Music production-consumption within the service-good spectrum

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Abstract
Nowadays music production-consumption is very diverse. It involves possibilities including live, recorded, virtual, online, commercial, non-commercial, mass-oriented, and niche-oriented. In this context, music production-consumption behaves as a service or as a good and, for the sake of better management, ought to be understood within the service-good spectrum.

Keywords: Music, Supply chain, Service-good

Theoretical background
According to archaeological evidence, music practice has been related to social situations for at least 35,000 years (Conard, Malina, & Münzel, 2009). Since these Upper Paleolithic social gatherings seem to have been closely associated to religious rituals (Morley, 2009), it is possible to maintain that, from the very origins of music, its social and cultural dimensions were fused to one another. In a sense, this compound socio-cultural dimension of music may be regarded as an ancestral heritage as old as music itself.

There is, though, more to music than just heritage. Its historical tradition as an art form, which may be traced back to Ancient Greece (Burkholder, Grout, & Palisca, 2010), has caused successive generations of scholarly approaches to focus strictly upon music as a vehicle of emotional expression, endowed with an aesthetic sense (Cook & Dibben, 2010).

Over time, besides socio-cultural heritage and artistic tradition, music has also developed an economic, as well as a technological dimension. Given the fact that bone and ivory flutes already constituted Upper Paleolithic technology (Conard, Malina, & Münzel, 2009), it is possible to maintain that the technological dimension has been associated to music on the account of socio-cultural behaviors, much in the way other stone age technologies did (Jacobs, Z., et al 2008). Nonetheless, throughout music evolution, its technological dimension only gained significance alongside with the development of the economic dimension (Lovering, 1998). In fact, this conjoint development is to be held responsible for the strong leverage of economic and technological dimensions on nowadays music (Martin, 1997).

It was during the last one hundred years that the power of the economical-technological association has peremptorily mingled and, in some sense, overshadowed the socio-cultural, as
well as the artistic dimensions of music (Goodrich, Renard, & Rossiter, 2011). Therefore, as nowadays music accommodates socio-cultural heritage and artistic tradition, it also establishes a growing interface with its economic and technological developments.

As the economy-technology combination reshaped the socio-cultural dimension of twentieth century music, it created conditions to the establishment of a complex and powerful music industry (Stolba, 1990). Ironically, since digital revolution allowed music to be worldwide disseminated, through globalized communication channels, technology becomes a double-edged sword that magnifies this music industry complexity and power, as much as challenges its centenary structure (Graham, 2006).

If the artistic dimension is added to this socio-cultural-economic-technological arrangement, the contemporary musical phenomenon possibly becomes the most paradoxical commonality, since the invention of the phonograph, in 1877. The awkwardness of the way a powerful corporative business generates revenues in the house of billions (Renard, 2010), by turning an intangible art form into a high tech commodity, puzzles even the less biased mindsets. Nonetheless, as economy and technology impose production-consumption patterns to the musical phenomenon (Rosen, 1981), they force the traditional musical establishment to review values and perspectives. Moreover, as they affect the music situation within the service-good spectrum, they open an extensive range of possibilities related to the production-consumption relationships housed within the music supply chain (IFPI, 2012). In short, it is time for the elderly music industry and the traditional musical establishment to make the most of this art form that, less than one hundred years ago, was socially, culturally, and geographically confined to specific contexts, and today gains the world at the speed of a mouse click.

**The problem and the research questions**

Whether music is considered under historical or prospective evolution, to keep its socio-cultural, artistic, economic, and technological dimensions under perspective is a challenging task. Possibly for that reason, the literature on music business, on music industry, on music and technology, among many other related subjects, though rather comprehensive, usually focuses very specific aspects. Even if it allows good glimpses of the music production-consumption relationships within the service-good spectrum, a brother view and a holistic understanding of this particular aspect of the music supply chain is hardly found. Therefore, departing from the examination of a number of sources on music economy, music and technology, and music history, as well as others, related to the anthropology, sociology, philosophy, and aesthetics of music, some questions have arisen.

Once nowadays music is undeniably connected to the great world of business, how is it possible for this intangible art form to be understood as a production-consumption object? Considering that, in reality, most of the low profile music is still produced and/or consumed through non-commercial relationships, how could them be considered economic? If technology constitutes a stake through the heart of whatever has been established as the socio-cultural, artistic, and economic dimensions of music, how may multimedia-digital revolution, in association with globalized communications, affect the understanding of music as a production-consumption object? Given that economy and technology have indeed imposed production-consumption relationships upon music, where do these relationships actually stand within the service-good spectrum of the music supply chain?
Design and methodology

First and foremost, this study requires production-consumption relationships to be differentiated from production and consumption patterns. In a sense, the latter may be understood as a part of the former’s dynamic exchanges between the producer and the consumer of a given good or service. In other words, production and consumption patterns may be regarded as means to establish production-consumption relationships. With that in mind, this study initially applies the production-consumption concept to the complex and multidisciplinary field of music. Afterwards, music production and consumption patterns are categorized, according to the production-consumption relationships they establish. To the categorization of these patterns follow the concluding remarks.

Since the present study constitutes a part within a wide-ranging research plan, at this point it becomes necessary to cross-refer to the previous stage, which has been devoted to outline the music economy field configuration. This outline was established through the analysis of the social, cultural, artistic, and economic dimensions of music. In addition, it has also signalized that a technological dimension, more specifically related to the contemporary musical phenomenon, might be incorporated to the primary model.

Departing from that perspective, the present study follows the multidisciplinary approach previously established to outline the music economy field configuration. The methodological groundwork comprised conceptual and qualitative research, elaborated through exploratory study. This study included data collection, evaluation, and cross-checking on topics directly or indirectly associated with the music production-consumption relationships within the service-good spectrum.

The production-consumption concept applied to music

When it comes to the music field, it is important, as much as challenging, to consider the intermingled dynamics of its socio-cultural, artistic, economic, and technological dimensions, as well as the complex set of interactions they establish with one another (Lovering, 1998). With that in mind, the present study will apply a specific understanding to the production-consumption concept, when it relates to music.

The initial inquiry targets the modus operandi of this particular binomial when associated to an art form as intangible as music. Taken the millionaire earnings of high profile music celebrities, the crowded rock concerts and their associated merchandising, or some artists’ astronomical record sales, the music production-consumption is hardly inconspicuous. But it may not be as noticeable when considering a symphony, an opera, or a ballet. Not to mention all the low profile musical life between the music of the masses and art music selective tradition.

To contemplate all music dimensions and a wider variety of musical manifestations, a music production-consumption model would have to allow a broader perspective. For instance, not every music dimension or musical manifestation would entirely fit the manufacture-distribution-sales-purchase process embodied in a supply chain model that would apply to most regular commodities. On the other hand, an exclusively aesthetic model that regards music as a pure art form meant to convey emotional expression, besides making the production-consumption concept look even more unthinkable, also does not contemplate every dimension of music, or musical manifestations in general.
Yet, whereas musicians are not able to buy their groceries in aesthetics currency, economists will ever get a supply chain to sing. The solution, therefore, may be found middle way, in a point where musicians and economists could come closer to each other (Benhamou, 2007). In music, as pointed by Adler (1985), after Rosen (1981), the supply chain binominal production-consumption may be associated to the aesthetic binominal performance-appreciation. Under this perspective it is possible to infer that, if the moment of performance is considered as the production process, the appreciation of this performance corresponds to the consumption. The production agents, in this case, are the musicians, who create/produce the performance, by means of a number of approaches and differentiated levels of expertise, to be consumed by any appreciative audiences, which would like to invest time/money on it (Adler, 1985). In turn, the music service-good spectrum should also accommodate a production-consumption middle ground between the absolutely physical and the absolutely intangible.

The virtue of this model is to accommodate music socio-cultural, artistic, economic, and technological dimensions, whilst suiting musical manifestations in general. Other than that, it allows the establishment of some music production and consumption patterns, according to the specific production-consumption relationships they comprise.

**Music production and consumption patterns**

*Music production patterns*

As a production process, the actual performance constitutes a musical service endowed with an ephemeral-intangible nature, usually imbued with an artists’ personal interpretation that is, by no means, measurable. Added to that, according to Adam Smith (1740), in a performing art, like music, the service produced ceases to exist within the production process. Together, these characteristics give music production a singular condition, which sets the grounds to the establishment of the following music production patterns.

*Live music*

Live music relates to a performance situation where musicians and audiences share the production-consumption process within a single moment. The term *share* is deliberately used here to emphasize the notion that live performance implies an immediate response from the audience. In that sense, as live music defies the taxonomy of *unproductive labour* (Adam Smith, 1740) it also alchemizes the moment of performance into an entire production-consumption cycle. Moreover, as the integral components of this cycle have direct influence upon one another, they bring live music production into the realm of service.

Other than the simultaneous coexistence of music production and consumption, this production pattern, does not take into consideration any variables like, for instance, the level of artistic approach, the degree of profit intent, the audiences’ investment to watch/purchase the performance. Technology, however, may inflict some deviation into this particular category. As mass communications media enable the performance moment to be worldwide broadcast, they tend reshape two aspects of the production-consumption cycle comprised within live music. First, as pointed by Rosen (1981) communications media increase the audience scope. If this was true in pre-digital revolution times, current *WWW* possibilities enlarge the potential reach of these media at exponential rates. Second, besides impairing the real time basis on which this production-consumption cycle operates, live broadcast, also weakens the service configuration
associated to the live music production pattern as it prevents remote audiences to have an immediate interaction with the artists’ work.

**Stored music**

Gathering and storing may be regarded as inherent to human behavior (Zihlman & Tanner, 1978). Therefore, the ephemeral-intangible condition of sound must have always stricken the human mind. As a proof of that, over the last century, technologies destined to capture, perpetuate, and reproduce sound have consistently kept up with general technology evolution. Nowadays, this evolution enables any musical performance to be stored for prospective consumption, by audiences that do not enter in direct contact with the production process.

As far as capture and storage are concerned, the twentieth century witnessed human ultimate conquest of sound. After all, vinyl records, cassette tapes, CDs, and DVDs indeed represent sound in physical form (Alexander, 1994). This physical form enabled musical production to develop a material quality, which, according to Martin (1997), turned music into a manufactured good to be commercialized like any regular industrial product.

To the age of music manufacture, followed the age of music compression. Tough intended for CD and DVD storage, the compressed recordings rapidly evolved from physical form to simple information bites (Renard, 2010) that could travel around the world, in a matter of seconds. The virtualization of stored music in a wide variety of formats, soon affected music production-consumption relationships, changing the proportions of physical and virtual goods they housed. As these proportions changed, they eventually shifted routine bonds between the centenary music industry and its supply chain (Jones, 2000). Moreover, the rise of virtual music, combined to the extraordinary growth of globalized communications, has opened several new conduits for music download and streaming at nearly no cost (Throsby, 2002). In that sense, peer to peer, netlabels, commercial portals, on-line collections and radios, podcasting, artists’ blogs and sites, among others, fostered a radical change in the flow of stored music around the world (Prestes Filho, 2005). The impact of these technologies upon the music supply chain status quo, on the one hand, has shaken physical distribution, signalizing a shift of the stored music production pattern towards some in-between point of the service-good spectrum (Jones, 2000). On the other hand, the music virtualization potential to actually modify the established production pattern of stored music is yet to be measured.

Similarly to what happens in the live music production pattern, stored music also does not make distinctions as to the what, where, how, or to the how much involved in the recording process. In that sense, whether or not new recording and reproduction technologies affect the status of this production pattern within the service-good spectrum, they will not interfere with its basic premise, which is the capture and storage of a performance moment for future consumption.

**Commercial music**

This pattern comprises the profit-oriented music production and accommodates two subcategories, established according to the targeted appreciative audiences. The first and, by far, the best known of these subcategories is popular music, which is usually targeted to wider audiences or, in most cases, to mass consumption. (Martin, 1997) The second comprises art music, whose production is targeted to appreciative audiences from rather specific socio-cultural strata (Krims, 2007). Though these two subcategories reach for their particular target audiences by means of different marketing strategies, both still may share appreciative audiences. In fact,
according to Burkholder, Grout, and Palisca (2010), current times allow audiences to have different musical choices for different daily life situations.

Nonetheless, as the production of popular music distinguishes itself from the production of art music in terms of the potential size of the target audience, the former often makes use of wider corporative investment (Martin, 1997), while the latter, in many cases, depends on the combination of patronage and government subvention (Benhamou, 2007).

**Non-commercial music**

Under the thus far established perspective of music production-consumption, even non-commercial music is produced by musicians to be consumed by appreciative audiences within any given point of the service-good spectrum. However, from a strictly financial understanding, the production of music devoid of any commercial purpose may be regarded more as a theoretical pattern than as an actual niche of significant proportions, since it is neither logical nor fair to assume that any performance would be produced in the absolute absence of profit intent. What in fact happens is that, government subventions, as well as patronage, enable some musical productions to have purposes other than box-office or record sales revenues. This would be the case of most academic music production, historical performances, religious music, and may other alternative approaches. Nonetheless, whether or not the musical production has profit intent, it rarely implies that the faculty professor, the historical performance researcher, the church choir director, or the bar singer did not receive any payment to produce the performance. Thus, non-commercial music production usually implies non-corporate financial support, but not the absolute absence of profit intent.

**Cumulative production patterns**

According to the present model, a single situation of music production may accumulate more than one of these patterns. For instance, any given concert at the very moment of performance fits the live music production pattern, but, once recorded, becomes stored music. If the same concert is performed/recorded with profit intent, it also suits the production pattern of commercial music. Likewise, if the performance/recording is profit-oriented and targeted to mass-consumption, it may as well be considered popular music. In this particular case, as the original production pattern of live music becomes stored in a recording, it instantly crosses the service-good spectrum, from one end to the other. Under different circumstances, the cumulative patterns may also entail other significant shifts in some production patterns, especially when boosted by technology. Given that nowadays technology already constitutes an enabler, whose influence takes even a garage band to the streaming channels, in the years to come, the potential of this and other fusion between non-commercial and stored music production patterns seems very promising (Creative Commons, 2009). Moreover, once this fusion bypasses established arrays of the old music industry, it may as well reshape some music supply chain flows.

**Music consumption patterns**

Taken as music consumption the act through which audiences appreciate music, or the sensorial absorption of the musical performance, it is possible to pin point a number of different situations where this may occur in considerably different ways. Once the possible consumptions of music, within the service-good spectrum, are as wide as music allows them to be, the differential is the fact that the ears are naturally designed to let in. Therefore, most people that do not suffer from any hearing impairment do not enjoy the privilege of not listening. Under this perspective, a
primary division of music consumption patterns allows the establishment of two categories, namely, the active music consumption and the passive music consumption. From this primary dichotomy—that relies on whether or not consumption occurs by means of audiences’ choice—a number of specific sub-categories are to be considered.

Active music consumption
This consumption pattern comprises the situations where the audiences choose to appreciate the music performed by some specific artists, in some specific genres, styles, or artistic approaches. The choice parameters may consist of individual options (Gendron, 1986), as much as rise from within and across the collective influence (Adler, 1985), but this level of distinction goes beyond the purpose of the present categorization.

The sub-categories within active music consumption are established according to the audiences’ choices (individual or not) among the production patterns, as considered above. In that sense, active music consumption falls into a dichotomist division, regulated according to its association with live or stored music production patterns.

If live music is kept under the perspective of a performance situation where musicians and audiences share the production-consumption process within one single moment, live music consumption may be considered complementary to live music production. Hence, together, they constitute an indivisible production-consumption set, but, once again, technology may add some deviation to the model, by enabling remote consumption of broadcast live performances.

Live music consumption pattern may also relate to commercial or non-commercial production of music, according to whether or not the appreciative audiences are willing to make financial investment in the return to their music consumption. Aside from the degree of investment intended, audiences’ consumption choices relate to the appreciation of specific artists, genres, or musical approaches and may as well be motivated by reasons that range from high cultural interest to a mere search for entertainment.

When it comes to the consumption of stored music, performance and appreciation are no longer inseparable, since they occur in different time and place, but, as in the case of live music, consumption patterns of stored music also may vary, according to the degree of financial investment the appreciative audiences are willing to make. The general appreciation criteria behind the choices involved in live and stored music consumption are very similar. Nonetheless, as a number of possibilities, all related to globalized communications, allow virtual stored music to become more and more exchangeable, virtual socialization may be included among the motivations for stored music consumption. In the one hand, given the recent impact of virtual music production upon some old fashioned supply chain models, a prospective evolution could take it anywhere between good and service. On the other hand, as virtual music already implies widespread offer, potentially unlimited storage possibilities, high velocity, and low costs (if any), it acquires great potential to become an absolute consumption favorite of future appreciative audiences.

Passive music consumption
If considered through the combination of the healthy ears’ inherent condition to naturally let in, and the acoustically crowded soundscape of urban society, passive music consumption may be as significant as its opposite pattern. In fact, it became so present in several daily life situations that most of the time tends to be ignored. Nevertheless, to leave in an urban context without being exposed to compulsory music backgrounds is nearly impossible (Krims, 2007).
As in the previous category, live and stored music also determine a first dichotomist subdivision within passive music consumption. However, depending on the nature of the musical background, passive consumption comes to another dichotomy. In that case, exposition to music within an artistic environment and extra artistic exposition to music constitute the sub-categories established. The former relates to passive consumption alongside with other artistic manifestations, e.g., general dramaturgy and dance. In the latter, the extra artistic exposition to music relates to all spheres of communications media, to several social situations (like nightspots, street publicity, and public spaces sound systems), and to other contexts (Krims, 2007), some of them not even remotely associated with music.

**Conclusions**

As rationalism and industrialization turned the 1900s into an era where economy and technology ruled over the socio-cultural environment, they also set the course of music subsequent evolution (Martin, 1997). During this evolution, as this intangible art form became gradually connected to the great world of business, it was forced into a supply chain system that established production-consumption relationships within a service-good spectrum. However, given the full set of dimensions comprised within music, as well as the wide variety of musical manifestations, the manufacture-distribution-sales-purchase process that applies to most regular commodities failed to accommodate music as a whole. For that reason the present study has proposed an alternative production-consumption model, where, the musical performance corresponds to the production process and the consumption is related to the corresponding appreciation (Adler, 1985).

Once this model universally applies to all music dimensions and to any musical manifestations, with no regard to their level of economic engagement, it broadens the scope of the music production-consumption relationships, as well as the possible status of these relationships within the service-good spectrum. In addition, it also legitimates the underlying economic character of musical productions target-oriented to ends other than revenues.

When, more than 35,000 years ago, humans manufactured their first bone flutes (Conard, Malina, & Münzel, 2009), technology was already attached to music. Over the years and, specially, during the last century, the influence technology upon music has gradually grown stronger (Goodrich, Renard, & Rossiter, 2011). In that sense, as the intangible musical product became a regular manufactured good, music industry not only achieved the ultimate conquest of sound, it also turned society into a greedy music consumer (Martin, 1997). By the beginnings of the twentieth century, as this consumption greed has brought the music industry annual sales to the house of billions (Graham, 2006) it also became associated with technological greed. This association created a vicious circle that has ultimately taken music technology to an unprecedented evolution. Conversely, this high speed evolution caused succeeding technological advances and revolutions, to impact the musical establishment. Forced to adapt, in order to survive, the corporative music industry kept feeding and reinventing the consumption-technology greed cycle (Martin, 1997). Through this seemingly endless progression, music has bit by bit abandoned physical forms in favor of a profuse variety of virtual forms (Graham, 2006). As virtual production, storage, distribution, and consumption of music tend to overmatch the old manufacture processes, the music industry watches production-consumption relationships shift from product-oriented to service-oriented.

Moreover, as multimedia-digital revolution, associated to globalized communications, cause senior music supply chain routines of production, distribution and consumption to be
replaced by online streaming, download, and exchange, they also enable music originally produced with commercial purposes to be consumed without any cost. In this sense, current technology brings about new flows, which, aside from the usual congruence among commercial music production and consumption patterns, could establish a new sub-category that would accommodate non-commercial music consumption of commercially produced music (Creative Commons report, 2009).

Given the fact that the multifaceted character of the economic and technological dimensions of music is more closely related to a socio-cultural ancestry (Zihlman & Tanner, 1978; Morley, 2009) than to an artistic tradition, it is no wonder that nowadays musical phenomenon has a main focus towards the high revenue, high tech, and high profile musical practice (Rosen, 1981). Nonetheless, music is much more than this spotlighted scenario. In fact, as proven by the present model, the rather obscure musical life devoted to traditional art, as well as to several alternative approaches, also houses genuine music production-consumption relationships. Whether or not applied to the universally known, this perspective awards the music supply chain a wide and complex extension, as well as equally intricate depths.

As a new socio-cultural order, mainly imposed by digital revolution, is aggregated to this already convoluted structure, the potential outcomes are difficult to predict. However, it is possible to assume that low profile musical life could take advantage of the non-corporative media embodied by the virtual networking of individuals, which may provide alternative connections for alterative production-consumption relationships (Creative Commons, 2009). In fact, the likelihood of any shift in this direction is already closer to reality than to a visionary projection (IFPI, 2013).

As to the situation of music production-consumption relationships within the service-good spectrum, in the current stage of this study, it remains more of an inquiry open for further investigation, than an actual conclusion. Nonetheless the primary analysis of the music production-consumption relationships supports the idea that they may occur at middle ground, as much as at any one of the ends of the service-good spectrum.

With regard to the status quo of the music supply chain, as long as the music production-consumption patterns thus far considered are cumulative and subject to technological evolution, further investigation, testing and expansion could disclose a number of new combinations that may result in prospective suppressions, additions, or shifts applicable to the present model.

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