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Labelling a record of electronic music record labels

A study on clustering of electronic music in the Netherlands

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Abstract

Nowadays, music can be created electronically with only the use of a computer. Electronic music can be composed from anywhere in the world, regardless of the geographic location, freed from any spatial constraint. And yet, certain places in the world are exceptionally renowned for having a lively, dynamic electronic music scene. If electronic music production is so versatile, why would such places (still) exist in the first place? What makes location still important when it comes to electronic music production, to an extent that some places clearly stand out for their leading role in the electronic music industry? The phenomenon of spatial concentration within the industry is referred to as clustering. This thesis investigates clustering of electronic music, with a focus on record labels in the Netherlands, in the attempt to better understand the processes involved and provide enlightening insights for the questions raised above. The research comprises two major parts. Firstly, the location of the record labels is analysed, to determine what places show signs of clustering. Secondly, interviews with partakers in the industry are conducted, to find out why clustering occurs. This study confirms that clustering is (still) important in the electronic music industry, to a certain extent: the coming together plays a big role in enjoying electronic music, and face-to-face meetings are beneficial when producing the music. Besides geographic clustering, (international) networks are also relevant to the actors being part of the industry.

Table of Contents

1. Introduction

In today's world, music is often produced and distributed digitally. Electronic music is the music genre par excellence in this sense, as tracks of this kind are particularly suitable to be composed anywhere at any time, with the mere need of a personal computer. The coming together has therefore become superfluous in the creation process, although listening experience is still enjoyed in social gatherings, at festivals or in the nightlife. The lack of spatial constraints when composing electronic music would lead one to think that the electronic music industry is very dispersed and not tied to places. However, in reality certain places considerably stand out for having a renowned electronic music scene. One (perhaps the most remarkable) of such places is The Netherlands, since the country is known far and wide for being a purveyor of world-famous DJs. This seemingly implies that there is a spatial concentration in the electronic music industry, in contrast with the 'borderless' nature of electronic music production. What explains this contradiction? Does this spatial concentration occur also on a smaller scale within the Netherlands? This thesis intends to clarify these aspects.

Studies have investigated the spatial concentration of music scenes (Florida et al., 2010; Florida & Jackson, 2010), by looking at the spatial agglomeration of musicians, professional musicians and recording industry establishments in different cities in relation to different music genres. These studies find that there are a few large establishments having an influential scene throughout the years and that, for the rest, scenes come and go. However, the focus of these studies is on conventional music scenes, without taking into account the unique characteristics of the electronic music industry. Others have taken a deeper dive into the electronic music industry and its scenes (Dorst, 2015; Bürkner & Lange, 2017), although for the most part these searches are aimed at unravelling specific scenes, creating new concepts, or they are descriptive in nature. Dorst's (2015) study, for instance, describes the electronic music scenes in Amsterdam and Berlin, and compares the two. Bürkner & Lange's (2017) study defines a new concept (that of sonic capital) to explain the agglomeration of electronic music. These studies do not substantiate their results with (quantitative) data, which could provide direct evidence for actual signs of clustering. This thesis builds upon these studies (among others) by restating the relevant concepts and descriptive evidence expressed therein, and complementing them with quantitative data on the distribution of electronic music record labels in the Netherlands, interviews with experts associated with the labels, and the subsequent analysis and conclusions based on these new elements.

This thesis investigates clustering of electronic music in a new light, focusing in particular on the spatial distribution of electronic music record labels across the Netherlands. Researching the Netherlands is especially interesting because the country is a hotspot for electronic music, having a long and world-famous history of electronic music and providing DJs and producers (Armin van Buuren, Tiësto, Hardwell, Martin Garrix, Afrojack, Don Diablo, etc) for the global stage.

The central aim of this research is to determine whether there are signs of cluster formation amongst the record labels and, if this is the case, to explain what could possibly cause this phenomenon. Electronic music record labels are chosen as the subject of this study because they are involved in the industry in all its aspects (they manage, promote, recruit, fund, etc). Moreover, they represent the link between the artists and the listeners, so their location could have a significant influence on the electronic music industry. In view of this intermediary role, the research will also involve the artists and listeners' standpoint from time to time.

This study will be carried out by conducting a quantitative analysis, followed by a qualitative analysis. The research thus relies on a mixed methods approach to address different research questions. The quantitative analysis (visualisation) will answer the question:

Do electronic music record labels in the Netherlands actually cluster?

The qualitative analysis (interviews) will mainly focus on the questions:

Why does clustering of electronic music record labels in the Netherlands take this shape? What are the main reasons as to why the labels cluster in this specific way? And what makes location important for an electronic music record label?

Answering these questions will shed a light on the way clustering takes place within the electronic music industry, and what role is played by the labels in this context. This research aims at diving deeper into the mechanism of cluster formation in the electronic music industry, to unveil the reasons and the processes that could explain the current spatial configuration of the record labels in the Netherlands. By doing so, my study will provide insightful material that could contribute to better understand the phenomenon of clustering in other related industries.

The content of this thesis will be structured as follows. This paper consists of six sections (Introduction excluded): Context, Literature review, Framework, Method and Results, Discussion, and Conclusion. The 'Context' section will outline the major concepts related to the thesis' topic. Furthermore, it will analyse the location of electronic music record labels in the Netherlands to identify possible signs of clustering, which will be used as an input for the interviews conducted at a later stage in the research. Then, the literature relevant to the research and its topic will be reviewed in the 'Literature review' section. The 'Framework' section will comprise of predictions derived from the previous sections and serve as a basis for the subsequent research. The subsequent research will be based on interviews with figures linked to Dutch electronic music record labels and will be expounded in the 'Method and Results' section. The 'Discussion' section will then discuss these results and link them to the theory and predictions set up in the Framework. Finally, the thesis will terminate with a 'Conclusion' section which will summarise the premises of this study, the workflow that was implemented, and the final observations and conclusions that can be drawn from the research as a whole. See Figure 1 for a schematic representation of the structure of the thesis.

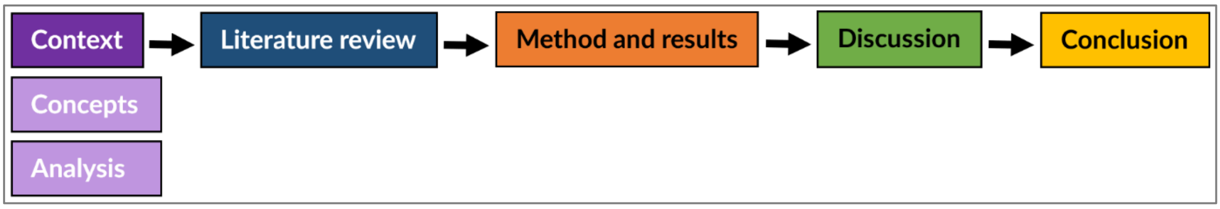

Figure 1: A concatenation of the structure of the thesis.

2. Context

This section outlines the context in which the research is framed, providing an overview of the situation and concepts related to the topic of clustering of electronic music record labels. To create a clear picture of the subject, I first cover the concepts on which this research relies on. Next, I paint a geographic picture of the electronic music record labels in the Netherlands, to illustrate the reason for researching clustering.

2.1. Concepts

Laying out the main concepts applicable to the research will give a greater understanding of the topic and ensure that there are no misconceptions upon further reading of the study. This subsection describes the concepts that form the foundation of the study, which I extracted from the literature relevant to the topic. The Literature review section will later delve into the mutual connections between these concepts within the scope of electronic music. Concepts less significant to the main topic will be mentioned throughout the report and further explained, when necessary, as they come up.

The entirety of the research revolves around **clustering,** which therefore plays a leading role in this study. A cluster is a group of similar things or people positioned or occurring closely together. In the case of this study these would be the different actors participating in the electronic music industry, record labels in particular.

In this thesis cluster formation is looked at in the context of **electronic music**. Electronic music[1] is an overarching term used for different music genres that are created in a digital environment. The sounds are typically created with a computer instead of recording instruments. The study focuses on the forms of music production that rely on electrically produced sounds, i.e. sounds created with computers, virtual instruments (software), synthesisers, samplers and other tools that can only function when connected to the electrical circuit (Heur, 2009). Electronic music is unique when compared to other (more conventional) music genres, as it does not require instruments to be made.

Electronic music genres

There are many genres within the scope of electronic music. Genres can overlap and electronic music pieces can contain elements of different electronic music genres. For example, a song could have elements of house and elements of techno. Because electronic music production is a relatively new form of music production (when compared to other well-established genres, such as Rock, Blues or Jazz), many genres and subgenres are still being introduced. Another reason why the division in genres and subgenres may be unclear is that there are no 'rules' when making electronic music, as one can produce any sound they like on a computer. This may lead to some confusion.

For this study a distinction has been made between sixteen different genres. This distinction is based on the genres specified by *labelsbase.com*, the same platform used to extract the data for this research (see data analysis), and contains the major and most relevant genres within electronic music as of today.

Four out of the sixteen genres used are made up of different subgenres: House (consisting of Afro House, Big Room, Deep House, Electro House, Future House, House, Progressive House and Tech House), Techno (consisting of Hard Techno, Techno and Tech House), Trance (consisting of Psy-Trance and Trance), and Chill Out (consisting of Chill Out and Downtempo).

Three out of the sixteen genres are not part of electronic music, although they often contain hints of electronic music. They are included in the study, as they are part of the genres indicated by *labelsbase.net*. However, they do not play a big part in the study results.

[1] The term *electronic music* is often used interchangeably with the term 'EDM', which stands for Electronic Dance Music. This correspondence is not entirely correct, as EDM is an overarching term (one of the broadest and most widely used) for different genres within electronic music.

Figure 2 shows a table with the different genres used in this study. The figure also displays the number of electronic music record labels in the Netherlands associated with the (sub)genre, according to *labelsbase.net*.

House	310	Techno	119	Hard Dance	8	Hardcore	3	Trance	19	Dance	23	Drum & Bass	4	Dubstep	5	Future Bass	2	Chill Out	8	Electronica	20	Minimal	8	Pop	13	Nu Disco	2	Hip-Hop	4	Reggae	2
Afro House	1	Hard Techno	8					Psy-Trance	2									Chill Out	7												
Big Room	21	Techno	67					Trance	17									Downtempo	1												
Deep House	55	Tech House	44																												
Electro House	49																														
Future House	23																														
House	51																														
Progressive House	66																														
Tech House	44																														

Figure 2: (sub)genres of electronic music.

As mentioned before, the centrepiece of this research is the **electronic music record label**, which will be analysed in the Netherlands. A record label is a company or organisation that specialises in releasing and promoting music recordings. A record label signs artists and helps develop, promote, market and distribute their songs, accommodating the artists' needs. Moreover, a record label often has mutual connections and is part of a network in the electronic music community, to facilitate the artists connected with the label. The reason for studying record labels is because, as stated in the Introduction, record labels constitute a link between the artists and the listeners (as displayed in Figure 3). Not only do they take part in the scene, but they are 'in the centre' of it. Furthermore, the labels serve as a suitable research subject because they are easy to track, meaning that there is a lot of relevant information available regarding them (see the Framework for further clarification). For instance, the artists are much more difficult to trace, as there is no database with all artists available.

For the sake of providing a clearer picture of the processes and actors engaged in the electronic music industry, I created a value chain. A value chain shows the activities and processes involved in creating a product or offering a service. In the case of the music industry, the product would be the songs. The value chain in Figure 3 has been realised by making use of information from the conducted interviews (described in Method and Results: Results) and by looking at a value chain created by Darchen (2016), which pertains with an industry comparable with the electronic music industry, namely the videogame industry (I will expand on this comparison in the Literature review). The value chain in Figure 3 shows three phases, displayed in three different colours. The various stages in the value chain are performed by different actors. The value chain visually highlights the central role played by record labels, as the key intermediary between artists and listeners.

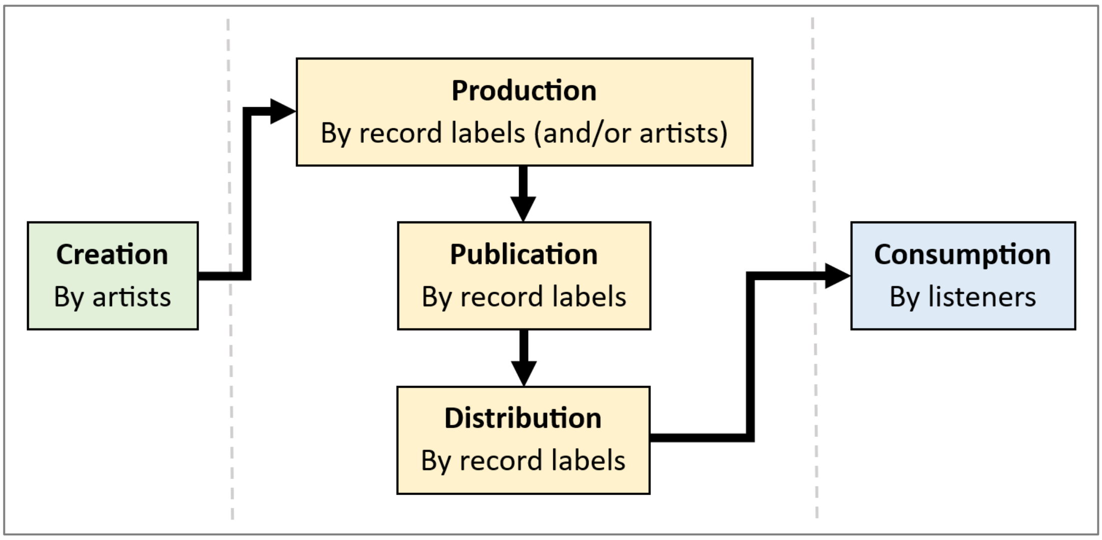

Figure 3: Value chain of the electronic music industry.

The (electronic) music industry can be categorised as a **creative industry** (Caves, 2000; Darchen, 2016). Other examples of creative industries are the videogame industry and the film industry. Creative industries are knowledge-intensive industries, which rely on the creativity of the subjects involved. Creativity is generally not an individual characteristic; it thrives in communities, group cultures, and scenes (Becker, 1974; Bader & Scharenberg, 2010, as cited in Dorst, 2015).

Creative industries are known to have **scenes**. Scenes are closely related to the concept of clustering, as a scene represents a group of similar people within a certain culture. A scene can be described as a mode of organising cultural production and consumption that foster certain shared values and tastes, certain ways of relating to one another and legitimating what one is doing or not doing (Silver et al., 2005, as cited in Florida et al., 2010).

More specifically, a music scene can be defined as the context in which clusters of producers, musicians, and fans collectively share their common musical tastes and collectively distinguish themselves from others (Bennett & Peterson, 2004, as cited in Florida et al., 2010). In this definition, the link with clustering becomes apparent. From an economical point of view, music scenes are geographic locations that bring together musical and business talent (e.g., agents, managers, taste-makers, gate-keepers, critics, and sophisticated consumers) across social networks and physical space (neighbourhoods, communities, clubs, music stores, recording studios, and venues) (Florida & Jackson, 2010).

A common denominator in these descriptions is that music scenes revolve around the coming together of different actors in different places. In this sense, a scene has a geographic component (the location) and a network component (the actors involved). The electronic music scene will be explained specifically and in detail in the Literature review section. The actors in the electronic music scene are DJs, producers, record labels, night clubs, festival organisations and the people listening to the music. These actors can be intertwined as, for instance, DJs can also be producers and owners of their own record label. The actors in a music scene form networks and clusters because they benefit from it. This phenomenon is referred to as **agglomeration**.

In general, the term *agglomeration* refers to the economic benefits which arise when actors (in the case of this study, actors in the electronic music scene) co-locate in each other's near proximity. So, cluster formation occurs because co-located firms are expected to perform better and survive longer than firms that are not located within clusters (Darchen, 2016). The benefits of agglomeration can be divided into three categories, the *three sources of agglomeration economies* (Marshall, 1890). The three sources, listed and described below, set the basis of this paper.

Local tacit knowledge spill overs
Tacit knowledge cannot be communicated in any direct or codified way. It concerns direct experience and represents disembodied know-how that is acquired via the informal take-up of learned behaviour and procedures (Howells, 2002).
The opposite of tacit knowledge is explicit (or codified) knowledge. This involves know-how that is transmittable in formal, systematic language and does not require direct experience (Howells, 2002). It can be transferred in formats such as books, papers, blueprints or operating manuals.

As stated by Marshall (1890), tacit knowledge spill overs refer to the advantages that people following the same skilled trade get from one another through face-to-face interactions. Knowledge is transferred and handed down as if it were 'in the air'.
Bürkner and Lange (2017) state that this phenomenon takes place within the music industry, referring to it as *sonic capital*.

Non-traded local specialist inputs
Non-traded local specialist inputs concern specialist services and specialist local infrastructures. Examples in the music industry include recording studios and venues.

Local skilled labour pool
A local skilled labour pool is a local network of individuals and organisations familiar with the skills required in a production scene (in the case of this thesis, the electronic music production scene). A substantial labour pool makes it possible to more easily connect the right labour force (eligible employees) to the subjects in need of said labour (potential employers). For example, record labels would be able to find employees with the right skillset within a substantial labour pool. Clusters are in this case beneficial as the two parties, the providers and the seekers, would be located close to one another.

Duranton and Puga (2004) clarify/simplify the three sources of agglomeration economies into **learning**, **sharing** and **matching** respectively. *Learning* equals the *local tacit knowledge spill overs*: people concerned in the cluster learn from each other. *Sharing* corresponds to the *non-traded local specialist inputs*: people concerned in the cluster share the available services and infrastructures present in the cluster. *Matching* has to do with the *local skilled labour pool*: the right actors can be matched in a cluster, thus establishing an effective and efficient cooperation.

Clusters that form within a creative industry take the name of **creative clusters**. The term *creative cluster* describes how creative industries group together, in specific urban areas and for particular reasons. According to De Propis and Hypponen (2008, as cited in Darchen, 2016), a creative cluster is characterised by four elements: (1) it is a community of creative people; (2) it is a catalysing place, where people, relationships, ideas and talents can spark each other; (3) it is an environment that offers diversity, stimuli and freedom of expression; (4) it is an ever-changing network of interpersonal exchanges that nurture individuals' uniqueness and identity.

Cultural industries rely heavily on learning-by-doing practices but also on skills diffused through specific networks. In other words, creative industries depend on tacit knowledge spill overs and knowledge networks. The literature on creative industries proposes that cross-fertilization or cross-pollination with other creative fields is necessary for a creative cluster to emerge (Darchen, 2016).

Moreover, co-location in knowledge-intensive (creative) industries generates benefits in terms of knowledge spill overs, which in turn increases the efficiency of both innovation and commercialization (Jaffe, 1986; Lucas, 1988; Romer, 1986; 1990, as cited in Florida et al., 2010). Dense production agglomerations are a key characteristic of originality and innovation in culture industries and, in the recorded music industry specifically, commercially effective forms of creativity are positively related to agglomeration (Scott, 1999; 2000, as cited in Florida et al., 2010).

2.2. Do electronic music record labels cluster?

To analyse the reasons for cluster formation in the electronic music industry (through interviews), one must first establish that there is a sign of clustering. The question that has to be addressed first is:

Are electronic music record labels in the Netherlands actually clustering?

This question will be answered by spatially investigating electronic music record labels that are located in the Netherlands.

This thesis analyses 240 locations of electronic music record labels in the Netherlands. The list of record labels is created with data derived from the website *labelsbase.net*. For each electronic music record label, the number of Soundcloud followers, Soundcloud tracks, Spotify tracks, and YouTube subscribers are included. The main variable used to compare the record labels and create maps is the number of Soundcloud followers, since this gives an indication as to how relevant each region is in terms of participation in the (online) electronic music industry. Besides, the list of Soundcloud followers is the most complete list out of those mentioned above (most labels have a Soundcloud profile, which is active). The other variables are still relevant (for example, if a label does not have a Soundcloud profile) to the overall picture of how substantial each label is (online). Furthermore, the genres on which each label focuses are noted, as well as whether the label is part of an umbrella organisation or is a sublabel to another label. See Figure 4 for an overview of the collected data, and the appendix (see Appendix: Data collection method) for the extensive explanation on the data collection method.

Label name / Part of / Address / Location / Source (of location) / Soundcloud followers / Soundcloud tracks / Spotify followers / YouTube subscribers / Genres

Figure 4: Overview of the collected data.

Using the gathered data, I created four different maps. At first, regions were defined by incorporating small towns surrounding a large city into the region of that city (see Appendix: Figure B), to avoid cluttered maps. These regions were divided into the different provinces, to look at a larger scale. The total number of record labels have been added up per region (Figure 5) and per province (see Appendix: Figure C) without taking the sublabels into account. Furthermore, the total number of Soundcloud followers of all the labels in each region (Figure 6) and province (see Appendix: Figure D) have been added up. Ultimately, the amount of record labels focusing on each genre has been specified, to determine if certain scenes/clusters could be based on genre.

This resulted in the creation of four maps and four graphs. The maps and graphs referring to the division by region are displayed in Figures 5, 6, 7, and 8 (the two maps and two graphs referring to the division by province displayed in the Appendix: Figures C, D, E, F). The maps and graphs are described and analysed afterwards, in order to finally determine if there are signs of clustering of the record labels and thus answer the question posed in the beginning of this subsection.

The first map shows the number of Soundcloud followers per region (see Figure 5). The second map shows the number of electronic music record labels per region (see Figure 6). The sublabels have not been taken into account because including them would give a skewed impression of reality. For example, the label *Spinnin' Records* has eight sublabels registered at the same location, suggesting a scene with an overestimated number of labels. The two following histograms illustrate the number of Soundcloud followers per region (see Figure 7) and the number of electronic music record labels (without sublabels) per region (see Figure 8).

Soundcloud followers per region

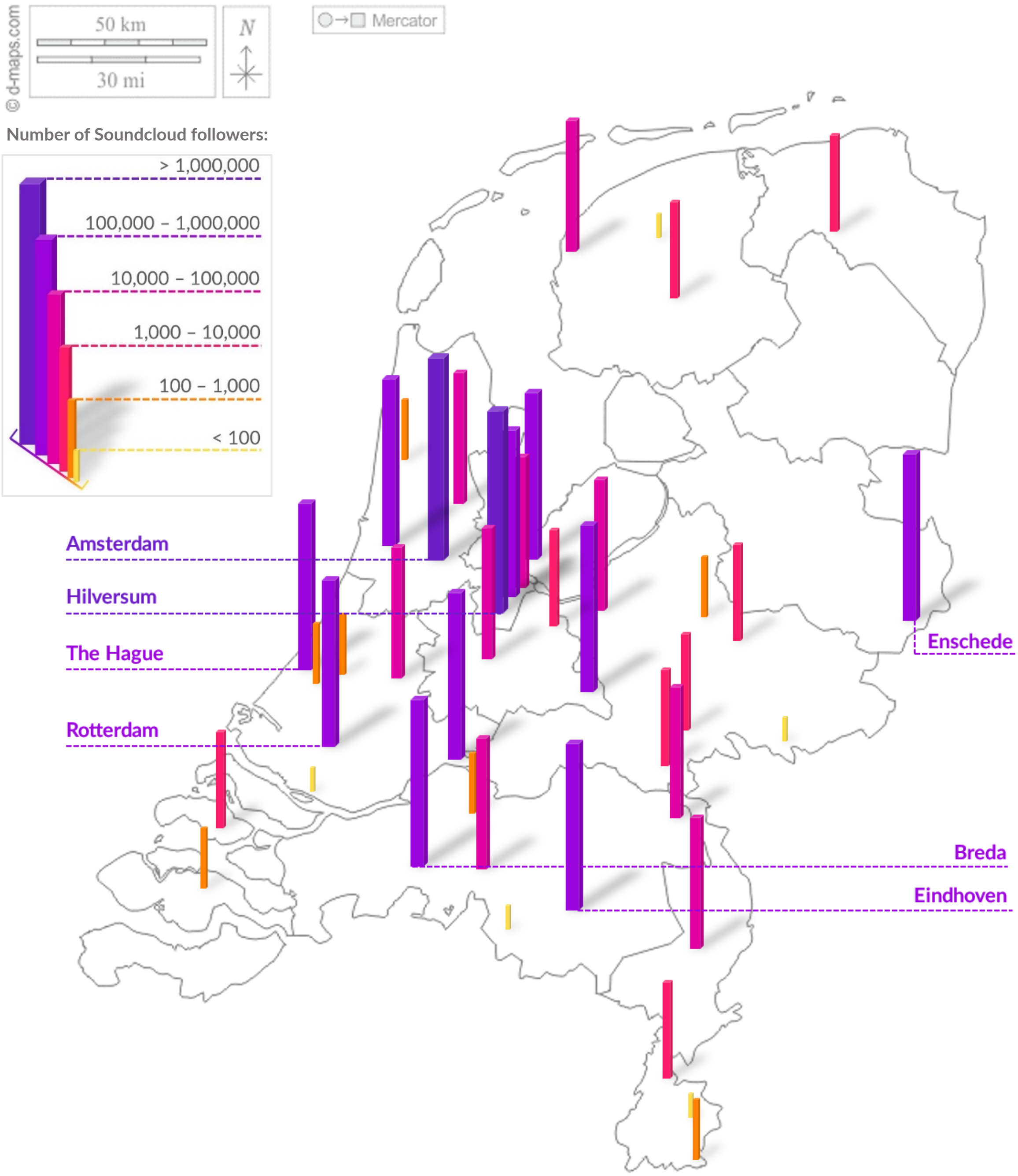

Figure 5: Map showing the number of Soundcloud followers per region.

Record labels (without sublabels) per region

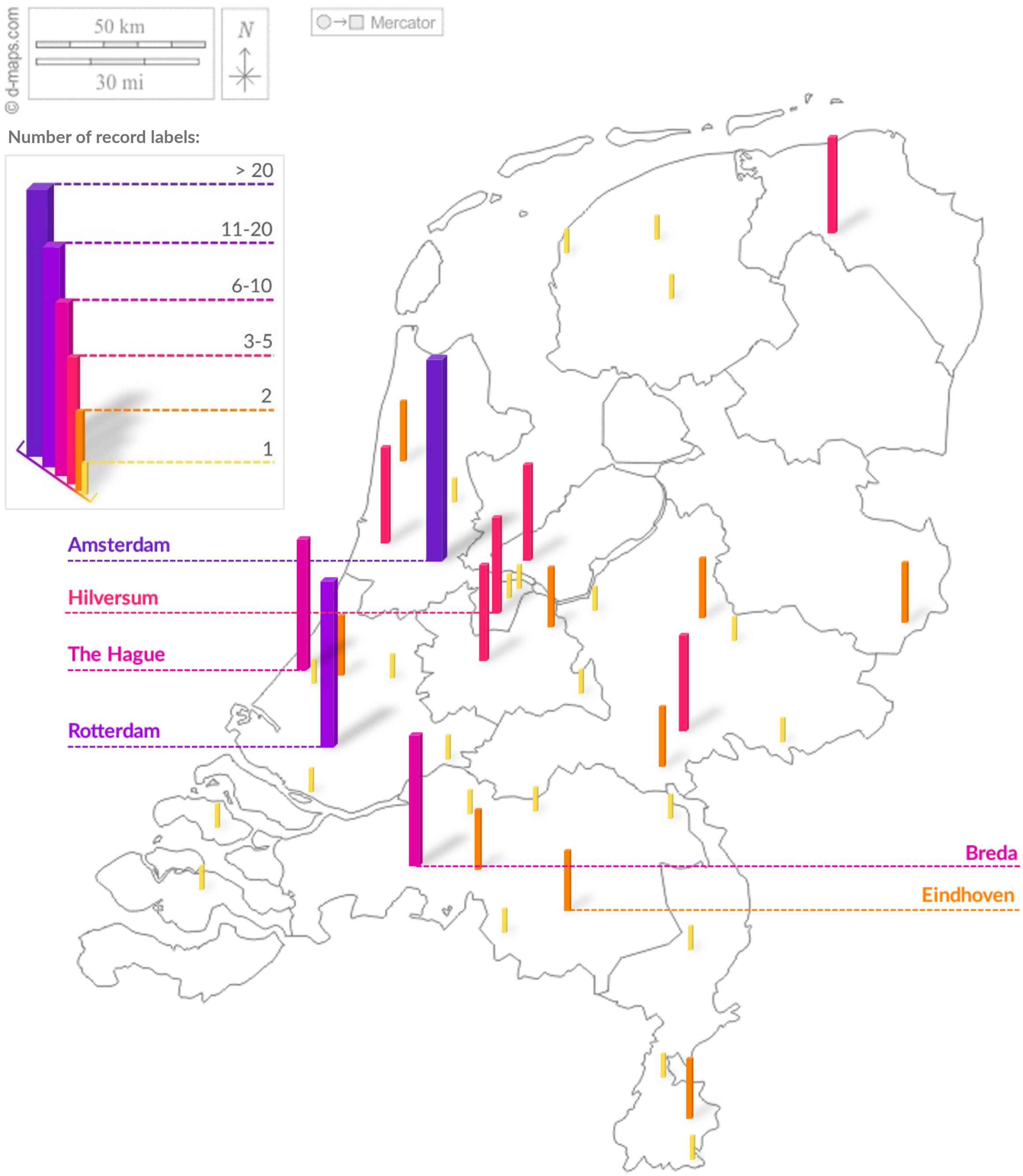

Figure 6: Map showing the number of electronic music record labels per region (without taking sublabels into account).

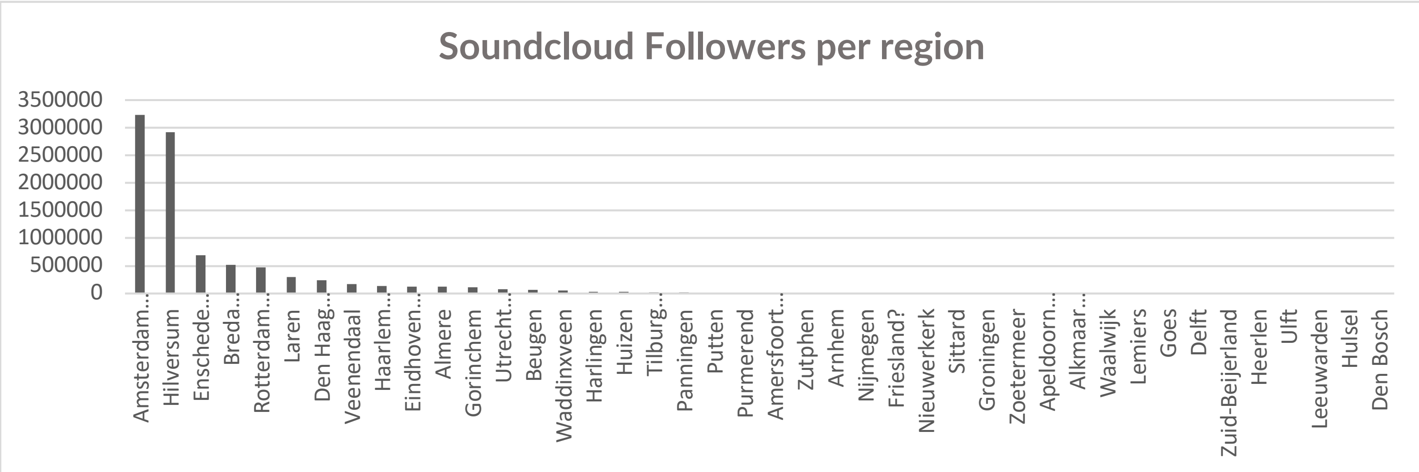

Figure 7: Histogram showing the number of Soundcloud followers per region.

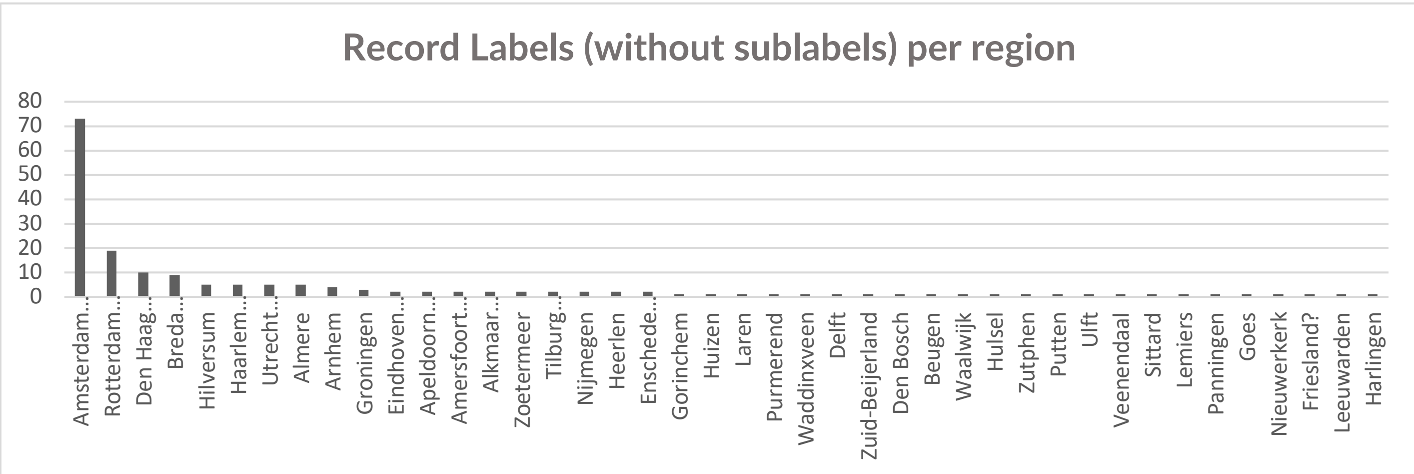

Figure 8: Histogram showing the number of electronic music record labels per region (without taking sublabels into account).

The spatial analysis of electronic music record labels in the Netherlands, based on the maps and graphs displayed in Figures 5, 6, 7, and 8 (plus the maps and graphs shown in the Appendix: Figures C, D, E, F), reveals that there are signs of clustering. The first and foremost sign of clustering is that, looking at the histograms, few regions dominate the list. The maps confirm this impression, as the variables of interest (number of record labels and number of Soundcloud followers) in some regions peak much higher than in others. This suggests that the electronic music industry is rather concentrated in certain areas of the Netherlands, as further explained below.

The record labels in Amsterdam and Hilversum have the greatest following on Soundcloud by far (3,227,606 and 2,913,350 followers respectively) (see Figure 7). Followed, significantly behind, by Enschede, Breda, and Rotterdam (690,148; 517,584; and 467,360 respectively). In terms of internet presence and online impact, the record labels in these five regions (especially Amsterdam and Hilversum) seem to have the greatest impact. Because both Amsterdam and Hilversum are located in Noord-Holland, this province is by far the most important in terms of Soundcloud followers of the hosted record labels. The regions that follow are Zuid-Holland, Noord-Brabant, and Overijssel, which are roughly equal in size (see Appendix: Figure C).
Judging from the number of record labels per region (Figure 8), Amsterdam is again the most prominent region (73 record labels). This time, all the following regions host big cities such as Rotterdam, Den Haag and Breda (19, 10, and 9 record labels respectively).
As for the number of record labels per province, once again, Noord-Holland is far ahead of the rest. Looking at the graph (see Appendix: Figure F), the provinces seem to follow an exponential distribution. Zuid-Holland is second, due to Rotterdam and Den Haag, and Noord-Brabant is third, Breda being the biggest contributor.
The regions of Hilversum, Enschede and Laren have a relatively high number of Soundcloud followers (2,913,350; 690,148; and 301,779 followers respectively), considering their size, and a relatively low number of record labels (5, 2, and 1 record label(s) respectively). Hilversum only houses five electronic music record labels even though it is the second biggest region in terms of Soundcloud followers, meaning that those five labels have a large following. On the contrary, the labels in Rotterdam have a relatively low number of Soundcloud followers although the city scores second highest in terms of number of record labels (19 labels). This suggests that the labels in Rotterdam are relatively small (serve a niche market).

These findings are put in an even greater contrast when looking at the maps. From the map of Soundcloud followers per region (Figure 5), the record labels seem to be dispersed to a certain extent. However, most labels are located in the mid-western region of the Netherlands. The hotspots outside this area are Breda, Eindhoven and Enschede. Moreover, according to the map of Soundcloud followers per province (see Appendix: Figure C), the lowest numbers are found in the peripheral provinces (Zeeland, Limburg, Friesland, and Groningen). Drenthe has zero Soundcloud followers, since it hosts zero labels.
The map showing the number of electronic music record labels per region (Figure 6) shows that Amsterdam is the predominant region by far, followed by Rotterdam. These are the two main hotspots, making Noord-Holland and Zuid-Holland the two provinces with the highest number of record labels. Remarkably, these two provinces are followed by Noord-Brabant and Gelderland (see Appendix: Figures D and F). Noord-Brabant has a hotspot in Breda, but other than that the labels in these provinces are quite dispersed.

In conclusion, the analysis reveals that individual (or small groups of) record labels are dispersed throughout the Netherlands. However, there are a few regions which stand out in terms of number of Soundcloud followers (Hilversum), number of record labels (Rotterdam), or both (Amsterdam). This would suggest that there is clustering happening in the electronic music industry, when looking at the record label locations (especially in the regions that have both a high number of Soundcloud followers and of record labels). The majority of electronic music record labels seem to prefer to settle in large cities. The region of Amsterdam is indeed the most popular, housing 73 electronic music record labels (not taking sublabels into account). The gap to the second biggest region, Rotterdam, is substantial, as it hosts 19 record labels (again not taking sublabels into account). The Hague and Breda take third and fourth place, housing 10 and 9 labels respectively. The other regions have a maximum of 5 record labels.

Now that the occurrence of clustering in the Netherlands has been assessed, the follow-up questions that this research will investigate are:

Why does clustering of electronic music record labels in the Netherlands take this shape? What are the main reasons as to why the labels cluster in this specific way? And what makes location important for an electronic music record label?

The next section takes a deep dive into the literature to facilitate an improved understanding of the concepts surrounding the main topic, clustering of electronic music record labels.

3. Literature Review

The music industry has been studied throughout. The importance of these studies is that, as Florida et al. (2010) mention, the music industry can give us insights into the economic and geographic changes in industries in which a physical product is becoming a digital product. Besides, music industries are eminently suitable for study as “music is [...] characterised by a small, widely understood set of firms - bands, other performers, record labels [...]” (Florida et al., 2010). The geographic component of the music industry, represented by the locations of this set of firms, can be studied to gain a deeper knowledge of how the industry works. Recent shifts in global and national music markets have entailed changes in the spatial configurations of various genres of music production (Hracs, Seman, & Virani, 2016, as cited in Bürkner & Lange, 2017). This development still awaits systematic exploration by the social sciences (Bürkner & Lange, 2017). Furthermore, lately the (electronic) music industry has undergone (and is still undergoing) changes, due to digitisation. The fact that actual changes in the field have been influenced by heterogeneous trends towards digitised production and distribution has led to varied academic interest (Bürkner & Lange, 2017). Academic literature concerning this interest will be further analysed in this Literature review.
This Literature review will first focus on the definition of music scenes, and the electronic music scene in particular. Then, the section will dive deeper into cluster formation. Lastly, two studies relevant to this thesis will be outlined.

3.1. Music scenes

When looking at the music industry from a geographic point of view, several studies note considerable concentration in the locations of music production (Florida & Jackson, 2008; Scott, 1999, as cited in Florida et al., 2010). This concentration is linked to *music scenes*. Different definitions of music scenes have been given throughout scientific literature. These were used to create a complete definition of the concept of a music scene in the Context section (see Context: Concepts). The scientific literature defining and researching music scenes has mainly applied to conventional music genres, i.e. music genres that have existed for a long time and that are well established in society (such as Jazz, Country, Rock, etc). Typically, these genres require people to physically gather in order to play or work on a music piece. Moreover, the rise of music scenes used to take place in multi-ethnic crossroads locations, so musicians were expected to cluster around areas of ethnic and cultural diversity (like the Jazz scene in New Orleans and the Country scene in Nashville) (Connell & Gibson, 2002; Mark, 1998; Southern, 1997, as cited by Florida et al., 2010).

Nowadays, however, there are two key interacting forces that act on places: *economies of scale* and *economies of scope* (Andersson & Andersson, 2006, as cited in Florida et al., 2010).
Economies of scale appear when the production implies large fixed costs or when there is a need for a large marketplace in order to support the economic activity (Florida et al., 2010). In the case of musicians, this would consist in fixed investments (such as concert halls, performance venues, or recording studios).
Economies of scope stem from the ability to take advantage of other related and co-located activities. Florida et al. (2010) state that the following three expectations can be derived from this principle: (1) there will be more musicians in bigger cities, because of live performances and high fixed costs (e.g. recording studios); (2) gains are to be made from collaboration/co-production with other related cultural productions; (3) the current location of musicians and the recording industry will be a function of their past location and the past location of related cultural industries (this is only partly confirmed for the recording industry, likely due to the higher fixed costs of recording industry hardware and infrastructure. These three expectations will be analysed more in detail and projected

onto the electronic music industry in the following (see Framework: 'True' clusters vs networked communities).

3.1.1. Electronic music scenes

As anticipated in the Context section, I will now expound specifically on the electronic music scenes. To a certain extent the electronic music scene is comparable to other music scenes. In fact, as for the other music industries, the presence of scenes within the electronic music industry can be explained as the result of personal participation in music and collective reception of music, as well as of the feeling of belonging to a certain lifestyle, which is valued highly by those involved in a scene (Meyer, 1998, as cited in Dorst 2015).

Electronic music scenes have been studied in several articles. These articles typically assume a qualitative form (e.g. by using secondary sources such as personal interviews and participant observations). A great example is the study done by Dorst (2015), which states that there is a strong connection between the creation of a thriving Electronic Dance Music (EDM) scene and the geographic standards of a location. The study establishes that there are three essential factors, unique to the EDM scene, needed for the EDM scene to flourish. The three factors are explained in more detail below.

Affordable living and creative spaces
Creative spaces are important, as they give the opportunity to come together. Places such as bars, clubs and music events are key locations to express creativity and establish and sustain social connections (Denk & Von Thülen, 2012, as cited in Dorst, 2015). Darchen (2016) complements this by saying that the main requirements for a firm's location (of a comparable industry) are the affordability of the rent for large spaces, a central position and the proximity to public transportation.
Affordable housing also plays a major role in the flourishing of the electronic music scene. For example, in the case of the electronic music scene in Berlin this was achieved by renovating abandoned properties in East Berlin (Dorst, 2015).

The scene's creative atmosphere
The atmosphere of a place helps setting the scene. Regarding place distinctiveness in music, the assumption can be made that there is a connection between an actual place and the characteristics of the sound produced in that location (Negus, 1996, as cited in Brandellero & Pfeffer, 2015).
One example of generation of a creative atmosphere in the electronic music scene in Berlin is the strict door policy of most clubs, which contributed to the feeling of an 'EDM experience'. By not letting just everyone enter, the 'club' conveyed that their users were a 'select' group, thus forging feelings of authenticity and belonging to the scene (Rapp, 2009; Denk & Von Thülen, 2012, as cited by Dorst, 2015).

Spatial regulation (or rather the lack of it)
A lack of regulation gives the electronic music industry more 'breathing space'. For example, Berlin turned into a booming EDM epicentre due to the abundance of vacant spaces and lack of (enforcement of) regulations following the fall of the Berlin Wall (Dorst, 2015).

Dorst (2015) based these three essential factors on a case study of the electronic music scenes in Amsterdam and Berlin. The comparison produces an image of how an electronic music scene works and looks like in practice. Reporting Dorst's case study (especially the Amsterdam scene, as it was earlier revealed that this region seems to host the biggest cluster in the Netherlands (see Data Analysis)) thus provides useful insights for the subject of this thesis and some background information on how electronic music scenes originate and develop.

Berlin

After the fall of the Berlin wall, Berlin has become an epicentre for electronic music scenes, such as the techno scene. Over the ensuing decades, the music scene in Berlin has attracted a national and international audience, aided by the easy access and good connections to the city.

Berlin's popularity naturally led to changes in the scene, which can be seen both as positive or negative. According to some, Berlin is losing its originality to 'outsiders' (Hegemann, 2009; Denk & Von Thülen, 2012, as cited in Dorst, 2015). Others emphasise the opportunity for economic growth and increase in creative quality of the scene (Dorst, 2015).

There is talk of professionalisation, which leads to commercialisation, the geographic consequence of which being gentrification. This phenomenon makes it difficult to start for beginners in the scene. There is a feeling of "slowly being pushed towards the city's peripheries, therewith losing their connection to the scene and, above all, to the city." (Dorst, 2015). This comprehends the statement by Florida & Jackson (2010) that music locations appear to form and reform continuously: a scene in a location becomes bigger and bigger until it is not accessible anymore for small actors in the scene, at which point they move away and initiate a new scene elsewhere.

The scene in Berlin 'opened up' due to globalisation and (international) club tourism, and the identity of the local scenes seems to be, in a way, lost or found to be less important. Despite this, local EDM scenes, such as the ones in Berlin still provide an important local backing to individual DJs, clubs, labels, producers etc. (Lange & Bürkner, 2013, as cited in Bürkner & Lange, 2017).

Amsterdam

The origins of house music lie in Chicago. However, as major recording companies and media institutions were reluctant to market this music in the United States on a mainstream level, house artists turned to Europe (UNESCO, 2000). Amsterdam provided a welcoming environment in the earlier stages of the emergence of the genre, in view of the fact that the city had become (internationally) regarded as a free and tolerant city. This perception was, amongst other things, due to media attention to the squatter movements (affordable living being one of the three essential factors for the flourishing of EDM scenes according to Dorst (2015)) (Van Bergen, 2013, as cited in Dorst, 2015). This image of Amsterdam attracted creatives from the rest of the Netherlands and beyond (Van Bergen, 2013, as cited in Dorst, 2015).

The process of professionalisation to commercialization to gentrification of the location and the scene happened in Amsterdam, as in Berlin. However, there were some key differences. In Amsterdam the amount of space, both literally and in terms of regulatory environment (two out of the three essential factors for an EDM scene to flourish), seems to have reached its boundaries earlier on in the development of the EDM scene (Dorst, 2015). This caused the Amsterdam scene to develop in its own way. In fact, Amsterdam's DJs and party organisers were internationally oriented from the beginning, making trips to London, the United States and Ibiza, and using their experiences as inspiration when returning back to the Netherlands (Van Bergen, 2013, as cited in Dorst, 2015). The increasing professionalisation resulted in an improved efficiency and experience in organising large-scale events both within the Netherlands and abroad (Dorst, 2015). However, the exported Dutch house industry has become nearly disconnected from Amsterdam's local EDM scene (Dorst, 2015). The Amsterdam Dance Event, the world's largest professional conference on EDM, represents one of the few events where Amsterdam's local scene and the international, commercial success of dance and house music (re)connect (Hoorntje, 2013, as cited in Dorst, 2015).

Compared to the scene in Berlin, Amsterdam is not (as much) a clubbing scene. Within the Netherlands, event organisers, DJs, producers and agencies benefit from the success of EDM, whereas clubs appear to lag behind (EVAR, 2012, as cited in Dorst, 2015). Festivals have nearly replaced 'clubbing', a trend that pertains to the Netherlands as a whole (EVAR, 2012; Van Terphoven, 2012, as cited in Dorst, 2015). Festivals in the Netherlands are relatively decentralised, although stages are located primarily in more populous areas (Brandellero & Pfeffer, 2015).

Despite the instances described above, Amsterdam is characterised by a lively nightlife. Cities such as Rotterdam, Eindhoven, Utrecht and Nijmegen also experience(d) a prospering nightlife (Van Bergen, 2013; Wijnstekers, 2013, as cited in Dorst, 2015). One possibility is that gentrification and the saturation of the scene in Amsterdam caused artists and musical creatives to move to locations outside the epicentre (which was also the case in Berlin).

3.2. Cluster formation

From the concept of (electronic) music scenes a logical step towards cluster formation can be made. In fact, music scenes can be described as a form of clustering, either spatially or in the shape of networks. The three sources of agglomeration (described in Context: Concepts) are interwoven with the phenomenon of clustering throughout different studies regarding (electronic) music in connection with location. However, there are more attributes around clustering, besides spatial agglomeration of similar and related economic activities as expressed in the three sources. According to Darchen (2016), *'true' clusters* have the following attributes: (1) the activities are interlinked by relations and interactions of local collaboration and competition; (2) there is some form of self-awareness among the cluster participants and some joint policy action; (3) the cluster is, in some way or another, successful (i.e. innovative, competitive). The Framework section will look at the three attributes from the specific perspective of electronic music record labels in the Netherlands, and try to determine whether they behave accordingly.

In his study, Darchen describes these attributes in relation to the videogame industry, which is a creative industry comparable to the electronic music industry (as explained below). Therefore, looking at the clustering situation in this industry will help formulate a hypothesis about clustering of electronic music record labels.

The videogame industry

As mentioned above, looking at a case study that examines a comparable creative industry will help create a better understanding of clustering in the electronic music industry. The creative industry in question is the videogame industry, as both videogame companies and electronic music record labels are part of a creative industry and work in a digital environment.

When describing the location and connection between videogame companies, Darchen (2016) suggests that the term *networked community* would be more appropriate than *cluster*. This implies that, beyond positive externalities associated with co-localization, social networks at the national and international scales are an important component of the success of an indie videogame company (in Australia) (Darchen, 2016). Darchen (2016) states that both developed national and international networks are as important as local networks. Companies (e.g. videogame companies or electronic music record labels) can be part of the community but operate at the periphery of the main agglomeration. This means that a good connection is important both physically and online. In view of the similarities between the two industries, the question is raised as to whether the same could be valid for electronic music record labels in the Netherlands (as a whole or in certain regions).

3.2.1. The effect of digitisation on clustering

As briefly touched upon above, the electronic music industry is a very digitised industry. In fact, it relies heavily on new technology (i.e. music is created with the help of software) and faster communication networks (e.g. the internet). This feature can be crucial to the analysis of clustering in the electronic music industry, as the literature reveals that *digitisation* has a great effect on clustering. One could suspect that digitisation reduces the importance of geography. However, Zook (2005, as cited in Florida & Jackson, 2010) notes that new technology does not render geography meaningless, instead it exhibits a "contradictory pattern" that connects certain people while excluding others. Leyshon (2001, as cited in Florida & Jackson, 2010) agrees that the geographies of creativity, reproduction, distribution, and consumption are being reconfigured by the advent of faster communications networks, rather than rendered inconsequential.

Digitisation even creates new opportunities, as it encourages non-professionals to get involved in music production. In particular in the production of electronic dance music (EDM), audio technical quality standards are now being achieved by (former) amateurs (Bürkner & Lange, 2017). A new figure has emerged: the so-called 'prosumer', meaning someone who both produces and consumes music. This figure embodies the peculiar dynamism of producer-customer relationships that characterises electronic music production and sets it apart from other economic fields (Bürkner & Lange, 2017). This a strong connection between producers and consumers makes the presence of a scene important and supports the major role played by the record labels, as they are the link between the two (as mentioned in the Introduction and expanded in Context: Concepts).

3.3. The dynamic tension (between geographic concentration and dispersion)

The question remains as to whether musicians (and record labels) tend to cluster or not, since there would be reasons to cluster (the benefits arising from being part of a scene) as well as reasons to disperse (including the digital nature of electronic music). The literature notes a number of factors affecting this 'dynamic tension', in one direction or the other.

To begin with, musicians have many reasons to 'fly apart' (Florida et al., 2010), including the fact that they do not depend on their locations for physical resources or large-scale production complexes (Florida & Jackson, 2010). However, the way they 'fly apart' is such that they tend to continuously cluster and aggregate over time. Music locations appear to form and reform almost in real time, as musicians seek out and cluster in new places. Clusters of musicians appear to rise and fall rapidly, and a small number of regions have locked up top positions (Florida et al., 2010).

There appears to be a quandary. On the one hand, musicians and the music industry have little reason to concentrate in geographic locations and can locate more or less wherever they want, led at times by lifestyle considerations (Gibson, 2002, as cited in Florida & Jackson, 2010). Recordings are easily replicated and reproduced, and developments in the technology of production and distribution of music have made the music industry less tied to (central) location(s) and less dependent on proximity to audiences and other actors in the industry (Hracs et al., 2011; Leyshon, 2001, as cited in Dorst, 2015). On the other hand, large cities and metropolitan areas offer access to a larger and more diverse set of potential consumers (Ellis & Beresford, 1994, as cited in Florida & Jackson, 2010). Dorst (2015) mentions that, to be economically viable, the EDM scene requires large audiences and the presence of a dense and lively cultural scene (Watson et al., 2009, as cited in Dorst, 2015). Clubs and music events are key locations in the creation of such value and play a central role in the production, innovation and distribution of music (Lange & Bürkner, 2013, as cited in Dorst, 2015). Moreover, Florida and Jackson (2010) affirm that music employment and music-related business are concentrating especially in a few large establishments. This reflects a trend of strong concentration in the music industry. There is, however, a modest countertrend towards the dispersal of musicians and music scenes in a variety of smaller locations (Florida & Jackson, 2010).

It appears that new technologies resolve to some degree the aforementioned tension between clustering and 'flying apart' of musicians, as low-cost digital distribution channels and social media enable musicians to participate commercially from more remote locations outside the core centres (Florida & Jackson, 2010). Conversely, noteworthy income in the electronic music industry can generally be generated only by working as a DJ, and not any longer by record sales (Bürkner & Lange, 2017). This would imply that DJs should have easy access to places where they can perform (e.g. big cities). In conclusion, although the technical advancements would allow DJs to settle in more remote locations, these need not to be too remote as to grant easy access to the epicentres.

All in all, the music industry is being shaped by a dynamic tension between geographic concentration and dispersion (Florida & Jackson, 2010). This leads to the consolidation of already established music centres, and the emergence of new genres and new places with strategic advantages of their own.

3.4. Concluding remarks

The conclusion that can be drawn from analysing the literature is that clustering in (electronic) music is (still) of importance, but the manners in which it occurs may differ. Several reasons as to why electronic music labels would benefit from clustering have been proposed. The next section illustrates how some notions and ideas stemming from this Literature review are implemented in the subsequent research.

4. Framework

The Framework discusses the objective of this paper and what will be researched, leaning on the findings from the Context and the Literature review sections.

The Context section introduced the topic and the motivation behind the undertaking of this study. Furthermore, it outlined the main concepts relevant to the subject and showed how clustering of electronic music record labels is (geographically) configured. Three questions emerged at the end of the Context section, the key questions that shaped and guided the rest of the analysis:

Why does clustering of electronic music record labels in the Netherlands take this shape? What are the main reasons as to why the labels cluster in this specific way? And what makes location important for an electronic music record label?

The literature on the subject recognises three main benefits to clustering: the increased likelihood of there being local tacit knowledge spill overs, non-traded local specialist inputs, and a local skilled labour pool. The three benefits are also referred to as 'learning', 'sharing' and 'matching' respectively. The research reveals whether these instances could justify clustering of electronic music record labels in the Netherlands, and if so which one(s). Furthermore, the research discloses whether (and what) other factors may be at the root of the phenomenon (see Figure 9). The different possible causes for clustering taken into account are noted in Figure 9 and discussed one by one in the first subsection. The second subsection addresses the matter concerning whether electronic music labels in the Netherlands act as 'true' clusters according to Darchen's (2016) criteria (see Literature review: Cluster formation).

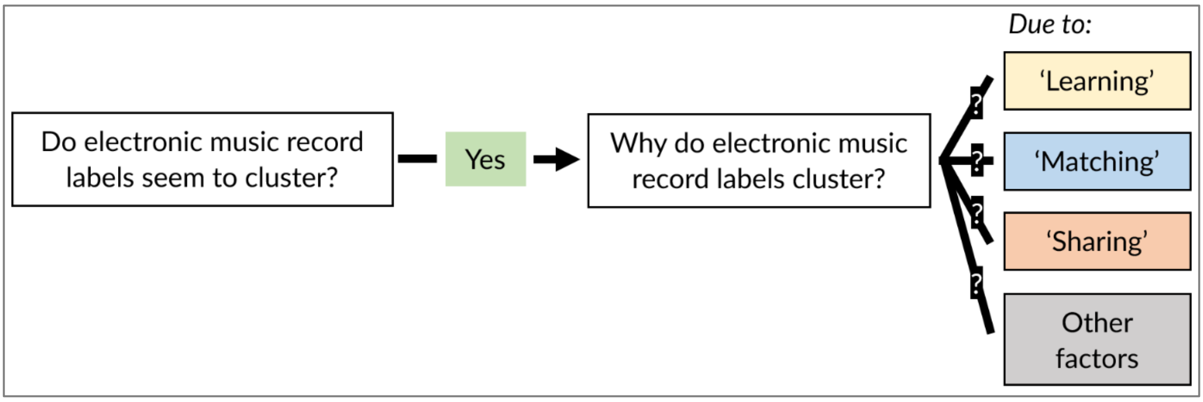

Figure 9: Scheme of the questions raised.

4.1. Agglomeration benefits and other factors

As anticipated above, this subsection examines the factors that could potentially lead to clustering of electronic music record labels. The first three possible factors are the sources of agglomeration economies: learning, matching, and sharing. The subsection will finally consider a series of possible factors other than these three.

Tacit knowledge spill overs ('learning')

Tacit knowledge plays a big role in creative industries. This begs the question if the importance of tacit knowledge spill overs also holds true for the electronic music industry, and electronic music record labels in particular. As outlined in the Literature review, the electronic music industry differs from other creative industries because of its unique features in terms of production, distribution and consumption. Electronic music is not produced by making use of pre-existing blueprints and guidelines. For these reasons, the expectation is that clustering of record labels is mainly due to tacit knowledge spill overs. For instance, labels could learn from each other on how to attract new artists, how to make the workflow more efficient, or how to reach their target audience better.

Non-traded local specialist inputs ('sharing')
The non-traded specialist inputs consist of two components: *specialist services* and *specialist local infrastructures*.

As regards non-traded specialist inputs in the electronic music industry, a *specialist service* would consist in the different people that are located within a cluster. For instance, someone who masters (the final stage of audio production) the final track, or someone who helps setting up/promoting venues. To better understand the roles and relations between the forces at play in this context, the value chain of the electronic music industry can be brought to the fore (see Figure 3). In fact, the value chain shows the activities and processes involved in electronic music creation, carried out by different actors. Every stage in the value chain has a spatial component, which naturally leads to the following questions:

Where does each stage take place? Where do artists create the music? Where do record labels produce, publish and distribute the music? And where do listeners listen to the music (at home, at a festival, …)?

The answers to these questions will be derived from interviews with professional figures (owners or employees) linked to electronic music record labels, which will be discussed in the following sections.

Based on the knowledge of the electronic music industry gained through the literature, it is possible to make a prediction regarding the outcome of the subsequent research, which has to be substantiated by the interviews. The creation (first phase in the value chain) of electronic music is expected to take place in a widespread manner, since the artists affiliated with record labels in the Netherlands are located all over the country, or even all over the world. The production, publication

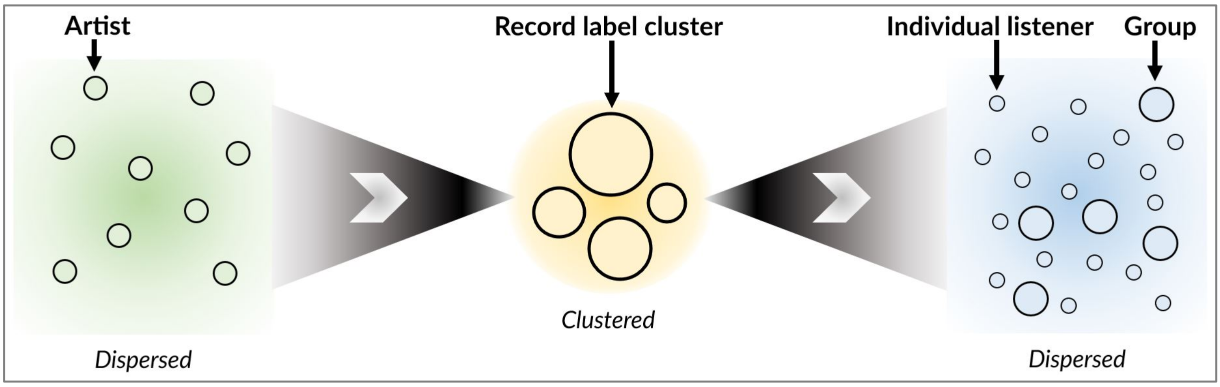

Figure 10: Projection showing the spatial distribution of the phases in the value chain.

and distribution (second phase in the value chain) of the music would be conducted centrally, by electronic music record labels. The location of consumption (third phase in the value chain) would be both dispersed, in the case of people listening at home, in small groups or at small venues, and centralised, in the case of festivals and big clubs (these may, however, be scattered geographically). Figure 10 shows a visualisation of this projection.

The other form of non-traded specialist input is *specialist local infrastructures*. Some examples would be a music studio which artists could share and where artists can come together, or sites where DJs can perform and electronic music enthusiasts can gather. The expectation is that this is an important element in the electronic music industry, but how important needs to be revealed from the interviews.

Local skilled labour pool ('matching')

The last source of agglomeration, the presence of a local skilled labour pool could be a factor for cluster formation within the electronic music industry. Whether this is true depends on where the record labels find their employees and signed artists, i.e. if labels make use of a local labour pool. The expectation is that the labels find their employees (office workers) in a local labour pool, whereas they don't necessarily resort to a local labour pool to recruit their artists. The difference is due to the fact that, in order to work on site, office workers must live within commuting distance to the record label, so it is most convenient for the labels to access the local labour pool in the search for their employees. Instead, the artists do not need to work at the office location, so it most convenient for the labels to extend the search for their artists worldwide rather than make use of a local labour pool. This matter will be settled by the interviews.

Other factors

The other possible factors for the clustering considered in this study are: *accessibility*, *path dependency*, *convenience*, and *affordability*. Record labels could have chosen their location due to it being easily accessible (accessibility) or because it was most affordable to settle there (affordability). Besides, clustering may have arisen from past events that took place in a region (path dependency) or because label owners were already living in the region (convenience). The interviews will also examine these factors.

Figure 11 provides a representation of the agglomeration benefits and other possible factors that could lead to the formation of clusters of electronic music record labels.

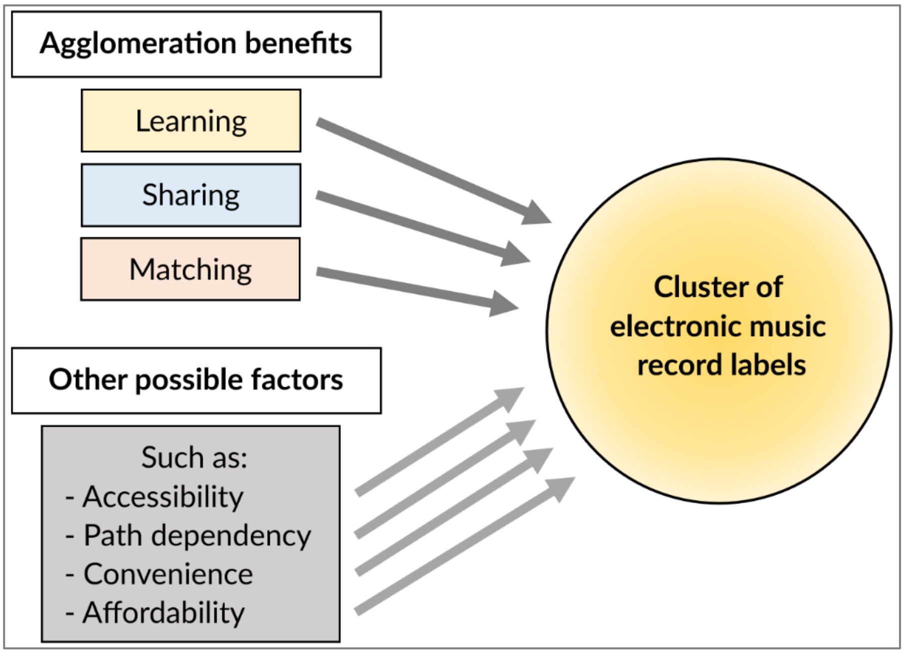

Figure 11: Schematic representation of the agglomeration benefits and other possible factors for cluster formation amongst electronic music record labels.

4.2. ‘True’ clusters vs networked communities

Florida & Jackson (2010) closely relate music scenes to clusters. This is deductible, inter alia, from the fact that they refer to the term *music scene* as to a geographic concentration of a specific musical genre. The two terms are almost used interchangeably. Florida et al. (2010) continues by stating that there are two main forces causing cluster formation in the music industry, *economies of scale* and *economies of scope* (as explained in the Literature review: Music scenes).
Economies of scale consist in sharing fixed investments, such as performance studios and recording studios. Within the electronic music industry, these fixed costs are supposedly low, as electronic music creators are not dependent on expensive shared equipment or performance studios, and therefore economies of scale could not be a substantial reason for clustering.
Economies of scope stem from the ability to take advantage of other related and co-located activities. Three expectations were derived by Florida et al. (2010) (see Literature review: Music scenes). I can now expand on these expectations in the context of electronic music.

There will be more artists in bigger cities (because of live performances and high fixed costs)
This is expected to not hold (entirely) true in the case of electronic music, as the fixed costs for DJs and producers in this industry are relatively low. Having venues for live performances can be beneficial, but the interviews will have to disclose if such venues are not dispersed, implying that there would be more electronic music record labels in bigger cities.

Gains are to be made from collaborating with related cultural productions
The interviews will also investigate whether the electronic music record labels collaborate (locally) with other cultural productions (i.e. creative industries).

The current location of a musical industry will be a function of its past location (and the past location of related cultural industries)
It seems reasonable to assume that this is not a major motive for clustering in the electronic music industry, since the industry is relatively new. This assumption will be discussed in the interviews.

Darchen (2016) believes that these elements are not a sufficient condition for identifying ‘true’ clusters. According to Darchen (2016), indeed, a *‘true’ cluster* must comply with certain attributes (listed under Literature review: Cluster formation). For electronic music record labels to act as ‘true’ clusters, based on these attributes, the labels have to interact locally. Furthermore, the labels must be aware of the clustering and participate actively in the cluster. Finally, a cluster needs to bring benefits to the labels part of it.

In the study done by Darchen (2016), the firms in a creative industry analogous to the electronic music industry (namely, the videogame industry) are proven not to meet these attributes (see Literature review: Cluster formation) and, therefore, to form a *networked community* rather than a ‘true’ cluster. The interviews will reveal whether electronic music record labels meet the criteria set by Darchen (2016) and, therefore, behave as ‘true’ clusters or whether they would be better classified as networked communities.

The chart in Figure 12 gives a visualisation of the possible outcomes for the spatial configuration of electronic music record labels. If the main forces for cluster formation are not present, clustering does not occur. If they are present in combination with the attributes for cluster formation, clustering takes place. Finally, if the attributes for cluster formation are not present but there are hints of the main forces for cluster formation, these could indicate that instead of clustering there is some form of networked communities of labels.

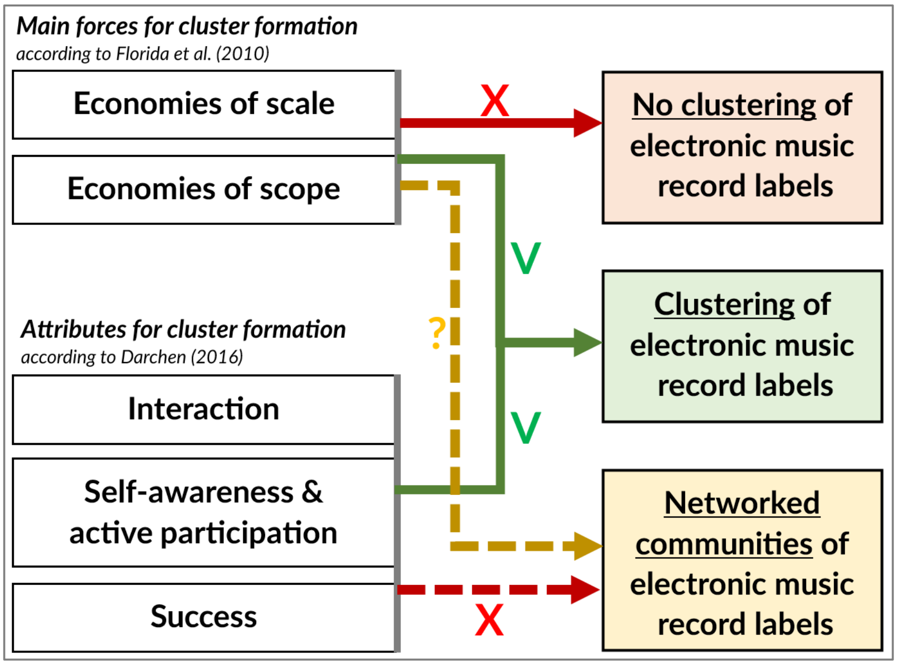

Figure 12: Visualisation showing the possible outcomes for the spatial configuration of electronic music record labels.

As for the configuration of electronic music record labels in the Netherlands, the following questions naturally arises from the above discussion:

Do the electronic music record labels in the Netherlands act as networked communities or 'true' clusters?

The answer to this question will emerge from the conducted interviews (see Discussion: Clusters or networks).

5. Method and Results

5.1. Method

To answer the questions raised, regarding clustering of electronic music record labels in the Netherlands, I interviewed seven people[2]. Six out of them were approached by contacting record labels from the list of 240 record labels gathered. One was contacted following the suggestion from a previous interview. All interviewees are affiliated with an electronic music record label (two of which from the same record label, with a different function). Table 1 shows what record labels are concerned, where they are located, what person was interviewed and what their role is within the record label. Table 2 gives a small description for each record label and its relevance in the context of this research.

Record label	Location	Soundcloud followers	Interviewee	Function
Theracords	Panningen	17,273	Pieter Heijnen	Owner, producer, DJ
Mord Records	Rotterdam	43,017	Bas Mooy	Owner, DJ
Future House Music	Rotterdam	279,592	Gino van Eijk	Co-founder
STMPD RCRDS	Amsterdam	51,300	Jip Duffhuis	Marketeer
Die Stube Records	Zoetermeer	497	Jeff Frugte (Hollt)	Owner, DJ
Scantraxx	De Meern	57,151	Jorik Helmink	General manager
Scantraxx	De Meern	57,151	Verena Reiter	Marketing manager

Table 1: Table showing what record labels are concerned, where they are located, what person was interviewed and what their role is within the record label.

Theracords
This label is located in a region, Panningen, with a low density of electronic music record labels. Since no other electronic music record label is present in the region, it is presumable that this label does not participate in a cluster. The label focuses on the hardstyle genre.
Mord Records
This label is located in Rotterdam, the region with the 2nd highest number of record labels. The label focuses on techno. This is one of the most popular genres in the region, as 14 out of the 19 labels mention techno as a genre they focus on (according to *labelsbase.com*), which could indicate the presence of a scene.
Future House Music
This label is also located in Rotterdam but focuses on future house. The house scene seems to be the biggest in Amsterdam by far (with 73 labels having a focus on house, according to *labelsbase.com*), yet this label has chosen to establish itself in Rotterdam. The label is relatively large, having 279,592 followers on Soundcloud and over 1 million subscribers on YouTube.
STMPD RCRDS
The label focuses on house music and is based in Amsterdam. The house music genre is by far the most prominent in Amsterdam, which would indicate a big scene. This label is thus located in the biggest cluster of record labels and focuses on the most popular genre.
Die Stube Records
The label is relatively small (497 Soundcloud followers) and is located in a region, Zoetermeer, which does not host many record labels. The region is, however, surrounded by regions that house a lot of record labels (Amsterdam, Rotterdam, The Hague).
Scantraxx
The label is situated on the periphery of Utrecht, in a region located very centrally in the Netherlands but which does not house a substantial number of electronic music record labels (6). The label focuses on hardstyle, a genre that is most popular in the Netherlands. Scantraxx is one of the largest labels in its genre.

Table 2: Table giving a small description for each record label and its relevance in the context of this research.

[2] All the interviewees have given their consent to have their names and function reported explicitly in the paper. The content of the interviews will not be divulged outside of the purpose of this thesis.

I conducted the interviews with the support of an interview guide (see Appendix: Interview guide). The interviews start off with an introduction containing general information about the record label and the interviewee. They then proceed with questions regarding the label's interaction with the environment (part I: interaction), its target audience (part II: audience), the artists linked to the label (part III: artists), and the location of the label (part IV: location). Finally, the interviews end with asking the interviewees' opinion on the paradoxical declaration that electronic music creation does not need clustering, as this kind of music can be made anywhere by using a computer, but there does seem to be clustering in terms of co-location of electronic music record labels (part V: the paradox). In the follow up section, I will then draw conclusions from the answers given in the interviews, and I shall answer the questions posed in the Framework (see Discussion). A report of the answers given in the interviews can be viewed in the Appendix (see Appendix: Interview transcripts).

5.2. Results

This section looks at the interviews part by part, outlining the answers given by the interviewees for each of the five parts. In each part, I first break down the answers given by the interviewees, to then provide a synopsis of the most relevant insights gained from the answers. The part-by-part dissection of the interviews serves as a prelude to the final analysis (see Discussion).

Part I: interaction

The first part of the interviews focuses on the label's interaction with the environment, with other labels, and with other industries.

Among the labels interviewed, the split seems to be about half-and-half as to whether the label participates in a regional scene. In two cases (Theracords in Panningen and Die Stube Records in Zoetermeer) the label mentions that there is no local scene. The labels from Amsterdam and Rotterdam (Mord Records, Future House Music, and STMPD RCRDS) state that there is an active music scene and that they (at least to some extent) participate in it. Scantraxx indicates that there is no connection to the local scene in Utrecht, and explains that the location is purely chosen for accessibility. It thus varies per label whether there is a scene in their direct environment and, in that case, whether the label participates in it. As for the labels participating in the local scene, only Mord Records interacts with bars, clubs or venues in the local scene by organising 'label evenings' at a club. Besides interacting with local venues this label also interacts with other labels within the regional scene. Bas Mooy, the owner of Mord Records, indicates that the connection with other labels in Rotterdam is good and they are cooperating, for instance, with another Rotterdam-based label. He even shares an office location with a friend who also owns a record label. Future House Music's scenario used to be similar in the past, as Gino van Eijk declares that they used to be connected to local venues when they were located in Tilburg. Today, they still share information with labels that are/were situated in the same location. Other record labels also work in collaboration with one or more labels, although not from the same region. Jeff Frugte from Die Stube Records mentions working together, as an artist, with labels from Berlin and Rotterdam, and Jorik Helmink from Scantraxx recognises that there is interaction with other labels, but that it is not geographically based. STMPD RCRDS is the only label to affirm that they do not work together with other labels.

Five out of six labels indicate that there is some sort of connection with other creative industries. Three labels (Theracords, Mord Records, and STMPD RCRDS) mention that they make use of graphic artists, such as videographers to film events, or artists that work on album art. At times, the music produced by the labels is used in TV programmes, films, videogames. In addition, Theracords has a 'sister' label dedicated to film music. Other labels also claimed a connection with another industry:

some tracks from Future House Music have been used in TV shows, and a track released by an artist related to Scantraxx was used in a videogame. The interviewees agree that the connection to these industries is not made regionally, but online or via casual encounters (abroad). These declarations indicate that there is no local interaction with other industries.

The connection with other scenes is also limited. Jeff Frugte states that there are different ‘bubbles’ in which people tend to live, differentiated per scene (genre). Bas Mooy confirms this by mentioning that the different genres are quite segregated, as they are rather niche. However, nowadays it is more common to mix different genres at live performances.

All in all, most interaction that happens locally (if it does happen) seems to involve individuals, record labels and venues that pertain to the same industry.

Part II: audience

The second part focuses on the label’s connection with the listeners. This can be seen as the ‘output’ part (as shown in the value chain in Figure 3).

Most labels declare that their audience is selected according to an age criterion, and that their target audience is the younger generation (approximately from people in their twenties to people in their forties). Moreover, Mord Records, Die Stube Records and Scantraxx affirm that the audience is male dominated. It is worth mentioning that most labels indicate that the specific audience differs per artist, i.e. there is no universal target audience.

The most important takeaway relevant to this research is that there does not seem to be a geographic component to the target audience. In fact, the labels target their audience mostly online, through specific platforms or social media. Mord Records uses Bandcamp to reach a specific target audience online. Social media, such as Instagram, are used to target a broader audience. In general, the labels do not target their audience regionally. As for regional advertising, Scantraxx mentions a poster campaign that was diffused throughout the Netherlands in the past, and banners at festivals.

Part III: artists

The third part focuses on the label’s connection with the creators. While the previous part concerned the ‘output’, this part covers the ‘input’ (as shown in the value chain in Figure 3).

In general, the artists linked to the record labels in this sample come from all over the world. Even Scantraxx, which focuses on a genre (hardstyle) that is most popular in the Netherlands, states that they affiliate many artists from abroad (in that case, however, the artists often move to the Netherlands). As for the other record labels, most artists (whether they live in the Netherlands or abroad) work in their own home studio. Artists and labels are thus not necessarily required to live in each other’s near proximity to interact with each other. STMPD RCRDS, Future House Music and Scantraxx note that they do have studios on location that artists could use but that, instead, most artists choose not to.

Part IV: location

Part four focuses on general questions related to the label’s location, with the purpose of highlighting the reasons for choosing a given location as a record label. I will later compare these reasons (see Discussion) with the possible factors for clustering described in the Framework section (see Framework: Agglomeration benefits and other factors).

Most record labels indicate that their location was chosen based on convenience (because the founder comes from that region), accessibility (for the employees, artists and visitors), or both. Pieter Heijnen (Theracords) mentions that most employees come from the region and that he himself is living close by. STMPD RCRDS has settled in Amsterdam for the same reasons. Also Bas Mooy (Mord Records) and Jeff Frugte (Die Stube Records) chose a certain location for their labels because they were already living in the region. Future House Music and Scantraxx selected the location of the label based on the easy accessibility.

Another possible reason as to why labels are tied to their geographic location is because their identity is partly based on the image of the city or region. Both labels from Rotterdam, Mord Records and Future House Music, mention that the city is part of the identity of the label. The same is true for the Amsterdam-based label, STMPD RCRDS. These two cities have the most well-known electronic music scene in the Netherlands. Vice versa, the labels not located in a (ostensible) scene state that they do not use the name of the region for promotional purposes or link it to the label's identity.

From a record label's point of view, the location is deemed to have been more important in the past. Almost all interviewed record labels report that location has become less important over time. The main reason is that (almost) every step in the production and distribution of electronic music can currently be made online. Jeff Frugte mentions that the only thing that cannot be done online is performing live. Pieter Heijnen adds that nowadays the audience of festivals consists of different nationalities, indicating that the exact location has become less important even with regards to live performances.

Location seems to hold a comparatively greater importance in the initial period after the constitution of a record label, as this phase is crucial to make connections and build a network (as stated by Jeff Frugte, Jip Duffhuis, and Gino van Eijk). Furthermore, Theracords has the impression that the label was not 'taken seriously' at times, because it was a small label from the province of Limburg (far away from, for example, Amsterdam).

One very important takeaway that emerges from the interviews is that, as of today, location remains relevant in terms of face-to-face meetings (as mentioned by Jip Duffhuis, Jeff Frugte, and Gino van Eijk). Furthermore, the image of the label in relation to the location remains relevant for some labels (as expressed by Bas Mooy).

Part V: the paradox

When questioned about the concluding paradoxical declaration, the interviewees expound on a variety of things. Their diverse answers provide valuable insights for the Discussion that will follow. The main keyword that emerges from the interviewees' responses is 'connection'.

Connections, in geographic terms, are important in the electronic music industry. For instance, Pieter Heijnen thinks that the reasoning for clustering in and around Amsterdam lies in the convenient connection, due to the proximity to an international airport. He also remarks that Defqon.1, the biggest hardstyle festival in the Netherlands, is the one located closest to Schiphol.

Furthermore, as Jip Duffhuis indicates, human connections have also a big impact within the industry, the more people you know the more opportunities arise. Building connections is best attained face-to-face, so settling in a region where many events related to the industry take place can be helpful. This means that there is a geographic element to (building) human connections. This geographic component, however, is not a necessity. Jeff Frugte believes that meeting people in person can be beneficial, enjoyable and easy to achieve (as travelling to nearby scenes nowadays is relatively convenient), and yet everything in the electronic music world can be done online (except for live performing).

Being connected with a certain region can be advantageous or disadvantageous. When asked about the benefits or drawbacks that stem from being a native to a certain region, Jeff Frugte and Gino van Eijk's observations appear to be in conflict. Frugte believes that coming from a region where there is no notable music scene could work as a 'mental barrier', whereas Van Eijk believes that coming from a less known region can be seen as a signature trait in the industry and help with your branding.

Jorik Helmink from Scantraxx concluded his interview by combining the 'physical' and 'non-physical' importance of connections. He notes that the office space is used as a creative gathering point for artists and producers connected to the label, and that having a location which supports the facilitation of different happenings strengthens the image they project as a label.

6. Discussion

In this section I will answer the questions mooted in the Context (see Context: Do record labels cluster?) and Framework sections, leaning on the findings from the interviews (described in Methods and Results: Results).

In particular, the first subsection addresses the questions:

Why does clustering of electronic music record labels in the Netherlands take this shape? What are the main reasons as to why the labels cluster in this specific way? And what makes location important for an electronic music record label?

Having introduced (see Context: Concepts) and expanded (see Framework: Agglomeration benefits and other factors) on the concept of agglomeration benefits, we can now reformulate these questions in a more specific and clarifying way:

What influences or causes clustering of electronic music record labels? Is it due to the agglomeration benefits: learning, sharing, and matching? Or are there other factors at play?

The first subsection consists of four parts that cover the three agglomeration benefits and the other possible factors for clustering (same structure as in the subsection Framework: Agglomeration benefits and other factors). As mentioned above, these questions will be answered by resorting to the outcome of the interviews. The interviews and, accordingly, the Results subsection (see Methods and Results: Results) consist of five parts. The five parts are interwoven in revealing what factors could possibly cause clustering. Therefore, the first subsection in the Discussion integrates the findings from all the five parts and rearranges them according to which one of the factors they pertain to (based on the division in four parts explained above).

The second subsection discusses the additional question posed in the Framework (see Framework: 'True' clusters vs networked communities):

Do the electronic music record labels in the Netherlands act as networked communities or 'true' clusters?

This last question will also be answered leaning on the results from the interviews.

6.1. Why do record labels cluster?

I will begin this subsection by discussing whether the agglomeration benefits could be a reason for clustering of electronic music record labels, analysing each benefit individually. Afterwards, I will examine which other factors (out of the ones described in the Framework: Agglomeration benefits and other factors) seem to play the biggest role for cluster formation and why. Finally, in the concluding remarks I will state the most striking findings from this part of the research and what I eventually determined to be the biggest factor(s) for clustering of electronic music record labels.

Tacit knowledge spill overs ('learning')

Overall, labels seem to work on their own, but there are occasions when an interaction between labels takes place. In particular cases, communication happens between electronic music record labels in near proximity, as emerges from the interviews with Mooy and Van Eijk. There are instances where labels work together on an album, or people from different labels have quick meetings during a coffee break. Despite labels mainly working separately, the electronic music industry is undoubtedly a learning-by-doing industry, as mentioned by Frugte, which means that exchange of experiences is important. In addition to direct interactions between labels, places like local bars, clubs and venues (when involved with a record label) could facilitate knowledge spill overs. On the contrary, the interaction with artists and other creative industries in most cases does not happen locally, implying that these interactions do not count as local tacit knowledge spill overs.

Ultimately, tacit knowledge spill overs play a role in the electronic music record label industry, but do not seem to be the main reason for clustering of record labels as the theory would suggest (see Framework: Agglomeration benefits and other factors), especially because local interactions between labels are scarce.

Non-traded local specialist inputs ('sharing')
The '*sharing*' components of agglomeration economies consists of *specialist services* and *specialist local infrastructures* (see the Framework: Agglomeration benefits and other factors). First, I analyse the use of *specialist services* by record labels, followed by the use of *specialist local infrastructures*.

It is possible for one person to create and bring out electronic music tracks on their own, by using their personal computer. However, as Duffhuis states, a network is needed to increase the chances of becoming successful in electronic audio production. Such a network of *specialist services* (for instance a producer, a promoter, or a distributor) does not have to be geographically bound per se. Nevertheless, the building of a network is easier when participating in a music scene, so the location has an influence on networking.
The interaction between the actors involved in the different phases of the electronic music value chain (see Figure 3) is also relevant. The study focuses on the second phase of the value chain, in which different *specialist services* are required. The artists send their music to the label, which (generally) takes care of the final production, publication and distribution. For instance, Mooy mentions that his label is situated close to the label's distributor, facilitating the cooperation between the two. The location of a label can improve the interaction with a number of different actors in the electronic music industry. Duffhuis for example says that being located in Amsterdam has its perks in terms of easier communication, due to the vicinity to other actors within the electronic music industry, such as Spotify, Apple Music or Universal Music. Judging from these assertions, it would seem that having *specialist services* in the near proximity could impact the choice of a certain location by an electronic music record label.
As for the other phases in the value chain (the creation and consumption phases, see Figure 3), all the interviewees agree that the phase of music creation is carried out all over the world. The artists, in general, do not seem to need any *specialist services* during this process. Furthermore, once the music is released, it becomes available to listeners worldwide. The listening experience is geographically bound only when the music is enjoyed at festivals, but it is still quite dispersed, since the festivals take place all around the Netherlands. The assumption made in the Framework (see Figure 10 and the relevant description) seems to be confirmed. *Specialist services* seemingly play the biggest role in the phase in which record labels are involved.

The interviews do not support the eventuality that electronic music record labels make shared use of *local specialist infrastructures*. The labels do, however, occasionally facilitate the confection of a *specialist infrastructure*, such as a recording studio shared among artists (STMPD RCRDS, Future House Music and Scantraxx), although most artists prefer working in their own home studio. As regards listening locations, the *specialist infrastructures* include bars and festival locations. All in all, the *specialist local infrastructures*, as opposed to the *specialist services* do not seem to be of great importance for the record labels. The actors involved in the other phases in the value chain (see Figure 3) are likely more dependent on it.

Local skilled labour pool ('matching')
As mentioned before (see Framework: Agglomeration benefits and other factors), '*matching*' is at

play when a local skilled labour pool is present, from which the electronic music record labels pick their employees and from which they attract their artists. As I have anticipated earlier and as the interviews confirm the latter is not the case, since the signed artists come from all over the world (or at least all over the Netherlands).
Apropos the employees, record label offices are based in locations that are central (this is true for Theracords, STMPD RCRDS, Future House Music, Scantraxx) and, therefore, easily accessible for the employees. In this case, attracting new workers from the region in which the label is situated should also be easier, which suggests that the labels might make use of a local skilled labour pool. STMPD RCRDS, Future House Music and Scantraxx state that they prefer to have a minimum amount of on-location office hours, so employees must at least live within commuting distance. The commuting distance is included among the 'Other factors' discussed below.

In short, the local skilled labour pool does not play a role for electronic music record labels when attracting new artists, although there are signs that a local skilled labour pool is availed when attracting new employees (office workers).

Other factors
This research identifies four other factors that could potentially explain the phenomenon of clustering of electronic music record labels in the Netherlands (see Framework: Agglomeration benefits and other factors): *accessibility*, *convenience*, *path dependency*, *affordability*.

Perhaps the most relevant factor, out of the ones mentioned above, behind the choice of a specific location by an electronic music record label is *accessibility*. It is important that the employees can easily commute to the office (as mentioned by Theracords, Future House Music). Moreover, it is important that artists can easily reach the label's location. To accommodate the international artists, it is therefore advantageous to be situated close to an international airport (Schiphol, near Amsterdam, being the biggest in the Netherlands), as mentioned by Heijnen and Duffhuis.
Another big factor determining the location of some record labels is the fact that label owners were already living in the region, so having an office space in the same region is the most *convenient* option. This was the case for Theracords, STMPD RCRDS, Mord Records and Die Stube Records (as mentioned in Method and Results: Results).
Finally, Bas Mooy recalled a link to the past scenes of Rotterdam, indicating that *path dependency* (i.e. settling in a certain place on the basis of past events) could also be an influential factor.
The remaining possible factor that was taken under consideration in the Framework, *affordability*, was not mentioned in any of the interviews.

To conclude this subsection, the agglomeration benefits do not play as big of a role as previously anticipated (see Framework: Agglomeration benefits and other factors). Tacit knowledge spill overs do not seem to be very relevant for record labels (as compared to other actors in the electronic music industry). As for the non-traded local specialist inputs, being in near proximity of specialist services is important for certain labels, whereas specialist local infrastructures play little to no role. Finally, the local skilled labour pool is only accessed when attracting office workers, not the artists. The other factors, instead, do seem to have a big influence on the location of electronic music record labels. The two most important other factors (at least, amongst the ones considered in the Framework) when deciding on a location for a label are accessibility and convenience. Accessibility especially is so relevant that the labels would overlook the benefits that could arise from being part of a cluster if they identified an accessible location. Furthermore, once a label has been established, moving from the location of origin to a cluster just to become part of it does not seem to be a necessity. Staying in the place of origin is seen as a more convenient choice.

6.2. Clusters or networks?

Now that I have determined what influences the locating (and possibly the clustering) of electronic music record labels. In this subsection I will address the last question posed in the Framework (see Framework: 'True' clusters vs networked communities) and decide whether the electronic music record labels in the Netherlands act as 'true' clusters or rather as networked communities.

The fact that the three agglomeration benefits do not play as big of a role as expected (as ascertained above) already gives an indication that 'true' clustering might not take place in the case of electronic music record labels.

To settle this matter (following the procedure explained in the Framework: 'True' clusters vs networked communities), I first examine if the main forces of agglomeration according to Florida et al. (2010), the *economies of scale* and the *economies of scope* (see Literature review: Music scenes), are complied with.

Economies of scale refer to shared fixed investments, which is not the case in the electronic music industry, as explained before. The labels work autonomously for the most part. Some labels have recording studios on location which are mainly meant to be used by artists tied to the label, , meaning that the label facilitates a shared fixed investment for the artists to use.

As for the *economies of scope*, it is debatable whether the number of electronic music record labels based in a city is proportional to the size of the city. The three biggest cities of the Netherlands, Amsterdam, Rotterdam, and The Hague, host the most labels. However, the difference between the number of labels in these three cities is significant (Amsterdam housing 73 labels, Rotterdam 19, and The Hague 10), considering that Amsterdam is not more than twice as big as Rotterdam and The Hague in terms of population. The cities that follow as for number of hosted labels are substantial but not the biggest, consecutively, in terms of population. Furthermore, the interviews confirmed that in the Netherlands a dispersed 'festival' culture prevails over a centred 'club' culture, making the home base (in terms of proximity to local clubs) less important. According to the interviews, the electronic music industry cooperates with other creative industries, although these are in most cases not located in the same region. In other words, the labels are not geographically tied to other creative industries. The last element to consider, in regard to the *economies of scope*, is path dependency. The interviews did not indicate a strong path dependency: the electronic music record labels do not seem to cluster as a function of their past location (or that of related cultural industries). In short, according to the data gathered in this research, the *economies of scope* are only partially met.

All in all, the main forces of agglomeration according to Florida et al. (2010), only seem to be partly satisfied.

Secondly (following the procedure explained in the Framework: 'True' clusters vs networked communities), in order to answer the question as to whether the record labels behave as 'true' clusters or networks, I shall determine if the attributes of 'true' clusters posited by Darchen (2016) (see Framework: 'True' clusters vs networked communities) are complied with. The three attributes, as with the main forces of agglomeration according to Florida et al. (2010), only seem to be partly satisfied. Regarding the first attribute, there are signs that the electronic music record labels interact locally, for instance with other labels in the regional scene. Regarding the second attribute, the interviewees were aware of there being (or not being) an electronic scene in the region. However, some of them indicated that their labels did not actively participate in the local scene. Regarding the third attribute, the information gathered from the interviews was not sufficient to clarify whether the labels were successful, in one way or another, as a consequence of them being part of a cluster. Further research would be required in order to find a definitive answer to this question.

Ultimately, both the main sources of agglomeration (Florida et al., 2010) and the attributes for 'true' clusters (Darchen, 2016) were only partially met. This makes it difficult to draw a firm conclusion as to whether the labels in the Netherlands act as 'true' clusters, or rather as networked communities.
The conclusions that I can draw on the basis of the other findings from this study are as follows. First of all, the fact that the labels communicate nationally and globally hints towards networked communities. In fact, Darchen (2016) states that firms being part of a networked community can still communicate and function well even if they operate on the periphery of a cluster. A perfect example among the interviewed labels would be Future House Music, located in Rotterdam but reporting that they interact mostly with places such as Amsterdam and Hilversum.
Another element indicating that electronic music record labels do not act as 'true' clusters is that, when choosing a location, the labels look predominantly at being accessible and not as much at being part of a cluster. Overall, judging from the aforementioned considerations, one could conclude that the labels indeed act more as networked communities rather than as 'true' clusters.

7. Conclusion

This thesis aimed at conceptualising and analysing cluster formation of electronic music record labels in the Netherlands. The first, essential stage in the research consisted in verifying whether there are any signs of clustering in the geographic location of electronic music record labels in the Netherlands. This procedure was based on visualisations, which encompassed a quantitative nature. The results of this preliminary step were displayed in the form of maps and histograms. From the observed distribution of the electronic music record labels, it was possible to infer the existence of dense spatial concentrations in specific regions of the Netherlands, Amsterdam being the most prominent. Moreover, the music produced and distributed by labels residing in specific regions seemed to be more popular than the rest, as emerged from the map and histogram displaying the number of Soundcloud followers per region. Again, the region of Amsterdam stood out. Besides this evident cluster in the region of Amsterdam, other regions (such as Rotterdam and Hilversum) also showed signs of cluster formation, even though to a lesser extent.

Once clustering was proven to occur, the next step in the study consisted in finding out the motive(s) as to why the labels are co-locating in certain regions. A qualitative approach was taken, by means of interviews with professional figures tied to electronic music record labels.

The most striking finding revealed by these interviews is that clustering of the record labels can only partially be explained as the result of the so-called agglomeration benefits. Tacit knowledge spill overs seem to be relevant to the electronic music industry. Furthermore, use is made of specialist services (however, these need not always be situated in the region). Finally, record labels prefer to locate close to their employees (and vice versa), which may indicate the presence and use of a local skill labour pool. Other factors, besides the agglomeration benefits, seem to play a much bigger role in the locating of electronic music record labels. Most (interviewed) record labels claimed to consider the accessibility of the label as the greatest priority. Oftentimes the owners of the labels were already living in the region, which indicates that moving to a location within a cluster is not crucial in this industry.

A recurring topic in the interviews was the great importance of connections. The business of the electronic music industry, record labels included, seemingly revolves around connections, which are not necessarily of geographic nature.

Besides researching the reasons as to *why* electronic music record labels cluster, I also examined *the way* the labels cluster. Namely, I investigated whether electronic music record labels act as 'true' clusters, or rather as networked communities. In this respect, I came to the conclusion that electronic music record labels in the Netherlands tend to act more like networked communities, rather than 'true' clusters.

The results of my analysis were relatively surprising and not entirely in line with the expectations that were laid out on the basis of findings from the literature, since it was expected that the agglomeration benefits would play a relatively large role and that electronic music record labels would act more as 'true' clusters.

Based on the abovementioned findings, I came to the following conclusion. When the map indicates the presence of a cluster of electronic music record labels in a certain region, my conclusion is that the labels chose to locate in the same region not because they aimed at interacting and working together, but because locating in that region provides conditions that are favourable to them (e.g. the proximity to an international airport, the near presence of music distributors, the identity of the city, etc).

This unexpected result, in contrast with the predictions derived from the literature, shows that unique and relatively new industries, such as the electronic music industry, might not follow the classic approach when forming clusters. Other factors and theories, yet to be explored, could be at play in the phenomenon of cluster formation. Future research on this topic could further fill in the knowledge gaps left by my study.
Besides digging deeper into the reasons for clustering in unique industries, future studies could analyse the different phases in the value chain with a focus on the electronic music artists or listeners, to determine if, where, and why they cluster.
The research on clustering of electronic music record labels could also be continued by looking at the location of record labels on a larger scale and therefore taking a greater number labels into account; by differentiating (and/or classifying) record labels specialised in different genres/subgenres; or by further interrogating record labels to assess and compare their specific situations.

All in all, my research contributed to open the portal to the topic of clustering within the electronic music industry, by investigating electronic music record labels in the Netherlands.

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Appendix

A. Data collection method

The data was extracted from labelsbase.net. Labelsbase.net provides a list of electronic music record labels that are based in the Netherlands, specifying what genre each label focuses on. Each label was then checked to determine whether it is still active, by looking at their post/upload history on different platforms (Soundcloud, Spotify, YouTube, Facebook).
Several record labels are part of a bigger record label company or an umbrella organisation, in which case the organisation was listed in the data.

The address for each label was searched. The primary source used for finding the firm's location was the register of the Kamer van Koophandel (KVK) (KVK.nl). If the location was not found via the KVK website, the website or the Facebook page of the record label was consulted. If these still did not provide the location where the label is settled, the location reported on *labelsbase.net* was assumed to be correct. This option was chosen as the latter option, as it was proven not to be accurate in many cases. For example, in many occurrences *labelsbase.net* indicated that a label was from Amsterdam while it was not. See Figure A for a visualisation of the source preferences for the label's location.

Figure A: Visualisation of the source preference when determining the label's location.

Using the locations derived as explained above, the number of record labels and the number of Soundcloud followers were analysed per region and per province. The regions are defined by incorporating small towns surrounding a large city into the region of that city, and the regions are divided under the different provinces (see Figure B).

Noord-Holland
Amsterdam (including: Aalsmeer, Amstelhoek, Amstelveen, Diemen, Bloemendaal, Hoofddorp)
Alkmaar (including: Heiloo)
Hilversum
Laren
Huizen
Haarlem (including: Heemstede)
Purmerend
Zuid-Holland
Rotterdam (including: Capelle aan den IJssel, Hendrik-Ido-Ambacht, Maassluis, Ridderkerk, Spijkenisse, Vlaardingen)
Zoetermeer
Waddinxveen
Den Haag (inlcuding: Noordwijk, Rijswijk)
Delft
Zuid-Beijerland
Gorinchem
Noord-Brabant
Eindhoven (including: Waalre)
Breda (including: Oosterhout)
Tilburg (including: Udenhout)
Den Bosch
Beugen
Waalwijk
Hulsel
Gelderland
Arnhem
Nijmegen
Apeldoorn (including: Beekbergen)
Zutphen
Putten
Ulft
Utrecht
Utrecht (including: de Meern, Harmelen, Zeist)
Amersfoort (including: Nijkerk)
Veenendaal
Limburg
Heerlen
Sittard
Lemiers
Panningen
Zeeland
Goes
Nieuwerkerk
Flevoland
Almere
Friesland
Friesland?
Leeuwarden
Harlingen
Overijssel
Enschede (including: Hengelo, Oldenzaal)
Groningen
Groningen

Figure B: Table showing the regions, including the subregions, and the provinces.

B. Soundcloud followers and record labels per province

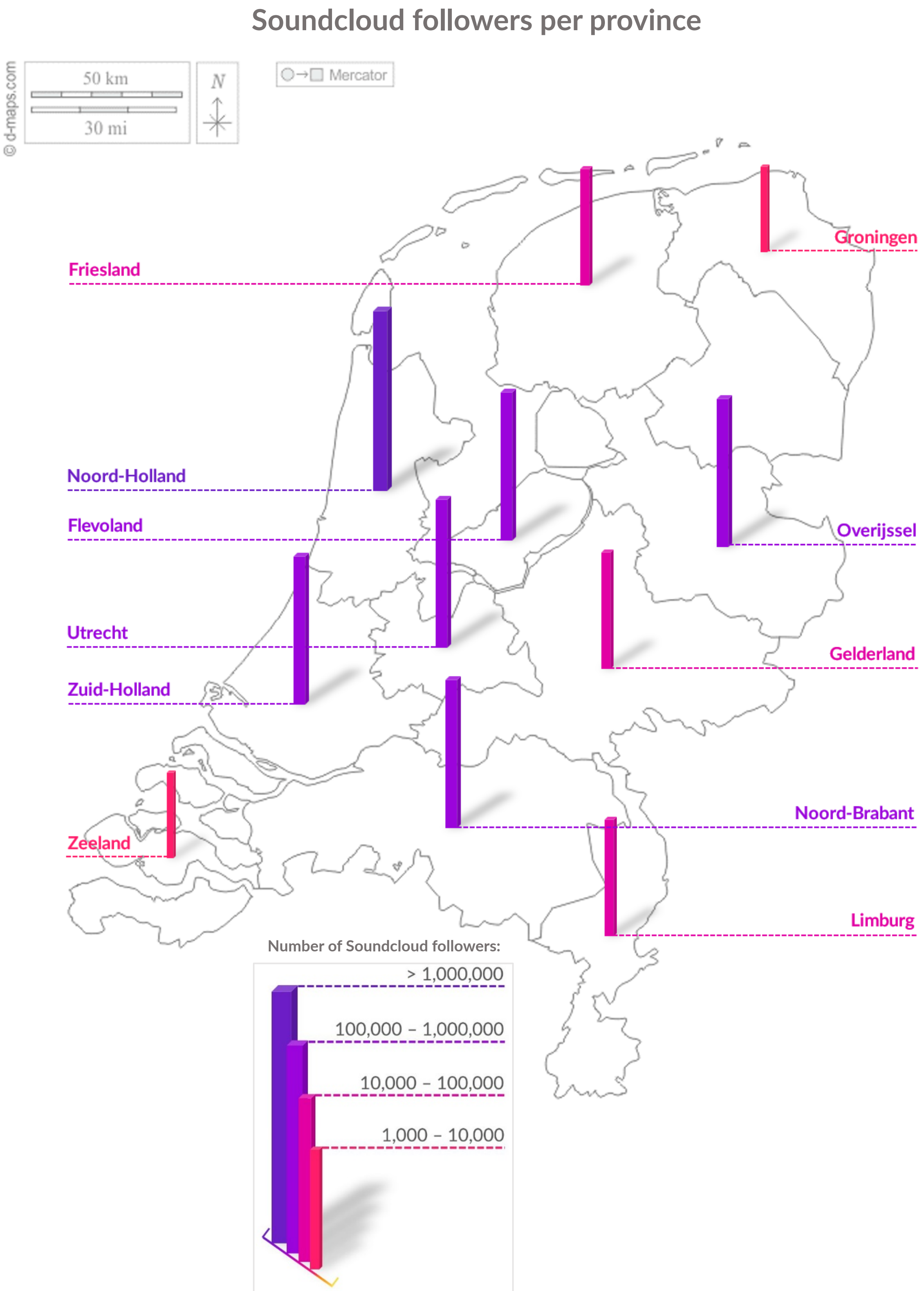

Figure C: Map showing the number of Soundcloud followers per province.

Record labels (without sublabels) per province

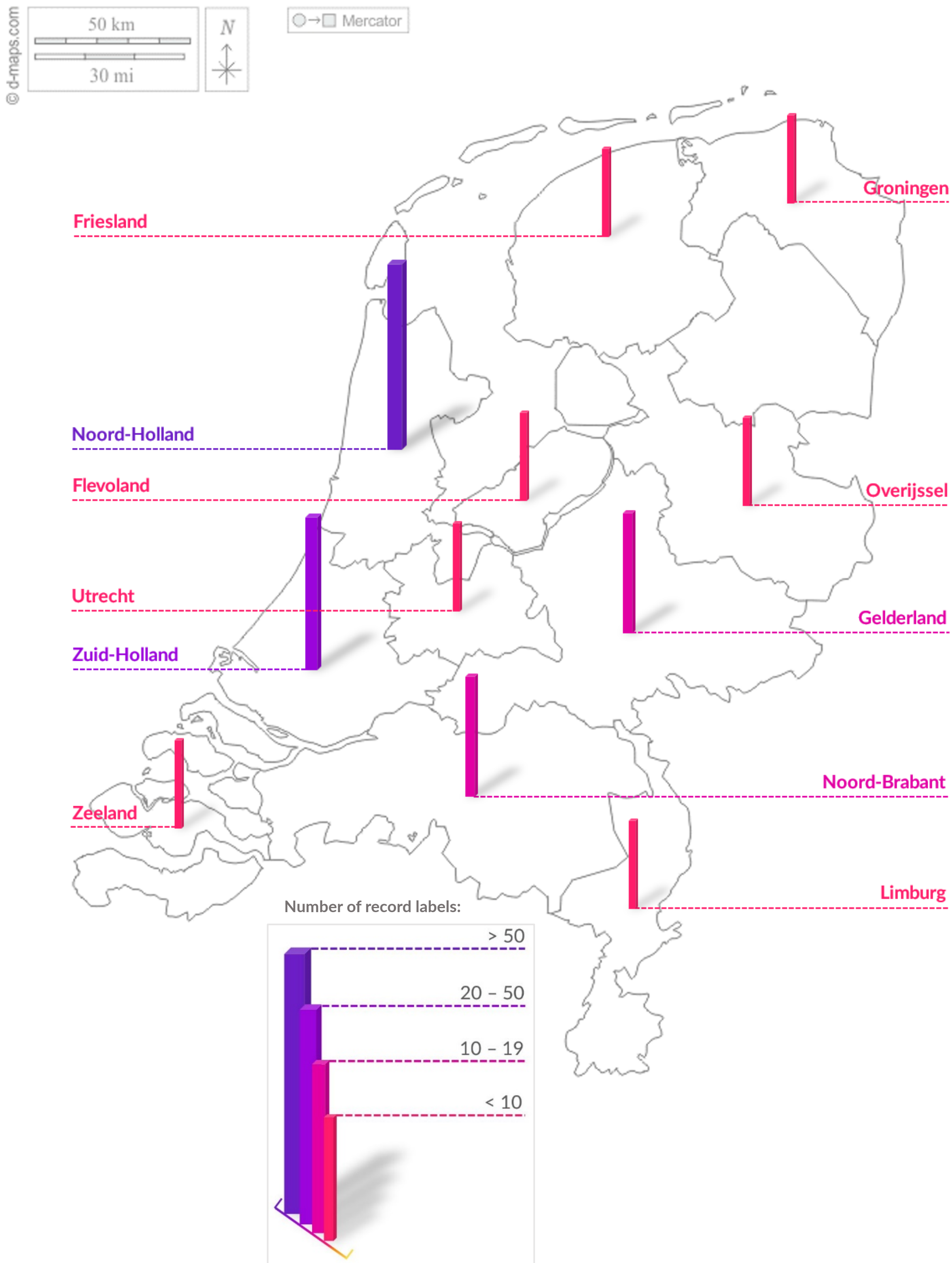

Figure D: Map showing the number of electronic music record labels per region (without taking sublabels into account).

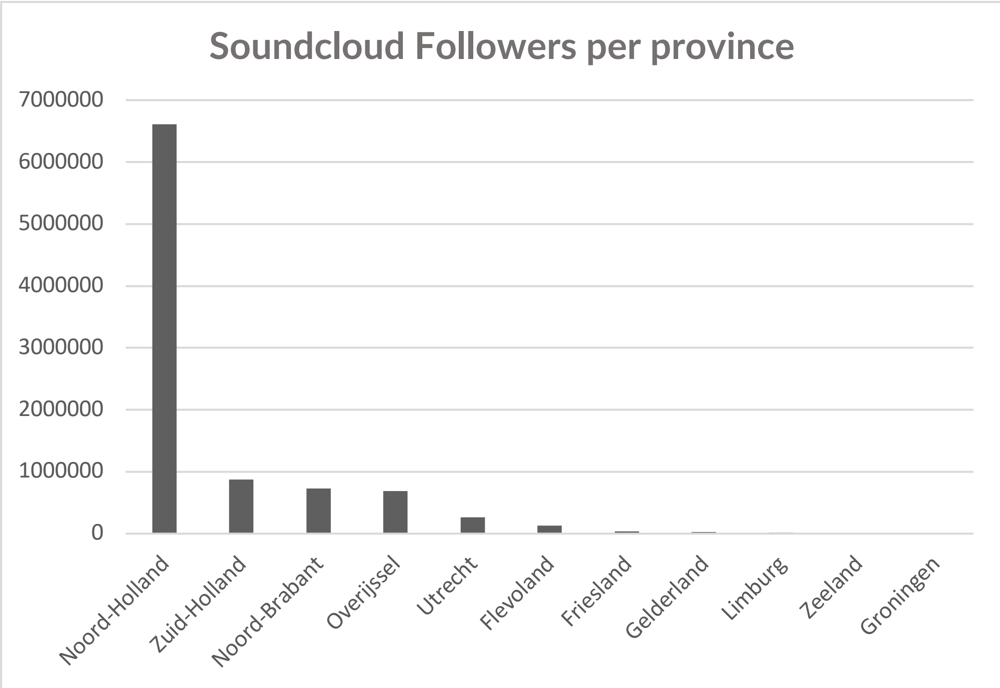

Figure E: Histogram showing the number of Soundcloud followers per province.

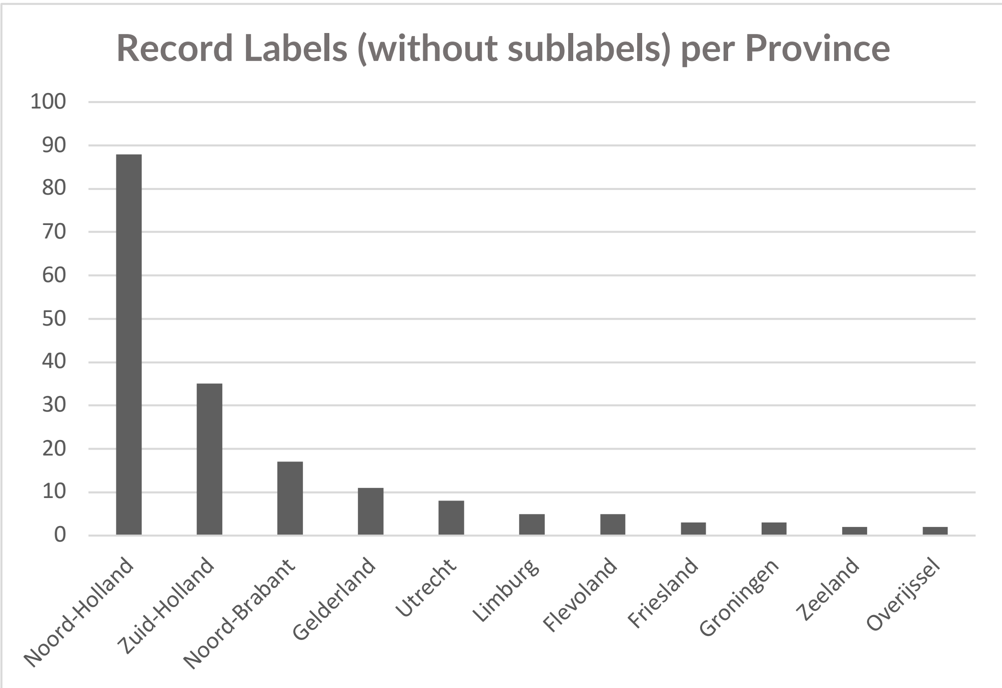

Figure F: Histogram showing the number of electronic music record labels per region (without taking sublabels into account).

C. Interview guide

1. **Introduction and tell what the research is about.**
   Clustering of electronic music with the focus on the location of record labels.
2. **Ask if it is okay to record the interview.**
3. **Ask about the background of the interviewee.**
   - Where the record label is based.
   - How long the interviewee has been working for the record label. Function.
   - Which genre of electronic music the record label focuses on.
4. **Interaction questions:**
   - Is there a music scene in the region and do you try to actively participate in this scene? If so, how?
   - Is there any interaction/cooperation with clubs, bars, venues in the region?
   - Is there any interaction/cooperation with other record labels (in the region)?
   - Is there any interaction/cooperation with other creative clusters/industries (film, game, art)?
   - Is there a connection with other music scenes / with the music scenes of the past?
5. **Audience questions:**
   - What is the target audience for the signed artists?
   - How do you reach this target audience (online, in clubs, on festivals, etc.)?
6. **Artists questions:**
   - Where do the signed artist come from (from the region, international)?
   - Do the signed artists work on location, at home or somewhere else (when making music)?
7. **Location questions:**
   - What are the main reasons the record label chose to locate in this region/city?
   - What requirements does a region need to meet to settle there as a record label?
   - Is the location where the record label is based important for the image of the record label?
   - Has geographic location become more or less important in the last years?
   - Has the importance of the location grown/diminished as the record label grew?
8. **Mention the main paradox.**
   Electronic music creation does not need clustering, but there seems to be clustering anyways. Ask their thoughts on this.
9. **End of the interview.**
   - Ask if I can use name / function in final report.
   - Ask if the interviewee has any questions.
   - Ask if interviewee wants final report.
   - Ask if I can contact interviewee in case I have further questions.
   - Ask if interviewee has any recommendations.

D. Interview transcripts

Theracords, Pieter Heijnen (DJ, producer, owner) **Location: Panningen**

1. **<u>Ask about the background of the interviewee.</u>**
   - Where the record label is based.
   The studio is located in Panningen, besides there is an office location in Eindhoven.
   - How long the interviewee has been working for the record label. Function.
   I am running since 2008 the label Theracords. Which expanded to being a booking and management agency. Furthermore we manage labels from different artists. We run 6 labels, we do management for approximately 11 artists and we manage booking for approximately 15 artists. Besides, we manage the music releases for many more artists.
   - Which genre of electronic music the record label focuses on.
   This differs per label. Two labels focus completely on Hardstyle, Theracords and Theracords Labs. Greasy Records, is humoristic and cannot directly be linked to a genre, but if I had to choose it would be Hardcore. Grid records focuses on techno, and is relatively new. We even have a label for film music. Lastly, Theracords Classics which focuses on old hardstyle. Another label is in the making. Most labels focus on the hard dance music.
2. **<u>Interaction questions:</u>**
   - Is there a music scene in the region and do you try to actively participate in this scene? If so, how?
   There is not really a scene in this region, Noord-Limburg. There used to be two big discotheques in the 90s and 00s, so there was something of a scene. But that's not something we are involved in.
   The advantage of the digital market is that, due to distributers, we can release worldwide. By this music can reach very far, it is therefore not focused regionally or locally.
   - Is there any interaction/cooperation with clubs, bars, venues in the region?
   This used to be the case, nowadays not anymore. The landscape [of the electronic music industry] changed as it is now mostly focused on festivals, which became more and more. I used to play in a club for a couple of years.
   The government came up with more and more strict rules, which does not benefit nightlife. The landscape has been ruined this way. Even indoor locations name it an indoor festival [instead of a club or disco].
   Because of this festival culture, the focus lies on April to September. Things have become more seasonal.
   Abroad, in Germany, Great Britain, Austria, there is more of a club culture.
   - Is there any interaction/cooperation with other record labels (in the region)?
   -
   - Is there any interaction/cooperation with other creative clusters/industries (film, game, art)?
   We have been working together with graphic designers for years. When releasing music also the artwork and videoclips have to be good.
   As for film music, we work together with a publisher. To see if anyone is interested in using the music [for film].
   We find these people online. Mostly being connected to the United States, so worldwide.
   - Is there a connection with other music scenes / with the music scenes of the past?
   -
3. **<u>Audience questions:</u>**
   - What is the target audience for the signed artists?
   This is very artist-based, every artist has their own following. We match this per artist. An example would be merchandise.
   - How do you reach this target audience (online, in clubs, on festivals, etc.)?
   Mainly online, but also on festivals. Which are recorded, and these recordings end up on social media, this way it ends up being online. This reaches worldwide.

Events play a big role, we film certain festivals to use as promotion. This genre is best listened live, the experience is completely different. Everyone gathers to experience the music together, which is unique.

4. **Artists questions:**

   - Where do the signed artists come from (from the region, international)?
   Worldwide. Artists from all over the world can drop their track on the website. It does not matter where the artist comes from, as long as the music is good.

   - Do the signed artists work on location, at home or somewhere else (when making music)?
   Artist have their own studio [at home]. A track in the end will be controlled and fine tuned, which is called mastering, this happens in the studio [in Panningen]. The communication with the artists is done online via Telegram.
   Artists whose management we provide, we try to meet with them face-to-face once or twice a year. This happens in the office in Eindhoven, which is more centrally located [than Panningen].

5. **Location questions:**

   - What are the main reasons the record label chose to locate in this region/city?
   A lot of festivals take place in Brabant, and about half of the employees is from Brabant. Besides, it is not too far from where I live. A combination of things. This makes the location [in Eindhoven] ideal.

   - What requirements does a region need to meet to settle there as a record label?
   -

   - Is the location where the record label is based important for the image of the record label?
   No. I have the impression no-one would care.

   - Has geographic location become more or less important in the last years?
   Yes. On the festivals nowadays there are people from different nationalities, so people travel for it. Which means location has become less important.

   - Has the importance of the location grown/diminished as the record label grew?
   The music industry mainly takes place in Amsterdam. Music industry not coming from Amsterdam is generally taken less serious. So, in the beginning we were not taken seriously, because we were a small label from Limburg. Nowadays it does not matter anymore at all.

6. **The main paradox.**

   Electronic music creation does not need clustering, but there seems to be clustering anyways. Ask their thoughts on this.
   I think the reason there is clustering in Amsterdam is because it is close to the airport [Schiphol]. Defqon, the most internationally orientated festival within Hardstyle is also the one closest to Schiphol, which is remarkable.

Mord Records, Bas Mooy **Location: Rotterdam**

1. **Ask about the background of the interviewee.**
   - Where the record label is based.
   Rotterdam.
   - How long the interviewee has been working for the record label. Function.
   I worked at different components within the electronic music industry. I worked at a record store, distributor, organised events and had a booking office. I owned 5 or 6 record labels in total, 2 of which are still active. In the meantime I have been DJ'ing which I have been doing for 16 years professionally.
   - Which genre of electronic music the record label focuses on.
   I own two record labels, Mord and Kazerne. Kazerne is still in development, it has its own identity and sound. The labels focus on techno, and the labels are closely connected to the city. The city influences the identity of the labels.
2. **Interaction questions:**
   - Is there a music scene in the region and do you try to actively participate in this scene? If so, how?
   Yes, but in a different way than in the past. I used to organise events. Nowadays I have showcase evenings, promoting the label. This takes place in Rotterdam but also worldwide (Colombia, New York, Paris, Berlin). I mostly play internationally.
   In Rotterdam there has always been a scene, which is different from the scene in Amsterdam. This is due to there being more restrictions within the nightlife in Rotterdam when compared to Amsterdam. Several pioneers emerged from the scene in Rotterdam, an example would be the start of the Gabber movement which had a worldwide impact. Within the techno scene Rotterdam has several big artists and labels, which have a big impact.
   The label serves as a perfect platform to introduce new artists into the scene.
   - Is there any interaction/cooperation with clubs, bars, venues in the region?
   I used to play in different clubs in Rotterdam. At some point I got offered to exclusively play at one club, getting booked 6 times a year.
   - Is there any interaction/cooperation with other record labels (in the region)?
   Yes. The connection with other labels in Rotterdam has always been good. I share a studio with a friend who also owns a record label. I worked together with another label from Rotterdam for the release of an album. I worked together with the institute 'Beeld & Geluid', to release a Rotterdam compilation using samples with sounds from Rotterdam (such as tram and harbour sounds), in cooperation with local artists from Rotterdam.
   - Is there any interaction/cooperation with other creative clusters/industries (film, game, art)?
   As a record label you need artwork, which means there is contact with photographer and graphic artists (i.e. graffiti artists). I work together with the Photo Museum for the Rotterdam compilation. One of our tracks has been used for a film. Furthermore a dance group has used a techno track recently.
   I connect with artists from different creative industries per chance, by talking to them when working abroad or reaching out to them on Instagram.
   - Is there a connection with other music scenes / with the music scenes of the past?
   That's a bit tricky. There were times we play techno and Drum N' Bass at one venue, but generally the genres are pretty much segregated. An example would be that techno and drum N' bass DJs would not recognize each other. The genres are (still) relatively niche.
   Nowadays different genres are played within a techno set, this was unthinkable and not done 15 years ago. There is more overlap of genres nowadays.
3. **Audience questions:**
   - What is the target audience for the signed artists?
   As for age it is relatively large. I think in between 20 and 55 years old. Generally more men than women.
   The target audience will be slightly older as the label serves a fairly niche market. The younger audience starts by listening to more general, widespread music. Everything [within the music industry] is fairly cyclical, so it is possible that in a couple of years the niche sound become popular (again).

As for the events the target audience is relatively young, however the audience that buys and collects the music [vinyl] is relatively older.

- How do you reach this target audience (online, in clubs, on festivals, etc.)?

About 12 years ago an online platform was released named Bandcamp. This platform accommodates the releasing and selling of digital music. This kept my label alive. Vinyl, physical, sales were declining. Via Bandcamp the label can create and reach a following. The reach of social media platforms such as Instagram is relatively small in comparison.

I work with around 100 to 200 people, their marketing is also good for the label.

Besides I pressed t-shirts with the logo of the label, which they wear when going to festivals. This is indirectly also advertising.

4. **<u>Artists questions:</u>**

- Where do the signed artists come from (from the region, international)?

They come from all over the world. Japan, Colombia, United States, France, Germany, England.

I tried promoting locally, artists from Rotterdam. I have a role as a label to promote local artists. On the other hand it is also interesting to work with artists from unconventional regions.

My guest would be that there are 50 different nationalities among the artists.

- Do the signed artists work on location, at home or somewhere else (when making music)?

-

5. **<u>Location questions:</u>**

- What are the main reasons the record label chose to locate in this region/city?

It's the roots. Rotterdam is the place where people in the region went to study. My friends live here.

I love the mentality of Rotterdam. Techno is part of Rotterdam. There was a different vibe in Rotterdam when compared to Amsterdam [when DJ'ing]. Parties were underground, at time illegal, this suits the music.

- What requirements does a region need to meet to settle there as a record label?

-

- Is the location where the record label is based important for the image of the record label?

Yes, for sure. When starting the label people assumed the name of the label 'MORD' meant 'Mooy Rotterdam'. The city is usually stated on flyers or on promotion nights. The artwork is also industrial [characteristic of Rotterdam].

- Has geographic location become more or less important in the last years?

One can run a label from anywhere, there is no link needed to a city. I find it important to be based in Rotterdam and represent the city. Based on the nationalities connected to the label, it is evident how easy it is to communicate worldwide. In my studio I would be able to connect with a computer in Japan and simultaneously work on a track, there are people who work like that. So, as for making music location is not important anymore, but as for the image itself it is important.

- Has the importance of the location grown/diminished as the record label grew?

Yes, perhaps. It is very convenient to be close [geographically] to my distributor. Everyone who works there has something creative which mixes well with each other.

It is nice to walk by and have coffee with someone instead of calling the person from the other side of the world.

It is still of importance, because the identity [of the city] remains part of the label.

6. **<u>The main paradox.</u>**

Electronic music creation does not need clustering, but there seems to be clustering anyways. Ask their thoughts on this.

The scene corresponds to the nightlife in the city, an example would be Berlin. This in turn attracts people [involved in the music industry] to the city.

It has become much easier to release music. In the past you would need to contact a label, hoping someone would make the investment of releasing your music.

This is good on the one hand as more people have the opportunity to release their music, on the other hand it could have an impact on the overall quality.

All in all, I think there would be a connection to the number of labels and the nightlife in a city. This would generally be big cities.

I have worked in various locations. In one building there were multiple people located who worked in the music industry. In another location, different creative industries worked in the same location. The goal being that you would make connections at the coffee table. Now I am located in an industrial site just outside the city, where 5 other producers from different genres are located. We are in contact with each other, but we do not really work together.

STMPD RCRDS, Jip Duffhuis (marketing team) **Location: Amsterdam**

1. <u>**Ask about the background of the interviewee.**</u>
   - Where the record label is based.
   Amsterdam.
   - How long the interviewee has been working for the record label. Function.
   At the moment I am part of the marketing team at STMPD and Garrix, so I am a marketeer. I have been doing this for about 3 to 4 years at labels and artists. And past year I started at STMPD and Garrix. As for expertise, I have a branding and design background, but I focus more on strategies and marketing.
   - Which genre of electronic music the record label focuses on.
   It started as a dance, electronic label. However, our philosophy is that if the music is good we will release it. For example, we also release a piano album, hip-hop and pop. The majority is house, but there is definitely musical freedom for the artists to make what they want to make.
2. <u>**Interaction questions:**</u>
   - Is there a music scene in the region and do you try to actively participate in this scene? If so, how?
   We have some yearly events in Amsterdam, an example being ADE (Amsterdam Dance Event). Music is released online and worldwide, besides we have festival stages all around the world. We have our production studios and office in Amsterdam. That's where we meet the artists. We have meetings with Spotify and Apple Music, they are also located in Amsterdam. Many artists and managers are also located in the region of Amsterdam. Amsterdam is the hub of the Netherlands in terms of the music industry.
   - Is there any interaction/cooperation with clubs, bars, venues in the region?
   -
   - Is there any interaction/cooperation with other record labels (in the region)?
   It is not the case that we meet up with other record labels (that are located in Amsterdam).
   - Is there any interaction/cooperation with other creative clusters/industries (film, game, art)?
   Yes, for sure. There are some videographers we work with, one coming from Oslo the other one from Amsterdam. We also work with photographers, advertisers, social agencies. We try to include the most suitable people from each industry and involve them in our projects. We have also worked with artists for [album] covers. The search for this if often done via networks.
   - Is there a connection with other music scenes / with the music scenes of the past?
   -
3. <u>**Audience questions:**</u>
   - What is the target audience for the signed artists?
   Especially people between 16 and 40 listen to dance music. Per artist we have different target audience. There is a general fan base for STMPD RCRDS, but in the end we look per release and per artist to a different target audience. In terms of targeting and audience, every campaign is different.
   - How do you reach this target audience (online, in clubs, on festivals, etc.)?
   Most happens online. Furthermore, if an artist is big in the UK we are going to look at [performing] locations in the UK. This makes the most sense. Also, at certain festivals we get the opportunity to host a stage. When this happens we start to look for the right artists to play [at that festival].
4. <u>**Artists questions:**</u>
   - Where do the signed artists come from (from the region, international)?
   -
   - Do the signed artists work on location, at home or somewhere else (when making music)?
   Every artist has its own [home] studio. A lot of artists also work on tour, with a laptop and some headphones on which they produce. In Amsterdam we have 7 or 8 recording studios, we always offer the opportunity to book a studio, to our own artists but also to other firms. Most artists do not use this service, but we do use the studios as a hub to set up management like meetings when artists have booked a studio.
5. <u>**Location questions:**</u>
   - What are the main reasons the record label chose to locate in this region/city?

The settling was before my time working here, but I think because Martin Garrix is from Amstelveen, so moving to Amsterdam as a dance label would make the most sense. Amsterdam has a lot going on in terms of the music industry, everything is located here. If you want to welcome artists, managers ,or people from Sony, or Universal then Amsterdam is the best place to be.

- What requirements does a region need to meet to settle there as a record label?

-

- Is the location where the record label is based important for the image of the record label?

We often mention things like 'founded in Amsterdam' or 'made in Amsterdam', which is part of the identity. We don't bring it up very much, people generally know we are located in Amsterdam. This is how we profiled this.

- Has geographic location become more or less important in the last years?

The conditions, in terms of location, have been pretty much unchanged from the beginning.

The Netherlands used to be the only hotspot for the dance industry, because of the good connection and a few big labels. Nowadays the EDM scene has decreased, which lead to more locations being relevant [outside of the Netherlands].

- Has the importance of the location grown/diminished as the record label grew?

We meet a lot face-to-face with artists, because that is our preferred way. A lot of labels only work online, which would be possible for us as well. However, we prefer to bond with artists and managers which makes the location very important. It is central in the Netherlands and a lot of people we work with live in Amsterdam. Face-to-face there are fewer misunderstandings, and it gives us the opportunity to create a long-term plan with an artist.

6. **<u>The main paradox.</u>**

Electronic music creation does not need clustering, but there seems to be clustering anyways. Ask their thoughts on this.

The beauty of the evolution that the music industry has undergone is that one can make and upload music from anywhere. Especially nowadays with platforms such as TikTok and Instagram, which make it possible to go viral at any moment.

One can release music without a label, but in reality the chances of gaining popularity on your own are very slim. The more people you know within the industry, the more opportunities arise. The way of meeting people is often face-to-face. Artists must settle in a spot where lots of things happen revolving around the music industry and the genre suitable for the artist. From there you can set up events and meet up with the relevant people.

Networking is very important in the music industry, but you also need to be able to deliver.

Die Stube Records, Jeffrey 'Jeff' Frugte a.k.a. Hollt **Location: Zoetermeer**

1. **Ask about the background of the interviewee.**
   - Where the record label is based.
   Close to Zoetermeer, in the vicinity of The Hague
   - How long the interviewee has been working for the record label. Function.
   My name is Jeff, my producer name is Hollt, I have my own label Die Stube Records, and my own publishing. I have been making music 8,9 or 10 years. 6 years ago I set up a label with two other people. As of now my label releases my music, but in the future other artists might start releasing on the label.
   - Which genre of electronic music the record label focuses on.
   Melodic techno. The label is aimed at music I would want to play.
2. **Interaction questions:**
   - Is there a music scene in the region and do you try to actively participate in this scene? If so, how?
   Not per se. In Scheveningen, The Hague they are trying to create a scene. I'm basically located in between everything. It is true that the scene happens mostly in Amsterdam, however I like being able to withdraw myself in my own area.
   I see the scene as something that is international, and not only Dutch. Most of my bookings where abroad. This makes the travel time I have in the Netherlands short [when put in perspective].
   - Is there any interaction/cooperation with clubs, bars, venues in the region?
   No.
   - Is there any interaction/cooperation with other record labels (in the region)?
   Yes, absolutely. I started by releasing my songs on other labels. You cannot immediately start releasing on the biggest record labels.
   A label is not only the music, it is also promotion, etc. It [the electronic music industry] is a people's business. I have [as a DJ], amongst other labels, worked with a label from Berlin and a label from Rotterdam. When releasing songs on my own label, I can do whatever you want.
   - Is there any interaction/cooperation with other creative clusters/industries (film, game, art)?
   In the scene, yes. For me personally, not really.
   - Is there a connection with other music scenes / with the music scenes of the past?
   You generally create your own bubble in your own scene. There was a plan to have a hall where different studios can be built, with a common area. This is a dream, as this would create a kind of chemistry with like-minded people, to give feedback to each other and share things.
   You learn making music by just doing it, and most you learn from each other.
3. **Audience questions:**
   - What is the target audience for the signed artists?
   When creating the music I do not have a specific target audience in mind, music has to be universal. According to Spotify statistics my target audience would be mostly between 28 and 35 years old. More men listen to my music than women, but this is shifting. Labels focus more on the statistics than creators, as they should be able to produce freely in my opinion.
   - How do you reach this target audience (online, in clubs, on festivals, etc.)?
   When an EP is released, as for promotion, we look at the previous statistics on Spotify. We advertise mainly in Europe, in countries were the music is popular. Furthermore, as for promotion, I try to be active on social media. I try to spread it within my own network, sending it to fellow artists.
   In the end of the day the spreading of music is full of surprises. For example, generally my music is well received in Arabic countries.
   In the end, you end up responding to demand, that's what you base the promotion on. I generally tend to perform more in cities where my music is listened to most.
4. **Artists questions:**
   - Where do the signed artists come from (from the region, international)?
   -
   - Do the signed artists work on location, at home or somewhere else (when making music)?

I work mainly in my own studio which is built in a garage box. I try to work at home or on the road at times, but this is not my preferred way.

5. **Location questions:**

- What are the main reasons the record label chose to locate in this region/city?

The location is on an industry terrain where storage spaces are located. At the time these spaces were rented as work places. It is close to my parents. They were inconvenienced by my music production. I needed a booth to be able to work on my music fully concentrated.

Again, I hope to share a location in the future. Doing something together with other artists would work in a motivating way.

- What requirements does a region need to meet to settle there as a record label?

I am located in the region where I was born. Living in Amsterdam, as an artist, is very expensive. Within half an hour I am able to be in Amsterdam.

A connection with other artists would be much appreciated, that is why I organize studio session with other artists from time to time. Artists need each other.

I have contact with people all over the world. The Netherlands is geographically very convenient in terms of (flight) connections. Besides, the Netherlands is the centre when it comes to electronic music. The advantage we have in the Netherlands is that places to perform are very close, which makes it time efficient. This is due to the Netherlands being small, with a very good infrastructure, there are parties and festivals everywhere in the Netherlands.

I would personally not want to live outside of the Randstad, because this would mean I would have to travel for 2 hours or more to a performance location in Amsterdam. Location could be important for building and maintaining a network, but for the music itself the location does not matter at all.

- Is the location where the record label is based important for the image of the record label?

One might be impacted by the scene more when living in the Randstad, but as an artists this should not really matter. As long as you make what you want to make.

Music cannot be controlled geographically, besides music is cyclical and trends from the past re-emerge. However, one could get inspired by their surroundings.

- Has geographic location become more or less important in the last years?

Less important, because nowadays everything happens online. Location does not matter, in terms of music creation. In terms of performing it does not matter, as long as you are willing to travel for it. As for connections, location is important.

- Has the importance of the location grown/diminished as the record label grew?

As long as you are prepared to network, and to travel for this networking, location is not crucial. Abroad I often just mention I am from Amsterdam, as this is the easiest to explain.

6. **The main paradox.**

Electronic music creation does not need clustering, but there seems to be clustering anyways. Ask their thoughts on this.

Coming from a location that is not famous for electronic music could be a barrier mentally, as an artist. The scene is international, which is very important to realise as an artist. Everything can be done using the internet (such as working together), except for performing live.

From within my studio I can do everything, except for performing live. Travelling is so easy nowadays, I would not limit myself geographically.

I like sitting with people [from the scene], then it's nice to live near something you can easily go to.

Future House Music, Gino van Eijk (co-founder) **Location: Rotterdam**

1. **Ask about the background of the interviewee.**
   - Where the record label is based.
   We are based in Rotterdam.
   - How long the interviewee has been working for the record label. Function.
   I am the co-founder of Future House Music. We exist for 9 years, we started as a promotional platform especially in the future house. We have turned into a label and organise events. We have done festival stage is 9 different countries, in places in Europe but also in America and Japan. In 2019 we started with a tech house sublabel. In total we are a team of 9 people.
   - Which genre of electronic music the record label focuses on.
   The main label, future house. The sublabel tech house.
2. **Interaction questions:**
   - Is there a music scene in the region and do you try to actively participate in this scene? If so, how?
   We began, my partner and I, future house music in Tilburg, during our studies. After 4 to 5 years we moved to Rotterdam. The most important reason being that it is located in the Randstad, where most things happen. In a city like Tilburg (in Noord-Brabant) you get to know everyone in the scene relatively fast. When we had to go to Amsterdam or Hilversum, where most things for us happen, Tilburg was too far at some point.
   Most employees are from the regions Amsterdam, The Hague, Utrecht, for them it is more convenient to move to Rotterdam instead of Tilburg.
   Amsterdam is the most well-known for internationals.
   Rotterdam has more to offer, when compared to Tilburg, when having guests over.
   - Is there any interaction/cooperation with clubs, bars, venues in the region?
   In Tilburg this was the case. We had a connection with clubs located in Tilburg, because the city is smaller which makes it easier to get into contact, and the sound of those clubs was a good match. Back then we focused to Dutch events. Nowadays this is less, as we focus more abroad.
   The scene in Rotterdam, urban, does not entirely match the music of our label. We had events last March in Miami and Tokyo. This to say we now focus on different markets, making the local connection not as important.
   - Is there any interaction/cooperation with other record labels (in the region)?
   The interaction with labels is quite dispersed geographically. It is easier to facilitate in Rotterdam, than Tilburg.
   We used to share an office in Rotterdam with a company organising techno events. There was another label on our current site, which makes Lo-fi. Even though they are completely different genres, it is easy to communicate with them. For example in the Covid period is was easy to exchange information. Sharing information is easier when sharing an office space or when you see them regularly.
   - Is there any interaction/cooperation with other creative clusters/industries (film, game, art)?
   Yes, TV shows such as Ex On The Beach and Temptation Island used our tracks. As for the gaming industry, we had interaction in the past.
   Film and TV is an important outlet, as it reaches a large audience
   - Is there a connection with other music scenes / with the music scenes of the past?
   The Dutch scene is so compact that it is easy to encounter people from different scenes [from different genres].
3. **Audience questions:**
   - What is the target audience for the signed artists?
   We make music for people that are in their late teens, early twenties. As for the tech house scene, the age is higher. People aged 30, 40 come to the events.
   - How do you reach this target audience (online, in clubs, on festivals, etc.)?
   Surpassing 1 million subscribers on YouTube was a big milestone, as this is an important platform for us. We advertise a lot on Instagram and Facebook.
   We try to have local artists play on the events and festivals, who are better known in the local scene.

4. **<u>Artists questions:</u>**

- Where do the signed artists come from (from the region, international)?
The artist are very international. We have some Dutch artists. We have artists from Brazil, Asia, Russia, Europe. Overall it does not matter were the artist comes from. It helps that the music has a general reach all over the world.

- Do the signed artists work on location, at home or somewhere else (when making music)?
We have a studio in our office. We invite international artists to come by our office when they are in the Netherlands.

5. **<u>Location questions:</u>**

- What are the main reasons the record label chose to locate in this region/city?
-

- What requirements does a region need to meet to settle there as a record label?
Our business is completely digital, so limitations of a region are not present as for growing the label. In Rotterdam there are more opportunities in terms of live performances, when compared to Tilburg. The most important factor remains the accessibility.

- Is the location where the record label is based important for the image of the record label?
We mention it, as it is part of the identity. Back in the day it was more important to show where you were from. Using the location is not used as a sales pitch, more to show the identity.

- Has geographic location become more or less important in the last years?
We are a close team, so we find it important the people from the team are from the region Rotterdam, Randstad. We build a team based on being able to see each other [in person]. On the flipside, especially during the Covid period, we have experienced that it is not necessary to see each other in person. Personally it was a choice to meet on location.

- Has the importance of the location grown/diminished as the record label grew?
When you see each other regularly, also during leisure time, it is much easier to build a connection with each other.
If you have yet to build your network, it is important to be in a place where you can make lots of connections. I think most business arises in informal situations.
The music industry is not as formal, so the personal connection is important. Location plays a role in this.
As for making connections it is important to do this in person, maintaining contact can also be done digitally.

6. **<u>The main paradox.</u>**

Electronic music creation does not need clustering, but there seems to be clustering anyways. Ask their thoughts on this.
Coming from a region such as Amsterdam is not that special anymore [as an artist]. It could help in terms of personal branding to come from a region that is not known to have an electronic music scene. It could make you unique as an artist.

Scantraxx, Jorik Helmink (general manager) **Location: De Meern, Utrecht**

1. **<u>Ask about the background of the interviewee.</u>**
   - Where the record label is based.
   De Meern, municipality of Utrecht, centrally in the Netherlands. This is pleasant for the people working at the label, which come from all over the Netherlands.
   - How long the interviewee has been working for the record label. Function.
   I have been working for the hardstyle label Scantraxx for about 4 and a half years now. The label itself exist 21 years.
   I do the general management, managing the team, making sure the artists are satisfied, knowing what is going on with the artists, developing the label, attracting new artists. Ultimately responsible for the label.
   - Which genre of electronic music the record label focuses on.
   Hardstyle.
2. **<u>Interaction questions:</u>**
   - Is there a music scene in the region and do you try to actively participate in this scene? If so, how?
   No. It is an easy base of operations.
   - Is there any interaction/cooperation with clubs, bars, venues in the region?
   No. We have nothing to do with that at all.
   - Is there any interaction/cooperation with other record labels (in the region)?
   The are some partnerships. The location did not play a role in this, it was more the reputation we had as a label.
   - Is there any interaction/cooperation with other creative clusters/industries (film, game, art)?
   Games offer a platform within our music industry. An artist launched a track in a videogame. However, the possibilities are not very big, as hardstyle remains a relatively niche market, which is not aimed at the large commercial audience.
   I think that a lot of people who play videogames play hardstyle while gaming. We have created a gaming playlist.
   - Is there a connection with other music scenes / with the music scenes of the past?
   We manage the administration or advisors side for other labels, thanks to our expertise and knowhow. Until this point these labels have been from the Netherlands, dispersed around the country.
3. **<u>Audience questions:</u>**
   - What is the target audience for the signed artists?
   We target the early adapters audience, from 14/16 years old to 30/35 years old.
   - How do you reach this target audience (online, in clubs, on festivals, etc.)?
   We advertise online, via social media. Furthermore, for an artist we have done a poster campaign all over the Netherlands. We aim to be visible.
4. **<u>Artists questions:</u>**
   - Where do the signed artists come from (from the region, international)?
   Hardstyle is most popular in the Netherlands, so most artists are from the Netherlands. Some artists live close to the office location, which is convenient for dropping by. Our label is quite diverse so we also have artists from Italy, Denmark, Germany. Most [hardstyle] events are in the Netherlands, so most of the time international artists choose to move to the Netherlands.
   - Do the signed artists work on location, at home or somewhere else (when making music)?
   In general artists have a studio at home. We have at our office 5 acoustic studios. 2/3 artists work in these studios.
5. **<u>Location questions:</u>**
   - What are the main reasons the record label chose to locate in this region/city?
   The owner of the record label was based in Amsterdam, but it was more convenient to find an office space somewhere outside of the centre of Amsterdam.
   - What requirements does a region need to meet to settle there as a record label?
   -
   - Is the location where the record label is based important for the image of the record label?

It helps that it is a Dutch hardstyle label. In the end it does not really matter, one does not look where the label is from within our scene. Abroad people know that Scantraxx is from the Netherlands, but not that it is based in Utrecht.

We do not communicate our exact location to avoid nuisance from fans visiting the studios.

- Has geographic location become more or less important in the last years?

It has not, in a way, become more important. It is not important if the label is located in Amsterdam or Utrecht [as long as it is accessible].

- Has the importance of the location grown/diminished as the record label grew?

I do not think it was a determining factor in the growth of the label. As long as the office is accessible.

6. **<u>The main paradox.</u>**

   Electronic music creation does not need clustering, but there seems to be clustering anyways. Ask their thoughts on this.

   We use our office space as a creative gathering point, for producers and artists connected to the label. To have a location that has the ability to facilitate all kinds of things strengthens the image we project as a label.

Scantraxx, Verena Reiter (marketing manager) **Location: De Meern, Utrecht**

1. **<u>Ask about the background of the interviewee.</u>**
   - How long the interviewee has been working for the record label. Function.
   My daily tasks include, coming up with release plans, doing advertising, being in constant communication with the artists, helping releasing video clips. I work together with the social media manager. I make the overall marketing strategy which he then executes.
   I have been the marketing manager for over a year.
   - Is the location where the record label is based of any importance?
   In hardstyle it is of advantage that you are [as a record label] from the Netherlands, as most events are here. So for the record label it is important to be close to the artists, this makes it easier for meeting, networking and events. It helps to be close to be where the scene is which in our case is mainly the Netherlands.
   Lots of things are possible to do online, but nothing beats human [in person] interaction.
   - Is the location where the record label is based important for the image of the record label?
   To some extent, yes. It may give you more credibility.
   - Does the record label target specific region when promoting?
   We usually focus on the countries where hardstyle is the most popular. In our case this is the Netherlands, Germany, Belgium, France, Austria, Spain a bit, Italy a bit, the Nordic countries , Denmark, Norway, a bit. In Australia and the United States it is a bit more local, we focus on the region of Sydney in Australia and in the United States we focus on California and a bit on the East coast, New York.
   The popularity per country differs per artist.
   We get data from Spotify and the distributor.
   - Are there different marketing approaches to the different regions?
   In the Netherlands we did poster campaigns. This works best in the Netherlands as the biggest audience is here.
   On festivals we have fence banners promoting, for example, a new release or playlist.
   As for online marketing, it is mostly the same across countries. Online you can target the audience more specifically. Online marketing is cheaper and the effect is easier to measure.
   - Is there a specific target group?
   We focus on people between 18 and 35/40. This also depends on the artist. The audience is mostly male.
   - How do you reach this target group?
   An example would be TikTok. We make sure we reach the younger audience on TikTok. As for Instagram, our complete target group is on there. On YouTube we target an audience that watched a video of us in the past 90 days, so that they are already familiar with Scantraxx. On other social media we focus on new people.
   We shoot content Defqon, the biggest hardstyle festival, to use the footage to promote online.