

The New Market for Music: Competing against free MP3s with new exclusive and locally rooted music products.

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Producers of cultural goods, such as fashion, participate in an increasingly competitive marketplace that pits large global firms against local independent entrepreneurs. Success in this economic landscape is often predicated on the ability to stand out from the crowd, to differentiate products on the basis of some aesthetic or symbolic property. In the case of music, however, the producers not only compete against each other and entertainment alternatives, such as DVDs and video games, but also with illegal yet identical goods that are available on the Internet for free. Indeed the impacts of the 'MP3 Crisis', on the global music industry, which included a severe economic downturn and subsequent structural and spatial changes have been addressed by economic geographers. What remains unexplored, however, is the ongoing aftermath of this technologically induced crisis, including the ways in which independent producers are navigating the new marketplace for music. To tell this story, this paper explores the innovative and integrative strategies 'indie' producers in Toronto are using to add value to their products to generate sustainable incomes. In particular, this paper provides examples of how these producers are competing against free alternatives by marketing the quality, authenticity, exclusivity and locality of their music related products.