

in the LOOP

The newsletter for PPCA Licensees **SPRING 10**

welcome...

Welcome to another edition of *In the Loop*, PPCA's newsletter for licensees.

It's with mixed emotions that I tell you this will be my last welcome as CEO of PPCA. Over the past eight and a half years, I have enjoyed my time at PPCA and seen the organisation grow and achieve so much. It's with great pleasure that I look back on my time here and know we've worked hard to ensure support for the Australian music industry and its creative endeavours. I want to thank all of our loyal licensees who continue to support and respect Australian recording artists and labels by playing licensed music in their businesses. Like many industries in Australia, the music industry has hit hard times, but with your continued support we will all have music to enjoy in the years to come.

In this issue of *In the Loop*, we remind restaurant and café owners of the many benefits playing recognisable music can bring to their businesses. The piece has been written by University of Sydney professor and researcher Charles Areni.

To keep all you music fans in the loop, we've provided a rundown of what to expect at this year's newly revamped ARIA Awards.

We also take the opportunity to remind you to get in touch with us with any changes to your business.

As always, be sure to visit us at www.pcca.com.au for the latest updates, news and administrative information.

As I sign off for the last time, I want to thank you again for your loyalty to PPCA and to the music industry – you are keeping the music playing.

Regards,
Stephen Peach
CEO



Restaurant patrons dine in time with the tune

Charles S. Areni
Professor of Marketing, The University of Sydney

Restaurant managers understand that demand varies. Sometimes your restaurant has a lot of empty tables and other times it is packed. But there is usually a pattern. If your restaurant is open for lunch and dinner, for example, you can expect to see a surge of diners starting at around noon and beginning to decline at around 2.30. Then nothing much will happen until around 6.30, when the dinner crowd begins arriving, and a good restaurant on a good night may operate at full capacity until about 10.30 when the crowd finally begins to thin.

With respect to the day of the week, another fairly obvious pattern emerges. The typical restaurant is likely to struggle to fill tables for dinner early in the week. Monday through Wednesday is a difficult period of the week, but on Thursday the dinner crowd picks up considerably, peaks on Friday and Saturday nights, and remains strong on Sunday nights. (Lunch business is more immune to this weekly pattern).

So you have a pretty good basis for predicting when you will have more diners than tables and vice versa. During periods of high demand, "turning over" tables quickly to seat the next party as quickly as possible becomes the objective, whereas during periods of lower demand, the focus changes to getting existing diners to spend as much as possible on things like additional bottles of wine, coffee, dessert, etc. So how can music help?

Research consistently shows that many human processes and behaviours follow the tempo of music. From automatic processes like cardiovascular and respiratory rates, to deliberate behaviours like dining, humans do things faster when the music is "up tempo". Studies have examined multiple restaurant categories from cafeterias to fine dining, and the results are basically the same. Diners eat more quickly – literally bring their forks to their mouths more frequently – when the music is fast rather than slow.

The implications are clear. During periods of heavy demand, you should play faster music to speed up diners and increase table turnover, but during periods of limited demand, the music should be slower, to keep diners at their tables, and increase revenue from coffee, dessert, and alcohol purchases. The financial rewards for getting this right can be considerable. One study found that diners extended their dining time by almost 25%, ordered 41% more alcohol, and made a 15% higher contribution to gross margin when the atmospheric music was slow (← 73 beats per minute) compared to when it was fast (→ 91 beats per minute).

Given the new software programs available for sorting through huge music catalogues, you can easily do this, even if your restaurant plays a specific kind of music based on cuisine (Italian, Chinese, etc.) or price point (light classical for fine dining). Commercial music services can offer even more precision, sorting through thousands of songs and selecting only those that fit specific criteria. So restaurants that manage the tempo of their atmospheric music to mimic the daily and weekly variation in demand for tables can reap huge financial rewards.

Ch-ch-ch changes?

Be sure to let PPCA know - **in writing** - about any changes to your licence. Perhaps your business has changed hands, you've moved, changed your company name, your operating days have increased/reduced or your use of music and/or music videos has changed. Check your invoice carefully and if your business circumstances have changed in any way, please give us a call to see if we need to amend your licence.

Australia's biggest music honours revamped for 2010

As they say, "times they are a-changin'" and it couldn't ring more true for the music business. The music industry is changing and adapting to continue to appeal to a new generation of consumers, all the while continuing to look for ways to hang onto long-time music fans. One way in which the industry is changing is by giving music's biggest honour a bit of a facelift. At the recent ARIA #1 Chart Awards, the Australian music body announced some significant changes to its upcoming calendar of events.



Short Stack's Bradie Webb with Minister for Major Events Kevin Greene, Eskimo Joe's Joel Quartermain, (behind Joel is Lucius Borich) and Powderfinger's Bernard Fanning.

While ARIA Chairman Ed St John and the NSW Minister for Major Events Kevin Greene announced an exciting season of ARIA events, including the ARIA Nominations Event (28th September), ARIA Fine Arts Awards (11th October), ARIA Hall of Fame (27th October) and the grand finale, the ARIA Awards (7th November), the big news is that the ARIA Awards are moving to a new home: the iconic Sydney Opera House.

The award show is back on Channel 10, home of the large-scale Australian Idol finales, and will have a fresh and young appeal. For those of you planning to watch at home, there's some good news: the program will be shorter. The awards will also feature a couple of categories for audience voting, so you can have a say in who should win Australia's highest music honour. The awards will also feature two new peer-voted categories including Best Hard Rock/Heavy Metal Album and Best Adult Alternative Album.

"The great thing about the ARIAs is our ability to evolve," said St John. "We've come a long way from our modest beginnings - the last eight years at Acer Arena have been brilliant, but it's now time to take this event to a whole new level. The ARIAs at the Sydney Opera House will be utterly spectacular, and it could only be possible with the commitment of Network 10 and the generous assistance of Events NSW."

For more information please visit www.ariaawards.com.au

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PPCA supports state-based Restaurant & Catering Awards

Each year PPCA supports various state-based Restaurant & Catering Awards - programs that honour the best in the business.

At Victoria's recent annual event, PPCA sponsored the 2010 Best Breakfast Restaurant category and this year's winner was Richmond Hill Café & Larder. The award was presented on PPCA's behalf by the President of Restaurant & Catering Victoria Matteo Pignatelli.



Winner Kim Coronica of the Richmond Hill Cafe & Larder with Matteo Pignatelli - President, R&C Vic



Steve Blanco of Blanco Catering with Camillo Crugnale R&C SA board member.

Meanwhile at the South Australia awards in Adelaide, PPCA sponsored 2010's Best Venue Caterer. The award went to Steve Blanco from Blanco Catering who manages the Sanctuary Adelaide Zoo. Camillo Crugnale of the Restaurant & Catering SA Board of Directors presented on our behalf.

Congratulations to all the winners!

Content: Christina Rogers, Stephen Peach, Charles Areni, Stephenie Ho

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