

Spotify Technology SA

Spotify to launch new premium service aimed at music ‘superfans’

Audio streaming business will charge \$18 a month for new subscription tier



Taylor Swift, left, and Beyoncé on stage at the Grammy's earlier this month © Caroline Brehman/EPA-EFE/Shutterstock

Anna Nicolaou in New York FEBRUARY 15, 2025

Spotify will launch a new super-premium subscription aimed at audio enthusiasts that will cost an extra \$6 a month, said three people briefed on the matter, as the Swedish group expands the streaming service.

Spotify will charge \$18 a month for the new service and debut it later this year after sealing fresh licensing deals with Universal Music and Warner Music to allow their copyrighted songs from artists such as Kendrick Lamar and Taylor Swift to be included in the subscription.

Spotify has not announced a fresh deal with Sony Music, the third major record label and home to stars such as Beyoncé. The new subscription might not come until the autumn, said one person familiar with the discussions.

The subscription, called “Music Pro”, will offer three main features to entice sign-ups: higher-quality audio; early access to concert tickets; and increased functionality such as a “DJ” option for streaming.

The ticketing feature is part of a push by the music industry to capitalise on “superfans” — the listeners who regularly buy merchandise and flock to concerts for their favourite stars.

Spotify’s main rivals, Apple Music and Amazon Music, already offer higher-quality “lossless” audio as part of their basic paid music streaming plans. Spotify has been teasing its own hi-def audio product since 2021, but it has been delayed repeatedly.

Spotify has been on a hot streak, having recently reported its first full year of profitability after slashing costs and laying off thousands of staff. Its shares have nearly tripled in the past year as investors cheered the results.

With a stock market capitalisation of \$130bn, Spotify is valued by Wall Street as worth more than all three of the major record labels combined. The labels wanted to wring more money from Spotify in the most recent deals.

Chief executive Daniel Ek earlier this month teased his plans for a new subscription tier during an earnings call. “The next version of the music industry, I believe, is one where we’re going to tailor experience of Spotify to all of these different subgroups,” he said. “We’re sort of moving from this one size fits all to this much more sort of specialised tier as the base of consumers are growing into the hundreds of millions.”

As part of the deals agreed with Universal and Warner, Spotify will also add more professional music videos to its platform, as it looks to compete with YouTube, TikTok and others.

Deutsche Bank analysts predicted this super premium tier “could drive the next leg of revenue growth” for Spotify.

But Midia Research offered a more sceptical view. “You could make a case that a superfan tier is disruptive innovation, but that will depend upon whether it really pushes the boundaries of what streaming is,” analyst Mark Mulligan wrote. “Otherwise, it may only be as ‘disruptive’ as mobile carriers having premium plans for higher-spending consumers.”