Value-creating relationships and alternative forms of capital as tools for network analysis in creative economies

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Abstract
Building on the relevance of alternative forms of capital, like social, cultural or aesthetic capital, in the networks of the music economy and Castells notion of value as anything that can be circulated in networks, this paper conceptualizes value-creating relationships that, other than industry, firm or market views, allow for a case focused qualitative analysis within these networks. Alongside the terms of social and cultural capital are modified to fit the exchange value focused angle on the subject as they before where used in class or power related contexts by Pierre Bourdieu.

Application of the model in first empirical studies in two networks of musicians and music related actors will then identify relevant non-monetary forms of value and capital as well as processes of value creation and the underlying conditions for this particular forms of value creation. The findings will then shortly be concluded to lay out possible directions for a discussion of creation and transformation of value in an on-demand culture.

Keywords:
Value creation, creative industries, music economy, cultural capital, social capital, on-demand culture
Introduction
Last year’s conference at the Vienna Music Business Research Days (2012) and the following October issue of the International Journal of Music Business Research involved among others a discussion of music economies from perspectives based in communication sciences and media studies. Here it was stated that an important factor of value creation in contemporary and future music economies is less about markets, money and big players but the game of networks, non-monetary values and individuals called prosumers (Winter 2012) and artrepreneurs (Engelmann, Grünewald & Heinrich 2012). These seem to be exchanging and accumulating kinds of value that differ from money or services, in an economy that is smarter and more social than a capitalist, market oriented music industry, because it can finally be organized by increasingly common people through digitally networked media platforms like Facebook, Skype or Soundcloud.

Following up on these approaches this paper shall conceptualize the exchange of these alternative forms of value and capital to develop a model of value creation that could offer a first approach to better understand the processes and structures of exchange and creation of value in these networked economies. In order to achieve this, a theoretical foundation will be laid out by connecting Castell’s definition of value in the information age, Bourdieus and Lins work on alternative forms of capital, Dyer and Singh’s Relational View and last but not least Winters work on the on-demand culture.1

Value in communication networks
The cognition that economies become more and more organized in networks is not a new one anymore. This is especially the case in what is oftentimes called the creative industries. And with it: The music economy. Here even hierarchically organized players like the ‘Major’ are webbed into networks of personal knowledge and interaction (Power & Hallencreutz 2005: 18). The bigger part of

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1 A lot of the contents of this paper has been taken from my master thesis which can be downloaded in German language. http://goo.gl/ZoGeq
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the music economy however is constituted by networked actors like freelancers, artrepreneurs, culturepreneurs, clubs, galleries, events etc. (Lange 2007: 21f). This is shown in several academic publications (e.g. Lange & Bürkner, 2010 & 2012, Paulus 2012) and studies regarding the German creative economy (e.g. Söndermann, Backes, Arndt & Brünink, 2009: 7).

This paradigm shift towards networks as the dominant form of organization has been observed and conceptualized by Manuel Castells work on *The Information Age* (2001). Here he impressively shows that the rise of networked micro-electronics allowed for the organization and thus reduction of bigger levels of organizational complexity than markets and hierarchies could have achieved. Having in mind Luhmann’s (1994) important notion, that new communication media allow for the reduction of the improbability of communication, it is important to think of networks, as Castells does, as complex structures of communication. This way one can better understand the impact of communication media and in this case digitally networked ones, onto these economies because they are not only transforming the organizational structure but also the very nature with which value is being constituted within these organizations.

Because networks are programmed with sets of codes that are specific to a network itself and that are followed and reproduced by its constituting actors, also "[t]he definition of what constitutes value depends on the specificity of the network, and of its program" (Castells, 2009: 28). Thus in contrast to Marxist thinking value is not being negotiated by society through markets and via the symbolic code of money, but within a network itself and by communication via different or additional symbolic codes. Keeping in mind however Marx definition of capital as value that exploits itself, the above mentioned shifting relevance to alternative forms of capital can be explained by a shift of forms of value to cultural and social ones. These now seem to be exchanged can be exploited to drive value creation (cf. Marx 1972/1890: 165). To apply these forms of capital onto networks in which actors ‘use’ these kinds of value, a short discussion of the concepts of cultural and social capital is necessary.
**Alternative forms of capital as factors of production**

Besides the constitutional factor of media on the organization of networks, digitally networked media can, as Winter (2012) shows, be conceptualized as the means of production with which not only musicians, but an increasing number of common people are empowered to create social and cultural value for themselves and their networks according to its program. However this shift in the relations of production not only empowers a lot of people to create value. Within their networks they are forming and controlling their ‘own’ kinds of capital that Lin likes to call the “neo-capitalist forms” of capital (1999: 29). These forms of social and cultural capital become an increasingly important factor of production for the value creation processes in these networks, as research in the Berlin music industry indicates (Winter 2012; Lange & Bürkner 2010 & 2012). This can be clarified if cultural and social capital are not treated as collective assets as Bourdieu does, but as a process of investment and accumulation.

Pierre Bourdieu, who was one of the first to develop and use the terms of social and cultural capital for his *Distinction* studies. He states that economic sciences have “prevented the constitution of a general science of the economy of practices, which would treat mercantile exchange as a particular case of exchange in all forms” by blending out all forms of exchange that are not instantly expressible in, or transferable to monetary terms (Bourdieu 1986: 47). Bourdieu here defines social capital as “the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of acquaintance and recognition” (id.: 51). His

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2 This concept of media as means of production is a very powerful one and important for this papers argumentation. It shall however not stay uncriticized that „the owners of new media as owners of the new means of production“ (Winter 2012: 58) may not be the ‘real’ owners at all as discourse around privacy and more importantly the constraints, that are sometimes put on people’s use of meaning within these media platforms indicate (for example Reißmann 2013; Horchert 2013; Bück 2013). This indicates need for a deepened discussion about the capability of Marxist terms in this matter.

3 For a detailed example of how social value is being created by common people though *conveying* music to friends see the paper of this years participant Joachim Haupt. Here also an example is given on how economic value is being created by a form of co-production of Spotify and its users. Also in more detail: Haupt 2012.
concept however is a functional one that mixes cause and effect\(^1\) and thus might well be suited for his studies about the reproduction of class and power relations, but, as Lin argues, less for systematic analysis of exchange. This is why Lin (1999) writes that "social capital, as a relational asset, must be distinguished from collective assets such as culture, norms, trust etc." (p. 33). It seems wise to follow him in redefining social capital in more technical Marxist terms: As an investment of capital and as accumulation of capital through creation of surplus value. This separates Bourdieu's problematic mixup of the micro (actor) and meso (network) levels and makes it suitable for detailed analysis. Here social capital can be defined as bundles of social resources that can be invested by one or more actors and that creates a surplus value that can be accumulated. Resources in this case are values controlled by actors and social value is value that opens up new scopes of action for people because of changes within their relationships.\(^5\)

The same operationalization is applicable for Bourdieu's concept of cultural capital, which he treats a kind of education capital where groups produce and reproduce symbolic codes that legitimate their hegemonic dominance in a class society. Cultural capital can, as Bourdieu suggests, exist in an embodied state (as abilities), an objectified state (e.g. as cultural goods) and, although for networks in the music economy probably less important, institutionalized state (e.g. academic titles). Following the definition of social capital above it shall be treated as bundles of cultural resources that can be invested by one or more actors and that create a surplus value that can be accumulated. Cultural values here shall be defined as values that enable people to better orientate themselves and differentiate themselves from others. One empirically identified value that is used to culturally ‘charge’ cultural goods like music, clubs or events is reputation. Lange & Bürkner (2010 & 2012) show, that

\(^1\) "The profits which accrue from membership in a group are the basis of the solidarity which makes them possible" (Bourdieu 1986: 51).

\(^5\) Although confining Bourdieu's definition of social capital, this definition is although a much wider one as Bourdieu's social capital is about the amount of resources within ones relationships (that can be mobilized). This is why Schechler (2002) argues that it can be treated social capacity rather than capital. As a consequence my definition is a qualitative one that allows identification and differentiation of several forms of social value and treat them as capital (p. 45f). This definition however is not without its flaws as also the possession of economic values will probably alter ones relationships. Therefore I am open for discussion on a better-suited definition of social value for this context.
reputation is being invested, exchanged and accumulated between the actors of the electronic dance music scene in Berlin. The usage of these kinds of capital in the creation of value can be called non-monetary value creation.

**Conditions of non-monetary value creation**

Several conditions must be met for capital to be formed. Probably the most obvious one (or maybe the least obvious one?) is the existence of the code money to form money capital. This also accounts for social and cultural capital where norms and values like trust, reciprocity and sometimes collectivism are a basis for forming social capital (Coleman 1991; Arnold & Schneider 2008: 200; Lin 1999: 33). Specific cultural codes that have to be learned and mastered and that are valuable (or devalued) in specific cultural and social contexts are a condition for cultural capital (Bourdieu 1994/1987: 32; Bridges 2009: 95; Prieur & Savage 2011: 571). Similarly it was cited above, that the definition of value is constituted by a network's program and its codes. A conceptual merger of these two notions might be useful, but is not within the objective of this paper. The importance lies in the cognition that alongside certain values and thus capital, there are always certain conditions present for these values to be formed and that they can and should be identified and analyzed in order to deepen the understanding of value creation in networked economies.

**Value-creating relationships**

After the operationalization of cultural and social capital for this exchange-based perspective it seems prudent to clarify the value of networks for actors in a music economy. Neither technology nor networks determine their actions (Castells 2001: 5). Their intentional and oftentimes strategic use of digitally networked media to build relationships and consequently networks opens up new scopes of action and clear advantages for their ways of doing business and value creation. The notion of new scope of action through relationships is of

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6 Reputation of course can also be treated as a social value as well, as it influences the relationships of its carrier.
course part of the definition of social capital itself, however from a perspective of value creation it seems better to build on research that is less abstract and draws from empirical work on value-creating structures and processes.

Here 15 years ago Dyer & Singh (1998) published their prominent article The Relational View that showed that certain relationships between firms that excluded the market by working together very closely and on a basis of trust and self-imposed obligations were able to gain significant competitive advantages. Knowledge between firms could be shared and scarce resources could be complemented. Here, value could be created by companies like Coca Cola and Nestlé through dismissing markets and by forming social capital. Although this insight was drawn from work on an industry and not necessarily on networks, I believe, that- and first empirical data backs this up - this is what is at work when inside the music economy value-creating relationships are being built. The immense scope of action that is opened when people use their connectivities (see footnote 7) to complement their resources was shown in great detail in Benklers (2006) Wealth of Networks. Here he analyzed the formation of success-stories like Wikipedia or Linux. (Non-monetary) value creation processes thus are not only about exchange of social and cultural resources (or maybe even less?!) but also about complementation. This opens up another dimension in an analysis of two or more actors with regard to their value-creating activities: The qualities of their relationships.

To analyze the quality of two or more actors relationships, rather than taking the criteria from the Relational View which can be applied to firms but that are less applicable to individuals, social sciences offer several terms that may be suited. Perhaps most popular is the differentiation between strong and weak ties that describes the redundancy with which actors exchange information as well as shared time and emotional involvement (Granovetter 1973: 1361). Other tools are multi or uniplex relationships that describe the amount of shared areas of interaction (e.g. work and sports) (cf. Kapferer 1969: 226, cf. Kähler

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7 The concept of people building and closing relationships not only to other people but to meanings, networks etc. through digitally networked media was introduced as a new Connectivity of people and it expalins why media and relationships should not be separated here where we talk about social and cultural value (Winter 2006: 211ff).
1975: 286) and also the distinction between homo- or heterogeneous relationships (Jansen & Wald, 2007: 194f)

Value creation models

After operationalizing the terms of social and cultural capital with which value can be created and after identifying the wealth of relationships that allow for complementation of these alternative resources, the last missing element towards a model of value creating relationships is how? Here it is helpful to follow in the footsteps of Wikström (2009: 49f) who displays value activities just like the ones from Michael E. Porters (2010/1985) value chain but broken down into value activities that are webbed into a network. Similarly Winter (2012) uses these activities in his Open Networked Value Creation Model (p. 66). Here he analyzes how prosumers and artrepreneurs under usage of their cultural and social capital create value in connection with their use of digitally networked media.

Drawing from Winters model while adding the networked constitution of value, my definition of capital and the relationships of networked actors, I developed a new model to specifically analyze value creation with regard to the quality of the relationship, the underlying conditions and specific, yet to be identified alternative forms of value and capital.

Application

The developed model has been used to study the value-creating relationships within two fractions of two networks in the German music economy. Firstly one a network of music producers and music production students in Northern Westfalia and secondly one band – now signed with Warner - their management and collaborating artists/producers. The data was collected in seven in-depth interviews about the value creation processes and activities, the norms and values of the individuals and networks and their relationships towards other actors. The actors were recruited by interviewing one starting actor and then let him suggest partners with that he had build value-creating relationships for
further recruiting. Doing this, two very concrete networks could be analyzed. However, I was unable to recruit actors that had a \textit{weak} relationship with the actor who recommended them. Evaluation of the interview transcripts was done by qualitative analysis. Here, main categories for coding – like inputs and outputs of cultural capital, conditions for value creation, or relationship quality - where derived from the theoretic work while the codes within these categories where mainly defined through induction from the material. After recoding the material with the newly won codes, the structured data was then used to formulate hypotheses and conclusions.\footnote{A more detailed description regarding the research design can be found in the original thesis: \url{http://goo.gl/ZoGeq}}

\textbf{Conditions for value-creating relationships}

Starting with the analysis, the identified conditions for forming value-creating relationships between the actors shall be outlined. Conditions can be normative – as codes that actors follow and expect to be followed – as well structural.

On the normative side findings of the above-mentioned authors could be confirmed, that \textit{reputation} (both in a social and/or a cultural dimension) is one necessary factor in these networks, because it decreases unpredictability and allows actors to take risks through investing resources. Reputation, not as a norm but as capital, is accumulated by working together with reputable actors or on reputable projects. It can be reinvested into value-creating activities, e.g. by reputable actors who engage in activities like cameos or appear as featured artists.

Another condition for value-creating relationships and thus non-monetary value creation is the \textit{value of aesthetic quality}. Though this was stronger in the network around the interviewed band, both networks showed that missing overlaps of aesthetic ideals lead to network closure, canceling of relationships or social sanctioning. While the actors of the band negated commercially oriented music and musicians, the interviewed music producers had no problem with that. Here however, actors were not proud to be involved in German ‘Schlager’-Music, which is why they try not to stress it.
A third condition can be described as commitment. The interviewed actors used notions of commitment to being an artist or musician on several levels. Both in their arguing – “because it is an attitude towards live” – as one actor said and also in their way of making sense of their own actions. E.g. in legitimizing their identities. The well-known music producer said:

Who is not capable to deliver this or who is not ready for it or who says: ‘This is not at all for me’. I have to say: ‘Then go and rethink your position... or your job!’. This is indeed less a job... You have to adore it.

Commitment here works as a catalyst for trust-building. As the risk of failure of a value-creating relationships always involves possible losses of investment, actors are more likely to trust one another of being capable and willing to build durable value-creating relationships if they can communicate their commitment e.g. through enthusiasm towards an activity and being a musician. As commitment is a code that has to be communicated between actors and within networks, it became clear that money, as a symbolic code that reduces verbal communication, seemed to undermine the value-creating practices of the interviewed actors. Actors oftentimes do not mention any economic motivation for engaging in value-creating relationships and state that actors who appear to do so are distrusted.\(^9\)

On the structural side of the conditions for non-monetary value creation, actors are embedded in a net of differentiation and labor division. As differentiation can be described as cultural capital actors are driven to differentiate themselves from others and to accumulate reputation for it. Here conflicts can arise when cultural capital is accumulated that does not match ones or the networks aesthetic ideals. One actor for example stated that he much rather would produce popular music instead of rock and metal although he is very successful in accumulating reputation for those musical styles by centralizing his social capital at a record studio that he had built. Besides cultural differentiation also functional differentiation is possible. Actors also specialize in various roles

\(^9\) Of course money is earned in these networks and economic value is being created but the interviews made clear that it can only be seen as an additional set of value to cultural and social ones not as a primary driver of value creation.
needed in their production processes (e.g. artist, producer, studio-musician etc.). These modes of differentiation lead to a productive structure of interdependency that can be understood as networked division of labor.

As economic values and codes are not primary drivers of value creation within these networks, differentiation is not the only condition to be met. The interviews showed that most value-creating relationships need spaces of economical freedom. Outside of these relationships actors are engaging in activities\(^\text{10}\) that often bear little or no cultural or social value but offer a monetary outcome to finance their non-monetary goals.\(^\text{11}\)

**Case of value-creating relationships**

After identification of some normative and structural conditions for value-creating relationships in these networks, two modeled value-creating relationships can be discussed.

This first case to be studied shows the activities and relationships of two interviewees who formed a band that plays pop-music combined with Dubstep

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\(^{10}\) E.g. cover bands or accompanying masses.

sounds. These two actors and their additional bandmates, all former music students, maintain a very strong relationship to their manager. This manager was formerly manager of a well-known ‘star’ from the German HipHop-scene. Both actors, band and star, where connected by the manager to form a deal that included free “musical services” from the band’s musicians in exchange for usage of the star’s record studio and facilities. Doing so, the star could profit from the expertise for electronic music of the bandmates as he was in the process of repositioning himself from an old-school HipHop style to an electronic one. With access to the means of production – very ‘traditional’ ones opposed to media – the band was able to produce their album and sell it to a major record company.

The managers intuition for forming such productive relationships as it pays out for her as she earns revenue shares of the record deal as well as resources for her identity work as she states that she rather wants to be involved closely to the music making process than to earn money with it.

The second case analyzes the relationships of a well-known music producer from the scene of Gothic music and his students. As he works part time as lecturer at a conservatory, the three have established a relationship where cultural value like style expertise – again for Dubstep – and technical expertise – for editing music –
are exchanged for social values. In this case the producer is producing an album of a Gothic artist. Investing his social capacity into this value-creating activity he asks the students to help him out by adding Dubstep elements to the music and to edit music files.\footnote{This is indicated through 'bending' of the capital-flow in figure three, as there was no relationship established between the students and the artist directly.} In exchange the students profit by gaining social reputation for working with the producer as well as access to the producers networks from which they hope to build value-creating relationships of their own.

**Forms of value and capital**

While the model proved applicable to the subject, the operationalization of capital turned out to be partially problematic when decisions had to be drawn on which values constituted an actors capital and which could no be treated as capital. This was especially the case, when the the processes of formation, transformation, investment and/or accumulation of what can be defined as social or cultural value could not be reproduced. For example access to information, that can be described as a social value, or the gaining of identity resources which, following the definition above, is a cultural value could not be sufficiently conceptualized as capital although they probably belong to an actors bundle of resources.

Keeping this drawback in mind the following social and cultural values that circulate as capital in the analyzed networks could be identified:

**Social capital:**

- *Social reputation* gained by working together with reputable actors or projects.
- Intuition for profitable relationships where actors intentionally *broker* relationships by connecting people, opening networks etc.\footnote{For a detailed view on brokering in network theory see Burt 2001.}
- Also Bourdieus *social capacity* as relationships with easily mobilized resources proved to be part of actors social capital.\footnote{If social capacity is being counted as part of social capital another level of complexity opens up that can be described as the double bottom of social capital as it can be observed in figure 3.}
Cultural capital:

- *Style expertise* as being proficient in a certain musical style.
- *Intuition for cultural differences* as the ability to conceptualize music e.g. for marketing or positioning.
- *Cultural reputation* as the embodiment of cultural difference. *Cultural goods* like CDs or videos that are treated as “business cards” by the actors.

Also certain occurrences of economic capital can be described:

- *Time and work* e.g. as technical abilities that bear no cultural dimension and can be outsourced like the above mentioned task of editing music and *means of production* not as media but as recording studios, equipment etc. that can be shared or – which also was the case in the interviews – detained.

**The quality of relationships**

After exploring the conditions for value-creating relationships and the forms of value and capital, the objective was to gain insight on the quality of these relationships. Here it has to be stated that only strong relationships between the actors could be primarily evaluated as a consequence of the recruiting process (see above).

Firstly it can be stated that because the actors do not use tools – like for example ‘customer acquisition’ – relationships are themselves the most important resource for gaining new relationships. This accounts for strong as well as weak relationships, which *both* are a source for brokering relationships and closing structural wholes.\(^{15}\) Strong relationships however proved to be of importance for the actors especially for their non-monetary value activities because strong relationships seemed to be more durable regarding their ability to withstand pressure. This is why almost all actors described their most

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\(^{15}\) This is interesting, because it was assumed that actors try to safeguard their reputation by carefully suggesting their strong relationships to other actors, as this was my experience during the recruiting process. The data however backs up Granovetter’s theory that weak ties are an important factor here because due to little or no redundancy in weak relationships they bare more valuable information than strong ones (Granovetter 1973). It can only be assumed that this did not work in my favor because recommending a researcher – as opposed to e.g. artists - probably is not valuable for any of the actors, neither recommender nor recommended.
important value-creating relationships as friendships, while they stressed that these better withstand internal fights and even substantial dynamics as for example the downfall of recording studios or decreasing record sales. As a consequence actors more willingly allocate valuable resources into strong value-creation relationships or, as one actor said, build or phase-out friendships based on the profitability of the value-creating relationship.\textsuperscript{16}

Besides strong and weak relationships one factor that previously was not considered is that of the inequality of the relationship. All the actors follow and reproduce structures where they try to exploit the social and cultural capital of their students, interns or newcomer-musicians. In exchange they – as shown in the discussion of figure three – open up their network and invest their social capital in these actors. However examples where given, where less relevant actors end those relationships if this norm of reciprocity is not being met. This ‘regime of inequality’ leads to the productive circulation of social and cultural capital within these networks, because where relationships are valuable and at the same time the most valuable resource to gain new relationships (social capital), actors thrive to accumulate more and more of it by forming and investing their cultural and economic capital into relationships with actors that are – probably because of their social and cultural capital - of bigger relevance.\textsuperscript{17}

This regime of inequality leads to another dimension of relationship analysis: The homo- and heterogeneity of actors. As only strong relationships were part of the interviews there is also a bias towards homogeneous relationships between the actors. This of course could be assumed with regard to values and norms as they are inherent part of the network structure. However more detailed information could be gained as actors showed several processes of homogenization in order to safe transaction costs, manage the risk of reputation loss and ease the mobilization of social capital. One of the students said:

\begin{quote}
With the producer [his lecturer, L.G.] I am lucky, because I exactly know his workflow. Because he is lecturing us here. I work exactly the same way he does. So I am actually his clone. And then there is no problem between us exchanging projects.
\end{quote}

\textsuperscript{16} The direction of this correlation could not be determined.

\textsuperscript{17} Regime here does not have a political definition but means the institutionalization of unequal relationships of relevance and maybe power through the actors themselves.
Despite the bias towards strong, homogenous relationships it was obvious that heterogeneous relationships are a constitutional part of the analyzed value-creating relationships and networks. This, with the condition of differentiation in mind, accounts e.g for functional ‘roles’ in these networks which is being reflected by the actors differences in values, norms, roles and identities. The material indicated, that the more these codes drift apart, the more formalized the relationships get. The producer for example talked about contracts:

Among us there is always trust. It is more like… If you deal with businessmen, with record labels and so on. I don’t want to imply anything but it is business and for business you have to find business solutions.

Of course these findings only map a very small part of the constitution of value and the processes of capital formation and value creation. However they can be used as a starting point to criticize and develop the conceptual work on value and value creation in the creative industries and in the on-demand culture. One possible implication of these findings shall be sketched out in the following conclusion.

**Conclusion**

Summing up what was learned, the application of value-creating relationships in fractures of networks within the music economy helped to understand that under certain conditions like commitment, reputation and aesthetic quality as well as economic freedom and a cultural form of labor division, productive, non-monetary value-creating relationships are formed. Unequal relationships here lead to circulation of different forms of capital. Still however, some thinking has to be done on the concept of social and cultural capital as application in the field quickly uncovered its flaws.

It is however more important to discuss the findings with regard to the on-demand culture, which as assumed is the very nature these value-creating relationships are being built in. Here, new or existing concepts will have to be found to better understand what just can be roughly outlined here: The findings show, that value within these networks is not a materialistic something that has to be measured or can be sold. Value much rather than within the value-creating
activities, where value is being added by doing work, is being created when actors communicate their value-creating activities within their networks. No CD, no concert, no new style and no reputable relationship is of any value to the actors if they are unable to communicate it under the conditions of their network. This might even partially explain why the biggest part of the catalogues on streaming services is almost not being listened to and thus creates no significant revenue for these artists. But even though this bears no economic advantage, an actors work can be better communicated, shared or conveyed than without these digitally networked media. Without wanting to go to deep into this discussion, it is getting clearer, that in an on-demand culture as outlined by Winter (2012), digitally networked media, that reduce the improbability of communication increase the probability of non-monetary value creation. Digitally networked media are not only the democratization of the means of production to use the words of Chris Anderson (2006: 74ff) – and enable an increasing number of common people to produce something at all. They also reduce the improbability of forming value-creating relationships where resources are being complemented. This is what Benkler (2006) is interested in when he shows that Wikipedia is a result of people connecting and complementing their resources through new connectivities. This originally was a statement of Peter Drucker who said that knowledge-workers can only deploy their potential, because they are part of an organization that allows for the configuration of this deployment (cf. Steinbicker 2011: 20). Digitally networked media here allow for building of these networks, complementing configurations and also for the reproduction of the conditional codes for value-creating relationships as these are negotiated through communication.

Hence, digitally networked media allow for value-creation through communication of an increasing number of common people, which presumably

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18 I am referring to a statement by Steffen Wicker, ex-Simfy founder, at a panel at the Vienna Music Business Research Days 2011 as well as an E-Mail from Peter Tschmuck who confirmed this information with his insight into the playrates. Additionally one of the actors confirmed, that his income from digital music where insignificant. My own experience as a musician here says, that being present at a music streaming service is more important that the economic gains that arise from it.

19 Although, as was shown traditional record studios sill are of some importance the interviews also made clear that for most purposes of production a laptop was sufficient.
will have some (and already have!) influence on the ways we have to think about the creative industries. If the findings from this short paper can be confirmed and expanded and if the conceptual work on value, capital and media lead to the right direction, then the future might bear creative economies where – even less than it might already be the case – something has to be built, designed, programmed or composed and then sold. It will be much more about the conditions, pressures and opportunities in how value can be communicated. Finally questions might arise about who will have to take responsibility for our social and cultural values.

To lose one word on the topic of this years conference about “The Future Of Music Licensing”: If it is indeed true, that an increasing number of common people will take responsibility for their culture and that they will do it at least partially within the ‘rules’ of non-monetary value creation as they have been sketched here, discussions regarding the future of licensing will have to deal with the possibility that the institutional environment would have to reflect these possible realities to prevent a future of ‘irresponsibility’ in our culture.

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