



An analysis of online music streaming behavior in India

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ABSTRACT

In the Indian music industry, the consumption of music on digital music streaming platforms has increased significantly over the past few years. There has also been a rise in the number of music streaming apps in India. The purpose of this study is to determine popular features in a music streaming app that appeal the most to consumers. This information can be used by brands so that they can enhance one or more of these features and hence provide a better customer experience to users.

Keywords: Music streaming app, brand, Customer experience, Consumers

1. INTRODUCTION

The Indian music industry has changed drastically over the past few years. There were days where FM Radio was the only source of music content for consumers. The industry was heavily dependent on physical media such as compact discs and cassettes. But now the digital music formats have taken over the Indian market. The main change was brought about by the launch of MP3 players. Soon after that, the iPod was launched. These technological advancements brought about change in the way music is consumed. People could carry entire music catalogues with them in their pockets. Now we have multiple streaming platforms which can be accessed at a single click.

Online music streaming has been rising in India due to an increase in the usage of smartphones. Today, more people have access to smartphones due to its low price and hence, affordability. Also, data costs are dirt cheap which brings more people each day onto the digital space. OTT platforms have multiple offerings to consumers. Brands run on various business models. One is the free model where ads run at regular intervals. Second is the paid model which is ad-free. Then is the hybrid model which is a combination of the two. Majority of the revenues in the streaming music industry come from ad supported models because the volumes of it are significantly higher. In India, more than 4,000 million streams run every month across all OTT platforms. New brands are being launched with each passing quarter. Hence, this industry is becoming more and more competitive with each passing day as brands fight for market share.

The recorded music industry in India is sized at INR 1,068 crore and is estimated to provide direct employment to 1,460 people. As the music recording industry extended partnership with OTT platforms, the revenue generated from it is INR 270 crore and has the capacity to provide employment to 810 people. The market share of various music streaming brands is as follows.

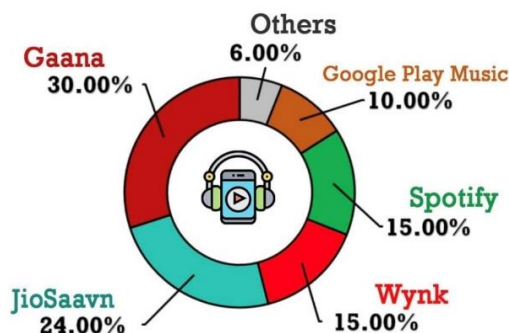


Fig. 1: Graph showing Market Share of Music Streaming Brands in India

2. OBJECTIVE OF THE STUDY

To determine popular features in a music streaming app that appeal the most to consumers.

3. RESEARCH METHODS

This study essentially relies on primary data, collected through comprehensive surveys from a sample of 150 respondents. The demographic details of the respondents are given in the below table.

Table 1: Demographic Details of Respondents

Variable	Category	Percentage
Gender	Male	54%
	Female	46%
Age	18-20	10%
	21-23	30%
	23-25	60%
Occupation	Student	48%
	Working	51%
	Homemaker	1%

4. DATA ANALYSIS

4.1 Music listening behavior – Analysis of Features

Majority of the respondents, that is, 40% of the respondents listen to music less than 1 hour in total each day whereas 22% of the respondents listen to music more than 2 hours in total each day. Coming to language preferences of music, English is the most preferred language in India standing at 40%. Hindi is a close second at 39% and Punjabi comes at the third position at 17%. The remaining are other regional languages that account for 4%. Coming to various platforms for listening to music, majority of the respondents accounting for 73% respondents use digital platforms for music streaming. 16% respondents use television, 11% respondents use Radio to listen to music. This clearly indicates the transition of music listening habits from traditional channels like television and radio to digital platforms.

4.1.1 Radio and Podcast: Many music streaming brands offer radio and original podcasts. These features are present to cater to wider audience that prefers radio. Podcasts are a great way to keep users engaged on the app. But findings suggest that very few consumers actually use these features. Only 30% respondents listen to radio and podcasts, whereas 70% respondents do not use this feature at all.

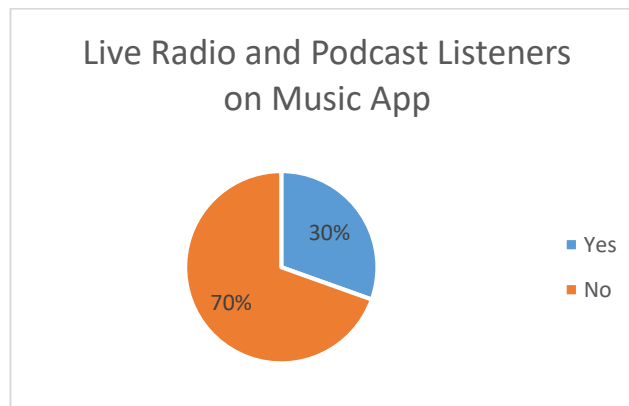


Fig. 2: Graph showing a comparison of Live Radio and Podcast listeners vs non listeners

4.1.2 Notifications: Brands strive to engage with consumers by constantly sending notifications regarding new songs, artists and albums added to their app. Only 9% consumers actually find these notifications highly useful to discover new and relevant music by rating it 5. 24% respondents said that they do not find them useful at all and hence rated it 1. This low rating is an indication that notifications sent to users regarding songs aren't personalized to the music taste of the user.

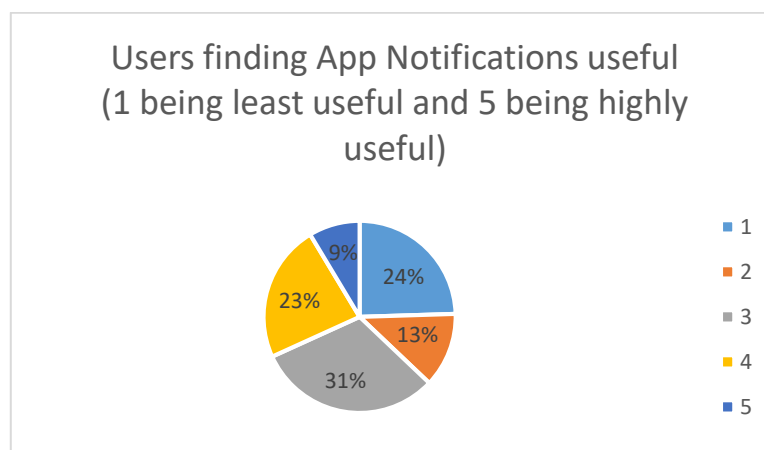


Fig. 3: Graph showing the rating of consumers on the usefulness of notifications

4.1.3 On Screen lyrics: Brands give you the option of viewing lyrics of the song while it is being played. This feature is present with the intention of giving users the ease of reading the lyrics while listening to a song. Contrastingly, 49% users do not use this feature. 18% users use the feature to view lyrics of the songs. 18% respondents said that they do not get lyrics of songs on the app that they use to stream music.

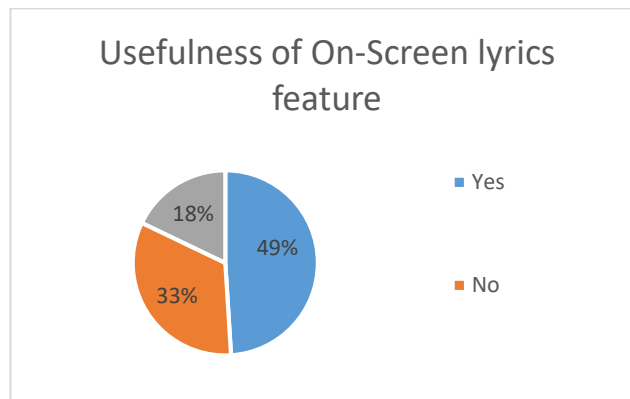


Fig. 4: Graph showing the usefulness of On-Screen lyrics feature

4.1.4 Playlist Preference: In-app playlist are various playlists that are present on a music app which everyone can access. Brands give consumers the option of creating playlists giving them the power to collate songs of their preferences into a playlist. 58% respondents create playlists on the app and listen to songs from their created playlist whereas 42% respondents said that they prefer to listen to in-app playlists.

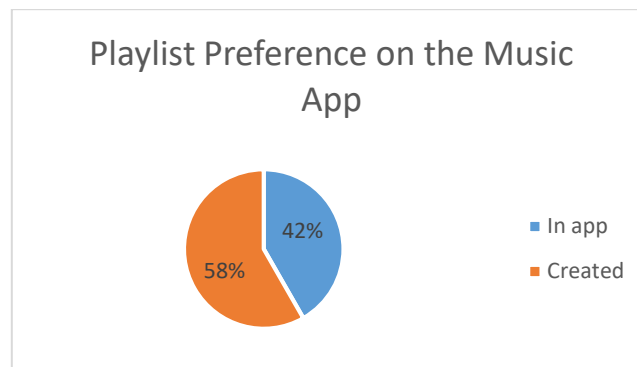


Fig. 5: Graph showing the playlist preference of users

4.1.5 Preferences of Features: Feature preferences from the above selected popular features were asked to respondents. A comparison of all popular features was made. Majority of the respondents, 36% of them said that they prefer to 'Search' for each song manually to listen to their preferred song. A close, 33% respondents said that they prefer to listen to songs from the playlist that they have created on the app. 28% respondents said that they prefer browsing the app to listen to in-app playlists. 3% respondents said that they prefer listening to songs on radio on the app.

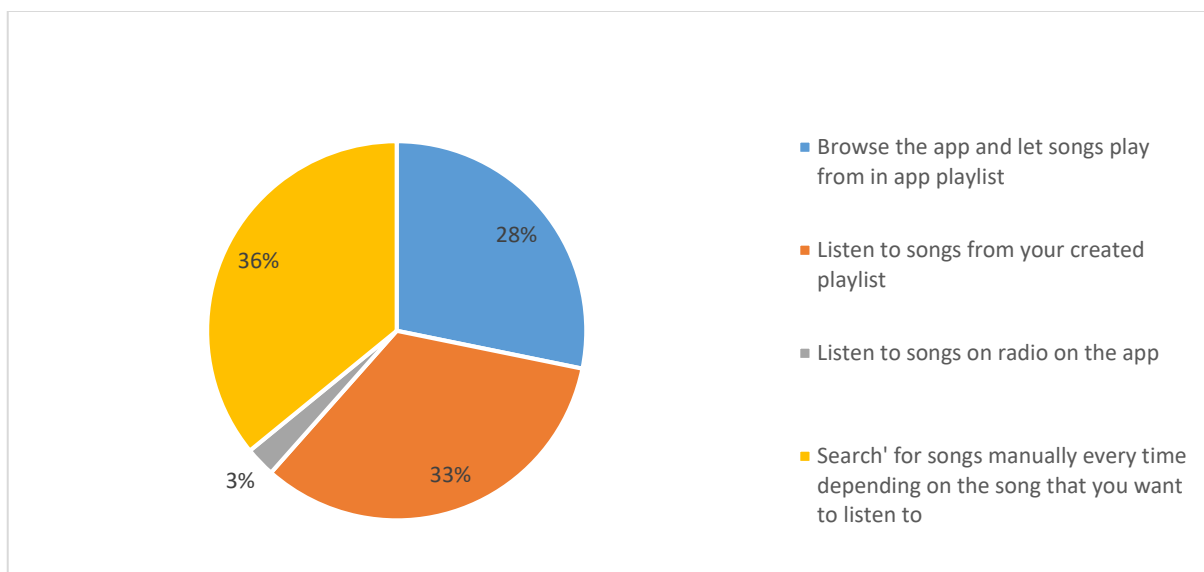


Fig. 6: Graph showing a comparative preference of features

5. CONCLUSION

From the analysis, the top three features in music streaming apps are 'Search', 'Creating Playlist' and 'Browsing through In-app Playlists'. The search feature enables users to look for a song which they prefer to listen to. Hence, it is recommended to have a

large music library with a wide range of music so that users of varied tastes can get access to their preferred song and thus cater to a large market. Creating a playlist on a music app will give users the power to collate music of their choice and comfortably share with their friends. Hence, innovations can be brought about in this feature to enhance its appeal. One recommendation is that brands can introduce a special forum on the app to help users expand the reach of their playlist in order to get more followers. This will encourage users to create more playlists. This will be a win-win situation for both users and the brand. Users get followers and brands have users engaged on their app. The in-app playlist is a by-product of the listening patterns of users. The playlist that is recommended to a user on the music app has songs that are similar to songs that the user has been listening to for quite some time. This is based on an AI-based recommendation algorithm. More powerful the algorithm, better and more personalized will the recommendations be to the user. In a highly competitive industry such as this with low brand loyalty, brands should focus on these features to give a great customer experience.

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