

## **Social Networking and the Rise of the Independent Artist**

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## Introduction

The record industry is collapsing. While many reasons can be found to explain the failing sales and frustration with digital formats, they can all be traced to a single current phenomenon: the rise of the independent artist through online social networking. There are claims that piracy is at fault and that peer-to-peer networking has allowed music to be illegally distributed free of charge to the extent that consumers no longer feel the need to purchase albums. While piracy may have an impact on profits, the overall downfall of the industry rests with artists' newly found online independence.

This case will be discussed beginning with a background on popular social networking sites. The argument will then focus on the aspects of social networking that directly relate to musicians. Once this has been accomplished, the effects on music as an industry will be discussed.

This composition consists of three chapters. The first chapter presents information on the background and development of social networking sites. This includes a discussion of popular sites, theories behind social networking, and why social networking is becoming increasingly popular. The second chapter considers social networking in relation to music. This includes aspects such as self-promotion, digital distribution, utilizing free mediums, and making oneself openly available to an audience of millions. The third chapter will argue the effects of social networking on the record industry. These effects involve the decline of CD sales, the industries' struggle to evolve into digital formats and the increasing mutiny of artists. This chapter will end with a discussion of whether online social networking has rendered music corporations obsolete.

## I. A Background on Social Networking Sites

In the last few years the world has seen the creation and development of a massive new online trend: social networking. Real-life social networking is the constituent of society that joins each separate being to other beings. One forms a web of connections to and through acquaintances, creating an ever-expanding network of contacts. Thus the basis of communication and interaction is born.

A social network is a social structure, which connects individuals or organizations with other individuals or organizations by means of relationships or ties. Social networks can be found just about anywhere where there is human interaction...A tightly working social network can allow for members in the network to more easily and more efficiently share information, and communicate ideas.

(Conleay et al 2007)

With the development of the internet came new means of interacting with others. A lack of geographical limits meant social networks could easily span the globe rather than being restricted to the physically accessible area. As internet usage continues to grow, the pool of possible networks continues to grow as well. Recently, a number of companies have chosen to expand on this concept by creating websites specifically catering to the idea of global social networking. These sites are structured in such a way as to encourage the sharing of contacts between individuals, groups, and establishments.

The internet's recent advancements have allowed social networking to really expand to unimaginable heights. Social networking websites allow users to sign up and create accounts that can be identified with a name and even a picture. You can then view other people's accounts and add people you know to your friends list. You may also browse the site to meet new people who you can then add to your friends list. By doing this you can create a network of people you know and can contact easily, as well as create an opportunity to meet new people and interact with them online. (Buice et al 2007)

An individual's profile on a social networking site may contain such information as name, age, geographic location, academic and occupational relations,

pictures, and detailed information on the user's interests in the way of music, books, films, and more. Through this information one user can relate to another, discovering new musicians, authors and directors based solely on the connection between stated interests. It is this phenomenon that is having a massive effect on the music industry.

Two of the (currently) largest social networking sites are MySpace and Facebook. MySpace, founded by Chris DeWolfe and Tom Anderson in January 2004, currently has over 110 million active users and is continuously growing. In addition to these users, MySpace contains pages for over 8 million bands and independent musicians. Between these users there are over 10 billion friend relationships. Facebook was founded by Mark Zuckerberg, also in 2004, and currently has over 66 million active users. This may seem small compared to MySpace, however Facebook has been gaining popularity since January 2007 at an unprecedeted rate of 250,000 new registrations per day. These two websites combined have over 180 billion page views per month. To put this figure in perspective, the entire population of Earth is approximately 6.6 billion. The sheer scale of these websites is the reason they are such a valuable resource to artists.

The reason social networking sites such as Facebook and MySpace are gaining popularity is because they put people around the world at the users' fingertips. It is not only the people that can be found, but the interests and relationships of those people as well. The idea is that one user can socialize with another user, and also with that user's friends, and so on, continually building a chain of contacts. The vital aspect of this idea is that for each user added to one's network, that user's interests are also added to the network. In terms of musicians, this means each time one user adds another user musical tastes are shared. This is especially useful when the users have a common interest in a band that leads them to explore the other bands that have been listed. In this way, new music can be discovered through simple navigation.

## II. Social Networking in Relation to Music

Social networking sites have become a haven for musicians for four main reasons. First, creating a page on a social networking site is free. Second, they allow bands to easily promote themselves. Third, music can be distributed digitally at the artists' discretion. Fourth, an audience of millions is only a few clicks away.

Members of bands send out friend requests to MySpace members they think would be interested in their music. By doing this bands can become part of their network and advertise directly to the person they are targeting. Artists can put their songs on their profile page where MySpace users can listen and even download these songs onto their own profiles for even more people to hear. MySpace has proved to be a very successful way for people affiliated with the music industry to get their name and their music out there for people to hear. (Conleay et al 2007)

Prior to the uprising of online social networking publicity and distribution were handled by record companies at a cost, and the audience within reach was limited. Oftentimes bands were restricted as well; being forced to release a set number of tracks in a specific allotment of time, and having little say in what the record label chose to release. Musicians were, in essence, owned and limited by their label. While it can be beneficial to sign with a popular label for promotion, the price involves the sacrifice of freedom. With the advent of online social networking, bands can promote themselves and work outside the control of a corporation. They have freedom of creativity, and free promotion. The need to be affiliated with a label has diminished. The internet has made it easy to become popular. It is for these reasons that artists are turning away from corporations and taking success into their own hands.

Traditionally for a small band to become a success required playing to empty bars as an opening act that no one knew or particularly cared about. If the band did it long enough, were good and had a bit of luck they could gain a following that would open up larger venues to play in which would eventually lead to being the act other bands opened up for. If they did *this* for long enough, had still more luck, then they might be able to gain the attention of a

record company and possibly be signed to a contract. With the wide spread use of MySpace.com and other blogging websites bands no longer have to necessarily go through all of that time and trouble (Serpick, 2005).

Not only has social networking made popularity easy to come by, it also has the benefit of being entirely free. Rather than buying a domain, paying for web hosting, and hiring a crew to build and care for a website, many musicians are opting to use freely available pages on networking sites. The main benefit of creating a page on a social networking site is that each band can link to yet more bands, thereby passively promoting other musicians, and in turn being promoted by them. MySpace allows artists to create a web page that can contain information, images, music, and even videos. Artists can even choose to allow users to download music tracks. In addition to media, common attributes of these pages include news sections, blogs, and tour dates. Blogs are a form of online journal, and for bands this is a way to keep an audience updated, as well as to give them insight into the band itself.

Bands and their members can use their blogs as a forum to discuss ideas about music (theirs in particular), to advertise where they are playing next and a site to download the early and rough recordings of their songs. Fans no longer have to watch the band live and in concert, or tour with them across small-town America to know who they are and what they sound like. All fans have to do is visit their MySpace page to download and read their blog. (Neely 2007)

Facebook has a different method of handling artists and their music. The site does not have the individual artist pages that MySpace is famous for; instead it allows groups to be created that can be used as fan clubs. These can be created by the band itself or by any member of the site. These pages can utilize various applications that can be added on to Facebook to integrate media into the layout.

MySpace and Facebook both allow artists to upload music tracks and videos. It is up to the musician to determine whether to distribute these freely. On MySpace, artists can allow users to download music directly from the site, or choose to embed the music for the user to listen to without the option of downloading. On Facebook,

media is normally embedded with a link to an outside source where the file can be downloaded or purchased.

Both MySpace and Facebook have become a substantial resource to artists because all of the aforementioned features are openly available, and the bands can promote themselves to the entire network for absolutely free.

...MySpace represents a huge marketing opportunity for artists, and given the essentially zero cost, this is an avenue available to both signed and unsigned artists... One way the artists promote themselves is by adding MySpace users in bulk, creating a large friend list and consequently raising the profile of the homepage. (Collard 2007)

The aim of artists on MySpace and Facebook is to gain as large a network as they possibly can. Each fan acquired provides another network of people who are now one page away from the artist. It is the series of interests and links that can give users access to bands on the other side of the Earth that they would have otherwise never heard of.

Through these band profiles, individual Myspace users can advertise artists that they like to their friends, simultaneously bookmarking the artist's work for later perusal and promoting the artist to their other friends. The number of friends a band has is displayed on its Myspace page is like a public badge of popularity. (Chang, Dahr 2007)

A band could potentially network with a single person in a foreign country, which, through a chain reaction, could bring them near-instant popularity within that country. Unlike peer-to-peer piracy, with social networking one does not even have to know what music they are looking for. New music is discovered based on networks and recommendations. A site member can access the page of a friend who shares a similar taste in music, and through the list of that friend's favorite bands multiple new bands can be discovered. All of this takes place via bands' affiliation to that single person, and the trend continues perpetually. For example, a person creates a profile listing 10 favorite bands, and each of those bands lists

10 unique bands in their profile. This situation would provide links to 110 bands within a depth of two pages, and that number would increase exponentially with each link accessed. This is where the power of social networking lies.

In the offline world, unsigned, independent artists had very little chance of success. They had little choice other than to hope they would have a stroke of luck and be discovered by one of the major music corporations. Record companies had a monopoly over what could be popular and how it was to be distributed, and because of this they were able to grow into wealthy corporations. Now, with the spread of social networking, an artist can find fame without even existing outside of the online environment. While this is a positive development for musicians, it is a subject of great concern for the record labels that are no longer turning a profit.

### III. The Effects of Social Networking on the Record Industry

In years past, artists had to rely on record labels to make them successful. Corporations such as Sony/BMG, EMI, Universal, and Warner controlled the record industry. Now, however, these big names are losing their foothold at the top of the pyramid. Music has become easier to produce without large amounts of funding. Artists are willing to distribute their music in digital formats. CDs can be created with an average home computer. Publicity and distribution can come through a free page on a social networking site. Simply put, artists no longer need record companies.

With the increasing individualization of music through advancing computer technology the music industry also lost its control over the production of music. With the growing use of advanced music-making software an artist can now record, mix and produce their own album in their own home. Due to its digital inception this album can then be easily reproduced through the common CD burners installed on most desktop computers and laptops, and distributed throughout the Internet. The only limit to an albums success is determined by its marketing and distribution. (Neely 2007)

Record corporations are constantly blaming the extreme decline in CD sales on piracy. However, despite the popularity of filesharing, there are multiple drawbacks to this theory. Firstly, most readily available digital formats seriously degrade the original sound quality. Secondly, for those who collect albums, there is no physical disc or artwork. Thirdly, and in this case most importantly, downloading pirated music does not support the artists. These three downfalls can lead one to believe music is still being purchased, possibly even in greater quantities than before filesharing became popular. This is because the internet has made it possible to make new music easily available to the public. Music corporations are not reaping the benefits of this because consumers now have the ability to bypass these companies and support the artists directly. Musicians no longer need a record label to promote themselves. This phenomenon has been made possible through the implementation of a single idea: online social networking. While piracy may play a

role, social networking and the independence it provides for artists is a much greater threat. Any member of the public can create an album, upload it to a website, and begin promoting. The decline in CD sales is hurting large corporations, but independent artists are thriving in a way they were not able to only a few years ago. The lack of CD sales is not a decline, but rather a shift away from the corporations who rely on distributing them. It is a shifting market, and many fans are choosing to support the artists rather than companies promoting them.

One area in which the music corporations are lagging behind is that of releasing music in digital formats. Online music stores, such as iTunes, distribute music digitally, but it is crippled by various limitations on usage, copying, and quality. Record companies are still pushing CDs as their main format for distribution. However, in a society that is relying more and more on instant gratification, they need to strike a balance between the digital and physical media. A CD has to be purchased, involving a journey to the local record shop and the time and cost it takes to get there. A download can be nearly instantaneous. Many users would rather download tracks from a MySpace page than wait to buy the CD. Digital formats are quickly accessed, convenient, and have the added benefit of easily providing tracks that have not been, and possibly will not be, released on CD. Collecting "unreleased" tracks online has even become a hobby for many music fans.

An interesting phenomenon that has developed with social networking sites is the idea of buying a CD based on listening to available digital tracks. Many artists now release a few of their songs digitally on either social networking sites or peer-to-peer networks as an inspiration to consumers. From these tracks the consumer is able to decide if they would like to purchase the album. It is similar to hearing a track on the radio which leads one to research, and potentially buy, the album, only the artist does not need the radio station or the promotion to get their work to that point. While this helps independent artists greatly, music corporations are not so enthusiastic.

The music industry seems somewhat divided in their opinion of this new technology... over two thirds of musicians feel that free downloads on the internet have either helped or made no difference to their career. In contrast, it's clear from the many RIAA lawsuits against filesharing networks and individual users that record labels are keen to discourage use of peer-to-peer networks. (Collard 2007)

This lack of enthusiasm stems from a single problem: mutiny. The independent artists have taken over, and music corporations are being stripped of their control. The internet, combined with ever-advancing music technology, is allowing musicians to create and distribute work in a way never before possible, and they are taking full advantage.

Traditionally, record labels discover new artists, record and produce an album, promote the album, then manufacture and distribute it to retailers... The internet changes this well established structure by providing a new distribution channel for music which the major labels are not in control of. (Collard 2007)

Whether the corporations can regain control is uncertain but unlikely. Independent musicians are reveling in their ability to create their careers from start to finish without the limitations and costs of a record company.

While music corporations have the means to advertise on a massive scale, traditional advertising cannot compete with the nearly infinite web of online networks. Even advertising within those networks is futile, as most online ads are either blocked or ignored. All readily-available internet browsers have the capacity to block advertisements either embedded or available as an add-on or third party application. This means while social networking sites may be the most popular advertising medium available, that medium doesn't function in the same way for external advertisements.

MySpace and Facebook often feature bands signed to popular labels on their homepage, but one can argue whether or not this particular tactic would boost the featured band's popularity, and if it is financially worthwhile. In the realm where the independent artists rule and thrive, there is little room for the mass produced major-

label band. If a person is navigating a social networking site for the defined purpose of seeking out music, they are most likely not looking for the latest chart-topper. It is rather discriminatory, but a band backed by a massive label is expected to have massive promotion to match. By advertising on a networking site where the underdogs are trying to work their way to the top, it is as if they are taking opportunities away from the smaller bands, and this has the potential to create hostility towards both the label and the band they are promoting. Society has reversed itself on the music industry. The reigning labels have become the shunned and outcast.

Record companies are lost because they have entered into a world where, in the way of music, money does not rule. For the major labels, money is everything. They invest time and money into bands and advertising expecting a return profit. However, money is not the reason bands create profiles on networking sites. Music is not a profitable industry at this point in time, and that is something record companies are not willing to come to terms with.

The younger generations today have been raised with technology, and with it the idea of free distribution of media. They are familiar with networking sites, video sharing sites, and torrents. Legal or not, we have developed into a free-media culture. Most people will not spend money on music that can be downloaded for free, and that is a serious problem for record labels and artists who are looking to turn a profit. The unexpected outcome of this is that artists are more and more frequently offering their music for free. Some artists choose to release singles online, or a few sample tracks to encourage the listener to buy an album. More recently, bands have begun releasing entire albums online for little or no cost. Bands such as Nine Inch Nails and Radiohead have recently caused an record label uproar by releasing their albums in a scheme which allows fans to download tracks for whatever price they desire. The idea is that while the music is going for free or close to it, the publicity will be enough to offset the money lost.

Radiohead could even benefit from those who ignore the box set and choose to pay nothing to download the album from Radiohead's online shop, where they will be required to register their details and therefore become targets for future marketing campaigns.

Free albums also drive demand for live tours, which translate to pound signs for the artists behind them. (Monaghan 2007)

Social networking sites have a lot to do with the popularization of free music.

Music given away for free is made up for in popularity. A band can advertise concerts and merchandise to millions of people in exchange for offering them a few free tracks. The benefit of this, as Radiohead has found, is the opportunity for more live shows and more expensive limited edition merchandise. There are numerous stories of small bands advertising a concert on MySpace or Facebook in the hope someone might come watch, only to find themselves later that night swamped by a sold-out crowd of fans they did not realize they had.

The music industry is changing at an unprecedented pace due to the internet and its resources for music in free digital formats. CDs are not selling, standard promotion is not working, and there is simply no money to be made. The effect of social networking on the music industry has been traumatic to the major record labels that rely on their monopoly, and there is no solution in sight. They cannot compete with a medium that is free, popular, and biased against them.

## Conclusion

If social networking sites are allowing artists to become completely independent, including the promotion and distribution of their music, that does, in essence, render the record industry obsolete. With music easily created and uploaded on to free sites with millions of members, there is no reason for massive record labels to exist.

Smaller record labels, however, may actually benefit from this free publicity, though they will probably evolve into a much different form. With networking sites being so popular and having so much potential in the way of an audience, there is a chance companies will soon be developing, if they do not already exist in some form, to manage these pages for people. They could handle such processes as uploading tracks, arranging downloads, creating music videos, and actively seeking out new fans within the networks.

With free music becoming the norm, there is potentially a market for networking sites incorporating a sales system into their pages. There were rumors of MySpace setting up an area to sell music, but the idea has never seen fruition. Artists most likely would not make extraordinary amounts of money, but it would give fans an option to support the band, and could possibly include merchandise and concert tickets.

The reason social networking has destroyed the record industry is simply because they create fame without money. In most aspects of life, one would equate fame with wealth. In the social networking world, fame is counted in fans, not in bank accounts. Independent artists compete for popularity, not profits. In this world, capitalist record labels cease to exist, and artists create their own fanbase, for their own satisfaction.

The major record labels are essentially imploding. Social networks and digital formats are destroying them from the outside, while the RIAA and its thousands of attempted lawsuits are bringing them down from the inside. The digital format and copyright war is turning labels against each other, and against the very consumers who they are trying to convince to keep them in business.

What the RIAA calls copyright infringement, independent artists often call free promotion. They might not make money when someone shares their music, but they may very well gain fans, and fans may very well purchase merchandise and attend concerts. They might even recommend the artist to yet more friends, and so the network continues to grow.

Social networks are the present and future of music. They will continue to grow and branch out into forms more suitable to the content that needs to be carried. Unlike the record industry itself, social networks are able to easily grow and change. They found followers in independent artists, and so have grown to cater to them, their music, and their fans.

The record industry as we know it can barely put up a fight. The major labels continue to try and continue to fail. They have no future. Social networking has not only caused the downfall of the record industry, it has become its successor. Social networking sites are full of musicians, engineers, producers, and even backup dancers who are willing to collaborate. There are web designers who can help an artist customize their webpage. There are musicians who will go out of their way to promote other bands. Most of all, there are millions of people with access to any media one chooses to share.

The record industry can continue fighting and attempting to survive, but it has already lost the battle. It can blame its losses on piracy, but piracy can only do so much damage. Music is not selling, and it is not going to. Lawsuits will do nothing but anger consumers and ruin the reputation of what was once a highly respected industry. It is not entirely the major labels' fault that the industry is collapsing, they

can only do so much to change with the times, and when that change involves losing all sense of profit, they cannot really be blamed for stubbornly clinging to the remnants of their dying industry. They could evolve into a new type of company based on networking and digital formats, but the chance of monetary gain is slim, and too many companies have already beaten them to it. MySpace and Facebook will likely come and go like many other social networks have, but with their focus on media they have already left their mark on the industry.

The record industry, for the many decades it existed, served its purpose well. However, times change, and the sudden jump in technology was unprecedented and unstoppable. Social networking has destroyed the record industry, and taken its place as the new music medium.

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