

Submission of evidence to the Competition and Markets Authority ‘Music and streaming market study’

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Publication drawn upon to inform this submission:

Leisewitz, A & Musgrave, G (2022) Does Spotify Create Attachment? Algorithmic Playlists, Intermediation and the Artist-Fan Relationship, *Culture Unbound: Journal of Current Cultural Research* (Forthcoming)

This submission of evidence responds to question 18 raised by the Competition and Markets Authority (2021: 37) in their ‘State of Scope’ document:

“How do consumers use music streaming services and to what extent is their usage influenced by playlists or recommendations?”

In responding to this question, we draw upon data collected in a study undertaken in 2020 and recently accepted for publication in a forthcoming issue of the journal *Culture Unbound: Journal of Current Cultural Research*. This study aimed to assess the nature of the relationship between music consumers and playlists on streaming services. In particular, the study examined the capacity for algorithmic playlists to engender feelings of attachment between consumers and the musicians and songs they discover via this medium. The findings of the work will be shared below, and the findings reconceptualised and discussed in the context of the CMA’s remit.

Executive Summary:

For the purposes of this submission of evidence, we suggest that the quoted paper presents the following two findings of interest to the study:

1. It is reasonable to categorise streaming services as ‘cultural intermediaries’. Streaming services share many of the characteristics of broadcast intermediaries (such as radio stations), which may have implications for how they are defined as part of a wider ‘reproduction vs broadcast’ debate.
2. The algorithmic playlist in the study (Spotify’s ‘Discover Weekly’ playlist) was not able to generate strong feelings of attachment amongst consumers of music towards the new music they were introduced to. Whilst some repeat purchase intentions were generated amongst heavily-involved music consumers, more casual music listeners experienced the service in a more passive manner. This suggests the benefits for musicians of algorithmic playlist placement may not be great in isolation.

We expand on these two findings below, quoting extended extracts from the cited publication (Leisewitz and Musgrave, 2022).

Findings in detail:

1. Streaming, intermediation and broadcasting

Spotify as an intermediary

Pierre Bourdieu (1984) suggested that as markets increase in abundance and complexity, actors defined as 'cultural intermediaries' would become central. These intermediaries were understood as occupying the conceptual space between producers and consumers, and encompassed all occupations involved in "providing symbolic goods and services" (ibid: 359). In the music industry, this might entail those who connect musicians with music listeners, such as radio stations, journalists, those working in public relations, advertising and more. Whilst debates over *who* might be classified as a cultural intermediary is subject to much debate (Featherstone 1993, du Gay et.al 1997, Negus 2002, Hesmondhalgh 2006, Smith Maguire & Matthews 2010, Prior 2013, Smith Maguire 2014, Musgrave 2017), Smith Maguire (2014: 17) suggests that the crucial thing to focus on is "what they do, rather than what they are".

What do cultural intermediaries do? A definition which serves to synthesise Bourdieu's ideas with current literature is that; equipped with an understanding of the cultural landscape and expertise, cultural intermediaries select and recognise certain cultural goods as legitimate, thus increasing their value in the form of recognition (symbolic capital) through discourse (Bourdieu 1991: 72, Negus & Pickering 2004: 18-19, Smith Maguire & Matthews 2012: 552, Smith Maguire & Matthews 2014: 3). Cultural intermediaries have been ascribed a significant role for the success of new music due to their perceived ability to provide culture with value (Fairchild 2014, Musgrave 2017). Smith Maguire (2014: 22) further concludes that cultural intermediaries need a deep understanding of their own audiences (ideally by being part of them themselves) in order to shape their views.

In economic terms, intermediaries serve to reduce consumer seeking-costs in a marketplace where abundant choice might make the identification and selection of products for consumption challenging for consumers. The music industry is such a marketplace, typified as it is by abundant production; *Music Business Worldwide* reported in 2021 that Spotify was ingesting 60,000 new tracks per day (or one new song every 1.4 seconds) (Ingham, 2021). Put simply, consumers require assistance in finding the music they want to listen to in this competitive landscape.

The study quote here suggests that it is reasonable to classify streaming services as cultural intermediaries. This is suggested for four reasons, quoted below from the forthcoming paper;

- a. "Streaming services play an increasingly important role in new music discovery (Lindsay 2016, Datta et.al 2018). Many have discussed the ability of streaming services (primarily Spotify) to perform an act of presentation through their recommendation systems (Mulligan 2014, Morris 2015, Kjus 2016, Webster et.al 2016, Barna 2017, Eriksson and Johansson 2017, Snickars 2017, Aguiar & Waldfogel 2018, Bonini & Gandini 2019: 8). Most of

the streaming services' recommendations appear in the form of playlists, and Mulligan (2014) suggests that playlists have become the most significant method of music consumption. Indeed, as noted by Prey (2020: 2): "Spotify has become the focus of promotional efforts across the recording industry. Much of this focus is on playlists".

- b. Spotify's editorial teams are made of up actors with knowledge of local cultures (Fleischer and Snickars 2017), and playlist curators for streaming platforms have music industry backgrounds (Gross and Musgrave 2020: 81) and utilise a network of industry actors to stay informed on current music news (Bonini & Gandini 2019). Editorial teams at Spotify therefore have the knowledge necessary to deem musical goods as legitimate, and with a certain understanding of their audience necessary to exert an influence over their taste, as least in principle (Fleischer & Snickars 2017: 139-140).
- c. Algorithmic recommendations are suggested to be based on listeners' taste profiles created by data collected on the platform (Popper 2015, Eriksson & Johannson 2017: 177). Depending on the user's intensity of use on the streaming site, they can thus generate a more or less refined image of what music the listener may like (Popper 2015).
- d. Various writers have suggested that algorithms which generate recommendations have a deeper understanding of the cultural field due to their abilities to match similar songs based on similar audiences and playlists that contain the track, skim the internet for discourse on certain artists/releases, and identify tastemakers and analyse their preferences (Morris 2015, Webster et.al 2016, Snickars 2017: 208, Tiffany 2017, Bonini & Gandini 2019: 6). Webster et.al (2016) further argue that in these cases, cultural knowledge is generated by a collaboration of human and algorithmic work i.e. the algorithm makes decisions or recommendations based on human input, such as discourse on online blogs. Algorithms therefore collect and condense the knowledge of various human actors in order to make recommendations."

It is thus reasonable to conclude that Spotify via the construction of playlists performs the aforementioned activities of cultural intermediaries by:

- (i) the framing of cultural goods as legitimate, (by selecting relevant music from an abundance of options), and
- (ii) seeking to provide goods with symbolic capital on the basis of their knowledge of the cultural field and its audiences (generated by both humans and algorithms).

Intermediation, broadcasting and 'communication to the public'

What is the result of defining streaming services as cultural intermediaries, beyond what might be thought of as an abstract academic debate concerning terminological precision? It strikes us that given the features of streaming services which we delineate, this suggests that they share many of the features of *broadcasters*. That is, in identifying and selecting certain musical tracks as legitimate, and presenting them to consumers in the form of playlists (both curated and algorithmic) to assist in consumer decision-making in an environment of abundant choice, the service shares many similarities with more traditional radio broadcasting. In this respect, how

consumers *use* streaming services suggest that they may be, at least in part, in competition with other broadcast services.

In legislative terms, this has ramifications too. Defining streaming services as cultural intermediaries suggests the need to look again in more detail at the Copyright, Design and Patents Act (1988) in order to re-evaluate the extent to which components of a subscription service (such as Spotify) would fall under the remit of what is called 'Communication to the Public' (as opposed to 'Making Available'). This is the case because at least some element of the service does *not* rely on any selection by the listener at the time of their choosing, with playlists being an exemplary illustration of this. In other words, these intermediaries share much in common with broadcast radio (even sharing the same terminology of 'playlist'). Certainly, streaming services do feature some element of selection by the listener at the time of their choosing, but not exclusively so, suggesting the existence of a less precisely defined 'mixed service'. In other words, the sheer abundance of consumer choice on the Spotify platform necessitates a certain mechanism of intermediation (what Bourdieu (1984: 359) called "presentation and representation") in order to limit consumer seeking costs.

By extension, we suggest it is reasonable to explore the extent to which the existing regulatory framework currently applied to radio broadcasting, with its system of equitable remuneration, might be applied to streaming music services too. Conceptualising a portion of music streaming as broadcasting (and therefore as 'Communication to the Public' as opposed to 'Making Available') would have large impacts on a number of stakeholders within the music industries, with significant impacts on questions of fairness. A good example of this concerns session musicians, who currently receive no payment from streaming services but *would* be captured under a new conceptualisation of this kind. Likewise, the percentages paid to authors and musicians would greatly increase. We suggest exploring this should fall under the remit of the Competition and Markets Authority.

2. Algorithmic playlists and consumer attachment

Music streaming and attachment

The quoted study devised a Music Consumption Involvement task in order to identify two groups of music consumers. One of these was categorised as having a 'High Willingness to Form Attachment'. This consumer would be similar in some respects to those music consumers described by the BPI (2017: 63) as "heavy spenders" or the IFPI (2019: 13) as "music fanatics", as they already show increased attachment behaviours towards musical goods they like. The second were those who rarely sought to discover new music who might therefore show what is referred to as a 'Low Willingness to Form Attachment'. This consumer would be similar in some respects to those described by the IFPI (2019: 13) as considering music an "unimportant" part of their lives. Participants were asked to use the 'Discover Weekly' playlist as the only tool for new music discovery for the duration of one week, starting on a Monday given that the playlist is updated each week on this day (Ditto 2018). They were further requested to block out all other ways to discover new music e.g. radio, other streaming playlists, YouTube, Instagram livestreams, etc. in order to increase the validity of their replies and reduce bias through other influences. On the

following Monday, participants were sent an online questionnaire devised in order to measure both *behavioural indicators of attachment* i.e. higher willingness to pay premium prices, and higher willingness to enact difficult behaviours, and *cognitive indicators of attachment* i.e. self-connection/identification, memories and thoughts, and separation anxiety. By synthesising and adapting insights from psychology and consumer psychology literature, an online survey of 115 questions was created to measure both indicators and completed by participants. Attachment indices were calculated over all replies in order to determine the participants' total attachment strength, with a score of 7 suggesting high attachment according to that variable, and a score of 1 indicating an absence of attachment according to that variable.

Table 1. Overall Attachment Index

Indicators	LWTFA	HWFTA
Behavioural Indicators	1.43	3.71
Cognitive Indicators	1.04	3.58
Attachment Index	1.21	3.63

The paper is quoted here: “Our findings suggested that after employing the playlist for one week as a method of new music discovery, there was no attachment demonstrated amongst consumers with a low willingness to form attachment, and only limited to moderate attachment amongst consumers with a high willingness to form attachment.”

“It may be the case that given the refinement of algorithmic playlists based upon intensity of usage, that the HWTFA group showed more attachment because they had previously shown engagement with Spotify and thus generated more data for the algorithm to analyse and therefore serve them better. However, for those less involved in new music consumption the playlist almost entirely failed to generate attachment. It slightly influenced attachment behaviours for those with a high willingness to form attachment, both in regard to the song they liked most as well as its artist. Whilst saving the track or listening to another song was considered likely, more difficult actions to maintain a bond with the artist (such as regularly purchasing a concert ticket or a vinyl) were unlikely and moderated by price. Thus, amongst our sample, the playlist demonstrated the potential to build a fundament for consumption in the future, but only if their audience is strongly receptive; a key finding needing further research. However, playlist interaction alone appeared insufficient for definite and sustainable consumption intentions. Furthermore, these findings suggest that interaction with the ‘Discover Weekly’ playlist for the participants in this study did not necessarily result in attachment at all, cognitively or in behavioural intentions, if consumers are not already engaged in new music seeking behaviours, and thus already likely to become attached to new music.”

Playlists, Exposure and Benefits for Musicians

“The suggestion that algorithms-as-intermediaries might not have the power to create strong artist-fan relationships evidenced in a low likelihood of actions of long-term consumption, has ramifications for how we understand musical careers and might inform professional practice from music marketing to artist management. Our findings lend tentative empirical corroboration to the criticisms of those in the music industry media and beyond who argue that playlists struggle to create meaningful relationships outside of their realm (Aguilar & Waldvogel 2018, Chartmetric 2018, Mulligan 2019 cited in Griffiths 2019, Music Ally 2019). The attachment index scores for highly-involved new music consumers suggest that while the cognitive signs of attachment were not (yet) strong enough for repeat purchases, repeat listens were likely for some consumers. In this sense, our findings suggest that ‘Discover Weekly’ may generate some attachment behaviours by influencing low-cost consumption when presented to the right audience. However, any long-term behaviours involving monetary expenditure were unlikely amongst our sample, thus making it reasonable to assume that playlist placement alone cannot serve to enable an artist’s sustainable financial success. Indeed, the ability of streaming more generally to provide sustainable income to artists is an area currently facing intense scrutiny (Hesmondhalgh et.al, 2021). Further research across a range of algorithmic playlists with a more statistically significant sample size is needed to explore the ability (or not) of playlists of this kind to build relationships strong enough for repeat purchase intentions and strong bonds of cognitive attachment. Weak bonds of attachment would make them a questionable tool for sustainable music marketing, and thus musicians and their teams might want to consider the longer-term benefits of seeking (algorithmic) playlist placement.”

In other words, this research suggests that, for at least some music consumers, the consumption of music via certain kinds of playlists has limited impacts on the formation of attachment indicators outside of the listening experience. In this sense, for some, it can represent a relatively passive form of listenership. Thus, reasonable questions might be asked about the *value* of exposure achieved via playlist placement of this kind and the benefits of this for musicians.

Conclusions

The findings of the research used to inform this submission of evidence must be tempered in a number of important ways. In the first instance, the sample size was small (n=4). Whilst not unusual in studies seeking to generate preliminary evidence (see Keeler et.al (2015) for a notable example), it does point to a lack of statistical significance in the findings. Additional clarificatory points are highlighted in the paper:

“‘Discover Weekly’ is only one algorithmically generated playlist, and therefore it is unclear as to whether these findings would be observed across other similar playlists. Likewise, as suggested, these findings would be enriched by follow-up studies exploring the same concept using curated playlists. Perhaps most saliently, the sample size is small, driven not least in part by the extensive participant involvement required to complete our multi-dimensional survey, and relatively homogenous vis-à-vis its composition. In this respect, our findings cannot meaningfully claim to be statistically significant, and in order to confidently determine

the extent to which algorithmically curated playlists generate attachment, a survey with a more representative sample is therefore recommended. In addition, upon reflection, a qualitative dimension in the form of follow up interviews to better interrogate our respondents' use of Discover Weekly might have been insightful, not least to allow us to explore issues around the quality of the attachment formed, how this was experienced, and how this might change or develop over time. Furthermore, while the sample was carefully chosen to consist of both heavily and poorly involved music consumers, many users exist in between these extremes, and it is important to understand these consumers too. Again, a larger sample size may serve to reduce this risk in further research. In addition, as aforementioned, the contingent valuation approach centred on the concept of 'willingness to pay' can suffer from an income effect in that those with low incomes may express a low 'willingness to pay' despite being lovers and fans of a particular musician or song. It is also key to note that respondents in this study were using Discover Weekly in what might be thought of laboratory settings as opposed to more naturalistic usage where the playlist would form part of a wider media environment. This was done in order to isolate the impact of Discover Weekly, but removes the possibility that results might differ with normal day-to-day use. Finally, in order to guarantee consistency within replies, this research and its findings are constrained to a specific case; that is, they depict attachment levels to one song and artist, generated by one playlist, on one streaming platform, after one week of interaction. Whilst all of these factors were carefully chosen to be the most representative and to provide the richest possible information, further research is needed."

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