



The voice of
music streaming

Streaming Forward:
Annual review of the
Digital Media Association
with updates on industry
developments and latest
consumer insights.
June 2025.

DIMA Annual Report

A year of growth;
a generation
of innovation.

2025

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Foreword

Graham Davies
President and CEO



“DIMA is growing to become the voice of music streaming across the Americas.”

In the 27 years since our formation, DIMA has worked to support members as they have transformed music to a point where streaming is now the leading revenue driver of the music industry, and the number one way that consumers access music.

Our role is to promote and protect the ability for music fans to legally engage with creative content whenever and wherever they want it, and for artists to more easily reach longtime fans and make new ones.

In this report, we detail how we have worked with our members, with industry, and with policymakers, over the last year. We highlight key advocacy priorities and delve into new consumer research that helps explain why streaming continues to be the engine of the music industry’s growth.

Our members’ relentless focus on innovation has contributed to music streaming reaching over 752 million paying listeners across all services around the world. This is a truly remarkable success story given the perilous state of the music industry only a generation ago, when consumers were accustomed to accessing unlicensed music for free. At their lowest point in 2014, total global recorded music revenues had dropped to \$13 billion. But with **streaming now driving around 70% of global sales**, total global recorded music revenues were estimated to be nearly \$30 billion in 2024.

It is clear then that streaming plays a pivotal role in the music industry and at the center of the modern music ecosystem is the streaming consumer. Our research, detailed in this report, finds that **94% of music streaming consumers love or like their music streaming service** and that streaming has achieved pre-eminence across consumer sentiment – **ranking number one for listening, access, discovery, value, utility and more.**

This strong consumer satisfaction is fueling the double-digit percentage growth in key territories such as the Middle East and North Africa, and Latin America. **But future growth of the music industry will only be possible if streaming services can operate sustainably, free of unnecessary and unfair legal and regulatory burdens.**

Building on our strong reputation in the US, we have been working to establish DIMA as the voice of music streaming across the Americas and Canada. We are playing an increasingly important role advocating for pro-streaming policies. Our thanks go to our members and partners, without whom we could not perform our work.

POLICY PRIORITIES



DIMA works across a range of policy areas to recognize streaming's role in today's music ecosystem, help artists reach fans and connect with new audiences, and ensure listeners can access music anytime, anywhere that they want.

Seeking pro-innovation policies in the age of AI

As AI technology, particularly generative AI, continues to evolve, it raises complex concerns regarding the protection of an individual's likeness and voice—issues that are especially pertinent to the music industry. DIMA firmly opposes any form of consumer deception or fraud, including the unauthorized use of deepfake music or impersonation within the industry's supply chain. We believe that those who fraudulently exploit the creative identity and expression of artists should be held accountable.

DIMA is a strong advocate for implementing robust protections around individuals' personhood while fostering an environment where both innovation and individual rights can thrive in the age of AI, and all stakeholders are playing their role. It is critical to strike the right balance between encouraging creativity and responsible supply channels, ensuring free speech, and safeguarding individuals' identities when shaping policy in this space. Our members are deeply committed to preserving the integrity of the music ecosystem and protecting artists' creative rights from bad actors who seek to exploit their identity and artistry for deceptive purposes.

Championing modernization of music licensing and the supply chain

Modern, efficient, and transparent licensing systems are essential to the long-term health of the music ecosystem. Streaming requires access to more rights, for more works and recordings, than any prior form of music distribution, making the goal of an optimized licensing and accurate royalty payments system more complex—but also more important—to achieve than ever. More artists can participate in streaming than in any earlier form of music distribution.



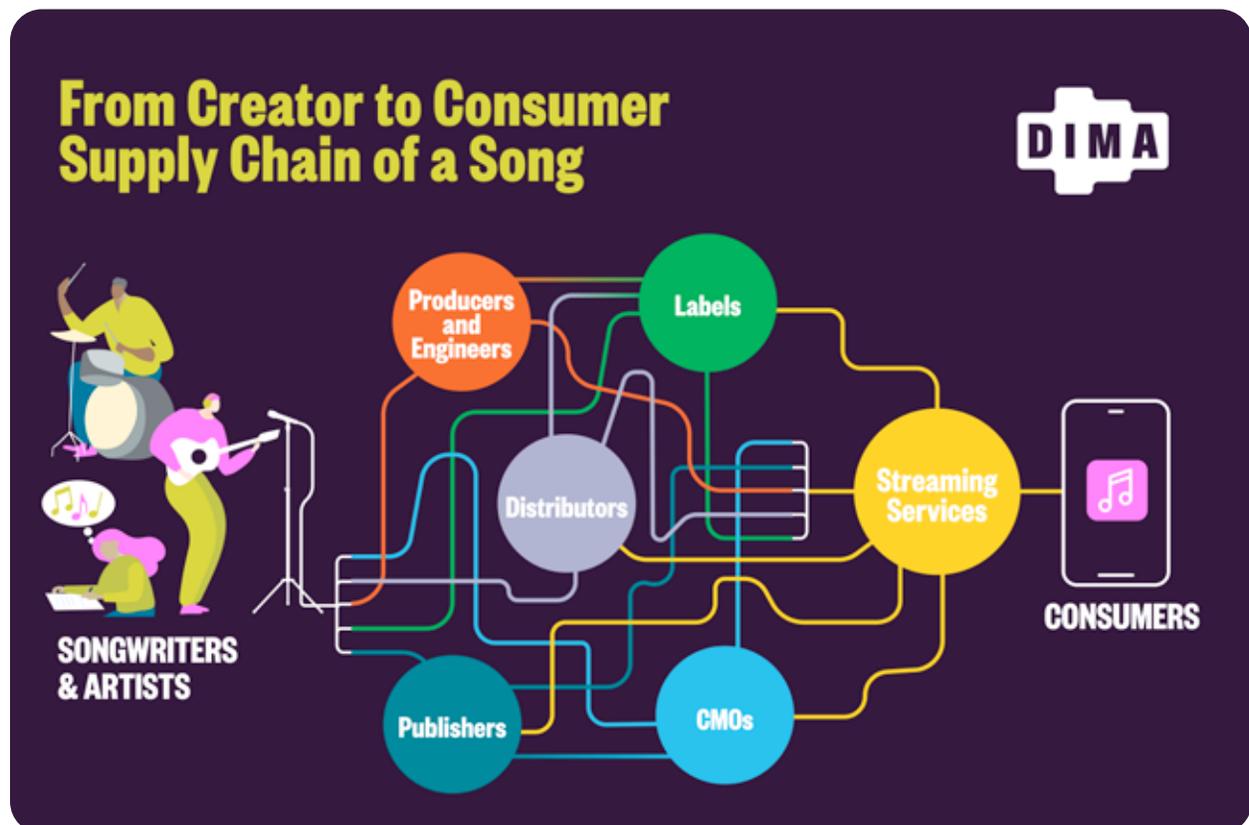
The passage of the Music Modernization Act in 2018 was a significant step forward in the U.S., helping to streamline mechanical licensing of musical works and bring greater clarity to rights management. The introduction of the blanket mechanical license moved the industry from a fragmented system characterized by litigation, to a unified system offering licensing certainty for the streaming services and rights holders alike. The result has been growth of consumption and revenues, which benefit the whole music industry.

Supporting efforts to improve song and recording credits

All music industry stakeholders—from songwriters and producers, to artists and record labels, to streaming services—and everyone in between—have a role to play in getting music metadata right. This helps ensure that royalties reliably reach the artists, songwriters, and rights holders they are owed to. Continued progress in modern licensing isn't just a legal or operational necessity—it's the backbone of a fair and sustainable streaming economy.

At the heart of many licensing challenges is a longstanding issue in the industry: bad or missing data. In an environment where thousands of songs are uploaded daily, clean, consistent, and complete metadata is a necessity. Errors can stem from human mistakes, incompatible systems, or—most commonly—missing information that wasn't passed on to streaming services, or wasn't captured in the first place. These gaps can prevent artists and songwriters, especially independent and emerging creators, from being properly discovered by listeners, from being credited for their creations, and from receiving the royalties they deserve and are owed. In some cases, creators may not even know they're missing payments.

Solving these challenges requires a collective industry effort: from improving metadata standards and educating creators, to breaking down silos and sharing solutions. DIMA is a proud supporter of the global Credits Due initiative, focused on industry education about the importance of data, and the shared responsibility of stakeholders to ensure that accurate metadata is included at the point of creation and throughout the lifecycle of a song.



Advocating for cooperation and engagement with artists and rights holders

Music streaming is a tremendous success story that has broken down geographic and cultural barriers, and empowered artists to find new audiences around the world. Spanish-language hits now routinely break into the top 10 lists in the American charts. Brazilian and Canadian artists are finding mainstream popularity around the world.

The innovation and investments of DIMA's members have created a legal market where more consumers than ever are paying for music on a monthly basis, and have returned value to the music industry from the dark days of peer-to-peer filesharing of the early 2000's.



DIMA's members pay approximately 70% of their revenues in the form of royalties to rights holders, and work closely with creators and rights holders. Crucially, music streaming services also offer music creators a whole new level of data and insights, and ways of connecting with fans, that have not ever previously existed.

DIMA combats efforts to impose unnecessary regulation that could undermine how music streaming services voluntarily collaborate with the music sector. Such regulations would ultimately harm the entire music ecosystem.

Tackling fraud and upholding a strong music ecosystem

All DIMA members have robust systems in place to combat stream fraud, manipulation, and artificial streams where they occur. As a result of their efforts, fraudulent streams are kept low and addressed when they are found.

While fraudulent streams account for a very small percentage of overall streaming, when they occur, they undermine the integrity of the entire music ecosystem. Artificial streaming distorts royalty payments and performance metrics, which disadvantages legitimate artists and stakeholders who are playing by the rules.

Tackling stream fraud requires a coordinated, industry-wide effort and collective responsibility to identify, deter, and prevent fraud and manipulation. DIMA members are doing their part to uphold a fair digital music environment through a variety of actions, including prohibiting manipulation in their terms of service and employing advanced detection and mitigation technologies to discourage and remove incentives for manipulation or fraudulent behavior. DIMA champions efforts to preserve a transparent and trustworthy music streaming ecosystem.

U.S. ON-DEMAND SUBSCRIPTION STREAMING REVENUE:

Who gets paid and how much?

\$100 REVENUE COLLECTED FROM CONSUMER



SONG RIGHTSHOLDERS	\$15.10
PERFORMING RIGHTS ORGANIZATION	-\$0.45
MECHANICAL LICENSING COLLECTIVE	-\$0.00
MUSIC PUBLISHER	-\$3.66
MANAGER	-\$1.65
ATTORNEY	-\$0.55
BUSINESS MANAGER	-\$0.55

RECORDING RIGHTSHOLDERS	\$58.60
RECORD COMPANY	-\$43.28
UNIONS	-\$0.67
PRODUCTION COLLABORATORS	-\$2.34
MANAGER	-\$1.85
ATTORNEY	-\$0.62
BUSINESS MANAGER	-\$0.62



**SONGWRITERS
END UP WITH
\$8.24**



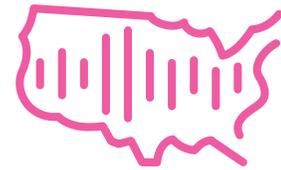
**ARTISTS
END UP WITH
\$9.23**

Advocacy: Advancing a modern music industry and championing innovation

DIMA's advocacy efforts are focused on several key markets, including the United States, Canada, and numerous countries throughout Latin America. Through strategic engagement, DIMA advances the interests of our members on key policy issues.

ADVOCACY IN THE USA

DIMA has played a key role in educating policymakers and government officials about the role of music streaming in today's music industry.



Artificial Intelligence

DIMA testified before the U.S. Senate Judiciary Committee on the NO FAKES Act—legislation focused on how to combat unauthorized digital replicas online in the age of AI—and has advocated on several AI related proposals.

We are working to ensure that AI policies reflect a careful balance to encourage innovation, avoid regulatory overreach, effectively manage risks to individuals, and provide protections required to enhance creativity.

Music Modernization Act

DIMA was a vocal supporter of the Music Modernization Act when it was signed into law, and remains a staunch proponent of the law today. The Music Modernization Act's critical reforms to the mechanical licensing system were focused on making the musical works licensing system more workable for all stakeholders, improving efficiency and transparency, and ensuring that rights holders get paid what they are owed. The foundation of the Music Modernization Act was the creation of the Mechanical Licensing Collective (MLC) to administer a blanket license. As the Copyright Office kicked off its first proceeding in 2024 to review the designation of the MLC, DIMA played an active role in advocating to ensure that the MLC remains designated but operates as an efficient, neutral, and transparent administrator of mechanical royalties. DIMA and the Digital Licensee Coordinator (DLC) filed joint comments in the Copyright Office process. To date, DIMA members have invested more than \$160 million into the MLC's operations. The MLC has paid out more than \$2.5 billion in royalties from streaming services to rights holders, but there are areas of MLC operation where improvements are needed.



DIMA works closely with the DLC, ensuring that the voice of music streaming services is heard on issues related to Music Modernization Act implementation, and that the DLC fulfills its role representing services before the Copyright Office on operational matters related to the MMA.

Performing Right Organizations

DIMA is participating in a Copyright Office proceeding related to Performing Rights Organizations in the United States. PROs play a key role in the licensing system, and



DIMA submitted comments emphasizing the importance of transparency and the ability to efficiently license the public performance of musical works.

Spotify vs Eight Mile Style

DIMA filed two amicus briefs in support of Spotify in *Eight Mile Style, LLC v. Spotify USA Inc., LLC* - one in federal district court in Tennessee and again on appeal in the United States Court of Appeals for the Sixth Circuit, in the federal court of Tennessee. In that case, Eight Mile Style challenged the very foundation of the Music Modernization Act - the blanket license for music streaming. DIMA's briefs explained how Eight Mile Style's legal theory would fundamentally upend the entire purpose of the MMA.

Trade

The music industry is a global business, impacted by global policies. DIMA engages with key U.S. government officials on trade issues to ensure that the critical role of music streaming services to the U.S. and global music industry is understood as trade policies are developed.

Four years on from Phono IV rate setting

Every five years, the Copyright Royalty Board sets the “mechanical” rates for the Section 115 statutory license. DIMA plays a key role in these proceedings, assisting our members in their negotiations.

Phono IV

In August 2022, DIMA, NMPA, and NSAI reached a landmark settlement in the Phonorecords IV proceeding. In December 2022, the Copyright Royalty Board approved the settlement determining mechanical royalty rates for interactive streaming services in the U.S. for the period 2023 - 2027.

The settlement was seen as an achievement by all parties, with DIMA, NMPA, and NSAI issuing the following joint statement to announce the agreement:

Press Statement Issued August 31, 2022

The National Music Publishers' Association (NMPA), the Nashville Songwriters Association International (NSAI), and the Digital Media Association (DIMA) today announced a settlement for certain mechanical streaming rates in the U.S. for the years 2023-2027. The agreement will provide higher royalty rates for songwriters and music publishers, promote sustainability, innovation, and continued investment for the entire industry, and usher in a new era of collaboration between all parties.

Per the agreement, the headline royalty rate will be set at 15.35%, which will be phased in over the five-year term. This new rate comes as the Mechanical Licensing Collective is fully operational, delivering commission-free royalty payments as a result of the passage and implementation of the Music Modernization Act (MMA).

The deal also includes a number of changes to other components of the rate, including increases to the per-subscriber minimums and the “Total Content Costs (TCC)” calculations which reflect the rates that services pay to record labels. As streaming services continue to innovate to deliver songwriters' works to

growing numbers of paying fans, the agreement also modernizes the treatment of “bundles” of products or services that include music streaming and updates how services can offer incentives to attract new subscribers into the music ecosystem.

This agreement, supported by DIMA member companies, Amazon, Apple, Google, Pandora, and Spotify, as well as NSAI's Board of Directors, and the NMPA Board which is comprised of leading independent and major music publishers, ensures that all parties will benefit from the growth of the industry and will be motivated to work together to maximize that growth.

Phono V

As dialogue between DIMA's members and industry stakeholders on rate setting for the next Phono period takes place over the coming months, DIMA remains anchored to the following principles:

- Certainty over rates is crucial for services to invest and build their product offerings.
- Certainty over rates is also crucial for rights holders considering streaming now represents around 84% of U.S. recorded music revenues.
- Where possible, services seek to achieve voluntary settlement of rates by industry stakeholders, rather than engage in expensive and protracted litigation that could jeopardize the current pace of industry growth.
- The Phono IV settlement terms have supported an unprecedented period of growth in the US music industry.

ADVOCACY IN CANADA

Our advocacy in Canada has focused on protecting streaming growth and innovation that is key to the music industry and to music culture overall.



Since the Online Streaming Act passed the Canadian Parliament in 2023, DIMA has been engaged, submitting testimony and appearing in hearings before Parliament and the Canadian Radio-television and Telecommunications Commission (CRTC).

The stated intent of the Act was to update Canadian Broadcasting regulation to include online streaming and on-demand services. This significant undertaking has involved extensive consultation with a diverse array of stakeholders, and raised some fundamental concerns for DIMA members about the reasonableness and industry impact of the regulatory scheme.

DIMA has vocally opposed the extension of broadcasting regulations to streaming services and several aspects of Online Streaming Act implementation, including the imposition of new levies and requirements on streaming services that fail to take into account existing contributions.

DIMA had conducted numerous meetings with policymakers and government officials, filed dozens of official comments and letters, sent policy memos, and coordinated and supported numerous events over the last year.

In June of 2024, DIMA gave evidence to the Canadian House of Commons Standing Committee on International Trade, in connection with a study on the pending U.S.-Mexico-Canada Agreement (USMCA) review that will formally occur in 2026. DIMA highlighted for the Committee that the implementation of the Online Streaming Act was becoming a trade irritant between Canada and the U.S. We further highlighted that the U.S. Secretary of the Treasury and the U.S. Ambassador to Canada had expressed strong opposition to any discriminatory taxes against U.S. firms. On the same day that the CRTC announced the imposition of a 5% tax on non-Canadian streaming services, the U.S. Chamber of Commerce declared that the levy violates Canada's obligations under trade agreements.

DIMA remains steadfast in advocating for the implementation of the Online Streaming Act to be replaced with a policy framework that understands the benefits and contributions of music streaming, empowers streaming services to Canada's successful music industry and consumers alike, and which encourages growth and future investment.



Scrap the Streaming Tax campaign

In September 2024, DIMA launched its first consumer-facing national campaign: “Scrap the Streaming Tax,” aimed at drawing public attention to how the Online Streaming Act worsens Canada’s cost of living crisis.

The campaign highlighted music streaming’s critical role in Canada’s music sector, empowering Canadian creators to reach audiences at home and around the world, and propelling Canada to become the third largest digital exporter of music in the world. Much of this success has been driven by innovation and investments made by DIMA’s members, working with local teams and local talent across the breadth of Canada. The combination of local teams working in partnership with Canadian artists has enabled our members to successfully promote Canadian sounds and stories in English, French, and Indigenous languages to a worldwide audience.

A key focus of the campaign was to encourage Canadian consumers to join the fight against the streaming tax by contacting their elected officials and voicing their concerns via a dedicated campaign website: scrapthestreamingtax.ca. Over 3,000 letters were sent by the time of the Canadian General Election. The campaign delivered over 25 million impressions and over 100,000 visitors to the campaign website.



ADVOCACY IN LATIN AMERICA

DIMA's footprint continues to expand, and the last year saw engagement in several Latin American countries, most notably Brazil, Colombia, Mexico, Chile, and Peru.



DIMA engaged in educational outreach emphasizing music streaming services' critical role in a functional, healthy, and modern music industry, highlighting how streaming helps local artists find new audiences at home and around the world, and drives year over year growth in recorded music revenues.

DIMA has sent letters to key policymakers across the region, engaging on issues ranging from artist remuneration to artificial intelligence. Where new remuneration rights have been discussed, DIMA has been clear that streaming services should not, and cannot, pay twice for the same rights. We have provided information about music industry economics with particular relevance to Peru, Colombia, and Chile.

In Brazil, DIMA has emphasized the thriving Brazilian music culture, and streaming's essential contribution to it. Together with our members, we have met with Brazilian cultural leaders and other music industry organizations, to highlight the harms that new levies and taxes on streaming services would cause not only for DIMA's members, but for Brazilian consumers and creators alike.



MEMBER & INDUSTRY ENGAGEMENT

Over the last year DIMA has significantly enhanced its member and industry outreach and engagement.



Member engagement

Core to DIMA's work is the close interaction and involvement of our members. In the past 12 months we launched a series of Working Groups, quarterly members meetings, and communications to share strategic updates and connect members with key decision-makers, policymakers, and thought leaders.

Members' Annual Summer Meeting - New York, June 2024

We kicked off a new program of member events last year with the introduction of an annual DIMA Summer Members' Meeting. Last year's meeting took place at Pandora's office in New York City. The event was a great success, featuring discussions and fireside chats with industry leaders, including Jeff Harleston, General Counsel & EVP, Business & Legal Affairs, Universal Music Group; Steve Blatter, SVP & General Manager, Music Programming, SiriusXM Pandora; and other music industry executives.





Amplifying Music's Voice in Washington, December 2024

Another standout moment came last December, when we brought DIMA members to Washington, D.C. for a multi-day engagement with influential policymakers and federal officials. This impactful advocacy experience included strategic dialogue on the most pressing issues facing the music industry, a private behind-the-scenes tour of the U.S. Capitol, and a festive evening reception that brought together elected representatives, Congressional and Administration staff, and industry stakeholders.



As we broaden our work in Canada and Latin America, we will be exploring opportunities to connect members in similar ways beyond the USA.

Industry engagement

DIMA works in close partnership with a range of stakeholders across the industry, providing an effective liaison on behalf of our members and serving as a trusted means for individual dialogue.



Maintaining Canada's Leadership in Digital Trade

In October 2024, we partnered with the American Chamber of Commerce in Canada and the Canadian Global Affairs Institute (CGAI) to host an esteemed panel addressing the significant challenges and impacts on U.S. companies related to Canada's Online Streaming Act (C-11). Titled 'Maintaining Canada's Leadership in Digital Trade,' the event in Ottawa brought together industry experts and thought leaders who shared views on challenges Canada faces in maintaining its leadership in the digital space while addressing concerns related to regulatory barriers that may impact trade and innovation. Patrick Rogers

(Music Canada) and Meredith Lilly (Carleton University) emphasized the significant potential impacts of Canada's online streaming legislation and subsequent CRTC actions, which unfairly impact U.S. companies operating in Canada and threaten continued investment and innovation in this space.



SONA WARRIOR AWARDS



ROSS GOLAN



RAYE



WILLIE "PROPHET" STIGGERS



THOMAS SCHERER



ANDREA MARTIN

OCTOBER 6TH 2024
HERSCHER HALL @ SKIRBALL CULTURAL CENTER, LOS ANGELES

Championing the Industry

We were also proud to sponsor and support major industry events, including the SONA Warrior Awards in Los Angeles, the Vanderbilt University Music Law Summit (Nashville), and the kick-off breakfast and State of the Industry session at the annual MusicBiz conference (Atlanta). Alongside these events DIMA maintained a presence at numerous music industry conferences and events including Music Publishers Canada Music Tech Summit (Toronto), USPTO Roundtable on AI & Name, Image, Likeness, Voice (Washington, D.C.), Copyright and Technology Conference (New York City), Leadership Music: Music Policy Outlook (Nashville), Artists Rights Symposium Keynote Speech (Washington, D.C.), Grammys (Los Angeles), and the JUNO Awards (Vancouver).



Together, these efforts underscore DIMA's commitment to championing the interests of our members, building strong policy bridges, and shaping the future of the digital music economy.



Key Streaming Facts

Nearly 250 million Americans streamed music in 2024.

Streaming is the **#1** source of music discovery.

Streamers spend **26%** more today on recorded music than they did five years ago.

For every 1 job directly created in music streaming, other sectors of the US economy gain

9 ADDITIONAL JOBS.

\$20.4 BILLION

is what global streaming revenues climbed to in 2024, accounting for 69% of recorded music revenues.

In an average week, streamers spend **40%** more time listening to music on streaming services than music listeners on broadcast radio.

84%

of streamers say streaming improves their connections to artists.

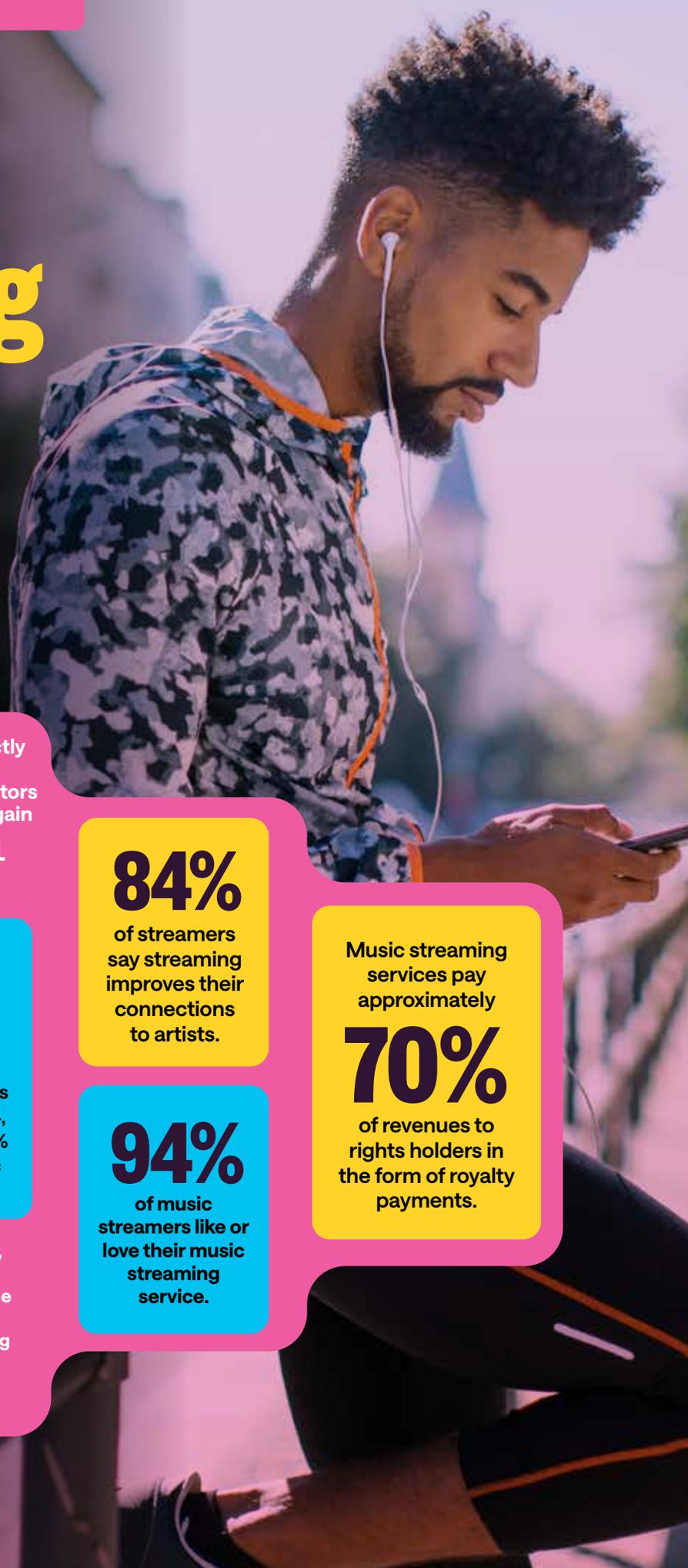
94%

of music streamers like or love their music streaming service.

Music streaming services pay approximately

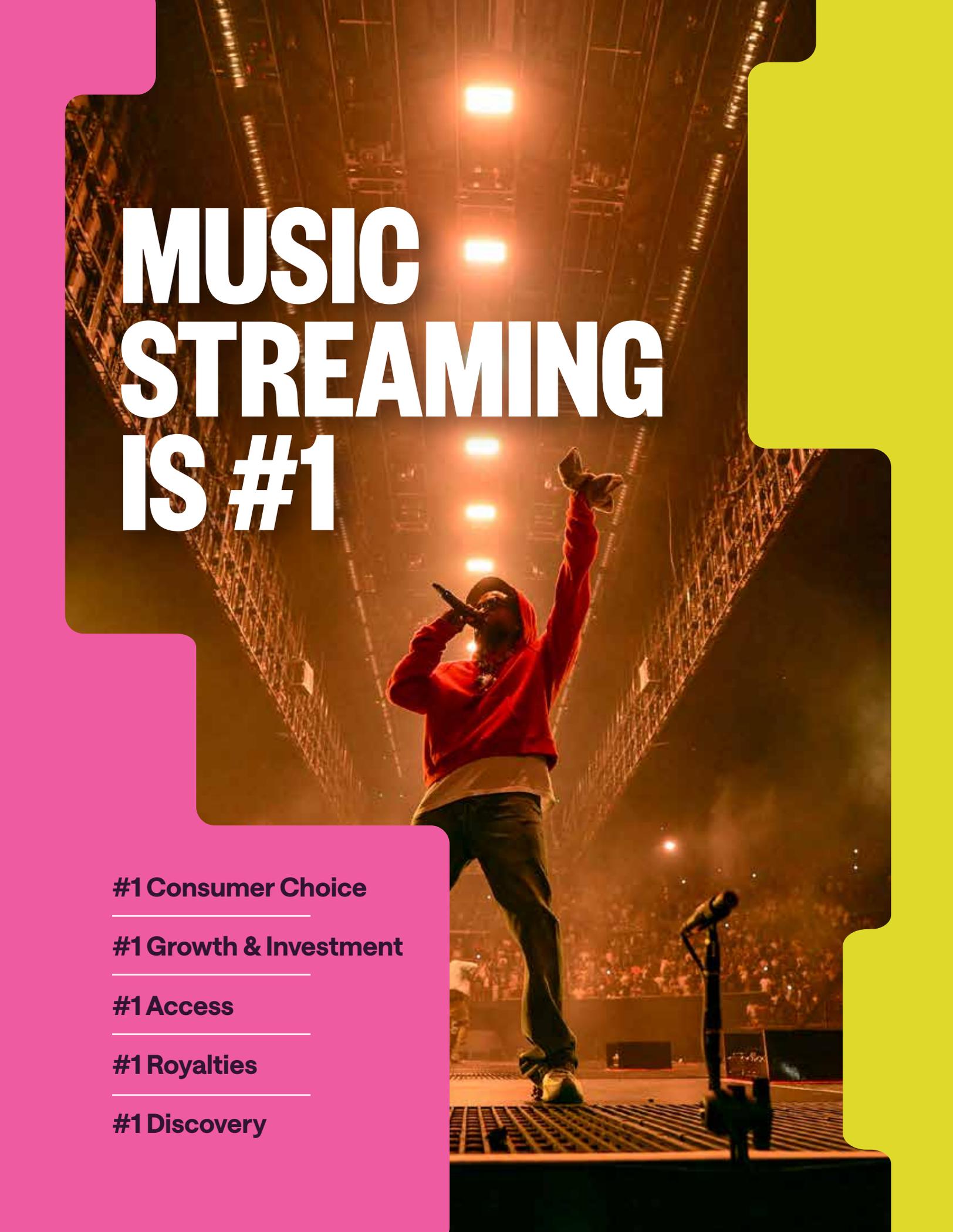
70%

of revenues to rights holders in the form of royalty payments.



A GENERATION OF INNOVATION





MUSIC STREAMING IS #1

#1 Consumer Choice

#1 Growth & Investment

#1 Access

#1 Royalties

#1 Discovery

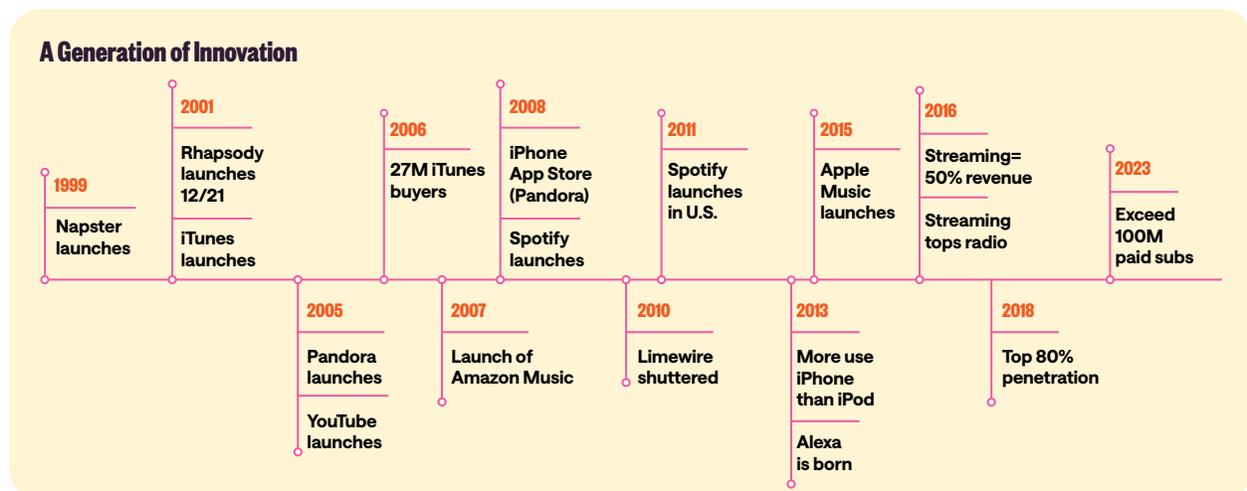
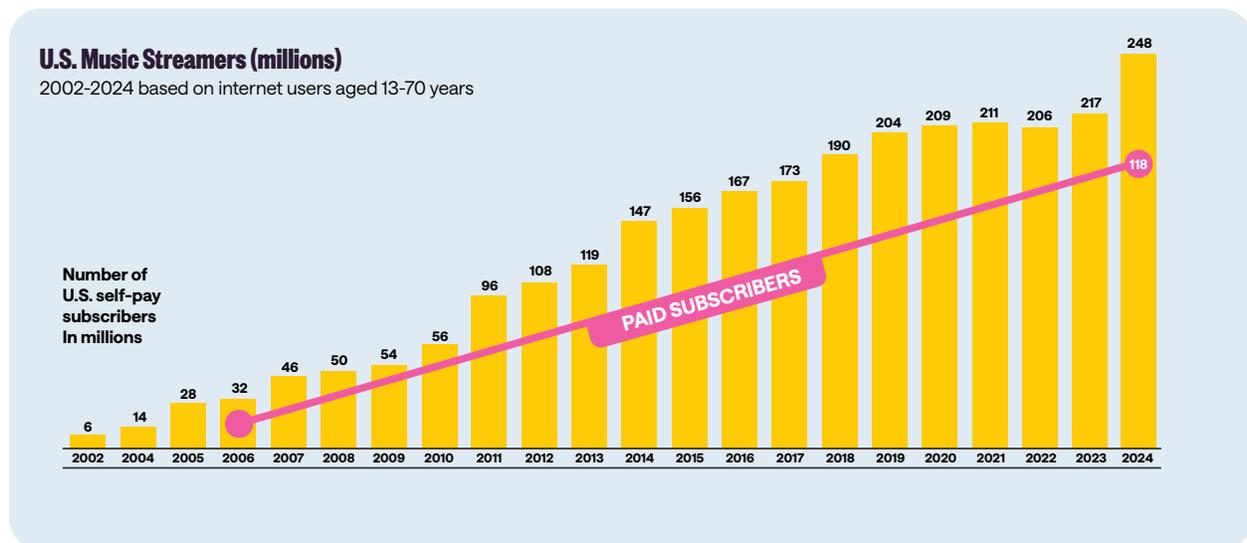
A Generation of Innovation

Insights on Streaming in the United States

MUSIC STREAMING: NO. 1 FOR CONSUMER CHOICE

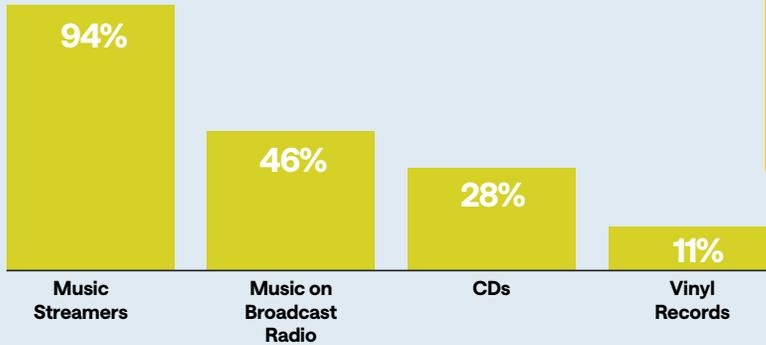
In just over two decades, music streaming has transformed the way consumers access music. **In 2024, nearly 250 million Americans streamed music—a testament to streaming’s unmatched accessibility, personalized appeal, and reach.** From on-demand listening to curated playlists, social sharing, smart device integration, and intuitive and personalized experiences, streaming delivers a tailored experience for every kind of listener, with every kind of music around the world.

Whether a listener handpicks every track, enjoys mixes curated by experts, searches for catalog favorites, or thrives on discovering the next big thing, streaming delivers.



Streaming garners the largest audience, by far

Music listening by the U.S. Internet population aged 13-70 years (%)



Streamers spend **40%** more time listening to music on streaming services each week than music listeners on broadcast radio.

*Streaming includes only audio pureplays and YouTube/Vevo.

The audience for streaming now dwarfs all other formats. In fact, music and music video streamers outnumber broadcast radio listeners by two to one, and for every vinyl enthusiast, there are nine streamers.

It's not just about reach—streaming dominates in engagement. Streamers spend 40% more time listening to music on streaming services each week than music listeners on broadcast radio. Beyond music, streamers are diving into complementary offerings on their service of choice, including podcasts, music videos, and audiobooks that round out their listening experience.

MUSIC STREAMING: NO. 1 FOR MUSIC GROWTH AND INVESTMENT

The rise of streaming has been nothing short of transformative for the music industry. From 2013 to 2024, global recorded music revenue has nearly doubled, soaring from \$15.03 billion to \$29.6 billion (IFPI).

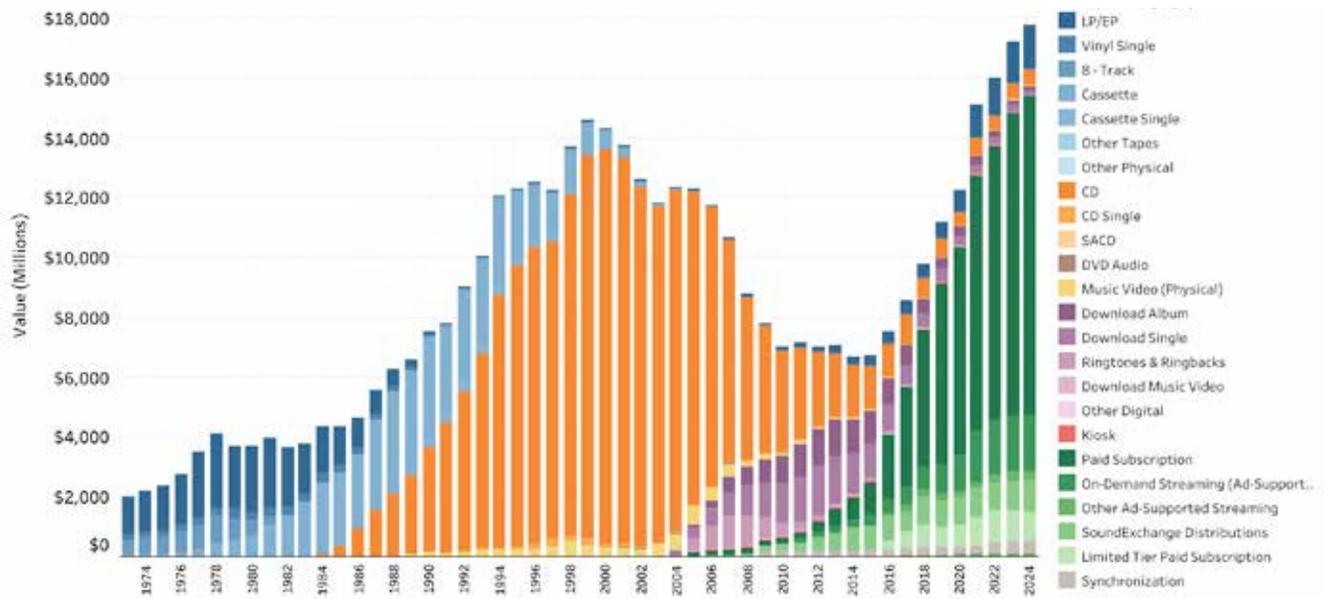
The CD era was brought to an abrupt end with the introduction of peer-to-peer file sharing and other piracy methods, which decimated the value of recorded media. In 2005, more internet users downloaded music illegally than purchased licensed albums and songs. Two decades later, streaming has given consumers a legal, accessible, easy, more enjoyable, and more rewarding way of enjoying music.

Streaming doesn't just generate revenue for the industry—it creates a recurring source. Streaming has largely replaced the one-time purchase model with ongoing subscriptions, where rights holders receive royalties each time a song is played. The new model has increased financial security in the industry, which has in turn driven significant investment from the financial community and increased industry resilience. Under previous models, fans purchased an album from a record store, and the job of the distributor was done. The royalties from the album were paid, and the transaction was complete. The consumer could listen to the album one time or 1000 times, and the amount of royalties would be the same. Today, each listen generates a royalty—a truer reflection of how the consumer values the music. Streaming enables global access to music, meaning that rights holders, depending on the popularity of their music, have the potential for continuous revenue streams generated by listeners from around the world.

U.S. recorded music revenues by format

1973 to 2024, Format(s): All

Source: RIAA



- Values are at recommended or estimated list price. Formats with no retail value equivalent included at wholesale price
- SoundExchange Distributions are estimated payments in dollars to performers and copyright holders for digital radio services under statutory licenses
- Paid Subscription includes streaming, tethered, and other paid subscription services not operating under statutory licenses
- Limited Tier Paid Subscription includes streaming services with interactivity limitations by availability, device restriction, catalog limitations, on-demand access, or other factors
- On-Demand Streaming includes ad-supported audio and music video services not operating under statutory licenses
- Other Ad-supported Streaming includes revenues paid directly for statutory services that are not distributed by SoundExchange and not included in other streaming categories
- Kiosk includes Singles and Albums
- Synchronization Royalties include fees and royalties from synchronization of sound recordings with other media
- Ringtones & Ringbacks includes Master Ringtones, Ringbacks, and prior to 2013 Music Videos, Full Length Downloads, and Other Mobile
- Other Tapes includes reel-to-reel and quadraphonic
- Other Digital includes other digital music licensing
- Updated accounting standards beginning in 2016

Music streaming services also bring value beyond the music industry. According to Secretariat Economists, for every one job directly created by music streaming, other sectors of the U.S. economy gain nine additional jobs.

In 2021 alone, music streaming contributed \$14.32 billion to U.S. GDP. Music streaming services are expanding legal access to music, creating jobs, and unlocking billions in value for creators, fans, and broader national economies.

MUSIC STREAMING: NO. 1 FOR MUSIC ACCESS

Consumers have access to more music today than at any other point in recorded history. Streaming has broken down geographic and cultural barriers, empowering listeners to listen to whatever they want, whenever they want, at the touch of a button.

The digital technology and unlimited shelf space of streaming services have also democratized access to distribution for music creators, helping many realize their dream of bringing their music to the public.

MUSIC STREAMING: NO. 1 FOR MUSIC ROYALTIES

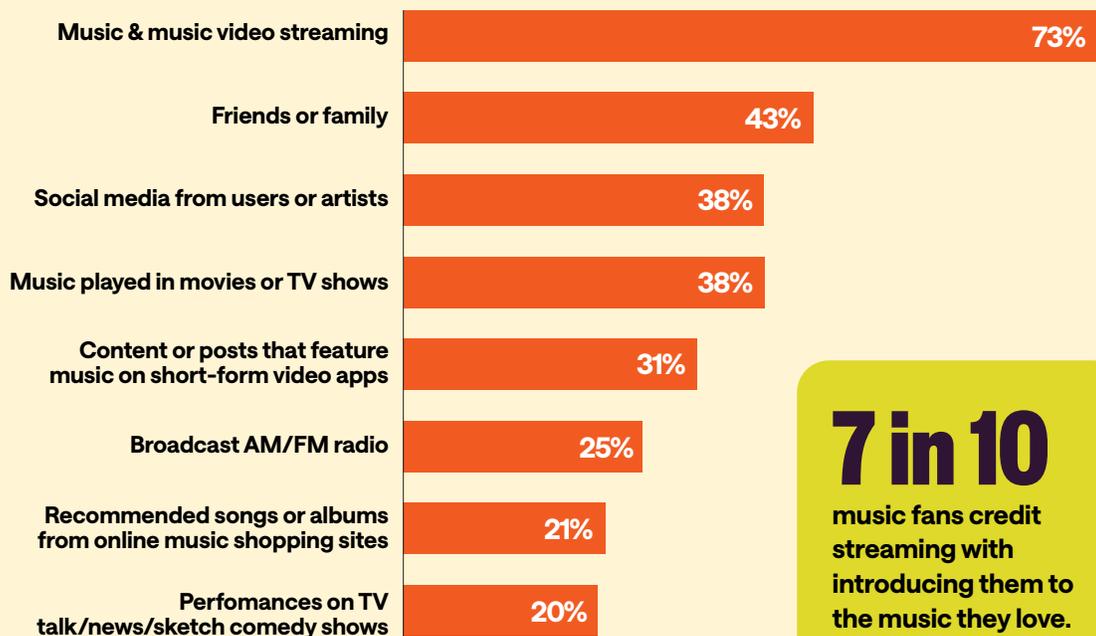
Streaming services pay approximately 70% of their revenues to rights holders in the form of royalty payments—a greater share than any form of music distribution in history. These payments compensate those who own the rights to the sound recordings and musical works including record labels, music publishers and collective management organizations, who are in turn responsible for paying artists, songwriters, and other creators.

Streaming services operate off the remaining margin of circa 30%, using this slim margin to play their essential role in innovations that attract and retain listeners and subscribers each month, in addition to the costs of ingesting and managing tens of millions of sound recordings. From their margin, streaming services also invest in teams around the world who support the fan experience, connect with local creative and cultural communities, and continuously innovate on behalf of listeners and those whose music they play with the introduction of new features and unique playlists, and support tools like artist marketing and creator dashboards.

MUSIC STREAMING: NO. 1 FOR MUSIC DISCOVERY

Two out of three streamers, when asked how streaming connects them to artists, say services make them aware of new releases and help them to dig deeper into artist catalogs. Seven in ten music fans credit streaming with introducing them to music they love. Importantly, discovery isn't just about what's new—63% of streamers actively explore back catalogs, showing that old and new music alike can thrive in the streaming ecosystem. And artists benefit from listener discovery of this catalog music, as they can continue to see steady income from their work for long after its release.

Streaming is the preferred choice for music discovery



INSIGHTS:

**An Exploration of U.S.
Consumer Engagement**





Insights into consumer attitudes and industry impact

DIMA partnered with MusicWatch to discover more about the attitudes of US music streaming consumers, their impact on the music industry, and why they love their streaming services so much.



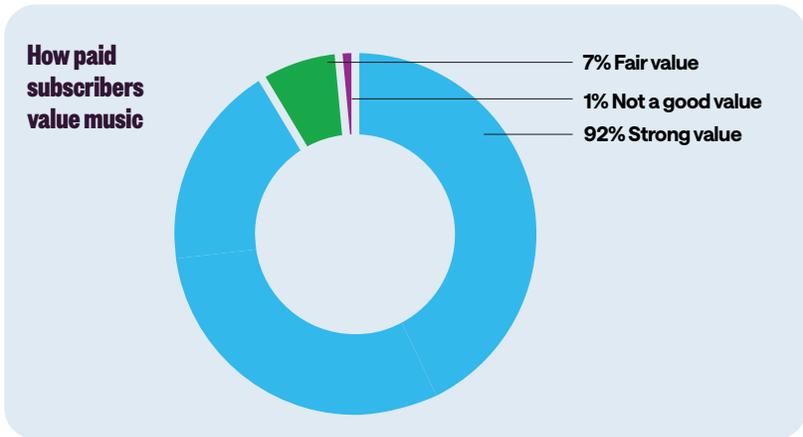
94%

love or like
their streaming
service

Value

MUSIC STREAMING: NO. 1 FOR VALUE

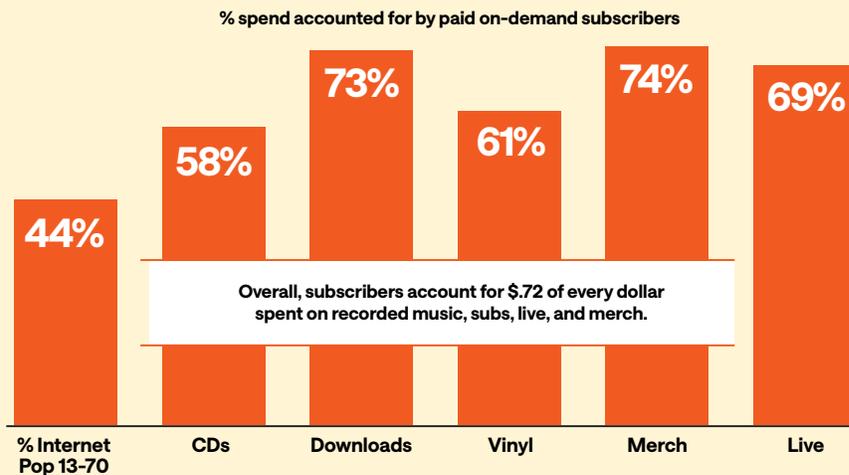
92% of paid subscribers say their streaming service delivers strong value. Ad-supported streamers love their services, too: they listen regularly, and cite portability, personalized recommendations and discovery as key benefits. Half of all music streamers use their favorite service every day.



Music streamers are also valuable listeners that invest in the music ecosystem. In the U.S., the average streamer spends \$418 per year on recorded music, satellite radio, merch, live shows, and livestreams. For paid on-demand streaming subscribers, that number rises to \$660 annually. These consumers are also key drivers of physical music sales: 93% of CD, vinyl, and paid download buyers are also streamers. **Streamers are spending 26% more on recorded music today than they did just five years ago.**

Music streaming subscribers contribute \$0.72 of every \$1.00 spent on music in the United States, not only through their subscriptions, but also through purchases of physical formats, ticketed events, and music-related merchandise. This layered engagement highlights how streaming helps drive broader music consumption and engagement.

Percentage of spending on non-streaming products by on-demand streaming subscribers



Utility

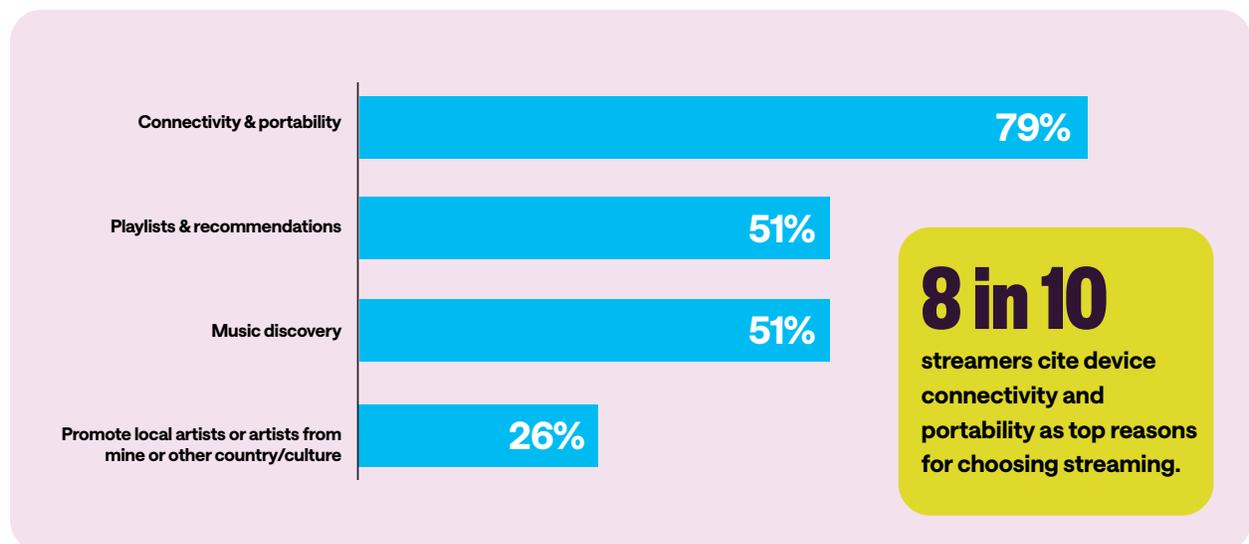
MUSIC STREAMING: NO. 1 FOR MUSIC UTILITY

Access and Portability

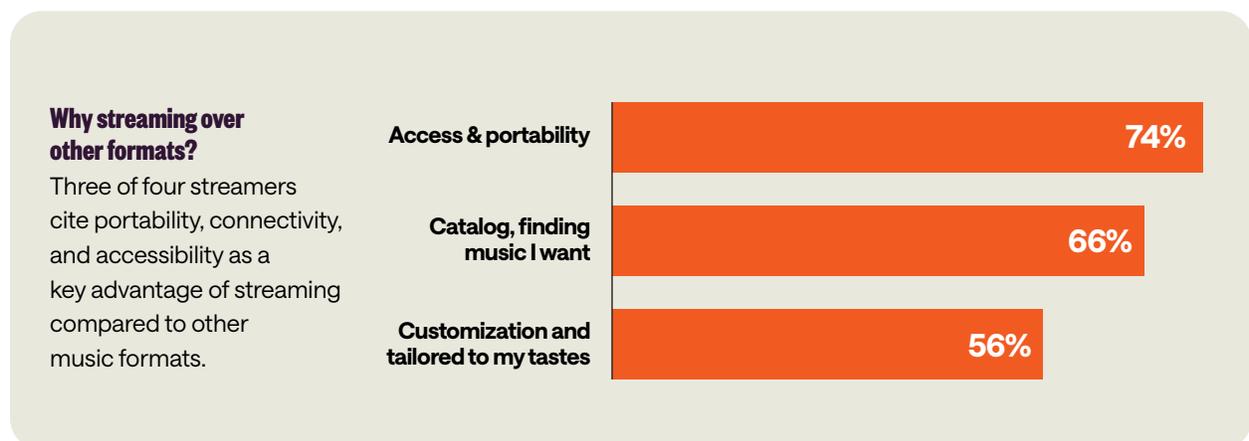
Analysis of dozens of motivators and user behaviors across paid and ad-supported services makes clear that access is a key driver of satisfaction.

Reasons for using music or audio streaming

Whether at home, commuting, or on the move, listeners value the seamless, instant access to the music they love. Features like curated playlists, personalized recommendations, and dynamic discovery tools enhance the experience—and help connect fans not only to top global hits but also to local and culturally relevant artists.



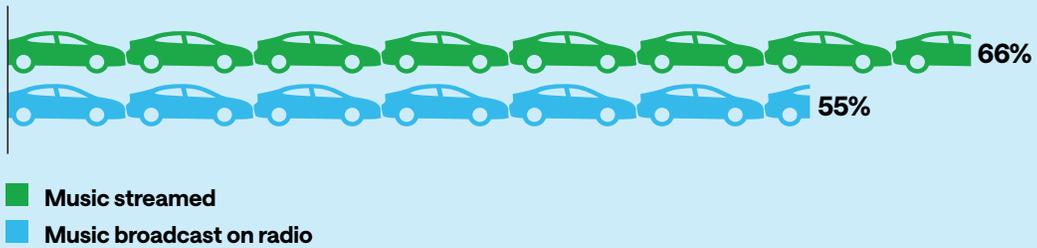
These same characteristics help explain the popularity of streaming over other formats. Streaming is not just convenient—it is a richer, more personalized music experience. Expansive catalogs and smart tools mean fans are more connected to music than ever before.



In-car music listening in 2024

Streaming in the car has increased in popularity as software is firmly integrated into the center stack of vehicles making it easier to connect. **The audience streaming music in cars has now surpassed that for listening to music through broadcast radio.**

Percentage of in-car music listeners



Borderless Access & Consumer Choice

With its enormous and ever-growing audience, and ever-growing supply of new music, streaming doesn't just mirror how we listen—it reflects who we are. It's a medium as diverse as its listeners, from superfans and creators to casual listeners and everyone in between. No matter the mood, moment, or music preference, streaming offers options and features tailored to nearly every kind of experience.

Consumer choice

Nearly half of streamers say they prefer full control over what they hear—choosing tracks and building their own playlists. About one in five favor the ease of curated playlists or programmed stations, while a third enjoy both approaches.

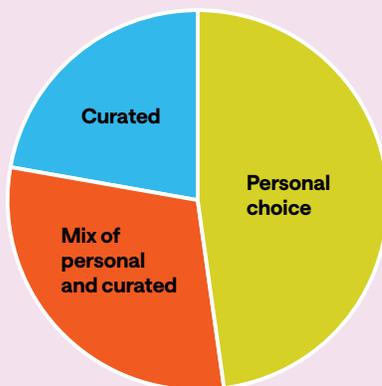
Streaming consumers enjoy the widest possible choice—and they're taking advantage of it.

43% of streamers say their service helps them explore new genres and expand their musical tastes.

Thanks to streaming, a fan in Boston is just as likely to discover a rising country artist from Nashville as a new indie act out of Seattle.

More than ever, streaming is where music lives and where musical worlds meet.

Consumer listening habits

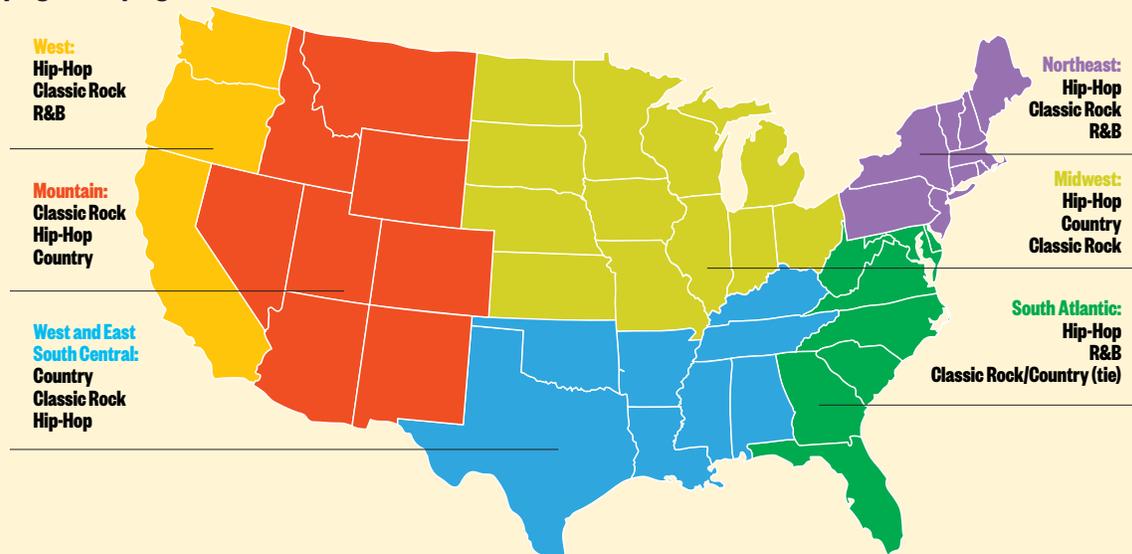


No two listeners are exactly alike—and that's exactly what makes streaming so powerful.

Consumers' taste in music is increasingly a mix of local and global sounds.

The most recent Spotify 'Loud and Clear' report found that of the artists who generated at least \$1K+ in royalties on Spotify in 2024, more than half saw most of their royalties come from listeners outside of their home countries.

Top 3 genres by region



Connection

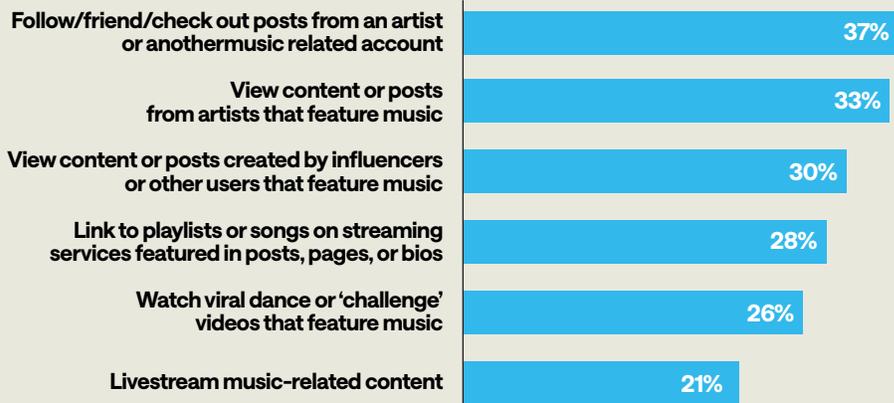
MUSIC STREAMING: NO. 1 FOR MUSIC CONNECTION

Social Connection and Interaction

Three out of four streamers use social media to interact directly with artists, with the features on streaming services, or for other music related activities.

Music-related activities on social

Social media has unquestionably become an important conduit for engagement with others about music, with artists, and for the process of music discovery. And when fans are engaging with social media, their favorite streaming service is only a click away.



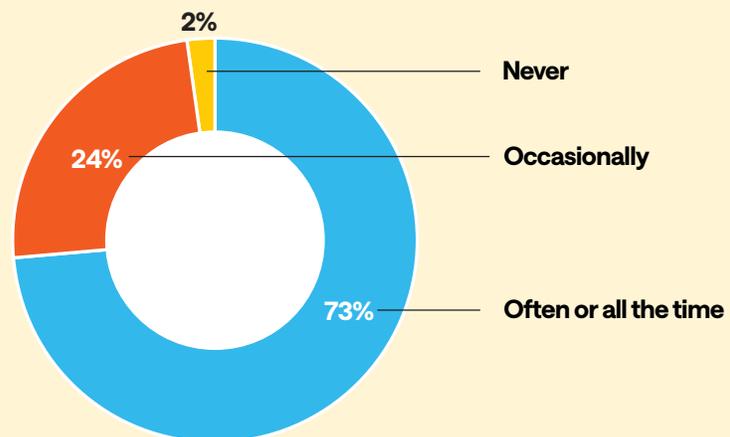
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streamers use social media to interact directly with artists.

Frequency of visiting a streaming service after interacting with music-related content on social media

Post-social streaming activity:

While social media is now a key component of music discovery and engagement, this is not at the expense of streaming services. Nearly all social music users return to a streaming service to listen or learn more about the music. Most do it all the time.



Enhanced Connection with Artists

Streaming creates deep connections:

84% say streaming improves their connections to artists

68% say streaming improves their music engagement

Fans develop an emotional connection with their favorite artists, and streaming services help to strengthen that connection and provide new opportunities to connect, interact, and engage. One in three streamers rely on their service to regularly discover new artists, strengthening the vital connection between creator and listener. And for artists, streaming does more than distribute music: it amplifies new releases, gives fans access to full catalogs, promotes live events, enables merchandise sales, and provides tools to better understand and interact with their audience.

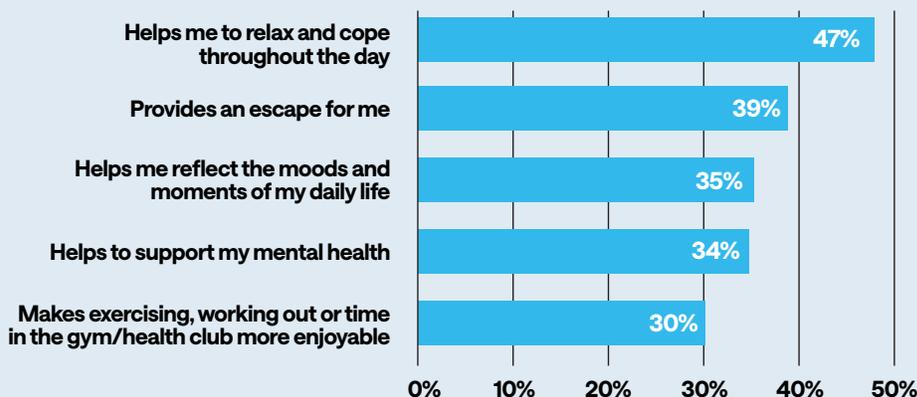
Streaming isn't just changing how we listen to music—it's transforming how artists and fans connect, and how listeners discover and engage.

Wellbeing and Mental Health

In addition to the enjoyment streaming provides from easy access, recommendations, and discovery, streaming is also important to consumers' wellbeing.

Benefits of streaming to well-being

Eight of ten streamers agreed that streaming helped support their mental health and emotional wellbeing. They cite streaming music as an aid for relaxation, motivation, sports, and work and study. Streaming is the soundtrack to daily healthy activities and moments of reflection.



8 of 10 streamers agreed that streaming helped support their mental health and emotional wellbeing.

Streaming is driving the music industry forward.

Streaming Innovations 2024



Maestro – Introduced a new playlist generator available in the U.S. that uses AI technology to make it easier and way more fun to build any playlist music fans can think of, based on emojis, conversational prompts, and more—and share instantly with friends.

Audiobooks from Audible – Gives Amazon Music Unlimited subscribers in the U.S., UK, and Canada access to one book a month from the largest selection of audiobooks from Audible, in addition to 100 million songs in HD audio and the most top podcasts ad-free, all on Amazon Music.



Music Haptics – Introduced Music Haptics as a new way for users who are deaf or hard of hearing to experience music on iPhone. With this accessibility feature turned on, the Taptic Engine in iPhone plays taps, textures, and refined vibrations to the audio of the music. Music Haptics works across millions of songs in the Apple Music catalog, and will be available as an API for developers to make music more accessible in their apps.

Radio – Expanded its live global radio offering with three brand new live hosted stations. The new Apple Música Uno, Apple Music Club, and Apple Music Chill live-hosted radio stations offer listeners more exclusive shows from some of the world's most vital artists. These new stations will join the existing Apple Music Radio offering including Apple Music 1, Apple Music Hits, and Apple Music Country.



Streaming Pop Culture – Used exclusive stations to transform cultural moments into immersive music experiences on fitness apps and smart devices, with innovative activations like Brat Radio bringing pop culture to new platforms and redefining how audiences engage with streaming music.

Unified Music System – Bridged science, music, and technology with a Unified Music System (UMS) to leverage its proprietary music API, delivering scientifically curated and commissioned tracks via apps and connected devices to enhance user experiences while creating new opportunities for artists in emerging digital spaces.



Supporting Artists – Continued identifying and supporting breakthrough artists via special initiatives including SiriusXM and Pandora's Artist Accelerator program and The Pandora 10. These programs discover, develop and break new artists by leveraging the massive audience of both platforms and puts a spotlight on emerging artists by removing barriers and helping artists grow their listener base and build fandom.



Powering Discovery – Improved and expanded listening for subscribers both in and outside the vehicle, bringing fans closer to the music and artists they love. Leveraged next generation platform to empower discovery with human curation, including exclusive guest DJ sets from more than 250 guest DJ sets from world's top artists, bands, celebrities, comedians, sports stars and more.



Music videos – Music videos in Beta are now available to Spotify Premium subscribers in 97 markets, offering fans another official way to connect with the songs and artists they love. Artists' music videos help immerse fans in the experience—whether they're listening to a new song or revisiting an old favorite.

AI Playlists – Launched AI Playlists to give Spotify Premium users in Australia, Canada, Ireland, New Zealand, UK and the US the opportunity to express themselves through the music they love. Creating an AI Playlist is as easy as entering a unique prompt into the chat—Spotify will then offer a personalized selection of songs that match the vibe you're going for.



Premium Milestone – Reached a milestone moment in January of 2024, when YouTube Music and Premium crossed 100M subscribers (including trials). This achievement underscores the deep trust placed in YouTube by artists, fans, and the music industry to deliver an unparalleled listening and viewing experience to its global community of users.

Momentum in AI and Music – Boldly and responsibly accelerated its AI and music journey. The platform expanded its AI Music Incubator to over 50 participants, rolled out new 'Dream Track' experiments in YouTube Shorts, unlocked new avenues for professional creativity with the Music AI Sandbox, and introduced Google's most sophisticated video generation model, VEO, hinting at future capabilities for AI and music video production.

About

DIMA is the leading organization advocating for the digital music innovations that have revolutionized the way music fans and artists connect. We represent the world's leading audio streaming companies and streaming innovators, whose relentless solutions are driving the economic engine that saved and revitalized the music industry.

DIMA's mission is to promote and protect the ability of music fans to legally engage with creative content whenever and wherever they want it, and for artists to more easily reach longtime fans and make new ones.

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Survey Methodology & Acknowledgments

The consumer insights contained in this report are sourced from an online research study conducted by MusicWatch, Inc. on behalf of DIMA, and from MusicWatch's proprietary Annual Music Study.

MusicWatch surveyed 3518 respondents aged 13-70 between October 24 and November 17, 2024 on a variety of topics related to music and entertainment activities including listening, purchasing and usage across digital, physical and broadcast options. The sample was weighted and projected to represent U.S. internet using population based on age, gender, ethnicity, income and region.

Respondents were asked about past year music listening and purchase habits, including spending patterns, time spent listening across formats, subscription value perceptions, passion for streaming services, reasons why they stream/prefer streaming, genres listen to/favorite genres, music discovery sources, experience with and perceptions around music recommendations, and formats used to listen to music by location.

Historical trends, market size estimates and expenditures are sourced from MusicWatch's Annual Music Study.

Acknowledgements

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The voice of
music streaming

