

The Concert of the Future

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Concert-going used to be a very isolated and linear real-time experience. In the past, it involved attending an event where you were surrounded by people you didn't know or interact with. You certainly didn't interact with the artist in any way. You'd applaud, listen to music, applaud some more and go home – if you made it to the show at all.

Dave knows the pain of missing a show all too well. Once, while attending a play in Seattle with his wife, he arrived at the Paramount Theatre only to see posters for an Alan Parsons Project show that had taken place the night before. He was a huge fan and would have done anything to attend, if only he had known about it in time.

Today, 24-7 connectivity means the buzz about a show starts long before the event. Fans find each other through social networking sites and let each other know about upcoming shows, ticket information and logistics. Artists also reach out through e-mail blasts, online fan clubs and more, offering early ticket purchase and premiere seating to loyal fans. With all that word of mouth (or should we say word of Web?), it's easier than ever for a concert to turn into an event. But today's technology isn't being used to its full potential yet – there's a lot of room for growth in this area. The next step is to connect fans once they're at the venue to make concerts a truly interactive experience.

Transparent Technology

As WiFi devices become more and more common, fans will be able to watch snippets of that day's sound check while they're waiting in line to get into the show (or waiting for the show to start), hear a personal message from the opening and headlining acts, see the action backstage – and even send text messages to vote for the songs they want included in that night's set list or encore. And it doesn't have to end once the artist takes the stage. Artists can solicit fan participation during the show, making cell phones good for much more than just waving overhead during a slow ballad in lieu of a lighter.

When it's done right, this technology is transparent. Fans don't even see it. Five years ago, artists needed to be tech wizards to pull off this kind of connectivity, but today it's within the reach of all artists to use, in venues large and small.

Case Study: Brad Paisley

Country artist Brad Paisley's tour rolled into Winnipeg on the coldest day of the year. Local fans were likely wondering how he and the band were adjusting to the weather, how it would affect that night's show and how he was spending his time in their hometown prior to taking the stage. This was unfamiliar territory for him! Thanks to a test PassAlong Networks spearheaded, concertgoers were able to find out (*in the interest of full disclosure, note that Dave Jaworski is PassAlong's CEO*). With a camera and some audio equipment in place backstage, fans with WiFi devices were treated to a special sneak peek at some of the pre-show activity. Previously dead time became good for more than just a bathroom break or a trip to the snack bar. Brad's connected fans were able to view backstage photos, a short video about his experience in Winnipeg and hear about the opening acts – and it was exclusive media that they could take home with them after the show. Meanwhile, Brad left town with e-mail addresses and cell phone numbers of local fans he'd collected that night that he could use to promote future events and products.

Opportunity Lost

While we're talking about these new ways to connect like they're yesterday's news, very few artists have actually adopted them yet, despite the fact that today's fan is living in a world that's all about interaction and connectivity (thank to services like YouTube, Twitter, Facebook, MySpace, etc.). The Millennials are perhaps the most relational generation ever, so to not make a concert relational, immediately renders that event tired and outdated. It's also a lost opportunity.

The ubiquitous cell phone would allow U2's Bono to urge concertgoers to register for his "One" campaign on the spot. Coldplay's Chris Martin could move beyond the "Keep Trade Fair" message scrawled on his piano to an interactive presentation about the organization's work. The large screens found at most venues could also be used to solicit action from fans on everything from how they think the show is going to what song they want to hear next. Then once the curtain is lowered, the audience could take that night's performance with them, purchasing it directly through their WiFi devices. In exchange for fans giving their phone numbers or e-mail addresses, artists could opt to give away a free track, a video, or a coupon for \$1 off merchandise, for example. Artists could even use this technology to send a personal "thank you" message to fans as they leave the show. Additional post-show communication could include information about show-related product, such as live recordings from that night. If artists were tasteful in how

they communicated, fans wouldn't view it as spam. Instead, these new ways to connect would be seen as invaluable in keeping fan informed while solidifying that all-important Artist-Fan relationship beyond the show itself.

Year-round Connection

There is no down time anymore. Fans want a year-round connection, not just to hear from an artist when a new album is being released. Fans want access to areas that have previously been off-limits to them. They'll pay to get a look at the recording process in the studio, see what's happening backstage or on the tour bus, to know when and where their favorite artists are on TV, etc. They don't want to miss anything having to do with their favorite artists. And in this generation's connected world, there is no reason why they should.

Some artists have already caught on to this and are using technology in interesting and innovative ways to keep fans connected. A few examples of this include:

- Nettwerk's Terry McBride and the Barenaked Ladies offer cruises featuring the band and providing fans with a level of connection and interaction never before possible. As a result, BNL fans become a street team of sorts, spreading the word, and these events provide an additional source of revenue for the band.
- Camper van Beethoven offers their own intimate Camper Camps, inviting fans to interact in ways they haven't before.
- Prince and others are using the Web to allow fans to purchase tickets first, before the general public, something that wouldn't have been possible in previous years.
- Duran Duran put on a virtual gig inside the online game Second Life, performing live shows as avatars within the game on their own island. "We are hoping to give the crowd that comes to the virtual concert a real immersive experience, so they can interact with us and react while we are actually on stage," keyboardist Nick Rhodes said prior to the event.

The (Still) Golden Ticket?

While some may argue that offering so many additional events competes with ticket sales for traditional tours, the live music space seems to be thriving. The ticketing industry is even finding new ways to add to their offerings directly to fans and capitalize on new technology. In fact, the average music fan attends only two events per year. Even the slightest increase in this average has a profound effect on the lives of artists and the industry as a whole.

In 2007, Ticketmaster announced a deal with iTunes that allows every consumer who buys a concert ticket at Ticketmaster.com to receive free music from iTunes. Additionally, music fans who pre-order select digital albums on iTunes, will have the opportunity to buy those artists' concert tickets on Ticketmaster.com before they go on sale to the general public. Ticketmaster will reward ticket buyers with a complimentary song of their choice on iTunes, and every concert ticket buyer will be offered a digital sampler featuring a selection of music from touring artists. Later in 2007, consumers will be able to purchase a Ticketmaster-iTunes gift card pack redeemable for credit on Ticketmaster.com and the iTunes Store respectively.

Case Study: OnTour

Capitalizing on the popularity of widgets, PassAlong Networks launched its OnTour application. Stats show that up to 80 percent of fans don't know when a band they like has new music out, never mind when that are playing their town. Add to this the fact that only big acts with money for advertising usually get coverage, and that leaves a large gap and opportunity in the live show market. OnTour serves as an equalizer. More than 50 percent of concert ticket purchase decisions are made online, but as of 2006 data, only two percent of ad dollars were spent online to promote these events. In short, the message is not getting out where the audience is waiting to receive it. If you are looking online to learn about events of potential interest, odds are good that, without a service like OnTour, you do not easily find them.

In addition, a music-centric town like Austin, Texas has 3,500 live events each month. Weekly or even daily newspapers can't keep up with all the last-minute changes, plus fans would have to wade through all the acts and genres they don't care about to find the few events they do. OnTour cuts through all that, providing fans with information on only the artists they are interested in (by scanning the music files on their computer to see which artists/bands are of interest to them personally) and only for the geographic location they specify. Traveling to another city? Change the city and in less than two seconds your favorite artists playing live in that area are shown. Drawing from Pollstar and Live Nation's databases of live events, OnTour provides fans with up-to-the-minute information on shows in their area at venues both large and small. Once an event has been found, they can purchase tickets, get directions to the venue and buy the latest music from the artist.

Other services are also hoping to revolutionize touring. Live Nation's OPEL (Open Platform Event Listing) service lets any act share information about their upcoming shows, whether they're playing a large venue or a small local coffeehouse. The company is now inviting competing venues to list their events, and also build their own pages within the site. The result will be a website that lists a large number of concerts from both Live Nation and competing venues, and also creates a one-stop destination for tasks like seat selection and ticketing. This new approach will help Live Nation aggregate a critical audience of concert-focused fans. That opens the door to a number of possibilities and will likely raise overall attendance at Live Nation events.

Not Their Parents' Web

The Internet that Millennials use today is not their father's or mother's Web. While the first generation Web was a lot like reading the newspaper, today it's dynamic and up-to-the-minute – and so is the Millennial generation's knowledge of how to use it. It can even proactively reach out to you, as evidenced by services like Facebook Mobile. The Millennials' parents were introduced to computers in college and few had any experience prior to this, while technology has always been a part of Millennials' lives. They've grown up with cell phones and learned to take advantage of technology from an early age. They have never known a world without technology as a natural extension and enabler in their lives. This has resulted in the expectation of immediate interaction.

That demand may not be something that bands who have been touring for 30 years feel they can adequately respond to, but it's easier than ever for artists of any age to get in on the action. And with the Millennial generation growing more influential every day, it's an opportunity artists can't afford to overlook.

Major vs. Indie

While signing that elusive major-label deal used to be the only way to large-scale success as a band, technology has leveled the playing field, and this doesn't just apply to whose shows you hear about, but also what any artist has the capability to do. We've seen indie sales rise to represent approximately 29 percent of all music purchased in the U.S., according to the latest sales data from sources including PassAlong Networks. Street teams and social networking sites make it possible for one fan to have a voice and make a difference. And street teams have now grown from tens to hundreds to even hundreds of thousands of fans.

Talented, proactive artists now have the ability to create a stable, reliable fan base and make a living with their music by engaging e-commerce transactions directly with their audience, with less need for the dreaded "day job." So while some artists still aspire to the major label record contract, others are able to make a healthy living by connecting directly with their fans and remaining "independent". Some artists are even leaving major labels and "going indie" because there are finally resources available to fill the gaps. New tools help with tour support and let them leverage their fan base to get the word out without the help of a major-label marketing team – or the expense. For many, this means they can pocket more of the proceeds.

We are not advocating one model over the other. We are recognizing that new viable options exist that did not even a few years ago. It is our hope that these new models will benefit all artists, whether they are signed to a major label or remain independent.

Early Innovators and Pioneers

Of course, we can't possibly talk about all that's available now without a nod to some of the forward-thinking individuals who helped pave the way. The Digital Club Network was an innovative service that came online in 1996 and included New York City venues Irving Plaza and The Knitting Club. The premise was that those who couldn't make it to the actual shows could go online and enjoy streaming concerts from participating clubs. The problem with that model was that it was limited in its focus, and the technology wasn't there yet for the vision to pan out. The heavy broadband needed to pull this off 10 years ago was just too expensive. Add to that the learning curve to win over artists to the idea and get consumers to engage, and it was just too early.

Today we have Virtual Venues Network. A touring band with a decent following may still only be able to hit 80 cities in a season or a year. That means they're going to miss many other locations where they have fans. But if those 80 concerts are run in a networked group of venues, a college student who can't travel to the nearest show can instead watch an HDTV version of it. Clubs and campus event centers in the network can also invite people out to watch a pre-release of a live DVD or footage of an artist that is no longer touring or no longer living. It's all upside to the artist, bringing in what is essentially "found" money. Meanwhile, it extends the reach of the artist's brand and pulls people out of an isolated living room experience into a venue full of like-minded fans, while creating an ongoing revenue stream for

the artist. Few people have the means to drop out and follow their favorite band around the country or globe, but this innovative use of technology lets more people get out to more events in an economical way. This model also allows for a show to be simulcast so fans would have the opportunity to watch The Police in Tokyo in almost real-time.

National Cinemedia, the owner of one of the largest theater chains in the U.S., recently started showing concerts on off nights. While they learned that not everyone wants to sit down and experience their favorite bands this way, they've since moved on to showcasing opera which seems more conducive to a seated audience for two hours.

As technology continues to develop, it is catching up to some of these great ideas that have been bubbling around for awhile; some for years. With today's technology and the receptivity of Millennials, Digital Club Network could probably thrive and other related services that once seemed out of reach can also now be realized.

Future Forecast: What's Next?

Millennials are all about choice and communication. And artists and the concert industry are delivering. From movie theater concerts and home theaters to small clubs and huge stadiums, there's more to choose from than ever before. And names like Deep Rock Drive, Doppelganger and Virtual Venues Network are relative newcomers poised to make sure the live music space continues to evolve even further.

All mobile phones are becoming fully enabled for media. And they are all getting connected with faster and faster access to the Internet. This world of the connected Millennial is the base level for your planning for the future. It is becoming safe to assume your audience is connected and is able to experience the media you create whenever and wherever they want. And they will share this media with their connected friends instantly when it moves them.

While there's so much on the horizon worth celebrating, we also acknowledge that technology can have a downside. The preponderance of camera phones and popularity of text messaging means that artists' faux pas now live on forever in cyberspace. But artists who use this negative aspect as an excuse to avoid technology altogether are only hurting themselves. Not just a "passing fad," technology is here to stay. Those who embrace it and all it has to offer will find it can be greatly rewarding for the fan and for themselves. This Millennial

generation is here to teach us and to challenge us to connect with and engage them.

(Initially printed in: Project Millennials: “Millennials in the Digital Entertainment Age” – 2nd Edition, published in March 2008; visit www.projectmillennials.com for more).