[Template:EngvarB](/wiki/Template:EngvarB" \o "Template:EngvarB) [Template:Use dmy dates](/wiki/Template:Use_dmy_dates) [Template:Infobox dot-com company](/wiki/Template:Infobox_dot-com_company)

**Spotify** is a [Swedish](/wiki/Sweden) commercial [music streaming](/wiki/Comparison_of_on-demand_streaming_music_services), [podcast](/wiki/Podcast), and [video](/wiki/Video) service that provides [digital rights management](/wiki/Digital_rights_management)–protected[[1]](#cite_note-1) content from [record labels](/wiki/Record_label) and media companies.[[2]](#cite_note-2) It is available in most of the [Americas](/wiki/Americas), [Western Europe](/wiki/Western_Europe), and [Oceania](/wiki/Oceania).[[3]](#cite_note-3) Music can be browsed or searched by artist, album, genre, playlist, or record label.

Spotify operates under a [freemium](/wiki/Freemium) business model, with two music streaming tiers: Spotify Free and Spotify Premium. Benefits of the Premium subscription include the removal of advertisements, improved audio quality, and optional downloading of music to devices for offline listening.

Spotify was launched in September 2008 by Swedish [startup](/wiki/Startup_company) Spotify AB. As of June 2015 Spotify had more than 75 million active users. The number of paid subscribers reached 30 million in March 2016.<ref name=subscribers0316>[Template:Cite web](/wiki/Template:Cite_web)</ref> Spotify Ltd. operates as the parent company, headquartered in London,[[4]](#cite_note-4) while Spotify AB handles research and development in Stockholm.[[5]](#cite_note-5) Spotify, together with the [music streaming](/wiki/Music_streaming) industry in general, faces some criticism from artists claiming they are being unfairly compensated for their work as downloaded music sales decline and music streaming increases. Unlike physical or download sales, which pay a fixed price per song or album, Spotify pays artists based on their "market share" (the number of streams for their songs as a proportion of total songs streamed on the service). They distribute approximately 70% to rights-holders, who will then pay artists based on their individual agreements. The unpredictable, and some say inadequate, nature of this compensation, which has been calculated to be as low as US$0.0011 per stream,[[6]](#cite_note-6) has led to artist criticism. Most notably, [Thom Yorke](/wiki/Thom_Yorke) and [Taylor Swift's](/wiki/Taylor_Swift) discography have been pulled from Spotify, with Swift claiming "I’m not willing to contribute my life’s work to an experiment that I don’t feel fairly compensates the writers, producers, artists, and creators of this music." In response, Spotify claims that they are benefiting the music business by migrating "them away from piracy and less monetised platforms and allowing them to generate far greater royalties than before" by encouraging users to use their paid service.[[7]](#cite_note-7)[[8]](#cite_note-8) [Template:TOC limit](/wiki/Template:TOC_limit)

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## Utilization[[edit](/index.php?title=(none)&action=edit&section=1)]

[Template:As of](/wiki/Template:As_of), Spotify provided access to approximately 20 million songs.[[9]](#cite_note-9) Users could search for artists, albums, titles, labels and genres, and access tracks from many major and independent labels. Some artists opted out of Spotify.[[2]](#cite_note-2)[[10]](#cite_note-10) Additionally, some artists withdrew from specific regions because of licensing restrictions. The Spotify desktop client allowed music to be imported from iTunes,<ref name=ItunesImport>[Template:Cite web](/wiki/Template:Cite_web)</ref> with the option of syncing with a mobile device.<ref name=SpotifyLocalFile>[Template:Cite news](/wiki/Template:Cite_news)</ref> Users can create and share [playlists](/wiki/Playlist),[[11]](#cite_note-11) or edit them together with other users. While Spotify does not automatically create preference-based playlists, it does integrate with Last.fm Spotify includes a Radio feature for Spotify Free and Premium accounts. Radio creates a random playlist of songs chosen based on specified genres and decades.

Websites, blogs, and 3rd-party applications and tools support Spotify.[[12]](#cite_note-12) Community resources include [Facebook](/wiki/Facebook) and [Last.fm](/wiki/Last.fm) groups, [Twitter](/wiki/Twitter) bots and user forums, and tools to display lyrics and services to list and notify users about new releases.[[13]](#cite_note-13) In 2010, Spotify's blog, *The Pansentient League*, held the first Spotify Community Site Awards, with categories such as *Best Playlist Sharing Site*, *Best News & Music Finder Site*, and *Best Playlist Generator*.[[14]](#cite_note-14) Spotify allows users to integrate their account with existing [Facebook](/wiki/Facebook_Platform) and [Twitter](/wiki/Twitter) accounts. Thereafter they are able to access their friends'/follower's favourite music and playlists.[[15]](#cite_note-15)

## Business model[[edit](/index.php?title=(none)&action=edit&section=2)]

Spotify operates under the [freemium](/wiki/Freemium) model (basic services are free, while additional features are offered via paid subscriptions). Spotify makes its revenues by selling streaming subscriptions to premium users and advertising placements to third parties.

In December 2013, the company launched a new website, "Spotify for Artists", that revealed its business model and revenue data. Spotify pays [copyright](/wiki/Copyright) holders [royalties](/wiki/Royalties) for streamed music. The company pays 70% of its total revenue to rights holders. Spotify for Artists states that the company does not have a fixed per-play rate, considers factors such as the user's home country and the individual artist's royalty rate. Rights holders received an average per-play payout between $.006 and .0084.[[16]](#cite_note-16) The company has allegedly lost $200 million since it was founded, although the company has not confirmed or denied this.[[17]](#cite_note-17) A 2012 report stated that Spotify posted a net loss of US$59 million in 2011, attributed to increased staffing costs and licensing fees and royalties to record companies.[[18]](#cite_note-18) A November 2012 report predicted that Spotify would reach revenues of US$500 million over the course of 2012, up from US$244 million in 2011.[[19]](#cite_note-19) As of 2013, Spotify offered an unlimited subscription package, close to the [Open Music Model](/wiki/Open_Music_Model) (OMM)—estimated [economic equilibrium](/wiki/Economic_equilibrium)—for the recording industry. However, the incorporation of DRM diverges from the OMM and competitors such as iTunes and [Amazon MP3](/wiki/Amazon_MP3) that have dropped DRM. Another income source was music purchases from within the app, but this was removed in January 2013.[[20]](#cite_note-20)

### Accounts and subscriptions[[edit](/index.php?title=(none)&action=edit&section=3)]

As of December 2014, the two Spotify subscription types are:

{| class="wikitable" |- ! Name ! Free of ads ! Listening time ! Mobile Use ! HD audio ! Listen offline ! Cost in the UK !Cost in the US !Cost in Canada !Cost in Europe (€) |- ! Spotify Free | [Template:No](/wiki/Template:No) | [Template:Yes](/wiki/Template:Yes)[[21]](#cite_note-21)| Shuffle only | [Template:No](/wiki/Template:No) | [Template:No](/wiki/Template:No) |Free |Free |Free |Free |- ! Spotify Premium[[note 1]](#cite_note-22)| [Template:Yes](/wiki/Template:Yes) | [Template:Yes](/wiki/Template:Yes) | [Template:Yes](/wiki/Template:Yes) | [Template:Yes](/wiki/Template:Yes) | [Template:Yes](/wiki/Template:Yes) | £9.99/month |$9.99/month |$14.99/month |€9.99/month |}

1. [↑](#cite_ref-22) Premium subscription includes offline mode, enhanced sound quality, Spotify Connect, and allows mobile users to listen to the exact songs they want instead of being limited to "Shuffle" feature in playlists and full albums.

Spotify encourages people to pay for music, with subscriptions as its main revenue source.[[16]](#cite_note-16) The subscription removes advertisements and limits, and increases the bitrate to 320 kbit/s for some songs.[[22]](#cite_note-23) The fee also allows unlimited mobile usage, as well as offline and online access to playlists.

Spotify offers users free trials of Premium features for 30 days. Users must enter payment information and must explicitly terminate their subscription before the trial period ends to avoid paying for Premium features.[[23]](#cite_note-24) Spotify for Artists claims that "a Spotify Premium customer spends more per year compared to the average spend of a US music consumer who buys music (not including those who spend $0 on music)", with the annual value of the average US paying listener identified as US$120. The website also claims that "a Spotify customer is 1.6x more financially valuable than the average adult non-Spotify US music consumer."[[16]](#cite_note-16) BBC *Music Week* editor Tim Ingham wrote: "Unlike buying a CD or download, streaming is not a one-off payment. Hundreds of millions of streams of tracks are happening each and every day, which quickly multiplies the potential revenues on offer – and is a constant long-term source of income for artists."[[24]](#cite_note-25)

### Advertisements[[edit](/index.php?title=(none)&action=edit&section=4)]

Spotify offers advertisers seven different types of ads, described in their Ad Specs as: Audio Ads, Display Ads, Billboard Ads, Homepage Takeovers, Branded Playlists, Lightbox and Advertiser Pages.[[25]](#cite_note-26) These advertisements vary in size, type and user engagement.[[25]](#cite_note-26) Audio Ads run for a maximum of 30 seconds as a commercial in between streamed tracks.[[26]](#cite_note-27) Display Ads, Billboard Ads, and Lightboxes appear during active and inactive use.[[25]](#cite_note-26) In February 2009, ads for non-paying users were 15 seconds long.[[27]](#cite_note-28) In May 2009, [*Neowin*](/wiki/Neowin) reported this had increased to approximately 30 seconds.[[28]](#cite_note-29)

### Downloads[[edit](/index.php?title=(none)&action=edit&section=5)]

Spotify offered music downloads in the UK per track purchase in partnership with the 7digital music store.[[29]](#cite_note-30) The feature was designed to provide the option to download music.[[30]](#cite_note-31) In October 2010, [*Wired*](/wiki/Wired_(magazine)) reported that Spotify was making more money for labels in Sweden than any other retailer, "online or off".[[31]](#cite_note-32) During 2010, Spotify paid more than €45 million to its licensors.[[32]](#cite_note-33) In January 2013, music downloads of tracks was removed from the app.[[20]](#cite_note-20)

## Technical availability[[edit](/index.php?title=(none)&action=edit&section=6)]

[Template:As of](/wiki/Template:As_of), Spotify is available for [Windows Phone](/wiki/Windows_Phone), [Android](/wiki/Android_OS), [BlackBerry](/wiki/BlackBerry), [Boxee](/wiki/Boxee), [iOS](/wiki/IOS), [Linux](/wiki/Linux) (Now unsupported), [MeeGo](/wiki/MeeGo), [Microsoft Windows](/wiki/Microsoft_Windows) desktop, [Openpandora](/wiki/Openpandora), [OS X](/wiki/OS_X), [Roku](/wiki/Roku), [S60 (Symbian)](/wiki/S60_(software_platform)), [Samsung Smart TV](/wiki/Samsung_Smart_TV), [Sonos](/wiki/Sonos), [HEOS by Denon](/wiki/HEOS_by_Denon),[[33]](#cite_note-34)[[34]](#cite_note-35) [PlayStation 4](/wiki/PlayStation_4), [PlayStation 3](/wiki/PlayStation_3), [Squeezebox](/wiki/Squeezebox_(network_music_player)), [Telia Digital-tv](/wiki/Telia_Digital-tv), [TiVo](/wiki/TiVo), [WD TV](/wiki/WD_TV), [webOS](/wiki/WebOS);[[35]](#cite_note-36)[[36]](#cite_note-37)[[37]](#cite_note-38)[[38]](#cite_note-39)[[39]](#cite_note-40)[[40]](#cite_note-41)[[41]](#cite_note-42) It is not available as a [Windows Store](/wiki/Windows_Store) app for [Windows 8](/wiki/Windows_8) but rather as a full [Windows](/wiki/Windows) [desktop](/wiki/Win_32) application. A third-party client, Spotlite, used to exist.[[42]](#cite_note-43)[[43]](#cite_note-44)

### Technical information[[edit](/index.php?title=(none)&action=edit&section=7)]

Spotify is [proprietary](/wiki/Proprietary_software) and uses [digital rights management](/wiki/Digital_rights_management) (DRM). Users that agree to Spotify's [Terms and conditions](/wiki/Terms_and_conditions) agree to not [reverse-engineer](/wiki/Reverse_engineering) the application.[[44]](#cite_note-45) Streams are in the [Vorbis](/wiki/Vorbis) format at q5 (ca. 160 kbit/s) for the Spotify free service,[[45]](#cite_note-46) or q9 (ca. 320 kbit/s)[[46]](#cite_note-47) for Spotify Premium subscribers. Spotify has a median playback latency of 265 ms or 390 ms without local [cache](/wiki/Cache_(computing)).[[47]](#cite_note-48) Spotify does not offer CD quality (16/44.1 kHz) nor [high-resolution audio](/wiki/High-resolution_audio) (Hi-res, 24/96 or 24/192 or similar) services. As of version 0.4.3, it is possible to play locally stored MP3 and [AAC](/wiki/Advanced_Audio_Coding) files in addition to streaming.

Spotify used to run [Debian](/wiki/Debian) [GNU](/wiki/GNU)/Linux on their servers, as they mentioned when they endorsed [systemd](/wiki/Systemd) in the Debian [init/systemd debate](/wiki/Systemd#History_and_controversy),[[48]](#cite_note-49) but decided to switch to [Ubuntu](/wiki/Ubuntu_(operating_system)) in July 2014, due to its more predictable release cycle.[[49]](#cite_note-50) Cache size and location are configurable. 1 GB or more disk space is recommended.[[50]](#cite_note-51) On OS X, a [G4 processor](/wiki/G4_processor) or higher is required and users require an account to use the software. The same account can be used on several devices simultaneously with Spotify Premium, or one at a time, with Spotify Free, using Spotify Connect.[[51]](#cite_note-52)

#### Desktop[[edit](/index.php?title=(none)&action=edit&section=8)]

Client software is available for Microsoft Windows (XP, Vista, 7, 8 and 10) and Mac OS X 10.5 or newer. On Linux, either the Windows version can be used, using Wine,[[52]](#cite_note-53) or an unsupported preview of a native Linux version packaged for Debian 6.0 'Squeeze' and [Ubuntu](/wiki/Ubuntu_(operating_system))[[53]](#cite_note-54) and limited to AMD64 and i386 architectures.

Version 0.8.8 received poor feedback.[[54]](#cite_note-55) Some features, such as playlist filtering, were removed while sorting was broken. The interface changed from native [C++](/wiki/C++) to web-based. 0.8.8 and newer versions have slower performance and greater memory use.[[55]](#cite_note-56) As of July 2013 most complaints had not been resolved.[[54]](#cite_note-55) Spotify offers no option to turn off automatic updates; however, workarounds allow the use of pre-0.8.8 versions.[[56]](#cite_note-57)[[57]](#cite_note-58)[[58]](#cite_note-59) In December 2013, Spotify released a Premium client called "Spotiamp", which used an interface that resembles version 2 of the popular music player [Winamp](/wiki/Winamp) ([AOL](/wiki/AOL), the owners of Winamp, were planning to discontinue the player). The client contained an equaliser and support for Advanced Visualization System.<ref name=verge-spotiamp>[Template:Cite web](/wiki/Template:Cite_web)</ref>

#### Mobile versions[[edit](/index.php?title=(none)&action=edit&section=9)]

[thumb|265px|](/wiki/File:Spotify_app.png)[Coldplay's](/wiki/Coldplay) "[Magic](/wiki/Magic_(Coldplay_song))" playing on Spotify for [Android](/wiki/Android_(operating_system)) Mobile apps for Android,[[59]](#cite_note-60) iOS,[[60]](#cite_note-61)[[61]](#cite_note-62)[[62]](#cite_note-63) Symbian,[[63]](#cite_note-64) [BlackBerry OS](/wiki/BlackBerry_OS),[[64]](#cite_note-65)[[65]](#cite_note-66) Windows Phone 7/8,[[66]](#cite_note-67)[[67]](#cite_note-68) Windows Mobile 6.0,[[68]](#cite_note-69) and WebOS[[69]](#cite_note-70) are available.

As of 20 June 2012, Spotify radio streaming was free on the iPad and iPhone in the US.[[70]](#cite_note-71) The applications allow Premium subscribers to access the full music catalogue, stream music and listen to music when disconnected. As of May 2014, "extreme quality" mobile streaming (~320kbit/s) is available on the iOS, Android and Windows Phone 8 versions of the Spotify app.

As of December 2013, Spotify made its mobile app free for Android and iOS devices with ads enabled, not just premium subscribers.[[71]](#cite_note-72)

## Geographic availability[[edit](/index.php?title=(none)&action=edit&section=10)]

[thumb|350px|Availability of Spotify in the world](/wiki/File:Availability_of_Spotify_in_the_World.svg) [Template:As of](/wiki/Template:As_of)

Spotify is available in Western Europe, the Americas, [Australia](/wiki/Australia), [New Zealand](/wiki/New_Zealand), limited Asian countries and territories consists of [Hong Kong](/wiki/Hong_Kong), [Indonesia](/wiki/Indonesia), [Malaysia](/wiki/Malaysia), the [Philippines](/wiki/Philippines), [Singapore](/wiki/Singapore), and [Taiwan](/wiki/Taiwan). The country list includes [Andorra](/wiki/Andorra), [Argentina](/wiki/Argentina), [Austria](/wiki/Austria), [Belgium](/wiki/Belgium), [Bolivia](/wiki/Bolivia), [Brazil](/wiki/Brazil), [Bulgaria](/wiki/Bulgaria), [Canada](/wiki/Canada), [Chile](/wiki/Chile), [Colombia](/wiki/Colombia), [Costa Rica](/wiki/Costa_Rica), [Cyprus](/wiki/Cyprus), the [Czech Republic](/wiki/Czech_Republic), [Denmark](/wiki/Denmark), the [Dominican Republic](/wiki/Dominican_Republic), [Ecuador](/wiki/Ecuador), [El Salvador](/wiki/El_Salvador), [Estonia](/wiki/Estonia), [Finland](/wiki/Finland), [France](/wiki/France), [Germany](/wiki/Germany), [Greece](/wiki/Greece), [Guatemala](/wiki/Guatemala), [Honduras](/wiki/Honduras), [Hungary](/wiki/Hungary), [Iceland](/wiki/Iceland), [Indonesia](/wiki/Indonesia), [Ireland](/wiki/Ireland), [Italy](/wiki/Italy), [Latvia](/wiki/Latvia), [Liechtenstein](/wiki/Liechtenstein), [Lithuania](/wiki/Lithuania), [Luxembourg](/wiki/Luxembourg), [Malta](/wiki/Malta), [Mexico](/wiki/Mexico), [Monaco](/wiki/Monaco), the [Netherlands](/wiki/Netherlands), [Nicaragua](/wiki/Nicaragua), [Norway](/wiki/Norway), [Panama](/wiki/Panama), [Paraguay](/wiki/Paraguay), [Peru](/wiki/Peru), [Poland](/wiki/Poland), [Portugal](/wiki/Portugal), [Spain](/wiki/Spain), [Slovakia](/wiki/Slovakia), [Sweden](/wiki/Sweden), [Switzerland](/wiki/Switzerland), [Turkey](/wiki/Turkey), the [United Kingdom](/wiki/United_Kingdom), the [United States](/wiki/United_States) and [Uruguay](/wiki/Uruguay).[[72]](#cite_note-73) In Estonia, Greece and Romania, the Premium service was offered until July 2009, but never the free version. Only customers with credit cards or PayPal accounts in one of the above-mentioned countries can buy a Premium account.[[73]](#cite_note-74) Spotify went live (by invitation only) in Scandinavia, the United Kingdom, France and Spain in October 2009.[[74]](#cite_note-75) On 10 February 2009, Spotify was launched in the United Kingdom.[[75]](#cite_note-76) On 18 May 2010, Spotify was launched in the Netherlands.[[76]](#cite_note-77) On 14 July 2011, Spotify was launched in the United States,[[77]](#cite_note-78) in Austria, Belgium, Switzerland on 16 November 2011,[[78]](#cite_note-79) in Germany on 13 March 2012,[[79]](#cite_note-80) and in Australia and New Zealand on 22 May 2012.[[80]](#cite_note-81) From 13 November 2012, it became available in Ireland and Luxembourg. From 11 February 2013, Spotify then became available in Italy, Poland and Portugal. Spotify was launched in Mexico, Hong Kong, Malaysia, Singapore, Estonia, Latvia, Lithuania and Iceland on 15/16 April 2013.[[81]](#cite_note-82)[[82]](#cite_note-83) On 24 September 2013, Spotify was launched in [Argentina](/wiki/Argentina), [Greece](/wiki/Greece), [Taiwan](/wiki/Taiwan), and [Turkey](/wiki/Turkey).[[83]](#cite_note-84) On 3 December 2013, Spotify was launched in Colombia as a pre-launch promo from [Coca-Cola](/wiki/Coca-Cola).[[84]](#cite_note-85) On 11 December 2013, Spotify was launched in Costa Rica.[[85]](#cite_note-86) On 12 December 2013, Spotify was launched in an additional 18 markets: Bolivia, Bulgaria, Chile, Cyprus, Czech Republic, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Hungary, Malta, Nicaragua, Panama, Paraguay, Peru, Slovakia and Uruguay.[[86]](#cite_note-87) On 8 April 2014, Spotify was launched in the Philippines.[[87]](#cite_note-88) On 28 May 2014, Spotify was launched in Brazil.[[88]](#cite_note-89) On 30 September 2014, Spotify was launched in Canada.[[89]](#cite_note-90) On 30 March 2016, Spotify was launched in Indonesia. On the same day, they also announced their partnership with Indonesian telecommunication and network provider [Indosat Ooredoo](/wiki/Indosat_Ooredoo).[[90]](#cite_note-91)

## History[[edit](/index.php?title=(none)&action=edit&section=11)]

[thumb|Daniel Ek addressing Spotify staff](/wiki/File:Daniel_Ek_addressing_Spotify_staff.jpg) Spotify was developed in 2006 by a team at Spotify AB, in [Stockholm](/wiki/Stockholm), Sweden. The company was founded by [Daniel Ek](/wiki/Daniel_Ek), former CTO of [Stardoll](/wiki/Stardoll), and Martin Lorentzon, co-founder of [TradeDoubler](/wiki/TradeDoubler). The company's title, according to Daniel Ek, was initially misheard from a name shouted by Martin Lorentzon. Later they thought out an etymology of a combination of "spot" and "identify".[[91]](#cite_note-92)

### Launch[[edit](/index.php?title=(none)&action=edit&section=12)]

[thumb|Spotify's original logo (2008–2012)](/wiki/File:Spotify_logo.png) The Spotify application was launched on 7 October 2008. While free accounts remained available by invitation to manage the growth of the service, the launch opened paid subscriptions to everyone. At the same time, Spotify AB announced licensing deals with major music labels.[[92]](#cite_note-93) The company reported a loss of 31.8 million kronor ($4.4 million) in 2008.[[93]](#cite_note-94) On 10 February 2009 Spotify opened free registration in the United Kingdom (UK).[[94]](#cite_note-95) Registrations surged following the release of the mobile service, leading Spotify to halt registration in the UK for part of 2009, returning to an invitation-only policy.[[95]](#cite_note-96)

### Development[[edit](/index.php?title=(none)&action=edit&section=13)]

[thumb|Former Spotify headquarters in Stockholm](/wiki/File:Spotify_HQ.jpg) On 4 March 2009, Spotify announced a security flaw in the service, by which private account information (including email addresses and [hashed](/wiki/Cryptographic_hash_function), [salted](/wiki/Salt_(cryptography)) passwords) of members registered prior to 19 December 2008 were potentially exposed.[[96]](#cite_note-97)[[97]](#cite_note-98)[[98]](#cite_note-99)[[99]](#cite_note-100) Premium [ecards](/wiki/Ecards) (premium codes) were offered for the 2009 Christmas season that allowed recipients to upgrade an account to "Premium" status for 1, 3, 6 or 12 months.[[100]](#cite_note-101) On 28 January 2010, [Symantec's](/wiki/Symantec) [antivirus software](/wiki/Antivirus_software) marked Spotify as a [Trojan horse](/wiki/Trojan_horse_(computing)), disabling the software across millions of computers.[[101]](#cite_note-102)[[102]](#cite_note-103) In February 2010, Spotify received a small investment from [Founders Fund](/wiki/Founders_Fund), where board member [Sean Parker](/wiki/Sean_Parker) was recruited to assist Spotify in "winning the labels over in the world's largest music market".[[103]](#cite_note-104) On 18 May 2010, Spotify announced that two more types of accounts were available: Spotify Unlimited, an equivalent to Spotify Premium without mobile and other features, and Spotify Open, a reduced-feature version of Spotify Free, which allowed users to listen to up to 20 hours of music per month.[[104]](#cite_note-105) During 2010, Spotify paid more than €45 million to its licensors.[[32]](#cite_note-33) In March 2011, Spotify announced that it had one million paying subscribers across Europe,[[105]](#cite_note-106) doubling by September to two million.[[106]](#cite_note-107) On 1 September 2010, the [World Economic Forum](/wiki/World_Economic_Forum) (WEF) announced the company as a [Technology Pioneer](/wiki/World_Economic_Forum#Technology_Pioneers_Programme) for 2011.[[107]](#cite_note-108) On 25 March 2011, Spotify temporarily removed [display advertising](/wiki/Display_advertising) from external sources on its open and free accounts, due to an attack which used a [Java](/wiki/Java_(programming_language)) exploit to place malicious code on victims' computers.[[108]](#cite_note-109) Before their free mobile and unlimited offer, in most locations, a six-month free trial period was offered,[[109]](#cite_note-110) allowing the user to listen to an unlimited amount of music supported by visual and [radio-style advertising](/wiki/Radio_advertisement).[[110]](#cite_note-111) After the trial period, Spotify had a listening limit of 10 hours per month, divided into 2.5-hour weekly portions (unused hours carried over).[[111]](#cite_note-112) The only locations exempt from this rule were Australia, Hong Kong, Malaysia, New Zealand, Singapore, and the U.S., where ad-supported unlimited streaming continued on Spotify Free.[[112]](#cite_note-113)[[113]](#cite_note-114) An "Unlimited" subscription removed advertisements and time limits, and a "Premium" subscription featured higher [bitrate](/wiki/Bitrate) streaming and offline access. The app can be used without a premium account.[[114]](#cite_note-115) Users can try Spotify Premium for 48 hours by logging into Spotify Mobile for the first time, or getting a 30-day trial for their first month.[[115]](#cite_note-116) An active Facebook account was required to use Spotify if the user signed up via Facebook; but, as of 30 August 2012, the option to create a Spotify username was again offered.[[116]](#cite_note-117) Subscriptions required credit/debit cards or [PayPal](/wiki/PayPal) accounts registered in certain countries.[[117]](#cite_note-118)[[118]](#cite_note-119) Alternatively, prepaid cards could be bought in retail stores in select countries.[[119]](#cite_note-120)

### Monetisation[[edit](/index.php?title=(none)&action=edit&section=14)]

On 15 April 2011, Spotify announced via a blog post that they would drastically cut the amount of music that free members could access, effective 1 May 2011. The post stated that all Spotify Open and Spotify Free members would be transferred to a new product which limited audio streaming to 10 hours per month. In addition, individual tracks were limited to five plays. Spotify Unlimited and Spotify Premium members were not affected by this change. New users were exempt from these changes for six months.[[120]](#cite_note-121) On 17 June 2011, it was reported that Spotify had secured another US$100 million of funding and planned to use this to support its U.S. launch. The new round of funding valued the company at US$1 billion.[[121]](#cite_note-122)

### U.S. launch[[edit](/index.php?title=(none)&action=edit&section=15)]

On 14 July 2011, Spotify launched its U.S. service, after delays and years of negotiation with the four major record companies.[[122]](#cite_note-123) On 30 November 2011, Spotify launched Spotify Apps and App Finder with launch partners that included [*Rolling Stone*](/wiki/Rolling_Stone), [We Are Hunted](/wiki/We_Are_Hunted), Top10, [Songkick](/wiki/Songkick), [*The Guardian*](/wiki/The_Guardian), Soundrop and [Last.fm](/wiki/Last.fm).[[123]](#cite_note-124)

### Spotify Apps[[edit](/index.php?title=(none)&action=edit&section=16)]

In November 2011, Spotify introduced a Spotify Apps service that made it possible for third-party developers to contribute [HTML5](/wiki/HTML5) applications that could be hosted within the Spotify desktop player. The applications provided features such as synchronised lyrics, music reviews, and curated playlists.

At launch, the supported applications included [*Billboard*](/wiki/Billboard_(magazine)), [*Fuse*](/wiki/Fuse_(magazine)), *The Guardian*, Last.fm, [Moodagent](/wiki/Moodagent), [Pitchfork](/wiki/Pitchfork_Media), *Rolling Stone*, Songkick, Soundrop, [Tunewiki](/wiki/Tunewiki) and We Are Hunted. In June 2012, Soundrop became the first Spotify app to attract major funding with a $3 million Series A of funding from Spotify investor Northzone.[[124]](#cite_note-125) The Spotify Apps service was discontinued in October 2014.[[125]](#cite_note-126)

### Later years[[edit](/index.php?title=(none)&action=edit&section=17)]

On 29 March 2012, Spotify removed a restriction that limited non-U.S. free users to five plays of a given song; although the restriction continued in the UK and France. The 10-hour-per-month limit remained in place for all free accounts older than six months;[[126]](#cite_note-127) while the company also announced "continued unlimited free listening" for users in the U.S.[[127]](#cite_note-128) In August 2012, [*Time*](/wiki/Time_(magazine)) reported four million paid subscribers,[[128]](#cite_note-129) producing at least [€](/wiki/Euro_sign)20 million per month in revenue. A [Goldman Sachs](/wiki/Goldman_Sachs)-led round of funding closed in November 2012, raising around US$100 million at a $3 billion valuation.[[129]](#cite_note-130) On 19 March 2013, Spotify removed the 5-play restriction in the UK.[[130]](#cite_note-131) On 5 April 2013, Spotify released Messages and Browse as application updates. Messages could be sent to other users and viewed on the desktop application. Browse allowed users to find playlists and charts created by other users using filters such as genre, mood or activity.[[131]](#cite_note-132) On 16 April 2013, Spotify was launched in the Apple App Store, Google Play Store and Windows Phone Store in Singapore, Hong Kong, Malaysia,[[132]](#cite_note-133) Estonia, Latvia, Lithuania, Mexico and Iceland.[[133]](#cite_note-134) Upon its release in April 2013, the [Daft Punk](/wiki/Daft_Punk) single, "[Get Lucky](/wiki/Get_Lucky_(Daft_Punk_song))", received the highest number of plays of any song in a single day.[[134]](#cite_note-135) On 11 December 2013, Ek announced a free streaming feature for iPhone and Android users, allowing them to stream specific artists and playlists from their phones.[[135]](#cite_note-136) Previously, Spotify users were limited to listening to radio stations similar to artists or playlists. This feature allowed them to play shuffled tracks from a specific artist or playlist. The update also included new features for tablet users, enabling them to listen to any song at any time.[[136]](#cite_note-137) In its annual review, the streaming company revealed that 24 million active users streamed over 4.5 billion hours of music in 2013.[[137]](#cite_note-138)[[138]](#cite_note-139) On 6 March 2014, Spotify announced that they had acquired [The Echo Nest](/wiki/The_Echo_Nest),[[139]](#cite_note-140) which also supplied data to Spotify competitors. On 25 March 2014, Spotify launched an advertising campaign on Facebook, as well as its own application promoting Spotify Premium for Students, a discounted offer for its monthly subscription targeted to college students in the U.S.[[140]](#cite_note-141) In June 2014, Spotify released a new Web API that allowed third-party developers to integrate Spotify content in their own applications.[[141]](#cite_note-142) The Spotify Web API is a web service based on [Representational state transfer](/wiki/Representational_state_transfer) principles that can be accessed by programs through the [Hypertext Transfer Protocol](/wiki/Hypertext_Transfer_Protocol). It returns data about albums, artists, tracks, playlists and other Spotify resources in [JSON](/wiki/JSON) format. To access some sensitive datasets (like user profile data), programs must provide [OAuth](/wiki/OAuth) access tokens with their requests.

On 28 January 2015, Sony Computer Entertainment announced that Spotify would power their new music service, called [PlayStation Music](/wiki/PlayStation_Music).[[142]](#cite_note-143) The new service was launched on 30 March, and is to replace [Music Unlimited](/wiki/Music_Unlimited).[[143]](#cite_note-144) In April 2015, Spotify began raising another round of capital, attracting Goldman Sachs and an Abu Dhabi sovereign wealth fund.[[144]](#cite_note-145) This round of capital closed in June 2015, raises $526 million in a fundraising that values it at $8.53 billion.[[145]](#cite_note-146) In June 2015, Spotify acquired Seed Scientific, a data science consulting firm and analytics company.[[146]](#cite_note-147) Spotify announced Seed Scientific's team would lead an Advanced Analytics unit within the company focused on developing data services.

In January 2016, Spotify is raising another $500 million through convertible bonds.[[147]](#cite_note-148) In April 2016, co-founders [Daniel Ek](/wiki/Daniel_Ek) and Martin Lorentzon wrote an open letter to Swedish politicians demanding action in three areas that hinder the company's ability to recruit top talent: 1) access to housing 2) the education system and 3) stock options. In order to continue competing in a global economy, politicians must respond with new policies, wrote Ek and Lorentzon, or else thousands of Spotify jobs will be moved from Sweden to the U.S.[[148]](#cite_note-149) In April 2016 Spotify acquired CrowdAlbum, a company who is a photo-video aggregator, to help aggregate photos from concerts.[[149]](#cite_note-150) In July 2016, it entered a conflict with Apple saying it will no longer let listeners sign up for Spotify’s premium service through iOS’s in-app purchasing system.[[150]](#cite_note-151)

### Other developments[[edit](/index.php?title=(none)&action=edit&section=18)]

#### Streaming Records[[edit](/index.php?title=(none)&action=edit&section=19)]

In November 2015, Spotify announced that "[Lean On](/wiki/Lean_On)" by [Major Lazer](/wiki/Major_Lazer) and [DJ Snake](/wiki/DJ_Snake) featuring [MØ](/wiki/MØ) was its most streamed song of all time with over 525 million streams worldwide.[[151]](#cite_note-152) It overtook "[Thinking Out Loud](/wiki/Thinking_Out_Loud)" by [Ed Sheeran](/wiki/Ed_Sheeran), which had passed 500 million streams two months prior.[[152]](#cite_note-153) In April 2016, [Rihanna](/wiki/Rihanna) overtook [Justin Bieber](/wiki/Justin_Bieber) to become the biggest artist on Spotify with 31.3 million monthly active listeners—a third of all Spotify users worldwide.[[153]](#cite_note-154)

#### User growth[[edit](/index.php?title=(none)&action=edit&section=20)]

In March 2011, Spotify announced a customer base of one million paying subscribers across Europe,[[105]](#cite_note-106) and by September, the number of paying subscribers had doubled to two million.[[106]](#cite_note-107) In August 2012 *Time* reported four million paying Spotify subscribers,[[128]](#cite_note-129) responsible for at least €20 million per month in revenue.[[154]](#cite_note-155) User growth continued, reaching 20 million active and 5 million paid users on 6 December 2012, including one million in the US.[[155]](#cite_note-156) Users reached 24 million (6 million paid) by March 2013,[[156]](#cite_note-157) 30 million (10 million paid) by May 2014,[[157]](#cite_note-158) 45 million (15 million paid) by January 2015,[[158]](#cite_note-159) more than 75 million active users (20 million paid) by June 2015,[[159]](#cite_note-160) and at least 30 million paid subscribers by March 2016.[[160]](#cite_note-161)

#### PlayStation Music[[edit](/index.php?title=(none)&action=edit&section=21)]

In January 2015, Spotify teamed up with Sony to power a new music service named PlayStation Music. The service is accessible to new and existing Spotify members via the [PlayStation Network](/wiki/PlayStation_Network) in 41 markets, on PlayStation 3, PlayStation 4 and [Sony Xperia](/wiki/Sony_Xperia) devices.[[142]](#cite_note-143)

## Criticism[[edit](/index.php?title=(none)&action=edit&section=22)]

### Consumers[[edit](/index.php?title=(none)&action=edit&section=23)]

Spotify is one of the few services that do not allow users to filter explicit content.[[161]](#cite_note-162)