

Explainer:

Exclusivity in *Tusass Music*

What does it mean and why?

Tusass Music aims to ensure that Greenlandic artists get the most out of their music. In order to achieve this, it is important that Greenlandic music is collected on the platform where the artists get the most financial benefit, namely *Tusass Music*.

Collaborator DiGiDi estimates that with 4,000 paying subscribers to *Tusass Music*, artists will be paid more money than they do from all other streaming services combined. The exclusivity of *Tusass Music* creates a common platform for the Greenlandic music industry, where listeners can enjoy both new and old music, experience nostalgia and find new inspiration.

Although the exclusivity applies in Greenland and Denmark, the artists still have the freedom to sell their music in the rest of the world, such as in Europe and the USA. The music can therefore still be found on other platforms such as Spotify, Tidal and Apple Music outside of Greenland and Denmark.

Tusass' goal is to ensure that Greenlandic musicians can earn as much as possible in their home market, while at the same time reaching a global audience via other platforms.

Explainer:

What is User-Centric Distribution and how does it differ from other platforms?

Tusass Music uses a user-centric distribution of revenue, which differs significantly from the model used by other music platforms. Here's how the two systems work and why user-centric can be an advantage for both artists and listeners:

User-Centric Distribution

User-centric distribution focuses on what each individual subscriber is listening to and distributes revenue directly to the artists that specific subscriber has been listening to.

- 1. Individual listening habits:** When a subscriber listens to music on *Tusass Music*, their subscription payment is distributed directly to the artists they have listened to. If a subscriber only listens to one particular artist, their entire contribution (minus the platform's costs) will go to that artist.
- 2. Personal Earnings:** This means that artists get paid directly from the users who listen to their music. Each play counts and affects the artist's earnings more directly, which can be especially beneficial for artists with a smaller but dedicated fan base.



- 3. Fair and transparent:** User-centric distribution is considered fairer as it ensures that artists are paid based on their actual listeners. This also creates greater transparency in how the income is distributed. With a user-centric distribution, we also combat potential fraud, because one listener cannot stream an artist or song to generate more revenue for that person.

Pro-Rata Distribution

Spotify and many other streaming services use a pro-rata model, where revenue is distributed based on the total number of plays on the platform:

- 1. Common pool:** All the subscribers' payments are collected in a common pool. This pool is then distributed among the artists based on their share of the total amount of streams on the platform.
- 2. Most popular artists earn the most:** In this model, artists with the most streams get a larger share of the pool. This means that a large part of the revenue goes to the most popular artists, even if a subscriber may not have listened to them at all.
- 3. Disadvantages for Niche Artists:** This can make it difficult for smaller artists to make money as they compete with the most streamed artists for the same pool of revenue, regardless of how much their own fans listen to them.

Summary differences

- **User-Centric Distribution (*Tusass Music*):** Revenue is distributed based on each subscriber's individual listening habits. Artists get paid directly from their own listeners.
- **Pro-Rata Fordeling:** Revenue is distributed based on the total amount of streams on the entire platform. Popular artists get a bigger share of the revenue regardless of who listens to them.

With user-centric distribution, *Tusass Music* creates a fairer and more direct connection between artists and their audience. Instead of the revenue going to the most streamed artists, each artist receives payment based on their own listeners. This gives smaller artists far better opportunities to make money, as their income depends on a dedicated fan base, rather than competing in a common pool. Compared to other platforms, *Tusass Music* therefore offers a fairer model where all artists, regardless of their popularity, have a real chance of financial gain.



Explainer:

How Revenue is Distributed in *Tusass Music*

Tusass Music has developed a distribution key based on the fact that there are between 7,000 and 10,000 subscribers to the service, where each subscription costs DKK 49 per month.

Revenue and Distribution

- With 7,000 subscribers, a monthly revenue of DKK 343,000 is generated.
- Of this revenue, *Tusass* keeps 33.04%, which corresponds to DKK 113,327. These funds are used to pay the app supplier, cover operating costs and marketing. *Tusass* thus does not earn directly from the app.
- The remaining 66.96% of the turnover, which corresponds to DKK 229,673, goes to the music industry.

The music industry's share is handled by the music rights organization Koda and the nonprofit organization DiGiDi.

The more subscribers there are, the higher the percentage that the music industry gets in return, and *Tusass*' correspondingly lower.

If the number of subscribers increases to 10,000, the revenue increases to DKK 490,000, for example, and the music industry's share increases to 71.77%.

Playback Earnings

- In *Tusass Music*'s user-centric model [\[LINK\]](#), this means that artists are paid directly based on the individual listener's use of the music.
- If one subscriber only listens to one artist during a month, that subscriber's entire payment (minus the platform's costs) goes to that artist. This means that the revenue is distributed directly between the artists, depending on how many plays they receive from their own fans, instead of being part of a common pool for all streams.
- This system ensures that artists with a dedicated fanbase can earn more directly from their listeners, without being influenced by how popular other artists are on the platform.

This model creates a fairer and more transparent platform for artists where their earnings reflect their actual listeners. With *Tusass Music*, smaller artists have better opportunities to gain financial returns while maintaining a closer relationship with their fans. Overall, this makes *Tusass Music* a more sustainable and artist-friendly platform than traditional streaming services.

