

# Ticketmaster Crisis: The Eras Tour Debacle

Ticketing failure for Taylor Swift's 2022 tour sparked outrage.

Led to scrutiny of Ticketmaster's business practices and monopoly concerns.

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# Company Background

**1** Founded 1976

Started by Arizona State University students.

2 Growth

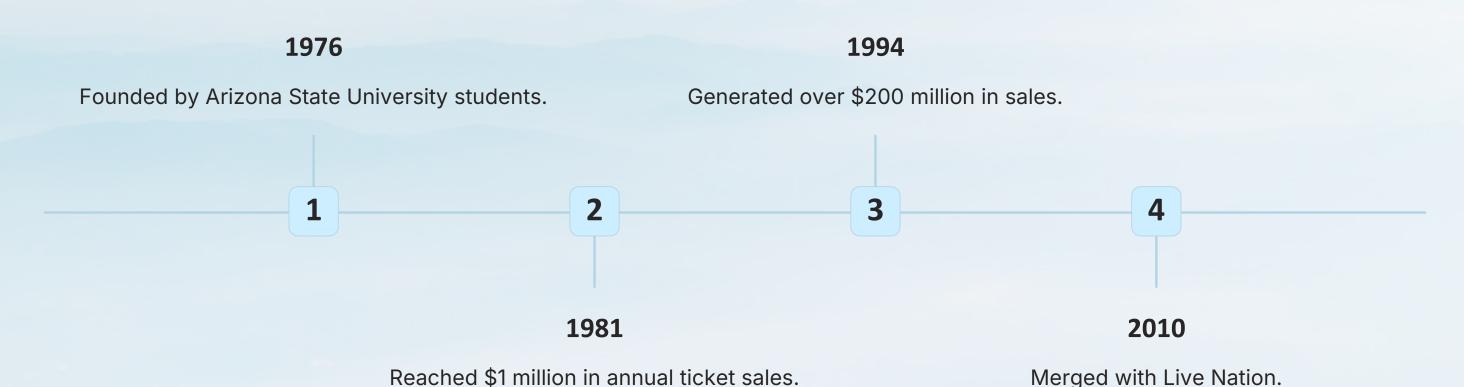
Expanded through acquisitions and partnerships.

3 Technology

Pioneered computer-based ticketing systems.

# ticketmaster

## **Ticketmaster's Growth**



## **Business Model**

## **Dynamic Pricing**

Adjusts ticket prices based on demand.

## **Service Fees**

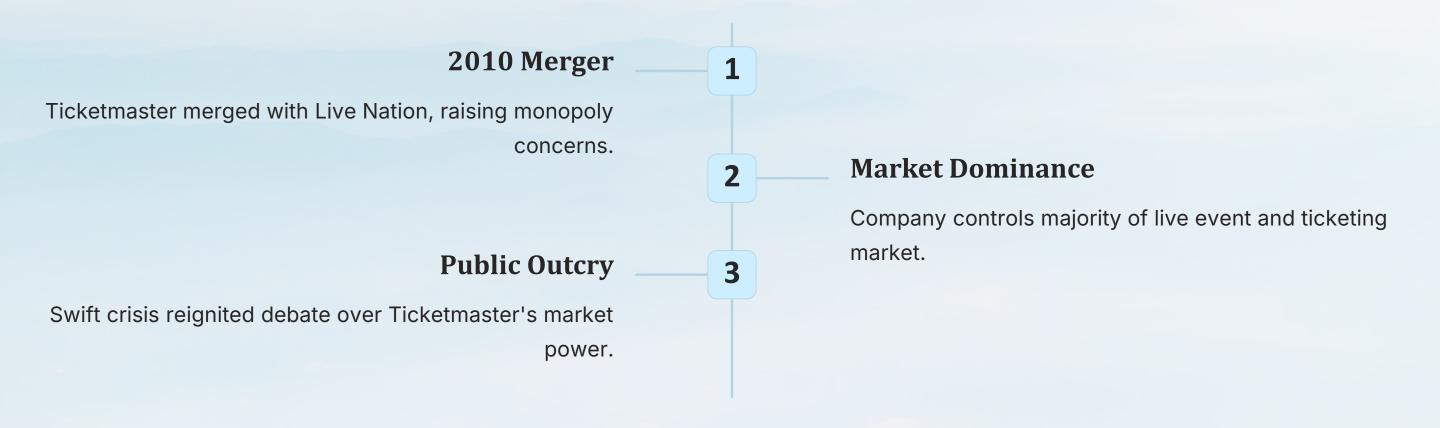
Significant revenue from additional charges.

## **Vertical Integration**

Controls entire event chain post-Live Nation merger.



## **Monopoly Concerns**



## **Market Dominance**

## **Market Share**

Controls over 70% of live event ticketing market.

#### **Venue Contracts**

Exclusive deals with major venues nationwide.

## **Artist Relationships**

Preferred ticketing partner for many top artists.





# **Competitive Landscape**

## **Major Competitors**

StubHub, SeatGeek, AXS.

### **Market Share**

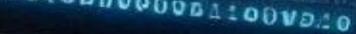
Ticketmaster dominates with over 70% share.

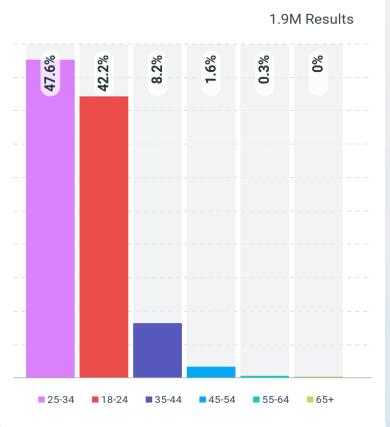
## Acquisitions

Bought competitor Rival in 2020.

60%







#### **GENDER**



## **Customer Demographics**



#### Age

Most Ticketmaster users are millennials.



#### Gender

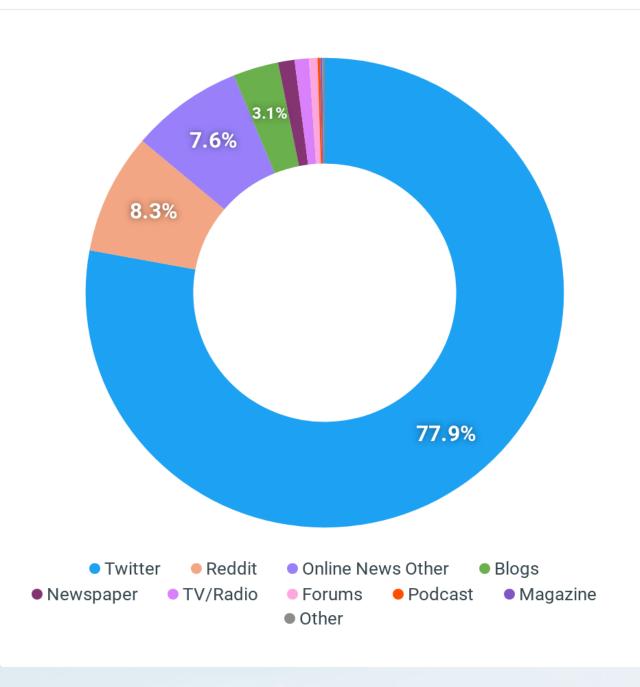
51.6% of users are female.



## **Family Status**

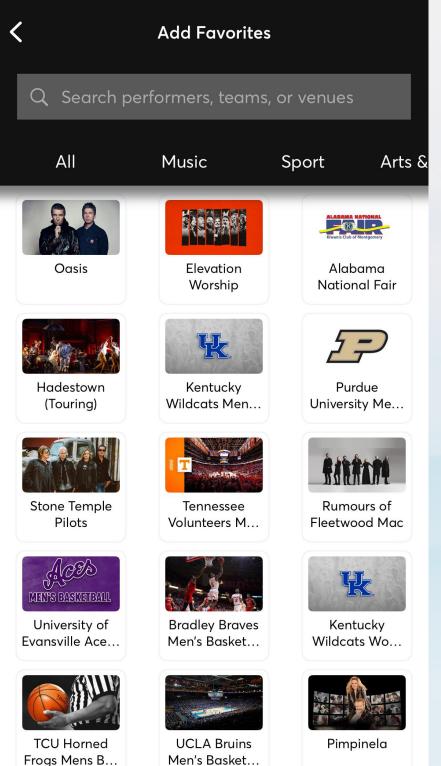
Many users live in nuclear families.

#### **SHARE OF MEDIA TYPES**



## Social Media Presence

Instagram	375K followers, low engagement
Twitter/X	668.9K followers, moderate views
Facebook	2.1M followers, varied engagement
TikTok	11.7K followers, low engagement



My Events

Sell

My Account

# **Content Strategy**

**1** Event Promotion

Videos and photos showcasing upcoming events.

2 Artist Interviews

Exclusive content with performers and athletes.

**3** User Engagement

Limited responses to comments, focus on positive interactions.

SEC ROW SEAT 120 29 14



TICKETMASTER GAT



**View Barcode** 

**Ticket Details** 

# Ticketmaster's Technology

**1** Verified Fan Program

Aims to prevent bots from purchasing tickets.

**2** Mobile-Only Tickets

Reduces fraud and improves entry experience.

**3** Presence Platform

Digital ticketing system for easier access and fan identification.

# **Dynamic Pricing Model**

#### **Demand-Based**

Prices adjust based on realtime demand.

## **Revenue Maximization**

Aims to capture maximum value for high-demand events.

## **Controversy**

Critics argue it leads to inflated prices.

## The Eras Tour Crisis

#### **Presale Launch**

Millions of fans locked out or faced long delays.

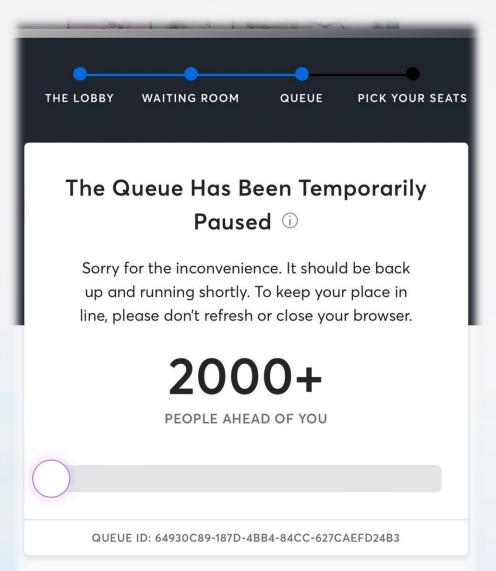
## **System Overload**

14 million users overwhelmed site with 3.5 billion requests.

3

#### **General Sale Cancelled**

Ticketmaster cited insufficient inventory for cancellation.





**Queue Tips** 

#### **Check Your Account**

Make sure you're signed in to the same account used during your Verified Fan registration.



#### t Stay Signed In

Remain signed in to your account for the entire



# Scalping Issues

#### **Resale Market**

Tickets appeared on secondary markets at inflated prices.

#### **Fan Frustration**

Genuine buyers unable to purchase at face value.

#### **Ticketmaster's Stance**

Claimed less than 5% of tickets resold.

## **Technical Issues**

1 Website Crash

Site crashed within an hour of presale launch.

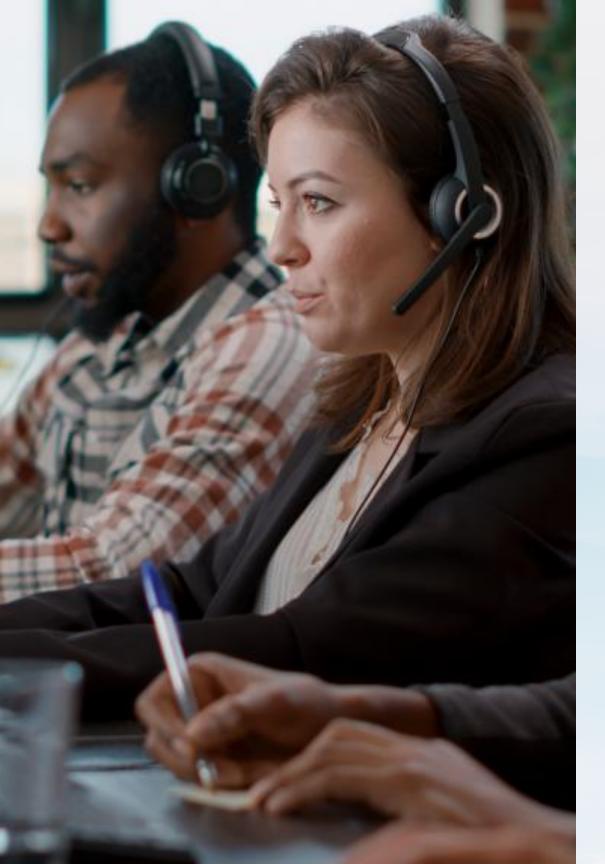
**2** Queue Problems

Users logged out or frozen in virtual queue.

**3** Bot Attacks

Large number of bots attempted bulk ticket purchases.





## **Customer Service Response**

#### **Initial Communication**

Twitter updates on technical issues and delays.

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## **Apology**

Official apology issued to Taylor Swift and fans.

Second Chance Sale

Select fans offered opportunity to purchase tickets later.

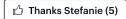
## **Customer Reviews**





Tuckerton, NJ

My daughter and I logged on to Ticketmaster at 9:30am for the pre-sale of Taylor Swift's tickets. After waiting an hour in the queue we finally were able to look at the available seats. When we went to purchase our two tickets, we got kicked out of the queue and brought back to the waiting room. After waiting another hour in the queue, all the available tickets were gone! My daughter has been waiting weeks for this concert announcement and was literally crying with excitement when she was selected for the pre-sale! Today ticketmaster robbed my daughter of the opportunity to purchase tickets because of technical issues! Now every ticket being sold has been priced gouged and her hope of seeing Taylor Swift for the first time are completely out of reach! Every venue SHOULD HAVE HAD enough available seats for the people selected for the pre-sale! It's simple math... Number of people selected= number of tickets made available to said people!



\*\*\*\*

Reviewed Nov. 15, 2022

Report



Kyra Hamilton, OH



I'm incredibly disappointed with Ticketmaster. For the Taylor Swift Eras Tour, they knew there would be very high numbers of people wanting to purchase tickets and did not prepare whatsoever. I got a verified fan code and tried to join the 30 minutes waiting room, the website crashed and everything broke. I tried to join the 10 minute waiting room, same thing happened. Now, I've been stuck in the queue for over 1 hour and 40 minutes, and the bar is no longer moving. How can a website (that is literally just for selling tickets) be so unprepared and disorganized? I understand that the sale would be chaos anyways, but they really should have been more prepared.



Report





Customer Service

Ed Spartanburg, SC

Reviewed Oct. 1, 2024

Someone transferred our tickets without our permission. Called the Fraud Dept, 30 minutes on hold. Rep started an investigation and said someone would call back within 5 days, no one called us back. Called Fraud Dept again after 1 week, on hold again for 20 minutes, nothing has been investigated. They have promised a callback within 48 hours....we will see.



Report



Olivia Chicago, IL



Contract & Terms

Reviewed Nov. 15, 2022

DON'T WASTE YOUR TIME. This was a terrible experience. I waited all day, trying to get tickets, just to lose tickets to something that wasn't my fault, but Ticketmaster's. DON'T GET YOUR HOPES UP WITH TICKETMASTER, IT IS ABSOLUTELY AWFUL. I had been waiting in line since 9am for Taylor Swift tickets and finally, at 2:20, it finally was my turn to select tickets. I kept on selecting tickets and it kept on telling me that I was unable to get them because I wasn't signed in, even though I clearly was -- you could even see my profile in the top corner and the option to sign out. More



Report

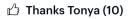


Tonya Paris, KY



Reviewed Nov. 15, 2022

Ticketmaster shame on you. Waited hrs to get presale tickets for Taylor Swift. Pick tickets it would time you out before you could put your info in. No wonder bots are winning thanks for nothing. With luck I will hopefully find tickets elsewhere I doubt it. I won't ever use you again. Only artist I've been wanting to see and you ruined it.



Report

## **Fan Reaction**

## **Social Media Outrage**

Fans expressed anger over ticketing failures.

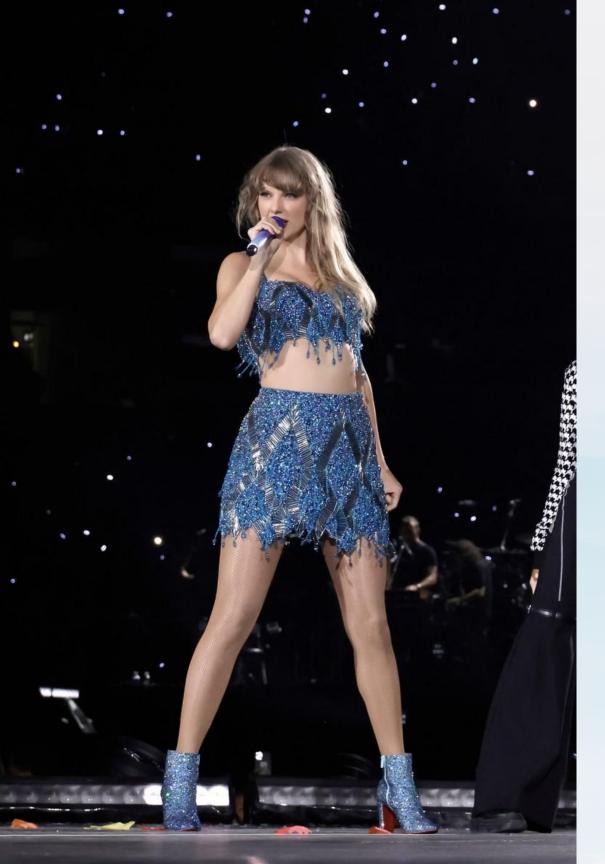
### **Accusations**

Claims of monopolistic practices and price gouging.

### **Loss of Trust**

Fans felt Ticketmaster prioritized bots over genuine buyers.





# **Taylor Swift's Response**

1 Criticism

Swift criticized Ticketmaster for failing to handle demand.

2 Assurances

Mentioned being assured by Ticketmaster about managing traffic.

**3** Fan Support

Expressed frustration on behalf of her fans.



## Ticketmaster's Initial Response

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## Acknowledgment

Reported "historically unprecedented demand" on Twitter.

## **Downplaying**

Initially claimed issues affected small percentage of users.

### **Explanation**

Cited bot attacks and high demand for problems.



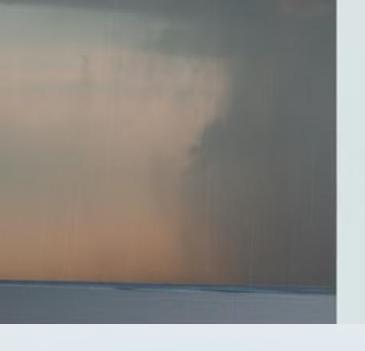
# Live Nation Chairman's Statement

1 Preparation

Claimed readiness for 1.5 million verified fans.

- Overwhelming Demand14 million users, including bots, attempted to buy.
- 3 System Strain

3.5 billion total system requests, four times previous peak.





# ticketmaster

## **AEG's Rebuttal**

## **Forced Usage**

AEG claimed forced to use Ticketmaster due to contracts.

## **Venue Exclusivity**

Ticketmaster's exclusive deals with venues cited as reason.

## Disagreement

Contradicted Live Nation chairman's claim of voluntary choice.



## **Legal Ramifications**

Antitrust Investigations

Department of Justice launched probe into Ticketmaster practices.

Congressional Hearings

Crisis triggered hearings in Congress on ticketing industry.

**Lawsuits** 

Fans and consumer groups filed suits alleging price inflation.



# **Government Scrutiny**

1 Antitrust Concerns

Ongoing investigations into potential monopolistic practices.

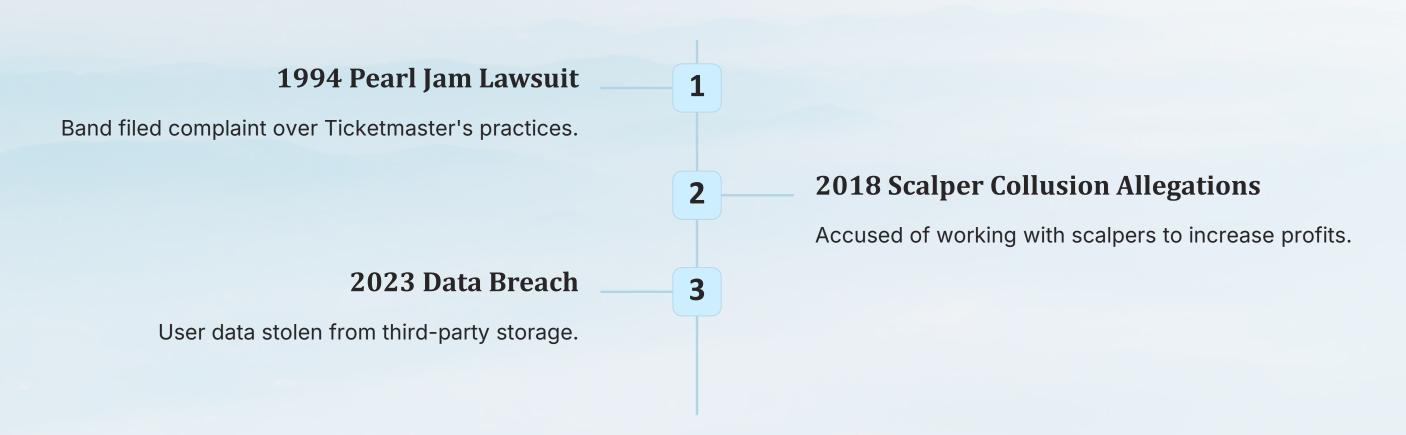
**2** Congressional Hearings

Ticketmaster executives testified before Congress.

**3** Regulatory Pressure

Calls for increased oversight of ticketing industry.

# Past Controversies





# **Stock Market Impact**

## **Initial Drop**

Live Nation stock fell nearly 7% after crisis.

2

## **Volatility**

Stock experienced fluctuations amid antitrust concerns.

3

## Recovery

Price stabilized due to company's dominant market position.

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## ticketmaster



## **Financial Performance**

Q4 2022 Revenue	Strong despite crisis
Ticket Sales	High due to strong demand
Reputational Cost	Severe, long-term impact unclear

# **Industry Impact**

1

## **Ticketing Practices**

Increased scrutiny of industry-wide ticketing methods.

**Artist Relations** 

Artists reconsidering ticketing partnerships and strategies.

## **Consumer Expectations**

3

Growing demand for fair, transparent ticketing processes.



## **Lessons Learned**

1 Preparedness

Importance of robust systems for high-demand events.

**2** Transparency

Need for clear communication with fans and artists.

3 Adaptability

Flexibility in responding to crises and public concerns.



# Crisis Management Plan

## **Immediate Actions**

Address issues, public apology, refund policy.

## **Long-term Corrections**

Technical upgrades, resale controls, fan-first initiatives.

## **Compliance**

Cooperate with investigations, address antitrust concerns.



# **Future Challenges**

## **Rebuilding Trust**

Addressing negative public perception after crises.

## **Technological Upgrades**

Improving systems to handle high-demand events.

## **Regulatory Compliance**

Navigating potential new industry regulations.

