

# ANNOUNCEMENT

## Bachelor Thesis

### KEYWORDS

- Music Industry
- Digital Distribution
- Channel Cannibalization
- Difference-in-Difference Analysis
- Empirical Bachelor Thesis

### TOPIC: THE EFFECT OF ON-DEMAND MUSIC STREAMING SERVICES ON MUSIC PURCHASES AND PIRACY

Since the rise of digital channels for media distribution, the music industry has undergone a major transformation process characterized by a shift toward access-based consumption channels (e.g., streaming services like Spotify). For marketing managers, it is crucial to understand the relationships between the different distribution channels, since the introduction of new business models likely cannibalizes demand from existing channels. For example, the adoption of a streaming service like Spotify may cause consumers to reduce their expenditures in other channels (e.g., CD purchases), and potentially reduce illegal piracy (e.g., BitTorrent). The goal of this bachelor thesis is to empirically investigate how the introduction of streaming services like Spotify impacts the demand from other distribution channels (e.g., purchases, piracy). The analysis will be based on a large panel data set comprising detailed information on the online browsing and purchasing behavior of thousands of Internet users in the US over a period of two years. To identify cannibalization effects, a difference-in-difference model should be applied using the statistical software R. The thesis can be written in German or English language.

### LITERATURE:

- **Aguiar, L. & Waldfogel, J. (2017):** As Streaming reaches flood stage, does it stimulate or depress music sales? *International Journal of Industrial Organization*, forthcoming.
- **Aguiar, L. (2017):** Let the music play? Free streaming and its effects on digital music consumption, *Information Economics and Policy*, 41(December), 1-14.
- **Aguiar, L. & Martens B. (2016):** Digital music consumption on the Internet: Evidence from clickstream data, *Information Economics and Policy*, 34(March), 27-43.
- **Wlömert, N. & Papies, D. (2016):** On-demand streaming services and music industry revenues — Insights from Spotify's market entry, *International Journal of Research in Marketing*, 33(2), 314-327.

### SUPERVISOR:

- Dr. Nils Wlömert: <http://www.wu.ac.at/ims-sm/team/nils-wloemert/en/>

## APPLICATIONS

Applications with CV and transcript of records should be sent to Nils Wlömert ([nils.wloemert@wu.ac.at](mailto:nils.wloemert@wu.ac.at)).