

Spotify Churn Insights Report

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Introduction

Introducing a comprehensive analysis of Spotify's user retention and engagement, this report leverages the Churn Insights Dashboard to provide actionable insights into user behavior and subscription dynamics, aiding strategic decision-making.

Background

Operating globally, Spotify serves a diverse user base of 8000 total users through a subscription-based model with plans including Free, Premium, Student, and Family. The company collects data on user activities and subscription types to analyze churn rates and retention strategies, collaborating with product and marketing teams.

Industry Type of Data

Entertainment / Streaming Analytics

Stakeholders of the Analysis

- Product Managers
- Marketing Team
- Customer Success Team
- Executive Leadership

Value to Stakeholders

Offering real-time insights, the dashboard enables stakeholders to track churn rates, identify trends, optimize retention strategies, and align product offerings with user preferences.

Data Limitations or Biases

None

Churn Overview

- Total Users: 8000
- Churn Rate: 26%
- Retention Rate: 74%
- Average Listening Time: 154 minutes
- Average Skip Rate: 30.5% (Churned), 29.8% (Active)

User Engagement

- Average Ads per Week (Free Users Only): 28 (Churned), 27 (Active)
- Average Songs Played per Day:
 - Student: 51
 - Family: 50
 - Premium: 50
 - Free: 49
- Offline Listening Adoption Rate: 50.42% (Churned), 49.58% (Active)

Churn Rate Analysis

- Churn Rate by Age Group: Varies across age groups (18-24, 25-34, 35-44, 45-54, 55-64, Under 18)
- Churn Rate by Subscription Type:
 - Family: 0.28
 - Student: 0.26
 - Premium: 0.25
 - Free: 0.25

Summary

Summarizing Spotify's user retention performance, the dashboard reveals a 26% churn rate with a 74% retention rate among 8000 users, averaging 154 minutes of listening time daily. The data indicates a balanced churn distribution across subscription types, with Free users experiencing an average of 28 ads per week for churned users and 27 for active users. Age group analysis shows varying churn rates, suggesting targeted retention strategies may be effective. Offline listening adoption is nearly equal between churned (50.42%) and active (49.58%) users, highlighting its widespread use. Average songs played per day remain consistent across subscription types, with Student users leading at 51. These insights suggest opportunities to refine ad strategies for Free users, tailor retention efforts by age group, and leverage offline listening to enhance user engagement.