



# AI AND MUSIC: KEY FACTS

MARKET DEVELOPMENT OF AI IN THE MUSIC SECTOR  
AND IMPACT ON MUSIC AUTHORS AND CREATORS IN GERMANY AND FRANCE

PICTURE: MIDJOURNEY

A REPORT COMMISSIONED BY



CONDUCTED BY

**GOLDMEDIA**

# ABOUT THE STUDY

On behalf of GEMA and SACEM, Goldmedia conducted this study on the use of artificial intelligence in the music sector between July 2023 and January 2024.

## STUDY METHODOLOGY:

Goldmedia conducted an extensive secondary data analysis on the opportunities and challenges of artificial intelligence in the field of music and other aspects of creation.

A key part of the study was an online survey of GEMA and SACEM members conducted between 30 October and 20 November 2023.

A total of n=15,073 people who work full-time or part-time as authors or for music publishers took part. Many respondents also work as performing artists, producers or for music labels.

In addition, 16 expert interviews were conducted with artists, scientists, AI software providers, streaming services and other parties of the music sector. The interviews were conducted by (video) telephone and partly in writing.

## STUDY FOCUS:

The main focus of this study is on the impact and implications of generative AI (gen AI) in the music sector. However, the range of applications of AI in music is broad and the creation of complete pieces of music is only the tip of the possible fields of application.

Thus, the study also looks at applications that relate to the editing and post-processing of music as well as supporting aspects of AI such as marketing, promotion and distribution.

Furthermore, many questions and topics in this study not only include the creation of music in the narrower sense, but creative processes in general.

## ABOUT GEMA AND SACEM

GEMA and SACEM are Collective Management Organisations (CMOs) based in Germany and France representing authors, composers and music publishers and, in the case of SACEM, also dubbing and subtitling authors as well as writer-directors.



# KEY FACTS

# AI AND MUSIC: MARKET DEVELOPMENT

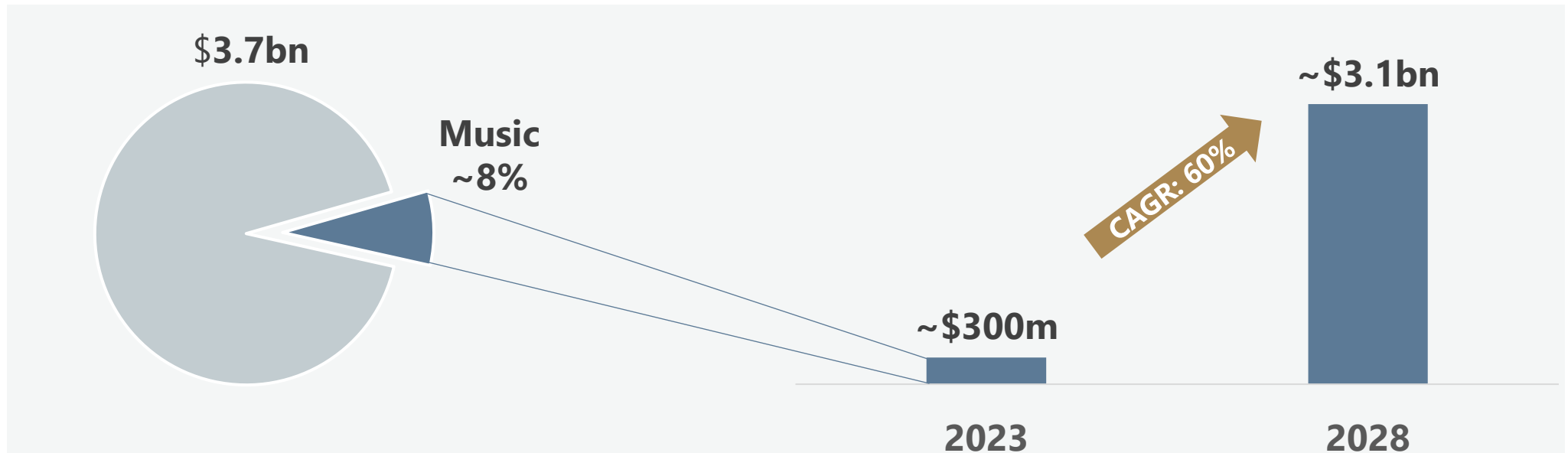
Since November 2022 and the advent of OpenAI's ChatGPT, generative AI and its rapid spread to the public has led to an exceptionally fast-paced AI boom. Around US\$50 billion will have been invested in AI technologies in Europe alone (thereof \$16bn in Germany and \$12bn in France).<sup>1</sup>

This development has also strongly influenced the music sector with large investments in AI applications in all fields of music, from creation to marketing.

The share of music applications is estimated at \$300m in 2023.<sup>2</sup> This corresponds to 8% of the total market for generative AI with already \$3.7bn in revenue in 2023<sup>3</sup>. The market for AI music solutions is expected to increase more than tenfold by 2028, with an average annual growth rate of around 60%<sup>4</sup> to over \$3bn for music AI alone.

This means that in only a few years the market will reach a size that corresponds to 28% of global music copyright collections in 2022.<sup>5</sup>

**GLOBAL GENERATIVE AI MARKET VOLUME AND SHARE OF GENERATIVE AI IN MUSIC, 2023**



**FORECAST: MARKET VOLUME OF GENERATIVE AI IN MUSIC IN US\$, 2023-2028**

# AN AI-GENERATED GAP OF UP TO 27% FOR MUSIC CREATORS' REVENUES WHILE THERE IS NO REMUNERATION FOR HUMAN-MADE INPUT TO DATE

Traditional revenue streams are under severe pressure from generative AI for many music creators. **It can be assumed that by 2028, 27% of music creators' revenues will be at risk due to generative AI. This corresponds to an estimated potential damage of €950m in 2028 alone and a cumulative total damage for the period 2023-2028 of around €2.7bn.**

An increasingly predatory competition is to be expected for creators, especially in areas where AI is particularly likely to replace existing human-made music.

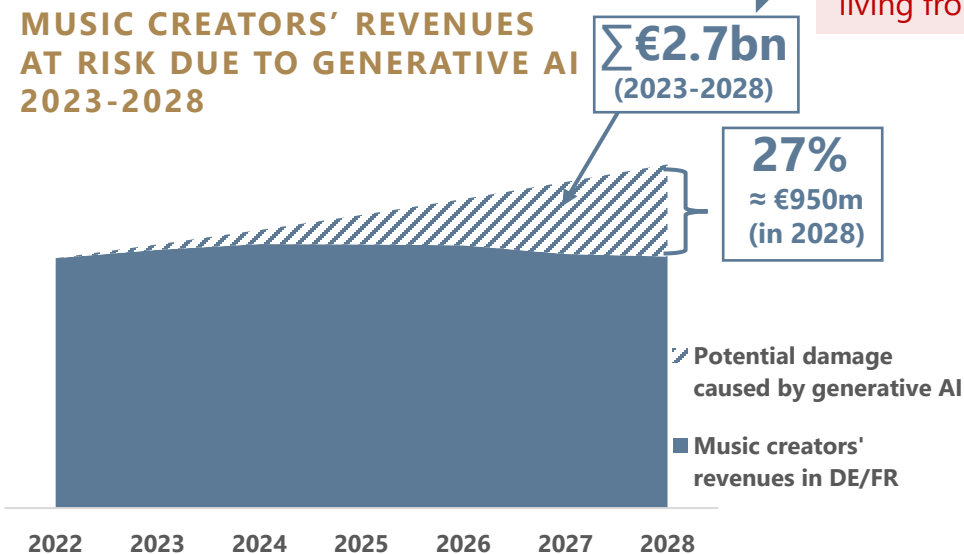
# 71%

of music authors and creators in France and Germany surveyed are afraid that the use of AI for music could lead to music creators no longer being able to make a living from their work.

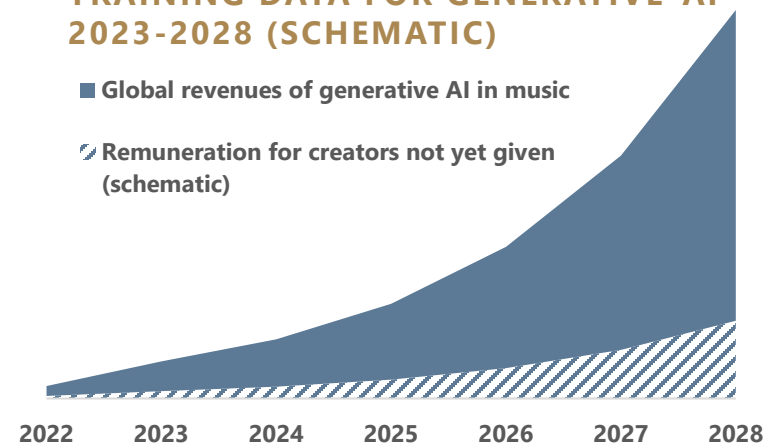
Despite the fact that copyrighted works are used as training data for generative-AI models and therefore form the fundamental basis for the origin and development of the market, authors and creators do not participate in the immense growth prospects.

**So far, there is no remuneration system that closes the AI-generated financial gap for creators.**

**MUSIC CREATORS' REVENUES AT RISK DUE TO GENERATIVE AI 2023-2028**

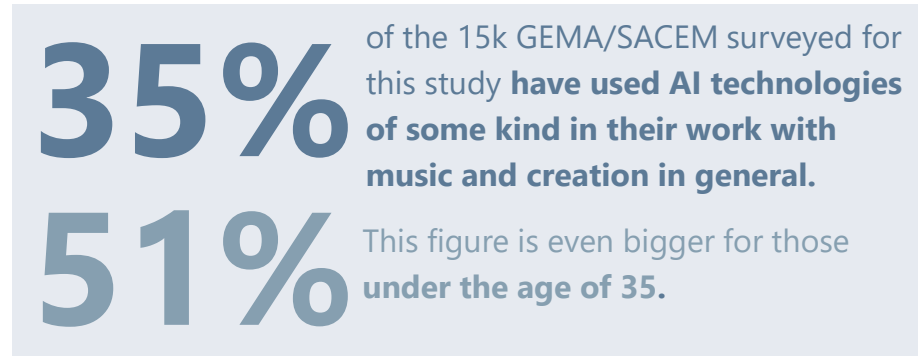


**REMUNERATION NOT YET GIVEN FOR COPYRIGHTED WORKS USED AS TRAINING DATA FOR GENERATIVE-AI 2023-2028 (SCHEMATIC)**

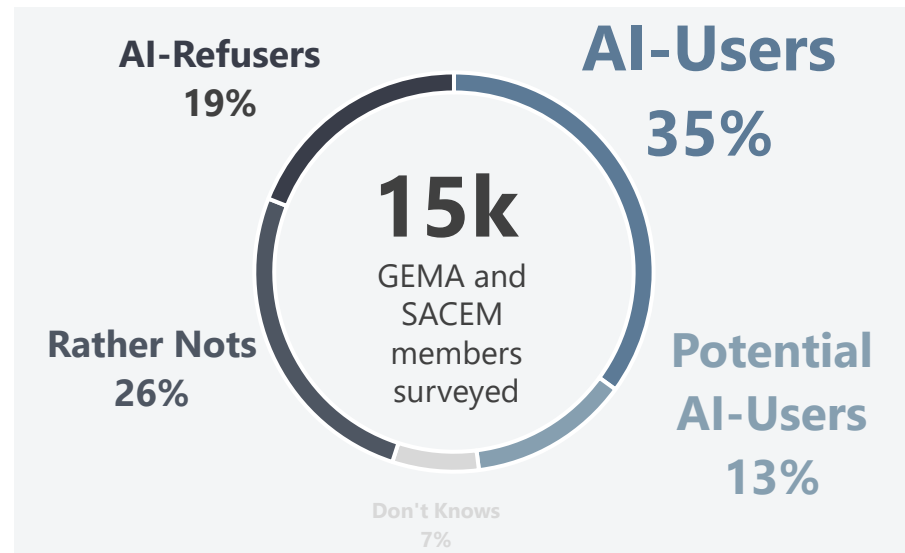


# USE AND ASSESSMENT OF AI IN MUSIC BY MUSIC AUTHORS AND CREATORS IN FRANCE AND GERMANY

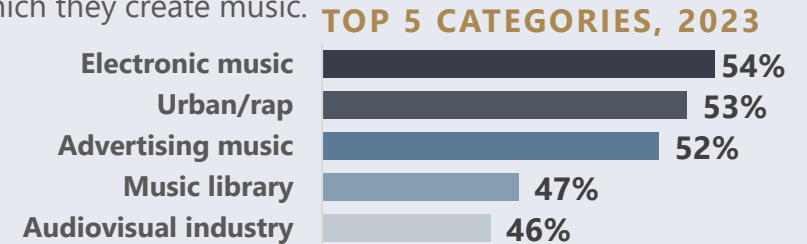
The use of AI is already a reality for many music authors and creators surveyed for this study:



## AI USE AMONG GEMA AND SACEM MEMBERS, 2023



The proportion of AI use among music creators surveyed differs significantly depending on the **genres or categories** in which they create music.



**43%** agree that AI can open up **new forms of creativity.**

**63%** believe that AI will most likely be adopted in **composition, text writing and the creative process**, followed by recording, editing, mixing and mastering (58%) and the creation of promo content (55%).

Despite the already significant proportion of use, the creators surveyed are generally very sceptical when it comes to AI in music and creation in general.

**64%** of the respondents believe that the **risks of AI use outweigh its potential opportunities.** Only 11% believe that the opportunities outweigh the risks.

# LEGAL AND POLITICAL DEMANDS OF MUSIC AUTHORS AND CREATORS IN FRANCE AND GERMANY

There is currently much debate as to whether the generative AI systems offered by tech companies for commercial purposes may use copyrighted input in Europe and under which conditions the use of copy-protected input is permitted.

The attitude of GEMA and SACEM members surveyed for this study in this context is obvious:

**The overwhelming majority of the music authors and creators demand credit and transparency, consent and remuneration when their work is used in the context of generative AI in music.** According to them, the use of copyrighted works must follow clear rules.

## ATTENTION

93%

demand that policymakers should pay more attention to the challenges related to AI and copyright.

## CREDIT AND TRANSPARENCY

95%

of the 15k GEMA/SACEM members demand that AI providers should be obliged to disclose when they use copyrighted works as training data.

89%

request that AI-generated music tracks and other types of works should be identified as such.

## CONSENT

90%

claim that copyright holders must be asked for permission before their works are used as input for AI systems.

## REMUNERATION

90%

call for copyright holders to benefit financially when their works are used as input in AI training data sets (e.g. through a license agreement).



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