



FOR THE RECORD

Part 2: Victoria's Direct-to-Fan Vinyl Economy

KEY FINDINGS

vMDO

AUDIENCE STRATEGIES

A parallel economy, hiding in plain sight

For the Record Part 1 mapped Victoria's vinyl ecosystem from pressing plant to record store shelf. It also identified something it could not fully account for: a second economy running alongside it.

Victorian artists sell newly pressed vinyl direct to fans at gigs, through Bandcamp, and by mail order. The margins are two to six times higher than anything the retail supply chain returns. That economy is the subject of this report.

Victoria's position is genuinely strong. Two Melbourne pressing plants, a dense gig calendar, extensive community radio, and a concentration of independent labels and micro-distributors create conditions few comparable cities can match. The risk is that those conditions are under pressure from rising manufacturing costs and softening consumer spending simultaneously, and access to them has never been evenly shared.



Methodology on page nine

Victoria's D2C vinyl economy is already working. The question is who can access it, and for how long.

Direct-to-fan is the majority model

Victorian independent labels earn approximately 59% of their vinyl revenue through direct-to-consumer (D2C) channels: Bandcamp, a platform where artists sell music and physical product directly to listeners, their own websites and mail order, and gig sales. This is the primary model through which Victorian independent labels reach fans and generate income from vinyl.

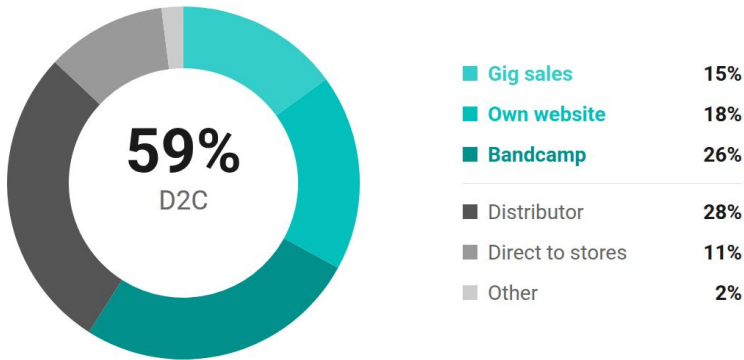
Bandcamp accounts for 26% of revenue and is the single largest direct channel. Half of Bandcamp-using labels describe it as their primary vinyl sales channel. Its global storefront means a Victorian label's first release is accessible to buyers in the US and Europe from day of listing. Gig sales, the highest-margin channel of all, account for 15%.

"Sometimes people will come to the show, get drunk, have a good night, and then buy it from Bandcamp the next day. You see little flurries after shows."
Arron Mawson, Legless Records, Rye

59% of Victorian label vinyl revenue flows direct to fans

Chart 1: Share of vinyl income by sales channel

Source: Audience Strategies label survey (2026)



Half of Bandcamp-using labels describe the platform as their primary vinyl sales channel. A Victorian label's first release is accessible to buyers worldwide from day of listing.

Margins are highest where visibility is lowest

An artist selling a \$40 LP at a gig retains close to the full retail price. The same record sold through a distributor to a retailer returns roughly \$19 per unit before pressing costs. Once pressing costs are deducted equally across all channels, the profit gap widens: a gig sale yields roughly six times the profit of a distributor sale.

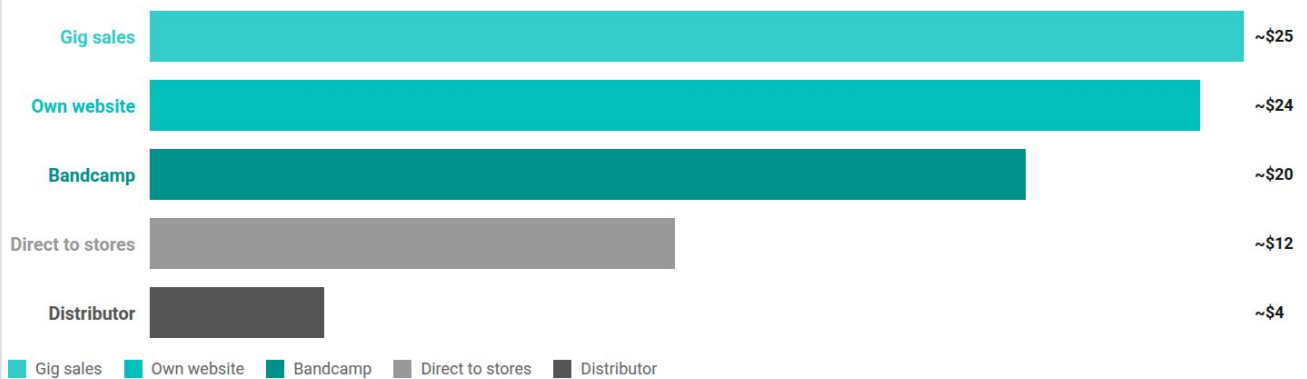
The margin advantage of selling direct is baked into every transaction.

"I had a million plays on Spotify before I took it down. I'm very confident that I made at least double off the vinyl compared to streaming."
 Dan Golding, Professor of Media at Monash and composer of the Untitled Goose Game soundtrack

6x Artists retain up to six times more per unit selling direct than through distribution

Chart 3: Profit Per Unit by Sales Channel

Based on a \$40 retail price · Source: Audience Strategies label survey, pressing plant consultation, and desk research (2026).



Based on 300-unit pressing at \$15 per unit. Figures after channel fees only. Ancillary costs including freight, packaging materials, and transport are not included and vary by channel and label. Distributor gross return based on 30% distribution margin on PPD. Store gross return based on 50% retail markup on wholesale. Source benchmarks from For the Record Part 1 (2025).

The returns are real. So is the upfront cost of reaching them.

The best margins demand the most upfront capital

Six in 10 labels cite upfront pressing costs among their biggest challenges. A standard 300-unit pressing run costs approximately \$4,485 at local plant pricing, before design, mastering, and artwork.

The 11 labels in this survey earning \$0–\$5,000 annually from vinyl face a stark reality: one pressing run already costs more than their full year of vinyl income. For artists without savings, an existing audience, or label infrastructure, the D2C economy begins with a cost they cannot cover.

"I got a grant last year, right at the end of 2024, which was the year I just pretty much ran out of money. That was pretty damn helpful."
Billy Gardner, Anti-Fade Records, founded in Geelong, now based in Melbourne

4 in 10

labels earn less from vinyl annually than a single pressing run costs

Table 2: Manufacturing cost and break-even by run size

Single LP with picture jacket · Program Records pricing (April 2026); Audience Strategies label survey (2026)

Single vinyl LP with picture jacket	200 units	300 units	500 units	1,000 units
Total pressing cost	\$3,835	\$4,485	\$5,560	\$8,435
Cost per unit	\$19	\$15	\$11	\$8
Units to break even — D2C channels only†	103	121	150	227
Profit if fully sold through	\$3,603	\$6,672	\$13,035	\$28,754
Units to break even — all channels‡	124	145	179	272
Profit if fully sold through	\$2,365	\$4,815	\$9,940	\$22,565

† D2C channels: Bandcamp, own website, and gig sales blended at ~\$37.20/unit net. ‡ All channels blended at ~\$31/unit net. All prices AUD. Source: Program Records pricing (April 2026).

60%

cite pressing costs as a top-three challenge

53%

cite cash flow as a separately felt problem

32%

of grant applicants secured funding in 2024

A squeeze from both ends simultaneously

Victoria's two pressing plants are absorbing input cost increases across nickel, PVC compound, energy, and freight without raising prices. Zenith Records, a Melbourne-based vinyl pressing plant, is now issuing 30-day price validity clauses on quotes for the first time in the plant's history. A price increase is a matter of when, not whether.

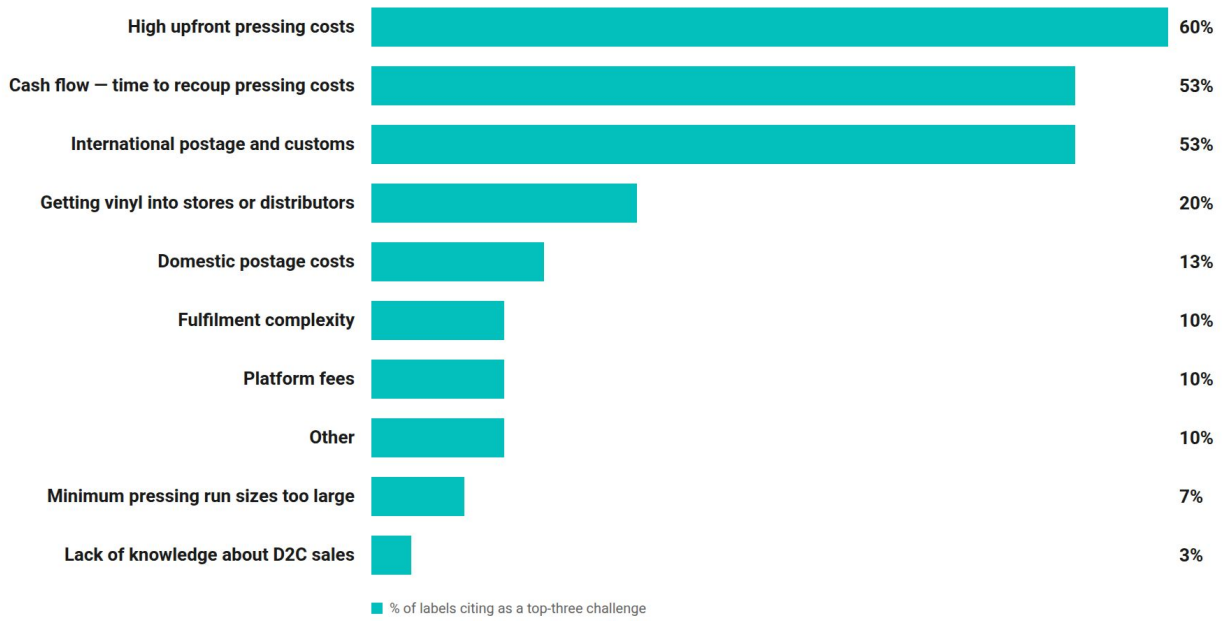
Consumer spending is softening at the same time. For labels already earning under \$5,000 annually from vinyl, the margin between a manageable risk and an unrecoverable one is already thin. A modest increase in pressing costs arriving alongside softening demand and rising postage could move them across it.

"We're not here because it's a compelling business proposition. We're here because we do okay, it's a struggle, it's tight, but we love it, and we think it's culturally important."
Paul Rigby, co-director of Zenith Records

94% of music-engaged Australians say cost of living is already affecting their ability to attend live music

Chart 6: Top direct-to-fan challenges

Percentage citing as a top-three challenge · Source: Audience Strategies label survey (2026)



Fuel surcharges across Australian delivery carriers currently average 13%, with some reaching 45%, according to Shippit's 2026 Fuel Surcharge Matrix, a logistics platform's annual carrier analysis. Australia Post's international postage increases compound the pressure on export sales.

Access to this economy reflects who built it

The knowledge required to press, price, fulfil, and sell vinyl direct circulates through personal networks. Regional artists, first-time pressers, and operators outside established scenes consistently report the sharpest gaps.

The survey base is 90% male, 80% Metropolitan Melbourne, and included no First Nations respondents. These figures reflect both actual industry demographics and the reach of the networks through which D2C knowledge and opportunity currently circulate. Without deliberate intervention, support will flow through the same networks that built the inequality.

"All this knowledge is just supposed to be known, and if you don't know it, you're just left out."

Lachlan Herd, Meganesia, Melbourne-founded electronic label

0

First Nations label respondents in a survey of Victoria's independent vinyl economy

90%

of survey labels identify as male

80%

Metropolitan Melbourne based

2

CALD respondents

0

First Nations label respondents

Source: Audience Strategies label survey, 30 Victorian labels (2026)

The knowledge gap is operational, not aspirational

Gaps include: how the pressing process works end to end; how distribution margins are structured; international postage and customs complexity; and grant navigation. Much of this has no accessible public equivalent.

Three targeted interventions

1. Accessible micro-grants for pressing costs.

A \$5,000 grant calibrated to a standard 300-unit pressing run at local plant pricing. A \$100,000 annual allocation could fund 20 grants, activating the full supply chain from pressing plant to merch table. Programme design should target female-led, CALD, First Nations, and regional Victorian labels.

2. A plain-language D2C operational guide.

Practitioner-written and updated annually. Covering pressing plant selection, distribution margins, Bandcamp setup, international postage, and grant navigation. Distributed free through record stores, venues, and industry events.

3. Annual D2C benchmarking.

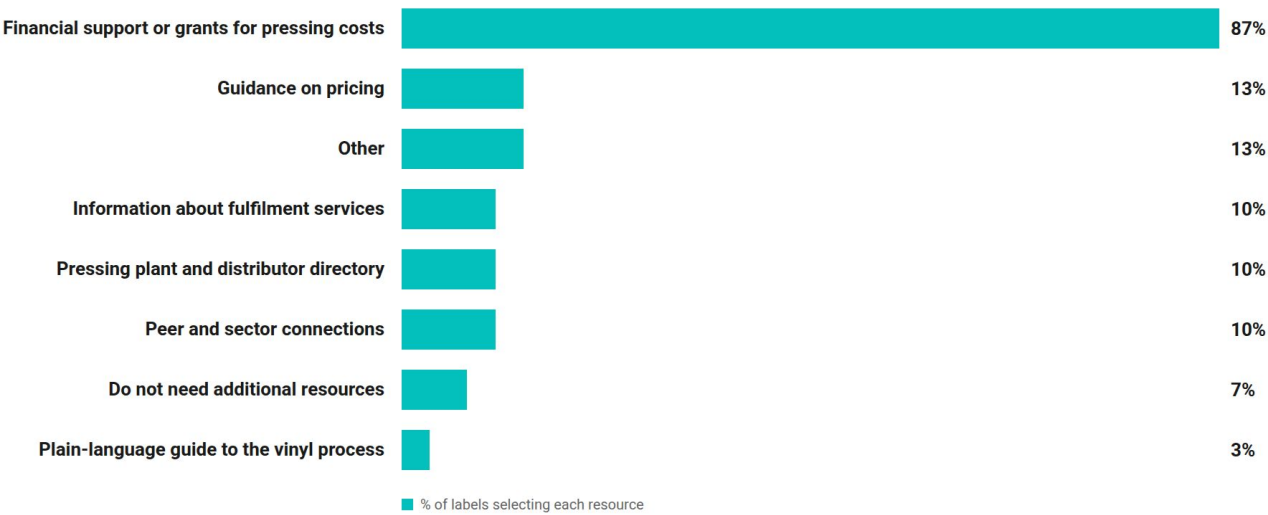
A consistent annual survey tracking label-side revenue by channel, pressing run sizes, fulfilment models, and respondent demographics. Creates the evidence base that makes future intervention credible and comparable over time.

9 in 10

labels want grants for pressing costs, consistent across every revenue band

Chart 7: Resources wanted by Victorian labels

Source: Audience Strategies label survey (2026)



The interventions recommended are modest relative to the value at stake. Melbourne’s manufacturing infrastructure, community radio ecosystem, collector base, and concentration of independent labels create D2C conditions few cities can match. These conditions are not guaranteed. Rebuilding them costs considerably more than protecting them now.

About this research

For the Record Part 2 investigated Victoria's direct-to-fan vinyl economy through four complementary methods. Market sizing draws on a bottom-up survey estimate scaled to a confirmed Victorian label floor of 109, cross-checked against a top-down national estimate. Both figures are conservative floors. Full methodology, study limitations, and definitions are in the complete report.

Label and artist survey

38 responses (30 labels, eight artists). Fielded 20th March through 13th April 2026 via VMDO, AIR (Australian Independent Record Labels Association), and Music Victoria networks.

Stakeholder interviews

15 semi-structured interviews with pressing plant operators, labels, distributors, artists, fulfilment providers, and platform representatives. Averaging 45–60 minutes each.

Bandcamp catalogue analysis

2,903 Victorian vinyl listings analysed for pricing, sellout status, release timing, genre, and configuration. Data collected March 2026.

ARIA chart analysis

All 52 weekly ARIA Top 20 Vinyl Albums Charts for 2025 collected and verified field by field. 1,040 chart entries analysed.

Read the full report
Complete findings, all data tables, detailed methodology, appendices, definitions, and confidence ratings are available in For the Record Part 2, published by VMDO and Audience Strategies, 2026.