

# Amazon's Amp builds on —and deviates from—the Clubhouse playbook

Article

**The news:** Amazon introduced **Amp** on Tuesday, a new mobile app that allows users to create live radio-style programs in which they can serve as a DJ by accepting calls and playing tracks from an extensive catalog of licensed songs.

- The app is currently in a limited beta in the US.

- We previously reported on Amp in our [Briefing](#) and on our [podcast](#) last fall, when it was under development as Project Mic.

**Here's how it works:** Amp users can DJ, stream, and chat about their favorite songs and artists. They may also talk about anything else—such as politics or sports—while creating playlists for listeners and taking live calls. Creators will also be able to pre-plan and schedule their programs and keep listeners informed about upcoming programming.

- Creators can also interact with their audience in real time without the need for a subscription, additional technology, or editing.
- Notably, creators are not required to pay the labels for any music it uses. Amazon plans to have a moderation team to review reports of bad actors and take action in real time.
- Amp plans to introduce many more capabilities in the future, including Alexa integrations and other search and discovery features that will connect listeners with creators.

**Joining the club:** The app **Clubhouse** pioneered a new format for live audio social interactions, and the concept has been adopted by a slew of rivals, each with their own spin, including [Twitter's Spaces](#), **Facebook's** Live Audio Rooms, **Spotify's** Greenroom, and smaller upstarts such as **Fireside** and **Callin**.

- These Clubhouse rivals have focused on conversation and live podcasts; Amp sets itself apart by giving users immediate access to an extensive music catalog, making tens of millions of licensed songs from major music publishers available to creators.
- **TikTok** has access to a sizable catalog of music via its Commercial Music Library, and could potentially enter this space as well, notes Insider Intelligence principal analyst **Debra Aho Williamson**. That could offer its creators the ability to DJ their own sessions in-app. TikTok is getting more involved in live streaming, so such a feature isn't out of the realm of possibility.

**Looking to stand out:** The streaming audio market (Spotify, Amazon Music, **Apple Music**) is a commodity service at its core because there's little inherent catalog differentiation, which explains why players are trying to distinguish themselves to make their platform stickier. See: Spotify's [exclusive podcast strategy](#), Amazon [buying Wondery](#), etc.

- Amp is presenting shows from some of the biggest names in music as part of the limited beta. Nicki Minaj's radio show, Queen Radio, will return via Amp in the near future.

- Other confirmed shows include content from writers of music and culture publication The FADER, as well as prominent radio personalities Guy Raz, Zach Sang, and Kat Corbett.

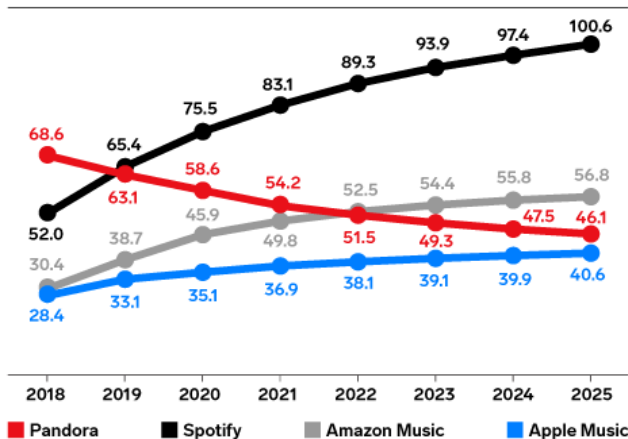
**Analyst insight:** “Streaming audio is a key part of Amazon’s upper-funnel ads strategy,” says **Andrew Lipsman**, our principal analyst. “It wants to have a position in every important ad medium and sees streaming audio as the ultimate replacement for radio, which also helps explain its emphasis on Alexa-enabled cars. Amazon is playing the long game here, and it understands that audio is a really big, but often overlooked, piece of the mix.”

**Will it work?** Amp has the potential to pull some creators from Clubhouse, **YouTube**, and Greenroom with the proper rollout. Undoubtedly, Amp is taking lessons from its cousin **Twitch**, Amazon’s live streaming service, on its growth strategy.

- It’s not clear what opportunities Amp presents for Amazon Music Unlimited upsells; the service is priced at \$7.99 per month.

If Amp succeeds, it could be monetized via advertising in the near future. We expect US digital audio services ad spending of \$6.21 billion this year, rising to \$7.89 billion by 2025. Amazon isn’t shy about expanding its ad business.

**US Digital Audio Listeners, by Platform, 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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