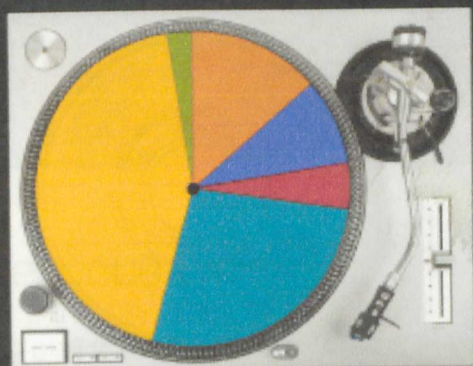




- performance royalties
- advances
- live shows
- licensing
- retail sales
- merchandise
- commissions
- fan support
- sync licensing
- grants

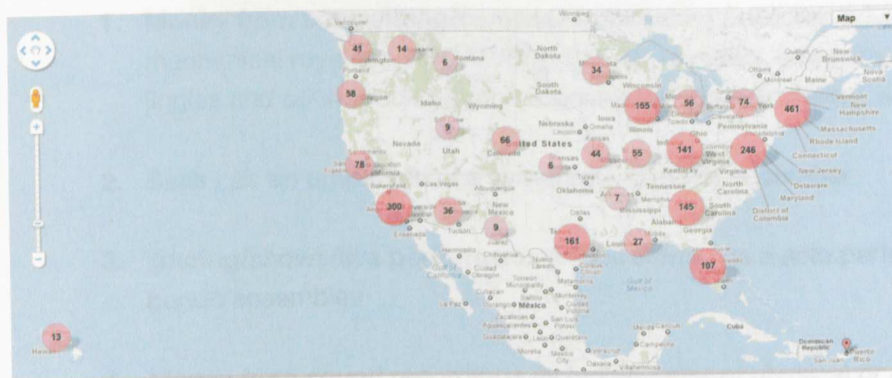
Artist Revenue Streams

a multi-method research project examining changes in musicians' sources of income

Survey Findings

Prepared for AFM by Future of Music Coalition

January 20, 2012



ZIP map of AFM respondents. N = 2615

In 2010-2011, Future of Music Coalition's Artist Revenue Streams project collected information from a diverse set of musicians about the ways that they are currently generating income from their recordings, compositions, performances or brand, and whether this has changed over the past ten years.

The project employed three methodologies: in-depth interviews with more than 25 different types of musicians; financial snapshots that show individual artists' revenue over time; and a wide ranging online survey that collected data from thousands of US-based musicians and composers from Sept. 6 - Oct. 28, 2011.

This brief document reveals some top level findings from the survey. It shows how those survey respondents who said they were AFM members compare to the general survey population along a few key metrics.



Future of Music Coalition
Education, Research and Advocacy for Musicians

Survey snapshot

OVER **5000**

US-based musicians & composers completed the survey.

AVERAGE AGE **45.2**

40 percent spend more than

36 hours a week

composing, performing, teaching or working on their craft.

\$ 42 percent

earn all of their money from music.

35 percent earn \$50,000+

from music, annually.

Primary genre of survey takers

Classical	35%
Jazz	17%
Rock	7%



performance royalties
advances
live shows
licensing
retail sales

merchandise
commissions
fan support
synch licensing
grants

Artist Revenue Streams



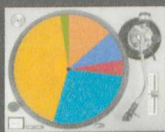
Revenue types

The goal of the survey was to ask musicians or composers whether they earned any income on specific revenue streams and, if yes, whether they were increasing or decreasing, and why. Because revenue streams are numerous and complex and, in many cases, only applicable to some musician types, we grouped revenue streams into eight categories that reflected the contours of copyright law and the type of musician who was eligible to earn them.

The eight revenue categories that we asked survey respondents to apportion their revenue into were:

1. **Money from songwriting/composing** including publisher advances, mechanical royalties, ASCAP/BMI/SESAC royalties, commissions, composing jingles and soundtracks, synch licensing, ringtone licensing, sheet music sales
2. **Salary as an employee** of a symphony, band or ensemble
3. **Touring/shows/live performances fees** earned as a solo performer, or by the bands/ensembles
4. **Money from sound recordings** including sales of physical or digital recordings (iTunes, CD Baby, traditional retail, sales at shows), payments from interactive services (Rhapsody, Spotify), SoundExchange royalties, master use licensing for synchs or ringtones
5. **Session musician earnings**, including payment for work in recording studio or for live performances, freelance work
6. **Merchandise sales** t-shirts, posters, etc
7. **Teaching**
8. **Other.** This bucket includes about 20 other possible revenue streams that we asked about separately, from corporate sponsorship to producing, fan funding, honoraria, ASCAPPLUS awards, and the range of AFM and AFTRA funds.

After completing the top-level question about revenue, survey respondents were presented with a variety of specific questions about each of revenue streams in these buckets. If they did, for example, receive income from mechanical royalties, there were additional questions about whether that income had increased or decreased, and why.



performance royalties
advances
live shows
licensing
retail sales

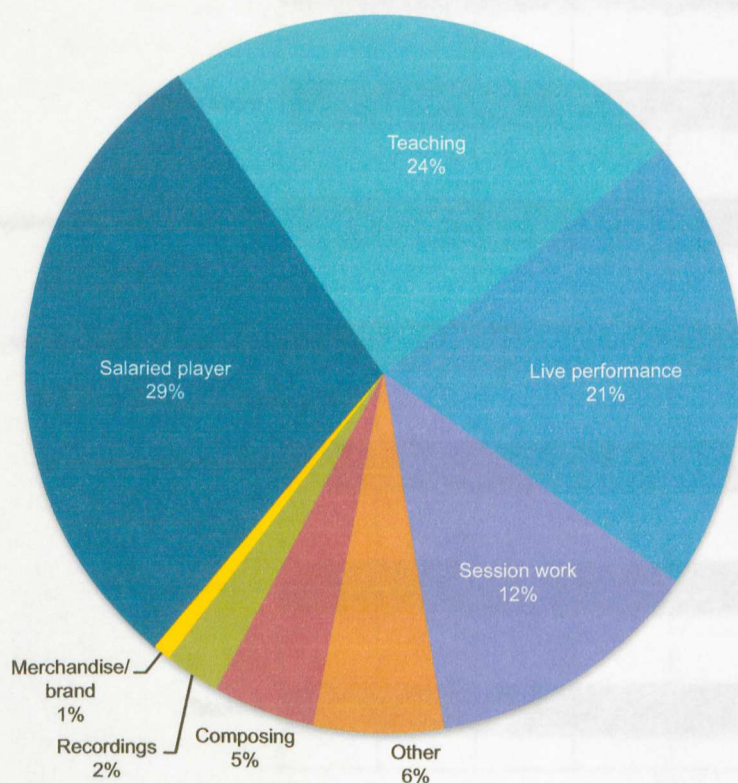
merchandise
commissions
fan support
sync licensing
grants

Artist Revenue Streams



Sources of revenue in past 12 months for AFM members

12. In the past 12 months, what percent of your musician-based revenue falls into each of these 8 categories? The amounts in the 8 boxes must add up to 100%.



This pie chart shows the aggregate data of how AFM members apportioned their music and composing-related revenue that they received in the past 12 months. So, in aggregate, 29% of AFM members' income came from being a salaried member of an orchestra, band or ensemble; 24% came from teaching, and so on. N = 2615.

Survey demographics

2,615

of survey takers said they were AFM members. That's 49% of survey respondents.

Average age of **50**

AFM survey respondents

44 percent

of AFM respondents spend more than

36 hours/wk

composing, performing, teaching, or working on their craft.

78 percent

of AFM respondents had more than

20 years

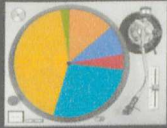
of experience.

\$48,650

Average estimated music income of AFM respondents.

Primary genre of AFM respondents

Classical
Jazz
Pop



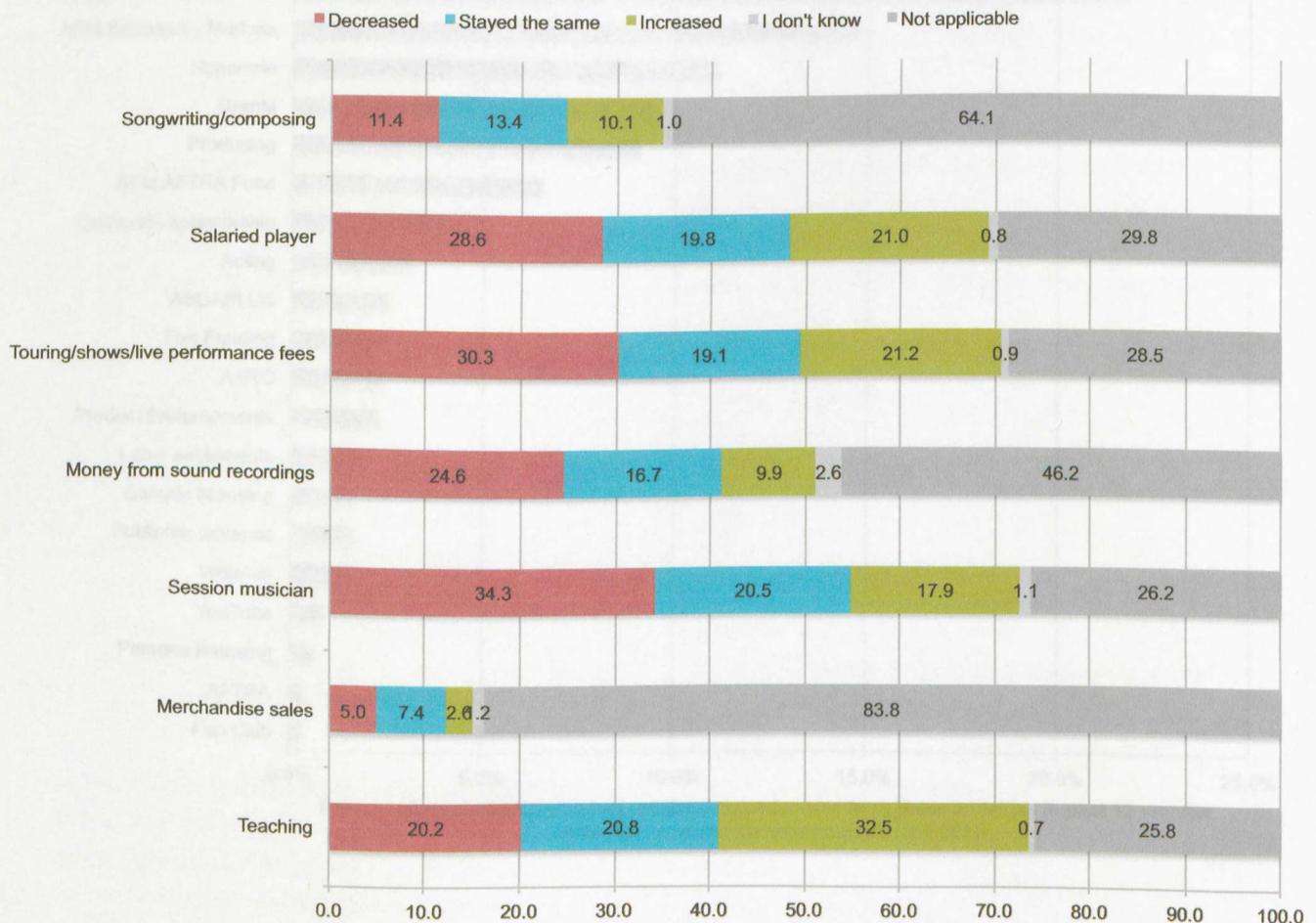
performance royalties
advances
live shows
licensing
retail sales

merchandise
commissions
fan support
sync licensing
grants

Artist Revenue Streams

Changes in revenue over past five years for AFM members

13. Thinking about the past five years, how has your revenue changed in each of these categories, if at all:

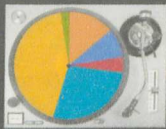


This bar chart shows AFM members' perceived changes in their revenue over the past five years. The revenue categories mirrored those asked on the prior question. N = 2302.

To the right, we have calculated the differential; essentially the difference between increases in revenue versus decreases in each category. So, 12 percent more AFM members said they are now earning more money teaching those who said they're now earning less.

Differential

Teaching	+12.3
Songwriting/ composing	-1.3
Merchandise sales	-2.3
Salaried player	-7.6
Touring/live performance fees	-9.1
Money from sound recordings	-14.7
Session musician	-16.4



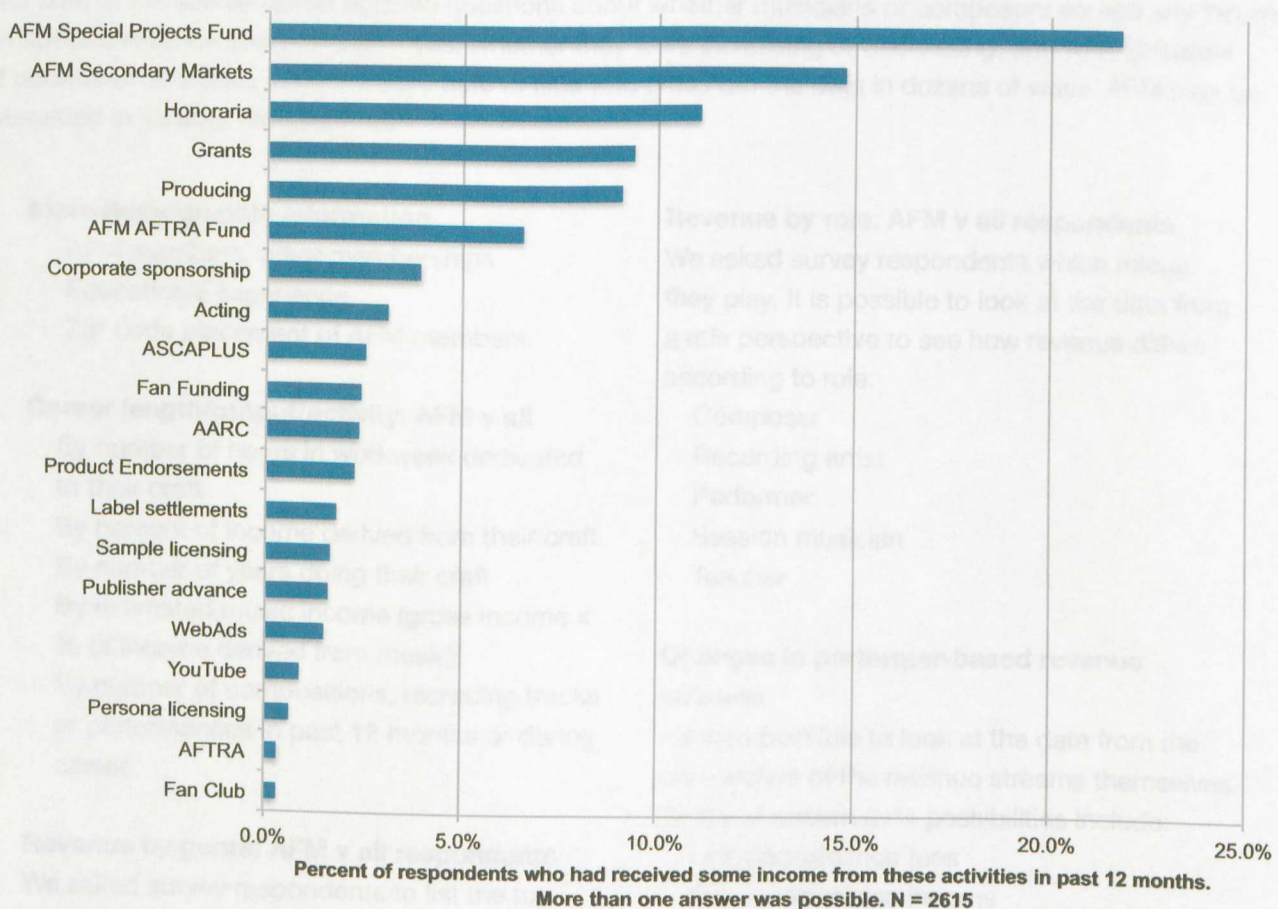
performance royalties
advances
live shows
licensing
retail sales

merchandise
commissions
fan support
synch licensing
grants

Artist Revenue Streams



Other sources of revenue in past 12 months for AFM members



This bar chart shows the percent of AFM members who had received some income from a variety of "other" revenue streams. N = 2616

At the top of the chart, about 22 percent of respondents said that they had received some money from the AFM Special Projects Fund. Below that, about 15 percent said they had received

some money from AFM Secondary Market Funds. Lower on the list are revenue streams for which there is a high bar of entry; persona licensing and fan club income, for example. There are also revenue streams in which AFM members may not be participating, such as payments from AFTRA, or publisher advances.



performance royalties
advances
live shows
licensing
retail sales

merchandise commissions
fan support
synch licensing
grants

Artist Revenue Streams



Other data possibilities

The core of the survey asked detailed questions about whether musicians or composers earned any income on specific revenue streams and, if yes, whether they were increasing or decreasing, and why. Because of additional questions asked, we are able to filter and cross tab the data in dozens of ways. AFM may be interested in viewing data such as:

More demographic information

- AFM members' other memberships
- Educational experience
- ZIP code placement of AFM members

Career length/output/activity: AFM v all

- By number of hours in workweek dedicated to their craft
- By percent of income derived from their craft
- By number of years doing their craft
- By estimated music income (gross income x % of income derived from music)
- By number of compositions, recording tracks or performances in past 12 months or during career

Revenue by genre: AFM v all respondents

We asked survey respondents to list the top three genres that they work in, as well as the genre in which they make the most money. Data can be cut:

- By primary genre
- By genre in which they make the most money

Revenue by role: AFM v all respondents

We asked survey respondents which role(s) they play. It is possible to look at the data from a role perspective to see how revenue differs according to role.

- Composer
- Recording artist
- Performer
- Session musician
- Teacher

Changes in performer-based revenue streams

It's also possible to look at the data from the perspective of the revenue streams themselves. Revenue stream data possibilities include:

- Live performance fees
- Session musician income

Release schedule

Future of Music Coalition plans on releasing a number of research memos between January and June 2012. Though our staff capacity and funding is limited, we look forward to speaking to any organization about the possibility of joint releases or co-authored reports.