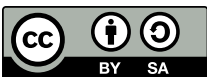


*Report*

*THE GLOBAL MUSIC  
LANDSCAPE, THE  
ROLE OF RECORD  
COMPANIES,  
AND ONGOING  
INNOVATIONS IN  
THE INDUSTRY*



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**THE GLOBAL MUSIC LANDSCAPE,  
THE ROLE OF RECORD COMPANIES,  
AND ONGOING INNOVATIONS IN THE INDUSTRY**

This is a summary of the IFPI<sup>1</sup> *Global Music Report 2024* on the state of the global music industry. Like previous editions, it provides an overview of the main music revenues in 2023 and highlights some representative artists in the industry today. In addition, it includes rankings of artists, albums and singles, as well as commentary from leading figures in the recorded music sector, which contributes to an overview of the global market.

**MAXIMIZING OPPORTUNITIES**

The music industry owes its growth to the invaluable role of record companies, which boost artists and their careers by connecting fans and music communities around the world through investments of billions in A&R<sup>2</sup> marketing. Case studies such as Jon Batiste, Fally Ipupa and SZA are proof of this.

Taking Congolese artist Fally Ipupa as an example, when he was brought to Elektra Records/Warner Music in France, the company already knew it was signing one of Africa's most famous artists. Elektra's plan was to take an artist who was an important performer in his homeland and connect him to a wider audience. This would require a musical evolution and it was vital that the artist shared this vision. The Elektra team ensured that the album included collaborations with stars such as Wizkid, Booba and Aya Nakamura. These collaborations were crucial in extending his international reach. In addition, the record company accelerated his presence on audio streaming platforms. The impact of the expansion strategies can be seen in the following graph:

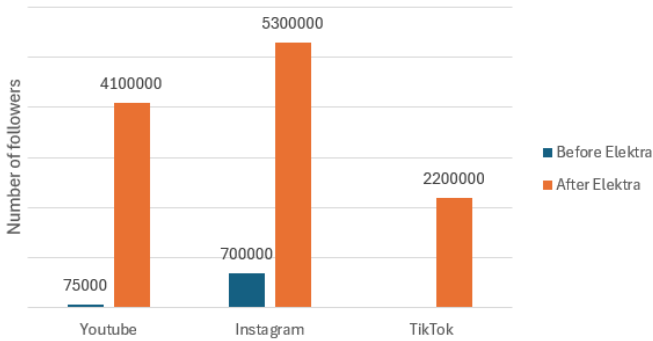
The graph visually reveals the exponential increase in the number of Fally Ipupa's followers on social media before and after Elektra signed him, which proves that a contract with a major record company can contribute to the visibility and popularity of an artist in this creative industry.

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<sup>1</sup> International Federation of the Phonographic Industry.

<sup>2</sup> A&R, short for Artists and Repertoire, involves scouting talent, encouraging the development of artists and acting as a link between artists and their record company (Passman, 2023).

**GRAPH 1**  
Growth of followers on social networks

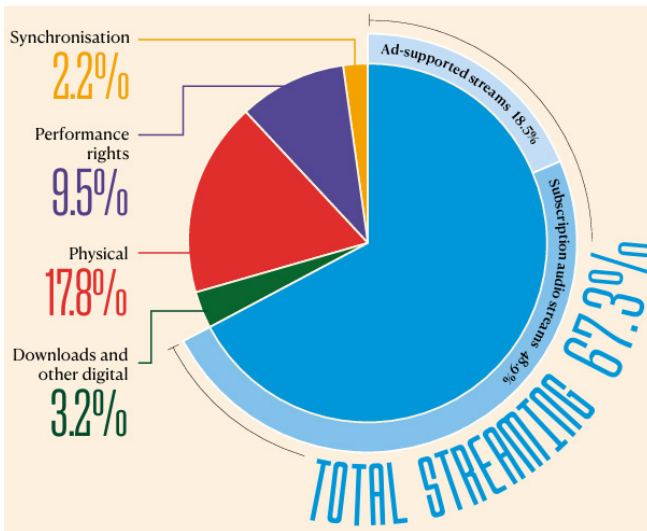


Source: Own elaboration.

### GLOBAL INDUSTRY GROWTH: WHICH COUNTRY HAS THE BIGGEST MUSIC INDUSTRY?

The report emphasizes the increase in revenues in all regions and in almost all recorded music formats, except revenues from downloads and other (non-streaming) digital formats.

**GRAPH 2**  
Global recorded music revenues by segment 2023



Source: IFPI Global Music Report 2024.

According to the data revealed, streaming continued to dominate global revenues in 2023, accounting for more than two-thirds of the market. In fact, the transition to digital platforms reflects that there have been changes in the consumption and distribution of music. Another noteworthy factor was the existence of 667 million paid subscription accounts.

As revealed in the report, subscription streaming played a significant role, increasing by 11.2%, which demonstrates its growing importance in the market. There was also a 13.4% increase in physical and direct performance revenues.

As for the main music markets, the top 10 of the previous year remained the same, with the United States of America (USA) in the first place, followed by Japan and then the United Kingdom (UK). It should be noted that the global music market showed the second highest growth rate ever recorded (10.2%), with China (the fifth largest market) showing a steep growth of 25.9%, the fastest revenue rate of any top 10 market.

It remains to be said that the USA is still the country with the biggest music industry, the main center of music production and consumption, setting trends and determining the pace of the global market.

### THE IMPORTANCE OF RECORD COMPANIES

The music market is now highly competitive, which has directly benefited artists. According to an IFPI study, record company payments to their artists increased by 96% between 2016 and 2021.

Record companies have never played a more important role than they do in the current competitive landscape. They can support artists in areas ranging from creative and technical services to marketing strategies, global distribution, legal protection of content and promotion.

Today, artists have a variety of options for creating, recording and sharing their music with fans. Working with a record company, benefiting from its network of talented and experienced teams who invest in artists' creative and commercial success, has become a strategic choice. These partnerships are increasingly essential for promoting cultural diversity and extending the global reach of music.



Source: IFPI Global Music Report

2024.

## DISRUPTIVE TECHNOLOGY

Technology promotes opportunities and introduces challenges. Record companies are currently adapting to technological changes, reimagining business models and nurturing artistic talent in order to thrive in an ever-changing music industry. Alongside successful partnerships, this report highlights innovative initiatives, such as remix projects with AI and commercial collaborations, reflecting the continuous adaptation of the music industry.

Technological developments, particularly artificial intelligence (AI), increase the opportunity to play games with soundtracks and to create integrated or immersive experiences for music fans, through the use of new tools and innovative creation platforms. An example of this approach is Sony Music's collaboration with the artist Iniko and the game Fortnite, which has provided a synergy between music and games.

Without a doubt, record companies are redefining their role, as evidenced by the innovative practices and partnerships involved in artist development. More than just distribution, they offer holistic support in career development, which facilitates artists' global expansion. Today, they are also committed to innovation in talent discovery and marketing. These initiatives include new methods to strengthen connections with fans. In addition, strategic collaborations between publishers, artists and other partners create significant cultural moments. This approach redefines the global market by prioritizing releases, deep connections with audiences and sustainable, long-lasting holistic solutions from emerging talents.

Among the innovative initiatives in the music industry, the IFPI report highlights new approaches to A&R and marketing, especially to superfans. Taking the success of the movie "Barbie" as an example, it should be noted that fan interaction was the key to one of the most successful cultural moments of 2023, whose soundtrack topped the sales charts in dozens of countries. Music therefore played a crucial role. The fact that Billie Eilish's single topped worldwide charts and won two Grammys (Song of the Year and Best Song Written for Visual Media) and an Oscar (Best Original Song) is a reflection of the time and resources that record companies devote to working with artists and other partners on certain projects, with the aim of maximizing opportunities and audiences while building brands and businesses.

## FIGHTING PIRACY AND FRAUD IN STREAMING: THE ACTION OF IFPI

As the music ecosystem grows, a number of threats emerge, including digital piracy and streaming fraud. New challenges include generative artificial intelligence that uses music without proper authorization and creates consumer-targeted products, competing directly with the work of artists.

Continued progress in the music industry opens up new opportunities for creation and collaboration. Despite the opportunity to make it easier for artists to create music, AI brings with it the problem of copyright infringement, which means that it is necessary to ensure fair legislation that supports the creative community. AI provides creative opportunities and enhances human art as long as it is used responsibly.

Another crucial aspect of ensuring market integrity and consumer confidence is the fight against streaming fraud, a practice that harms artists, distorts charts and playlists and compromises the integrity of the market.

The IFPI is taking legal action against websites that sell artificial reproductions. As a result, several sites in Brazil, Canada and Germany have already been shut down. For a healthy streaming economy, global search engines must remove links to fraudulent sites. In addition, government support is imperative to ensure enforcement by responsible authorities.

The report concludes that collaboration between governments, industry and streaming services is essential to ensure a thriving and sustainable music environment.

#### **REFERENCES**

- IFPI. (2024). *Global music report 2024: State of the industry*. IFPI. <https://www.ifpi.org/resources/>
- Passman, D. (2023). *All you need to know about the music business* (11th ed.). Simon & Schuster.