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ARIA RELEASES 2014 WHOLESALE FIGURES

Streaming revenue provide greatest area of growth

- Subscription service income doubled to $23 million
- Vinyl album sales value up 127%
- Digital music products make up 59% of the total market at $187.7 million
- 16 Australian Singles and Albums soared to the top of the ARIA charts
- Australian artists deliver exceptional results with 18 of the top 100 singles and 36 of the top 100 albums - 4 singles and 3 albums feature in top 10 lists
- International Chart success for Sia, 5 Seconds of Summer & Iggy Azalea

The Australian Recording Industry Association (ARIA) today released its annual wholesale figures for the local recorded music industry, showing the growth and development of revenue from streaming services. The ARIA End of Year Charts highlighted the strong contribution from Australian artists to overall sales.

Figures show music streaming revenue in Australia doubled in 2014, up 111% from 2013. Digital Subscription and ad supported models now make up over 10% of the total market value, which mirrors the increasing trend of streaming music consumption internationally.

This movement towards music consumption via streaming services is likely to continue in 2015 with new premium services from Apple and YouTube set to enter the market, offering music consumers even more choice in how they buy and listen to music.

Whilst streaming services were an area of growth for the industry in 2014, the overall digital market was down 2.36% and physical sales were down 18%. This resulted in an overall decrease of 9.62% in annual recorded music revenue, slightly better than last year’s 11.6% decrease.
The ongoing revival of vinyl demonstrates this format’s enduring power of reinvention and popularity. The platform continues to be the noteworthy music trend as vinyl album unit sales more than doubled, increasing by 127%.

In 2014 local record companies continued to diversify their income in order to expand their revenue base beyond recorded music sales. This included working with artists in the areas of management, merchandise, synchronization licensing and touring. Such income is an increasingly important part of the revenue streams generated by ARIA Member companies.

The local industry continues to manage its way through times of challenge and transition, and it is very encouraging to see that consumers have continued to embrace legitimate digital services, as illustrated by the growth in the subscription streaming market.

The illegal consumption of music is a constant challenge to the music business which continues to affect its prospects of growth. 2014 proved to be a formative year for the industry as the Federal Government announced that it will take steps to address the serious issue of online copyright infringement.

2014 was an exceptional year for our Australian artists in the Top 100 End of Year ARIA Charts, with a major increase in Aussie artist representation on the charts from previous years. Australian artists contributed eighteen tracks to the ARIA Top 100 Singles Chart, five more than the previous year and seven more than in 2012. On the album front, 36 local releases have charted in the top 100, nine more than the previous two years.

Dan Rosen, ARIA Chief Executive Officer, said today, “The remarkable success of Australian artists in 2014 is exciting news for the future as the music from our homegrown talent is enjoyed by music fans here and around the world.”

As the industry continues to transform itself, we remain committed to embrace our digital future. Our goal as an industry is to make it easier for music fans to support the artists they love by developing innovative new ways to sell music. The continued growth in the subscription market shows that the local music industry is leading the way in streaming digital content. It is an exciting time, as the consumption of music grows through an ever-expanding range of options—whether through subscription services, digital downloads or visiting the local record store to buy vinyl.
The year ahead promises exciting musical offerings for fans, with stellar new releases contributing to a positive outlook. Expect new albums from local artists such as Ailing, Alison Wonderland, Basenji, Boy and Bear, Charles Murdoch, Coin Banks, Damien Leith, Drapht, George Maple, GL, Holy Holy, Jackie Onassis, Japanese wallpaper, Jessica Mauboy, Justice Crew, KUČKA, Lee Kernaghan, Little Sea, Marlisa, Matt Corby, Meg Mac, Nathaniel, Panama, Peking Duk, Rainbow Chan, RUFUS, Samantha Jade, Seth Sentry, Spit Syndicate, Ta-ku, Taylor Henderson, Tame Impala, Tim Omaji, Tonight Alive Troye Sivan and Will Sparks.


About ARIA
ARIA is a national industry association representing major and independent record producers, manufacturers and distributors. It acts as an advocate for the Australian music industry, administers the labeling code of practice, provides a ‘blanket’ non-exclusive licensing function for copyright users and compiles industry information and research. For more information please visit www.aria.com.au