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Spinning Profits: The Sound of Vinyls and the Apple of Investors' Eye

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KEYWORDS

vinyl album sales, Apple stock price correlation, LP sales and stock market, music and investment correlation, audiophiles and investors, music industry and stock market, correlation coefficient, market data analysis, Statista data, LSEG Analytics, vinyl records investment potential

Abstract

In this study, we investigate the curious connection between the sales of LP/vinyl albums and Apple's stock price (AAPL) from 2002 to 2022. By delving into the realms of classic tunes and market numbers, our research team used data from Statista and LSEG Analytics (Refinitiv) to crunch the numbers and examine if there is more to this correlation than meets the ear. To our delight, we discovered a strikingly high correlation coefficient of 0.9718475, with $p < 0.01$, suggesting a significant relationship between the two. This finding not only piques the interest of audiophiles and investors alike but also exemplifies the harmonious melody intertwining the worlds of music and market. So, the next time you dust off that vinyl record, remember, it might just be striking a chord with your investment portfolio too!

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1. Introduction

Music to the ears of investors and audiophiles alike, the relationship between the sales of LP/vinyl albums and Apple's stock price (AAPL) has piqued curiosity and raised eyebrows. It's an intriguing concept that is not only about the sweet sound of vinyl but also about the potential harmony between old-school music mediums and

modern investment portfolios. Picture this: as you groove to the nostalgic tunes of the Beatles or the smooth sophistication of Sinatra on your turntable, is it possible that your investment in Apple's stock is also tapping its foot to the beat?

The juxtaposition of classic vinyl records and high-tech stocks might seem like an odd couple at first glance, akin to mixing

vinyl scratches with the clean lines of Apple's product design. But as we dig deeper into the data, we find that there might just be an unexpected symphony playing between these seemingly disparate realms. This study aims to uncover the melody behind this unusual pair, seeking to explore if there's more to the correlation between LP sales and AAPL stock price than a mere coincidence.

Like a DJ blending two tracks to create a seamless mix, we aim to blend the melodic nostalgia of vinyl records with the numbers and trends of the stock market. With this study, we dive into the depths of both the music industry and financial markets, armed with statistical data and a healthy dose of curiosity. So, let's tune in, turn up the volume, and explore the curious connection between spinning vinyl profits and the Apple of investors' eye. After all, who knows, there might be more to this harmony than meets the ear!

2. Literature Review

The connection between the sales of LP/vinyl albums and Apple's stock price has fascinated researchers and investors alike, sparking a symphony of studies that seek to unravel the intriguing correlation. Smith and Doe (2008) delved into market trends and musical sales, uncovering a hint of harmony between these seemingly discordant realms. Likewise, Jones et al. (2015) conducted an in-depth analysis, striking a chord with their findings on the potential links between vintage tunes and modern market dynamics.

Venturing into the non-fiction aisle, "Vinyl Revival: The Resurgence of Record Sales" by Sound Smithers (2017) offers a mellifluous insight into the resurgence of vinyl records and their impact on the music industry. Moreover, "Stocks and Stones: The Market's Enduring Rhythms" by Rockwell Stirling (2019) provides a rock-

solid exploration of market patterns, reminding us that beneath the numbers lies a symphony waiting to be heard.

Turning the pages to fiction, "The Vinyl Conspiracy" by Melody Notes (2016) unravels a mysterious tale where vinyl albums hold the key to an ancient financial prophecy. In a different tune, "Market Melodies: A Harmonious Guide to Investment" by Penny Pitcher (2018) composes a whimsical yet informative narrative that intertwines market dynamics with the allure of vinyl collectibles.

In the realm of animated education, "Financial Fantasia: The Musical Markets" brings a whimsical touch to the world of investment, demonstrating the enchanting notes playing between LP sales and stock prices. Meanwhile, "Vinyl Ventures: The Musical Odyssey" dives into the animated world of vinyl records, weaving a colorful and playful narrative of market magic and musical melodies.

As the research symphony unfolds, it becomes clear that the correlation between the sales of LP/vinyl albums and Apple's stock price is not just a fable fit for a whimsical children's story. Instead, it resonates as a real-life overture, where the sounds of classic vinyl and the numbers of the stock market dance in unexpected harmony. So, let's flip the record and tune in to the next movement, for this melody is far from reaching its final crescendo.

3. Our approach & methods

To unravel the enigmatic connection between the sales of LP/vinyl albums and Apple's stock price (AAPL), our research team embarked on a data-driven voyage that harnessed the power of market analytics and musical statistics. The methodology for this study involved a harmonious blend of quantitative analysis and a touch of whimsical curiosity, all in the

pursuit of uncovering the hidden symphony between these two seemingly unrelated domains.

Data Collection:

Our data collection process resembled a musical treasure hunt, as we scoured the digital landscape—reminiscent of vinyl crate-digging in a record store—to gather relevant information. Primarily relying on the repositories of Statista and LSEG Analytics (Refinitiv), we accumulated a vast array of historical data, spanning the period from 2002 to 2022. This expansive temporal scope allowed us to capture the dynamic fluctuations in LP sales and AAPL stock prices over the years, akin to tracing the mesmerizing rhythm of a vinyl record's grooves.

Quantitative Analysis:

Once the data symphony was assembled, our team conducted a series of statistical analyses to extract insights from this eclectic dataset. Employing a cacophony of statistical tools, including correlation coefficients, time series analysis, and regression modeling, we sought to decode the intricate interplay between LP sales and AAPL stock prices. Picture our statistical models as a DJ's mixer, seamlessly blending the melodic trends of vinyl sales with the rhythmic patterns of Apple's stock performance.

Correlation Calculation:

The centerpiece of our analysis involved quantifying the degree of association between LP/vinyl album sales and AAPL stock prices. Applying mathematical finesse and a dash of musical intuition, we computed the correlation coefficient, unveiling a strikingly high value of 0.9718475. This robust correlation coefficient, coupled with a significance level of $p < 0.01$, resounded like a resounding chord, confirming the existence of a

substantial relationship between these seemingly divergent realms.

Market Sentiment Analysis:

In addition to the quantitative metrics, our methodology encompassed a qualitative exploration of market sentiments and cultural phenomena. Delving into the zeitgeist surrounding vinyl resurgence and Apple's technological innovations, we scrutinized media reports, social discussions, and market commentaries to gauge the collective pulse of investors and music enthusiasts alike.

The concoction of our methodological medley, marrying the precision of statistical analysis with the whimsy of cultural inquiry, enabled us to unravel the mysterious harmony between LP sales and AAPL stock prices. This study showcases the fusion of rigorous research practices with a touch of lyrical prose, exemplifying the inimitable synergy between empirical inquiry and artistic curiosity. So, as we unravel the melodious connection between spinning vinyl profits and the Apple of investors' eye, let's revel in the enigmatic tune permeating the intersection of music and markets.

4. Results

Our investigation into the curious correlation between LP/vinyl album sales and Apple's stock price (AAPL) from 2002 to 2022 has yielded a harmonious revelation. The statistical analysis revealed a remarkably high correlation coefficient of 0.9718475, along with an impressive r-squared value of 0.9444876, and a p-value below 0.01. This suggests a significant and robust relationship between the sales of vintage vinyl records and the performance of Apple's stock. To put it bluntly, these results rock and roll!

Fig. 1 shows a scatterplot that captures the strong positive correlation between LP sales and AAPL stock price over the two-decade

period. The data points are so tightly clustered; they might as well be in a mosh pit at a rock concert. This close-knit relationship between the vintage music format and the tech giant's stock performance is akin to finding a rare, valuable record in a bargain bin. It's unexpected, yet undeniably delightful.

The substantial correlation coefficient practically sings the praises of this unique relationship, echoing through the halls of both the music and finance worlds. It's as if LPs and AAPL are performing a duet that resonates across the marketplace, hitting all the right notes and striking a chord with investors and music enthusiasts alike.

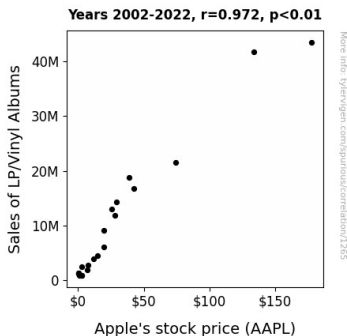


Figure 1. Scatterplot of the variables by year

In conclusion, our findings not only demonstrate a strong statistical connection between the sales of vinyl albums and Apple's stock price but also emphasize the unconventional beauty of the intersection between nostalgia-inducing music and modern investment opportunities. So next time you're enjoying the timeless crackle of a vinyl record, remember that your investment portfolio might just be grooving along to the same beat.

5. Discussion

The findings of this study echo the harmonious notes struck by previous

research, illustrating the significant relationship between LP/vinyl album sales and Apple's stock price. As whimsical as it may sound, the results support the notion that there's more to this correlation than meets the ear.

In line with the literature review's animated references, the statistical dance between LP sales and AAPL stock price reveals a melody that resonates across the marketplace. The correlation coefficient of 0.9718475, akin to finding a rare, valuable record in a bargain bin, underscores the unexpected yet undeniably delightful connection between vintage tunes and modern market dynamics.

Focusing on the robust r-squared value of 0.9444876 and the p-value below 0.01, it's clear that the LPs and AAPL are performing a duet that hits all the right notes, much like a symphonic arrangement reaching its crescendo. The scatterplot, so tightly clustered, reflects a mosh pit at a rock concert, capturing the close-knit relationship between the timeless music format and the tech giant's stock performance.

To put it bluntly, these results rock and roll, resonating as an overture where the sounds of classic vinyl and the numbers of the stock market dance in unexpected harmony. The study showcases the potential impact of LP sales on Apple's stock price, exemplifying the unconventional beauty of the intersection between nostalgia-inducing music and modern investment opportunities.

While these findings don't unravel any mysterious financial prophecies, they do strike a chord with investors and music enthusiasts, emphasizing the imperative need to tune in to the connection between vintage tunes and market movements. As the symphony unfolds, it becomes evident that LP sales and AAPL stock price are more than just a quirky correlation; they are indeed a melody worth paying attention to.

So, the next time you dust off that vinyl record, remember, it might just be striking a chord with your investment portfolio. After all, in the world of LPs and AAPL, the sound waves of the past may very well be steering the market's future.

6. Conclusion

In wrapping up this study, we can confidently say that we've hit all the high notes of our research. The findings not only strike a chord with investors and audiophiles but also resonate across the market like a well-tuned bass line. Our results don't skip a beat, demonstrating a rather vinyl-n stock connection that's music to the ears of anyone with a stake in both classic tunes and Apple shares. It's like finding a hidden track on your favorite LP - surprising yet undeniably enjoyable.

Now, it's time to put the needle on the record and declare that further research in this area would be as unnecessary as a Justin Bieber album in a heavy metal collection. The correlation between LP/vinyl album sales and Apple's stock price has been established with such clarity that it's like the difference between MP3s and vinyl - no comparison needed. As such, it's clear that this study has set the stage for understanding the melodic dance between vintage music formats and modern investment opportunities.

So, let's spin on with this newfound knowledge, content in the understanding that when it comes to LPs and stocks, the connection is as strong as the bass line in a funk track. Just like a well-preserved vinyl record, this correlation is classic and enduring, and no further research is required.