



LikeFolio

Crisis Report

Spotify's Battle for Joe Rogan

February 2022





Overview



Spotify Crisis Review

Spotify Mention Volume Surged by More Than +200% in the Last Month

Consumer mentions of the streaming platform Spotify rocketed over the last month as politicized debates caught fire on social media. The catalyst? Neil Young removing his music library from Spotify's platform due to what the [singer deemed "misinformation"](#) being spread by Joe Rogan's podcast, "The Joe Rogan Experience." Spotify ultimately [rejected the title of content police](#) and reinforced its intent to keep Rogan content on its platform. However, Rogan did opt to [remove dozens of episodes](#) from Spotify's library.

Consumers are Already Moving Past the Drama

Spotify's Consumer Happiness level dropped significantly, sinking -23 points between Jan. 24 and Feb. 5 to 45% positive. However, qualitative analysis of sentiment revealed a split crowd: those expressing intent to "cancel Spotify" and those expressing support for Joe Rogan. Currently, Rogan support outweighs cancellation mentions. More importantly for Spotify, the topic is losing steam among consumers. Spotify mention volume has normalized and Happiness levels have rebounded +14 points to 49% positive.

Tidal (SQ) Raked in Spotify Deserters

A surprising winner out of Spotify's pain is Block's Tidal, another music streaming platform. Data suggests that Tidal did the most effective job of capturing Spotify fleers versus other peers in the LikeFolio universe. Tidal's Happiness remains significantly above that of its larger peer, Apple, as consumers tout the platform's design and transition experience; namely, its tool allowing users to transfer Spotify playlists.

Apple Music's Platform is Lacking

Many consumers turned to Apple Music and reported that the platform's user experience fell short. While Apple Music did record an onboarding spike, demand fell at a faster pace versus Tidal. In addition, overall Happiness levels for Apple Music dropped on a YoY basis as many consumers tried it out, mostly due to what many described as a "clunky" platform lacking many key features they'd grown accustomed to.

Keep an Eye on Censorship Concerns Long-Term

While Spotify fades out of the spotlight, keep an eye on content censorship concerns long-term. The Spotify Rogan debate was the second highest event spike related to censorship concerns among consumers, following only Twitter's decision to permanently ban former President Trump from its platform. A long-term view confirms that this issue is increasingly front of mind for consumers, with many preferring that platforms stay out of content moderation.

Spotify Health Check

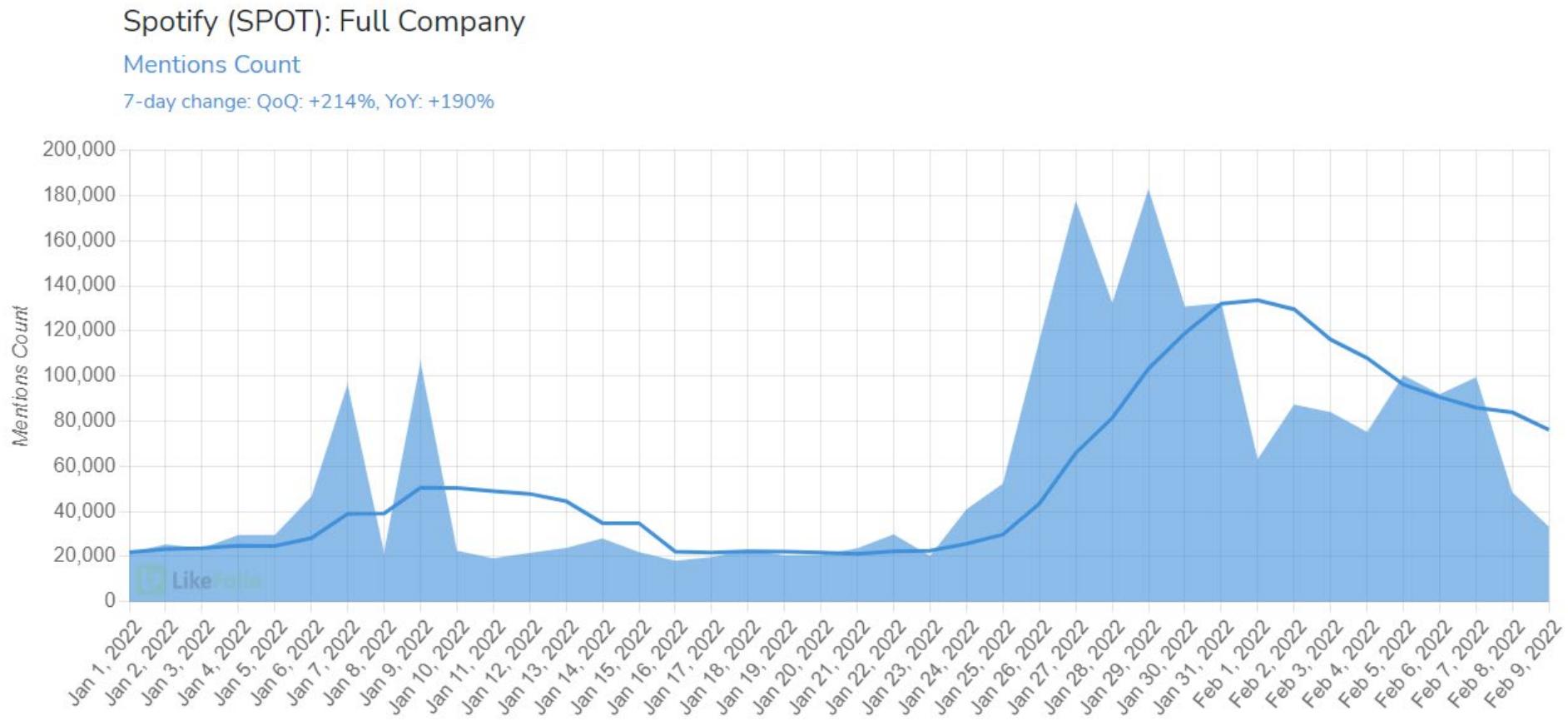


Consumer Buzz:

Spotify mention volume increased by +795% versus average volume levels through Jan. 29.

Since then, Mention volume has almost entirely normalized.

SPOT: Mention Volume Surge



Consumer Happiness:

Spotify Consumer Happiness levels took a major hit during the Joe Rogan controversy.

Qualitative analysis confirms that not all Negative Sentiment mentions were directed at Spotify. Many were related to censorship fears.

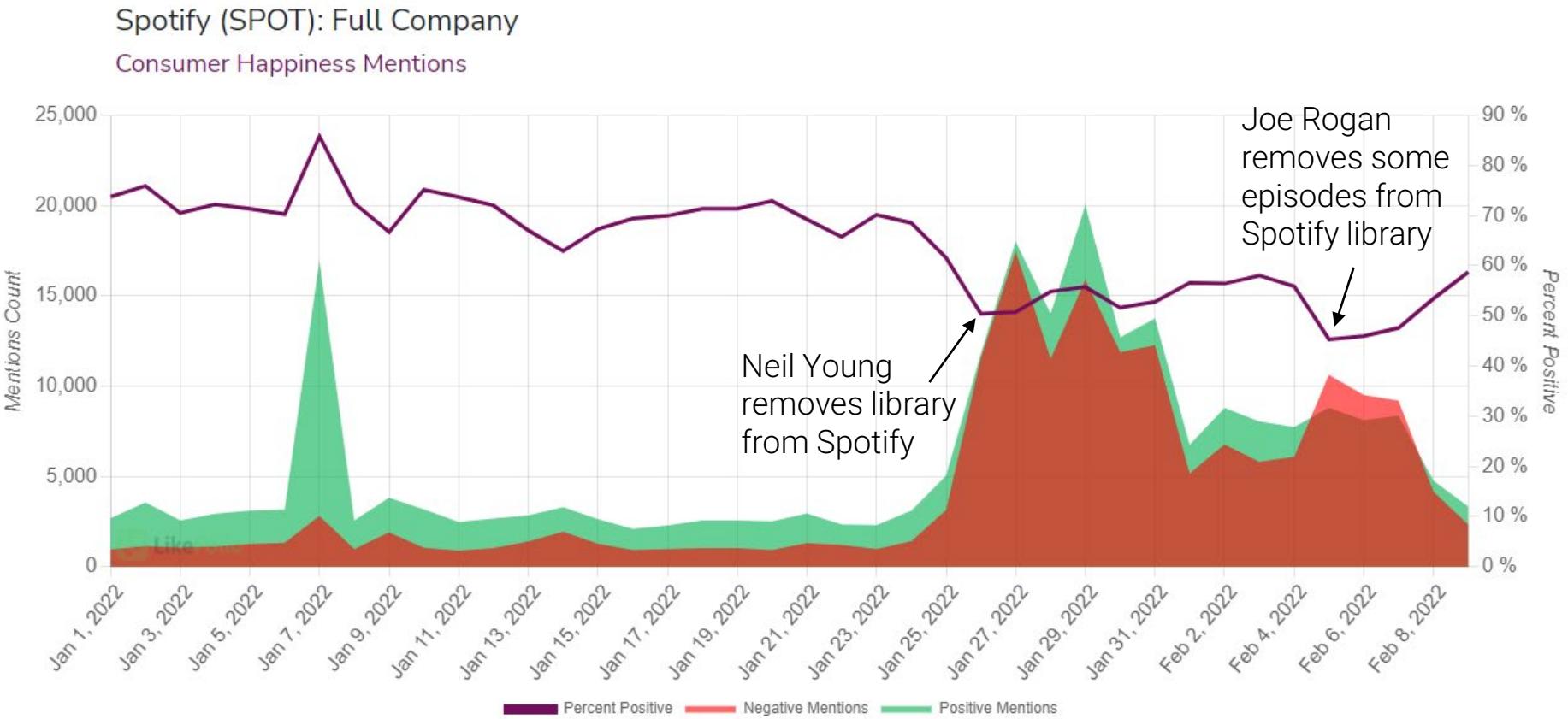
In fact, cancellation mentions showcase Spotify's dilemma perfectly. Many consumers expressed intent to cancel due to "misinformation." An even higher number cited intent to cancel if Spotify removed Joe Rogan from its platform.

Sentiment was at its lowest level following Spotify's removal of "The Joe Rogan Experience" episodes.

Key takeaway: More consumers were concerned with censorship than with misinformation.



SPOT: Facing Pressure from Both Sides



SPOT: Consumer Divide Palpable



I Am Become Heck
@MiOpticAnthaRRo

I canceled my Spotify during the COVID misinfo shit but I'm about to get premium again after this latest Joe Rogan controversy cuz it's super dumb

3:39 PM · Feb 6, 2022 · Twitter for Android



shannon ✅ †
@gabooydachker

thinking of cancelling my @Spotify until they re release every joe rogan episode. but then again i can use my account to give him more streams... 🤔🤔

7:00 PM · Feb 6, 2022 · Twitter for iPhone



Concerned, Remaining Optimistic
 @_ResearcherGirl

Just cancelled my premium subscription with @Spotify. I can't give my money to a platform that enables the broadcast of Covid disinformation in the United States. Thanks to the great @Neilyoung for making me aware that Spotify enabled this - I wouldn't have known. #CancelSpotify

2:34 PM · Jan 25, 2022 · Twitter for iPad



Shane Gillis
 @Shanemgillis

Rogan is the man. If they cancel him just end your Spotify subscription.

8:12 PM · Feb 5, 2022 · Twitter for iPhone



Paula Fallon
 @PollyNewton

Replies to @RollingStone

It is really disappointing that Spotify chooses to allow Joe Rogan to broadcast dangerous misinformation in the middle of a pandemic. I like listening to Neil Young, facts and science...so I cancelled my Spotify account.

9:44 PM · Jan 24, 2022 · Twitter Web App



Caleb Anderson
 @HypoDorian5225

I will cancel my @Spotify subscription if @joerogan episodes aren't restored.

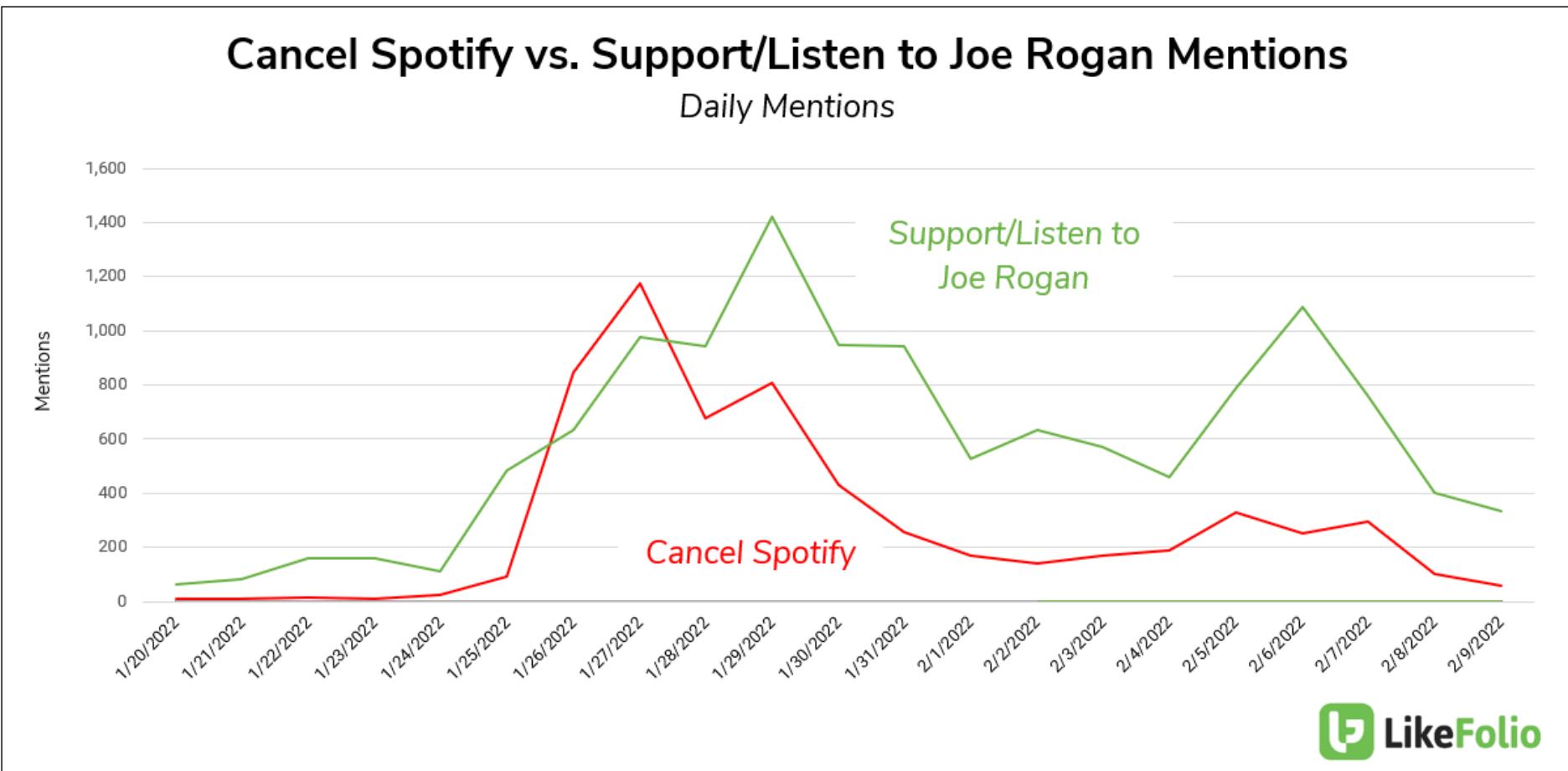
11:38 AM · Feb 6, 2022 · Twitter Web App



Consumer Buzz:

By Jan. 28, consumer mentions of support for Joe Rogan (and mentions of listening to his podcast) recorded a higher volume versus cancellation mentions.

SPOT: Rogan Support Overtakes Cancels



Consumer Buzz:

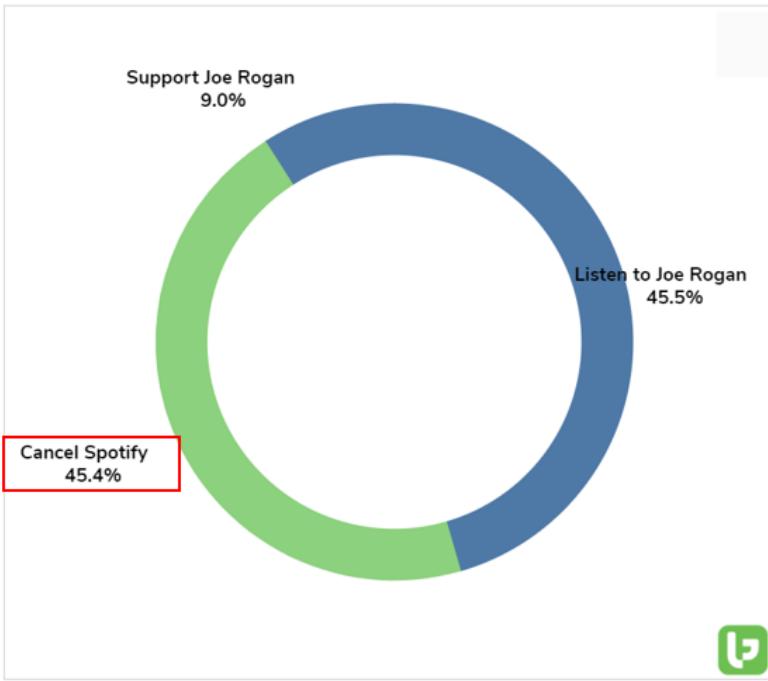
Since this shift in the “loudness” of consumer voices at the end of January, mentions from consumers supporting Joe Rogan have continued to outnumber cancellation mentions.

SPOT: Rogan Support Overtakes Cancels

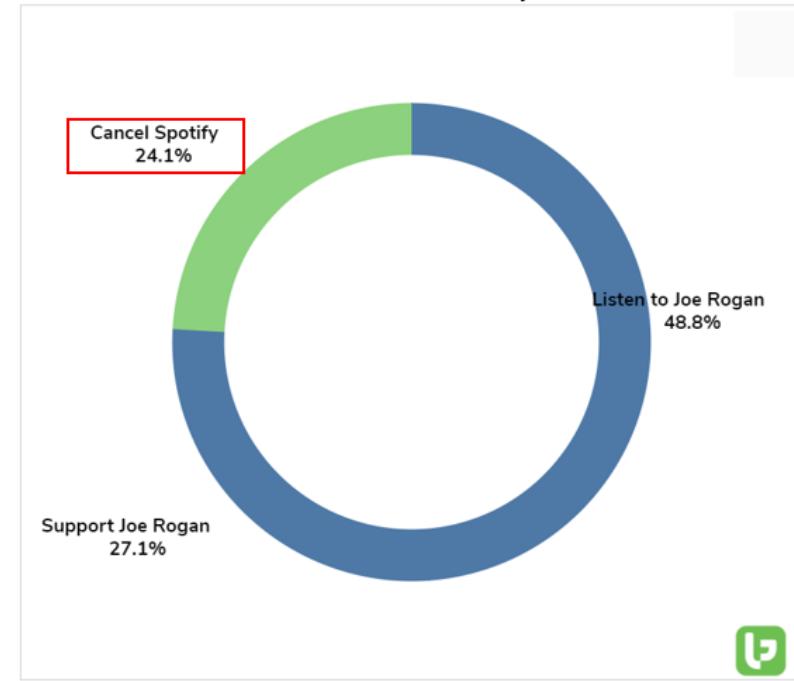
Support for Rogan Overtakes Calls to Cancel Spotify

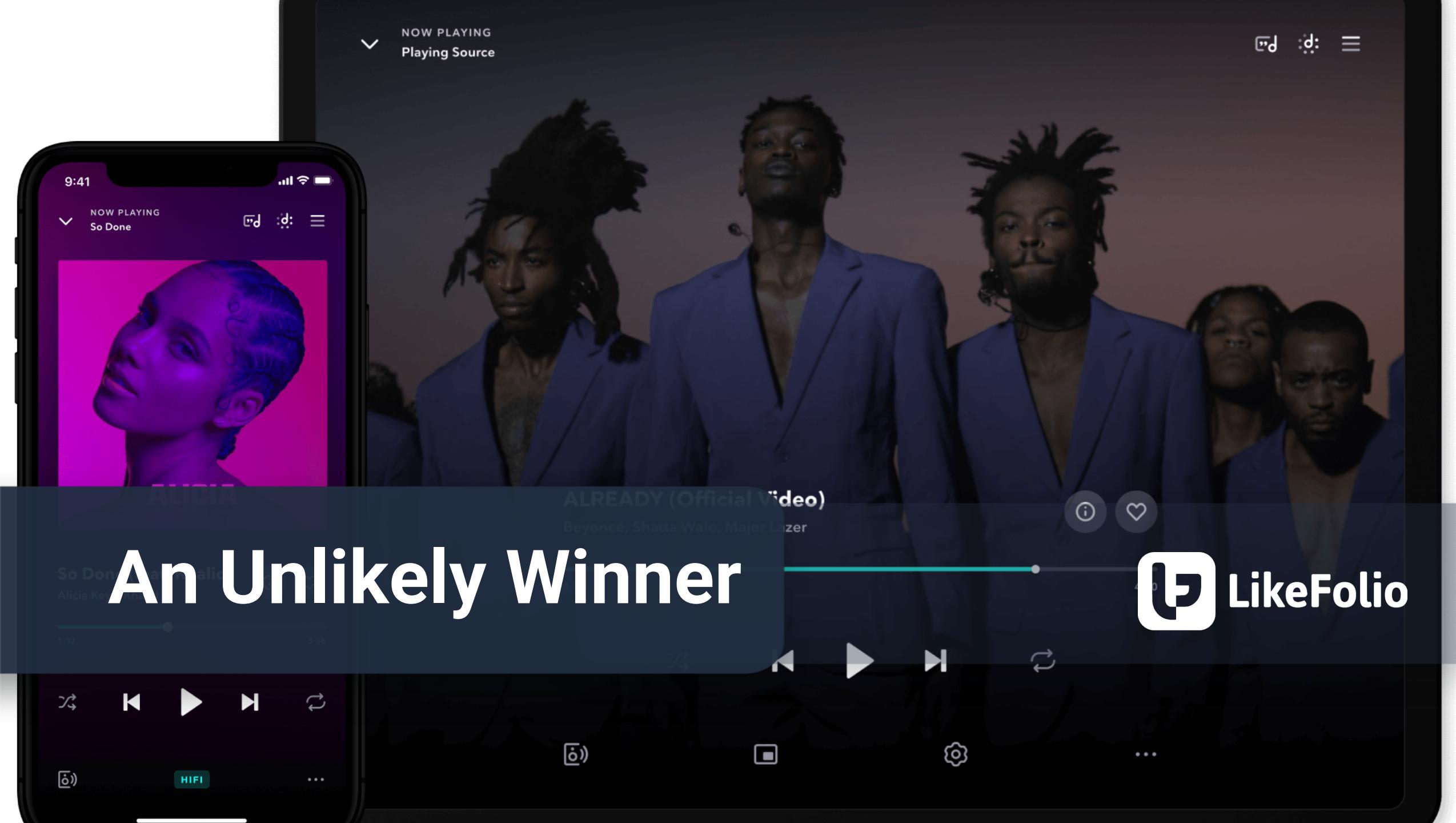
7-day Volume Comparison Shows Expanded Dominance

Date of Reference: January 26



Date of Reference: February 9





An Unlikely Winner

 LikeFolio

Macro Trend Watch:

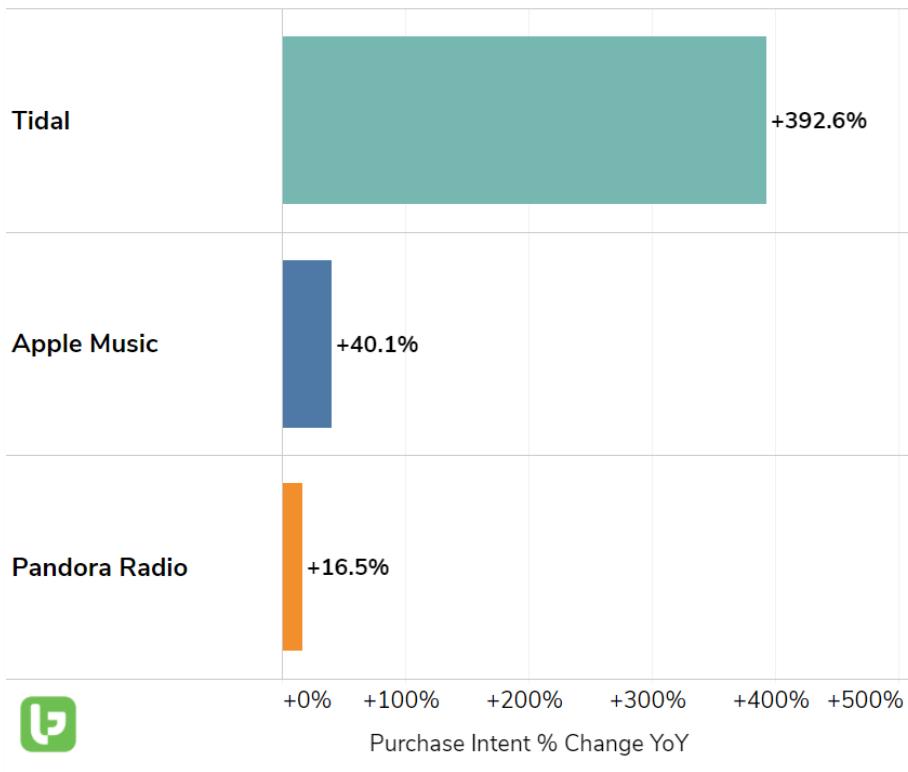
Data confirms that many consumers who fled Spotify **did** turn to new platforms.

Each peer in LikeFolio's universe recorded a double-digit bump (or more) in consumer demand over the last month.

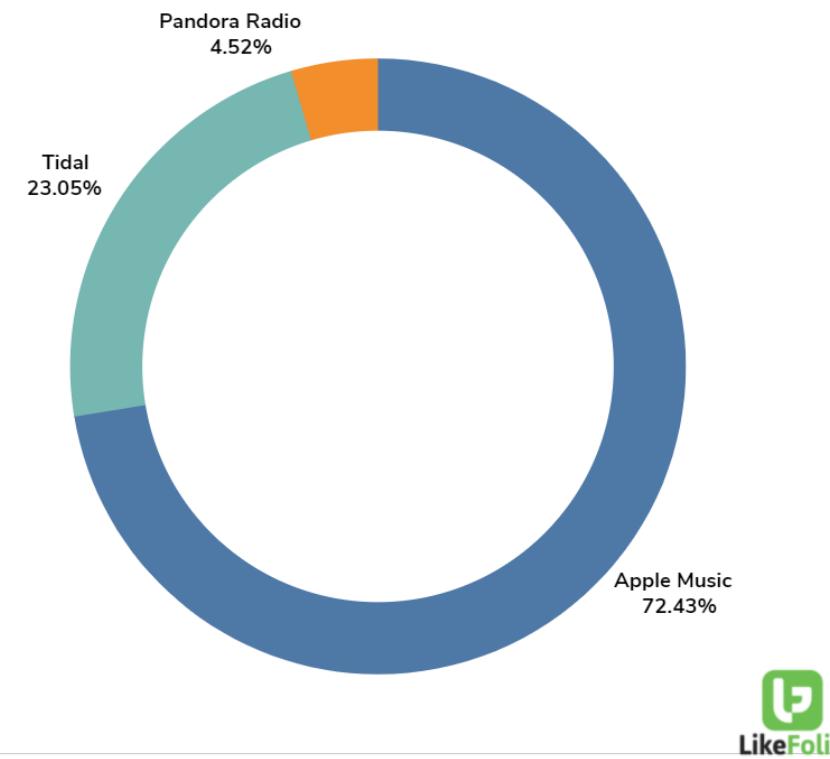
Tidal significantly outperformed from a growth perspective. In addition, Tidal nearly doubled its piece of the streaming pie. Prior to Spotify's crisis event, Tidal composed 12% of the pie chart depicted on the right. In the past week, Tidal has commanded 23% of mentions.

Trend Watch: Streaming Platform Compare

YoY Change in Purchase Intent, 30-day Moving Average



Total Mention Volume Comparison, Past 7 Days



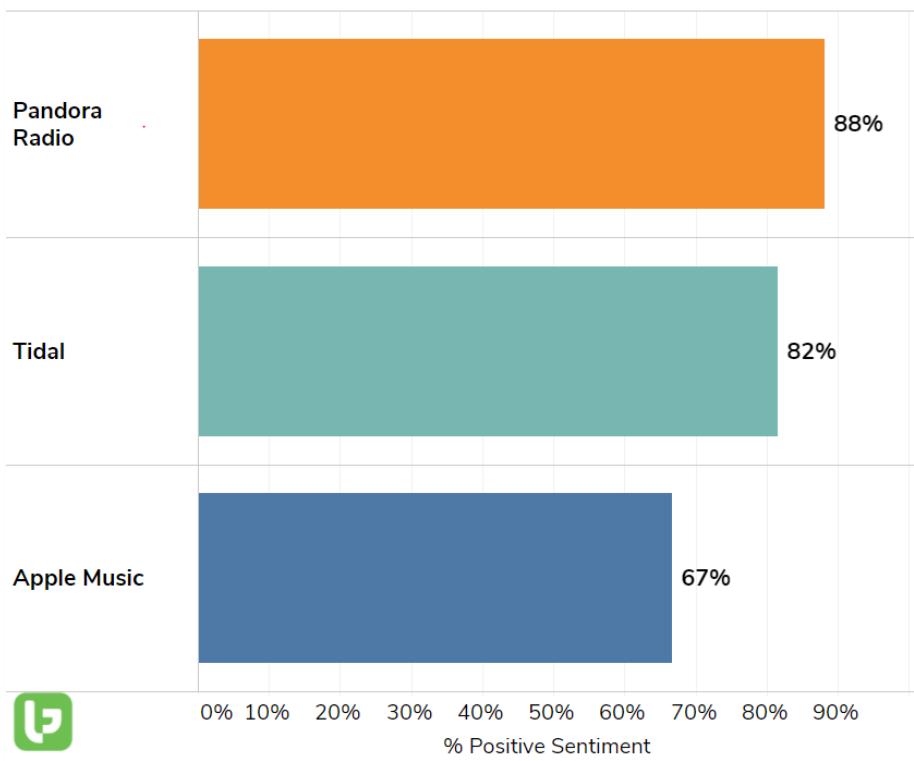
Macro Trend Watch:

Tidal and Pandora both maintain higher Consumer Happiness levels versus Apple Music, and both recorded an improvement in Happiness levels post consumer adoption.

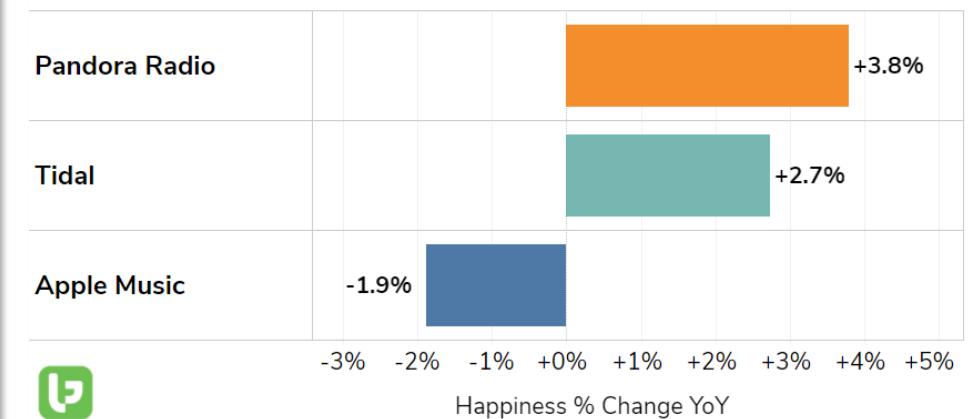
However, Tidal's performance remains more impressive due to the larger mention volume the brand commands (significantly overshadowing Pandora).

Tidal, Pandora: Happiness Shines

Consumer Happiness Comparison, 7-day Moving Average



YoY Change in Happiness, 7-day Moving Average



Macro Trend Watch:

To be fair, Apple is the largest player in the streaming game, behind Spotify. So it must be the largest beneficiary of Spotify desertion, right?

Not necessarily.

Apple Consumer Happiness levels dropped after many users tried out its platform.

Qualitative review confirms missing features, a rigid platform, and many consumers who bounced away from Apple and turned to Tidal.

Recommend monitoring demand levels for Apple, Tidal, and Pandora to confirm user retention.



Apple: UX Problems Revealed



Talcott Starr
@talcotts

...

The more I try to adapt to Apple Music the more I think I might actively hate it? The UI is clunky, and trying to set up the "for you" was just frustrating because it would only let me pick from a small list of artists, none of whom I like much. Maybe I should try Tidal?

1:34 PM · Feb 4, 2022 · Twitter Web App



Aaron Rupar ✅
@atruper

...

I canceled Spotify premium, am trying to adapt to Apple Music, and can't believe there isn't a "queue song" button. Seems to be a pretty clunky product overall.

8:35 PM · Feb 3, 2022 · Twitter for iPhone



Fionn Ó Ceallacháin
@fionn_o_c

...

I left Spotify 10 days ago. I tried Apple Music for a few days - terrible user interface. I started a Tidal trial 6 days ago - really good so far. Great range of music, great sound quality, seem to pay artists better than others. Good info/credits on albums. Worth checking out.

6:36 PM · Feb 9, 2022 · Twitter Web App



Dricki Reloaded Wap
@OoAbacarbie

...

Apple music is clunky. Idk how y'all do this. When this month is up! It's a wrap, Spotify wins!

6:58 PM · Feb 4, 2022 · Twitter for Android



Tim Feeney
@Tfeend

...

I hate spotify, but there are no real competitors. [@AppleMusic](#) absolutely sucks. fewer (marginally) songs, clunky interface, terrible experience on desktop, abhorrent music discovery, and the little things e.g why cant i click on an artist and have it bring me to their catalog?

8:31 AM · Feb 10, 2022 · Twitter Web App



that mf dawg
@logieobie

...

I will cancel Spotify as soon as Apple music makes their own version of Spotify Wrapped

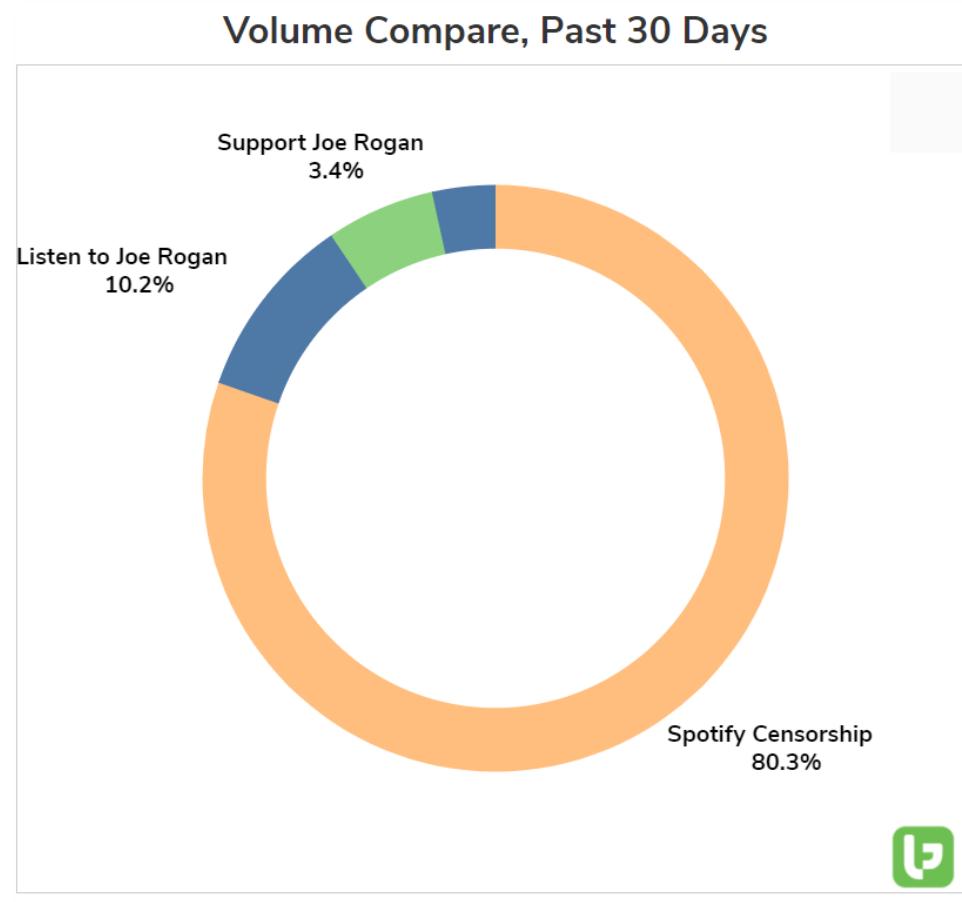
4:13 PM · Feb 3, 2022 · Twitter for iPhone



Censorship Concerns



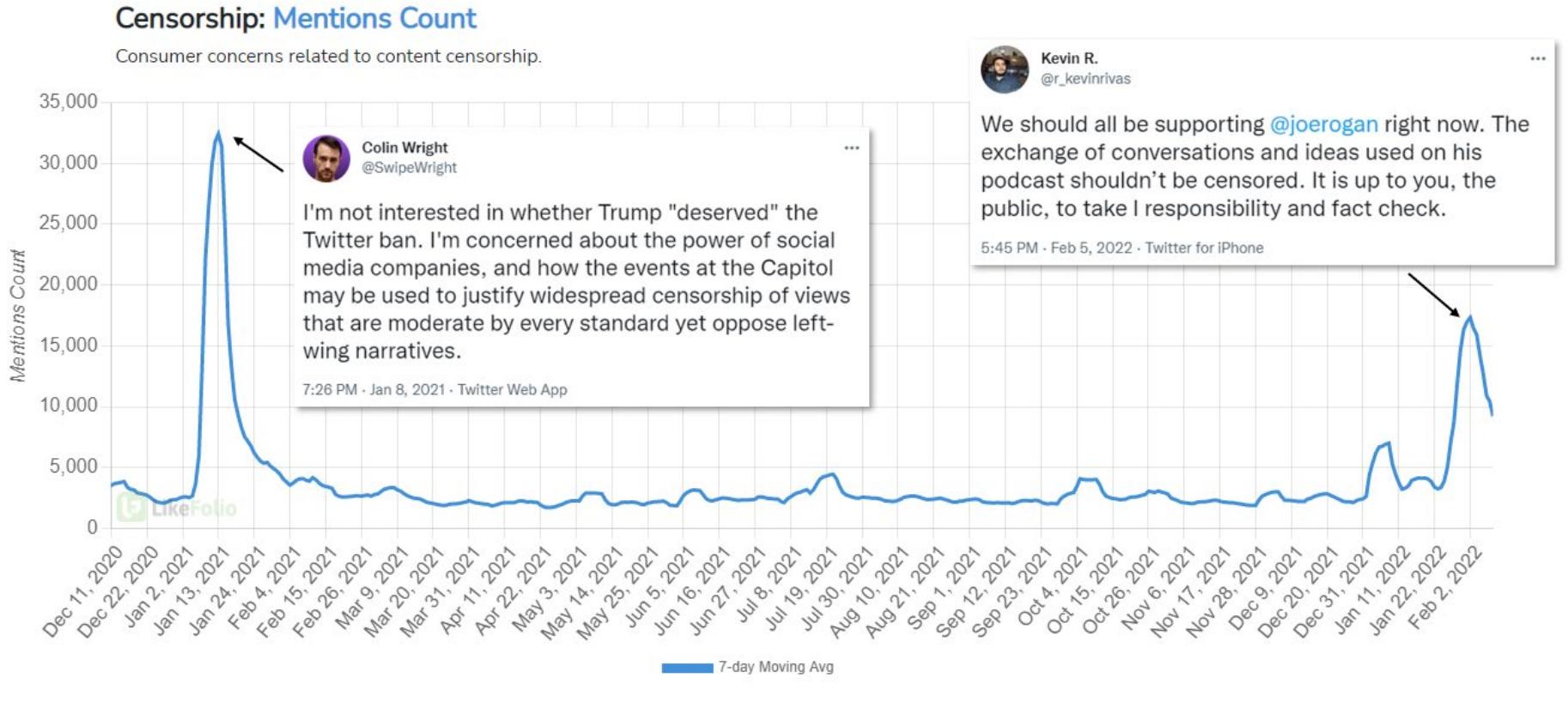
Censorship Concerns Dominated Convos



Mentions from consumers concerned about Spotify's role in censorship dominated conversations during the company's most recent crisis. This is reminiscent of a growing consumer interest in the role that platforms play in content management (like Facebook, for example).



Censorship Concerns are Rising



Consumer concerns related to content censorship have recorded major spikes over the last two years, most significantly after social media platforms permanently banned former President Trump. **Excluding event-related spike dates, the average number of consumer mentions surrounding censorship concerns have increased by +43% in the last two years (on a 90-day moving average).**

Spotify Crisis Summary

At LikeFolio, history has taught us that politicized crisis events rarely move the needle when it comes to long-term consumer behavior.

However, the Spotify event demonstrates some critical factors companies should consider when evaluating scenarios of this nature:

- 1. Companies caught in the crossfire face a double-edged sword.** Emotional consumers are present on both sides, ready to react.
- 2. Events like these typically resolve quickly.** Even Spotify's large event recorded near-complete mention volume normalization in two weeks. Clear messaging early in the game could prevent event extension (as evidenced by Spotify's double sentiment drop following executive messaging).
- 3. Brands that step up to most effectively solve consumer problems stand to benefit.** In this example, Tidal's proactive transfer programs and user-friendly interface set the platform up for success.
- 4. Pay attention to the underlying theme.** In this instance, censorship. Consumer discussions surrounding this topic were heavier versus temporary "boycott" actions. Other platforms should take note and make a plan. Censorship appears to be an increasingly top-of-mind issue for the public.

To understand the long-term impact for Spotify and its competitors, we'll be monitoring these metrics in real time:

- Do Spotify usage levels return to prior levels?
- Is Spotify Consumer Happiness permanently scarred?
- Can competitors retain users acquired during politicized events?

As always, LikeFolio members will be the first to know when we record significant moves in any of these arenas.

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