

## **Spotify jumps into free online radio with mobile offering; joins Pandora, Slacker, Songza**

Ryan Nakashima, Business Writer, The Associated Press

The music-subscription company Spotify is joining Pandora, Slacker and Songza in offering a free radio service for mobile devices in the U.S.

Until now, the company charged people \$10 per month to use its mobile app.

The free service, which comes with audio ads, is a way for Spotify to entice people to sign up for a paid subscription, which strips out the ads and enables users to choose songs.

The new feature is available only on iPhones and iPads for now; the app for other devices require paid subscriptions.

Non-payers will be able to listen to genres of music based on similarities to an artist, album, song or playlist they've created within Spotify. They will also be able to give songs a "thumbs up" for playback on computers later on.

Spotify began offering the radio service on computers in December and discovered that people wanted to use it on mobile devices, too.

"We found those that use radio are really some of the most highly engaged users of Spotify," said Charlie Hellman, Spotify's vice president of product. "They stay longer and are more likely to upgrade."

So far, Spotify has about 3 million paying subscribers globally, and 10 million people have used it in the past 30 days. The Swedish company operates in 15 countries and began offering service in the U.S. last July.

Spotify also offers a \$5-per-month service that cuts out the ads on computers only. Customers who already pay will have the mobile radio service free of ads. They'll need the \$10-a-month plan to choose songs on mobile devices.

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