

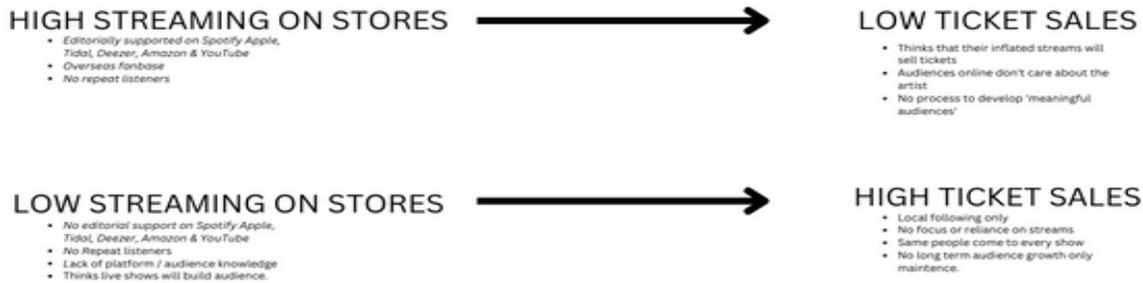


CARTEL MANAGEMENT AUSTRALIA

**Why High Streaming Artists Are Not Selling Tickets To Shows.**

*Artists have high stream counts and zero ticket sales OR high ticket sales and low stream numbers.*

In the post lockdown era (2022 and now 2023), there is one emerging trend that is becoming a serious issue for developing artists, both signed and independent alike. This trend is that streaming on digital stores (Spotify, Apple Music, Youtube, Amazon etc) is simply not representative of an active audience, as a very low percentage of streams convert to ticket sales at shows. Additionally, artists who have an engaged 'live' fanbase locally can not convert their ticket buyers into consuming their catalogue online. Where most developing acts find themselves on this spectrum is generally that they have either streaming and no people willing to see them live OR lots of people wanting to see them live and barely any activity on digital stores.



Below we have listed certain elements that can lead to situations like the graph above and potential solutions for artists / teams to begin implementing.

**The issue with streaming platforms (Spotify & AU / NZ focussed):**

The most obvious factor in artists having inflated steam counts but no engaged audience, comes from a reliance on editorial support on stores. Editorial playlists are essentially what every artist is fighting for. These playlists are curated by an in-house team, and have the highest following but also show up at the top of any search. Although these playlists are popular they are not overly conducive to building an engaged audience. Spotify has shared numerous case studies regarding listener mindset when consuming editorial content and almost all results come back the same.

When a listener is consuming music on an editorial playlist, they are more than likely consuming the playlist itself, not the artists on the playlist, therefore are less likely to discover a new artist.

With the rate of new releases coming in and streaming being as accessible as ever, consuming music happens more on a passive level. Most people are listening as they are performing another activity (driving, working, cooking, exercising etc) meaning their mind is not as overly engaged as one would, when music was less accessible.

**The solution for streaming platforms:**

The trick to develop a sustained audience is to ensure we are consistently (over multiple releases) exposing an artist's music to the correct audiences, without any reliance on editorial placement (unless achieved via gaining adequate activity previously) Internally, the system for artist growth on Spotify works in a tier system. Imagine a ladder, and each step on the ladder being representative of another tier. Each tier equates to a different amount of activity artists generate. For example, they can take into account how active your profile is within Spotify, how much activity you are creating out of the Spotify platform (on socials)

that will ultimately bring people onto Spotify, and how much revenue you generate. Notice, that none of these mention what kickdrum you are using, or what octave you are singing in. At the bottom of the ladder, is a pool of the locally sourced artist projects. New projects, artists that have little to no experience, activity or are overly inconsistent. At the top of the ladder is all of the globally recognised artists, Ed Sheeran, Adele etc. These guys are situated high on the platform for the amount of activity / revenue they generate within and outside of Spotify, and in turn, are automatically editorially supported. At the end of the day, Spotify does not care about the artist. As a platform, their main priority is to the users who pay \$15.99 a month, ensuring that they remain happy will ultimately keep them on the platform. The job of an artist is not to see how much playlisting they get, to inflate their ego, it is to actively create activity over multiple releases to ensure that their music is being put in front of the RIGHT people and that their project has linear progression through the tier system. Getting the right music in front of the right audience, consistently, allows artists to create repeat listeners, rather than inflated numbers that mean nothing. In turn, creating repeat listeners creates the base for financial and creative sustainability. A repeat listener is infinitely more likely to buy a ticket to a show, buy merchandise, engage with your other music & social platforms.

### **The issue with live shows:**

Playing hard ticket events / touring is (for most artists) how the majority of a project's income is made, it is also up there with a project's greatest expense. Put simply, if no one buys tickets you make no money. It is in the interest of any project that sees touring as a viable option to grow the live element of their brand.

The issues here come from the following scenario (locally in AU)

*X artist puts on a show to a 150 capacity room and sells it out. Six months later X has a new release and plans another show at the same venue or one with a similar capacity: this show sells the same amount of tickets as the 1st. Another 3-6 months flies by and X puts on another show at a similar cap venue in the same area, this show sells at a lesser capacity than the previous 2.*

The above scenario sees X artist maintaining an audience but not growing, in fact if the past 2 years have taught our industry anything, it is that trying to maintain an audience via live only is detrimental as those audiences will undoubtedly lose interest. If X cannot then rely on their online presence to consistently engage and build community, then no real growth occurs.

Having no online strategy across digital / social platforms also hinders a project's ability to break out of their state and further their country, as they are not adequately exposing their project to other territories that have niche audiences likely to invest in the audience.

### **The solution for live shows:**

The solution to growing the live side of a project is simple, develop and maintain an ENGAGED + ACTIVE online following via digital and social platforms. Easier said than done that's for sure, but when you look at the lifespan of an artist project overall, they should always be developing. Focus on developing a process on every platform your audience could ingest you. This is not just about posting content, it is about how you actively engage on the platform and how you place the content on said platform to reach an audience that would be likely to care about you.

*"Platforms like Tiktok, Twitch, Instagram and Youtube are more conducive to audience growth than a blog write up or one-off radio spins and most important live gigs. Artists need to take control of everything in their development arsenal, instead of expecting growth from publicity only." - Christina Rinaldi (Owner / Artist Development at CMA)*

For more support on process on specific platforms read these below articles:

- [Getting Repeat Listeners](#)
- [The Importance of Youtube](#)
- [Social Attention Leverages Publicity](#)

No matter how you slice it, to successfully develop an artist project you need to grow in the online space & in the live space. Focussing on one and ignoring the other will not be beneficial for long.