

Spotify reaches one million paying users

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A man listens to music playing through a mobile phone. Swedish music streaming service Spotify says it has reached one million paying users, a number that has doubled in under a year but still represents fewer than one out of six Spotify users.

Swedish music streaming service Spotify said Tuesday it had reached one million paying users, a number that has doubled in under a year but still represents fewer than one out of six Spotify users.

"The vast majority of subscribers (upgrade) after having first used the free service and the ratio of paying subscribers to active free users (is) now 15 percent," Spotify co-founder Daniel Ek said in an email to AFP.

He called reaching one million paying users "an awesome milestone."

The ratio shows that about 6.5 million people are active users -- meaning they have connected at least once during the last 30 days -- of Spotify's

free version.

"We think the figures, which make Spotify the most popular and fastest growing [music](#) subscription service of its kind in the world, show huge potential," Ek added.

Founded in 2006, Spotify is one of the world's largest streaming websites and is available only in Sweden, Norway, Finland, Britain, France, Spain and the Netherlands because of copyright issues.

The service had reached one million total users two years ago. In July 2010, it had about 500,000 paying users.

Spotify users can stream music for free from the service in exchange for listening to advertising, but can also pay five or 10 euros (\$6.9 or \$13.8 dollars) to gain ad-free access to the service.

The 10-euro version allows users to listen to their playlists whilst offline and to access their music through their mobile phones.

The Financial Times reported last month that the company was completing a 100-million-dollar funding round to which Russia's DST Global participated.

Spotify refused to comment on that report.

They reported funding round valued the company, which is preparing to launch in the United States, at one billion dollars.

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