Manifestations of interactivity in music and their commercial potential in the music industry’s contemporary political economy

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Abstract

With growing internet usage and the rising popularity of file sharing and digital downloads, the record industry took a sizeable hit in the late 1990s and early 2000s. Although the industry exaggerated their plight for purposes of its legal and political response, there was a definite financial downturn for this once-booming industry. Sales have been on a downward trend since the beginning of the century and the record industry - and the companies that have a controlling stake in it - have had to diversify their business model to make up for their shrinking profits.

The hysteria died down thanks to record industry’s savvy in dealing with copyright and publishing law, but the internet has opened new music-related ventures through which insiders and outsiders can profit. Interactivity is one of them although it has not been widely explored in academia up to now.

This research paper takes in the history of interactivity in music from CD-ROMs to interactive music videos and applications, and envisions the commercial future of interactivity as a profitable format within the changing industry. Using interviews with key figures relating to the artistic and commercial sides of interactivity in music as well as current business trends and statistics, this paper concludes that the commercial future for interactivity is quite bright if still somewhat uncertain, and that while funding may not be a major obstruction to its ultimate success the speed with which the medium will be accepted is really dependent on how the music industry circa 2015 harnesses it.