

Marketing Greek Music To The World

Soft-spoken and keeping a low profile in a country where business bombast tends to be the rule, the chief executive of Minos Matsas and Son has sat quietly at the pinnacle of the Greek record industry for years. Carrying on a tradition started by his father almost 70 years ago, Makis Matsas now heads a marketing machine that controls nearly half of the national record and cassette market. Melissa Daily talks with Matsas about how after last autumn's joint venture agreement with EMI Records in London, he may have the international marketing muscle to promote Greek music in other countries.

Q: How will you market Greek music in the European marketplace?

A: A calibrated combination of the bouzouki sound with the international sound would be the style of music that would be well accepted by the European and the international markets. Greek music is full of soul and full of the Mediterranean atmosphere. Without underestimating Italian music, I would say Greek music has a stronger personality. The Italian is more romantic, more European, more soft and sweet. Greek is stronger and has more characteristic personality.

Q: Where are the business opportunities in Greece's music market?

A: I think that there is big potential for CDs. In Greece we haven't yet tried to exploit this new soundcarrier which accounts for less than 10% of the market here, while in all other countries [in Europe] the CD has reached 50-60% of the market.

CD players used to be more expensive in Greece than in other EC countries because of the duty taxes. Now, because of our EC participation, the taxes are getting lower and lower every year, so the CDs are becoming cheaper.

For now, the market is divided almost 50%-50% between vinyl records and cassettes. Everybody is asking how and why the vinyl is so strong in Greece. In Holland, CDs are 95% of the market, cassettes are 5% and there is no vinyl. In the US, as you know, vinyl virtually doesn't exist anymore. But in Greece, vinyl is still alive and strong, and I feel that for the next five years vinyl will continue to be strong, losing only a very small percentage.

Q: Domestic repertoire accounts for almost 55% of total sales in Greece. Do you think that with greater involvement in the EC, the younger generation will abandon traditional music for international?

A: No. The test is already over. I was afraid when MTV came to Greece; when I saw that the private stations devoted 80%

of the airtime to international music; when international companies moved here. But we see that Greek music has been tested by all media and it resists strongly and has its right proportion in the market. It has strong roots.

There are three stages. The high school students are listening to the international music because Greek music doesn't reach those ages. Our music is for mature people. When students finish high school and they enter universities,



Makis Matsas

they start to discover Greek music and little by little they abandon the international. That means it is the new generation that continues to like Greek music. If you go to a night club with Greek singers, you are going to see young people and the same young people will be in the discos.

Q: How did the record industry evolve in Greece?

A: In the very beginning, there was no industry, no studios, no factories. So, some German mobile units came here and they used the lobbies of old hotels to record Greek songs once a year and then they would return to Germany to make the records. It wasn't until 1963 that EMI built a studio here and a factory. The first record company to be founded in Greece was Odeon in 1925, which was directed by my father.

I started visiting the studio when I was 10 years old, and all my life I was very close to the musicians and the recordings and the history of the Greek music. It's the creative atmosphere of the studio and my relationships with all these crazy people that I like.

It's magic to watch a song being born, to see how an artist emerges, how a career is built and how talent is utilised.

Q: What have Minos Records and EMI gained from your joint venture?

A: We record 40-45% of all the Greek music, but we had no international repertoire. So I decided to become associated with one of the biggest international record companies in order to secure an international repertoire for our company. EMI wanted to access the local repertoire and extend their share of the market. Since July, we've had one common center for distribution, but we'll keep the marketing and sales departments separate.

Through the EMI channels the development of Greek artists abroad is possible. We have already started to take the first steps: EMI people are getting to know our artists, our roster and we're trying to put our artists

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closer to the people in charge, but it's too soon to see results.

Q: Is it true that the EMI agreement has given your company control of half the national record and cassette industry?

A: Now our company has the biggest share of the market. Before the joint venture, our share of the market was about 21%. The share of the market of EMI this year was about 13%. We are doing the distribution for BMG and Virgin, so if we include the distribution companies owned by us, we reach approximately 50% of the market. The other 50% is dominated by Sony, PolyGram, Warner and Lyra (owned by General Publishing Company S.A.)

Q: Are you losing customers because of the expansion of private radio stations in Greece?

A: The big explosion in radio is creating problems for us. In Greece you can create a radio station with little equipment and few people. That's why there are so many. With such a variety of stations, you don't feel the need to have your cassettes in your car.

We felt a big decline in cassette sales after the first year of commercial radio, but we seem to have passed that test. Little by little we're regaining; people are coming back to the privacy and pleasure of listening to their own music.

Q: How much sales volume do you lose to home taping and piracy in Greece?

A: This is a very, very serious problem here. Home taping attacks international repertoire,

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which is addressed to the younger people. In school, if one child has a cassette, the next day four of five others have taped the same one. Older people have no time to make copies, so they are still buying our products. But in this area professional piracy is active; in some record shops the owner sells cassettes under the table to friends or any customer they're not afraid of. If we sell 100 cassettes, there are another 50 cassettes sold by professional pirates.

There is a law which is very severe, but unfortunately the increase in crime in Greece creates so many problems that chasing tape piracy is not the priority for the police. They have drugs and other crimes to contend with.

Q: What is your business philosophy?

A: I have been blamed by Minister Mikis Theodorakis (a famous Greek composer and politician) for creating the "star system" in Greece. Mikis has written a whole book against me and my "system". That means that I have followed in my career the strategy to create and develop stars.

But in this business, the more you try to implement the business principles and marketing principles we learned at university, the more risk you run of failing. This job has a character of its own. Here the raw material is people and, in particular, sensitive and singular people; people whose moods change rapidly. If you try in this business to maximise the performance of your investment in an artist, you will get precisely the opposite results.

You build up a young singer and invest money in him. If you want to get your investment back as quickly as possible, which any good businessman would do, you will be forced to resort to frequent, hasty records and in a very short

time that will wear out the musician and restrict his creative life.

Q: George Dalaras never fails to fill the stadiums. Was he one of those "stars" you discovered and supported?

A: Yes. Fifteen years ago a colleague asked me to go to a club and check out a new artist. In this small club in Plaka, I noticed a very modest, fragile musician sitting in the last chair of the orchestra. I listened to his voice and

started getting a special feeling I sometimes have when something important is happening in my business. When I asked him to meet me the next day in the studio he said he'd been rejected in six auditions and that he was too tired to have another one. He was 18 at the time. Now he has sold millions of records. His latest, which was in Spanish, was a double platinum record.

Later, I thanked my friend for recommending Dalaras. He said, "Dalaras? I was inviting you to listen to another artist!"

Q: How do you determine which songs will sell?

A: Most of the time success is spontaneous and relies on a stream of inspiration. The late lyricist Tsandas Vasileiadis used to say that "success is the train of thought of the moment." But there are also cases in which the hit comes to us incomplete, on the razor's edge and its perfection is made complete in the process of working with its creator. It's something that comes out of working with the composer and the lyric writer. You often see a marvelous verse in the words while the refrain doesn't have a strong point of reference. If you point to a weakness of this kind and rectify it, you can save a song which had hit potential.

Makis Matsas was born in Athens, Greece, and was educated at the University of Athens Business School. Matsas joined his father's record company Odeon in 1960 at a time of financial crisis for the business. Minos Matsas & Son has grown steadily over the last three decades and was further strengthened by the 1990 joint venture with EMI. Matsas is married and has a son and daughter "who are already in training."