

US Spotify Listeners Surpassed Pandora Listeners in 2019, Sooner than Expected

Spotify will gain more than 10 million US listeners in 2020

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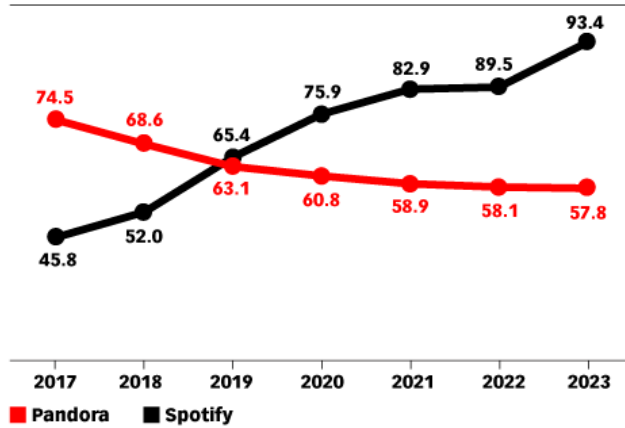
eMarketer Editors

Pandora is no longer the most popular music streaming service in the US, with Spotify taking the No. 1 spot in 2019. According to eMarketer's latest forecast on digital music listeners, the number of Spotify listeners surpassed those of Pandora two years sooner than predicted in our March 2019 forecast.

In 2019, Spotify grew by 25.8% to 65.4 million US listeners*, surpassing Pandora which had been the dominant music streaming platform in the US since its launch in 2000. We define listeners as internet users of any age who listen to Pandora or Spotify on any device at least once per month.

US Spotify and Pandora Listeners, 2017-2023

millions



Note: internet users of any age who listen to Pandora or Spotify on any device at least once per month
Source: eMarketer, Feb 2020

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Spotify will continue to experience growth in 2020, gaining more than 10 million listeners year over year. By the end of 2020, we expect Spotify to reach 75.9 million listeners.

Spotify's rapid growth can be attributed to a few key business decisions. In 2019, Spotify acquired multiple podcast companies, which resulted in more content on the platform. Following these acquisitions, Spotify made its podcast content more prominent by applying its recommendation algorithms and featuring them in more places. Additionally, Spotify partnered with Google Home Mini, Hulu and Samsung devices, offering deals that have allowed it to reach more listeners.

"Thanks to a great user experience and strong discovery features, Spotify has added listeners to its free and premium services a lot quicker than we expected," said eMarketer forecasting analyst Peter Vahle. "In 2019, Spotify focused on adding and curating podcast content, which was largely successful in driving engagement and appealing to a wider range of listeners."

Conversely, Pandora has been losing listeners since its peak in 2014. At the end of 2019, Pandora had 63.1 million listeners, down 8.1% over 2018. Although Pandora will remain the second-largest platform in terms of listeners through 2024, it will continue to see a listener decline throughout that time.

“In 2019, Pandora saw declines in ad-supported listeners and a slight increase in paid subscribers,” Vahle said. “This has a big impact since Pandora’s ad-supported audience, which is much larger than Spotify’s, currently makes up a vast majority of its listeners. We continue to see a growing appetite for ad-free music subscriptions, which gives Pandora an opportunity to convert its ad-supported audience to its ad-free services like Pandora Plus and Premium.”

Meanwhile, Apple and Amazon added listeners in 2019 but have much smaller listener bases than Pandora and Spotify. Amazon Music had 38.7 million listeners in 2019, up 27.0%, which is slightly above Spotify’s 25.8% growth. Much of Amazon Music’s growth can be attributed to the many music streaming options it offers—ad-supported, Prime Music, Amazon Music Unlimited and Amazon Music HD—in addition to the increasing popularity of its Echo smart speakers. In 2020, Amazon Music will grow by 12.0% reaching 43.3 million listeners.

Apple Music is the smallest of the platforms that we break out because it operates on a subscription-only model and does not offer free usage. Additionally, this service is only available on iOS devices, which limits the number of potential listeners. In 2019, Apple Music had 33.7 million listeners, up 18.5% from the year prior. In 2020, the number of listeners will grow another 10.0% to 37.1 million.