

Navigating troubled waters; how are music festivals affecting the local concert industry?

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Abstract

As more music festivals begin to develop every year, promoters look to protect their lineups by instituting radius clauses. These radius clauses prohibit artists from performing within a certain timeframe outside of the geographic location of the festival. As many of these festivals take place in major cities, what is the effect they are having on the local market? In my research, I use the Boston Calling Music festival to argue that radius clauses do not pose a threat to established concert promoters who are able to adapt amongst the competition, but rather smaller level artists are the ones who potentially could be negatively affected. As many of the agents and promoters are aware of the radius clause, they know that it is just one more thing for them to work around, and something that usually only places a temporary hold on booking a band. I support my argument with four semi structured interviews with a booking agent from Paradigm, a talent buyer from Boston Calling, and concert promoters from Live Nation and AEG.

Additionally, I use data from Pollstar to examine the change in ticket sales for two Boston Venues after the Boston Calling music festival was established in their territory.

Keywords: Music festivals, local concert industry, live music business, music promoters

1 Introduction

Ever since Woodstock, festivals have changed the way in which music is experienced. As Laing (2004) suggests Woodstock was the template for the commodification of the music festival. Additionally, Woodward, Taylor & Bennett (2014) maintain the event became the foundation for the

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look and feel of music festivals and much of the aesthetic understanding of the relationship between music, politics and identity that manifested itself at Woodstock is a vital part of all of today's current music festivals. While Woodstock was in part a festival that celebrated counterculture, festivals have now become something that is part of mainstream American culture, as well as a phenomenon that has dominated the music industry. According to Nielsen (2014) 32 million people go to at least one music festival every year. One of the contributing factors that so many music festivals have popped up is because there exists the potential for concert promoters to make such a large profit. As Krueger (2019) points out, festivals help spread out the cost that a promoter would have to pay for one show by allowing them to extend the cost of overhead such as production, lighting, and staffing across to multiple artists. Bosse (2015) points out that while streaming sites like Spotify and illegal downloads have deflated album sales, they have helped drive the re-emergence of the summer festivals. Furthermore, according to Krueger (2005), music festivals are often times cheaper for an attendee when you consider how many artists, they will see in comparison to how much the cost of a concert ticket has risen over the past 40 years. Frey (1994) also argues that another key factor leading to the rise of music festivals can be attributed to the increasing amount of disposable income available to spend on entertainment.

Coachella, a 3-day music festival that takes place over two consecutive weekends in Indio California with over 150 bands performing, is often cited as being one of the most profitable festivals in the world (Pollstar 2018). Coachella is part of a rapid build-up in stationary music festivals across the country, which is reflective of the growth of the live music scene since the millennium. As Parker (2013) reports album sales have dropped 50%, while concert sales have filled up 40% of that gap. In that same time period, live music revenues rose from \$1.5 billion to 4.6 billion. In 2015, the total revenue for live music and concerts was \$4.3 billion vs \$7 billion in total music revenues, with more than half being digital. As album sales have dropped, festivals have become one of the most profitable areas of the music business (Bain 2017).

With so much money potentially at stake for these giant music festivals, promoters look for ways in order to ensure their investment with the artists that they are booking. Bain (2017) notes that a common component of major festival contracts are radius clauses. The radius clause puts restrictions on how long the artist must wait before returning to the same market, and the distance from the festival they must go in order to play another show within that time frame. Some festivals are more extreme than others, saying artists are not even allowed to announce other performances until their festival is announced or even sold out. Tom Windish is quoted saying, "*festivals want to be as exclusive as possible*", which is why Coachella puts a limited time ban on artists performing in southern California (Walters 2012). Walters argues that as songs and albums become more freely available on the internet, bands rely on money from touring. In the traditional model of the music industry, artists would go on tour to support the release of their record, whereas now artists will make a record in order to support their tour.

2 Background

The concept of the radius clauses is not new. Knopper (2014) points out that since some of the major festivals like Lollapalooza stay on top of their radius clauses, agencies such as William Morris Endeavor have had to create an entirely new department devoted to making bands' deal with festivals and managing their touring routes. Gwee (2016) addressed the fact that the radius clause for Lollapalooza for example, prohibit artists from performing 300 miles around Chicago, 6 months before the festival and 3 months after. Limitations such as this can negatively impact smaller bands who are not getting paid as much and cannot afford to drive past the area designated by radius clause in order to perform. However, because of fear of not being booked by these festivals, many of the bands do not complain. These radius clauses are not set in stone, as much of the literature talks about how the language that is written in the contract is often negotiable. Often, the artist can reach a deal with the festival but the larger the artist, the more the festival is going to

want to protect them. The proximity and the size of the show that's within the radius, as well as the perceived effect that it will have on the show's bottom line, will ultimately determine if the radius clause can be broken or not.

There are numerous articles that discuss the potential effects of what major music festivals could have on local promoters and as Brennan & Webster (2011) mention, promoters matter to artists now more than ever, as changes in music revenue sources force musicians to think of live music (concert fees, merchandise, performing rights, and so on) rather than record sales as their primary source of income. As Simon Frith (2007) notes, the most significant means of expanding the size of the live audience for British promoters has 'undoubtedly' been festivals, which are now the 'key asset' in promoters' portfolios for obvious economic reasons including that the crowd size can be expanded beyond that of a venue, and the economies of scale can kick in to include ticketing, marketing, and staging (Webster & McKay 2016). As Brennan & Webster (2011) argue, the emergence of Live Nation as the largest promotional company in the world has challenged the common-sense definition of a concert promoter even further and is responsible for tours, festivals and other events, using both its own venues and others' if required. Similarly, Bain (2017) addresses the fact that the politics and usage of radius clauses have evolved with the consolidation of music festivals, as Live Nation and AEG have acquired so many of the small local promoters. She argues that these consolidations make it possible to offer artists multiple festivals over the course of the touring season and making it impossible for other promoters to book them. Enough local promoters voiced their opinion on this potential artist monopoly and Knopper (2010) writes about how in 2010 the attorney general's office investigated Lollapalooza on antitrust grounds. Furthermore, Hiller (2014) considers how local music venues are affected by exclusive contracts. He argues that music venues face two possible competition effects from the presence of these festivals. The first being that the presence of music festivals can diminish the ability of smaller firms that are affected by the festivals to attract enough popular band to fill their

schedule, which could lead to closure or deterring entry and second, that festivals create local demand for the bands and various genres of music involved, which could lead to a wider base of artists and genres that could be hired. Additionally, these types of limitations make it increasingly difficult for venue owners and promoters to maintain their longevity of building a history and relationship with an artist as Behr et al. (2016) mention that promoters invest in emerging artists who are back by booking agents, early in their careers in the hope that they will be high-earning acts in the future while, at the same time, arguably exploiting (by paying much lower fees to) local artists who lack such endorsements from booking agents. This then leads to many instances in which a concert promoter will work to grow a small artist, only to lose the play in the market to a festival.

As demand continues to grow, more and more festivals are launching every year, which in turn makes each of festival promoter want to protect their line-up with a radius clause. However, as Danton (2016) points out, we may have reached our peak festival season. He argues that music festivals no longer have distinct identities, and festivals that were once genre specific, now blur many, if not all of the genres together. Furthermore, he adds that we may have already seen signs of the tipping point as numerous long-standing festivals have been cancelled or gone on hiatus.

The objective of this paper is to explore the relationships between music festivals and local promoters and if music festivals are interfering with the traditional model and working relationship of concert promoters and booking agents. This paper adds to the academic work of live music and helps to answer, 'Do major music festivals with extensive radius clauses have negative effects on local promoters in major cities?' I work to determine whether concert promoters are affected by these radius clauses. Specifically, does the radius clause affect the ability of promoters to fill their concert schedule? I explore whether this clause may have a positive or negative effect, whether local venues are closing and if promoters are being put out of business, and what strategies or new practices are put into place in order to maintain a competitive edge

for both the local concert promoter and the festival promoter. I also consider the effects if the radius clause was removed entirely. I use data on two music venues combined with interviews from experts in the market to support my arguments.

3 Research Design

In this study, I examine a single festival in one market, but future research should work towards including the relationships between more festivals and more diverse markets. I examined the Boston Calling Music festival, which is a 3-day music festival that takes place in Boston Massachusetts during the last month of May, and what effect it had on two venues in the city, The Sinclair and House of Blues. The festival when first established had a daily attendance of 20,000 people and after several year moved to a larger venue and now has attendance of upwards of 40,000 per day. It is important to note, that when first established, Boston Calling was booked by Bowery Boston/AEG, who also owns the venue The Sinclair. I chose these two clubs for the study as they are the two most preeminent venues in the city. Furthermore, according to the last public report, the House of Blues in Boston, which is owned and operated by Live Nation, was named the 2nd most popular club in the US, with a yearly attendance of 322,755 (Billboard 2014). I use data from Pollstar, the music industry trade publication that focuses on the live music and concert sector, to see how many shows per year the two venues were doing before and after the Boston Calling music festival was established. In looking at Pollstar, not only was I able to see if the number of shows changed at these venues, but I was also able to see if they were able to book the same artists as the festival within the same year.

In the websites database, I was able to purchase box office history for both The Sinclair and House of Blues. As showing in figure 1, with each concert date that is reported it shows the name of the artist performing, the support act, the total number of tickets sold, the venue capacity, the percentage of tickets sold, the ticket price, and the total gross earned by the show.

Pollstar Venue Tour History Report

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House Of Blues Boston

Headline shows reported from Sunday, November 02, 2014 through Wednesday, October 18, 2017.

Date	Headline Artist/Band/Event Venue City, State/Country Promoter(s)	Supporting Act(s)	Tickets Sold Capacity Percentage Ticket Price	US\$ Gross Foreign Currency Gross
11/26/2014	Julian Casablancas + The Voidz House Of Blues Boston Boston, MA Crossroads Presents	The Voidz, Shabazz Palaces	762 2425 31% \$30.00-\$40.00	\$23,360.00
11/23/2014	50 Cent House Of Blues Boston Boston, MA Crossroads Presents	G-Unit	2425 2425 100% \$50.00-\$65.00	\$122,585.00
11/22/2014	B.o.B. House Of Blues Boston Boston, MA Crossroads Presents	Kevin Gates	1215 2425 50% \$22.00-\$39.50	\$35,432.50

Figure 1: Ticket sales report for House of Blues Boston (Source: Pollstar Venue Tour History Report (2007-2017))

Furthermore, Pollstar provides the overall gross for every show, allowing for yearly totals. There are several important questions that the data set allows me to answer. First, I look to see how many shows these venues were offering per year before and after the festival started. In addition to how many shows per year, I also look to see if they started offering more shows during months that the festival was not in town, such as the winter months, which is a less frequent tour season for bands. I then also look to see if either of these venues booked the same artists as the festival in the same year. Finally, I examine whether there were any changes from when Boston Calling went from two weekends to one weekend, and when they moved from a Government Center, to a larger facility in Allston. Boston Calling was held during the Spring and the Fall for 2014 and 2015, while beginning in 2016 it switched to one weekend. Additionally, in 2017, the festival moved from Government Center, which had a capacity of 20k people, to the Harvard Athletic Complex in Allston. One limitation I discovered in this data was how far back the information goes for each venue. Pollstar has information available for The Sinclair from 2012, which is before Boston Calling was established, and is in the timeframe I was looking to examine. The House of Blues however, only has information available from 2014, so my analysis is

more limited with this venue. There is still much to gain from analyzing the House of Blues as it consistently does a high volume of tickets every year, and is also a Live Nation run room. In addition to the data I collected from Pollstar, I also conducted several interviews. In my semi-structured interviews, I was able to gather data from two concert promoters (Live Nation and AEG respectively), referred to as promoter (a) and promoter (b), one festival booker and one agent from Paradigm.

4 Discussion of main findings

In looking at the Pollstar reports, there are only two years in which there are complete data sets for the House of Blues and Sinclair, where they overlap with one other. In figure 2 you can see the comparison of the average amount of tickets sold for both venues. Although we are only looking at two years, we can see that both venues follow very similar patterns. It is important to note that the capacity of the House of Blues is approximately 2400 people, while the Sinclair is only 500. Therefore, the spikes and dips are going to be much more pronounced in the former than the latter. In examining 2014 and 2015, we can see that both venues see a steady increase in ticket sales from January to March, and then slowly start to decline until hitting their lowest point at the end of July and beginning of August. Then in August we see start to see a steady increase with the highest spike happening in October. A relevant question for these festival clauses whether or not this drop off in the summer was caused by festivals in the local market, and if the radius clauses were blocking their calendars, or if there were other factors that were causing this decline.

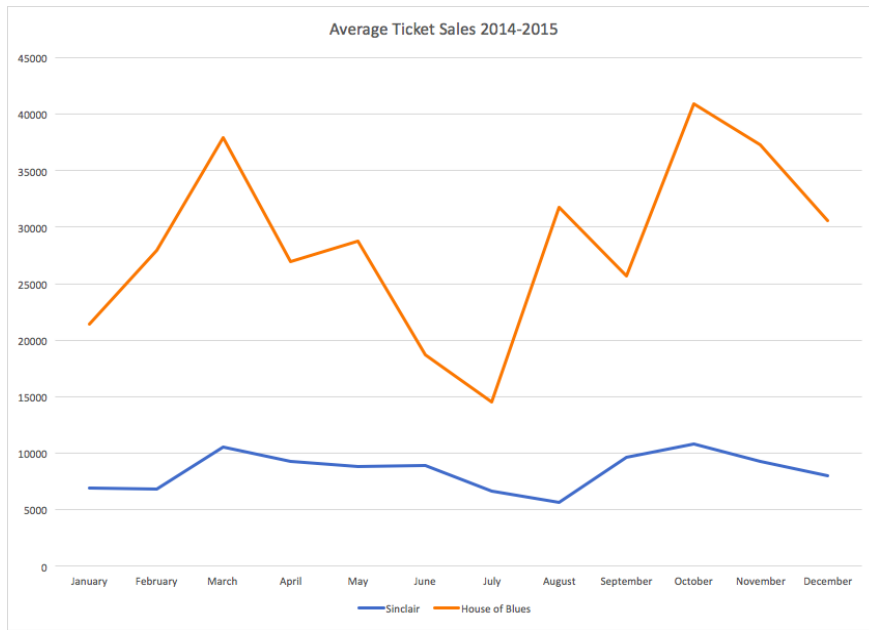


Figure 2: Average ticket sales for the House of Blues and Sinclair (Source: Pollstar Venue Tour History Report 2007-2017)

In talking with promoters and agents, they all shared a similar opinion. According to promoter (a), *"it's not unique to Boston. I think everywhere you see a decline in indoor club business in the summer, some of that is due to festivals, but if you have a 4th quarter album release, October is the best time to tour. You really have no big holidays to bump up against, it's a pretty free and clear month to tour in."* When I interviewed promoter (b) and asked him about why we see a drop off in ticket sales around Memorial Day, and then a build that spikes in October, he offered a very similar answer to promoter (a). *"It's been that way (lots of ticket sales in spring and fall and less in winter and summer) for at least 20 years so I don't think it has a ton to do with festivals though Boston with 250,000 college students may be an exception. In general, we are really busy in the fall and spring as that is when the population here is*

the fullest with all the students in town." Another more obvious reason contributing to the slowdown in indoor club business is the ramp up of shows at outdoor venues. Especially in places like the east coast of the United States, after horrible winters, concert goers want to be outdoors enjoying the weather at venues like Fenway, Gillette, Blue Hills Bank Pavilion, Xfinity Center, and Boston Calling, which leads to a natural slowdown in ticket sales for the indoor clubs that are frequented during colder months.

Clearly, both local promoters in the Boston music scene feel that this decline in ticket sales is something that existed before the festival was put into place and booking agents appear to feel the same way. The agent adds to this, *"100% because so many college kids leave. By October everyone has their flow figured out, and know what they can spend money on."* This leads me to believe then, that the radius clause being issued by Boston Calling is not a major factor that is causing a significant decrease in ticket sales over the summer, and that this is an issue that has existed in this territory long before the festival came into play. Both promoters in this study, along with the agent all argue that in such a large collegiate city like Boston, there are many other external factors that can lead to a decrease in ticket sales over the summer, with music festivals being just another threat.

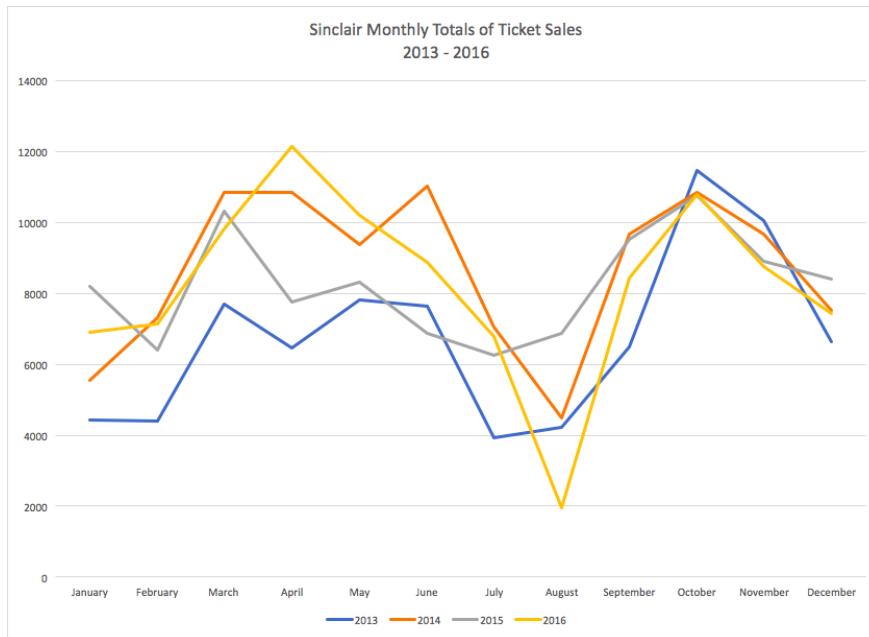


Figure 3: Sinclair monthly totals of ticket sales (Source: Pollstar Venue Tour History Report 2007-2017)

Figure 3 considers the total amount of tickets that the Sinclair was selling for each month from the years 2013 – 2016. From 2013-2015 the festival was booked by Bowery Presents, and in 2016 they brought in their own internal buyer to take over booking the festival. Because of this early arrangement, Bowery had complete control over what acts they were booking for the festival, and what acts that they might want to bring to a club show. It was my initial assumption that in 2015 when they stopped booking the festival there would be a dip in ticket sales. However, that is not necessarily what the graphs shows. Even though we see a slightly smaller amount of ticket sales in the beginning of the month, we actually see a much smaller drop off in the summer, as compared to 2013, and 2014. Whereas in 2016, we see the largest overall spike with the biggest drop off in the summer. In assessing their overall

sales for each year, we see a very insignificant drop from 2014 to 2015, and then a slight increase going into 2016.

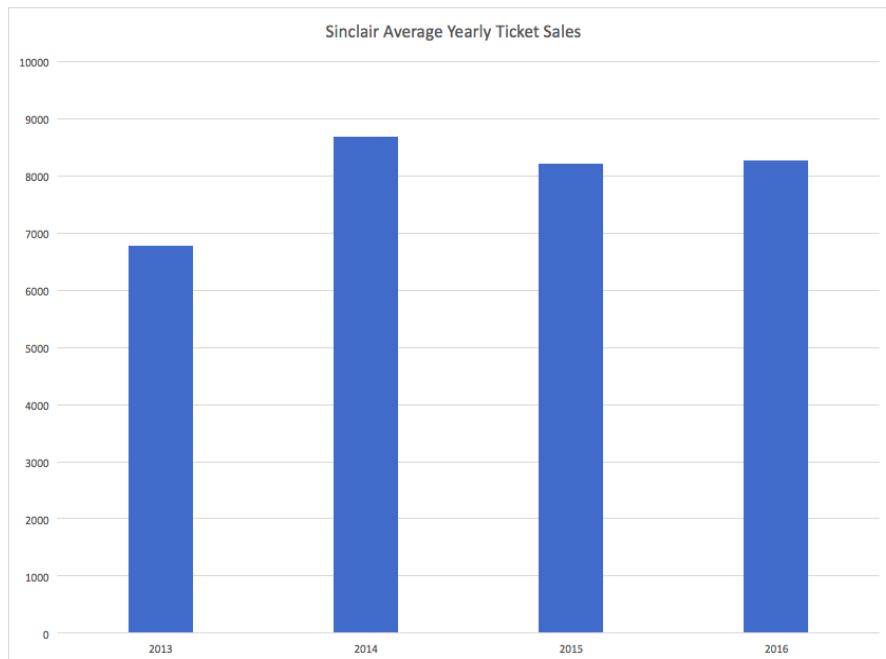


Figure 4: Sinclair average yearly ticket sales (Source: Pollstar Venue Tour History Report 2007-2017)

4.1 Positive effects of festival concentration

I would argue that the abundance in festivals on the east coast has actually helped the indoor club business, more so than it may have hurt it. Promoter (a) supports my findings: *"June used to be really quiet. Now there are more festivals on the east coast with Bonaroo and Firefly, and the ones in Montreal, that we will see more mid-week traffic at that time, which we weren't seeing before those were popping up, if you are outside the radius of those festivals you can come play Boston in be-*

tween. *It's good for the artist and its good for us.*" Where the increase of festivals may support the local promoter if they are slightly outside the radius, the party who experiences the greater negative affect is the smaller artist. According to the agent, music festivals and their radius clauses have completely affected how his artists tour and how they will route a tour. For a larger artist who is headlining festivals, they are likely to be receiving a disproportionate share of the income from the promoter, otherwise known as the Superstar Effect (Krueger 2005). Figure 5, is a redacted official contract from Boston Calling that shows the headlining artist was receiving an offer of \$200k with a bonus. However, for smaller artists, there are not getting paid nearly that amount and it's a battle in order to get a club show routed around some of the larger festivals such as Lollapalooza and Coachella. When you are the headliner of the festival, you have a lot more clout when it comes to what accommodations the festival is willing to make, whereas with a smaller artist, the deal they are offered might not have a lot of flexibility. Often agents will see half a dozen bands all trying to get booked in the same clubs over the same three-week period, as they all tour on the same festival circuit.

Artist:	[REDACTED]	Venue:	City Hall Plaza, Boston, MA
Festival:	Boston Calling	Festival Dates:	[REDACTED]
Offer Date:	[REDACTED]	Set Time:	HEADLINER - MAIN STAGE
Gates:	1:00pm - tbc		

Ticket Scaling	Total Capacity =	22,000	
	<u>Ticket Price</u>		COMPS: 20 tickets
Two Day (est. not to exceed)	\$	140.00	ANNOUNCE: tbd
One Day (est. not to exceed)	\$	80.00	

OFFER: \$175,000 flat plus \$25,000 bonus at 15,000 tickets sold
 Artist to supply airfare, hotels, ground transportation and backline.
 Any additional costs will be the sole financial responsibility of artist.

OTHER ACTS: TBA
 PRODUCTION: Local Artist Supplied

SIGNER / PURCHASER: [REDACTED]
 CONTRACTS SENT TO: [REDACTED]

VENUE ADDRESS: [REDACTED]
 PRODUCTION: [REDACTED]

MERCHANDISE DEAL: 80/20. 6.25% MA sales tax on all non-clothing items
 RADIUS CLAUSE: 120 miles 90 days before and after Festival dates

Offer is inclusive of all talent, transportation, accommodations, backline, risers and extra production. Any additional costs will be the sole financial responsibility of the artist.

Figure 5. Boston Calling Contract

In fact, in talking with the booking agent, when asked I if any of his artists had ever been directly affected by a radius clause, he responded *"all the time, in fact it's almost every single tour."* In order for bands that are lower on a festival bill to make it work, they need to have some plan in place before confirming the festival. The agent offered a few examples of strategies that he has implemented with some of his artists in the past. *"For example, before confirming Lollapalooza, we have to make sure to carve out certain markets we know we want to do. We'll tell C3 (the concert promoter for Lollapalooza) that we need Columbus and Detroit or else the tour can't route to the festival therefore making it impossible. Sometimes too, for smaller artists they be pretty lax, if you're booking the 1pm slot on the C stage at a festival, the promoter is not looking at your artist to really sell a lot of tickets, but you still need to get the OK."*

4.2 Festivals will always outbid a club promoter

Ex ante I hypothesized that artists might be performing in more secondary markets that they might not have performed at before, as a way to route to the festival and get outside the radius clause. However, it seems that the extent of the radius clause is so large, that even a lot of the secondary markets are off limits. The agent suggested as festivals such as Lollapalooza, Coachella, and GOV BALL, have radius clauses that extend to secondary markets such as Milwaukee, San Diego, and Philly, artists are performing less and less in these markets. These radius clauses may also to some extent see some smaller bands that are not as dependent on the festivals touring in more odd time periods, however it seems that the vast majority of artists are still *"living and dying by festivals."*

In my research, I found that the clubs are still doing a lot of business and did not see a huge loss in ticket sales that could be directly attributed to the festival, however the radius clause still does have an effect on what bands they are able to book in their clubs. Promoter (b) says that there indeed had been instances in which certain artists are not attainable because of the festival, which is generally a 6-month window. When

asked about strategies that a promoter might try in order to entice an artist to take a hard-ticketed show over a festival, he adds, *"I don't think you can outbid festivals without going upside down so I tend to say let them make the big money when it makes sense and then play for their fans on headline shows when it makes sense on an album cycle."* Promoter (a) shares a similar sentiment here: *"The major festivals are always going to win on the money side of things. If the festival really wants someone you will never get it."* However, both promoters did infer that with a smaller festival, there might be the opportunity at times to do some outbidding. For example, outside of Boston Calling you have Newport Folk, and that's a festival where a promoter might have the opportunity to entice an artist money wise with a hard ticket play, more so than a festival play because their economics are way less and they can't afford to pay the artist as much.

From the agent side, it seems to be that there are many instances in which the agent will suggest to the band to do a festival play, instead of a hard-ticketed show. According to the agent, *"there are lots of reasons to take festival offers, start of a cycle or not. If you play a show in say Chicago and sell 5,000 tickets that's great but simultaneously If you play a festival instead in front of 60,000 people and it gets attention from national media and websites, that resonates in other markets in ways that the hard ticket show won't."* It is not surprising that the agent and promoter have opposing opinions as they are looking out for their respective interests. I would argue that the key takeaway from this is that if an artist needs to make a big impact at the start of an album cycle, playing a festival will not only provide them with a much larger offer, but it can also provide them with a much larger platform to perform in front of larger audiences and key media outlets.

With the festivals having such a large pull on the artist by being able to offer them more money, and the opportunity to play in front of so many people, I wanted to explore whether or not artists had ever been confirmed to play a club show, and then a festival offer had come in and they are forced to cancel. It turns out that this situation does arise from time to time. According to the agent, *"it's less and less now that festivals*

are booking so far in advance, but I will tell the festival from the start that this show is confirmed, and it is not moveable. Usually that works and they still offer if they really want the band. Every once in a while, though the festival offer will be one that just can't be dismissed, at which point I need to tell the club promoter. Most of the time they are understanding, but I think that's at least partially because I don't take cancellations lightly. If I cancelled stuff all the time, they'd get a bit more upset."

It seems that this type of scenario arises slightly less for the promoters, but they will find agents who will try and drive their guarantees up if there is the demand. According to promoter (b), *"we have had artists looking at headline plays in the market and also at the festival offer, but given the festival offers are typically substantially more money they typically take that. However, some agents use both scenarios to leverage the guarantees they can get for an act in either scenario."* It seems then that the process for booking club shows in Boston, is more or less very democratic. Promoter (a) adds, *"We've never had a band confirmed for a date and then pull out because they had a festival offer but have had bands sit on things for longer in the hopes that they get a festival offer and then take that."* While promoters might not necessarily have had an artist pullout from an already confirmed gig, a few of them have experienced not being able to book artists they were targeting because of them getting a festival offer.

4.3 A relationship business

As music festivals have come in and established themselves in the backyards of concert promoters whom have been doing business for years before their arrival, how have the relationships changed between the booking agent and the local concert promoter, and what is the relationship like between these local concert promoters and the festival itself? It seems that the biggest effect has been on the booking agent, but not in the way in which I originally had anticipated. The agent says that his relationships have changed to an extent due to doing less work with local concert promoters. To him, as you start doing less shows with cer-

tain promoters, you begin to lose that rapport that helps you get the best deals, and good opportunities. The festival itself, and the radius clause may have slightly shifted what promoters are able to do, but strategically it has not really changed how Bowery/AEG operates. Promoter (a) says that they view the festival as just another competitor in the market, and that's not necessarily a bad thing. *"Certainly, the more people that are seeing live music, the better off it is for anyone working in the live music business."* In one way, festivals actually can help create more of a culture of going out and seeing live shows, which can get people thinking that they can spend more free time going to concerts, especially if someone discovers a band for the first time at a festival and goes to see them when they come back to perform at a club. Webster et al (2018) further agree and concluded in a recent study that live music enhances social bonding, is mood-enhancing, provides health and well-being benefits, is inspiring, and forms part of people's identity.

Additionally, it seems that Live Nation in Boston feels similar in regards to the festival. Promoter (b) says that *"since most of the large festivals are booking 12-24 months out, most of the acts are playing a show in the market before their festival play."* The problems arise when artists set out to do a festival play, and then come back around to do a headlining date too soon after. Promoter (b) adds *"the smartest time to play a festival is towards the tail end of your cycle. The festivals need headliners, they need content. You can go play your headline show, and then come back and play the festival, and then you can come back and get paid even better to play a show for a play that you don't really have much pressure to sell any tickets."*

In the eyes of the festival promoter, they are merely going after bands that they like. Boston Calling does not look to cut out the promoters in the local market, and certainly do not hold a grudge if they are not able to get a certain artist. According to the festival buyer, *"Eventually it all comes around and works itself out - we're all here trying to do our job, its already a tough enough job as it is, so you don't really try and pay attention to things that you have no control over."* Additionally, when Boston Calling hired an internal talent buyer, there were a number of

obstacles that he faced. Coming into a city that he was not familiar with, he needed to find his foothold in a market that has a long history with promoters such as Live Nation, Bowery, and legendary venues like the middle East. When Bowery was booking the festival, there were 4-5 people from the company that were all taking part in booking the festival. Once Boston Calling hired their own buyer, it was a one-man job.

Another question relevant to effects on the market is how the official after parties for the festival are coordinated. One of my initial theories was that because of the price of admission to the festivals, fans of a particular band might miss their performance in the market. Are after parties a strategy to solve this, and are they exclusive to one promoter in this market? According to the talent buyer, they are merely using existing relationships. He says: *"We don't look to do a ton of after shows, but some bands like to do the after shows because they like the intimate setting and some bands need a little bit more money, so it's a way to make more money and offer a different experience for the fans."* It seems then that the festival is cognizant of the limited fan experience, and they are trying to offer as many experiences as possible, without taking away from the festival itself. According to promoter (a), there's even times when Bowery/AEG will look through the line-up and look to curate their own after shows. Again, the exclusive relationship with Bowery was merely a continuation of the pre-existing relationship with the festival, and not looked at as a way of shutting out other promoters in the market. Part of the reason that the after shows continue to happen as well is because Crashline (Boston Calling Promoter) does not have a venue presence in the city.

Boston Calling 2013-2017
195 Artists

Sinclair: 2
House of Blues: 2
Official Afterparty: 2
Fun., The National, The Shins, Of Monsters and Men, Young the Giant, Marina and the Diamonds, Andrew Bird, Matt Kim, Portugal. The Man, Dirty Projectors, Ra Ra Riot, Cults, The Walkmen, Youth Lagoon, MSMR, St. Lucia, Caspian, Bad Rabbits, Vampire Weekend, Passion Pit, Kendrick Lamar, Local Natives, Major Lazer, The Gaslight Anthem, The Airborne Toxic Event, Wolfgang Gartner, Solange, Bat for Lashes, Los Stradamus, Deer Tick, Okkervil River, Fume, Lucius, Big Black Delta, You Wont, Bearstronaut, Back Johnson, Death Cab for Cutie, Modest Mouse, The Decemberists, Edward Sharpe and the Magnetic Zeros, Brand New, The Head and the Heart, Megan and Sara, Bastille, Benny Lewis, Frank Turner and the Sleeping Souls, The Neighbourhood, Phosphorescent, Built to Spill, Kurt Vile and the Violators, Walk off the Earth, Warpaint, Cass McCombs, Maximo Park, The Districts, Tiger Man WOAH!, Magic Man, The National, Lorde, The Replacements, Nas the Roots, Neutral Milk Hotel, Childish Gambino, Spoon, Girl Talk, The 1975, Volcano Choir, Twenty One Pilots, The War on Drugs, The Hold Steady, Lake Street Dive, Bleachers, White Denim, Sky Ferreira, Future Islands, San Fermin, S. Carey, Cliff Light, Gentlemen Hall, Beck, Pixies, My Morning Jacket, Ben Harper and the Innocent Criminals, Enacoustic, Fame Impala, St. Vincent, Vind the Radio, Marina and the Diamonds, Jason Isbell, Gerard Way, Tove Lo, The Fakers, Run the Jewels, The Lone Bell, Sharon Van Etten, Jungle, MØ, Love Makonnen, DMA's, The Ballroom Thieves, Krill, The Avett Brothers, Alt-J, Alabama Shakes, Hozier, Of Monsters and Men, Chvrches, Ben Howard, Chromeo, Walk the Moon, Nate Ruess, Father John Misty, Sturgill Simpson, Mister Wives, Daughter, Twin Shadow, Stephen Malkmus and the Jicks, Fidler, Doomtree, Gregory Alan Isakov, Grizfolk, Bully, Dirty Bangs, Grey Season, Sia, Disclosure, Robyn, DESZA, Sufjan Stevens, Haim, Miike Snow, Banellé Monáe, City and Colour, Courtney Barnett, Elle King, The Front Bottoms, ØRNS, Charles Bradley and his Extraordinaires, The Vaccines, Vince Staples, Battles, Unknown Mortal Orchestra, Christine and the Queens, Lisa Hannigan and Aaron Dessner, Lizzo, Palehound, Michael Christmas, Chance the Rapper, Bon Iver, Sigur Ros, Migos, Mac Demarco, Sylvan Esso, Car Seat Headrest, Francis and the Lights, Deerhoof, Whitney, Lucy Dacus, Vundabar, Kylouris White, Mumford and Sons, The xx, The 1975, Nathaniel Rateliff and the Night Sweats, Megan and Sara, Brandi Carlile, Majid Jordan, Dh Wonder, Danny Brown, Cousin Stizz, Russ [disambiguation needed], Strand of Oaks, Moses Sumney, Kevin Morby, Kay Maidza, Alexandra Savior, Tool, Major Lazer, Weezer, Cage the Elephant, Run the Jewels, Flatbush Zombies, Converge, Piebald, Wolf Parade, Frightened Rabbit, Buffalo Tom, PUP, His Golden Messenger, The Hotelier, Mondo Cozmo

Figure 6: Bands playing at House of Blues and Sinclair (Source: Pollstar Venue Tour History Report 2007-2017)

In examining the Pollstar data from both venues, I found 16 of 195 bands, which are highlighted in yellow in Figure 6, that happened to play on Boston Calling and perform a club show at House of Blues or Sinclair,

within that same year. This is to be expected, as many bands will not perform twice in the same market within the same year, unless they have a very 'hot' record. Of those 16 bands, there were only two that were official after parties. There are several limitations with this data. Since we are only looking at two venues, these bands could have performed at other venues that year in Boston. Additionally, Bowery also does after parties at their venue Great Scott, which was not included in this study.

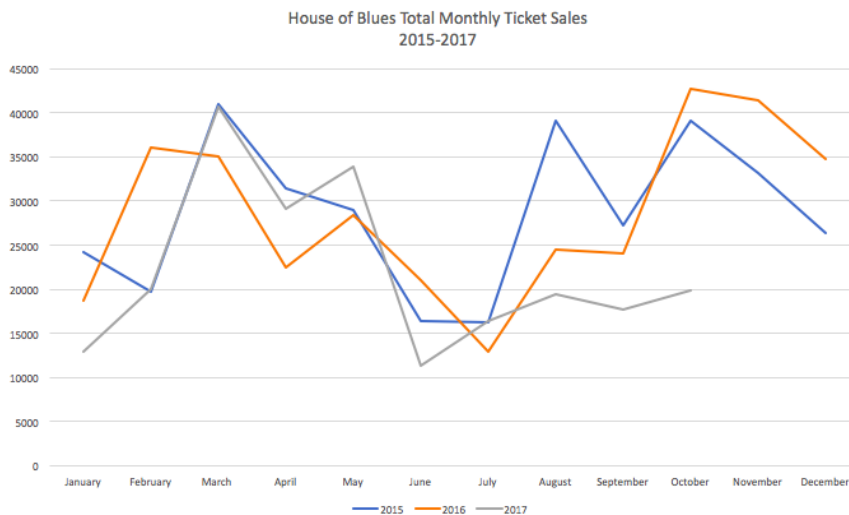


Figure 7: House of Blues total monthly ticket sales 2015-2017 (Source: Pollstar Venue Tour History Report 2007-2017)

In looking at the data set, there was no noticeable drop in ticket sales for these venues with the entry of Boston Calling. The graphs in figures 3 and 7 shows that both venues exhibit the same ticket selling trends year after year. I was also intrigued to see if the festival had any measurable effect on the guarantees for artists, and if agent and concert promoters were noticing if their prices were being driven up. According to the agent, guarantees for artists performing on festivals were gradually increasing until recently. To him, *"there seems to be much more heel*

digging." Now some of the larger festivals are realizing that they don't need to pay over the top fees as their brand gets more and more established. When it comes to the local market, neither Live Nation or Bowery/AEG have seen the festival driving up artist guarantees. According to promoter (a), *"thankfully we have not seen artist guarantees go up after playing a festival. Very rarely do they."* Promoter (a) further argued that Boston Calling, is also not a big enough festival where a strong play would equate to a bigger buzz for the band in the market. According to promoter (b), he does not see the festival being something that can lead to an increase of an artist guarantee, however he does find that when major promoters try to book the entire tour of an artist, they can drive up the local market price. *"Not as much because of the festival but because of AEG buying Bowery Presents and both AEG and Live Nation trying to book artists on a national and global scale to grab market share is driving up guarantees in Boston."*

Festivals clearly are using radius clauses in order to protect their financial investment in all of their artists, in hopes of selling tickets. For this year's Boston Calling, there were over 1,500 bands that were submitted by agents, and managers and the like, who were fighting to get one of the 43 time slots. As the festival bubble continues to inflate, what does the future have in store, and will it eventually burst? Across my interviews, there were a lot of parallels into what the future holds. According to the talent buyer, *"you're going to see your bigger festivals stick around, (GOV BALL, Coachella, Lollapalooza, ACL) but your festivals in smaller cities or communities that can only support it so much and then I think you are going to see festivals that have really strong curation stick around, as it will be back to the bands."* As we continue to be at a peak for music festivals, the environments that are very strongly curated and develop loyal fan bases are the ones that are going to stick around. Promoter (a) feels a similar way, but also foresees a future of Live Nation and AEG gobbling up and consolidating more festivals. *"I think festivals are in a positive way, here to stay. They were big in Europe, and then they weren't really impactful over here until the Coachellas and the Bonnaros really started things off, and it continued to grow from there, you*

are also starting to see a correction where some festivals have already started to retract and pull away, and festivals are getting cancelled because there is a little too much." In the US we have already seen how more and more music festivals emerge every year and not everywhere can sustain it. As many new events that pop up every year, we also see a significant amount that do not return after their first year. Just as how Live Nation and AEG purchased independent promoters, ticketing companies, and venues, promoter (a) also believes that we are going to continue to see these two large promoters monopolize the live entertainment space. "When you start to see Live Nation and AEG gobble up festivals, and artists for tours, you're going to see bands playing the festival for whatever promoter they are aligned with, and only the biggest festivals and the biggest headliners can get around that. Beyoncé is a Live Nation artist, but she's going to play Coachella (AEG owned), and that because Beyoncé is big enough, and Coachella is big enough, that they can carve it out. I don't really know who that helps. I can say that I don't really know how it helps the average consumer or concert goer." Promoter (b), agrees with this view of consolidation: "I see even more consolidation in the festival field. AEG, Live Nation and Madison Square Garden Group will be the dominant festival owners and there will be fewer independent festivals. But everything goes in cycles so after that happens, I think independent agents, promoters and festivals may become more popular. It all depends on how the bigger companies treat the artist and fans."

5 Conclusion

Despite having such steep restrictions put into place from the radius clause instituted by Boston Calling, both of the local promoters in the market do not seem to be experiencing lost revenue associated with radius clauses. With so many bands performing on the same festivals over the summer, this actually leads to increased traffic for some promoters in the market. Since there are so many territories that are 'off limits' because of the radius, the promoters who are outside of this

could actually be seeing more traffic than they were before. Additionally, in the Boston market, the trends in ticket sales have consistently followed a very similar path during the years of my study, and much before the festival was a presence in the market. With Boston being such a large collegiate city, you see a mass exodus of residents during the summer.

Furthermore, with many concerts being offered outside during the summer at places like Fenway Park, most indoor venues were seeing decreased ticket sales during the summer months. When it comes to monetarily compensating the artist, the local promoter will never be able to outbid the festival and take them away from the festival play, making it important for the local promoter to strategize the timing of the offer as there are many times that they will lose an act to the festival. The possibility of completely removing the radius clause from the festival contract does not seem like a likely solution and would ultimately lead to the cannibalization of the festival, as concert goers would potentially be able to pay less to see a certain artist for a lower price point. The higher on the bill the artist is, the more the promoter will be relying on them to sell tickets, and the less likely they may be to offer them the opportunity to perform near the festival proximity. For a smaller artist, they may be afforded the opportunity to "break" the radius clause if they are not a marquee name, so long as they negotiate their terms before signing the contract. However, with so many of the same artists all playing the same festivals all summer, it becomes very competitive to affectively route performances from festival to festival.

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