



# Releasing Music Album in Digital Era

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**Abstract.** The digital music era was born from information technology and the problem of piracy. Based on research conducted by the Association of Indonesian Internet Service Providers (2016), internet users from the millennial generation are 63% of the total internet users in Indonesia, namely 132.7 million people. They listen to music online (35.5%). It had a huge impact on the music industry in both distribution and production. The all-digital technology makes it easier for anyone to produce their works with relatively cheap capital because there is no need to use the old method like in the analogue era, which requires large capital in its production. The process of independent music production can be easily done in someone's home; anyone can release their song to a digital streaming platform such as "Spotify" to reach the audience and get an equal appreciation for their music works. The method used in writing this paper is phenomenological. The result simultaneously resonates with a similar pattern presented by a more contemporary phenomenon, namely the presence of Spotify. It is strong evidence of the importance of the presence of a new frame of mind in seeing the daily life of a civilization that is increasingly mediated in space and digital reasoning.

**Keywords:** Music album · Digital era · Spotify

## 1 Introduction

Industry 4.0 is related to so-called "smart factories" [1]. In smart factories, virtual copies of the physical world and decentralized decision-making can be developed [2]. Physical systems can cooperate and communicate in real-time, all enabled by IoT (Internet of Things) and related services. The debate about Industry 4.0 and its global impact is growing rapidly due to intense discussions about digitalization, the Internet of things, smart knowledge, and systems [3]. It also impacts the music industry as an integral part of society and art that aims to feed the soul and color emotions through songs.

Hundreds of record and CD stores in Indonesia have closed. Meanwhile, currently, there are only 15 major record labels from the 240 listed companies in ASIRI. In other words, the music industry in Indonesia at that time was in decline. It is ironic because until 2009 the music industry was part of the creative economy industry which recorded the fastest growth rate among other industries, around 18%-22%. Several problems are caused the death of this creative industry. One of them is the digital music era as a child of advances in information technology and the problem of piracy. The development of the internet affects music consumption patterns in all parts of the world.

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Piracy must be solved with innovations, especially at this time. The music industry that uses physical media is in a very bad state because there are very few fans, and many have switched to digital form. To reduce piracy with authorized sales or to ensure that musicians still get a reward or appreciation commensurate with the work they have produced, many official music streaming platforms can guarantee this, for example, the digital platform Spotify. In Indonesia, based on research conducted by the Association of Indonesian Internet Service Providers (APJII), internet users from the millennial generation are 63% of the total internet users, namely 132.7 million people.

They listen to music online (35.5%) and use mobile devices to communicate (47.6%) [4]. It shows that listening to music online is a way for millennials to get entertainment. As a generation of productive age who actively uses technology devices, the millennial generation has several characteristics when searching for and accessing music streaming services on the internet.

## 2 Methods

The method used in writing the paper entitled “Releasing Music Album in a New Era” is phenomenological. The author used the phenomenological method since it has a philosophical approach to investigating human experience. Phenomenological methods can acquire new or develop existing knowledge with logical steps, critically systematic, not based on a priori/prejudice, and not dogmatic. In simple terms, the phenomenological method can be interpreted as a way to reconstruct a phenomenon.

The term phenomenology is etymologically derived from Greek. The root word “phenomenon” or “phenomenon” literally means “symptoms” or “what has appeared” so that it is real for us. Phenomenology as a method does not use only in philosophy but also in the social sciences and education. In phenomenology, testing is done with descriptions and reflections on every important thing, especially from the given phenomenon. In phenomenology, people can see what is experienced by humans from the point of view of the first person, namely from the person who experiences it.

## 3 Analysis

### 3.1 Music Production

In recording music, some stages are carried out. These stages are combined into three major stages: Tracking, Mixing, and Mastering.

#### 3.1.1 Tracking

Tracking is the stage of taking/recording sound. From a musical arrangement, of course, there is an instrument that accompanies a song. Every instrument and vocal is recorded on a track. In this stage, the equipment in the form of a microphone is useful for converting sound into magnetic waves that will be processed.

### 3.1.2 Mixing

Mixing is the stage of combining the recorded tracks, balancing them, and arranging the tracks that have been recorded so that the results become a unified sound called a song. At this stage, the expertise of the studio operator, assisted by a controller in the form of a peak meter, is very useful. A peak meter is very useful as a benchmark for standardization.

### 3.1.3 Mastering

Mastering is the final stage. It removes redundant effects, compresses rough frequencies, polishes, and evens out, and sets volume standards. At this stage, hearing acuity and loudspeaker are very reliable.

Recording a musical work in a recording studio may take 6–12 h. Therefore, recording requires expertise in the field of music, both in playing instruments and finding the right sound as needed. The most important thing in the recording process is patience and perseverance. The recording process is an activity that can be stressful.

## 3.2 Music Format Development

Music player technology is increasingly advanced, making the old music players get rid of. The following are some music player technologies from ancient times to the present.

### 3.2.1 Vinyl

Played With Gramophone Initially, Vinyl was a device with a pen that vibrated to produce sound from a disc. This idea originated with Charles Cros of France in 1887 but never materialized. In the same year, Thomas A. Edison invented the Phonograph (phonograph record player), which records sound and is mostly used for office purposes.

### 3.2.2 Cassette

Played With Tape and Walkman Compact Audio Cassette was introduced by Philips as an audio storage medium in Europe in 1913. Then in 1965 began to be mass-produced. Cassette tapes can record songs up to an hour long on each side. The quality is quite good, but the sound quality is often decreased when the cassette tape is disturbed, dirty, or damaged [5].

### 3.2.3 CDs, VCDs, DVDs

Played With a CD Player CDs are made by recording different signals from previous generations of recorders. Recorders on LPs and magnetic tape recordings are analog signals, while CD recordings are digital signals, namely the encoding of signal 0 and signal 1. CD, VCD, and DVD music has better sound quality but still experiences interference if the disc is scratched, dusty, or damaged [5].

### **3.2.4 Digital Music**

Played with MP3 Player, iPod Digital music uses digital signals in sound reproduction. Digital music is the sound reproduction of digital signals that have been authentically converted into analog signals. Digital voice recording by encoding binary numbers resulting from changes in analog voice signals with the help of sampling frequency. Digital music can also come from synthetic sound.

### **3.3 The Age of Digital Era and Piracy Problems in Indonesia**

The music industry in Indonesia is currently experiencing a slump. This is ironic because until 2009, the music industry was part of the creative economy, which recorded the fastest growth rate among other industries, around 18%–22%. Several problems are the cause of the death of this creative industry. One of them is the digital music era that was born from information technology and the problem of piracy. The development of the internet affects the pattern of music consumption in all parts of the world.

Music can now be easily downloaded and shared based on programming development and data transfer speed from the internet. The discovery of Napster is enough to trigger other sharing sites, where music files that have been entered in digital form (usually in MP3 format) can be easily shared. Likewise, the development of various online storage provider sites or sites for uploading and downloading files that are mushrooming on the internet makes file transactions easier. Technological developments are used by various irresponsible parties to seek personal gain by ignoring individual copyrights. It can turn off the creators' creations because the circulation of songs that were previously limited both in number and authenticity, but now these restrictions are erased, and circulation cannot be limited both in the number and authenticity of the songs in circulation.

Copyleft is a form of licensing that seeks to ensure that the public retains the freedom to use, modify, expand, and redistribute a creative work and all original works rather than limiting that freedom. In essence, creators and consumers who agree with the concept of copyleft can be said not to recognize the existence of copyright because, so far, copyright is considered only to benefit certain parties. In addition, copyright is also considered to limit the development of a work.

## **4 Results and Discussion**

In Indonesia, based on research conducted by the Association of Indonesian Internet Service Providers (APJII), internet users from the millennial generation are 63% of the total internet users in Indonesia, namely 132.7 million people. They listen to music online (35.5%), and use mobile devices as a means of communication (47.6%). [4]. This shows that listening to music online is a way for millennials to get entertainment. As a generation of productive age who actively uses technology devices, the millennial generation has several characters when searching for and accessing music streaming services on the internet.

#### **4.1 Digital Music Streaming Platform Spotify**

In 2005 for the first time, the idea of Spotify was put forward by its founders, Daniel Ek and Martin Lorentzon. The two came up with the idea of the Spotify service while sharing music among themselves in an apartment in Sweden and launched a beta version to the public in 2007 [6]. The official app was first launched on October 7, 2008. Spotify has continued growing and has since expanded to more than 56 countries, including the United States and the Philippines.

In its later development, Spotify obtained cooperation agreements with Universal Music Group, Warner Music, EMI Group, Sony Music Entertainment, and Merlin. [7]. As a streaming music platform, the Spotify application can run on various digital devices such as smartphones, desktops, tablets, PlayStations, Xboxes, smart TVs, and Bluetooth-based audio devices. To run the Spotify application, you must first download the Spotify application on the device you have. Furthermore, users can choose paid services (premium) or free services by paying Rp. 49,900-/month, so users can listen to music offline, without ads, play any song, and get much better audio quality than the free service version [8].

In running its business, Spotify collaborates with various record companies that oversee musicians. There are many profit-sharing scenarios between Spotify and the musicians/record labels. Spotify, for example, says that the median payouts for streaming to labels and music publishers are \$0.006 and \$0.0084, respectively. But there is also information that says the artist's payout from the label's portion is \$0.001128 [9]. Music streaming services, such as Spotify, have changed the face of the music industry.

This streaming music business model deviates from the traditional music industry business model and allows subscribers to access a comprehensive library during the subscription period instead of purchasing individual music products. Streaming service providers (e.g., Spotify) earn revenue either by charging consumers a flat monthly fee (i.e., paid streaming services - PSS) or by offering the service for free to consumers and, conversely, generating revenue through advertising (i.e., free streaming service - FSS) [10].

Consider the case of free interactive streaming. These ad-supported services naturally offer more limited access to music. First, listen to consumers distracted by advertising. Second, and most importantly, on-demand streaming mobility is inaccessible or drastically restricted. Until recently, consumers were usually only offered the possibility to stream freely from a fixed device - such as a PC - because no mobile access was available. The recent introduction of mobile apps for free users has changed this situation. Still, their limited on-demand listening capabilities (e.g., limited repeat listening, no ability to skip tracks in a playlist, implement shuffle mode) prevent free users from accessing music flexibly everywhere. So, while free streaming allows consumers to discover and learn about new products, it does not offer them the possibility to freely and easily access these products.

#### **4.2 Royalty Payment Mechanism for Songs in Digital Streaming Application**

The Digital Distribution of Euphoria Digital staff authorized to manage and distribute music explained that Spotify is different from several other music streaming music

applications such as Soundcloud, YouTube, and so on in terms of uploading music or songs for commercial purposes. Spotify makes a policy for artists or musicians who want their songs loaded in the Spotify application to have a label or publisher first. Systemically, a musician can sell their songs on the Spotify application in the following ways: A musician or artist who wants to sell his song must have a label or publisher who is in charge of and has the right to a copyright license. Spotify has several distribution labels that cooperate in managing the copyright of music before it can be included in the application's music playlist. Some of them are Believe Music, Absolute Label Service, and Denmark.

In Indonesia, Spotify does not yet have a label or publisher that directly cooperates with it, so to enter songs into Spotify, musicians must first have a label or publisher in Indonesia authorized to manage Copyrights for songs or music, then the existing label or publisher. In Indonesia, it will submit a request to a label or publisher that Spotify has determined. It is done to provide legal protection to the Creators or Copyright Holders. It is done to provide legal protection to the Creators or Copyright Holders.

- a. Spotify listeners or users have the right to listen to the songs or music they want with good quality and are obliged to pay royalties for using or listening to the songs in the Spotify application. But some listeners can listen to music for free; it's just that between music or music changes, free users will see ads that appear.
- b. Spotify reserves the right to obtain and manage copyright for copyrighted works commercially; both paid for by premium listeners and advertisers that will appear for free users. While Spotify must issue or provide royalties distributed to distributor labels before being handed over to the Creator or Copyright Holder. It is stated in the terms and conditions when a songwriter or publisher wants to distribute a copyrighted work through the Spotify application. For papers with less than six authors, adjust the template to change the default.
- c. Distributor labels that work directly with Spotify, such as Believe Music, must distribute royalties to label artists or Digital Publishers. On the other hand, Label Distributors are entitled to a distribution fee whose amount has been agreed upon at the beginning of the agreement.
- d. Digital Publisher must distribute or market any song or music whose rights management is granted by the artist to Digital Publisher. Therefore, Digital Publisher has the right to share fees on royalties generated in the sale of songs or music. It's the same with distributor labels; the fee amount follows the agreement between the artist and the Digital Publisher.

Artists or musicians must create a work that will then be managed or marketed by the Digital Publisher. Meanwhile, the right of an artist or musician is to receive royalties for the work he owns as the Creator and Copyright Holder. The amount of royalties the artist receives depends on the agreement made with the Digital Publisher. Spotify has used an automated content identification system. The system works like the one used by YouTube. When a user uploads a song, the system automatically checks the user's upload against the tracking database requested by the Copyright owner. If the system detects a match, the user's upload may be blocked or will be deleted automatically if the Creator or Copyright Holder objects.

Payment of Royalty for Songs and Music in Music Streaming Applications in Law Number 28 of 2014, Copyright is a special right for the Creator or Copyright Holder to reproduce or duplicate and to announce the results of his creations that grow together with the birth of a work. The Creator is also entitled to the economic benefits born of his creation. These economic benefits can be sourced from activities to announce (performing rights), activities to broadcast (broadcasting rights), and activities to reproduce, including mechanical, printing, synchronization, advertising, and distribution rights. It can be done by recording with music producers, then reproducing via CD/DVD. Then, it can be done by performing on television radios or uploading them to streaming music applications such as Spotify and others so that people will be interested.

The royalty payment mechanism related to revenue sharing for music uploaded on Spotify and claimed by the music creator/publisher is as follows. The process of giving royalties in the form of profit sharing will be paid to musicians or singers who have registered their accounts on Spotify. The revenue-sharing royalty disbursement system is carried out in stages. Spotify will first provide royalties and royalty reports to digital aggregators or so-called Copyright license buyers in collaboration with Spotify.

- a. The number of royalties provided by Spotify to musicians vary. Generally, it will be determined based on consideration of the per capita income of a particular country. For example, in Indonesia, the royalty given by Spotify in every 1x video stream is 0.004533 euros. This payment will be made monthly as long as the song is registered and has playback on the Spotify app.
- b. Furthermore, the digital aggregator will provide a royalty that has been deducted by the client share rate of 0.7 from the total royalty income based on the agreement that has been agreed between the digital aggregator Spotify and the digital aggregator artist. Payments are made quarterly by the digital aggregator due to the nominal amount, considering that not all artists who work together are well-known.
- c. Royalties given to digital aggregator artists will then be divided between artists or musicians (Creators). The division between artist and artist digital aggregators also follows the initial agreement

### **4.3 Contradiction to Spotify**

Spotify is often critically preached in various parts of the world, for example, how their business is detrimental to musicians. Indeed, 70% of their profits, both from advertising and paid users, go back to the music industry. However, many suspect that most profits go to music labels and distribution channel companies. While the financial benefits received by songwriters, musicians, and production teams are very small, no more than 10% of the profits received by rights holders, aka the music industry's profits. These profits also have to be subdivided into the small proportions that songwriters or musicians end up receiving (see [9, 11]; also compare "Spotify Artist" and several other reports including data journalists [12–14]).

In other words, the streaming music business system is accused of only increasing the benefits of the "giants"—the service provider, aka Spotify and the major music labels—and increasingly alienating newcomers and small recording artists. Other impacts include users' tendency to play free from Spotify rather than becoming paid subscribers or buying

albums and singles of their favorite musicians [15, 16]. Several circles, especially some world musicians, often voiced these accusations to Spotify.

Of course, it is still too early to see the impact of Spotify's entry in Indonesia, considering he is still very young. However, such indications should have started to become a stimulus in setting the footing for thinking, especially by media reviewers. Such an empirical situation is no longer sufficient to look at from the old frame of mind.

It means that it is a way of looking at the practice and use of media in a purely linear framework. Namely, a framework that emphasizes the tug-of-war between socio-political structures and media content and institutions without heeding cultural aspects and various other significant contexts. A fresh perspective is needed to "read" the complexities of media that are increasingly intertwined in the context of digital culture. In such a situation of media practices and the use of media in digital reasoning, our understanding of various things is needed more comprehensively. Understanding media history, for example, is finding its important even more today, especially to understand the situation and future orientation on the practice and use of media in our civilization. Of course, the study of media history needs to focus more on a clear understanding of media technology in its socio-political-economic-and-cultural context.

Media audience studies also have new challenges. In situations of behavior interacting with media in the digital sense, including that shown by the presence of Spotify, the interaction patterns of media and their audiences also have increasingly diverse forms and meanings. In general, the debate in digital reasoning is no longer about passive or active audiences. However, it has gone beyond that. Other concepts, such as participation and engagement, are now more relevant as a starting point for studying media audiences. In addition, the audience's signifying process of media content, the use of media platforms, and their interactions with other media users, have also gone beyond the debate regarding the process of decoding and encoding communicative messages.

## 5 Conclusion

Spotify combines the innovation of ideas and technology with the expansion of capital. However, its presence as part of daily human life is equally important to look at from various aspects. Thus, the study does not stop in a frame of mind that traps in confusion about understanding civilizations that are increasingly related between online and offline, between digital and analog, between personal and social, and between poetics and politics in a network of power relations that are increasingly dynamic and not always linear.

For example, the attention of media and technology researchers in Denmark have also shown efforts to formulate a fresh mind when trying to understand human interaction in this digital era. One is through a pilot research project entitled LARM Project (the Danish radiophonic cultural heritage), which ended in 2014. This project focuses on collecting, digitizing, and codifying various forms and experiences of sound in their civilization [17]. Similar concerns have emerged from media analysts in the Netherlands and their network partners. One of the most important publications of their work shows the relationship between audio archives and cutting-edge technology, memory, and cultural practices [18].

This spirit deserves to become the awareness of media reviewers in Indonesia—of course, supported by the publication of studies with varied frameworks of thought. That



way, references to media studies in Indonesia, especially in the context of digital culture, will be more colorful. This kind of knowledge production, in my opinion, will certainly be much more useful for the development of a complete understanding than references which have been dominated by practical tips for working in the world of media and music only technically. Herein lies the importance of developing a new frame of mind while enriching our understanding of the media's empirical side and its audience's behavior, which continues to move increasingly fast.

What caught my attention was the realization that the way audiences treat the media and the forms of media are increasingly diverse. This closing reflection simultaneously resonates with a similar pattern presented by a more contemporary phenomenon, the presence of Spotify, as I have described above. Again, this is strong evidence of the importance of the presence of a new frame of mind in seeing the daily life of a civilization that is increasingly mediated in space and digital reasoning.

"Firstly, don't focus all the attention on new initiatives at the expense of huge efficiency gains in existing areas of activity. Secondly, technology and innovation will continue to disrupt this strategic map, so embrace and accept them. Thirdly, don't strive for perfection at the expense of progress. And fourthly, forums like the SDG Business Forum are incredibly valuable for stimulating collaboration and sharing insights and lessons learned." – Nick Chism.

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