

## **Streaming is now included in the Official UK Charts – what does this mean for artists?**

Ariana Grande made history last week when her song “Problem” became the first ever UK single to reach #1 thanks to a combination of both streams and sales.

**The UK’s Official Charts Company now treats every 100 streams on audio services like Spotify as equivalent to one single sale** meaning that all those Spotify streams you’re getting now count towards your chart position.

So what does this mean for artists and their managers? It’s still early days but a number of trends and interesting changes are already emerging:

In its first week streaming contributed, on average, over 20% of chart position within the Top 40. That’s the equivalent of 1 in every 5 “sales” coming from streaming; a significant proportion. This proportion is also set to rise rapidly as the overall volume of streams in the UK continues its rise.

For context, in 2013 Daft Punk’s “Get Lucky” was the first track to break a million streams in a week on Spotify in the UK. But in 2014 alone more than 10 tracks have broken that record with 2 of them (Rather Be by Clean Bandit and Waves by Mr. Probz) reaching over 1.5m streams in a week (equivalent to 15,000 sales).

As Spotify and other streaming services continue to grow we’ll be seeing the amount of streams needed to hit #1 nearing 2m streams a week and as that volume increases the role streams will play in your chart position will become increasingly important.

**The profile of a hit on Spotify is very different to a hit in the world of sales where a song traditionally peaks in its first week and then tails off quickly.** Instead, on Spotify, songs take longer to build as people discover the song in Spotify, online or on the radio over a matter of weeks. From there momentum builds as fans add the songs to their playlists and share it with friends. With streaming already contributing 20%+ of chart position, timing your peak streams week with your peak sales week is already strategically important.

As a result we’re seeing more and more artists release their tracks on Spotify early so that it can build momentum before it’s released for sale. This often falls in line with the concept of “On Air, On Spotify” where a song is made available to stream as soon as it is out in the wild on radio, YouTube, Soundcloud etc. This gives it a chance to build up streams and buzz to not only time the charts right, but also to build pre-orders of the track.

We’ll be reporting back here with data on the best way to time your schedule for different types of releases. However, on average, we’re seeing songs peak anywhere from 6 to 8 weeks after release on Spotify. This is obviously a big change in how artists, managers and labels plan their releases and we’ll report back here again soon with some more data and best practice to help you make strategic decisions.

**Article Source:** <https://www.spotifyartists.com/streaming-now-included-in-the-official-uk-charts-what-does-this-mean-for-artists/>

**In the UK and Ireland, 100 streams of a single is the equivalent of 1 download sale.**

**In 2015, UK streams equalled 25% of album sales and 66% of single sales.**

When the UK's Official Charts Company introduced streaming into its albums chart early last year, it was at pains to make sure that hit singles didn't skew the figures.

Unlike the US Billboard 200, where single smash tracks can significantly boost the chart performance of albums, things in the UK are a little less simple.

In order to better reflect album-like consumption on Spotify, Apple Music et al, the UK's 'streaming equivalent' album unit is created by dividing total plays of an LP's 12 most popular tracks by 1,000.

However, the two biggest tracks are then down-weighted in an attempt to mute their impact on overall album sales – while video streams on YouTube are not counted at all.

This formula hasn't stopped streaming heavily influencing the UK albums market, however.

**According to new data from the BPI, streams accounted for over a quarter (27.3%) of the UK's chart-eligible album 'sales' in 2015.**

**Meanwhile, streaming is now the dominant format in the Official Singles Chart, claiming two-thirds (66.4%) of chart-eligible 'sales' last year.**

The likes of Beyonce and Drake have recently released albums in the UK, for which streaming has had a hefty impact on chart performance.

The BPI's Music Market 2016 report also shows that the cash coming into labels from UK CD sales fell by 3.9% last year, while download revenue fell 13.5%.

**Overall, traditional transactional album sales fell by 6.2%. Sales of digital singles fell 14.7%.**

As reported last week, audio streams in the UK market grew by 82% to 26.6bn in the year, yet video music streams grew faster, by 88%, to 26.9bn.

The average number of weekly UK audio streams increased to more than 500 million in the year, while 173 tracks were streamed over 10m times (compared to 73 in 2014).

**Article source:** <http://www.musicbusinessworldwide.com/streams-now-represent-27-album-sales-uk-market/>

**In 2015, here is what Spotify, Apple, Deezer and were paying per streamed track (prices in US dollars) -**

You Tube      \$0.00111

Spotify (with ads)      \$0.00121

Spotify Premium (without ads – paid subscription)      \$0.00653

Apple Music (free trial)      \$0.002

Deezer      \$0.0015

Deezer Orange      \$0.00508

Tidal      \$0.001573

On average, we are talking about one tenth of one cent per stream.

Deezer is the French rival to Spotify. It has about 7m customers. Deezer Orange is a mobile phone music streaming offering, available because Orange invested \$100m in Deezer in 2015.

Apple Music is now on 10m subscribers. Spotify is thought to have over 25m customers.

**Article Source:** <http://www.digitalmusicnews.com/2015/07/14/what-youtube-apple-spotify-deezer-and-tidal-are-paying-artists/>