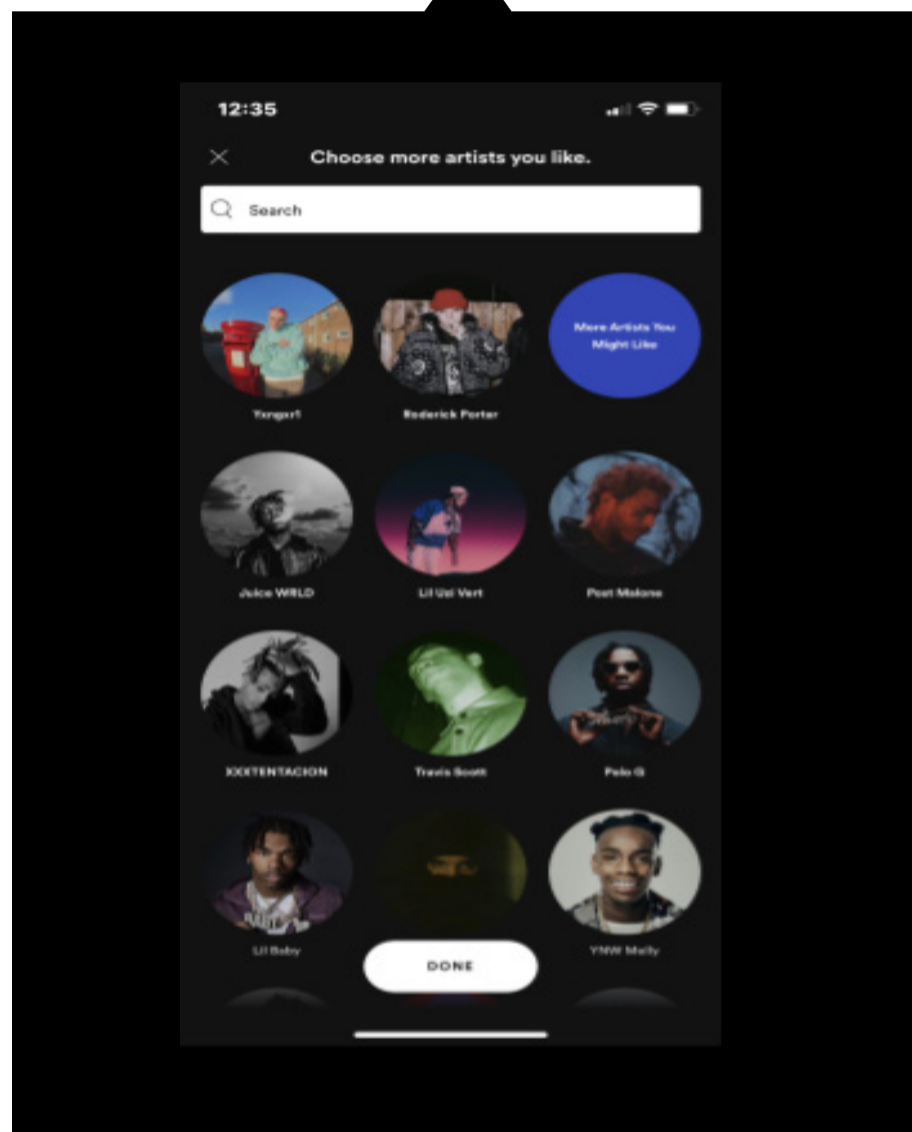


Spotify's Impact on Artists

Aidan Dillard

The music streaming platform, Spotify, has had an explosion of day to day use in the past 5 years. It went from some ludicrous idea (streaming music for free and making money?) that almost everyone in the music industry was against, to a dominant platform for artists to release their new music tracks on. From bi-weekly podcasts to Dark Bass, it seems that they have someone for everyone. It's not all sunshine and good tunes, though. Spotify has a track record of questionable ways of treating and paying their artists. Taylor Swift pulled off Spotify for a little over 3 years due to the way they deal with payment, stating "Music is art, and art is important and rare. Important, rare things are valuable. Valuable things should be paid for. It's my opinion that music should not be free." Another musician who pulled their music off Spotify was Radiohead singer Tom Yorke, leaving this message in his wake, "Make no mistake—new artists you discover on #Spotify will not get paid." With big names like Taylor Swift and Tom Yorke pulling their music off, they must have a reason to do so, right?

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Spotify uses a payment strategy called "pro-rata", which essentially means that they create a pool of money, and divide it out in a pie chart based on the percentage of Spotify's user base listening to an artist. For example, BGHS's Lil Pepto has 7,140 streams per month (as of 5 Feb.

2020). Spotify has a total of 268,000,000 users, so Pepto would be getting 0.000002% off all the yearly revenue of Spotify, which equates out to a little under \$185 per year. Compare that to the biggest artist on Spotify right now, The Weeknd, who gets 23.776% of all Spotify's revenue, gets

about 95 million dollars.

This data is a very rough estimate though. All of this data is pre-taxes and is including non-premium users of the platform (they pay by advertisements), so it is somewhat skewed upward. Pepto has most likely earned significantly less than this data shows. However, this data still clearly shows that the upper echelon of people get the most money, while Spotify leaves the smaller artists in the dust. While not necessarily wrong of them to do this, when it comes to their treatment of smaller artists, it is abundantly clear who they favor.

Spotify doesn't promote small creators, full stop. They don't put them in Daily Mix or Weekly Shuffle. They don't advertise them on banners. They don't even put them in the recommended songs on playlists. It forces them to adapt to an algorithm that, being a cold machine, doesn't care about them as a person, only as a source of income. That's why some artists have banded together to take a stand against Spotify, for the previously mentioned payment strategy and the treatment that they face, with

them simply asking to not be treated like the enemy.

It's not like it has done very much though. The smaller creators are still not being advertised that much by Spotify. For example, when I was trying to find similar artists to a (for lack of a better word) "underground" artists, I had to go out of my way to find them. I don't even listen to artists like Juice WRLD and Post Malone, but Spotify still recommends them for me to listen to.

Other companies have filled in the void for a more creator-centric platform. Soundcloud, for example, has created a platform that allows small creators to express and show their art. Like them or not, it has also created a wave of so-called Soundcloud Rappers. Rappers like Lil Uzi Vert, NLE Choppa and Gunna have gone mainstream due to this platform. These people, in turn, get promoted by the service, whether that be by playlists like Daily Mix or the Rap Caviar playlist, or banners on the top of the home page. This sudo-advertisement gives them a boost in listeners; however, Spotify advertises their premium

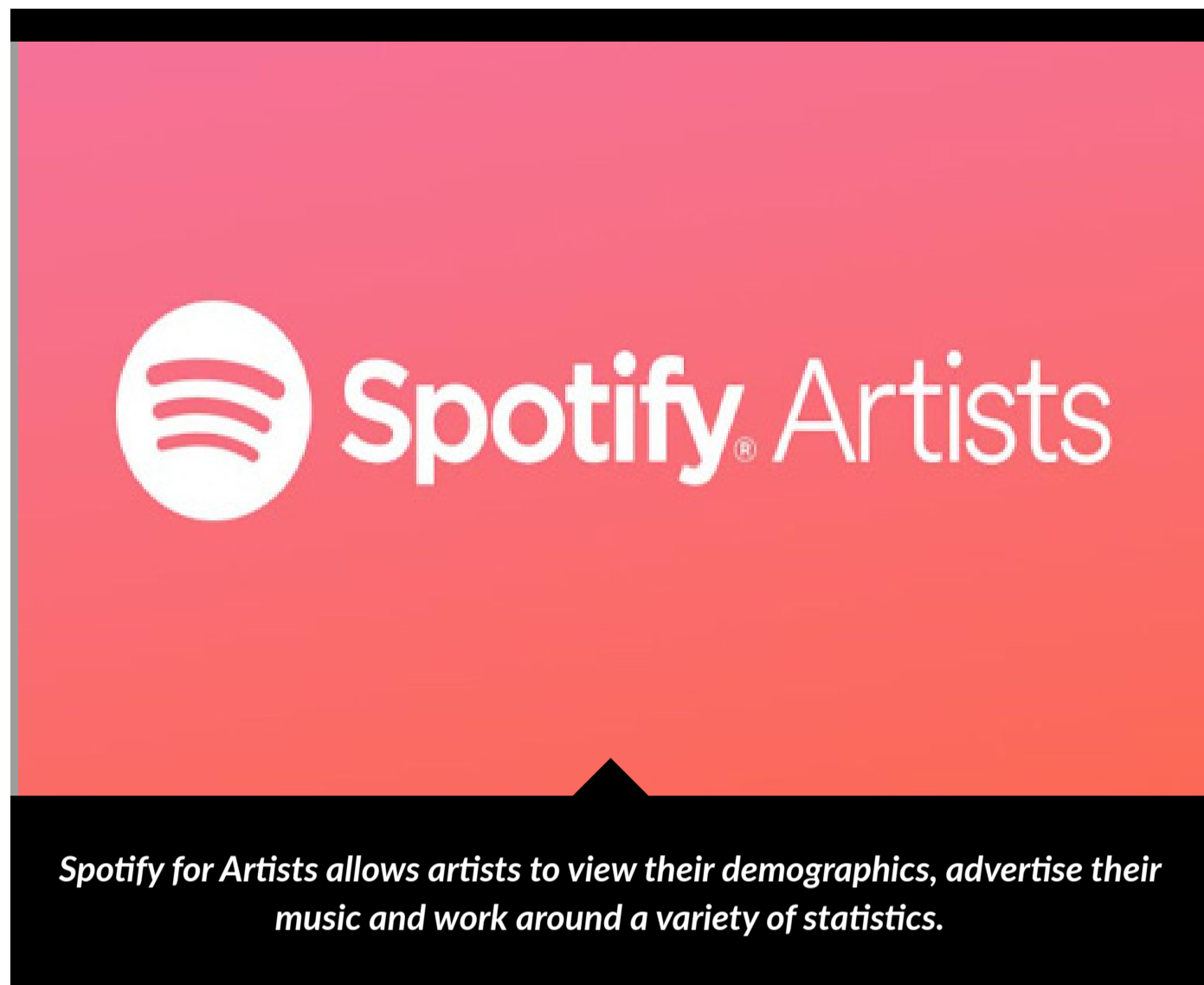
service is a "no advertisement service". This rule is followed, in a traditional sense. There are no midroll ads when listening to music, no banner ads and no more watch this short video to get 30 minutes of ad free listening guy. But they have other ways to advertise the big artists, while all but shadowbanning small creators.

During mid-summer 2018, Drake was on course for releasing his newest album, Scorpion. To promote this album,

Spotify changed their pre-curated playlists to feature Drake's Album, calling it Scorpion SZN. People got upset about this, calling for refunds due to this being essentially an advertisement for Drake.

This feedback loop just makes it so the most popular artists are promoted more and more, while the smaller guys are just in the dust, not even getting a chance to show off their talent. It's really unfortunate, as well. Many of the small

artists (that are able to get onto the platform) have some really good music to share with their fans and the world, but will never get the chance to. Soundcloud doesn't advertise artists, so why can't Spotify be the one that does? Since they already have a somewhat more rigorous entryway to the platform, and is already the more glamorous of the two services, this could be a fix. But for now, all that's clear is that Spotify needs to work on artist relations.



Spotify for Artists allows artists to view their demographics, advertise their music and work around a variety of statistics.

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