

Diversity of Distributed Music and Modern Telecommunication Technologies: A Network Perspective

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Diversity of Distributed Music and Modern Telecommunication Technologies: A Network Perspective

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Research Objectives: Music Distribution System

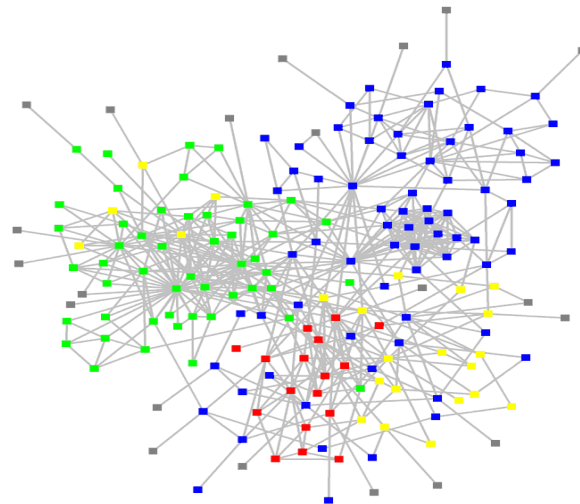
Analysis:

- Conventional music distribution networks: oligopolies
- Internet and cloud computing-based distribution networks

Methodological Approach

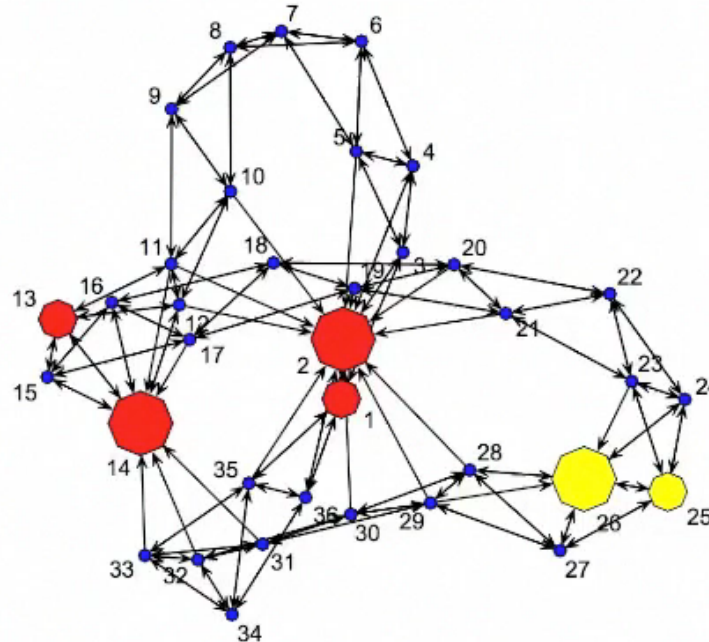
The Social Network Analysis

- Sociograph and simulations: music distribution networks
- Actors: ‘points’ (artists, professional intermediaries, consumers)
- Connections/relations: ‘lines’ (arc, path, distance)



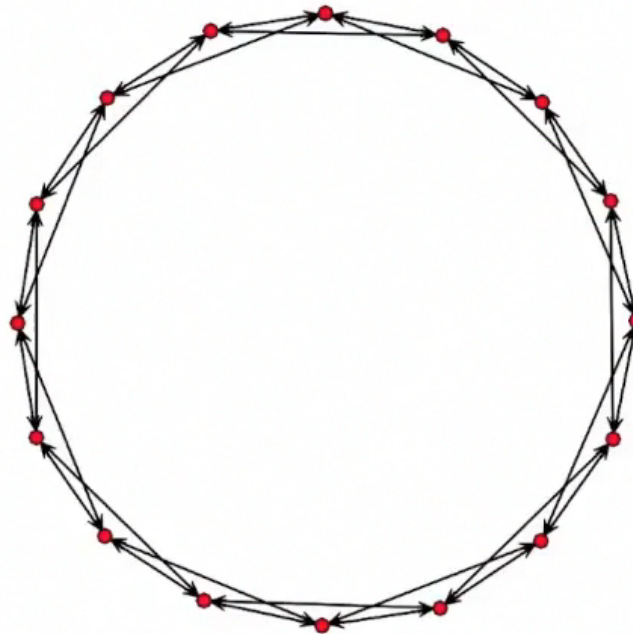
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An Anti-Diversity...



- Conventional-based distribution: exclusivity and monopolies (strong *hub* actor); Commercial but less diverse music outcomes – more likely as a ‘star’ network

..into a 'complete graph'



average distance = 2.4

- Achieved by the emergence of 'shortcuts'
- The 'shortcuts' can remarkably reduce the 'distance'
- Internet and cloud computing technology enabling shortcuts

The Key Notions

- **Diversity:** the music outcomes being distributed and disseminated
- **Innovation:** music distribution and dissemination tools, channels, and/or platforms supported by modern telecommunication technologies
- **Quality:** the standard assesment

Conventional Distribution System

- **Professional intermediaries:**

Record labels, broadcasting organizations, live concert promoters and agents, karaoke, and other music service providers

- **Oligopolistic system:**

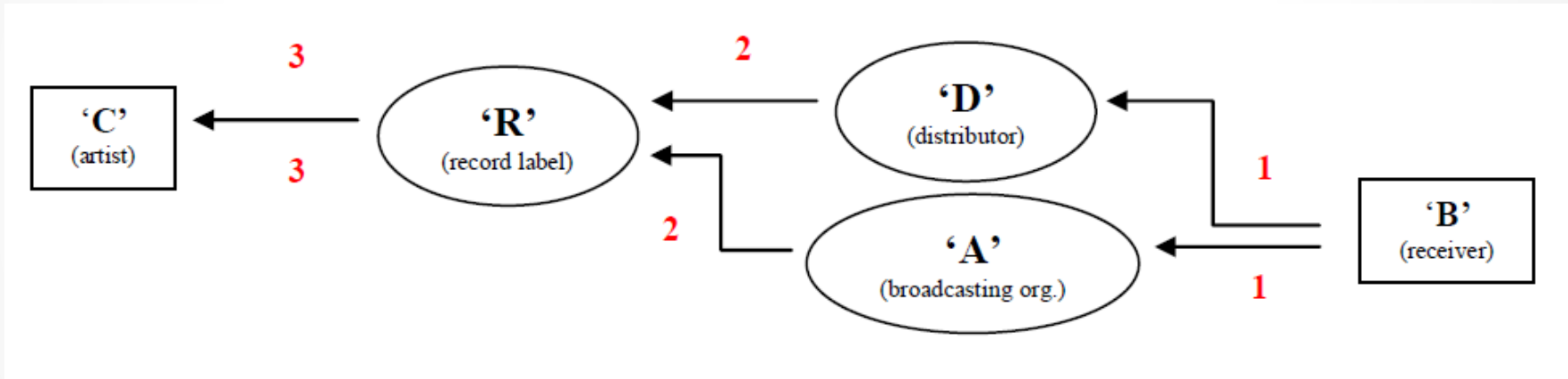
Monopolies and exclusivity of music distribution channels/access by proprietor of copyrights (the right holders)

- **Distribution networks:**

Transaction cost and selection activities, such as by the ‘gatekeepers’

Conventional Distribution System

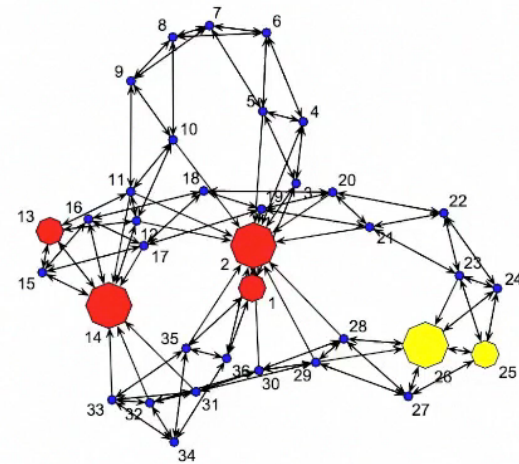
- Dependency flow of music distribution:



- Layers of intermediaries
- Channels for access
- Distance

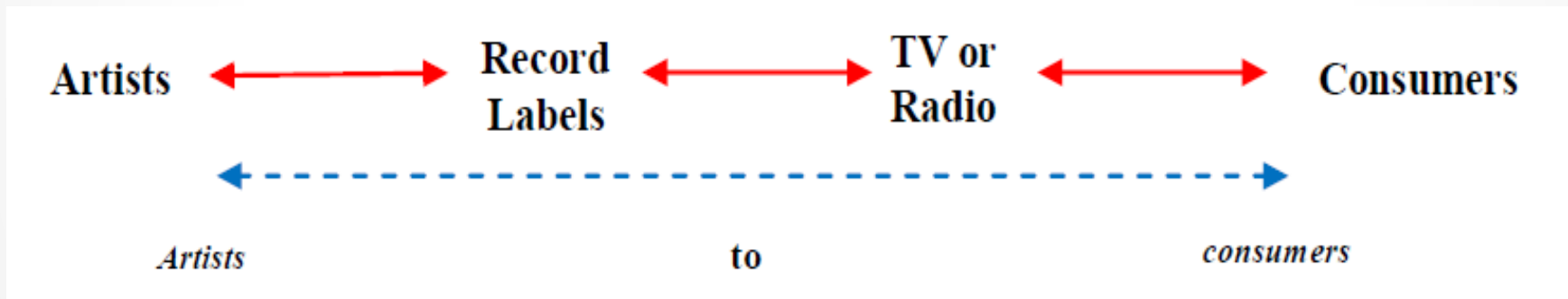
Conventional Distribution System

1. Establishment of ties to the professional intermediaries: access for music
2. Strong professional intermediaries can arbitrarily choose the music distributed (question of **diversity?**)



Internet and Cloud Computing-based Distribution

- Internet intermediaries and telecommunication technologies: enabling shorter ‘distance’, bypassing layers of intermediaries

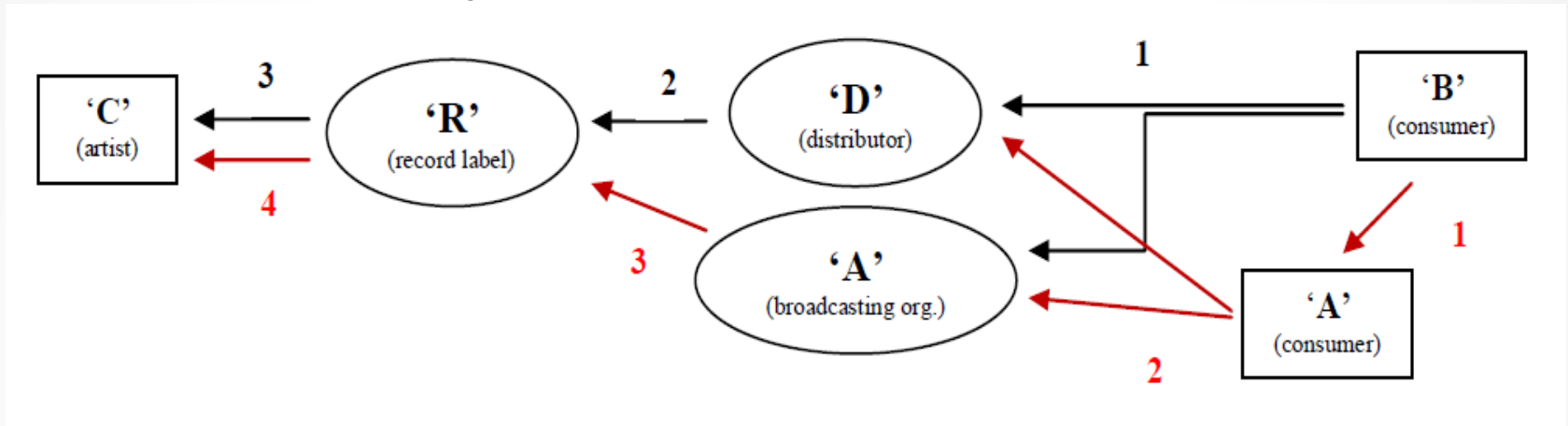


Examples: *Bandcamp* (<http://bandcamp.com/>)

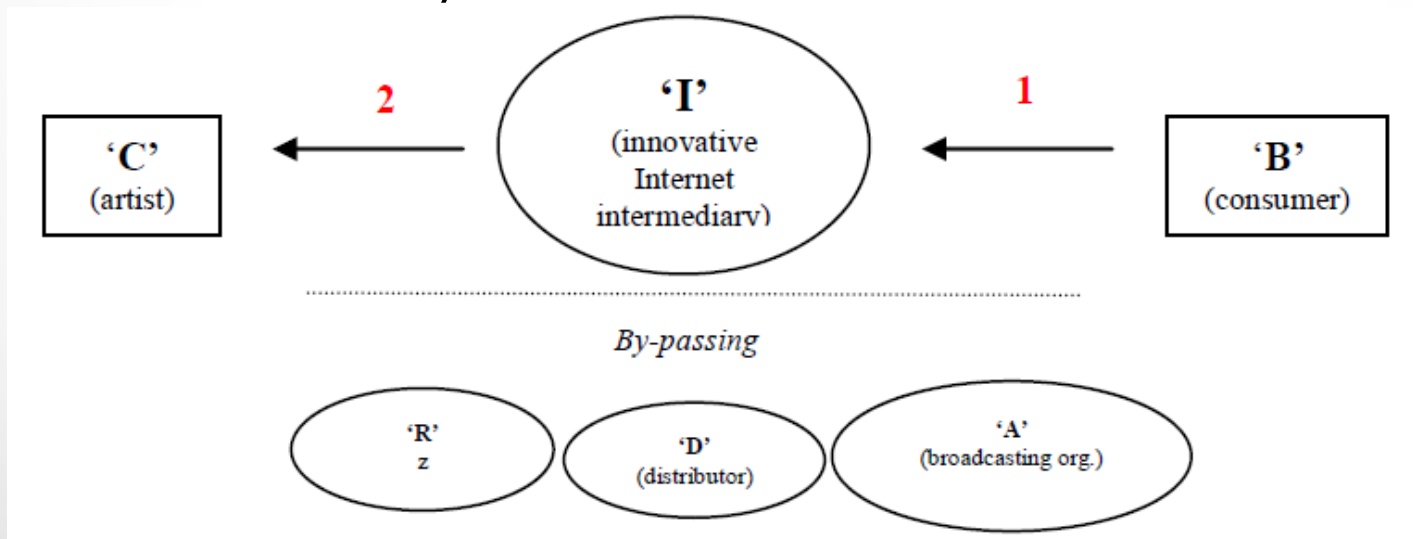
ReverbNation (<http://www.reverbNation.com/>).

Remarkable Reduction of Distance

- Conventional system:



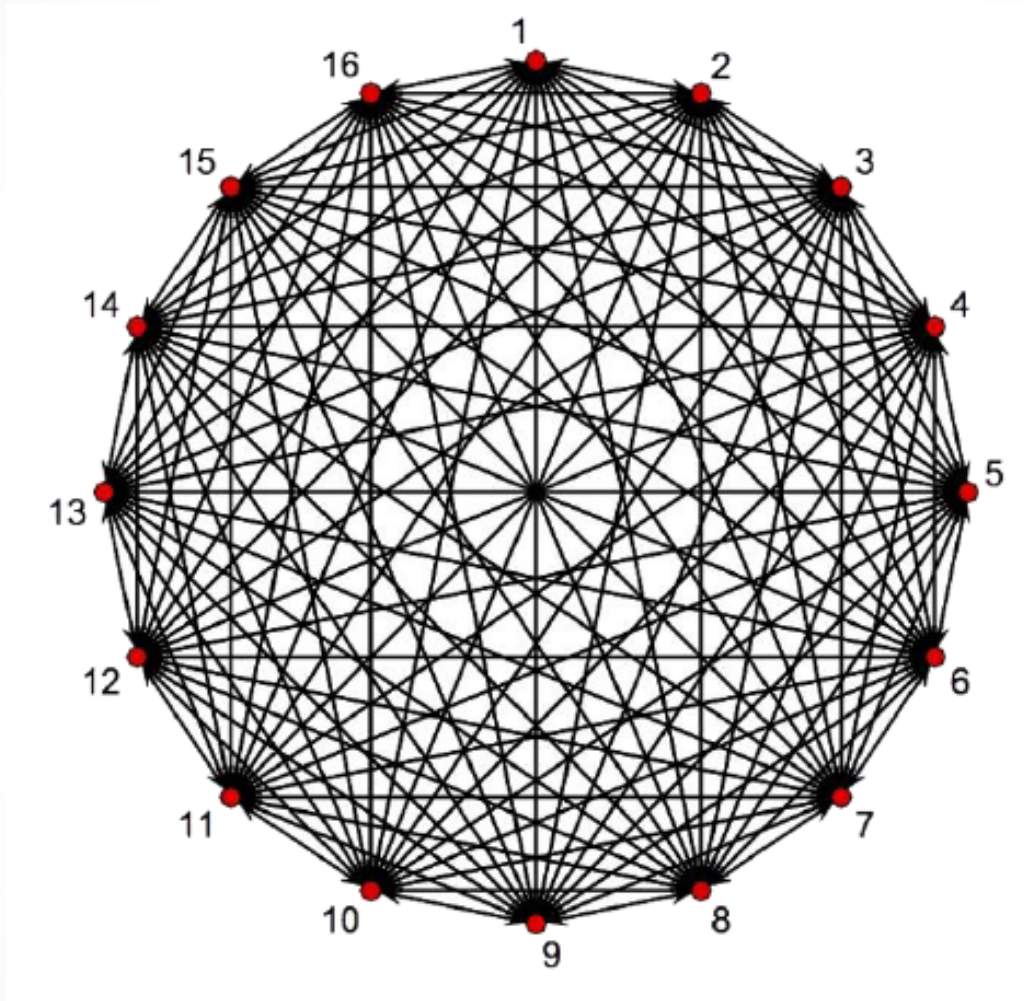
- Shortcutted by the Internet and cloud:



Internet and Cloud Computing-based Distribution

- By-passing layers of intermediaries - *shortcuts*
- Lower transaction costs
- Alternative channels or platforms for music distribution and access
- Diversity of music outcomes

The Complete Graph

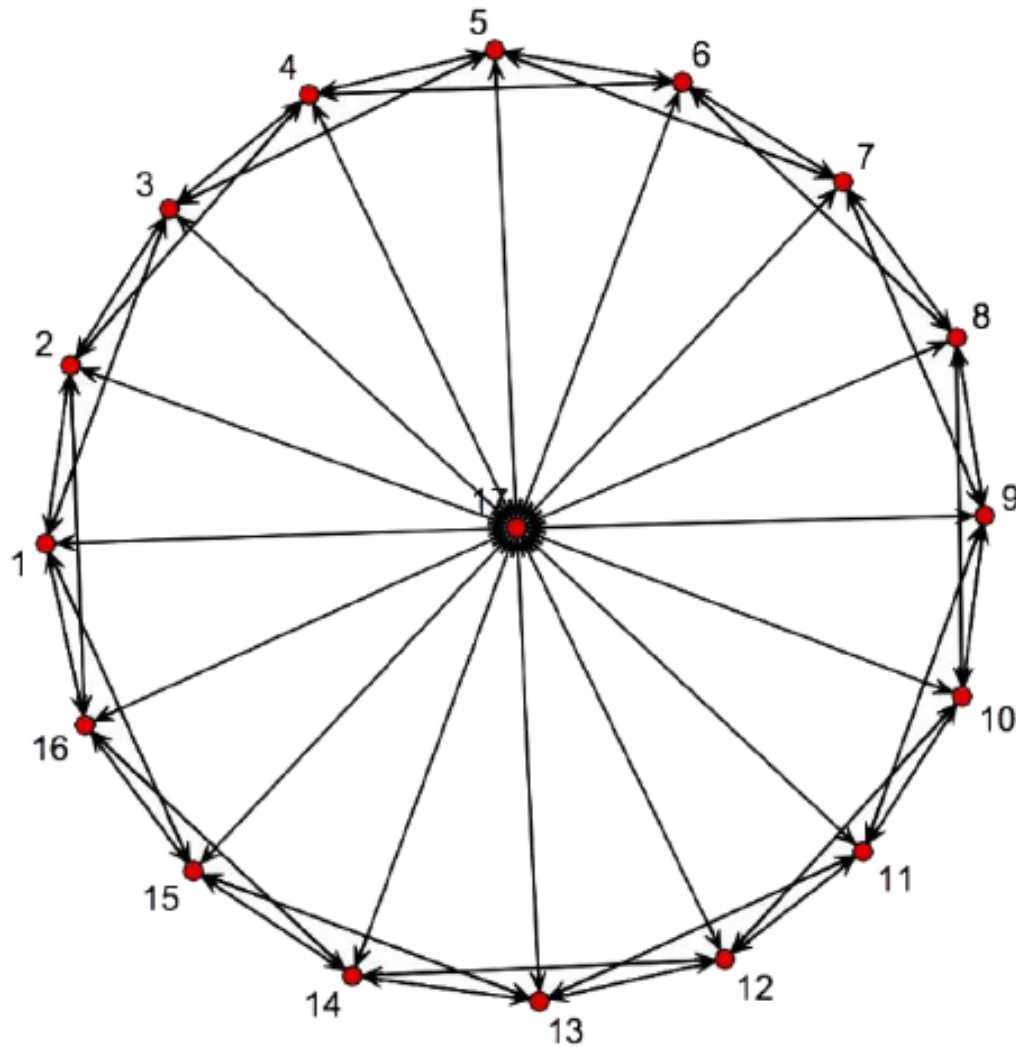


Everybody can connect with everybody – **realistic?**

'Cloud' Network

- Combination of 'star' and complete graph
- Neutral *hub* actor facilitating wide distribution and dissemination of music with low transaction costs
- The *hub* actors: innovative and neutral Internet intermediaries (i.e. *Youtube*)

'Cloud' Network



Final Remarks:

Copyright and the Networks

- Changing of business models: technological influence and market demand
- Notion of *exclusivity* – enforcement and transaction costs: copyright's exclusivity has become **obsolete**
- Innovative Internet intermediaries and their essentialities – 'cloud' network and diversity of distributed music
- Neutrality and intervention of copyright to the 'cloud' network

Thank You