

# The Economic and Cultural Value of Country Music in Australia 2018

## *Key Findings*



The CMAA gratefully acknowledges the partners and supporters whose contributions and involvement provided the resources to gather and collate the data which underpins the findings in this report.



# Project Summary & Methodology

2018 was a stellar year for Australian country music.

Kasey Chambers was memorably inducted as the youngest female ever into the ARIA Hall of Fame. Keith Urban was acknowledged by the US Country Music Association as its Entertainer of The Year. Morgan Evans achieved notable #1's on US, ARIA and Australian airplay charts.

Country music festivals reported record attendances and box office results, more Australians are listening to more country on radio than ever before and music streaming – the juggernaut driving the global and Australian industry revival, is being enthusiastically embraced by country fans listening on their phones, in their cars and on tablets and smart speakers. More Australian country music artists are writing, recording and performing and are being listened to and watched by more fans than ever before.

Over a seven month period, extensive desk research, industry consultation and the responses from 4,329 country music fans and 582 artists, enabled us to chart our genre's progress since the first and only such report - '*Australian Country Music: An Industry Profile*', was compiled in 1997.

This current report concentrated on country music live performance, the recorded music market, songs and songwriting, country music broadcast and airplay and the cultural and social value it delivers to its fans and the broader community.

The accumulated data has confirmed that country music 2018 is in a growth phase that all indicators and opinions suggest will continue.

That growth, reported in the following pages, has increased revenues across all areas of operations, driven investment and created employment for practitioners and workers across the sector.

Dobe Newton, July 2019

Note:

For a full explanation of the conduct of the project, methodology and a list of sources, please refer to Section 10 of the Full Report.

# Country Music Sector Summary

2018 was a record year for country music event ticket sales and revenue. There were a number of other indicators of the significant role the genre plays in the Australian music industry.

## Country on the rise -

In 2018, country music generated revenue of \$574 million, more than doubling the sector's value since our initial 1997 report.

With audio and video streaming dominating the global and Australian markets, Spotify reports Australia as the third most important country music territory after the US and Canada, and the world's fastest-growing market.

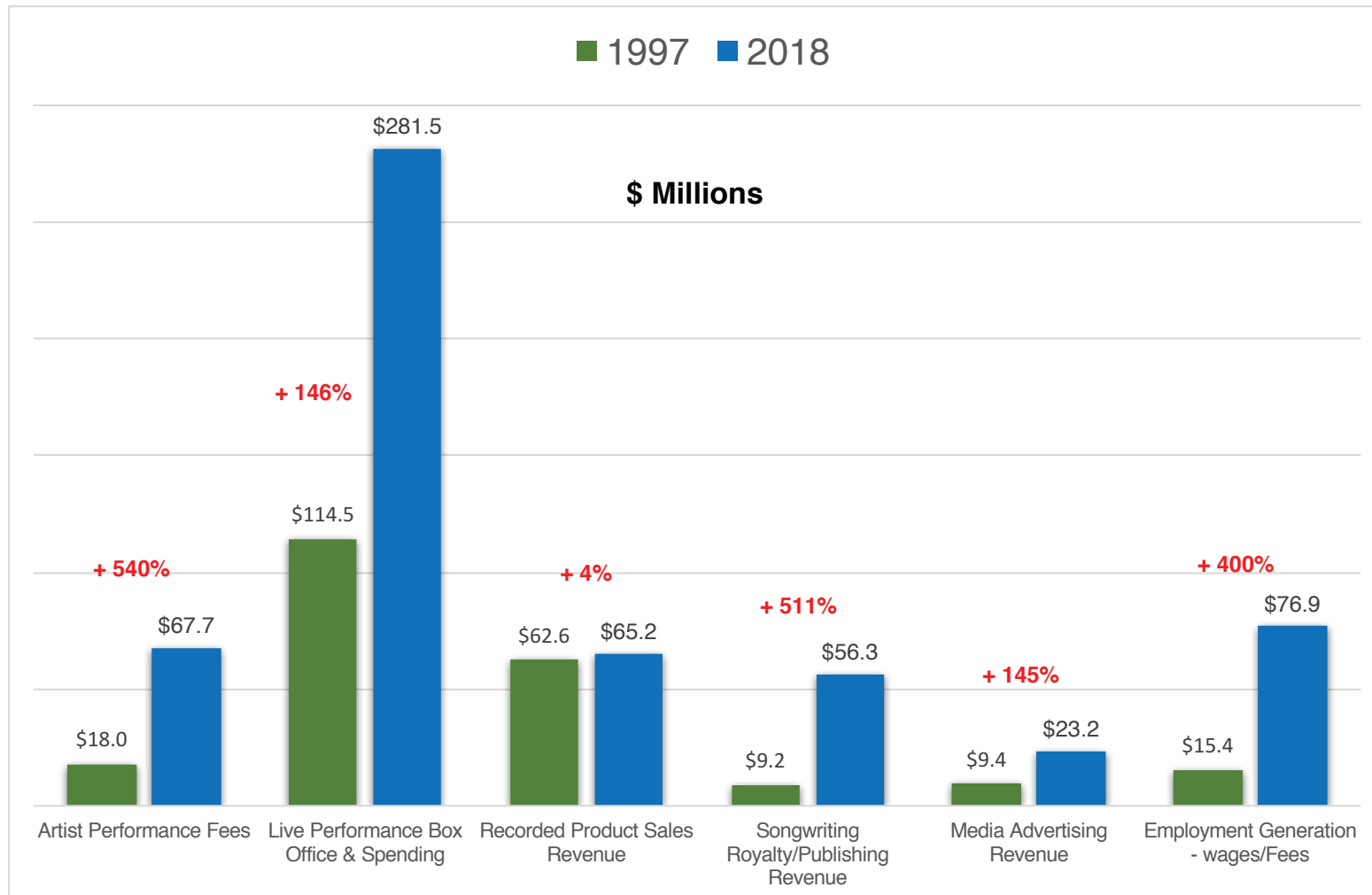
CDs still play an important role in country music. 82% of fans bought at least one in 2018. While ARIA's Top 50 albums (all genres) recorded a 1% decline in unit sales between 2017 and 2018, country music's Top 50 albums in the same period recorded sales growth of 24%, increasing country's share from 15% to 19% of overall sales.

14% of APRA's 99,000 registered writers identified as writing country in 2018. This compares to the 6% recorded in 1997.

AMPCOM reported that in 2018, country music's share of new release product on commercial radio was 14%. In 2000, it was 7.9%.

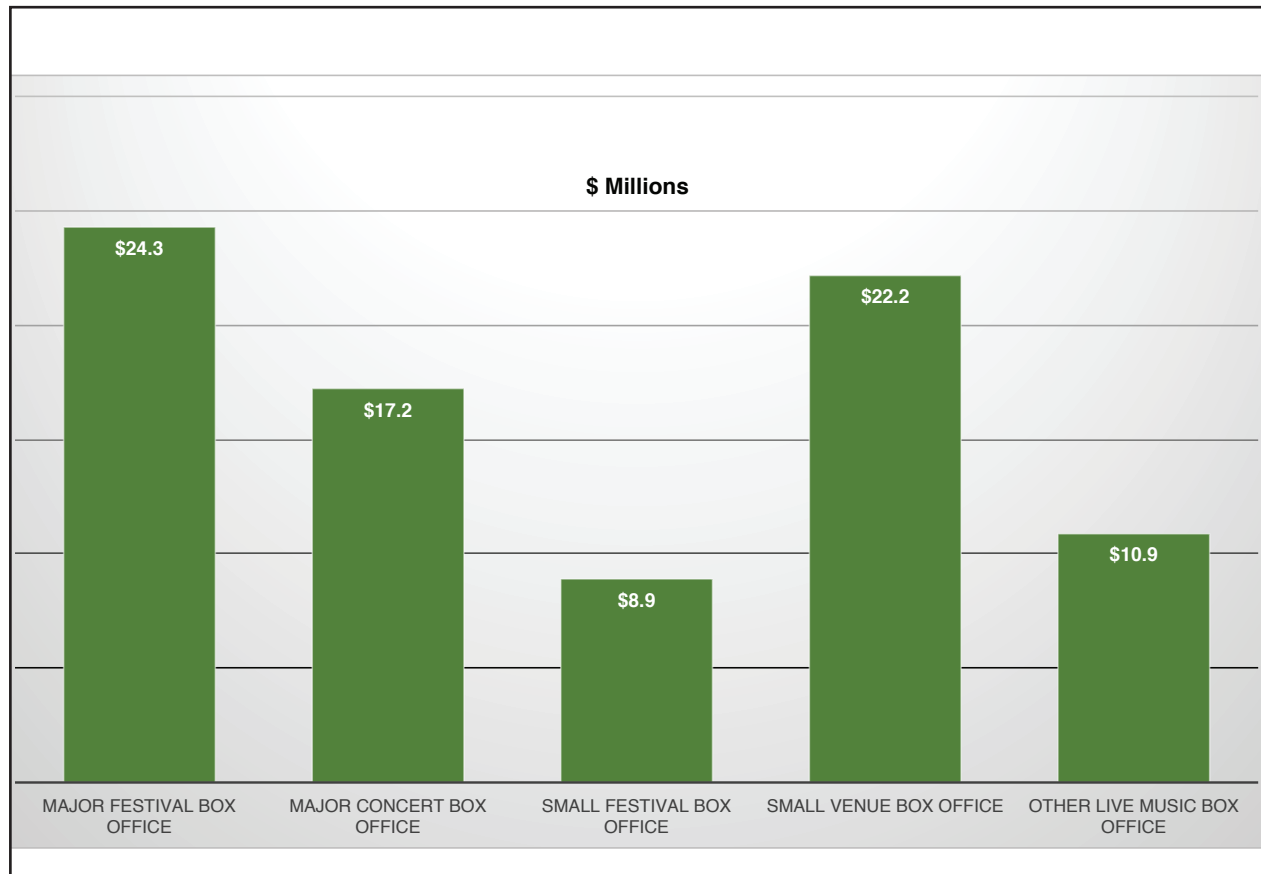
# Then and Now

In every category of revenue generation examined in the original 1997 report, country music in 2018 recorded growth.



# Live Performance - Box Office

In a record year for popular music major event ticket sales and revenue (Live Performance Australia), country music's major festivals - The Deni Ute Muster, CMC Rocks Queensland, Groundwater, Tamworth Country Music Festival and the Gympie Music Muster registered record attendance of 202,000 \*.



Country music artists rely on live performance for the majority of their income.

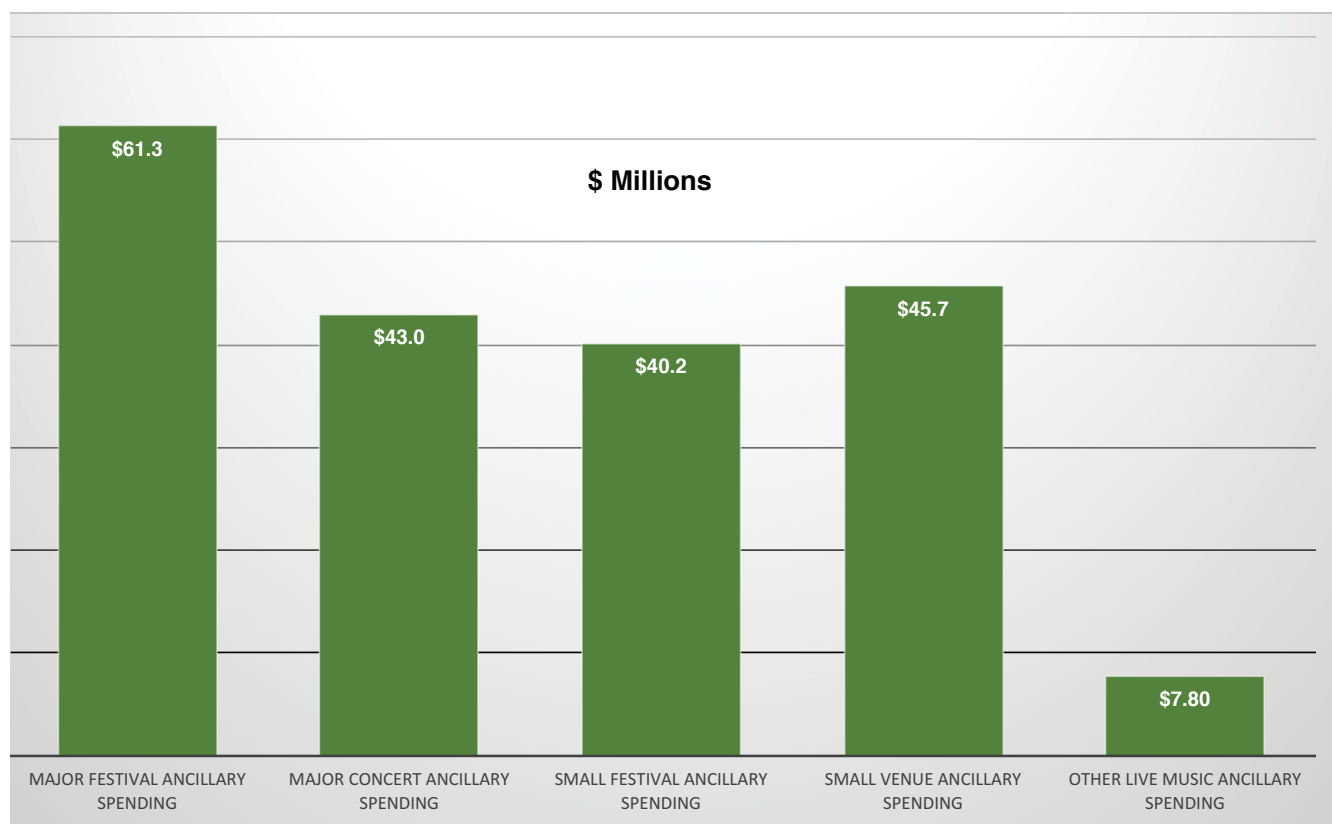
**The revenue generated by ticket sales from performances at large and small festivals, major concerts in theatres, arenas and stadiums and in pubs, clubs and bars across the nation generated \$83.5 million.**

This represented a 200% increase on the revenue generated in the 1997.

\* This attendance figure refers to unique patrons. It does not take into account, for instance, the 370,000 visitors across the 10-day event window reported to Destination NSW by the 2018 Tamworth Country Music Festival.

# Live Performance - Ancillary Spending

This report confirms the findings of a number of other studies\* that the cost of ticket/entry to live events represents approximately 20-25% of overall patron spending. The balance is comprised of outlays on food and beverage, merchandise purchase, travel/transport to and from events and, in the case of major festivals and concerts, accommodation.



Festival patrons spent an average of \$125 on food and beverage, \$78 on Merchandise and \$52 on transport.

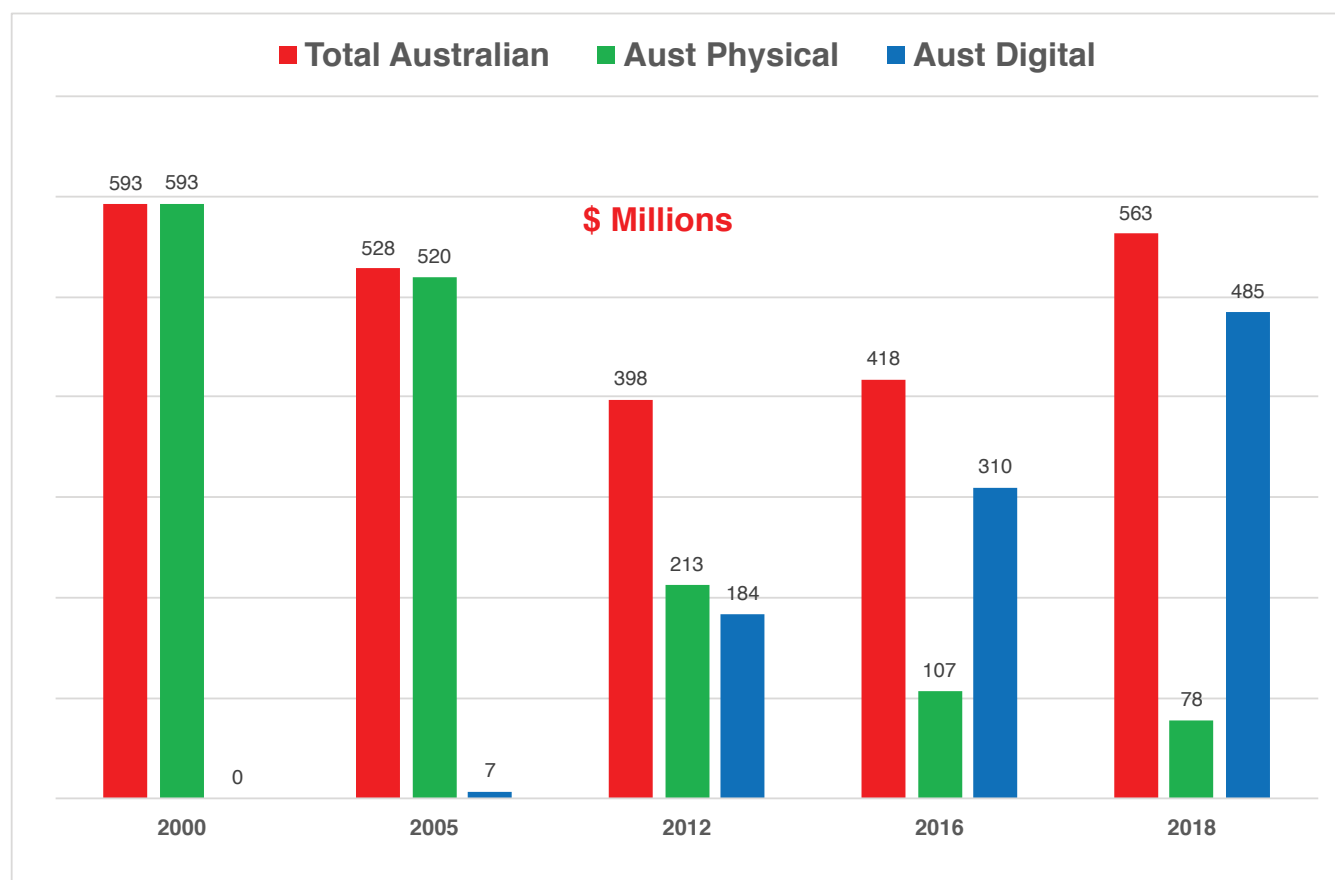
Adding the \$9.3 million spent on accommodation, **ancillary spending at country music live events in 2018 was \$198 million.**

Country music patrons travelling to and from major events, spent an additional \$20 million in local and regional communities.

\* 'Live Music in Australia 2014', 'Valuing Live Music;UK Live Music Census 2017', 'Melbourne Live Music Census 2017'

# Recorded Music

In the last two years, ARIA (Australian Recording Industry Association) has recorded 10% and 12% increases in recorded product sales respectively. The value of the Australian market is now approaching the levels recorded at the turn on the century. Revenue for the sector is anticipated to exceed that 2000 level in 2020.



The dramatic, decade-and-a half decline in overall recorded product value was due to the consistent fall in CD sales, only partially arrested by the introduction of digital downloads.

The equally dramatic rise in revenue from audio and digital streaming has been responsible for resurrecting the sector's fortunes.

Australia is recovering at a much faster rate than most global markets.

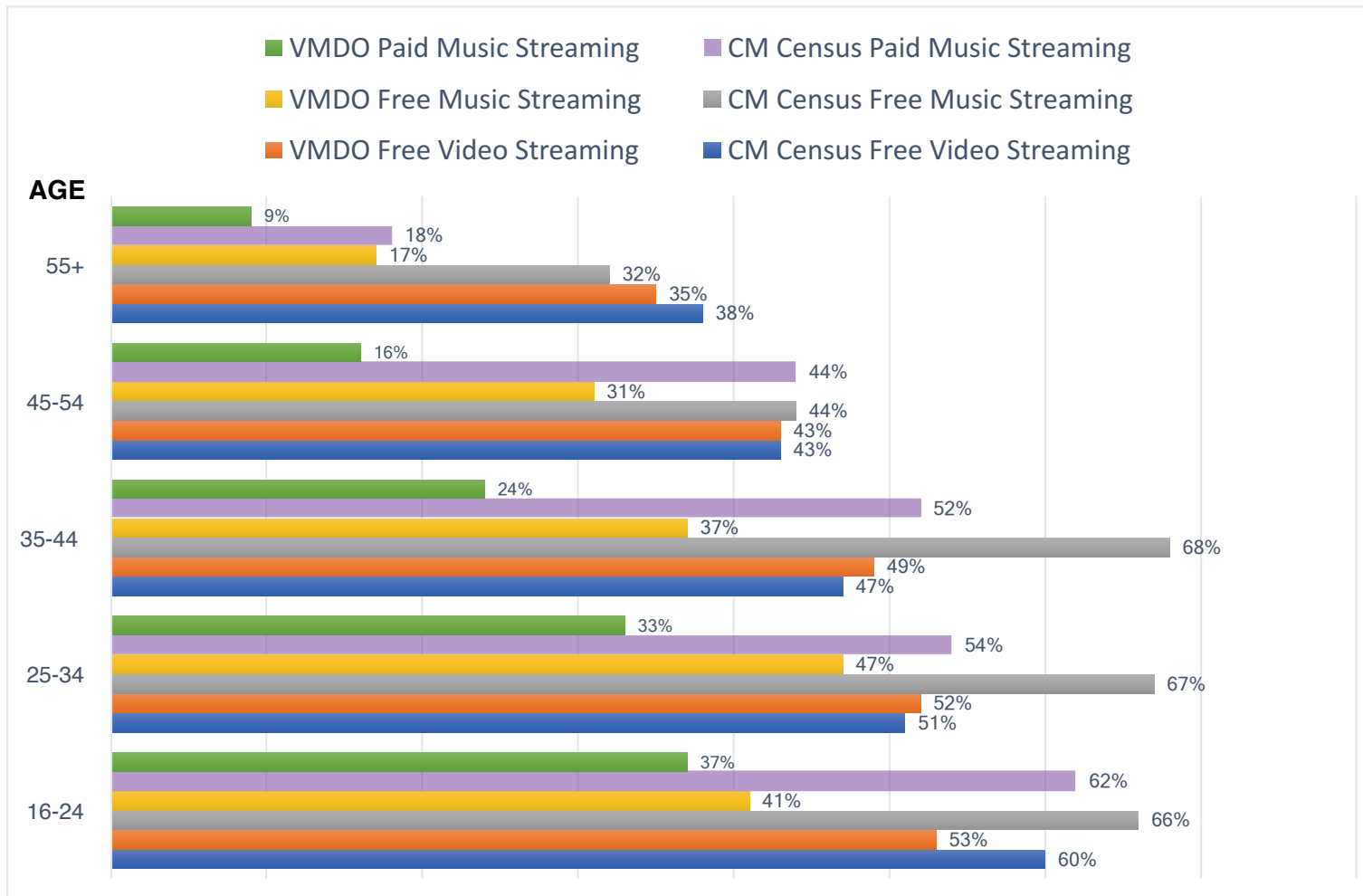
The rise of streaming which now accounts for 71% of Australian revenue is predicted to continue.



# Recorded Music - Streaming

In 2018, Spotify identified Australia as the third most valuable country music territory (after the US and Canada) AND the fastest-growing country music market in the world.

Anecdotally, it is suggested that country fans have been slower to adopt streaming than other music fans.

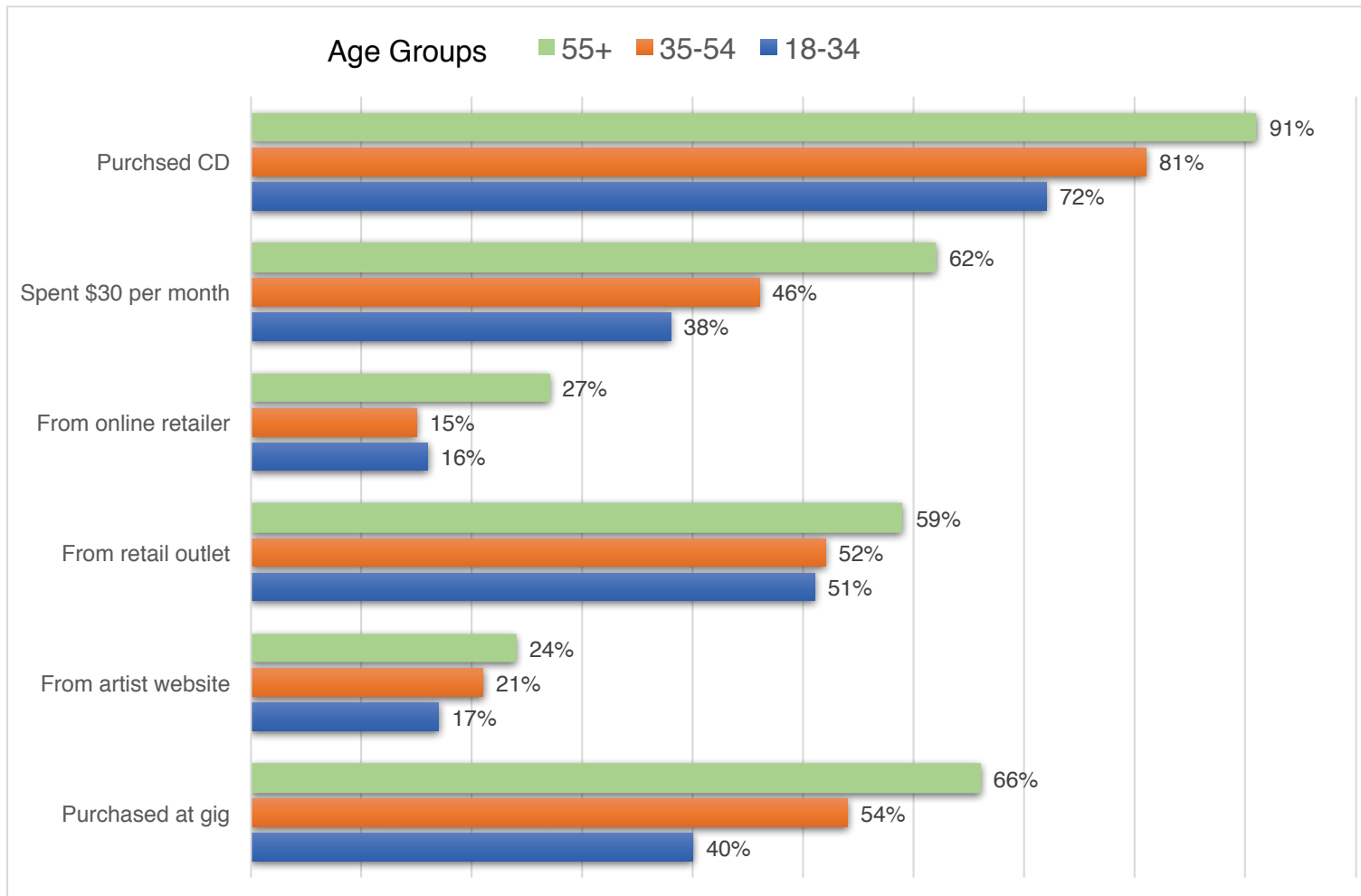


A comparison of our 4,000+ country music fans (CM Census) and the 2,000+ general music fans recently surveyed by the Victorian Music Development Office (VMDO) shows this not to be the case.

The results are consistent across all age groups we surveyed.

# Recorded Music - Country Fans

Even though country fans have enthusiastically embraced audio and video streaming, CD sales are still a significant feature of our genre. Particularly the direct artist-to-fan retail sales at live gigs.



82% of the 4,000+ country fans reported buying at least one artist CD in the last 12 months.

46% of country fans spent \$30 per month on CDs compared to 25% of UK general music fans and 40% recorded by the Melbourne Live Music Census.

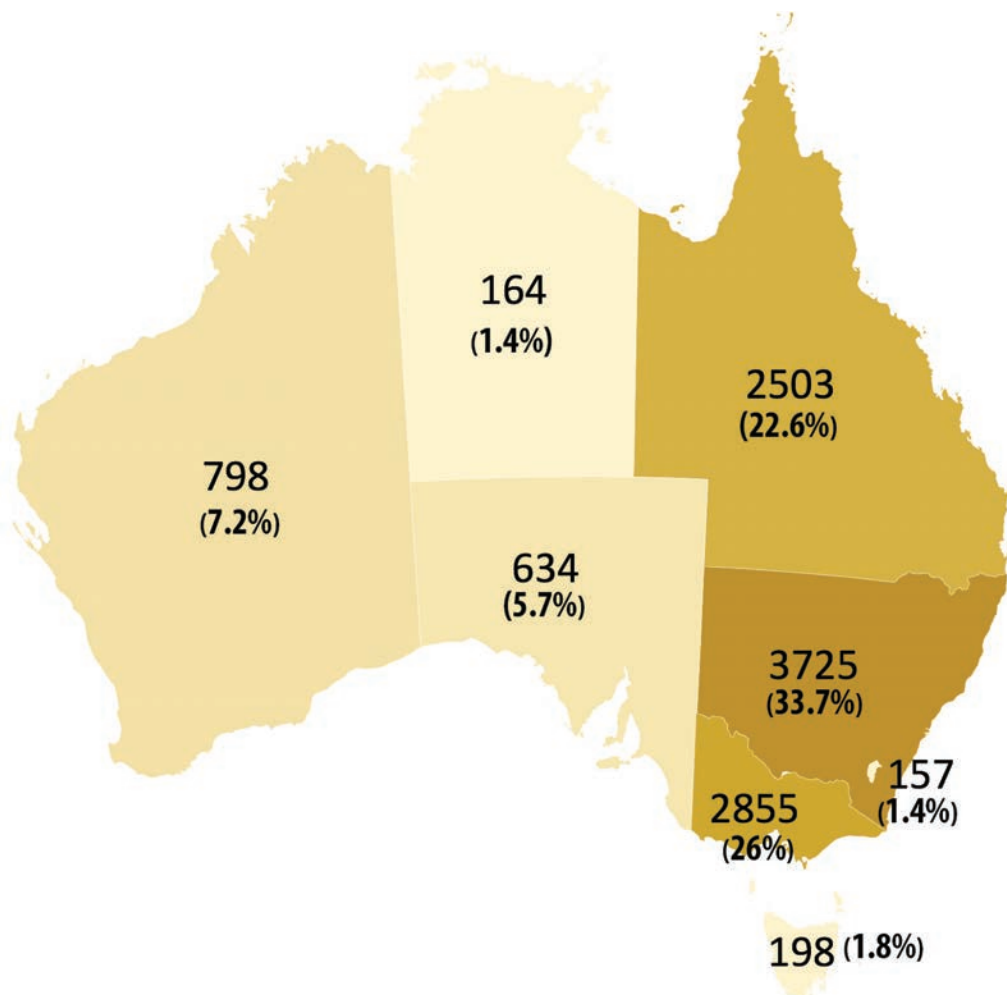
In 2018, from the surveyed group alone the value of artist-to-fan retail was \$4.3 million.

**Total country music recorded product value was \$65.2 million.**

# Songs & Songwriting

In 2018, APRA (Australasian Performing Right Association) had 99,000 registered songwriter members. 14% of those supplying details and resident in Australia (77,000 of the total) identified as country writers. This compared to the 6% identifying as country writers from the 24,000 membership in 1997.

APRA's 11,000 registered country music writers by state.



# Songs & Songwriting - Where they live

In 2013 and 2014, APRA analysed the postcodes of members to determine the top writing locations for each music genre. We have analysed 2018 information to update that list for country writers.

	2013	2014	2018
1	Northcote	Northcote	Tamworth
2	Tamworth	Brunswick	Northcote
3	Brunswick	Preston	Lismore
4	Lismore	Tamworth	Brunswick
5	Preston	Coburg	Central Coast
6	Coburg	Thornbury	Coburg
7	Thornbury	Central Coast	Preston
8	Central Coast	Lismore	Thornbury
9	Surry Hills	Newtown	Toowoomba
10	Leichardt	Marrickville	Gympie

Melbourne's inner northern suburbs continue to be a significant location. 96% of the 582 surveyed country music artists identify as songwriters and 93% are registered APRA members.

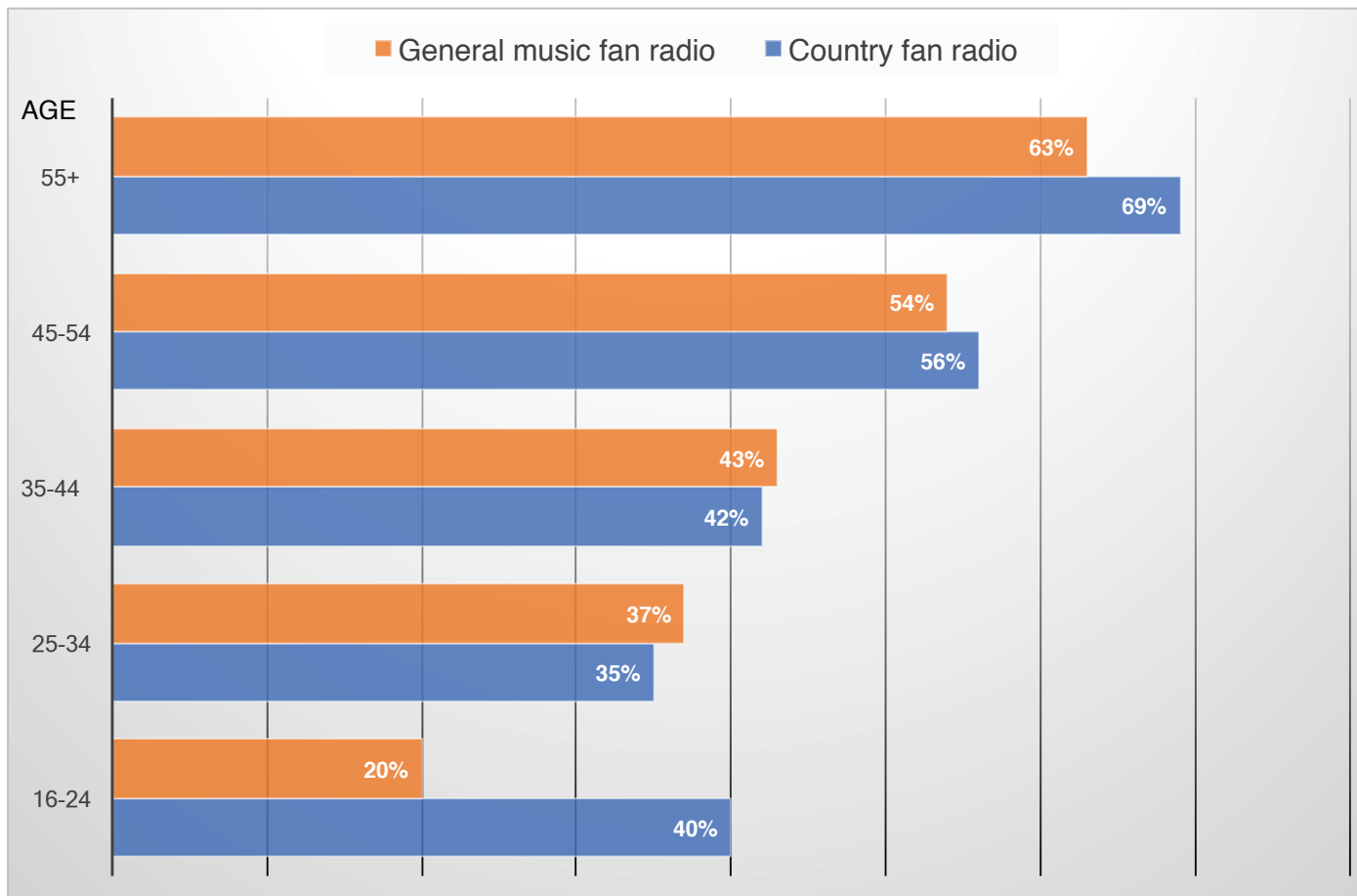
The revenue distributed by APRA AMCOS increased from \$78 million in 1997 to \$363 million in 2018.

**We calculate that country music writers shared \$36.3 million compared to \$5.4 million in 1997.**

**In addition, country music's share of additional publishing revenue reported by AMPCOM was \$20 million in 2018.**

# Airwaves & Airplay

A report by Vision Critical (2017) found that, on average, Australians spent 3.4 hours per week listening to audio. 17 million tuned in weekly to radio - commercial, digital, ABC and, importantly in country music, community radio stations. Radio has been, and remains, an important medium for people listening to their favourite music.



Despite their rapid adoption of audio and video streaming observed earlier, country music fans are no less likely to listen to their music on radio than general music fans.

The comparison here is between the 4,000+ country fans we surveyed and the 2,000+ surveyed for the Victorian Music Development Office's recent Consumer Insight study.



# Airwaves & Airplay

Country music fans have never had so many radio options.

## Some country music radio & listening facts

34% of country fans discover new music through commercial radio, 25% through community radio (including the ABC) and 21% through internet/digital radio.

In addition to general programming on major network AM/FM commercial radio, country music in 2018 enjoyed 145,000 hours on our surveyed 75 community stations and 17,000 dedicated hours across 52 ABC Local Radio stations.

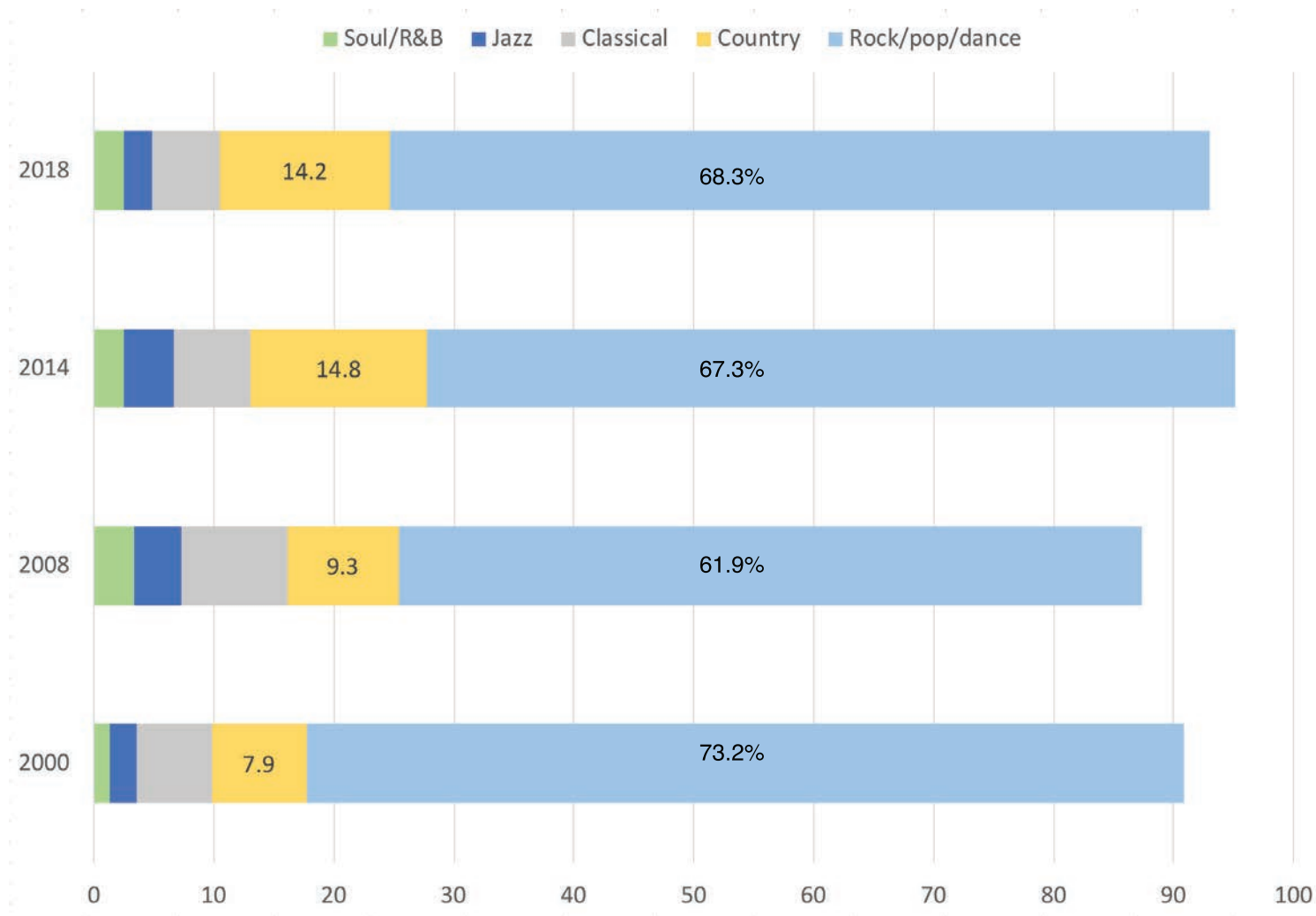
KIX Country network programmed 100% country, 24/7 on 57 AM/FM stations across the nation.

More than 7 million Australians accessed digital radio in 2018. Country music has significantly expanded its offerings through dedicated digital channels - iHeart Country, Triple M Country and the ABC Country, including Saturday Night Country in capital cities.

71% of country music fans aged 55+ years prefer listening to music by Australian artists, 58% of those aged 35 to 54 years and 46% of those aged 18 to 34 years.

# Airwaves & Airplay

AMPCOM (Australian Music Performance Committee) reports annually on new release Australian music content on commercial radio. In recent years, country music has substantially increased its airplay share.



# Airwaves & Airplay - 2018 Chart Highlights

The success of Australian country music artists and their music across the sector's various businesses and activities, was reflected on that most obvious of 'popularity polls' - the airplay charts.

Morgan Evan's followed in the footsteps of Keith Urban, achieving #1 on the US country airplay chart with his debut single 'Kiss Somebody'. By year's end it had sold 500,000 units and recorded 52 million streams. The follow-up 'Day Drunk' was heading in the same direction, with many industry observers and pundits naming him the 'next big thing'.

On the local scene, Urban's 'Parallel Line' spent 21 weeks at #1 on The Music Network Hot Country chart and Evan's followed with 'Day Drunk' recording 23 weeks in the top spot. By the end of the year, 'Day Drunk' also topped the all-genre Hot 100 chart, becoming the first song by a country music artist to do so since Taylor Swift in 2009.

But they weren't alone -

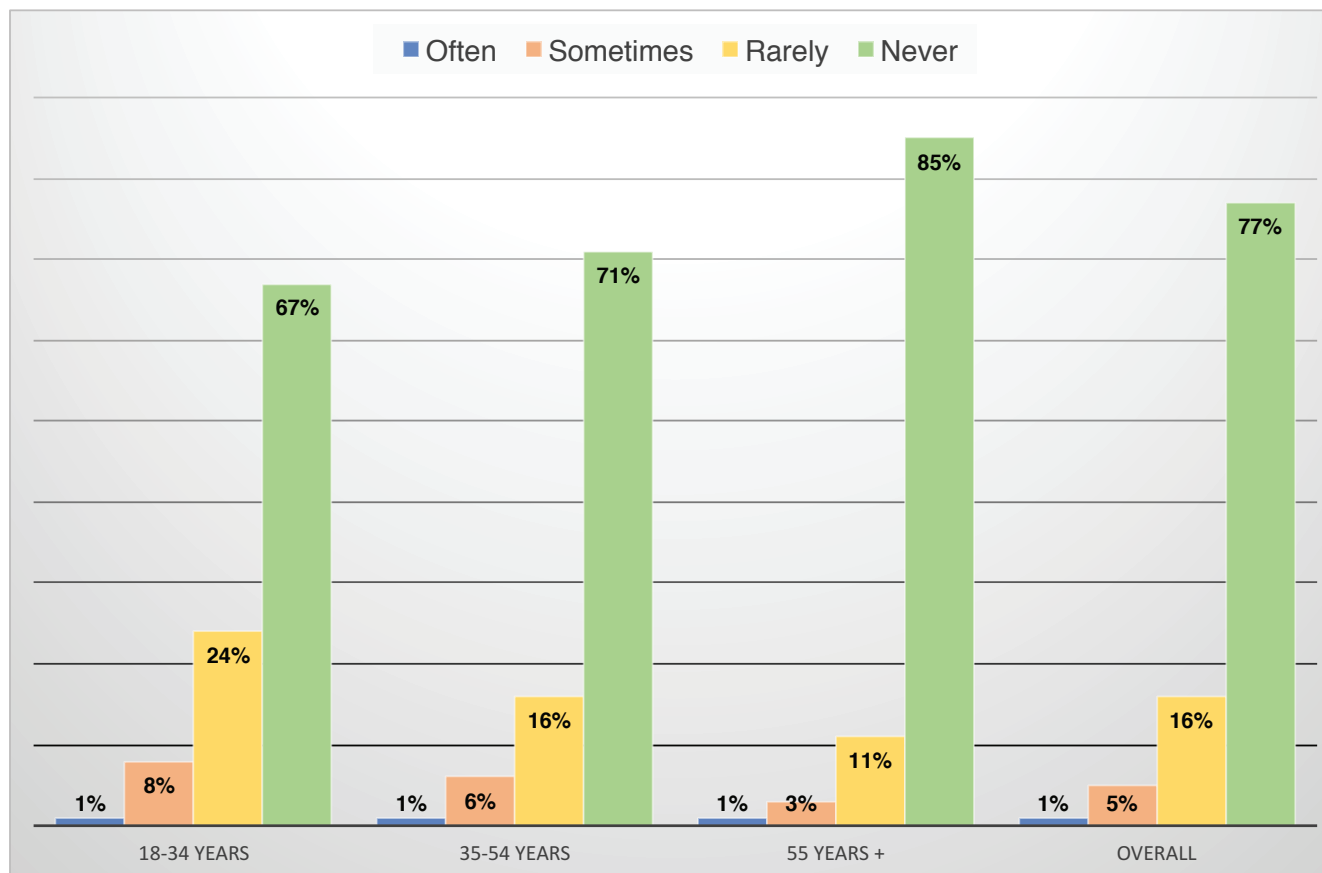
Of the 40 tracks that spent most time on the TMN Hot Country chart in 2018, 20 were by Australian artists, including 4 of the 5 that reached #1.

Radio Monitors report on AM/FM and digital station airplay. Six of their Top 10 tracks for the year were Australian, with Morgan Evan's 'Day Drunk' at #1 and The Wolfe Brothers 'Ain't Seen it Yet' at #2. The Top 10 tracks recorded 24,000 + plays across the six monitored stations in 2018.

And we continue to honour our pioneers. 'The Best of Slim Dusty', released in 1997, recorded its 1000th week on the ARIA country chart and was the 10th best-selling Australian album for 2018. A record unlikely to be broken in the foreseeable future.

# Country Music is a safe place !

We asked country music fans whether they had ever felt 'uncomfortable or unsafe' at a country music event or venue.

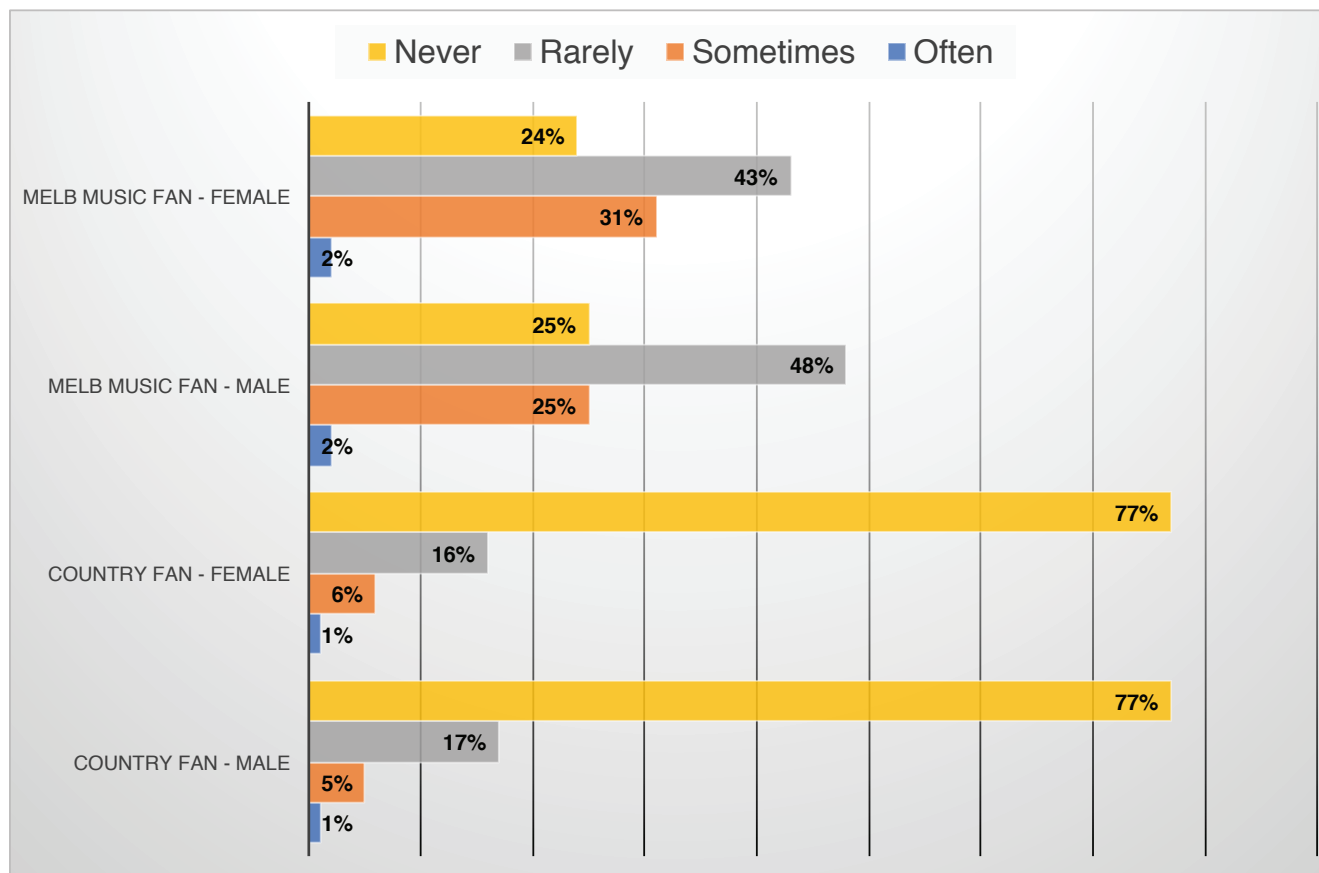


There was hardly any variation across any of the age groups, nor any significant variation based on gender.

90% of male and female country fans feel overwhelmingly safe and comfortable at country gigs.

# Country Music is a Safe Place !

We were able to compare our findings with those from the Melbourne Live Music Census 2017 which surveyed general music fans on the same question.



We note that although the VM-DO's 'Consumer Insights' report did not ask exactly the same questions, 21% of their surveyed fans reported not going to live gigs because they felt 'uncomfortable' in the venue.

A further 16% reported not going because they did not like attending on their own.



# Summary & Conclusion

With the C2C concert brand soon to debut in Australia and add to the record crowds already attending major country music festivals and concerts, audience spending at events and in local communities is set to increase. An ever-increasing number of songwriters are composing in the country genre and sharing, with publishers, in increasing APRA AMCOS royalty revenue.

Country is sharing in the streaming-led resurrection of the fortunes of the recording sector. While more fans are listening to more country music on radio and smart devices, they're still buying CDs, especially at gigs.. The country music sector experienced significant growth in 2018 and all indicators suggest it will continue to do so.

## Country Music Sector Value 2018

Artist Performance Fees	\$46.6 million
Live Performance Box Office & Spending	281.5 million
Specialty Event Tickets & Spending	\$9.3 million
Recorded Product Sales Revenue	\$65.2 million
Songwriting Royalty/Publishing Revenue	\$56.3 million
Media Advertising Revenue	\$23.2 million
Employment Generation - wages/Fees	\$46.9 million
Additional Community Revenue	\$45 million
<b>TOTAL</b>	<b>\$574 million</b>





Thanks to all those who participated in the various Country Music Census surveys and shared their information, insights and opinions.

Any omissions, oversights or errors are solely the responsibility of the author.

This document, the Executive Summary and the Full Report are available for download from  
[www.country.com.au](http://www.country.com.au)

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