

2019

THE MULTICULTURAL MAJORITY RISES: LET'S LOOK AT MUSIC



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CULTURE MARKETING COUNCIL

5/1/2019

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As longer days and budding trees are harbingers of spring, there are numerous signs that the U.S. multicultural majority is near. According to Census projections, 2020 is the year that the first demographic domino falls; the first full generation, ages 0-17, turns Multicultural majority. Shortly after that, **18-24s in 2026, 18-34s in 2028, 18-49s in 2033**. By 2044, this demographic process culminates with the overall U.S. population as Multicultural majority.

We see signs of this process and the growing power, influence and often dominance of Multiculturals in many arenas. Today, we look at Music.



Picture source: Nielsen

Multicultural artists and their audiences dominate 3 of the 5 top trends identified in Nielsen's 2018 Music Year-End Music Report; "Latin's Top 40 Takeover, #1," "The Year of Drake, #2" & "K-Pop Boom Reaches New Heights, #5".

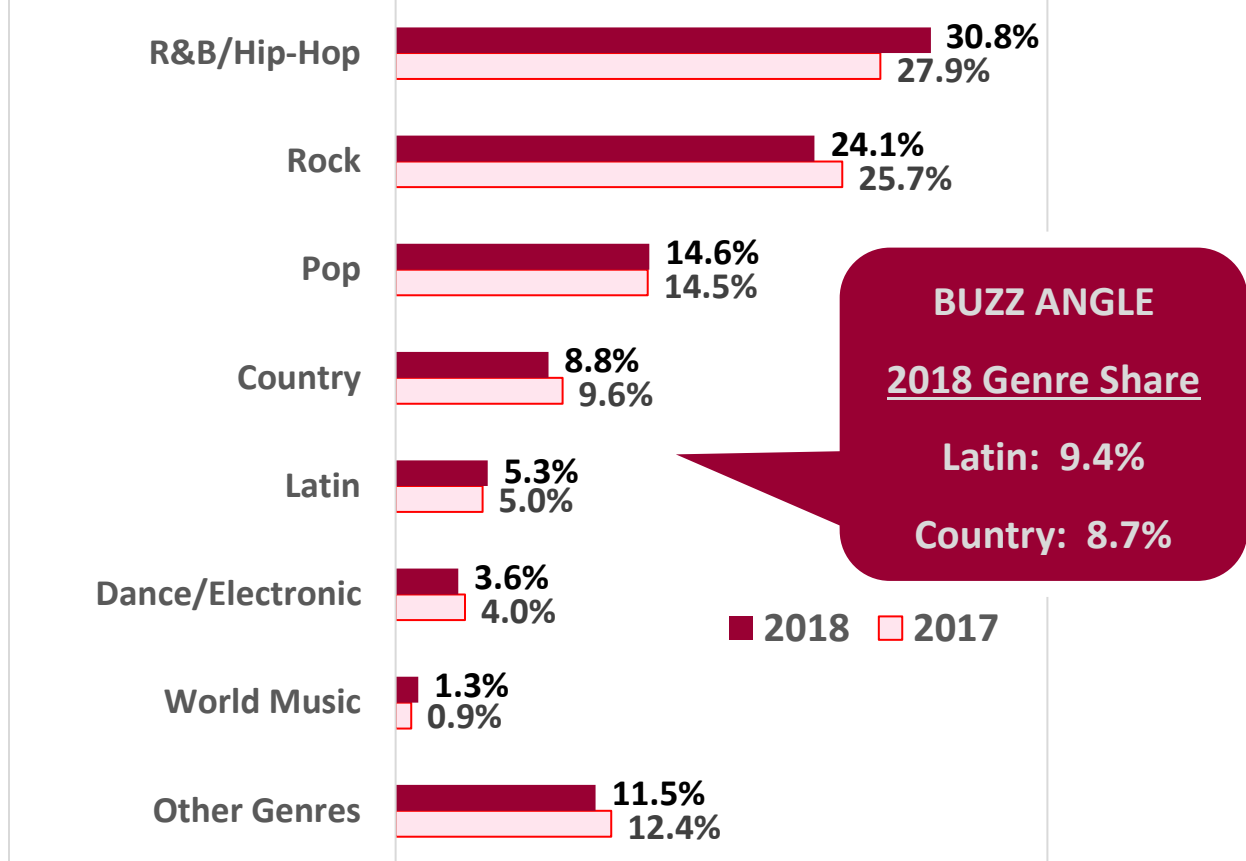
Plus, many Multicultural female artists contributed to "The Triumphant Return of Women, #3.

According to David Bakula, Nielsen SVP at Nielsen Music, the "2018 female growth trend was driven by such Multicultural artists as Cardi B, Nicki Minaj, Selena Gomez, Ella Mai, SZA, Demi Lovato, Rihanna and Beyonce."

A custom music analytic by Nielsen for CMC indicates that young skewing music genres fueled primarily by Multicultural artists/sounds are increasing share (*R&B/Hip-Hop, Latin & World...fueled by K-Pop*) while genres rooted primarily in Non-Hispanic White artists/sounds are declining in share (*Country, Rock*).

Buzz Angle's Music 2018 Year-End Report indicates that Latin music share now exceeds Country. According to Nielsen data, the Country genre still exceeds Latin in share, but the share trend of Latin growth and Country decline is also evident.

Nielsen Share of Total Music Industry By Genre (2018 v 2017)



Nielsen and Buzz Angle use different math models to project genre share. Nielsen uses a lower album credit ratio for **on-demand music video streaming** vs. Buzz Angle. Latin and World music (fueled by K-Pop) are the genres most impacted by this formula difference; **38%** of Latin & **21%** of World Music total music consumption comes from **music video** streaming vs. industry average of 11%. Country and Rock generate only 6% of total music consumption from **music video** streaming. [Source: Nielsen, 2018]

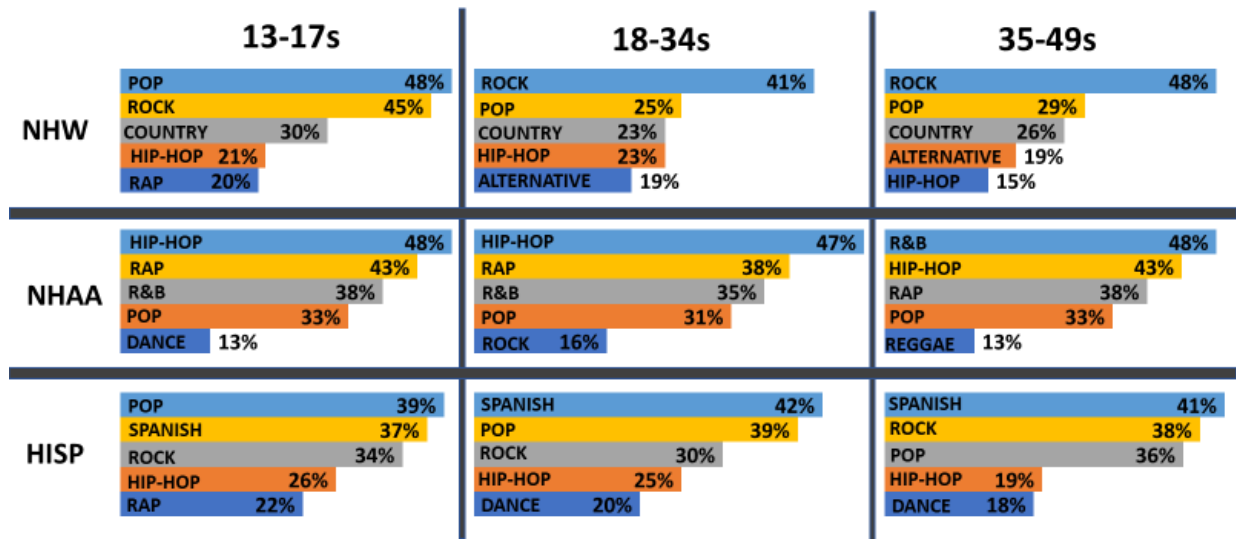
ALL STREAMING (AUDIO + VIDEO)

CMC's 2018 Digital Lives study found that only two music genres, Hip-Hop & Pop, make the Top 5 streamed genres across all measured 13-49 racial/ethnic segments (*Non-Hispanic White, Non-Hispanic African-American and Hispanics*). Other culture-based findings:

- Country a Top 5 genre with ONLY Non-Hispanic Whites, of all ages
- Rock #1 or #2 with all Non-Hispanic Whites, also popular (#2/#3) with Hispanics of all ages
- Hip-Hop, R&B and Rap, Top 3 with African-Americans of all ages
- Spanish music #1 or #2 with all Hispanics 13 - 49
- Dance a uniquely popular genre with segments of African-Americans and Hispanics

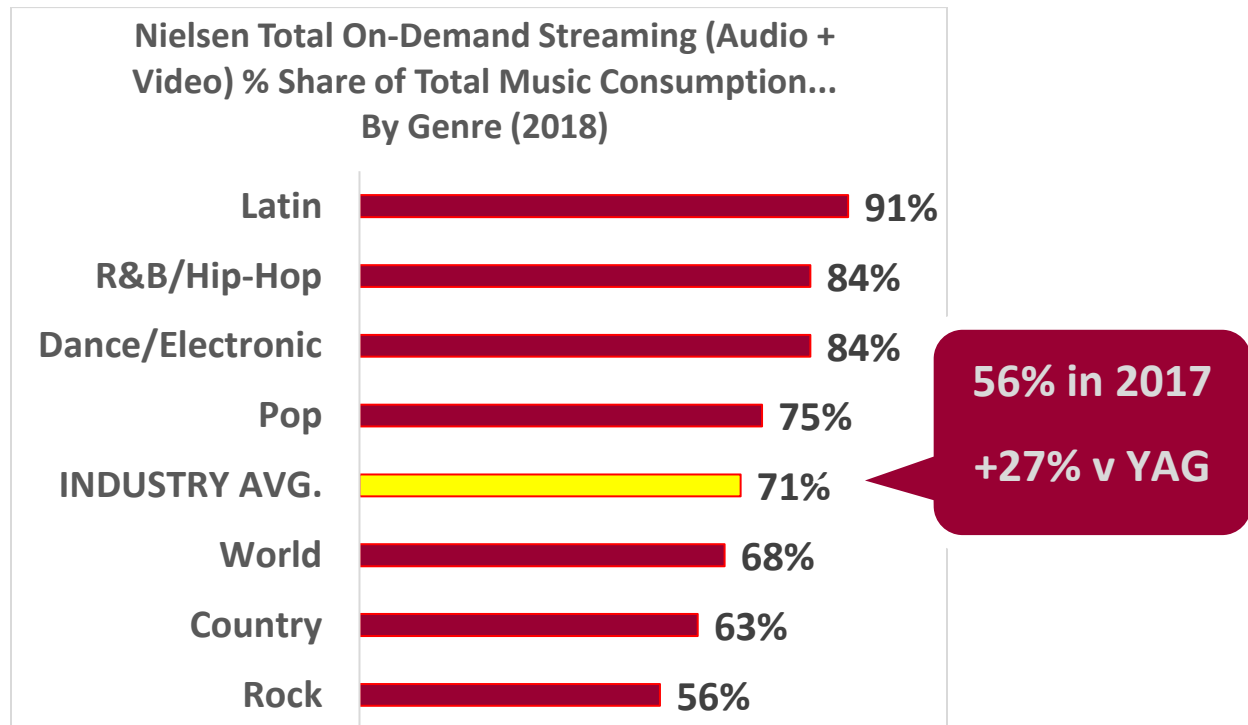
TOP 5 STREAMED MUSIC GENRES

(CMC 2018 Digital Lives Study)



Source: 2018 CMC Digital Lives study QMU12: Which types of music do you stream (audio + video): Base: Total Respondents (809 NHW/804 NHAA/808 HISP 18-49) + (371 NHW/368 NHAA/366 HISP 13-17s)

As per Nielsen data, total streaming (audio + video) as a form of music consumption dominates in younger skewing, often Multicultural dominant genres. It accounts for a whopping 91% of Latin genre music consumption. Older skewing, by default less diverse, genres such as Rock and Country lag the industry average as of 2018. Total industry streaming continues to grow rapidly; 71% share of total music consumption in 2018 v. 56% year-ago.



The signs of approaching Multicultural majority abound in music trends and in other places as well. Next month we will look at the world of social media influencers and their followers.

If you are like me and want to understand the math, below are the two music math formulas.

FYI...NIELSEN & BUZZ ANGLE MUSIC MATH FORMULAS TO CALCULATE TOTAL CONSUMPTION		
TOTAL CONSUMPTION/UNITS EQUALS...	NIELSEN	BUZZ ANGLE
Physical albums	1 to 1 ratio	1 to 1 ratio
Digital songs	10 to 1 ratio (10 songs = 1 album)	10 to 1 ratio (10 songs = 1 album)
Premium/subscription audio streaming (paid services)	1250 to 1 ratio (1250 song streams = 1 album)	Does not have this as a discrete category
Ad supported audio & all music video streaming	3750 to 1 ratio (3750 ad supported audio/video streams = 1 album)	
All audio & video music streaming (paid + ad supported)	Does not have this as a category	1500 to 1 ratio for ALL (1500 streamed songs/videos = 1 album)

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