

Germany's Music Industry Association (BVMI) presents market figures:
Music sales almost stable in 2017: streaming continues its robust growth, physical recordings significantly less in demand

Berlin, 1 March 2018 – Sales figures for Germany's music industry in 2017 have come in at nearly the same level as in 2016. Germany's Federal Music Industry Association (BVMI) announced today that revenue from the sale of CDs, records, DVDs and downloads as well as from streaming services totalled €1.588 billion in 2017¹, which marks only a slight decline of 0.3 percent compared to the previous year. The digital market grew by 22.7 percent, driven once again by strong increases in audio streaming (+42.8 percent). Although sales of physical products fell by 14.3 percent in 2017, they still account for 53.4 percent of the market. So the physical business still tops its digital counterpart, which had a share of 46.6 percent in 2017.

CDs remained the strongest turnover segment (45.4 percent market share), followed by audio streaming (34.6 percent market share) and downloads, which lost 19.3 percent revenue and accounted for only 9.9 percent of revenues. Vinyl continued to grow (+5.1 percent) – albeit not as strongly as in previous years – thus accounting for a 4.6 percent share of sales throughout the year.

BVMI chairman Dr. **Florian Drücke** considers the ongoing digitisation of Germany's music market a positive development: "There continues to be a strong pull towards music streaming, which shows that the industry's diversification strategy is spot on. However, the greater the share of the digital business gets, the more important it is to make sure that creative content can be refinanced in the digital sphere. This means that all forms of online music consumption must be linked to licenses negotiated on the market. Studies carried out by our parent organisation, IFPI, show that almost one-half of music streamed in Germany is done on video streaming services such as YouTube, and yet these services currently contribute only 1.9 percent to revenues – contrast that with the 34.6 percent contributed by premium and ad-financed offers from audio streaming services. This imbalance is simply unacceptable; we call it "value gap". So, it is absolutely necessary and to be much welcomed that the government coalition agreement between the CDU/CSU and SPD explicitly supports efforts to get online platforms to participate in the refinancing of content and intends to create a level playing field in the online sphere. We will see now very soon whether this coalition agreement actually comes into force. But it is already for sure that in the interest of creatives and their partners, we have no time to lose in tackling the value gap issue on the European level."

¹ Sales measured at retail prices incl. VAT



For more information, contact:

Sigrid Herrenbrück
Head of Press and Public Relations
E-Mail: herrenbrueck@musikindustrie.de
Tel.: +49 (0)30 - 59 00 38 -44