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RECONCEPTUALIZING MARKETS: HIP-HOP ARTISTS, MARKETING,
DISTRIBUTION, AND CONSUMERS

Ronald Pikes

99 Pages

August 2015

Sociologists have made many contributions to the current understanding of markets. In spite of these contributions, individuals and market practices in sociology are generally overlooked, but both are important because individuals and their practices give markets their form. By overlooking market practices, sociologists disregard two of the most important forces within markets, distribution and marketing. These oversights significantly reduce our ability to understand how modern economic markets operate. Thus, the focus of this study is centered on market actions of independent hip-hop music artists and consumers of hip-hop music especially in regards to music distribution technology. Data was collected via in-depth interviews with producers (artists) of hip-hop music and hip-hop music consumers. Results suggest that there are two primary ways in which digital distribution affects the behavior of those who make up the two sides of the market. First, digital distribution increases the quantity of consumer participation within the market by altering the risks linked to acquiring/accessing music and by improving the consumer's ability to help market music. Second, it improves independent artists' ability to involve consumers in the complex process of producing and marketing their music in essence allowing consumers to become co-producers and co-

marketers of an artists and his or her music. The study presents a multiplicity of contributions to economic sociology, the sociology of markets, the sociology of consumers and consumption, hip-hop music studies, and begins what I call the sociology of marketing and distribution.

RECONCEPTUALIZING MARKETS: HIP-HOP ARTISTS, MARKETING,
DISTRIBUTION, AND CONSUMERS

RONALD PIKES

A Thesis Submitted in Partial
Fulfillment of the Requirements
for the Degree of

MASTER OF SCIENCE

Department of Sociology and Anthropology

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2015

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RECONCEPTUALIZING MARKETS: HIP-HOP ARTISTS, MARKETING,
DISTRIBUTION, AND CONSUMERS

RONALD PIKES

COMMITTEE MEMBERS:

Thomas Burr, Chair

Christopher Wellin

Gary L. Hunter

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CHAPTER I

INTRODUCTION

Sociologists have made many contributions to the current understanding of markets. In spite of these contributions, individuals and market practices in sociology are generally overlooked, but both are important because individuals and their practices give markets their form. By overlooking market practices, sociologists disregard two of the most important forces within markets, distribution and marketing. These oversights significantly reduce our ability to understand how modern economic markets operate.

PURPOSE OF STUDY AND OUTLINE OF THESIS

This thesis is centered on market practices of independent hip-hop music artists and consumers of hip-hop music, specifically in regards to advances in digital technology and music distribution technology. The thesis contains six different chapters. This chapter serves as an introduction to the study. In chapter two I develop a framework for studying markets by reviewing literature from various sub-disciplines in sociology, literature on distribution, and discussing managerial marketing theories. I conclude chapter two with a summary of the gaps in the sociological literature on markets. Chapter three takes the framework developed in chapter two and applies it to what I call the hip-hop music market, discusses the implications of the framework presented in chapter two, and presents the research questions for the current study and their significance to furthering the debate on markets. Chapter four focuses on the research

design and methods used to carry out this study. Chapter five presents the results of the study. Chapter six concludes the study by summarizing and discussing the results, pointing to specific contributions the study makes to literature on markets, producers, consumers, distribution, and marketing, and discussing future research ideas and the limitations of the current study.

CHAPTER II

LITERATURE REVIEW: THE SOCIOLOGY OF MARKETS

As mentioned in the introduction, sociologists have made many contributions to scholars' current understanding of markets. However, they have generally overlooked individuals and their market practices, but both are important because individuals and their practices give markets their form. At present, however, no framework exists for studying individuals and the cooperative practices that result in markets. Thus, in this chapter I argue primarily three things: 1) sociologists of markets have focused on producers, as a consequence consumers have been ignored, but are vital to the functioning of markets, 2) market practices have been confined to the school of performativity, but need to be synthesized with ideas of markets as producers and consumers, and 3) intermediaries are largely missing from the sociology of markets, but need to be included because their actions link producers and consumers. To address these shortcomings, I develop a framework that emphasizes producers, their environments and marketing practices, consumers' activities and their environments, and other market actors and their actions.

This chapter is divided into five sections. First, I review sociological accounts of markets, and argue that they are too producer-oriented and that sociologists need to equally consider consumers and their activities in order to understand how markets operate. Second, I use literature from the sociology of consumers and consumption to

bring consumers into a discussion of markets. Third and fourth, I discuss two different intermediary functions, distribution and marketing. Fifth, using the concepts laid out in the previously mentioned sections, I refine the concept of a market. To conclude the chapter, I summarize the gaps in the literature.

SOCIOLOGICAL ACCOUNTS OF MARKETS

Sociologists have covered a wide range of topics concerning markets. For example, Fligstein (1996) argues that markets involve producers selling a good or service to consumers. Though Fligstein includes consumers in his conception of a market, he does not discuss them; instead, he discusses how firms organize themselves around market institutions such as property rights, governance structures, conceptions of control, rules of exchange, and other internal strategies producers use to control competition. Additionally, Aspers (2011) suggests that a market consists of buyers and sellers, and is characterized by continuous exchange, evaluation, choice, and competition. Furthermore, Aspers suggests that the environment of the market “is largely made up of other economic actors, such as competitors, partners, buyers, and sellers” (Aspers 2011: 28). Similar to Fligstein, Aspers mentions consumers (buyers), but does not discuss them in any detail. Whereas Fligstein and Aspers define markets as producers and consumers, White (1981) argues that markets are networks of competing firms reacting to the actions of each other, while ignoring consumer demand.

Taking a different approach, scholars in the school of performativity view markets as hybrid collectives of individuals and devices that enable the economic calculation of goods. In this tradition, less focus is placed on the groups (producers and consumers) that make up a market and more emphasis is placed on the collaborative actions of hybrid

collectives that allow for markets to operate as they do. For instance, Callon and Muniesa (2005) discuss the elements that allow markets to behave as calculative collective devices. They argue that markets are composed of not just human actors, but also non-human actors. More specifically, they suggest that humans do not know of all the possibilities of calculation or that non-human things simply by being used allow humans calculative abilities beyond their human capabilities; instead, it is the combination of human and non-human (tools, devices, rules, routines, conventions, organizations, etc.) agents that enable markets to operate as calculative devices. In Callon and Muniesa's view, markets are socio-technical in nature.

Markets in sociology have been conceptualized in a number of ways; as institutions (Aspers 2011; Fligstein 1996), as networks of producers (White 1981), and calculative spaces (Callon and Muniesa 2005); however, as the brief review above suggests, sociological accounts of markets tend to be too producer-oriented, usually mentioning but not examining consumers. Sociologists agree that consumers have been under-analyzed in studies of markets and need to be studied within a market context further (Aspers 2011; Fligstein and Dauter 2007; Zelizer 2005). Additionally, sociologists outside of the school of performativity have largely ignored how practice and market devices construct or shape markets.

Burr (2013) argues that both economists and sociologists have mostly used one-sided, production-oriented models of markets, but need a two-sided model. Thus, he suggests that markets should be conceptualized as “an ongoing interaction between a set of producers making and selling a product to a set of consumers buying and using it” (Burr 2013: 471). This conceptualization of a market emphasizes the interaction between

both consumers and producers, and thus can be used as the basis for developing a theoretical framework that more accurately depicts the components of markets. This framework can then be used to further understand how markets work.

ADDING CONSUMERS TO MARKETS: THE SOCIOLOGY OF CONSUMERS AND CONSUMPTION

It is known that use drives purchase. Purchase is important because it makes up one of the core functions of markets, (economic) exchange. This simple idea hints at the importance of including consumers in conceptions of markets. However, the current focus of the sociology of consumers and consumption does not allow for understanding consumers in markets. Thus, in this section, I show why the sociology of consumers and consumption is ill equipped for sociologists of markets purposes. Additionally, I argue that sociologists of markets can bring consumers into conversations about markets by focusing on Nicosia and Mayer's (1976) discussion of consumption activities - the buying, using, and disposal of goods or services – and the environments these activities happen in.

Issues In The Sociology Of Consumers And Consumption

Currently in the sociology of consumption, consumers are studied outside of a market context, and consumption activities are more narrowly defined (or at least studied), fragmented across sociological sub-disciplines, and studied independently of each other. For instance, the recent focus of the sociology of consumption is on using various social, cultural, demographic, and economic variables such as education, ethnicity, age, income, and occupational status to explain how various groups use cultural products to include or exclude groups who do not share similar tastes, and as a part of

forming and expressing identity (Bourdieu 1984; Bryson 1996; Peterson and Simkus 1992).

The sociology of consumption is rooted in cultural sociology; thus, it is quite logical that sociological studies of consumption focus on how consumption functions at the cultural level. However, if the sociology of consumers and consumption is to help further scholars' understanding of consumers in markets, it should not focus solely on why and how consumers use goods to communicate their identity or social position with others. Campbell (1995) says:

It has become almost routine for theorists to employ a communicative act or expressive paradigm when focusing on consumption; with the consequence that consumer actions are not viewed as real events involving the allocation or use of material resources (or even as transactions in which money is exchanged for goods and services) so much as symbolic acts or signs...(P. 115).

The current focus of the sociology of consumers and consumption limits its usability for sociologists of markets. To move the sociology of consumers and consumption in a direction that will help us understand consumers in markets economic sociologists should join the debate on consumers and consumption. It is quite disturbing that economic sociologists have not given more attention to consumers given that economic sociology is typically defined as "the application of the frames of reference, variables, and explanatory models of sociology to that complex [set] of activities which is concerned with the production, distribution, exchange, and consumption of scarce goods and services" (Smelser and Swedberg 2005). Although the definition contains consumption, economic sociologists rarely, if ever, critically discuss consumers or consumption. By analyzing multiple consumption activities in addition to consumer

environments, economic sociologists can contribute to the understanding of consumers and consumption within markets and in general.

Consumption Activities and Consumer Environments

In a proposal to the American Sociological Association, Cook, Miller, Schor, and Stillerman (2011) argue that economic sociologists see consumption as the end of a chain including production and distribution, and thus reduce consumption to a single moment, economic transaction. Nicosia and Mayer's (1976) elements of consumption activities extend beyond economic transactions and thus can be used by economic sociologists as the basis for adding consumers to studies of markets. Consumption activities as discussed by Nicosia and Mayer (1976) include three primary aspects: 1) buying activities, 2) use activities, and 3) disposal activities. Buying activities refer to the financial transaction between a buyer and seller. Use activities refer to where, when, and how consumers use goods or services. Disposal activities refer to moving the used goods away from the consumer, such as in recycling.

Each consumption activity outlined in the previous paragraph happens within the consumer-environment, which significantly influences where, what, when, and how goods and services are consumed. Consumer-environments are "complex, dynamic assemblages of persons, devices, and behavior patterns within which consumers repeatedly [buy, use, and dispose] of products" (Burr 2014: 22). Consumer environments should also include physical and virtual places in which consumers operate in and consumption occurs. This definition suggests that culture, behavior patterns, institutions, technology used in consumption (including technology that allows for calculation) physical and virtual places, and other consumers all constitute consumer environments.

Each consumption activity can be reduced to its own environment (for instance, the use-environment).

CONNECTING PRODUCERS AND CONSUMERS: CHANNELS OF DISTRIBUTION

If markets are composed of producers and consumers, then they are also composed of the individuals, organizations, and devices that enable the interaction of the opposing sides. Sociologists, however, have largely neglected this fact of markets. Thus, distribution and distribution channels and their role in markets are considered in this section.

Distribution and Distribution Channels

One of the basic elements of marketing, distribution is the process by which producers make a service or good available for consumption (Kte’Pi 2009). If distribution is the process of producers making goods and services available for use, then channels of distribution are the pathways that facilitate the process of distribution. Channels of distribution consist of all the organizations, individuals, and devices that make a good or service available for consumption (Bianco 2000). The members of the distribution channel “create value for buyers and sellers through the acquisition (procurement), consumption (usage), or elimination (disposal) of goods and services” (Truell, Pelton, and Strutton 2007). More simply, channels of distribution allow for the existence of markets, as they make continual exchanges and interaction between producers and consumers possible (Truell et al. 2007).

Channel Structure and the Role of Distribution Intermediaries

Channels of distribution can be structured in a number of ways. Channels may be composed of two to five levels. At their most basic, channels of distribution have only two levels. In this structuration, goods and services move directly from the producers of the goods or services to the consumer. This occurs when a manufacturer delivers its products or services directly to consumers via the manufacture's distribution system.

In a distribution channel with three levels, an intermediary is set between producers and consumers. "Perhaps the key part of any distribution channel is the intermediary. Channel intermediaries are individuals or organizations who create value or utility in exchange relationships. Intermediaries generate form, place, time, and/or ownership values between producers and users of goods or services" (Truell et al. 2007). This extra level is referred to as a retailer. In this distribution arrangement, retailers order directly from the producer and then sell those products directly to consumers.

In a four-level channel structure, a wholesaler is situated between producers and retailers. Here, producers sell to wholesalers and retailers buy from wholesalers and then deliver the product to the end-user. The final channel structure consists of five levels. In this situation, channels consist of the manufacturers' agent, who is situated between the producer and the wholesaler, or a jobber who services smaller retailers not covered by the large wholesalers in the industry.

Calculative Aspects of Distribution Intermediaries

Some might ask, "Why do not all producers sell directly to consumers?" The answer is simple; the direct-sale-to-consumers approach to distribution may not always be the most effective. Intermediaries offer several benefits to both producers and

consumers such as improved efficiency, routinization of transactions, and reduced risk and uncertainty (Bianco 2000; Truell et al. 2007).

Improved efficiency results from reducing the complexity of the distribution arrangement. More specifically, efficiency is improved by reducing the number of organizations or individuals who are essential in completing exchanges. By doing this, efforts such as ordering, processing, and shipping are no longer duplicated. Bianco (2000) says, “in an industry with five manufacturers and twenty retailers there are one hundred contact lines – one between each manufacturer and retailer. By simply adding one wholesaler, the contact lines can be reduced from 100 to 25 – five contact lines from manufacturers to wholesalers and twenty from wholesalers to retailers.” This example makes it easy to see that the more channel members there are, the more complicated exchange relationships become, because without intermediaries, each producer would have to deal with each customer individually. Thus, reducing the lines of contacts by introducing intermediaries optimizes all exchange relationships within a given channel (Truell et al. 2007). It is important to note, however, that at a certain point additional intermediaries do not add any additional benefit.

A second calculative aspect is routinized transactions, which reduce the costs related to distribution. Routinization adds several benefits to channel members. First, as transaction processes become routine, the expectations of channel members become institutionalized and the need to negotiate the particulars of each transaction is eliminated. Additionally, routinization allows channel members to focus on their core businesses; thus, as transactions become routine, the costs associated with those transactions are reduced (Truell et al. 2007).

The third calculative aspect distribution intermediaries provide to producers and consumers is reduced risk of need uncertainty. Need uncertainty refers to the doubts that sellers have regarding whether they actually understand their customers' needs. Intermediaries reduce need uncertainty by “[bridging] the gap between the assortment of goods and services generated by producers and those in demand from consumers” (Bianco 2000). Producers usually create large quantities of similar products and services. Consumers, however, want small quantities of many different products and services. Thus, intermediaries are established to smoothen the flow of goods and services between producers and consumers.

To smooth the flow between producers and consumers, intermediaries sort, accumulate, allocate, and create assortments of goods and services. In the sorting stage, intermediaries take different items and sort them into similar categories. In the accumulation stage, intermediaries gather products and services from different producers to create a larger supply for their customers. Intermediaries reduce homogeneous products into smaller units for resale in the allocation stage. Finally, they build up an assortment of products to give consumers a broader product and service selection (Bianco 2000).

Intermediaries also reduce need uncertainty in another way. Since intermediaries act as bridges between buyers and sellers, they are much closer to both producers and users than producers and users are to each other. Their position in the market allows them to reduce the uncertainty of both buyers and sellers by adjusting what is available with what is needed (Truell et al. 2007).

The Importance of Distribution in Sociological Studies of Markets

To fully understand how markets operate it is necessary to look at not just buyers and sellers, but also the assemblages of people and devices that serve to connect the two sides. To date, however, sociologists have largely neglected intermediaries, despite the fact that intermediaries allow for the existence of markets. Agency, one of the core assumptions of the theory of performativity, can help scholars begin to think sociologically about distribution and distribution channels. Concerning agency, Callon (2005) states:

Agency as a capacity to act and to give meaning to action can neither be contained in a human being nor localized in the institutions, norms, values, and discursive or symbolic systems assumed to produce effects on individuals. Action, including its reflexive dimension that produces meaning, takes place in hybrid collectives comprising human beings as well as material and technical devices, texts, etc. (P. 4).

Agency allows us to replace the usual human agent with one that encompasses not only the human agent, but also various objects (i.e. market devices) that do things (Callon, Millo, Muniesa 2007).

Furthermore, market devices - distribution in this study - reconfigure what action within a market is, who the actors are, and what actors can do (Callon et al. 2007).

Callon et al. also explain that by using the idea of a device one can begin to analyze these devices sociologically because “these objects can be considered as objects with agency: whether they might just help or force, devices do things. They articulate actions; they make others act” (Callon et al. 2007: 2). “Without devices...movements that animate markets would be virtually impossible” (Callon et al. 2007: 4).

MARKETING AND MARKETING STRATEGY

If producers operate within markets that are characterized by intense competition between multiple firms/individuals for groups of consumers buying, using, and disposing of products, how do firms and individuals distinguish themselves in the minds of consumers from other firms and individuals? That is, how do producers control competition in a market? Further, how do the market practices of producers affect consumers within a market context?

Applbaum (2004) - an anthropologist - argues that because the technology that granted organizations competitive advantages has become easier to access, marketing has become the primary means by which firms differentiate themselves and their products from other firms and products. Marketing can be defined as “the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large” (American Marketing Association 2007).

However, sociologists have largely ignored marketing as a primary means to how producers differentiate themselves from other producers, and how producers learn about consumers and influence consumers’ behaviors within a market. Instead, sociologists have tended to focus on competitive strategies that are generally internally oriented – such as organizational design, integration, or diversification – and not concerned with consumers (Fligstein 1996; White 1981). When sociologists have studied externally oriented strategies for controlling competition, they have looked at the impact marketing (especially advertising) has on society (Berger 2011; Dawson 2003).

Marketing as a practice is probably best explained through a discussion of the elements of a marketing plan. The marketing plan is a tool or technique that marketing practitioners use to summarize what the marketer has learned about the market (Burr's conception) and to discuss the strategies the firm/individual will use to reach the firm/individual's marketing objectives (Kotler and Keller 2012). That is, the marketing plan involves all the activities that marketers will use to understand, persuade, and reach consumers and potential consumers of a product or service. For the purpose of this research, I cover only the situation analysis, segmenting, targeting, and positioning strategy, and marketing programs/mix.

Situation Analysis

The situation analysis is the initial stage of a marketing plan. In this section marketers survey their internal and external environments in order to gain an understanding of the current state of the market to have more information to make better-informed strategic decisions later in the marketing process. The internal environment includes (human, financial, informational, supply) resources, offerings, previous results, business relationships, and keys to success and warning signs. The external environment includes demographic trends/factors, economic trends/factors, technological trends/factors, cultural/social trends/factors, and competitive factors. From the analysis of the environment marketers are able to assess their strengths, weaknesses, opportunities, and threats.

Segmentation, Targeting, and Positioning

Following the analysis of the current situation of the firm/individual, marketers proceed to the more strategic aspects of the marketing plan. Marketing strategy can be

defined as “an organization’s crucial choices concerning products, markets, marketing activities and marketing resources in the creation, communication and/or delivery of products that offer value to customers in exchanges with the organization” (Varadarajan 2010: 130).

The groundwork for marketing strategies is laid with market segmentation¹.

Market segmentation is “the act of dividing a market into distinct groups of buyers who might require separate products and/or marketing mixes” (Appelbaum 2004: 32).

Marketers segment consumers to develop better-tailored marketing strategies.

Furthermore, Appelbaum suggests that the marketer’s goal is to remove the individual from a social context. That is, marketers seek to isolate individuals from larger groups such as families, organizations, or social class. Marketers believe that as an individual one is free from cultural restraints such as values or ideals, which can constrain the choices of consumers, and thus is prone to make more rational decisions. Appelbaum also suggests that group influence on purchase decisions is more difficult to understand.

Thus, marketers approach consumer segmentation based on horizontal or “democratic” relations. Appelbaum (2004) says, “In horizontal relations, the individual may be seen in relation to other individuals as free actors, free choice-makers, whose purported goal to satisfy needs and achieve the construction of self-identity are not compromised by such interferences as filial duty or custom” (pg. 86).

After marketers have developed a sufficient segmentation strategy, they proceed to select the most viable consumer segments in a process referred to as targeting the

¹ A “market” in the marketing management school of thought is a group of consumers who may desire a similar product or service.

market. Targeting strategy involves selecting the consumer and/or business segments that are the most attractive to the firm/individual and selecting which consumer and/or business segment or segments to engage (Applbaum 2004). Marketers use targeting to gain competitive advantages over other firms by selecting consumer segments that they believe would respond most positively to their marketing strategies (Weinstein 2014).

After selecting the most attractive segments, marketers then develop the firm/individual's positioning strategy². Positioning can be defined as the "the act of designing the company's offer so that it occupies a distinct and valued place in the target customers' minds" (Applbaum 2004: 35). Here, marketers' key goal is to situate the firm or individual's offering in the minds of consumers in a way that maximizes potential benefit to the firm or individual (Kotler and Keller 2012). A strong positioning strategy directs marketing strategies by "clarifying the brand's essence, identifying the goals it helps the consumer achieve, and showing how it does so in a unique way" (Kotler and Keller 2012: 298).

The Marketing Mix

After selecting the most attractive segments to engage and developing the position the firm or individual wants to occupy in relation to other competitors, marketers then develop a mix of marketing programs designed to achieve goals related to segmentation, targeting, and positioning strategies. In executing marketing strategy, marketers primarily rely on the marketing mix by applying different strategies to each targeted market primarily in order to execute the positioning strategy. The Marketing mix

² It is important to note that positioning strategy can be designed to focus on a product, service, firm, or individual.

consists of the methods and tools used to produce, promote (communicate with consumers and potential consumers of the product), price, and deliver (distribute) value to the end consumer.

Sociological Importance of Marketing

To date, sociologists have largely ignored the importance of the aspects of marketing in understanding how markets function. Marketing may be important in understanding how markets work in primarily three ways. First, marketing strategy is a way that producers and consumers try to control the market and its environment in an effort to control and order the unpredictability of human behavior and social process typical in production and consumption (Aspers 2011; Negus 1998). For example, Burr (2014) has shown how producers and consumers try to influence use-environments in an effort to drive demand. Beyond controlling use-environments, producers look to control purchase and disposal environments as well. For instance, Applbaum (2004) expresses the primary goal of firms/individuals who use marketing tactics:

In short, firms seek to exercise control over every possible moment leading up to, including, and following the sale. Marketing procedure commissioned to carry out this objective is thus based on a systematizing model designed to do more than merely connect buyers and sellers, but to affect the very conditions in which needs and wants are to be expressed and experienced (P. 50).

A more specific area of consumers' environment (part of the market environment) affected by marketing tactics that may be of importance to sociologists of markets is consumers' values/culture, which influence how consumers behave in market situations. For example, Zelizer (1983) looks at the role cultural ideals play in the development of insurance markets. She suggests that life insurance failed to gain widespread acceptance due to certain cultural views regarding death. Most importantly, Zelizer discussed the

role marketing played in helping change cultural views/values concerning life insurance that gave birth to a consumer-environment conducive for the formation of life insurance markets. Additionally, Applbaum (2004) says, “sometimes marketing leads to the creation of new realities by means of newly perceived categories of goods that lead rather than follow cultural change in an object-centered cultural economy” (p. 46).

Beyond the functional aspects of the importance of marketing, marketing may also have organizational or network importance to sociologists. Marketing involves people using tools (such as distribution channels) to reach and influence consumers’ attitudes, beliefs, behaviors, and values and what, when, where, and how consumers use products. Additionally, the making and functioning of markets is the result of people occupying different roles and doing different tasks resulting in a certain outcome (the market or markets). If scholars are to understand markets, it is important to study how people and processes produce and sustain markets.

WHAT ARE MARKETS? - REFINING THE CONCEPT

“Whether we speak of the collective acts of a few people - a family or a friendship - or of a much larger number - a profession or a class system - we need always to ask exactly who is joining together to produce what events?” (Becker 1974: 775)

So far, I have discussed various elements of markets in isolation from each other.

I covered sociological accounts of markets and offered a new definition of markets by Burr (2013) that serves as the foundation for developing the theoretical framework.

Proceeding from the redefinition of markets, I discussed consumption activities, distribution and channels of distribution, and marketing, placing emphasis on the role each plays in further our understanding of markets. In this section, I discuss all of the

concepts as one theoretical whole in order to develop a clearer picture of what a market consists of.

The Reconceptualization of a Market

A market is a hybrid collective of competing producers (individuals and/or firms) strategically marketing - producing, communicating, distributing, and selling - a specific product to consumers who buy, use, and dispose of the product. All of these actions and actors are situated within the market (producers and consumers') environment, which consists of institutions, other producers and consumers, competition, cultural practices and values, (physical and virtual) places, devices, and other market actors (e.g. distributors) that enable the production, communication, distribution, selling, and consumption of that product.

SUMMARY OF GAPS IN THE LITERATURE

At minimum, sociological definitions consider markets to be institutions that enable buyers and sellers to make exchanges (Burr 2013); however, most sociological studies on markets emphasize the actions of those on the producer-side of the market (Fligstein and Dauter 2007). Typically, researchers ignore consumers or only discuss them briefly (Aspers 2011; Fligstein 2001). Moreover, when consumers and consumption activities are studied in sociology it is usually outside of a market context and fragmented across sociological sub-disciplines. For instance, buying is generally ignored; sociologists of culture study use, but only in a symbolic way, and environmental sociologists look at disposal. However, to further understand consumers within markets, multiple consumption activities should be considered together. Furthermore, use needs to be studied in more than a communicative in order to understand how it interacts with

purchase. Additionally, even though distribution and channels of distribution allow for the existence of markets, their influence on markets in sociology is rarely treated as important, but with the dramatic shifts in distribution as a result of digital technology drastically altering practices and processes, distribution and distribution channels need to be investigated further (Jones 2002; Perren 2013; Truell et al. 2007). Lastly, sociologists have not given enough attention to marketing and the strategies producers and consumers use to control markets and their environments.

The following chapter begins to address these gaps in the literature by applying the reconceptualization of markets presented in this chapter to an art market. A case study of an art market can serve as a way to move from the theoretical framework presented in this chapter to an empirically based analysis of markets.

CHAPTER III

APPLYING THE FRAMEWORK: THE SOCIOLOGY OF MUSIC MARKETS

In this chapter, I use the conceptualization of a market presented at the end of the previous chapter as a guide to construct a case study of the hip-hop music market. To do this, I begin by discussing why a case study of hip-hop music is a good way to study markets as conceptualized in the previous chapter. I then give a brief history of the hip-hop music. Next, I discuss two central ideas in the production-of-culture (PoC) perspective to organize a discussion of the social and technical components of a typical art market. Then, I expand on the concept of an art market by constructing a picture of music markets and specifically a hip-hop music market by using questions posed by Aspers (2011). I conclude this chapter with a discussion of the implications the reconceptualization of markets has on our understanding of markets, discuss the relevancy of the research questions for furthering our understanding of markets, and present the research questions.

HIP-HOP MUSIC AS A CASE STUDY

The best way to study the reconceptualization of markets is by applying it to a specific market. Case studies are particularly good at informing theory because of the emphasis placed on the processes that result in the concept under investigation (Berg and Lune 2012). By applying the theoretical framework to a specific market, its usefulness

for understanding markets can be observed. In this study, I apply the theoretical framework to an art-based market, the hip-hop music market.

Aside from my personal interest in hip-hop music, the hip-hop music market makes a particularly interesting case study for applying the redefinition of markets because sociologists have tended to focus on markets that involve purely tangible or purely digital/intangible products and places of distribution such as bicycles, supermarkets, or financial derivatives (Burr 2013; Cochoy 2007; Mackenzie and Millo 2003). The hip-hop music market, however, offers a product that comes in both a physical (cd, vinyl, cassette tape, etc.) and digital format and consequently can be distributed from both physical and digital places.

Most traditions in the sociology of markets are not necessarily concerned with the products that are offered in a market (Callon, Meadel, and Rabeharisoa 2002). However, when studying a music market the product is important because product form is an important aspect of the market. For instance, music is also a form of an informational good, which becomes virtually impossible to regulate once released for public consumption (Bhattacharjee and Sanders 2006). Moreover, due to recent changes from purely physical distribution to both physical and digital distribution, there have been drastic changes in the market practices of both producers and consumers of music (discussed later in the chapter). This inability to regulate the sharing of music and changes in market practices all stem from the product form (digital and physical music media). As such, markets that consist of multiple product forms might function differently than markets that offer non-depleting digital products.

A BRIEF HISTORY OF HIP-HOP MUSIC

Unlike many popular music genres, hip-hop music was not created within the commercial music industry; instead, hip-hop music emerged from the inner city of New York City during the 1970s (Powell 1991). As a result of its origins, hip-hop music was heavily reliant upon previously recorded music that was looped or mixed together by DJs. Moreover, when hip-hop music first emerged it was primarily a live practice, homemade, community-based musical genre and as such was free from the influence of major record labels (Dimitriadis 1996). Hip-hop music was dependent upon face-to-face interaction between artists and fans during the late 1970s. Originally, the music co-existed with a front man (the rapper) in city parks and at block and house parties, but the public release of the first hip-hop music record in 1979 altered the live practice nature of the genre and began to move to staged recordings on small independent labels (Oware 2014).

From the beginning of recorded hip-hop music in 1979, independent labels have created and developed new hip-hop music talent and created consumer demand for the music through word-of-mouth marketing and other street-level marketing tactics. In the earlier days of recorded hip-hop music it was simpler for independents to reach hip-hop consumers due to the lack of demand for the music (Powell 1991). Eventually, major labels took notice of the growing popularity and success of rap and began partnering with independents labels. As consumer demand continued to grow, many independent labels were forced to sign distribution deals with major labels.

In these early independent-major arrangements, the independent label and the major jointly developed marketing schemes for artists. Independent labels provided knowledge on reaching hip-hop music consumers and majors provided promotion,

manufacturing, and distribution (Powell 1991). Eventually, the majors began completely buying out independent labels and signing their own acts to tap into the growing demand for hip-hop music (Dimitriadis 1996; Powell 1911). By the end of 1985, through major record labels buying out and partnering with independent labels, “[hip-hop music] had been transformed from a musical other with limited and questionable potential into a commercial music other” (Fenster 1995: 237).

FROM THE SOCIOLOGY OF MARKETS TO THE SOCIOLOGY OF ART MARKETS: MARKETS AND THE PRODUCTION-OF-CULTURE PERSPECTIVE

Using the production-of-culture perspective (PoC), one can begin to apply the sociology of markets to art markets. The PoC perspective focuses on how elements of culture are shaped by the system in which they are produced, distributed, and consumed (Peterson and Anand 2004). Because the system “includes facilities for production and distribution; marketing techniques such as advertising, co-opting mass media, or targeting; and the creation of situations that bring potential cultural consumers in contact with cultural objects” (Griswold 2008: 73), one can use the idea of art worlds and the cultural industry system to show how the sociology of markets applies to the arts.

Art Worlds

Becker (1974) argues that it is beneficial to the sociological analyses of art to consider the networks of people who are responsible for producing an artwork. The network of people and organizations whose collective action results in an artwork is known as an art world (Becker 1976). This perspective “shows that art is social in the sense that it is created by networks of people acting together, and proposes a framework in which differing modes of collective action...can be studied” (Becker 1974: 775). By

approaching an art world this way, we can study the groups of people who routinely cooperate in similar ways to produce what we refer to as markets.

Thus, as Becker (1976) suggests, to study an art world (market) empirically the researcher must first look for the groups of people that cooperate to produce what they refer to as art. These groups of people might include the artists who develop the creative idea, those responsible for executing the idea, those who create and maintain the tools used to develop and execute creative ideas, and an audience that can understand and respond to the artwork (Becker 1976, 1974). After identifying these groups of people, “we look for all the other people who are also necessary to that production, gradually building up as complete a picture as we can of the entire cooperating network that radiates out from the works in question” (Becker 1976: 704).

The Cultural Industry System

Hirsch (1972) developed a special type of supply chain that underlies the structure of art worlds or cultural markets and is thus useful for applying ideas about art worlds and markets to music markets - the cultural industry system. Developed to understand the individuals and organizations involved in the production, distribution, and consumption of mass cultural products, the cultural industry system includes four subsystems: the technical subsystem, managerial subsystem, institutional subsystem, and consumers.

The technical subsystem is composed of the artists who provide the creative product (music). These artists provide the input for the managerial subsystem. The managerial subsystem is composed of those who are responsible for turning music into a product ready for consumption (record labels). Together, these subsystems are

responsible for the production of music and can be said to constitute the producer-side of music markets. The music produced by the technical and managerial subsystem is then fed into the institutional subsystem. The institutional subsystem is composed of media personnel and distributors. These organizations primary function in the cultural industry system is to communicate information about cultural products and their producers to consumers, create opportunities for producer and consumer interaction, and provide feedback to the managerial subsystem about the cultural products and their creators. Consumers are situated at the end of the system. Consumers' primary role in the subsystem is to provide feedback about the cultural products. This feedback is said to come in the form of sales, number of plays, or the sale of related products (Griswold 2008).

CONSTRUCTING A (HIP-HOP) MUSIC MARKET

As mentioned above, the primary goal of this chapter is to begin applying the reconceptualization of markets to hip-hop music markets. The previous section demonstrated that the PoC perspective - specifically the idea of art worlds and the cultural industry system - could be applied to an art market. In this section, the attention is turned to a more specific form of an art market, the hip-hop music market. However, before studying a particular market, it is important to address four primary questions posed by Aspers (2011). Aspers says, "to address this set of questions is often a first step of empirical analysis in order to understand markets" (p. 156): First, what is the market about? Second, what constitutes the environment of the market? Third, how are things done in the market? Lastly, how are prices in the market determined?

What is the Market About?

When scholars speak of what a market is about they are referring to what is traded within a particular market. Every market has to trade (or offer) something and what it offers is usually what the market is named (Aspers 2011). Identifying exactly what a market is about is important because “some sort of stability is created by the fact that a market is characterized by what is traded. If the objects or services of trade are stable, it is easy to understand that market actors can orient themselves to this, and that it is clear about what the market is” (Aspers 2011: 92). For example, music markets offer (particular genres of) music. Thus, I conceptualize a hip-hop music market as a hybrid collective of competing producers (artists and record labels) strategically producing, communicating, distributing, and selling hip-hop music to consumers who buy, use, and dispose of hip-hop music. All of these actions and actors are situated within the hip-hop music market (producers and consumers’) environment, which consists of institutions, other producers and consumers, competition, cultural practices and values, (physical and virtual) places, devices, and other market actors (e.g. distributors) that enable the production, communication, distribution, selling, and consumption of hip-hop music.

The difficulty or objection that could arise out of such a conceptualization of a hip-hop music market is concretely defining the parameters of what is considered hip-hop music because musical genres are usually poorly defined - if defined at all (Aucouturier and Pachet 2003). For instance, Myer and Kleck (2007) separate rap music and hip-hop music into two distinct genres, but they do not formally define either. In this study, I do not make a distinction between rap music and hip-hop music; instead, I use hip-hop music to refer to both rap music and hip-hop music. I define hip-hop music as a musical

genre in which lyrics are usually spoken (as opposed to sung) rhythmically against a backdrop of music often composed of musical elements typically borrowed from other musical genres including blues, rock, jazz, soul, and r&b.

What Constitutes the Environment of the Market?

Drawing from the discussion of markets in the previous chapter and the cultural industry system discussed earlier in this chapter, market environments include producers and their environments, intermediaries, and consumers and their environments. In music markets, music artists and record labels are the primary actors that constitute the producer-side of the market. Record labels and artists can be divided into at least two different categories – independent and major. Identifying the different types of record labels will enable one to identify the different types of artists. Roberts (2005) suggests that the networks through which a label's projects are distributed define whether the label is major or independent. He notes, "...a label, by definition, is considered 'independent' if it is distributed through independent networks rather than by the majors" (Roberts 2005: 38). With this definition, independent artists are those who are signed to an independent label or those who are currently unsigned and major artists are those who are signed to one of the Big Three (Universal Music Group (UMG), Warner Brothers Music Group (WMG), and Sony Music Entertainment) or any record label in which one of the Big Three is the majority owner.

The presence of the Big Three suggests that the industry structure - the number of firms and their relative size - of the music industry is oligarchical (Dowd 2004). Meaning, there are a relatively small number of large corporations that produce and/or distribute as much as 85% of the music sold in the US and a large number of smaller

independent record labels (RIAA 2015a; Scott 1999). The Big Three rely on their subsidiaries and alliances with smaller, successful independent labels to survive in a turbulent market because smaller firms are usually structured in a way that enables them to keep up with fads and fashions and be more innovative than larger firms (Scott 1999; Peterson and Anand 2004).

The way the recorded music industry is currently structured may be linked to the organizational structure of the majors in the industry. The major corporations usually use an organizational strategy referred to as portfolio management (Scott 1999). Portfolio management is a situation in which a record label breaks itself into smaller strategic business units based on genres and artists (Negus 1998). This allows the majors to keep watch on the individual units' business performance while allowing the units to maintain their managerial culture and maneuverability (Scott 1999; Negus 1999). For instance, Tricia Rose (1994) notes:

In the early 1980s, after rap spurred the growth of new independent labels, the major labels moved in and attempted to dominate the market but could not consolidate their efforts. Artists signed to independent labels... flourished, whereas acts signed directly to the six majors could not produce comparable sales. It became apparent that the independent labels had a much greater understanding of the cultural logic of hip hop and rap music, a logic that permeated decisions ranging from signing acts to promotional methods. Instead of competing with smaller, more street-savvy labels for new rap acts, the major labels developed a new strategy: buy the independent labels, allow them to function relatively autonomously, and provide them with production resources and access to major retail distribution. (P. 6 – 7)

Smaller independent labels may favor a more entrepreneurial style of organization because they may not need to have a well-defined division of labor or a multi-leveled hierarchy (Peterson and Anand 2004).

The final aspect of producer environments covered in this study is technology. There are a number of devices used in the production of music. For example, major studios have setups that allow for elaborate production schemes - such as recording sections of an orchestra - and may also offer high-end hardware used for mixing and mastering records. Smaller studios or home studios may have more modest setups that only allow for vocal recording and use low to mid-range hardware for mixing and mastering records.

Perhaps the most important tool used in the production of hip-hop music is the sampler. Samplers are computers that allow producers to reproduce any piece of recorded music in order to play them back in any key or pitch, sequence, or loop. Also, as opposed to how most genres use music samples to accent a piece of music, many hip-hop producers use samples as the basis for new musical arrangements (Rose 1994). For recording vocals and instruments, the primary tools used are microphones. Additional hardware used in the production of music includes microphone preamps, speaker management systems, midi interfaces, digital and analog converters, headphones and headphone outlets, all of which are relatively inexpensive when purchased as a single unit called an audio interface. If purchased separately, however, these devices may become expensive.

Although hardware devices are still staples in studios, music production in certain genres now relies primarily on software programs known as digital audio workstations (DAWs). A DAW is a relatively inexpensive piece of software that enables an artists or record producer to record, mix, and master their music in one single program. Related to

DAWs, Musical Instrument Digital Interface (MIDI) allows artists to replicate virtually any sound when coupled with a virtual instrument, which are also relatively inexpensive.

The resulting production from the combined usage of both hardware and software can then be turned into a digital file, most likely an MP3. An MP3 is a highly compressed digital file that is able to retain the quality of the original sources sound. These files are then put on a CD for physical distribution or used for digital distribution.

Next in the market environment is the institutional subsystem, which is primarily composed of media personnel/organizations and the individuals/organizations and devices that bring artists and consumers together (Griswold 2008). Because music can be distributed and sold in a digital and physical format, distributors are organized as bricks and mortar (physical stores) or e-retailers. The current physical distribution system has shrunk, and shifted from small independent companies to being dominated by large corporations such as *Wal-Mart, Best Buy, and Target* (du Gay and Negus 1994). Some major e-retailers include *Amazon, iTunes, Microsoft's Zune Marketplace, and Google*. There are also e-retailers that are more geared towards independent artists and labels such as *Band Camp* and *CD Baby*. Other firms specialize in music streaming services such as *Spotify, Pandora, and the recently launched Tidal*. It is important to note that, due to the digitization of music, artists can easily setup their own websites and distribute music directly to their fans.

Scott (1999) outlines the other entities that makeup the institutional subsystem of the cultural industry. First, he discusses the networks of live performance venues that work in direct relation to the recorded music industry. He then discusses radio and television broadcasting, which continuously direct information to consumers with up-to-

date music related news such as artists' touring schedules and music release dates and events. Finally, he discusses print media such as *Billboard* magazine, *The Source*, and *Insomniac* magazine.

The last element of the market environment covered here are consumers. Consumers are more difficult to describe explicitly. In this study, a consumer can be described as any person or group who buys and uses (hip-hop) music. Identifying consumers is also difficult because a consumer does not have to be the person who buys the music. To further complicate knowing who makes up the audience for hip-hop music is the act of bootlegging³. As Tricia Rose (1994) notes, "Rap music is a particularly popular genre for bootleg tapes in urban centers" (P. 7).

Consumer environments include typical (acquisition and use) behaviors, places of consumption, and technology that aids in consumption. Consumers acquire music in a number of ways. First, consumers may find bootleg copies of the music or share one copy with multiple consumers. For instance, Tricia Rose (1994) notes that African American teen consumers have higher rates at which one purchased product is shared among multiple consumers. Second, the Internet has made mass peer-to-peer (P2P) sharing possible. P2P file sharing enables individuals to share music files with other consumers regardless of geographic location and without paying music artists or record labels (Graham, Burns, Lewis, and Langer 2004). Third, and closely related to P2P file sharing, consumers acquire music from friends via social media sites such as *Facebook* or *YouTube*. As Ordanini and Parasuraman (2012) have noted, sharing and spreading of

³ In this study, bootlegging refers to the unlawful act of reproducing a piece of music.

musical content through *Facebook* or *YouTube* represents an important consumption act. Fourth, consumers may choose to purchase or download music from a (physical or virtual) retailer. Lastly, consumers may choose to stream music for free or purchase a subscription to a music streaming service.

Sociologists have primarily focused on how groups use music to construct boundaries between themselves and other groups or communicate their social positions. For instance, using the musical dislikes of respondents, Bryson (1996) explores the way “people use cultural taste to reinforce symbolic boundaries between themselves and categories of people they dislike” (pg. 884). Her conclusions suggest that groups convey their social status through certain styles of consumption. Similarly, Peterson and Simkus (1992) suggest that the social hierarchy of cultural consumption is shaped more in the form of an inverted pyramid than column, where elite consumers have more varied tastes while those of lower social standing have narrower tastes. They found that classical music was the most prestigious form of music in the most prestigious types of occupations. As one moves down the pyramid, however, the prestige of musical genre varies greatly from one gender, race, and age-specific genre to another. They note that as one approaches the bottom, musical tastes serve to mark not only status levels, but also the status boundaries between groups defined by age, gender, race, region, religion, and life-style at roughly the same status-level. The conclusion drawn by Peterson and Simkus (1992) assumes that individuals at varying levels of the pyramid not only seek to distinguish themselves from those in different social classes, but also those who occupy similar social positions who may differ based on demographics.

A variety of musical choices and the strategic organization of the (physical and virtual) retailers used to guide consumers' choices also constitute consumer environments. For instance, *iTunes* alone currently offers more than 43 million songs (Apple 2015); thus physical and virtual distributors setup displays that help consumers navigate the seemingly infinite amount of choices. These places are not haphazardly constructed, but are instead put together in a fashion that guides consumers through the different genres of music, usually the most popular at the time (such as the Top 40) or at some point in the past (du Gay and Negus 1994).

The final aspect of consumers' environment covered in this study is the technology used for consumption. With the digitization of music emerged the MP3 player, which enables consumers to carry their entire music collection virtually everywhere they travel (Ordanini and Parasuraman 2012).

How Are Things Done in the Market?

This prerequisite to studying a market deals with the culture of the market. Aspers (2011) defines culture as the “beliefs, norms, ‘tools’, rules and behaviors – for example, discourse and practice – appropriate to the setting” (p. 9). Recently, there have been fundamental shifts in music distribution and channels of distribution as a result of advances in technology. These changes have significantly impacted the process of music production, artists' marketing strategies, consumption activities, and consequently the relationships between artists, record labels, distributors, and consumers (Graham et al. 2004; Bockstedt, Kauffman, and Riggins 2006).

Molteni and Ordanini (2003) argue that digital technology encourages consumers to develop new approaches to the consumption of music. Additionally, technological

advances in production and distribution have significantly reduced the barriers of entry to the music industry, which is a primary factor in the oversupply of cultural producers (Menger 1999). As such, those on the supply-side of the market must develop unique marketing tactics to address these changes in approaches to music consumption and low barriers of entry. One such strategy involves producers attempting to blur the boundaries between production, promotion, and consumption by developing co-creation marketing strategies. For example, Hauge, Hracs, and Jakob (2013) found that music artists intentionally involve consumers in the production process to “generate exclusivity and value for specific products” (p. 1152). Moreover, they note that producers engage in “co-promotion whereby consumers actively help to brand and sell specific products” (p. 1153).

Artists have also begun to use elements of co-creation in live performances. For instance, Hauge et al. (2013) discuss how an artist used his/her website to contact fans directly to setup private shows at fans’ homes. Furthermore, fans co-produced the artist’s shows by setting up the performance space, requesting songs, and singing along in the intimate setting. Digital distribution may also contribute to an increase in profits from live performances, which leads to artists placing more emphasis on live shows in their marketing strategies (Mortimer et al. 2012; Koster 2009).

Molteni and Ordanini (2003) suggest that the multitude of ways in which music consumers in the digital age behave affects marketing strategies of those positioned on the producer-side of the market. Technological advances such as social media, websites, blogs, and digital video production prompt artists’ transformation into promoters and distributors, and improve artists’ ability to establish relationships directly with their fans,

thus bypassing record labels. Artists circumventing record labels - in theory - increases the consumers' ability to support artists directly via donations to projects, buying merchandise or recordings, or attending concerts (Thomson 2013; Hrats 2012).

Moreover, Gamble and Gilmore (2013) argue that many scholars (see Bloom 2006; Cova and Dalli 2008; Hoffbrand 2007) have recognized that traditional boundaries between producer and consumer have blurred as a result of consumers' increasing role in marketing, which is a result of technological advancements in distribution and social factors such as the increase in consumers' desires to be interactive.

Traditionally, distribution has been viewed simply as the bridge between producers and consumers; however, I have shown that as digital technology continues to significantly impact the marketing (especially distribution) and consumption of music this traditional view "fails to fully explain the intricate networks of relationships that underlie marketing flows in the exchanges of goods, services, and information" (Truell et al. 2007: 108; Molteni and Ordanini 2003).

How are Prices Set in the Market?

Determining the economic worth of what is offered in the market is the final prerequisite to studying markets. This prerequisite refers to "how worth in economic terms is determined" (Aspers 2011: 96). Aspers (2011) suggests that there are a number of ways of generating market value (haggling, bargaining, fixed prices, or with the help of an auction). In general, music markets operate on a fixed-priced system at the final point of sale/purchase (Bockstedt et al. 2006). However, there are marketing strategies that involve consumers determining the price of digital albums. This strategy is known as "name your price albums" (Karubian 2009).

To summarize, by using Aspers' prerequisites of market order, I sought to construct a picture of a hip-hop music market. The product offered in hip-hop music markets was identified, the market's environment was discussed, the effects of changes in distribution and advancements in digital technology were explored, and a brief discussion on how prices are set in the hip-hop music market was presented.

IMPLICATIONS OF THE RECONCEPTUALIZATION OF MARKETS

There is a tendency in sociology to discuss structures and organizations without reference to the individuals whose collective, cooperative action make up those structures and organizations (Becker 1974). Markets in sociology are no different. However, as shown in this chapter, the application of the reconceptualization of markets presented in chapter two causes emphasis to be placed on practices within markets and is thus more appropriate for understanding how individuals and their practices affect markets.

The effect individuals and their market practices have on markets can mainly be seen in market change. For instance, the literature on the hip-hop music market highlights a number of changes in the market as a result of advances in digital technology, shifts in distribution, and modifications to marketing strategies and music consumption. Moreover, shifts in distribution brought about various other changes in the hip-hop music market such as an improvement in artists' ability to operate independently, production techniques, the number of market actors, and characteristics of relationships between market actors to name a few. Thus, as shown in this chapter, by excluding distribution, marketing, and consumers from definitions and studies of markets, sociologists overlook important parts of markets, thus limiting our ability to further understand markets.

With this in mind, the research questions presented in the following section focus not on markets, but on individual producers, consumers, and their market practices. Although these questions do not focus on markets per se, they have relevancy to the sociology of markets and how markets work because they emphasize activities of specific groups of individuals within markets. Since distribution intermediaries are situated between producers and consumers - which leads to continual contact with both - and marketing functions as a tool to help producers control the unpredictability of human behavior through gathering information about and influencing consumers, it will be possible to study producers and how they use the people/devices in the middle to reach consumers and how consumers use those same devices/people to connect with producers. Studying producers and consumers through the use of the hybrid collectives (distribution channels and marketing tools) that are in constant contact with both may be the best way to do justice to markets as conceptualized in the previous chapter. This should cover multiple gaps in the literature, including the lack of consumers and consumption activities in accounts of markets, distribution and distribution channels' agency, and strategies producers' employ to establish themselves in highly competitive markets and how those strategies affect consumption activities.

RESEARCH QUESTIONS

- 1) What strategies have independent hip-hop artists used to develop and sustain their consumer base in today's hip-hop music market?
- 2) How has digital distribution affected hip-hop music consumption?
- 3) How have music marketing strategies affected consumers' behaviors and attitudes toward music?

4) How have artists adjusted their marketing strategies in response to changes in consumer behavior?

Questions three and four are similar to questions one and two. Questions three and four were constructed to explore how the two sides of the hip-hop market (consumers and producers) interact with each other. For instance, when artists start using certain marketing strategies or tools (for instance free albums via digital download), how is consumer behavior affected, and when consumer behavior or attitudes change, how do artists adjust their marketing strategies (if at all) to account for changes? Questions one and two are about how digital technology/distribution has affected consumers and producers, but not how the two sides interact directly.

CHAPTER IV

RESEARCH DESIGN AND METHODS

As mentioned in the previous chapter, the research questions focus not on markets, but specific practices within markets. How, then, should one go about answering this set of research questions? This chapter answers this question by addressing the research design and methods used for this study. The chapter begins with a discussion of the research design. I then talk about the sampling methods used for this study. Proceeding from the sampling methods, I discuss the attributes of the participants of this study. I then discuss the data collection methods used for this study. The discussion on data collection methods is followed by a discussion of the supplemental data sources used. The chapter ends with a description of the procedures used to analyze the data.

RESEARCH DESIGN

In this study, in-depth face-to-face semi-structured interviews were used to collect data. Interviews were used in order to address first-hand accounts of market practices of both sides of the market in response to recent shifts in distribution. Moreover, unlike a survey, in-depth interviews allow for constant back-and-forth between the interviewer and respondent, which results in more detailed responses to research questions. For instance, because of the nature of the topic of the research, it would be nearly impossible to develop survey questions with answer categories that would provide an understanding

of respondents' behaviors within markets. Furthermore, interviews allow the interviewee to shape the information he/she provides, which may add dimensions to a study that may not have emerged from data gathered using quantitative research.

Interview Guides

The interview guides were designed in a way that allowed exploration of participants' responses that may go beyond the prepared questions (Berg and Lune 2012). This method was best for this study because "the flexibility of the semi-structured interview allow(s)...interviewers both to ask a series of regularly structured questions permitting comparisons across interviews, and to pursue areas spontaneously initiated by the interviewee" (Berg and Lune 2012: 114). I wanted interviewees to explore the ideas that they felt were most important in regards to their market practices, and using a standardized interview guide would have restricted this from happening because of its rigidity.

There were two separate interview guides developed for consumer and producer respondents (see Appendix A and B). Each interview guide was composed of approximately 50 questions falling under two major categories and categorized by topic. The producer interview guide included categories concerned with independence and marketing strategies and included a total of seven topical areas: 1) independence and career goals, 2) determining marketing strategies, 3) the role of live performance in marketing strategies, 4) the role of digital technology in marketing strategies, 5) revenue streams, 6) artists' careers – old vs. new, and 7) activities outside of recording music. The consumer interview guide included categories concerned with acquisition/access and use of music and included a total of four topical areas: 1) digital distributions' affect on

acquisition/access of music, 2) perceived differences in independent and major artists and differences in the acquisition of independent vs. major artists' music, 3) changes in marketing music as a result of digital distribution, and 4) listening to hip-hop music.

SAMPLING METHODS

Artists

For this study, the best sampling method included a combination of purposive and snowball sampling. I suggested this hybrid sampling method because, while intentionally selecting a set of participants based on experiences, I was also looking for participants to direct me to other artists. In addition to snowball sampling being a good method to use when studying a difficult-to-reach population (Berg and Lune 2012), “snowballing is sometimes the best way to locate subjects with certain attributes or characteristics necessary in the study” (Berg and Lune 2012: 52). Producer participants were selected if they released their first project after 2010, were developing their careers and had access to digital distribution technology since the start of their careers. It was assumed that these artists would be able to speak to the ways newer independent artists use digital technology and digital distribution to develop their careers.

Using snowball and purposive sampling to gather the sample of artists worked best because I was able to contact artists who I have good relationships with and were able to place me in contact with hip-hop artists who met the above criteria. This method was repeated until I had a total of four (4) artists.

Consumers

The sample of consumers was gathered in a slightly different manner from the sample of artists. Instead of using snowball sampling to collect a sample of consumers,

the sample was gathered using convenience sampling. Consumer participants were selected based on their involvement in the music market prior to and after the massive shifts in how music is distributed. It was assumed that by using this criterion for selecting consumer respondents the resulting consumer sample would be able to adequately speak to changes in their own behavior - specifically in regards to how they purchase and use music - as a result of improvements to digital technology and changes in distribution.

Moreover, using convenience sampling to construct the consumer pool of respondents allowed for a more diverse sample by age, gender, and type of hip-hop music. Thus, the participants used in this study are personal friends of mine. In theory, having a heterogeneous pool of consumers would allow for richer detail in differences in acquisition strategies. Using a snowball sampling method with consumers would most likely have resulted in a more homogenous pool of respondents, which was undesirable for the current study.

SAMPLE ATTRIBUTES

Artists

A total of four African American hip-hop music artists from Flint and Detroit, MI participated in this study. The producer sample consisted of three males and one female ranging in age from 22 to 26. All the participants became active as producers in the hip-hop music market within the last six years. The level of education ranged from high school graduate to college graduate.

The artists included in the sample were in the developmental phase of their careers. As such, each artist spoke about developing marketing strategies to increase

consumers' awareness and their current sources of income. Marketing strategies consisted of inexpensive means as the artists were either working various day jobs to support their musical careers, or did not have a job in order to focus on developing their careers in music. The artists also pulled revenue from their musical endeavors including live performances, features, production, and single/album sales.

All the artists considered themselves to be locally recognized. As such, touring or performing primarily took place in either Detroit or Flint. The artists did indicate that they might have an occasional show outside of their respective cities. The goal, however, was to become nationally and internationally known. The artists also had other short-term and long-term goals. Some short-term goals included getting a certain amount of downloads for a digital album, releasing current projects, releasing an all-original project that can be sold on via a digital retailer, getting a certain amount of *YouTube* views, expanding beyond the local hip-hop music scene. Long-term goals included winning a Grammy and exploring other entrepreneurial endeavors.

Consumers

A total of four African American hip-hop music consumers from Flint and Detroit, MI participated in this study. The consumer sample consisted of three males and one female ranging from ages 26 to 39. The participants have been active in the hip-hop music market as early as 1985 and started being active in the market as late as 1996. Additionally, the level of education ranged from a few years of college to a few years of graduate study.

DATA COLLECTION

As mentioned, in-depth face-to-face semi-structured interviews were used to collect data⁴. To build rapport with respondents, the initial questions of the interview were concerned with background information. To further build rapport with respondents, interviews were conducted in a location that was comfortable for the respondent, but also suitable for conducting interviews. Regardless of the location interviews were conducted one-on-one. This was done in an effort to help preserve the confidentiality of the respondents. Interviews were conducted in Detroit and Flint, MI.

Informed Consent Procedures

Before conducting an interview, I went over the informed consent form (Appendix C and D) prior to participants signing the document to ensure the participants understood that they were willingly participating in the study, but did not have to answer questions they were uncomfortable with and could end the interview whenever they wanted. Additionally, the respondents were informed of all foreseen risks, such as disclosing proprietary marketing strategies for artists and the disclosing of illegal behavior (illegal downloading) for consumers. In the case of the telephone interview, the participant was emailed the informed consent form, asked to sign the document, scan the signed document and email it back to the co-principal investigator.

Minimizing Risks

Understanding that protecting respondents was a top priority, a number of steps were taken to minimize risks. First, identifying information given in the interview was

⁴ In the case that a face-to-face interview was not possible, the Automatic Call Recorder (ACR) app was used to conduct a telephone interview.

removed from the transcriptions of interviews and are not present in this final draft of the study. Second, for artists, I removed any information discussed in the interview that they felt uncomfortable with sharing. Third, for consumers, I masked their voices with voice modification software (Voxal Voice Changer by NCH) as an additional measure to ensure confidentiality and to minimize risks. Additionally, each audio recording was deleted immediately after transcription.

Interview Procedures

The typical interview lasted between 45 minutes to an hour and a half and was recorded using a digital voice recorder. The interview guide is structured in a way that allowed me to build rapport with the respondent, which aided in the process of persuading participants to offer information that was as detailed as possible. To further create an interview atmosphere that encouraged respondents to give detailed information, I presented myself as a student who was learning about consumers' and artists' interactions within the context of the market from the (expert) artist (Weiss 1994). After each interview, I immediately transferred the audio file to my personal computer and deleted it from the recording device. The folder that contained the audio files was password protected and only I had the password to access the files. To further ensure the security of the data, I deleted the audio files as they were transcribed.

SUPPLEMENTAL DATA

Although in-depth interviews offer detailed data, they are limited in their breadth. Thus, in order to increase understanding of artists' marketing strategies and consumption activities, supplemental data was used. More specifically, the supplemental data was used to further explore changes in artists' marketing strategies and consumers' behaviors

as the use of digital distribution (and technology) became more prevalent in the hip-hop music market.

I used a total of two different sources from public archives of commercial media accounts – Billboard Magazine was used to examine current artists’ marketing strategies. To gather articles I used the LexisNexis Academic search engine using various search terms that centered on music marketing strategies. I selected articles primarily based on the number of highlighted search terms in the article. Articles were then skimmed and coded similarly to the interviews.

Quantitative data and additional research from the Recording Industry Association of America (RIAA) was used to explore changes in consumers’ acquisition and listening behaviors. Articles, quantitative data, and research conducted by the RIAA from 2004 – 2014 were included for use as supplemental data. As noted above, in 2004 digital sales accounted for a mere 14% of music industry sales. In 2005, digital sales increased by 166% (RIAA 2006). Thus, using secondary data from Billboard Magazine and the RIAA over this 10-year span added breadth to the interviews conducted with both artists and consumers.

DATA ANALYSIS PROCEDURES

I began transcribing interviews after completion of the first interview, while secondary data was collected during the interviewing stage. I did not transcribe interviews verbatim. False starts and placeholders (e.g. umm, like, etc.) were not included in the transcription because they were deemed to be unimportant in understanding the responses of respondents. I did, however, include emotional responses

such as pauses and laughter. Other than those aforementioned changes, each interview was transcribed as it was recorded.

Coding and writing memos also began after the first interview. Writing memos throughout the process of the study helped clarify analytical ideas used to develop coding categories (Charmaz 2006). Additionally, the use of memos simplified writing drafts of the final paper. I coded using a grounded theory approach, which involved two primary phases; “an initial phase involving naming each...line...of data followed by a focused, selective phase that uses the most significant or frequent initial codes to sort, synthesize, integrate, and organize large amounts of data” (Charmaz 2006: 46). This approach allowed me to create codes that fit the data as opposed to trying to fit data into already conceived categories. I constantly compared codes and categories during each phase of coding to further generate ideas to build my analysis of the data (Charmaz 2006).

CHAPTER V

RESULTS

CONSUMERS – PRIMARY RESULTS

The two primary research questions addressing consumer views were: 1) How has digital distribution altered hip-hop music consumption and 2) How have music marketing strategies affected consumers' behaviors and attitudes toward music? In answering these two primary research questions that were constructed to gain a better understanding of consumers' activities within markets, a variety of themes emerged.

Consumer Control and Expanded Hip-Hop Musical Horizons

Consumer respondents consistently spoke about the ways in which digital distribution improved their control over the type of hip-hop music they listened to and how it contributed to expanding their hip-hop musical horizons (and musical horizons in general). The increased control also contributed to larger hip-hop music collections. As Joe and Joell said:

I was able to expand my musical horizons when CD-Rs and CD burners became widely available. Eventually I realized that I could buy a 50 pack of CDs and download or acquire by other means 50 different CDs. That's when I started listening to different types of hip-hop music and started exploring older hip-hop music.

Digital distribution has granted me more access to the music I want to listen to. If the Internet wasn't around, I'd probably be listening to mainstream hip-hop because that's all I'd have.

Respondents attributed this increase in control and expansion in music collection to the decreased – in some cases free – prices of CDs, which lowered one of the primary barriers to accessing music. Moreover, respondents attributed the increase in ease of access to shifts in the “place” where music is located for purchase or acquisition. Joell said:

When I was growing up, we used to always go to Music Planet. We’d go to places like that to get our tapes and stuff. I thought those places were great because they always got their stuff early. Now, things have changed. I mean you kind of have to go with the time, so now it’s websites...iTunes if I’m buying. It’s convenient. I just have to put my number in and I own it at the click of a button.

The Convenience of Digital Music and its Affects on Consumption

Consumers repeatedly spoke of the convenience of digital distribution. The respondents primarily spoke to the ways in which digital distribution/technology smoothed out the entire process of accessing and organizing music once purchased or already owned. For instance, Joe and Royce said:

Having a digital copy allows you to fill a hard drive with thousands of CDs instead of having CDs scattered everywhere. You don’t need a CD changer. You can hold a lot more CDs nowadays. You can have a thousand CDs on your hard drive and not take up any space. You can play a lot more music too. You can search through your music and organize it better as well. For instance, I can search for Hot Boyz and just listen to all their music. It’s a lot more convenient.

I prefer iTunes, probably because that’s where I started. That’s where my music collection is, so it just gets cataloged with everything else whenever I buy a new song or album. If I do buy an album or song from another store, I’ll just import it into my iTunes to keep it organized.

Not only do consumer respondents report that digital distribution has made listening to music more convenient and granted consumers more control over the music they listen to, they also discussed how convenience has increased their ability to quickly explore the hip-hop music genre. The reported ease of exploring unknown musical artists

or songs that comes with digital distribution provides a basis for a number of changes in how consumers approach and their feelings toward the acquisition/accessing of hip-hop music. Consumers no longer have to financially commit to music they are unsure about. For instance, some respondents spoke about the ability to explore an unknown artist's catalog before committing anything more than a few minutes of their time. Then, because of the unbundling of music, if consumers do decide to commit to an artist financially, they can select certain songs that they like and buy only those. Digital distribution alters the consumer's exploratory/information gathering phase of consumption as well. Consumers encounter little to no risk when exploring an artist they are unfamiliar with and are thus more prone to explore an artist who they are not familiar with.

Moreover, for some respondents, digital distribution has provided a more viable opportunity to effortlessly traverse the catalog of the entire hip-hop music genre, from past to present, mainstream to underground. Many consumers spoke about how the convenience that comes with digital technology/distribution gave them the opportunity to explore music from the past that they may have otherwise not have had access to. Joe and Crooked had this to say:

Going back to Value City and Best Buy, I used to read the credits for an album to see who they sampled and whatnot. I wouldn't have went to the store to get the dude's album [the artist who was sampled]. Now with digital distribution, I'm like, let me check out this dude's music. Then, I might listen to it and think it's kind of nice. Then, I go check out some more of the stuff and you can buy it. Then, with YouTube, they have all the videos on the side that might be similar to what you're watching. Then, you listen to them and decide to check them out on Google to see what albums they put out. Then, you go listen to the album to see what that sounds like. It just makes it really easy to explore.

I have homeboys who listen to Starlito. They know everything about the artist and he might not be something I'm really into, but with digital distribution I can download his album and check him out really quickly. It's a lot more convenient because I can get it and listen to it quickly. With up-and-coming rappers, they can spam you all over social media and until you listen to it and you may listen to it because it doesn't take long to check it out. You can really do it at the click of a button.

Consumer purchasing/acquisition strategies may also have become more complex or convoluted due to digital distribution. When discussing purchases that were made prior to the prevalence of digital distribution, consumers spoke of one to four distributors. However, with the diffusion of digital distribution the locations music is purchased at depends on a number of factors. For instance, a consumer may want to find an artist's album that was originally released for free download. They can go to a major retailer (iTunes for example) to purchase the originally free album, but some of the original songs may not be present. The consumer may then decide to access the original release on a website that caters to mixtape releases, but possibly at the expense of sound quality, which was important to consumers in the study.

Consumer's Negative Views on Changes as a Result of Digital Distribution/Technology

Not all changes to accessing music were seen as positive by consumer respondents. Change in consumers' ability to access new/old artists songs or albums was seen as detrimental to certain aspects of hip-hop music (such as lyrical and musical content) and also seen as decreasing consumers' and producers' passion for music because of how easy it is to access the music. Joell said:

It made it easier. You don't have to really go to the store to buy a cd. They can just get on the Internet. I'd say it's kinda sad. I think it's taking money from the artists, especially when their music gets leaked. That's messed up, especially when they didn't do it. I like the old way. Waiting for their songs on the radio. I think it was more passion. I think it made the fans more passionate. Now, they

can just go on YouTube or Datpiff and pull up a whole bunch of mixtapes from that artist.

Additionally, although there has been a decrease in the risks associated with accessing music in the digital age, consumer respondents noted that the risk of wasting time is present when exploring unknown artists due to over-saturation of artists and low quality music due to websites' lax quality control. Respondents also associated a decrease in the quality of lyricism and the overall quality of mainstream music as a result of changes in digital distribution. Royce and Joell said:

On the other hand, there's over saturation. Everybody is on there and making music. Everybody has something to say and it doesn't really have to be high quality music. There's no quality control. There's nobody like, "Hey, this is trash and we're not putting it up." So you probably waste time hearing trash...

You know, the music is changing and everything. Everything is dumbed down.

Active Engagement - Consumers' Sharing/Marketing Practices

For some consumers, digital distribution gave them the chance to be more than casual or passive members of the hip-hop music market. It promoted active engagement beyond consistent listening habits and extended the way they use music. As noted above, digital distribution was seen as promoting a more detailed exploratory phase and increased the likelihood of consumers investigating new artists (and their ability to do so). In addition to these changes, consumers could also become more engaged in the marketing strategies of the artists, although not necessarily intentionally or with the intent of marketing artists and their songs. For instance, consumers sharing music and conversing about it with those they associate with was of major importance to the respondents. For Joell, digital music provided him with the opportunity to become an unofficial distributor of hip-hop music. His new role as a distributor also aided in his

expanding musical horizons as he had to constantly be aware of new releases in music and changes in technology. Royce had this to say about sharing music:

It's so many different ways to share stuff. That's one of my favorite things to do actually. It always has been. Even before the digital thing. Now it's just easier. One of the songs I found on Soundcloud I shared with a girl in my class today. I've always loved doing that; rather it's mine or somebody else's.

CONSUMERS – SECONDARY RESULTS

Tastes and Situational Preference

Tastes are probably not separated neatly into different categories. That is, it is not you either like hip-hop music or not; instead, consumers segment hip-hop into different categories (sub-genres so to speak) based on a number of things such as lyrical content, delivery, and the style of the beats. In fact, some music that is categorized as hip-hop by industry organizations may not be considered as such by fans of hip-hop. Furthermore, consumer respondents think these different categories are appreciated by distinctive groups of consumers on the basis of age and activity. One respondent spoke about how he sees age as a variable in the music people listen to, believing younger listeners listen primarily to the beat and the chorus. Joe said:

Yea, it's some people out here listening to [makes gunshot noises]. So, you're out here just listening to the beat and the chorus. So whatever he just said, I know they don't know what he's talking about. I'll ask people what the artist meant by it and they'll look at me like I said something crazy. So the artist is not really saying anything, he's just talking junk. That comes to a whole age thing. 70% of the time age plays a role in what they listen to. If you hear somebody listening to some over-the-wall, hype hip-hop music they'll more than likely be younger. If someone's listening to mellower hip-hop, they're more likely a little older. That mellow jazz rap is for the older people. That dance, hype music is for the young crowd. You might even say it's more so for the club group.

Another intriguing perspective that emerges here is that hip-hop music preference is dependent upon consumers' activities. Respondents make it clear that they believe

there is hip-hop music for different occasions. Additionally, consumers are aware of the fact that not everyone listens to music with identical intentions. The consumer maybe engaged in the music, paying close attention to lyrics and how they interact with the music or they maybe using the music as a backdrop of sorts – as ambiance. Respondents also articulated how different situations alter what type of hip-hop music they are willing to listen to. Crooked, Joell, and Royce said this:

If I'm out, I'm more open to listen to different things. If you go out, you're not going to hear any mellow music. If you're gonna play that type of music it'll have to be played in a restaurant, but not in the club. But situation definitely affects the music. If you're at a rave, you'll probably listen to some rave-type hip-hop. You may be around your people; you won't play that hard music with all that cussing. You may play some mellower Lupe, or something like that. Something that kinda blends into the background.

I'll listen to certain artists when I'm doing different things. I'll listen to The Game when I work out because he gets me hyped. If I'm chilling, I'll listen to Currency because his music is really chill. It just depends on the mood. You can't play everything everywhere.

So, when I'm in the club the main thing is something that I can dance to. If I'm in the club and they play something introspective or depressing, I'm not trying to hear that. I'm trying to dance with this girl. The music has to fit the vibe of the moment. Then, there's even a different vibe at just a bar. A more chilled bar. You can actually play some not so happy songs and it wouldn't be too bad, but you don't want too many drunk, depressed people around. The vibe has to match.

How Consumers' Organize the Hip-Hop Music Genre

Joe seems to have a good understanding of how the business of rap works. At the very least, he is aware of changes an artist may go through and that there are perceived difference that contribute to consumers categorizing artists as major or independent. Furthermore, even though the consumer perceives the dichotomy between independent artists and major label artists, they don't have a hard and fast way to distinguish a major label artist from an independent. There is a mixture of ways that consumers sort the two.

One has to do with productivity, but they also acknowledge that this method has its faults. As Joe says:

I'll talk about the difference I saw in an artist who signed a major label deal – Big KRIT. At the beginning of his career I heard something from him (mixtapes, features) what seemed like every 6 months. But, it could have been me because I had just started listening to him. After he signed that label deal (Def Jam), however, I heard him drop his major label album but only a tape here and there. I'm not saying the tape is better, but the quantity decreased. I think the independent artist has a different type of drive. They're more eager to get their music out. After a deal is signed, they're not as active (loud). When I say independent artist, I'm referring to people I feel aren't backed by anybody, but how would I know? That's just a good question. Some people would say Kevin Gates is an independent artist because he's not signed to a major label. But that's when you go to these smaller artists that are signed to major labels, but are still minor – not putting out anything. After signing their contract, they slowdown their grind a little bit. Maybe radio play? I listen to Currency a lot, but you're not gonna hear him on the radio. Well he's signed to a major label. It's kinda a hard question. You got me there.

Another way is by radio play.

For some consumers, however, the hip-hop music genre is not necessarily organized by artists' associations to labels. As mentioned previously, consumers are aware of different label structures (independent vs. major), but consumers seem to organize the genre based on what they think the artists represents - mainstream or underground. However, even these terms are somewhat arbitrary. These are more so descriptors of taste or characteristics of a certain sound or vibe, the "mainstream" sound and the "underground" sound. These designations given to the artists are not based on label association alone. In fact, each artist may be judged independently of all associations.

SUMMARY OF CONSUMER RESULTS

The two primary research questions developed for understanding consumers' activities as a result of changes in digital distribution and artist-marketing strategies produced a variety of themes. A few reoccurring themes included increased consumer control over listening experiences, decreased risks traditionally associated with music consumption, a reduction of barriers to music consumption, consumer sharing and redistribution of music to their social networks, and consumption environments affecting music use. These themes hint at a number of trade-offs in regards to changes in product form, places of purchase/acquisition, and prices. For instance, changes in place result in shifts in the social circles and influences that are associated with physical stores. These changes in consumption activities and the consumer environment are presented in table 1.

Table 1

Changes in Consumption Activities and Consumer Environments as a Result of Changes in Product Form, Places of Purchase/Acquisition, and Price

- Alters/displaces the social circles and influences associated with physical stores
 - New social circles and influences emerge
 - Social media networks
- Changes how people exchange ideas/suggestions/tracks
 - Via the internet (social media)
- Alters the nature of the collection and sequence of tracks
 - CD world – Artists controlled sequence
 - Digital world – Consumers can rearrange tracks
- Focus shifts from albums to individual tracks
 - Possibly alters the artistic process, but definitely the marketing strategy. Unbundle the album and allow consumers to select songs, which may encourage consumer involvement
- From limited portability (CDs) to entire collection
- Adds complexity to purchasing/acquisition strategies
 - Use of multiple outlets to construct a single album
 - More digital retail options with various album prices
 - Free and Paid Streaming
 - Individual Tracks

- Albums
 - Can explore relatively unknown artists before committing financially
 - More factors to consider before choosing a distributor
- Change from passive listener to distributors and promoters/brand ambassadors
- From mainstream hip-hop music to easy access to all hip-hop music
- More choices and easy search methods may lead to wasted time
- Decreases risks associated with accessing/acquiring music
- Increased likelihood and thoroughness of musical searches
- Broader musical horizons
- Increased control of the type of hip-hop music acquired and listened to
- Changes in post-buying rituals

PRODUCERS – PRIMARY RESULTS

The two primary research questions addressing producers views on marketing in the new music environment were: 1) What strategies have independent hip-hop artists used to develop and sustain their consumer base in today's hip-hop music market and 2) How have artists adjusted their marketing strategies in response to changes in consumer behavior? In answering these two primary research questions constructed to gain a better understanding of independent producers marketing strategies, a variety of themes emerged.

Developing Marketing Strategies

The independent artists in the study had a very informal approach to developing marketing strategies. For instance, Malcolm suggested branding oneself is primarily about finding engaging qualities about his/herself and accentuating them. This way, he/she remains faithful to his/her personal identity, which was important to the artists in the study. Moreover, the artists in the study tended to focus on building respect & relationships with their fans and other artists as a way to develop their careers and achieve longevity. The artists remaining true to themselves and focusing on the

relationships with fans as opposed to seeking immediate financial returns was used to develop respect. Not to say financial returns are not important, but artists felt that the focus on building relationships would eventually result in greater financial returns in the long-term. A quote from Malcolm represents parts of this idea:

I don't know. It's kinda weird. You just wanna be yourself, but at the end of the day it's an entertainment field, so you have to keep people engaged. But I'm not going to sell my self-respect for it. So I'll just be myself. So my angle is the vinyl, nostalgic hip-hop angle. So everything revolves around that. Everything from the music to pictures where I make it look like it's an old picture. Just little stuff like that. I have this Wii Ninja I wear. That's like my mascot. That's part of my brand. The whole marketing thing is really me being me.

For the independent artist, developing and refining marketing strategies is a very intuitive process. Much of an independents' marketing strategy depends on how things "feel" and how people either respond to the music or how the independent artist believes people will respond to the music. As one artist suggested, strategy depends on the mood of the music. For instance, one artist said if something has a more mainstream sound then he would send the music to different DJs in order to promote it in the clubs. In these cases, artists may go directly to more popular clubs and sale their music and get closer to fans to strengthen promotional efforts (Crosley 2008). If the music does not have a mainstream feel the artist may focus on how the music is packaged, possibly offering multiple songs in hopes that the consumer will be given enough music so that consumers will not get bored with the music too quickly. For instance, in marketing Freeway's 2010 album release, marketing managers decided to focus heavily on music video releases and also included a "stimulus check" personally signed by the artist and his producer with preorders of the cd that could be redeemed at an online record store (Lipshutz 2010).

Independent artists also rely heavily on free marketing tools such as social media or emails (Horowitz 2012). When asked about developing a marketing strategy, Mario said:

It just depends. If we're doing something more mainstream, I might push it to the DJs. We put everything up on social media. You can feel a song's presence on social media. If it's something big, you can feel it. You know, people will talk about it and retweet it (sharing). If it's something more mellow or low-key, it's more about how you package it. Like, it's cool to drop a song, but I'd rather drop two. I want you to play it back and forth and not get tired of it, so I'll drop two. My marketing strategy changes depending on the vibe of the music. It's always the same when it comes to marketing an entire project though. Full out blitz. I want everybody everywhere to know about it.

One marketing strategy that was used by all the artists in the study involves establishing more personal bonds with would be purchasers by offering free music, letting fans get to know the artist (their sounds and background), and for the artist to get to know their fans by interacting with them at shows, in passing, and also via the Internet. Artists spoke about building more personal relationships with fans as the most important thing an independent artist can do. This strategy places more emphasis on getting consumers the music for their personal enjoyment rather than selling it to them up front and focusing on short-term profits. After building relationships with fans (building a following), an independent artist may be more comfortable with putting a price tag on his/her music. This strategy is used to avoid buyers' remorse (if the consumer buys a record, but does not like it), which could lead to losing fans permanently. Additionally, building respect with one's peers and fans is seen as the best way to increase the likelihood of a productive, long-term career. Mario and Malcolm captured this idea best:

I'm more in tune with you getting the music than me getting into your pockets. I feel like, in order to get somewhere you have to build a bridge. So, I just build these small bridges with my fans and then we can talk about getting the money. I try to build more personal relationships with my fans than just getting music. I'd rather you have my music and enjoy it rather than you buying and saying, "I paid

for this and I hate this crap.” Then, I really lost you. I’ll hear stuff from artists that I like that I don’t really like, but it hurts a little more when I’ve paid for it.

If you look at my numbers they aren’t really, well not like really, but aren’t impressive. My highest viewed video is Fuck the Wack and it only has around 3000 views. Nonetheless, I have respect. People respect me for what I do and the sound that I’m bringing and staying true to myself. I feel like respect is bigger than the numbers. If you look at Soulja Boy, he sold millions with that Crank Dat shit. He sold tons, but can’t sell a record now to save his life. You have an artist like Madlib, who hasn’t really sold any records, but his respect level is through the roof. He just did a record with Freddy Gibbs and it’s one of the top albums of the year already and the year is only halfway through. He doesn’t really have to put out too much music because his respect level is so high that people are anticipating it. I’m on that. I’d rather have long-term respect than short-term fame. Forget 15 minutes, we’re shooting for 15 decades. With more respect comes a more loyal fan base. I look up to people like Madlib, Guilty Simpson, Apollo Brown, Marvwon. They’re doing the traditional format of hip-hop, but aren’t selling themselves short. They’re doing their thing and getting paid for it. They may not be opening up at the Joe Louis, but they’re doing European tours. Like, Marv stays out of town battling people. I respect people in the mainstream, but that’s not my angel. A lot of people will call me stupid, like you’re not going to make any money. Well, the more respect I get, the more money I’m GOING to have, but if you’re just hot for a second, it’s like, you know.

From the above quotes, it can be gathered that producers in the study have a more grassroots approach to the marketing process. For instance, gathering information about fans and marketing strategies in a systematic way is not a major concern. When it comes to gathering information about fans it is also a very informal, grassroots process. It involves actually building relationships with fans through face-to-face interactions at live performances or out in public and online meeting places (such as an artist’s website forum or other website forums), but not formally cataloging or quantifying the information. Additionally, gathering information about the process of marketing/marketing strategies also seems to be gathered as one moves through developing their career. That is, artists tend to learn about marketing through trial and error. Nikki said this about learning how to market herself:

Since I've been so independent all this time, I've just learned as I've went. I don't have all the answers, but I'm learning as I go.

The Role of Live Performances in Marketing Strategies

Live performances are seen as a way to wrap the entire marketing process into a single moment. One artist spoke about the ability to have access to multiple fans – new and old – simultaneously. Live performances promote instant consumption in the digital era by allowing artists to encourage audience members to download songs at that moment. Moreover, independent artists felt that they could get more people interested in their music through live performances by getting individuals in the crowd to visit their site while performing, thus encouraging the audience to download some of the songs they heard, sign up for emails, and get the audience to participate in other ways such as providing feedback on the performance or voting on their favorite song to help further develop future performances. Here, it is important to note the role of digital technology.

Mario said:

We live in a generation now where people have smart phones, tablets and they're on them right now. So, I can do a show and rock it and after the show I can say go to [www....](#) And you can download the songs you just heard. You don't even have to leave the building; you can download it right now.

Artists recognize that consumers are constantly connected to the web. They recognize that because of this consumers are able to live moments as they are happening. With this understanding, artists are able to offer consumers an inside look at the way records are produced and marketed and are also able to get feedback virtually instantaneously, thus causing consumers to feel more involved with artists, the production of the music, and the artist's career. Live performances are seen as a better marketing medium than social media. Mario said:

We live in such a fast-paced society; being in front of people is big. Rather than put something on twitter and I have a 1000 people following me compared to the 1000 people at the concert, those 1000 people on twitter might not see it, but those 1000 people at the concert will hear me.

Live performances are also a tool used to test the appeal of an artist among different geographical segments of consumers. Some artists managers book small shows in various geographical locations in order to test the reach of a given artist (Horowitz 2012).

Pricing for Consumer Involvement

Some artists spoke about deliberately pricing their albums to allow consumers increased opportunity for involvement in his or her career. One artist specifically spoke about how digital distribution grants artists greater control over their pricing strategy because it allows them to better cater to the financial situations of their fans. For instance, the artists understand that not all their fans have \$10 to purchase an entire album, but might have a dollar or so that they would like to give an artist for his/her music as a way to support. Digital technology has afforded independent artists increased control over the pricing of their music, which ensures that producers will not out price consumers and opens up the possibility for more consumers to support. They also understand not everyone has the desire to spend \$10 on one cd. Consumers, instead, may only desire select songs from an album. Making prices lower or unbundling the cd also broadens possibilities for consumers to support the artist. Nikki had this to say about price:

There are certain places that'll host your music and sell it to people cheaper. That reaches your fans in another way. You might have fans who want to support you, but don't have \$10. They might only have 99 cents. Being able to control our prices allows the consumers to be more involved.

Artists deliberately took other measures to ensure that consumers were as involved as possible that by using a limited amount of physical/traditional distribution formats.

However, this approach is usually limited due to higher financial costs for the artist.

PRODUCERS – SECONDARY RESULTS

Understanding Independence

Artists associated independence in the music industry with increased autonomy and free will. In fact, true independence is almost solely associated with the artists essentially owning and – sometimes only to an extent – operating their own label.

However, they were willing to sacrifice autonomy for increased access to fans via major labels or established independent labels marketing channels. Mario, Malcolm, and Nikki said this:

A lot of people with independent status are in control of the label that puts their music out. Like Ryan Lewis and Macklemore. They're independent. Like that album they put out that won Grammy's and everything, that was all independent. They put that out themselves.

A pro is, you get to do what you want, no real restrictions, you make your own decisions, you're your own boss... Right now, I'm feeling good. I can make the music I want and don't have to wait for people. I have artists whose managers tell them not to drop stuff. Independence is where it's at, but don't get it wrong, eventually a deal will be signed. It doesn't even have to be major. It can be an independent type deal.

I kinda just want to just be free. That's my whole thing right now. Being free and being able to do what I wanna do. I'm ok with giving up a little, but I just feel like as an artist you can't be creative when there are certain people over you conducting how you record music, produce music, and what music you choose to put out.

Independence is a very philosophical concept from the view of artists. It is not a cut-and-dried concept. Additionally, independence seems to be laid out along a continuum. That is, artists see independence as varying. Independence seems to be more

about what an artist does and his/her attitude. In fact, consumers may still consider many major label artists independent. Artists also associated independence with higher (financial) returns from business transactions. Not to be confused with more money. They feel they receive a larger share of the profits as independent artists, but often have less exposure and sell less music. However, they feel they can still make a living being an independent artist in the strict sense of the word. Producers Mario, Martin, and Malcolm had this to say about independence:

I mean, you can be independent and get signed to a major label and people will still refer to you as independent, because even though you got to that status, something got you there, that independent grind. For example, Ludacris was selling a whole bunch of CDs out of his trunk. Master P too. That's independent. When you take your own life into your hands and don't let the label dictate what you do.

There are varying levels of independence. It kinda depends on the situation. Everybody gets a different contract. Your contract might state that you get 17% of your royalties and mine might say I get 18%. Everything else might be the same. Might have to stick to a strict tour schedule and studio session. As far as who has more independence, I have more because I'm getting more back. Even if you're not dependent depending on what type of paper you sign, that's your independence.

I respect people in the mainstream, but that's not my angel. A lot of people will call me stupid, like you're not going to make any money. Well, the more respect I get, the more money I'm GOING to have, but if you're just hot for a second, it's like, you know. But you gotta think about it...nowadays you don't need all that extra shit. You can make your own videos. Everything is so accessible now. You don't have to wait on anybody. People are making album covers with their iPhones. Take a picture, put it through an editing program, put a parental advising sticker on it and there you go, an album cover for free.

The artists interviewed were very detailed in explaining their views on independence. They equated independence with increased workload. They discussed the multiple roles they played in the full production of a project. They were responsible for

producing the actual music, creating cover art, to actually developing a marketing plan and marketing the project. Malcolm said this:

The con is you are your own boss and it's up to you to maintain everything. Keep your hands in all the pots. Me, I'm playing the MC role, the producer role, marketing, somewhat playing a managerial role with Semi – getting him straight.

Not only do they associate increased responsibility with independence, they suggest that it is one thing that signifies or defines independence, or will cause others to perceive you as independent even if you are signed to a major label. For instance, one artist spoke about how some artists were independent and then signed to a major label, but were still seen by fans as independent. One of the most important elements of classifying independence was control. The artists consistently spoke of control of one's career as a defining factor of independence. For artists, having the final word in whatever is going on in their career is very important.

Reasons Artists Remain Independent

Artistic control and financial returns were the two primary reasons why artists wanted to remain independent. Mario had this to say:

To put out a product where we have everything paid up front and don't have to pay anybody back. That means every dollar that comes back goes in our pocket and toward the next thing rather than somebody giving me a million dollars and having to pay it back. Plus to have to pay back royalties for everything I sell. I'm the last one getting paid. Being independent gives you more control of your situation. Then, when you're on a label, depending on the size of the label and your popularity, they're going to recruit features for you. They're going to bring people to you and want you to work with them and you might not want to do that. Independent gives you creative and financial control.

Artists constantly spoke of the importance they place on controlling the various aspects of their music, especially the production aspect. One artist said his/her control over the production of the music is invaluable. The artists said that signing to a major

label sacrifices some of this control. For instance, he/she spoke of the label recruiting features for you or bringing in people for the artist to work with instead of the artist selecting who the artist may want to work with on a song or album or who the artist wants to work with for things like marketing or developing the art for the project.

Another reason for artists to remain fully independent is related to financial control. Even though it is generally understood that being a major label artist might be more financially lucrative, generating revenue as an independent artist is just as viable of an option. Artists recognize that both situations can work. In fact, some are focused on signing major label deals. One artist spoke about how major label artists have to pay the label back before they receive any money. If they are independent, however, then they start receiving money as soon as revenue begins to come in because they put the money up front. Additionally, all royalties go directly to the artist and are then distributed to those who need to be paid.

As one producer pointed out, independent record labels are not necessarily associated with what artists believe to be true independence. In fact, independent record labels can be seen as very similar to major record labels in that you lose a level of control over the production of your music. This is where independent artists speak of the importance of distribution deals. The only way for artists to retain absolute control of their music and careers is by owning – and to an extent – operating their own labels.

It might be reasonable to assume that artists are willing to sacrifice control over certain aspects of the music dissemination process such as the promotion and distribution aspects. For instance, in many cases independent artists own and operate their own labels and negotiate deals with labels to take care of promotion, publishing, and distribution

(Horowitz 2013). Artists seem (reasonably so) to be most concerned with the actual production of the music.

SUMMARY OF PRODUCER RESULTS

Interviews with artists suggest that they have an informal approach to developing marketing strategies. Artists do not follow the traditional development of a marketing plan. Much of the artists' information about marketing is learned as they progress through their careers. They do, however, understand the importance of their fans. For instance, the most reoccurring independent artists marketing strategy – developing more personal relationships with fans as a foundation for more complex marketing strategies later. They primarily learn about their fans through direct interaction via live shows or on social media networks. Furthermore, artists noted that digital distribution has allowed for changes in marketing strategies and leads to an increase in the number of roles they must play. These changes in marketing are presented in table 2.

Table 2

Changes in Marketing Strategies as a Result of Changes in Product Form, Places of Purchase/Acquisition, and Price

- Changes in control over pricing strategies
 - From labels to artists
- Increased artists' responsibility
 - Artists step into the role of producer, distributor, manager, etc.
- Focus on developing relationships with consumers
- More artists become distributors via personal websites
- Shift back to live performance
- Constant contact with fans via Internet (social media sites) to establish more personal bonds, which is used as the basis for more complex marketing strategies

CHAPTER VI

CONCLUSION

This study was designed to gain insight into how individuals' and their market practices affect markets. A theoretical framework for studying markets was developed and applied to construct a picture of the hip-hop music market. There were two groups that were interviewed, hip-hop music consumers and independent hip-hop artists. Both groups were asked a series of questions about their various market practices. Consumers were asked questions pertaining to how they acquire/access and use music and how their behaviors in regards to music consumption have changed as a result of shifts in distribution and producers' use of digital technology in their marketing strategies. Artists were asked questions that pertained to their ideas about independence in the music industry and the marketing strategies they employ to develop their fan base to build/sustain their careers.

Findings suggest that consumers associate/link a number of changes in their behavior to digital distribution and digital technology. They associate increased control over the type of hip-hop music they listen to and their broader hip-hop musical collection to the lower prices, which they believe are related to the shift to digital distribution/technology. They also reported that digital distribution and digital technology smooth out the entire process of acquiring and organizing their music, thus making their experience with music as a commodity more convenient. This convenience

also increased consumers' likelihood to explore the hip-hop music genre and their involvement in the marketing of artists and their music. Moreover, consumers believed that digital technology has decreased the risks associated with purchasing an artist's album, especially an artist the consumer may not be familiar with musically.

Additionally, primary findings concerning producers suggest that younger independent hip-hop artists have a very informal approach to marketing and rely heavily on digital technology and digital distribution to develop their careers. The artists in the study tended to focus on developing genuine relationships with their potential customers; however, artists do not necessarily cater to their audiences' needs/wants intentionally, but in part as a way to keep overhead costs low or at zero. They develop these relationships by focusing on key aspects of themselves that they felt were engaging and accentuating those characteristics. Additionally, developing relationships with potential customers was done by offering free music, disseminating information to fans about the artist's sounds and background, and for the artist to get to know their fans by interacting with them at live shows, in passing, and also via the Internet on social media networks. Moreover, producers focused heavily on building respect with both their peers and their potential consumers as they saw this as a way to build longevity.

DISCUSSION

Digital Technology, Independent Artists, and Consumers

The intense use of digital technology by young, independent artists and the shifts in consumer behavior were all associated with digital distribution or digital technology in general. From analyzing the results, there are two primary ways in which digital distribution affects the behavior of those who make up the two sides of the market. First,

digital distribution increases the quantity of consumer participation within the market by altering the risks linked to acquiring/accessing music and by improving the consumer's ability to help market music. Second, it improves independent artists' ability to involve consumers in the complex process of producing and marketing their music in essence allowing consumers to become co-producers and co-marketers of an artists and his or her music.

The increase in the quantity of consumer participation can be attributed to two factors – decreasing the (financial/purchase) risks associated with acquiring/accessing music and by improving the marketing capabilities of consumers. The decrease in the risks associated with acquiring/accessing music could be a result of the reduction in prices of albums and/or singles/songs. This reduction in prices allows consumers with varying levels of disposable income to become involved in their favorite artists' careers. Now, as opposed to supporting one artist via purchasing his or her music, consumers can support a number of artists without spending more money to do so; thus, allowing for consumers to be more engaged in multiple artists' careers.

Additionally, as a result of the unbundling of albums, consumers now have the option to purchase - or download for free in certain situations - individual songs as opposed to entire albums or labels'/artists' selected singles. As a result, consumers are not confined to acquiring defined singles, as was the case with traditional distribution strategies. In fact, the RIAA (2015a) reported that revenue from single sales in 2013 and 2014 was much higher than revenue from album sales. This may also result in more consumer driven singles, as consumers may gravitate to specific songs that may not be the single selected by the artist or label. Moreover, consumers can easily listen to or

preview an entire album or specific songs from an album prior to making any concrete purchase decisions by using Internet streaming services, such as Spotify. This decrease in the risks associated with the acquisition of hip-hop music maybe the primary driver in changes in the way consumers approach the acquisition of music. Royce spoke to this idea of decreased risk:

“If I’m sure I’ll really like the album, I’ll go out and buy the hard copy...Then, iTunes is good for stuff you’re not too sure about. You can look thru and sample the songs and see if you like the sound or not. Or you can listen to it and say, “Well I like a few tracks from it, so I’ll buy a few of the tracks.” Or if you’re really not sure, just find it for free, I don’t know. Then there’s Spotify. You can listen to the whole album...I think that’s kind of a good thing because I wasted a lot of money on CDs I thought were going be good and I’d be like, “what is this shit?” I don’t have a lot of money and I don’t like to waste it.”

It is important to note that although financial risks decreased, other risks such as wasting time searching through an immense number of artists have increased.

Second, digital technology improves consumers’ marketing capabilities in a number of ways. Digital technology streamlines the entire sharing process/practice. Through social media, the use of hyperlinks, and other Internet technology, consumers can easily share the music that they listen to with their social network friends or embed/post music on their walls or pages that others can easily access and explore. Consumers also have the option of becoming informal distributors of music, further sharing music with other consumers, but outside of the formal economy. Lastly, consumers have increased access to artists via social media sites, which promotes consumer involvement in the marketing process of artists – an idea discussed further in the following paragraph. This has profound implications for how researchers may see the

role of consumers in market processes as it adds ambiguity to market players' roles as it blurs the lines between consumer and marketer.

Improvements in producers' ability to incorporate the consumer into the complex process of producing and marketing music can be seen primarily in one area – the process of marketing. Artists have more direct contact with consumers through online sites, which allow for the construction of personal relationships and encourage consumers to assist artists in marketing a project and/or the artist. What is more implied here than explicit, is that artists use social media as a tool to better understand their consumer base. Artists should use social media to “know” their consumers better. They can use social media as a marketing research tool. This strategy may be very effective for those with smaller fan bases. The ability to create more personal relationships with fans is important because it is seen as a way to play on consumers' desires to participate in artists' careers thus granting the consumer a more personal or exclusive consumption experience (Hauge, Hracs, and Jakob 2013).

Moreover, the streamlined distribution process in which the artist may become his/her own distributor and own the means (e.g. personal website) by which they distribute their music allows independent hip-hop artists to circumvent major distributors and develop the basis – such as building more personal relationships with fans - for more complex marketing strategies.

Price and Producer and Consumer Interaction

Here, it seems that price is the most important variable for understanding how those who make up the market interacted. Consumers could access/acquire music at virtually no financial cost and producers recognized and responded to this with different

pricing strategies. The artists in the study spoke about how they understand pricing has affected their approach to pricing strategies. They felt that if consumers were not willing to pay a certain price for mainstream music then they would be unwilling to pay that price for underground artists. Recognizing this, artists adjusted prices to reflect their understanding of how consumers view pricing. Thus, artists might make an album or song available for free download and allow consumers to “donate” however much they feel the music/artist is worth, which, in theory, allows more consumers to participate (support) in artists’ careers. Thus, digital distribution has allowed independent artists to better cater to their fans and potential consumers. Moreover, artists have access to technology that enables them to distribute their music at little to no price.

However, while it is quite clear that digital distribution affects those who constitute a market, it would be naïve to believe that distribution methods in-and-of-themselves control the interaction between the two sides of the market. The devices do encourage the behaviors of producers and promotes consumers’ changes in acquisition and use, but without acceptance and use of new technology by both sides of the market, actions and attitudes would go unaffected. That is, without incorporating digital distribution/technology into consumption processes or marketing strategies, new methods of digital distribution would go unused and would thus hold less influence over consumers or producers.

CONTRIBUTIONS TO THE LITERATURE

The discussion and results above suggest a multiplicity of contributions to economic sociology, the sociology of markets, the sociology of consumers and consumption, hip-hop music studies, and begins what I call the sociology of marketing

and distribution. To begin, this study provides a theoretical framework for studying individuals and their market practices. Borrowing the idea of art worlds and applying it to sociological accounts of markets suggests that scholars, as opposed to focusing solely on producers and consumers, must take into account the hybrid collectives that enable the two sides of the markets to interact and behave in the ways they do. It makes more sense sociologically to consider markets as the result of the joint action of all the individuals, organizations, and devices that contribute to the organization and functioning of markets as opposed to a select few (Becker 1976). This may also be of use to marketers, as the framework considers multiple aspects of producer and consumer environments and how those environments affect their activities.

This study also adds to the general theory of markets. First, complimenting the performativity literature, markets are indeed socio-technical in nature (Callon and Muniesa 2005). Digital distribution technology transforms artists and consumers into more capable promoters and distributors of music. Many sociological accounts of markets tend to ignore the socio-technical aspects of markets, but they are clearly important to the actions that occur within markets. It is virtually impossible to speak of actions within a market without making reference to the devices that people use. Second, by suggesting that producers and consumers constantly react to the actions of the other, this study shows the importance of considering the market practices of the two sides.

Producers

Many of the sociological accounts of markets tend to focus on larger firms. This study provides a nuanced view of the producer-side of markets by looking at marginalized producers (independent hip-hop music artists) and the marketing strategies

they use to establish themselves and survive in markets. Independent hip-hop music artists are likely to face a lack of financial resources, connections to experienced marketers, time limitations, and lack of access to higher quality recording, mixing, and mastering equipment and personnel. How independent artists navigate the world of music in spite of these obstacles adds an important dimension to understanding producers – especially young independent hip-hop music artists - in markets. This study shows how those with limited resources over come these obstacles to develop independent marketing strategies. Independent artists marketing is particularly interesting here because smaller independent artists are likely to face set of constraints entirely different from major label artists.

Consumers

Another main argument here is that in sociology consumers are underrepresented/underdeveloped in market studies, in PoC studies, and even in studies that emphasize consumers (Aspers 2011; Campbell 1995; Fligstein and Dauter 2007; Zelizer 2005). Using Nicosia and Mayer's (1976) conception of consumption activities is a good starting point for understanding consumers in markets. Usually, acquisition and use are studied separately, but should be studied simultaneously in market studies because use drives purchase/acquisition (Burr 2013). Nicosia and Mayer's conception of consumption activities provide the framework needed to study purchase and use as a set of actions that are intricately connected. For example, in this study, consumers suggested that their increased listening (use) has lead to an increase in the acquisition of music.

Also, this study further contributes to Nicosia and Mayer's (1976) ideas about what consumption activities should encompass within the sociology of consumers and

consumption. More specifically, this study shows that Nicosia and Mayer's conception of buying significantly reduces the complexity of consumption activities, but can be strengthened with a concept from the consumer behavior literature in marketing. For instance, buying constrains our views on the methods used by consumers to acquire things (cultural products, goods, or ideas). This idea can be abstracted to include a broader concept of buying – acquisition. The concept of acquisition is more encompassing of an initial stage of consumption activities as it allows us to include various means of acquisition. As Arnould et al. (2004) note, there are various ways that consumers acquire things such as social exchanges, purchases, countertrades and bartering, and gift receiving.

Moreover, this study hints at the interconnectedness of artists and consumers and further suggests using the new conceptualization of markets to develop studies. For instance, how consumers behave in regards to technology affects the marketing strategies of producers. This insight may not be novel to marketers; however, it suggests that consumers play more than the role of base in a market. For example, they are actively aiding in facilitating connections between producers and other consumers. As noted, most research ignores consumers, but here results suggest the importance of consumers because in cases they can be simultaneously considered consumers and marketers as a result of changing technology, which results in market players' boundaries becoming more vague. This also has profound implications for marketing managers of artists (which in some cases is the artist) as it suggests that higher importance be placed on developing more personal relationships with fans as a basis for implementing more complex marketing strategies.

The study also contributes to the PoC literature. For instance, it can be argued that consumers are not necessarily isolated or situated at the end of the cultural industry system; instead, they may make up parts of the institutional subsystem as they are equally responsible for spreading information about musical projects to other consumers. Also, consumers' preferences for unbundled songs or shorter albums as opposed to LPs may eventually alter artists' artistic processes, which in turn affect the music that is produced. However, more research is needed to understand how consumers' activities affect artistic processes. Additionally, the literature review and the results begin to show the cooperative links that make up the hip-hop music world/market.

More generally, this study moves beyond traditional sociological inquiries concerning the use of music for communication or exclusionary purposes. It is not denied that symbolic use is important in understanding consumers, as it was used by consumers in this study in a symbolic way as well, but there are other factors that deserve the attention of sociologists, such as situations in which music is used, and use that takes form in the distribution and promotion of songs and artists. This study offers a more holistic approach to studying consumption as acquisition and use as a joint set of actions influencing each other.

Marketing and Distribution

Perhaps the most unique contribution made from this thesis involves marketing and distribution. Other than those in the performativity tradition, sociologists have largely neglected the roles of marketing and distribution in markets, but I have argued that both marketing and distribution should be of special interest to sociologists because of their agency and their role in market change. Here, the results suggest that distribution

has a strong role in drastically altering the relationships between producers and consumers and actions of producers and especially consumers. The study demonstrates how the form in which distribution takes place, in some way at least, constrains or promotes the behavior of those who compose a market. Thus, it is clear that these hybrid collectives that are situated in between producers and consumers play a very important role. Moreover, the study shines light on how technological innovations affect markets, such as the quantity of players actively participating in the market and the forms in which consumers and producers interact.

The findings suggest that the conception of a market presented in the second chapter is more theoretically accurate or appropriate for understanding how markets actually work. They work through consumer and producer interaction, which does not happen without intermediaries – social media, websites, (physical and virtual) distributors and other market actors. Distribution plays a vital role in the actions of consumers and producers in markets and marketing tools support producers' efforts to learn about, reach, and persuade consumers.

This study also suggests that product form is important to understanding how markets work because the form of the product influences the type of distribution system. Physical products still need to be manufactured and sent to retailers. Digital products, however, do not require a traditional manufacturer and can be distributed without being sent to retailers. Moreover, mass digital distribution is not hindered by geographical constraints. Distributing CDs nationally requires large or small retailers in various areas across the nation, but digital distribution does not require this additional layer/intermediary.

Lastly, this study opens up the door for what can be called the sociology of marketing or distribution. If we consider distribution (place) to be one of the primary aspects of marketing, then it is clear that the strategic use of distribution channels guides or at least influences the behaviors of consumers. It alters social relationships and social influences that were once characteristic of physical distribution systems. With digital distribution, new social circles and influences emerge. Additionally, distribution systems and technology drastically alter power relations between artists and labels, as artists do not have to depend on major corporations to reach the masses (McLeod 2005).

LIMITATIONS AND FUTURE RECOMMENDATIONS

While it is clear that digital technology significantly impacted music consumption activities and was heavily relied upon by young, independent hip-hop artists, the study did not grant the same insight into how the two sides of the market actually respond to each other actions. There were adjustments made according to price, but this only shows how producers respond to information about consumers. This may be a result of the type of research method used for the study. Using focus groups to investigate the interactions between producers and consumers may be a more useful research method for understanding how the two sides of the market interact, as it would allow the researcher direct insight into the working relationships between producers and their consumers. Further investigation into methods on studying markets as defined in this study is needed.

Tastes structures within musical genres need to be explored further as well. Previous research on musical tastes do not take into account the nuances that those who listen to particular genres use to further categorize those genres, nor how they use sub-genres to differentiate themselves from other consumers who actively participate in those

genres. For instance, consumers perceive there to be massive differences in the lyrical content, the lyrical quality, types of musical style, and overall musical quality. It would be interesting to see if this is also the case for those who may report not liking hip-hop music or any genre of music. Is it all hip-hop music or all of a certain genre that people like or dislike or do individuals like specific artists or songs in certain genres. Moreover, how respondents viewed the different characteristics of hip-hop music determined their attitudes toward the music. For example, those who were more concerned with lyrics appreciated hip-hop music with more astute lyricism. Research in this vein would extend our current understanding of tastes and musical consumption and due to hip-hop's tendency to borrow various elements from other genres; hip-hop is ripe with potential for this type of research agenda.

Comparing and contrasting purely physical or digital markets with markets that have both a physical and digital product could also further our understanding of how different markets work. It is clear that product forms have some level of importance in terms of how actors organize themselves and behave, but how different are these hybrid product form markets compared to markets that are either purely physical or purely digital? Closer inspection of how markets about public goods operate would benefit theory on markets.

Lastly, this study is limited because here I focus primarily on perspectives of consumers and producers. It might be more useful to expand the people and organizations considered to include artists, managers, those who organize live performances, consumers, distributors, and others who are involved in the functioning of music markets. This would certainly further our understanding of hip-hop music

worlds/markets, music markets, and markets in general. Additionally, my study is limited by restricting the study to the hip-hop market and thus excludes other types of hybrid markets (digital and physical) markets.

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APPENDIX A

ARTIST INTERVIEW GUIDE

1) What strategies have independent hip-hop artists used to develop and sustain their consumer base in today's hip-hop music market and 4) How have artists adjusted their marketing strategies in response to changes in consumer behavior?

**Marketing strategies = methods used to produce, promote (communicate with consumers and potential consumers), price, and deliver (distribution) a good to the end consumer(s)*

[NOTE] Ask the artist's if there's anything he/she would like to know about me.

Introduction (Artist's History):

Tell me a little about yourself...

- Age
- Where did you grow up
- Educational background
- Music you liked growing up
- How you got into hip-hop (as a fan and an artist)
- First project (and first project for sale)
- Current projects
- History of label situation
- Level of recognition (local, regional, national) and why?

Understanding Independence and Goals/Career Benchmarks

1. What does being independent as an artist mean to you?
 - a. How would you define an independent artist?
 - b. Do you think there are varying levels of independence in the music industry?
 - i. If so, how would you describe the various levels?
 - c. **[NOTE] Does this have anything to do with why they are independent?**
2. Why do you remain independent?
 - a. What are some pros and cons of remaining independent?
3. What are your goals for your career? (eg. assistance from a major label, # of downloads/followers/views, soundtrack placement, etc.)
 - a. Short-term goals?
 - b. Long-term goals?

Building/Sustaining Careers: Production, promotion, pricing, and distribution (marketing strategies)

1. How do you determine your marketing strategy?
 - a. Does it change?
 - b. What sources do you use to gain knowledge or insight about marketing yourself and your music?
2. What role did/do live performances play in developing/sustaining your career?
 - a. As a marketing strategy
 - i. Distribution
 - ii. Promotion
 - iii. Product
 - b. Revenue
3. What role does digital technology play in your marketing strategies?
 - a. How does digital technology affect the way you prepare/produce an album/songs?
 - b. When did you begin to incorporate digital technology into your promotion efforts?
 - i. How has the use of digital technology in your promotional efforts affected your career?
 - c. When did you begin to incorporate digital distribution into your marketing strategy?
 - i. Has digital distribution affected your career?
 1. Does it help or hinder your ability to compete in the market (or does it help or hinder your ability to develop your fan base)?
 - a. How?
 2. Do you think digital distribution increases or decreases your access to fans/consumers?
 - a. In what ways?
 - b. How has this increased or decreased access to fans/consumers affected your career?
 - ii. How does digital distribution affect your pricing strategy?
 1. How does this affect your career?
 - iii. Do you use traditional forms of distribution?
 1. Why or why not?
 - iv. How does digital distribution affect the consumption of music?
 1. How does this insight affect your marketing strategies? In what ways?
 2. How does the way music is consumed affect your career?
4. Revenue Streams
 - a. Where does your revenue come from?
 - i. Ask them to break down revenue stream (% from record sales – from personal website or intermediaries, % from live performances, % from apparel, other jobs, etc.)

5. Artists' Careers – Old vs. New
 - a. Have you ever witnessed an older artist (i.e. artists who were around before digital distribution was prevalent) who had trouble adjusting to digital distribution?
 - i. Why do you think they had trouble?
 - b. Do you feel you have an advantage or disadvantage compared to artists whose careers started prior to the importance of digital distribution in the industry?
 - i. If so, what advantage or disadvantage?
 - ii. Why?
 6. Are you involved in any activities outside of recording your own music?
 - a. Such as managing other artists, radio, production, clothing, etc.
 - b. Do you use this to promote yourself as an artist?
 - c. How do these contribute to your ability to sustain your career?
- (Explain to them what you hope to gain from the study. Thank them for taking time to participate in the study)

ADDITIONAL QUESTIONS:

1. Any suggestions/recommendations/critiques

APPENDIX B

CONSUMER INTERVIEW GUIDE

2) How has digital distribution altered hip-hop music consumption and 3) How have marketing strategies affected consumers' behaviors and attitudes toward music?

Introduction (Consumer's History):

Tell me a little about yourself...

- Age
- Where did you grow up
- Educational background
- Music you liked growing up

ACQUISITION/ACCESS (and a little use)

1. How has digital distribution affected the way you access/acquire hip-hop music?
 - a. Can you discuss the format(s) (digital and/or physical) you prefer to purchase hip-hop music in and why?
 - b. Can you discuss where you prefer to purchase hip-hop music from and why?
 - c. How has digital distribution (digital files) affected the amount of hip-hop music you consume?
 - d. How has digital distribution affected which hip-hop artists you listen to?
 - i. Or, in what ways has digital distribution affected which hip-hop artists you listen to?
2. Is there a difference in the way you access the music of independent hip-hop artists and major hip-hop artists?
3. Can you explain what you see as the difference between an independent hip-hop artist and major hip-hop artist?
4. Do you think you have more access to different hip-hop artists as a result of digital distribution?
 - a. Ask them to explain why they think this is the case
5. Do you think digital distribution has affected the way hip-hop music is marketed? How?
 - a. How does the way hip-hop music is marketed affect the way you acquire/access music?
 - b. Has this affected the type of hip-hop music (or the artists) you listen to? In what ways?

- c. How have these changes in marketing affected the hip-hop music you seek out or listen to?
- 6. Are there any marketing strategies that artists have used that may have stood out to you?
 - a. What role did digital technology play?

USE

The Hip-hop Genre

- 7. Listening to hip – hop music
 - a. What constitutes hip – hop music?
 - i. Are there different types of hip-hop? If so, how would you categorize them?
 - b. Around what age did you begin listening to hip-hop music?
 - c. How often do you listen to hip-hop music?
 - d. Why (or how) did you begin listening to hip-hop music?
 - i. Why do you continue to listen?
 - ii. Is there anything that would cause you to stop listening to hip-hop music?
 - iii. What about a particular artist?
 - e. In what format (digital or physical) do you usually listen to hip-hop music?
 - i. Why?
 - f. How do you listen to hip-hop music?
 - i. Do you listen intently and try to dissect the meaning of the words?
 - ii. Do you rap along?
 - iii. Do you watch hip – hop music videos?
 - 1. If so, how often?
 - iv. Do you think HOW you (or a person) listen to music influences the type of music you listen to?
 - g. Where do you listen to hip-hop music?
 - i. How does where you listen to hip-hop music affect how you listen to the music?
 - ii. How does where you listen to hip-hop music affect the type of hip-hop music you listen to?
 - iii. In what ways has digital technology changed the possibilities for listening to music?
 - h. Does the situation affect the type of hip-hop music you listen to?
 - i. When you listen to hip-hop music are you usually by yourself or with others?
 - 1. Does being alone or with others influence the type of hip-hop music you listen to?
 - 2. Does it influence how you listen to the music or what you do as you listen?
 - a. Why?

8. Lyrics/Music

- a. What primarily draws you to hip-hop music? Is it the lyrics, music, or a combination?
 - a. Or are there certain factors that influence the importance you place on lyrics/music? If yes, what are those factors and how do they affect the importance you give to lyrics/music?
 - b. What about the lyrics/music is so appealing?
 - c. Why is one element more appealing than the other?
- b. Do you feel as if hip-hop music plays a role in your identity (who you are as a person)?
 - a. If so, what role?
 - b. If not, why doesn't it?
- c. How do you view hip – hop music? (does it have a high degree of artistic value, is it intellectual, etc.)

Independent and Majors

9. Why would you listen to an independent artist v. major artist?

(Explain to them what you hope to gain from the study. Thank them for taking time to participate in the study)

ADDITIONAL QUESTIONS:

Any suggestions/recommendations/critiques

APPENDIX C
ARTIST INFORMED CONSENT FORM AND
INTRODUCTION TO INTERVIEW

ILLINOIS STATE UNIVERSITY I.R.B.
INFORMED CONSENT FOR:

Reconceptualizing Markets: Hip-Hop Artists, Marketing, Distribution, And Consumers

Researcher's Name, E-mail address, and Telephone #: Ronald Pikes; rpikes@ilstu.edu;
(810) 919-9244

The purpose of this document is to provide a clear explanation of what participation in this project entails. The study's procedures are described in the following paragraphs. If you have any questions prior to or after the completion of the survey, I can be reached at the above email address. If you have any questions about the rights of research participants contact the Research Ethics & Compliance Office at (309) 438-2529.

There are two primary purposes of this study: 1) To explore changes in artists' strategies used to develop/sustain a career in an evolving market and 2) To explore consumer's changes in consumption behavior as a result of digital distribution.

The interview is composed of approximately fifty (50) questions and should last approximately an hour to an hour and a half. The interview guide includes demographic questions, and questions pertaining to your production, promotion, pricing, and distribution strategies. Your participation in this study is entirely voluntary. Thus, you may refuse to participate in this study or exit the survey at anytime without penalty. The risks you face by participating in this study are minimal. The only foreseen risk is disclosure of a proprietary marketing strategy, which could result in a loss of competitive advantage. To minimize this risk, I will discard any information that you are uncomfortable with sharing in the final draft of the project. In qualitative research, it is important to accurately record information given by the interviewee. Thus, the audio recording is integral to the successful completion of the project. The data you provide will be recorded confidentially. Additionally, the audio file will be deleted immediately following its transcription. The transcripts, however, will be saved for future reference, but will not contain any identifying information.

This study may help you further your production, promotion, and distribution strategies.

Consent

By signing below, you are indicating that you understand that your participation in this study is optional, that you can exit the survey at any point without penalty, and that your responses to interview questions will be confidential. Lastly, you certify that you are at least 18 years old.

Participant's Signature

Date

APPENDIX D
CONSUMER INFORMED CONSENT FORM
AND INTRODUCTION TO INTERVIEW

ILLINOIS STATE UNIVERSITY I.R.B.
INFORMED CONSENT FOR:

Reconceptualizing Markets: Hip-Hop Artists, Marketing, Distribution, And Consumers

Researcher's Name, E-mail address, and Telephone #: Ronald Pikes; rpikes@ilstu.edu;
(810) 919-9244

The purpose of this document is to provide a clear explanation of what participation in this project entails. The study's procedures are described in the following paragraphs. If you have any questions prior to or after the completion of the survey, I can be reached at the above email address. If you have any questions about the rights of research participants contact the Research Ethics & Compliance Office at (309) 438-2529.

There are two primary purposes of this study: 1) To explore changes in artists' strategies used to develop/sustain a career in an evolving market and 2) To explore consumer's changes in consumption behavior as a result of digital distribution.

The interview is composed of approximately thirty-seven (37) questions and should last approximately 45 minutes to an hour. The interview guide includes demographic questions, and questions pertaining to the way you access, acquire, and listen/use music. Your participation in this study is entirely voluntary. Thus, you may refuse to participate in this study or exit the survey at anytime without penalty. The risks you face by participating in this study are minimal. The only foreseen risk is disclosure of illegal downloading activity. The risk will be minimized by altering your voice with voice modification software (Voxal Voice Changer). In qualitative research, it is important to accurately record information given by the interviewee. Thus, the audio recording is integral to the successful completion of the project. The data you provide will be recorded confidentially. Additionally, the audio file will be deleted immediately following its transcription. The transcripts, however, will be saved for future reference, but will not contain any identifying information.

This study may help you better understand various aspects of consumption.

Consent

By signing below, you are indicating that you understand that your participation in this study is optional, that you can exit the survey at any point without penalty, and that your responses to interview questions will be confidential. Lastly, you certify that you are at least 18 years old.

Participants Signature

Date