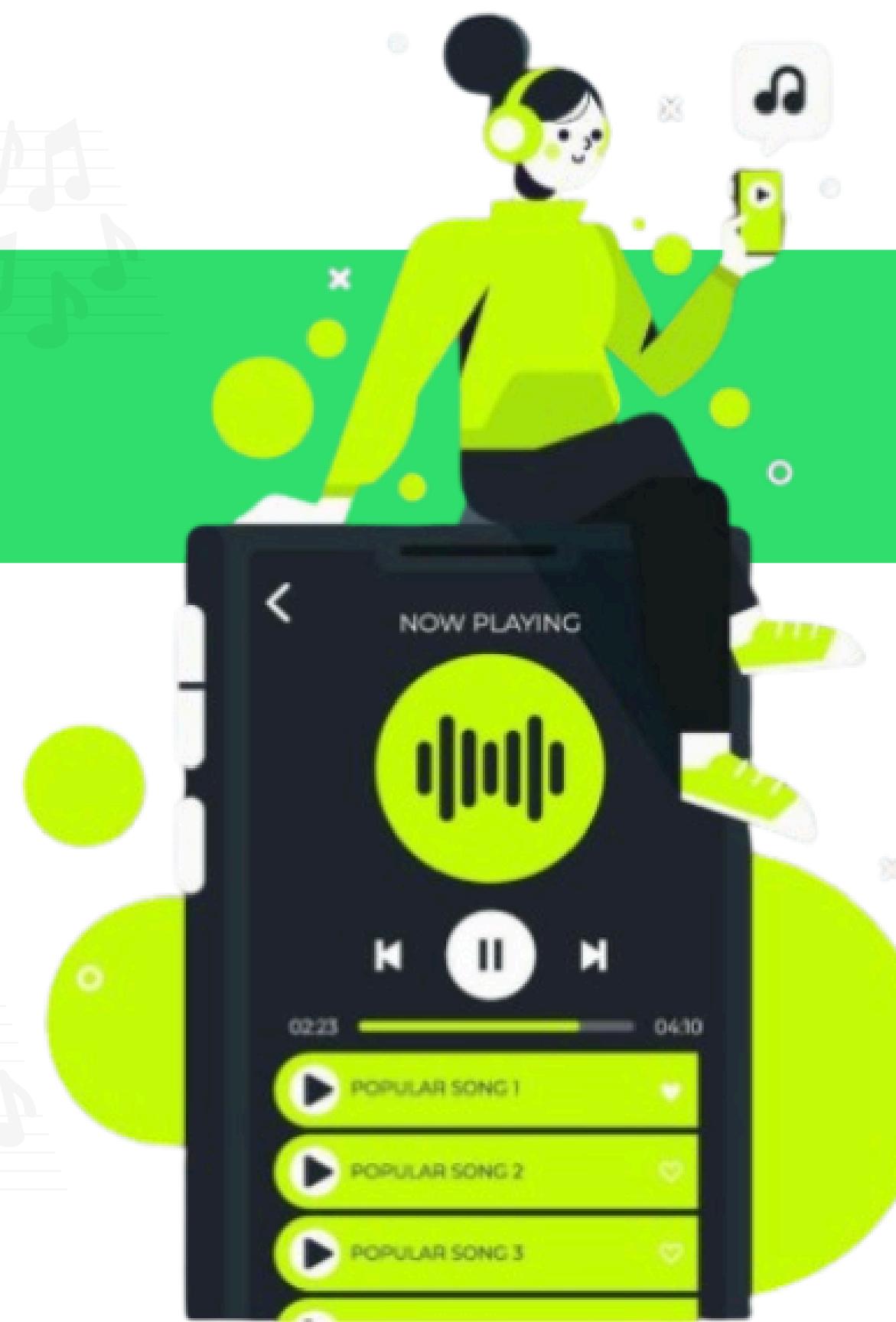


Revolutionizing Spotify with Gen AI Solutions



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Spotify & The Sound of Opportunity



Background

- Spotify, founded in **2006** by **Daniel Ek** and **Martin Lorentzon**, is a leading music streaming service offering millions of songs and podcasts worldwide.
- Operating on a freemium model, it generates revenue through ads, subscriptions, and podcast monetisation, with over **500 million users** globally.



Vision

To unlock the potential of human creativity—by giving a million creative artists the opportunity to live off their art and billions of fans the opportunity to enjoy and be inspired by it

Key Offerings



Gustav Söderström,
Spotify's Co-President,
CTO, and CPO

"We're a **tool for creators**, and if creators want to use A.I. to enhance their music, as long as we follow the legislation and copyright laws, we want them to be able to monetize their music."

"This should not be a one-way relationship... It should turn into a two-way relationship," highlighting the potential of large language models (LLMs) to make Spotify's recommendations more personal and responsive.

AI-generated podcasts could serve as tools to enhance creativity rather than replace creators: "Is this a tool for creative people to get even more productive and creative, or is it a replacement of creative people?"

Spotify's Journey with AI

2013 Tunigo Acquisition

Spotify acquired Tunigo, a top-ranking music discovery app, to enhance personalised recommendations



2014: Echo Nest Acquisition

Spotify acquired Echo Nest, a music intelligence company, to strengthen its recommendation algorithms



2015: Seed Scientific Acquisition

Formed an Advanced Analytics division to enhance song recommendations, tour planning, and targeted ads.



2015: Discover Weekly

Introduced AI-powered personalised playlists, analysing user listening patterns.



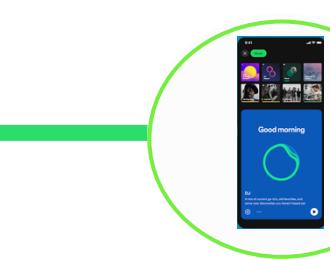
2024 AI Playlist

Enabled users to generate custom playlists using text prompts, emojis, and abstract themes.



2023 AI DJ

Combined generative AI and real-time voice synthesis to create interactive playlists with commentary.



2017 Sonalytic and Niland Acquisitions

Improved music search & personalisation using advanced AI models.



2016 Spotify Wrapped

Launched an AI-driven year-end summary, making listening insights shareable and engaging.



User Persona

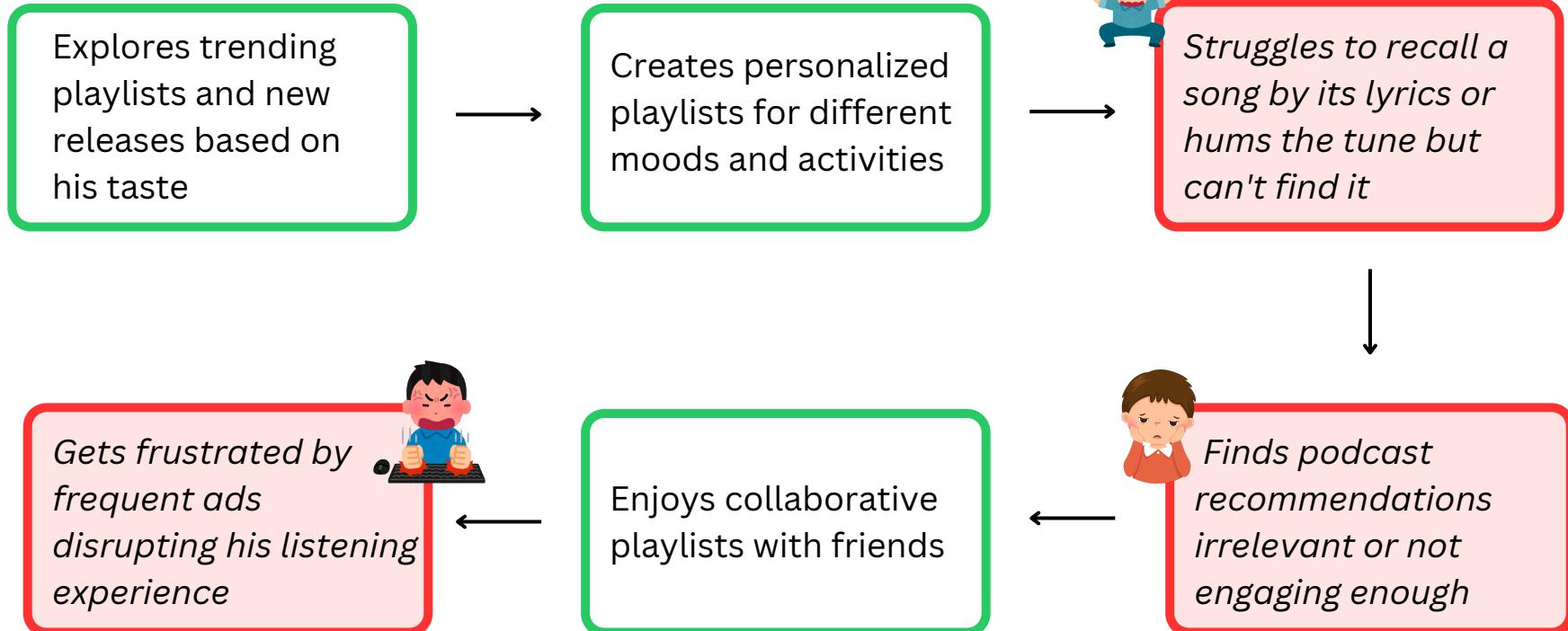


Ayush Gupta

22 | College Student & Music Enthusiast

A passionate music lover who enjoys discovering new tracks, curating playlists, and exploring diverse genres. He seeks a seamless, personalized music experience that aligns with his mood and activities.

User Journey



Pain Points Identified

- Gets frustrated with frequent interruptions caused by ads, which disrupt his seamless listening experience and break his focus.
- Struggles to recall a song by its lyrics or hums the tune but cannot find it due to limited search capabilities.
- Finds podcast recommendations irrelevant or not engaging enough, making it difficult to discover content that matches his interests.

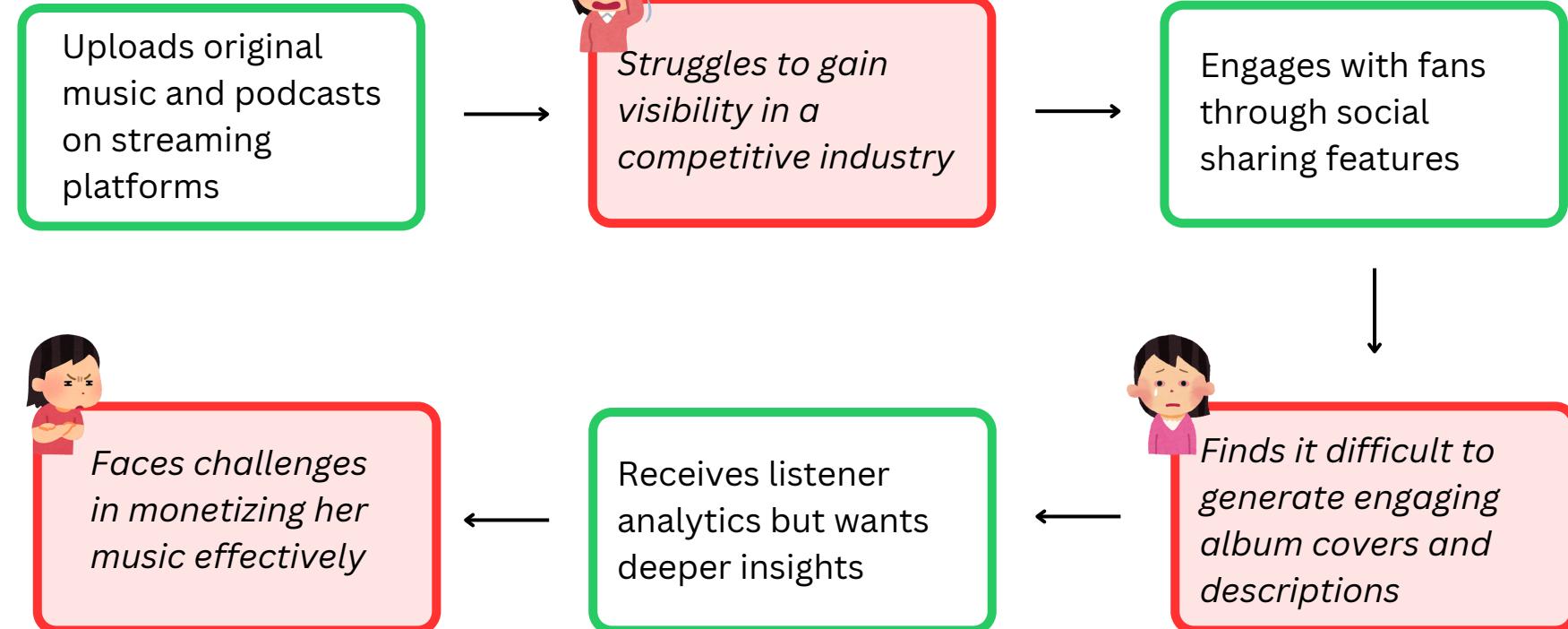


Ananya Iyer

30 | Independent Music Artist & Podcaster

A budding artist passionate about sharing her music and podcast content with a wider audience. She seeks better tools for exposure, engagement, and revenue generation.

User Journey



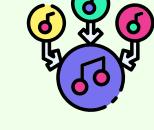
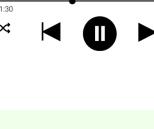
Pain Points Identified

- Faces challenges in gaining visibility in a highly competitive industry, making it hard to reach her target audience effectively.
- Struggles to monetize her music and podcasts effectively, limiting her ability to generate sustainable revenue from her creative work.
- Finds it difficult to create engaging album covers & descriptions, which impacts the content's appeal.

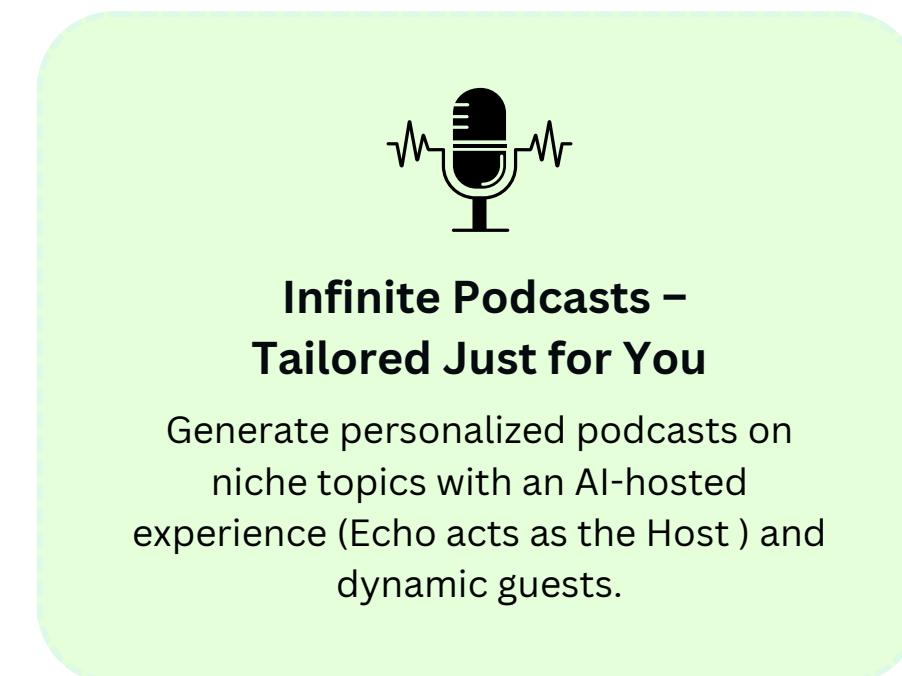
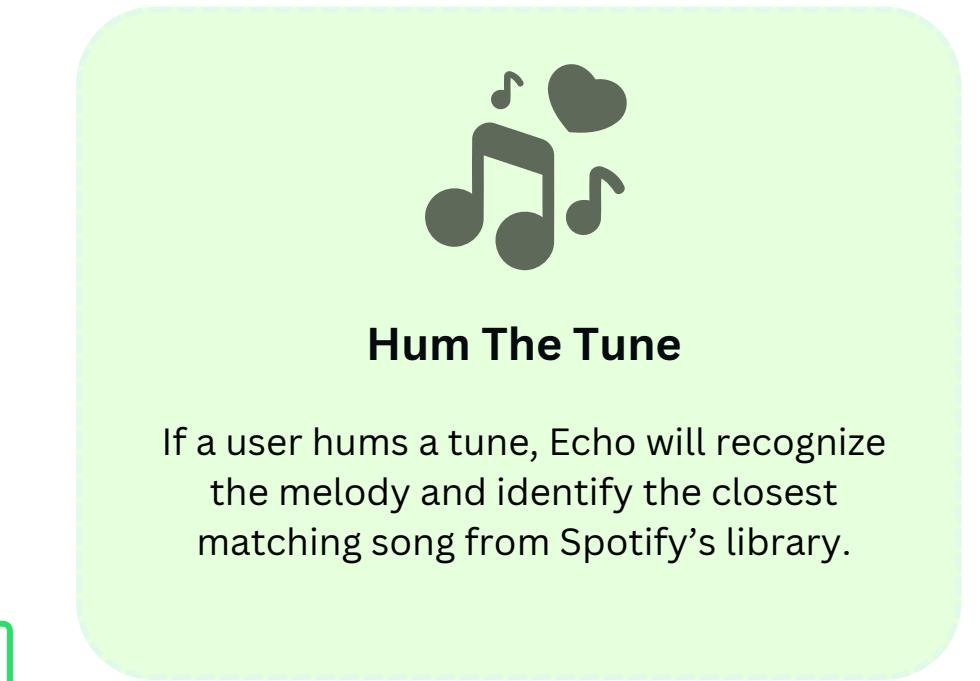
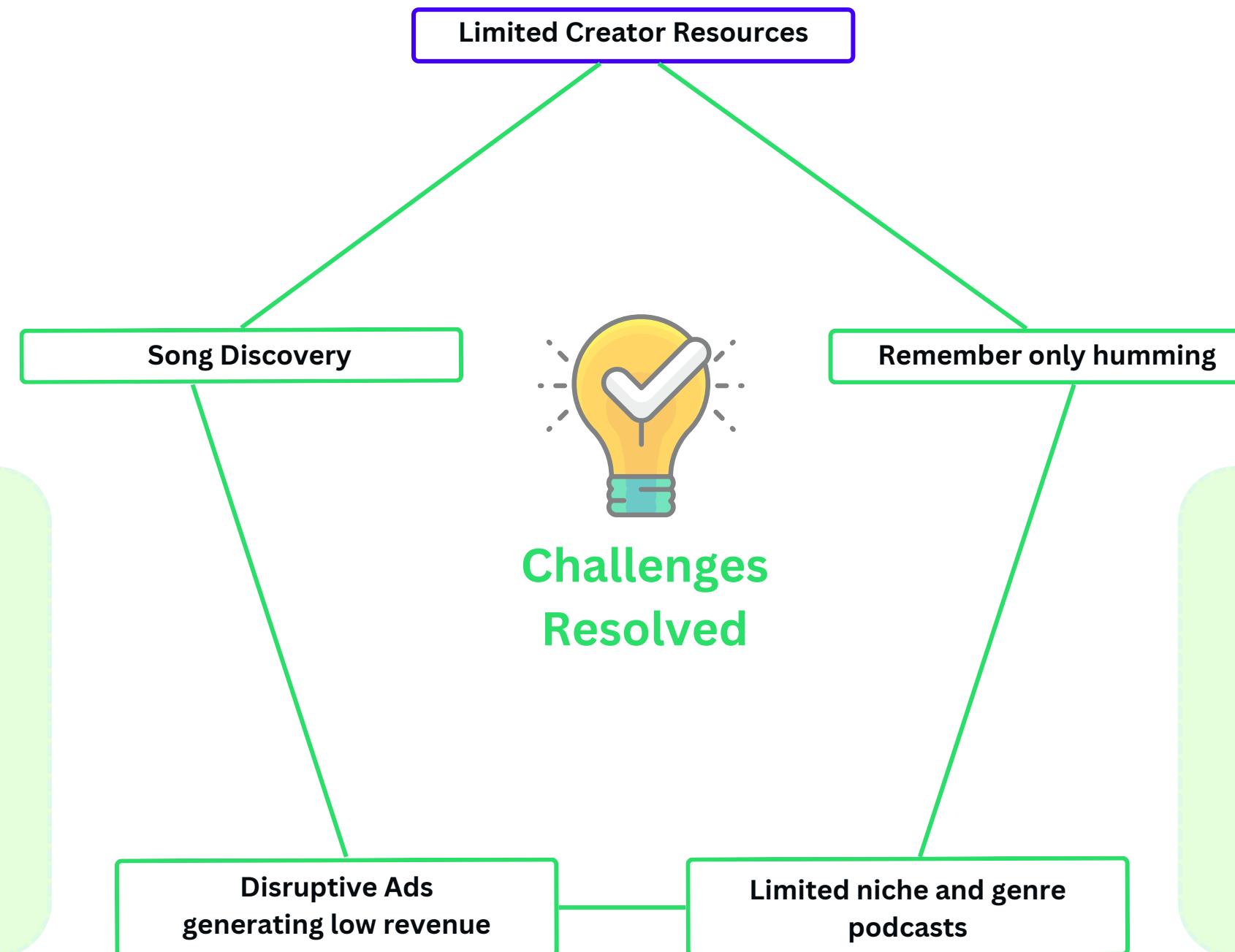
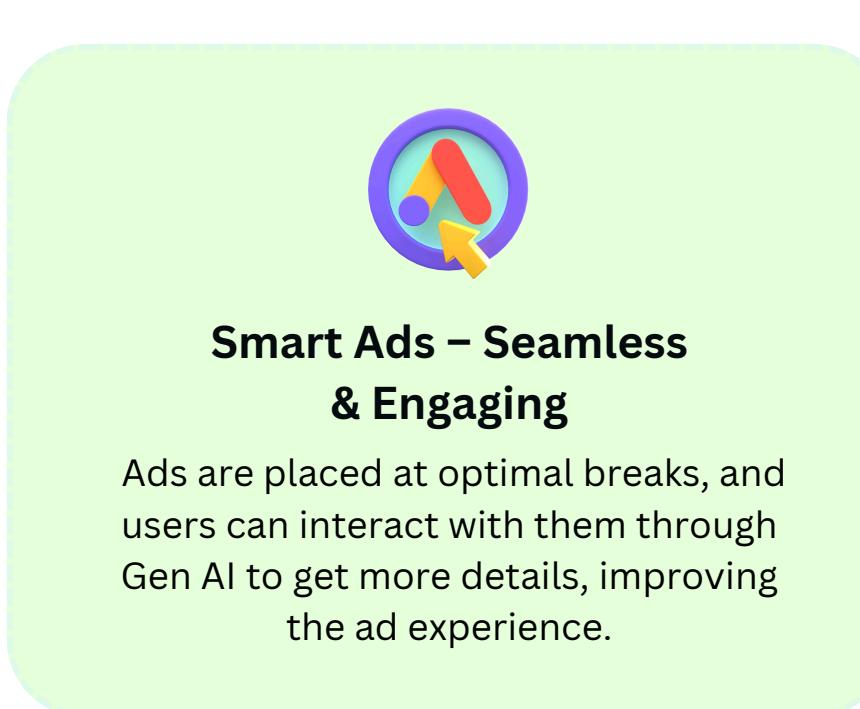
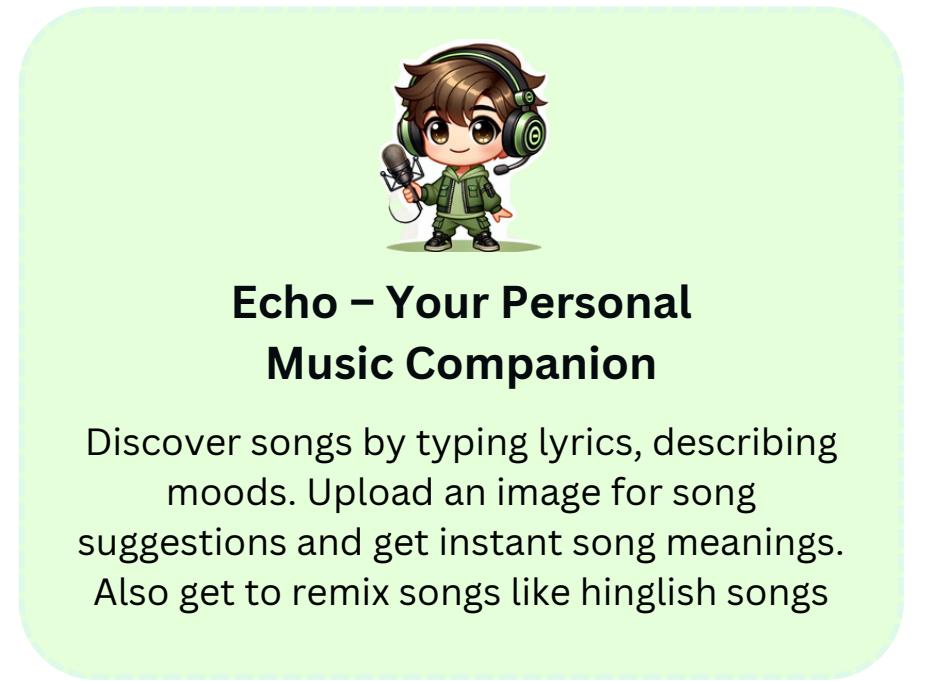
Identifying our Key User Segments

Target User	Market Share	Market Growth	Market Demand	Technological Readiness	Spending power	Use Frequency
Music Enthusiasts (Rohan)	70 %	High	High	High	Medium	High
Independent Artists (Ananya)	30 %	Medium	Medium	High	Medium	High

Prioritisation of Pain Points

S.No.	Pain Points	MoSCoW	Rationale
1.	 Users remember only fragments (lyrics, melody, or mood) but can't find the exact song.	Must-Have	Core issue affecting user experience; impacts music engagement.
2.	 Users get frustrated with generic, disruptive ads that don't match their interests.	Must-Have	Directly impacts user experience and Spotify's ad revenue.
3.	 Small creators lack professional production tools.	Should-Have	Supports the creator economy and adds new revenue opportunities.
4.	 Users struggle to find podcasts on niche topics.	Should-Have	Improves content diversity but affects a smaller audience.
5.	 Users want mashups but can't create or find them easily.	Should-Have	Aligns with trending user preferences and increases content diversity.
6.	 Brands have no organic way to integrate promotional content into playlists.	Should-Have	Enhances personalisation but not a critical blocker.
7.	 Listeners want interactive and personalized discussions but can't influence content.	Could-Have	Enhances engagement but isn't a critical issue.
8.	 Users seek music based on emotions, events, or images but rely on generic playlists.	Could-Have	Helps brands connect with users in a non-intrusive way.
9.	 Users want to modify music speed or style for different moods.	Could-Have	Niche use case but adds flexibility to the listening experience.
10.	 Artists struggle with album descriptions & cover design.	Could-Have	Affects a niche group, not core users.

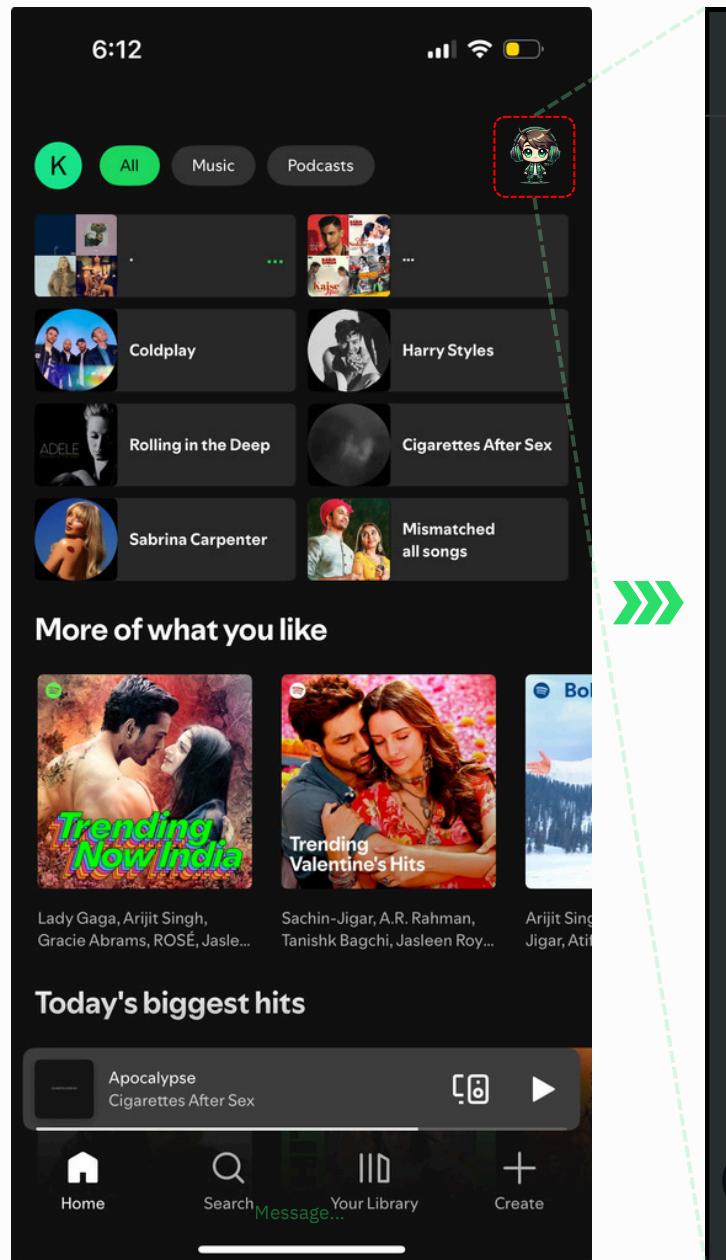
Features at Fingertips



Solution 1: Echo – Your Personal Music Companion

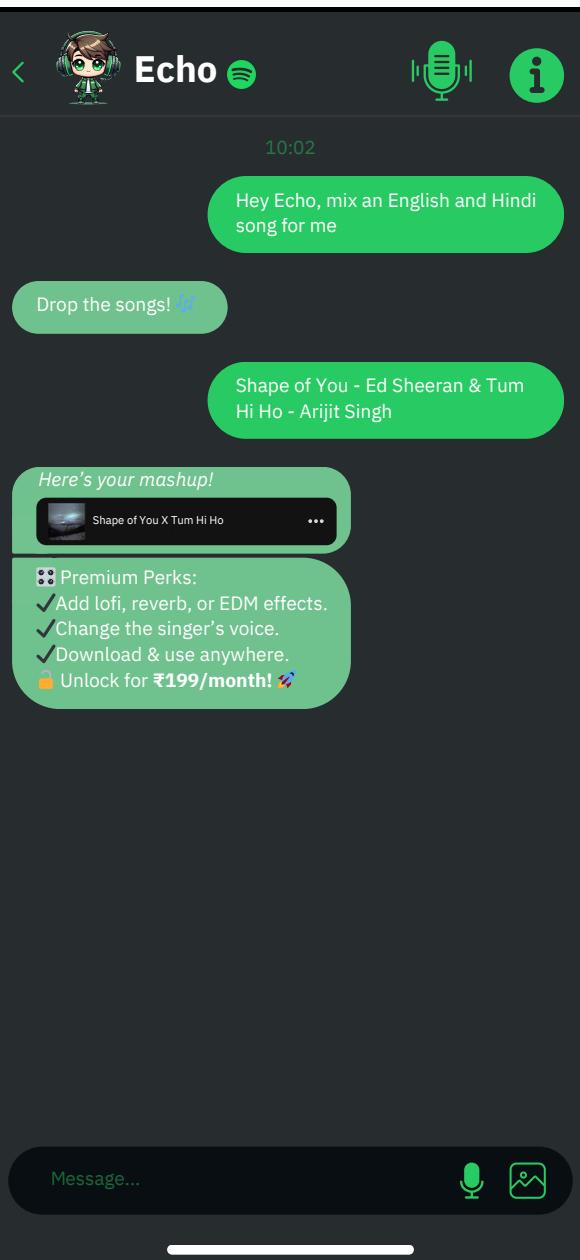
Lost a song in your head? Type it, or describe the vibe—Echo finds it, remixes it, and even pairs it with your Instagram post like your personal DJ!

Meet Echo



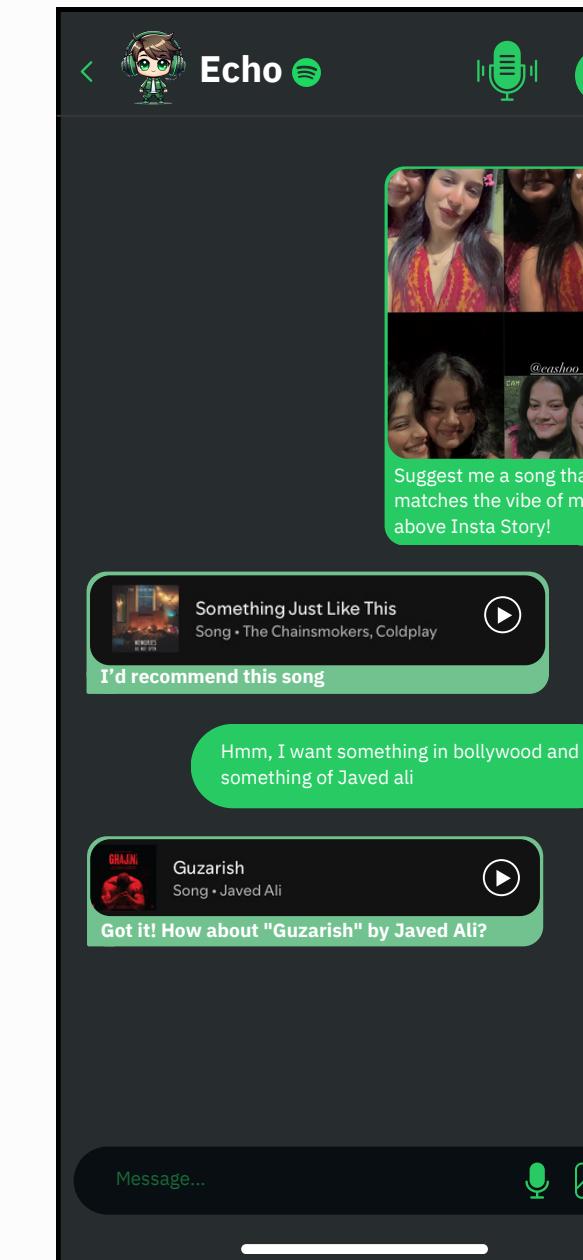
Welcome to Echo – Your AI-Powered Music Guru!

Say hello to **Echo**, your **AI music buddy** that knows exactly what you want before you do! Whether it's discovering new beats or crafting the perfect playlist, Echo's got your back



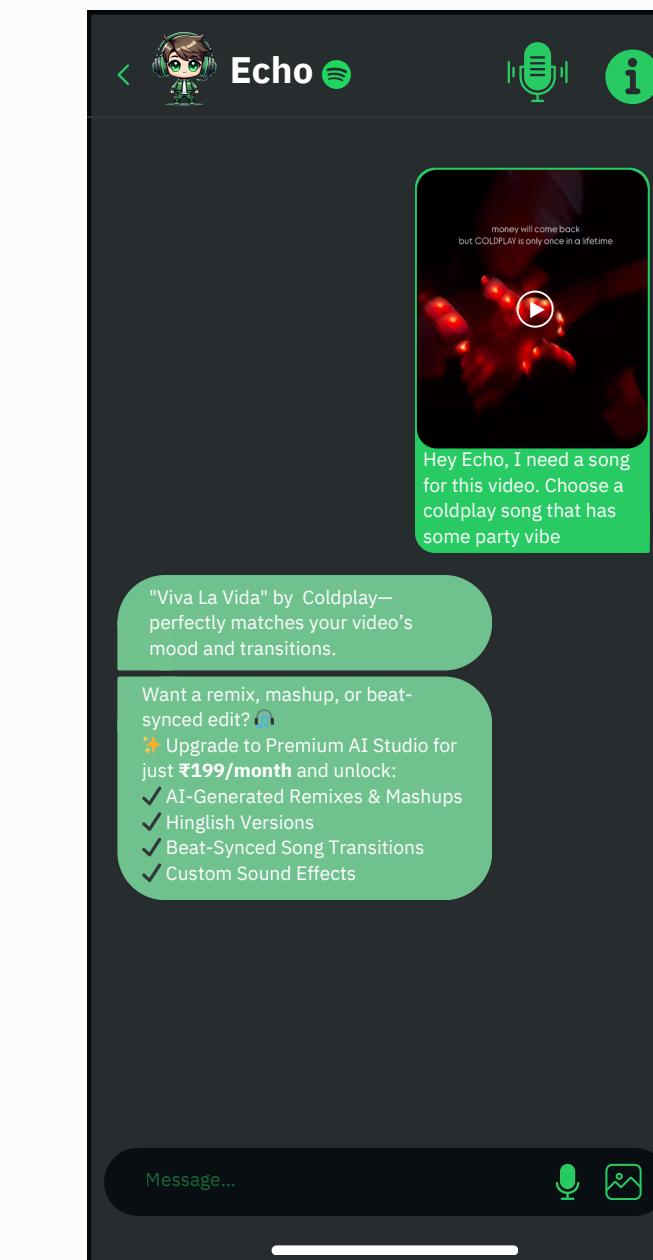
Remix Like a Pro!

Why settle for one song when you can mash up two? Echo lets you **blend your favourite tracks** effortlessly—**Bollywood meets Pop**—it's **remix magic** at your fingertips!



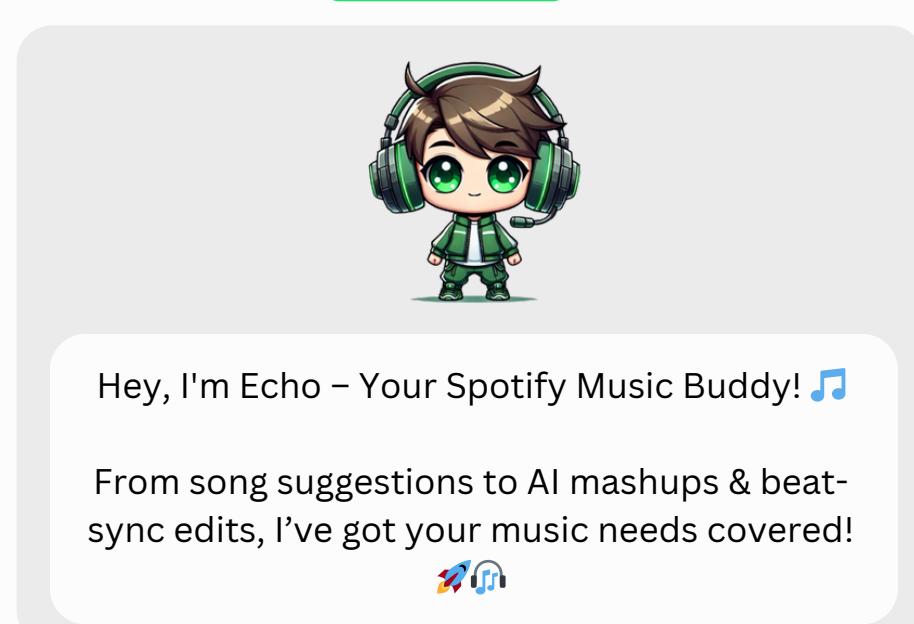
The Perfect Song for Your Insta Story

Struggling to **find the perfect song** for that aesthetic photo? Just ask Echo—it'll **match the vibe** like a personal music stylist



AI-Powered Beat-Synced Music for Videos

No more searching for the perfect track—just upload your video, and Echo will find the best song to match the vibe! Wanna take it up a notch? Upgrade to **premium** for auto-synced beats (**₹199/month**)



Success Metrics

Daily Active Users (DAU) & Monthly Active Users (MAU) – Tracks how many users interact with Echo regularly

Session Duration – Measures how much time users spend chatting with Echo

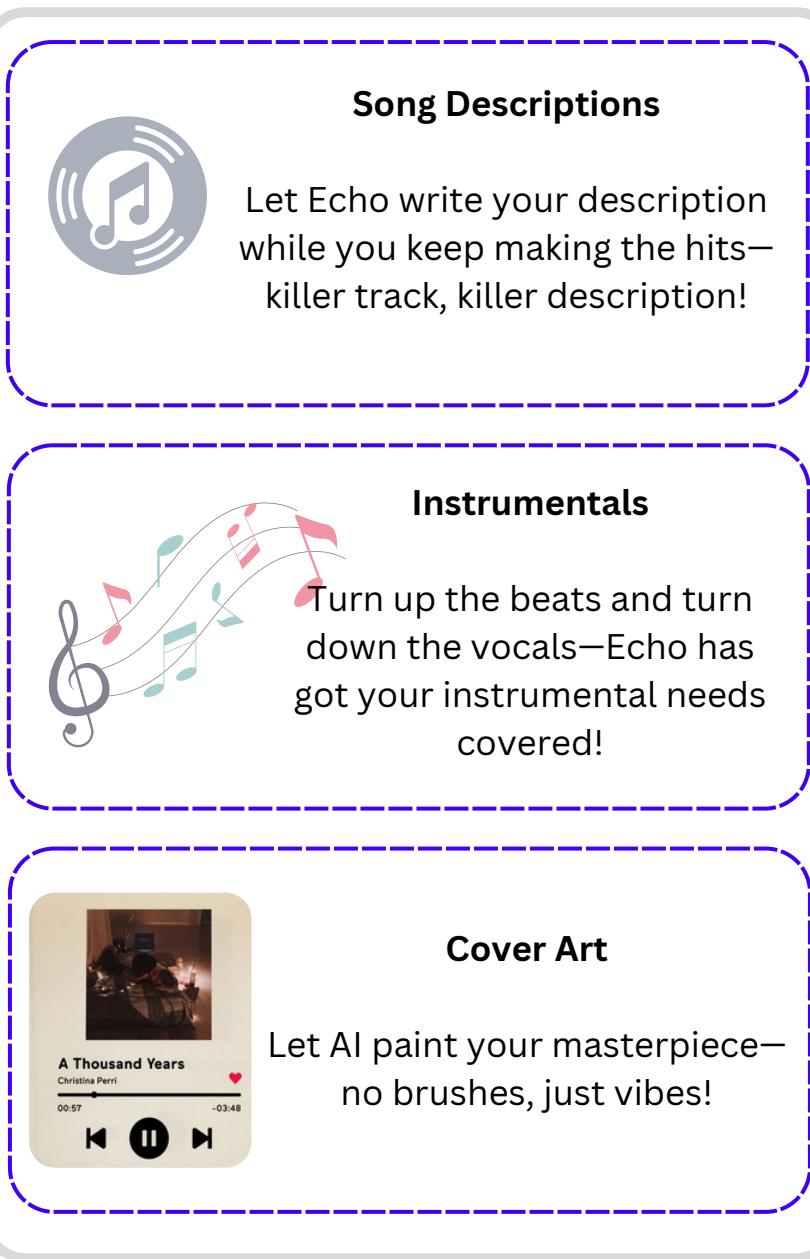
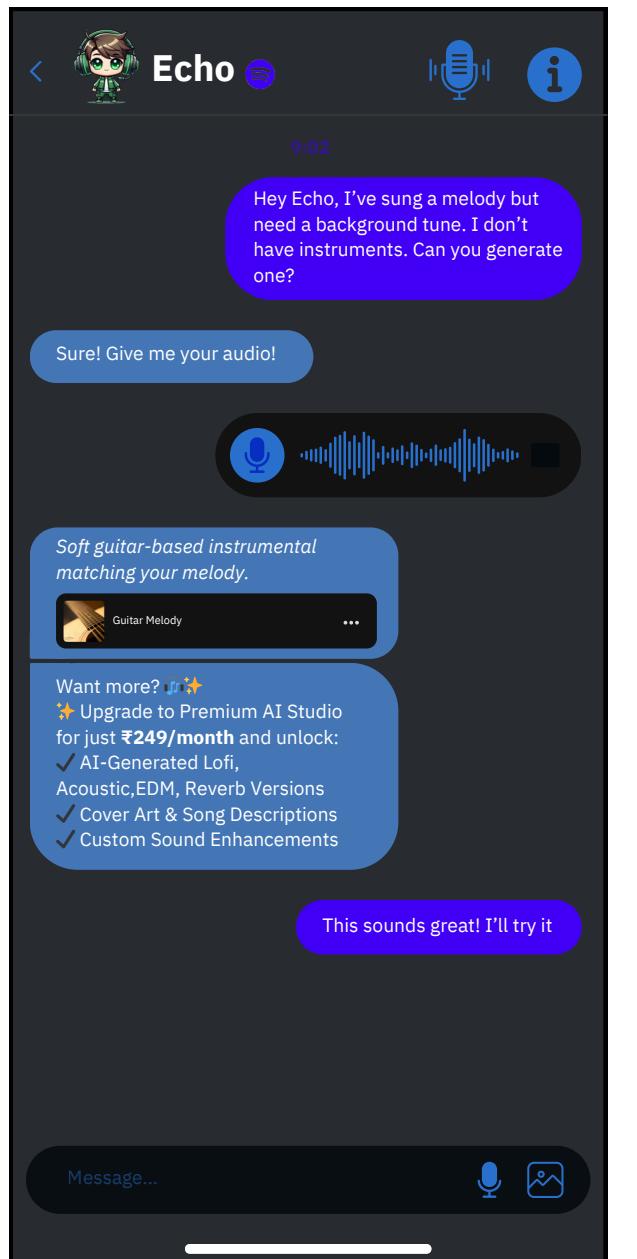
Subscription Conversion Rate – % of users upgrading to the ₹199/month AI Studio

Churn Rate – Tracks how many users unsubscribe from the premium plan, indicating satisfaction levels

Revenue Growth from AI Studio – Measures the direct impact of Echo's premium features on Spotify's revenue

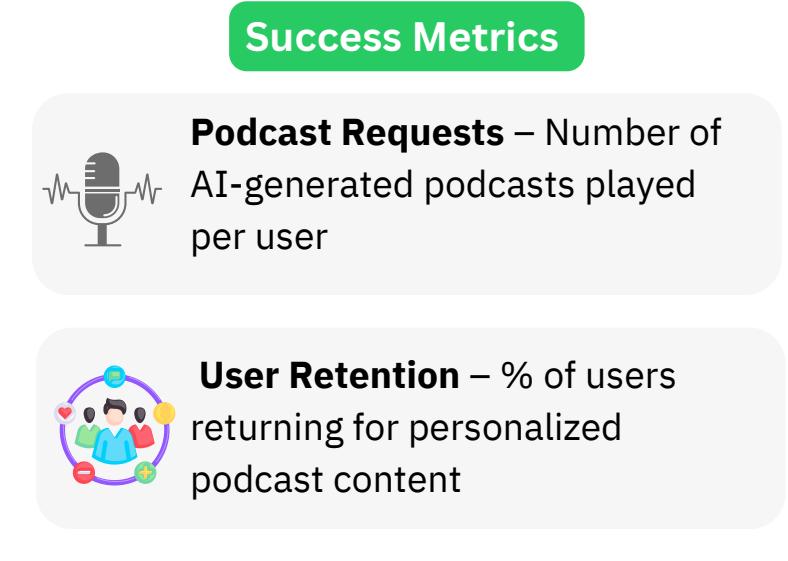
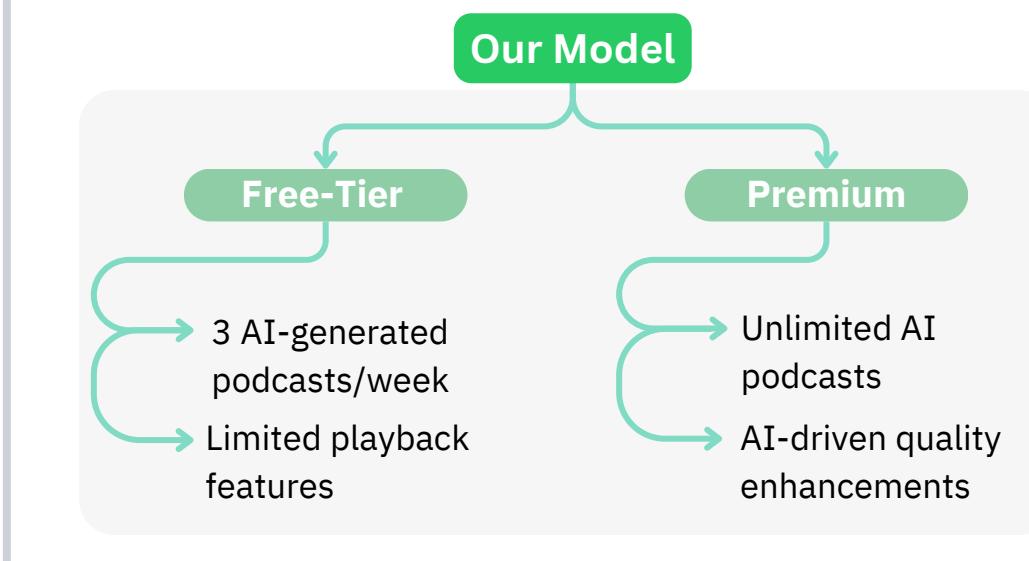
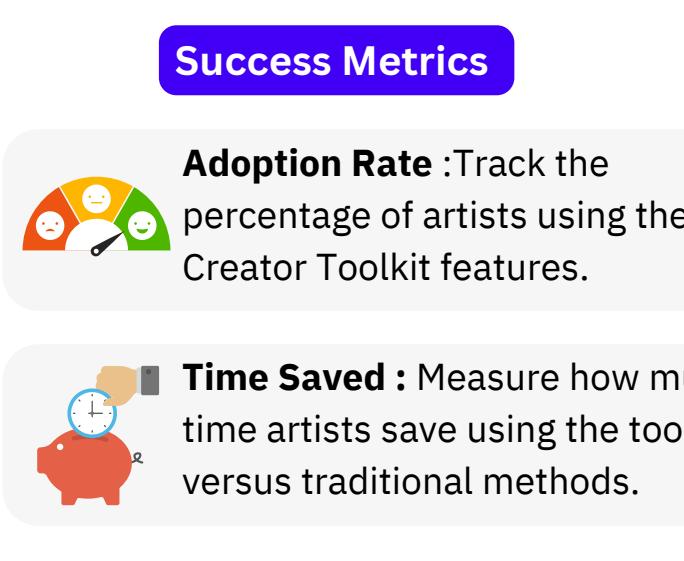
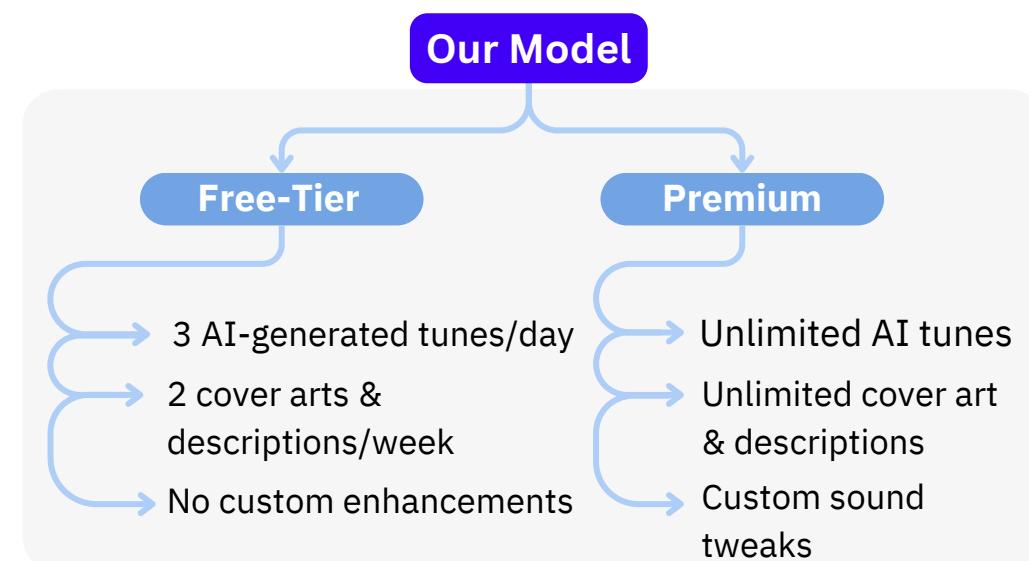
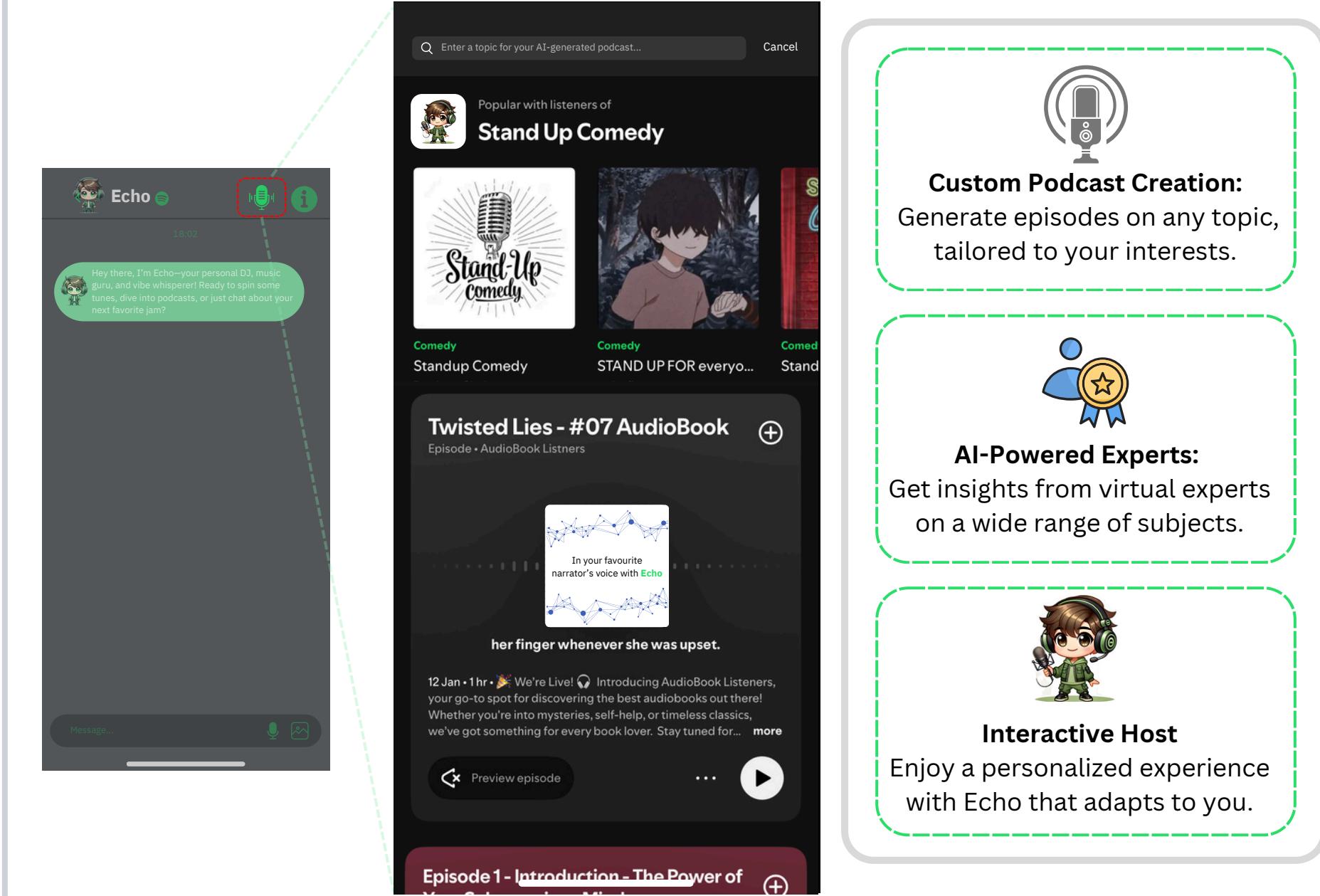
Solution 2 : Creator Toolkit – Empowering Artists

Sing like a pro without a studio! Generate beats, write descriptions, and design album art—because every artist deserves a stage, not just a mic



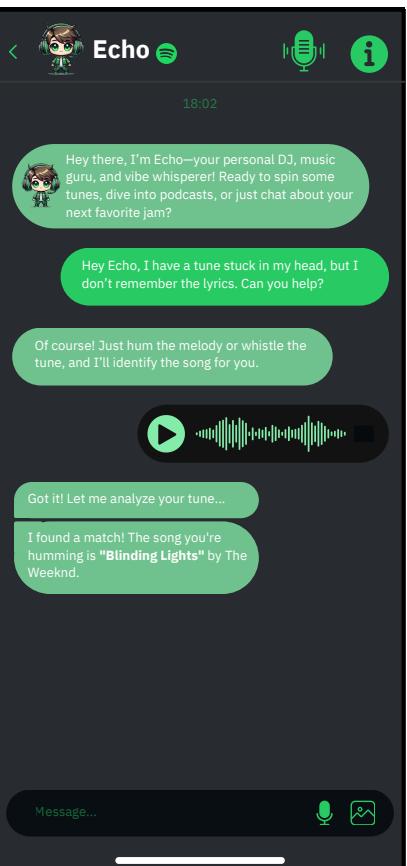
Solution 3 : Infinite Podcasts

Bored of the same old podcasts? Generate a fresh episode on any topic you want—starring AI-driven experts and our own Echo as a host who actually gets you!

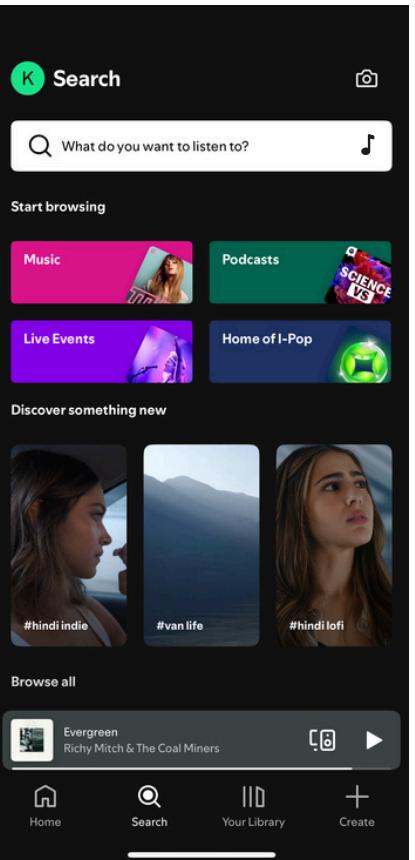


Solution 4 : Hum The Tune

"Lost the lyrics? Just hum it, and let Echo brainstorm it!"



Two-Ways



Spotify's AI-Powered **Humming Search** allows users to find a song just by humming its melody, making music discovery more seamless

A **microphone icon** is available in the search bar, where users can **hum, whistle, or sing a melody**. The AI instantly **detects the tune** and provides the **best-matching songs**

Success Metrics



User Engagement Rate

% of users opting for humming search vs. traditional text search.



Search Accuracy & Response Time

AI's success rate in correctly identifying hummed songs

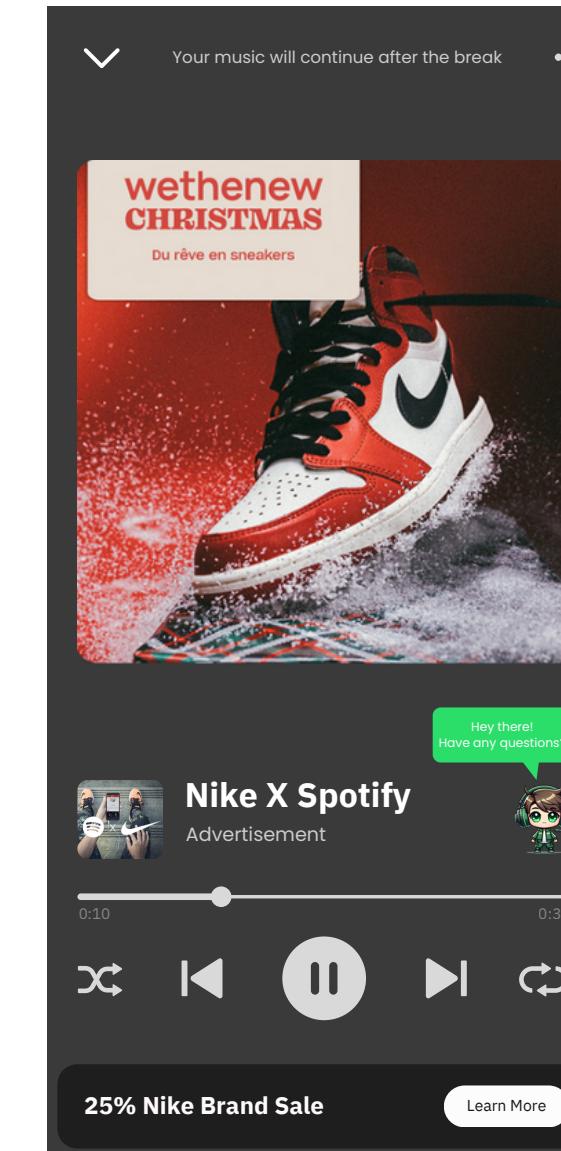
Case Study



Google's Gemini AI introduces advanced voice recognition capabilities, enabling natural and context-aware interactions through voice commands.

Solution 5 : Smart Ads – Seamless & Engaging

"Ads you'll actually want to hear—Spotify's Gen AI makes them crystal clear!"



Hey there! Have any questions?



Users can tap **Echo AI** during ads to ask product-related questions ("**Best running shoe for beginners?**") and get **instant responses**—no need to go on internet.



Brands can sponsor **AI-curated playlists** that seamlessly integrate into users' experiences



Instead of forcing users to listen to ads, make them interactive & rewarding. The ad feels more like a game than a disturbance



Gamified ads increase engagement and reduce frustration.

Rewards for Engagement: Unlock ad-free music, extra skips, or offline mode after interacting with a set number of ads

Success Metrics



User Engagement Metrics

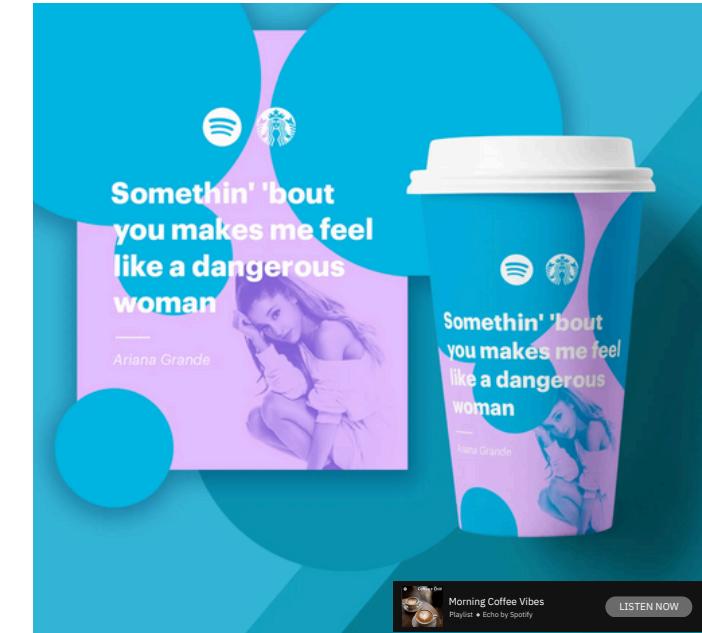


Reward Redemption Metrics

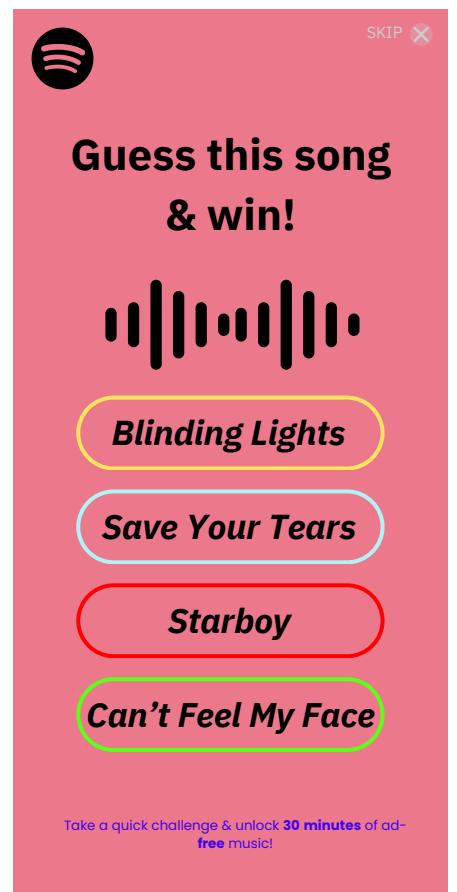


Conversion Metrics

Gen-AI Sponsored playlist



Audio ads-gamified



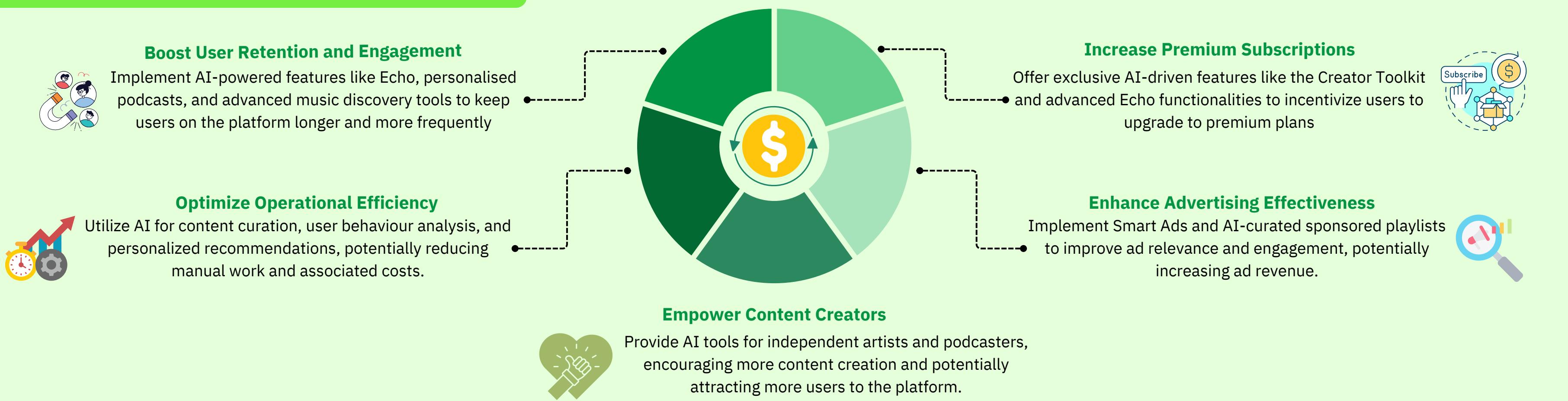
Take a quick challenge & unlock 30 minutes of ad-free music!

Prioritisation of features

Feature	Reach	Impact	Confidence	Effort	Retention	Optimized RICE
 EchoSense	9	● ● ● ● ●	 80%	● ● ● ● ●	8	46.08
 Creator Toolkit	7	● ● ● ● ●	 70%	● ● ● ● ●	8	39.2
 Infinite Podcasts	8	● ● ● ● ●	 70%	● ● ● ● ●	6	20.16
 Hum The Tune	7	● ● ● ● ●	 90%	● ● ● ● ●	7	35.28
 Smart Ads	9	● ● ● ● ●	 80%	● ● ● ● ●	9	80.99

Retention measures how effectively a solution ensures long-term engagement : **RICE+R Score** = (Reach × Impact × Confidence × Retention) / Effort

How are we achieving the business goal ?



GO TO MARKET ANALYSIS

Awareness



PR campaign teasing AI-powered song discovery through **Echo**, interactive ads & AI podcasts through influencers & artists.



Reach



Limited **beta access** for premium users, podcasters & artists to generate buzz.



Free trials & push notifications prompting users to explore AI-generated brand collab playlists



Global rollouts with localized AI-generated content for emerging markets.

Stickiness



AI-curated test **playlists** & **AI-enhanced ads** for early feedback.



AI adapts to give better guest personas in AI Podcasts based on listening behavior.



AI-powered analytics for user behavior optimization & creator engagement tools.



Growth Hacking



Social media challenges (e.g., "**Find the right song to your Instagram post**") with giveaways.



Viral campaigns like "**Remix AI**" & "**Hum the Tune**" incentives.



Leaderboards showcasing trending AI-generated playlists & top Echo AI interactions.



AI-driven insights in **Spotify Wrapped**, industry reports & artist testimonials.



AI-driven insights in **Spotify Wrapped**, industry reports & artist testimonials.

Pre-Launch

Launch

Post-Launch