



# New media: Internet, culture, economics

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EVROPSKÁ UNIE  
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Operační program Výzkum, vývoj a vzdělávání



MINISTERSTVO ŠKOLSTVÍ,  
MLÁDEŽE A TĚLOVÝCHOVY

# Content

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§ Digitalization, Internet – brief history

§ Internet – technology overview

§ Internet in arts

§

**Internet as technological innovation**

# Internet?

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# What is internet?

## TOO BIG TO KNOW

(WITH THE ADVENT OF THE INTERNET AND THE LIMITLESS INFORMATION IT CONTAINS, GROWN IN PREVIOUSLY UNIMAGINABLE WAYS IN INCONCEIVABLE WE ARE LESS SURE ABOUT WHAT WE KNOW, WHO KNOWS WHAT, OR EVEN WHAT IT MEANS TO KNOW AT ALL. AND YET, HUMAN KNOWLEDGE HAS DIRECTIONS.)



David Weinberger

# Brief history – digitalization

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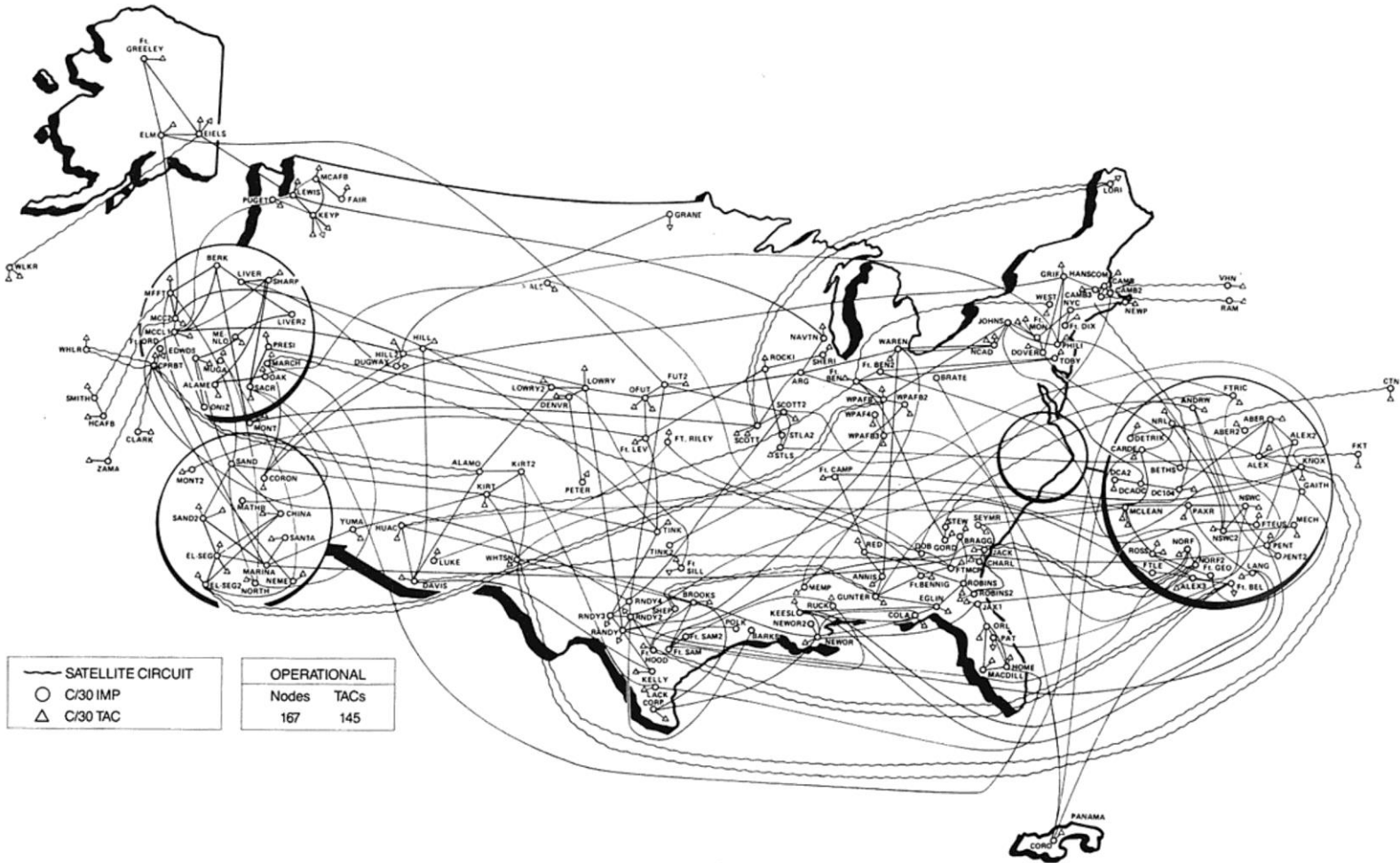
- § 60's – TV, movie, music industry – first digital recordings
- § 70's – press agencies (eg. Reuters) working with digital information
- § 80's – first technologies in music available (samplers, MIDI, sequencers), birth of electronic music
- § 90's – music industry going to be fully digital
- § 90's – computer games
- § 2000 – virtual galleries, virtual libraries
- § 2006 – MET live (30/12 Magic Flute)
- § 2010 – Internet TV
- § 2011 – Google Art project (originally with Uffizi gallery)

# Brief history – Internet

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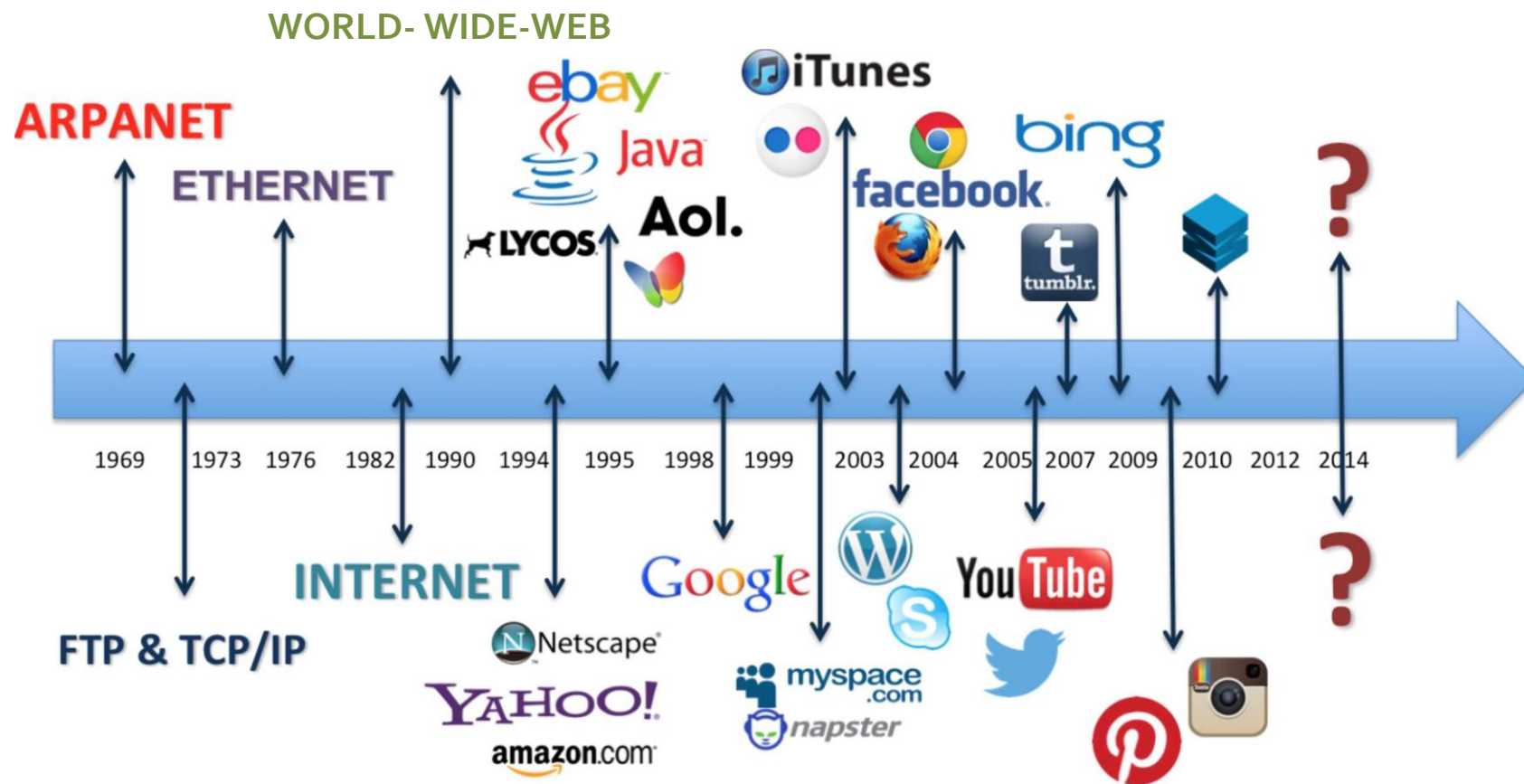
- § 60's – first computers
- § 1969 – ARPAnet (military and later academic network in USA)
- § 1981 – NSFNet (all universities network)
- § 1971 – email
- § 1979 – NEWS (discussion/chat board)
- § 1982 – first countries in EU interconnected
- § 1992 – former Czechoslovakia connected to Internet
- § 1992 – WWW
- § 1994 – first browser (Netscape)
- § 1995 – Amazon, Ebay
- § 1996 – ICQ
- § 2003 – Skype
- § 2004 – Facebook

# ARPANet principle





# WWW development



# Web 2.0, 3.0, 4.0, ?

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§ 2004 -Tim O'Reily

§ Paradigm change

§ Communication change

§ One to one à Many to many

§ A. Tofler: PROSUMENT (producer and consumer)

§ Wikipedia

§ IoT

# Web

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## Web 1.0 / 2.0 / 3.0 Summary

Crawl	Walk	Run
Web 1.0	Web 2.0	Web 3.0
Mostly Read-Only	Wildly Read-Write	Portable & Personal
Company Focus	Community Focus	Individual Focus
Home Pages	Blogs/ Wikis	Lifestreams / Waves
Owning Content	Sharing Content	Consolidating Content
Web Forms	Web Applications	Smart Applications
Directories	Tagging	User Behavior
Page Views	Cost Per Click	User Engagement
Banner Advertising	Interactive Advertising	Behavioral Advertising
Britannica Online	Wikipedia	The Semantic Web
HTML/Portals	XML/RSS	RDF/RDFS/OWL

# Social media



# Internet as social innovation

# Innovation?



**Internet is rather social innovation than**

# technological

XXX

## Internet as social innovation - positive

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- § Decentralization
- § Hypertext
- § Interactivity/participation
- § Freedom of speech
- § Access to information

- § Knowledge sharing
- § Shortening the relationship between author and consumer
- § New business models

## **Internet as social innovation - negative**

- § Move of traditional media to virtual
- § Virtual communities instead of real communities
- § No intimacy
- § Netetiquette
- § Intellectual property



§ No regulation

§ Inequality in access

§ Power gainers (FIGO)

# Internet as social innovation - neutral

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§ Globalization

§ Commercialization

§ Commoditization

§ Internet economy close to non-profit behaviour

# Side note: Cultural goods

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- § Non-rival
- § Non-excludable
- § No measures for free riding
  
- § High fix cost
- § Low reproduction cost à reproduction cost on Internet close to nothing
- § Broader audience
- § 24/7
- § Cost decrease (production, distribution)
- § Bypass of entry barriers
- § Colaboration

# Internet impact on arts

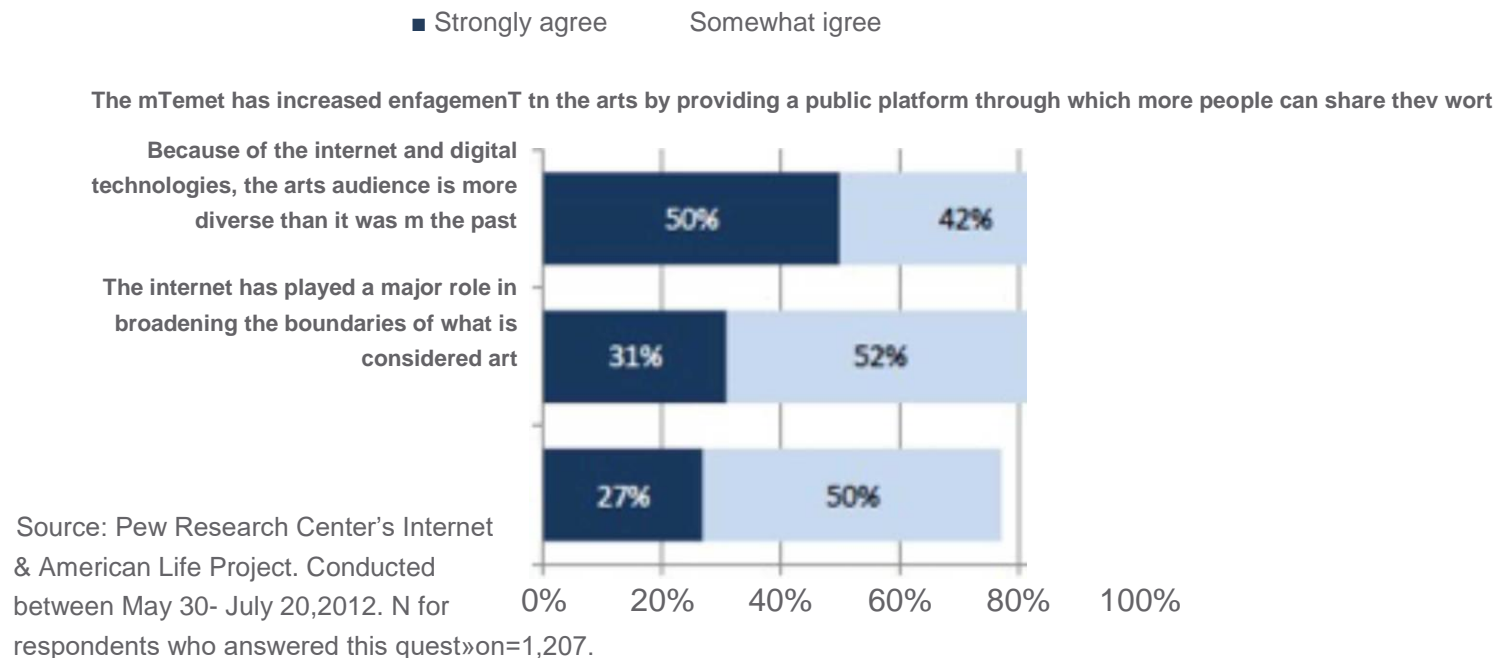
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- § Direct relationship author-consumer
- § Proams
- § Creative industry as whole new industry

# Internet impact on arts

## Perceived positive impacts of technology on the arts

*Based on your experiences and those of your organisation, do you agree or disagree with each of the following statements ?*



§ Price for access to the culture expected at 0

# Internet impact on arts

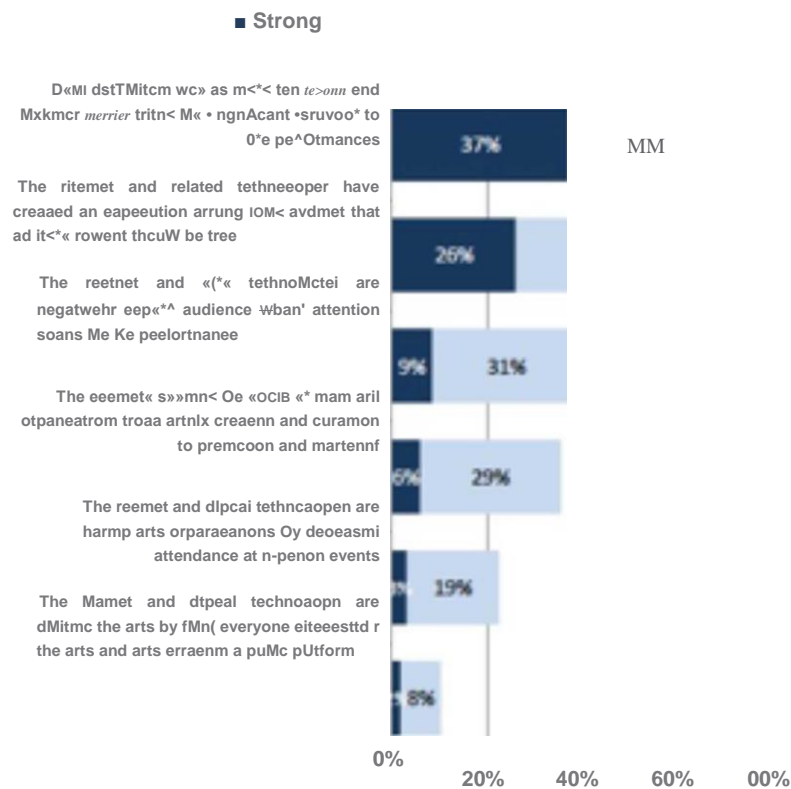
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- § Arts commoditization
- § Acculturation
- § Filesharing
- § IP
- § Copyright –old law and new reality

# Internet impact on arts

## Perceived negative impacts of technology on the arts

Based on your own experiences and those of your organization, do you agree or disagree with each of the following statements?



Source: Pew Research Center's Internet & Life Project. Conducted between May 18 and June 10, 2012. N for respondents who answered this question - 1,207.

# Innovation?



William Noel, The Smithonians

„To be public these days is to be on Internet. Therefore to be a public



museum your digital data should be  
free.”

# Classroom discussion: reproduction vs. enjoyment

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# Internet as art

# Artivism, hackivism

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§ 60's – Fluxus

§ Czech: Stohoven

§ Public interventions

§ Concept art

# Net art / post net art

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- § Art developed with influence and knowledge of technology and social media (from concept to distribution)
- § Artists behind the display (former videoart, graphic design, installment)
- § Ars Electronica Linz (1979)
- § Colaboration –YouTube Orchestra

# K. Goldsmith: Printing out the Internet



# Classroom discussion: computer games



# Internet as tool



# Internet as tool

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- § Technology (communication, booking and ticketing systems)
- § New distribution model (music industry) --> Source of revenue
- § Marketing tool (promotion) – audience attracting
- § Relationship building
- § Fundraising

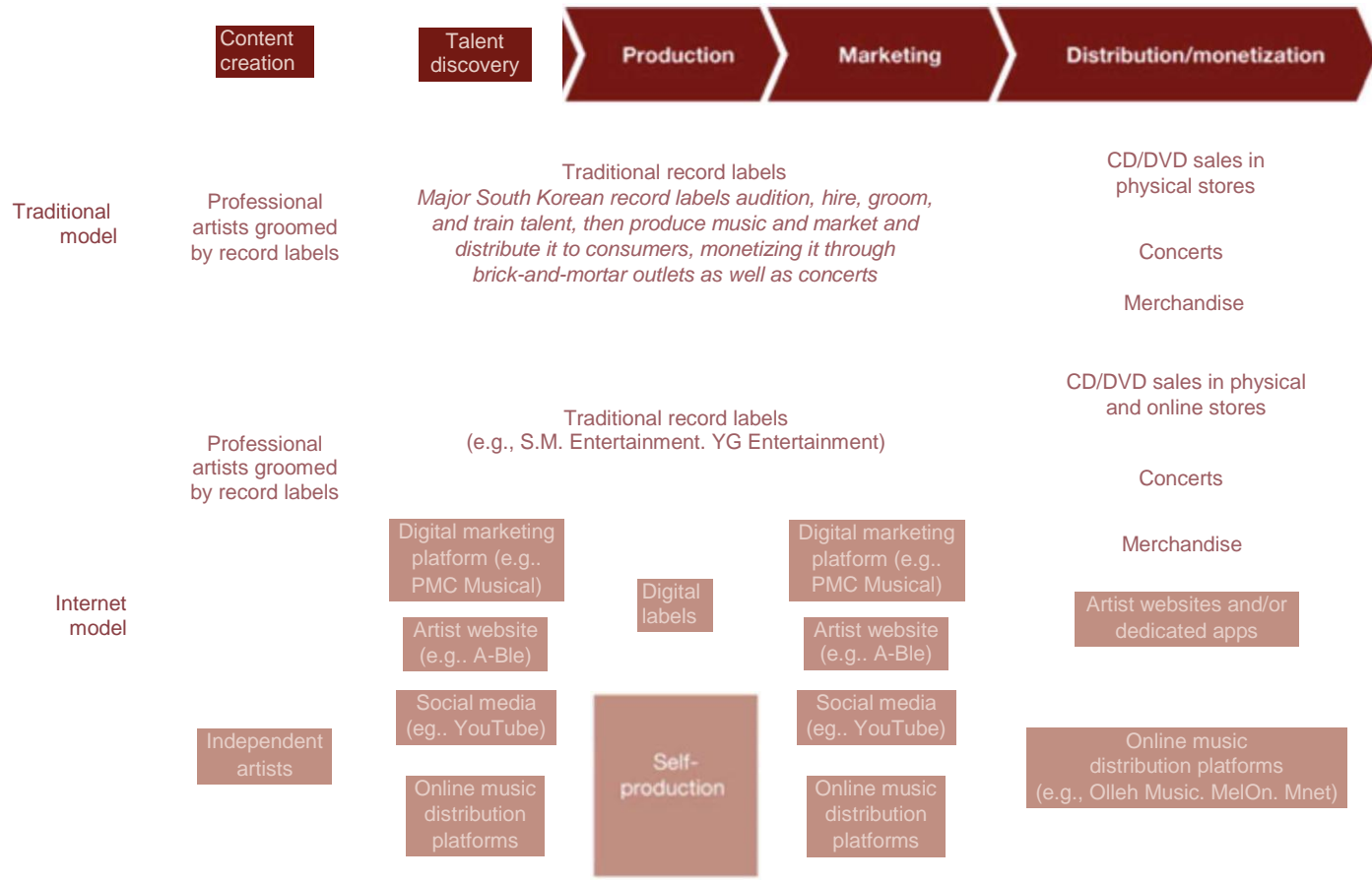
# Music industry: distribution model

# Music industry: paradigm shift

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- § Before: traditional labels (gatekeepers)
- § New distributors (Apple Itunes, Google Music, Spotify, Amazon)
- § Independent platforms for music distribution (bandspace, bandcamp, Soundcloud) → direct distribution

# Music Industry: Distribution model



Source: Interviews with large and medium-sized record labels: StrategyS. analysis © PwC.All rights reserved

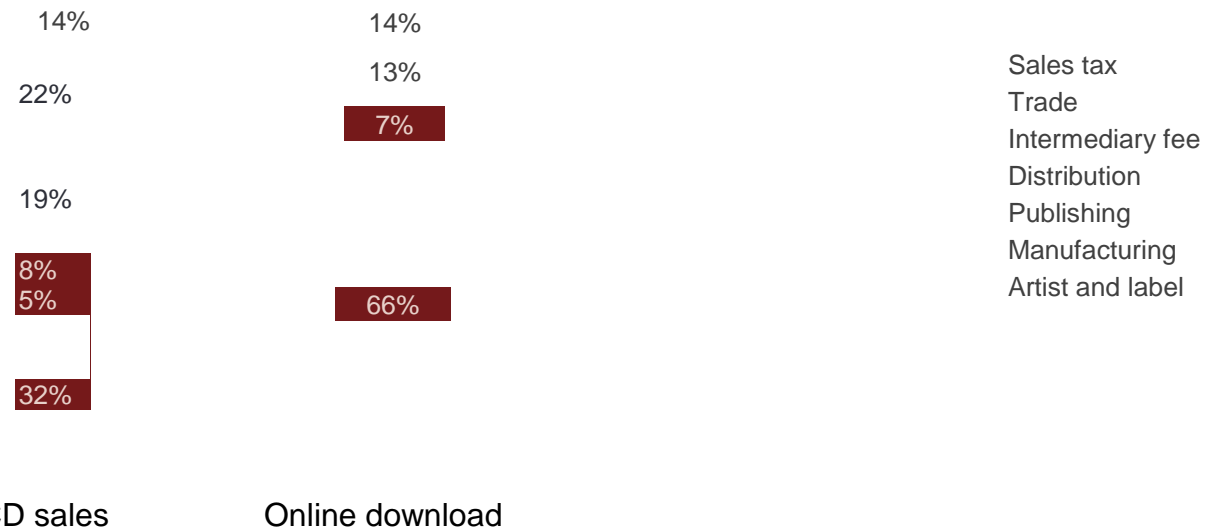
Traditional process  
Online process

# Music Industry: Distribution model

## Exhibit 5

### Profit redistribution in the music business

Profit distribution of physical sale vs. online download (% of sales price)



Source: "The digital future of creative Europe" (Strategy& white paper, 2013) © PwC. All rights reserved.

# Marketing tool

# Marketing tool

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§ Targeted marketing

§ Measurable

§ Interaction, multimédia

§ **Content Marketing** (Joe Polizzi, 2001)

§ Brand building and brand affinity

§ Direct mailing

§ Social media

# Marketing tool

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§ Streaming

§ Podcasting

§ Blog, Vlog

§ Viral videos

§ Influencer marketing/ Word of Mouth









# Classroom discussion: marketing examples

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§ On example of your favourite theater/band/festival describe marketing tools used

# Classroom discussion: marketing examples

Program	Tickets	SónarVIP	Practical Information	Hotels	Media	News	Partners	Sónar Playlist 2016
 	<b>Music, Creativity &amp; Technology</b>		<b>15.16.17 June 2017</b> <b>Barcelona</b> <b>24th edition</b>		<a href="#">Discover Sónar+D</a> <a href="#">Download the Sónar APP now!</a>		<a href="#">Es / Cat / En</a> <a href="#">Login / Register</a>	
<a href="#">f</a> <a href="#">t</a> <a href="#">g+</a> <a href="#">in</a> <a href="#">v</a> <a href="#">as</a>								
<b>SonarLive</b>								
								
<b>CultureBox</b> Culturebox is Public Television France's online streaming service, dedicated to culture and digital art. In collaboration with Sónar more than 50 full concerts will be broadcast by the service during Sónar 2017, with Video On Demand available after the festival.			<b>iCat.cat</b> iCat.cat. As in previous years, the online radio station icat.cat will be streaming the best shows of Sónar 2017. More than 25 concerts and sets across Sónar by Day and Sónar by Night, will be available to hear at www.icat.cat and sonar.es. Get online and enjoy the festival from wherever you are.					
								
<b>Red Bull Radio</b> Red Bull Music Academy is proud to take its partnership with Sónar into its 13th consecutive year in 2017, presenting an all-star cast of Academy alumni and affiliates on their annual SónarDôme stage from June 15th-17th. Red Bull Radio will			<b>Sónar+D</b> Several of the most important talks at Sónar+D, the International Congress on Technology and Creativity celebrated during Sónar by Day, will also be broadcast live.					

# Relationship building

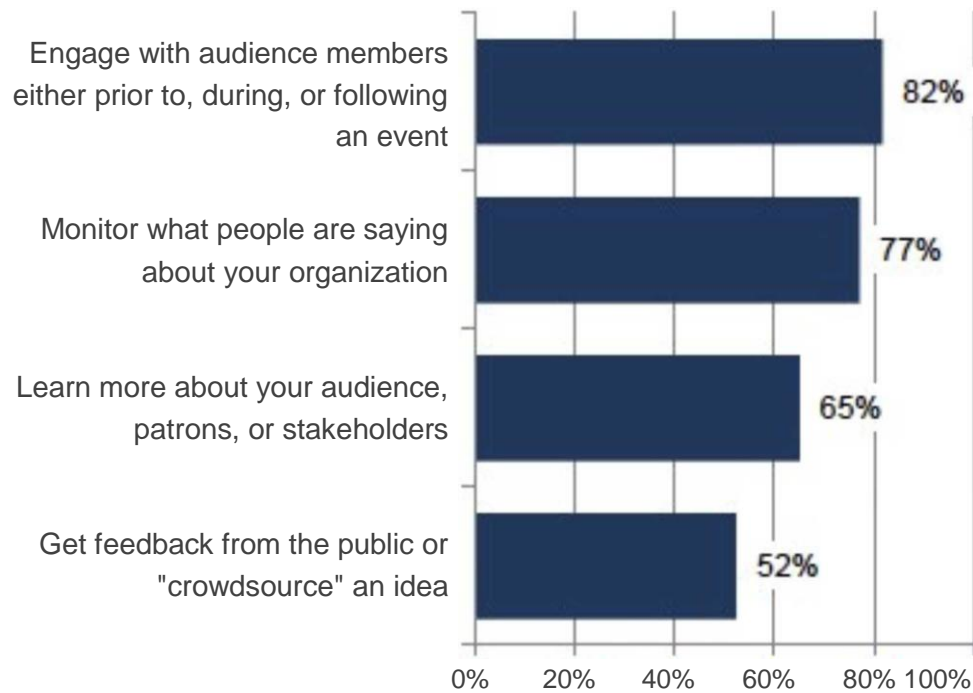
# Relationship building

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- § Direct relationship author – audience
- § Building relationship of audience to institution
- § Affinity to institution

# Relationship building

What arts organizations do with social media



Source: Pew Research Centers Internet & American Life Project Arts Organizations Survey. Conducted between May 30-July 20, 2012. N for respondents who answered

this question=1,126.

# Fundraising

# Fundraising

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## Crowdfunding

- § Form of joint financing
- § Gift, award, loan, share
- § Campaigning: 1-60 days
- § Provider fee: 3-10%
- § Kickstarter, Youfundme, Gofund.me

## Individual sponsorship:

- § Directly on websites of institutions



# Further reading

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- § ▶ <http://archive.aec.at/prix/>
- § ▶ [https://www.researchgate.net/publication/265794566\\_From\\_the\\_Concert\\_Hall\\_to\\_the\\_Web\\_How\\_the\\_Berliner\\_Philharmoniker\\_Transformed\\_their\\_Business\\_Model](https://www.researchgate.net/publication/265794566_From_the_Concert_Hall_to_the_Web_How_the_Berliner_Philharmoniker_Transformed_their_Business_Model)
- § ▶ <http://live.deadmau5.com>
- § ▶ <https://www.google.com/culturalinstitute/beta/partner?hl=en>
- § ▶ [https://s3.eu-central-1.amazonaws.com/uploads.mangoweb.org/shared-prod/aspeninstitutece.org/uploads/images\\_upload/files/crowdfunding\\_visegrad\\_FINAL.pdf](https://s3.eu-central-1.amazonaws.com/uploads.mangoweb.org/shared-prod/aspeninstitutece.org/uploads/images_upload/files/crowdfunding_visegrad_FINAL.pdf)
- § ▶ [https://www.slideshare.net/andrej\\_probst/crowdsourcing-a-crowdfunding-vechch-ana-slovensku](https://www.slideshare.net/andrej_probst/crowdsourcing-a-crowdfunding-vechch-ana-slovensku)
- § ▶ Hesmondhalgh, D. (2013). *the Cultural Industries*. 3rd edition. London: Sage.
- § ▶ Towse, R. (Ed.). (2003). *A handbook of cultural economics*. Cheltenham: Elgar.

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