

Digital futures 2:

taking music online
in South Africa



INFOGRAPHICS

summary of the research report Dec 2022



Digital Futures Two: Taking Music Online in South Africa Infographics Summary

based upon

Digital Futures Two: Taking Music Online in South Africa

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Norwegian Embassy
Pretoria



pic: Mandla Mlangeni- Trumpet, Nicholas Williams, Base, Keenan Ahrends - Guitar, at CSA Venues Program, Swingers, Wetton, Cape Town, on 1 December 2013. photo courtesy of Swingers



Contents

Foreword Gjermund Sæther, H.E. Ambassador Designate, Royal Norwegian Embassy.....	4
Foreword: Mark Rosin, SAMRO CEO.....	5
Foreword: Andre le Roux, Director, IKS Cultural Consulting	6
Summary.....	9
About the research.....	10
Livestreaming over past 12 months.....	11
How long have you been creating content for livestreaming?.....	12
What is your business model?.....	13
Who are your sponsors?	15
Who are your partners?	16
What do you earn?.....	17
What about rights and ownership?	18
What do you see as the benefits of livestreaming?.....	19
What are the risks?.....	19
Who carries the risks of streaming?.....	20
Have you live-streamed in the last 12 months?.....	20
And those who have not tried streaming?.....	21
The big picture: It's a global dilemma.....	22
South Africa's digital divide, neglect of artists, and outdated laws make things worse.....	22
What's changed since 2020?.....	23
And what hasn't changed?.....	23
What actions could help?.....	25



FOREWORD:

**Gjermund Sæther,
H.E. Ambassador Designate
Royal Norwegian Embassy**



Norwegian Embassy
Pretoria

[\(for full version click here\)](#)

Dynamite comes in small packages but has a massive impact. The same has been true of Concerts SA (CSA), which in 2023 will celebrate ten years of Norwegian and SAMRO investment in southern African live music.

Dynamite was patented in 1867 by inventor Alfred Nobel who was born in the then-United Kingdoms of Sweden and Norway. The explosive power of even small sticks of this blasting agent made its creator wealthy and in his will, Nobel directed that his wealth establish a foundation to reward ground-breaking international research and intellectual achievement through Nobel Prizes, including, most notably, in the field of peace-making. The first Nobel Peace Prize was awarded in 1901. Since then four South Africans – Albert Luthuli, Archbishop Desmond Tutu, Nelson Mandela and F. W. de Klerk – have won the Nobel Peace Prize.

But others also contributed. Music was one of the most powerful languages of struggle and in solidarity, Norway supported and hosted progressive performers and arts organisations during the struggle era. We continued that support to contribute to the flowering of democratic creativity through a decade of the Mmino initiative and a further ten years of Concerts SA. That latter initiative was musical dynamite: a modest idea with a powerful impact.

Over the past two years, scarred by Covid, Concerts SA has arguably had its period of highest impact since its inception in 2013. As part of that work, the 2020 Digital Futures research created a knowledge framework for the development of CSA's Digital Mobility Fund. This 2022 publication builds on those foundations to explore the dilemmas, risks and opportunities of the "new normal" of livestreaming in the post-Covid era. We hear more of the voices of music-makers describing their hopes and fears, and see more hard data about their experiences and day-to-day practice. Like Nobel's little sticks of dynamite, CSA's legacy also rests in the intellectual capital captured in its published research. May it be shared widely to build more sustainability for southern African music.

FOREWORD:

**Mark Rosin,
SAMRO CEO
2020-2022**



[\(for full version click here\)](#)



Shortly after assuming my role at SAMRO in 2020, I started working with Concerts SA. This was a month before COVID 19 shook the world, uprooting our lives and dreams with its awful impact. Live events were banned as the citizens of our nations were placed under lockdown restrictions. South Africa's live-music sector was simply shut down, and the professionals in the sector were left to fend for themselves. A great number of our composers, who are also performing musicians, battled to eke out a living, let alone survive. Our industry is still battling, with many having sold equipment, surviving on the generosity of family and friends, and this is where Concerts SA played a catalytic role.

Concerts SA could not, and would not, abandon its mission to encourage live music in southern Africa and, like so many projects, investigated hybrid models for its programmes. Together with funders, SAMRO and the Norwegian Ministry of Foreign Affairs, Concerts SA pivoted its activities. It was shortly after the lockdowns had embargoed live events that Concerts SA published a newsletter that brought hope and some pointers to artists, showing them a way to continue their work, and fix some administration while stuck in their homes. Before long, Concerts SA published its research report *Digital Futures? – Livestreaming in South Africa (2020)*. Although a snapshot survey, it offered a trapdoor to escape the lockdown, and ushered in the Concerts SA Digital Mobility Fund (DMF).

Through the DMF, Concerts SA offered micro-grants to music professionals to get up, get creating and get online. This initiative helped them better understand the value of documenting their work and placing it online as well as how they could generate incomes from streams. Over the past two and a half years, well over 3,000 musicians, technicians and music support staff benefitted from Concerts SA's injection of micro-grants into our ailing sector. This played an important role in keeping some momentum in the live music industry through the debilitating impact of COVID-19. As SAMRO, we benefited from the research and have applauded Concerts SA's continuing effort to stimulate and grow the live music circuit in southern Africa.



**FOREWORD:
Andre le Roux,
Director,
IKS Cultural Consulting**



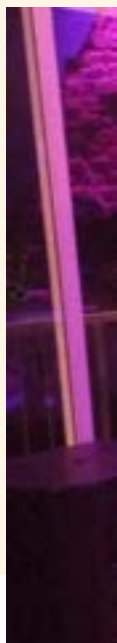
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Since 2013, Concerts SA (CSA) has pursued the mission of stimulating a thriving, sustainable, professional and profitable live music sector in South Africa, substantially supported by the Norwegian Ministry of Foreign Affairs (NMFA) through the Royal Norwegian Embassy (RNE) in South Africa, and SAMRO.

In early 2020, the Covid-19 pandemic hit, and the sector came to a standstill as national lockdowns banned all gatherings. Undeterred, we were determined to do everything within our power to prevent the sector withering away, researching ways to navigate lockdowns and restrictions. Our immediate response was to explore alternative sustainability strategies, leading to our first research report on music streaming in July 2020: Digital Futures? Livestreaming in South Africa. In retrospect, we were at the forefront of this pivotal research both in Africa and more widely. We took educated risks based on this research, and adapted CSA's programmes, pivoting towards events that could be broadcast online and launching the Digital Mobility Fund (DMF) to keep musicians creating – and solvent. The DMF played a core role in keeping music alive during the devastating Covid period, with the National Arts Council, SAMRO and other international bodies also coming on board to contribute grants during the two-year lockdown period.

6 None of this would have been possible without the knowledge base provided by the 2020 Digital Futures research: it was our compass to navigate those rough, uncertain seas.

We can now look back to that time of crisis from a time of hopeful renewal, consolidate our learnings, and take advantage of research done



elsewhere as music-makers across the world faced the same dilemmas and learned what worked and what didn't.

This latest stage of the research journey into Digital Futures territory lets us consider how we adapted and how we can continue contributing to live music and the revenue it generates – including knotty issues like how intellectual property is managed across events incorporating performing, mechanical and recording rights. The new *Digital Futures: taking South African music online (2022)* is a broader, deeper study, incorporating theory, unique data on the South African streaming experience, and the real voices of artists and others who contribute to making music. Its practical focus is on revenue streams, who pays whom, who carries the risks and who is best equipped to grab the opportunities, as well as the role of the state in dealing with both music role-players at home and dominant multinational streaming platforms.

This study offers a local perspective on a global challenge. As well as opening a window to the experiences of our corner of the world, it represents a shout-out to all who make music everywhere to join hands in growing our knowledge and helping our sector sing once again.

pic: Live performance at Emakhosini, Ethekekwini, on 29 December 2022 promoted by Nden Music, supported by Concerts SA. Photo by Thulile Zama



**“It is not for seeking attention or likes
but to share our ghetto
experiences and stories.”**

pic: S'nazo performing on Jan 2023 at I am Gold Concert, CSA Digital Mobility Fund 5; photo courtesy of Sinazo Mdango

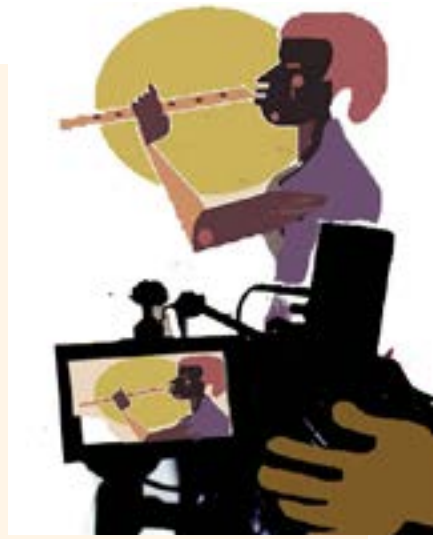
8



SUMMARY

The Fourth Industrial Revolution remains a distant dream for many South African music professionals.

- ❑ Many in SA music were fast followers into the streaming world even before Covid.
- ❑ They make skilled use of analytics to track audiences.
- ❑ Their streaming is motivated by a strong sense of social mission and purpose.
- ❑ They're not all amateurs who just need to "stream better".
- ❑ They carry most of the risks of streaming, but benefit minimally, if at all.
- ❑ Streaming is at best a tiny supplement to earnings and at worst – because of platform fees – a drain on them.
- ❑ Without sponsorship, streaming would be unaffordable for many more.
- ❑ South Africans aren't alone: recent international research confirms that even in countries with strong digital infrastructure, streaming barely helps music workers.
- ❑ But in South Africa, a huge digital divide makes things worse – and proposed new copyright laws don't begin to address the issues.



About the research

In July 2020, Concerts SA published the findings of a snapshot survey, ***Digital Futures? Livestreaming in South Africa***. This is the planned follow-up, conducted in February 2022. It reached a much larger sample, did more extensive open and closed questioning, and added wider desk research to map South African music-makers' experience of the streaming landscape.

This follow-up research consisted of:

- 279 completed questionnaires received
- 56% of respondents were sole proprietors/independent contractors employing fewer than ten people
- 39% were based in Gauteng, 19% in KZN, with 7 - 8% in each of the remaining seven provinces
- Response rate of 90+% to every individual question
- Just under 45% of respondents (to that question) had streamed during the previous year

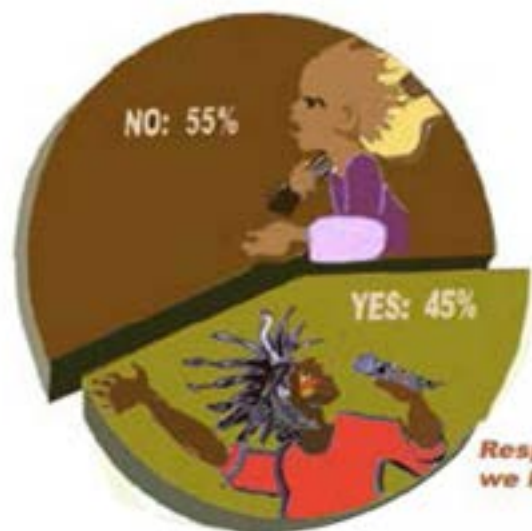
pic: The Untitled Basement, Braamfontein Johannesburg – CSA Venues Fund; photo by Tseliso Monaheng



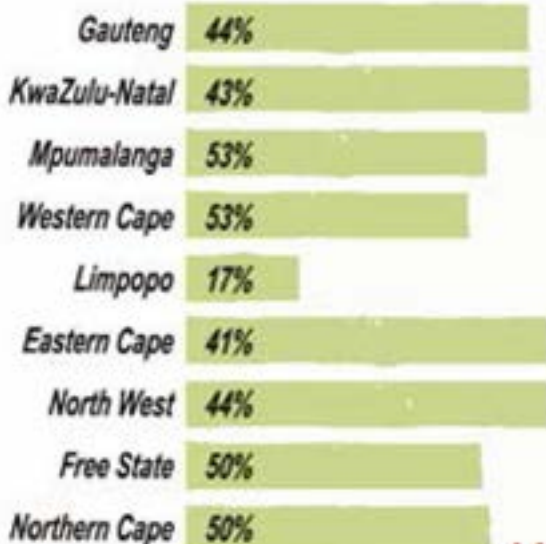
Have you been live-streaming in the last twelve months?

Nationally:

- 55% of respondents said they had not live-streamed in the past 12 months
- 45% said they had



Respondents by province who said yes, we have been live-streaming (N=246)



How long have you been creating/recording content for livestreaming?

(N=105)

Since the March 2020
Covid-19 lockdown only
24 (23%)

For between 1 and 3 years
before Covid-19
18 (17%)

For more
than 3 years
before Covid-19
43 (41%)

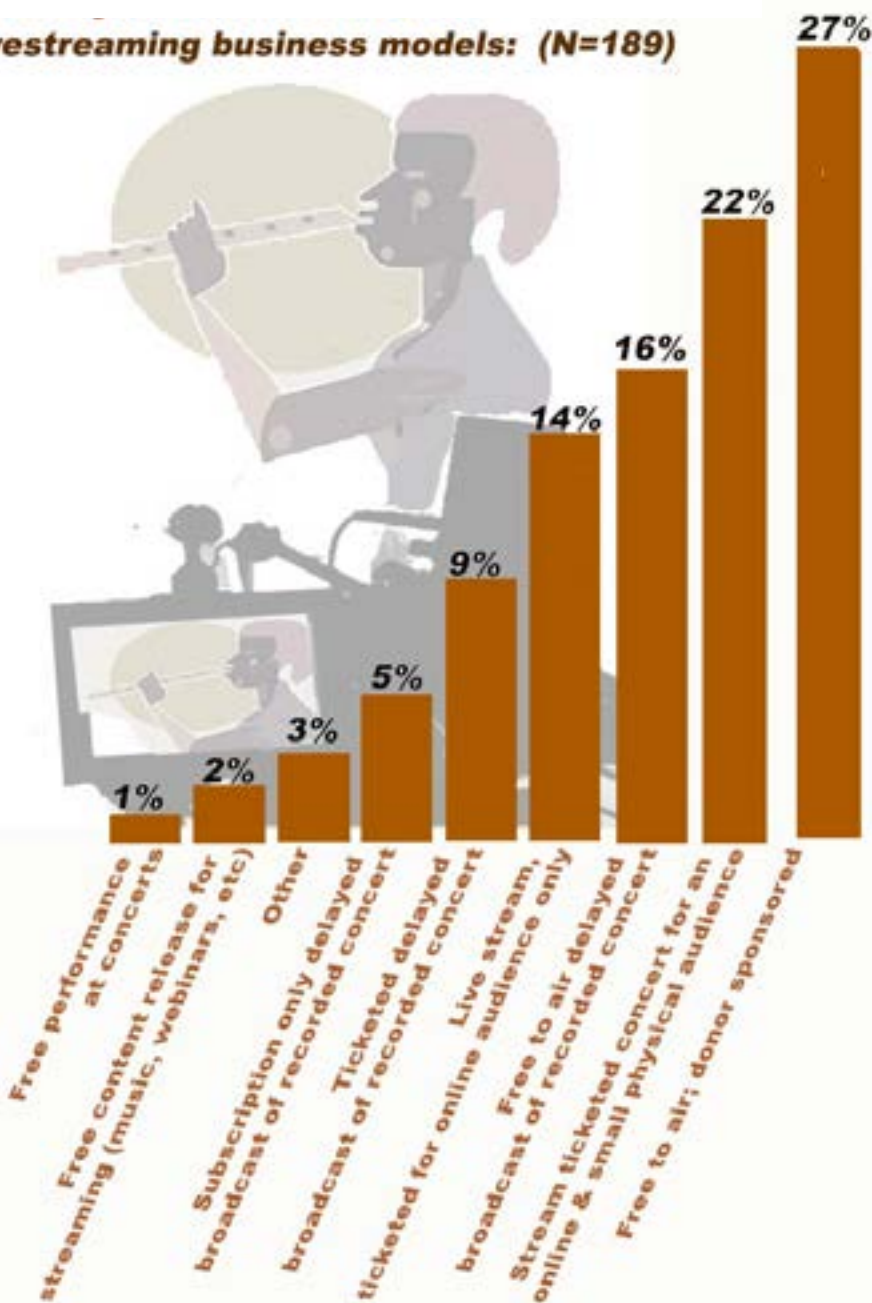
For less than
12 months
before Covid-19
20 (19%)



*"We are experienced
and tech savvy."*

What is your business model?

Livestreaming business models: (N=189)



For most respondents, "livestreaming" means delayed broadcast of pre-recorded material

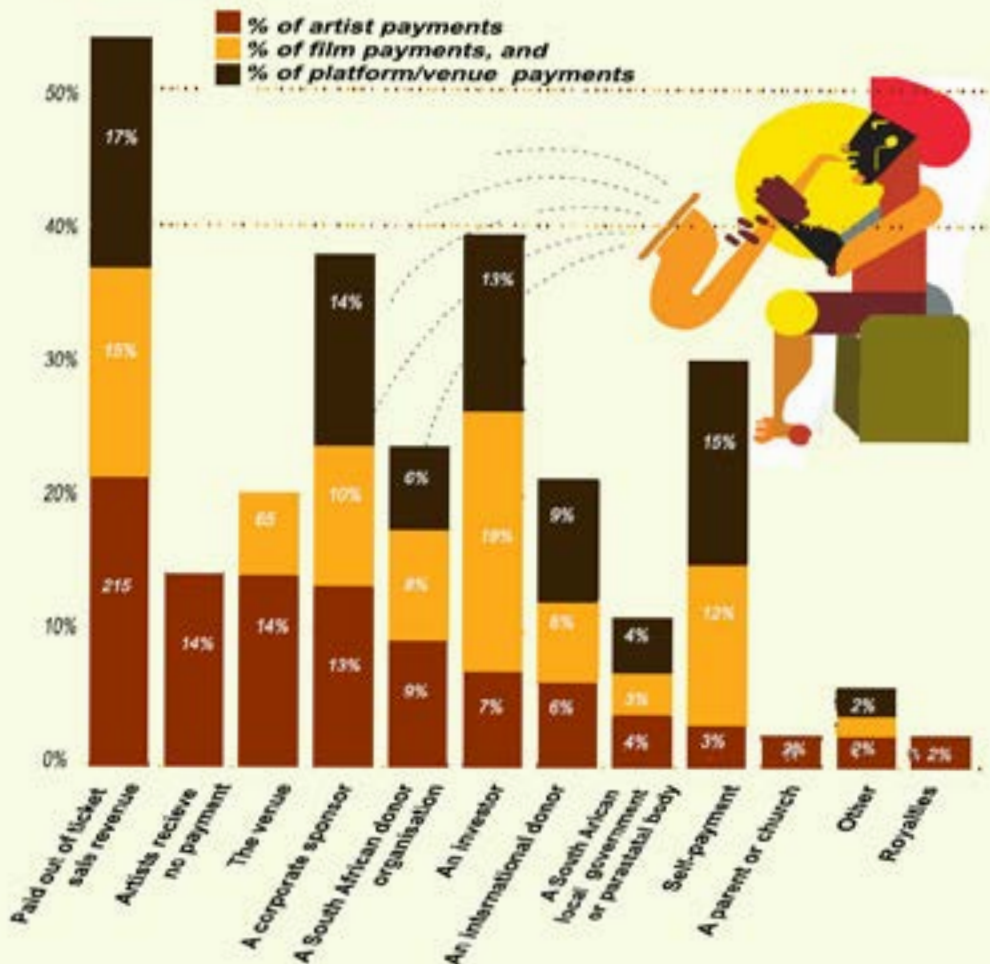
- ❑ Just over half used ticketed models of various types to support projects
- ❑ 22% reported combining small live audiences with livestreaming
- ❑ 27% were doing sponsored free-to air livestreaming

14 *Pic: Volley Nchabeleng performance at The Joburg Theatre supported by Concerts SA's Digital Mobility Fund on 6 December 2023; photo courtesy Volley Nchabeleng*



Who are your sponsors?

Sources of funding for key costs
 (N production =135; N artists =177;
 N venue = 100)

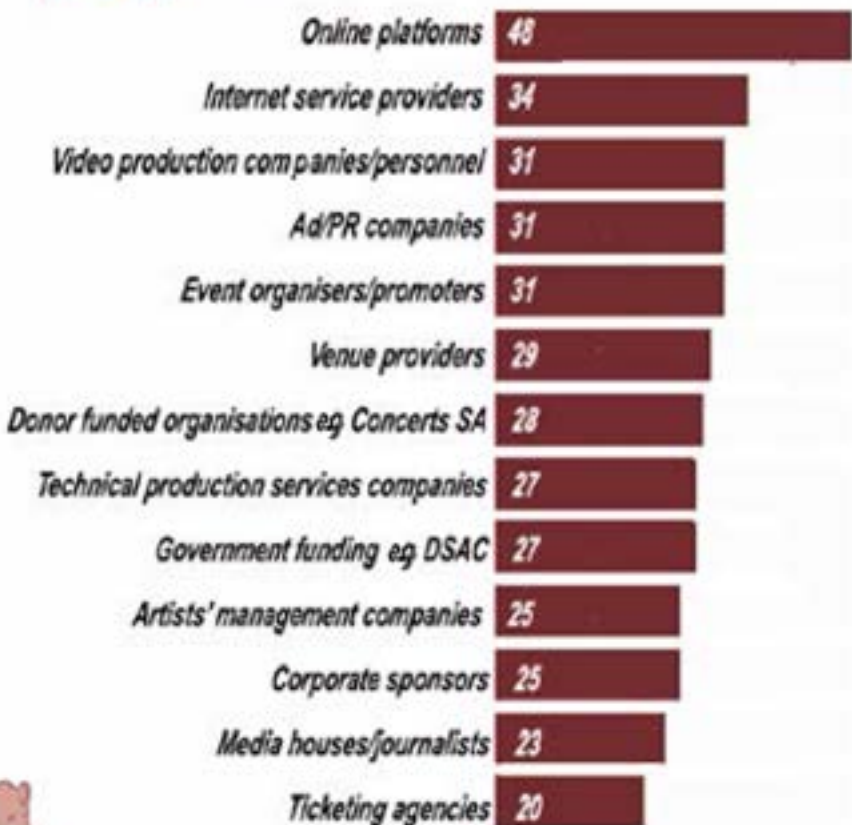


- The single largest source of support was private investors and corporates
- 34% were supported by local or international donors
- 21% named government as a source of support

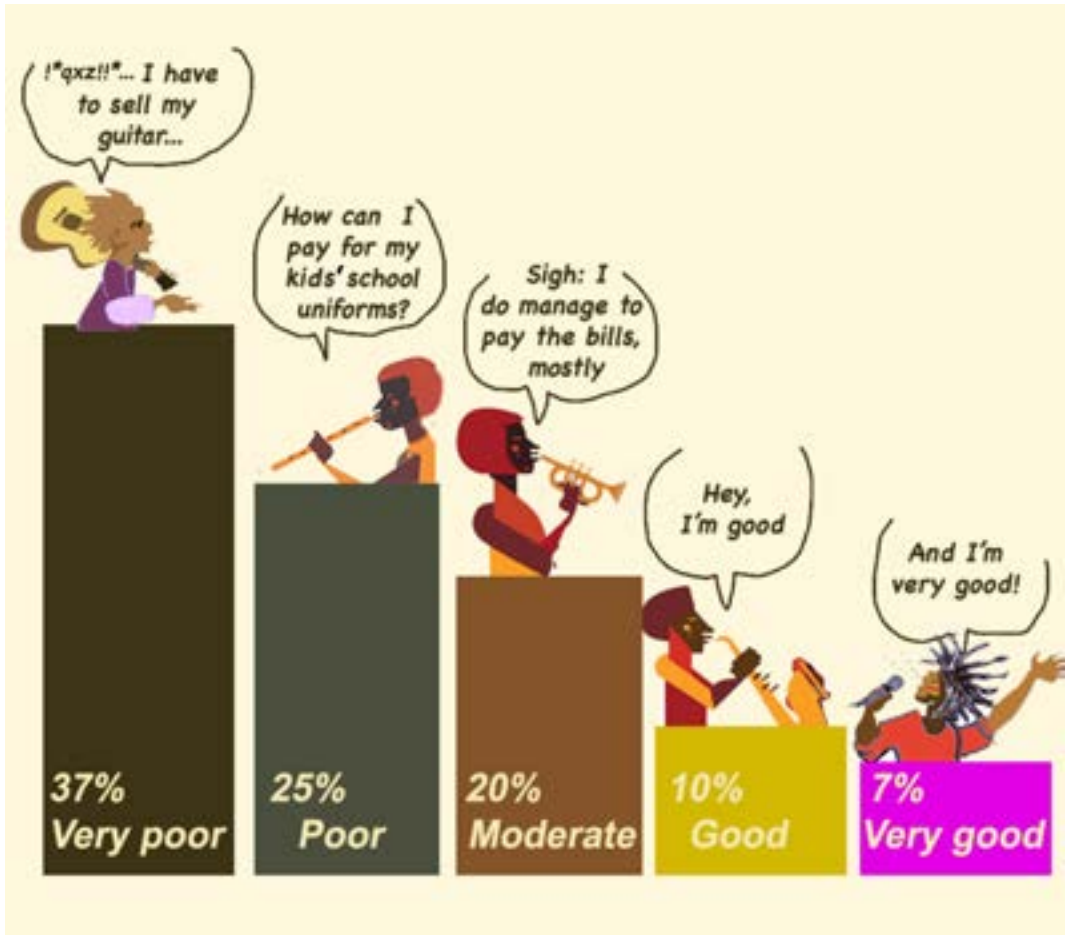
Who are your key streaming partners?

- 48 of the 119 respondents named platforms – including big international platforms – as most important current real partners
- Many named other envisioned partners but hadn't explored licensing deals yet

Important partners in current livestreaming projects (N=119)



What do you earn?



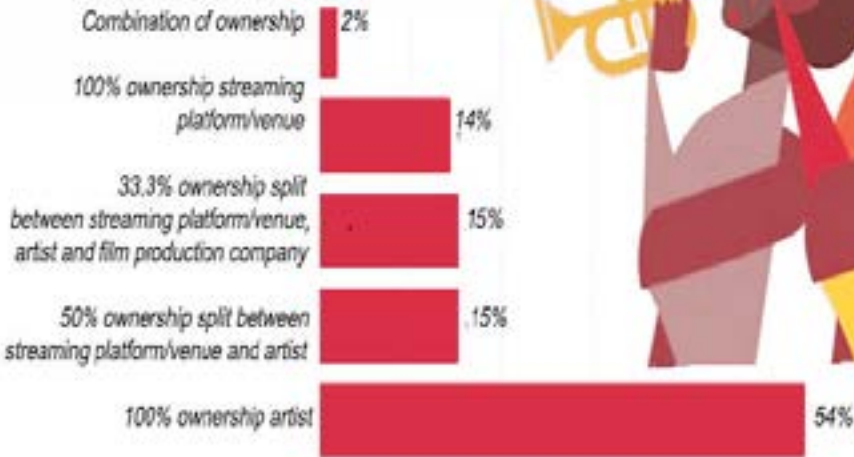
- 63% rated their earnings from livestreaming as poor or very poor
- Only 7% reported good or very good earnings
- This evaluation of earnings was consistent with the 2020 survey
- But 71% of respondents reported better audiences than in 2020.

What about rights and ownership?

54% – an increase from the 2020 survey – indicated that the artists owned the master recordings of their streamed material

Who owns the master recording of the performance? N=112

5 unique master recording ownership options

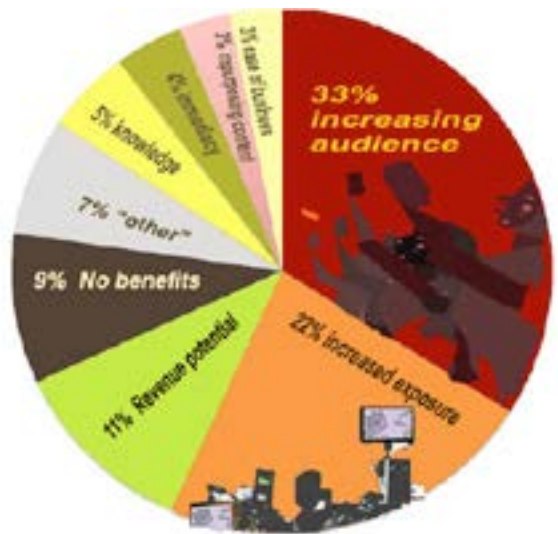


18

Pic: Nduduzo Makhatini concert at Phola VibeZ Jazz, Sibikwa Arts Centre, Benoni, for CSA Digital Mobility Fund on 05 December 2021. Photo courtesy of Sibikwe



What do you see as the benefits of live-streaming?

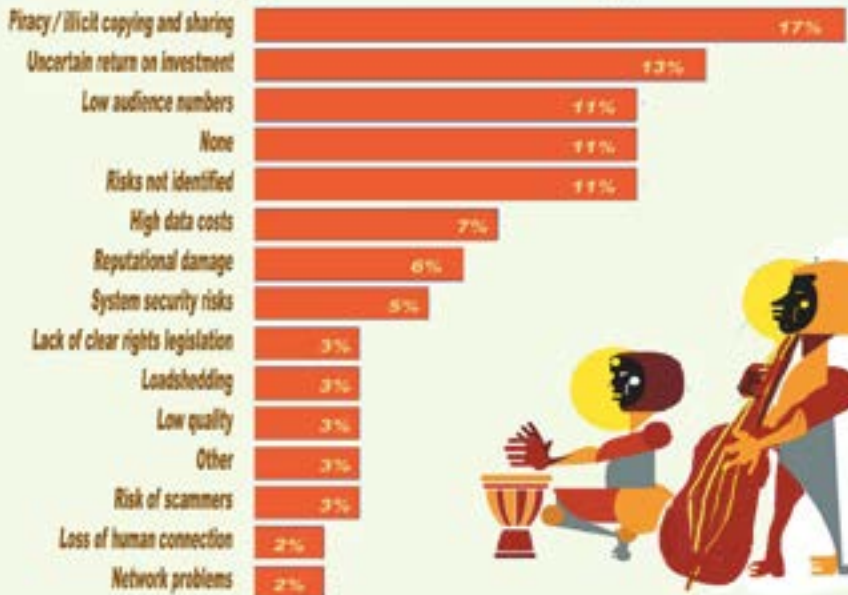


What are the risks?

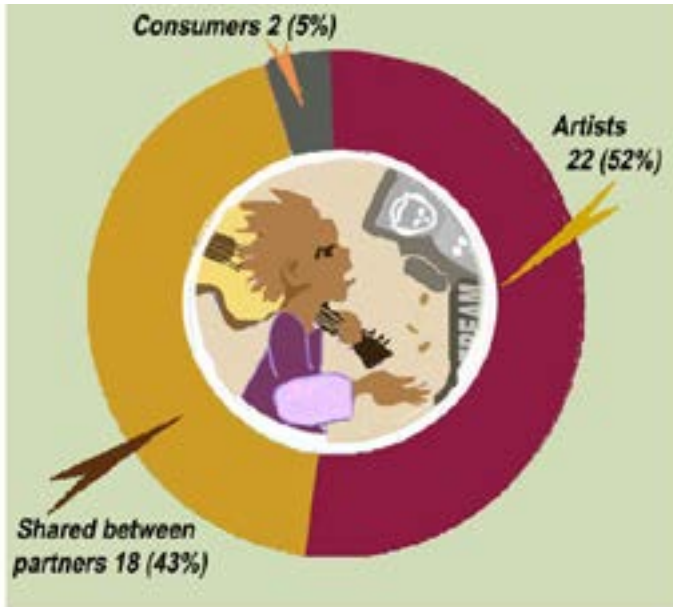
Our respondents saw the main risks of live-streaming as:

- Uncertain returns on investment (13%)
- Piracy and illicit sharing (17%)
- Artists – and often show curators too – carry the main risks with no mitigation strategies in place

What are the biggest risks of live-streaming?



Another key problem was who carries the risks of streaming:



... which helps explain the answer to the question: *have you live-streamed in the last 12 months?*

Of 266 respondents,

- 55% said they had not been streaming
- 45% said that they had been



And what about those who have not tried streaming?

- ❑ 33+% cited lack of resources and equipment as barriers preventing them from exploring streaming opportunities
- ❑ 70+% of the open responses foregrounded the SA digital divide as a barrier: cost, speed, bandwidth, connectivity, load-shedding

“[Our audience] is very poor because some of my fans don’t understand the streaming technology; some of them don’t have phones that allow them to stream my music.”

Pic: audience at concert of Dumza Maswena supported by the Digital Mobility Fund in 2021; photo courtesy of Dumza Moswena





The big picture: It's a global dilemma

Our desk research showed:

- ❑ Our findings about poor artist earnings are wholly consistent with the findings of now substantial international research
- ❑ The platform ecosystem is run by a few big international companies who control music all along the value chain
- ❑ These platforms have shaped a system that the UN World Intellectual Property Organisation says is “destroying music”



But South Africa's digital divide, neglect of artists' practical concerns, and outdated laws make things worse

Our sources explained:

- ❑ Doing anything digital is expensive and/or inaccessible for many -- both creators and audiences
- ❑ Our arts and culture sector remains ill-understood by policymakers
- ❑ Even proposed new copyright laws don't address the main livestreaming concerns

What's changed since 2020?

- ❑ More people are doing streaming, and many more as sole providers
- ❑ Risk profiles have matured: risk now sits firmly with artists
- ❑ Artist-centric models dominate: more artists now control their IP and get (poorly) paid
- ❑ Artists are less worried about loss of creative freedom and more worried about digital piracy and IP theft
- ❑ (International studies suggest they should still worry about both)



And what hasn't changed?

Low expectations of revenue persist and are justified by experience

- ❑ External donors and sponsorship are still essential
- ❑ The SA policy environment remains underdeveloped
- ❑ ...and labels and CMOs still don't communicate well



Pic: live performance of Old Town Band and Tail Swopper at The Alma Cafe on 9 December 2022, with CSA Venues funding support. Photo courtesy Alma Cafe.

**“Poor network and loadshedding
compromise production especially when one
has to meet deadlines.”**

Pic: Xolelwa Mazibuko fondly known as “Maxoh” in live performance 30 November 2022; photo by Ndumiso Shabangu



What actions could help?

In the main, respondents wanted policy makers to provide funding and pay artists, protect rights and support artists. Funders, unsurprisingly, were expected to provide funding and investment, as well as marketing to ensure return on investment and to offer understanding and support to artists in the process of content creation.



- understand and support arts and culture generally and listen to practitioners
- bridge the digital divide faster
- work with CMOs to take on the platforms about more equitable payments
- develop demand-side stimulus strategies
- work with others to make more digitally-related training and information available



- communicate better with artists
- ensure fair payment



- stay flexible, adaptable and multi-skilled – we're on our own!

“Please, please speak to social media companies to reimburse artists because they work off our original music!”

Pic: Volley Nchabeleng performs at The Joburg Theatre supported by Concerts SA’s Digital Mobility Fund on 6 December 2023; photo courtesy Volley Nchabeleng



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FULL REPORT**



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INFOGRAPHICS:

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