

According to a recent study of Fact.MR, the [background music market](#) is estimated to reach approximately US\$ 650 Mn in 2019, registering a Y-o-Y growth at 6.4%. Building unique identity and increasing the consumer footfall are key factors that have been driving the adoption of background music among brick & mortar stores in recent years. These stores are also putting efforts toward strengthening their relationship with consumers using audio branding.

Demand for background music is also driven by efforts of restaurants in combining the music with their brand theme, thereby offering a unique experience to consumers. Background music has become an integral part of bars, pubs, cafes, and restaurants, who continuously search for profitable and triumphant strategies to enhance consumer loyalty. These foodservice outlets consider appropriate use of background music to hold potential in increasing the consumers' stay, which in turn has been linked to growth in the average money spent by consumers.

A survey of Consumers Guild of America (CGA) has reported a 44% difference in the average earnings of pubs playing music and otherwise. Millennials remain the target consumer base for retail stores and restaurants, as the demographic shows a strong inclination towards visiting places that feature good music and distinct consumer experience.

The Fact.MR report opines investments being made in background music by restaurants and cafes are estimated to account for nearly one-third share of the market. The hospitality industry is working towards building a consumer experience along similar lines. A key development that complemented the popularity of background music in the industry is the presentation of Yamaha Commercial Audio entitled "Sound Investment: The Business of Background Music," at the Restaurant Show in London in 2018.

Copyright Management Presents a Lucrative Opportunity for Background Market Players

Commercial retail stores, cafes, and restaurants are often found streaming music from their personal accounts which is illegal and can consequently result in a lawsuit being filed against them. Additionally, the price of commercial licenses for streaming music is higher than the streaming rights for personal accounts which benefits both music publishers and companies. Background music streaming services are offering businesses a solution to the problem and foraying into copyright and royalty collection management. For instance, Soundreef, a company founded in 2013 is solely based on managing copyright for music publishers.

Numerous studies focused on the impact of the use of background music in workplaces have associated it with enhanced creativity, productivity, and improved focus in employees. Awareness about the positive impact of music on employees is increasing which, in turn, is bolstering the demand for background music in corporate spaces.

Co-working spaces continue to remain at the forefront of the growing demand for background music in corporate spaces. A number of co-working spaces are marketing it as a facility integrated to boost the productivity of the employees. Furthermore, music streaming services are working towards developing music in line with corporate venue themes offering firms an array of choices. .With technology and music evolving the demand for background music in corporate spaces is estimated to bolster.

The Fact.MR report tracks the background music market for the period 2018-2027. According to the report, the background music market is projected to grow at 7% CAGR through 2027.