

RAD directions:

- 1. Read and mark the text to show evidence of a close reading.**
- 2. Go to Classroom and respond in the RAD document.**
- 3. Be ready to discuss by deadline.**

The Big Topic: The problem with Ticketmaster

Joe Taysom

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Last week, Ticketmaster sent the Taylor Swift fanbase into a frenzy when tickets went on sale for the musician's eagerly anticipated *Era's Tour*. Despite allegedly assuring Swift, the site could not cope with the demand for tickets. Unfortunately, fans couldn't buy tickets from any other vendor due to their monopoly on the industry. However, one positive from the messy debacle is how it has highlighted why the platform needs to be broken up.

As Swift has proved in the past month, she's operating on a different level to any other artist on the planet. After becoming the first artist to administer complete control of the top ten of the Billboard Hot 100, the *Midnights* singer's latest tour has shown basic flaws in Ticketmaster's business strategy, which has caused Congress to intervene.

Next summer, Swift is taking the show on the road with a mammoth run of 52 stadium shows across America. Understandably, her fanbase descended into hysteria when the singer announced the tour. However, the excitement was short-lived.

During the pre-sale, astoundingly, 14 million Swifties were vying for tickets, with the majority leaving the online lottery empty-handed. Even fans who got through to buy tickets ran into a series of difficulties due to the website malfunctioning from the unprecedented demand.

To make up for their error, Ticketmaster decided to withdraw their general sale and make the rest of the tickets exclusively available to people eligible for the pre-sale. In an apology, the company wrote: "We strive to make ticket buying as easy as possible for fans, but that hasn't been the case for many people trying to buy tickets for Taylor Swift's *The Eras' Tour*. First, we want to apologize to Taylor and all of her fans – especially those who had a terrible experience trying to purchase tickets."

Swift took to her IG Story to share her frustration about the scenario and explained: "I've brought so many elements of my career in-house. I've done this SPECIFICALLY to improve the quality of my fans' experience by doing it myself with my team, who care as much about my fans as I do. It's really difficult for me to trust an outside entity with these relationships and loyalties, and excruciating for me to just watch mistakes happen with no recourse."

The issue doesn't lay directly with the artist. No, this one is on Ticketmaster, and their parent company, LiveNation. Through exclusivity agreements with artists and venues, they've cornered the market, which leaves customers with no choice but to use their services.

Swift chose to work with AEG Presents for her tour, who revealed they had no “choice” but to work alongside Ticketmaster. “Ticketmaster’s exclusive deals with the vast majority of venues on the ‘Eras’ tour required us to ticket through their system. We didn’t have a choice,” they told *CNBC*.

In the United States, Live Nation has a 70% of the ticketing and live event venues market; therefore, avoiding using them is nearly impossible for artists. It’s unhealthy for one company to have such dominance in any market, which can lead to laziness to breed, ultimately worsening the user experience. Furthermore, Ticketmaster can also increase booking fees to exorbitant levels because ticket buyers can’t purchase the desired goods elsewhere.

Meanwhile, in the United Kingdom, Live Nation UK’s résumé includes a controlling share of Academy Music Group, which is the primary venue in most cities. They also own a collection of major festivals such as Reading & Leeds, Download, Wireless and Creamfields.

Finally, Congress is intervening, hopefully injecting new life into the global ticketing industry. Senator Amy Klobuchar has confirmed she’ll be chairing a panel that will look into potentially breaking up Ticketmaster and making the market fair again. “The high fees, site disruptions and cancellations that customers experienced shows how Ticketmaster’s dominant market position means the company does not face any pressure to continually innovate and improve,” Klobuchar said. “We will hold a hearing on how consolidation in the live entertainment and ticketing industry harms customers and artists alike.”

While there is no time frame yet for the hearing, it’s a positive step which hopefully leads to change. According to the [#BreakUpTicketmaster](#) movement, the website is “hiking up ticket prices, charging rip-off junk fees, and exploiting artists, independent venues, and fans”, but it doesn’t need to be this way.

Ticketmaster is making things even more unnecessarily difficult for music fans during a global recession, which means attending concerts is an unaffordable luxury for many. They are selfishly exploiting our love of music for every last penny, and the Taylor Swift debacle should be the wake-up call that puts an end to their monopoly.

Read more below with an excerpt from Mark Dent’s December 10, 2022 article from *The Hustle*:

The conundrum of more competitors

Although they regularly get called a monopoly, Ticketmaster and Live Nation have some competition. They weren’t even the sole parties involved with the Taylor Swift sale.

SeatGeek had exclusive contracts with a few venues and operated as the ticketing platform for Swift concerts in places like Glendale, Arizona, and Arlington, Texas. Buyers [experienced similar problems](#) on SeatGeek as they did on Ticketmaster.

SeatGeek also charges [exorbitant fees](#) for concerts, [as does AXS](#). That begs a question: Would more competition make a difference?

As Rosen realized decades ago, fans are not the customer. So ticket platforms compete to land exclusive contracts with venues — mostly by offering them large sums of money, as Rosen did when he was CEO and as ticket platforms still do now.

“And how are you going to offer larger amounts of money?” said Dean Budnick, co-author of *Ticket Masters*. “Well, it’s got to come out somewhere. The way you’re gonna do it is you’re gonna have larger and larger service fees.”

Budnick says the Great Britain model may provide lower service charges for consumers.

- British venues rarely have exclusive ticketing platforms. When companies don't try to gain exclusivity, they don't have to offer as large of a cut of the fees, bringing down the amount charged to concertgoers.
- Fans typically see fees closer to 15% of the face value of a ticket.

Absent that type of overhaul to the system, which would likely require government intervention, don't expect many changes when you buy concert tickets in the near future.

Rosen, in fact, has attempted to unseat Ticketmaster and Live Nation. In 2011, he [helped start](#) Outbox Enterprises, a company that assisted venues in selling tickets on their own. It didn't succeed, he said, because most venues liked their financial arrangements with Ticketmaster.

And fans, despite their hatred of Ticketmaster, keep paying.

Amy Kelsey, a Central Pennsylvania resident, is one of the many people who has used Ticketmaster in its record-breaking year, purchasing tickets for a Billy Strings concert in New Orleans. The fees for two \$69.50 tickets were \$39.50 — money she would have preferred to spend on another expense for the trip.

But Kelsey doesn't regret her purchase one bit.

"We'll still go — eat the fees and go have a good time," she said, "because at the end of it all there's nothing like live music."

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