

# imagine

your business without music!



SOCAN

Society of Composers, Authors and  
Music Publishers of Canada

Société canadienne des auteurs,  
compositeurs et éditeurs de musique

# music pays

The most immediate way to sense the contribution of music to your business is to imagine your business without it. Many merchants consider music so integral to their business that it's part of their brand – as important to business as decor.

Music affects customer (and employee) mood and behaviour measurably<sup>1</sup>. A 1990 Marketing Magazine article quotes researcher Gordon Bruner saying that music acts on the nervous system, even affecting complex brain chemistry<sup>5</sup>. It's used in supermarkets, department stores, malls, fashion boutiques, art galleries – even doctors' and dentists' offices. Because music helps businesses make money<sup>1</sup>.

Music can set the tone for an entire establishment. Think of a minimally decorated restaurant with average food and prices. Now think of it with cool jazz playing. The entire experience instantly becomes much richer. And so can the restaurateur.

In the early 80's, researcher Ronald Milliman found that a fast tempo caused diners to finish faster (45 minutes vs. 56) but with a medium tempo, diners ordered 3.04 more drinks<sup>2</sup>.

In 1999, Montreal-based real estate firm, Ivanhoe CDP Group, commissioned a study in Quebec that found slower music caused mall shoppers to linger longer and pay more attention to merchandise and advertisements<sup>3</sup>. Volkswagen reports that since vw.com added music to its site, the average visitor stay has increased by five minutes<sup>6</sup>. West Coast grocer Overwaitea varies music throughout the day in its chains to ease the stress of shopping and make the experience more enjoyable. Brad Trumble of DMX, Overwaitea's music supplier, even notes positive effects on staff satisfaction and turnover<sup>3</sup>. Overall, one thing seems obvious – for almost any business, music pays.

## SPEAKING OF PAYING

Some business people are surprised to learn that using music in their place of business can be considered “public performance” of the music. It’s obvious to most that the price of a Guess Who CD does not include the rights to use “American Woman” for a TV or radio commercial. Likewise, buying a CD does not include the rights to use the music for any business application whatsoever. Radio stations pay licence fees for playing music on air. Event organizers pay a fee to play music at concerts, fairs and exhibitions. And advertisers pay handsomely for the use of music in commercials. They know the value music brings.

## ARE YOU REQUIRED TO PAY?

Any business using music is required to pay. This includes: commercial and non-commercial radio stations; bars or restaurants that have live performances or recorded music accompanying live entertainment; commercial TV stations and cable companies broadcasting music as program material; and live performances at theatres. It includes music used at exhibitions, fairs, sporting events, movie theatres, skating rinks, receptions, conventions, fashion shows, circuses, ice shows, comedy and magic shows. It even covers elevators, music on hold and music in commercial aircraft, boats and trains. Recorded dance music used by DJ’s and others is included, as is music for fitness activities, Karaoke and music played at educational institutions. If it’s worth playing, it’s worth paying.

## SOCAN PAYS THE OWNERS OF THE MUSIC

SOCAN stands for Society of Composers, Authors and Music Publishers of Canada and we stand up for the rights of music creators and their publishers – in Canada and around the world. We sell music users access to virtually the world’s entire repertoire of copyright-protected music for public performance or the communication to the public by telecommunication on behalf of our members and members of affiliated international performing rights organizations. In turn, we distribute the royalties to the entitled creators and publishers. And we do it efficiently. **In fact, more than 80% of total SOCAN revenue from fees collected goes straight into members’ pockets.**

## A SIMPLE FEE

SOCAN understands that you are busy, with many more concerns besides the music you play. So we’ve made it very simple. For example, all businesses using recorded background music pay an annual fee based on floor area. Karaoke bars pay a fee based on the number of days a week Karaoke music is played. In return, they can play as much music, via Karaoke, as they wish in their establishment. It’s fair to the creators of the music. And it’s fair to you.

*(your business without music)*

Imagine

**ON PRODUCT-SPECIFIC MUSIC:** The *Ottawa Citizen* wrote that London, England supermarkets are working on “sound umbrellas” to beam product-specific music to the area around certain foods and products. It’s sitar music for curries and brass band music for German wines. In a Finnish study, Dr. Adrian North of Leicester University observed that when accordion music was played near French wines, they outsold German wines five-to-one. The reverse experiment resulted in German wines outselling French two-to-one<sup>4</sup>.

**ON PERCEIVED VALUE:** In one experiment, the maximum price restaurant patrons were prepared to spend with no music rose nearly 15% when Easy-Listening music was played, and more than 27% when the music selection was jazz<sup>1</sup>.

**ON TYPES OF MUSIC:** Some businesses, such as hotels, may play music as much as 17 hours per day. It is now possible to deliver custom music mixes via satellite dish to individual clients, even adjusting the music type several times for different customer bases during different day-parts.

Music is that powerful. One of humanity’s oldest forms of expression, it has long been used to evoke love, pride, celebration, joy, triumph and other emotions. Music has been shown to affect animals and, some insist, even plants. On a more commercial note, music has been clearly proven to:

increase the pace of shopping;  
pre-dispose shoppers to buy;  
create willingness to stay longer  
at bars and restaurants, and  
order more; reduce impatience  
while waiting for service;  
and even raise the price  
patrons expect to pay<sup>1</sup>.



## HARD PROOF OF THE VALUE

This publication credits the following sources:

1. *The Effect on Perceived Atmosphere and Purchase Intentions in a Restaurant*  
Dr. Stephanie Wilson – June 2000
2. *Atmospheric Effects on Shopping Behavior A Review of the Experimental Evidence*  
L.W. Turley, Ronald E. Milliman
3. Suzanne Wintrob – Canadian Retailer 01/04/01
4. *The influence of in-store music on wine selections.*  
*Journal of Applied Psychology, 84, 271-276.*  
Adrian C. North, David J. Hargreaves, and Jennifer McKendrick (1999).
5. *Musique d'ambiance – HRI magazine (Hotels - Restaurants - Institutions)*  
July 15, 2001
6. Rockriver media release 04/08/00

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what's right for music  
la musique a ses droits