



## **MySpace Killed the Radio Star – How to Lose Friends and Alienate Musicians**

Sarah Crisman, Staff Analyst and Independent Music Junkie

September 30, 2008

Last week [MySpace Music](#) was launched as a joint venture between News Corp's MySpace and four major record labels: Vivendi's Universal Music Group, Sony BMG Music, Warner Music Group, and EMI Music. The popular social networking site now has the unique opportunity to help the struggling music industry and generate significant revenues through the combination of ad-supported online streaming and paid downloads via Amazon's MP3 store – if it can get its own act together.

MySpace says it wants to make finding and listening to music “[as easy as piracy](#),” a nifty objective because it may help curb illegal P2P sharing among a generation that has grown up in a post-Napster world where it's easier to rip music than it is to pay for it. That is, if MySpace Cadets can find their favorite bands. As things now stand, that's a big “if.”

Unfortunately, MySpace has succeeded in alienating one very important demographic that has helped make MySpace so popular: musicians. It seems that most independent musicians have been [shut out of MySpace's music store](#). The new music site opened shop without agreements covering hundreds of labels representing even well-known independent artists. Not to mention the thousands of unsigned artists that have driven traffic to MySpace while social networkers have steadily been migrating to Facebook.

“The original benefit of MySpace was that you could get your music out there on your own,” said jazz guitarist [Pete Weise](#). “It has generated interest for bands and artists that would have gone unnoticed by labels if it weren't for the ability to make their music known worldwide.”

Weise's albums are distributed through [CD Baby](#), an online record store out of Portland that represents over 250,000 unsigned artists and has paid over \$87 million to musicians. Much of that money is filtering through other digital music sites like iTunes, eMusic, and Rhapsody.

It is regrettable that musicians represented by niche hubs like CD Baby have been left out of the party. MySpace is diluting its valuable social media 'street cred' by focusing on Top-40 content and cutting out smaller acts that don't suit mainstream appetites. While the major labels may not have noticed the age of the Megastar has passed, one would expect a site built on the backs of grassroots musicians to appreciate the power of globalizing local acts.

MySpace co-founder and President [Tom Anderson](#) stated publicly that MySpace is trying to make deals with independent music aggregators. Great, but if they don't jump on their own bandwagon soon, MySpace risks losing diverse listeners & musicians (read: money). One of the great things about MySpace is that bands connect efficiently with listeners; rest assured jilted artists will quickly fire off a bulletin to their fans (or as they're known on MySpace, *friends*) letting them know exactly where they can purchase downloads, merchandise, and concert tickets – and they won't be recommending MySpace Music.

MySpace was a pioneer in connecting musicians and listeners. It would be a shame for them to discount the power of thousands of unique acts just because the major labels are in on the game now. Not everyone can be as 'popular' as The Jonas Brothers, but thousands of bands with thousands of followers still deserve to be added to the equation, and as soon as possible. MySpace users will likely use the ad-supported players to stream their favorite underground acts, but until deals are reached with more Independent labels, loyal music fans are going to spend their money with other digital music stores.

"Kids are pretty savvy in finding the music they like and they're not digging through the record bins," said Weise. "They don't really take cues from the radio playlists anymore. They can get what they like regardless of labels or MySpace."

#### **About TDG:**

TDG is a market planning and research firm dedicated to keeping our clients In Front of the Curve™. Since 2004, TDG has helped more than 250 technology leaders, media companies, and service providers to understand and manage the quantum shifts now impacting how consumers access, navigate, distribute and consume media – whenever and wherever they may be.

#### **Media Contact:**

Sarah Crisman  
469-287-8052  
sc@asktdg.com