



CLASSIC AND POPULAR MUSIC ECONOMY TRENDS AND THEIR CONTRIBUTION TO SOCIAL CONSCIOUSNESS

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KEYWORDS

*Current Economical State of Musical Industry
Popular and Classical Music
Cultural and Financial Value of Music
Society
High and Mass Culture
Social Music Value*

ABSTRACT

The rise of the subscription services usage as one of the main tools of music consumption, vigorously changed the dynamic of the relationship between the major music corporations and music consumers. Our main emphasis is to consider both popular and classical music industries, the future and reality under the circumstances of the emerging subscription services. The economical aspect of the music industry during the latest years come into clarification for both classical and mainstream. The purpose of this study is to reveal the complete 'circle' of the process starting from promotion and distribution to the final stage where we discover how the product influences our society in a global scale.

Received: 18/ 09 / 2020

Accepted: 21/ 07 / 2021

1. Introduction

In the second decade of the 21st century, musical culture found itself at a turning point again, with another transformation taking place, connected with a new technical breakthrough, which received the generalized name *the digital revolution*. In terms of the scale of its influence on the musical world, this transformation is not inferior to any of the previous ones and at the moment appears so fundamental and significant that it certainly deserves the most careful study, the attempt of which was undertaken in the present study.

Music realizes itself in the musical life, but musical life is contrary to music. T. Adorno wrote in the middle of the 20th century. Since then, what is happening in the musical life has become firmly associated with the activities of the institutions of the commercial industry. (Adorno, 1999). Digitalization radically changed the music industry, which led to the rapid economic decline and distribution channel transformation. It changed production and distribution for popular and classical music industries, which cause them to adapt to function under the conditions of the digital era. Thus, it affected not only the business but also the social functions of the music. The value of musical culture is that it can reflect the history and influence human development through every individual, which is discussed in the UNESCO program and meeting document *Problems of culture and cultural values in the contemporary world* (UNESCO, 1983).

During the last few years, the music scene became much more accessible for artists and creators, as streaming services and social media let them show their creativity and step into the music business. Such a broad spectrum of artists, styles, genres and interpretations, created a *chaos* that has blurred the scale of quality and ideological value. The ratio between quality product and fast, trendy one, regardless of equality of distribution opportunities had blurred consumption boundaries significantly.

2. Methodological Framework

This study crosses the boundaries of several disciplines encroaching on the territory of cultural science, economics, and sociology. The

object of the research is modern musical culture—classical and popular, its social functions, and economics, yet the subject field is intended to summarize the transformation of music social functioning models under the influence of digital technologies, social and cultural norms, and practices within the music world—music consumption strategies, basic principles of the music economy, and industry. The interaction between musicians—both authors and performers, listeners, and various intermediaries standing between them is also taken in considered in this study.

The methodology of the interdisciplinary approach used in this paper due to the complex object of the research, combines a versatile view on the influence of digitalization as a sphere of artistic creativity. Music culture faces challenges such as new stylistics emergence, new instrumental and technical possibilities of creating music, associated advantages and threats, the *automatization* of the creative process. The artistic creativity becomes yet more associated with the commercial industry's institutions' activities, developing within social institutions' framework, continually experiencing the effects of practices and norms prevalent in society. Researching the foundations of musical culture's social functioning is very important for the current study to understand an in-depth picture of the challenges that music industry currently face.

This paper aims to analyze the transformations occurring in modern musical culture's social functioning under the influence of digital technologies, revealing the factors of further development and social behavior impact. In the framework of social consciousness, musical culture acquires specific ideological value since music reflects an integral part of the public consciousness, even a factor of its development. The value-based approach used for understanding the place of musical culture to the reality of society's modern spiritual atmosphere of the community and an individual's social being.

3. Results and discussion

3.1. *The economics of music industries*

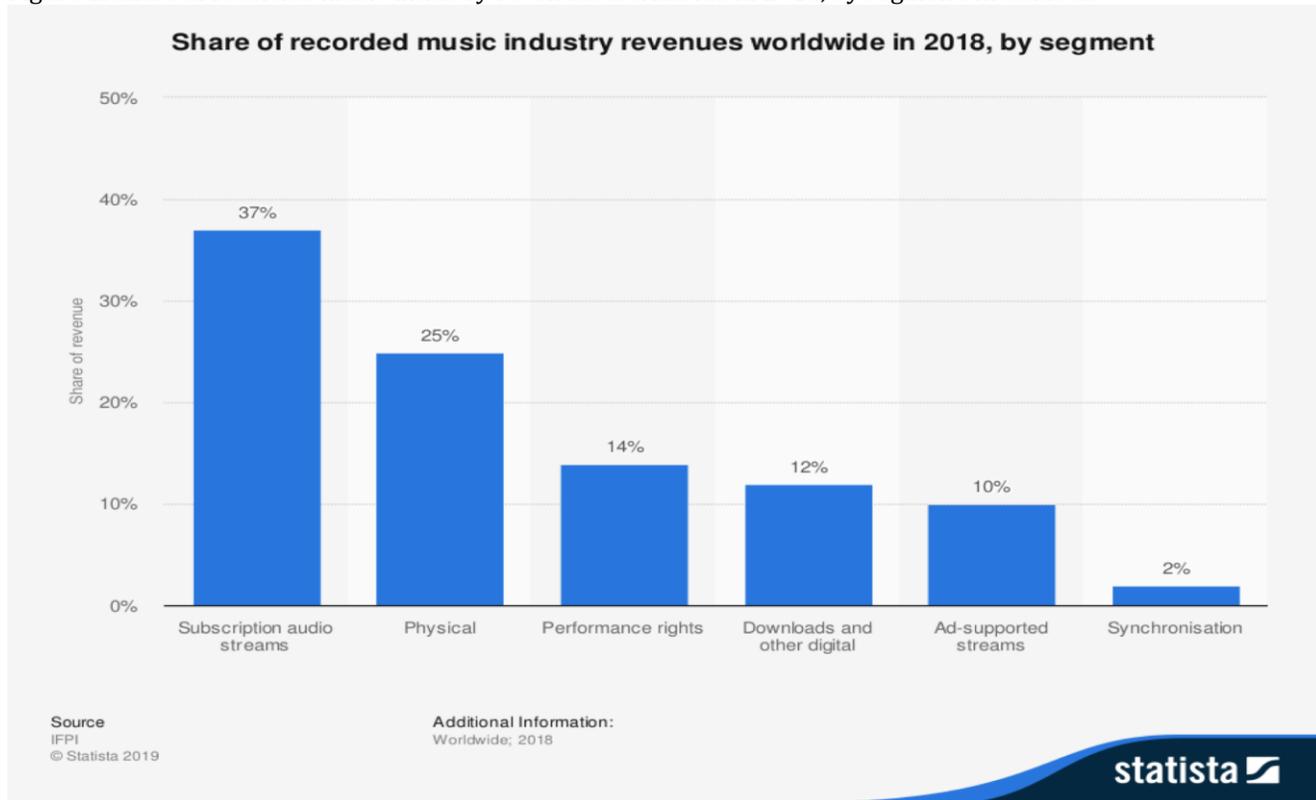
Francis Bacon, in his utopian book *New Atlantis*, described the peculiar "houses of sound" found by one traveler on the mythical island of Bensalem. The entire music laboratories where the locals could enjoy music that was played like a continuous stream. This was a complete fiction, nevertheless, the way of broadcasting and perceiving music, which seemed to Francis Bacon as ideal future, has become a part of our everyday life. In just a few years, streaming services have become the main way to consume music. And the revenues that streaming brought to the music industry gave it back the financial power of the early 2000s.

The late XX century has been bringing a crisis into the music industry from the beginning of XX century music recording and distributing was economically viable and gave an opportunity to deliver artists' recordings and their repertoire to a customer. "The musical economy, at the time of writing, was dominated by four large corporations — AOL-Time Warner, Sony/BMG, Universal and EMI — that were responsible for 80 percent of global music sales and had significant interests across the media, entertainment and technology sectors" (Leyshon et al., 2005, paragraph. 1). Music divisions of these companies were losing their investments and faced sales falling at the beginning of the XXI century due the widespread Mp3 usage which absolutely displaced "physical" music (CD's). The rapid growth of Internet users not only increased the scope for near-zero price access to recorded music, but it also provided the user with a range

of new non-music consumption options. Leyshon et al. (2005) note that "This marked a significant break with what, in retrospect, may subsequently be interpreted as a 'golden era' in the history of the music industry, during which it enjoyed about 15 years of steady growth in recorded music sales following the introduction of the compact disc (CDs)" (Leyshon, 2005, p. 177). Since the beginning of the 21st century when the Internet and computers became widely accessible, later Smartphones, the industry changed dramatically. Internet and attendant digital technology have revolutionized the way music is created, produced, marketed, distributed, and consumed today. A "creative disruption" has taken place, giving rise to new products, services, business models, and even markets (Vazquez, 2017).

In 2017, the global recorded music market grew by 8.1%. This was the third consecutive year of global growth and one of the highest rates of growth since IFPI began tracking the market in 1997. Revenues increased in the global top 10 markets. Driven by fans engagement with streaming — especially paid subscription audio streaming — digital revenues now account for more than half (54%) of the global recorded music market. Total streaming revenues increased by 41.1% and, for the first time, became the single largest revenue source. By the end of 2017, there were 176 million users of paid subscription accounts globally, with 64 million have been added during the year. (IFPI, 2018 p. 10)

Figure 1. Share of recorded music industry revenues worldwide in 2018, by segment. In Statista.



Source: Statista, 2019

Steve Jobs was the first to realize the significance of the coming music digital revolution. In 2001, he opened an online store iTunes, which sold songs for 99 cents, 70 of which went to record companies. Later, when MySpace appeared—a social network where you could listen to music online—, then the Last.fm platform, which started recommending music based on their preferences. The real revolution in streaming was coming—the Spotify, the services audience began growing due to the expanding music catalog and algorithms that selected music content individually for each user-. Besides that, Spotify made a global shift in the music royalty model with micro-payments for each stream instead of previous model with music recordings license fees collecting. Today, according to Counterpoint Research, Spotify has over 220 million subscribers and has 35% of the market. Following the success of Spotify, IT giants such as Apple Music, Google Play, YouTube Music have finally rushed into the market. To the 2019 the Counterpoint Research shows that YouTube Music has 5% of the market, Amazon

music 15%, Apple Music 19%, and other share 25%. Global Online Music Streaming Grew 32% YoY to Cross 350 million Subscriptions in 2019. (Counterpoint, 2020). Sony Music’s President of Global Digital Business & US Sales, Dennis Kooker, comes in on the need to continue to convince consumers of the value of paid subscription services: “When you look at the breakdown of the business and what really is fueling the growth in absolute numbers, it’s paid subscription” (IFPI., 2018 p.17). Despite the fact that YouTube, paid subscriptions, online streaming, Spotify, Sound Cloud etc., are emerging, or rather already existing market, which seems to be doing great, it does not actually seem to do much for classical music artists and classical music in general.

Classical music, though in many ways a vibrant scene, sits mostly at the margins of contemporary culture: it made up just 53 minutes of the 1billion hours of radio Britons listened to last quarter. And while Beethoven has 2.5 m monthly listeners on streaming

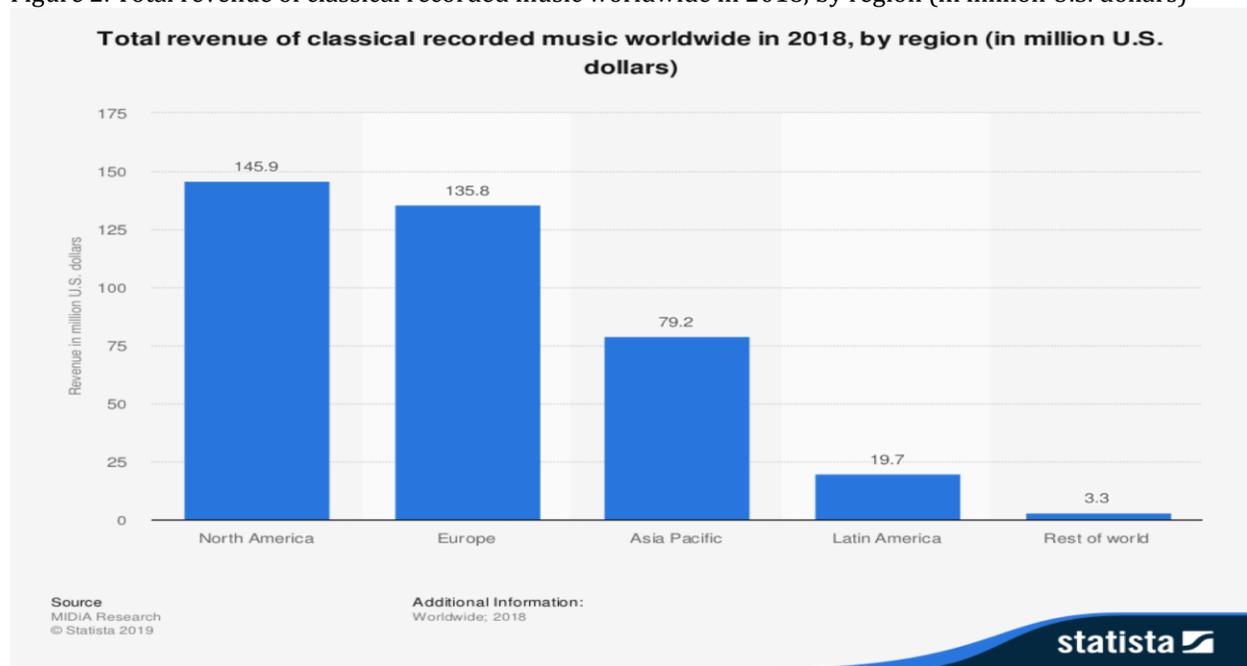
service Spotify, Katy Perry has 22m (Spero, 2017, paragraph 2).

Despite that, classical music stays mostly consumed in the way of performances, as its auditory is mostly older people. For one thing, the making of classical music is not undertaken in a vacuum of social relations free of power and inequality. In its earliest forms it was dependent upon aristocratic patronage, while from the 18th century onwards it too was increasingly dependent upon the market, manifested in the growth of the concert hall within large urban centers (Leyshon, 2005, p. 189). Nowadays though it became a lot easier due to sound recording inventions and online services for composers to reach larger audiences while performers experienced a considerable fall in the

demand for their services. There are three laws of Classical Music in the 21 Century:

- Revenue is earned by performing, donations and sponsorships
- There is no commercial value to recorded music rather than promotion, it is a good tool for brand building and audience development.
- Every download and stream increase the promotional value of recorded music and increases the brand equity of the performer and presenter. It does not cannibalize recording revenue because there is no recording revenue! It does not cannibalize ticket sales — it enhances ticket sales by enhancing brand equity and building audience demand! (Stensrud, 2008)

Figure 2. Total revenue of classical recorded music worldwide in 2018, by region (in million U.S. dollars)



Source: Statista, 2019

Nowadays the major income of artists comes from concerts rather than recordings. Live music has become a major domain and structuring force in the economy of music. Concerts became a sort of a driving force in selling other products. Not only concerts but also theatre-style shows, festivals, open-air, DJ parties etc.

Live music events featuring star performers have strong commercial potential because of

their idol status and power to attract public attention. The business centrality of the live show is reflected in 1) the growing business of associated products such as merchandising and recordings; 2) the expansion of live music promoters into the territory of record, ticketing and merchandising companies; and 3) growing interest from other sectors. (Holt, 2010 p. 248)

The British music columnist Norman Lebrecht in his book *When Music Stops*, captured the crisis of classical music and identified the perpetrators of it. The book is one of the first serious socioeconomic analyses of the classical music industry's current state. The major problem is financial and social inequality between musicians and presenters. Lebrecht describes this phenomenon's history, starting with Franz Liszt and Paganini, who first discovered the virtuoso performance. Stopping at Gaetano Donizetti, Liszt's secretary, who came up with many effective PR techniques, and ending with Luciano Pavarotti, whose advertising agent invented the practice of recitals, which opened up entirely new earnings spheres for the "stars" unprecedented in their profitability and making them completely independent from orchestras. *The system of stars*, thus reaching a certain degree of social stratification between artists, violates natural interdependence between solo musicians and companions. "Stars" no longer need orchestras, while orchestras need them because they're big names that attract listeners to the concert halls. As for managers and advertising agents, their competence has been steadily increasing throughout two and a half centuries. Haydn's secretary was nothing more than a treasurer, then Franz Liszt's secretary became the prototype of a modern agent. Norman Lebrecht consistently shows how the structure of the relationship between the musician and its agent changes with the industry's development and bureaucratization. Over time, the last turn from the service personnel into the head of the enterprise: the success of a particular artist depends on him/her; he/she makes all the significant decisions regarding concerts touring, etc. The agencies gained too much power over musicians "If you want such and such a star, the rest of your opera cast must also be my clients" (Lebrecht, 1997 p. 67). At the same time, the functions of the agents appear to be excessive in Lebrecht's opinion. "In microeconomics of modern music, the share of agents absorbs the part of the capital that opera houses or orchestras could be better investing in new projects" (Lebrecht, 1997 p. 48). William J. Baumol and William G. Bowen indicated a more nuanced problem: "cost disease". The symphony orchestra consists of

highly educated professionals. To hire such professionals, you would have to pay a competitive salary in current economic conditions. For example, if a violin player who's in love with his work is ready to survive on a lower salary, thus he needs enough money for food, rent, and family. Otherwise, a musician will pick another, more profitable professional direction.

Earnings for musicians are low, income levels compare unfavourably to other professionals who have invested similar amounts of time and money into education and training. Over half (56%) of the musicians earn less than 20k pounds of musicians' report working for free in the past 12 months. (Maas et al., 2012, p. 5)

Classical music is in the process of decline already for decades. The so-called *cost disease* is the core of the problem. That's why usually the ticket price is much higher than for other entertainment activities. And for the same reason, organizations in the field of art performing industries are constantly on the verge of a financial collapse (William et al., 1966). According to Baumol and Bowen, in cultural organizations, costs grow faster than the final product prices, which prove their loss. Indeed, let's analyse the activities of cultural organizations, for example. Theatres, almost 70% of all expenses are covered by allocated budget funds. Only about 20% of the theatre costs are covered through the ticket sale, and other commercial activities funds cover the remaining 10%. But the overall picture is not that pessimistic. There are different opportunities, for example, third parties involvement, that can improve the institutions' financial situation and help with development. There are alternative support institutions from civil society, which are successfully applied in many countries worldwide. To fully demonstrate the features of civil society institutions, identify their strengths and weaknesses. The group consists of the leading charitable institutions which are successfully applied in many countries around the world. Within the group, we can distinguish the institutions of saving financial expenses of cultural institutions, as well as institutions for attracting additional financial resources: Institute of volunteering,

crowdsourcing, crowdfunding, patronage, various funds. (William et al., 1966).

According to MIDiA, *The Classical Music Market research* of 2019 shows that

35% of music consumers are classical music fans. Classical music is forth most popular genre. Streaming plays a key role in shaping the future of classical music and in introducing the genre to new audiences across the globe, with 30% of listeners under 35 and 31% aged 25-34. Streaming can generate moments of serendipity: 42% of listeners state that they are discovering more music on streaming services than they would through other traditional formats. (MIDiA., 2019 p. 4)

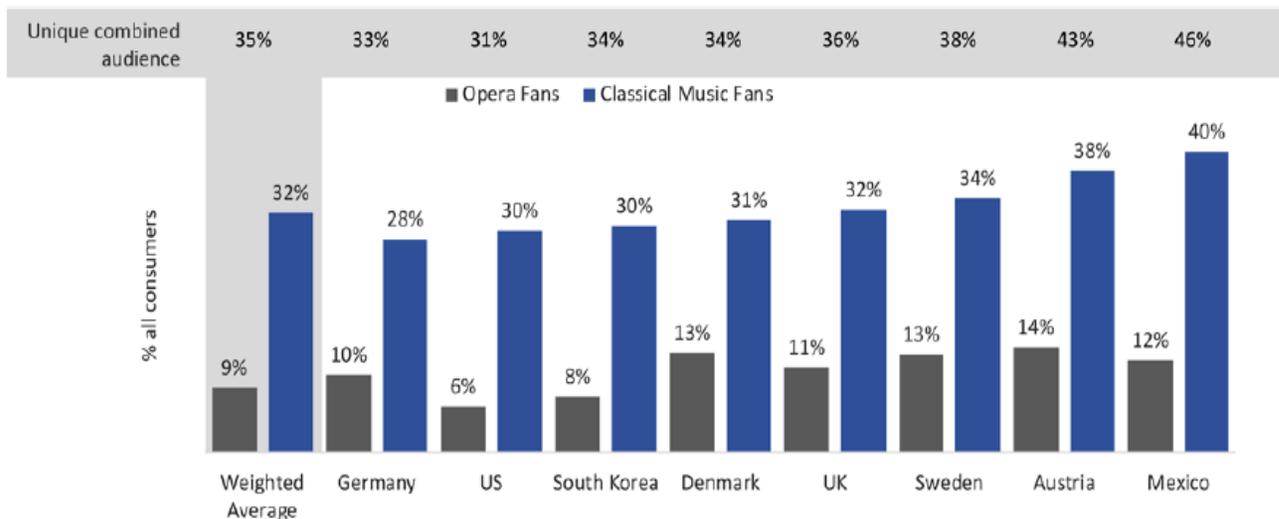
However, in terms of classical, a whole new structure has to be compiled. It is not a secret that hip hop, Latin, rap, and pop music dominate streaming services. While MIDiA researched, they found out that there are certainly fewer classical music fans than popular. The study made by MIDiA is based on a survey of 8,000 music consumers across worldwide markets. The research was sponsored by IDAGIO, a classical music subscription service. Here is some statistical data from MIDiA research:

- Classical recorded music revenues were worth \$384 million globally in retail terms in 2018
- Classical streaming revenue was up 46% in 2018 to \$141 million (37% of total classical music market value)
- North America was the largest classical music region in 2018, worth \$146 million, with streaming at \$89 million. (MIDiA., 2019 p. 7)

For classical music, the CD is still a primary way of listening to the genre. At the same time, video streaming — YouTube, Vevo is regularly used by consumers, making it the third preferred format. Even though classical music is most popular among older auditory, a third of consumers aged between 25-34 listen to classical music.

North America is the largest consumer of record of classical music, worth \$145.9 million in 2018, with streaming making up to over two thirds of retail value. Europe was the second largest region with \$135.8 million, but in European markets classical music streaming is yet to make up even one quarter of the overall value. Streaming of classical music at an early stage in Europe and it represents a huge opportunity for future growth. (MIDiA., 2019 p. 11)

Figure 3. Consumer Survey Q4 2018 - US, UK, Mexico, Sweden, Austria, Denmark, Germany and South Korea n=8,000.



Unique audience refers to the unique, deduplicated audience of consumers that are fans of Classical music and / or Opera

Source: IDAGIO / MIDiA Research Consumer Survey Q4 2018 - US, UK, Mexico, Sweden, Austria, Denmark, Germany, South Korea n = 8,000



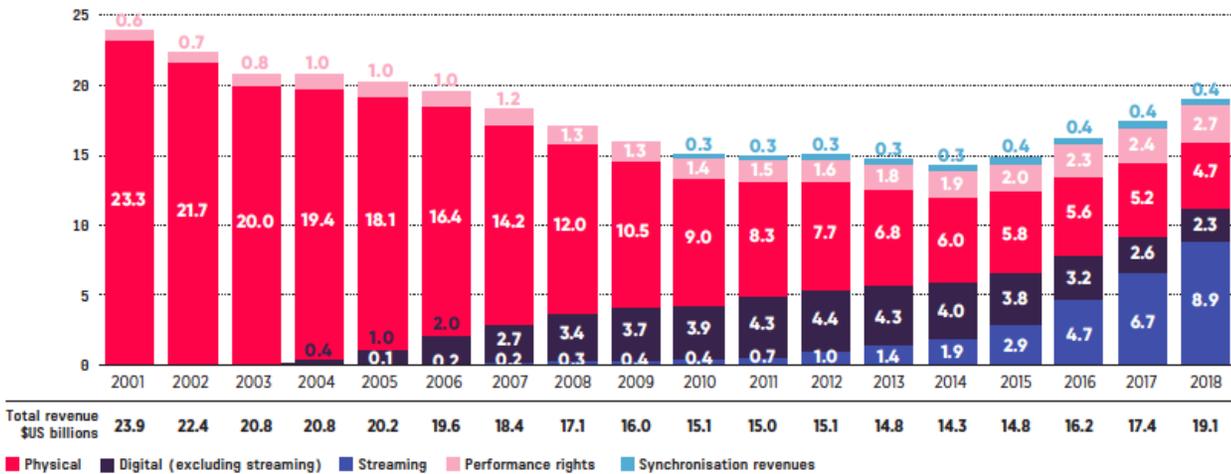
Source: IDAGIO/MIDiA Research. MIDiA, 2019 p. 12.

Regarding popular music, its development and consumer quantity are relatively stable. It is not a secret that popular music is an absolute leader of the music industry nowadays. In 2018, the global music industry revenue reached \$19.1

billion: \$1.8 billion (9.7%) more than in 2017. These data are presented in a report by the International Federation of the Recording Industry (IFPI).

Figure 4. Global Recorded Music Industry Revenues 2001-2018 (US\$ Billions).

Global Recorded Music Industry Revenues 2001-2018 (US\$ Billions)



Source: IFPI Global Music Report 2019. IFPI., 2019 p. 13

The number of paid subscribers increased by 31% and amounted to 62% in the share of the music industry's total revenue. Simultaneously, Spotify has more than 100 million subscribers, and Apple Music has about 56 million. Famous music stars get a vast audience—for example, last year, Spotify users listened to the Canadian rapper Drake songs 4.7 billion times. Universal Music Studio, which owns Drake's songs' rights, receives royalties from every listening of his song. This helps the studio to remain profitable, despite lower sales of CDs and digital copies of music. The competing Warner Music, whose catalog includes Bruno Mars, last year showed the highest revenue in eight years. Investment bankers are once again ready to invest in music giants' stocks and recommend them to customers. In a recent report, Goldman Sachs predicts that, mainly due to streaming, global music industry revenues will increase by 2030 to \$104 billion. (RIAA, 2019).

3.2. Music value and its social contribution

Music has been claimed to be, essentially, a force for morality, a special way to experience the

world, or a unique way to exercise creativity, a way to “know” what cannot otherwise be known, or an instrumentality for political/social change, and on and on with claims for a singular, distinctive benefit music bestows on (Bowman, 2002). According to Leppert and McClary music meanings have been linked with that of constructing and maintaining social hierarchies and identities. There has also been increasing interest in the socioeconomic dimensions of taste and judgment and the notion of cultural capital in highlighting the processes of status and advancement within particular fields.

One of the first to use the linguo-semiotic method on music was P. Boulez, who dedicated a special work where he studied the rhythm in *The Sacred Spring* of I. Stravinsky. By definition by Boris Asafyev, *music* is the art of “intonable” sense, since the nature of music is not only sound (sound as an acoustic, physical phenomenon) but intonation—the tone, intonation of human speech that carries meaning. *Intonation* in music is an expressive-semantic unity in a non-verbal-sound form and functions via musical experience participation and extra-musical associations.

(Fairclough & Asaf'yev, 2011, as cited in Latham, 2011).

It is a commonly held belief that music affects mood. Music therapies have been employed in various contexts to reduce anxiety and induce a state of calm. However, variations in music type may induce differential effects on mood. For example, directors often select musical pieces to “set a mood” for a movie scene. Music is an essential component of many social activities and differences in music preferences tend to vary widely from person to person. Pertinent factors such as personality and music preference have been known to elicit instrumental influences in predicting musical mood induction (e.g., Kreutz, Ott, Teichmann, Osawa, & Vaitl, 2008). (Vella & Mills, 2017, p. 338)

Music causes a direct physiological reaction, like the body's subconscious rhythmic movement. Also, music can induce certain psychological reactions like to call a certain mood or perception or even change a state of a mindset. Pythagoras created an interesting theory on this case

More interesting is the theory, combining the physical and the mystical aspects of Pythagorean thought, that the heavenly bodies moved in accordance with the same mathematical ratios that govern the concordant musical intervals, producing a harmony among the heavenly bodies. The sources make this one of the main Pythagorean ideas; it passed into much later literature as a popular poetic image, the ‘music of the spheres’. (Macdonald, 2009, p. 58)

He stated that the starry sky's movement creates the music of the cosmic spheres, which is refracted while playing musical instruments, which lends itself to exact mathematical calculations. The intervals between the cosmic spheres are mathematically related, exactly the same as musical tone intervals. While planets move, they make sounds, but our ears cannot catch them, while the body and soul obey the universal cosmic musicality. (Huffman, 2018). A German astronomer Johannes Kepler while basing on the Boethius theory opens a planetary motion law in 17th century. “[...] the essential congruity between the music of the spheres, the

music of the human soul and the cosmic spirit, reflected the perfect proportions...to which the human organism responds so profoundly” (Guiley, 2009, p. 270). In the dawn of the eastern and Ancient Greek philosophy formation, there was an idea that music had two interrelated meanings in the human mind. One was determined by value, music practice —singing and playing instruments—, another —the metaphysical sense of music— was comprehended with cosmology, which explained the meaning of music as world harmony, great beginning, it was comprehended speculatively and sought confirmation in theories of music as a doctrine of musical harmony.

In common with many in his day, Plato linked different modes two different moral effects. Some of them, such as the Phrygian and the Dorian, infuse people with courage and temperance, respectively; others, such as the Ionian and Lydian, soften and weaken the character. By making and taking part in the right kind of music, we find a proper proportion and balance between the parts of our soul and thus come to share in the cosmic order. Because Plato's ideal city-state and the Republic mirrors the souls' structure, this in turn means that music could play a part in generating harmony in society. Therefore, heard music for Plato has positive ethical, political, and social potential. The contrast with some dominant present-day attitudes to music — for example, that music is essentially a matter of private individual taste, with little lasting or a profound effect could hardly be greater. But odd as it may seem to us, the power of musical sounds to improve our individual and social behaviour was something taking for granted in virtually all ancient Greek musical philosophy and universe amount of subsequent Christian thought. (Begbie, 2007, p. 81).

In ancient Chinese culture, music was thought of as an overpowering substance of being, directly generated by Dao —the world's fundamental principle—. By its rhythm-temporal and sound-acoustic nature, it creates a sense of intangible and elusive spiritual being. It was considered the underlying cause of peace — world harmony. The meaning and value of music set in the treatise *Great music* of the ancient

monument “the Lushi Chunqiu (Spring and Autumn Annals of Master Lu Buwei), composed 241–238 BC, marks a firm beginning for the eclectic movement in Qin and Han philosophy” (Sellmann, 1998). The meaning of *the great music* is seen in its essence as a process and expression of the great harmony.

The Annals has been described as eclectic or syncretic primarily because of the many sources found in the text; traditionally, the text has been seen as a compilation mostly of Confucian, Moist and Daoist thought. The translators, however, argue that there is a single line of thought throughout. Knoblock and Riegel see the Annals not as an encyclopaedic compendium, as the texts have often been described, but rather, a political testament meant to describe the Dao of new political and social situations. The aim of the text, they say, was to understand and articulate this Dao so, from it, laws and insinuations would naturally follow. (Rainey, 2002, p. 148)

According to the ancient text, the source of music is “far away”; its foundation comes from “the great beginning”, the great one Dao. “The great music” is inseparable from Dao and De — Dao's materialization with its moral component. Therefore, there is no coincidence that music has to be created according to certain rhythms and tones according to even harmony in humankind's world music. The essence of music is “essentially great,” because it expresses the harmony of heaven and earth, the coordination of yin and yang. Modern French composer Iannis Xenakis stated — music main goal is to express intelligence through sounds. Music, as an art, combines sensual and rational beginning. It performs the function of both — pleasure and food for thought and develops thinking/deliberation. The perception of *high music* is an aesthetic act, which awakens the “work of sensations, emotions, affects the sensory side, and at the same time involves intelligence. Musical and aesthetic perception is not just sensual, but sensual-intellectual cognition of imaginative thinking. (Xenakis et al, 1987). Russian musicology pays attention to the relationship between an emotional and intellectual principle in music. Vyacheslav Gavrilovich Karatygin clarifies it would be a mistake to keep in mind the direct translation of

our thoughts into the music language and sound combinations. The connections are not explicit, but they represent the music's closest content through particular kinds of musical and psychological formations. There is the closest adhesion or mutual integration between the mindset and sounds. (Olkhovsky, 1955, p. 189) The term *mass culture* denotes the most diverse cultural production forms, from cooking and cosmetics to cinema and music.

In Adorno's view, mass culture uses mass media (film, television, newspapers, radio) to mould the feelings of audiences, impress certain sentiments, ideas, and meanings upon them, or simply induce them to make certain purchases...Some critics still feel the same about the power of mass media today: they keep us from reflecting consciously on ourselves and the world. Art, for Adorno, provided a way out of the bombardment of messages and images by mass media. It could help people to open up and see through these images by showing them a new perspective or a fresh way of looking and thinking. (Wurth, Rigney, 2019, p 277)

Music accompanies us from the earliest periods of our existence. Each culture has its own musical traditions. There are certain cultures where is for example painting (Islamic civilization), theatre (medieval Christian civilization) is prohibited, but there is not a single civilization or nationality where there is no music. Almost every sociocultural institution has its own music: church (sacred music), state (hymns, patriotic music), army (marches, combat songs), etc. However, music is not only applied in nature: there is symphonic music, avant-garde music, which is written only for the aesthetic effect and is a self-sufficient phenomenon, the phenomenon of “pure art”. Over time with the development of technical devices (first phonographs, then gramophones, players, tape recorders computers, the Internet) the role of music in public life has become even greater. All of that allowed broadcasting music to thousands and millions of listeners. Music has firmly entered people's lives because it is basically everywhere. Nowadays musical life has become firmly associated with the activities of the commercial industry. “Music as a commercial empire and music as the most spiritual, the most

idealistic form of existence —are two different worlds that do not touch at all”. (Slonimsky, 2003, pp. 156-157) expressed a common point of view on this matter. In reality, two declared worlds —the world of the social existence of music and the world of its being as art —are undoubtedly essentially different, but now and then come into contact, being in constant interaction and mutual influence. Developing within the framework of social institutions, constantly experiencing the effects of practices and norms prevalent in society, the art of music turns out to be extremely dependent on them. Music semiotics is revealed not exactly by certain factors, but rather through the perception of the recipient. Out of all nonverbal semiotics music and language use the same "matter", namely meaningful sequences of specific sound waves. Moreover, the use of sound waves as a means of expression both in speech and in music has a biological cause. All higher mammals have the genetic ability to make sounds of different height to express emotional states. During evolution, the unique ability to define a certain pitch, which is specifically correlated with the expression of complex feelings, which are a qualitative transformation of simple emotions. As soon as people mastered the mechanism of word creation, the speech zones of their brains began to develop so rapidly that it led to the functional asymmetry of the hemispheres. In such a situation, the right hemisphere, which is responsible for the emotional reactions, could become a victim of the “functional pressure” of the left, which acquired unprecedented power at the expense of the ultrafast development of conceptual speech zones. Now the deep connection between music and verbal language is obvious, as a result, the term *musical language* itself requires a revision (Denenberg, 1981). So, there is an actual meaning that music brings along, which is a massive topic, but in this article, we will focus on influential factors; sort of “secondary” factor which is —how music actually influences society in general.

Relying on the mass media, which is gradually becoming a new alternate reality, with fading boundaries between art, creativity, and commerce. The pressure of business interests is felt in all genres of musical culture, including

classical music. This builds the whole system of modern concert and festival life. Music theatre (opera and ballet) is developing under the consumption industry laws. The modern commercial industry has powerful levers of managing the sphere of musical culture which turns classical music industry into a global market. Classical music is the very culture of humane thinking, which characterizes the measure of realization, development of a person’s creative potential, the level of humanization of the human mind. The classical musical spirit, as a spirit that reproduces universal values, is based on the very idea of a *culture of communication* between people and their behavior. Such an ideology behind it helps to increase the spirit of "politeness", "tact", “cordiality”, "modesty” in the relationship between people. The value of music lies in the benefits that it can bring to people. Musical creativity is a form of existence of socio-historical self-consciousness, which, in turn, is associated with the socio-historical memory of people. The sensation of music expresses only a subjective beginning in our ideas about reality. The expediency of a thing also does not constitute property of the object. The idea of expediency, which expressed (Kant, 1970) precedes the cognition of the object ... is that subjective in the idea, which cannot become part of cognition.

The listener’s level of musical understanding is not relevant. Maybe they are familiar with the sonata form or with orchestration, or maybe they know something about the musical conventions of the time, which Beethoven threw out in order to arrive at completely new soundscapes. Maybe they don’t know any of that. Undoubtedly, most concertgoers have never looked at a score. Some may not even be able to read music. But none of this is necessary. Beethoven’s ideas can still be sensed in his music—with all its drama, lightness, provocativeness, and irony. How does classical music unfold such power? It mobilises our senses and our sensibilities in such a way that we are thrown back onto ourselves. It appeals to listeners to make use of their own reason and to reflect on their actions...We get upset, we ask for the meaning behind the music and for the reason why it touches us, why it excites

us with its wild rhythms, why its atonality frustrates us, or simply why it transports us from the familiar sphere of the necessary and the user to a state of the highest acoustic awareness. Music creates its very own self-contained space for emotional, intellectual, and spiritual experiences that are not normally triggered by our immediate social environment. Its effect on the individual is uncertain, unpredictable, and unquantifiable. (Nagano, 2019, p. 9)

Mass culture, however, appears, to a greater extent, as a communicative system, one of its main functions is to create communication channels through which socially significant information will circulate. It is the ability of mass culture to appeal to the universally valid, generally accepted in the social and ethical sense, to proceed from the fact that it is able to unite people of different social and cultural systems, to emphasize the general, and not the special—all this allows us to consider mass culture as an actual contemporary culture, fundamentally communicative in terms of its nature, capable of exchanging information with both the traditional culture, rooted in the earliest layers of history. The music of popular culture, which is widely recognized, performs adaptation and communication functions related to the formation of the basis for communication in modern societies and with the dissemination of socially significant information. It acts as a multicomponent and multi-genre phenomenon and includes various genre forms adapting them to various social needs, which allows us to consider it as a kind of “intermediate form”, connected meaningfully and structurally with all three of the above areas.

4. Conclusion

This paper relies heavily on several market research reports and statistical data to clarify the current music industry state, such as IFPI —The International Federation of the Phonographic Industry—, MiDIA Research —specialist media and technology analysis company and RIAA —The Recording Industry Association of America. As the digitalization allowed easier access to the mainstream music scene, which led to the rapid economic rise and captured the entire music

industry, the recent MiDIA research on classical music audiences globally indicates that classical music is the next emerging steaming market. In the report of 2019, RIAA states that the industry is more stable than ten years ago. The current market situation shows the rapid growth of the streaming market (Apple Music, SoundCloud, Spotify, Amazon Music, etc.). Recently, several classical music-oriented streaming services that appeared on the market, such as IDAGIO and Primephonic, are also gaining rapid popularity.

There is quite a diversity of perspectives on the future evolvement of the music industry. One of the possible scenarios is put forward in *Shifting Listening Identities — Towards a Fluidity of Form in Digital Music* by Franziska Schroeder (Schroeder, 2012). The author uses the term *music 1.0* and *music 2.0*. The following terms were introduced by media Futurist Gerd Leonhard, who continued the idea of Ted Cohen, who declared the death of *music 1.0*. The main trait of music 1.0 is that it was monopolistic and fully controlled by the music business, *music 2.0*, on the contrary, has decentralized nature. Music 2.0 is thoroughly different because it is created by individuals and shared by the community of listeners, not the monopolists. It is widely accessible through streaming services and social media. Franziska Schroeder provides an example of an interesting statement by Gerd Leonhard, where he compares the new music 2.0 with water and how accessible it is, and the old music 2.0 with wine. Nowadays, the access to any music genre is simple, and if a “listener 2.0” will search for a Beethoven Moonlight Sonata, he will end up with a list of different variations of this Sonata, even the meditation one. In this case, the platforms and streaming services ease and completely transform the perception of musical pieces. According to Franziska Schroeder, the idea behind it is that in the future, there will be no such a harsh division between “high” and “mass”, “elitist” and “everyday culture.” It will all mix while emerging and giving birth to new and never-seen-before mixtures, styles, genres, and how it is consumed and perceived. Based on the research done for this thesis, classical music, as it is a big topic of this thesis, has a chance of such a transformation in the digital music era. It can go far beyond previously existing boundaries and arise with the help of new technologies. All the

music changes in the 20th century were associated with consumerism, mass media, and sound recording. Now the music industry moves from mass culture to the new form, which brings further development and is associated with the

Internet technologies that allow each user to interact with and influence music. Nowadays, in a world where music is constantly changing, it is almost impossible to divide a separate genre or guess which one will flourish in the future.

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