



THE POWER OF LIVE

GLOBAL LIVE MUSIC FAN STUDY FOR BRANDS

LIVE NATION®

A LETTER TO MARKETERS

Live music drives culture and brings society together, which is why festivals and concerts have never been more popular. More than two-thirds of 13- to 49-year-olds are attending live music events around the world, a trend that is reflected in the overall music industry with live music outpacing the growth of digital and recorded music. This unstoppable shift in culture inspired Live Nation to go on a research road trip visiting festivals, amphitheaters and clubs around the world to learn what drives live music fans' motivations and behaviors.

A powerful insight emerged: it's easier than ever to connect *TO* people but harder than ever to connect *WITH* people. The more fans we spoke with, the truer this became. As the world's largest live entertainment company, Live Nation, along with our brand partners, can solve this global challenge.

There's an adage in marketing: the right person, in the right moment, with the right message. This idea hasn't changed, but it has been disrupted. Generations age up, demographics and preferences blur, and media consumption patterns evolve. These new challenges require brands to adapt and meet the needs of a dynamic and demanding society. We see this fragmentation as an opportunity, not an obstacle.

The question is, how can brands be authentic and build relationships, effectively and at scale? The Live Nation environment and our audiences are only one part of the media equation. The other part is ripe for brands to help solve. Our platform offers so many ways to be an integral part of the live music experience, drive purposeful value, and build meaningful relationships. We challenge brands to consider the value of our audience, share in fans' emotions, and become strategic investors in culture.

This groundbreaking and expansive study covers the global power of live, tested through biometrics, qualitative and quantitative methods. We're excited to share why the emotions of live music experiences are so unique and important – to fans and to brands. We hope this study inspires you to connect with audiences we now know to be the most receptive and influential in the world—when they are truly listening.

Russell Wallach

Global President of Media & Sponsorship
Live Nation

**IT'S EASIER THAN EVER TO CONNECT *TO* PEOPLE,
BUT HARDER THAN EVER TO CONNECT *WITH* PEOPLE.**





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EXECUTIVE SUMMARY

- **Live music is a cultural marker.** Besides being a growing source of how people spend their time (with more than two-thirds of Generations X, Y & Z attending a live music event each year) and money (live music growth is outpacing recorded/digital music and is predicted to grow to a \$48.8 billion industry by 2020), music also plays a significant role in defining our evolving identity beyond traditional markers like gender, race or hometown. In an age where demographics are more blurred than ever, marketers have an opportunity to align with the intensity of fan passion points and shared values.
- **The Experience Economy is nothing new, but our thirst for live experiences has never been more in demand.** In an increasingly digitized world, we are overloaded with information and are losing opportunities to truly connect – a global trend we define as *Sensation Deprivation*. Live music is the antidote to this need – it fulfills the desire of genuine human connection. Seventy-one percent of Generations X, Y & Z agree globally: “The moments that give me the most life are live experiences.” By aligning with live experiences, brands have an opportunity to create deep meaning and engagement with their consumers in moments when they feel the most alive and present.
- **Biometric data also substantiates the power of live – for both fans and brands alike.** Through biometric testing of attendees in the live music environment (measuring excitement through galvanic skin response, attentiveness through alpha brain waves, and bonding through synchronicity of movement), the results prove the positive and lasting benefits of live music, providing increases in immediate and lasting emotional intensity and creating a ripe environment for human connection and bonding. Biometric data also proves live music creates deep attentiveness and engagement, leading to highly receptive fans. When global audiences are feeling high emotional intensity, they say they are 63% more likely to connect with brands. Marketers can tap into this *Emotion Quotient* by capturing the emotional intensity of live music and encouraging people to open up and engage with brands.
- **While IRL (in real life) is a key component of creating memorable experiences, digital extends them throughout the fan journey.** Seventy-nine percent of global live-music-goers agree that the experience extends well beyond the actual event. Leading up to the event, fans spend time discovering and socializing about upcoming shows and preparing and pre-gaming with their social circles. Memory making doesn’t stop at the experience; fans capture, share and relive live music memories with their social network.
- **The exponential value of this global alpha live music audience can be quite powerful for brands** as they are 4x more likely to be highly connected** and consider themselves to be +121% more influential than their peers. By tapping into the live music audience, a brand’s message can extend reach beyond the fan at the experience and tap into the social halo of fans’ networks.
- **Brands have the opportunity to create deep, meaningful connections through live music environments – and fans welcome them, provided they make the experience better.** In fact, 90% of fans say there is at least one thing a brand could do to enhance their live-music going experience. But brands have to serve a clear purpose and offer something useful, fun, or unexpected. It’s about adding to live music culture, not taking away from it.

Live Nation has recommendations for fan engagement that brands should follow:

Be culturally relevant. Authenticity rules. Understand the unique culture of the live music environment and ways to weave into it seamlessly. Fans see the brands that do this right as credible and relevant (and the ones that don’t, they see right through).

Be mutually beneficial. Show fans what’s in it for them in exchange for their time, money, attention, and engagement. Deliver clear purpose and value by solving a pain point, amping up the experience, or providing exclusive access and perks.

Be the change. Live music has always been the microphone for action and change – whether that’s raising awareness of social causes or bringing the shared values of brand, band, and fan to life. Brands that stand for something build strong bonds, especially when their aligned values are center stage.

Be share-worthy. Live music is a feed of unforgettable moments. Help fans create, curate, and share the awesomeness into the social sphere. Shifting the conversation from brand engagement to cultural investment helps create meaningful relationships with fans.

**1000 followers or more on Instagram or Twitter

Sources: PwC Global Entertainment and Media Outlook Music Report; 2018 Live Nation “Global Live Music Fan Study for Brands”

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METHODOLOGY

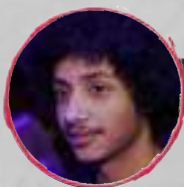
For this study, we used a four-part methodology that included a global, quantitative survey, qualitative research including ethnographies and intercepts, biometrics and a series of pre- and post-show quantitative surveys.

- 1 Global gen pop quantitative survey (n=22,500) across eleven key live music markets
- 2 Qualitative ethnographies (n=75+) and intercepts (n=200+) at festivals, amphitheaters and clubs & theaters across the United States
- 3 Biometric experiment at a Live Nation venue (n=40). Includes galvanic skin response, movable EEG testing for alpha power frequency and accelerometer for movement synchronization
- 4 Pre-, post-Live Nation concert quantitative surveys (n=759) across the United States



Passion for live music knows no age. While it's sometimes helpful for marketers to place the values, beliefs, attitudes and behaviors of generations into buckets, it's best to view these patterns as a guide, not a hard and fast rule. Keep in mind that 1) generations continue to age. The "18- to 34-year-old Millennial" for example, is growing up. This study covers Generation X, Y (Millennial), and Z, aligned with their year of birth. And 2) generational breaks are blurring. The pattern of traditional life stage markers not aligning with age have become commonplace.

WHO WE
SPOKE TO:



GEN Z
Age 13-22



MILLENNIAL
Age 23-39



GEN X
Age 40-49



PART I:

THE POWER OF LIVE FOR FANS

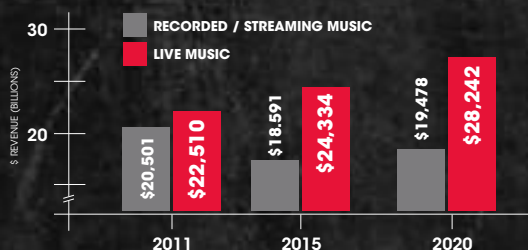
MUSIC DRIVES IDENTITY

Before there were words, there was music. In May 2018, mid-way through her performance at the Fillmore, GRAMMY-winning singer/songwriter St. Vincent thanked the audience for “gathering around this communal bonfire that is live music.” Live music has always been a source of bringing together like-minded individuals for a common, shared purpose. Who are these people? Why does music matter so much to their identity?

Traditionally, demographics were regarded as the strongest markers of culture. Marketers put people into tidy boxes according to gender, race, sexuality, and geographic location so they could easily track society's shifts and trends. But society is becoming more dynamic and blurred – the boxes are breaking down, so painting in broad strokes can be exclusionary. **Respondents spanning three generations and five continents all say that music expresses more about who they are as people than their hometowns, religions, political beliefs, race, cultures, or social media profiles.** More than just a form of entertainment, music is a driver of identity and the ultimate unifier. Katie, 24, said it best: “A more vulnerable, authentic side of yourself comes out at concerts versus day-to-day life; a rawer version of yourself,” which explains why the love of live is irresistible – more than two-thirds of 18- to 34-year-old across the world are attending live music events.

LOVE OF LIVE: LIVE MUSIC IS A CONTAGIOUSLY GROWING EXPERIENCE

LIVE MUSIC GROWTH IS OUTPACING RECORDED / STREAMING MUSIC



LIVE MUSIC ATTENDANCE CONTINUES TO GROW



MUSIC IS AN INCREASINGLY IMPORTANT PART OF WHO WE ARE

IDENTITY

Music says more about us than our hometown, race or religion

VALUES

People are more likely to value live music over sex in their lives

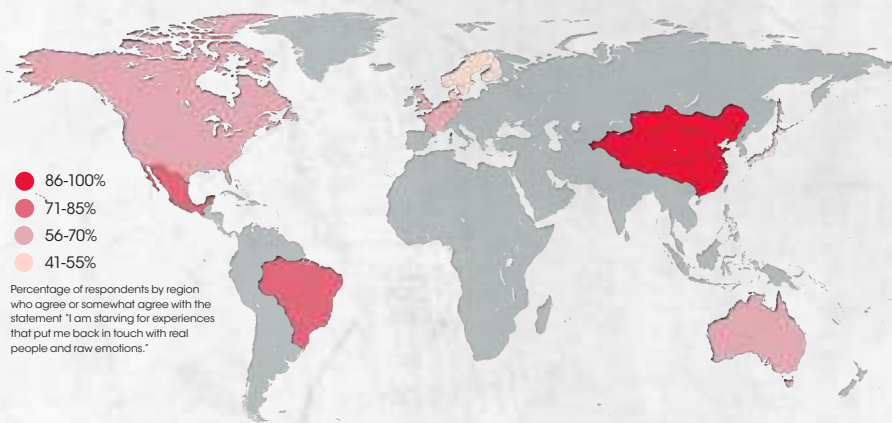
LIVE NATION & TICKETMASTER ARE THE TOP DESTINATION FOR LIVE MUSIC TICKET PURCHASES



SENSATION DEPRIVATION

In our conversations with 22,500 people in 11 countries spanning five continents, one finding stood out: people are starving to connect with "the real world." In fact, almost three-quarters (73%) of 13- to 49-year-olds globally agree with the statement: "Now, more than ever, I want to experience real rather than digital life." Social media, mobile, and tech have made it easy to find and connect to people across geographies, but it's harder than ever to do so in a way that feels human. We tap, touch, and swipe our phones 2,617 times a day, and we spend an average of 2.5 seconds with any piece of content. Of course, digital life isn't dying off—but after a decade of all that posting, pinning, tweeting, snapping, and streaming, people are tapped out. They now recognize the importance of the physical world to their quality of life and are recalibrating their lives with more intention.

66% of global respondents say they are starving for experiences that put them back in touch with real people and raw emotions



This craving to connect is the result of Sensation Deprivation. And no wonder so many of us feel this way - we're inundated with information, constantly distracted, and hitting peak collective digital burnout. In response, people of all generations are seeking device-less, human-centered experiences—two-thirds (66%) of global respondents report they are starving for experiences that put them back in touch with real people and raw emotions.



73% of 13- to 49-year-olds, globally, agree, "Now, more than ever, I want to experience real, rather than digital life."

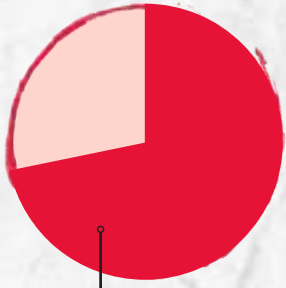
What people want from experiences is shifting - from social currency to fulfilling emotional needs. With every new technological introduction in society, there has always been a reciprocal social effect - think the rise of YouTube influencers or turning the camera on ourselves to create selfie culture. Capturing and sharing experiences will always carry social swagger, but being present and in the moment now has more cache. Because live only happens once.

"We're all so connected, but never connected. You can be online talking to 100 people in one night, but be by yourself. Is that lonely or are you social?"

SOCIAL CURRENCY • • • • •

HUMAN CONNECTION





71%

of Gen Z,
Millennial and
Gen X agree,
**"The moments
that give me the
most life are live
experiences."**

LIVE MUSIC IS THE ANTIDOTE

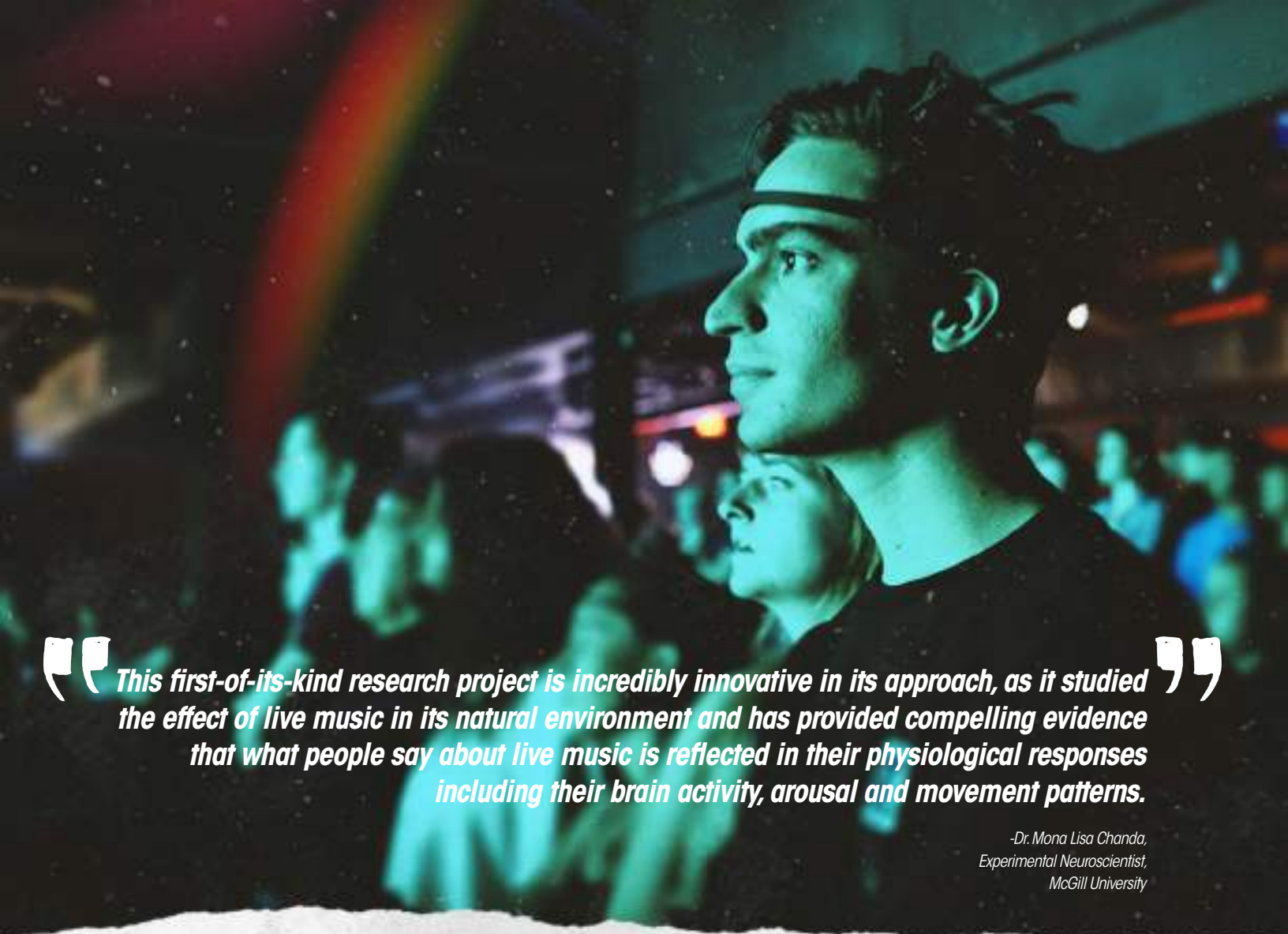
We conducted 75+ ethnographies at iconic music events like the Bonnaroo Music and Arts Festival, as well as up-and-coming performances like rapper Witt Lowry at the Detroit Shelter. Concert and festival-goers told us that live music reconnects them with the realness of life – the stuff that technology and social media can't provide. Seventy-one percent of Gen Z, Millennial and Gen X agree: "The moments that give me the most life are live experiences."

Live music is the best antidote to Sensation Deprivation for one big reason: it's a powerful incubator for human emotion.

When fans were asked to reflect upon a recent live music experience and rate their level of emotional intensity on a 0-10 scale, more than three-quarters (78%) said they felt an 8, 9, or 10. That's 26% more emotionally intense than live sporting events, 27% more intense than streaming music and 31% more intense than playing video games. Intrigued, we wanted to take things a step further. How could we scientifically prove, for the first time ever, the emotional intensity of live music in its truest form – not in the lab but directly in the live music environment? Live Nation partnered on a biometric research study with Mona Lisa Chanda, Ph.D., experimental neuroscientist and co-author of *The Neurochemistry of Music*, as well as with TBD Labs, a creative technology consultancy.

**"There's a divinity in being in that room together,
the venue becomes the temple and music the sermon.
The music becomes the thing we're all part of."**

-Joanna, 25



This first-of-its-kind research project is incredibly innovative in its approach, as it studied the effect of live music in its natural environment and has provided compelling evidence that what people say about live music is reflected in their physiological responses including their brain activity, arousal and movement patterns.

-Dr. Mona Lisa Chanda,
Experimental Neuroscientist,
McGill University

At GRAMMY-winning singer/songwriter St. Vincent's show, live music fans participated in a biometric experiment to prove live music's power. By testing galvanic skin response, alpha power brain waves and synchronization through accelerometers, we were able to demonstrate the impact on fans' level of excitement, emotional intensity, attentiveness, engagement, and human connection. We combined biometric data with survey data to verify and correlate the link between how fans *think* they feel and how they *actually* feel.

The groundbreaking results prove it: **LIVE MUSIC GIVES US LIFE.**



Live music increases our excitement, emotional intensity, and lifts our mood long term

= increase in sweat secretion from glands (GSR: galvanic skin response)

Within the first moments of St. Vincent's concert, live music provided an average 53% increase in emotional intensity among participants, that's 2.8x more than listening to recorded music*. What's more is that those emotions weren't fleeting. Fans self-reported a mood increase, from before to after the show, by 5x.



Live music strengthens our bonds and connections

= movement synchronization among fans (x axis = head nodding), associated with an increase in the "bonding hormone" oxytocin

The majority of participants exhibited movement synchronization at the concert - a proxy for oxytocin, "the bonding hormone." Nearly 70% of biometric participants showed significant movement synchronization (or bonding) during live music; an almost 3x stronger positive correlation compared to pre-music baseline**.

* Live music created an increase of 1.09 microsiemens (μS) compared to baseline pre-show readings. Live music versus baseline provided an increase of 53%. Previous studies measuring GSR (Rickard et al., 2014), show a 19% increase for listening to recorded music.
** Synchronization of movement is associated with increased oxytocin (Keeler et al., 2015; Gebauer et al., 2016) - more commonly referred to as the social "bonding hormone." Accelerometers showed a highly significant level of movement synchronization among fans (head nodding). An average magnitude of the positive correlation between synchronized participants was 0.116 (Spearman's Rho) during live music vs. a pre-music baseline of 0.0425 (Spearman's Rho). All correlations were statistically significant at a 99% confidence interval.

If **live** is the ultimate connector, **digital** is the transmitter – it feeds the long tail of live. Seventy-nine percent of global live-music-goers agree that the experience extends well beyond the actual event.

Digital is how fans discover, plan for, and relive the show. Months in advance, festival fans use apps and social platforms to strategize, save, and coordinate with friends – on transportation, accommodations, the best eats, the perfect festival “look.” Precious memories get snapped, ‘grammed, and tweeted. Sharing the thrill of live experiences on social makes them timeless and engages an even larger audience. And it doesn’t end with the encore. “The day I leave the festival is the day I start planning for next year,” one fan said.

FAN JOURNEY

69%

are constantly searching for new music



DISCOVER

Artist & show discovery

59%

planned a pre- or post-event get together



PLAN

Plan for purchase and show

65%

made a purchase specifically for the event



EXPERIENCE

Arrival, pre-show, in-seats and egress

68%

shared the experience on social media



RELIVE

Right after show and memories later



“ We had a Google spreadsheet of over 200 people to prepare for the festival – who is bringing what. It’s a community – everyone brings something to the table. ”

- Mitchell, 27, 8-year Bonnaroo Arts & Music Festival attendee



“ We’re foodies and we love to travel. Chicago, Nashville, Cleveland, you name it. Part of the live music experience is eating well. Everywhere we go it’s like – what’s the strategy? ”

- Teresa, 34, Katie, 28, Louisville, 10+ shows per year

79%

of global live music goers agree that the experience extends well beyond the actual event

PART II:

THE POWER OF LIVE FOR BRANDS

THE VALUE OF AN INFLUENTIAL AUDIENCE

The first step in making a meaningful connection is to identify a valuable audience. While many marketers default to mass methods of reaching audiences because of the ease of quantifying results through eyeballs or impressions versus more progressive models of multi-channel attribution, they risk diminishing the power of their message by treating all consumers alike. **As cultural catalysts, tastemakers, and trendsetters, live music audiences are the world's most receptive audience.** Globally, they are +29% more affluent, +333% more likely to be highly-connected as micro-influencers*, and are +121% more likely to say they are highly influential among their peers. And, they are uber-consumers. They are 53% more likely to make large purchases than non-live music-goers** and 27% more likely than sports-goers. Brands that harness this influence can amplify the power of their message.

LIVE MUSIC GOERS ARE CULTURAL CATALYSTS



MORE
AFFLUENT
+29%

\$66K vs \$51K higher
household income



MORE
CULTURED
+63%

More likely to be
part of a global
community



MORE
CONNECTED
+333%

More likely to be a
micro-influencer

MORE INFLUENTIAL
+121%

more likely to say they are highly influential among
their peers than non-live music-goers

THE WORLD'S MOST RECEPTIVE AUDIENCE

Connecting with human emotion is every brand's way in. Emotion drives consumer engagement in a way that classic marketing efforts like demographics, psychographics, and behavioral targeting can't. Brands need to differentiate 'passive media and a lean-back audience' from 'active media and a lean-forward audience' – and understand the power and return associated with each.

Because live music is an emotional, multi-sensory experience, consumers are more tuned in and open to their surroundings... and receptive to brands. This is the sweet spot – a place to be a meaningful part of culture and engage with fans when they are truly feeling and listening.

We call this the *Emotion Quotient*. Its power is twofold and lies in the potential of the live-music-goer as a consumer. First, marketers can capture the emotional intensity of live music to unify a fragmented and distracted audience. Second, they can use that intensity to reignite audiences' openness to and engagement with brands.

THE EMOTION QUOTIENT: Marketers can capture the emotional intensity of live music to bring people together, open up, and engage with brands.



Fans are more engaged and attentive in the live music environment

= decrease in alpha power waves (movable EEG)

Ninety percent of participants had a favorable shift in alpha power as measured through movable EEG devices.

The shift represents a 22.3% increase in attention and engagement – an incredibly impressive benchmark within the industry. Comparable studies show a 7-8% shift with playing video games.¹



¹ Mustafa et al., 2015

BRANDS ARE WELCOME

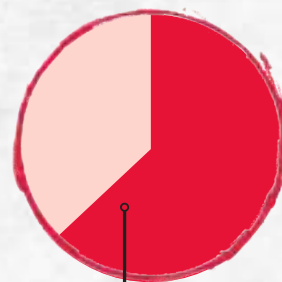
Marketing isn't just about creating collective awareness, it's about creating focused engagement and loyalty.

In fact, 67% of global audiences say the more emotionally engaged they are, the more open they are to new ideas; 63% are more likely to connect with brands; 66% are more likely to make purchases; and 68% feel more connected to the purchases they make.

This makes sense—purchases often serve as keepsakes. The more emotionally engaged a person is in a multi-sensory environment, the more open they are, and the more likely they'll want to memorialize the memory with a purchase.

For brands that has lasting impact. We surveyed concert-goers before and after a show about the brands they were exposed to on-site. Here's what we found:

1. Highly engaged/attentive fans who were exposed to brands in the live music environment say they are 53% more likely to use the brand in future (based on an aggregate of eight brands present in the live music environment).
2. Cisco, our on-site WiFi access provider, found almost 1/3 of concert-goers used WiFi on site. It's a valuable service that solves a fan's need to capture and share content in the moment. Concert-goers were 3x more likely to strongly agree that Cisco "understands modern culture" and that "Cisco is for people like me."



63%
of global audiences say **the more emotionally engaged they are, the more likely they are to connect with brands.**

“Brands need to go beyond putting their name on something, they need to interact with the community in creative ways. It takes more effort for a brand, but the return – the loyalty they could build – would be worth the effort.”

–Anissa, 22



WHEN FANS ARE TRULY LISTENING

Live music isn't just magic for fans. It's magic for marketers. The emotional intensity is unmatched. The moments are unforgettable. Audiences are open to brands that honor and add to the culture.

Live music audiences want brands to join in—90% say there is at least one thing a brand could be doing to improve their experience. The key is not to be phony or forced about it. Dyane, 30, has some solid advice: "You can't parachute in. Established brands need to be invested in piloting new ideas. You need to be connected locally, understand culture and curate which brands make the most sense for the event. There's a careful line between exploiting and investing in culture."

Shifting from brand engagement to cultural investment might feel like new territory for some brands. Plant your flag in it. This strategic challenge is a huge opportunity for marketers; to get on the ground, create cultural relevance, and invest in the live music community. Here's how to get there:

Be culturally relevant. Fans see through disingenuous motives. Brands need to be authentic and immerse themselves in the unique community and culture that live music environments create.

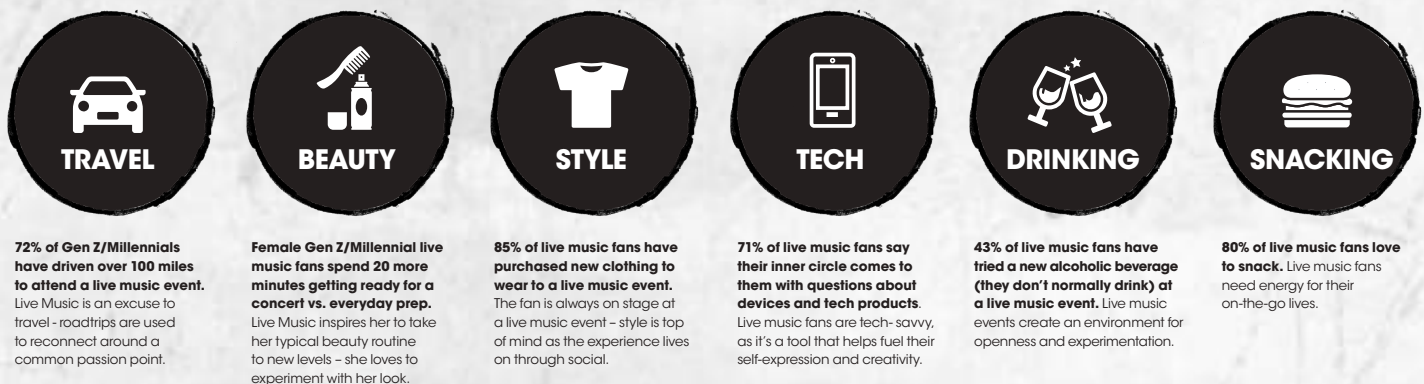
Be the change. Consider what impact or action brands can inspire through the live music experience. Live music has always been able to inspire societal change and bring people together for a common goal.

Be mutually beneficial. Fans appreciate when brands know them enough to be where they are and provide purpose. Brands can deliver mutually-beneficial value: solve a pain point, amplify a moment, or provide access to exclusives and perks.

Be share-worthy. Fans want to create meaningful memories. Brands can leverage the greater social audience of live experiences by creating opportunities for "first-ever" and share-worthy moments.

Somewhere in the world, every 18 minutes, is a Live Nation event. Live Nation is the industry's most scalable and unparalleled live platform, bringing over 550 million fans in 40 countries to tours including Coldplay, Jay-Z, and Ariana Grande; and festivals including Austin City Limits, Lollapalooza, Bonnaroo Arts and Music Festival, Electric Daisy Carnival, and Rock In Rio. As the global leader in LIVE, we own the network, the products, and have direct access to a receptive, influential audience across owned and operated channels including experiential, digital, content, and proximity marketing platforms.

Live Nation is a results-driven partner built to solve your toughest business challenges – loyalty, affinity, product engagement, launch support, B2B business sales, and driving cultural relevance. We offer strategic partnerships and custom solutions that build meaningful, long-term relationships with audiences, when they are *truly* listening.



About Live Nation

Live Nation Entertainment (NYSE: LYV) is the world's leading live entertainment company comprised of global market leaders: Ticketmaster, Live Nation Concerts, Live Nation Media & Sponsorship and Artist Nation.

For additional information, visit: <http://sponsorship.livenation.com>



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