SURVIVING STREAMING
HOW INSIGHT INTO LISTENING PATTERNS AND THE STREAMING MODEL PROVIDE MAPS FOR THE FUTURE

Clouds & Concerts

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Themes of talk

- User patterns - three trends:
  1. Heterogeneity & novelty
  2. Individuality & everyday habits
  3. Mobile streaming
- Sustainable model(s) of distribution of income
- How to survive streaming?

Playback system (daily)

Source: Statistics Norway

ESTIMATED TOTAL MUSIC SALES IN NORWAY 1977-2020

Source: IFPI and WiMP Music
Heterogeneity and novelty

Artists per user over 9 weeks

Per listening session

*) A listening session is defined here as continuous streaming without a break of more than one hour.
Different tracks over 9 weeks

- 14% or tracks streamed more than once, account for 72% of all streams

New Artists Discovery

- More than 40% of 'playlist discovery' from editorial lists
- 7% from Search
- 26% from Playlist
- 67% Unknown Source

Distribution of overlapping artists 2011 & 2012

- 90% of users have <36% streams from overlapping artists
- 50% of users have <13% streams from overlapping artists

Overlapping artists streamed both in 2011 and 2012

- 30% of users have no overlapping artists during the 18 week sample
- 1 of 4 user listens to only 1 'old favorite'

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Listeners with top/bottom overlapping artists in 2011 and 2012 by top genre fans*

Top 10% of overlapping artist listeners (in percent)

Bottom 10% of overlapping artist listeners (in percent)

*) top 10% users in each genre

Individuality and everyday habits

Big events drive big streams

Relative distribution of streams for artists performing at Øya festival over 7 weeks

Festival effect

2010 (81 artists)
2011 (80 artists)
2012 (79 artists)
Heavy vs light streamers

- Heavy streamers (top 10%)
  - Streams: 18.5 x
  - Search: 5 x
  - Playlists: 2.5 x
  - > 9 genre: 9 x

Light streamers (bottom 10%)

Streams per playlist type

- EDITORIAL: 2%
- USER-GENERATED: 81%
- ARTIST: 17%

Data: all online streams 9 weeks in 2012

82% of all user-generated playlists names are unique

Examples of playlist names:

- Training 2012
- Training heat
- Training heat 12
- Training august
- Training sail
- Training 4
- Training 5
- Training 6
- Training 7
- Training 8
- Training 9
- Training 10
- Training 11
- Training 12
- Training marianne
- Training mobilis
- Training med mørking
- Training old school
- Training remix
- Training sharp
- Training sestival
- Training web
- Training v
- Training web

Data: All user generated playlist names created 3 weeks 2012
Top 100 common playlist names*

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artist</td>
<td>27 %</td>
</tr>
<tr>
<td>Editorial</td>
<td>22 %</td>
</tr>
<tr>
<td>Context</td>
<td>20 %</td>
</tr>
<tr>
<td>Diverse</td>
<td>14 %</td>
</tr>
<tr>
<td>Imported</td>
<td>10 %</td>
</tr>
<tr>
<td>Genre</td>
<td>5 %</td>
</tr>
<tr>
<td>Album</td>
<td>1 %</td>
</tr>
<tr>
<td>Norwegian</td>
<td>1 %</td>
</tr>
</tbody>
</table>

*) Data: Top 100 of all user generated playlist names of playlists created 3 weeks 2012

Aggregated weekly playlist-listening (normalized)

- stream per hour non-playlist
- stream per hour playlist

Data: all online streams 9 weeks in 2012

Streaming hours Jazz

- Jazz
- All genres

Figures are normalized

Streaming hours Metal

- Weekend
- Weekdays

Figures are NOT normalized
Streaming hours Children

- Weekend
- Weekdays

Number of streams

Streaming hours 2012

Figures are normalized

Mobile streaming

Share of streams by client

- Desktop
- Android
- iOS
- Stationary
- Other

44% mobile
47% mobile
66% mobile

Short listening sessions by Platform

- Desktop (32%)
- Mobile (62%)
- Stationary (5%)

Starting time of short listening sessions (5-30 min) in 2012
Distribution of income

Artist received a direct share of a fan’s purchase
**Example**

- **My streams**
- **Your streams**

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**Pro rata model**

- 1000 streams = 1000/1100
- 100 streams = 100/1100

SUM: 1100 streams

‘Pro rata share’ = personal streams divided by total sum of streams

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**Pro rata model**

- 1000 streams = 1000/1100
- 100 streams = 100/1100
Pro rata model

1000 streams
=1000/1100
€18,2 90,9% 9,1% €1,8

User-Centric model

100 streams
=100/1100

User-Centric model

50% 50%

Shared between the artists Miriam listens to

Shared between the artists Arnt listens to

User-Centric model

Share labels

Pro rata model   User-centric model

Universal
Sony Music
WMG & EMI
Phonofile
Other

Market share inferred from the model, and not based on actual information about price tiers or price-per-stream.
Key take aways

1. Streaming leads to a varied listening diet. Playlists and curated content are important for new discovery.

2. Surprisingly few old favorites per user from year-to-year

“In my early teens I sometimes bought records or got them as gifts. For many years my collection was about 20-30 singles and 5-10 LPs”

(49 year old man, 2013)

“My single collection was around 50 and about 20 LPs. When I moved in with my man, he had a collection of about 30 LPs. So we thought we had a pretty varied selection.”

(63 year old woman, 2013)

Quotes from survey with Norsk Etnologisk Granskning / Norsk folkemuseum and Clouds & Concerts
Key take aways

3. Playlist use and daytime patterns indicate individual ways of streaming

4. Yet, everyday habits and events influence listening greatly (e.g., like most media)

"If it's raining, I might listen to jazz. It's like, depending on the weather". (23 year old man, 2011)

"At our place – I live live in a shared flat with two other – there's always music playing, really. We all have subscription for Spotify or WiMP or both." (24 year woman, 2012)

Quotes from focus group interviews by Clouds & Concers

Key take aways

5. Affordances of the platform, design of UI and user context, are important to understand streaming modes (e.g., mobility, session length, search, skipping, favorites, genre patterns).

"It's a mixed blessing. It's great not to be bound to an album which turned out to suck. At the same time, … you miss thing too, because you're just streaming the three most popular songs". (23 year old man, 2010)

"Fast forward is a great thing. The 'skip button' is a great invention." (50 year old man, 2010)

Quotes from focus group interviews by Clouds & Concers

Key take aways

6. Editorial profile is important for discovery of local music and local share.

"I used Spotify before, but now I've switched to WiMP because I was sick of the ads, of course, and because – as informant E1 said – they do a better job with Norwegian music." (27 year old man, 2010)

"It feels good to pay for Spotify, really, and to know you pay for music. I've really had a policy that it's ok to download mp3s of large, international artists. But my stomach hurts if I download small, Norwegian bands." [Several other nods] (21 year old woman, 2010)

Quotes from focus group interviews by Clouds & Concers

Key take aways

7. In the Nordics, money is back in the music business and growing – thanks to streaming.

8. A user-centric model would bring back a direct link between fans and artists in an economic sense, and favor local artists and artists with passionate fans. In my view, this is a more fair model both for fans and artists, and a more sustainable model than the current.

Quotes from focus group interviews by Clouds & Concers
How to survive?

Survival 101

1. **Insist on insight for access** (transparency).
2. **Ask smart questions**, learn about your fans and others.
3. Look for **opportunities to create added value** (cf. platform economics).

   Two examples…

**Example 1: Does size matter?**

(AKA: Do number of songs on an album matter? Does order of songs matter? When should I release?)

![Average streams per album track number](image)
Average stream per album track number for select genres (normalized) without track #1

- rock
- pop
- jazz
- classical
- children
- alternative
- metal

The case of Robyn

8 + 8 + 5 songs over 5 months

15 comment track in exclusive streaming release

Example 2: Do I have loyal fans? Where are they?

WiMP passion index for top 8000 artists
Top 100 on WiMP passion index 2012

1. Thorbjørn Egner
2. Pink Floyd
3. Justin Bieber
4. Bruce Springsteen
5. Lana Del Rey
6. Melissa Horn
7. Leonard Cohen
8. One Direction
9. Kent
10. Terje Formoe
11. Alan Jackson
12. John Mayer
13. Linkin Park
14. Nickelback
15. Florence + The Machine
16. Ed Sheeran
17. Keane
18. Foo Fighters
19. Staut
20. Bon Iver
21. First Aid Kit
22. Plumbo
23. Eminem
24. Kaizers Orchestra
25. Vassendgutane
26. Frank Ocean
27. Frank Zappa
28. The Black Keys
29. Adele
30. Paul Simon
31. Guna N' Roses
32. Siren
33. Jessie Ware
34. Queen
35. Hellbells
36. Bob Dylan
37. LZ
38. Age Aleksandersen
39. Barratt
40. Rhema
41. Coldplay
42. Michael Jackson
43. Susanne Sundfør
44. Misson
45. Sinus Eiseaen
46. Tine Davidsen
47. Deadmau5
48. Lålan
49. Oslo Eks
50. D.D.E.
51. Katy Perry
52. Postgjøtbygget
53. Nicki Minaj
54. Siv Nilsen
55. Pia Rida
56. Dumb Dumb Boys
57. Amy MacDonald
58. Moda
59. Abba
60. Vamp
61. Team
62. Muse
63. Chris Brown
64. Marion S
65. Veronica Maggio
66. Mark Knopfler
67. Eric "G" White
68. The Gaslight Anthem
69. Madonna
70. Kanye West
71. Fun.
72. Lady Gaga
73. Karpe Diem
74. Johnny Cash
75. Gotye
76. Toru Muro
77. The Rolling Stones
78. Green Day
79. LMFAO
80. Elsa Prøysen
81. B.o.B
82. Kylie Swift
83. Donkeyboy
84. Gabriela
85. Ali Iks
86. Pia
87. Öi Oi Oi
88. Aasmj P
89. Lower
90. Alina Dovciran
91. David Guetta
92. The Killers
93. Far East Movement
94. Carly Rae Jepsen
95. Abdullah Jone
96. One City & Carly Rae Jepsen
97. Vinni
98. Michel Teló
99. The Wanted
100. Martin Halsa

Surviving the Stream

- Do not assume that YOUR listening habits, or the people you know, are the same as the large audience.
- Insist on insight from streaming services, labels (+ gather from own sources). Use this to get to know more about your audience.
- Use this knowledge to build a relationship, and offer fans music or other products, based on what they do, how they listen and what they like.
- Work together and through musicians’ organizations to promote a more fair model for artists (e.g., user-centric model).

Thanks to and from the stream team!

The Clouds & Concerts research project involves: Anne Danielsen (project leader, U of Oslo), Arnt Maasø (project leader, U of Oslo), Beate Due, Johannes Bjelland, Kenth Enge-Monsen and Pål Roe Sundsøy (Researchers, Telenor Group), Yngvar Kjus (post doctor), Anja Nyflund Hagen (PhD), Marika Lüders, (researcher, SINTEF), Research assistants: Ola Lavholm, Xin Jian, Marc Casanovas, Linn Jakkelin, Gro Kirkeby, Erik N. Strutz, Hanne Tråsdahl, Ragnhild Toldnes, Inger Helseth, Helena Zarifa Pedersen.

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