

## Editorial

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The music business is one of the most international of all the cultural industries. Music, industry practices, and people travel easily across country borders and the major music companies are dominating national music markets across the globe. However, at the same time the music industries in different countries are very idiosyncratic. Music is an ingrained part of a country's history, its culture and heritage. One aspect of this idiosyncrasy is related to how creatives, audiences and music organizations are affected by and is able to take advantage of the ongoing digitization of society.

This special issue takes its starting point in this observation and turns its focus on the music economy in Australia. Some of the peculiarities of the Australian music economy are influenced by its colonial history and its cultural proximity with nations such as the US and the UK. Australia is a much smaller market than these two music industry giants and experiences similar challenges as other countries that share cultural traits with a bigger neighbor. Other examples of such countries are Canada, Austria and Belgium. Since the cultural barriers between for instance Australia and the UK are very low, the music scene in the smaller country is often dominated by an influx of music from the bigger. Another side of this dynamics is the fact that musical talent tends to abandon the smaller country to seek their fortunes in the bigger one. Australia has certainly had its share of these difficulties and has been heavily influenced by the US and British music industry after World War II.

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Australia nevertheless has been a pool for talents such as the Bee Gees, Olivia Newton-John, AC/DC, INXS, Kylie Minogue, who started their careers down-under but gained international success via the US and the UK. However, times change and we experience that Australian acts like Gotye break internationally directly from Australia circumventing the US- and UK music industry.

At the same time though, Australia is far away from these major markets, which makes it historically difficult for major artists to travel to Australia for promotion and touring. As a consequence a vivid local tradition of music production, distribution and consumption has emerged including a number of specific Australian music genres, such as local version of folk and country music, but also a unique classical music scene. The relative "isolation" of the past decades enabled the emergence of important regional music festivals, but also fuelled a vivid independent label scene. In the last few years, indigenous musicians such as Yothu Yindi, Geoffrey Gurrumul Yunupingu and Jessica Mauboy were fully recognized not only in an artistic but also in an economic sense, if we consider their chart successes.

Whereas regional and local broadcasting stations, e.g. the Australian Broadcasting Corporation (ABC), played a significant role in promoting local repertory in the past, digital technologies change the rules of the game. For instance, success in the past was measured by the amount of airplay a song was able to get in these radio stations, and the ultimate measure of success was the ability to build an international career. In this special issue, Hughes et al. argue that success in the Australian music industries are determined by other measures than an artist's ability to expand to overseas markets. For instance, DIY artists in the digital age measure their success in their ability to raise funds from crowdfunding campaigns and raising fans via social media.

Australia is a large country that is not only far away from most other advanced music markets in other countries, but the distances within the country are also substantial. This is an aspect that is investigated in the second paper in this special issue. Phillip McIntyre and Gay Sheather turn our attention to the local music market of Newcastle in New South

Wales. The paper is an ethnographic study that shows how Newcastle has been shaped, not primarily by its position in relation to other national markets, but its geographic and mental relationship with the larger local music industry in Sydney and Melbourne. This study has many parallels to studies of other music cities that have similar dependencies to a larger and stronger city, such as Liverpool to London. McIntyre and Sheather highlight that the need for international recording artists to go on tour – due to the decline of the recorded music market – and the loss of performance venues in the city *"... has meant the opportunities for the local music industry continue to shrink. This has resulted in musicians in Newcastle having to diversify the array of services they offer while also coping with a loss of income from their traditional sources."*

In the digital age, hence, the artists' managers are challenged to find different, innovative approaches to channel money from several sources to their clients. The management role has, thus, become more important than ever and therefore the manager-artist-relationship is crucial for success. Guy Morrow, who by himself is a very successful manager of the ARIA-awarded and platinum selling Australian band Boy & Bear, conducted a study on the need for a regulatory framework that governs the role of the manager and his/her relationship with the artist. As a starting point he analyses the Entertainment Industry Act 1989 of New South Wales, which provides regulations to protect artists from unfair business practices. In analyzing 18 interviews with internationally renown artist managers, he comes to the conclusion that artist management practices cannot be consistently regulated by legislation. Instead, Morrow, advocates for self-regulation that should be based on binding guidelines and educational measures.

The articles in this special issue on the Australian music economy make a solid contribution to our understanding of the music industries in a nation where physical geography still matters, even though digitization is throwing its disruptive forces at the creatives, the audiences and those that make a living connecting the two. This special issue of the International Journal of Music Business Research (IJMBR) perfectly complements the recently published volume ["Music Business and the Experi-](#)

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[ence Economy. The Australasian Case](#)", edited by Peter Tschmuck, Philip L. Pearce and Steven Campbell, which is the first book on the Australian music business from an academic perspective.

The IJMBR is aimed at all academics, from students to professors, from around the world and from all disciplines with an interest in music business research. Interdisciplinary papers are especially welcomed if they address economic and business related topics in the field of music. Thus, we look forward to receiving as many interesting papers as possible and request that you send papers for consideration to:

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