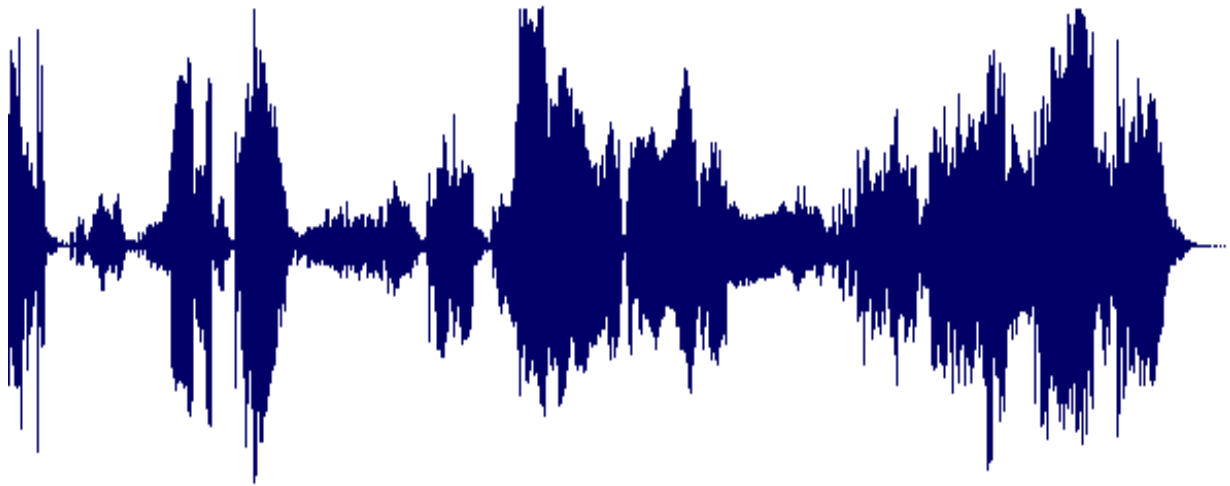


ARTIST & REPERTOIRE 2.0
A STUDY ON THE INFLUENCE OF
DIGITALISATION ON THE ROLE OF A&R



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AUTHOR: Katharina Leichter

SUPERVISOR: Lise Oxenbøll Huggler

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Abstract

The artist and repertoire (A&R) department of record labels is responsible for the selection of artists as well as the development of economically exploitable music content. The A&R department, thus, represents a core competence of the record label that mainly influences its market performance. Throughout the last two decades, disruptive technological developments tremendously changed the production, distribution and consumption of music. The digitalisation, thereby, profoundly influenced the way A&R departments are working today. Following four expert interviews with A&R managers, this study discusses the effects of digitalisation on A&R practices. The analysis of strategic resources of A&R in a post-digitalisation era, thereby, allowed for the identification of current A&R challenges. The findings suggest that as artists nowadays make use of digital tools to produce music themselves, the A&R manager's role in the artist's creative process got reduced. Artists do not look for labels anymore primarily for the production of music, but rather sign with them in order to profit from the record label's network and expertise. Hence, an A&R manager's network is argued to pose a strategic factor to the record label that strengthens its bargaining power. Furthermore, the results propose that the digitalisation increased the strategic importance to build competitive talent acquisition competencies. A&R managers' networking abilities, thereby, are argued to support talent selection processes. In addition, A&R managers are increasingly engaging in "Data Driven A&R", that enables them to discover talent through the analysis of digital information on the Internet. However, as this information is available to anyone, data driven artist sourcing leads to an increased competition that is challenging A&R departments. Therefore, the findings emphasise the importance of tools that facilitate quick and effective decision-making. The findings further suggest that "Big Data Scouting" is challenging the long-term profitability of record labels as it promotes the short-term success of hit singles, rather than the building of artists' long-term careers. Therefore, A&R managers seem to increasingly concentrate on the acquisition of local talent in an early point of their career in order to balance this short-term trend with the securement of long-term exploitation rights.

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1. Introduction

Throughout the last two decades, the music industry has been experiencing a period of significant changes, due to the rise of a new set of technologies that tremendously influenced the industry structure. The Internet alongside innovations that enabled the digital distribution of music, thereby, changed the way music is sold, bought and consumed today (Dolata, 2011). McCourt & Burkart (2003) argue that the digitalisation¹ challenged the record labels' hegemony in music production and distribution. The emergence of business models that bypass record companies and link consumers directly to the artist severely threatened music companies (McCourt & Burkart, 2003). The digital change of paradigm that the music industry is facing, thereby, not only influences the distribution and consumption of music but also has a severe impact on the record label's artist & repertoire (A&R) processes (Anderton et al., 2013). The term A&R, in that, represents the two constituent pillars of A&R policy: (1) the selection of artists and their image creation and (2) the creation of music content. The output of A&R is the economically exploitable cultural product. Thus, the A&R department can be seen as creative nucleus of the record label that is at the centre of value creation (Engh, 2008).

The Internet not only facilitated the distribution of music, but also provided artists with the possibility to gain wide reaching exposure. The emergence of audio and video streaming platforms, like Youtube and Soundcloud, provided artists with the possibility to put themselves into spotlight. Rather than sending demo tapes to record labels in order to be discovered, artists today increasingly use the Internet to upload songs and videos on various platforms in order to get attention. Record labels are reacting to this market development by changing their talent sourcing strategies. The digitalisation, therefore, is believed to have a tremendous impact on A&R and its role in the music industry.

¹ The term "digitalisation" is often used to suggest a transformation from a pre-digital to a digital era. For this study digitalisation is defined simply as the allocation and use of digital technologies in musical practices.

1.1. Research Question

Engh (2008) argues that the record labels' focus on A&R policy as core competence is tantamount to lay the foundations for any kind of economic success. The importance of the artist for the core business of cultural enterprises is widely acknowledged in practitioner literature and academia. Yet the scientific discourse covering specifics regarding the selection and management of artists from the cultural company perspective is limited (Knittel, 2011). Knittel (2011) pointed out that artists act as content suppliers for cultural companies and, thus, play a significant role in cultural production. The artist is at the centre of every music production. Therefore, a great deal of importance can be ascribed to the recruitment and management of artists, which is traditionally carried out by the A&R department of record labels. The A&R department, thereby, incorporates a core competence of the record label that mainly influences its market performance (Tschmuck, 2003). Therefore, A&R processes pose a central management challenge to record labels. The A&R department functions as boundary spanner between the record label, the artist and the market. Hence, the A&R department has the ability to dramatically influence artist's careers and subsequently the entire music industry. Over the last decade, however, music businesses have been facing a constantly changing environment due to disruptive technological developments that left record labels at a shrinking influence on the artists' careers and therefore on the music industry itself.

The technological developments that enabled the digital distribution of music severely affected the music industry (Dolata, 2011). Anderton et al. (2013) argue that the technological changes will continue to have extensive impact on the development of several domains of the recorded music industry. The current research, however, mainly evolves around the impact digitalisation had on music distribution and, thereby, on established industry structures. Engh (2008) argues that this prevailing distribution discussion is limited and needs to be extended by a content perspective, as without attractive content that is passed to digital distribution, there is no value creation. In order to extend the limited distribution-centred discussion and address the effects

digitalisation had on A&R processes, the following research question and subsequent sub-questions are proposed:

- 1) *How did the digitalisation change the role of A&R in the music industry?*
- 2) *How do these changes challenge a record label's A&R processes?*
- 3) *How can record labels make use of their strategic resources in order to address these post-digitalisation A&R challenges?*

Setting off from the works of Engh (2008) and Knittel (2011) which emphasise the strategic role of A&R, the remainder of this study is structured as follows: The subsequent section (2) will provide a brief history of the effects of digitalisation on the music industry as well as a review of existent literature regarding A&R and talent selection. In section (3) the theoretical framework of the resource based view (RBV) will be introduced. It will be, thereby, highlighted that the mere possession of resources is not enough in order to create a competitive advantage. Therefore, the concept of resource management, that expands the RBV by implications on how to manage strategic resources effectively, will be introduced. In the subsequent section (4) the research design of this study will be presented. Furthermore, the data collection as well as the data analysis following a template approach will be explained. Section (5) will present the findings gained from analysing the data sets. This section provides the basis for section (6) where the findings are analysed in accordance with the existing literature. In order to evaluate how the digitalisation affected A&R practices and, thereby, the record label's value creation process, the strategic resources of record labels in a post-digitalisation era will be identified. To emphasise the artist as an essential input factor for the production of cultural goods, the artist as specialised human resource will be introduced. The subsequent section (7) will present the post-digitalisation A&R challenges resulting from the analysis and implications on how to address these challenges in order to build a competitive advantage. The concluding sections (8,9) will present the main findings and limitations of this study as well as future research implications.

2. Literature Review

2.1. The Digitalisation of the Music Industry – A Brief History

The traditional music industry structure was characterized by three major activities that were largely controlled by a small number of big record labels: (1) The production of the music and the song, (2) the promotion of the music including branding, community building and information dissemination, and (3) music distribution. This traditional music industry structure was established over decades and incorporated many levels of intermediaries between the artist and the consumer. To decrease the cost of distribution and promotion and to increase profits, music was traditionally sold as a collection of songs that forced consumers to buy an album in order to gain access to single songs. Throughout the 1970s, the album became the predominant distribution format, which provided record labels with large revenue streams and fostered the concentration of the music industry. With the emergence of the CD format in the 1990s, major² record labels further strengthened their position by persuading consumers to buy albums instead of singles (Anderton et al., 2013). Under this structure, a small number of big music labels exercised immense power by controlling music production as well as distribution and marketing channels. Furthermore, their power over the music industry's infrastructure led artists to accept long-term contracts that bound them to the labels for basically their whole career (Dolata, 2011; Sen, 2010).

In 1997, the “Big Five” Universal Music Group, EMI Music, Warner Music Group, Sony Music Entertainment and the Bertelsmann Group held more than 80 per cent of the music industry's market share and, thereby, had almost entire control over the music industry's value chain. Since the turn of the millennium, however, the music industry was characterized by a period of significant technological changes. The emergence of the Internet, data compression and the overall digitalisation of processes led to a technology-driven restructuring of established industry structures (Dolata, 2011). The digitalisation enabled the convergence of industry domains like music production,

² For this study the term “major” follows the definition of Gander et al. (2007:614) and refers to “large generalist firms [that] have high market shares“ in the recorded music industry.

distribution and promotion that were previously strictly separated and almost exclusively controlled by record labels (Sen, 2010). The emergence of the mp3 format as well as the rapid development of peer-to-peer music sharing networks all of a sudden rendered established manufacturing and distribution methods obsolete (Wueller, 2013). The mp3 file compression allowed users of peer-to-peer networks to copy music without hardly any loss in quality. The introduction of this technology, thus, offered a substitution to the labels' until then music duplication monopoly (Moyon & Lecocq, 2010). Furthermore the mp3 format proposed the “the possibility of a business model that links artists directly to consumers bypassing the record companies completely.” (Garofalo, 1999 in McCourt & Burkart, 2003: 336). By selling physical records as one inseparable unit that comprised a certain number of songs, record labels were able to maximise profits (Dolata, 2011). The advent of digital technologies and the Internet disrupted the music industry, transforming business models, consumer behaviour and over all the competition structure (Moyon & Lecocq, 2010) The emergences of online music platforms diminished the album-pushing-strategy as consumers were all of a sudden able to individually buy songs from various albums or pay a certain fee to a streaming platform provider for unlimited access to a large pool of individual songs (Wueller, 2013). The incumbent record labels initially reacted with containment strategies and blockades to the new technological changes that threatened the long-successful structuration of the music industry. In an attempt to maintain control over the industry's value chain, the Big Five engaged in the development of their own digital music services. These services, however, failed to gain acceptance by the consumer (Dolata, 2011). In the course of the music industry transition, record labels were either able to adapt to the changes caused by the emerging technologies or they simply went out of market (Sen, 2010). Only after the pressure to change was inevitable, record labels formed strategic alliances with leading digital distribution partners and initiated repositioning strategies (Dolata, 2011). Anderton et al. (2013:6) argue that due to the high economic pressure resulting from the digitalisation, established record labels started to focus on short-term profits of “hit singles” rather than the building of artists' careers through album sales. Thereby, record labels were blamed to neglect the long-

term development of artists and rather concentrate on the promotion of artificial, non-sustainable artist careers in order to meet short-term profitability goals (Engh, 2008). Through this practice, Engh (2008) argues, the attractiveness and the quality of the produced content deteriorated which pressured the record labels' market standing even more. Therefore, record labels realised the need to build A&R policy once more as a core competence in order to create commercially successful music content that secures the labels competitiveness in the music market (Engh, 2008).

2.2. Artist and Repertoire

The term "Artist and Repertoire" (A&R) was coined at the early twentieth century, at a time when the role separation of song writing and performing was common practice. Then the A&R department's task was to find suitable singers for songs and applicable songwriters for popular singers (Anderton et al., 2013). Even though the digitalisation brought a lot of changes to established record labels, the role of the A&R manager is still about the same basic elements. The A&R department is responsible for signing, working with, and managing recording artists and their creative in- and output (Grierson & Kimpel, 2009). Engh (2008) argues that despite the digitalisation and the changing distribution practice as a consequence thereof, the core business of the music industry of seeking artists and developing them to become stars, did not change. A&R is based on these creative core competences.

A record company is based on three central pillars: (1) A&R, (2) marketing and promotion as well as (3) production and distribution (Schulze, 1996). The A&R department, thus, can be seen as creative nucleus of the record label that acts as a trend scout and discovers new artists as well as music genres. The A&R department is supposed to bind the artists to the label and to organise the creative process as well as to monitor this process and to intervene if necessary. The A&R department usually has an A&R director with ancillary A&R teams that are structured according to genres. A big record label has an A&R team for every genre, that is specialised in the scene and that has a feel for the market and its newcomers (Engh, 2008).

Depending on the artists the A&R team is working with, the job to be done varies. When working with big established stars, the A&R capacity involves finding the material and producers that best fit the artist and his/her repertoire. By signing an autonomous band that is writing everything on their own, the A&R tasks are very different. In that case, A&R managers may present ideas for potential partners, but a lot of times these artists already have or know producers and other partners they want to work with (Grierson & Kimpel, 2009). Therefore, when working with artists that autonomously organise their creative process, the A&R manager's area of competence is restricted to an administrative and advisory function that ensures the artists' timely delivery of economically exploitable music content that can be marketed to the consumer. Major record companies, moreover, differentiate between local and international repertoire. While international repertoire is already developed by partnering sub-section of the parent company and reaches the label as end product with finalised music, CD artwork and music video and "only" has to be marketed, local repertoire needs to be developed through intense A&R work. Thereby, the A&R manager has greater creative leeway and has a certain impact on the creative process of the artist (Engh 2008). In any case, it is the A&R manager's responsibility to present the finished product to the record label (Grierson & Kimpel, 2009). The production process of music content is called A&R policy, whereby the multipliable master copy with auditive content as well as the linked artist image constitutes the output of the A&R process (Engh, 2008).

A core task of A&R is listening to demo tapes from potential talents. Today these demo tapes are mostly in digital form and usually represent a "pre-production" phase that requires an experienced A&R manager to discover the creative potential behind the "raw material". The listening to demo tapes, moreover, requires a market driven interpretation that also includes the artist image. The A&R manager needs to evaluate, if a certain music style is successful in the market and what target groups can be addressed with it. Furthermore, an assessment of the image concept of the artist and its fit to the prevailing market needs to be carried out. This clearly shows that the competences of an

A&R manager also comprise marketing aspects like questions regarding artist positioning, artist image as well as target group considerations. Even though the A&R policy pre-eminently involves the finding of artists and content development, the above mentioned marketing instruments are part of the expanded A&R function and are usually implemented together with the product manager (Engh 2008). It is the primary obligation of every A&R manager to work with the artists the label has already signed. When signing an artist, the record label assigns certain resources to the artist that are needed in order to produce or finalise tracks, market them and build the artist's career. The A&R manager, in that, has made an emotional and financial commitment to the artist and, therefore, he is obliged to do everything possible to ensure the artist will be successful. This A&R responsibility is paramount to the label and its executives. If the wrong artist is signed and the songs do not reach public approval, jobs are at stake (Grierson & Kimpel, 2009). The A&R policy of a music label enables the realisation of revenues through track sales, concerts or merchandise and, therefore, constitutes a central factor in the industry's value chain (Engh, 2008).

2.2.1. A&R as a Gatekeeping and Boundary Spanning Function

Culture industries are characterised as organisations through which cultural objects flow (Caves, 2000). Before reaching consumers, every artist needs to pass a system of organisational filters that narrow down the large number of candidates before they enter the consumption stage (Hirsch, 1972). Thereby, these "gatekeepers" judge the artists' talent potential (Caves, 2000). Gould & Fernandez (1989:92) argue that "gatekeeping occurs when an actor selectively grants outsiders access to members of his or her own group." Foster et al. (2011) highlight the importance of gatekeepers for cultural industries as they perform the critical function of connecting artists with audiences. This position requires the A&R person to make entrepreneurial decisions regarding which artists to allow into the roster of the record label (Stratton, 1982). The production and distribution of popular culture require a complex network that offers organisational relationships that provide facilitation and regulation for the innovation process. Each artist has to be discovered, nurtured and brought to the attention of the public by the

organisation in order to successfully link the artist with the predetermined target audience. In this regard, the decisions taken by the organisation have a great influence on the access the artist and the audience have to one another (Hirsch, 1972). The A&R department, thereby, filters out the oversupply of artists that aspire to enter the music market. According to Hirsch (1972) organisational filters determine what creative products potentially reach audiences and, therefore, play a critical role in cultural production. A&R managers, thus, influence product diversity within the music market (Foster et al., 2011).

The A&R person needs to discover and seek out artists, discriminate between them and negotiate a deal with the artists in order to sign them and place them in the company's economic structure (Stratton, 1982). Hence, A&R departments function as boundary-spanning contact points that link the cultural organisation to the artist community. The A&R department is responsible for the production of marketable creations within budgetary limits. The inability to successfully locate and market new artists leads to the failure of the record company. Therefore, A&R personnel carry a great value for the cultural organisation. As cultural industries are characterised by uncertainty and a lack of a bestseller formula, managers are forced to trust the judgment of its A&R employees. As only a small share of the output reaches hit status, the A&R department performs under a lot of pressure. This market uncertainty is caused by changes in consumer taste and patronage (Hirsch, 1972).

2.2.2. A&R Policy

The main goal of the music industry is to find artists, to develop them and to place them with hit records in the top of the charts. Engh (2008) divides this main goal in A&R-positioning goals, -process goals as well as -control goals. A&R positioning goals depict the positioning of the artist in the subjective perception of the recipient. Thereby, the A&R manager has to determine the image position of the artist as well as repertoire oriented decisions regarding song selection and sound composition. This also implies differing A&R development goals that entail in how far the artist shall be established as superstar or if short-lived hit reactions are aimed at. A&R process goals describe the

creative role of the music label in the A&R operation and determine if the process is synthetic or organic. In the case of synthetic process goals the artist image as well as the auditive music content are conceived and implemented by the music label. Hereby, the music label has an active role in the generation of music content and sub goals for the image and music creation need to be set. In the case of organic process goals the creative role of the music label is strongly reduced and concentrates solely on the selection of organically grown music styles and artists. The A&R process goals, thereby, influence A&R control goals, which define the legal role of the music label and in how far music content can be controlled and directed (Engh, 2008).

In an environment that is characterised by low capital investment and uncertain demand, overproduction is a rational and common organisational response. It is more efficient to produce many flops for each hit than to support fewer artists and pre-test each on a large scale to gain media coverage and sales. Thus, the number of annual records far exceeds consumer demand and coverage capacity for these products (Hirsch, 1972). Usually a synthetic A&R policy is working with artist agreements, that give the music label greater creative leeway than distribution deals. Artist agreements enable the record label to work with an artist from scratch and monitor the artist's whole development. In the case of distribution deals, the artist or the artist management respectively implement the entire creative process independently and provide the label with a finalised master copy as end product. The type of agreement and the A&R policy have economic implications for the music label. While artist agreements grant the label lower licensing costs and the development of long haul rights, distribution deals are characterised by higher licensing costs and the regression of rights to the content provider after the expiration of the licensing period (Engh, 2008).

If the A&R department's policy pursues an active approach and functions as a content provider, music content is developed and produced in their own studios. If the A&R policy follows a passive approach, the department purchases licences for "end products" and exploits those licences for a predetermined period. In the 1990s, this approach was particularly used by major labels that outsourced A&R activities to separate creative

cells that were able to act faster, more cost effective and radiated higher credibility towards the artists. Those creative cells were bound to the music label as different forms of strategic alliances and, thereby, continuously provided the labels with new content (Lopes, 1992). By pursuing a holistic approach, the A&R department engages in the development, production and the valorisation of music content. The main advantage of this approach for the music label is that licensing rights can be permanently secured through artist agreements and a rights catalogue can be built. At the same time the label controls the artist development as well as the A&R process and the commercialisation. In the course of the digital revolution, the importance of long-term exploitation rights is growing. As a result, record labels are increasingly engaging in holistic A&R approaches once more in order to strategically occupy content and channel dimensions (Engh, 2008). By linking available input with established and wide reaching distribution network better than others, the record company is able to gain competitive advantage (Hirsch, 1972).

2.2.3. Networking

A&R managers have to have “good ears” and a high social competence as the central tool of A&R is the network of artists, producers, songwriter, talent scouts, music publishers, artist agencies as well as opinion leaders in the music scene. A&R managers spend most of their time nurturing and expanding this network (Engh, 2008). As already mentioned, A&R managers manage the interface between the artist and the record label and oversee the transformation process from artistic creations to marketable products. In order to manage search and selection processes, gatekeepers make use of their social networks to navigate in a market characterised by demand uncertainty, excess supply and rapidly shifting consumer demand (Foster et. al, 2011). Networks have a tremendous influence on the way a sector interacts and knowledge is passed around. Networks provide its members with information, contacts, and opportunities through the sharing of knowledge, experience and social capital. Furthermore, networks provide the grounds for testing and validating cultural capital. Thus, the milieus A&R representatives engage in serve as a kind of test market where ideas, sounds and

“products” are evaluated and given credibility (Brown et al., 2000). Social networks are essential in cultural production as they decrease uncertainty regarding the selection of partners and help gatekeepers to discover new genres and emerging artists. A&R managers use these networks to share information and to identify as well as diffuse emerging cultural trends (Foster et. al, 2011). The knowledge required to seek out talent from a pool of unlimited potential candidates is a function carried by the individual within a social group and network of contacts. The access to this highly socialised environment, in which information about newcomers and music trends is gained and transferred, is limited by ideological and behavioural barriers, like vocabulary and non-membership to mainstream groups (Gander et al., 2007).

Albini (1993) argues that A&R representatives are typically young and have some kind of scene credibility. A&R scouts need to be hip in the current musical scene and be able to provide a trustable face to prospective bands. The role of trust is critical in the early years of an artist’s career, as they have little or no experience with royalty payments and signing-on bonuses (Gander et al., 2007). Artists will intuitively trust someone who is appearing as a fellow peer and who speaks a common young language (Albini, 1993). This subjective rhetoric entails that the A&R person is able to identify, to a certain degree, with the creative concerns of the artist. This similitude between the A&R person and the artist is used by the record company to demonstrate that someone in the rational capitalist company understands the artist (Stratton, 1982). A company working in a cultural industry that demands mass commercial success to subsist needs to show the artist, that it is conscious of his/her artistic side. The idea that someone in the record company needs to be able to relate to the artist, proposes that the economic aspect of the deal has to be complemented by an emotional aspect. Individuals on both sides of the contract need to build a relationship that fosters trust (Stratton, 1982). Therefore, A&R departments engage staff that have extensive contact networks, know the scene and its trends, as talent scouts. These talent scouts gain in-depth knowledge by actively participating in social media, browsing video streaming platforms and music sharing platforms, reading blogs and trade magazines, attending concerts and club nights and

talking to promoters and musicians. These talent scouts are valuable for the record companies to not only seek potential artists, but as well to convince those new artist that the record label is suitable for their specific music direction and interests (Anderton et al., 2013).

2.2.4. Changing A&R Landscape

Falling revenues in the beginning of the 21st century, due to the digitalisation, led to a change in A&R strategies in most companies and a cut back on the amount of new artists to be signed per year. Anderton et al. (2003) argue that instead of finding and nurturing new talent, it became more cost-effective to search for artists that are already developed, as these artists already have a unique sound, songs and a strong image. Consequently, a lot of traditional A&R functions have been taken over by production and management companies as well as smaller independent³ labels, while the traditional A&R roles within the major record labels have been reduced (Anderton et al., 2013).

Anderton et al. (2013:8) argue that despite the role of a “talent spotter”, the A&R department invest a lot of resources in developing signed artists, including aspects of production, marketing and promotion. The main cost drivers for the labels are the type and amount of artists and releases as well as the quality of the portfolio management. Throughout the glory years of the music industry before the turn of the millennium, the labels increasingly tried to push business success by boosting input. In that way, the record labels tried to release high amounts of acts each year that led to the production of many “One-Hit-Wonders”. Consequently, many labels accumulated artist portfolios over the years that were not profitable over the long run. The traditional benchmark of 1:10 regarding success to flops, thereby, deteriorated even further. The development of sustainably successful artists was neglected, which led to a greater bargaining power of established stars (Jakob, 2009). Seifert & Hadida (2006) further argue that as a response to the digitalisation and the changing business environment, record labels started

³ The term “independent” for this study follows the definition of Anderton et al. (2013:9) and refers to “companies that sign artists and release music independently of the financial and business structures of the majors (including promotion, pressing, and finance).”

focussing on strategies that concentrate on the selection and development of local acts instead of investing in “One-Hit-Wonders”. Record labels, thereby, try to carefully establish artists in the market step by step to reduce mismatches between their roster of artists and consumer taste. Furthermore, record labels hope to decrease potential losses caused by this incongruity (Jakob, 2009). Seifert & Hadida (2006) argue that investing in local artists as strategic human resources is vital for a record label to generate sustainable success and long-term profitability. They further propose that this transformation entails a new understanding of the talent selection gradually shifting from short- to long-term. To increase profitability, record labels further started reducing overhead costs and reassessing their portfolios as a first step. Furthermore, instruments were established to monitor and optimise these artist portfolios (Jakob, 2009).

Engh (2008) argues that the A&R policy is creating the value for the digital distribution and provides the basis for any value creation. Without attractive music content digital platforms or other revenue models are not successful either. Therefore, the distribution-centred discussion that has followed the digitalisation era has to be expanded by a content perspective. The change of paradigm through digitalisation bears many challenges as well as chances for music marketing and A&R activities that need to be addressed by record labels. Due to the digitalisation of the music market the A&R policy as well as the securing of licence rights became once more the focus of new strategy concepts (Engh, 2008). Jakob (2009) further argues that record labels started focussing increasingly on better rights management to gain competitive advantage by securing extensive rights that can be systematically exploited (Jakob, 2009). In 2013, the recording music industry invested 4.3 billion dollars in A&R and marketing and experienced a steep increase in digital revenues (IFPI, 2015). Engh (2008) argues while the times of the CD are gone, A&R has to nourish the development of scalable superstars as core competency of the music industry to create attractive commercially successful music content. For global superstars, proceeds from ancillary rights like live entertainment, merchandising or endorsement rights, gained increasing importance (Engh, 2008).

2.3. Talent Selection

The record company invests entrepreneurial capital at its input boundaries in order to select artists. By linking individual artists with producer organisations, the artist gains access to a wide reaching customer base and mass media gatekeepers. As the recorded industry is characterised by rapid turnovers and the “nobody knows” factor (Caves, 2000:57), new artists are sought constantly (Hirsch, 1972). The music business is dependent on the “right” talent. The selection and investment into these talents has a direct and immediate impact on the record label’s performance. The artistic talent a label signs, provides the music company with a face to the market and incentivises consumers to buy a record or a ticket for a concert (Seifert & Hadida, 2006). The market share of labels within the recorded music market is largely determined by the firm’s ability to introduce releases of new and established artists to the market. This “product differentiation innovation” requires an attentive talent selection strategy (Ordanini, 2006:184). On average, less than 10 per cent of the artists signed at a major record label break-even. The industry is characterised by high upfront investments in the search, discovery and development of talent and low as well as highly concentrated returns on investment (Seifert & Hadida, 2006). As on average only one out of ten releases is profitable, a few albums released need to make up for the failure of most other releases with disproportionate success. Record labels only generate a few top selling “hits” per year that serve as revenue generators. Therefore, music companies have a huge incentive to improve the search for new artists, and, yet this process is largely guided by unstructured decisions (Ordanini, 2006). Seifert & Hadida (2006:791) argue that there is a “talent-selection paradox”, as only little is invested in streamlining the artist selection process, even though very few talents are accountable for most of the revenues in the industry. They further criticise that there are no pre-set organisational selection patterns to help streamlining and improving the effectiveness of the talent selection process. As new artists bring a lower success rate, some labels try to concentrate on a few “star” artists that allow the firm to address larger audiences at less cost (Ordanini, 2006).

Ordanini (2006) argues that there are two main artist selection approaches in the recording industry: the agency and the direct model. By directly choosing artist from the supply market, record labels employ a direct approach. When record companies choose their artists out of a pool of artist that was already pre-selected by an independent label, Ordanini (2006) talks about an agency approach. Since major labels' goal is to address the larger undifferentiated audience, their A&R departments' selection capabilities concentrate on anticipating trends and fashions rather than on the artistic content or musical background. Major labels often employ a differentiation strategy that results in a de-specialised roster that does not allow the label to dedicate much time to the single artist. Ordanini (2006) argues that small independent labels possess more innovation capability, but lack the financial resources to exploit these capabilities. Therefore, they act as innovation sensors in the supply market that nurture creativity and bridge potential innovation to gatekeepers in bigger organisations that develop the innovations and drive the pre-selected artistic offering to the mass market. Large and small firms, thereby, cooperate in the innovation process and take over specialised roles of innovation originators and innovation developers. By making use of this agency delegation of innovation, however, major record labels risk losing creative competences that might threaten their market performance in the long run (Ordanini, 2006).

The selection model has a great impact on the sustainability of an artist's success. The selection policy a label adopts, thereby, illustrates the company's innovation philosophy. While promotion and advertising foremost sustain the success of single releases, the investment in a sustainable selection policy impacts the artist's whole career. A&R departments have to build a roster of artists that balances shorter but faster successes with durable but slower performances. In order to improve the short-term and long-term financial equilibrium, record labels need to understand the functioning of selection processes (Ordanini, 2006). By linking the record label's objectives, strategy and culture to its A&R manager's expertise and knowledge, firms are able to build artist selection as a core capability (Seifert & Hadida, 2006). A firm's capability to select the "right" artists is crucial for its long-term survival in the creative industries. Artistic

creativity poses a resource to the label that it can neither create nor fully control. The record label's task is to select the resource and push it on the market (Ordanini, 2006). Mauws (2000) argues that cultural industries' core competence lies in gatekeeping and not in distribution systems and manufacturing capabilities. The ability to select a set of offerings from a pool of seemingly unlimited supply options that the record labels are confronted with, is found to be most crucial. Seifert & Hadida (2006) highlight the resource-based view in order to describe a record label's ability to determine and select promising talent. The resource-based view suggests that a company's competitive advantage is dependent on the unique combination of the organisation's resources, capabilities and competencies. Competencies combine a company's human and technological expertise and therefore provide the basis for problem-solving heuristics that can be deployed to use resources efficiently (Seifert & Hadida, 2006).

2.3.1. Decision-Making in A&R

Decision-making is key to a company's strategic planning process. Strategic decisions intend to form and exploit a fit between a firm's external and internal environment (Seifert & Hadida, 2006). Bourgeois & Eisenhardt (1988:816) define industries that are characterised by a high level of change and continuous dynamism as "high velocity industries". The music industry is largely influenced by disruptive technologies and characterised by a continual change dynamism, which is manifested in the rapidly changing artist positioning in billboard charts. The development of selection know-how is tantamount to musical value creation, as the quality of the input has a direct influence on the output quality. Consequently, artist selection has an impact on all subsequent activities of musical value creation (Seifert & Hadida, 2006). From an organisational perspective it is, thus, of question what criteria are used to select one candidate over available alternatives (Hirsch, 1972).

Seifert & Hadida (2006) propose three types of artist valuations to facilitate the talent selection process. The performance-based approach suggests an evaluation according to past performance data, like sales figures, number of awards, etc., for a given artist. The second approach is theory-driven and proposes an assessment based on scientific

indicators like voice breadth or pitch perception. This approach is based on transdisciplinary research that focuses on predicting an artist's talent potential. Seifert & Hadida (2006) highlight, however, that this approach is not explicitly deployed by music managers. The third approach concerns artist valuation on the basis of intuition, which plays an important role concerning artist selection. Music managers often describe a "gut feeling" that the artist is star material. A&R managers largely rely on past experience to make intuitive judgements when it comes to artist selection. Hence, experience is especially important in the decision-making process, as A&R managers typically have been working in different positions within the industry for a long time (Vogel, 2004). However, the experience to select artists does not wheel out degrees of uncertainty in the decision-making process. Seifert & Hadida (2006) argue that selecting the "right" artist requires the record label to deploy rational analyses, experience and collective intuition in the strategic decision making process.

To cope with the uncertainty of "nobody knows" markets (Caves, 2000:57) A&R managers look at each other and observe signals from one another that influences their decision making (Godart & Mears, 2009). Godart & Mears (2009) argue that when exercising individual choices, people may think they are acting independently, when in fact their decisions are socially responsive and dependent on other people's choices. They further propose that, social influences have a great impact on personal choices, even in the absence of commercial or organisational influence. Social networks provide access to network specific meaning that shape their member's taste. In that, taste is a construct of socially influenced choices made in the social context of surrounding individuals. People working in cultural markets interact and work with like-minded people. This immersion in social networks that shape locally specific conventions and tastes are tantamount to cultural production (Godart & Mears, 2009).

Mauws (2000) argues that the success of cultural products is seldomly determined by their intrinsic quality. Aesthetic judgements are subordinate to institutionalised practices of the industry within the cultural product is produced. In order to choose from a set of available offerings, decision makers, therefore, need to base their decisions on things

other than aesthetic judgements. Dean & Sharfman (1996) argue that a formalised, structured approach can improve the effectiveness of the strategic decision-making process. These “intelligent” talent selection systems provide a framework of pre-established steps for taking strategic decisions and outline a “comprehensive decision process” (Fredrickson & Mitchell, 1984; in Seifert & Hadida, 2006:791). In the context of high uncertainty markets, other scholars emphasize the influence of velocity and collective intuition on decision-making processes (Leonard und Sensiper, 1998; Eisenhardt, 1989; Seifert & Hadida, 2006). Klein & Weick (2000) argue that training and experience help decision makers to improve decision-making processes and to increase efficiency by combining intuition and rational analysis.

2.3.2. The Role of Intuition in Decision-Making

The A&R person is vital to the continuing economic success of the record company and, therefore, needs to be able to make use of intuition in order to find promising artists (Stratton, 1982). Engh (2008) argues that an A&R manager takes decisions mostly intuitively and works in a very pragmatic way. The music industry is fast paced and characterised by rapid changes in consumer taste. In these industries, decision makers need to make fast decisions in order to be competitive. Thereby, information needs to be gathered and shared through intensive interaction among networks. The tacit knowledge of A&R managers that is accumulated through experience needs to be institutionalised by transforming this knowledge in collective intuition among managers. Creating common strategies and goals is essential in order to successfully strategise. Collective intuition forms part of a firm’s knowledge pool and is vital regarding the company’s ability to innovate (Seifert & Hadida, 2006). Miller & Ireland (2005) define an intuitive decision or “gut feeling” as producing a judgment by subconsciously combining information stored in memories. Even though this gut feeling might be flawed and lead to the “wrong” choice, it can prove a valuable exploration tool and provide new insights through experimentation.

Intuition is not a process of random guessing nor is it an opposed concept to rationality. Intuition corresponds to conclusions and thoughts that are a product of subconscious

mental processes. This subconscious synthesis of information is based on previous experiences and produce a choice or judgement that feels right. Miller & Ireland (2005) call an intuitive process a holistic hunch that, if used properly, can prove very valuable for a firm's exploration process. Organisational success critically depends on exploration. For companies that operate in an environment that is characterised by frequent changes, a substantial level of exploration is required to sustain competitiveness. Godart & Mears (2009) argue personal taste or "gut feelings" as a basis for decision often serve as the only rhetoric available for creative producers to justify their choices. Many people's professional identities in creative industries hinge on the ineffability of the skill to make these "gut decisions" as there is no other rationale.

Companies that compete in fast-cycle markets need to nurture effective exploration in order to remain viable. Miller & Ireland (2005) argue that decision-making based on intuition can prove very important in this field, but it must be managed carefully. In markets where "nobody knows" (Caves, 2000:57), executives have to develop an organisational culture that supports risk taking and accepts failure in order to motivate hunch-driven experiments. Thereby individuals should not make ignorant choices, disregarding available data or given facts, but they are motivated to accept an incomplete information scenario and act effectively anyways (Miller & Ireland, 2005).

3. Theoretical Framework

3.1. Resource based view of the firm

Wernerfelt (1984:172) describe a resource as "anything which could be thought of as a strength or weakness of a given firm". Amit & Schoemaker (1993) further define a resource as an input in the company's production process. The resource based view (RBV) proposes that "competition among product market positions held by firms can also be understood as competition among resource positions held by firms" (Barney & Arikan, 2001:131). According to the RBV a firm's performance differences across the industry depend on the variance of the firm's resources and capabilities (Hitt et al.,

2001). The RBV of the firm highlights the need for effective acquisition and utilisation of resources in order to achieve competitive advantage. A resource, thereby, constitutes an asset or input (tangible or intangible) to production, that is owned, controlled or semi-permanently accessible to the company (Helfat & Peteraf, 2003).

The resource-based view suggests the development of a competitive advantage is contingent upon the firm's resources (Penrose, 1959; Wernerfelt, 1984). Barney (1991) further built upon this perspective and identified, based on the assumption of heterogeneous and idiosyncratic character of resources, four necessary characteristics. In order for resources to drive a sustained competitive advantage that cannot be easily traded away by competitors, resources must be valuable, rare, difficult to imitate and imperfectly substitutable (Barney, 1991). The link between performance and resources suggested by the RBV has been largely supported by scholars (Sirmon & Hitt, 2003). However, RBV has also been criticised due to the absence of management implications (Priem & Butler, 2001; Barney & Arikan, 2001). Barney & Arikan (2001:174) argue that "it is almost as if once a firm is aware of valuable, rare, costly to imitate and non-substitutable resources it controls, that the actions it should take to exploit these resources will be self evident". Even though resource portfolio is vital in terms of performance, a firm's resources also have to be effectively integrated and deployed in order to gain a competitive advantage (Sirmon & Hitt, 2003).

3.1.1. From RBV to Resource Management

Priem & Butler (2001) argue that the RBV focuses too much on generic attributes of revenue generating resources and, thereby, neglects how these resources are actually deployed to create a competitive advantage. Hansen et al. (2004:1280) "conclude that what a firm does with its resources is at least as important as which resources it possesses." The mere possession of resources does not guarantee for competitive advantage. Resources must be managed effectively in order for a firm to exploit their full value. According to Sirmon et al. (2007) resources have to be structured, bundled, and leveraged to develop competitive advantage. While each of these processes and subsequent sub-processes are essential, it is tantamount to synchronise them effectively

in order to create value and develop competitive advantage. By engaging in structuring, bundling and leveraging practices, managers try to effectively utilise the company's resources to be able to successfully compete within the market (Sirmon et al., 2007). Sirmon et al. (2011) argue that the role of managers regarding resource-related actions or processes they initiate and supervise is the most undeveloped element in the RBV.

In order for firms to exploit opportunities and achieve competitive advantage as well as obtain growth and create value, firms need to select and structure technological, financial, social and human resources (Ireland et al., 2003). This development in the RBV of the firm "has demonstrated the need for firms to be able to orchestrate or better coordinate their resources" (Wright et al., 2012:912). Sirmon & Hitt (2009) argue that the manager's resource management ability has an impact on the firm's outcomes and that these management abilities are dependent on the quality of the focal resources. The technological, financial, human and social/network resources as central to the development of a firm's competitive advantage are well acknowledged in the resource-based literature (Barney et al., 2001). A firm's success is dependent on not only possessing the relevant resources but also the knowledge of how to generate sustainable returns by structuring, bundling and leveraging these resources (Wright et al., 2012).

3.2. Resource management

3.2.1. Structuring, Bundling and Leveraging Resources

In order to structure a resource portfolio firms need to acquire, accumulate and divest resources. The uncertainty of a firm's environment creates ambiguity regarding the resources a firm needs to develop and sustain a competitive advantage. Furthermore, this ambiguity motivates firms to acquire a repertoire of resources, specifically intangible resources, to support a firm's flexibility. A certain set of slack resources is required in order to be able to adapt current capabilities or to develop new ones when environmental changes occur (Sirmon et al., 2007). Resource structuration is a steady process that is necessary for firms to create and market new products. Managers need to import and generate new resources or reconfigure existing ones in order to extend and change the firm's resource portfolio (Karim & Mitchell, 2000). Resources can be

acquired at the market or created inside the firm, both of which bear inherent limitations. Sirmon & Hitt (2003:348) argue that regardless of the acquisition origin “additional resources are sought that can be integrated to create resource bundles that are valuable, rare, difficult to imitate, and non-substitutable, and that can be leveraged by a strategy.” Ireland et al. (2003:978) argue that “accumulating resources is concerned with developing resources in the firm’s resource portfolio”. Accumulating is necessary, as a firm cannot obtain all its required resources on strategic factor markets. Internal development of resources is critical for a firm’s learning and development process. Firms need to be able to develop resources in order to respond to changes in the industry’s environment (Sirmon & Hitt, 2003).

Managers must continuously monitor their firm’s resources by vigilantly evaluating their current resource portfolio. In order to be able to effectively evaluate the current resources, a sufficient amount of time needs to be allocated to the evaluation process to enable the manager to gain sufficient knowledge about the resources in the resource pool. This process requires the integration of resources from various departments of the organisation (Sirmon & Hitt, 2003). A firm’s strategy should acknowledge the importance of this evaluation process and provide parameters for the assessment (Sirmon et al., 2007). Mosakowski (2002) argues that the accumulation of resources can have negative effects on a company’s capability to achieve or maintain a competitive advantage and may lead to a firm’s inertia and inflexibility. In other words, under certain conditions, resources can reduce a company’s value. Even though resource accumulation is essential, it has to be balanced with the shedding of resources in order to prevent potential value reductions. The process of shedding resources is essential, especially for resource-constrained firms. Sustaining and leveraging inferior resources bear opportunity costs that reduce rather than build value. However, shedding resources can prove to be very difficult. This difficulty can even increase and lead to inertia, especially in situations where the resource in question once contributed substantially to the firm’s prior success. However, shedding inferior resources positively affects the development of valuable resource bundles. It was demonstrated in the past, that firms

with seemingly lesser resources were able to win competitive battles with firms that had substantially more resources. In order to be successful, a firm needs to bundle and leverage its resources in order to develop and sustain a competitive advantage (Sirmon & Hitt, 2003).

Bundling involves organising the resources in a way to create capabilities that facilitate opportunity recognition and exploitation in order to achieve competitive advantage (Ireland et al., 2003). Thereby, a firm engages in the integration of existing and/or newly acquired resources that were unrelated earlier to create bundles of strategic resources and, thus, wholly new capabilities (Combs et al., 2011). Morrow et al. (2007:272) argue that “value creation occurs as firms exceed their competitors’ ability to provide solutions to customers’ needs (e.g. competitive advantage), while simultaneously maintaining or improving their long-term profit margins, thereby creating wealth for owners”. Hence, value creation can result from the recombination of existing resources and capabilities or by the acquisition of or access to new external resources that are bundled with current resources in order to build new capabilities. Leveraging, then, requires actions that coordinate and deploy these strategic resources (Combs et al., 2011).

Sirmon & Hitt (2009) argue that resource investments that are not aligned with industry norms have a negative effect on a company’s performance unless the deviation is matched with a suitable leveraging strategy. In case the resource investment deviation is synchronised with an appropriate leveraging strategy, a greater investment can lead to a higher performance. The effective leveraging of human resources creates dynamic capabilities that help a firm to renew, enhance or adapt its prevailing capabilities to cater to a continuously changing environment and new consumer needs (Tripsas, 1997).

3.2.2. Managing Resources in a Dynamic Environment

A dynamic industry environment can wear away the value of resources if they are not protected or upgraded over time (Bettis & Hitt, 1995). Therefore, resources need to be continuously updated by managers, which requires the careful selection, evaluation as well as shedding of resources. What is more, learning is required to be able to revitalise

or build new resources. Environmental changes and exogenous factors may render some resources obsolete or affect their market value (Priem & Butler, 2001; Sirmon & Hitt, 2003). Learning is important for the adaptation to changes in a company's competitive environment and the ability to produce inventions. Consequently, learning and innovating is tantamount in a highly dynamic and uncertain landscape (Hamel, 2000).

When managers overemphasise their commitment to resources the firm already possesses, resources can turn into core rigidities and harm the firm's flexibility. Firms must engage in opportunity- and advantage-seeking behaviours, in order to identify potential value generating opportunities. However, firms not only need to be able to engage in exploration, they also need to be able to exploit opportunities (Ireland et al., 2003). Sirmon et al. (2010:1402), therefore, argue that "firms should not remain static after achieving success; they should continue to develop their capabilities, thereby adding to their competitive advantage and resulting performance." Understanding the influences of a dynamic environment on the durability of competitive advantage is vital for firms as current competitive advantage can be quickly lost in a dynamic marketplace (Sirmon et al., 2010).

Achieving a balance between exploration and exploitation, however, is challenging as firms have a finite set of resources, meaning that resource allocation bears some trade-offs. A firm's organisational structure, therefore, has to be able to cater to the twin need of exploiting the prevailing competitive advantage and exploring new opportunities (Hitt et al., 2011). According to Chattopadhyay et al. (2001) firms rather respond to threats in the environment than to emerging opportunities. Changes in the market can quickly result in the devaluation of resources of a firm, while increasing the value of another company's resources. Morrow et al. (2007) argue that difficult-to-imitate strategic management actions that deploy existing resources in new ways are crucial for the organisational recovery of firms facing a performance crisis.

3.3. Strategic Resources

Sirmon & Hitt (2003) argue that technological, financial, human and social capital are the most critical resources regarding effective resource management. Ireland et al.

(2003:973) argue that “resources are managed strategically when their deployment facilitates the simultaneous and integrated use of opportunity- and advantage-seeking behaviours.” In other words, firms are managing their resources strategically when they structure their resource portfolio and bundle those financial, technological, human and social capital resources to develop capabilities which are then further leveraged to create wealth (Sirmon & Hitt, 2003).

3.3.1. Technological Capital

According to Ndofor et al. (2011) technological resources comprise the company’s repository of technological competencies and knowledge which include the firm’s ability to develop new processes and products. Technological resources are vital not only for the company’s performance but also influence its long-term viability (Miller, 2004). Following the RVB logic, technological resources provide the company with the potential to positively influence firm performance through the unique characteristics they possess. Technological resources are valuable and frequently difficult to replicate. Firms have to develop such technological resources internally. Even though technological resources are not rare as such, path dependencies in their development may lead to rare unique attributes of these resources (Ndofor et al., 2011). Ndofor et al. (2011) argue that by effectively leveraging its technological resources, firms are able to set themselves apart from rivals with superior performance. Technological resources are essential to effectively initiate competitive actions. Furthermore, technological resources are essential to the firm’s potential to innovate (Ndofor et al., 2011). Sirmon et al. (2011) argue that companies gain competitive advantage through their technological resources by accumulating and transforming knowledge into competencies that are deployed through competitive strategies.

3.3.2. Financial Capital

Financial capital comprises all monetary resources companies can employ to acquire or accumulate further vital tangible and intangible resources. As competitors can easily duplicate financial capital or substitute it by other resources, financial capital alone is insufficient for sustainable competitive advantage. In order for a firm to effectively use

its financial capital and create value, it needs human and social capital. Human capital comprises the skills and knowledge of a company's entire workforce and is, therefore, critical to organisational success (Ireland et al., 2003).

3.3.3. Human Capital

The configuration and leveraging of resources demands considerable firm-specific experience. This tacit knowledge is commonly embedded in the firm's human capital (Sirmon & Hitt, 2003). Therefore, human capital is a critical factor to most firms (Pfeffer, 1994). Coff (1997:374) argues that "human assets are often hard to imitate due to scarcity, specialisation, and tacit knowledge." Human capital is a specialised form of strategic asset that potentially generates economic rent for the firm. However, it is also a resource under limited organisational control. Human assets, therefore, propose major management challenges to a firm. Firm-specific human capital includes tacit knowledge and skills which are especially pertinent to a given firm (Coff, 1997). Human capital is tantamount to both opportunity- and advantage-seeking behaviours. Tacit knowledge is, thereby, especially important in the recognition and evaluation of entrepreneurial opportunities as well as the knowledge of how to exploit these opportunities (Hitt et al., 2001). Dess & Lumpkin (2001:26) describe human capital as the "individual capabilities, knowledge, skill, and experience of the company's employees and managers, as they are relevant to the task at hand, as well as the capacity to add to this reservoir of knowledge, skills, and experience through individual learning". Human capital involves the obtained knowledge, skills and capability set of a person that enables unique and novel actions (Sirmon & Hitt, 2003). Ireland et al. (2003:975) argue that, "managerial tacit knowledge is necessary to bundle the most appropriate resources to create capabilities and to design effective leveraging strategies that produce a competitive advantage and exploit identified opportunities."

Hitt et al. (2001:13) argue that "human capital moderates the relationship between strategy and firm performance, thereby supporting a resource-strategy contingency fit." Most knowledge of an organisation lies in its human capital. Therefore, organisations create value through the "selection, development and use of human capital" (Hitt et al.,

2001:14) Coff (1997) argues, however, that human assets alone are insufficient to create a sustainable advantage. Human capital is strengthened by a firm's social capital that proves to be very important for a number of organisational activities (Adler & Kwon, 2002).

3.3.4. Social Capital

While human capital describes individual attributes, social capital focuses on the linkage between individuals or between whole organisations (Sirmon & Hitt, 2003). Nahapiet & Ghoshal (1998:243) describes social capital as the “sum of the actual and potential resources embedded within, available through, and derived from the network.”

According to Sirmon & Hitt (2003) social capital comprises structural, cognitive and relational elements. While the structural dimension refers to network ties and configuration, the cognitive dimension refers to a shared language and common narratives. The relational dimension is concerned with trust, norms and obligations. In order to build social capital, time and trust are required (Hitt et al., 2001). A firm's ability to acquire resources is affected by its social capital. A company's relationship with suppliers, for example, has an impact on its access to important external resources. The social capital a firm possesses influences its legitimacy towards the firm's constituencies which is especially important regarding smaller and entrepreneurial companies. Consequently, social capital assists the process of collaboration between firms (Lounsbury & Glynn, 2001; Dyer & Singh, 1998).

Social capital comprises internal social capital (relationships between individuals) and external social capital (relationships between individuals and organisations). These relationships facilitate a firm's ability to gain access to resources and assimilate knowledge. External social capital, thereby, links members inside the focal firm with external partners and promotes interaction to pursue organisational interests (Hitt et al., 2003). Ireland et al. (2003:976) argue that “parties are willing to contribute valuable resources to the other party(ies) in the relationship because they expect that the value will be returned in future transactions.” Alliances between firms are a common approach to access complementary resources (Sirmon & Hitt, 2003). Thereby, alliances

yield opportunities for the partners to share knowledge and to learn. Furthermore, alliances provide the partners with access to resources such as technology, markets, information and managerial capabilities (Hitt et al., 2000). Managers need to cultivate the necessary relationships that allow for and facilitate knowledge transfer. In order to build those relationships, trust has to be developed. Those trustful relationships established over time represent social capital to the parties involved. Thus, social capital provides the grounds for the transfer of vital tacit knowledge (Sirmon & Hitt, 2003).

Coff (1997:378) refers to boundary-spanning networks as “external social complexity”, which supplies the firm with information, supports innovation and facilitates the adaption to dynamic changes in the environment. As people become more cosmopolitan through networks, it helps them to recognise outside opportunities in a timely manner. Members of a wider social network that provides them with privileged access to hard to obtain and critical industry knowledge can benefit a firm (Gander et al., 2007). Firms can leverage their partner’s knowledge of specific markets and clients to move into new geographic markets and offer new services. Specifically configured project teams, thereby, can capture potential synergies and market opportunities. The tacit knowledge, experience and social capital of their partners can prove helpful in a firm’s implementation of strategy (Hitt et al., 2001). Additionally a firm’s performance may be enhanced by sharing investments, minimising transaction costs and increasing organisational learning (Morrow et al., 2007). By bundling integrated relationships and specialised knowledge, a firm is able to create largely inimitable value due to the unique social capital as well as social complexity involved (Hitt et al., 2001).

3.3.5. The Artist in a Resource-Based Context

Knittel (2011) defines an artist as creative personality or creative individual that performs creative actions. In order to produce cultural goods, artists have to possess certain abilities. In a musical context the artist is a music creator that becomes visible as interpreter of the music content. Thereby, the creative process and the functions of the composer, songwriter and interpret can be performed by one individual person or by several closely cooperating units (Engh, 2008). Clemons et al. (2002:20) introduce the

concept of the artist as a “captive customer” of labels that buys production and promotion services in exchange for offering the firms copyrights to their intellectual property and accepting royalty payments as reimbursement. Schroeder (2010), however, argues that artists can be discussed within a branding context as – just like brands – artists are affected by market forces, economic cycles, substitution effects and career management issues. Engh (2008) further argues that an artist serves as core brand to an entertainment product. He, thereby, illustrated a model that suggests the exploitation of the brand “artist” through recordings, concerts and merchandise. Following these scholars, Knittel (2011) argues that artists can be discussed in a brand perspective, however, criticises the transfer of the term “brand” to the artist as a person and questions the controllability of the artist in a branding perspective.

Knittel (2011), therefore, illustrates the role of the artist for the cultural firm from a resource-based perspective. By discussing the artist in a human resource context, that emphasises the capabilities of an artist and, thereby, their human resource character, this viewpoint prioritises the production process of the cultural goods. Artists as content creators play a substantial role for the core business to the cultural firm. By proving that artists represent scarce, non-imitable and non-substitutable (Barney, 1991) resources to the company and contribute rent-generating capabilities, Knittel (2011) justifies the role of the artist as strategic resource. Aris & Bughin (2005:14) support this argument by stating that “identifying the high-potential creatives and binding them to the company is still regarded as the make-or-break factor for a company’s success.”

4. Methodology

In the following paragraph the chosen research approach will be presented. Following the underlying research philosophy and the research design applied, the justification and possible limits of the particular research method will be discussed. This part describes the interpretation and evaluation of the ascertained findings as well as how the methodology is applied to answer the research question. By choosing a research philosophy, the researcher needs to determine how knowledge should be established.

The perspective chosen, therefore, has methodological consequences regarding the practical implementation of the study (Saunders et al., 2012).

4.1. Epistemological Approach

The philosophy of science concerns the theoretical perspective of the study. While ontology is concerned with the nature of being, epistemology is regarded as the theory of knowledge (Justesen & Mik-Meyer, 2012). Epistemology describes the researcher's conception regarding the nature and construction of knowledge (Ginzburg & Davin, 1980). In other words, epistemology relates to the questions of what constitutes acceptable knowledge. By defining an epistemological stance, the researcher's view on how to obtain valid knowledge is constituted.

The interpretivist perspective argues that rich insights are lost if the complexity of the world is reduced to a set of law-like generalisations (Saunders et al., 2012). The interpretative philosophy understands the social world as a construct of people that apply subjective meaning to it. Thereby, knowledge and theories are developed through observing and interpreting social constructions (Blumberg et al., 2011). Interpretivism attempts to explain differences between humans in their role as social actors. The term “social actors” hereby includes the embedded logic of actors playing a part in human life that is subject to their interpretation of this role. In line with this argument, people also make sense of the social role of others according to the meaning they have given to these roles (Saunders et al., 2012).

Part of the interpretivism heritage lies in the intellectual tradition of phenomenology. Phenomenology is concerned with the way “humans make sense of the world around us” (Saunders et al., 2012:137). By continually interpreting the social world and the actions of and interactions with other individuals, people adjust their own meaning and actions (Saunders et al., 2012). The phenomenological stance is based on the assumption that the reality is a construct of subjective experiences and that there is no reality outside subjective interpretations (Justesen & Mik-Meyer, 2012). It is crucial to the interpretivist perspective to understand the social world from the research subject's point of view (Saunders et al., 2012). The interpretative approach seeks to understand

the underlying rationale and reasoning of the research participants which is usually achieved by conducting interviews (O'Donoghue, 2007). Saunders et al. (2012) argue that the interpretative perspective is particularly applicable regarding business and management research, especially in fields such as marketing and human resource management. They argue that business situations are complex and unique and “a function of a particular set of circumstances and individuals coming together at a specific time” (Saunders et al., 2012:137). In order to arrive at conclusions, the interpretivist perspective uses an inductive research approach. Following this approach, data is collected and a theory developed on the basis of the data analysis (Saunders et al., 2012). Eisenhardt & Graebner (2007) argue that inductive theory building provides a link between rich qualitative insights and mainstream deductive research.

For the purpose of this study, an interpretivist perspective was chosen, since qualitative interviews were used to gather data about the influence of the digitalisation on the work of A&R managers. Specifically, data on subjective preferences, opinions and experiences was collected and interpreted in order to arrive at conclusions.

4.2. Research Design

The collection of qualitative data focuses on gaining a subjective understanding regarding the research subjects within a particular context. Qualitative interviews are particularly applicable when gaining deep insights into an industry or business is aimed at. Furthermore, a qualitative research approach allows the research to develop throughout the data collection (Cassell, 2015).

Interviewing is a widely applied approach, when systematic social inquiry is aimed at (Gubrium & Holstein, 2001). By applying an exploratory design, it is the goal to understand a specific market phenomenon and to provide insights into the field under investigation. The samples for this kind of data collection are commonly small. An exploratory research design is particularly suitable for research concerning highly sensitive as well as in-depth information that is obtained from experts. In order to gain intuitive responses, the interviews are conducted with the help of semi-structured or unstructured interviews (Malhotra & Birks, 2005).

In order to gain in-depth knowledge and a better understanding of the work of A&R managers in the face of changing market phenomena, expert interviews were carried out. An individual is regarded as expert when it is assumed that this person has knowledge that is not necessarily unique and possessed by only that person, but which is not yet accessible in the field under study. Expert knowledge is, thus, distinguished from everyday or common sense knowledge. An expert interview is designed to discover this advantage of knowledge. The selection of experts is based on the researcher's definition of potential experts within their field of action (Bogner et al., 2009). Hence, expert knowledge is characterised by its potential to become dominant in a particular functional and organisational context within a certain field of practice. In other words, expert knowledge may have a relevant impact on other actors' actions and conditions within that field (Bogner & Menz, 2002). The expert interview focuses on the knowledge concerned with action and experience that stems from practice and which can be spontaneously communicated. Thereby, the expert interview aims at gaining access to exclusive knowledge and systematic information held by the expert that is not yet available to the researcher. From this methodological perspective, experts are perceived as informants that provide information concerning the subject under investigation (Bogner et al., 2009). Bogner et al. (2009) argue that this type of interview can be used to generate theories by communicatively disclosing and analytically reconstructing the subjective dimensions of the expert knowledge at hand.

The interviews for this study were conducted in person and via Skype. Three of the interviews were conducted through face-to-face Skype conversations, as the participants were located in Munich, Berlin and New York. One interview was carried out in person at the company premises of Universal Denmark. Both scenarios provided a rather casual interview setting that allowed for a nonchalant dialogue following a semi-structured interview guide that provided room for a rather free discussion within a given framework. Semi-structured interviews, thus, encourage both the researcher and the interviewee to spontaneous conversational elements (Saunders et al., 2012). Semi-structured interview designs list a number of prepared questions that are sufficiently

open and allow the interview to go in differing directions. As the interviewee's answers cannot be anticipated, subsequent questions cannot be planned in advance and, therefore, have to be carefully and strategically improvised (Wengraf, 2001).

This active conception of the interview, regards the interviewee as a vessel of knowledge, waiting to be tapped. Hence, the interviewee's interpretative capabilities must be stimulated, activated and cultivated in a formally and systematically provided occasion. In this setting the active interviewer does not steer the respondents towards preferred answers, but rather they communicate with the respondent in a way that brings alternate considerations into play. Thereby, the interviewer may further explore aspects of the shared experiences that were incompletely articulated and encourage respondents to further elaborate on the topics at hand. By employing an active interviewing approach, the production of meaning is spontaneous, yet structured (Gubrium & Holstein, 2001).

Conducting interviews require a special form of interaction between the researcher and the interviewee. Through these interactions empirical data is generated and narratives are produced. The conversations between the researcher and the interviewee are constructed in situ and, thus, bear some potential sources of error, bias and misunderstanding that need to be controlled. In order to reveal the underlying sentiments an interview setting was required that allowed for the co-construction of knowledge in course of the dialogue (Gubrium & Holstein, 2001). According to Pool (1957) interview settings are influenced by the social milieu in which the interaction takes place; meaning that this socially influenced situation has an impact on the kind and amount of information a person decides to share. This information, thus, is rather influenced by the social construct than the underlying truth. As people act in particular situations and produce meaning in relation to other people, interview settings are no neutral situations but can be regarded as socially influenced (Jerolmack & Kahn, 2014). Bogner et al. (2009:204) argue that interviewees ascribe "certain meanings to the questions asked and respond based on those subjective interpretations." Hence, when interviewing managers, the expert interview has to be performed in a discursive,

argumentative manner. The interviewer, thereby, regularly presents opposing views to the interviewees in order to encourage them to develop structures of relevance and shape their positions. Through this discursive, argumentative mode of interviewing, the researcher aims at establishing a conversation atmosphere that goes beyond the initial artificial interview situation. Thereby, it is tried to mitigate the risk of interviewees adjusting their responses in order to act in line with social desirability that may be conveyed by the researcher (Bogner et al., 2009).

Following Bogner et al. (2009) the interviews were conducted a discursive manner in order to encourage the respondents to give explanations beyond the initial answers. By letting the A&R managers engage in a rather free talk about predetermined aspects, underlying phenomena that were not initially anticipated were recognised. By following a semi-structured guide, the interview provided room for impulsive elements from both the researcher and the respondent, and furthermore allowed the interviewee to partly navigate the conversation. In that way, prevalent aspects could be identified.

2.3. Sampling Criteria

In order to select interview participants, non-probability sampling, specifically purposive sampling, was applied. This method of sampling is based on a non-random selection of samples and relies on the subjective judgement of the researcher. Purposive sampling is also known as judgemental sampling and it is often used when the selection of a small number of particularly informative samples is aimed at (Neuman, 2005). Hence, purposive samples do not aspire to make generalisations, as it is the case with quantitative research. Hence, purposive samples cannot be considered statistically representative regarding the total population (Saunders et al., 2012).

As a first step a sampling frame was developed by establishing criteria for the selection of research subjects. This selection followed the requirement that the interviewees have to be able to answer, at least partly, the research question and, therefore, need to meet a certain set of characteristics. A purposive sampling design is aimed at understanding the experiences of selected individuals and to develop theories and concepts based on this understanding. In order to arrive at results, “information rich” cases, that is

organisations or individuals that provide a high level of insight into the field of study, have to be selected (Devers & Frankel, 2000:264).

In order to gather information regarding the change of A&R and the resulting implications for the work of record labels, four A&R managers were selected for the sample. By choosing similar participants that all share the same occupation a greater depth was enabled that rendered minor differences more apparent. However, the sample was not fully homogeneous in all regards. As half of the sample held the position of an A&R manager in a major record label, namely Universal Music Denmark and Sony Music Germany, and the other half in an independent label, namely Affine Records and Listen Collective, the two parts of the sample represented some diverse characteristics (Saunders et al., 2012). This composition of the sample was especially important as the work of A&R, the perception of its main responsibilities and experiences may differ depending on the kind of label. However, the core tasks of A&R share many similarities across the industry. Hence, the goal of deliberately selecting “Major” and “Independent” A&R managers for the sample was to gain a better understanding and in-depth knowledge of the field of study in its entirety. Patton (2002) argues that a small heterogeneous sample is especially interesting as any patterns that emerge are of value and may represent key characteristics and document uniqueness.

4.3. Data Collection

The data for this study was collected through the use of primary and secondary sources.

4.3.1. Primary Data Collection

In order to obtain primary data, semi-structured interviews were conducted following a rough interview guide. Semi-structured interviews are often referred to as qualitative research interviews (King, 2004). They are non-standardised, meaning that the interviews do not comprise an identical set of questions. However, a list of predefined questions was prepared in order to make sure that some key themes would be covered. Depending on the course of the conversation and the given specific organisational context, the order and use of questions varied and some questions have been omitted.

Furthermore some additional questions were required in some occasions in order to gain a deeper insight and react to firm particularities. The exploratory nature of the interviews provided important background information, new insights into prevailing phenomena and an understanding concerning the given context. In order to cater to the chosen interpretivist epistemological stance, gaining an understanding of the meanings that respondents ascribe to certain phenomena is tantamount. Semi-structured interviews give the participants the opportunity to think aloud and discuss topics they may have never thought about before. Thereby, the interview can also be guided into another direction by the interviewee and reveal previously unconsidered spheres for the researcher that can give significant depth to the obtained data (Saunders et al., 2012).

The conducted interviews lasted between 40 and 55 minutes. All of the interviews were recorded and transcribed in order to allow for a thorough data analysis. The interview guide consisted of five main parts: (1) introduction, (2) artist sourcing, (3) artist selection, (4) changes in A&R and (5) resource management. The first part served as introduction phase where the study was introduced and the respondents depicted their role in the music label as well as their daily operations. Then questions concerning the way A&R managers look for talent followed. The subsequent part included questions regarding the decision-making and talent selection processes that A&R managers apply. The section concerning the changes in A&R aimed at insights into the A&R manager's subjective perception of the development of A&R within the last years due to the digitalisation. This was followed by the last main topic that involved questions regarding the management of resources within the labels under given organisational and market constraints.

4.3.2. Secondary Data Collection

In order to gain a deeper understanding of the research matter and to further develop the research design, secondary data was considered. To finalise the interview guide, the music labels' websites and further published material concerning their A&R work were analysed. Thereby, the goal was to identify additional knowledge that would support further interpretations and conclusions (Bulmer et al., 2009). Furthermore, five

secondary data interviews with A&R managers were analysed. These interviews were conducted in the period between 2012 and 2016 and retrieved from music blogs and online music magazines. The secondary data gathered enriched the primary data collection and provided further insights and valuable information.

4.4. Data Analysis Strategy

Kvale (1996) argues that data analysis occurs both during and after the collection of data, especially when an inductive approach was chosen. Thereby, the relative flexibility of the semi-structured interviews allowed for the re-categorisation of existing data and the emergence of themes, relationships and patterns throughout the data collection process (Strauss & Corbin, 2008).

After the data collection process was completed, the interviews were audio-recorded and subsequently transcribed. Thereby, the interviews were reproduced as a word-processed document using the actual words of the respondents. In order to analyse the qualitative data, a template analysis was used. A template represents a list of codes that was developed according to the themes that emerged throughout data collection (King, 2004). According to Miles et al. (2013) a code is a construct generated by the researcher that supports pattern detection, categorisation and theory building. Hence, coding is a valuable tool for the analysis of qualitative data sets as it facilitates the researcher's interpretation of the data.

As a starting point a template of codes was predetermined that was later amended and revised throughout the process of data analysis. Thereby, categories were developed and attached to units of data. Through the coding of the collected data, themes could be explored and patterns as well as relationships explored. In order to facilitate the analytical process, the template approach allows codes to be structured hierarchically. The template consisted of three coding levels, whereby lower-level codes indicated greater depth of the prevailing higher-order theme. The initial conceptual framework was continually revised throughout the analytical procedure in order to cater to the inductive nature of this analysis approach. The data collected was filled in a template according to the generated three level codes. Finally, emergent issues that arose

throughout the analysis of the established template tool allowed for the identification of key themes and relationships in the obtained data (King, 2004; Saunders et al., 2012).

5. Findings

As mentioned before, the primary data was collected by conducting four expert interviews with A&R managers. The supporting secondary data, was collected by retrieving previous interviews with A&R managers from music blogs as well as online music magazines. The following part represents the findings gained from the template analysis of both the primary and the secondary data.

5.1. The Role of A&R in the Music Industry

The distribution-centred discussion that was induced by the digitalisation tremendously influenced and reconstructed the entire music industry. Engh (2008) argues that the distribution-centred discussion is limited and needs to be expanded by a content-based view, as without attractive content that is passed to digital distribution, there is no value creation. Thereby, the vital role of A&R for the music business is emphasised.

5.1.1. Importance of A&R

The findings suggest that today the digital distribution of music does not pose a major challenge to labels anymore as record labels have cooperation partners that handle the digital distribution and guarantee that the label's artists are available "on every video streaming platforms, every audio streaming platforms and all download portals, however big or small they are." (Respondent A, personal communication, May 16, 2016) Respondent B (personal communication, April 5, 2016) further emphasised that the discussion is gradually shifting away from availability: "our main focus nowadays isn't to make the music available [...] It is not about availability, it's about breaking artists and that's what we do."

Respondent A (personal communication, May 16, 2016) pointed out that artists do not look for labels anymore primarily for the production of the music, but rather sign with labels in order to profit from the extensive network and high level of expertise of the

record label within the industry: “Actually the only difference between producing the music on your own or working with a label lies in using the expertise of the firm. Obviously it is also a bit of a financial consideration, but not only” (Respondent A, personal communication, May 16, 2016). According to Respondent D (personal communication, May 17, 2016) labels can provide the artists with market knowledge and a valuable market perspective that “the artists a lot of times cannot see themselves to that extent as they obviously lack the outside perspective on their product.” Respondent B (personal communication, April 5, 2016) reported that he makes use of his industry expertise and network in order to help the artists “shaping the song up to be consumer ready, radio ready.” According to the interviews, the A&R manager’s network, thereby, provides the label with bargaining power when it comes to negotiations with artists. Respondent B (personal communication, April 5, 2016) states that he offers artists the opportunity to get in contact with his network in order to motivate the artists to sign with the record label. However, the digitalisation and technological developments rendered artists with a totally new set of tools that enabled them to produce and distribute music without the help of record labels (Respondent A, personal communication, May 16, 2016). Eric McLellan (2015), A&R director at Sire Records, points out that artists who are able to build a social following independently and market themselves successfully, have enormous leverage towards a label. As Respondent B (personal communication, April 5, 2016) said:

“It is very different. With the songs that are really popping off, we can't go in and sign them, because why should the people sign [...] they made so much work themselves and what do they need Universal for? It's for the marketing and for the push that we can give them through Social Media, through Dexter, through Spotify, through all these things. So usually with things that are already buzzing big time, we go and give them a distribution deal.”

Respondent C (personal communication, May 12, 2016) further elaborates on the importance of the label’s infrastructure when artists aim at reaching a larger audience and operate on a larger scale. Andreas Kappel (2012), A&R director and general

manager at Columbia/Sony Music Germany, further points out that the Internet is a perfect platform for artists to make themselves known. However, it becomes increasingly difficult to stand out of the crowd. He further argues, that artists can easily become famous within a couple of days on Youtube, but they can lose this fame as fast as they achieved it. According to Kappel (2012) artists need professional support in order to extend and prolong the success at some point.

Furthermore, Kappel (2012) emphasises the importance of the A&R department's gatekeeping role and argues that even though it became very easy for artists to market themselves, the overflow of content on the Internet and social media needs to be filtered. Even though Youtube, Facebook and other platforms are vital for the introduction of new acts, these platforms need to be filled with content that was already communicated before the consumer actively searches for these acts. According to Kappel (2012), it is tantamount not to overwhelm the consumers with too much information. He claims that the content needs to stay genuinely interesting in order to achieve long-term success rather than short-term attention.

5.1.2. Opportunity Seeking Behaviour

The advent of the digitalisation changed the way record labels work today. In order to stay competitive, record labels were forced to react to the market changes. Thereby, especially the major record labels had to abandon their strategy of exploitation and concentrate resources on market exploration. Respondent B (personal communication, April 5, 2016) claimed that specific resources are allocated to the label's digital team that monitors developments regarding digital distribution and makes sure the label does not miss out on any digital trends. Thereby, the digital team supports the A&R department:

“They keep us posted with what's there and what's new. And also it's not my key thing to just to be the first to use whatever new App for music. We have people that do that for us. I got to focus on just finding artists and make sure that they are available on any thinkable platform there is.” (Respondent B, personal communication, April 5, 2016)

Respondent C (personal communication, May 12, 2016) further argued that record labels make use of their personal and professional network to support the recognition of digital trends through the internal exchange of information with partners and their artists. He pointed out that “if there is something new evolving, that someone else is missing or just does not realise right away, we are just in a constant communication where we just say: Okay, you have to check that out!” (Respondent C, personal communication, May 12, 2016) Respondent A (personal communication, May 16, 2016) further argued that it is important for A&R managers to keep an eye on the market and take certain market developments into account in the decision-making process in order to stay competitive:

“I have to set my wits to everything that is released. That is extremely important. [...] I need to know what is released by the competition, what is released by us, what is released by the Indies. What is successful among that? What is not? For what reasons? [...] If I would stop to listen to music as A&R or stop to grapple with it, I think, then I couldn't do the job anymore. Also because everything is changing so fast.”

5.1.3. Development of A&R

The advent of digitalisation challenged the industry structures and, thereby, urged record companies to change their A&R strategy. Respondent B (personal communication, April 5, 2016) pointed out that the music that reaches the A&R departments today, is much more finished than it used to be. As artists make use of the available digital tools to produce the music themselves, A&R manager's role in the artist's creative process got reduced:

“I think it changed a lot that back in the days the A&R [managers] were much more kind of producers going into the studio every night. Nowadays we are much more just looking for people [...] I think that changed and I think that the products we work with are much more finished now.” (Respondent B, personal communication, April 5, 2016)

McLellan (2015) further argues that while many of the traditional A&R elements remain at the core of the label, the advent of digitalisation made resources easily obtainable on the Internet and, thus, provided artists with inexpensive tools to record themselves and put their music online. Therefore, many artists already have a distinct sound and clear direction of their music before signing with a record label. The early engagement of the artists with the audience increased the importance of authenticity. Artists need to project an authentic self to the fans in order to be successful. Respondent D (personal communication, May 17, 2016) argued that

“it would be apparent [to consumers] if there are any gaps. Therefore it is very important to us [...] The authenticity [of an artist] is a basic prerequisite as we do not provide the artist with a concept stating this is how you have to sound, this is how you have to appear. But rather this comes from the artists themselves.”

The artist's authenticity is, thereby, vital in order to synchronise the artist's whole communication with the audience. This is especially important for the artist's social media presence. Andreas Weitkämpfer (2012), A&R director at Frontline/Warner Music Group Germany, argues that social networks gain increasing importance, as fan communities do not only attend live concerts, but also want to take part in the artist's day to day live via various online platforms. A&R managers, therefore, use these platforms for marketing purposes and take the feedback of these online fan communities very seriously. Respondent D (personal communication, May 17, 2016) pointed out that he supports artists with the streamlining of social media activities:

“In the beginning we always do a kind of workshop for the artist and work on posting schedules, that we create for the releases of the artist. For most artists this is a very annoying part of the business and, therefore, we try to take some work off their shoulders.”

Furthermore, the artist's authenticity is tantamount for live performance, which gained increasing importance due to low proceeds from record sales resulting from the digitalisation. Respondent C (personal communication, May 12, 2016) pointed out that “if [the artist] for example only rarely plays live or hardly has any DJ gigs and does not

show any ambition to do so, it will be very hard to keep the artist's career running with the releases only" (Respondent C, personal communication, May 12, 2016). As proceeds from recording sales are not enough to maintain the artist's career, it became vital that the artist develops a good live performance. Respondent D (personal communication, May 17, 2016) argued that

"I think it is much more important today than in the past to consider what can work in the live entertainment area. [...] For us it is clear that the artist has to perform live perfectly. Ingenious song material is not enough anymore. Therefore, I would say, a bit more openness, a bit more farsightedness is required [in A&R practice]."

According to Weitkämpfer (2012) record labels had to rethink their value chain due to the changing environment of the music industry. As a result, record labels started to consider multiple revenue streams, from recordings to live entertainment and merchandise when signing an artist. This also led to the increasing number of 360 deals with artists that allow the label to have a share in all revenue streams. Thereby, the record labels receive a percentage of all the artist's proceeds in different domains and not just from record sales. Respondent D (personal communication, May 17, 2016) argued that

"Back in the days the industry was clearly divided in separate domains: the live-, recoding- and publishing sector. I think that today, this is not the case anymore. As a modern A&R (manager) you definitely have to be able to see the bigger picture."

Respondent D (personal communication, May 17, 2016) pointed out that this consolidation of different domains in the music industry also led to the trend of record labels hiring A&R managers from the live entertainment field or booking agencies, as record labels started to recognise the need to set strategic foot in these areas that cannot be held separate anymore. Both, Respondent C (personal communication, May 12, 2016) and Respondent D (personal communication, May 17, 2016) argued that the booking for live concerts is a main factor in the A&R managers' work routines.

Respondent B (*personal communication, April 5, 2016*) further argued that the role of A&R became more diverse.

“I am a bit all round A&R kind of. My job description is to find and figure out new ways to find new artists [...] and develop new artists for the Danish market. And I also do some, what we call product management. When we sign an artist I also do a lot of stuff like finding video directors. It is not just the music [anymore].” (*Respondent B, personal communication, April 5, 2016*)

5.2. The Importance of Networking

All the respondents have started their careers in the music business years ago either as musicians or DJs themselves and, thereby, built up valuable networks in the industry before becoming A&R managers.

“I’ve been doing this for a lot of years and that’s why I got my start in this. Because I was a DJ and knew some people. A lot of times, the DJ doesn’t just do music, but he is the centre. [...] He knows everybody. That’s pretty much how it was for me. A DJ knows a lot of places and I knew a lot of guys like producers and other DJs and I knew all the artists, those on the Hip Hop scene in Copenhagen.” (*Respondent B, personal communication, April 5, 2016*)

McLellan (2015) argues that today A&R is much more an abbreviation of “Artist & Relationship” than “Artist & Repertoire”. A&R managers continually meet with people in various industry domains like producers, mastering engineers, press people, booking agents, DJs etc., with the goal to build a network of potential allies that can partner up with the artists. Respondent A (*personal communication, May 16, 2016*) pointed out that he is constantly working on expanding his network. The network of an A&R manager is vital to a record label as it supports the company’s bargaining power in negotiations with artists and can constitute an essential competitive advantage: “I think one of our main advantages or competitive advantages is our perfect network in Vienna and our extended network internationally, that grew extensively over the last years” (*Respondent C, personal communication, May 12, 2016*). The network of A&R

managers is important as artists that sign with a label expect to profit from the label's network. A&R managers need to be able to help artists in their search for producers, mixers and other vital players of the music industry and establish a contact. Respondent A (personal communication, May 16, 2016) pointed out that

“this means it is extremely important for me to know these people and to be able to recommend them, so the artists can work with them. That includes knowing video directors or a photographer [...] or just getting another [professional] opinion from someone.”

Furthermore, the network facilitates the recognition of new musical trends, emerging talent and digital distribution tools. Respondent D (personal communication, May 17, 2016) pointed out that he uses his personal and professional network in order to make sure not to miss out on any developments in the industry. Respondent A (personal communication, May 16, 2016) argued that he sees his network as a source of inspiration and consults with producers for valuable external expert opinion and recommendations:

“For example I have producers with whom I talk regularly, which is the most important source of inspiration for me. They have a totally different view on the music scene and do not consider the marketing perspective to the extent that I have to from my company's point of view. Therefore, this is extremely important to me. Not just the recommendations I get, but also about what is going on outside [the firm].”

Weitkämpfer (2012) argues that the A&R manager's network of songwriters, publishers, producers, booking agents and diverse contacts in live entertainment are vital for a record label and play an important role in the long-term development of an artist's career. Despite all changes in the music industry within the last decade, having an extensive professional network is still an inevitable tool of A&R managers that cannot be substituted by digital tools. Online platforms, however, facilitate the communication within the network and support active talent sourcing processes.

5.3. Artist Sourcing

While in the past record labels would receive high amounts of physical demo tapes from potential artists each day and go to concerts in order to discover talent, A&R managers today make extensive use of the Internet to find new artists. The Internet provides record labels with vital information that was not easily accessible or did not even exist before. Respondent B (personal communication, April 5, 2016) pointed out that

“[...]people still send us physical CDs and people send us e-mails with "just check out this link" and, you know, people still contact us in order to get our attention, but I'd say that it has changed a lot the last couple of years. Especially because a lot of the artists that we sign, they are maybe already on Spotify, [...] they already have a video. [...] the song is available. So we go and say: Okay, we really like that track that we found on Youtube! [...] we see that the track is kind of buzzing right now on the Internet.”

Thereby, A&R managers gain access to essential information concerning the artist that facilitates the search for new talent. By monitoring what songs and artists are hyped on the Internet, A&R managers are able to discover talent that is already kind of pre-approved by the consumer. Respondent C (personal communication, May 12, 2016) pointed out that the digitalisation makes it very easy for young talent these days to display themselves:

“[...] there are excellent possibilities at the moment for young artists to put themselves into the spotlight through the digitalisation and to build up a following before one is even discovered by an A&R [manager]. And the A&R manager will react to that [following].” (Respondent C, personal communication, May 12, 2016)

However, as it became easier for artists to gain exposure through the Internet, the competition between the artists grew. Respondent C (personal communication, May 12, 2016) argued that the potential talents online “are an awful lot and there is an extremely high competition obviously, as everyone can expose him or herself. But [...] every

A&R takes the Internet very seriously.” According to Respondent B (personal communication, April 5, 2016) a lot more A&R work is happening at the desk today. As opposed to past practice, he argued, A&R managers do not really go out to concerts anymore in order to scout bands:

“The thing that we're going out and see a band like: Oh they can play! Let's sign them! I have never done that [...] So with us or with me it always starts with the hit song. And then we figure out a way we can get them to play. So live and streaming is just two different worlds.” (Respondent B, personal communication, April 5, 2016)

Respondent B (personal communication, April 5, 2016) further argued that this way of working is what he calls “data driven A&R.” A&R managers react to digital information on the Internet, like followings, likes and clicks etc. in order to find talent. Respondent A (personal communication, May 16, 2016) further argued that “Big Data Scouting” is the future of A&R. However, Respondent A (personal communication, May 16, 2016) argued that the artist scouting strategy of record labels is dependent on the market the label is in. Therefore, differing artist sourcing approaches prove successful in different markets:

“I think, to be honest, the biggest difference at the moment has been the markets. Especially in the artist development area, that is when we talk about developing an artist over a long period and not just work on one track of them, then it is simply still a different business for us due to the strong physical market.” (Respondent A, personal communication, May 16, 2016)

He further argued, however, that streaming is slowly but gradually becoming the dominant distribution instrument in the industry, and therefore, “Big Data A&R-ing” is gaining increasing importance:

“I think that is relatively foreseeable when you look at countries like for example the Scandinavian countries. There the market already changed a lot and that is quasi our future. We are now at about 35% streaming in the overall [German]

market what concerns recording, I reckon. And I don't know, but in Sweden it is 90% or 80%. There you can see relatively well how it will change. That means, I think we can learn a bit from our colleagues there. With others words, Big Data A&R-ing [...] is obviously something clearly evident.” (Respondent A, personal communication, May 16, 2016)

Respondent C (personal communication, May 12, 2016) further argued that today some A&R managers solely focus on various online portals in order to look for talent:

“I think that a lot changed here. I know from a couple of examples internationally, that some A&R [managers] spend half of their day on Soundcloud for example to look for new talent. Those are mid-sized to large labels, but also in the independent domain. And they practically follow a lot of hypes.” (Respondent C, personal communication, May 12, 2016)

Respondent A (personal communication, May 16, 2016) however, argued that even though Soundcloud can be potentially interesting for finding new unsigned talent, curators are needed in order to “pre-filter” the oversupply on these platforms. Therefore he puts a lot of emphasis on “[music] blogs that feature early music” and, thereby, facilitate the search. Respondent A (personal communication, May 16, 2016) further pointed out that when he searches for artists actively on the Internet he uses Youtube, where he concentrates on Youtube channels, that are curated and usually focus on a certain music genre, rather than on individual members. Respondent B also argued that Youtube is an important platform when it comes to finding new talent:

“Youtube is definitely a key player, because if you're 17 years old, doing cool music: Would you send us a demo tape? Or would you just [...] do a video? You do a video and you upload it. And then somebody who's cool will think you're cool and will share your video. And then I see it and I get in contact with you if we like it and we think it's something that we could work with.” (Respondent B, personal communication, April 5, 2016)

Respondent B (personal communication, April 5, 2016) pointed out that he uses the label owned platform called Spinnup that enables artists to upload themselves in order to get discovered. Thereby, the label gains first-hand access to an extensive pool of new potential talent. However, as the number of uploads is high and the quality of the submissions very different, Respondent B outsources the talent search to loosely connected talent scouts that carry out a pre-selection:

“[...]we have some scouts, who are loosely connected to Universal and they sit and they listen to everything that's uploaded to Spinnup and then if they find something that's interesting then they go and put me on the show and say: Hey you gotta listen to this! So it's kind of a way to get distribution, get discovered. And it's pretty new, but I think it's gonna be [huge][...] It's some good stuff coming up and it's a great way for us to keep in check with what's going on out there.”
(Respondent B, personal communication, April 5, 2016)

For Respondent A (personal communication, May 16, 2016) Spinnup represents the manifestation of changed A&R processes. The platform provides the label not only with a totally new possibility to discover talent, but also with information that supports decision-making.

“That is a new form of A&R-ing [...] In contrast to a [physical] demo mailbox, where you just send things to, you can upload it on your own and they [the A&R managers] get the results. And then you can just see on basis of the statistics, if it makes sense to work with them.” (Respondent A, personal communication, May 16, 2016)

Scouting artists on the Internet makes it easier for A&R managers to access certain information and monitor the market. However, this information is available to anyone, therefore, the competition for artists became more fast-paced:

“And often it starts online these days. And sometimes it's very cool and sometimes it's really frustrating, because when a good track that people just made a video of and they released it on Youtube and then [...] every other A&R can listen to it and

say: Here is a good song! And then it's like: Okay this new act is going for Universal, he's going for Sony, he's going for EMI, he's going for Warner. That's really crappy. We often have this situations where all labels chase an artist, because it's all for grabs. Anybody can figure it out.“ (Respondent B, personal communication, April 5, 2016)

The Internet facilitates talent sourcing especially for independent labels as it made it easier for these labels to find artists before Majors get a hold of them. Independents are often in a weaker bargaining position than major labels. Therefore independent labels try to find talent in a very early stage of their career. Respondent D (personal communication, May 17, 2016) argued

“Especially because we are not necessarily in a position, when we for example discover an artist at a showcase festival [...] Most of the times, if there is a excellent concert, the subsidiaries of the Majors or the major labels themselves already lign up and we basically cannot do anything anymore. Which means we try to discover the people before someone else discovers them and for that the Internet is basically our main medium.”

5.3.1. Networking as Talent Selection Support

5.3.1.1. Online

Respondent A (personal communication, May 16, 2016) pointed out that one has to differentiate between active and passive scouting. On the one hand, he mainly uses the Internet in order to actively look for artists; on the other hand he follows up the recommendations that he gets from his network. A&R managers use social media channels in order to facilitate information exchange within their personal and professional network. Respondent B (personal communication, April 5, 2016) argued that Facebook and Twitter, thereby, serve as key players:

“That's part of my job. It's not like today I want to find something. It's more like I go to Facebook and then: Oh! And they share it as well! Let's go check it out! [...] I have a huge network with other artists and other producers in town, a lot of

management. I just like to keep up with what are they sharing on their social media, what they are sharing on Twitter. If some new guy from Nørrebro comes up and he posts a video, then I won't get the video in my feed, but then somebody I know in my network will share it. And [...] I am going to contact them. That's one of the things we do and it gets more common [...] these days that we do it that way.“

Respondent D (personal communication, May 17, 2016) further pointed out that he uses the social media pages of agencies or labels abroad as starting point to look for talent. Thereby, he said, Facebook is his main search medium. He further pointed out that “[...] the digitalisation or the Internet in general pose an enormous facilitation in order to structure the daily routine of the A&R department and to stay up to date.” (Respondent D, personal communication, May 17, 2016)

5.3.1.2. *Offline*

Despite the use of the Internet labels make use of personal and professional network in order to look for talent. Respondent A (personal communication, May 16, 2016) argued that his network is the most important source of potential talent. Thus, he is passively looking for talent through information exchange with the member of his network:

“The most important and most qualitative recommendations definitely derive from your network, from the people with whom you exchange information regularly. [...] Starting with producers, booking agents etc. sometimes even the artists themselves. [...] What people basically bring to your attention, that is most of the time the highest quality.”(Respondent A, personal communication, May 16, 2016)

He further argued that the network of an A&R manager would continue to be the most important source for new talent. “There are certain things that won’t change that fast. Basically you will always get these [...] qualitative recommendations from your network.” (Respondent A, personal communication, May 16, 2016) Furthermore, Respondent D (personal communication, May 17, 2016) emphasised the importance of the professional network associated with booking agencies as well as festival organisers in order to discover talent.

“It is often the case that the contact is basically established through your own partners and we, thereby, discover talent. [...] This is actually most of the times in the booking realm. But we also have an open ear for various festival organisers for festivals that often strike a chord and are sometimes relatively early to discover artists.” (Respondent D, personal communication, May 17, 2016)

5.4. Decision-Making

5.4.1. Importance of Information Filtering

As it got easier for artists to produce music and gain exposure on the Internet, A&R managers had to adapt to these industry changes. Respondent A (personal communication, May 16, 2016) argued that it is not only important to have access to this digital information but also know how to work with the data gained. In order to make quick decisions, A&R managers need to be able to effectively filter the information.

“[...] it is just that everyone can produce music their own music. [...] And then also put it online and market themselves to a certain extent. [...] As A&R you have to take advantage of that. But the thing is that there are so incredibly many. That needs to be filtered somehow. Obviously everyone is working on tools and possibilities to improve this [filtering]. [...] In a way so you can take qualitative decisions much faster and better as A&R manager. I think this is definitely something that will continue to define us over the next 10 years.” (Respondent A, personal communication, May 16, 2016)

Respondent C (personal communication, May 12, 2016) pointed out that “it is important that one can filter quickly” as the easy access to an enormous pool of information can lead to inertia due to the high amount of options.

5.4.2. Intuition

All respondents argued that intuition forms a big part of their decision-making process. Even though digital data can tremendously support decision-making in the A&R department, the positive information gained about an artist is no guarantee for success.

After all it is A&R managers that filter the “supply” of artists and they often have to decide intuitively, if the whole market will share the current online hype. Respondent B (personal communication, April 5, 2016) argued

“I know I'm going to sign an artist when I wake up in the middle of the night or when I am in the morning like: Oh, I have that song in my brain. And it goes on for days, then I am like: Okay, if I have that feeling than somebody else will also going get that feeling. [...] So, it's very intuitive I think. A stomach feeling. [...] I have trained that a bit I think.”

Respondent C (personal communication, May 12, 2016) further pointed out that “there is a lot of gut feeling involved.” Even though A&R managers are able to train their ability to detect talent through accumulated experiences, it remains unclear if the new talent meets consumer demand. When talking about the talent selection process of a recently signed artist Respondent C (personal communication, May 12, 2016) pointed out “ [...] it was definitely a gut feeling, but you could definitely hear that there was a lot of talent involved. It was still unclear though what direction this would go [...].” Respondent A (personal communication, May 16, 2016) further argued that intuition is also an important decision-making tool when it comes to the personality of the artist. With the wide-ranging exposure of the artists nowadays through the Internet and especially social media, the perceived personality of the artist is tantamount. According to Respondent B (personal communication, April 5, 2016), consumer do not just buy the music, they buy the whole package.

Due to the uncertainty of the music market, the decision-making process in the course of talent selection is marked by incertitude. Respondent B (personal communication, April 5, 2016) argued that it is part of the business that your intuition fails you and false choices are made:

“But it's also like, we also do failures. [...] I really love being around music, but it's very draining, when you have something that you really believe in and then nobody [cares] [...] every time I have something that really works, then we have

two things that don't work. But it's the name of the game, unfortunately.
(Respondent B, personal communication, April 5, 2016)

5.5. Artist Development

All respondents pointed out that they are concentrating on the development of long-term relationships with local artists. In order not to miss out on local talent, big music corporations implemented local subsidiaries. These local divisions are closer to the market and enable the labels to identify local potential and provide them with local market specific know-how. Respondent B (personal communication, April 5, 2016) argued that

"[...] in every country in the world, Universal also has a kind of local department which focuses mainly on local music, because every time you have the charts in a given country there will always be some local artists who are kind of big on the charts. To be sure that we don't miss out on that part of the sale and streaming environment."

Respondent D (personal communication, May 17, 2016) pointed out that especially local talent that has a lot potential but no clear direction yet needs to be developed: "This is when we actually completely develop and implement whole processes before we de facto release the first album one or two years later." According to Weitkämpfer (2012) labels often collaborate with an artist from an early career stage in order to build a long-term relationship. This can prove beneficial to both the artist and the label as a relationship of trust is developed that signals the intended longevity of the relationship to both sides. Respondent D (personal communication, May 17, 2016) argues that it is tantamount for A&R managers

"to be able to see potential at an early stage. Maybe even earlier than back in the days, because I think, today you need to develop artists over a longer period of time in order to achieve long-term success. This is obviously not the case if your goal is not long-term success but fast success. I cannot tell anything about how

colleagues in major labels work, but for us, in an ideal situation, it is all about developing the artist in order to have yearly releases on a high level.”

However, according to Kappel (2012) the music business became faster, which requires artists to gain immediate success with their first single or album in order to have a chance in growing a fan base and achieve adequate media coverage. He further claims that labels cannot afford to gradually develop an artist over two or three albums until commercial success is achieved. As it became much harder for record labels to earn money, A&R managers need to evaluate constantly when a new act will be paying off costs and operate profitably.

Morris (2016), however, argues that the digitalisation, after posing a major challenge to record labels, rendered the music labels with lucrative opportunities as the cost of distributing music became much lower. Therefore, he argues, margins are higher today. Respondent D (personal communication, May 17, 2016) pointed out that it could prove beneficial for an artist not to achieve big scale success right at the beginning of the career as it offers the possibility to build up a fan base step by step, that lasts for a much longer time. Opposed to Kappel’s (2012) argument, Respondent D (personal communication, May 17, 2016) remarked artists do not have to have immediate success with the first single or album release, as the production of music became cheaper and the technological advancement rendered A&R with a new set of possibilities to promote artists.

“I think today, this is a totally different story. [...] today the production is much cheaper than it was before [the digitalisation]. Therefore, it became possible to do more record releases than in the past, which rendered record labels with a new set of possibilities to develop the artist over a longer period. There are no long pauses between two album releases anymore. [...] you can work with different formats and, for example, introduce an EP in between. Also the music video format, that is much cheaper to produce nowadays, provides completely new opportunities to bridge certain gaps.” (Respondent D, personal communication, May 17, 2016)

According to Peter Hart (2016), A&R manager at Universal Music Sweden, the digital revolution, after fiercely challenging the established structures in the music industry actually had a tremendously positive effect for labels and consumers alike. Through the Internet it became much easier to distribute music, promote artists and release singles. However, this also led to a much faster and more competitive environment. Respondent D (personal communication, May 17, 2016) argued that

“Of course consumers have an incredible amount of opportunities to listen to music and there is an incredibly big pool to pick from. This, obviously, also means that a lot of people remain much shorter with a certain artist than in the past. While you would be listening to, I don’t know, 10-15 albums in a year in the past [...] it is probably 10 times more today, if not more.”

The way music is distributed, thereby, has a tremendous influence on A&R processes. According to John Ehman (2016), vice president of A&R at Interscope Records, streaming emphasises the importance of the single rather than the depth of the album. Respondent B (personal communication, April 5, 2016) emphasised that streaming will become the dominant music distribution method. The music industry worldwide is, thereby, orienting towards Scandinavia in terms of distribution, due to the Scandinavian markets’ ability to leverage on the consumers’ willingness to pay for premium streaming services.

6. Analysis

The following section aims at identifying the strategic resources of record labels in a post-digitalisation era from a content-based perspective. This analysis will provide the basis for the discussion how record labels can meet the post-digitalisation A&R challenges and, thereby, gain competitive advantage in a dynamic industry environment.

6.1. Strategic Resources

6.1.1. Technological Resources

The advent of digitalisation and alternative distribution concepts rendered technological resources of incumbent record labels obsolete. Barney (1991) argues that a firm can only sustain its competitive advantage if there are no easily accessible substitutes for the firm's rare, valuable and costly to imitate resources. The technological changes of the digitalisation era destroyed traditional industry boundaries, leading to low entry barriers for competition coming from outside the focal industry. According to Tripsas & Gavetti (2000) new technology that dismantles a firm's existing assets and demands the adoption to a new value chain likely causes incumbent firms to fail. Due to the sudden change in business dynamics caused by new market entrants, the traditional business model and the way value was created in the in the music industry over a long period of time was destroyed. In order to stand against the threat of digital distribution, record labels had to re-evaluate their value proposition (Lam & Tan, 2000). Early attempts to imitate the new technologies in order to keep control over the industry's value chain failed due to the disregard of consumer needs (Dolata, 2011). Therefore, record labels realised the need to neglect the competitive advantage strategy that built on the non-existing concept of competitive and technological stability (Barney, 1991). The failed efforts to organise digital music distribution under their own umbrella, record labels had to form alliances with digital distribution platforms in order to stay competitive. However, the findings suggest that today competitive advantage is merely established over distribution advantages. As technological advancements not only facilitated market entrance for rivalling firms but also rendered artists with a totally new set of tools to produce and distribute music themselves, the focus gradually moved away from availability. As Respondent B (personal communication, April 5, 2016) pointed out "our main focus nowadays isn't to make the music available [...] It is not about availability, it's about breaking artists [...]." As the technological knowledge and competencies regarding the production and distribution of music became substitutable and easy to

imitate, the technological resources of record labels once core to the competitive strategy, were no longer a source for competitive advantage (Ndofor et al., 2011).

In order to stay competitive and to avoid missing out on any future developments, record labels realised the need to engage in opportunity seeking behaviour. The findings suggest that record labels have certain resources assigned to digital teams that monitor and evaluate digital market developments. Within the last years, however, it seems that the strategy focus was slowly shifting away from distribution again. According to the findings, record labels started to focus on the improvement of A&R processes in order to achieve competitive advantage. Consequently, record labels started to increasingly work on tools that provide the company with a favoured position in the talent selection process and facilitate quick and effective decision-making. Label-owned online artist platforms, like Spinnup for example, give record labels the opportunity to achieve competitive advantage through the strategic application of technological competencies in the artist selection process. The use of online data and statistics in the talent selection process is, thereby, profoundly influencing A&R processes. The findings suggest that firms allocate a lot of resources to this new digital form of artist sourcing. Furthermore, the results indicate that the investment in such technological resources is tantamount in order to improve the filtering of digital data and, thereby, enhance decision-making processes.

6.1.2. Financial Resources

Before the digitalisation, artists were looking for labels to fund and execute the production and distribution of their music. The findings suggest that as the production and distribution of music became much cheaper due to the digitalisation, the financial resources a record label is able to offer, decreased in importance. Respondent A pointed out that “actually the only difference between producing the music on your own or working with a label lies in using the expertise of the firm. Obviously it is also a bit of a financial consideration, but not only.” (Respondent A, personal communication, May 16, 2016) Therefore, it seems, the cheaper production costs levelled the playing field between major labels and independent labels, as financial capital no longer guarantees a

competitive advantage. However, financial resources can be employed by firms to acquire and accumulate vital tangible or intangible resources and develop strategically important technological resources. Furthermore, Ireland et al. (2003) argue that financial capital supports investments and opportunity seeking behaviour. However, they further argue that financial capital alone is insufficient to create a sustainable competitive advantage. In order to effectively use the given financial resources to create value, human and social capital is needed by the record label (Ireland et al., 2003).

6.1.3. Human Recourses

Human capital that is scarce, specialised and embodies tacit knowledge, is a hard-to-imitate strategic factor and, therefore, critical to a company's success. Firm specific human resources comprise specialised knowledge and skills that support the company's value creation process (Coff, 1997). In record labels, A&R work staff embody especially important human capital as the A&R department is responsible for the production of marketable creations and, thus, represents the value creation nucleus of record labels. The A&R manager needs to discover artists, select and discriminate between them and negotiate a deal with the artists in order to place them in the firm's economic structure (Stratton, 1982). It is tantamount for cultural organisations to place competent personnel at its boundary-spanning positions that continuously and effectively monitor market developments (Hirsch, 1972). Hirsch (1972) argues that the inability to successfully discover talent and market the talent leads to the failure of the record company.

Respondent A (personal communication, May 16, 2016) emphasised the importance of a diverse A&R team that provides the record label with differing personality traits, skills and experience in order to cater to different music genres and artists. According to Dess & Lumpkin (2001:26) human capital comprises the "individual capabilities, knowledge, skill, and experience of the company's employees and managers." The findings suggest that the experience and industry know-how of A&R managers are crucial to the record label. The accumulated experience of A&R managers, thereby, poses valuable tacit knowledge to the firm and facilitates decision-making in the talent selection process.

According to the findings, this expertise poses a strategic factor to record labels as artists do not look for labels anymore primarily for the production of the music, but rather sign with labels in order to profit from the record label's high level of industry expertise. Furthermore, Dess & Lumpkin (2001:26) argue that "the capacity to add to this reservoir of knowledge, skills, and experience through individual learning" is tantamount to achieve competitive advantage. The structural changes accompanying the digitalisation required A&R managers to adjust to the market developments. While some skills and competences of A&R managers were rendered obsolete, the learning of new capabilities, for example the use of digital tools in the talent selection process, became important to stay competitive.

6.1.4. The Artist as Specialised Human Resource

An artist represents a scarce, non-imitable and non-substitutable resource to the company and, thereby, contributes rent-generating capabilities (Barney, 1991; Knittel, 2011). Therefore, it is argued that the artist represents a specialised form of strategic asset that is essential for the firm's competitive advantage.

Ordanini (2006) argues that an artist's artistic creativity poses a resource to the label that it cannot create itself. The digitalisation led to technological advancements that facilitated the production and the distribution of music. The findings suggest that artists nowadays are able to produce their music "at home" and easily distribute the music online. Furthermore, the Internet provides the artists with various online platforms from social media to streaming websites that facilitate the artists' exposure. According to the findings, this market development leads to an increasing competition for artists and a reduction in labels' bargaining power.

The findings suggest that it became increasingly difficult to tie artist to the label. Artists are able to market themselves online and build a social media following that provides leverage towards the record company. This leads to the closing of an increasing number of distribution contracts that only provide the record label with the ability to exploit the licence rights on a short-term basis. Knittel (2011) argues that binding the artist to the firm as well as securing the artist's rent generating behaviour pose central management

challenges to the labels. Coff (1997) further argues that artists as creative human resource can only generate sustainable competitive advantage, when the management recognises the associated management challenges and succeeds in adequately addressing these challenges.

6.1.5. Social Capital

The digitalisation destroyed the prevailing industry structure and deferred the value chain established by incumbent record labels. As music production was facilitated by the technological developments and the costs of production became much cheaper, record labels were urged to redefine their strategy. Certain technological resources of record labels, that provided the firms with competitive advantage in the past, were rendered obsolete. The advent of digital music distribution took away the record label's profit margins and put the record labels in a hazardous market situation. Therefore, record labels started to form alliances with digital distribution partner in order to stay in the market. Sirmon & Hitt (2003) argue that alliances between firms are a common approach to access complementary resources. By forming alliances with digital distribution partners, like iTunes and Spotify, record labels gained access to technological resources and knowledge that they were not able to develop themselves. Hitt et al. (2001) argue that social capital provides the firm with potential and actual access to technological resources, industry information and complementary resources. As record labels slowly adjusted to the new market developments and co-operations were successfully established, the focus gradually went away from distribution. The findings suggest that making music available is not a label's main focus today. Rather than availability, a record label nowadays focuses on being the first to discover an artist and to release new music. This argument is in line with Engh (2008) who argues that the prevailing distribution-centred discussion that dominated the industry's strategy considerations throughout the last decade needs to be expanded by a content-based view, as without attractive content that is passed to digital distribution, there is no value creation.

Furthermore, the findings suggest that artists do not look for labels anymore primarily for the production of the music, but rather sign with labels in order to profit from its extensive network and high level of industry expertise. Therefore, an A&R manager's extensive network of industry relevant people represents valuable social capital to the record label. Sirmon & Hitt (2003) argue that in order to build social capital cognitive as well as relational elements need to be considered. The cognitive dimension refers to a shared language and common narratives, while the relational dimension is concerned with trust, obligations and norms (Hitt et al., 2001). Social capital, therefore, is not build easily. The findings suggest that A&R managers spend years in the music industry in order to gain scene credibility. Thereby, A&R managers continually meet with people in various domains like producers, mastering engineers, press people, booking agents, DJs, etc. with the goal to build a network of potential allies that can partner up with their artists. The findings suggest that the network of A&R managers is vital to record labels as it supports the companies bargaining power in negotiations with artists and can constitute an essential competitive advantage. The social capital that A&R managers possess, thus, represents a valuable, non-imitable, non-substitutable (Barney, 1991) resource that is vital for the label's value creation process.

Furthermore, the findings suggest that A&R manager's network plays a substantial part in the talent selection process and would continue to be the most important source for new talent. The results propose that despite the competence destroying changes in the music industry within the last decade, the extensive professional network of A&R managers remained an important asset to the record label that cannot be substituted by digital tools. Online platforms, however, support the communication within the network and support active talent search processes. A&R managers use social media platforms to facilitate the information exchange with their network. Thereby, the network facilitates the A&R manager's access to important information, like trending artists or music genres. The results suggest that it gets more and more common to discover artists through social media channels. A&R managers continually monitor what their network of artists, artist managers and producers share on social media. Therefore, the findings

propose that it is important to have an extensive online network to avoid missing out on new talent.

Furthermore, Hitt et al. (2003) argue that a company's established relationships provide firms with a network that allows the company to assimilate vital industry knowledge. The findings suggest that record labels also make use of their personal and professional network to support the recognition of digital trends through the internal exchange of information with their partners. This is in line with Coff (1997) who argues that boundary-spanning networks supply firms with information, help it innovate and respond to dynamic changes in the environment. Thereby, social capital helps companies to recognise outside opportunities in a timely manner. As live performance gained increasing importance in the profit generation of record labels, the findings also emphasised the strategic importance of the A&R manager's network of booking agents and festival organisers in order to stay competitive.

The findings further suggest that record labels increasingly focus on developing local talent, which led to the implementation of local subsidiaries by international music corporations. These local divisions are closer to the market and provide the labels with local market specific know-how and enable them to identify local potential. The major label and sub-divisions, thereby, share network, knowledge and infrastructure. This is in line with Hitt et al. (2001) who argue that firms can leverage their partner's knowledge of specific markets in order to move into new geographic markets. Thereby, the tacit knowledge, experience and social capital of their partners support the implementation of the firm's strategy (Hitt et al., 2001).

6.2. Changing Resource Disparity in the Music Industry

Gander et al. (2007) argue that independent labels and major labels concentrate on differing sets of distinct resources. While independent labels focus their resources on the creative effort to seek out and develop the artists and their music, major labels make use of their financial, distributional and promotional resources in order to exploit the creative output (Gander et al., 2007). Ordanini (2006) further argues that independent labels possess more innovation capability than major labels, but lack the financial

resources to exploit these capabilities. The findings suggest, however, that A&R managers at both independent and major labels are increasingly focussing on A&R processes once more to strategically occupy content dimensions. Thus, record labels are engaging in the building of artist selection as a core capability, due to the increasing strategic importance of talent acquisition abilities. Furthermore, as established earlier, cheaper production and distribution seem to have reduced the financial gap between major labels and independent labels, as financial capital no longer provides a significant potential for competitive advantage. The findings further suggest that the Internet and other technological advancements facilitated talent sourcing especially for independent labels as it made it easier for these labels to find artists before Majors get a hold of them. As major labels usually dispose of a larger infrastructure, independent labels are often in a weaker bargaining position when it comes to signing new talent. By being the first to discover a new talent, however, independent labels are in a much better position to close a contract. From an A&R perspective, therefore, the findings seem to render the differences between independent and major labels, that Ordanini (2006) and Gander et al. (2007) established, less significant in a post-digitalisation era.

However, as financial resources can be employed by firms to acquire and develop strategically important technological resources (Ireland et al., 2003), it might be harder for independent labels to engage in the building of technological tools that provide the company with a favoured position in the talent selection process. Furthermore, in terms of artist development, the differentiation between independent and major label still seems to have some significance. Even though the findings propose that artists do not have to have immediate success with the first single or album release due to cheaper music production and distribution as well as technological advancements that rendered A&R with a new set of possibilities to promote artists, Kappel (2012) argues that major labels cannot afford to gradually develop an artist over two or three albums until commercial success is achieved. As major labels have a certain cost structure that has to be retained, they have to act much more rational than smaller independent labels that do

no have to operate under such strict conditions and, therefore, can afford to act less cost effective.

7. A&R Challenges

Based on the strategic resource analysis, the following section addresses the resource management challenges of record labels based on the changes that occurred through the digitalisation. Following a content-based perspective, the A&R challenges for record labels in order to build a competitive advantage in a post-digitalisation era will be highlighted.

7.1. Strategic Resource Structuring

Hitt et al. (2001) argue that a firm's ability to acquire resources is affected by its social capital. A company's external relationships, thus, have an impact on its access to important external resources (Lounsbury & Glynn, 2001; Dyer & Singh, 1998). Therefore, A&R managers that dispose of an extensive professional network pose valuable human resources to record labels. The network of producers, mastering engineers, press people, booking agents, DJs etc. represents vital social capital that provides labels with access to resources that are essential for the value creation process. Tripsas (1997) argues that the effective leveraging of human resources creates dynamic capabilities that help a firm to renew, enhance or adapt its prevailing capabilities to cater to a continuously changing environment and new consumer needs.

The digitalisation required labels to adapt to the competence destroying changes. Alliances with digital distribution providers secured access to critical technological resources. The Internet not only facilitated the distribution of music, but also provided artists with the possibility to display themselves online and gain wide reaching exposure. The findings suggest that due to this market development, record labels are facing a much larger pool of potential talent. The findings emphasise the need for an effective talent selection process that facilitates decision-making and, thereby, enables the record labels to achieve a competitive advantage. The results suggest that the acquisition and development of qualified technology affine talent scouts that know how

to navigate on online platforms and effectively look for talent became essential to record labels. Furthermore, the findings indicate that the acquisition and development of digital tools that facilitate the analysis and filtering of information in the talent selection process are sought after.

7.1.1. Artist Acquisition

Karim & Mitchell (2000) argue that managers need to import and generate new resources in order to extend and change a firm's resource portfolio. According to the findings, the Internet and the digitalisation of music tremendously changed the music industry structure and, thereby, not only influenced the distribution and promotion of music (Dolata, 2011; Anderton et al., 2013), but also the way A&R managers look for new talent today. The findings further suggest that record labels do not engage in an agency delegation (Ordanini, 2006) of the talent selection process by completely outsourcing the talent acquisition, but rather emphasise the need to build artist selection as a core capability. This direct approach to artist selection is in line with Engh's (2008) argument that record labels are increasingly engaging in A&R processes once more to strategically occupy content and channel dimensions due to the increasing strategic importance of talent acquisition ability. Thereby, Ordanini (2006) argues, record labels try to avoid losing creative competences that are vital for their market performance in the long run. Hitt et al. (2001:14) further argue that companies create value through the "selection, development and use of human capital." Therefore, it is crucial for a record label's long-term success to select the "right" artists. The A&R department's task is to select these "right" artists and use as well as develop their capabilities to produce a successful product. As Ordanini (2006) argues, the market share of labels within the recorded music market is largely determined by the firm's ability to introduce releases of new artists to the market. Furthermore Seifert & Hadida (2006) emphasise that the development of selection know-how is important for musical value creation, as the quality of the input has a direct influence on the output quality.

The findings suggest that the Internet provides record labels with access to vital information concerning the artist that was not easily accessible or did not even exist

before. By monitoring digitalised information and statistics that reveal what songs and artists are hyped on the Internet, A&R managers are able to discover talent that is already kind of pre-approved by the consumer. Respondent B (personal communication, April 5, 2016) termed this new way of artist scouting “data driven A&R”, meaning that A&R managers react to digital information on the Internet, like followings, likes and clicks etc. in order to find talent. However, the artist sourcing approaches that A&R managers are applying seem to be dependent on the market. Respondent B, who is navigating in a market where online streaming is the main mode of music distribution, mainly concentrates on audio and video streaming platforms in order to find new talent. Respondent A, who caters to a market, which is to large extent still characterised by physical music distribution criticised the sole use of these tools as they emphasise the hit single rather than the artist’s long term development. This argument is in line with Ehman (2016) who argues that online music streaming has an enormous impact on the music industry as it emphasises the importance of the single rather than the depth of the album. However, as streaming is gradually becoming the dominant distribution method, the findings suggest that “Big Data Scouting” (Respondent A, personal communication, May 16, 2016) is the foreseeable future. Furthermore, the Internet and the digitalisation provide the A&R department with enormous facilitation regarding structuring the daily routines and staying up to date with market developments. According to the findings, record labels are investing in tools that facilitate and improve the talent selection process and help A&R managers to take better decisions much faster. This might be seen as a counter movement to what Seifert & Hadida (2006:791) termed the “talent-selection paradox”, which criticises that only little is invested in streamlining the artist selection process, even though very few talents are accountable for most of the label’s revenue.

As it became easier for artists to gain exposure through the Internet, the findings suggest that the competition for talent became much faster, which increased the importance of quick decision-making in order to stay competitive. As everyone has access to the information online, the A&R manager’s ability to effectively take talent selection

decisions can pose a valuable resource to the record label. As Seifert & Hadida (2006) argue, the selection of the “right” artists has a direct and immediate impact on the record label’s performance. The findings propose that it is not only important to have access to this digital information but also know how to work with the data gained. In order to make quick decisions, A&R managers need to be able to effectively filter the information. The findings emphasise the importance of the A&R managers ability to filter the information obtained as the easy access to an enormous pool of data can lead to inertia due to the high amount of options. Mauws (2000) argues that the ability to select a set of offerings from a pool of seemingly unlimited supply options that the record labels are confronted with is crucial for a firm’s success.

Intuition plays an important role in this filtering and decision-making process. Even though digital data can tremendously support decision-making in the A&R department, the positive information gained about an artist is no guarantee for the artist’s success. The findings suggest that A&R managers have to make intuitive decisions after analysing the information gained, an ability that can be trained through accumulated experience. This argument is in line with Klein & Weick (2000) who argue that training and experience help decision makers to improve decision-making processes and to increase efficiency by combining intuition and rational analysis. Even though digital information can support decision-making, it is no guarantee that the whole market will share the current online hype. The findings suggest that team consensus in the record label is very important in order to decide what talent to sign. Seifert & Hadida (2006) argue that collective intuition forms part of a firm’s knowledge pool and is vital regarding the company’s ability to innovate. The selection of the “right” artist requires the record label to deploy rational analyses, experience and collective intuition in the strategic decision-making process (Seifert & Hadida, 2006). This form of tacit knowledge accumulated through experience poses valuable, scarce and hard to imitate human capital to record labels (Barney, 1991).

Furthermore, the findings propose that A&R managers make extensive use of their network in order to look for new talent. Even though digital data is changing the talent

selection process, the recommendations from the A&R manager's network still seem to be an important decision-making support in the talent selection process and the most important source for new talent. This is line with Gander et al. (2007) who argue that networks can help firms recognise outside opportunities and provide them with critical industry knowledge. The inclusion in a network enables the gatekeeper to recognise new music movements and provides access to new talent (Gander et al., 2007). Furthermore, Foster et al., (2011) argue that A&R managers use these networks to share information and to identify as well as diffuse emerging cultural trends. The findings suggest that A&R managers use their network in order to make sure not to miss out on any developments in the industry. Furthermore, the results propose that the A&R manager's professional network serves as a source of inspiration, valuable external expert opinion and talent recommendations. Stratton (1982) argues that record labels need complex networks that that provide facilitation for the innovation process. Therefore, the continuous development of this social capital is tantamount in order to achieve competitive advantage.

7.1.2. Artist Development

Ordanini (2006) argues that the talent selection model a record label applies has a great impact on the sustainability of an artist's success. The selection policy a label adopts, thereby, illustrates the firm's innovation philosophy. While promotion and advertising foremost sustain the success of single releases, investments in a sustainable selection policy impact the artist's whole career (Ordanini, 2006). The findings suggest that talent scouting through online streaming platforms, usually urges record labels to offer distribution deals to the artists as they do not need development support anymore but rather access to the label's distribution and marketing infrastructure. This selection policy, thereby, seems to focus on the success of one hit single rather than the artist's long-term success. Furthermore, the results suggest that the music that reaches A&R departments today is much more finished than it used to be. The A&R manager's role in the artist's creative process, thereby, got reduced due to the artist's widespread access to digital tools that enable the production of music "at home". Therefore, it seems harder

today to bind artists to the record label on a long-term basis. The findings further propose that due to online music distribution, consumers gained the opportunity to access much more music than before. This led to consumers remaining much shorter with a certain artist than in the past.

As the selection of talent through streaming platforms seem to emphasise single hits and thus, short-term success, labels need to balance this selection method with policies that emphasise long-term development and, thereby, continuous profit generation. Ordanini (2006) argues that A&R departments have to build a roster of artists that balances shorter but faster successes with durable but slower performances. In order to improve the short-term and long-term financial equilibrium, record labels need to understand the functioning of selection processes. The findings suggest that record labels are concentrating on the long-term development of local talent in order to guarantee sustainable success. This is in line with Seifert & Hadida (2006) who argue that record labels started focussing on strategies that concentrate on the selection and development of local artists as a response to the digitalisation and the resulting changing business environment. The investment in local artists as strategic human resources is, thereby, vital for the generation of long-term profitability. The findings further indicate that technological advancements and cheaper production enable record labels to easily bridge gaps between album releases and, thus, provide labels with the possibility to develop an artist over a longer period of time. Seifert & Hadida (2006) argue that record labels once more try to carefully establish artist in the market in order to reduce mismatches between their roster of artists and consumer taste.

Engh (2008) argues that the digitalisation increased the importance to build artist development as a record label's core competency in order to create commercially successful music content that provides the labels with long-term exploitation rights and ancillary rights like live entertainment and merchandising rights. The findings emphasise the importance of live entertainment due to low proceeds from record sales resulting from the digitalisation. This is in line with Weitkämpfer (2012) who argues that due to the changing music industry environment, record labels started to consider

multiple revenue streams, from recordings to live entertainment and merchandise, that all together form the overall product. This led to an increasing number of 360 deals that require record labels to intensively develop the artist in various domains. Furthermore, the results emphasise the importance of social media, as fans do not only attend live concerts but also want to take part in the artist's day to day live through social networks. Therefore, the development of the artists' social media activities and online appearance is tantamount for the artist's and, thereby, the label's success.

7.1.3. Artist Divestment

The findings suggest that as it became much harder for record labels to earn money, A&R managers need to evaluate constantly when a new act will be paying off costs and operate profitably. Thus, A&R managers need to continually monitor the profitability of their artist roster. This is in line with Sirmon & Hitt (2003) who argue that environmental changes and exogenous factors may render some resources obsolete or affect their market value. Therefore managers need to continuously monitor their firm's resources by vigilantly evaluating their current resource portfolio in order to address the firm's weaknesses (Priem & Butler, 2001; Sirmon et al., 2010). The findings suggest that it is important for A&R managers to know how much money can be regained from the investments made into an artist. As mentioned before, Kappel (2012) claims that labels cannot afford to gradually develop an artist over two or three albums until commercial success is achieved. Contrary to Kappel's (2012) argument the results propose that it is not necessary anymore today that an artist has to have immediate success with the first single or album release. Cheaper music production and distribution as well as technological advancements rendered A&R with a new set of possibilities to promote artists. Thereby, the findings suggest, it can even prove beneficial for artists not to achieve big scale success right at the beginning of their career as it offers the possibility to slowly build a fan base, that lasts for a much longer time. However, as discussed earlier, Kappel (2012) argues that major labels have a certain cost structure that has to be retained and, therefore, they have to act much more

rational. He further argues that smaller labels do not have to operate under such strict conditions and, therefore, can afford to act less cost effective.

In situations where the resource in question once contributed substantially to the firm's prior success the divestment can prove to be very difficult (Sirmon & Hitt, 2003). Mosakowski (2002) argues that the accumulation of resources can have negative effects on a company's capability to achieve or maintain a competitive advantage and may lead to a firm's inertia and inflexibility. Even though resource accumulation is essential, it has to be balanced with the shedding of resources in order to prevent potential value reductions.

7.2. Resource Bundling & Leveraging

Hirsch (1992) argues that changes in the market can rapidly result in the devaluation of the resources of a firm, while increasing the value of another company's resources. The competence destroying changes in the music industry urged record labels to rethink their strategy. The findings suggest that today digital distribution does not pose a major challenge to record labels anymore. However, Sirmon et al. (2010:1402), argue that "firms should not remain static after achieving success; they should continue to develop their capabilities, thereby adding to their competitive advantage and resulting performance." It is essential for firms to understand the influences of a dynamic environment on the durability of their competitive advantage as current competitive advantages can be quickly lost in a dynamic marketplace (Sirmon et al., 2010). The findings suggest that in order to stay up to date with technological developments in the music market, specialised resources are assigned to a digital team that engages in opportunity-seeking behaviours. This is in line with Ireland et al. (2003) who argue that it is tantamount that firms engage in opportunity- and advantage-seeking behaviours in order to identify potential value generating opportunities. When managers overemphasise their commitment to resources the firm already possesses, resources can turn into core rigidities and harm the firm's flexibility (Ireland et al., 2003). Thereby, the record label risks missing out on market developments. Furthermore a firm's inability to appropriately adapt to market developments can lead to the loss of

competitive advantage or even market failure. Miller & Ireland (2005) argue that organisational success critically depends on exploration. For record labels that operate in an environment that is characterised by frequent changes, a substantial level of exploration is required to sustain competitiveness.

The resource-based view suggests that a company's competitive advantage is dependent on the unique combination of the organisation's resources, capabilities and competencies. Competencies combine a company's human and technological expertise and, thereby, provide the basis for problem-solving heuristics that can be deployed to use resources efficiently (Seifert & Hadida, 2006). The findings suggest that by investing in digital artist sourcing platforms like Spinnup and into the recruitment of specialised technology affine talent scouts, record labels are able to improve the talent selection process and provide themselves with valuable decision-making support. Thereby, record labels are able to build a competitive advantage in the talent selection process by bundling human and technological resources in order to effectively look for new talent. Furthermore, by making use their network on social media in order to discover talent, A&R managers engage in the bundling of strategic technological and social resources. Combs et al. (2011) argues that by combining existing or newly acquired resources that were unrelated earlier into bundles of strategic resources, firms are able to create wholly new capabilities that promote competitive advantage.

Ireland et al. (2003) argue, however, that firms not only need to be able to engage in exploration, they also need to be able to exploit opportunities (Ireland et al, 2003). The findings suggest that artists sign with record labels primarily in order to use the firm's expertise and network. Therefore, record labels are able to build a competitive advantage through the leveraging of the A&R managers' social capital. Hitt et al. (2001) argue that by bundling integrated relationships and specialised knowledge, a firm is able to create largely inimitable value. By successfully bundling its strategic human, social, financial and technological resources, record labels are able to outrun competitors in the talent selection process and, thereby, achieve competitive advantage.

8. Conclusion

The digitalisation that tremendously influenced and, thereby, reconstructed the entire music industry ignited a distribution-centred discussion that focussed on the consequences digital music distribution had on the music industry. Following Engh's (2008) argument that this discussion is limited as without attractive content that is passed to digital distribution, there is no value creation, this study aimed at expanding this distribution-centred discussion by analysing the impact of digitalisation on A&R processes. By emphasising the strategic role of A&R in the music industry in a post-digitalisation era, this study built on former research of Engh (2008) who emphasised the role of A&R as core competence that provides the foundation for any kind of economic success for the label as well as Knittel (2011) who highlighted the importance of the artist as content supplier in cultural production. The artist is at the centre of music production and, therefore, represents a significant strategic factor to the record label. The A&R department that is responsible for the sourcing and development of these artists, thus, incorporates core competences of the record label that directly influence the label's value creation process.

Throughout the last decade, the music industry was severely influenced by the digitalisation, that had an enormous impact on music distribution and consumption and, thus, on the established industry structures. Before the turn of the millennium, record labels exercised hegemony in music production and distribution and, thereby, controlled the entire industry value chain. With the emergence of technological advancements and the introduction of digital music distribution, incumbent record labels were threatened to lose control over the music industry's value chain. The digitalisation rendered strategic resources of incumbent firms obsolete and, thus, urged record labels to adapt their strategies. As the digitalisation also tremendously influenced A&R processes and, thereby, affected the value creation process of record labels, the findings suggest that record labels started to increasingly focus on the strategic importance of talent acquisition abilities. By applying a resource-based view, changes in the strategic resource portfolio of record labels in a post-digitalisation era were analysed in order to

identify A&R challenges as a consequence thereof. It is, thereby, highlighted that it is tantamount to understand the influences of a dynamic environment on the durability of competitive advantage, as a current competitive edge can be quickly lost in a dynamic marketplace.

The findings suggest that today digital distribution does not pose a major challenge to record labels anymore. In order to bring the music to the market, record labels formed alliances with digital distribution partners. By forming these alliances, record labels gained access to technological resources and knowledge that they were not able to develop themselves. The findings further suggest that record labels today assign specific resources to opportunity seeking behaviour in order to be able to react to changes in the environment in a timely manner.

Based on the findings, record labels today focus on the acquisition and development of technological resources that support the A&R department's talent selection process by facilitating quick and effective decision-making. The Internet, thereby, provides A&R managers' with important digital information in the talent selection process that supports decision-making and enables labels to monitor market developments more easily. A&R managers are able to access digital information and statistics on various platforms that reveal what songs and artists are hyped on the Internet. The findings propose that through this "data driven A&R" or "Big Data Scouting" A&R managers are able to monitor digital information on the Internet, like followings, likes and clicks, and, thereby, discover talent that is already kind of pre-approved by the consumer. However, as this information is available to anyone, the respondents argue that the competition for artists has become more fast-paced. Therefore, the importance of digital tools that support quick information filtering and, thereby, enable record labels to be the first to discover new talent, were emphasised. The findings suggest that by investing in the development of or access to platforms that provide online data and statistics that facilitate artist-sourcing processes, record labels are aiming at building a competitive advantage. This direct approach of artist selection through digital platforms on the Internet seems to support the record labels' effort to increasingly engage in A&R

processes once more in order to strategically occupy content and channel dimensions due to the increasing strategic importance of talent acquisition ability.

The results further suggest that this new form of artist sourcing is influencing the record label's ability to bind the artist to the label on a long-term basis. Online music streaming has an enormous impact on the music industry as this form of music distribution emphasises the importance of the single rather than the depth of the album. Thereby, the record labels' focus is shifting from the artists' long-term development to the support of short-lived single hits. The findings further indicate that sourcing artists on streaming platforms leads to the increased issuance of distribution deals to artists that provide labels with a short-term licencing period rather than the securement of long-term exploitation rights. According to the findings, music streaming seems to become the dominant design in music distribution, which leads to more and more artists being discovered on music streaming platforms. Therefore, this development may cause a major challenge to the long-term profitability of record labels.

Furthermore, the findings suggest that in order to balance this short-term trend induced by streaming platforms with the development of long-term artist relationships, A&R managers increasingly concentrate on finding local talent in an early phase of their career. Thereby, record labels are able to concentrate on the long-term development of the artist and gain long-term exploitation rights. Furthermore, the findings propose that due to low proceeds from record sales resulting from the digitalisation record labels started to consider multiple revenue streams that led to the increasing number of 360 deals with artists that allow the label to have a share in all revenue streams. The findings further indicated that digitalisation led to a totally different consumer experience, as fan communities today do not only attend live concerts, but also want to take part in the artist's day-to-day life via various social media channels. Therefore, a lot of emphasis is put on the development of the artist's social media appearance in order to cater to consumer demand.

The findings indicate, furthermore, that even though digital data tremendously influenced talent selection processes, the experience and industry know-how of A&R

managers are crucial for the decision-making process. Digital information can provide immense support in decision-making, however, there is no guarantee that the whole market will share the current online hype. Therefore, the accumulated experience of A&R managers represents valuable tacit knowledge to record labels that seems to be tantamount for the talent selection process despite the changes caused by digitalisation.

Furthermore, the results indicate that this expertise of A&R managers represents a strategic factor to record labels as artists do not look for labels anymore primarily for the production of the music, but rather sign with labels in order to profit from the network and high level of expertise. Thereby, the findings emphasise the importance of the record label's network as bargaining power towards the artists. An extensive network of industry relevant people can prove extremely valuable in contract negotiations with artists. The findings suggest that as it became harder to bind artists to the label on a long-term basis and, thus, secure long-term exploitation rights, the A&R manager's ability to effectively take talent selection decisions poses a vital strategic resource to the record label.

While some elements seemed to have remained at the core of A&R, the digitalisation tremendously influenced a number of A&R activities. Following McLellan (2015) who argues that today A&R is much more an abbreviation of "Artist & Relationship" than "Artist & Repertoire", the findings suggest that networking nowadays is even more important for record labels than it was before the digitalisation era. The results propose that A&R managers are continually working on expanding their network of industry relevant people in order to build a network of potential partners. Furthermore, the results indicated that A&R managers extensively use their networks in the talent selection process. Even though it was emphasised that the use of data would continue to influence and might even dominate talent selection processes in the future, the recommendations from the A&R manager's network were argued to be still the most valuable ones.

9. Limitations and Further Research

Taking into consideration the scope of this study, several limitations have to be acknowledged. The research is taking into account the realm of popular music, disregarding genres that have less “wide appeal” as well as classical music. Due to the qualitative design chosen for this study and the applied non-probability sampling, the results are based on in-depth individual experiences and hence, cannot be considered statistically representative.

The expert interviews were conducted in German and English. The interviews were transcribed in the original language and partly translated to English for the presentation of the findings and the subsequent analysis in order to support the flow and comprehensibility of this study. The sample size for this study was limited to four expert interviews. Furthermore, the A&R managers selected for this sample were placed in Germany, the USA and Denmark, which limits the research to certain music markets. Further research that considers a larger sample of different music markets or concentrates on the in-depth analysis of specific markets may provide further results. As the findings suggest that certain differences in domestic music markets stem from differing dominant distribution methods in these markets, further research focussing on these differences may contribute to this research. A larger sample that takes into account a larger number of respondents may, furthermore, extend the prevailing study and add valuable insights.

The presented results extend the distribution-centred discussion that emerged with the beginning of the digitalisation of the music industry by a content-based perspective. The findings of this study stimulate a discussion regarding the A&R challenges of record labels in a post-digitalisation era and may provide the basis for further research in this field. The results further suggest that the use of digital data in talent selection processes will gain importance in the future. Further research regarding the use of Big Data in A&R may validate some of the assumptions based on the presented findings and provide further insights into this field of study.

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10.1. Interviews

Respondent A, Magnus Textor, Columbia/Sony Music Germany, Munich, Personal Interview conducted on 16th May 2016

Respondent B, Christian Møller, Universal Music Denmark, Copenhagen, Personal Interview conducted on 5th April 2016

Respondent C, Gregor Lehrl, Affine Records, Vienna/New York, Personal Interview conducted on 12th May 2016

Respondent D, Clemens Kluck, Listen Collective, Berlin, Personal Interview conducted on 17th May 2016

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11. Appendix

11.1. Respondent A, Personal Interview May 16th 2016

Magnus Textor, Columbia/Sony Music Germany, Munich

KL (Katharina Leichter): Zum Einstieg erzähle ich dir vielleicht kurz von mir und meinem Projekt. Ich studiere Creative Business Processes an der CBS und schreibe meine Masterarbeit grob gefasst zum Thema Veränderung von A&R. Ja und ich würde dich nun bitten, dass du ein bisschen über dich erzählst, über Sony und dass du ein bisschen von deiner täglichen Routine erläuterst.

MT (Magnus Textor): Okay. Ich heiße Magnus Textor. Ich bin 23 Jahre alt. Ich bin seit 3,5 Jahren bei der Sony; seit 2 Jahren A&R Department bei der Columbia. Columbia ist im Grunde genommen das große Pop Label von Sony Deutschland. Es ist ein Domestic Label, das heißt wir arbeiten nur mit nationalen Produkten, also national gesigte Produkte, keine Produkte die irgendwo anders gesigt sind und dann über uns ausgewertet werden. Wie bin ich dorthin gekommen? Ich habe früher selbst Musik gemacht, hab ein bisschen produziert auch. Das war eigentlich direkt nach dem Abitur. Und dann hab ich über die Tätigkeit in meiner Band, die es damals noch gab, die sich dann aufgelöst hat, bei einem Independent Label angefangen zu arbeiten in München. Das gibt es mittlerweile gar nicht mehr. Im Grunde genommen hat man da alles gemacht. Wie es halt bei einem kleinen Label ist. Es gibt kein A&R in diesem Sinne, sondern eigentlich so ein bisschen Open Source A&R-ing. Also jeder sagt seine Meinung zu den Demos die da kommen, und dann sagt man „macht man oder macht man nicht“ und es geht viel um dieses Lokalding. Aber das war ein guter Start auf jeden Fall, weil man sich ein bisschen ausprobieren konnte, in viele Bereiche reinschnuppern konnte. Und dann gab es eine Band die wir veröffentlicht haben, die von der Sony gesigt wurde und von meinem jetzigem Chef auch, dem Andi Kappel, und dann hab ich da meine ersten Kontakte machen können und danach die Möglichkeit da eine Ausbildung zu machen. So hab ich bei Sony angefangen. Ab einem gewissen Zeitpunkt habe ich dann angefangen zu scouten, sagen wir dazu, oder so ein bisschen Consulting

zu machen im A&R Bereich, das heißt ich habe einfach Musik vorgeschlagen, ich bin pro aktiv auf Leute zugegangen und hab irgendwie so auch versucht mir mein Netzwerk aufzubauen. Ab einem gewissen Zeitpunkt dann hab ich dann die Möglichkeit bekommen dort als Junior A&R anzufangen.

KL: Bezüglich täglicher Routine, was sind so deine Aufgaben?

MT: Also ich sage mal es gibt ja wenig Daily Business im A&R-ing. Du hast ja nicht wirklich Sachen die du wirklich jeden Tag machst. Meine Aufgaben sind neue Musik zu suchen, mein Kontaktnetzwerk auszubauen, an den bzw. mit den bestehenden Acts mit denen wir schon zusammenarbeiten Alben gemeinsam zu entwickeln oder Konzepte zu entwickeln, das heißt da nimmt jeder A&R von Projekt zu Projekt andere Positionen ein. Also zum Beispiel, ich meine es gibt Künstler die extrem viel von sich selbst aus einfach machen, da musst du nicht viel A&R-en im kreativen Sinne, da bist du eher so, machst du eher was für Service oder schaut auf die Deadlines, das die alle irgendwie hinbekommen. Dann gibt es aber auch Künstler, da muss man sich kreativ involvieren, die mit Songwritern zusammenbringen, mit Produzenten, mit Mischern. Das ist dann mehr der A&R Job würde ich sagen. Und so unterscheidet sich das. Jeder Künstler hat andere Bedürfnisse, braucht was anderes. Musikalisch ist das ja auch relativ unterschiedlich, das heißt auch da wird Unterschiedliches benötigt. Das heißt es ist eigentlich relativ abwechslungsreich je nachdem was jetzt gerade für ein Album von welchem Künstler ansteht. Und meine Aufgabe ist vor allem im Newcomer Bereich neue Acts zu finden, die aufzubauen, sich da einfach was zu überlegen. Und wir haben ja auch im elektronischen Bereich für die Columbia, quasi das Roster da weiter auszubauen. So versucht man sich da ein bisschen aufzustellen im Team. Wir sind ja ein größeres A&R Team, wir sind vier Leute insgesamt bei der Columbia. Es gibt unterschiedliche Labels in der Company wo auch nochmal andere A&Rs sind, da tauscht man sich natürlich aus und versucht sich da auch so ein bisschen aufzuteilen und zu sagen „Hey, der versteht die Art von Musik total gut und der muss vielleicht mehr an dem und dem arbeiten“ Also bei mir ist das auf jeden Fall Newcomer, also junge Künstler vor alle auch und elektronische Musik.

KL: Du hast es gerade schon erwähnt: Thema „Talent Sourcing“! Wo schaust du denn hauptsächlich? Wir wissen ja alle, das hat sich geändert. Es landen nicht mehr tausend Demotapes auf euren Tischen, sondern...beschreibe mal:

MT: Ja das gibt es noch immer. Aber das kann auch keiner bewältigen. Wo ich schaue? Also ja genau man unterscheidet so ein bisschen, so aktives Scouting und passives Scouting. Also die wichtigsten und qualitativsten Empfehlungen kommen auf jeden fall aus deinem Netzwerk, kommen von den Leuten mit denen du dich permanent austauscht. Die auch wissen was du machst und dann auf dich zukommen. Angefangen von Produzenten, Veranstaltern, Bookern usw. manchmal von Künstlern selbst. Also das sind so die qualitativ hochwertigen. Und dann wenn man aktiv scoutet, also wirklich im Netz irgendwie sucht. Das ist ganz unterschiedlich. Ich schau viel auf Youtube zum Beispiel. Jetzt weniger im Youtuber Bereich, mehr so auf diesen großen Musikchannels. Auch viel im Blogbereich. Es gibt ja eine ganze Menge Blogs, die frühe Musik featuren. Früher war Hypemachine auch wichtig, aber mittlerweile finde ich das ein bisschen verschenkte Zeit weil es auch relativ manipulativ ist, meiner Meinung nach. Aber die Blogs die dort gelistet sind, sind natürlich spannend. Also das sind eigentlich mal so die wichtigsten Informationskanäle die es gibt. Als was auf jeden Fall wichtig ist, ist das Netzwerk. Was Leute quasi was an dich heran tragen, das ist meistens das Hochwertigste.

KL: Der A&R Manager bei Universal Music Denmark meinte Sie haben ganz spezifische Talent Scouts, also vor allem jüngere Leute die viel im Internet unterwegs sind. Habt ihr so etwas auch?

MT: Ja genau. Das haben wir auch.

KL: Verwendet Ihr Soundcloud?

MT: Genau, Soundcloud auch. Also klar die ganze Musik liegt auf Soundcloud, von den Blogs natürlich. Aber Soundcloud selbst, darüber ist es ja schwierig was zu entdecken. Du brauchst ja eigentlich die Kuratoren. Du brauchst ja eigentlich Blogs die

das filtern. Deswegen meine ich eher Blogs, aber ja klar. Soundcloud, da liegt natürlich viel unsigned Zeug herum, das interessant sein kann.

KL: Und Spinnup zum Beispiel?

MT: Spinnup ist ja ein Universal Tool.

KL: Ja genau. Würde mich aber von dem her interessieren, weil Universal meinte ja, dass das Tool grundsätzlich offen ist. Das heißt es kann ja jeder hineinsehen...

MT: Ja aber es ist ja ein Universal Tool. Das gehört ja der Company. Was meinst du mit hineinsehen?

KL: Ja die Company meinte doch Sie müssen trotzdem schnell sein mit der Nutzung des Tools, da jeder hineinsehen kann, und jeder kann hingehen und den Artist dann signen.

MT: Okay, aber ich muss ehrlich sagen, ich schaue darauf nicht. Und ich meine davon abgesehen, ich weiß es jetzt nicht hundert prozentig, da darfst du mich jetzt nicht für voll nehmen, aber sichern die sich nicht auch irgendwelche Optionen? Ich kenne aber auf jeden Fall Fälle wo ich dann nicht mehr heran konnte. Aber davon abgesehen dass ich nicht hundert prozentig von diesen Sachen überzeugt bin. Also der Ansatz klingt natürlich erst mal intelligent und super so etwas auszuprobieren. Wir haben das auch durchaus beobachtet bei der Konkurrenz. Und ich glaube in Skandinavien funktioniert so etwas auch wirklich gut, oder? Die haben damit ja auch wirklich Best Practice Artists hochgezogen. Das kommt ja auch aus Skandinavien irgendwo her oder?

KL: Ja genau, aus Schweden.

MT: Da wurden positive Erfahrungen gesammelt nehme ich an. Und ich glaube das ist halt etwas was Deutschland noch etwas gefehlt hat in der Hinsicht, dieses Best Practice Beispiel. Wie gesagt, die Idee ist auf jeden Fall gut. Ich glaube ehrlich gesagt, so der größte Unterschied jetzt gerade, sind auch ein bisschen die Märkte gewesen. Es gibt halt

gerade im Artist Development Bereich, also wir sprechen davon wenn man Künstler quasi länger aufbauen will als jetzt nur an einem Track von denen zu arbeiten, da ist das bei uns einfach noch ein anderes Business durch diesen starken physischen Markt. Und das könnte für mich einer der Erklärungen sein, dass...Aber nichtsdestotrotz natürlich kann man da Musik entdecken. Der Gedanke von Spinnup ist ja, und wenn du das auch in deinem Kontext fragst, verändert sich dort das A&R-ing. Das ist ja eine neue Form von A&R-ing, wenn man da quasi darauf schaut. Anders wie jetzt ein Demopostfach, wo du einfach deine Sachen hinschickst, kannst du das halt selbst hochladen und die haben dann Resultate. Und man kann dann einfach einsehen aufgrund von den und den Statistiken würde es vielleicht Sinn machen mit denen zusammen zu arbeiten.

KL: Ist ja in dem Sinne, fällt ja alles ins gleiche Schema. Ich meine auch Youtube zum Beispiel. Man kann halt mittlerweile einfach Prozesse übersehen. Ich kann sehen wie viele Likes etwas bekommt. Es ist halt alles schon in gewisser Weise pre-approved schon vom Customer. Das macht es auch irgendwie einfacher würde man denken.

MT: Total. Also was heißt einfacher. Ich glaube man muss sich halt damit auseinandersetzen als A&R. Man muss auch wissen wie man was priorisiert. Also ich meine wer gibt etwas auf Facebook Likes? Also natürlich schaut man mal genauer hin wenn jemand exorbitant viel hat, aber es gibt ja genügend Tools um auch zu checken wie valide ist so etwas? Das ist die Interaktion, wie war die Entwicklung und so. Dann ist das ja auch relativ schnell durch und dann weiß man ja.

KL: Du hast ja vorhin schon angedeutet. Columbia, Sublabel von Sony Music Deutschland. Wie würdest du denn eure Zusammenarbeit beschreiben? Inwieweit ergänzen sich Ressourcen die Sony hat mit Columbia?

MT: Also man muss sich das so vorstellen. Also es gibt ja zwei Departments. Es gibt ein International Department und ein Domestic Department. Und unter dem Domestic Department sind auch verschiedene Labels. Also Four Music, Columbia, AOR, das ist so das Schlagerlabel, Four Music ist eher so das Hip Hop Label und auch Popsachen und Columbia macht halt die großen deutschen Bands wie Fanta4, Revolverheld,

Silbermond, also diese ganzen Popkünstler sind da drunter und halt auch viele, viele Newcomer. Columbia ist Sony, also das ist halt kein getrenntes outgescourtes Label, oder auch keine Dis-Deal, also kein Vertriebsdeal, sondern das ist wirklich so das Kernlabel. Ich glaub auch das umsatzstärkste Label von der Sony Deutschland im Domestic Bereich und das ist quasi die Company. Und deswegen arbeitet man natürlich ganz eng zusammen. Also ich meine was jetzt alles an das Label angekoppelt ist, für mich natürlich die wichtigsten Ansprechpartner Controller, mein Anwalt und so weiter. Dann die ganzen vertrieblichen Sachen und so weiter. Da kann man auf jeden Fall gute Sachen entwickeln.

KL: Arbeitet ihr denn mit Independent Labels zusammen?

MT: Ja natürlich arbeiten wir mit Independent Labels zusammen. Also es kommt immer so ein bisschen darauf an. Es gibt mehrere Möglichkeiten wo du als Major mit einem Indie zusammenarbeiten kannst. Einmal, du kannst die Vertriebsleistung übernehmen zum Beispiel. Das ist dann ein Distribution Deal, also da ist man quasi Dienstleister. Das gibt es natürlich. Also das macht jetzt nicht die Columbia, das ist dann praktisch vertrieblich bei uns angedockt. Es gibt auch immer wieder Independent Labels die sagen „Hey, ich hab gerade so viel um die Ohren. Ich kann das gerade nicht bewältigen“ und dann über uns die Sachen weiter lizensieren. Grade im Track Bereich, im elektronischen Bereich passiert das extrem oft. Also da arbeitet man eng zusammen. Es gibt Independent Labels, die eine mögliche partnerschaftliche Beziehung eingehen mit Major Labels. Es gibt Independent Labels die das auch bewusst nicht machen. Das hat auch Berechtigung. Jedes Label hat ja eine unterschiedliche Philosophie. Das ist ja ganz klar und das ist ja auch schön. Ich als Konsument oder auch jemand der Musik auch liebt und so weiter der will ja...Also es gibt ja unterschiedliche Menschen, die auf unterschiedliche Sachen stehen. Deswegen ist es auch total gut, dass es die und die Sachen gibt. Es gibt Indie Labels in meinen Augen die halt ihre Sachen extrem gut machen; die halt total stilsicher sind; die halt auch zum Beispiel eine Nische komplett abdecken können und die damit auch richtig erfolgreich sein können. Also die können dann auch mal den Umsatz machen von einem Major Label, also von der Labelstruktur

her Major, klar. Ich meine so etwas wie XL Recordings mit Adele hier in Deutschland, klar international ist es dann bei der Sony, aber ja solche Geschichten. Oder auch Beggars Group, 4AD, also diese ganzen geilen elektronischen Labels, die sich komplett spezialisiert haben auf solche Sachen machen ja einen extrem guten Job. Und hier und da merken Sie halt das hat Crossover-Potential und das könnte auch, da braucht man vielleicht ein bisschen eine größere Vermarktungsmaschinerie und dann spricht mal halt und schaut ob man irgendwie eine Möglichkeit findet. Also das finde ich immer so ein bisschen das idealste Konzept. Also ich glaube, das kommt immer so ein bisschen drauf an aber da gibt es auf jeden Fall Möglichkeiten, wo man da zusammenarbeiten kann.

KL: Abgeleitet davon: Du siehst jetzt also in der A&R Arbeit die du machst und die ein Major Label macht nicht viel Unterschied zu der Arbeit von Independent Labels?

MT: Ahm, doch. Also es kommt darauf an. Das kann man halt jetzt wieder nicht pauschalisieren, weißt du, weil es gibt...das macht auch wieder jeder komplett unterschiedlich. Also ich glaube, du hast ja schon mit A&Rs gesprochen und wenn man jetzt fünf verschiedenen A&Rs spricht, werden die auch fünf verschiedene Meinungen haben. Jeder lebt das alles auch so ein bisschen anders. Es gibt ja auch kein Patent. Auf deine Frage zurück. Es gibt Independent Labels, die zum Beispiel extrem entwickeln an Künstlern und die da wirklich einen extrem guten Job machen. Dann gibt es Independent Labels die auch wirklich nur Sachen einkaufen, wie Kühlschränke und dann quasi wieder verkaufen. Das passiert aber genau so auch im Major Bereich. Das heißt, das ist komplett unterschiedliche. Ich glaube manchmal bzw. lass es mich mal so sagen. Man muss das wahrscheinlich von Fall zu Fall betrachten. So Independent Labels wie zum Beispiel Nuclear Blast zum Beispiel in Deutschland; das ist eines der größten Metall Labels; die kennen sich ja in ihrer Nische extrem gut aus. Die wissen halt was deren Konsument und deren Zielgruppe braucht, wie sie die erreichen, welche Marketingmaßnahmen man machen muss; wie sich was musikalisch anfühlen muss damit es da und da stattfindet. Und ich glaube diese Art von Expertise, die ist natürlich extrem wichtig. Also wenn du Produkte hast, oder Künstler hast die halt sehr eine spezielle Nische ansprechen und das auch sehr stilecht sein muss und wo zum Beispiel

das Branding eines Labels auch eine große Rolle spielt, da glaube ich gibt es natürlich Labels oder auch kleinere Labels, die so einer großen Major Struktur auch überlegen sein können. Was die Philosophie eines Majors ist, ist ja ganz klar. Das ist ja eine Diversifikationsstrategie. Wir wollen für jeden Zielgruppe was zur Verfügung stellen. Wir wollen quasi den kompletten Markt abdecken und nicht nur die Nische. Und deswegen wollen wir auch mit unterschiedlichen Charakteren im Label arbeiten und deswegen braucht man auch unterschiedliche Leute: einen 23-jährigen A&R und eine 56-jährigen A&R zum Beispiel, und eine Frau,...man muss verschiedene Leute auch abholen können. Ich glaube, das ist so eigentlich der größte Unterschied. Also bzw. in meiner Wahrnehmung ist es so die Konsequenz: Also ein Major Label will quasi...hat...lehrt so den Respekt und die Toleranz vor dem Geschmack anderer. So zu sagen "Hey, nicht jeder mag Helene Fischer, aber es gibt so viele Leute die sie mögen also hat die eine Daseinsberechtigung" Und das finde ich auch eigentlich eine ganz schöne Philosophie.

KL: Noch einmal kurz zurück zu Youtube etc. Sony steht ja auch hinter Supertalent, X Factor etc.,

MT: Ich glaube jetzt nicht mehr. Also das Supertalent ist irgendwo noch, also jetzt nicht bei der Columbia, aber bei einem anderen Label angedockt. Also die anderen Sachen sind glaube ich alles Universal.

KL: Was hältst du denn von solchen Sachen?

MT: Also so Casting-Formate im TV meinst du?

KL: Ja genau also der qualitative Output solcher Formate im Endeffekt?

MT: Also meine persönlich Meinung ist: Ich kenne mich damit nicht wirklich aus. Ich hab keinen Fernseher seit vielen Jahren. Und ich bin auch nicht der Typ der so etwas macht. Man muss ja auch wissen als A&R, was sind deine Stärken, was sind deine Schwächen. Und das gehört auf jeden Fall nicht zu meinen Stärken. Also ich glaube

natürlich sind da krasse Stars geboren worden in solchen Formaten. Also ich meine Kelly Clarkson und so etwas das ist schon geil. Oder auch ein James Arthur, der hat auch eine mega geile Stimme einfach. Also das ist toll das solche Leute da eine Chance bekommen haben. Aber in Deutschland hat das halt einen extremen Stempel einfach. Das ist total krass. Ich hab das Gefühl, das ist in anderen Ländern nicht so der Fall. Also so wie in Österreich zum Beispiel oder auch in UK, US. Ich habe das Gefühl, da ist es auch vielleicht ein bisschen nachhaltiger für den Künstler. Man hat so das Gefühl nichts ist älter als der Castingstar von gestern und die Künstler müssen extrem hart arbeiten um das irgendwann mal auch zu überwinden und auch irgendwie auch mal als nicht-konstruierter Künstler wahrgenommen zu werden, obwohl sie es vielleicht auch gar nicht sind. Also ich hab total Respekt für Künstlern die das schaffen. Die also quasi es schaffen...die Aufmerksamkeit in so einen Format bekommen haben und die das schaffen sich davon auch loszulösen und auch getrennt davon zu existieren wie zum Beispiel Max Giesinger gerade, der wirklich lange jetzt kämpfen musste um so diese Image loszuwerden. Und jetzt bringen die Leute ihn auch nicht mehr so unmittelbar damit in Verbindung weil er einfach richtig geile Songs schreibt. Das finde ich toll. Ansonsten, so Formate ... also es kommt auch immer ein bisschen auf das Konzept drauf an. Es gibt halt da auch wieder gute und schlechte. Also ich glaube The Voice funktioniert zum Beispiel ja nach wie vor extrem gut in Deutschland. Das ist ein gutes Konzept dann anscheinend. Und Supertalent oder, ich weiß nicht, DSDS sind dann vielleicht andere Konzepte. Also ich glaube auch da gibt es zeitgemäße und nicht zeitgemäße Konzepte, aber da bin ich tatsächlich zu wenig tief drin um da was zu sagen. Also es gibt Leute, die setzen sich damit echt viel auseinander. Ich hab auch eine Kollegin die zum Beispiel mega fit in so etwas ist. Die kann dir jetzt wahrscheinlich auch viel genauer erklären, das und das ist der Grund warum das und das nicht funktioniert oder das und das funktioniert. Also das ist halt ein bisschen auch so eine Philosophie für sich. Ansich ist es natürlich eine gute Idee zu sagen man macht eine Kooperation mit einem großen TV Partner, schaut dass man da irgendwie quasi den Künstlern oder Interpreten die dort auftauchen halt ein Following aufzubauen durch diese Medialeistung. Und ja natürlich, da sind damit schon tolle Künstler entstanden.

Natürlich hat das auch schnell so ein bisschen den Charme von was Konstruierten und das ist natürlich auch das, was in Deutschland dann den Leuten so ein bisschen anhaftet und die dann auch, zumindest in meiner Wahrnehmung, ... dass das dann auch ein Problem darstellen kann.

KL: Inwieweit würdest du denn sagen, dass deine Entscheidungen bezüglich Künstlern wirtschaftlich getrieben ist? Und welchen Part übernimmt dein persönlicher Geschmack?

MT: Also inwieweit mein Entscheidungen über Künstler finanziell getrieben sind? Ja naja zu 100%. Also wir sind ja ein Wirtschaftsunternehmen. Es ist ja nicht so, dass es mein eigenes Geld ist, das ich ausgeben darf. Was ja zum Beispiel der Fall wäre, wenn ich jetzt zum Beispiel ... naja könnte ja sein ... aber es ist ja nicht der Fall. Es ist ja nicht mein Geld, sondern das Geld der Firma, deswegen ist es auch total zurecht, dass die Firma fragt bevor ich Geld ausgabe und natürlich muss ich auch mehr und mehr Leute fragen, je mehr Geld es natürlich auch ist: Was habe ich vor damit zu machen? Wie viel glaubt man, dass man von diesem Geld auch wieder zurückbekommt? Oder das sich das irgendwie rentiert und das dann auch wirtschaftlich wird. Deswegen ist auch die erste Frage wenn ich einen Künstler unter Vertrag nehmen will "Hey, wie kann man das finanziell machen?" Das muss ich auch mit meinem Controller absprechen, ich muss das mit meinem Anwalt absprechen. Aber da wär ich auch ein schlechter A&R ehrlich gesagt, wenn ich jetzt einfach nur wild drauf los sein würde und dann ist die Firma irgendwann pleite. Aber was den künstlerischen Anspruch angeht oder meinen persönlichen Musikgeschmack: Also die Musik mit der ich arbeite, die muss ich empfinden können. Also da muss ich Gespür dafür haben. Ich kann mit keinem Künstler zusammenarbeiten, dessen Musik ich nicht verstehe oder dessen Philosophie ich nicht teile. Also das ist mir schon extrem wichtig. Und deswegen ist auch alles was ich arbeite auf jeden Fall auch was wo ich sage "Das finde ich gut!" Also das muss ich gut finden weil ansonsten könnt ich das gar nicht so lange begleiten, könnte ich auch gar nicht inhaltlich mit dem Künstler arbeiten. Deswegen sage ich auch ganz klar, Musik die ich nicht signen kann oder noch nicht signen kann, wo ich einfach sage ...

oder wo ich mit Künstlern nicht arbeiten kann weil ich sage "Ich verstehe die Musik nicht". Und das hat ja jeder von uns. Der eine ist da breiter gefächert, der andere nicht. Bei mir ist es so, ich verstehe zum Beispiel keinen Schlager. Ich verstehe keinen richtig harten Rock. Verstehe ich nicht. Kann man sich gern mal reinziehen, habe ich kein Problem damit. Aber verstehen tue ich das halt nicht. Also deswegen könnte ich auch niemals mit einem Künstler arbeiten der so eine Musik macht. Und ja umgekehrt ist es halt dann auch wieder so, dass ich Musik halt wieder besser verstehe und mich auch wirklich einbringen kann weil ich sage "Hey, der und der Vergleichswert. Das war der Werdegang es Künstlers, usw." Und das ist bei mir auf jeden Fall deutschsprachige Popmusik. Auch nicht dort alles, aber auf jeden Fall sehr sehr viel. Also das ist etwas das mich nach wie vor sehr berührt. Da kriege ich einen schnellen Zugang zu und da kann ich mich auch wirklich einbringen. Und elektronische Musik. Da und da auch vielleicht mal eine englischsprachige Popballade usw. Aber das ist einfach was wo ich sagen kann "Hier dem Künstler kann ich weiter helfen." Daraus leitet sich dann auch so ein bisschen die Frage ab, wie denn das so mit meinem persönlichen Geschmack ist. Also mir ist bewusst, jeder der in der Musikindustrie arbeitet oder auch nicht in der Musikindustrie arbeitet, sich aber viel mit Musik beschäftigt, ... also ich bin der Meinung, dass sich jeder der sich sehr viel mit Musik beschäftigt und sich auch mit zeitgemäßer Musik auseinandersetzt, der fängt an irgendwann immer speziellere Musik zu hören; immer noch mehr arty Musik zu hören; noch unkommerziellere Musik zu hören. Also ich glaube, wenn du viel viel viel Musik hörst den ganzen Tag, dann suchst du irgendwann auch das Außergewöhnliche in der Musik. Oder begeisterst dich vielleicht auch mehr für außergewöhnliche Stimmen, außergewöhnliche Songs, oder außergewöhnliche Künstler. Und das ist natürlich bei einem A&R nichts anderes. Das heißt mein privater Musikgeschmack ist natürlich wesentlich unkommerzieller als das was ich in der Regel vermarkte. Aber dessen muss man sich einfach bewusst sein. Man muss damit auch so ein bisschen spielen. Also das heißt nochmal zusammengefasst: Ich würde jetzt nichts signen wo ich weiß ... also ich muss wissen was quasi mir so 100%ig geil gefällt, dass ich jetzt gerade nicht eine rationale Entscheidung treffen kann. Was ja eigentlich nicht der Fall ist, weil das lernt man ja eigentlich recht schnell. Muss aber

auch gleichzeitig mit den persönlichen Neigungen die man hat, auch arbeiten können. Also ich muss auch emotional feedbacken können. Ich muss auch emotional sagen, ob mich das jetzt berührt, ob mich das nicht berührt. Also man muss so ein bisschen lernen da auch so ein bisschen Distanz zu bekommen und dann auch offen ein bisschen mit seinem Musik Geschmack umzugehen.

KL: Daran angeknüpft vielleicht nochmal die finanzielle Frage ein bisschen umformuliert: Inwieweit schaust du denn darauf welche Trends gerade am Markt sind und inwieweit der Künstler den du dir aussuchst auch dazu passt?

MT: Mal so mal so. Also es gibt Künstler wo ich merke, das ist jetzt nicht unbedingt ein Trend, aber das ist vielleicht mehr oder weniger ein bisschen zeitlos. Naja lass es mich mal so sagen. Man muss schon extrem mit allem auseinandersetzen was veröffentlicht wird. Also das ist einfach wichtig. Zumindest wenn man mit zeitgemäßer Musik arbeiten will. Wenn man jetzt sagt ich will nicht mit zeitgemäßer Musik sondern mit zeitloser Musik arbeiten, wie zum Beispiel ADCD Rockband oder Schlager vielleicht, auch das ist nicht unbedingt nicht zeitgemäß, ... auch falsch ... also ich glaube man muss sich halt damit auseinandersetzen. Ich muss wissen was kommt bei der Konkurrenz, was kommt bei uns, was kommt bei den Indies. Was davon ist erfolgreich, was nicht; aus welchen Gründen. Also das ist schon auf jeden Fall extrem wichtig. Ja und dadurch ergibt sich das auch das Muster. Also natürlich es gibt auch immer Ausnahmen und das ist dann auch was man dann einem A&R dann mal vorwerfen kann. "Hey, du arbeitest hier nur nach ... du bist nur Sklave des Marktes" und man kreierte praktisch gar nichts mehr komplett selber. Also man muss sich auf jeden Fall damit auseinandersetzen. Also wenn ich jetzt als A&R aufhören würde Musik zu hören oder mich damit auseinanderzusetzen, ich glaube, dann könnte ich den Job nicht mehr machen. Das verändert sich ja so schnell auch. Das ist ganz essenziell.

KL: Du hast vorhin schon von deinem Netzwerk gesprochen. Könntest du vielleicht etwas genauer beschreiben inwieweit dein Netzwerk wichtig ist für dich als A&R Manager?

MT: Also Netzwerk klingt immer so unemotional eigentlich. Aber so habe ich es vorhin ja auch ausgedrückt. Also das ist extrem wichtig. Das ist das allerwichtigste. Also auch wenn ein Künstler bei dir unterschreibt, dann kauft der auch ein Stück weit deine Expertise mit ein, also bzw. er will dich auch nutzen. Und das heißt dann auch, dass du im weiterhelfen kannst wenn er einen Produzenten sucht, wenn er einen Mischer sucht usw. Das heißt für mich ist es total wichtig diese Leute zu kennen und sie dann auch empfehlen zu können, damit die Künstler mit denen arbeiten können. Also das geht hin bis zum Videoregisseur oder irgendwie einen Fotografen oder so etwas mal oder einfach mal noch irgendwie eine Meinung zu holen. Also das heißt Netzwerk ist auf jeden Fall ... naja das baust du dir natürlich auf. Also ich als junger A&R, stehe jetzt auf einer anderen Position wie jetzt mein Chef der seit 26 Jahren nichts anderes macht. Also der kennt Gott und die Welt. Der muss jetzt auch nirgendwo hinfahren und muss irgendwie die Leute treffen. Sondern die kommen halt zu ihm. Die wissen wer er ist. Und bei mir muss das noch viel aktiver passieren. Da gibt es im Jahr immer mal wieder so Convention-Festivals auf die man fährt, zum Beispiel wie Reeperbahnfestival ist jetzt das berühmteste in Deutschland oder auch so etwas wie die ADE in Amsterdam oder Groningen, in den Niederlanden, Great Escape oder was das gerade ist. Das sind einfach Festivals die total wichtig sind. Also da muss man auf jeden Fall hinfahren als A&R. Da muss man Leute treffen. Da muss man irgendwie einfach schauen dass man irgendwie ... Das muss man natürlich so aufbauen als junger A&R. Netzwerk ist auch immer so ein bisschen unemotional habe ich gesagt. Du hast natürlich irgendwann mal auch wirkliche Freunde dort. Also klar man unterscheidet das, wie es halt so ist in der Musikbranche, da gibt es viele Freundschaften aber auch vieles das so ein Zwischending ist. Das macht einen ja auch Spaß sich irgendwie austauschen zu können über Musik ist ja auch extrem wichtig als A&R. Also ich habe zum Beispiel Produzenten mit denen ich mich regelmäßig austausche, was für mich einfach so die wichtigste Inspirationsquelle ist. Also die haben noch mal einen ganz anderen Blick auf das musikalische Geschehen und haben auch weniger dieses Marketing-Ding irgendwie im Blick, was ich quasi von meiner Firma jetzt die ganze Zeit sehe. Das heißt, dass ist für mich extrem wichtig. Nicht jetzt nur für neue Vorschläge die ich bekomme, sondern

auch für was tut sich da draußen musikalisch. Also das sind für mich sogar eigentlich die wichtigsten Kontakte die Produzenten und auch immer oder meistens auch der beste Austausch.

KL: Wenn ihr jetzt entscheidet einen Artist zu signen, was ist der Prozess der folgt? Gibt natürlich verschiedene Ausgangspunkte: Der eine kommt mit einem fertigen Tape, der andere hat noch gar nichts. Könntest du einmal beide Prozesse skizzieren?

MT: Also meinst du den Signing-Prozess oder die Zusammenarbeit?

KL: Beides.

MT: Signing-Prozess ist immer ganz unterschiedlich. Oder spannender ist eigentlich die Zeit davor also was ist halt wichtig für mich. Man muss einen Künstler auch erst mal kennenlernen. Man muss irgendwie schauen ob die Visionen die gleichen sind die man hat. Mal live sehen, also wenn es jetzt zum Beispiel eine Band ist, wo da ein Künstler ist für den das auch wichtig ist. Also da muss man so seine Hausaufgaben machen als A&R. So das Umfeld kennenlernen. Gibt es ein Management, Booker, gibt es einen Produzenten der schon irgendwie mit drin ist. Gibt es irgendwelche Erfahrungswerte bei dem Künstler. Hat er schon ein Album rausgebracht. Wie viele waren es? usw. Und aufgrund dessen machst du dir halt schon ein komplettes Bild von dem Künstler und fällst halt eine Verkaufserwartung worauf du dann auch sagen kannst "Okay, das sind jetzt die Konditionen die ich dem Künstler anbieten kann, damit wir zusammenarbeiten können und so und so weit kann ich gehen usw. " Und dann muss man das natürlich abklären mit seinen Chefs und mit seinem Controller, seinem Anwalt und dann kann man diesen Deal machen. Und sobald das dann passiert ist, fängt man an zu arbeiten. Also es gibt ja auch sehr unterschiedliche Dealformen. Künstlerexklusivvertrag, Bandübernahmevertrag sind da die wichtigsten auf jeden Fall. Und je nachdem wie der Deal dann eben auch aussieht, probiert man sich dann als A&R ja auch unterschiedlich. Also Künstlerexklusivvertrag machst du mehr, bist eher quasi als kreative Instanz mit drin im Boot als bei der Bandübernahme kommt es eher darauf an. Da ist eher der Künstler dafür verantwortlich. Aber auch da gibt es einen großen Austausch. Genau und

dann kommt es darauf an, was hast du für einen Deal gemacht? Hast du einen Single Deal gemacht, hast du einen Album-Deal gemacht? Was ist das vom Künstler genau? Bringt er schon was mit? Hat der schon Songs? Braucht der Songs? Will der Songs schreiben mit anderen Leuten? Dann bringt man den mit Leuten zusammen und arbeitet dann mit den Verlegern zusammen zum Beispiel. Wenn jetzt schon alles Songs da sind, dann brauchst du vielleicht noch einen Mischer oder einen Produzenten oder gibst Empfehlungen. Dann schaust du ob die Single schon dabei ist die man braucht um das zu vermarkten. Also alles was dieses Marketing Instanz dann angeht, ab da inkludiert man sich dann halt. Also da werden oft Entscheidungen häufig gemeinsam getroffen. Und in der Regel, weil man da dann auch einfach sagen kann „Hey, wir haben hier von unserem Radio Promoter zum Beispiel die und die Single könnte besser funktionieren.“ Da kann man so ein bisschen als Künstler die Expertise der Firma auch nutzen. Und dann braucht man auch Timing, man macht sich Gedanken wie man auch irgendwie eine coole Kampagne machen kann für den Künstler und dann setzt man ein Release Datum und fährt halt das was man sich ausgedacht hat.

KL: Was verstehst du denn als Hauptveränderung des A&R Prozesses? Im Sinne von was anders war vor dem Internet? Und ein Ausblick wo sich A&R hinbewegt?

MT: Was sich verändert hat am A&R? Also kann man ja relativ gut absehen an Ländern wie zum Beispiel den skandinavischen Ländern. Ich meine da hat sich ja der Markt schon soweit verändert und das ist ja quasi Zukunft bei uns auch. Wir sind jetzt hier bei 35% Streaming im kompletten Markt was Tonträger angeht schätze ich. Vielleicht ist es auch weniger. Und ich weiß nicht aber in Schweden ist es 80% oder 90%. Also da kann man ja relativ gut abwägen wie sich das verändern wird. Das heißt, ich glaube da kann man auch so ein bisschen was von den Kollegen auch lernen. Also mit anderen Worten, dieses Big Data A&R oder Scouting oder eher weil A&R ist es ja eigentlich nicht, weil A&R ist ja eigentlich der Prozess des Signings, aber so dieses Scouting im Grunde genommen, Data Scouting ist natürlich etwas Ersichtliches. Das wird sich, ... das ist ja jetzt schon der Fall, ... , es geht ja einfach darum jeder kann seine Musik selbst produzieren. Ist ja auch ein wichtiger Aspekt. Und dann auch online

stellen und auch ein Stück weit selbst vermarkten. Das heißt, du hast da natürlich die Möglichkeit. Als A&R musst du das auch nutzen. Aber die Sache ist halt die, es ist so unfassbar viel, das muss ja irgendwie gefiltert werden. Da arbeitet natürlich jeder so ein bisschen an seinen Tools und Möglichkeiten das halt zu verbessern. Die Universal, die Warner auch. Jeder schaut natürlich, ob man irgendwie schauen kann, das man das halt irgendwie besser filtern kann. So das man halt dann auch irgendwie schneller und besser qualitative Entscheidungen treffen kann als A&R. Also das ist auch auf jeden Fall was uns, glaube ich, die nächsten 10 Jahre auch noch weiter bestimmen wird. Das ist ja auch total spannend. Mir macht so etwas total viel Spaß. Also als Jung-A&R ist das auch mehr oder weniger auch mein Job mich in so etwas reinzuarbeiten. Es gibt gewisse Sachen, die sich so schnell nicht verändern werden. Also die qualitativen Entscheidungen oder qualitativen Empfehlungen wirst du immer irgendwie aus deinem Netzwerk bekommen. Ist ja im Freundeskreis auch nicht anders. Da sagt irgendwann mal jemand „Hey, kennst du die Band?“ Und dann schaust du dir die an. Also das heißt, das wird auf jeden Fall noch weiter bestehen bleiben. Aber ich glaub so dieses Scouting auf den digitalen Medien ist auf jeden Fall was, was jetzt schon nicht mehr wegzudenken ist und auf jeden Fall noch mal irgendwie die nächsten Jahre nochmal ein bisschen spannender wird.

KL: Weil du jetzt kurz noch die Eigenproduktion angesprochen hast. Inwieweit siehst du das als valide Alternative? Worin besteht der Unterschied, wenn man von einem Label gesignt wird?

MT: Wir arbeiten ja mit denselben Leuten, mit denen jeder arbeiten kann. Wir haben ja keine festen Produzenten. Produzenten sind ja freie Leute, das heißt mit denen kann ja auch jeder arbeiten. Und es gibt auch immer wieder krasse Leute, die nachkommen und mega geil produzieren. Und deswegen kann man das auch nicht pauschalisieren. Newcomer Künstler, die halt irgendwie ihre Sachen selber produzieren, die halt einfach mega geil sind. Das kann halt einfach kein Produzent besser machen oder vielleicht nicht authentischer machen. Und es gibt halt Künstler bei denen das halt extrem wichtig ist, dass sie da jemanden haben, der sich auskennt und der die gewissen Standards dann

auch bedienen kann. Aber ich meine, da ist eigentlich der einzige Unterschied tatsächlich, ob du das jetzt selber machst oder mit einem großen Label zusammenarbeitest, ist halt bezüglich Expertise nutzen von dieser Firma. Natürlich ist es auch so ein bisschen das finanzielle Argument, aber nicht nur. Also ich meine ich könnte mich da einbringen und sagen „Du wenn du den oder den Sound machen willst, dann würd ich dich mal mit den und den Leuten zusammenbringen. Die können dir helfen, das umzusetzen“ Das ist ja quasi auch das worauf manche Künstler auch auf sind zu sagen „Hey, wie kann ich mich verbessern? Wie kann ich an mir arbeiten? Wie kann ich da und da hin, wenn das meine Ziele sind?“ Da kann man dann irgendwie was dazu beitragen. Das ist jetzt nur die A&Ring-Perspektive. Die Vermarktungs-Perspektive ist ja noch einmal genau so groß. Es geht ja dann genauso. Wie stelle ich meinen Release auf? Macht es jetzt Sinn meine Sachen einfach rauszustellen und einfach irgendwie die CD auf die Straße zu werfen auf gut Deutsch oder muss ich auch irgendwie etwas drum herum machen, dass die Leute das wahrnehmen? Da kann man als Major Label natürlich mit Erfahrungswerten argumentieren und, ich sage nicht in jeden Fall die richtige Entscheidung treffen, aber auf jeden Fall halt helfen so eine Karriere aufzubauen.

KL: Welche digitalen Distributions-Channels verwendet ihr denn? Inwieweit stellt ihr klar, dass ihr da auch keinen neuen Trend verpasst? Gibt es Ressourcen die besonders dieser Kompetenz zugeschrieben sind?

MT: Ja gibt es schon. Also es gibt, ..., also wie gesagt ich war ja damals noch nicht in der Firma aber wie damals 2003 der Musikmarkt eingebrochen ist usw., ..., natürlich hat man daraus, wahrscheinlich eher später als früh, aber irgendwann, Konsequenzen gezogen. Und wie wir zum Beispiel auch gesehen haben im Streaming Bereich auch extrem früh Company-seitig investiert oder supportet, das heißt Spotify ist ja für uns ein extrem wichtiger Partner. Also wirklich mega wichtig. Das heißt natürlich man hat da ganz früh auch den Kontakt gesucht und geschaut wie man da irgendwie am besten arbeitet und unterstützt sich da gegenseitig auch. Ja genau also das ist mal so das Feld Streaming und die Partner dort, also wirklich alle Partner die halt machbar sind. Also es

gibt ein paar wenige Ausnahmen wie zum Beispiel Beatpol, die dann zum Beispiel nur elektronische Musik verkaufen wollen. Aber ansonsten bist du natürlich überall. Also auf allen Videostream-Plattformen, auf allen Audiostream-Plattformen, auf sämtlichen Download-Portalen, so groß oder klein sie auch sein mögen. Das ist der Service. Das sind die Basics. Also das sind die absoluten Service-Basics. Also ich glaube spannender wird es dann eher in Form von digitalen Kooperationen zum Beispiel. Also wenn man dann sagt „Hey Spotify zum Beispiel unterstützt uns hier bei diesem Künstler weil sie merken dass der gut funktioniert auf deren Plattform.“ Das ist dann spannend. Das ist dann so etwas, was ich sage, was man dann bei einem Major Label, vielleicht hin und wieder besser machen kann, also auf jeden Fall besser machen kann, also auf jeden Fall aus meinem Erfahrungswert besser machen kann, als wenn man jetzt zum Beispiel einen Independent Vertrieb hat und das Indie Label-seitig arbeitet. Also teilweise kommt das natürlich auf die Größe des Künstlers an, aber halt auch schwieriger sein kann da eben solche Kooperationen an den Start zu bekommen. Das ist natürlich ein Mehrwert. So diese ganzen Handelsmarketing Geschichten usw. wo ein Major einfach gut mit den Händlern auch zusammenarbeitet und da einfach auch irgendwie eine gute Beziehung da ist. Das ist auf jeden Fall ein großer Mehrwert nehme ich an.

KL: Vielleicht noch zum Schluss. Zum einen: Was habt ihr denn deiner Meinung nach mehr? Künstler die eigentlich schon „fertig“ sind und gar nicht mehr viel Guidance brauchen oder die ihr doch noch irgendwo lenken müsst? Und was ist dir lieber? Und damit verknüpft: Welche Verträge gebt ihr hauptsächlich aus?

MT: Lass es mich mal so sagen. Künstler die zum Beispiel, ..., die bringen das erste Album raus. Da arbeitet man ganz intensiv mit denen zusammen kreativ. Das heißt ja nicht, ..., also wir machen ja nicht die Musik um Gottes Willen, die Musik macht ja der Künstler. Wir helfen ihm nur die richtigen Leute zu finden um quasi das umzusetzen. Und da gibt es halt mal einen Künstler der sich zum Beispiel der sich bei dem Album so und so viel und der andere und beim nächsten Album zum Beispiel gar nicht mehr weil er komplett sein eigenen Film fahren will und dann beim nächsten wieder so. Also ich glaube, deswegen würde ich die Frage gerne so beantworten: Ich glaube, wir suchen

nach Künstlern die genau wissen was sie wollen. Also das heißt, gut ihre Stärken und Schwächen auch wissen und auch wissen wie sie an so etwas arbeiten wollen. Oder zumindest einfach daran arbeiten wollen und dann schaut man wie man das gemeinsam macht. Das ist extrem wichtig. Also das ein Künstler hat genau weiß, was er ist, was er nicht ist und was er sein will. Also das muss einem Künstler, glaube ich, von vornherein ganz klar sein. Das geht einher mit der wichtigsten Frage für uns natürlich: Bist du ein Künstler zu 100%? Also willst du wirklich von Musik leben und dein komplettes Leben danach gestalten? Weil anders ist es nicht möglich. Das ist ja die wichtigste Frage, die man sich erst mal stellt. Und diese Frage muss ein Künstler ohne mit der Wimper zu zucken auch beantworten können weil man dann einfach bereit ist, alles zu opfern. Also wenn man so eine Frage, zum Beispiel, schon einmal beantwortet hat, dann kann man schon mal gewisse Dinge ausschließen. Dann kann ich schon mal sagen „Okay, dein Ziel ist jetzt was? Hast du einen künstlerischen Anspruch oder vielleicht Erfolg? Was ist es?“ Und dann muss man halt irgendwie gucken wie ... Und was mir tatsächlich lieber ist? Das kann ich auch schwer beantworten. Also ich mag es natürlich mit Künstlern zusammenzuarbeiten. In jederlei Hinsicht. Also ich mag Künstler die genau wissen, was sie wollen und ich mag Künstler mit denen man auch gut zusammenarbeiten kann. Ja also ich glaube, so eine Frage muss man eigentlich an jeden Künstler individuell dann stellen, weil das ist natürlich auch was Persönliches. Also man muss auf jeden Fall für jeden Künstlertyp so ein bisschen jemanden bereitstellen, der halt das auch versteht und der mit dem Künstler dann auch ... ja ist echt eine schwierige Frage. Es geht dabei halt auch viel um den Zugang, den du hast. Ich meine, als A&R kannst du einen Künstler unter Vertrag nehmen oder einen Künstler der schon unter Vertrag ist, mit dem halt dann arbeiten auf kreativer Seite. Wie sehr er jetzt deinem Urteil vertraut, das musst du ja auch erarbeiten. Also das ist halt ganz wichtig als A&R. Ich meine, jeder der kreativ arbeitet weiß, dass das, also wenn jetzt wer Songs schreibt, weiß dass das total emotional ist und total persönlich ist auch teilweise was man da von sich preisgibt. Also die wenigsten, also kaum einer, dem das komplett egal ist. Das ist ja so sein Innerstes nach außen kehren und deswegen ist das natürlich extrem. Also für jeden Künstler, egal was das jetzt ist oder wie man sich jetzt

involviert und manchmal ist es auch nur die Farbe vom Artwork zum Beispiel, die dann ein Künstler, also so Kleinigkeiten wo man sich denkt, das ist doch gar nicht so emotional jetzt eigentlich. Das ist halt unfassbar wichtig. Und da muss man einfach glaub ich als A&R lernen, so ein bisschen Zugang zu bekommen. Und dann halt auch gewisse Tipps zu geben und dann halt auch wissen, so „Hey, dass ist jetzt zum Beispiel wichtig aus unserer Perspektive und das ist halt einfach auch unwichtig.“ Weil die künstlerische Freiheit, die brauch jeder Künstler unbedingt also das ist ganz wichtig eigentlich. Also deswegen, nur dann ist man auch im Stande auch unterschiedliche Musik zu vermarkten und auch irgendwie ein Label zu haben, das quasi jeden Künstler das machen lässt, was er machen will. Also die Frage, die man für sich so beantwortet oder wo man dem Künstler dann auch weiterhilft ist halt immer aus Vermarktungs-Perspektive, wär das und das sinnvoll. Wir können uns dafür und dagegen positionieren. Und das ist so ein bisschen eigentlich das Ding.

KL: Weil du jetzt gerade auch nochmal von künstlerischer Freiheit gesprochen hast und wie ihr den Künstler seht: Was ist denn Sony's Vision bzw. deine Vision als A&R?

MT: Also klar. Also wenn du jetzt künstlerische Freiheit in deine Headline packst, ist das natürlich ein bisschen übertrieben. Aber auf jeden Fall, ich würde sagen, es ist so das Wichtigste für Sony, dass man eine partnerschaftliche Beziehung führt mit diesem Künstler, also man geht halt eine Partnerschaft ein. Es ist nicht so, dass der Künstler bei uns angestellt ist oder wir für den Künstler angestellt sind. Sondern es ist eine Partnerschaft. Und ich habe das Gefühl, dass ist vielleicht eher Job des Managements tatsächlich und weniger des Künstlers, der ja auch nochmal zwischen uns steht und dem Künstler in der Regel. Die Manager, die genau das verstanden haben, die können so eine Firma auch am meisten für sich nutzen. Also die wissen halt, ob du jetzt eine große Firma hast oder eine kleine Firma. Das ist ja eigentlich erst mal, kann dahingestellt sein. Wenn man aber das richtige Team hat, was an einem arbeitet, dann schafft man das halt irgendwie auch. Wie schafft man es quasi das Team in dieser großen Firma für sich zu begeistern oder komplett hinter sich zu haben, das alle mehr tun als sie müssen. Das

glaube ich, das funktioniert nur wenn es halt eine coole partnerschaftliche Beziehung ist und das verstehen tatsächlich in meinen Augen, das verstehen die guten Manager.

KL: Vielen Dank für das Interview.

11.2. Respondent B, Personal Interview, April 5th 2016

Christian Møller, Universal Music Denmark, Copenhagen

KL (Katharina Leichter): To start I am going to tell you a bit about my thesis. It's going to be about the A&R department in general but especially how A&R processes changed in the music industry as we know there were a lot of changes due to digital revolution etc and there are new ways of sourcing artists, which is very interesting for A&R. So I would just ask you to introduce yourself and your position at Universal and what you do.

CM (Christian Møller): Well my name is Christian Møller. I am the A&R manager here at Universal Music Denmark, which means that I have...like my assignment is to find and develop new artists for the Danish Market. And I also do some what we call product management like when we sign an artist I also do a lot of stuff with finding video directors and it's not just the music ... I am a bit all round A&R kind of. My job description is to find and figure out new ways to find new artists.

KL: Here at Universal Denmark at the moment are you mainly working with Danish artists?

CM: I work primarily with Danish artists. We have one foreign Artist, Brendan Biel, who is like an American dude that moved to Denmark and then he got signed in Denmark. Otherwise it's only Danish artists. It's because Universal Music is in Denmark, because we do the sale and distribution and everything for a lot for foreign artists, all the big artists. That's why Universal is in Denmark in the first place to like Madonna and Lady Gaga to kind of promote them in Denmark and because it's a big country, people use money on music so that's why we are here. But in every country in

the world, Universal also have a kind of local department which focuses mainly on local music, because every time you have the charts in a given country there will always be some local artist who are kind of big on the charts. To be sure that we don't miss out on that part of the sale and streaming environment. We are like two or three guys who sit and do local Danish music. And we also have a sub-label called Copenhagen Music, which also does Danish Music.

KL: Okay and Alarm Records?

CM: Yeah Alarm, they kind of merged into us. We still have the Alarm imprint but we ... they basically work for us now.

KL: What is your stake in Copenhagen Records?

CM: I have nothing to do with Copenhagen Records.

KL: Not at all? Universal Music has no...?

CM: Yeah, we own them.

KL: So you own them wholly?

CM: Yeah it's a subsidiary. Yeah so that's what we do. And we have different ways of doing it, but if you sign through me or one of my colleagues it says that you are signed to Universal Music Denmark. So we use Universal as an imprint. They don't use any other. In Germany it's Polydor and Polygram, but we don't have a certain imprint for the Danish roster. It's just that you are signed to Universal Music Denmark.

M: Okay, in this regard, are you working with other labels? Do you look at the independent labels in Denmark and talk to them?

CM: No.

KL: Nothing? No collaboration?

CM: No. There's not that many Indie labels in Denmark, I think.

KL: If you look it up on the Internet it seems big, but I...

CM: But no one really has ... there's a place called Art People. They're pretty huge and there is Playground, but Playground is Scandinavian based company I think. But of course there's artists that have their own labels and stuff, but we also do some distribution stuff with the artists but mainly focus on trying to sign the artist directly to Universal.

KL: When it comes to artist sourcing: In the old days you would get demo tapes and people would basically knock on your door. I mean we all know that changed. I was wondering for one, do you still receive some demo tapes on your table...

CM: Yeah. We receive ... like not ... people still send us physical CDs and people send us e-mails with "just check out this link" and you know people still contact us in order to get our attention, but I'd say that it has changed a lot the last couple of years. Especially because a lot of the artists that we sign, they are maybe already on Spotify, they are maybe ... they already have a video. They have ... the song is available. So we go and say "Okay, we really like that track, that we found on Youtube" and everything and we see that the track is kind of buzzing right now like on the internet. And then we go and sign it, because the record companies, like our main focus nowadays isn't to make the music available. We could make a band right now. We have the song up in 5 minutes. It would be no problem. It is not about availability, it's about breaking artists and that's what we do. So a lot of time, a lot of the acts I find is...like I really keep my ear to the internet...like of course I have a huge network with other artists and other producers in town, a lot of management. Just like to keep up with what are they sharing on their social media, what they are sharing on twitter. If some new guy from Nørrebro comes up and he posts out a video. Then I won't get the video in my feed, but then somebody I know in my network will share it. And I like "mhhm I like that" and I am going to contact them. That's one of the things we do and it gets more common that...it's

a lot more common these days that we do it that way. And so this Tuesday we just signed a track which was Top 10 on Spotify and they distributed themselves and we were like "Okay, we want that track and here's some money and we commit some money for your further projects" and then we get the track and now we have a hit which is Top 5 on Spotify. So that's kind of like, that's one of the new ways of doing it. It's what we call data driven A&R. Like, you can see something buzzing, you can...with the track we sign it's called ADHD, like terrible track but it's really streaming like 70.000 a day. So it's like "We gotta get that track! What's the price of the track? We buy it!" Now it's ours. That's kind of one way of doing it, but that's not entirely how I want to do A&R, because that's more like business. That's not what A&Rs are put here to do. In my opinion, A&Rs still got to be the one with a big heart and some good ears to find something, have a vision for the music and then put it out in the best possible way. Making sure that Anders is on point, that the Marketing department, everything is on point and the artist comes out correct, in the right way. I can't give you any statistics on how many artists do we discover online and how many sent to us, but it's like every once in a while, like once or twice a years we find this act in some art corner of the internet and then it's like...there is just some Soundcloud demos. And then we're like "Okay this is an amazing song, but it needs so much more work". That's really like were the big A&R still is very important. We just signed a group half a year ago, which comes down from Sunderjylland, they come from Heddas, in the southern parts of Jotland. And we heard the demos and it was really amazing and then we were like "Okay, we have great songs here and nobody knows the act" It hadn't gone online, it hadn't gone viral. Nobody knew about it. And we were like "Okay, we're gonna sign you. We gonna find a producer in Copenhagen, who can take your sound and lift it up. So we also do this kind of oldschool A&R manuevres. That's the fun part. But it's also...it's just as fun to find a track, which is really buzzing and then go in and sign it and then just give it a push. We do that a lot of times. And often it starts online these days. And sometimes it's very cool and sometimes it's really frustrating, because when a good track that people just made a video of and they released it on Youtube and then everybody can say that...every other A&R can listen to it and say "Here is a good song"

and then it's like "Okay this new act is going for Universal, he's going for Sony, he's going for EMI, he's going for Warner." That's really crappy. We often have this situations where all labels chase an artist, because it's all for grabs. Anybody can figure it out.

KL: Good point! And you also do this Spinnup thing, right? But before we go into that, I was just wondering, if you sign these artists, what is the contract you usually do?

CM: It is very different. With the songs, that are really popping of we can't go in and sign them, because why should the people sign. So we do a distribution deal. Because they made so much work themselves and what they need Universal for? It's for the Marketing and for the Push that we can give them through Social Media, through Dexter, through Spotify, through all these things. So usually things that are already buzzing big time, we go and give them a distribution deal. I think it's very much with the same with the Swedes. They are really big on that, just picking up Ganjaman tracks and all that. But when we do artist from the ground up, we sign them totally oldschool. Just give them an oldschool record deal. Because we have so much money upfront for going into the studio, doing the videos...But there is no 360 deals involved in Universal Denmark. Not at all. We have our own booking agency, which is under Copenhagen Records. And of course we try to tell the artist that we sign that it would be a good idea, that Copenhagen Music, as they are called, that they would be the artist agent for their life music stuff. Usually people tend to think that it is also a good idea, because we are in the same house and we talk together. It's much more efficient when the booking agency and the record company are on the same team. So I think it's not 360, but maybe 180. But it's an option, it's not "we're not gonna sign you if you don't have the booking licence for the acts". We also just make regular record contracts.

KL: Can you talk a bit about Spinnup?

CM: Yeah. Well I think it started in Sweden and the thing with Spinnup is that we offer a service, where young artists or artists in general can upload their music through

Spinnup and then it gets worldwide distribution through Spotify and iTunes and everything. They only pay very very small monthly or yearly fee, I think, it's not very much. And then they get to keep all of their royalties themselves. But a lot of people can give you that, but the thing is that, if you upload through Spinnup. Then we have some scouts, who are loosely connected to Universal and they sit and they listen to everything that's uploaded to Spinnup and then if they find something that's interesting then they go and put me on the show and say "Hey you gotta listen to this". So it's like kind of a way of get distribution, get discovered. And it's pretty new, but I think it's gonna be...We just had a meeting this Wednesday. We've had this competition through Spinnup and we just found the winner of that competition. It's really good. It's some good stuff coming up and it's a great way for us to keep in check with what's going on out there. But then again, at the same time, if you upload through Spinnup we don't have an option for signing you. So Sony can go and sign the act, but there's maybe a chance that we discover it before Sony. So that's a main goal.

KL: Does Sony have something similar?

CM: I don't know.

KL: Okay. I couldn't find anything so I was just wondering if you know about anything. Do you feel that you, because we were talking about independent labels before, do you think that you here as Universal music have worked differently than independent labels? In what ways and like how do you feel you did? And what are the ups and downs?

CM: I was at an independent label in Denmark for 6 years and I think, with the independent labels, they don't do as many releases as we do. It's a bigger corporation so we need more content. We release more songs, we take more chances. We invest a lot more money in new Danish music, than independent labels do.

KL: So you think, that you are actually, not better but, because you know that the usual thing that what people think is that independent labels work with artist that are not per

se commercial and more on an innovative factor. But you basically say, that you think, because you have more money to invest in people, you would also take chances on people that are maybe not that commercial or?

CM: No, I wouldn't say that. We release commercial music, but we also take chances. And we take a lot of chances. We invest a lot more money in new Danish talent. That's one of our core businesses, like to keep focus on breaking new artists.

KL: But obviously you have some budgetary constraints. It has to be commercial in some sense.

CM: Yeah. But commercial music comes in all shapes. I wouldn't, I never wanted to work with music, that's not commercial, because it doesn't really, it's not like, if you listen to some of the greatest artists coming out, if we have, she was, what's the name of her? She was also big in France, I think. The girl who came out. If you say for instance Ann Sobel? is a great Danish artist. Very uncommercial, very artsy. But I was just trying to say, it's still commercial. I'd love to find a new Danish awkward singer/songwriter, if she has some great tunes. That's just my, it's not like, I don't listen to Top 40 Pop at home, but I listen to good music. And if it is good music, we will release it. But in my opinion you can always discuss good music, but good music, you can sing along to. We really try to work on, always try to do something that's commercial, but also something that's just a bit different. That's one of my keypoints. I don't want to just, number 5, if there's three Danish rappers who are hot at the moment, I don't want to do number 4. I want to do, I want to find somebody, who has his own shit going on. But, who is still commercial. Something that you can ... We're not the ministry of cultural affairs. We do this for a living. I am not doing it for my own living, I do it for the artists. I don't know anything better, than picking up an artist and then half a year later they quit their jobs and they can live full time off their music. That's one of my kicks. I love that. Having some people that have some good stuff and they have a dream and help them full fill their dreams. It's the best thing about this job I think.

KL: Because we already talked about digital platforms and Spinnup, Soundcloud, Youtube etc, you already also said...

CM: Youtube is definitely a key player, because if you're like 17 years old, doing cool music: Would you send us a demo tape? Or would you just buy a camera for 5000kr and do a video? You do a video and you upload it. And then somebody who's cool will think you're cool and will share your video. And then I see it and I get in contact with you if we like it and we think it's something that we could work with.

KL: Do you have special people on those, as you already said scouting, like really looking at those platforms?

CM: We do that all the time. That's part of my job. It's not like "Today I want to find something". It's more like I go to Facebook and then like "Oh! And they share it as well! Let's go check it out!" It comes pretty natural, I think.

KL: And what about other talent sources, like for example festivals, TV shows?

CM: No, we don't do that. The thing that we're going out and see a band like "Oh they can play! Let's sign them!" I have never done that in my 12 years in this. So with us or with me it always starts with the hit song. And then we figure out a way we can get them to play. So live and streaming is just two different worlds. I don't care if you can play...

KL: Apart from, you know when you said that something is already "buzzing" on the Internet, what are the factors influencing your decision on taking an artist?

CM: It's like they got to be original, they got to have some great material, they got to have some great songs and they got to have some kind of different take on everything. They got to look cool, they got to like when you have a meeting with a band, the minute ... I think it's like going on a date, you know, going on a blind date. The minute I see that girl, the minute she steps off her bike, you know if you're going to, if it's going to be a

match or not. It's like the moment the people come into the room, you can feel like, there's something like, when real stars come into a room, you will be "Shit". They have some sort of way of carrying themselves. That's also something I like: personality. Music is one thing, but you got to sell the personality. I don't believe, that in Universal, that just finding a girl with no personality and no, nothing, just a great work and then doing styling and make-up and crossing her over and then we have a great star. People are not going buy that. There's going be some kind of natural cool vibe involved. But really, I am really thinking a lot of the originality of an artist. But also like, when I know I'm going to sign an artist. When I wake up in the middle of the night or when I am in the morning like "Oh, I have that song in my brain." And it goes on for days, then I am like "Okay, if I have that feeling than somebody else will also going get that feeling". I am trying and I am not a musician. I've been a DJ since I was 12 years old, so I always like, I just know about good songs, good records. That's my main thing. So, it's very intuitive I think. A stomach feeling I think. It's pretty stupid, because sometimes you can really get into an argument with all the other guys. Because I need to, when I've heard a song 3 times, I need to listen through what other people will take them 50 times to hear maybe. You got to hear it like two to three times and if it doesn't fit, then it's a no go for me. And then, so I have trained that a bit I think. It's all about the song.

KL: And with whom are you discussing this?

CM: We have an A&R forum. There's also two other guys, two A&Rs. But I am the only one who does strict A&R in here.

KL: And then you just talk it trough?

CM: Yeah. We just talk it through and then it's like "Ah, we don't like this song". And then I send it to them and say "Listen to it two times more" and then they come "Ah, it's great" And then we go for it. But it's also like, we also do failures. It's pretty, I really love being around music, but it's very draining, when you have something that you really believe in and then nobody gives a shit. I do that like, every time I have

something that really works, then we have two things that don't work. But it's the name of the game, unfortunately.

KL: You talked about your network before. I guess for A&R, network is the big thing.

CM: It's not like "I have a network". It's more like I've been doing this for a lot of years and that's why I got my start in this. Because I was a DJ and knew some people. A lot of times, the DJ doesn't just do music, but he is the center. He throws the parties, he puts you on the guest list. He knows everybody. That's pretty much how it was for me. A DJ knows a lot of places and I knew a lot of guys like producers and other DJs and I knew all the artist, those on the Hip Hop scene in Copenhagen. So I just had a natural foot inside an environment and at that time here in Copenhagen, they didn't know that, that shit was really about that power. So I did my internship at Art People, a small company. And then I signed an artist called Johnson and we hit it big time with his first track. Because nobody really knew about him outside the environment. But everybody was "Okay, he is next in line." So that's pretty funny.

KL: I mean we already talked a bit about it, but maybe just to sum it up, how would you say that the function of the A&R changed? Is there anything else you can think of apart from the digital platform, the Internet etc.? Because you said basically the rest is still...

CM: I think what changed, and I wasn't there before, but I think it changed a lot that primary back in the days the A&R was much more kind of producers, going into the studio every night. Nowadays we much more just like looking for people, like we have the "listeners ear". Yeah, I think that changed and I think, that the products that we work with is much more finished now. It's not like "Oh we gotta go and then we gotta do it all over." Because as I said like, if it's just a good song and I can't seem to get it to work with some producers, if I tried it, I just got to let it go, because the biggest hit song I've ever made in my life just landed on my table. It was a bit hit and I was like "Let's go" and that's like rule number one. If it is too hard to fix and you need to remix everything, it's probably going to end up a big mess. That's just for me. Other guys, like

the guys at Sony, they are like "Mhmm, we're gotta go and raaawr" That's not how I work. I like the, I am about the songs I think.

KL: And more like maybe also giving more freedom to the artist?

CM: Yeah, yeah. Because we only sign them if we like what they do. I would never sign somebody, where I am like "Okay we like your songs, but we're going to change everything." I would never do that. It's too much work and it ends up shit.

KL: You said, you either basically have the track ready and you just go with it or you still have some development to do. How would that development look like?

CM: The development part is more like, if we have a good song like "Okay we need a chorus and a end" like just finish it. Finishing it for the listeners. Just making like "Okay, the intro is too long." Just shaping the song up to be consumer ready, radio ready. That's what we do.

KL: Do you sometimes encounter problems with the artist then? That he kind of feels like "Oh, this is not how I wanted it to be".

CM: No, it's okay. Because everybody, if we have a great song with a 35 seconds intro then everybody will be like "Okay, if you cut it down to a half, then you get played on the radio. If not..." So everybody can see. It's not the biggest problem.

KL: They come here to be sold.

CM: Yeah, exactly.

KL: I was wondering how do you make sure not to miss out on any other digital distribution, new kind of ways ... but you said it's not much about the distribution these days right?

CM: No. We have the digital team. They keep us posted with what's there and what's new. And also it's not my key thing to just to be the first to use whatever knew new App for music. We have people that do that for us. I got to focus on just finding and telling and make sure that they are available on any thinkable platform there is.

KL: How do you decide how much money to allocate to what artist?

CM: What we do is every time we sign an artist we do a kind of like "Okay, what do you think it's going to cost?" We do a PNL, I think it's called. I can't remember. You can probably google it. But we do that every time like "Okay. What is the artist? What is it going to cost? Recording and marketing? How much do you think we're going to sell?" And then we're kind of like set a goal for the sales and then we roll with it. And then I just going to get confirmation "Okay, that's our goal and that's what we're going for". And of course if it goes well, we're going to go above and if it goes like shit then...

KL: So it is very individual?

CM: Yeah. But it's still almost always the same kind of spectrum money wise.

KL: What kind of contracts do you give out? You said mainly it's probably kind of a distribution deal?

CM: No, mainly it's just a regular recording contract, where you like have an, we sign you for an album or an EP and then we have an option for one more. That's pretty basically what we do.

KL: And is it also what you prefer or would there be something that you say "Oh, that would be so much better"?

CM: No, I think that's good.

KL: If you have an artist and he is not selling as you thought he might be, what's happening then? Does he get another chance for another song?

CM: It depends on the artist. Sometimes, if we put our everything into an artist and the project doesn't go well and we can see that nobody is responding on the artist then "Okay, obviously this was only the three of us who could see this project". Then we of course let it go and say "Thanks for this time, come back another time if you have some new material". But also we have these, sometimes we have these artists that don't go so well with their first record, but we can see that somebody is picking up on it. And then we decide to give it another go, because it's still building up. But those cases, it's more and more not how you do it, because when we put everything into an artist and really pushed it and if nothing happens, then it's really difficult to see what we can do with the second album or second EP. But if we can see "Okay, there is something going on with this" then we have another go at it of course.

KL: Have you ever experienced that you send someone away and he would be picked up by another label and becomes great?

CM: No, I haven't said goodbye to anybody and then they had a huge career. It's always like, we usually make the right decision. We had a lot of artists that we said goodbye to and then they made another album for another label or they released it by themselves and nothing really happened. So, we were right, the artist was finished.

KL: Okay. To round it up, what do you think, in your own words, the vision that Universal is standing for from your A&R point of view?

CM: I think it's like breaking new artists, making people help people building careers and have a good business going. That's pretty much it. I think we are the best in town. But, we are also a lot of people. But that's part of it, if you sign here that you have a huge team working for your music. And of course it got to like, you got to be able to pay the bills. That's how we do it.

KL: How many people are working here?

CM:45.

KL: Okay.

CM: I think in Berlin it's like 1000 or something. I don't know if in Berlin, there are really a lot of people there. I haven't been there but it's ... Also in Sweden, I've been there a couple of times. It's huge. It's like a mansion. But it's also like the Swedes are doing really well. They invented Spotify and every second Swede has a Spotify Premium. So they are just making money. That's one of the funny things, when I was there. That's the good thing about being in Scandinavia. The rest of the world is kind of benchmarking towards us, because we have that. We were the first, I think Denmark actually was one of the first. We had this telecompany called TDC and I think they were the first to do a like streaming platform. So people are really just looking at us for "This is the new way to do it" Look at Scandinavia and how many people converted to Spotify Premium. In the US, Spotify is nothing over there yet. They still have iTunes, which is still very big over there.

KL: I feel it's not very strong anymore in Europe, right?

CM: No, I haven't bough a track from iTunes for a couple of years now. Spotify is definitely going to go.

KL: Okay. Thank you very much.

CM: No problem. I hope you can use it for something.

11.3. Respondent C, Personal Interview May 12th 2016

Gregor Lehrl, Affine Records, Vienna/New York

KL (Katharina Leichter): Also kurz zu mir. Ich studiere Creative Business Processes an der CBS und schreibe meine Masterarbeit grob gefasst zum Thema Veränderung von A&R. Ich würde dich nun bitten, dass du ein bisschen über dich erzählst, über Affine Records und dass du ein bisschen von deiner täglichen Routine erzählst.

GL (Gregor Lehl): Ja, also ich leite das Label zusammen mit einem guten Freund, dem Jamal. Der das offiziell, also offiziell läuft das auf seinen Namen und wir sind gerade dabei das Label umzustrukturieren. Da müssen wir noch schauen, welche Gesellschaftsform wir da machen. Und ja das gibt es jetzt seit 2008, das heißt 8 Jahre und in der Zeit hat sich natürlich so einiges verändert. Also wir haben angefangen mit einem kleinen Stamm an Künstlern, die mehr oder weniger in einem gemeinsamen Freundeskreis drinnen waren. Das sind eigentlich eh schon die Schlüsselkünstler von heute. Das sind Dorian Concept, Cid Rim und The Clonious, die auch damals in einer Band gespielt haben. Das war einer unserer ersten Releases, die Band heißt JSBL, wo alle gemeinsam spielen. Sind aber auch alle als Solokünstler unterwegs. Und dann im Laufe der Zeit ist Ogris Debris dazugekommen auf eine Empfehlung vom Clemens, Cid Rim oder Dorian Concept, dessen Debüt Album wir gerade released haben. Und dann erst jetzt vor 2 Jahren ist ein Künstler, also eigentlich mein Projekt dazugekommen. Da ist sehr viel quasi, ..., da hat das Internet im A&R Prozess eine Schlüsselrolle eingenommen. Das ist Oukmalumkoolcat aus Südafrika. Ich habe so eine ganz besondere Beziehung zu Südafrika. Ich war dort, also ich bin jedes Jahr dort seit den letzten 11 Jahren. Ich habe dort mit einer Reportage angefangen für Startum damals noch, über die quasi also zusammenfasst über die Politik oder die politische Seite der Musik 11 Jahre nach der Apartheid. Das war 2005. Und genau, die tägliche Arbeit besteht eben dadurch das wir auch das Booking machen, das macht vor allem der Jamal, besteht einfach darin: Projektbetreuung; es kommen im Prinzip dauernd Anfragen bezüglich Lizenzierungen oder dem und das, einfach verschiedenste Sachen. Im Prinzip besteht die tägliche Arbeit einfach hauptsächlich aus Kommunikation kann man sagen.

KL: Würdest du sagen ihr seit aktiv immer auf Künstlersuche oder wartet ihr eher wer auf euch zukommt? Verwendet ihr irgendwelche digitalen Plattformen für die Suche? Wie sieht so euer Künstler Sourcing aus?

GL: Das verläuft eher so, dass das alles über persönliche Kontakte zustande kommt, in, kann man mal sagen bis jetzt, in den meisten der Fälle. Es ist natürlich auch so dass wir uns umhören, dass wir schauen dass wir einfach am Puls der Zeit bleiben was sich so

überall tut. Aber dadurch, dass eben unsere Herangehensweise vor allem im Instrumentalbereich eine sehr spezielle ist, also alle die Leute kommen eigentlich mehr oder weniger aus dem Jazz auch und machen elektronische Clubmusik, sind wir ein bisschen sehr, würde ich sagen, wählerisch was neue Leute betrifft. Ich meine jetzt unser neuester Zugang ist der Wandl, ich weiß nicht, ob du von dem schon gehört hast.

KL: Ich habe mir heute eure Website angesehen und überall ein bisschen reingehört. Also hab ich jetzt ein bisschen eine Ahnung.

GL: Ja voll, super. Also das ist ein ganz junger Typ, der eigentlich, das war damals eigentlich im Rahmen des Redbull Music Days Camp in Wien, wo der Olli, der Dorian Concept, quasi den Wandl entdeckt hat. Dann zu uns gesagt hat, zum Jamal und mir, "Du hört euch den einmal an, der ist ein Wahnsinn! Schreibt den mal an und sagt ihm er soll euch was durchschicken" und so ist das dann zustande gekommen. Und so ist das dann auch immer in enger Absprache mit den Schlüsselkünstlern wenn so etwas passiert. Das heißt, wir hören uns das alle gemeinsam an und fällen dann eine Entscheidung.

KL: Das heißt, du hast es ja eh schon kurz angesprochen, Stichwort "Netzwerk" ist sehr groß bei euch?

GL: Ja, genau.

KL: Okay, von euch nochmal der Hintergrund, kommt ihr aus der Musikbranche? Du hast ja eingangs Südafrika erwähnt. War das euer Einstieg?

GL: Nein, das war eigentlich schon vorher. Jamal und ich haben früher viel gemeinsam aufgelegt. Und ich habe selber auch Musik produziert, habe einige Sachen rausgebracht. Habe aber dann irgendwann gemerkt, okay, ich möchte eigentlich lieber hinter den Kulissen arbeiten und das geht sich zeitlich alles gar nicht aus bei mir dass ich da jetzt auch noch wirklich aktiv bin. Irgendwann habe ich dann auch gemerkt, okay so talentiert bin ich eigentlich gar nicht. Und ja so ist das halt. Wir haben eben schon Jahre

davor aufgelegt gehabt und der Jamal hat parallel noch einige andere Sachen gemacht. Ich habe dann angefangen, weil ich wollte eigentlich erst im journalistischen Bereich tätig sein, habe dann angefangen für das Café Leopold die Pressebetreuung zu machen, alle Texte für die Künstler zu schreiben die dort arbeiten und das macht der Jamal heute noch. Und genau, so sind wir halt irgendwie reingerutscht in die Welt der Musik und hatten immer ein offenes Ohr und haben witzigerweise im La Boule, ich weiß nicht ob du das Lokal kennst, das ist in der Pfeilgasse und das war früher so ein klassischer Spot gegenüber von einem Studentenheim. Und wir sind dort früher öfter mal Pool spielen gegangen in unseren frühen Zwanzigern und da haben wir den Olli eben kennengelernt und den Clemens, also Dorian Concept, Cid Rim und The Clonious, die damals so 18 waren. Und die haben gesagt “Hey, wir machen Musik. Wir sind große Fans von Ninja Tunes, wollt ihr nicht mal Reinhören?” Und irgendwie ist dann so, bevor wir eben das Label hatten, schon die Idee des Labels im Raum gestanden. Genau, und dann hat es noch ein paar Jährchen gedauert bis wir das dann realisiert hatten.

KL: Und wie sieht es bei euch aus mit Kooperationen mit anderen Labels? Was ich mitbekommen habe, seit ihr ja nicht so gut auf Major Labels zu sprechen?

GL: Ja, ich würde es, also Jamal drückt das öfter mal drastischer aus, ich sehe das ziemlich entspannt die ganze Sache. Und ja es ist sowieso auch bei uns so, dass wir uns eigentlich als Plattform verstehen. Also die Zeit des reinen Labels, wo ein Künstler sein ganzes Leben lang bleibt, die hat unserer Meinung nach, sowieso ausgedient. Ist auch so zum Beispiel Dorian Concept released auf Ninja Tunes seine Major Sachen, also sein Album und so weiter. Hat damit eine ganz andere Struktur hinter sich natürlich. Und bringt gleichzeitig auch bei uns Sachen raus. Dasselbe ist mit dem Cid Rim, der jetzt vor ein paar Monaten seine letzte Single bei uns released hat, bringt jetzt das Album im Winter auf Lucky Me Records raus. Also das ist so eine neue Struktur an Labels irgendwie. Zum Beispiel, Lucky Me, das ist aus Schottland, ein Label, das eigentlich gegründet wurde von Hudson Mohawke und seinem Partner Dominik Flannigan. Die wiederum sind quasi, wie soll man sagen, vernetzt mit Warp Records, ein rießiges Independent Label aus England, aus London. Und ihre Künstler releasen auch dort und

vice versa. Also das ist irgendwie so ein ganz interessanter Austauschprozess wenn man praktisch mit dem nächst größeren Label oder dem übernächst größeren Label eine Kollaboration eingeht.

KL: Aber ihr arbeitet jetzt nicht mit einem größeren Label zusammen?

GL: Nein, arbeiten wir momentan nicht zusammen, nein. Würde mich aber auch nicht sperren davor. Kommt immer darauf an.

KL: Wie sieht es bei euch mit Distributions-Channel aus? Was verwendet ihr?

GL: Wir haben Hoanzl für den deutschsprachigen Markt und eine Distribution in England namens Kudas, die für uns den ganzen internationalen Markt macht. Und ich bin gerade auf der Suche in New York nach einem weiteren Schritt, der vielleicht die ganze USA separat übernimmt, aber das steht noch in den Sternen.

KL: Sonst, eure Künstler sind auch auf Soundcloud und überall oder?

GL: Ja, genau, sind alle auch oben.

KL: Weil wir jetzt gerade schon über Major Label gesprochen haben. Was sind denn deiner Meinung nach die größten Unterschiede, abgesehen von den offensichtlichen Aspekten, zwischen eurer Arbeit und der Arbeit von Major Plattenlabel?

GL: Ich würde sage, dass dadurch, dass unser Label relativ klein ist, ist es einfach die Struktur die überschaubarer ist und man muss einfach als "Labelchef" flexibler sein und viel mehr Jobs selber machen. Also wir können uns zum Beispiel nicht leisten jetzt jemanden anzustellen für das Marketing oder keine Ahnung die ganzen einzelnen Departments können wir uns eben nicht aufbauen sondern müssen eben alle, jeder muss alles irgendwie machen und lernen. Ich glaube das ist einer der großen Unterschiede. Und für die Künstler ist einer der großen Unterschiede, dass sie halt viel freier sind. Also wir haben auch keine Exklusiv-Deals mit den Künstlern. Das heißt sie können machen was sie wollen im Prinzip. Also die können auch woanders releasen und so

weiter und sofort. Aber sie schätzen eben diesen Kontext. Ich würde einfach sagen, wir sind so etwas wie ein Boutiklabel. Ein kleines Team, das perfekt miteinander funktioniert.

KL: Weil du jetzt gerade schon die Deals angesprochen hast. Was sind so die Deals die ihr mit den Künstlern grundsätzlich macht?

GL: Das sind ziemliche Standard-Deals. Das heißt, der Verlag, ..., meinst du jetzt bei Verkäufen oder?

KL: Ja, also zum einen eben was ihr Lizenzrechte etc. bekommt. Also was der Künstler euch verspricht, was ihr dem Künstler verspricht.

GL: Okay, ja das sind ziemliche Standardverträge die wir da machen. Bei den meisten Leuten, würde ich sagen, haben wir gar keine Verträge. Das heißt aber es gibt einen gewissen Prozentschlüssel, einen gewissen Schlüssel, der halt die jeweiligen Prozente regelt. Das heißt bei Tantiemen im Radio, da wird ziemlich viel reingespült, also "ziemlich viel" unter Anführungszeichen, also über FM4 und das ist komplett, das halten wir komplett separat von den Kosten der Produktion. Das heißt, auch wenn wir den Nullpunkt noch nicht erreicht haben, bei unseren Ausgaben, weil wir schauen halt, dass wir das meiste auf Vinyl rausbringen, bekommen die Künstler trotzdem ihren fixierten Schlüssel von den Tantiemen. Und Punkt Verkäufe ist es so, dass wir ab dem Nullpunkt, also wenn alles wieder drinnen ist, gibt es genauso einen fixierten Schlüssel, was der Künstler bekommt und was das Label bzw. was der Verlag bekommt. Da kann ich dir auch noch genauer aufschlüsseln wenn du möchtest könnte ich einen Vertrag ... Wir haben zum Beispiel einen Vertrag gemacht mit dem Smiso aus Südafrika, einfach weil wir da komplette Klarheit haben wollten. Ich meine er ist ein sehr guter Freund von mir mittlerweile, aber wir wollten einfach, dass er es schwarz auf weiß auf Papier hat, damit er auch eine gewisse Sicherheit spürt. Weil das war bei dem, bei seinen früheren Erfahrungen mit europäischen Labels, war das immer so eine schwammige Sache und dann hat da nie was dabei rausgeschaut. Deswegen haben wir geschaut, dass wir einfach alles von Anfang an schwarz auf weiß auf Papier bringen, alle

zusammensetzen und uns das irgendwie überlegen wie wir das machen. Das geht halt von den Beteiligungen an den Lizenzierungen, über die Tantiemen als auch die Verkäufe und auch zukünftige Tour Sachen. Also das war 100 prozentig transparent für jeden Beteiligten.

KL: Ist aber dann in dem Fall von Künstler zu Künstler verschieden?

GL: Im Detail ja aber im Prinzip gibt es eben diese Industriestandards.

KL: Wir haben vorhin kurz über Netzwerk gesprochen und das du viele Entscheidungen über und mit Freunden triffst. Ist das eigentlich so deine einzige Entscheidungshilfe oder wie entscheidet ihr welcher Künstler vielversprechend ist? Bauchgefühl?

GL: Ja, da ist einerseits viel Bauchgefühl dabei, so wie beim Wandl, kann man sagen, der eben noch sehr jung ist und jetzt noch am Anfang seiner Karriere steht jetzt mit 19, ich glaube jetzt ist er 20 oder so oder 21 vielleicht. Und bei dem war es definitiv ein Bauchgefühl, aber man auch schon einfach herausgehört, dass da irrsinnig viel Talent drin steckt und da war es aber noch ein bisschen unklar in welche Richtung er für unsere EP gehen wird. Das heißt das war ein bisschen, das war einfach eine Bauchentscheidung im Prinzip. Und bei den Projekten mit dem Südafrikaner, dem Okmalumkoolkat, war es einerseits von mir ein riesiges persönliches Anliegen das ich halt zwei meiner Leute, also den Cid Rim und The Clonious mit nach Südafrika nehme, die habe ich zum ersten Mal glaube ich 2011 mitgenommen und wir haben uns dann überlegt, okay ich würde irrsinnig gerne ein Projekt mit einem südafrikanischen Lokalisten, einem MC, machen. Und da ist dann irgendwie der A&R Prozess 100 prozentig über das Internet am Anfang gelaufen weil wir den Smisu damals noch nicht kannten. Und ich hab ihn einmal angeschrieben auf Facebook einfach und er hat sofort zurückgeschrieben und hat gemeint "Ja, passt. Das hört sich sehr interessant an für ihn." Und so ist das Projekt, mal quasi der erste Schritt in die Wege geleitet worden. Und das war eine reine Kommunikationsgeschichte noch. Aber wie sich das dann irgendwie ausformuliert hat, das war eine irrsinnig spannende Sache, die sich über eineinhalb Jahre quasi gezogen hat. Das war halt auch einerseits strategisch, aber auch andererseits ein

Bauchgefühl, dass ich gesagt habe und vor allem das Wichtigste war natürlich das Cid Rim und The Clonious auch gesagt haben, sie können sich vorstellen auch mit ihm zu arbeiten, ist natürlich auch bauchgefühlmäßig so, dass man nicht genau weiß was dabei rauskommt. Das war halt so ein Mittelding.

KL: Und inwieweit würdest du sagen dass dein oder euer persönlicher Geschmack eine Rolle spielt und inwieweit sind wirtschaftliche Faktoren ein Thema?

GL: Ich würde sagen, der persönliche Geschmack oder beziehungsweise der Konsens über den Geschmack ist schon sehr wichtig. Das hat uns halt auch ein bisschen aufgehalten auch, weil wir ein bisschen drüber hinwegsehen müssen über unseren eigenen persönlichen Horizont mittlerweile denke ich. Ohne dafür Abstriche in der Qualität zu machen. Also ich bin jetzt zum Beispiel unter uns gesagt, war ich mit ein paar Releases von Künstler XY (Künstlernamen verändert, da das erwünscht wurde) nicht ganz einverstanden. beziehungsweise sagen wir einmal so, ich persönlich bin jetzt nicht hundert prozentig überzeugt von der Musik oder von einzelnen Tendenzen, aber ich sehe das größere Ganze. Und da stelle ich meinen persönlichen Geschmack dann zurück.

KL: Und inwieweit spielt es eine Rolle wenn du jetzt etwas hörst und sagst “Okay, ist das jetzt etwas was der Markt braucht? Ist das etwas was gesucht wird?” oder sagst du einfach “Hey, wir finden das cool. Egal ob das eine große Annahme findet oder nicht, wir bringen das.” Wie ist da so eure Einstellung?

GL: Ja, also mittlerweile richten wir uns gar nicht mehr nach dem Markt, weil wir schon zu viele Überraschungen erlebt haben, da es so schwierig ist das einzuordnen. Also zum Beispiel die letzte Sixtus Preiss, 7 Inch, eigentlich ein ziemlich sperriges Teil und mit zwei Nummern oben und auf der Rückseite eine Bandinterpretation der einen Nummer. Also wirklich sperriges “Expertenzeug”. Die ist weggegangen wie die warmen Semmeln. Also das war unglaublich. Die war innerhalb von zwei Wochen ausverkauft und jetzt wird das Vinyl im Internet teilweise um 50€ gehandelt. Also es ist so unvorhersehbar, dass wir uns eigentlich, ..., also natürlich wir haben immer das

Ohr am Markt und schauen was abgeht und das ist auch unsere Leidenschaft. Aber das wir jetzt irgendwie sagen, okay, das genau braucht der Markt jetzt eher nicht. Also wir würden nichts verhindern, von dem wir überzeugt sind.

KL: Und was denkst du was einen guten A&R Manager ausmacht?

GL: Also ich würde sagen, das wichtigste ist, dass man erstens seine Person nicht zu ernst nimmt und einfach irrsinnig offen bleibt, aber gleichzeitig auch im Stande ist eine Idee bzw. eine Vision zu erkennen. Weißt du was ich meine? Also irgendwie aus einem Ding, das jetzt komplett ungeformt noch ist, sich daraus eine Idee abzuleiten. Sowohl für den Künstler als auch für das Label. Und da etwas zu formulieren. Also zumindest Potential zu erkennen. Ich glaube, dass ist die wichtigste Eigenschaft.

KL: Wie denkst du, dass sich diese Position von A&R, die ganze A&R Strategie, wie sich die verändert hat durch das Internet, Streaming Plattformen etc.? Einfach auch durch die Tatsache, dass die CD nicht mehr das Top Format ist. Was glaubst du hat sich dadurch in den Prozessen von A&R verändert?

GL: Also ich glaube da hat sich viel verändert. Ich weiß auch aus einigen Beispielen international, dass da teilweise Leute, eben auf jetzt beispielsweise Soundcloud, A&Rs einfach den halben Tag einfach nur dort verbringen um neue Leute zu suchen. Das sind halt mittlere bis größere Labels, aber auch im Independent Bereich. Und da quasi auch vielen Hypes nachgehen. Und es ist irrsinnig interessant. Also auch einer unserer engen Freunde, der Salute aus Wien, ich bin mir nicht sicher, aber ich glaube dass er zuerst ein riesen Soundcloud Following hatte bis ein Typ aus London auf ihn aufmerksam wurde, der in weiterer Folge sein Manager war, das er aber jetzt nicht mehr ist, aber jedenfalls war das so, der ist ohne einen einzigen Release in der Tasche zu haben nach London geholt worden. Das war natürlich auch sein Wunsch hinüber zu gehen und so weiter. Und der released jetzt dort und hat auch einen eigenen Manager. Und ich glaube, dass ist nur über das Internet passiert. Das wäre gar nicht anders denkbar gewesen vorher, weil er war gerade noch Schüler, also weißt du was ich meine? Das sind halt irrsinnig viele, irrsinnig hohe Konkurrenz natürlich, weil sich jeder darstellen kann, aber Substanz

ist erkennbar und dass ist auch ein riesen Punkt, dass jeder A&R das Internet auch extrem ernst nimmt und da schon einige Schätze entdeckt hat.

KL: Weil wir jetzt gerade auch noch über die Wichtigkeit des Internets gesprochen und daran anknüpfend - Inwiefern siehst du Selbstvermarktung als ernsthafte Alternative? Auch in Bezug auf die Frage: Braucht man denn heutzutage noch Musiklabels?

GL: Ja, also ich denke, man braucht die eigentlich nicht unbedingt also jetzt in unserem Bereich. Natürlich wenn es dann in die Major Zahlen geht, ist es wieder was anderes. Aber ich denke das wichtigste an einem Musiklabel ist einfach die Fähigkeit, also einerseits, ich glaube es sind zwei Dinge, dass man jetzt zum Beispiel in unserem Fall: Wir nehmen ihnen die ganze Finanzierung ab vom Vinyl pressen und so weiter. Also es kommt drauf an, willst du ein fertiges Produkt in deinen Händen haben oder nicht. Das ist mal ein Punkt. Oder du kannst es dir selber finanzieren und du brauchst überhaupt kein Label. Aber irgendwie brauchst du dann trotzdem eine Distribution. Eine Distribution die das halt in die Läden bringt und sich halt um diese ganzen Dinge kümmert. Also Infrastrukturell ist ein Label noch immer ein bedeutender, nicht Vorteil, aber wenn man diese Schiene fahren möchte, nimmt das einem viel Arbeit ab. Und zweitens, der essenziellere Punkt, meiner Meinung nach, ist sich selbst in einem gewissen Kontext zu positionieren. Das heißt, für den Wadl zum Beispiel war es auch irrsinnig, den hat es irrsinnig gefreut jetzt eben auf Affine zu releasen und dann sich damit quasi in die Reihe mit Dorian Conept, Cid Rim, The Clonious und allen seinen Wiener quasi Vorbildern, die ein paar Jahre älter sind, 10 Jahre älter, quasi in diesen Kontext zu stellen. Und ich glaube, das ist einfach, also für mich jetzt, wenn ich mir überlegen würde als junger Künstler, da würde ich mir auch ein Label suchen wo ich mich am besten repräsentiert fühle bzw. sehe dass die Leute um mich herum ein ähnliches Mindset bzw. ähnlichen Ansatz haben. Ja, ich glaube, dass sind so die zwei zentralen Vorteile. Und eben dadurch, dass einem das Label eben viel Arbeit abnimmt.

KL: Wenn ihr jetzt sagt "Okay, wir signen diesen Artist", wie kann man sich den Prozess vorstellen der danach direkt folgt? Was sind dann die Aktivitäten die ihr dann aufnehmt?

GL: Also meinst du noch bevor wir das Agreement mit ihm haben oder?

KL: Wenn jetzt euer Freund sagt "Hey, schaut euch den einmal an!" und ihr seht ihn euch an und sagt "Okay, der wäre eigentlich cool!", ihr ladet ihn ein und schlagt ihm vor "Okay, machen wir das!"

GL: Okay. Dann setzen wir uns dann mal zusammen mit ihm und jetzt wo ich in New York bin, macht das meistens eben der Jamal. Und es geht darum, dass wir einfach mit dem Artist kommunizieren. Also uns ist ziemlich wichtig, dass der Künstler selbst eine Ambition hat, dran zu bleiben. Das heißt nicht nur einen Release rausbauen und dann mal drei Jahre untertauchen, sondern dass es so aktiv wie möglich ist. Was auch involviert, dass er auch auf anderen Labels released uns so weiter und sofort. Also unsere Erfahrung war, dass es ziemlich schwierig ist, einen Artist, der einmal was released und dann jahrelang nicht mehr und wenn man dann wieder neuerlich was rausbringt, ist es irgendwie irrsinnig schwer da am Ball zu bleiben. Das heißt wir schauen halt nach Künstlern, die hungrig sind und eine Karriere aufbauen möchten. Das ist mal einer unserer Punkte. Ja und dann geht es eben weiter. Es ist halt so, viele Leute haben ihre eigenen Grafik-Leute dabei. Also wenn es halt um den Release geht und so weiter und sofort. Wenn nicht, können wir das auch machen. Also ich war jetzt zum Beispiel für die ganzen Holy Oxygen Sachen verantwortlich im graphischen Bereich auch. Also das ist dann einfach eine Kommunikationssache, wie es dann Schritt für Schritt weitergeht.

KL: Sind die Artists die ihr signed mehr schon "fertige" Künstler oder ist es schon so, dass ihr dann auch noch viel mit denen an der Produktion, im Studio arbeitet?

GL: Beim Wandl war es zum Beispiel so, dass der Olli ihn ein bisschen, nicht kuratiert, aber ihm halt geholfen. Das ist eben auch das schöne an unserer Struktur, dass der

Wandl eben mit seinen 19 Jahren bei seiner ersten EP oder 20, dann auch die Hilfe vom Oliver also vom Dorian Concept in Anspruch genommen hat. Ihn um Rat gefragt hat für die Produktion. Und ja genau, das kommt auch noch dazu. Der Paul, The Clonious, ist mittlerweile sehr versiert im Mastering und mastert in Wien und auch international einen Haufen Dinge. Also jetzt zum Beispiel auch das Ogris Debris Album, ist "im Haus" gemastert worden. Das heißt, es ist irgendwie so eine schöne, sich gegenseitig befruchtende Konstellation. Und um auf deine Frage zurückzukommen. Ja, also die meisten unserer Leute die wir gesigned haben sind eigentlich im Wachsen begriffen, in stetiger Veränderung. Die sind keinesfalls fertig formulierte Musiker oder Künstler. Bis mit Abstrichen Okmalumkoolkat, der eben schon davor ein ziemlich großes Following in Südafrika hatte und auch teils international, aber auch sich ständig neu erfindet. Also das ist schwierig zu sagen.

KL: Um nochmal auf die digitale Distribution zurückzukommen - Wie stellt ihr denn sicher dass ihr da nichts verpasst bzw. das ihr überall vertreten seit? Wollt ihr überhaupt überall vertreten sein?

GL: Einerseits über unsere Distribution, die sich um alle wichtigen Verkaufskanäle online kümmert und andererseits würde ich sagen, wir sind einfach täglich, in Prinzip jeder von uns, auch die Musiker, damit konfrontiert, mit den neuen Entwicklungen. Das heißt, wenn sich irgendwo was neues auftut, wo der andere vielleicht das verschlafen sollte oder jetzt nicht gleich mitbekommt, sind wir einfach in jeglicher Kommunikation, das wir einfach sagen "Okay, check mal das aus!" oder damals auch Bandcamp. Da haben wir gesagt "Okay, dass ist eigentlich eine gute Idee. Das hätte ich gar nicht so am Radar gehabt." Aber dann sind andere gekommen und haben gemeint "Checkt das doch mal aus!" Das ist eine gute Möglichkeit, jetzt nicht nur rein für das Label, sondern auch für die einzelnen Künstler, da ihre eigenen Seiten zu machen und da direkt Geld zu verdienen mit anderen Geschichten natürlich. Also es sind, es ist einfach auch ein interner Kommunikationsprozess und gleichzeitig, ich habe halt auch meine ganzen Newsletter, Feeds, etc. von den ganzen Seiten, diversen Seiten online wo ich die

Informationen halt zugespielt bekomme und die dann halt schnell filtern kann. Ich glaube, dass ist auch wichtig, dass man schnell filtern kann.

KL: Was würdest du als euren Hauptservice für den Artist beschreiben? Also inwieweit helfst ihr ihm bei seinem persönlichen Development?

GL: Also auf allen Belangen eigentlich. Auch zum Beispiel Salute, der gar nicht bei uns released, der hat viel mit Jamal früher gearbeitet. Und wenn der irgendwelche Fragen in London hat, wendet er sich an ihn. Weißt du, wie ich meine, das ist so ein, weil er jetzt auch, wir haben halt einfach schon ziemlich viel Erfahrung. Das heißt für junge Künstler sind wir eigentlich Ansprechpartner für alle Dinge, die vor allem mit rechtlichen Sachen zu tun haben. Natürlich können wir das nicht selber beantworten, aber dann sagen wir "Okay, gehe zum XY und so weiter" und check dir dort einen Anwalt gratis, lass dir den Vertrag überprüfen und so weiter und sofort. Und ja wir helfen ihnen mit allen Anliegen eigentlich im Musikbereich.

KL: Ich schätze einmal meine Frage zur künstlerischen Integrität - Ihr lasst dem Künstler sozusagen jegliche künstlerische Freiheit oder?

GL: Ja. Im Prinzip ja. Also es ist auch meistens so, wenn man jetzt, es sind unterschiedliche Dinge. Also wenn man jetzt, lass mich kurz überlegen. Also wenn jetzt zum Beispiel eine EP rauskommen soll, dann ist es so, dass es oft auch einen Pool an weiteren Tracks gibt, die in Frage kommen für eine gewisse EP. Und das heißt wir besprechen das dann gemeinsam mit dem jeweiligen Künstler, wie man am besten die EPs strukturiert bzw. welche Tracks für uns jetzt die Favoriten sind. Vielleicht auch ein reiner Kommunikationsprozess, ja. Aber wir würden uns da jetzt nie querstellen und sagen "Okay, nein der Track taugt und jetzt überhaupt nicht! Den lassen wir weg!" Ja, das ist eigentlich nicht so das Ding, weil wir wollen auch dass die, also eines unserer Hauptanliegen ist es, dass die Künstler auch zufrieden sind mit dem was sie rausbringen. Ist auch Sinn und Zweck mehr oder weniger denk ich.

KL: Jeder Firma hat ja trotzdem irgendwo das Anliegen Geld zu verdienen und es gibt da gewisse Beschränkungen was Ressourcen anbelangt, die man jedem Artist beimessen kann. Wie entscheidet ihr denn über die Allokation der Ressourcen?

GL: Ja also ich denke, dass sich das ziemlich von selbst entscheidet. Also, das ist so eine, wie soll ich am besten sagen eine Gefühlssache. Und im Prinzip machen wir jetzt das "meiste" Geld machen wir eigentlich über die Bookings und da erledigt sich das dann von selbst. Also da weiß man einfach welcher Artist jetzt genau mit dem Momentum, welche Shows wir da buchen müssen bzw. wo wir da eine Tour aufstellen können. Also das ist alles eigentlich, da ist wenig Strategisches oder schon doch auch Strategisches dahinter aber weniger als man vermuten würde, weil es sich dann von selbst ergibt.

KL: Was würdest du als die größte Challenge beschreiben wenn es um Artist Management geht?

GL: Ich würde sagen, die größte Challenge, lass mich überlegen, schwierige Frage. Ich würde vielleicht sagen, naja für mich war es bisher nur positiv. Mir fällt das gar nicht schwer. Ich würde vielleicht sagen, die langfristige Perspektive immer aufrecht zu erhalten. Das ist glaube ich die Challenge. Das man wirklich nie die Motivation verliert und einfach auch die Kommunikation mit dem Artist, das ist auch eine Challenge, weil ja jeder unterschiedlich ist. Und ja das würde ich so sagen sind die für mich persönlich, die wichtigsten Punkte. Aber auch dadurch, dass viele von den Leuten meine Freunde sind fällt es mir halt auch leicht oder bzw. auch Freunde geworden sind auch durch das Label. So wie der Smiso, mit ihm bin ich halt fast jeden zweiten Tag auf Whatsapp in Kontakt in Johannesburg. Der hat ja jetzt auch gerade eine schwere Zeit gehabt. Und ja das ist irgendwie eigentlich so ein jahrelanger Prozess. Und mir fällt es auch persönlich recht leicht mit Leuten in Kontakt zu bleiben. Ich kann mir vorstellen, dass es anderen da schwieriger fällt.

KL: Wenn du jetzt siehst, einer der Künstler die ihr signed habt, kommt einfach überhaupt nicht an am Markt. Gebt ihr ihm dann nochmal eine Chance und unterstützt

ihn weiter oder wenn ihr sagt “Nein das geht einfach nicht mehr” wie stellt ihr sicher, dass eure Reputation darunter nicht leidet?

GL: Im Prinzip ist es dann auch mal so, dass wir uns zusammensetzen und den ganzen Plan des Künstlers auch einmal besprechen. Es hängt auch viel damit zusammen wie sich der Künstler selber präsentiert. Also wenn er jetzt zum Beispiel kaum live spielt oder kaum DJ Gigs irgendwie hat bzw. keine Ambition dazu hat, dann ist es irgendwie irrsinnig schwierig einen Künstler alleine mit Releases zu erfinden bzw. am Laufen zu halten. Das geht sich irgendwie kaum aus. Das heißt es hängt immer irrsinnig mit der Motivation des Artists zusammen. Also wir würden uns dann, in deinem konkreten Fall, zusammensetzen mit ihm und einmal seinen Plan für die nächsten, sagen wir einmal, eineinhalb Jahre besprechen und ihm da mal auf die Seele fühlen “Okay, wie siehts aus? Wo möchtest du dich positionieren? Wo siehst du dich?” Und wenn er jetzt sagt okay, nein er möchte jetzt eigentlich nur Musik für das Wohnzimmer rausbringen und sich da seine eigene persönliche Leidenschaft erfüllen, da müssen wir dann vielleicht sagen “Okay das geht sich aber dann nicht aus das wir Vinyl pressen.” Alben zum Beispiel, da ist dann finanziell, wenn wir keine anderen Einnahmequellen haben, also wenn du nicht live spielst usw., ist es irrsinnig schwierig da das irgendwie dann wieder reinzubekommen. Und da sind doch immer ein paar tausend Euro involviert beim Alben pressen.

KL: Im Sinne von Competitive Advantage - Du hast eingangs schon gesagt, deine Hauptaufgabe ist im Moment sehr viel Kommunikation. Siehst du das dann auch irgendwie als den Haupterfolgsfaktor? Oder was siehst du als die Hauptfaktoren für Erfolg mit eurem Label?

GL: Ich glaube unsere Hauptvorteile oder Competitive Advantages sind einerseits unser perfektes Netzwerk in Wien und unser erweitertes Netzwerk international, das einfach über die letzten Jahre irrsinnig gewachsen ist. Und einerseits eben, das habe ich auch schon gemeint, damals mit dieser Befruchtung, wenn einer unserer Künstler bei einem anderen Label released, so wie Dorian Concept oder Cid Rim, ist es so das wir dadurch

auch enorm profitieren, weil wir dadurch auch quasi mit denen vernetzt sind. Das heißt wir haben da einfach eine, zum Beispiel von Lucky Me bis Warp bis Ninja Tunes, eine irrsinnig gut aufgestellte Verbindung, eine doppelseitige Verbindung ins Ausland. Das ist glaube ich eine unserer, würde ich sagen, Hauptvorteile gegenüber anderen lokalen Wiener Labels.

KL: Meine letzte Frage wäre nun noch, deine Gedanken jetzt noch einmal zusammengefasst über A&R in diesem dynamischen Umfeld der Musikszene und wo du glaubst dass A&R sich hinbewegt?

GL: Ich glaube, es wird die nächsten Jahre jetzt ziemlich auf diesem Niveau bleiben bzw. die Richtung wird so weiter eingeschlagen denke ich, dass es einfach durch die Digitalisierung einfach immer kürzere Wege gibt. Und ich denke, dass die einfach immer kürzer werden. Das heißt, da muss man einfach dran bleiben. Und ja also ich bin mir relativ sicher, dass es irrsinnig gute Chancen momentan für junge Künstler gibt, sich über die Digitalisierung ins Rampenlicht zu stellen bzw. sich schon bevor man von einem A&R entdeckt wird quasi ein Following aufzubauen. Und ja darauf wird auch der A&R reagieren. Ich glaube es wird sich nicht sonderlich viel ändern nach dieser Digitalisierung, weil es einfach so weiter gehen wird, nur schneller, meiner Meinung nach.

KL: Ja, super. Vielen Dank für das ausführliche Interview.

11.4. Respondent D, Personal Interview May 17th 2016

Clemens Kluck, Listen Collective, Berlin

KL: Also ich erzähle jetzt erst einmal kurz zu mir uns meinem Projekt. Ich studiere an der CBS Management of Creative Business Processes und schreibe jetzt eben meine Masterarbeit grob gefasst zum Thema Veränderung von A&R. Ja, dann würde ich dich einfach mal bitten kurz ein bisschen was von dir zu erzählen, über das Label und deine Position und deine Daily Routines.

CK: Wir haben ein Label namens Trickser Tonträger gegründet und haben uns dann zum 1.1.2016 zusammengeschlossen mit einer Bookingagentur namens Burning Eagle Booking und sind jetzt zusammen das Listen Collective. Und unter diesem Listen Collective gibt es verschiedene Bereiche. Da gibt es einmal die Listen Agency, das ist eine Booking Agentur. Es gibt Listen Records, das ist das Label. Es gibt Listen Publishing, das ist der Verlag. Und es gibt lokale Veranstalter in den Städten Berlin, Hamburg, Leipzig und Münster. Ich arbeite hauptsächlich im Label Bereich bei Listen Records aber auch bei Listen Berlin, also lokale Veranstaltungen in Berlin. Und beim Publishing, dem Verlag. Genau aber im Label Bereich mache ich vor allem den Marketing Bereich. Aber nicht nur den Marketing Bereich nach außen, sondern vor allem die gemeinsame Planung mit den jeweiligen Künstlern zu den jeweiligen Releases. Das ist sozusagen eigentlich meine Hauptaufgabe. Darüber hinaus ist das bei uns so, dass wir eigentlich, also wir sind zu dritt bei uns im Label so dass wir eigentlich uns die A&R Aufgaben auch ein bisschen teilen. Also es gibt schon eine Person, die dafür hauptsächlich zuständig ist aber im Prinzip ist das eher ein gemeinschaftlicher Aufgabenbereich.

KL: Das heißt, du bist dann eigentlich durch die Gründung von dem ersten Label dann auch in das Musikbusiness?

CK: Genau ich bin tatsächlich über, ..., also wir hatten mal selber eine eigene Band wir drei mit anderen Leuten und wir sind tatsächlich darüber reingekommen, dass wir ein fertiges Album hatten und die Suche nach einem geeignetem Label Leid waren. Und dann haben wir ein eigenes Label gegründet. Und das wurde aber ganz schnell wesentlich mehr als nur das Label für die eigene Band. Also das hat sich dann innerhalb der ersten ein, zwei Jahre wirklich zu einem Vollzeitjob entwickelt und ist jetzt irgendwie stetig gewachsen und seitdem ist quasi der Hintergrundgedanke der eigentlich mal da war komplett verschwunden. Also wir arbeiten inzwischen mit diversen Künstlern aus aller Welt und nicht mehr nur mit den eigenen Sachen.

KL: Wie viele Künstler umfasst denn euer Label so ungefähr?

CK: Schwierig. Ich glaube wir haben bisher 7 Alben veröffentlicht, aber haben zahlreiche Künstler mit denen wir schon arbeiten, wo noch keine Veröffentlichung da ist. Also ich würde jetzt insgesamt sagen, ich weiß es jetzt nicht genau, aber so 10-12, die ich so dazu zählen würde.

KL: Zum Thema Artist Sourcing: Wo schaut ihr denn nach neuen Talenten?

CK: Also dadurch, dass wir so ein bisschen einen neuen Ansatz fahren und eng mit einer Booking Agentur auch zusammenarbeiten, der Listen Agency, ist es sehr, sehr oft so, dass quasi über unsere eigenen Partner der Kontakt irgendwie hergestellt wird und wir Leute entdecken. Also das heißt, die Booking Agentur ist eine internationale Booking Agentur, das heißt beispielsweise arbeiten die mit irgendeinem Künstler aus Kanada. Und dann ist quasi die Frage, haben die schon ein Label in Europa? Wie ist da das Team zusammengestellt? Können wir uns das vorstellen? Das passiert relativ häufig. Dann passiert relativ häufig, dass man, wenn man mit einem neuen Künstler arbeitet, ..., wir arbeiten primär oder größtenteils mit Künstlern aus anderen Ländern, nicht aus Deutschland. Und dann ist es meistens natürlich auch so, wenn du da einen neuen Künstler hast, keine Ahnung aus New York, und er hat zum Beispiel eine interessante Management Agentur vor Ort, dass du dich dann auch mal durch die anderen Künstler klickst, da dann auf Sachen stößt. Da ist natürlich das Internet schon so die Hauptrechercheplattform. Gerade weil es natürlich für uns so ist, dass wir noch nicht unbedingt in der Position sind, wenn wir jetzt beispielsweise einen Künstler entdecken auf einen Showcase Festival, also Reeperbahnfestival oder Evosonic oder so. Da ist für uns meistens der Zug schon abgefahren. Also da ist es dann meistens schon so, wenn das da wirklich ein überragendes Konzert gibt, dass dann die größeren Major Tochterfirmen oder Major selber eigentlich schon Schlange stehen und wir dann eigentlich eh nicht mehr eingreifen können. Das heißt, wir versuchen das eher schon davor zu schaffen. Also quasi schon die Leute zu entdecken, bevor sie wer anders entdeckt hat und dafür ist eigentlich das Internet Hauptmedium. Aber zum größten Teil auch einfach Kontakte. Also wenn du dann beispielsweise einen kanadischen Musiker hast, mit dem du regelmäßig, ..., also wir machen da immer so in regelmäßigen

Abständen dann mit den Künstlern die wir nicht persönlich oft sehen Skype Gespräche, die in regelmäßigen Abständen stattfinden. Und da ist auch immer oft die Frage “Du was gibt es eigentlich neue interessante Sachen aus Kanada, wo du uns irgendwie was empfehlen kannst?” Und da passiert dann natürlich auch viel.

KL: Und nochmal zum Internet. Was für Plattformen nutzt ihr da so vorrangig?

CK: Also ich würde sagen, die erste Suche ist schon meist über Facebook. Weil wir ja, wir gehen ja kaum, also ich würde sagen wir setzen uns jetzt nicht an den Computer und sagen “Heute suche ich mal jemanden!” Das passiert nicht. Also es ist halt eher so dass man irgendeinen Ausgangspunkt hat; irgendeine Agentur; irgendein Label aus den USA, wo man sich dann eben durchklickt. Und da ist dann aber das Hauptsuchinstrument Facebook. Also ich glaube, dass ist immer so das erste, wo man dann eine Band mal sucht oder so.

KL: Das heißt, Kollaborationen habt ihr dann mit dieser Booking Agentur etc. und wie sieht es mit Major Labels aus?

CK: Nein, das machen wir nicht bisher. Genau also wir haben so ein paar Labels aus dem Ausland mit denen wir so ein bisschen kooperieren oder wo es gerade im Gespräch ist, dass man sich irgendwie austauscht, gerade aus Nordamerika, weil das natürlich gerade für die Labels schwierig ist da irgendwie beide Seiten des großen Teiches zu bedienen und das dann auch oft eben Sinn machen kann zu sagen, man macht so eine Art Austausch. Aber wir sind jetzt nicht im A&R Bereich irgendwie verbunden oder angebunden an irgendein Major Label.

KL: Und distributionsmäßig auch nicht?

CK: Nein, auch nicht. Da sind wir bei Broken Silence, das ist so ein kleiner Independent Vertrieb.

KL: Du hast ja vorhin kurz schon das Netzwerk erläutert, also inwieweit das ein Rolle spielt in deiner Entscheidungsfindung. Was sind denn andere Faktoren, die deine

Entscheidungen bezüglich Artist Auswahl noch beeinflussen bzw. inwieweit sind deine Entscheidungen wirtschaftlich getrieben und ob dieser Künstler jetzt einen Trend trifft etc.?

CK: Also ich glaube, das der Trend Faktor, um damit einmal anzufangen, gar nicht in dem Maße entscheidend ist. Wir müssen viel eher sehen, dass die Zielgruppe, die der Künstler ansprechen könnte, auch erreichen können als Label. Das ist eigentlich so die Frage, die wir uns als erstes stellen. Also beispielsweise ist es bei uns meistens englischsprachige Popmusik, die so einen kleinen alternativen Anstrich hat, also eher so aus dem Indie Bereich kommt. Weswegen wir uns natürlich, wenn wir beispielsweise einen Deutsch-Pop-Künstler entdecken würde, fragen würden "Okay, können wir die Zielgruppe die dafür passen wäre überhaupt bedienen? Funktioniert das überhaupt?" Das ist mal so die erste Frage. Die zweite Frage ist für uns immer relativ relevant, ob die Künstler regelmäßig die Ressourcen haben herzukommen. Also wenn wir beispielsweise mit Künstlern aus Kanada und den USA arbeiten, ist es für uns enorm wichtig, dass die mindestens zwei Mal, am besten auch mehr, im Jahr wirklich in Europa sind und auch touren können, Presseterminen zur Verfügung stehen und so. Das sind tatsächlich, also eher so der praktische Teil dessen wenn es da Künstler gibt, die irgendwie sagen, das ist nicht möglich, dann macht das für uns dann auch keinen Sinn damit zu arbeiten. Was auch für uns recht wichtig ist, ist das wir einen sehr enge Kommunikation haben mit unseren Künstlern. Das heißt wir müssen schon auch das Gefühl haben bei den Leuten, dass die auch ein Interesse an uns als Person haben und umgekehrt, dass man auch irgendwie alle zwei, drei auch wirklich miteinander spricht, nicht nur über E-mails Kontakt hat. Also wenn das nicht gegeben ist, dann ist es auch schwierig für uns.

KL: Inwieweit würdest du sagen, dass du Artists die du signst, dass die auch deinem persönlichen Musikgeschmack entsprechen?

CK: Also die sind auf jeden Fall schon alle so, dass ich mir die auch persönlich auch zuhause anhören würde. So ist immer unsere interne Formel dafür. Aber natürlich gibt

es da auch Sachen, die ich tatsächlich persönlich auch abfeiere und es gibt Sachen die find ich cool, aber jetzt auch nicht über alle Maßen. Also ich denke, das ist schon bei uns dann auch so, dass teilweise dann wirtschaftliche Faktoren, dass dann auch irgendwie überwiegen. Also wir müssen es schon alle mögen, aber es muss jetzt nicht so sein, dass alle Jubelsprüche machen, wenn wir die ersten Töne der Platte hören. Also das ist nicht zwingend so. Es ist glaub ich manchmal auch gar nicht so toll, wenn das so ist. Es ist natürlich auch mal schön. Aber es ist natürlich auch so, dass du oft ein bisschen mit verzerrter Wahrnehmung an Themen arbeitest, wenn du da über, über krass drinnensteckst. Also du musst, wir müssen das schon echt gut finden das ist klar, aber ja ...

KL: Du hast vorhin schon von der Wichtigkeit deines Netzwerkes gesprochen, gerade wenn es um Künstler finden geht. Aber was sind denn noch andere Kooperationspartner, die du als sehr wichtig ansiehst bzw. auch inwieweit die dir in deiner täglichen Arbeit helfen?

CK: Das ist tatsächlich meistens was im Booking Bereich. Das ist aber auch so, dass man wir ein offenes Ohr haben für diverse Festivalveranstalter für Festivals, die oft so ein bisschen einen Nerv treffen, die vielleicht oft relativ früh an Sachen dran sind. Also beispielsweise, das ist eigentlich bei uns jedes Jahr, wenn das Haldern Pop Festival, was ja so ein bisschen eine Vorreiterrolle hat sozusagen die großen von morgen zu buchen, also wenn die ihr Lign Up veröffentlichen, dann ist es definitiv so, dass wir uns da auf jeden Fall mal durchklicken und uns da mal durchhören und uns dafür interessieren, was da so passiert, wer da so spielt. Ansonsten sind es tatsächlich viele Künstler selber, mit denen man auch spricht. Also wir versuchen dann zum Beispiel auch, ..., also wenn wir jemanden Neues an der Angel haben und der spielt in Berlin, dass wir dann da unsere Künstler, die in Berlin wohnen, dann auch dazu einladen und uns auch dafür interessieren, was ist eigentlich deren Meinung dazu. Von daher ist es eigentlich ziemlich breit gefächertes Spektrum an Kooperationspartner, die da irgendwie in Frage kommen.

KL: Sind bei euch eigentlich mehr Künstler die eigentlich schon “fertig” sind in ihrem Gesamtkonzept? Oder habt ihr schon auch viele Künstler, die ihr auch noch “leiten” müsst?

CK: Gibt beides auf jeden Fall. Es ist natürlich meistens so, dass wenn wir beispielsweise ein fertiges Produkt, aus den USA oder Kanada, übernehmen, was wir recht häufig haben, dann ist das schon ein Künstler, der in sich so gefestigt ist, dem seine komplette Ästhetik auch schon feststeht. Ganz einfach weil wir da auch gar nicht über die räumliche Distanz da mitentwickeln könnten, das wäre glaube ich schlichtweg nicht leistbar. Bei vielen Künstlern aus Europa, ist es dann schon eher so, dass wir auch, schon auch so eine Art Manager-Aufgabe da auch mitübernehmen und da auch viel mitentwickeln. Also nicht nur mit dem fertigen Produkt arbeiten, sondern auch wirklich schon davor ganz viel arbeiten. Insbesondere natürlich auch bei den wenigen Künstlern aus Deutschland, die wir haben. Da ist es natürlich am extremsten der Fall. Weil wir da natürlich auch vor allem Künstler haben, wo wir wirklich ein Potential sehen, dass vielleicht noch nicht unbedingt in dem Maße da ist. Wo wir dann wirklich komplett, also ganze Prozesse erst mal entwickelt und umgesetzt werden bevor dann wirklich ein, zwei Jahre später das erste Album erscheint beispielsweise. Also da sind wir dann in sehr vielen Zwischenschritten, in sehr vielen Vorarbeiten auch schon involviert.

KL: Das heißt in diesem Fall wird dann auch mit Produzenten, Mixern etc. zusammengeführt?

CK: Genau, genau.

KL: Im Bezug auf was sich durch die ganze Digitalisierung, Internet, etc. verändert hat. Was sind denn deiner Meinung nach die Hauptveränderungen, die die Arbeit von A&R betreffen?

CK: Ich glaub, um ein bisschen weiter auszuholen, ich glaube das es allgemein so ist, dass man früher die Musikindustrie in recht klare Bereiche aufteilen konnte; in Live Bereich; in Tonträger-Bereich; in Verlags-Bereich. Ich glaube, dass das nicht mehr der

Fall ist. Ich glaube, dass man als moderner A&R auf jeden Fall in der Lage sein muss, da über den Tellerrand hinauszuschauen. Es geht nicht mehr nur darum, ..., es geht vor allem glaub ich darum, dass man schon früh Potential erkennen muss. Vielleicht ein bisschen früher als früher, weil man, glaube ich, heute Künstler über einen wesentlich längeren Zeitraum entwickeln muss, damit du, damit die langfristig Erfolg haben. Das ist natürlich was anderes, wenn dein Ziel nicht langfristiger Erfolg ist, sondern dein Ziel der schnelle Erfolg ist. Okay, da kann ich jetzt nichts sagen wie Kollegen im Major Bereich da konkret arbeiten aber für uns wo es darum geht die Künstler so aufzubauen, dass du im Idealfall Jahre Veröffentlichungen hast, die auf einem hohen Niveau, am Besten auch immer mal noch eine Steigerung beinhalten, stattfinden. Und da glaube ich, muss man wirklich enorm sehen wie ist da das Entwicklungspotential. Ich glaube, man muss mehr als früher auch darauf achten, wie das im Live-Bereich auch funktionieren kann. Also grade für uns als kleines Label ist der Live-Bereich enorm wichtig, mit den Tonträger-Verkäufen und so oder alleine auch der Marketing Aspekt dessen. Also für uns ist auch immer ganz klar, dass ein Künstler auch live total gut funktionieren muss. Da reicht nicht irgendwie geniales Songmaterial, das ist definitiv für uns nicht ausreichend. Von daher würde ich sagen, es ist so ein bisschen mehr Offenheit gefragt; es ist ein noch bisschen mehr Weitblick gefragt. Natürlich braucht man auch schon ein bisschen ein glückliches Händchen, das ist definitiv mehr als wahrscheinlich früher der Fall. Das würde ich sagen sind so die Hauptpunkte.

KL: Bezüglich täglicher Prozesse, Internet, Artist Sourcing: Kannst du das noch ein bisschen näher erläutern?

CK: Ja also ich meine, das ist natürlich auch immer die Frage. Da hat jeder seine anderen Arbeitsweisen. Ich glaube du musst da gerade als kleines Label einen sehr langen Atem haben nach Leuten zu suchen. Dann aber auch, im zweiten Schritt an den Leuten "zu baggern" in Anführungsstrichen, also wirklich die auch davon zu überzeugen quasi nicht den Weg des großen Geldes zu gehen sondern vielleicht eher den Weg der Leidenschaft um es pathetisch auszudrücken. Ja also für uns ist es einfach klar, dass wir quasi unsere Listen führen auf denen irgendwie ständig aktualisiert wird,

welcher Künstler den wir uns vorstellen könnten, macht gerade was. Was passiert da? Was ist der aktuelle Stand? Da gibt einem natürlich auch das Internet die Möglichkeit oder generell die Digitalisierung wesentlich strukturierter zu arbeiten. Da irgendwie ein schönes Listensystem zu führen, das vielleicht auch selbst suchen kann nach gewissen Kriterien im Internet. Also da würde ich sagen, ist auf jeden Fall die Digitalisierung oder allgemein das Internet, eine enorme Erleichterung im Alltag den A&R Bereich zu strukturieren und da irgendwo auf dem Laufenden zu sein.

KL: Was würdest du denn sagen wie es sich heute von damals unterscheidet wie man Künstler aufbaut, wie man das Ganze produziert?

CK: Also ich glaube schon das es früher eher so war, dass ein Künstler gleich am Anfang funktionieren musste. Also da musste gleich das erste Album oder die erste Single gleich da sein. Das ist, glaube ich, heute definitiv anders. Gerade dadurch das, das hängt mit den Produktionskosten zusammen. Natürlich ist die Produktion heute wesentlich günstiger als es vorher der Fall war. Du musst heute nur noch in den wenigsten Fällen die komplette Produktion im Studio absolvieren. Also du bekommst qualitativ gleichwertiges genauso hin wenn du vielleicht nur die Endversion dann im Studio produzierst und den ganzen anderen Kram kann aber auch fast jeder zuhause erledigen. Von daher gibt es natürlich die Möglichkeit mehr Veröffentlichungen zu machen als früher. Dadurch hast du natürlich auch andere Möglichkeiten Künstler über längeren Zeitraum aufzubauen. Du hast nicht mehr die langen Pausen zwischen Veröffentlichungen. Also das ist natürlich klar. Es gibt es natürlich immer noch das Künstler irgendwie 5, 6 Jahre brauchen zwischen jedem Album. Aber wenn du da als Label hinterher bist, dann kannst du da dann auch mit verschiedensten Formaten, keine Ahnung, schiebst nochmal eine EP ein oder hast natürlich dann auch durch das Musikvideo Format, das natürlich heutzutage auch wesentlich günstiger zu produzieren ist, auch eine ganz andere Möglichkeiten gewisse Lücken zu überbrücken. Von daher glaube ich, ist es überhaupt gar nicht mehr schlimm wenn ein Künstler von Anfang an nicht funktioniert. Es ist sogar eher vielleicht manchmal ganz gut, sich irgendwie eine Fanbasis Schritt für Schritt aufzubauen. Weil ich glaube eine Schritt für Schritt

aufgebaute Basis, eine ist die wesentlich länger hält. Also ich glaube dadurch das Leute, ..., also natürlich auch wenn du auf die andere Seite guckst, Leute haben natürlich unfassbar viele Möglichkeiten Musik zu hören und den steht unfassbar viel Material offen. Und das heißt natürlich auch, dass, glaub ich, viele Leute wesentlich kürzer bei einem Künstler hängen bleiben als früher. Also während du früher, keine Ahnung, deine 10-15 Alben im Jahr hattest, die du total cool fandest und die hast du halt im Jahr gehört, weiß ich nicht, ist es heute wahrscheinlich fast das 10-fache oder wenn nicht sogar mehr. Und dadurch musst du halt als Künstler und dahinter als Label noch viel behutsamer aufbauen, die Leute viel enger an dich binden. Und da ist natürlich auch wiederum das Internet das einfachste Mittel dazu. Und aber eben der Live Bereich, der, glaube ich, wirklich enorme Wichtigkeit für das Label hat.

KL: Weil du gerade meinstest, Konsumenten haben mittlerweile extrem viele Wege um Musik zu konsumieren. Mit welchen digitalen Distributions-Channeln arbeitet ihr denn?

CK: Also wir haben einen digitalen Vertriebspartner aus Hamburg, Believe Digital, das ist ein relativ großer Anbieter, der auch teilweise sehr große Sachen betreut. Also dadurch können wir wirklich alle digitalen Vertriebskanäle beliefern. Die Alben sind dann auch im Normalfall auch überall verfügbar. Also wir machen das relativ selten, dass wir dann nur, weiß nicht manchmal kommt das dann vor, dass man nur im Streaming Bereich veröffentlicht oder nur im Dowlodad Bereich. Also meistens ist es aber überall verfügbar bei Spotify, Itunes und allen was es da so gibt bis hin zu den kleinen Anbietern.

KL: Bezüglich des Künstlermanagements direkt. Also wir haben vorhin kurz gesprochen, teilweise müsst ihr Künstler auch aufbauen. Inwieweit ist denn künstlerische Integrität da ein Thema?

CK: Also das ist bei uns ein großes Thema, dadurch das es ja unser Ziel ist die Leute relativ nahe an das Publikum ranzubringen, würde das glaube ich relativ schnell auffallen, wenn da irgendwie Lücken da sind. Deswegen ist es bei uns auch schon so dass es wichtig ist. Also wenn auch irgendwie guckt mit welchen Künstlern wir

arbeiten, dann ist das schon auch, ..., ist ja auch immer so dass du auch andere Künstler überzeugst mit dem Argument, mit wem man sonst so arbeitet und wie man arbeitet. Da spielt das immer eine große Rolle. Es ist auch so, dass wir den Künstlern schon auch relativ viel, also was heißt viel, relativ viel, wir lassen ihm sehr großen künstlerischen Freiraum und den müssen die Künstler auch selber füllen. Das heißt, die Grundvoraussetzung muss eigentlich diese Integrität schon sein, weil da eben nicht wir das Konzept vorlegen und sagen "So und so sollst du klingen. So und so sollst du wirken", sondern das kommt von den Künstlern selber. Deswegen ist das auf jeden Fall eine Grundbedingung.

KL: Was sind denn hauptsächlich die Verträge die ihr mit den Künstlern habt?

CK: Wir versuchen allgemein, das auch ein bisschen aufzubrechen, was natürlich auch nochmal schwierig ist. Wir arbeiten schon noch größtenteils mit Bandübernahmeverträgen, versuchen aber auch so ein bisschen, ..., es ist jedes mal ein großer Kampf für alle Seiten sich da durch die endlos langen Verträge mit 5000 Klauseln, die eh keine Relevanz für unsere Arbeit haben und die auch kein Mensch versteht, zu kämpfen. Und wir arbeiten auch schon daran so ein bisschen das Ganze irgendwie zu vereinfachen. Also ich finde der Vertragsbereich oder der Rechtsbereich in der neuen Musikindustrie auch so ein bisschen hängengeblieben ist noch in der alten Zeit. Ich glaube, da ist es schon auch notwendig da irgendwie neue Wege zu finden. Also den Weg haben wir bisher auch noch nicht gefunden, aber wir versuchen das Ganze irgendwie stark zu vereinfachen, flexibler zu gestalten. Wir arbeiten aber auf jeden Fall auch schon so, dadurch dass wir langfristiger arbeiten wollen, dass wir auch eigentlich immer mit mehreren Optionen arbeiten, wenn wir Bandübernahmeverträge machen. Vereinzelt machen wir aber auch Künstlerverträge. Dann ist es bei uns so, dass relativ viel, ..., dass teilweise die Verträge auch verknüpft sind mit dem Verlagsbereich, weil wir da in beiden Bereichen arbeiten.

KL: Was würdest du denn jetzt zusammenfassend als euren Service für den Künstler sehen? Inwieweit seit ihr wichtig für den Künstler um erfolgreich zu werden?

CK: Also ich glaube der grundlegendste Service ist einfach, dass wir ganz individuell für jeden Künstler einen eigenen Plan entwerfen, wie der Weg aussehen kann. Und der Weg geht meistens über einen relativ langen Zeitraum, über mehrere Veröffentlichungen. Das ist oft was Künstler selbst in dem Maße nicht leisten können, weil sie natürlich nicht die Außenperspektive auf ihr Produkt haben. Das ist, denke ich, der größte Service. Und eben dabei versuchen, alle Faktoren im Blick zu haben. Und das gilt dann eben auch für den Prozess. Also wirklich immer wieder zu gucken, an welchen Stellen gibt es Optimierungsbedarf? Wo läuft es? Da irgendwie zu evaluieren, da regelmäßig durch den Kontakt mit dem Künstler irgendwie, also ja beispielsweise, zu gucken, "Okay, wie ist die Social Media Präsenz?" Dann ist es auch so dass wir enorm viel da unterstützen. Also am Anfang machen wir quasi immer so eine Art Schulung mit den Künstlern und arbeiten dann auch mit Posting Plänen, die wir dann zur Veröffentlichung auch erstellen für die Künstler um ihnen da, weil das ist bei den meisten von den Künstlern so ist, dass das eher nerviger Faktor ist bei den Künstlern mit denen wir arbeiten, und versuchen ihnen da die Arbeit so ein bisschen abzunehmen. Dann natürlich der ganze Vertriebskanal ist natürlich auch da. Dann machen wir, zumindest in Deutschland, größtenteils auch die Promo selbst. Was uns den Vorteil gibt, dass wir da auch wesentlich enger mit den Künstlern arbeiten können. Die wesentlich besser informiert sind, was gerade so passiert. Genau, also ich könnte jetzt glaube ich noch 10 Minuten so weiter reden.

KL: Okay, super. Dann würde ich abschließend noch um eine Einschätzung, deiner Meinung nach, bitten, du hast ja schon angesprochen wie sich A&R verändert hat, aber wo es noch damit hingehet?

CK: Also ich glaube, dass alle verschiedenen Bereiche der Musikindustrie immer weiter miteinander verschmelzen werden und dass, das immer extremer wird. Also Stichwort auch so etwas wie 360 Grad Verträge und so. Was wir jetzt nicht machen, aber trotzdem. Und ich glaube, dass das für den A&R Bereich eine ziemlich große Herausforderung ist, weil ich schon auch oft das Gefühl habe, dass viele A&Rs die ich beispielsweise kenne, die ein paar mehr Semester als wir auf dem Buckel haben und

auch noch goldene Zeiten erlebt haben, sehr viel am lamentieren sind immer noch. Also gar nicht unbedingt so jetzt nach außen hin, aber schon immer wieder sagen "Oh, das klappt alles irgendwie nicht." Also ich glaube, dass sich der A&R Bereich da wieder mehr Euphorie erarbeiten sollte, eigentlich ja die wichtigste Schnittstelle zu sein zwischen Künstlern und Musikindustrie. Ich glaube, da braucht es wieder mehr Kreativität. Da braucht es ein bisschen mehr Weitblick. Da braucht es auch ein bisschen mehr Bodenständigkeit. Ich hab das Gefühl, dass der A&R Bereich oft auch in so einer Blase schwebt über dem Ganzen. Ich glaube, das bringt niemanden was. Von daher, ich bin aber ziemlich sicher, dass es sich dahin entwickeln wird, weil denke ich alle merken, dass es anders nicht mehr funktioniert. Also wenn man beispielsweise sieht, was ich gerade auch ganz spannend finde, dass relativ, das sich jetzt ein paar Major Töchterfirmen gesehen habe, die sich beispielsweise ihre Junior A&Rs im Live Bereich holen, also von Booking Agenturen, was darauf hindeutet, dass da auf jeden Fall auch erkannt wird, dass da Bedarf gibt, dass das nicht mehr getrennt werden kann. Also beispielsweise hat Four Music einen neuen A&R. Robin Shaw war davor bei Selective Artists, einer großen Agentur. Das denke ich wird auf jeden Fall sich noch mehr verstärken.

KL: Super, vielen Dank für das Interview.