

New online live music agencies have oversized power over musicians

LSE blogs.lse.ac.uk/businessreview/2016/09/29/new-online-live-music-agencies-have-oversized-power-over-musicians/

9/29/2016



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The impact of the internet on recorded music is well-known, as are its effects on elements of live music such as ticketing and broadcasting of performances. But here I will write about something that has been less well-documented: the way new web platforms affect the labour market for ‘function’ musicians. By this, I mean jobs where musicians provide entertainment for private buyers; wedding gigs, parties, hotel lobbies, corporate events, and so on. It is part of the service industry as much as the arts sector. Function work is a vital source of income for thousands of musicians, particularly younger ones looking to support their careers in the early stages.

While function work opportunities may be obtained through word of mouth or personal networks, buyers and sellers may also make contact through intermediaries such as agents. This is where the internet plays a transformative role. The ‘traditional’ agent business model involves using connections and industry knowledge to prospect for work for clients, in exchange for a commission, usually around 20 per cent. But the internet makes it easier to bypass this process. Musicians and industry insiders I interviewed observed a proliferation of new types of ‘agency’, which one traditional agent disparaged as, in the worst cases, kinds of online ‘sweatshops’ for live musicians.

Nowadays, a search engine can instantaneously turn up a host of music agency websites, which will allow a potential buyer to browse hundreds (even thousands) of acts, as they might do on a price comparison website for insurance or plane tickets. When buyers use these channels, the insider skills of the traditional agent are replaced by the ability to perform well in search engines. The musicians’ labour market is depersonalised, standardised, and rendered much more intense, as acts find themselves thrown onto a web platform- a virtual ‘shop window’- alongside countless competitors. At the moment, there is no data sufficiently fine-grained to tell what proportion of the market these companies occupy. But it seems reasonable to anticipate that their influence will grow, as search engines become the default method of acquiring services.

What does this mean for working musicians? The naïve free market view sees this as democratising; breaking

down closed-off networks and opening up the field. Enthusiasts of the 'gig economy' might be pleased at the thought of large numbers of (usually) young 'micro-entrepreneurs' embracing the flexibility of new technological forms.

What these arguments neglect is the huge power imbalances between these agencies and the musicians that work for them. Since agents control access to work, the relationship is akin to an employer/employee one, albeit of a highly transient and precarious type. Agencies may exercise firm control over their workers: for instance, they may restrict them from handing out their own business cards to potential clients at gigs, ensuring that any future business goes through the agency.

Moreover, by assembling long lists of acts on one platform, agencies create vast reserve armies of labour upon which they can draw. This makes competition extremely intense, and exerts downward pressure on prices. When approached by a buyer with a brief, they can play musicians off against each other, forcing fees down. Some such agencies are run by musicians themselves who are in touch with the 'moral economy' of live music work, and who therefore are reluctant to push fees too low. But in other cases, agents may negotiate much higher fees with clients after a fee has already been set with the band, pocketing the difference unbeknownst to the musicians. It is therefore unsurprising that going rates for musicians have been static in function work for many years, despite rising costs of living.

As a result, these companies might make 'commissions' that are vastly higher than the 20 per cent standard of traditional agents. The lack of transparency is important here. It was remarkably common for musician interviewees to simply not know what an agent was getting. One interviewee had realised that an agent was taking more than the entire band added together, only after being accidentally given the agent's cheque rather than his own. Another abuse of musicians is late payments. I have spoken to musicians who saw it as normal to be waiting several months for payments for gigs from these kinds of agency.

These issues are not, of course, purely a creation of the internet. And some of the newer internet-based agencies do try to uphold good practices; for example, some of them had clear ideas about minimum fees for bands on their roster, and would even remonstrate with customers who wanted to get bands on the cheap.

But the internet has allowed new intermediary business models to proliferate much faster, bypassing the traditional agent, and centralising the live music work force in web platforms governed by search engine algorithms. This makes problems such as low fees and late payments harder to challenge individually. Since personal contacts come to mean less, bands are afraid to contest poor practice, fearing that if they do, work will simply stop being sent their way. But these agencies also illustrate a technological and organisational structure that musicians could turn to their advantage. Perhaps they could develop their own online labour exchanges run along cooperative lines, as some musicians have already [begun to do](#) with teaching work.

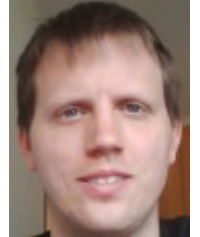
When I spoke to a representative of the Entertainment Agents' Association, he argued that the traditional agent model was not under threat from internet agencies. This is because, he suggested, the latter's low-cost model is based on no-repeat business; they cater to one-off buyers rather than major entertainment companies or hotel chains, who see these companies as unreliable.

This may well be true, but the effect on working musicians can be severe, with prices being driven down and late payments being normalised. It is clear that new internet platforms do not necessarily have an emancipatory effect. They may just create new middlemen who make super-profits. By taking control over methods through which buyers get in touch with musicians, agencies exercise a huge power over the artists that work from them. Now that more and more people are becoming 'digital natives', both on the buyer side and among musicians themselves, musicians need to find ways of fighting back against exploitative intermediaries. In particular, musicians need a collective voice demanding greater transparency over agents' fees and payment times. Otherwise, conditions in function music will deteriorate.

Notes:

- *This post continues the discussion the author started in [Musicians are exploited on the London and Paris jazz scenes](#).*
 - *The post gives the views of its authors, not the position of LSE Business Review or the London School of Economics.*
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