CM.com

# THE FUTURE OF LIVE MUSIC REPORT.

Exploring the new normal in the live events industry
November 2022

# CONTENTS.


| | |
|---|---|
| Introduction | 3 |
| Methodology | 5 |
| Summary of Key Findings | 6 |
| Theme 1 - A Time of Crisis | 8 |
| Theme 2 - Expect the Unexpected | 11 |
| Theme 3 - Gen Z Are Leading The Way | 15 |
| Theme 4 - Festivals in Flux | 17 |
| Theme 5 - In-Venue Consumption is Changing | 20 |
| CM.com's Forecast for 2023 | 22 |
| Contact | 24 |

# INTRODUCTION.

## Paul Everett,
## Head of Music & Live CM.com

To say that we are living in uncertain times is an understatement. The seismic disruption that we have experienced over the last 2.5 years has led to shifts in the way we collectively think, feel and behave that are unparalleled in living memory.

The impact of the Covid pandemic on the live events industry has been widely documented. By now, we are all familiar with sobering statistics which highlight the scale of the paradigm shift the industry is facing. Even a cursory internet search will reveal the number of jobs lost, nightclubs that have closed, and financial support that has been received.

Meanwhile on the ground, we are witnessing a vast amount of anecdotal and empirical evidence that suggests that we are experiencing less of a momentary upheaval and more of a new normal characterised by a constantly shifting landscape.

The aim of this report is to explore and quantify the shifts that are taking place in the live events industry currently, both from a promoter and consumer perspective, and provide a picture of the new trends that are emerging.

We have taken care to report honestly and accurately on what is happening right now. In conducting a survey with 1,000 live music fans, our goal is to provide evidence and insights to support what we have been seeing and hearing for ourselves having been in the eye of the storm.

We launched CM.com's Music & Live division in the UK & Ireland just as the pandemic hit. While we don't profess to have all the answers, we are fully committed to supporting the industry through our unique set of fully integrated products alongside first class customer support that is sensitive to the ever-changing needs of today's promoter.

Amidst the turbulence, the pandemic was a time when collectivism and creativity flourished as our industry became galvanised in the face of immense challenge. In publishing this report, we hope to provide insights which will keep the spirit of conversation and collaboration going as we navigate the new normal together.

# METHODOLOGY.

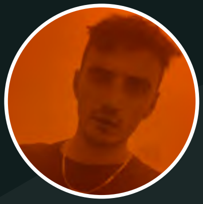
The findings in our report are based on a nationally representative survey of 1,003 live music event attendees (those who have attended at least one live music gig, concert or festival in the past three years), aged between 17 - 55 in the UK. Fieldwork took place in September 2022.

Alongside this primary quantitative data, we conducted interviews with five experts who work in the live music events industry to add depth and qualitative insights to our report.

**Carly Heath** (she/her)
**Night Time Economy Advisor, Bristol City Council**

**Michelle Manetti** (she/they)
**DJ / Promoter, Fèmmme Fraîche**

**India Mansfield** (she/her)
**Gen Z representative who turned 18 in 2020**



**Conor McTernan** (he/him)
**Marketing & Programming Manager – AVA Festival & Up Productions**

**Hannah Shogbola** (she/her)
**Agent - UTA, Founder - DAJU**

# SUMMARY OF KEY FINDINGS.

The key takeaways from our report can be summarised as follows:

1. **People will always go out, but they are being much more selective about where they go.** As the cost of living crisis dovetails with a global pandemic, consumer behaviour is changing rapidly. Close to half (46%) of fans who haven't been to a live music event in the past year say it's because they can't afford it. Financial and environmental pressures are leading to more discerning consumers.

2. **It's time to throw out the old ticketing playbooks.** No-shows are more commonplace and two in five consumers now buy tickets later than before the pandemic.

3. **Gen Z are leading the way when it comes to the return to live music.** Contrary to reports, Gen Z are attending significantly more live events than older generations. 17-18 yo's were almost twice as likely to have been to a live music event in the past month than older age groups.

4. **Festivals will always remain popular.** But multiple festival attendance within the year is down compared with previous typical years.

5. **Unsurprisingly, spending at events is in sharp decline.** While people are still inclined to go out, they are making concessions when it comes to spending at festivals and in live music venues. Gen Z attendees were more than 1.5x more likely than older generations to have spent under £10 on their last night out.

# 1. A TIME OF CRISIS.

## KEY TAKEAWAY

**In this era of multiple crises, people have by no means stopped attending music events. However, they are more cautious and selective about the events they go to.**

For many the pandemic was only a temporary interruption in their live music event going habits.

2/3

A promising **two thirds of people (66%)** say that the experience itself of live music events is the same as before.

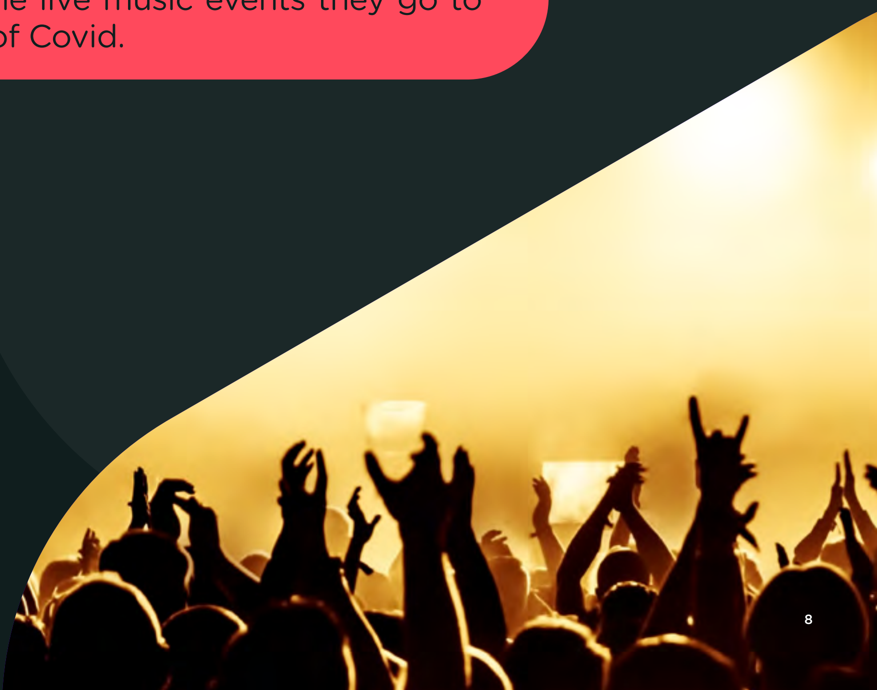
However, for a significant number of attendees, the negative ripple effects of the last 2.5 years have changed their behaviour towards gigs, concerts and festival experiences.

"The cost of living crisis is serious. What's the first thing that goes when people can't afford to live? It's live events because they're not going to pay to go to a festival if they can't afford to do it."

**- Conor McTernan, AVA Festival**

30%

of attendees we surveyed said they were more selective about the live music events they go to now in the wake of Covid.



As we lurch from a Covid pandemic into an economic crisis, major cultural events are coinciding, preventing many from going to live events more frequently.

**Just under a fifth (19%)** said it was either due to illness, or to prevent illness.

It's in this context that luring people out of the safety and comfort of their homes for music events becomes a more challenging prospect.

**46%**

Close to half of those who haven't been to a live music event in the past year say it's because they can't afford it.

**15%** almost 15% said they were less inclined to travel for live events compared to before the pandemic.

"Where the cost of living crisis is starting to bite is that people are taking less of a punt on an act that they don't know. They want a sure hit, and to know it's going to be a really good night, so smaller independent promoters, grassroots artists, mid week events, new promoters, they are having to fight harder to get people through the door than they would have done three years ago. That's a significant change because if people don't take a risk that affects our talent pipeline and the next big thing."

**- Carly Heath, Night Time Economy Advisor, Bristol City Council**

**1 in 3** plan to go to fewer live music events in 2023

# 2. EXPECT THE UNEXPECTED.

## KEY TAKEAWAY

**No-shows for live events have become more commonplace, and in the wake of Covid, cancellations and rescheduling appear to be part of the new normal.**

After 2.5 years of social and economic upheaval, perhaps unsurprisingly, when it comes to live events there is now seemingly a sense of uncertainty from both promoters and attendees.

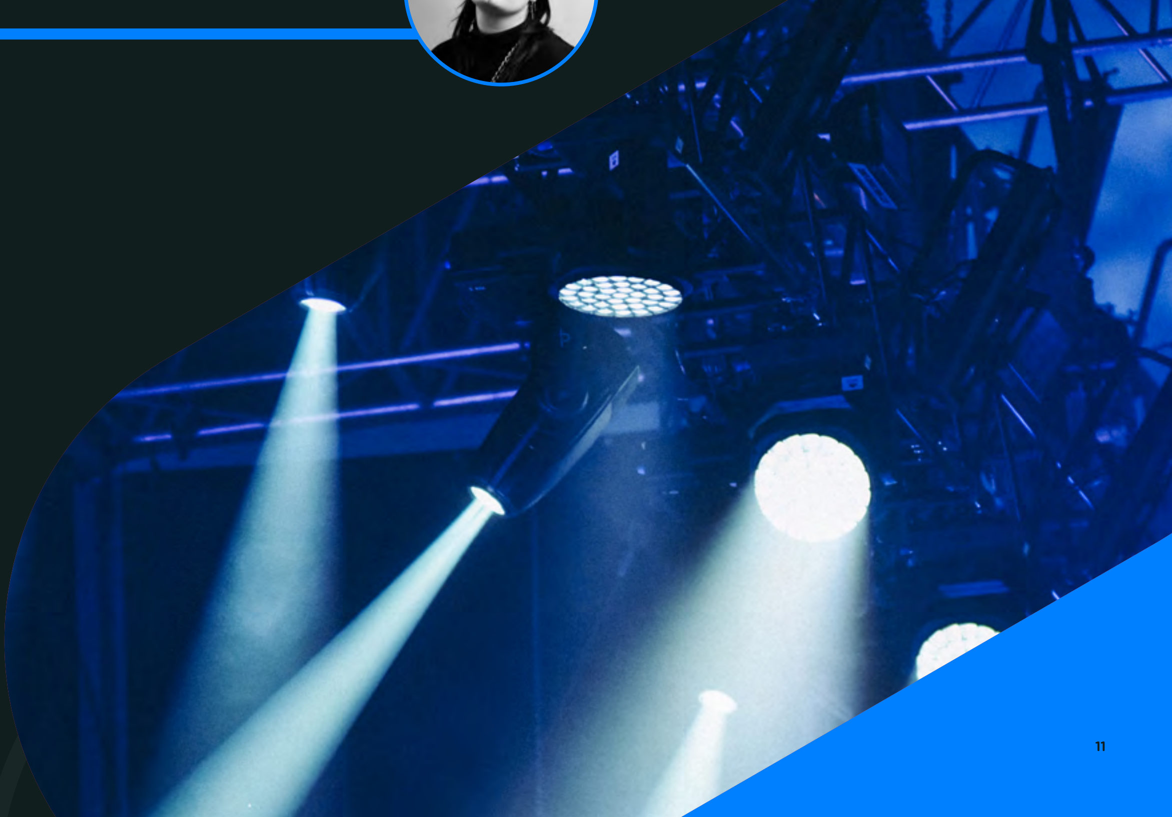
Almost all of our industry experts told us that much of the past 12 months has been characterised by a noticeable increase in ticket buying 'no shows' at events.

This was reflected in our data which showed that **one in three** attendees had bought tickets for an event in the last 12 months and not attended.

1 in 3

"[Promoters had said that] pre Lockdown they'd maybe get 15 or 20% drop out.[Now] post lockdown people were saying it was 60% to 70% - which is a huge, dramatic difference."

**- Michelle Manetti, Fèmmme Fraîche**



However, attendees similarly have also had to get used to uncertainty as cancellations and rescheduling have become part of the new reality, with **almost 1/3** of people **holding tickets for events that have already been rescheduled at least once.**

**17%** almost **17%** of respondents have missed two or more events in the past twelve months.

"I think with rescheduled shows, people just forget they had tickets for two years and they either completely forget or they don't care anymore, or they're busy on the rescheduled date and they just can't be bothered to resell it."

**- India Mansfield, Gen Z**

This sense of uncertainty on all sides may also be a factor in increasingly late ticket buying, something our experts told us has become increasingly challenging for the industry.

Our survey showed that **two in five** are buying tickets later now than before the pandemic.

2 in 5

"We've seen a massive surge in late ticket buying. And also what's really tough is that on the cheaper price tickets, we're seeing much more of a drop out because people are getting to the weekend and going 'Yeah, actually I only spent a tenner on that ticket, I don't really want to go out anymore.'

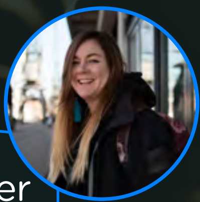
**- Hannah Shogbola, UTA / DAJU**

15%

missed live music events to avoid or prevent illness.

12%

Over 12% missed events because they could no longer afford to attend.



"Because of the cost of living crisis and people not knowing whether they're going to have Covid right up until the show, we are finding that people are buying tickets really late and promoters are getting really, really nervous. But then some shows are selling out and it's fine, others sell tickets and people don't turn up, or the show fails to attract enough customers to break even. With ticket buying happening much, much later it adds a lot of uncertainty to a sector still struggling to recover from the pandemic."

**- Carly Heath, Night Time Economy Advisor, Bristol City Council**

15%

missed events because they were too tired or busy on the day, with Gen Z more likely than average to do this.

# 3. GEN Z ARE LEADING THE WAY.

## KEY TAKEAWAY

**The pandemic hasn't put Gen Z off from live music events, even for teenagers who came of age during the period covid lockdowns and restrictions.**

Contrary to some reports, Gen Z are one of the most hungry age groups to attend more gigs, clubs and festivals.

And despite some concerns that the pandemic and lockdowns may have dampened the interest in live events for those who were in their mid to late teens at the time, our data would suggest that the famously sober-curious generation, some of whom came of age just as the world shut down, are still very keen to attend gigs, festivals, and nightclubs in particular.

2x

Our research shows that 19-24 year olds were **twice as likely** as other generations to have been to as many as ten clubbing events in the past twelve months.

"I've been going to so much stuff this year. Obviously I'm older than I was, so I have a bit more money to go see these things. But I've seen more artists this year than I've ever seen before."

**- India Mansfield, Gen Z**

"I think some people started partying more in the pandemic, actually, because there were all of these illegal student parties, flat parties going on."

**- India Mansfield, Gen Z**

2x

17-18 yo's were almost **twice as likely** to have been to a live music event in the past month than older age groups.

Gen Z are more likely to say they plan to go to more events next year, with young Gen Z (17-18 yo's) almost twice as likely than other age cohorts.

# 4. FESTIVALS IN FLUX.

## KEY TAKEAWAY

**Both industry experts and attendees suggest a possible reduction in the size and scale of the weekend festival scene. At the same time there is renewed interest in day festivals and day events.**

Our data shows a decline when comparing attendees' reported pre-pandemic level of festival attendance with more recent festival attendance. **This sense of decline is further compounded in our survey by 'festival fans' (those who attend festivals more frequently than clubs or gigs / concerts) who were more likely than average to go to fewer events next year.**

However, despite a potential scaling back in interest in weekend festivals, after experiencing a year of restricted live music events during various states of lockdown, there is renewed interest in day festivals and day events, with **58% of people having been to a daytime only** live music event since the start of the pandemic. Almost a quarter **(24%) said they are going to more daytime events than they were before the start of the pandemic.**

60% Almost **60%** of people have been to a daytime only live music event since the start of the pandemic.

## Millennials

(25-34) are more likely to have been to daytime events than other age cohorts

As we head towards 2023, we are witnessing the cost of living crisis dovetailing with rising production costs for organisers. At the time of writing, Glastonbury Festival announced their ticket price will be rising from **£265 to £335 - a 26% increase** which Emily Eavis attributed to “incredibly challenging times”. (Source: BBC).

# 30% to 40%

The number of those who hadn’t bought a festival ticket prior to Covid rose from **30% to 40%** in the past year

“People are being far more selective about what they go to and rather than maybe going to three festivals, they’re only choosing one, because everyone’s obviously got less money [and] the price of everything has gone up, so they can’t afford to spend in the same way. So people are just maybe choosing one [and] they’re going to choose one which really does fit them.”

**- Michelle Manetti, Fèmmme Fraîche**

Multiple festival attendance within the year is **down** compared with previous typical years

With ticket prices increasing, spending at festivals could be headed for a decline. **Over 80% of respondents spent less than £100 at the last festival they attended, with just under half spending less than £50. And just over 15% spending nothing at all.**

"It's extremely challenging out there. This is certainly not a bounce-back year for festivals." - Paul Reed, the chief executive of the Association of Independent Festivals (SOURCE: Guardian)

"It's amazing to do what we do and put on events. And when it comes to it, it's an amazing jubilant experience and very busy, sold out events are great. But getting there is more of a challenge, more so than ever, especially if you're scaling up. So it's about working around that and planning and forecasting and reflecting on everything and constantly tweaking the formulas of everything that we do to ensure that we get it right, but also maintaining this authenticity and who we are and staying true to our core values."

**- Conor McTernan, AVA Festival**

Festival attendance overall is **lower** compared to reported pre-Covid attendance levels

"Ultimately British people particularly love festivals and I think actually it's more about going and working out what's right for you and where you would spend your money on a ticket that is worth it and also providing what you want from a festival."

**- Hannah Shogbola, UTA / DAJU**

# 5. IN-VENUE CONSUMPTION IS CHANGING.

## KEY TAKEAWAY

**There's some indication that attendees may reduce or be more strict when it comes to in venue spending.**

**47% of respondents said that their in-venue spending behavior has changed since 2020.** Perhaps unsurprisingly in the context of a shift from Covid insecurity into a wider cost of living crisis, a quarter of live music event attendees told us that they are **spending less in venues than before the start of the pandemic.**

It seems that whilst plenty of people are still motivated to attend live music events, even in an era of crisis, where they may start to apply caution is on how much they spend on things like drink, food and merchandise when at events. Younger event goers in particular are spending very modest amounts at venues and festivals.

47%

said their in-venue spending behaviour has changed

**1.5x** more likely to have spent **<£10**

Whilst Millennials and Gen Xr's were more likely than average to have spent between **£50-£100** on their last night out, Gen Z attendees were more than 1.5 times more likely to have spent **under £10** on their last night out.

**1/4** Just under **a quarter** said they still go out but can't afford to spend as much

# CM.COM'S FORECAST FOR 2023

## KNOW YOUR AUDIENCE

Audiences are always changing, but now they are in flux more than ever. Identifying the people that want to go out and speaking to them in clever, creative ways is a way of ensuring cut-through at a time when the marketplace is oversaturated and the attention economy is more competitive than ever before.

"To a lot of the very niche, marginalized communities, I think a lot of really good things have come out of lockdown and a lot of new ways of doing things and a lot of insight into different people's needs and how to cater for them."

**- Michelle Manetti, Fèmmme Fraîche**

## EMBRACE CREATIVITY

Creating impact is essential in an overcrowded space. Gone are the days of simply putting out a piece of artwork with a ticket link. Thinking creatively about how to amplify on-sale moments, be it through brand partnerships, livestreams, events, teasers, QR codes is crucial. Success in 2023 looks like identifying spaces in the market to create scalable new brands, and building unique and recognisable brands.

"One of the good things to come out of the pandemic is that we are talking to each other more; we're sharing learnings, we're lobbying more efficiently to government about the value of our industry."

**- Carly Heath, Night Time Economy Advisor, Bristol City Council**

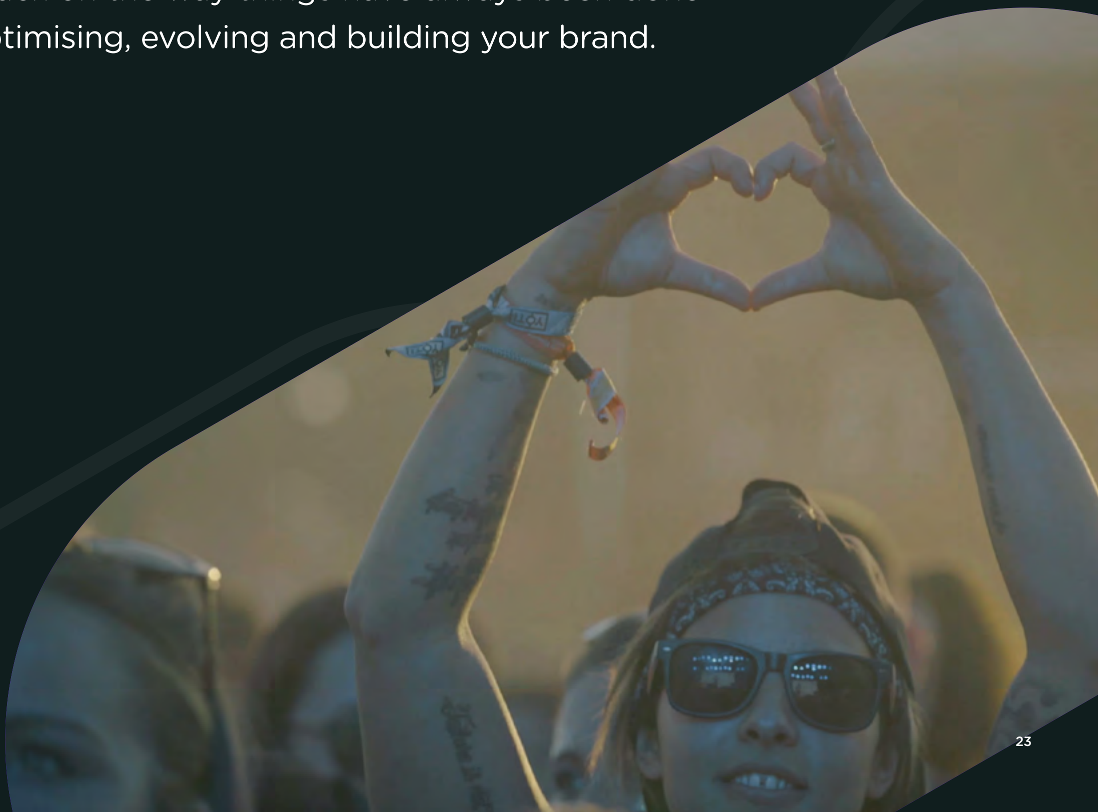
## CONSUMER VALUE FOR MONEY IS KEY

For some, the luxury of choice is being taken away from them for economic and environmental reasons beyond their control. Society is becoming collectively more conscious of value for money in all aspects of life - promoters need to factor this into their bottom lines.

> "Marketing and ticketing vendors need to join forces with music PRs to make things way more fluid. That way we can work on looking 2-3 years ahead and work on building artists together, because at the end of the day we all want the same thing: for shows to be sold out."
>
> **- Hannah Shogbola, UTA / DAJU**

## 'GOOD ENOUGH' IS NOW THE MINIMUM

We have seen that the consumer is becoming more selective. All aspects of events, from programming to production and marketing, need to adapt to this. Ensuring you are engaging attendees pre, during and post event will be key, as with improving the consumer experience. Don't fall back on the way things have always been done - now is the time for optimising, evolving and building your brand.



# CONTACT

Want to hear more? If you're interested in finding out more about CM products, or simply want to understand more about us, please get in touch.

**Jonny Patrickson,**
**Senior Partnerships Music & Live CM.com**

jonny.patrickson@cm.com

07860775472