# Contents

## 1 Introduction

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Aim and Structure of the Book</td>
<td>1</td>
</tr>
<tr>
<td>1.2 Implications of Culture Institutions Studies</td>
<td>4</td>
</tr>
</tbody>
</table>

## 2 The Emergence of the Phonographic Industry Within the Music Industry

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 The Phonograph as Business Machine</td>
<td>9</td>
</tr>
<tr>
<td>2.2 “Coin-in-the-Slot”-Machines</td>
<td>14</td>
</tr>
<tr>
<td>2.3 Records and Gramophones</td>
<td>17</td>
</tr>
<tr>
<td>2.4 Herr Doctor Brahms Plays the Piano</td>
<td>23</td>
</tr>
</tbody>
</table>

## 3 The Music Industry Boom Until 1920

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 The Global Competition in the Phonographic Industry</td>
<td>27</td>
</tr>
<tr>
<td>3.2 The U.S.-Market Before World War I</td>
<td>31</td>
</tr>
<tr>
<td>3.3 The European Market During World War I</td>
<td>34</td>
</tr>
<tr>
<td>3.4 The Music Repertory on Record Between 1900 and 1920</td>
<td>35</td>
</tr>
<tr>
<td>3.4.1 Waltzes and Operas from Europe</td>
<td>43</td>
</tr>
</tbody>
</table>

## 4 New Technology and the Emergence of Jazz

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 The Phonographic Industry’s Business Cycle</td>
<td>49</td>
</tr>
<tr>
<td>4.2 The Phonographic Industry and Broadcasting</td>
<td>52</td>
</tr>
<tr>
<td>4.3 “Race Music” and “Hillbilly”</td>
<td>59</td>
</tr>
<tr>
<td>4.4 Electrical Recording</td>
<td>62</td>
</tr>
</tbody>
</table>

## 5 The Music Industry as Radio Industry

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1 Recession and Depression on the U.S. Phonogram Market</td>
<td>69</td>
</tr>
<tr>
<td>5.2 Market Concentration in Europe</td>
<td>71</td>
</tr>
</tbody>
</table>
5.3 The Dominance of Broadcasting and Sound Films in the U.S. Music Industry ........................................... 77
5.4 Music as an Instrument of Ideology in Europe ........... 79

6 The Swing Monopoly During the Years of Wartime Economy . . 87
6.1 The Music Industry During World War II .................. 87
6.2 The Swing Monopoly ............................................. 91
6.3 Music as Propaganda ............................................. 95
6.4 The Intellectualization of Jazz: Bebop ......................... 97

7 Rock ‘n’ Roll Revolution ........................................... 101
7.1 Economic Recovery and Technological Innovation .......... 101
7.2 The End of the U.S. Music Oligopoly ......................... 104
7.3 From Rhythm & Blues to Rock ‘n’ Roll ....................... 111
7.4 Music Production in Post-war Europe ......................... 120

8 The Recovery of the Phonographic Industry and New Global Players ......................................................... 127
8.1 A Decade of Market Growth (1960–1969) ..................... 127
8.2 European Majors on the Advance .............................. 129
8.3 The Recovery of the U.S. Majors Under New Leadership ... 132
8.4 The Produced Sound .............................................. 136

9 The Era of Music Conglomerates ................................ 147
9.1 The First Merger Mania in the Recording Industry (1965–1975) ......................................................... 147
9.2 Oligopolization in the Recording Industry .................... 149
9.3 Market Domination by Market Segmentation ................. 150
9.4 The Commercialization of Sub-Cultures: Heavy Metal, Punk Rock, and Disco ............................................. 155

10 The Digital Music Revolution ..................................... 163
10.1 From Music Cassette to Compact Disc ....................... 163
10.2 Superstar Business Versus Hip-Hop Culture? ............... 168
10.4 The Digital Music Revolution .................................... 182

11 Theoretical Concepts of Innovation and Creativity ........... 197
11.1 Typologies of Innovations ........................................ 197
11.2 Innovation as a Process of Collective Action ................. 202
11.2.1 The Incentive-Based and Knowledge-Based Models of Innovation ............................................. 202
11.2.2 Innovation as Generation of New Action Routines ... 204
11.2.3 Technological Paradigms and Technological Trajectories ............... 207
11.2.4 Absorptive Capacity and Conservative Organizational Behavior ........ 209
11.3 Typologies of Creativity ........................................... 212
11.4 Creativity as a Collective Action Process .......................... 214
11.4.1 Systemic and Evolutionary Approaches to Creativity ................ 214
11.4.2 Creativity as a Phenomenon of Social Action .................... 219

12 Creativity and Innovation in the Music Industry ......................... 225
12.1 Revolutions in the Twentieth Century Music Industry ................. 225
12.1.1 Characteristics of the Jazz Revolution ............................ 225
12.1.2 Characteristics of the Rock ‘n’ Roll Revolution .................. 227
12.1.3 The Change of Paradigms in the Music Industry .................. 230
12.2 Cultural Paradigms and Creative Trajectories in the Music Industry .... 233
12.2.1 Cultural Paradigms in the Twentieth Century Music Industry ....... 234
12.2.2 Creative Paths Within the Music Industry’s Cultural Paradigm ....... 236
12.3 An Explanation for the Change of Paradigms in the Music Industry ....... 239
12.4 Diversity as a Pre-Condition for Creativity and Innovation ............ 243

13 Creativity and Innovation in the Music Industry’s Value-Added Chain ...... 253
13.1 The Search for New Talents: Artist & Repertoire Management ............ 253
13.2 The Process of Music Production ...................................... 259
13.2.1 Creativity, Innovation, and the Contractual Framework ............. 259
13.2.2 The Music Producer as a Creative Factor .......................... 262
13.2.3 The Manufacture of Phonograms ................................... 264
13.3 Marketing and Promotion ............................................. 265
13.4 The Distribution Process .............................................. 268

Appendix ................................................................. 273

References ............................................................... 275

Index ................................................................. 285
Creativity and Innovation in the Music Industry
Tschnuck, P.
2012, XII, 304 p., Hardcover
ISBN: 978-3-642-28429-8