Five Years Of MakingTracks.

Outcomes & Impacts 2011 - 2016

October 2016



PURPOSE

This is a yearly report on the results of our Making Tracks music funding scheme. The scheme was closed in June 2016 and two new funding schemes were launched to replace it in July - New Music Single and New Music Project. This report contains information on the outcomes from the five years of Making Tracks funding. We will do a follow-up report in 2017 to include more of the 2015-16 songs that have not yet been released at the time of writing.

The report is in two parts. Part A reports on the broadcast 'mileage' achieved by Making Tracks-funded songs, on air and online, over the last five years. Part B reports on the artists we have funded and the impact of Making Tracks funded songs on the airplay charts.

PART A: SPINS & STREAMS

INTRODUCTION

1. The Making Tracks music funding scheme ran from July 2011 to June 2016. Every year we have done a count of the number of times Making Tracks-funded songs have been played (both on air and online). This gives us a raw measure of broadcast results achieved by the scheme.

2. This report gives a measure of the audience reached and, from a financial point of view, the value for money of our funding. We have used it to review trends over the five years, and it has helped inform some of the changes we have now carried through to the New Music funding schemes.

3. The count includes not only songs funded and released in the last financial year (2015-16), but also updates the spins and stream counts for songs funded in 2011-2012, 2012-2013, 2013-2014 and 2014-2015, so we get an accurate reflection of the audience reach of all Making Tracks-funded songs to date.

TOPLINE RESULTS

4. In the five years of Making Tracks to 30 June 2016, we have funded **1,218** songs (after writebacks). So far, **1,012** or 83% of those songs have been released (with the rest still in production and/or yet to be released at time of writing).

5. Those 1,012 songs have amassed **216,022,604** spins and streams on radio, music television and online (on measured platforms) so far. The big increase in the online streams count has continued largely because of the increased uptake of streaming platforms, particularly Spotify.

FIVE YEAR CUMES	Released	Spins and streams
Year 1 Projects	288	44,099,446
Year 2 Projects	214	84,706,663
Year 3 Projects	218	34,069,994
Year 4 Projects	199	42,233,830
Year 5 Projects	93	10,912,671
TOTAL	1,009	216,022,604

6. Detail for each of the four years follows, along with observations on trends.

DETAIL: YEAR 1 PROJECTS

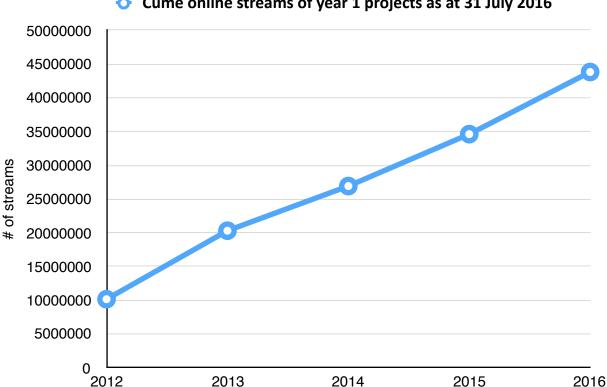
7. Songs from the first Making Tracks year, available to audiences for five years, have been played just over 44 million times so far (to 31 July 2016).

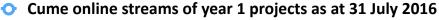
YEAR 1 PROJECTS	funded in 2011 - 2012			
Year	Radio Spins	Music Television	Online (YouTube only)	Cume Spins/ Streams
2012	86,023	19,564	10,134,141	10,239,728
2013	169,479	35,848	20,294,782	20,500,109
2014	196,383	41,593	26,915,304	27,153,280
2015	217,678	43,424	34,615,640	34,876,742
2016	225,181	42,998	43,831,267	44,099,446

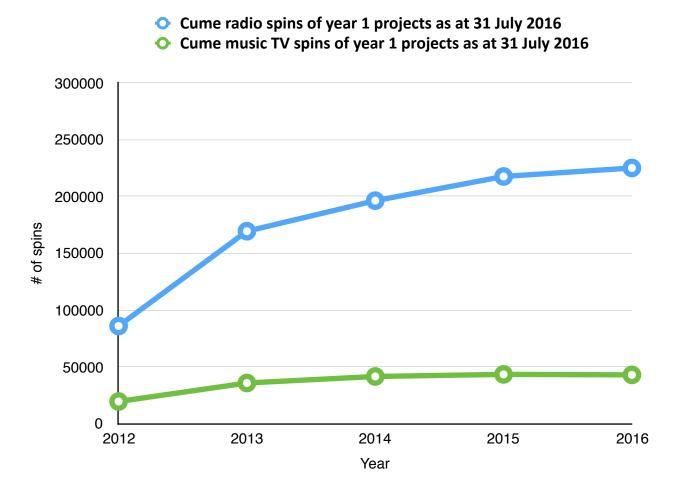
Note that our online streams count for Year 1 projects is based on YouTube only. Spotify was not well established in 2012 when we first did a Making Tracks Outcomes count. The count would be a good deal higher if we were to factor in Spotify and Soundcloud.

8. Radio accounts for 0.5% of the cumulative plays and music television 0.1%, but this does not reflect the actual audience impact of each of those individual plays. It's important to note that in terms of overall audience reach, one spin in prime-time on a Tier 1 radio station can be the equivalent of up to 65,000 unique streams online.

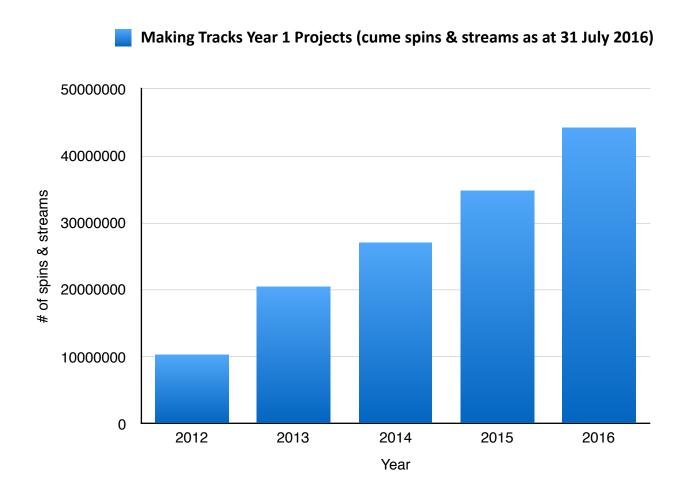
9. The increase in online plays is more pronounced than the increase in on air plays where there tends to be a plateauing of plays after a certain amount of time. Compare these two graphs.







10. Overall, spins on radio and television and streams online of the 284 Year 1 songs continue to climb. We expect the numbers to continue to increase over time but, we suspect, the rate of increase will slow.



11. The most-played songs from the first year of Making Tracks funding have changed since last year's report due to the increase in online exposure for the below artists. The songs with the highest counts of spins and streams funded from the 2011-2012 year are now

Artist	Song	Spins & Streams	
Kimbra	Good Intent	7,442,881	
Pieter T	My Baby	5,195,563	
Janine and the Mixtape	Hold Me	4,222,643	
Gin Wigmore	Black Sheep	3,679043	
Unknown Mortal Orchestra	So Good At Being In Trouble	1,933,878	
Six60	Forever	1,857,085	
Maisey Rika	Tangaroa Whakamautai	1,663,284	

All but the **Six60** song were successful overseas which accounts for the big numbers. Again, it is important to remember that this online count does not include Spotify streams.

DETAIL: YEAR 2 PROJECTS

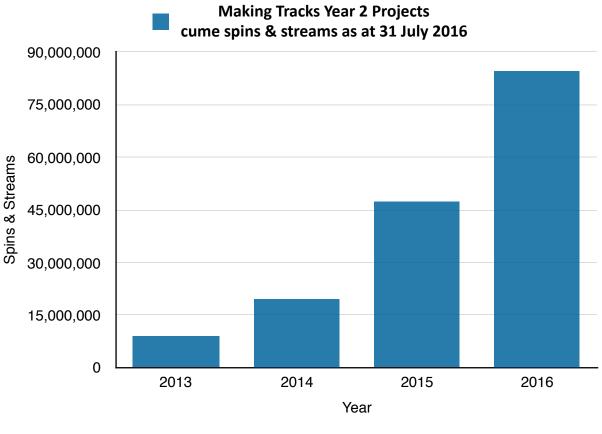
12. The on-going growth pattern is much the same with songs from the second Making Tracks year. With up to four years of public availability, Year 2 songs have played a total of over 84 million times so far.

YEAR 2 PROJECTS	funded in 2012 - 2013			
Year	Radio Spins	Music Television	Online (YouTube, Vimeo & Spotify)	Cume Spins/ Streams
2013	96,720	19,375	8,705,759	8,821,854
2014	165,734	34,049	19,279,620	19,479,403
2015	203,855	39,351	47,122,596	47,365,802
2016	216,646	39,502	60,782,689	84,706,663

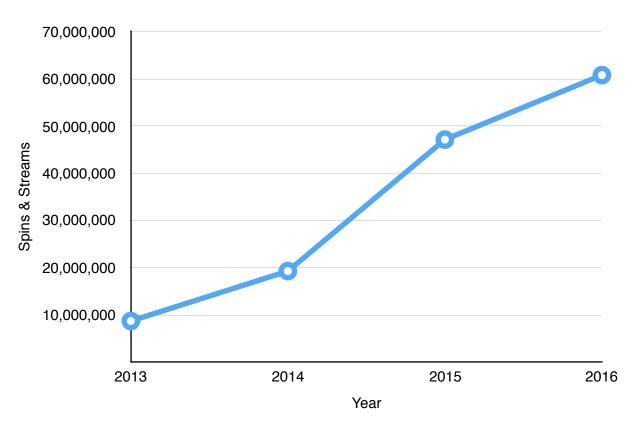
In this second year, we extended our online count to include streams from Vimeo and Spotify as well as YouTube which means that the Year 1 to Year 2 comparison is not a direct comparison.

13. Like Year 1, the 2012 Year 2 songs continue to gain spins on radio and television and streams online, but the increase in subsequent years is much greater than what we have seen with Year 1 projects. The increase from 2014 to 2015 for year 2 songs is near 250% compared with a modest 28% increase from 2014 to 2015 with Year 1 songs.

14. We believe this is due to the effect of Spotify. Recorded Music New Zealand has reported that streaming in New Zealand has increased exponentially over the last few years, particularly in 2015 and 2016 to date.



• cume online audio & video streams as at 31 July 2016



15. The most-played songs from the 2012-13 year of Making Tracks funding are:

Artist	Song	Spins & Streams	
Ezra Vine	Celeste	30,819,152	
Unknown Mortal Orchestra	Swim & Sleep (Like A Shark)	7,392,899	
David Dallas	Running	6,802,678	
French For Rabbits	Goat	3,620,112	
Stan Walker	Take It Easy	2,112,769	
Ladi6	Ikarus	2,055,652	
Unknown Mortal Orchestra	From The Sun	1,597,692	



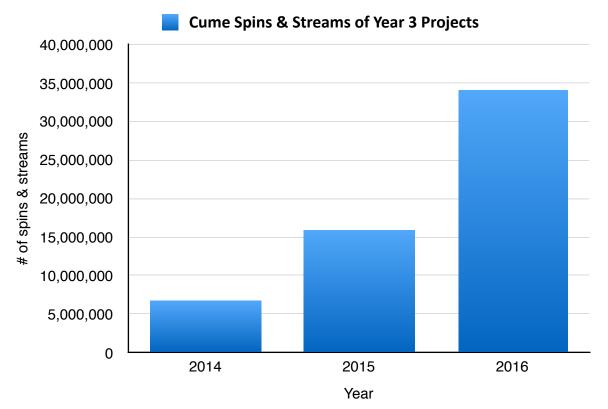
Celeste by **Ezra Vine** is our Most-Played Making Tracksfunded song. The song has played 4,729 times on the radio, 1,358 times on music television, 662,274 times on YouTube/Vimeo and a phenomenal 30.1 million times on Spotify.

Its success was fuelled by a TV One theme tune synch and increased through Spotify playlists.

DETAIL: YEAR 3 PROJECTS

16. The increase in spins and streams between 2015 and 2016 for these Year 3 projects is similar to the increase in spins and streams over the same time period for the Year 2 projects and this can be seen as a reflection of the uptake in streaming platforms.

YEAR 3 PROJECTS	funded in 2013 - 2014			
Year	Radio Spins	Music Television	Online (YouTube, Vimeo & Spotify)	Cume Spins/ Streams
2014	61,971	10,424	6,709,566	6,781,961
2015	105,246	15,308	15,707,832	15,828,386
2016	126,402	16,005	33,927,587	34,069,994



17. The most-played songs from the 2013-2014 year of Making Tracks funding are:

Artist	Song	Spins & Streams
French For Rabbits	The Other Side	3,479,066
Cairo Knife Fight	Rezlord	2,252,259
Maya Payne	If Only	2,087,291
Benny Tipene	Make You Mine	2,010,363
Ginny Blackmore	Holding You	2,005,938
Yumi Zouma	The Brae	1,812,158
Jamie McDell	Young & Dumb	1,217,450

DETAIL: YEAR 4 & 5 PROJECTS

18. It is too soon to be able to identify any trends with projects funded in the last two years. The increase in online play of Year 4 songs mirrors the increase in the online play of Year 3 songs (about two and a half times):

YEAR 4 PROJECTS	funded in 2014 - 2015			
Year	Radio Spins	Music Television	Online (YouTube, Vimeo & Spotify)	Cume Spins/ Streams
2015	60,851	7,122	11,418,116	11,486,089
2016	105,246	15,308	15,707,832	15,828,386

19. The most-played songs from the 2014-2015 year of Making Tracks funding are:

Artist	Song	Spins & Streams	
Unknown Mortal Orchestra	Can't Keep Checking My Phone	6,588,777	
Six60	Special	4,775,666	
Unknown Mortal Orchestra	Necessary Evil	3,266,621	
Ginny Blackmore	Holding You	2,005,938	
Nadia Reid	Call The Days	2,003,009	
Unknown Mortal Orchestra	Ur Life One Night	1,907,898	
Sons Of Zion	Stuck On Stupid	1,802,910	

Unknown Mortal Orchestra has received the most Making Tracks grants of any NZ artist (10), all of which have had very successful outcomes, particularly through online platforms YouTube and Spotify. The three UMO Making Tracks singles funded from the 2015 year have accumulated over 11 million streams in the first year of release (as at 31 July 2016).

In 2015, UMO was the most blogged-about artist in the whole world and this online exposure resulted in a huge growth in audience and is a sign of the times and the increasing effect of online on music discovery.



YEAR 5 PROJECTS	funded in 2015 - 2016			
Year	Radio Spins	Music Television	Online (YouTube, Vimeo & Spotify)	Cume Spins/ Streams
2016	23,175	1,109	10,888,387	10,912,671

20. The most-played songs from the 2015-2016 year of Making Tracks funding are:

Artist	Song	Spins & Streams
Maala	Kind Of Love	1,462,216
Sachi	No More ft. Zoe & SYSYI	1,079,089
Unknown Mortal Orchestra	First World Problem	727,043
Sammy J	I'm The One For You	544,978



Kind of Love by **Maala** currently has the highest number of streams out of the Making Tracks funded songs in our fifth year of the scheme. It was released in May 2016 and as at 31 July 2016 had accumulated 1,462,216 spins and streams with about 650 of those plays coming from radio and music television.

The song was written during the APRA AMCOS SongHubs 2016 songwriting workshop.

PERFORMANCE MEASURES

21. In our Statement of Performance Expectations, we have established measures of success for Making Tracks investments based on the average number of spins and streams achieved. Results achieved by year are as follows –

Platform	Target	2012 Projects	2013 Projects	2014 Projects	2015 Projects	2016 Projects
Radio	750	782	1,012	580	529	249
Music Television	150	149	185	73	77	12
Online	50,000	152,192	284,031	155,631	78,934	117,079

We are unlikely to ever again achieve our music television target with the loss of music channels such as Juice TV and the diminishing role of music television in the current media landscape. With the change in media consumption habits, our music video content is more likely to be consumed online via sites such as YouTube and Vimeo, and increasingly on social platforms such as Facebook.

CONCLUSION

22. With the increased uptake of music streaming services such as Spotify and Apple Music, Making Tracks funded songs are getting the most broadcast 'mileage' from online platforms. These platforms also give the songs longevity as we can see with the continuously increasing online plays for year one tracks.

23. Radio continues to deliver big audiences and commercial radio can reach 60,000+ people with one play. An A-Rotate song on The Edge could reach up to 662,700 different people in a week. Radio remains an efficient way of connecting songs and audiences. On average New Zealanders tune into radio for one and a half hours every day.¹

24. More online streaming options are scheduled to launch in New Zealand in the coming months. We continue to focus our efforts on supporting music content that can sit across multiple platforms, with a promotions strategy to maximise exposure for each funded song.

¹In 2016, NZ On Air commissioned research on the media consumption habits of New Zealanders. The research is called *Where Are The Audiences* and you can view the results <u>here</u>.