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AN UNCOMMON SENSE  
OF THE CONSUMER™



# NIELSEN MUSIC 360

2016 HIGHLIGHTS

# NIELSEN MUSIC 360 2016

A LOT HAS HAPPENED IN MUSIC IN THE LAST YEAR. New streaming services debuted, record-breaking albums came out, album launch strategies changed and music sponsorship hit an all-time high. Fans are interacting with music differently, but their passion for music remains strong. For rights owners, media companies and brands, harnessing that passion to grow their businesses starts with understanding music fans.

The pages here represent a selection of highlights from the [Nielsen Music 360 2016 Report](#). Nielsen Music 360 is a comprehensive, in-depth study of consumer interaction with music in the United States. Separate reports for Canada, China, Mexico, Brazil, and Argentina are also available. The study looks at who music fans are, when and where they are consuming content and what brands, devices and services they love. The study features in-depth insights on music “Super Consumers” (e.g. Hispanics, Millennials), Festivals & Live Music, Radio, Streaming, Discovery, Share of Time and Wallet, Social Media, Brands and much more.

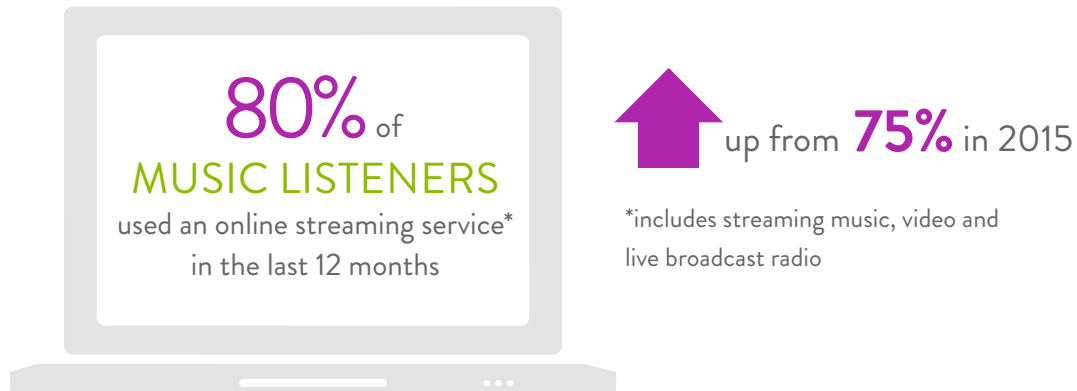
Clients use Nielsen Music 360 to gain a deep understanding of their most valuable consumers and to develop strategies that grow their brands, audiences and services. The full study is available as a syndicated report. There are also opportunities for further analyses against custom targets (e.g. for a specific genre, demographic or certain device user, etc.) Additionally, the entire study can be made available through a desktop crosstab application.

Call us today to find out more about the study and how you can grow your brand through music.

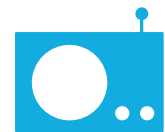
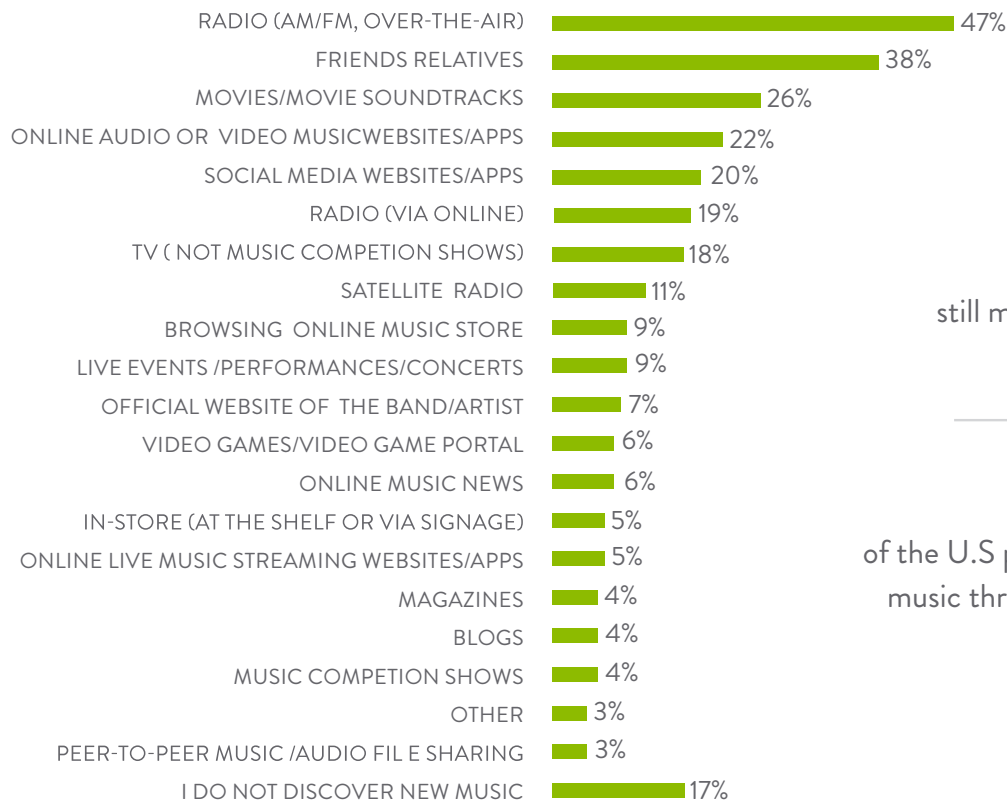
Call Sara Lopez on [323-817-1269](tel:323-817-1269) or email [know@nielsen.com](mailto:know@nielsen.com) today for more information.

# MUSIC IS AS POPULAR AS EVER

Music listening is as popular as it's ever been, but the way in which listeners consume music is continuing to evolve.



## MUSIC DISCOVERY



### RADIO

still most popular format for music listening

**61%**

of the U.S population discover music through some form of

### RADIO

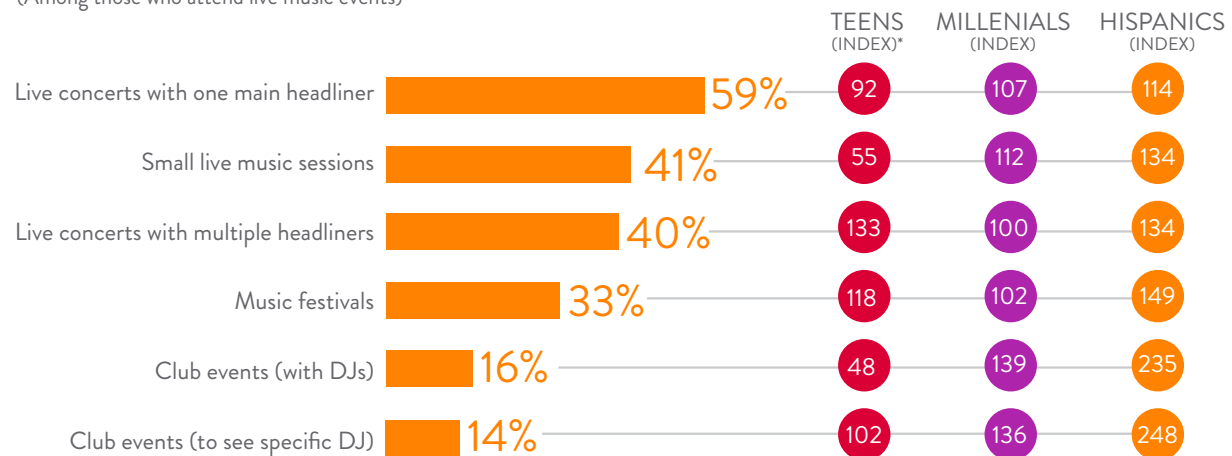
# TEEN, MILLENNIAL AND HISPANIC LISTENERS

Millennials' love of music and new technology is well-documented, but Teens and Hispanics are also important consumer listener segments.

Which of the following have you

## ATTENDED IN THE LAST 12 MONTHS?

(Among those who attend live music events)

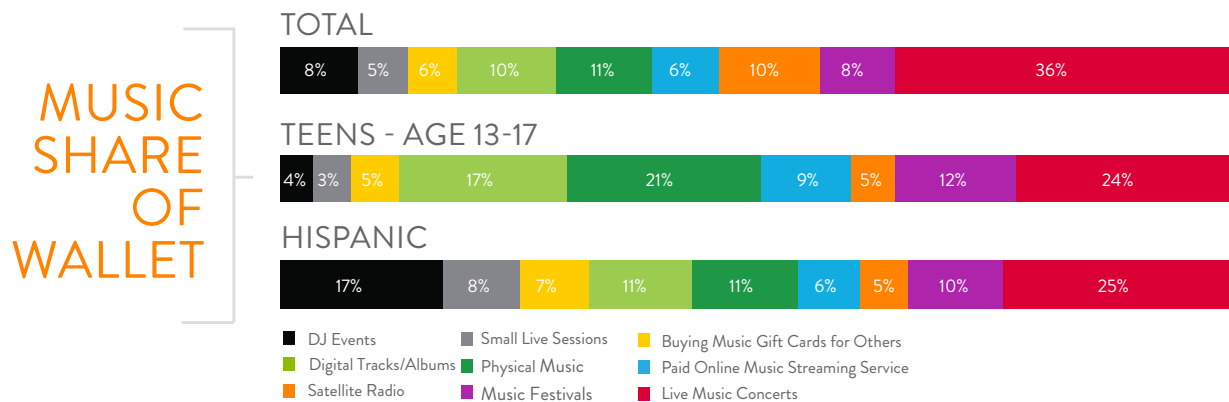


## HISPANIC MUSIC FANS

**SPEND 90% MORE**  
on music than the general population

Music takes up approx. **16% OF THEIR ENTERTAINMENT SPENDING** compared to 6% for the general population

They are more **INVESTED IN ATTENDING DJ Events** and smaller live music sessions

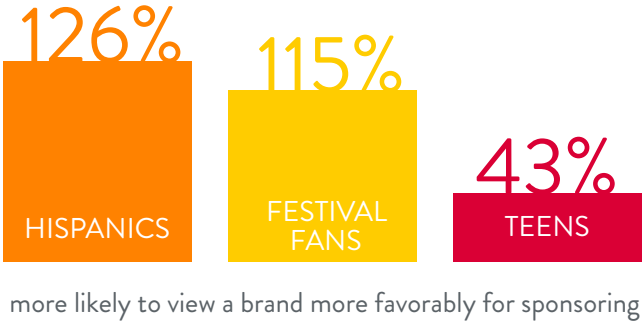


\*Indexes represent % of Teens or Millennials or Hispanics / % General Population. An index of 100 means that response is in line with national average. In the first line, the index of 92 means that Teens are 8% less likely to attend Live Concerts with a Headliner, while an index of 107 means that Millennials are 7% more likely to do so.

# BRANDS AND SPONSORSHIPS

**Live Music Sponsorship** consistently produces high favorability among fans. Providing something of unique value is important - favorability ratings for activations like hosting an air-conditioned tent at a festival or offering product giveaways like sunglasses or t-shirts are even higher. Even more importantly the appetite for these kinds of activations is not fully met: for example, more than half expect to visit an A/C tent at a festival, but roughly 1 in 4 actually do so.

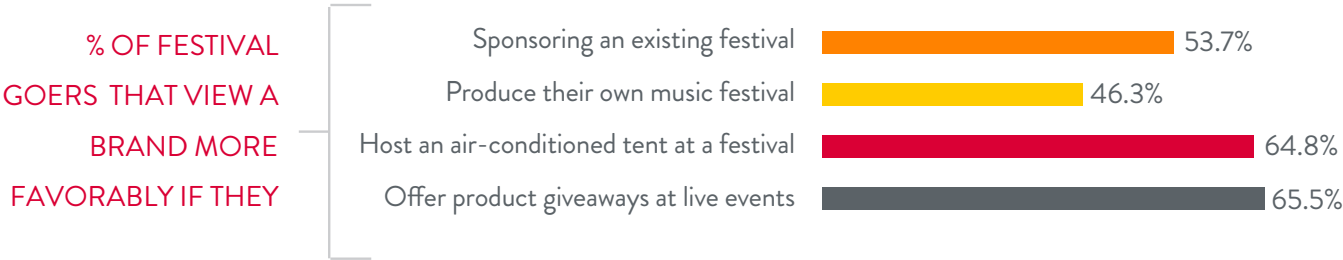
## PAID STREAMERS are approximately twice as likely to view a music or media company favorably for SPONSORING A PLAYLIST



**LIVE STREAMED CONCERTS**  
are another touchpoint where brands can deliver a unique experience:

## LIVE MUSIC SPONSORSHIP

gets highest favorability ratings amongst all festival goers!



## MUSIC AND POLITICS

How you spend on music and entertainment may vary according to how you vote. Democrats outspend Republicans on live music overall, particularly when it comes to going to smaller live music sessions and clubs with live DJs.

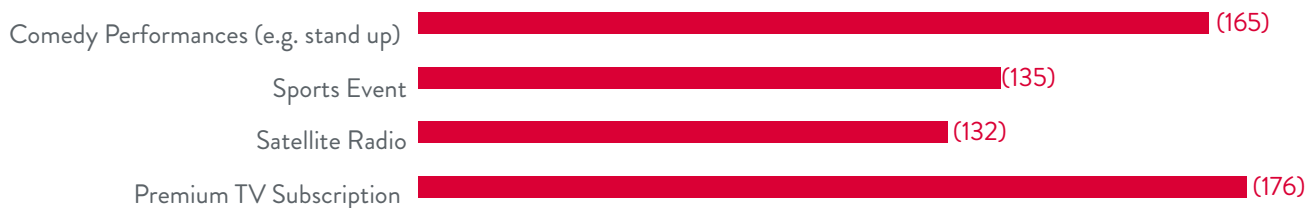
Just because Independents don't identify with one of the two major political parties doesn't mean they're not patriotic. They're 18% more likely to listen to Americana music. But if either side of the aisle is looking to win over Independents this fall, they'd be well-suited to use classic rock to do so - Independents were the most likely of the four groups to listen to the genre.

In the past 12 months, how have you **SPENT ON ENTERTAINMENT?**

### DEMOCRATS



### REPUBLICAN



### INDEPENDENT/OTHER



The numbers in parentheses, above, are indexes, calculated as the \$ spent by Democrats, Republicans or Independents compared with the \$ spent by all U.S. respondents. An average of 100 means those fans are in line with the national average, whereas the index of 130 in the first column means that Democrats are 30% more likely to spend on small music sessions compared to the general population.

# METHODOLOGY

Data for this study was collected July 14 - August 5 among 3,554 consumers reflective of the population of the United States. Additional responses were collected for ages 13-34 and for Hispanics. The survey was offered in both English and Spanish, as selected by the respondent. Data was weighted to the US census population based on age, gender, race, education and household size.

The Nielsen Music 360 Study is the syndicated report, containing notable highlights about consumer behavior with relation to music. There are also opportunities for further analyses against custom targets (e.g. for a specific genre, or certain device users, etc.). Additionally, the entire study can be made available through a desktop cross-tab application.

## SURVEY OVERVIEW

The study is available as a syndicated report, containing notable highlights about consumer behavior with relation to music. There are also opportunities for further analyses against custom targets (e.g. for a specific genre, or certain device users, etc.). Additionally, the entire study can be made available through a desktop cross-tab application.

## KEY CONSUMER SEGMENTS

(INCLUDED BUT NOT LIMITED TO)

- Millennials/Teens
- Genre listeners
- Live Event Attendees
- Radio Listeners
- Connected Consumers
- College students (on/off campus)
- Hispanics (3 levels of acculturation)
- Heavy/medium/light streamers
- Paid streamers
- Political party affiliations
- Award Show fans

## PANELIST ATTRIBUTES

- Age
- Gender
- Household income
- Education
- Region
- Post Code
- Employment Status
- Marriage Status

# TOPICS

## MEDIA CONSUMPTION

- Entertainment consumption activities and fanship (Music/Movies/Books/Video Games/Sports)
- Consumption of/affinity for different media forms (Podcast, Video Streaming Services)
- Device ownership
- Social network connectivity
- Music related TV program viewership (awards shows, competitions, scripted)

## MUSIC CONSUMPTION

- Which platforms are used to listen to, stay informed about, or follow musicians (30+ platforms)
- On which devices each medium is used and in what context
- Genre preference
- Time spent with music in the background
- In home/on-the-go music listening
- Share of listening by format



# STREAMING MUSIC

- Streaming music services, awareness
- Streaming music subscriptions, current, intent to subscribe
- How streaming has changed with the emergence of new platforms (e.g., Apple Music, Tidal)
- How they listen (# of songs, time spent, device)
- Loyalty, satisfaction with services
- Perceptions about commercials
- Perceptions about pricing, exclusivity
- Passive vs. active listening by service
- Activities: playlists, sharing, etc. by service
- Value of on-demand streaming
- Value of high quality audio
- Streaming as a driver of purchasing
- Streaming in car
- Perceptions around paid platform usability, exclusive music, affordability, and playlists
- Exclusive music deep-dive: how important is it, and does it drive paid-streaming subscriptions
- What levers can be used to increase paid service adoption
  - By existing ad-supported streamers
  - By music listeners that are on the cusp of subscribing
- What can paid streaming services offer to improve subscriber retention (i.e., what makes a service “sticky”), and conversely, what can services offer to lure users away from competing platforms
- What portion of streaming platform usage is used for music (for YouTube and Amazon Prime)
- Family plans – people that subscribe, are they individual or family plans? Are their paid streaming services shared with other people
- How do streamers feel about O&O playlists, how often are they used, and what are their favorites
- How do streamers feel about sponsored O&O playlists

## SOCIAL MEDIA

- What platforms do fans use to follow their favorite artists
- What do fans expect to see from artists on the various platforms (i.e., Instagram vs. Twitter)
- How does social media relate to or influence other forms of music consumption (e.g., radio and streaming)

## RADIO LISTENING

(BASE: RADIO LISTENERS)

- Weekly/monthly listening across platforms
- In car and office online radio usage
- Perceived changes in radio listening year over year
- Interest in listening to AM/FM radio on a smartphone

## MUSIC DISCOVERY BEHAVIOR

- Preferred platforms for discover of music (over-the-air radio, satellite radio, the web, etc.)
- How frequently are these platforms used for discovery
- Preferred attributes of favorite discovery platforms

## MUSIC ACQUISITION

- Quantity of CDs, digital albums, tracks, vinyl albums purchased
- Annual dollars spent at select retailers
- Who are Vinyl buyers, and what do we expect going forward
- Free music acquisition (Copies, downloaded tracks, stream ripped, video stream ripped)
- Frequency of torrent/download sites used

## LIVE MUSIC CONSUMPTION

(BASE: LIVE EVENT ATTENDEES)

- Annual number of events attended by size/type
- Money spent on live events
- Festival awareness and social interaction
- Past/future major festival attendance
- With whom are events attended
- Social behavior while attending via Smartphone
- How event-goers feel about event-sponsorship vs event-production (e.g., the Corona Sunsets Festival)
- Live music attendee “passion points”
- What prompts people to attend festivals and concerts
- How effective are different types of activations (i.e., air-conditioned tents, Snapchat filters, signage, etc.)
- How do festival and concert-goers respond to calls-to-action (i.e., tell a friend, follow on social media, purchase item, etc.)
- How do fans follow if they are not in attendance (i.e., branded in-home Virtual Reality experiences, Snapchat, artists’ social media takeovers, hosted live-streaming sessions)
- How do live event attendees behave at a festival

For an in-depth look at fans of live music events, ask about our special report **LIVE 360**

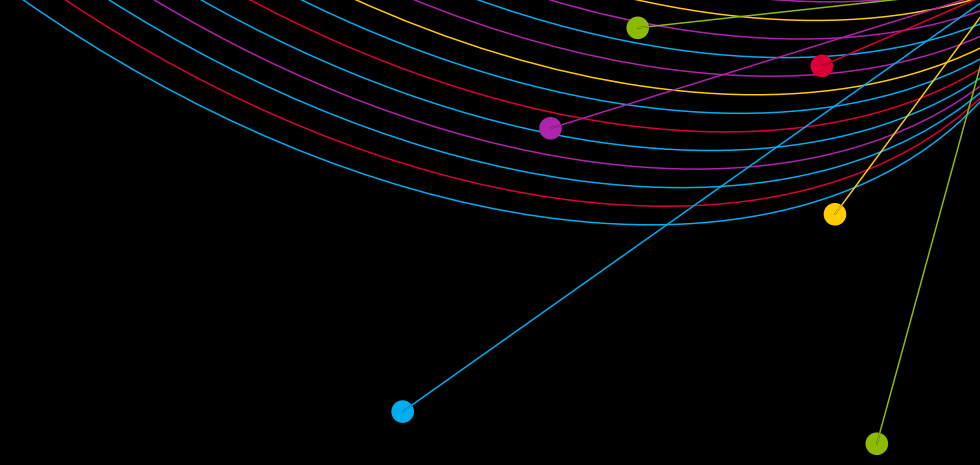
## BRANDED ACTIVATIONS

- Favorability toward brands who are involved with music in various ways (tours, exclusive downloads, sweepstakes, VIP options, pre-sales, etc.)
- Favorability toward brands that are involved in the sponsorship of music events (festivals, concerts, etc.) vs. those that produce music events

## MUSIC ‘FANHOOD’ SELF ASSESSMENT LEVEL

(SCALE OF 1-5 AGREE/DISAGREE) Example statements, subject to change

- I connect with friends and family through music
- My friends think of me as a trendsetter when it comes to music
- I like it when I have the “inside scoop” about the music that I like, when I know/learn something that my friends don’t know yet
- I would like to know more about the creative process from the musicians/bands I like
- I try to see my favorite artists whenever they tour or play a show near me
- The local independent record store sells music that reflects my musical tastes and preferences
- I’ve purchased t-shirts or other merchandise from my favorite artist in the last year
- Independent music has more artistic integrity than mainstream/commercial music
- New technologies and services (such as streaming, shared playlists, etc. ) have made it easier for me to discover new musicians/bands that I like
- I don’t buy as much music as I used to because I am streaming music free from the internet
- I could afford to spend more money on music than I do
- I listen to music on YouTube the way that other people listen to radio
- Music is an impulse buy for me; I don’t plan ahead
- It is important for me to attend live events of bands/musicians I like



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