



The Future of Music Venues

March 14, 2023

RHI's Tuesday Forum on the future of music venues was attended by representatives of the National Independent Venue Association (NIVA), Night Managers, music advocates, festival and venue staff, business district managers, and students enrolled in the University of Colorado Denver's music business administration program.

TRENDS AND CHALLENGES

MUSICIANS AND VENUES

The impact of the COVID-19 pandemic is still felt by performers and venues alike on a national scale.

- **Last-minute cancellation of shows due to sickness** (not necessarily COVID) due to a heightened awareness of the importance of health and well-being of musicians. This results in lost revenue for venues.
- **Venues' reliance on alcohol sales from show attendees may not still be a viable revenue model.** When a show is canceled, people don't show up who purchased a ticket, or drink less alcohol, and it impacts venues' revenue. The trend of drinking less, in general, is being felt keenly by music venues, prompting a re-evaluation of this model.
- **Venues exploring alternative revenue streams** e.g. hosting dance nights and opening their doors to the community by hosting social, but non-music-related events like pumpkin carving.
- **Wariness of seeing bands in small indoor venues** rather than larger venues.
- **Preference remains for outdoor shows** (feels safer due to health concerns). But, sound mitigation is more difficult when shows are held outdoors, resulting in more conflicts with nearby residents.
- **Big shows (in larger venues like stadiums) are selling out**, while smaller venues are not selling as many tickets, despite ticket prices being more affordable.
- **Power and electricity needs** are intensive for live performances; some venues cannot sustain power, leading to outages mid-show.
- **Security staffing:** challenging to find enough staff (contract security and off-duty officers alike) to hire when shows are at max capacity.
- **Difficulty attracting consumers** to patronize an independent venue to take a chance on an unfamiliar artist.
- **Over-saturation in the market:** Competition among musicians for limited venue space and dates/times is high.
- **Iconic/legacy music venues are threatened** due to land zoning issues.

- **Corporations like AEG and Live Nation** make it difficult for independent venues to book headliners since corporations can pay more; further, it can be harder for smaller artists to break through.

CONSUMER TRENDS

There was a discussion of consumer behavior trends since the pandemic:

- **Not as much hesitancy about going out to shows** anymore, despite different preferences for venue types (larger venues, outdoors).
- **Consumers tend to choose shows based on the artist** performing rather than the venue.
- **Frugality with live music events.** Students in particular, are forced to pick and choose between music shows because of the high cost of tickets.
- **Preference for shows with big-name performers, multi-act festivals and double headliner shows** for “more bang for your buck.” People seem to be seeing fewer shows but bigger ones.
- **Lack of awareness about which venues are “independent”** and the value of independently-run music venues to the local economy.

ALTERNATIVE PERFORMANCE SPACES

Up-and-coming bands and musicians can often be found “underground” in the DIY scene through secret parties, warehouses and house parties. This trend may be exacerbated in communities where small performance spaces don’t legally exist, forcing artists to create their own. Even traditional storefronts (e.g. clothing stores, art galleries) seek ways to incorporate live music into their business model to draw customers.

Alternative venue spaces tend to also be outlets for music genres that may not be mainstream – like punk and metal – but many communities also have underground hip-hop and rock scenes, too.

A question was raised about whether traditional venues lack something that young music fans seek, which drives them to create their own spaces. Or if this is a natural part of the music ecosystem.

STRATEGIES

WHAT’S WORKING

- **NIVA** has made an enormous contribution in raising awareness of the importance of music and venues, as well as connecting independent venues with funding sources.
- **Raise awareness of the value of “arts”** (all genres of music and performance) rather than only recognizing the value of “The Arts” (with a capital “A”) more commonly associated with symphony, ballet, theater, etc.
- **Exemptions from sound ordinances can help live music venues.**
- **Independent Venue Week** is an annual event to promote independent venues. This is its 6th year in the U.S. An artist ambassador is selected yearly to encourage music fans to explore their local neighborhood.
- **Small collectives and labels are helping promote smaller artists.**
- **Host pre-shows at local independent venues to stimulate venues before festivals** (Raleigh, NC). Music festivals in large stadiums, arenas or outdoor spaces can be perceived as taking away business from independent venues featuring smaller shows or lesser-known artists. This can help drive revenue in local independent venues.