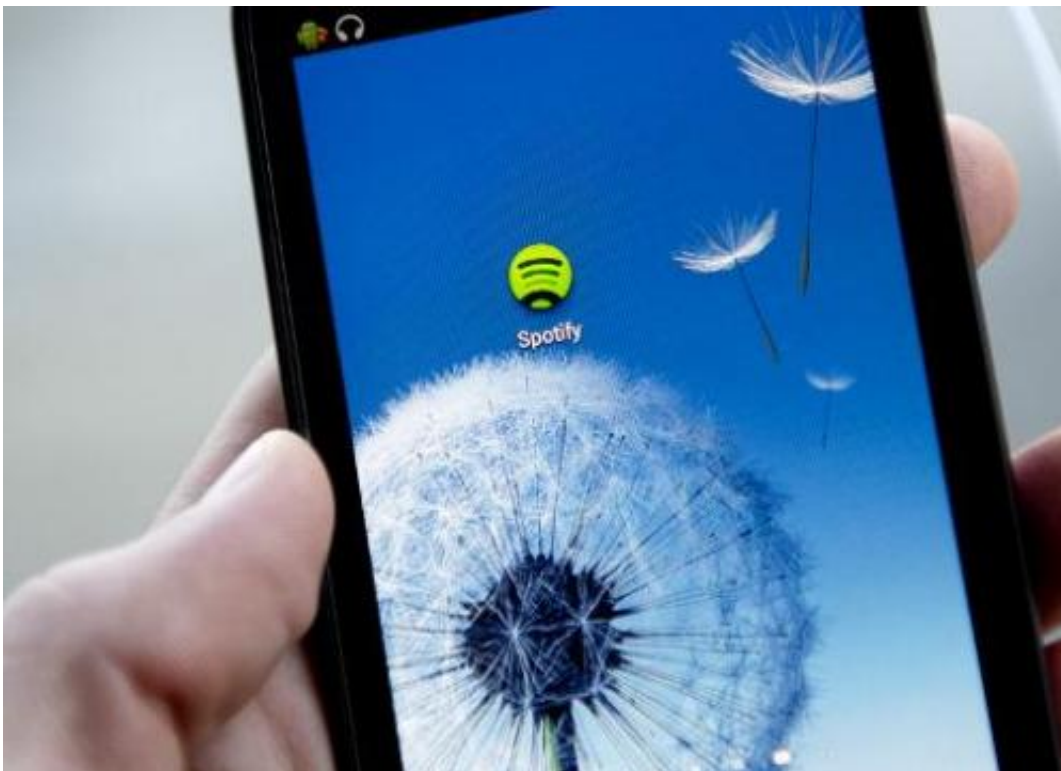


## Streaming revenue edges out CDs in US

March 19 2015

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Data for 2014 showed a major shift to streaming as opposed to physical sales and permanent downloads, with rapid growth both for on-demand services such as Spotify, app seen here, and Rhapsody and Internet radio providers such as Pandora

Streaming has topped CD sales in revenue for the first time in the United States as music listeners flock to on-demand services and Internet radio, industry figures showed.

Data for 2014 showed a major shift to [streaming](#) as opposed to physical sales and permanent downloads, with rapid growth both for on-demand services such as Spotify and Rhapsody and Internet radio providers such as Pandora.

Streaming revenue totaled \$1.87 billion, edging out the \$1.85 billion earned by CD sales, according to data of the Recording Industry Association of America.

Streaming helped stabilize the bottom line for the long-troubled [industry](#), with overall revenue from recorded music going up two percent to \$4.86 billion to mark the fourth year of growth.

"The industry continues to rapidly grow the share of revenues coming outside of traditional unit-based sales," the association said in a report Wednesday.

Whatever the bottom line, the growth of streaming has been controversial with numerous stars complaining that the revenue sent back to artists is paltry.

Pop superstar Taylor Swift is the most vocal critic of streaming and last year pulled her catalog off Spotify, which offers free access. Bjork has also refused to stream her latest album "Vulnicura," saying she felt uneasy giving out the emotionally intense work for free.

Spotify has hit back by describing itself as a rare source of growth in the music industry and has said it has distributed \$2 billion back to artists over the past seven years.

The US association said that CD [sales](#) fell by 12.7 percent last year.

But some of the strongest growth in the industry was in vinyl, which has

enjoyed a resurgence in recent years among collectors. Revenue from vinyl albums and EPs jumped by 50 percent, although the total of \$315 million was still a fraction of the market for CDs or digital formats.

Despite the sharp growth of streaming, permanent digital downloads on services such as iTunes remained the largest overall category for [revenue](#)

The United States is the world's largest music market. Format tastes have significant differences around the world, with CDs still dominating Japan but streaming taking off in Scandinavia.

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