THE CHANGING FACE OF CHINA'S MUSIC MARKET

MUSICDISH*CHINA, MAY 2017
CHINA’S OLD MUSIC INDUSTRY
CHANGING LANDSCAPE

• 2013 estimated value of recorded music industry of US$82.6 million (5.6% increase), 21st largest (IFPI)

• 2015 estimated value of recorded music industry of US$169.7 million (63.8% increase), 14th largest (IFPI)

• 2016 value of recorded music industry grew 20.3% on 30.6% increase in streaming revenue, 12th largest (IFPI)

• Digital music industry compound annual growth rate (2011-15): +28.5% (Nielsen)

• Government policy: copyright law and enforcement

• Market consolidation & music licensing

• Shift to smartphone, lower mobile data cost, increased connectivity
Tencent: QQ + Kugou + Kuwo ~ 78%

Netease 9%

Xiami (Alibaba) 4%

Other: Baidu, Apple Music,… 9%
STEFANIE SUN & APPLE MUSIC

- EP “RAINBOW BOT” EXCLUSIVELY ON APPLE MUSIC
- EXCLUSIVE 3 MINUTE DOCUMENTARY
- RANKED NUMBER 4 FOR “5 CAN’T-MISS APPLE MUSIC EXCLUSIVE ALBUM”
STREAMING WARS: TENCENT VS. NETEASE

• 10th most valued company, world’s largest video game company by revenue, WeChat has 889M active users

• Tencent has 600M active monthly users and over 15M paying music subscribers

• QQ Music has 200M active monthly users

• Combined with Kuwo and Kugou (CMC acquisition), control 77% of music streaming market

• NetEase Music Cloud recently joined ranks of unicorns

• Netease has over 300M active monthly users
MOBILE MUSIC LANDSCAPE

- 2015 mobile music industry US$945 million
- Estimated 2016 mobile music industry US$1.4 billion
- 70% of online music listeners use smartphone (iResearch)
- 64.5% of mobile music listeners have 2 (40%) or 3 music apps (iResearch)
- 75% of digital music listeners access app at least once a month, 60% daily for 1-3 hours (eMarketer)
72% of the Chinese population listen to music. Millennials: 82%.

66% of music consumers listen on their smartphones. Millennials: 69%.

16 hrs average time per week spent listening to music. Millennials: 19 hrs.

24% of music consumers listen on specialized headphones. Millennials: 28%.
**Digital Music Listeners (Nielsen)**

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<th>TIER 1</th>
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<tr>
<td>Includes Beijing, Shanghai, and Guangzhou (N=728)</td>
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<tr>
<td>Average HH Income (USD): $33.8K</td>
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<tr>
<td>82% music listeners</td>
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<tr>
<td>19 hours listening per week</td>
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<tr>
<td>68% listen on smartphones</td>
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<tr>
<td>29% listen on tablet</td>
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<td>35% listen with specialized headphones</td>
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<tr>
<td>Includes Shenyang, Chengdu, Nanjing, and Wuhan among others (N=814)</td>
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<tr>
<td>Average HH Income (USD): $19.6K</td>
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<tr>
<td>74% music listeners</td>
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<tr>
<td>17 hours listening per week</td>
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<tr>
<td>67% listen on smartphones</td>
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<tr>
<td>21% listen on tablet</td>
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<tr>
<td>Includes Jinzhou, Jiangmen, Ningbo, and Foshan among others (N=489)</td>
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<tr>
<td>Average HH Income (USD): $9.3K</td>
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<tr>
<td>53% music listeners</td>
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<tr>
<td>12 hours listening per week</td>
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<tr>
<td>61% listen on smartphones</td>
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<td>12% listen on tablet</td>
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YAOGUN - CHINESE ROCK 'N ROLL
MUSICDISH*CHINA TOURS
EAGLE I STALLIAN/MONK & KEYS, MENAGE, OOBERFUSE, THE JESSICA STUART FEW
44 SHOWS IN 19 CITIES

BEIJING, BAODING, CHANGSHA, CHANGZHOU, CHENGDU, CHONGQING, DATONG, HEFEI, JINGZHOU, LANGFANG, NANCHANG, NANJING, NINGBO, SHANGHAI, SHIJIAZHUANG, TIANJIN, WUHAN, WUXI, ZHANGJIAKOU
FESTIVALS & SHOWS

3 FESTIVALS (MTA 天漠, DREAM SONIC 理想音乐节) AND MORE
2016 MIDI 腾龙洞
迷笛音乐节
TENGLONG CAVE MIDI FESTIVAL 2016
把酒邀明月
摇滚共此时
2016.9.15/16/17
13:30-22:00
湖北省利川市腾龙洞景区
咨询电话：0718-7262455
预售单日：150元
预售通票：400元
现场单日：180元
现场通票：450元

EXAMPLE[UK] | RUDIMENTAL[UK]
ALAN WALKER[NL] | ALINA BARAZ[US]
Nova Heart
远东之狮 | Ménage[CA] | Ooberfuse[UK] | Bloodz Boi | Mhp
And More

16 Datong Dream World Music Art Festival Life
中国大同 理想世界音乐艺术生活节

音乐 · 科技 · 艺术
和你一起探索明日边界

More info: www.mta.fm
Tickets: www.damai.cn
400 610 3721

Musicish China
YEMA LIVE (野马现场), PANDATV, MODERN SKY NOW (正在现场)

LIVE STREAMING
ANTVR (蚁视), ONE OF THE BIGGEST VR MEDIA COMPANIES IN CHINA

VIRTUAL REALITY VIDEO
PARTNERS

MUSIC RELEASES / MEDIA / LIVE STREAMING / TICKETING / PROMOTERS
MUSIC LISTENERS & BRANDS (NIELSEN)

- Product Placement in Music Videos: 70%
- Brand Sponsors a Concert/Tour: 69%
- Brand Offers Free Music Downloads: 66%
- Brand Holds a Sweepstakes: 65%
- Brand Features Music You Like from Specific Artist: 59%
- Exclusive Content or Opportunities to Purchase Tickets: 59%
- Brand Allows You to Redeem Proofs of Purchase for Music Downloads: 48%
- A Brand Sponsors a Live Chat Via Social Network with an Artist: 46%
- Product Placement in Music Competition Shows: 43%
NMD_銜接过去历史与未来创想，展开一段追溯之旅～

RED BULL ZHANGBEI MUSIC FESTIVAL
YEMA LIVE

- Online live music broadcaster + festival organizer (MTA & Zhangbei Festival)
- Original live streaming programming: "Live is Everywhere" & "Yema Indie"
- 2016: 100 shows, 5K minutes, av. 50K audience, 5M total audience (8M w/ partners)
- Audience analysis
  - 19-35, tier 1-2 cities, active net users, active social life, live music, celebrities & KOL
  - willingness to spend money and time on entertainment & alternative lifestyle choices
TUBORG BEER

• 2012 - Brand launch in China

• 2013 - Tuborg Music Truck Tour w/ Chinese promoter Splatter

• 2013 - GreenFest 乐堡绿放音乐节
  • festivals w/ Modern Sky in 2nd/3rd tier cities with environmental focus
  • introduced “Slient Disco” and tents to China's music festivals

• 2014 - 5-year strategic partnership with Modern Sky

• 2016 - Tuborg Electronic Stage at Strawberry Festival in Yunnan
BUDWEISER STORM FESTIVAL

- Budweiser title sponsor for A2LiVE's STORM electronic festival
- 2015 - 75,000 in Shanghai and Shenzhen
- 2016 - expand 5 cities (Beijing, Shanghai, Guangzhou, Shenzhen, and Chengdu)
- 2017 - plan to expand 11 cities across China + Sydney and Taipei
- Storm Records, in partnership with Amsterdam-based Spinnin’ Records
- Budweiser investing in EDM marketing
- Online reality bootcamp show for rookie DJs
- Innovative gamification as part of ticketing strategy
ELECTRIC ZOO SHANGHAI

• Made Event select Kanjian as exclusive China partner

• Highlights from New York's Electric Zoo: Wild Island

• Merch: HEDONE Nail Stickers, I-TATTOO Stickers

• 2017 - 2-day 3-stage Shanghai festival (40 DJs)

• Expanding Electric Zoo to other major cities such as Beijing, Chengdu, Guangzhou and Shenzhen
ERIC DE FONTENAY
MUSICDISH*CHINA

- In 2010, Eric de Fontenay launched MusicDish*China to bridge Greater China's music sector with the world. He has coordinated Taiwan cultural missions to France, Canada and the U.S., and now represents mainland Chinese rock bands such as Second Hand Rose, Gemini and Namo. He has also been developing and touring overseas music acts in China. He has organized talks and exhibition for NYCxDesign and China Institute, been featured in a variety of media such as China Daily and CCTV America, and was selected for Mandarin Leader's 2016 Honoree List.
MUSICDISH*CHINA

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