

# The Musical Artist's Objective: Signed to No One, Heard by Everyone

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## Abstract

In today's music industry, independent artists have more opportunities than ever, but they also face big challenges. Record deals often require artists to give up ownership in exchange for marketing and exposure, and traditional streaming platforms take significant cuts of artists' earnings. Therefore, artists need to take smart steps to protect their creative rights and maintain control over their financial well-being. This paper explores the importance of IP protection, the best platforms for independent music distribution, and how artists can maximize revenue through direct-to-fan engagement and emerging technologies. Artists can leverage blockchain technology and smart contracts to ensure transparent revenue sharing, maintain control of their IP ownership, and break away from relying on labels and take a more independent route. Choosing the right distributor is crucial to ensure artists get high engagement with their music and make sure you're receiving a fair percentage of your royalties. Now, thanks to digital platforms, artists can share their music worldwide and keep their rights. Services like DistroKid, TuneCore, CD Baby, and Amuse help artists put their songs on Spotify, Apple Music, and Tidal while letting them collect royalties directly. The paper concludes that there is not one specific way to achieve success, but rather it is important to use multiple techniques: retaining ownership, leveraging technology, and engaging fans directly, which ensures that artists will not be taken advantage of and are able to build a musical foundation and identity.

**Keywords:** Music industry, IP rights, Independent artists, Record labels

## Introduction

Back in 2006, a little-known teenager from Pennsylvania, Taylor Swift, wrote, "Oh, I'm just a girl, trying to find a place in this world." At that time, these words from her song "A Place in This World" were a form of self-expression of a young artist, trying to define her path in the industry that does not typically allow artists to set their terms. Taylor was a young and rising star when she wrote this song. Little did she know that these words would be prophetic later in her music career. In June of 2019, Big Machine Records, a label that owned her first six albums (including "A Place in This World"), was sold to Ithaca Holdings, and Taylor lost control of her original masters. Ithaca resold the rights to Shamrock Holdings. Taylor, instead of entering a deal with Shamrock on their terms, regained control of her music by re-recording her first six original albums. The deal she negotiated was an unprecedented and audacious move in the music industry that continues to inspire artists today, who must balance retaining control of their music with maximizing monetization opportunities.

This paper explores how the music industry has been transformed by technology, changes in consumer behavior, and evolving laws. Emerging new technologies like Artificial Intelligence ("AI") and blockchain continue to shape the music industry. Faced with legal challenges like lawsuits filed by major labels, AI-powered and blockchain platforms promise transparent and decentralized music distribution and are forcing the reinvention of traditional roles in the industry. Now, more than ever, artists need to know how

to protect their Intellectual Property (“IP”) rights, while also maximizing their earnings from their musical works.

Part I of the paper provides an overview of the evolution of the legal framework around U.S. copyright law, aiming to equally protect the rights of composers and performers, and to modernize and streamline digital royalty collection and distribution. Part II describes traditional and new smart music distribution channels that help artists control and manage their IP and improve monetization while providing case studies that underscore the critical role of contract terms and the need for expert legal opinion in negotiations. Part III explores the role of Social Media and the groundbreaking role of TikTok in today’s music promotions. The paper concludes by suggesting that independent artists, in addition to building their following on well-established social media channels, would benefit from utilizing a direct-to-fan platform like SoundCloud and TikTok’s SoundOn to increase their following and gain confidence, which is critical for music promotion and building a brand.

## **I. Historical Overview of Music Artist Monetization and Evolution of Music IP Rights**

### ***A. History of Copyrights and Trademarks***

The US music industry continues to experience significant growth, with total recorded revenue reaching \$8.7 billion in the first half of 2024, representing a 4% increase from the previous year.<sup>1</sup> Streaming is the dominant revenue driver, representing approximately 84% of total revenues, or \$7.4 billion, with 78% of revenue derived from paid subscriptions. These numbers indicate increasing reliance on digital platforms in how audiences consume music.

Understanding how Copyright laws protect IP in the music industry is critical to ensure that artists and right holders receive full compensation. Copyright law provides a framework of the music industry that protects the rights of creators and enables monetization of their musical works. The law differentiates between two types of works (United States):

1. Musical Works (compositions) that includes melody, rhythm, harmony, song arrangement, and words (lyrics); and
2. Sound Recording, which refers to the recorded performance of the musical composition. Sound Recordings are made by recording artists with the help of a producer.

A famous example that clearly demonstrates the legal distinction between the rights associated with musical composition and the rights to sound recordings is the song “I Will Always Love You” that was written by Dolly Parton in 1982 and famously performed and recorded by Whitney Houston 10 years later. In the article “What’s Wrong with U.S.?: Why the United States Should Have a Public Performance Right for Sound Recordings” by William Henslee, the author points out that Whitney Houston’s performance of this song in 1992 that became a global hit generated royalties for Parton and her Publisher, while Whitney Houston did not earn any royalties.<sup>2</sup> This was due to a gap in the U.S. copyright law at that time that did not recognize public performance rights or provide royalty protections for sound recordings at that time. Following the spotlight on the inequalities revealed by cases like Whitney Houston’s, Congress responded by enacting the Digital Performance Right in Sound Recordings Act of 1995 (DPRA) that was placed into law and allowed artists and record labels to receive royalties from digital performances, including those on satellite radio and cable music services, but not AM/FM radio broadcasts. Traditional radio broadcasters in the U.S. still do not pay royalties to recording artists for AM/FM airplay.

The digital evolution of music distribution has had a profound impact on copyright law. The shift from physical sales (CDs, vinyl) to digital formats (MP3s, downloads, streaming) has required updates in

copyright law and how royalties are collected and distributed. The emergence of platforms like Napster in the late 1990s and early 2000s provided file-sharing technology and led to a surge in music piracy as users could download copyrighted content without authorization or compensation to rights holders. In response, legal actions such as the 2001 case *A&M Records, Inc. v. Napster, Inc.* (Ogden, Stern, McIntosh) set precedents for digital copyright enforcement, highlighting the need for platforms to license music properly.

A major legislative response to these challenges was the Music Modernization Act (MMA) of 2018, which aimed to streamline digital licensing and royalty distribution. The law itself granted the mechanical license to the Digital Service Providers (DSPs) such as Spotify, Apple Music, Amazon Music and created a mechanism to enforce IP of music creators and collection of mechanical royalties from streaming and off-line listening (limited downloads) through the Mechanical Licensing Collective (MLC), a nonprofit organization that the act created. The MLC ensures accurate collection of ‘*mechanical royalties*’ and payment to songwriters and publishers for the ‘*mechanical use*’ of their IP.

The term ‘*mechanical use*’ refers to reproduction and distribution of a musical work into a sound recording that is available in physical and digital records. The term “Mechanical License” dates to the early days of music distribution in the late 1800s when people used piano rolls (a mechanical device that makes the piano keys move and play music) to reproduce music (Beardsley, Leech-Wilkinson). Later, various physical devices such as wax cylinders, shellac, vinyl, cassettes, and CDs were created to reproduce music. A record company that distributes music using physical media has a responsibility to obtain a mechanical license and pay a mechanical royalty.

Invention of Apple’s iPod, iTunes and MP3 player in 2003 marked a shift in how music is distributed.<sup>3</sup> Music distribution transformed from physical records to permanent downloads. The record company would secure a digital download mechanical license from the artist and then can give permission to a download service such as iTunes. iTunes would pay royalties to the record label, and the record label in turn pays the mechanical royalties to the music publisher. Most digital download services continue to use this model.

Since the early 2000s, interactive (on-demand) streaming has been growing rapidly. In 2024, Spotify reported over 600 million users (Hsu). Under this model of music consumption, the user determines what music works to listen to. Spotify and other DSPs went from the work-by-work licensing model (when they had to identify and secure mechanical royalties with music publishers or copyright owners of the song behind the recording) to blanket license for digital uses of music works. The MMA of 2018 grants the license to DSPs and stipulates that if the DSPs follow certain rules (such as filing paperwork with the MLC, paying statutory mechanical royalties to the MLC, fulfilling reporting requirements), they are entitled to a license. The MLC administers the Blanket License. The DSPs are reporting the recording usage to MLC. Matching of sound recordings to related Musical Works between the data provided by DSPs and the MLC is critical to providing royalties to rights holders, the MLC members.

Spotify and Apple Music and DSPs obtain mechanical licenses and must pay mechanical royalties. Limited downloads (or playlists that are available for off-line listening) are downloaded on the device for a limited off-line streaming. MLC administers the limited download license for DSPs.

### **B. IP Considerations in utilizing AI to Generate Music**

The rise of AI presents a new challenge for music copyright law. AI systems Suno and Udio can generate music using databases of existing songs, raising concerns about whether AI-created compositions infringe upon existing copyrights. This resulted in litigation: In June of 2024, major music labels, including Sony,

Universal, and Warner Music, filed lawsuits against AI companies Suno and Udio for allegedly using copyrighted material to train their models.<sup>4</sup> Suno and Udio rely on the Fair Use doctrine that states that AI generates music similarly to how humans would by drawing inspiration from existing work.<sup>5</sup>

To address these concerns, the Generative AI Copyright Disclosure Act (2024) has been proposed, requiring AI companies to disclose copyrighted materials used in training datasets. This legislation has not been signed into Law (Adam B.).

## II. Smart Music Distribution: Controlling Rights While Expanding Reach in the Digital Age

### A. Strategies for Controlling IP and Interacting with Record Labels

Songwriters, composers and producers must protect their creative works to ensure fair compensation. They manage their IP rights through a combination of legal protections, strategic agreements, and leveraging technological advancements. Registering musical works with the copyright office establishes a public record and enforces copyright law protections against unauthorized use. The copyright law protects five exclusive rights of music creators, including (1) reproduction or copying, (2) Distribute copies to the public by sale, rental or lease, (3) Perform their work publicly, including radio broadcasts, live concerts, and streaming on platforms like Spotify, (4) Publicly display the work (album artworks, billboards), (5) Create derivative works - new works based on the original.

Although under the Berne Convention, copyright protection is automatically granted once an original work is created, formal registration helps artists prove their ownership of the work and protect their rights. For example, if a songwriter believes that their rights are infringed upon, then the copyright registration enables them to file a lawsuit for copyright infringement. Copyrighted musical works would also promote licensing of the work for commercial use because licensing musical works with a clear legal status would be attractive for potential collaborators.

Another way that music creators protect their IP is through publishing agreements, which are legal contracts that define a relationship between a songwriter or composer and a music publisher. A music publisher is involved in two types of work: creative and administrative. Creative involves working with songwriters to nurture their creativity and develop their songwriting skills. Administrative work involves registering work with the Copyright office and collecting royalties from the Performance Rights Organizations (PROs) and the MLC. Publishing agreements typically cover songwriter royalties that the publisher collects from streaming, radio play, and public performances. The agreement can be structured as a co-publishing deal, in which the artist and publisher split ownership rights to the song, or as a pure administrative deal, in which the artist retains ownership, but the publisher handles licensing and royalty collection for a fee.

Independent artists usually start off with being self-published until the artist enters into a publishing deal. There are certain advantages to staying independent. Independent artists retain full ownership of their IP, including the musical work and the sound recording. They collect higher royalty percentages through direct licensing and distribution platforms like DistroKid, TuneCore, CD Baby. They must self-manage licensing and royalties, which requires knowledge of the PROs, MLC, and SoundExchange.

In addition, artists can sign label deals, which are contracts between an artist and a record label that focuses on the artist's recorded music. Signing with a record label typically involves transferring some or all copyright ownership rights to the master recording from the artist to the label. In exchange, the label handles the recording of the master, production, distribution, marketing, and promotion and pays 13% to 17% royalties per record after all costs, including a cash advance to the artist.<sup>6</sup>

Entering a record deal could be a significant milestone in an artist's career. However, while such deals usually increase an artist's exposure and lead to greater access to resources, signing a record deal often means that artists relinquish control over their music. Typically, a promising artist would be new to the music business and would not have much experience in negotiating with labels, especially the big three - Universal Music Group, Warner Music Group, and Sony Music. These labels have substantial control and bargaining power and set terms that favor the labels instead of the artists, who typically have limited bargaining power.<sup>7</sup> Label deals are intended to manage artists' rights and royalties and promote their musical works. However, the agreements are often used by labels as a strategic tool to control music IP. As Kruglyak emphasizes in his article "The Functionality of a Contract in The Music Industry: Exploring Options for Entertainer's Success," artists can encounter an unfair contract.<sup>8</sup>

To address ownership and other concerns of the record label deals, new types of agreements - Profit Sharing Agreements - have emerged. In this type of arrangement, the artist and label share net profits from album sales. Some of these agreements reach into various sources of revenue, including touring and merchandising. The label participates in all revenue streams that the artist can generate. These are known as 360 deals. This helps align parties' interests.<sup>7</sup>

One type of profit-sharing agreement is known as Net Profit Deals or Profit Split Agreement. Instead of offering artists a cash advance and royalties, a net profit deal divides net profits between the label and the artist, after deducting all expenses related to production, marketing, and distribution. Typically, such deals are offered by smaller independent music recording companies (also known as *indie* labels). An artist's share in the split with an indie label can be as high as 50%. One disadvantage of the Net Profit Deal for the artist is that it lacks transparency, and it could be costly to verify the accuracy of the split between the label and the artist because no third party organization (such as PROs, the MLC, or SoundExchange) can verify the amount.

However, the size of the artist's share in the profit pool with an *indie* label is larger than the royalty percentage in a traditional royalty-based deal, the artist does not receive an advance that benefits the label, and the label does not have to pay anything to the artist until after the revenues from the record sales exceed all the costs. In contrast, if a record is successful, then the indie label does not benefit as much as a record label does in a traditional royalty-based deal.<sup>6</sup>

## **B. Choosing the Right Aggregator and Distributor**

Navigating digital technology and choosing the right distribution channel is critical to a musician's success. Different types of distribution channels help musicians get their music onto streaming platforms. Each type has its benefits and downsides. Aggregators are digital platforms that help artists and labels distribute their music to only digital streaming platforms, such as Spotify, Apple Music, Amazon Music, YouTube Music, and others. Some of the best-known aggregators include DistroKid, TuneCore, CD Baby. Aggregators are different from traditional music distributors such as the major record labels, Universal Music Group (UMG), Sony, and Warner Music Group (WMG), also known as the Big Three, that have historically been the sole distributors of music through physical copies such as CDs and vinyl.

The Big Three are renowned for their extensive reach and robust capabilities in music distribution, marketing, and promotion. Historically, they have relied on the traditional distribution channels such as retail record stores, television, live performances and touring. Over time, the majors have adapted their strategies. As digital streaming technologies took over, the labels began partnering with the tech companies and digital platforms to offer content through licensing agreements. For example, Universal partnered with Spotify to license music globally to their platforms.

Although aggregators function in the same fashion, each has its different business arrangements depending on the platform. DistroKid utilizes an unlimited release subscription model. For an annual fee, an artist can make unlimited music uploads across various streaming platforms, which is beneficial for artists who release their music frequently. Artists retain 100% of their royalties. However, DistroKid requires continuous subscription to keep music live and does not offer any promotional tools to the artists to help them learn about their fan base.

Similarly to DistroKid, TuneCore also allows artists to keep 100% of their royalties. However, TuneCore charges a per-release fee as well as annual fees to keep music online. TuneCore offers comprehensive reporting, including sales data and analytics. This distribution approach would be more expensive for artists with multiple releases per year. However, it could help them learn about their fans.

CD Baby is another aggregator that charges a per release fee. Unlike DistroKid and TuneCore, a one-time payment to CD Baby keeps the music live indefinitely. Similarly to TuneCore, CD Baby offers analytics that could help artists achieve better connection with their audiences. In addition, CD Baby offers publishing administration services and CD/vinyl distribution. For that the aggregator takes a percentage of earnings.

On-demand streaming has disrupted the traditional music industry business model. Digital Service Providers (“DSP”) such as Spotify, Amazon Music opened channels for consumers to access large volumes of music for a small flat monthly fee that has proven groundbreaking for new artists. Now, artists can share their music without signing a record deal with a label, which would result in losing their music ownership rights in exchange for cash and promotions. Additionally, artists can navigate the digital distribution channels independently and gain recognition and thus leverage to negotiate their rights before entering into a label deal after they gain recognition. The digital technology used by DSP allows musicians to keep the rights to their music. Additionally, the technology allows artists to analyze streams and fan demographics to make smart decisions about music promotions.

There are direct ways for artists to distribute their music and engage with audiences, without the intermediaries. It is direct-to-fan (D2F) platforms, including SoundCloud, Bandcamp, Patreon, Kickstarter, ArtistShare. These platforms provide artists with control over their content and allows them to build a relationship with fans and offer alternative revenue streams such as direct to fan sales. For example, Bandcamp allows artists to create personalized pages to market their music directly, sell their merchandise. For that Bandcamp takes a percentage of sales. Patreon enables artists to receive financial support from their fans through a subscription model. It also facilitates engagement with fans by offering early releases and behind-the-scenes. Kickstarter and ArtistShare are crowdfunding platforms that enable fans to fund artists’ projects such as albums in exchange for exclusive experience.

### **C. Blockchain**

Although digital platforms like YouTube, Spotify, Apple Music, SoundCloud have made it easier for independent artists to share their work without needing a record label, these tools continue to support a highly centralized music industry model. Currently, record labels control how music is discovered, streamed, and monetized. As a result, earning more money from releasing music on digital platforms is still very difficult for independent artists (Owen, O’Dair). Blockchain technology provides an alternative direct artist-to-fan distribution channel that avoids intermediaries, provides a transparent artist compensation model, and allows artists to maintain control over their IP rights. Additionally, this technology eliminates the need for record labels or streaming platforms and helps address longstanding challenges related to IP rights management, royalty distribution, and artist compensation. Record labels

are unnecessary because the technology relies on self-executing digital agreements coded on a blockchain. Once a transaction or download occurs, it is added across the network and verified through a mathematical algorithm.

Unlike the Napster technology that failed to preserve IP rights in the early days of digital file sharing, blockchain technology provides a secure and transparent mechanism to conduct transactions without compromising ownership rights and, therefore, has found practical use in the fields of arts and music. One notable example of a decentralized music marketplace is the music streaming platform called Audius. Audius was created and launched in 2019 by two Stanford computer science majors and a Sri Lankan musician and was supported by prominent musicians such as Katy Perry, The Chainsmokers, and others. Audius offers musicians access to their fans and allows them to monetize their work through either Audius' own cryptocurrency or US dollar payments. By 2022, the platform gained 5 million monthly users. Although the platform experienced promising early growth, its momentum eventually slowed. As reported by Music Business Worldwide in 2024, the number of monthly listeners increased by only one million to 6 million between 2022 and 2024.<sup>9</sup> To enhance its business growth Audius entered into partnering agreements with the PROs and a licensing deal with a publisher, Kobalt, in 2024.<sup>9</sup> This broadens Audius' appeal among artists, especially those signed with Kobalt, and gives them an opportunity to access the platform and leverage the blockchain technology.

It remains to be seen whether blockchain-based music distribution will reach a significant share or continue to remain underutilized. Although mainstream artists have supported the platform through both public endorsement and financial backing, relatively few have released their singles on Audius. Prominent artists may be constrained by existing contracts with major labels, which may restrict them from releasing their music on blockchain-powered platforms. The specific terms of these agreements remain confidential. Also, for blockchain-powered music to achieve widespread adoption among consumers, music fans have to be comfortable navigating this technology, which may not be as seamless as mainstream services like Spotify or Apple Music.

#### **D. Case Studies**

There are several prominent examples that highlight the importance of record agreement terms. To improve their chances for IP control of their musical work, artists should negotiate the contract terms with the help of a lawyer. In 2024, the singer of the renowned 1983 song '*I will Survive*' - Gloria Gaynor - filed a lawsuit against her former producer, Joel Diamond, in which she asserts that Diamond has improperly claimed rights to eight of her songs and withheld royalties.<sup>10</sup> Although the details of the 1983 agreement are not public, Diamond claims that the agreement contained a 'work-for-hire' clause that transfers the ownership rights to Gaynor's songs indefinitely.<sup>9</sup> The lawsuit is ongoing.

Another famous artist of the 1980s and 1990s, the author of "The Most Beautiful Girl in the World" who experienced difficulties with controlling his music IP, was Prince. After signing master rights to Warner Bros. Records in 1977, the label controlled the rights to Prince's music, how and when his music should be distributed. Prince felt strongly about Warner Bros. Records' control over his work and fought to regain it, which he did after his contract with the label ended, two years before his death in 2016.

In 2006, a starting artist at that time, Taylor Swift, signed a deal with Big Machine Records.<sup>8</sup> Like with many starting artists, Taylor Swift's contract contained several restrictive clauses. The contract granted Big Machine Records the ownership of the original recordings - the master recordings - for Swift's six albums, while Swift retained publishing rights to her compositions because she was the author to the lyrics of her songs. Additionally, the contract restricted Taylor's ability to re-record until two to five years after

the original album release or when the contract ends (Tilgham). In exchange, Taylor received a cash advance.

In 2019, Big Machine Records were acquired by Ithaca Holdings for \$300 million, of which Swift's masters were worth an estimated \$140 million.<sup>11</sup> One year later, Ithaca Holdings resold the masters to Shamrock Holdings, a private equity firm, for \$300 million. Because Taylor could not agree on contract terms with the new owner who would continue to control the rights to her original six albums, she decided to re-record her music and regain control of her rights. This was possible because the re-recording clause in the agreement with Big Machine Records had ended by then. These examples highlight that record agreement terms are important. To improve their chances for IP control of their musical work, artists should negotiate the contract terms with the help of a lawyer.

In addition to successfully renegotiating typical record terms, some artists have decided to further break the mold by rejecting the typical methods of distributing music and instead opting for their methods. Chance the Rapper is an artist who gained global recognition and acclaim by distributing his music utilizing digital platforms. Instead of signing with a label, he released music for free on SoundCloud and made money from concerts, merchandise, and sponsorships. This helped him build a huge following, while staying in control of his music. A remarkable demonstration of Chance the Rapper's success is the advancement of his album *Coloring Book* to the Billboard 200 charts without a backing of a record label.<sup>12</sup> Not only are artists looking to conduct business in ways that are more advantageous to their own careers, but they are also looking for ways to fund their own ventures instead of relying on traditional methods. Many artists would prefer to have their own funds in order to pay for their own distribution rather than relying on a record label or other arrangement. When an artist puts their own money into the distribution, they retain full ownership of their music and creative style, without having to take direction from record labels. Artists are also able to keep 100% ownership of their rights, as the labels often require to sign away at least a portion of artists' master recording rights. For example, Amanda Palmer parted ways with her label, Roadrunner Records, and launched a Kickstarter campaign to fund her album *Theatre Is Evil*. Her funding goal was \$100,000, which she raised \$1.2 million from nearly 25,000 fans that the artist did not have to split with a label.

Several artists have successfully used Blockchain-powered Audius to distribute their music and connect with audiences. For example, 3LAU (Justin Blau) was one of the first artists to adopt Audius and has been actively releasing his music on the platform.<sup>13</sup> Among other artists who released their music on Audius, there is a Grammy Award-winning artist Andre Allen Anjos, in the music industry known as RAC. He has released exclusive tracks on the platform, demonstrating its potential for music distribution. RAC's involvement with Audius goes beyond music releases, as he also participated in "Behind the Beats" podcast series. Audius' collaborations with successful artists gives credibility to its direct-to-fan model, allowing musicians to set their own terms and retain full revenue without the involvement of traditional labels.

### **III. Social Media & Viral Growth: Role of Social Media in Music Marketing and Exposure. Promotion Without Losing Ownership**

Social media has revolutionized the music industry by providing artists with direct access to audiences worldwide while preserving artistic ownership of the IP. Social media platforms offer artists the ability to market their music directly to listeners. Platforms like TikTok, Instagram, and YouTube have become essential tools for musicians to share their work, engage with fans, and build their brands without having

to rely solely on traditional record labels. Artists use social media to build their fan base and community and personalize their engagement by sharing behind-the-scenes content and live performances. Moreover, social media analytics provide valuable insights into audience demographics and preferences, enabling targeted marketing strategies.

A study by Salo, Lankinen, and Mantymaki titled “The Use of Social Media for Artist Marketing: Music Industry Perspectives and Consumer Motivations” identifies reasons why consumers engage with social media. In particular, the authors conclude that “Common motives for using social media are a sense of affinity, reinforcement of social identity of both the individual and group, participation in the form of user-generated content, and two-way interaction between the members of the group.”(Salo, Lankinen, Mantymaki) Based on these findings, the authors demonstrate how the music industry could leverage consumer behavior on social media. At the time the study was written, the music industry’s marketing efforts on social media were primarily focused on content sharing, fan engagement, and brand building. For example, YouTube has evolved as an effective tool for uploading content, marketing albums, and performing live. Additionally, platforms like Facebook and Twitter were also broadly used to directly communicate with audiences. Over time, the role of Facebook and Twitter (now known as X) has evolved, and now these platforms play a supportive role. Facebook is still relevant for event promotion and targeted advertising, while X is used for real-time updates about releases, performances, and fan engagement via retweets and quote tweets.

More recently, social media marketing has evolved to become more sophisticated. Short-form video content on platforms like TikTok and Instagram Reels are now critical for artist discovery, content promotion, and audience engagement. TikTok started the short video format trend and, due to its popularity, forced already existing platforms such as YouTube and Instagram to introduce the same format on their platforms.<sup>14</sup> The short video format on TikTok became a popular feature for music distribution that helped discover many new artists.

One aspect of social media that continues to offer artists the ability to grow and develop without having to rely on traditional labels is the ability to control their IP ownership of their musical works. Platforms also offer rights management tools. For example, YouTube allows artists to upload reference files to their music, which are matched against all content on the platform. This tool provides artists with visibility on how their content is used and gives them the ability to monetize their music. Also, TikTok allows artists to submit music for monetization via TikTok music partners. Launched in 2022, SoundOn is TikTok’s proprietary music distribution service that is designed to empower independent artists. Artists can upload their music directly to TikTok and receive 100% of royalties in the first year and 90% thereafter. The remaining 10% is the commission that SoundOn is charging. Artists also maintain full ownership of their music rights.

There are numerous examples of independent musicians who have just started out and yet lacked connections in the industry, but were able to use social media to substantially increase their visibility and gain a following. Prominent examples include Doja Cat, who wrote “say So”, PinkPantheress, who wrote “Just for Me”, and Tai Verdes, who wrote “Stuck in the Middle”. Another example is Ella Jane, born Ella Jane Roth, an American pop singer and songwriter who began her career by sharing her songs on social media platforms. One of her songs “Nothing Else I Can Do” went viral on TikTok in October 2020, and that helped her song chart number 16 on Spotify.

#### IV. What Independent Artists Could Do to Improve Their Chances of Success

A singer and songwriter starting out can take several steps to improve their chances in a highly competitive music industry. Artists should first create high-quality music (likely requiring a collaboration with a professional producer) and then focus on how to distribute their music/song strategically. At that point, artists face one of three choices:

1. Distribute music via a Digital Distributor or DSP (DistroKid, TuneCore, CD Baby) for the music to be available on major platforms like Spotify, Apple Music, Amazon Music;
2. Upload music on a D2F platform such as SoundCloud; or
3. Use a Free Music Distributor such as TikTok's SoundOn.

Each approach has its pros and cons. To bring music to all major streaming platforms, one needs to go through a digital music distributor such as DistroKid that automatically distributes music to Spotify, YouTube, Amazon Music, Apple Music, and collects from them the artist's portion of royalties. One downside of this approach is that the music will likely not get many streams due to a lack of backing by a label. The major streaming platforms have licensing agreements with the major labels, and as a result, mainly promote their content. Pursuing publication through a digital music distributor does not offer great visibility to new artists.

Alternatively, an independent artist can upload their music on a Direct-To-Fan platform such as SoundCloud. SoundCloud is a streaming and social platform where artists get discovered. Artists upload music directly for listeners, and fans can comment and engage with artists. SoundCloud is a platform where artists can test demos or ideas. Artists' fees are generated by the Fan-Powered Royalties model. Under this model, each listener's subscription or ad-generated revenue is allocated to the artist that the fans listen to. A Direct-To-Fan platform approach emphasizes artist engagement with audiences versus mass streaming. Thanks to SoundCloud's social media-like environment, listeners seek out the artists that they genuinely connect with. This helps with the discoverability of emerging talent. For example, stars such as Billie Eilish and Post Malone, among others, started their careers on the platform.<sup>15</sup>

Another alternative to distributing music could be through SoundOn - TikTok's music distribution platform. SoundOn supports and promotes new content visibility (without label backing) on TikTok. The platform allows new musicians to get their music heard globally, if it goes viral due to the platform's prominence. TikTok is famous for creating viral trends. So the platform helps artists create them by offering various tools, such as using short clips as background music for a meme, dance, etc. Several famous artists propelled to fame on TikTok, including Olivia Rodrigo with her debut single "Drivers License". Once an artist submits their music to a distribution channel, they should register their music/songs with the MLC to protect their Publishing rights and one of the PROs to protect their performance rights. Visit their respective websites, sign up, and safeguard their IP rights to the artist's music. An independent artist without supporting infrastructure will likely have to do that, before entering a Publishing or Label deal.

In navigating social media, an independent artist should try to achieve the following three goals: establish an authentic brand and visual identity, generate platform-specific content, and build their fanbase and community. Leveraging social media is key for independent artists when building their authentic brands. Building a social media presence can be accomplished by establishing a genuine voice, sharing personal insights, or telling their story, whether it's about their journey in music or life. To build an authentic brand, independent artists have to be relatable to their audience and honest. Establishing a consistent voice and presence in a way that is personal, or motivational, or playful would help build a brand on social media

because it would make it easier for the followers to recognize the artist and build trust and connection. A visual identity is a component of the artist's brand, which is a distinct and cohesive look that differentiates the artist visually on social media. A unique look and style would make the artist recognizable and would help them stand out.

A clear and strong brand identity provides a foundation for what kind of content to post on social media and how to go about that. For example, if an artist's brand is deeply personal, then they might focus on heartfelt reflections, personal values, and milestones. In that case, posting "My Daily Life" or "Behind the Scenes" type of content via a YouTube channel would help demonstrate an artist's creative side and connect with the audience. In contrast, if the brand is high-energy and bold, then they might share dynamic performance clips and energetic visuals that project confidence via Instagram, or YouTube Shorts, or TikTok. With respect to how the content is presented, artists should focus on visual consistency of the aesthetic they use, such as colors and styles, so that every post feels like a continuation of the same story. For example, utilizing Instagram or Twitter to capture real-time updates or personal thoughts could contribute significantly to the artist's image and identity. This approach helps build audience expectations, loyalty, and engagement.

Ultimately, all artists' activities on social media contribute to building their fanbase and community. Creating a YouTube channel where artists can upload lyric videos, performances, and behind-the-scenes content. Using TikTok trending sounds could boost visibility, while using Instagram to showcase creative talent via reels or going live would allow for a direct connection with fans.

## Conclusion

New technologies such as AI create new copyright challenges and questions about what original music is. Additionally, Blockchain technology presents a new way to sell and share music. Distribution platforms, like Audius, utilize the blockchain to enable artists to share music directly, eliminating the need for a record label. Although these platforms have achieved commercial success, many have experienced slowing listener growth, largely due to the limited involvement of major record labels and a lack of broader industry integration. Additionally, many consumers and music listeners remain unfamiliar with how to access or navigate these platforms due to the newness of blockchain technology. In contrast, social-media-driven platforms like SoundCloud or TikTok's SoundOn are gaining popularity with new artists. These platforms combine advanced technology and social media reach, which offer visibility and the opportunity to be compensated as well.

The music industry is very different from what it was 20 or even 10 years ago. Much of the change occurred because of the advances in technology. In addition to creating good music, starting artists need to understand evolving laws and technologies to find recognition, preserve their ownership rights, and achieve financial success. New technology pushed the legal framework of the music industry to adapt. Ultimately, it is really important for independent musicians to know their rights and make smart choices about how to share their music. Whether understanding contracts, using social media, or trying out new platforms, artists need to think like businesspeople. In the end, the music world is full of opportunities. There is no one "right" way to become successful. However, the more artists are informed about how the industry works, the better their chances are of succeeding and retaining ownership rights to their music. Success lies at the crossroads of creativity, entrepreneurship, and proper execution.

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