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Artificial Intelligence in the Music Streaming Value Chain: Exploring Artists' and Users' Perceptions on Content Creation and Algorithmic Consumption

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Artificial Intelligence in the Music Streaming Value Chain: Exploring Artists' and Users' Perceptions on Content Creation and Algorithmic Consumption

Abstract

Artificial Intelligence (AI) plays a pivotal role throughout every stage of the music industry value chain. In fact, AI has been integral to the value proposition of music streaming platforms since their inception. This research article investigates how AI—and in particular, Generative AI (GenAI)—affects the creation and consumption stages, the two most socially significant components of the music streaming value chain. It explores users' perceptions of the impact of AI/GenAI on their music-listening experience and examines how artists and performers view the role and influence of AI on their position and opportunities within the streaming model. Drawing on the findings from two separate focus groups with users and artists / performers from different geographies and professional development, this study complements industry debates—often dominated by technology companies and record and publishing firms—by providing valuable insights into the perceptions at both ends of the music industry value chain regarding the impact of these technologies on music creation, dissemination, and consumption. As key findings, while users exhibited a nuanced response to AI-generated music, both existing literature and insights from artists and performers suggest that AI may further amplify the endemic dysfunctions of music streaming platforms, arising governance issues and ethical concerns, particularly regarding to transparency. In addition, both groups highlighted a significant paradox: while AI has the potential to democratise music creation by lowering barriers to entry, it also poses a threat to the existing ecosystem of music professionals, which have relevant implications in terms of the role of culture in societies, policy and practice.

Keywords:

Artificial Intelligence; Generative Artificial Intelligence; digital music value chain; music performers; streaming platforms, consumption of music

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1. INTRODUCTION

“The unlicensed use of creative works for training generative AI is a major and unjust threat to the livelihoods of the people behind those works and must not be permitted.” This statement formed the core of a protest letter launched in October 2024 against the unauthorised use of musical works to train Generative Artificial Intelligence (GenAI) models (*Statement on AI training*, 2024). At the time of writing, the letter has already been endorsed by a significant number of music industry organisations and has garnered more than 36,000 individual signatories, including many music creators, artists, and musicians, such as Robert Smith (The Cure) and Björn Ulvaeus (ABBA). The signatories also include writers, actors, conductors, and other creative professionals, such as actress Julianne Moore and novelist Sir Kazuo Ishiguro. Far from being an isolated case, the Artists Rights Alliance also issued an open letter to AI companies, developers, and digital music service providers (DMSPs), calling on them to “stop devaluing music”. This protest letter was supported by hundreds of artists and musicians, including prominent figures such as Stevie Wonder, Billie Eilish, and Jon Bon Jovi (Aswad, 2024)..

These protests arise within a broader context. Artificial Intelligence (AI) is significantly and holistically impacting the music industry, playing a crucial role across all stages of the value chain—from content creation to various phases of production, distribution, and final commercialisation (Arenal et al., 2024; Darvish & Bick, 2024). Indeed, the relationship between AI and the music industry is closely linked to the distribution of music through streaming platforms.

Increasingly central to content creation and monetisation, AI has been integral to the value proposition of music streaming platforms since their inception, underpinning their personalisation and content management capabilities (Bender et al., 2021; CMA, 2022; Morris, 2020). In practice, AI in music streaming represents a shift from the core value of creative work towards a technology-driven model that reinforces an industry framework whose implementation has been repeatedly questioned (Butler, 2021; CMA, 2022; DCMS, 2021).

In fact, the emergence of GenAI appears to introduce both challenges and opportunities, particularly in the areas of content creation, consumption, and intellectual property rights. These issues range from the debate over mass access to content for the training of Large Language Models (LLMs) to questions concerning the intellectual property rights of AI-generated derivative works (Chesterman, 2024). They also include the automation, with increased efficiency, of various phases of creative work, as well as the enhancement of personalised content and adaptive recommendation systems (Ayemowa et al., 2024)

Additionally, new challenges arise, previously unheard of, such as the increasing prevalence of AI-generated music, which competes with artists' and musicians' works and performances on streaming platforms, potentially reshaping perceptions of creative effort (Stokel-Walker, 2024). As a result, AI is not only transforming how content is displayed and distributed but also how it is created and produced,

disrupting the previously existing, even if unstable, balance of power among key players in the music streaming value chain.

Currently, most public debates and analyses of AI's impact and future sustainability are primarily conducted from the perspective of digital platforms and technology companies, as well as that of rights holders (such as publishers and record labels). However, there is a noticeable lack of in-depth examination of its consequences from the viewpoints of the two extreme ends of the value chain: artists and performers (creative supply) and users (demand side). Moreover, there is little evidence regarding the similarities and differences between these groups.

These are particularly relevant issues, given that music is widely recognised as an essential artistic expression of human beings. It plays a crucial role in human cognition, it is deeply intertwined with culture in every society, and serves as a fundamental form of expression across all social groups (Alhassan & Ridwan, 2023; Cross, 2001; D. Rose et al., 2017).

Therefore, there is an opportunity to explore more deeply the perspectives and challenges faced by these two key components of the music industry value chain. This exploration can provide a stronger foundation for assessing future policy and industry interventions beyond the industrial players debate. Within this context, the aim of this article is to shed light on the perceptions of creators and users in the ongoing redefinition of the music streaming distribution model, driven by the disruptive impact of AI, particularly GenAI.

This research adopts a qualitative approach, integrating both primary and secondary data sources. The fieldwork for primary data collection is based on two separate focus groups, each representing a key component of the music streaming value chain: artists and musicians (supply side) and users (demand side).

As a result, the authors of this paper expect to provide valuable insights into the perceptions of both ends of the value chain regarding the impact and significance of AI on music creation, dissemination, and consumption. In particular, it explores how GenAI reshapes the creative process, influences creators' relationships with distribution platforms, affects the discovery and recognition of musical works by users, and transforms the music listening experience itself.

Following this introduction, the paper is structured into five sections. The second section provides background on the intersection between GenAI and the disruption of music consumption. This is followed by a methodology section, which precedes the discussion of results and the study's conclusions.

2. Background: Generative Artificial Intelligence and the Disruption of Music Consumption

The relationship between the music industry and AI dates back to the beginning of the streaming era. In fact, the value proposition of music streaming platforms is built on AI-driven capabilities for personalisation and content management (Arenal et al., 2022). Indeed, AI-generated recommendations contribute to at least 30% of music consumption on Spotify, the leading music streaming platform already in the year 2023 (Ng, 2024).

Similar to other industries, the rise of GenAI introduces new challenges, in the case of the music industry particularly in the areas of content creation, consumption, and intellectual property rights. These challenges include debates over creativity and authorship, the training of LLMs, competition between human-created and AI-generated works, and the need to define relationships among these elements, including their implications for cultural sustainability.

All of these interactions and impacts can be analysed from a value chain perspective (Castro-Martínez; et al., 2013) to provide a framework for discussion meaningful for the different stakeholders' perspectives and avoid isolated, and biased, debates. Building on previous research, the music streaming value chain can be defined as the interconnected stages in the journey of a musical or artistic work, encompassing its creation and performance, followed by production and post-production, distribution to audiences, and eventual consumption (Arenal et al., 2024; Darvish & Bick, 2024), as illustrated in Figure 1.

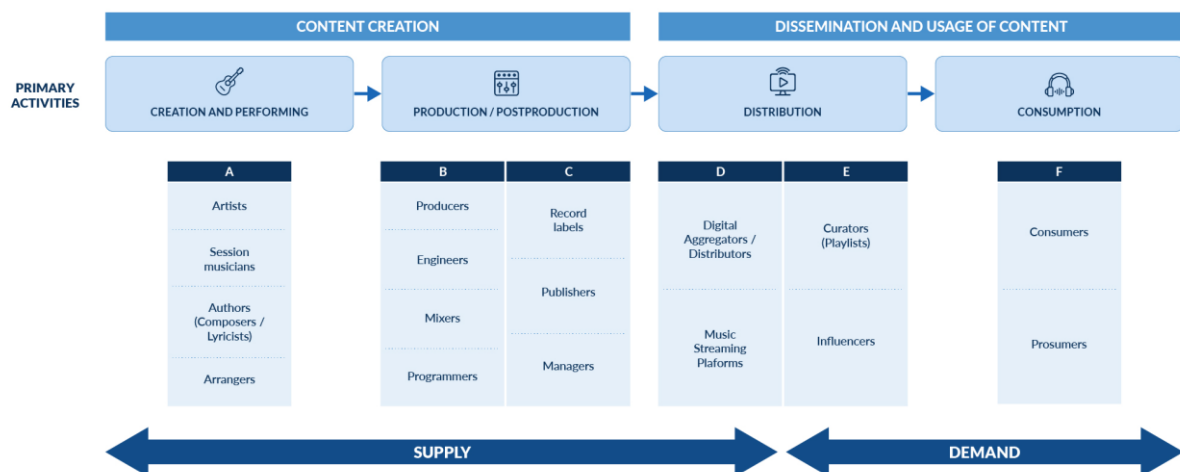


Fig. 1 Primary activities and key actors in the music streaming value chain. Source: Arenal et al. (2024).

From a value chain perspective, streaming represents a shift from the core value of creation and production (prior to the streaming era) to a technology-driven model enabled by AI (Castle & Feijoo,

2021; Darvish & Bick, 2024). Indeed, music distribution and consumption through digital streaming platforms exhibit specific characteristics that should be considered, particularly regarding the active and dynamic behaviour of contemporary users—who, more than previous generations, are accustomed to actively engaging with content within the broader digital environment (Aguado et al., 2017).

It is important to remind that, beyond value chain economics, music's deeply personal and experiential nature makes it a uniquely integrated form of identity expression in everyday interactions. That integration has traditionally been a core part of music industry's value proposition, which also applies to music streaming platforms and their emphasis in technology. How the value creation process addresses and shapes the music listening experience involves considering these aspects from both the supply (artists, producers, and industry professionals) and demand (listeners, users, and digital audiences) perspectives.

From the supply side, music streaming platforms—unlike their audiovisual counterparts—are characterised by a lack of differentiation in the nature and volume of available catalogues across competing services (Antal et al., 2021; Castle & Feijoo, 2021). At the same time, streaming platforms theoretically democratise access to a wide range of music styles and genres. However, algorithmic and editorial curation tend to amplify mainstream trends, leading to a homogenisation of consumption patterns (Born et al., 2021; Senftleben et al., 2022). GenAI introduces new complexities, such as the use of these tools during the creative process and the training of AI models on copyrighted content without the consent of rights holders (Heikkilä, 2024; Stassen, 2024). The latter is particularly concerning, given that some GenAI companies have already scraped all publicly available music from the internet (King, 2024).

3. From the demand side—that is, from the users' perspective— GenAI complicates certain streaming dynamics and introduces significant changes to key aspects of music streaming access and consumption, including: a) the overload of music supply; b) new competition for artists and musicians, as well as shifting consumer perceptions; c) challenges in content discovery; d) the impact on music diversity. The following subsections provide an overview of these changes in streaming dynamics from the perspective of music consumption.**METHODOLOGY**

This study combines secondary source research with fieldwork to incorporate primary data from the two main components of the music value chain: artists/performers (supply side) and users (demand side). Secondary sources include academic papers and professional reports from the music sector. Fieldwork consists of two focus groups, involving both users and artists/performers (both professional and amateur).

Current literature on the impact of AI-generated music on users and the music industry remains in its early stages and is therefore still limited. Within this body of work, studies that extend beyond the technical dimension to focus on audience and musicians' perceptions are even scarcer. Existing research, primarily based on surveys and experiments with audiences, indicates a general lack of confidence in the creative capabilities of AI (Candusso, 2024; Shank et al., 2023; Tigre Moura & Maw, 2021). Early findings suggest low purchase intentions for AI-generated music and negative credibility perceptions of musicians using AI (Jacobs, 2025; Tigre Moura & Maw, 2021). Meanwhile, experimental studies report no significant differences between audiences and authors in attributing influence to awareness of automation usage (ibid.; Shank et al., 2023).

However, while these findings are indicative, they remain partially premature, as only two of these studies specifically examined fully operational GenAI tools (Correia, 2024). Furthermore, their research questions predominantly focus on emotional responses and binary insights, such as like/dislike, trust/distrust, or simple measures of purchase intention for AI-generated music and the likelihood of using AI tools for music creation (Lac & Tigre Moura, 2024; Shank et al., 2023; Tigre Moura & Maw, 2021).

When integrated into the value chain of the music streaming industry, as discussed in the previous sections, the implications of GenAI extend far beyond efficiency in mimicking human creations, influencing taste, or shaping purchase potential. Its transformative power extends beyond consumer preferences and creative utility, although these factors are certainly included. Given the complex nature of these implications, we argue that a qualitative approach is essential to preliminarily capture the key nuances that shape users' and musicians' perceptions of both the current and anticipated possibilities of GenAI in music creation and consumption. Given the emergence of this theme and the necessity of obtaining feedback from two distinct groups within the music streaming value chain, we have selected the focus group method as our research technique. Focus groups have been extensively examined from an academic perspective, particularly in the study of evolving challenges within the digital media industry, where this approach has proven to be highly effective (Jenkins, 2006). Indeed, some scholars propose that focus groups can serve as an effective method for examining the fundamental processes underlying the formulation of ideas (Krueger, 1994). One of the main advantages of focus groups is the interaction among participants, enabling them to present their perspectives while contrasting them with those of other group members (Acocella, 2012). This makes it possible to identify both consensus and dissent on a specific phenomenon, articulating subjective perceptions with the shared social discourse on the phenomenon (Jenkins, 2006). Additionally, such exchange encourages participants to articulate their viewpoints with greater precision, which is particularly valuable when gathering primary data on emerging topics.

To this end, the qualitative findings of this study are based on feedback from two separate focus groups. Specifically, the participants consisted of (i) a group of 10 music users ($N = 10$); and (ii) a group of 7 artists/performers ($N = 7$). The sampling approach for the artists/ performers group was guided by both representativeness and purposive selection criteria to ensure a diverse range of perspectives.

At implementation level, we have considered key aspects related to the complexities of using focus group as a research technique (Acocella, 2012). In particular, from the perspective of moderation, measures have been implemented to minimize bias during discussions and ensure neutrality throughout the conversations (Kitzinger, 1995). Looking into the groups, participants in each focus group have similar experience towards the themes discussed to avoid ambiguities, but balancing with not to have excessively homogeneous groups to facilitate the collection of different opinions and perspectives (Kitzinger, 1995; Krueger, 1994).

The key issues explored in this study relate to the influence of AI on participants' ability to create, discover, and experience music—whether through creation and production (artists/musicians) or consumption (users). Drawing on Amabile's adaptation of Bourdieu's social capital dimensions in the context of creativity, these aspects have been framed into four distinct dimensions, allowing for a structured analysis of participants' responses (Amabile, 2018). Specifically:

1. The cognitive/sensitive dimension: This dimension encompasses insights related to the experience of creating, interpreting, and listening to music, including aspects such as meaning, emotions, feelings, and sensations, as well as technique, skills, and aesthetics.
2. The structural dimension: This dimension concerns the arrangement of the musical experience, whether through listening or creation/interpretation. It includes elements such as sceneries, rituals, symbolisms, tools, actions, and routines.
3. The functional dimension: This dimension examines the operational consequences of GenAI's use in relation to other players in the value chain.
4. The relational dimension: This dimension focuses on the societal perspectives that participants provide regarding their experiences of music listening and creation in the context of GenAI.

Accordingly, the guiding research questions for both focus groups were:

- RQ1: [cognitive/sensitive dimension] How does AI make a difference?
- RQ2: [structural dimension] Which (and how) AI-related elements or aspects alter key processes / outcomes?
- RQ3: [functional dimension] Which (and how) AI-related factors introduce uncertainty?
- RQ4: [relational dimension] Which are the societal implications for the music experience?

The group dynamics were structured around two discussion triggers, designed to stimulate debate across the four identified dimensions. First, participants listened to a set of six music fragments from different styles (indie-folk, classical music, and country music), four of which were created through multiple iterations using Udio, a "text-to-audio" AI tool, while the remaining two were original compositions by individual artists/composers. For Trigger 1, participants were asked to identify which tracks they believed were AI-generated and to justify their choices. After revealing which tracks were artificially generated, they were also invited to share their impressions of these works.

Trigger 2 involves the presentation of a hypothetical new app, called "InViVo", which is designed to create songs tailored to the user's mood and situation based on biometric data, social network activity, location, and other collected information. In this case, participants were asked to share their opinions on the product, including the advantages and disadvantages they perceived in its value proposition, whether they would be willing to pay for such a service and under what conditions, and how they believed it would impact the music industry.

In practical terms, the two focus groups were conducted during the second half of 2024. The first focus group consisted of a convenience sample of 10 participants (7 women and 3 men) aged 18 to 36 years. The sample was restricted to individuals under 40 to ensure the inclusion of heavy music streaming users. The second focus group involved a convenience sample of 7 artists/performers, selected to reflect a qualitatively representative diversity in terms of both professional status (professional, semiprofessional, and amateur) and the scope of their music production (local vs. international) as shown in Table 1.

CODE	ROLE	RANGE	PROFESIONALISM
Man, 28	Performer	International	Professional
Woman, 46	Artist	Local	Semiprofessional
Man, 47	Artist	Local	Amateur
Man, 36	Performer	International	Professional
Man, 43	Performer	International	Semiprofessional
Man, 33	Artist	Local	Professional
Man, 54	Artist	Local	Professional
Man, 65	Performer	International	Professional

Table 1. Codification and attributes of participants in focus group 2 (artists / performers)

By default, all responses are treated confidentially and included anonymously in the paper, unless the interviewee explicitly grants permission for their name to be mentioned as a participant and/or associated with their responses. The data analysis follows the framework proposed by Miles and Huberman (1994).

It is the result of an iterative process, incorporating artists'/performers' and users' responses, alongside a continuous review of relevant literature from both academic and industry sources. Evidence from participant contributions is presented in highlighted text throughout the paper, serving as both supporting data and context for the analysis and discussion.

4. RESULTS AND DISCUSSION

4.1. Insights from users

Participants expressed nuanced perspectives on AI's role in music creation and customisation. Their responses reflected a balance between optimism regarding AI's potential and concerns about its implications for creativity, privacy, and human social interaction.

Regarding RQ1 (Cognitive/Sensitive Dimension), which is primarily linked to Trigger 1, participants expressed a mix of skepticism and acceptance toward AI-created music. While some felt that AI lacks the emotional depth and intentionality inherent in human creativity, others acknowledged its technical ability to convincingly mimic human-like compositions. Although most participants were unable to accurately identify AI-generated tracks, they shared similar reasoning in attempting to do so. Key indicators of AI-generated music included a lack of naturalness in vocals and tempos, an 'excessive' level of precision in instrumental performance (such as guitars), and "overly perfect" vocal qualities. Additionally, colour and texture emerged as notable elements used to distinguish AI-generated compositions (*"The voices were very flat, [...] as if they were superimposed"*, Man 20).

However, participants attributed these characteristics indiscriminately to both AI-generated and human-created tracks. Their responses reflected an ambivalent stance: while some stated that they *"would feel deceived if they learned a song was AI-created after believing it was human"* (Man, 22), they also acknowledged that some tracks they assumed to be human-made were, in fact, the work of GenAI. Despite this, all participants shared the belief that *"AI can relate to concepts in an original way, but it doesn't reach the human level"* (Man, 36).

Consequently, participants perceive emotional authenticity as a key factor distinguishing human-created compositions from AI-generated ones. However, they struggled to apply this criterion effectively when attempting to identify AI-generated music.

RQ2 (Structural Dimension) is primarily explored through Trigger 2, which examines the implications of user-tailored AI-generated music on the music listening experience. Once again, participants express an ambivalent stance: while hyper-personalisation is perceived as both a convenience and a potential threat.

Participants appreciate the efficiency it offers; some view passive consumption as a key factor in the success of the product design: *"I don't have to make the mental effort to look for playlists or anything"*

(Man, 20); *“Everything is given to you well chewed up”* (Woman, 19). However, they also express concerns about losing the serendipity of discovering new music and the homogenisation of tastes. As one participant notes, *“It replaces the magic of exploring different artists and enriching yourself culturally”* (Man, 22).

Participants also express concerns about how automation may encourage passive consumption: *“When I saw how the application works, I think that eventually I would return to the traditional way of listening to music”* (Woman, 19); *“[Passive consumption] prevents you from thinking about how you feel”* (Man, 22).

Additionally, hyper-personalisation poses a risk to the diversity of music discovery: *“You lose the magic of music; it gives you everything pre-packaged, and you discover nothing, nor do you identify with an artist or with other people”* (Woman, 19). Participants further express concerns about overreliance on AI-driven content curation and its potential impact on cultural diversity, noting that *“everything sounds similar. It’s so easy to anticipate”* (Woman, 32).

RQ3 (Functional Dimension) examines the functional uncertainty-generating implications of GenAI. In the case of users, privacy and surveillance clearly stand out as issues arising concern. Participants expressed hesitation about sharing personal data, citing privacy risks. While some recognised the benefits of customised experiences, noting that *“it provides an emotional connection with the music you listen to”* (Woman, 18), others expressed concerns about the ethical implications and data usage: *“I would not support it because of the data question: who gets the data? Are they sold to record companies? What do they do with the data?”* (Man, 20); *“The application scans you all the time and then makes you a song, ok, but then you don’t know what happens to that data, you don’t know where it goes.”* (Woman, 19)

Regarding RQ4 (Relational Dimension), which explores how AI-generated songs might influence users' music-related social behaviour, participants demonstrated a clear awareness that AI-generated music could reshape social interactions around music. The social nature of the musical experience and its shareability emerged as key discussion points.

Participants expressed concerns that hyper-personalisation might hinder the ability to share music with others: *“In this case, since it’s an experience so tailored to me, I don’t know if I could share it with others”* (Woman, 20).

Additionally, there was a common perception that AI-generated music creates an incomplete musical experience due to its lack of referentiality to an artist, thereby diminishing its communicative dimension: *“I can’t become a fan of something that doesn’t exist.”* (Woman, 18); *“I lose interaction with people (...) and that isolates me more.”* (Man, 20); and *“I lose contact with the musical culture.”* (Woman, 19).

Some participants emphasised that hyper-personalisation is driven not only by customer preferences but also by the commercial interests of streaming platforms: *“Smaller artists are not given visibility in this*

kind of algorithm-made playlists” (Woman, 21). Building on this argument, participants generally agreed that AI-powered hyper-personalisation and the increasing presence of AI-generated music on streaming platforms could pose a threat to musicians and their creativity, ultimately leading to a decline in the quality of cultural experiences.

Additionally, users expressed a favourable opinion on AI-generated content compensating the creators whose work was used to train the algorithms. However, they remained largely unaware of the legal framework (such as consent) and compensation mechanisms (including payment and credit) applied to issues such as voice duplication.

4.2. Insights from artists/performers

Artists and performers share some of the fundamental perspectives on the cognitive and social dimensions explored with users. However, they also introduce important nuances to the structural and functional dimensions, particularly in relation to their first-hand experience within the industry value chain.

Regarding RQ1 (Cognitive/Sensitive Dimension), artists and performers also emphasised the current limitations of AI in replicating emotional depth, intentionality, and the creativity inherent in human music. Despite some difficulty in distinguishing AI-generated tracks, they expressed skepticism about AI’s ability to match the emotional nuance of human compositions: *“AI tools can compose faster, but the result feels mechanical” (Man, 54).* From their perspective, AI-generated compositions feel *“flat”* and *“too perfect” (Man, 47),* lacking the imperfections and expressive nuances that define human creativity. One participant (Woman, 46) referred to AI-generated music as *“meta-creativity”* rather than true creativity.

Several participants also highlighted that AI-generated music may evoke less emotional resonance than human compositions, which are often shaped by a personal narrative or lived experience. As one participant stated: *“It’s like the difference between interacting with a replica and engaging with a real person. The function may be the same, but the experience is entirely different. AI-generated songs are not composed from the inside out, nor do they carry genuine emotional depth. In the end, it is merely generating a code rather than creating a song. Developers will try to make it more human, to make it more similar, but ultimately, it remains a process of generating code—it is not truly composing.” (Woman, 46)*

However, AI’s ability to mimic human creations is perceived by some participants as an imminent threat. While some believe that the human factor will always remain a distinguishing element, others argue that the gap between human and artificial creativity is closing rapidly: *“Now we may recognize them, but in two years, with proper training, we will not see the difference” (Man, 65).*

Correspondingly, discussions around Trigger 2 (RQ2, Structural Dimension) also focused on the possibility of replacing artists with AI composition capabilities. There was a broad consensus on the importance of experience and expertise. Participants generally viewed AI as a valuable co-pilot when used by an experienced musician: *“If you know music, you can make AI work for you rather than against you”* (Man, 43); *“If the prompter is skilled, it can produce surprisingly good results”* (Man, 33).

Participants expressed concerns that AI could replace musicians, particularly in low-budget, mass-market productions such as advertising jingles and ambient music: *“This shift poses a threat to musicians’ livelihoods, as AI-generated background music is already replacing human composers in commercials, YouTube videos, and even streaming playlists”* (Man, 65).

However, some participants also viewed AI as a valuable assistant, recognising its potential to accelerate creative processes. They noted that AI is transforming the creative workflow by introducing new tools for composition, arrangement, and production.

Despite these advantages, participants identified two key risks associated with AI in music creation: dependency and lack of originality. As one participant questioned, *“It’s just a tool that gives you speed. The question is: will we use it, or will it use us?”* (Man, 36). Another noted, *“AI can streamline production but can lead to formulaic compositions.”* (Man, 54).

Regarding RQ3 (Functional Dimension), participants expressed concerns that AI-generated music, particularly when integrated into streaming services, could lead to reduced royalties and recognition for human artists. Their current experiences with streaming platforms strongly influenced these perceptions.

Participants believed that platforms would likely prioritise AI-generated music to maximise profits, potentially marginalising human artists: *“The industry will invest in AI-generated catalogues because it’s cheaper—just like they did with streaming”* (Man, 33). Some even feared the emergence of fully AI-generated artists with no human involvement: *“We’re talking not just about AI music, but AI artists—entirely artificial personas taking over the charts”* (Man, 65).

Furthermore, subjects anticipated a deterioration of the problems they already perceive in streaming platforms (Woman, 46). Concerns about the rise of *“artificial artists”* were also linked to fears of music commodification and homogenisation: *“It’s going to be all the same shit”* (Man, 43). In addition, participants expressed concerns about intellectual property protection and identity theft: *“Imagine they train an AI to compose like me but rename it ‘Juanita.’ That’s identity theft”* (Man, 28).

The impact of GenAI on the music listening experience and its societal implications (RQ4, Relational Dimension) once again raised the question of musical authenticity. In the view of the respondents, AI-generated music may be convenient, but many doubted its ability to create a lasting emotional impact.

There is a risk that *“listeners may become accustomed to ‘junk music’—disposable, impersonal, and algorithmic—* (Man, 28) through personalisation and customisation. However, AI-generated music lacks

the human narratives that make artists memorable: *“There’s no backstory, no live version to watch, no interviews about how the song was written”* (Man, 33). As one participant noted, *“We become fans of artists, not just songs”* (Woman, 46).

5. CONCLUSIONS

This study explores the evolving role of GenAI in reshaping the music streaming value chain, with a particular emphasis on its impact on both the creative and consumption stages. By integrating insights from the literature and qualitative findings from focus groups with artists and users, this research identifies key tensions, challenges, and opportunities introduced by AI in music creation, discovery, and listening experiences.

The integration of AI in music streaming platforms has disrupted traditional value creation and distribution models, leading to significant consequences for key stakeholders, including artists/performers and users. Both existing literature and insights from artists and performers suggest that AI may further amplify the endemic dysfunctions of music streaming platforms.

The risk of oversupply, for instance, appears to be a direct consequence of governance issues associated with the pro rata distribution scheme (Alaei et al., 2022; IPOL, 2023; Moreau et al., 2024). AI-generated music competes directly with human-created works within streaming platforms' inventories, creating a challenge in distinguishing between AI- and human-generated compositions (Lema, 2024; Stokel-Walker, 2024).

The emotional connection between the artist and the audience, a fundamental element of the musical experience, is perceived as diminished in AI-generated works. Additionally, oversupply and competition within current distribution models are closely linked to growing challenges in content discovery.

The indiscriminate upload of AI-generated tracks, often not identified as such, further complicates content discovery for consumers and inventory management for streaming platforms (Artists Rights Alliance, 2024; Kjus, 2021). This challenge raises governance concerns, particularly regarding platforms' evolving criteria for content discoverability. Moreover, it impacts the core value proposition of streaming platforms, as AI-powered personalisation becomes an increasingly distinctive feature, shifting value from artistic creation to technological optimisation.

Simultaneously, AI-driven recommendation systems and personalisation technologies reinforce consumption patterns, often limiting exposure to diverse musical styles and artists. While hyper-personalisation is perceived as convenient, concerns have emerged regarding the erosion of cultural serendipity, the homogenisation of music inventories, and the loss of cultural diversity (Henry et al., 2024).

Beyond governance issues, ethical concerns also arise, particularly regarding transparency—notably the opacity of AI usage in music creation and recommendation—and privacy, including questions of data ownership and the potential misuse of personal information.

The results of the focus group discussions reinforced the concerns outlined above, providing detailed perspectives from both users and artists. From the viewpoint of artists and performers, one of the primary concerns is the potential displacement of human creativity by algorithmically generated content. Both users and artists, even if they cannot distinguish between them, highlighted that AI-generated music often lacks the depth of human emotion and the personal touch that artists bring to their work.

While some musicians view AI as a valuable tool for enhancing creativity and streamlining production processes, others fear that its widespread adoption could lead to the devaluation of musical craftsmanship and a decline in opportunities for human composers and performers. Again, ethical concerns regarding intellectual property and authorship remain unresolved, particularly as AI systems trained on vast datasets may inadvertently appropriate existing musical styles without proper attribution or compensation.

Users, on the other hand, exhibited a nuanced response to AI-generated music. While some appreciate its potential for personalisation and its ability to generate content tailored to specific moods or contexts, others express skepticism regarding its authenticity and emotional resonance.

The study found that many users perceive music as a social and cultural experience, one that is deeply intertwined with human expression and artistic identity. The absence of a tangible artist behind AI-generated tracks raises concerns about the long-term sustainability of music consumption patterns, particularly in an industry where fan engagement and artist branding play a crucial role.

Additionally, the rise of AI-powered recommendation and content-generation systems has raised concerns about the homogenisation of music. The increasing reliance on AI-driven algorithms to curate playlists and generate new compositions risks reinforcing existing biases and limiting diversity in musical expression. The study participants emphasised the need for AI to complement, rather than replace, human creativity, advocating for a balanced approach that preserves artistic integrity while harnessing AI's capabilities.

A key issue that emerged in the discussion is the potential economic restructuring of the music industry. The adoption of AI-generated content by streaming platforms could lead to a shift in revenue distribution, favouring technology companies over traditional artists and even rights holders. This shift could exacerbate existing inequalities within the industry and highlight the need for new regulatory frameworks to protect the rights of musicians and composers.

Finally, the focus groups highlighted a significant paradox: while AI has the potential to democratise music creation by lowering barriers to entry, it also poses a threat to the existing ecosystem of music

professionals. The future of music streaming will therefore depend on striking a delicate balance between embracing technological advancements and safeguarding the cultural and economic value of human creativity.

Overall, the findings and conclusions of this study provide a concise overview of the rapidly evolving landscape within the music industry, particularly following the emergence of GenAI. As a key contribution, the results capture the perspectives of both artists and performers, and users, complementing industry debates that are often dominated by technology companies and record/publishing firms. Therefore, from a research perspective, this study expands the literature on the intersection of the music industry, technology, and business models, incorporating the perspectives of two underrepresented groups in the music value chain. From a cultural, policy and practice perspective, given that the music industry is among the most rapidly evolving sectors within the creative industries, particularly in terms of digital transformation (Darvish & Bick, 2023), this study offers valuable insights into the broader digital content landscape and some evidence for further exploration and, eventually, policy and societal action.

The main limitations of this study stem from the nature of the sample, which was restricted to artists and performers on the supply side and users on the demand side. However, as GenAI continues to impact the entire music industry, future research could incorporate additional perspectives from both ends of the value chain. For instance, discussions on GenAI's impact on the supply side of the music industry extend beyond artists and performers to include other rights holders, such as songwriters and composers, as well as organisations like record labels, publishing companies, and collective management organisations. Additionally, technical professionals involved in pre- and post-production, including mixers and mastering engineers, play a critical role in the industry and merit further examination. On the demand side, the perspectives of cultural agents, civil society at large, and policymakers require deeper exploration, particularly in light of the influence in society models and the extraterritorial effects of copyright-related legal provisions.

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