

# 1999 BUSINESS ANALYSIS

## A Record Year

**T**OTAL GROSS TICKET SALES volume for major concerts in North America rose 15.4 percent and hit a record level in 1999, finally eclipsing the previous industry watershed mark of \$1.4 billion set in 1994.

**POLLSTAR estimates that more than \$1.5 billion in tickets were sold in 1999 compared to \$1.3 billion in 1998.**

Worldwide, the concert industry is probably a \$3 billion business, but so little international information is

available, it is difficult to project reasonably accurate figures. For that reason, we have excluded concert grosses from outside North America in our analysis. Including the few dates reported would only distort the true figures.

In our analysis of industry trends one year ago, we predicted 1999 would be the year a new record was finally set. Led by the Rolling Stones arena tour, the steady emergence of new teen pop acts and the much-anticipated reunion

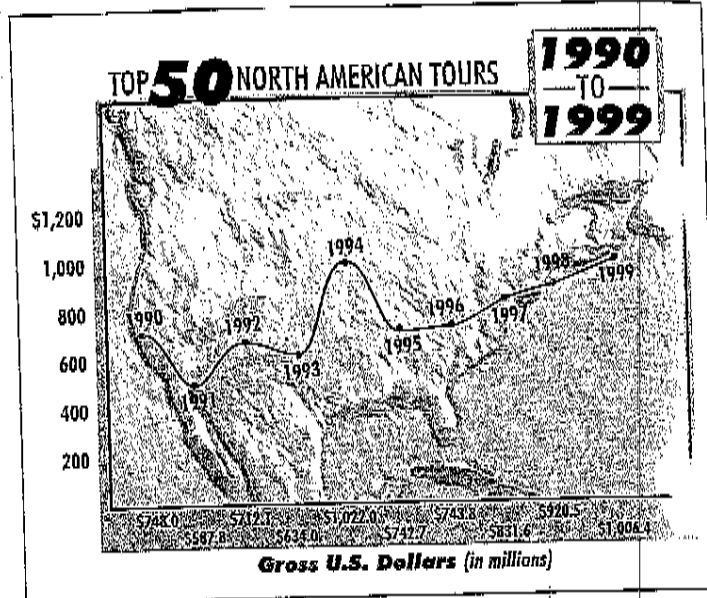
of Bruce Springsteen & The E Street Band, the solid crop of attractions projected to tour this past year provided plenty of fuel for optimism. The primary reason for projecting a record, however, was the inescapable trend of rapidly increasing ticket prices.

Those high-priced gold circle seats were once confined to the first few rows at Frank Sinatra concerts. Today, virtually every rock, pop or country act appealing to an adult demographic is charging premium prices for its best seats. The emphasis is on premium seats and there's plenty of them.

The way some tours scaled the house, it seemed nearly all the tickets were at the higher end and if you wanted a cheaper seat, you'd have better been ready to sit on the lawn or in the tin

## TOP 25 GROSSING TOURS OF ALL TIME IN NORTH AMERICA

Rank	Gross	Artist	Year
1	121.2	Rolling Stones	1994
2	103.5	Funk Floyd	1994
3	98.0	Rolling Stones	1989
4	89.3	Rolling Stones	1997
5	79.9	U2	1997
6	79.4	The Eagles	1994
7	74.1	New Kids On The Block	1990
8	67.0	U2	1992
9	64.7	Rolling Stones	1999
10	63.3	The Eagles	1995
11	61.4	Bruce Springsteen & The E St. Band	1993
12	58.9	Barbra Streisand	1994
13	52.4	Grateful Dead	1994
14	51.5	'N Sync	1999
15	48.5	Dave Matthews Band	1999
16	47.7	Elton John / Billy Joel	1994
17	46.2	Elton John	1990
18	45.6	Grateful Dead	1993
19	43.6	KISS	1996
20	43.2	Boyz II Men	1995
21	43.0	Billy Joel	1990
22	41.7	The Who	1989
23	40.8	Shania Twain	1999
24	40.1	Dave Matthews Band	1998
25	37.7	Paul McCartney	1990



circle - one of those back rows in the upper deck.

The Eagles were crucified by the press in 1994 for charging a top ticket price of \$100. My, how things have changed. This past year, the Stones' average ticket price was \$109.62 and their top-end price was often \$300. Several pop acts charged \$150 for their top tickets and the \$70 or \$80 arena ticket was certainly not a rarity.

## Ticket Price Inflation

**T**HOSE OF YOU WITH ADJUSTABLE rate mortgages should be glad Alan Greenspan doesn't use concert ticket prices as part of the Fed's calculations in determining inflationary pressure on interest rates.

When we started our year-end research, we expected to see a jump in average ticket prices. But the amount of that increase was surprising.

POLLSTAR calculates the average ticket price paid by consumers to see one of the top 50 tours to be \$43.63.

That's up more than \$10 per ticket and represents a stunning 30 percent increase over 1998's average of \$33.59.

## Fewer Fans

**T**HE RECORD REVENUE LEVELS tend to obscure the fact that fewer fans actually bought tickets this past year. The top 50 tours combined added up to 26.3 million tickets sold. That compares to 27.4 million in 1998 and, more importantly, the 32.5 million tickets sold in 1994's record year.

Going all the way back to 1988, this year's numbers are smaller than those of any year except for 1993, when only 25.6 million tickets were sold. For an industry historically based on a high volume of repeat business, this is definitely not a good sign.

## The Top 100 Tours

**T**HE SUM OF THE TOP 100 TOURS is \$1.26 billion as compared to

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