

Immersive Music: The Future of the Recording Industry

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Imagine standing in your own living room, slipping a headset on, and opening your eyes to see yourself standing on stage with your favorite artist. Imagine being able to dance along with them, and see all the fans cheering from the crowd. With Immersive Music Technology, such a feat is now possible, and it is imperative that record companies take advantage of this new opportunity to profit.

Immersive Music Technology is possible due to the onset of Virtual Reality Headsets such as the Oculus Rift and Project Morpheus. Virtual Reality Headsets work by projecting an image that encapsulates the wearer's entire field of view. This makes the wearer feel as though they are actually in the place being depicted by the images shown in the headset. This sort of technology has many opportunities for the music industry and certainly has the potential to rejuvenate the music industry which has been struggling for the last decade.

Since the initial launch of NAPSTER in 1999, the music industry has suffered sharp declines in revenues. Between 1999 and 2009 the industry's total revenue actually fell by more than half from 14.9 billion to 6.6 billion.

There is a chance for the Music Industry to save itself, and their saving grace comes in the form of Virtual Reality. The drop in music industry revenue is occurring as the same time that virtual reality is poised to take off. In figure 1, you can see the sales of VR headsets projected out to 2018, where they are expected to reach a record of 38 million units sold in 2018 alone.

This means there will be a large market of VR Headset owners looking to purchase VR enabled content. The music industry can take advantage of this demand in a few different ways.

Firstly, this technology can allow for live concerts to be recorded in 360 degree VR. This will allow VR Headset owners to purchase VR enabled concert recordings where they can toggle back and further between standing on the

stage with the artist and dancing in amongst the crowds. This content would only be released upon the conclusion of the tour in question, allowing record companies to make money off the back end of these tours. This would operate in a manner similar to how movies first get released in theaters and are later released to DVD.

Additionally, record companies could also start creating immersive albums. These albums would have a VR enabled music video associated with every single song. These would be sold in the bundled format, increasing the amount of money each consumer spends on music each year. Essentially, VR enabled Immersive Albums could allow the music industry to harken back to the era of CD sales where bundling forced their revenues significantly higher than they are currently in the era of streaming and digital downloads.

Virtual Reality is the next large technological change, and it will make waves throughout many different industries. The music industry is no exception. Immersive albums and VR enabled live concerts have the potential to generate new revenue for record companies, and given the current stagnation of industry revenue, now is simply the perfect time to start releasing new and innovative content.

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HMD Unit Sales

Figure 1

