

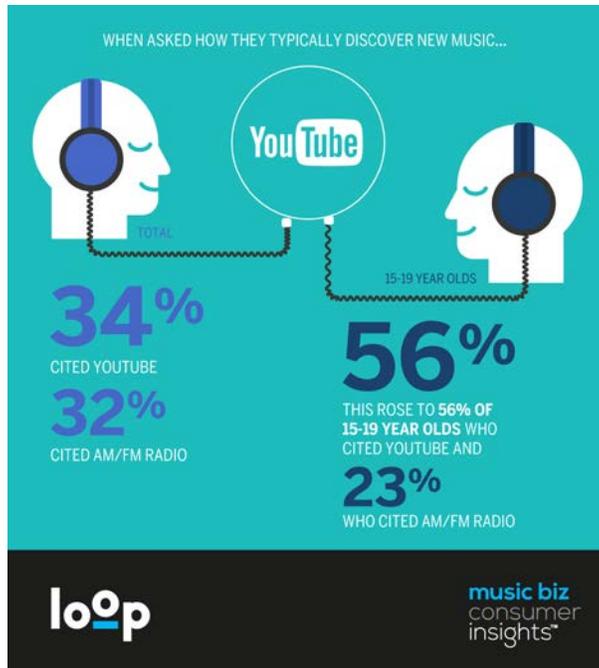


## **Music Biz/LOOP Study: Millennials Turn from Radio to Embrace Streaming**

July 12, 2016 – The Music Business Association (Music Biz) and data partner LOOP (Lots of Online People) will unveil “Music & Millennials,” the first in-depth report from the member-exclusive [Music Biz Consumer Insights](#) portal, today at 2 p.m. ET during the “[Music Biz Consumer Insights Powered by LOOP](#)” webinar. Based on a study conducted by LOOP in May 2016 with 3,014 U.S. respondents, the report breaks down a variety of music consumption patterns by age, providing unique insight into the habits of the millennial generation.

The report shows that 15-to-19 year olds have embraced on-demand streaming as their format of choice, accounting for 51% of their total listening time on a typical day (more than double the overall average of 24%, which includes all age groups). This comes at the expense of more traditional formats, most notably AM/FM radio. While broadcast radio still accounts for the highest listening share among the general population at 35%, 15-to-19 year olds reported that they spend only 12% of their time with the format despite a weekly reach of 65% (on par with the overall average of 78%). This indicates that even though millennials are being exposed to radio, they are not engaging with it, and on-demand streaming is making up the difference.

This is further reflected in millennials’ device usage. AM/FM radio receivers again topped the overall tally, accounting for 33% of the general population’s listening time. However, 15-to-19 year olds bucked the trend once more, saying the device only accounts for 11% of their time. Instead, they rely heavily on connected devices like smartphones, which accounted for 41% of their listening time, more than double the overall average of 18%. This also explains why 15-to-19 year olds are far more likely than the general population to upgrade to a premium streaming account because they want to access the service on their mobile phone. According to the report, 40% of this group cited mobile access as a major factor in the decision to upgrade, compared to only 29% of the general population.



In addition, the report shows that, for the first time, YouTube has overtaken broadcast radio for music discovery among the general population. When asked how they typically discover new music, 34% of all respondents cited YouTube, while only 32% cited AM/FM radio. This was even more prevalent among 15-to-19 year olds, 56% of whom cited YouTube and 23% of whom cited AM/FM radio. However, recommendations from friends remain the #1 source for music discovery, cited by 46% of the general population. Among 15-to-19 year olds, it is neck and neck with YouTube at 56%.

The study also found that some people who have a premium account with a streaming service do not actually pay for that subscription, with 18% of the general population saying their premium access came through a free trial, a bundle with another product/service, or that they use someone else's account. Among 15-to-19 year olds, 24% said they do not pay for their premium subscriptions, with 11% saying it came with a purchase and 10% saying they use someone else's account.

"We are thrilled to offer our members this uniquely insightful report, which provides a roadmap for the future of the music business through the eyes of the millennial generation," said James Donio, President of Music Biz. "The quicker the music business can adapt to new trends, the more successful it will be. By examining how young music consumers access the songs they love, we can begin to understand the market trends of the future and get a head start on optimizing the system for the new generation."

"This study confirms that younger millennials are moving away from traditional means of music consumption and embracing more interactive music services and devices," said David Lewis, Co-Founder of LOOP. "We look forward to tracking how those preferences evolve in the coming months and years as they grow and take on new responsibilities in their daily lives."

Free registration for the “Music Biz Consumer Insights Powered by LOOP” webinar is available at <https://musicbizconsumerinsights-webinar.eventbrite.com>. Immediately following the event, the full “Music & Millennials” report will be offered for purchase exclusively to Music Biz members via the Music Biz Consumer Insights portal at [www.musicbiz.org/resources/tools/music-biz-consumer-insights/consumer-insights-portal](http://www.musicbiz.org/resources/tools/music-biz-consumer-insights/consumer-insights-portal).

#### **About the Music Business Association**

The Music Business Association (Music Biz) is a membership organization that advances and promotes music commerce — a community committed to the full spectrum of monetization models in the industry. It provides common ground by offering thought leadership, resources and unparalleled networking opportunities, all geared to the specific needs of its membership. Music Biz brings a unique perspective and valuable insight into the trends and changes that innovation brings. Today, we put our collective experience to work across all delivery models: physical, digital, mobile, and more. Music Biz and its members are committed to building the future of music commerce — together.

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