


# *Facing the Music*

The Takeover of Streaming Services





As music fans tune in to hear their favorite artist's new album or search for nostalgia-inducing oldies, music pervades American culture. It is difficult to go to a bar, the gym, a fast food restaurant, a clothing store, or a house party without hearing background instrumentals and a baseline rhythm reverberate.

Nearly 7 in 10 US consumers say they listen to music every day. Audio streaming services have become ubiquitous, with 8 in 10 American adults currently using at least one audio streaming service. Multiple audio streaming brands compete fiercely for these audiophiles, with brands like Pandora, Spotify, and Apple Music all vying for the same ears in a saturated marketplace.

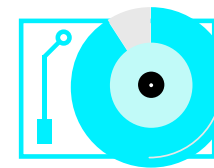
In our previous research report, [There's a Box for That](#), we found that Millennials are more receptive to, and are the primary users of, subscription services. In this report, we uncovered fresh insights into the music streaming services landscape and how the adoption of audio streaming differs among various audiences.

## Younger Americans are power-users of music streaming services

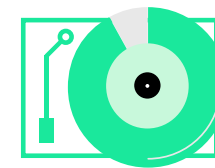


**84%**  
of Gen Z (18-24)  
Americans listen  
to music every  
single day

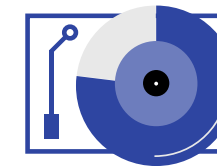
### Listens to an Audio Streaming Service



**92%**  
Gen Z (18-24)

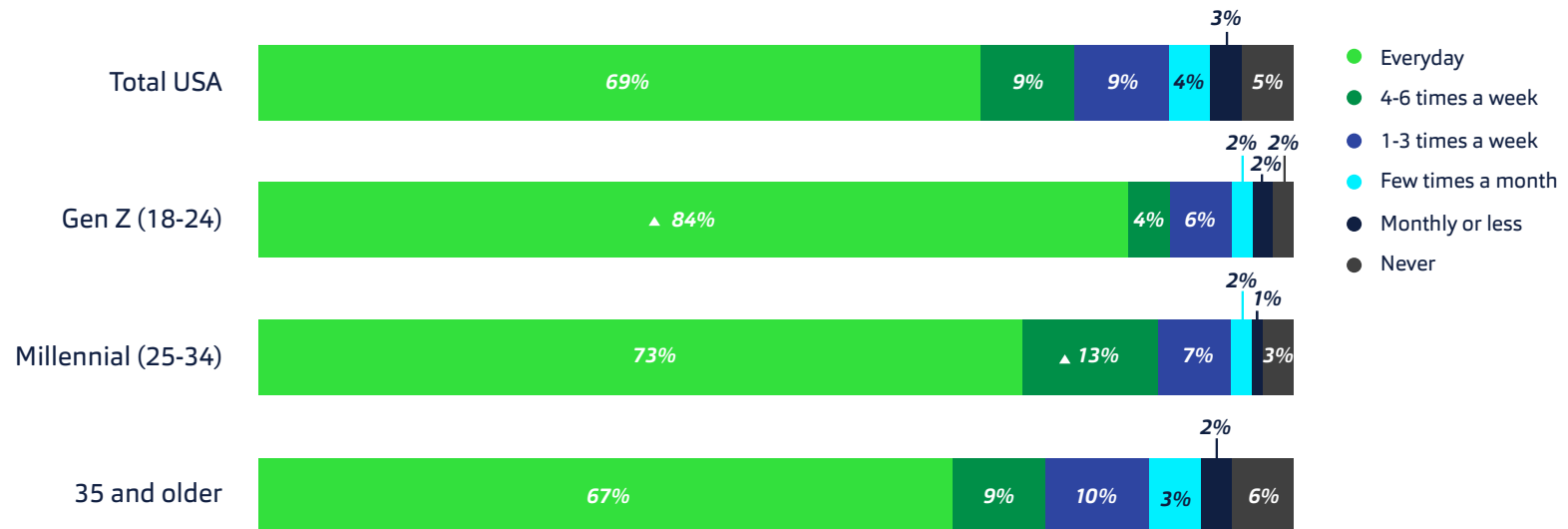


**91%**  
Millennial  
(25-34)



**77%**  
35 and older

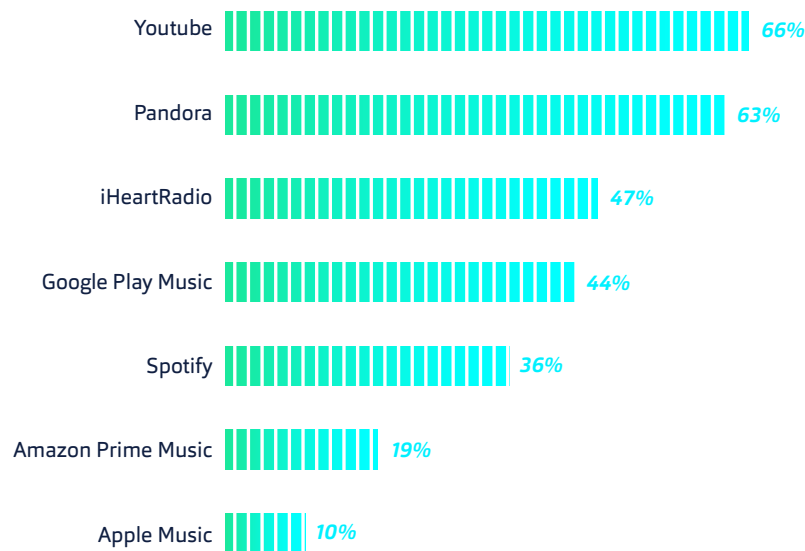
### How often do you listen to music? (streaming and no streaming)



Seven in ten Americans listening to an audio streaming services only use the free version. Just 30% of Americans who stream audio pay for at least one subscription, although many who do open their wallets, pay for more than one.

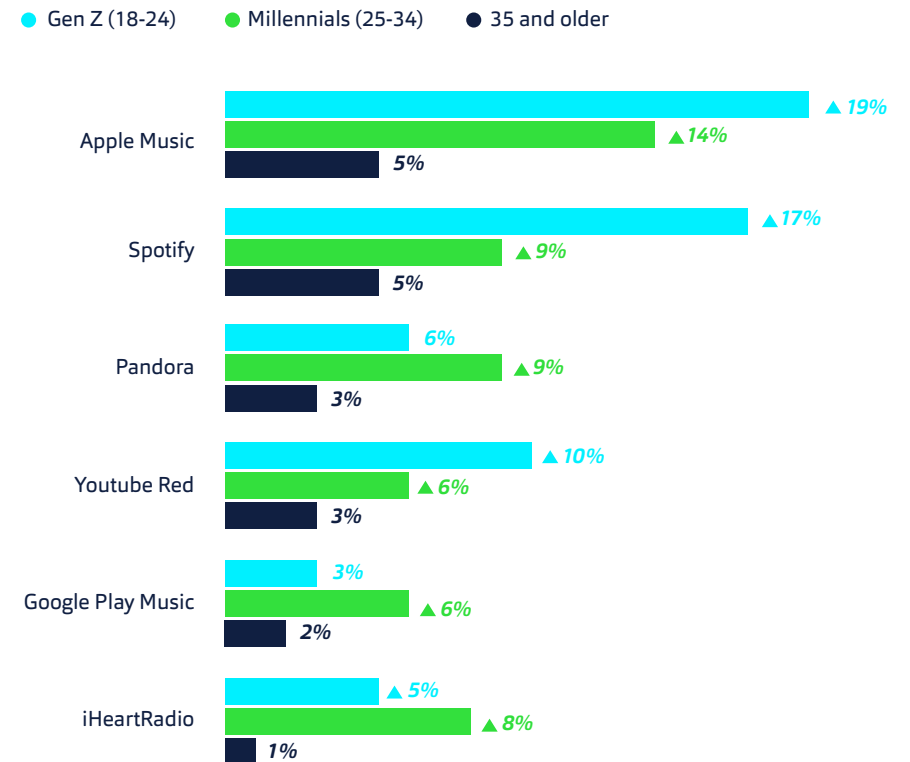
YouTube and Pandora are the most popular audio streaming sources, followed by iHeartRadio and Google Play music. Most of these streamers listen to the free versions. Amazon Prime and Apple Music are at the bottom of the pile because neither has a free option.

**Popular Audio Streaming Services (Respondents could select multiple responses)**  
Among those who listen to any streaming audio



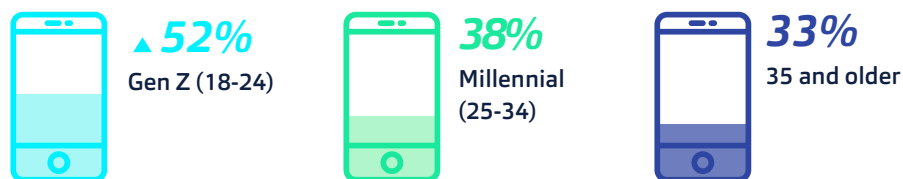
Gen Z and Millennials are far more likely to pay for audio subscriptions, with Apple Music and Spotify being especially popular among the youngest audience.

**Paid Audio Subscription Services**



High Apple Music subscription rates among Generation Z consumers can be also explained by the fact that this audience is much more likely to own an iPhone.

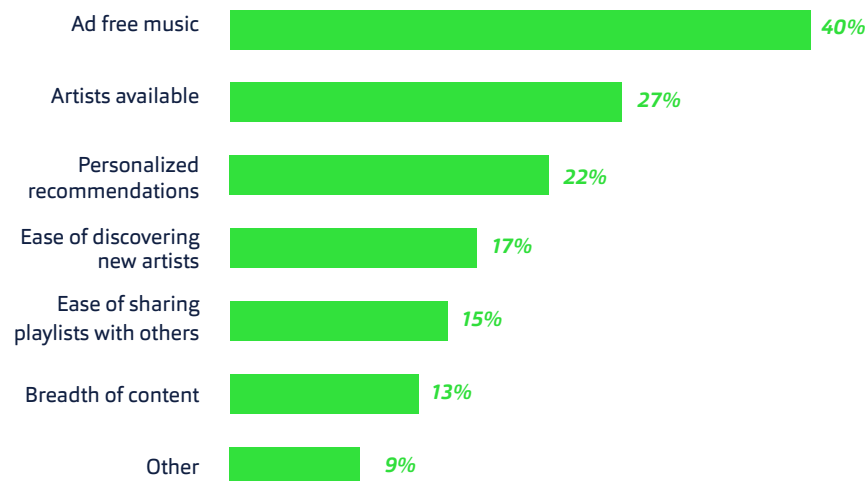
#### Own an iPhone



Among paying customers, having access to ad free music is the top choice for their decision to shell out cash for audio streaming.

#### What are the main reasons that you pay for an audio streaming service? (Respondents could select multiple responses)

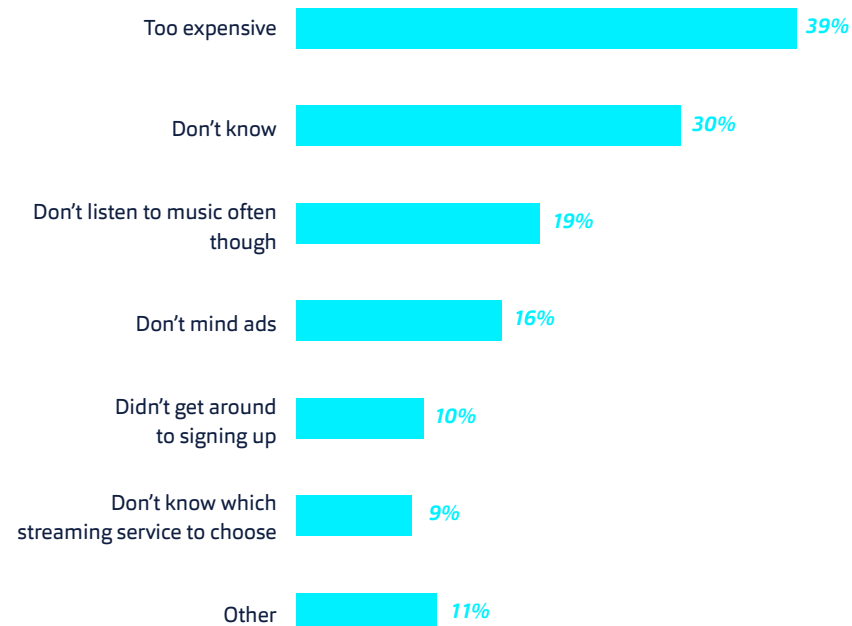
Among those who pay for audio streaming service(s)



For those who only listen to free audio streaming, price is the main barrier. Others say they don't listen to music often enough, don't mind the ads, or don't know why they never bothered to sign up for an audio streaming service to begin with.

#### What are some of the main reasons you do not subscribe to an audio streaming service? (Respondents could select multiple responses)

Among those who listen to free audio streaming only

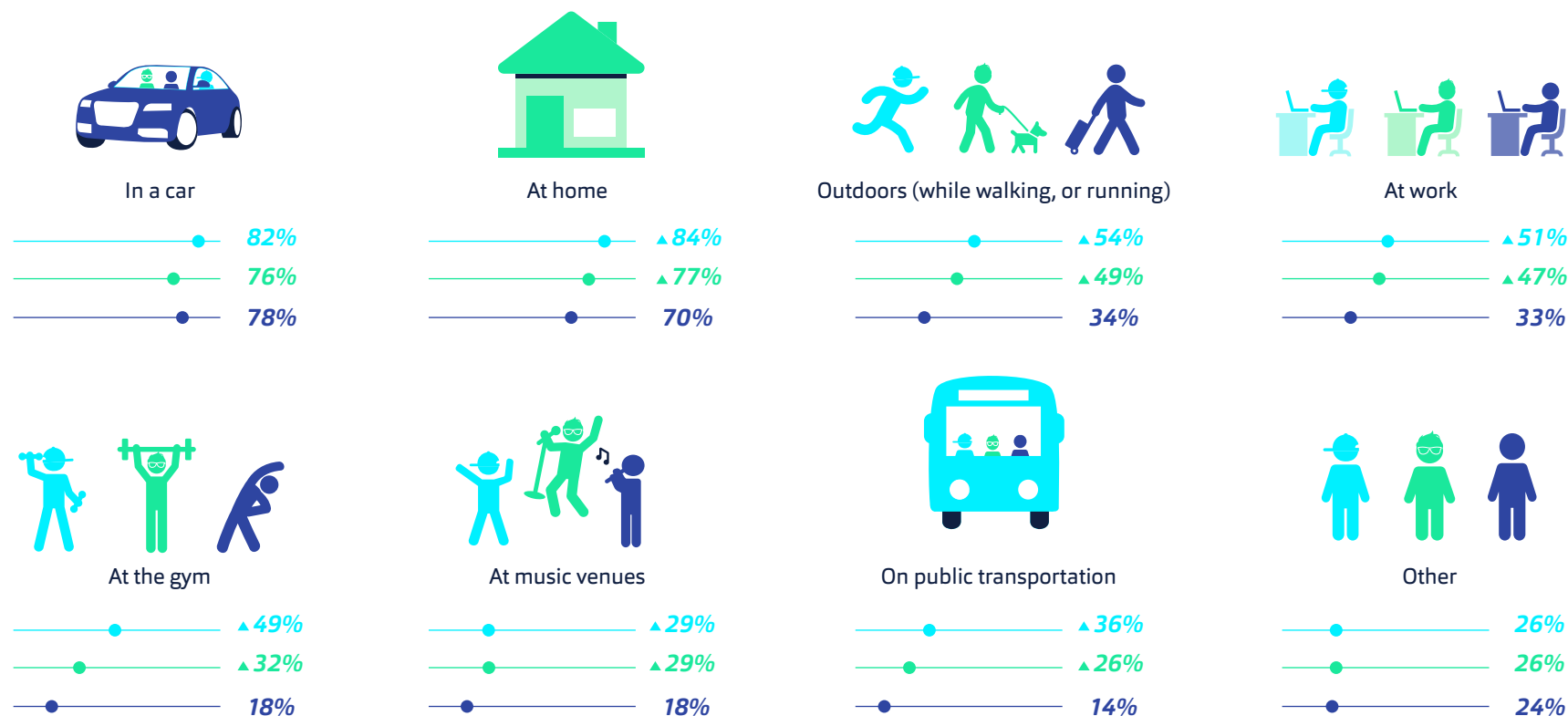


The success of paid streaming services among the youngest audience can be partially attributed to services' ability to cater to their needs and preferences.

Not only do Gen Z and Millennial consumers listen to music more frequently, they also listen everywhere: at home, at work, outside or at the gym. Younger generations use their mobile devices extensively and are attracted to a service that allows them to listen to their favorite music on the go, offline, and synced across all devices.

### Where do you listen to music? Please select all that apply

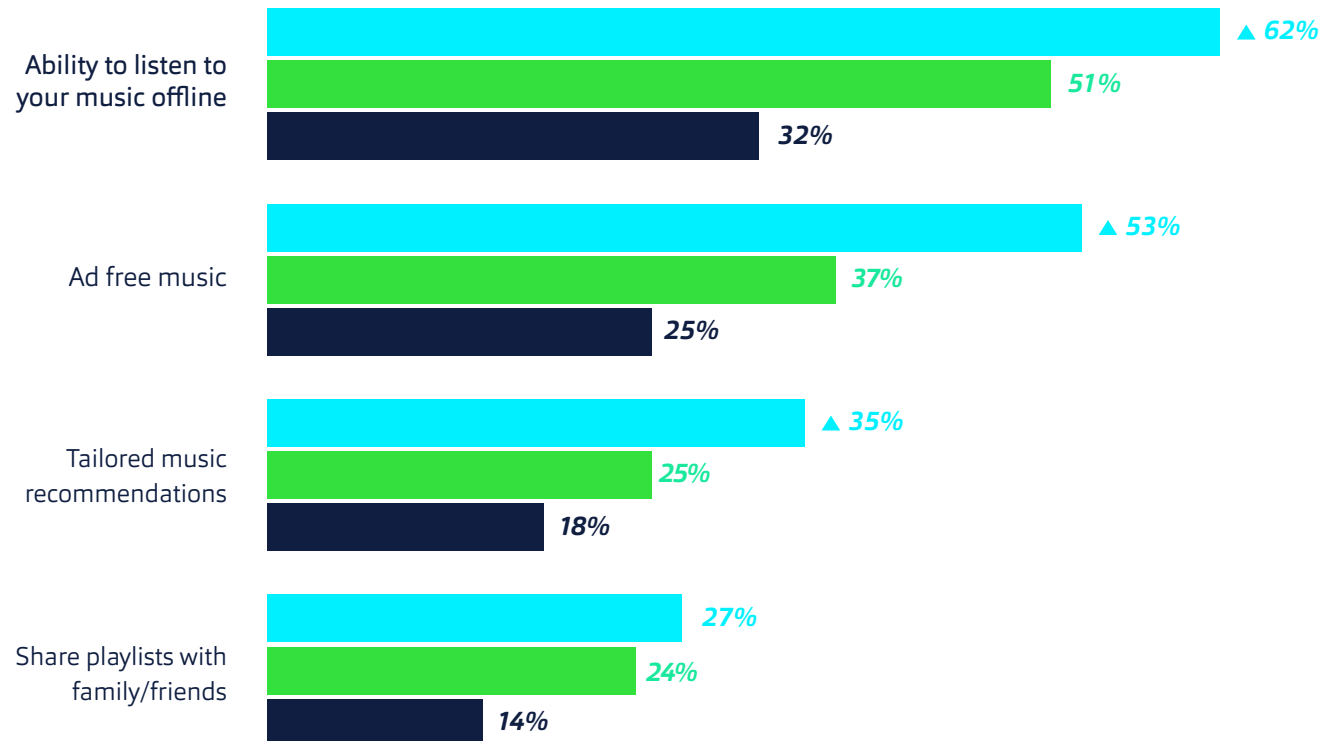
● Gen Z (18-24) ● Millennials (25-34) ● 35 and older



Younger consumers (especially Generation Z) place higher importance on audio streaming features such as an ability to listen to music offline, ad free music streaming, and tailored music recommendations. It is no surprise that these groups are much more willing to pay subscription fees for Apple Music and Spotify which offer all these benefits.

*Importance of Audio Streaming Features (extremely/very important)*

● Gen Z (18-24) ● Millennials (25-34) ● 35 and older





# Methodology

The Fluent Audio Subscriptions survey was conducted online within the United States on August 22nd, 2017 among 1,900 adults (aged 18 and up). Due to rounding, percentages may not always add up to 100%. Fluent's proprietary ad serving technology includes a real-time survey module that was used to facilitate the data collection for this study. Respondents were randomly selected and data was weighted to US Census 2010 population distribution.

<https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>



## ABOUT FLUENT

Fluent, LLC, a cogint company (Nasdaq: COGT), is an industry leader in people-based digital marketing and customer acquisition, serving over 500 leading consumer brands and direct marketers. Leveraging a massive reservoir of proprietary audience data, as well as millions of real-time survey interactions with consumers every day, Fluent enables advertisers to more effectively target and acquire their most valuable customers, with precision, at a massive scale. The company is headquartered in New York City. For more information visit [www.fluentco.com](http://www.fluentco.com).

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