professionals across different career stages perceive fairness within the music sector.



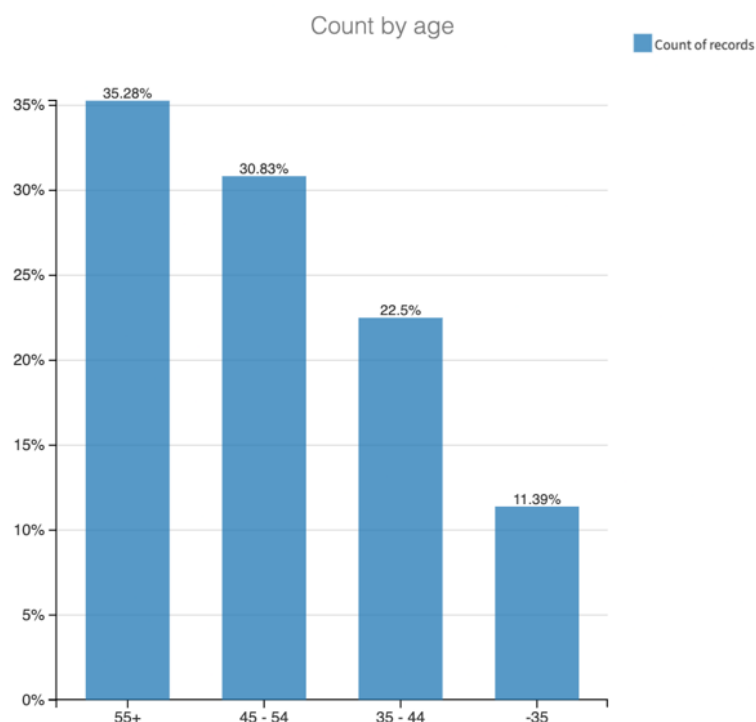


Fig. 3 Age distribution among respondents

As illustrated in Figure 4, respondents from a wide array of countries participated in the survey, totalling representation from more than 19 European nationalities. Germany had the highest representation (15,5%), followed by Austria (13,6%), Italy (9,1%), Spain (8,3%), Sweden (7,7%), France (7,2%), Denmark (6,6%), Belgium (6,3%), the Netherlands (6,1%), Ireland (4,1%), the United Kingdom (3,1%), Greece (2,7%), Bulgaria (1,6%), Croatia (0,8%), Portugal (0,5%), and Hungary, Latvia, Lithuania, and Slovenia (each 0,3%). An additional 5% selected “others” and specified nationalities such as from Israel, the United States, Iran, Chile, Brazil, Iceland, and Pakistan, or they indicated dual nationalities. This diverse representation highlights the broad geographic reach of the survey within the music industry community.



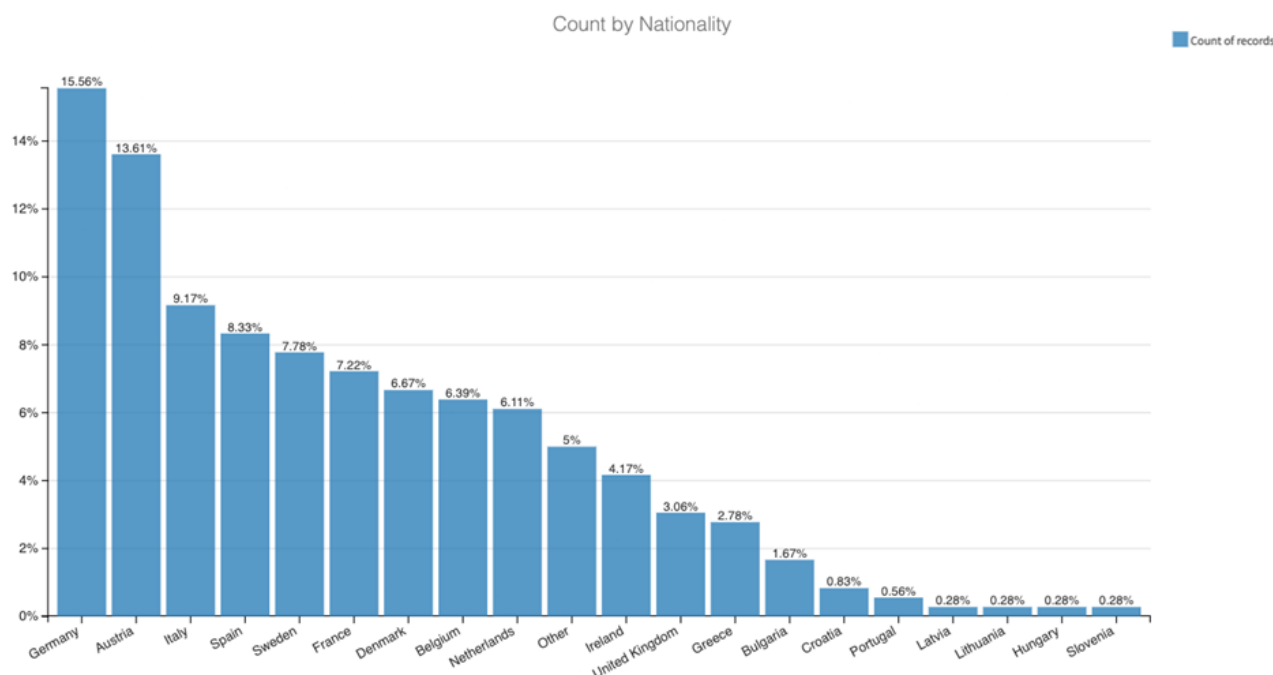


Fig. 4 Geographic distribution of survey respondents

The survey targeted professionals across various roles within the music industry, encompassing a broad spectrum of job functions. To capture this diversity, the Fair Muse survey included a multiple-choice question regarding respondents' roles in the music sector. The majority (67%) identified themselves as composers, authors, or songwriters, followed by MBEs (50%) and performers (43%). Among the group of MBEs, roles varied widely and included legal expertise (e.g. music rights specialists), music publishing, CMOs, and festival-related activities. Notably, within the music business category, five respondents were affiliated with major record labels, while 35 worked with independent labels.

The survey sample reflects a wealth of industry expertise, as demonstrated in Figure 5. A significant majority of respondents (79,7%) have worked in the music industry for over ten years, highlighting their extensive familiarity with the sector's dynamics. Additionally, 10.5% have been active for five to ten years, while 7,5% have worked in the sector for between one to five years. Only a small fraction (2%) have been in the industry for less than a year. This distribution showcases the depth of professional experience among respondents, ensuring that the insights gathered provide a comprehensive perspective grounded in substantial industry engagement.



Music industry perspectives on fairness in Europe

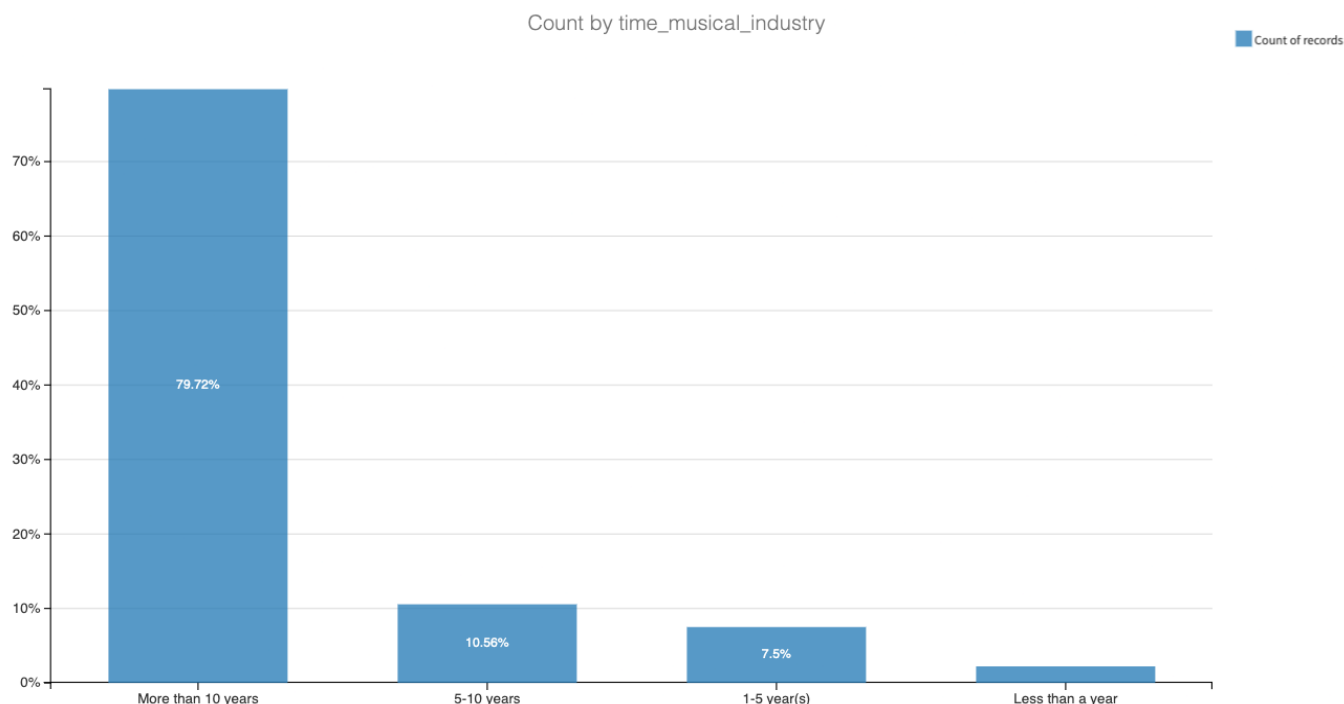


Fig. 5 Respondents' professional experience in the industry

The survey also explored respondents' primary music listening platforms, revealing a strong preference for Spotify (62%) and YouTube (60%). These two platforms are followed at a distance by Apple Music (23%) and SoundCloud (20%), while Tidal (4%), TikTok (3%) and Deezer (2%) remain less popular among respondents. Under the 'Other' category, several respondents listed BandCamp and Qobuz as their preferred platforms. Interestingly, no statistically significant difference was observed between men and women. However, men tend to choose Apple Music as their third preference, whereas women show a slight preference for SoundCloud in this position.



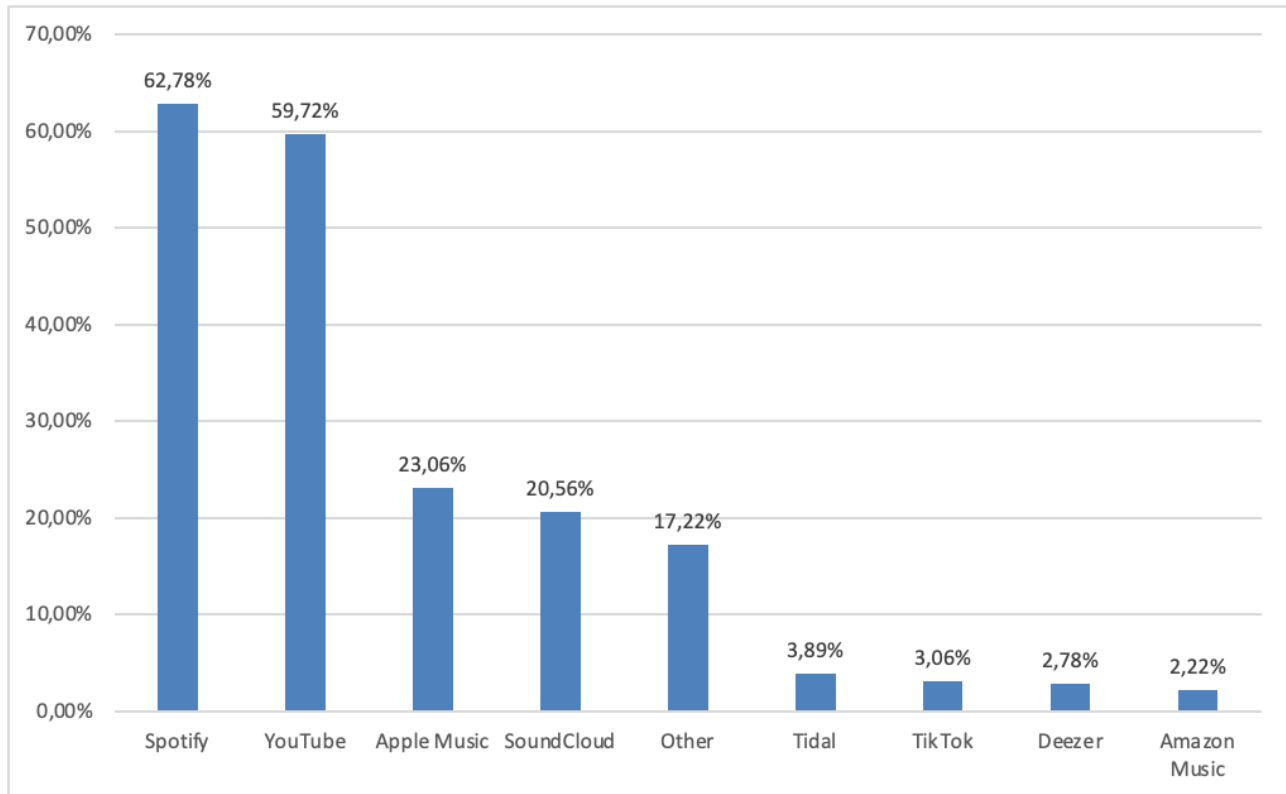


Fig. 6 Respondents' preferred music listening platform

2.2 Perceptions of fairness

The first section of the survey focused on capturing perceptions of fairness within the music industry. It examined the concepts that respondents associate with fairness, their views on the evolution of fairness across different industry periods, and the impact of MSS on market access. The objective behind these questions was to gain insight into how industry stakeholders perceive and navigate these critical issues.

To explore perceptions of fairness, respondents were asked which terms they associate with fairness in the music industry, by selecting up to three from a list of 23 options or adding their own under 'Other'. The findings (n = 353) reveal that the most frequently associated terms with fairness were transparency (58,9%), remuneration (52,7%), and diversity (45,6%). These concepts align with the main debates in the music industry about fairness, encompassing transparency in operations, equitable remuneration models, and fostering diversity in representation and opportunities ([Dinissen & Bauer, 2023](#); [Gamble et al., 2019](#); [Meyn et al., 2023](#)).

Close behind were ethics (40,5%), justice and creativity (40,2%), and integrity (39,4%), underscoring a moral dimension associated with fairness. Accessibility (35,7%) and gender equality (35,4%) were also highly ranked, reflecting an ongoing focus on inclusivity and breaking down barriers for underrepresented groups. Concepts like accountability (30,3%), collaboration (29,2%), and equity (25,5%) further highlight a desire for more participatory and balanced power dynamics in the music industry.



The remaining terms, included unbiasedness (22,4%), balance (21,5%), innovation and inclusion (20,7%), competitiveness (18,4%), valorisation (16,1%), empowerment (15,3%), neutrality and loyalty (14,4%), availability (12%) and other (5,7%), These reflect additional layers of complexity in how fairness is conceptualised. These results highlight the varied dimensions of fairness that resonate with industry professionals, emphasising the complexity and multi-faceted nature of fairness in the music industry.

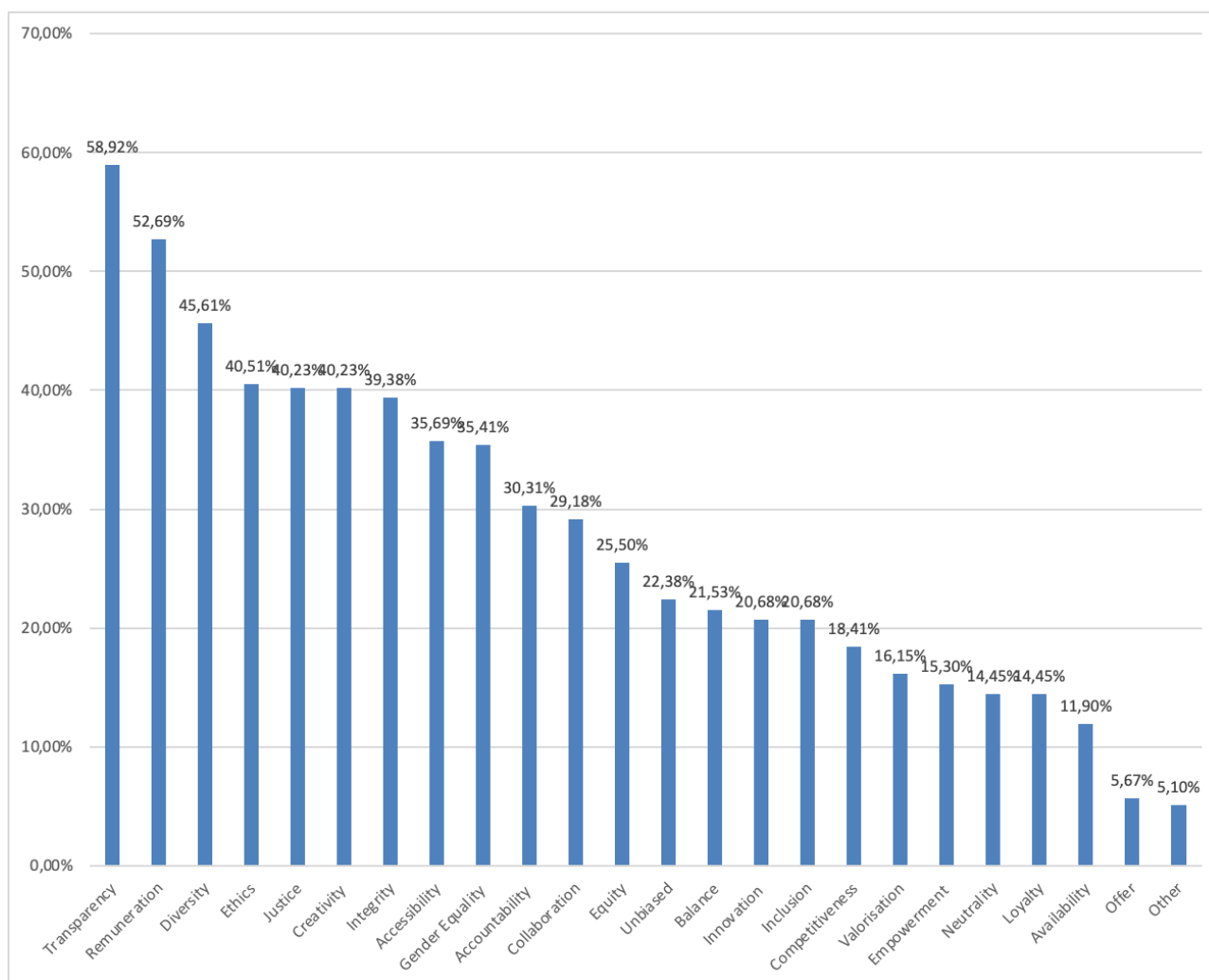


Fig. 7a Key terms associated with fairness

The responses and the survey reveal interesting patterns regarding how different demographics perceive fairness in the music industry. While transparency, remuneration, and diversity are broadly prioritised across genders, significant distinctions emerge in the specific values selected by women and men. Notably, gender equality resonates more strongly with women, with 48,4% identifying this as essential to fairness, compared to 29,8% of men. This finding underlines the difference of priorities attributed to fairness across genders ([Dinnissen et al., 2023](#)). Competitiveness, on the other hand, is more frequently associated with fairness by men (22,2%) than by women (9,7%). Additionally, loyalty was selected by 16,7% of men compared to 8,6% of women, while valorisation, empowerment,



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and inclusion were more frequently chosen by women; empowerment, for instance, was selected by 26,9% of women and 9,9% of men. These differences suggest that perceptions of fairness may vary based on gender identity.

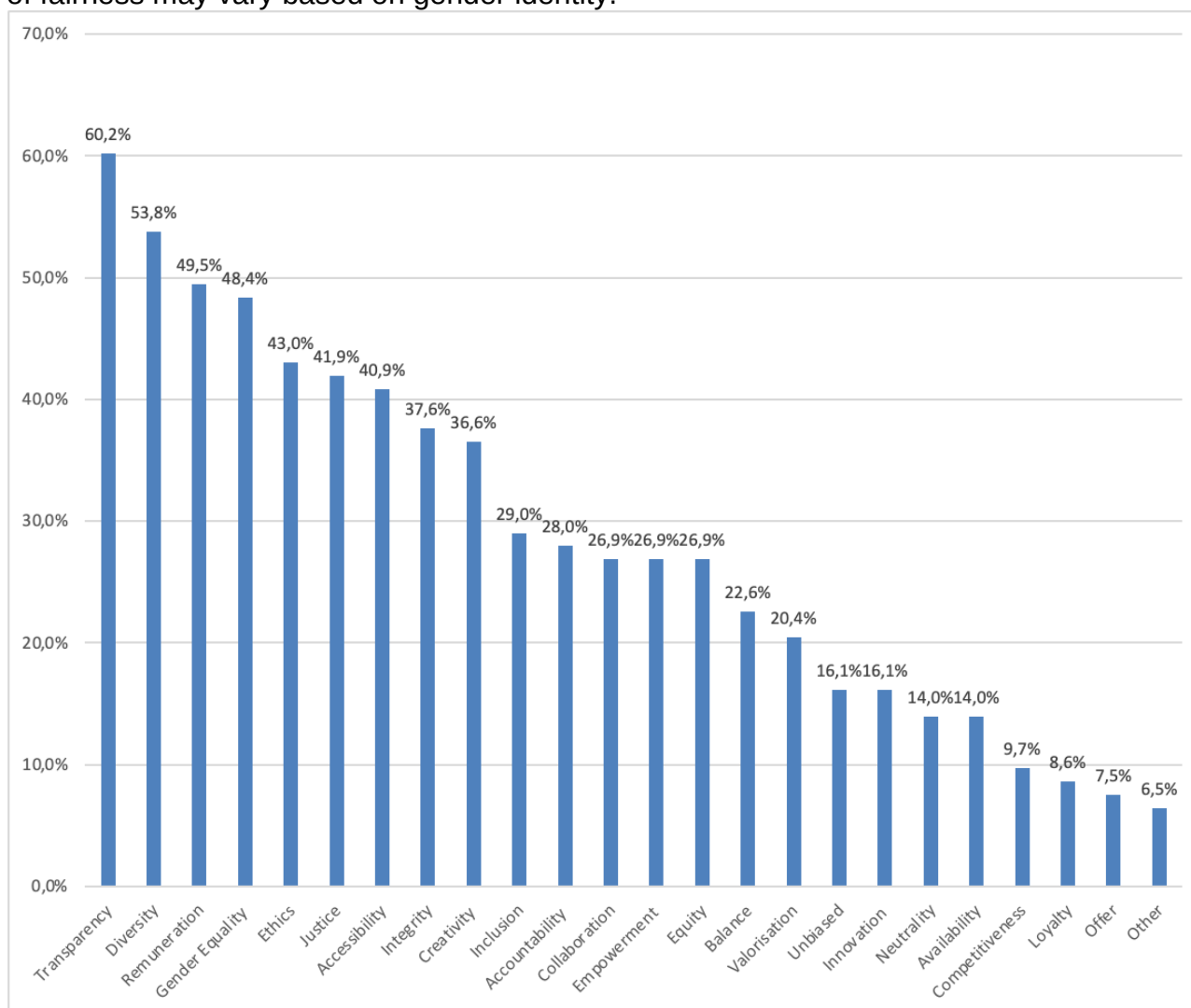


Fig. 7b Key terms associated with fairness – gender breakdown (women)



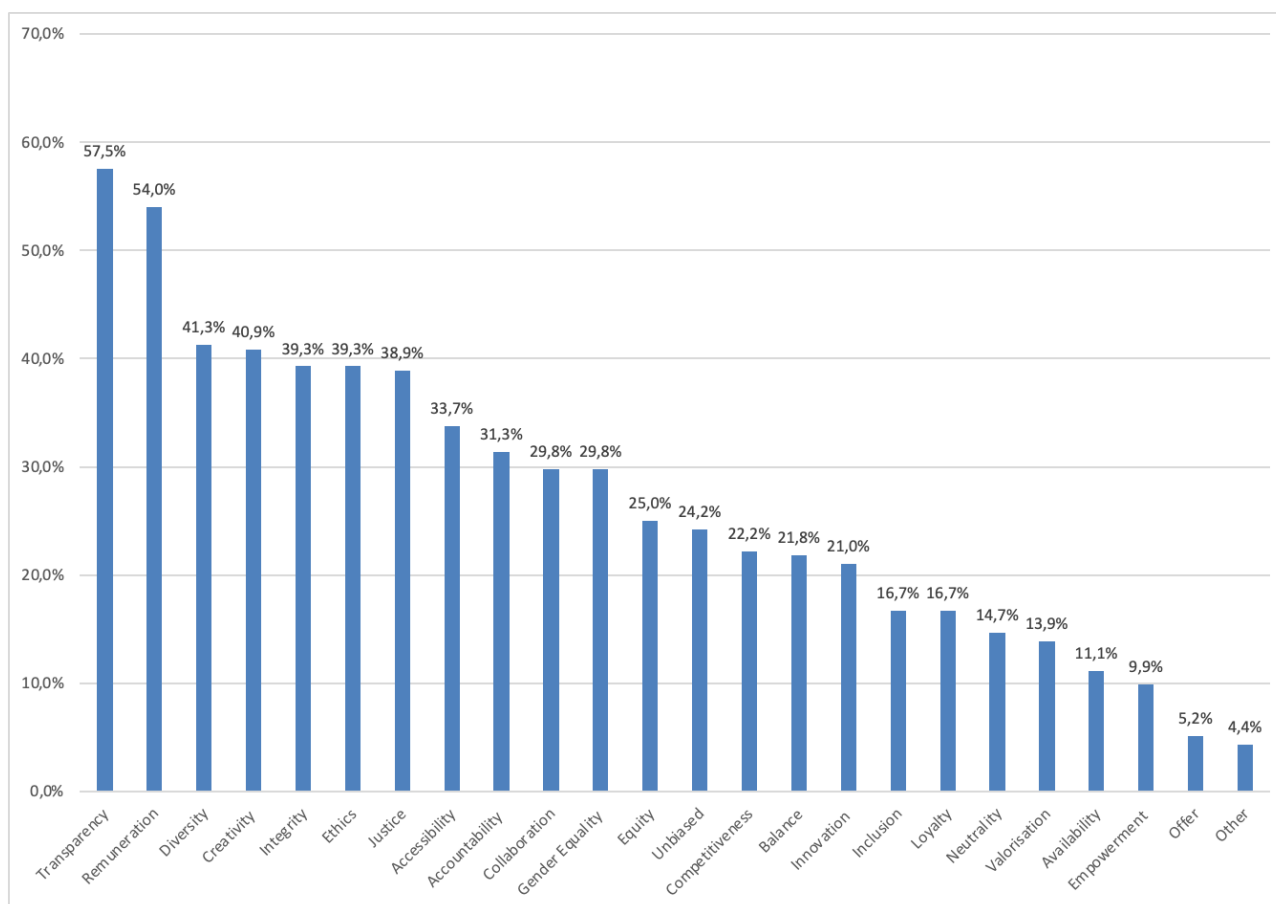


Fig. 7c Key terms associated with fairness – gender breakdown (men)

Age differences also influence perceptions of fairness, with younger respondents showing a stronger preference for values such as diversity and gender equality. Among the 25-34 age group, 48,4% selected diversity, and this interest remained high (58%) in the 35-44 group, before declining among older respondents (42,2% for 45-54 and 38,5% for 55+). A similar trend appears for gender equality, with 45,5% of respondents aged 25-34 and 43,2% of those aged 35-44 valuing it, compared to 30,3% of those aged 45-54 and 31,1% of the 55+ group.

Survey respondents were also asked to assess the perceived fairness of the music industry across three distinct periods: the physical ownership era (before 1999), the digital downloads era (1999 to early 2010), and the streaming era (early 2010 to present). The results, illustrated in Figure 8, reveal nuanced perspectives on fairness throughout these transitions. While no era was considered entirely fair, respondents identified varying degrees of fairness across the three periods, indicating periods that are perceived as less fair than others.

The physical ownership period received relatively positive assessments, with 34% of respondents viewing it as 'extremely' or 'very' fair and only 16,4% considering it 'not fair at all'. This suggests that, despite its limitations, this era is perceived as providing clearer



revenue streams and more direct channels of remuneration, particularly through physical sales, which are viewed as fairer compared to digital alternatives.

In the digital downloads era, opinions were more divided. More than half of the respondents have a more positive opinion considering it 'very fair' (8,7%) or 'slightly fair', (48,4%) while 33,4% viewed it as 'not fair at all'. This period marked a significant shift in how music was consumed and monetised, introducing complexities in licensing and revenue distribution that some respondents perceived as exacerbating inequalities. However, platforms like iTunes also emerged, providing artists with new opportunities to monetise their work ([Towse, 2020](#)).

The streaming era drew the most critical assessments, with a majority of respondents – 55,8% – indicating it is 'not fair at all', and an additional 30,8% rating it as only 'slightly fair'. This overwhelming perception of unfairness aligns with ongoing industry debates highlighted in the report, particularly regarding remuneration and transparency. Notably, these findings suggest that the streaming era is widely regarded as the least fair of the three periods, reflecting the complexities and power imbalances introduced by digitalisation and platformisation in the music industry.

Interestingly, these perceptions do not significantly vary across demographic lines. Responses were consistent across both genders and age groups, with men, women and individuals of all ages tending to rate each period similarly in terms of fairness. This uniformity suggests a broadly shared perspective on the perceived fairness – or lack thereof – of the music industry's evolution over time.

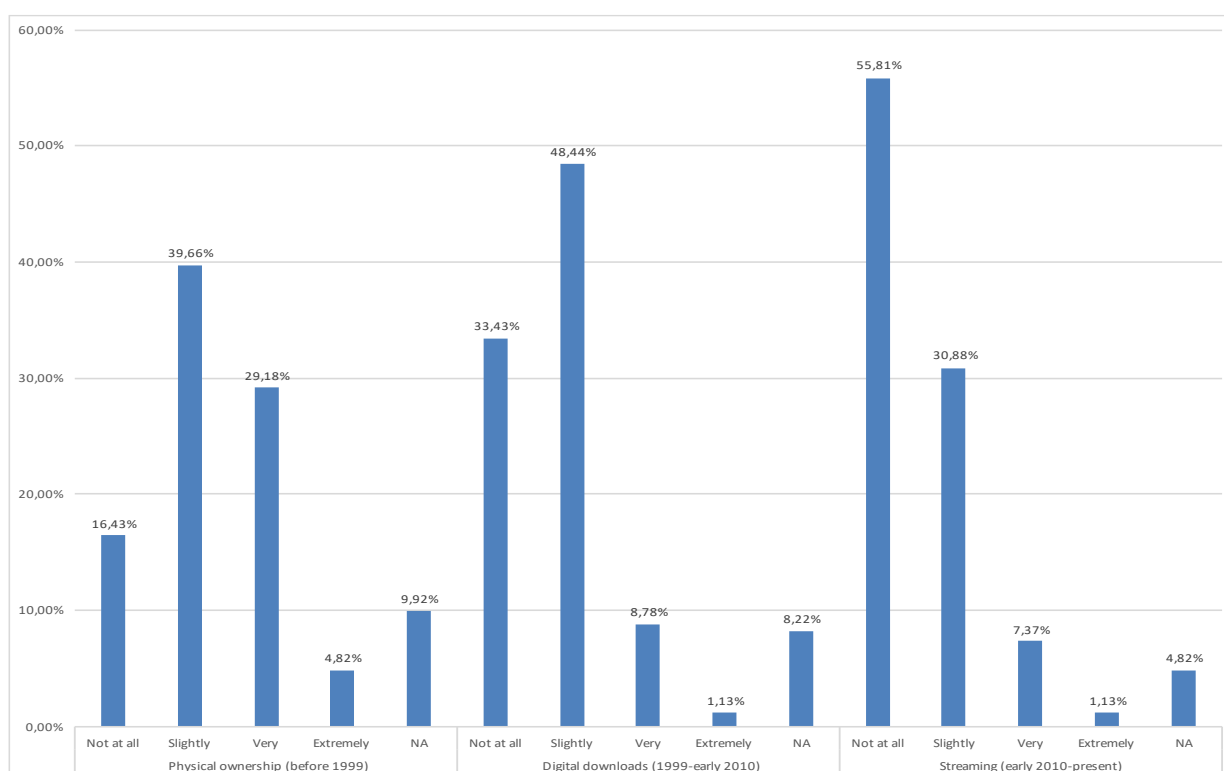


Fig. 8 Fairness perceptions across music industry periods



Finally, one question focused on market accessibility sought to capture respondents' views on how MSS have impacted entry barriers, distribution, discoverability, and cultural diversity within the music industry. For each aspect, respondents selected answers on a scale from 'not at all' to 'extremely'. Respondents generally perceived a relatively positive impact on reducing barriers to entry and distribution in the music market, as well as facilitating the circulation of music across Europe. However, opinions were more divided on whether streaming platforms enhance artist discoverability and significantly foster cultural diversity.

Regarding entry barriers into the music industry, 34,4% of respondents felt that streaming platforms have 'very' much reduced these barriers, while 28,9% viewed the reduction as 'slight', and 20,5% considered it 'extreme'. Gender differences emerged, with women more frequently selecting 'slightly' compared to men, who leaned toward 'very'. A similar trend was observed concerning distribution barriers, where 38,2% of respondents viewed these as 'very' reduced, 26,3% as 'slightly', and 22,1% as 'extremely'. These findings highlight a broad agreement that streaming platforms have eased access to the music market and facilitated the dissemination of music across different channels.

The perception of discoverability, however, was more cautious. While half of the respondents (50%) selected 'slightly', and 27% chose 'very', a notable number expressed scepticism about streaming platforms significantly enhancing artist visibility. This cautious optimism contrasts sharply with responses about cultural diversity. When asked whether streaming platforms foster a more diverse music offer, 44,6% selected 'slightly', but a notable 27,8% chose 'not at all', indicating concerns about the MSS' role in promoting diversity. Similarly, regarding the diversity of music consumed by users, 44,4% felt the impact was 'slight', while 32,6% believed streaming had 'not at all' increased diversity.

The discoverability of niche content received similarly sceptical responses. While 44,6% of respondents selected 'slightly', a substantial 36,7% chose 'not at all', indicating doubts about the platforms' role in promoting less mainstream genres or artists. On the circulation of European music, the results were somewhat more positive: 39,8% felt streaming platforms had 'slightly' facilitated circulation, and 32,0% believed they had done so 'very' much.

Finally, in terms of fairness in recommender systems – particularly concerning the diversity of artists and genres promoted – the responses were overwhelmingly critical. A striking 68,7% of respondents felt these systems were 'not at all' fair, with only 25,4% selecting 'slightly'. These findings underscore a pervasive concern about biases in streaming algorithms. Respondents perceive these biases as reinforcing existing industry inequalities, rather than democratising opportunities for all artists and music genres.

In summary, while streaming platforms are credited with lowering entry and distribution barriers and promoting European music circulation, respondents remain divided on their impact on artist discoverability. More notably, streaming platforms are perceived as failing to foster cultural diversity and niche content, with recommender systems viewed as a key area requiring greater fairness and transparency.



Music industry perspectives on fairness in Europe

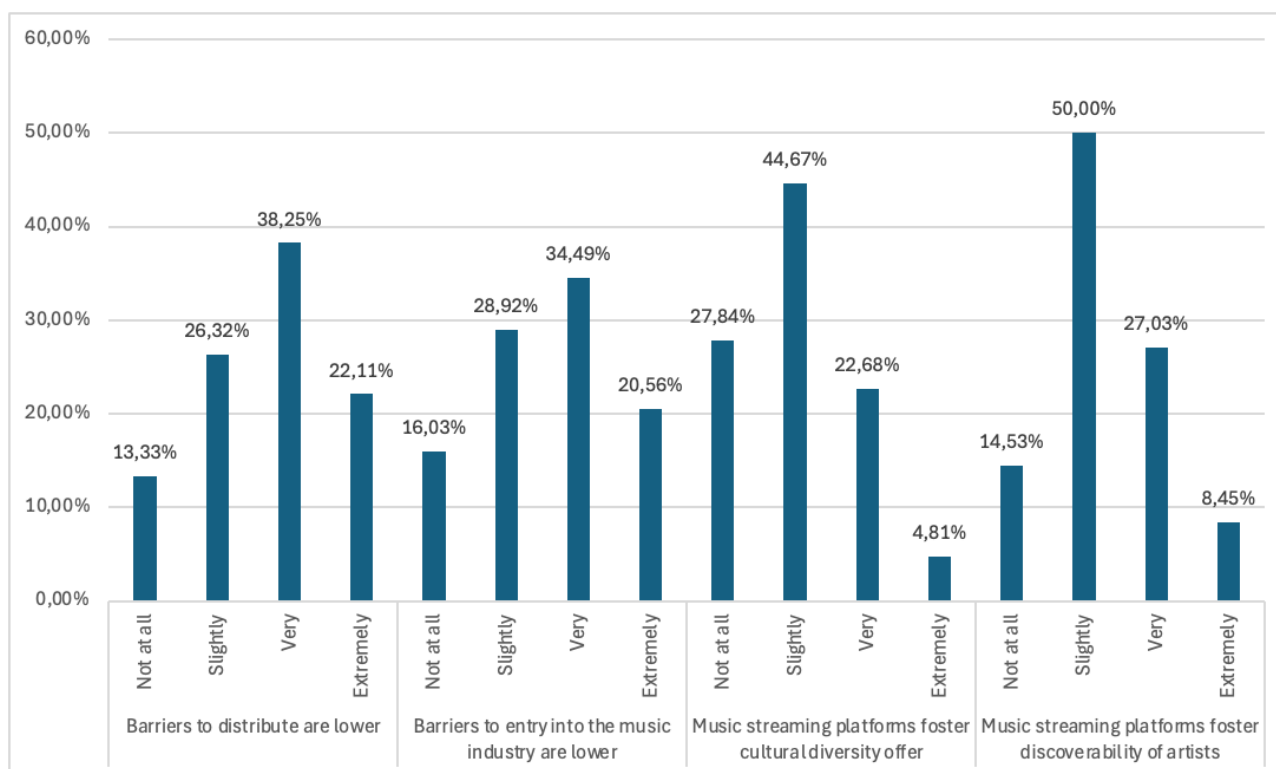


Fig. 9a Impact of MSS on market barriers and diversity (1)

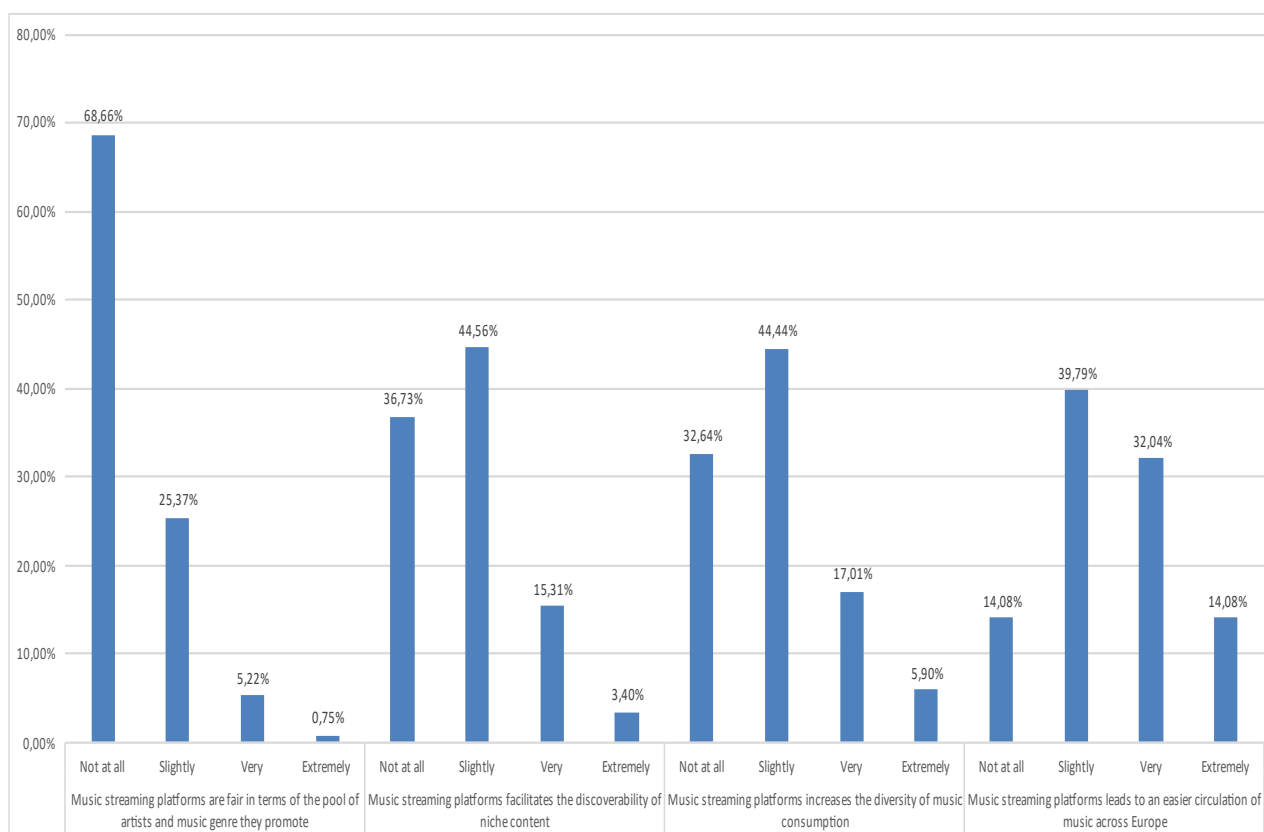


Fig. 9b Impact of MSS on market barriers and diversity (2)

2.3 Remuneration

A question regarding the payment and remuneration criteria for MSS was posed to respondents (n = 338), allowing them to select multiple answers to express which criteria they deemed fairest for inclusion in streaming payment systems. The majority (81,7%) favoured a payment model based on the song's number of streams, indicating a preference for a system where the more streams a song gets, the higher the payment'. Interestingly, the second most selected option was payment relative to the song's duration, with 32,5% favouring longer songs receiving higher compensation. This suggests dissatisfaction with the current remuneration model, where payments are triggered after just 30 seconds of play, disproportionately impacting genres like jazz and classical music that often feature longer tracks ([Johansson, 2023](#)). This analysis is further supported by comments provided in the survey's additional comment section (see Annex), where respondents highlighted the specific challenges faced by contemporary classical music in securing fair remuneration through MSS.

The third most preferred criterion, selected by 30,8% of respondents, is a payment model based on the artist's number of active monthly listeners. This preference reflects not only an interest in aligning remuneration with consistent audience engagement, but also a desire to value consumer choice more directly. Unlike the pro-rata model, where revenue is pooled and distributed based on total streams across the platform – often benefiting the most popular artists, this approach supports payments being more closely tied to the specific artists with which a listener actively engages.

Closely following criterion three, 28,4% of respondents advocated for payments adjusted by genre to promote diversity. This reflects concerns that extend beyond purely commercial metrics, in order to address broader issues such as representation across different styles, genders, and geographical regions. These preferences, as illustrated in Figure 11, highlight the nuanced priorities within the industry. Moreover, these preferences balance commercial metrics, like listener engagement, with broader cultural goals such as fostering diversity.



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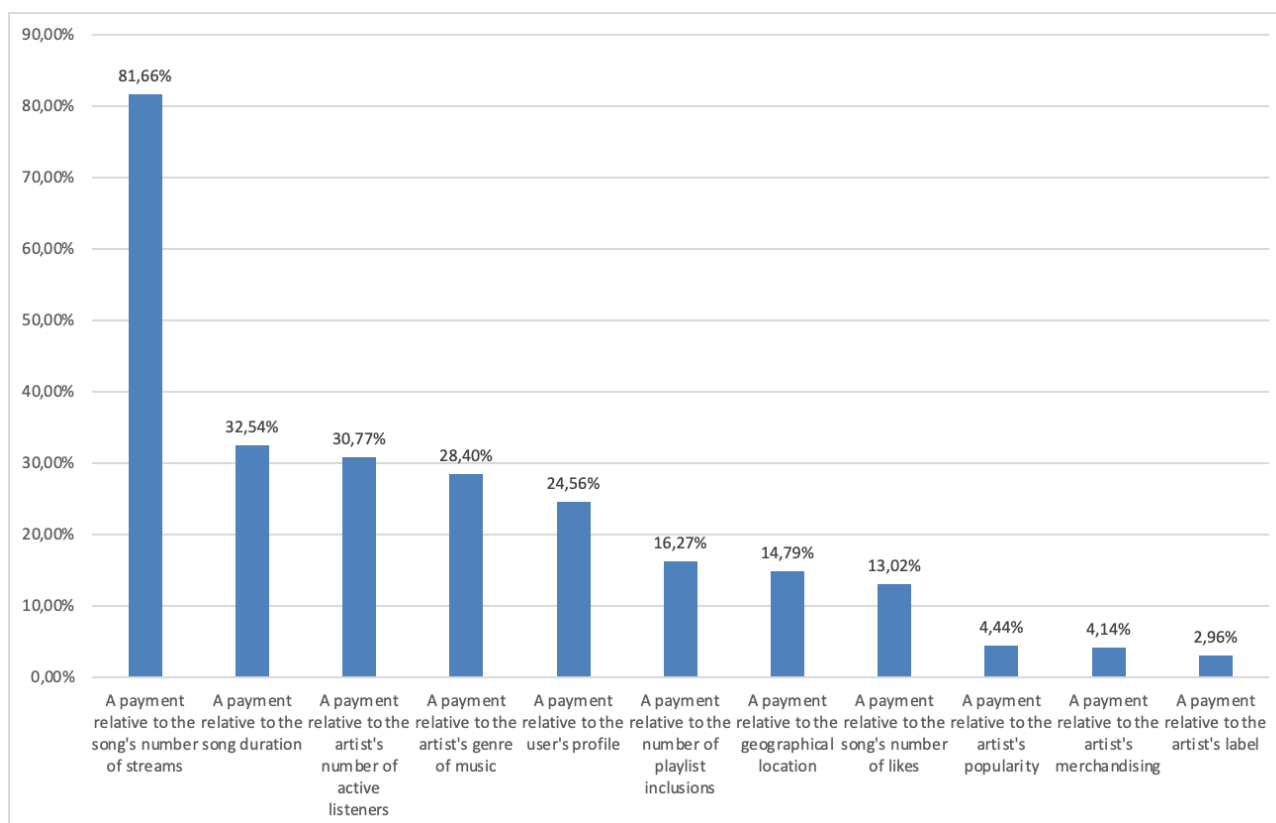


Fig. 10 Criteria for fairer artist remuneration

We also asked respondents (n = 352) if they believed that raising subscription fees on MSS could lead to fairer remuneration for artists. The majority expressed scepticism, with 29% selecting 'not at all' and 31% choosing 'slightly', indicating a general lack of confidence in this measure as an effective solution. This scepticism may stem from concerns that increased fees would not necessarily translate into higher payments for artists. However, the data also reveals a degree of openness to the idea, with 22% of respondents selecting 'very' and 8% choosing 'extremely': this suggests there is support for these measures. Figure 12 presents a detailed view of these responses.



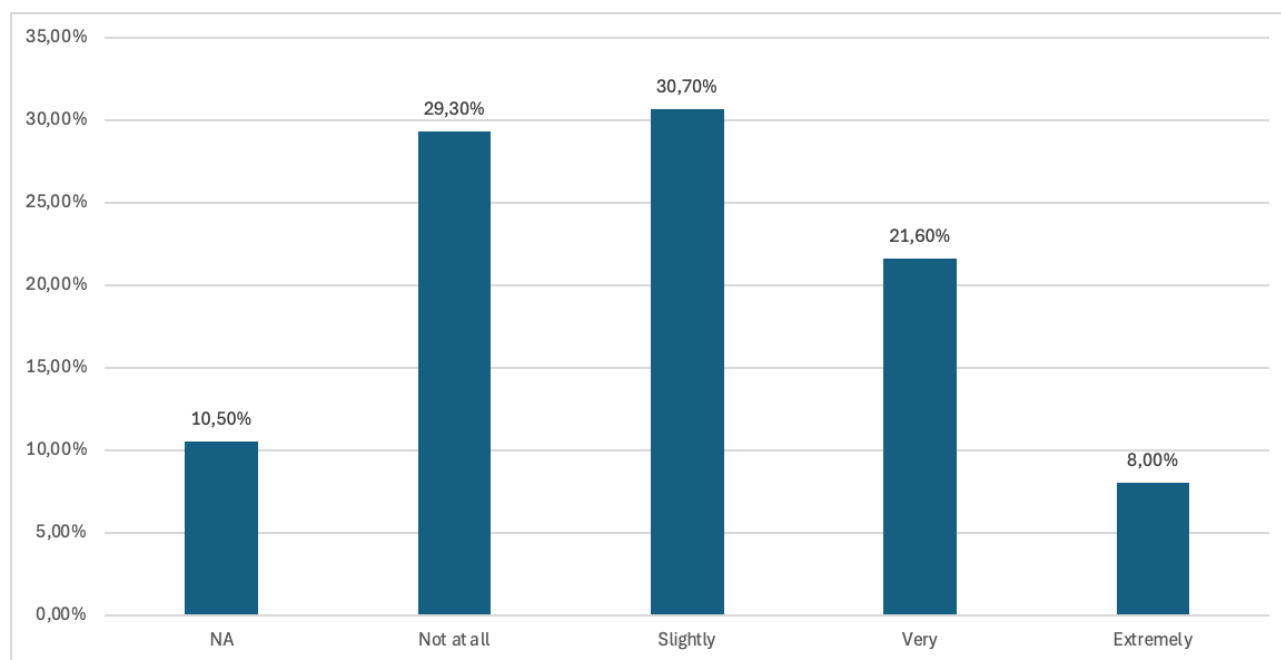


Fig. 11 Increasing subscription fees could lead to fairer remuneration for artists

The next question asked respondents (n = 299) whether they believed there were significant financial discrepancies among stakeholders in the music industry, and subsequently, whether these discrepancies were viewed as positive or negative. The survey results reveal a nearly unanimous agreement among respondents regarding the existence of financial discrepancies between various stakeholders in the music industry. Across all comparisons, respondents overwhelmingly perceived these discrepancies as negative, underscoring a widespread dissatisfaction with the current distribution of revenue within the sector.

The gap between MSS and artists elicited an even stronger response, with 98,3% agreeing that a financial discrepancy exists, and 97,2% of these respondents perceiving it negatively. This reflects a prevailing sentiment in the industry that MSS fail to adequately compensate artists for their contributions. Similar sentiments were expressed regarding social media platforms, with 98,5% of respondents agreeing on the existence of a financial gap, and 98% viewing this gap as negative. This reinforces the perception that platforms relying on UGC undervalue the creators whose work drives engagement and revenue. The gap between record labels and artists is also perceived negatively by 95,1% of respondents.

Finally, the financial gap between MSS and record labels, while still widely acknowledged (82,9%), revealed a slightly more diverse set of opinions. Although most respondents (88,6%) perceived this gap negatively, a small but notable group (11,4%) viewed it positively. This may reflect an acceptance of labels' negotiating power or their role as primary investors. Men over 45 were particularly likely to view this discrepancy negatively, possibly reflecting their longer-term engagement with industry practices.

These results indicate that, while respondents recognise discrepancies across all stakeholder relationships, the gap between artists and either MSS or UGC platforms stands out as a focal point of dissatisfaction.



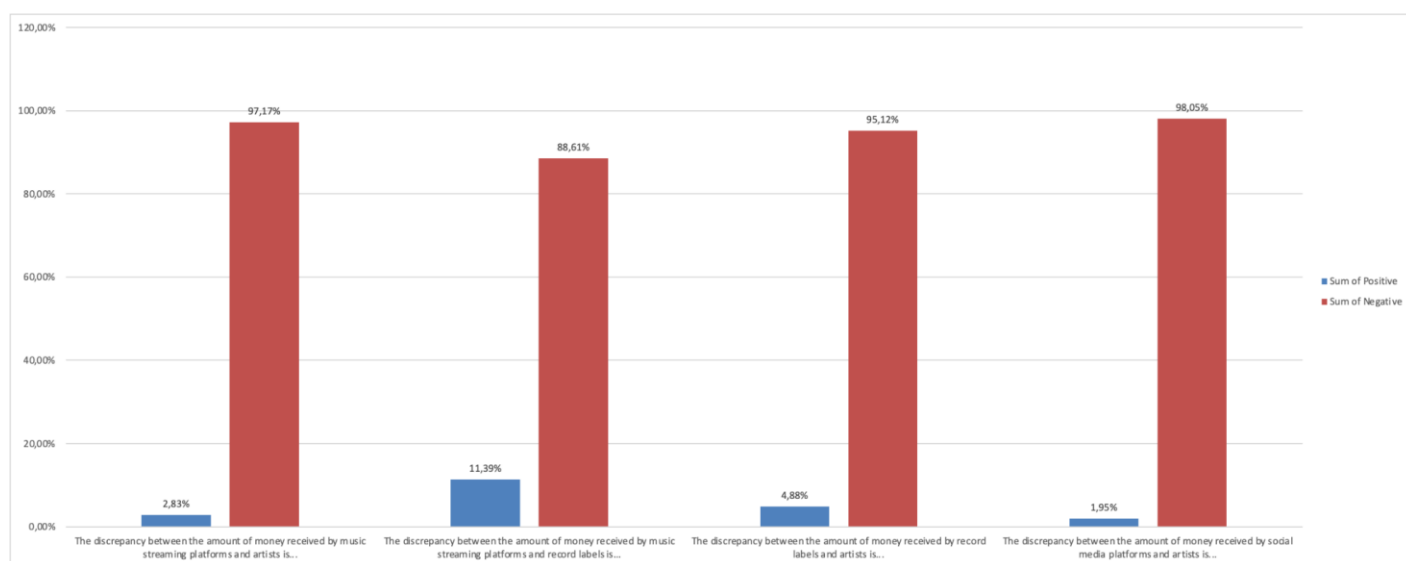


Fig. 12 Perceptions of financial matters and discrepancies in the music industry

Additionally, respondents were asked to assess the role of advertising in supporting MSS by expanding reach and generating revenue. They rated the perceived financial advantage of advertising for four groups: consumers, artists, record labels, and MSS.

The results reveal a clear disparity in how respondents perceive the financial benefits of advertising across different stakeholder groups in the music industry. For consumers and artists, the data suggests a shared scepticism about the value of advertising. Nearly half of respondents (49,6%) believed that advertising provides no financial advantage for consumers, and a similarly high proportion (48,6%) expressed the same sentiment for artists. These findings highlight a prevailing perception that advertising models on platforms do little to translate revenue into tangible benefits for these groups, reinforcing concerns about inequities in the industry's financial ecosystem.

By contrast, record labels and MSS are seen as the primary beneficiaries of advertising revenue. Respondents largely viewed advertising as a significant advantage for streaming platforms, with over half (55,9%) selecting 'extreme' and an additional 34,2% selecting 'very.' This indicates a strong consensus that it is the MSS who derive the most financial benefit from their advertising models. Similarly, a notable proportion of respondents (38%) viewed advertising as providing substantial financial advantages for record labels, though this perception was less pronounced when comparing record labels to MSS.

This disparity underscores broader concerns about the distribution of revenue generated through advertising. While MSS and record labels are perceived as capitalising on these models, the limited perceived benefits for artists and consumers highlight a gap in how advertising revenue is allocated within the music industry.



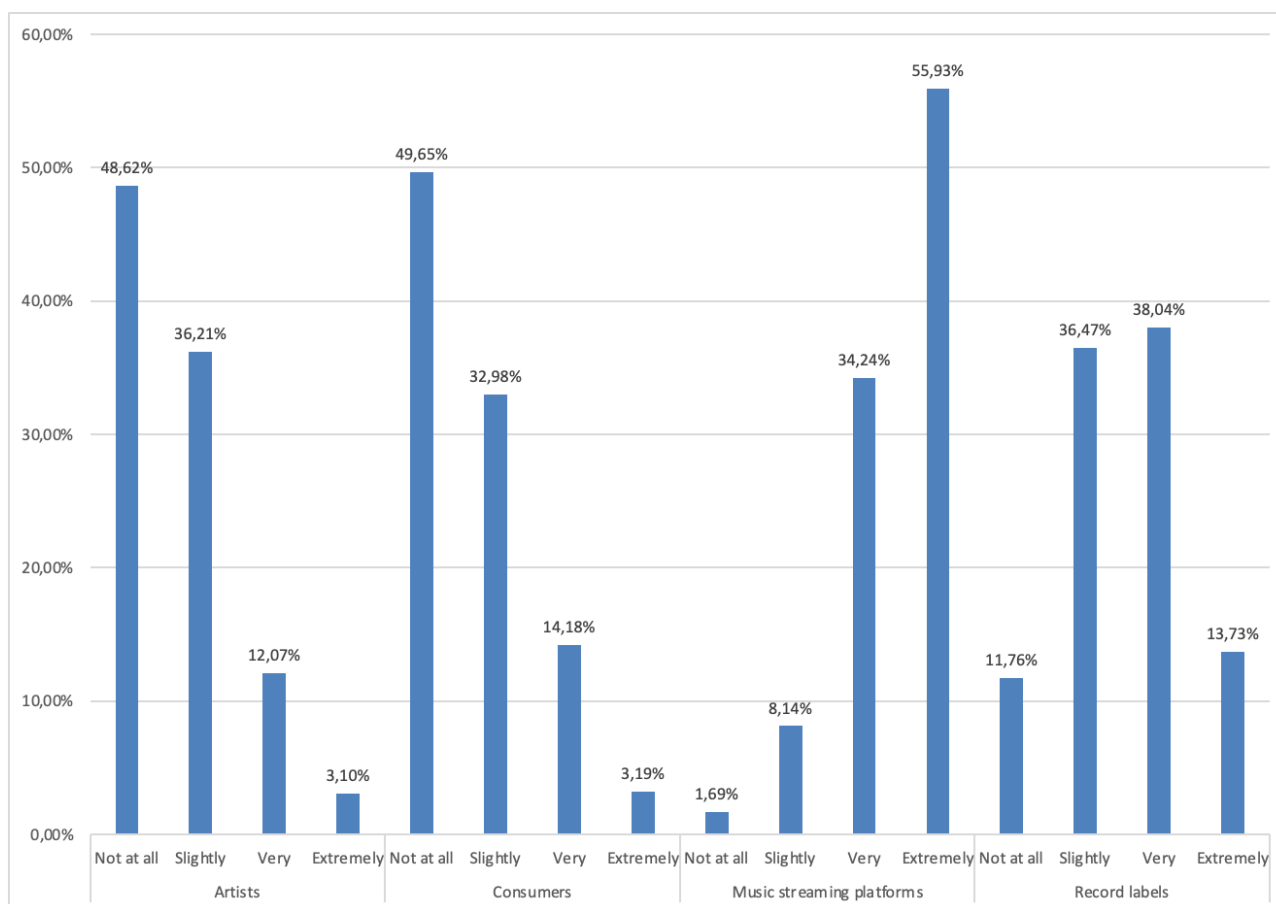


Fig. 13 Perceived financial benefits of advertising for music industry stakeholders

The survey also explored respondents' views on the effectiveness of MSS in combating piracy, a critical issue with direct implications for artist remuneration (Figure 15). Among respondents, the most frequent rating was 'very' effective (37,1%), followed by 'slightly' (23,5%) and 'extremely' effective (16,7%). These findings suggest a recognition of streaming platforms as valuable tools in reducing piracy, albeit with varying levels of confidence in their overall impact. Moreover, these findings may suggest there is a failure to effectively address new forms of piracy, such as streaming manipulation.

Interestingly, age differences emerged in the responses. Respondents over 45 years old were more likely to rate the effectiveness of streaming platforms as 'slightly', reflecting a more cautious view of their ability to address piracy comprehensively. Conversely, younger participants were more optimistic, with a higher proportion selecting 'very' or 'extremely' effective, possibly reflecting their greater familiarity with digital platforms and their role in shaping music consumption habits.



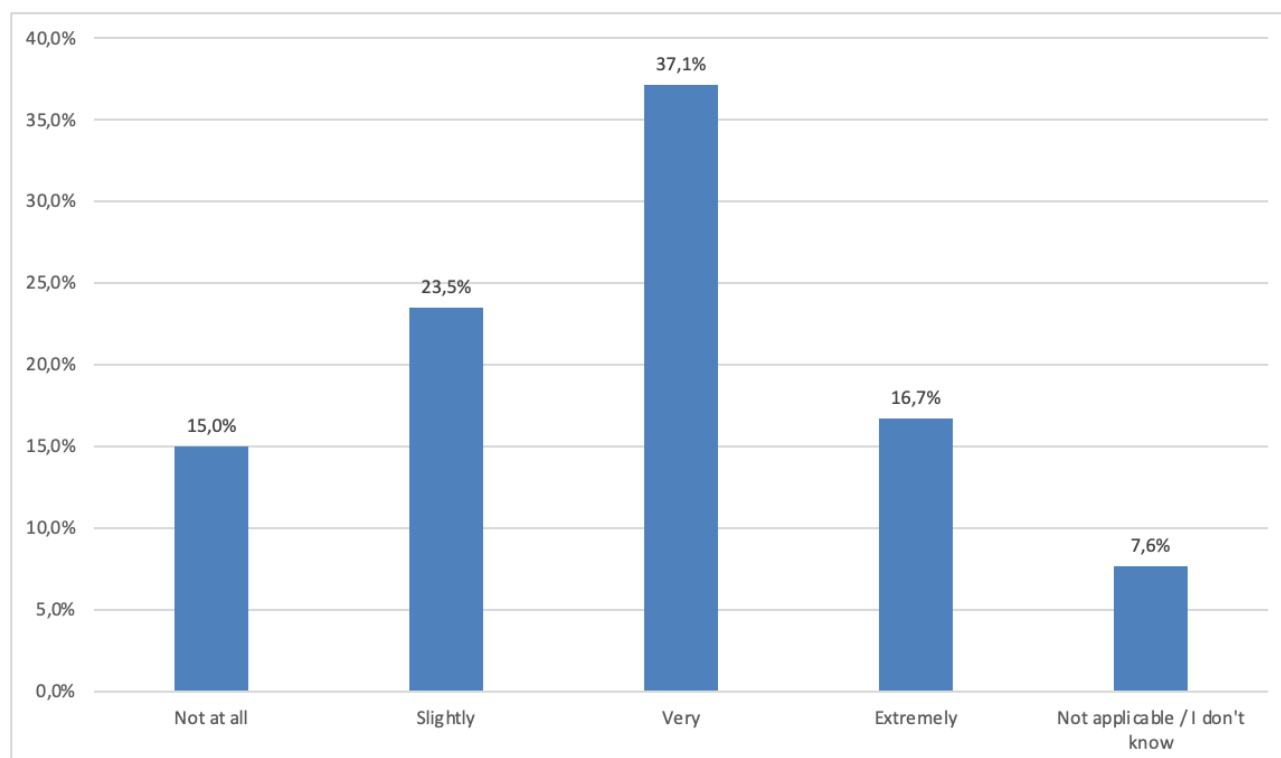


Fig. 14 Effectiveness of MSS in combating piracy

2.4 Recommendation systems/algorithms

This section explored respondents' views on recommender systems within the music industry. The first question focused on the perceived transparency of these algorithms and systems (n = 264). The survey results underscore significant concerns about the role of recommender systems in the music industry, particularly regarding transparency and fairness. A striking 98,2% of respondents perceived these systems as 'not transparent at all' or 'slightly transparent', with only a negligible 1,8% considering them 'very transparent'. This lack of transparency is a recurring theme in industry discussions ([Dinnissen & Bauer, 2023](#)), as highlighted in the report, and it reinforces perceptions of opacity in how platforms prioritise and recommend content.



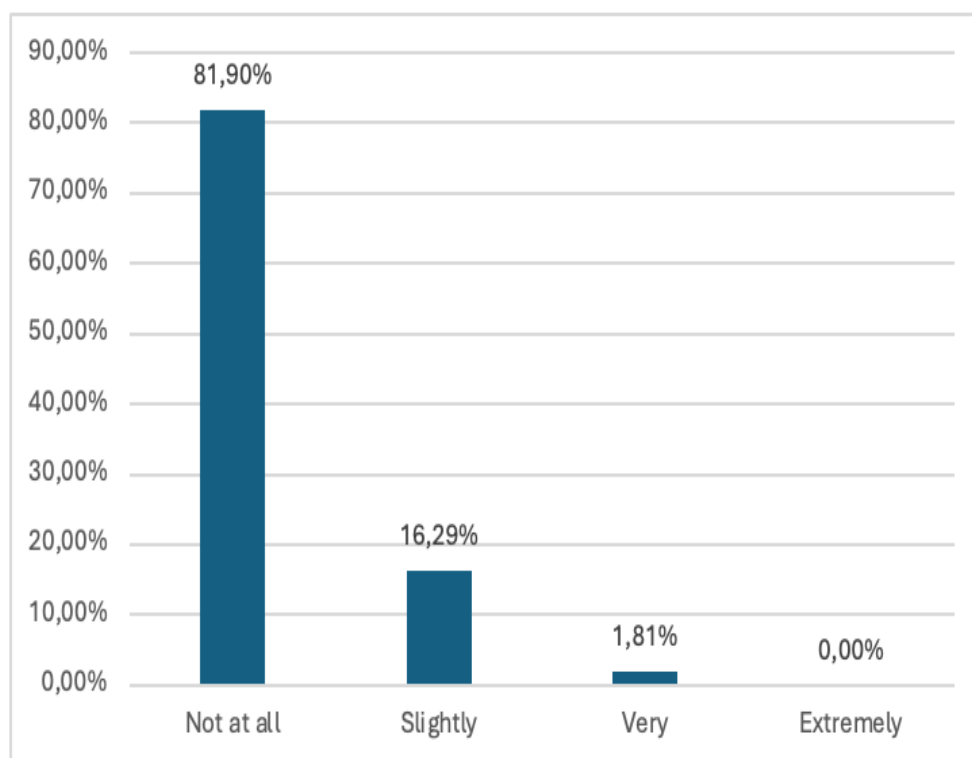


Fig. 15 Perception of the level of transparency in recommender systems

The potential for greater transparency to improve fairness elicited mixed reactions among respondents. While 31% believed that better access to data about recommender systems could ‘slightly’ or improve fairness ‘very’ much, 20% were more optimistic, choosing ‘extremely’, while 17% felt it would make no difference (‘not at all’). This ambivalence reflects respondents’ expectation of increased accountability, as well as their scepticism about whether access to data alone can address deeper structural inequalities within the industry.



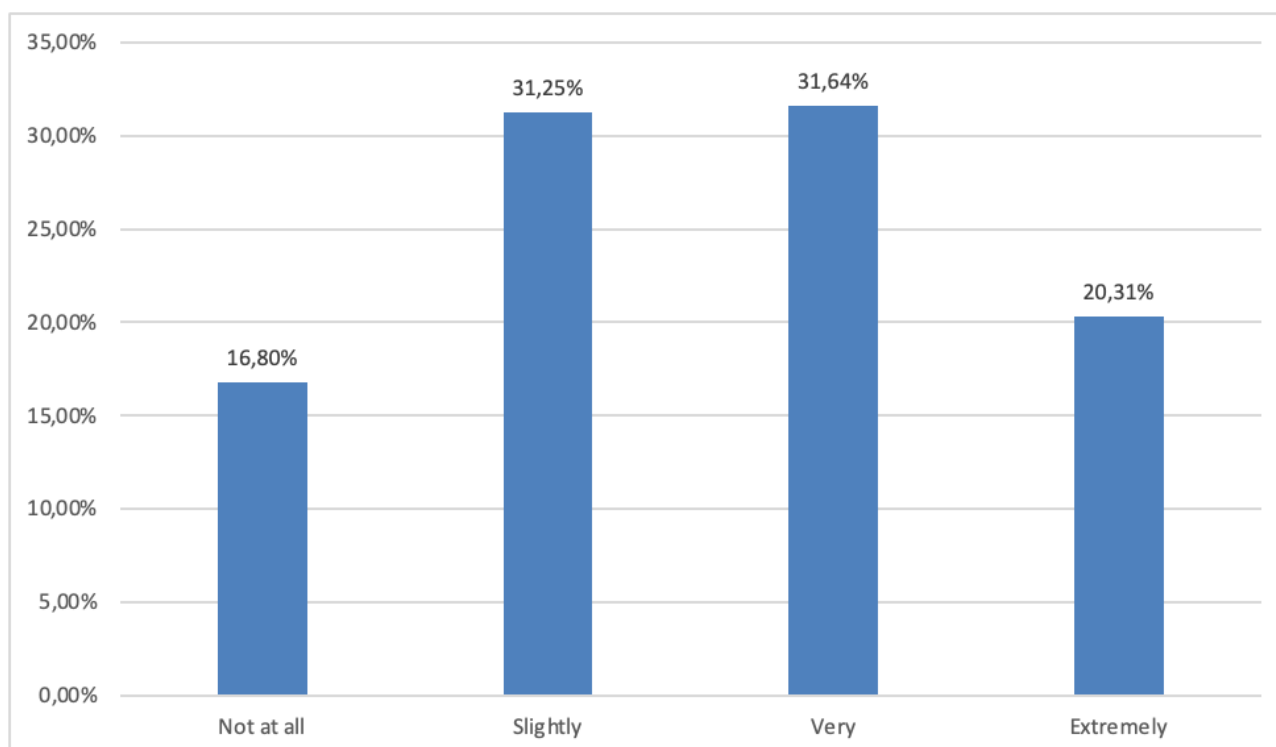


Fig. 16 Perception of whether transparency can enhance fairness

Respondents were then asked about platform-curated playlists – collections of tracks curated by streaming services based on criteria like genres, moods, events, or user preferences – rather than user-created playlists. First, participants (n = 256) were asked to what extent they perceived these playlists as contributing to more passive listening. This question was developed in light of criticism that passive listening, often driven by platform-curated playlists, disproportionately benefits certain types of music, such as background or functional music, which require minimal listener engagement ([Johansson, 2023](#)). The phenomenon of passive listening would reinforce the prominence of music and artists featured in platform-curated playlists, as stressed by [Eriksson et al. \(2019\)](#). A significant percentage, 38,6%, considered the experience ‘very’ passive, followed by 32% who felt it was ‘extremely’ passive, and 22,6% who saw it as ‘slightly’ passive. This finding corroborates previous research indicating that artists perceive MSS as promoting passive listening behaviour, which ultimately diminishes diversity by reinforcing the dominance of mainstream content ([Dinnissen & Bauer, 2023](#)).



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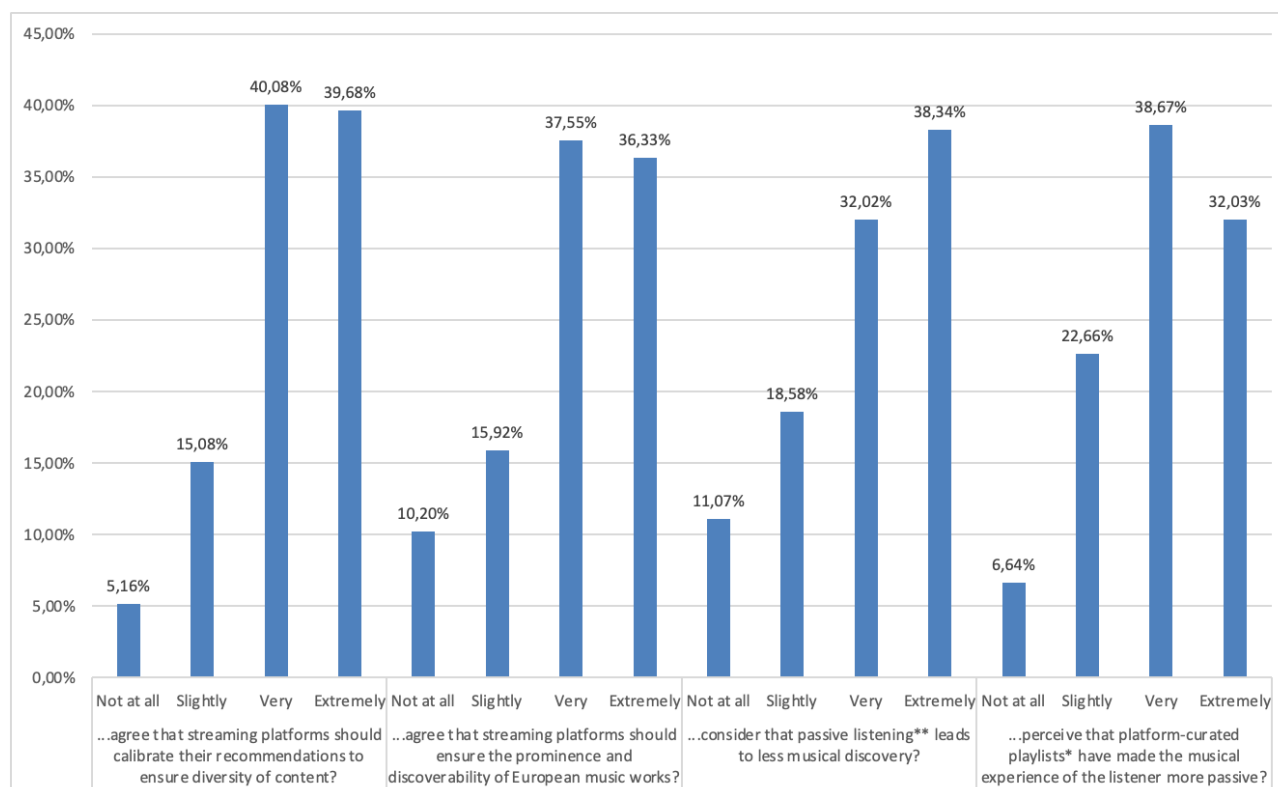


Fig. 17 Views on the role of platform-curated playlists in music streaming

Diversity in recommendations emerged as a critical concern, with a strong consensus among respondents about its importance. A combined 79,8% of respondents (n = 252) agreed ‘very much’ or ‘extremely’ on the necessity for diverse recommendations. Passive listening – characterised by users playing music in the background without active engagement, such as letting curated playlists run continuously – was closely examined for its impact on music discovery. When asked whether passive listening reduces opportunities for musical discovery (n = 253), a significant proportion of respondents expressed strong agreement: 38,3% selected ‘extremely’, 32% chose ‘very’, and 18,5% opted for ‘slightly’. These results suggest a major concern that passive consumption of music may limit exposure to diverse or less mainstream content, reinforcing the prominence of pre-selected tracks and narrowing the scope of listener exploration.

Finally, there was robust support for ensuring the prominence and discoverability of European music works on streaming platforms. A majority of 73,9% of respondents (n = 245) expressed strong agreement (‘very’ or ‘extremely’) on this issue, underscoring a collective desire to balance global and regional representation in the music industry. These findings highlight not only a demand for transparency and fairness, but also a broader push for cultural diversity in the digital music landscape.



2.5 Artificial Intelligence (AI)

This section explored respondents' perspectives on the risks and opportunities of AI when used in the music industry. The survey results reveal a complex and divided perspective on the role of AI in the music industry, highlighting both optimism for its potential and significant concerns about its risks. While 18,9% of respondents perceive AI as a very or extremely significant opportunity, the majority (45,9%) adopt a moderate view, seeing its potential as only slight. Meanwhile, a notable 35% of respondents do not see AI as an opportunity at all, underscoring their ambivalence about and divergent attitudes to AI's role in shaping the industry's future.

A striking 50,6% of respondents identified AI as an 'extreme risk' to fair remuneration, highlighting widespread fears about the potential for AI-driven models to exacerbate existing financial disparities. Many stakeholders are concerned that AI, in automating certain processes like music creation and distribution, could reduce the music industry's reliance on human creators, thereby diminishing their financial opportunities ([CISAC & PMP Strategy, 2024b](#)).

The survey reveals gender differences in the perception of AI as an opportunity within the music industry (see Fig. 19). Male respondents are more likely to view AI positively, with 21% considering it a 'very' or 'extremely' significant opportunity, compared to 13% of female respondents. Conversely, women were slightly more likely to adopt a moderate stance, with 53,2% seeing AI as a 'slight' opportunity, compared to 42,8% of men. Scepticism was relatively balanced across genders, as 34,8% of women and 36% of men viewed AI as 'not an opportunity' for the industry. These findings suggest nuanced gendered perspectives, with men tending to be more optimistic about AI's potential and women expressing more cautious or moderate attitudes.

A particularly prominent issue is the potential for AI to generate fake listeners, with 62,5% of respondents considering this an 'extreme risk'. This reflects a widespread awareness of how AI could be exploited to manipulate streaming metrics, artificially inflating success and distorting legitimate revenue streams. Such practices could further disadvantage independent or smaller-scale artists, who already face challenges in gaining visibility and fair compensation.



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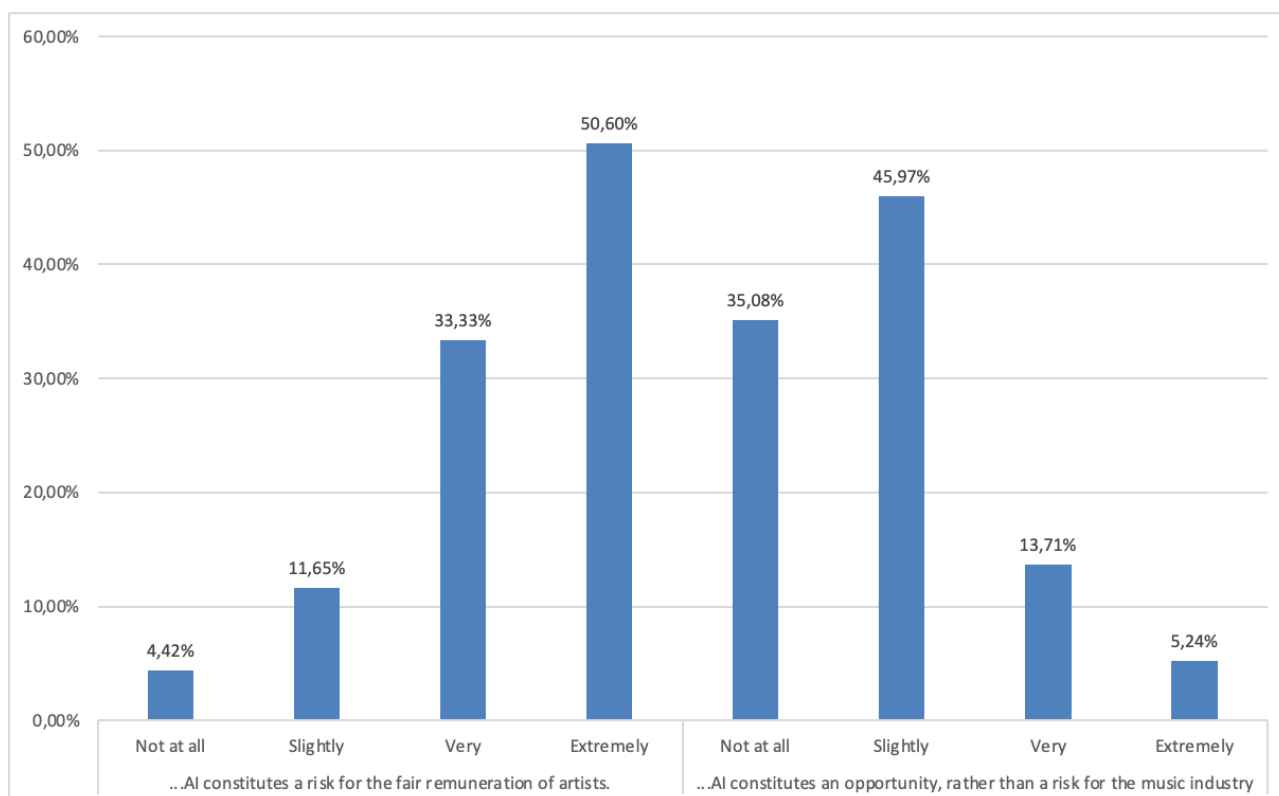


Fig. 18a Perceptions of the risks and opportunities AI brings to the music industry

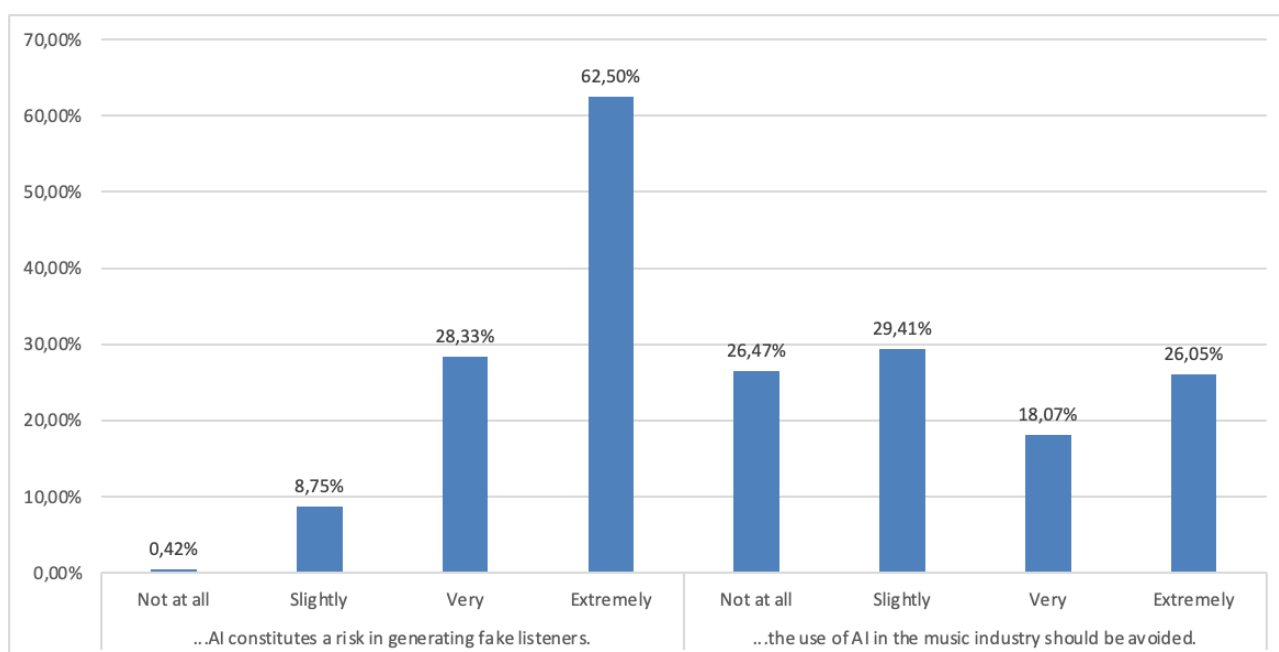


Fig. 18b Perceptions of the risks and opportunities AI brings to the music industry



Music industry perspectives on fairness in Europe

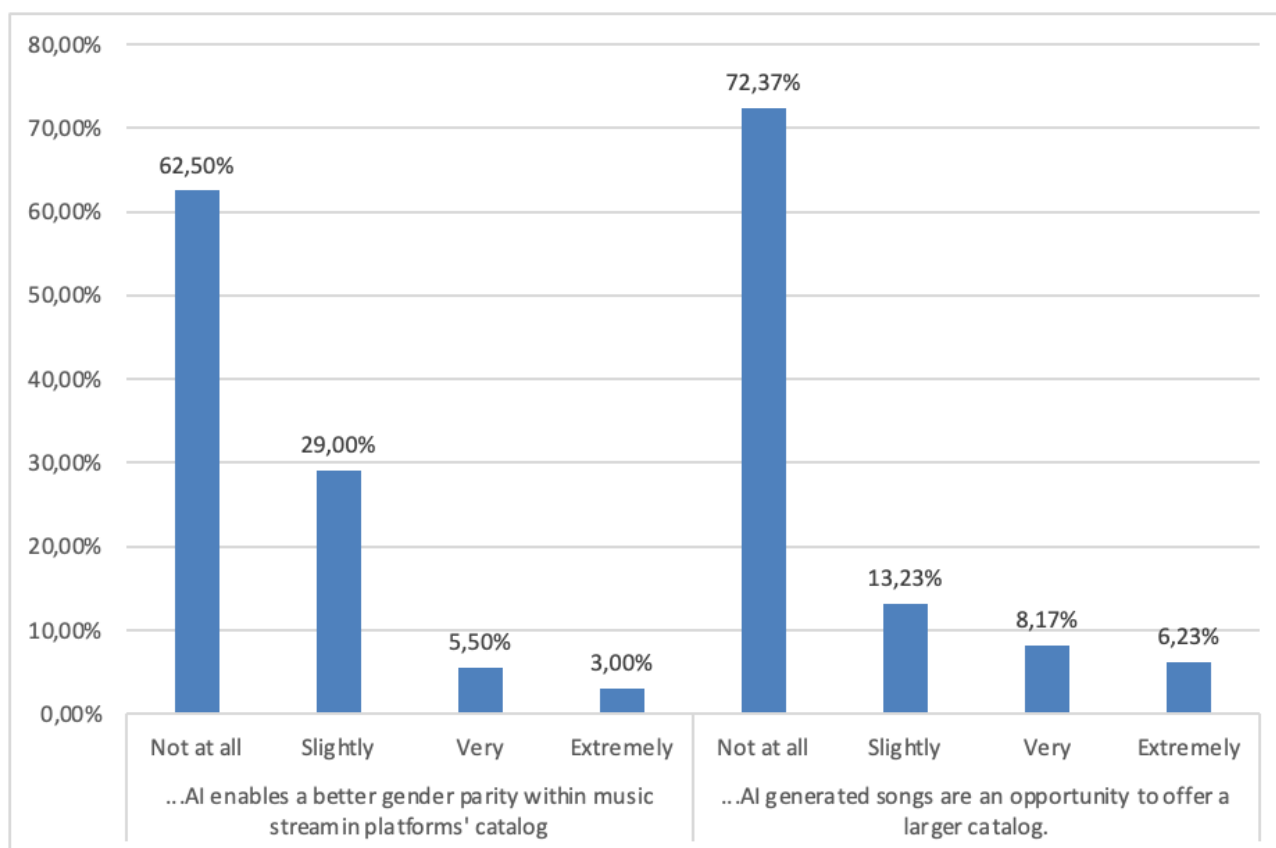


Fig. 18c Perceptions of the risks and opportunities AI brings to the music industry

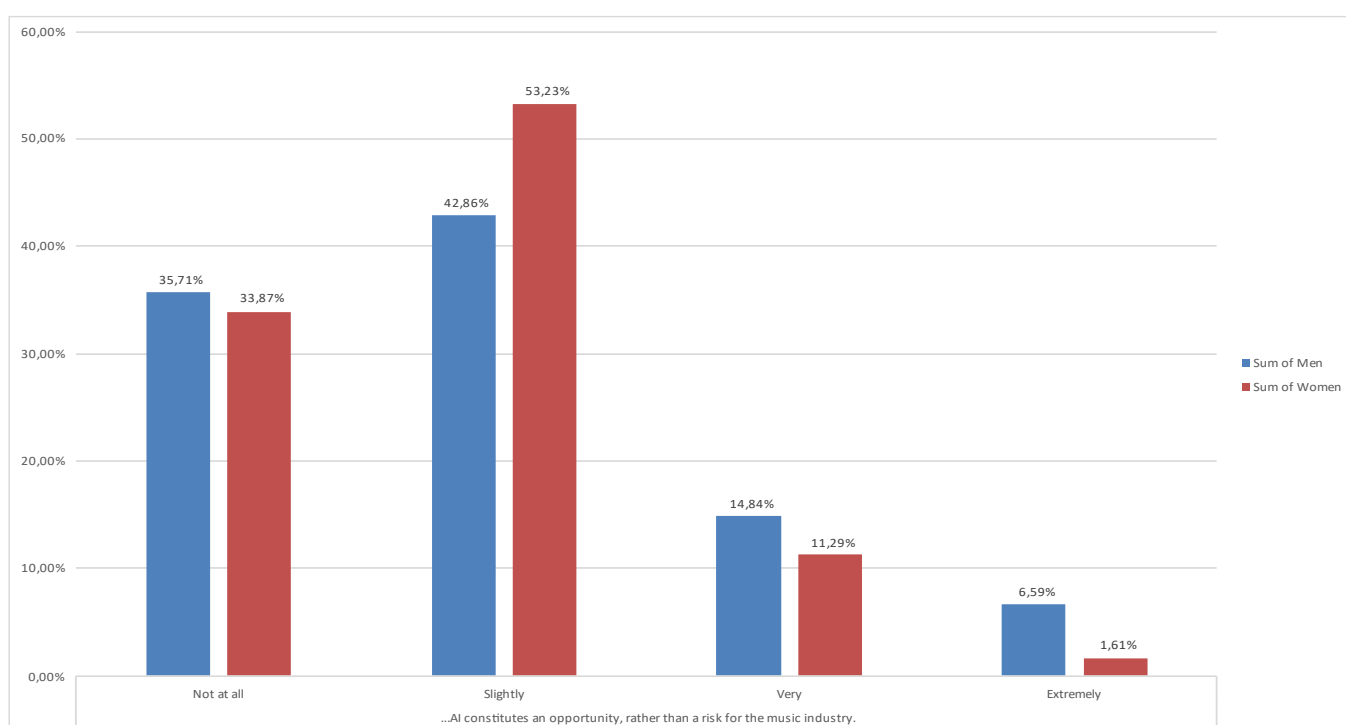
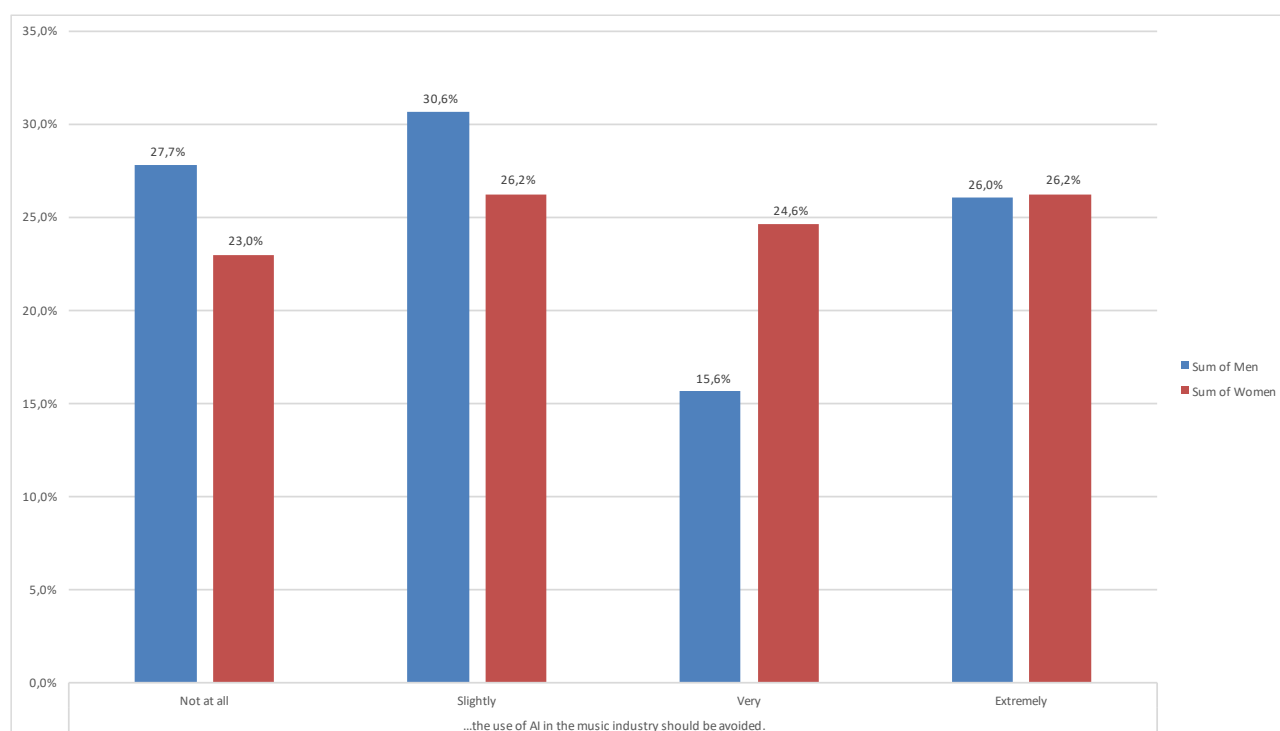


Fig. 19 Gender-based perceptions of AI as an opportunity in the music industry*Fig. 20 Gender-based perceptions on the avoidance of AI*

Interestingly, respondents were divided on whether AI should be avoided in the music industry: 29,4% indicated it should be 'slightly' avoided, 26,4% believed it should 'not be avoided at all', and 26% advocated for its complete avoidance. This division highlights a tension between embracing innovation and protecting established industry practices and values. Gender differences were also noted, with women more inclined to view AI as something to be avoided, reflecting potentially greater scepticism or concern about its impact on the industry's future.

Lastly, respondents expressed significant doubts about AI-powered recommender systems contributing to better gender parity within music catalogues (see Fig. 18c). A majority (62,5%) stated that these systems do 'not at all' enable gender parity, with similar views across genders. This finding underscores a broader scepticism about the capacity of AI to address structural inequalities within the music industry. While AI is often promoted as a tool for innovation and inclusivity, these results suggest that its current applications may fail to disrupt entrenched disparities, instead potentially reinforcing existing biases.

The scepticism around AI's capacity to enhance music catalogues is similarly significant: a majority (72,3%) rejected the idea that AI-generated songs are an opportunity for diversification, with women expressing this view more strongly than men. This suggests



concerns about the artistic and cultural value of AI-produced content as well as fears of its potential to crowd out human creativity.

The survey results reveal nuanced views on the role of AI in the music industry, with respondents expressing cautious optimism about AI's potential while also highlighting significant concerns. While nearly half of respondents see AI as a slight opportunity for the industry, an equally substantial number perceive AI as a considerable risk, particularly in terms of fair remuneration and authenticity in music consumption.

2.6 COVID-19 pandemic

This section examined the effects of the COVID-19 pandemic on the music industry. Respondents ranked three questions about its impact on negotiating power, market concentration, and the diversity of music offerings on a scale from 'not at all' to 'extremely'. While no statistically significant differences emerged between responses based on age or gender overall, some gendered patterns were observed in specific questions, offering nuanced perspectives on how the crisis influenced the industry.

A key finding relates to the pandemic's impact on the negotiating power of MSS. Among respondents (n = 198), the majority (39,9%) perceived this power as having increased 'very' much, while 29,8% viewed the impact as 'extreme', and 20,7% as 'slight'. These findings align with artists' perceptions regarding the amplifying power of MSS ([Dinnissen & Bauer, 2023](#)) and they underline the critical role of MSS during the pandemic, as the suspension of live performances heightened reliance on streaming platforms as a primary channel for both music consumption and artist revenue. The increased usage of MSS likely shifted bargaining power further in their favour, reflecting concerns about artists' dependency on these platforms for financial sustainability.

The pandemic's contribution to market concentration also drew attention. Among respondents (n = 189), 37% viewed the crisis as contributing 'very' significantly to concentration, 28,5% selected 'slightly', and 22,2% chose 'extremely'. These results suggest a broad perception that the pandemic has amplified the dominance of major players within the music industry, particularly the MSS, as smaller stakeholders struggled to adapt to the absence of alternative revenue streams like live performances and physical sales.



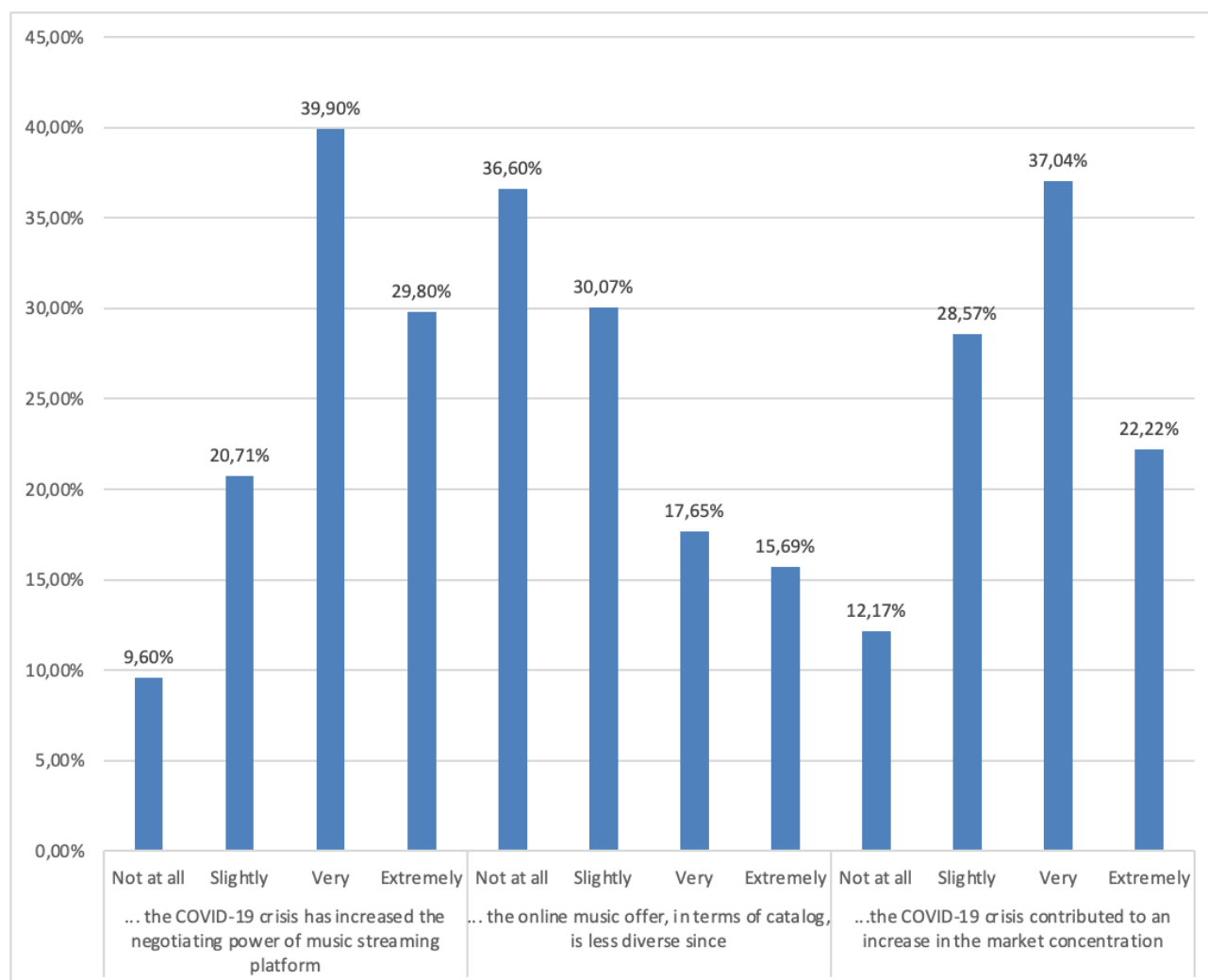


Fig. 21 Perceptions of COVID-19's effects on music industry dynamics

Finally, when examining the diversity of music offerings in catalogues since the pandemic ($n = 153$), responses were split. While 36,6% of respondents believed there was no ('not at all') decline in diversity, 30,1% perceived it as 'slight', and 17,6% and 15,6% viewed this decline as 'very' and 'extremely' noticeable, respectively. Gender differences were notable, with women more likely to select 'very' and men favouring 'not at all'. These results suggest ongoing concerns about whether MSS algorithms and business models have limited the diversity of music promoted during the pandemic, potentially favouring commercially dominant genres and artists.

Overall, the findings reflect a consensus among respondents that the pandemic has deepened existing structural inequalities within the music industry. The crisis not only consolidated the power of MSS, it also raised questions about their impact on market diversity and artist representation.



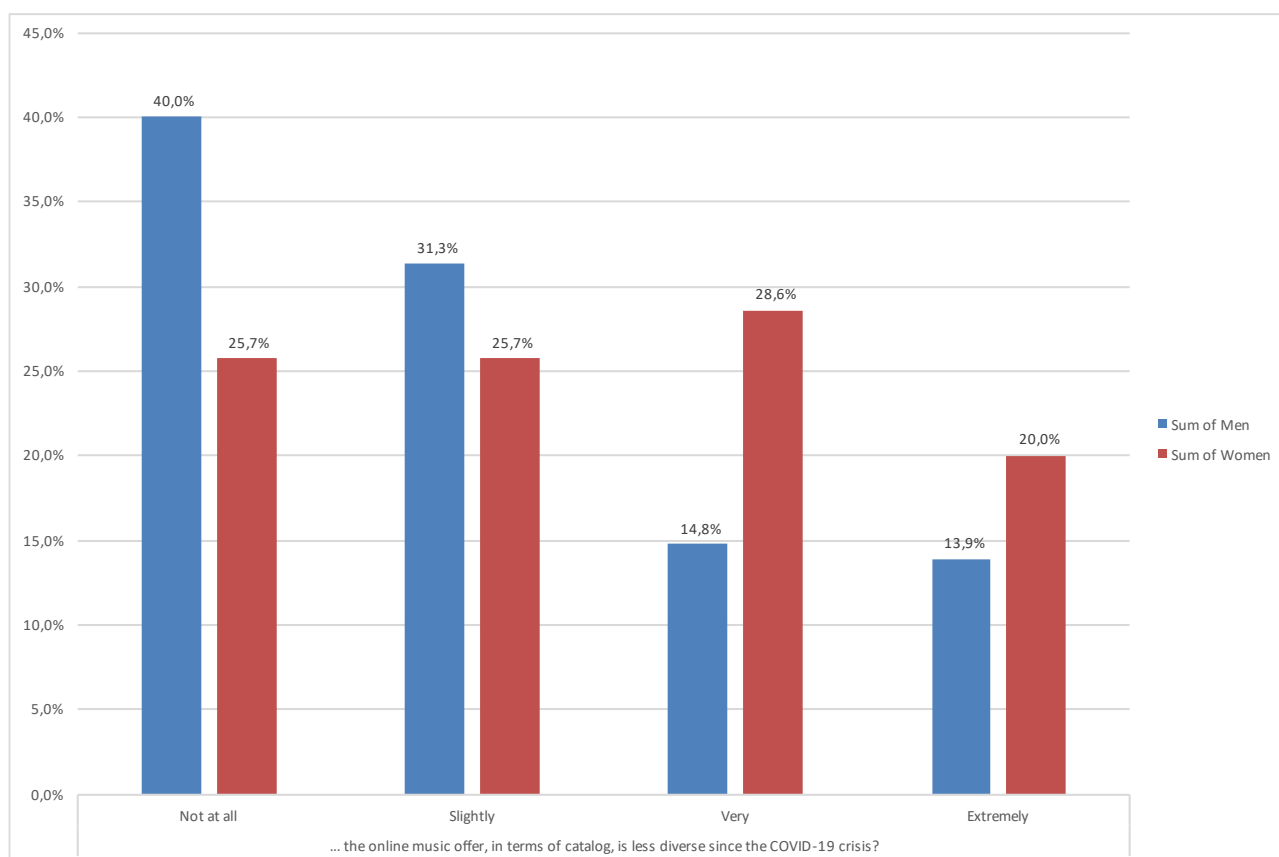


Fig. 22 Gender-based perceptions of music diversity in streaming catalogues since the COVID-19 crisis

2.7 Regulation

The survey included a question assessing respondents' views on the EU Directive on Copyright in the Digital Single Market (2019/790), focusing on its perceived impact across several specific areas. Respondents could indicate the extent of the Directive's positive impact or, alternatively, mark their view as negative if they felt its effects had been detrimental or absent.



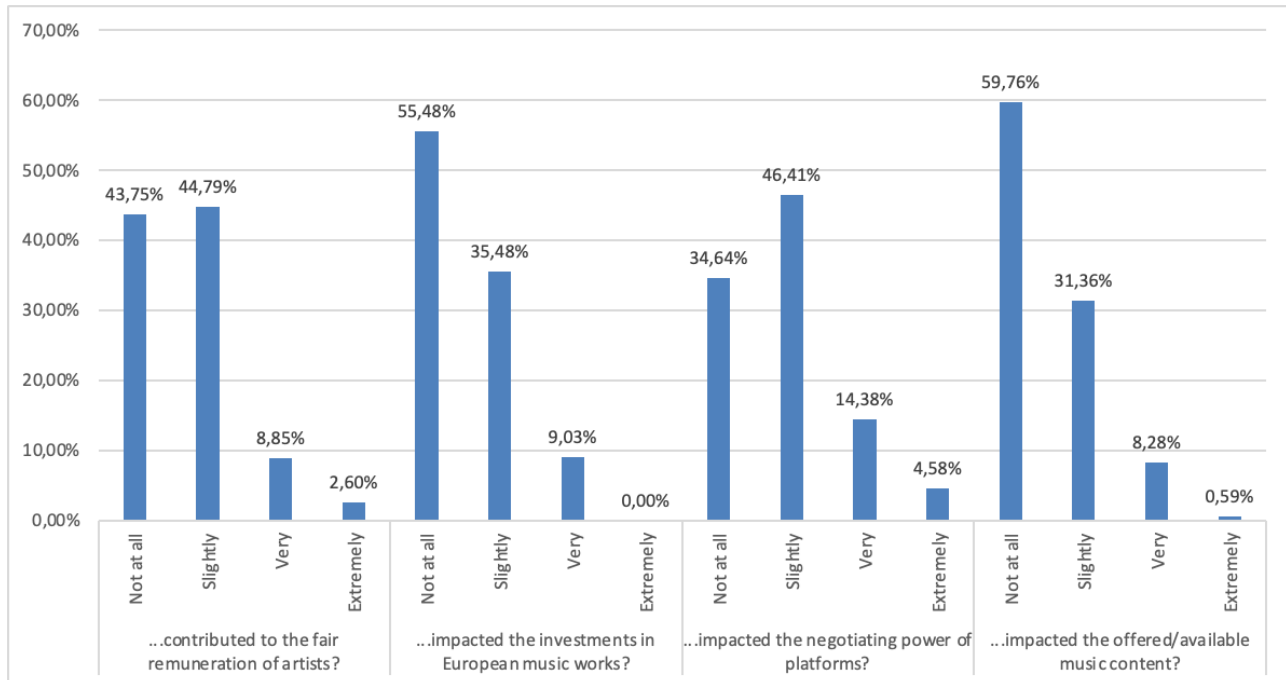


Fig. 23 Views on the EU Copyright Directive's effects in the music industry

Concerning the Directive's influence on the negotiating power of platforms (n = 153), the prevailing view was that the Directive has had a slightly positive effect, with 46,4% of respondents supporting this view. However, a substantial 34,6% could see no impact, reflecting a division in opinions on whether the Directive has effectively balanced platform power. When asked whether the Directive contributed to the fair remuneration of artists (n = 192), responses were similarly split: 44,7% of respondents viewed the Directive's impact as slightly positive, while 43,7% saw it as not at all positive. This suggests that the Directive's efficacy in addressing fair compensation remains contentious among industry professionals.

In areas concerning music content availability and investments in European music, the results tended to lean more towards a negative perception of the impact of the Directive or an absence of opinion. For content availability (n = 169), 59,7% of respondents reported that the Directive had hardly any ('not at all') impact, compared with just 31,3% who viewed it as slightly positive. Similarly, in terms of investment in European music works (n = 155), 55,4% perceived the Directive's impact as negative or absent, with 35,4% indicating a slightly positive effect.

Overall, the survey findings of music professionals suggest that the EU Directive has had a relatively positive impact on the industry. The predominant sentiment is either negative or mildly positive, indicating that while the Directive aimed to address significant issues in the digital market, its real-world effects have not fully aligned with the expectations of industry stakeholders. Although the impact of the Directive is perceived as less positive, this does not indicate a disapproval of the regulation itself, as demonstrated in the subsequent section. Rather, this seems to reflect a relative dissatisfaction with the Directive's full capacity to impact the market, underscoring the challenges of implementation ([Geiger & Jütte, 2021](#)). This was also evidenced in the survey's comment section, where the majority



of remarks supported regulation, with one respondent highlighting the EU Directive as a small step forward while emphasising that the challenge lies in its implementation.

The survey results indicate strong support among respondents for greater EU involvement in the music industry, with the aim of fostering fairness and diversity. A significant majority (83,3%) agree that the EU should impose obligations on platforms to invest in European music works (n = 240), reflecting a collective desire to see a boost in regional content production. Furthermore, 67,5% of respondents favour the introduction of quotas for an EU repertoire on playlists and music services, which they perceive as a way to foster a more diverse music offering. However, this policy solution is not without contention, as respondents expressed scepticism. This was particularly the case among male respondents, who were less likely than female respondents to support quotas. The lack of homogeneous support for quotas reinforces findings from previous research ([Dinnissen & Bauer, 2023](#); [Ferraro et al., 2021](#)).

Competition also emerged as a key concern, with 78,6% of respondents agreeing that the EU should take measures to prevent further monopolisation in the industry. This strong endorsement reflects growing unease over the dominant influence of a few large companies, particularly in the streaming and distribution sectors, and the need to create a more competitive and balanced landscape that benefits all stakeholders. The most widely supported policy, however, involves regulating algorithms and content curation practices. An overwhelming 89,8% of respondents favour restrictive rules on algorithmic use, underscoring concerns about transparency and fairness in how music is recommended and promoted. Female respondents, in particular, showed stronger support for this policy, highlighting a gendered dimension to concerns about the impact of algorithms on equity and diversity.

Overall, these results reveal a strong consensus among industry professionals for the EU to take more proactive regulatory actions to create a fairer and more balanced music industry. As illustrated in Figure 26, this sentiment underscores the growing demand for a comprehensive EU-led approach to address these industry challenges.



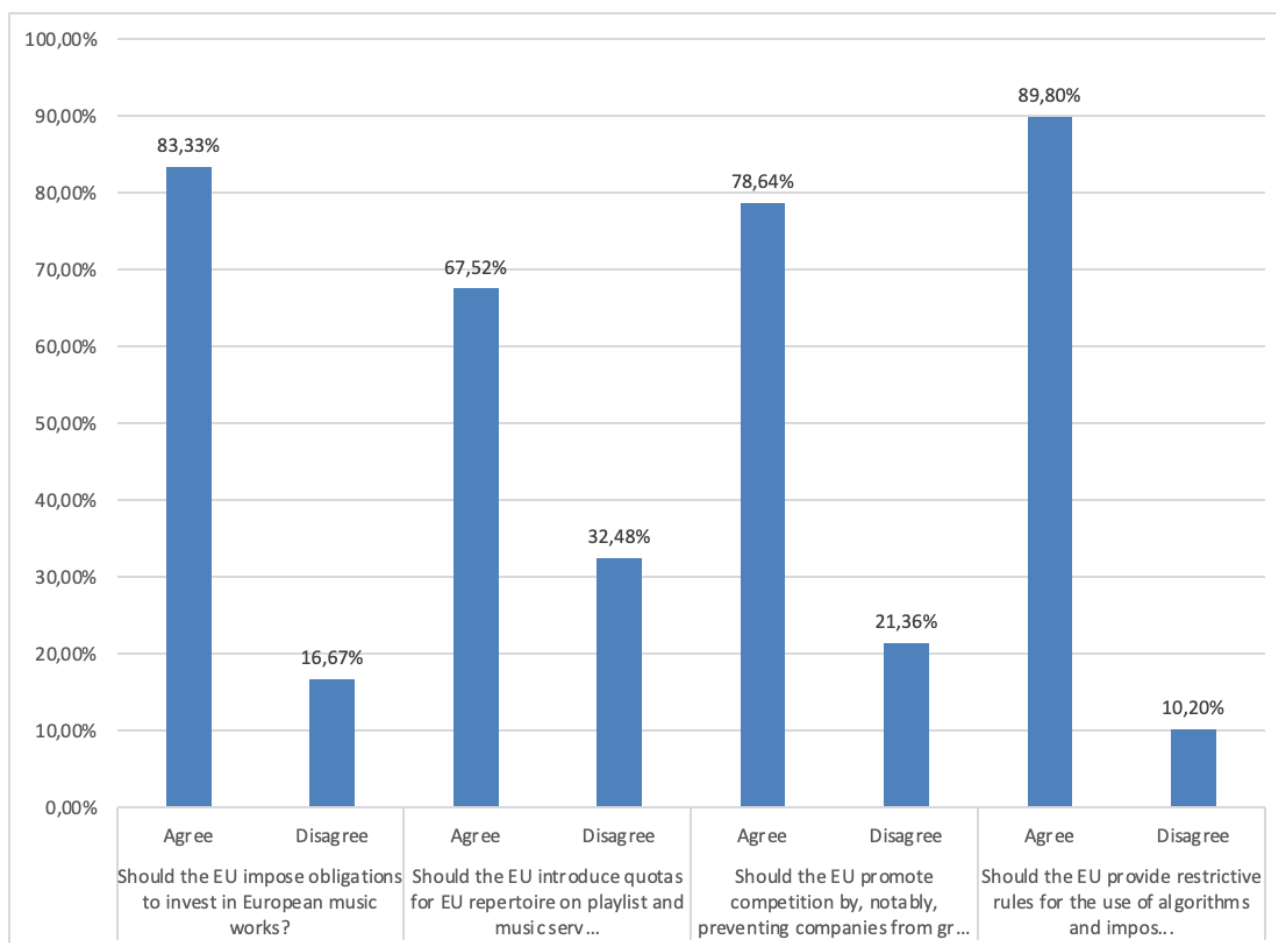


Fig. 24 Views on the need for stronger EU regulation

Finally, respondents (n = 273) shared their views on where the responsibility for promoting fairness in the music sector should lie. When asked to rank the key actors responsible, respondents identified record labels/producers and social media/MSS as bearing the most responsibility. This reflects a perception that these players, due to their central roles in revenue distribution and content promotion, have the greatest influence over fairness-related issues in the industry. CMOs also emerged as important actors, with respondents seeing them as crucial intermediaries for ensuring artists' rights and fair compensation.

Respondents notably ranked consumers/users lower, suggesting that while audiences have a role in shaping music trends, they are not seen as primary drivers of structural fairness within the sector. Similarly, independent public authorities were considered important but secondary, reflecting a belief that industry-led changes may be more impactful than regulatory oversight alone. Artists themselves were seen as contributors but not the main stakeholders responsible for promoting fairness, possibly indicating that respondents view artists as being more affected by fairness issues than being enforcers of change. This distribution of perceived responsibility underscores the belief that major industry players – including MSS, UGC platforms, and record labels – hold the greatest power to enact meaningful change and drive improvements in fairness across the music industry.



3. Interviews

3.1 Introduction

Chapter 3 delves into the findings of the qualitative interviews conducted with stakeholders across the music industry. It involves 22 in-depth, semi-structured interviews with a diverse group of stakeholders in the music industry. Interviews were conducted in English, both in person and online, from December 2023 to June 2024. Interviewees could choose different levels of disclosure, allowing them to express their views more freely. To maintain equal representation and assure confidentiality, we anonymised all interviews and categorised them into six distinctive groups:

Artists:¹ This category includes representatives of authors, composers, songwriters, performers, as well as music councils and networks of music organisations and institutions.

Record Labels: This category comprises representatives from both major and independent record labels.

CMO: This category includes representatives from organisations responsible for managing and distributing royalties on behalf of authors, composers, and performers.

Streaming: Encompassing MSS and UGC platforms, this category represents digital services that manage music distribution and user engagement on their platforms.

MBE: A diverse group that includes consultants, lawyers, and professionals providing specialised services to the music industry, such as support to exportation and management of IP.

IR: Independent researcher (IR), working in universities and not representing private companies.

Category	Number of Interviews
Artists	7
Record Label	5
CMO	2
MSS	1
MBE	4
IR	3

¹ This report employs a broad categorisation of 'artist'. For a more detailed discussion on the categorisation of music creators, please refer to D2.2 Music Creators' Rights.



The table above shows the number of interviewees per category, giving an overview of the representation across various categories. It is worth noting that within the MSS category, four stakeholders declined participation or did not respond to our repeated requests. Similarly, we reached out to four UGC companies, but they did not engage with the Fair MusE research. These interviews were transcribed and generated 348 pages of transcripts, which were rigorously analysed using NVivo software. Through thematic and content analysis, the interviews revealed underlying values and power dynamics, thus providing insight into the varying perspectives across different sub-sectors and roles.

This section is structured around the key themes that emerged during the literature review and were further illuminated through thematic analysis of the interview data. These themes encapsulate the diverse perspectives of professionals operating within the music industry, encompassing six key professional categories. Artists – including representatives of authors, composers, songwriters, performers, and musicians’ trade unions – were interviewed alongside representatives from record labels, spanning both major and independent entities. CMOs, responsible for managing and distributing royalties on behalf of creators and performers, also provided their perspectives. The Streaming category included representatives from MSS, which play pivotal roles in digital music distribution. Additionally, MBEs – comprising consultants, lawyers, and professionals providing specialised industry services, as well as Independent researchers based in academic institutions – offered valuable insights into the sector’s dynamics.

Each subchapter addresses one of these identified themes, presenting the viewpoints and insights shared by interviewees. While the themes are interconnected, they are organised to provide clarity and a logical progression through the complex issues surrounding fairness, such as remuneration, transparency, and the evolving dynamics of the music sector. The goal of this chapter is to contextualise these perspectives within the broader discourse, highlighting tensions, shared concerns, and the nuanced differences among various stakeholders.

Through this structure, Chapter 3 seeks to provide an in-depth exploration of the industry’s current challenges and opportunities, as seen through the lens of its key players. This chapter is organised into seven subchapters. It begins by contextualising the evolution of fairness, contrasting perspectives from traditional and digital music models. Transparency, a recurring theme, is examined both in relation to MSS and record labels, highlighting concerns about access to information and accountability. Second, the chapter delves into the perceptions regarding recommendation systems and algorithms, with an emphasis on their role in shaping music discovery and the challenges they pose to diversity and fairness.

Remuneration, a central topic, is explored through discussions on revenue generation, its division among stakeholders, and the specific concerns of record labels and artists, along with the unequal negotiating power within the industry. Tensions between MSS and UGC platforms are also highlighted, particularly in terms of remuneration and transparency challenges.

The chapter further examines the transformative impact of the COVID-19 pandemic, including its role in accelerating the digital transition, raising awareness about fair remuneration, and reshaping power dynamics. Finally, the role of AI in the music industry is analysed, with a focus on its implications for creative processes and the evolving debates



around power and fairness in AI adoption. This structure provides a comprehensive framework for understanding the multifaceted perspectives and tensions surrounding fairness in the music industry.

3.2 Competing notions of fairness in the old and new music models

Fairness is a concept that varies significantly, depending on the perspective of different stakeholders in the music industry. For some, particularly record labels and MSS, fairness is closely tied to market dynamics and competition. As one record label put it, “I don't think there's anything unfair about the artists who get the most streams getting more revenue from the royalty pool. I think there's something intrinsically fair and democratic about that. You reward quality music.” (record label 2) This market-driven view sees the abundance of content and the lack of barriers to entry as fair conditions, even if not all artists succeed: “There are zero barriers to entry, and so the market has never been more open. Now the flip side of that, the challenge that creates is can you cut through?” (record label 4) From this standpoint, the music industry is seen as no different from other competitive fields, where success depends on talent, hard work, and the ability to navigate the business.

On the other hand, artists and MBEs see fairness differently from record labels. For them, the question of fairness involves more than just market access or competition. It's about ensuring that the system accounts for the inherent power imbalances between MSS, record labels, composers, songwriters and performers. As an Author and composers representative noted, “There's unfairness there that the authors get the least from the overall revenue pie.” This perspective sees fairness as tied to the distribution of value in the music industry, particularly as many artists feel they receive the smallest portion of the revenue pie. Moreover, some stakeholders argue that MSS have expanded beyond their original function and now impact other forms of music exploitation, such as radio, thus making streaming's inherent unfairness even more problematic. “For us, the fact that music streaming is very unfair to music authors is already something. But then it kind of spread, it's growing so much that it has an impact on other exploitation like radio.” (artists 2)

For some stakeholders, fairness is also about broader inclusivity and equity within the industry. An IR emphasised this by highlighting issues such as gender balance and minority representation: “In my research, gender violence came up as a way to make consumption fairer or having an impact on the gender balance on consumption to give equal opportunities to artists from different genders and minorities” (IR 2). This perspective aligns with the survey findings, where 48.4% of women associated gender equality with fairness. This suggests that, for some stakeholders, fairness is not only about market access but also about ensuring equal opportunities and addressing structural inequalities across the music sector.

There are also differing perspectives on how fairness should be defined and understood. As artists 1 pointed out, “I think fairness lies in the agreements between two parties on the conditions, and in the music industry, often the models and the decisions are taken unilaterally.” (artists 1) This raises questions about whether fairness is truly achievable in a system where artists often have limited negotiating power in the terms of their contracts



(Carter, 2024). Similarly, MBE 4 observed, “I have many issues with the concept of fairness in general... We assume both, we assume equal opportunity and equal outcome, which are two different things, so equality and equity... they are leading to a very different agenda in terms of what needs to be done.” For some, fairness is about equality of opportunity, where everyone has the same chance to succeed. For others, it’s about equity of outcomes, ensuring that everyone benefits proportionally, regardless of starting position.

When investigating the concept of fairness, the digital context is frequently compared with the physical era. The perceptions regarding past and present provide an overview of the positions and the sector, and they are the starting point of the analysis.

When people are directly asked if the music industry was fairer before MSS, their answer is generally no. The common perception is that the music industry was never fair (artists 3, MBE 1, MBE 3, IR 3), and the current system reproduces the same inequalities (artists 1, artists 2, IR3). For example, some stakeholders point out that, although MSS give everyone the ability to upload content, this doesn’t necessarily mean access to market success. In fact, the competitive nature of the current global streaming market may have made it even harder for emerging artists to gain attention. Other stakeholders stress that the current system introduces more inequalities that make it even less fair (IR1) because of the loss of the revenues coming from physical sales to artists (artists 7) “because, in the old days, at least the featured artist had a clear channel of remuneration. That was the physical products” (artists 4), and “we’ve gone from an ownership model to a leasing or rental model” (MBE 3). These stakeholder perceptions align with the survey results, where respondents generally viewed the physical ownership era as the fairest period for the music industry, with 39,7% considering it slightly fair and 29,2% very fair. In contrast, the streaming era received the most critical assessment, with 55,8% of respondents rating it as not fair at all, reflecting broader dissatisfaction with the inequalities introduced in the current system.

On the other hand, two categories of stakeholders, the record labels and the MSS, argue that the MSS collaborate to create a fairer market. Major record labels point out that now there are more contract models available, and the artists do not need to be assigned to a record label, giving them freedom and more possibilities. These stakeholders stressed that the music industry market is already fair. “If by fair we’re talking about artists’ remuneration, artists empowerment, freedom of the artist, today artists have much more power than they have ever had before in terms of negotiating deals with their contracts.” (record label 2)

From MSS’ perspective, the current system is “a very positive evolution where streaming has first given value back to music, where streaming is providing huge revenues to the labels. We see that with the exponential increase of profits and revenues of labels, huge value comes back to the creators as well because we see the increasing revenues of the collecting societies. So that’s definitely every year more revenues going back to the whole music sector thanks to streaming.” (MSS)

There is a shared understanding that MSS collaborate to facilitate market access, since everyone can upload content to an MSS. While some stakeholders associate this with fairness, others stress that it increases competition and that “actually, the market is more difficult to access as a professional today.” (record label 1) This statement is followed by an illustration explaining that, in the physical era, artists needed to break through national radio. Now, they need to gain relevance on an international scale. So, getting access to a playlist



is the modern equivalent of getting on the radio, but now there's just one radio for the world. It's really hard." (record label 1) Therefore, the role of record labels has become more critical in helping artists reach an audience.

This finding is further confirmed by the survey results, where respondents generally agreed that MSS facilitate access to the market, as well as enhance consumer's well-being thanks to the wider accessibility of music content. However, when it comes to elements like cultural diversity and discoverability, perceptions shift. While MSS may lower initial barriers, respondents expressed doubts about whether this broader access truly translates to meaningful opportunities for a diverse range of artists.

More concretely, when the digital period is compared with the physical ownership period, two main topics emerge: transparency and remuneration.

3.3 Remuneration

The central issue when discussing fairness in the music industry revolves around the remuneration of artists. CMOs and composers' alliances have emphasised that the current remuneration model is inherited from outdated physical distribution methods, such as those used for CDs and radio, and is no longer suitable for the digital era. They argue that this model needs to be re-evaluated, to better reflect the realities of digital music consumption. This section will address the two primary points of debate: the overall revenue pie and the distribution of that revenue.

3.3.1 Growing the revenue pie

A major concern in the debate over artist remuneration is the sustainability of the music industry's revenue pie in the context of MSS (CMO 1). Many argue that the revenue generated from streaming is not growing at a sustainable rate. First, the subscription prices for MSS have remained stagnant for years, offering unlimited access to vast music libraries, which has led to a devaluation of music itself. Additionally, competition from free services – such as the free versions of MSS subscriptions and UGC platforms – further exacerbates the problem. Since the revenue generated from free subscriptions is lower than paid subscriptions, artists' remuneration is significantly impacted (CMO 1). This also reduces the MSS' ability to negotiate higher subscription prices. For instance, platforms like Amazon offer free access to their music services as a promotional activity, which is seen as undermining creators' earnings. "I mean, we need promotion and a bakery to sell something much cheaper, you are not saying to the people who give you the flour or the milk to pay and gain like kind of 1/5 of the amount because you're selling it less so but the online services do." (CMO 1)

Low subscription prices, coupled with the availability of free options and an overwhelming abundance of content, are often cited as factors that have decreased the value of music. This oversaturation affects artist remuneration since "your payment will always decline over time because the denominator is always getting bigger" (MBE 2). In this scenario, smaller artists are particularly disadvantaged, as even a change in the remuneration model wouldn't necessarily lead to an increase in income if the artist has a limited listener base. (MBE 4)



The growing number of rightsholders further complicates the situation. “The number of rightsholders in terms of authors, composers, and performers is increasing all the while. So if the share remains the same, I mean the individual share from that part is going to decline all the while. So it's a race to the bottom; as the repertoire is increasing, the catalogue of recordings is increasing. The share that you can expect from these revenues as an individual artist is smaller, smaller and smaller, but it doesn't change on the other hand again because if the market grows, the four majors will always be the ones forming the images.” (artists 4)

Although many stakeholders support raising subscription prices, it is widely acknowledged that this alone will not guarantee better remuneration for artists. “Labels get paid once they recoup their minimum guarantee on a revenue share basis... it's not that this is a price increase that is going to increase the services margin.” (MBE 1) This perception is also reflected in the survey findings, where the majority of respondents believe that raising subscription prices would have little to no impact on improving fair remuneration for artists.

Record labels argue that to increase artists' revenue, the first step is to expand the royalty pool by raising MSS subscription prices. However, MSS highlight that subscription pricing is influenced by factors such as tax policies in different countries, which affect consumers' ability to pay more for music.

From the perspective of MSS, they assert that they are already investing two-thirds of their revenue back into the creative community, yet they are still not profitable. They maintain that while they are paying artists fairly, they have no control over how revenue is divided between artists, record labels, and CMOs, as these are governed by pre-existing deals between the artists and their respective organisations.

3.3.2 The share of the pie

A key point of contention in the remuneration debate is how the revenue pie is divided. As artists 3 noted, “If you don't change the way the extra money that gets in is distributed, then you just keep the same balance and you make powerful stakeholders even more powerful.” This highlights concerns that the current distribution model may disproportionately benefit large stakeholders, such as major record labels, while smaller players struggle to gain a fair share. The criticism stems from the fact that the current model is inherited from the era of physical distribution, which many believe was already unfair. In the digital age, this structure is seen as unjustified, as record labels no longer bear the same costs associated with physical production, such as pressing CDs, shipping, and distribution. (CMO 1) The argument is that maintaining the same financial model in the streaming era, when these costs have been drastically reduced, is no longer relevant. As CMO 1 put it, “For radio, in most countries, it was 50-50. If it is not 55 to 45 or 60 to 40 in favour of others. So OK, so not radio, but it's certainly not CD either.”(CMO 1)

MSS, on the other hand, emphasise their position by asserting that they are paying more to CMOs and artists than ever before. According to one MSS, “The artist community as a whole is receiving more in both relative and absolute terms.” Despite this, the division of the pie remains a heated issue. As CMO 1 explains, “The music streaming revenue pie, after you deduct the VAT, from what remains, services get 30%, labels and performers get 55%, and authors, composers, and publishers get 15% at the maximum level.”



Record labels also highlight that the pie is limited, and any changes to the distribution model would inevitably lead to shifts in who benefits. As one label noted, “If for a minute you assume the MSS are paying out the maximum they can based on the need to be a profitable business, then the reality is the pie is one size, and any change in allocation methodology means that there will be winners and there will be losers. So fairness is in the eye of the beholder.” (record label 4)

In the debate over the sharing of streaming revenue, two main points of contention have emerged. First, there is significant criticism directed at record labels, particularly regarding how they maintain an outdated revenue model from the era of physical sales. Second, performers are increasingly advocating for a model where they are remunerated directly by MSS, bypassing record labels. These two topics will be explored in the following section.

Stakeholder dynamics in revenue allocation

In the ongoing debate over fair remuneration in the music industry, the core tension between record labels and artists revolves around how the streaming revenue is divided. For record labels, the primary focus is on growing the overall revenue pie. They argue that increasing the total revenue, particularly through higher MSS subscription prices and combating streaming manipulation, will ultimately benefit all stakeholders, including artists. However, artists and their advocates often emphasise that the existing revenue should be shared more equitably, rather than focusing solely on increasing the pie.

It is important to differentiate between major record labels and smaller, independent labels when discussing revenue distribution. Major labels often have more significant market power, and criticism tends to focus on how they maintain the same structures inherited from the physical music era. Independent labels, on the other hand, operate under different financial constraints and may have less power to negotiate terms with MSS.

Record labels argue that, from their perspective, artists are being paid better than ever before. They highlight improvements in various aspects of contracts, including higher royalty rates, shorter contract durations, advances, and lower commitments. As one representative explained, “Songwriters have more than doubled their share of the total revenue. The artists are being paid more than they ever have. Labels’ share actually has diminished a little bit if you look at streaming... we believe this is best left to commercial negotiations, and what we see in pure numbers is that because of streaming, everyone has benefited.” (record label 3)

However, many artists and stakeholders dispute whether this increased remuneration is truly fair, particularly when compared to traditional media like radio. While streaming income may be higher than physical sales, artists 3 points out that “these comparisons are related to physical sales, and if the comparison is with radio, it is perceived as less.” Others, however, argue that the distribution remains skewed, particularly for songwriters and performers. As one stakeholder noted, “15% is an improvement on what the past has been, but it’s nowhere near recognising the role that songwriters play in the success of the music industry.” (MBE 3) Furthermore, the disparity in earnings between executives of major record labels and artists is criticised. (CMO 2)

The current model, many argue, is an outdated system inherited from the physical distribution era, with record labels getting the bulk of the revenue despite no longer incurring the same costs as they did with pressing, shipping, and distributing physical copies like CDs. As CMO 1 states, record labels maintain the same structure as they had with physical sales.



But in the digital context, this would be unjustified since they do not have the same costs such as pressing CDs, shipping them, and distributing them.

Moreover, deductions for promotional and territorial costs remain common, significantly reducing the amount artists receive. As one stakeholder put it, “So deductions can be a promotional cost, it can be whatever. There are a lot of different costs that you first going to cover, then you get royalty and you may not even get to a balance because there are always recoupable deductions. Now reductions and there can be territorial.” (artists 6) These territorial deductions are particularly contentious, as they were originally justified by physical distribution costs, but now seem outdated in a digital era where content can be shared globally without significant additional expenses.

In addition to these criticisms, artists are increasingly advocating for direct remuneration from MSS, bypassing record labels. Many artists argue that they should be paid directly based on their streaming performance rather than having their payments filtered through labels. One key criticism is that record labels negotiate catalogue deals with MSS, and once they recover their investment, additional payments are shared with artists – an arrangement many feel is unfair.

On the other hand, record labels highlight their role as crucial investors in artists’ careers, emphasising that they take on the financial risk of developing new talent. Labels argue that they often provide advances, cover production and marketing costs, and invest heavily in artists, many of whom do not achieve commercial success. “We talk to artists, we give them an advance. Often, more often than not, we produce their music, we distribute the music, we market the music, and then we hope for a return on investment. And then when the money comes in, we use it for them, for new artists and for the cost. That is a different system.” (record label 5)

Furthermore, labels emphasise that the way remuneration works in the creative industry is unique, as income is dependent on the success of the music rather than being immediately transactional. “You have to realise that in the creative industry, only session musicians and people employed by the companies are remunerated for their work. The way it works is that remuneration only takes place once, or the return on investment only takes place once the music generates money. So it's a different system. What a lot of people think of any income stream is that it is transactional. You do something, and I give you money. In the music industry, it doesn't work like that.” (record label 5)

Despite their defence of the existing model, record labels acknowledge the need to experiment with new remuneration systems. One of the main strategies that labels advocate for is increasing the overall royalty pool by raising MSS subscription prices. They also emphasise the importance of combating streaming manipulation and differentiating between content created by artists and more passive content like white noise, which can skew streaming numbers. While labels see themselves as key investors in artists’ careers; they argue that the highly competitive market means only a few artists will achieve significant revenue, and this disparity does not inherently reflect unfairness.

Piracy remains a significant issue in the remuneration debate, adding another layer of complexity. Beyond traditional piracy, such as the illegal downloading of copyrighted content, concerns are growing over stream manipulation. The latter involves mechanisms like click farms, which artificially inflate the number of streams to secure higher remuneration. Some stakeholders also highlighted services that guarantee followers and listeners as fraud.



Regarding traditional piracy, many stakeholders agree that the rise of MSS has contributed to reducing illegal downloading. However, some argue that copyright infringement still requires stronger enforcement measures. Record label 3 noted that while MSS have helped curb piracy, the fight against infringement is far from over. This perspective is reinforced by survey findings reflecting a general agreement on the effectiveness of MSS in reducing piracy, with a combined 53,7% of respondents rating their impact as either 'very' or 'extremely' effective. This majority underscores the recognition of MSS as a valuable tool in curbing illegal downloading. However, contrasting perspectives emerge from the 33,1% of respondents who selected 'slightly' or 'not at all', which suggest there are lingering concerns that the issue is far from resolved. These mixed responses indicate that while MSS have contributed to reducing traditional piracy, challenges such as stream manipulation and copyright enforcement are still significant obstacles for the industry.

Other stakeholders challenge this view, criticising the industry for still leaning on this argument: "Despite being more than 15 years that this market has emerged, they still argue that they are an alternative to piracy and then act like just being an alternative to piracy rather than acting as being the main source of exploitation, the main source of usage in the market." (CMO 1) This highlights a broader industry tension around moving beyond the piracy narrative and focusing on the evolving role of MSS in music consumption.

Some stakeholders even argue that piracy is no longer the central issue. As one stated, "To be honest, I think piracy was the least of our problems. If we look into what it has become, because we have now a very much more fundamental exploitative model. Instead of, you know, being pirated, now we're colonised and we're exploited. And I think that's worse." (IR 1)

The issue of stream manipulation or streaming fraud has gained increasing attention in recent years. A study by the Centre National de la Musique in France found that "with a very conservative estimation, 1 to 3% of the streams are fraudulent" ([CNM & Deloitte, 2021](#)). This kind of manipulation, which directly affects revenue distribution, is now a key concern for MSS and record labels. Discussions about piracy often dominate MSS and record labels discourse, when broader challenges are being addressed in the music industry. By combating these fraudulent practices, stakeholders hope to ensure fairer remuneration and a more transparent streaming environment.

Equitable remuneration debate

Artists' representatives argue that the current streaming revenue model is particularly unfair to performers, who often receive a disproportionately small share of the overall revenue. Despite claims of modern contracts offering higher royalties, one of the main criticisms is that performers still continue to be under-compensated. "There is an average royalty payment of less than 8%. We hear record labels coming up with 'yes, but those are all contracts. We have modern contracts and they provide 25 even up to 50% royalty.' No, that's not true. That's because these modern contracts contain more than the actual performance rights, following an old contract, and this is the discussion with the back catalogue and the older records that were actually produced as a CD and that are now turned into an MP3 on a streaming platform." (artists 3) This suggests that while modern contracts might show higher royalty percentages, the reality is that artists are still not seeing significant returns on their performance rights.



Another point of contention, as raised by artists' representatives, is the shifting role of record labels. Traditionally, labels were responsible for financing the production of records and this gave them the legal right to claim producer royalties. However, with the rise of digital platforms, artists are increasingly shouldering the costs of recording and mastering. As one representative explains, "Legally speaking, who is entitled to claim the rights as a producer of the phonogram? It's the person or company that is responsible for the financing of it. But right now you see that record labels are more and more working with distribution deals, marketing deals... So what you see is that the actual musician is financing the whole recording process." (artists 3) Despite this shift, artists are still transferring both their performer and producer rights to labels, without a corresponding increase in compensation. As a result, artists argue that their economic value in the streaming era remains undervalued, even when higher royalty percentages are touted.

In response to these ongoing issues, artists are advocating for the recognition of two key rights in the streaming environment: the making available right and equitable remuneration. The making available right was originally introduced by the World Intellectual Property Organization (WIPO) in the context of digital downloads, where purchasing a song was akin to buying a physical copy. However, artists argue that this right does not reflect how consumers interact with streaming platforms today. (CMO 2) Artists argue that the passive nature of streaming, where content is often curated by algorithms, resembles radio consumption more than the active purchasing model that the making available right was designed for. This has led to calls for a re-evaluation of the making available right, in order to better align with how music is consumed in the digital age, particularly on MSS where automated recommendations and playlists dominate user experience.

Artists are also advocating for equitable remuneration, which would ensure they receive direct payments from MSS; this is similar to how they are compensated when their music is played on traditional radio. Traditionally, artists receive equitable remuneration when their music is broadcast on radio, a significant source of income. However, as radio stations increasingly adopt more interactive and on-demand features to compete with streaming platforms, their operations are beginning to resemble those of MSS. Once radio services shift to these more interactive models, the income that artists receive from equitable remuneration will diminish, as their music would fall under the making available right, which only provides payments to record labels. Artists argue that equitable remuneration should be extended to streaming platforms, so as to prevent this loss of income and ensure fair compensation in the evolving media landscape. (CMO)

However, in publicly available documents, IMPALA, representing independent music companies, has expressed its opposition to the extension of equitable remuneration to streaming platforms, viewing it as a potentially harmful measure for the independent sector. IMPALA argues that the term equitable remuneration does not mean "fair payment", despite what the name suggests. It says equitable remuneration would disrupt the current system of revenue sharing, because it would divert funds directly to artists and potentially reduce the financial resources available to labels, especially smaller, independent ones, to invest in emerging artists. IMPALA contends that equitable remuneration may create inefficiencies in the revenue flow and diminish labels' ability to support and nurture new talent, which is vital for the diversity and sustainability of the music sector. Rather than altering the established revenue model, IMPALA advocates for ensuring that the existing system is fair,



with greater transparency and balanced terms in artist-label contracts, so as to address income distribution concerns within the current streaming framework ([IMPALA, 2024](#); [Legrand, 2022](#)).

Currently, MSS compensate artists through the making available right, which is tied to licensing deals with record labels. This means that the payments made by MSS to artists are filtered through the record labels rather than going directly to the artists. Artists' representatives argue that this model is insufficient and are advocating for a system where artists receive at least half of the revenue generated by non-interactive streaming services. As artists 3 emphasised, artists "are entitled to get at least half of the money that is being made for non-interactive streaming." (artists 3)

The comparison with traditional radio highlights the disparity in revenue. In the past, artists were compensated for radio plays through equitable remuneration. However, in the MSS market, the situation differs because consumers are now paying for access to streaming platforms, unlike radio, where listeners did not directly pay. This shift toward a subscription model in streaming services is perceived as meaning that there is more money flowing through MSS than radio, yet artists are not seeing a proportional increase in their compensation. This transition from radio to MSS as the dominant mode of music consumption has become a significant concern for artists, as this form of payment was a vital part of their income but one that they are no longer receiving adequately.

A key issue is that performers do not have the same rights as authors. As highlighted by artists 3, "Article 3 of the 2001 Infosec Directive gives an exclusive right to authors, and they are capable of mandating their CMO with exclusive rights. Performers do not have an overall exclusive right to communication to the public, so they're not able to mandate their performer society with it." (artists 3) This limits performers' ability to directly negotiate or claim equitable remuneration from MSS, as they are only granted remuneration rights and do not have full control over their work's communication to the public.

The making available right has become the primary mechanism for MSS compensation, which was designed for digital downloads but does not appropriately reflect the passive, radio-like interaction that occurs with non-interactive streaming on MSS. Performers' societies have been left unable to claim equitable remuneration for non-interactive streaming, as MSS argue they are simply fulfilling the making available right through their licensing agreements with labels.

Artists' representatives point to the success of equitable remuneration in countries like Spain, where the system has been implemented effectively since 2006. In Spain, MSS pay CMOs directly, who then distribute the money to performers. "This right was implemented in Spain in 2006 and has been working well since 2013. It is perceived as an important mechanism; first because it assures a payment from MSS to CMO and distributed to artists and second because CMOs have access to an extensive database that can be checked with the information provided by labels, which is also interesting for MSS." (artists 6) This system also increases transparency, as CMOs maintain detailed databases on artists and their performances, offering an additional layer of accountability that labels do not always provide.



Despite this advocacy, MSS have expressed concerns about the financial implications of paying artists directly. They argue that it would result in double payments, since they already pay record labels for artist rights. “If we have to pay artists directly, we are also paying the labels. We have a contract with the artists. We would be paying twice or at least we need to compensate what we pay separately to the labels and then the labels may compensate vis-à-vis the artist. So you can’t create that change without looking at the impact and keeping the total sum to a zero-sum game, basically.” (MSS) The MSS do not oppose the idea of equitable remuneration in principle, but emphasise that the MSS are not profitable and that such changes would require a careful re-evaluation of their financial agreements with labels to avoid duplicating payments.

The debate over fair compensation for artists in the streaming era has become increasingly relevant, drawing the attention of various stakeholders in the music industry. However, as one IR pointed out, this focus on whether equitable remuneration should be applied to streaming has, to some extent, overshadowed the broader challenges within the industry. The attention placed on this specific request has reduced the conversation to one aspect of the financial struggle that artists face, and while it is important, it is unlikely to result in significant changes for most musicians. (IR 3) There is a need to be mindful of the fact that equitable remuneration alone will not transform the financial realities for several artists. Moreover, MSS do not have direct contractual relationships with artists, meaning that control over how streaming revenue is divided lies primarily in the hands of the record labels. (MBE 1)

3.3.3 Remuneration models

In the debate over fair compensation for artists in the streaming era, two main remuneration models have emerged: the pro-rata model and the user-centric model. The pro-rata model collects the total revenue generated by users each month. Once a certain percentage has been retained by the platform, the rest of the revenue is redistributed to the copyright holders. The redistribution model is as follows: if a streamed song comprises 10% of the total percentage of streams on the platform, it will receive 10% of the revenue allocated ([Muikku, 2017](#)).

This model has been criticised for favouring already successful artists, as a small group of intensive music consumers can disproportionately influence where the majority of revenue goes. Studies conducted by the Centre National de la Musique in France have shown that around 30% of users – those who are heavy consumers – determine where almost 70% of the revenue is allocated ([CNM & Deloitte, 2021](#)). This creates an imbalance as smaller or independent artists struggle to receive fair compensation under this system.

In contrast, in the user-centric model, instead of pooling all subscription fees into a shared pot for redistribution based on overall streaming numbers, this model allocates each user’s payment directly to the artists they listen to. So if a user listens to specific artists or tracks, their subscription money goes exclusively to those artists rather than being divided among all artists on the platform. This approach is intended to ensure that artists are paid based on their actual audience, rather than their share of total streams across the platform. The user-centric model is seen as a potential solution to the inequities of the pro-rata model, but many stakeholders are cautious about its impact.



The user-centric remuneration model has garnered general support from stakeholders, although there is recognition that this change alone will not fully resolve the challenges surrounding artist compensation. While the user-centric model is seen as a preferable alternative to the current pro-rata system, many stakeholders are not confident that it will significantly impact the remuneration of artists. One key concern is the opacity surrounding the financial deals between record labels and MSS, as these deals are often protected by non-disclosure agreements (NDAs). These NDAs make it difficult for external parties, including artists, to verify whether they are receiving their rightful share of the revenue. As artists 6 noted, even if a user-centric model were implemented, “it won’t be possible to control if the artists receive the right payment” because the terms of the deals between MSS and labels remain hidden from public scrutiny.

Atlantis Press further emphasised the limitations of the user-centric model, especially for artists who do not have royalty contracts: “It is absolutely necessary that every platform goes for the user-centric model. But as I say, the user-centric model is going to create revenues for artists who get nothing because they will be paid every time their music is being listened to. But if you take all the artists without royalty contracts, it will make no difference. So it’s absolutely key that when you talk about user-centric, you say it’s good for artists with royalty contracts. It changes nothing for all the other artists. If you have been paid a lump sum at the time of the recording, the user-centric model is not going to create revenues that do not exist.” (artists 4) This underscores that while user-centric models may benefit certain artists, they are unlikely to change the financial landscape for those without ongoing royalty agreements.

In spite of its limitations, the user-centric model has the potential to impact some stakeholders positively. As MBE 4 explained, “For this vast amount of artists on the lower end, nothing will make a difference no matter how you distribute – it won’t make a difference whether it’s 2 fractions of a cent or 12 fractions of a cent, it doesn’t matter. But it does matter to certain mid- and high-tier artists and creators. It would certainly be more fair if you could monetise your audience more directly in the sense that it would more correlate to what they listen to and what they don’t listen to.” (MBE 4)

Record labels have expressed openness to experimenting with different remuneration models, particularly those models that distinguish between artists and other types of content, such as white noise. One example is the Deezer model, developed in partnership with Universal Music Group. This model introduces four key changes aimed at creating a more artist-centric streaming system. First, it provides a double boost for ‘professional artists’, defined as those who achieve at least 1,000 streams per month from a minimum of 500 unique listeners. Second, it applies a double boost to songs that fans actively engage with, encouraging deeper audience interaction. Third, it seeks to reduce the prominence of non-artist noise content by demonetising it and replacing it with content produced by Deezer itself. Finally, the model strengthens fraud prevention by updating its fraud detection system, removing incentives for bad actors, and protecting streaming royalties for legitimate artists.

While some stakeholders are supportive of the initiative, they acknowledge the challenges that come with any new remuneration model. A representative from a record label expressed strong support for the Deezer model, describing it as a promising experiment: “We’re very supportive of the Deezer model that we’re experimenting with brand new. So it is an



experiment. Ultimately, we'll be led by what our artists feel is the right outcome. And unless we're growing the royalty pool from a commercial perspective, it doesn't make a difference to our music group, right? So the royalty pool coming in to us is dependent on our licensing terms with the MSS. It's a question of how we allocate that for our artists and songwriters. But it is a zero-sum game, right? So if I'm giving more to one artist, that means it has to come from another artist. Is that fair? It depends on your perspective of fairness." (record label 2)

Representatives from MSS have also shown a willingness to explore new models, but they emphasise the need to maintain balance within the overall system. They caution that shifting more money toward one group of artists may result in less compensation for others. As one MSS explained, "If you pay more on one hand, you can't pay the same on the other hand, you need to keep a balance. So you have to look at the system as a whole." (MSS) This highlights the challenge of ensuring that any changes to remuneration models do not create unintended inequities across the music industry.

In late 2023, Spotify announced modifications to its remuneration model, introducing minimum thresholds for streams before artists can receive payments ([Stassen, 2024](#)). Under this new system, songs must meet a certain number of streams, before any royalties are distributed to the artist. Spotify stated that this change is designed to reduce "noise" content and ensure higher-quality music reaches listeners, but the policy has met with significant criticism. Critics argue that these minimum thresholds are arbitrary and disproportionately affect independent artists and niche genres, who may not achieve the required number of streams but still contribute valuable and creative work to the platform. As CMO 2 pointed out, the right of MSS to impose such thresholds is questionable, and it's important to consider who is being paid: "The thresholds are set in an arbitrary manner and impact artists' revenue, negatively impacting independent releases and niche music." This change by Spotify has sparked concerns about whether MSS should have the power to determine which artists get paid and how this could further marginalise less mainstream voices in the music industry.

Another concern regarding remuneration on MSS involves the disparity in payments based on track length. Currently, artists are compensated equally for each stream, regardless of whether the track is three minutes or 15 minutes long. This has been criticised as unfair, particularly for genres like classical, jazz, or progressive music, which often produce longer tracks that require more effort, artists, and resources to create. This concern aligns with the survey results, where song duration was ranked as the second-most important criterion for remuneration: this highlights a shared dissatisfaction with the current model's disregard for track length in determining artist payments.

As Artists 4 noted, "If you compare the content and the number of performers involved and the work behind the track, of course, it is not fair that a track of three minutes triggers the same payment as a track of 15 minutes. I think there has to be something to correct this disparity, and from that point of view, the business model of streaming platforms is, in a way, at a disadvantage for some genres of music that rely on longer tracks." (artists 4) This disparity means that artists who produce longer, more intricate works are often under-compensated by comparison with those who create shorter content.



The track length has been flagged as a result of MSS' influence in shaping artists' creative choices ([Hesmondalgh, 2022](#); [Morris, 2020](#)). However, this project's interviews revealed that this concern is not widely shared. The impact of MSS on artistic creation is generally seen as part of a larger historical trend, where different platforms have influenced creative output over time. One specific concern is that remuneration models, where payments are triggered after 30 seconds of playtime, may incentivise artists to shorten their content, which would be particularly detrimental to genres like jazz and classical music. CMO 1 observed that "In the past, in the television and radio, there was even a kind of this serious music which was called as the classical music and classical jazz, that were kind of something that society needs to listen, which were the best, remunerated better, both with the broadcasting organisations and societies as well, so now it's the opposite." This shift reflects a broader cultural change, in which MSS-driven metrics may devalue music that traditionally held a privileged position in media.

However, the trend toward shorter songs cannot be attributed exclusively to MSS. Competition for audience attention from other platforms, such as social media, has also contributed to this shift. The general shortening of attention spans has led to changes in how music is consumed and created, with artists adapting their content to capture listeners quickly. There have also been changes in market practices, such as focusing on releasing singles rather than full albums, which was also confirmed by artists' perceptions ([Dinnissen & Bauer, 2023](#)). This allows artists to gauge audience reception more effectively and drive attention to their broader catalogues (record label 2, record label 3, MSS). Despite these changes, industry players, including MSS and record labels, assert that artists retain creative freedom and they deny applying pressure to shorten content. They emphasise that the shift in focus from albums to singles reflects broader trends in how music is consumed, rather than a top-down influence on artistic choices.

Beyond the ongoing debates on remuneration models, stakeholders have raised concerns that the new models do not address the structural issue of revenue sharing between artists and record labels, nor do they focus on growing the overall revenue pie. Eliminating stream manipulation is seen as a positive step, but it is widely acknowledged that this alone will not solve the deeper issues related to fair compensation for artists (CMO 1).

As an alternative to the equitable remuneration model traditionally advocated by artists, some stakeholders have proposed the idea of streaming remuneration. This model would operate at the national level, where MSS would provide additional compensation directly to artists, particularly non-featured artists who are often left out of curated playlists (MBE 2).

Stakeholders also emphasise the need for flexibility in remuneration models. Instead of adopting a one-size-fits-all approach, some propose exploring multiple models and allowing different players to experiment with their own systems. MBE 1 highlighted that it would be unrealistic to expect all MSS and industry players to adopt the same model across the board. This openness to experimentation has led to new suggestions, such as an ethical pool, where artists could opt into the remuneration model they prefer. If an artist chooses an artist-centric model, for instance, their revenue would be shared with other artists. This model could ease the transition and create accountability, since having different models for the same song would be challenging.



Additionally, the concept of an ethical pool could extend to users. MBE 2 suggested that fans could have the option to direct their subscription fees toward the artists they actually listen to. “You could even have fans opt into this. Users could say, ‘I don’t want my money going to people I’ve never listened to. I want my money going to the people I listen to, so I want to opt into that too.’” This model would give both artists and fans more control over where their money goes, potentially leading to a more transparent and personalised remuneration system.

This flexibility in remuneration models encourages further exploration of solutions that better align with the needs of artists, MSS, and users – without imposing a rigid system on the entire industry. Experimenting with various approaches, such as streaming remuneration and artist-centric ethical pools, could pave the way for a more balanced and fair distribution of revenue across all tiers of artists.

3.3.4 Negotiating power

In the debate over remuneration in the music industry, power dynamics play a pivotal role, particularly in how contracts are negotiated and how revenue is distributed between artists, record labels, and MSS. While record labels assert that artists are receiving more compensation than ever and they emphasise the variety of modern models – such as self-releasing, distribution deals, and independent labels – that allow artists to avoid being tied to traditional label contracts, the reality remains that the major labels still hold substantial power in promoting artists. As competition in the market grows due to an overabundance of content, the influence of record labels is vital in ensuring visibility for artists, a visibility that strengthens their position in negotiations ([D3.1](#)).

On the other hand, the criticism that record labels no longer bear the same costs as they did in the physical era should be analysed carefully. While it’s true that costs such as manufacturing, shipping, and distributing physical products have diminished, there are still substantial costs associated with operating in the digital space. Major labels invest heavily in data analytics and the development of artist portals, which allow them to monitor and interpret vast amounts of data related to audience engagement and streaming. The ability to access and process large volumes of data is costly but it enhances the power and influence of record labels, making them indispensable in the modern music sector.

At the core of the power imbalance is the process of contract negotiation, where artists are often perceived to be in a weaker position. As artists 2 notes, record labels and MSS hold the majority of power in determining how revenue flows through the system. MSS frequently claim that they cannot interfere in how record labels and CMOs share money with artists. However, this explanation is met with scepticism, especially as MSS often claim they are not profitable: this claim is questioned by stakeholders, who point to the massive investments MSS make in marketing and branding, e.g. the deals with Joe Rogan and the Barcelona Football Club. In the first case, Spotify bought the rights of the ex-UFC commentator Joe Rogan’s podcast in 2020 to make it exclusive on their platform. This deal took the podcast to number one on the platform, which led them to sign a new contract worth \$250 million in 2024 ([Spotify, 2024](#); [Steele, 2024](#)). In the second case, Spotify agreed to sponsor the football club with a €280 million deal, which included renaming the stadium and securing jersey sponsorship rights ([Dixon, 2022](#); [Spotify, 2022](#)).



The above-mentioned imbalance is further compounded by the structure of recording contracts, where several musicians are not positioned to benefit from the money generated by streaming platforms. Atlantis Press highlighted that “the majority of musicians, their contracts provide a lump sum payment at the time of recording, and then nothing else. That means whatever money is collected by the platform is not going to go in the pocket of these musicians.” This structure leaves artists out of crucial negotiations, with MSS and record labels making decisions that ultimately impact the entire revenue system without the direct involvement of performers or songwriters. As MBE 3 noted, “The most important negotiations that will impact the remuneration are between record labels and MSS, where other stakeholders are not involved.”

An example of this power disparity is the recent negotiations between Deezer and Universal Music Group to implement a new remuneration focusing on boosting artists with 1,000 streams per month and active engagement of fans. This is aimed at devaluing non-artist and noise audio and tackling fraud. Although promoted as an artist-centric model, stakeholders like artists 3 have argued that it is actually a label-centric model that excludes performers and songwriters from meaningful participation. “These two enormously big companies make a deal that will then apply to everyone, on all the consumers that have a Deezer account, on all the artists who have their records up on Deezer... This is absolutely outrageous that they even think they can do that. If this had been a public institution, you would have taken it to the Constitutional court.” This comment highlights how major decisions are made by powerful players, with little input from those directly affected.

However, record labels argue that competition in the market has shifted power towards artists. They claim that artists now have the freedom to choose between different models. While this may be true for some, the reality is that major-label artists generally earn significantly more than those who choose independent paths. A study supports this, showing that artists signed to major labels have higher incomes ([Hesmondhalgh et al., 2021](#)), in part thanks to the legal and promotional resources that labels can provide. As a record label explained, “We have teams of lawyers who are negotiating very complicated licensing deals with the MSS... You’re not going to be able to negotiate your terms with Spotify. You click the box and accept the terms.” (record label 2)

However, this negotiation advantage highlights the entrenched power of major companies in setting the terms for the entire industry. As MBE 4 pointed out, it is unlikely that large catalogue holders or major publishers would propose a fair distribution system on their own, as it would undermine their economic advantage. “The big businesses will always try to negotiate a system where they make the most money,” MBE 4 remarked. This emphasises the need for external forces, such as policymakers, to intervene and to ensure fairness.

MSS are also criticised for extracting value from the industry without sufficient reinvestment. While IR 1 supported the notion of streaming investment, he argued that MSS should invest more in the music industry to ensure that the value they generate is shared more equitably. Given artists’ weaker negotiation power, another IR suggested that empowering consumers through models like user-centric payment could be seen as a fairer alternative, since the current model leaves artists at a disadvantage (IR 2).



Moreover, there is a significant difference in the transparency and relationship dynamics between record labels and MSS. Record labels have the ability to audit MSS, while authors can audit labels; however, authors often cannot obtain accurate data directly from MSS. The long-term relationship between authors and labels influences negotiations and transparency efforts, as both parties are interdependent. In contrast, MSS operate under a different logic, with no direct relationship with artists, and they are often seen as more secretive. MSS rely heavily on NDAs and protective orders to shield their internal operations, which further complicates efforts to ensure transparency in the remuneration process (MBE 2).

The power dynamics at play in remuneration reveal a deep-seated inequality, one that many stakeholders believe will not be resolved through market forces alone. Stakeholders like MBE 1, MBE 2 and artists 4 argue that policy interventions are necessary to create a fairer system, as record labels and MSS are unlikely to voluntarily change the status quo. With record labels positioned as the primary negotiators in discussions with MSS, they have significant responsibility for how revenue is distributed. Addressing these imbalances requires robust policy measures, to ensure equitable outcomes for all actors involved.

3.4 Transparency

Transparency in the music industry is a widely discussed topic ([Dinnissen & Bauer, 2023](#); [Rethink Music, 2015](#)) and it was the main concept associated with fairness in the survey results. Transparency encompasses various stakeholders across the industry, with the main criticism being directed at MSS and record labels. This section will present the main concerns raised by the stakeholders, such as artists representatives, CMO, MSS, record labels, MBE and IR.

3.4.1 Transparency on MSS

The data provided by MSS, when reporting the use of their content, is trusted by most industry stakeholders. The record labels negotiate access to information in their commercial deals and they have not highlighted significant differences among the MSS players. The major challenges identified are related to MSS from Asian countries, such as Indian or Chinese players.

The level of reporting from MSS to different record labels is also perceived as being the same, where small record labels are aggregated in specific distributors and can have access to the same level of data as the major labels (record label 3). There is room for improvement, but there is a general perception that everyone is doing their best in terms of reporting. This is different regarding UGC, whose transparency in reporting is perceived as insufficient.

MSS highlighted the challenges in matching the data with the CMOs. MSS have called for increasing transparency of the identification and distribution by collecting societies. “We report to collecting societies, we report usage. Then they need to come back to us to match those reports with rightsholders. We see actually a very, very high amount of non-matches. So music which is not recognised or that the collecting societies are not able to identify. That means that we have payments that are not attributed to particular artists. We just don’t know where they’re going. Maybe those payments are just put back to the artists that aren’t identifiable. I mean those who are not identified are not paid or the money distributed. We



don't know exactly on the basis of what keys of attribution. So we think that transparency in the distribution of collecting societies, in particular, and the labels.” (MSS)

MSS also provide data for artists through their artist portal, where artists can access where their content has been streamed. This information is used to assist artists in planning their tunes and target audiences (MSS). Nevertheless, the MSS seem to lack transparency in how revenue is collected and shared among stakeholders “because we believe a lot of the money collected doesn't come directly from subscriptions, it may come from other sources, and then it may not necessarily be shared with the creators.” (artists 4) Some artists face challenges in analysing the data. Some artists have difficulties understanding the reasons for a low payment and they mistrust the data from the MSS. “I can say that the majority of artists, they don't rely on and have no real confidence in these figures.” (artists 4) However, artists lack the negotiating power and sufficient resources to ask for an audit (artists 4).

The primary concern revolves around the recommendation system and its potential to promote certain artists at the expense of others. Some interviewees alleged that specific agreements may unfairly benefit certain artists in terms of promotion and visibility. However, these allegations have not been proven. This structural bias for popular content may inadvertently disadvantage independent or emerging artists, as algorithmic systems often prioritise high-engagement music, reinforcing existing industry hierarchies and visibility disparities ([Hesmondhalgh et al., 2023](#); [Prey, 2020](#)). There are increasing calls for greater transparency in the algorithms and recommendation systems, which will be further examined in the next section. Without the ability to audit these systems, it is feared that ensuring fairness will continue to be unattainable. According to artists 2, “If you don't get transparency on how [these systems] work, it's very hard to say if they are fair.” This call for transparency will also be further explored in the next section.

In these debates, it is crucial to acknowledge that niche artists and artists from various geographical regions have raised key concerns about the ways in which MSS, through their recommendation systems, may negatively affect the visibility of artists (artists 7). Studies have shown that popularity bias in music recommendation system algorithms leads to systematic disparities in artist exposure, thus favouring more popular or mainstream artists over emerging or independent voices ([Abdollahpouri et al., 2020](#)). Additionally, geographic imbalances in recommendation datasets can result in a disparate impact, typically favouring artists from more commercially dominant regions ([Gómez et al., 2021](#)). These biases may further disadvantage artists working in niche genres or from underrepresented locations, as algorithms often promote content that aligns with existing user engagement patterns. This reinforces a cycle where popular content receives even more visibility.

Spotify's programme to increase the promotion of artists, in exchange for a reduction of the payment rate, is seen by interviewees as a payola scheme. This is because “they (MSS) asked the artist to get paid less in exchange for more visibility. But in terms and conditions, they say it does not guarantee more visibility, but it just charges you more for each play when you are under this programme, and that is something that, when you offer it to everyone, the only thing that you get is less payment because you cannot make everyone more visible.” (CMO 1) This practice is perceived as “making money at the expense of others” (artists 4), as algorithms follow a business interest that benefits Spotify and this is not being driven by consumers' interests (record label 3). ‘SoundOn’, TikTok's digital music



and promotion service, is also perceived as using the opacity of the algorithm to benefit the economic interests of the platform (record label 4).

MSS in the music industry are frequently linked to the broader opacity of platforms across various sectors. As IR 3 explains, “Those platforms mainly emerged from a kind of Silicon Valley culture based on very strong principles that markets are the best way to organise production and consumption, and even life. And so those are kind of assumptions on the part of the government that these should be minimally regulated.” These values allow MSS to operate in a form that is opaque for society, including policymakers and IR (IR 3).

3.4.2 Transparency on record labels

The issue of opacity extends to the operations of record labels in various aspects of the music industry.

Firstly, there is a lack of transparency in the agreements between record labels and MSS: these agreements are often protected by non-disclosure agreements. Moreover, these agreements may contain provisions that promote and favour artists signed to the labels through MSS recommendation systems (artists 2). Additionally, concerns have been raised by interviewees regarding these deals being based on catalogue licences —agreements granting MSS access to a collection of tracks owned by the label – which may incentivise MSS to prioritise promoting content already paid for under such deals (artists 3).

The presence of non-disclosure agreements makes it difficult to audit these processes, as the exact revenue paid by MSS to record labels remains undisclosed. Artists are not granted the right to directly audit MSS, as their remuneration is handled through the record labels (MBE 2). Even when artists attempt to audit the labels, it is often argued that the royalty statements provided by MSS do not break down earnings by individual authors, thus preventing further transparency. The inability of a technology-driven company like MSS to provide separate statements is viewed with scepticism (MBE 2).

Therefore, one of the key issues surrounding transparency relates to the challenges in auditing these processes. However, major record labels assert that they do provide their artists with readable data, including detailed reports that can be audited. As one label representative explained, “We get billions of lines of data every day from the MSS that we have to drill down and prepare statements for our artists. We can tell them exactly how many streams are on which platforms and in which country. We get all this data about who is listening to their music.” (record label 2)

Secondly, artists’ representatives have highlighted the significant lack of transparency in the deals that record labels negotiate with other industry players, such as AI companies, UGC platforms, and gaming platforms. These deals are typically made on the basis of catalogue licences, leaving artists with no access to information on how their content is being used or how they will be remunerated for that use. As one representative noted, “As an individual performer, I am not entitled to know the exact amount, how many years, the conditions, what they actually are giving permission for, what these users are actually allowed to do and for which parts of what they do. They actually need to give a remuneration.” (artists 3)



This lack of transparency often puts artists at a disadvantage, as they are not aware how their rights are being monetised. As another representative from the artists' organisation said, "I gave you my rights. You're making money with my records and I'm not allowed to know how you're making money with my records. You have to be a very big artist before you're actually allowed to get insight on these deals. But the reality is they're selling other people's rights. And because they're labels, they're able to do that. If, for instance, this would be a CMO, the members would be entitled to full transparency on what the actual licence gives, and they would have full transparency on how the money is then being distributed among all the members of the collective member management organisation." (artists 3)

The negotiation process between artists and record labels is often based on general conditions, in which artists sign over their rights to the labels without gaining access to the specifics of how these rights will be licensed or remunerated. While record labels assert that these deals are willingly accepted by artists, it is crucial to consider the imbalance of power in these negotiations. Artists, particularly smaller or less established ones, often lack the leverage to negotiate better terms. This power imbalance makes it difficult for them to demand transparency or accountability on the ways in which their rights are managed. As one artist pointed out, "We don't receive that information, only labels receive it. So it's a question of faith rather than evidence. That's why we need another mechanism that goes beyond the contractual system to get this information." (artists 6)

Additionally, the statements that record companies provide to artists are perceived as confusing and difficult to interpret. One stakeholder mentioned: "The statements that record companies sent out to artists were confusing and unclear... I suspect that a lot of it harks back to the original recording agreements, which stated things like if the recording was on a compilation album, then it's a half-rate recording or a half-rate royalty, and if it was TV advertised it was a half-rate royalty. And so they had all these different classifications for the recordings, which enabled them to pay less from the royalties than they actually were. But to try and decipher it all, looking at the statement that you receive is almost impossible because it's so convoluted, and because you need a code book, and only they have the code book." (CMO 2)

Some stakeholders also argue that record labels are deliberately withholding data from MSS. They point out that by sharing more data with artists, the labels could reduce their own influence, as artists with greater access to data might choose to manage their own careers more independently. This reluctance to share information further compounds the lack of transparency and reinforces the existing power dynamics within the industry (MBE 1).

However, record labels view the current system as "exceptionally transparent" and argue that "the level of granularity of reporting from the labels to their artists is greater than ever before" (record label 3). They emphasise their role in processing the data received from MSS in a way that is more accessible and readable for artists. The three major labels also underscore the importance of distinguishing between different record labels, asserting that they provide detailed and comprehensive data to their artists. Each of these major labels has developed artist portals that offer extensive insights into song performance, including metrics such as the number of listeners across various platforms, geographical location, and revenue streams.



It is notable that major record labels say their artists do not complain about a lack of data, but rather the opposite – in other words, artists report being overwhelmed with too much information, making it difficult for them to interpret. This underscores the crucial role of major record labels in managing and simplifying this data. In response, the majors are investing heavily in developing artist portals, real-time monitoring applications, and training programmes to improve data literacy. This effort aims to ensure that artists can better understand and utilise the wealth of information now available to them.

Labels further highlight that they are providing far more detailed reports than ever before, and they claim that expecting full transparency in confidential agreements is unrealistic. As one representative explained, “I would say that the details that are omitted, it’s really just one detail, right? We explain how the calculation is done, how the pool exists, and that there’s a greater formula with a wholesale price and a revenue share. We just don’t provide the actual rate. That’s the only piece that’s omitted.” Labels argue that “based on the level of detail that we give and with some additional follow-up questions, an artist can very quickly figure out the economics for a service.” (record label 4) However, some stakeholders point out that without knowing the actual rate negotiated between record labels and MSS, it is impossible for artists to verify whether they are receiving the correct amount (MBE 3).

From the record label perspective, what matters most to artists is knowing what their streams are earning: “Artists know what their streams are earning under that deal, and that’s what matters. That’s what matters to an artist – how much am I getting for each stream, each download, or each vinyl sale? That’s the important thing for the artist. In terms of understanding the deal, if an artist had a copy of the deal with Spotify, what are they going to do with that? It’s not going to make any difference to them.” (record label 5)

Nonetheless, the core issue, according to critics, lies in the negotiation process itself. As IR 1 explained, “The problem here lies with the fact that when the negotiation takes place, the negotiation is strictly between the record company and the MSS. There is no representative of the artists at the table. There is no representative of the songwriters at the table. There is no representative of publishing at the table.” This lack of artist representation in negotiations further fuels concerns about the fairness and transparency of these deals.

The debate on transparency highlights a significant lack of trust among the key stakeholders in the music industry, particularly between artists and record labels. Record label 5 representatives illustrated this mistrust through two metaphors: “I always use the example, suppose your partner wants to know your WhatsApp history and your banking details. You know that there’s something going on, you know that your relationship is not good. And by giving your partner all your WhatsApp history and your banking details that’s not going to solve anything because that is channelling distrust. Whereas building trust, and this is something that you need, is something completely different.” They added: “Do you know where you went when you were buying bread or milk? How transparent is that? It’s, again, an example of what I said before. You’re asking for something that is not the issue. The issue is that there is mistrust, or there could be mistrust, in some cases, between some members of the music community and some actors in the music community.” (record label 5)



Record labels emphasise that if artists have concerns regarding the data or deals, they should approach their labels directly, as the relationship is intended to be built on long-term trust and collaboration. However, this expectation does not account for the power imbalances that exist in the industry, particularly between artists and major labels. While larger, more established artists often have the significant bargaining power to negotiate favourable deals with their labels, smaller or early-career artists typically do not have the same leverage. This disparity makes it important to distinguish between major and independent labels, as well as between different types of artists. Artists signed to smaller or independent labels may lack the same level of access, resources, or influence in negotiations, making it more difficult for them to address concerns or to push for greater transparency.

3.5 COVID-19 pandemic

The COVID-19 pandemic had a significant impact on the music industry, with the live sector being particularly affected ([Oliver & Lalchev, 2022](#)). The pandemic accelerated trends that were already underway, such as the increased reliance on streaming platforms. With physical stores closing and concerts being cancelled, music consumption shifted more heavily toward streaming services, driving a transition from live-based revenue to subscription-based models ([Denk et al., 2022](#); [Ghaffari et al., 2024](#)).

This section focuses on different stakeholders' perceptions of the pandemic's effects, specifically in relation to MSS. Three key findings are discussed: acceleration of the digital transition, increasing awareness of fair remuneration, and power structures.

3.5.1 Acceleration of the digital transition

There is a general perception that the pandemic accelerated processes that were already underway, particularly the increased use of digital platforms such as MSS and social media ([Vlassis, 2021](#)). With live performances halted, attention shifted to digital platforms, which in turn reshaped the music landscape. As live performances were no longer possible, live streaming saw a significant rise, with many industry stakeholders initially believing this would shape the future of the live music sector. Live streaming refers to the real-time broadcast of performances over the internet, allowing artists to perform remotely for audiences watching from anywhere in the world. However, it soon became clear that live streaming would not replace traditional live performances. While virtual shows gained popularity, they are now seen as a complement to, rather than a replacement for, in-person events. This suggests that the future of the music industry will likely see both live and virtual formats coexisting, in order to enhance audience engagement and create new revenue opportunities.

Despite the growing role of live streaming, stakeholders such as artists 1 see it as problematic. They point out that live streaming began in the audiovisual sector, which operates under different legal frameworks and involves different professionals. According to artists 1, "No business model has been developed for live streaming, since the audience is not ready to pay for it." As a result, live streaming has primarily been used as a promotional tool for artists rather than a sustainable revenue source, thus highlighting its limitations as a long-term replacement for live music performances.



While live streaming is not the primary focus of the research in this project, it is important to note that the replacement of live performances with live streaming could lead to a significant decline in revenue for the music industry, as it would shift income to the audiovisual sector. Live streaming relies on a digital infrastructure that replicates many of the challenges seen with MSS, including value creation and artist remuneration. Therefore, future investigations should examine how these platforms operate in terms of value generation, legal frameworks, and compensation for artists.

The pandemic significantly impacted live music professionals, including musicians, sound technicians, and other industry workers, due to the widespread cancellation of concerts and live shows. This led to a severe recession in the live entertainment industry in 2020. However, this downturn was in contrast to the rise of recorded music, particularly through streaming platforms, as people increasingly turned to recorded music during lockdowns ([Liang & Mao, 2022](#)). The forced shift to recorded music resulted in a boom in the streaming industry, even as the live sector struggled.

The loss of revenue from live performances, which traditionally represented the largest share of artists' income ([Apruzzese et al., 2023](#); [Cai, 2024](#)), had a devastating effect on artists, performers, and other professionals associated with live events. As a result, musicians became more reliant on income from MSS, intensifying the focus on the remuneration model used by streaming platforms.

3.5.2 Increase awareness of fair remuneration

The COVID-19 pandemic exposed the vulnerabilities within the music sector, particularly the challenge that musicians and artists face in sustaining their careers solely on MSS revenue. At the same time, audiences consumed more music content on MSS, leading to increased visibility of debates surrounding fair remuneration for musicians.

Some stakeholders viewed this rising awareness as a positive outcome of the COVID-19 pandemic. For example, artists 7 described it as a “moment of hope” in terms of raising awareness about the value of art and culture. Public sympathy for musicians and cultural workers grew ([Novak-Leonard & Skaggs, 2023](#)), with sectors like academia and journalism showing increased support: “Journalists became more sympathetic to cultural workers, including musicians.” (IR 3)

These debates highlighted that most artists find it difficult to sustain themselves solely on MSS revenue. As a consequence, record labels emphasised the importance of live performance income, particularly during the COVID-19 crisis, and called for a broader view of the issue. This suggests that MSS and record labels should not be seen as the only stakeholders responsible for supporting artists. Meanwhile, other stakeholders argued that the pandemic exposed deep-rooted structural inequalities within the music industry. They used this moment to advocate for significant reforms to ensure fair remuneration for artists across all revenue streams (IR 1).

The debates did not necessarily result in concrete changes. While artists' representatives did not perceive any concrete impact benefiting composers, songwriters and performers (artists 4, artists 7), representatives of record labels believe that the pandemic was used to



pressure for changes in the implementation of the EU Copyright Directive. Belgium, for example, was used as an example where the regulation supporting artists was seen to be the result of the emotional awareness-raising that resulted from the pandemic rather than the right decision stemming from a policy assessment (record label 1).

3.5.3 Power structures

No stakeholder perceived any fundamental shift in the power dynamics within the music industry during the pandemic. While the pandemic disproportionately impacted some stakeholders more than others, the overall distribution of power remained largely unchanged. However, survey results indicate a notable perception of increased negotiating power for MSS, with 69.7% of respondents rating this impact as either 'very' or 'extreme'.

The record labels were not as affected as the musicians (artists 3, record label 1). The labels are not involved in touring, so they were hardly affected by the pandemic. Representatives of record labels stressed that they found creative ways of ensuring that artists kept working and recording.

During the pandemic, MSS became even more central to the music industry, since they emerged as the primary platform for consumers and artists to engage with music. With live performances cancelled and other traditional revenue streams disrupted, MSS became the dominant way for artists to reach audiences and earn income (artists 5). This perception is echoed in the survey findings, as respondents indicated that the pandemic contributed to an increase in MSS' negotiating power and intensified market concentration within the music industry.

This shift also placed MSS at the heart of the ongoing debates surrounding artist remuneration, further highlighting the systemic problems of fair pay and labour conditions within the music industry. As an IR noted, the pandemic amplified awareness of these longstanding issues, bringing discussions about music labour to the forefront.

The pandemic's impact, however, was uneven across the industry. Grassroots and independent artists were hit the hardest, as they lacked the financial resources needed to weather the storm. As MBE 4 pointed out, these smaller artists were particularly vulnerable, while larger, more established artists were better positioned to navigate the crisis due to their financial stability. IR 1 echoed this, explaining that "the biggest could grow easier because it requires the financial capacity to handle the pandemic impact." This inequality underscored the existing power imbalances in the music industry, where smaller, independent artists are often the most fragile.

The vulnerability of musicians during the pandemic was widely recognised by various stakeholders, but the responses to support them varied significantly. Some organisations, particularly CMOs for authors and performers, provided direct financial assistance to those in need.

In response to the pandemic, some MSS and music platforms launched relief initiatives, although these efforts were not uniform across the industry. Spotify, for instance, introduced the 'Spotify COVID-19 Music Relief Project', donating \$10 million to verified organisations,



such as the Centre National de la Musique, to redistribute to affected artists. Additionally, Spotify created the 'Artist Fundraising Pick', allowing artists to highlight personal fundraising projects for themselves or their bands. Tidal offered free livestream services of recorded shows, while Bandcamp temporarily cancelled its revenue share for one day to support artists. Apple Music implemented a programme offering interest-free loans against future royalties to independent labels and distributors earning \$10,000 or more through its platform. SoundCloud partnered with Twitch to help artists monetise livestreamed performances and provided \$5 million in promotional support. Universal Music Group also took steps, offering interest-free royalty advances, fee waivers, and platforms to help artists engage with fans and generate income during this challenging period ([Aswad, 2020](#); [Hogan, 2020](#); [Spotify, 2020](#)).

These efforts illustrate the varied approaches taken by different players in the music industry. Some focused on direct financial aid, while others provided promotional support, fee reductions, and new opportunities for artists to connect with audiences during the crisis. But despite these efforts, the level of support from major players was viewed by some interviewees as insufficient.

In addition to the economic hardships faced by musicians, other effects of the pandemic were more difficult to measure but equally significant. Mental health issues among industry professionals became more pronounced, as the pressures of financial instability and isolation mounted. Another worrying trend highlighted was a loss of talent, as some professionals left the industry altogether and did not return after conditions in it improved. Furthermore, the lack of interaction caused by social distancing measures had a lasting effect on education and collective cultural activities, which depend heavily on collaboration and community.

3.6 MSS vs. UGC

While both MSS and UGC platforms play a role in distributing music, it is essential to distinguish between the two due to their distinct business models and the resulting relationships with the music industry. Unlike MSS, where music is central to the business model, UGC platforms like YouTube, TikTok, and Instagram primarily focus on user-driven content, with music often playing a supporting role. As a result, stakeholders perceive UGC platforms as less transparent and less fair in terms of remuneration for artists.

The relationship between UGC platforms and the music industry is not as well-established as it is with MSS. This is largely due to the fact that UGC platforms do not have music at their core, creating a different dynamic compared to MSS, which are entirely music-focused. Some stakeholders argue that UGC platforms should be treated the same as MSS when it comes to remuneration and transparency. MBE 2 suggests that "they should be treated the exact same way, it's no different," while MBE 3 adds that UGC platforms "have the same responsibility that the MSS have because, ultimately, this is part of the streaming economy. There are people that only consume music on TikTok."



Others stakeholders, however, acknowledge that these platforms are fundamentally different and should be treated as such. According to MBE 1, “They are often not substitutes for each other,” adding that while UGC platforms should compensate artists, it is not the same as selling records or streaming music. Although these platforms should “pay a remuneration, that’s not the same as saying they need to pay remuneration as if they were selling records. No, they need to pay remuneration because they create, they make money out of the value that music creates in society and social interaction. And that money, that value for me, is created by authors and performers and to a certain extent by producers.” (artists 3)

The role of music on UGC platforms is distinct from its role on MSS. Artists 3 notes that UGC platforms allow users to share music in a social context, enhancing personal interactions rather than focusing solely on listening. “Social media gives you the possibility to share the value of music with your friends, so that’s a completely different way of giving the music a value,” said artists 3. Others argue that UGC platforms generate a more engaged relationship with music, as users actively incorporate tracks into their own content. Artists 5 said: “On social media, you often use the music to create your own little story, your own little reel... the music is more to emphasise what you are currently doing than just listening to it.” This demonstrates how music’s function on UGC platforms extends beyond simple consumption, which makes remuneration more complex.

Remuneration through UGC platforms is particularly challenging, due to the different ways music is used. The distinction between recording and composition must be made, as well as how people engage with music on the platform. MBE 1 points out that the “Copyright Directive is really intended to get UGC sites to pay as if they are on-demand streaming sites, but they’re entirely different.” The value of the music to a piece of content on social media can vary significantly, depending on whether the music is used in a 30-second clip or a longer, five-minute video. This variability makes it difficult to apply a consistent remuneration model.

Moreover, UGC platforms are widely viewed as undervaluing music compared to MSS. The debate about the value gap on UGC platforms, like YouTube and TikTok, is intensified by some stakeholders’ perception that these platforms capitalise on creative content while providing lower compensation to artists and rightsholders – by comparison with MSS like Spotify. This gap primarily stems from the fact that UGC platforms operate under ‘safe harbour’ provisions, which limit their liability for user-uploaded content and, in turn, reduce the royalties paid to music creators. These platforms are structured in ways that generate significant revenue through ad-based models and massive audience engagement, but often distribute a relatively small fraction of this income to the music industry ([Negus, 2019](#)). This has led to Article 17 of the EU DSM Copyright Directive, which removes safe harbour protections, making platforms directly liable for copyright infringements and requiring licensing agreements with rightsholders ([Geiger & Jütte, 2021](#)).

Record labels have been vocal about the ‘value gap’ between UGC platforms paying for music versus MSS like Spotify. “A lot of these UGC platforms like TikTok and YouTube underpay for the music... YouTube, for example, pays significantly less for streaming than Spotify does,” says record label 2. This is particularly concerning given that more people consume music on YouTube than on paid platforms combined: “It is exceptionally



undervalued on those platforms. You hear from YouTube that they paid out \$6 billion to creators over some period of time, which is great, but if they were paying the same as Spotify, they would give us, the creators, 20 billion. So thank you for the six!” (record label 2)

The perception that UGC platforms undervalue music is exemplified by the recent clash between Universal Music Group (UMG) and TikTok. On 30 January 2024, UMG announced that it would not renew its contract with TikTok and would remove its entire catalogue from the platform. The decision was based on several unresolved issues that UMG claims TikTok had failed to address, primarily related to artist remuneration, AI content risks, and online security. UMG argued that TikTok provides lower compensation for music than other platforms and allows AI-generated content to flood the market, diluting the royalty pool. Furthermore, UMG has criticised TikTok’s alleged lack of effective tools for artists and songwriters to detect copyright infringements ([Casey, 2024](#)).

UMG also claimed that TikTok attempted to pressure the group into an unfair contract, by limiting exposure for UMG’s emerging artists while maintaining visibility for its established ones. UMG asserted that this reflects a broader issue of unequal treatment on the platform. Through this clash, UMG aimed to set a precedent in the regulation of AI-generated content on UGC platforms and to establish legal grounds to compel TikTok to ban content that infringes on copyright, such as unauthorised song covers. This dispute underscored a longstanding concern among record labels about the ‘value gap’ between UGC platforms.

Transparency is another concern for stakeholders, when it comes to UGC platforms. Many stakeholders claim that UGC platforms fail to provide clear reporting on how content generates revenue, what business models they use, and how music is treated. CMO 1 highlighted the issues with platforms like Facebook and TikTok: “They are very, very bad in reporting on what the usage is and how certain content is treated as music content... They do not give any information on the business model, how the content generates revenue.”

In addition to this lack of clarity, some platforms are known to use music without first obtaining the necessary licences. As record label 4 pointed out, “These services start with our content before they have the licence, before we’re able to get the reporting requirements. And so we are constantly, constantly chasing to improve reporting.” The label also explained that YouTube has been in the business for 20 years and has the most advanced reporting on the UGC side, but other platforms lag significantly behind. This highlights the uneven progress of UGC platforms in terms of reporting, with some being more transparent and advanced, while others remain difficult to track.

Another issue is the actual design of UGC platforms. Some stakeholders argue that they are inherently ill-suited to paying proper royalties. According to MBE 2, “The problem that you have is that the design of the platform is such that it’s not really conducive to paying royalties.” This perspective suggests that the platforms deliberately chose not to develop adequate mechanisms to accurately track music usage and fairly compensate artists, prioritising profit instead.

Additionally, some UGC platforms rely on “blind check deals”, where remuneration is based on aggregated data rather than detailed usage reports. MBE 2 noted: “With TikTok, for



example, they have these deals called blind check deals... You can't really tell me what the usage is, where you can only tell me in this kind of really aggregated way. So I'm just going to make you write a big check and we'll call it a day." This practice further complicates efforts to ensure that artists are properly compensated, as the lack of detailed reporting limits accountability.

Another point of tension is the difference in how music is communicated on UGC platforms. Artists 3 noted that platforms like Instagram use music as part of users' stories, which is technically a communication to the public. However, this use does not currently trigger the same legal obligations for remuneration that on-demand streaming platforms like Spotify or Deezer have. "If you follow me on Instagram, you then see this in your feed, not because you were looking for the track but because Instagram allows its users, like me, to communicate this track as part of my story, so that is a communication to the public," said artists 3. The current system does not properly account for this type of music use in terms of remuneration, which further complicates the compensation structure for UGC platforms.

Another important element in the discussions on UGC platforms is the nature of interaction with the audience. UGC platforms promote themselves as providing a direct way for artists to engage with their audiences, thus contributing to artists' success. The perception is that these platforms offer something valuable to artists by facilitating exposure and interaction with fans. However, interviewees raised two main criticisms of this model.

First, while UGC platforms may enable audience engagement with an artist's music, the platforms themselves benefit substantially from this interaction. Since the business model of UGC platforms is largely based on collecting audience data and capturing user attention, the music provided by artists adds significant value to these platforms. As a result, even though artists are helping to drive engagement, the platforms often gain more from the exchange in terms of monetising user behaviour.

Second, UGC platforms rely heavily on algorithms to determine who sees what content. So the platforms ultimately control content visibility, despite being marketed as a direct connection between artists and their audiences. Algorithms decide which users are exposed to an artist's work, which limits the organic, direct engagement between the artist and their fan base. As IR 1 pointed out, "UGC platforms are finally deciding who will see the content, so it is not a direct interaction between artists and audiences as it is sold." This perception underscores the power imbalance where platforms, not artists, hold control over how music reaches listeners, further complicating the notion of direct engagement.

Record labels have expressed growing concern over the business model of ad-supported UGC platforms, such as YouTube and TikTok. One key issue is that free access to music on these platforms makes it difficult to convert users into paying subscribers on platforms like Spotify or Apple Music. This situation diminishes potential revenue streams for both artists and labels, as fewer users are motivated to switch to paid subscriptions where more royalties are generated. Additionally, some UGC platforms rely on algorithms to promote content, which can skew consumer exposure and reduce genuine audience choice. Labels argue that algorithm-driven promotion may lead to the underrepresentation of niche artists or specific music genres.



Furthermore, the growing influence of UGC platforms in the music industry is becoming a direct competitive threat to record labels. Programmes like TikTok's SoundOn, launched in 2022, enable artists to distribute their tracks to TikTok and other major streaming platforms like Spotify, Apple Music, and Deezer. Unlike traditional distribution models, SoundOn gives artists 100% of their royalties in the first year, and 90% thereafter, along with full ownership of their master recordings. This programme also offers access to promotional tools within TikTok's ecosystem, including the ability to engage with TikTok's influential creators to boost visibility. By providing these services, TikTok positions itself as both a content distributor and a platform for artist development, posing competition to traditional record labels. This shift challenges the role of labels in developing and representing talent, as UGC platforms increasingly assert their influence over both artist discovery and audience engagement.

In summary, the relationship between UGC platforms and record labels is marked by several ongoing tensions. First, there are issues with reporting, as UGC platforms often introduce music without obtaining licences in advance, leaving labels constantly playing catch-up. Second, the remuneration deals established with UGC platforms are frequently criticised as underpaying artists, by comparison with MSS. Third, the ad-supported model used by many UGC platforms, which provides free access to consumers, makes it more difficult to attract paid subscribers, ultimately reducing potential revenue for both artists and labels. Additionally, there is growing concern over the role of algorithms on UGC platforms, which can disproportionately influence what content is promoted, thus reducing artist control over audience engagement. Finally, record labels are increasingly wary of TikTok's SoundOn programme, which allows the platform to sign artists directly, positioning TikTok as a competitor to traditional record labels. For artists, the primary concern lies in the power of record labels to negotiate catalogue rights with UGC platforms, as artist remuneration remains tied to these deals, and the terms of the agreements are largely determined by the labels.

3.7 Recommendation systems/algorithms

The role of recommendation systems and algorithms in shaping the music industry's dynamics has become a focal point in discussions on fairness and transparency. These systems, integral to the operations of MSS and UGC platforms, are pivotal in determining how music is curated and consumed. Stakeholders across the industry – from artists and CMOs to IR and record labels – have raised concerns about the opacity of these systems and their potential to perpetuate inequalities. As highlighted in the survey findings, transparency in recommendation systems was a significant concern, reflecting the broader demand for accountability in how music is promoted and monetised.

As presented in this section, the transparency issues surrounding recommendation systems go beyond mere technical implementation; these systems significantly influence which artists and songs gain visibility. This raises critical questions about fairness and impartiality, particularly for niche or independent artists. Content curation plays a crucial role in the



business model of MSS ([Prey 2020](#)), relying on advanced computational methods to carry out specific recommendation tasks ([D3.1](#)).

The playlists, which are one form of recommendation system, are categorised by [Ranaivoson et al. \(2023\)](#) in two main ways: algorithmic and editorial playlists, with some utilising an ‘algo-torial’ (algorithmic tutorial) logic ([Bonini & Gandini, 2019](#)), which is a combination of algorithm-driven and editorial curation. Another distinction is based on who creates and curates the playlists: platforms themselves, third-party organisations, or the consumers of MSS.

Under the categorisation, there are four main types of playlist: algorithmic, editorial, algo-torial, and user-generated playlists ([Ranaivoson et al., 2023](#)). Algorithmic playlists are entirely curated by algorithms, using data-driven insights such as user listening habits and song popularity to suggest music, with examples including Spotify’s ‘Discover Weekly’ and ‘Release Radar’. Editorial playlists, on the other hand, are curated by human editors or third-party organisations; these playlists rely on expert knowledge and market trends to guide their selections, which often serve as influential tools for promoting artists. Algo-torial playlists are a hybrid model, blending algorithmic recommendations with human editorial input to adjust the curation based on user behaviour; these playlists, like ‘Today’s Top Hits’, are continuously refined through a combination of machine and human decisions. Lastly, user-generated playlists are created by consumers themselves, allowing listeners to curate and share their own personalised music collections: these playlists play a significant role in fostering community engagement on platforms like Spotify.

Editorial playlists are highly favoured by independent performing artists, who work hard to be featured on them. Spotify, for example, offers a programme where artists and managers can pitch songs for potential inclusion in these playlists. As part of the pitching process, songwriters and performers provide metadata and fill out a free-form section to share the story behind their songs. The process is highly competitive, with only around 20% of pitched songs chosen for editorial playlists, and the majority of featured tracks originate from major labels ([CMA, 2022](#)).

Songs curated on these editorial playlists are subject to frequent change, driven by ‘algo-torial’ logic – a combination of editorial curation and algorithmic assessment. The playlist curation is continuously optimised, based on factors such as play frequency, skips, completed plays, and total listening time: all are designed to match unique user listening patterns. This algo-torial logic enhances personalisation, ensuring that users receive playlists tailored to their preferences. Personalised playlists are often prominently displayed on the homepage of MSS, which underlines the platform’s strategy of using curated content to retain users ([D3.1](#)).

If a song performs well, it can be moved to playlists with broader reach. These curated playlists are sometimes viewed as blurring the lines between traditional radio and MSS (MBE 2). Record labels actively pitch their tracks for inclusion, emphasising that their influence is driven by these curation mechanisms rather than by algorithms alone. However, it’s important to note that editorial playlists and algorithmic recommendations are not entirely separate – they interact and influence each other, shaping the visibility and success of songs across platforms ([Bonini & Gandini, 2019](#); [Freeman et al., 2022](#)).



Recommendations on MSS are often perceived as gatekeeping tools favouring more prominent artists: this contributes to visibility disparities and, consequently, inequities in remuneration (Negus, 2019; Prey, 2020). Spotify's 'Made to be Found' portal outlines that recommendations are guided by complex data analysis, taking into account variables such as time of day, track tempo, genres, newness, and, most importantly, the listening behaviours of users with similar tastes. When a song aligns with a user's existing preferences, it's more likely to be recommended based on the platform's assumption that the user will enjoy similar content.

There are growing concerns that MSS may exploit the opacity of their algorithmic systems to promote content that is economically advantageous for them. For instance, if MSS have catalogue deals with major record labels, they may prioritise promoting the label's content until they recoup their minimum guarantees. As MBE 1 noted, "These are like two dynamics that work in tension: They need to promote the content up until the point of recoupment, but then from an economic perspective, you want to stop the moment you recoup because you've already paid for the content and you don't want to have to pay extra." Similarly, MSS might also benefit from promoting royalty-free content, by inserting it into playlists to avoid paying artists altogether.

Another point of concern arises with self-released artists. Record labels worry that MSS could engage in vertical integration by offering artist services to promote these independent artists on their own platforms. This generates potential conflicts of interest, as MSS could prioritise content that aligns with their own business interests over that of other artists.

The prevailing perception is that MSS may manipulate their algorithms when there is an economic benefit to doing so (artists 3, artists 4, MBE 1). In other words, MSS might base their decisions on business analysis rather than on cultural or artistic considerations.

Although record labels acknowledge the anxieties of some artists who argue that major labels might influence MSS to favour their artists, the labels argue that they do not control or influence MSS algorithms. They can pitch content to MSS for playlist consideration, but they do not have control over the curation of playlists – whether curated or automated.

MSS hold significant control over which content appears in playlists or recommendations, largely due to the vast amount of listener data they collect. As record label representative 2 noted, "Because they know a lot more data about their listeners than we do and what they think is going to be most attractive to their consumers, ultimately they determine which playlists it will get put onto." This highlights the imbalance between MSS and other stakeholders who lack insight into why certain content is prioritised.

The need for greater transparency is echoed by various industry stakeholders who stress the importance of understanding why certain content appears in playlists or recommendations. This knowledge gap leaves artists and labels with little clarity on how their music is being promoted, making it difficult to assess the system's fairness. Survey findings align with this concern, as participants overwhelmingly perceived a lack of transparency in recommendation systems, with 98% rating them as "not transparent at all" or "slightly transparent." Furthermore, respondents wanted to see transparency increase, as a way to increase fairness.



MSS, however, argue that their recommendation algorithms are proprietary, a critical differentiator that sets them apart from competitors. So they claim that disclosing the inner workings of these systems could compromise their business model, which reinforces the role of curation in MSS business ([Ranaivoson et al., 2024](#)). According to MSS, “It’s not easy to explain how algorithms work and how they sort of change during the day. But maybe the lack of understanding of that can give the impression that it is a lack of transparency. But again, the more transparency you provide into our algorithm, the more information you’re giving to your consumers or the more information you can give for people to game the system as well. So you have to find the right balance.” Yet other stakeholders, including record labels, believe it is possible to increase transparency without jeopardising MSS’ competitive advantage. They argue that transparency could be enhanced, by sharing more information about the factors influencing playlist inclusion, without revealing the specific details of the algorithms.

In support of this argument, IR 2 suggested that if all MSS were required to disclose certain information about their recommendation algorithms, the impact on competitiveness would be mitigated. A level playing field, where transparency is enforced across the board, could help foster a more equitable environment for artists while still preserving the business models of MSS.

Diversity in recommender systems

The debate surrounding recommendation systems in the music industry frequently touches on the issue of diversity. While there is a shared understanding across the industry of the importance of promoting diverse content, there is no clear consensus on how to achieve this, particularly when it comes to content quotas.

Artists 4 said that since the European Union (EU) and all its Member States are parties to the Convention on the Protection and Promotion of the Diversity of Cultural Expressions adopted by UNESCO in 2005, they have the legitimacy to enforce regulations and measures that ensure diversity in the music industry. This regulatory approach, according to Artists 4, is essential to preserving and promoting local cultures and diverse content.

The survey findings also indicate support for introducing quotas for European content, with 67,5% of respondents favouring it. However, compared to other suggested policy solutions, a significant number of respondents were sceptical about the impact of adopting of quotas in Europe. For instance, some stakeholders questioned the extent to which private companies, like MSS, should be held responsible for promoting diversity (artists 1, CMO 2). Others argued that consumers should have the freedom to decide what they listen to, without public intervention. As one record label stated, “I almost find it offensive, the notion of local content requirements, because there’s a pejorative sort of value that somehow I ought to be listening” (record label 2). MSS also emphasised that their recommendation algorithms are designed to reflect user preferences and prioritise consumer choice.

This sentiment was echoed by an MSS that explained, “If we try – and we’ve made a couple of attempts in the past – to highlight and push certain content or put a key recommendation on the web page, we receive negative feedback. When we try to force our users to listen to something they haven’t chosen, something that doesn’t correspond to their general taste or



desire to discover, we get negative feedback. And that's a fundamental element of on-demand streaming: freedom of choice." (MSS)

The challenge of ensuring diversity through recommendation systems is further complicated by the difficulties in auditing algorithms. It is not easy to ensure that these systems are free from bias, especially when there is no clear definition of what constitutes diversity in the context of music recommendations (MBE 4). IR 2 also emphasised the importance of defining diversity and establishing the metrics to measure it, noting that it is ultimately up to society to engage in this discussion. Despite the lack of consensus on content quotas, most stakeholders agree that the preservation of local cultures and the promotion of local content are worth debating.

One issue that arises frequently is how MSS geographically tag artists, as this can restrict their visibility on a global scale. This tagging relies heavily on metadata – information such as an artist's country, language, genre, and other descriptors – which directly influences the discoverability of their music. For example, algorithms often prioritise content for users based on their location or preferences inferred from similar users, which can lead to a kind of 'geographical filtering' that limits the reach of local artists beyond their home regions. As MSS attempt to localise recommendations, these algorithms can unintentionally confine artists to smaller or regional audiences, rather than promoting them globally.

Metadata accuracy plays a crucial role here, as it can either broaden or narrow an artist's reach depending on how well it reflects the artist's true appeal and potential audience. Without comprehensive, nuanced metadata, artists may struggle to find traction outside their designated regions, which can reinforce established genre and cultural boundaries within MSS ([Matrosova et al., 2024](#); [Way et al., 2024](#)).

Additionally, concerns have been raised about the teams developing these algorithms. As one MBE noted, "What's the diversity of the team that is developing those algorithms? If they're all white, male American developers, that may have an impact. Without diversity in those who develop the tools, it's difficult to imagine that the tool itself might produce a particularly diverse outcome." (record label 1) This lack of diversity among developers could contribute to biases in the systems, potentially favouring certain types of content over others.

There are also concerns that MSS do not invest enough in developing local markets or taking a localised approach to their algorithms. As another stakeholder explained, "We believe that services don't invest enough in developing those local markets, and therefore, they don't necessarily have a local approach in terms of algorithms." (record label 1) Market access and relationships with decision-makers at MSS play a crucial role in who gets promoted, adding another layer to the complexity of diversity in recommendation systems.

In the view of record label 1, "It's also a question of marketing – who has access and who has the relationship with those making decisions. So there's an editorial part of it as well as algorithmic." (Record label 1 also called for more studies to be conducted to understand which content is being promoted, with a focus on genres, geographical locations, and the balance between major and independent labels. Moreover, some respondents recommended addressing unconscious bias in algorithms, with one recommendation being the creation of a scoreboard to assess diversity (record label 1).



One key recommendation is that MSS should work more closely with national organisations, in order to better connect with local audiences and creators. Algorithms play a central role in this connection, but there is often a disconnection when local artists are promoted solely based on nationality rather than creative relevance. As one stakeholder pointed out, “The suggested artists that appear when you listen to a Belgian artist only have nationality in common; there is no accurate recommendation related to creative aspects.” (artists 3) This concern aligns with previous research findings that self-published or indie label-published artists are often grouped with artists from their own country, irrespective of genre, thus highlighting limitations in algorithmic recommendations ([Dinnissen & Bauer, 2023](#); [Tofalvy & Koltai, 2023](#)).

Despite these concerns, record labels argue that local repertoire is gaining traction through MSS. The report ([Page & Dalla Riva, 2023](#)) used to endorse this position revealed that local markets are thriving through ‘glocalisation’, which is driven by several factors. The labels can achieve cost savings in promotion and distribution by organising tours within specific regions, targeting local audiences more effectively. Additionally, Spotify’s market analytics enable record labels to pinpoint the right audience on a local scale, further enhancing their promotional efforts.

However, the same report also highlights challenges for local labels in non-English-speaking markets that neighbour larger, same-language countries, such as Austria next to Germany, where labels face a higher risk of being deprioritised regionally. Moreover, global record labels influence their local branches by pushing them to prioritise certain artists, regardless of where the repertoire originates. Overall, the report ([Page & Dalla Riva, 2023](#)) indicates that glocalisation allows local repertoire to benefit from domestic investment by global labels, which then stimulates greater consumer demand.

But as our findings reveal, the artist community remains divided on the use of quotas and the minimum exploitation of certain catalogues in different territories. As one stakeholder explained, “There are different opinions within the artist community regarding quotas and minimum exploitation of certain catalogues depending on the territories. A healthy distribution of income would make it easier to approach the other aspects, such as whether a platform should promote a certain catalogue in certain territories. So that’s like a second or third step after having a fair business.” (artists 6)

In conclusion, the issue of diversity in recommendation systems remains open to discussion, with no clear consensus in sight. While initial concerns from composers, songwriters and performers suggested that automated recommendations could harm diversity, an IR has highlighted the need for more thorough research to avoid framing these systems as more sinister than they are/might be. That kind of framing could inadvertently add another layer of opacity to the debate. This remains an evolving area, and further study is necessary to fully understand the impact of these algorithms on content diversity.



3.8 Artificial Intelligence (AI) in the music industry

Building on the discussion about recommendation systems, the role of AI in the music industry has recently become highly relevant, largely due to rapid advancements in AI technologies and their transformative impact on creative fields. With capabilities ranging from music generation to trend analysis and content recommendation, AI has become a central topic of debate among industry stakeholders ([CISAC & PMP Strategy, 2024b](#)).

One of the primary concerns in this sector is the training of AI models, particularly the data used for this purpose. AI systems, whether designed for recommendation engines or generative functions – where AI can create new music by analysing existing tracks ([Henry et al., 2024](#); [Senftleben, 2023](#)), rely on vast datasets. This reliance raises issues related to copyright and intellectual property, especially when copyrighted works are part of the training data. Determining the exact content used to train these systems is still a challenge, complicating efforts to verify whether the data is copyright-protected ([Drott, 2021](#); [Senftleben, 2023](#)).

As a result, AI was included in the interviews through an open question on its impacts, concerns, and potential recommendations. Our aim was to identify the main claims and tensions that have emerged around AI's role in the industry. Interviewees expressed a clear stance in supporting the use of technology rather than resisting it, with an understanding that technological change is inevitable and should be embraced rather than opposed. However, survey findings presented a more cautious view, with many respondents perceiving AI as a potential risk to the music industry. In particular, a significant percentage of respondents felt that AI use should be avoided to some degree, and nearly half (49,76%) viewed it as a threat to fair remuneration for artists.

There are multiple uses of AI in the music industry, and different stakeholders can incorporate it at different stages of the process. However, the focus of the debate centred on generative AI and its potential risks, particularly in terms of artist remuneration. The conversation primarily revolved around two stages: the input (how AI is trained) and the output (the impact of fully AI-generated content on the music industry).

3.8.1 Input-output

From the input perspective, the main concern is to ensure that the use of copyrighted content to train AI is trackable and provides opportunities for proper licensing. Interviewees called for transparency in how AI systems are trained, as it is essential to know what material is being used to create AI-generated content. Without identifiable traces of original works in the AI's output, it becomes impossible for rightsholders to license that content (CMO 1, MBE 2). The importance of transparency was highlighted, with stakeholders expressing concerns about content already being used without licensing. Some felt that it may be too late to regulate, as much of the material has already been used in a way that makes it difficult to track and license (record label 1).

In line with these concerns, a joint statement on the EU AI Act of 2024 was issued by the European Composer and Songwriter Alliance (ECSA), the International Federation of



Musicians (artists 4) and other stakeholders. The statement emphasised the importance of legal clarity on AI training data and it called for specific obligations to ensure transparency and respect for copyright. Moreover, the statement stressed that AI systems must not be trained on copyrighted works without proper authorisation and that AI outputs should not infringe on the rights of creators. It also called for more robust safeguards in the AI Act, so as to protect artistic and cultural diversity and ensure fair compensation for creators whose works are used to train AI models ([ECSA et al., 2023](#)).

As a follow-up, in late October 2024, a joint letter – signed by several music organisations such as AEPO-ARTIS, European Composer and Songwriter Alliance (ECSA), European Grouping of Societies of Authors and Composers (GESAC), International Federation of the Phonographic Industry (IFPI), and IMPALA – called for a meaningful implementation of the AI Act. Any such implementation should enable creators and rights holders to exercise and enforce their rights, when it comes to ingesting and copying copyright protected works for training by AI models ([AEPO-ARTIS et al., 2024](#)).

The tensions resulting today from the introduction of generative AI in the music industry can be compared with similar moments in the past. For example, the early period of the Internet in 1998, when unlicensed content became available online (MBE 2), or the disputes with UGC and radio. Record label 5 said: “The arguments they [AI companies] use are the same arguments that the UGC platforms used, and actually the same arguments that the radio stations used when we had the discussions with them 100 years ago. No, we’re not distributing music. It should be exempt for one reason or another. It’s not a communication to the public. We’re actually making your music popular. And when you install regulations on us, you will break our business, and it’s killing progress. So nothing new there.”

Some stakeholders also distrust how AI companies have built their systems. MBE 2 expressed frustration with the lack of built-in trackability, stating, “You know that these people have plenty of money; they built it the way they want it to be. So, if it’s functioning in a way that excludes the ability to pay for copyrighted material, that’s not a defect. That’s a feature.” Record label 4 echoed this concern, noting that “AI developers are treating AI systems like they’re a black box. There’s kind of a magic curtain, and you can’t see behind it. You’ve got no idea how it generated what it generated. And I think that’s completely unacceptable, not just from a creative and copyright standpoint, but from a wider stance, societal standpoint, around discrimination, around bias, around the accuracy of outputs.”

In this debate, the EU AI Act is welcomed as a positive first step (MBE 1, record label 1, record label 4, record label 5). However, others felt the AI Act still falls short of what is needed (record label 4), and its concrete impact remains uncertain (artists 2). There was a strong call for governments to take more explicit action to ensure that AI companies are required to obtain licences when using content for training. This connects with broader concerns that Article 4 of the Copyright Directive could open legal margins for AI companies to use copyrighted content as data without proper permissions (artists 2). As artist 2 explained, “Article 4 provides for an exception for TDM, for text and data mining... If AI is starting to use this exception to make copies of protected contents and use them to create new products, we have an issue because we never give authorisation to make reproduction of protected content.” There is, therefore, a need to refine the definition of ‘data’, as creative content should not be included under this term (artists 2).



The issue of who should license the content to AI companies was another area of debate. Record labels see themselves as the appropriate licensing representatives for artists and have made public announcements about experiments in this area, such as the deal between Universal Music Group and YouTube, Sony Music and Orb and David Gilmour from Pink Floyd.

However, record labels differ in how they approach AI licensing. Some are more open to granting licences for AI to use their catalogue in training, seeing it as a way to explore new opportunities for revenue and innovation. These labels may view AI as a tool that can complement their artists' work and expand their reach to new audiences. Others, however, are more cautious, particularly when it comes to licensing content for AI that could be used to generate fully AI-created songs. Their concern is that this AI-generated content could one day compete directly with human artists, potentially devaluing the original works and reducing the opportunities for artists to earn revenue. Instead, these labels focus on using AI creatively to strengthen audience engagement rather than supplying material for AI training.

One significant point of tension around AI is the scope of artist contracts with record labels. As artists 4 noted, some contracts now include broader use of recordings, potentially allowing record labels to license these works to AI companies or even use them to train their own AI systems to mimic signed artists. Some stakeholders believe that artists should have a direct say in whether their work is used for AI training, rather than leaving this decision solely to the record labels (artists 2; IR 2). As Artists 2 pointed out, "It's very important to make sure that authors can have a say on whether their works are used by AI or not."

Artists' representatives are also concerned about AI. They argue that this debate mirrors the same issues faced between record labels and MSS, where the focus remains on reproduction rights, thus neglecting the making available right (artists 3). They claim that AI systems are not simply learning from recordings but from performances: "These machines are learning from the performance [...] They're mimicking the voice of my performer, not the record." (artists 3) This is different from the audiovisual industry, where AI learns from actors, suggesting that artists should have greater rights in these negotiations.

The current legal framework does not adequately protect an artist's voice – only the lyrics and musical compositions (artists 4). There is growing concern about the lack of sufficient legal tools to safeguard artists from the unauthorised use of their name, image, likeness, and voice, particularly in cases involving AI-generated content and deep fakes (record label 4). Record label 2 pointed to the U.S. *right to publicity* laws as a potential model for protecting artists. In addition, recent legislative efforts, such as the Nurture Originals, Foster Art, and Keep Entertainment Safe Act, known as *NO FAKES Act*, introduced in 2024 in the U.S., aim to expand these protections by making it illegal to create or distribute digitally replicated content – such as a person's voice or likeness – without permission. This law would cover not just celebrities but all individuals and it addresses concerns about the unauthorised use of AI to create deepfake videos, voice clones, and other content that could misrepresent or exploit artists without their consent ([Adam Schiff, 2024](#)). This approach highlights both the *right to publicity* and the *NO FAKES Act* as legislative frameworks that could help address the misuse of artists' identities in the evolving AI landscape.



Finally, there is the challenge of determining how AI uses licensed content. If the output from AI systems cannot be tracked, negotiations over licensing become more complicated, as upfront agreements would need to be made without clear knowledge of how the content will be used. This presents difficulties in determining the value of licences, particularly in cases where the final output is not easily traceable.

In terms of output, after negotiating the use of copyrighted content for input, stakeholders agree that it would also be necessary to establish deals for the output (record label 1; record label 5). Two main types of AI-generated outputs have been identified. The first type is songs fully generated by AI, and the second one is songs that aim to clone or mimic an artist. A record label stressed that these AI-generated songs are often produced without the artist's permission, creating "recordings that compete with the legitimate recordings" (record label 4). Both forms of output present significant risks to the value of music, as they contribute to an oversupply of content on MSS – a problem already identified as a significant challenge for artists' remuneration.

There is a broad consensus on the need to label fully AI-generated content, with a shared understanding that such content should not be copyrighted or compete with music created by humans. The primary argument is that copyright exists to protect human-created content, and therefore, machine-generated content should be exempt from receiving copyright protections or remuneration. However, two main challenges emerge in the context of AI-generated content: determining who is responsible for labelling and addressing the nuances in AI usage.

While there is agreement on the necessity of labelling AI-generated content, MSS argue that this responsibility should not fall on them. As one MSS representative explained, "It is entirely a matter for the rightsholders who are obviously responsible for providing metadata but labels what a particular track is. And that is not the role of a streaming platform to essentially make distinctions between what is or is not a generated music." The burden of labelling and monitoring AI-generated content raises concerns, particularly because the process could significantly increase costs and centralise power with whoever is tasked with oversight.

The need for clear guidelines around the labelling of AI-generated content is essential, especially given the mixed approaches to AI usage. As CMO 1 indicated, "The creators will be using a lot of AI tools, more and more for creation. We do not like the very, very strict approach of the US lately. We think that there needs to be some room for the creators to be able to use it as a creative tool to express themselves with the new elements." This highlights the importance of distinguishing between fully AI-generated works and human-created works that incorporate AI as a tool.

Once the AI content is labelled, it must also be clearly communicated to consumers. This presents its own set of challenges, as many users consume music without paying attention to metadata or labels – often listening through headphones without looking at a screen where this information is displayed. As MBE 1 stressed, it is necessary to consider how this information will be made explicit to audiences in a way that effectively informs them about the nature of the content they are consuming.



Given the growing influence of AI-generated content in the music industry, some stakeholders question whether preventing fully AI-generated content from being remunerated would be enough to protect the ecosystem. The sheer volume of content generated by AI could still lead to a decrease in the overall value of music.

As our study reveals, generative AI music is increasingly saturating MSS, particularly in mood-based and passive playlists, entering through traditional distribution channels or even being directly generated by MSS and promoted to users via personalised playlists. This saturation has significant implications for the remuneration of artists ([CISAC & PMP Strategy, 2024a](#)). Artists 4 views these AI-generated works as unfair competition, noting that the speed and capacity with which AI learns far surpasses what a human could achieve in a lifetime: “We cannot accept that an AI-generated work competes with the work created by a human being, and there is no reward, no compensation to the community of creators.” Artists 4 recommends implementing a compensation system where every AI-generated product is subject to a payment that would benefit the broader community of creators. This idea of reinvesting in the creative ecosystem is supported by record labels, who argue that “Where you take from any ecosystem and not invest it back, the ecosystem is not sustainable. This goes for UGC platforms and AI platforms.” (record label 5)

3.8.2 Power dynamics in the AI debate

The debate on AI’s impact on the music industry must consider the power dynamics, scenarios, and accumulation of power by key players. Concerns were raised by stakeholders about record labels’ increasing power, especially the potential for them to generate AI-driven content using already licensed material without paying musicians (CMO 2). This practice would negatively affect artists’ remuneration. Record label 2 acknowledged the distrust surrounding the role of labels in the AI context and sought to differentiate themselves from the audiovisual sector by emphasising their commitment to investing in and protecting artists rather than producing digital replicas.

Similar concerns apply to MSS. Stakeholders, including record labels, expressed worries about the possibility of MSS producing fully AI-generated content, including vocal clones of well-known artists, as a way to reduce payments to musicians. This concern extends to the potential promotion of AI-generated content through MSS algorithms, which would further impact the remuneration of both record labels and artists. By favouring AI content, MSS could tilt the balance of power in their favour, contributing to an oversaturation of content that devalues music overall.

Beyond the immediate players in the music industry, the power and influence of technology companies also demand our attention. These companies, by creating new content using copyrighted material, ultimately compete with and diminish the value of the original works. As MBE 1 noted, this creates a new imbalance: “There are limits we need to put on technology companies as they seek to use mass works to create new works that may ultimately devalue the original.” In this scenario, AI-generated content risks pushing original works into obscurity, reducing their value in the market.



There is also criticism of the discourse promoted by technology platforms, particularly their argument that copyright laws hinder technological progress. Record label 4 highlighted the danger of this narrative, stating: “Technology platforms would like the world to believe... that copyright gets in the way of technology advancement and as a result, there should be very broad texts and data mining exceptions or should be interpreted as fair use. And that permission should not be sought.” This stakeholder’s perspective reflects the fear that if technology companies are not required to seek permission to use copyrighted content, it will perpetuate the imbalances that already exist in the industry. As MBE 2 observed, technology companies are often better positioned to lobby for their interests, making it difficult to impose the necessary regulations.

Moreover, the values and operating logic of technology companies, particularly those rooted in Silicon Valley, were heavily criticised. IR 1 articulated this sentiment, explaining: “This whole philosophy of big tech and Silicon Valley about, you know, doing something first and asking permission later. This has to be reversed... because we’ve historically been under-selling our IP for the last 20 years.” He warned that while piracy used to be a significant issue, the current model of AI-driven content creation has become a more profound form of exploitation, with technology companies benefiting disproportionately from the intellectual property of creators.

Beyond the direct economic concerns about AI, the discussion on AI’s impact extends to its broader societal implications. An IR pointed out that it’s not just about AI using music to train models, but also about the immense power these models accumulate: “This creates really an imbalance between what people can do and what this technology can do.” (IR 2). The power AI holds in the creative process is far greater than any single artist’s influence, which poses significant challenges for the industry (IR 2).

The environmental impact of AI must also be taken into account, given the significant amount of electricity required to power these technologies. This adds an additional layer of complexity to the debate surrounding AI in the music industry. As IR 3 pointed out, the discussion around regulating AI should adopt a broader perspective, drawing parallels to previous moments in history when new technologies were introduced under the banner of convenience and abundance (IR 3). These earlier technological shifts often neglected long-term implications.

In summary, the introduction of generative AI in the music industry intensifies existing challenges ([Arenal et al., 2024](#)), such as power imbalances between stakeholders, the dilution of music’s value due to market oversaturation, and the ability of MSS to shape content visibility through algorithms according to their interests. In this context, artists are in a weaker position since their negotiating power is linked to record labels. The scope of record labels’ rights to negotiate deals with platforms should be examined more deeply. Ultimately, the debate around AI should move beyond purely economic considerations, by focusing on the values and long-term goals envisioned for the music industry.



4. Discussion

This report underscores the complex challenges and diverse perspectives on fairness within the music industry, especially as it adapts to technological advancements and changing market dynamics. The main findings of this study highlight the complex and often conflicting perspectives on fairness in the music industry, shaped by the diverse priorities and values of stakeholders.

Three key elements emerge at the core of these debates: remuneration, transparency, and diversity. Remuneration remains a central concern, with stakeholders expressing dissatisfaction with current compensation models and scepticism toward solutions like growing the revenue pool through higher subscription fees or market expansion. Several artists call for fair equitable remuneration models that provide a direct share of streaming income, reducing reliance on label-negotiated terms. Transparency is widely associated with fairness, particularly regarding remuneration and recommendation systems. Stakeholders emphasised the need for greater visibility into how algorithms and revenue distribution operate, with survey respondents showing strong support for stricter transparency measures. Diversity also emerged as a key aspect of fairness, reflecting concerns about the industry's tendency to prioritise mainstream and commercially viable content at the expense of niche genres, emerging artists, and underrepresented demographics. These findings underline the need to address not only economic, but also the cultural and social dimensions of fairness in the music industry.

Another key finding underscores the growing tensions brought by AI and algorithm-driven recommendation systems, which many stakeholders view as amplifying existing disparities in visibility and revenue distribution. Interviews and survey responses reveal a prevalent concern that AI could intensify market inequalities, potentially benefiting major labels and MSS while sidelining independent artists. The role of UGC platforms, such as TikTok and YouTube, further complicates this landscape, as these platforms are often criticised for undervaluing music and creating a value gap in remuneration. This sentiment was especially strong among record labels, who fear that UGC platforms and their use of algorithmic promotion may challenge the traditional role of labels in artist development and promotion. Taken together, these findings suggest an industry at a crossroads, where advancing technologies and shifting market dynamics are pushing stakeholders to reconsider long-standing structures and to advocate for reforms that promote a fairer, more transparent music sector.

Key tensions in the fairness debate

Fairness in the music industry emerges as a multifaceted and evolving concept, shaped by the differing perceptions of each stakeholder. This concept is informed by underlying values that diverge significantly depending on whether stakeholders view the industry as a competitive market or as a cultural and social good. On the one hand, some stakeholders view the industry through a competitive, market-driven lens: here only a few successful artists will dominate, as the natural result of increasing competitiveness. In this view, the fact that only a handful of artists achieve significant financial success is not seen as unfair but rather as a reflection of merit and audience preference.



On the other hand, many stakeholders who see music primarily as an art form – with cultural and social significance – advocate for a fairer distribution of revenue. They argue that the current system disproportionately favours a small number of successful artists, while neglecting those artists who contribute to the richness and diversity of the music landscape but do not generate high streaming numbers. For these stakeholders, fairness is not just about rewarding commercial success but also ensuring that artists can sustain their careers. They emphasise the broader social and cultural impact of MSS, suggesting that a fairer distribution model would recognise and support the contributions of less commercially successful artists. This perspective is further supported by the survey results, where diversity emerged as a central concept linked to fairness, thus highlighting a value system distinct from the market-driven viewpoint.

Another key point of contention in this debate is who should be regarded as the main investor in the music sector. Record labels view themselves as the primary investors, emphasising that their financial backing, promotion, and resources are critical for an artist's success. However, our interview insights suggest growing scepticism toward this claim, particularly as artists are often required to build substantial online visibility before securing label deals. This pre-established visibility may reduce labels' financial risks, but it calls into question their role as the principal investors. Meanwhile, other stakeholders, particularly those from the public sector, argue that public investment is vital in developing and nurturing talent. They contend that public funding supports grassroots musicians, fosters talent, and promotes the cultural and social value of music, extending beyond commercial success.

This tension, between viewing music as a competitive industrial activity versus a cultural good, informs the differing values and priorities within the industry. It shapes the industry's notions of fairness and the various proposals for how to distribute revenue more fairly. For some stakeholders, fairness is about rewarding the most commercially successful artists, and viewing the industry's competitive nature as a means to filter talent and reward the most popular music. From this perspective, the industry has never been fairer, as artists now have increased access to platforms and wider audiences.

Yet many stakeholders who view music as a cultural and social good argue that the competitive model neglects the broader contributions of artists who may not dominate streaming charts but enrich the cultural landscape. They view the current model as one that threatens the sustainability and diversity of the music sector, by privileging commercial success over artistic variety. This difference of opinion reflects fundamentally different beliefs about what fairness means in the music industry.

While there is a common perception that MSS have facilitated market access, by enabling a broad range of artists to upload content and potentially reach a global audience, this increased accessibility has not necessarily translated into greater visibility or market consolidation for emerging or independent artists. As demonstrated by the survey results, respondents hold a moderate to low view of MSS' role in promoting discoverability, diversity, circulation of European content, and genre variety.

In interviews, stakeholders echoed this sentiment, observing that while MSS make it easier to access the market, they also intensify competition, thereby creating a more challenging environment for new artists. Rather than democratising success, the increased competition



tends to reinforce existing hierarchies, offering limited opportunities for emerging artists to gain traction or earn sustainable remuneration. Furthermore, there is a consensus that earlier eras, such as the physical ownership period before 1999, are perceived as being comparatively fairer. That period had its own inequalities. But today it is apparently viewed as being based on an established equilibrium among the various players of the music industry and as providing clearer pathways for artists to earn revenue, such as through physical sales.

Remuneration, transparency and diversity

Remuneration, transparency, and diversity consistently emerge as the three key pillars tied to fairness. These elements reflect not only the structural and financial dimensions of fairness, but also its social and cultural implications. Each of these aspects is interrelated, underscoring how fairness in the music industry extends beyond economic transactions to encompass broader considerations of representation, access, and equity. As demonstrated in the survey results, perceptions of fairness differ by gender: women and men often take distinct positions on what fairness is. These differences likely reflect variations in how individuals experience and navigate the industry, pointing to the importance of recognising gendered perspectives and including gender equality as a dimension of fairness.

The discussion below will explore these themes, delving into the ways they intersect and contribute to the ongoing debate over fairness in the music industry. While some issues, like the influence of MSS on artistic creation, are discussed in the literature ([Hesmondalgh, 2022](#); [Morris, 2020](#)), they are generally not perceived as significant concerns compared to these three main elements of remuneration, transparency, and diversity.

In the remuneration debate, music industry stakeholders mainly focus on the distribution of revenue – or the ‘pie’. MSS and record labels commonly advocate for ‘growing the pie’ as a solution, suggesting that expanding the overall revenue pool could address remuneration concerns without fundamentally altering their own shares. While other stakeholders do not necessarily oppose this approach, there is a scepticism that merely increasing revenue will resolve the underlying issues related to fairness in remuneration.

Survey results also reflect this scepticism, as the majority of respondents do not believe that higher subscription fees would lead to fairer compensation for artists. MSS, on the other hand, are reluctant to raise prices, arguing that doing so would drive consumers away. The role of free subscription tiers is also criticised by some stakeholders, who argue that these primarily benefit MSS or UGC platforms while offering little value to the artists whose work drives engagement. This perception is also endorsed by survey results, which reveal that advertising revenue is overwhelmingly perceived as benefiting MSS and record labels, while providing minimal financial advantage to artists and consumers.

Beyond MSS, UGC platforms, such as YouTube and TikTok, add another layer of complexity to the remuneration debate. Several stakeholders view UGC platforms as problematic in terms of both remuneration and transparency, thus echoing concerns raised in the literature about the role of these platforms in devaluing music and disrupting traditional compensation structures ([Beard et al., 2017](#); [Negus, 2019](#)). UGC platforms often operate under ‘safe harbour’ provisions, which shield them from full liability for user-uploaded content and allow



them to distribute music with fewer royalty obligations compared to MSS ([Bridy, 2020](#); [Liebowitz, 2018](#)). Record labels, in particular, argue that UGC platforms pay significantly lower royalties and, in doing so, contribute to a value gap that unfairly disadvantages music creators. This tension reflects a broader struggle over fair compensation, as UGC platforms continue to attract massive audiences with ad-supported models that, according to stakeholders, inadequately compensate artists.

Some of the MSS and record labels interviewed have also shown openness to experimenting with how the artists' share of the revenue is divided. This includes testing alternative remuneration models like the artist-centric model and the Deezer model, which adjusts payments based on user engagement with specific artists. These efforts align with broader debates in the literature, which criticise the current pro-rata model for favouring high-streaming, often major-label artists while disadvantaging niche and independent musicians ([Aguiar & Waldfogel, 2018](#); [Hesmondhalgh, 2021](#)).

Survey findings align with this discussion, revealing that respondents prioritise payment criteria such as the number of streams (81,7%), followed by the duration of songs (32,5%), and the number of active monthly listeners (30,8%). These preferences underscore a desire for remuneration models that prioritise direct engagement with artists, while accounting for specificities such as song duration, which can disadvantage niche genres. Interviews revealed that both MSS and record labels are willing to engage in discussions with industry representatives to explore distribution methods that better align with artists' needs. However, this willingness often focuses on the distribution within the artist segment rather than addressing the larger question of how revenue is shared across all stakeholders, including record labels, MSS, and other intermediaries.

The core debate, then, is less about the artist's share within the existing framework and more about how the revenue is divided among all parties. Survey results underscore a strong perception of financial discrepancies among stakeholders in the music industry, with respondents overwhelmingly agreeing that significant gaps exist in remuneration between stakeholders such as record labels, MSS, and artists. This discrepancy is largely viewed as negative, with respondents expressing concern that the current division of revenue favours major players, such as MSS, leaving smaller stakeholders and artists under-compensated.

MSS and record labels maintain that they already compensate artists adequately. MSS argue that their profit margins are tight and that they invest substantially in platform maintenance and user experience. Record labels, on the other hand, assert that they act as the primary investors in artists' careers and that artists today are better remunerated than in previous eras, benefiting from the reach and accessibility offered by digital platforms.

A notable point of contention is the push for equitable remuneration for artists. This remuneration would allow artists to receive payments directly from MSS, bypassing traditional record label channels. This proposal has gained traction among artists who seek greater transparency and autonomy in their earnings. However, the focus on equitable remuneration for artists risks narrowing the conversation and overshadowing the broader need to renegotiate revenue shares across all stakeholders in the music industry.



Some in the music industry see this moment of debate as an opportunity to renegotiate existing deals and secure better revenue for artists, particularly artists who often feel excluded from the negotiation process. Others focus on proposing new forms of compensation, such as artists' rights or streaming remuneration models, which could provide additional income sources for artists outside of traditional revenue streams.

Negotiating remuneration in the music industry is deeply influenced by power dynamics. Record labels are in a privileged position, as they are the primary intermediaries between MSS and artists, giving them control over how revenue is distributed. This gives them significant leverage over artists, many of whom feel sidelined in these negotiations.

Major record labels argue that artists are not required to sign with them, given the availability of independent labels and self-release platforms. However, major labels continue to hold substantial power in the industry, largely due to their capacity for data collection and analysis, strong negotiating power with MSS, and extensive marketing capabilities. These advantages enable major labels to increase the visibility of their signed artists, which is crucial for success on streaming platforms. Studies indicate that artists associated with major labels often perform better on MSS in terms of popularity and earnings, as their songs are prominently featured in widely listened-to playlists, boosting their visibility and revenue potential ([Hesmondhalgh et al., 2021](#)). This also highlights the power dynamics at play. Consequently, independent and emerging artists frequently find themselves in a weaker bargaining position, as the appeal of major label resources and enhanced exposure remains significant, despite the ostensibly lower market barriers.

MSS, meanwhile, defend their practices by claiming they have no control over how labels distribute revenue. Instead, the survey findings show that MSS are perceived most negatively when it comes to fair remuneration. This view is further reinforced by interview insights that underscore existing tensions stemming from MSS' business models, which often reflect a Silicon Valley approach. Rooted in principles of market efficiency and minimal regulation, this model enables platforms to operate with a high degree of opacity ([Rose, 2024](#)). This opacity limits the ability of policymakers and IR to fully understand platform operations, and it reinforces power imbalances within the industry. In this model, MSS may subsidise one area of the business – such as music – by relying on profits from other sectors, such as tech services or stock market valuations. This practice raises concerns that MSS prioritise growth and shareholder interests over fair compensation for artists, which led to strong calls from both survey respondents and interviewees for more transparent revenue distribution practices. The perception that these platforms lack accountability amplifies stakeholder frustrations.

Transparency emerged as a central pillar in discussions of fairness within the music industry. Survey results indicated that transparency was the most frequently associated concept with fairness, chosen by 58,9% of respondents. This underscores the critical role of openness in addressing inequities and power imbalances across the industry. Stakeholders repeatedly stressed the need for clear and accessible information on how algorithms, revenue distribution models, and contractual agreements operate. Such transparency is perceived as essential to empowering artists and providing them with equal opportunities to succeed in a competitive digital market. This emphasis on transparency aligns with broader literature



highlighting how opaque algorithmic systems and contractual arrangements exacerbate power disparities in the industry ([Prey, 2020](#)).

Our interviews further reinforced this emphasis on transparency, with stakeholders frequently linking it to fair remuneration. Artists' representatives, in particular, voiced concerns about the opacity of MSS and record labels, questioning how playlists are curated, royalties are calculated, and contracts are structured. For many, the lack of clarity in these processes not only undermines trust but also exacerbates inequalities. Some stakeholders noted that without transparency, even well-intentioned policies or contractual arrangements risk perpetuating unfair outcomes, as creators cannot verify whether they are receiving their rightful share of revenue.

Transparency was also linked to broader structural power dynamics in the industry. Interviewees from various sectors noted that the lack of clear information about contractual terms and licensing deals perpetuates inequalities between major labels, MSS, and smaller stakeholders. This observation echoes [Prey et al. \(2022\)](#), who argue that the concentration of decision-making power within digital platforms often excludes smaller stakeholders from meaningful participation. For many, transparency is seen not only as a means to address immediate concerns around visibility and revenue, but also as a pathway to rebalancing power in an industry where decision-making is often concentrated among a few dominant players.

The music industry's power imbalance is also evidenced in the interviews, as stakeholders frequently expressed frustration over the lack of meaningful dialogue with major industry players, such as record labels and MSS. Many feel that these powerful stakeholders introduce proposals or policies that impact the entire industry but without consulting those directly affected. This top-down approach, often perceived as unilateral, is evident in recent developments like Deezer's remuneration model. Created through negotiations between Deezer and major record labels, this model was presented as a solution to combat streaming manipulation and enhance revenue distribution. Yet, the discussions excluded artists who are directly impacted by these changes in income allocation and visibility.

A similar top-down approach can be seen in the deals between record labels and AI companies, where agreements were reached to allow AI systems to use copyrighted material in training models that generate new content. Although this arrangement has substantial implications for the creative control and earnings of artists, many were not consulted in these negotiations.

One notable aspect of the transparency debate is its intersection with recommendation systems and algorithms. Survey respondents overwhelmingly criticised these systems, with 98,2% describing them as 'not transparent at all' and as 'slightly transparent'. This aligns with concerns raised in interviews about the potential for algorithms to reinforce existing industry hierarchies, favouring major-label artists while marginalising niche and independent creators ([Ferraro et al., 2021](#)). Stakeholders argued that without transparency in how these systems function, the industry risks deepening existing power imbalances. Importantly, this issue goes beyond visibility to directly impact financial outcomes, as playlist placement and algorithmic recommendations significantly influence streaming revenue ([Bonini & Gandini, 2019](#)).



This lack of transparency not only affects visibility and financial outcomes, but also has profound implications for diversity within the music industry. Diversity was a recurring theme, revealing its centrality to the concept of fairness. For 45.6% of survey respondents, diversity was directly associated with fairness, thus ranking as one of the top three terms connected to the concept. This focus highlights an industry-wide recognition of the need to create opportunities for a broader range of artists. However, stakeholders also noted that current practices often perpetuate existing inequalities, with playlist algorithms and promotional strategies disproportionately benefiting well-established artists and genres.

The way recommendation systems function can determine which voices are heard and which remain marginalised, making diversity a critical aspect of fairness discussions ([Goldschmitt & Seaver, 2019](#)). Both the survey and interviews underscore that fairness is about more than revenue distribution, as fairness also ensures an inclusive and representative cultural landscape. As stakeholders pointed out, the current system is perceived as privileging mainstream and commercially viable content, leaving little room for niche genres, underrepresented demographics, or emerging artists to thrive.

Fairness, as it pertains to diversity, extends beyond algorithmic practices to encompass broader structural challenges in the industry. Stakeholders emphasised that diversity involves creating an inclusive and representative cultural landscape – one where artists from various backgrounds and genres have equitable access to resources, opportunities, and audiences. The survey highlighted scepticism about MSS fostering greater cultural diversity or facilitating the discoverability of niche content, with a significant number of respondents perceiving only marginal benefits in these areas. The focus on diversity as a component of fairness reflects an understanding that the music industry serves not just as an economic activity but also as a cultural and social institution. These findings go beyond the primary debates in the literature, emphasising the importance of stakeholder perceptions and highlighting the need to broaden the fairness framework to address cultural and societal dimensions alongside economic concerns.

Building on this perspective, the promotion of cultural diversity emerged as a crucial priority, one raised by both survey respondents and interviewees. Several stakeholders, including artists 4, called for regulatory measures to ensure MSS provide a diverse range of content. They also called for the implementation of the UNESCO Convention on the Promotion and Protection of the Diversity of Cultural Expressions. A number of stakeholders emphasised that public authorities should take a more proactive role in shaping policies to safeguard cultural diversity. This was further reinforced by artists 3, who underscored the vital role of public investment in fostering cultural industries. However, contrasting views also surfaced, with stakeholders such as artists 1 arguing that MSS, as private companies, should not be obliged to promote diversity if this conflicts with business-driven objectives. These differing viewpoints highlight the tension between cultural policy aspirations and commercial realities, underlining the complexity of embedding diversity within the industry's fairness framework.

The fairness debate challenged by the COVID-19 pandemic and the generative AI

The discussions around fairness have been further shaped and intensified by two significant events in the industry: the COVID-19 pandemic and the rapid integration of generative AI. Both events have not only exposed but also deepened existing tensions within the music industry, influencing how stakeholders navigate issues such as remuneration, transparency



and diversity. These moments serve as pivotal points that reveal tension in the music industry's power dynamics.

The COVID-19 pandemic starting in 2020 marked a pivotal moment for the music industry, intensifying pre-existing challenges and highlighting systemic inequalities. With live performances cancelled and other traditional revenue streams disrupted, artists faced a dramatic decline in earnings. This underscored the inadequacy of income derived from MSS. During this period, MSS solidified their position as the dominant channel for music consumption. Survey findings reflect this shift, with 69.7% of respondents perceiving a significant increase in the negotiating power of MSS during the pandemic, a viewpoint emphasising the growing influence of MSS in the industry.

The pandemic also brought to light the unequal ways in which stakeholders were affected. While major players like MSS and record labels adapted relatively quickly and maintained financial stability, independent artists and smaller organisations encountered considerable financial and operational hardships. These disparities highlighted the distinct distribution of resources and resilience across the industry, with larger stakeholders benefiting from their entrenched positions, while smaller actors struggled to remain viable.

Additionally, the pandemic crisis amplified awareness of structural imbalances both within the music industry and among external observers. The increased reliance on MSS during this period exposed the persistent inequities in revenue distribution and reinforced existing power dynamics. Interviewed stakeholders noted that the pandemic threw a spotlight on these challenges, bringing them to the forefront of discussions among policymakers and the general public and thus increasing the debates around fairness in this period ([Vlassis et al., 2024](#)). This heightened visibility of systemic issues has driven calls for urgent reform, including demands for greater transparency and more equitable revenue-sharing practices.

The music industry is increasingly integrating AI technologies. This has intensified existing challenges, creating new layers of complexity in longstanding debates about fairness. AI influences key aspects of the industry, including content curation, remuneration models, and the visibility of artists. Far from resolving entrenched disparities, AI often magnifies them, raising pressing concerns about the technology's implications for equitable practices in a field already marked by significant power imbalances. This has positioned AI as a focal point in ongoing discussions about the future of the music industry, where AI's potential benefits are tempered by people's fears about its capacity to exacerbate existing inequalities.

The technology's ability to generate music, recommend content, and influence listening patterns has raised concerns among stakeholders about fair compensation and artistic integrity ([Senftleben, 2023](#)). Interviews revealed that many industry professionals view AI as an accelerant to existing power imbalances, with MSS and major labels potentially using AI to reinforce their control over content distribution and audience reach. This shift risks sidelining smaller players and artists, who already struggle for visibility and fair remuneration in a competitive market. Our survey findings further support this sentiment, indicating widespread scepticism about AI's impact on fair remuneration and its potential to generate 'fake listeners' through algorithmic manipulation. Thus, rather than levelling the playing field, AI is often perceived as a tool that could deepen existing divides. This has prompted calls for regulatory measures, to ensure that AI's adoption supports, rather than undermines, fairness in the industry.



The integration of AI into the music industry has brought longstanding tensions between various stakeholders into sharper focus, particularly between record labels, UGC platforms, and MSS. Record labels express concerns that UGC platforms and MSS are increasingly offering tools that allow artists to release and promote their work independently, supported by AI-driven recommendation systems that can enhance visibility. This shift is perceived as a challenge to the traditional role of labels in artist development and promotion, as AI technology enables UGC platforms to provide services that were once within the exclusive purview of labels. By supporting artists' discoverability through algorithmic recommendations, UGC and MSS not only position themselves as essential intermediaries but also compete directly with labels in shaping artists' trajectories. This potentially disrupts the conventional artist-label relationship.

Tensions are also arising between artists and record labels over the control and use of AI-generated content. Artists fear that record labels might negotiate licensing agreements with AI companies to generate content without the need for artist involvement, thereby diluting the role and value of human creativity in music production. This concern is heightened by the possibility that AI-generated music could eventually compete directly with artists' work, particularly if labels control the licensing agreements for such content. Artists worry that this could lead to a model where their music serves only as a foundation for AI-generated adaptations, which may attract listeners but fail to compensate original creators adequately.

The fairness debate in the light of regulation

All these concerns underscore the need for clear, enforceable guidelines around AI's use in music production and distribution, as well as transparent agreements between artists, labels, and MSS. Both survey and interview findings indicate a strong desire among industry professionals for regulatory measures to address these issues.

There is a broad consensus among stakeholders that responsibility for improving fairness in the music industry is shared across the industry (artists 1, artists 3, CMO 1, record label 3, MBE 4). Many highlight the critical roles of streaming platforms and, especially, record labels (artists 5, MBE 2). Record labels are seen as pivotal in rethinking how the streaming revenue pie is allocated. Beyond platforms and labels, there is a shared understanding of the importance of collective pressure from various groups – particularly consumers and artists – in driving public sector intervention (artists 5; artists 7; IR 2; MBE 2; MBE 3). Many agree that this broader involvement is essential to push for regulatory changes. However, MSS are unique in their focus on consumers, suggesting that their increased investment in music could elevate the industry's value.

The industry's focus on the role of the consumer is emphasised primarily by MSS, while record labels also acknowledge the importance of consumers in shaping market practices. Other stakeholders recognise consumers as a potential force for change, but do not place them at the centre of the debate. A key issue raised is that consumers lack options when it comes to selecting MSS that are more ethically fair. These perceptions reflect a broader tension, between seeing consumers as agents of change and recognising the structural constraints within the music streaming market.



Overall, there was a consensus among many stakeholders that regulation is necessary across the music industry. Whether addressing issues like revenue distribution, transparency, or cultural diversity, they argued that without more robust regulation, the industry would continue to prioritise corporate profits over the needs of artists. Implementing legislative frameworks that promote fairer revenue sharing and increased transparency would be a key step toward building a more equitable and sustainable music industry.

In this context, the EU Directive on Copyright in the Digital Single Market (2019/790) was positively viewed by stakeholders as an important regulatory step, despite the limitations inherent in such large-scale negotiations. Many stakeholders expressed satisfaction with the Directive. However, significant challenges lie in its implementation, as shown by the survey findings revealing scepticism of the impact of the Directive. A key finding was the broad stakeholder engagement in the Directive's negotiation process, with most interviewees actively participating. This process was perceived as democratic, encompassing a wide range of interests and perspectives, rather than being imposed unilaterally by the European Commission. Participants therefore generally felt a sense of shared ownership and legitimacy.

The Directive also played a symbolic role, achieving two key objectives: first, it encouraged broader engagement and dialogue in negotiations among stakeholders across the industry. Second, by addressing large platforms directly for the first time, the Directive helped shift the balance of negotiation power, as recognised by some of the stakeholders interviewed.

The survey results reveal broad support among respondents for increased EU intervention in the music industry, particularly in areas aimed at fostering fairness and diversity. The policy that received the strongest endorsement is the regulation of algorithms and content curation: 89,8% of respondents advocate restrictive rules to ensure greater transparency and equitable practices in music recommendation systems. Similarly, there is significant support (83,3%) for policies requiring platforms to invest in European music works, reflecting a collective desire to strengthen regional content production. Measures to prevent monopolisation also garnered considerable backing, with 78,6% of respondents highlighting the importance of fostering competition and limiting the dominance of a few large companies. However, the introduction of quotas for European repertoire, while still supported by 67,5% of respondents, emerged as the least favoured regulatory measure and some scepticism about this was evident in the interviewees' divided opinions. These findings underscore the growing demand for robust EU-led policies that address structural imbalances, while fostering a more diverse and fairer music industry.

The interviewees provided several policy recommendations aimed at addressing the challenges and imbalances within the music industry. One of the most widely supported suggestions is the creation of a European Music Observatory (artists 1, artists 3, CMO 1, MBE 4). This Observatory would act as a central body to collect fragmented data from various sources across the music sector, thus offering a comprehensive view of the market. According to MBE 4, the Observatory could establish a governance model, which incorporates agreements on confidentiality, to compile diverse data sources into a coherent and complete market overview. This initiative would enable the industry to analyse trends, identify biases, and address unfair practices more effectively. By consolidating existing data, the Observatory could facilitate the tracking and measuring of key indicators. This would



enhance access to insights that support the development of fairer policies. Currently, only a limited number of stakeholders have a complete view of market data, leaving many others without access to critical information.

The concept of a European Music Observatory has already been discussed within the sector. A report on its feasibility identifies several challenges, including a shortage of human resources, ensuring data consistency, and maintaining independence in policy development and leadership. To address these issues, the report recommends establishing an autonomous, fully-developed European Music Observatory, similar in structure to the European Audiovisual Observatory. This new observatory would require a robust governance framework to cater to the needs of all stakeholders, alongside sufficient human and financial resources to operate effectively. Additionally, the European Music Observatory would need strong political backing at both the national and EU levels, as well as consensus among stakeholders on key policy priorities ([European Commission, 2020](#)).

In conjunction with the Observatory, there is a pressing need for better access to existing data, in order to monitor critical aspects such as diversity and the prominence of European content. Several stakeholders emphasised the importance of establishing reliable indicators to quantify and track these elements. However, challenges remain in defining and measuring diversity beyond geographical boundaries. To effectively address this, the Observatory could play a key role in gathering and analysing data to ensure diversity is reflected across the music industry.

To conclude, despite shared calls for reform of the music industry, there is considerable disagreement on the best paths forward. Tensions often emerge around the role of major players and the impact of AI on creative control and remuneration. Our findings emphasise the need for collaborative efforts and regulatory measures that can bridge these differences, so as to ensure that both economic and artistic interests are safeguarded. The music industry continues to evolve. So our findings highlight the critical importance of ongoing dialogue in order to balance innovation with fairness, paving the way for a more inclusive and transparent music industry.



5. Conclusion

This research addressed a critical gap in understanding fairness in the music industry, by examining how music industry stakeholders perceive this multifaceted and evolving concept. While existing literature predominantly focuses on management and economic perspectives or legal frameworks, this study extended the discussion to encompass the experiences and values of stakeholders.

Based on a political sociology approach, this study provides a comprehensive overview of ways in which to think about fairness in the *European* music industry. Without ignoring economic and legal focused analysis, it expands the analytical lenses, taking into consideration the perspectives and views of music industry professionals and stakeholders, which are crucial to *making* and *governing* the European music industry in the light of digital platforms.

The discussion offered here brings political analysis with governance perspectives to market and legal questions ([Acharya, 2017](#); [Vlassis, 2023](#); [Puppis, 2010](#)). It also focuses on the societal, professional and democratic dynamics embedded in decision-making about the European music industry. The study suggests that some of the key assumptions of the academic literature on fairness in the music industry and platform economy leave little space for discussion of the ways in which understandings, perceptions and ‘ways of doing’ – in other words ideas and practices – steer fairness in the European and global music industry.

The role of ideas, principles and practices are inseparable units of analysis in an environment where institutions, whether political or cultural for example, function both as vehicles of ideological positions (as, for example, what it means to be fair in a global music competitive market) as well as enablers of regulatory regimes that cement or resist change (as for example the impact of technologies in creation but also in consumption of music) ([Sarikakis & Kolokytha, 2019](#); [Ganter & Löblich, 2021](#); [Fernandes, 2022](#)). By analysing the governance of fairness in the European music industry ‘in situ and in action’ ([Guiraudon, 2000](#)), exploring the ways in which the actors involved shape specific views on the ways fairness is defined and approached, our research has spotlighted the ideas influencing policy-making ([Carstensen & Schmidt, 2016](#); [Fernandes & Albornoz, 2023](#)).

In the music industry, the governance of fairness results from a complex political process ([Acharya, 2017](#)). When its numerous actors are asked to reflect on the music industry’s scope and objectives in this era of digital platforms, and when invited to engage in debate and negotiation within specific institutional frames, the views they express can seem rather cautious ([Béland, 2009](#); [Steemers, 2017](#)). This report therefore proposes to concentrate on the ways in which we can understand the framing of music fairness through a political sociology approach ([Vlassis & De Beukelaer 2019](#)). Employing a mixed-method approach, it combined a comprehensive survey and in-depth interviews to capture perspectives from six distinct categories of stakeholders: artists, record labels, CMOs, MSS, MBE, and IR.

Fairness in the music industry remains a contested and multifaceted concept, reflecting the diverse priorities and values of its stakeholders. Fairness cannot be reduced to a singular definition or framework. Instead, it must be understood as a spectrum of principles that encompass economic, social, and cultural dimensions. While remuneration is often at the



forefront of fairness discussions, issues such as transparency and diversity are equally significant. This underscores the broader challenges and societal inequalities embedded in the music industry.

The survey and interviews conducted reveal a shared concern over the growing power imbalances within the industry, particularly in the context of MSS. Many stakeholders acknowledged that MSS have indeed lowered barriers to market entry, enabling a wider range of artists to upload their music and reach audiences. However, this democratisation of access has not necessarily translated into broader opportunities for visibility, remuneration, or market consolidation for all artists. Instead, stakeholders emphasised that the dominance of a few major players, including MSS and record labels, often perpetuates existing hierarchies. This leaves smaller players with limited pathways to sustainability.

These findings suggest that while technological advancements have redefined music access and consumption, they have not adequately addressed the structural issues that inhibit equitable participation in the music industry. A recurring theme in the research was the perception that earlier times, such as when people physically owned music on vinyl or CDs, were fairer compared to the streaming era. This common perception of declining fairness highlights the need for a fundamental reassessment of how value is both created and distributed in today's music industry.

Remuneration in the music industry emerged as a central pillar of fairness. Survey and interview findings consistently highlighted dissatisfaction with the current revenue distribution models. Stakeholders across the industry expressed scepticism about solutions that merely aim to grow the overall revenue pie or change the remuneration model, without addressing the underlying disparities in how that revenue is shared. The notion of fairness in remuneration extends beyond the artist's share, to encompass the broader division of revenue among MSS, record labels, and other intermediaries.

Future research should explore not only alternative remuneration models, but also equitable frameworks for dividing the overall revenue among all stakeholders. This would ensure that any growth in the pie benefits the industry as a whole. The remuneration debate is further complicated by the increasing strength of UGC platforms in the music economy. Their business models often exploit safe harbour provisions, enabling them to distribute music with fewer obligations to compensate rightsholders fairly. Stakeholders emphasised the need for regulatory intervention to address these imbalances and to ensure that artists receive equitable compensation for their contributions.

Transparency also emerged as a cornerstone of fairness, reflecting widespread concerns about the opaque practices of record labels and of MSS-UGC platforms. Survey respondents overwhelmingly associated fairness with transparency, underscoring the importance of readable and accessible information about how revenue is distributed, how playlists are curated, and how contracts are negotiated. The intersection of transparency with algorithms and recommendation systems was particularly contentious, as stakeholders criticised these systems for reinforcing industry hierarchies and limiting opportunities for diverse and independent voices. Indeed, the lack of transparency undermines trust and these concerns highlight the urgent need for greater openness in the governance of digital platforms.



Diversity, another core component of fairness, reflects the music industry's role not just as an economic activity but as a cultural institution. Stakeholders emphasised that fairness must include equitable opportunities for artists across different genres, demographics, and regions. However, current industry practices often privilege mainstream and commercially viable content, thus marginalising niche genres and underrepresented voices. Both survey and interview findings underscored the importance of promoting cultural diversity and ensuring that the music industry reflects the richness of artistic contributions. This will mean addressing algorithmic biases as well as implementing policies that support diversity in content creation, distribution and consumption.

The COVID-19 pandemic also exposed the vulnerabilities of artists and smaller stakeholders, highlighting their dependency on MSS as live performances and traditional revenue streams disappeared. While MSS gained negotiating power during this period, the crisis also heightened awareness of systemic inequalities. This has prompted calls for regulatory reforms and more equitable revenue-sharing practices.

Lastly, the rapid integration of AI has further amplified all the above challenges, serving as a critical moment of reflection and tension within the industry. AI has intensified debates around fairness, with stakeholders expressing concerns about its potential to exacerbate existing power imbalances. While AI offers opportunities for innovation, it also raises questions about transparency, remuneration, and the ethical implications of generative content, thereby emphasising the need for clear guidelines and accountability.

The findings of this report point to a growing consensus that the music industry requires reforms to address these multifaceted challenges. Stakeholders expressed support for regulatory measures, particularly those aimed at fostering transparency, promoting diversity, and ensuring fair remuneration. There was broad endorsement for proposals such as the creation of a European Music Observatory and the implementation of restrictive rules on algorithms. This reflects a collective desire for a more equitable and inclusive music industry. However, stakeholders held diverging opinions about proposals to establish a quota for European content.

This report also highlights the importance of recognising the interconnections of these music industry issues. Transparency, diversity, and remuneration are not isolated issues. They are all interconnected and inevitably shape how fairness is perceived and experienced across the industry. Their reciprocal connections suggest that achieving fairness in the music industry will require all three issues to be addressed holistically. Ultimately, the path toward a fairer music industry will require trust and collaboration among all stakeholders, including artists, MSS and UGC platforms, record labels, policymakers, and consumers. Fairness is not a static goal. It's an evolving framework that must adapt to the industry's changing dynamics.

The findings presented in this report offer new insights into the concept of fairness in the music industry. They underline the tensions between market-driven and cultural values, as well as disparities in power dynamics, revenue distribution, and access across the industry. Our findings also underscore critical debates around remuneration, transparency, and diversity while highlighting broader challenges, such as algorithmic biases and the implications of AI integration. By addressing these issues from the perspectives of diverse



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stakeholders, this research contributes to a more nuanced understanding of fairness, which will in turn provide a stronger foundation for informed policymaking and industry reforms.



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7. Annexes

7.1 Questionnaire of the interviews

Profile

- What is your role in the music industry?
- How long have you been active as a music industry organisation?
- In your view, when it comes to the music industry, which concepts, values, or principles do you consider to be central. What core ideas drive the industry forward in your perspective?

Fair - general

- Do you consider that music industry market was fairer in the past? Please explain which elements ensured a fairer market.
- Do you consider that streaming services contribute to a fairer music industry? Could you explain why it is fair/unfair for artists?
- Do you believe that streaming platforms and social media facilitate the entry of new artists into the music market?
- In your view, what are the central aspects that need to be prioritized in order to promote fairness within the music industry? For example, remuneration model, transparency on the music consumption, transparency on recommender system, diminish market concentration, etc.

Transparency

- In what ways can music streaming improve their transparency with regard to data analytics and reporting? How would this benefit both artists and the industry as a whole?
- From your perspective, is there a significant difference in transparency between platforms and record labels, platforms and artists and artists and record labels? What about social media?
- How do you believe that increasing transparency regarding the criteria and processes used by recommender system would collaborate to promote fairness within the music industry?
- What potential benefits or challenges do you foresee in implementing greater transparency in music streaming services? And on social media?

Recommendations

- Do you believe that the recommender systems used by music streaming platforms are fair in terms of promoting a diverse range of artists and music genres? Why?
- Are there disparities in terms of which artists receive prominence in recommendations and playlists? Do you believe this is related to underrepresented groups?
- How should platforms improve fairness in the exposure and promotion of content?



Music industry perspectives on fairness in Europe

- How should platforms promote music from artists that are just starting their careers?
- Should platforms calibrate their recommendations to ensure diversity of content? Should platforms ensure the prominence and discoverability of European works? How?
- From your perspective, what metrics or criteria should be used to measure the fairness of recommendation algorithms? How can these measurements be effectively monitored and reported to the public?

Remuneration

- What changes do you believe are necessary within the digital music market to ensure that artists and performers receive fair compensation for the consumption of their music?
- Recently Spotify announced a new remuneration system. Could you explain what are the motivations and the rationality in developing this model? Could you explain what was the process of developing it?
- Recently Deezer adopted a new remuneration method. What potential advantages or concerns do you foresee with this innovative approach? Do you believe it should be the main method of payment? Do you think it challenges the power of recommendation systems? Do you think it helps to differentiate streaming platforms from social media?
- In your opinion, who do you believe should bear a larger responsibility for creating a fairer music industry in terms of fair compensation for artists and songwriters: streaming platforms, record labels, or consumers?

Social media X streaming

- What are the key differences between streaming platforms and social media in the music industry regarding diversity of content and transparency? What about remuneration?
- What is your view on how social media, with its direct artist-consumer interactions, can benefit or challenge the music industry?

EU legal

- How would you describe your participation in the discussions and negotiations surrounding the EU Copyright Directive? Do you consider that your interests and concerns were taken into account? Are there areas where you believe this framework could be improved or strengthened?

Covid-19

- How has the COVID-19 pandemic altered the power dynamics between streaming platforms and artists? Could you provide insights into how the pandemic may have shifted the relationships among these key stakeholders?
- What long-term changes or trends do you anticipate in the music industry as a result of the pandemic?

Risks and opportunities



- Considering the cultural value of music, how do you perceive the presence of streaming services as a potential threat or opportunities to the long-term sustainability of the music industry? Can you elaborate on the ways in which these platforms might impact the diversity of music?
- To what extent do you perceive streaming platforms as impacting the content and influencing the artistic creation of music? Can you provide insights into how these platforms might be shaping the creative processes, styles, or themes of music in the industry?
- What do you see as the most significant impact of AI technologies on the music industry?
- What is the impact of AI in the music consumption? Do you perceive the utilization of AI in generating fake listeners as a potential risk within the music industry?
- How do you perceive AI's influence on copyrights and artist remuneration within the music industry? Are there strategies you believe should be prioritized to mitigate potential risks and ensure equitable compensation for creators?

7.2 Questionnaire of the survey

Fair MusE Help us better understand fairness in the music sector and improve it where necessary. Thank you for taking the time to participate, your feedback is highly valuable to us!

This project is funded by the **European Union's Horizon Project**. Fair MusE aims to provide an analysis of fairness in the music industry involving music creators and stakeholders, focusing specifically on the role of online platforms and their algorithms. Personal data collected within the framework of this survey will be kept secure and confidential at all times, according to the **General Data Protection Regulation (GDPR) EU 2016/679** on the protection of natural persons with regard to the processing of personal data and the free movement of such data and the Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC. The purpose of the collection of your personal data is to provide us with your input and share with us your personal opinion, experiences and/or institutional perspective, thus contributing to this research activity conducted within the framework of the Fair MusE project. **Your personal data will only be processed internally by research institutions** from the Fair MusE consortium and more specifically by **the University of Liege and the Vrije Universiteit Brussel**. Your responses to the survey will not be shared nor re-used for research purposes beyond this project. If you have any questions and concerns about the survey, your participation in the activities, the exercise of your rights related to your participation, please contact: **Prof. Antonios Vlassis** at **avlassis@uliege.be**, Prof. Heritiana Ranaivoson at



heritiana.renaud.ranaivoson@vub.be or Prof. Giuseppe Mazziotti at gmazziotti@ucp.pt. **This project is funded by the European Union's Horizon Project (grant agreement No 101095088).** If you wish to know more about the project, please consult the following webpage: <https://fairmuse.eu>. Your participation in this survey is entirely **voluntary**, and your responses will be kept confidential and anonymous. By proceeding, you are giving your **consent** to participate in this study. We appreciate your time and valuable input. Thank you for contributing to our research.

☐ I consent

Personal information: The initial section consists of questions regarding demographics and personal information. Your responses are appreciated and will help us better understand our audience.

1. With which gender do you identify?

- Woman
- Man
- Non-binary / third gender
- Prefer not to say

2. How old are you?

- 18 - 24
- 25 - 34
- 35 - 44
- 45 - 54
- 55+

3. Please indicate your nationality.

- Austria
- Belgium
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary
- Ireland



Music industry perspectives on fairness in Europe

- Italy
- Latvia
- Lithuania
- Luxembourg
- Malta
- Netherlands
- Poland
- Portugal
- Romania
- Slovakia
- Slovenia
- Spain
- Sweden
- United Kingdom (36)
- Other _____

4. If your country of residence differs from your nationality, please indicate it.

- Austria
- Belgium
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary
- Ireland
- Italy
- Latvia
- Lithuania
- Luxembourg
- Malta
- Netherlands
- Poland
- Portugal
- Romania
- Slovakia



Music industry perspectives on fairness in Europe

- Slovenia
- Spain
- Sweden
- United Kingdom
- Other _____

5. What is your role within the music sector?

- Composer/author/songwriter
- Performer
- I work for a major record label.
- I work for an independent record label.
- I work for a social media platform.
- I work for a music streaming platform.
- Music student
- Music business expert
- (Other) _____

6. How long have you been working in the music industry?

- Less than a year
- 1 - 5 year(s)
- 5 - 10 years
- More than 10 years

7. Which platform(s) do you use most often to listen to music (multiple answers)?

- Apple Music
- Amazon Music
- Deezer
- SoundCloud
- Spotify
- Tidal
- TikTok
- YouTube
- Other _____

Music Industry: In this section, we delve into critical aspects of the music industry, including fairness, platformization, piracy, revenues, market accessibility, and market domination. Your insights on these topics are essential in comprehending industry dynamics. Thank you for sharing your thoughts and experiences.



Music industry perspectives on fairness in Europe

8. Tell us which of the terms below you associate most with fairness in the music industry (multiple answers).

- Competitiveness
- Diversity
- Creativity
- Innovation
- Transparency
- Inclusion
- Accessibility
- Empowerment

9. To what extent do you believe that the music industry was fair during the following periods?

	Not at all	Slightly	Very	Extremely	Not applicable / I don't know
Physical ownership (before 1999)	☐	☐	☐	☐	☐
Digital Downloads (1999-early 2010)	☐	☐	☐	☐	☐
Streaming (early 2010-Present)	☐	☐	☐	☐	☐

10. To what extent do you believe that music streaming platforms have decreased music piracy?

- Not at all
- Slightly
- Very
- Extremely
- Not applicable / I don't know



11. Which criteria do you consider to be the fairest for music streaming platforms to integrate into their payment systems? (multiple answers)

- A payment relative to the **song's number of streams**: based on the total number of times a song has been listened to by users. The more streams a song gets, the higher the payment.
- A payment relative to the **song's number of likes**: based on the number of likes a song receives. The more likes, the higher the payment.
- A payment relative to the **artist's popularity**: based on the number of followers. The more followers, the higher the payment.
- A payment relative to the **artist's number of active listeners**: based on the number of users listening to the artist monthly. The more listeners, the higher the payment.
- A payment relative to the **geographical location**: certain regions would yield higher payment due to different market demands.
- A payment relative to the **user's profile**: based on the subscription type (free/premium). Premium listeners would generate higher payment.
- A payment relative to the **number of playlist inclusions**: based on how many times a song is put into a user's playlist. The higher the number of playlists, the higher the payment.
- A payment relative to the **song duration**: based on the length of the song. The longer the song, the higher the payment.
- A payment relative to the **artist's label**.
- A payment relative to the **artist's genre of music** (to ensure diversity).
- A payment relative to the **artist's merchandising**.

12. Do you believe that increasing the subscription fee of music streaming platforms can contribute to a fairer remuneration of artists?

- Not at all
- Slightly
- Very
- Extremely
- Not applicable / I don't know

13. Do you believe that there are significant disparities in the amount of money received by various stakeholders?

	Disagree	Agree	Not applicable / I don't know



Music industry perspectives on fairness in Europe

There is a discrepancy between the amount of money received by **record labels and artists**.

☐☐☐

There is a discrepancy between the amount of money received by **music streaming platforms and artists**.

☐☐☐

There is a discrepancy between the amount of money received by **social media platforms and artists**.

☐☐☐

There is a discrepancy between the amount of money received by **music streaming platforms and record labels**.

☐☐☐

14. Related to the previous question, do you perceive these discrepancies as negative or positive?

	Negative	Positive	Not applicable / I don't know
The discrepancy between the amount of money received by record labels and artists is...	☐	☐	☐



Music industry perspectives on fairness in Europe

The discrepancy between the amount of money received by **music streaming platforms and artists** is...

☐☐☐

The discrepancy between the amount of money received by **social media platforms and artists** is...

☐☐☐

The discrepancy between the amount of money received by **music streaming platforms and record labels** is...

☐☐☐

15. Advertising helps music streaming services to expand and generate part of the overall revenues. To what extent do you believe that advertising also provides a financial advantage for...

	Not at all	Slightly	Very	Extremely	Not applicable / I don't know
Artists	☐	☐	☐	☐	☐
Consumers	☐	☐	☐	☐	☐
Music streaming platforms	☐	☐	☐	☐	☐
Record labels	☐	☐	☐	☐	☐



Music industry perspectives on fairness in Europe

16. With the following questions we would like to know more about your opinion on the changes in the market accessibility generated by the widespread use of music streaming platforms. To what extent...

	Not at all	Slightly	Very	Extremely	Not applicable / I don't know
...do you perceive that the barriers to entry into the music industry are lower due to the widespread adoption of music streaming platforms?	☐	☐	☐	☐	☐
...do you perceive that the barriers to distribute are lower due to the widespread adoption of music streaming platforms?	☐	☐	☐	☐	☐
...do you perceive that the widespread use of music streaming platforms fosters the discoverability of artists?	☐	☐	☐	☐	☐
...do you perceive that the widespread use of music streaming platforms fosters cultural diversity leading to a more diverse music offer?	☐	☐	☐	☐	☐



Music industry perspectives on fairness in Europe

...do you perceive that the widespread use of music streaming platforms increases the diversity of music consumed by users?

☐ ☐ ☐ ☐ ☐

...do you perceive that recommender systems used by music streaming platforms are fair in terms of the pool of artists and music genre they promote to users?

☐ ☐ ☐ ☐ ☐

...do you perceive that the widespread use of music streaming platforms facilitates the discoverability of niche content?

☐ ☐ ☐ ☐ ☐

...do you perceive that the widespread use of music streaming platforms leads to an easier circulation of music across Europe?

☐ ☐ ☐ ☐ ☐

Legal aspects: We now have one question on your thoughts on the EU Directive on Copyright in the Digital Single Market (2019/790) and a few specific components.

17. To what extent do you believe that the EU Directive on Copyright in the Digital Single Market (2019/790) has positively... (If you perceive the impact was negative, please select "not at all").



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	Not at all	Slightly	Very	Extremely	Not applicable / I don't know
...impacted the negotiating power of platforms?	☐	☐	☐	☐	☐
...contributed to the fair remuneration of artists?	☐	☐	☐	☐	☐
...impacted the offered/available music content?	☐	☐	☐	☐	☐
...impacted the investments in European music works?	☐	☐	☐	☐	☐

Fairness for whom? The next three questions will inquire about who you believe benefits the most from the current situation.

18. In today's platform-dominated market, for which actor/stakeholder is the situation the least fair according to you? Please rank them from least fair to fairest.

- Consumers/users
- Artists
- Collective management organisations
- Social media/music streaming platforms
- Record labels

19. Regarding improvements in terms of fairness in the music sector, who do you believe should benefit from the fairest situation? Please rank them.

- The artists, as they create the songs/music works.
- The consumers/users, as they pay for the product.
- The record labels, as they promote artists and produce content.
- The collective management organisations, as they are the intermediaries between copyright holders and users.



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- The music streaming/social media services, as they provide the platform infrastructure.
- None

20. Which actor do you believe should take the most responsibility for promoting fairness in the music sector? Please rank them.

- None
- The record labels/producers
- Social media/music streaming platforms
- The collective management organisations
- An independent public authority
- The artists
- The consumers/users

AI: The following questions will inquire about your opinion on the use of Artificial Intelligence (AI) and recommender systems in the music sector.

21. To what extent do you perceive that the functioning of algorithms/recommender systems is transparent?

- Not at all
- Slightly
- Very
- Extremely
- Not applicable / I don't know

22. Do you perceive that having access to data on how recommender systems work would contribute to improve fairness?

- Not at all
- Slightly
- Very
- Extremely
- Not applicable / I don't know

23. To what extent do you... *Platform-curated playlists are collections of songs or tracks assembled by the streaming service itself, often based on genres, moods, events, or user preferences, rather than being created by individual users. **Passive listening on music platforms typically refers to situations where users play music in the background without actively engaging with the content, such as letting playlists or songs run continuously without interaction or skipping tracks, often for ambient or background purposes.



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	Not at all	Slightly	Very	Extremely	Not applicable / I don't know
...perceive that platform-curated playlists* have made the musical experience of the listener more passive ?	☐	☐	☐	☐	☐
...agree that streaming platforms should calibrate their recommendations to ensure diversity of content ?	☐	☐	☐	☐	☐
...consider that passive listening** leads to less musical discovery ?	☐	☐	☐	☐	☐
...agree that streaming platforms should ensure the prominence and discoverability of European music works?	☐	☐	☐	☐	☐

24. Concerning the risks and opportunities of AI, to what extent do you believe that...



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	Not at all	Slightly	Very	Extremely	Not applicable / I don't know
...AI constitutes an opportunity, rather than a risk for the music industry.	☐	☐	☐	☐	☐
...AI constitutes a risk for the fair remuneration of artists.	☐	☐	☐	☐	☐
...AI constitutes a risk in generating fake listeners.	☐	☐	☐	☐	☐
...the use of AI in the music industry should be avoided.	☐	☐	☐	☐	☐
...AI generated songs are an opportunity to offer a larger catalog.	☐	☐	☐	☐	☐
...AI (through recommender systems) enables a better gender parity within the platform's catalog.	☐	☐	☐	☐	☐



COVID-19 impact: The next question will inquire about your opinion on the impact of COVID-19 pandemic on the music sector.

25. To what extent do you believe that...

	Not at all	Slightly	Very	Extremely	Not applicable / I don't know
...the COVID-19 crisis contributed to an increase in the market concentration for the music industry?	☐	☐	☐	☐	☐
... the COVID-19 crisis has increased the negotiating power of music streaming platforms within the music market?	☐	☐	☐	☐	☐
... the online music offer, in terms of catalog, is less diverse since the COVID-19 crisis?	☐	☐	☐	☐	☐

Solutions: This final section will inquire about your opinion on solutions to improve fairness within the music sector.

26. What is your opinion on the following questions:

	Disagree	Agree	Not applicable / I don't know



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Should the EU
impose obligations to
invest in European
music works?

☐☐☐

Should the EU
introduce quotas for
EU repertoire on
playlist and music
services to increase
the diversity of
content?

☐☐☐

Should the EU
promote competition
by, notably,
preventing
companies from
growing bigger?

☐☐☐

Should the EU
provide restrictive
rules for the use of
algorithms and
impose certain
obligations in terms of
curation?

☐☐☐

Additional comments: **Thank you** for participating in this survey. Your feedback is incredibly valuable to us. If you have any additional comments, suggestions, or insights you would like to share regarding the survey or the subject matter, please feel free to use the space below. Your input is greatly appreciated.

Email address If you wish to receive updates on the research, please provide your email address below.



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