

Spotify deals with brand safety issues amid COVID-19 misinformation controversy

Article

The news: Spotify and Joe Rogan worked to defuse the controversy surrounding the influential podcaster's spread of COVID-19 misinformation on his popular program.

- Rogan **said** on Sunday he would “try harder to get people with differing opinions” on his podcast while simultaneously defending his guests as “very intelligent, very accomplished people.” It was his first public response to the growing uproar against Spotify.
- Spotify **announced** over the weekend that it will add a content advisory message to any programming that discusses COVID-19.
- “It is important to me that we don’t take on the position of being content censor while also making sure that there are rules in place and consequences for those who violate them,” wrote CEO **Daniel Ek** on Spotify’s blog.



33.1 million

Number of forecasted podcast listeners on Spotify in 2021 (+17.3% vs. LY)



\$1.25 billion

Spotify's forecasted 2021 ad revenues (+46.6% vs. LY)



11 million

Estimated listeners per episode for "The Joe Rogan Experience," the most of any podcast

Sources: eMarketer, Edison Research, Spotify

How we got here:

- Spotify signed Rogan to an exclusive contract worth \$100 million at the dawn of the pandemic to facilitate Spotify’s growth as a destination for podcast listening—but he has courted controversy ever since.
- Rogan’s deal encouraged advertisers to sign with the platform, including **Omnicom**, which committed \$20 million and cited Rogan as part of its reasoning.

- A number of musicians, including **Neil Young**, **Joni Mitchell**, and **Nils Lofgren**, came out against Spotify, in some cases pulling their music from the platform entirely.
- “Irresponsible people are spreading lies that are costing people their lives,” Mitchell wrote on Friday. “I stand in solidarity with Neil Young and the global scientific and medical communities on this issue.”
- The damage goes beyond music: Bestselling author Brené Brown has paused the release of her two Spotify-exclusive podcasts in the wake of the protests.

Competitors take advantage: The controversy has opened a door for Spotify rivals.

- **Apple** tweeted a message calling itself “the home of Neil Young.”
- Young encouraged his fans “looking for my music” to sign up for **Amazon Music**, where they would receive four free months.
- **SiriusXM** announced “Neil Young Radio,” a dedicated channel on its streaming service.

Why it’s important: The debate regarding Spotify and Rogan shows how brand safety and values have become increasingly important topics in the advertising industry.

It also raises questions about how much responsibility platforms should have for messages creators post on them. While the pandemic has highlighted social divisions, particularly in the US, brands have been held increasingly accountable for everything from their suppliers to the platforms they advertise on.

Will Spotify suffer? While #CancelSpotify was trending on Twitter on Friday, most advertisers are not currently pulling their Spotify advertising spend or speaking out on the issue.

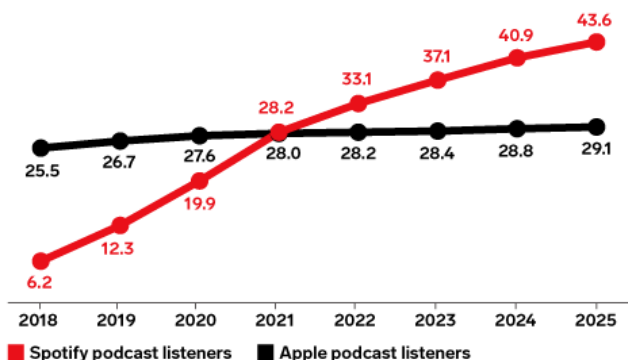
- Similarly, most advertisers haven’t pulled their advertising spend from Meta over controversies on its platforms, though brands did boycott Facebook for a month over hate speech and disinformation concerns.
- Unlike Meta, which includes Facebook and Instagram, Spotify is a secondary advertising platform for many advertisers—so it may be more cuttable.
- At the same time, ads are only about 12% of Spotify’s business, notes Insider Intelligence senior forecasting analyst **Peter Vahle**, so a month or so of depressed ad dollars wouldn’t have a significant impact on its bottom line.

High stakes:

- Spotify’s siding with Rogan over Young represents the platform’s business plan. Podcasts are a major component of the platform’s future.
- Spotify sells spots in Rogan’s show directly to advertisers, meaning brand safety may not be a concern since brands have to opt in. But that approach doesn’t scale to the majority of Spotify’s podcast ads, which are sold and inserted programmatically.
- Spotify’s brand safety controls allow advertisers to select what topics they would like to be placed in—but it’s far from a perfect science, as Spotify relies on transcript data of episodes. Google’s **YouTube** and Amazon’s **Twitch** have faced similar questions regarding their moderation policies.

US Spotify Podcast vs. Apple Podcast Listeners, 2018-2025

millions



Note: internet users of any age who listen to each service on any device at least once per month
 Source: eMarketer, Aug 2021

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