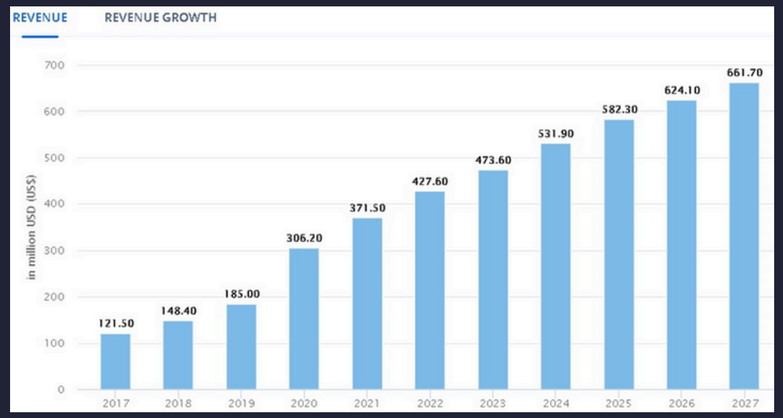
ENHANCING TIME SPENT LISTENING ON SPOTIFY INDIA: MARKET INSIGHTS & BUSINESS IMPACT

Aditya Kumar

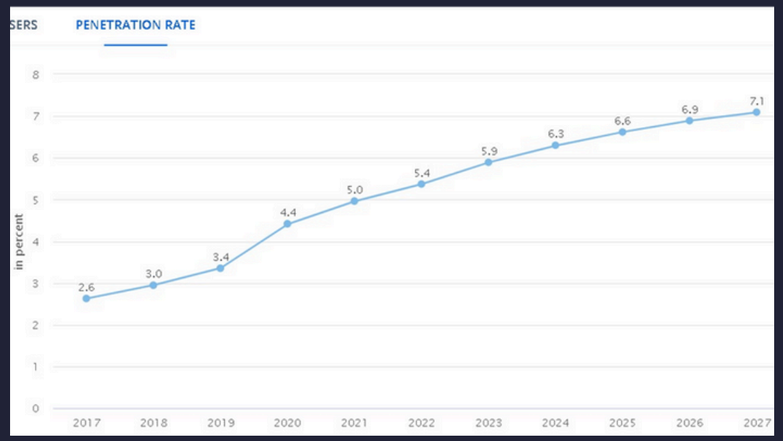
MUSIC STREAMING OVERVIEW IN INDIA

Market Size, Trends and Potential Growth

- The Music Streaming market in India has reached a revenue of US$531.90m in 2024.
- It is expected to show an annual growth rate (CAGR 2024-2027) of 7.55%, resulting in a projected market volume of US$661.70m by 2027.



- The user penetration rate is 6.3% in 2024 and is expected to increase to 7.1% by 2027.



Govt. Regulation in Music Streaming

Music streaming in India is regulated by the Indian Copyright Act, 1957 and the Copyright Rules 2013

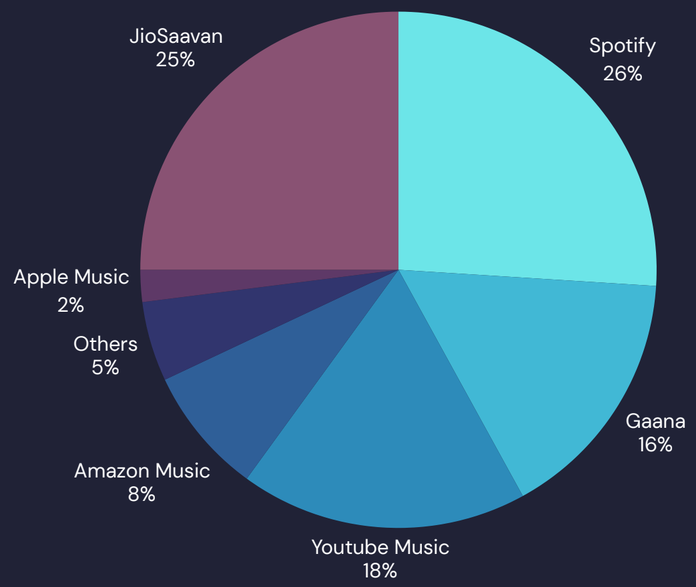
- **Section 31D (2012):** This section brought streaming services under the Copyright Act, providing a legal framework and statutory licensing for broadcasting musical and literary works.
- **Licensing Agreements:** Music streaming platforms obtain licenses through contracts with artists, with copyright societies helping streamline the process.
- **Performance Rights Organizations (PROs):** These collect royalties for artists when their works are performed.
- **Master Rights:** Owned by producers and record labels, these rights cover the recording of the artist's performance.
- **Broadcasting Services Regulation Bill, 2023:** Aims to promote innovation, protect consumers, and encourage investment by introducing regulatory measures like Content Evaluation Committees (CECs).

Actors in Music Streaming

Music Labels, Streaming Platforms, Artists and Creators, Consumers, Advertisers, Telecom Providers, Government and Regulators

INSIGHTS FROM COMPETITOR RESEARCH AND SECONDARY RESEARCH

Market Share Distribution of Music Streaming Platforms in India (2024)



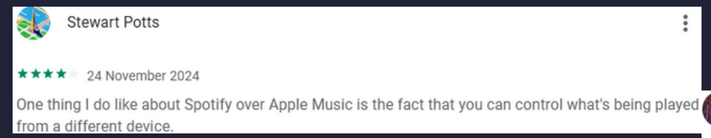
SWOT Analysis of Competitors

Brand	Strengths	Weaknesses	Opportunities	Threats
Spotify	Excellent user experience, personalized playlists.	High pricing, initial lack of local content, high licensing costs.	Partnerships with telecoms, regional language growth, podcast expansion.	Strong local competitors, piracy, regulatory challenges.
Gaana	Strong local presence, extensive regional content, affordable pricing.	Limited global presence, less intuitive user interface, ad saturation in free tier.	Telecom partnerships, podcast expansion, tiered pricing for different segments.	Local competition, piracy issues.
YT Music	Integration with YouTube, vast music catalog, free tier with ads.	Ad interruptions in free tier, less refined app interface, limited podcast content.	Monetizing free tier, combining with YT Premium, expanding regional content.	Local competitors, price sensitivity, growing local alternatives.
JioSaavan	Integration with Jio, affordable pricing, rich regional content.	App interface less intuitive, ad-heavy free-tier.	Leverage Jio's telecom customer base, international expansion.	Local competition, piracy, global platform competition.

Spotify User Experience

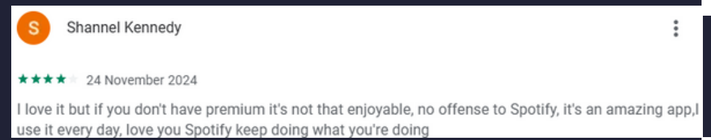
- **Personalized Playlists:** "Discover Weekly" and "Release Radar" tailored to individual listening habits.
- **Podcast Integration:** Combines music and podcasts seamlessly in one platform.
- **Collaborative Playlists:** Allows users to co-create and share playlists with friends.
- **High-Quality Streaming:** Offers 320 kbps audio quality for premium users.
- **Cross-Device Syncing:** Syncs across smartphones, desktops, smart speakers, and more.
- **Exclusive Features:** Includes "Spotify Wrapped" and "Blend" for sharing personalized playlists.

Users Reviews


Stewart Potts

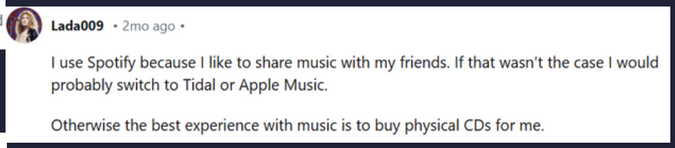
★★★★ 24 November 2024

One thing I do like about Spotify over Apple Music is the fact that you can control what's being played from a different device.


Shannel Kennedy

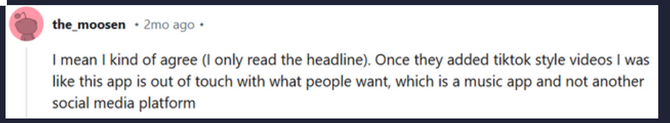
★★★★ 24 November 2024

I love it but if you don't have premium it's not that enjoyable, no offense to Spotify, it's an amazing app,I use it every day, love you Spotify keep doing what you're doing


Lada009 • 2mo ago •

I use Spotify because I like to share music with my friends. If that wasn't the case I would probably switch to Tidal or Apple Music.

Otherwise the best experience with music is to buy physical CDs for me.


the_moosen • 2mo ago •

I mean I kind of agree (I only read the headline). Once they added tiktok style videos I was like this app is out of touch with what people want, which is a music app and not another social media platform

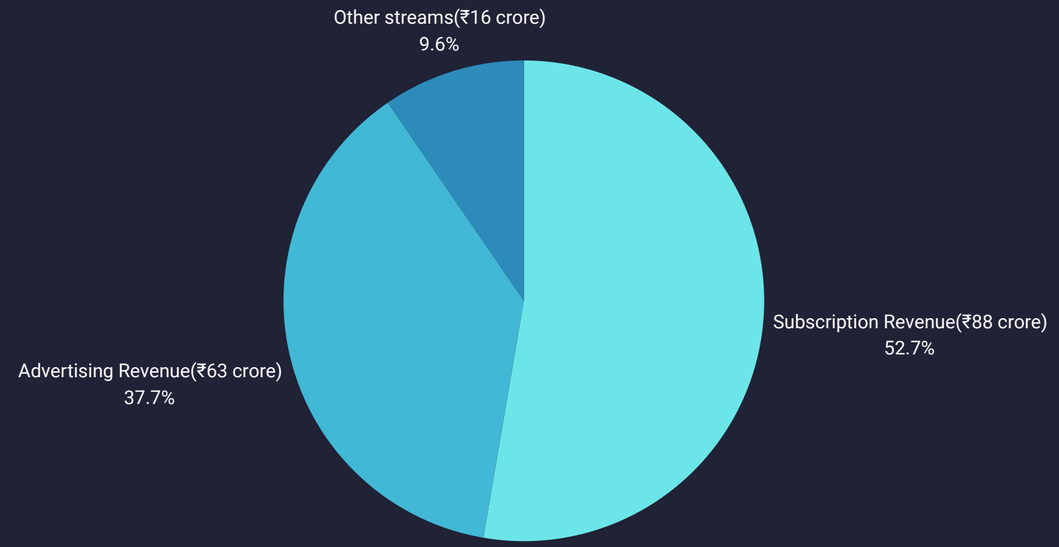
PRODUCT OUTCOMES FROM TIME SPENT LISTENING

To understand the importance of the "time spent listening" metric for Spotify, let's first examine its business model and revenue performance in 2023.

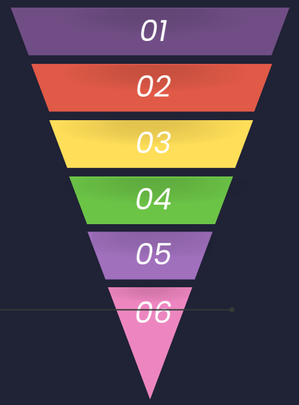


Revenue Performance in 2023

In the financial year ending March 2023 (FY23), Spotify India reported a total revenue of ₹167 crore, marking an 86% increase from the previous year.



SPOTIFY CONVERSION FUNNEL



Awareness

Acquisition

Activation: Users engage more → increased listening time → higher conversion to Premium

Retention: Regular use → more time spent → less churn → higher lifetime value

Monetization: Subscription revenue + Ad impressions = Higher revenue

Advocacy: Referrals and social sharing → increased user base