

Jay Z to relaunch streaming service as battle heats up

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Jay-Z arrives in Beverly Hills, California, on February 22, 2015

Rap mogul Jay Z was set Monday to launch a rebranding of his Tidal streaming service as he mounts a challenge to Spotify for a slice of the growing industry.

Jay Z earlier this year bought Tidal, which markets itself for its high sound quality, by spending \$56 million for its Swedish-listed parent

company Aspiro.

Tidal entered the United States in November and already operates in 31 countries, with six more to come. But Jay Z looks set to expand the [service](#) in part through partnerships with artists, some of whom have voiced concern over streaming.

A company statement said that Jay Z would hold a news conference at 5:00 pm (2100 GMT) in New York to announce "a new direction for the [music industry](#) from both a creative and business perspective."

A number of prominent musicians including Madonna and Jay Z's wife Beyonce changed their Twitter profile pictures to Arctic blue, the color associated with the new service.

Streaming—which allows users to play unlimited on-demand music online—has quickly shaken up the industry, narrowly edging out CD sales in revenues last year in the United States.

Industry leader Spotify, also from Sweden, says it has 60 million users with 15 million of them paying—generally \$10 a month.

Unlike Spotify, Tidal does not offer a free service and is twice as expensive, at \$19.99 a month.

Tidal streams at 1,411 kilobytes per second—well above the 320 for premium subscribers of Spotify, which offers lower levels for free users.

The difference means that Tidal offers higher sound quality for audiophiles with advanced sound systems—but that casual listeners using simple laptops or smartphones may face slower connections.

Spotify already has a range of rivals including US-based Rhapsody and

Google Play.

Paris-based Deezer, which is strong in Europe, last year entered the United States as a high-end-only service.

Like Tidal, Deezer's elite service uses FLAC files which are larger than MP3s, which are most common for music.

Apple—which pioneered digital music through iTunes in 2001—is reportedly also looking to launch a new [streaming service](#) as the market shifts away from permanent downloads.

Apple earlier made a bid for streaming customers by buying Beats Electronics, run by another rap mogul, Dr. Dre.

Along with the United States, Tidal runs in major markets including Britain and France and plans to launch later this year in Australia and Germany.

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