Economic contribution of the New Zealand music industry in 2024

A report for Recorded Music New Zealand

FINAL REPORT
PwC
March 2026

Final report
Strictly confidential

Jo Oliver
Chief Executive
Recorded Music New Zealand
Private Bag 78 850
Grey Lynn
Auckland 1245

26 March 2026

Economic contribution of the New Zealand music industry in 2024

Dear Jo,

We are pleased to provide our final report on the economic contribution of the New Zealand music industry in 2024.

This report is provided in accordance with the terms of our letter of engagement dated 10 April 2025 and is subject to the restrictions set out in Appendix E. This report supersedes any previous drafts.

If you have any queries please do not hesitate to contact us.

Yours sincerely,

Mark Robinson
Director, PwC
mark.d.robinson@pwc.com
+64 21 655 786

James Harper
Partner, PwC
james.f.harper@pwc.com
+64 22 012 9874

PricewaterhouseCoopers Consulting (New Zealand) LP

PwC Tower, 15 Customs Street West, Private Bag 92162, Auckland 1142 New Zealand | T: +64 9 355 8000, www.pwc.co.nz

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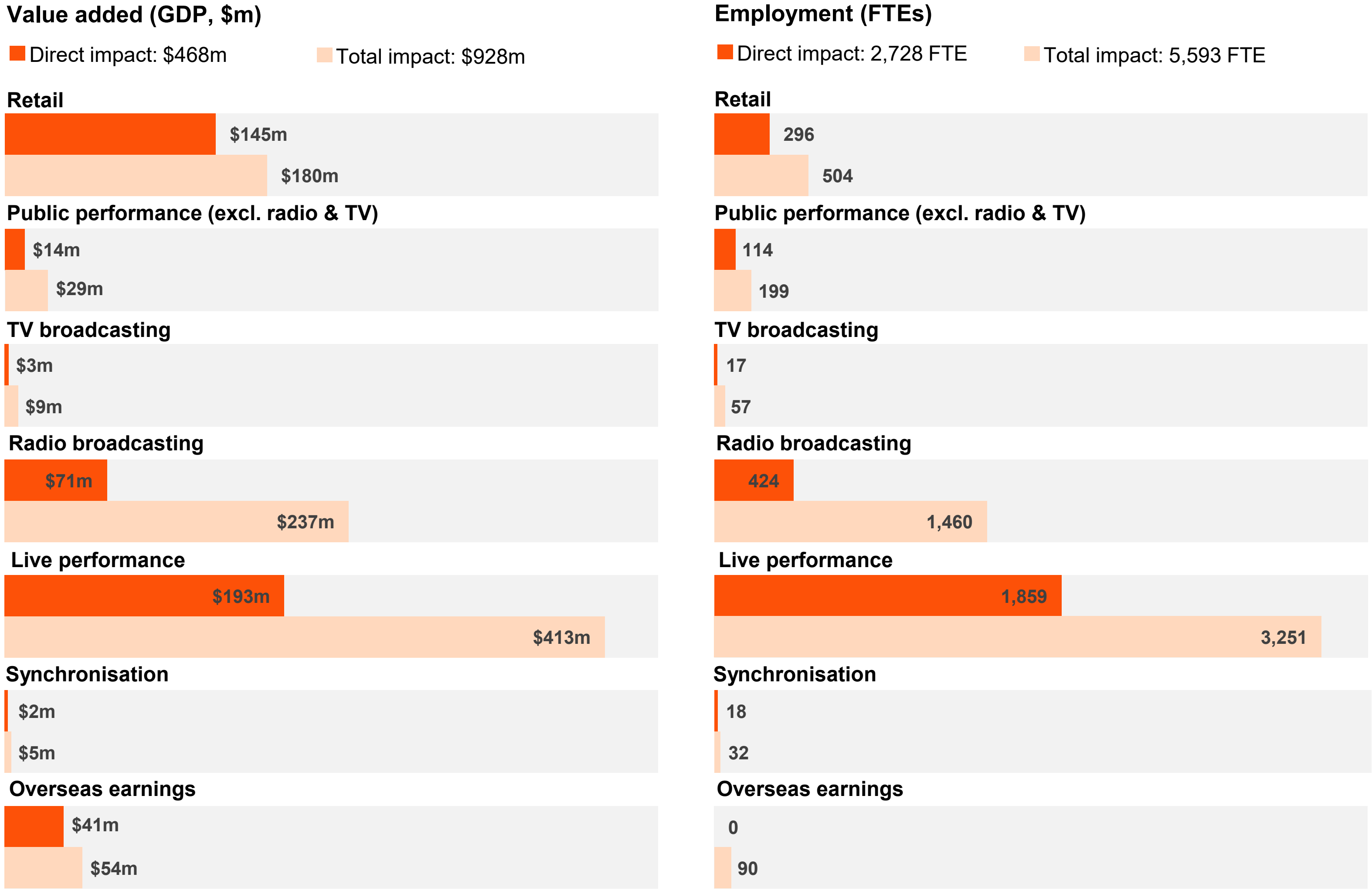
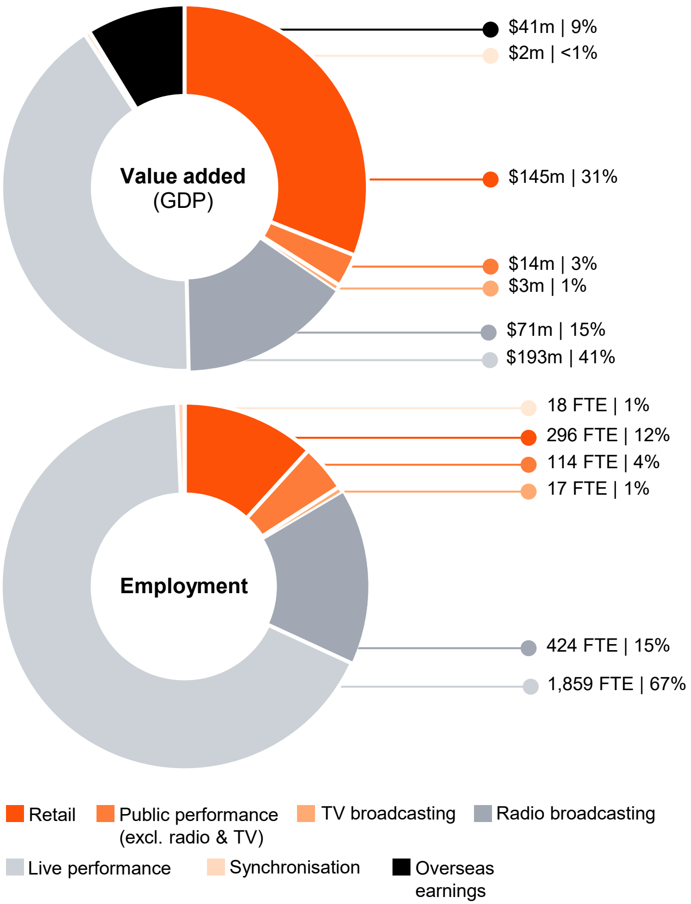


Direct impacts of NZ music industry in terms of GDP and employment



Source: Industry-provided data, PwC analysis
Note: Overseas earnings are an average over 2022-24

Key findings

We estimate that in 2024, the New Zealand music industry:

- **contributed $468m directly, and $928m in total, to national GDP**
- **contributed 2,728 direct FTE jobs, and 5,593 FTEs in total.**

2024 was the strongest year for the New Zealand music industry, in terms of economic performance, since we began our annual analysis in 2013

- Total revenues, GDP and employment contributions all increased from 2023 to 2024.
- The increase was relatively small, but from what was previously the strongest economic performance year on record.
- This was driven by strong results relative to 2023 across most sub-sectors.

Live performance, retail and radio are the largest sub-sectors

- Live performance remains the largest sub-sector.
- Music retail and radio broadcasting are the next largest, followed by overseas earnings.
- Public performance, TV broadcasting and synchronisation remain smaller.

Generation of GDP and employment, from a given revenue level, differs by sub-sector

- Live performance is a relatively labour-intensive activity, whereas music retail is not (radio is in the middle).
- Live performance contributes over six times the employment of retail, and more than double the GDP, despite only having 50% more revenue.

Live performance had another very strong year

- Revenues from live performance fluctuate each year based on touring schedules.
- 2024 was even higher than in 2023, which was easily the strongest year previously recorded for live performance, with the majority of growth again being in arena and stadium sized tours.
- 2024 revenues were around 70% above pre-COVID-19 levels.

There are differing trends in the public performance sub-categories

- The public performance sub-sectors have shown diverging trends over recent years.
  - Public performance and radio revenues have remained relatively flat.
  - TV broadcasting revenues have decreased significantly over the last two years.

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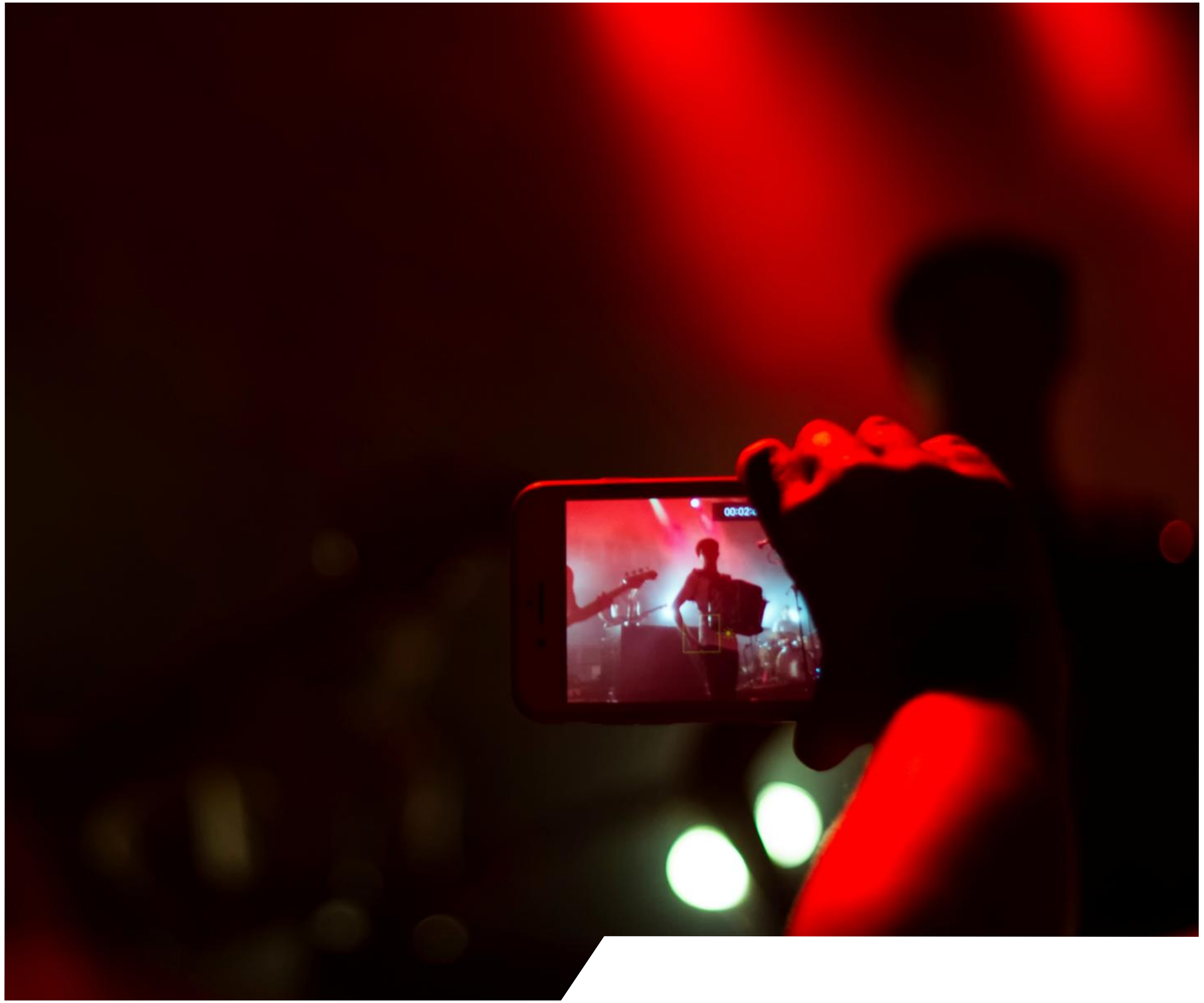
Introduction

Introduction



This report presents estimates of the contribution of the music industry to the New Zealand economy. It provides a snapshot of the industry using data for the 2024 calendar year.

In addition, the report provides some broad insights on the trends occurring in New Zealand's music industry that are affecting the impact of the industry on New Zealand's economy.

This report has been commissioned by Recorded Music New Zealand (Recorded Music NZ) supported by funding from its project partners, the Australasian Performing Right Association Australasian Mechanical Copyright Owners Society (APRA AMCOS) and the New Zealand Music Commission.

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Approach

Defining the music industry

The music industry incorporates a number of distinct activities and related revenue streams.

This report examines the main revenue streams accruing to the industry. These include both revenues from the sale of music and royalty payments for the use of music.

Figure 1: Breakdown of the music industry described in this report

Retail	Digital and physical retail sales of music, including on-demand music streaming, and traditional retail sales of CDs and vinyl
Public performance excl. radio and TV	Communication of music played for public performance in premises such as retailers, hospitality outlets (bars and cafes), educational institutions and gyms
Television broadcasting	Communication of music to the public through television and on-demand TV platforms (SVOD)
Radio broadcasting	Communication of music to the public through radio
Live performance	Live performances of music, including in concerts, festivals, or music venues
Synchronisation	Royalties from licensing music for use in advertisements, games, films, and television programmes
Overseas earnings	Revenue earned outside New Zealand, by New Zealand musicians, for live performances, recordings and publishing overseas

Upstream activities
Music creation: songwriters, musicians, recording studios, etc
Activities of record companies and music publishing companies: recording and commercialisation of music
Aggregation of digital music files for retail and the manufacture of physical carriers of music : CDs, DVDs
Venue operation: live performances

Approach for estimating economic contribution

Measures of economic contribution

We have estimated three measures of the New Zealand music industry's economic contribution.

Total revenue/sales
The gross output of all music industry participants

Value added (GDP)
The industry's contribution to New Zealand's GDP, which is calculated as the total returns to labour and capital in the industry

Employment (FTE)
The number of full time equivalent workers (FTEs) employed as a result of music industry activity

Indirect and induced effects

The total economic contribution of the music industry is equal to the sum of its direct, indirect, and induced impacts.

Direct impacts	The immediate economic contribution of New Zealand's music industry, reflecting the value-add and jobs generated by the industry's own activities.
Indirect impacts	Impacts when businesses in the music industry purchase goods and services from other industries, in order to record and produce a song, market an album, or put on a concert.
Induced impacts	Impacts when the wages and salaries paid out by the music industry are spent on goods and services, stimulating further economic activity.

Multiplier approach

In order to estimate the direct and total impacts, we have used multiplier analysis based on input-output tables for all New Zealand industries.

Data sources

Information on revenue, sales and royalties was provided by Recorded Music NZ and its partners. Multipliers were sourced from Insight Economics, which are based on StatsNZ 2020 input-output tables (the latest available).

Geographic boundary

This report aims to account for all economic impacts that take place in New Zealand. We account for the domestic consumption of music of any origin from New Zealand based channels, by adopting an approach that is consistent with the national accounts statistics produced by StatsNZ.

This approach measures the total value of goods and services produced in New Zealand, rather than the net income of all businesses and individuals located within New Zealand.

New Zealand-generated music

This edition does not include analysis on the proportion of the impacts which reflect the role of New Zealand-generated music. The analysis will be reinstated in future editions, once improvements to the underlying inputs and assumptions are made.

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Economic Contribution

Overall industry

We estimate that in 2024 the New Zealand music industry:

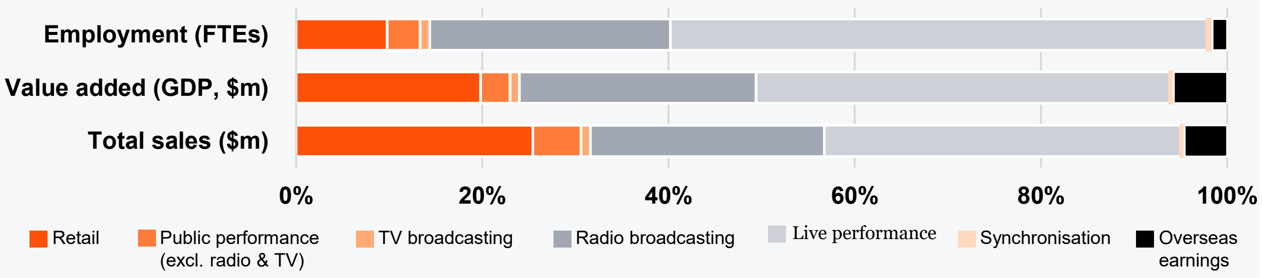
- **contributed $468m directly, and $928m in total, to national GDP**
- **contributed 2,728 direct FTE jobs, and 5,593 FTEs in total.**

- Live performance is the largest subsector, accounting for 45% of total GDP and 58% of total employment contribution in 2024.
- Radio broadcasting and retail are the next largest subsectors.
- TV broadcasting, synchronisation and overseas earnings remain smaller.

Table 1: Estimate of the economic contribution of the New Zealand music industry, 2024

Subsector	Total sales ($m)	Value added (GDP, $m)			Employment (FTEs)		
		Direct	Indirect & induced	Total impact	Direct	Indirect & induced	Total impact
Retail	226	145	35	180	296	208	504
Streaming	*201*	*126*	*27*	*153*	*209*	*157*	*366*
Downloads	*3*	*2*	*0*	*2*	*3*	*2*	*6*
Physical music	*23*	*17*	*8*	*25*	*83*	*48*	*132*
Public performance (excl. radio & TV)	46	14	16	29	114	85	199
TV broadcasting	9	3	7	9	17	41	57
Radio broadcasting	224	71	167	237	424	1,036	1,460
Live performance	340	193	221	413	1,859	1,392	3,251
Synchronisation	4	2	2	5	18	14	32
Overseas earnings	41	41	13	54	0	90	90
Total	**890**	**468**	**460**	**928**	**2,728**	**2,865**	**5,593**

Figure 2: Total contribution by subsector (%), 2024



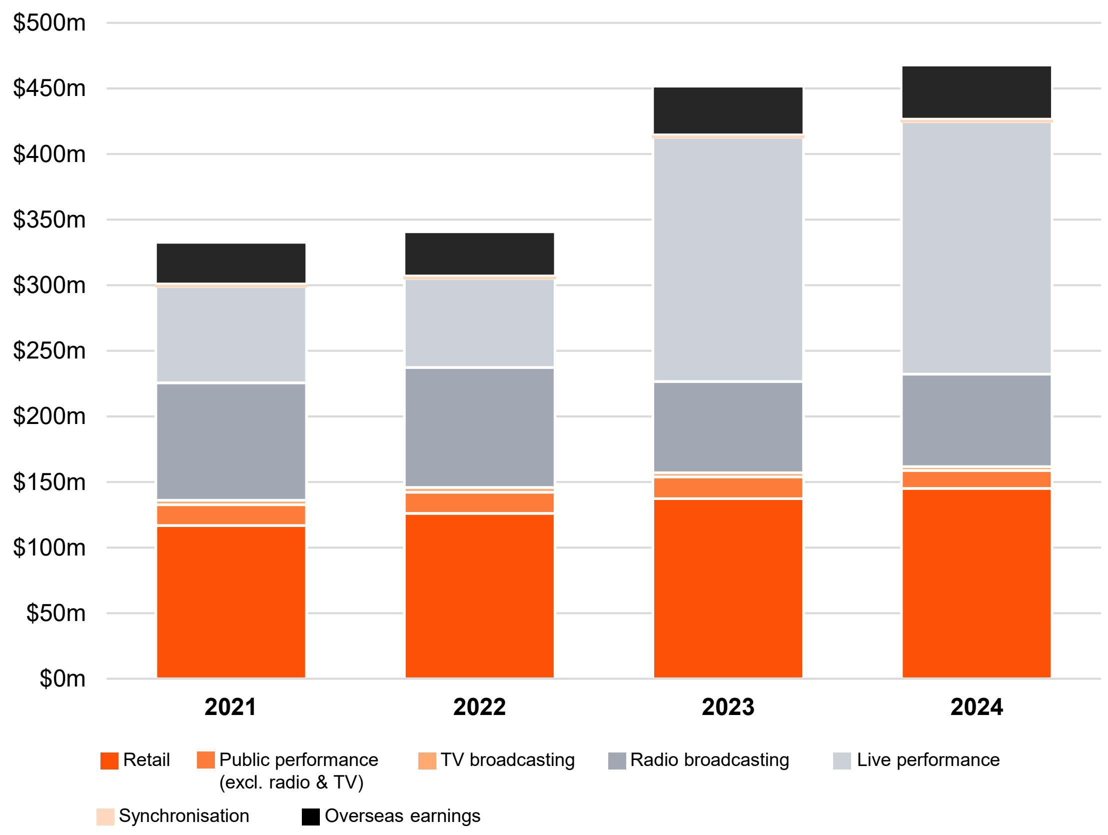
Source: Industry-provided data, PwC analysis.
Note: Overseas earnings are an average over 2022-24.

Trends over time

2024 was the strongest year for the New Zealand music industry, in terms of economic performance, since we began our annual analysis in 2013.

- Both GDP and employment contributions increased from 2023 to 2024. This was driven by strong results relative to 2023 across most sub-sectors.
- Live performance had another strong year, after 2023 was the previously best year on record. Live performance revenues continue to be well above pre-COVID-19 levels, with the majority of growth being in arena and stadium sized tours.
- While radio broadcasting has decreased in the recent past, its revenues held up well in 2024.
- The retail sub-sector continues to grow, through both streaming and physical channels.
- Employment contributions did not increase as quickly as GDP in 2024. This is largely because revenue and GDP impacts increase with inflation but employment requirements do not.

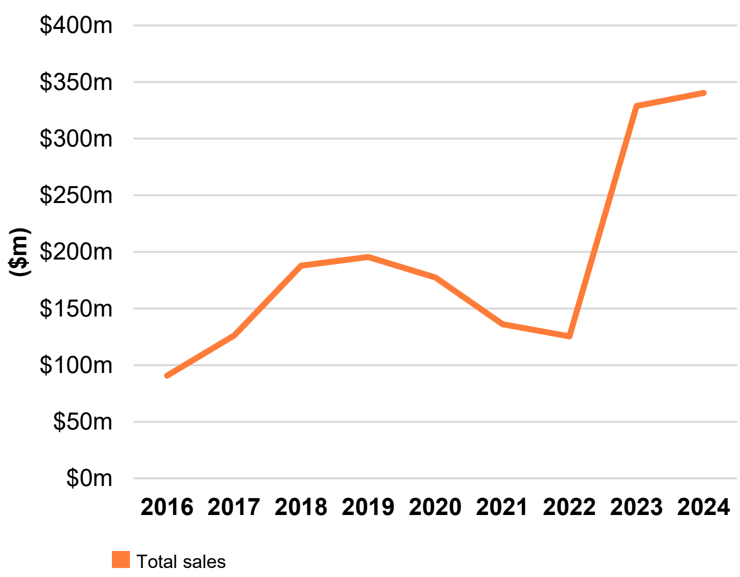
Figure 3: Composition of direct GDP contribution, 2021-24



Source: Industry-provided data, PwC analysis
Notes: (1) TV broadcasting was included in 'public performance (non-radio) in previous years' reports. (2) Overseas earnings reflect a 3-year trailing average. Overseas earnings values for 2021 and 2022 have been revised since last year's report, to use the most up-to-date data.

Key findings

Figure 4: Total sales from live performance, 2016-24



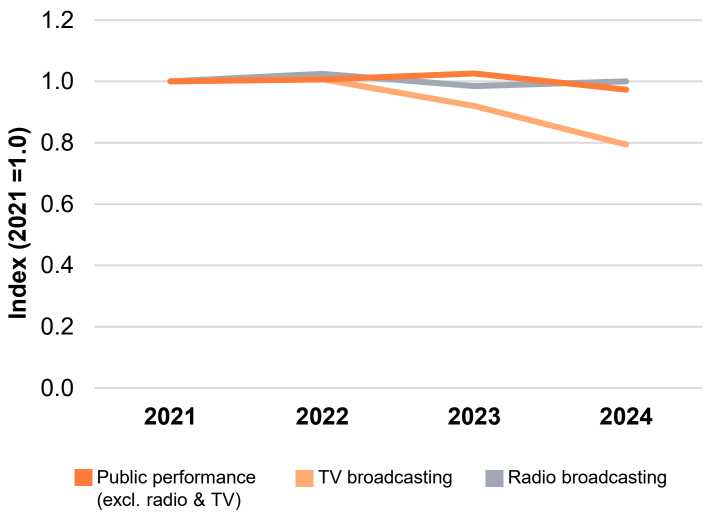
Source: Industry-provided data, PwC analysis

Live performance had another very strong year

Revenues from live performance fluctuate each year based on touring schedules. Following 2023, which was the easily strongest year ever recorded for live performance revenues, 2024 was even higher.

2024 revenues were around 70% above pre-COVID-19 levels.

Figure 5: Trends in public performance sub-sectors, GDP contribution



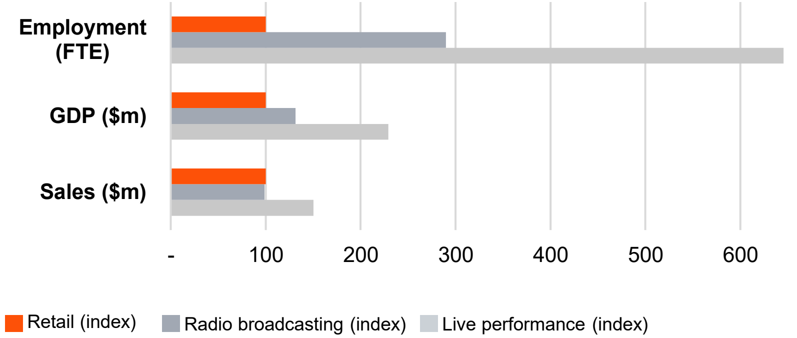
Source: Industry-provided data, PwC analysis
Note: 2021-22 values differ from those shown elsewhere in this report. For the purposes of this chart, the multipliers are revised to apply a consistent method with 2023-24.

Diverging trends across public performance sub-sectors

The public performance sub-sectors have shown diverging trends over recent years.

- Public performance and radio revenues have remained relatively flat.
- TV broadcasting revenues have decreased significantly over the last two years.

Figure 6: Indexed comparison of retail, radio and live performance (Retail = 100)



Source: Industry-provided data, PwC analysis

Generation of GDP and employment, from a given sales level, differs by sub-sector

The three largest sub-sectors have similar levels of sales (live performance is about 50% higher than retail and radio), but the GDP and employment impacts are very different.

Live performance is a relatively labour-intensive activity, whereas music retail is not (radio is in the middle). Live performance contributes over six times the employment of retail.

Live performance also generates more GDP than retail and radio, from a given sales level.

Broader impacts of music

Music contributes to New Zealand in a number of ways that are not measured by GDP.

Although this report focusses on estimating the contribution of the music industry in New Zealand to employment and GDP, the industry is responsible for a broader set of cultural and social impacts.

Personal enjoyment and wellbeing

New Zealanders derive enjoyment from listening to and creating music.

This is often well in excess of the price they pay for it (generating consumer surplus).

Music can support mental health, by helping individuals process feelings and enhance emotional wellbeing. Live performances can also enhance social connection and improving wellbeing in communities.

National brand and cultural heritage

Music contributes to New Zealand's international brand. The global success of New Zealand artists strengthens the country's creative reputation and visibility.

Live performance events, and media attention around New Zealand artists and music, can help New Zealand to market itself to the world. This can support international tourism, as well as local exporters on the world stage.

Music can preserve and transmit cultural identity across generations, acting as a living archive of stories, traditions and shared values, and contributing to cultural pride.

Economic and innovation spillovers

Music supports a wider set of New Zealand businesses whose success partly relies on music and the sale of copyright/intellectual property rights – for example, Les Mills Music, DJ software company Melodics, and technology and gaming businesses.

Broader impacts of music (cont)

Employment and upskilling opportunities

The industry, and particularly the live performance subsector, requires a significant number of workers. It provides opportunities for local people to gain employment and work experience, as well as opportunities for upskilling and development.

Talent pathways, aspirations and education

The music ecosystem creates pathways for talent development and aspiration, enabling emerging artists, producers, and creatives to develop skills and pursue careers in the creative industries.

Music education for children is linked to improved cognitive abilities, enhanced brain-function outcomes, and better academic performance.

Live performances provide an opportunity for New Zealanders to see and experience performances first hand. First hand experience provides a crucial role in fostering aspirations among young people, helping them see what's possible.

Local vibrancy

Live performances make their surrounding locations a more vibrant place, bringing excited and enthusiastic people to local areas.

Live performance events typically lead to people participating in a wide range of activities in the local areas, including spending at local bars and restaurants and on other forms of entertainment.

A lively local music and event scene can improve the quality of life for local residents, providing exposure to cultural diversity and opportunities for social connection.

A

Appendix A: Economic contribution of overall industry

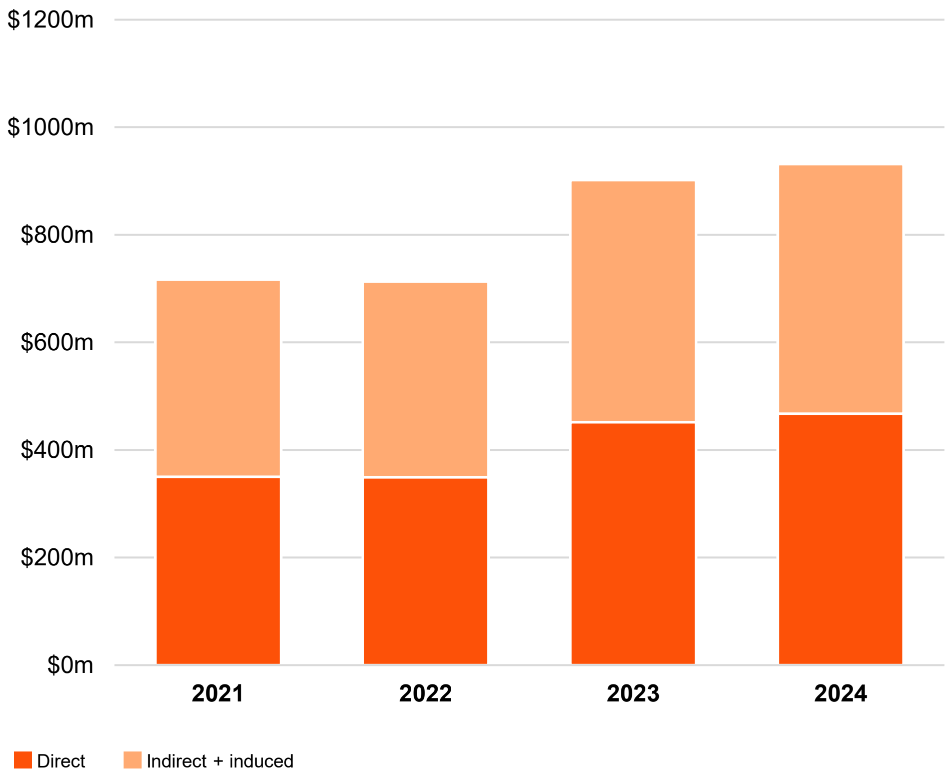
Economic contribution over time

Table 2: Estimated economic contribution, 2021-24

Subsector		Direct impacts				Total impacts			
		2021	2022	2023	2024	2021	2022	2023	2024
Retail	Value added	$117m	$126m	$137m	$145m	$158m	$170m	$174m	$180m
	Employment (FTE)	356	361	306	296	638	647	521	504
Public performance (excl. radio & TV)	Value added	$16m	$16m	$17m	$14m	$36m	$37m	$31m	$29m
	Employment (FTE)	187	177	145	114	299	284	220	199
TV broadcasting	Value added	$3m	$4m	$3m	$3m	$12m	$12m	$11m	$9m
	Employment (FTE)	24	23	20	17	83	78	68	57
Radio broadcasting	Value added	$89m	$92m	$69m	$71m	$260m	$266m	$233m	$237m
	Employment (FTE)	744	712	427	424	2,073	1,982	1,469	1,460
Live performance	Value added	$73m	$68m	$186m	$193m	$182m	$167m	$400m	$413m
	Employment (FTE)	1,094	941	1,836	1,859	1,981	1,703	3,211	3,251
Synchronisation	Value added	$2m	$2m	$2m	$2m	$5m	$5m	$5m	$5m
	Employment (FTE)	25	24	19	18	46	43	33	32
Overseas earnings	Value added	$31m	$33m	$36m	$41m	$41m	$44m	$48m	$54m
	Employment (FTE)	0	0	0	0	69	73	81	90
Total	**Value added**	**$332m**	**$340m**	**$451m**	**$468m**	**$693m**	**$702m**	**$902m**	**$928m**
	Employment (FTE)	**2,431**	**2,237**	**2,753**	**2,728**	**5,188**	**4,809**	**5,604**	**5,593**

Source: Industry-provided data, PwC analysis.
Notes: (1) TV broadcasting was included in 'public performance (non-radio) in previous years' reports.
(2) Overseas earnings reflect a 3-year trailing average. Overseas earnings values for 2021 and 2022 have been revised since last year's report, to use the most up-to-date data.

Figure 7: Composition of total GDP impact, 2021-24



Source: Industry-provided data, PwC analysis

Comparison to other sectors

To help shed light on the relative size of the music sector in New Zealand, we compare it to selected other sectors, where similar recent studies have been undertaken. Table 5 presents direct GDP and employment estimates for a number of other New Zealand sectors.

Table 3: Estimated GDP and employment contributions for other sectors

Sector	Direct GDP	Direct FTEs	Study
Music	$468m	2,728	PwC, 2025
Screen production	$300m	6,451	NZ Film, 2021
Commercial fishing	$818m	6,314	BERL, 2022
Alcohol	$1,920m	10,210	NZIER, 2022
Hospitality	$6,800m	137,000	Infometrics, 2021
Tourism	$10,000m	145,000	MBIE, 2022
Dairy	$11,300m	54,787	Sense Partners, 2023
Agriculture	$13,600m	84,700	Statista, 2023
Building and construction	$18,100m	295,300	MBIE, 2022

Source: Industry-provided data, PwC analysis

B

Appendix B: Economic contribution by subsector

Music retail

The music retail subsector directly contributed approximately $145m in GDP and 296 FTE to New Zealand's economy in 2024.

Including indirect and induced impacts, we estimate that the New Zealand music retail industry in 2024 contributed $180m to national GDP and supported around 504 FTEs.

- The New Zealand retail music sector posted its tenth consecutive year of growth in 2024, earning an estimated $226m in retail revenues.

Definition of the sector

This subsector includes all activities related to music retail and on-demand streaming, whether they take place in a digital or physical format. This category encompasses a range of different consumption points, including on-demand streaming, online music stores, and physical retailers. In all cases these represent the industry's channels to market for the personal use or sale of recorded content.

Digital retail includes all revenues generated by the legal consumption of music through online and mobile channels, including:

- on-demand music streaming services such as Spotify, Apple Music and YouTube
- online retail services such as iTunes
- video or other music content available from licensed channels such as Facebook, Instagram and TikTok.

Physical retail includes activities directly related to the sale of albums, vinyl, concert DVDs, and other forms of recorded music in physical formats – whether they are purchased in store or via online delivery.

Table 4: Estimated economic contribution through retail channels, 2024

Channel	Total sales ($m)	Value added (GDP, $m)		Employment (FTEs)	
		Direct impact	Total impact	Direct impact	Total impact
Streaming	201	126	153	209	366
Downloads	3	2	2	3	6
Physical music	23	17	25	83	132
Total retail	**226**	**145**	**180**	**296**	**504**

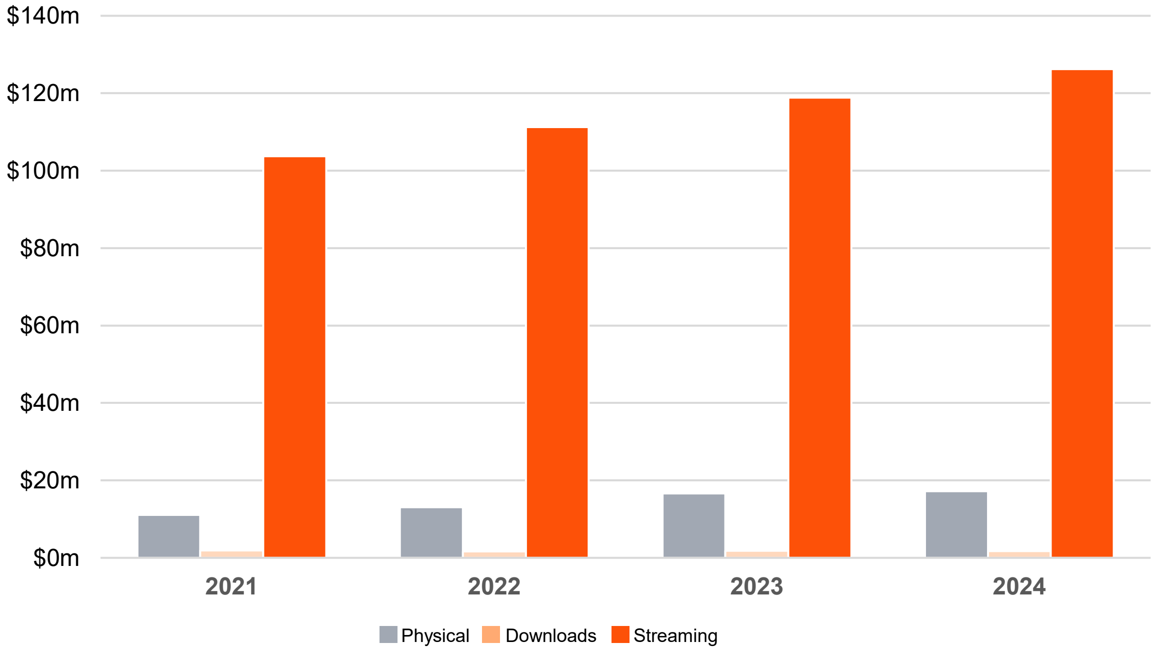
Source: Industry-provided data, PwC analysis

Music retail (cont)

Trends over time

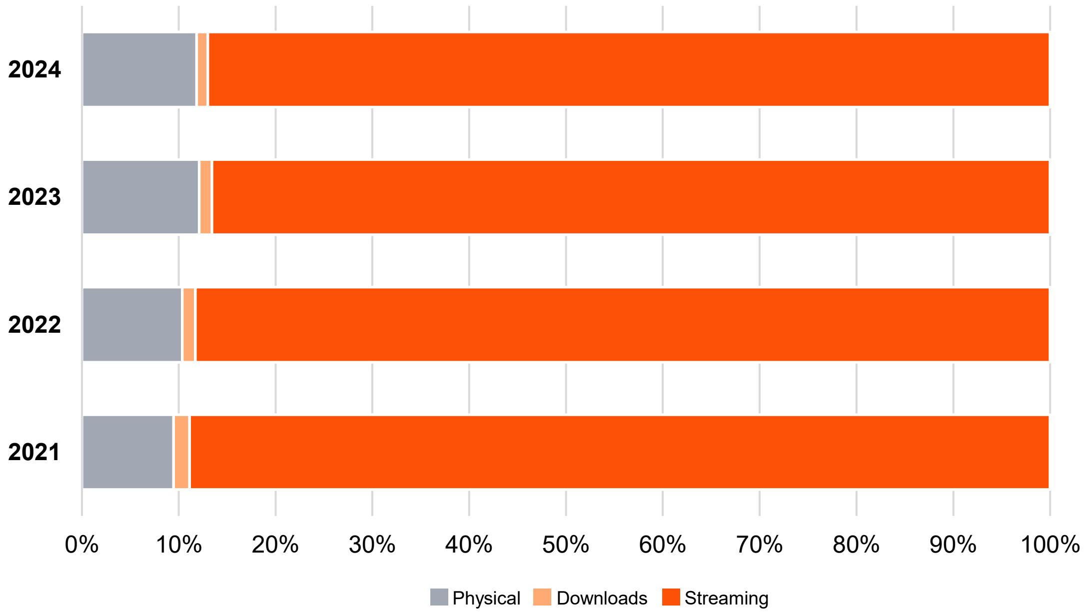
- Streaming is the main retail channel for consumers, accounting for 87% of retail output in 2024. Revenues from streaming increased by 6% in 2024.
- Physical sales remained below historical levels but continued to grow, driven by vinyl.

Figure 8: Retail direct GDP contribution, by retail channel, 2021-24



Source: Industry-provided data, PwC analysis

Figure 9: Retail direct GDP contribution, by retail channel, 2021-24



Source: Industry-provided data, PwC analysis

Public performance (excl. radio & TV)

The public performance (excl. radio & TV) sector directly contributed approximately $14m in GDP and 114 FTE to New Zealand's economy in 2024.

After accounting for multiplier effects, public performance (excl. radio & TV) sector had an estimated total economic impact of $29m in GDP and 199 FTEs.

- In 2024, the music industry in New Zealand earned $46m in royalties for public performance excl. radio & TV.

Definition of the sector

In this report, the public performance subsector of the music industry includes all instances in which recorded music is communicated to the public or played in a public venue, including:

- communication via radio, television, pay TV, subscription video on demand (SVOD), and internet channels
- public performance in premises such as retailers, hospitality outlets (bars and cafes), educational institutions and gyms.

In our analysis, we have split the public performance subsector into radio (radio broadcasting), TV (television broadcasting), and public performance (excl. radio & TV). The analysis in Table 7 relates to public performance excl. radio & TV channels.

When music is publicly performed, recording artists, record companies, songwriters, and music publishers earn money from royalties paid for this use. These royalties are calculated on a blanket basis and distributed according to the distribution policy of collective management organisations.

The revenue collected through public performance in premises (as described above) is supported by the collective work of OneMusic.

Table 5: Estimated economic contribution from excl. radio & TV public performance, 2024

	Direct impacts		Total impacts	
	All music	NZ music	All music	NZ music
Total sales	$46m	$10m		
Value added (GDP)	$14m	$9m	$29m	$19m
Employment (FTEs)	114	69	199	120

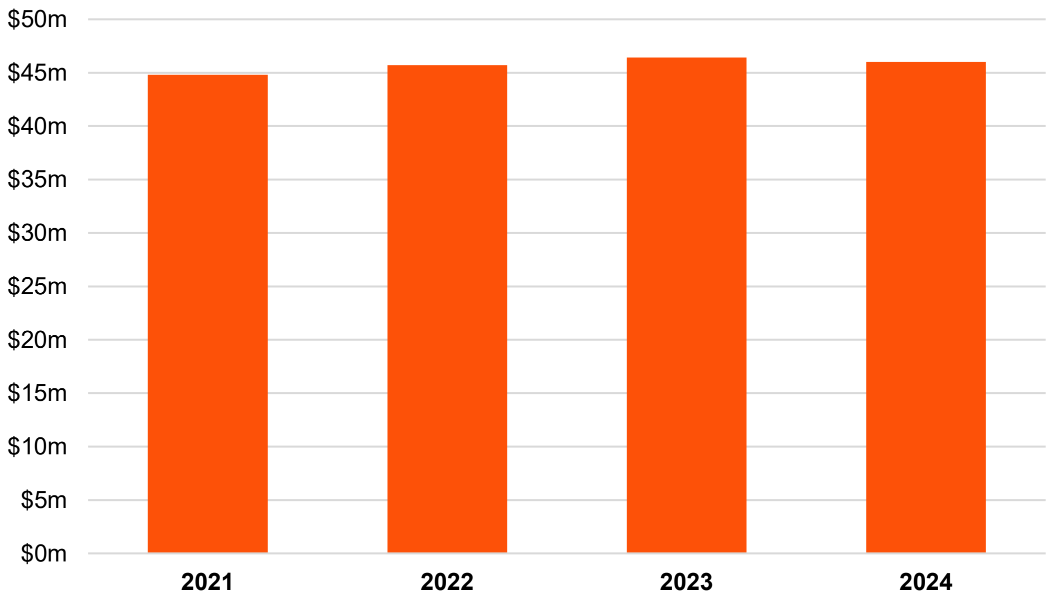
Source: Industry-provided data, PwC analysis

Public performance (excl. radio & TV) (cont)

Trends over time

- Total sales from public performance (excl. radio & TV) has remained stable over the past four years, fluctuating only slightly between $45-46 million annually.
- GDP has followed a similar trend, but employment has decreased over this period.

Figure 10: Total sales from the public performance (excl. radio & TV) sector, 2021-24



Source: Industry-provided data, PwC analysis

TV broadcasting

The TV broadcasting sector directly contributed approximately $3m in GDP and 17 FTE to New Zealand's economy in 2024.

After accounting for multiplier effects, music TV broadcasting had an estimated total economic impact of $9m in GDP and 57 FTEs.

- In 2024, the TV broadcasting subsector earned revenue of $9m.

Definition of the sector

In this report, the TV broadcasting sector refers to the use of recorded or performed music within television programming and related on-demand services. This includes the communication of music to the public through free-to-air, subscription, and streaming television platforms. Music used in television broadcasting may appear in programme soundtracks, theme music, advertisements, news, and entertainment content.

Table 6: Estimated economic contribution from TV broadcasting, 2024

	Direct impacts	Total impacts
Total sales	$9m	
Value added (GDP)	$3m	$9m
Employment (FTEs)	17	57

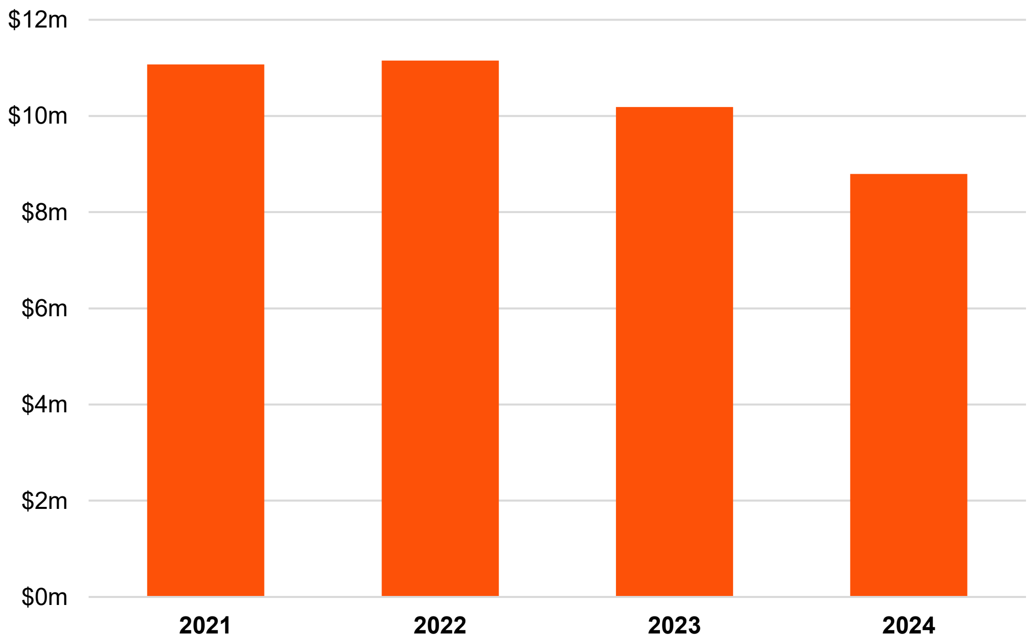
Source: Industry-provided data, PwC analysis

TV broadcasting (cont)

Trends over time

- Total sales from TV broadcasting declined in 2024 to $9 million, down following several strong post-pandemic years observed in 2021–2022.
- Total sales from TV broadcasting have declined steadily over the past two years, with the largest year-on-year decrease occurring between 2023 and 2024.

Figure 11: Total sales from TV broadcasting, 2021-24



Source: Industry-provided data, PwC analysis

Radio broadcasting

The radio broadcasting sector directly contributed approximately $71m in GDP and 424 FTE to New Zealand's economy in 2024

After accounting for multiplier effects, music radio broadcasting had an estimated total economic impact of $237m in GDP and 1,460 FTEs.

- In 2024, the radio broadcasting subsector earned revenue of $224m.

Definition of the sector

In this report, the radio broadcasting sector refers to the use and transmission of music through AM, FM, and digital radio platforms, including both public and commercial stations. It encompasses the communication of recorded music to the public as part of radio programming such as playlists, talk shows, news, and advertising.

Table 7: Estimated economic contribution from radio broadcasting, 2024

	Direct impacts	Total impacts
Total sales	$224m	
Value added (GDP)	$71m	$237m
Employment (FTEs)	424	1,460

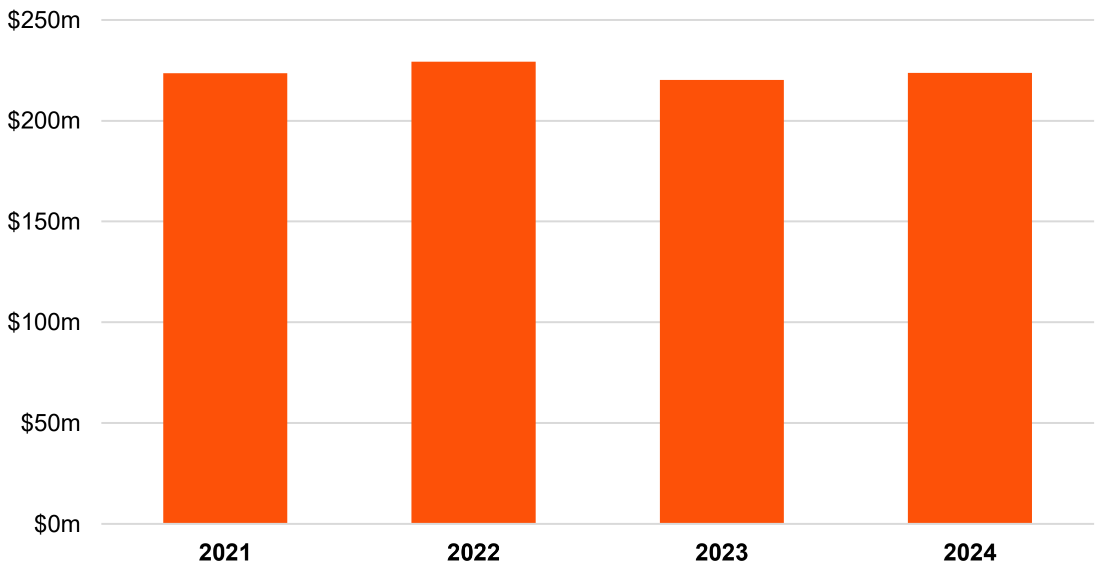
Source: Industry-provided data, PwC analysis

Radio broadcasting (cont)

Trends over time

- Total sales from radio broadcasting remained relatively stable between 2021 and 2024, averaging just over $220 million annually, with 2024 sales of $224 million marking a slight recovery from 2023.

Figure 12: Total sales from radio broadcasting, 2021-24



Source: Industry-provided data, PwC analysis

Live performance

The live performance sector directly contributed approximately $193m in GDP and 1,859 FTE to New Zealand's economy in 2024.

After accounting for multiplier effects, the live performance subsector had an estimated total economic impact of $413m and 3,251 FTEs.

- In 2024, the music industry in New Zealand earned an estimated $340m in live performance revenues, based on live performance royalties collected by APRA AMCOS.
- Sales in 2024 exceeded the record levels achieved in 2023, marking the strongest year for industry revenues since our analysis began more than a decade ago. The majority of the growth in live revenues can be attributed to arena and stadium tours.

Definition of the sector

The live performance subsector of the music industry in New Zealand includes all types of live music played in New Zealand by local and overseas artists. These include:

- concerts and music festivals
- live music at music venues (eg door sales)
- orchestras
- music in theatre (excluding grand right musical plays)

Table 8: Estimated economic contribution from live performance, 2024

	Direct impacts	Total impacts
Total sales	$340m	
Value added (GDP)	$193m	$413m
Employment (FTEs)	1,859	3,251

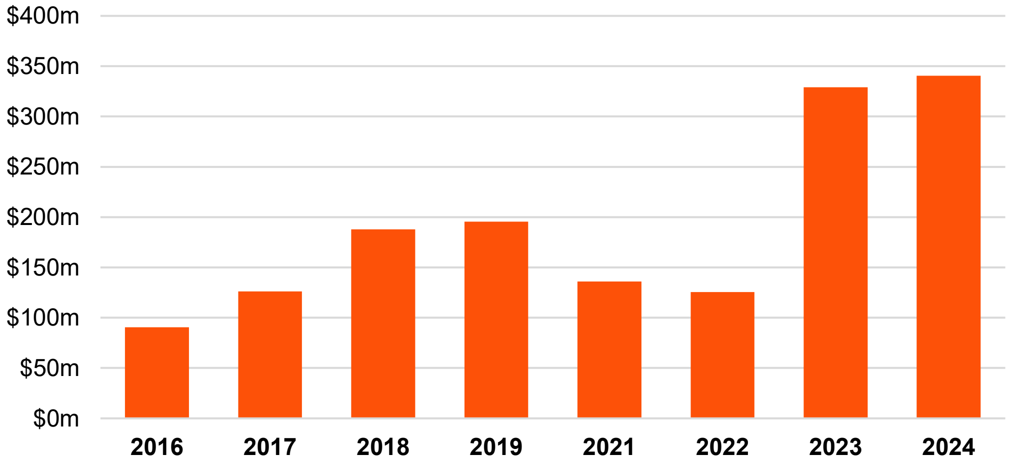
Source: Industry-provided data, PwC analysis

Live performance (cont)

Trends over time

- 2024 marked the strongest year on record for live performance revenue in New Zealand.
- This record year followed an already exceptional 2023, which at the time was the highest ever year for live performance income, driven by a major resurgence in large-scale concerts and touring activity following the COVID-19 period.
- Revenue in 2024 was over 70% higher than in 2019.
- Revenues from live performance fluctuate year to year, reflecting variations in touring schedules and event frequency.

Figure 13: Total sales from live performance, 2016-24



Source: Industry-provided data, PwC analysis

Synchronisation

Synchronisation fee revenue directly contributed approximately $2m in GDP and 18 FTE to New Zealand’s economy in 2024.

After accounting for multiplier effects, synchronisation had an estimated total economic impact of $5 million and 32 FTEs.

- In 2024, the music industry in New Zealand earned an estimated $4 million in annual synchronisation fee revenue.

Definition of the sector

The synchronisation subsector of the music industry in New Zealand includes all royalties earned when rights holders licence music for use in advertisements, games, films, and television programmes.

Table 9: Estimated economic contribution from synchronisation, 2024

	Direct impacts	Total impacts
Total sales	$4m	
Value added (GDP)	$2m	$5m
Employment (FTEs)	18	32

Source: Industry-provided data, PwC analysis

Overseas earnings

The New Zealand music industry overseas earned an estimated $41m in 2024.

Due to the relatively small number of artists with significant offshore earnings, the lumpy nature of earnings, the potentially significant impacts associated with individual artists and the fact that some artists may have been underreported or missed completely, we utilise a multi-year average of overseas earnings data to derive our annual estimate.

- We have elected to use a three-year average (2022-24) to derive this year's estimate, which matches the approach used in previous reports. This is the three most recent years of data we have.
- These estimates have been used to calculate overseas earnings results shown across in Table 12. The 2022-24 average is in 2024 dollars.

Definition of the sector

New Zealand music income earned overseas represents funds that flow back into the economy and contribute to gross national income. For official purposes, overseas royalties are considered direct contributions to GDP.

Overseas income is earned for the music industry in the form of:

- royalties received from the sale of physical music overseas
- royalties received from online sales and streams, that are purchased overseas
- radio royalties received as a result of airplay overseas
- synchronisation royalties from countries other than New Zealand
- earnings from live performances overseas
- earnings from other endorsements and appearances.

There is no required reporting or official statistics for exports relating to the New Zealand music industry. However, in 2023, 2020, 2018 and 2016 PwC and Recorded Music NZ prepared estimates of the total overseas earnings, based on a combination of industry data sources related to earnings from international sales, live performances and any government grants received for international purposes.

Table 10: New Zealand music industry overseas earnings estimate, 2024 (in $2024)

Sector	2022-24 average
Royalties	$27m
Live performances and appearances	$13m
Total	**$41m**

Source: Industry-provided data, PwC analysis

Overseas earnings (cont)

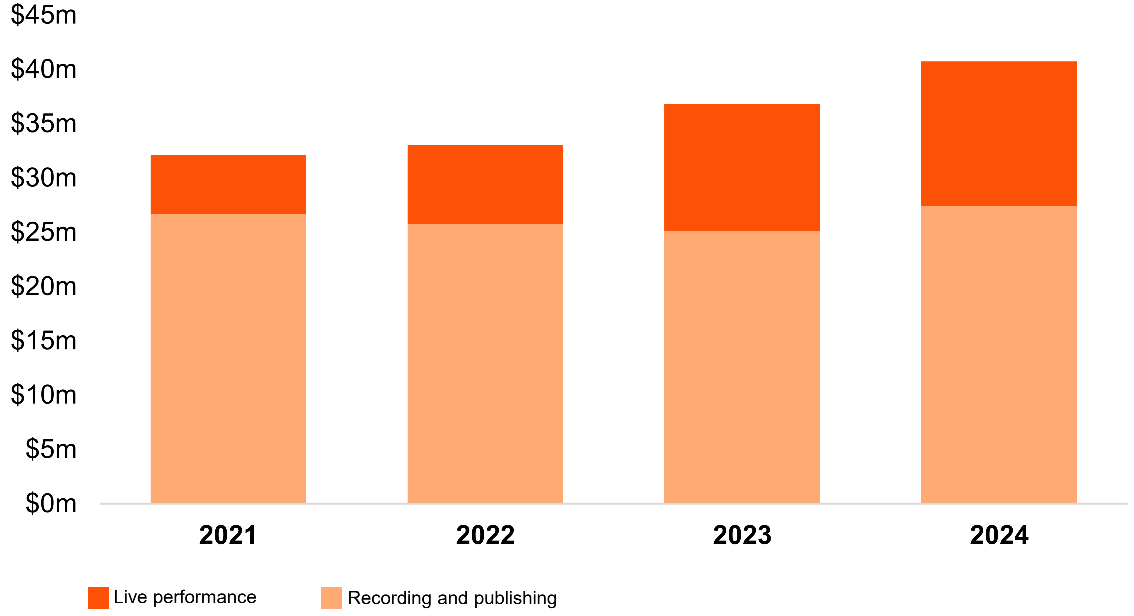
Overseas earnings continue to increase.

Figure 22 shows how the 2024 estimate compares to the corresponding values for 2021-23. Each of the values in this chart are three-year trailing averages, consistent with our general approach to overseas earnings as discussed on the previous page.

Figure 22 shows that:

- Total overseas earnings have increased steadily between 2021 and 2024.
- Growth has been driven primarily by live performance, which has expanded its share of total overseas earnings each year since 2021. This reflects the strong return of international touring and live events following COVID-19 travel disruptions.
- Recording and publishing revenues have remained relatively stable across the 2021-24 period.

Figure 14: Overseas earnings estimate, 3-year trailing average, 2021-24, using up-to-date data for each year



Source: Industry-provided data, PwC analysis
Note: Overseas earnings reflect a 3-year trailing average. Overseas earnings values for 2021 and 2022 have been revised since last year's report, to use the most up-to-date data.
The overseas earnings estimate is based on a methodology that has been consistently applied over several years. Industry sources have identified the need for an update to this methodology, which is expected to be completed in 2026

C

Appendix C: Approach and methodology

Purpose and scope

Bottom line measurements

This report examines some ‘bottom line’ measures of the music industry’s impact on the national economy. In this respect, it differs from other reporting that focuses on the total revenue earned by the industry, a ‘top-line’ measure that does not account for factors such as intermediate inputs purchased from other industries or imported from overseas.

By estimating bottom line measures, this report enables comparisons between the music industry, other industries, and the economy as a whole. It is intended to provide industry participants and policymakers with a robust basis for understanding the importance of the industry to the New Zealand economy.

We note that economic impact, and GDP contribution, are not the same thing as ‘benefit’ that would be used in a cost-benefit analysis. While there are methodological similarities, there are a number of differences.

We use a GDP measure, rather than revenue or an alternative measure, for three reasons:

1. GDP impact is the most commonly used measure of total economic impact. It is used by StatsNZ when reporting on the size of the New Zealand economy and in many other economic impact studies. Although GDP does have some weaknesses, they are not unique to the music industry in New Zealand.

2. Recent changes to the development of New Zealand’s national accounts mean that the treatment of these earnings now contribute to New Zealand’s GDP. As such, estimates for the overseas earnings of New Zealand musicians directly contribute to the music industry in New Zealand’s GDP.

3. It eliminates the impact of double counting, which is particularly problematic in industries where there are multiple steps before a good is purchased for final consumption.

Visual representation of the music industry in this report

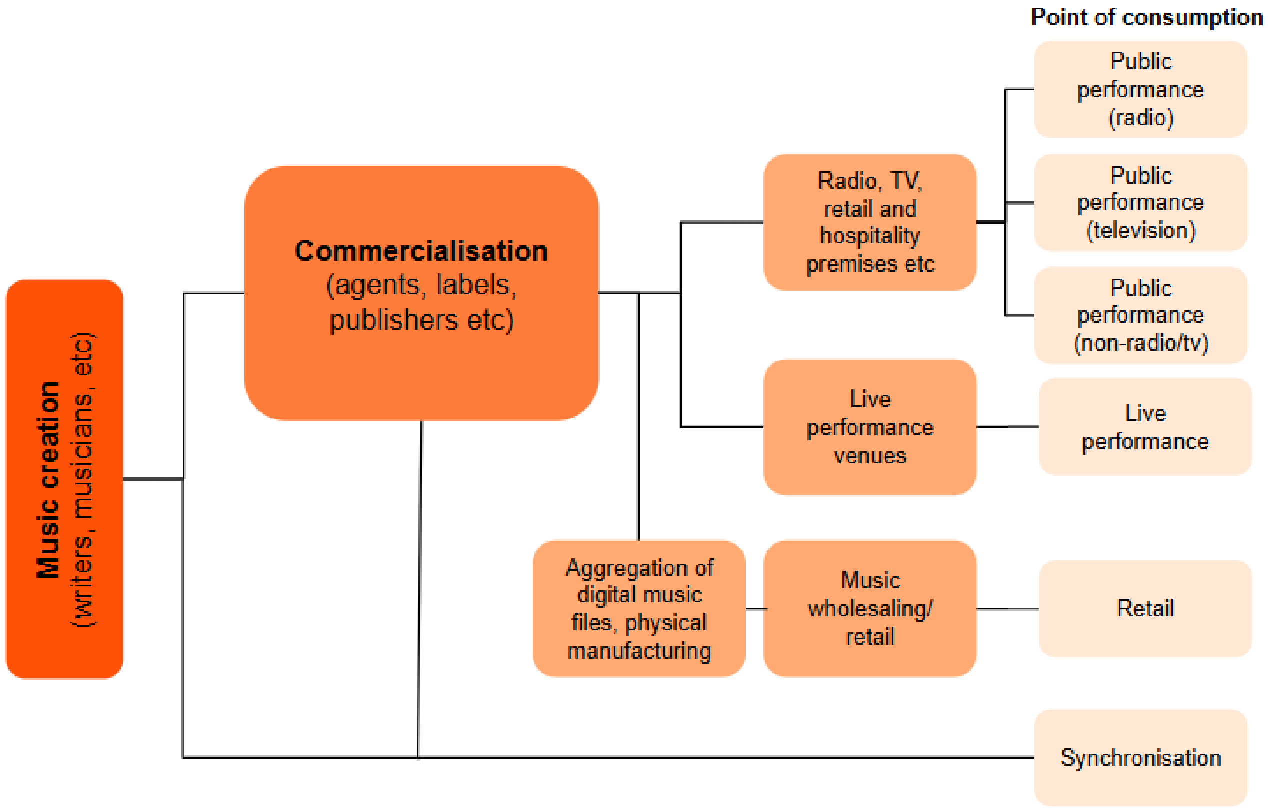
The 'music industry' in this report

We have outlined the boundary and subsectors of the music industry on page 10. On this page, we expand on that definition by considering the broader economic impact of the industry

Music expenditures also have an economic impact on other industries. As we have described, businesses in the music industry must purchase inputs from other industries, while the wages and salaries that they pay will subsequently be spent elsewhere in the economy. Consequently, the total impact of the music industry will include:

- purchases of intermediate inputs from sectors that are not directly linked to music, such as advertising and marketing, transport services, plastics manufacturing (eg for DVDs), accounting and legal services, sound and lighting, and equipment hire
- additional consumer spending in other industries, such as food and beverage retailing, housing, and recreation, resulting from employment within the music industry and supplier industries.

Figure 15: Music industry in this report



Approach and methodology

Technical details of our methodology

Dollar terms used

Dollar values stated in this report refer to New Zealand dollars in nominal terms. In particular, the time series charts use nominal dollars for each year.

The only exception is the value of overseas earnings, which reflects a three-year average. That average is calculated using real dollars. For example, the value for 2024 is an average over 2022-24 using real dollars, and hence is an average in 2024 dollars.

Data sources

Our estimates of the economic impact of the music industry in New Zealand are based primarily upon the following sources of data:

- Recorded Music NZ figures on physical and digital sales wholesale revenue
- APRA AMCOS data on songwriter royalties and Recorded Music NZ data on recording royalties
- StatsNZ and other industry-level estimates of economic activity and input-output tables for New Zealand industries.

We used multiple sources of data for the overseas earnings analysis, including data from collection agencies, copyright owners, financial representatives, music managers, other industry organisations and surveyed musicians directly.

In each case, the data obtained related to:

- earnings from international sources from all sales, publishing and synchronisation
- earnings from live performances and touring internationally
- any government grants received for international purposes.

Where possible, other data was used to provide a sense check on estimates derived from these sources.

Our analysis combines the data from all sources. The overall data is comprehensive, and we understand that it covers the majority of the musicians who generate significant overseas earnings. Industry stakeholders believe that combined data will incorporate the bulk of the dollar value of overseas earnings.

The calendar years (year ended December quarter) have been selected as the basis for the economic impact calculations and these are the most recent full set of annual data available. All amounts in this report relate to impacts that occur in this period.

Avoiding double counting

In several cases, Recorded Music NZ and APRA AMCOS figures measured different components of the same market subsector.

In order to avoid double-counting, we have examined the definitions of each measure of the market and discussed with data providers where necessary.

Measures of economic contribution

Chosen measures of economic impact

This report uses three main indicators of economic impact: gross output, value added, and employment. It relies on input-output (multiplier) analysis to estimate the indirect and induced impacts of the music industry.

Gross output

The gross output of an industry is equal to its total sales revenue. This figure incorporates both value created within that industry and the value of intermediate goods (eg raw materials, real estate, equipment and machinery) purchased by the industry from other industries.

Although gross output or sales revenue is commonly used as a measure of the value of an industry, it is an imperfect measure due to its inclusion of inputs purchased from other industries.

Employment

We measure employment on the basis of FTEs, rather than total (full-time and part-time) jobs or headcount. Under this measure, part-time jobs are counted as a proportion of a full-time job – so, for example, a job that involved working 20 hours a week would be counted as 0.5 of an FTE. This provides us with the most comparable measure of employment in an industry, as rates of part-time employment can vary between different industries.

Value added (GDP)

The value added of an industry is equal to the total value created within that industry. It can also be described as the GDP impact of an industry. It measures the contributions of labour (through wages and salaries) and capital (through profits and depreciation) to the output produced by the industry, and the taxes paid by the industry. As a result, it is equivalent to the gross output of an industry, less the value of all inputs purchased from other industries.

GDP measures, capture the total value of goods and services produced in New Zealand, rather than the net income of all businesses and individuals located within New Zealand. As a consequence, we will:

- include income earned by overseas musicians touring in New Zealand, as it represents production in New Zealand regardless of whether it is ultimately repatriated elsewhere.
- include royalty payments paid to New Zealand musicians by overseas sources, as they represent exports of goods and services produced in New Zealand.

These inclusions should be taken into consideration when using our estimates. New Zealand consumers purchase a great deal of overseas originated music, and New Zealand musicians tour and earn royalties overseas. We have excluded most music imports from our analysis by:

- measuring only economic benefits from New Zealand-originated music in digital retail and broadcasting
- including both New Zealand and overseas music in gross output figures for physical retail in the expectation that output multipliers will correct for any imported content.

State of the market

Overseas earnings estimates

Our estimates of overseas earnings are an annual average over 2022 to 2024 and are based on multiple datapoints in each year.

For some datapoints, we do not have information for 2022. For those datapoints, we have estimated the relevant values by linearly interpolating between 2020 and 2023. We do not expect this to have a material impact on the overall economic contribution estimates.

Overseas earnings form an important and expanding component of the New Zealand music industry. The estimates in this report reflect the overseas income that is currently identifiable through available data sources. We understand that it covers the majority of musicians who generate significant overseas earnings; however, we acknowledge that additional export earnings are likely not yet fully captured. Work will continue ahead of next year's report to improve the coverage and comprehensiveness of international revenue estimates.

Approaches followed for individual subsectors

The table below summarises the activities in each subsector of the music industry that are included in our GDP calculations.

Table 11: Activities by subsector

Industry subsector	Revenue earned in NZ		Revenue earned overseas
	From NZ artists	From overseas artists	
Retail	Included in GDP	Accounted for in GDP	Included
Public performance, television and radio	Included in GDP	Songwriter royalties not included, as they are earned offshore Recording artist royalties retained by record companies are accounted for in GDP	Included
Live performance	Included in GDP	Included in GDP, as performance occurred here	Included
Synchronisation	Included in GDP	Synchronisation fee revenues paid out to overseas artists are not included, as they are earned offshore Synchronisation fee revenue accruing to local agents (e.g., record companies, music supervision companies) are accounted for in GDP	Included

Methodology and assumptions

The table below and overleaf summarises the main methodology and assumptions used to calculate the economic contribution of individual subsectors of the music industry.

Table 12: Methodology and assumptions by subsector

Subsector	Information base	Direct value added	Direct FTEs	Total value added and FTEs
Retail – physical music	Wholesale physical sales - **Recorded Music NZ**	• Estimated total retail sales revenue using Statistics NZ Annual Enterprises Survey (AES) data. • Estimated split between retailer margin, wholesale (record label) margin, value of rights embodied in physical product, and manufacturing cost using AES data. • Estimated value added from the retail margin using the average ratio of value added to gross margin in the “recreational, clothing, footwear, and personal accessory” and “department stores” industries. • Estimated value added within record companies by applying the ratio of value added to gross output in the “heritage and artistic” industry and adding the total value of rights embodied in the physical product. • Estimated value added from manufacturing using the ratio of value added to gross output in the “printing”, “publishing (except internet and music publishing)” and “polymer product and rubber product manufacturing” industries.	Based on ratios of employment to value added as follows: • retailer margin – the average of the “recreational, clothing, footwear, and personal accessory retailing” and “department stores”, • record company margin - “heritage and artistic” • manufacturing - “printing”, “publishing (except internet and music publishing)” and “polymer product and rubber product manufacturing”. No additional employment impact calculated for the value of rights embodied in the physical product, as this is likely to be repatriated overseas as profit. (Employment in record label activities is captured elsewhere.)	Based on total (direct, indirect, induced) multipliers as follows: • retailer margin – the average of the “recreational, clothing, footwear, and personal accessory retailing” and “department stores” • record company margin - “heritage and artistic” • manufacturing - “printing”, “publishing (except internet and music publishing)” and “polymer product and rubber product manufacturing”. No spillover impacts calculated for the value of rights embodied in the physical product, as this is likely to be repatriated overseas as profit.
Retail – digital music	Wholesale digital sales - **Recorded Music NZ** Songwriter royalties (digital sales) - **APRA AMCOS**.	• Estimated total retail sales revenue using information provided by APRA AMCOS. • Estimated split between retailer margin, record label revenue, and royalty revenue using information provided by APRA AMCOS. Used AES data to estimate the value of the rights embodied in the digital product. • Because online retailers are primarily based overseas, the retailer margin was assumed to have no value added impact. • Estimated value added within record companies by applying the ratio of value added to gross output in the “heritage and artistic activities” industry and adding the total value of rights embodied in the physical product.	Based on ratios of employment to value added for the “heritage and artistic activities” industries. No additional employment impact calculated for the value of rights embodied in the digital product, as this is likely to be repatriated overseas as profit. (Employment in record label activities is captured elsewhere.)	Based on total (direct, indirect, induced) multipliers for the “heritage and artistic activities” industries. No additional employment impact calculated for the value of rights embodied in the digital product, as this is likely to be repatriated overseas as profit.

Methodology and assumptions continued

Table 12 continued: Methodology and assumptions by subsector

Subsector	Information base	Direct value added	Direct FTEs	Total value added and FTEs
Public performance rights including television broadcasting	Songwriter royalties - **APRA AMCOS** Recorded music artist royalties - **Recorded Music NZ (**for radio and TV broadcasts and public performance)	• Estimated the share of royalties paid out to New Zealand songwriters and recording artists using Radioscope data on the New Zealand music share of total radio plays. • All (songwriter and recording artist) royalties paid for New Zealand artists converted directly to value added as they represent direct income earned locally. • Estimated that 50% of recording artist royalties paid for overseas-originated music would be retained by record companies as profits and funding for their New Zealand-based marketing activities, while the remaining 50% would be paid directly to overseas recording artists or repertoire owners. • Estimated an economic impact related to the recording artist royalties retained locally by record companies using the ratio of value added to gross output in the “heritage and artistic activities” industry. • Songwriter royalties paid for overseas-originated music does not generate any value added in New Zealand.	Based on ratio of employment to value added for the “heritage and artistic activities” industry.	Based on total (direct, indirect, induced) multipliers for the “heritage and artistic activities” industry.
Radio broadcasting	Total radio licensing fees and licensing fee rate - **APRA AMCOS**	• Estimated the total radio output that is related to the music industry based on the licensing fees as being the proportion of the total evidenced by the licensing rate. • Output = Licensing fees/licensing rate	Based on ratio of employment to value added for the “motion picture and sound recording activities” and “broadcasting and internet services” industries.	Based on total (direct, indirect, induced) multipliers for the “motion picture and sound recording activities” and “broadcasting and internet services” industries.
Live performance	Songwriter royalties (live performance and royalty rate) - **APRA AMCOS**	• Gross output (eg ticket sales) estimated by dividing the value of songwriter royalties by the royalty rate applied to ticket sales. • Value added in live performance estimated by applying the ratio of value added to gross output in the “heritage and artistic activities” industry to estimated gross output.		
Synchronisation rights	Estimated total songwriter and recording artist royalties earned from synchronisation deals in New Zealand - **Recorded Music NZ.**	• Estimated the share of royalties paid out to New Zealand songwriters and recording artists using Recorded Music NZ estimate of the New Zealand music share of total synchronization revenues. • All (songwriter and recording artist) royalties paid for New Zealand artists converted directly to value added as they represent direct income earned locally. • Estimated that 50% of (songwriter and recording artist) royalties paid for overseas-originated music would be retained by negotiating agents as profits and funding for their New Zealand-based activities, while the remaining 50% would be paid directly to overseas rights-holders. • Estimated an economic impact related to the recording artist royalties retained locally by record companies using the ratio of value added to gross output in the “heritage and artistic activities” industry.	Based on ratio of employment to value added for the “heritage and artistic activities” industry.	Based on total (direct, indirect, induced) multipliers for the “heritage and artistic activities” industries.

D

Appendix D: Glossary

Glossary

Table 13: Glossary

Term	Definition
APRA AMCOS	The Australasian Performing Right Association The Australasian Mechanical Copyright Owners Society. The New Zealand branch licenses music users, on behalf of its members, and collects fees where music is used for communication or public performance. APRA licenses businesses such as (but not limited to) retailers, streaming services, radio and television broadcasters. These fees are then distributed directly to songwriters or to music publishers to whom songwriters have assigned their rights. Public performing licensing for venues such as hospitality, education and gyms is conducted jointly for both APRA AMCOS and Recorded Music NZ via OneMusic. (www.onemusic.com)
Communication	The transmission of recorded music via mediums including radio, television and the internet.
Music publisher	While music publishers historically made money by reproducing and selling sheet music, today they invest in, promote and represent songwriters (or song catalogues) and are responsible for ensuring payments are made when their songwriters compositions are reproduced.
On-demand	On-demand music services are businesses that provide access to music as opposed to selling digital music files. Examples include Spotify and Apple Music. These services can have different tiers of service: e.g. ad-supported, where the customer has free access but will hear audio advertising; and premium subscription which provides ad-free access via both computers and mobile devices such as handsets and tablets.
Public performance	Public performance refers to two uses of music. First, the playing of recorded music in premises such as retailers, hospitality outlets (bars and cafes), educational institutions, and gyms. Second, the live performance of music in venues. Rights associations representing songwriters and recording artists licence the public performance of recorded and live music. In this report, we use the term ‘public performance’ to also include other revenue streams. For example we refer to “public performance (non radio)” as including all communication income other than radio.
Record company	A business that invests in, promotes, and represents recorded music made by recording artists. Record Companies typically represent a mixture of recorded music in which they own the copyright outright and recorded music in which they hold the copyright under exclusive licence from the owner. Often called a “record label”.
Recorded Music New Zealand	Recorded Music New Zealand represents the interests of New Zealand recording artists, right holders and record companies, via licensing, advocacy, market development and promotion. Recorded Music NZ licenses music users such as radio and television broadcasters and collects revenues on behalf of registered right holders. Revenues are then distributed to the relevant right holders. Public performing licensing for venues such as hospitality, education and gyms is conducted jointly for both APRA AMCOS and Recorded Music NZ via OneMusic. (www.onemusic.com)
Royalties	Royalties are fees paid to songwriters and recording artists that arise from rights under copyright law including sale of recordings and public performance.
Synchronisation right	A music synchronisation licence is required where a piece of recorded music is reproduced with a visual image, for example in a film, game, TV programme or advertisement. Often abbreviated as “synch right”.

E

Appendix E: Restrictions

Restrictions

This report has been prepared for Recorded Music NZ to present estimates of the economic contribution of the New Zealand music industry in 2024, based on industry information, to help the industry assess its impact on the New Zealand economy.

This report has been prepared solely for this purpose and should not be relied upon for any other purpose. We accept no liability to any party should it be used for any purpose other than that for which it was prepared.

To the fullest extent permitted by law, PwC accepts no duty of care to any third party in connection with the provision of this report and/or any related information or explanation (together, the "Information"). Accordingly, regardless of the form of action, whether in contract, tort (including without limitation, negligence) or otherwise, and to the extent permitted by applicable law, PwC accepts no liability of any kind to any third party and disclaims all responsibility for the consequences of any third party acting or refraining to act in reliance on the Information.

We have not independently verified the accuracy of information provided to us, and have not conducted any form of audit in respect of Recorded Music NZ. Accordingly, we express no opinion on the reliability, accuracy, or completeness of the information provided to us and upon which we have relied.

The statements and opinions expressed herein have been made in good faith, and on the basis that all information relied upon is true and accurate in all material respects, and not misleading by reason of omission or otherwise.

The statements and opinions expressed in this report are based on information available as at the date of the report.

We reserve the right, but will be under no obligation, to review or amend our report, if any additional information, which was in existence on the date of this report, was not brought to our attention, or subsequently comes to light.

This report is issued pursuant to the terms and conditions set out in our engagement letter dated 10 April 2025.

Thank you

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