TICKETING INDUSTRY PLAYERS

The Players in the Live Events Ecosystem

Content Rights Holders - Music artists, team owners, comedians, theater producers, etc.

Venues - Performing arts centers and theaters, music venues, sports arenas and stadiums, etc.

Primary Market Ticket Seller - The box office or the ticketing company contracted by the content rights holder to distribute tickets on their behalf. This is most often Live Nation’s Ticketmaster.

Secondary Market Ticket Seller - A ticket-holding consumer, professional ticket broker, or professional online ticket resale marketplace that helps ticketholders resell tickets (e.g., Vivid Seats, StubHub, Seat Geek, Tick Pick, Gametime, etc.)

Fans/Ticket buyers

What is a Primary Ticket Seller?

Venue box office - The office for ticket sales and/or ticket delivery at the venue where your event will take place.

Contracted “Primary” Ticket Seller - Most commonly Live Nation’s Ticketmaster, or AEG’s AXS, and in some instances, Seat Geek.

What is a Secondary Ticket Seller?

Online ticket marketplace - Connects ticketholders selling tickets with consumers buying tickets in a secure online environment; these include Vivid Seats, Stub Hub, Seat Geek, Tick Pick, Game Time, Ticketmaster Resale, and others.

Independent professional ticket brokers - These companies often have their own websites but usually they utilize online ticket marketplaces as a distribution platform for their owned ticket inventory.

www.ticketbuyerbillofrights.org
Before tickets go on sale

**A Lack of Competition in the Primary Market.** A single source for tickets – More than 70% of all tickets originate from one distribution channel. Initially, fans can generally only purchase primary tickets from the venue box office, or the sole contracted primary ticketing agent, which is Ticketmaster, in most cases. This has resulted in higher costs and loss of competition.

**Holdbacks – Tickets Don’t Really Go On Sale.** This is a longtime secret in the industry. For high demand events, it is common for many tickets to be held back from going on sale when tickets are first made available to the public. This is not revealed to fans, leaving them to believe bots hacked the system or that the event otherwise sold out instantly, compelling these consumers to purchase from the limited supply that is available. Primary ticket sellers sometimes withhold up to HALF of the total number of tickets available for a show or event, generating artificial scarcity and driving up prices.

During the on-sale

**Slow ticketing to Manufacture Scarcity and Constrain Choice.** Relying on ticket holdbacks, this practice involves slowly trickling tickets to an event, leading to artificially inflated prices. This is also an attempt to prevent ticketholders from offering tickets on secondary resale marketplaces, which stand as the only form of competition to the primary seller and alternative for consumers shopping for tickets. This practice contravenes basic principles of economics and is unique to event ticketing.

**Undisclosed/Deceptive Speculative Ticketing.** It is deceptive to offer tickets that the seller does not yet possess or has not yet purchased without disclosing the nature of this form of ticketing to the consumer. Speculative ticket sales on their own are not harmful so long as the buyer is informed of this method, the transaction is guaranteed, and the buyer has refund protection should the ticket seller be unable to fulfill the order. So long as disclosures are clear and provided upfront, and orders are fulfilled, this can be a positive way for consumers to purchase tickets. Regulated speculative ticketing should be embraced, otherwise consumers may take risks in fraudulent shadow markets, but clearer disclosures and transparency should be required of all ticket sellers.

**Deceptive Websites.** Some sellers on the secondary market manufacture websites, through the use of deceptive URLs and words like “official,” to look as though they are a venue’s box office or the primary seller. The lack of disclosure is deceptive and meant to manipulate fans. It is against the law in some states and most major primary and secondary ticket sellers support the banning of these deceptive practices at the federal level.

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Using your tickets

Transferability is the option to give away or sell your purchased ticket. Some primary sellers attempt to restrict transfer, harming fans in the process. Polling shows that nearly 80% of Americans support the right to transferability. Ticket transferability is protected by law in several states and is critical to ensuring consumers have more than one source from which to buy tickets.

Delayed delivery. In some cases, primary sellers wait to send tickets to fans until a day or two before the show, making it nearly impossible to give away or sell tickets if you can’t make the event. Meanwhile they charge fans at the point of purchase. If sellers are going to delay the delivery of tickets, then they should delay charging consumers.

Invalidating tickets. Primary sellers like Ticketmaster have technology that enables them to cancel or invalidate tickets to the same event sold by its competitors in the industry. They do this by changing the barcode of the tickets necessary to be scanned for entry. Several states have passed laws to ban this discriminatory practice.

Tying. Primary sellers use technology tying tickets to their proprietary app, making it possible for the tickets to scan for entry only if they are housed within their app. This is forcing many consumers to create accounts and provide their personal data to another company (and not necessarily the one through which they purchased tickets). This has resulted in customer service headaches. Major secondary ticket resale marketplaces indicate that their number one customer service complaint involves ticket access difficulty with tickets tied to Ticketmaster.