



THE ELECTRONIC MUSIC INDUSTRY DURING COVID-19



THE ELECTRONIC MUSIC INDUSTRY DURING COVID-19 - REPORT

In 2019 the Dutch dance music industry was a picture of health: not only were 50%+ of DJ Mag's Top 10 DJs from the Netherlands for the seventh year running, but dance music exports were expected to [smash through the €150m barrier](#) for the first time. Dutch festivals continued to be [the most plentiful in Europe](#), while even ADE, already the world's largest platform for electronic music, reached new heights, attracting 400,000 visitors from [a record 146 countries](#).

Enter 2020, enter Covid-19. While businesses of every nature have suffered, there is little doubt that arts and entertainment will be one of the worst hit areas, since it has the largest proportion of small businesses compared to any other sector. In May, Goldman Sachs projected a 25% drop in global music revenues this year with a 75% drop in live revenue, while a McKinsey & Co report from July suggested the arts, entertainment & recreation sector will not recover until 2025.

These may prove optimistic forecasts for an electronic music sector that has arguably suffered the most. From packed festival stages to tiny, sweaty underground clubs where you have to yell to be heard, dance music thrives in exactly the sort of spaces which are now strictly off-limits. A socially distanced folk gig or classical recital may be a viable prospect, but a socially-distanced club set removes much of the spontaneity and physicality that most ravers consider vital. July's IMS Business Report suggested that the electronic music industry specifically could see its value [drop by over 56%](#), including a 61% drop in income for artists and DJs and a whopping 75% fall for dance/electronic clubs and festivals.

This puts one of the greatest modern Dutch success stories in acute danger. Every year the copyright organisation Buma presents a report of the value of Dutch popular music, and consistently the majority of this wealth is created by electronic music. In their most recent published figures, a massive 73% of the €216.5m total value of Dutch Music was attributed to electronic music, based on recordings and performances. Festival and party concepts developed in The Netherlands are rolled out all over the world with resounding success (Sensation, DGTL, Dekmantel, Mysteryland to name a few), while Dutch superstar DJs such as Tiësto, Armin van Buuren, Afrojack, Ferry Corsten, Hardwell, Martin Garrix, Joris Voorn and Chuckie perform sold-out shows around the world.

Rights	2018	%
Buma	15.894.290	7,34%
Stemra	5.632.654	2,60%
Sena	7.988.797	3,69%
Subtotal	29.515.741	13,63%
Recorded		
2018		
Dance labels	9.082.500	4,19%
Majors	1.219.000	0,56%
Indies	2.085.008	0,96%
Int. signings	749.500	0,35%
Subtotal	13.136.008	6,06%
Performances		
2018		
Dance/EDM	149.907.100	69,23%
Various	23.985.136	11,08%
Subtotal	173.892.236	80,31%
Total	216.543.985	100%
plus 7,53 % t.o.v. 2017		
<small>bron: perfect & more bv</small>		

Rights	2018	%
Buma	15.894.290	7,34%
Stemra	5.632.654	2,60%
Sena	7.988.797	3,69%
Subtotal	29.515.741	13,63%
Recorded		
2018		
Dance labels	9.082.500	4,19%
Majors	1.219.000	0,56%
Indies	2.085.008	0,96%
Int. signings	749.500	0,35%
Subtotal	13.136.008	6,06%
Performances		
2018		
Dance/EDM	149.907.100	69,23%
Various	23.985.136	11,08%
Subtotal	173.892.236	80,31%
Total	216.543.985	100%
plus 7,53 % t.o.v. 2017		
<small>bron: perfect & more bv</small>		

It's not just about headliners and royalties. The industry also contributes indirectly through skills and expertise in management, booking, organizers, studios, technical staff, lighting staff, equipment, and creatively through festival concepts and design. The Dutch disseminate this experience worldwide creating export value in money and knowledge. A prime example of this is the sale of Dutch event company ID&T that was sold to the American SFX company in 2013 for around USD \$130m.

Yet of the 391 festivals in the Netherlands in 2019 (of which 85-90% consist largely or wholly of electronic music, according to DJ Monitor), 95% will have gone dark this year. On September 28th, ID&T announced 40% of staff would lose their jobs as a direct result of the pandemic. "We make 80 percent of all revenues in the summer months", ID&T chief executive Ritty van Stralen told the New York Times in April. "I am expecting that sector wide the turnover will be halved and that we'll lose around 50,000 jobs."

While the Dutch have dominated electronic dance music culturally, creatively and commercially for over a decade, this success is now in danger. Put simply, unless further supporting actions are taken by the government, a leadership position secured over decades could be lost in just months; and tens of thousands of jobs with it.

Musicians are already suffering. A survey of independent artists by European distributor Amuse together with UK research firm Midia found that half of the artists surveyed were concerned they would no longer be able to make a living if they relied on streaming income alone. 64% of them make less than USD\$10,000 a year from streaming so other sources are crucial for their survival. Away from the more visible & immediate impacts on P&L and bottom line are the deeper and more structural effects on the intrinsic value of companies in the sector; where insurers won't cover future losses or offer pandemic cover, and where finance becomes harder to secure for the network of micro, small and medium sized companies which constitute the majority of this market, making the recovery phase harder still.



While the government has released emergency funding to the cultural sector, there is a palpable fear that dance music is losing out to more 'highbrow' art forms, as those without experience in applying for arts funding struggle to secure crucial support. And while live music venues have been allowed to reopen, albeit with capacity restrictions, nightclubs have now been closed for over six months. As long as those doors remain shut, the future of the Dutch electronic music industry and those who rely on it - artists, DJs, managers, agencies, venues, bookers, bouncers, bar staff, engineers, agents, PRs, journalists, accountants and more - remains in peril. As one demonstrator [told the press](#) in September, a "world famous nightlife culture threatens to disappear... It is going to take years before we get back to the old level."

In this report we'll be looking in depth at the challenges Covid-19 presents to this unique music ecosystem, the prevailing attitudes and responses in the Netherlands including the current levels of government support, and some of the collective positive trends within the music industry around the world, to give a picture of the scale and shape of the crisis facing today's electronic music community. We also provide a set of recommendations which have been put forward by a varied consensus of stakeholders across the entire industry. The emerging picture is clear: we need continued support to survive this.

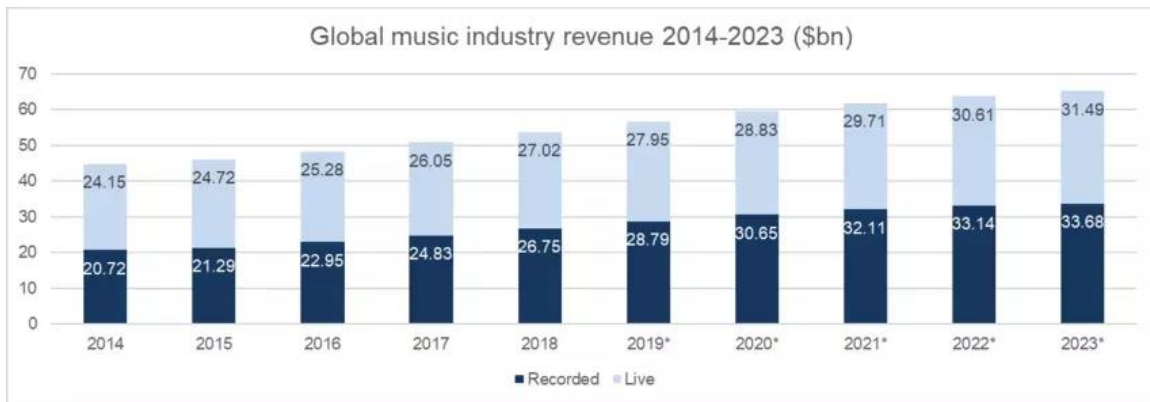
CHAPTER 1: THE ARTIST AT THE HEART OF THE CRISIS

The tragic thing about Covid-19 in relation to the music industry, is that after almost two decades of major upheaval, things were on the up. Five straight years of solid growth had taken global recorded music revenues, which had fallen consistently for a decade following the turn of the century, back to over US\$20bn for the first time since 2004. While streaming may never reach the lucrative heights that physical sales did before the arrival of Napster in 2000 (when physical sales alone accounted for north of US\$20bn), in the last six years its contribution has risen from 9% to 47% of global recorded music revenues.

However, as anyone who's read any of the thousands of blogs, op-eds and social media posts about streaming service royalty rates will know, streaming income alone is rarely enough to support any but the biggest artists. Even the other 43.9% of the IFPI's revenue figures (21.6% physical sales, 12.6% performance rights, 7.2% downloads and other digital, and 2.4% synchronisation revenues) is largely hoovered up by major labels and artists. Consultancy firm Midia estimate that Universal Music Group, Warner Music Group and Sony swallow up more than two thirds of total income on their own.

So how else does a mid- to low-level artist make a living? Well, since the mid '00s collapse in recorded music income, live music has been the single biggest driver of revenue, even accounting for streaming's recent growth spurt. While the majors are again dominant in this sector - [according to Forbes](#) the top 1% of artists accounted for 60% of ticket sale revenue in 2019 - the proportion of artist income generated by live events has swollen from less than a third in the '90s to a whopping three quarters last year. Total global live music revenues almost reached US\$28bn last year (and that's not including the potential merch sales at live events), with PwC's [Global Entertainment & Media Outlook 2019–2023](#) report estimating it would hit a record US\$31.5bn in 2023.

That report was written, of course, before the Covid-19 pandemic struck. Streaming suffered an [early wobble](#), attributed by some to a [decline in commuting](#), with some evidence that Covid-19 caused online listening habits to trend towards [ambient](#) or [nostalgic](#) sounds (not exactly playing to the strengths of many dance music producers). However, along with physical sales (which have fallen in line with the general drop in discretionary consumer spending), streaming has managed to somewhat roll with the punches. Unfortunately the live music industry, as with the rest of the hospitality industry, has been hit far harder - in May the World Economic Forum reported a six-month shutdown would cause an [estimated US\\$10bn loss](#) in sponsorships alone. The unavoidable truth is that bans on large gatherings make the vast majority of concerts and festivals unviable, while curfews and social distancing make club nights even harder to organise (legally at least).



For some artists, appearance fees during festival season make up most of their annual income, meaning that even if a vaccine was found tomorrow, a significant amount of damage has already been done. In fact, it’s hard to overestimate just how much is at stake with the collapse in live performance revenues. As the Association of Music Managers’ Cath Haridy [recently stated](#), “We need to explore the almost complete dependence musicians (and their managers) have developed with live performance income to sustain their lives, and consequently how that speaks of the ‘bottlenecks’ that may exist in relation to other income streams.”

A survey of labels, managers and live companies by Music Ally for this report illustrates this point. Companies that identified as primarily in the recorded music space are feeling the pain, but not to the same extent as management or live.

When we asked the record companies what they feel they are facing in 2020 the results were fairly equivocal, with roughly half saying the same or higher and just under half saying lower.

What do you expect to happen to your overall income in this calendar year?

	Total - Recorded music only
Higher	24%
About the same	28%
Lower	42%
Would rather not say	6%
Source: ADE / Music Ally October 2020 survey	

Compare this to the same question put to the live industry, and parsed against those who exist mainly or completely in the electronic music sector, and the story is different.

	Total music	- Live	Mainly electronic music
Higher	0%		0%
About the same	0%		0%
Slightly lower	13%		7%
A lot lower	83%		86%
Would rather not say	4%		7%
Source: ADE / Music Ally October 2020 survey			

It is, of course, far from surprising that the live sector is far more concerned about their income for this year. What is perhaps more telling is that the respondents to the survey in the live and management side of the business have already made changes, either having already altered their business or in the process of doing so. More worryingly, a third of companies in both management and live claimed that they have already paused.

	TOTAL	Live music	Recorded music	Both (e.g. management)
Our business has paused	27%	34%	18%	31%
We are in the process of making changes	15%	16%	18%	11%
We have already made changes	43%	42%	33%	52%
We have not really been affected	10%	4%	21%	3%
Would rather not say	5%	4%	8%	3%
Source: ADE / Music Ally October 2020 survey				

It is worth noting here that over 90% of the roughly 160 respondents to this survey are Dutch companies or individuals.

If this sounds like a perilous situation for even established artists, imagine what it means for those whose careers have only just begun. Aspiring DJs and producers may be able to hone their skills at home, but without clubs and bars to perform in, where can they get crucial experience playing to audiences? The live circuit is also crucial to building both a fanbase and a network, making the connections that can lead an artist to their first manager, label or booking agent. Its absence snaps the ladder of a potential music career at one of the very first rungs, dismantling the usual progression towards bigger shows, festival slots and international bookings.

A lack of new talent coming through also has repercussions for every part of the industry that plays a part in breaking new artists - not just managers and bookers but marketeers, music journalists, publishers, sync agents, social media managers, set designers, stage builders, security, tour drivers and more. As freelance festival booker Pauline Bourdon indicated in a bleak [Welcome to the Jungle](#) article in June: "All the companies that festival organisations have long-term relationships with might collapse, from toilet providers to electricity contractors. I wonder who is going to be left in 2021 and how are they going to price their services? It's going to take years for the festival industry to fully recover."

Even without the threat of further, harder lockdowns, consumer confidence is also at a low. A [Reuters/Ipsos poll](#) of 4,429 American adults during April's lockdown found that only 27% of respondents would be willing to enter a cinema, theatre or concert venue when they reopened, with 40% stating that they'd be willing to wait over a year for a Covid-19 vaccine to arrive before they'd consider attending an arts or entertainment venue. While that doesn't mean there will be similar levels of reluctance in a country, like the Netherlands, that has suffered far fewer Covid-19 fatalities than the USA, it suggests there's no guarantee that an open venue will necessarily be a full one, even allowing for reduced capacities. As journalist Gabriel Szatan puts it, "[Next-step reports](#) and formal calls for rescue packages have come out across the globe, but they all assume that the demand for, and supply of, music will stay consistent... as if the faucet of available musicians and eager punters can just be turned back on to refill venues." What's more, as Marcus Barnes explores in his recent Mixmag article '[Partying Through the Pandemic](#)', artists and DJs who rush back to playing live risk a backlash from those who feel they're endangering their audience.

In fact the consumer surveys can compound the confusion, some suggesting strong confidence in getting back into gigs and clubs, and others suggesting caution. That in itself is a source of stress for the artist and DJ communities: even after surveys, there's huge uncertainty about what kind of audiences will be there when they can play live again.

But the contradictory studies actually form a clear narrative: fans *are* eager to get back to concerts and clubs, but they are nervous of doing so before it's safe – perhaps through social distancing and other safety measures, but ideally because a vaccine is available and in widespread circulation. This tells us that it's likely to be a longer road back to full-capacity events than we had hoped in the early months of the pandemic, and that bolsters the need for sufficient support in the meantime.

With scant streaming royalties, and live revenues bottoming out, this leaves performance royalties and synchronisation as the two other main sources of income for musicians. Dutch technology firm DJ Monitor released figures in October 2020 suggesting that the festival silence this summer at the eight main music markets in Europe will lead to a EUR 50m drop in income for songwriters. In addition, with artists often unable to get to the studio to record or make videos, the supply of new content is under threat. Sony Music chief financial officer Hiroki Totoki [told analysts in Sony's earnings call](#) earlier this year to expect this to impact on their global business.

Meanwhile the part or full closure of bars, restaurants, gyms, shops, theatres and other public spaces that play music will also have a huge knock-on effect on royalty collection that has barely even begun to be felt yet. Broadcast royalties may prove more resilient, but that's only useful if you're able to get your songs on the radio - and even then it's not going to plug the gap alone. Many performance collection agencies, recognising that their members are facing sudden and significant hardship, have made advance payments available. Yet in most cases this is just deferring disaster until a later date.

Synchronisation, too, has suffered significant knock-on effects from the struggles of other industries. At the best of times music spend is often acutely vulnerable to sacrifice when media budgets are being squeezed, and the temporary halting of film and television shoots means there are fewer new productions available to soundtrack anyway. Moreover, the Interactive Advertising Bureau reports that a quarter of media buyers, planners and brands suspended all advertising in March, with a [further 46%](#) adjusting their spending downwards for the first half of 2020. This drop represents an even bigger threat to musical livelihoods than first appears, not only because there are fewer sync opportunities to pitch for, but because it means less money is being funnelled towards ad-supported music streaming services. Indeed, in April Spotify announced that ad-supported revenue in the last three weeks of Q1 was [over 20%](#) below forecasted levels. Music journalism sites and publications, a valuable resource for artists in their quest to reach an audience, have also been hit hard, with some long-running titles folding for good.

One chink of light in this gloomy landscape may be provided by the gaming industry. Already both the largest *and* fastest-growing sector of the entertainment industry, the fact that production and consumption of games takes place in front of computer screens means it is inoculated from many of the social distancing issues that have blighted industries that require many people to be in the same space simultaneously. Consumption is also up in the Covid-19 era, with GlobalWebIndex reporting that [more than a third](#) of



internet users aged 16-64 spent more time playing games during lockdown. Regarding music, some of the year's few industry success stories have come via gaming, such as Marshmello's Fortnite concert that attracted 10m 'attendees', briefly making it the biggest event in the game's history (before rapper Travis Scott topped it two months later). Don't rejoice too soon though; while gaming may help keep sync more stable than live performance, it still only makes up 2.4% of global recorded music revenues.

When you consider all these things together, you'd be forgiven for thinking most musicians are about to become charity cases. And in some ways, you'd be right. One of the most heartening results of Covid-19's effect on traditional revenue streams is that, in many cases, fans have stepped in to fund their favourite artists directly. Whether by utilising the 'donate' buttons on streaming services, contributing to crowdfunders set up by beleaguered artists and venues, or purchasing music and merch via Bandcamp at above the asking price (as apparently [40% of Bandcamp customers](#) have been doing since Covid-19 struck), music lovers have been providing income that has evaporated elsewhere. Indeed, Bandcamp's decision to waive their own transaction fees on the first Friday of each month has earned the company plenty of well-deserved praise, reflected in the recent aforementioned [Amuse/Midia](#) poll that found 29.1% of artists were "relying more on sites like Bandcamp rather than streaming" during the pandemic, with some labels and artists not only releasing material exclusive to Bandcamp but also offering discounts or dropping new releases specifically on 'Bandcamp Fridays'. However, Mark Mulligan of Midia Research adds the caveat that this may have "as much to do with the weaknesses of streaming as it has to do with the strength of Bandcamp."

"Before the pandemic," Mulligan [recently told the Los Angeles Times](#), "an artist might not have made much money from streams, but the potential to reach hundreds of thousands of potential ticket buyers in advance of shows made the math work. The more people that could hear your music meant more people at concerts meant more people buying merch, and everybody's happy. Take live out of the equation, and suddenly it doesn't really add up... Bandcamp has tapped into [fans' desire to help]. People will go support their favorite artists on Bandcamp because they know they are making a statement of support."

It should be noted that the 'math' Mulligan references wasn't adding up for everyone even before Covid-19. As Crispin Hunt of the Ivors Academy [told Forbes last year](#), "I have friends with multi-million YouTube views, which translates to 20 [ticket buyers] in Norwich... musicians need a suite of income streams". And while [other music platforms](#) have also made sizable contributions to [emergency relief funds](#) in the countries where they operate (with [TenCent Music's pre-existing program](#) proving particularly beneficial in China), 'Bandcamp Fridays' and other direct fan-to-artist support has been essential.

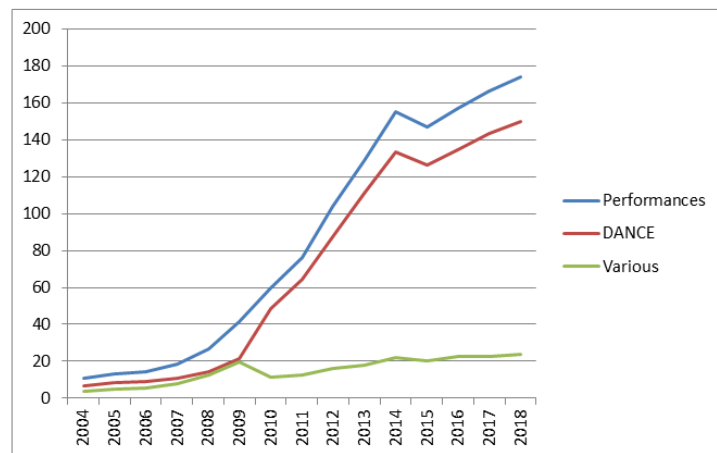
Can musicians survive on goodwill alone, especially when consumers are seeing their own income dry up? A [recent survey](#) by the UK's Musicians' Union suggests many don't feel optimistic - a third of respondents are currently considering "abandoning the industry completely", with a further 37% "not sure" if they have a future in music.

THE IMPACT IN THE NETHERLANDS

Dutch electronic music and DJ culture is a huge success story, of which the country is rightly proud and globally renowned. Yet while it may be the envy of the world, its resilience is being tested like never before

Since 2009 the genre has undergone a fast growing curve, thanks largely to the boom in interest from first the North American and then the Latin American market.

	Performances	DANCE	Various
year	value in €	value in €	value in €
2004	10,9	6,9	4
2005	13	8,2	4,8
2006	14,1	8,9	5,2
2007	18,4	10,8	7,6
2008	26,8	14,5	12,3
2009	41,2	21,4	19,8
2010	59,73	48,54	11,19
2011	76,48	64,13	12,35
2012	103,84	87,56	16,28
2013	128,42	110,79	17,63
2014	155,28	133,33	21,95
2015	146,75	126,36	20,39
2016	157,05	134,69	22,36
2017	166,44	143,7	22,74
2018	173,892	149,91	23,98



(source: perfect&more)

With a full 25% of the current DJ Mag list of Top 100 DJs hailing from The Netherlands, including 9 of the top 20, the Dutch have been riding the crest of that wave.

DJ MAG TOP 100			
2019	2018		
1	2	Dimitri Vegas & Like Mike	
2	1	Martin Garrix	NL
3	5	David Guetta	
4	4	Armin van Buuren	NL
5	10	Marshmello	
6	7	Don Diablo	NL
7	9	Oliver Heldens	NL
8	6	Tiësto	NL
9	8	Afrojack	NL
10	11	Steve Aoki	
11	13	Alok	
12	3	Hardwell	NL
13	33	Timmy Trumpet	
14	12	R3hab	NL
15	18	KSHMR	
16	24	DJ Snake	
17	20	Eric Prydz	
18	14	W&W	NL
19	40	Calvin Harris	
20	17	Lost Frequencies	

(source: DJ Mag)

This success is not derived from dumb luck. Looking at data on the total amount of performances of Dutch DJs in 2018, it is clear that extensive live performances are critical to their sustained presence and success in the global market. Of the top 20 performing artists from the Netherlands, the average number of shows per year was a staggering 100.

Total amount of performances of Dutch artists/dj's				
2018	2017	artist	2018	2017
year	year		amount performances	
1	7	AFROJACK	135	115
2	1	TIESTO	126	135
3	14	DON DIABLO	118	96
4	4	MARTIN GARRIX	111	123
5	23	AMBUSH MC	108	84
6	29	ARMIN VAN BUUREN	108	79
7	2	YELLOW CLAW	106	130
8	11	QUINTINO	105	102
9	6	R3HAB	104	115
10	3	OLIVER HELDENS	101	124
11	22	SUNNERY JAMES & RYAN MARCIANO	99	84
12	8	SAM FELDT	98	110
13	9	BASSJACKERS	97	103
14	10	W&W	92	102
15	12	LAIDBACK LUKE	89	101
16	49	UNDERS	86	66
17	19	CHUCKIE	85	87
18	17	JORIS VOORN	84	90
19	24	DETROIT SWINDLE	84	83
20	25	FRANKY RIZARDO	82	83
21	33	YOUNG MARCO	82	76

(source: perfect&more bv)

Dutch music isn't just a [valuable export](#), it also attracts many visitors from abroad. Yet while Amsterdam was recently considered so swamped with holidaymakers that the tourist board was actively trying to discourage visitors, Covid-19 is now doing that job so effectively that businesses previously reliant on foreign clubbers face a daunting future. In a recent DJ Mag article entitled "[What is the future of techno tourism?](#)", the city's Night Mayor, Ramon de Lima, accepts that "club culture, as we have known it, is not possible [right now]." Berlin's Club Commissioner Lutz Leichsenring was even more blunt: "It's the biggest crisis in nightlife since World War II. For 80 years, there has been nothing with this level of impact on our culture." Along with former Amsterdam Night Mayor Mirik Milan and a team of academics, he's launched a free resource via [nighttime.org](#) called the [Global Nightlife Recovery Plan](#), which shares strategies focused on reviving nighttime economies in European cities. (Morgan Deane's [A Light in the Night](#) guide is another valuable resource, especially for small independent venues).

Dance festivals may be even more at risk if, as Dutch event organiser Marcel Pantera has suggested, people are likely to be initially wary of large crowds post-pandemic. “When 25% of the visitors skip once or even stop attending all together - because they are no longer comfortable with the status quo – this means that 250 large festivals could cease to exist,” [Pantera recently predicted](#). “In the short term there is much more room to gain ground for the smaller events like clubs & music halls again. There are opportunities for new events with smaller stages. Large festivals that add nothing social to the current landscape and do not adapt are facing rough times.”

Certainly music venues, and especially nightclubs, are hugely important for the health of the Dutch electronic music scene. [82%](#) of club nights in the country feature Dutch acts (as opposed to just 63% of concerts), helping sustain new generations of DJs and artists. They also create a myriad of work opportunities beyond performing on stage or behind decks, ranging from production, programming, management, marketing, box office, security and administration to catering, cleaning and cloakroom supervision. In total the [VNPF](#) reports that [7.762 workers](#) are employed across the 56 music venues with VNPF membership, and while many smaller venues rely to some extent on volunteers, 72% of all working hours are paid. Remarkably, all of those venues are non-profit, with almost a quarter of income coming from municipal subsidies. Total turnover of VNPF members in 2019 was €161.9m. In March, RTL reported that the Dutch event industry will lose [almost half](#) its expected turnover of €7.4bn this year.

Dutch festivals contribute even more to the economy, after an explosion that saw the number of Dutch festivals [increase by 38%](#) between 2014 and 2018. 23m people visited a music festival in the Netherlands in 2015 - that's 6m more than the entire Dutch population - while Festival Monitor reported gross ticket receipts of €292m in 2018. Remarkably, according to Dutch Festivalatlas, [66% of Dutch festivals](#) that year had only existed for ten years or less. It's no wonder then that the country has [more dance music festivals per capita](#) than any other country in the world.

Perhaps the pragmatic Dutch approach to areas that other states find controversial has helped it lead the way when it comes to major dance events. “Where some countries cast a wary eye at the festivals as they developed in the 1990s,” [Thomas Erdbrink recently wrote](#) in the New York Times, “the Dutch government embraced them, even sending health workers to test the drugs the participants were taking to avoid overdoses.” Dutch academic and journalist Mark van Bergen concurs. “Allowing hedonism is embedded in our culture: our coffee shops, legalized prostitution,” he told Erdbrink. “The state tolerated dance music and this allowed it to grow much faster here compared to other countries.” [Even the Dutch king](#), who had [Armin van Buuren play at his coronation](#), has [expressed concern](#) for the sector's survival during Covid-19.

The impact on those festivals going silent cannot be understated. According to research from Dutch technology firm DJ Monitor prepared for this report the impact has been both immediate and catastrophic.



EUROPEAN FESTIVALS '19 | Top 8 Countries



	Amount festival (days)	Average ticket price	Total Ticket Revenue (Excl. VAT)	Total Performing Rights License Fees
Netherlands	391	€38.35	€191,707,404	€6,970,003
Germany	246	€29.93	€73,322,328	€5,655,453
United Kingdom	254	€37.47	€212,023,333	€6,355,075
Belgium	61	€39.77	€74,992,981	€2,774,817
France	239	€27.83	€123,767,742	€13,614,451
Spain (excl. Ibiza)	194	€26.65	€151,215,372	€13,303,952
Italy	123	€32.32	€17,956,171	€1,795,617
Portugal	85	€38.16	€15,408,130	€770,406
Total:	1593		€875,223,714.33	€51,239,774.00

Of particular note here, DJ Monitor estimate that of the 391 festivals in the Netherlands in 2019, 85-90% of them focus largely or wholly of electronic music. And only 20 of them would have gone ahead in the first two and half months of 2020, meaning that 95% of the country's festivals will have gone dark this year.

As well as helping the Netherlands dominate the world of EDM pre-Covid, the festival boom has inevitably had a major impact on the wider Dutch live music industry too. A 2019 analysis entitled [“The impact of festivalization on the Dutch live music action field”](#) [Mulder, Hitters & Rutten] found that the multi-sensory festival experience has forced traditional venues to up their game. “Festivalization has certainly had an impact on our venue,” one respondent acknowledged, “we have to make sure the experience in this building is more than just entering a place and watching a band. Most venues are just black boxes, but they should be places that astonish you. Now we’re creating a better experience.” The report also found that festivals and venues now enjoy an almost symbiotic relationship, stating that “the two seem to be interwoven in several cities and a large number of executives stated that they could not exist without each other.... supporting the idea of a local music ecology approach”.

The evident popularity of Dutch festivals shouldn't be allowed to disguise their vulnerability however. The report also highlights the lack of a government funding structure for festivals equivalent to that enjoyed by (non-dance music oriented) venues, with one aggrieved festival organiser complaining that "festivals have to bear their own weight, but pop venues have been funded to pieces because every single average town wanted to have its own pop venue... and once they're open, nobody shows up." While bricks and mortar venues would offer the counterargument that a festival is a one-off event, whereas they have to maintain a building throughout the year, this also highlights how fragile seasonal events are. "We make 80 percent of all revenues in the summer months", ID&T chief executive Ritty van Stralen [told the New York Times](#) in April. "I am expecting that sector wide the turnover will be halved and that we'll lose around 50,000 jobs."

The Amsterdam-based festival promoter Friendly Fire, which organises Best Kept Secret among others, cut 10 of its 35 employees in August. Then, on September 28th, ID&T themselves announced 40% of staff would lose their jobs. "Despite the fact that we also make use of government regulations and have reached a settlement with three of our four insurers in the dispute about the applicability of the insurance earlier this year," said van Stralen [in a statement](#), "the losses are taking on enormous proportions and there is no clear view on what will happen next. Unfortunately... we can no longer avoid preparing for a worse scenario, in which it may still take a considerable time before we are fully operational again." Considering festivals run by ID&T, Friendly Fire and others also provide key income to international artists and DJs, any lasting damage to the Dutch festival industry will reverberate far beyond the country's borders.

[Rewire](#), a nonprofit "international festival for adventurous music" with a healthy proportion of electronic artists on its line-up, takes place in The Hague each spring. This year it was set to celebrate its tenth edition at the beginning of April. "The festival was fully financed," recalls founder and director Bronne Keesmaat. "The program was complete. We were nearly sold out. All the production headaches were dealt with. We were just about to put the finishing touches on the production... and then we had to cancel the festival. It was a very difficult thing to do."

Keesmaat acknowledges that next year's festival will by necessity feature an online as well as an offline element, saying he doesn't expect to return to a fully "normal physical festival" until at least 2022. However, he also thinks this opens up exciting opportunities for innovation. "We want to focus much more on local artists, but also on certain local areas in the city. One of the things that we saw [during lockdown] is that everyone had to relate to their local surroundings in a different way. They had to recalibrate almost. You couldn't go far. You had to do everything in the vicinity of your house. It was a very different experience. And I think for an international festival, it's the same."

“We need to relate much more to the city, to the artists who are working here, and see how we can make a program that responds to that. So for instance, instead of having one festival centre, we're going to look into different zones in the city and create a bespoke program for that area, also to see if we can attract more local visitors who normally wouldn't go to the festival, if we make a program specifically for them in that area. It's something I always wanted to do but could happen because it was too complex and financially not viable to have it next to the formula we have, but now we can try to explore these [ideas] halfway.”

Paying tribute to the historic pedigree of the Dutch electronic scene, Keesmaat highlights how the squatting movement helped foster a rich underground network before squatting was criminalised in 2010. “A lot of squatted places turned into nightclubs like [legendary Amsterdam venue] Paradiso... [a lot of] the cultural institutions we have now have a history of squatting”. Sadly, while he still sees the nightclub as “a very good space to try out things and experiment”, he accepts it's an area that may have to be sacrificed at Rewire 2021. “Moving it to an online environment might be tricky,” he admits. “Of course, at the moment you see some examples of it, but having an actual club experience in a room full of people? I don't envision it next year. So that's really difficult. How are we going to replace that element? Or can we even replace that element? And I am very wary of how it will work out for clubs and nightclubs in general.”

“It's a very doomy situation for nightclubbing,” he continues, prompting the question of whether dance music is going to struggle more than some other genres when it comes to surviving the pandemic. “Yeah, I think that's the case. Most definitely. Because are we going to sit in front of a laptop, dancing to music in a club environment? I mean, it's interesting when it's experimental, when it's innovative, when [there's] a visual element, but having club nights behind your laptop? I don't see it happening. So yeah, probably dance music is hit hardest.”

As Keesmaat is the only full-time employee in a team of freelancers, Rewire was unable to apply for Covid-specific relief, and he feels the Dutch government were initially “a bit left behind” the likes of Germany when it came to supporting the arts through the pandemic. He also says that more mainstream dance festivals, as well as Live Nation's Dutch promoter Mojo Concerts (which has [already had to lay off a third of its staff](#)), may have more pressing concerns than already-subsidised events and venues. “They don't have arts funding, as they are commercial organisations. So to keep them alive, they need some kind of support from the state.”

PLUGGING THE DIKE

It's not the only thing we're about to find out. Plunged into a situation that no one has been through before, individuals and organisations are having to think on their feet during unpredictable bouts of turbulence. Meanwhile governments are under pressure to protect not just people but entire industries.

Anxious that they might be low down the list of priorities, the cultural sector has had to be quick and forceful in making its case. International efforts to protect the music industry have included [April's open letter to the EU](#) signed by nearly 40 pan-European organisations, September's Liveurope statement demanding to "[Renew the European Music Scene](#)" signed by some of the continent's most iconic venues, and last month's [Global Action Day](#) organised by [#WeMakeEvents](#), a campaign group set up in Britain in April that has since inspired similar protests [around the world](#). [United Independent Music Agencies](#), a coalition of Dutch booking agencies formed in March, has also called for a more consistent continental response to the pandemic, with Blip Agency's Ronald Keizer asking, "Why are agreements not made at European level about the period in which concerts are to be allowed again and how?"

Responses from national governments have been varied. So far the Dutch government's major contribution was the €300m support package for cultural businesses [announced in April](#), alongside general support for entrepreneurs, the self-employed, and companies whose revenues were set to fall by 20% or more. However, this initial package was deemed woefully inadequate by the newly formed live industry pressure group [Alliantie van Evenementenbouwers](#) and, following protest campaigns such as the [Night of Live](#) and [#SoundofSilence](#), in August an extra €482m in emergency funding was pledged (although very little of this seems to have found its way to nightclubs or electronic music organisations so far). Yet while Ingrid van Engelshoven, the Minister of Education, Culture and Science, insisted at the time that "the Dutch cultural sector cannot [now] say that their needs are not being met", that statement already seems hopelessly optimistic.

Other programs are also struggling to meet demand. In August the Fonds Podiumkunsten cultural fund distributed [€62m](#) between 60 festivals and 78 artists and performing arts institutions, to be spread over a period of four years. While this was a much-needed boon for non-dance festivals, with almost every positively assessed event receiving a grant, it didn't stretch far enough to honour every successful applicant. Also, as the application deadline ended before Covid-19 struck, the needs of many recipients had changed drastically in the intervening months. In protest, an urgent letter was sent to van Engelshoven and other members of parliament, signed by over a thousand performing organisations and artists.

Shortly thereafter, €15m from the Ministry of Education, Culture and Science's €482m emergency package was diverted to the Fonds Podiumkunsten, to compensate those who had lost their subsidies. However, perhaps mindful of the value judgments dance music is subject to when it comes to assessing cultural worth, few electronic festivals or venues appear to have applied in the first place, with hardly any electronic-focused organisations on either the [production](#) or the [festival](#) grants list. Now they are the most in need - and the least protected.

In spring the ministry also launched an initiative called [Save Your Ticket](#), which encouraged festival ticketholders to attend rescheduled events (or alternative events from the same organisers) by allowing ticketsellers to withhold monetary refunds until after rescheduled events have taken place. While a smart way for the state to help keep festivals afloat without using public money, it has proved decidedly less popular with consumer groups, and may risk alienating fans who feel they're being forced to prop up events when their own finances may also be precarious. One thwarted PinkPop attendee [interviewed by Mixmag](#) expressed outrage at not receiving the €1,600 he spent on six tickets until 2021, threatening that "If I have to wait 'til next June for a cash refund then I will not be going to a MOJO organised festival simply out of principle." Wary of this type of reaction, some festivals decided that offering full refunds might actually be a better way to foster long term goodwill. Liquicity manager Boudewijn Kustner told Mixmag why the label's festival, which was cancelled in April, took this approach. "We see the Liquicity community as our family. We prefer to ask our fans to help us, rather than forcing them. Amazingly enough, we see that pretty much everyone held on to their ticket."

Meanwhile, the collection society Buma/Stemra is launching the Investeringsfonds Muziek, a fund for Dutch composers, lyricists and music publishers to facilitate the creation of new music and the exploitation of existing work. They've pumped €2.75m into the fund so far, a figure almost matched by a contribution derived from the government's most recent emergency fund. Bernard Kobes, Chairman of the Board of Directors of Buma / Stemra, says they want to "ensure that music is made that otherwise would not be" so "that no talent is lost in this unprecedented crisis for music." Local funds have also been popping up, such as Music Support Gelderland, a pilot scheme for the provinces that offers development grants of up to €1000 per musician, starting this month.

THE INTERNATIONAL RESPONSE

While this funding drive has been welcomed, many have been looking enviously towards their neighbours in the east, where Germany is perceived as having been quicker to react to Covid-19's effect on the culture sector. Certainly the [€150m](#) pledged to the live music sector by the German government in June has set the bar high, especially with €50m of that reserved for grassroots venues. According to [nighttime.org](#), this funding means that many clubs will be protected until early next year, and so are not currently pushing hard to reopen. The continuing Kurzarbeit scheme will also help keep many in the German music industry employed as furlough schemes in the Netherlands and elsewhere come to an end, while German collection society GEMA also launched a relief fund similar to the Investeringfonds Muziek, although to the grander tune of [€40m](#).

Elsewhere, France recently announced [€220m](#) of funding for their live industry, with President Macron stating that "Cultural venues must be brought back to life... even if, during this intermediary period, we're going to have to rethink a new sort of relationship with audiences". Sweden also recently announced an extra 1.5bn kr (€144m) of funding towards culture, as well as setting aside 1bn kr to finance the restructuring and restart of cultural activities next year. The Swedish government also unveiled plans to increase investment in cultural infrastructure – including concert halls – and set aside a further 80m kr to "strengthen the conditions of cultural creators throughout the country" via grants and scholarships. In Poland, the total value of support for the cultural sector in various forms may have a value of [up to 4bn zł](#) (€900m).

Despite suffering relatively few cases of Covid-19 compared to similarly-sized countries, New Zealand has also focused on culture as an integral part of its lockdown recovery. Announcing a NZD\$175m (€98m) programme to support the arts and music sectors, Prime Minister Jacinda Ardern noted that "a healthy cultural sector has many positive flow-on effects for other important parts of our economy, such as technical production, hospitality, venues and domestic tourism." Canadian Prime Minister Justin Trudeau got a little more poetic when announcing a CAD\$500m (€320m) equivalent package for arts, sports and culture: "We need our artists to continue to make us dream, particularly in dark times."

Most musicians aren't interested in reassuring rhetoric however, especially when the near future looks so gloomy. Rev. Moore of the USA's [National Independent Venue Association](#), formed in response to Covid-19, says that while the "[Save our Stages](#) campaign has been very successful in raising awareness, and has plenty of support in congress... the government is currently too dysfunctional to pass legislation, so action is not forthcoming." Australia also seems in dire straits, with the Australian Live Music Business Council (a body launched in the summer to lobby on behalf of smaller Australian



music enterprises) releasing a [survey in September](#) that suggests 70% of venues won't last another 6 months without aid. [According to the organisation's Phil Brown](#), "The biggest challenge is funding, the national arts package was announced months ago but as yet nothing has reached anyone." As [The Industry Observer's report](#) on the survey put it: "There's no way to sugarcoat it. Australia's live music industry faces "imminent collapse" if the situation doesn't change."

In the UK, the fast-approaching end of the Coronavirus Job Retention Scheme is also causing panic, with the country's Night-Time Industries Association warning that over 700,000 more jobs in the sector could be lost within weeks without urgent government intervention. Citing a survey of their members, the NTIA found that 58% of businesses felt they would be unable to survive longer than two months without further government support, while 71% were set to make more than half of their workforce redundant.

The response from the British clubbing fraternity has frequently been savage. A petition to '[Support nightclubs, dance music events and festivals](#)' quickly amassed more than the 100,000 signatures needed to ensure that it will be considered for parliamentary debate. In a blistering Facebook missive posted shortly after Prime Minister Boris Johnson's last address to the nation, Ministry Of Sound boss Lohan Presencer bluntly put the situation into perspective: "Nearly all late night venues in the UK have had zero income since March. Furlough allowed us to keep our staff employed, but since August they've required us to start contributing to salaries - with what exactly? Sadly that means gradually we've had to make redundancies and then from the end of October furlough ends... 70%+ of late night venues will be bust in five weeks. These are not businesses that can simply restart on the other side. Landlords will have to agree huge rent waivers, councils (who are still demanding rates for our office space!) will have to stop saying 'computer says no', new tenants will have to fit out these spaces at huge expense, teams with years of accumulated expertise will vanish as they have to earn a living elsewhere and put food on the table for their kids, and raving will go underground into unlicensed, unsafe spaces controlled by criminals".

While some respite came in a [recent high court judgement](#) ensuring that businesses forced to close by government lockdown will get insurance payouts that had been previously denied them, the UK government's decision to target their latest Covid support scheme at 'viable' businesses which are slowly returning to normal left the majority of clubs almost entirely reliant on a £257m share of a £1.57bn Cultural Recovery Fund earmarked for venues, theatres, galleries and museums, distributed to successful applicants by non-departmental public bodies such as Arts Council England. Fortunately for nightclubs, the lobbying of the #LetUsDance campaign meant that venues and events related to "electronic music (including house, electronica, drum & bass, dubstep, experimental)" were welcome to apply, with many [receiving significant funding](#).



Club owners in Italy may be less content. Guendalina boss Vincent De Robertis [recently explained the roots of this dissatisfaction to Mixmag](#): “We are thankful for having had the opportunity to have continued our activities, which in May was highly unthinkable but at the same time we ask ourselves: Could it have been managed differently by keeping the clubs closed from the start and providing contributions to companies of this sector? [... The Italian government] forced us to open so as not to give us economic aid. On August 16 they closed us without giving us anything.”

Support may be easier to find locally rather than nationally. The USA’s NIVA have reported lobbying successfully for funding on a city level [“in some areas”](#), while last month the New South Wales government launched a plan to turn Sydney into a “24-hour city”, as a way of fighting back not only against Covid-19 but the recently repealed ‘lockout laws’ that enforced strict curfews on clubs. Night Time Industries Association chair Michael Rodrigues explained that “in an era of lockdowns and curfews, talking about a 24-hour city might seem strange, but now is exactly the time to transform Sydney’s nightlife.”

Vilnius has also used the pandemic as an opportunity for a strategic change of direction, with a Dazed report recently hailing it as [“a model of transformation”](#). Celebrated Lithuanian DJ Manfredas explained the role local government played: “The city eased the regulations for bars early, allowing us to use basically any space outside the premises and make one big open-air café... Pre-quarantine, it was extremely difficult to get such permits, so this really changed the face of the city.”

SURVIVAL OF THE AGILE

In The Netherlands it seems like there will be little more support coming from central government. “Just like other sectors,” Van Engelshoven warned ominously when announcing the August funding package, “the cultural and creative sector will have to adapt.”

To be fair, many organisations have already been doing so. There are several examples of long-running clubs temporarily diversifying: Berlin’s legendary Berghain is currently operating as an [art gallery](#), while London’s Printworks and Village Underground spent the summer as a [drive-in cinema](#) and a [cycle park](#) respectively. Luxembourg’s Rockhal even became a temporary [Covid-19 treatment centre](#). Where physical diversification wasn’t possible, clubs such as New York’s Nowadays have gone digital, offering subscribers a curated program of livestreams and covering [approximately 40% of their costs](#) through Patreon subscriptions. (While guests aren’t paid for their sets, Nowadays does share their Paypal and/or Venmo details to encourage viewers to donate to them directly.)

In China, where online tipping is more well-established, clubs such as One Third have earned astronomical fees from livestreaming; [according to SupChina](#), one of their streaming marathons “brought in nearly 2 million yuan (\$287,000) over the course of a [five-hour broadcast](#)”, with ‘cloud raves’ on Douyin also [attracting huge numbers](#). The [United We Stream](#) concept has also proved successful. Beginning in Berlin and since spreading worldwide, it has delivered a steady supply of live sets from clubs around the globe in a bid to “SAVE GLOBAL CLUB CULTURE IN QUARANTINE”. Manchester’s United We Stream program raised £480k for local causes in just over two months.

Back in the Netherlands we’ve seen a [temporary 1050-capacity venue](#) in Utrecht, purpose-built for socially distanced crowds, and a [nightclub in Nijmegen](#) opening to all-seated audiences (while ID&T has even diversified into [camping holidays](#)). However, while such experiments are clearly necessary, the sight of people dancing in chairs while surrounded by strobes made clear that, as Wired Magazine put it, [“Nightclubs during coronavirus are going to be really, really, weird.”](#)

Elsewhere DGTL Festival lived up to its name by moving its planned April weekender entirely online. As well as a line-up of 28 artists streamed live across three different ‘stages’, the event also offered a virtual bar, merch store and food court, where goodies could be ordered direct to attendees’ homes. This sterling effort to persevere through the pandemic must have earned the DGTL organisers some good karma; it emerged afterwards that they were unknowingly insured against Covid-19 after one of their employees “sort of accidentally ticked the ‘pandemic’ box on the insurance form”, netting them roughly 70% of their \$2.3 million investment back. Apenkooi Events co-founder Tom Veldhuis offered one of the understatements of the year when he admitted that [“otherwise it would have been quite a blow.”](#)



The boom in DGTL-esque livestreaming events has of course been one of the most written about industry developments during the pandemic. Certainly the early signs were encouraging - Forbes reported that the 'Music & Performing Arts' category on Twitch rose to 574,000 in March, an increase of 524% on pre-pandemic averages. However, it should be noted that the biggest livestreaming success stories have been from the likes of [BTS](#), [Laura Marling](#) and even [Andrea Bocelli](#) - in other words, not dance artists or DJs. Indeed, an [investigation by Chartmetric](#) found that EDM artists Diplo and DJ Snake got barely any increased social media traction from their livestreams in comparison to artists working in other genres. As many of our interviewees have suggested, it's difficult to successfully recreate a club atmosphere under Covid-19 conditions; even the long-running success of Boiler Room's streamed DJ sets were partially dependent on them taking place in packed rooms. At the same time, perhaps there are important lessons the dance community could learn on [how to successfully livestream events](#) - not least a more imaginative approach. As Mixcloud co-founder and CEO Nico Perez [recently told Music Ally](#), "The novelty of the kitchen/ bedroom/living room livestream is wearing off... The ones who are winning are doing conversations, making it interactive, adding visual effects."

David Guetta's livestreamed New York fundraiser is one example of a dance artist getting it right - fans could purchase invites to a 'private zoom' that allowed them to appear onscreen while he DJed. Plastician also went the extra mile, gaining over 1000 Twitch followers in less than a month by supplementing his DJ sets with tutorials, topical discussions and even [pub quizzes](#). Savvy partnerships have proved successful too. Charli XCX gave a knowing nod to her sizeable LGBTQ+ following by streaming a DJ set live via the Instagram account of gay dating app Grindr, while Swedish EDM duo Galantis partnered with virtual reality platform Wave XR, performing as animated avatars in a [bespoke immersive environment](#). However, even the CEO of Wave XR, Adam Arrigo, accepts that these streams aren't going to save the day on their own. Despite "demand [being] off the charts", he admitted to [Rolling Stone](#) that "it's not going to happen overnight — you won't see everyone doing a virtual concert tomorrow."

Nonetheless, with so many people looking at how technology can support musicians during this crisis, new opportunities will keep arising. Gaming crossovers are also generating [plenty of heat](#) despite their relative infancy. As well as the headline-making Marshmello and Travis Scott appearances in Fortnite mentioned earlier, the game also launched a [Party Royale mode](#) in spring with a virtual event featuring Dillon Francis, Deadmau5 and Steve Aoki (with the trio gaining a collective extra 55k Instagram followers in the immediate aftermath), while elsewhere Minecraft hosted the amusingly titled '[Block By Blockwest](#)' festival in May. Sony Music are also making interesting moves here, recently launching a recruitment drive for people "[dedicated to reimagining music through immersive media](#)", opening up the possibility of increased synergy with Sony Game & Network Service - which could be good news for Sony-signed artists such as Alan Walker (who also contributed to the soundtrack of last year's Sony-released bestseller Death Stranding).



While [one recent survey](#) found that almost 20% of musicians had livestreamed performances during the pandemic, there is evidence that the livestreaming boom may prove a damp squib - financially at least. For a start, it's proving something of a nightmare when it comes to royalties. As the business writer Cherie Hu [recently pointed out](#), the licensing deals struck by social media companies tend to only cover on-demand rather than livestreamed content. "For livestreams, many of these same platforms are adopting legal language that puts liability on artists, not on themselves", Hu explains. "The big elephant in the room with Twitch, and with its peers in the space that allow for real-time payments to streamers during live broadcasts, is that they make most of their money from these live payments, *not* from archival content. Because there's no real-time claim system, none of that majority revenue is shared with music rights holders if their content is included in a high-earning stream."

As Virginie Berger, founder of Paris-based agency DBTH, told tech firm Synchtank in [an extensive piece about the issue](#), "Livestream is a great PR idea, but it won't help rightsholders to pay their monthly rent." Hence why the increasing prevalence of livestreaming pre-pandemic was largely celebrated because of [its ability to drive ticket sales](#), not to replace them. That remains its most likely benefit going forward too. As Dice.FM CRO Russ Tannen told Music Ally, hybrid live/livestreamed shows are "going to be what happens going forward, especially while gigs are going to have to be socially distanced... You won't be able to get as many people into the room, so it's helpful to have another revenue stream there." Of course, for dance music that still depends on socially distanced clubs having the same pull as socially distanced concerts.

It also depends on copyright issues being resolved, as if they're bad for rightsholders, they're even worse for DJs. With platforms forced to become more vigilant in taking down livestreams on copyright infringement grounds, many DJs have found their sets suddenly cut short. Even Twitch belatedly [started cracking down](#) on DJs playing music not specifically licensed for use on the platform (although in practice this tends to happen shortly after a Twitch livestream is completed and archived rather than during the middle of a live set). Essentially the only way a DJ can get round this is by individually licensing every single track they plan to play in advance, a process that could take weeks, and is a world away from the standard DJing principle that having purchased music it is then free to drop during a set.



Fortunately there have been moves to address the fact that DJs are uniquely disadvantaged when it comes to livestreaming. Some labels have whitelisted catalogue to be used on certain platforms, as Anjunabeats did to promote their week-long [#AnjunaUnlocked streaming marathon](#) on Twitch. In March, Beatport's [24-hour charity fundraising stream](#) saw every track identified in real time so that fans could immediately purchase tracks direct from the site, with DJ Monitor reporting the usage to the relevant performance rights societies (a detailed report on how they put together the ambitious event, which raised US\$185k while reaching 8.5m viewers in 150 countries, can be found on [Billboard](#)). A forthcoming livestreaming subscription startup called ERIS, recently revealed in a DJ Mag article by Chal Ravens entitled '[The gig-less economy: what could a post-pandemic dance music scene look like?](#)', could also alter the landscape. The best solution so far, however, has come from Mixcloud. Well-positioned as a brand to take advantage of the situation, in April they launched Mixcloud Live, allowing their Pro users to stream sets live without fear of takedowns, while identifying which tracks are played for the benefit of their rightsholder partners. While the rush release meant that initially live sets couldn't be archived, this has now been updated so the audio (but not the video) is saved automatically.

Ultimately, however, livestreaming is only going to go so far when it comes to self-reliance, a fact pointed out by Shawn Reynaldo as early as April in his Pitchfork feature '[DJ Sets Are Going Online—But Is Anyone Getting Paid?](#)'. Rachel Black's more recent report for DJ Techtools, '[Could the DJ livestreaming renaissance be over?](#)', backed up Reynaldo's findings, pointing out that that DJs are having to battle everything from sound issues to 'pandemic fatigue' to make even minimal cash. "For artists, labels, and bigger entities (examples include Insomniac, Desert Hearts, Beatport) with big followings and committed communities, of course there's decent money in streaming," she accepts. "But for a formerly-gigging DJ, jumping on Twitch and expecting to make anything close to what one would have in a night of DJing is unrealistic at best."



PARTY LIKE IT'S 2019

Ultimately, clubbing as we knew it is unlikely to return until a vaccine is found. However, it's possible the results of some ongoing studies, such as the [German Restart-19 experiment](#) into how the virus spreads at live events, will help us understand how to make clubbing environments safer, or even prove they're already safer than we think. As Professor Robert Dingwall told Mixmag earlier this month, "modelers tend to assume that crowds are random aggregates of individuals, all of whom are interacting with each other and that's why public health people don't like them. Social science research... says that crowds are not aggregates of individuals, they're collections of small groups. That means that the risks are not that different from any other social gathering, like the type you might have in your back garden for a barbeque. There's been no spike from crowded beaches, or from the Black Lives Matter demos, so there's no real reason to expect that there would be a spike from these sorts of events."

Such observations may support the relative safety of open-air events, but what of clubs? The example of the South Korean super-spreader, who caused Seoul's entire nightlife industry to be shut down after over a hundred people were infected across five venues in a single night, offers a stark warning of what can happen. Switzerland suffered a [similar setback](#) when its clubs reopened in June, before the country had a working contact-tracing app. More than 600 people had to self-isolate following cases linked to four nightclubs, forcing capacity restrictions, stricter admission rules, and technology preventing people from leaving false contact details at the door.

Even heightened regulations and emerging innovations such as testFRWD's venue-targeted [DIY 'Gargling' test kit](#) aren't going to make clubbing immune to Covid-19. However, some experts are beginning to raise concerns about threats to health exacerbated by *not* opening clubs. In the same Mixmag article, the Head of Applied Learning at the UK's Mental Health Foundation, Dr David Crepaz-Keay, argues that the fact that "young people are... suffering more from social isolation and, we think, the economic implications" of the pandemic is an overlooked context that should inform the discussion around reopening clubs in future.

Professor John Ashton CBE, the former regional director of Public Health for the North West of England, also makes clear what happens when young people continue to be neglected. "All the raves have been popping up because young people haven't been able to go somewhere else. The harm reduction approach would be to say, 'We need somehow to find a way for young people to do the things they need to do'. But that means tight control, you need proper ticketing, you need enforcement, you need strict limits on numbers". Or as veteran drum n bass producer Jumpin Jack Frost puts it, "there has to be a roadmap back for people that work in this industry and people that want to party, otherwise, unfortunately, they're gonna party anyway."



If governments don't take heed of Ashton's words, there is little doubt that a [further increase in illegal parties](#) will occur. And with no capacity restrictions, social distancing regulations or test and trace programs, even small open-air raves will assist the spread of Covid-19, while also risking [other significant dangers](#). At the same time, an under-regulated return to live music will struggle to attract people anxious about Covid-19, while over-regulation risks removing some of clubbing's liberating appeal. "You don't want your staff to be policing people that are speaking too loudly," [says Vibelab's Mirik Milan](#), "If we make nightlife clinical, we take away the essence." Striking a balance is going to be key.

Yet amidst the misery of struggling artists, abandoned clubs and unsympathetic politicians, Covid-19 does offer opportunities - not least to rebuild the dance music industry to make it more open, equitable and inclusive. "Speak to the vast majority of people working within electronic music in recent years," [says Gabriel Szatan](#), "and you'll hear similar complaints: of being pushed around by bully promoters expanding into territories outside of home while locking performers into rigid exclusivity contracts within a 100-mile radius; being taken to the cleaners by powerful DJ agencies; having local talent passed over in favour of established options on the circuit. A one per center bubble dictates the terms and sets the price of clubbing for the rest... That era is surely now over."

FINAL CHAPTER

Looking Ahead: recommendations and conclusions

It's now more than six months since clubs and concert venues in the Netherlands and across the world closed down in the first wave of Covid-19 lockdowns. There was an immediate, drastic impact in terms of cancelled tours and DJ sets, with a knock-on, longer-term hit to public performance revenues set to stretch well into 2021.

As we've shown earlier in this report, right from the start of the pandemic, the music industry has rallied around, with relief efforts focusing both inwards on its own community of artists, DJs and the teams and venues they rely on, and outwards to the needs of wider society. In this final chapter we have gathered some of the most notable activities from the global music business that reflect the commercial creativity, positive spirit and support that can only come from an industry that recognises the scale of this crisis.

Collecting societies

Dutch collecting society Buma/Stemra [brought forward](#) its payouts from live performances in 2019 to April and May this year, rather than their scheduled September date, with the aim of getting around €12m to musicians and rightsholders 4-5 months earlier than planned. It also paid out copyright earnings from radio and TV music usage in 2019 in June rather than September, bringing forward around €38m of payments.

The society has also changed some of its yearly distributions to quarterly ones, to both advance and spread out the flow of royalties for its members. Alongside these measures, Buma/Stemra worked with neighbouring rights society Sena to [launch a €3.75m emergency fund](#) to assist people in the music community who were in financial difficulties as a result of Covid-19.

These efforts have been mirrored by collecting societies across the world. GEMA in Germany, PRS for Music in the UK, SACEM in France, SGAE in Spain, STIM in Sweden and IPRS in India are just a few of the societies who have created emergency funds and/or brought royalty distributions forward to help musicians and rightsholders in the first months of the Covid-19 crisis. GESAC, the body representing European collecting societies, has [launched an online map](#) tracking the responses from authors' societies across the continent.



Digital music platforms

Digital music services have also played their part in the music industry's response to the Covid-19 pandemic. Spotify created its [Spotify Covid-19 Music Relief project](#) in March and promised to match donations up to \$10m. It is distributing its donations to relief funds around the world, including Noodfonds Muziek in the Netherlands. Spotify also launched a feature called [Artist Fundraising Picks](#), where artists can add a donation link to their profile on its service – either to raise money for themselves and their teams, or for industry relief funds.

A few more examples: YouTube has been supporting artists who are livestreaming on its platform; Amazon Music has been promoting music livestreams on its sister service Twitch; SoundCloud added a donation button similar to Spotify's to its creator profiles, and committed \$15m to support artists, DJs and podcasters using its platform; Indian streaming service JioSaavn broadcasted and hosted live performances while giving 100% of the revenues to the artists; Anghami in the Middle East provided \$1.5m of free advertising on its service to independent artists to help them promote their music; and classical streaming service Idagio added a 'Global Concert Hall' feature for musicians and ensembles to broadcast performances and earn money.

Digital music and merchandise platform Bandcamp launched its 'Bandcamp Friday' series of sales, where the company waives its revenue share, as do many of the labels using its platform, to ensure the maximum percentage of revenues flowed into the pockets of musicians. The first Bandcamp Friday, in March, saw fans buying \$4.3m of music and merch. By August, the series had so far generated \$75m of sales for independent artists and labels.

Grassroots campaigns

One of the most heartening elements of the Covid-19 crisis has been the campaigning bubbling up from the music community. One example from the electronic music world specifically is Resident Advisor's ['Save Our Scene'](#) campaign, which launched with an open letter signed by more than 3,000 people.

"We need to hold each other up, to communicate clearly and compassionately, explore new ideas and work together more closely than we ever have before. Crucially, we'll need to resist the forces of division brought on by desperate times," it encouraged fans. "How can you help? Buy music and merchandise. Make a donation to support clubs and nightlife workers. Skip a refund to a cancelled event. Do whatever you can."

The UK and US have seen high-profile campaigns to support independent music venues, run by those venues' representative bodies the Music Venue Trust (with [#saveourvenues](#) in the UK) and National Independent Venue Association (with [#saveourstages](#) in the US) respectively. The former campaign's fundraising included a £450k grant from the Mayor of London's 'Culture at Risk Business Support Fund' in late April, and shortly afterwards it announced that 140 venues had been taken off its 'critical' list.

We have also seen the [#loverecordstores](#) global campaign to enlist support for independent record stores, with musicians and celebrities sharing videos on social media of themselves explaining what independent record stores meant for them. The annual Record Store Day celebration of independent stores continued, but split across three Saturdays in August, September and October, to spread out the anticipated boost in online and in-person sales.

Information needs

In the early stages of the Covid-19 lockdowns, music industry bodies and companies moved fast to collect and publish information for musicians and rightsholders. The Music Covid Relief website in the US and the [Corona Advice for Musicians](#) website in the UK are two examples offering a mixture of general advice and localised resources for the community.

As the pandemic continued, the industry also focused efforts into gauging the impact that Covid-19 and its associated lockdowns were having on the incomes of musicians and DJs, as well as on music companies. In the Netherlands, Buma/Stemra and Sena teamed up with industry body NVPI and research agency Ipsos to survey the societies' members. [The results were published in May](#), and suggested that respondents expected to lose nearly 80% of their income for the summer of 2020, with 80% of them being part or full-time freelancers.

There have been similar reports from the industry around the world. A [survey by the UK Musicians' Union in March](#) suggested that its members may have lost £13.9m in potential earnings in just the early weeks of lockdown, while a [later study by the Union](#) found that one in five British musicians feared Covid-19 could end their careers. [Another survey](#), by the Music Managers Forum and Featured Artists Coalition, suggested that even before the end of March, the losses to the UK music economy had crossed £50m.

Encore, the Dutch creative industry alliance, has also [launched a website](#) to give a face to the various creative industries' efforts to survive during Covid-19, as well as their concerns for the future. Its interviews with entrepreneurs from those industries has been an important contribution to the debate.

It's an example of the pro-active role that the music and its sister creative industries have taken in engaging with governments and policymakers around the world, from the US Artists Rights Alliance writing to US Congress members calling for "bold, broad relief that is sufficient to meet this unprecedented challenge", to Live Performance Australia sketching out an A\$650m rescue package for the live industry there, or collecting societies bodi CISAC publishing an open letter to governments making the case for the "uniquely fragile position" of musicians and other creators.

What's needed now?

In short, the music industry and its communities have worked hard to help themselves, but they still need more help, in a year when according to Goldman Sachs, global music industry [revenues will drop by 25%](#), including a 75% fall in live music revenues. Its report predicted a strong rebound in 2021 and subsequent years, which is encouraging and important. The music industry is not seeking relief without end. It needs help to survive, so that when it begins to thrive again, it can return the value of the aid it has been given many times over in economic benefits.

Our own survey for this report reflects the view that a recalibrated industry can be a stronger industry in future. That just over a quarter of respondents to the survey believed they will emerge from this pandemic stronger suggests there is a fighting spirit not only among labels who are somewhat safeguarded from the worst effects, but also overall both live and management who are also largely remaining on the cautious side of positive, for now.

Thinking of the more long-term effects of Covid, which of the following do you feel is most true for your company?

	TOTAL	Both (e.g. management)	Live music	Recorded music
It's too early to tell	38%	43%	34%	35%
We'll be the same	4%	0%	9%	6%
We'll probably be in a stronger position	26%	20%	17%	40%
We'll probably be weakened by the impact	32%	37%	42%	19%
Source: ADE / Music Ally October 2020 survey				

A group of European authors' organisations including the European Composer and Songwriter Alliance (ECSA) [proposed these measures focused on individuals:](#)

- Immediate access to full sick pay including isolation periods for freelance workers
- Possibility for authors to be covered by public health insurance during the crisis and the aftermath
- Adjustment of unemployment schemes where available to ensure continued access
- Immediate access to guaranteed basic income such as welfare benefits aimed at people without any income who do not have rights to unemployment benefits
- Options for replacement income for the crisis period
- Deferment/support for living costs (e.g. rent, mortgage, loans)
- Tax relief

A group of cultural and creative industry bodies from across Europe also [published its views on what the European Union could do next:](#)

- To propose an ambitious budget for the future Creative Europe Programme 2021-2027, with €2.8bn being an "absolute minimum"
- To ensure that the cultural and creative sectors, are included as priority sectors in the EU's planned Recovery Fund, with sector specific funding
- Boosting the EU's loan guarantee facility for the cultural and creative sectors under the future Invest EU programme, with increased budget, guarantees and flexibility
- To secure a strong budget for Horizon Europe's new cluster "culture, creativity and inclusive society"
- To ensure that EU funds, notably structural funds, reach the cultural and creative sectors swiftly and effectively
- To ensure that a meaningful part of the EU funding is also deployed to support the livelihood of creators, creative workers and freelancers

IMPALA, the representative body for the independent music sector across Europe, has also taken a lead in suggesting how music companies and governments alike can offer more support in the coming months. In March, its Covid-19 Task Force published [10 initial recommendations for action](#) at EU, national and industry level. Its national (i.e. government) recommendations included:

- Clear rules, particularly around event cancellations and lockdowns, to ensure that music companies and venues could make insurance claims and access compensation schemes without delays
- National economic measures including: self employed income protection, unemployment relief for self employed and freelance workers, support for staff costs small business relief funds, access to interest free loans, payment holidays for rents and business rates, company tax relief, suspension/delays in tax/VAT declarations and social security payments, mortgage payment holidays, loan repayment holidays, lower VAT rates, lower national bank interest rates and fiscal incentives
- Sector specific compensation plans for hard-hit sectors like music, including lifting VAT on all cultural goods and services

Impala also had recommendations at the Europe-wide level:

- Increased EU loan guarantees for cultural sectors, including tripling the capacity of the EU's Cultural and Creative Sectors Guarantee Facility, with 100% guarantees to promote national lending
- A dedicated EU crisis fund for the cultural sector, offering non-refundable financial support and interest-free loans
- Monitoring by the EU of the effectiveness of national responses, and making sure culture is taken into account in general EU decisions

In April, IMPALA followed up with a [10-step 'recovery roadmap' for music in Europe](#), looking beyond the immediate emergency support needs, to what would be required to help the sector get back on its feet. Its recommendations included:

- Recognising music and culture as priority sectors, and putting into place a five-year plan for their recovery
- Co-ordinating de-confinement and mobility strategies across Europe, from reopening record stores to safely getting concerts and festivals going again
- Allocating sector specific EU and national crisis funds for music and other cultural sectors
- Extending the EU's temporary state aid framework to five years, relaxing the usual limitations on state aid to help small and medium sized businesses in music and culture
- Increasing allocation for culture in future EU budget significantly
- Boosting loans for small and medium businesses, from both the EU and from financial partners in the individual countries, with triple funding, 100% guarantees and maximum flexibility
- Granting VAT holidays and longer-term measures when retailers reopen
- Adopting national tax credit schemes for small to medium sized businesses who are investing in creation, including music
- Implementing the new European Copyright Directive at national level as soon as possible, as a sign of "support and solidarity" for musicians and other creators
- Reviewing tools to value music and culture properly, including providing a better way to value intangible assets like copyright

Helping the music industry to recover is not a one-way affair: such a revival can in turn reinvigorate cities trying to bounce back from the economic hurt caused by Covid-19 lockdowns. In May, Sound Diplomacy and a group of music industry bodies collaborated on a report called the [Music Cities Resilience Handbook](#), making the case for music and cities' intertwined revival. Its recommendations included:

- Putting artists to work, turning relief funds into commissioning forces, with recipients committing to create new work
- Creating community investment vehicles, where relief or commissioning support sees the granting agency retain a small percentage of equity (e.g. 1%) in the intellectual property of the artist being funded, to be fed back into investment in grassroots music, art and cultural infrastructure
- Creating city music registries, working with local collecting societies to enable local musicians to register their content, and create new, localised licensing models
- Starting cultural infrastructure plans showing “all places and spaces where music, arts and culture are being developed”, to help policymakers
- Developing emergency preparedness plans for future crises at a venue, event and city-wide level
- Including music, arts and culture language in policy frameworks, and recognise its role and importance in areas including education, crime reduction, health and wellbeing, and planning and zoning
- Committing to ‘genre agnosticism’ where a wider variety of forms of music-making are supported – not just classical music and orchestras, but the full gamut
- Planning and developing night-time economy policies, including collating information on businesses that trade primarily at night into one place, to help it engage with policymakers
- Creating city-wide artist compensation policies, music liaison services and fair-play schemes, including cracking down on inflated prices for secondary ticketing



Finally, it is worth noting that this current perilous situation comes on the back of a period of sustained tension for the night time industries. Night Tank founder Andreina Seijas offers a [stark reminder](#) that things were hardly perfect pre-Covid: “We must not forget there is a broader precedent here, the disappearance of clubbing spaces and business over the last 15 years, which has been accelerated by this crisis. We can’t forget this was an ongoing problem, and we must use this opportunity to put nightlife policy on the radar, dispel any ambiguity, bring data to the forefront so policymakers can better understand what these spaces are for and what they need.”

There are a myriad of health, social, financial and ethical reasons to protect a world-renowned Dutch dance music industry, but if any more incentive was needed then it’s this: so we can all have a damn good party when it’s over. As one of the Netherlands’ favourite DJ sons Martin Garrix told the New York Times [back in April](#), “Just think of the massive release, the energy and sense of freedom at the first party after coronavirus. It’s going to be fantastic and insane. I can’t wait.”

The music industry and community has been working hard to help itself during the Covid-19 crisis, and it has also been coming forward with practical suggestions on how it could be helped by national governments and pan-European policymakers, not just for its own benefit, but to help the wider rebuilding efforts. The party Martin Garrix, and the world, is longing for can only happen if the industry survives.