CHALLENGES OF GLOBALIZATION AFFECTING MUSIC
COPYRIGHT SOCIETY OF KENYA

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DECLARATION

This research project is my original work and has not been presented for an examination in any other university.

Signed...................................................... Date................................................

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D61/8585/2006

This research project has been submitted for examination with my approval as the university supervisor.

Signed...................................................... Date................................................

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Above all, my heartfelt appreciation goes to my heavenly father for giving me good health, provision and sound mind in the period of my studies up to now.
DEDICATION

I dedicate this special work to my dear loving husband Joshua M. Mutunga, my dad Rev. Raphael Nzuki kituva, my mum Priscilla Nzuki, my sisters Lucy Nzuki and Beatrice Cyrus and my brothers Jackson Nzuki and Ndivo Nzuki for their unwavering support, enthusiasm, love and prayers during the entire period I was undertaking the degree.
ABSTRACT

Globalization phenomenon is an irreversible trend that has both its challenges and opportunities. No single sector can manage to fight alone the challenges that come with globalization and therefore, there is need for an organization to identify the opportunities that come with globalization and at the same time come up with measures of reducing its threats to the business activity. The study aimed at establishing challenges of globalization affecting Music Copyright Society of Kenya. In addition, the study wished to determine the measures that have been taken by the organization to overcome the same challenges.

Towards the realization of the same objective, a case study research design was adopted whereby the researcher interviewed five managers of the MCSK who had different academic qualification and years of experiences in protecting the interest of local artist. The data was collected through the use of the interview guide that was prepared to guide the researcher on the challenges affecting strategy implementation and the measures taken to overcome the challenges.

The findings from the study suggest that globalization has had a positive and negative effect in the music industry. The phenomenon has provided them with a challenge and there is need of dealing with it, they also acknowledged that it has brought with it opportunities which if harnessed well can give the local music industry and MCSK a leverage. The respondents observed that with globalization, there is need of developing countries such as Kenya to develop adequate legal oversight since artists can be exploited without appropriate financial reward. The government has also a great role in addressing the challenges affecting the local music industry. It appreciated that the government should become more vibrant in formulating and enforcing the law.
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<th>Full Form</th>
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<tbody>
<tr>
<td>AOL</td>
<td>America Online, Inc.</td>
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<tr>
<td>BMG</td>
<td>Broadband Media Group</td>
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<tr>
<td>CD</td>
<td>Compact Disc</td>
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<tr>
<td>EAC</td>
<td>East African Community</td>
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<tr>
<td>IFPI</td>
<td>International Federation of the Phonographic Industry (IFPI)</td>
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<td>IP</td>
<td>Internationalization Process</td>
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<td>IPR</td>
<td>Intellectual Property Rights</td>
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<tr>
<td>MAMA</td>
<td>MTV Africa Music Awards.</td>
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<td>MNE</td>
<td>Multi-National Enterprise</td>
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<td>MSCK</td>
<td>Music Copyright Society of Kenya</td>
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<td>MTV</td>
<td>Music Television</td>
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<td>OECD</td>
<td>Organization for Economic Corporation and Development.</td>
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<td>TC</td>
<td>Transaction Cost</td>
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<td>TRIPS</td>
<td>Trade Related Intellectual Property Agreements</td>
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<td>WCT</td>
<td>WIPO Copyright Treaty</td>
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<td>WIPO</td>
<td>World Intellectual Property Organization</td>
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<td>WPPT</td>
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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Globalization and the international division of labour and the global circulation of commodities have ensured that processes of production and consumption are no longer confined to a geographically bounded territory. Consequently, economic globalization has been characterised as the ‘deterritorialization’ or ‘denationalization’ (Sassen, 1996) of nation-states. According to (Crawford, 2000, p. 15), global economic forces ‘reside in global networks that link different nations and cultures in profit-maximizing webs of production’, leading to the transformation of all sectors of all state economies and their mutual accommodation in the global context. Hirst and Thompson (1996) explain globalization in terms of the temporal and spatial compression of human activities on the globe, to recognise, explore, and explain the interaction and interdependence of economics, politics and cultures beyond local, regional and national boundaries, and to predict possible influences.

Economic globalization is often considered to undermine the local foundations of the popular culture industry. The flow of capital through transnational monetary systems and multinational companies means that words, ideas, images and sounds of different cultures are made available to vast networks of people through the transmission of electronic media. Among the most prominent multinational electronic media companies are two internet partnerships - MusicNet, involving AOL, RealNetworks, EMI, BMG and Warner; and Duet, incorporating Yahoo, Universal and Sony. The two most recognised online music providers so far, Napster and MP3.com, have also linked up with record companies (Grayzone, 2008).
Law enforcement agencies in many jurisdictions have been unable to respond effectively to the problem of music piracy and even in the most advanced nations the challenge has continued unabated. The role of public and private law enforcement is crucial in fighting the music piracy problem. Indeed many pirated music products pass through many jurisdictional boundaries with offenders passing the products through various jurisdictions which can only be countered by a cross-border and international policing response. Kwok et al (2008) noted that the various pirated product measures will be more effective when the movement of the product can be tracked and monitored. When the distribution channels (or so-called supply chain) are authorized by the producers, it is claimed that the product is authenticated when it is moved and delivered in a verified flow (Rochester Electronics, 2007). Thus, a system is needed to enhance the visibility and transparency of the product movement.

1.1.1 Globalization of Business

The dominant change in the world economy over recent decades is the globalization of markets; a phenomenon that has resulted from a convergence of numerous other changes that individually might not have been potent as they are collectively (Bartlett & Ghoshal, 2000). From the domain of technology a number of milestones have been gained such as advances in telecommunication that is speedier and more effective; advances in transport that has facilitated speedier and more efficient movement of goods and people within continents and advances in production that has resulted in cost effective product adaption. This process of globalization has resulted in movement of goods across borders in a measure never before witnessed. With the growth of businesses across national boundaries, the challenge of trade in counterfeit products has also become a major issue in the international trade. This internationalization of trade has given rise to production and exporting of counterfeit products which has led to tough competition to the
local industries especially in countries where there is inadequate controls to check on the entry of counterfeit products (Kay, 1990).

In 2001, Rugman however challenges the widely shared views of an integrated global market and global strategies. He asserts that regional and intra-triad business is much more prevailing than real global business. Also, managers should develop perspectives on regional business networks and focus on triad clusters and competitors rather than developing pure global strategies. He further argues that MNEs have understood that a pushy standardized global approach does not work and that regional fine-tuning is necessary, given the dominance of the triad countries in their sales.

1.1.2 Music Industry in Kenya

Kenya is home to some of the most diverse and vibrant modern musical styles. Traditionally, music has been known as a distinctive feature of different ethnic groups in Kenya. Some of the more popular genres of music include Kenyan versions of Hip Hop and Crunk, as well as Kenyan Pop which is called Benga and Reggae music (Croella, 2007). Kenya’s Music Industry has recently been viewed as a potential boost to the economy. However, due to underinvestment and ineffective management of intellectual property rights, Kenya’s music industry is far from reaching its economic potential (Coetzer, 2009). The government has constantly been blamed for its lack of concern toward issues dealing with music, arts and copyright infringement, thus giving way for rampant music piracy and extremely low market sales for albums.

Music pirates, who sell copied CD’s on the streets, have dominated the market making it nearly impossible for artists and producers to profit from direct sales of legitimate recordings. Compounding this issue is the fact that it is not very easy for consumers to attain music produced
in Kenya, because there is a lack of distribution outlets. Musicians in Kenya have the struggle of accomplishing all production, marketing, promotion, and distribution on their own giving them less time to apply to each area. In the end the quality of the music produced suffers and for this reason many of the radio stations will neglect local music and will tend to play more American Pop and Hip Hop music. There are policies which have been put in place by the Kenyan judicial system government, through establishment of a special commercial court in 1999, the Milimani Commercial Court in Nairobi, which was intended to relieve the backlog of music piracy and provide a more effective avenue for dispute resolution. But, business software and music industry experiences with the Kenyan judicial system have proved disappointing, therefore little has changed from the past.

The marketing and distribution for artists in Kenya is done either through word of mouth or “hype” or via the internet. Using networking tools such as Facebook, Myspace, Youtube, and Yahoo. There are also a number of other strategies and partnerships that are being explored in order to facilitate the promotion and distribution of Kenyan talent on the world music scene (Croella, 2007). Companies like MTV are helping to contribute to the growth of the Kenyan music industry by hosting award ceremonies such as the “MTV Africa Music Awards” (MAMA’s) that is expected to have an audience of 1 billion worldwide (Coetzer, 2009).

### 1.1.3 Music Copyright Society of Kenya

Music Copyright Society of Kenya is a Kenyan legal body which protects or safeguards the interest of owners of the work in which copyright subsist. The MSCK gives assurance to the creative authors of the commercial management of their works. According to Music Copyright Society of Kenya(2008) the authors of creative works license a publisher to publish their work
on a royalty basis. This also leads to infringement of the work anywhere in Kenya or abroad therefore it is extremely difficult for the owner of the work to prevent from such infringement. To overcome such difficulty owners of Copyright works have formed Societies to licence their works for performance or communication to the public or issue copies of the work to the public. ‘Copyright Society’ means a society registered under Section33 (3). The Copyright societies are also authorized to watch out for infringement of the copyright and take appropriate legal action against the infringers (International Federation of Phonographic Industry, 2000).

One of the major objectives (Music Copyright Society of Kenya, 2008), for which the Society was established is to exercise and enforce on behalf of members of the Society, being the composers of musical works or the authors of many literary or dramatic works, or the owners or publishers of or being otherwise entitled to the benefit of or interested in the copyrights in such works, all the rights, economic or moral, and remedies of the proprietors by virtue of the Copyright Act, or otherwise in respect of any exploitation of their works and in particular, to administer all the rights relating to the public performance, broadcasting, communication to the public by wire or wireless including transmissions to subscribers to a diffusion and/or any digital service, graphic or mechanical reproduction, translation, adaptation, photocopying or similar reproduction (such as digital copying) and any form of use of such works. Another main objective is to exercise and enforce on behalf of foreign proprietors of copyright works, by virtue of reciprocity or other agreements, all their rights under the Copyright Act within Kenya. To adopt such means of making known the operations and services of the Society as may seem expedient, and in particular by advertising in the press, by circulars, by publication of books and periodicals or by the periodicals or by the production and issue of cinema films by the making or sponsoring of wireless and television broadcasts or programmes.
Music Copyright Society of Kenya (2008) states that MCSK administers the performing rights of more than 4,000 composers, authors and music publisher members by licensing the use of their music in Kenya. It is the main body in Kenya representing music performing and mechanical rights. In 2010, Anyuor observed that music piracy in Kenya has been a big bother to artistes for long. Musicians have been appealing to the Government to save the industry from the crime. Luckily the Kenya Copyright Board, in partnership with the Music Copyright Society of Kenya heard their cry and upped efforts to end the vice. Ironically, crafty criminals too heard the musicians’ outcry and in it identified a scheme to earn quick money without much sweat. The fraudsters cunningly looped in unwitting police officers in their scheme. They pretended to be officials from the Kenya Copyright Board or the Music Copyright Society of Kenya and raided business premises and offices under the guise of eradicating music piracy. The criminals first went to police stations where they produced fake documents identifying themselves as officials from the two bodies. Convinced that they were genuine Government officers, police escorted them as they moved from shop to shop and even to offices checking on those flouting the law (Anyuor, 2010). This is one big challenge facing MCSK to date.


Intellectual property right is a descriptive term covering inventive, artistic, descriptive and novel works indicating ownership of a particular right. IPR infringement involves the use of a protected intellectual property right without the authorization of the owner of the right. Intellectual property rights are territorial. That is to say, each country or jurisdiction develops its own intellectual property laws and intellectual property rights, and those rights are enforceable in that country only. According to (Hennart, 1982), “Intellectual property is no less the fruit of one's labour than is physical property.” In allusion to the Lockean paradigm, the US Supreme
Court indicated that “the rights conferred by copyright are designed to assure contributors to the store of knowledge a fair return for their labours.”

The rationale for intellectual property rights is based on the philosophy of utilitarianism. It stipulates that intellectual property rights are necessary to maximize social utility by providing authors, inventors, and other creators with durable and tangible return on their investment of time, labor, and other resources used in the creative process. The presumption is that exclusive rights in inventions and literary creations are necessary to promote the public welfare. Without those intellectual property rights, free riders can appropriate the value created by innovators and thereby undermine the incentive to innovate. In Kenya, the Copyright Act of 2001, was amended and came into effect on February 1, 2003. This Act brought the Kenya’s law closer to compliance with Kenya’s international obligations under the TRIPS Agreement. In addition, the law deals with certain aspects of protection of copyright in the digital age, including several of the requirements of the WIPO “Internet” treaties, the WIPO Performances and Phonograms Treaty (WPPT) and the WIPO Copyright Treaty (WCT), which went into effect in 2002.

Piracy is the greatest threat facing the music industry worldwide today. World sales of recorded music fell by 7% in value and by 8% in units in 2002. The International Federation of the Phonographic Industry (IFPI) attributes the decline to the mass download from unauthorized file-sharing on the Internet and the mass proliferation of CD burning. Millions of copyrighted works are available online, and the number is growing, as music downloading became one of the fastest growing activities on the Internet (Greene and Adams-Price, 1990). It is estimated that almost 40% of all CDs and cassettes sold around the globe in 2001 were pirated copies (International Federation of Phonographic Industry, 2000).
When piracy takes place, it implies that the original artist is not able to receive any recognition towards his or her efforts. The music is enjoyed by other people who do not pay anything to the original artist. As a result, some music artists choose not to be original and thus thrive on copied content. This is again rather challenging for most original artists who have to share some of their ideas with others who are not ready to take the initiative and think. According to Kwok et al (2008), many music CD buyers deny that they are doing anything wrong and blame the music industry for charging high prices. Sometimes, double standards are employed such that prospective buyers of pirated CDs do not hold themselves accountable for their action but hold pirated CD sellers as responsible (Croteau & Hoynes, 2000). Some consumers even claim that the entertainers also do not seem worse off because of music product piracy as they still enjoy a high income and live in a bountiful way (Ang et al., 2001).

According to (Crawford, 2000), there are two types of consumer music piracy behavior. One behaviour pattern is called unauthorized duplication/download (mostly from a website) while the other is pirated music product purchasing. The Internet has become an important platform of data exchange because it facilitates nearly free distribution with little difficulty. Holders of music copyrights must therefore fight multiple infringers who are hard to identify and locate and who are personally engaging in relatively minor copyright infringement, creating a massive headache for the music industry (Langenderfer & Cook, 2001).
1.2 Research Problem

The globalization of the international economy has led to the deepening integration of international economic and financial activity. This phenomenon has been fostered by electronic networks, liberalization of cross-border markets and the emergence of several new countries on the global market (Dunning, 2000). Further, in 2001, Rugman observes that with the emergence of the global market, regional and intra-triad business has prevailed like never before and with this trade, pirated and counterfeit products have at the same time thrived. The increasing interconnectedness between the people and nations of the world through computers and communication systems like the Internet has fostered discussion regarding the effects this connection has on the individuals and societies who use it (Bimber, 1998). Questions have been asked by various scholars on whether the use of the Internet as a tool in the spread of the global economy and commerce helps to create a larger free market that endangers economic growth for the entire globe. Hern and Caulk (2000) thus note that the magnitude of information available and the prevalence of entertainment related websites make the process of acquiring and understanding the information required for a democratic society impossible.

The prevalence of pirated music has become a major concern in Kenya in the recent past. Business software and music piracy damage the domestic market, and threaten neighboring markets as well. All forms of business software piracy (namely, retail piracy, corporate end-user piracy of business software, and government use of unlicensed software) are present in the Kenyan market. The extent in which the illegal practice is prevalent in Kenya can be attested to the many seizures of pirated music by Kenya’s Customs & Excise department. In June 2010, the department seized 150,000 pirated music CDs coming into Nairobi. A further 15,000 pirated music CDs were seized in Mombasa. During the same period of time, industry reported meager
legitimate sales of approximately 15,000 music CDs. The problem of music piracy has been compounded by the opening up of national borders due to regionalization of business as well as the increase in the usage of internet and availability of the same music in the internet.

Several studies have been undertaken locally on the issue of product counterfeiting and piracy. Waka (2007) undertook a research on the Response strategies of Haco Industries to the challenges of counterfeit products in E.A. In her study she concluded that trade in counterfeits is a growing menace in the developing world due to a combination of factors which include the lax in local laws and low purchasing power of the region citizens. Further, counterfeit goods were noted to cause a great loss in sales to the local manufacturers of the branded products and causing millions in lost revenue to the government as importers of counterfeit products usually evade paying taxes. On his part (Walufu, 2008) researched on the Factors that influence the extent of counterfeiting of goods in the East African Community (EAC). In his study, rampant corruption, inadequate resources—both financial and human resources to various agencies dealing with the counterfeiting vice as well as porous Kenya borders were identified as key factors which exacerbate the trade in counterfeit products. From the above studies, it is evident that there does not exist a study on the challenges of globalization affecting Music Copyright Society of Kenya. This therefore begs the question, what challenges has globalization posed on Music Copyright Society of Kenya?
1.3 Research Objectives

The research objective was to establish the challenges of globalization affecting Music Copyright Society of Kenya.

1.4 Value of the Study

The aim of the study is to establish the challenges of globalization affecting Music Copyright Society of Kenya. As a result, the Management of various music companies, artists, the regulators, other oversight bodies, and the academicians will find the research an invaluable source of reference as follows:

Management of various local music companies are guided on understanding the ways used by music pirates and what drives the same illegal business to flourish is explored in the study. As a result, the study comes up with ways of reducing the effect of pirated music in the local music industry. In addition, the study identifies ways in which counterfeits and pirated music products can be identified and as such help companies and individuals in differentiating them from the genuine ones. Such deeper understanding will enable these companies in gaining the benefits of countering the pirated music and by so doing accumulate intellectual capital.

The findings of this study will be used by the policy makers especially the Ministry of Finance and Trade in formulation of regulations to guide various agencies in drafting a regulatory framework for combating the threat of pirated and counterfeit products to local companies. In addition, the results of the study will serve as a point of departure for further investigation into the challenges facing anti-piracy organization in developing countries while coming up and implementing measures towards reduction or elimination of pirated products. Further, the material will form a source of reference by other scholars in the area of corporate governance.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter highlights the major issues relating to challenges of globalization affecting Music Copyright Society of Kenya. It covers the concept of international business, globalization, Intellectual Property rights, music piracy and the challenges of globalization affecting the music industry.

2.2 The Concept of International Business

Today, firms are internationalizing in greater numbers and faster than ever before. However, companies are internationalizing in more different ways, often using combinations of entry and exit strategies (Dunning, 2000). In most cases smaller firms, especially high tech companies, practice advanced entry modes from their outset, services and know-how that are traded across the globe. According to (Crawford & Mathews, 2001), Companies are increasingly forced to generate value for customers and shareholders alike. They observe that buyers in today’s economy, especially organizational buyers, are expecting “value packages” from their suppliers, while at the same time scrutinizing world markets for a cheaper offer. In addition, consumers are expecting a better match in values with the companies to which they give their business while also claiming superior value for less money. Meeting these evolving challenges puts new stress on firms as they expand internationally, and may require new kinds of solutions and strategies that may comprise of rights infringement in some cases (Dunning, 2000).

Globalization phenomenon is explained in terms of the temporal and spatial compression of human activities on the globe, to recognise, explore, and explain the interaction and
interdependence of economics, politics and cultures beyond local, regional and national boundaries, and to predict possible influences on human activities (Croteau & Hoynes, 2000). On his part in 1995, Cohen suggests that locality could be most usefully used in popular music studies ‘to discuss networks of social relationships, practices, and processes extending across particular places’, and to draw attention to interconnections and interdependencies between, for example, space and time, the contextual and the conceptual, the individual and the collective, the self and the other (p.65). In this respect the local is defined by reference not only to a community, but also to a shared sense of place within global culture.

Globalization promotes the meeting of musical cultures, whilst simultaneously encouraging regional differences. Local popular industries perceive their potential audience in international terms, and ‘local’ pop markets are now awash with global sounds, since, as (Hirst & Thompson, 1996) maintain, globalization encourages popular musical practices to look towards global styles for possible inspiration, whilst also looking inwards to (re)create national music styles and forms. For decades, critics have depicted the international circulation of American and British pop as cultural imperialism.

Several key theories have been applied to the internationalization process primarily to explain the international production operations of Multinational Corporation. These theories include the Industrial organization theory (Agmon & Lessard, 1977), internalization theory (Rugman, 2001) and transaction cost theory (Hennart, 1982). Going a step further, Dunning’s eclectic theory expanded its scope to incorporate consideration of trade as an alternative to investment in reaching foreign markets (Dunning, 2000). Industrial organization (IO) theory is based on the assumption that operating overseas is more costly than doing business at home. To be successful, multinational enterprises (MNEs) must create offsetting advantages, partially explained by
imperfections in factor and product markets (Weisfelder, 2001). Internalization (INT) theory argues that MNEs represent an alternative mechanism for arranging value-added activities across national borders. This is necessary due to market imperfections such as government intervention or buyer uncertainty. The theory shares some roots with transaction cost (TC) theory, which shifted attention to predicting whether using spot markets (contracts) is more efficient (or not) than using hierarchy (firms) to organize economic activity in foreign markets (Weisfelder, 2001).

The internationalization process (IP) model of (Johanson & Vahlne, 1990) rests on the resource-based view that is rooted in the classical theory of the firm (Penrose, 1959). The model, which considers entry mode decisions as a time-dependent process, considers a state as a consequence of a firm’s prior experience knowledge. The theory consists of the chain of establishment and the internationalization process model. It has been challenged for being too deterministic and too limited by focusing only on one explanatory variable (Andersen, 1997). Network theory considers investments in relationships as assets that determine future strategic development. This approach blurs the “market-versus-firm” distinction central to transaction cost-based theories (Weisfelder, 2001).

In the stages approach theory contained in the Uppsala model of internationalization, it is argued that MNCs grow from infancy in the country of their origin and develop to maturity. This growth saturates the local and regional markets. Eventually such businesses venture into the international arena as MNCs because they gain confidence of the target market and are assured of success. Based on these developments MNCs end up facing many challenges in the export/import business across the borders and this creates a fertile ground for counterfeiting business to flourish.
2.3 The Concept of Globalization

Globalization has been defined variously as the integration of financial markets and the increasing dispersion of capital (Hern & Caulk, 2000), as the increasing integration of the organization of production and the consumption of commodities in the world economy (Dunning, 2000), and as a process of transformation fueled by a radical change in the flow of investment, services, and goods across state borders (Bartlett & Ghoshal, 2000). It is a social condition characterized by thick economic, political, and cultural interconnections and global flows that make currently existing political borders and economic barriers irrelevant.

Bartlett and Ghoshal (2000) argue that the term globalization should be confined to a set of complex, sometimes contradictory, social processes that are changing our current social condition based on the modern system of independent nation-states. In addition, scholars of globalization have defined their key concept along those lines as a multidimensional set of social processes that create, multiply, stretch, and intensify worldwide social interdependencies and exchanges while at the same time fostering in people a growing awareness of deepening connections between the local and the distant. At its core, then, globalization is about the unprecedented compression of time and space as a result of political, economic, and cultural change, as well as powerful technological innovations (Andersen, 1997).

2.4 The concept of intellectual property rights.

The strengthening of the intellectual property rights regime, in particular through the adoption of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) is the subject of intense scrutiny and debates in most countries of the world. By providing for minimum levels of protection of intellectual property rights generally based on average OECD levels of
protection, TRIPS constitutes a significant challenge to a number of developing countries which have to make significant changes to their legislations to be in compliance. Some of the fiercest debates concern patents which provide a bundle of time-limited rights to inventors. Patents are deemed to provide necessary incentives for the development of private sector enterprises (International Federation of Phonographic Industry, 2000).

Traditionally most countries have provided strict limitations on the scope of patentability. Patents were, for instance, not available for a 'discovery' (as opposed to an invention) and a number of countries provided restrictions on patentability in specific sectors such as music. TRIPS now oblige countries to provide patents in all fields of technology (Ang et al., 2001).

Weisfelder (2001) observes that the rationale for intellectual property rights is based on the philosophy of utilitarianism. It stipulates that intellectual property rights are necessary to maximize social utility by providing authors, inventors, and other creators with durable and tangible return on their investment of time, labor, and other resources used in the creative process. The presumption is that exclusive rights in inventions and literary creations are necessary to promote the public welfare. Without those intellectual property rights, free riders can appropriate the value created by innovators and thereby undermine the incentive to innovate.

In Kenya, the Copyright Act of 2001, was amended and came into effect on February 1, 2003. This Act brought the Kenya’s law closer to compliance with Kenya’s international obligations under the TRIPS Agreement. In addition, the law deals with certain aspects of protection of copyright in the digital age, including several of the requirements of the WIPO “Internet” treaties, the WIPO Performances and Phonograms Treaty (WPPT) and the WIPO Copyright Treaty (WCT), which went into effect in 2002 (Music Copyright Society of Kenya, 2008).

Consumers and traders, stand to benefit from the enforcement of intellectual property rights because
this will help in ensuring product safety and increase the likelihood of access to cutting-edge and innovative products and services.

2.5 The Concept of Music Piracy

Over the last two years, the music industry has fed the media stark statistics about "piracy," the act of copying digital music content to a blank CD, or uploading or downloading it on the Internet. According to various newspaper articles, an estimated 3.6 billion songs are illegally downloaded each month in the United States (Huang, 2009). In 1999, the music industry estimated that one in four compact discs of new music was actually an unauthorized copy. By the end of 2001, it was estimated that as many CDs were burned and copied as were bought. In Europe, blank CDs are outselling recorded CDs (although these blank CDs might have also been purchased for legitimate reasons, such as to back-up personal computer files) (Huang, 2009) and since 1999, ownership of CD burners has nearly tripled. This trend of consumers sharing their music rather than purchasing it may be attributable to many factors, including the slow economy. However, the music industry seems to believe that the most likely culprit in this trend is the rise of digital music, i.e., free online file sharing, and the growing popularity of CD burners (Andersen, 1997).

According to (Kwok et al., 2008), many music CD buyers deny that they are doing anything wrong and blame the music industry for charging high prices. Sometimes, double standards are employed such that prospective buyers of pirated CDs do not hold themselves accountable for their action but hold pirated CD sellers as responsible (Croteau & Hoynes, 2000). Some consumers even claim that the entertainers also do not seem worse off because of music product piracy as they still enjoy a high income and live in a bountiful way (Ang et al., 2001). Since
music piracy is illegal, the decision to purchase or download pirated music presents stimuli that evoke certain ethical dilemmas that affect consumers’ ethical decision processes. Idolization has become ubiquitous in recent decades (McCutcheon et al., 2002). Giles (2000) explains the prevalence of celebrity idolization in modern societies as direct products of mass media and communications. Adolescents often revere celebrities such as pop singers and sports figures. Because of the prevalence of celebrity idolization behaviors, more and more music marketers try to organize fan clubs and use fandom’s loyalty to reduce the possibility of music piracy on the focal singers (Greene and Adams-Price, 1990).

Cohen (1995) suggests that innovations from unusual sources may be more likely to become disruptive technologies. Cohen’s central point is that firms that ignore disruptive technologies, despite the fact that they do so for perfectly good reasons, can suffer severe consequences if they are left behind when the market moves en masse to a new technology. As a consequence of the music piracy, Kay (1990) observes that the music industry has been battling music piracy, primarily by going after software and website developers, as well as consumers, in the courts. This creates the greatest threats to the existing record label business model which comes from a number of directions. He notes that first, there is the loss of value for their existing economies of scale for production of the physical products, the compact disks. Then in electronic format, there is a loss of control of the format, with many efforts to establish copy-protected formats failing to attract the critical mass of users necessary to attract device makers and finally there is the threat to their existing distribution channels and control of those channels (Kay, 1990). This may be holding back the evolution of the music industry towards an ultimately beneficial embrace of the possibilities inherent in electronic distribution of music.
2.6 The Effect of Globalization on Music Industry

The transnational nature of piracy problem reflects the process of globalization, which has intensified over the past two decades. The emergence of e-commerce, as well as the social dimension of the internet and associated crimes, is a striking example of the challenges to the independent capability of nation-states to regulate social and economic order within their territories (Weisfelder, 2001). Thus according to Rugman (2001) this will call for a more advanced intelligence mechanism that will involve collaborative enforcement and ongoing monitoring of distribution streams of pirated products and illegal operations.

Radical versions of globalization go further and suggest that the nation-state system of international relations no longer provides an effective methodology for regulating either domestic or transnational activity, especially international trade. In either version of globalization, “sub-state” actors, such as large regulating institutions, play a crucial role in the emergence of what Weisfelder (2001) terms a transnational-state-system.

The internet was an emerging market whose significance, in the early days of music piracy at least, was still being determined. However, according to Ang et al., (2001) evidence exists supporting the notion that exposure to music piracy actually played a role in pushing record labels: to adopt internet technologies (those exposed to piracy were more likely to be early adopters of internet technology), to create richer and more fully featured web sites, and to experiment with electronic forms of distribution that are either proprietary or in other ways non-threatening (e.g., short clips of songs). These results as noted tie in nicely with recent theories of innovation for net-enabled organizations from the Information Systems literature (McCutcheon
et al., 2002) that put forth frameworks in which music piracy could be argued to play the critical role of informing the record labels of the importance of a key new distribution technology.

According to Sassen (1996) law enforcement agencies in many jurisdictions have been unable to respond effectively to the counterfeit problem and even in the most advanced nations, “play catch-up” with cyber savvy criminals. Furthermore, the effectiveness of the current approaches towards counterfeiting is questionable. Indeed, in fast moving technology intensive industries legal remedies tend to be too slow and too costly for regulating complex technological developments and their associated intellectual property and ownership rights (Crawford & Mathews, 2001). Further, Huang (2009) observes that a number of challenges face anti-piracy institutions in effectively dealing with the problem. He attributed these to lack of adequate intelligence, legal, administrative mechanism and supply chain factors.

In 2003, Giles stated that controlling counterfeits trade involving digital technology and computer networks will also require a variety of new networks: networks between police and other agencies within government, networks between police and private institutions, and networks of police across national borders. These they argue will boost inter agency intelligence that will help in reducing the trading of pirated goods. Over the past decade, considerable progress has been made within and between nations to develop the capacity of police to respond to pirated products and there is now growing awareness amongst producers of the need for basic product security (Weisfelder, 2001). In addition, the quickening of transnational law enforcement cooperation in response to cyber-crime and other global threats has radically altered expectations about what may be achieved at the international level.
Weisfelder (2001) observed that the laws in most countries distinguish between faking public property like banknotes and faking private property like brands. They note that whilst the penalties for copying banknotes are tough, almost nobody goes to jail for counterfeiting products. Counterfeit products cause injury, defraud both governments and the general public and national legislation should reflect this. Governments therefore need to review their laws to ensure they provide a strong deterrent. In addition, McCutcheon et al. (2002) noted that, strong legislation should be complemented by effective enforcement. This requires Government investment in people, systems, equipment and training – something that is lacking in many parts of the world. Counterfeiting should be declared as an international crime since its effects are devastating to licit companies. These include; unemployment of staff in these companies’ whose products are copied; reduction in market share and destruction of their reputation. Further, Weisfelder (2001) posit that most national agencies have been found to have a limitation of the Standards Act, prosecution process is slow and they have problems in enforcing some of the laws if no gazettement has been done. In addition, instances were identified by Giles (2003) where standards do not give descriptive characteristics of products which would be useful in the fight against counterfeite trade.
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The chapter describes the proposed research design, the target population, sampling design, data collection instruments and procedures, and the techniques for data analysis.

3.2 Research design

The research design used was a case study. A case study is an in-depth investigation of an individual, institution or phenomenon. The primary purpose of a case study is to determine factors and relationships among the factors that have resulted in the behavior under study. The study was adopted in this particular study since not all the potential population of the study were knowledgeable of the challenges that globalization has had in the Music Corporate Society of Kenya. It is through an interview with some selected persons concerned with formulation and implementation of the mechanism concerned with mitigating the effect of globalization on the Kenyan music industry that the researcher was able to identify the effect of globalization on the Music Corporate Society of Kenya. As a result of this, a case study research design was deemed an appropriate design. The respondents were managers from the Music copyright society of Kenya (MCSK) and consisted one manager from each of the following departments; Distribution & Documentation Department, Operations Department, Finance Department, Information and technology Department and Legal department.
3.3 Data Collection

The study made use of primary data which was collected through a face to face interview with the researcher. An interview guide was used to collect data on challenges of globalization in the Music Corporate Society of Kenya. The interview guide consisted of questions that the interviewer asked the respondents. The respondents interviewed were those involved with the formulation, evaluation, and implementation of measures of mitigating the effect of globalization on the Music Copyright society of Kenya. The interview guide was made up of three sections namely; respondents profile, globalization and its effect in the Kenya music industry, and finally challenges facing the Music Corporate Society of Kenya as a result of globalization. The respondents to the interview guide were managers from the Music copyright society of Kenya (MCSK) and consisted one manager from each of the following departments; Distribution & Documentation Department, Operations Department, Finance Department, Information and technology Department and Legal department.

3.4 Data Analysis

The data obtained from the interview guide was analyzed using qualitative analysis. Qualitative data analysis makes general statements on how categories or themes of data are related. Qualitative analysis was adopted in this study because the researcher was able to describe, interpret and at the same time criticize the subject matter of the research since it was difficult to do so numerically. It also enabled the researcher to make individualistic judgment on the research subject matter. Qualitative analysis was done using content analysis. Content analysis is used to describe and systematically analyze the content of written, spoken, or pictorial
communication (Coetzer, 2009). It involves observation and detailed description of objects, items or things that comprise the object of study. The themes (variables) that were used in the analysis were broadly classified into two: the effects of globalization on Kenya music industry and the challenges of globalization affecting Music Copyright Society of Kenya.

Data was analysed and interpreted via Coding (social sciences) technique that both organizes the data and provides a means to introduce the interpretations of it into certain quantitative methods. Coding required the analyst to read the data and demarcate segment within it. When coding was complete, the analyst prepared reports via a mix of: summarizing the prevalence of codes, discussing similarities and differences in related codes across distinct original sources/contexts, or comparing the relationship between one or more codes.
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The research objective was to establish the challenges of globalization affecting Kenyan Music Corporate Society. This chapter presents the analysis and findings with regard to the objective and discussion of the same.

4.2 Respondents’ Profile

The respondents comprised of senior managers of the Music Copyright Society of Kenya (MCSK) based at the head office in Nairobi. In total, the researcher interviewed five respondents out of the intended six interviewees. This represented 83% response rate and was considered a good result. The managers interviewed were those in charge of Distribution & Documentation, Operations, Finance, Information and technology and Legal. All the respondents interviewed had university degrees with two of them having Master in Business administration degrees as well. The educational backgrounds of the respondents ranged from Marketing, Music Literature, Finance, Information Technology and Law. In addition, all the respondents had worked in the organization for a minimum of 2 years and in average the working experience of the respondents was 5 years both within and outside the organization. With this solid background, it was felt that the respondents were knowledgeable enough on the research subject and thus of great value in the realization of the research objective.

On being asked whether the MCSK has been able to develop strategies of fighting music piracy and infringement of intellectual property rights in Kenya, majority of the respondents answered in affirmative that indeed they were satisfied. They pointed out that over the last three years, with the cooperation of the enforcement agencies, they have been able to undertake swoops in various
outlets that dealt with pirated music as well as netting many more equipment used in pirating music. The respondents noted that they would still wish to continue working in the organization if given a chance since they recognise the role that Music Copyright society of Kenya plays in protecting the rights of artists and their products. However, the respondents noted that despite the success that the organization has achieved in performance of its mandate, several challenges still face the organization including existence of high rates of piracy, poor enforcement procedures and ineffective management of intellectual property rights. As a result of these challenges, they observed that most musicians still struggle to make a living from their music and to achieve social recognition of their status as artists.

4.3 Effects of Globalization on the Kenyan Music Industry

This part of the interview guide aimed at establishing from the respondents, what effect globalization has had on the Kenyan Music Industry. The respondents were expected to give their views both positive and negative on the effect of globalization in the industry.

The respondents did appreciate that globalization has had an impact on the music industry. They pointed out that the impact was both positive and negative. They noted that globalization has provided them with a challenge of dealing with it and using it for their benefit instead of protesting and trying to fight it. With globalization, the organization has faced several challenges whereby despite artists in developing countries like Kenya getting access to the international market, they pointed out that, without adequate legal oversight, the artists can be exploited without appropriate financial reward. This case is so serious such that the respondents gave an example of a local artist who in the year 2010 lost over 10 million Kenya shillings from a deal he entered with adequate legal standing in the international market. In addition, the respondents pointed out that internet piracy has been in the rise as a result of globalization such that national
borders are no longer restrictive but instead pirated copies are manufactured in some countries for sale in others and also recordings by most popular international artist are the major targets for piracy due to the promise of a potential mass market. In addition, the respondents observed that with the advent of technology, local artist music has been uploaded in the internet and accessed by other people without payment of royalties to the artist themselves. Further, globalization was observed to have changed the character of intellectual property regulation and ownership.

Despite the negative effects that globalization has had on the local music industry, the respondents pointed out that there are several opportunities that globalization has brought to the same artists. The interviewees noted that as a result of the advancement of information technology and reduction in the barriers of movement, musicians have been able to emulate or combine local and international beats to result to a genre that appeals to a much larger audience. In addition, it is through recordings whether played on a reproduction device or heard through broadcast that music of one culture is often heard in another. In the present day level of technological advancement, different music can be accessed through the electronic system and this has made music available, diverse and abundant. They observed that such diversity in music make it available to billions of people around the globe and thus increasing the market share of the local artist.

Consumers of the music products have also been affected by the globalization phenomenon. The interviewees observed that music pirates who sell copied CD’s in the streets have dominated the local market, making it impossible for artists and producers to profit from direct sales of legitimate recordings. In addition, the quality of products that consumers eventually get from the pirates are of low quality and this makes them lose faith in the same local music products. A lack of proper music distribution outlets in the country has impacted on level of availability of the
local music to consumers and this has led to the consumers opting for the available low quality products that will in most cases have been pirated. The respondents also noted that there are several stages of music management in Kenya including production, marketing, promotion and distribution. All these functions require specialized teams of persons with different and relevant expertise. However, it was observed that most artists assume all the roles and with this they have not been able to deliver the music products to the consumers when needed and this has also led to increased piracy of the same products. Generally, the respondents observed that unauthorized duplication/download and pirated music products have made consumers enjoy cheap music but whose quality at the same time is comprised.

The demand and acquisition mode of the customers has also changed as a result of changes in technology. Many consumers at present were noted by the respondents to be technologically savvy and were able to purchase the music products online hence did not need to go to a shop to acquire the same products. As a result of this, the respondents noted that local musicians need to adopt new distribution methods that will allow them to access a wide market especially the youthful audience who will prefer to purchase these products electronically. The respondents did quote one of the local artist- John Katana who indicated that due to the distribution and piracy problem, there have resorted to live performance and doing social functions which pays more than production of the same music. Two of the respondents highlighted that Kenya has become a dumping ground for all kinds of pirated and counterfeit goods, including pirated music. They gave an example that, since June 2002, Kenya’s Customs & Excise department has seized over 100,000 music CDs coming into Nairobi. A further 15,000 music CDs were seized in Mombasa. However, during the same period of time, the music industry reported a meager legitimate sale of approximately 15,000 music CDs.
The respondents also noted that globalization has changed MCSK marketing strategies. They observed that they have developed in conjunction with other developers, websites with information devoted to helping independent artists find their market around the country and in the region. In addition they have started a hybrid music/social networking companies where a band can set up a free profile, put four songs up for download, promote their upcoming shows and market their CDs without having to pay a cent. The film and television music supervisors have also been found to use independent musicians relentlessly whom they find cheap because they don’t have to pay the steep royalties that they would have paid when dealing with major label recording acts.

4.4 Challenges of globalization on Music Copyright Society of Kenya

Moreover, the researcher wished to find out from the respondents what challenges exist to MCSK in performance of its mandate as a result of globalization.

Kenya and other regional countries have a broad linguistic diversity which has fragmented the market and made it more difficult for artists to develop unique and recognizable sounds that can serve as currency for access to mainstream global markets. Thus despite the ability of the local music industry to capture the international audience, it has become difficult for MCSK to align the same local music to capture the regional appeal due to the diverse linguistic base of the potential base. In addition, the wish to spread local music internationally requires adequate investment in production, training and rehearsing facilities which were identified by the respondents to be in short supply. Further, the interviewees noted that, it is often very difficult for young musicians to buy instruments, if they could get more international investment in music, then respondents observed that music would rise to a different level.
Intellectual Property Rights (IPRs) was also pointed out as a key issue of global innovation policy. The interviewees observed that Kenya is putting up specific policies in place to nurture their absorptive capacity through the creation of appropriate infrastructure and human resources. Further, since competence building is not hampered by IPRs, the respondents argued that Kenya should concentrate on active learning policies to acquire the knowledge of the most industrialized nations. They also argued that IPRs per se do not allow companies to appropriate the returns from their innovations unless they are matched to a wide-ranging strategy that includes continuous learning and dynamic innovation.

On being asked whether, the government has a role to play in addressing the challenges affecting the local music industry, the respondents agreed that indeed the government has a great role to play especially in fighting the music piracy problem. The interviewees pointed out that the government should become more vibrant in formulating and enforcing the law. They noted that corporate end-users know the government will not enforce the law and if it does enforce it, they argued that there exists a number of loopholes and complexities for piracy to be worth the risk to end-users.

The respondents suggested that the government should lead by example, by using legally acquired softwares/music and by educating the general public and businesses on the harm that piracy poses. Currently there is the illegal or unlicensed use of business software/music by government entities. Consumers should be educated on the value of buying genuine software/music to business. Further, the respondents suggested that the government should encourage relevant government agencies to develop and implement an aggressive action plan to tackle piracy in Kenya, including training appropriate officials on IP enforcement, and take steps to assure regularization of judicial/other legal procedures. In addition, they noted that the
government should consider developing a specialized intellectual property court and a specialized cadre of prosecutors to handle intellectual property cases and foster the imposition of deterrent penalties. Other measures that the government could take to reduce cases of music piracy and infringement of property rights were noted to include developing workable and effective border measures to prevent the entry of piratical goods and addressing the deficiencies in the copyright Act especially in the area of strengthening enforcement remedies.

However, despite the above negative influence of globalization and how the MCSK is facing the challenge, the respondents did observe that several legal, administrative and intelligence mechanism governing the music industry have been developed in the country. They for example noted that in the last three years, a National Copyright Board has been formed and is entrusted with implementation and monitoring of the new legislation. Further, stakeholders are working to improve organizational structures of copyright and provide effective education on IP issues.
5.1 Summary of Findings.

In summary, the study shows that the interviewees are aware of the globalization challenges affecting the role of Music Copyright Society of Kenya. The knowledge about the operations of the organization was exhibited by the respondents by virtue of all of them having worked in the institution for over three and also due to the fact that all of the interviewees were engaged in the day-to-day management and operations of the MCSK mandate. In addition, the respondents were found to be well versed with the subject matter of the study and had all solid academic background having attained at least a first degree. As a result of the above, the researcher felt that the results obtained from the respondents reflects the true position as it is in the organization.

The respondents did appreciate that globalization has had both positive and negative effects in the music industry. They noted that though globalization has provided them with a challenge and there is need of dealing with it, they also acknowledged that it has brought with it opportunities which if harnessed well, will give the local music industry and MCSK a leverage. The respondents observed that with globalization, there is need of developing countries such as Kenya to develop adequate legal oversight since artists can be exploited without appropriate financial reward. Internet piracy has been in the rise as a result of globalization such that national borders are no longer restrictive but instead pirated copies are manufactured in some countries and sold in others. To this extend recordings by most popular international artist are the major targets for piracy due to the promise of a potential mass market.
Consumers of the music products have also been affected by the globalization phenomenon. With the level of music piracy increasing due to increased interconnectivity between countries, it was observed that the copied CD’s on the streets have dominated the local market, making it impossible for artists and producers to profit from direct sales of legitimate recordings. In addition, the quality of products that the consumers eventually get from the pirated products are of low quality and this makes the consumers lose faith in the same local music products.

Globalization has also impacted the demand and acquisition mode of the customers. It was observed that many present day consumers are technologically savvy and they are able to purchase the music products online and might not need to go to a shop to acquire the same products. As a result of this, local musicians need to adopt new distribution methods that will allow them to access a wide market especially the youthful audience who will prefer to purchase these products online.

The government also, has a great role in addressing the challenges affecting the local music industry. It appreciated that the government should become more vibrant in formulating and enforcing the law. The current problem of increased piracy of music products and infringement in the Intellectual property rights has been attributed to among others, laxity or lack of the capacity to enforce to the letter the existing laws in the country. At present, it was established that corporate end-users know that presently the government does not have the capacity to enforce the law and if it does enforce it, they argued that there exists a number of loopholes and complexities for piracy to be worth the risk to end-users. Thus it was found out that the government needs to take an active role in protecting the local music and artist since the industry has a great potential to be an employer and an agent towards the realization of Vision 2030.
5.2 Conclusion.

From the research findings and the answers to the research questions, some conclusions can be made about the study:

Globalization is an irreversible trend that has both its challenges and opportunities. No single sector can manage to fight alone the challenges that come with globalization and therefore, there is need for an organization to identify the opportunities that come with globalization and at the same time come up with measures of reducing its threats to the business activity. In the music industry, globalization has impacted greatly the local music and thus making local producers and artist not to reap adequately the rewards of their job. Therefore to protect the local artist against the threat of piracy, there is need for all the stakeholders, especially the government, to participate fully in coming up with legislation and enforce the same to control the vice. However, combating music piracy should not be left to one agency or institution alone. Instead all the government agencies and organization should pull together their resources in order for the effect to be felt; networks between police and other agencies within government, networks between police and private institutions, and networks of police across national borders should be adopted.

Another important conclusion from the study is that for an effective implementation of strategies to fight piracy, adequate funding need to be afforded to organizations such as MCSK in order to facilitate their noble course and also adequate staff should be seconded with various backgrounds in investigation, ligation and enforcement of the same laws. The methods used in combating the piracy problem will also need to be adaptive to the changing business environment and technological advancement. In addition, consumers of this pirated music will need to be educated on the effect that such products have in the economy and also the livelihood of the artists. This
can also be realized if the locally produced music is made affordable through adoption of much cheaper production without comprising on the quality.

5.3 **Recommendation.**

The government must fully take its rightful role in protecting locally produced music and patents. This is through allocation of adequate resources to fight the problem and also enacting appropriate laws that will be a deterrent to will-be music pirates. In addition the enforcement process should be continuous and predictable such that any investor in the music industry locally can be assured of the protection he/she will receive from the government and law enforcement agencies.

The system and mechanisms used in fighting the piracy problem should also change with the times. Music pirates keep on changing their production and distribution system and for the agencies dealing with the problem to be successful in their mandates, they will need to adapt their ways to match the changes especially in the area of ICT. In addition, the strategies developed to manage the music problems should not be taken as a onetime process in which the program is initiated and it rolls on continuously without any intervention from the management. Instead, the management should inculcate a practice of regular review and reference making of the strategic plan throughout its lifespan.

5.4 **Recommendations for Further Research**

The study confined itself to the challenges of globalization affecting Music Copyright Society of Kenya. This research should therefore be replicated in other agencies working towards protecting the local artist in the country especially government owned agencies in the ministry of trade. In addition, a study should be contacted in other regional countries to establish whether
globalization has the same effect regionally. Could the globalization phenomenon be affecting different oversight bodies in the same way?

5.5 Limitations of the Study

This study depended on interviews and discussions with the management of MCSK. It would have been of value to obtain the views of those affected by the music piracy directly like the local artists. The scope and depth of study was also limited by the time factor and financial resource constraints. This put the researcher under immense time pressure. The researcher also encountered immense problems with the respondents’ unwillingness to give the researcher interview time promptly.
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APPENDICES

Appendix I: Cover Letter

Winfred Kongu Nzuki
School of Business, University of Nairobi
P.O. BOX 30197, Nairobi.
August, 2011

Dear Respondent,

I am a postgraduate student at the University of Nairobi, School of Business. I am carrying out a research on “Challenges of globalization affecting Music Copyright Society of Kenya”. This is in partial fulfillment of the requirement for the award of a degree of Master of Business Administration, (International Business Management option) at the University of Nairobi.

This study uses your organization as a Case of Study from which you have been selected as one of the respondent. The success of this research substantially depends on your help and cooperation.

I hereby request you to respond to the Interview questions as honestly as possible and to the best of your knowledge. The information provided will exclusively be treated with utmost confidence; neither your name nor any other details shall appear in my report.

Thank you in advance,

Yours sincerely,

Winfred K. Nzuki
(Student)

Dr John Yabs
(Supervisor)
Appendix II: Interview Guide.

Interview Questions

The following sections provide sample questions to be used in evaluating the challenges of globalization affecting Kenyan Music Corporate Society.

PART A: Background Information on the interviewees

1. What is your current position in the organization?
2. For how long have you been holding the current position?
3. What is the highest academic qualification attained? What of professional qualification?
4. Are you satisfied with the extent to which your organization has achieved in combating music piracy and IPR infringement?

PART B: EFFECTS OF GLOBALIZATION IN THE KENYAN MUSIC INDUSTRY

5. Do you appreciate the impact that globalization has had in the music industry in Kenya? What are some of the positive and negative effects that globalization has had?
6. How have consumers been affected? What of your production system?
7. How has the product life cycle been affected by globalization?
8. What can you say is the effect of globalization on customer’s demand and acquisition mode?
9. Has there been change in the music marketing strategies as a result of globalization? If yes what has been the changes?
PART C: CHALLENGES OF GLOBALIZATION AFFECTING MUSIC COPYRIGHT SOCIETY OF KENYA.

10. Have you been facing any challenges arising from globalization in MSCK? What are some of these challenges?

11. To what extend has globalization affected music piracy?

12. To what extend has globalization affected IPR?

13. How has the consumers purchasing mode been affected by the internet connectivity in the country?

14. Has there been any challenge in the Kenyan music set up as a result of increased connectivity among nations?

15. Has there been any effect on celebrity idolization on music industry in Kenya?

16. Is there a role the government can play in addressing the challenges in the music industry? If yes what role can the government play?

17. Have there been any disruptive technologies in the industry over the last five years? If yes please enumerate some of them and what effect have they had?

18. Has there been any pricing and distribution effect in the Kenyan music industry? If yes what are some of these changes?

19. Has there been any change on legal, administrative and intelligence mechanism governing the music industry over the last five years as a result of globalization?

THANK YOU FOR YOUR TIME.