

MOG adds free music gas tank to subscription plan

September 15 2011, By RYAN NAKASHIMA , AP Business Writer

(AP) -- All that tweeting and sharing of photos on Facebook could finally have a tangible reward: free music.

MOG, a subscription [music](#) service based in Berkeley, Calif., says it is introducing a free [music service](#) that will supplement its \$5-a-month unlimited streaming plan and \$10-a-month unlimited mobile music offering.

Starting immediately, MOG is giving new users a kind of digital gas tank they can use to listen to tracks from its library of 11 million songs.

Sharing songs, making playlists and other actions get users more gas while listening uses it up. Having more friends or followers multiplies the gas-earning effects of a user's activity.

MOG's free system revamps what had been a 14-day free trial and puts it in competition with Spotify, a Swedish subscription music plan that is popular in Europe. Spotify launched in the U.S. in July and has a free service that is limited by listening time caps in some countries.

MOG's move also comes ahead of an event on Sept. 22 at which Facebook is expected to announce a new set of tools for music services that the social network hopes will bolster it as a platform for sharing musical tastes with friends.

MOG and services such as Spotify, Rhapsody, Rdio and Muve Music

allow paying customers to download an unlimited number of songs to mobile devices - most of them for \$10 a month. Users can listen to the tracks outside of cellphone coverage areas, but access disappears if the subscription is dropped. [Music companies](#) are licensing songs to these services in order to promote the fledgling business since purchases of tracks and albums over services like [iTunes](#) and [Amazon.com](#) have not made up for a decade-long decline in [CD sales](#).

So far, the services haven't attracted enough subscribers to turn the [music industry](#) around. [Rhapsody](#), the market leader, has some 800,000 paying subscribers while Muve Music, which bundles its plan with Cricket cellphone service, has doubled its subscriber base in the last two months to 200,000.

David Hyman, chief executive and founder of MOG, said the key for users who want to obtain free music is to prove they are engaged and finding others who may eventually sign up for a subscription.

"Conceptually, if you're a taste-maker, an influencer, you will never have to pay. It'll be free forever," Hyman said. He added that if one of a user's followers or friends is converted into a paying subscriber, the user would be entitled to about three to five months of [free music](#).

MOG's free service will be supported by advertising revenue. For the first 60 days, however, it will come without ads to give users a chance to test it without interruption.

Hyman wouldn't say how many subscribers MOG has or if the company is profitable. MOG, founded in 2005 originally as a network of music bloggers, launched its subscription music plan in late 2009. Its backers include Menlo Ventures, Balderton Capital, Universal Music Group and Sony Music.

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