Digital Music Observatory



Our flagship product is the Digital Music Observatory, which grew out of the 12-country CEEMID project originally started with collective management organizations. It is a practical, decentralized, open-source, open data solution that follows the data and functional requirements of the Feasibility Study on the European Music Observatory. It has the additional feature that it can perform tasks on non-public data in innovative ways, for example, for private copying damage,

royalty tariff setting, regulatory impact assessment projects.

How it differs from the European Audiovisual Observatory?

- It is a private initiative, and its focus has been to fulfil the business needs and research needs of its partners, not to produce only publicly available or buyable data.
- Instead of buying market research data, it mainly aims at pooling, reusing existing industry data, and reusing open governmental and open scientific data.
- It is not centralized, it is decentralized, like most other observatories from the 80 observatories we have reviewed.
- It uses modern statistical production techniques and data science: it has a modern API which makes data available with higher documentation standards, sooner and in higher quality than most observatories.

Is this an alternative to the European Music Observatory?



Our Digital Music Observatory has been operational for over a year now, while the European Music Observatory is a highly abstract plan only, without clear data governance, service plan or budget. While the Feasibility Study on an EUrecognized music observatory mainly draws conclusions on the analogy with the audiovisual sector's observatory (which is far the oldest, costliest, and most complicated to replicate), we are validating a more inclusive and decentralized working

model that draws on experience with about 80 EU, OECD, UNESCO recognized observatories, including failed, defunct ones.

Our observatory is a potential building block of whatever European Music Observatory will be built. We are not planning to compete with whatever solution the music stakeholders find, because there is no room to compete with private funds with a publicly funded observatory. Our chosen working method, the agile 'open collaboration method' borrowed from open knowledge projects and open-source software development allows the alignment with any legal and governance form. We will offer our open products free for the European Music Observatory, or, alternatively, we will offer the entire



observatory for the designated EU body that will manage the officially recognized observatory, should it ever be built.

Use cases









Music Creators Earnings' Project in the Digital Era: we teamed up with the four-university consortium working for the UK Intellectual Property Office to give new evidence and put the Consortium's data into historic and international perspective. Our main contribution was a novel streaming price and volume index which showed the economic factors contributing to the devaluations of music streaming in the United Kingdom and 19 other European markets. (See the report.)

Trustwothy AI: With the support of the Slovak Arts Council, we worked with the SOZA to understand why Slovak music is not recommended and played enough in streaming platforms and radio broadcasting. We wanted to show how music curation and recommendation differs in radio and broadcasting. This started our research with other partners into trustworthy AI that do not undermine child protection, cultural and media policy goals. (See Feasibility Study on Promoting Slovak Music in Slovakia & Abroad.)

Music Industry Reports: We have created national music industry reports in Hungary, Slovakia, Croatia, and Czechia to engage the governments and industry players in a constructive dialogue. These book-form research reports include evidence-based policy advocacy using our data and valuation, projection, and other econometric models. In Hungary, we highlighted the importance of taxation, in Slovakia, the problems of autonomous recommendation systems and taxation, and in Croatia the ever-evolving problem of private copying. In Czechia, our work was part of a strategic development planning. (See our CEE Report.)

Music pricing projects: We assembled data, augmented various CISAC, IFPI, internal CMO data with open and alternative data sources, and build up hedonic pricing, market comparator, discounted cash flow and other models to value music in restaurants, hotels, broadcasting or in private copying. We integrated data from nationally representative surveys that we designed with the technical guidelines of the ESSNet-Europe.

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