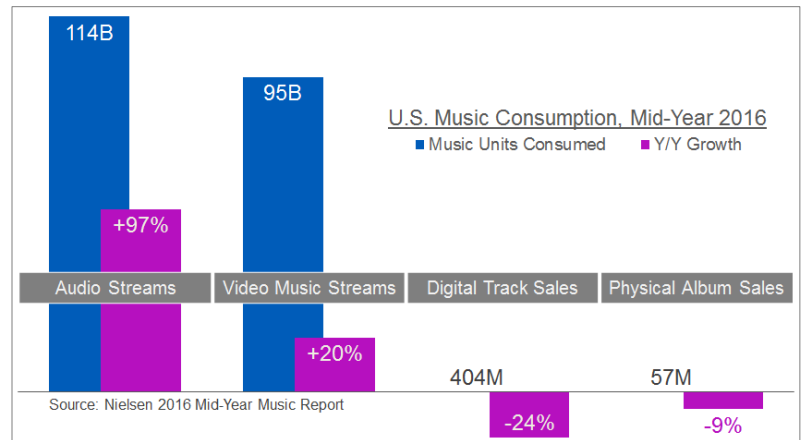


RADIO INSIGHTS

Personal Music Collections Suffer as Audio Streams Grow

Nielsen recently released their Mid-Year U.S. Music Report, looking at overall music consumption of the U.S. through the lens of the total number of on-demand streams, and track/album sales. Looking at the first half of 2016 compared to the same time period of 2015, the report shows the continuing trend of declining physical (-24%) and digital (-9%) music sales, alongside the robust growth of total on-demand music streaming (+59%).

This mid-year report marks a first for on-demand music streaming: audio music streams have overtaken video music streams, nearly doubling in number since the first half of 2015, and driving the majority of growth in on-demand music streaming as a whole.



In the wake of such growth in on-demand music streams, the appetite for digital downloads is waning, leading to a steep decline in digital track sales, down nearly a quarter from the first half of 2015.

Physical albums are losing footing in the competition with on-demand music streams as well, with sales down 9%. However, they did see growth in one sector – LP/Vinyl (+12%). Though vinyl LPs are looking to become an important player in physical music sales, they were not enough to stem the tide of overall loss in the first half of 2016.

One medium that has consistently stood strong against the growth of on-demand music streaming is Radio. In fact, Radio has gained over 2 million users and 6 minutes of weekly listening compared to a year ago.¹ Armed with the ample research Nielsen is doing in the audio universe, one thing is clear:

Consumers are listening to less of their personal music collections, not less Radio.

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