Adopting Blockchain In The Digital Music Industry

By: Pablo Blanco & Andi Maroge

How technical innovation empowers artist in the digital music industry

Outlining issues

Is blockchain the solution?

How Blockchain Works

Blockchain was first introduced in 2008, it's the technology BitCoin (Decentralized currency) was built on

Blockchain is a distributed ledger that keeps track of ownership of digital assets

Blockchain is a specific type of distributed ledger

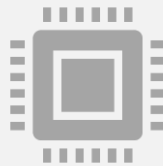Blockchain uses cryptographic signatures to store data

How Blockchain Works cont.

Data Location is Decentralized

Each transaction is posted in a shared ledger

Shared ledger spans across thousands of computers around the World

How Blockchain Works cont.

Shared Ledger stores a digital fingerprint of an accomplished asset.

A block is created every 10 minutes. It contains data of all previous transactions.

Each block is linked to previous blocks.

Each block is time-stamped.

Current State of Blockchain

Multiple Platforms available today:

- Choon
- Bittunes
- Peertracks
- Musicoin
- Voise

Some built their own systems while others use already existing ones.

Musicoin Example

Musicoin

- Uses blockchain to allow consumers to stream favorite music from artists

- It's a free platform

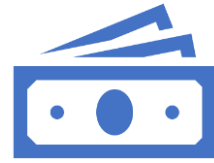- Uses it's own cryptocurrency

- It's in early stages

Choon Example

Choon

- Allows artists to release music with digital signatures

- Digital signatures are used to identify piece of music to artists

Study: 52% of consumers want to use alternative streaming service

31% believed it's not right to not pay artists fairly

Potential Issues with Blockchain

1. Complex

People don't fully understand it

Companies business models is people believe need artists need fair pay

Companies are not giving out enough information for consumers

2. Low Perceived Value

Perceived value of cryptocurrency is low

Cryptocurrency may go up or down

Distribution of music becomes an issue

cont.

3. Resistance of Intermediaries

- Blockchain promotes removing intermediaries
- Intermediaries have more influence over industry
- Transparency is artist's main complaint about third parties

4. Attribution of Work

- Major problem for artists
- Computer algorithms solve problem through hashing content

Is Blockchain the Solution?

Blockchain technology has very high potential in the music industry

- Allows attribution of music to artist
- Great for supporting artists
- Decentralization increases security
- Costs are reduced to minimum
- Early efforts were not major, but there is potential

The Solution

- Build a reliable mobile application

- Software application allows artists to upload their music

- Artists will receive payment from fanbase(users)

- Software application uses the Ethereum blockchain network

User Interface of App

Ethereum Network
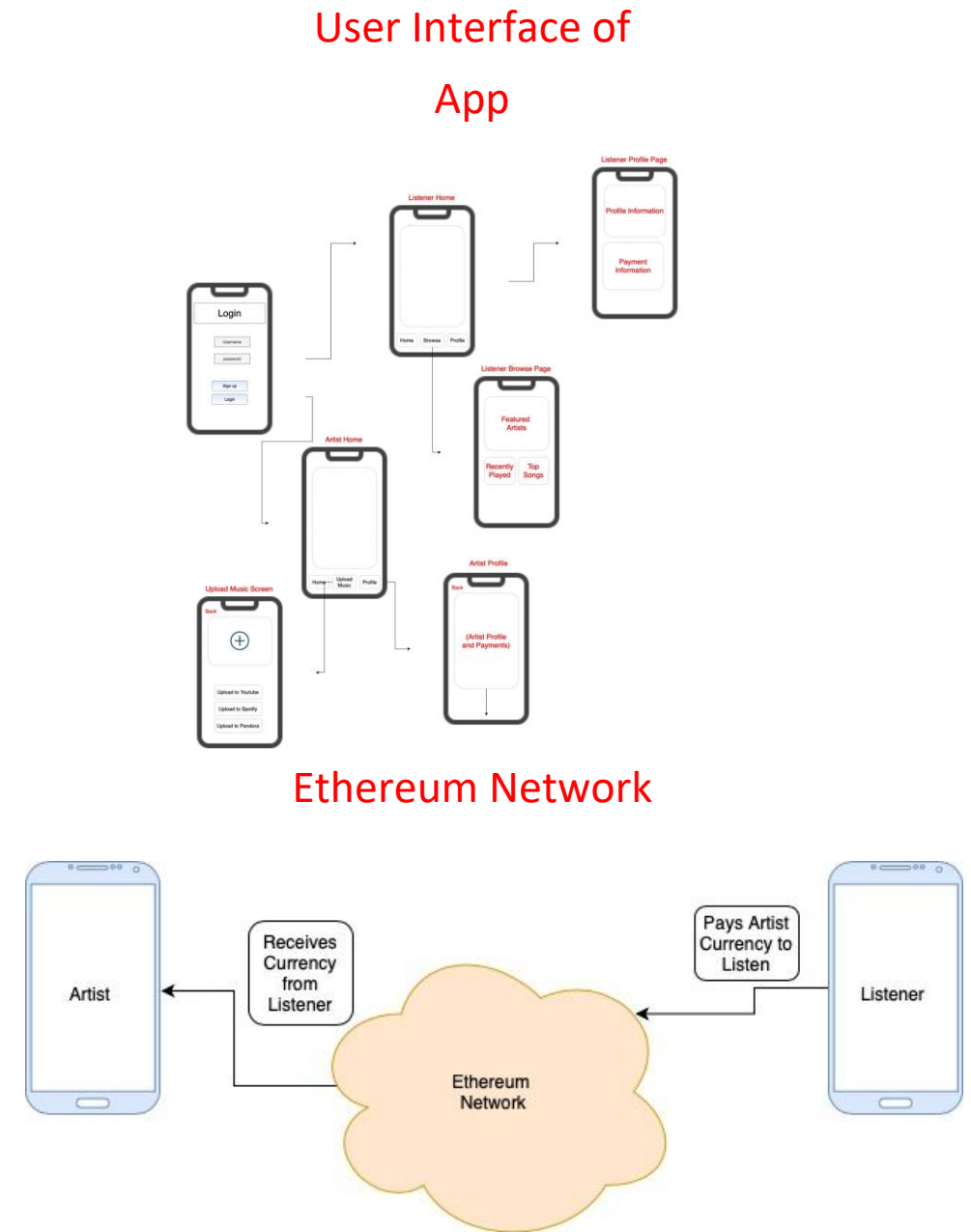
Future Works of Blockchain

Blockchain is highly regarded. Endless possibilities
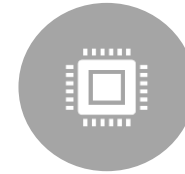
Several companies are already using blockchain in the Music Industry

Independent content creation becoming a trend

Blockchain will be applied in the Music Industry as well as others

Thank you