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New Spotify study sees encouraging downwards trend in music piracy in the Netherlands

Spotify's 'Adventures in the Netherlands' economic study includes:

- A deep dive into music piracy in the Netherlands
- A study of artist 'holdouts' and the impact this has on piracy levels
- A comparison of music piracy between the Netherlands and Italy.

Spotify was launched in 2008 to provide a superior, legal alternative to piracy. Yet despite Spotify now being active in 28 markets and acquiring 24 million active users, there has been little recent research on the impact Spotify has had on piracy – until now.

Today Spotify publishes a new report that tackles this controversial topic head on. 'Adventures in the Netherlands', authored by Spotify's Director of Economics, Will Page, takes a close look at music piracy in Holland.

Spotify launched in the Netherlands in May 2010, and has grown quickly since that time, partnering with local telecom provider KPN, and becoming by far the dominant music streaming player in the industry. Thanks in part to the popularity of Spotify, last week marked the first official Dutch chart to include both music downloads and streams - a European first. Finally, there are encouraging signs that the Dutch music industry is turning a corner. Last year, digital revenues grew by 66% according to the IFPI, the highest rate in Western Europe.

So what has 'Adventures in the Netherlands' discovered?

- Music piracy occurred in only 1.8m households in the Netherlands in 2012, a quarter of the total, supporting previous academic studies which show falling levels of music piracy.

- New long tail analysis shows that of that 1.8m, just over half of them took just three files or fewer, whereas the top 10% took more than half of the content.

- One Direction and Robbie Williams made their albums available on Spotify from launch and sold more than they were stolen. Rihanna and Taylor Swift did not make their albums available on Spotify from launch, and were stolen as much as they sold.

- To give these insights context, the report compares the Netherlands with one of Spotify's newer markets, Italy, where piracy is mainstream.

“This study provides new and original insights into an old debate” says Will Page, Director of Economics at Spotify. “Not only does it show Spotify reaching an important tipping point in a country outside of Scandinavia, but we can now measure not just the number of people who use music piracy, but also the long tail of how often they visit and how much they take. This breakthrough enables the music industry to grow the legal market further by asking to ask ‘what type of music fan is most likely to switch to Spotify: the passive majority or the hardcore minority of pirates?’

“We can now see how artists like One Direction, who engaged with Spotify with their successful 1D app, were incredibly popular in streams and sales, but their piracy level was relatively low. The recent roll out of Spotify’s Discover function will continue to improve the way that music can find its fans within a legal venue. One final note of caution though: we must continue to keep improving, as ex-pirates know how to switch back.”

The study uses streaming data from Spotify, sales data from GfK Netherlands, revenue figures from the IFPI, and BitTorrent data from MusicMetric.

The report can be viewed in full [here](#).

End

Notes to Editors

For more information, or to bid for an interview with Will Page, please contact press@spotify.com

About Spotify

Spotify is an award-winning digital music service that gives you on-demand access to over 20 million tracks. Our dream is to make all the world’s music available instantly to everyone, wherever and whenever they want it. Spotify makes it easier than ever to discover, manage and share music with your friends, while making sure that artists get a fair deal.

Spotify is available in 28 markets: USA, UK, Sweden, Finland, Norway, Denmark, France, Switzerland, Germany, Austria, Belgium, The Netherlands, Spain, Australia, New Zealand, Ireland, Luxembourg, Italy, Portugal, Singapore, Hong Kong, Malaysia, Poland, Estonia, Latvia, Lithuania, Iceland and Mexico, with more than 24 million active users, and over 6 million paying subscribers.

Since its launch in Sweden in 2008, Spotify has driven more than half a billion US dollars to rights holders, and aims to drive another half a billion US dollars to rights holders during 2013. Spotify is already the second biggest source of digital music revenue for labels in Europe (IFPI, 2011) and the biggest and most successful music streaming service of its kind globally.

www.spotify.com

Further information

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