

RadioWorks and: Spotify

Spotify – What is it?

Spot and Identify is where the name comes from and in essence Spotify is a free and legal music streaming service, some have called it an online juke box, which allows you to choose the music that you want to listen to.

Usage

Currently Spotify have almost 3 million users, growth that has only recently slowed as Spotify introduced an invite only policy. Currently, 37% of users are logging in to Spotify on a weekly basis.

Users

There are three different ways in which listeners can log-in to Spotify...

1. As a standard user with a free account, the user will hear 2-3 minutes of adverts p/hour
2. With a 24 hour ad-free day pass, costing 99p
3. As a premium user paying a monthly subscription of £9.99 p/month with no ads

How to listen

As Spotify uses online streaming most users listen via computers or laptops, however, premium users can now take advantage of smart phone applications for phones such as the iPhone and the Google Android platform.

Spotify – For Advertisers

As has been previously mentioned Spotify's standard users (around 90% of the near 3 million subscribers) will hear between two and three minutes of adverts per hour and as well as hearing audio adverts they will also be served display adverts, including billboards, leaderboards, and videos.

Audio Adverts

The audio adverts are served to listeners in breaks of no longer than 45 seconds but ads can be any length up to this time. Each time an audio advert is played scrolling clickable text and an advert 'album cover' are also displayed, both of which are clickable and can link through to an advertisers webpage. The audio ads cannot be skipped and if the user turns the sound down (on Spotify) the ads pause, so it's difficult to avoid them!

Display Adverts

All forms of display advertising are available on Spotify including Tower (or Skyscrapers), Leaderboard (or Banner), Billboards, and, Video. Each of the display adverts are clickable and can link through to a dedicated microsite or alternatively through to the advertisers site. The display ads are only served when users are actively engaging with Spotify, i.e. they won't pop up when Spotify is minimised or when there is no interaction on the page – this again limits ad avoidance.

Targeting

Users need to log in to access Spotify, when an account is set up top line user information is captured, including age and gender, this then allows advertisers to target users. Currently it is possible to target by postcode, age and gender, whilst in the future there is talk of also being able to target using further metrics such as music genre.

Buying Spotify

Although not a radio station, we treat Spotify in similar way, looking to achieve a frequency and a strong reach, with the benefits of accountability and low wastage that online provides. The ratecard for Spotify is £15 CPM but here at RadioWorks we have secured better rates so please feel free to contact us for a plan. We, like Spotify, recommend around 70-80% of the impressions are used for audio while the remainder are used for display advertising. Maple Street Studios have experience of creating and producing adverts for Spotify so RadioWorks are also able to help out on that side of things.

Spotify – Case Studies

RadioWorks have made use of Spotify on a number of occasions with campaigns ranging from raising awareness of store launches to the recruitment of engineers. Below are a few case studies, including some campaigns RadioWorks have booked, to give you a taste of what's possible...

Fiat 500

Using a combination of radio and display adverts users were encouraged to enter their favourite feel good song at the Fiat 500C site to create a branded play list and be in with a chance to win a Spotify Premium subscription. The campaign targeted Adults 25+ across the whole of the UK and achieved the following response rates...

Audio CTRs – 0.50%, Display CTRs – 0.22%, Billboard CTRs – 0.45%

Pelham 123

The movie release 'The taking of Pelham 123' was advertised on Spotify via audio advertising that called on the user to launch a video trailer of the film. The trailer achieved 15,000 views and was watched 3 times longer on Spotify than the other sites used. The average CTR was a massive 2.22%

Jaguar / Land Rover

The first ever recruitment campaign to run on Spotify was this campaign for Jaguar / Land Rover. This campaign was unusual in that the display advertising outperformed the audio with CTRs of 0.47% for display and 0.34% for audio, with combined CTRs of 0.42%

To hear and see examples of some Spotify adverts go to www.radioworks.co.uk/reports-and-studies