



INITIATIVE  
MUSIKgGmbH



Federal Government Commissioner  
for Culture and the Media



# RESULTS AND RECOMMENDED ACTIONS

## FOCUS ON: JAZZ CLUBS

---

JAZZAHEAD - FRIDAY, APRIL 30 2021

**CLUBSTUDIE**

DER INITIATIVE MUSIK

# AGENDA

1

Objectives, sample  
& methodology

2

Structural  
indicators &  
demography

3

Economic  
indicators & impact  
of Covid-19

4

Cultural and social  
relevance



01 | OBJECTIVES OF THE  
REPORT, SAMPLE &  
METHODOLOGY

# PROJECT "CLUBSTUDIE"

PROJECT "CLUBSTUDIE"

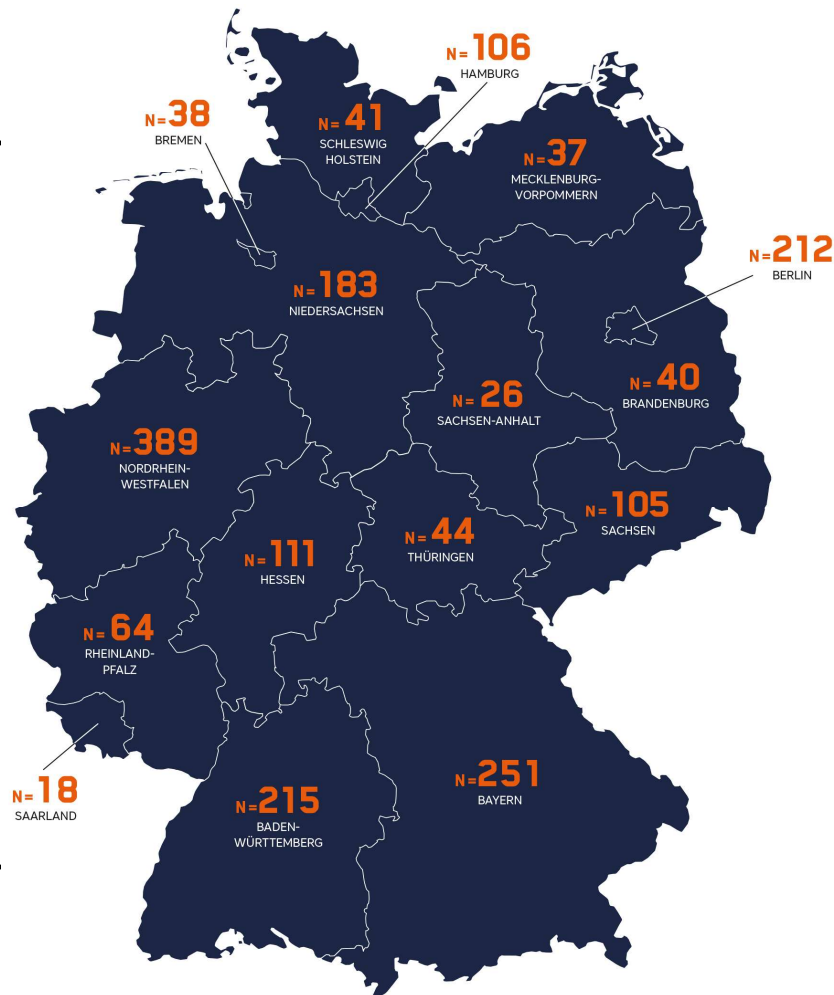
---

## BACKGROUND & OBJECTIVES

- Commissioned by ``Initiative Musik`` and funded by the federal government commissioner for culture and media in Germany
- Portraying German live music venues
- Analysis of cultural, economic, and social aspects
- Impact of the COVID-19 pandemic
- Forthcoming in May 2021

# APPROXIMATELY 2.000 LIVE MUSIC VENUES IN GERMANY

LOCATION, METHODOLOGY AND SAMPLE



## METHODOLOGY & SAMPLE

### Methodology

- ▶ Mixed methods research design
- ▶ Qualitative expert interviews (content analysis)
- ▶ Quantitative online-surveys

### Sample

- ▶ Adjusted gross sample  $n = 1.880$
- ▶ Response rate ( $n = 1.070$ ) 59,5 %
- ▶ Completion rate:  $n = 830$  completed questionnaires

02 | STRUCTURAL  
INDICATORS &  
DEMOGRAPHY

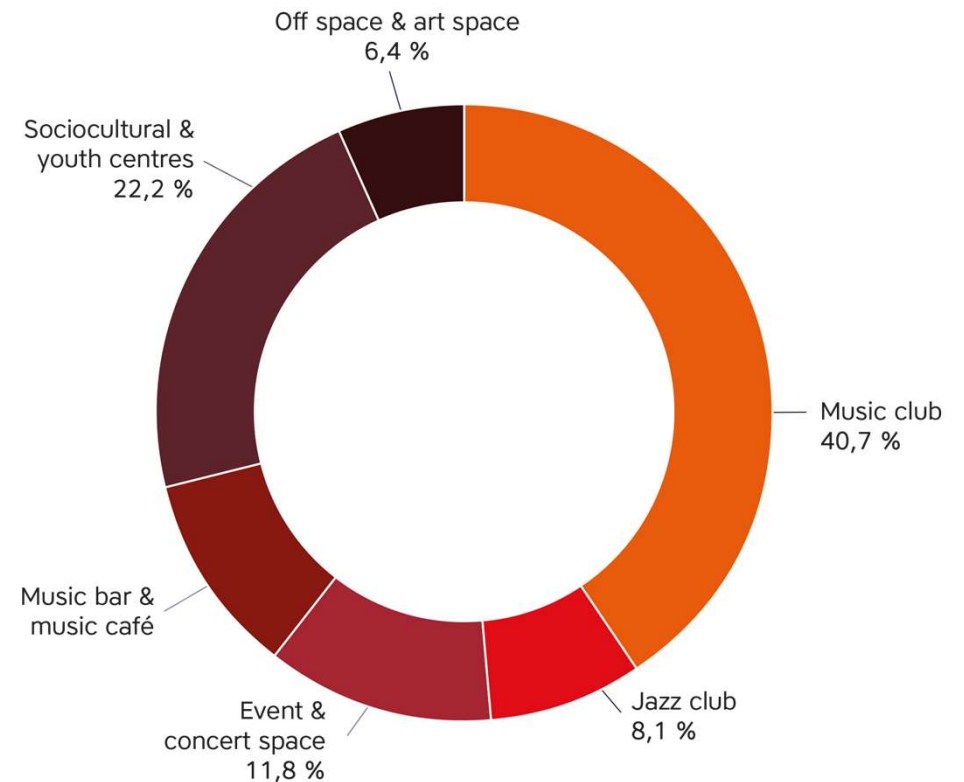
# HETEROGENEOUS ARRAY OF VENUES

STRUCTURAL INDICATORS: SELF ASSESSMENT

- Self assessment of the respondents as the central criterion of differentiation for the empirical analysis

## Jazz Clubs:

- Jazz Clubs exist for a long time, average opening date is 1991 which makes them the „oldest“ clubs in Germany → first Jazz Club founded in 1952!
- Survey includes 63 Jazz Clubs (gross sample n = 153)
- Most Jazz Clubs in small- and midsize towns in the western part of Germany



# SMALL AND MID-SIZE VENUES DOMINATE

STRUCTURAL INDICATORS & DEMOGRAPHY

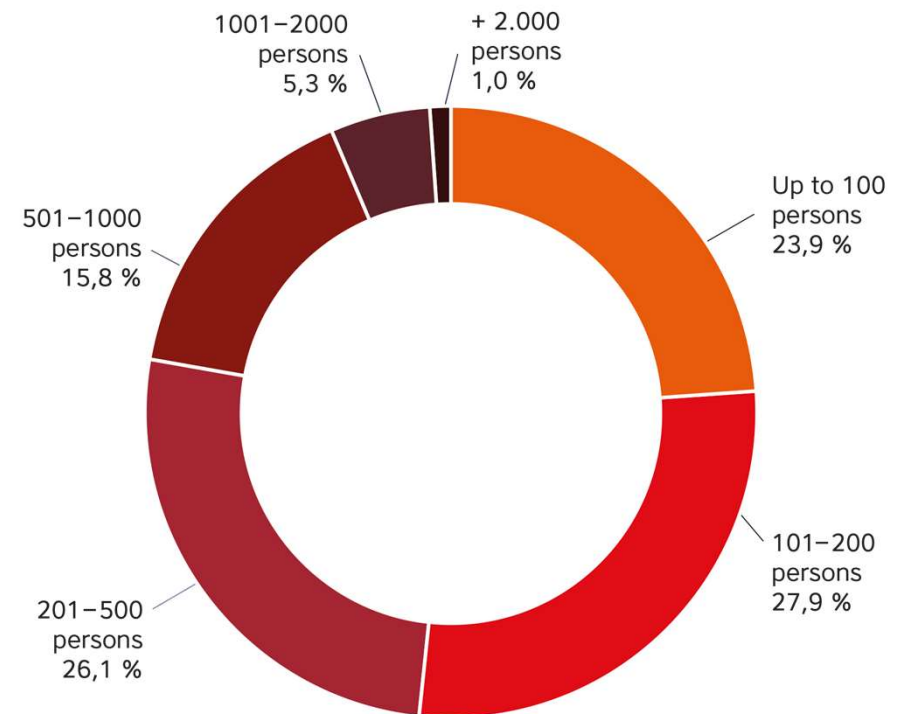
## Venue capacities

- 52 % of all venues are characterized by (very) small capacities up to 200 persons
- approx. 80 % of the venues dispose of small to medium capacities
- Overall venue capacity at approx. 700.000

## Jazz Clubs:



- 80% have small capacities up to 200 persons





# SUCCESSORS WANTED

STRUCTURAL INDICATORS & DEMOGRAPHY

## Age cohorts

- Average age of operators is 48 years
- 15 % of the operators about to enter into retirement, further 25 % just before retirement

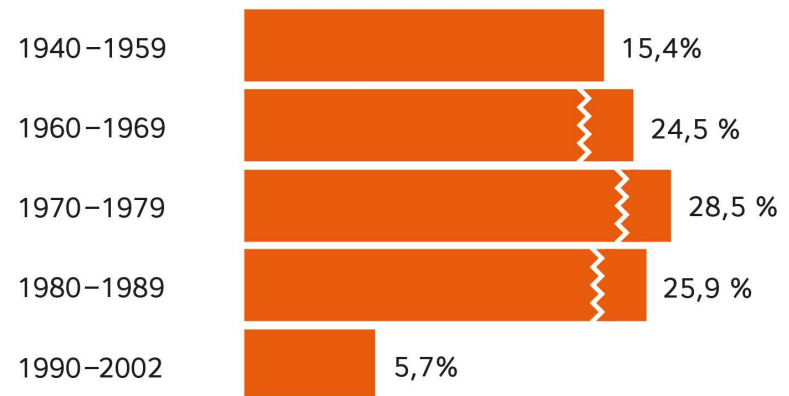
## Jazz Clubs



- Jazz Club operators are on average 60 years old  
→ Generation change is a relevant topic, especially for Jazz Clubs

## Level of education

- The operators' level of education above average
- 75 % have completed A-levels or even hold a university degree



# KEY RESULTS

STRUCTURAL INDICATORS & DEMOGRAPHY

## CONCLUSION

- First nationwide survey of german music venues
- Approximately a quarter of all venues have a capacity of about 100, 200 and up to 500
- The venues are mostly located in large cities, but there still is a nation-wide covering
- Legally low capital intensive organizational forms dominate
- Space usage mainly via rental contracts
- The operators' level of education above average

EU-level:



- 20 % of all venues have capacities up to 200 persons (Live-DMA Survey)

## RECOMMENDED ACTION

- Ensuring the conservation of substance of the array of venues post-COVID-19
- Supporting operator change especially in Jazz Clubs; advice/networks
- Facilitating formation of new venues; advice/neworks/monitoring
- Consideration within the framework of city development plans, especially in urban areas → cultural space protection



# 03 | ECONOMIC INDICATORS

# LOW PROFIT MARGINS

ECONOMIC INDICATORS: ANNUAL TURNOVER, ANNUAL PROFIT, RETURN ON SALES 2019

## ANNUAL TURNOVER 2019

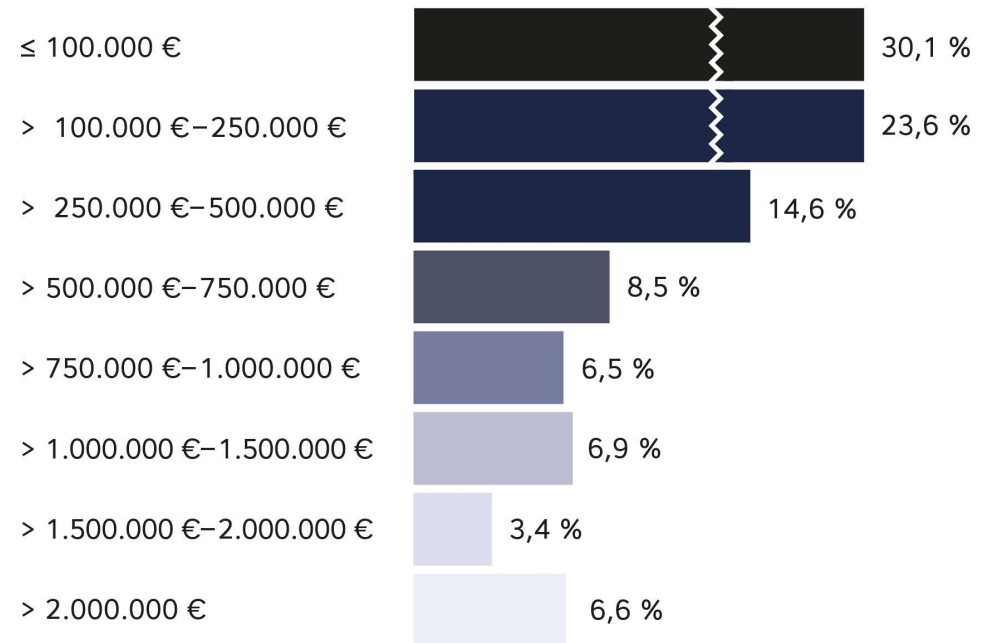
All venues (sample)	435m €
Median	240.000 €
Mean	585.000 €
Extrapolation	~ 1.1bn €

## ANNUAL PROFIT 2019

Median	8.000 €
Mean	30.000 €

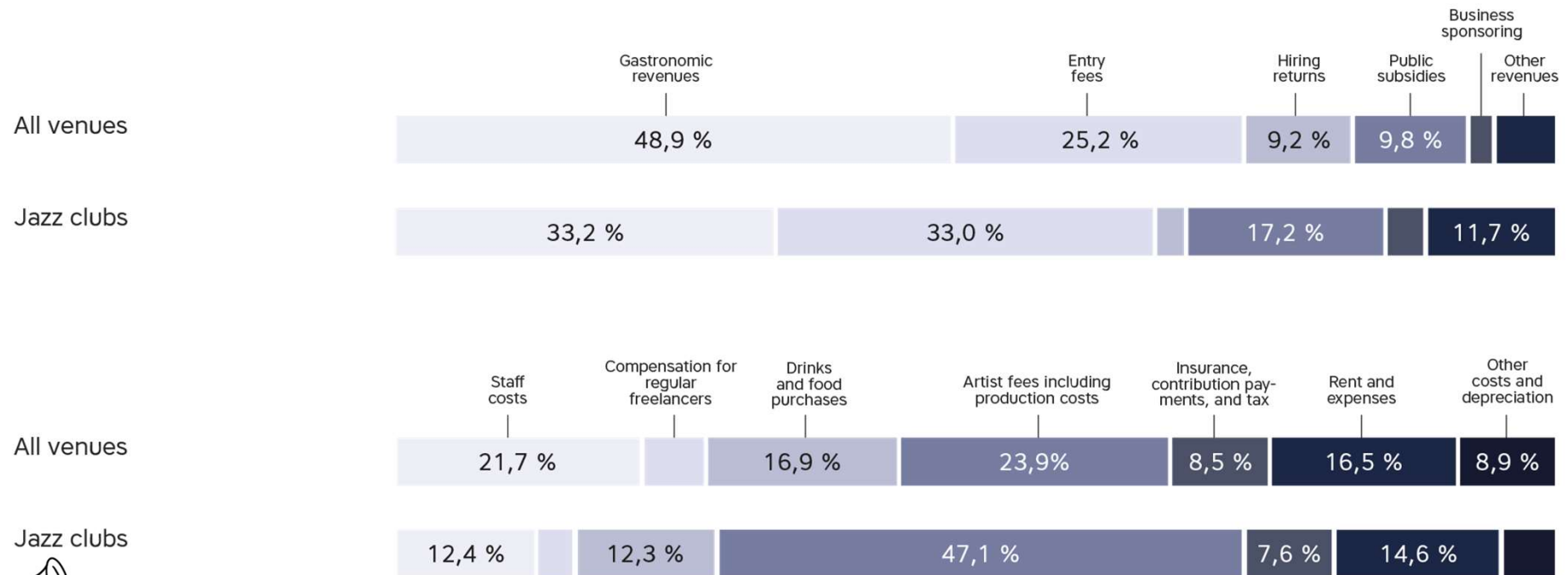
## RETURN ON SALES 2019

Median	3.1 %
Mean	4.1 %



# STRUCTURE OF REVENUE & COSTS 2019

ECONOMIC INDICATORS



**Revenues:** Jazz Clubs have lower gastronomic revenues, but higher entry fee shares & public subsidies

**Costs:** Jazz Clubs have much lower staff costs, but much higher artist fee shares

# 80 % OF THE WORKFORCE ARE PAID

ECONOMIC INDICATORS: EMPLOYMENT & FULL-TIME-EQUIVALENT

	Employees			
	Average number of employees	Median number of employees	Total number of employees	Hours worked in %
Full-time	3,7	2,0	4.301	24,7 %
Part-time	5,6	2,0	6.371	21,9 %
Trainees	1,2	1,0	759	7,5 %
Interns	0,6	0,0	322	2,6 %
Pro bono	12,1	6,0	10.212	13,7 %
Volunteers	0,9	0,0	437	4,0 %
Minijobber	15,1	10,0	20.746	25,6 %
<b>Total number</b>	<b>39,2</b>	<b>21,0</b>	<b>43.148</b>	<b>100 %</b>

## Employment Jazz Clubs:

- Average number of employees: 20 (including 12,5 volunteers & pro bono)
- Total number of employees: 1.750 (including 1100 volunteers & pro bono)

## Cutbacks caused by the pandemic

- Complete shutdown or partial operation with significant capacity restrictions
- Decrease in revenues - **65 %**
- Decrease in employment - **75 %**
- Expectation to return to pre-pandemic revenues 12 months after the lifting of the restrictions

# HIGHEST NEEDS FOR DIGITAL TECHNOLOGY

ECONOMIC INDICATORS: RECEIVED AND NEEDED FUNDING

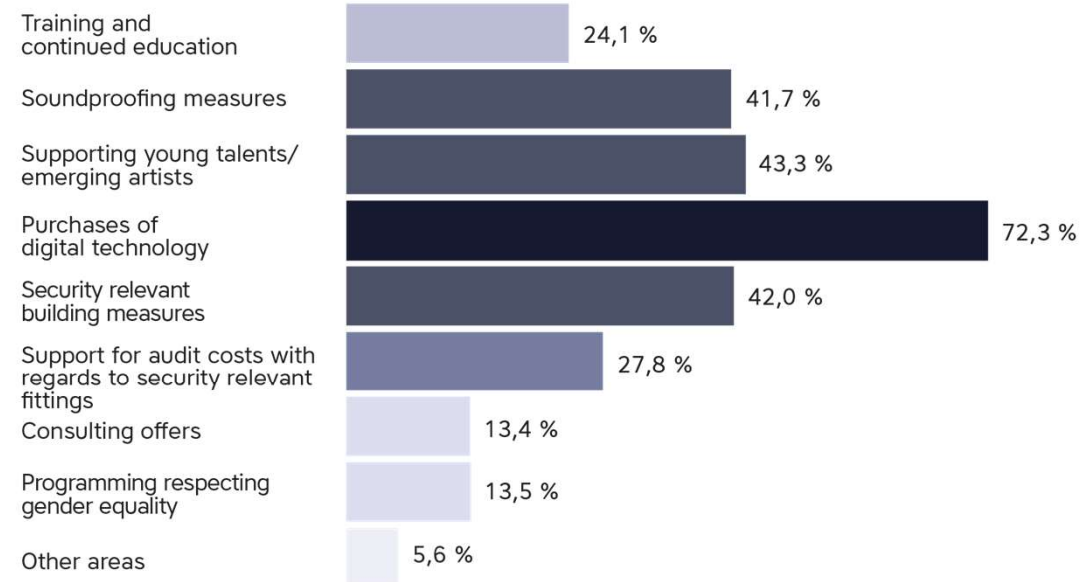
## Received funding

- Funding by ``Initiative Musik`` and the municipalities especially relevant
- 90 % of all Jazz clubs receive public funding, average only at 64 %

## Most needed funding in Jazz Clubs:



- Most crucial need for funding still with regards to digital infrastructure (61 %)
- Continuation of the support for newcomer work (46 %)
- Increasing security measures imply need for security relevant infrastructure as well as audit costs (24 %)
- Funding for soundproofing measures (22 %)



# RESULTS AT A GLANCE

ECONOMIC INDICATORS: KEY FINDINGS AND RECOMMENDED ACTIONS

## CONCLUSIONS

- 80 % of the venues achieve annual revenue of up to 500.000 €; total annual revenues ~ 1.1bn €
- 43.000 employees and 7.000 regular freelancers
- Federal support (via ``Initiative Musik´´) und support by the municipalities constitute important factors
- Central support focus: technical infrastructure and programming costs
- Jazz Clubs annual revenues are 166.700 € and very low return of sales 0.6 %

EU-level:



- Higher share of staff cost, public funding and ticket sales (Live-DMA Survey)
- Higher share of volunteer FTEs (Live-DMA Survey)

## RECOMMENDED ACTIONS

- Perception of the economic significance and employment substance of the music event market needs to be enhanced
- Continuation of the public subsidies in order to ensure the viability of the market
- New aspects of support with regards to security relevant infrastructure and soundproofing

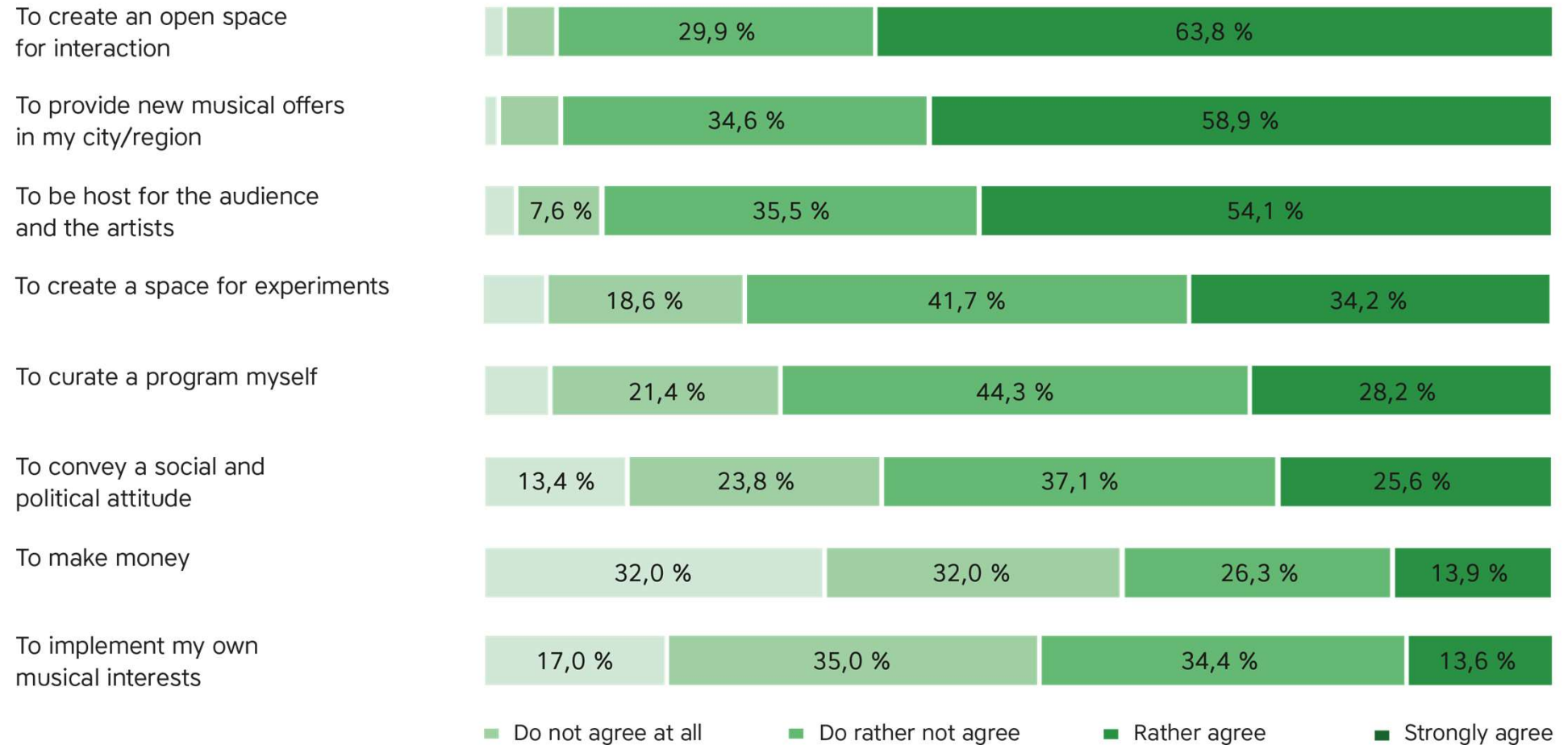


05 | CULTURAL AND SOCIAL  
SIGNIFICANCE



# CULTURAL AND SOCIAL MOTIVATION RELEVANT

## CULTURAL AND SOCIAL SIGNIFICANCE: FOUNDATIONAL MOTIVATION




# HIGH SIGNIFICANCE OF NEWCOMER WORK

CULTURAL AND SOCIAL SIGNIFICANCE: MUSIC EVENTS AND NEWCOMER

## NUMBER OF MUSIC EVENTS & GIGS

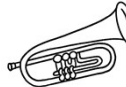
- ~ 190.000 music events p. a.
- ~ 260.000 gigs of artists p. a.
- Average occupancy rate of music events about 70 %
- Approximately 50m annual guests

Jazz Clubs: 

- 100 music events on average p. a.
- 15.400 music events p. a.
- Approximately 1.5m annual guests

## YOUNG TALENTS/EMERGING ARTISTS

- ~ 36.000 gigs of young talents/emerging artists p. a.
- 95 % of young talents/emerging artists are paid a fee
- Average fee approximately 150 €

Jazz Clubs: 

- 27 gigs of newcomers in Jazzclubs p. a.

High diversity of musical styles

▶ Jazz music is regularly offerend in every second live music venue in Germany

# RESULTS AT A GLANCE

CULTURAL AND SOCIAL SIGNIFICANCE: KEY FINDINGS AND RECOMMENDED ACTIONS

## CONCLUSIONS

- Intrinsic motivation as the main driver for cultural work → dominantes economic motifs
- 190.000 music events p. a./Jazz Clubs 15.400 p. a.
- 260.000 gigs of artists p. a.
- 36.000 gigs of newcomers p. a.
- 50m guests p. a. / Jazz Clubs 1.5m guests p. a.
- Cultural program is a location factor for the city/region

EU-level: 

- 400.000 music events p. a.
- Approximately 70m guests p. a.

## RECOMMENDED ACTIONS

- Enhance the social recognition of cultural work as well as the necessary economic prerequisites
- Preserve venues as focal points for alternative social lifestyles, scene, and communities

THANK YOU FOR YOUR ATTENTION

Heiko Rühl  
ruehl@wiso.uni-koeln.de